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South and East Asia Report

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ASIAN LEGISLATORS TO ESTABLISH POPULATION, DEVELOPMENT FORUM

Kuala Lumpur BUSINESS TIMES in English 27 Jan 82 p 19

[Article by Manolo B. Jara]

[Text] ASIAN legislators have agreed to set up an Asian Parliamentarians' Forum on Population and Development.

Its establishment, competent observers said, underscores the parliamentarians' growing awareness of and a common concern for the need to integrate population policies into Asia's development programmes.

The Forum's establishment was one of the more significant results from the Asian Parliamentarians' Conference on Population and Development held here Oct. 27-30. More than 200 delegates from 19 Asian nations attended the first-ever major international meeting hosted by the Chinese government in cooperation with the United Nations.

Spearheading the Forum's establishment was the five-member Asean. Sponsored by Thailand and supported by the four other Asean members, the organisation aims to:

- Coordinate the activities and involvement of Asian parliamentarians in population and development; and,
- Seek ways and means to secure adequate financial and administrative support for its effective operation.

Informed sources told *Depthnews* that pledges of assistance and support for the Forum's operations have already been made by Japan and the United Nations Fund for Population Activities (UNFPA).

"The Forum is already as good as established," the sources said. "The only remaining question now is where it should be based."

Result

Earlier, Japan offered Tokyo as the Forum headquarters but it met stiff resistance from the delegates, according to the sources.

Another significant conference result was the unanimous adoption of the Beijing Declaration on Population and Development.

In the declaration, the MPs expressed concern, among other things, on the adverse impact of the imbalance between population and Asia's natural resources.

This resulted "in deforestation, soil erosion and other ecological changes leading to a deterioration of the natural environment which, if unchecked, will threaten the very human existence."

The legislators also took note of Asia's effective population policies and family planning programmes during the last two decades. As a result, they said, the region has contributed significantly to the decline in the global birth rate.

According to UNFPA executive director Rafael Salas, Asia's population growth rate has gone down from 2.1 per cent in the 1960s to 1.8 per cent during 1975-80.

Despite this achievement, however, much more needs to be done in the light of stark demographic realities prevailing in Asia. For instance, the MPs acknowledged that Asia now accounts for nearly 60 per cent of the total world population.

Trend

Its present population is estimated at 2.6 billion but it is projected to grow by another billion by the year 2000.

The most disturbing fact about Asia's population scene is that 90 per cent of the world's poor live in Asia. Estimates are that in the 1970s, those living in absolute poverty stood at 500 million.

If the trend continues, it is estimated that another 200 million will be added to Asia's poorest of the poor just in the 1980s. "This large proportion of our population suffer from malnutrition, illiteracy, ill health and thus does not fully enjoy their basic human rights and the benefits of development," the MPs noted.

Asia's women and youth population has likewise been a cause of the MPs' concern. In the case of women, although they "constitute nearly 50 per cent of the region's total population, they have not been accorded equal opportunity to effectively participate in the development process and share in its benefits."

The youth seem to be another neglected sector in Asia's population. Nearly 60 per cent of the region's total population are below 25 years old but "they have not been provided adequate opportunities for their development to the fullest potential as citizens and leaders of the future."

Policies

As legislators, the delegates felt they could help a lot in alleviating the plight of Asia's poor.

UNFPA's Mr Salas himself acknowledged their vital role in his speech at the first *World Parliament on Population and Development* held in Colombo, Sri Lanka, on Aug. 27, 1979.

He said: "The informed involvement of national legislators in as complex and sensitive a question as population will serve to deepen their knowledge of the needs of their constituencies. Communication between a government and its people must be a two-way process if development is to proceed in a sustained and orderly manner.

"To give substance and vigour to this process, one of the most effective links is the legislator who brings the message from the village to the chief executive who, in turn, transforms parliamentary policies into executive action.

"This vital link has been recognised by many countries which have taken measures with the active involvement of the MPs to devolve the apparatus of development into the rural areas to increase community participation." — Depth. news Asia

POPULATION OF ASIA, 1950 AND 1975, AND 'MEDIUM' PROJECTIONS, 1980 AND 2000

	POPULATION (millions)				PERCENTAGE INCREASE	
REGION	1950	1975	1980	2000	1950-1975	1975-2000
ASIA*	1,379	2,318	2,558	3,611	68.1	55.8
EAST ASIA	673	1,063	1,136	1,406	58.0	32.2
SOUTH ASIA	706	1,255	1,422	2,205	77.8	75.7
Eastern	177	325	368	559	83.6	72.0
Middle	486	845	956	1,482	73.9	75.4
Western	43	85	98	164	97.7	92.9

Source: United Nations (New York: UN: ST/ESA/SER. R633).

* *East Asia* is composed of the People's Republic of China, Hong Kong, Japan, Democratic People's Republic of Korea, Republic of Korea, Macao and Mongolia. *Eastern South Asia* encompasses the countries of Brunei, Burma, Democratic Kampuchea, Indonesia, Lao People's Democratic Republic (Laos), Malaysia, the Philippines, Singapore, Thailand and Vietnam. *Middle South Asia* is made up of Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan and Sri Lanka. *Western Asia* comprises Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, Yemen and Democratic Yemen.

CSO: 4220/572

MOST ASIAN COUNTRIES 'SPEND MORE ON DEFENSE THAN SOCIAL SERVICES'

Kuala Lumpur BUSINESS TIMES in English 11 Feb 82 p 21

[Article by Adlai J. Amor]

[Text]

ASIAN countries in general are spending more money for their military forces than they do for basic social services such as health and education.

A Depthnews survey reveals that from 1975-1979, ten Asian countries spent an average of 20 per cent of their total expenditures for military purposes.

However, expenditures for health services averaged only 4.5 per cent of the total, while that for education averaged only 12.5 per cent for the same period.

For every US$1 spent by Asian governments, 20 cents went to the military, 4 cents to health and 12 cents to education.

And despite decades long international initiatives for disarmament and a reduction in military spending, it is likely that Asia will be spending more and more money on its military forces than for basic social services.

The countries included in the survey are Burma, India, South Korea, Malaysia, Pakistan, Philippines, Singapore, Thailand, Nepal and Sri Lanka. Other data from other countries indicate a similar trend in the rest of Asia.

The data from these ten countries correspond with the findings of the United Nations Centre for Disarmament on the escalating arms race and its costs in terms of development.

Today, the world spend roughly US$500 billion annually on armaments — or US$1.37 billion daily. Already, man has the capacity to blow the world 40 times over with the more than 40,000 nuclear weapons in stockpile — a stockpile which is one million times more powerful than the Hiroshima bomb.

On the other hand, there are some 570 million severely undernourished people in the world, while some 800 million are illiterate. Some 1.5 billion people have little or no access to modern health.

And the world hungers, with nearly 1 out of 5 people remaining hungry from cradle to grave.

Yet, if US$200 million — the price of two bombers — were given towards a worldwide literacy campaign, it could free every country from the curse of illiteracy.

And malaria, trachoma, leprosy and yaws could be eliminated forever if only the cost of one aircraft carrier — US$500 million — were made available to the World Health Organisation.

An international team of specialists commissioned by the United Nations has concluded that the low-income countries of Asia could improve their per capita consumption by as much as 47.6 per cent with even a partial reduction in military expenditures throughout Asia.

Pakistan and South Korea spent 33 per cent of their total expenditures on the military — the highest in the region. They are followed by Singapore with 27 per cent and Burma with 26 per cent.

Among the lowest military spenders are Nepal (6.7 per cent) and Sri Lanka (2.5 per cent).

Despite it being frontline state, Thailand has been consistently spending more for the education of its people than on the military. It spent 71,222 million baht (US$3,110 million) or 20 per cent of its total expenditures on education

while the military sector got only 18 per cent.

The same situation holds for Sri Lanka, which spent four times for the education of its people and twice for health services than on the military.

Malaysia also spent more for the education of its people (22 per cent) than on the military (16 per cent) for the same period. However, its health expenditures are very much lower than its military expenses.

Political observers say that it is unlikely Asian countries will deliberately reduce its military spending. This is largely because of the tensions in the region, especially the Soviet occupation of Afghanistan, the perceived threat of Vietnamese expansionist plans, and internal communist insurgencies.

The Indochina conflict continues, with Kampuchea and Thailand bearing the brunt of the war. As refugees stream into Thailand, it has become a major unstabilising force in the region.

The Philippines faces a secessionist movement in the south and a resurgent communist party. India still has the radicals called Naxalites, while Bangladesh faces rebellion from the hill tribes near Chittagong. Malaysia and Indonesia both face the threat of growing Islamic fundamentalism.

All these tensions have contributed to an increase in the military budgets of Asian countries.

Even the United States — which is the region's largest arms salesman and military aid donor — has started to increase its aid and arms sales to the region.

"With the unstable internal conditions and the escalating Indochinese conflict, the US has no other alternative except to continue increasing its military aid to the region," a Pentagon analyst told Depthnews in an interview last year.

This is especially true for the member states of the Association of South-East Asian Nations (Asean). Military aid reached US$819.7 million from 1975-80 compared with only US$327.43 million during the first half of the '70s. It is estimated that US military aid accounts for 10 per cent of the military budgets in the region.

Accompanying this upswing is an increase in arms sales to Asean countries which are largely dependent on US aid to modernise their military forces. Asean countries account for more than 10 per cent of East Asia's total arms sales of US$11,086 million from 1973-77.

With such a situation, diplomats seriously doubt whether the Asean region will ever become a zone of peace, freedom and neutrality as has been consistently espoused by Malaysia since the late '60s.

In South Asia, diplomats say that the prospects for peace appear to be gloomy due to the worsening relations between India and Pakistan. Despite Pakistani overtures for a "no war" treaty, India remains wary of its Muslim neighbour. And their armies face each other eyeball-to-eyeball across a thin border.— Depthnews Asia.

ASIAN DEFENCE EXPENDITURES 1975-79

Country	Currency	Total	Defence	%	Health	%	Education	%
Burma (1)	Kyat (Mn)	15,457	4,027	26	997	6	1,821	12
India	Rupee (Bn)	641.89	131.27	20	12.77	2	13.28	2
South Korea	Won (Bn)	15,704.6	5,279.5	33	207	1.3	2,512.7	16
Malaysia	R'ggit (Mn)	42,293	6,853	16	2,781	6.6	9,277	22
Pakistan	Rupee (Mn)	133,513	43,246	33	2,061	1.5	3,148	2.3
Philippines	Peso (Mn)	117,462	20,286	17.3	5,034	4	14,848	12.6
Singapore	S$ (Mn)	16,209	4,367	27	1,257	8	2,617	16
Thailand	Baht (Mn)	349,199	63,919	18	14,857	4	71,222	20
Nepal	Rupee (Mn)	11,154.5	754.1	6.7	628	5.6	1,222.8	11
Sri Lanka (2)	Rupee (Mn)	23,151	595	2.5	1,408	6	2,595	11

(1) From 1975-1978 only, (2) From 1975-1977 only

(Mn) million, (Bn) billion

Source: Government Finance Statistics Yearbook (IMF, 1981)

CSO: 4220/572

GANDHI REMARKS ON SOVIET RELATIONS, PAKISTAN REPORTED

AU181305 Vienna DIE PRESSE in German 17 Feb 82 p 3

[Gabriele Venzky interview with Indian Prime Minister Indira Gandhi: "Indira Gandhi Does Not Understand the United States Any More: 'We Will Not Let Ourselves Be Labeled Vassals of the Kremlin'"--place and date not specified]

[Excerpt] For the first time the sovereign manner with which Indira Gandhi claims absolute independence for herself and for her country gives the impression of being genuine. Does she feel she is being pushed by the United States into the Soviet camp? "No! We will not allow ourselves to be pushed in any direction. We are only doing what we regard as right. It is our interest to be as independent and self-reliant as possible."

And the relationship with the Soviet Union has noticeably cooled off, indeed. "Common interests do exist, yes." Invitations to Moscow have thus far been ignored, however. And how will things to with the Americans? "They are fashioning their strategies in such a way that there is no room for India," Indira Gandhi notes regretfully. "But the Americans are such friendly and dynamic people. At lease the people should act differently than the Reagan administration," she finds. "They at least ought to do something." But U.S.-Indian relations are bad as never before in the history of the two countries. Delhi's allegedly excessively pro-Soviet attitude on the Afghanistan issue has prompted the U.S. administration carelessly and frivolously to brand India as a Kremlin vassal. It is true though that up to the present day the Indians have not been able to pluck up courage to denounce the Soviet entry into that country. Mrs Gandhi: "But we actually have done a great deal. Many things, however, do not depend on those directly affected. Much also depends on others. That is why we cannot do anything, either. The situation is complicated because there are third parties in the background and because it is not just two countries that are involved. But we are keeping the ball rolling and shall try to do all we can."

Indira Gandhi painstakingly avoids being specific. She is silent about what she intends to do. But is already because of Pakistan that India is interested in a detente in Afghanistan, because the people in Delhi are convinced that the archenemy Pakistan is exploiting the situation in Pakistan for the mere purpose of massively arming against India with U.S. assistance. One could almost speak of a war psychosis which has enveloped India. Hardly a day goes by without

the Indian papers reporting about preparations for war. There is hardly any political conversation which does not immediately revolve around the super modern F-16 fighter planes which the Americans wish to deliver to the Pakistanis. Even though the 4-day negotiations with Pakistan's Foreign Minister Agha Shahi in Delhi in late January brought a ray of hope for the future of bilateral relations, a nonaggression pact between the two countries is as remote as ever.

The Main Evil Is Corruption

The offer for talks by the Pakistani head of government Ziaul Haq has come too suddenly for Mrs Gandhi. She does not quite trust it. "We are surprised and do not know what he is up to." And she is firmly convinced: "Even now they are planning a war; not against all of India but against part of it."

She does not want to listen to references to India's defense efforts, which will cost the country $15 billion in the end and thus will far exceed Pakistan's expenditures. "Our defense efforts are much smaller if put in context with the country and its population. Just think of the extent of our land and our maritime borders!"

Does India fear such a small country as Pakistan? "No, naturally not. But after all, they have already attacked us five times. The better we are prepared the less our people must suffer."

CSO: 4220/7859

BRIEFS

ENVOY TO ST LUCIA--Ramesh Chandra Shukla, high commissioner of India to Trinidad and Tobago, has been concurrently accredited as high commissioner of India to Saint Lucia with residence in Port of Spain. [Text] [BK090615 Delhi ISI Diplomatic Information Service in English 1455 GMT 8 Feb 82]

AMBASSADOR TO FRANCE--Narendra Singh, presently ambassador of India to Switzerland, has been appointed ambassador of India to France in succession to Maharaj Krishna Rasgotra. He is expected to take up his assignment shortly. [Text] [BK120741 Delhi ISI Diplomatic Information Service in English 0837 GMT 10 Feb 82]

CSO: 4220/7860

SHIFT IN JAKARTA'S PERCEPTIONS OF MOSCOW, PEKING

Kuala Lumpur NEW STRAITS TIMES in English 15 Feb 82 p 15

[Text] JAKARTA, Sun. — Indonesia's Soviet spy scandal has all the ingredients of an espionage novel — clandestine meetings, secret drops, special cameras, even a pitched battle with security men.

But more significantly, it highlighted a shift in Jakarta's perceptions of Moscow and Peking. Diplomatically, the change has been subtle but the espionage element was dramatic.

It unfolded eight days ago when authorities expelled military attache Sergei Egorov and arrested Alexander Finenko, head of the local office of the Soviet airline Aeroflot.

A brawl broke out when Finenko tried to join Egorov on the flight back to Moscow. An Indonesian naval officer, Lieutenant-Colonel Susdaryanto, was also arrested, accused of involvement in the alleged spy ring.

Less than a week later, embassy attache Gregor Odariuk was quietly asked to leave. He too had been involved in the airport fistfight.

Diplomatic analysts said that for years the Russians have benefited from — some officials say taken advantage of — Indonesia's "frozen" relations and deep distrust of Peking.

Now, leading military and security figures are arguing quietly that perhaps the balance has been tipped too far in Moscow's favour.

Some officials have openly said they believe Moscow poses a greater threat to Indonesia than does Peking, at least in the short term.

President Suharto's staunchly anti-communist new order regime emerged from the political confusion and economic anarchy of Sukarnoism which came to a head in 1965 with an abortive communist-backed coup.

Peking was blamed for masterminding the attempted coup. More than 500,000 suspected communists were arrested and about the same number of people were officially estimated to have been slaughtered in the aftermath.

Speculation

At the same time, the charismatic but discredited President Sukarno was eased from power.

The Chinese Embassy was closed and the remnants of the now-banned PKI communist party fled to China. A handful went to the Soviet Union and Albania.

Ties with Moscow, though strained, were not broken. The Russians built a huge new embassy and relations became most warm in 1979 when they staged a big industrial and trade fair here.

There was speculation that they were reassessing abandoned Soviet aid projects but nothing came of it and Western companies continued to complete them.

In recent months, however, Soviet-Indonesian relations have taken a turn for the worse. Opposition Muslim Party members of Parliament complained loudly about Moscow radio broadcast references to the PKI. Jakarta officially protested to Moscow.

There was nothing new in such broadcast references to the PKI but Indonesia's reaction led to a street demonstration and a statement earlier this month by Vice-President Adam Malik that relations with the Soviet Union could be disrupted if they continued.

Then came the spy charges, the departure of the diplomats, the airport brawl and the arrests.

Official sources said Foreign Minister Mochtar Kusumaatmadja wanted to keep the attache's expulsion quiet but this became impossible after the fistfight.

Any talk of a rapprochement with China would have been heresay only a few months ago.

But according to well-informed Indonesian sources several of President Suharto's influential advisers in state and military intelligence agencies are arguing that something of the sort is necessary to balance Soviet power.

National Security chief Admiral Sudomo said late last year that he believed the Soviet Union and a surrogate expansionist Vietnam now posed the greatest security threat.

But there are other considerations.

Internally, the authorities have always regarded the ethnic Chinese community with suspicion and with the election campaign officially starting on March 15, it seems most unlikely that there would be any overt moves towards Peking that might excite political debate.

While there is no doubt the government Golkar Party will win, authorities want above all to avoid what is described as an "an overheated political atmosphere."

Externally, a Foreign Ministry worry is that moves to cut down the big Soviet presence here — more than 40 diplomats and 100 "maintenance officers" - would provoke Soviet reprisals over East Timor.

Indonesia's annexation of the former Portuguese colony in 1976 has not been recognised by the United Nations and Jakarta actively lobbies for support in an annual U.N. resolution on the issue calling for self-determination.

Moscow has allowed several Soviet bloc countries to change from voting against Indonesia to abstaining and Dr Mochtar has publicly expressed his appreciation of this.

A few days after the spy scandal broke, he commented that he was confident it would not damage the "good relations" between Jakarta and Moscow. - Reuter.

CSO: 4220/573

NEW BUDGET CUTS SUBSIDIES, RAISES DEVELOPMENT EXPENDITURE

Kuala Lumpur BUSINESS TIMES in English 12 Feb 82 p 21

[Article by Warief Djajanto]

[Text] PRESIDENT Suharto has presented a new budget that warmed the hearts of his economic advisers but hurt the pockets of the ordinary Indonesians.

But the President was quick to defend his budget. He said it was the only way to ensure that the government's development plans are pursued without major hindrances.

And to do this, he said, the government is pouring more money into development programmes instead of into routine spending. As a result, fuel subsidies have been drastically cut and a freeze has been ordered on government salary increases.

"To continue development remains the only choice. To delay it will only prolong the sufferings and demanding life that will be harder to remedy in the future," Mr Suharto said in his budget message to Parliament.

At the same time, he appealed to the Indonesians to carry a greater share in the price of progress so that on-going development projects could continue unimpeded. The President appeal seems well-founded.

The budget for the new fiscal year starting April 1, totals 15,607 billion rupiah (US$25 billion) up by 12.3 per cent from the 1981-82 budget of 13,900 billion rupiah (US$22 billion). Fuel subsidies were slashed from 1,500 billion rupiah (US$2.4 billion) to 924 billon rupiah (US$1.5 billion); food subsidies were cut from 3-9 billion rupiah (US$495 million) to 188 billion rupiah (US$300 million).

Due to the fuel subsidy reduction, the price of petrol rose by 60 per cent. What this means is that Indonesian motorists now have to pay 240 rupiah (US$0.38) for a litre of premium petroleum; housewives too have to pay 75 rupiah (US$0.12) instead of the original 50 rupiah (US$0.08) for litre of kerosene.

President Suharto said the decision to slash subsidies was "made with a heavy heart under compulsion." Several international funding institutions like the World Bank, and Indonesian economic advisers have long been pressing for the elimination of state subsidies.

The Suharto government ended 1981 with a strong showing on the economic front. Indonesia had a bumper rice harvest of 22 million tons, up 10 per cent from 1980. The annual rate of inflation was 7.09 per cent. The economic growth rate, pending final calculations, was expected to reach a high 9 per cent. In industry, more than a dozen multi-million dollar projects from fertiliser plants to paper mills are under construction.

The government argues that to maintain the momentum in the face of worldwide economic recession, austerity measures should be carried out.

The belt-tightening measures fuelled speculation of an imminent devaluation of the rupiah. Money exchange dealers in Jakarta were swamped with people demanding to buy American dollars and other foreign currencies. The run increased the changer's selling price of the US dollar from 640 rupiah to 656 rupiah.

To dispel speculations, Mr Suharto asserted twice in five days that the government had no intention of devaluing the rupiah.

Economists and parliamentarians said they expected the government to increase the domestic price of fuel, but not so soon. They had expected the increase after the May 4 general elections to elect new members of Parliament.

Mr Suharto's decision to jack up fuel prices, however, apparently did not result in any adverse political fallout. In fact, all factions in Parliament approved the move, saying it was necessary and understandable. The absence of any opposition, in this sense, indicates that the President will have easy sailing when he runs for re-election in March 1983.
— Depthnews Asia

CSO: 4220/573

DECLINE IN FOREIGN RESERVES ATTRIBUTED TO SEASONAL FACTORS

Kuala Lumpur BUSINESS TIMES in English 15 Feb 82 p 19

[Text]

JAKARTA, Feb. 14

THE governor of the Central Bank told the parliament Budget Commission yesterday that Indonesia's foreign exchange reserves at the end of January stood at US$6.5 million, a decline of about US$800 million from US$7.3 million last April, the beginning of the outgoing fiscal year.

He said the decline was caused by seasonal factors because almost all of Indonesia's foreign exchange reserves came from payments by foreign oil contractors.

The oil companies usually make their payments in April, July, October or January, bank governor Rachmat said.

He said the reserves as in past years were inclined to decrease in January and February and would increase again usually in April.

Mr Rachmat said the rise in fuel oil prices has lately affected the rise of the rate of inflation in this country.

The government increased the price of fuel oils at the average 60 per cent early last month.

The rate of inflation in the past 10 months from April 1981 to January this year had increased by 9.1 per cent, Mr Rachmat said.

He said the inflation rate from April to December stood at 4.4 per cent. But, he added it increased by 4.7 per cent in January.

However, Mr Rachmat expressed confidence that current government efforts to retain the rate of inflation for the fiscal year not to exceed the rate of last fiscal year would be achieved.

The previous fiscal year inflation rate stood below 10 per cent, informed sources said.

They said efforts include adequate supplies of rice and other essential commodities in order to prevent domestic increase of prices and intensify non-oil export commodities.

Mr Rachmat said the government's economic policy in the 1982-1983 fiscal year would include incentives for non-oil exporters by providing them with low interest rate — between six to nine per cent.

Sources said previously the export interest rate was between 10 and 12 per cent. — AP

CSO: 4220/573

POLITICAL, RELIGIOUS SIMILARITIES WITH IRAN

Kuala Lumpur BUSINESS TIMES in English 17 Feb 82 p 21

[Article by Richard Cowper]

[Text]

A 32-YEAR-OLD Indonesian is on trial in Jakarta charged with attempting to overthrow the Indonesian government in an Iranian style revolution.

Imron bin Muhammad Zein clearly never posed any serious military threat to the 16-year-old government of President Suharto.

But the fanfare surrounding the trial illustrates the point that Indonesia's army leaders see orthodox Islam as the only serious opposition political force in Indonesia today.

The Imron case conjures up some of the most extreme fears of Indonesia's security -minded and secularist army leadership.

Charged with setting up a self-styled Islamic revolutionary council, Imron is accused of masterminding last year's hijack of an Indonesian airliner and of plotting to kidnap the Iraqi oil minister as part of a pain to overthrow the government and set up an Islamic state along the lines of Ayatollah Khomeini's in Iran.

When Khomeini toppled the Shah and proclaimed an Islamic state in a nation that was held up by the West as a shinning example of stability and economic development, its was a chilling reminder to President Suharto's government of the potential political power of fundamentalist Islam in its own country.

Though no one is pretending that Imron had anything like the power and influence of Ayatollah Khomeini, there are a number of similarities between prerevolutionary Iran and present-day Indonesia.

Indonesia is by far the world's largest Islamic country, with 135 million Muslims living there. And as with Iran under the Shah Indonesia is a major producer and exporter of petroleum and is strategically important to the world's non-Communist industrialised nations.

Sprawled across the main trading route between Japan and the Middle East, Indonesia is one of the world's leading exporters of rubber, palm oil, tin and timber. And, like the Shah, President Suharto has always laid great stress on modernisation and economic development.

Some of the circumstances which helped to topple the Shah would appear to exist in Indonesia today.

A broad Islamic political alliance forms the only real opposition to the Suharto government, and a number of its leading figures regard the new order regime as authoritarian and corrupt.

In private, some of them have been quick to denounce high-cost, low employment projects like the US$2.5 billion Krakatau steelworks and the US$2 billion Asahan aluminium complex which, they say, are grandiose schemes unsuited to a nation which has to feed 3 million people and provide 2 million new jobs a year.

Many areas in Indonesia are undergoing a process of rapid social change, which is putting noticeable strains on traditional values and ways of life.

A rapidly-growing urban population (Jakarta now has almost 7 million inhabitants) has already begun to give rise to a worrying increase in urban crime rates, and sociologists point with concern to the wave of pitched battles between secondary school pupils in the capital over the past 18 months.

In some areas of Indonesia, there is a powerful tradition of revolutionary Islam. The Achinese in the northernmost province of Sumatra waged a 100 years war against the Dutch East Indies government, and after independence fought a number of campaigns, inspired by their desire for an Islamic state, against the Jakarta authorities.

The Bugis, in southern Celebes, and the Sundanese, in West Java, also fought armed campaigns against the central government in the 1950s.

But here the similarities with Iran end.

Indonesia today does not have a Khomeini waiting his chance to take over, nor does it seem likely that the country's masses will rise up to depose President Suharto in a holy war against modernisation.

Indonesia may have the world's largest Muslim population, but about 80 per cent are Muslims in name only. These people hold a wide mix of beliefs, ranging from animism to Hinduism and modern secularism, which makes Indonesia one of the world's most tolerant and least orthodox Islamic nations.

For the vast majority of Indonesians, the idea of a truly Islamic state would be anathema.

Doctrinal

And, as the break-up of Imron's small band of about 150 followers shows, the security forces have generally been successful in infiltrating and reducing the effectiveness of those small groups of Muslim extremists which do exist.

In Indonesia, orthodox Islam is a minority religion, accounting for perhaps 20 per cent of the country's population. But even these adherents remain fragmented and divided, not only on doctrinal grounds, but also ethnically and geographically.

Unlike Iran, Indonesia's Muslims are Sunni rather than Sh'is and the Indonesian variant does not have the Ayatollah system which proved such a powerful means of building up leading opposition figures in Iran. There is no outstanding leader or institution that can claim the loyalty of Indonesia's orthodox Muslim community and speak authoritatively on its behalf.

In Indonesia, Parliament is powerless and democracy little more than a useful charade, but nevertheless President Suharto's government, unlike that of the former Shah of Iran, does respond to criticism and seems aware of the social, political and economic forces in the country.

President Suharto has worked hard to give an impression of consulting the country's religious dignitaries, and has been careful to back down on the rare of occasions when an issue threatened to unite the Islamic community against him.

Folly

Aware of the charges that the country's modernisation plans have often benefited only a small elite, the government has recently made great play in the country's third five-year economic plan of a new emphasis on distributing the fruit of development more equitably.

At the same time, the new order has done its best to ensure that Muslim politicians are given little chance of uniting the country's 30 million orthodox Muslims againt the government.

Since the brief alliance between the army and Islam after the abortive coup of 1965 (when the two groups combined to massacre as many as 550,000 Indonesians suspected of belonging to or supporting the Communist Party) the government has worked hard to keep orthodox Islam weak and divided.

The government does not allow political parties to organise or engage in political activities at village level except duirng an election. — FT

CSO: 4220/573

SHIFT FROM LOG EXPORTS TO PLYWOOD, SAWN TIMBER

Kuala Lumpur BUSINESS TIMES in English 8 Feb 82 p 1

[Text] INDONESIA is sacrificing its logging industry in the hope of becoming the world's largest plywood exporter and a major sawn timber supplier.

"We admit that the state foreign exchange revenue from log exports has dropped but we have to bear with it because we want to be a top exporter of plywood," the country's economic architect Prof Widjojo Nitisastro said recently.

Indonesia has to start now on its bid to be a major plywood exporter otherwise it will be running out of logs, added Prof Widjojo who is Coordinator Minister of Economy Finance and Industry.

The plan has proved to be very costly as last year log revenue of US$1,400 million was slashed by nearly half, and the export volume fell by over 60 per cent to around 6.5 million cubic metres.

The plan has also forced 63 timber firms to close down as they claimed they would be operating at a loss should they switch to plywood and sawn timber.

But the government believes that the plan will eventually materialise. As forestry director General Soedjarwo says, timber companies will make bigger profits when their plywood mills and saw mills are in operation.

The government's decree cutting log exports heavily is the last step to get the plywood industry plan moving, because many foreign log companies have ignored the government's appeal to set up timber processing plants, he said.

"We know that the present situation can be seen as a setback but in the long run it will be a big leap forward," he added.

Timber's position as the country's second biggest foreign exchange source after oil has been taken over by liquified natural gas (LNG) which earned over $2,400 million last year.

An official of the Indonesian Plywood Industries Association has predicted that the plan to be the world's top plywood exporter and a major sawn timber supplier will begin to make an impact from next year exports increased by nearly 90 per cent last year over the previous year when the volume was only around 300,000 cubic metres.

The government can understand that many log companies have preferred to close down rather than to switch to plywood or sawn timber industries.

These firms have, in effect, enjoyed a lot of profits for many years in the past and the government regards it as natural that they want to try to maintain these profits.

However, forestry authorities have charged that many companies had ignored their obligation of replanting during their concession period.

With the plywood switch, Indonesia hopes to replace South Korea and Taiwan as the two top plywood suppliers.

Indonesia, probably the last remaining source of sizeable quantities of tropical hardwoods in the world, has set temporary targets of sawn timber and plywood exports and production for this year and 1983.

Based on the target Indonesia is expected to export up to 1.5 million cubic metres of plywood this year.

Sawn timber production this year is set around six million cubic metres of which one-third will be for exports, and next year's production is estimated to increase by 20 per cent and exports to rise by 25 per cent. — AFP

CSO: 4220/573

EDITORIAL HITS SIHANOUK ON PAST TIES WITH DK

Paris MOULKHMER in French Jan 82 pp 2-3

[Editorial: "Why the Double Standard?"]

[Text] In the December 1981 issue of his "Bulletin Mensuel de Documentation," Norodom Sihanouk, former chief of state of Democratic Kampuchea and former high counselor to the Khmers Rouges until the beginning of 1979, complains bitterly of being forgotten by the international press, which on the whole has had only praise for Son Sann, now elected head of the National Liberation Front of the Khmer People (FNLPK). He squeals like a stuck pig, taking on all journalists (men and women) throughout the world, whom he blames for this flagrant injustice, for they prefer to him a man who, in the time of his splendor, was but one of his obscure prime ministers but who, at the time being, has committed the wrong, despite his opposition, of trying to free his country from the yoke of the North Vietnamese occupying troops. For having been guilty of such lunacy, Son Sann is labeled as a Cambodian De Gaulle!

Naturally, the latter has nothing to be reproached for, although his importance may have been exaggerated by that vile press! But was there any reason for him to be covered with laurels, when the press had not a word to say about the spectacular action of Norodom Sihanouk?

After all, was it not he, Norodom Sihanouk, who was so totally duped by his good friends in Peking, who, claiming to make an unconditional gift to the Khmer people of a few 60-year-old plants, asked him, in exchange, to give all his aid to the North Vietnamese troops, then fighting the American expeditionary corps in South Vietnam? Accepting these so-called unconditional gifts, he made his country the sanctuary for the foreign troops, allowing them to set up logistics bases within the national territory and having arms and munitions transported across Cambodia to those foreign troops, arms and munitions supplied by his good friends in Peking, in violation of Khmer neutrality.

Was it not also he, Norodom Sihanouk, who, duped by his good friends in North Vietnam, concluded a strange trading agreement with them in order to deliver products from Cambodia to them, without obtaining anything in exchange from their country?

Was it not also he, Norodom Sihanouk, who, instead of denouncing the intolerable exactions committed by the foreign troops against the rebel native people, limited himself to condemning his parliament, which sprang to their defense, thereby bringing the National Assembly and the Council of the Kingdom, meeting in congress and presided over by In Tam, to vote spontaneously and unanimously for his removal as chief of state?

Was it not also he, Norodom Sihanouk, who, in order to gain revenge for his ouster, did not hesitate to have his own country attacked by the North Vietnamese troops and what is more, to rally the camp of the Khmers Rouges, supported in their race for power by those very troops?

And finally, is it not he, Norodom Sihanouk, who, together with the beastly Khmers Rouges who are responsible for the tragedy of the Cambodian people, now continues to play into the hands of the enemy troops, either by opposing the national resistance fight against the occupier or by obstructing diplomatic and political attempts by nations enamored of peace, freedom and justice to help our country regain its national independence, finally agreeing to pretend to wage the same fight only because of the pressure of public opinion?

These are the main feats that can be marked up by Norodom Sihanouk, feats that well deserve to be pointed up by the international press.

In this arena, Son Sann is definitely outstripped by his former boss.

But if, in spite of himself, he is taken for the Cambodian De Gaulle for the simple reason that he was fool enough to try to liberate his country, could one not for good measure take Norodom Sihanouk for the Khmer Petain, for like the French marshal who collaborated with Adolph Hitler, Norodom Sihanouk collaborated with his great friend Pham Van Dong?

It would therefore be unjust to systematically forget Sihanouk, who, as one can see, has spectacular deeds to his credit, when his former prime minister, Son Sann, who has none, is covered with laurels by that wicked international press! It is as if it were trying to "destroy" that former chief of state of the Khmers Rouges!

Indeed, why the double standard?

11,464
CSO: 4200/23

PONCHAUD ALLEGES THAI, DK MISTREATMENT OF REFUGEES

Paris AVENIR CAMBODGE in French Jan 82 pp 4-7

[Article by Francois Ponchaud, author of "Cambodge Annee Zero," Editions Julliard: "One Scandal May Hide Another"]

[Text] Being in charge of refugees attracts the sympathy of sensitive souls, as we have just seen with the awarding of the 1981 Nobel Peace Prize to the UN High Commissioner for Refugees (UNHCR). Perhaps the members of the jury were impressed by reports unknown to us concerning the activity of the HCR in Africa or Europe. Did they know that their decision would be viewed as as scandalous as the presentation of the same prize to Kissinger and Duc Tho in 1973? Did they know that in Thailand, the UNHCR serves more as a moral and economic guarantee — with its foreign exchange receipts — for the Thai Government than as effective protection for the refugees? That for various reasons the Thai Army uses indescribable brutality in its treatment of refugees can perhaps be understood, but that an international organization in charge of refugee protection should remain silent about such conduct is scandalous, if not absolutely monstrous. A few members of the UNHCR pay personally for denouncing abuses and saving human lives, as in the case of the American who saved many Vietnamese women and girls who had fallen into the hands of pirates on Kra Island, but most UN officials are only there for career reasons and in order to administer the Commission.

Obtaining Justice

And yet, one could cite countless cases of refugees who are beaten and tortured under the very eyes of these international officials: the five children who in July rolled on the ground in pain in front of the building of the field officer of Khao I Dang after being kicked in the groin by Thai soldiers; the boys and girls who were stripped naked and left in the sun for hours; the women who went in February to file a complain with the field officer of Khao I Dang and who was held for 2 days, during which her husband was killed, and so on. The Khao I Dang refugees are making a desperate appeal to "competent organizations" to "help them obtain justice."

Document

Statement by Cambodian refugees at Khao I Dang in Thailand, aimed at seeking justice and freedom in their life as refugees:

Every day, Khmer refugees die from mistreatment or are shot by Thai soldiers in camp and prisons. We are asking the competent international organization to help us obtain justice.

We wish to report cases of misconduct on the part of Thai soldiers with respect to Cambodian refugees: 1 -- Concerning the food supply, every refugee should receive every week: 7 cans of uncooked rice (standard of measure - condensed milk can); 30 grams of chicken; 3 branches of Convolvulus; 1/2 cabbage; 2 small salted fish; 1 small fresh mackerel (spoiled when given to us); 200 grams of salt per person; 1/2 liter of peanut oil per person; 1/2 liter of brine; 300 grams of garlic per family; charcoal once a week, even though the amount given is only enough for two meals; 20 liters of water a day; no oil to use in lamps at night, no sugar. If there are several in a family, the ration is reduced.

2 -- Black market resulting from shortages: Refugees have to sneak out of the camp to go to neighboring Thai villages. Prices are as follows: 1 chicken, 300 bath; 1 egg, 6 bath; 1 kilogram of sugar, 40 to 60 bath; 1 sarong, 90 to 100 bath; cloth, 80 to 100 bath; 20 kilograms of charcoal, 160 to 180 bath.

3 -- Goods purchased can be sold or traded but such trading is risky. If the Thai soldiers arrive in time, they take everything, beating us and putting us in prison.

4 -- Before coming into the camp, adult women or girls and pregnant girls endure the brutality of the Thai soldiers or pirates, who take everything away from them and mistreat them physically and sexually. They steal their clothing and leave them half dead.

5 -- Some Khmer refugees are taken and left with the Khmers Rouges, who kill them. One or two manage to flee and sneak into the camp, avoiding the ambushes of the Thais, who tell them to go to the Cambodian border.

6 -- Refugees wishing to leave to make purchases must pay the Thai soldiers 100 bath when they leave and 100 bath when they return. Sometimes when one has paid and shot at when one returns. Some have their arms or legs broken, some are killed and have their goods stolen, some are caught and put in prison, where they have their heads shaved and beaten on the head with bottles several times a day. Some leave prison spitting blood and die.

7 -- Those killed by the Thai soldiers when leaving to make purchases number in the hundreds each month, two to three a day. At 0125 hours on 9 May 1981, a group of five refugees had paid the soldiers so they could leave to make purchases. They were questioned upon their returned, put into rows and shot by the soldiers. Three were killed, one had his leg broken and fled with another. The first killed was * (asterisks by AVENIR CAMBODGE to conceal names and places which the authors fear might alarm the families of the missing), 15. His father, *, 47 years old, living in section *, group *. The second killed was *, also 15 years old, whose father, 51, lives in section *, group *. The bodies were put into bags and buried at the foot of the hill (many persons are buried at the foot of that hill).

8 -- ***

9 -- A large part of the packages, letters and money orders sent by mail never arrive.

10 -- There are threats preventing us from studying foreign languages. When Thai soldiers catch anyone, they beat both teachers and students, imprisoning students for 7 days and teachers for 3 months.

11 -- If a refugee sneaking into the camp encounters Thai soldiers, he is beaten, sometimes to death. At 9:00 in the evening on 30 July 1981, Thai soldiers caught a pregnant woman along the wall of old section 5. They beat her until she was unconscious, then threw her into a truck to take her to prison.

12 -- Blood donations are required once a month. Of a group of 100 persons, 4 are taken and must give a half liter of blood without any compensation in food.

13 -- Refugees who work for foreigners (various organizations) are given no wages in money, but only some food.

As we have reported herein, the misfortunes of the Khmer refugees make them prisoners of war. Unable to endure this oppression and losing hope because of their suffering, some refugees decide to go back to the Cambodian border to live.

We are making a solemn appeal to the competent international organizations to help us obtain justice and the right of freedom for the Khmer refugees who suffer the mistreatment and even death every day at the hands of the Thai soldiers.

Khao I Dang, 31 July 1981

The refugees have the right to food and to receive news and money from their people. Since the beginning of 1981, everything possible has been done to make their lives impossible and make them return home. That is perhaps the only valid, realistic policy, but then the UNHCR should take measures to ensure effective protection of refugees once home. Then the UNHCR could receive the Nobel Peace Prize without shame.

11,464
CSO: 4200/23

CENTRALIZED ECONOMIC PLANNING STRESSED

Vientiane VIENTIANE MAI in Lao 8 Dec 81 p 3

['Things We Ought to Know' Column]

[Excerpt] In the past 4 years of reconstruction and socialist reform in our country the economic situation has had a rapid change from that of a colonialist economy to an economically independent nation, from a poverty stricken, backward country to one advancing economically and socially. The people are independent in their livelihood. Another difference is the political change, like a leap forward, from semi-colonial feudalism to independence, democracy, and building their own socialist economy, without going through expansion of the capitalist system. This is an abrupt, historical change. According to the direction of expanding the national economy, the 4th Plenum of the Party Central Committee divided the economy into two parts, the central economy and the local economy. The central economy has the function of guidance and supplying the technical needs and necessary materials for the local economy. The local economy has the function of implementing the plans that are in unity with the central government, depending on local conditions. The division and control of the economy proceed under the leadership of the party with the government in control.

9615
CSO: 4206/18

FOREST SIZE, EXPLOITATION AND MANAGEMENT DISCUSSED

Vientiane VIENTIANE MAI in Lao 11, 12 Nov 81

['Things We Ought To Know' Column]

[11 Nov 81 p 3]

[Excertps] 1. Value of Forest

Forests are one of the several strong features in the economy of our country. Our forest area is immense, covering 15 million hectares, equal to 67 percent of the total area. Because our climate is tropical these forests are thick jungle. There are many kinds of excellent timber, valuable for all branches of the economy, such as construction, coal mining, and chemical processes. It is beneficial for communications and other industries. Besides, it is a very valuable export commodity which brings a fine income to the nation, representing 37 percent of total exports.

After liberation the party and state issued a policy on forests. The most important tasks were to protect the forests, prevent forest fires, stop the destruction of forests, and prevent haphazard exploitation of the forests. It is the responsibility of all of us, to try to limit the clearing of land for fields, by turning from shifting cultivation to wet rice farming in places that have the proper conditions, to rotate crops, and to practice deep cultivation. The state must enforce a forest protection law and teach the people to respect the law strictly. They must share the care for the forests. The central administration has direct responsibility for large forest areas which must establish exploitation on a large scale or joint exploitation with foreign countries.

The province has direct control for a forest area of ordinary size, for exploitation with no high technology. Other forest areas are assigned to agricultural cooperatives operating as a state enterprise, where they protect, maintain, and plant trees in reforestation, and exploit the timber according to state regulations, including agriculture and livestock raising, combining these with the forestry enterprise. They must work in each district, taking the district as the base, and follow the plans of the district and province.

[12 Nov 81 p 3]

[Excerpt] In the vigorous exploitation and processing of timber and the division of responsibility, as in Champassak, Savannakhet, and Vientiane, there is cooperation with all neighboring nations through foreign loans to buy equipment. We exploit this ourselves, with timber signing contracts with various companies of the foreign nations, under the condition that those companies must supply the components for us, as is done in Champassak. They comply with the policy and reform the capitalists engaged in the forestry enterprise, in Vientiane. (The capitalists still conduct this business, transport, and mill the lumber, but the state has the monopoly on wood exports.)

9615
CSO: 4206/18

FOOD TO BE EXPORTED, INDUSTRIAL RAW MATERIAL SUPPLY NOTED

Vientiane VIENTIANE MAI in Lao 9 Dec 81 p 3

['Things We Ought to Know' Column]

[Excerpt] Agriculture

Most significant is the activity in irrigation construction in every province, creating a firm base for agricultural production. The movement toward agricultural cooperatives has flourished throughout the nation and now has reached 1,800 sites. Some cantons and some districts have basically completed this transformation to agricultural cooperatives. Especially significant was the attempt to mobilize the mountain people who formerly farmed only dry fields, destroying the nation's resources, to turn to wet rice cultivation or make their living on the plain. This reduced the area of shifting cultivation. In 1977 the rice harvest was 850,000 tons compared to 1967 when it was only 650,000 tons. The six provinces of the south are the abundant food producing areas and can ship to large town markets in the north. They also export products. Concerning this expansion of agriculture our nation has many favorable natural conditions such as a large area of fertile soil and a plentiful system of rivers and streams to produce energy.

Small industrial and craft factories have expanded, for example, rattan articles, basket weaving, carving, embroidery, and others. However, the industry is still weak. We have to depend on foreign products for the daily necessities of our people. But we have strong faith in the bright future of the nation, since we have many resources, like water power for production of electricity, coal mines, iron mines. Laos has all kinds of minerals needed in industry for smelting and the production of machinery.

9615
CSO: 4206/18

PARENTS URGED NOT TO LET CHILDREN WATCH THAI TV

Vientiane VIENTIANE MAI in Lao 8 Dec 81 p 2

['Conversations with the Editor' Column]

[Excerpt] [Question] Does TV cause ideological damage to children, young people, and adults? If the children watch TV, how will their studies be affected and how will youth advance toward socialism?

[Answer] TV will not be detrimental to the ideology of the masses. It is the TV programs that are broadcast. If the programs that are not good are disseminated, they do bring deterioration to the people's ideology, especially affecting children and youth. In order to solve this problem, it is necessary to first of all select proper programs before broadcasting them on TV. Especially now, the problem is that we ought not let children and youth or others who are not firm on the party and government policy line, watch Thai TV (or not let them watch at all is better), because many programs are of no benefit for our people, since they serve the political function of the capitalists and weaken the ideology of youth the most.

9615
CSO: 4206/18

PLYWOOD MEETS WORLD STANDARDS, EXPORTS PLANNED

Vientiane VIENTIANE MAI in Lao 12 Nov 81 pp 1, 4

[Excerpt] Following is the statement of Gniya, the deputy chief of the Board of Directors of the Lao Plywood Factory, to our reporter on the morning of 11 November 1981: "During the past 10 months of 1981 all the comrades, cadre, and workers were able to produce in the performance of their tasks 106,161 sheets of plywood of 15 kinds, with sizes from a thickness of 4 mm to 20 mm."

Gniya said that the factory products were of high quality. When compared with that of foreign countries Lao plywood met world standards. On distribution, Gniya stated that 50 percent of the production was used domestically and 50 percent was exported.

Gniya further commented that this plywood factory, after the capitalists had turned it over to the state officially in 1977, had greatly improved its work, in size and strength, gradually expanding, assuring its political and technical functions in quality and quantity. In the past 4 years from 1977 to 1980 the factory produced a total of 296,726 sheets of plywood to serve society, and 4,935 cubic meters of milled finished lumber, which is a subsidiary product of the factory.

9615
CSO: 4206/18

BAGS BEARING ROYALIST REGIME SYMBOLS CONFISCATED

Vientiane VIENTIANE MAI in Lao 9 Dec 81 p 2

['Conversations with the Editor' Column]

[Excerpt] [Question] In the first week of November 1981 a number of teachers at the Pheui Vat Secondary School confiscated students' book bags. I do not know why because the teachers did not admonish the students at all. The pupils' parents objected vigorously.

If the bags bore some symbol contrary to the national character, why are they sold in stores? If it was truly wrong, why are the craft sewing groups producing them.

I hope you will forgive us because we are voicing the objections of the students' parents.

Respectfully,

Le Van Khang 23 November 1981

[Answer] Dear Comrade Le Van Khang,

At first when I read the letter I felt puzzled and scarcely understood, but when I investigated the facts and saw the truth, I answer at once that "The bags that the comrade speaks of are improper in all respects." The symbols on the bags were those of the old rotten regime that we overthrew. VIENTIANE MAI has often said "We cannot waste even one second." But why does such a thing happen? It shows that some people cannot distinguish between friend and enemy. The enemy can infiltrate because we ourselves are careless. This incident of the bags at the same time is a lesson for other reasons. We must work this out together. At first I was not going to answer, then reconsidered judging that you do not see the bag incident in the same way as I do. If you understood, you would not ask for understanding, would not make the accusation.

You ask why, if the picture or symbol on the bags is wrong, the bags were made. This is also hard to understand in Laos. If you see places making

bags like this anywhere, please report it as soon as possible. Then we will commend you again. There is a sincere desire in almost every person to eliminate the remnants of the old regime.

After you understand you will be aware of the public responsibility building the bright new society in our new regime.

9615
CSO: 4206/18

TIN PRODUCTION TO BE REDUCED 25 PERCENT

Reduced Dependence on Tin Revenue

Kuala Lumpur BUSINESS TIMES in English 10 Feb 82 pp 1, 2

[Text]

MALAYSIA is to reduce its production of tin by 15,000 tonnes a year, or by 25 per cent of the current production.

Prime Minister Datuk Seri Dr Mahathir Mohamad told a Press conference in Kuala Lumpur yesterday that this reduction would take place gradually over a period of time, and "not overnight."

The Prime Minister also touched on the rationale for awarding turnkey contracts for government projects, the offer made to foreigners for adoption of Malaysia's ISA detainees and the lack of playing fields in some schools.

Explaining the rationale for reducing tin production, Dr Mahathir said it was intended to reduce the country's dependence on tin for revenue. "It is in our own national interest and we are not trying to push up prices," he emphasised.

He pointed out that with LNG production starting early next year, the country will have an additional source of revenue to offset its sacrifice of revenue from tin.

The Prime Minister said he was fully aware of the fact that substitutes were available for tin for several uses. In view of this it was not Malaysia's intention to push up prices of the metal which might cause consumers to look for alternatives.

Any rapid increase in the price of tin could have an impact on other commodities. As such, Malaysia did not want to precipitate an increase in the price but at the same time it did not want to be "held to ransom because of its dependence on tin."

Dr Mahathir pointed out that Malaysia was dependent on tin for export earnings and hence its concern for the price at which it was sold. But the sales took place outside the country where "we have no influence over the price and on buying and or selling."

"Of late there has been a little bit of lawlessness in the tin market and prices have been depressed or increased without any rhyme or reason. The so-called free market forces are not so free," the Prime Minister pointed out.

The Prime Minister was asked whether Malaysia was the "mystery buyer" involved in supporting the prices of tin through mopping up operations on the London Metal Exchange. His terse reply was: "Why should I answer that?"

When asked if he was denying such involvement, he said there was nothing to deny. "Are you accusing me of manipulating the tin market. I don't even know what tin is," he said.

He added that when the interests of certain groups were threatened, the rules were changed. While he did not specifically mention it, the Prime Minister was obviously referring to the reduction in the penalty for deferring delivery of the metal. It has been reduced from £300 a tonne a day to £120 a tonne a day, thus helping short-sellers whose manipulations had adverse repercussions on the price earlier.

Dr Mahathir pointed out that at the time of shortage of tin — only a short while ago — prices were purposely depressed, and no one complained or did anything to support prices. But now that short-sellers are affected they are being given a helping hand.

While admitting that the proposed reduction in Malaysian tin production was not large in relation to total world output — only about seven per cent — it was a major matter as far as Malaysia was concerned.

The Prime Minister said this reduction would not take place through nationalisation or by

decree but by the government trying to persuade the tin industry to slow down production.

He pointed out that it might be necessary for a number of small operators to get together to cut back production so that the adverse effects on individual units were minimised.

The methods being considered include the non-issuance of new mining licences. With quite a few tin lands approaching exhaustion of deposits, production was set for decline in any case.

At the same time the mines owned by government agencies would also be asked to cut down or even asked to produce on a quota basis. "This has been done before and is not something that is impossible," Dr Mahathir added.

The Prime Minister said the cutback was an internal matter and Malaysia would not be discussing it with other producers. "Even if other countries want to increase production, we don't mind," he added.

He emphasised that it was not meant to deprive the world of tin supplies but to protect the country from the vagaries of the tin market.

Besides the cutback, Malaywia will also propose a common marketing arrangement for producer countries to sell direct to consumers. This would be similar to the government to government marketing of oil bypassing the international oil companies as well as the Rotterdam spot market.

Direct selling, he pointed out, would reduce the role of the London tin market thereby short-circuiting the present system and trading practices which were detrimental to producers' interests. "We have to look after our own interests and not depend on others," he added.

Referring to the tin producers grouping proposed by Malaysia, Dr Mahathir said Malaysia was "doing it with great reluctance." Malaysia, he pointed out, had always emphasised producer-consumer cooperation but this was not forthcoming.

"Malaysia has always been the moderating influence in all international issues including the tin agreement but (its moderating influence) is not having any effect and in fact we are made to suffer more than others," he added.

Response to U.S. Dumping

Kuala Lumpur BUSINESS TIMES in English 11 Feb 82 p 24

[Editorial: "Tin: The U.S. Picks A Fight"]

[Text]

IN A commentary on commodities, the *New York Times* prophesies that tin prices are expected to fall just as sharply as they rose as soon as the support buying stops and the fundamentals of supply and demand reassert themselves. The assumption it makes about cause and effect are unexceptionable but the question to ask is what are the fundamentals to which the esteemed newspaper refers.

In a country now obsessed with supply-side economics, it may be assumed that releases from its stockpile of around 5,000 tonnes in the last few weeks is a legitimate exercise of market power regardless of the consequences it has for producer nations dependent on tin for part of their livelihood. The US as the world's largest tin consumer owes, it might be argued, an obligation to itself and to other consumers to hold down prices. If that is how Washington wishes to play it, it follows that it is equally legitimate for producers to do what they can to protect the prices they receive. Why then the indignation over the success of the "mystery buyer" in propping up prices on the London Metal Exchange? The shorts are now squealing, but why should the US administration raise its hands in horror against the verdict of the ultimate arbiter of its own choosing, the marketplace? You can't have your cake and eat it too.

Support buying is not new: It was tried by the so-called Bogota group of Latin American coffee producers and later by West African cocoa exporters led by Nigeria. The *New York Times* reminds that both bids failed, and the producers dropped hundreds of million dollars. The moral is drawn that the LME's mystery buyer, who has allegedly staked over US$470 million since July, is in for an equally rude shock. But this dire warning misses the fact that the tin market is a different ball game altogether because three neighbouring and like-minded countries in South-East Asia account for two-thirds of world supplies. The fourth, Bolivia, accounting for another 15 per cent, may not be able to act too forcefully in its present plight but it will certainly not do anything to undermine the other three.

With the most room to manoeuvre among the four on account of its diversified economy, Malaysia took the first step yesterday to counter the US bid to change the demand-supply equation in its favour by dumping tin on the market. In announcing the decision to cut Malaysian production gradually by a quarter, the Prime Minister said that the country is acting on its own and it is up to other producers to decide their own course of action. Statements from Jakarta by Dr Subroto, Minister of Energy and Mines, leave no room for doubt that he wants producers to act in concert to defend their vital interests. Since Indonesia's output comes mostly from public sector mines, there is no doubt about its ability to make a quick response to the Malaysian initiative.

In other words, the *New York Times* may find the scenario it has painted belied by the strength and purposefulness of the producers.

More important, however, than the outcome of the game of wits played on the LME is the impact it will have on other consumers. Since they have no stockpile to fall back upon, they may soon come to question the wisdom of the US in provoking the fight that has now been joined. Tin may yet become another case of the US being too too preoccupied with its self-interest to pay much attention to the wishes of its allies. The issue here is much larger than that of tin: It is whether the US under Mr Reagan has the sensitivity required of it as a world leader. Disjointed Western responses over Poland, and the European dismay over US monetary policies, are pointers that bode ill.

CSO: 4220/574

DRASTIC POLITICAL CHANGES MAY FOLLOW DEATH OF KOIRALA

Kuala Lumpur BUSINESS TIMES in English 4 Feb 82 p 21

[Article by Aditya Man Shrestha]

[Text] STUDENT unrest has sent new political rumblings across Nepal's campuses and observers here predict a new round of clashes reminiscent of the 1979 student upheaval.

There have been no new skirmishes between the leftist All-Nepal Students Federation (ANSF) and the rival Nepal Student Union (NSU) since their bloody clashes last November. But fears have been expressed that the present calm could only be lull before the storm.

The present tension in the campuses is ominously reminiscent of the April 1979 student agitation that finally led to the downfall of the Government of former Prime Minister Bista.

Only this time the situation may be exacerbated when former Prime Minister B.P. Koirala dies. The deposed leftist Premier has been a moderating influence on his party whose top leadership is made up of radicals. Mr Koirala is suffering from lung cancer and doctors have given him only six months to live.

Bloody clashes

When he dies, the leadership of the Nepali Congress Party, which he led for the last 20 years, is expected to pass to extremists who are openly opposed to reconciliation with moderate political forces.

The 1979 political upheaval was triggered by the execution of the late Pakistani President Zulfikar Ali Bhutto. Convinced that it was only a passing fury, the Bista Government did not do much to quell the uprising.

In the present situation, history may be repeating itself. Prime Minister S.B. Thapa has done little to defuse the simmering unrest, apparently believing that the November clashes were isolated cases that will never recur.

But it could be a sad mistake. The 1979 upheaval took a turn for the worse when leftist and rightist student groups were locked in bloody clashes, and the final object of their fury was the Government of Premier Bista.

In last November's clashes in Biratnagar, Nepal's second largest industrial town, the same protagonists started the mayhem. One Marxist student died in the fighting.

The situation eased when local authorities declared a state of siege in Biratnagar, but tension is mounting. Despite the emergency measures imposed by the local authorities to quell further trouble, the ANSF staged a big protest march amid shrill demands or revenge against the NSU.

In retaliation, the NSU organised a massive student rally in Kathmandu. The NSU suffered a major defeat in last October's student union elections, but judging from the crowd it drew to the rally, it has lost little of its penchant for agitation.

Predictably, the issues are clouded. The ANSF has accused NSU of being in cahoots with the Thapa Government, but the NSU is using exactly the same line against is rival.

Both obviously detest the Thapa Government. This makes it the more likely that in the event of another round of campus bloodbath, the Thapa administration may be among the biggest victims.

The NSU is a student wing of the banned Nepali Congress Party of Mr Koirala. Although the former Premier had led the anti-monarchical movement in Nepal, he has shown a more conciliatory attitude toward King Birendra since his release from jail in 1979.

The leftists had rejected the result of referendum favouring the monarchy-patronised *panchayat* (village coun-

cil) system, but Mr Koirala deserted his followers by stating that he was bowing to the people's mandate.

To the chagrin of the communists, Mr Koirala and his partymen boycotted the national election held last May, but did not disavow any move to disrupt the political exercise as suggested by leftist elements of his party.

Boycott

Mr Koirala's change of attitude towards the monarchy, which he fervently abhorred in the past, was brought about by what he perceives as India's threat to Nepal's sovereignty. He has, in fact, pleaded with the King to join forces with his party to thwart the alleged Indian threat.

But the Royal Palace has turned deaf ear to Mr Koirala's pleas. The Royal Palace has neither forgotten nor forgiven him for his anti-monarchical activities. He is still regarded as the most dangerous threat to the throne.

Painfully aware of his impending death, Mr Koirala is reportedly trying to effect a smooth transition of his party's leadership. The odds-on favourite to assume the party's presidency is Ganesh Man Singh, a political firebrand, while Krishna Prasad Bhattarai, a wellknown radical, is expected to become executive president of the party.

Mr Koirala's extremist brother, Tarini Prasad Koirala, is being tipped for party secretary general.

Although the Royal Palace remains wary of Mr Koirala's intentions, the former Prime Minister's death would be a great loss to the King. While it is true that the *panchayat* followers have made short-term political gains out of the continuing confrontation between the communists and the democrats, Mr Koirala's death would remove an influential moderating influence on the leftist radicals, who are avowedly anti-monarchy.

Observers here point out that any change in the triangular political equation among the royalists, democrats and the communists after the death of Mr Koirala could only damage the royalists.

Anticipations here are that the post-Koirala politics would be a convulsive one. Such a situation would put a great strain on the Nepalese Government regardless of who heads it and pose a challenge to the monarchy itself.

Another source of official concern is the likelihood of foreign interference in Nepalese internal affairs when Mr Koirala dies. India and China, the most dominant foreign influence in Nepal, have so far refrained from overt interference in the present tension in the country.

Their "neutral" position in the current squabble, the referendum and last year's election has boosted the position of the King.

Strain on govt

But how long they will maintain their "hands off" policy in Nepal's internal affairs remains a matter of speculation. Drastic changes in the political situation of the country after Mr Koirala dies could open the floodgates to foreign intervention by the two countries eager to preserve their influence in Nepal.

Political observers here recall that India played an active role in the ouster of the Ranas which led to the introduction of popular government in 1951.

Indian pressures have been counterbalanced by Chinese influence. But which way will the political wind blow after the expected struggle among the three political forces, nobody can say for sure.
— Depthnews Asia

CSO: 4220/575

NEED FOR TRANSFER OF POWER STRESSED

Lahore VIEWPOINT in English 18 Feb 82 p 34

[Text] Even now it is the Majlis-i-Shoora that has become the target of the politicians, although its Chairman, Khwaja Safdar, says that the members of the nominated Shoora have displayed freedom of thought to a greater extent than any elected Assembly and have discussed national affairs. On the other hand, according to a report from Karachi, the Karachi Corporation has unanimously adopted a resolution against the Shoora, denouncing the Federal Councillors and urging the Head of the State to throw rotten eggs and petrified fish out of the Shoora, because the (FA) Councillors were interfering in its (Corporation's) work. In the session, one member described the Shoora as a burden on the national exchequer and another member said that the Shoora had not been chosen by the people but by FIA, CIA and the police. This resolution of the country's biggest municipality about the Majlis-i-Shoora merits attention also because the Corporation is an elected body while the Shoora members have been nominated. It is possible to gauge from this the public attitude towards the nominated bodies.

As for the statement of the Head of State that the purpose of Shoora's establishment is to find a way for transfer of power in accordance with a commonly understood democratic process, in the light of this viewpoint the Shoora's field of activity is restricted. As regards a commonly accepted democratic process, what else than a general election can it be? If the Shoora confines itself to this field of action and only attends to the method of transfer of power, we think the politicians also will cooperate with it because the most important question today is that of transfer of power. At the same time the politicians themselves will have to prove that there is no dearth of political leadership in the country.--MAGHRABI PAKISTAN, Feb 11.

CSO: 4220/286

POLICY ON POLITICAL ACTIVITIES QUESTIONED

Lahore VIEWPOINT in English 18 Feb 82 p 7

[From "Between the Lines" column: "Point-Counterpoint"]

[Text] A variety of proposals formulated by defunct political parties--and summarized in four-point, five-point or eight-point plans--have been bandied about for many weeks. Now all these points are sought to be demolished with one counterpoint--that the multiple bans on political functioning remain fully in force.

This was demonstrated in plain, categorical terms immediately after last week's Cabinet meeting. Earlier, the CMLA-President had revealed that the crucial issue was to be considered by this body, raising the faint hope that such reconsideration could well mean that, following the creation of a Federal (Advisory) Council and the revival of some sort of a political process, those not nominated either to the Cabinet or the Council would also be allowed the privilege to speak out freely and without any restraints on national issues. This was not to be. The Information Secretary explained that there had been no change in Government policy; and he clarified that political activities are still banned, that political parties do not exist, and that Press reports on such matters were in contravention of the law.

Why?

No explanation was given for the decision to maintain the present anomalous situation. It was said merely that the relevant Martial Law Regulations remain in force, and that their violation by political parties or the Press could always evoke penal action, even though hitherto Authority had been lax in doing so. Interestingly, the section of the Press recently freed from the blanket of pre-censorship was advised not to follow the example of political leaders when they acted in breach of the law. To refer to MLRs 48 and 49 as a reason for the continuing bans is merely to beg the question. Surely, like other such laws, these two Regulations can be repealed or amended with the same speed with which they were imposed. What everybody wants to know is: why not?

While official spokesmen and members of the Federal Cabinet or the Council have not yet presented any rational argument to justify the retention of the bans, some newspapers have written in favour of maintaining the status quo and have said that to allow a free-for-all political debate would create

further chaos and confusion, that it would allow elements they think are not wedded to Pakistan's ideology, or are considered unpatriotic by the authors, to wean away the people from the strait and narrow path. Such waffling cannot be taken seriously, because gentlemen of this ilk would have written at length in eloquent praise of Government decision if it had been contrary to the one taken. In any case, their posture is seemingly determined by a lack of confidence in the cause they preach, a congenital inferiority complex, an inability to make out a case, and what is more serious, by a lack of faith in the people.

How?

Then, it has been said that no political party in Pakistan has a programme which fulfils national needs and answers national aspirations--although judgment on this should really come from the people--; and also that the aging politicians have failed the people and--like Pakistan's cricket team--young blood is required. But how can political parties evolve adequate programmes if they are not allowed to meet openly and discuss political issues/ How will new blood be introduced into the realm of politics if political functioning remains barred? And is it not obvious that political confusion and chaos are likely to be compounded by the existing hiatus.

Presumably, the whole matter has not been given proper attention by the Cabinet, and those ensconced in positions of privilege and influence have decided hurriedly to vote, for safety, in favour of preserving the status quo. If they could be persuaded to view the issue in its proper perspective, they would realize that the present restrictions cannot do any good and that they must be lifted, in stages if necessary but without unnecessary delay, so that the country can be guided back to normalcy.

CSO: 4220/286

POLITICAL BAN, OTHER ISSUES EXAMINED

Lahore VIEWPOINT in English 18 Feb 82 p 10

[Text] Leaders of the different defunct political parties have expressed their disappointment over the Government decision to continue the ban on political activities.

On Feb. 10, the Federal Cabinet announced that there should be no change in the Government policy regarding political activity in the country. Briefing newsmen after the Cabinet meeting, Information Secretary Maj.-Gen Mujibur Rehman said that Martial Law Regulations 48 and 49, which banned political activities and its coverage in the Press, respectively, were still in force and any violation of these could be taken note of.

Ministers Worried

Commenting on the decision, Pir Sahib Pagara claimed that the Ministers forced Gen Ziaul Haq to continue the restrictions on political activity, "because if this ban goes the Ministers will be exposed."

Pir Pagara said that an impression about the lifting of the ban was created by the CMLA-President himself, but after strong opposition from his Cabinet he decided to continue the curbs on political activities.

The President of the defunct JUP, Maulana Shah Ahmad Noorani, said this (decision) had disappointed the people. "The continuous ban on political activities will encourage underground subversive activities," he added.

Maulana Noorani said that any further delay in holding polls would be harmful for the country. He demanded immediate revival of political activities, announcement of elections, and release of all political leaders.

There was no justification for continuing curbs on political activity as the situation was most congenial to lifting of such restrictions, Mir Hazar Khan Bijarani, a leader of the defunct PPP, said in Karachi.

He said that his party did not have high hopes or expectations from the present Government regarding lifting of restrictions on political activities. However, it would have been in the national interest if these restrictions had been lifted.

Sardar Sherbaz Mazari, chief of the defunct NDP, said after this decision all defunct political parties should reconsider their strategies. Those parties that had high expectations from the present Government, Mr Mazari said, should learn a lesson from it. It was time for them to cooperate with other parties for the restoration of democracy and the 1973 Constitution, he added.

The defunct Tehrik-i-Istiqlal, JUI and Jamaat-i-Islami also criticised the decision to continue the ban on political activities in the country.

Gen. Zia's objectives

On Sunday, the CMLA-President, Gen. Mohammad Ziaul Haq, talking to newsmen in Islamabad, said he would take the nation into confidence about the reasons for continuing the ban on political activity in a broadcast to the nation. He said he had three or four objectives in mind. "One was to introduce sanity into the political process," Gen Zia claimed.

Gen Zia said some politicians were making statements which gave an impression that elections were round the corner. "They are trying to create an atmosphere of uncertainty. Politics does not mean making statements. Conditions at present are not ripe for general elections," the CMLA-President asserted.

The Ministers say

"General elections are now only a matter of months," said Federal Information Minister Raja Zafarul Haq, in an interview with a Lahore daily some days back.

He elaborated that "elections will be held under a new Islamic democratic structure for which the Government will soon submit a constitution formula before the Majlis-i-Shoora."

On Friday, Ghulam Dastgir Khan, Federal Minister for Labour, Wazirabad, said: "Elections at this juncture will complicate the problems instead of solving them."

He said political activities should remain banned under the existing circumstances "as it is in the interest of the country, people and Government."

The Minister said that those who were raising the slogan of election wanted to seize power while the circumstances were not suitable for general elections.

Earlier this month, the Chairman of the Majlis-i-Shoora, Khawaja Safdar, in several statements, pleaded that general elections could not be delayed for too long and that the council would make way for the restoration of democracy.

CSO: 4220/286

BAN CALLED 'INAPPROPRIATE AND INCORRECT'

Lahore VIEWPOINT in English 18 Feb 82 p 34

[Text] The Federal Cabinet's decision to retain the ban on political activities is not cent per cent unexpected. But in view of "a kind of political process having begun," consequent upon the establishment of the Federal Council, to which President General Mohammad Ziaul Haq had himself referred, this decision does not seem to be wholly correct and appropriate, because the reaction to long and indefinite suspension and state of inertia can only be in the form of unhappiness and dissatisfaction. This ban was imposed about two and a half years ago--one month before the general elections scheduled for November 1979 were postponed. And the longer this situation is maintained the deeper will the colour of unhappiness and disappointment over it become.

Looking optimistically at the situation prevailing for the last few months, one can say that it is perhaps the wish of men in authority that the process of making the existing state of affairs, that is, there is politics and there is not, tolerable will be continued. But this way the demands of political action have never been met, nor can be met. Political leaders do get together and some glimpses of their way of thinking and expressions and observations also become public. But when one refers to permission and freedom for political action, it does not mean gossiping in a drawing room or at a feast or ceremony but an opportunity for mass contact and party organisation which, in our present circumstances, is a basic requirement of preparation for elections.--NAWA-I-WAQT, Feb. 12.

CSO: 4220/286

FEDERAL COUNCIL SEEN AS VEHICLE FOR VOICING PUBLIC'S SENTIMENTS

Kuala Lumpur BUSINESS TIMES in English 16 Feb 82 p 22

[Article by Mohammad Ziauddin]

[Text] IS THE military government of Pakistan taking a cautious step back to the barracks?

President Mohammad Zia Ul-Haq's decision to create a 350-man Parliament has fuelled speculations that the Pakistani strongman may be preparing the political groundwork for the revival of the Parliamentary democracy crashed in the military takeover of the government in 1977.

But most Pakistani intellectuals and political leaders are unconvinced that the President's action represented a significant loosening of the military rule.

Their reading of the presidential decision is that Mr Zia desires to create a broader-based leadership coalition that should be held responsible for managing the country's affairs without actually sharing with them the more delicate decisions of government.

On the other hand, several intellectuals view the creation of the Federal Council as a step in the right direction toward the eventual restoration of democracy in the country.

They claim that if the nation is to get back on the democratic track it will need a period of transition to adjust to new political developments.

The Federal Council is a purely advisory body, but it has gained widespread acceptability in this predominantly Muslim society which holds in reverence almost everything associated with the rule of the early Caliphs of which the council was patterned after.

The first session of this non-elected Parliament was called by President Zia on Jan. 11. It was devoted to foreign relations, the internal situation and four draft laws on the establishment of Qazi courts, and the appointment of Ombudsman at the federal level. As of that date, 83 members were still to be appointed.

Although its members were only appointed, the Council has acquired a representative character because its membership was selected from a cross-section of the population.

The Council membership includes 183 former politicians, 22 religious leaders, 7 journalists, 6 labour leaders, 35 specialists from the various fields of endeavour, 13 women and 11 representatives from the minority religious organisations.

Censorship

About 70 the former politicians now in the Federal Council belonged to the Pakistan People's Party of the late Prime Minister Zulfikar Ali Bhutto, including three ministers from the Bhutto Cabinet and one governor.

The Council has also reached back to days of the old Parliament by adopting the rules and procedures of the National Assembly of 1973.

This is a temporary arrangement pending the formulation of the Council's own rules and procedures. Already, the Council has created six committees to deal with matters relating to the holding of sessions.

Council members are allowed to ask questions from the ministers and its proceedings are published in the newspapers without going through censorship. In fact, news censorship, which was imposed on Oct. 16, 1979, was lifted after the Federal Council was formally created, subject to these government guidelines:

- No material prejudicial to Islam and the Islamic ideology should be published.
- No material should be published that could endanger national security.
- No material should be published that may incite communal or regional prejudices.
- No material should be published that may affect or undermine the dignity of the armed forces.

President Zia has told the Federal Council, however, that the right to legislate or amend the Constitution rests solely with him as chief martial law administrator.

But in his address at the inauguration, Mr Zia stated: "I would like to have your advice, too, in the sense that you will be empowered to make or amend a law, and to alter or delete a constitutional clause to the extent that you would be able to prepare such legal documents, discuss them at length and send them to me with your recommendations."

Those who conceived of the idea of a Federal Council claim that the body will fill the political vacuum created by the dissolution of the old Parliament and, hopefully, pave the way for the transfer of power from the military to a representative legislature.

One of the Council's major tasks is to act as liaison between the government and the people.

Even Mr Zia's most ardent critics admit that despite its shortcomings, mainly its non-elective status, the Federal Council will serve as a formal forum for expressing people's sentiments. The only question is to what extent Mr Zia will allow honest and fair discussions of government's policies by the Council. — Depthnews Asia

CSO: 4220/576

UNIVERSITY TEACHERS' GRIEVANCES DISCUSSED

Lahore VIEWPOINT in English 18 Feb 82 p 12

[Text] The long-persisting sorry state of affairs at the Punjab University has surfaced again and this time the cause is centenary celebrations.

A week before the centenary celebrations were to begin, the general body of the Punjab University Staff Association (PUASA), in a unanimous resolution, threatened to boycott the celebrations if its demands were not accepted.

Through several resolutions, the general body blamed the Vice-Chancellor for creating grave unrest among the University teachers and strongly condemned his divisive tactics in dealing with the demands of the teachers community.

The demands made by the PUASA included immediate promotion of all eligible teachers/research staff to higher cadres and award of time scale for them, lease of land to members of the Association as decided by the Syndicate 18 months ago, and immediate steps for the long overdue completion of the Syndicate and the Selection Board.

Besides these demands, the PUASA called upon the authorities to withdraw the transfer clause from the University Ordinance and to annul previous actions taken under it. It demanded cancellation of transfers of three prominent and experienced teachers of the University, namely, Dr Habibullah (Chemistry), Prof. Khalid Mehmud and Mr Sajjad Nasir (Political Science)--they were transferred out of Lahore in 1979 under the University Act.

The Association also called upon the Vice-Chancellor "to remove gross anomalies in the recently announced small number of promotions and take steps to confirm those members of the academic community who have been working on a temporary basis for a long time."

The general body, in another resolution, demanded relaxation of the Ph.D. condition for promotion to grades 19 and 20, and of other similar conditions, in hardship cases, as directed by the University Grants Commission and as done in universities other than the Punjab University.

Frustration

The charter of demands speaks for itself. This is not the first time that the teachers of the University have raised their voice against the administration.

For the last many years, the representative body of teachers have from time to time called for immediate steps to end frustration and discontentment among a large number of highly qualified teachers, but on each occasion the administration not only ignored these demands.

Recently, the President of the Association, Dr Khalid Alvi, in a Press statement, said that the present administration was responsible for creating hurdles in the way of teachers' promotion. Such important bodies as the University Syndicate and the Selection Board had not met for the last 18 months because of, what Dr Khalid called, the administration's delaying tactics.

He alleged that a lion's share of the University budget was being squandered on administrative matters to the detriment of research and education.

Dr Khalid said that a preponderant number of University teachers had been got stuck in grades 17 and 18 in spite of their long tenure of service.

The University teachers demanded a 'running scale system' for promotion like those allowed to the employees in civil service and armed forces.

CSO: 4220/286

BALUCHISTAN LEADER 'PLAYS MOSCOW'S GAME IN DEMANDING PROVINCIAL AUTONOMY'

Peshawar MASHRIQ in Urdu 26 Jan 82 p 4

[Editorial: "Praiser of Kabul and Moscow"]

[Text] Mir Ghaus Bakhsh Bizenjo, while expressing his views on internal and external problems facing the country, tried to hatch some new and some old mischief. According to him, the most important internal problem facing the country is that the provinces should be given complete provincial autonomy, and only defense, foreign affairs and currency should be maintained by the central government. He said that a constitution that does not guarantee the integrity of the country by giving the provinces complete autonomy should most appropriately be thrown away. When Mr Bizenjo was asked to comment on the fact that the very constitution that he is asking the people to reject was duly signed by himself, he replied that at that time the country had already disintegrated and that if they were to quarrel over the constitution, then the remaining parts of Pakistan too would have been in trouble. The incident they were referring to, he said, took place in 1973 and they were now in 1982. During this period, a lot of changes have taken place and in light of these changes we should work out a structure for the constitution that will be satisfactory to the provinces constituting the federation of Pakistan.

The views expressed by Mr Bizenjo on the issue of complete autonomy for provinces, and the incentives underlying those views, are nothing new. He has more or less adopted the tone and arguments put forth by Shaykh Mujibur Rahman. Just as the main reason for the Shaykh's tone and argument was his desire to separate from Pakistan, Mr Bizenjo, too, would like to influence the provinces to adopt the path of separation from the federation of Pakistan on the basis of his slogan for total autonomy. Furthermore Sheykh Mujibur Rahman raised the slogan of provincialism and regionalism at the instigation of India and Russia. Today, the main driving force behind Mr Bizenjo's boldness for raising this mischievous slogan is his loyalty to Moscow and Kabul. The fact that he has been urging recognition of the Karmal government and openly supporting Moscow's point of view that Russian soldiers entered Afghanistan at the request of the legal government in Afghanistan and that they can only be withdrawn from Afghanistan on Babrak Karmal's request is clear proof of his loyalty to Moscow and Kabul.

It is a fact that at the time when the tragedy of separation was appearing on the East Pakistan horizon, Mr Bizenjo and other like-minded people, working in close conjunction with Shaykh Mujibur Rahman, were seeking autonomy for their respective provinces on the basis of the six-point plan. But when Bangladesh came into being as a result of the movement for provincial autonomy, then, at least for the time being, they had to give up their demand for complete autonomy for the provinces. They postponed their plans to a more suitable time and signed the 1973 constitution. Now, with the establishment of Babrak Karmal's government in Kabul and the arrival of Russian soldiers on the northwestern borders of Pakistan, according to Mr Bizenjo the right time has come to press his demands.

Moscow and Kabul are enraged with Pakistan for not recognizing the Karmal government and accepting the presence of Russian soldiers in Afgahnistan, and for Pakistan's insistence on the withdrawal of Russian soldiers from Afghanistan and its demand that the people of Afghanistan be given the right to decide their own future. Displeased with Pakistan's stand on these issues, Moscow and Kabul now wish to create disturbances in Pakistan aimed at bringing about regional nationalism and autonomy for the provinces. They are using Mr Bizenjo as an instrument to attain their goal. But the tactics used by Moscow and Delhi back in 1971, which succeeded in dividing Pakistan in two, cannot be effective in 1982 for the rest of the country.

First, Mr Bizenjo and the rest of his like-minded colleagues are so small in number that they can be counted on the tips of one's fingers. Second, the overwhelming majority of the people in the four provinces is now fully aware of the dangers concealed in the slogans for complete provincial autonomy. Russian activities in Afghanistan are aimed at destroying the Islamic identity of the Afghan people. If these actions are successful, the next goal of communist Russia will certainly be Pakistan. This is why the people of Pakistan would reject the efforts of elements working to disrupt Pakistan as agents of Moscow and Kabul. As far as Mr Bizenjo and his colleagues are concerned, they do not have the right to represent even Baluchistan, because their sphere of influence is limited to two or three districts of Baluchistan, and even in these districts their influence is restricted mainly to the tribes they represent. If, according to Mr Bizenjo's characteristic logic, Pakistan is made up of four nationalities, then Baluchistan itself consists of many nationalities. Under the circumstances, would Mr Bizenjo be prepared to transfer the power he is demanding for Baluchistan in the form of autonomy to the various nationalities inside Baluchistan? Would this not in turn lead to a process of division within Baluchistan itself?

In our view, the slogans of nationalism and provincial autonomy have been raised with the specific purpose of creating limitless mischief. In this era it is not possible to imagine the existence of a federation that has responsibility for only defense, foreign affairs and currency. In the Soviet Union, too, the so-called autonomous Soviet republics are under total Soviet domination. Not only that, even the communist countries of Eastern Europe are completely dominated by Russia, and Russia is not prepared to loosen its grip over them. Under these circumstances, the people of all four provinces in Pakistan are fully aware of the goals of those who praise and admire Moscow and Kabul like Mr Bizenjo and who have been raising slogans of autonomy for the provinces. The people reject them with utter contempt.
9315
CSO: 4203/59

SOVIET PROPAGANDA AGAINST PAKISTAN

Karachi JANG in Urdu 12 Dec 81 p 3

[Editorial: "Baseless Propaganda Against Pakistan"]

[Text] A spokesman for the Ministry of Foreign Affairs has stated that Radio Moscow's accusation that America has epxressed interest in using Pakistani air and sea ports, and that the American Secretary of State Alexander Haig will discuss these matters on his proposed visit to Pakistan, is absolutely baseless and is sheer maliciousness. The spokesman said that the sole purpose of these accusations was to give Pakistan a bad name and cause misunderstanding between Pakistan and its friends in the area.

This is not the first time that Pakistan has been accused of being about to hand over its air and sea ports to America. These accusations have been made countless times before, and every time Pakistan has denied them. This time the accusations have been made by such an important and famous means of communication as Radio Moscow, and the sad thing is that the accusation made by such an important source is completely baseless. So what can it be called except maliciousness. The Soviet Union is a great world power. It has innumerable ways to know the truth and to scrutinize world events, so when Radio Moscow spreads baseless propaganda about such a small country as Pakistan, it can have no purpose other than to produce misunderstanding between Pakistan and other countries in the region.

It has been said many times before, and now the spokesman for the Ministry of Foreign Affairs in Islamabad has once more made it clear that Pakistan will not sacrifice its position of non-alignment for the sake of friendship with America, nor will it allow its close ties with the Third World and the world of Islam to be hurt. Pakistan has always opposed imperialism, and has supported the freedom struggles of oppressed and subjugated nations. The record of the United Nations is proof that, despite renewed ties with America, last week Pakistan vigorously censored the military cooperation between America and Israel. In such a case, how is it possible that Pakistan could hand over its air and sea ports to America.

As the spokesman for the Ministry of Foreign Affairs said, America has assured us that she understands very well our non-aligned status, and our ties with the world of Islam. And the international brotherhood is also well aware of the fact that we act strictly according to the principles of non-alighment. Whether it is the matter of the freedom of Namibia, or the racist policy of South Africa, Pakistan

has never hesitated to raise high the voice of right and justice. Just as Pakistan has supported the demand for the withdrawal of the Soviet troops from Afghanistan, so she has just as forcefully supported the restoration of the Arab territories under the control of Israel.

All of this propaganda against Pakistan has been started at a time when the American Secretary of State Alexander Haig is about to arrive in Pakistan for a short stay of one day. As it is clear that the central point of the talks between Haig and Agha Shahi will be the Pak-American alliance, which has no connection whatsoever with the use of Pakistani military bases, it is impossible to understand why Radio Moscow has given the American Secretary of State's trip to Pakistan such importance, and why they have spread these kinds of baseless rumors about it when these kinds of high level tours are very common in this area and are never made the target of false propaganda. Two days ago a Soviet delegation made up of high ranking officials visited India, but no neighbor of India's made any kind of propaganda against it, because such actions cause damage to the peace and stability of the region, and the area becomes prey to tension and uneasiness because of misunderstandings between neighboring countries.

Political observers in Islamabad say that some statements in the reviews of Radio Moscow are wrongly attriubted to important individuals in some third country so that the accusations may appear to be founded on fact. These observers pointed out another broadcast of Radio Moscow in this regard, in which it was said that the Indian Foreign Minister Narasimha Rao had said in Parliament that Pakistan had agreed to give the U.S. Rapid Deployment Force permission to use Pakistani air and sea ports, when the truth is that the Indian foreign minister made no such speech in Parliament.

Forty years ago the German propagandists had spread the lie that if a lie is told over and over people will believe it, but the world has greatly advanced today. The methods of communication have progressed also, and the rapid means of communication have made the world smaller. So now the reality of truth and falsehood are known quickly and milk and water are easily told apart. In such a situation there is no profit in false propaganda, rather there is shame and remorse. It is our advice to the great powers that instead of using false propaganda they should give attention to the basic ways to remove tension in the area.

0014
CSO: 4203/36

ARTICLE LAUDS URDU, QUESTIONS CONTINUED USE OF ENGLISH

Lahore CHATAN in Urdu 7 Dec 81 pp 19, 20

[Article by Kalim Akhtar: "Is English Necessary?"]

[Text] It is an accepted fact that a country's identity and greatness, or lack of same, are judged by its language. The scholars and educators of a nation always try to make their language rich and cultured in order to represent all spheres of the country's life and make it a model for other countries and languages to emulate.

It is true that the whole world respects Urdu and that it is a great blessing for us. This language has helped bring people living in various places together and has provided us with a medium of expression and communication.

History tells us that nations that neglected their language were wiped out of existence like a wrong word, to make room for other nations and languages. Pakistan is a living example of this phenomenon. For over a century we have been strangers to our language and a foreign language and culture have reigned over us.

It is true that we are independent now and have freedom of speech. We cannot, however, forget that our language is inferior to the one used by our earstwhile rulers. This feeling has been deeply instilled in us by the nation that ruled us. This feeling of the inferiority of our language is like a chronic disease of our personality and psychosis. This is why, when we form or organize our national institutions, we select names and acronyms like WAPDA, DASA, PASSCO and PACO and then feel proud of them. Even though we talk about national character but when we want to name our large projects, we call them by such names as Mangla Dam, Sui Northern Gas Supply Company, Warsak Dam, Tarbela Dam, State Cement and Small Scale Industry Plant. If such foreign names are supplied by the government, the private sector is naturally going to follow with names like Acchara Shopping Center, VIP Stores, Botek Ready Made Producer, Production and Manufacturers and so on. When businessmen are asked why they use these foreign terms and words, they simply ask us to give them equivalent Urdu words that are equally attractive. The can easily translate such words as "company," "brothers," "sons," "merchants" and "made" into Urdu. The English "made in" can be changed into Urdu as "sakhta," the English "plaza" to "aiwan" and "construction company" to "idara-i-tameer." Many such Urdu words have been in use for a long time and the

common people have never had trouble reading or understanding them. In the private sector it is often said that an English name of a company helps it identify its trade and in correspondence with foreign companies. I do not buy that. Developed and industrialized countries like Japan use their own language for conducting international business and correspondence. Similarly, China, Germany, France, Iran and other Arab countries use their own languages. All these countries have their own languages. Japanese and Germans use English for correspondence with other countries but only as a last resort and only with countries where English is the lingua franca. If we use Urdu in our correspondence with those countries they will make arrangements to read and write Urdu just as some countries do in the case of English. The more we use our national language, the more it will be accepted in other countries. Our president, Gen Zia, has already established this precedent by addressing his meetings in other countries and with foreign delegations visiting Pakistan in Urdu. I believe that Urdu is a very broad and beautiful language and we no longer need to apologize for it. We need to expand its sphere of use. We have to train Urdu typists and stenographers. As long as we cannot supply such personnel to the private sector, they will continue to give a cold shoulder to Urdu. It is easy to speak Urdu but there are some problems in writing it and we must find ways to eliminate these problems. We should not use those problems as excuses for avoiding Urdu.

The sad part of this story is that we still believe that English is a great language even though our leaders have deplored its use. Why can't we call a school, a college, a university or a dentist by its Urdu name? English is the bitter relic of English colonialism. English is the symbol of our slavery to another nation. If we reject it now, nobody will drive us out of the company of free nations.

Recently, the use of English in the private sector has increased rapidly. The reason for this increase is said to be the beauty of the English language. The question arises: Do businesses in countries that use their national language fail? In Iran the Persian equivalent of "dry cleaner," "khushk shoi," is used. This is not a strange term for the Iranians. If we advertise our wares in Urdu, more people will be able to understand it. It will also show our patriotism. It is a fact that countries that have preserved their national characters and did not copy other countries blindly have been very successful.

Urdu is considered among the advanced languages in the world and it has all the characteristics of a successful language. When I see signs and neon lights in English I am forced to remember Julius Caeser. When he saw some foreigners petting their pet puppies and monkeys, he exclaimed, "Are the women in their country barren?"

7997
CSO: 4203/34

BRIEFS

MUBASHIR BANNED FROM TRAVEL--Dr Mubashir Hassan, a former Federal Minister, has been served with a notice by the Government putting a ban on his travel abroad. The notice, which was received by Dr Mubashir Hassan at his residence, has been issued under the Exit from Pakistan (Control) Ordinance, 1981, which empowers the Government to prohibit any person or group of persons from proceeding to a destination outside Pakistan, notwithstanding the fact that such a person has valid travel documents, and that the Federal Government is not bound to mention any reason why a certain person shall not leave the country. [Text] [Lahore VIEWPOINT in English 18 Feb 82 p 13]

VETERINARY STUDENTS' DEMANDS--Students Union of the College of Veterinary Sciences, Lahore, has appealed to the authorities to punish the persons who trespassed into the premises of the institution on Feb. 9 and manhandled the students. In a statement issued on Friday, Syed Israr Hussain, President, Imtiaz Ali Chaudhry, Vice-President, and Zafar Raza Naqvi, Joint Secretary of the Union, declared that after the assurance from the Government and the College administration that elements responsible for creating disorder would be punished, the students decided to end boycott of their classes from Saturday. The student leaders strongly condemned the acts of violence and hooliganism by a certain students group and urged the authorities to take stern action against the persons responsible for it. They alleged that on Feb. 9 a group of students belonging to the Islami Jamiat-i-Talaba attacked the officebearers of the Union and seriously injured a final year student, Hassan Suroosh. Declaring that they were not associated with any political group and believed in Islam and Pakistan ideology. [Text] [Lahore VIEWPOINT in English 18 Feb 82 p 13]

PDP LEADER'S RELEASE DEMANDED--The Joint Secretary of defunct Pakistan Democratic Party (PDP), Javed Khan Swati, has urged the Government to release the PDP chief, Nawabzada Nasrullah Khan, and withdraw the orders of externment and other restrictions on political leaders. He said that the Press statement issued by NWFP Government barring Nawabzada Nasrullah from entering the province was ridiculous as Mr Nasrullah Khan was already detained in his house in Khangarh, which had been declared a "sub-jail" by the authorities. On Jan 29, the Punjab Government extended Mr Nasrullah's detention for another three months. "In these circumstances, the NWFP and Sind Governments' orders are surprising," Mr Swati added. [Text] [Lahore VIEWPOINT in English 18 Feb 82 p 13]

LABOR FRONT DEMANDS--The Mazdoor Ittehad Committee, Sargodha region, has demanded increase in wages and reinstatement of all retrenched mill workers. A demand notice on behalf of 600,000 workers was drawn up. The committee said that if the demands were not accepted the workers would consider further action. A spokesman of the Union said that in Faisalabad alone more than 20,000 workers had been retrenched during the last few months and in all 70,000 workers had lost their jobs in the Sargodha region. He said in these circumstances the workers had submitted an 18-day demand notice to the provincial Government. The notice also included the demand for reinstatment of 600 Kohinoor workers. The notice said lay-off in industrial units should end, there should be no denationalisation and enumerated other demands. [By Ehsan Rana] [Text] [Lahore VIEWPOINT in English 18 Feb 82 p 15]

POLITICAL ACTIVIST A SUSPECT--The Faisalabad police took into custody on Saturday a political activist, Mehboob Khan, as a suspect in the assassination of Chaudhri Zahoor Elahi. The former student leader was produced before the Summary Military Court, Sahiwal, headed by Major Mohammad Iqbal, by two lawyers, Ejaz Athar, Abdul Latif Malik, and his surety. When Mehboob Khan was about to leave the court premises, the Faisalabad police, after showing the warrants, took him into custody in connection with investigations in the Chaudhri Zahoor Elahi case. [Text] [Lahore VIEWPOINT in English 18 Feb 82 p 16]

CSO: 4220/286

POTENTIAL STRENGTH SEEN IN NEW OPPOSITION PARTY

Kuala Lumpur BUSINESS TIMES in English 1 Feb 82 p 21

[Article by Adlai J. Amor in Cebu City]

[Excerpts] AT A time when a host of opposition parties are being organised throughout the country, the Social Democratic Party of the Philippines (SDPP) promises to become the strongest rival of the ruling Kilusang Bagong Lipuan (KBL or New Society Party).

The new party entered the Philippine political arena almost unnoticed in late December in this city — the traditional bastion of political opposition — some 260 kilometres south of Manila.

The SDPP is the latest opposition group which claims no connection with the United Democratic Opposition (UNIDO), an umbrella group of opposition parties.

Neither is it affiliated with recently formed and still to-be-named merger of oppositionists most of whom were already affiliated with the UNIDO. In fact, SDPP seems to be the only political party which was not invited by the merging groups to join, perhaps because two former ranking government officials — former Information Minister Francisco Tatad and Deputy Information Minister Reubean Canoy — were behind its formation.

This splintered opposition has left no other political alternative for many Filipinos, except the Communist Party of the Philippines (CPP). Observers say that prior to the merger of the political parties and SDPP's creation, the CPP was the most effective alternative — complete with an army and an existing government structure.

Expelled

What gives the SDPP better chances than the other political parties to counter the threat of the CPP and to challenge the KBL is their grassroots organisation, the youthfulness of its members and the fact that it was created not as an anti-Marcos party. It has also adopted the strategy of consolidating its strength in the provinces first before tackling the cities.

"The party is based on ideas, not personalities. It is a national political party which thinks far beyond the era of President Marcos," said Mr Canoy in an exclusive interview with *Depthnews*.

Although Mr Canoy is not a full SDPP member, he has been instrumental in its creation. Because of laws banning changes in political affiliations, Mr Canoy and two other opposition lawmakers — Mr Tatad and Hilario Davide Jr — have signed a coalition agreement with the SDPP until such time they can formally join it.

Aside from these three, the only other prominent political figure in the party is the former Cebu gubernatorial candidate Andres Corominas who ran under the banner of the Pusyon Bisaya (Young Turks of the Visayas).

Mr Corominas was elected as interim president, while journalists, farmers, lawyers and a woman leader were elected into the party hierarchy.

Assemblyman Canoy and his colleagues held ten workshops throughout the country since 1981. Many had thought that it was going to lead to the creation of his cherished party, the Philippine Alliance. But it did not prove so.

During the workshops, concerned citizens analysed the conditions in the Philippines. "The consensus was not to change President Marcos but the entire government structure," Mr Canoy said. "Such a change can only be lawful and is a long-term process."

The ideas that slowly filtered out during the workshops — some of which were held in church retreat houses — were oriented more to the social democracy as practised in Europe, especially West Germany.

"Social democracy is the wave of the future," said Mr Canoy.

In a national convention held in a small beach resort near Cebu City last Dec. 19-20, some 90 delegates and observers representing the 13 regions of the Philippines drafted and adopted a declaration of principles, a party constitution and by-laws.

In its five-page declaration of principles, the Social Democratic Party sees the need for constitutional reform to abolish authoritarianism and reinstate the system of check and balance.

The party believe that it is their duty to build a democratic social order "guaranteed by the inviolability of human rights ... (and) the independence of Parliament, the courts and the Press."

With three months, party members hope to have fully organised regional, provincial, town and village chapters to be able to participate in the village elections slated sometime in April.

This election is crucial for the SDPP — and any other political party — become it will test the party's acceptance. More important, it needs to earn at least 10 per cent of the votes in order to qualify as the legal opposition party in the two-party system envisioned by Philippine law.

But even while the local chapters are being organised, the party has activated its Institute of Social and Political Affairs in nearby Cagayan de Oro City which will serve as SDPP's training ground. A party newspaper is expected to be launched soon.

SDPP's choice of Cebu City as its main base of operations is appropriate since it is the most central city in the Philippines — giving direct and cheap access to Manila and Mindanao.

CSO: 4220/577

MNLF ATTACKS DECREASE, GOVERNMENT FORCES WITHDRAWN

Kuala Lumpur BUSINESS TIMES in English 10 Feb 82 p 21

[Article by Mario Baluyot in Manila]

[Text]

POCKETS of resistance are virtually all that remains of the nine-year Filipino Muslim secessionist struggle, boosting government hopes that the settlement of the southern Philippines conflict will just be a matter of time, according to official sources here.

Much of the government's optimism is anchored on a recent evaluation by military authorities, who see a "considerable improvement" in law and order in the area last year. The same officials predict that the situation will be further stabilised this year.

Rebel

In fact, a year-end review by southern and central Mindanao military officials cited an 80 per cent decline in attacks by the Moro National Liberation Front (MNLF) in 1981 compared to the previous year, when MNLF rebels killed 119 military officers and men in what is now known as the Pata Island massacre.

These attacks, they said, were also on a much smaller scale and characterised by minor skirmishes, ambuscades and occasional grenade attacks primarily intended to keep the MNLF cause alive.

Strengthening the government's favourable assessment of the situation were the withdrawal from the area last year of six military battalions and the lifting of a ban on foreign travellers as a result of the improved situation.

The southern military command chief, Gen Delfin Castro, said that three or four more battalions would be taken out this year to further reduce the military force which, at one time, rose to more than 35 operating battalions at the height of the conflict.

In spite of the apparent government progress in winning some of the rebel ranks to its side — military records cited 5,000 as of year-end 1981 — some hard-core MNLF members still managed to carry out operations against civilian and military targets.

Since October, some 35 people have been killed in MNLF rebel attacks.

The figure could become higher if the number of unsolved killings by grenade attacks was established as the work of the MNLF which, along with communist rebels, have often been made scapegoats for general unrest.

Sanctuary

Notwithstanding the reduction of tension, government and military authorities have remained alert by keeping tabs on rebel movements for possible regrouping following reports of arms being slipped into remote coastal areas from a training camp in a neighbouring territory.

Although the reported landings have not been substantiated, the government pursued its campaign to weaken the MNLF base by offering the rebels incentives to lay down their arms and by giving prominent play to a power struggle among the foreign-based MNLF leadership.

The most recent government move was to invite visitors from Arab countries in an effort to wean away the support they were giving to MNLF leaders who found sanctuary in several Middle East countries.

But what is considered a major stroke in helping resolve the nine years of political strife is the scheduled official visit to Jeddah next month of Philippine President Ferdinand Marcos, who has expressed the hope that Saudi Arabia would mediate to end to the conflict.

Saudi Arabia's King Khaled wields a strong influence on he 43-nation Islamic conference and the Arab League, both of which are based in Jeddah, and he might be influential in helping bring an end to the MNLF secessionist conflict that has left 60,000 people dead. — AFP

CSO: 4220/577

CREDITABLE 1981 ECONOMIC PERFORMANCE DESPITE HOSTILE FACTORS

Kuala Lumpur BUSINESS TIMES in English 13 Feb 82 p 9

[Article by Manolo B. Jara]

[Text] THE Philippine economy underwent a severe test less last year and emerged badly shaken but definitely not out.

The scars of the battle are still there. Its gross national product (GNP) grew in real terms by a mere 4.7 per cent in 1981, "admittedly the lowest in the Five-Year Development Plan (1978-82)."

At the same time, the country's export earnings plunged while its trade deficit rose as did interest payments on foreign loans. The Philippine peso likewise deteriorated against the US dollar, clearly manifesting its weakened external position.

"The year just past literally put to test the essential strength of the Philippine economy and the flexibility of the financial system," central bank governor Jaime Laya told President Marcos in a 14-page preliminary report on the country's economic performance.

But in Mr Laya's reckoning the economy passed the severe test "creditably." The major economic indicators showed gains in some areas despite "hostile influence of the external environment and dislocative incidents in the internal financial scene."

Even the growth of GNP — the sum total of the country's goods and services produced — was "appreciable," insisted Mr Laya, especially when viewed against the "economic dislocations of the period." The 1978-82 development plan originally set the overall economic growth targets at 7.5 per cent for 1979 and 1980, then rising to 8 per cent for 1981 and 1982.

But the country's economic managers scaled down the targets due to world recession and decline in world trade. Under the revised plan, the GNP annual growth rate was pegged at 5.5 per cent for 1980, 6 per cent for 1981 and 6.5 per cent in for 1982. Even then, the 1981 GNP growth rate of 4.7 per cent was 1.3 per cent down from the the 6 per cent target.

One economic indicator which showed gains despite the adverse conditions is the inflation rate. Inflation went down to 12.5 per cent last year. Mr Laya reported. This is the lowest inflation rate since 1979 "and considerably below the rates registered by non-oil developing countries and the world in general."

In 1980, the Philippines registered an inflation rate of 17.8 per cent, according to the Asian Development Bank. That placed it second to Thailand with the highest inflation rate among the five-member Association of South-East Asian Nations. Thailand then had a high 19.9 per cent inflation rate, replacing Indonesia at the top.

In his report, Mr Laya said the country's 1981 trade deficit jumped to US$2.533 billion or a 47 per cent increase from 1980's US$1.726 billion. This was attributed to declining export earnings and higher import payments, particularly oil which ate up one-third of the export-earnings.

Export earnings declined from US$4.653 billion in 1980 to US$4.52 billion last year, the report said. However the total import growth slowed down to about 10 per cent last year from 1980's 26 per cent. As a result Mr Laya said, import payments rose from US$6.379 billion to only about US$6.985 billion "mainly because of the higher oil bill (for 1981)."

About 23 per cent of the export earnings — US$1.102 billion also went to interest payments on loans. This meant a 10 per cent jump from the 15 per cent of 1980 due to the expansion in foreign borrowing and the increase in interest rates in the international capital market, Mr Laya said.

The country's trade gap was also indicated by the deterioration in the peso-dollar exchange rate, according to the report. However, the peso weakening was described only as "moderate" in the light of worldwide deterioration of major currencies against the US dollar.

A mitigating factor eased somewhat the country's yawning overall balance of payments problem. This came in the form of substantial gains in remittances of Filipino overseas workers. "This brought the overall deficit in the country's foreign exchange transactions to US$560 million which is 47 per cent higher than the US$331 million shortfall in 1980," Mr Laya said.

On external debts, Mr Laya revealed that as of 1981, these stood at a staggering US$15.835 billion. The figure exceeded by US$3.134 billion the 1980 level. Over half of the total, he explained, was for the public sector which further accelerated its borrowing programme to "sustain expenditures for development projects and to replenish its relending fund for private borrowers."

Earlier, however, Mr Laya raised a warning about the country's foreign borrowing. In his report on the first nine months of 1981, he warned: "In the context of the rising cost of foreign borrowings, it is important to exercise great care in project selection and in monitoring uses to which external finances are put, to ensure that external borrowings are applied toward highly productive investments which require the minimum outlay of foreign exchange." — Depthnews Asia.

CSO: 4220/577

GOVERNMENT BACKING FOR TRADITIONAL VALUES

Kuala Lumpur BUSINESS TIMES in English 9 Feb 82 p 21

[Article by Francis Daniel in Singapore]

[Text] GOVERNMENT leaders are concerned that a new breed of young affluent Singaporeans is emerging in the rapidly developing island state with scant regard for moral and traditional Asian values.

The problem is considered so serious that the government has decided to resort to legislation and other tough measures without which, one senior minister warned, Singapore could become "a nation of thieves."

Prime Minister Lee Kuan Yew announced last week that laws would be introduced to make young Singaporeans take care of their aged parents, while his deputy, Dr Goh Keng Swee, said religion and Confucian ethics would be made compulsory subjects in high schools.

The other government members of Parliament — the ruling People's Action Party (PAP) controls all but one of the 75 seats in the legislature — applauded the moves as the best way to give Singaporeans a cultural ballast against the less desirable aspects of Western culture.

But many educationists and religious leaders expressed doubt that Asian values and filial piety can be forcefed to a people who have been fast absorbing Western lifestyles since their independence 20 years ago.

Mr Lee and his colleagues, known for their tenacious pursuit of set targets, appear determined, however, to make sure that the 2.4 million Singaporeans discard liberal Western concepts which, they say, place great emphasis on youth and vitality, not age and wisdom.

In a Lunar New Year message on Jan. 25, Mr Lee told his predominantly Chinese population that he was upset over the increasing tendency of young couples living separately from their old parents.

If filial obligations are not honoured, then the government must pass laws to ensure that ancient customs and traditions are upheld, according to Mr Lee.

Estate duty concessions on houses left to children "will have to be conditional on a son or a daughter living with the surviving parent in the house," he said.

On the other hand, the government would make it worthwhile for at least one son or one daughter, after marriage, to live in their parents' homes, or to take their parents into their own homes, he added.

Mr Lee believes care for the aged is a Confucianist quality and will nicely fit in with his government's policy of avoiding any Western-style state welfare system.

A government consultant on moral education said, however, that the government could not absolve itself from blame for the breakup of the traditional extended family system in Singapore.

"How can we expect the Chinese extended family to exist in Singapore when the government family planning programme restricts to two children and its housing policies separate families into two bedroom flats, some of which are on floors with no lifts for elderly people?" he asked.

Mr Lee's edicts on filial piety followed a suggestion by his deputy, Dr Goh, that religion be made a compulsory subject in high schools in a bid to produce honest, upright citizens.

Stealing had become common practice in the Singapore Army and schools and unless this was arrested the state faced the danger of becoming a nation of thieves, he said.

Dr Goh's plan is to make it compulsory for students to learn one of Singapore's four main religions — Buddhism, Islam, Hinduism and Christianity. Students unwilling to study any of these must learn world religions, including Sikhism and Judaism, or Confucian ethics.

The idea is for students to leave school knowing it is wrong to lie, cheat and steal and also knowing that all will be lost in Singapore unless the government leaders were upright men, according to Dr Goh.

But most of the Christian mission schools expressed reservations over the Goh plan and warned the government not to be too hasty in carrying out its scheme.

But Dr Goh is of a different mind. He told all those who disagreed with his plan: "I think your approach is a very timid one. We can't sit and do nothing. Bold measures are needed."

As part of these bold measures, the government would be introducing Confucian ethics in Singapore schools, he said.

Describing the ethics expounded by the Fifth Century B.C. Chinese sage as a form of political ideology and a code of conduct, Dr Goh said:

"Confucius believed that unless the government is in the hands of upright men, disaster will befall the country. In this respect, the PAP (the ruling party) also believes the same thing." — Reuter

CSO: 4220/578

KEY FIGURE IN MUSLIM EXTREMIST ORGANIZATION

Kuala Belait BORNEO BULLETIN in English 23 Jan 82 pp 1, 23

[Text]

BANDAR SERI BEGAWAN. — A former teacher at a Brunei school has been identified as one of the key figures behind a Muslim extremist organisation set up to try and overthrow the Singapore government.

The man, Sulaiman bin Muhamad Shariff, 47, was one of 10 people arrested by Internal Security Department officers in a series of swoops in the republic a week ago.

The group calls itself the Singapore People's Liberation Organisation (in Malay, the Organisasi Pembebasan Rakyat Singapura) and its aim was to bring down the government through communal unrest and sabotage, said Home Affairs Ministry officials there.

Sulaiman, who arrived in Brunei from Singapore, taught for a year at SOAS College in the state capital.

Former friends say he was asked to leave the school sometime during 1978 and then left the state.

Education Department officials would not comment on why Sulaiman left the school.

In 1971 he was sacked from a teaching post in Singapore for contravening school regulations and misconduct.

Before being moved to the Brunei Education Department, Sulaiman worked for some years as the government tourist officer here.

He has been described by the Singapore Home Affairs Ministry as one of four "core" members of the extremist organisation.

It said the group comprised "a handful of disgruntled Malays and Indian Muslims who, through their actions and utterances, demonstrated they are racialists and extremists and who will not hesitate to use violence to achieve their ojectives."

The ministry's statement said the group had planned to create communal unrest by distributing pamphlets and carrying out acts of arson, the planting of bombs at shopping centres, community centres, cinemas and Port of Singapore Authority warehouses.

The extremists also intended to solicit support, including manpower and finance, from foreign powers and invi-duals to carry out their plans.

CSO: 4220/579

RIVAL FACTIONS DIVIDE OPPOSITION PARTY

Kuala Lumpur BUSINESS TIMES in English 28 Jan 82 p 19

[Article by Mallika Wanigasundara in Colombo]

[Excerpts] THE Sri Lanka Freedom Party, the country's largest opposition group, has gone ahead and did exactly what the ruling United National Party would like to see.

It has split right down the middle after a bitter and acrimonious infighting between two rival factions. One is headed by former Prime Minister Sirima Bandaranaike and the other by Mr Maitripala Senanayake, SLFP deputy leader.

The feud involves ideological friction, political rivalries and personal animosities. It reached a climax in mid-December when Mrs Bandaranaike's faction or SLFP (S) expelled 17 "dissident members" of the SLFP (M) led by Mr Senanayake.

Among those expelled were Mrs Bandaranaike's own son, Anura, Mr Senanayake, former Speaker Stanley Tillekeratne, former Minister P.G.B. Kalugalle, trade union leaders and sitting Members of Parliament (MPs). Earlier, 13 of these SLFP "dissidents," including Anura, had been suspended from membership of the party's politburo by the Bandaranaike faction.

The mass dismissal was preceded by the handing over of government-requisitioned SLFP headquarters to the Senanayake faction by the government. In the course of the infighting, the Darley Road headquarters of the SLFP in Colombo had been "captured" in turn by the contending parties. Eventually, it was sealed by the government.

The two contending SLFP factions have now asked the court to decide on the rightful ownership of the headquarters. But while handing over the headquarters to the SLFP (M), Sri Lanka's secretary to the Ministry of Defence referred to Mr Senanayake as the SLFP president.

Recognition

Observers said that in so doing, the government as good as recognised the SLFP (M) as the SLFP proper. What repercussions this recognition will have on the electorate is another matter. To be "favoured" by the ruling UNP is not exactly what would appeal to hardcore SLFP supporters.

Already, Mrs Bandaranaike has been alleging that there has been collusion between the Senanayake group and the ruling UNP to disenfranchise her. But admittedly, observers said, the government action was a crafty, well-timed and calculated move. For earlier, peace moves were afoot to bring the contending factions together.

And this is exactly what the UNP did not want to see. Timing it to distract attention from some work-a-day cracks in its own ranks, it threw in this spanner in the works to create disarray in SLFP ranks on both sides.

As Anura himself put it: "President Jayewardene called the tune and the actors played their parts. The Senanayake group took possession of the headquarters building and the opposing group expelled them from the party."

The split is complete for the present. But there is one thing that the two warring SLFP factions and UNP political strategists are well aware: that it is Mrs Bandaranaike, the charismatic widow, who is the vote-catcher. In short, she is the SLFP symbol

Which is why the UNP has set out to neutralise her, according to observers. It is also the main reason why even the dissident SLFP (M) still acknowledges her as the SLFP leader.

The expulsion of sitting MPs, meanwhile, could have drastic repercussions on them under the provisions of the present Constitution. The Constitution provides that an MP who is dismissed from a party can be also expelled from Parliament. This does not happen automatically and immediately, but only after certain procedures are followed.

This threat hangs over the heads of the SLFP members now in Parliament. But it depends on which SLFP faction is recognized by the Elections Commissioner M.A. Piyasekera.

Both Mrs Bandaranaike and Anura are steadfast in their Press statements that there is no animosity between them. And each says of the other that he or she is either being "misled, imprisoned or manoeuvred by ambitious and calculating persons." The two realise the need for SLFP unity, especially with the elections scheduled in mid-1983.

Immediately after the expulsion of the 17 members, called the "Gang of 17," Mrs Bandaranaike said the door was still open for a reconciliation. It is not the end of the road for negotiations, she said.

The rival groups admit, however, that anti-UNP forces have to unite before the 1983 elections. And true to their word, they have sent out separate calls to the left-winging parties.

As a result, the SLFP, now taking stock of its fortunes, finds itself engaged in unity talks in several directions. The UNP watches, alert and gleeful at the dilemma in which the SLFP has allowed itself to be placed.
— Depthnews Asia

CSO: 4220/580

PARLIAMENT BUILDING COMPLETED IN NEW ADMINISTRATIVE CAPITAL

Kuala Lumpur BUSINESS TIMES in English 9 Feb 82 p 23

[Article by Clarence Fernando in Colombo]

[Text]

PRESIDENT Junius Jayewardene will perform the ceremonial opening of a new parliamentary complex near here this month, marking a milestone in Sri Lanka's history.

The occasion will signal the end of Colombo's pre-eminence as the administrative capital of this Indian Ocean island since the British occupation in 1815.

The capital is being moved because Colombo has become too congested.

The sprawling parliamentary complex in the new administrative capital of Sri Jayawardenapura covers 68,000 square metres (730,000 sq ft) on a site some eight km (5 miles) southwest of here.

Sri Jayewardenapura, also known as Kotte, is the site of a former Sinhalese kingdom which came under Portuguese rule in the 17th century.

Monument

Costing 900 million rupees (US$45 million), the parliamentary complex is a monument to the combined skills of Sri Lankan, Japanese, Malaysian, Philippine and Singaporean engineers and craftsmen.

It was built by a Japanese consortium, the Mitsui Company and Mitsui Construction Company of Tokyo, on a contract awarded by the Sri Lanka government.

The consortium's administrative manager, Takahiro Kawakatsu, said 1,800 workers had been working on the project which they began in November 1979.

"The building is ready and only the finishing touches, the manicuring of the lawns and the internal decor, like the delicate hand-painting of murals, are being done now," he said.

The new parliament, on an island skirted by a slow-moving river, is modelled on traditional Sinhalese architecture.

Modern technology has been used by engineers from Japan, Malaysia, Singapore and the Philippines to make it one of the most modern parliamentary buildings in the region.

It has seating accommodation for 200 members, two more than the 198 members who will be elected at the next general election in 1983.

The present parliament of 168 members, is in a building in Colombo put up by the British in 1930.

Two pairs of massive doors, both made in Japan, provide access to the parliamentary chamber, which is pannelled in tamarind, ebony wood and Burma teak processed in Singapore.

One pair of doors is made of bronze and weighs about seven tons. The other, made of silver and carrying an inscription recording the country's independence and nationhood, was designed by Sri Lanka architect Jiffry Bawa.

The 21-metre (70 foot) high ceiling is of embossed aluminium, so made, said Mr Kawakatsu, "that it will keep its shine for ever."

The shifting of Parliament has sparked off a massive building programme. Many government departments are also moving from Colombo to the new capital.

Among the new buildings going up is a 1,000-bed hospital which the Japanese government is donating as an outright gift to Sri Lanka. — Reuter

CSO: 4220/580

CPT'S 40TH ANNIVERSARY FINDS PARTY BRUISED BUT NOT BROKEN

Kuala Lumpur BUSINESS TIMES in English 2 Feb 82 p 19

[Article by Anuraj Manibhandu in Bangkok]

[Text] THE outlawed Communist Party of Thailand (CPT) turns 40 this year, its image bruised but its will apparently far from broken.

The pro-Peking party has taken one blow after another since Vietnamese-led forces marched into Phnom Penh on Jan. 7, 1979, prompting China to throw its lot behind the ousted Khmer Rouge leadership.

The Thai party's internal troubles are told in the delay of its fourth national congress, initially expected to take place in 1979, even then a yawning 18-year lapse since the third such gathering in September 1961.

"It means they have lost," said Colonel Chakorn Tossawat, spokesman of the Internal Security Operations Command (ISOC), the government's counter-insurgency arm. Other critics have not been slow to capitalise on the sore point.

But the party's military arm, the People's Liberation Army of Thailand (PLAT), leading its "armed struggle" since "gunburst day" on Aug. 7 1965, has clearly denied a controversial suggestion that it was doomed to defeat.

The guerrillas killed 15 government troopers in the south and 19 others in the north within weeks after army authorities announced in October, 1981 that their last bastions were about to fall.

Power

However, there is no doubt that the party that grew out of the "Chinese Communist Party of Thailand" is hurting inside from wounds inflicted by the security crisis that came with China's move to back the Khmer Rouge.

China, whose revolutionary theories still dominate the Thai Party's thinking, was not only less attentive but, apparently in an exchange for an ally on the Cambodian question, closed down the Voice of the People of Thailand (VOPT) party broadcasting station in Southern China on July 11, 1979, following talks with the then Thai Premier Kriangsak Chomanan.

The blow screamed for self-reliance but, according to Thai intelligence reports, it was not until recent months that the party started conducting experimental broadcasts from the north of Thailand.

In a reportedly weak test run on the party's 39th anniversary on Dec. 1, 1981, the party reaffirmed its commitment to seizing power by force.

Before China dealt the blow, Vietnam, which has provided military training, announced that it would no longer support Thai insurgents.

The September 1978 announcement by Vietnamese Premier Pham Van Dong during a visit here was followed 11 months later by the expulsion of a senior captain cadre from Hanoi.

Defection

Laos told Thai insurgents to leave unless they were willing to break from China. But, though external pressures put the Thai communists in disarray, internal conflicts saw over 2,000 quit in the past two years for "lack" of demcracy in the party.

Thai military analysts have pointed to differeces in analyses of Thai society, and refusal to accept pro-Chinese trends.

Almost all students, intellectuals and politicians who went underground following campus clashes here in October 1976 have emerged.

They were not integrated into the party as such but were organised in a front — the Committee for Cordinating Patriotic and Democratic Forces (CCPDF) — an arrangement seen by Thai military analysts as a bid to minimise clashes between the "old guard" and the young activists.

Despite their defection, Thai authorities are unconvinced that they have made a clean break with the party.

Analysts see the party's recent strategy change as an attempt to draw back the defectors.

The new strategy, reportedly implemented in some parts of the northeast, calls for equal emphasis on operations in the jungles, plains and towns, to be conducted on political as well as military fronts.

But though the party is apparently making changes as its military arm continues to show mettle, the arrest of a politburo member — Damri Ruengsutham — in April last year has left a negative mark.

Thai military analysts were strongly sceptical of a later party explanation that he was on his way to peace talks with the government, which categorically rejected the suggestion.

The party has also suffered a considerable loss of armed fighters although estimates vary. According to one Thai official source, the guerrillas' armed strength has dropped from about 11,100 in 1979 to 7,000 last year, with the largest contingent of 1,900 in the South.

In fiscal 1981 that ended last September, 142 insurgents were killed, 87 captured and another 1,300 defected.

While the CPT struggles through troubled times, Thai authorities are keeping watch on a so-called "new party" apparently seeking to unite "disappointed intellectuals" from the Jungles.

The man behind what authorities describe as "still a concept" is a former MP for northeastern Thailand, Boonyen Wothong, currently in political asylum in Laos. — AFP.

SHORTAGE OF CABLE DELAYS EXPANSION OF CABLE RADIO NETWORK

Kuala Lumpur BUSINESS TIMES in English 3 Feb 82 p 21

[Article by Alex Marshall in Hanoi]

[Text]

WHILE some countries weigh the likely effects of cable television, Vietnam is trying to extend its cable radio network. Started in 1956 after the war against the French, the network now covers the whole of North Vietnam. Nearly every house has its set, linked through a village or commune centre to one of 60 local receiving stations, over which comes news, propaganda, music, early morning exercise classes, drama, instructions and advice.

A strong local flavour is given by the commune relay which adds its own programming to the centrally produced material. In some places, reports and requests by the village committees are relayed over a phone linked to the cable, to the district party or cooperative headquarters.

Ly Van Sau, director of the service, claims that North Vietnam's recent good harvest is proof of the network's effectiveness. New methods of cultivation were used, farmers following instructions given over the cable, and yields rose significantly, he says.

Brave New World?

North Vietnam is certainly not Huxley's vision: most of its 30 million people are clumped in villages of 3,000 to 5,000 each, throughout the rich plain of the Red River and into the hills beyond. With few good roads or telephones in most parts, radio becomes a vital link.

The cable costs almost nothing to the villager; on the other hand transistor batteries are scarce and expensive, and often the only way to obtain them is to register the set with the commune which controls supplies. TV sets (about a million throughout the country) must also be registered.

Radio has been part of Vietnamese life since it was started in the jungle over 30 years ago. Mr Sau was there. "We had two elephants and we used to load up the transmitter every morning and move. The French never found us. Afterwards the elephants got a medal." Radio Vietnam has been off the air for only nine minutes since then — on Christmas Eve of Dec. 24, 1972, the US bombing of Hanoi.

Cable was adopted as a low-cost alternative to a "wireless" system under which every family would have had to buy their own radio. Plans for expansion include extending the service to the southern provinces and more programming. A new unit has been set up to produce programmes on agriculture, health and family planning with the help of the United Nations Children's Fund (Unicef) and the United Nations Fund for Population Activities (UNFPA). The unit will shortly set up shop in Ho Chi Minh City (Saigon) and expand its present offices in Hanoi. With UNFPA help, 30 trainees spent three months at the Development Training and Communications Planning (DTCP) centre in Bangkok.

But all is not roses. In the commune we visited near Hanoi, the operator/announcer proudly put on a scratchy record, saying "Everyone is hearing this," and took us to a solid brick-built house nearby. No sound. The solid citizen had disconnected his set because it interfered with his nightly television-watching. By the time he hooked it up again, the electricity had failed.

TV will not be a big force in Vietnam for some time yet. It airs for only two hours in the evening, from 7 pm to 9 pm, and the most popular programmes are sports, beamed by satellite from the USSR or Eastern Europe. The local programming, especially drama, professionally acted and produced, suffers from poor facilities — Hanoi's TV studios are housed in a converted rice warehouse — and a melange of equipment from all over the world.

"Good politically," as we were told in an aside. "Bad technically." Shortage of spare parts means home repairs, but everything in a video-tape recorder, for example, can be fixed except the recording head. Colour TV is on the way — there is a fully-equipped colour studio — but so far colour is used only for training of "cadres" — technical staff to you and me.

So the short-term future is with cable radio. "We have lots of problems," says Ly Van Sau cheerfully, "like loss of power, old equipment. Communes in the south are not yet fully organised. But I think the chief problem in expanding the cable network is finding enough cable." — Depthnews Special

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END

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COMBAT NEWS REPORTED FROM MONG NAWNG, BHAMO

BK061004 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 5 Mar 82

[Text] Combat news: On 11 February, a small unit of the people's army ambushed the military government's mercenary 19th Infantry Division in the Mong Nawng-Lai-Kha road, killing one enemy soldier, wounding eight others, and destroying a vehicle.

On 13 and 14 February, the military government's mercenary 19th Infantry Division was ambushed on the Mong Nawng-(Wan He) road. The ambush killed five enemy soldiers and wounded five others. One G-3 and 20 rounds of ammunition were seized from the enemy.

News of joint operations by the people's army and the Kachin Independence Army [KIA] in Bhama District:

On 2 February, a joint unit from the people's army and the KIA attacked the enemy near (Mantha) village, killing one enemy soldier. One gun and 700 rounds of ammunition were seized. At the same time, the enemy's three bridges near (Mantha) were blown up.

On 4 February, a joint unit from the people's army and the KIA attacked the military government's mercenary 103d Infantry Division near (Singu-Tongkwa). The attack killed five enemy soldiers and wounded five others.

On 6 February, a clash with the military government's mercenary 40th Infantry Regiment occurred at (Nawng Palang), killing one enemy soldier and wounding three others.

On 8 February, a joint unit from the people's army and the KIA attacked the 2d column of the military government's mercenary 1st Kachin Rifles Regiment, wounding nearly 30 enemy soldiers including 3 officers and 7 privates.

On 10 February, the 1st Kachin Rifles Regiment was attacked at (Palaung Dengsa). The attack killed two enemy soldiers.

On 12 February, the mercenary 4th Kachin Rifles was attacked near (Naning). One enemy soldier was killed and six others were wounded.

CSO: 4211/13

BRIEFS

AUSTRALIAN AID--A collateral note to the memorandum of understanding between Burma and Australia, under which Burma will receive $5 million worth of machinery and technical services for the construction of Bassein-Monywa road construction project, was signed in Rangoon on 3 March. The note was signed by Australian charge d'affaires ad interim (P. A. Dexter) and managing director of construction corporation U Tin Hlaing at a ceremony held at the corporation's headquarters. [BK041223 Rangoon Domestic Service in Burmese 1330 GMT 3 Mar 82 BK]

KAYAH STATE COMBAT--On 25 January, a small unit of the people's army attacked the military government's mercenary 87th Infantry Regiment on (Loi-Mong) hill, west of (Thabaung) village, Pinlaung township. The attack killed three enemy soldiers and wounded two others. On 29 January, an ambush by a people's army unit on the military government's mercenaries near Taungmethin village, Pinlaung township, killed 18 enemy soldiers and wounded 9 others. One motor vehicle was burned and destroyed. One carbine, two G-2's and one G-4 were seized from the enemy. News of joint operations by the Kayah New Land Revolutionary Council [KNLRC] and Kerenni Nationalities Liberation Army [KNLA]: On 19 January, a combing unit of the KNLRC and KNLA attacked the military government's mercenary 72d Infantry Regiment at (To-re) village in Pru-so township and seriously wounded one enemy soldier. On 20 January, an ambush by a combined unit of the KNLRC and the KNLA on the military government's mercenary 72d Infantry Regiment between (Tapilao) and (Kho-ya), Pru-so township, resulted in three enemy soldiers being seriously wounded. [Text] [BK280732 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 28 Feb 82]

LAUHKAUNG AREA COMBAT--Combat news from Sadon and Lauhkaung area located east and northeast of Myitkyina: On 4 January, a guerrilla attack conducted by a small unit of the people's army at (Takin) in Salaw township wounded some enemy soldiers from the 29th Infantry Regiment. On 18 January, a small unit of the people's army intercepted and attacked the enemy, who had come to loot and kill people as they left a housewarming ceremony at (Sarein Nabwe) village in the Lauhkaung area. Some enemy soldiers were wounded. On 28 January, a small unit of the people's army attacked the enemy soldiers stationed at (Mantaung) village in the Lauhkaung area, killing one enemy and wounding some others. On 1 February, a mine attack

was launched against the military government's mercenary 15th Infantry Regiment which had come to loot and kill in (Rimon). The attack wounded some enemy soldiers. Five enemy soldiers were killed and some others wounded in an attack against the military government's mercenary 29th Infantry Regiment at (Yinpyin) village in Salaw township. Two G-3's, hand grenades, ammunition and some military equipment were seized from the enemy. [Text] [BK271030 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 27 Feb 82]

KENG TUNG, WA DISTRICT NEWS--Combat news from northern Keng Tung: On 10 January, a small unit of the people's army attacked the military government's mercenary 1st Infantry Regiment near Mong Yang, killing and wounding three enemy soldiers. On 2 February, a guerrilla attack launched by a small unit of the people's army in an area west of Mong Ngen wounded four enemy soldiers. On 6 February, a similar attack at (Wan Wa Sauk) wounded and killed four soldiers from the military government's 1st Rifles Regiment. On 12 February, a unit of the people's army attacked an enemy camp at Mong Yang, wounding and killing some enemy soldiers. Combat news from southern Wa District: On 6 January, the people's armed forces conducted a guerrilla attack against the military government's mercenary 33d and 67th Infantry Regiments at (Man Kan Aing) and (Pinkaung), wounding a total of five enemy soldiers. On 19 January and 8 February, attacks launched by small units of the people's army at (Pinton) and (Kyaukhein) killed and wounded three enemy soldiers. Combat news from northern Wa District: On 15 February, the military government's mercenary 9th Infantry Regiment sneaked into (Li Chaungho) village and made a surprise attack. However, vigilant members of the village militia brilliantly repulsed the attack, killing 8 enemy soldiers including a mercenary officer and wounding 10. The enemy retreated. [Text] [BK030333 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 3 Mar 82]

NORTHEAST BATTLES--From 1 January to 31 December 1981 the people and the people's army of the northeast Burma fought 63 large and small-size battles. During these battles, 114 enemy soldiers were killed, 106 were wounded, 1 was taken prisoner and 2 defected to the people's side. Thus a total of 223 enemy soldiers were put out of action. A total of 74 weapons, including 2 pistols, 9 carbines, 21 G-2, G-3 and G-4's
1 sten gun, 8 M-16's, 1 signal gun and 5 mortars, 16 hand grenades, 36 mortar shells, over 4,300 rounds of ammunition, 4 transport mules and other military equipment were seized. [Text] [BK240613 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 24 Feb 82]

KENG TUNG COMBAT--Guerrilla warfare in eastern Keng Tung: On 3 February, mines planted by the people at (Kawra) bend killed a mercenary sergeant, and a clash near (Kinsa-Hong) killed two enemy soldiers. Another battle near (Man Hawng)-(Man Tong) killed two more enemy soldiers from the military government's mercenary 3d Chin Rifles Regiment and wounded two others. On 11 February, one enemy soldier was killed and two others were wounded in

(Baw Kyauk-Hkan) battle. Mines planted by the people killed two more enemy soldiers near (Baw Kyauk-hkan). On 15 and 16 February, mine warfare by small units of the people's army, killed two enemy soldiers and wounded three others. The following day, on 17 February, mines of the people's army killed two enemy soldiers near Pa-hok. On 22 February, a guerrilla attack by a small unit of the people's army on the enemy who came to deliver supplies to the (Mong Mao area) resulted in one enemy soldier being killed and two others wounded. On the same day, another clash near (Pin[illegible]) killed one enemy soldier and wounded two others. On 1 March, [illegible] attack by a small guerrilla unit of the people's army near (Ywasaung) killed one enemy soldier and wounded two others. On the same day, a mercenary company which came out of Keng Tung was attacked between (Ywasaung) and Loi Mwe. Several enemy soldiers were killed or wounded. [Text] [BK140800 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 14 Mar 82]

MYITKYINA AREA COMBAT--Combat news: On 13 January, the people's army fought 2 battles against the enemy around (Wan Sein) region located south of Mong Husu, killing 21 enemy soldiers and wounding 8 others. On 8, 9 and 14 February, the small units of the people's army conducted guerrilla attacks in Sawlaw's (Chingkwe), located in Sadon-Lauhkaung area northeast of Myitkyina, and at (Yechong) and (Haw Saw) enemy camps, wounding many enemy soldiers. [Text] [BK100455 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 10 Mar 82]

CSO: 4211/13

BRIEFS

INDONESIA, PHILIPPINES OIL CONTRACTS--Pertamina and the Philippine National Oil Corporation this afternoon signed a crude oil sales contract at the Pertamina center in Jakarta. Pertamina president director Yudo Sumbono and the Philippine National Oil Corporation president director Geronimo Velasco signed the contract. Under the contract Indonesia will sell 11,700 barrels of Walio crude, 9,000 barrels of Handil crude and 500 barrels of Salwati crude a day. This contract is to supplement contracts since March 1977. On the occasion Yudo Sumbono and Geronimo Velasco also signed a contract on refining Indonesian crude oil in the Philippines comprising 8,000 barrels of Attaka crude and 8,000 barrels of Walio crude a day. The refining capacity may be increased to 30,000 barrels a day in future. [Text] [BK091042 Jakarta Domestic Service in Indonesian 0700 GMT 5 Mar 82]

TRADE BALANCE WITH ASEAN--Indonesia's trade balance with ASEAN countries during 1980 showed a surplus, except with Thailand where it showed a deficit. The trade and cooperative affairs department data said that Indonesia's export to Malaysia reached $59.9 million, while its import totalled $35.8 million. Indonesia's export to Singapore reached $2.4 billion and export to the Philippines totalled $181.2 million, while Indonesia's import from that country totalled only $90.6 million. Indonesia's export to Thailand totalled $34.7 million, while its import totalled $288 million or a deficit of around $240 million. A slight change, however, occurred in the inter-ASEAN trade balance during the 1981 period up to the month of October, especially Indonesia's trade with Malaysia, which showed a deficit for Indonesia. [BK211439 Jakarta Domestic Service in Indonesian 1200 GMT 20 Feb 82 BK]

CSO: 4213/502

THREATS, TERRORIST ACTS OF AL-ZULFIQAR ORGANIZATION EXAMINED

Lahore CHATAN in Urdu 21 Dec 81 pp 34-36

[Article by Rafiq Ghori: "Strategic Fronts of Terrorists; Mir Murtaza Bhutto: Dangerous Threats, Shameful Intentions; 'Everything Will Perish; I Have Signaled My Mother and Sister To Leave Pakistan'; Checkers of Rickshaw Meters [Traffic Policemen] Assigned To Crush Terrorists"]

[Text] The existence and security of our beloved country is part of the faith of every patriotic citizen. Pakistan is the only guarantor of a dignified life for the residents of this region. Regrettably, our countrymen are more responsible than the foreigners for all the tribulations that have befallen this country. We are hinting at those countrymen of ours who out of a lust for power seek the assistance of internal and external enemies. God forbid if such elements succeed in their goals it would certainly be a great tragedy. In our opinion, the person who plants a bomb here on the arrival of Pope Paul indeed made a disgraceful move to discredit Pakistan. The intention of those people who started firing in Karachi University was to create an atmosphere of civil war in the country. The elements that hijacked the PIA plane to have their unjust demands met are no longer secretive. People responsible for the martyrdom of Chaudhri Zahur Ilahi are certainly not participants in a holy war.

This is the extreme. The intentions of those "hidden enemies" appear daily in the newspapers. Read any Pakistani newspaper any day and you will find somewhere in the country incidents of their "outstanding deeds" being performed very eminently. There is no need to inquire from the enemies about the details of those anti-social elements; the necessary information can be obtained from their own "associates." For example, on 2 March 1981, when the PIA plane was hijacked, the announcement made from Kabul by the hijackers' ringleader, Salamullah Tipu, was heard on the radio by the entire nation. On that occasion, in introducing himself, the terrorist declared that he was linked with the Al-Zulfiqar terrorist organization, the secretary general of which was Mir Murtaza Bhutto. This organization's acts of terrorism described by Salamullah in his own words are:

1. A bomb was placed in the National Stadium and Aslam, one of our own youths, was killed.

2. Our youths burnt a government jeep at Karachi University.

3. On 5 January, the guerrillas of the Al-Zulfiqar organization placed a bomb in the airconditioner of the Lahore High Court and it exploded.

4. Our guerrillas placed a bomb in one of the pipelines in Lahore, which exploded, killing one person.

5. Our men placed a bomb in the district commissioner's office at Para Chanar.

6. Two months earlier, at the Federal Capital area of Karachi, four guerrillas of the Al-Zulfiqar organization seized M1 rifles containing 20 bullets from the 2 Pakistani policemen.

7. We hijacked this plane.

8. Al-Zulfiqar guerrillas opened intensive firing at Karachi University and killed Hafiz Aslam, "hoodlum" of Jamaat Islami.

9. On 5 January, we opened fire in the Bajor area, killing two policemen.

10. In Karachi's Darig Colony, a grenade was thrown at a jeep, wounding three people.

11. On 15 January, bombs were exploded in Pindi.

12. In addition, our guerrillas destroyed a DC-10 plane.

According to the air terrorist, this organization is known as Al-Zulfiqar. Previously it was known as the PLA (Pakistan Liberation Army), but now its name has been changed to Al-Zulfiqar. The party's secretary general is Mir Murtaza Bhutto, son of Zulfiqar Ali Bhutto.

According to the daily newspaper JANG of Karachi, a few days after the hijacking of the plane, Mir Murtaza Bhutto gave a radio interview during his tour of Czechoslovakia, a member country of the Warsaw Pact, in which he said, "If my mother, Nusrat Bhutto, and sisters Benzir and Sanam Bhutto were not present in Pakistan, I would have demolished everything from Minar-e-Pakistan [in Lahore] to Jinnah Mausoleum [in Karachi]. I have signaled them to try to slip out of Pakistan. I am hopeful that as soon as the opportunity arises, they will escape from the country. After that, I shall be able to perform my task with no hesitation. Those leaders and active members of the People's Party who would flee from Pakistan and would like to work with us, we will not abandon to wander about from place to place and we will give them every support and cooperation."

Though there is no need for further evidence after such testimony, a few other facts should also be quickly reviewed. People who left the country both before and after Murtaza Bhutto's interview made England, Libya, Russia, India and Afghanistan the centers of their disruptive activities. As soon as the party's power diminished, Jam Sadiq Ali escaped with Murtaza. Later on, Ghulam Mustafa Khar and Shamim Ahmad Khan joined them. Similarly, Raja Anwar

also slipped away. In this way, on one hand they tried to defame Pakistan by referring to its military dictatorship, and on the other hand, after the hijacking of the plane, by summoning their own accomplices in foreign countries, they practically organized their own "military training" program against the integrity of the country.

During this period, Mrs Indira Gandhi regained power in India. She immediately transferred Shah Nawaz Bhutto's property, worth millions of rupees, to the name of his grandson, Mir Murtaza Bhutto. This, however, could not solve Mir Murtaza Bhutto's problems. He wanted to conduct large-scale, disruptive activities against Pakistan, for which a specific effort of begging for help was made. Almost every government, rather every important person, was approached with an appeal for help or the granting of a loan. Jam Sadiq Ali was the head of this committee. Even if these activities of the above-mentioned people against their own country are ignored, the foul play perpetrated on the arrival of Pope Paul in 1981 was indeed atrocious. If they had been successful in their attempt, positive world opinion about Pakistan would have certainly changed, producing extremely dangerous results.

The question is, is there anything our government can do against such elements within the country, if not abroad? The response is negative.

In our opinion, nothing is done except to seize unimportant people by associating them with the Al-Zulfiqar organization, giving importance to ordinary people and making martyrs out of them for nothing. Regrettably, it has been regarded as improper to pay attention to those people who can and do play the major role in this game. We feel that it is essential on this occasion to speak out clearly instead of merely implying. After all, why is it that tiny fish are preyed on while big catches are ignored?

What were the reasons that on the occasion of the anniversary of Agha Shorish Kashmiri, one speaker referred to the murder of Chaudhri Zuhur Ilahi and said openly that one of the murderers, Lala Asad, was in Karachi. After exactly 1 month, Lala Asad, the accused, was killed during a confrontation with the police in Karachi. Besides him, one so-called dutiful police officer lost his life too. The question is why were the police unable to take such a dangerous fugitive alive? Was killing him so very essential at the time of the fight that the secret of the murder of a political figure had to be buried along with him?

According to newspaper information, a diary and a photograph were discovered in the possession of the accused. The photograph portrays Lala Asad, the accused, standing with Mumtaz Ali Bhutto [a PPP leader). However, Mumtaz Ali Bhutto has not been included in the investigation. Are the police unaware of the fact that the accused wanted to destroy another important figure, but the course of action changed at the last moment?

Not only that, the people of this group are promoting a propaganda of anti-Pakistan concepts all over the country. For example, former speaker of the National Assembly Sahibzada Faruq Ali Khan, during a conversation with the Multan representative of CHATAN (in 1979), said that he and his party would

welcome the Russian army to Pakistan. (This very essential part of the diary, making references to Multan, was deleted by the censors.) Are those people who censor such news not enemies of the country?

Something similar recently happened because of the confrontation between the police and the subversive elements in Pakistan's Manchester, Faisalabad. Here, due to the involvement of the above two, the name of Al-Zulfiqar was being published continuously in the newspapers. After reading the news, we, too, were compelled to go there personally so that we might closely study the situation.

One aspect of the situation there is that during the previous municipal elections, just like the other parties, the defunct People's Party, though it made no announcement of participating in the elections, not only persuaded its members to participate in the elections but also gave them its full support. On that occasion, applying the terminology of "people's friends," the election advertisements of those people were published in the party's daily organ MUSAWAT. Due to this propaganda campaign, the "people's friends" also won the elections. The mayor of Faisalabad, Riaz Shahid, and deputy mayor Muhammad Siddiq Salar are among such elected people. After gaining power, this junta on the one hand deceived the government with its flattery and decorated their livingrooms with a display of their own photographs with people in power and authority; on the other hand, they tried their best to achieve their heinous objectives.

For example, the two ladies selected to represent the women of Faisalabad are from a pure Mirzai family. During the reign of the previous government, they and their families were full-time employees of the People's Party. The introduction of these two ladies can be given thus:

Mrs Khalida Mansoor: This well-known lady is the wife of a Qadiani lawyer, Khalid Bashir. Not only does she openly declare that she is a Qadiani, but she is also proud of being one. Besides being an office-holder of the defunct People's Party, her husband kept on trying for a party ticket to run for some election or bye-election, but to preserve its honor, the party went on offering the ticket to other people. Nevertheless, written appreciation of his services was expressed on several occasions. His wife is now a councilor. According to our sources, this family is an active element in a Mirzai group recently arrested in Rawalpindi.

Zubeida Malik: This lady, too, is associated with the Qadiani sect and she is the one who, after considerable foul play, was arrested by the police.

According to confirmed reports, the Mayor of Faisalabad, Riaz Shahid, and deputy mayor Mohammad Sadiq Salar; fresh guarantors of her good conduct like Muhammad Anwar Baluch, former member of the assembly; and retired captain Nisar Akbar are the "people's friends" trying their best to free Zubeida Malik. They are doing this because they had made every effort not only to nominate Zubeida Mali for councilorship, but in spite of continuous protests from the area councilor of Tariqabad, madam was made the chairman of the panchayat. It is impossible for them to ignore her now. According to

confirmed reports, the only reason for taking these steps was to cover up Zubeida Malik's condemned activities so that the above-mentioned people could freely come to her house to carry out their plans. Along with the above-mentioned visitors to her house, others included Tariq Wahid Butt of Lahore; Chaudhri Umar Daraz, a member of the National Assembly, and his cinema manager, Afridi; councilor Yusuf Minhas, who is under arrest; and the municipal corporation's nonofficial public relations officer, Mr Balal.

The name of the first-mentioned, Tariq Wahid Butt, is not new in Lahore circles. He is that very person who led the last dagger-bearing procession of the defunct People's Party era. After this procession, martial law was imposed in the country. After the martial law, too, he tried to lead a procession against the present government and in support of the People's Party. Now this person as well has become a "distinctive personality" of the city; he is presently a millionaire contractor in Lahore.

It is essential to point out here that Zubeida Malik and her accomplices were so very careful about keeping their disgraceful objectives secret from the people that they changed six places of residence within 1 year. The above-mentioned people went to every house to participate in the meetings. The houses were changed in this sequence: from Tariqabad to Nigehban Pura; from Nigehban Pura to Taj Colony, Sargodha Road; from there to Waris Pura, People's Colony; from Waris Pura back to Tariqabad; and finally to Abdullah Pur. A two-storied building was preferred when changing residence. God knows why the upper storey was selected.

While changing residence, Zubeida Malik used to move her husband's general hospital as well so that their neighbors would have a good impression of them. Now, after being arrested, this lady is in Shahi Qilah, and these important meetings are held at Chaudhri Nisar Akbar's hosiery near the ABC Cinema. This was the brief story of the antisocial elements known as "members of people's friends" and their disciples in Faisalabad. Even though they are spread all over the country, the police intentionally or unintentionally are acting in a lax manner in dealing with them and in spite of solid testimony, they have taken no steps against them, nor can they.

This point raises a few questions. The majority of police comprises illiterate people who are unaware of current situations; so how can they act against such antisocial elements? To prove this point, just go through this conversation between two policemen after the murder of Chaudhri Zahur Ilahi:

First policeman: My friend, who was this Zahur Ilahi?

Second policeman: I have heard that he was previously employed in the police. Later on he became a minister.

How can such people, who are unaware of well-known persons like Chaudhri Zahur Ilahi, be expected to suppress the smart, well-educated youths of the defunct PPP who were trained by experienced people from Moscow and Kabul? Most of our policemen get breathless while walking and in most police stations, the personnel do not know how to spell "zamanat" ["boil"] correctly. As a proof, any police station's records can be checked.

Lastly, we humbly suggest that a police force that, in spite of an all-out effort, has been unable to correct the rickshaw meters, is perhaps not in a position to act against such elements.

To restore the confidence of the people, the government should take some effective and decisive measures. If the police are incapable of doing this job, the government has a lot of other forces that can perform this task most efficiently. Besides, during martial law, the members of the institutions enforcing martial law should rely more on their own strength than on that of the police. It is hoped that this national institution will soon take some steps to bring those national looters to justice. This is not only the demand of the nation but also a call to their honor.

9779
CSO: 4203/61

EDITORIAL ATTACKS CONTINUED RESTRICTIONS ON POLITICAL FREEDOM

Karachi JASARAT in Urdu 13 Feb 82 p 3

[Editorial: "Restrictions on Political Activities"]

[Text] The information departments of the Sind and Punjab governments have instructed newspapers and magazines not to publish news and comment that publicize political events, personalities and groups. The federal secretary of information, Maj Gen Mujib-ur Rahman, also expressed similar views while talking with newsmen in Rawalpindi. He asked the newspapers to respect the laws restricting political activities in the interest of the nation. Only a day before, on the first day of the meeting of the federal cabinet, he had told the reporters that the cabinet had decided to continue its policy on restriction of political activities and that there would be no change at all. He had added that the restrictions on political activities in the country are in accordance with Ordinance 48 of the martial law and that Ordinance 49 of the martial law concerns censorship on newspapers. Even though advance censorship has been removed, he declared that the exposure that newspapers are giving to politicians and political groups is illegal. He added that newspapermen and politicians are not adhering to those restrictions. The law was in its place and the related authorities, taking notice, were going to take action.

This is the position of the law and the state governments and the federal information secretary have confirmed it. The law says that all political groups and newspapers are breaking these restrictions. The offending politicians were often expelled from a state, and the newspapers were warned when they did not comply with the law. As far as the constitutional and political situations are concerned, the Constitution of 1973 has not been revoked, even though some of its statutes have been abolished. The present government keeps assuring us about the coming establishment of democracy and popular elections. Municipal elections are over and the municipal bodies are heralded as the first step toward democracy. Most of the minister's appointed in the states and in the federal government are politicians who belong to the disbanded political parties. State and federal councils, have been established and these are composed of people who were active in the old political parties. Again and again the purpose of establishing these political and semipolitical organizations is given as paving the way for democracy and elections. The chairman of the Federal Council, Khewaja Safdar, in the performance of his pious duties,

vowed that the Federal Council will be like a parliament and gave the good news that popular elections will be held within a year. Many federal and state ministers issued proclamations daily raising the hopes for democratic rule. Even the president announced that his cabinet was considering the possibility of restoring political freedom. And the cabinet did debate the question.

In the light of all of these promises, assurances and one-sided political actions, we do not think a restriction on political groups can be maintained for long. Running a government is politics itself no matter who is involved in it. There is a limit on political inactivity and uncertainty just as there is on political tumult and change. No solid, effective and positive national interest can be served by maintaining a status quo inactivity and indecision. Certainly this is also politics, but of a negative kind. It is imperative that the present government take a second look at its policies.

7997
CSO: 4203/70

MINISTER DISCUSSES ENERGY PROGRAM

GF131059 Karachi NAWA-E-WAQT in Urdu 10 Mar 82 p 1

[Text] Lahore, 9 Mar (PPA)--Federal Minister for Petroleum and Natural Resources (retired) Maj Gen Rao Farman Ali has said that in the future Sui gas will only be supplied to those industries that use it as raw material. If an alternate source of fuel is present, the gas will not be used only as a fuel. The federal minister was addressing correspondents after a meeting with senior officials of Sui gas.

Rao Farman Ali said that the aim of this new policy is to conserve gas reserves so that they may last until new reserves of fuel are found, for which prospecting is going on. He added: all those factories using Sui gas as a fuel at present will be asked to use other sources of fuel. In any case, factories using Sui gas as fuel will be temporarily closed down next year. He did not specify how long they would remain closed.

The minister said: The gas reserves at Sui are 3 trillion cubic feet, which will be enough until the year 2000. The oil production at Khaskheli will be increased to 16,000 barrels daily by June. He said that there are other gas reserves in the country, each of which has 5.9 trillion cubic feet of gas. The recent increase in the price of gas is justified for the development of gas and for future investments in the field.

CSO: 4203/88

EDITORIAL ASSAILS CORRUPTION AMONG MEMBERS OF FEDERAL COUNCIL

Karachi JASARAT in Urdu 11 Feb 82 p 3

[Editorial: "Protest by Elected Municipal Councilors"]

[Text] The federal government was forced to take notice of the strong protests raised in the hall of Karachi Municipal Corporation against the corruption of some of the Federal Council members. The federal government has asked for copies of the welcoming address recently presented at a function organized by the so-called government-sponsored Pakistan Solidarity Council to the minister of information and broadcasting and a member of the Federal Council, who is also the chief of the Pakistan Solidarity Council. That was the reason for the protest? What caused it? The

The simple answer is that a member of the Federal Council did not get from Kar Karachi Municipal Corporation the reception or welcome he ardently desired. Thus, his dissatisfaction was expressed in these words, "A resolution to congratulate members of the Federal Council and arrange a reception for them on behalf of the city [of Karachi] was not allowed in the Karachi Municipal Corporation merely because at the present time the corporation is dominated by a certain defunct political party and the mayor is acting as a representative and as an instrument of this political party." This address further adds that "the total vote polled by the group that controls the municipal corporation represents only 3.8 percent of Karachi's voters."

It was natural for the municipal corporation members to protest such blatant accusations strongly. All of these members are elected while members of the Federal Council, who accused the municipal councilors of representing a minority of voters, had never received a single vote. Even if the members of the municipal corporation represent 3.8 percent of Karachi's voters, they still have more backing than the Federal Council members who just represent themselves and no one else. Who authorized them to analyze the system of democratic representation? They should look inside themselves; they should assess their own constitutional and democratic status.

Mr Hussayin Haroon, a member of the Federal Council and also a municipal councilor of Karachi, gave a fitting reply to the Federal Council members' criticism. He observed that the council members have hurt the feelings of the majority of the municipal councilors with their speeches and statements. He

added that he was a municipal councilor first, and was proud of it, and demanded a curb on such practices, which spread hatred and caused rifts between the mayor and members of the Federal Council.

It is good that the government took notice of the affair. We feel that an in-depth inquiry into the activities of these trouble-making elements is in order. These unsavory elements under the guise of Pakistan Solidarity Council are always looking for an opportunity to harm the city and the nation's unity and peace. The reason for this is just to establish their own political identity.

Now that the government has taken notice of this sad state of affairs, we feel that the following items, raised at the municipal corporation meeting, should be looked into.

1. Even though no political parties exist in this country, a certain group is very active politically. Some of these people have obtained membership in the council. This group works with the majority and the opposition at the same time. In the past, one of their factions cooperated with the government of another state. Some members of this group have now joined the state government of Sind. Some members of this group ran for municipal elections and even forfeited their deposits [for lack of votes], and now they are emerging as critics of the municipal system of government. The question arises: If all political parties are banned in the country, why is the bureaucracy patronizing the Pakistan Solidarity Council?

2. How were those people who lived in the slums of Jetland Line at the time of their appointment and became millionaires afterwards, appointed to the Federal Council? They should have to account for how they became millionaires. Also in need of investigation is: Who were those people who, [in recommending nominees for the Federal Council], vouched for the innocence of those members of the former state assembly who built their fortunes using their elected status and were commonly known to be corrupt. Who put a stamp of approval on the political heritage, decency and honor of such people? On what basis were those people cleared of their political crimes?

3. These members of the Federal Council obtained building plots from the former government and now they are driving poor people living there off the land. On what basis is the Karachi Development Authority protecting these members of the council and making many people homeless to set up gasoline pumps?

4. How come Federal Council members were allowed to block all traffic from the main road of Korangi to hold their public meeting for 3 days, but elected municipal councilors were forced to comply with various rules for their public meeting?

The president of the country is well advised to fire all these people from the council. The presence of such undesirable elements in the council after the president's declaration that the Federal Council was set up after investigating the political lineage of nominees is proving to be a matter of personal discredit for the president and will continue as such in the future.

7997
CSO: 4203/70

BRIEFS

LITERATURE SEIZED--Karachi, 10 March (PPI)--The government of Sind issued orders today to confiscate the Urdu-English newspaper JUSTICE, Vol. 1, No. 6, because of some 'objectionable material' published in it. The government has also confiscated a cyclo-styled Urdu poster about the Majlis-e-Shoora ('Federal Advisory Council') issued by Ahsan Bari in Multan. The Sind Government has also forfeited the English journal ECCNOMIST, Vol. 282 dated 16 January 1982. This journal is published in London. [Text] [Karachi JANG in Urdu 10 Mar 82 p 2]

TEACHERS' ARRESTS--In Pakistan, hundreds of striking teachers were arrested yesterday when they were trying to hold a demonstration in Lahore. According to an agency report, 15 teachers have been injured. Several thousand teachers are agitating since the seventh of this month for higher wages. [Text] [BK190305 Delhi Domestic Service in English 0240 GMT 19 Mar 82]

LAW ON THEFT AMENDED--The chief martial law administrator has promulgated martial law order Number 88 amending the martial law order number 4. The order provides that whether the offense tried by the court is dacoity, burglary, robbery and theft or of an attempt to commit any such offense or of the unlawful possession of explosive substances or the abetment of any of such offense the sentence of rigorous imprisonment awarded by the court may extend to 3 years. [Text] [BK190256 Karachi Domestic Service in English 1700 GMT 18 Mar 82]

ORDINANCE ON DESECRATION--The president has issued an ordinance which will be referred to as Pakistan penal code amendment ordinance, 1982. Under this ordinance, any person found guilty of intentionally desecrating the Holy Koran or any of its parts; impairing its sacrosanct nature or using it sacrilegiously for any illegitimate purpose will be liable to life imprisonment. So far, there has been no law in the country which clearly provides for sentence for desecrating the Holy Koran. This ordinance is being enforced with immediate effect. [Text] [BK181554 Karachi Domestic Service in Urdu 1500 GMT 18 Mar 82]

ISLAMIZATION EFFORTS PRAISED--The two-member Iranian delegation has lauded the steps being taken by the present government toward the implementation of the Shariat in the country. The delegation called on Justice (Malik Ghulam Ali), a member of the Federal Shariat Court, in Islamabad yesterday and exchanged views on major aspects of justice under the Hudood ordinance. The delegation also held talks on the implementation of the orders of the Federal Shariat Court. The delegation consists of two members of the Iranian Majlis, Ayatollah (Sadiq Khalkhali) and (Mohammad Taqi Jahanvi). The delegation was deeply impressed by the formation of the Shariat court, which is a major step toward transforming society according to Islamic tenets. [Text] [BK190437 Karachi Domestic Service in Urdu 0200 GMT 19 Mar 82]

CSO: 4203/88

FINANCE MINISTER DISCUSSES JOINING ASEAN GROUPING

BK241549 Hong Kong AFP in English 0851 GMT 24 Feb 82

[Text] Kuala Lumpur, 24 Feb (AFP)--Sri Lanka is confident that the Association of Southeast Asian Nations (ASEAN) will "respond positively" to its application to join the five-member regional grouping.

Sri Lankan Finance Minister Ronnie de Mel told newsmen here today that it was natural for ASEAN to consider the aspects first as a decision on his country's application for membership should not be taken hastily.

But he said he was "confident that ASEAN would respond positively to our request to join the regional grouping."

Speaking after calling on Malaysian Foreign Minister Tan Sri Ghazali Shafie, Mr. De Mel said there was nothing "exclusive" or "contradictory" about Sri Lanka's wish to join ASEAN as it was for the betterment of the region.

"Moreover, our country feels that Sri Lanka and ASEAN, including Malaysia, should come closer to one another," he said.

Mr. De Mel said that Sri Lanka was now free of the political constraints which had earlier prevented it from joining the regional grouping since its inception.

The country's high commissioner, Dias Desinghe, had earlier said that Sri Lanka would submit a formal application to join ASEAN when the regional grouping met in Singapore in June.

In response to Sri Lanka's keen interest in joining, ASEAN leaders had earlier indicated that the group was not yet in a position to go beyond the region.

Mr. De Mel, who had also discussed economic cooperation with Mr. Ghazali, said that Sri Lanka also wished to expand trade and joint investment with Malaysia to "rectify" the balance of trade which was now heavily in Malaysia's favour.

CSO: 4220/323

COLUMNIST SUPPORTS NEGOTIATIONS WITH SRV ON KAMPUCHEA

Bangkok TAWAN SIAM in Thai 28 Jan 82 p 2

[Tawan Song Lok by Phairot Limpakan: "Getting Together Would Be Better"]

[Text] Asean leaders believe that forming a loose coalition government from the three Kampuchean factions, that is, the group of Mr Son Sann, the group of Norodom Sihanouk and the Khmer Rouge, will result in a government that is more acceptable than a single-element Khmer Rouge government or a Vietnamese-backed Heng Samrin government.

As for the reason for this, the Khmer Rouge once used ruthless methods in governing the Kampuchean people. Vietnam used this as an excuse to invade Kampuchea and set up the Heng Samrin government instead.

Concerning the common aim of the three Kampuchean factions that Asean would like to see cooperate, what can be seen clearly is that they all want to drive Vietnam out of Kampuchea. As for each group's ideals, it can be seen that it will be difficult for them to join together very closely.

If they were able to drive Vietman out, there would certainly be conflicts between these three groups again. The Khmer Rouge, which is the strongest [of the three groups] in all respects, would take charge in Kampuchea again and later destroy the other two groups. And China would not sit by idly since it has constantly provided money and manpower to support them.

In short, even the Khmer Rouge does not deny that cooperating would be difficult.

Many groups have commented that if this is the case, the Khmer Rouge should be left isolated and an agreement should be reached with Vietnam by inviting Vietnam and Heng Samrin to hold discussions.

Certainly, Vietnam will agree to negotiate only when it feels that it stands to make political gains and that the Heng Samrin government will be recognized by the world community. Also, Vietnam will probably have to listen to its big brother, that is, the Soviet Union.

The Thai and Vietnamese governments once had good relations. It is only recently that Thailand has become dissatisfied because Vietnam has jumped

into the Kampuchean game a little too strongly. Thailand has had to take great chances in many cases.

Turning towards each other to negotiate and become reconciled is the best way since each side is [composed of] reasonable human beings. They should be able to talk to one another. The only thing that is important is whether the people behind things are prejudiced or not.

11943
CSO: 4207/51

IRREGULAR FORCES' ATROCITIES SAID TO AID COMMUNISTS

Bangkok MATICHON in Thai 24 Jan 82 pp 8,9

[Article: "Are the 'Irregulars' Carrying on Suppression Activities or Are They a 'Communist Front'"]

[Text] On 9 January, Police Major Naphadon Chuathai, the chief inspector at the Phromkhiri Subdistrict police station in Nakhon Sithammarat Province, received a report that a group of communist terrorists had entered villages in Phromlok Commune in search of supplies. He therefore ordered Police Master Sergeant Pracha (surname unknown) to take a force and intercept them.

At the same time, Master Sergeant Phloeng Kichawichit, the leader of Irregular Group 424, and his group patroled the area. Each group thought that the other was a band of communist terrorists and so a fight lasting 45 minutes ensued.

The result of this clash was that three irregulars were killed and two others were wounded.

Actually, nothing would have come of this incident if these irregulars had reported what really happened to their superiors. But instead they reported that these losses resulted from a clash with communist terrorists.

At the same time, they pressured and forced Mr Sumon Chumsua, a reporter for the newspaper THAI RAT assigned to Nakhon Sithammarat Province, to file a story with his head office in accord with the report that they had sent to their superiors, claiming that he should do this in order not to tarnish the image of the "irregulars."

If Mr Sumon had agreed to do this, this clash between the irregular forces would have come out as a different story. Instead of the story being one of losses resulting from confusion, it would have been a story of heroes who merited rewards. But Mr Sumon fulfilled his duty as a reporter, which is to be a "person who brings the truth to light." The result was that, 2 days later, he was ruthlessly killed with an M16.

Concerning the death of Mr Sumon, both the local reporters and the police in Nakhon Sithammarat agree that this murder was committed by Irregular Group 424.

The irregulars were first established in July 1978 in the lower northeast. The first aim in establishing this force was to have them serve as a paramilitary force that could carry on operations against the communist terrorists in place of the regular army. Another aim was to have them carry out things in accord with "bandits to suppress bandits" plan as once announced by Major General haowalit Yongchaiyut, the director of the Directorate of Operations.

This may have stemmed from the cost of establishing the irregulars, with the aim being to save money. This is because the expenses involving the irregulars are only one-fifth of those for regular soldiers. The irregulars go through a very short selection and training process. They are paid an allowance, including a food allowance, totalling only 40 baht per day and they do not have a deep understanding of the idea that "politics leads the military." In only a few years, the irregulars have generated much publicity about themselves.

Even though the irregulars, especially those in the south, are well known for their heinous behavior, which includes shooting people and claiming that they were "communists," using the weapons and power of the military to rob, oppress and kidnap people and showing off their great power, which has caused trouble for large numbers of people, many high-ranking military officers hotly defend the irregulars.

When he was still the commanding general of the Fourth Army Area, Lieutenant General Chuan Wannarat said in an interview that:

Concerning the stories about heinous acts committed by the irregulars, in actuality they have not committed such acts. Most were committed by members of the communist terrorist united front who pass themselves off as "irregulars" and cause trouble for the people in order to destroy the irregulars. They want the people to hate the irregulars, who are an important spearhead in suppressing the communists.

Even though there has been an attempt to defend the irregulars, the stories that have arisen time and time again clearly show that, in reality, the communist front talked about is none other than the "irregulars." When he first went and took over as commanding general of the Fourth Army Area in November last year, Lieutenant General Han Linanon took up his position as commanding general by ordering the entire company of irregulars at Ban Nong Thong in Pak Phayun District, Phathalung Province, disbanded. This was a very courageous decision, made without fear that by doing this he would be accused of "dancing to the tune" of the communists.

As for the case of Irregular Group 424 setting up a kangaroo court and killing the reporter, even though the commanding general of the Fourth Army Area

himself showed that he was serious about this case, when the police sent a warrant for the four "gunmen," the officer directly in command of the irregulars refused and sent only two men, obstinatly refusing to send the other two.

Everyone is waiting to see whether or not Lieutenant General Han Linanon will take stern action as he said he would in an interview. And what is more important is that this heinous behavior of the irregulars will prove whether the "politics leads the military" policy of the officials will be implemented seriously or whether it is merely a public relations ploy used to gain votes.

However, it is believed that Lieutenant General Han will certainly not trade the bright future of the "politics leads the military" principle for the boldness of the irregulars. Because if they can carry out such an audacious act as this and still receive protection, they will have been given a ticket to kill even more people.

And this amounts to forcing the people to choose [the side of] other soldiers who are not irregulars even though they have never had any desire to do so. And the "under the umbrella of tranquility" [tai rom yen] plan will in the end resemble "cold-blooded death" [tai luot yen], which is something that should not happen.

11943
CSO: 4207/52

EDITORIAL BLAMES ECONOMIC DETERIORATION ON PARTY ALLIANCES, BAHT DEVALUATION

Bangkok TAWAN SIAM in Thai 11 Jan 82 p 3

[Editorial: "Economic Disaster"]

[Text] The people have entered a new era feeling depressed because of the crushing economic situation and it has reached the point where there are troubles everywhere, particularly in the rural areas. The farmers are facing crises on almost all fronts while the high-ranking people in the capital are enjoying themselves to the utmost and foolishly vying to see who can live the most extravagantly. The country is filled with the insane talk and voices of the politicians, scholars and corrupt people.

The economic situation is deteriorating daily and this stems from the mistakes made in administering the country ever since the first Prem government. The Social Action and Chart Thai parties were allowed to carry on a great feud; whatever one party said, the other said the opposite. More and more problems began to appear until finally the Social Action Party was forced out. The second Prem government carried on the same game, allowing the politicians in the Chart Thai and Prachathipat parties to feud with the scholars. Whatever the politicians said was good, whatever the politicians said was bad.

The economic decline began to appear clearly when the baht was devalued. Agricultural products could not be sold. The cost of living soared rapidly. Businesses encountered problems and many were forced out of business. The price of gasoline rose and so on. These things began to indict [the government] for being engrossed in a person's pride at completing a 4-year term of office and allowing 48 million people to experience great trouble. This seems to be contrary to the nature of a leader because leaders should at least have some common sense. It should be admitted that this economic decline is the responsibility of the head of the government and not of the political parties or scholars who joined the government.

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PRC TO OPEN CONSTRUCTION FIRM

Bangkok BAN MUANG in Thai 10 Jan 82 pp 1,2,16

[Article: "Vanguard Chinese Team Penetrates Thai Economy"]

[Excerpt] It has been revealed that a [Chinese] spearhead will penetrate the Thai construction market in the form of a state enterprise with the government officially recognizing the establishment of an office. It has begun to compete in the private sector. This will have a major effect on business. But it will be good from the standpoint of promoting [construction] and lowering construction contracting prices because of the competition. It has been stated that the government is making preparations for this by quickly holding discussions with the Ministry of Finance and the sectors concerned in order to send Thai construction contractors to compete in world markets too instead of sending only laborers. In the future, employers will be sent too. It is expected that this will earn at least as much foreign currency for the country as rice or corn exports, prices for which are constantly falling. This is because our construction skills are admired abroad. At the same time, the government is making preparations to implement a major program to aid the rural homeless in accord with a United Nation's resolution concerning helping rural people.

Mr Damrong Latthaphiphat, the director of the National Housing Authority, talked with BAN MUANG reporters on 9 January about Thai construction contracting. He said that at present, this type of Thai business activitiy is experiencing a situation that is having a rather great effect. That is, the People's Republic of China (Red China) has officially established a construction firm in Thailand. This firm is called the "China Construction Corporation." Its offices are located behind the Indra Theater at Pratunam. China has established this firm in the form of a state enterprise that is recognized by the government. Since they have penetrated Thailand, [we] cannot sit by idly. A way to solve this problem must be found.

The director of the National Housing Authority also said that, concerning the entry of this state construction enterprise of China, there are great problems. This is only the first time that they have been in this country but they have already submitted a bid for their first project, which concerns a construction project of the National Housing Authority. They did not win

but it is known that they will submit bids and compete for all kinds of construction jobs. If we look at this from the standpoint of competition, this is good because when [firms] compete by submitting bids, the cost of construction declines. And they cannot be prohibited from entering the country. What we can do to solve this problem is to go into China. Since they have entered our country, we must begin operations there in exchange.

Mr Damrong stated that next Tuesday or Wednesday, he will present a program to the government to enable Thai contractors and the National Housing Authority to have a chance to contract for construction jobs abroad, which includes China, the Middle East and elsewhere. As for this proposal of the National Housing Authority, at present, it is under consideration by the government.

The reporters asked what effect the entry of China will have on the National Housing Authority. Mr Damrong said that this will not cause problems for the Housing Authority. Rather, it will be good since the more the contractors compete, the lower the prices. But at the same time, looked at from the standpoint of the nation, because of considering construction as something to be exported, it has been proposed to the government that construction should be promoted. We should go "dig for gold" abroad in order to bring foreign currency into the country. "At present, we are having trouble selling rice and corn and prices are low. Since we have a chance to earn an income from this abroad in order to keep up with China, which is penetrating [our market], I think that we must do this. By doing this, besides bringing foreign currency into the country, we will also create a good image. Do not forget that we have sent many laborers to work abroad, especially to the Middle East. This has brought much foreign currency into the country. Why haven't we sent contractors abroad too? In Singapore, Malaysia and Nepal, we have built roads and buildings for them and whatever else they have wanted."

The reporters asked about the problems in sending construction contractors abroad from the standpoint of what the government would be responsible for. Mr Damrong stated that the government would be responsible only for certain things such as putting up collateral security. By doing just this it will be possible to earn much money for the country and [people] will not be as poor as they are today.

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CHINESE ECONOMIC POWER ANALYZED

Bangkok MATICHON in Thai 24 Jan 82 pp 4-6

[Article: "The 200th Chinese New Year's In Bangkok: the Merchants Are Depressed and the People Are Cheerless"]

[Text] This Chinese New Year's is the 200th anniversary of Chinese settling down in Bangkok. They have been here since Rama I granted land in what is now the Sampheng area to the Chinese who were then living in the area where the palace is now located.

From Sampheng, those first Chinese in Bangkok expanded their trading and residential area and moved into trading areas known as Talat Kao, Sieng Kong, Charoenkrung, Songwat, Talat Noi and Pobe. It is worth noting that this "Chinatown" land belonged to either the Royal Property Office or to the present Bunnak family. Land could be sold only to their children who had been born in Thailand and who could own land because of having Thai citizenship.

For 200 Years, Trade Has Been In Their Hands

The Chinese in Thailand are like the Chinese in other countries who play a greater economic role and have more economic influence than the natives of the country. This applies to the activities of commercial banks, financial institutions, credit and finance companies and pawnshops, import-export activities and even to those of the bean junket sellers. But most of these are activities that are under the control of Chinese who came from China.

However, as for Thailand, [control of] the main trading and industrial activities of the country has switched hands and is now in the hands of their children, who are Thai citizens and who have the same rights as all other Thais.

The business and industrial activities of today's Chinese have changed greatly with respect to form and administration from the activities that were carried out by a single person with his own capital. Then, the owner did almost everything and held to the principle of engaging in trade only and not becoming involved in other types of activities. It was like [the saying that] catching a fish with one hand is better than catching fish with both hands. But this is not done anymore.

The business activities of the Chinese have turned more to the international system. This is probably because the younger generation has been educated abroad and studied at higher levels in the country.

Concerning investment, they have switched from investing in a single activity to investing in other related activities and even in other fields. If this is considered, it can be seen that, concerning the present-day business activities of the Chinese in Thailand, they have began to "catch fish with many hands," claiming that this is being done in order to reduce the risks.

Because if the capital is concentrated in a single activity, they could go bankrupt easily if some crisis hit. But if investments are dispersed among various trading activities, besides avoiding bankruptcy, this also helps build a foundation between them.

Present-day agricultural product merchants are engaged in other activities besides simply selling agricultural products and carrying on industrial activities concerned with agricultural produce. For example, one rice mill has invested part of its assets in the industrial and service sectors. And the group that is worth keeping an eye on is the Yiemsakunrat family that has begun investing in petrochemicals.

Chinese merchants in Thailand who have sent their children abroad to study are becoming interested in the new large-scale industries that are coming into existence. This development will keep Thailand's trade economy in the hands of this same old economic group for a long time to come.

Seng Lee Is In Trouble, Interest Rates Are High

Last year's trading and industrial activities of the Chinese in Thailand did not fare too well. Normally, if business was good, when people ask them about business the Chinese will answer that things are fair. If business was only fair, they will say that business was terrible. But if business was terrible, they will only shake their heads like a person with a mouth full of water who cannot speak. And if they shake their heads several times, it shows that they have major problems.

Last year, the Chinese businessmen were in such a situation. That is, when asked whether business was good or bad, they all shook their heads wearily.

Most Chinese business activities [are carried on using] revolving capital and money borrowed from the black market and from financial institutions and commercial banks. That is, they borrow money every time they have the chance.

Last year, world interest rates rose, and in Thailand interest rates for loans to merchants rose too. The rates were 19 percent at commercial banks and 21 percent at trust and finance companies. And the money lenders on the black market raised rates accordingly. Those Chinese merchants who are

clever at exchanging checks bore the burden and turned capital over [so fast] that their "heads spun."

Some people had to pay a black market interest rate of 6 percent a month. And so at a time when financial institutions had raised interest rates on loans to 32 percent a year, there was much "gnashing of teeth" and competition.

Normally, high interest rates is not an important problem for Chinese merchants since they have endured much already and they believe the saying "no matter how expensiive, let there be money available." But this means that the economy must be vigorous and trade good if they are to be able to compensate for the high interest rates. Because if they produce or purchase goods and cannot sell them, they will have to pay high interest on their surplus inventories.

For example, last year, sales in the provinces and in Bangkok were very poor. Most types of goods, regardless of whether consumer goods or various types of agricultural goods, sold poorly. Thus, who survived and who failed depended on who had the most support and who had financial institutions to protect them in this time of crisis.

Retail and wholesale businesses and restaurants, which are businesses that the Chinese are clever at, had a very poor year last year. This is because the people lacked purchasing power and they turned to economizing. The economy in the rural areas did not improve and so the flow of goods into the provinces declined quickly. And the closing of Thailand's eastern border was another factor that caused trading in Chinese circles to stagnate.

Agricultural Products, the Merchants Are Downcast

Last year was a disasterous year for local agricultural merchants, except for those exporters who kept their balance. It is said that some merchants mortgaged their godowns, rice mills and agricultural products on hand to the banks. And by the end of the year, many of them went bankrupt, with the banks taking over all their assest.

Most owners of sugar refineries are Chinese. They have not yet recovered from the effects of Mr Bunchu Rotchanasathien's and Mr Tamchai Khamphato's [policy of] importing sugar from abroad. This caused them to miss a golden opportunity to sell sugar abroad at a good price. Most of the merchants who trade in agricultural products have much stock on hand, including much rice, corn and cassava, and they are sagging from the interests. Most of the local merchants are almost bankrupt.

Whether this trend gets worse or not depends on how much of the present agricultural surplus can be exported abroad.

It is not only the agricultural merchants who are depressed. The construction contractors, who are controlled by Chinese, are in a precarious situation. The amount of construction work in both the public and private sectors has declined greatly. As for construction projects that have been completed, many

houses and commercial buildings that have been completed cannot be sold.

In addition, they have been hard hit by the high interest rates and credit squeeze of the financial institutions and commercial banks.

When there is a decline in the construction industry, this has an effect on related industries, including those that produce such things as steel rods, construction equipment and building materials. And most of these dealers are Chinese.

The Hand That Controls the Money Is the Only Secure Hand

Last year was a year of high-level economic problems; it was not a year of basic economic problems that concerned the majority of the people. Those who encountered problems usually included those merchants who were involved with monetary problems and with the problem of producing goods that they could not sell. The only ones to make a profit were those who were involved in financial transactions, such as the trust and finance groups. They were able to mobilize large amounts from the people's savings and lend it out at very high rates of interest, most of which were set by government officials.

The rich Chinese involved in trust and finance operations thus smiled happily just like the many moneylenders on the black market who were able to make a fortune from this.

In a situation in which many checks are bouncing at Chinese trading markets, a worrisome question is how much trouble those businessmen who borrowed from various loan sources will have in repaying the money if the lenders have to call in the loans. Many Chinese-owned trading and industrial businesses have now fallen under the control of the financial institutions and commercial banks. And another thing is that they are a heavy burden on the financial institutions.

This is because few of the single-owner trading and industrial businesses of the Chinese have been altered so that they are strong enough to compete in an open economic system such as that in Thailand. And this system will become more and more open. The financial situation in world markets is changing quickly. Social conditions and competition have changed and this has made it impossible for the old closed system of the Chinese to withstand the tide.

Many Chinese businesses have been taken over by the banks because they mistakenly took out loans at the low interest rates offered by bank branches when new branch offices were opened. The branck offices did this to show the talents of the managers of the bank branches. But when the head office suddenly ordered the branch offices to recall the loans or establish new terms of credit, these merchants could not pay their debts.

The banks are blamed for this. People say that they once earned a good income and there were no problems "but after you borrow money from the banks, you

cannot find money fast enough to repay the banks. It would have been better not to have done this."

Bonuses Are Continually Decreasing

As Chinese New Year's approaches, Chinese businesses pay [their employees] bonuses, or "taiea" as this is called. And they set new monthly wage rates. Whether they pay small or large bonuses depends on various conditions including the work skills of the employees and the generosity of the employers. However, ever since the time of the oil crisis in 1972-1973, these Chinese employers have been less able to pay bonuses as compared with before when they paid substantial bonuses. This was necessary because the Chinese paid small wages and so had to compensate by paying bonuses.

The agricultural produce business is probably the only business that can still pay the employees a substantial bonus. As for the jewelry and gold shops that were once first, they no longer have any strength left because of poor sales.

The tradition of paying bonuses in Thailand is coming to an end. Instead, [businesses] are turning to the international system, that is, they will pay wages based on the actual situation and pay a small bonus in order to preserve this Chinese custom.

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PARLIAMENTARY POLITICAL CORRUPTION, VOTE-BUYING NOTED

Transfer of Party Membership

Bangkok SIAM RAT IN Thai 23 Jan 82 p 7

[Thoughts From the News column by Prachuap: "Avoiding Politics"]

[Text] Recently, there was a report that the civil court had issued a writ sequestering 8,000 baht a month from the expense account of an MP who had disobeyed a court order to repay money borrowed from a finance and securities company.

As for this news item, this is a common type of civil suit that occurs frequently among ordinary people, merchants, businessmen and people in other occupations, including those in politics. But by chance, some MPs who knew about this case later revealed that politics was also a factor in the court's issuing a writ sequestering the money from the expense account of this MP. I thus feel that this is a very interesting case and would like to discuss it.

The MP whose expense account was sequestered by the court is Mr Chawalit Wisetsithikun from Ang Thong Province. He is a member of the National Democracy Party headed by General Kriangsak Chamanan. He signed a contract to borrow 150,000 baht from the General Finance and Securities Company. The contract called for him to repay the loan at a rate of 6,000 baht per month. But it appears that after borrowing the money, Mr Chawalit made only seven payments that is, 42,000 baht, and then stopped making payments.

The company then filed suit against Mr Chawalit in the civil court for violating the contract and asked for 133,521.50 baht. The court decided that Mr Chawalit had to pay this amount. But after learning of the court's decision, the defendant failed to repay the money. The plaintiff thus appealed to the court to issue a writ forcing Mr Chawalit to pay this sum of money within 1 month. But the defendant ignored this too and so the plaintiff asked the court to sequester 8,000 baht a month from his expense account, beginning in January, unitl the money is repaid. The civil court considered this and concluded that the defendant had intentionally disobeyed the court order and so it issued this writ.

In telling about this matter, Mr Siri Thungthong, an MP from Uthai Thani Province who recently left the Chart Thai Party, said that, in reality, Mr Chawalit was not the only MP to be sued in this case. About 10 other MPs who once belonged to the Seri Tham Party were sued also. This is because, after the general election in 1979, the MPs who were elected in the name of the Seri Tham Party, which is headed by Mr Bunying Nanthaphiwat, received a notice from Mr Siri Otsathanukhro, an employee of the General Finance Company and a member of the party's finance committee, to repay the 150,000 baht that they had each borrowed in order to pay their campaign debts. But none of them thought that they would be sued for the money.

In reality, concerning political parties giving their members money to help get them elected in the name of the party, this seems to be universal in countries that have a political party system. And there is seldom news of anyone being asked to return the money or of anyone being sued, regardless of whether they won or lost the election. Thus, concerning the fact that some MPs have had a civil suit leveled against them in court, it is understood that there must be some special reason for this. And it is understood that this happened because those MPs who received this financial help from their party later switched parties or did something in serious violation of party regulations or resolutions.

As for this, those who are interested and who have followed the movements of the various political parties since the 1979 general election will see that MPs who were elected in the name of a party frequently switch parties. This is because the temporary provision in the constitution does not compel an MP to belong to a political party or compel him to give up his seat in parliament if he resigns or is expelled from the party.

Since the temporary provisions in the constitution do not compel an MP to belong to a political party and since there is still no political parties act that would require this, this has opened a way for people who want to have political power or a political position. They can establish a political party by getting independent MPs or MPs who were elected in the name of another party to join their party. Concerning this method of establishing a party, even though it can be claimed that the MPs who switch parties do so voluntarily or that they like the policies of [their new] party, in fact, it is well known that almost all of them are paid money or they receive some other benefit in return for doing this. The amounts they receive range from 100,000 to 300,000 baht or even more. And in order to keep these MPs who have joined the party from changing their minds or switching to still another party later on, they are required to sign various types of contracts. For example, as a guarantee, they might have to write a check for the amount of money they received or [for that amount] plus interest. They might sign a loan contract or they might write their resignation from parliament, which is then kept [by the party].

Some news items have stated that, at present, many of the MPs who have switched parties are afraid that they will be sued. And some people who do not have any collateral for their debts are afraid that they will be killed or injured. And

some of them act as if they are about to have a nervous breakdown. For example, there is one MP, Mr Khondet Mansikhieu, from Phitsanulok who was originally elected in the name of the Social Action Party. But later on when Mr Wattana Atsawahem, an MP from Samut Prakan Province, established the Mass Line Party, Mr Khondet left the Social Action party and, along with other members of the Social Action Party such as Mr Sunthorn Yingnakhon from Samut Prakan Province, joined this new party without any consideration for the fact that he had once given his word to the people about which party he would belong to.

Mr Khondet revealed that when he joined the Mass Line Party he was given 100,000 baht. But when the Mass Line Party disbanded, or dissolved itself in order to join the National Democracy Party of General Kriangsak Chamanan, Mr Khondet did not join because he believed that since the Mass Line Party had disbanded, he no longer had any obligations to the Mass Line Party and that he therefore had the right to switch to another party. The party that he switched to was the Pracharat Party of Mr Chaisiri Ruongkanchanaset, or Sia Tang Hua as he is called. And it is said that in the recent by-election for parliament in Ubon Ratchathani Province, an amount of money similar to that spent by General Kriangsak during the by-election in Roi Et Province was spent here too. This is because winning an election does not mean becoming an MP only. This can also affect a person's status as the head of a political party that has been established because the policies of the party have just been brought out for popular approval for the first time.

On the same occasion, Mr Khondet also revealed that, at present, he is very depressed because besides the fact that he may be asked to return the money, he may also be killed, particularly since there has been news of some MPs being hunted down and shot by gunmen.

Concerning this matter of certain MPs being sued for repayment of their debts when they resign from a party or switch parties, even though this will not tarnish the image of the MPs or of the political party system in the eyes of the people since this involves only a few MPs and certain political parties, at the same time, what has happened according to the news report above is not something that should be ignored. Because in my view, this has resulted from weaknesses in the election and political party systems in Thailand and that is important.

This is because, if the election system allows people to compete by pouring in money freely, with whoever having the most money having the greatest chance of winning, the government will not be able to watch things to ensure that money is spent strictly in accord with the laws that have been promulgated. Or if the political party system still allows political parties to be formed without considering whether there will be people to form a base, that is, whether there are people who support them in their bid for election to parliament, this will open up a loophole that will allow [people] to freely buy the votes of MPs. This will result in the people mistakenly thinking that the political party system is a matter that concerns the interests of just a few politicians in parliament.

It seems that the feeling, or idea, that elections are just a matter of fighting to see which candidate can throw in more money or that the establishment of a political party is a matter for investors is not confined to the general public only. Even some people who were once high-ranking administrative officials or scholars feel the same way.

For example, General Sitthi Chirarot, the former undersecretary of the Ministry of Defense and the present Minister of Interior, told a reporter during an interview that certain people had come and asked him to play politics openly, imploring him to join a political party. He refused immediately, saying that he was not really interested in politics and that he was not financialy or personally ready since playing politics requires much money.

Another case is that of Mr Kramon Thongthammachat, the dean of the Faculty of Political Science at Chulalongkorn University. He told a reporter that several political groups, such as the Social Action, Prachatipat and Chart Thai parties had asked him to join them. And in particular, the New Force Party invited him to become the head of the party. But he told them that he was not ready since he did not have enough money. To campaign for MP, a person needs to have at least 200,000 to 300,000 baht.

When high-ranking government officials, who are considered by the people in general to have a good [economic] position, feel that they are not prepared to engage in politics, I feel that this is something that is really worth thinking about because if most people feel like this, in the future the only people who will engage in politics in Thailand will be the millionaires and capitalists since the good people who have knowledge and talent will not dare to come forward to serve the country politically. If they do get elected they will lack money. Otherwise, they have to rely on help from capitalists and carry out their duties in a way that fulfills the desires or needs of the capitalists who support the various political parties rather than considering the interests or troubles of the poor people, who form the majority of the people in the country.

As for the capitalists or wealthy people who have formed political parties with the intention of dedicating their lives and sacrificing their wealth and energies to promoting a correct political party system of government and democracy, if people contine to be allowed to use money as a tool in elections or to compete with each other using their financial strength rather than competing with each other with policies and ideals and do not help find a way to stop or prevent this beginning now, those who think about engaging in politics in order to serve the people honestly or who do not think about forming a political party for their own personal interests will all feel like withdrawing or become discouraged. Otherwise, they may have to change their thinking about playing politics and instead think about seeking profits in order to save money to compete in the next election.

If the various political parties think in this way, disaster will certainly befall the democratic system. And when this happens, the only two systems of government that the Thai people will have to choose between will be a

military dictatorship or a communist dictatorship. Will we allow this to happen without thinking about how to prevent it?

Editorial Cites Criminal Ties

Bangkok MATICHON in Thai 22 Jan 82 p 4

[Editorial: "The Price of Politics"]

[Text] The House of Representatives is an important institution in a democratic system of government. The MPs are considered to be the legal representatives of the people. If the House of Representatives is composed of MPs who are moral, knowledgeable and capable people, this will be one guarantee that the interests of the people will be upheld and a significant force for developing democracy.But if the House of Representatives is composed of poor quality people, it will be like a dangerous virus that will kill the people and destroy democracy in a very cold-blooded way. Recently, there have continually been scandalous news reports about a number of MPs. Concerning these bad stories, the newspapers have not intentionally created them as if they had evil intentions. Rather, these stories came about because of the actions of the MPs themselves. Regardless of whether they were involved in gambling or conspiracies with "godfathers," actued likd "godfathers" themselves or even sold themselves for large sums of money, the activities of such politicians have nothing to do with the interests of the nation. This matter has greatly tarnished the image of the MPs and clearly allows people to see that these people are in no sense representatives of the great majority of people. Rather, they have stumbled into the mire of being the tools of a few merchants and investors.

These days, probably no one would deny that politics is a matter of interests. But the thing that is worrisome is whether these interests are sought on behalf of the majority or on behalf of a few people who have gained the advantage. According to the ideals of the democratic system, the House of Representatives should represent the majority of the people. But the real situation is that our political system, particularly the laxness concerning political laws and the lack of pure and sincere ideas for the people, has caused a number of MPs to use this honorable institution for their own interests. They have allowed themselves to become like "oxen" that have been yoked with the rope of money and immediate gains.

Concerning the candition of the politicians, a condition that has become well known because of their fighting among themselves using illegal powers, their involvement in gambling, their selling themselves to the highest bidder and so on, even though only a tiny number of MPs are involved as compared with the number of MPs in parliament, these disgraceful actions reflect the strange political situation in Thailand. This stems from the fact that development has not been even and the country has long been under the dark shadow of a dictatorship. The common duty of those with good intentions toward the country is to try to nurture the existing atmosphere of "half" democracy. At the same time, they must fight so that this system develops and becomes a perfect democracy and resolutely prevent people from taking this opportunity and using these weaknesses to destroy [democracy] before its time.

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NARONG KITTIKHACHON INTERVIEWED ON MILITARY AFFAIRS, PERSONALITIES

Bangkok KHAO CHATURAT in Thai 8 Feb 82 pp 24-28

[Interview with Colonel Narong Kittikhachon by "Chaturat" at his home on 21 January 1982]

[Text] As for this retired officer, it is not necessary to discuss his past in any detail. If anything is to be reviewed, it can be said that if the events of that day [14 October 1973] had not happened and, certainly, if nothing had happened after that and he had risen in rank at the normal rate of a step each year, Colonel Narong Kittikhachon would now be a lieutenant general. But this officer would not have risen in rank at the rate of only one step a year. That is, Narong Kittikhachon would have reached the rank of general 3 or 4 years ago.

There have not been very many major stories since the time he failed in his bid for election as MP from Muang Phet in 1979. But this is not the case for deeper stories. At present, Colonel Narong has become deeply involved in business circles but his desire to step into the political arena still smolders and is growing stronger all the time. What is important with the present situation in the army is that Colonel Narong is still highly respected by many powerful people.

"Chaturat" talked with Colonel Narong at his home on Sukhothai [Road], which is the same area where Field Marshal Praphat Charusathien lives, on 21 January 1982. Even though he has reached an age at which traces of grey can now be seen in his black hair, this retired colonel is still tough, which is reflected in his strong remarks. The following conversation was transcribed word by word from a tape recording.

The Military Must Have Greater Power Than It Now Has

Chaturat: I would like to discuss the military. At present, what is your opinion about the Royal Thai Army?

Narong: If we look at the army at present, speaking frankly, as a person who was a soldier for a long time, I am not too happy with things because

the officers have split into different groups. This has never happened before in the army. If the army is split into factions, how can it function as an army? I am worried about this. I hope that the present high-ranking commanders can solve this problem. But I do not know whether they have started to solve this problem or not.

[Question] This problem did not exist in your time?

[Answer] No.

[Question] If you still had power in the army and such a situation occurred, that is, there was a lack of unity in the army, to solve this problem, where would you begin and how would you solve the problem?

[Answer] We must find out what the disagreements are about. If these conflicts concern the work system in the army, we should call in the leaders of the various factions and create understanding. After they have been made to understand, they will stop separating into factions. But as far as I can tell, at present, political problems are greatly involved. Our soldiers have been involved in politics for a long time. These soldiers...later on most of them give up politics. Most soldiers want to stop playing politics but some groups still want to get involved. And some say that.... Concerning the various groups that have conflicts, I think that this concerns positions and duties. Those who do not get [the position they want], feel hurt and they are jealous when they see others advancing quickly. And so they split away and form their own group in order to have a bargaining point. They use politics as a tool in the army. I do not think that this is right.

[Question] But politics and the military cannot be separated because the military is one part of society.

[Answer] They cannot be separated. But, the soldiers will play politics...soldiers can play politics; they cannot be criticized for this. But they must play according to [the rules of] the game. They should play as a large group; for example, the entire army should have a single political path. This will make the army secure and there will be great unity in the army. The military will have greater bargaining power with the government than it does at present.

[Question] Does this mean that the military will have greater power than at present?

[Answer] Yes.

[Question] If it is not possible to have everyone in the army think the same way, with some groups being conservatives and others liberals, this will make it impossible for them to join together. What can be done about this problem?

[Answer] We must try to join together. We must try to adjust the thinking of each person so that there is unanimity. This can be done; it is not impossible. Except, there are intractable people who have gotten so far off the path that they cannot be recalled. They should be cut off and not kept.

[Question] But at present the military has great bargaining power with the government -- even greater [than that of the government].

[Answer] I do not think that one has much more than the other at present. The government has power. If soldiers are troublemakers and cause trouble, they can be discharged. The matter of bargaining between the military and the government has existed for a long time. But at present, we feel that it would not be good if the military gets too involved in politics or threatens or causes too much trouble for the government. This would make it impossible for the government to do its job, and the military itself would not be able to do anything. People will not be able to do anything. That is, at present, the military has many tasks concerning national defense -- more tasks than at any previous time. Therefore, if the military gets too involved in politics, I feel that it will fail to carry out its main duty.

[Question] Does this mean that what you said about bargaining between the military and the government....

[Answer] This still exists. There is still bargaining. Bargaining, bargaining power between the army and the government still exists. But I feel that, at present, the military has not used all its strength in bargaining with the government, and I feel that it has done the correct thing. It must consider its main duty first. If the situation in the country quiets down, the military can turn its attention to politics and no one will say anything.

[Question] Does this mean that, at present, under the system of semi-democracy, we will clearly split into groups or that there will be a split between the military and the government? Because, there are now people from the military in the cabinet.

[Answer] Those people are reservists. Who said regular soldiers? There are no regular soldiers [in the cabinet].

[Question] Concerning General Athit, it is said that the path taken by General Athit and his thinking are very similar to that of Field Marshal Sarit.

[Answer] I do not think they are very similar. The situation in the country is different. The era of Field Marshal Sarit was very different from today. During the period of Field Marshal Sarit, when he came to power, he first solved the economic problems. He was able to do this because he received full cooperation from the army and from various politicians. Even scholars gave him good cooperation. As for our scholars today, when they are asked to help carry out the work, from what I have seen, very few, very few, work very hard. Scholars during the time of Field Marshal Sarit gave completely of themselves and worked very hard.

[Question] Have you ever met General Athit?

[Answer] We have met many times. Usually we talk about ordinary matters. We have never discussed politics.

[Question] You have never discussed anything?

[Answer] No! No! No! When we meet, we say hello and chat about ordinary matters. We do not discuss matters concerning work.

[Question] Concerning Major General chawalit, what are your views about him?

[Answer] Chawalit is a good officer. We once worked together in Vietnam. He is a good worker and is fully dedicated to his work. He is a person who listens to the reasons of all sides. He is reasonable and is willing to listen to all sides. If he stays like this, his military future will be very bright.

[Question] Will he become the commander in chief of the army?

[Answer] If nothing changes, I think that he has a chance to become the commander in chief of the army in the future.

[Question] There has been much criticism that the army is a great source of corruption. Is this true?

[Answer] How can people say that! I think it is almost impossible to engage in corruption in the army. I was in the army for more than 10 years and I never found a way that people could engage in corruption. I do not know how money could be squeezed from the soldiers.

[Question] I am referring to the purchase of weapons and even the maintenance and building of such items.

[Answer] That may be. But there is no definite proof of this. We cannot say anything for sure. I was never involved with this.

Politics, Let Me Join the Parade Too

[Question] Concerning politics, at present, what preparations have been made?

[Answer] As for politics, at present we are trying to make contact with the leaders of various parties. And we are looking at political methods to see what effects they have and how effective they are. In particular, we are interested in seeing what the form of the political parties law will be. At present, we cannot decide for sure what path we will take. This law has not yet been promulgated.

[Question] When you said "what path we will take," does this mean that you are considering forming your own party or joining another party?

[Answer] As for forming my own party, this presents problems and is not possible at this time. I want to state directly that this is not possible at present. But I do not know about later on. In this initial period, if the political parties law is enacted, we must determine which party has policies that are compatible with ours. If the policies of some party are similar to our thinking, we may join that party.

[Question] Speaking as frankly as possible, at present, on what standpoint are your political views based?

[Answer] At present, few political parties have a definite standpoint. Few have definitely chosen whether to play the political game in a really democratic way or only semi democratically. My present standpoint is that we would like to build a democracy. We must have a strong democracy. Everything will come from elections if things are done that way. The present system is no good and is of no use. We can see that this half democracy has benefited the country very little, especially in the economic sector, as everyone has seen.

[Question] What is your view of the present political parties and party leaders, such as General Kriangsak, Colonal Thanat and Mom Kukrit?

[Answer] As for these party leaders, I think that they are all talented people. But how much talent there is depends on their teams. General Kriangsak, for example, is a talented person but the party members.... As for selecting people to join this party, he should select representatives who are honest. This would make this party strong.

[Question] Does this mean that the present [members] are not honest?

[Answer] It is well known that many of them are not.

[Question] From what you have seen, which party could you get along with the best?

[Answer] At present, as for what I have seen, I have not looked at the policies of other parties. But from what I have seen, I think I could get along with the party of Mr Samak.

An Economy Like This Must Be Eliminated

[Question] Suppose that in the next 10 years you enter the political arena and become prime minister, what is the first problem that you would tackle and how would you go about solving it?

[Answer] If we were responsible for national affairs, the first thing that we would have to give attention to is the country's economy and the poverty of the people. This is something that everyone is talking about but nothing has been accomplished. As for improving the economy, as I said, the first step is to ask for cooperation from the various capitalists and take an interest in the middle echelon merchants, especially those in the rural areas. These

middle echelon merchants in the rural areas are the ones who will help the farmers directly. We must first turn to the middle echelon merchants in the rural areas and support them. But they must not be allowed to take advantage of the farmers; they must help each other. This will help improve the rate of currency circultation in the provinces. When the currency circulation rate in the provinces has improved, the farmers will be able to get along.

[Question] If the big investors did not cooperate, what measures would you take?

[Answer] We would apply pressure. We have laws. We would not use power or anything [like that]. The laws could be used as a tool to inspect things. In the banks, the officials of the national bank could be used to inspect things and to determine for what and to which groups credit should be given. Is it fair to use the people's money and circulate it within their groups? Is this correct? We could inspect things using the laws as a tool. We would not have to use power as a tool.

[Question] And if using the laws failed?

[Answer] If using the laws and other things failed, why couldn't the government take control of the banks and operate them itself?

[Question] But these economic problems that cannot be solved stem from the fact that the economic situation throughout the world has deteriorated.

[Answer] We should not talk like that. Do not blame things on the world economic situation. This cannot be blamed. Thailand, for example....Suppose that various goods here are expensive. Shouldn't the government do something? The goods that we export are sold at high prices so that the merchants will make a profit. Can they be made to agree to take a loss by selling to the Thai people? When I was in government service, I did this. Take rice, for example. When I was working, the price of rice reached 40 baht. People all around the country complained. Every newspaper unspairingly attacked the government for being unable to control rice prices. The government entrusted me with the task of handling this matter. I did the job. I did this by forcing the world market price for rice higher and getting the merchants to take losses in Thailand. Rice was sold at 35 baht per tang [1 tang equals 20 liters]. But the government must help the merchants. At that time, there was a quota on rice exports. But the government had to help them find markets. I gave them permission to export one bag for every two bags that they placed in reserve with the government. And the government sold this rice to the people at low prices.

[Question] But now the merchants are unhappy about the reserve rice matter.

[Answer] As for reserve rice, there are complaints because the government has not given them any help concerning world market prices. Prices on world markets have fallen. Prices for Thai rice on world markets are lower than when I was working. If the world economy puts pressure on the economy of Thailand, prices on world markets will rise. But we are now selling rice

at prices that are lower than when I was working and so how can the world economy put pressure on the country's economy?

[Question] Because world rice production exceeds demand, export markets are limited and this has caused prices to fall.

[Answer] However, regardless of how mcuh rice is produced in the world, Thai rice is still popular throughout the world. And there are also many other things that we could make profits from but we are not doing so. Take ore, for example. We should have built our own smelting plants in the very begninning and taken very stern action against ore smuggling. Whoever smuggled ore out of the country should have been branded as a tritor to the counrty and shot. That would have made them afraid.

[Question] Does this mean that at the present time it is still necessary to execute people?

[Answer] In some cases if they involve undermining the country. In order to solve the economic problems, this must be done. This must be done.

[Question] Is it still necessary to take control of the banks?

[Answer] Yes. Aren't we going to solve the problems together? If they cooperate, we do not need to take action, but if they do not cooperate, this is necessary. At present, how much have we lost? During that period, all the newspapers and even Mom Kukrit himself attacked the government for selling out the country to the Temko Corporation. At that time, our government signed a contract with the Temko Corporation to mine ore in the south. We received 90 billion baht a year from Temko. What do we receive now from ore mining? Different groups are engaged in mining operations but the government does not get anything.

[Question] Speaking about capitalists, would you comment on Mr Bunchu Rotchanasthien?

[Answer] As for Mr Bunchu, there are many things to criticize. I do not understand how he implemented his policies. But concerning what he did.... He joined the government several times. I think he helped ruin the country's economy. He spent the government's money and now there is none left. And nothing was achieved in return. If he had used that money and made gains in return, this would have been of benefit to everyone and things would have improved later on. Take his policy of turning over money to the rural areas. I do not agree with this policy at all. What can be gained by giving 100,000 baht here and 50,000 baht there? Some laterite can be purchased to fill in the roads but when it rains the laterite will disappear and so will the 50,000 baht. Nothing will have been gained. But if we put all this money together we will have 100 million baht which can be used to build a new road or to develop the districts one by one. We can do this each year. By doing this, I think that in 20-30 years the rural districts would be more prosperous. Things would be better than at present. Thus, concerning the activities of Mr Bunchu, he hoped to benefit the people in the rural areas so they would have jobs. But

concerning people having jobs, did these activities help the majority? And were there any lasting benefits? We must consider every aspect. As for finding work for people, I do not think that this is difficult. It is not necessary to give money to the villages and let them spend this money. We have several programs that provide jobs for rural people and they receive money too. Isn't that true? It depends on the methods used. As for the economic and financial fronts, Mr Bunchu did not solve any of the problems. Capitalists are still capitalists.

Personally, Students Were Not Involved

[Question] I would like to turn to the past. That is, suppose that at present you still held a position in the army. If events such as those of 14 October 1973 occurred, how would you solve the problem or how would you let the problem unfold in order to be the victor?

[Answer] Our winning depends on many factors. Take 14 October, for example, If we had taken strong measures and used real force and real ammunition, we certainly would have won. But people would have been killed. This is not good. It should not be done. If at present...if such a thing happened again, I think that the best thing to do would be to discuss things with each other. Violence cannot be used. Nothing will be gained by using violence; there will only be losses, losses for all sides.

[Question] At that time, did you consider negotiating?

[Answer] We did negotiate (high voice).

[Question] But?

[Answer] There was a "third hand" involved.

[Question] Can you talk about this?

[Answer] I negotiated. At that time, everything had been settled. But a "third hand" interferred and brought in forces to cause trouble and played with both sides, the students and the military. This caused a misunderstanding and trouble broke out again. Actually, on 13 October an agreement had been reached. The students were breaking up. But the "third hand" got involved and would not let things stop. If things had stopped...the three of us would not have been ousted.

[Question] You were not aware of this beforehand?

[Answer] Yes, I was. I knew this all the time.

[Question] Couldn't you have done something in defense?

[Answer] My hands were tied. I could not do anything. I could not find a way to solve this problem.

[Question] What do you mean when you say your hands were tied?

[Answer] There were various pressures on me to do nothing.

[Question] Can you tell us who this "third hand" was?

[Answer] It was people who controlled some forces, but not the main forces of the army. They brought their forces in, with some dressed as students and some as soldiers. They did things to implicate both the students and the soldiers and to cause a misunderstanding so that the matter would continue. For example, the burning of the metropolitan police station was not the work of the students. This was the work of the "third hand."

[Question] Can you tell us who you were most angry at?

[Answer] There were many people. Many. There were those who had worked with us closely and then betrayed us. That was very painful.

[Question] Can't you forgive them?

[Answer] It is difficult...difficult.

[Question] This did not invovle the students?

[Answer] No. The students were only their tool. They were only a tool of our people who betrayed us. The students were not involved. They were only a tool. Thus, we cannot blame the students. And we were not forced to leave the country that time by the students but by memebers of our own group who had betgrayed us and who used the students as a tool.

[Question] Can you tell us who some of these people were?

[Answer] Some are dead now. Some are still alive. It would be better not to give names. But everyone knows who they are. Even in the military, it is known who they are.

[Question] I have asked about the events of 14 October 1973. I would now like to turn to the events of 6 October 1976. Because of the events of 14 October, you were forced to leave the country. When the students wwere suppressed on 6 October, did this give you personal satisfaction? I would like to ask this frankly.

[Answer] I did not feel anything. I did not derive any pleasure from what the Reform Council did. I do not know for sure what the students did. If they used force, what the government did was proper. But concerning this, I do not want to discuss this very much. I do not know what happened.

[Question] As for your property that was sequestered, at present are you still appealing for it to be returned to you?

[Answer] We have proceeded with this matter and asked for justice. During the time of the 1976 Reform government, a committee was formed to consider this matter. Finally, it was decided that the committee would issue a resolution that [our property] would be returned. But the government held back the matter and would not present it to parliament. Because this was something that had to be brought up in parliament. The next government established another committee and this committee too issued a resolution calling for the property to be returned. And again the government suppressed the matter. Now, the present committee has issued a resolution calling for our property to be returned but nothing has been done. They are still suppressing the matter.

[Question] Haven't you protested?

[Answer] We have protested continually. Things are like this. They have not done anything. You can write petitions until your fingers break but they do not do anything.

[Question] How much was sequestered?

[Answer] Everything! The house too. I am living in a house provided by the government. I think that if people such as we are treated unfairly, what chance is there that the little people will receive justice.

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MUTUAL BENEFITS, CONFLICTS IN TRADE WITH LAOS NOTED

Bangkok KHAO CHATURAT in Thai 9 Jan 82 pp 6-12

[Article: "The Kip 'Barrier'"]

[Text] Who can deny that Laos, which is a natural market for Thailand and which is a market that Thailand has always had a favorable trade balance with, is in an alarming state of decline. Even though Thailand and Laos still have diplomatic relations with each other, even though transportation is very convenient as compared with other markets and even though Laos still clings to Thailand for carrying on everday life at present, during the first 6 months of 1981, the value of trade between Thailand and Laos declined more than 50 percent as compared with the same period in 1980, including Vietnam and Kampuchea too.

Kampuchea, the Black Market Seizes Power

Even though trade contacts between Thailand and Kampuchea are, as is well known, mostly in the form of "black market" contacts, the reduced value of the official trade [between the two countries] on which the government can collect customs tax is a clear indication of the dismal state of this market.

Kampuchea has problems concerning shortages of almost all types of consumer goods resulting from the confusion caused by the political games being played in that country. But the value of trade between Thailand the Kampuchea has not increased in accord with market needs; just the reverse is true. Thai markets here are depressed. During the first 6 months of 1981, the value of Thailand's trade with Kampuchea reached only 98.9 million baht. This is down 63.9 percent as compared with the same period in 1980, when the value of trade reached 273.9 million baht.

Of this amount, almost all, or 98.8 million baht, was exports.

Thus, during the first 6 months of last year, Thailand had a 98.7 million baht trade surplus with Kampuchea. This is down as compared with the same period in 1980 when Thailand had a 273.9 million baht trade surplus. This is a decline of 64 percent, or 175.2 million baht.

Full of Fighting or So Full of Hate That They Will Not Sell

As for Vietnam, things are even worse. During the first 6 months of 1981, the value of trade between Thailand and Vietnam reached only 3 million baht. This is a drop of 98.8 percent as compared with the same period in 1980. That is, trade fell from 249.7 million baht. This entire 3 million baht is a trade surplus since goods were not imported from Vietnam in any quantity that need to be included in the statistics. At the same time, this trade surplus is very little as compared with that of the same period last [year] when the surplus was 236.1 million baht. That is, the trade surplus declined 98.7 percent, or 233.1 million baht.

Considering exports during the first 6 months of 1980, Thailand was able to export goods worth 249.7 million baht to Vietnam. As compared with exports of only 3 million baht during the first 6 months of 1981, the value of exports fell 98.8 percent, or 246.7 million baht. This happened even though Vietnam is a country that must import large quantities of raw materials, clothing and food.

The Mekong River Border, the Kip "Barrier"

The answer given by officials of the Lao People's Democratic Republic to Thai merchants is the same. As for the question of "why the value of trade between Thailand and Laos during the first 6 months of 1981 fell more than 50 percent," the answer given was that "this is because the border was closed." Concerning the agreement that was concluded between Thailand and Laos during the time General Kriansak Chamanan was prime minister, the Thai government gave permission to open eight points along the Mekong River, but because of political changes, six of the eight points were closed and contact between the two sides was prohibited. The Thai government of General Prem Tinsulanon recently gave permission to open a third point at Mukdahan when Mr Phoun Sipaseut, the Lao deputy prime minister and minister of foreign affairs, visited Thailand on 2 December.

Both Thai and Lao officials are well aware that, until recently, trade between Thailand and Laos improved continually and that Laos is one market with which Thailand has always been able to have a trade surplus. But during the first 6 months of 1981, the graph that had constantly gone up began to change directions and fell sharply.

During the first 6 months of 1980, the value of imports and exports between Thailand and Laos reached 642.8 million baht. But during the same period in 1981, the value of trade fell to only 240.1 million baht, a drop of 402.7 million baht or 62.6 percent.

At the same time, the value of exports fell from that in 1980. In 1980, goods worth 610.6 million baht were exported but this fell to only 235.5 million baht, a drop of 61.4 percent. And the trade surplus fell from 578.4 million baht to 230.9 million baht.

Laos-Thailand, How Can They Trade With Each Other

As for the Thai merchants who can contact their Lao customers, besides having to use the transport services of the Express Transportation Organization of Thailand, which is the only transportation organization that the Thai government allows to transport goods to Vientiane, and besides having to deposit 100,000 baht with the Department of Foreign Trade as a guarantee, an important condition after they have received permission from the Department of Foreign Trade to trade with the LPDR Import-Export Company is that they must obey the following regulations of the Department of Foreign Trade that were issued on 25 June 1981:

1. Payments must be made only through the Thai Metropolitan Bank Ltd. Establishing a letter of credit (LC) of the non-withdrawal type is not permitted unless approval is obtained on a case-by-case basis.

2. Reports on trade with the LPDR must be sent to the Department of Foreign Trade by the 10th of each month.

3. In cases in which the goods delivered during any one month have a total value in excess of 500,000 baht, a guarantee for the amount over 500,000 baht must be posted at a rate of 20 percent [of the excess].

4. Those who have received permission to trade with the LPDR must submit [a letter stating] their desire to extend their period as an approved trader between 15 November and 15 December every year.

What Is the Reason?

"The other side intends and greatly wants to trade with us, but there has been much interference from our regulations and methods," said a Thai merchant who had switched from being a scholar to being a trader with Laos to Chaturat. His statement was a criticism of the Department of Foreign Trade's regulations on trading with the LPDR.

This merchant pointed out that there are many problems in trading with Laos. If a merchant is doing business with another country, he can contact and use the services of any bank. But in the case of Laos, the regulations force merchants to use the services of the Thai Metropolitan Bank only. "The Thai Metropolitan Bank makes us put up a deposit equal to the full amount of the purchase each time." And when the value of the goods exceeds 500,000 baht, the traders must put up a deposit equal to 20 percent of the excess amount as a guarantee. This is a very troublesome matter concerning which there has been many complaints. "Look, if we ship goods worth 2 million baht, for the excess 1.5 million baht we have to put up 300,000 baht as a guarantee before we can ship the goods."

Besides these regulations, which point out that a person who wants to trade with Laos must have a very secure financial position, concerning the Department

of Foreign Trade's regulations, which the merchants view as "irrational," there is another factor and that concerns having to send a monthly report to the Department of Foreign Trade. The merchants feel that the regulation forcing them to deal only with the Thai Metropolitan Bank makes it convenient for the Department of Foreign Trade to obtain the data it needs. It is not necessary to make the merchants go to the trouble of making another report. But officials of the Department of Foreign Trade feel that submitting this monthly report is not any trouble and that it should be done to facilitate things in trading with countries that have political problems. However, any merchant who fails to submit this report will immediately be prohibited from trading with Laos for 6 months.

Concerning the matter of the Department of Foreign Trade allowing merchants to use the services of the Thai Metropolitan Bank only, it appears that merchants once joined together and requested permission to use the services of other commercial banks. The Thai Metropolitan Bank was enthusiastic about this request and agreed with the merchants, and the Department of Foreign Trade said that it would revise the regulations and improve services in order to make things easier. "But, to date, nothing has changed," said a young graduate in engineering from Chulalongkorn University who is the manager of a company that trades with Laos.

For most merchants, the thing that they are most apprehensive about with regard to trade with Laos is political change. This is because events in both countries can result in the immediate closing of the border and this has an unavoidable effect on business. In fact, even when letters of credit have been arranged and preparations for shipping the goods have been completed, when the border is closed, this means that the goods are left "dangling" indefinitely.

The Full Dimension, the Indochina Market

Concerning the three Indochina markets, even though the value of trade with Thailand is not very great as compared with Thailand's total value of trade, this is a market with which Thailand has always been able to have a trade surplus. Thus, the sudden drop in the value of trade in 1981 is not an unimportant matter.

If we consider Thailand's foreign trade statistics, we see that, during the past 5 years, Thailand's trade has always sufferred a trade deficit:

1980: deficit of 60,421.1 million baht.
1979: deficit of 37,982.3 million baht.
1978: deficit of 25,838.8 million baht.
1977: deficit of 22,978.9 million baht.
1976: deficit of 12,080.0 million baht.

The Trade deficit has increased ocntinually.

But at the same time, when we consider the value of trade, in which there was a trade surplus, with Indochina, we see that the figures have risen continually. Thus, without these markets with which we have a favorable balance of trade, our total trade deficit would be even higher than it is. In 1976, Thailand's trade surplus with Indochina reached 342.1 million baht; in 1977, the trade surplus reached 481.8 million baht; in 1978, 532.8 million baht; in 1979, 1,188.1 million baht and in 1980, 1,764 million baht. If this is compared with Thailand's trade deficit, it can clearly be seen that this trade surplus with Indochina is not insignificant.

As for those who say that the value of trade with Indochina fell during the first 6 months of 1981 because of "black market" smuggling, which is impossible to record, if we consider the reverse side, it can be seen that this is very difficult to stop and that it is impossible to forbid countries that share a common border from trading with each other, even if they do have different political systems. Thus, establishing trade relations that recognize the actual situation is the best way out for exporting goods and collecting customs taxes in accord with the law.

Concerning the issue of trade with Laos, certainly, if relations were smooth, it would be possible to open all eight trading points along the Mekong River border. And if there was a proper relationship between politics and trade, the Thai traders would be able to distribute their goods easily. From a survey made in 1976, it was learned that closing the border had caused trade in the towns along the Thai bank of the Mekong River to decrease 78 percent. These towns include Nong Khai, Phibun Mangsahan, Mukdahan, Chiang Khan, Bungkan and Thauthen. There was a regular trade in consumer goods when relations with Laos were good.

At the same time, Thailand is the most important customer of Laos. More than 50 percent of the goods exported by Laos are exported to Thailand. Most of the goods exported are raw materials, which are things needed by Thailand. And being able to sell goods means that they in turn will have purchasing power to purchase Thai goods.

A 1981 year-end report on the economic situation in Laos, which is well known among the Asean countries, pointed out that the amount of timber that Laos will export to Thailand will not decline. This is because only 40 of the 80 sawmills in Laos are able to operate and industry in Laos has not developed very much. There is still a shortage of essential raw materials and there is not enough equipment and parts. Also, they still lack really skilled people. This situation has resulted in Laos being able to hit only 20 percent of its stipulated production targets. This means that there is still a great need for manufactured goods from Thailand and this is a basic need.

Economic Laws and Political Games

Some things indicate that, concerning promoting trade with Laos or the other countries of Indochina, few of the long-term benefits from this will fall to Thailand. This is because this will only help these countries develop at a faster pace. But other things indicate the reverse. Even though the political differences are so great that it will not be possible to agree on everything, the black market trade is thriving and these countries will definitely not wait for death. There will be a struggle and relations between Thailand and these countries will expand. The present situation confronting us is not so bad that we cannot be friends. Thus, there is certainly a way out that can benefit the people of both sides.

But there are also some things that have begun to generate understanding from the point that when politics controls trade, trade should have some part in controlling politics. Trade relations between Thailand and Laos will help strengthen relations and our mutual distrust of each other will disappear.

U.S. Assistant Secretary for East Asian and Pacific Affairs John H Holdridge told the Subcommittee for Asian and Pacific Affairs of the House Foreign Affairs Committee on 22 October 1981 that the "economic survival of Laos depends on [its] compromising with Thailand. Having relations with Thailand, which is a fraternal country, will separate Vientiane from Hanoi somewhat."

Nonsense!

Prachak Comments

"The markets that we must look to are the nearby countries, that is, the Indochinese markets. This will reduce the tension, reduce the political conflicts and enable us to sell our goods. Tying ourselves to the great powers without considering our national interests will make it impossible for us to solve our economic problems. The economic system must be separated from politics and international affairs. As for those great powers that do not want Thailand to establish ties with the countries of Indochina, I do not want to say the obvious. They fear that, if we open markets in Laos, we will later do so in Vietnam and Kampuchea and that this will strengthen relations between us and the countries of Indochina. They want Thailand to close the country and to not trade with Laos, which will cause the countries of Indochina to experience problems that they cannot solve. They want to isolate Thailand from indochina. As for Thailand, whatever we do, we must consider our national interests and not fall under the influence of the United States or China." Colonel Prachak Sawangchit made this statement to "Chaturat" on Sunday morning, 27 December 1981.

[Interview with] Samrit Phrompricha

Chaturat: First of all, would your give us your views on the closing of the border?

Samrit: Concerning the closing of the border, besides disturbing relations between the two countries, this will also harm trade between the two countries. As for exporting goods from Laos to Thailand or to other countries through Thailand, this will increase export costs because shipping costs will increase. For example, there is much timber in southern Laos. If for example, it must be shipped from Champassak Province, which is opposite the Thai province of Ubon Ratchathani, north to Vientiane and then shipped by way of Nong Khai, think how much shipping costs will increase. This will cause our income to decrease and we will not be able to export very much. This will affect the purchasing power of Laos and make it impossible for Laos to purchase Thai goods. And Thailand will not be able to sell the goods it has produced. It can be seen that, during the first 6 months of 1981, after the border was closed, Thai exports to Laos declined greatly. I think that if our relations are good and there are things we can agree on, we will be able to trade together. This will help improve our trade and the volume of trade will increase.

[Question] What are the most important factors for trade relations between the two countries? Or stated differently, what have been the points that are still problems?

[Answer] Concerning the necessary factors for greatly improving relations between our countries, one thing is that some of the goods in the controlled category should be reconsidered to see what we are really in need of. It should not be thought that we will obtain these things for the military. This delays things when we need items. And we are prohibited [from buying] some things entirely and this delays our various plans or projects and affects the interests of the nation. The important thing is that it should not be thought that we will use these goods for the military. For example, we asked to purchase a small quantity of steel plating for use in industrial plants. Our plans called for construction to start then but we could not begin construction and this caused other work to fall behind too. I would like to give another example. Take the case of the medicines. It took a long time for a small amount of medicine, which a progressive organization in the capitalist world helped us with for humanitarian reasons, to arrive. The needs of a sick person are of a limited nature. Suppose that a medicine is needed within the next 10 days for a person who has been sick for 2 or 3 days already. If it takes more than 10 days for the medicine to arrive, the patient may die or this disease may spread, which would affect us. This would be one factor that would help improve relations. This means that we must not persecute each other and must be understanding concerning what is urgent and what is not and concerning what things will be used for. This is how things must be understood if we are really to be called brothers.

[Question] Are there any problems concerning transportation or the collection of border transit taxes?

[Answer] We have discussed this. Laos has submitted proposals to Thailand many times concerning the border transit matter. It is felt that the transit fees are higher than they should be. And concerning some goods that have to be transported across the border, even though we want them for construction and post-war economic development projects, Thailand feels that we want these goods for the military and so they are not allowed to pass and are left behind for a year or more. Think how our projects have been delayed by this and what effects this has had on our country, which wants to live as a friendly neighbor in this region.

[Question] Would you give an example of goods that have been stranded for a year?

[Answer] There is the case of the equipment that was shipped across the border last year, equipment that was sent by the Soviet Union to support Ministry of Agriculture and Ministry of Information projects. These projects were in accord with development plans that the Escap Organization here approved and that it felt were necessary for Laos. The Soviet Union provided help in accord with the agreements between the two countries. The details of the agreement stated what goods were to be used by the Ministry of Public Health, what were to be used by the Ministry of Information and what by the Ministry of Agriculture. But Thailand probably thought that they would be used for military purposes and so they were held up for a year or more. Finally, they were released, with the exception of the oil. Concerning the oil, the Thai government will allow us to take only the oil; it will not allow us to take the drums. This would cause great difficulties and increase costs.

[Question] Where did this oil come from?

[Answer] This is oil provided by the Soviet Union in accord with the agreement mentioned above. More than 1,000, 1,032, drums have been left stranded. The Thai government will let us take only the oil. I do not know the reason for this. Most people do not know about this; you have to go to the port to find out.

[Question] At present what requests is Laos making in order to obtain the oil?
[Answer] We have asked that we be allowed to take both, both the oil and the drums.

[Question] But no agreement has been reached?

[Answer] It has been sitting there...for more than a year. There were more than 100 items that were allowed to pass, including steel, bridge construction materials and various other things. Our country is very mountainous and there are many streams. We used these materials for communications. Because concerning goods in the south, using rice as an example, there is a surplus in the south but it cannot be transported to Vientiane. It would be difficult to transport it there. But previously, for goods such as glutinous rice, sold through Thailand, the merchants took it and milled it and then resold it in Vientiane.

Some people have not told the truth and have spread propaganda. They say that this and that grade of oil will be used to operate tanks. As for the oil drums, it is said that they will be used to make grenades and other things. This is very amusing. How can such a small amount of oil be used for an invasion? As for these support projects, they have only that much building equipment, only that much oil and only this many vehicles. These things are used to help complete the projects quickly.

[Question] Mr Samrit, do you think that Thailand is a very important trade partner of Laos as compared with the countries in the socialist bloc?

[Answer] I think that the trade figures, as far as I know....For as long as I have been here, Thailand has been an important trading partner and there are some socialist countries that we have been trading with. But we have sovereign power to trade. No one can say, you must buy at such and such a price or that, while that person's prices are low and the quality is good, you do not have to buy from him. Buy only from me. That cannot be. We will buy those things that are cheap, that are delivered quickly and that suit our needs. For example, if Thai sugar costs 1,000 per ton while Cuban sugar costs 2,000 per ton, we will not buy [the Cuban sugar]. We will buy from where it is cheaper.

[Question] If such a situation continues, what do you think will happen to trade relations between Thailand and Laos?

[Answer] I do not think that the truth can be avoided. We have had relations for a long time. Closing [the border] or not allowing things to continue like this...this is impossible. There must be relations. It is essential for both sides that there be trade and contact with each other. This cannot be stopped. In the end, if the purchasing power of both sides increases, trade will improve too. What is produced here will be sold there. The raw materials there will be sold here. The purchasing power of both sides will increase, and trade will increase. If the border is closed, neither side will be able to sell anything and nothing will improve.

[Question] At present, what types of raw materials does Laos have that it can sell most easily to Thailand?

[Answer] At present, we have timber, both softwoods and hardwoods. And we have various types of herbs that Thailand wants. Sometimes, after being purchased, they are then exported elsewhere.

[Question] Concerning timber, at present, is Laos doing the cutting itself?

[Answer] Yes. We do some of the cutting. We have sawmills.

[Question] But you send only logs to Thailand.

[Answer] We send logs and hardwoods and softwoods that we have cut. At present, we are making contact and requesting that the border be opened...at Thamek temporarily.

[Question] Many people wonder why Laos wants to trade with Thailand when there are socialist countries, such as Vietnam and the Soviet Union, that will give aid.

[Answer] As I said, reality is like this. Our needs are like this. Concerning the goods that we need, we are free to choose the goods that we feel are attractive and that suit us. It is not a matter of forcing us to do anything. Socialism is not like that.

[Question] Does this mean that some of the things provided as aid by the socialist countries are not in line with your needs or preferences?

[Answer] There are certain things that our people do not like. They cannot use or eat certain things and do not want them. Take butter or other such items for example. The Lao people do not eat this type of food. This is their preference. Also, the Lao people do not like Soviet-style dresses. They prefer pha thung [simple skirts]. And shipping is more convenient.

[Question] As for trade with Thailand, does all of what you have said mean that trade relations have not reached a level that can be termed good?

[Answer] They are better...better. We understand each other better. But there are still certain groups that are causing trouble and that do not have good intentions toward relations. For example, it is inconvenient for us to transport rice from the south by truck. Transportation costs are high. When we ship it by boat, these people go and fire at the boats to cause trouble or they stop the boats and kill the people on board. They cause trouble because they want the border closed. They do not want large quantities of goods to cross the border from Thailand. But it is not we who are causing the trouble. We do not want to invade Thailand.

[Question] But viewed from another angle, when Laos is finally able to complete the various projects and agricultural production improves, this will cause trade between Thailand and Laos to decline. Isn't this so?

[Answer] We are not importing agricultural goods now. Please don't think that Laos lacks food. That is not true. We import goods that we cannot produce. Building materials, cement, steel plating, various items of clothing and all types of equipment, these are the types of manufactured goods that we import. Many people think that we import only agricultural goods. But in reality, trade figures show that we import only goods that we cannot produce. We import much clothing. You can go and see what types of Thai goods are at the markets in Vientiane. You will be proud if your country can produce and sell goods and so you should promote trade so trade improves. Even though we are a small market as compared with other countries, we are an important market.

A Comparison of Trade Between Thailand and Indochina From January-June 1981 and the Same Period in 1980 (millions of baht)

Country	Value of Exports and Imports									
	1981	1980	1981/1980 %	1981	%	1980	%	1981/1980 %	1981	%
Total:	184,082.1	161,901.0	-13.7	77,188.8	100.0	71,053.7	100.0	-8.6	106,839.3	100.0
Laos	240.1	642.8	-62.6	235.5	0.3	610.6	0.9	-61.4	4.6	0.0
Kampuchea	98.9	237.9	-63.9	98.8	0.1	273.9	0.4	-63.9	0.1	0.0
Vietnam	3.0	263.3	-98.9	3.0	0.0	249.7	0.4	-98.8	0.0	0.0

1980	%	1981/1980 %	1981	1980	1981	1980
90,847.3	100.0	-.17.6	-29,650.5	-19,793.6	-100.0	-100.0
32.2	0.0	-85.7	230.9	578.4		
0.0	0.0	-	98.7	273.9		
13.6	0.0	-100.0	3.0	-22.9	0.5	0.1

Compiled by the Commerce Statistics Center, Department of Business Economics, Ministry of Commerce.
Source of Data: With the cooperation of the Customs Department, Ministry of Finance. Figures of January-June 1981 are initial figures.

Thailand's Trade Balance Record

1976: -12,080.0 million baht
1977: -22,978.9
1978: -25,833.8
1979: -37,982.3
1980: -60,421.1

Source: Customs Department

Trade Balance Record Between Thailand and the Countries of Indochina

1976: 342.1 million baht
1977: 481.8
1978: 532.8
1979: 1,188.1
1980: 1,764.0

Compiled by Department of Business Economics

11943
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END
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South and East Asia Report

No. 1116

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30 March 1982

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TURKISH TERRORIST GROUP BELIEVED OPERATING IN MELBOURNE

Perth THE WEST AUSTRALIAN in English 12 Jan 82 p 18

[Text]

MELBOURNE: Welfare workers believe that an international Turkish terrorist group is operating in Melbourne.

They say that the group, known internationally as the Grey Wolves, was responsible for a spate of fire bombings, shotgun blasts, smashed windows and death threats late last year.

The group is an extremist youth organisation aligned to the Turkish National Action Party, which was declared illegal last year.

It is believed that the underground group has called on small local organisations to recruit members and finance the party.

The welfare workers believe that there are about 50 "Wolves" operating in Melbourne and say that in the past year the group has moved offices several times.

Letters detailing terror tactics aimed at some Turkish community groups and their officials have been sent to Mr Peter Falconer, the MHR for Casey, and the Australian Railways Union.

The letters were passed on to the Minister for Immigration and Ethnic Affairs, Mr Macphee, who said that it was not an immigration matter.

The Richmond police confirmed yesterday that it was investigating attacks on an office of the Australian Turkish Cultural Association in Church Street, Richmond.

In April shots were fired through an office window and a fire bomb was thrown at the building.

Leaflets have been circulated in Melbourne promoting the aims of the Grey Wolves.

Part of the leaflet says: "This is a letter not to scare you; it is a letter to warn you because we have friends among us who have had their training in Nationalist China.

"These friends were in Sydney; now their duty is in Melbourne as a commander and a sergeant."

It is signed by the "army of Turks to free prisoner Turks."

CSO: 4220/6006

BRIEFS

'GLOOMY' FORECASTS FOR UNEMPLOYMENT--There have been more gloomy forecasts on the prospects of Australia's unemployed. The prime minister, Mr Fraser, told newsmen in Canberra that he did not expect the rate of unemployment to fall this year. This was because of world economic conditions and moves for shorter hours and increased wages in Australia. In its monthly report on the economy, the National Bank has made a similar prediction. The bank also says there are growing doubts whether the present positive elements in the Australian economy--strong investments and steady consumer spending--can be sustained. [Text] [BK090951 Melbourne Overseas Service in English 0830 GMT 9 Mar 82]

THREAT TO BAN FRENCH GOODS--The Australian Council of Trade Unions has threatened to apply bans to French products unless France ends its underground nuclear testing program in the Pacific. President of the ACTU Mr Donlan said opposition to the nuclear program was growing steadily. Following the meeting in Melbourne of the Australia-New Zealand Trade Union Coordinating Council, Mr Dolan said trade union opposition would develop into bans on French goods if France did not agree to stop the nuclear tests. Trade unions in Australia banned French goods in 1973 to protest against French atmospheric nuclear tests in the Pacific. [Text] [BK160931 Melbourne Overseas Service in English 0830 GMT 16 Mar 82]

ECONOMIC TIES WITH NEW ZEALAND--The Federal Cabinet has decided to proceed with negotiations aimed at achieving closer economic relations between Australia and New Zealand. Radio Australia's Canberra office says the cabinet considers a submission from the Department of Trade and Resources on the talks that have already taken place between officials from both countries. Our office says the department has been asked to report on proposed extension to New Zealand's only steel mill which might mean a reduction in the amount of steel that Australia is able to sell New Zealand. Australian trade officials are to travel to Wellington later this month for a further round of talks. [Text] [BK160543 Melbourne Overseas Service in English 0500 GMT 16 Mar 82]

NORTHERN TERRITORY GAS FIELD--The Federal Government has given conditional approval for the development of the Palm Valley gas field in the northern territory. The project is foreign controlled with Magellan Petroleum of the United States holding an 81 percent interest in the field. Treasurer Howard said Australian equity in Palm Valley was about 34 percent. He said the government had approved the development provided Magellan and its Australian partners try to increase Australian equity and control to at least 50 percent

before January 1984. [Melbourne Overseas Service in English 0500 GMT 12 Mar 82 BK]

EEC'S SUGAR-DUMPING ATTACKED--The Federal Primary Industry minister, Mr Nixon, has renewed the government's attack on the European Economic Community for causing problems in the sugar industry. Mr Nixon was opening the annual sugar producers association conference in Brisbane. He said that unless sugar exports were brought under control there was a danger that the countries which had signed the International Sugar Agreement, including Australia, would continue to lose their share of the world market. The minister claimed that the EEC's sugar dumping was costing Australia between Australian $70 million and Australian $150 million a year, that's between $75 million and $125 million. Mr Nixon said there were now signs that the EEC would consider keeping to the International Sugar Agreement. However, if it is not then he hinted that the Federal Government might be prepared to retaliate in some way. [Text] [BK150956 Melbourne Overseas Service in English 0830 GMT 15 Mar 82]

LIBYA-ABORIGINE TERRORIST TRAINING--Information allegedly given to Queensland police says a group of six aborigines is to go to Libya to be trained in terror tactics that could be used to disrupt the Commonwealth games. Queensland Premier Mr Bjelke-Petersen made the disclosure today but he declined to give other details of the source of the information but said it was reliable. Mr Bjleke-Petersen said he told the prime minister of the report now 2 months old. He said police were now investigating a number of allegations. The chairman of the Queensland branch of the National Aboriginal Conference described the claim as rubbish. Mr Steve Mam says the claim was designed to stir people up. [Text] [BK101016 Melbourne Overseas Service in English 0830 GMT 10 Mar 82]

TRADE TALKS WITH NEW ZEALAND--New Zealand has called for an acceleration of talks on closer trading links with Australia. New Zealand's trade and industry Minister Templeton, who is in Canberra for talks on trade, said any substantial delay in the talks could harm the final agreement. Mr Templeton said officials from both countries would meet next month and it was hoped they would prepare a draft agreement for New Zealand Prime Minister Muldoon and Mr Fraser to sign in June. The New Zealand minister said import licensing in New Zealand would gradually disappear giving Australia a preferred position in the New Zealand market. [Text] [BK101014 Melbourne Overseas Service in English 0830 GMT 10 Mar 82]

DELAY IN NEW ZEALAND ECONOMIC PACT--New Zealand's prime minister, Mr Muldoon, says political uncertainty in Australia will probably mean a delay in negotiations on the proposed closer economic relations between the two countries. Speaking in Wellington, Mr Muldoon said it now appeared that the signing of a closer economic relations agreement, which was due to take place in June with Australia's Prime Minister Mr Fraser, could be postponed until September or October. Mr Muldoon said he was disappointed about the probable delay, but he could understand the Australian position. He said he still hoped the agreement could become effective as planned on 1 January next year. [Text] [BK121146 Melbourne Overseas Service in English 0830 GMT 12 Mar 82]

JAPANESE LOAN FOR GAS PROJECT--The syndicate of Japanese banks and insurance companies led by the Bank of Tokyo has signed a loan agreement to provide $108 million for western Australia's natural gas pipeline. The money to be repaid over 15 years will be used to pay a group of Japanese and Australian companies supplying steel and other materials for the pipeline from Dampier to Perth which will carry gas from the northwest shelf. [Text] [BK041227 Melbourne Overseas Service in English 0830 GMT 3 Mar 82 BK]

URANIUM PLANT GO-AHEAD--Traditional aboriginal landowners in tne Northern Territory have given their approval for the development of the Jabiluka Uranium Mine, about 250 km southeast of Darwin. Work on the mine, which will cost about U.S. $540 million, is expected to begin in about a month. The agreement was signed by negotiators from the Northern Land Council and Pan Continental Mining. Pan Continental estimates that the mine should be fully operational by 1985 and will be largest uranium in the territory with initial production of 3,000 tons of yellow cake a year and about 40,000 ounces of gold a year. The company expects the mine to produce for about 80 years. [Melbourne Overseas Service in English 0830 GMT 1 Mar 82 BK]

PHILIPPINE NEGOTIATIONS FOR URANIUM--The Philippines has confirmed that it's negotiating with Australia for the supply of uranium for its nuclear power station which is due to go into production in 3 years. Philippines energy Minister Velasco says the initial supply of uranium for the station will come from the United States but subsequent supplies will come from Australia. Mr Velasco said talks on the terms of supply were being held with Australia. The energy minister also said talks were in progress on buying equity in Australian coal companies. Mr Velasco said the Philippines was pushing both individually and through the Association of Southeast Asian Nations to gain a 10 percent share in a new coal development project in Australia. [Text] [BK021334 Melbourne Overseas Service in English 1230 GMT 2 Mar 82]

NEW ZEALAND-AUSTRALIA ECONOMIC TIES--The New Zealand prime minister, Mr Muldoon, says he hopes to sign a closer economic relations agreement with Australia in June. Speaking in the New Zealand capital, Wellington, Mr Muldoon said his government was ready to sign the agreement but there was delay in Australia. He blamed this on Australia's more complex federal system of government. Mr Muldoon said 3 years of work had gone into the proposed closer economic relations agreement. [Text] [BK080938 Melbourne Overseas Service in English 0830 GMT 8 Mar 82]

OFFICIAL MIDDLE EAST VISIT--A Federal Government minister says the Middle East offers valuable markets for Australian consultants and government-sponsored agencies. The minister for housing and construction, Mr McVeigh, said the main opportunities were in the fields of agriculture, construction and mineral exploration. Mr McVeigh was speaking in Baghdad after 2 weeks of talks in Saudi Arabia, Jordan and Iraq. In a statement released in Canberra, he said Arab governments had pointed to generous tax exemptions and other incentives for companies establishing offices in the region or entering joint ventures. He said the Iraqi government wanted long-term agreements covering wheat, barley, meat, sheep and livestock. While in Baghdad, Mr McVeigh, who was assisting the minister for trade and resources, signed an agreement with Iraq

on technical and economic cooperation. The official Iraqi News Agency said the signing followed talks by a joint committee. [Text] [BK071014 Melbourne Overseas Service in English 0830 GMT 7 Mar 82]

EEC AGRICULTURAL POLICY--Australia's Prime Minister Mr Fraser says he has received an assurance from the president of the commission of the European Economic Community, Mr Thorn, that he is committed to reforming the EEC's agricultural policy. Mr Fraser said he had been told by Mr Thorn, who recently visited Australia, that he wanted to see an end to the subsidizing of European farm exports on international markets and firm upper limits on overall European farm production. However, Mr Thorn had also said because of a bleak economic outlook in Europe, there were only limited possibilities of the 10 member countries of the EEC introducing significant early changes in industry and agriculture. Mr Fraser said Australia understood Europe's problems and was not asking the European commission to force farmers out of farming. Australia was asking that policies of excessive protection and assistance be reformed and that changes should not be deferred indefinitely. Mr Fraser also said he had agreed with Mr Thorn that trade disputes place additional and unnecessary strains on western unity. [Text] [BK071616 Melbourne Overseas Service in English 0830 GMT 7 Mar 82]

UNEMPLOYMENT AT 12 PERCENT--The federal opposition leader, Mr Hayden, claims that 800,000 Australians or 12 percent of the work force are unemployed. Mr Hayden said that true employment figures will not be revealed at the official level because large numbers of people have given up looking for work after receiving endless rejections to job applications. The latest Bureau of Statistics figures put the level of unemployment at 6.4 percent of the work force. Speaking in Hobart, Mr Hayden said the cost of unemployment and a loss of national income was conservatively estimated at more than A$8,000 million a year. He said it was morally outrageous that Australia with its abundant resources should be in what he called such a stricken condition. [Text] [BK270955 Melbourne Overseas Service in English 0830 GMT 27 Feb 82]

COAL EXPORTS TO JAPAN--Trade and resources minister, Mr Anthony, says Japan is turning away from Australia for its raw materials because of industrial disputes which disrupt supplies. His comment follows the release in Tokyo of figures that show Japan is taking less Australian steaming coal. Mr Anthony said Japan had reduced its steaming coal imports following strikes on the waterfront. The Tokyo figures show Australia as still the biggest supplier of steaming coal for Japan's power stations, but its share of the total market has dropped. Radio Australia's Tokyo office says that last year Japan's steaming coal imports more than doubled to 11.6 million tons. Australia supplied just under half of that compared with more than 60 percent the year before. Our office says that although there has been a rapid increase in Japanese coal imports from the United States, Canada, China and South Africa, Australia can expect to retain a major share of the market for steaming coal. [Text] [Melbourne Overseas Service in English 0830 GMT 24 Feb 82 BK]

PHILIPPINES COAL MINE INVESTMENT--The Philippine Government is considering buying shares in Australian coal mining companies. The Philippine energy minister, Mr Valesco, said six or seven Australian firms have offered to sell some of their shares but his government had not decided in which firm to invest. Australia exports 25,000 tons of coal to the Philippines each year. Mr Valesco revealed the proposal to invest in the Australian coal industry while announcing a 6-year energy development program designed to reduce Philippine dependence on imported oil. [Text] [BK280919 Melbourne Overseas Service in English 0830 GMT 28 Feb 82]

TRADE COMMITTEE WITH GUANGDONG--New South Wales has formed a joint trade committee with the Chinese province of Guangdong. The New South Wales premier, Mr Wran, announced the formation of the committee after talks in Guangzhou associated with the New South Wales trade promotion. Mr Wran said the committee would meet at least once a year to identify areas of trade which could be developed between Guangdong and New South Wales. He said the most hopeful areas for expanded trade were in joint ventures in quarrying, poultry breeding and agricultural equipment. [Text] [BK281519 Melbourne Overseas Service in English 0830 GMT 27 Feb 82 BK]

CREATION OF INDUSTRY UNIONS PROPOSED, OPPOSED--The federal government plans to introduce legislation in the autumn session of parliament to encourage the formation of industry unions. The minister for industrial relations, Mr Viner, says industry unions which cover all the employees of a particular company will reduce the frequency and likelihood of strike. Mr Viner says the multiplicity of unions in some industries makes negotiation and consultation more difficult. [Text] [BK051300 Melbourne Overseas Service in English 0830 GMT 5 Feb 82] The Federal Labor Party says proposed changes to industrial legislation will provoke union unrest. The party's national executive described the proposed laws as harsh, provocative and oppressive. Resolving to oppose all the legislation, the opposition said the new laws had doubtful constitutional validity. The proposed legislation includes automatic stand-down provisions in disputes, the formation of industry-based unions, support for voluntary unionism and complementary federal-state legislation on the deregistration of unions. [Text] [BK061037 Melbourne Overseas Service in English 0830 GMT 6 Feb 82]

OVERSEAS BORROWINGS TO INCREASE--The federal government is to increase its overseas borrowings by about $500 million. The treasurer, Mr Howard, said this would be in addition to the $500 million already raised during the current financial year which ends on 30 June. Mr Howard said it had been decided to increase overseas borrowings to bring about what he called an appropriate contribution to Australia's foreign currency reserves. He said the government was at present negotiating borrowings of about $350 million on the Swiss capital market. [Text] [BK280921 Melbourne Overseas Service in English 0830 GMT 28 Feb 82]

LIQUIFIED GAS EXPORT DELAY--There is expected to be a delay in the beginning of export of liquified natural gas to Japan from the northwest shelf project off western Australia. Under a memorandum of intent signed last June, a consortium of Japanese gas and electricity companies was to receive the first shipment of northwest shelf gas in 1986. However, Radio Australia's Tokyo

correspondent, Walter Hamilton, says sources on both the Japanese and Australian negotiating teams say it is now intended the exports will start from July 1987, about 1 year later than intended. Hamilton says it is expected that it will take 2 and 1/2 years instead of 18 months for deliveries to reach their peak volume of nearly 6 million tons a year. Our correspondent says the details of the agreement have yet to be finalized, but an Australian executive close to the project has confirmed they are basically correct. Hamilton says the plan is being revised because it has taken longer than expected to finalize the export sale contract and because the Japanese economy has slowed down. [Text] [BK260957 Melbourne Overseas Service in English 0830 GMT 26 Feb 82]

TRADE DISPUTE TALKS WITH EEC--Further talks are to be held between Australia and the European Economic Community to try to prevent a long-running trade dispute from erupting anew. The EEC has announced that it intends to drop tariff concession on some Australian goods, such as wood, fats and seafoods. The action is in retaliation for Australia's restrictions on motor vehicle and footwear export from the EEC. The community claims it has suffered damage equalling U.S. $15 million because of Australia's action. The EEC's formal notice of its action has come before the International Council of the General Agreement on Tariffs and Trade which has decided to seek talks between the two sides. [Text] [BK240251 Melbourne Overseas Service in English 0830 GMT 23 Feb 82]

DIAMOND MARKETING AGREEMENT--The South African mining giant, De Beers, has reached a preliminary agreement with the Ashton joint venture partners in Western Australia to maintain De Beers' monopoly in the world gem diamond market. Under the agreement, the partners are to sell to De Beers the 10 percent of diamonds from the Argyle deposit which constitute gemstones. De Beers is also to take 75 percent of the lower grade diamonds with the Ashton partners to offer the other 25 percent on the open market. Limited commercial production at Argyle is expected to begin later this year. [Text] [BK221533 Melbourne Overseas Service in English 1230 GMT 20 Feb 82 BK]

FOREIGN INVESTMENT INCREASES--Foreign investment in Australia reached a new peak last financial year. The figures released by the Bureau of Statistics show that foreigners invested about A$2.23 billion more than in the previous year. That is about U.S.$2.5 billion. Major areas of investment were the share market, mining the wholesale and retail trade, finance, property and business services. [Text] [BK241347 Melbourne Overseas Service in English 0500 GMT 23 Feb 82 BK]

HIGHER BUDGET DEFICIT--Federal Treasurer Mr Howard has said that there will be a shortfall in government revenue this year of about A$300-$400 million. In parliament, Mr Howard said that it was true that the budget deficit was going to be hundreds of millions of dollars higher than when the budget was brought down last August. At that time, the government predicted a deficit of A$146 million. Mr Howard claimed that the main reason for the worsening situation was the refusal of the Australian democrats to allow sales tax legislation through the senate where they hold the balance of power. He said that the industrial strife in the Bass Strait oil fields meant revenues from

that source would be less than expected. Wages and salary increases in some government departments had also been more than expected. [Text] [BK241347 Melbourne Overseas Service in English 0830 GMT 23 Feb 82 BK]

IRON ORE INDUSTRY'S PROFITS FALL--The federal government is worried about falling profits in the iron ore industry. Minister for trade and resources Mr Anthony told parliament that the federal government and the west Australian government had expressed concern to steelmakers in Japan. Mr Anthony said that the declining profits could not be blamed on inefficiency, but on prices not keeping up with inflation and importers playing a depressed market and keeping prices relatively low. Mr Anthony said iron ore mines had not been working full capacity but had to maintain the same overheads. The Japanese steelmakers had been told that if they wanted to preserve the secure base for importing iron ore from Australia there had to be continued investment in the industry. Mr Anthony said there would eventually be a shortage of supply of raw materials for the Japanese steel industry if the iron ore industry could no longer invest in future projects. [Text] [BK241347 Melbourne Overseas Service in English 0830 GMT 23 Feb 82 BK]

RESETTLEMENT OF EAST TIMORESE--President Suharto of Indonesia is reported to have told a visiting Australian delegation that general agreement has been reached on resettling East Timorese with relatives in Australia. The speaker of the northern territory's legislative assembly, Mr (Leslie McFarland), who was a member of the delegation, said on his return to Darwin that President Suharto had stated that the question of nationality needed to be resolved before any further significant progress could be made in the resettlement of East Timorese. Mr (McFarland) said that President Suharto had stated that it was necessary to determine whether refugees from East Timor were Portuguese or Indonesians and whether they wish to become Australian citizens. President Suharto was reported to have told the Australian delegation that officials of the International Red Cross would be entering East Timor for the first time this week to examine the situation. Mr (McFarland) said the visit by the Red Cross would be a significant breakthrough. [Text] [BK010926 Melbourne Overseas Service in English 0830 GMT 1 Mar 82]

BRITISH AIRCRAFT CARRIER PURCHASE--The federal government has decided to buy the British aircraft carrier "Invincible" ending a decade of debates on a replacement for the navy's aging flagship HMAS "Melbourne." The carrier will cost the government $478 million. That's more than U.S. $516 million, after a refit. When it reaches Australia late next year, it will be given a new name but the government has not yet said what it will be. Defense Minister Mr Killen told parliament the purchase would enhance Australia's capability to deter aggression in neighboring regions in the decades ahead. The opposition defense spokesman, Mr (?Scholes), branded the "Invincible" a white elephant while the Australian democrats promised to back a future labor government if it moves to sell the carrier. Mr (?Scholes) said that after the "Invincible" had been fitted with weapons and aircraft its cost would exceed $1,000 million. HMAS "Melbourne," which has been in service since 1945, is scheduled to end its operating life in 1985. [Text] [BK250932 Melbourne Overseas Service in English 0830 GMT 25 Feb 82]

CSO: 4220/313

EDITORIAL NOTES AGRICULTURAL SUCCESSES

BK071250 Rangoon WORKING PEOPLE'S DAILY in English 28 Feb 82 p 4

[Editorial: "Maintaining the Trend"]

[Text] Of the three political objectives for the forthcoming 1982 Peasants Day to be held on 2 March, the second calls on the peasants to try and implement the 1982-83 Agricultural Production Plan. The year 1982-83 is the first year of the Fourth Four-Year Plan, the production targets of which will be approved by the Second Session of the Third Pyithu Hluttaw [People's Assembly] scheduled to open on the 15th of next month. The estimates of agricultural output will be among the production targets to be set by the Pyithu Hluttaw next month.

The state has been paying top priority attention to the agricultural sector as it is the mainstay of the national economy performing the dual role of provider of staple for the people and top foreign exchange earner. Accordingly, the state has drastically increased the investment in this sector from K 144 million in 1962-63 to K 1,840 million in 1980-81. As a result the net value of output from the agricultural sector has more than doubled in the past 10 years from K 2,030 million in 1961-62 to K 4,520 million in 1981-82. The performance of the agricultural sector has been especially notable in the past three years when the sector's overall production rose by 7.7 percent in 1978-79, 5.2 percent in 1979-80 and 14.6 percent in 1981. Although final returns have not been compiled there is every likelihood that the planned estimates of the agricultural sector for this year, the last year of the Third Four-Year Plan, would be fully met if not surpassed.

The main contributing factors for the agricultural sector's steady development are increased application of state-supplied scientific methods, fertilizers, high-yield strains, pesticides and mechanical means of farming. While the state makes the mechanical services, know-how and inputs available, the peasants asiayones [organizations], under the guidance of the party organs and people's councils, educate and persuade the cultivators into accepting and using them in a most profitable way.

By far the most dramatic impact on the agricultural sector that has spurred it into an accelerated growth was supplied by the high-yield strains of rice. It was introduced in two townships in 1977-78 on an experimental scale and its

cultivation extended to 78 townships this year and contributed to a marked increase in the national average of paddy yield from 36.8 baskets [1 basket equals 46 pounds] per acre in 1977-78 to 52 baskets last year.

In addition to this the state has been handing out agricultural loans to cultivators on most generous terms. All these measures have made it possible for the farmers to harvest 638.3 million baskets of paddy in 1980-81 against 453.5 million baskets in 1977-78. It is the profound duty of the peasants asiayones at all levels to step up their agitational and organizational campaign with the aim of maintaining the upward trends already achieved in the agricultural sector, as called for by the second political objective of this year's peasants day.

CSO: 4220/313

BRIEFS

MINORITY GROUPS FIGHT GOVERNMENT--Mae Sot, Tak--Lt Gen Bo Mya of the Karen National Union (KNU) said yesterday the minority groups who are members of an anti-Burmese United Front will step up their military cooperation in the future. He also claimed during a press conference held opposite the border town here that if the minority groups unite militarily they would be able to seize power from Rangoon in 2 years. Seven minority groups have formed a so-called "National Democratic Front" to fight against the Burmese Government and Bo Mya claimed that it had a total armed force of 50,000 men and 15 million civilians. The front was formed 6 years ago but Bo Mya said no joint military cooperation had ever been conducted. Representatives from the seven minority groups were also present during the press conference which started at 11 am at a stronghold of KNU, about 20 km from here. Bo Mya said the United Front's aim was to establish a so-called "National Democratic Federal Republics." Journalists were yesterday prevented by local authorities from attending the press conference but they sneaked across the border into the stronghold in an area known as Kaw Moo Rah. The order to stop journalists from attending the press conference was reportedly made by the Interior Ministry to Governor Charoensuk Silaphan. [Text] [BK110303 Bangkok NATION REVIEW in English 11 Mar 82 p 1]

CSO: 4220/313

MURTOPO SPEAKS ON UPCOMING ELECTIONS

BK120833 Jakarta ANTARA in English 0809 GMT 12 Mar 82

[Excerpts] Jakarta, 12 Mar (ANTARA)--The Indonesian National Youth Committee (KNPI) is the solid central mechanism of Indonesian youth which has been successful in its efforts throughout the country, it was stressed by Information Minister Ali Murtopo here Thursday [11 March].

The information minister, with reference to the coming balloting, also appealed that the youth groups from the three election contestants: the Partai Persatuan Pembangunan (PPP) and Partai Demokrasi Indonesia (PDI) political parties and the Golkar Functional Group should be compact and solidly united.

The general elections must end with success and the youths should be also responsible for the implementation of the "Festival of Democracy" in the efforts of political development, the political education of the people and the development of pancasila democracy in the country, Information Minister Ali Murtopo declared.

The minister commended KNPI for its success in setting up a much desired mechanism to the benefit of the Indonesian people and serving the interest of the country's youths. He said KNPI through consultations for years ultimately succeeded in consolidating its organisation. A few months ago it elected its new executive board followed by the opening of KNPI branches in the provinces and rural areas.

"The general elections must be a success and I join in prayers that PDI, PPP and Golkar book victories. PDI Menang (WIN), PPP Menang and Golkar also Menang," the minister prayed.

He argued that based on years of struggle founded on consultations and consensus, Golkar should not become the sole winner in the voting or win an absolute majority of 100 percent on national level.

"If Golkar were to win an absolute majority of 100 percent on the national scale, then I will set up a new Golkar," Minister Ali Murtopo declared.

He then said that he would fully agree to a majority win of 80 or 90 percent for Golkar but not 100 percent on the national scale. But the minister said that he would agree if Golkar would win 100 percent of the votes on the regional or provincial level.

CSO: 4220/313

SUHARTO'S VIEWS ON COMMUNISM, ECONOMIC DEVELOPMENT REPORTED

BK121213 Jakarta ANTARA in English 1112 GMT 12 Mar 82

[Excerpts] Jakarta, 12 March (ANTARA)--President Suharto declared here Friday that the Indonesian people could draw a lesson from the birth of the historic "March 11 Command" that with strong determination they could rid themselves of alien ideology, i.e. communism, which had by various means attempted to shackle them.

The "March 11 Command" known as "Supersemar" was given by the late president Sukarno on March 11, 1966 to Lt Gen Suharto (the president who was then minister/commander of the army) to act on the former's behalf and to take every action considered necessary to safeguard the security, tranquility and the stability of the government for the sake of national unity.

The head of state made this remark before a youth delegation led by chairman of the Indonesian Youth National Committee (KNPI) Aulia Rachman at the state palace Friday morning.

Communism has been totally and permanently rejected by the Indonesian people, Suharto pointed out. However that does not mean that this nation is free from challenges, the president reminded. He cited for example the challenge of national development which cannot be easily overlooked.

"We must work harder in order to catch up with our lagging in development and bring about prosperity to our nation," he declared.

President Suharto touched on the GBHN (broad outlines of state policy) and indicated that basic questions relating to development already found their answers in the GBHN which therefore had to be adhered to by the whole nation.

"It is an absolute necessity for us to stick to the GBHN because it was determined by the MPR (Consultative Assembly) which represents the entire people of Indonesia. GBHN has affirmed that at this stage of development, economy is on top of the list without, however, disregarding other sectors. Economic development is given first priority because it is the initial important step we have to take to March towards progress, happiness and social justice as the national ideals of the Indonesian people," President Suharto told the KNPI leaders.

He admitted that this goal could not be achieved overnight or even in one or two pelita (five-year development plan) but the groundwork for a just and prosperous society based on the pancasila would be attained after five or six repelitas in succession. Meanwhile national development had to be undertaken according to plan and in stages whereby people's interest should take precedence over other matters, he added.

According to the president, equitably distributed economic development will strengthen the sense of unity of the Indonesian people as well as their pride of a free nation able to improve their own future.

Economic development, polishing consciousness as one nation and one state, he said.

CSO: 4220/313

SUHARTO ADDRESSES GOVERNORS CONFERENCE

BK011410 Jakarta ANTARA in English 1232 GMT 1 Mar 82

[Text] Jakarta, 1 March (ANTARA)--President Suharto Monday requested governors and chiefs of regional administrations throughout Indonesia to take an active part in the current national drive to increase the country's exports of commodities other than natural gas and petroleum.

He told the provincial and regional administrators they could contribute to the drive by creating conditions and an atmosphere in their respective provinces and regions conducive to activities to produce export commodities in such areas as agriculture, commercial crop plantations, fisheries, textiles, cottage industries, etc.

Addressing provincial governors, chiefs of regency administrations and city mayors assembled here for a service conference, the chief executive said the non-gas and oil export drive could be promoted by eliminating undue obstructions and burdens that still restrict development of the non-gas and oil productive activities.

The president said promotion of the non-gas and oil exports was necessary as a way of preserving and drawing maximum benefit from the momentum that had been reached in the national development effort as a whole.

This momentum had to be maintained because the Indonesian economy now had a considerable degree of resilience and also the potential to make more rapid progress.

The president said that provincial governors and other regional administration chiefs so far had the task of accomplishing the government's development program according to a guide known as "the six successes." This guide calls for success to be achieved in programs to increase production of foodstuffs, rice and second crops in particular, livestock, fish and horticultural produce, implementation of certain special "presidential instruction" (Inpres) projects, development of cooperatives, especially rural cooperatives, population control, transmigration and family planning programs, popularization of the guide to understand and implement pancasila (the state ideology) and execution of a presidential instruction to let so-called economically weak contractors have a greater share in tenders to carry out big development projects.

Now, however, provincial governors and other regional administration chiefs had to be successful in two more areas: settlement of land problems and promotion of export of commodities other than natural gas and petroleum. In other words the six now had become eight successes.

Speaking about settlement of land problems, the president said efforts to clear up and establish order in the status and utilization of land needed to be intensified. The current drive to issue land titles en masse must be continued until its logical end. Ineffective land use must no longer be allowed occur and therefore land reform should be carried out in a more effective way.

CSO: 4220/313

'ANTARA' ON SUBROTO'S EUROPE VISIT, TIN STOCKS

BK120956 Jakarta ANTARA in English 0706 GMT 12 Mar 82

[Text] Jakarta, 12 March (ANTARA)--Minister of Mines and Energy Prof Dr Subroto will leave for Europe at the end of this week to consult West European leaders on the fate of the Sixth International Tin Agreement (ITA). Sources at the Ministry of Mines and Energy told ANTARA Thursday Prof Subroto would have discussions on the matter with British, West German and French leaders.

The consultations are considered necessary because the enforcement of the fifth ITA would expire at the end of June and the sixth ITA should therefore be made effective as of July 1. So far, however, only two consumer countries have decided to sign the sixth ITA, namely Norway and Switzerland, and four producer countries, namely Indonesia, Malaysia, Thailand and Australia.

After the series of consultations on tin in Europe, Prof Subroto will go to Vienna to take part in the special OPEC meeting scheduled in that city March 19.

In the OPEC meeting, he will be joined by director general for Oil and Natural Gas Prof Dr Wijarso, secretary of the directorate general for oil and natural gas Adimir Adin, secretary of the Commissioners Council of Pertamina Gozali and chief director of Pertamina Dr Joedo Sumbono.

Meanwhile ANTARA's sources at Pt Tambang Timah said that Indonesia had made it known that she is willing to pay her contribution to the international tin buffer stock to the amount of 1,972.50 metric tons at the value of M dollars 57,498,375.

This is in reference to the decision of the International Tin Council (ITC) in its March 8-9 meeting in London which asked the tin producing countries to pay the remainders of their contribution to the buffer stock, which amounted to 12,500 metric tons at the value of 87,046,107 pounds sterling.

On the basis of the fifth ITA, the producer countries agreed to set the buffer stock at 20,000 metric tons and they had contributed 7,500 metric tons to it. The contributions are fixed on the basis of the production percentage of the producer countries.

Malaysia as the biggest producer paid 5,245 metric tons at the value of M dollars 152,891,750.

The contributions are to be made in cash.

Director general for general mining Prof Dr Katili who led the Indonesian delegation to the London meeting had said Indonesia could understand the need to make the contributions in cash. The cash is needed by the buffer stock manager to tide over the current critical conditions of the market.

According to the London meeting's decision, the payment of the contributions should be made not later than March 23 this year.

On the side of the consumer countries, the United States had agreed to contribute 5,000 metric tons. But up to the present she had made an actual payment of only 1,500 metric tons. For the consumer countries, payment of contributions to the buffer stock is voluntary in nature.

ANTARA's sources at Pt Tamban Timah explained the reserve fund for the buffer stock was necessary to enable the ITC to execute its function more effectively. With cash funds in its hand, the ITC will be able to buy from the market when the price level goes below the floor price.

CSO: 4220/313

OFFICIAL ON PRODUCTION, PRICE OF LNG IN ACEH

BK011213 Jakarta ANTARA in English 0920 GMT 1 Mar 82

[Text] Banda Aceh, 28 February (ANTARA)--Liquefied naturai gas (LNG) and condensate from the Arun fields, Kabuapaten of north Aceh, which have been exported to Japan till the end of last February, has reached 238 LNG and 196 condensate tankers. This was revealed by K.A. Endin, director for general affairs of P.Pt. Arun, to ANTARA here Saturday.

He said that the daily output of condensate is from 70,000 to 75,000 barrels while the price is U.S. $37.5 per barrel. According to him, LNG shipment per tanker is averagely valued at U.S. $17 million.

Endin said that the price of LNG from Arun was not constant since 90 percent of it depended on OPEC fixed crude oil price and 10 percent on the commodity's price situation.

The Pt. Arun executive indicated that 20 percent of the Indonesian national budget derived from the LNG sales.

Based on the LNG sales agreement with Japan, export was calculated at 77 ships per annum, but last year it reached 84 ships and this year expectedly 86.

Meanwhile Bank Indonesia Banda Aceh branch circles revealed to ANTARA that LNG export to Japan in 1980 was valued at U.S. $1,212.8 million, against U.S. $226.1 million in 1979 and U.S. $66.7 million in 1978.

Endin made it clear that the first LNG refinery erected in 1965 has now become one of the most modern LNG plant in various LNG producing countries, like Abu Dhabi and Algeria.

He said that natural gas production in the Kabupaten of Aceh Utara may last for 5 years as a result of which Pertamina State Oil Company continues to exploit the current projects and search for new energy sources.

The existence of Pt. Arun in Aceh has greatly contributed to the development of this province considering that the infrastructural facilities built for the enterprise directly benefit the local communities, he said.

Furthermore, Pertamina Oil Corporation has provided funds for the setting up of (?TV) studios, television relay stations, communications facilities, etc.

Endin indicated that Aceh Province was currently being faced with a shortage of technicians to be derived from the local communities due to the sophisticated nature of modern technology.

Nevertheless, Endin said, expatriate technicians employed by Pt. Arun continued to educate Indonesians to run every branch of this modern industry.

CSO: 4220/313

'INDONESIA TIMES' ON REPORTS OF EAST TIMOR FAMINE

BK120629 Jakarta THE INDONESIA TIMES in English 8 Mar 82 p 2

[Editorial: "No Famine in East Timor"]

[Text] False news has been spread by Fretilin (Timor Revolutionary Front for Independence) which operates abroad and some interested parties that the youngest province of Indonesia, East Timor, is suffering from famine, poor health and insecurity. This false news has been circulated particularly in the United Nations and Australia to discredit the government of the Republic of Indonesia and besmear its name.

The International Red Cross Committee and former Australian prime minister, Gough Whitlam, have just returned from their visit to and inspections of East Timor.

According to the International Red Cross Committee there is no sign of famine in East Timor and it is of the opinion it is no longer necessary to introduce an emergency programme for the distribution of food similar to that of two and a half years ago. "What is necessary at present is to create a bufferstock to face eventual shortage of food in some areas (if it happens) and to consolidate efforts in the field of general health."

The International Red Cross Committee admitted that in carrying out its humanitarian operation it had to encounter many difficulties due to the difficult terrain of the province, but it had received full cooperation from the Indonesian Red Cross and the government. Contrary to the previous information that had reached it, it found only 13 military prisoners in "Comarca prison."

Former Australian Prime Minister G. Whitlam, after a four-day tour in East Timor stated of Friday that report about famine in East Timor was completely false. He is of the view that East Timor is now quite safe as evident from the fact that the Red Cross helicopter he was using did not hesitate to fly low over various parts of East Timor. According to information he got, at the most there are 100 to 130 Fretilin insurgents who are still hiding in the jungle hide-outs.

Speaking about the health condition of the East Timor population, G. Whitlaw said that the matter was truly in the good care of the Indonesian government and there appeared to be sufficient medical supplies. He observed development progress in the province, development projects, agriculture and fishery centres, and livestocks.

The two reports corroborate each other and give a big lie to the propaganda spread by Fretilin and its supporters abroad. The reports should be transmitted fully to all our diplomatic and consular missions abroad, especially our mission in the United Nations where for some years to come the question of East Timor will continue to be raised.

This information will strengthen our arguments to convince our African friends not to support the case of the insurgent Fretilin.

Of late we have invigorated our African policy and have opened more embassies there, for instance in Kenya and Senegambia. Our representatives in Africa and the United Nations may use this information by the international sources of high credibility to support our case in the international field. Though East Timor is our internal matter, yet it is annoying that the question is raised ritually in the United Nations every year.

CSO: 4220/313

'AFP' REPORTS ON 'BOAT PEOPLE' IN COUNTRY

BK280816 Hong Kong AFP in English 0537 GMT 28 Feb 82

[Article by Gilles Bertin]

[Text] Galang Island, Indonesia, 28 Feb (AFP)--Out of sight and all but out of mind 14,000 Vietnamese and Cambodian refugees are today encamped on a forsaken Indonesian island 10 kilometres (6 miles) long, just to the south of the Straits of Singapore.

They are--in the almost bygone expression--"boat people," the apparently endless tail end of that great sea exodus which reached crisis proportions in mid-1979 when refugees from Vietnam and Cambodia began arriving in other Southeast Asian countries at the rate of more than 50,000 a month.

The "boat people" are still arriving. The Indonesian government is again expecting many tens of thousand more Vietnamese and Cambodian refugees to sail south next month, once the monsoon season is over and the sea is calmer.

Galang (the Island of Duels) is where these two ethnically different refugee communities are mixed together in more or less harmonious co-existence in two crowded transit camps.

Galang-2 camp contains 7,500 refugees who are waiting out the long months for their appointed turn to leave for their new country of adoption--the United States, Canada, France, West Germany. Galang-1, where some 6,500 impatient Vietnamese are waiting, is a first asylum camp: its inmates have found no foster-country to accept them.

For the Cambodians and Vietnamese in Galang-2 the wait is between 7 and 18 months. For the people of Galang-1, it may take them a year just to get into Galang-2.

Though each family has one room and a kitchen, they are packed together with about 12 other families. Fights between neighbours are quick to flare. Incidents are routine between the Vietnamese and Cambodian communities in Gulang-2.

Many families have been separated from some of their members, dead or left behind in the homeland. Depression and nervous ailments are endemic. Suicides are frequent. A number of refugees died recently after drinking methanol fuel and one was left blind.

Fresh vegetables are scarce, mail deliveries are unreliable, and there is a nightly curfew between 10 pm and dawn.

The Indonesian government opened the island to the boat people in 1979. The camps are run by the army, with help from international humanitarian bodies, notably the Red Cross and the U.S.-based Save-the-Children Fund.

The Cambodian refugees on Galang have arrived from overcrowded transit camps in the frontier zone with Thailand where they had initially fled to escape the Khmer Rouge regime at home.

The Vietnamese on the island left their homeland for political or economic reasons. They are for the most part peasants or fishing people and a high proportion are Catholics, with many priests and seminarists among them.

For both groups the long sea crossing by small boat from the Indochinese mainland was a gamble with death. According to sources in Galang, one craft out of two making the voyage in the monsoon season between October and February is lost at sea. About 30 other boats have vanished without trace en route for Australia.

Last year one boat with 52 refugees aboard drifted for 6 weeks before being washed ashore with a solidarity survivor who had kept alive only by eating human flesh.

Pirates are another peril. One young Vietnamese woman told how the boat she was in was accosted by Thai pirates only a few hours after putting to sea. "We were robbed and the pirates raped 12 women and a nine-year-old child," she said. "The pirates held us for five days before abandoning us on an island, where other pirates found us later. Ten days afterwards we were sighted by a naval vessel, which escorted us to Thailand."

Though the two camps are run efficiently enough by the army and the refugees' own camp committees, and though the Indonesian Red Cross Organization has set a hospital on Galang, the boat people feel forgotten and abandoned.

Many of those who have hopes of settling in a new country are set on emigrating to the United States, though if their application is accepted they face a wait of up to 18 months.

Some of the delay appears to be the result of new restrictions on accepting boat people introduced by the Reagan administration.

CSO: 4220/313

1981 EXPORTS OF OIL, OIL PRODUCTS RISE BY 13 PERCENT

BK110723 Jakarta ANTARA in English 0703 GMT 11 Mar 82

[Text] Jakarta, 11 Mar (ANTARA)--Indonesian exports of oil and oil products rose by around 13 percent in 1981 to U.S.$15.174 billion in value from only U.S.$13.423 billion in the previous year. May represented the largest exports of oil in 1981 worth around U.S.$1.418 billion and February recorded the smallest amount of oil export value of only U.S.$1.118 billion.

In 1980, December saw the largest oil exports worth U.S.$1.275 billion and the smallest export value was earned in January amounting only to around U.S.$955.645 million.

Pertamina, the state oil company, accounted for U.S.$555,935,000 of the entire oil exports in 1981, not including oil products worth around U.S.$1,627 million, crude oil bought by Pertamina from contractors through working agreement with export price basis all worth U.S.$1,059 million and sales of crude oil coming from the Pertamina production sharing contracts with foreign partners worth U.S.$2,540 million.

The value of foreign contractors' oil exports were estimated at U.S.$5,518 million on working agreement basis in addition to U.S.$3,875 million on production sharing basis.

Foreign contractors remain to dominate oil business in the country led by American Caltex, Stanvac and Calasiatic and Topco.

Exports of liquefied natural gas (LNG) in 1981 rose by 10 percent from the previous year's level. In 1980, LNG exports were worth around U.S.$2,281 million as against U.S.$2,513 million in 1981, or rose by U.S.$232 million.

Indonesia began exporting LNG in 1977. LNG exports have continued to increase every year. In 1977, LNG exports were valued only at U.S$87.643 million rising to $543.681 million in 1978, to U.S.$1,123 million in 1979.

Indonesian LNG exports from the Badak Oil Field were worth U.S.$1,130 million and from Arun worth U.S.$1,383 million in 1981.

CSO: 4220/313

'ANTARA' REPORTS ON ARUN OIL FIELD PRODUCTION

BK121154 Jakarta ANTARA in English 1038 GMT 12 Mar 82

[Text] Arun, Aceh, 12 Mar (ANTARA)--The volume of condensate and LNG exports from Pertamina's Arun oil field is increasing every year. In 1978 condensate shipments reached 10,128,043 barrels (20 shipments) and LNG shipments 848,194 cubic meters, but in 1981 the figures rose to 26,731,463 barrels (68 shipments) and 10,383,823 cubic meters (83 shipments) respectively. The two commodities reached a total export volume of U.S.$1.5 billion each.

Ir Rahaju Oekon, head of the LNG project of Pt Arun, said Monday in 1979 average LNG production reached 18,759 cubic meters per day and condensate production 59,956 barrels per day. LNG and condensate production tended to increase continuously and was expected to reach the level of 32,100 cubic meters and 75,000 barrels per day respectively in 1982.

Until February this year the volume of exported condensate totaled 3,246,414 barrels and that of LNG 2,000,126 cubic meters (16 shipments) to Japan. In 1982 LNG exports are planned to reach 86 shipments from a total production of 11,287,500 cubic meters, he said.

The natural gas processed into LNG comes from the Arun field, north Aceh. Mobil Oil of Indonesia discovered the field in 1971 under a production sharing contract with Pertamina. The field was estimated to contain a natural gas reserve totalling 17.1 trillion standard cubic feet.

The LNG plant at Arun was built by an American company, Bechtel Inc. in 1974 and completed in 1978 at a total cost of U.S.$950 million.

According to Oekon, the three-train plant is capable of processing 282 million standard cubic feet of natural gas in order to produce 9,500 cubic meters of LNG and 75,000 barrels of condensate per day.

To meet considerably increasing demand from the buyers, Pertamina is expanding the LNG plant with two additional trains. The expansion is expected to be completed in 1984, Oekon said.

The main contractor for the two additional trains is Chyoda Chemical Engineering from Japan which is working in cooperation with an Indonesian joint venture company, Pt Purna Bina Indonesia (PBI).

Like the expansion of the Bontang LNG plant in East Kalimantan which was financed by the Buyers Group to the tune of U.S.$995.8 million, the Arun LNG expansion is also being funded by the Buyers Group, i.e., to the amount of U.S.$941.6 million. The sale of the LNG to be turned out by the two additional trains at Arun to Japan has been provided for in a 20-year sale and purchase contract, concluded some time ago. Under this contract Japan would buy 3.3 million tons a year from each of the two trains.

CSO: 4220/313

OFFICIAL REPORTS ON OIL PRODUCTION, PRICE, RESERVES

BK161444 Jakarta ANTARA in English 1320 GMT 16 Mar 82

[Text] Jakarta, 16 Mar (ANTARA)--Indonesia's crude oil production during the past 2 months dropped but not in an overall way, according to Judo Sumbono, president director of the national oil company, Pertamina.

Speaking to newsmen after a call on President Suharto here Tuesday morning, Sumbono said the production decline occurred because one of Pertamina's oil production contractors was unable to sell the crude it had drilled due to the prevailing oil glut and world economic recession. He could not say exactly how much the oil production level had gone down.

But Sumbono said he expected the crude output to rise again in ths month of March. "Our oil output sometimes rises and falls from month to month but the important thing is its average level," he said.

He disclosed that during the 1982-83 budget year Indonesia's crude production is targeted at 1.6 million barrels a day.

In reply to a question Sumbono said foreign interest in marking investments in oil exploration and development in Indonesia continued to exist.

About the world economic recession which was affecting the price of oil on international markets, Sumbono expressed the belief that one day this recession will come to an end and that people will continue to rely on oil for energy.

About Indonesia's oil reserves in the ground he said there were at present 40 concaves that still had to be developed intensively. These reserves have been tentatively estimated to total 84 billion barrels.

Sumbono met President Suharto to report his impending departure to Vienna where he is to join the Indonesian delegation led by mines and energy Minister Subroto to the OPEC (Organization of Petroleum Exporting Countries) meeting scheduled for March 19. He said at this meeting Indonesia would try to stave off a continuous decline in the OPEC oil price because such a development would harm the oil producing countries.

CSO: 4220/313

BRIEFS

NORTHERN AUSTRALIAN OFFICIAL VISIT--Jakarta, 27 Feb (OANA/ANTARA)--President Suharto Saturday [27 February] received the chief minister of northern Australia, Paul Everingham, who was accompanied by the Australian ambassador, F.R. Dalrymple and Agriculture Ministry Secretary General Abdul Kadir at Bina Graha. Everingham told newsmen at present northern Australia was stepping up its trade relations with neighbouring countries including Indonesia and had established a market for its cattle export in Southeast Asian region. At his meeting with the president, Everingham had expressed confidence that Indonesia will continue to maintain its good relations with northern Australia. Northern Australia had also been conducting trade with Bali, Ambon and Malaku which are located close to northern Australia, he said. Northern Australia intended to assist Indonesian cattle farmers by sending buffaloes and cows to them. Western Australia [as received] abounds in this kind of livestock. [Text] [BK271011 Jakarta OANA in English 0949 GMT 27 Feb 82]

SPANISH ENVOYS APPOINTMENT APPROVED--Jakarta, 27 Feb (AFP)--The Indonesian Government today approved the appointment of Don Eugenio Bregolat y Obiols as Spain's new ambassador to Indonesia. He is to replace Don Alberto Pascual Villar, who is to return home after a 4 and 1/2 year assignment here, the Foreign Office announced today. [Excerpt] [BK281517 Hong Kong AFP in English 0802 GMT 27 Feb 82 BK]

NEW VICE SPEAKER--Jakarta, 5 Feb (AFP)--Dr Hardjanto Sumodisastro has been named vice speaker of parliament replacing Mohammad Isnaeni who has been appointed Indonesian ambassador to Romania, a parliament spokesman said today. Dr Hardjanto, 55, is an executive of the Indonesian Nationalist Party (PNI) founded by the late president Sukarno 60 years ago. The PNI and four other parties have merged into the Indonesian Democrats (PDI) which will contest the May 4 general election facing the ruling Golkar (functional groups) and the PPP (the Muslim United Development). [Text] [BK090555 Hong Kong AFP in English 0356 GMT 5 Feb 82 BK]

AMBASSADOR TO SRV DIES--Jakarta, 14 Mar (AFP)--Indonesian ambassador to Vietnam Sudarsono died yesterday after a long illness, a Foreign Office spokesman said today. Mr Sudarsono, 54, died in hospital in Singapore where he had been treated for over a month for cancer. He was named ambassador to Hanoi in late 1980 to replace Kangmas Hrdi who had completed his assignment there. [Text] [BK150607 Hong Kong AFP in English 0245 GMT 14 Mar 82 BK]

LAST YEN LOAN FOR ASAHAN--Indonesia has signed a 4.2 billion yen loan agreement with the Japanese Overseas Cooperation Fund to finance the Asahan hydroelectric plant and the aluminium smeltering plant in north Sumatera. The loan is repayable in 30 years time with an 8-year grace period at an annual interest rate of 3 percent. This will be the last loan for the Asahan project approved by the Japanese government. The total amount of Indonesia's loan from Japan for the project is 61.55 billion yen. [BK150607 Jakarta Domestic Service in Indonesian 1200 GMT 12 Mar 82 BK]

TEXTILE QUOTA WITH EEC--Jakarta, 11 Mar (ANTARA)--The European Economic Community (EEC) has agreed that the remainder of Indonesia's textile quota of 1981 to the Benelux countries and Britain should be included as carryover in the 1982 textile quota. The amount agreed upon from the Indonesian proposal on the matter was 5 percent in agreement with articles in bilateral agreements and for amounts more than determined, agreement must be reached from EEC authorities. The agreement on the carryover was made known by EEC delegation leader Paul Luyten, deputy director general of the EEC Commission on Textile Affairs, in a meeting with the director general of foreign trade relations, Department of Trade and Cooperatives here in Jakarta recently. [Excerpt] [BK120657 Jakarta ANTARA in English 0722 GMT 11 Mar 82 BK]

GARUDA AIRWAYS' 1981 EARNINGS--Jakarta, 16 Mar (AFP)--Indonesia's national carrier, Garuda Indonesian Airways, earned 424.9 billion rupiahs (U.S. $680 million) in 1981, accounted for to a larger extent by external flights, the airline disclosed here. The larger share (57 percent) came from international flights with only 43 percent from domestic operations, a spokesman told ANTARA News Agency. Of the foreign-operations income, the largest slice was contributed by the Europe route at 34 percent, followed by the Australian line (24 percent), the line to Hong Kong (20 percent) and regional operations (to Singapore, the Philippines and Malaysia) 12 percent, he said. The line to Tokyo was the smallest contributor (at 6 percent) to the foreign income. Garuda has not deemed it fruitful to join the orient "YIP" (Yield Improvement Program), as its Asian members are used to engaging in undercutting, but it has entered the European YIP in an effort to protect the government fare between Jakarta and Amsterdam, without stopovers applying to only Garuda and the Dutch airline KLM, he said. [Text] [Hong Kong AFP in English 0305 GMT 16 Mar 82 BK]

TAX ACCORD WITH JAPAN--Jakarta, 9 Mar (ANTARA)--Indonesia and Japan, Monday [8 March] signed an agreement to prevent double taxation, the Antara correspondent in Tokyo reports. The agreement covers income, corporate, interest, dividend and royalty taxes. Indonesian Ambassador to Japan Sajidiman Suryohadiprodjo, who signed the agreement for Indonesia, said on the occasion the accord was the result of more than 10 years of talks. The agreement could be concluded because both sides were aware of the importance of creating conditions conducive to the improvement and development of their relations in the business and private spheres, he said. Foreign Minister Sakurauchi, who signed the agreement for Japan, described the event as a significant momentum and the groundwork for development of extensive cooperation between the two countries. He was hopeful that the agreement would stimulate further growth in the economic and other relations between the two countries. The accord would soon be forwarded to the Japanese Diet for ratification, Sakurauchi said. [BK100839 Jakarta ANTARA in English 0838 GMT 9 Mar 82 BK]

CSO: 4220/313

EDITORIAL NOTES IMPORTANCE OF CADRE SELECTION

Phnom Penh KANG TOP PADEVAT in Cambodian 25 Sep 81 pp 1, 6

[Editorial: "Organize Training to Finalize Combat Preparedness"]

[Text] We are facing difficulties in organizing, training and setting up our units since our army's actual task is to accomplish mass movement work in addition to the efforts of clearing out and crushing Pol Pot remnant troops.

However, if all units work actively in training and know how to schedule things with good training methods, highly appreciable results could be expected in combat.

Although the units do indeed have many activities, combat and guard patrols do not take place every day. Even if we have to ensure good apportionment, the abovementioned duties constitute only a part of what a unit has to do. Free time is for the troops to learn and work. For this reason, we must effectively organize training, schedule time for upgrading combat strategy and techniques and enhance the army's combat force.

In technical training, we must study daily the documents on weapons assembly and disassembly. We must constantly practice shooting both close range and long distance. In a unit, anyone carrying a weapon must teach others who have weapons. Combatants armed with 12mm machine-guns and DKH mortars must be good in figures calculation and able to use the AK rifle. Experienced cadres are to be selected for unit training in technical matters pertaining to grenades and mines. It is not necessary to train all troops together at the same time; they may be divided into small groups during the training period.

For combat training, a veteran fighter may be assigned to teach new recruits. Cadre and unit leaders must be trained in the units for all-round combat. Platoon and company cadres must give training in combat unit missions. School trained comrades should be appointed to supervise the training of units.

Before sending troops to fight, if time permits, study of documents on tactics may be arranged. Above all, this is aimed at strengthening army combat capability and improving combat results.

Specialized training like target practice, grenade throwing, mine detecting, and tactical training should be divided among small units and should take place in the vicinity of an army installation. After each specialized tactical exercise, we can set physical training and athletics, drills including the long-and high-jump.

The equipment can be made of wood by the army. For instance, we could rely primarily on vegetation and secondly on firewood logs and sandbags as weights to lift.

The above reflects a set of concerted opinions submitted to the comrade cadres for their consideration so that the training effort will not cease in order to upgrade the combat forces of each unit.

9791-R
CSO: 4212/7

EDITORIAL DISCUSSES WEAKNESSES OF PARTY CORE ORGANIZATIONS IN ARMY

Phnom Penh KANG TOP PADEVAT in Cambodian 25 Oct 81 pp 1, 2

[Editorial: "Accelerate the Creation of Strong and High-Quality Core Organizations"]

[Text] After the Fourth Congress of the Kampuchean People's Revolutionary Party, the creation of core organizations within People's Revolutionary Armed Forces has been expedited. Thousands of new members have been brought to core organizations while hundreds of them became party members. Those core members are always models of success in combat and all tasks assigned them by higher echelons and conveying orders of higher echelons to cadres and combatants in their units. Moreover, providing guidance and showing the path of implementation of these orders has resulted in a number of units, cadres and combatants being praised by the higher echelons.

In spite of these results, the core organizations have not been at all successful in following party directives. Building core organizations is not yet widespread, quality is not yet improved and activities are not yet strong. Propaganda, training and mass work are not growing as planned. A review of the reasons for these shortcomings shows us that most Party cadres and members in branches still do not clearly understand the duties of the core organizations. For this reason, guidance, leadership and building core organizations is not done well. Some units use the excuse that they are too busy with the fighting and cannot find time to build core units. Such behavior is contradictory to the obligations we must fulfill, notably those of selecting good cadres and combatants who are exemplary in combat and work to be recruited and brought into core organizations. Furthermore, the building of core organizations is not yet strong and widespread. The quality of those units that have been organized has not yet been enhanced. Our cadres have still not enhanced efficiency nor do they have strong understanding of the core organizations.

With an eye toward the above, we must strongly boost the building of core organizations, raising their quality in order to fulfill the spirit of the 4th Party Congress. For this reason, we must do the following:

We must go ahead with cadres and combatants with good revolutionary characteristics in order to fulfill the above-mentioned goal. We will motivate

and assign them to core units, which should be broadly expanded to all army bases.

To help boost their quality and efficiency, we must correct their activities by scheduling periodic meetings to evaluate development, to discern whether there is progress or shortcomings through the process of criticism and self-criticism. This political life must take place every month and make plans for tasks on a continuous basis in accordance with our revolution's political goals in order to achieve unanimity in organization and in implementation. Serving as the communication channel between the party's leadership and the population, the core units must strictly comply with the party's decisions in conveying instructions and directives to all cadres and combatants within its unit. It must grasp all situations within its own unit to promptly take part in any endeavor to find a solution for anything that comes up. The core organization must maintain relations with masses and the party. For this purpose, the unit party Executive Committee has a monthly meeting with the core organization over the duties to inform the core organization of the situation and leadership tasks. To meet these tasks, a most competent core unit must be set up within each unit, school, and office as an example for others. Every member of the core unit must be always forthright in his work or combat doing a good job of each task while maintaining militant solidarity with the population and a firm determination to execute all the party's orders whatever the difficulties encountered.

From among its members considered to be totally progressive and faithful to the party, the Revolution and the people, each core unit must select a model whose name is to be sent to the party branch. The latter examines, promotes and enlists the nominee into the Party with the objective of creating a growing, vibrant People's Revolutionary Party designed to win victories in all spheres.

9791-R
CSO: 4212/7

BRIEFS

CHINA TIMBER PURCHASE--China is to buy 4 million ringgit worth of timber from Sabah. The leader of a four-member Chinese timber mission, (Mr Gong Yinghai), said in Kota Kinabalu today, China had also bid to buy another 3 million ringgit worth of timber. This was subject to confirmation in 2 weeks. The delegation had also shown keen interest in buying more timber of good quality, such as (Langan Batu) as well as sawn timber. During its 4-day visit, the delegation held discussions with the officials of the Sabah Marketing Corporation, Sabah Foundation, Timber Association of Sabah as well as sawmillers under Timber Exporters Association. [Text] [BK241309 Kuala Lumpur Domestic Service in English 1130 GMT 24 Feb 82]

BARTER TRADE STUDY--The government will study the barter trade system with a view of stepping up trade with Islamic and developing countries. The deputy minister of trade and industry, Datuk Sharir Samad, said in Johor Baharu today the barter trade system would overcome exchange rate problems faced by these countries. His ministry would discuss with Pernas [national corporation] ways of stepping up two-way trade between Malaysia and these countries. He stressed that Pernas, as a government agency, could play a more effective role in the import of goods from Islamic and developing countries. In this connection, Pernas could set up clearing houses for these goods. [Text] [BK211227 Kuala Lumpur Domestic Service in English 1130 GMT 21 Feb 82]

IMPORT DUTY ON PALM OIL--Malaysia has asked Thailand to lift the import duty and surcharge on processed palm oil. Datuk Paul Leong [Malaysia's minister of primary industries] in his discussions with the Thai commerce minister, Mr Punmi Punnasi, said the removal of the duty and surcharge would ease inflationary pressure in Thailand. The minister also said that Thailand would not be blocking import from Malaysia because bilateral trade was very much in Bangkok's favor. However, Thailand was expected not to announce the decision soon. Thai officials said the duty and surcharge were introduced to protect the local groundnut industry and political factors would have to be taken into account before meeting Malaysia's request. [Text] [BK281219 Kuala Lumpur Domestic Service in English 0600 GMT 28 Feb 82]

FINANCIAL AID FOR BUFFERSTOCK--Rubber consuming countries have responded to Malaysia's call to stimulate sentiment and impart strength and confidence into the current weak rubber market. As a result, financial contribution of over 200 million ringgit would soon be called up from members to equip the bufferstock manager with more money to buy up the surplus rubber from the market.

The decision was made at the 2-day special session of the International Natural Rubber Organization [INRO] Council in Kuala Lumpur. The meeting also decided to extend the deadline for the ratification of INRA [International Natural Rubber Agreement] to the 15th of next month. Both producer and consumer countries unanimously agreed to extend the deadline, because, otherwise, the agreement could not become a reality. Meanwhile, the National Rubber Smallholders Association has welcomed the decision taken by INRO to call up a third round of financial contribution to build a bigger bufferstock. The vice president of the association said with more contribution from INRO members, the bufferstock manager would be able to purchase more rubber and stabilize price. [Text] [BK081051 Kuala Lumpur International Service in English 0800 GMT 8 Mar 82]

IRON PLANT ACCORD WITH JAPAN--Malaysia and Japan today signed an agreement in Kuala Lumpur to implement the 1 billion ringgit iron billet plant to be located in Trengganu on the east coast of Peninsular Malaysia. Under the agreement, the joint venture company will undertake the production of sponge iron and billets. The company will have an initial paid up capital of 250 million ringgit. The project is expected to be completed in 1985. When completed, the plant will provide 850 job opportunities. The signing of the agreement marked Malaysia's real entry into heavy industry. [BK080553 Kuala Lumpur International Service in English 0800 GMT 6 Mar 82 BK]

MALAYSIAN-NORWEGIAN COOPERATION AGREEMENT--Malaysia has signed an economic and technical cooperation agreement with Norway, laying the framework for a joint economic commission. The agreement was signed on Monday [1 March] in Oslo by the minister of trade and industry, Tengku Ahmad Rithauddeen. The minister was leading a Malaysian investment promotion mission to Norway. The joint economic commission of Malaysian and Norwegian officials would discuss details of cooperative efforts for mutual benefits. [BK041229 Kuala Lumpur International Service in English 0600 GMT 3 Mar 82 BK]

THAI RICE PURCHASE AGREEMENT--Malaysia has signed an agreement with Thailand for the purchase of 350,000 tons of rice this year. The minister of agriculture, Datuk Abdul Manan Othman, says delivery of 50,000 tons monthly began last month until the middle of this year. The balance of 100,000 tons will be taken in the second half. [Text] [BK041229 Kuala Lumpur International Service in English 0600 GMT 2 Mar 82 BK]

JOINT EXERCISE WITH NEW ZEALAND--More than 2,500 New Zealand and Malaysian troops will hold a joint exercise on the east coast of Peninsular Malaysia from 16 March. A New Zealand military spokesman in Singapore said the 12-day exercise was conducted under the five-power defense arrangement. The exercise was aimed at training in joint operations in conventional warfare. Singapore, Britain and Australia would not be taking part in the operations [Text] [BK041229 Kuala Lumpur International Service in English 0600 GMT 4 Mar 82 BK]

RUBBER PACT RATIFICATION DEADLINE EXTENSION--Representatives of the natural rubber producing and consuming countries have agreed to extend the deadline for the ratification of the International Natural Rubber Agreement [INRA] from the end of this month to 15 April. According to Bernama, the decision

was taken at a special session of the International Natural Rubber Organization [INRO] Council in Kuala Lumpur presided by its chairman, Mr Jack Sumner, of Britain. It quoted conference sources as saying that the special session was convened at the request of the EEC to extend the deadline to (?enable) Italy and Belgium to obtain parliamentary approval to ratify the agreement. The conference expressed confidence that the agreement would come into force by the extended deadline with the required 80 percent support needed from both the producers and consumers. The agreement has already been ratified by 78.2 percent of consumers, in terms of their voting strength, and 79.5 percent of the producers. Thailand, one of the main rubber producers in the world, informed the special session that it would ratify the agreement by 15 April. [Text] [BK051241 Kuala Lumpur Domestic Service in English 1130 GMT 6 Mar 82]

MALAYSIA-THAILAND TIN PRODUCERS--Malaysia and Thailand have reached agreement in principle on the setting up of an association of tin producing nations. The minister of primary industries, Datuk Paul Leong, said the association will enable the countries to take action against any contingencies adversely affecting their interests. Datuk Leong was speaking to newsmen on his return from Bangkok today. In the Thai capital, he held talks with the Thai commerce minister, Mr Punmi Punnasi, and the minister of industry, Mr Chatchai Chunhawan. They discussed the Malaysian proposal to deal with development of the tin market. Datuk Leong held similar talks with the Indonesian minister of mines, Prof Subroto, last week. The three ASEAN countries together account for some 65 percent of the world tin production. Datuk Leong said producer nations had found it necessary to get together to protect their interests because of several unhealthy [words indistinct]. [Text] [BK271245 Kuala Lumpur Domestic Service in English 1130 GMT 27 Feb 82]

ASEAN-GCC COOPERATION URGED--Malaysia is making every effort to establish a link between ASEAN and the Gulf Cooperation Council [GCC]. Foreign Minister Tan Sri Ghazali Shafie said today through such cooperation greater contacts and exchanges in a wide range of fields, including economics and trade, could be drawn up by both groupings. He told a news conference that he had already notified the chairman of the ASEAN Standing Committee, Mr Dhanabalan of Singapore, to translate into reality the establishment of the link. The ASEAN foreign ministers at a meeting last year had agreed on closer contact between ASEAN and the GCC. Tan Sri Ghazali believed this link could act as a forum where dialogues to explain viewpoints from both parties and bilateral cooperation could be pursued similar to the ASEAN-U.S. dialogue. On bilateral links between Malaysia and the Gulf states, Tan Sri Ghazali said the present joint committee in his ministry would be expanded to include cooperation with the Gulf states. He said it was agreed that meetings should be held at least once a year to discuss issues on trade, investment, religion and other fields. [Text] [BK111506 Kuala Lumpur Domestic Service in English 1330 GMT 11 Mar 82]

LPG PRICE REVIEW--The price of liquefied petroleum gas [LPG] will be reduced through the government review of petroleum prices in the country. The minister of trade and industry, Tengku Ahmad Rithauddeen, who announced this in Kuala Lumpur today, said Malaysia's pricing system in regard to petroleum products as a whole could not depend on the prices of crude in the world markets. Based on past experience, such dependence could be disastrous.

Tengku Rithauddeen said Malaysia should set up its own pricing system. The government should consider the justification of any increases in its petroleum products. Factors to be considered would include the exchange rate, transport and dealer's commission. Earlier, the minister opened the 5-day conference of the Southeast Asia Iron and Steel Institute. He urged the participants to look into the idea of setting up an iron and steel industry marketing system similar to that of the ASEAN motor vehicle complementation program. By having a larger combined regional market, new areas in the industry not viable in the past could be ventured into. About 200 representatives from 17 countries, including Malaysia, are attending the conference. [Text] [BK151013 Kuala Lumpur International Service in English 0800 GMT 15 Mar 82]

TRADE WITH KENYA, AFRICAN STATES--Malaysia is looking into the possibility of widening its trade relations with Kenya and other African states. The deputy prime minister, Datuk Musa Hitam, says the government plans to send trade delegations to Kenya to identify trade opportunities in the African states. Datuk Musa said trade potential, though small at the moment, was growing. Malaysia would also look into the possibility of upgrading the present trade mission in Kenya to that of a high commission. He was speaking to newsmen after the chairman of the Kenyan African Union, Mr (Isac Omolo Okilo), called on him in Kuala Lumpur today. The deputy prime minister said the prime minister, Datuk Sri Dr Mahathir Mohamed, also plans to visit certain African states in the future. Datuk Musa said the visit was in line with the government efforts to diversify trade from that with developed nations to include developing nations. [Text] [BK161015 Kuala Lumpur International Service in English 0800 GMT 16 Mar 82]

NEW MEXICAN AMBASSADOR--Mr Juan Manuel Ramirez Gomez, the new Mexican ambassador to Malaysia, presented his letter of credentials to His Majesty the King in Kuala Lumpur today. Mr Gomez is also accredited to Indonesia. [BK110649 Kuala Lumpur International Service in English 0600 GMT 10 Mar 82 BK]

RAILROAD TRANSPORTATION FOR THAI RICE--Thailand has agreed in principle to transport its rice to Malaysia by train in the near future. The agreement was reached during a discussion between the Thai trade minister, Mr Punmi Punnasi, and the minister of public enterprises, Datin Paduka Rafidah Azis, in Kuala Lumpur today. At present, Thai rice is delivered by ship. Speaking to newsmen, Datin Paduka Rafidah said officials from the National Paddy and Rice Board, Malayan Railway and the Thai Authority would work out details for the new method of transportation soon. [Text] [BK110649 Kuala Lumpur Domestic Service in English 1130 GMT 10 Mar 82 BK]

NEW ZEALAND HIGH COMMISSIONER--The Yang Dipertuan Agung received credentials of the new New Zealand high commissioner to Malaysia, Harle Freeman-Greene, in Kuala Lumpur on 11 March. [BK120521 Kuala Lumpur International Service in English 0600 GMT 11 Mar 82 BK]

1981 FOREIGN TRADE--In the first 11 months of 1981, Malaysia exported 6,366 million ringgit worth of crude oil and 210 million ringgit worth of petroleum products. In the same period, the country exported 3,458 million ringgit worth of rubber. Trade deficit in the same period amounted to 581 million ringgit, mainly due to the import of machinery and transport equipment totaling 8,900

million ringgit. [BK170321 Kuala Lumpur International Service in English 0600 GMT 13 Mar 82 BK]

PALM OIL PRODUCTION--Malaysia's crude palm oil production for February is estimated at 202,000 tons, a 12 percent increase over January's revised production of 180,200 tons. The revised tonnage is 1 percent above the estimated figure given last month. A statement from the palm oil registration and licencing authority says that February production also compares favorably with the nearly 172,000 tons recorded for the same month last year. [BK170321 Kuala Lumpur International Service in English 0800 GMT 16 Mar 82 BK]

CSO: 4220/313

POLITICAL DEBATE CALLED 'PATHETIC GAME'

Islamabad THE MUSLIM in English 6 Mar 82 p 4

[Article by Sultan Ahmed]

[Text] PAKISTAN's political debate is becoming to look more and more like a game of mahjong, except the game is being played in a more noisy and tricky manner.

The one-sided game with the government sitting aloof and tight, has become a game of points, points for points, more points for less points, and now sub-points within the points. It has become a game in which some parties are trying to outpoint the others.

The public is baffled by all these. The profusion of points and proliferation of sub-points are beginning to nauseate the people. Even professional analysts and political writers are getting confused as they are being forced to take the trees, in fact prickly shrubs, for the woods. Wading through this sea of points and lakes of sub-points has become a frustrating task for them.

It all began simple with the four points of the MRD (Movement for Restoration of Democracy) which are direct and specific. They are: Lifting of Martial Law. Transfer of power to an interim government; revival of the 1973 Constitution and freedom of the Press and release of all the political prisoners.

The Jamiatul Ulema-e-Pakistan, which did not join the MRD but formed an ultra-Right alliance with Pir Pagaro's Muslim League, then came out with six points more or less like the MRD's four points. But recently the number of its points was raised to eight, making the last very ambiguous, and, in the eyes of its critics, quite mischievous.

The Jamaat-e-Islami, which is neither in the MRD or in the ultra-Right alliance, has now come up with seven points, which Mian Tufail Muhammad, its Amir, has described as the "National Charter." The basis of the Charter is Islam, says the first of the seven points. Establishment of a complete Islamic order on the basis of the Holy Quran and Sunnah takes precedes over all else in this Charter, and all parties wanting to negotiate with the Jamaat have to accept it.

Of the seven points, the first has five sub-points, and the last, too, has the same number. In fact, it is less of a charter and more an election manifesto.

The whole game is more like what happens at a market place: he who does not want to sell quotes a very high price, and he who does not want to buy quotes a very low price.

There is, however, broad agreement on the four points of MRD. The parties are for an end to Martial Law, revivial of the 1973 Constitution, early general elections, and Press freedom and release of all political detenues.

Of course, there are marginal differences like Pir of Pagaro wanting an amendment to the 1973 Constitution reducing the sweeping powers of the Prime Minister, and opposing an end to the Martial Law outright.

Maulana Shah Ahmad Noorani's eight points of which the last calls for "formation of an interim national government comprising political parties participating in the democratic struggle for holding genral elections according to 1973 Constitution and lifting of Martial Law", has raised a number of questions. It has become a fly in the political ointment in the talks between JUP and MRD.

Is this point aimed at keeping Jamaat-e-Islami out of an interim government because of JUP's strong dislike for the Jamaat? Is it an attempt to confuse the issue and create dissensions among the parties seeking to restore democracy in the country? What would happen to the democratic struggle if, as a result of official policy or reprisal, the movement takes a different turn?

The JUP's role has become darkly suspect after it formed an alliance with Pir Pagaro who earlier – in 1979 – said that elections were not possible before 1982 and recently urged the people to pray for elections by 1995.

JUP's & Pagaro connection becomes all the more intriguing as Pir Pagaro has been talking of his own connections with the GHQ, and of GHQ's responsibilities since 1953, and opposing an end to the Martial Law before the general elections.

Pir Pagaro and Maulana Shah Ahmad Noorani, it appears, would prefer an interim government under the Martial Law pending the elections. This position is not acceptable to the MRD parties as they fear that it may only result in the ouster of the interim government at some stage and continuation of Martial Law.

Such apprehensions have increased following the statement of the Interior and Political Affairs Minister, Mr. Mahmud Haroon, that elections could not be held as long the Russians were sitting on the other side of the border in Afghanistan. The President – has not disagreed with him in spite of persistent questioning by the Press.

The argument advanced by the political leaders is that in the face of the Russian presence in Afghanistan or any other possible threat, key elements in Pakistan must close their ranks. For that

purpose they want total participation of the people in the government through general elections, and a return to political normality through the 1973 Constitution.

But the President says that his efforts, instead, would be to bring about sanity in politics so that the country could get rid of the politics of agitation, negotiation and personal motives". In taking this position his views are opposed to those of Mian Tufail Muhammad who wants negotiations with the government and not confrontation.

If general elections are put off indefinitely, the possibilities of confrontation between the government and political parties increase. If confrontation has to be avoided there has to be neogitations. But if the politics of negotiations of compromise is to be avoided what next?

Gen. Zia himself has said that he is not in favour of a round-table conference of political leaders: he is meeting them individually. But clearly he would not call them negotiations but possibly as remaining in touch with friends like Pir Pagaro and Mian Tufail Muhammad.

Clearly, let a part the points and multiple sub-points in its, charter, the Jammat-e-Islami's approach to the future is a mixed and rather too confusing. While it wants revival of the 1973 Constitution, it demands elections within this year. Simultaneously it wants a code of conduct for the politicians; another code for the Press and a "suitable standard for candidates to the legislature in the light of the Islamic principle of candidature. And it wants revival of political activities only after the parties have remoulded their constitutions and manifestoes according to the Holy Quran and Sunnah.

Such omnibus demands of the Jamaat contradicts it simultaneous stand that the 1973 Constitution should be restored and settled constitutional issues should not be allowed to be reopened, and any vital amendment to the Constitution be made only be an elected Assembly in accordance with the Constitution. Clearly while the Jamaat wants to treat one set of issues as closed, it wants to reopen othe issues and impose its views, particularly in respect of religon, on all other parties.

The Jamaat's stand could carry some real weight if the other Islamic parties, the JUP and the Jamiatul Ulema-e-Islam, were in agreement with it at least in regard to the interpretation of Islam and its role in our polity. But they are not, and for good reason in their view.

The views of the President and Mian Tufail on the significance of terrorism in Pakistan are also dissimilar. The Jamaat says "due to the absence of political process people are trying to establish the politics of subversion and terrorism in the country. "But Gen. Zia does ot agree that the violence or terrorism in the country has any relevance to the political vaccum.

Maulana Shah Ahmad Noorani and Khawaja Khairuddin who is a leading negotiator on behalf of MRD, also have stressed that the terrorism sprang from the political vacuum in the country.

Meanwhile, Prof. Ghafoor, a pragmatist and realist among the Jamaat leaders, has been stressing that the ball is in Gen. Zia's court. In fact, it has always been there. So in the absence of the ball game the politicians are playing the game of points against the background of pervasive subversion and increasing national uncertainty.

CSO: 4220/304

FUTURE POLITICAL DIRECTION PONDERED

Karachi DAWN in English 7 Mar 82 p 7

[Editorial]

[Text] THE DEFUNCT political parties have for some time been going through rounds of talks and negotiations in an attempt to reconcile their differences and unite in the cause of democratic restoration. It is a sign of the times that some of the parties which until some time ago would not so much as exchange polite greetings with one another are on talking terms again and even exuding warmth and cordiality towards one another. Whether or not the current move for a broad-based alliance of the defunct political parties succeeds in the end, the pattern for a unified stand on the basic question of the restoration of the political and constitutional process seems to have been fairly securely set. It would be simplistic to think that the current flurry of inter-party contacts and exchanges signifies no more than the politicians' artful way of proclaiming their presence in the midst of prolonged political dormancy. Neither is the unity move to be seen and interpreted as the defunct political parties' trade unionist reaction to a situation of forced unemployment, threatening their very existence.

The desire for closing the ranks is not for reasons of self-preservation alone, although the awareness of such a need must have been rankling in the minds of the defunct parties ever since the formation of the Federal Council (Majlis-i-Shoora) which they had strongly opposed. Some of the major parties may have been piqued by the presence of a significant number of their office-bearers and members on the membership list of the nominated Council and presumably felt their internal unity and discipline threatened as a result of this and other likely moves. A more compelling motivation behind the unity move, however, is a growing realisation among the leaders of the defunct political parties of the serious political and constitutional implications of an indefinite prolongation of the present interim rule. It would be unwise to regard their concern on this score as a dislodged and disbanded group's propensity to take a cynical view of everything about a dispensation in which they have no role to play. One need not wholly agree with the politicians' perception of the possible risks arising from an over-extended constitutional deviation to see the logic of many of their app-

rehensions. The most worrying possibility to take into account concerns the fate of the nation's Constitution which has been worked only for four years and which has since been held in abeyance for a longer period, and for the time being at least, is superseded by the Provisional Constitution Order. What is more, during the period of suspension, it has been subjected to major amendments, touching off speculation and misgivings about its actual status and even prompting new demands from some quarters for further amendments to provide for greater autonomy for the federating units. The point to consider is whether the universally agreed framework of government and polity will emerge unscathed from a long spell of disuse and structural change. Politically, too, there must be a clear awareness of what to expect at the end of an unduly extended political pause which has inevitably kept the Government and the representative organisations of the people virtually poles apart, besides weakening the latter's links with the common people. There has been a blurring of the nation's focus of political orientation. And whatever sort of interim link the Local Bodies and the Majlis-i-Shoora might have provided between the government and the people, the political vacuum has not been filled. What prevents a vacuum arising is a working political system in which the functioning of political parties is crucial to the filtering of opinion, political mobilisation, the enforcement of the rulers' accountability and the setting of national direction. There simply is no bypassing the politicians in a normally working political system or even in a transitional phase leading to it.

From this point of view, there is much to feel disturbed about, seeing the widening gulf between the Government and the defunct political parties. The disquiet is all the greater because of what both the Government and the party leaders recognise to be a foul conjunction of a continually hostile external environment and a sudden downward slide in the internal law-and-order situation. The latter development is evident from the current large-scale arrests of antisocial and "subversive" elements and new moves towards a general tightening up of the internal security arrangements throughout the country. The issue here is not whether a political government can cope with such a situation better than an unrepresentative one in terms of the physical aspect of handling and the deployment of the official agencies provided for the purpose. The crucial factor is the active support and mobilisation of the people which is essential for dealing effectively with an external threat of the kind that Pakistan faces right now or the problems of public disorder and political dissension arising internally. It is not known how many of the arrested persons have been taken into custody for political reasons. But it is recognised that a challenge has come from elements threatening to cause subversion and indulge in acts of terrorism. In one aspect subversion and terrorism are a problem for the machinery of law and order. But in another aspect they can be seen to have political ramifications. A pool of stagnant water invariably emits a bad smell. The damming up of the flow of the stream of national politics can similarly breed sinister tendencies. The absence of an active political platform

has meant a lingering sense of uncertainty and drift and involved a denial of the normal means of airing dissent. Wisdom lies in recognising a particular problem for what it is and then trying to remedy it – which in the present case means starting a process gradually to revive normal political activity, to lift the curbs on free expression of opinion, to remove the constraints and mechanisms that foster alienation and despair and, above all, to work towards the inevitable national need for restoring representative rule within a specific and generally acceptable time-frame.

For such a scheme to appear credible and inspire wide confidence, it is important for the Government to take the initiative in removing the present barrier of misunderstanding and divergence of perceptions distancing it from the major political parties. The condition now seems very favourable for such a move. For while trying to find common ground, all parties, without exception, have reaffirmed their faith in the constitutional means for achieving their objectives and have categorically decried terrorism and violence as totally repugnant to their political philosophy and the country's interests. From a larger national point of view, the general agreement of opinion on elections and on the restoration of the 1973 Constitution can have the effect of largely neutralising the forces of violence and disorder and of reaffirming the people's faith in normal democratic and constitutional methods for achieving change and progress. An active process such as this can, indeed, serve as an effective check against extremist tendencies of malcontents and the perpetrators of anarchy. However, a lot depends on how the Government responds to the convergence of opinion among the defunct political parties on what they perceive to be the only safe and orderly way out of the continuing crisis. It is time for the Government and the political parties to stop talking and acting at cross-purposes and seriously consider starting a dialogue for arriving at a consensus on what is to be done.

CSO: 4220/302

ULEMA WARN PEOPLE AGAINST 'SELFISH POLITICIANS'

Karachi DAWN in English 7 Mar 82 p 12

[Text]

LAHORE, March 6: Five Ulema, belonging to various schools of thought, including three members of the Federal Council, have called upon people interested in the enforcement of Islamic system not to pay heed to the political demagogues who were noised against each other in the recent past but who are now trying to put up a facade of unity to cover their deep-rooted differences, for the sake of their factional and opportunistic designs.

In a joint statement here on Saturday, the Ulema expressed their surprise at the confusion being caused through statements by various leaders of the defunct political parties who were crying hoarse for restoration of democracy and holding of elections immediately. This demand, the Ulema maintained, was being voiced just at the time when the Council of Islamic Ideology and some other agencies were engaged in formulating recommendations about the future political structure and Islamic form of government in the country.

Paradoxically, the Ulema opined that for the sake of their demand, endeavours were being made for political alignments by such elements as had described in the past their newly-found companions as murderers of democracy, ill-wishers of Pakistan and enemy of Islam.

The signatories to the statement are Maulana Mohammad Malik Kandhalvi, member Majlis-i-Shoora Maulana Abdul Ghaffar Hassan, member, Majlis-i-Shoora; Dr Israr Ahmad, member Majlis-i-Shoora; Maulana Abdur Rahim Ashraf, Mohtihim, Idra-i-Taleemaat Islamia; and Maulana Mohammad Nazir Muslim, Khatib, Jamia Moti Masjid Rahimyar Khan.

CSO: 4220/302

SIGNATURE DRIVE FOR ELECTIONS FROM MARCH 23

Karachi DAWN in English 8 Mar 82 p 1

[Text]

ISLAMABAD, March 7: Chaudhri Arshad, a former Federal Minister and a leader of the defunct Pakistan Democratic Party, said here on Sunday that a signature drive will be launched from March 23 — Pakistan Day — on the initiative of the defunct political parties in MRD and outside, to register public support to the demand for general elections under 1973 Constitution and revival of parliamentary democratic life in the country.

Talking informally to the reporters in Islamabad, Chaudhri Arshad asserted that all the political parties including those in the MRD were unanimous in their demand that the Martial Law should be lifted, Constitution of 1973 be restored, parliamentary and assembly elections should be held, and power should be transferred to the elected representatives.

Answering questions, he claimed, all the parties were completely united in their demand for restoration of constitutional rule in Pakistan under the Constitution of 1973. However, he admitted that the differences still persisted among the parties as to the modalities for the transfer of power and the interim arrangement that should be made pending the holding of the general elections.

Chaudhri Arshad said that while the MRD was of the view that the present Martial Law Authority should immediately make arrangements for restoration of the 1973 Constitution and holding of fair and free parliamentary elections, the defunct Pakistan Muslim League (Pagaro Group) and the Jamiatul Ulemai Pakistan proposed that a national government of political parties should be inducted before the elections were held. The two parties believed that without induction of a national government prior to elections, it was not possible to expect fair and free polls under the present regime.

Chaudhri Arshad however, described these differences on the modalities as not major and said that the MRD and the like-minded parties outside it have nominated him, Mr Abid Zuberi of the National Democratic Party, and Mr Faridul Haq of JUP, to hold consultations and come up with a formula which should be acceptable to all the parties concerned. He hoped it would be possible to reach a consensus on the issue in next ten days.

He explained that the signature drive in support of the constitutional rule was one way to mobilise public opinion and demonstrate it. He told a questioner that neither the MRD nor any other political party favoured violence in political struggle which, he added, would remain peaceful. The MRD was for healthy political activity, he added.

Answering another question, he said, the Pakistan National Party of Mir Ghaus Bux Bizenjo had also agreed to join the movement for wider unity in support of elections and restoration of the Constitution. He said that the MRD agreed with the PNP in its demand for improving constitutional guarantees, and to ensure smooth implementation of the provincial autonomy provisions as enshrined in the 1973 Constitution.

Chaudhri Arshad said in reply to another question, the Majlis-i-Shoora had failed to meet the popular demand and should not last long.

CSO: 4220/302

REVIVAL OF POLITICAL ACTIVITY URGED

Karachi DAWN in English 7 Mar 82 p 3

[Text]

LARKANA, March 6. The Amir of the defunct Jamaat-i-Islami, Sind, Maulana Jan Mohammad Abbasi, has demanded that Press censorship be completely lifted, civil courts should have supremacy over Summary Military Courts, all political parties be allowed to function again, political prisoners be released and general elections be held this year so that elected representatives could solve people's problems effectively.

Talking to this correspondent at his residence on Thursday, he said that owing to the ban on political activity in the country and because of other policies of the Government, two major social evils had taken root in our society, namely, corruption and crimes. The current massive drive against anti-social elements, he said, was a confirmation of the fact that the administration had lost all control over law and order situation in the country.

He was, however, of the opinion that this campaign was not going to deliver the goods because those influential persons who patronised criminals and anti-social elements had been let loose. About corruption, the Maulana said it originated in government departments of public administration.

In reply to a question, he observed that politicians were in a good bargaining position with the Government and as such the latter had been seeking their cooperation for running the country's affairs. He said a large number of defunct PPP members had been nominated to the Federal Council, and added that they had betrayed their party and people.

About current parleys among political leaders, Maulana Abbasi said a move was under way to forge unity among different political groups. He said the Jamaat-i-Islami was working for peaceful transfer of power to elected representatives.

He said his party was demanding general elections in national interest. In a democratic society, he added it would be easier to mobilise public opinion in favour of Islamic system.

CSO: 4220/302

ZEHRI SAYS POLITICIANS, PEOPLE, GOVERNMENT DIVIDED

Islamabad THE MUSLIM in English 6 Mar 82 pp 1, 8

[Text]

RAWALPINDI, March 5: Nabi Bux Zehri, former Senator from Baluchistan and the Convenor of Jeeway Pakistan Party, has regretted that three big forces of the country, that is politicians, people and the government were divided on various national issues and there was no harmony amongst them.

In an interview with PPI, Mr. Zehri said all political parties agreed that the Restoration of democracy and the holding of general elections was the only solution of the crisis through which the country was passing. Yet, he said, there was no sign of unity of alliance amongst the parties.

Mr. Zehri called upon the politicians to get united by sinking their differences in the best interest of the country in order to work out an agreed plan to solve the problems and difficulties faced by the country.

Mr. Zehri said the situation was neither new nor worse as most of the countries in the world have gone through such crisis. The only difference is that they try to solve their problems through dialogue and discussion while we in Pakistan have no unity or understanding over vital issues.

In view of present situation, Mr. Zehri said, there should be an institution, group or class comprising cool minded moderate and patriotic persons who could be entrusted by the government as well as the politicians to bring the two parties near each other.

Mr. Zehri said with this spirit and aim various moderate political leaders and parties had forged an alliance under the name of "Pakistan Rabita Council (PRC)". He said talks with a number of politicians were in progress in this connection who had promised to inform about their final decision within the current week of this month.

Mr. Zehri said the names of the members and office bearers of PRC will be announced before the 10th of this month in Lahore.

PRC, Mr. Zehri said, would elaborate its point of view before the three big forces of the country through Press and media in all big cities. He said committees would be formed to contact the people, government and the politicians to take them into confidence.

CSO: 4220/304

SAFDAR SUPPORTS DIALOGUE WITHOUT PRECONDITIONS

Islamabad THE MUSLIM in English 6 Mar 82 p 1

[Text] LAHORE, March 5: Khawaja Muhammad Safdar chairman Federal Council today stressed the need for a dialogue between the politicians and the government to draw out a strategy to frustrate the internal and external threats confronting the country.

He was delivering his Presidential address at Hamid Nizami day held at the Jinnah Hall here today.

Khawaja Safdar said in view of the circumstances the country was passing through, the politicians should not insist on preconditions for initiation of the dialogue.

The Chairman Federal Council further stated that such a dialogue was inevitable to forge unity in the ranks of nation and to enable it face the dangers lurking on the borders.

Khawaja Safdar defended his decision to accept the chairmanship of the Federal Council and emphatically said he would not apologise over his decision since he was free to take any step which he thought fit in the national interest.

Referring to the differences on the issue existing between him and other politicians, he said they were based on honesty. However, he said, time would tell as to who made the just decision.

Khawaja Safdar again held responsible the leaders of the defunct Pakistan National Alliance for the imposition of martial law in the country

HOUSE BUSINESS: Khawaja Safdar said the members of the Federal Council were the sole source to bring before the House for discussion on private business days matters of national interests. These matters he added included original bills amendment bills, motions and all that the members of the National Assembly were entitled to present

The chairman Federal Council called upon the technocrats to brief the Federal Councillors on various issues since the latter were not experts in all fields.

CSO: 4220/303

PLEA FOR REMOVING LOCAL TAXES

Karachi BUSINESS RECORDER in English 8 Mar 82 p 1

[Article by Anwar Rajani]

[Text]

The imposition of taxes in various shapes by local bodies on a number of goods meant for export, has adversely affected the export trade, it is reliably learnt.

These taxes, called local taxes, are being levied by the Union Councils at talukka and district levels in Sind under the titles of "Export Tax", "Ravangi Tax" and "Zila Tax" on commodities meant for export.

Informed sources told "Business Recorder" yesterday that the levy of these taxes on the commodities going out of the area of a local body jurisdiction or in transit from one District to the other, is so indiscriminative that it affects the export base of these items.

For example, the export tax on molasses, a bye-product of sugar mills, in Badin District is Rs. 30 per truck-load while in Dadu District, the "Ravangi Mahsul" as it is christened, is over Rs. 300 per truck-load. As against this, it is over Rs. 150 per truck-load in Larkana District.

The sources said that the levy in Dadu amounts to 12.5 per cent of ex-mill price of molasses being lifted from Dadu Sugar Mills, while export tax on molassee from Larkana Sugar Mills works out to 5 per cent of the cost of goods. However, it is reported that in Badin District, it amounts to one per cent only.

It may be mentioned here that molasses already attract export duty of 25 per cent payable at the time of export on the basis of FOB price. The additional local export tax, according to exporters of molasses, would serve as a prohibitive factor for the export trade.

As contended by exporters, the volume of export of any goods depended on the constant movement of commodities from each district and the levy of these taxes is causing arguments and quarrels between the tax contractors and carriers which ultimately results in delay and monetary losses to exporters. The collection of these taxes has been allotted to contractors in the rural areas by the local bodies.

Exporters, it is learned, have made representations to the authorities to waive this tax on goods meant for export.

The sources said that this issue was also taken up in the meeting of the Export Promotion Board in the past and it was decided that this type of tax should be done away with completely.

It is also reported that this tax has been done away with in the Punjab.

CSO: 4220/304

MAHBUBUL HAQ FOR STRONGER PRODUCTION BASE

Karachi BUSINESS RECORDER in English 8 Mar 82 p 1

[Text]

ISLAMABAD, March 7: Dr. Mahbubul Haq, Deputy Chairman of the Planning Commission, said here today "we need both a strong production base and an equally strong social conscience", in order to develop the country and ensure welfare of the people.

This is the strategy which will be reflected in future development planning of Pakistan, he said in an interview here today. He said it will be premature to say anything at this stage about his concrete policy proposals.

Dr. Haq who took up his new assignment here today said, "it will take time to develop concrete policy proposals, and will require wide consultations within the system before these are announced.

"But", he said, "there is one thing which I would like to promise today". He said, "I will promise a new era of planned economic development—development which is humane, development which is socially conscious, development which reaches all our people, development which is reflected not just in abstract statistical numbers, but in the ordinary lives of our poor people", he said. He said, "we need both a strong production base and an equally strong social conscience".

Dr. Haq agreed that these are only general objectives. He said, these must be translated into specific programmes and concrete policies. "This will require a tremendous amount of courage, a good deal of hard work and wide consultations with my colleagues and associates".

The Deputy Chairman said, he is aware that there is "a heated controversy going on in this country about the relative merits of public and private sectors".

He said: "frankly my attitude is quite simple. I am not interested in the colour of a cow. I am only interested in whether it gives milk. I shall re-examine the balance between public and private sectors in the pragmatic spirit. I believe that it is likely to lead to considerable liberalization of the economy".

Dr. Haq said "it is our objective which must be fixed and not our means". He said: "our objective clearly is to take development directly to our people to make them fully participate in it, and to distribute among them the benefits of economic growth. We must, however, remain flexible. I do not regard inflexibility as a great virtue".

He said he will be open to advise from all sections of society. "In fact, I shall seek it out". "In the final analysis, I shall rather be judged by my actions than by any statement that I make today", he added.

Dr. Haq who has been heading the Policy Planning Department of the World Bank, and had been out of the country for more than 10 years, said, "it is a great feeling to be back home again". He said, "I am genuinely excited about the challenge I have and propose to devote my full energies to the rapid economic development of the country".

CSO: 4220/304

FEDERAL MINISTER ON BALUCHISTAN

Karachi MORNING NEWS in English 8 Mar 82 pp 1, 8

[Text]

SUKKUR, March. 7: Federal Information and Broadcating Minister Raja Zafar-ul-Haq said here today that no country could be considered as cimilised and make any progress unless all its regions and units made equala progress and marched hand-in-hand towards the goal of prosperity.

He was speaking at a civic reception arranged in his honour by the Sukkur Municipal Corporation at Sukkur Municipal Stadium here this afternoon.

Raja Zafar-ul-Haq said that President General Mohammad Zia-ul-Haq realised that God Almighty had given him a responsibility and considered it his duty to serve the people of all regions of Pakistan to the best of his knowledge and thinking.

He referred to the Sukkur Mayors of address of welcome wherein he had mentioned the injustices done by the previous Government to the Sukkur Division by keeping it backward in several felds and said the days of the previous Government were strange days because in those days no one could get anything without bowing before the then rulers.

WAR IN BALUCHISTAN

During that rule, which was called a democratic and political rule, there was continuously a state of war in the province of Baluchistan for four long years A very large number of the people of Baluchistan then were forced to leave their homes and go to the mountains he added.

The Minister said that after the present Government came to power not only the four-year war in Baluchistan ended but also 52 people who were detained by the previous regime because of their difference with the then rulers were released and the people who were forced to leave their homes and go to the mountains were given adequate compensation.

He said that President General Zia-ul-Haq during his first tour of Baluchistan found that the people there had a feeling of deprivation. The president then ordered all Federal Departments to invite applications for providing jobs to the educated people of Baluchistan. As there was a little ratio of literacy only 200 applications were received and out of them 125 people were given jobs immediately.

The sense of deprivation among the people of Baluchistan was thus removed, he added.

Raja Zafar-ul-Haq said that there was also the feeling of deprivation among the people of Baluchistan in the matter of providing them Sui gas. President Zia's Government arranged to provide Sui gas to Baluchistan by acquiring a loan of more than 500 crores from a foreign country. Fifty per cent of the work on this project has already been completed he said.

ANTI-STATE ELEMENTS

The Federal Minister for Information and Broadcasting said at Rohri this morning that it was the duty of every good government whether elected or otherwise to protect the lives, properties and honour of the people of the country.

Speaking as a chief guest at a reception arranged by the Istehkam-e-Pakistan Council Rohri shortly after his arrival

on a three-day tour of Sukkur Division during which he is scheduled to visit the districts of Sukkur Shikarpur Jacobabad and Khairpur Raja Zafar-ul-Haq declared that there had been considerable decrease in the incidents of crime such as bank dacoities during the last ten or 15 days since the Government launched its campaign against the anti-state subversive and anti-social elements throughout the country.

He said that the Government was determined to deal with the anti-state and anti-social elements with an iron hand and they would be dealt with under the ordinary laws and if need arose they would be dealt with under Martial Law regulations.

President General Mohammad Zin-ul-Haq had given directive to the Governments of all the four Pdovinces to deal with a heavy hand with the criminals and their harbourers he added. Raja Zafar-ul-Haq said that some politicians had given statements as to why these criminals thieves and dacoits were being arrested and observed that anyone speaking in support of a criminal was worse than the cdiminal itself. To give protection and support to any criminal was the biggest crime he pointed out.

The Federal Minister stated that the real strength of a person lay in the sympathy of good law abiding citizens and no strength could be achieved with the support of goonda and bad elements.

Raja Zafar-ul-Haq also referded to corrupt officials and urged the elected local councillors and the people to cooperate with the Government in the accountability of corrupt Government officials.—

CSO: 4220/302

ALI KHAN: MRD WILL NOT JOIN ANY INTERIM GOVERNMENT

Islamabad THE MUSLIM in English 4 Mar 82 p 1

[Text]

KARACHI, March 3: MRD would not join any interim government under the umbrella of Martial Law, declared Fatehyab Ali Khan, convener of te MRD for the current month, while addressing a Press conference at the Karachi Press Club here today.

Except for the defunct PPP, the heads and leaders of all the component parties of MRD, including Khawaja Khairuddin, were present at the Press conference.

Fatehyab Ali Khan said that he had held consultations with Begum Nusrat Bhutto and Sardar Sher Baz Mazari before addressing the Press conference.

Without mentioning the nine-point formula of Pir Pagara for the formation of a political government which could hold elections in the country, Mr. Fatehyab said the MRD would not join any government under Martial Law.

Replying to a question, he said there was no bar on any of the MRD leaders on having talks with other party leaders for co-operation for the restoration of democracy in the country.

He said some of the MRD leaders held meetings with Maulana Noorani and Pir Pagara in their individual capacity and they were free to exchange views on the MRD declaration of 1981.

He said the MRD leaders had held formal talks with the JUP chief, Maulana Shah Ahmed Noorani, and not with Pir Pagara.

To another question, Mr. Fatehyab dispelled the notion that the political parties in the country had failed to demonstrate unity on national issues.

He said for the first time in the history of Pakistan, political leaders had expressed unanimity of views on major issues such as the revival of political activities, holding of general elections of the earliest, preservation of the 1973 Constitution and release of all political leaders.

No party in the country had different views on these issues, he remarked.

Mr. Fatehyab said that four more parties had signed the MRD declaration and had expressed the desire to join it. The parties are: Awami Jamhoori Party, Pakistan Awami Tehrik, Pakistan Socialist Party and Muslim Conference.

CSO: 4220/303

GHAFOOR SAYS JI NOT AVOIDING POOLS

Karachi DAWN in English 6 Mar 82 p 10

[Text]

LAHORE, March 5: The Naib Amir of the defunct Jamaat-i-Islami, Prof Ghafoor Ahmad, has declared it as baseless and untrue that his party is avoiding a general election, and said that it was the stand of the Jamaat that elections should be held this year.

Talking to PPI here today, Prof Ghafoor said that even such allegation was no made by two PPP leaders, Mr Abdul Hafeez Pirzada and Mr Ghulam Mustafa Jatoi, with whom he had held a meeting in Karachi recently to apprise them of his party's point of view.

He said that no political party, including the Jamaat, was in favour of forming any alliance with other party for election purposes. "The thing which we want is to reduce the gulf of differences amongst various parties through holding meetings and negotiations with them in order to reah a consensus over maximum objectives to ensure the holding of general elections in the country," he added.

When his attention was drawn to a news item regarding the holding of elections at any time in the country, Prof Ghafoor said it was in the national interests that elections should be held at the earliest possible time. He opposed the idea of giving a long time to the political parties for election campaign, and added that elections should be held after a brief election campaign, giving a chance to all the parties to present their programme, manifestos etc before the nation on radio and television in order to level public opinion in their own favour.

Replying to a question, he denied that he had been contacted by any quarters in connection with the formation of a national government, and observed that such rumours were creating misunderstanding among the people.

Prof Ghafoor said the Martial Law had been imposed with a commitment that elections would be held soon. The Army should, as such now apprise the nation of its line of action regarding the holding of elections. In this connection the President could meet leaders of the political parties, individually or collectively, if he so liked, Prof Ghafoor concluded.

CSO: 4220/302

GHAFOOR FAVORS INITIATING DIALOGUE WITH GOVERNMENT

Islamabad THE MUSLIM in English 4 Mar 82 p 1

[Text] KARACHI, March 3: Prof. Ghafoor Ahmad, leader of the Jamaat-e-Islami, has suggested that negotiations should be initiated between the government and political leaders with a view to reviving the 1973 Constitution and holding of the general elections as early as possible.

If political parties, Prof. Ghafoor said, speak with one voice on basic issues, could come closer together, and refrain from mud-slinging, they would not only bring upon the government moral pressure to hold the general elections, but would also held in greating conducive atmosphere for the polls.

Talking to 'The Muslim' the Jamaat leader said, political parties have to start from a clean slate and develop a code of conduct so that they should not criticise each other for the sake of criticism and operate on healthy grounds. He said political process has not been allowed to develop in this country and this has retarted the growth of right type of politics in the country.

When censorship was relaxed, he said, political leaders made contradictory statements. He said after consultations and parleys they had now agreed and were speaking with one voice on the revival of the 1973 Constitution and the holding of general elections as early as possible.

Asked whether the political leaders were trying to work out a mechanism for the transfer of power, the Jama'at leader replied in the negative. He said it was our "wishful thinking' because of the repeated declaration by the government to hold elections.

In response to question whether a stable civilian government was possible, Prof. Ghafoor said, the danger of instability could not be ruled out if there was no majority party or a weak coalition emerged in the elections. If a weak coalition could not function, he said, fresh elections could be held. He said repeated elections would help stabilise the situation. He also underlined the need for a code of conduct for the political parties.

Prof. Ghafoor said if there were apprehensions that elections would generate heat and agitation, the election compaign could be restricted to the projection of manifesto and programme of political parties on TV and Radio and in the Press.

The Jama'at leader said he had presented the seven-point formula of the JI for evolving a concensus on basic issues for consideration of the MRD. The formula, he said, was based on declaration on Islam, revival of 1973 Constitution, a code of conduct for political parties, holding of elections within 1982, lifting of Press censorship, independence of the judiciary etc. He, however, highlighted the two points forming part of the formula which lays down that elections should be held on the basis of proportionate representation and separate electorates.

CSO: 4220/303

NOORANI CALLS FOR ARMED FORCES' RETURN TO BARRACKS, ELECTIONS

Islamabad THE MUSLIM in English 4 Mar 82 p 1

[Article by Salim Bokhari]

[Text]

ISLAMABAD, March 3: Maulana Shah Ahmed Noorani, chief of the defunct Jamiat Ulema-e-Pakistan and President of the World Islamic Mission, said here today if the country was faced with threats from outside, the Army should go to borders instead of running civil administration.

Speaking at a reception given in his honour by the Rawalpindi branch of the JUP and World Islamic Mission, he said there was no difference of opinion among the political parties that Martial Law should go once and for all. All parties wanted Armed Forces back in the barracks and make arrangements for holding of general elections, the Maulana said and added, "Martial Law is a law of jungle. Whenever it was imposed, the country had suffered a great national loss".

The Maulana said only an elected government could be effective as it had the support of masses and cited the example of Indian which had a popular government in 1971 enjoying support of 600 million people. "Had we an elected government then, we should not have suffered the debacle in East Pakistan", he said.

He said if Federal Council (Majlis-e-Shoora) could be formed, hockey and cricket matches played and local bodies elections held, what was the hitch in holding general elections. He termed the government, plea to hold pools at an appropriate time as meaningless.

Maulana Noorani said the JUP was striving hard to form an alliance which this time won't be an election alliance rather it would be formed to end Martial Law. It was not for the first time that JUP was making efforts to form an alliance. In 1973, formation of United Democratic Front was initiated by the JUP in Islamabad; In 1977, Pakistan National Alliance (PNA) was formed in the Lahore Office of the JUP, he claimed.

He said both the previous alliances had struggled hard for the restoration of democracy and implementation of Nizam-e-Mustafa "It was useless to repeat the past. I don't want to blame anyone. The struggle launched by the PNA will bear fruit one day", the Maulana said and lamented, "we are left alone in the Nizam-e-Mustafa movement because a few people have left Islam and have gone to Islamabad".

"The promise of holding general elections was made in the House of God and the same should be honoured", he said and added: "Holding of election is the key to all national problems. The present rulers should have learnt a lesson from the past".

He said the government claimed that it was doing hard to introduce Islamic laws but he could not see Islam anywhere from Karachi to Khyber. "There is no Islam even in Islamabad. Every possible effort would be made from the platform of the JUP for the implementation of Nizam-e-Mustafa", the Maulana assured. He rejected the claims of the government that there was no Dulai Camp now and said that Lahore Fort and a torture camp at Manpur Road in Karachi were worst than Dulai where several people were being tortured. The Maulana said it seemed that there was a police rule everywhere.

Maulana Noorani condemned

the statement of Amir of Jamaat-e-Islami that if any movement would be launched by any political party against the government, Jamaat would resent it. He said such statement could lead to a civil war. "I have seen that Al-Badr organisation was being reorganised and on my way to Kasur, I have seen the camp where Al-Badr men are being trained", he added.

The JUP leader said there was no question of any change in his party's stand towards the defunct People's Party. The JUP believed that PPP killed democracy in the country during its rule.

Earlier addressing the gathering, Maulana Sattar Niazi said according to him, "there could be no government without election and there could be no government without consultations". He said there was no concept of Martial Law in Islam and added it was a lawlessness in fact. There could be now law without the support of the masses.

Maulana Niazi said Communism and Socialism were non known as the 'brute forces' throughout the world. He said there was no better "ism" than Islam. He demanded that civil liberties should be restored forthwith, military courts be abolished and elections held because this alone could save the country from all dangers.

Another JUP leader, Maulana Akbar Saqi, said formation of Majlis-e-Shoora was no great event of the present regime and added, "it was so helpless that it could not elect its Chairman and instead he was nominated by the President.

He said there was no logic in imposing ban on the movement of political leaders within the country.

Presenting the welcome address, Pir Barkat said the JUP had reached an agreement with Muslim League for the restoration of democracy and implementation of Islamic order and it was also ready to join hand with any political party who was sincere to launching a struggle to end the Martial Law in the country. He said Maulana Nooram had attained the role of a peace-maker due to his sincere efforts for the cause of Islam.

CSO: 4220/303

NOORANI ON '1-MAN 1-VOTE' SYSTEM, CONSTITUTION

Karachi DAWN in English 11 Mar 82 pp 1, 10

[Text] The electoral principle of one-man-one-vote is not in conflict with the Islamic democratic system, Maulana Shah Ahmad Noorani, President of the defunct JUP, said in Karachi on Wednesday.

In support of his contention he pointed out that Hazrat Abu Bakr became the first Caliph with the "active consent" of the people. Therefore, he surmised, the right of a person to choose his her representative to manage the state affairs is enshrined in the traditions laid down by the Holy Prophet (peace be on him).

However, Maulana Noorani said in an interview, Islam allows flexibility as to the form of government which, by implication, means that whichever form is considered to be suitable to the genius of the people, may be adopted.

And, in Pakistan after a process of trial and error the parliamentary form of government has been adjudged to be the "most workable and easily understood system".

He advised the Government not to reopen the issues already settled. This might create an impression that the Government was trying to prolong its stay.

Maulana Noorani said it was undeniable that Pakistan came into being on the basis of a democratic struggle. And, under the 1935 Government of India Act the Muslim nation voted for Pakistan and later, under the Constitution as adapted by Pakistan, the governments at the Centre and in the provinces were set up on the parliamentary pattern.

It was under the parliamentary system that elections were held in East Pakistan, even though the ruling party was badly trounced. Likewise, the same system was followed in the elections held earlier in Punjab. In 1958 elections were due to be held when the first Martial Law was imposed. Again in 1970 and 1977 parliamentary elections were held on the basis of one-man-one-vote.

Maulana Noorani pointed out that the peoples of the subcontinent — India, Pakistan and Bangladesh — had, since the introduction of 1935 Act, been accustomed to a parliamentary form of government. Any innovation now, under whatever garb, will not be helpful, he said.

Maulana Noorani further contended that since Pakistan's creation the question of the system of government had been considered threadbare. Experiments were made in the parliamentary and presidential systems and finally the parliamentary system was chosen.

In this context, he cited the 1954 Basic Principles Committee Report, the 1956 Constitution, the 1962 Constitution, and the 1972 interim Constitution. Finally, in 1973, the National Assembly constituted a 25-member committee on whose recommendation the 1972 interim Constitution incorporating the Presidential system of government was rejected and in the 1973 Constitution the Parliamentary system was adopted.

The position today is that under the Provisional Constitutional Order (PCO) the Government may, on the recommendation of the Islamic Ideology Council, make changes in the system of government or in the mode of election. But all such changes will stand invalidated if the 1973 Constitution is restored in its original form.

UNANIMOUS DEMAND

Maulana Noorani, pointing to the unanimous demand for the restoration of the 1973 Constitution, said it was not advisable for the Islamic Ideology Council to undertake a job which, in his view, was outside its competence under the 1973 Constitution.

He pointed out that the Council under the 1973 Constitution was competent to consider any law which was deemed to be repugnant to the Holy Quran and Sunnah, and when the case was referred to it by the National Assembly. As for the Islamisation of laws a seven-year period had been provided for in the Constitution.

Asked about the principle of proportional representation, Maulana Noorani said, it had been borrowed from West Germany where its successful working has not yet been proved beyond doubt.

However, for the people of Pakistan, he said, it will be an innovation which had better been avoided. Nevertheless, Maulana Noorani thought that the Government and all the defunct parties, by common consent, may introduce the principle of proportional representation. The best course, however, will be to leave this question for the future elected legislature to decide.

CSO: 4220/319

GOVERNMENT'S ENERGY POLICIES QUESTIONED

Islamabad THE MUSLIM in English 3 Mar 82 p 4

[Editorial: "Energy Conservation"]

[Text]

PRODUCTION of oil in Pakistan is increasing by only six per cent. Increase in population by three per cent is reducing the increase in per capita output by three per cent. The Minister for Petroleum and Natural Resources hence wants energy consumption in Pakistan to be reduced by 10 per cent; but is this possible, and are appropriate steps being taken to reduce consumption?

Pakistan is now producing only 12 per cent of the oil it consumes. If gas did not meet 40 per cent of the energy needs of the country, its position would have been too critical; but while the efforts to find more oil and gas are slowly proving rewarding, are the efforts to reduce consumption proving a success?

Rao Farman Ali is not being rational when he argues that if the Western States can reduce consumption by 20 per cent, Pakistan can comfortably do that by 10 per cent. But is not the West reducing its over-consumption or sheer waste while the per capita consumption of energy in Pakistan has been hopelessly low?

We do not see the so-called organised programme for energy conservation formulated by the government which Gen. Farman Ali has spoken of making any headway. Illuminations at weddings are usually as lavish as ever all over the country. More and more private cars are coming and increasing the demand for petrol and lubricants. Large cars are still in vogue in official and non-official circles.

The VIPs seem to move in a cavalcade of cars when they go any where. Are so many cars really essential, and such large cars?

It may be argued that what can be saved through some of the economy measures in the official sector is not much. That may be true, and yet it has enormous symbolic value. Those who exhort others to conserve energy should be seen doing that themselves and doing that earnestly. If the masses have to suffer because of the energy conservation measures the officials, high and low, must be seen to be reducing their own demands on energy significantly.

The industries are facing shortage of power. In Karachi, for example, the working of the mills have to be staggered and shifts reduced so that domestic consumers can get power. Shops are closed by 6.30 p.m. inconveniencing

people a great deal so that the power saved can be used by the industries.

Such enforced saving in areas where the people are directly affected should be matched by the saving in the official sector and by the rich. If the energy conservation programme worked out earlier does not work, and is seriously flawed, let it be amended instead of being disregarded or held in contempt. If there is still a law or rule about illumination, let it be enforced for all and not only for some. Illumination for marriages or other functions is something that cannot be done quietly. It is done openly and lavishly in many cases, and often made to last for a week or more, depending on the resources or ostentatious spirit of the householder. All such anomalies, contradictions and discriminations have to go, and the rule must be uniformly applied regardless of the might or money of the offender.

The gas reserve of a hundred years or more that was talked of earlier is depleting too fast. Industries in key production centres are not able to get the quantity of gas they need. Infrastructure constraints, including shortage of water, have become major deterrents for industrial expansion. The Export Free Zone being set up in Karachi is critically affected by such shortages.

The Government has also to take a second look at its policy of allowing endless number of private cars into the country. Most of these cars are large in size, and not of the economy kind used in the West today to conserve energy. The Government may be interested in collecting the large import duties paid by persons getting the cars under the gift scheme and the revenue from the inflated price of petrol but can the country afford to pay the increasing oil import bill and the enormous amount of money needed for importing spare parts?

While the import of private cars is continuing liberally, public conveyance system is not being developed. Addition of a small number of buses here and there does not solve the problem. Today too many persons are being forced to buy a car at Rs. 100,000 or more simply becuase public buses and taxis are not available. Such pressures on the fixed income groups lead to increasing corruption, and sometimes crime as well. Hence Rao Farman Ali and others should, instead of merely fixing a percentage for reduction in energy consumption come up with positive measures and implement them resolutely.

CSO: 4220/303

GOVERNMENT URGED TO SEEK FINANCES FOR HOUSING

Karachi BUSINESS RECORDER in English 8 Mar 82 p 1

[Text]

The National Committee on Housing has recommended to the government to seek financial assistance from international agencies to finance housing projects in Pakistan.

The committee in its last meeting endorsed the view of the expert group that the United Nations Habitat Fund be approached to mobilise additional resources for investment in housing.

The committee has also expressed the view that Islamic Development Bank and Kuwait Fund should also be approached for this purpose.

The National Housing Policy is still under preparation which is expected to be finalised soon. Then it will become a part of the sixth Five-Year Plan to be announced by the government.

HOUSING FUND

The National Committee has also agreed about the establishment of the Housing Fund under the Federal and Provincial governments to encourage their employees to have their own houses. The committee has also recommended that this fund should also include the employees of semi-government and autonomous bodies of the Federal and the Provincial governments.

The committee is also of the view that the existing rent restrictions laws are inequitable and tend to discourage investment in housing and therefore these laws should be reviewed and rationalised.

CSO: 4220/304

MINISTER STRESSES AGRO-BASED PROJECTS

Karachi BUSINESS RECORDER in English 7 Mar 82 p 6

[Text] ISLAMABAD, March 6: Vice Admiral Mohammad Fazil Janjua, Minister for Food, Agriculture and Cooperatives here today stressed the need of stepping up development activities in the Barani (raid fed) areas to produce more food and uplift the socio-economic life of the people.

Inaugurating a week long "in service training course in agriculture' at the Rawalpindi Barani College, Janjua said the Barani area could not be developed by just improving crop farming but through an integrated approach covering all aspects of agriculture and agro-based industry.

The Minister dwelt at length in explaining the needs of farmers of the barani areas and told the field workers to devotedly serve the area, which was one third of the total area under cultivation in the country but producing much less than its potential.

FEASIBILITY STUDIES

The Minister asked the officials of the Agency for Barani Area Development (ABAD) to prepare feasibility studies on projects like sheep farming and processing of fruits and vegetables. He said majority of overseas Pakistanis belonged to the Barani Areas and they would welcome such feasibility studies which would enable them to invest and establish such an industry for export purposes and also to meet the local demand.

The Minister was of the view that integration of forestry, grazing and arable farming was must to exploit complimentarities in land use potential of the 5.89 million hectare barani area. He said livestock and forestry was as important for the farmers in the barani areas as crop yield. Noting that most of the people in the barani area were exservicement, the Minister said such a group of disciplined people could be easily motivated to participate and lead the cooperative movement. He said field workers should persuade farmers to form cooperative societies so that small farmers could also utilise mechanised farming and improve production technology.

He emphasised the need for strengthening, the linkage between education, research and extension through the concerted efforts of the teaching staff of the Barani Agricultural College, The scientists of PARC, and Agricultural Research Institute, Chakwal, and the extension officers and staff of ABAD. He said they should come out with the field tested research recommendations or evolve site specific production technology.

CONSIDERABLE GAP

The Minister regretted that there was a considerable gap not only between research recommendations and actual practices of the farm level, but there is also a big difference in the productivity of farms in the same locality and even in a village. The extension specialists and field workers must accept the challenge to minimize the existing gap between the actual and potential production through the transfer of tested technology in the shortest possible time.

He said the task of transfering new technology would be accelerated if the researchers, extension specialists and field workers jointly develop appropriate, adoptable and easily understandable extension message for the farmers.

RESEARCH NEEDS

Referring to the course, the Minister said the participation of researchers and extension specialists representing different disciplines provided an opportunity to identify and deliberate on various aspects of agricultural development during the week long inservice training course'. It is equally important that the extension officers provide feed back information to the researchers to redefine and redirect their research efforts to meet the research needs of the barani areas, he added.

Admiral Janjua said in the past the public investment to develop research infrastructure had been primarily focussed on irrigated agriculture resulting in almost complete neglect of barani agriculture. He pointed out that it was the present government had taken steps to accelerate public investment, to develop teaching and research infrastructure for barani agriculture. In this connection he mentioned the establishment of National Agricultural Research Centre at Islamabad and the Agricultural Research Institute, Chakwal. Such institutions go a long way in evolving research recommendations tailored to the needs of the barani farmers", he said.

Referring to reports of labour shortage in the barani areas, especially during harvesting seasons he said the problem of labour shortage has been attributed to inter and intra-country migration.

He said a careful analysis was needed to identify the extent of labour shortage so as to devise measures to overcome the problem. In this context, it may be necessary to develop agricultural machinery and farm implements to introduce selective mechanization of barani agriculture through village cooperatives, he added.

He said transfer of population had also a bright aspect because the out-migration from the ba-

rani areas has resulted in substantial home remittances. Efforts should be made to channelize the home remittances to agriculture and agro based industries development in the barani areas, he added.

Earlier Principal of the Barani College, Dr Mohammad Rafiq said by inaugurating the course, the Minister encouraged the field workers, who he said would devotedly serve the farmers and continue to improve their own knowledge also. He said about sixty officials were attending the week long inservice training course, organised with the assistance of the ABAD.

The ABAD Director General Brig. (retd) Muzaffar Ali Khan Zahid gave a resume of the activities of the ABAD and said that the barani areas have become self-sufficient in wheat and other food products.

He was of the view that the area had great potential for setting up of the agro-based industry and boosting crop production. He said barani areas could produce wheat enough to meet the requirement of Punjab if concerted efforts are made to fully exploit the land potentials.—

CSO: 4220/304

RURAL DEVELOPMENT TERMED CRUCIAL

Karachi BUSINESS RECORDER in English 7 Mar 82 p 2

[Editorial]

[Text] In view of the peculiar conditions of our country, our development pattern has got to be altogether different from others', particularly the Western countries'. Though there has taken place a change in the composition of the country's population during the last 35 years, the majority of the people still live in villages and depend on agriculture for their livelihood. Initially, the ratio between the rural and urban population was something around 90:10 or 15:85, but with the passage of time and some industrialisation in the urban areas, the ratio has now been reduced to 30:70. This has not brought about any radical, qualitative change. The overwhelming majority still lives in the villages and is engaged in agriculture. As such agriculture still remains the mainstay of our economy.

It was under the influence of the Western economies that whatever industrial development has taken place in this country during all these years, has been at the cost of agriculture. There has been a constant deterioration in this all important sector of our economy and it was indeed an irony that the country which was once known as the granary of the subcontinent had turned into a major importer of foodgrains. This had caused a lot of strain on our meagre foreign exchange resources, besides increasing our dependence on others. Apart from that, the new industries which were set up were to a great extent import based. This added to the difficulties instead of bringing out any real relief to the people. It called for a major shift in our development strategy.

In the late seventies the need for such a change was seriously felt and some measures were initiated to improve our agriculture. With the acceleration of efforts in this direction, conditions started improving. Our agricultural production increased which enabled us to reduce the imports of foodgrains.

Some of our cash crops which had also suffered great setbacks in the past, again emerged as major foreign exchange earners. But now it appeared that the previous policy was being reversed and agriculture was being developed at the cost of industry. Such a policy can be as injurious as the previous one. What we need is to create a balance between the two.

In the agriculture sector efforts have to be made to increase per hectare yield. We are glad to see that the problem is now receiving proper attention. So far increases in production have taken place on the basis of extensive farming which resulted in the diversion of land from one crop to the other. As a result, production of one commodity increased at the expense of the other. The need is to resort to intensive farming and get better results by applying better inputs.

As regards industrialisation, it should be based on the locally available raw materials. Agro-based industries must be given priority in the scheme of development. A number of industries can be set up in the villages on small or medium scale which would provide gainful employment opportunities to the seasonal agricultural labour. Such a policy would really diffuse the benefits of development to the common man.

The new development policy should, in short, make the village the centre of all development schemes. The Government should concentrate on providing the infra-structural facilities in the rural areas. It can provide incentives to the people who create their own infrastructures in rural areas. For instance, if someone sets up his own generator or arranges for water or even builds a small link road, he must be provided with tax exemptions. The objectives can be achieved easily if agriculture is allowed to be developed on the basis of industry. Time has come to set up agricultural joint stock companies, which we have been stressing all along In view of its importance, we hope, that steps would soon be initiated in this direction. The sooner we went back to the villages the better.

CSO: 4220/304

ELECTION COMMISSION'S MEETING BEGINS

Karachi MORNING NEWS in English 11 Mar 82 p 5

[Text] A two-day meeting of the Election Commission of Pakistan yesterday began in Karachi under the chairmanship of Mr Justice S. A. Nusrat, Chief Election Commissioner.

The meeting discussed administrative and procedural matters and also to have a first hand knowledge of the working of the Commission.

The meeting was attended by the four members of the Commission, namely: Mr Justice Mohammad Rafiq Tarar; Judge of the Lahore High Court; Mr Justice Saeeduzzaman Siddiqi, Judge of the Sind High Court; Mr Justice S. Usman Ali Shah; Chief Justice of the Peshawar High Court; and Mr Justice Abdul Qadeer Chaudhri, Judge of the Baluchistan High Court. Senior officers of the Secretariat, of the Commission also participated in the meeting.

The meeting commenced with the recitation from the Holy Quran followed by a resolution on the sad demise of the former Chief Election Commissioner, Mr Justice Karam Ilahee Chauhan. Fateha was offered for the departed soul.

The meeting of the Commission will continue tomorrow to complete its deliberations.

The condolence resolution passed on the demise of late Mr Justice Karam Ilahee Chauhan placed on record Election Commission's sense of profound grief and loss at the death of Mr Justice Karam Ilahee Chauhan, who served as Chief Election Commission and Judge of the Supreme Court of Pakistan with utmost devotion and distinction.

The resolution said: "In his death the country has lost an eminent jurist and the Election Commission a singularly able administrator. His sense of justice and fairplay and his unwavering devotion to the highest principles of law and equity will always be remembered.

"We pray that Allah, in His infinite mercy; grant him peace and comfort in the hereafter and give strength and fortitude to the members of the bereaved family to bear the loss."--PPI

CSO: 4220/318

EDITORIAL JUSTIFIES KARACHI'S COMMERCIAL IMPORTANCE

Karachi BUSINESS RECORDER in English 11 Mar 82 p 2

[Text] It seems that the Lahore Chamber of Commerce and Industry has still not been able to get rid of its Karachi obsession. We call it an obsession, because the Lahore Chamber keeps on repeating a totally baseless allegation that the business community in Karachi is getting more facilities from the banks than that of the Punjab. Attempts have been made to dispel the erroneous allegations at all authoritative levels and most recently by the National Bank's President in reply to the chamber's address. Because the allegation is baseless and the banks since nationalisation have been inhibited by provincial and regional considerations, their profitability and economic viability have suffered considerably. The fact of life is that the business community of the Punjab and the upcountry region as a whole, has been receiving a much larger proportion of bank advances than Karachi and the South-e region. The largest portion of advances of the size of Rs. 10 to Rs. 30 crore is up there and advances of the size of Rs. 30 crore and above are almost all with the business community in that area. Actually the business community of Karachi has not been finding it easy to get bank credit, with the result that a profitable private money lending market, inspite of the risks involved, is growing and flourishing here.

From the institutions like the chamber of commerce and industry, one expects a reasonable, responsible and knowledgeable attitude, particularly from those in the Punjab and, above all, from that of Lahore, since that region is the heart of Pakistan and Lahore is the queen city of the country. The statements that emerge from the Lahore Chamber are bound to have tremendous repercussions and it should always bear in mind that as a representative organization of the big brother, it bears a big responsibility which it cannot shirk. When it talks about Lahore, it should never forget the business community of Peshawar, Multan, Faisalabad, Quetta, Sukkur, Hyderabad and Karachi. It is inexplicable to us how any responsible citizen of the country can lose sight of the fact that Karachi is the only sea-port of the country. It is on all the international air trunk routes. And it is the only internationally known money centre of Pakistan. It is the only city of Pakistan with a unique population composition. Among the dwellers of Karachi the largest number is of our brethren from the N.W.F.P., then come those from the Punjab, then Sindhis of all vintage and the Baluchis. It is Karachi's Chamber of Commerce and Industry which has established a convention to elect its president, through rotation, from among the businessmen hailing from various regions who have their business interests in Karachi.

It was no accident that the birth of Pakistan took place in this city. It is Karachi's geography and its history that has attracted entrepreneurs not only from every nook and corner of the country but also from abroad. With its growth have grown its money needs

as well as its contribution to the country's revenues which is more than that of all other business centres of the country put together. It will be interesting to note that for most of the industries that are now coming up in other centres and towns, the sponsors' capital has been derived from their enterprises in this city. Also very naturally the up-country labour force is remitting not an insubstantial amount of money to their families in their native regions. Indeed, Karachi is the proverbial goose that lays the golden eggs every moment of the day. Let us not starve it. The prosperity of all regions of Pakistan is bound together. Every region's genuine needs must be attended to, but not at the cost of others. Let us not make odious comparisons.

CSO: 4220/321

STRATEGIES FOR EDUCATION SUGGESTED

Islamabad THE MUSLIM in English 6 Mar 82 p 4

[Article by Prof. Mrs. Salma Zaman]

[Text] EDUCATION is a growing and dynamic process and cannot afford to remain static and rigid. It has to regulate its pace with the needs and demands of the time and society.

The subject of education is usually more close to people than probably any other. Every body who is any body, therefore, regards it both as his right and duty to express his views on education for it encompasses in its fold children, young men and women, parents, the community, society, natural and social sciences, religion and technology alike. Every aspect of life influences education and is influenced by it.

Education and growth, therefore, are intertwined and hence the method, mode, contents, philosophy and aims of education have to be adjusted with the needs and requirements of a society. Except for the very basic moral and intellectual code which is essentially the same all over the world, the system and contents of education differ from one society to another, and from one age to another. A system which might have worked very successfully at a certain time, in a certain society, could become out of date and infructuous in another society at the same age or in the same society at different period of history. An educational system of one country transplanted thoughtlessly in another country without paying careful attention to the country's environmental needs, historical background, economic and social requirement is hardly ever productive.

It is for this reason that when we talk of educational reconstruction we have to be very careful. We may, doubtless, learn from the trials and errors of other societies in planning our own system, but we have to be extremely cautious not to repeat the same mistakes which, say, the British committed in the early nineteenth century and took several decades to make education free and compulsory, or the difficulties they had to go through in stopping young children from being chimney-sweeps or factory hands, or the problems they had to face in trying to equalise opportunities of education for the larger section of society. For at that particular stage of history, the British could afford to get away with this delay in their country's development, but no country today can afford to do the same. The methods and contents of education, too, have to keep pace alike with the norms, mores and economic needs of a society and cannot in totality be imposed upon another society. The details of philosophy, contents and methodology, too, have to be adjusted similarly. Educational policies for reconstruction of education, must, therefore, be rooted in the soil, of a country and should take their nourishment from its socio-economic climate.

In the context of our own country, therefore, we have to take into consideration the following points when we plan any strategy for the reconstruction of our educational framework.

(1) Pakistan is basically an agricultural country and most of our educational planning should be agriculture-oriented.

(2) By and large, our country is composed of villages. No scheme of education will be productive without first taking into account the needs of the rural people who constitute about 70 per cent of our total population.

(3) With the literacy percentage being as low as 20, no scheme of education can bear fruit without making the whole population literate in as short a time as possible. Bearing in mind the financial constraints, the old stereotype for the expansion of literacy will have to be given up and replaced by mobilising the youth to work in this direction while they are still in the process of getting their first degree.

(4) We are living in a highly competitive technological and scientific age and in order to keep pace with the scientific and technological development of the advanced countries of the world, we have to divert our energies and resources in removing all the backlog. We have, therefore, to fix our priorities in the right direction and have to decide here and now, whether it is more consequential to import luxury items like big cars, coloured TVs, VCRs or the like or to bend all our foreign exchange resources only to import items of light and heavy machinery which can be used for establishing and promoting our national construction and becoming self-sufficient as early as possible. Imposition of heavy duty rather than total ban on these luxury goods cannot be justified in a poor country like ours which is today importing even such items of daily need as needles and press-buttons. It is not just the economic but the moral philosophy of it all which has to be changed. If some persons can afford to pay heavy import duty in order to live in garish pompous and lethargic luxury while most of our people cannot make both ends meet, it is bound to pave the way for a dangerous social convulsion.

With balanced and planned development, the whole society should be slowly and gradually raised like a platform, so that it is not titled in one direction. This kind of development is slow but it is sure.

All gaps cannot be filled up with one single stroke but efforts can definitely be made to narrow down the social chasms as far as possible, or else the nation will remain divided on the basis of wealth and this division will continue to further divide the people intellectually, morally and socially. We must not forget that poverty and deprivation are the breeding grounds of all evils.

(5) Pakistan is a multilingual nation, but luckily all the languages are tied together with one dominant strand of Arabic, the language of the Holy Quran. It is a great unifying force in a country where 97 per cent of the population is Muslim. The scripts of all Pakistani languages are derived from Arabic and their vocabularies are dominated by Arabic words. Thus the apparent plurality of languages, if tackled with broad-minded and large-hearted justice, far from being a stumbling block to progress, can become a colourfully unifying force in its variety. Almost all Pakistanis are bilingual. Most educated people know at least three languages. In this respect, we are in a better position than many unilingual nations of the world. In the Provinces where more than one language is used, provincial/regional languages should be taught to children right from the earliest stages. Bilingualism is an additional mental adornment – an asset, not a liability. At the same time, the place of English, too, cannot be overemphasised for our intellectual and economic development. We cannot make worthwhile progress without learning at least one international language, and English can be that language for us.

(6) In order to make any strategy for reconstruction of education to bear fruit a phased implementation should be planned under the umbrealla of at least 4.6 per cent of the GNP (suggested by the UNESCO for developing countries) to be spent on education. Expenditure on education is an investment for future.

(7) Attitudes change slowly and implementers of policies find it hard to get coordination from various concerned departments. A number of good policies of education have been smothered to death by unplanned implementation, impractical bureaucratic haste and self-righteous, rigid and unacademic attitude of our pedagogues.

(8) All education, especially upto the higher secondary stage, must be action-oriented, rather than being theoretical and bookish as at present. Practical work in all kinds of arts and craft, carpentry, book-binding, tailoring, plumbing, refrigeration, book-keeping accounting, typing, stenography, etc., must be integrated with the usual syllabi of studies so that by the time the young students complete the higher Secondary stage at the age of 18, they are sufficiently ready to take up a vocation. A programme may at the same time be made for these school-leavers to get apprenticeship with the related industries.

All industries should be made to spend a certain percentage of their income on the apprenticeship of these young people. In return, the industries should be allowed some sort of incentives in the form of tax relief. Those interested in higher training, and according to their performance may get admission in polytechnics or technical colleges, where at least 50 per cent of the work should be action-oriented on a higher level. This would enable a large majority of our young men to get into lucrative vocations at an early age rather than having to wait for the usual university degree before they are able to make up their minds about a profession. It is these young people who grow into angry young men. Their higher education should be made practical by a significant amount of work in the slum areas of cities and in villages, where they should put in at least three months or more in an academic year as social workers, teachers, health visitors, technicians. They should be accompanied with their teachers to help and guide them, while keeping close contact with the less fortunate members their society. They would thus be making their own education fruitful, without making the social welfare programme very costly.

(10) The pace of education of women, presently, is slow with only 5 per cent literacy among them. This has to be speeded up by equalising opportunities for education as well as for jobs and changing the attitude of people. It has to start from the higher sections of society that are the pace-setters for progress. Educated women are an asset not only to the family but also to the whole society. "Educate a girl and you educate a family" is truer today than it had ever been before.

Islamic Studies and Pakistan Ideology, lately introduced as part of the college and university curricula should also be practice-oriented in the above-mentioned direction, for mere theoretical, learning without practical performance would again be nothing but dead weight, and would make no impact on the life of the community. Provincial, parochial or tribal prejudices are not in keeping with the true Islamic brotherhood or the Ideology of Pakistan which are two sides of the same coin. Religion is not merely an abstract reading of the Holy Quran, Hadith, or Fiqh, but a deep and unbending Faith in the essential Truth and Goodness of the Creator and His Messengers, the Holy Prophet (peace be upon him) enlivened by action Knolwedge unsopported by the grace of Faith has led some of the scientifically advanced countries astray, while our Faith, weakened by superstition and ritualism and unsupported by scientific knowledge and action has pushed us down into lethargh and degradation.

We have to be careful of these pitfalls when taking any decision about choosing strategies for reconstruction of our educational system in order to suit our national needs.

CSO: 4220/304

CONCERN VOICED OVER MASS ARRESTS

Islamabad THE MUSLIM in English 6 Mar 82 p 4

[Editorial]

[Text] Maulana Shah Ahmad Noorani and several other political leaders maintain that about 10,000 persons have been arrested since the round up of persons, variously described as anti-social elements criminals and vagrants, began a week ago. Newspaper reports say that prisons and police lock-up in the major cities of Sind and the Punjab as well as the countryside are full and the jail authorities, beginning with those of Kot Lakhpat, have refused to accept any more prisoners. Larger number of detainees are reported to be held in open camps, in this harsh weather.

Full official figures of the number of persons arrested throughout the country are not available. Whatever official figures given out speak of only a few thousand arrests. President Ziaul Haq said earlier that the actual number of arrests until last Saturday were 2,132. But if 615 persons were arrested in Hyderabad Division alone by Saturday, the wide sweep of the police action is evident.

Maulana Noorani and Mr. Ghulam Mustafa Jatoi along with several other leaders insist the barely five per cent of the detainees are criminals. The others include a large percentage of innocent or hapless persons and political workers. Political leaders speak of their relations being harassed and threatened, by the police. In a massive round up with such a sweep more innocent are likely to become victims of the police measures than tough criminals or professional mischief-makers.

Such block raids have not been uncommon in the past, but the dimension has never been so large and the number of arrested so many. Nor has the raids been sustained for so long. That is what makes the campaign so upsetting to political leaders and public alike. How long more will this campaign last, and with what results?

Should the police be praised for what they have done, or are the raids a clear reflection of the failure of the police in performing their normal duty? The police knew all along where the nests of the criminals were and where the vice dens, pleasure houses, opium joints and illicit distilleries were. Much of such immoral trade or criminal practices were being carried on with the knowledge of the police, and sometimes with their approval. If the police meant business why could they not bust such places earlier and apprehend the criminals? It cannot be that they have become wise, clever and alert in one day or one week. The real danger is that these very criminals and persons engaged in illicit trade may soon be allowed to return to their old trade and those among the police who patronise them may profit by that, as in the past.

Surely the hardened criminals or tough thugs have not been sitting in their lairs after the first night's massive round up. The real criminals must have gone underground after the first night and some might have received advance intimation of the raids to come on the night of Wednestay-Thursday. So a good deal of persons detained after that night could easily be people with no criminal records or not intend on committing any offence. Anyone walking around looking for a conveyance that is not easily available at night could not become a criminal, a habitual offender or a suspicious vagrant.

Religious leaders like Maulana Noorani assert that Islam does not permit persons to be arrested or jailed merely on the basis of suspicion. Western jurisprudence does not allow that either. So the innocent among the arrested must be released immediately. And those against whom there is nothing more than vague suspicion should also be let off.

Even those who had been convicted before cannot be detained only on the basis of their past record. Neither the Islamic jurisprudence nor any other legal system permits a man to be punished a second time for an old offence nor for him to be regarded as damned for ever. If persons who were convicted earlier are regarded as criminals for ever and arrested, or punished as a matter of course, such persons would not try to be reformed criminals after their release but return to their criminal trade under such compulsions. Let us not hence treat some persons as branded for ever.

Some of them are said to be habitual criminals. Are they habitual offenders under psychological compulsions or emotional pressures? Such men need psychatriac assistance instead of being arrested as a matter of course, time and again. If only the police were efficient, upright and alert we would have fewer crimes and less or number of hardened criminals in the country. Unfortunately the police themselves have been figuring in increasing number of crimes, from thefts and organised raids to sex crimes. So, the criminals could not be reformed and crime as a whole checked unless the police force is cleansed, really reformed and the bad eggs eliminated.

The number of crimes in the country would be far less if the judiciary, too, could deliver quick judgments instead of cases lasting for too long. The kind of judicial system, and the demoralising procedure we have help the criminals and harm the honest. Hence the problem of combating crime calls for more than block raids and summary punishment of a few who fell into the police net unwittingly.

The real fear is that in far too many cases the police may bargain with the arrested persons or their relations for their release. This had happened in the last, and there is no reasons why it should not be repeated now. In fact, such designs may prompt the police to arrest more persons. The government should, hence, intervene promptly, scrutinise every case quickly and release immediately the innocents and those against whom there are no positive charges. Those held on grounds of mere suspicion should also be let off.

The police cannot be, and should not be given unlimited authority to arrest and detain anyone. The normal law of the land should prevail in this regard, and so also the spirit of authentic Islamic justice and fairplay. So let not such raids be repeated, certainly not in this manner, the people subjected to needless police harassment and the floodgates of corruption and official improprieties be opened in this dramatic manner.

CSO: 4220/304

PAKISTANI LABOUR ABROAD BEING REPLACED

Islamabad THE MUSLIM in English 2 Mar 82 pp 1, 8

[Article by Saeed Qureshi]

[Text]

ISLAMABAD, March 1: Pakistani labour in the oil-rich Arab lands in being steadily replaced by men from other countries who are more disciplined and trained and demand lesser salary, a well-informed source told The Muslim today.

This new threat to the Pakistani workers is partly due to the unscrupulous recruiting agents and manpower exporters who had been sending raw hands to Arab countries; not only that the "exported labour" also failed to come up to the standards set by the host countries.

The highly-placed sources apprehended that very soon Pakistanis would start returning home while those wanting to go to the Middle East would be seriously handicapped in getting a clearance for the region.

The source attributed the lack of training facilities and a blind exodus of unskilled workers to the Arab countries for earning a "bad name", ultimately leading to their unmentonous return to Pakistan.

The source said that no sound and serious plan for investment of the 3 billion dollars rent by Pakistani workers was ever conceived by the private or public sector in Pakistan. While the private sector lacked proper guidance, the public sector was not in a mood to utilise the colossal amount which was pouring in Pakistan through remittances.

Referring to the proposal of the Minister for Labour and Manpower announced in London that investment wings should be opened in Pakistan Embassies, a financial expert said this was not practicable. Posing a question, he said who would arrange the enormous funds needed to run these extra wings?

Of the SEMF investment scheme floated by the government last year, the source said out of a total fixed capital of Rs. 280 million, London's contribution was barely Rs. 5 million.

The Pakistanis working abroad, according to the source, were confused and did not know where to invest their hard-earned money. Some of them were importing luxury goods, while a few wanted to import only plastic moulding and dyeing machines. The market for those type of industries was already started and the government could not allow import of machinery, the source added.

The Overseas Pakistanis Foundation, the technical expert said, had to draw feasible plans for investments of the Pakistanis working abroad.

He said there was tremendous scope for establishing industries in the northern areas and the money sent by the Pakistani workers could be justifiably utilised there.

It was erroneous, he said, to infer that private sector could never succeed. The case of flying coach service between Lahore and Rawalpindi was there to prove that organised planning could yield fruitful results, he added.

CSO: 4220/303

LETTERS FROM VICTIMS OF MONEYLENDERS PUBLISHED

Islamabad THE MUSLIM in English 2 Mar 82 p 1

[Text]

We received this letter from a money-lender's victim. Translation follows:

I AM a school teacher. I am not yet married. Father died five years ago. I have a brother and a sister. Mother does sewing and darning work. I get paid by the school. Two years ago, mother borrowed two hundred rupees from a money-lender without consulting me. But on the register on which she signed the amount shown was three hundred. She needed the money for the children's clothing and school fees. Out of shame she did not borrow from relatives or neighbours. For the last year, the money-lender has been coming on the 10th of every month. After night there is a special knock at the door that terrorises me and the children. Mother goes to the door with my younger brother and pays him forty rupees every time he comes after offering him their humble salutations.

We have paid about a thousand rupees in two years. At first, mother kept this a secret but when I came to know of it, I requested the money-lender to take the principal amount together with interest at one go. I told him I was willing to pay him a whole month's salary but he refused. God bless you.

There's one thing, however, that surprised me; a police officer has also contributed towards your report. Are there such officers in our police? There are tears in my eyes. How to give you my name and address? Just consider me a persecuted daughter of the nation who looks in helplessness at the sky while national leaders are busy making speeches and issuing edicts.

A daughter of yours.

UNBELIEVABLE

YOUR front-page report on the 1960 Money Lenders Ordinance (Feb. 25) gave me the shock of my life. Is it true? Believe me, I could not sleep the whole night.

For the last five years, we have held so many seminars and the one on Islamisation takes the priority. We have also collected Zakat. There is no end to our 'Fatwa', our seogans, speeches, etc. All this is a joke with His Book, wherein he says that 'Riba' is a war against Him and His Holy Prophet. May Allah forgive us?

Your Paper has done a commendable service by highlighting the problem. I pay Zakat and it should be the first duty of the State to take over the entire liability of the money-lenders' victims. I am prepared to pay a portion of my property to free the poor widows and orphans from this burden.—S.SALMAN, Islamabad.

YET ANOTHER ONE

WHO WILL HELP?

I HAVE no words to thank you for taking the trouble. The fact that you gave front-page coverage followed by an editorial shows how much chilling pain you have felt yourself.

I am a UDC in one of the Government offices and a victim. I borrowed Rs 350 from a sood khor three years ago. I have so far paid Rs 1,800, at the rate of Rs 30 a month but the principal is still due, as the soodkhor does not accept the principal. When he comes to my house on the first of the month I take him aside immediately, give him the money and thank him. No receipt is given to me.

I cannot disclose this even to my wife or children. I can't ask for Zakat. Where should I go? What should I do? But with tears in my eyes, I raise my hands towards the sky and then only listen to the speeches of Islamisation.—A POOR CLERK, Rawalpindi.

CSO: 4220/303

CABINET'S DECISION TO CONTINUE BAN ON POLITICAL ACTIVITIES BANNED

Karachi JANG in Urdu 17 Feb 82 p 3

[Article by Irshad Ahmad Haqqani: "An Unexpected Decision which has Raised many Questions"]

[Text] Contrary to general expectation, the federal cabinet has decided not to end the restrictions on political activity. It is true that a decision cannot be considered final until it is properly announced; and some political leaders expressing their reaction have said that they had not expected anyway that the government would allow political activity. The fact is that after the president's announcement that on Wednesday the federal cabinet would study the question of political activity, it was generally expected that the restrictions would be lightened. Thus, in addition to others, the leader of the defunct Muslim League Pir Sahib Pagara also observed that first expectations were raised, and then they were not fulfilled, thus creating disappointment.

It was thought that since martial law was imposed, so much water had flowed under the bridge that if it had not washed away the regulation entirely, it had at least eroded it to some extent, and had washed away some of the ink. But this did not happen, and the rule has survived in all its original vigor. It is still an enigma as to why this has happened, and why the cabinet reached this decision, an enigma that can neither be understood nor explained. One must console oneself with the saying that only the rulers know the secrets of their realms. When the cabinet deliberated for 10 hours, and a day earlier another high level meeting lasted almost as long, one would think that these wise individuals had studied all aspects of the problem and been led to this decision by their wisdom and patriotism. But those circles who were waiting eagerly to hear news of the end or lessening of restrictions on political activity are unable to judge the impact of the decision because they have not before them the arguments on which the cabinet based its decision.

It is customary that when decisions of public interest and national importance are made and announced, an explanation is offered as well. When such decisions are contrary to general expectation, explanations are considered even more necessary, because understanding the factors that contributed to the decision helps to win acceptance and the understanding of the decision. Whether the explanations fail or succeed in convincing anyone, they are

usually offered anyway. For example, the government has been saying for years that elections cannot be held because "conditions are not favorable." What these unfavorable conditions are has never been explained, and some people are still waiting for the explanation, but a reason has at least been given for not holding elections.

But no explanation, short or long, logical or illogical was offered for the decision to retain restrictions on political activity. It is true that the government did not have to offer an explanation, that it can take any decision it wants to and enforce it as well. But in civilized countries it is customary to explain important government and public decisions so that the people who have to abide by these decisions will understand their wisdom, utility and necessity. One does not understand why it was not thought necessary to explain this particular decision when it was announced. We will not say that the reason for not giving an explanation was that there was nothing to be said, or that what could be said was so weak that it was thought better to say nothing. It is true at any rate that the announcement of the decision answered no questions, but did raise many others. When questions remain unanswered, the question marks assume the shape of thorns in men's minds. The discomfort of such thorny questions in mens' minds can be easily imagined by those who have felt a thorn in their foot.

An explanation of the new government decision was especially necessary because there were signs and reasons for expecting a different ruling. For example, President Zia on his return from the recent foreign tour remarked, for the first time in this 4 and one-half years in office that, in spite of their lack of education, the people of Pakistan possessed high political sense, and that if given the power to make political decisions, they would reach the right conclusions. President Zia called political hopes a strong urge, and even went so far as to say that whoever tried to dam these strong feelings would be carried away by the torrent, and exhibit his ignorance of the new realities.

The president's tone had pleasantly surprised many and given rise to the expectation that the government would change its attitude. In an interview with JANG, the minister of Information also had talked of elections being not too distant in the future. When the president visited Lahore in the early part of the week, he talked of studying the question of political activity in a manner which conveyed the impression that he might allow such activity, especially as he remarked that if political activity was allowed, it should not be taken to mean that elections were imminent. He said the elections would be held, but people should not start counting the days till the announcement of the date. The president said at the same time that the establishment of the federal advisory council had set afoot a kind of involuntary political activity. In the cabinet meeting also satisfaction was expressed at the experiment of establishing the council. In this context, the one line announcement of retaining full restrictions on political activity is incomprehensible and unexpected. However, this is not all. The lack of any explanatory announcement makes it difficult to understand as to how long the decision is to stay in force and whether it will have any logical consequences in the same way as allowing political activity would have had as

a sign of further action. If limited and restrained political activity had been allowed, it would have meant that the government was gradually moving forward, and the goal of elections and a civilian government would slowly get closer. Since this has not happened, the question naturally arises as to what steps the government will take in the future: Will even the present talk of elections and democracy be ended? Will "some sort of political activity" set afoot involuntarily by the establishment of the council be continued or would it be considered unnecessary, purposeless, useless and hence ended. If this should happen, a large question will arise as to the political future of the country and the direction in which it wants to go. How long will political activity, the denial of the importance of which is, according to President Zia, a sign of the ignorance of modern trends and climate of opinion, remain the forbidden fruit? These are the questions which the decision raises, and some answers will have to be found sooner or later.

9863
CSO: 4203/74

ZIA'S STAND ON POLITICS SUPPORTED

Karachi JANG in Urdu 17 Feb 82 p 3

[Editorial: "Constitution, Politics and Propriety"]

[Text] President Ziaul-Haq has said that after amendments are made in the 1973 Constitution from the Islamic point of view, the Constitution will be restored. At present the government is studying the parts of the Constitution concerning the form of government and elections to find out which of these contravene Islamic principles, so that those sections could be amended and the Constitution restored. The president also said that the Constitution under discussion started with a preamble on Islamic views and principles and if nothing should be found in it which clashed with Islamic principles, then it would be restored intact at a suitable time. An important point made by the president was that in future elections a standard of ability would be set up for the candidates so that the right kind of people would be elected to legislative offices. The president expressed his determination to bring decorum and decency to politics. He said," I want to bring the kind of decency into politics which would be worthy of a free country, and particularly of the Islamic Republic of Pakistan." The president thought that it was natural to have differences of opinion in politics, and said that if personal disagreements did not become political differences, decency would be automatically restored to politics. He also said that he bore no personal grudge against any particular politician, and that the politicians placed under restraint have their status reviewed from time to time. The president gave assurance that he would personally study the matters concerning the house arrests of retired Air Marshall Asghar Khan and Mairaj Mohammad Khan.

President Zia's statements regarding the restoration of the 1973 constitution are at any rate to be welcomed. This was a question on which the country's knowledgeable circles agreed almost unanimously. Undoubtedly, the 1973 constitution was the country's first such constitution written and passed by a parliament elected on the basis of adult franchise. It is a fact too that the constitution was signed by the elected representatives of the country's four provinces: and from the point of view of politics and democracy, it was unanimously approved. Although the representatives of some small provinces are not satisfied with the degree of provincial autonomy granted under the constitution, they nevertheless honor the constitution and would like to amend it through democratic process in order to obtain greater

autonomy for the provinces. President Zia has said that the government was studying the constitution from an Islamic point of view in order to amend any sections found to be contrary to Islam. There is no harm in studying the constitution from an Islamic point of view. We might as well decide once and for all whether any of the constitution's different sections contravene Islamic principles. But we would prefer that any amendments to the constitution be left to a future elected parliament. Of course, there is no harm in pointing out those sections of the constitution which are contrary to Islamic principles, but by leaving the work of amending the constitution to an elected president, we would avoid much mischief and opposition. If this issue is the sole obstacle to the restoration of the constitution, then President Zia should amend the constitution without delay and restore it. A future elected parliament can study the amendments and decide all over again whether it supports them or rejects them.

As far as restoring decency to politics is concerned, no thinking citizen can disagree with this objective. In our view, President Zia has every right to speak on this matter because his own most prominent trait is his decency. No man who respects truth will deny that since taking over the reins of government, the president has exhibited a specially high standard of personal honor, courtesy and decency, not only in the administration of the country but also in political matters. Hooliganism and personal vengeance in government are stories of the past. The president is quite correct in saying that personal differences should not be turned into political differences. We expect that the president will pay personal attention to the matter of politicians under arrest, and will not keep them deprived of the blessings of freedom for any length of time.

9863
CSO: 4203/74

PRINCE HASSAN ON JORDAN-PAKISTAN TIES

Quetta BALUCHISTAN TIMES in English 27 Feb 82 p 1

[Text]

LAHORE, Feb 26:

Crown Prince Hassan has said, Pakistan and Jordan are part of the Islamic Commonwealth and Pakistan's strength in the field of science and technology as well as industry is Jordan's strength.

He was giving his impressions after his visit to the Laboratories of the Pakistan Council of Scientific and Industrial Research in Lahore today.

He said cooperation between the research organisations of the two brotherly countries could be further developed by exchanging experts in the fields of agriculture and industry.

He said he was impressed by the skilled manpower of the PCSIR, their dedication and sense of purpose and wide scope of the laboratories.

Earlier Crown Prince Hassan briefed the PCSIR Scientists about Jordan's projects in various fields.

He presented shield of the royal scientific society of Jordan to the Chairman of the PCSIR.

Recording his impressions in the visitors book, the Crown Prince said it was a source of inspiration to observe the activity of our colleagues in appropriate science and technology in Pakistan. He hoped that Pakistan and Jordan would be able to undertake joint programmes for self reliant economies.

During his visit Crown Prince Hassan saw various divisions of the laboratories where research is being carried out in different fields to cater to the technical requirements of various consumer industries including oils, Fate, vegetable dehydration, glass and ceramics. The roval guest showed keen interest in the experiments being carried out by the Solar Energy Division.

He was informed that the ultimate aim of the project was to produce solar electricity solar fuel and solar applicances. At present work is going on producing solar water heaters, solar airconditioners and solar water pumps.

The Crown Prince was also shown the dobby designed and produced by the laboratories as an attachment for the textile looms The dobby for which manufacturing licence has been given to a local firm will be available to the textile mills at one third of the cost of an imported dobby.

CSO: 4220/305

JOINT DECLARATION BY PARTIES BEING PREPARED

Karachi DAWN in English 9 Mar 82 pp 1, 10

[Text]

From the first inter-party contact in Karachi has emerged the idea of a joint declaration calling upon the Government to hold elections under the 1973 Constitution and enable the elected Parliament to assume power.

The call, according to relevant political quarters, is based on the argument that since the present government took over expressly for conducting nation wide polls, it should redeem its pledge.

The party leaders of their recent get-together are stated to have decided that efforts for drafting an agreed joint declaration be made by Prof. Shah Faridul Haq on behalf of the JUP-PML alliance and by Mr. Arshad Chaudhri and Mr. Abid Zuberi on behalf of the MRD.

Holding of elections under the 1973 Constitution is the minimum accepted demand by all the defunct parties. It meets the contention of the defunct Jamaat-i-Islami, JUP and PML (Pagaro group) which, in some form or the other, consider the retention of Martial Law as inevitable for the transitionary period.

However, a point sought to be stressed in the proposed joint declaration will be that elections should be held in the "quickest possible time". The MRD's time-frame is for three months, that of the defunct JUP six months or so, while Pir Pagaro feels that not less than a year and a quarter would be needed for the elections to produce "positive results".

Mr. Abid Zuberi has already met Begum Nusrat Bhutto and Pir Pagaro separately. Mr. Arshad Chaudhri is expected to return from Lahore any day and together with Mr. Zuberi will meet Prof Faridul Haq for a workable draft.

Within the MRD the attitude of the defunct PPP and NDP has softened quite considerably to facilitate a consensus on the proposed joint declaration.

The defunct PPP's Mr Abdul Hafiz Pirzada said on Sunday: "We feel we are nearer to consensus on immediate holding of elections under the 1973 Constitution."

Mr Pirzada was talking to the newsmen in Karachi on his return from a weeklong visit to Lahore, Islamabad, Mardan and Peshawar.

Mr Pirzada said, "in fact, this was the responsibility of the present regime to bring about the consensus through positive efforts. Unfortunately no efforts were made. On the contrary statements from various Ministers gave the impression to further divide a consensus."

Mr Pirzada maintained that there "are grave and serious threats to the survival of the country. Therefore the burden on political parties and political leadership is unique and unprecedented. They must not fail to mobilise public opinion and achieve a complete consensus. This is the time to be magnanimous and broad-minded and not to be narrow-minded in approach.

The doors for a political dialogue should not be closed. The search must continue with determination and perseverance."

Mr Pirzada said while in Peshawar he met Mr Yusuf Khattak, a leader of defunct PML.

CSO: 4220/305

CITIZENS BODY CRITICIZES POLITICIANS

Islamabad THE MUSLIM in English 28 Feb 82 p 3

[Text] RAWALPINDI, Feb. 27: The political parties of the country came under serious criticism by members of the Islamabad Citizens Committee.

Shakir Hasan, Chairman of the Islamabad Citizens Committee told a Press conference here this afternoon, that the Committee demanded the working pattern of the parties to be codified.

The President of the ICC (Islamabad Citizens Committee), Shakir Hasan emphasised the need to create a sense of honesty, ethics and abiding by the rules of Holy Quran and Sunna amongst the people.

He said the political parties so far formed in our country, have never codified their aims and objectives, and whenever elections were held they never disclosed their working pattern before they were elected, to form a government.

In this connection, he emphasised the acute need to codify the working pattern of political parties.

He added: "The Holy Prophet Mohammad (Peace be upon Him), was the last Prophet of God and with him, the process of God's messengers ended.

He said, that it is due to this, that we should regard the preachings of Hazrat Mohammad (Peace be upon Him), as the most comprehensive ones.

On this occasion, Shakir Hasan disclosed that a questionnare from the government had been delivered to the Citizens' Committee, and the replies were found suitable by the members of the Committee.

He said in reply to a question about the form of government, it has been suggested that in the government to be formed, two legislative houses, that if the senate and the parliament should exist.

He further suggested that the President to be elected, should be the Head of the government as well as the Public.—PPI

CSO: 4220/320

BALUCHISTAN GOVERNOR ON 'NEW ERA' FROM 1983

Karachi DAWN in English 6 Mar 82 p 4

[Text]

QUETTA, March 5 Lt-Gen Rahimuddin Khan, the Governor of Baluchistan, urged the officials to speed up the pace of work on all the federal projects throughout the province to complete on going schemes, much ahead of schedule. He expressed the hope that projects scheduled for completion in June 1983 would be completed by the end of December this year and a new era of prosperity will dawn with the start of next year.

The Governor said this while presiding over a two-day high level conference began here on Tuesday and concluded on Wednesday.

The second session which lasted for more than six hours on Wednesday reviewed in detail the projects undertaken by the Federal Government and other agencies and corporations on various parts of Baluchistan.

Addressing the meeting, the Governor said that working in Baluchistan for the benefit of this province requires emotional involvement and acceptance of chalenge by all of us. Unless the sense of dedication and zeal is not created, the targets for the development in the province cannot be achieved, he added.

The Governor was of the view that if we work in Baluchistan with full devotion and extra labour we would definitey feel satisfied on completion of the assignments. He said all of us are struggling against the time and should contribute our share like a missionary to bring this region at par with the other developed regions of the country.

In this connection, the Governor assured of all possible support and assistance on his own and on behalf of the provincial government to Federal Government departments and agencies engaged in Baluchistan in various development sectors.

He said that frequent visits of the representatives of the Federal Government departments in the remote and farflung of Baluchistan would certainly help in boosting the tempo of development activities in various parts of the province. By this, the concerned officials would also be in a position to solve the problems and bottlenecks on the spot which normally take much time if dealt with in routine, he added.

Gen Rahim informed the meeting that he would undertake the visits of various areas to see for himself the work being carried out on the Federal projects. He also stressed the need of standard and quality of work on various projects.

CSO: 4220/302

BIHARIS DEMAND SETTLEMENT IN PAKISTAN

Karachi DAWN in English 6 Mar 82 p 1

[Text]

About 3,000 Biharis in Bangladesh camps have gone on a 48-hour hunger-strike to press for their demand for early repatriation to Pakistan

The stranded non-Bengalis (about three lakh) say they had opted for Pakistan as their homeland when Bangladesh came into existence in 1971. In 1974, a trilateral agreement was signed between Pakistan, Bangladesh and India, under which about two-and-a-half lakh non-Bengalis went to Pakistan and settled there.

On the other hand, Pakistan says the non-Bengalis who are now in Bangladesh are not those who were given a right to settle in Pakistan under the terms of the 1974 agreement.

Leaders of non-Bengalis argue that the hatred against them in Bangladesh is the outcome of their support for Pakistan in the 1971 war and, therefore, their settlement in Pakistan becomes all the more necessary.

Bangladesh Interior Minister Prof. M.A. Matin had recently told foreign correspondents here that Islamabad had agreed to accept another 10,000 non-Bengalis. The Minister expressed the hope that in future more non-Bengalis would be able to migrate to Pakistan. The return to homeland was a continuous process, he said.

Explaining this, he said it was a moral duty of the Bangladesh and Pakistan Governments to make periodical review of the case of the non-Bengalis stranded in Bangladesh so that a way could be found for their settlement in the homeland of their choice.

Pakistani diplomats in Dacca admit that such a periodic review does take place, but they make it clear that such reviews are held in the light of the 1974 trilateral agreement, according to which only members of divided families, civil servants of former Central Government of Pakistan, and people having West Pakistan citizenship had a right to settle in Pakistan.

CSO: 4220/302

LEADERS PRAISE GOVERNMENT ON LAW AND ORDER

Karachi BUSINESS RECORDER in English 8 Mar 82 p 6

[Text]

QUETTA, March 7: Mir Gul Khan Naseer, former provincial education minister and president defunct Pakistan National Party, Baluchistan said here today the present government was far better than the much-trumpeted democratic rule of previous regime.

In an interview with the Baluchistan Times, he said there was complete peace and order in the entire province which ushered in an era of progress and prosperity in this part of country. With restoration of peace, the province (Baluchistan) during last four and half years achieved six times progress of what was made in the previous regime, Gul Khan Naseer added.

Elaborating his point Mir Gul Khan said eversince the military takeover, life, honour and property was secure in every nook and corner of the province. "Political life, too, is peaceful and nobody is shadowed by the intelligence agencies for political reason", Mir Naseer added. Peace, he said was pre-requisite to national progress and it prevailed in the whole province due to which the province witnessed a new era of prosperity.

He said everyone in the province, including traders and farmers were happy with the present government. "Only politicians feel uneasy who are clamouring for democracy", Mir Gul Knan remarked. But what was done in the name of democracy in Baluchistan during the previous regime was still fresh in the memory of the people and they would never be hoodwinked by the deceptive slogans.

Mir Gul Khan said, "during the past regime we were dubbed as traitors", subjected to inhuman treatment but the present government had restored honour and dignity in the province. The general amnesty was announced for those who fled the country during past regime, political cases withdrawn, political detenus released and hence a peaceful and honourable life has set in, Mir Naseer said. About democracy, Mir Naseer said, it should help solve social problems and redress people's grievances. He rejected Bhutto's brand of democracy that made hash of the whole nation and wherein personal whims reigned supreme over national interests.

MENGAL'S BROTHER

Mehrullah Mengal, younger brother of Sardar Attaullah Mengal, former chief minister of Baluchistan who sat beside the Mir Sahib while he was talking to newsmen, said the present government eversince it took over delivered goods to the people of this area.

So far the present government had only not done any wrong to the people of this province but it also tried to undo to the wrongs done by the previous regime.

Mengal said he and his colleagues were ready to cooperate with the government for it was the only government that had accorded us an opportunity to lead a respectable and honourable life. —APP.

CSO: 4220/305

PRESS COMMENTARIES ADDRESS POLITICS, REFUGEE ISSUE

Karachi DAWN in English 8 Mar 82 p 7

[Text] The government as well as the politicians agree that elections are the only recognised method of peaceful transfer of power. It has also been resolved that political activities will be revived before the elections. What remains to be resolved is what is the most suitable way for the revival of political activity and holding of elections.

President Zia has assured that the ban on the political activities would be lifted at an appropriate time. We believe that once the ban is lifted, the process of consultation between the government and the political parties could begin in an amicable atmosphere. The President appears to desire that political activities should be revived in such a way that internal chaos and confrontation is not created. He is desirous of bringing politics within the hold of Islam. The politicians, too, can be invited to give suggestions in this regard. What is required is that they should also adopt a constructive and compromising attitude.

The extraordinary interest the politicians are taking in the immediate revival of political activities and the holding of elections is understandable. But these issues cannot be solved by unilateral statements. There is also no need to bring out the people on the streets to achieve these objectives.

Most political parties are not in favour of a confrontation with the government. President Zia has also acknowledged the need for an understanding between the government and the politicians. In this situation, all issues can be amicably resolved through a dialogue.

—Mashriq, Karachi, March 2.

Vital questions

What will be the future political shape of the country? When will the polls be held? Will there be an interim political or national government with responsibility to conduct polls? Will the elections be held on the basis of proportional representation or the existing system would continue? Will the defence forces be given a new assignment or their status will remain what has already been determined in our constitutions? These are some of the questions the exact answers of which are not known to the nation.

Indications available suggest that the government is now considering the possibility of holding elections without any further delay. Perhaps the government is thinking that it is no more appropriate and possible to continue to postpone the establishment of a civilian government. President Zia has himself declared on a number of occasions that in the current times the political and democratic aspirations of a nation cannot be ignored for long.

We do not know if President Zia has any desire to enter politics at any stage and take part in the elections. But if he decides to enter politics, he will be most welcome. His stepping into the political arena will greatly benefit the nation which will gain from his wide experience and Islamic thinking.

But if he decides against this, all his efforts must be concentrated on the point that a clear political map emerges after the elections and a strong and stable government is formed. Our biggest ill is political instability. If the government makes a sincere attempt to reduce the possibility of political instability after the elections, the attempt will not prove to be a total waste.

—Jang, Karachi, March 6.

The homeless

President Zia has appealed to all peace-loving nations to extend generous help in alleviating the sufferings of the 2.5 million Afghan refugees forced to take asylum in Pakistan.

Though with the passage of time the seriousness of a situation tends to erode, the matter of Afghan refugees is becoming more critical. Pakistan today has the highest number of refugees anywhere in the world and their population is growing. Therefore, the world community should not only continue its assistance to them, it should also enlarge it.

A spokesman of the US State Department had recently said that although the western countries condemn the Soviet action in Afghanistan, they believe that the matter of Afghan refugees basically relates to the Muslim world. The statement appears to be selfish. But the Islamic world should consider the question: how and to what extent they are rendering their responsibilities in regard to the Afghan refugees. The Afghan freedom-fighters are not only fighting for their country, they are also offering their lives to save the neighbouring countries from the onslaught of Soviet expansionism.

The Muslim countries should also keep in view the fact that Moscow has long-term designs in Afghanisatn. A large number of Afghans are being sent to the Soviet Union to get schooling in communism. Side by side, the Soviet Union is increasing the number of its people in areas close to its borders with Afghanistan.

—Nawa-e-Waqt, Karachi, March 3.

CSO: 4220/302

MINISTER OF INFORMATION ON CENSORSHIP

Lahore CHATAN in Urdu 18 Jan 82 pp 12-18

[Interview with Federal Minister of Information and Broadcasting Raja Zafarul Haq by Akhtar Kashmiri; place and date not specified]

[Excerpts] [Question] I think I should start the dialogue formally now. May I?

[Answer] So you're thinking of interviewing me. I thought we were just going to chat. Why bother to interview me; it is not necessary.

[Question] Not an interview but a legal case, and it is an important one. You're a minister as well as a lawyer. But I will not talk with you in those capacities. In my view, you're a judge now. I have come before you with the case of weekly, fortnightly and monthly journals and the people connected with them. Now you have to give the verdict and pronounce justice.

[Answer] What is your case? Please go on.

[Question] The issue is regarding the recent decision of the government due to which the [daily] newspapers are free of censorship now but the journals continue to be under restrictions. This is a double standard of justice. May I remind you that the censorship appeared when [the Urdu daily] MASAWAT caused some problems. The government took measures against it, the serious segment of the press, in spite of its sympathies for the workers of MASAWAT, supported it and wrote editorials in its favor. However, the management of MASAWAT, while assuring the government of changing its modus operandi, continued to engage in violations. In this regard the general view of the press was that the workers of MASAWAT are oppressed and the administration is the oppressor. In any case, only MASAWAT should have been punished for what it did, but the government slapped the censorship on the entire press. One committed a crime and all were punished. In my view there was no justification for censorship in the entire country at that time. But, let us drop this issue since it relates to decisions before your assuming office.

What is the justification for the double standard you have created by your recent decision?

[Answer] We did not set a double standard. Our steps are being wrongly interpreted. I think that the decision that was made has not injured the exigencies of justice, nor has it created double standards. We made this decision with full honesty. The fact is that there is a difference between the journals and the newspapers and this decision has been made with that distinction in mind. You look at the decision but overlook this distinction which is instrumental to the decision. The difference between the newspapers and the journals is that the newspapers provide news while the journals offer viewpoints. In the first stage we have given the freedom of news. Since there is a difference between the two, we have made the decision about the one now but have not said that the decision will not be made about the other.

[Question] I accept that there is a natural difference between the journals and the newspapers, but I want to ask you: in your opinion, what is more important, news or the views?

[Answer] Aside from my personal opinion in this matter, the views of people connected with newspapers and journals are worth consideration. Instead of prevailing our views on them, we have made this decision in the light of their own views. The newspapers say news is important and journals say views are important. Right now literary journals are exempt from censorship. That leaves no more than 15 or 20 of the other type. On the contrary, the number of newspapers is 174. We thought they should be freed of censorship first; the rest will have their turn, too.

[Question] In other words, you have made the decision on the basis of majority. At the time of doing justice, one does not do a headcount, it is the right that is kept in view. What then is the basis of your decision?

[Answer] The decision has not been made on the basis of majority or numbers but on wisdom and logic. We thought that people should be kept informed about the country through news and the credibility of the press should be restored. The credibility of the news was affected but the credibility of views and journals is not yet affected. Therefore, facility was provided first to the affected group. As soon as the conditions improve a little, the journals will be given freedom as well for the propagation and expression of views. Action on this process has not gradually begun. Our intent is not to keep one segment of the press free and the other in shackles. There is no good in it. The government is a supporter of free press. We want to give freedom to the press. But we also expect the press to cherish this freedom and, being benefitted by this freedom, serve the people and the nation. Free press has great importance and our national press can play a positive and effective role in national affairs. This period of restrictions is not punitive, rather, it is administrative and instructive. Therefore nobody should believe that to keep the press under restrictions is our policy. The government is a supporter and admirer of free press. The President of the Republic himself has expressed this fact time and again. But the press should keep in view the parameters and restrictions of freedom and should use its talents for the service of the people and the nation.

[Question] What are the standards of the personnel appointed for censoring journals, or has the government not made any arrangement for setting any standards?

[Answer] The persons who censor the magazines are usually provincial officers. They are made such officers when they measure up to government standards educationally.

[Question] I can understand that there might be some educational standards for the officers, but the low-ranking staff certainly does not meet the standards. Are the officers authorized to delegate the work to their subordinates instead of doing it themselves, and let these subordinates do as they please?

[Answer] I don't think that is the case. And if it is, then I would say that the provincial officers should go through the articles themselves and make decisions about them honestly based on their conscience.

[Question] You say that it does not happen but I insist that it does. I present a few examples for evidence. I am holding in my hand a journal published from Lahore. I will not tell you its name, nor will I show you the title [of the article], because the purpose is not to say anything about the writer. In it the subversive elements have been proved as the patriots, and the ones rounding up the subversive elements are branded just the opposite of what they are. In addition, such words have been used through a policeman that I can neither say them nor print them.

[Answer] These words have been used about an earlier era.

[Question] Is it fair to say or write such things about all the rulers of the earlier periods? And then, things have not been said about the people of earlier periods only. For one thing, this sentence relates to the present, not past. And for another, its writer, writing elsewhere, has clarified that it is not about the past. He says: "Those are the enemies of the land of Koran who refer to Koran in every speech." References to Koran are made in your period. People of earlier periods did not even know how to read the Koran.

[Answer] I am glad that the writer straightened out this belief. And as far as the matter of reading the Koran is concerned, it is not true that the people of earlier periods did not read the Koran. They did and I can quote names.

[Question] Names are not necessary--I do get your point. I only wish to submit respectfully that the people censoring the journals are incompetent. Either the provincial officers should do it themselves or able people should be appointed for the job.

[Answer] The fact is that those who censor are human, with differences of views and disposition. It is not surprising. A decision is handed down in a

session court but it gets changed when appealed to the High Court and the Supreme Court. This difference of opinion and disposition is natural and there is no way to overcome this problem. When there is effort, there is discord.

[Question] Should I regard this a constitutional and a natural answer or a logical and necessary response of an intelligent minister? I think the government has found a good advocate in you.

[Answer] This is not the case. The head of the government is a pious man. God helps the people who work with him. The response I have given is not for the sake of a counter argument, it is a fact. This is the reason why the president allows firm expression of thought. The issues are resolved through active disagreement and also we get a chance to understand each other. I do not say what I have to say to convince others through the force of arguments. In fact, the policies of the government and its head are straightforward. Truth is usually precise and unequivocal.

[Question] Then, we should also have permission for truth and frankness.

[Answer] By all means. Who has stopped you? The president permits this and I do too. In fact, we welcome truth.

[Question] In response to who prevents us from truth, the answer is: the censors.

[Answer] I have already said that gradual action has begun. Lord willing, soon the decision about the journals will also be made.

[Question] What is the definition of gradual action? How will it be implemented and how will we receive freedom to write?

[Answer] Many people have asked me this question. I do believe that this action can take place gradually. Since one step has been taken, the other will also follow. I have good intentions and also I work in good faith. God will surely grant me success in my good intentions.

[Question] I have no doubts about your good intentions. I ask you with reference to those very good intentions to draw parameters of work.

[Answer] How?

[Question] Leave this matter to civilian courts. Those who violate the guidelines will be punished.

[Answer] If this is done, the editors will have nothing but court appearances. Work at the newspaper offices at night and running around the courts during the day.

[Question] It is happening right now. Newspaper offices at night and the censor board during the day. Courts would be far better than this.

[Answer] Is that really the case?

[Question] Absolutely.

[Answer] Then you are lucky.

[Question] I believe I did not make myself clear. What I wish to say is that the justice which can be gotten from the courts cannot be gotten from the censor board or any other place.

[Answer] If that is the case, then why are appeals made [against court decisions]?

[Question] You said that the journals will also be freed from censorship. When?

[Answer] Soon, God willing.

[Question] A time frame, date, promise?

[Answer] The promise stands but determination of duration is not possible. It depends upon the circumstances. However, efforts will be made to do it soon. Now when the newspapers are self-censoring, there is a flood of women's photos in them. What needs to be done in that regard will also be considered.

[Question] Is this criticism on the record or off the record?

[Answer] On the record.

[Question] The permission to the newspapers for self-censoring is your own decision or the government's?

[Answer] It is not my personal decision, it is by the government. First the matter is presented in the cabinet and then the decision is made. I presented this matter, the president listened to it intently and gave a favorable decision.

[Question] It means that you raised the issue and the president made the decision?

[Answer] Yes.

[Question] I hope you will also raise the issue of magazine editors.

[Answer] There is no cause to be disappointed.

[Question] Did the newspaper editors give you any assurance before you raised their issue before the president?

[Answer] All give assurances that they will abide by the prescribed rules.

[Question] If the editors of the journals give you assurances collectively, will you then grant them permission for self-censoring?

[Answer] This can be considered.

[Question] What are your views about the weekly magazines of the dailies?

[Answer] As a matter of fact, there are many problems in the race which is going on in Lahore. In the competition to publish photos, every newspaper is trying to outdo the other. Some newspapers publish 32-page weekly editions, and some makeshift continuity is provided in them. The lack of written material is made up by the photos. This harms the papers as well as the nation. It causes waste both in newsprint as well as in foreign exchange.

[Question] Have you not arranged for a meeting to deliberate on this matter?

[Answer] I will call a meeting of the editors of the dailies.

[Question] When?

[Answer] Soon after the meeting of the Federal Council.

[Question] Is there a possibility of the meeting of the editors of the journals as well after that?

[Answer] I cannot rule out that possibility.

[Question] When will you be able to call that meeting?

[Answer] Whenever God is willing.

[Question] You just said that the Lahore papers make up the lack of written material by photos. Thus you accept that they have nothing to write about.

[Answer] That is not the case. These papers have enough material to write about. They are free of censorship.

[Question] Now this must be the case for the last two or three days. Prior to this they must have been making up for the lack of print by photos.

[Answer] No, they are free for the last three months. No censorship. Just self-censorship. This policy though has been in force for the last three months and has recently been announced publicly.

[Question] If they had been practically granted freedom earlier, why did you leave the announcement to the Federal Council to be made now?

[Answer] No, we did not leave it to the Federal Council. Only it was made now and personally by the president.

[Question] In the beginning of the interview you said that the literary journals are exempt from censorship. This announcement was also made some time ago by the president. What distinction do you make between literary and political journals?

[Answer] Mr Akhtar, you must be joking. Don't you know the distinction between literary and political journals? Everybody knows that.

[Question] There are some journals which are literary but they adorn themselves with political editorials. And there are some which are political and they embellish themselves with a literary article. Now, it is very hard to say which is political and which is literary.

[Question] In certain religious journals Koranic scriptures or their translation is printed. But, quite often, the censor officials cut even those out.

[Answer] From now on we will not allow that. No question of censoring Koranic scriptures or the translation thereof arises.

[Question] I am not talking of writing or deleting names, sir. Such a mischief cannot be imagined of a Muslim. I am talking of whole verses. You can confirm it with the editors of religious magazines. Once in CHATAN itself the translation of scriptures by [the late] Maulana Azad [former education minister of India] became victimized by the censor.

[Answer] It is my wish that the teachings of the Koran should be spread as much as possible. It is fundamental to the setting up of Islamic structure. The government is struggling for Islamic system. But, if Maulana Azad finds the concept of United India through Koranic scriptures, then it is not appropriate. In my view, in spite of his great learning and scholarship, this political aspect of Maulana Azad is rather weak. Later on he had realized it himself.

[Question] The censorship of the verses I am speaking of, were with reference to justice, cruelty and barbarism.

[Answer] The concept of justice is also gradual as well as progressive. At one time freeing slaves in stages was justice. Later, not enslaving altogether became justice. The colonies came into existence by enslaving people, and the colonialists thought that enslaving people and then ruling over them was just. Whatever is happening in Afghanistan, to the Soviet Union is justice even though 116 countries of the world do not agree with the viewpoint. The Russian army declares Afghan refugees as cruel. Now what can be done about it?

[Question] The question does not even arise. It simply means, might is right. The powerful enslaves the weak and thus determines his own action to be just. If the oppressed asks for his rights, it is called violation of law. This is no definition or explanation of justice. It is such a multifaceted thing.

[Answer] Justice is a virtue. It is an act, such an act that every person makes the decision regarding it according to his conscience and ability. A person's thinking can be different.

[Question] It is a strange thing that the government reserves such preachings for itself. When the watchdogs from among the public impose such restrictions on the rulers, then it is found intolerable. This is also a double standard.

[Answer] The government does not impose such restriction unilaterally. Whereas it has taken support from laws for its dignity, respect and protection, it has also given support to people of its laws. The government has issued an ordinance that nobody can hurt the feelings of another, how can it be accused of such a charge. If the government does not allow unfair criticism of its high institutions, then it does not permit anybody to trifle or play with any citizen's integrity. In the eyes of the government both the ruler and the ruled are subject to laws. Who told you that the government mobilizes laws only for its own protection. The present government has the honor of protecting the honor of the individual. There is a law that if anybody will accuse a woman unjustly of a wrongdoing then a case will be instituted against him. Everybody has freedom to throw a punch but where my nose begins, his freedom ends. Freedom beyond those limits is not possible. This is not limited to Pakistan, it is true of the whole world. If the 'namaz' prayer is going on, a person does not have the freedom to read the Koran or sing praises of the prophet.

[Question] It is happening this way in the entire country. It is done insistently. You say it is not right. I cannot write this with my own pen with reference to you.

[Answer] Do please write all. If the prayer is on, speaking, reading, not even the Koran, is allowed. This is a matter of 'shariat', of religious laws and religion. These are the proprieties of our civilization and culture.

[Question] In regard to handing over the matters of the journalists you said that if it is done, these people (journalists) will face a lot of court appearances. In other words, you're doing a favor to them by keeping them out of the courts. Now you are saying that a person can be tried for accusing a woman. In such case a woman will also have to go to the courts. Even though a woman is weak, [according to your logic] she can still cope with going to the courts, then why not the journalists, who are strong due to being men.

[Answer] A woman is weak and therefore it is the duty of the government to help her. As it is a duty to help the weak, so it is a duty to check the power of the strong. We do both and thus help both groups.

[Question] In other words the real motive is not compassion, but to bring the powerful in line and to win over the weak.

[Answer] No. I think if your [i.e., the journalists'] matter is left to the courts, it will create many complications. The restrictions which are imposed on you are not laws. Whatever you are suggesting will take the character of law. The restrictions are temporary but the law is permanent. The restriction can be lifted anytime but not the law. You can easily go through the ordeals of restrictions but it would be hard for you to cope with the complications of the laws. Law is for the guidance of life. It plays the same role in society as does the soul in the body. Restriction is like medicine for the sickness; it is administered while the illness is present. On the contrary, the soul cannot be separated from the body. If the soul is separated from the body then the body will wither away. Therefore you should bear the restrictions like medicine. If a permanent law is made then there will be nothing but difficulties for you. Water is important, but in certain illnesses water is not allowed. Why? Its reasons are known only to a doctor, not to a patient. Therefore, it would not be appropriate for the patient to raise hell for water. The same is true of cultural maladies. Certain rules are instituted temporarily as a medicine for the ills, there is no need to worry about them. If I tell you about the sickness also then you will concur with me. As you may know, some time back the nation had become a victim of political chaos. No sector of our lives was spared by it. From the government employees to the shopkeepers, from the government officers to the cities and forests, the nation was divided in two parts. On one side was national unity and on the other, the People's Party. Because of their conflict the spirit of democracy had ended. Nobody was willing to listen to anybody. This fact is borne out by the speeches and statements of the leaders of that time. The leaders were talking of hanging each other in the public squares. Time was needed to end that chaos, to pick up the debris of that demolished building, and build anew a new building in its place. Thank God the upheaval is over. Efforts are being made to end its vestiges as well. Debris is being removed. Efforts are going on to erect the building. The avenues of statements and threats are barred. People are home minding their business instead of wandering the streets. The government is trying its best to normalize conditions in the shortest possible time. And this is its responsibility. It has no ambitions or objectives other than carrying out this responsibility. The work of the government will become easier as much as the political, intellectual and the serious forces will try to make the conditions favorable, and the destination of democracy will become that much nearer.

[Question] A federal council has been formulated for the restoration of democracy. Why isn't a council formed for the freedom of the press? Is it not possible to formulate a council with representatives from government and press with a view to its being a conductor of affairs, interpreter of policies, as well as the arbiter of conflicts?

[Answer] The press is not democracy that we need an institution for its restoration. Besides, the problems of the press and its owners are different. The problems of editors and the employees are different even from them. Finally, the problems of newspaper hawkers and delivery people are different from the rest. Thus, their problems are not only different from each other but quite often diametrically opposed. Things would have been different had

the issues been harmonious. Since the issues are so complicated the establishment of a press council, rather than being a source of solutions, can become a creator of new problems. We are still confronted with the old issues. Before we raise the new ones, we need to solve them. God willing, the status quo in regard to the press will continue and the issue will gradually be resolved.

[Question] What are the guidelines for writers?

[Answer] They have already been explained many, many times.

[Question] I need to ask you that again because there is no explanation of the guiding principles. There is a likelihood of difference in their interpretation.

[Answer] What kind of difference are you talking about?

[Question] You tell me what is the first guiding principle.

[Answer] The ideology of Pakistan.

[Question] What is the meaning of ideology of Pakistan? Some say it is Islam and some say it is secularism. If a censor official happens to be an idealogue believing in secularism, he does the censoring according to his own beliefs. This matter does need to be resolved.

[Answer] Islam and only Islam is meant by Pakistan ideology of Pakistan, and nothing else. There is no basis for any other interpretation. Pakistan has been created in the name of Islam and efforts are being made to create Islamic order. Islam is the guarantee of Pakistan's stability. Pakistan's past was connected with Islam, so is the present and so will be the future. Islam and Pakistan are inseparable. No explanation or interpretation is possible by separating them. This is the ideology of Pakistan.

[Question] What is the second guiding principle?

[Answer] No such material should be published about the friendly countries and their leaders which may endanger Pakistan's relations with them.

[Question] Is India included among those countries?

[Answer] What do you think?

[Question] It doesn't matter what I think. The need for explanation occurred because the news about Muslims with reference to India is often censored.

[Answer] Pakistan is desirous of good relations with all its neighboring countries. From day one it has been her effort not to have tension with any country and the countries which have spoiled relations with us we have tried to restore them on human, moral and legal grounds. Similarly, Pakistan has been desirous of good relations with India as well. In regard to India the

ground rules will be that no dialogue should be started which may be detrimental to the talks and harmful to the efforts of our government. This should not be limited to a neighboring country. Our writers should present their views in such a clear and succinct manner that even the enemies may not help but praise their logic. The issues which are to be solved by the government should be left to the government. Therefore what is said and written should be done carefully. Whatever is explained should be explained with care and understanding. Nobody has said that there is no freedom of speech on this or that matter. Another thing which needs to be borne in mind is that if we are trying to improve relations with a country, it is a joint venture between the masses and the government.

[Question] I dared to ask because as minister of information you need to remain informed. On the one hand, censorship is done unjustly, on the other you are provided wrong information about the writers. For instance, an issue of CHATAN was confiscated once because it contained two objectionable articles. One was the interview of Bani Sadr and the other was about conversion of Untouchables into Islam. On the basis of information provided to you, while giving a speech in Islamabad you said that had that issue been printed and hit the streets, the whole country would have been up in flames. Obviously you must have said that on the basis of some report. Now listen to a joke about one of the articles. The article about the untouchables was first submitted with the headline, "Rebellion of 90 Million Untouchables in India." The whole article was consored though only the headline could have been censored. The same article was resubmitted with the headline, "The Resurrection of Islamic Movement in India" the next week, was passed this time and published.

[Answer] As far as I remember, the article about the Untouchables was not objectiouable. About the other article, I had the report that it was rather harsh. How can we tolerate that something be printed about an Islamic country which may be controversial? Their differences are their business, but we need to be careful on our side.

[Question] You're absolutely right. Now the third guideline.

[Answer] The third guideline is that the armed forces and the judicial system of Pakistan be not criticized.

[Question] Is Yahya Khan included in this?

[Answer] I mean the present government. Yahya Khan is dead and now God is trustee of this matter. What can you say about him? Anyway, the guideline means what I just said.

[Question] Fourth guideline and its explanation?

[Answer] Pornographic material should not be published, nor the crime be reported in such a manner that the criminal may appear a hero and there may be a publicity of crime.

[Question] How something can be defined as pornographic, and on what material will this definition be applicable?

[Answer] I was asked this very question in England and Kuwait and several times in Pakistan. In the western culture pornography has not yet been defined. In one place one thing is determined as pornographic by one court while another court at another place finds it all right. But I do have its explanation, which is:

"If a father, mother, son and a daughter of the middle class sit together, read [a book] and look at [a picture] together, and not find it offensive to do so, then such material is worthy of acceptance."

[Question] But how can a writer, after writing something, arrange for bringing such four people together?

[Answer] He surely can do so in his mind. I mean that he should write keeping such four people in mind. If he thinks that those four people of a middle class family would not be adversely affected by reading his article, then it is all right.

[Question] Why have you put the limitation of a middle class family here?

[Answer] People in very high society do not have this standard of reading. They have different values in regard to pornography, and the very poor people have thinking diametrically opposite to this. Both these groups are far apart from an intellectual point of view. Whatever is regarded totally unacceptable among the poor is usually acceptable among the rich. Therefore, the thinking of the middle class is considered closer to reality.

9859
CSO: 4203/58

EDITORIAL POINTS OUT CONTRADICTIONS IN MANPOWER POLICIES, FACTS

Islamabad THE MUSLIM in English 25 Feb 82 p 4

[Text] PAKISTAN, according to an expert who ought to know what he is talking about, is capable of increasing its farm output three times from the present 11.5 million tonnes to 33 million tonnes if farming is mechanised. The Pakistan Agricultural Research Council sowed wheat on 100 model plots and achieved a per acre output of 86 maunds against the current national average of 24 to 25 maunds. Similarly, PARC chose 12 villages in Gujranwala District and was able to achieve a 60 per cent higher than normal rice yield on 10,000 acres. The Council achieved these spectacular results through mechanised farming, efficient water management, scientific use of fertilisers, better seed, careful pest control and regular weeding. The food yield gap, defined as the difference between potential and actual production that we face today, is due, among other things, to poor agricultural management, lack of coordination between various government agencies, power shortages and breakdowns, lack of financial resources and, therefore, essential inputs. The reason why the country must go in for mechanised farming (according to the expert) is that of the 2.7 million Pakistanis working abroad, most are farmhands. Mechanisation is also necessary he feels, because the country's population will have doubled by the turn of the century. He says that there is room for improving agricultural management at district level. At present the extra-assistant director who heads the department at district headquarters has too much file-work to do. He cannot possibly attend to field work. It would be advisable, therefore, to separate the extension wing of the district department of agriculture so that it can really be of service to the farmers. The transfer of modern farming technology is the job of the extension wing and it must be streamlined. Under and over-use of water should be avoided and the marketing system improved. It was gratifying to learn from the expert that wheat production in the barani areas had increased by 30 per cent during the last four years.

The President, too, has been talking of agriculture. In a message to the First All-Pakistan Plant Scientist's Conference which opened in Karachi on Tuesday, Gen. Ziaul Haq said that the country was producing one-sixth of what it could if its agricultural potential was exploited scientifically. There was dearth of research workers in natural sciences and the nation's universities were producing less than a dozen Ph.Ds. Only 2.5 per cent of the research workers in 34 government institutes had doctorates in their subjects. A very sad state of affairs, indeed but why should people take up natural sciences when there's nothing at the end of their academic careers for them? Who would like to do post-graduate work in botany when he can earn thrice as much by going as an unskilled hand to the Middle East? Gone are the days when a white-collar job at the Secretariat used to be the end of a young man's ambition. That is only one aspect of the matter. Agricultural production must indeed continue to increase but the question must not be viewed in isolation. First there is the question of the 2.7 million working abroad. Have they gone out for good or will they return? If and when they do so, will they go back to the farm or seek urban (not industrial) jobs? If they seek industrial jobs, will we have industrial jobs for them? If they want to go back to the farm, will they not find that their place has been taken by the tractor, the thresher and other implements? And, even if we opt for total mechanisation, wishfully hoping that other factors will remain the same, do we have the means to do so? Where's the energy that will be required to run mechanised farms? Will the additional farm produce make up for the

increase in the energy bill and other inputs? It is questions such as these that make us think that perhaps manpower management is more important than achieving self-sufficiency in this sector of the economy or that. Let us suppose there is little or no unemployment but Pakistan has to import a couple of million tons of wheat. Let us suppose again that Pakistan is exporting a couple of million tons of wheat but there is widespread unemployment. What, of the two, is a more socially and politically acceptable option? This is a moot point and we are not making recommendations but we think economic planning should be man-oriented rather than target-oriented. The next five-year plan, we hope, therefore, will be geared to fulfilling need rather than desire, to creating more jobs rather than promoting jobbery, to serving man rather than the middleman.

CSO: 4220/320

EDITORIAL UNDERSCORES CONTINUING PRESSING PROBLEMS

Lahore CHATAN in Urdu 18 Jan 82 p 5

[Editorial: "Serious Problems"]

[Text] The members of the Advisory Council were announced, the Council was convened in session which, after a few days, was adjourned for an unspecified time. There were lengthy discussions about the Advisory Council from within as well as without. The formation of the Advisory Council was not the only subject of discussion--there was an appreciable dialogue about the status and reality of the defunct political parties. At present, the issue at hand is not the legality or illegality, need or absence of need for the formation of the Advisory Council. What would have happened had the Council not been formed? Life would have gone on or the usual busy method of filling the gaps would have been adopted. In this regard our views are not hidden from anybody. We have written even before in these columns that, in view of the international situation, we talk about the traditional democracy in an emotional way but we tend to ignore its exigencies and needs. Anyway, this is a different matter. To us, next to defense, the important issue is inflation and corruption. The tragedy is not that we do have a problem but that no positive step has been taken so far to alleviate it. Nor is such a remedial step in sight.

What happens is that the prices of consumer goods are increased periodically and all estimates of the budget go awry. Although [with price increases] the authorities promptly announce that the increases will not influence the public, this is never true. A new cycle of inflation begins and a lot of people get crushed under it. The increase in the rate of bribery is openly conceded and no decrease takes place in the crime rate.

Time and again the steps towards the institution of Islamic order are mentioned. It is claimed that the programs on the media are helping in evolving a national identity. Quite often, religious conferences are also held. But, with the passage of time, instead of lessening, the difficulties of people are increasing. People cannot sleep in their homes peacefully because of the fear of thieves and robbers. Now, even banks have become unsafe. Hoodlums roam around everywhere so the gentle citizens are helpless before their onslaught. Now the people donned in the national dress are

visible in the offices, prayers are held, but bribery and corruption is increasing. These are the matters which have also been discussed in the Advisory Council.

The truth is that if the people are contented then nobody can incite them or put them on the path of protest. If there is restlessness among people, then even a little thing becomes a cause celebre of a major disturbance.

Now the need is [sentence deleted] that nothing should be done in solving the real problems of people. Nor should it be believed that their patience is unlimited. The question is what are the obstacles in the path of strict measures for ending bribery and corruption. Why is something not done for stemming crime? The reason is clear. No change has yet taken place in the system; the cultural structure is as before, lack of action is being made up by words. If the difficulties of people will not lesson or end, they will certainly become restless. The preachers of dry sermons and those who make speeches from their high offices need to come down from their high pulpits, mix with people and feel their pain and misery--and then alleviate it. It will need solid and conclusive steps on their part.

9859
CSO: 4203/58

EDITORIAL CAUTIONS AGAINST PLANNING PITFALLS

Karachi BUSINESS RECORDER in English 10 Mar 82 p 2

[Text] Let us welcome back Dr. Mahbubul Haq to the service of Pakistan. He has gained considerably in experience and stature as an economist during his stay abroad with the World Bank. To Pakistanis who remember Dr. Haq for his creation of the 22 families phantom which still haunts our politicians, planners and policy makers, he would now seem a very chastened man. Judging by his writings and recent statements, we have every hope that he would impart economic realism to our planning and would take care to see that the private sector entrepreneur is assigned at least such a place in our society where anybody who comes to occupy a position of some importance in the Government, would not find it easy to word-whip him only to seek headlines in the press.

BUSINESS RECORDER wishes Haq Godspeed and faithful adherence to his declaration wherein he said "I will promise a new era of planned economic development". We wish him all the luck. However, we advise him in all sincerity at this very stage before he involves himself in the planning exercise to clarify what exactly he means by such abstractionism as "strong social conscience" and development which is "humane development". For, it is our belief that there is no productive activity, particularly when undertaken by the private entrepreneur, which is not needed or required by a substantial number of consumers of goods and services in a society. Then, again, humanism is a very subjective phenomenon. What an individual or a group of individuals may consider humane, an equal number or more or less may not find so humane. In economic activity by an individual anywhere, you cannot take away the profit motive. Investment in the production field is not a philanthropic activity. And if there is no monopoly and no cartelisation and the consumers have money to buy, then no profit margin is unconscionable. Situations where profits become unconscionable, when more is not produced, prices do not come down and competition ends, are the creation of controls and unconscionable interference by the bureaucracy at every level in the day to day affairs of any and every business and industrial enterprise.

Having said all this as a friend and well-wisher, we would like to caution Dr. Haq against yet another pitfall. Over the years we have witnessed the perspective of some of our very brilliant men change with the change in

the seats they occupy. We do hope that the perspective Dr. Haq has developed about the role of private enterprise in the development of any economy will not change while he sits in Islamabad, flexibility or no flexibility, he should not allow the secretariat to blur his vision or distort his perspective.

CSO: 4220/320

DESAI STRESSES NEED FOR COOPERATION

Karachi JANG in Urdu 16 Feb 82 p 9

[Interview with India's Former Prime Minister Morarjee Desai by JANG correspondent in Bombay; date not specified]

[Excerpt] India's former prime minister and senior statesman Mr Morarjee Desai has said that Russia wants to seize Baluchistan in order to be able to establish its control over the area. "If Russia should get into Baluchistan," he said, "India would be in jeopardy as then Russia would become India's neighbour." JANG's special correspondent interviewed Morarjee Desai in his Marine Drive residence "Ocean" on the Bombay seashore. Mr Desai repeated his earlier statement that during Mr Brezhnev's visit to India when the Janata party was in office, he had instigated the Indians to teach Pakistan a lesson because it was helping Afghan refugees. Mr Desai said, "During my visit to Russia, I had several hours' private talks with the late premier Kosygin. I mentioned that Russia had the Afghan leader Daoud killed. But Kosygin denied the accusation, and maintained that Russia was in Afghanistan only because Afghanistan was in danger from Pakistan."

Replying to a question about India's atomic program, Mr Morarjee said that India would not make an atom bomb and he hoped that Pakistan also would not make an atom bomb. He said that there was no reason to doubt President Zia's assurances, because if Pakistan was foolish enough to build an atom bomb, India would destroy its installations in one day, since such installations could not be kept hidden. In answer to a question, Mr Desai expressed theview that there should not be fighting between India and Pakistan. He said that Mrs Indira Gandhi did not want war, nor was there any danger of a fresh war between the two countries. When reminded of Mrs Gandhi's sharp and bitter words, he said that Pakistan should pay no attention to them. He stated that as a sovereign country, Pakistan had the right to buy the weapons it needed, but he saw no need for Pakistan to stockpile weapons. If friendship were established between the two countries, in time of danger India could come to Pakistan's defense. He said that Pakistan should remain strong; India and Pakistan should engage in trade with each other and visa requirements between the two countries should be ended. He thought that visa requirements should be abolished not only with Nepal and Bhutan, but also with Iran, Sri Lanka, Bangladesh and Burma. "The big powers want to see us at each others' throats; but if we become united, not only will our safety be assured, but the big powers themselves will be afraid

of us." He said, "I have worked hard for friendship between Pakistan and India. Pakistan should move forward in this direction without allowing itself to be incited. Both countries will benefit from friendship, and Pakistan's benefit will be greater. As a result of such friendship, Pakistan will not be in danger from Afghanistan and Russia, and the problem of Afghanistan will also be solved."

When Mr Desai, who was one of the leaders of the Indian independence movement, was asked as to the basic reason for the strained relations between the two countries, he replied without hesitation, "Pakistan was not founded on love. Pakistan was created by enmity between the two countries. From the very beginning, there was hostility in Pakistan against India, whereas there were no such feelings in India." He said that Muslim brothers from Pakistan were now coming to India. "Muslims from India go to Pakistan to visit relatives, and return to India."

Commenting on the background to the creation of Bangladesh, Mr Desai said, "East Pakistan was the more populous part of the country. Officers from the other part were appointed there. Mujeebur Rahman won the elections, but was not allowed to become prime minister. If he had been made premier, Bangladesh would not have been formed. When Bhutto and Yahya went to East Pakistan, Bhutto kept Mujeeb in the dark, and gave him the impression that he wanted an agreement; while at the same time he kept inciting Yahya, so much so that Yahya wanted to hang Mujeeb. Bhutto saved Mujeeb from the hanging, and rightly so.

After Mujeeb's arrest, Yahya continued to blunder around blindly until the people were angered and declared a separation. Explaining the historical background on Kashmir from India's point of view, Mr Desai said, "We did not take Kashmir; rather, Kashmir came to us. Hari Singh [ruler of Kashmir] made the offer on his own behalf; Shaykh Abdullah made the offer as the representative of the public and its flleings." Mr Desai said that a referendum was no longer possible: "Pakistan has no right to Kashmir, and it should leave Kashmir and go away."

Mr Desai revealed that during his premirship, the British government had said to him that he should suggest an end to the quarrel by accepting the present boundaries of Kashmir as permanent. But Desai said that he refused because such a step would have recognized Pakistan's claim to Kashmir.

If Pakistan should make such a suggestion, then it could be given thoughtful attention. He said that if Pakistan's argument is accepted that because the Muslims are the majority in Kashmir, it should become a part of Pakistan, Indian Hindus would start driving the Muslims out of India, and this would destroy both India and Pakistan.

9863
CSO: 4203/73

CONFLICT BETWEEN MANUFACTURERS, IMPORTERS VIEWED

Islamabad THE MUSLIM in English 28 Feb 82 p 4

[Text] INCREASING imports in Pakistan are producing sharper conflicts between the demands of manufacturers and importers. The importers want as few restrictions as possible on imports. They want to import as many items as possible and in very large quantities. So the overall imports of Pakistan are close to 5.5 billion dollars.

As the prices of many of these imports are cheaper than similar goods manufactured in Pakistan, even after paying heavy import duties and sales tax, the manufacturers demand protection. They want some of the items which are available in the country to be banned, and the quantity of similar goods reduced.

Undoubtedly there is merit in the protests of some manufacturers that they are paying far higher import and excise duties and sales tax on their manufacturers than importers do on the goods they import. Unfortunately the government has not looked into their grievances sympathetically as it is more interested in revenues than in fiscal justice.

The importers on their part are eager to import as much as possible and make large profits. When the prices of some items fall because of overimports the suppliers withhold such goods from the market and push up the price level again. This happens in respect of milk and a variety of other products when half a dozen major importers or agents of those products in Pakistan meet and decide to curtail the supplies to the market and keep the prices at a constant level.

At this juncture many manufacturers and importers have a common cause. This has happened as too many of the industrial houses have gone into imports and trading. They want to profit by the larger imports in Pakistan, following the adoption of a very liberal import policy. They are assured of sizeable profits quick through such trading instead of waiting for long for an industry to be set up. Hence a good deal of money that should have normally gone into industrial investment has now gone into trading.

But those who are primarily manufacturers find they are often being burnt at both ends. While taxation is very high at one end, they have to compete with the cheap and relatively lowly taxed imports at the other. The Pakistani consumer has a natural preference for the imported goods, and often for pretty good reasons. Hence the indigenous manufacturers can be losers.

The manufacturers are menaced by not only the regular commercial imports but also the irregular imports brought in by the over two million Pakistan emigre workers. They bring in a large variety of goods, often free of duty, and sell them in the local market. They may vary from domestic appliances and electrical goods to perfumes, apparel and plastic goods. Making the situation worse is the large scale smuggling of a variety of goods that still persist. All this is retarding the growth of domestic industry a great deal.

The Director of Industries and Mineral Resources, Sind, has now suggested to the government to ban the import of seven items on the basis local manufactures of such items are adequate to the country's needs. The items include ball point pens and refills, dry battery cells, electric bulbs, glass bottles for beverages, and conduit pipes and fittings.

If such items are banned for importing, will the prices of the local manufactures rise or their quality go down further? In the past, in the captive market conditions that prevailed because of severe restrictions on imports, consumers paid high prices for low quality products. The manufacturers did not make earnest efforts to improve their products as they had the consumer by the neck. So the consumers are apprehensive the same may happen

if imports of such items are banned.

Manufacturers of ball point pens, dry batteries and electric bulbs have to improve their products very substantially. Public discontent in these areas have been a prolonged one. Their quality did not go up while their prices shot up. The bulbs in particular have been terribly disappointing. They seem to have a short life compared to foreign bulbs while both face the same kind of power fluctuation.

The government banned import of honey following the plea of the industry that they can meet the country's needs. As a result, the price of honey shot up sky high, and too many of the Pakistani brands are suspect. Traders are now pleading for resumption of imports. The government should hence look into the merits of each case before the plea for banning the import of any item is accepted. If such ban means worse bulbs at higher prices, weaker ball point pens or more leaky battery cells with a shorter life, the country should be spared the costly ban.

The government should also make a study of the prices of all the products the import of which is banned in Pakistan. How much have the prices gone up, and how much has the quality changed for the better or worse? And is the supply adequate, and is it subject to periodic shortages brought about by manipulations and malpractices? It is the obligation of the government to keep down the prices of the items the import of which are banned. Otherwise the ban will abet the profiteers among the industrialists and their sole agents and dealers.

Industry must undoubtedly be helped, but not at the cost of all else, and not for ever. Trade, industry and labour must justify themselves on the basis of merit and performance. None of the three can be fattened or flattered at the expense of others. This should be made clear to all the elements not through words and lofty exhortations alone, but through positive policy formulations.

CSO: 4220/320

GOVERNMENT CONTROLS BLAMED FOR CORRUPTION

Karachi DAWN in English 8 Mar 82 p 4

[Text]

LAHORE, March 7: Mr A. K. Brohi, a former Federal Minister and Rector of the Islamic University, Islamabad, on Friday noted that excessive controls and the involvement of Government in various matters were virtually contributing to escalation of corruption.

He was speaking at a seminar held at WAPDA Auditorium here on Friday afternoon. Mr Brohi said the Government functions should be confined to dispensation of justice and safeguard of the geographical frontiers and all other issues should be entrusted to society.

"The best government is the government which controls least", he added. He expressed grave concern over the extent of corruption prevailing in the society and observed "it had become a way of life".

DISCIPLINED SOCIETY

As for the remedial measures to eliminate corruption, the former Federal Minister said a "disciplined society" should be developed with particular emphasis on the prevailing system of education, system of nurture as well as early society of children.

Elaborating the term disciplined society Mr Brohi said, it was the one comprising "Muttaqis" (those who ward off evil) with control over their anima impulse as stressed by the religion.

The whole of religion was, in fact, a Jehad against the inwardness, he said.

Mr Brohi said the prayer Zakat, fast and the pilgrimage consolidate the man's belief in Allah and save him from sins.

Recounting the further merits of the disciplined society, Mr Brohi said in this society there was not provision for rulership and the Caliph conducted the affairs of State according to Quran and Sunnah with not authority of his own.

Dr. Tanzilur Rehman, Chairman, Council of Islamic Ideology, said the promotion of moral values in the light of Holy Quran and Sunnah was the sole solution of the corruption menace.

He said, the practical implementation of Quran and Sunnah would not only elimmate this menace but would also solve the economic, political, social and all other problems confronting any society.

He further said that the present education system should be moulded into Islamic pattern.—

CSO: 4220/302

GROWING INCIDENCE OF CORRUPTION VIEWED

Karachi DAWN in English 8 Mar 82 p 7

[Text]

AFTER the one-rupee note, the currency notes of higher denominations will also now bear the premonitory inscription: "Rizq-i-halal ain ibadat hai". The State Bank of Pakistan has announced that notes of five, ten and hundred rupees, bearing this inscription in Urdu, will be put into circulation from time to time. This gesture is meant well and shows growing concern on the part of the authorities about the reach and extent of corruption in our society. In a sense, the currency notes will bear the same message that has also been articulated by some leading figures of the government. Individuals have been asked to reform themselves and desist from corrupt and unethical practices. Such advice can serve its purpose if it becomes part of a planned, systematic drive to curb corruption. Otherwise, as we noted in a recent editorial, sermons alone will not do. What is encouraging about spreading the message through currency notes, however, is that corruption will become a topic of even wider interest and concern. This, hopefully, will lead to more serious thought on how it should be tackled.

Already, the growing incidence of corruption in our society is being taken note of at various levels. Speaking in Lahore, Mr. A.K. Brohi, Rector of the Islamic University, Islamabad, conceded the other day that excessive government controls and the wide involvement of the officialdom in matters of day-to-day administration affecting the public are a major contributory factor in the spread and dimension of corruption. Speaking about remedial measures, Mr. Brohi, who seems eminently qualified to prescribe remedies, called for the establishment of a disciplined society. By this he meant a new social situation in which the conduct, thinking and outlook of the people would conform to the principle of piety as enjoined by Islam and the moral and ethical restraints that it prescribes. In this context, Mr. Brohi also emphasised the reforming role of the education system. This is a valid point. But, like most other institutions, education, too, is in a state of decline. Corruption and its logical consequences have touched and debased almost all aspects of human activity in our society. Technically, currency notes also serve as germs that spread the disease. Will those who are eager to grab them will henceforth pause to ponder whether their "rizq" is "halal?"

SHAHI FOREIGN POLICY MOVES PRAISED

Islamabad THE MUSLIM in English 22 Feb 82 p 4

[Editorial: "Reordering Foreign Relations"]

[Text] HOSTING a dinner in honour of the visiting President of the Chinese People's Association for Friendship with Foreign Countries, Mr. Wang Bingnan, Foreign Minister Agha Shahi said:

"We deeply appreciate the understanding shown by the People's Republic of China in the evolution of Pakistan's foreign policy away from reliance on military alliances to its formal accession to the Non-Aligned Movement. Pakistan has been able to re-order its international relations in conformity with the principles of the Movement without impairing its ties with its former allies. A good example of this process is the new relationship of economic assistance and military sales with the United States in place of the former framework of military alliance and military aid".

Mr. Shahi further said: "In the light of our past experience and circumstances of today, we feel that our relations with the two superpowers must be based on the observance of respect for our membership of the Non-Aligned Movement which embraces almost all the Islamic countries besides most of those constituting the Third World."

With particular reference to India, Mr. Shahi stated: "The States of the region which have been divided by disputes and conflicting perceptions of one another's motivations and interests, are now making concerted efforts to move towards new relationships based on harmony and mutual co-operation. Pakistan has made its own contribution towards this development with its recent offer of a non-aggression pact to India."

We quote somewhat extensively from Mr. Shahi's speech because it comes on the eve of his self-imposed relinquishment of the Foreign Ministership and sums up the significant ingredients of Pakistan's foreign policy, as the country moves into the mainstream of its re-ordered international life based on a realistic assessment of its geopolitical and security imperatives; and also because Mr. Shahi himself has played a critical and creative role in these developments and has blazed a trail in dynamic diplomacy, which will show the way to his successors.

It was appropriate to spell out these developments before our distinguished Chinese guests because China's understanding and friendship has been a strong and positive factor in the evolution of our foreign policy, and once again, Mr. Agha Shahi himself, particularly since the late sixties, has contributed greatly to the promotion of this understanding, as our Ambassador at the United Nations and in China, and during his long stewardship in the Foreign Ministry as Secretary, Secretary-General, Adviser, and Foreign Minister. Indeed, the Chinese Vice-Premier and Foreign Minister, Mr. Huang Hua has paid Mr. Agha Shahi a most fitting tribute by inviting him to visit China after he relinquishes office. We hope that Mr. Shahi will continue to be available for advice at the highest level in the conduct of our international affairs.

CSO: 4220/303

EDITORIAL WELCOMES LIFTING OF RESTRICTION ON U.S. AID TO PAKISTAN

Karachi JANG in Urdu 22 Feb 82 p 3

[Editorial: "American Aid to Pakistan"]

[Text] President Reagan has signed waivers officially lifting restrictions on aid to Pakistan. The United States government has thus formally lifted the ban on giving economic and military aid to Pakistan. To fulfill the legal requirements, President Reagan has sent the documents to the Congress, which can express opposition to the measure if it wishes to do so within the next 30 days, but congressional opposition is not expected. The question of the resumption of aid to Pakistan has already been debated at length in the United States Congress, which finally decided to amend the foreign aid restrictions rule and allow the President to exempt Pakistan from these restrictions. In his letter to Congress, President Reagan presented an effective case for resuming military and economic aid to Pakistan. He pointed out that after the Russian attack on Afghanistan, Pakistan came under great military and political pressure aimed at forcing it to accept quietly the Russian military presence and control over Afghanistan. Reagan's letter further stated that the main objective of American economic aid to Pakistan and the sale of weapons to it under a joint loan agreement was to boost Pakistan's defensive capability, which was important not only for Pakistan itself, but also for the entire Western Asia. In these critical times, he said, it was important to give foreign aid to Pakistan; not to do so would endanger America's important security interests.

An important point included in President Reagan's letter to Congress was that the United States should fulfill the legitimate security needs of its friends in order to help reduce the inducement to build atomic weapons. In fact, this was the reason for imposing restrictions on aid to Pakistan. Former President Carter was of the view that Pakistan was rapidly preparing to build atomic weapons, and that the easiest way to stop it was to end economic and military aid to Pakistan. The propaganda regarding Pakistan's so-called Islamic bomb was secretly organized by international elements led by the Jewish lobby which controls the European media of communication. Pakistan said then and continues to say now that it is not Pakistan's policy to make atom bombs. Pakistan's economy cannot afford the luxury of making atom bombs. Pakistan wants atomic energy for fuel, and will use its atomic capability for peaceful purposes. This has always been Pakistan's stand, and the proof of its sincerity is that several dates mentioned by Pakistan's opponents for Pakistan's atomic detonation have come and gone, and Pakistan has not exploded any nuclear devices;

nor does it intend to do so in the future. Another proof of Pakistan's sincerity is the statement of the director of the International Atomic Energy Agency that his agency had no evidence that Pakistan was using atomic fuel for non-peaceful purposes.

It is a proof of Reagan's realism that in spite of international propaganda he has accepted Pakistan's peaceful and sincere stand, and at the same time has felt and acknowledged the fact that if Pakistan's security needs are fulfilled, Pakistan will have no need to build an atom bomb.

It is a matter for satisfaction that as a world power, the U.S. has recognized the Afghans' struggle for freedom, and has felt the need to give economic and military aid to Pakistan to combat the Russian presence and reduce the load on Pakistan's economy caused by the more than 2.6 million Afghan refugees which it has accepted. Whatever Pakistan has done for the Afghan refugees is based solely on its sentiment as a brother Islamic country, and not at America's behest. In the same way, Pakistan is not the protagonist in the tensions exacerbated by the presence of Russian troops in Afghanistan. Rather, Pakistan declares openly that it has no quarrel with Russia, but wants good relations with that country. Pakistan's sole problem are the Afghan refugees. The day they return to their country will see complete order and peace in the area. The fact is obvious that Pakistan has not given any military bases to the United States in exchange for its aid. Under such conditions, the reinstatement of American aid to Pakistan is a pleasant action.

9863
CSO: 3110/73

EDITORIAL CALLS ORDER TO LOCAL COUNCILLORS UNTENABLE

Karachi JANG in Urdu 19 Feb 82 p 3

[Editorial: "An Incomprehensible Order"]

[Text] The Punjab government's order to elected local councillors regarding the issuing of statements, membership in organizations, forming associations or criticizing the policies of federal and provincial governments can only be described in polite terms as unintelligible. Municipal councillors are the elected representatives of the people. Even though their election is on a non-political basis and their entrusted duties are limited to local offices, it is clear that these councillors are not government employees on whom such restrictions could be binding. These councillors are knowledgeable citizens, and various responsible individuals in the government have acknowledged that the performance of local bodies has been satisfactory. There is now talk of future municipal elections. In view of these facts, it seems incomprehensible to impose such wide-ranging and stringent restrictions on local councillors. We do not know whether these restrictions are part of the general decision to forbid even limited political activity in the country, or whether opposition to the government by the local councillors was feared. One thing is certain: the present councillors, who have been sifted through the fine mesh over and over again, will react adversely to the new restrictions, and the result will be that the usefulness and popularity of local offices will diminish considerably. We maintain that the bureaucracy is making these decisions and having them passed, arousing adverse reactions. Some time back a decision was made regarding mosques which is arousing justified anger. Now another decision has been made that is both unpopular and unseemly. The Punjab government should review it.

9863
CSO: 4203/73

ALLIANCE APPROVES FARID'S FORMULA

Karachi DAWN in English 14 Mar 82 p 1

[Text] Leaders of the PML-JUP Alliance, after discussions spread over two sessions, have finally approved the formula prepared by the JUP's Prof. Shah Faridul Haq as the basis for negotiations with the MRD's component parties.

The meeting, which began at Pir Pagaro's residence in Karachi on Friday night, concluded on Saturday. Besides the host, Pir Pagaro, other participants included Maulana Shah Ahmad Noorani, Shah Faridul Haq and Mr Mohammad Khan Junejo.

Prof. Faridul Haq apprised the chiefs of the trends of his series of talks with the two negotiators, Mr Arshad Chaudhri and Mr Abid Zuberi, representing the MRD's coalescing parties. The Alliance leaders were also informed of the one-point formula given on behalf of the MRD, which called for the removal of Martial Law and the holding of elections under the 1973 Constitution

It was agreed that negotiations for a joint declaration should continue as before on the basis of the Faridul Haq formula which, inter alia, pinpoints the need for the formation of a political Government with the sole purpose of holding elections under the 1973 Constitution However, for the sake of continuity the Martial Law was to be retained until the actual transfer of power.

The MRD leaders have already made it clear that they would not join any government under the umbrella of Martial Law. At the same time, they said they would not stand in the way of other political parties forming such a government, though with the avowed object of holding elections "within three months" under the 1973 Constitution.

Meanwhile, Mr Arshad Chaudhri and Mr Abid Zuberi called on Pir Pagaro on Friday. On Saturday they were closetted with Maulana Noorani and Shah Faridul Haq. The talks held were described as "encouraging".

Maulana Noorani and Prof Faridul Haq left for Lahore on Saturday in connection with the JUP's Central Shoora at which some 150 members will be present. The Shoora will review the political situation, besides discussing matters relating to Tahleegh and the Organisation itself.

Chief of the defunct Qaumi Mahazi-i-Azadi, Mr Mairaj Mohammad Khan, who arrived in Karachi after his release from Kot Lakhpat Jail in Lahore, said that there was urgent need for a "united political front" in the objective conditions of today He reiterated his commitment to the MRD's four-point stand.

CSO: 4220/319

DELINKING OF RUPEE SAID TO BE HELPFUL

Karachi MORNING NEWS in English 7 Mar 82 p 5

[Text]

Sind's Industries and Finance Minister Mr Ashraf W. Tabani has said the government's decision to delink Pakistani rupee with USA dollar has started showing positive results and its full implications would be known to the business community in near future.

Inaugurating a two-day course on "export documentation and procedures" at the Karachi Chamber of Commerce and Industry here yesterday morning the Minister urged the business community to study minutely the implications of Government decision to fully comprehened its positive outcome.

A minute and in-depth study of Government's decision to delink Pakistani rupee with USA dollar he pointed out would reveal that export earnings would show improvement while import bill would be contained within manageable limits.

He suggested the Karachi Chamber to organise a seminar on the subject of delinking of dollar to comprehened all as- Pakistani rupee with USA pects of possible effects on the national economy.

Referring to the prevailing international recession which was adversely affecting the national economy particularly the industrial production in Pakistan. Mr Tabani urged the exporters to redouble their efforts and demonstrate aggressive salesmanship for boosting exports so as to minimise its effects.

He asked the manufacturers to pay due emphasis on production of quality goods and full utilisation of the available industrial production capacities in the country.

He expressed complete satisfaction on the fact that despite general recession prevailing world over and subsequent slumps in country's exports in first half of the current fiscal year the export of non-traditional and manufactured items have showed improvement.

He attributed the rise in export of non-traditional items to the various facilities and incentives given by the Government to promote the production and export of these goods.

The present Government Mr Tabani said has taken laudable steps for the industrialisation and in context of Sind efforts have been made to extend the benefits of industry to interior of the province.

As a result of facilities given by the Government to promote investment and industrialisation in the interior of the province which include tax holidays and allotment of plots the industrial and trade estate were running very successfully in Hyderabad Larkana and Sukkur.

Similar trading and industrial estates he pointed out are also being developed in Shikarpur Dadu and Jacobabad as small investors are responding very encouragingly to the facilities given by the Government.

Earlier the President of Karachi Chamber of Commerce and Industry Haji Abdul Razzak Janoo in his welcome address pleaded for suitable changes in the fiscal and taxation policies of the Government in light of the recent decision to delink Pakistan rupee with USA dollar.

He said though the decision to delink Pakistan rupee with USA dollar has been taken a bit late nevertheless it would help in improving export performance which was showing slump in first half of current fiscal year.

Despite the general slump in total export trade of country during first half of 1981-82 Haji Janoo said the redeeming feature was rise in export shown by the non-traditional items.

He therefore. pleaded for more fiscal incentives for manufacture and export of these non-traditional items so that the export base of the country is further enlarged.

Later the Chairman of Karachi Chamber's Export Committee Haji Mohammad Abdullah said some 204 businessmen have registered themselves for the export document and procedure course.

The course he said was ninth in series so far organised by the Karachi Chamber and is designed to provide basic information and elementary knowledge to the small businessmen.—PPI.

CSO: 4220/305

AGRICULTURAL EXPORTS MAY FACE STIFF COMPETITION

Islamabad THE MUSLIM in English 4 Mar 82 p 1

[Article by Sikander Hayat]

[Text] ISLAMABAD, March 3: Pakistan's exportable surplus in wheat, rice and cotton during 1981-82 wil have toface unfavourable conditions in international market, mainly due to near record world outputs in these commodities.

After two successive low productions and declining stocks a record world cereal crop of 1.489 billion tons is expected in 1981-82, as against 1.416 billion tons in 1979-80 and 1.43 billion tons last year.

This year, the world wheat crop is estimated at around 450 million tons, which is 11 million tons more than in the last year. Carry-over stocks in the five major exporting countries are expected not to go below 43.1 million tons.

The world trade in wheat is, therefore, expected to reach around 103 million tons compared with the 93 million tons in 1980-81.

Pakistan has fixed its wheat production target for 1981-82 at 12.2 million tonnes, which is 7.6 per cent higher than the estimated production of last year, giving rise to hopes of exporting some wheat.

It may be interesting to note that in view of this possibility, the government has already set up a study group. Timely rains and better supply position of inputs like seeds, fertilisers and water have strengthened this hope.

RICE: The world rice production is forecast at a record 274 million tons for 1981-82. The rise is expected due to increased planting in response to upward price trend early this year and to 'generally favourable growing conditions.

The world trade in rice, however, is expected to fall from 13.2 million tons in 1980-81 to around 12.7 million tons in 1981-82 due mainly to an expected reduction in South Korea's imports.

Although the rice production in Pakistan is estimated at 3.07 million tonnes in 1980-81 as against 3.22 million tonnes in 1979-80, it is expected to remain a major foreign exchange earner. Procurement of rice and paddy is going on successfully.

But the export of rice, which amounted 'to about 191 million dollars during the first half of 1981-82, is already down by 18 per cent as compared with 232 million dollars in the same period last year.

COTTON: The world cotton output is projected at a record level of 71 million bales for 1981-82 compared to 65.7 million bales in 1980-81. The sharp rise in output is partly due to recovery in production in United States, China and India and partly due to higher per acre yield.

On the other hand, prospects have deteriorated in a number of countries resulting in downward revision of global consumption to 67.3 million bales from 68 million bales. The international trade in raw cotton, therefore, continues to be affected by sluggish economic performance in many countries.

The trade volume which was about 20 million bales in 1980-81 is expected, however to record a modest increase of 0.5 million bales this year.

Pakistan's cotton production target for 1981-82 is fixed at 4.6 million bales which is 14.71 per cent more than last year's.

It may be recalled that the raw cotton exports in the first six months of 1981-82 have already recorded a slump of 65 per cent. During July to December 1981, the cotton exports fell from 171 million dollars to 59.3 million dollars.

CSO: 4220/303

LONDON INVESTMENT CELL TO BE EXPANDED

Islamabad THE MUSLIM in English 5 Mar 82 p 8

[Text] ISLAMABAD, March 4: Ghulam Dastgir Khan, Minister for Labour, Manpower and Overseas Pakistanis said here today that the Pakistan embassy in London had been authorised to issue licences for the import of machinery worth upto Rs. 10 million, in each case.

Talking to newsmen on his return from European tour, the Minister said, the concession was announced on a demand by the recently-held Manchester Convention of Overseas Pakistanis after he obtained President Ziaul Haq's approval on phone.

He said the overseas Pakistanis would face no difficulty in future in obtaining import permit to set up various type of industries other than those banned by the Pakistan government.

Describing his tour as "very successful", Mr. Dastgir, who led a high-powered delegation to the Manchester and Copenhegan Conventions, said numerous decisions were taken to solve problems of Pakistanis settled abroad. He also held talks with government leaders of the countries he visited and successfully negotiated the solution of different problems facing Pakistani communities.

The Minister said the London branch of the Investment Promotion Cell would be expanded to make readily available advisory service to Pakistanis on different aspects of industrialisation programme of Pakistan government and to seek more and more investment.

Another important concession which the Minister announced during his tour was the reduction in custom duty from 70 per cent to ten per cent on the import of spare parts of tractors.

He said overseas Pakistanis returning home would be allowed to pass through the green channel set up by customs at major international airports. Pakistani had complained that they were not allowed to use the channel even if they did not carry any goods liable to custom duty or taxes.

The Minister said the PIA would also extend some facility in transportation of accompanied baggage, presently restricted to 20 kilos.

Mr. Dastgir revealed that the government had also decided to reserve 10 per cent seats in educational institutions like Atchison College and Hasanabdal Cadet College for children of overseas Pakistanis. He said the Lawrence College located in Ghoragali had been given Rs. 20 lakh as grant-in-aid from the Overseas Pakistanis Foundation to enable it carry out expansion plans and admit children of overseas Pakistanis.

He said educational institutions for girls exclusively meant for dependents of overseas Pakistanis would be set up all over the country. He said to begin with a girls primary school which would be later upgraded, had been set up in Islamabad. He said school would have boarding and lodging facilities.

The Minister said the OPF would begin a legal service to pursue cases in local courts for overseas Pakistanis on a no-profit-no-loss basis. He said overseas Pakistanis had brought to his notice that they could not pursue their cases in different courts of the country. He said the OPF would later recover the cost of the service.

The Minister also referred to the agreement signed between Pakistan and Denmark, which he said would entitle Pakistanis the same old age benefits and other welfare facilities enjoyed by the Danes. The Minister also chaired a convention held in Copenhegan.

Organised by the Pakistani embassy, the convention was attended by 350 delegates.

In West Germany, the Minister said he discussed the issue of illegal Pakistani immigrants, in Scotland, the Minister said the Lord Mayor of Glasgow held a reception in honour of Mr. Dastgir in appreciation of the positive role played by the Pakistani community there.

CSO: 4220/303

BUSINESS AS USUAL

Islamabad THE MUSLIM in English 6 Mar 82 p 1

[Article by Salim Bokhari]

[Text]

ISLAMABAD, March 5: Strike call in sister cities of Rawalpindi and Islamabad received a half-hearted response from the people today. Only wagonwalas and suzuki drivers observed a complete strike, though a few wagons were seen on Rawalpindi-Islamabad route. Later, these wagons were parked on the roadsides.

The Government Transport Service remained operative throughout the day, while a few mini buses also plied between the two cities. Rawalpindi Bus Stand (Pir Wadai) was crowded as usual and buses for all routes were available. Taxi, Rickshaw and Tanga service was normal in Rawalpindi city.

All major markets were closed on account of Friday. However few shops like, general stores, barber shops, restaurants and bakeries were opened in both the cities.

The most surprising aspect of today's strike call was that the Jumma Bazar attracted unusual crowd despite heavy rain throughout the day. More people rushed to the Jumma Bazar on the understanding that other markets would be closed in response to the strike call. When contacted, a shopkeeper of the Jumma Bazar said, "we sold more today than usual".

It may be noted that the strike call was given by various organisations of Rawalpindi and Islamabad to protest against the terrorists attempt to sue Holy Quran as a 'Booby Trap'. This heinous plan was unveiled by the Peshawar police on Feb. 21. Two Kabul-trained Pakistanis, allegedly involved in this deplorable act, were also arrested.

Since the disclosure of the terrorists plan, a wave of resentment has swept the country. Strikes were observed and rallies held in Rawalpindi, Islamabad, Peshawar, Hyderabad, Karachi, Lahore and various other major cities and towns.

President Ziaul Haq, said on Feb. 25 than the elements involved in the deseceration of the Holy Quran would be brought to books, in accordance with the law of the land.

CSO: 4220/303

DECLINE OF 9.21 PERCENT IN TOURIST TRAFFIC

Karachi BUSINESS RECORDER in English 8 Mar 82 p 4

[Text]

ISLAMABAD, March 7: Foreign tourists arrivals in Pakistan during the period January-September, 1981 declined by 9.21 per cent, according to a survey carried out by Pakistan Tourism Development Corporation (PTDC).

Air tourists arrivals also declined by 23.5 per cent while an increase of 9.8 per cent was recorded in land tourists arrivals during the same period.

The decline in air tourism was mainly due to fall in overall global air traffic while land tourists arrivals increased due to rising number of visitors from India for religious purpose. Tourists coming via sea declined by 40 per cent.

The decline in the tourism in the first nine months of 1981 is attributed to the adverse political conditions in the neighbouring countries of Pakistan via Iran and Afghanistan, and adverse economic conditions in the main western tourists generating countries.

In South Asian region, data for the period January-September is available in respect of Sri Lanka and Iran. In Sri Lanka the tourist arrivals increased by 19 per cent. Major part of the increase was from western Europe and Asia.

In Iran, the total number of foreign tourists arrival showed an increase of 10.9 per cent. There, the highest number of tourists came in the year 1977 after which their arrival declined sharply.

An analysis of quarterly tourist arrival data shows that during the second quarter of 1981 the tourist arrivals declined by 18.5 per cent.

Except for South Asia, arrivals from all other markets declined during the first nine months of 1981. An analysis of quarterly arrivals from different markets shows that arrivals from America, Middle East and Africa improved during the third quarter of the year 1981.

During the first nine months of 1981, total foreign exchange earnings from tourists reported by the State Bank of Pakistan amounted to 89.114 million dollars. This shows a decrease of 22.1 per cent. Major part of the decrease occurred in the receipts from foreign tourists because of decline in arrival.

CSO: 4220/304

SHOORA TEAM'S ACTIVITIES IN UNITED STATES

Karachi DAWN in English 12 Mar 82 p 20

[Text] WASHINGTON, March 11: A 21-member delegation of members of the Federal Advisory Council, led by Federal Minister Mir Zafrullah Jamali, arrived here on Tuesday night for a two-week goodwill tour of the United States.

The members will meet U.S officials, some Congressmen and Senators as well as representatives of the news media to explain the functions of the Council.

On Wednesday, five members of the group met the Editorial Board of the U.S. News and World Report, a weekly magazine. They included Messrs Jamali, Hussain Haroon, Tariq Rahim and Fakhruz Zaman. The group was received by the Editor of the magazine, Mr Marvin Stone.

Later, the delegation called on Miss Betty Hietman, co-Chairman of the Republican National Committee and had an exchange of views with her. Later, the delegation members visited the Centre of Strategic and International Studies.

In the evening, they attended a reception hosted by Pakistan's Ambassador to the United States, Lt-Gen Ejaz Azim.

PPI adds: Two influencial Congressmen — Senator Mathias and Representative Pritchard— represented the Senate and House Foreign Affairs Committees at the reception. Also attending the function were senior Congressional aides, State Department functionaries, Pentagon officials, and US news media representatives. The 21-member Shoora delegation will also visit the House Foreign Affairs Committee room where, among others, they hope to meet Chairman Zablocki and then make a call on Chairman Percy and other members of the Senate Foreign Relations Committee. Accompanying them to the Capitol Hill will be Federal Minister Mahmoud Haroon and Ambassador Ejaz Azim. The Majlis-i-Shoora members will also attend in small groups, such Congressional Committee hearings as may be in progress at that time.

The trip to the Hill will be followed by a visit to the State Department where the Pakistan Shoora members will be welcomed by US Under-Secretary of State and ex-Senator James Buckley and Deputy Assistant Secretary of State, Peter Consabid.—APP/PPI.

CSO: 4220/319

HIGH-LEVEL FINANCIAL COMMISSION SOON

Karachi DAWN in English 11 Mar 82 p 1

[Article by Tariq Zaheen]

[Excerpt]

LAHORE, March 10: A high-level Financial Commission to work as an independent agency is likely to be set up soon to devise ways and means for a proposed switch-over to an open market-oriented financial system in the country.

It is being set up to ensure full participation of the private sector in capital availability and funds utilisation on the one hand, and to channel the overseas workers' remittances into industrial investment on the other.

Highly authoritative sources told DAWN that the proposed commission will work in co-ordination with the World Bank and cover the entire amoit of financial sector, including the tax structure, interest rate on loans and the role of commercial banking as the three main issues.

In this connection a high-level financial review mission of the World Bank is arriving in Pakistan on March 19. The mission will visit Islamabad, Lahore and Karachi to pinpoint the areas of improvement in the existing banking system, financial institutions, capital market and industrial financing. The members of the mission will hold discussions with the officials of the Chambers of Commerce and Industry and Stock Exchanges and meet investors, auditors, shareholders, etc.

According to sources, the World Bank has also finalised a programme for financing and assisting a research project in collaboration with the Pakistan Institute of Economic Study to carry out investigation on the above mentioned subjects.

Another report prepared by the economic experts has suggested that the public should have the right to know the extent of taxation and the budgets should not be above public accountability.

After the completion of its tour, the IBRD mission will prepare a draft proposal for the revitalisation of capital market activities and improvements of credit availability through the financial system.

Apart from this draft, short-term measures for improvement in the functioning of market and long-term structural changes to expand the capital will also be suggested to increase the volume of future capital formation and savings mobilisation in the country.

CSO: 4220/319

SHAHI DEMANDS APOLOGY FROM ISLAMABAD DAILY

Karachi BUSINESS RECORDER in English 11 Mar 82 p 3

[Text] ISLAMABAD, March 10: Former Foreign Minister Agha Shahi has issued a legal notice to the management of the daily 'Muslim' in Islamabad to publish an unconditional apology for calling him an "American man" within eight days otherwise he would file a defamation suit claiming damages amounting to Rs. one crore.

In the notice, dated March 8, sent by Shahi's counsel, Liaquat Merchant of Karachi, three top persons of the management have been made respondents—Chief Editor Agha Murtaza Pooya, printer Yawar Mehmood Butt and publisher Tahir Hussain Mashhadi.

Shahi, who left for Geneva yesterday after relinquishing the office of Foreign Minister, has informed the management of the newspaper that if a retraction was not published by the 'Muslim' in an equally important manner within eight days, he would file a libel suit only in Karachi High Court for Rs. one crore damages, which amount shall be donated to a charity approved by the court.

Shahi has described the allegation against him as totally unfounded, baseless, unjustified, mischievous, defamatory and libellous in nature.

The notice, inter alia, read as follows: On behalf and under instructions from our client Agha Shahi, we have to address you as under.

Our client resigned recently as foreign minister of Pakistan on grounds of ill-health. The President of Pakistan while reluctantly accepting his resignation on 16th February, 1982, placed on record his appreciation of our clients services to the nation and paid him warm tributes for his "outstanding contribution to the successful handling of Pakistan's foreign policy". The President went on to say—

"Throughout his long and distinguished career as public servant Agha Shahi held various high offices, including that of secretary general and adviser on foreign affairs. He served as foreign minister during a difficult time of Pakistan's history and dscharged his onerous responsibilities with great dedication and utmost devotion.

"By his dedication and sustained hard work Agha Shahi won great respect and honour for Pakistan in the comity of nations".

The President concluded his tribute by expressing hope that our client's experience and wise counsel will continue to be available to the country.

On 28 February, 1982 after the last cabinet meeting attended by our client, the cabinet decided to approve of his appointment as professor emeritus on international affairs in the universities of Pakistan and placed on record, "the meritorious services" of our client.

President Zia-ul-Haq and the cabinet ministers paid tribute to our client as the out-going foreign minister and particularly, "his selfless service, devotion and patriotism". They went on to state that—

"The foreign policy framed by Agha Shahi was truly in line with the aspirations of the nation and vastly enhanced the image of the country in the comity of nations —an independent and non-aligned policy in conformity with the national interest".

TRIBUTES PAID

Both during the tenure of his office and after the announcement of his resignation as foreign minister, tributes were paid to our client by the national and international press and other news media as well as by statesmen of world stature.

The independent foreign policy dedicated to the great purposes and high principles of the charter of the United Nations, the Organisation of the Islamic Conference and the Non-Aligned Movement reflected in a balanced relationship with the super-powers, improvement and stabilization of relations with India without derogation from Pakistan's sovereignty and independence, consolidation of relations with China, unswerving support of all Islamic causes and interests and commitment to the freedom struggle of dependent peoples are some of the examples of the policies expounded and pursued by our client within and outside international forums as well as in the context of bilateral relations.

Our client states that after his resignation as foreign minister, an editorial appeared in the Muslim of 18th February, 1982 under the heading, "Well played Agha Shahi". While purporting to praise the role played by our client as foreign minister, the editorial went on to make an allegation that our client has been regarded as the "American man" by many but that the benefit of the doubt was being given by you to our client. Our client states that the aforesaid allegation and/or aspersion cast on our client is totally unfounded, baseless, unjustified, mischievous, malicious, defamatory and libelious in nature.

Our client states that the aforesaid allegation/statement/aspersion has damaged our client's name, standing and reputation

both in Pakistan and abroad and is likely to continue to cause him serious harm, damage and loss of reputation and standing. The said allegation has also injured Pakistan's image and adversely affected the prestige of Pakistan.

The relationship which was built up and developed between the United States of America and Pakistan which recently culminated in the signing of an agreement for sale of military equipment and economic assistance was in the larger national interest and our client never hesitated to take up as stated against the United States of America when the national interest and Pakistan foreign policy which our client developed and maintained, required him to do so.

In the circumstances the allegation and/or aspersion contained in the editorial of the Muslim dated 18th February, 1982 and the subsequent publication in the Muslim dated 22.2.1982 under the heading, "I am no American man protests Shahi", which is a distortion of the off-the-record exchange with the press, are per se libellous and defamatory in nature and have been printed and published mischievously and maliciously without any basis or justification. Copies of the said publications were circulated all over Pakistan including Karachi. —APP.

CSO: 4220/321

FEDERAL MINISTER ON MANPOWER TRAINING

Karachi MORNING NEWS in English 11 Mar 82 p 3

[Text] Islamabad March 10: The Federal Labour and Manpower Minister Ghulam Dastgir Khan has called for training of the abundant manpower on more scientific lines to meet the requirements of the various sectors of the economy.

Addressing the in-service trainees of the 10th course on Development of Employment Income and Resources" at the Manpower Institute here yesterday the Minister said that for the best utilisation of the manpower it was essential that such policies should be made which could help in creation of more job opportunities. [as published]

He said whereas it was necessary that the investment in the development projects be increased simultaneously the judicious distribution of income and the proper utilisation of the manpower must also be given due consideration.

He said that President Gen. Mohammad Zia-ul-Haq had directed that the Manpower Institute should act as a research cell where experts should devise ways and means keeping in view the modern requirements of the manpower.

In this regard, Mr Dastagir said that we would have to bridge the existing gap between the rural and the urban areas which was only possible by accelerating the development of the rural areas. For this purpose, the communication system electricity educational institutions medical aid, technical education potable water and above all the development of the non-agriculture professions were the main requirements of our rural areas he added.

Tere other important factor for our policy was that the style of our progress should be labour-intensive and capital-saving. [as published] In this connection the Minister pointed out that we should acquire such technology which could be according to our atmosphere, economy material and human resources. This could only be achieved by moulding the local scientific and professional research on more positive lines.

/The existing scientific research and professional centres should, therefore be given proper patronage and financial assistance so that the country could

become self-sufficient in this fields he added. [in boldface] [as published]

He said that another most important sector which needed more attention was proper planning of the existing manpower available in the country for which a sound statistical base was essential. Such base could help in meeting the demand and supply of the manpower, he added.

Improper Manning

Mr. Dastgir further said "We all know that because of improper manning of the manpower the country is facing" lot of problems in this regard. On one side we have abundance of manpower while on the other hand, most of our development projects need suitable and qualified manpower which is not available. We will therefore have to maintain a balance between the qualitative and quantitative demand and supply of the manpower so that it can be suitably utilised.

He pointed out that the Ministry of Labour Manpower and Overseas Pakistanis was recognising the research work and efforts were being made to bring it on more sound footing. He hoped that in future all necessary facilities would be available with regard to various problems of manpower on more scientific lines which would help in formation of the effective policies.

He asked the Director of the Institute that he intake of the trainees for the future courses should be increased to about 50 so that the people trained in the institute could guide in proper planning in various fields. [as published]

As regards the abnormal increase in the population growth the Minister said that the Council of Islamic Idealogy [as published] in the light of the Islamic teachings should take stock of this grave problem and suggest suitable measures for its remedy.

Earlier welcoming the chief guest the Director of the Institute Mr. Abdul Ghafoor Mufti presented his report about the working of institute and the number of courses and seminar which had been organised by the institute since its inception.

He said that during the current 10th in-service training course the main emphasis was on the population and labour force of the country, increasing trends of population and their effects on the employment of labour force and their employment structure further opportunitites of increasing or decreasing employment basis of formation of development projects in the country, assessment of previous development plans and comparison between provision of employment opportunities.

The function, among others was attended by the Federal Secretary of Labour and Manpower Mr. M'A Kazmi.--PPI

CSO: 4220/318

SAFDAR ON GOVERNMENT-PEOPLE UNDERSTANDING

Karachi DAWN in English 12 Mar 82 p 1

[Text] LAHORE, March 11: Khawaja Mohammad Safdar, chairman of the Federal Council, has said that mutual understanding between the people and the Government was a must for the holding of the general elections in the country.

Talking to newsmen at the Lahore airport on his arrival here today, the Chairman said that as soon as some understanding was reached between the political parties and the government then there would be no delay in the election.

He said that national unity was a must for the prosperity and integrity of the country and it could only be achieved through the mutual understanding between the political parties and the government.

Khawaja Mohammad Safdar said that the committee set up for the Islamisation was expected to complete its report and submit it to the Council Secretariat by next month. He said that main job before the committee was to find out impedements in way of Islamisation of laws and to suggest ways and means to remove them.

The Chairman said that 23 standing committees of the Federal Council had been formed and the remaining four committees, on house and library, Cabinet, rules of procedure and northern region and Kashmir affairs would be constituted soon. The member had been asked to send their preferences for joining the committees.

He said at present the National Assembly rules of procedure were adopted by the Federal Council as far as possible pending the preparation of new rules.

He said that no date for the next session for the Council had been fixed yet.—PPI.

CSO: 4220/319

BODY TO BOOST ENGINEERING GOODS EXPORT

Karachi DAWN in English 12 Mar 82 pp 1, 20

[Text] An Engineering Manufacturers and Export Council will be set up with the purpose of diversifying production of engineering goods in existing units, encouraging establishment of new units and promoting export of their products.

This was stated on Thursday by Lt.-Gen. Saeed Qadir, Federal Minister for Production, Railways and the National Logistics, at a Press conference held at the National Fibres Limited in Korangi Industrial Area.

He said this decision was taken at a meeting chaired by the Finance Minister and attended by the Ministers for Production, Industries and the Governor of the State Bank.

The proposed council, he said, would meet at least twice a year and the execution of its policies would be the responsibility of an Executive Committee comprising Secretaries of Commerce, Industries, Finance and Production Ministries.

He said that in order to enable the engineering goods industry to compete abroad and to supply capital equipment to the domestic market at reasonable prices, a number of decisions relating to provision of imported raw materials at competitive international prices, were taken. These included extending the existing concessional duties applicable to principal manufacturers of assemblers to small vendor units which are currently not eligible for such concessions.

In addition, he said, the engineering industry (principal manufactures as well as vendor units) would be allowed duty-free import of raw materials and components in case the products were supplied to duty-exempt projects, organisations and areas.

The ministerial committee which took the decision for setting up the council, also decided that locally manufactured engineering products, when supplied to duty-exempt projects and organisations within the country, would also qualify for all incentives (including compensatory rebates) at present applicable to exports.

He said the committee noted that under the Export Finance Credit Scheme, exporters of engineering goods had the finances available to them at a concessionary rate of interest and the facility to pass on to the foreign buyer credit at concessionary rates for periods up to 12½ years.

The Minister said it was also decided that all public sector engineering units would set up their own export promotion cells.

He said four tractor manufacturing units would be set up, two each in public and private sectors, and their manufacture would start within three years.

Small cars, Suzuki pick-ups, vans and jeeps would be produced within the country, for which engineering industries were required to supply various spares.

Dealing with corporation sectors under the control of the Ministry of Production, the Minister said that from 1973-74 to 1976-77 the production index at constant prices of 1972-73 was showing declining trend from 131.4 per cent in 1973-74 to 121.8 per cent in 1974-75, 104.2 per cent in 1975-76 and 97 per cent in 1976-77. The overall increase up to 1976-77 over base year 1972 was 154.71 per cent, he added.

Gen Qadir said the trend started picking up since assumption of responsibility by the present Government in July 1977. The production index rose to 117.5 per cent in 1977-78, 107.5 per cent in 1978-79, 126 per cent in 1979-80, 101 per cent in 1980-81 and 111.8 per cent during the first six months of the current financial year. The production index during 1980-81 over base year 1972-73 increased to 259.74 per cent.

He said consequent upon increase in production and prices, the sales increased from Rs. 1806 million in 1972-73 to Rs. 6020 million in 1976-77 showing an increase of Rs. 4214 million (by 233 per cent). The sales during 1980-81 increased to Rs. 15,226 million showing an increase of Rs. 9,206 million (by 153 per cent) over 1976-77.

He said the sales during July-December 1981 was Rs. 8,125 million as against Rs. 6,799 million during the same period last year showing an increase of 19.5 per cent.

The profits increased from Rs. 18 million in 1972-73 to Rs. 59 million 1976-77 showing an increase of Rs. 41 million (by 227 per cent). The profits of 1980-81 increased to Rs. 745 million showing an increase of Rs. 686 million (by 1163 per cent) over 1976-77.

The net profit during July-December 1981 increased to Rs. 392 million as against Rs. 165 million during the same period last year showing an increase of 137 per cent.

The taxes and duties paid during 1972-73 were Rs. 198 million which increased to Rs. 1408 million in 1976-77 showing an increase of Rs. 1210 million (by 611 per cent). They went upto Rs. 3593 million during 1980-81

showing an increase of Rs. 2383 million (by 197 per cent) over 1976-77.

As on June 30, 1981, the net share holders equity was Rs. 3803 million. The pre-tax profit during 1980-81 was Rs. 754.52 million giving 20 per cent rate of return. The comparative figure for 1979-80 was share holders euqity Rs. 3350 million, pre-tax profit Rs. 585 million and rate of return 17.5 per cent.

The total investment including long-term liabilities as on June 30, 1981, was Rs. 8937 million on which rate of return for 1980-81 works out to 18 per cent. The total investment as on June 30, 1980, was Rs. 8679 million on which rate of return for 1979-80 worked out to 15 per cent, he said.

CSO: 4220/319

SILICONE TECHNOLOGY CENTER TO BE SET UP

Karachi MORNING NEWS in English 12 Mar 82 p 5

[Text] Lahore, March 11: Dr. I. H. Usmani Inter-Regional Energy Adviser to the United Nation, today said that Silicon Technology Centre would be set up in Pakistan in near future to promote research in the development of cheap solar energy. [as published]

Dr. Usmani was speaking on "a realistic energy-mix for Pakistan" at a meeting orgaused here this afternoon by the Energy Society of Pakistan. [as published] Maj-Gen Ghulam Safdar Butt, Chairman of the Water and Power Development Authority (WAPDA) presided over the meeting.

Dr. Usmani said that Pakistan would be the first country to have an exclusively Silicon technology centre financed by the United Nations. He said he had come to Pakistan to finalised the details of this centre. [as published]

Dr. Usmani paid tributes to the present Government for accelerating the pace of rural electrification in the country. The number of villages provided electricity during the past five years was more than the number of villages given this facility during the first thirty years of independence.

He said rural electrification could be greatly speeded up with the introduction of solar energy as a practical technology in Pakistan.

He said the approach of countries like Pakistan towards the energy problems should not be project oriented. He suggested establishment of a Central Institute for Energy in Pakistan to co-ordinate efforts of all agencies working in this field and to devise the frame work of a national energy strategy.--APP.

CSO: 4220/318

JOINT VENTURE PROPOSALS REPORTED

Karachi MORNING NEWS in English 11 Mar 82 p 6

[Text] The Federal Government has received 11 specific proposals of joint venture collaboration and supply of technical know-how in industrial fields from the American investors.

According to the official source the proposals have been communicated by some of the members of Pak-USA economic council delegation which visited Pakistan late last year and had showed keen interest in setting up joint industrial ventures and to supply technical assistance in certain specific fields.

One of the New York based company and a subsidiary of a world known multinational concern has offered to supply meat extract plants to the Pakistani investors.

Another American company based in Florida has expressed willingness to enter into joint venture collaboration with Pakistani businessmen for manufacture of chain saws in Pakistan.

The sources said that some of the delegation members have expressed the view that Sweden and Japan's technology in the field of ball bearing was more appropriate for Pakistan and have therefore suggested the Pakistani entrepreneurs to contact known and reputable companies like SKF in Sweden and Nippon in Japan.

European Technology

In matter of footwear the delegation members felt that European technology for footwear was much more suitable and that well known French and Italian companies be approached for acquiring relevant technology.

Similarly one of the members of the American investors team has advised the Pakistani pharmaceutical manufacturers to establish contact with well known Danish firm for acquiring technology to produce.

The delegation members who represented American based multi-nationals and reputable concerns engaged in manufacture and supply of diversified production lines have offered Pakistani investors a number of items like high

voltage switchgears, plants for extracting citrus juices, coal-tar fractionalisation plants, vegetable dehydration plants and special steel products.

The sources said that federal industries ministry has already communicated the names and addresses of all the American investors to the various Chambers of Commerce and Industry in the country so that Pakistani entrepreneurs could establish direct contact with them for entering into joint collaboration.--PPI

CSO: 4220/318

WORLD BANK TO AID IN RENOVATION OF CHANNELS

Karachi MORNING NEWS in English 12 Mar 82 p 8

[Text] Lahore: March 11: The World Bank is keen to assist renovation of Punjab irrigation channels; it was stated by Mr S. S. Kirmani; Director; World Bank for South East Asian and Pacific Regions; while addressing a seminar in "New Strategies in Irrigation at the Engineering University here.

Mr Kirmani disclosed that the World Bank had changed its priorities of assistance to the developing countries and now Rs 6000/- crore had been allocated for agriculture and energy development projects. Of this Rs 4000/- crore had been earmarked for agriculture development and Rs 2000 crore for boosting energy production. He disclosed that the world was faced with acute food shortage, and in 1982-85 it was feared that this deficit would be about 45 lakh tons. Mr Kirmani advised the irrigation engineers to make a reapprisal of the water distribution system and concentrate on intensive irrigation; as the new qualities of seed and large-scale use of fertilizers pre-supposes absorbition [as published] of large quantity of water.

He cited the example of Taiwan; Korea and Indonesia where the food production had been doubled due to intensive watering and levelling of fields. Punjab, he said; used to be the granary of the subcontinent and it would attain the same position if water distribution was made equitable and scientific. Water should not go waste and new areas of land in Cholistan should be brought within the command area of irrigation as soon as possible. [as published]

Mr. Mazhar Ali Mr Ahmed Tariq and Mr Munawer Ali Shah also addressed the seminar.

Mr A. B. Awan, Director of Centre of Excellence, thanked the chief guest for enlightening the engineers and the students of the university about the new techniques in water management.

CSO: 4220/318

BHOPALI ON 'HOAX' OF WIDER PARTIES' ALLIANCE

Karachi MORNING NEWS in English 12 Mar 82 p 9

[Text] Mr. Zahoorul Hasan Bhopali, a member of Majlis-i-Shoora, said here yesterday that the "hoax" of a wider alliance among the defunct political parties had been fully exposed and people could no longer be taken in by such negative tactics.

Addressing a Press conference at a local hotel, Mr. Bhopali said that he too wanted the restoration of democracy in the country. He believed that elections were "inevitable". But in his opinion the elections should result in a stable Government which might eliminate the chances of another Martial Law in the country.

Mr. Bhopali said that parties which were politically and ideologically opposed to each other could not form a stable government. People would never support any unnatural, illogical and baseless alliance. Only the ideologically-oriented parties could form an effective alliance for giving a stable and efficient administration to the country.

He said the issue of enforcing an Islamic system (Nizam-i-Mustafa) in Pakistan should be above all controversy and all Islam-loving parties should cooperate with the present Government in this respect irrespective of their political differences.

Mr. Bhopali said that if the Islam-loving parties failed to form an ideological alliance or suggest a formula for holding elections and transfer of power through peaceful means, the Majlis-i-Shoora would not be bound by the contradictory views of such parties and politicians. In that case the Government and Majlis-i-Shoora would be free to chart out a course of action of their own.

He refuted the allegation that there was a move to do away with the principle of "one man, one vote". Actually nobody was opposed to this principle, he added.

Mr. Bhopali said that defunct Pakistan National Alliance had in its own manifesto demanding a constitutional amendment to reduce the powers of the Prime Minister and the Chief Ministers in the provinces. Now the former

components of PNA were trying to present the 1973 Constitution as sacrosanct, he remarked.

Mr. Bhopali said the reports about dacoities, bomb blasts and subversion in the interior of Sind were without much truth. But there was an element "patharedars" who were kidnapping children, and even grown up persons and stealing cattle with the connivance of some big landlards. [as published] He suggested that the Government should take strict measures against these elements.

Mr. Bhopali said that the people in the rural areas should be given a greater sense of security that if they pointed out any injustice they would not be victimised by the petty officials. He said that SHO of a police station about which there were too many complaints or in whose area too many crimes were committed, should be suspended and an enquiry should be ordered against him.

Replying to a question, Mr. Bhopali said that if the political leaders failed to evolved a formula for a peaceful transfer of power, the Majlis-i-Shoora could pave the way for elections within a year.--APP [as published]

CSO: 4220/318

EDITORIAL CRITICAL OF SUPER POWERS IN INDIAN OCEAN

Karachi MORNING NEWS in English 12 Mar 82 p 6

[Text]

THE escalation of superpower presence in the Indian Ocean is very much in the news these days. The development is fraught with danger for those who live in this region. Heightened tensions and threatened conflicts in region could only result in a diminution of the ability to concentrate on development by the countries which belong to the area. It is this growing fear and threat that the Pakistan Representative expressed in the Ad-Hoc Committee of UN on the Indian Ocean, and described as disheartening and regrettable the polititcal and security climate in the Indian Ocean region.

It has been a decade since the UN General Assembly first passed a resolution declaring the Indian Ocean a zone of peace. The genesis of this concept can be traced back to the 1964 conference of Non-Aligned countries held in Cairo. The then Prime Minister of Sri Lanka put forward the proposal for declaring the Indian Ocean a zone of peace. The conference endorsed this proposal and supported the establishment of a nuclear-weapons-free zone in the Indian Ocean. Later in 1970, this proposal was also endorsed at the Lusaka conference and the Commonwealth Heads of Government Conference held in Singapore in January, 1971. In December, 1971, the UN General Assembly passed a resolution initiated by Sri Lanka calling upon the Great Powers to enter into negotiations with the littoral States with the objective of (i) stopping any further escalation and expansion of their military presence; (ii) removing all kinds of military installations, bases and logistical supply facilities. It also urged the littoral and hinterland States, the permanent members of the Security Council and other major maritime users of the Indian Ocean to consult each other for the purpose of implementation of this Declaration and to ensure that (i) the Indian Ocean is not used by a State for "any threat or use of force" against any littoral and hinterland State in violation of the UN Charter (ii) subject to these conditions, the

right to free and peaceful use of the Zone of Peace by the vessels of all States is not impeded: the Secretary-General of United Nations was asked to report to the next session of the General Assembly on the efforts made for the implementation of the resolution.

Since then conferences were held and grave concerns were expressed on the presence of superpowers in the Indian Ocean. The littoral states also time and again brought into light their anxiety on the threats being posed by the superpowers to peace and security of the region. Both the superpowers are actively pursuing their policy of domination in the Indian Ocean. If the present trend continues, both the great powers will further increase their military presence in the region. The situation has further deteriorated because of the Soviet military intervention in Afghanistan. The Pakistani Representative has rightly said: "The continued presence of the Soviet troops in Afghanistan and the festering crisis in that country have jeopardised the security of neighbouring States and carry grave implications far beyond the region." He also made it clear to the world how Pakistan looks at the situation. He said that Pakistan's peace zone concept took into account threats of both extra regional origins to the sovereignty, independence and territorial integrity of land-locked States. The first category related to the foreign military presence in all its manifestation, whether land-based or ocean-based in the region, as well as any military activity or build-up in the vicinity of the region which would constitute a threat to the security of those States.

Removal of that threat, therefore, would not only mean the elimination of foreign bases and naval presence in the Indian Ocean but also the withdrawal of foreign occupation troops on the territories of the littoral and hinterland states, as well as obligations on the part of outside powers not to engage in military activity detrimental to the security interests of the regional states.

Littoral States of the Indian Ocean region thus would do well if they cast off their differences, if any, and unite to fight against the threats that have been created by the superpowers. Their presence in the Indian Ocean will continue to pose danger to peace and security in the region.

CSO: 4220/318

EDITORIAL DISCUSSES REFUGEE BURDEN

Lahore THE PAKISTAN TIMES in English 7 Mar 82 p 4

[Text] The World Food Programme has decided to grant 11.3 million dollars more in food aid to Afghan refugees. Simultaneously Australia had announced that it will provide a further 10,000 tonnes of wheat valued at 1.9 million dollars for the refugees. Addressing a meeting of the Pakistan Red Crescent Society the other day President Zia-ul-Haq called for increased efforts at the international level for providing humanitarian relief to Afghan refugees. He said that the refugees, whom Pakistan had given shelter purely on humanitarian grounds, were neither a local nor a regional problem but a global one. He stated that the 2.5 million Afghan refugees now on the soil of Pakistan were the biggest concentration of homeless people anywhere in the world. He spoke of the tremendous burden the exodus of Afghan refugees had put on Pakistan's meagre resources and said that this country needed generous assistance from the world community to discharge its onerous responsibilities in this regard.

From a mere trickle in the beginning the number of Afghan refugees over the last two years and a half has increased to 2.5 million. The exodus is endless and at the rate they are coming into Pakistan the refugee population may well reach the 3 million mark by the end of 1982. The care of such a large number of homeless men, women and children has been no easy task. The refugees mostly consist of nomadic people, herdsmen, farmers and villagers for whom Pakistan has had to provide all kinds of services, including shelter, food and medical aid. In NWFP alone there are 210 camps, each accommodating about 5,000 persons. There have been severe problems of logistics involved in running the tent villages. More than 5,500 persons are at the moment engaged in the management of the camps. Schools have been opened, mobile and static dispensaries have been set up and training schemes started to enable the refugees to learn useful skills to be self-supporting. Besides, the refugees receive regular cash payments as maintenance allowance. All this costs the Pakistan Government hundreds of thousands of dollars everyday. Last year Pakistan had to find as much as 200 million dollars from its resources to spend on the welfare of the refugees. In going about the task Pakistan has been receiving aid from friendly countries as well as various international agencies, including UNHCR, WFP and UNICEF. Many non-governmental voluntary organisations have also been helping out. But, for every dollar that comes from abroad for the refugees, Pakistan has to find an equal amount from its own kitty. This year's expenditure on food, shelter, medicine and education alone is estimated at 218 million dollars. International efforts for the refugees have been of great help to Pakistan but they are still far from adequate and will become further so given the gradual increase in the refugee population. This requires that fresh worldwide endeavours should be made for mobilising

relief—both public and private—for Afghan refugees. Not only does UNHCR need to step up its activities but U.N. members too should individually increase the level of their assistance. The world can't afford to foresake the humanitarian cause of 2.5 million homeless Afghan people in their hour of distress.

CSO: 4220/318

EDITORIAL WELCOMES DECISION ON MACHINERY IMPORT

Lahore THE PAKISTAN TIMES in English 7 Mar 82 p 4

[Text]

The decision to ease the procedure of import of machinery by expatriate Pakistanis betokens a healthy attitude on the part of the Government towards the requirements of compatriots living abroad. The illogicality of treating expatriate enterprise with suspicion must be removed from our 'protectionist' bureaucratic procedures — protectionist because of their inherent obstructiveness, not by intent—and investment of expatriate earnings attracted back to Pakistan. By authorising the Pakistan mission in London to issue licences for the import of machinery worth up to Rs. 10 million in each case, the Government has rationalised a negative attitude of the past. Responding to demands put forward by the Pakistanis living in England the Federal Minister for Overseas Pakistanis, Mr. Ghulam Dastagir Khan, during his recent visit there promised to expand the commercial side of the embassy. In return, the Pakistanis have offered to build a Pakistan House in London to promote national products there, an extremely useful proposal.

We have perhaps not properly acknowledged the share of the expatriate Pakistani in our economic performance. We should not forget that half of our foreign exchange earnings annually is money sent home by workers abroad. It is some kind of failure on our part that this crucial contribution to our balance of payments is made by only 15 per cent of expatriate Pakistanis. The rest are obviously discouraged from saving and sending home money because of our difficult procedures. A cause for further worry can be detected in the fact that 63 per cent of the remittances are spent on non-productive ventures like real estate and luxury goods. The 13 per cent channelled into productive ventures indicates that we have not been able to guide foreign savings on the lines required by our economy. It is essential that we entirely overhaul our attitude about the remittances, remove impediments lying in the way of a free movement of money to Pakistan and make it overwhelmingly more profitable for our compatriots abroad to invest their savings in economically useful projects in Pakistan.

CSO: 4220/318

SAUDI AMBASSADOR ON REFUGEES

Lahore THE PAKISTAN TIMES in English 8 Mar 82 p 10

[Text]

ISLAMABAD, March 7: The Saudi Ambassador to Pakistan, Sheikh Samir al-Shihabi, has said that the fraternal and friendly relations between the two brotherly Islamic States really transcend all other forms of relations, whether political or commercial.

He expressed these views in a recent interview to a Jeddah daily 'Okaz".

Talking about the Pak-Saudi bilateral relations, the Saudi Ambassador said that these relations are excellent and distinctive at the same time. The two governments and the people have love and respect for each other, he added. He emphasised that there had never been any dispute between the two countries and even the stands of the two countries on all issues either local, regional or international have always been indentical and they have always supported each other at all international forums.

The Ambassador described the economic collaboration with Pakistan as tremendous and said that the economic co-operation in fact is part of the over-all mutual co-ordination between the two countries in all fields. There are many projects being carried out in the light of Pakistan's economic order and the Kingdom's financial potentialities, he added.

Replying to a question about Saudi co-operation with Pakistan in its efforts towards complete enforcement of Islamic Shariah, the Ambassador said: "Pakistan inherited some institutionalised laws from the British, yet it is moving fast towards the introduction of Islamic Shariah. The Kingdom also has offered all its potentialities in this regard. Pakistan is doing its best to utilise the Kingdom's know-how and information to accelerate the process of Islamisation. But as you know it needs time to change non-Islamic laws into Islamic ones".

Speaking on the Afghanistan issue and role of Pakistan, the Ambassador said: "I would like to state that this struggle is based on a strong faith in the Afghan's ideology Islam. Freedom-fighters are really sincere Afghans. I believe that it is not only the fighters but every Afghan wants to take part in this honourable struggle against the Soviets".

He further pointed out that despite its own limitations and financial constraints Pakistan was doing its best to perform its duties as an Islamic neighbour, by extending shelter, food and medical aid to more than 2.6 million Afghan refugees.

Regarding Indo-Pak relations, the Ambassador observed that Pakistan was not interested in conflicts or dispute with any country, particularly India, and that Pakistan was trying to improve its relations with India on bilateral basis.

Referring to the Western propaganda about Pakistan's alleged involvement in production of the Islamic bomb, the Ambassador said that it was in the interest of the enemies of Islam to hamper the development programmes being carried out by the Islamic States. Accordingly, they would like Pakistan to remain engulfed by economic and technological problems, so that it remained perpetually dependent on the Western powers.

He said: "I wonder why our enemies deny us our just right to enter the field of scientific research and acquire latest technology, even for peaceful purposes. Quite clearly, their intention is to prevent the Islamic world from making any progress and hence are using the bogey of the Islamic bomb as a tort to cover their real intentions. While our enemies know well that Pakistan has no intention of producing this bomb."

Talking about the view-points of the Kingdom and Pakistan on the issue of Indian Ocean, he said that both the countries are interested in the security of the Indian Ocean and it is our concern to keep this area free from international wranglings.

About the unity of Islamic Ummah, the Ambassador said: "I think the OIC has played a concrete role in achieving Islamic solidarity".—APP.

CSO: 4220/318

PLAN TO SET UP ISLAMIC MEDICAL UNIVERSITY

Karachi DAWN in English 11 Mar 82 p 1

[Article by Mujtaba Akhter]

[Text] ISLAMABAD, March 10: Dr Basharat Jazbi, Adviser to the President on Health today said the Government is actively considering a plan to establish an Islamic Medical University in Pakistan in collaboration with other Islamic countries.

Dr Jazbi in an interview told Dawn, the scheme had been favoured by President Mohammad Zia-ul-Haq who had desired a comprehensive report on its academic pattern.

He disclosed that the scheme was discussed with the Health Ministers of some Arab countries and Saudi Arabia, Kuwait, Bahrain, Qatar, UAE, and Aman supported the plan.

Dr Jazbi said a majority of the girls in Arab countries do not like to study in European medical institutions on religious and cultural grounds.

He said some of the Arab Health Ministers during the meeting had suggested that the Islamic Medical University should be set up in Kuwait but the idea was dropped as the majority of the participants voted for Pakistan.

Dr Jazbi said the Ministry concerned in Pakistan was busy preparing a future-oriented academic pattern for the proposed university. Other relevant agencies, such as the Ministry of Education the University Grants Commission and the Planning Division are also being consulted.

CSO: 4220/319

MEAT PRODUCTION IN BALUCHISTAN

Karachi DAWN in English 14 Mar 82 p 4

[Text] QUETTA, March 13: The meat production in the province has reached the figure of 49,600 metric tonnes while its consumption is within 6,000 tonnes, it was officially stated here on Wednesday.

Dr Faqir Mohammad, Director, Livestock (Extension) told APP, productionwise, Baluchistan was No 1 in the country which feeds the surplus quantity of meat to Punjab.

At the same time, most part of the surplus quantity of meat is smuggled out of the country, specially into Iran and neighbouring Gulf States, which caused price hike in the province. That's why the meat was highly priced in Baluchistan as compared to other parts of the country, he said.

According to Dr Faqir Mohammad meat in Baluchistan was priced at Rs 25 while in Punjab it was being sold at Rs 18 per kilo.

He said in the province, total number of cattleheads was 650,000 while the sheep and goat numbered over 11 million.

Annual offtake of sheep and goat numbered three million, he said. To raise the production of cattle and sheep and goat in the province, the Government was undertaking four big projects in the districts of Sibi, Nasirabad and Loralai. The government had also undertaken "ten projects area scheme" costing Rs 6 million in the three districts of the province, including Zhob, Loralai and Pishin. The Asian Development Bank was providing funds for this project.

Under this project, 40 fattening centres would be operative in the province where over 8,000 rams, lambs and their kids would be looked after.

Moreover, Dr Faqir said Sheep Research Centre, Yatebad (Loralai); Baluchistan, Sheep Farm at Usta-Mohammad (Nasirabad), and Beef Research Centre at Sibi were also at work in the province to raise the production.

The Government was also making efforts to have Bagh Nari breed crossed with the Australian breed named "Brought Master" which was early maturing and production wise healthy breed. The Brought Master, he said, an Australian breed which matured in two years produced over 500 kilos meat.

Dr Faqir Mohammad said over 220,000 Bhag Nari cattle were in the province and this breed was hard and powerful to pull the load and plough the land.—APP

CSO: 4220/319

POST-HARVEST FOODGRAIN LOSSES REPORTED

Islamabad THE MUSLIM in English 1 Mar 82 p 6

[Text] FAISALABAD, Feb. 28: The aggregate past-harvest foodgrain losses in case of wheat, rice and maize were found to be 15.376, 17.185 and 12.698 per cent respectively on national basis. This provides an estimate of produce-losses in all the four geographical regions of Pakistan at various stages of loss occurrence, from farmer's field to the consumer's table.

This was disclosed to 'The Muslim', by Dr. Mohammad Aslam Chaudhary, a reputed agricultural economist from the University of Agriculture, Faisalabad, who recently completed his well-acknowledged six volumes of the series on, 'Foodgrain Losses in Pakistan'.

He further asserted that when a significant preparation of what is produced, it gets wasted in one form or the other, which brings about inefficiency of resource use, under-utilisation of production potential, i.e., lower returns to the producer, as well as qualitatively poor and inadequate availability of foodgrains to the consumer.

Accurate indentification and location of the states of loss occurrence including various casual factors, therefore, assume everriding significance for researchers and planners both in future, at nation and international level, he said.

Aggregate losses in wheat he said were estimated at 1.47 per cent which are being contributed to stages of loss occurrence like storage 0.56 per cent and transportation: 0.48 per cent.

Similarly, the aggregate loss in rice (paddy) was estimated to be 1.37 per cent, which was shared partly by handling to the extent of 0.53 per cent and by storage to 0.35 per cent.

In case of maize, the loss was estimated at 1.35 per cent, being shared mainly by storage to the tune of 0.63 per cent and sundrying to the tune of 0.45 per cent.

He further stated that at the market-level, the aggregate loss in wheat stood at 7.884 per cent, being mainly contributed by losses at processing and ratail levels. As for rice, aggregate loss estimate stood at 10.640 per cent, which was again contributed mainly by loss-occurrence at the processing stage.

Similarly, losses in maize at market-level were estimated at 3.176 per cent, which contributed mainly to wastage, at the stage of process and village 'Beoparis'.

Aggregate foodgrain losses in the public sector were calculated to be 6.449 per cent for wheat, 4.199 per cent for rice and 3.05 per cent for maize. These contributed mainly to storage losses and only slightly by losses at terminal level.

At consumer level, aggregate losses were estimated at 7.97 per cent for wheat. These were contributed mainly to loss occurrence at the food preparation stage, losses at hotel and messes and losses during storage.

Losses in rice, he said were found to be 6.79 per cent, shared mainly by losses at the preparation stage. Losses at hotels and messes occurred at the sundrying stage.

As for maize, loses took place to the extent of 6.68 per cent.

Dr. Mohammad Aslam Chaudhary added: "Occurrence of foodgrain losses has considerable anti-developmental implications, involving private and social costs to the economy". The said private sector is hit by the loss and the individual owner of produce also suffers due to non-availability of foodgrains.

Final verdict on the quantum of loss-occurrence in wheat at the post-harvest stage indicates the annual loss of 1.28 million tons of wheat in Pakistan, valued at Rs. 153.42 crore which if converted into foreign currency units is equal to 154 million U.S. Dollars.

With the aggregate loss occurrence of 17.185 per cent in rice, the quaentum of wastage in this crop was estimated, to be 0.35 million tons valued at Rs.141.06 crore equal to 142.49 million U.S. dollars.

In case of maize, however, the loss stood at 104.25,000 tons valued at Rs.18.51 crores which is equivalent to 18.70 million U.S. Dollars.

The total of losses in foodgrains amounts to 1.44 million tons valued it Rs.3.13 billion, which if converted in to dollar currency eaquals, 316.10 million U.S. dolars.

From any international standard, it is an immense recurring loss, which the developing economy of Pakistan can hardly afford to bear, especially in view of it's highly-stressing requirements for developmental capital, and the urgency to attain self-sufficiency in all kinds of foodgrains.

Thus, the recurring loss of a commodity, like foodgrains must be minimised, if not eliminated, as it is likely to assume larger proportions in future due to expectations about rising population.

CSO: 4220/303

EXPENDITURES IN LESS-DEVELOPED NWFP AREAS

Karachi DAWN in English 6 Mar 82 p 4

[Text]

PESHAWAR, March 5: The provincial Government had spent more than Rs. 1,670 million for the development of the less developed areas in NWFP during the last four years. This was stated by Mr Salim Saifullah Khan, provincial Minister for Finance and Industries, on the occasion of the opening ceremony of a Marble Factory at Kalabat, near Haripur on Thursday.

The Minister said that out of this amount Rs. 430 million allocated to D. I. Khan, Rs. 540 million to Malakand and Rs. 700 million to Hazara division, including Mansbera and Kohistan districts.

The Minister said that through the efforts of the provincial Governor extensive incentives have been provided to the private sector for the installation of industrial units in the less developed areas of the province, which includes tax holiday for five years and duty-free import of machinary.

He said that industrial estates with the required infrastructure had been set up in various parts of the province and counters of IDBP had been opened in D. I. Khan and Abbottabad to extend loan facilities to the entrepreneurs.

Mr Saifullah said that more than Rs. 1100 million had been invested in the private sector in NWFP during the last two years which was a good omen in the formation of private investment in the province. He said that the IDBP had advanced Rs. 500 million so far to help entrepreneurs to invest in various industries.

Reviewing the progress made in various fields in Hazara division the Minister said that more than Rs 98 million had been spent on the Ayub Medical College, Abbottabad, which would be completed at a total cost of Rs. 800 million.

Besides, he said a engineering university was being established at Tarbela which would go a long way in the expansion of technical education in the area.

The Minister said that a comprehensive project was being implemented to develop the forest resources of the province which would cost Rs 190 million. He said that forests were a major sources of revenue in the provincial budget which accounts to 35 per cent of the total revenue.

He said that Rs 300 million had been spent on Dir Forest complex while Rs. 200 million would be spent on the exploitation and excavation of Hazara phosphate.

The Minister also referred to the industrial development of Haripur Tehsil and said that 12 industrial units had been installed in private sector at a cost of Rs. 210 million in Haripur, while an investment of Rs. 530 million had been made in the public sector in the area excluding the Harpur Uria Fertiliser factory which had been completed at a cost of more than Rs. 600 million and would go into production by the end of current month.

The Minister said that NWFP had vast resources of marble and at present 91,000 metric ton of marble were being excavated as against 700 metric tons exploited in 1970. He said that 12 marble factories were working in NWFP and the marble product were being exported to foreign countries in large quantity.

CSO: 4220/302

DRILLING OF TWO OIL WELLS IN ATTOCK BEGINS

Karachi DAWN in English 14 Mar 82 p 12

[Text] Tut, March 13: The Federal Minister for Petroleum and Natural Resources, Maj-Gen. (Retd) Rao Farman Ali Khan, on Saturday inaugurated the drilling of two oil wells in Attock district.

Both the wells would be drilled by the Oil and Gas Development Corporation (OGDC). Presently, five rigs of OGDC were operating simultaneously in different parts of the country. The other and the sixth rig of the Corporation would also be put into operation next month.

The two wells were inaugurated at Dakhni and Tut. The Minister, speaking on both the occasions, lauded the services of the OGDC for endeavouring to promote prosperity in the country.

He said the government keenly desired to make OGDC a model organisation in the country.

The Minister was informed that Dakhni was a new area where extensive seismological survey had been undertaken. It was further explained to him that four companies had failed to discover oil in this sector during the last several years, but the Corporation was very hopeful of the result.

The drilling had been undertaken with the help of Canadian International Development Agency (CIDA), which had supplied very sophisticated equipment for the purpose.

The Minister, during his visit to the Tut oilfield, also inspected Tut Well No. 13, where drilling was making satisfactory progress.

The Minister was informed that special diversion had been carried out 2350 metres depth. This was done due to some problems in the well. The operation, known as window cutting, was not unusual during such operations.

This was also the first occasion during which drilling of two wells had been inaugurated on the same day.--APP.

CSO: 4220/320

PROBE ORDERED INTO COOKING OIL ADULTERATION

Karachi MORNING NEWS in English 6 Mar 82 p 3

[Text]

ISLAMABAD, March 5: The Government have ordered a probe into the marketing of solid cooking oil in the guise of vegetable ghee in the country which triggered a wave of public concern and anger, APP reliable learnt here yesterday.

"The whole affair will be examined by the Ministry of Industries after it gets laboratory analysis reports from the Ministry of Health to whom it had referred the matter," an cincial said.

"The mater warranted the urgent attention of the government in order to put an end to some private millowners playing with the human health for their monetary gain through manipulation trickery and fraud," he said.

The state-owned Ghee Corporation of Pakistan (GCP) has advised the public to refrain from using solid cooking oil which is "injurious to health".

According to the GCP, the solid cooking oil does not conform to the standards of the preparation of vegetable ghee or cooking oil. The solid cooking oil is a mixture of palm oil and sterine. Sterine is a mixture of setric and planitic acids, which are used in the manufacture of soap. "Human stomach cannot digest it easily as its melting points is about 10 degree higher than the normal temprature of the human body," the corporation says.

Apart from being a health hazard, many other aspects of this affair need to be thoroughly investigated by the Government.

According to information available here palm oil was imported in the country in the middle of 1980. It was cheaper than the hydrogenated edible oil sold in the market as vegetable ghee.

There were reports that palm oil was being sold in a number of counrties as vegetable ghee. India, Ceylon and Malaysia are reported to be using it as a cooking medium without further processing thus saving expenses occurred an its blending.

However, in Pakistan the palm oil was first blended and then marketed but now it is being sold as "ghee" without processing. "How the manufacturers surreptitiously abandoned the orginal practice of blending and resorted to cheat the consumers by selling a supurious item?" officials here are asking.

The government are also granting some concessions to the manufacturers for making vegetable ghee and cooking oil. The imported edible oil is exempted from import duty. If the oil is sold without hydrogenation as cooking oil, it is exempted from exercise duty also.

Viewed in this context, concessions granted by the Government to the millowner to keep the consumer prices down are not only being misused by the mills but the people are being also duped as the item is being sold on a price that is almost equivalent to the price of vegetable ghee. In practise, the price of cooking oil should be lower than the ghee because of a lower cost of production and tax exemption.

The comments of nutrition expert run counter to the authoritative advice of the state-owned Ghee Corporation of Pakistan (GCP) which expressly called upon the general public not to use the solid cooking oil.

While the figures of the import of the palm oil are not available with the Ministry of Commerce here, yet according to an estimate some three lakh metric tonnes of palm oil is being imported in the country as revealed by the Chairman of the Pakistan Cooking Oil Manufacturers Association.

Several statements of consumers representatives have appeared in the Press asking for withdrawal of solid cooking oil from the market.

The consumers also demanded that the Government should invoke the Pure Food Act and Pakistan Standard Institution Order 1960 (as amended) to deal with those elements who are out to play with the human health.--APP

CSO: 4220/305

THIRTEEN MORE CEMENT PLANTS TO BE SET UP

Karachi MORNING NEWS in English 12 Mar 82 pp 1, 9

[Text] The Federal Government has sanctioned 13 cement plants, including four in public sector, to meet the deficit in its production in the country, Lt.-Gen. Saeed Qadir, Production Minister, said here yesterday.

Addressing a Press conference, he said that ten cement factories were operating inethe country producing four million tons annually.

He said that the annual import of ten to 15 lakh tons of cement was not a healthy sign when all the raw materials are available in the country and its plant could be manufactured locally.

The Minister said that a new cement plant would be set up at D. G. Khan with the financial assistance of the Asian Development Bank.

Gen. Qadir described as incorrect the Press report that the production of cement has been curtailed because of the glut of cement in the market as a result of its import.

He said that cement was available every where in the country in abundance. Its black-marketting had come to an end.

He said that both public and private sectors should import cement for check and balance in its price. He added that it was also not true that public sector imported cement at higher cost. In fact, he added, cement imported under barter was generally costlier. But it was a two way traffic. The items from Pakistan are exported under barter at comparatively higher rates.

The Minister told another correspondent that 97 per cent of the total capacity of the cement factor is utilised in the country. All factories are running well.

To another question, he said that they felt difficulty in the movement of cement. 32,000 tons of cement are in stock in Zeal Pak Factory.

The Minister said that the Government had decided to dis-invest Shahdadkot Textile Mills which is running in loss.

The Government he said, soon would call bids. He hoped that some private party would come forward and buy it.--APP

CSO: 4220/318

FIFTY PERCENT FALL IN COTTON EXPORTS REPORTED

Karachi DAWN in English 9 Mar 82 p 8

[Text]

The export of cotton yarn has decreased by about 50 per cent during the last two months following the delinking of the rupee from the dollar and slackening in world demand.

Textile sources said the delinking has further accentuated the already shrinking demand in the wake of record world cotton crop. The currency adjustment factors owing to frequent downward revisions of the rupee during the last two months forced the foreign buyers to hold back their orders till the rupee finds its real value at a reasonably stable level.

The export registration of cotton yarn, they said, therefore, declined sharply to 9,740,000 kgs. in January and 8,406,000 kgs in February 1982, from 16,481,000 kgs. in December 1981. Average unit price of cotton yarn also recorded a fall of nine cents per kilo from 2.09 to two dollar per kilo during the same period. The comparable figures for January and February 1981 were 20,310,000 and 12,467,000 kgs respectively.

The export of cotton cloth also showed a sizeable decline, falling from 98,380,000 square metres in January to 74,918,000 square metres in February. Average unit price of cloth also recorded a sharp fall of nine cents per metre from 48 cents in January to 39 cents in February. The corresponding figures for the same period last year were 101,805,000 and 108,931,000 square metres respectively.

Textile sources, however, appeared to be optimistic that the exports of cotton yarn and cloth might begin to pick up towards the end of March, when the rupee value is expected to stabilise slightly above Rs 11.00 per US dollar. Already, foreign buyers are in the market and new deals are expected to be signed at a relatively higher price, compensating the losses suffered over the past two months.

CSO: 4220/305

SURVEY OF DESERT WATER RESOURCES

Karachi BUSINESS RECORDER in English 11 Mar 82 pp 1, 6

[Text] RAINEE RIVER (Sukkur district), March 10: The Sind Governor Lt-Gen. S. M. Abbasi today directed for carrying out a joint survey by the irrigation, forest and agriculture departments to identify the water resources in desert areas of upper Sind and their utilization for agriculture, fisheries and livestock purposes.

The Governor, who arrived here alongwith the provincial food and agriculture minister Sardar Ghulam Mohammad Mahar, gave the directive at a briefing held on desert irrigation and agriculture with the revival of abandoned Rainee River about 115 miles from Sukkur this morning.

The Rainee River was stated to be abandoned some 138 years ago.

The chief engineer irrigation Sukkur informed the Governor that surplus water was generally available during flood months of July and August which wherever available diverted through a channel into the Rainee. This water may be stored in its bed and adjoining lands through small check dams.

He said that ranches and pastures could be developed with this stored water by pumping or through tubewells for livestocks, farm fisheries and forest.

He said this area has potential for development of livestock, fisheries and forest.

The Governor further directed that the joint survey should be completed by the end of December this year and the report be submitted to him.

In the light of that report specific plans would be chalked out for developing the water resources.

The joint survey will identify the potential of water resources, the duration of their consumption and the specific sector for which this could be utilized.

The chief engineer irrigation Gudu Barrage informed the Governor that despite committed supplies for already developed land, surplus water was not available for raising Kharif or Rabi crops.

While surplus water was available during July and August there was shortage in early and late Kharif season and as such no irrigation was possible in the Rainee area in Kharif.

He said that in Rabi water was not available during most of the season and as such no Rabi crop was possible either.

While briefing the newsmen about the decision taken at the meeting, the Commissioner Sukkur division Syed Mohibullah Shah said that under the joint survey the summer months would be utilized for collection of data while physical survey of the area will be undertaken during winter.

Abbasi was presented a set of traditional Sindhi rallies, bed sheets and pillows made by the local women folk by the provincial food and agriculture minister Sardar Ghulam Mohammad Mahar at "Khedey Wari Go Talab", the place where a briefing was held on the Rainee River scheme today.

The Governor appreciated the craftsmanship of the local rural folk and observed that there was tremendous talents which can be used for developing the traditional handicrafts industry of Sind.

CSO: 4220/320

PLAN TO IMPROVE SLUMS STEPPED UP

Karachi DAWN in English 14 Mar 82 p 12

[Text] Islamabad, March 13: Acting on a directive of the Federal Government, all provincial Governments have stepped up implementation of a plan to improve Katchi Abadies in the major cities of the country, before January, 1978. [as published]

The directive is believed to have been issued after a recently-held meeting of the Inter-provincial Committee with Air Marshal Inamul Haque, the Minister for Housing and Works and Urban Affairs in the chair.

President Mohammad Zia-ul-Haq is very keen on speedy regularisation of the Katchi Abadies and Air Marshal Inamul Haque is vigorously pursuing the matter with provincial Governments for its expedition.

A committee was also set up to co-ordinate the plan at Federal level and have an effective control of Federal state land and ownership, removal of encroachments and its transfer to the provincial Governments for settlement and development.

The committee will meet here on March 15 to speed up the Katchi Abadies regularisation plan and to apprise the President on the present situation.

The implementation of the plan had begun a few years ago and till this day, thousands of people have already benefited through the regularisation and development of Katchi Abadies at the cost of million of rupees.

The provincial Governments were asked to direct the district and municipal authorities to regularise Katchi Abadies on state lands established before Jan 1 1978.

For this purpose the existing Katchi Abadies were demarcated and the remaining issues of conferring property rights on such residents are in the final stages.

In populous Punjab province, the provincial Government had also decided that prices of land would be paid at the rate of Rs 20,000 per acre to the official departments for the establishment of Katchi Abadies on the state land.

Punjab

Following is the situation on Katchi Abadies in different cities:

Lahore: Lahore Development Authority have already completed development work on 20 Katchi Abadies the development on 10 additional Katchi Abadies is in progress, after completion of development work, provisional proprietary rights have been granted to the residents of the Katchi Abadies of new Crole, Basti Saidan Shah, Liaquatabad, Mela Ram Park, Nasirabad Islampura Shahdra and Shah Shamas Colony.

To provide alternative accommodation to residents of various Katchi Abadies, 3,500 quarters have been constructed by the Lahore Development Authority in Kot Lakhpat.

Multan: There are 84 Katchi Abadies in the jurisdiction of Multan Municipal Corporation and Development Authority, development work in 26 Katchi Abadies has been completed by Multan Development Authority, while work in two abadies is in progress and would be completed during the next quarter, survey of 43 Katchi Abadies out of 84 has also been completed development work of 16 Katchi Abadies would also be taken up during the current financial year. Provincial proprietary rights have been granted to 108 families.

Faisalabad: Out of 9,537 families, allotment orders have been given to 5,996 families of 12 Katchi Abadies, the remaining allotment order will be issued after resolving the disputed cases, in factory area and old Sabzi Mandi, 4,401 families out of 10,686 have been allotted quarters constructed in Allama Iqbal Colony.

In other district towns, 55 Katchi Abadies have been developed and are mature for conferment of leasehold rights, an amount of Rs 31.75 crores has been allocated by the Punjab Government for development of Katchi Abadies and improvement of slum areas from 1976-77 to 1980-81. Funds have also been made available for payment of cost of land under Katchi Abadies belonging to different departments.

The Governor of Sind issued MLO 110 in December 1979 which reflects the policy decisions of the Government of Sind towards regularisation of Katchi Abadies detailing procedure for conferment of proprietary rights leasehold charges.

Organisational set up, creation of revolving fund procedures for survey, the work of regularisation of Katchi Abadies is in progress in the province of Sind under the said MLO.

Sind

According to the survey carried out, total number of Katchi Abadies in Sind are reported to be 757 covering an area of 12,580 acres.

The progress so far achieved with regard to regularisation of Katchi Abadies is as follows:

Karachi: There are 362 Katchi Abadies in Karachi spreading over an area of 11,200 acres out of which an area of 7,938 acres, comprising 290 abadies, is regularisable. In consultation with the local councillors, 115 settlements were notified for regularisation. A grant of Rs 20 million was also sanctioned by the Federal Government for the Regularisation and development of Katchi Abadies. This is to be utilised for the improvement of Baldia scheme and setting up of a revolving fund, since Government land in Baldia and Gulbahar stands transferred to KMC, adequate progress is being made in respect of regularisation works, field offices have been established and strengthened to expedite the work.

Progress so far achieved in the Karachi division is: Net regularisable area of 290 Katchi Abadies: 7,938 acres; Area surveyed and schemes completed: 4,022 acres; Area in survey stage 955 acres; Area where survey is required: 2,961 acres; Number of leases issued: 25,500.

Hyderabad: There are 110 Katchi Abadies within the limits of Hyderabad Municipal Corporation, covering 1440 acres. In all 19 Katchi Abadies, covering 224 acres, have been regularised.

The remaining 91 Katchi Abadies occupying 1,216 acres were taken up for issuing entitlement slips to residents, nearly 7,000 families have been granted proprietary rights.

In 61 Katchi Abadies, detailed physical survey has been carried out. In order to expedite regularisation work a sub-registrar has been posted in Hyderabad Municipal Corporation, providing facility of registration of documents to avoid any inconvenience to the public.

The Revenue Department has transferred 97 acres of land to Katchi Abadies under MLO 110. An amount of Rs 2.7 million has so far been incurred for development.

Sukkur Division: There are 294 Katchi Abadies, comprising 1,27,135 families, out of which 254 have been regularised and leases to 124 families issued. Further work on regularisation of Katchi Abadies has been initiated as per MLO 110.

He said Environment and Urban Affairs Division could take such matters with the Federal Ministries concerned.--APP

CSO: 4220/320

POLICE ROUND UP 31 FROM CAMPUS

Karachi DAWN in English 12 Mar 82 p 16

[Text] At least 31 persons, including Mr Mahmud Ghaznavi, President of the Karachi University Student's Union, were rounded up from the Administrative Block of the Campus for allegedly obstructing the normal functioning of the University.

A group of students, agitating for acceptance of their demands for withdrawal of rustication orders of some students and release of a number of students arrested in criminal cases, tried to seize the Administrative Block at about 11 a.m.

A strong police posse headed by the SP and DSP Jamshed Quarters waited outside the Campus until the Deputy Commissioner ordered action.

The students were arrested on the charge of 'obstructing the normal functioning of the University, keeping University employees in' wrongful confinement', and "creating law and order situation".

The police said they were verifying the alleged involvement of Shahid Islam, an employee of PIA's Sales department, in the firing incident in 1979 in which a student, Mr Yunus Shad, was gunned down in the Campus. Shahid Islam, an ex student of the University, was among those arrested during the round-up.

The police, did not allow the buses to enter the campus and the students got down at the main university road.

Parents of a number of arrested students, according to official sources, were approaching the authorities and expressing their readiness to furnish sureties for the detained students.

Barring a few minor scuffles, no incident occurred during the police efforts to disperse students. It took about half an hour.

EXAMINATIONS

Later, the General Secretary of Karachi University Students Union, Mr. Shakilur Rehman said at a Press conference that the students would not allow further terminal examinations at the University.

He urged the Vice-Chancellor to help release the two students who were bailed out and cancel the rustication orders against others. However, according to him, the Vice-Chancellor expressed his inability to do so.

The Press conference was also addressed by the Karachi Nazim of Islami Jamiat-i-Tulaba, and the presidents of NED, SMC, and DCET students unions.

CSO: 4220/319

DEMONSTRATION AGAINST STUDENT ARRESTS REPORTED

Karachi DAWN in English 14 Mar 82 p 1

[Text] Karachi University remained tense on Saturday as the Students Union demonstrated against the arrest of students from the University on Thursday and the continuing detention of two students who were later granted bail.

The students gathered outside the Administration Block at about 11-45 a.m. and forced the University employees to leave the building which they later locked. The Vice-Chancellor and other University officials who were in a meeting had to leave the Administration Block.

A truck load of policemen appeared on the scene but left without taking any action. However, a police jeep remained inside the Campus watching the protesting students.

The supporters of the United Students Movement also gathered outside the Administration Block and criticised the Karachi University Students Union for boycotting the examinations. They called for the continuation of terminal examinations and opposed the closure of the University for ten-week vacation.

They deplored "police intervention" in the Campus, demanded release of all students and withdrawal of rustication orders of all students irrespective of party affiliations.

In the Arts Faculty most of the examinations were held according to the schedule while in the Science Faculty, some boycott cases were reported.

The KTC buses were not allowed by the Police to enter into the Campus and were stopped on the University Road, outside the Campus. The students had to walk all the way to the Campus.

A "protest day" was also observed at the NED University. Classes were suspended after 11 a.m. and a protest meeting was held under the auspices of Islami Jamiat-i-Tulaba, NED Unit. However, the examinations at the NED were held as scheduled.

OFFICIAL VERSION

PPI adds:

No untoward incident was reported on Saturday from Karachi University when students were asked by the students Union of Karachi University to observe a black day, official sources told PPI.

Official sources said 80 per cent papers were held in the Campus, Economics Department of Arts Faculty boycotted the examination, but majority of the students in Arts Faculty appeared.

The students however, said that the examinations in Science Faculty were totally boycotted.

Official sources added that Police did not allow any bus to enter the Campus on Saturday, all students disembarked from the buses at the entrance gate from where they walked to the campus on foot. Same was the procedure for returning to homes.

Meanwhile the students at all the NED University and colleges on Saturday observed the black day to protest against the intervention of police in the University.

CSO: 4220/319

EXAMINATIONS POSTPONED, STUDENT UNREST REPORTED

Karachi DAWN in English 14 Mar 82 p 8

[Text]

The General Secretary of Karaci University Students Union, Mr Shakilur Rehman, has said that the boycott of terminal examinations at the University has been put off for 48 hours on the assurance of the teachers who have "assured us of their fullest cooperation in solving our genuine problems".

Addressing a Press conference on Saturday, he said "we have been assured that the Vice-Chancellor will give a definite reply within 48 hours regarding the withdrawal of rustication orders against the students'.

He said the administration has informed that the 32 students who courted arrest are being released.

He further said that of the two students who were "baied out yet detained, Farrukh Saeed was released yesterday while orders of Zarar Khan's release have been issued".

The Vice-Chancellor has "recommended the withdrawal of rustication orders of three students — Zarar Khan, Saeed Ahmed Khan and Abdul Malik", he added.

The President of Dawood College of Engineering and Technology Syed Mohammad Bilal, who also addressed the Press conference, said the police yesterday lathicharged the students of the college who were demonstrating "peacefully".

He said five students including the union president and joint secretary were detained "briefly."

He alleged that a student was stripped by the police and was tortured at the police station.

He condemned the incident and called for an inquiry into the matter.

The Karachi Nazim of Islami Jamiat-i-Tulaba and the President of NED University Students Union also addressed the Press conference.

CSO: 4220/320

MINISTER SEES SUI GAS AS RAW MATERIAL ONLY

Karachi DAWN in English 11 Mar 82 p 6

[Text] LAHORE, March 10: Gen (Retired) Rao Farman Ali Khan, Federal Minister for Petroleum and Natural Resources, on Monday stated that the Sui gas in future will be supplied only to industries where it was used as a raw material and would not be supplied for mere burning if alternative fuel was available.

He was talking to reporters after a meeting with the senior officials of the Sui Northern Gas, aimed at evaluating its performance during the past decade.

Rao Farman Ali said the switch over to the new policy was aimed at conserving the gas reserves and extending their depletion till the new energy resources, for which all efforts were being made, were explored and discovered.

He indicated that industrial units at present burning Sui gas would be asked to switch over to other fuel resources.

He said all industrial units using gas in either form would be obliged from the next year to remain closed for a particular period.

He did not specify the duration but added the temporary shut-down would serve dual purpose, i.e. affording them an opportunity to maintain themselves as well as conserve energy.

MARI RESERVES

Rao Farman Ali said the gas reserves at Sui amounted to 7 trillion cubic feet and would suffice upto the year 2010 if consumption was confined to one thousand million cft per day. At present, gas consumption was at 750 mcft per day.

About the Mari reserves, the Minister said they were equivalent to 6 trillion cft and would last another 30 years at the present rate of consumption.

He assessed the Pir Koh reserves at one trillion cft and the production therefrom about 72 mcft till 1994.

As for Dhodak, he said, the gas extracted was pushed back into the wells to increase the pressure for oil extraction, which was mixed in these wells.

He said the tentative gas reserves in Dhodak wells were about 40 mcft.

Oil reserves in the same well, he said were about 38 million barrels.

KHASKHELI FIELD

Rao Farman said that oil production at Khaskheli would reach 16,000 barrels a day by June.

The Minister said there were other wells in the country with 0.9 trillion cft gas reserves in each of them.

To develop gas from these fields simultaneously he said, Rs 1700 crores were required during the next five years.

About the expenses required to meet the gas pressure in Sui and Mari, the Minister said they were equivalent to Rs 450 and 500 crores respectively.

Rao Farman Ali Khan claimed that Rs 2.5 crore were being saved every day by using gas instead of the imported oil.

The gas-consumption equalled to 100,000 barrels a day.

He defended the recent rise in gas prices and added it was necessary for future investment required for gas development.

GAS FOR BALUCHITAN

The Minister for Natural Resources said gas would be supplied to various cities of Baluchistan for which pipeline was already being laid at a cost of Rs 600 million.

The Minister expressed satisfaction over the performance of the Sui Northern Gas Company.

The Managing Director, SGNPL, briefed the Minister about the SGNPL activities. He said that gas consumption rose to 320 mcft in 1981, as against only 150 mcft in 1972.

The peak demand was 415 mcft, he added.

The SGNPL chief attributed the increase in gas consumption to increase in population and urbanisation.—PPI.

CSO: 4220/319

COMMENTARY SAYS SOCIAL SYSTEM FAILING

Karachi DAWN in English 11 Mar 82 p 7

[Article by Ghazi Salahuddin: "Do the Bells Toll?"]

[Text] THERE is something about the month of March that kindles hope as well as apprehension. It has been one of the most eventful months in our history – after launching the very concept forty two years ago. The month, over the years, has seen some great endings and momentous beginnings. Somehow, it has been marked by a touch of violence. For instance, Ayub Khan abdicated in 1969 and the Bangladesh ball was set rolling in 1971.

No, I am not asking you to beware of the Ides of March. Nor am I influenced by the ominous signs that the astrologers are reading, though soothsayers are less unanimous about what the stars foretell than politicians are about the 1973 Constitution and the urgency for holding elections. I am concerned about what is happening now in the relevant perspective of recent years. We have again intimations of violence not only in the assassination of Arbab Sikandar Khalil but also in the massive arrests of anti-state and anti-social elements.

What about the spring that I had foreseen some weeks ago? Well, let me quote Mir: "Phir mauj-i-hawa paichan ay Mir nazar aaee/Shayed key bahar aaee, zanjeer nazar aaee". I should have quoted Josh or Firaq, but this is the couplet I had quoted last year at about this time. Remember last year's March?

Or let us go back a little farther. In March 1977, elections were held and seeds of Martial Law were sown, which matured quickly enough in July. In March 1978, former Prime Minister Zulfikar Ali Bhutto was sentenced to death by a full bench of the Lahore High Court. Incidentally, political activity was prohibited for the entire month of March 1978 and the ban was extended indefinitely on March 29.

In March 1979, the President declared (on the Pakistan Day) that general elections would be held on November 17 the same year. The next day, the Supreme Court dismissed Mr. Bhutto's petition for a review of the Court's earlier verdict.

In March 1980, a coup attempt was made in Pakistan, though it appeared to be a minor affair. Still, the President himself said – and I am quoting from a report published in Pakistan on March 18 – that "he had firm conviction that the coup attempt could not have taken place unless there was a foreign hand in it".

Terrorism

So we come to last year when terrorism was planted with the hijacking of a PIA Boeing. The shadow of terrorism has lengthened since and, after the murder of Chaudhry Zahur Elahi in September, counter moves continue even now. Terrorists not yet arrested are being pursued vigorously and security arrangements have become very tight.

It is interesting to note that while last year's nerve-shattering hijack drama began on March 2, another attempt to hijack a PIA Jumbo was made on the same date in 1978, soon after the plane had left Islamabad. Also in March 1978, I was writing about human violence as Karachi was trapped in the trauma of little girl Tarannum's murder. I remember interviewing two psychiatrists on the issue and much of what they said has been certified by the obvious rise in personal tensions.

But the subject of violence really burst forth last year. It hasn't left us since. In fact, Arbab Sikandar's assassination and the large-scale arrests of anti-social elements has given it a new edge now. We may revive the discussion with fresh emphasis on rising crime and widespread feelings of insecurity.

Typically, arrests of many hundreds of criminals have not stopped the series of armed robberies in Karachi. I have repeatedly been told by serious social observers that the recent surge of violent crime was political in nature. Now the Federal Information Minister has confirmed this view. Speaking in Sukkur this week, he said that terrorists were committing dacoities with the help of criminals and anti-social elements.

Clean-up operation

The clean-up operation in Karachi has also touched ordinary citizens. Martial Law and police officials have been making surprise checks of vehicles at different intersections, often early in the evening. I have encountered it twice. I was impressed by the show of force and the sense of high emergency that the operation reflected.

It is surprising how they can get hold of scores of criminals by just standing on the road and checking all those who pass. Even after the initial raids, sixty and seventy culprits can be picked up in a single day. Do we have so many anti-social elements even after fifty-six months of strict Martial Law, dedicated to rooting out crime and corruption? Karachi's DMLA provided some food for thought when he said this week that there were three thousand proclaimed offenders in the City.

Crime and corruption, in fact, are becoming dominant issues in our lives. At another level, threat of terrorism and the renewed strivings of the political parties to restore democratic institutions have raised serious questions about our destiny – if the existing ban on politics is continued. Martial Law, as those who wield it have stated a number of times, is a purely interim measure. What lies ahead – after Martial Law?

I have no space here to list all the minor incidents and developments that combine to create a great feeling of disquiet. Even cricket is not the tranquilliser that it used to be. We have rebels there, too, blocking the cricketisation of Pakistan. We have rebels in the local bodies and though the curtain has momentarily fallen on the Hyderabad Municipal Corporation drama, it is easy to sense that the surface calm covers a deep inner disquiet.

This stormy month of March may enhance the feeling of things falling apart but the danger signals are loud and clear. Please, I am not speaking in terms of politics or short-term prospects of what might happen.

Social system

The question we have to begin asking in right earnest is whether our social system is disintegrating bit by bit. Martial Law and whatever else is happening around us may be taken as mere symptoms. Look at corruption, the blind pursuit of wealth, the defiant lack of commitment by individuals to our cherished values, the gulf between sermons and the actual environment. Is this a revolutionary situation?

Social scientists have known that conflicts that cannot be resolved or eliminated in accordance with a society's values lead to violence. What are our values and have we not created conditions that could destroy them totally? After all, a social structure is not to be maintained by armed men and cannot be salvaged through terrorism.

It seems – and we should have the courage to face it – that our society has lost its equilibrium. The signs are too glaring. But what kind of opportunity or threat is presented by the failure of our social system? Will our intellectuals have time to study this trend towards self-destruction?

CSO: 4220/319

TRADE UNION CONFERENCE INAUGURATED

Karachi DAWN in English 14 Mar 82 p 7

[Text] LAHORE, March 13: The Federal Labour Minister, Mr Ghulam Dastgir Khan, said on Saturday that the welfare of the workers should be one of the foremost considerations before a private entrepreneur.

He was inaugurating the 18th biennial delegates conference of the All-Pakistan Federation of Trade Unions at Labour Hall. Delegates from all the four provinces are attending the moot chaired by Mr Bashir Ahmed Bakhtiar.

Mr Dastgir Khan said that Islam protected the rights of the have-nots and the down-trodden more than any other ideology on religion, and a Muslim industrialist could not be called a true faith if he denied his labour their rights.

The Labour Minister said that the Government had taken concrete steps to rebuild the economy of the country which had been ruined by the previous regime. The confidence of the private capitalists had been regained and they were coming forward to make investment in the industrial field. This would help increase the country's production and bring prosperity, he added.

He said that the efforts of the Government could bear fruit only if there was total peace and harmony in the country.

About some criticism on the large scale import of cars in the country, the Minister said, the Government had restricted the import of cars and most of the cars reaching here were being sent by the Pakistanis working abroad under the Gift Scheme. He said that during his recent tour abroad, he had appealed to the Pakistani emigrants in other countries to invest their earnings in industries or other productive channels so that Pakistan's economy could be strengthened.

Earlier, Mr Bashir Ahmed Bakhtiar, in his address of welcome to the Minister, assured the Government of full backing ofthe workers in its efforts to enforce Islamic system as this guaranteed the right of workers more than any other creed. He also called upon the Government to take stringent action against those indulging in subversive activities.—APP

CSO: 4220/320

BRIEFS

MUMTAZ TALKS WITH BHUTTO--Larkana, March 11: Begum Nusrat Bhutto held talks with Mr Mumtaz Ali Bhutto today in Garhi Mirpur Bhutto, about 25 kilometres from here. When contacted, Mr Mumtaz Bhutto declined to disclose what he discussed with Begum Bhutto. Sources close to the defunct people's Party told DAWN that the meeting lasted over an hour. They also later lunched together. [Text] [Karachi DAWN in English 12 Mar 82 p 20]

JAMAAT NOT TO JOIN--Muzaffargarh, March 11: The Secretary-General of the defunct Jamaat-i-Islami, Qazi Husain Ahmad, has said that his party would not join MRD as agitational policy may harm the national integrity and solidarity and that the Jamaat was "deadly against creation of tension or confrontation" with the Government. Addressing a Press conference here today, he said the present Government was keen to introduce Islamic order in the country. He expressed his dissatisfaction over the law and order situation in the country. He demanded that teachers' demands be accepted and said that the Government should upgrade their living standard so that teachers could contribute their best for promotion of academic standards. Qazi Husain reiterated his party's demand regarding the holding of general elections. He said elections should be held on the basis of proportionate representation and separate electorate. His party was not in favour of any alliance for election purpose he said, and added that it was in national interest that elections should be held at the earliest possible time. In reply to a question, the Jamaat leader said his party had presented a seven-point formula for developing a consensus on basic issues for consideration of the MRD.--PPI [Text] [Karachi DAWN in English 12 Mar 82 p 20]

SAFDAR REFUSES TO COMMENT--Lahore, March 13: "I am not a part of the Government", replied Khwaja Mohammad Safdar, Chairman, Federal Majlis-i-Shoora when the reporters asked him on Saturday as to when the elections would be held--whether after implementation of Islamic law in the country, as was stated by the Government, or after mutual understanding between the politicians and the Government, as announced by him. When asked as to what the Federal Majlis-i-Shoora would do in case of difference of opinion between it (Shoora) and the Council of Islamic Ideology about the form of government, Khwaja Safdar replied, it was a hypothetical question and hence needed no reply.--PPI [Text] [Karachi DAWN in English 14 Mar 82 p 1]

CII MEETS, CONSIDERS COMMENTS--Islamabad, March 13: The Council of Islamic Ideology, at its meeting held on Saturday, under the chairmanship of Justice

Dr. Tanzilur Rahman took up consideration of various comments received from constitutional experts, Ulema and other intellectuals on the question of political structure of an Islamic State with reference to elections in Islam. The meeting, besides its members was also attended by the Chief Justice of the Supreme Court and the Chairman of the Azad Kashmir Council of Islamic Ideology as observers. The current session of the Council will continue till March 18.--APP [Text] [Karachi DAWN in English 14 Mar 82 p 1]

MINISTER ON TEACHERS' DEMANDS--Islamabad, March 13: Muhammad Ali Khan of Hoti, Federal Edcuation Minister, on Saturday said the demands raised by the primary teachers, currently on strike, involved financial implications which could not be met immediately. The government, he said, was, however, trying to determine what could it do within its resources to resolve the problem. The Minister told DAWN that a fair number of recommendations concerning the teachers problems have been examined. The recommendations were made by all the provincial secretaries, including Azad Kashmir education high-ups. This, he said, will be presented soon before the provincial governors, who, in consultation with the provicial Finance Ministers, will give final decision. Asked about the nature of incentive, likely to be given to the teachers, Mr. Hoti said the Government had not yet finalised any such incentive. To a question, Mr. Hoti said President Mohammad Zia-ul-Haq has appointed a task force within the Ministry to locate factors responsible for the deteriorating academic setup. The task force, consisting of noted educationists, he said, will give details of various academic issues facing primary schools, including the shortage of buildings, equipment and libarary [as published] in the country. [Text] [Karachi DAWN in English 14 Mar 82 p 1]

JUP MEETS--Lahore, March 13: The general council of the defunct Jamiat-ul-Ulema-i-Pakistan will meet here tomorrow under the chairmanship of Maulana Shah Ahmad Noorani, President of the party. The council, which will remain in session for two days, will discuss political situation of the country, out come of negotiations for alliance with other parties and organisational matters of the party.--PPI [Text] [Karachi DAWN in English 14 Mar 82 p 10]

DRASTIC EDUCATION CHANGES LIKELY--Islamabad, March 13: The present higher educational set-up in the country is likely to undergo some drastic changes soon. Most competent sources told DAWN on Saturday. [as published] The University Grants Commission (UGC) has been directed to draw a comprehensive plan for this purpose. A task group in this connection has also been established in UGC, which will examine all the four similar reports on education submitted in the past. The four reports, which contained a number of proposals, had been dumped after submission. The reports named: S. M. Shafiq Commission Report, Retd. Air Marshal Nur Khan Report, Justice Cornelius Report and a comprehensive PPP Report. The major academic issue the UGC wants to rectify is "noncombination of curriculum" up to B.A. level. It is reported that the subjects which were being taught do not support each others. The sources said that in the present system mathematics is not a compulsory subject for those studying economics or chemistry. The UGC has specifically been asked to suggest measures by which more colleges could be

upgraded to master level. The Government wants universities to function as purely research-oriented institutions. [Text] [Karachi DAWN in English 14 Mar 82 p 12]

ARRESTED FOR TERRORIST ACTS--Rawalpindi, March 13: The New Town police arrested one Sarfaraz Hussain, alleged to be a member of Al-Zulfiqar, and recovered different types of firearms from him today. According to details, the police had been tipped that Sarfaraz Hussain was alleged to be involved in terrorist activities. Consequently, a team of police officials under the supervision of Sardar Nasim, DSP, New Town Circle, was formed. The team in a raid here last night arrested the accused, Sarfaraz Hussain. During investigation, the police recovered firearms of various types, including one sten gun, two grenades, ammunition and detonators from him. Investigation is continuing.--PPI. [Text] [Karachi DAWN in English 14 Mar 82 p 12]

MEETING ON ARBAB'S MURDER--Peshawar, March 13. The defunct National Democratic Party will hold a meeting in the historic Chowk Yadgar on Sunday in connection with the murder of Arbab Sikandar Khan Khalil, Party sources said on Saturday. The authorities, on the other hand, are believed to have advised the Party that it should not hold the meeting in Chowk Yadgar but elsewhere, such as, Jinnah Park on Grand Trunk road. The situation of Chowk Yadgar is such that it can become overcrowded by a small gathering. Even a few thousand men will pack the Chowk and several bazars leading to it, giving the impression of a mammoth crowd while even one lakh men will occupy only one-third of the space in Jinnah Park. The PDP, however, refused to accept this advice and expressed determination to go ahead with the meeting in Chowk Yadgar, come what may. Meanwhile, the Government of NWFP issued the following Press Note here on Saturday night: "It has come to the notice of the Government that a defunct political party intends to hold a Public meeting at Peshawar on March 14 1982 for political purposes. The public is reminded that holding of public meetings and taking out processions is banned under the existing laws and contravention of law is liable to action as prescribed". [Text] [Karachi DAWN in English 14 Mar 82 p 12]

BEGUM BHUTTO ON POLLS--Larkana, March 13: Chairman of defunct PPP, Begum Nusrat Bhutto, said on Saturday that all political parties of Pakistan, including Jamaat-i-Islami want elections in the country under the 1973 Constitution. Talking to this correspondent at Moenjodaro airport, where she had come to fly to Karachi, Begum Bhutto claimed that the lawyers, students, teachers and all sections of the population are unanimous on holding general elections in Pakistan as soon as possible. [Text] [Karachi DAWN in English 14 Mar 82 p 12]

HARVARD TO ASSIST UNIVERSITY--Lahore, March 13: The Harvard University of America has pledged technical assistance to the Aga Khan Hospital and Medical College in Karachi which has been conferred a university status by the Government of Pakistan and is now known as the Aga Khan University of Health Sciences. This collaboration between the two institutions was the first phase of a general cooperating agreement signed in Boston during December last. The agreement calls for the collaboration in areas of major concern

to both institutions, in particular health and medical education. A second agreement was also signed, whereby the Harvard University will provide assistance in faculty development and curriculum design.--PPI [Text] [Karachi DAWN in English 14 Mar 82 p 12]

JAPANESE AID FOR REFUGEES--Tokyo, March 13: The Japanese Government today decided to extend 800 million yens (3.3 million US dollars) to aid refugees in Pakistan and Chad. The decision came at a Cabinet discussion on a request by the World Food Programme (WFP), the Foreign Ministry said. [Text] [Karachi DAWN in English 14 Mar 82 p 10]

PLANS TO IRRIGATE 1.3 MILLION ACRES IN BALUCHISTAN--Quetta, March 8--The Government has undertaken "on farm water management" programme to irrigate over 1.3 million acres land in the province, it was officially stated here on Saturday. The programme would help check waste of irrigational water which now comes to 50 percent of total available water resources. Under the programme, the land would be levelled and water channels would be paved and cleared of the silt and other weeds inhibiting the water flow. It would not only help save 30 percent water resources but also cause 70 percent rice in production. The programme was initially being undertake in seven districts of the province including Quetta, Pishin, Loralai, Nasirabad, Kachhi, Kalat. In the next year three more districts of Turbat, Khuzdar, and Lasbela would be brought under this program. Meanwhile, work on Bolan and Mirani, (Mekran) dams was going on rapidly and with the completion of these two dams, the agriculture sector of this province would witness a new era of progress. With the completion of Mirani Dam alone over 20,000 acres land would be irrigated in Mekran which is a dates growing area of the province.--APP [Text] [Karachi DAWN in English 9 Mar 82 p 4]

AZAD KASHMIR MAJLIS-i-SHOORA--Sialkot, March 8--The Majlis-i-Shoora of Azad Jammu and Kashmir is expected to be formed by the end of this month (disclosing this, the Information Adviser to Azad Kashmir Government, Mohammad Khan Kiani, told PPI here on Monday that the proposed Majlis-i-Shoora would consist of 42 members. But partial increase in the said number was also under consideration of the state government, he added. The AJK Adviser said that the Majlis would include the politicians apart from non-political figures, which would be taken from all schools of thought, he said, adding that particularly preference would be given to those who had played prominent role during the freedom movement of Kashmir. He further said that competent representatives of Jammu and Kashmir refugees settling in Pakistan would be nominated for the Majlis as well.--PPI [Text] [Karachi DAWN in English 9 Mar 82 p 6]

STUDENT LEADER'S PLEA--The Nazim of Islami Jamiat-i-Talaba Pakistan (Sind Province), Mr Rashid Nasim, has said in a Press statement that the unrest among students in the province was the result of "unrealistic policies of the Government." Unless an Islamic system free from social and economic exploitation was introduced, a sense of deprivation among people would persist. He said, adding that the causes and factors leading to unrest among the students in the interior of Sind should be studied so that the problem could be solved properly. [Text] [Karachi DAWN in English 9 Mar 82 p 10]

BENAZIR'S DETENTION TERM EXTENDED--Larkana, March 10: Term detention of defunct PPP leader Miss Benazir Bhutto has been extended by three months, it is learnt. The previous term of detention was to expire tomorrow. There were some speculations about her release after March 11. Begum Nusrat Bhutto had arrived at Larkana on March 7 and the personal car of Miss Benazir Bhutto was reported to have been brought. [Text] [Karachi DAWN in English 11 Mar 82 p 10]

MAIRAJ RELEASED IN LAHORE--March 11: The President of the defunct Qaumi Mahaz-i-Azadi Mr Mairaj Mohammad Khan, was released here today from Kot Lakhpat Jail after a detention of about 13 months. He was released against a personal surety of Rs 50,000, furnished by party Vice-President Parvez Saleh. Mr Mairaj Mohammad Khan was arrested on Feb 26 last year from the residence of Mr. Mahmood Ali Kasuri, Acting President of the defunct Tehriki Istiqlal, when all MRD leaders had gathered there to attend a meeting. On his release today, Mr Mairaj demanded release of all political leaders and workers. [Text] [Karachi DAWN in English 12 Mar 82 p 1]

COUNCILOR'S ARREST REPORTED--Larkana, March 11: Mr Abdur Razzak, a Naodero Councillor, was arrested by the police two days back reports reaching here said. He was allegedly involved in party politics, unpermissible for civic Councillors. It is also learnt that Pir Pinjal Shah Jilani of Gambat who was arrested a few days back in Kambar, was released on bail on Thursday. Pir Sahib was reportedly detained during an operation against anti-social elements in Kambar. [Text] [Karachi DAWN in English 12 Mar 82 p 1]

ARBAB'S MURDER CALLED 'CONSPIRACY'--Mr. Abid Zuberi, Central Information Secretary of the defunct NDP, said on return from Peshawar where he attended the funeral of late Arbab Sikandar Khan Khalil. That it was the result of a "conspiracy" and is corroborated by "evidence gathered from independent sources". [as published] He said that the alleged assassin, who had confessed, belonged to a particular "religious school of thought" and was of Afghan origin. His family had migrated to Pakistan during the rule of Sardar Daud Khan. Besides speedy investigations into the case he also demanded "steps to arrest the "present trend of lawlessness in the country." [as published] [Text] [Karachi DAWN in English 12 Mar 82 p 1]

GOVERNMENT REFUTES ISHAQ'S RESIGNATION--Islamabad, March 11: A Government spokesman today categorically contradicted a news item reported by a section of the Press that the Federal Finance Minister, Mr. Ghulam Ishaq Khan has tendered his resignation. The spokesman described the report as "baseless and mischievous" which "seems to have been circulated to engender instability and uncertainty in the country".--APP [Text] [Karachi DAWN in English 12 Mar 82 p 1]

PARLIAMENT TEAM TO VISIT--Strasbourg, March 11: A three-man delegation of the Parliament of Europe will visit Pakistan at the end of April to discuss with Afghan refugees the Soviet occupation of their country. The Vice-President of Parliament, Mr Egon Klepsch announced this here today on his return from the United States. He had attended, at the invitation of U.S. President Ronald Reagan, a ceremony marking the proclamation of March 21 as "Afghan Day"--an event initiated by the European Parliament.--DPA [Text] [Karachi DAWN in English 12 Mar 82 p 1]

MRD CHARTER FORMULATED--MRD's Central Action Committee at a meeting held in Karachi on Wednesday formulated a seven-point charter, its convener, Mr. Fatahyab Ali Khan, told newsmen in Karachi on Thursday. The Committee, he said, will meet again to consider its "line of action" for the implementation of the demands contained in the Charter. Others present at the briefing held at the residence of Khwaja Khairuddin were Mr. Zainul Abadir, Mr. Iqbal Hyder, Mr. Narees Siddiqui Qari Sher Afzal, Maulana Ehtiramul Haq Thanvi and Mr. Abid Zuberi. Mr. Fatahyab Ali Khan said defunct NDP representatives Mr. Sherbaz Mazari and Mr. Abid Zuberi did not attend the meeting as they had gone to Peshawar to attend the funeral of late Arbab Sikandar Khan Khlil. The first demand reportedly relates to "immediate and unconditional release" of all political prisoners. On socio-economic issues the Charter demands alternative jobs to all those sacked in autonomous bodies, taken-over industries, educational institutions, newspaper industry etc. Besides, it calls for the rehabilitation of all those who have been dispossessed of their hutments and deprived of their daily earnings as a result of the removal of encroachments. Other demands relate to a 25 per cent cut in the prices of essential commodities, diesel and petrol as well as railway and public transport, fares, withdrawal of restrictions on movement of citizens and non-interference in academic affairs by the administration and the police. [Text] [Karachi DAWN in English 12 Mar 82 p 1]

REFUGEES IN QUETTA--March 11: Over half a million Afghan refugees were camping in Quetta division of the Baluchistan province. The main thrust of the refugees was in district Pishin where about 300,000 refugees were inhabited. About one lakh refugees were camped in district Chaghai which outnumbered the locals as well. The Government was annually spending over Rs. 4000 million on the up-keep of the refugees.--APP. [Text] [Karachi DAWN in English 12 Mar 82 p 8]

WHEAT RESEARCH WORK PRAISED--Noble prize winner, Dr. Norman E. Borlauge held a meeting in Karachi on Wednesday with Sind Food and Agriculture Secretary, Mr. S. M. Wasim, at the end of his two-day study tour of Sind, and appreciated the wheat research programme in progress with special emphasis on the methods of training being imparted at the Agricultural Research Institute, Tando Jam. He was highly appreciative of the work being done in Sind on two new wheat varieties namely TJ-78 and Sind-80 which he examined during his tour, says an official handout. [Text] [Karachi DAWN in English 12 Mar 82 p 16]

DECLARATION CANCELLED--Rawalpindi, March 11: The District Magistrate, Rawalpindi has through an order issued on March 9 announced that the

declaration of DAILY HAIDER, Rawalpindi, is no longer valid on account of the violation of the provisions of Section 9 (3) of the West Pakistan Press and Publication Ordinance by the publisher.--APP [Text] [Karachi DAWN in English 12 Mar 82 p 20]

NEGOTIATORS HOLD TALKS--Defunct PDP's Arshad Chaudhri and defunct NDP's Abid Zuberi--had their first get-together with PML-JUP negotiator Prof. Shah Faridul Haq in Karachi on Thursday. During their two-hour long talks various aspects of the party leaders' recent informal exchanges at Maulana Shah Ahmad Noorani's residence were discussed. Shah Faridul Haq, later sent his draft formula to Mr. Abid Zuberi, who said that its copies would be circulated among the MRD leaders. In reply to a question Mr. Zuberi said that from his side there was no need to hand over any formula to prof. Farid. "Ours is a simple one-point formula, viz, removal of the Martial Law and elections under the 1973 Constitution", he pointed out. [Text] [Karachi DAWN in English 12 Mar 82 p 20]

'NO BUGTI TRIBESMEN KILLED'--The allegation carried by a section of the Press that a number of Bugti tribesmen were killed in a joint operation by the Sind and Baluchistan police in Jacobabad district is completely baseless, says an official handout. The action of the law enforcing agencies was directed solely against the dacoits of the area in which no Bugti tribesmen were killed or injured, it added. As a result of the operation a number of persons were arrested and 11 shot-guns, three 7.mm rifles and 86 cartridges were recovered. [Text] [Karachi DAWN in English 12 Mar 82 p 20]

PNP LEADER CHALLENGES ACTION--Quetta, March 11: Mir Gul Khan Naseer, a leader of the Defunct Pakistan National Party (PNP), has challenged the reported decision of the party chief, Mir Ghaus Bux Bizenjo, to suspend the membership of three leaders of the PNP. He told newsmen here that it had come to his notice that Mr Bizenjo had suspended him and Mir Meharullah Mengal. Mir Gul Khan Naseer claimed that Mr Bizenjo, or any other individual, had no right to expel or suspend membership of any member of the party. Such an action was undemocratic. He further claimed that the party's Secretary-General, Mr Qaswar Gardezi, had a telephonic conversation with him from Lahore and said that Mr Fasihuddin Salar, Information Secretary, and Mr Yusuf Masti Khan, President, Karachi, PNP, respectively, had no right to give statement against any party member or threaten to suspend their membership. Mir Gul Khan Naseer said the defunct PNP was a democratic party and he was assured by Mr Gardezi that no undemocratic action would be taken. He said it was strange that while Mr Bizenjo held meetings with Begum Nusrat Bhutto, Mr Abdul Hafeez Pirzada, Mr Mumtaz Bhutto and even Federal Industries Minister, Mr Elahi Bux Soomro at the residence of Mir Nabi Bux Zehri, there was no reason to be critical over his (Mir Gul Khan Naseer's) meeting with Jam Ghulam Qadir, Vice-Chairman, Federal Council.--PPI [Text] [Karachi DAWN in English 12 Mar 82 p 20]

FARID SPELLS OUT TERMS--The Secretary-General of the defunct JUP Prof. Shah Faridul Haq, has said that the proposed all-party alliance will not join any national or political Government unless it signs an agreement with the Government on the holding of general elections in the country. Talking to newsmen on Wednesday, he said the agreement would include a firm date for holding of general elections and a clear procedure for the transfer of power to elected representatives. Prof Farid said that the draft handed over to his party chief, Maulana Shah Ahmad Noorani, envisaged the holding of general elections. He said he was now waiting for drafts from other parties who wished to join the proposed alliance.--PPI. [Text] [Karachi DAWN in English 11 Mar 82 p 10]

VISA OFFICE IN BOMBAY--New Delhi, March 10: The Pakistan Embassy will open a temporary visa office in Bombay from March 15 to 21 for intending visitors from Bombay and adjoining areas, it was announced here.--PPI [Text] [Karachi DAWN in English 11 Mar 82 p 1]

BUSES DETAINED BY STUDENTS--Supporters of Karachi University Students Union yesterday detained about 40 KTC buses at the campus for several hours in protest against the "detention of three students who were earlier granted bail by the court". The students drove the buses to the Convocation ground where they deflated their tyres. The police entered the Campus at about 4.15 p.m. and soon the students dispersed. The last detained bus drove out to the terminal at 5.35 p.m. Some one fired a blank shot in the air when the Police entered the campus to free the buses. The police has seized the empty and registered a case. [as published] [Text] [Karachi DAWN in English 11 Mar 82 p 8]

REPATRIATION OF BIHARIS OPPOSED--The Central Secretary General of Jeay Sind Students Federation, Mr. Shahnawaz, has opposed the repatriation of more Biharis from Bangladesh fearing that they would be settled in Sind and Baluchistan. In a statement, he said that the population in the two provinces has already increased owing to the migration from Punjab and Afghanistan. [Text] [Karachi DAWN in English 11 Mar 82 p 8]

CALL FOR PRESS FREEDOM--Mr Minhaj Barna, Chairman of APNEC (Barna group) has stressed the need of Press freedom and good management-worker relations for healthy journalism and growth of newspaper industry, says a Press release. Speaking at a function held to felicitate the new office-bearers of the daily AMN workers union on Tuesday he expressed the hope that the newly elected union officials would do their best to achieve both goals, and urged the Government to restore Press freedom. [Text] [Karachi DAWN in English 11 Mar 82 p 8]

SERVICES OF FARAZ TERMINATED--Islamabad, March 10: The Government has terminated the services of poet Ahmad Faraz. He received the termination notice in Islamabad on Tuesday. Ahmad Faraz said here today he had not been communicated the reason for his termination in the notice. He was appointed Director General of the Academy of letters in 1976. [Text] [Karachi DAWN in English 11 Mar 82 p 10]

SHOORA TEAM IN WASHINGTON--March 10: The Pakistan Majlis-i-Shoora delegation began their first day here today with a succession of challenging engagements. Early this morning they held a long briefing session with Ambassador Ejaz Azim and other senior embassy aides, followed by luncheon discussions with the Editors of the celebrated American weekly US NEWS AND WORLD REPORT that belongs to the same league as TIME magazine and the NEWSWEEK. Even tougher intellectual challenge taken on by the Pakistan delegation was the exchange-of-views session with the academics of the Georgetown University's Centre for Strategic and International Studies. This has been the traditional think-tank for US administrations, having provided such luminaries as Henry Kissinger, Zbigniew Brzezinski and Admiral Moorer. The Pakistan Interior Minister, Mahmoud A. Haroon is flying into Washington later today to join the delegation in its meetings on the Hill with US Congressmen.--PPI [Text] [Karachi DAWN in English 11 Mar 82 p 10]

SCHOLAR SHOT DEAD--Faisalabad, March 10: Major (Retd) Mian Mohammad Aslam, a religious scholar and leader of the defunct Jamaat-i-Islami, was shot dead in Baltimore, USA on Sunday and his body was thrown under a bridge. Deceased Mian Mohammad Aslam belonged to Faisalabad and had shifted to the US three years back as a preacher of Islam under a contract with the Saudi Government. The body of Mian Mohammad Aslam will be brought to Faisalabad by a PIA plane on March 11. Major (Retd) Mohammad Aslam used to visit Baltimore every Sunday. A day before the murder a large number of Americans embraced Islam and some of them invited him to visit Baltimore again on Sunday. He was later informed on phone that the car engaged for bringing him to Baltimore had developed some defects near a bridge and requested him to reach there. He left for his destination where he was shot dead. The police later in the evening handed over the body to the members of his family residing with him. Mian Mohammad Aslam has left behind a widow, three sons and a daughter. He will be buried in village Pakhowal (Chak No 183-GB) near Philore Adda in Tehsil Toba Tek Singh. [Text] [Karachi DAWN in English 11 Mar 82 p 10]

ACTION AGAINST PNP LEADERS--Mr. Ghaus Bakhsh Bizenjo, President of the defunct Pakistan National Party, on Wednesday suspended Mr. Gul Khan Naseer, Mr. Mehrullah Mengal and Mr. Gohar Khan Zarakzai from the party. At the same time he appointed Mr. Noor Mohammad Khan Achakzai as Acting President of the Baluchistan PNP and asked him to call a meeting of the provincial working Committee to consider the matter concerning the three suspended party members. In a statement Mr. Bizenjo said that Mr. Gul Khan Naseer and his two colleagues have supported the Government while the PNP stands for democracy and is opposed to any unrepresentative government. "The activities of these party members amount to a clear violation of the policy of the party and a defiance of the unanimous decision of the party's Central Working Committee", he added. Mr. Bizenjo clarified that pending a decision by the Baluchistan Provincial Working Committee, the PNP will have nothing to do with any statements issued by Mr. Gul Khan Naseer and two others or their activities. "If they do so, it will be considered as further violation of the party discipline", he said. [Text] [Karachi DAWN in English 11 Mar 82 p 10]

STUDENTS PROTEST ON KASHMIR--Faisalabad, Feb. 28--A group of 150 students in the campus of the University of Agriculture staged a demonstration on Kashmir issue but were dismissed peacefully. The students raised slogans against the alleged nefarious tactics of the Indian Prime Minister to bring the area of Azad Kashmir under the sway of the Indian Government. They urged the Pakistan Government not to succumb to the threats of Indira Gandhi and called upon the government to liberate the area of Occupied Kashmir. [Islamabad THE MUSLIM in English 1 Mar 82 p 1]

PAMPHLETS, PERIODICALS FORFEITED--Karachi, Feb. 27: The Home Department of the Provincial Government have forfeited copies of a number of periodicals and pamphlets containing milacious [as published] & contemptuous propaganda against the government and also fanning hatred between various sects, under the West Pakistan Press and Publications Ordinance. They included weekly INQUILAB volume 2, No. 7 (Jan. 9-15), published from 33, Leysourne House, Shoreditch High Street, London, monthly Urdu magazine AL-SHAHEED (Issue No. 7) published from Tehran, Urdu monthly digest ROOHANI DIGEST (Nov. 81 issue), Urdu weekly JEDDO JEHAD (Jan. 2 issue) published from Holland, Urdu pamphlet "Fitna-e-Karbala" published by Riaz Ali Shah of Jhang, weekly ECONOMIST (Dec. 12, 1981 issue) published from London, Sindhi pamphlet "Jang, Jang Aahey, Mohnji Tusan Jang Aahey", Urdu pamphlet "Hairat Haiy Hairat Haiy", cyclostyled speech and poem of Mr. Nasrullah Khan Nasir, president of the defunct Pakistan Democratic Party, a booklet containing resolutions passed during a Seerat meeting held at Khaliqdina Hall recently and published by the Pakistan Sunni Council and monthly Gujrati magazine AKHAND ANAND, published from Ahmadabad (Ind.). According to an official information, some of the forfeited material also tended to prejudice Pakistan's relations with a number of foreign countries.--A.P.P. [Text] [Peshawar KHYBER MAIL in English 28 Feb 82 p 5]

MOTOR VEHICLES IN PUNJAB--There has been a rapid increase in the motor-vehicles of different types registered in the Punjab. According to a source of Transport Cell 6,31,619 vehicles were registered up to December 31, 1981 as against a total number of 5,75,794 vehicles registered during the corresponding period with the registration authorities of the various districts of the Punjab, says a handout on Saturday. According to latest survey, Lahore district has the largest number of vehicles, motor cars 42,914; Jeeps 3,939; station wagons 1,722; pick ups 4,687; buses 8,150; mini buses 828; taxi cabs 2,071; 15-seater wagons 320; motor-cycles 1,29,639. Rawalpindi district is the next city having the largest number of vehicles, 25,970 cars; jeeps 2,078; station wagons 1,957; pick ups 2,158; mini buses 2,172; taxies 920; station wagons 1,039; motor-cycles 27,596. Multan district has registered cars 6,038; jeeps 905; station wagons 378; pick ups 382; buses 1,832; motor-cycles 34,190. In Faisalabad district, there are 3,858 cars; jeeps 280; station wagons 523; pick ups 1,200; buses 4,045 and mini-buses 552; taxi cabs 21; 15-seaters 4; motor-cycles 34,190. [Text] [Lahore THE PAKISTAN TIMES in English 7 Mar 82 p 8]

UN-ISLAMIC PROVISIONS IN CONSTITUTION--The Council of Islamic Ideology is drawing up a list of articles of the 1973 Constitution which it considers repugnant to Islam, CII sources told PPI in Lahore on Monday. The Council will submit the list to the President along with recommendations to Islamise them, the sources added. After final approval by the President, the said articles would be Islamised accordingly. Asked how much time the Islamisation of all laws would take, the sources said it would be completed during the current term of the CII, expiring in 1983. The laws to be Islamised in addition to certain articles of the 1973 Constitution include the Civil Procedure Code and the Pakistan Penal Code. [Text] [Lahore THE PAKISTAN TIMES in English 9 Mar 82 p 1]

SIND CANE CROP--Hyderabad, March 8: The sugarcane crop in the province has surpassed the total crushing capacity of sugar mills in Sind, specially in the south zone. According to the Sind Chamber of Agriculture, there are fears that the excess crop might be destroyed if not crushed in time, thus adversely affecting the growers, particularly incentive-wise. The best and only way to avert such an eventuality, the Chamber has stressed, is that the declared Government policy of introducing mini sugar mills be implemented forthwith in consultation with it and not with the Chamber of Commerce and Industries. The Chamber also criticised the Sind Agriculture Seed Supply Organisation for supplying inferior, adulterated DAP fertilisers. If such practices are not checked, it said, agricultural production in Hyderabad would suffer badly. [Text] [Lahore THE PAKISTAN TIMES in English 9 Mar 82 p 6]

ASAD INVITED TO VISIT--Islamabad March 11: President General Mohammad Zia-ul-Haq replying to a question said here tonight that the President Hafiz Al Asad of Syrian has accepted his invitation to visit Pakistan at the time convenient to him. In reply to another question whether PIA plane hyjackers problems also came under discussion during his meeting with the President Hafiz Al-Asad of Syria the President said he has thanked the Syrian President and did not mention about our expectations at that time. It was better not to talk of such thing on this occasion, he added. [Text] [Karachi MORNING NEWS in English 12 Mar 82 p 1]

FAIZ OFFERED AMBASSADORIAL POST--Rawalpindi, March. 3--Faiz Ahmad 'Faiz, the renowned poet and the recipient of the Lenin Award, has been offered an ambassadorial post in some foreign country. According to Weekly 'Hurmat', the government has recently hinted to Faiz that if he wanted he could happily live in Pakistan. Besides, if he wanted to serve the country and the cause of Pakistan, he could be offered an ambassadorial post. Thirdly, it was hinted if he wanted to permanently settle down in Pakistan he could be offered a suitable post. [Islamabad THE MUSLIM in English 4 Mar 82 p 3]

DAULTANA DENIES CONTACT--Lahore, March 3--Mian Mumtaz Mohammad Khan Daultana told Nawa-i-Waqt in an interview that he was neither contacting political elements nor preparing any list of sympathisers. He termed the news item appearing in some papers to this effect as "baseless". Mr. Daultana said certain

friends had come the other day whom he entertained to tea. After formal talk they left, Mian Sahib said. The aged politican said Pir Saifuddin Makhad and Hamid Raza Dilani were among those who met him. [Islamabad THE MUSLIM in English 4 Mar 82 p 12]

EXPORT UNITS READY--Three industrial units in the Karachi Export Processing Zone (KEPZ) are on the take-off stage. Of them, one unit, being set up by a party from UAE, will manufacture perfume etc. Its buildings are in an advance stage and the unit is expected to go into production by about July next. The other two units will manufacture electronics and ready-made garments. The electronic unit is being set up jointly bv two parties one each from Japan and Singapore. The ready-made garments unit is being set up by a party from Korea and some Pakistanis living abroad. The parties have deposited money for the purhcase of the land and the construction work is expected to start soon. The land has been sold to them at the rate of 7 dollars per sq. meter. It may be mentioned here that the authorities have so far sanctioned 20 projects in EPZ. More parties who have got their sanctions are expected to come to the Zone shortly. All infra-structure facilities--water, gas, electricity, tele-communication etc.--have been provided to the investors in the zone. [Karachi BUSINESS RECORDER In English 6 Mar 82 p 1]

SUI GAS SUPPLY RISE--The transmission and istribution network for the supply of natural gas from Sui registered a growth of 60 per cent during last five years. According to natural gas industry sources, the demand and production of Sui gas has grown by appro imately 65 per cent. The gas supply network including transmission, distribution and service line measured about 5 600 miles in June 1976, which rose to approximately 9,000 miles in June last year showing an increase of 60.7 per cent. Sui field supplies gas to both northern and the southern regions of Pakistan. While in the northern region the gas supply an distribution is handled by Sui Northern Gas Pipelines, the gas transmission in sou hern parts is managed by Sui Gas Transmission Company and its distribution is handled by Indus Gas Company and Karachi Gas Company, [Karachi BUSINESS RECORDER in English 8 Mar 82 p 6]

MAHBUBUL HAQ IN ISLAMABAD--Islamabad, March 6--Dr Mahbubul Haq, who was until recently Director Policy Planning Department of World Bank, has arrived here to assume his new assignment as Deputy Chairman, Planning Division. Dr Haq visited the Planning Division today and held informal meetings with the officials. Dr Mahbubul Haq whose status will be of Minister of State, is expected to take oath of his office by March 15. [Karachi MORNING NEWS in English 7 Mar 82 p 1]

COUNCILLORS FOR STUDY TOUR--Bahawalpur, March 6--The Government has nominated three local councillors for going abroad on study tour of two months, from March 23 to May 22, this year. The nominees include Sardar Fazal Ahmad Langah, Chairman Zilla Council, Bahawalpur, Malik Habib Khan, Chairman, Municipal Committee, Jhang, and Mrs. Parveen Sheikh Municipal Councillor Wazirabad. The nomination has been made by the Government strictly on the basis of ability, capability and over-all performance of the councillors in their respective local councils. The Councillors will first fly to the Hague and will later visit Canada, Belgium and Denmark. They will undergo a training course pertaining to local councils arrange at The Tague. The purpose of sending these councillors

on the proposed tour is to utilise their talents for furtherance of local councils system introduced by the present government. On their return, they are supposed to be assigned more responsibilities within the sphere of the local councils system. It may be mentioned that the working of the Zilla Council Bahawalpur has been marked as examplery, because all of its decisions are arrived at unanimously and there has never been any voting or controversy on any issue whatsoever. [Karachi MORNING NEWS in English 7 Mar 82 p 8]

PAKISTAN SCIENTISTS FOR SUDAN--Faisalabad, March 7--Sudan will acquire the services of Pakistani scientists for its agricultural and scientific development, Professor Abu Zia, leader of the four-member Sudani delegation, said here today. He said his country wanted to send maximum of its students to Pakistan for higher studies in the field of agriculture and Science. Prof. Zia who is also the Vice-Chancellor of the Juba University, Sudan hailed the Pakistan Government's gesture for allowing them to select Pakistani researchers and scientists for services at the Juba University He said for this purpose they were touring various universities in Pakistan. [Karachi MORNING NEWS in English 8 Mar 82 p 3]

FACTS BOOK PUBLISHED--Islamabad March 7--Pakistan--basic facts 1980-81 was published yesterday by the Economic Adviser's Wing of the Ministry of Finance. The 253-page book is the 19th edition of the series and covers major developments in various sectors of the economy in their historical perspective, but with focus on the fiscal year 1980-81. "It contains an analysis of recent policy measures and reviews the sectoral growth trends extended as far back as possible depending on the data availability'. says Dr Mushtaq Ahmad Joint Economic Adviser in a preface to the book. The document includes a comprehensive series of statistics on performance indicators relevant to each sector.

INDUSTRIES IN SIND BACKWARD AREAS--Jacobabad, March 7--The Sind Small Industries Corporation has launched a thre-year plan (1981-84) since July 1981, which envisaged a total investment of Rs 283 million including Rs 225 million and Rs 58 million from private and the public sector respectively. This was stated here by Ashraf W. Tabani, Sind Minister for Industries, Finance, Excise and Taxation, while addressing the councillors of municipal committee Jacobabad today. He said, the federal government has allowed 5-year tax holiday and exemption from payment of import duty in respect of three districts of Sind including that of Jacobabad district with a view to promoting industries in the backward areas of the province and to avail of the facilities, the corporation was establishing a small industries estate in the district during the next financial year at a cost of Rs one million, he added. The minister observed that the corporation was introducing a training programme and to meet the object a wood work training centre was being set up at Jacobabad at a cost of Rs 25 million during 1982-83, having a capacity of absorbing 20 trained stipendary persons a year. The persons trained from the centre would be free to establish their own small production units for which financial assistance and on the spot guidance would be provided to the small entrepreneurs by the corporation. The corporation would also be establishing a district office at Jacobabad during the next financial year.

DIVISION OF TAXES CONSIDERED--Islamabad, March 2--The National Finance Commission at its fourth meeting, held here today, considered various proposals for sharing divisible taxes between the Federal government and the provinces. Federal Finance Minister, Ghulam Ishaq Khan, who chaired the meeting apprised the Commission of the latest resource situation of the country. He stressed the need for judicious utilisation of available resources and mobilisation of additional resources to meet growing development requirements of all parts of the country. This, he observed, was utmost to cater for greater demand for social services and to achieve better regional balance. The National Finance Commission is likely to finalise its recommendations soon. The meeting, which lasted six hours, was attended by Kh. Mohammad Safdar, Ghulam Farooq Khan G.D. Memon, Minister of State for Food and Agriculture, Finance Ministers of Punjab, Sind, and NWFP, Federal Secretaries for Finance, Planning and Economic Affairs and Local Government and Rural Development, Finance Secretaries of the four provinces and senior officials of the Finance and Planning Divisions. [Islamabad THE MUSLIM in English 3 Mar 82 p 8]

CSO: 4220/301

TRADE ACCORD SIGNED WITH GERMAN DEMOCRATIC REPUBLIC

Manila BULLETIN TODAY in English 9 Mar 82 p 14

[Text]

The Philippines and the German Democratic Republic (GDR) recently signed a trade agreement covering import requirement from both countries this year, the bureau of foreign trade (BFT) announced.

The accord was aimed to further develop and strengthen RP-GDR relations in accordance with their development and trade needs and objectives on an equitable and mutually beneficial basis, according to BFT director Edsel T. Custodio who signed the trade agreement with GDR director-general for foreign trade Horst Marx.

Under the agreement, the Philippines will sell to GDR local products worth US$27 million from January to December 1982. At the same time, it will import machinery and equipment including chemical products of the same amount.

Products to be sold by the Philippines to GDR as specified in the accord include coffee, desiccated coconut, coconut oil, copra, veneer and sawn lumber, textile and garments, marine products including canned tuna, canned pineapples, tobacco wrappers, and fruit puree and powder.

On the other hand, GDR will sell to RP machine tools, permissible types; machinery and equipment for rice and grain handling; spinning plants, combers, circular knitting machines and other textile machinery; printing plants and equipment; typewriters and office equipment; boilers, steam generators and diesel generating sets; scientific instruments and equipment, medical and laboratory apparatus; X-ray, amateur and cine film; chemical products, including soda ash, pesticides and pharmaceuticals; urea; muriate of potash; steel products; and viscose rayon staple fiber.

GDR expressed interest to supply the Philippines with machineries and equipment for the country's industrial development projects including transfer of technology and training of local personnel.

The offer was made by the former during the Fourth Session of the joint committee of the Republic of the Philippines and the German Democratic Republic held early February in Manila.

CSO: 4220/299

FILIPINO MUSLIMS REJECT MISUARI

Manila BULLETIN TODAY in English 8 Mar 82 pp 1, 10

[Text]

Filipino Muslims in Saudi Arabia declared their support for President Marcos' "policy of reconciliation and development for Muslim Mindanao," in a manifesto that repudiated Muslim rebels who have taken sanctuary in the Middle East.

Middle East observers said the group's action in effect withdrew the last semblance of support for Nur Misuari, head of the Moro National Liberation Front (MNLF), and his remaining followers.

The manifesto, signed by Muslim engineers and architects working in Saudi Arabia, expressed trust and confidence in President Marcos' efforts for peace and progress in the south and offered to work with the government to solve the Southern Philippine problem.

The Muslim professionals reaffirmed their belief in the "sincerity of the President's commitment to the well-being of Muslim Filipinos."

They cited the restraint the Philippine government has exercised since the 1976 ceasefire by holding back full military operations despite provocations from remnants of the rebel movement in Southern Philippines.

They hailed the forthcoming state visit of President Marcos to Saudi Arabia and expressed the hope that it will contribute to the peaceful solution of the Southern Philippine problem.

As a source of contributions for various projects of Filipino Muslims in the Philippines, including those of rebel expatriates, the group wields considerable influence within the Filipino Muslim community in Saudi Arabia.

In a televised interview after the presentation of the manifesto to Philippine Ambassador to Saudi Arabia Benjamin Romualdez, the Muslim professionals said secession is no solution

to the problem and further fighting would only increase the sufferings and misery of Muslim Filipinos.

They, therefore, called for a halt to further bloodshed, saying that a majority of the Muslim Filipinos abhor it "because there is so much to do by way of rehabilitation and reconstruction" of their ravaged land.

Pendatun Macarambon said the manifesto represents their "moral reponsibility as citizens of the Republic of the Philippines to contribute to the peaceful solution of the problem."

Other members, including Mamintal Adiong, Sanny Alonto, and Edres Tamano, said they are concerned with the problem in Southern Philippines because "we and our families are directly affected."

They said the only way out of poverty and social backwardness in Southern Philippines is "to bring peace to the land first and then allow the development of its rich potentials."

Among those who signed the manifesto were Legui Ilupa, Mandangan Decampong, Nasser Mohammad, Berua P. Alauya, Manap T. Sangcopan, Isam D. Satar, Camar K. Mangondato, Casan C. Usop, Sinombra M. Pangonotan, Esmayatin Z. Pumbaya.

Pendatun C. Macarambon, Edres D. Tamano, K. P. Mapandi, Tagoranao D. Campong, Macaurog R. Batabor, Ali P. Guro, Nagaranao Macawadib, Mitokur G. Ianalan, Mababaya M. Mamalampac, Rakin P. Abaton;

Sacaria D. Pario, Amoran B. Marzoc, Mamintal M. Adiong, Suleiman M. Palala, Cosain Dalidig, R. D. Mamao, Sanny P. Altono, Casan Darapa, and Achmad Badron.

CSO: 4220/299

NATION TO SET UP ISLAMIC LAW COURTS

HK130034 Manila Domestic Service in English 2300 GMT 12 Mar 82

[Text] President Marcos has set into motion the creation of Islamic courts in the country. The president opened the Philippine Sharia Institute, which will train lawyers and judges for the administration of Muslim laws. The Muslim code has been part of the country's judicial system in earlier presidential decrees. Initially the Sharia will train 180 Muslim lawyers for the Islamic courts. Its creation in a predominantly Christian country is the first in the world.

Addressing the initial trainees, the president stressed the underlying spirit of unity that should bind all Filipinos together, regardless of faith. [Begin Marcos recording] If we are to achieve the objective of national unity, if we are to pay more than lip service to the constitutional principles of religious freedom and respect for cultural diversity, it may well be that much time will pass before we succeed in accepting the institution of the code. This we shall gladly undertake, in order that our Muslim brothers may partake more fully in the mainstream of our national life. I urge you to therefore look to these matters during this training period. It is on each of you that we rely to bring to our Muslim brothers a sense of our abiding concern for their welfare. Through the institution of the Sharia, we commit ourselves to the preservation of their way of life, and with all the other development projects we wish to share with them the benefits of our unitary nation. [End Marcos recording]

The Sharia training program will last 2 months, after which those who complete it will be sent to administer the Islamic code in Mindanao. Two million Muslims in the two autonomous regions of the south will be covered by the Islamic courts.

CSO: 4220/313

MARCOS ORDERS GOVERNMENT CORPORATIONS TO RETRENCH

Manila BULLETIN TODAY in English 6 Mar 82 pp 1, 8

[Article by Willie Ng]

[Text]

President Marcos, adopting a retrenchment program, ordered yesterday all government firms to stop remodelling their offices and to suspend repair of buildings.

He issued Letter of Instructions No. 1198 directing all government corporations to submit detailed expenditures of their funds for the construction, repair, improvement, rehabilitation and modernization of their buildings and offices one month from receipt of the LOI.

The LOI also stopped the acquisition of furniture and the purchase of equipment.

The President said expenditures under the new LOI incurred without public bidding as provided by law should be explained in writing if they are presented.

On the other hand, the President issued Letter of Implementation No. 139 to speed up implementation of capital outlay projects of the autonomous regions in Mindanao (Regions IX and XII) to spur their development.

He gave impetus to the implementation of capital outlay projects in Regions IX and XII by delineating the powers and responsibilities of the Speaker of the Sangguniang Pampook (regional assembly) and the Chairman of the Lupong Tagapagpaganap (regional executive council).

LOI 139 provides guidelines for more effective implementation of Presidential Decree No. 1618, which implemented the organization of the Sangguniang Pampook and the Lupong Tagapagpaganap ng Pook in the two autonomous regions.

Capital outlays refer to appropriations for the purchase of goods and services, the benefits of which extend beyond the fiscal year and which add to the assets of government.

Region IX comprises the provinces of Basilan, Sulu, Tawi-Tawi, Zamboanga del Norte, including the cities of Dipolog and Dapitan, and Zamboanga del Sur, including the cities of Pagadian and Zamboanga.

Region XII comprises the provinces of Lanao del Norte, including the city of Iligan, Lanao del Sur, including the city of Marawi, Maguindanao, including the city of Cotabato, North Cotabato and Sultan Kudarat.

Within the framework of the national sovereignty and territorial integrity of the Republic of the Philippines and the Constitution, internal autonomy shall be established in the autonomous regions with legislative and executive machinery to exercise the powers and responsibilities specified in accordance with the provisions of the Constitution and the laws of the Republic.

The top officials of Region IX: Speaker Hussein Ututalum and Chairman Ulbert Ulama Tugung;

Region XII top officials: Speaker Abul Khayr Alonto and Chairman Simeon Datumanong.

In the Letter of Implementation, the President directed that:

1. The speaker of the Sangguniang Pampook and the chairman ot the Lupong Tagapagpaganap ng Pook shall be jointly responsible for the implementation of all capital outlay projects undertaken by the Regional Autonomous Government.

2. In order that they may effectively implement and monitor the disbursements of the aforementioned capital outlay projects, the Speaker and the chairman shall jointly act on, sign and approve all vouchers, checks, treasury warrants and other papers relating to capital outlay disbursements of the Rgional Autonomous Government.

Accounting and auditing guidelines would be prepared by the director-general of the office of budget and management in close coordination with the chairman of the commission on audit.

CSO: 4220/299

MARCOS DISCUSSES PHILIPPINE COMMUNIST PARTY

Manila PHILIPPINES DAILY EXPRESS in English 7 Mar 82 pp 1, 2

[Text]

PRESIDENT MARCOS said yesterday that while the Communist Party of the Philippines is no longer outlawed, it would probably take some time before it can develop into a political force.

The President told newsmen covering him that like any other group seeking political power through peaceful political means, the CPP or whatever it may be called, will have to go through the routine of organizing, participating in nationwide elections, and capturing a certain percentage of the votes before it could be accredited as a political party.

The Chief Executive pointed out that under existing laws, a political grouping will have to get at least ten percent of the votes in a national election before it could be accredited by the Commission on Elections.

He said that unless the law is amended, the CPP and all other groups will have to satisfy these basic requirements.

And there is no indication right now that the party in power, the Kilusang Bagong Lipunan, is ready to amend the law, he added.

* * *

THE PRESIDENT made the statement when asked what would be the immediate effect of his earlier pronouncement that there was no legal impediment to the organization of the Communist Party here.

In a speech before the Mayors League of the Philippines last February 28, the President had categorically stated that citizens can freely organize and form themselves into political parties and contest political leadership via the electoral process.

There is no legal impediment to the establishment of a communist party which will seek political power by parliamentary or democratic means," the President told the mayors.

* * *

IN THE same interview, the President also said the CPP leaders may have to revise their party's charter or platform and renounce their previously avowed objective of seeking the attainment of political power through the violent overthrow of the government if they wanted to be recognized as a political party.

The President said if the same charter which had been the basis for the CPP's being outlawed under the Anti-Subversion Law of 1957 continues to exist, then the party will continue to be considered illegal.

"Whether it is communist or not, if it utilizes violence or subversion or any means of deceit to overthrow and undermine the government, then it is illegal," the President said.

He stressed that the decision to amend the Anti-Subversion Law and thus enable groups like the Communist Party to organize legally, did not really reflect a change in policy.

"It was merely an alteration of a legal situation where the old

Congress had declared that the Communist Party of the Philippines was per se illegal because the Communist Party had declared that its purpose was to overthrow the government by violence in its charter, in its constitution and by-laws," he said.

* * *

THE Anti-Subversion Law of 1957 was aemended by Presidential Decree No. III issued in 1976. The decree contains no specific provision outlawing the Communist Party of the Philippines by name. Instead, it generally bans associations or parties which aim to overthrow the government by force.

The President said he decided to amend the Anti-Subversion law after the country normalized diplomatic relations with the two leading communist countries, the People's Republic of China in 1975 and the Soviet Union in 1976.

According to the President, the amendment eliminated the term "Communist Party" as being outlawed. In its place, a provision was adopted outlawing any organization that seeks to overthrow the government by force, violence, or subversion.

Under this provision, the president pointed out that if the present Communist Party were to seek recognition as a political party, it must first satisfy the question: What are the provisions of its constitutions, its charter?

"If the same charter is valid and is being utilized, then it is illegal because it seeks to overthrow the government by force," the President said

CSO: 4220/299

COCONUT, CACAO INTERCROPPING URGED. COCONUT EXPORT FIGURES GIVEN

Manila PHILIPPINES DAILY EXPRESS in English 9 Mar 82 p 8

[Text] A DRAMATIC increase in coconut farmer income can be achieved by intercropping coconuts with cacao trees according to a report made public recently by Rafael P. Creencia of the Department of Horticulture UP Los Banos.

According to Creencia, intercropping is an old and widely distributed practice which has long been advocated by agricultural economists who look to this approach as an effective approach of increasing the productivity of coconut lands and of increasing the income of coconut farmers.

At present the practice of intercropping is scattered in patches of localized communities and comprises about 50 percent of the total area planted to coconut.

The practice, Creencia said, permits crop diversification so that the risk of the farmer is spread over more crops eliminating the dependence of income on a single crop.

INTERCROPPING with perennial plants has not had any adverse effects on the yields and growth of coconuts. As a matter of fact, Creencia said, the practice actually augments instead of depresses the yield of the coconuts.

Creencia noted that in Malaysia, coconut farmers were able to increase their coconut yield per hectare by as much as 30 percent after they had intercropped with cacao. Similar increases were also observed in Davao and in Papua New Guinea.

Two years after coconut plantations in Davao were intercropped with cacao trees, the yield per tree per hectare increased from an average of 60 nuts to 90 nuts. While in Papua, New Guinea, the copra yield per hectare increased by an average of 25 percent

RP Coconut Exports Hit 1.9-M Tons

THE PHILIPPINES exported 1.92 million tons of copra and coconut products in 1981 against 1.71 million in 1980, statistics from the United Coconut Association of the Philippines (UCAP) showed.

Of the 106,385 tons of copra exports last year, 99,640 tons went to Europe, 5,250 tons to the Soviet Union while 1,495 tons were exported to other countries.

Coconut oil exports totalled 1.05 million tons of which 461,210 tons were exported to Europe, 367,528 tons to the US, 52,240 tons to the Soviet Union, 24,892 tons to China, 36,359 tons to India and 104,394 tons to other countries.

POWER GENERATION SECTOR REDUCES OIL DEPENDENCE

Manila BULLETIN TODAY in English 9 Mar 82 p 15

[Text] The Philippines has reduced the use of imported oil in the generation of electric power.

The harnessing of alternative energy sources such as coal, hydro and geothermal for power generation has brought down the share of oil-based power plants to 65 per cent in 1980 from 77 per cent in 1977. The power sector hopes to pull this farther down to 30 per cent in 1985 and 18 per cent in 1990.

Energy Minister Geronimo Z. Velasco said the gains in the power sector are credited to the cooperative efforts given by the people to industry authorities in accelerating the 10-year energy program to five years.

The program's primary goal is to achieve 50 per cent energy self-reliance by 1985.

This is also underscored in the revised five-year development plant of the country making the energy sector as the conerstone of the country's industrial and agricultural development programs.

The power sector, being the largest user of fuel oil, has likewise hastened its program not only in the development of alternative power sources but also in the construction of power grids to distribute electric power to all parts of the country.

The National Power Corporation (NPC) which is assigned indirectly to bring electricity to every residential, commercial and industrial households, has programmed to complete the power grids in seven major islands (Luzon, Mindanao, Visayas, Cebu, Bohol, Negros and Panay) by the end of 1985.

The Luzon grid will generate power from hydro, geothermal, nuclear and coal plants, some of which are now under construction and the others to start construction in the next four years.

About eight generating plants will be constructed to give a total of 1,910 megawatts.

The Mindanao grid, on the other hand, will largely generate its power from hydro energy specifically from the Agus river complex.

In addition to the two existing hydro power plants (Agus 2 and 6) which are supplying the Mindanao some 400 megawatts, Agus one, four, five and seven will start operating between 1983 and 1985. The operation of the Agus plants will give 339 megawatts additional power to the Mindanao grid.

However, in anticipation of the establishment of two big industrial plants in Mindanao — an aluminum and a steel plants — NPC has programmed the construction of Pulangi IV, another hydro plant and four coal thermal plants, giving additional of 780 megawatts power.

The Visayas grid will get power from thermal diesel and geothermal plants of about 829 megawatts.

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OIL AGREEMENT WITH INDONESIA TO BE RENEWED

Manila PHILIPPINES DAILY EXPRESS in English 5 Mar 82 p 11

[Text] **THE** Philippines will renew today an agreement with Indonesia to import an undisclosed amount of Indonesian crude oil.

Energy Minister Geronimo Velasco, who is now in Jakarta, is also expected to renew with the Indonesian state-owned oil firm, Pertamina, an agreement first signed in March 1980 under which the Philippines refined 20,000 barrels a day of Indonesian crude for re-export to Indonesia.

The refined crude oil was distributed by Indonesia in its eastern islands.

Last year, the Philippines imported over 5 million barrels of curde from Indonesia under a government-to-government agreement.

MEANTIME, Mining and Energy Minister Subroto said Wednesday that Indonesia will maintain its oil price level in accordance with last year's Organization of Petroleum Exporting countries' unified price decision set at the Abu Dhabi meeting with a daily oil production of about 1.6 million.

OPEC has authorized its members to sell their products between $34 to $37 a barrel depending on the quality and distance to buyer countries.

Subroto, who is former president of OPEC, told news reporters that Indonesia will always obey OPEC's decision concerning the oil price.

OTHER developments:

• Bahrain, – OPEC president Mana said Al-oteiba has told the 13 member states that, pending talks this month, they should not join a round of price-cutting by non-OPEC producers led by Britain, which slashed North Sea oil prices from $35 to $31 a barrel on Tuesday. OPEC faces an oil glut of unprecedented scale, western oil industry executives in London said. They added that, to meet the situation, Saudi Arabia's huge oil output will have to decline sharply and OPEC will probably have to made a tactical retreat by lowering some, if not all, its prices.

• London – Britain's decision to slash the price of its North Sea oil by $4 to $31 a barrel could trigger a price-cutting war in the Organization of Oil Exporting Countries, energy specialists speculated Wednesday. London's move Tuesday means Britains has for the first time taken the lead in fixing world oil prices. The British proposed that the price cut, bigger than expected, be frozen until June in an apparent bid to bring a measure of stability to the increasingly erratic world oil market.

• Cairo – Egypt has cut its oil price by $1, its second such reduction in the face of the current world clut this year, a spokesman of the Egyptian General Petroleum Corp. said.

He said the price of a barrel of Egyptian Suez blend had been reduced on March 1 from $33 to $32. An earlier one-dollar cut was made on February 1.

CSO: 4220/299

BRIEFS

SUBVERSION IN TRADE UNIONS--Labor Minister Blas Ople has warned trade unions against subverting the government by using the greater freedoms they now enjoy. In a speech to the businessmen's conference, Minister Ople noted that freedoms enjoyed by local unions are considered [word indistinct] in neighboring countries. He said the new strike law had established a framework of freedom and responsibility in labor relations. But Minister Ople warned against trade unions who would abuse the great amount of freedom they now enjoy. The labor minister declared however that the government guarantees to all Filipinos the exercise of their freedom, regardless of ideological persuasion. [Text] [HK140107 Manila Domestic Service in English 2300 GMT 13 Mar 82]

MILITARY PRESENCE IN STRIKES--Defense Minister Juan Ponce Enrile forged yesterday an agreement with labor leaders regarding the presence of military and police personnel in strike-bound companies. The agreement provides that peacekeeping details will be established in strike-bound firms when so ordered by the courts or at the request of the Ministry of Labor. However, they will be stationed outside a 50 meter range from the picket line, and shall be there only to maintain peace and order. [Text] [HK120033 Manila Far East Broadcasting Company in English 2330 GMT 11 Mar 82]

FOREIGN AGENT LIST--The Labor Ministry will submit today to the Defense Ministry the list of foreign communist agents who slipped into the country last year and held secret meetings with leftist Filipino labor leaders. Deputy Labor Minister (Arturo Lauriel) said the list includes Indians and Vietnamese. He said the list of local labor leaders who met the foreign communist agents will also be submitted to the Ministry of Defense. He did not reveal details of the secret talks. However, (Lauriel) said, the Labor Ministry is exerting efforts to ferret out communists and subversives from the ranks of labor unions in the country. [Text] [HK160125 Manila Far East Broadcasting Company in English 2330 GMT 15 Mar 82]

EXTRADITION TREATY WITH JAPAN--Minister of Justice Ricardo Puno proposed yesterday an extradition treaty between the Philippines and Japan. He made the proposal at the United Nations Asia and Far East Institute in Tokyo, as part of a regional approach to the suppression of criminality. Puno explained that negotiations for an extradition treaty between Japan and the Philippines are timely, because both countries belong to the same regional community, and criminals these days recognize no geographical boundaries. He also said the

treaty will complement each nation's enforcement of criminal laws. The Philippines recently signed an extradition treaty with the United States. [Text] [HK050115 Manila Far East Broadcasting Company in English 2330 GMT 4 Mar 82]

MARCOS EXPROPRIATES ISABELA HACIENDA--President Marcos yesterday ordered the expropriation of Hacienda (Tabacalera) in Isabela for distribution to the thousands of tenants there. The president ordered the distribution and resale of the estate to some 5,000 tenant occupants and other farmers in order to resolve the social unrest fomented by subversive agitators in the area. Speaking in Ilocano, the president advised the farmers not to permit the communist ideology to mislead them. He mentioned some priests and clergy who try to foment unrest among the people by preaching that the government is deaf to their problems. [Excerpts] [HK050111 Manila Far East Broadcasting Company in English 2330 GMT 4 Mar 82]

NORWEGIAN LOAN--A $5 million loan agreement was concluded today between Norway and the Philippines. Under the agreement, a 5,000 kW mini hydroelectric plant will be put up in the province of Bohol. The power-generating plant is expected to be operational by 1984 to supplement two wood-burning plants of 3,000 kWs each. [OW041243 Quezon City RPN Television Network in English 1100 GMT 4 Mar 82]

MINDANAO'S HAMLET PROGRAM ABOLISHED--The hamlet program, carried out by the military in Mindanao, is ordered scrapped. Defense Minister Juan Ponce Enrile gave the order today to AFP [Armed Forces of the Philippines] Chief General (Pubiamber) and PCINP [as heard] Chief Lt Gen (Fidel Ramos). [Excerpt] [OW021213 Quezon City RPN Television Network in English 1100 GMT 2 Mar 82]

FOREIGN INVESTMENT--Foreign investment in the Philippines has scored a major breakthrogh in the past 2 years. President Marcos said the government's inventive package has brought in $25 million in annual investment over the period, compared to only $63 million a year in the previous 10 years. Addressing members of the Stanford Research INstitute, the president said foreign investments will continue to be a vital part in the nation's growth, as long as they are in tune with the country's priorities and interests. At the same time the president urged the advanced countries to ease protectionist trade policies. [HK260537 Manila Domestic Service in English 2300 GMT 25 Feb 82 HK]

COMMUNIST PLOT FOILED--Armed forces Chief of Staff General Fabian Ver said a Communist Party attempt to create chaos in metro Manila this year was foiled with the capture of 3 top-ranking communist leaders and 22 others. "One of the arrested leaders, Noel Etabat has confessed to military authorities that Communist Party leaders have been meeting in metro Manila to build up an intense communications network in preparation for a full-scale offensive against the government. This confirmed an earlier military report indicating a dissident plan to plot a war against the military sometime in May this year. In a talk with newsmen on their way to Cotabato City, General Ver said Etabat also revealed a plan of the Communist Plan of the Philippines to firm up links between the Central Committee with field commanders in the Visayas region." [Summary from poor reception] [HK070104 Manila Domestic Service in English 2300 GMT 6 Mar 82]

LEBANESE, SOMALI ENVOYS--President Marcos this morning received the letters of credence of the new ambassadors of Lebanon and Somalia to the Philippines. The president received their credentials at the ceremonial hall of Malacanang, witnessed by Foreign Minister Carlos Romulo and other officials. In presenting his credentials, the Lebanese Ambassador Joseph Naffa' noted the progress made by the Philippines under the leadership of President Marcos. He pledged to continue further the task of expanding bilateral relations. In response, President Marcos expressed his appreciation for these observations and noted the improving relations between the Philippines and Lebanon. He assured the ambassador of his assistance for the successful implementation of his diplomatic mission in the Philippines. Later, President Marcos received the credentials of the ambassador of Somalia, Sharif Salah Mohamed Ali. The Somali ambassador noted the Philippines' key role in the Association of Southeast Asian Nations and in maintaining peace in the region. In response, President Marcos took note of the improving relations between Somalia and the Philippines, especially those concerning economic and cultural relations. [Text] [HK080448 Manila Domestic Service in English 0400 GMT 8 Mar 82]

MUSLIM AREAS IN MINDANAO--A large group of Filipino Muslim professionals in Saudi Arabia has overwhelmingly supported the Philippine government's policy of reconciliation and development for Muslim areas in Mindanao. The group also renounced any semblance of support for Nur Misauri, the self-styled leader of the Moro National Liberation Front, his minions, and the MNLF objectives. The endorsement by the group was made in a manifesto presented to Philippine Ambassador to Saudi Arabia Benjamin Romualdez. The group said, secession is not the solution to the Mindanao problem, stressing further fighting will only increase the suffering of Filipino Muslims. The manifesto declared trust and confidence in the efforts of President Marcos to achieve peace and progress in the southern parts of the Philippines. [Text] [HK080031 Manila Far East Broadcasting Company in English 2330 GMT 7 Mar 82]

TECHNICAL AID PACT WITH CANADA--The Philippines and Canada today signed an agreement on a technical assistance project in the Cagayan Valley. Signing for the Philippine government was Prime Minister Cesar Virata while the Canadian side was represented by Ambassador Edward Bobinsky. Under the agreement, the Canadian International Development Agency will contribute half a million dollars for technical assistance in the form of Canadian experts and awards for practical and academic training of Filipino personnel in Canada. The project aims to improve the standard of living among small-scale farmers who are members of Cagayan Valley cooperatives established under phase one of the Cagayan Valley cooperatives development program. [Text] [OW101211 Quezon City RPN Television Network in English 1100 GMT 10 Mar 82]

AGRICULTURAL PRICES--The president and the cabinet have approved increases in the price of sugar to offset production costs. The increases take effect immediately. As approved, refined sugar will be selling 85 centavos higher per kilo, and brown sugar will sell 80 centavos higher per kilo. The price hike in sugar was the first in 3 years. The price adjustment will enable planters to meet rising production costs and implement overdue wage settlements for sugar workers. The increases were supported by the Philippine Sugar Commission, the National Sugar Trade Corporation and the Labor Ministry. In bulk,

sugar will now be sold at 165 pesos per picul, up by 55 pesos from the old price. The revised selling prices are retroactive to February 1. In another move, the president and the cabinet approved a program for an increase in overall sugar production, to maximize milling capacities and production efficiency. Meantime the president and the National Economic Development Authority decided to defer action until May on the proposal to increase the prices of rice and pillai. Instead they decided to concentrate on long-range measures to cut down production costs of rice. These include the use of substitutes to shave fertilizer costs by as much as 15 percent. [Excerpts] [HK100043 Manila Domestic Service in English 2300 GMT 9 Mar 82]

CSO: 4220/313

ECONOMIC SURVEY FOR 1981 STATISTICS REVEALED

BK011616 Singapore Domestic Service in English 1100 GMT 1 Mar 82

[Text] The economic survey of Singapore for last year says the republic remained one of the few bright growth areas in the world together with other noncommunist countries in the West Pacific basin. Its gross domestic product [GDP] grew by 9.9 percent. It was a diversified economic base and export market that had again helped Singapore attain this high growth.

The survey, published by the Ministry of Trade and Industry, says the leading growth factor last year was again financial and business services with a contribution of 27 percent to the overall GDP growth. The manufacturing sector remained the second largest contributor with 22 percent, followed by transport and communications with 21 percent. The trade sector contributed 13 percent to the GDP growth and construction, 9 percent.

In terms of growth rate, however, most of the sectors did not do as well as in the previous year. Construction was the only sector whose growth rate was higher than a year before. It grew by 17 percent.

The financial and business services sector was still the fastest growing with an 18 percent growth rate. The survey attributed the high growth mainly to strong demand for finance and banking services.

Singapore's external trade achieved an 8 percent growth rate. The recovery of the petroleum industry was the main reason for the growth. Petroleum had actually accounted for one-third of the republic's total trade.

Turning to economic restructuring, the survey said although the final result of the program could only be seen in the long run, there were already encouraging signs of industries responding well to it. Overall productivity increased more than two-fold over 1979 to 5.4 percent last year. This, the survey said, was due to the conscious effort made by industrialists and businessmen to invest in capital equipment and machinery. This was more visible in the manufacturing sector whose productivity grew by 9.5 percent last year, almost twice that of the previous year.

The survey noted that the republic continued to be a very attractive place for foreign investment. As in June last year, total foreign investment in fixed assets in the manufacturing industries reached 8 billion dollars, an increase

of 16 percent compared with the year before. Local investors committed a record high of 610 million dollars during the year. This was almost three times that of 1980 and five times that of 1979, when the restructuring program was introduced. The share of local commitment also rose from 14 percent in 1980 to 31 percent last year.

Where inflation was concerned, it was found to be easing slightly. Consumer prices grew more slowly by 8.2 percent as against 8.5 in 1980. The survey expects prices this year to rise even more slowly in view of an unexpected decline in world inflation, the weakening oil prices and falling prices of food commodities, such as rice and sugar.

The survey also made a projection of the world performance in 1982. It said the immediate outlook for the OECD countries was for a deepening recession with the U.S. economy expected to recover only around the middle of the year. Singapore could hope to feel the beneficial impact of this recovery towards the end of the year. As for the Singapore economy itself, it should grow more slowly than in 1981.

CSO: 4220/313

SPLO CASE DETAINEES RELEASED AFTER REPENTING

BK101348 Singapore Domestic Service in English 1100 GMT 8 Feb 82

[Text] Five persons, who were implicated by the core members of a clandestine group, the Singapore People's Liberation Organization [SPLO], in their conspiracy to overthrow the government through the use of arms and other acts of violence, were released from detention today.

A Ministry of Home Affairs statement says the five, who have given voluntary handwritten statements admitting their involvement in the revolutionary group, have also expressed repentence. They now realize that they have been misled by the four core members to become party to a plan to turn the country into turmoil. Since they are not the prime movers in the group and have generally repented, the government released them today.

The four core members--Zainulabiddin Bin Mohamad Shah, Hashim Bin Mukayat, Abdul Rahim Bin Abdul Rahman, Sulaiman Bin Mohamad Shariff and a fifth person, Hamid Bin Hussin who printed subversive pamphlets for the group--are now serving jail terms arranging from 2 to 4 years after they pleaded guilty last month to charges under the internal security act.

They had planned to create communal unrest by distributing subversive pamphlets and to perpetuate acts of arson as well as planting of bombs in public places. The group had also intended to solicit aid from foreign powers.

Particulars of the five released today and the extent of their involvement were given by the ministry.

Mohamad Isa Bin Abdul Aziz is a 24-year old (?HDB) car-park supervisor and a member of the Workers Party. He was used by Hashim Mukayat to recruit Malay youth from the Jalan Eunos and Kaki Bukit areas, ostensibly for the Workers Party but who would later be used by the group for a revolution.

Mohamed Fossil Bin Mohamed Yahiya is a 38-year old Indian Muslim. He is an (?ex-SDF) captain and is now a [word indistinct]. In October last year, he was approached by Zainulabiddin to form a clandestine group to distribute anonymous pamphlets to discredit the government. He was also asked by Zainulabiddin to solicit funds for the group from the Russian embassy in Singapore and the Libyan Embassy in Kuala Lumpur.

Fossil, together with Zainulabiddin and Sulaiman, had prepared and circulated copies of three secret, anonymous letters between 1978 and 1980. These letters accused the government of suppressing the Malays and the Islam.

Othman Bin Abdullah, age 47, is a proprietor of a small firm. From 1966-1971, he was actively involved in Pertubohan Kebangsaan Melayu Singapura [Singapore Malay National Organization], PKMS. He was a Workers Party candidate for the 1972 and 1976 general election. He is currently a Workers Party cadre member. He attended a meeting in October last year, in which Zainulabiddin first mooted the idea of forming a clandestine group to wage a revolution. He agreed to recruit members for the group.

Air Ali Bin Mohamad, 34 years and an Indian Muslim, is a wharf clerk. He was involved in Persatuan Melayu Singpur [Singapore Malayan Association] and United National Front, the UNF. He was a UNF candidate in the 1972 general election. He is currently a Workers Party Central Executive Committee member. He informed the meeting of last October that he knew a silat [Malayan self-defense art] instructor who could help them in the revolution. He also suggested that the group should try to penetrate the youth section of Jamiyah, the Muslim Missionary Society of Singapore, and make use of its method to achieve the objective of their struggle.

The fifth person released today, Abdullah Bin Salam, age 33, is also an immigrant. He is a free-lance canvasser and a Central Executive Committee member of PKMS. He agreed to help in the distribution of subversive pamphlets when asked by Sulaiman to do so.

The home affairs statement, which announced the release of the five men, reiterated that the government will not hesitate to act resolutely against any individual or group who poses a security threat to the country.

CSO: 4220/313

BRIEFS

HUNGARIAN, ROMANIAN ENVOYS--Singapore, 5 Mar (AFP)--The Hungarian and Romanian ambassadors to Singapore today presented their credentials to President Devan Nair. The Romanian ambassador, Ioan Cotot, who is also his country's ambassador to Indonesia, resides in Jakarta. The Hungarian ambassador, Istvan Debreczeni, is also accredited to Indonesia and resides in Jakarta. [Text] [BK080553 Hong Kong AFP in English 1126 GMT 5 Mar 82 BK]

BUDGET ESTIMATES--There will be no new taxes or rising of the rates of existing taxes for the next financial year. Presenting his budget to parliament today, the minister for trade and industry, Dr Tony Tan, announced instead four concessions for individual taxpayers covering (CUB) bills and the full pension and provident fund, aged dependent relief and estate duty. The budget estimates for the next financial year provide for a total expenditure of $12,440 million. Of this amount, $7,156 million or nearly 60 percent is for education and manpower training, infrastructure, industrial and commercial development as well as public housing. The recurrent expenditure of government programs will total $5,591 million. This is 22 percent higher than that for the financial year 1981 and, according to Dr Tan, should be adequate to cover rising costs as well as expansion of the central functions, such as, education and manpower training. Dr Tan told the house that the objectives of the budget are to increase the supply of skilled, technical and professional manpower needed to facilitate the restructuring and upgrading to the economy, set up infrastructure, industrial and commercial development so as to sustain economic growth and promote economic restructuring and accelerate the public housing construction program to meet the rising demands for housing units. [Excerpts] [BK051446 Singapore Domestic Service in English 1300 GMT 5 Mar 82]

CSO: 4220/313 END

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Dacca THE BANGLADESH OBSERVER in English 13 Feb 82 p 1

[Text] Ten Ministers and Eight Ministers of State werw sworn in at Bangobhavan on Friday at a simple ceremony. President Sattar administered the oath of office to the Ministers and State Ministers at the Credential Room of the Bangobhavan.

The President appointed the 18-member Council of Ministers with Shah Azizur Rahman as the Prime Minister. The other Ministers are: Professor M. Shamsul Huq, Mr. Abdul Halim Choudhury, Mr. Shamsul Huda Choudhury, Dr. Fasihuddin Mahtab, Prof. M. A. Matin, Mr. A. K. M. Mayeedul Islam, Mr. T. H. Khan, Professor Yusuf Ali and Khondokar Abdul Hamid.

The State Ministers are: Mr. Amirul Islam Kalam, Mr. Sunil Gupta, Choudhury Kamal Ibne Yusuf, Mr. A. K. Faizul Huq, Mr. Oli Ahmed, Mrs. Kamrunnahar Zafar, Syed Manzoor Hussain and Mr. Awng Shwe Prue Choudhury.

Khondokar Abdul Hamid and Mr. Awng Shwe Prue Choudhury were out of the capital and they were sworn in the afternoon at a simple ceremony at Bangobhavan.

Deputy Prime Minister Mr. Jamaluddin Ahmed, Ministers Mr. Abul Hasnat, Mr. Abul Kashem, Mr. M. Saifur Rahman, Mr. Abdur Rahman, Mr. Mustafizur Rahman, Major General (Rtd) Majedul Huq, Mr. I. K. Siddiqui, Kazi Anwarul Huq, Mr. Abdur Rahman Biswas, Mr. Abdul Momen Khan, Mr. Emran Ali Sarker, Mr. Abdul Alim, Mr. Reazuddin Ahmed have been dropped. Among the State Ministers Maulana Abdul Mannan, Mr. Abdul Baten, Mr. Abdul Mannan Sikder, Lt. Col. (Rtd) Jafar Imam, Dr. Aftabuzzaman, Syed Mahibul Hasan, Begum Taslima Abed, Mr. Nur Mohammed Khan and Mr. Iqbal Hussain have been dropped.

President Justice Sattar dissolved the 42-member Council of Ministers in a move to free the administration from corruption and inertness on Thursday night.

BSS adds: Khondokar Abdul Hamid, Mr. A. K. Faizul Huq and Mr. Oli Ahmed, all BNP Members of the Parliament were the three new inductions in the new Council of Ministers.

Mrs. Kamrunnahar Zafar and Syed Manzoor Hossain who were Deputy Ministers in the previous Ministry were promoted to the rank of State Ministers in the new one.

The new Council of Ministers so far has no Deputy Ministers.

All the new Ministers excepting three--Prof. M. Shamsul Huq, Prof. Yusuf Ali and Dr. Fasihuddin Mahtab--are Members of Parliament.

The swearing-in ceremony was attended by Vice-President Dr. M. N. Huda, Chief of the Army Staff Lt. Gen H. M. Ershad, Chief of the Naval Staff, Rear Admiral M. A. Khan and Chief of the Air Staff, Air Vice Marshal Sultan Mahmud.

New Health, Welfare Minister Hamid

Dacca THE BANGLADESH OBSERVER in English 13 Feb 82 p 3

[Text] Khandakar Abul Hamid was born at Sherpur town in Jamalpur district on March 1, 1981.

Obtaining graduation from Calcutta University in 1940, Khandakar Abul Hamid took up journalism as profession in Calcutta. He was leader writer and editor of different dailies, including daily Ittehad for 34 years. He was Chairman of the Editorial Board of the now-defunct daily Millat from 1953 to 1956 and of the daily Azad in 1969. He was also connected with 'Weekly Chashi' of Mymensingh and started a Bengali weekly "Bangladesh" in London in 1976.

In 1977, he was awarded the 'Ekushey Padak' for his outstanding contribution to journalism.

Khandakar Abul Hamid worked as Chief Script Writer in the then Radio Pakistan, Dacca for 5 years. He is member of the Management Board of Press Institute of Bangladesh and Press Council.

Khandakar Abul Hamid joined politics in 1953 and was elected member of the then Provincial Assembly in 1954 and again in 1965. He was appointed Political Secretary to the Chief Minister in 1955 but did not join. He was also Secretary of the parliamentary party in the then East Pakistan Assembly from 1956 to 1958.

In 1954, he was detained as a security prisoner under 92-A of the Emergency Rule during the Government of General Iskander Mirza.

Khandakar Hamid was a member of Pakistan delegation to the U.N. General Assembly in 1968. He visited Britain and Scotland in 1976 on the invitation of British government.

He was elected a member of the Jatiya Sangsad from Sherpur in the general elections in February 1979.

Prior to his first appointment as Minister, Khandakar Abul Hamid was the senior leader writer and columnist of daily Ittefaq. He used to write the popular column "Manchey-Nepathye" under pseudo name "Spastabhashi". He also wrote post editorials in daily Azad under the pen-name "Mard-e Momin".

Khandakar Hamid represented Bangladesh as one member delegation Asia--Pacific national cultural integration conference on Manila in February-March 1981.

He is Chairman of Board of Directors of the Bangladesh Krishi Bank. He is also chairman of the Parliament's Standing Committee on Public Undertakings in the public sector.

Khandakar Abul Hamid was appointed Minister for Youth Development in April 1979. He resigned in April 1980.

In February 1982 he was appointed Minister for Health and Population Control, and Labour, Manpower and Social Welfare.

Prior to his joining the Council of Ministers, Khandakar Abul Hamid had returned to journalism. He joined Dainik Desh as Chairman of its editorial Board and wrote post-editorial column under pseudo name "Spastabhashir Kalam".

He performed Hajj in 1979.

He is married and has one son and five daughters.

New Minister of State

Dacca THE BANGLADESH OBSERVER in English 13 Feb 82 p 3

[Text] Born in 1939 in the 'Kutub' family of Chandanaish, Chittagong, Mr Oli Ahmed obtained BA degree from National College, Karachi.

He joined erstwhile Pakistan Airforce in 1959. While studying Law he joined the Pakistan Military Academy and was Commissioned in 1965 when he was posted to 4th battalion of East Bengal Regiment.

He was appointed first Quarter Master of the Eighth East Bengal Regiment in Sholashahar Chittagong. On 25 March 1971, he took up arms against Pakistan under the leadership of Shahid President Ziaur Rahman. He fought the famous battles of Kalurghat Mirsariai Mastan Nagar Karerhat Tolatala Haku Chikan Chara Ramgarn and Belunia. Subsequently he was appointed Sub Sector Commander of Chittagong area covering from Feni river (Belunia) to Karer hat. In recognition of his gallant service in liberation war, he was awarded "BIR BIKRAM". In July 1971 he was appointed 1st Brigade Major of the famous "Z" force and fought during the war of liberation in the Mymensingh and Sylhet sectors. He was promoted to Major in October 1972. He served as Second in Command of 19 East Bengal 9 East Bengal 10 East Bengal and 6 East Bengal Regiment.

He was promoted to Lt Colonel in September 1975. He Commanded and raised 24 East Bengal Regiment at Saidpur. He was posted to Army Head Quarters as General Staff Officer in November 1975. He was subsequently posted to the Office of Chief of Army Staff and DCMLA and later to the Office of Supreme Commander of the Armed Forces and CMLA and President of the Republic. He was promoted to Colonel in January 1980. A long associate and trusted friend of President Ziaur Rahman, Mr Oli Ahmed voluntarily retired from service in January 1980.

As member of President's entourage he visited China Nepal Pakistan Burma Iran Thailand India Singapore Malaysia Indonesia Japan Australia U.K. U.S.A. North Korea UAE Kuwait Vatica Egypt Iraq West Germany Cuba Italy Holland Saudi Arabia Romania Yugoslavia Turkey Zambia Sree Lanka Belgium City of Vetican and Lebanon.

He was elected a Member of Parliament in bye election in March 1980 from Chittagong 13 constituency.

In February 1982 Mr Oli Ahmed was appointed Minister of State in charge of the Ministry of Youth Development. He plays football volley ball and lawn tennis and golf.

Mr Ahmed and his wife Begum Mumtaz have two sons and two daughters. He performed holy OMRAH three times.

Faezul Huq, Minister of State

Dacca THE BANGLADESH OBSERVER in English 14 Feb 82 p 3

[Text] Born in 1944 Mr A.K. Faezul Huq only son of Sher-e-Bangla A.K. Fazlul Huq, got his early education in Calcutta, according to BSS.

He graduated with Honours in Political Science and did his M.A. in the same subject from Dacca University.

Mr Huq also completed his LL.B. degree and started teaching at the Notre Dame College. He was elected a National Councillor of All Pakistan Awami League. He was elected an M.N.A. in 1970 on Awami League ticket.

He joined Jagodal in 1978 and is a founder-member of Bangladesh Nationalist Party (BNP). Mr Huq was elected to Parliament from a Barisal constituency on BNP ticket in 1979 general elections. He is a member of Envoy's Pool.

Mr Huq represented Bangladesh in the Commonwealth Parliamentary Association's conference held in London in 1980. He is also a member of Dacca University Senate.

Mr Huq is connected with different socio-cultural organisations including Lions Club, Shooting Federation, Bangladesh Red Cross Society, Family Planning Association and Asiatic Society of Bangladesh. He is also a life member of

Commonwealth Parliamentary Association (Bangladesh) a member of Sports Writers Association, Mohammedan Sporting Club, Brothers Union and a member of Bangladesh Photographic Society.

He visited many countries in Europe Asis and Africa.

He is married with four children.

CSO: 4220/7871

WEEKLY REPORTS FOOD SITUATION 'CRITICAL'

Dacca HOLIDAY in English 14 Feb 82 pp 1, 8

[Text] Despite the government's continuous efforts to procure foodgrains from the local sources and from abroad and to distribute them through ration and open-sale centers the overall food situation of the country remains to be critical.

The rural areas of the country, particularly in the northern districts, are the worst affected. The prices of most of the essentials including rice and wheat have gone up substantially and is beyond the purchasing capacity of the middle and the lower middle class people.

As a result of this there is a continuous influx of rural destitutes into the cities. They have been taking shelter in the slum areas and sometimes in the railway and water transport terminals of the town.

Dacca Municipal Corporation has started distributing rice from 26 open-sale centers in the city at 5.50 taka per seer. The centres are being managed and supervised by the local commissioners.

It has been decided that about 100 maunds of rice would be distributed through each of the open-sale centers everyday. But, it is gathered that none of the dealers are distributing more than 40 maunds of rice per day and selling the rest in the open market at a comperatively higher price.

This correspondent found at Mirpur market that the rice of the open-sale centers were selling at 7.25 taka each seer. When asked, the salesman said he procured those rice from the ration card holders and through 'some other processes' at the rate of 6.75 taka to 7 taka per seer.

Long queues of people in the open-sale centers have become a very common feature in the city. In some of the open-sale centers it was alleged that the distributors gave only one seer of rice against each ration card instead of two seers on the plea that they had shortage of rice in their stocks.

The open-sale rationing system has so far been confined in the city areas and the people in the rural areas continue to suffer and have been pouring into the cities. Some of such families from Faridpur, Sylhet and Mymensingh have taken shelter near the railway station of Kamalapur.

When contacted Awal Ali of Moksedpur in the district of Faridpur who has taken shelter near the Shahjahanpur railway colony adjacent to the Kamalapur railway station maintained that he had come to Dacca some three days ago in search of food and livelihood.

Hurmat Banu, head of a four-member family including three minors said that at least five families had left their village home at Guingargaon at Sylhet since they were unable to cope with the present critical situation there.

Nalin Sen of Ajmiriganj came to Dacca some one week ago in search of a livelihood because he was unable to face the near famine situation prevailing in his area. He said that due to draught and the attacks of pests about 80 per cent of the aman crops in his locality were damaged. He had no way but to migrate himself to the city in search of some food.

Meanwhile different political leaders of the opposition and also of the government party have issued statements narrating the critical food situation in the country.

Abdus Samad Azad, a member of the Presidium of Awami League (H) after his recent visit to Sylhet stated that the haor areas of Selhet and Mymensingh were the most badly-affected areas due to shortage of food and increasing high price of essential commodities. He urged the relevant authority to declare the sub-divisions of Sunamganj, Kishoreganj and Habiganj as distressed area and to send there food in an emergency basis.

Mizanur Rahman, President of Awami League (Mizan) said that the people at villages were affected and were being deprived of having any rationing facilities. He said that purchasing capacity of the village-dwellers had gone down and urged the government to take effective measures.

Mahmudur Rahman Manna, former Vice-President of DUCSU in a speech at Sylhet demanded a white paper on the food situation in the country.

Major (Retired) Jalil, President of JSD in one of his speech asked the government to declare the country as a distressed one and proposed to form a famine prevention committee to face the prevailing food crisis of the country.

Meanwhile, United Peoples Party (UPP) has decided to hold a hunger procession at Dacca on February 18 and to organize public meetings and rallies on the same day throughout the country.

CSO: 4220/7873

PRIME MINISTER CLAIMS FOOD SITUATION SATISFACTORY

Dacca THE BANGLADESH TIMES in English 24 Feb 82 pp 1, 8

[Text] Prime Minister Shah Azizur Rahman told the Jatiya Sangsad (Parliament) on Tuesday that the food situation in the country was satisfactory.

He categorically said that there was no food crisis in the country nor Insha Allah would there be any, so long as the present government would remain in power.

The Prime Minister, who is also the leader of the House, was replying to the Leader of the Opposition, Mr. Asaduzzaman Khan who blamed the Government for what he called "present food crisis" while participating in a debate on the adjournment motion moved by JSD leader Shahjahan Siraj.

Besides the mover of the adjournment motion and the Food Minister Mr. Abdul Halim Chowdhury, nine other members participated in the two-hour long debate. The participants included Mr. Rashed Khan Menon of Gonotantrik Andolan, Mr. A.S.M. Solaiman of Krishak Sramik Party, Mr. Md. Asaduzzaman of Awami League (Hasina), Prof Serajul Huq, Al-Haj Shafiqullah and Mr. Mozammel Huq of Islamic Democratic League, Mr. Almas Hossain of Muslim League and Mr. Mohammad Toaha of Bangladesher Samyabadi Dal.

Describing the recent rise in the prices of foodstuff as temporary, the Prime Minister said that situation cropped up due to machinations by the hoarders. Prices had already shown a downward trend and more fall was expected due to stern measures taken by the Government in this respect, he said.

The Prime Minister said that taking advantage of the attificial food shortage, the opponents to the Government wanted to drive political gain by raising the issue of food crisis in the past. But, he added, all their attempts had failed. None died of starvation even during 1979 when the country faced a severe drought due to pragmatic policy of the Government, he said.

The Prime Minister said that beside adequate stock in hand, sufficient quantity of foodstuff was in the pipeline. While internal procurement was going on, efforts were being made to import food from abroad.

He said that situation had been improving the the future prospect was good.

The Prime Minister said that the government was fully aware of the situation and none would allowed to die of starvation.

Pointing the difference between food shortage and food crisis, the Prime Minister said that shortage of food always existed in the country. There was no food crisis, as being claimed by the opposition, he said.

Canal Digging

Referring to the countrywide canal digging programme launched by the late President Ziaur Rahman, the Prime Minister said that about 1,000 canals excavated or re-excavated during the last two years, made tremendous impact on the people.

The Prime Minister said that the people had realised the benefits of canals and they were voluntarily participating in the canal digging programmes. He advised the Opposition members to visit villages, talk to the farmers and then criticise the government about canal digging.

He reiterated his government's commitment implement the 19-point programme of President Ziaur Rahman to attain autarky in food sector.

Refuting the Opposition charges of election rigging and misuse of funds, the Prime Minister said that the foreign journalists who came to Bangladesh to cover the presidential election had reported that the polling was free and fair. "It seems strange that even Mr Mohammad Toaha, polling some 10 to 11 thousand of votes has been claiming that he would have won the election if it was free and fair", the Prime Minister said.

Referring to JSD programmes of professional representation, the Prime Minister said that these would not be accepted by the people even during the next 20 years. "Are not the voters peasants and workers," he asked.

He said that the demand to exempt taxes and loans appeared unrealistic. How the country run without revenue, he asked.

Agri Input Prices

Pointing to the high prices of agricultural inputs, the Prime Minister said that the reason lay on the worldwide inflationery trend. "In India, the price of fertilizer is more than in our country. Because of this fertilizer is being smuggled out to India", he said.

The Prime Minister discarded the suggestion to hold an all-party food conference. "There are about 100 political parties and therefore, the suggestion is untenable," he said.

Asaduzzaman Khan

Speaking on the motion, Leader of the Opposition Asaduzzaman Khan said that corruption, inefficiency, lack of timely measures, high cost of agricultural inputs were responsible for the present food crisis.

He said that the Government had failed to tackle the situation and as such it had right to remain in power.

Mr Asaduzzaman Khan criticised the Government for "concealing facts before the people". Even when the Treasury bench members were demanding that certain areas should be declared as calomity area, it was unfortunate that the Government was not taking the people into confidence.

Mr Asaduzzaman Khan said that the food deficit stood at 28 lakh tons as against Government claim of 10 lakh tons made earlier. He said that the production target of food was never achieved since 1975.

He said that the Government plan of canal digging had failed since the area of irrigated land remained unchanged since 1975.

He said that the Government was not aware of the food stock of the country. He criticised the Government for selling foodgrains at subsidised rate just before presidential election. "This was done for soliciting support for the ruling party candidate", he said.

Mr Khan said that they had never tried to politicalise food issue and was ready for cooperation with the Government in solving the problem.

Halim Chowdhury

Food Minister Abdul Halim Chowdhury said that the present food deficit stood at 21 lakh tons only and not 28 lakh tons as claimed by the Opposition members.

He said that with the replenishment of the existing stock by imports, ultimate food surplus would stand at 3.15 lakh tons.

The Food Minister catagorically denied the allegation that there was any famine condition in the country. The food situation was not in any way "critical," he said.

Urging the Opposition to extend their cooperation in tackling the food problems, the Food Minister reiterated Government's firmness in stablising the food market in the country.

Describing the food shortage as temporary the Food Minister said that stern actions were being taken against the hoarders who were found responsible for it.

Mr Abdul Halim Chowdhury denied the allegations of corruption in procurement and distribution of foodstuff. He said that steps were being taken to remove certain anomalies in the distribution of foodgrains.

The Food Minister denied the allegation that power pumps were not supplied after canals were excavated. He also refuted the charges that there was no account of foodgrains stored with the Gram Sarkars.

He said that it was not true that people in some areas of the country were taking in edibles for survival. He expressed his readiness to visit such areas along with the Opposition members.

Moving the adjournment motion, JSD leader Shahjahan Siraj described the food situation as alarming and said that about 90 per cent of the people in the country did not have any stock of food.

He said that the Government's politics of production had been proved to be a hoax since production had fallen in all sectors.

The JSD member said that the food problem could never be solved without land reforms. He called upon the Government to stop expenditure in non-productive heads, provide job or food to the unemployed ones, introduction of country wide food rationing and equitable distribution of wheat under Food for Work Programmes.

Mr. Rashed Khan Menon criticised the Government for its too much dependence on Western bloc for food supply.

Mr. A.S.M. Solaiman called upon the Government to settle the Farakka issue with India. It was due to Farakka that eight districts of the country were turning as deserts. Food problem could not be solved without ensuring water for these eight districts of the country, he said.

Al-Haj Shafiqullah said that the people were scared when they recall the famine of 1974 when lakhs of people died of starvation.

He urged the Government to take necessary anti-hoarding measures according to Islam and give exemplary punishment to the law breakers.

After Food Minister Abdul Halim Chowdhury gave his reply to the adjournment motion Speaker Mirza Golam Hafiz declared that the motion was talked out".

CSO: 4220/7886

TEXT OF SATTAR'S 15 FEB ADDRESS TO PARLIAMENT

Dacca THE BANGLADESH OBSERVER in English 16, 17, 18, 19, 20 Feb 82

[16 Feb 82 p 3]

[Text] The following is the unofficial rendering of the address before the Jatiya Sangsad by the President, Mr. Abdus Sattar, on Monday, reports BSS.

In the name of Allah, the great and merciful honourable Speaker and distinguished members with the blessings of Allah the merciful, and the sincerest attempts of all the people of the country, we are able to meet in the present session of the great Jatiya Sangsad. On this auspicious day, I extend my heartiest thanks to you all whose devotion sacrifice and tireless attempts have made this session of the Sangsad possible with the objective of continued sustenance of the democratic process.

On this day of the auspicious month of February 1, first of all, remember with respect, the immortal Shaheeds who had made invaluable contributions in establishing the present independent and sovereign Bangladesh by their supreme sacrifices and thus enabling the growth of national consciousness. I remember with great respect those known and unknown heroic freedom fighters who did not hesitate to sacrifice their last drop of blood for the achievement of independence and sovereignty of the motherland and establishing democracy. I remember with honour the heroic soldier of the Liberation War and the greatest freedom fighter of the country, Shaheed Ziaur Rahman, the beloved leader of the nine crore people of Bangladesh. The proud example set by him in preserving independence and sovereignty and restoring the snatched away rights of the people by reinstating democracy, is rare not only in our country but in the history of the world. This pioneer of Liberation War fought till the last day of his life to make the hard earned independence meaningful to all through achieving economic emancipation and ensuring democratic rights. The nation will ever remember his great contribution with due respect.

I also remember those who at various times and states inspired the people with the ideals of Bangladeshi nationalism and independence.

I also remember with respect those mass leaders veteran politicians and other distinguished persons of various fields of national life, who died after the last session.

It is a matter of great pride for us that this session is being held in the newly built bhavan of the Jatiya Sangsad. This new Sangsad Bhavan is not only an extraordinary example of construction and architecture, but also a time honoured symbol of the determined confidence and respect of the whole nation toward democracy.

It is known to you that after the death of our beloved leader Ziaur Rahman on May 30 last at the hands of a few miscreants, the nation was thrown deep into a crisis. The determination the patriotic people and the Armed Forces had demonstrated and the hard work and tireless attempts they maintained to sustain the democratic process in those critical moments will be a matter of great pride for the whole nation. I congratulate all the countrymen for the success we achieved in preserving the democratic process and in safeguarding independence and sovereignty through honesty, devotion and tolerance in that crucial juncture of the nation. Without active cooperation of the people it would not be possible to attain the unprecedented success. You know like many other countries of the Third World, attacks were made many a time on democracy in our country, but we resisted those attacks in the past in cooperation with the patriotic people and Inshaallah we shall do the same in future also.

The people of Bangladesh have firm confidence in democratic ideals. They never lagged behind in facing any sort of challenge in upholding democracy. The latest manifestation of this is the last presidential election. Amidst numerous adverse conditions, the holding of the most fair and free election in living memory remains marked as a great victory of the people and democracy. So this election not only reflected the hopes and aspirations of the people, but also created a rare opportunity for full functioning of the democratic process. The credit for all this goes to the patriotic people of the country. We are making allout attempts during the post election period to implement with faithfulness the revolutionary programmes that our beloved leader Shahid Ziaur Rahman undertook for political and socio-economic development of the country. But due to negligence, corruption, irresponsibility and attempts ar realising self interest on the part of a few people placed in various responsible capacities had created numerous problems in social and state lives creating a bar on the way of advancement of the nation by generating dissatisfaction, frustration and chaos in the life of the commonman.

For the greater interest of the country and the nation and for showing respect to the confidence of the people the government had to take various emergency measures to bring an end to the situation. It is the great responsibility of the respected members of the Sangsad to sustain politics of production and to bring a new spirit and inspiration for work at all levels of the national life by demonstrating devotion and sincerity in discharging one's duties and responsibilities. I hope you will not hesitate to perform the task with devotion keeping in mind the bright days ahead.

It is needless to mention that peace and stability are the precondition to national development efforts to achieve that objective tireless cooperation of all irrespective of party affilations, religion and colour is needed. I

firmly believe that the people from all walks of life will continue to render their unstinted support to the wide programme for national development and advancement.

You know it is the people to decide the success or failure of the Government and there are adequate provisions for that in our sacred constitution. The people can change Governments according to their wish under constitutional provicions in cosonance with the great tradition of democracy.

You have the right to express opinion on behalf of the people because according to the democratic practices you are the representatives of the people there is no denying that there remains a scope for differences of opinion in a real democracy and that is usual but there should not be differences of opinion or debate in respect of greater national interest.

I believe that as elected members of great Jatiya Sangsad you will try to uphold democracy by showing unity and coherence regarding national interest.

To conduct democratic procedures and for their full manifestation a responsible and active opposition party's existence is inevitable. Now it is our great duty to develop a proper parliamentary procedure and unity through tolerance to others opinions and mutual respect.

Two important elements of our basic policies are to maintain economic stability side by side with investment and expansion of production in national economy. The task to maintain a balance between the two objectives of economic growth and stability in the face of continuous changes occasioned by the influence of various internal and external forces, is sometimes easy and dometimes difficult. In the present condition national and world economy the complexity of the task has increased many times. We have to proceed by admitting this hard reality.

The developed countries have been passing through an economic depression, inflation, slow rate of industrial production, high rate of unemployment, increase in interest rate etc., in combination have heavily affected the international trade. The conservative budget policy and monetary policy adopted in the industrially developed countries have adversely affected the export income and external resources accumulation of the developing countries. This adverse affect has been seriously reflected in the oil importing nations especially.

In this overall economic situation our import expenditure has increased significantly but our export earning has not increased as expected due to the reduction of the demand for our exportable commodities and lowering of their prices. The quantum of economic aid from the industrially developed donor countries and various agencies have also decreased as a result, heavy pressure has been imposed on international payments of Bangladesh, like other developing countries.

Along with inadequecy in the arranging money for imports, the internal resource accumulation from the taxes on import has also be reduced.

In this adverse circumstance the Government has undertaken conservative policies in regard to foreign exchange and internal resources. The requirement of commodities and raw materials was met by the conservative use of limited resources and this will be done in future too.

To face the present economic situation in the country the Government have adopted a policy of cutting down spendings in various fields. A special watch is being kept on the money supply situation. Efforts are being strengthened to increase production in both the public and private sectors. A special drive is already under way to gear up internal resource mobilisation. The Government is determined to ensure smoothe supply and distribution of essential commodities.

It is necessary to keep in mind that our economic situation is inseparably linked with the global economic situation. That is why we all must show patience and be prepared to make sacrifices. We all must show restraint individually and collectively to cross the test of sacrifice and endurance.

At this moment of national crisis, each and everyone in the society whether fortunate or not must be prepared to stop wasteful expenditures and maintain austerity to stand up to the test of sacrifice and endurance in the greater national interest I hope, we shall be able to face, with grace this challenge having mutual respect, fellow feeling and compassion and the determination to build a strong country.

[17 Feb 82 p 3]

[Text] The following is the second part of the text of speech delivered by President Abdus Sattar at the Jatiya Sangsad on Monday.

The draft Second Five-year Plan was made public in May 1980, with the approval of the National Economic Council for consideration by the people and eliciting their opinion. Prepared on the basis of the 19-point programme the plan attached priority to improvement of condition of the people of the country, expecially standard of living of people in the rural areas increasing the employment opportunities, achieving self-reliance in food, reducing the rate of growth of population and removal of illiteracy. It gives priority to development of communication in the rural areas, rural electrification expansion of cottage industries and extension of health and education facilities in the rural areas.

The problem of resource mobilisation which arose at the very beginning of the implementation of the plan is a matter of concern for our development. It has been mentioned before that there has been a reduction in foreign assistance due to continued recession and deterioration of economic condition of the donor countries. On the one hand a fall in export earning and inadequate foreign assistance was compelling a cut in imports on the other, it has created an adverse effect on production and in the field of internal resource mobilisation.

ADP

The original allosation for Annual Development Programme for 1980-81 was Taka 2,700 crore. But the actual expenditure stood a Taka 2,364 crore due to shortage of resources--both internal and external. The expenditures for the Annual Development Programme for 1981-82 has been estimated at Taka 3,015 crore. But it might not be possible to fully achieve the objectives set in the programme due to shortage of resources. The revised annual programme of Taka 2,715 crore has already been approved by the National Economic Council.

The Late President Ziaur Rahman had launched a peaceful revolution for the overall development of the country. The success of this revolution are clearly evident in all spheres of national life that is, in the fields of agriculture, industry, education, culture, public health, family planning and administrative structure. The main objective of the peaceful revolution of Shaheed Ziaur Rahman is to build a strong country self-reliant in all fields. Spontaneous participation and voluntary labour of the people are the main tools for attaining the objective. As you all know that this revolution, which is an indispensable aspect of our life, has to be made a success through peaceful and democratic means with active participation of the people. It is my firm belief that as elected representatives of the people you will continue your efforts in extending this peaceful revolution to all spheres of national life.

Internal resources mobilisation has a very important role in the development of the national economy. No country can hope to expedite the development of its national economy depending mainly on foreign assistance in the current uncertain and adverse international economic situation. The government, in this context has given special importance to increasing internal resource mobilisation, savings and investments. An all-out effort for internal resource, mobilisation is necessary now in the interest of national development although some improvements is being marked in this regard due to the different steps taken by the government.

The limited internal resources are rather inadequate in meeting the requirements of endemic trade deficits, capital investments and application of improved technology for raising the growth rate to the desired level. Side by side with increasing the quantum of internal resources in strengthening the foundation of the country's economy the need for foreign aid in meeting the shortfall is essential.

Grants, Loans

Bangladesh Government is taking grants and loans from different donor countries and organisations as foreign aid on the basis of mutual sovereignty to accelerate its development efforts. It is not Bangladesh Government alone which is taking foreign assistance for the development of the country's economy. Other developing countries also like Bangladesh take foreign aid for their economic development. As a matter of fact transfer of resources or foreign aid is a result of the persistent demand being made since the

sixties by different developing countries including Bangladesh. The global uncertainty over the last one decade has created the scope for a new international economic order and a fresh thinking for restructuring the economic rights and responsibilities of the countries of the world. Despite the extreme uncertainty prevailing the world over regarding foreign aid, the quantum of aid committed to Bangladesh during the current year will not be less than the previous years because of the correct policy adopted by the government.

The Government of Bangladesh has been following with special care its foreign aid policy in the utilisation of external assistance. Basically, the main stress in the policy is to accept as far as possible grants and loans with soft terms and avoid credits with hard terms so that the repayment responsibilities do not create an increasing pressure on our limited foreign exchange availability. Our allout efforts aim at overcoming the food deficit through proper utilisation of the foreign aid in raising food production and fast industrialisation, so that a self-reliant economic could be developed by the turn of the century to reduce dependence on aid.

Farm Uplift

We have enormous problems in the agriculture sector. Principal among the problems are the absence of a land reform needed to face various obstacles, fragmentation of land holding because of the laws of ingeritance, and limited agricultural knowledge due to lack of education.

The satisfactory progress which achieved in the agriculture sector with much effort and hard work during 1979-80 and 1980-81 has suffered considerable setback during the current year due to drought, untimely rains and a rise in the prices of agricultural inputs in the global market. But it will not do if we sit idle in facing the drought. That is why we want to extend irrigation facilities to 72 lakh acres of land by the year 1985 so that the farmers raise crops without depending on rains. We want to develop a faultless mechanical irrigation system throughout Bangladesh of deep tubewells power pumps and shallow tubewells depending on the canal river and ground waters. This will be the appropriate solution to drought.

In raising agricultural production ensuring supplies of chemical fertilizers and improved varieties of seeds are essential side by side with developing the irrigation facilities. Despite many problems we have ensured an uninterrupted supply of fertilizers on a priority basis. The country will require ten lakh tons of chemical fertilizers during the current fiscal year. We are now capable of producing fifty-five per cent of the demand in Bangladesh. Arrangements have been made to import the remaining quantity at a high price and supply them to farmers with a subsidy of about Taka 104 crore.

[18 Feb 82 p 3]

[Text] Following is the Third Part of the text of speech delivered by President Abdus Sattar at the Jatiya Sangsad on Monday:

Side by side with the efforts for raising food production the government has already adopted an overall policy and well planned programmes for improvement of food management.

A programme has been taken up under the interim food production plan to raise total food production to two crore tons by the year 1985. Food production this year has fallen due to a long drought. Inadequate soil moisture and an untimely excessive rainfall. But record quantity of foodgrains stocked in the beginning of the year and additional imports will enable us to meet the deficit and build up the required reserve stock. Necessary steps have already been taken for this.

The internal food procurement drive has been playing an important role for the last few years. The main objective behind the programme is to provide incentive for production to the poor and small farmers by ensuring fair price and also to ensure a stable market price. Till the first week of February of fiscal 1981-82 the government succeeded in making internal procurement of about three lakh tons of foodgrains. Although the procurement drive this year was not fully successful its main objectives have been realised.

Canal Digging

A programme has been under taken to dig and reexcavate canals through voluntary labour all over the country under the leadership of late President Ziaur Rahman in 1979-80 to increase food production. Being inspired by the first year's success the programme has been expanded further in 1980-81. Dry season irrigation facilities have been made available to a vast area of arable land under this programme during 1979-80 and 1980-81. As a result positive development in wheat and boro rice cultivation have been achieved. The programme has been going on in full swing during the current season and people from all walks of life are participating in the programme for increasing food production.

Extensive progarmme has been undertaken for developing the water resources and making proper use of the resources for attaining food autarky with a view to improving the standard of life of the countrymen. The Ganga Kobadakh Project, Chandpur Irrigation Project, Barisal Irrigation Project, North Bengal Tub-well Project and Barisal Patuakhali Project will make significant contribution in this regard. The Teesta Barrage Project, Embankment Project on the right bank of Brahmaputra river, Muhuri Irrigation Project, Monu River Project, Kharnaphuli Irrigation Project and the Ganges Barrage Project are the significant projects in the water resources development sector. Of these work of the Manu River Project, Mohuri Irrigation Project and the Kharnaphuli Pro-Irrigation Project are in the concluding phase.

Besides the flood control and drainage system in 19 lakh acres of land in Rangpur Bogra and Dinajpur districts would be improved by the Teesta Barrage Project. The primary construction work of the Barrage under the project is progressing fast.

The food-for-work programme help in stabilising food price in the domestic market beside providing work for the unemployed labourers. A total of two lakh fifty three thousand tons of wheat as grant was received from various international agencies and friendly countries for the food-for-work programme. The Government has sanctioned one lakh five thousand ton food from its own resources for this programme.

Seventyfive per cent of the country's total requirements of cloth are being produced by handlooms. The Bangladesh Handloom Board is putting in efforts to make the country self-sufficient in cloth improve the lots of the weavers and to create extensive rural employment. The Government policy in the cloth production sector is to make the four and a half lakh unutilised and running looms productive instead of setting up new textile mills. The yarn mills in the public sector are being used to meet the requirements of yarn of the handlooms to attain this objective.

Meantime permission to set up forty yarn mills in the private sector was given in persuance of Government policy to encourage private sector side by side with the public sector. It is expected that the country will attain self-sufficiency in yarn production and will not have to spend a huge amount of foreign exchange to importing yarn when these mills will go on production by 1984.

The Government is giving importance to earning of foreign exchange by exporting cloth and not only producing it. To attain this objective readymade garments worth eight crore Taka were exported last year and it is expected that readymade garments worth Taka twenty crore could be exported this year.

Introduction of realistic education system suited to the time is essential for the development of socio-economic doncition vis-a-vis the national life. With this end in view special importance is being attached to building up skilled manpower through education suiting the need of the independent and sovereign Bangladesh.

The Government has introduced universal primary education and mass literacy programme in the Second Five Year Plan in view of its constitutional duty to create scope for minimum education for all citizens. Practical steps have been taken to materialise the mass literacy programme to free the society from the curse of illiteracy.

Literacy Drive

Target has been fixed to make four crore people literate in four years by 1985 under the mass literacy programme. Thirtyfour lakh people have already been given the knowledge of letters till today.

Not only in primary education sector we have in hand far-sighted development programme in secondary and higher education system.

Project has been taken to introduce science education at the thana level colleges for developing science education in the rural areas. The madrasha

education has been made suitable of the age through integration of technical and science education with the religious education curriculum. Steps have been taken to introduce science and technical education in sellective madrashas in this regard.

An Islamic University has been set up in the country for expansion of Islamic education. There is arrangement for imparting science and technical education along with religious curriculum in this university.

It cannot be denied that correct and successful application of technology is essential for solving various problems facing the national life and also for the overall welfare of the people. There are seventyfour research laboratories in different parts of the country to carry on research in various fields of science and technology. Projects for setting up more research laboratories on specialised subjects are being taken in hand.

The Bangladesh Atomic Energy Commission has stengthened activities in atomic research and development work for improving the lots of the people through peaceful use for atomic energy.

The Bangladesh Science and Industrial Research Council has so far innovated and invented about eighty formulas and given lease of those formulas to the industrialists for commercial production. A few commodities produced as per the formula have been marketed in the meantime. Besides the Council has undertaken a far-sighted programme to search for alternate source of energy to face the present energy crisis in the country. Health is one of the basic ingredients for improving the qualitative standard of life and for this reason much importance has been given in the health sector within the frame work of the development programme. The Government is determined to ensure minimum medicare facility for every citizen within the shortest possible time. The objective of health for all by year 2000 is closely linked with our health programme. The Second Five Year Plan is the first step to attain this target.

Health Care

The main features of the health programme that has been formulated for the last few years include building up extensive health system in the rural areas prevention of diseases attachment of more importance for the development of indigenous health system and integration of the system on scientific foundation manufacturing of essential medicines in the country and ensuring availability of these at fair prices and providing people's participation in the government programme.

Special importance has been attached on successful implementation of the population control and family planning programme for sustaining the country's economic development process and keeping aloft the objective of improving the lots of the people. Hopeful response has already been found among the people to resist the population explosion successfully.

Ceaseless efforts are being continued to bring down the rate of population growth from 2.36 to 1.8 per cent by 1985 and substantially increase the numbers of recipients of population control inputs.

The Government believed that the key to country's overall development and progress lies in the materialisation of the rural development programme.

[19 Feb 82 p 3]

[Text] Following is the Fourth Part of the text of speech delivered by President Abdus Sattar at the Jatiya Sangsad on Monday.

The Government has given much importance to clear-cut decentralisation of power giving more power to people's organisations like local government and cooperative institutions and formulating plan at the local level. The Government in this context has taken a few important programmes during 1980-81 the most important of these projects is the introduction of Swanirvar Gram Sarkar.

The Government has taken a bold step to realign the cooperative organisations on a new line with a view to improving the economic life of the rural population. Work is now in progress reconstitute the national level structure of cooperatives so that it can undertake effective role to improve the economic life of the rural population in real term. The main object of this restructuring will be to undertake effective and suitable programme for the poor and lower income group of the rural population.

The accommodation problems is becoming acute day by day and specially for the lower and middle income groups of people in Dacca and other towns along with creation of connected problems of offices and courts due to increased influx of people from villages to the towns and the population boom. It is very hard to solve the accommodation problems by constructing buildings at private levels under private ownership and also by the limited resources of the government. Above all various short and long term projects are being implemented to solve this problem to the best. The government in principle, has given priority in the Second Five Year Plan to solve the accommodation problems of the low and middle class people.

Housing Problem

In different programmes are under implementation for the solution of the housing problem of the low and middle income group of people side by side with the building of residential houses, the government and taken up the work of the development of lands in Sylhet Noakhali Rangpur Barisal Patuakhali Tangail Khulna Kushia and Faridpur district headquarters under another programme town centers are being set up in thana headquarters.

In the industrial sector, production had started recently in Ashuganj Zia Fertiliser Factory and in sanitary were and insulator factory in Dacca, besides, the work for setting up a urea fertiliser factory in Palash (Ghorashal) and a fertiliser factory in Chittagong as has been taken up.

It is hoped that the production of sugar during the current crushing season would be sufficient to meet the requirements of the country.

The government has been putting special emphasis on setting up industries in the private sector. So far six thousand industrial units were given sanctions since 1976.

Target of exports has been fixed at 1500 crore Taka keeping in view the trend of increased exports during the last few years and the possibilities of production in agricultural and industrial sectors. The six months export earning from July 1981 to December 1981 was Taka 606 crore and 90 lakh last year export earning for the same period was Taka 572 crore and 43 lakh.

The government has taken up different production oriented programmes for creating exportable surplus. Special programmes have also been taken up for creating export awareness and for importing training to the exporters on export techniques. In a bid to increase exports, steps have been taken to set up a good number of export oriented industries. Besides Bangladesh has been taking part in different international export fairs and arranging export fairs within the country.

Keep-ng this objective in view, the work for establishing and export processing zone in Chittagong has been progressing.

Trade

The efforts for expansion and development of our ever increasing trade has been continuing through bilateral trade and barter agreements. So far bilateral trade agreements were signed with 25 countries on the basis of mutual understanding and discussions are in progress with a good number of countries for such agreements.

Huge quantities of mineral resources including gas and oil has yet to be exploited. Steps were being taken to gear up the exploration of these mineral resources.

The laying up of the Chittagong Bakhrabad gas line will be completed by March next year with the assistance of the World Bank for supplying gas to industrial, commercial and domestic consumers of Chittagong. Gas connections were already given to different industrial units of the country for increasing the use of natural gas in the industrial sector.

Feasibility study is underway for supplying gas to the western part of the country.

To increase the production capacity of the Chatak Cement Factory by 75 thousand tons annually a scheme had already been taken in hand to set up a new kiln in the factory. Besides the work for examining the possibility of extracting limestone in Jaipurhat has been going on while the work for implementation of the hard rock project has already been taken up.

The work for the modernisation of the country's only oil refinery Eastern Refinery has been taken up already.

All possible measures are being taken to increase the quantum of export of jute and jute products and earnings in view of the fall in the demand and price of jute and jute goods abroad as a result of the economic depression in the world market.

The government has taken necessary steps for stabilising the prices of jute at growers level. As a result the prices of jute remained stable to the highest level during the current season in comparison to the previous year. The efforts of the government will continue so that the jute grower get fair prices.

The demand for power has been gradually increasing with the increase of national development activities. Keeping this in view, a 50 megawatt power station was commissioned at Kaptai. Besides the work for setting up new power stations at Ghorasal Khulna Ashuganj and Chittagong has been progressing fast. Among the construction of power transmission line projects, most significant one is the east west inter connection project, which will be completed within this year. It will be possible to ensure power supply to entire western region of the country when this project will be completed.

Rural Electrification

The work for providing electricity connections in the rural areas is in progress through regionally formed rural electrification samities for achieving the objective of rural development.

Different steps were taken for the development of the country's overall transport network, during the Second Five Year plan period, bridges on the main railways and rails of the Bangladesh Railway will be rehabilitated. The rehabilitation work of the rails and bridges of the Dacca-Chittagong sections are progressing well. As a result of the implementation of these projects, the security and speed of transporting passengers and goods will increase considerably. The work for setting up heavy diesel engine repairing factory at Santahar and a factory for manufacturing concrete slippers at Bhairab Bazar will be taken up this year. This two factories will reduce our dependence on foreign countries.

Plans were inscribed in the Second Five Year Plan for the construction of over two thousand miles of new roads development of two thousand miles of old roads and bridges and culverts. Keeping in mind the special importance of the road communication in the rural areas, projects for the construction of 250 village roads were included in the current year's development programme. Depending on the local technology bridge has already been built and similarly projects for building Gumti, Buriganga and Surma bridges were taken up.

Ferry system has been improved for making transport easier between the western and eastern regions. Four ships have already started plying for

improving the communication system for the islands and coastal areas of the country.

The fleet of the Bangladesh Shipping Corporation has been increased to 24 ships with total carrying capacity of three lakh and 76 thousand tons. Besides, there are eleven ships in the private sector. Experimental dredging is nearing completion in the Karnafully river to examine the feasibility of berthing ships in Chittagong port which ply in deep waters. Initiatives are being taken to construct two multi-purpose jetties in Chittagong port.

The aircraft of the Bangladesh Biman are now flying to seven cities within the country and 20 cities on its international routes. The rate of fare in the domestic routes are much less than the other airlines of the world.

Step was taken for the construction of a separate domestic terminal building in Zia International Airport, Saidpur airport has already been opened. Rajshahi Airport is expected to be commissioned within this year. Besides necessary improvements were done to Sylhet, Chittagong and Jessore airports. In view of the ever increasing demand, particularly of the tourists and foreigners a highly modern 350-room Hotel Sonargaon was constructed. Besides measures were taken to provide different facilities for attracting tourists and to build youth hostels in different parts of the country.

[20 Feb 82 p 6]

[Text] Following is the concluding part of the text of speech edlivered by President Abdus Sattar at the Jatiya Sangsad on Monday.

The establishment of Talibabad earth station in our bid to attain self-sufficiency in the telecommunication sector bears the testimony to our yet another success. Various development projects have been taken in hand for the improvement of telecommunication system including giving new telephone connection. The telecommunication system of the country in connecting with international centres and specially with the Muslim countries has been improved substantially. We have proceeded further ahead in attaining our future target of establishment of one post office for every two thousand people through setting up of more post offices.

Sufficient measures have been taken for implementation of various development projects of different organisations under Information and Broadcasting Division.

Effective steps have been taken to enable the Radio Bangladesh and Bangladesh Television the two powerful mass communication media to play more active and important role in national construction.

Press Freedom

Full freedom of the Press exists in the country. Its proof is the publication of series of new newspapers and their editorial policies. Never before such a large number of newspapers and magazines was published in Bangladesh.

The Government has accepted in principle the proposal for the establishment f a Press Commission for the development of newspaper industry and identifying the problems of the people working in this industry and to recommend their solution to the Government.

The Press Council set up in the past has been working independently. The Press Institute has been organising training with local and foreign experts to improve the efficiency and skill of journalists and other associated with newspaper management.

Despite various economic probelms and development oriented activities being given top priority activities in the sports and culture sector have been strengthened enough.

The Government has been putting in extensive efforts to formulate a plan and its implementation for creating job opportunities both at home and abroad by transforming the vast population into manpower. The Manpower Bureau has undertaken an extensive training programme to meet the demand of skilled labourers both at home and abroad.

It was revealed from a survey that during the last six years more than one and a half lakh of Bangladeshi citizens got employment abroad and they have earned foreign exchange worth nearly Taka two thousand crore. Work of Islamic Technical Training Centre under the Islamic conference had started at Joydevepur since June 1979.

With a view to mobilising youth forces to the activities of increasing national production by organising them a Youth Development Ministry was created in 1978 which had undertaken training programmes to improve skill of the unemployed youth and create job opportunities. More than ninety thousand youth were imparted training under these programmes.

Youth Development

While speaking about the youth community as well as the countrymen a special mention must be made about our valiant Freedom Fighters. Late President Ziaur Rahman had undertaken a number of development projects for the overall welfare of the Freedom Fighters and it was under his initiative a committee called Freedom Fighters Complex Fund was formed for the rehabilitation of the war-affected Freedom Fighters.

This committee has already taken in hand the construction work of a multi-storied building at Mirpur with a view to permanently rehabilitating the war affected Freedom Fighters and the construction of this building is expected to be completed by this month.

The half of our population is female and the government has undertaken extensive programmes to involve this vast population in the nation-building and national development activities and create opportunities for them to take their right place in the society. These programmes include establishment of women cottage industries and production centres in twenty thanas, vocational

training for the war affected women for their rehabilitation and implementation of development programmes in 52 wards in the Dacca city, 32 subdivisions and forty unions under the Jatiya Mahila Sangstha.

Direct cooperation between the Government and the people is very essential to the activities of overall national development. With this end in view certain effective measures have been taken to decentralise the administration and making it people-oriented.

Faulty service structure of the colonial regime has been thoroughly recast and 28 service sub-cadres have been introduced. Appropriate training for the officers of all services have been arranged and in many cases those were made compulsory.

The objective of the present Government is to reach maximum benefit of administration to the people by increasing its efficiency and skill. As a step in this regard, the Government has already created a new Bandarbon district in the Chittagong Hill Tracts.

Corruption is another serious malaise which has entered in all spheres of our social life and has made the social structure weak and helpless. Creation of massive public opinion is essential to check corruption.

Law and Order

As elected representatives of the country's nine crore people it is only you who could create mass awareness with a view to freeing the nation from the curse and malaise of corruption. I hope that you all will extend all out cooperation to the government in discharging this national responsibility.

Except occasional deterioration for various reasons, the overall law and order situation during 1981 was satisfactory and under full control of the government. The law-enforcing agencies have succeeded in maintaining law and order even in the face of obstacles and threats. The great example of this is the peaceful holding of Presidential election on November 15 last.

Police, Bangladesh Rifles, Ansars, Village Defence Party, and Municipal Defence Party played a significant role in improving the law and order situation and checking smuggling.

Our armed forces are the sentinels of national independence and sovereignty. The defence forces extend their active cooperation to civilian administration in time of crisis simultaneously being engaged in their regular training and exercise for improving professional standard. The members of our armed forces are always ready for controlling movement of foodgrains to the country's remote areas, checking smuggling in the border, protecting marine resources and in relief and rehabilitation works.

We do not believe in aggression, but we will resist at all cost any attempt on our independence and territorial integrity.

Our defence forces are always vigilant. The contribution of our armed forces imbued with the spirit of welfare of the people the country and in solidarity with the people in defending the national sovereignty and upholding democratic values was a unique example in the history.

The political and economic situation of the present world are very alarming. The unsettled political disputes, the growing tension in many parts of the world and the conflicts has become a great threat to international peace and security.

In the context of this international situation the success of our foreign policy which was pursued under the able leadership of our late President haheed Ziaur Rahman was well-known to everybody.

The fundamental objectives of Bangladesh foreign policy firmly on the basis of preservation of her constitution, following the Charter of United Nations, closer friendship with the Islamic countries, total solidarity with the countries of the Third World and non-aligned nations is to preserve and consolidate the hard-earned independence and to expedite international cooperation for our national development.

Friendship With All

Keeping these aims and principles in view the present government is determined to expand friendship and cooperation with all countries and to make them manysided. We are also determined not to interfere in the internal affairs of others and to settle disputes through peaceful negotiations and follow the principle of sovereign equality and non-alignment.

We have given special attention to establish good relations with our neighbouring countries. It is to be mentioned here that the farsighted approach of the late President Ziaur Rahman for regional cooperation of the South Asian countries has made remarkable progress in implementation.

Bangladesh, expressing her solidarity with the developing countries of the world, is continuing her support in the struggle against colonialism, recism, aggression and expansionism. The friendship and brotherly relations with the Muslim states are getting closed day by day.

Bangladesh is playing active and constructive role in the different international agencies. Bangladesh is the member of Non-Aligned Bureau and 15 other important bodies of the United Nations. Bangladesh is also the member of the four member Jerusalem Committee of the Islamic conference and Islamic peace commission. Bangladesh has become well known as strong advocate of the less developed Third World countries for solving the main problems of the contemporary world like food, security, energy, resources and its cooperation for their development. The role of Bangladesh in this regard was highly accepted in the recent 22 nation rich and poor summit at Cancun.

Foreign Policy

The significant outcome of our bold dynamic pragmative balanced and constructive foreign policy is that the Bangladesh has not emerged as a self-respecting and peace-loving democratic country in the international arena.

Honourable speaker and respected members, we are passing through a crucial stage of our country's history the severe unsettled condition in the international political and economic sectors has serious effects on our livelihood like other Third World developing countries. But we have no scarcity of manpower as well as in the eagerness of our people to work for the country and also in resources. So, we should not be disheartened and should not stop the trend of our progress in view of any crisis. We must reach our cherished goal by keeping faith on Allah the Almighty and with courage and determination and by upholding the spirit of national unity and nationalism.

I have faith that the people of the country will leave no stone unturned to consolidate the hard-earned independence and sovereignty and to establish real democracy to ensure economic freedom. I am also confident that the honourable members, who are the elected representatives of the people, will extend all help to achieve the difficult goal. We should not forget the greater national interest for narrow individual and party interest, let the merciful Allah help us.

Khoda Hafiz, Bangladesh Zindabad.

CSO: 4220/7885

SATTAR ADDRESSES MEETING OF BNP MP'S

Dacca THE BANGLADESH TIMES in English 15 Feb 82 p 1

[Text] President Abdus Sattar on Sunday emphasised the imperative need for consolidating complete unity and harmony in the Bangladesh Nationalist Party (BNP).

President Sattar, who is also the Chairman of the BNP was addressing a meeting of the BNP Parliamentary Party (BNPPP) at the Old Sangsad Bhaban.

Briefing newsmen after the two-hour meeting, Leader of the BNPPP Prime Minister Shah Azizur Rahman quoted the President as saying that "in every democratic party there may be differences but these have to be resolved through consultations."

He further told the BNP Members of the Parliament that the democratic system in the country must be stabilised and the multi-party system must function to help sustain full democracy.

President Sattar reminded the MPs that the BNP had a great responsibility in this regard.

The President said that steps had been taken to further democratise the BNP. The committee entrusted with the task of formulating recommendations for democratising the party constitution had submitted its report to him which would be scrutinised by the BNP Standing Committee and finally adopted by the party's National Council.

Regarding the new cabinet, Shah Azizur Rahman quoted the President as telling the meeting that a few more members might be added in due course.

Short Session

The Prime Minister said that in his speech the President spoke about the business of the House and pointed out that the session would be a short one.

He, however, said that the Parliament would again meet in the beginning of May to continue up to June 30 for transacting legislative business as well as the budget.

The meeting of the BNPPP earlier condoled the deaths of five Parliament Members including Khan A. Sabur, Phani Bhushan Majumdar, Nawabjada Hasan Ali and Al-Haj Serajui Huq.

The meeting was also addressed by Mr K.M. Obaidur Rahman, Mr Maudud Ahmed, Mr S.A. Bari A.T. Mr Zahiruddin and Mr Siddiqur Rahman.

In reply to question regarding threat of boycotting the President's speech today (Monday) by party dissidents, Prime Minister Shah Azizur Rahman said that he did not observe "any tendency of boycott." He said that Mr Maudud Ahmed in his speech had said that they were dissenters not rebels.

Confidence in PM

Shah Aziz said that Mr K.M. Obaidur Rahman also said they did not challenge his leadership and pointed out that the signature campaign to express confidence upon the leader of the house by BNPPP members was not necessary.

Shah Aziz in this connection said that already 205 MP's belonging to the BNP in a letter to the party Chairman had reaffirmed their support to his leadership. He said that he did not organise the signature drive but the members did not spontaneously.

Meanwhile, according to sources close to the dissident MPs of BNP, Mr Maudud Ahmed in his speech at the meeting called for maintaining unity at all levels of the party to help it survive. He also called for no political victimisation in the party and urged all to resolve differences inside the organisation.

He also called for accepting the demands put forward by dissidents for democratisation of the party.

CSO: 4220/7876

BANGLADESH-INDIA BORDER TALKS END IN DACCA

Dacca THE BANGLADESH OBSERVER in English 19 Feb 82 p 1

[Text] The three-day Bangladesh-India border talks concluded in Dacca on Thursday with both sides expressing their firm determination to tighten up measures to curb crimes and smuggling along the border, reports BSS.

The talks, according to an official sources, also centred on the problems of the infiltration of criminals who cross the border for sanctury to escape punishment.

Both sides also agreed to take necessary steps to deal with the problems effectively, the sources added. The session on Thursday lasted for about four hours.

Earlier in the morning, the Indian delegation led by the Director General of Indian Security Forces (BSF), Mr K. Ramamurti called on Home Minister Prof. M.A. Matin at his Secretariat office.

The Home Minister expressed the hope that periodical meetings of the senior officials of the two countries could help evolve the measures to reduce and eliminate tricky problems along the border and maintain peace and tranquility.

The Indian delegation also met the Home Secretary, Mr. M.M. Zaman. The delegation left for Calcutta in the afternoon. It was seen off at the airport by the Director General of Bangladesh Rifles (BDR), Major-General M. Atiqur Rahman, who led the Bangladesh delegation at the talks.

CSO: 4220/7882

TEXT OF DENIAL OF PRESS REPORT ON TALPATTY

Dacca THE BANGLADESH OBSERVER in English 13 Feb 82 p 1

[Text] Government on Friday dismissed as "baseless and misleading" a report alleging that Bangladesh has given up its claim on South Talpatty Island, reports ENA.

A government hand out issued in Dacca on Friday night said that Bangladesh and India discussed the question of ownership of the Island, the two sides agreed to discuss the matter again at an early date with a view to taking further necessary steps for peaceful solution of the problem.

Following is the text of the handout:

Attention of the Government has been drawn to a report appearing in a local Bangladesh weekly taking its cue from an Indian vernacular newspaper published from Calcutta and alleging that Bangladesh has given up its claim to the South Talpatty Island. This report is totally baseless and misleading.

It may be recalled in this connection that the Foreign Ministers of Bangladesh and India in their meeting in New Delhi on September 13, 1981 had reiterated their agreement to take further necessary steps to remove remaining causes of tension and resolve the issue. For this purpose they had agreed to early talks at the level of Foreign Secretaries to examine all available data and report to the Foreign Ministers for further necessary steps to be taken with a view to an early and peaceful solution of this problem.

In pursuance of this decision the Foreign Secretaries of India and Bangladesh met in New Delhi January 12 to 15 1982 to discuss the problem. This was the first time that detailed substantive discussions were held between the two countries. In conformity with their mandate the two sides exchanged additional information for indepth examination on the basis of relevant facts and principles. They agreed to discuss the matter again at an early date with a view to taking all further necessary steps for early and peaceful solution of the problem.

CSO: 4220/7871

SOVIET TRADE ASSOCIATIONS HOLD DACCA EXHIBIT

Dacca THE NEW NATION in English 13 Feb 82 p 3

[Text]

An exhibition of technical prospects and catalogues of USSR Trade Associations was opened in Dacca on Wednesday at the show room of Soviet goods by Secretary, Foreign Trade Division, Mr. S.A. Khasru.

Speaking on the occasion Mr. Khasru said the trade relations between Bangladesh and USSR was characterized by mutually advantageous exchange of goods.

Referring to Soviet assistance during the War of Liberation, the Foreign Trade Secretary said the Soviet Union occupies a special place in our heart because it had valuable help in the post-independence days by providing precious raw materials, fuel and other important goods.

The exhibition is intended to acquaint the local business circle with the large number of Soviet export goods those could be of interest to Bangladesh.

The USSR Ambassador in Bangladesh, Mr. V.P. Stepanov, expressed his hope that the exhibition would help further develop the friendly relations between the two countries not only in trade, but in other spheres also. He said trade occupied an important place in widening the bilateral relationship between Dacca and Moscow initiated by the signing of a trade agreement in March 1972.

The trade turnover between the two countries increased more than three times during the last ten years, from 24 million dollars to 80 million dollars as of last year, he said.

He said both countries profitted from the mutually beneficial trade relations and were eager to expand it further.

The exhibition was followed by a short documentary show on Soviet exports.

CSO: 4220/7872

MINISTER RETURNS FROM ISLAMIC INDUSTRIAL PARLEY

Dacca THE BANGLADESH OBSERVER in English 17 Feb 82 pp 1, 12

[Text] Bangladesh has proposed the creation of a Task Force to work out a comprehensive policy on industrialisation at the Ministerial meeting on industrial cooperation among Islamic countries now being held in Islamabad, Finance Minister Fasihuddin Mahtab said in Dacca on Tuesday, reports BSS.

The Minister who returned to Dacca on Tuesday after attending the meeting told newsmen at the airport that Bangladesh had emphasised the need for developing technical training and design centres as well as some institutional arrangements to cater to the requirements of the OIC member states.

He said the proposed Task Force would look into every aspects or industrial cooperation among the Islamic countries. Mr Mahtab also stressed the need for optimal utilisation of resources of the Islamic countries--both oil-producing and non-oil countries.

The Ministerial consultation on industrial cooperation among Islamic countries began at the Pakistani capital on Sunday and is scheduled to conclude today (Wednesday).

The Finance Minister led the Bangladesh delegation at the meeting.

Elaborating, Prof. Mahtab said the proposed Task Force would identify some bilateral as well as multilateral programmes in the field of industrial development towards the ultimate benefit of 1000 million people of the Muslim World.

He emphasised collaboration on multilateral basis so that "benefits may accrue to more than two countries". "In fact we visualise a network with vertical and horizontal linkage to benefit as many OIC countries as possible."

The Minister said there was immediate need for institutions like design centres to provide necessary technological background support for formulation of plans for sophisticated and complex industrial ventures in the OIC member countries.

Mr Mahtab said that with the help of the proposed Task Force and assistance from the OIC Secretariat, there could be fruitful multilateral industrial ventures.

The Minister said the Bangladesh proposals were supported by a number of delegations at the meeting.

During his brief stay in Pakistan, the Finance Minister called on President Ziaul Huq and discussed matters relating to bilateral interest.

CSO: 4220/7878

CONCERN EXPRESSED OVER IMF ATTITUDE TOWARD DACCA

Dacca THE NEW NATION in English 19 Feb 82 p 1

[Text] Financial Managers in the government are disappointed as the International Monetary Fund (IMF) is making unusual delay in sending another appraisal mission for giving final verdict about the resotration of the disbursement of 580 million SDRs under extended and supplementary financing facilities.

The Fund's mission in its last December visit hinted for another round of crucial meet in January but if has not as yet confirmed any date. President Abdus Sattar earlier announced that a Fund mission will arrive in Dacca in the first week of February. But according to official source there is no possibility of any IMF mission arriving even by the end of this month.

The acute foreign exchange crisis which virtually forced the government to make vigorus short term borrowings from foreign private financial institutions, along with the Compensatory Financing Facility extended by IMF and the lining of credit from various international organisations and the Sanli grant in and may only keep the economy alive upto May. And after that Bangladesh will be hardput to keep its economy going. Though the resource position marked a slight improvement compared with last month it is yet to be well enough even to bear the salaries of the officials of the Bangladesh missions abroad. From next month, Foreign Ministry has to pay about Tk 5 crores of foreign exchange equivalent every month.

Realising the gravity of the situation government sent another delegation last month to apprised the IMF of some fresh government measures satisfying the performance criteria.

During its last December visit IMF insisted on price adjustment of public utilities as well as of petroleum, oil and lubricants (POL), 10 per cent devaluation of the Taka drastic cut in government spendings and in the budget. To fulfill the demand of IMF it has recently decided to increase the POL prices by more than 30 per cent. The pricing committee of the government approved this price increase. Apart from this the annual Development Programme has been slashed down by about 300 crores to 2,700 crores. Government spendings have also been considerably reduced and the devaluation of Taka made in stages. But domestic credit of the economy has not yet registered improvement in line with IMF directives.

However, a high official while talking to the New Nation expressed concern over the IMF attitude by saying that government has already fulfilled most of the IMF criteria but it IMF is still showing reluctance about restoration of the disbursement of SDRs which was earlier suspended on June 4, 1981 by making only three instalments on the plea that Bangladesh had failed to fulfill the criteria.

CSO: 4220/7884

EVENTS SURROUNDING FORMER MINISTER'S ARREST TOLD

Charges Reported

Dacca THE BANGLADESH TIMES in English 14 Feb 82 pp 1, 12

[Text] Mr Abul Kashem, a former Minister and President of Jatiyatabadi Jubo Dal, was arrested on Saturday noon on charges of harbouring an offender and of obstructing public servants from discharging their duty. He was released by the court on bail soon after.

Ramna Police made the arrest under Sections 213 and 353 BPC on the basis of a complaint lodged by Mr A. F. M. Mahmud Al Farid, Superintendent of Police, Dacca on Saturday. Soon after the arrest, Mr Kashem was produced before the court and was released on bail.

Mr Farid in his complaint stated that Imdadul Haque alias Imdu, son of late Ashraf Ali of Santanipara under Kaliganj Police Station in Dacca district was wanted in nine cases in Kaliganj, Rupganj, Tejgaon Police Stations and Bhairab GRPs and was absconding after commission of these crimes. He, along with his associates had been charge sheeted in some of these cases and warrent of arrest was issued and proclamation and attachment orders were served against him. But he could not be apprehended as he was evading police arrest. His daring criminal acts were published in well circulated daily newspapers and were subject to criticism in the Parliament.

The FIR stated that several attempts to trace out absconding accused Imdadul Haque alias Imdu went in vain. Subsequently on the morning of February 8, Mr Farid, the S.P., Dacca received a secret information that Imdu was residing with former Minister Mr Abul Kashem in his official residence. After verifying the information Mr Farid arranged cordoning of the residence of the Minister by plain-clothed policemen to keep vigilance and to apprehend the said Imadadul Haque.

The Superintendent of Police, Dacca, in the meantime, contacted Officer-in-Charge of Ramna Police (since the place falls under the jurisdiction of Metropolitan Police) seeking assistance in apprehending him. He also informed Deputy Commissioner, Dacca and other higher authorities. And accordingly he ordered his force to surround the official residence of the former Minister Mr Abul Kashem.

Imdadul Haque alias Imdu was found inside the residence of the former Minister. On seeing the approaching police force Imdu locked himself inside a room on the ground floor of the house.

Police ordered Imdu several time to surrender. But he threatened to kill anybody trying to enter the room forcibly and said that he would come out of the room only after the return of Mr Abul Kashem.

Meanwhile, the FIR stated, police force on duty managed to open a part of a window of the room in which Imdu was hiding and found that Imdu along with one of his associates Bellal, son of Moizuddin of Durbati under Kaliganj Police Station in Dacca district, armed with revolvers had taken position inside the room, aiming their weapons at its entrance.

In the meantime, Assistant Private Secretary of the former Minister arrived at the spot by the former Minister's car and informed, Mr Farid Deputy Commissioner, Dacca, Mr A. M. Mufazzal Karim, that the Minister was very much annoyed and had ordered them to withdraw the police force immediately.

Mr Farid stated in his complaint that he could not comply with the order and said he would not withdraw the force until notorious criminal like Imdadul Haque who was hiding inside the official residence of the Minister was arrested.

The S.P., Dacca, then informed the higher authority over phone from the nearby residence of Deputy Commissioner, Dacca about the attitude of the Minister conveyed through his APS.

At about 2 p.m. Mr Abul Kashem came and seeing the police force started shouting orders at the police to get out from in and around his residence.

Mr Farid told Mr Kashem the cases in which Imdu was wanted. Still, the former Minister threatened and intimidated him (the S.P.) to leave the place with the police force saying that he would allow anybody to apprehend Imdadul Haque from his residence. But Mr Farid insisted that Imdu should be handed over to the people otherwise police would apply force as per law to effect his arrest.

But former Minister Abul Kashem, the FIR stated, continued to threaten and created obstruction in effecting the arrest of Imdadul Haque alias Imdu. Despite his resistance, police arrested Imdadul Haque alias Imdu on the same day at 430 p.m. His associate Bellal managed to escape with the revolver in the melee.

The FIR mentioned that Deputy Commissioner, Dacca, Mr A. M. Mofazzal Karim, Deputy Police Commissioner (South) Mr Moazzem Hossain Khan, Kazi Bazlur Rahman, Assistant Commissioner, Ramna and Officer-in-Charge of Ramna Police Station assisted Mr Farid in the operation while many members of the public witnessed the occurrence.

Denial of Charges

Dacca THE NEW NATION in English 15 Feb 82 pp 1, 8

[Text] Former Youth Development Minister Abul Kashem, who is also an MP and President of the Jatiyatabadi Jubo Dal claimed yesterday that he did never provide shelter to Imdadul Huq Imdu at his residence.

Addressing a press conference at the central office of the youth front of the ruling Bangladesh Nationalist Party (BNP) he said he was a victim of a conspiracy hatched out to lower his prestige and blacked his image.

He came to the office straight from the meeting of the BNP Parliamentary Party where, he said, he sought justice from the party.

Wearing clean 'safari' suit the Jubo Dal President was apparently composed, but he was frequently thumping the table in excitement.

The Central Jubo Dal leaders and Redwan Ahmed an MP were also present at the press conference. While speaking to the press his lieutenants were often whispering into his ears.

He asserted that he was innocent and he had been implicated in it by an unidentified quarter.

Explaining to the press conference he said he wanted to reveal the facts in view of the newspaper reports centering him followed the arrest of Imdu from his official residence.

Mr Kashem said President Abdus Sattar when informed about it by him the following day expressed his ignorance and regret.

He said Imdu was expelled from the Jubo Dal in its meeting held on May 23 last year immediately after receipt of written complaint from one Abdul Awal Bhuiyan. Then, upon his recommendation the BNP Standing Committee approved it, he added.

At this stage Redwan Ahmed produced a copy of the application reportedly signed by Imdu and addressed to the BNP Chairman seeking restoration of his membership of the party. Mr. Redwan said Imdu sent it by post to Abul Kashem for his recommendation, but it was not given.

Narrating the incident of arresting Imdu the Jubo Dal President said Imdu was arrested from Minto Road not from his residence. He said while discharging his official duty at around 1-45 pm on January 8 his driver and security guard apprised him of the entry of a dacoit into his residence and it was cordoned by the police.

On enquiry he came to know that the Home Minister was not aware of it. But tem minutes later the Home Minister confirmed the incident, he said.

On reaching home he along with Jubo Dal Secretary Saifur Rahman and some other leaders of the organization got Imdu out of the premises of his residence forcibly and then he was arrested from the Minto Road by the Police.

He alleged that the policemen had threatend the inmates of his house where his wife and children were not present that day.

He said he was told that the Inspector General of Police wanted to talk to him before he was taken to Ramna police station from his residence. An Additional Police Superintendent informed him there that he was arrested under Sections 212 and 353.

Answering a question he said that he did not know who had hatched the conspiracy. He denied that any offstage quarter was behind it.

Asked as to whether Imdu was accompanied by another person he said that he had not seen, but he had heard about it.

He said Imdu was a worker of Ganabahini of JSD. He joined the BNP in 1980, he added.

CSO: 4220/7875

FORMER MINISTERS REPORTED UNDER INVESTIGATION

Dacca THE BANGLADESH OBSERVER in English 17 Feb 82 p 1

[Text] Preliminary probe into alleged corruption of seven former Ministers including two Deputy Prime Ministers is in progress. Earlier, the Government has categorically said that corruption charges against some Ministers will be thoroughly investigated.

Except one who was dropped from the Cabinet of late President Ziaur Rahman all other Ministers against whom investigation now continues have lost their jobs following dissolution of the Cabinet a few days ago.

It may be mentioned here that the Government has impounded the passports of 16 former Cabinet members presumably to facilitate investigation against them. Former Minister Mr. Abul Kashem was arrested on Monday last on charge of harbouring an offender and obstructing public servants in discharging their duties. He was later enlarged on bail. Former State Minister Mr. Ruhul Amin Howlader, is being wanted on charge of possessing illegal arms.

CSO: 4220/7878

REPORT ON SALE TO ISRAEL STIRS OPPOSITION

Dacca HOLIDAY in English 14 Feb 82 p 5

[Text] The government of Bangladesh is understood to have been seized with the reported move by a foreign firm to supply 20,000 metric tons of TSP fertilizer of Israeli origin to Bangladesh through its local agent in Dacca. The matter has been taken up at the highest level here.

While an official announcement on January 31 termed the report of January 24 as "entirely baseless" probes are being made from different direction, to find out exactly what has happend. Steps are also being taken to ensure that no trade with Israel through any source in Bangladesh does ever occur.

Meanwhile, Arab missions in Dacca including the PLO and a visiting dignitary from the United Arab Emirate have strongly remonstrated against the projected import of Israeli fertilizers to Bangladesh with President Sattar and other government authorities immediately after the publication of the report in HOLIDAY of January 24. Some of them, including Saudi and UAE embassies, it is learnt, have written memoranda to the Ministry of foreign Affairs, Government of Bangladesh seeking to know the exact position about the reported move. Replies from the Foreign Office to these notes are still awaited.

Also, AL'WAHEEDA, a leading national daily of UAE, published from Aub Dhabi and having a wide circulation in Arab world and outside, reproduced the HOLIDAY despatch.

In the circumstances, informed circles say, the matter cannot be summarily dismissed as "entirely baseless", as has been sought to be done by some officials here. Moreover, their clarifications, published in the press, have raised further doubts. Some maintain that these have virtually confirmed the HOLIDAY report.

Their version of the story too admits that there had been the offer by a supplier for the import of Israeli fertilizers in 1981 also. The question is: why or how could there be any such offer, at all, whereas Bangladesh does not recognise Israel and does not have any trade link in any form with it? Or, have the local indentors of this American-Jewish supplier concern been taken to task for making or bringing this offer? Not yet.

True, this offer was rejected. But it was not rejected "outright", as has been claimed. Rather, following the opening on May 23, 1981, of the tender for the supply of 10,000 metric tons of TSP, negotiations between the suppliers with their headquarters in New York and the BADC for the reduction of price and the extension of the date of validity of the offer went on till about the middle of June. These are facts on records.

It must also be noted that the present deal in question for 20,000 metric ton TSP is also being handled by a New York company with the same origin as that of the firm who bid for the supply of 10,000 metric ton TSP of Israeli manufacture. The difference is that the quantity has been doubled this time with the use of the name of a third country (Turkey).

In our story of January 24, we mentioned that the supply is being shown to be of Istanbul manufacture. The name of the dummy manufacturer is the same as that with us.

Interestingly enough, some quarters in Dacca tried for a Turkish contradiction here of the HOLIDAY report, but in vain. The government too has not yet issued any press note on the subject.

CSO: 4220/7873

SUPREME COURT QUASHES FORMER PRESIDENT'S CONVICTION

Dacca THE NEW NATION in English 18 Feb 82 pp 1, 8

[Text] The Supreme Court yesterday quashed special military court convictions of former President Khandakar Mushtaq Ahmed after he had served four years out of a five-year jail term.

The full bench of the Appeallate Division of the Supreme Court by an order allowed two appeals of Khandakar Mushtaq and quashed the convictions and sentence.

The bench comprised of the Chief Justice Kemaluddin Hossain, Mr. Justice Fazle Munim, Mr. Justice Ruhul Islam, Mr. Justice Badrul Haider Chowdhury and Mr. Justice Shabuddin Ahmed.

The Chief Justice pronounced the order at about 9-30 a.m. Reasoning for quashing the conviction and sentence will be known when the judgement will be given.

Khandakar Mushtaq was convicted on charges of corruption by a special military court set up by late President Ziaur Rahman months after he had floated Democratic League to contest General election scheduled to be held on 28 February, 1977.

In view of his convictions he was debarred from participating in the November 15 presidential election which President Justice Sattar won with a landslide of votes.

Khandakar Mushtaq who was sentenced in February, 1977 was released from jail in March, 1980.

Khandakar Mushtaw became President following the military coup of August, 1975 but was ousted from power on November 4 the same year.

It may be mentioned that the special Martial Law Court No. 8 in February, 1977 convicted and sentenced Khandakar Mushtaw Ahmed to suffer rigorous imprisonment for 5 years and a fine of Taka one lac in default to suffer rigorous imprisonment for another one year. The said court also convicted and sentenced him in another case to suffer rigorous imprisonment for three years

for alleged corruption and misuse of powers when he was holding the offices as Minister and President of Bangladesh. But the Martial Law Court directed the sentences imposed against him to run concurrently. The conviction and sentences was upheld by the government after reviewing the same.

Against the judgment and order of the Special Martial Law Court he thereafter filed two separate writ petitions in the High Court Division of the Supreme Court challenging the validity of the said judgment and order as well as the review by the government. The High Court Division of the Supreme Court comprising Mr. Justice Abdul Wadud Chowdhury and Mr. Justice Sultan Hosain Khan in their judgment dated July, 29, 1981 discharged the rules. But their Lordships gave certificate under Article 103 of the constitution for appeal before the Appellate Division of the Supreme Court considering the involvement of important constitutional question for interpretation in the cases. Accordingly Khanakar Mushtaq Ahmed filed two appeals before the Appellate Division of the Supreme Court.

It may be recalled that the government started two cases of Corruption against him under Martial Law Regulation No. 11 of Regulation No. 1 of 1975 when he was kept in jail under detention.

The allegation in one case against him was that during his tenure of office as President of Bangladesh in 1975 he incollusion with the then Secretary, Ministry of Public Works and Urban Development got various construction works done in his paternal home at Doshpara and private rest house at Sandalpur, Comilla at the expenses of the government through corrupt and illegal means and abusing his official position and thereby obtained pecuniary advantage to the tune of Taka 4,68,631 and further during his tenure of office as Minister for Commerce and Foreign Trade he ordered supply of furnitures to the tune of Taka 39,000 from the Trading Corporation of Bangladesh to the said private rest house thereby obtained pecuniary advantage for himself and the members of his family and caused prejudice to the economic and financial interest of the country. On the other hand the allegation in other case against him was that during his tenure of office as Minister for Commerce and Foreign Trade he abused his official position by ordering admission of some new comers as commercial import firms. But some of the owners of the import firms were his relatives and some were fictitious.

Besides this, he, violating the import policy in 1974-75 granted licence to some firms to import Diesel Engine and thereby obtained Pecuniary advantage for others and caused prejudice to the economic and financial interest, to the country. Thereafter police submitted charge sheet under Martial Law Regulation No 11 of Regulation No. 1 of 1975 in court against him. After hearing the parties the Special Martial Law Court No. 8 convicted him in both the cases and passed sentence as stated above. Thereafter the case record was sent to the Chief Martial Law Administrator for review according to the Martial Law Regulation. But the government after reviewing the same upheld the conviction and sentence passed by the Martial Law Court against him.

In both the cases Khandkar Mushtaw Ahmed contended that the allegations are malicious, false and fabricated. It was further contended that review of the Martial Law Court's judgment was done illegally and without lawful authority by the Ministry of Law and Parliamentary Affairs and not by the President who is the government under the Constitution and who did not delegate the power of review.

After long hearing at length the Supreme Court passed the order as stated above.

Messrs. M.H. Kandokar, Khandokar Mahbub Uddin Ahmed, Nizamuddin Haider, Golam Morshed and Shahabuddin Ahmed appeared for the appelant while Attorney General Mr. K.A. Bakr and Deputy Attorney General Mr. Abdul Wadud Bhuyan appeared for the Government.

Democratic League will hold special prayers and Milad Mahfils throughout the country of Feb. 26 in connection with quashing of charges against the former President Khondakar Mushtaw Ahmed by the Appellate Division of Supreme Court, according to a party press release.

CSO: 4220/7881

HAZARDS OF INDIA'S WITHDRAWAL OF GANGES WATER TOLD

River Routes Periled

Dacca THE BANGLADESH OBSERVER in English 10 Feb 82 p 1

[Text] Navigation in 12 river routes of the south-western districts have become "hazardous" because of withdrawal of Ganges water, according to an official document, says ENA.

Formation of shoal and fall in water level in these routes also reduced navigation.

The document titled "Report on the Effects of Upstream Withdrawal of the Ganges in Bangladesh 1980-81" estimated that dredging of the routes will involve an expenditure of taka 70 crore.

The 12 river routes include Dacca--Khulna Rocket route, Madaripur Beel route, Madhumati river, Upper Kumar route, Arial Khan route, Dubladia route, Ganges Jazira shoal, Rupsha river (near Khulna city), Alaipur--Jatrapur route, Rupsa Kazirbacha route, Gabkhan--Hula route, Kirtonkhola river, canal mouth in front of Patuakhali on Barisal--Patuakhali route. Besides, the ferery route between Aricha--Goalanda was also jeopardised because of formation of a large shoal in front of the Goalando, the report said.

It mentioned that a very alarming fact was observed in the main trunk line between Dacca and Khulna which is designated as class one route. The water level fell down to seven feet draft at places during the lean-flow season resulting in the formation of large shoal measuring about seven lakh cubic yards.

The "Rocket steamers" with nine feet draft had to be diverted to Barisal via Gazipur which involves an additional cruising time of two to three hours for one way trip.

The report noted that "alarming effects" of the upstream withdrawal of the Ganges water is the gradually deteriorating condition of the channels which provide ferry links to the northern region of Bangladesh with the rest of the country. These ferry routes are the lifeline of economy as they serve as the feeding channel of foodgrains, fuel and other commodities.

A survey carried out by Bangladesh Inland Water Transport Authority (BIWTA) n 1975-76 and 1976-77 showed that inland waterway traffic in the south-west Bangladesh was reduced by 11 million ton miles due to adverse channel conditions. Although cargo traffic between the southern and other regions of the country increased after that period the river traffic of commodities did not rise because no step could be taken to improve the channel for lack of funds. The increased cargo, according to the report, is now being transitted through roads and railways which involves more expenditure.

The report stressed that the extent of channel deterioration and its consequent adverse effects on the inland navigation and economy as a whole should be evaluated and studied immediately. But it mentioned that surveys relating to hydrography, traffic etc. could not be taken so far for lack of finance. No measure to improve the channels and navigation could be taken unless such surveys are carried out to gauge the extent of deterioration, the report added.

Importance of Talks

Dacca THE BANGLADESH OBSERVER in English 10 Feb 82 p 5

[Editorial]

[Text] An official survey on the impact of large-scale withdrawal of water at Farakka on the navigability of rivers has given scientific confirmation to what was so long a commonly observed feature. The survey has highlighted the falling water level in the river systems and the consequent increase in shoaling which is making navigation dangerous in the dry season. Already major steamer services have to undertake long detours to avoid shoals and shallow waters and in the process are incurring extra fuel costs. The continuing impact of the withdrawal has brought in rapid reduction in total tonnage of cargo carried by the inland water systems. This means that transporters are now taking to the more costly modes such as roads and the railways.

Since Bangladesh is naturally endowed with a network of rivers and normally navigable canals, the most important transport system ought to have been the rivers. If water had not been artificially withdrawn in such volumes at Farakka by India, it would have been so and the network of roads and railways would have been alternative systems for speed and other reasons. But the natural order of things has been reversed and unless the withdrawal of water is limited, the problems of navigability will continue. It can be argued that with some dredging the situation could be improved, but if the water level is reduced continuously navigability would be irrevocably hampered.

At a recent seminar on forest resources, experts have underlined yet another economically disastrous result of the low level of water in the river systems in Bangladesh particularly in the estuaries in the South. The once luxuriant Sunderban forest is diminishing, they lamented, because more saline water was rushing in with the tides to fill in the vacuum of fresh water created by the withdrawal. For the economy it means millions of taka lost in forest resources.

The immediate economic reasons are enough ground for speeding up negotiations on the Ganges water sharing dispute. As a lower riparian country, Bangladesh loses everyday in real economic terms if the negotiations are stalled or delayed. Therefore, the scheduled forthcoming meeting of the Foreign Ministers of the two countries to reopen the dialogue on the Farakka issue ought to be accelerated. The latest official document on the aftermath of Farakka points out why this should be so.

CSO: 4220/7868

NEW CREDITS MADE AVAILABLE TO BANGLADESH

Dacca THE BANGLADESH OBSERVER in English 11 Feb 82 p 1

[Text] The International Development Association (IDA), the World Bank affiliate for concessionary lending Tuesday approved two credits totalling 45 million dollars to Bangladesh for increasing fertilizer and textile production, reports Islamic News Agency.

The IDA is lending 12.8 million special drawing rights (SDR) (15 million dollars) to finance site preparation and provision of construction for equipment for a urea fertilizer plant in Chittagong district. The plant will require financing amounting to 470.6 million dollars.

The World Bank affiliate is one of seven co-financiers which will make available 293 million dollars in foreign exchange needed to build the plant. Others are: Asian Development Bank with 72 million dollars to be used for service fees, Abu Dhabi Fund for Arab Economic Development 25 million dollars for the water treatment plant, Canadian International Development Agency 20 million dollars for steam generation facilities, Islamic Development Bank 16 million dollars and Overseas Economic Cooperation Fund of Japan 60 million dollars for the urea unit and Saudi Fund for Development 85 million dollars for the ammonia plant.

The fertilizer plant will have an ammonia unit with a capacity of 1,000 metric tons a day and a urea unit with a capacity of 1,700 metric tons a day.

Another IDA credit of SDR 30 million dollars will be used to rehabilitate 15 textile units and instal quality control facilities.

IDA credits are denominated in SDRS which are valued on the basis of a "basket" of currencies. The United States dollar equivalent of the SDR amount of the IDA credit reflects the exchange rates existing at the time of negotiation of the credit.

CSO: 4220/7869

REQUISITION OF 'BANGLADESH OBSERVER' HELD ILLEGAL

Dacca THE NEW NATION in English 18 Feb 82 p 1

[Text] The High Court Division of the Supreme Court yesterday held illegal the taking over of daily Bangladesh Observer by the Government.

The Division Bench comprising Mr. Justice Abdul Wadud Chowdhury and Mr. Justice Sultan Hossain Khan directed the government to return the newspaper to its owner Mr. Hamidul Haq Chowdhury within two months.

On prayer of the Government the court, however issued certificate to go in appeal in the Appellate Division of the Supreme Court against the judgement.

It may be recalled that Bangladesh Observer was taken over by the Government following Independence when its owner Mr. Hamidul Haq Chowdhury lost his citizenship being away in Pakistan. His citizenship was however restored later.

CSO: 4220/7881

PRIME MINISTER: SATTAR NOT INFLUENCED BY MILITARY

Dacca THE NEW NATION in English 23 Feb 82 pp 1, 8

[Text] Prime Minister Shah Azizur Rahman yesterday asserted in Parliament that President Sattar was not influenced by anyone in dissolving the Council of Ministers and forming the new one recently.

Strongly refuting opposition charges that the President had to do that at the instance of a "supra-constitutional body" comprising defence Personnel, the Prime Minister said, "it is untrue and baseless. The President himself decided upon it and he is not under obligation to discuss it with anyone."

Earlier, Mr Rashed Khan Menon (Workers Party) renewing his point of order said, "Dissolution of the Cabinet and formation of the new one were not the decisions of the President. A mini-military coup occured that night. The Cabinet formed at the instance of a supra-constitutional body was not legal."

Defending his own position as Prime Minister and Leader of the House, Shah Aziz claimed a comfortable majority support of the MPs. "More than 200 BNP MPs in a written communication to the President have expressed their confidence in me. I also command support from a number of opposition MPs".

The President was wholly satisfied about the majority confidence and his satisfaction was final. It was the prerogative of the President which could not be challenged in the House, he added.

Quoting article 58 of the Constitution, the Prime Minister said the President shall appoint as Prime Minister a member of Parliament who "appears to him" competent and command confidence of the majority members.

He termed the points of order raised by the two Opposition group leaders as "frivolous and motivated" and held that those were untenable. Agreeing with him Speaker Mirza Golam Hafiz later ruled out the points of order.

Displaying his usual brand of biting sarcasm, Shah Aziz pitied Mr. Shahjahan Siraj and Mr. Rashed Khan Menon who had been insisting on their interpretations of the Constitution that his appointment as Leader of the House and Prime Minister was not legal. "I am disappointed to see their poor knowledge of law. I expected the young parliamentarians will groom themselves as future leaders.

Suggesting that they were prompted by the BNP dissident group which tried to challenge his leadership outside Parliament, the Prime Minister said "I understand you have obligation to some of your friends to discharge this duty. But there are mistakes in their briefing".

In an oblique reference to a BNP dissident leader, the Prime Minister told the two young Parliamentarians, "You should have taken brief from an experienced lawyer, not a lawyer in name only".

Replying to their charge that the Council of Ministers was not in accordance with the constitutional provision without a Deputy Prime Minister, Shah Aziz said there was no hard and fast rule that Deputy Prime Minister should be appointed then and there.

He informed the House that a Deputy Prime Minister would be appointed soon.

The Prime Minister further said under the present Presidential system council of ministers was responsible to the president and not to Parliament. It has, however, some accountability to Parliament by way of answering to questions, calling notice, adjournment motion, etc.

Later, the Emergency Requisition (Amendment) Bill was introduced in the House.

Piloting the bill the Prime Minister said it seeks to continue operation of the relevant act of 1948 until replacement by new legislation.

Opposing introduction of the bill Salahuddin Yusuf (AL-H) urged the Prime Minister to come up with the pending bill instead of continuing the old one which was vague and ambiguous.

The House was adjourned till 10 a.m. today.

CSO: 4220/7890

PAPER REPORTS SATTAR'S VISIT TO BURMA

Departure from Dacca

Dacca THE BANGLADESH OBSERVER in English 24 Feb 82 pp 1, 8

[Text] President Abdus Sattar left for Rangoon on Tuesday on a three-day state visit to Burma. This is his second foreign trip after being elected in the November Presidential election.

Talking to newsmen at Zia International Airport prior to his departure President Abdus Sattar said that he was paying this "goodwill" visit to Rangoon at the invitation of U San Yu, Chairman of the Council of State and President of the Socialist Republic of the Union of Burma. He termed the existing relations with Burma as "cordial and brotherly".

The President said that he has no "fixed agenda" to discuss with his host. It is, however, expected that the two Presidents will discuss matters of bilateral relations and regional and international issues.

The President is accompanied by Foreign Minister Professor Shamsul Huq, Home Minister Professor Mr. M. A. Matin and Consultant to the President Mr. Daud Khan Mailish. The Chairman of TCB also accompanied the President to explore the possibility of buying rice from Burma.

President Abdus Sattar was seen off at the airport by Vice-President Dr. M. N. Huda and Prime Minister Shah Azizur Rahman. Members of the Cabinet, chiefs of the three services, members of diplomatic corps, leaders and high ranking civil and military officials were also present at the airport to see President off. He was given a guard of honour before he boarded the special aircraft of Bangladesh Biman.

The President is expected to return on Thursday.

Arrival in Rangoon, Talks

Dacca THE BANGLADESH OBSERVER in English 24 Feb 82 pp 1, 8

[Text] President Abdus Sattar and Burmese President San Yu today exchanged views on a wide range of bilateral, regional and international issues, cables BSS Special Correspondent Jehangir Hussain.

A Bangladesh delegation source later said, during the hour-long talks at the President's House this afternoon, the two leaders expressed complete identity of views on all matters. Both the Presidents stressed on the need for increasing cooperation between the two friendly and neighbouring countries and called for maintaining Indian Ocean as a zone of peace.

President Sattar arrived earlier this morning on a three-day state visit and his talks with President San Yu also covered the situation in Kampuchea, Afghanistan and the Middle East. There were complete identity of views on all the issues discussed, the source said adding the talks were held in an atmosphere of friendship and understanding.

The two Presidents who held the talks in an atmosphere of friendship and understanding expressed the determination that the existing cordial and friendly ties dating back to centuries would be further strengthened.

The two leaders maintained that the way Burma and Bangladesh had solved their refugee problem was an example for all neighbouring countries of the world on how to solve problems through understanding and in a spirit of friendship and amity.

Bangladesh foreign policy, President Sattar said, aimed at friendship with all countries of the world, particularly the neighbouring ones. He said, Bangladesh's ties with Burma was an example of good neighbourliness.

President Sattar hoped the foundation of strong and friendly relations laid by the late President Ziaur Rahman and the former Burmese President U Ne Win would be made stronger.

President Sattar also proposed among other things that telelinks between the two countries be improved and be made more effective. The two sides decided to hold a meeting at an appropriate level later for the purpose.

Welcoming President Sattar the Burmese President said the visit demonstrated "very very friendly" and "close neighbourly relationship between the two countries".

President San Yu said that like Bangladesh, Burma also wanted friendship of all countries particularly of the neighbouring ones and it had been trying to resolve all problems with them as it had done with Bangladesh.

He said Burma's foreign policy was guided by conciliation and friendship.

Foreign Minister Prof. M. Shamsul Huq, Home Minister Prof. M. A. Matin, Consultant Khan Majlis, Bangladesh Ambassador Mr. S. N. Hashim, Chairman of Trading Corporation of Bangladesh Qazi Azhar Ali and Mr A. K. M. Fazlur Rahman Director General Foreign Office, assisted the President at the talks.

President San Yu was aided at the talks by Aze Ko Secretary, Council of State Tin Oo, Member Council of State Maung Maung Kha, Prime Minister Chit Hlaing,

Foreign Minister Col Bo Ni Minister for Home and Religious Affairs and Thein Win Ambassador to Bangladesh.

President Sattar, earlier called on the Burmese President at the President's House.

President Sattar later laid wreaths at the Martyrs Mausoleum. The Burmese President is hosting a banquet tonight in honour of President Sattar.

Earlier President Abdus Sattar was given a tumultuous ovation on his arrival in Rangoon from Dacca this morning on a three-day state visit to Burma.

The newly elected Burmese President U San Yu warmly greeted President Sattar at the Mingaladon Airport as he alighted from his special aircraft.

President Sattar was given a 21 gun salute when the aircraft carrying the presidential entourage touched down at the airport.

Units drawn the Burmese Armed Forces presented him a guard of honour. President Sattar took the salute from a red and yellow dias erected especially for the occasion as President San Yu stood by him.

The dignitaries present at the airport including Burmese Prime Minister U Maung Maung Kha were then introduced to President Sattar the members of the council State of Burma members of the diplomatic corps and Bangladesh Ambassador to Burma Syed Nazimuddin Hushim were also present.

The Foreign Minister Professor Shamsul Huq, the Home Minister Professor M.A. Matin and the Consultant to the President Mr. Daud Khan Majlis are accompanying the President.

Thousands of flag waving school children attired in colourful dresses young Red Cross volunteers Lanzin youths (young cadres of Burma Socialist Programme Party) and factory workers sang welcome songs wishing long life to the visiting President and chanted "Long live Burma-Bangladesh friendship".

Airport ceremonies over President Abdus Sattar and President San Yu drove to the State Guest House in a flag bedecked ceremonial motorcade.

The entire seven mile route from the airport to the official State Guest House was decorated with welcome arches. Men and women young and old carrying miniature national flags of Burma and Bangladesh lined the route and chanted welcome songs as the motorcade passed through.

According to diplomatic sources here the unprecedented preparations indicate that the Burmese government attached great importance to the three day visit by President Sattar.

All the six national newspapers of Burma front paged a detailed biography of President Abdus Sattar highlighting his political career and his landslide victory in the last November Presidential election.

President Abdus Sattar was given a reception by Bangladesh community settled in Burma at the Bangladesh Embassy shortly after his arrival here today.

President Sattar rallying to an address of welcome said he was happy to meet them in fraternal Burma.

The President said that within 180 days of President Ziaur Rahman's assassination "we held the election" upholding the democratic process initiated by the late president.

He said his government was working hard to develop the economy of Bangladesh following the policies of late President Ziaur Rahman.

Then President Sattar thanked the President of Burma U San Yu for looking after the welfare of the Bangladesh community settled here.

President Sattar said "we want to develop the economy of Bangladesh with the hard work of nine crore people and following the policies of late President Zia".

Dr. Syed Anwar Azim President of the community read an address of welcome.

Banquet Speech

Dacca THE BANGLADESH OBSERVER in English 24 Feb 82 pp 1, 8

[Excerpt] President Abdus Sattar today expressed Bangladesh's desire to forge close and friendly relations with all countries of the world, particularly the neighbours and those of the South and South-East Asian region reports BSS.

Speaking at a banquet given in his honour by the Burmese President U San Yu at the President's House here, the President said that Bangladesh, like Burma, was dedicated to peace, stability and progress.

Text of Speech

The following is the text of the speech of President Mr. Justice Abdus Sattar at the banquet given in his honour by the Burmese President U San Yu at Rangoon on February 23:

Excellency and distinguished guests,

I am extremely happy to have the opportunity of paying my first state visit to our beautiful and friendly neighbour the Socialist Republic of the Union of Burma at the invitation of Your Excellency. I bring to your with me the warm greetings and sincere good wishes of the people of Bangladesh for you, Mr. President and through you to the friendly warm-hearted people of Burma. I am deeply touched by the brotherly welcome and gracious hospitality extended to me and the members of my entourage reflecting the goodwill and friendly sentiments that the people of Burma have traditionally harboured for the people of Bangladesh.

In keeping with our policy of forging close and friendly relations with all countries of the world, particularly our neighbours and those of the South and South East Asian region we attach the utmost importance to this visit on the firm belief that this will further promote and strengthen the friendly relations and cooperation already existing between our two countries.

Bangladesh and Burma are bound by historical and cultural bonds going back to centuries. The relations between our two countries have always been marked by extreme cordiality, mutual trust, understanding and cooperation. I recall gratefully the great contribution made by His Excellency U Ne Win and our late President Ziaur Rahman in bringing our two countries closer together. It would be my earnest endeavour and constant effort to further consolidate our relations in the days to come in the closest possible cooperation with Your Excellency. I am sure that relations between our two friendly and neighbouring countries will grow from strength to strength in the coming years for the mutual benefit of our peoples. I am convinced that exchange of such visits between us will help us to continue and further deepen our harmonious relations. We remember with great foundness the memorable visit of His Excellency U Ne Win to Bangladesh in May 1979 and that of our late President Ziaur Rahman to Burma in 1979 which have been of so much help in further strengthening relations between our two countries.

Bangladesh like Burma is dedicated to peace, stability and progress. As developing nations, our two countries have common experience, outlook and aspirations. We are convinced that only in an environment of peace can we enjoy the fruits of independence and concentrate our energies and resources for the economic and social development of our peoples. We firmly believe that peace and security can be best safeguarded through strict adherence to the principles of sovereign equality, respect for territorial integrity, non-interference in each others' internal affairs and peaceful settlement of all disputes.

Our two countries hold similar views on most of the important international issues and have strongly advocated the establishment of a New International Economic Order based on justice and equity.

Inspired by the ideals of our late President Ziaur Rahman, we, in Bangladesh have undertaken a massive task of national reconstruction and development with a view to attaining the goal of economic self-reliance and raising the quality and content of the life of our people. Our people are determined to march towards greater progress and prosperity. We are committed to a democratic system of government. My election to the office of the President by an overwhelming mandate from the people of Bangladesh and the convening of the session of the Parliament last week are concrete evidence of steps to demonstrate our keen desire and inflexible determination to maintain our cherished democratic traditions.

We have been watching with admiration the efforts made by your government for the all-round economic and social development of the people of Burma. I am sure under your wise leadership and able guidance the friendly people of

Burma will march forward in achieving their cherished goals. I wish you and the friendly people of Burma peace, happiness and all-round progress.

Excellencies and distinguished guests may I now request you to join me in a toast:

--to the health and happiness of His Excellency U San Yu and Madam San Yu;

--to the well-being of the distinguished guests present;

--to the continued peace and prosperity of the friendly people of the Socialist Republic of the Union of Burma; and

--to the everlasting friendship and cooperation between Bangladesh and Burma.

Foreign Ministers' Talks

Dacca THE BANGLADESH OBSERVER in English 25 Feb 82 p 1

[Text] The Foreign Ministers of Bangladesh and Burma at a meeting here today agreed to take all possible steps to increase bilateral cooperation in different fields including trade economy and culture reports BSS.

Foreign Minister Prof. M. Shamsul Huq and his Burmese counterpart U Chit Hlaing held the talks "in a very cordial and friendly" atmosphere following up yesterday's discussions between President Abdus Sattar and President San Yu.

The two Foreign Ministers expressed the hope that the maritime boundary between the two countries would be settled soon delineated in the same spirit in which they resolved problems in the past making examples for all neighbouring countries. They agreed to resume the maritime boundary delineation talks soon Prof. Huq said.

They reviewed a wide range of bilateral regional and international issues of mutual interest.

Emerging from the talks Prof. Huq said that a Burmese trade and economic delegation would soon visit Bangladesh to explore possibilities of increased cooperation between the two friendly countries.

Prof. Huq said that he and his Burmese counterpart agreed to hold consultations "whenever considered necessary" with the same objective of increasing bilateral cooperation.

While reviewing the international situation both the Foreign Ministers expressed "great concern" over the widening areas of tension and conflict in the world.

Noting the similarity in their views on different issues the two Foreign Ministers shared the view that the solution of the problems in Afghanistan

and Kampuchea be left to the peoples of the two countries.

They stressed that the peoples of Afghanistan and Kampuchea be left free to determine their own destiny without any external intervention be it military or otherwise.

They stressed that mutual respect for sovereign equality territorial integrity, non-interference in the internal affairs of other countries, renunciation of use of force and peaceful settlement of problems were imperative for global peace and security.

They maintained that the way Burma and Bangladesh had resolved their problems in the past were examples of how to resolve them between neighbouring countries.

The two Foreign Ministers considered that strict adherence to the rule of law and the United Nations Charter were of imperative need in the governance of international relations.

They noted with satisfaction the "excellent" bilateral relations between Burma and Bangladesh developed on the firm foundation laid by the late President Ziaur Rahman and the former Burmese President Ne Win.

They considered that the recently concluded agreement on the demarcation of land boundary between the two countries was a demonstration of continuing goodwill and good neighbourliness between the two countries.

Mr. Tin Ohn Deputy Foreign Minister, Ambassador to Bangladesh Thein Win and senior officials of the Burmese Ministry of Foreign affairs were also in the talks.

The Bangladesh Foreign Minister was assisted among others by Ambassador Mr Syed Najimuddin Hashim, Chairman of Trading Corporation of Bangladesh Qazi Azhar Ali and Mr A.K.M. Fazlur Rahman Director General Foreign Office.

The Burmese Foreign Minister U Chit Hlaing accepted the invitation of Prof. Huq to visit Bangladesh.

CSO: 4220/7889

BANGLADESH, HUNGARY SIGN CULTURAL AGREEMENT

Dacca THE BANGLADESH OBSERVER in English 25 Feb 82 pp 1, 12

[Text] Bangladesh and Hungary on Wednesday signed a cultural agreement envisaging cooperation in Education science technology art sports and other related fields, reports BSS.

The agreement was signed by Mr Hedayat Ahmed Secretary Sports and Culture Division of the Ministry of Information Broadcasting Sports and Culture and Mr. Endre Galambos Hungarian Ambassador in Bangladesh on behalf of their respective governments.

Under the terms of agreement both the governments will exchange professors teachers specialists students researchers technologists and experts with a view to holding lectures and pursuing studies in institutes of higher education in each other's country.

Each government will also grant scholarships to the citizens of the other country for specialisation and exchange of experience in its educational scientific cultural and other institutions.

Both the parties will exchange visits of artists and artistic ensembles media officials journalists and cameramen and also promote cooperation between radio television information and Press institutions.

Speaking on the occasion Mr Endre Galambos said that the agreement would serve as a basis for the extension of cultural cooperation and bilateral relations.

He said that the agreement would give a new impetus as well as an institutional framework to the further development of Hungarian-Bangladeshi cultural relations.

Reciprocating Mr Hedavat Ahmed hoped that the agreement would further strengthen the existing bonds of friendship and brotherly relations between the governments and peoples of the two countries.

CSO: 4220/7889

PRESS REPORTS ARRESTS OF MAJOR TERRORIST GROUP

Arrests on 18, 19 Feb

Dacca THE BANGLADESH TIMES in English 20 Feb 82 pp 1, 8

[Text] Lalbagh police in a 20-hour long raid on Thursday and Friday arrested 16 persons from different areas of the city. Some of the arrested persons were allegedly responsible for hurling bombs at the public meeting of Khondker Moshtaque Ahmed on May 23, 1980 and explosions in the Dacca University campus during DUCSU polls this year.

This was disclosed by Liaquat, one of the accused arrested on Friday, during his preliminary confession to police.

Police also recovered four unauthorised pistols, 25 rounds of ammunition, a private car and a motor cycle from the possession of some of the accused.

In crushing the well known terror group, police had to exchange fire with one of the accused. The accused, Hannan alias Moshfequr Rahman with two pistols in his hands opened five rounds of fire in an abortive bid to escape. He was caught wounded when a police bullet pierced his left thigh.

The arrested persons included four known leaders of pro-Hasina faction of Bangladesh Chhatra League (Jalal-Jahangir). They were: Hannan, Liaquat, Ekramuddaula and Montu alias Fazlur Rahman. All of them were wanted by police in a number of cases of murder, dacoity, possession of unauthorised fire arms and rioting.

One of the arrester BCI (Jalal-Jahangir) leader reportedly divulged startling information involving himself and his associates with some incidents of political violence in the city in the recent past.

The accused told the police that they were responsible for the explosion at the meeting of Khondker Moshtaque Ahmed on May 23, 1980, in which nine persons, including Mustafizur Rahman, a journalist, were killed and a number of people including journalists were injured.

He also told police that they were responsible for explosions at the Dacca University during DUCSU election this year. The same group is also connected

with recent bomb explosions in city including the hurling of grenade near the house of Mr Abdur Razzak, General Secretary of Awami League (Hasina).

Other arrested during the operation were: Jahangir Badshah alias Badshah, Abdullah Al Faruq, Abdul Aziz, Mono Ershadul Huq alis Bulbul, Jahangir Alam, Abdul Wahab, Dr Khandker Mohammad Iqbal, Md Mahtabuddin, Md Delwar Hossain, Md Shahidul Huq and Nurul Amin.

Police also seized one yellow coloured private car and a motor cycle used recently in a number of dacoities and robberies in the city.

The operation began at about 1-30 p.m. on Thursday with the arrest of Montu alias Fazlur Rahman in front of a hotel on Mirpur road, near Azimpur New Market, by Mr Akram Hossain Khan, Officer-in-Charge Lalbag Police Station and his men.

Police recovered from his possession a subcription collection book and a warning letter. While the subscription collection book indicated that Montu and his associates used to collect money from shop keepers in the name of "urs" the warning letter was addressed to the manager of a reputed sweetment shop "Maran Chand and Grandsons" asking the manager to meet accused Montu at a convenient time to settle some "important issues".

Montu told the police that originally he was a rickshaw driver but was "recruited" by Hannan, Liaquat and Shaha alias Shahabuddin. Shaha arrested earlier in a criminal case, is now under dentention.

Montu confessed that Shaha had given him a pistol but he had kept it with Ekramuddaula.

Ekramuddaula was arrested from the residence of his father-in-law in a dramatic was. Around 2 a.m. Friday when policemen entered the house of Matiur Rahman, Ekram's father-in-law a field officer of National Security Intelligence, they found all the inmates of the house awake.

In one corner of a room a girl was lying on a cot. The girl was asked to leave her bed. The policemen removed the mattress and found Ekramullah under that mattress. The girl was identified as the sister-in-law of Ekramullah.

Ekramullah told police that he had handed over Shaha's pistol to Hannan only on Wednesday.

Following the information obtained from Ekramuddaula police raided a house at New Eskaton road and arrested eight persons, including Liquat and Badshah, from there. Two pistols with 14 rounds of ammunition were recovered from their possession.

Police then raided the house of Hannan's sister at Mahakhali Chest Hospital doctors' staff quarters around 3-45 a.m. Sensing the arrival of the policemen Hannan came out of the house with two pistols in his hand. He fired five shots towards the policemen but none was hurt.

The OC, Lalbagh police then opened one round of fire from his revolver which hit the left thigh of Hannan. The constables also fired several rounds of shots on hearing the exchange of fire to scare Hannan. The bullets did not hit anyone. Injured Hannan was arrested along with his pistols and 11 rounds of ammunition.

The accused persons admitted that they had committed two robberies in Dhanmondi area on Thursday with the help of the car which the police had seized from the father-in-law of Ekramuddaula.

According to the preliminary confession of Liatquat, he and his associates belonged to pro-Hasina faction of the Awami League and its front organisation. He said that he wanted to leave for West Germany in 1981 but it was Sheikh Hasina Wazed who pursuaded him not to leave the country. "She assured me that she would hush up all cases against me," Liaquat told police.

Liaquat had reportedly told police that his associates were responsible for explosions in the Dacca University and recently in the house of Mr Abdur Razzak, General Secretary of the Awami League.

Liaquat had told police that it was Shaha and his men who hurled bombs in the meeting of Khondker Moshtaque Ahmed at Baitul Mukarram in 1980.

Giving the background of Shaha alias Shahabuddin, Liaquat informed the police that Shaha, a former bodyguard of Sheikh Fazlul Huq Moni left for India after the political change in 1975 but returned 1979.

While in India, Liaquat told police, Shaha was a member of Quader Siddiqui's "Bahini" and received commando training under RAW, Indian Secret Service, at Deradun. Captain Beg of Indian army conducted the training.

Liaquat had reportedly told the police that they had also close link with one section of Bangladesh Jatiyatabadi Jubo Dal. "We help each other in operations."

Apparently disgusted with the role of the party leaders, Liaquat at one stage urged the police officers to arrange his interview with Radio and Television so that he could tell the people about the way "our leaders are using us."

Full particulars of the arrested persons: 1. Fazlur Rahman alias Montu, son of late Ataul Huq, Shatvita, Dohar P.S., Dacca, at present 7, B.C. Roy Road, P.S. Kotwali, (2) Ekramuddaulah, son of Kutubuddaulah, Bahuli, P.S. Patiya, Chittagong, at present 42/P, Dacca University Staff Quarter, Azimpur, (3) Liaquat son of Mominuddin Ahmed, village South Kurkachar, P.S. Shibchar, Faridpur, at present 114, New Eskaton Garden, Ramna, Dacca, (4) Jahangir Badshah alias Badshah son of Abdul Aziz of Chashiri, P. S. Tongibari, Dacca, at present 1/A Eskaton Garden, Ramna, Dacca, (5) Abdullah Al Faruq son of Abdul Aziz, 1/A, Eskaton Garden, (6) Abdul Aziz son of Moulvi Moizuddin Bepary, 1/A, Eskaton Garden, (7) Mono son of Bazlur Rahman, Fatehabad, P.S. Debidwar, Comilla, at present 1/A Eskaton Garden, (8) Ershadul Huq alias Bulbul

son of Erfan Ali, Fulbari P.S. Bashail, Tangail at present 1/A, Eskaton Garden (9) Jahangir Alam son of Abdul Latif, Asadpur, P.S. Homna, Comilla at present 1/A, Eskaton Garden, (10) Abdul Wahab son of Mohammad Osman, Barunda, P.S. Tongibari, Dacca at present 1/A, Eskaton Garden, (11) Moshfiqur Rahman alias Hannan son of late Mokaddes Hossain Khan, Gonapara, P.S. Singair, Dacca at present 17 Free School Street, Dhanmondi, (12) Dr Khandker Mohammad Iqbal, son of Khandker Mohammad Sanwar Ali, Sabalia, Tangail, at present a physician of Mahakhali infectious disease hospital, (13) Md Mahtabuddin son of late Khadem Ali, Madanmohanpur, Nawabganj, Dacca at present Mahakhali Staff Quarters, (14) Md Delwar Hossain son of late Khadem Ali (15) Md Shahidul Huq son of late Khadem Ali, (16) Md Nurul Amin alias Ghyas son of Abu Mollah, Mahakhali.

More Arrests Reported

Dacca THE BANGLADESH TIMES in English 25 Feb 82 pp 1, 8

[Text] The Dacca Metropolitan Police, in separate raids in and around the city arrested alleged members of the "terror groups" during the last 48 hours.

The arrested persons are: Mujaheed Hasan, Kala Faruq Taju alias Tofazzal Hossain and Sana alias Sanaullah.

Taju and Sana were reportedly close associates of Montu Shaha an Indian national and a member of the terror group, arrested by police on February 18. Police recovered one pistol and ten bullets from Mujaheed.

Police had to exchange fire while arresting Mujaheed.

According information Inspector Aminul Huq, officer-in-charge, Ramna Police Station chased two motor cyclists near PG hospital crossing when their movements appeared suspicious.

The motor cyclists tried to escape towards New Market while the OC in his patrol jeep continued the chase. At Kataban point, the youngman sitting on the rear of the motor cycle opened two rounds of fire towards the police jeep. Inspector Aminul Huq returned fire but none was hurt in the exchange.

The cyclists parked their motor cycle near New Market Hawkers Market and tried to escape. Police chased them and managed to arrest Mujaheed while his companion escaped with a pistol. Mujaheed's pistol was found fully loaded with six rounds of ammunition. Besides, four live bullets were recovered from his pocket.

Police also seized the motor cycle, Dacca HA 6073. The police thought the motor cycle to be a stolen one.

Dhanmondi police on Tuesday arrested Kala Faruq, an associate of Hannan and Liaquat, from Elephant Road. Son of a senior bank officer, Kala Faruq was picked up from a restaurant.

Meanwhile, Lalbagh police arrested Taju alias Tofazzal Hossain and Sana alias Sanaullah, two close associates of Montu Shaha. Taju was arrested from Shakhipor in Kaliakoir police station and Sana was apprehended from Joydevpur in the early hours of Wednesday.

The Detective Branch of the Dacca Metropolitan Police arrested Syed Selim Ahmed on Tuesday night and recovered one G-3 automatic rifle with four rounds of ammunition.

On the basis of a secret information, Inspector M.G. Quddus, the captor of Chittagong mutiny leader Major General Manjoor, arrested Selim from near Jonaki Cinema. On the basis of his statement, the rifle was recovered from the kitchen of F.H. Hall of the Dacca University. Selim a non-student, was staying in that hall.

The students of the F.H. Hall welcomed police action and assured full cooperation to the police in recovering unauthorised fire arms, from the campus.

Selim, who belonged to another "terror group" used to collect subscriptions from travel agents under duress.

Sheikh Selim's Comment

Dacca THE BANGLADESH TIMES in English 24 Feb 82 p 1

[Text] Sheikh Selim, M P and Editor of Banglar Bani, in a statement on Tuesday condemned what he said "conspiratorial campaign in different newspapers--particularly Government newspapers--against the President of Awami League (Hasina) other leaders, Madhumati Mudranalaya and against him involving so-called confessions of some recently arrested persons".

He said that "the published news items were totally orchestrated false baseless, and motivated. The interested quarters were trying to tarnish the image of "Bangabandhu's daughter and myself" he said. It was also a deep conspiracy to close down the Madhumati Mudranalaya and Banglar Bani, he added.

It may be mentioned here that nothing has been reported by this newspaper involving Sheikh Selim.

CSO: 4220/7886

INDIA DENIES CORRIDOR USE TO ENCLAVE INHABITANTS

Dacca THE NEW NATION in English 21 Feb 82 pp 1, 8

[Text] India has withdrawn the Tin Bigha corridor facility to the people of Bangladesh enclaves of Dahagram and Angarpota in violation of a gentleman's agreement reached in September last.

Heavy security force from the Indian state of Mizoram has been deployed at Tin Bigha last week. The security personnel were refusing the corridor facility saying their government has no permission for allowing the Bangladesh citizens to cross over Tin Bigha.

The enclave people said the new force posed brute and it is difficult to communicate with them.

It may be recalled that a gentleman's agreement providing for corridor facility was reached at a meeting between the Deputy Commissioner of Rangpur and the District Magistrate of Coochbehar in September last.

Since then the Enclave have been using Tin Bigha as corridor to visit the mainland.

But suddenly this facility was withdrawn by the Indian authorities without prior discussion or giving any reason whatsoever.

Meanwhile, the Tinbigha Protirodh Sangram Committee in Coochbehar district recently brought out a truck procession there protesting giving the corridor facility to Bangladesh. The processionists vowed to resist it even at the cost of blood.

Such procession immediately before withdrawal of the corridor facility after five months was viewed as organised by the Indian authorities to deliberately create problems for the enclave people.

Because of disruption in communication with the mainland supply of essentials in Dahagram and Angarpota were drying up. According to reports reaching from the enclaves, prices of foodgrains, medicine, kerosene and salt are soaring up everyday. People will face serious crisis of these essential items if supplies cannot be restored in next few days.

Meanwhile, Indian nationals forcibly took away at least 26 cattlehead from Dahagram during the last 20 days. Afsaruddin and Nesaruddin have each lost 6 cattlehead.

CSO: 4220/7891

BUSINESSMAN REVIEWS BANGLADESH ECONOMIC SITUATION

Dacca THE BANGLADESH TIMES in English 26 Feb 82 pp 5, 6

[Text] Whither our national economy? This question is acutely agitating the minds of the people. While dealing with various facets of this question I will discuss in broad spectrum the economic realities with an open mind. These realities which may depict the frustrating experience of the business community should not however be treated as frustration. We will pinpoint the malaise of the economy with a view to finding our the lines of solution to the problems facing the country.

The national economy still remains highly unstable which has been bitterly proved by the current stagnation and inflation precisely called stagflation. All the economic buoyancy that a fine crop year (80-81) was supposed to have brought to the country has disappeared within six months of the very next year. Now we seem to be short both on cash and grains. Meanwhile, there has not been any substitute of the loss in agriculture sector. With rigorous credit squeeze for the private sector and driblets of foreign exchange funding for imports, activities in both industry and trade have slowed down. The high inflationary rate and the spurt in rice price threaten to wipe out savings and consequent internal resource mobilisation and even borrowings of the poor and middle class. The average inflationary rate in the country was around 20 per cent during the year ending December 31, 1981. The GDP (at 1972-73 factor cost) is intimated to have provisionally increased by 6.08 per cent during 1980-81.

It will not do to say that we have been unwitting victims of a global economic upheaval. We, I mean the authorities have committed far too many mistakes knowingly, or so one presumes. The terms of IMF were known to us when we signed the loan agreement with the Fund. Why did we then go on a kind of spending spree to which the IMF would object so sharply? We knew that even with the 1980-81 bumper harvest, we were having food deficit, and at the same time as the gobernment stock had been going healthy, we knew that the current crop was being destroyed by pests. Simple additions and subtractions would have shown where we were going. Given the cycle of floods and droughts we experience, it will also have been reasonable to assume production-loss on count of act of nature. Had we been preparing foreign supplies accordingly, we would have been saved, at least to some extent, of the panic boost to rice price. What had happened on the contrary was that until November, when the effects of the drought had already become pronounced people were told by the

authorities that we had so much food that we did not have room to stock it. Not only this, we experienced the ridiculous facade of 'export' of rice on the so-called plea of surplus. This had an adverse impact on the donor countries so far as their food aid is concerned. Even we exported fertilizer on the expectation that its production in the fertilizer factories would register remarkable increase. Regrettable though, production in the recently inaugurated Zia Fertilizer Factory could not commence as expected.

The financial performance of the public sector enterprises and public utilities remained far from being satisfactory. Many of the industrial enterprises instead of making any contribution to the Exchequer had to survive on direct and indirect subsidies. During 1972-73 to 1978-79, the jute industry alone incurred a total accounting loss of Tk. 352 crore while net pre-tax profit of some major Corporations, viz., BSEC, BSFIC, BCIC and BTMC stood at Tk. 168.30 crore which denotes a very poor return on investment. Profits of these Corporations will be much less or even be negative if accounts are taken of depreciation at replacement cost, debt service charges and subsidies received from other sector. These figures are of 1978-79. The present situation is worse than that.

The establishments' claim about successes on the industrial front are, therefore, deceptive and nothing but propaganda stunt. The continuing low operational efficiency of the public sector has been a chronic problem.

Now the time has come for serious rethinking of what nationalisation has brought to the economy of the country. Exponents of nationalisation might speak lot of things in their defence but this will not change facts. The nation today needs a clear-cut decision and direction in this regard.

The persisting slack in the industrial sector holds out unpromising prospects for the future as the potential investors continue to feel alarmingly discouraged by the extended network of bureaucratic and other forms of control at every tier from the beginning to the end for getting an industrial project off the ground. The investors are uncertain of so many things: uncertainty about release of funds both on local and foreign currency from the financing institutions, foreign exchange sanction, allotment of land, uninterrupted power supply, tariff protection, domestic marketing constraints and so on.

Against this backdrop, the target of the Lima Declaration of the United Nations Industrial Development Organisation (UNIDO) to raise the share of the manufacturing sector to the level of 25 per cent by 2000 AD in the least developed country like Bangladesh would almost certainly appear to be too illusory.

It is high time now that government concentrates more and more on productive expenditure. The expenditure of the Government on revenue however increased at an average annual rate of 25 per cent between 1972-73 and 1978-79; the increase took place mainly in public administration, defence, debt services and subsidies. More significant, however, is the fact that non-development expenditure increased at the rate of 21 per cent annually during 1975-76 to

1978-79. This sort of expenditure is unfortunately on the increase and worse than before.

According to the Annual Development plan implementation survey for 1980-81 an additional amount of Tk. 235 crore was spent without any allocation. The allocation was Tk. two thousand 369 crore. The number of projects was 321 whereas 160 projects were implemented.

On the other hand screw was tightened on private sector financing but the concerned authorities keep on busting the rules to keep afloat the credit guzzling losing public sector corporations. We order the jute mills to go for production but we do not consider cushioning of their loss even when they to sell their goods at a very low price or even when we see a competing country giving cash subsidy for export to its jute goods producers. We have arranged to refine crude oil at Singapore (on cash payment) involving thus heavy cash foreign exchange outlay but we have probably not yet sat down to calculate whether this process has given us a profitable return or not. On the subject of oil it may be worth mentioning that some of the western countries have begun to save up to 40 per cent on fuel consumption. What has been the impact of formation of high level committee on energy in our country? The country needs sound energy planning.

In spite of Government's oft repeated emphasis on export-orientation, growing dependence on imports has crippled the growth of domestic industries. The products of many of our industries have remained unsold. On the other hand, seven months have already passed but the planned allocation for the import policy 1981-82 could not be made available to the domestic industries to meet their requirements of raw materials and spares which have severely cramped their economic viability.

I mention all these not for being acrimonious nor for being polemical. My intention is to state that we have not even tried, not to speak of trying hard. My intention is to say that credibility of the government and its institutions which is vital for sustained efforts for economic and social progress is waning. My intention is to point out that we are already in the danger of exposing ourselves as inefficient to the international community. The very unwelcome efforts of these attributes snowball on the country and the people.

It is, however, heartening that of late this hard reality is being realised by the people at the top. We are now eagerly waiting to hear from them as to what pragmatic steps they are going to take to face this reality of stagflation.

At this point the question arises what is to be done.

There is a starting point which is as clear as it can be. The needs of the general mass have to be attended to put at the same time our wealth is limited, we being poor. This does not mean, however, that we have to share poverty. What we have to share is what we have. By this we might be sharing some hardship for some time. This is the starting point. There cannot be a free for all so that one can grab what one can.

This again means two things one, the government's policies relating to investment and spending must be firm and fair. There may be competition in the first case and competing claims about the second. Where there is competition it has to be ensured that there has been a fair decision and where there are competing claims, it has to be seen that the biggest chunk of government expenditure goes to productive purposes or economic-activity generating actions and not merely to money-circulating actions. Two, financial discipline must be rigorously imposed as opposed to the habit of reckless spending now and a squeeze then. I would mean steadily trimming the frills in government organisations and projects. A dangerous aspect of nonproductive expenditure, which we have to remember, apart from its immediate contribution to inflation, is that it begets further wasteful spending in the name of protecting employment and privileges.

In other words, government must drastically reduce unproductive expenditure and increase investment in necessary marketable production.

This again is not to say that building infrastructure or spending on social overheads should come to a halt. Only that care should be taken to avoid addition of white elephants, projects not useful in the foreseeable future, and expenditure that will become wastefully recurring.

These are not generalisations, as these seem to be. Experience, records and reports available with the government are plenty to show where the finger should be placed.

Last but not the least, inflation needs to be fought with determination. We have to remember that we cannot increase incomes corresponding to price-rise. In our kind of economy, which does not depend fully on sophisticated technology and where the domestic agriculture sector is the main supplier of necessities of the bulk of the population, it is perhaps possible to insulate and country to an extent from imported inflation. Keeping cost of production low in agriculture will have to be a major objective in this regard.

CSO: 4220/7891

EFFORTS TO CURB DOMESTIC CREDIT EXPANSION FAIL

Dacca THE NEW NATION in English 17 Feb 82 pp 1, 8

[Text] Despite vigorous Government effort to contain widespread credit expansion, the overall domestic credit of the country registered a sharp increase over the last seven months since July, '81.

Upto January '82 the total domestic credit recorded an expansion by about Tk 531 crore to Tk 6020 crore as compared with that of Tk 5488.89 crore in the month of June'81 of which substantial portion is outstanding bank credit. As a result, liquidity position (cash money at the disposal of the nationalised banks) of the country has been worst affected during the period under review which has made a record in the recent past.

Following the visit of the International Monetary Fund (IMF) delegation in July last Government imposed drastic credit curb to satisfy the IMF prescription. It may be mentioned that in the last financial year the outstanding level of credit of the scheduled banks alone recorded an expansion by Tk 829,86 crore as compated with Tk 690.62 crore during the preceding year. Since then Government has been paying much attention towards containing demand by fixing quarterly target for monetary and credit expansion. But, however, a ministry official told The New Nation that the overall domestic credit did not cross the ceiling fixed by Bangladesh Bank.

The widespread expansion of the outstanding level of credit has posed serious threat to the liquidity position of the scheduled banks. The liquidity position of the scheduled banks experienced a record decline in the week ending on January 15 last. Bangladesh Bank's unusual advance to the nationalised banks, in fact, kept some banks in operation.

In January this year the liquidity position of the banking sector stood at Tk 1035 crore which is 27.30 per cent of the total deposits.

But in the week ending on January 15, bank liquidity recorded sharp decline to 852 crore which is only 22.89 per cent of the total deposit. The prescribed liquidity ratio of the scheduled banks is 25 per cent of their total demand and time liabilities out of which statutory cash reserve requirement is 5 per cent. To fulfill the prescribed requirement bank liquidity should be kept at Tk 931 crore.

The sudden deterioration of the liquidity position is being attributed to the low government spendings and the advances made in some specified priority sectors and poor recovery of the domestic credit. Statistics shows that two major nationalised banks are worst affected.

It is gathered that a leading nationalised bank had only 1.92 per cent statutory reserve in the week ending on January 15 last instead of 5 per cent cash reserve requirement. And other scheduled banks are just maintaining the reserve ratio nearly 5 per cent.

CSO: 4220/7879

AUSTRALIA TO SUPPLY 70,000 TONS OF WHEAT

Dacca THE BANGLADESH OBSERVER in English 19 Feb 82 pp 1, 12

[Text] A memorandum of understanding between the government of Bangladesh and the government of Australia concerning Australian grant of 70,000 tonnes of wheat was signed in Dacca on Thursday, reports BSS.

Under this memorandum, the Australian government will supply 70,000 tonnes of wheat to Bangladesh as part of its food aid programme to Bangladesh for the year 1981-82.

Out of this 70,000 tonnes of wheat 30 per cent will be utilized for "Food for Works Programme and the rest will be available for the sale through the public distribution system.

The wheat is expected to be available for shipment in February, 1982 and the Ministry of Food will make necessary arrangement for shipment and distribution of wheat to be received under this grant.

Australia has been one of the major food donors to Bangladesh ever since ner independence, until June 1981. Bangladesh has received an amount of US dollar 96.5 million as food aid from the Australian government. This aid has come all in the form of grant. Besides food aid, Australia has also been providing project and commodity aid to Bangladesh.

The memorandum was signed by Mr. Mak Williams, High Commissioner of Australia in Bangladesh and Mr. Kazi Fazlur Rahman, Secretary, External Resources Division, Ministry of Finance, Government of Bangladesh on behalf of their respective governments.

CSO: 4220/7882

BRIEFS

TIES WITH PRC--Mirza Golam Hafiz, Speaker of the Jatiya Sangsad called China as a tesed friend with which 'our friendship will be everlasing' reports BSS. The Jatiya Sangsad Speaker was speaking at a dinner on Tuesday night arranged in honour of Mr Zhao Peng Fei First Deputy Mayor of Peking and members of his entourage. The function was attended by the Mayor of Dacca Mr Abdul Hasnat, MP Mr Li Shu Quing Ambassador of China in Bangladesh, commissioners of Dacca Municipal Corporation. Mirza Golam Hafiz who is also the President of the Bangladesh-China Friendship Society recalled the role played by the late President Ziaur Rahman in cementing the bond of friendship between Bangladesh and China which was being further consolidated with the exchange of visits between the two countries. [Text] [Dacca THE BANGLADESH TIMES in English 24 Feb 82 p 1]

AMBASSADOR TO CUBA--The Government have concurrently accredited Major-General K M Safiullah, at present High Commissioner for Bangladesh in Ottawa, as Ambassador to Cuba, says a PID handout. [Text] [Dacca THE NEW NATION in English 24 Feb 82 p 3]

LIBYAN VISITORS--A 4-Member team of Libyan People's Bureau led by its Dacca Office Secretary Mr Md Al Ayeb called on the Minister for Information, Broadcasting Sports Culture and Education Mr T. H. Khan at his office in Dacca on Thursday morning, reports BSS. They discussed the existing areas of cooperation in various fields specially on Islamic, educational and cultural affairs. The question of exchange of delegations in educational, religious and cultural fields also came up for discussion in the meeting. The team chief said that any proposal from this country relating to the expansion of Islamic education and culture would get due consideration from the Bureau and hoped that the collaboration in these fields would increase further. [Text] [Dacca THE BANGLADESH OBSERVER in English 19 Feb 82 p 12]

JUTE EXPORT FIGURES--Bangladesh Jute Mills Corporation (BJMC) has exported jute goods worth Taka 290.20 crore during the first half of the current fiscal year, according to a Press release of the BJMC on Wednesday, reports BSS. During the corresponding period of the last year the export earning of jute goods was Tk 282.14 crore. The BJMC produced 2,98,457 tons of jute goods between July and December 1981, an increase of 6.64 per cent over the corresponding period of the last financial year. The BJMC, during the last fiscal year, produced a record quantity of about 581 lakh tons of jute goods. If this trend on production continues the corporation will be able to produce over 600 tons of jute goods during the current financial year, the Press release added. [Text] [Dacca THE BANGLADESH TIMES in English 18 Feb 82 p 1]

ASIAN PRODUCTIVITY ORGANIZATION--Bangladesh has become a Member of the Asian Productivity Organisation (APO) from January this year, says PID handout. APO is an inter-Governmental regional organisation which aims at productivity promotion for accelerating economic development in the Asian region by mutual cooperation through propagating productivity knowledge techniques and experience in agriculture, industry and service sectors, head office of the APO is based at Tokyo. In this multinational forum for productivity promotion, Bangladesh Industrial Technical Assistance Centre (BITAC) will represent Bangladesh and act as the National Productivity Organisation (NPO). Other member countries are Republic of China, India, Japan. [Text] [Dacca THE BANGLADESH OBSERVER in English 11 Feb 82 p 1]

AMBASSADOR TO PHILLIPINES--Major General Moinul Hussain Chowdhury the first Ambassador of Bangladesh to the Philippines presented his credentials to President Marcos in Manila on February 8, reports BSS. Presenting the credentials Ambassador Chowdhury said that the establishment of resident missions in each other's capital would provide strong impetur to the ever-growing cooperation between the two countries. He described the state visit to the Philippines by the late President Ziaur Rahman as a landmark in the history of bilateral relations and manifestations of deep bonds of friendship and understanding between the two countries. Welcoming the new Ambassador President Marcos said that the opening of Resident Missions by the Philippines and Bangladesh in each other's capitals was a step forward in the growing bilateral relations. He also stressed the need for cooperation among the Third World countries. [Text] [Dacca THE BANGLADESH OBSERVER in English 16 Feb 82 p 12]

FOREIGN EXCHANGE SHORTAGE--Due to acute want shortage of foreign exchange, the government could not issue import licence for required amount in the first half of the current fiscal year of 1981-82. And this situation has consequently caused the government incur a huge loss in revenue earning from this source. According to a reliable source, the government had allocated Tk 550 crore for issuance of import licence in the current financial year. But actually the government had so far issued import licences worth taka 200 crore only in the last six months from July to December period. It may be mentioned here that foreign exchange reserve in the country has dwindled this year compared to last several years. So the amount for which the government has so far issued import licence is insignificant as far as country's needs go. [Text] [Dacca HOLIDAY in English 14 Feb 82 p 3]

CSO: 4220/7874

REPORTAGE ON FOREIGN MINISTER'S SOUTHEAST ASIA VISIT

DRV Talks, Press Conference

Calcutta THE SUNDAY STATESMAN in English 14 Feb 82 pp 1, 9

[Text] HANOI, Feb. 13.—India is to step up its assistance to Vietnam in economic and scientific and technical fields and sign a new trade protocol, report UNI and PTI.

The decisions emerged at a meeting the External Affairs Minister, Mr P. V. Narasimha Rao, had with the Vietnamese Prime Minister, Mr Pham Van Dong, on the second day of his visit here. Experts of the two countries would meet shortly to finalize arrangements for wider cooperation in the fields.

Mr Pham is said to have made a specific request for greater facilities for training Vietnamese in Indian educational and technical institutions.

India expressed its willingness to help resolve the issues that had generated tensions in South-East Asia but made it clear that it was not offering any specific effort or initiative.

Mr Pham emphasized that India had a very important role in solving problems in the region and ensuring peace.

Mr Rao concluded his talks with Vietnamese leaders this evening with a call on the Head of the State, Mr Truong Chinh. He held extensive discussions with his counterpart, Mr Nguyen Co Thach, spread over two rounds when they covered the situation in their respective regions and bilateral matters.

The Kampuchean question is believed to have come up prominently in the talks between the two Foreign Ministers, with Mr Nguyen explaining the reasons for the Vietnamese presence there. He is believed to have said that the stage of the withdrawal of troops from Kampuchea had not yet been reached.

He is also understood to have apprised Mr Rao of the Chinese "aggressive", postures against Vietnam. "Vietnam does not foresee any lessening of tensions with China in the immediate future", Mr Nguyen added.

At a joint Press conference with the Vietnamese Foreign Minister, Mr Rao said tonight that the results of his visit here had been gratifying and mutually useful.

Asked what India could do to help ensure lasting peace in South-East Asia, Mr Rao emphasized India's belief that outstanding problems could be resolved through dialogue and negotiations. Unfortunately interference by outside Powers and other factors led to escalation of tensions in various parts of the world.

Solution of problems, he said, lay in peaceful coexistence and settlement of disputes by negotiations. In this part of the world issues could be resolved only along these lines.

He had no doubt that if an occasion arose India would help, Mr Rao said, "to the extent possible", in resolving the issues. He was not offering any effort or initiative at the moment but India wished to be helpful in general.

Answering a question on Sino-Indian talks to resolve the border and other disputes, Mr Rao explained the background of the relations that have remained strained for two decades till Mrs Gandhi began the process of normalization in 1976 by appointing an Ambassador to Beijing.

The process had since then started slowly and last year the Chinese Foreign Minister, Mr Huang Hua, had visited India. During his discussions with the Indian leaders both countries had agreed that the border question was central to Sino-Indian relations.

The External Affairs Minister said that official level talks in Beijing recently had helped both the side state their positions. Further steps were being examined in pursuance of results of these talks and appropriate decisions will be taken shortly.

Mr Rao reiterated that India's relations with one country would never be at the expense of ties with another. India sought friendly relations with all countries on that basis.

On Indo-Pakistani talks for a non-aggression pact, Mr Rao told a questioner that recently he and his Pakistani counterpart, Mr Agha Shahi, had discussed the issue in a cordial atmosphere. The talks would soon be continued at the level of Foreign Secretaries.

While he could not say anything definite about the outcome of the Indo-Pakistani dialogue, Mr Rao said India was hopeful.

The External Affairs Minister said that during his talks here India and Vietnam had agreed on the need for peace and tranquility in their respective regions. They had re-affirmed their agreement with the declaration of the Foreign Ministers of non-aligned countries at New Delhi last year.

India and Vietnam would keep in touch and consult each other on matters of mutual interest from time to time, Mr Rao said. He invited Mr Ngyuen to visit India.

Mr Rao told a questioner that a conference on the Indian Ocean as a zone of peace would possibly be held next year.

He was confident that efforts by India and Vietnam as well as other countries in Asia would lead to lasting peace and tranquility in the region.

While Mr Rao termed his discussions here as "purposeful, meaningful and useful," Mr Nguyen said that these would make a contribution to peace in Asia in general and South-East Asia in particular.

Mr Rao leaves for Ho Chi Minh city tomorrow.

Meeting With Kampuchea

Calcutta THE STATESMAN in English 14 Feb 82 p 1

[Text]

HANOI, Feb. 14.—The Kampuchean Foreign Minister, Mr Hun Sen, today explained the situation in his country to the External Affairs Minister, Mr Narasimha Rao, during a meeting held here at his initiative, reports PTI.

Mr Hun Sen, who stopped over here on his way back from Paris and sought a meeting with Mr Rao, is understood to have mentioned to the Indian Minister the problems that are likely to come up at the non-aligned summit to be held at Baghdad in September. These could include the issue of Kampuchea's representation.

Mr Hun Sen told Mr Rao about the forthcoming meeting of the Foreign Ministers of Vietnam, Kampuchea and Laos to be held in Vientiane, where the complex situation in Indochina is to be discussed. Relations between the Indochinese States and ASEAN will be among the topics.

An Indian official spokesman said today that the two Foreign Ministers had discussed bilateral matters, especially economic cooperation. There were possibilities of cooperation on the basis of the report by an Indian team led by the former member of the Planning Commission, Mr G. V. K. Rao, which visited Kampuchea recently.

During the talks between Mr Rao and the Vietnamese Prime Minister and Foreign Minister yesterday both sides discussed measures to further the forthcoming non-aligned summit and the South-South summit in New Delhi. Vietnam has agreed to send one of its Vice-Ministers to the conference.

More on Hanoi Press Conference

New Delhi PATRIOT in English 15 Feb 82 pp 1, 7

[Text] Hanoi, Feb. 14 (UNI). External Affairs Minister, P. V. Narasimha Rao has assured Vietnam that India's efforts to normalise relations with China would not come in the way of Indo-Vietnamese friendship or affect its ties with any of its neighbours.

Addressing a joint press conference with Vietnamese Foreign Minister Nguyen Co Thach at the end of this two-day talks, Mr Rao told a questioner that India was trying to settle its border question with China. He said during Chinese Foreign Minister Huang Hua's visit to New Delhi last year India had broached the question of border which "is central to our relations."

He said in pursuance of this desire to resolve the border question India had sent an official level delegation to Beijing last October.

Mr Rao said during the wide ranging discussions with Mr Hua and the official level talks the two sides stated their respective positions. He said "appropriate decisions would be taken shortly."

Mr Rao said "we have made it clear that our relations with one country are not at the expense of our friendship with other countries. It is on this basis that we seek to maintain friendly relations with all our neighbours."

Answering another question on the recent ministerial level talks in New Delhi between India and Pakistan on the proposed non-aggression pact, Mr Rao said it was difficult to say what the outcome would be. However, he added that his talks with Pakistan Foreign Minister Agha Shahi were cordial and frank and "we are hopeful". He said the matter was being pursued further at official level in Islamabad early next month.

Asked how did he visualise the relations between the Indo-Chinese states and the ASEAN countries, Mr Rao said India always believed in a dialogue and a negotiated settlement of all outstanding problems. Unfortunately interferences from outside powers and certain other factors were escalating tensions in some regions, including this area.

Replying to a question on the latest situation in Southeast Asia Mr Rao said that India was not trying in any way to either mediate or take any initiative to resolve disputes. He said during his current visit to Hanoi and his forthcoming visit to Thailand he was not offering any mediation. India, however, would be always happy in helping to resolve issues, he added.

Mr Rao expressed the confidence that efforts being made by the countries of South Asia and Southeast Asia would lead to lasting peace and a tranquil environment which was badly needed at this time.

Earlier, Vietnamese Foreign Minister Nguyen Co Thach said India made a major contribution to peace and stability in Asia. He said the Government of Vietnam was very satisfied with the outcome of Mr Rao's visit which he said marked a turning point in the Indo-Vietnamese relations.

Mr Rao reciprocated the sentiments and recalled the foundations for the Indo-Vietnamese friendly relations were laid by Jawaharlal Nehru and Ho Chi Minh. He said a quick follow up action would be taken on all the decisions taken to expand and diversify Indo-Vietnamese bilateral economic and technical cooperation.

He said Mr G.V.K. Rao, a top economist who led a delegation to the Indo-Chinese states recently, would soon submit a detailed report on new patterns of economic cooperation between India and Vietnam, Laos and Kampuchea.

More Aid Pledged

India decided to step up its assistance to Vietnam in economic scientific and technical fields, and will sign a new trade Protocol.

The decisions emerged at a meeting the External Affairs Minister had with Vietnam Prime Minister Pham Van Dong.

Report on Joint Statement

New Delhi PATRIOT in English 16 Feb 82 pp 1, 7

[Article by Cecil Victor: "India, Vietnam Decry Foreign Interference"]

[Text] Ho Chi Minh City, Feb. 15. India and Vietnam have decided to work for the elimination of the threats of foreign intervention in Southeast Asia stressing dialogues as a means of ending existing problems.

The joint statement issued at the end of External Affairs Minister P.V. Narasimha Rao's four-day of talks with Vietnamese leaders underscores the

commonality of views between the two countries on matters affecting their two regions.

In the sphere of bilateral economic relations, the joint statement indicated that officials of the two countries would meet annually to dovetail Vietnamese requirements with Indian technical capabilities.

Throughout Mr Rao's visit Vietnamese leaders--Prime Minister Pham Van Dong, Foreign Miniser Nguyen Co Thach and Vice-Premier Vo Nguyen Giap--took pains to stress India's paramount position in South and Southeast Asia and Vietnam's eagerness to take advantage of the Indian experience in agriculture industry and science and technology.

They have said that the cooperation with India would be upgraded to a position second only to Comecon, which is a measure of the high esteem in which Vietnam holds India and a recognition of its ability to lead developing countries to a fruition of the non-aligned nations desire to increase mutual cooperation to mutual benefit.

Time and again the stress has been on the paramount position of India and the desire to learn from India's experiences. On regional issues the Vietnamese leaders feel that India can contribute tremendously towards resolution of tensions in South East Asia just as it is trying to do in South Asia.

Dialogues

Though Mr Rao made it clear at the joint press conference in Hanoi that India did not intend to take any initiative toward promoting dialogues between Vietnam and Thailand or other members of ASEAN, the Indian view that such dialogues are the only way of resolving disputes will nevertheless be conveyed to ASEAN in the quiet diplomacy that is continuing for the elimination of tensions in the region.

The feeling in Vietnam is that so long as there is a convergence of the ambitions of China and the US in the region tensions will remain. However, there are hopeful elements in the relations between the Indochina states of Vietnam, Laos, Kampuchea and Thailand on the one hand and these states and ASEAN on the other, that could eventually lead to a reduction of tensions. The Vietnamese leaders have told Mr Rao that they intend to do every thing they can to allay ASEAN and Thailand fears but they will always keep in mind the historical nature of developments in the region.

They believe that time is on the side of the Indochina states and they intend to spend the time beneficially to develop their industrial infrastructure with India's assistance by moving away from the ad hoc nature of past cooperation to long-term planned growth.

The 11-paragraph statement is based on extensive talks, Mr Rao had with Vietnamese counterpart, Nguyen Co Thach and other leaders on the situation in the region, including Kampuchean question. But it makes a one-para reference to south-East Asia without any direct reference to Kampuchea or to Chinese postures which Vietnamese leaders had dubbed hostile during the talks.

In an apparent reference to Indo-Pakistan dialogue, the statement spoke of satisfaction of both countries at "recent efforts to improve and strengthen relations among countries of South Asia."

India and Vietnam re-affirmed their adherence to non-alignment and to the principles of peaceful coexistence. They hoped meetings of non-aligned movement during the current year would make major peace and stability in the world.

Mr Rao's discussions were held in an atmosphere of friendship and mutual understanding covering a wide range of international, regional and bilateral matters, the statement said.

The two countries, it said, had decided to further expand and strengthen existing bilateral cooperation in various fields. It was decided that their officials should meet annually to exchange views on important international developments and to review progress in bilateral cooperation.

Mr Rao has invited his Vietnamese counterpart Nguyen Co Thach to visit India. The invitation has been accepted.

Rao in Bangkok

New Delhi PATRIOT in English 16 Feb 82 pp 1, 7

[Text] Bangkok, Feb 15 (PTD) Thailand and Vietnam, which have strong differences on the Kampuchean issue, have both told India of their desire for a regional solution to the impasse free from outside intervention.

The basic elements of such a solution are, however, not yet clear. While stress on a regional approach is seen by diplomatic observers as encouraging, parties concerned with Kampuchean issue will have to cover a lot of ground before a solution can emerge.

External Affairs Minister Narasimha Rao, who arrived here today, after a trip to Vietnam exchanged views in great detail with his Thai counterpart Air Chief Marshal Siddi Savetsila covering bilateral matters and situation in the region including Kampuchean problem.

Mr Rao told Thai Minister that India had noted that his country was seeking a regional solution to the problem. India welcomed this and other efforts in a similar direction.

Earlier in a joint statement issued at the end of Mr Rao's four-day visit, India and Vietnam called for a negotiated settlement of problems affecting peace and stability in Southeast Asia. Both countries deplored foreign intervention threats.

Four Principles

During his 75 minutes talks with Mr Rao here Air Chief Marshal Savetsila mentioned four principles on which Thailand wanted a solution to Kampuchean issue. The first of these is withdrawal of Vietnamese troops from Kampuchea.

On arrival here, Mr Rao made it clear to Thai press that India was not thinking of any specific role in resolving issues confronting the region. A solution had to come from within the region but friendly countries like India could help in a general way, he said.

The Thai Minister told Mr Rao that ASEAN posed no threat to Vietnam and it was prepared to join Vietnam in finding solution to protect region from outside threat in future.

Another point stressed by Thai Minister was that his country would like to work for a future government in Kampuchea that would pose no threat to any nation. Lastly any future government in Kampuchea had to be acceptable to all countries of the region.

Mr Rao described his talks with the Thai Minister as valuable and said these had given him a deeper understanding of Thai viewpoint and perceptions. The Thai Minister found the talks excellent and useful.

Air Chief Marshal Savetsila accepted Mr Rao's invitation to visit India to continue his discussions with the Indian side.

Later speaking at a dinner in his honour by the Thai Foreign Minister, Mr Rao stated that "India stands for any constructive action leading to a defusion of tensions and promotion of a viable solution."

He said unfortunately tensions had heightened "endangering regions of immediate concern to us both--India and Thailand." He said India believed that these tensions were polarising and "Asia needed to be relaxed."

At the talks the Thai side explained in great detail its position on the Kampuchean issue.

Mr Siddhi, summing up his government's stand, made four points.

He said first, Vietnamese troops should withdraw from Kampuchea. ASEAN countries posed no threat to Vietnam and was prepared to join Vietnam in finding a solution that would protect this region in future from any outside threat.

Thirdly, Mr Siddhi said it should be ensured that any future government in Kampuchea would pose no threat to any other country in the region and lastly, Thailand also wanted that any future government in Kampuchea has to be acceptable to all countries of this region.

However, when Siddhi pointed out that Thailand was seeking a regional solution to this problem, Mr Rao responded by saying that India would welcome this and any efforts in this direction.

After this Mr Rao apprised him of his talks with the Vietnamese and how they view the whole situation.

Mr Rao also briefly mentioned the gist of his talks with Kampuchean Foreign Minister Hun Sen in Hanoi two days ago.

Mr Rao explained to the Thai leader how India was trying to resolve the border question with China and improve its relations with Pakistan.

Significant

The Thai side attached considerable importance to the talks with Mr Rao since he was coming here from Hanoi, Mr Siddhi said he found the exchange of views with Mr Rao "excellent and very useful" and agreed to continue the discussions.

On the bilateral front the Thai side wanted the number of joint ventures with India to be increased from the present ten. Thailand has found these joint ventures very successful.

The Thai side also expressed a desire to promote trade with India and wanted the trade balance to be corrected in their favour. The two countries had a trade turnover of 100 million dollars during the first nine months of last year.

Mr Rao offered to correct the imbalance in trade in consultation with the Ministry of Commerce in New Delhi.

Thailand has also agreed in principle to consider an Indian proposal for an Indo-Thai agreement on science and technology.

Mr Rao will call on Thai Deputy Prime Minister Thanat Khoman tomorrow and continue his discussions. He would return to New Delhi tomorrow night.

Mr Rao was assisted in his talks by Mr Eric Gonsalves, Secretary (East), Ambassador Ashok B. Gokhale, Mr Kiran Doshi, joint secretary and Mr Mani Shankar Iyer, joint secretary, both in the External Affairs Ministry.

More on Bangkok Talks

New Delhi PATRIOT in English 17 Feb 82 p 1

[Article by Cecil Victor: "Thailand Not Averse to Neutral Kampuchea"]

[Text] Bangkok, Feb 16--Thailand sounded agreeable to a neutral status for Kampuchea as had existed after the 1954 Geneva Talks on Indo-China, on the eve of discussions between Vietnam, Laos and Kampuchea to begin in Vientiane shortly.

This could be amply gleaned from the Thai leaders talks with External Affairs Minister P.V. Narasimha Rao whose visit to Bangkok ended today.

Thailand Foreign Minister Siddhi Saratshila during his exhaustive review on Thailand's perception of the Kampuchean situation stressed what could be

termed a key element of his countrys' position on Kampuchea, such as withdrawal of Vietnamese troops from Kampuchea; no ASEAN threat to Vietnam; and Thailand's willingness to join Vietnam in finding a solution that would protect the region from any future threat from outside.

Further, Thailand would like to work towards a future Covernment in Kampuchea which would pose no threat to any other country in the region. Any future Government in Kampuchea has to be acceptable to all the other countries of the region.

During Mr Rao's talks with the Deputy Prime Minister Thanat Khoman the latter said his country was ready to have any fruitful dialogue. The Thai leader recalled India's role in bringing peace and stability to this part of the world when he specifically mentioned the 1954 Geneva Conference and India's role as chairman of the International Control and Supervision Commission on Indo-China.

Before his departure for Delhi Mr Narasimha Rao, addressing a news conference, said he was encouraged to note that the leaders of the two countries favoured a regional approach to the Kampuchean issue and desired peace and stability in the region, adds UNI.

Mr Rao said there were hopeful signs of a "positive situation" emerging in which a solution to the liking of all could be found.

He described as "a thing of the past" Indo-Thai difference over certain issues affecting the Southeast Asian region, Mr Rao declared that India would be glad to make any contribution to help evolve a political solution to the Kampuchean problem but made it clear that we are not arrogating to ourself any specific role.

There had been an unmistakable impression during his discussions in Hanoi and Bangkok that "on both sides there is a desire for peace" and to settle the Kampuchea problem in the regional context, he added.

CSO: 4220/7855

ANALYST DEPLORES EFFECTS OF POWER POLITICS

Madras THE HINDU in English 14 Feb 82 p 2

[From "The Nation" column by G. K. Reddy: "Super Executive and Supine C.Ms."]

[Text] IT is often said that, in the final analysis, only three persons count in India—the Prime Minister, the Chief Minister of a State and the Collector of a district. The primacy of the Prime Minister has remained unaffected all these years except during the Janata interregnum, but the prestige of the Chief Ministers has suffered considerably in the last decade. The Collectors, who fly the flag and represent the Government in their respective districts, have by and large been compelled to function as pro-consuls of the ruling party and rendered ineffective in many States.

The concept of power, whether it is for positive or punitive purposes, varies from country to country and from society to society, depending on the stage of its political maturity, economic development and social evolution. There are no uniform norms or established traditions that are equally applicable to all countries and all systems. The result is that even in elective democracies, not to speak of dictatorships, those in power tend to resort to double standards for rewarding sycophancy, stamping out dissent or disapproving criticism.

Vagaries of patronage

This is not something peculiar to developing countries that are subjected to pressures of rising expectations. Even affluent societies like the United States are no less susceptible to the vagaries of political patronage and personal predilections. The world's two largest democracies share many common weaknesses in their uses and misuses of power with all the built-in checks and balances of their systems. The excessive concentration of power in the hands of single super executives had tended to impair rather than improve the functioning of government.

It has tended to inhibit initiative at various levels, exposing both politicians and civil servants to the hazards of individual likes and dislikes, and highly personalised styles of dispensation of patronage and enforcement of discipline. The damage is often done before an President or Prime Minister realises the limitations of political power even in the best of circumstances.

It is not always possible to inspire one's followers and infuse a sense of mission into them, if the accent is on isolating one's opponents and punishing those that dare to question the wisdom of one's decisions or validity of one's actions. A head of a government has to learn the hard way to tolerate dissent and respect criticism by rendering oneself more accountable for the overall performance of the administration.

Overriding authority

The Prime Minister of India is no less powerful than the President of the U.S. in terms of executive authority for laying down policies and implementing them according to one's own lights. Apart from cracking the whip of party discipline, the Damocles sword of President's rule can be used to topple an arrogant or incompetent Chief Minister and install a more competent or pliable person in his place.

The U.S. President has no such over-riding authority to get rid of elected Governors of States even when they engage in running controversies with the Federal Government. An Indian Prime Minister has the additional advantage of controlling Parliament with the majority of the ruling party, without having to cajole Congress all the time as in the U.S. to get through essential legislation.

But unfortunately the Indian dispensation has been running into rough weather, largely because of the incapacity of those in authority to rise above the rut of party politics and use political power for more creative purposes than justifying their continuance in office. The doctrine of power for power's sake has led to a rapid decline, and in some cases even to a near collapse, in the quality of government leading to a near breakdown of authority in several States, especially in the northern region.

Dacoits hold darbars

The recent policy of halting the politicisation of senior postings and promotions has helped to restore some degree of administrative efficiency at the Centre, but the Chief Ministers continue to play havoc with the services. The District Collectors in many States have been reduced to the level of either passive dispensers of patronage at the behest of their political masters or pitiable symbols of a badly run-down administrative system that has lost all its relevance.

The near breakdown is more painfully evident in Uttar Pradesh, the largest State with a population of over 90 million , where crores and crores of rupees are being spent on anti-dacoit operations. Yet the top dacoits with their political connections feel safe enough to hold durbars openly in the villages to demonstrate their utter contempt for the authority of government.

The notorious gang leaders responsible for hundreds of murders, robberies and loot have been accusing the State Government of bad faith, in press interviews and at rural durbars, in not accepting their pleas for ceasefire honourable surrender with amnesty and establishment of zones of peace to avoid further encounters with the police.

A supine State Government has not been able to do much to call this no-war bluff and bring these dacoits to heel and make them face the consequences of their murderous rampages. There have been serious allegations that a good many of those caught up in the police cross-fire and killed in the anti-dacoity operations are innocent persons. The hard-pressed Chief Minister has not been able to offer satisfactory data to rebut these charges.

The present chaotic conditions in some of the northern States, where people feel insecure to travel by bus or train, are only a culmination of the steady deterioration in the quality of local administration. After the first Congress split, the Prime Minister systematically downgraded the Chief Ministers to prevent them from functioning as independent power centres again.

This policy logically led to the progressive elimination of the party stalwarts and their replacement by political light-weights who were totally dependent on continued patronage from Delhi. The deadening impact of the rapid run-down of the administration was felt much more at the district level than in the Secretariats of the State Governments.

The parody in Kerala, where the Congress (I)-led coalition has managed to survive the very first test of its strength in the Assembly with the help of the Speaker's casting vote, is a shocking example of how the ruling party with a strength of only 17 seats of its own in a House of 140 has been allowed by the Governor to form a government under instructions from Delhi.

The Central leadership has not crowned itself with glory by dragging its feet for months over the Antulay affair, until the Bombay High Court judgment clinched the issue. The indiscriminate fund collections at all levels has not only brought the country's political system into utter disrepute, but made the task of restoration of the missing moral values almost impossible in the prevailing permissive atmosphere.

It is not a cry of despair, or a sign of defeatism, if well-meaning critics ask where does the country go from here. The sad part of it all is that the process of change in the States has not been leading to a progressive improvement in the calibre of leadership or quality of administration, however slow and slovenly the pace of it. On the contrary, the remedy in many cases has proved to be more damaging than the malaise with less and less competent men being catapulted into positions of power on purely subjective considerations with utter disregard for public opinion.

Anjiah episode

The Anjiah episode in Andhra Pradesh has to be viewed against this dismal background to realise that the inadequacies of his leadership are not a startling discovery by those who had installed him in power in the first place. But the shabby manner in which he has been singled out for harsh treatment, when there are several other Chief Ministers who deserve to be replaced befor him, has earned him a lot of sympathy in Delhi.

And if an early poll in Andhra Pradesh is an easy way out of this tangled situation, it would be more logical for the Central leadership to opt for a mid-term poll in all the Congress (I)-run States to clear up all the accumulated cobwebs of dishonesty and incompetence in one grand sweep to make way for a better breed of men to rule them.

CSO: 4220/7850

REPORT ON GANDHI 16 FEB SPEECH IN CALCUTTA

New Delhi PATRIOT in English 17 Feb 82 pp 1, 7

[Text] Calcutta, Feb 16. Assuring that West Bengal will have elections and dismissing any idea of imposing president's rule, Prime Minister Indira Gandhi said today the Left Front government will run its full term.

"We certainly do not want to postpone the election," she said during the 45-minute question-answer session with newsmen at Raj Bhavan.

It was for the Election Commission to decide on the date of election and the Congress-I was ready to face the CPI-M led Front, she said.

Addressing a mammoth public meeting at the Brigade Parade Ground, the last engagement in her seven-hour visit to the city, Mrs Gandhi said she had come not to criticise scrutinise or topple, the Government.

Mrs Gandhi returned to the Capital later in the night.

Observing that the question of election and fears about President's Rule seemed to haunt many--it was in the air the moment she arrived here--Mrs Gandhi wondered at the press conference why everyone seemed to be obsessed with such thoughts expressed often, by the Left Front Ministry, the press and the ruling party.

"Is it done because of guilty feelings?" she asked.

The political situation and industrial climate in the State, law and order 'no-war' pact with Pakistan, China's alleged interference in the Northeast, the IMF loan and the revitalised 20 point economic programme figured in the press conference.

At the public meeting organised by the State unit of the Congress-I, Mrs Gandhi warned of the twin threat to the country's defence arms mobilisation by a neighbouring country and big-power rivalry in the area.

"We are not much worried" about the arms build-up, she said though not mentioning Pakistan by name. But the rivalry of super powers--the greatest danger came from a war climate generated--might affect national security. There was a threat of war but it could not be said where it would tak· place.

In a sharp reaction to the Marxist rule in the State, Mrs Gandhi said while the Marxists accused her of being authoritarian, they were doing certain things which were nothing short of authoritarianism. They always tried to "pick up quarrels" with the Centre. Industrialists, who had met her had spoken of shifting their units, obviously since they found "things difficult here."

At the press conference, Mrs Gandhi said India always wanted to establish peaceful friendly relations with Pakistan without neglecting for a moment the need to remain ready for any eventuality.

The Prime Minister reacted sharply to the CP-M charge that she was compromising with imperialism. If she had compromised with imperialists they would not have attacked her, she said.

She said they were not attacking the CP-M. "In fact, they are supporting the CP-M." She also said the CP-M on its part was trying to ally itself with the BJP, which, according to its own characterisation, represented right-wing and pro-imperialism.

She said, there were some forces which would try to increase tension between India and Pakistan. She did not identify the forces.

She said, according to reports available with her, the law and order situation in West Bengal was worse than any other State in the country. She admitted the Bihar situation was also bad, but not worse than West Bengal's.

"It is unfortunate that the Left Front Government in West Bengal does not cooperate with the Centre in the constitutional functioning of the Indian polity." But she was not thinking in terms of any action against the Front Government, which should fulfill its terms, she said.

Regarding the charge that the Congress-I was trying to foil the election in the State, Mrs Gandhi said, "her party does want the election to be held in the state, but on the basis of a correct voters' list." She wanted the voters' list to be correct, but added, "this is a matter to be looked into by the Election Commission."

The Prime Minister expressed her concern over the reported influx of Bangladesh nationals into India. She said that the Central Government was maintaining contact with the West Bengal Government on the issue.

Replying to a question, Mrs Gandhi said, her party had been trying to restrain partymen, particularly in Kerala and West Bengal, from doing what they wanted to do in meeting the challenge of the CP-M's interference with democratic political life.

She had heard many complaints about the CP-M interference in educational affairs, in the matter of health services and other such issues, she added.

Leadership

At the meeting, she called upon the people to stand united in the face of the challenges the country is facing in its attempt to move towards a society based on socialism.

Calling for a national consensus on the vital national issues, Mrs Gandhi said, she has been trying to get the cooperation of all political parties for reaching such a consensus, but she is not getting it.

Mrs Gandhi asserted that India does not care for what the IMF conditions might be. The country is firm on the policy of attaining self-reliance, the policy which has been approved by the Parliament.

Mrs Gandhi denied she is a dictator and said the CPI-M which shouts so much about her dictatorship is actually pursuing dictatorial policies in West Bengal. They behave as if other political parties do not have the right to exist, she charged.

Mrs Gandhi paid glowing tributes to Bengal and its tradition of culture, its contributions to literature, music, poetry, art and to India's struggle for freedom.

She said, the people of West Bengal are good, but they have to suffer because of the lack of leadership. She said, it is unheard that a government itself calls for strikes and bandhs. This happens in West Bengal.

She said she heard from some industrialists that the industry here is in a bad shape. It is for the people of the State to set things right, she suggested.

Earlier the Prime Minister met a number of educationists who, under the leadership of Dr Satyendra Nath Sen, former Vice-Chancellor of the Calcutta University, submitted a memorandum to her. The memorandum demanded transfer of university education to the Concurrent List and said otherwise educational institutions would suffer due to political interferences.

Mrs Gandhi also met a deputation from the Indian Medical Association and received a memorandum which said the State Government is trying to bring post graduate medical education under the government department, instead of the university.

CSO: 4220/7857

GANDHI INTERVIEWED BY SWEDISH TV CORRESPONDENT

New Delhi PATRIOT in English 15 Feb 82 p 7

[Text] Prime Minister Indira Gandhi has accused the press in India of functioning as the Opposition, reports PTI.

"It is not functioning as a free press," the Prime Minister said in an interview to Mr Herman Lindqvist, Asia correspondent of the Swedish Television.

Reacting sharply to negative reporting, Mrs Gandhi said "the press is the Opposition in India ...what is called the national press. They lead the Opposition. It is not just reporting...their reporting is absolutely baseless," she said.

Stating that the press was biased, Mrs Gandhi said the press was also against her father, Pandit Jawaharlal Nehru.

"For a country which is trying to pick itself up from such a tremendous trauma of having undergone the colonial rule, cynicism and pessimism is very close to crime," she said.

The Prime Minister said she wanted the press to project the correct picture. "We don't want to hide our faults or what is wrong. But they (press) don't admit that anything good has happened," she said. The press, she noted, always picked out something bad and quoted somebody, who had said that such thing had happened.

That is why the people are not bothered," Mrs Gandhi stated and asked whether a free press should not reflect the feeling of the people.

"But what the press says has no connections with what public feels. They are still supporting other parties (Opposition), but people are not supporting those parties," the Prime Minister said.

Mrs Gandhi said the Swedish press was also very much against her. "It had written some ghastly things against me. People wrote to me to say sorry and that the press is like that," she said.

Partnership

Asked whether it was possible to rule with the current Westminsters type of democracy in the country and whether the presidential type of system was being considered, the Prime Minister said "whether you have a president or a prime minister, India can only function as a democracy."

She said she did not think of ruling India. "I think of partnership. We try to involve the people in what we are trying to do and we can only succeed in it if the people are with us in doing that," she said.

"You can't force an Indian to do anything," she said. Asked whether government was enacting measures to restrict trade union movements, the Prime Minister said "we are not restricting anything. We only restrict particular type of strikes in certain essential services."

She said strikes in those services were called not because of workers' demands but because of demands of politicians, who happened to be presidents or secretaries of certain unions. "They are not concerned with the workers welfare," she stated.

Denying that government had imposed any curbs on genuine trade union movements, Mrs Gandhi said "the curbs are imposed where the freedom is converted into a licence." Wherever there were genuine grievances, she said, there were "bodies" to sort them out.

"None of the workers have expressed any apprehensions about the legislation enacted by the government. It is only the political leaders, she said.

Problems

Asked how the government proposed to tackle various problems facing the nation, Mrs Gandhi said "we find people who have less population and less problems seemed to be much more worried about their problems." More than the size of the population and the size of the country. "It is very much one's attitude of the mind" she said.

"Today also our problems are gigantic. We are solving them. Many problems have been solved. The country has achieved self-sufficiency in food. At the same time we don't want our population to keep growing" she said.

CSO: 4220/7856

REPORT ON SWEDISH INTERVIEW WITH INDIRA GANDHI

'TIMES OF INDIA' Report

Bombay THE TIMES OF INDIA in English 13 Feb 82 pp 1, 9

[Text] NEW DELHI, February 12 (UNI).

THE Prime Minister, Mrs. Indira Gandhi, has said that it is for Pakistan to accept India's offer of a friendship treaty.

In an interview with Swedish journalists here, Mrs. Gandhi said that only on the basis of friendship, understanding and co-operation could problems be resolved between the two countries.

In this context, she welcomed the recent ministerial-level talks with Pakistan on non-aggression pact and other issues.

Recalling that India was the first to make a no-war pact offer to Pakistan, Mrs. Gandhi said that her government had similarly taken an initiative for the normalisation of relations with China too. That led to the exchange of ambassadors between India and China.

On the acquisition of sophisticated weaponry by Pakistan from the United tSates and other sources, Mrs. Gandhi said India had apprehensions that the arms would be used against this country.

"It is clear that Pakistan is not going to use these against anybody else," Mrs. Gandhi said.

Mrs. Gandhi said Pakistan had made it celar to the Soviet Union that it was not all that foolish to take on the Soviets.

Considering all these factors, Mrs. Gandhi asked, "whom is Pakistan going to fight?"

Mrs. Gandhi said India recognised the fact that Pakistan was a small country. "We are not afraid of them."

Expressing herself strongly against any war, Mrs. Gandhi said "war means people dying even if it is a localised affair."

She expressed India's firm resolve in creating an atmosphere of cordiality and mutual trust for resolving problems between the two countries.

Mrs. Gandhi said India always wanted its neighbours to be strong because one could not foresee what a weak neighbour would do.

The Prime Minister was asked which of the two super-powers — the United States or the Soviet Union — posed a greaetr threat to world peace.

Mrs. Gandhi replied that the threat to world peace was not from any one power or another but from "this atmosphere of confrontation and the arms race which has gathered momentum." She warned that in this atmosphere, an explosion was bound to take place.

The second danger to global peace arose from economic disparities between countries.

"I mean, if you have very poor countries and very rich countries, it is going to lead to trouble", Mrs. Gandhi asserted.

To a pointed question about the U.S., Mrs. Gandhi said their ideas differed from that of India's.

She regretetd that India did not form part of the global strategy of the U.S. "The United States think they do not need to consider India."

Mrs. Gandhi was categorical that India could not be ignored when one thought of peace in this region which "is relevant to global peace."

On assistance from the U.S., Mrs. Gandhi said India first approached the U.S. and some other Western countries for help in building the country's infrastructure. They refused. The U.S. said it would help the private sector but not the state sector.

It was then that India approached the Soviet Union which "helped us at a time when nobody had done so."

Asked for her reaction to a Soviet submarine being grounded in Sweden's territorial waters, Mrs. Gandhi said "nobody has any business in another's territorial waters."

However, she added, that according to the Soviets, the submarine had strayed into Swedish waters by mistake.

Mrs. Gandhi said Sweden's aid policy was far more enlightened than that of other European countries.

Remarks on Tarapur Agreement

Madras THE HINDU in English 13 Feb 82 p 6

[Text]

NEW DELHI, February 12.

A PRODUCTION target of 6.47 million tonnes of saleable steel has been fixed for SAIL plants for 1982-83 against the anticipated production of 5.7 million tonnes during the current year.

In terms of utilisation of rated capacity, it would mean an improvement from 78 per cent this year to 90 per cent in 1982-83. TISCO has promised to produce 1.55 million tonnes of saleable steel during 1982-83.

Disclosing this here today at a meeting of the consultative committee attached to his ministry, the Union minister for industry, steel and mines, Mr. N. D. Tiwari, said that realisation of these targets would depend upon adequate infrastructural support in terms of raw material, power and rail movement.

Reporting the continuing upward trend in steel production, Mr. Tiwari said during April 1981—January 1982, integrated steel plants produced 7.08 million tonnes of ingot steel and 5.9 million tonnes of saleable steel compared to production of 5.91 million tonnes of ingot steel and 4.97 million tonnes of saleable steel in the corresponding period of the preceding year. This represents an increase of about 20 per cent for ingot steel and 19 per cent for saleable steel.

The performance of public sector steel plants has been quite encouraging. During the period under review, SAIL plants produced 5.46 million tonnes of ingot steel and 4.59 million tonnes of saleable steel compared to the production of 4.37 million tonnes of ingot steel and 3.7 million tonnes of saleable during the corresponding period of the previous year. This represents a growth rate of 25 per cent for ingot steel and 24 per cent for saleable steel.

It is estimated that SAIL plants would produce 5.7 million tonnes of saleable steel during this financial year.

The production performance in the current year is expected to be better than the best of the performances of 5.43 million tonnes of saleable steel in 1976-77. The minister reported improvement in pig iron production also in the last four months. Public sector plants produced 0.43 million tonnes of pig iron during October 1981—January 1982 as compared to the production of 0.41 million tonnes in the preceding year.

Regarding distribution policy of steel, Mr. Tiwari said that existing guidelines had been relaxed. The joint plant committee distribution procedure continues to apply in respect of plates, structurals and pig iron only. For distribution of items other than these items, a new system for registration of demand with and supply from main producers and their stockyards for different groups of customers had been introduced. Special provisions had been made for compact groups of industries like re-rollers, forging units, wire-drawing units, bright bar manufacturers and other industries.

The members were told that construction work on the Visakhapatnam steel project was started on January 23. Mr. Tiwari announced the government approval to set up two slag cement plants — one of 0.935 million tonne a year in Chhitari-Bhilai area and the other of 0.735 million tonne a year at Rourkela with Central clinkerisation unit at Chhitari. These two units will be of great help in improving utilisation of slag of steel plants and also increase cement availability for the country.

CSO: 4220/7846

INDIAN RADIO REPORTS HIGHLIGHTS OF 1982-83 BUDGET

Overseas Service Report

BK271400 Delhi General Overseas Service in English 1330 GMT 27 Feb 82

[Text] The budget for 1982-83 presented to Parliament today shows total receipts estimated at 271.34 billion rupees and an expenditure of 292.19 billion rupees. It carries an overall budgetary deficit of 20.85 billion rupees. The deficit is proposed to be brought down to 13.65 billion through an additional revenue of 4.7 billion from taxes and other sources.

The first budget presented by the youngest finance minister, Pranab Mukherjee, gives the highest priority to increase in the Plan outlay, mobilizing larger savings while containing the inflationary rate further. It also carried further encouragement to the people of Indian origin abroad to contribute more toward the progress of the country.

The finance minister said that he has tried to contain non-Plan expenditure to the extent possible. But, he added, certain increases have been unavoidable. He invited the attention of the members to the evolving geopolitical situation in the region under difficult environment in which India had to function. Mukherjee said India has tried to resolve the situation in a spirit of good will but at the same time all necessary steps have been taken to safeguard the security of the nation. He announced the defense expenditure of 51 billion rupees as against 46 billion in the revised estimate for the current year.

Referring to the balance of payment situation, the finance minister said there has been a substantial deterioration in this since 1979-80, primarily because of sharp increases in import prices, particularly of oil and oil products. To avoid the destruction in the economy and regain time for the adjustment, the government negotiated a credit of 5 billion SDR's from the IMF. He said this will help the country in implementing the policies which have been sanctioned and approved by the people and Parliament.

In recent years, remittances by nonresidents of Indian origin have shown a healthy growth. The finance minister said this has been a stabilizing factor in the balance of payment position. Announcing further incentives to nonresidents, he said the test of residence in India will be deleted. The test

covering an individual who is regarded as a resident for the year if he stays in India in that year for 30 days only and also maintains a dwelling house in the country for 182 days or more is being deleted, since this causes hardship to persons who come home even on relatively short visit. Under the new liberalized scheme, an Indian citizen who leaves the country in any year for employment abroad shall not be treated as resident unless he has been in India for 182 days or more in that year. To increase foreign exchange earnings the budget also provides tax relief to exporters.

The budget gives the highest priorities for increase in the Plan outlay. The Plan outlay of the Center and the states represents an increase of 21 percent over that of 1981-82. In line with the strategy for the Sixth 5-Year Plan, substantial increases have been proposed in the crucial sectors of the economy. It will receive 20.45 billion rupees, representing a 90 percent increase over the current year. The outlay for coal will be 8.7 billion rupees, an increase of 52 percent.

The power sector will get 9.29 billion rupees, an increase of nearly 34 percent. Taken together, the energy sector constitutes 34 percent of the central Plan outlay.

Pranab Mukherjee said India attaches special importance to renewable energy sources. Referring to the recent successful expedition to Antarctica and the collection of polymetallic nodules from the ocean bed for the first time by an Indian ship, he said that India proposes to undertake a detailed survey of the Indian Ocean. He announced an allocation of 170 million rupees for the Department of Ocean Development. Including this, a total of 1.84 billion rupees have been provided for the science and technology sector.

Announcing stepped up outlay for the sectors emphasized in the new 20-point economic program announced by Prime Minister Mrs Indira Gandhi, the finance minister said agriculture will account for 12.02 billion rupees against the existing [words indistinct] supply program at a cost of 1.271 billion rupees will cover an estimated 45,000 problem villages in the country. In an effort to promote the small fmaily norm, the outlay in this vital sector is being stepped up to 2.45 billion rupees against the existing level of 1.55 billion rupees.

A scheme of excise duty concessions was also announced by the minister for increased production of goods during the 12-month period from 1 March this year up to 28 February next year. He expressed the hope that industry will rise to the occasion and achieve new peaks of production in the productivity year 1982. The finance minister referred to the bouyancy in revenue and the fall in the inflationary trend coupled with strong agricultural and industrial growth in 1981-82 and said these have helped him in keeping the budgetary deficit as low as feasible.

Domestic Radio Details

BK271700 Delhi Domestic Service in English 1530 GMT 27 Feb 82

[Excerpts] New incentives for more production and savings, a big increase in outlay for development and wide-ranging concessions in excise duty on articles of common consumption are the highlights of the central budget for the coming year presented at Parliament today by Finance Minister Pranab Mukherjee. Some relief to the salaried taxpayers, a 5 percent increase in auxiliary customs duty on all imports, with some exceptions, and a dual pricing policy for cement are the other features of the budget.

Two new attractive savings schemes have been proposed for the coming year. Underlining the need for mobilization of resources in a noninflationary way, the government has decided to issue two new savings instruments. The first is a social security certificate which has been specially designed for the small savers. Under the scheme, an individual between the ages of 18 and 45 can invest up to 5,000 rupees which will triple in 10 years. The certificate will also provide social security to his family. The second instrument is a capital investment bond which is designed to attract a larger flow of private savings for public sector investments. These bonds will have a maturity of 10 years and carry an interest rate of 7 percent, free of income tax and wealth tax. They will also be exempt up to 1 million rupees, in case of their first holder, from gift tax.

The budgetary deficit at the existing rate of taxation will be 20.85 billion rupees. The tax measures proposed are now estimated to yield an additional revenue of 4.7 billion rupees to the Center in 1982-83. The finance minister expects to raise 2.5 billion rupees from capital investment bonds. It would still leave an uncovered deficit of 13.64 billion rupees during the coming year. The finance minister said that he has set forth a framework of policies with a view to encouraging higher savings, investment and production in the economy.

The Plan outlay of 110 billion rupees in the central sector for the coming year will be an alltime record. It represents an increase of 27.6 percent over the outlay in the previous year. Higher outlays have been provided for several areas emphasized in the revised 20-point program, which is vital for the development of the economy and for the welfare of the people, especially the weaker section. Under this, [more than?] 21 billion rupees have been provided for irrigation and command area development; 12.02 billion for rupees, oilseeds and dry land farming; 1.9 billion rupees for integrated rural development program and a similar amount for national rural employment program. The outlay for family planning is being increased to 2.45 billion rupees. Central assistance for the special component plan for scheduled castes has been raised to 1.2 billion rupees. The other provisions included 1.27 billion rupees for rural water supply program, 750 million rupees for house sites for the rural landless, 3.54 billion rupees for rural electrification, 160 million rupees for program for welfare of women and 3.4 billion rupees for the development of village and small industries. There will also be a larger investment in crucial sectors of the economy: 20.45 billion rupees for petroleum; 9.29

billion for the power sector; 17.57 billion rupees for the transport sector; 8.6 billion rupees for steel; 5.07 rupees for chemicals and fertilisers and 1.84 billion rupees for science and technology. Defense has been allocated 51 billion rupees. A lump sum provision of 3.5 billion rupees has been earmarked for payment of additional installments of dearness allowance and pension relief to central government employees.

The finance minister said that despite these commitments the budgetary deficit has been contained within reasonable limits and he has tried to avoid placing burdens on the low and middle income groups. He pointed out that the past 2 years have been years of crisis management and recovery. With the prospect of industrial growth of 8 percent a new peak in foodgrains production and firm control over inflationary trend, the economy is now back on the rails. The objective in the coming year will be to maintain the momentum of growth and to make an all-out effort to achieve the social and economic objectives of the Sixth Plan.

CSO: 4220/7932

OPPOSITION CLAIMS ARAB FUNDS BEHIND COMMUNAL RIOTS

Bombay THE TIMES OF INDIA in English 24 Feb 82 p 1

[Text]

THE opposition members in the Rajya Sabha today asserted that large scale inflow of money from West Asia through "clandestine" means was responsible for communal disturbances in India.

These members, who were participating in the debate on a calling attention notice by Mr. Harkishan Singh Surjeet (CPM) and 17 others regarding communal violence in Maharashtra, revealed the details of some of these "surreptitious" transactions.

Mr. J. P. Mathur (BJP), who was visibly exercised over the flow of funds, told the house that generally the money from Gulf areas was transferred throuh banking channels to United States and from there it was funneled to India throuh Nepal. Mr. Mathur said that he had no objection to such money coming into the country but it must not enter through surreptitious means.

Mr. A. G. Kulkarni (Cong-S) giving details of disturbances in Pune and Solapur, said money from the Gulf countries was the cause of conflict and advised the government to stay away from Gulf money. Stating that mistakes were being committed by both the communities in the occurance of communal roits, he said "the Gulf money was providing the fodder."

Reacting sharply to the observations made by Mr. Kulkarni, the Union minister of state for home affairs, Mr. P. Venktasubbiah, said the bogey of Gulf money was being raised for sinister purposes.

This provoked Mr. Kulkarni who retorted "don't play politics." He then repeated his objections to the Gulf money coming amidst protest from the (Cong-I) benches.

Mr. Venkatasubbiah assured the house that the government was keeping a close watch on the communal organisations as well as the flow of foreign money into the country.

The minister sought co-operation from secular forces in the country to tide over the situation created by communal forces to destabilise the social fabric. He said the situation in the riot-affected areas of Maharashtra was reported to be under control, though some tension still persisted. The state government was taking all precautionary measures and was keeping a close watch on the situation, he added.

The minister, however, maintained that if the minority community wanted to build more mosques, it could not be objected to in a secular country like India.

He also saw no harm in Haji Mastan giving money for installing "loudspeakers" in mosques.

Earlier, Mr. Kulkarni had said that in a certain village he had been told by the residents that money for a "loudspeaker" in a mosque had been given by the "Haji Mastan trust."

Mr. Syed Shahabuddin (Janata) alleged that a nationwide propaganda was launched against Muslims after the conversion of some Harijans in Meenakshipuram. Denying that foreign money played any role in the conversions, he alleged that it was some Hindu organisations, including the Vishwa Hindu Parishad and the RSS, which were receiving foreign money.

Mr. B. D. Khobragade (RPI) said the government should follow a uniform policy in regard to the activities of people belonging to all religions.

He pointed out that in Maharashtra, Ganesh idols were installed in government offices and the festival was celebrated in government premises.

CSO: 4220/7865

PAPER REPORTS 1981-82 ECONOMIC SURVEY

Summary of Survey

New Delhi PATRIOT in English 25 Feb 82 pp 1, 7

[Text] The 1981-82 Economic Survey presented to Parliament on Wednesday has highlighted distinct growth in savings, investment, exports, revenue collections and gross national product, but has warned that balance of payments, and therefore the foreign exchange reserves, will continue to be under pressure.

In sharp contrast to the bright picture of the domestic economy presented in the survey stands the position of balance of payments which is likely to show a trade deficit of over Rs 5,000 crores at the end of the current financial year. Foreign exchange reserves had already declined by Rs 1292 crores by the end of January this year even after taking credit for the Rs 637 crores received as part of the IMF loan.

Even while noting 14 per cent increase in exports, the survey expresses concern over the slow increase in exports in value terms and the stagnation in engineering exports.

The survey points out that substantial borrowings in recent past had to be secured on harder terms and notes that prospects for increased concessional inflows were not favourable. While recourse to a certain volume of commercial loans may be unavoidable, it cannot be relied upon as a fajor source of financing current account deficits.

This implies that adjustments in balance of payments will have to come from trade and invisibles, of which the latter declined in 1981-82.

Expressing satisfaction over the results which the economic policies pursued during 1980-81 and 1981-82 have yielded, the survey indicates continuance of the policy of keeping the budgetary deficits low, money market tight, savings on the upswing and all round encouragement to investments and exports.

The survey also indicates that the policy aimed at containing inflationary pressures by not only applying appropriate restraints on credit extensions but also be curtailing non-development expenditures. The spirit of the survey appears to be all round emphasis on productivity as was earlier indicated by Prime Minister Indira Gandhi by designating 1981-82 as the Productivity Year.

INFRASTRUCTURE

The survey shows that the economic situation has shown a distinct improvement during the year. The performance of infrastructure has improved substantially and industrial production is likely to increase by about 8 per cent. In agriculture, a growth rate of 3 per cent is expected. Foodgrains output of 134 million tonnes will exceed the earlier record level of 1978-79. The Gross National Product (GNP) is likely to increase by about 4.5 per cent on top of 7.5 per cent growth during 1980-81.

According to the survey, the annual rate of inflation as measured by the wholesale price index came down to 5.4 per cent as on 16 January, 1982, as against 16.2 per cent on 17 January, 1981. This deceleration is gradually getting reflected in the consumer price index also.

The survey points out that exports are likely to grow by 12-13 per cent in terms of value during 1981-82. The growth in imports will be much lower. Thus, says the survey, the trade deficit during the year is likely to be somewhat lower than that of 1980-81. Net receipts from invisibles are likely to be lower this year. But aid utilisation has shown improvement.

The survey draws attention to the uncertainties of the international price situation and the possibility of a spurt in prices of oil and other commodities. Volatile exchange rate changes and movement of large liquid resources of surplus countries are other uncertain factors pointed out by the survey.

The survey highlights the delicate demand and supply balance in the economy and stresses the need for continued vigilance on the price front.

The survey emphasises the importance of mobilising resources in a non-inflationary manner to increase incentives for savings and investment and restraining the growth of non-development outlays.

The survey draws attention to the continued need for growth in agricultural production, efficient procurement and distribution of foodgrains through the public distribution system and improved working of the public enterprises. The survey recognizes that higher productivity is the key to the rapid improvement of the economy and in this context it has referred to the revised 20-point programme which focusses attention on the priority areas, with emphasis on improving the condition of the weaker sections of the society, for concerted action at all levels.

Payments Position

Highlighting the serious balance of payments problem, the survey points out that these are of a structural nature which can only be resolved over a medium term horizon but they call for solution without delay and action on many fronts such as further step up in investment, better productivity of investment and, most important, import substitution in crucial sectors. The prospects for an increase in inflows of bilateral and other sources of external development finance on concessional terms are not favourable and recourse to a certain amount of commercial loans may be unavoidable. The survey adds that adjustment in the balance of payments will have to come from trade and invisibles.

Reiterating the importance of rapid export growth, the survey points out that the success of India's export efforts will depend crucially on the quality and prices of our industrial products. It adds that the maintenance of price stability, continued improvement in infrastructure, and the satisfactory supply situation in respect of inputs should provide the right environment for expansion of exports in coming year.

Savings and Investment

According to the survey, with a growth of 7.5 per cent in 1980-81 and an expected increase of 4.5 per cent in 1981-82, the growth in the real GNP in the first two years of the sixth Five-Year Plan period, will significantly exceed the target growth rate of 5.2 per cent per annum during the Plan period.

In 1981-82, projected public investment outlays are likely to be met, and the outlook for private investment is good. Therefore, the rate of capital formation, which was 24.2 per cent in 1980-81 says the survey, should remain high in 1981-82 also.

The domestic savings rate during the year is also expected to remain high. (It was 22.2 per cent in 1980-81).

According to the survey, agricultural production during 1981-82 is expected to increase by over 3 per cent on top of the 15.4 per cent increase in 1980-81 and against a decline of 15.5 per cent in 1979-80. Much of this recovery is because of improvement in yield per hectare, reflecting the efficacy of the agricultural strategy of extending irrigation facilities and assured supplies of improved seeds, fertilizers, credit and other inputs. In the

current year, foodgrains production is expected to reach a record level of 134 million tonnes. Sugarcane production is also expected to register an all time high. The prospects of groundnut crop are equally bright and those of cotton, jute and mesta are quite encouraging.

The performance of the infrastructure sectors during 1981-82 was highly satisfactory, according to the survey. The coal production target of 121 million tonnes is expected to be exceeded. The supply of coal to power plants and other key industries has improved substantially.

Power generation during 1981-82 is expected to increase by about 10 per cent on top of 5.7 per cent increase in 1980-81 mainly because of notable growth in thermal generation, says the survey.

The railways are likely to exceed the target of 215 million tonnes of revenue earning traffic during 1981-82.

The cargo handled by major ports also increased compared with 1980-81.

Industrial Production

According to the survey, industrial production is expected to increase by about 8 per cent during 1981-82 as against 4 per cent in 1980-81 and a decline of 1.4 per cent in 1979-80. The improvement has been widespread; key industries such as steel, crude oil and petroleum products, cement, aluminium, nitrogenous fertilizer, newsprint, diesel engines, transport equipment, sugar, vanaspati, etc. are expected to touch new peak levels of production, the survey adds.

Public sector undertakings, specially industrial groups covering steel, minerals and metals coal, petroleum, chemicals and pharmaceuticals, heavy engineering, medium and ligh engineering transport equipment and consumer goods have all recorded a rise in production during 1981-82.

The steady progress of small scale and cottage industries witnessed during the year, says the survey, reflects both improved environment and a positive response to sepcific measures to promote production in the decentralised sector.

There was an improvement in industrial relations, notes the survey. During the first half of the financial year 1981-82, the number of man-days lost was 8.01 million compared with 11.79 million in the corresponding period of 1980-81.

The survey notes that the available indicators of private investment, such as grant of licences, capital issues, sanctions and disbursements of loans by term lending institutions show that the pick up in investment continued during 1981-82.

New measures to boost industrial production were initiated during the year as a follow up of the July, 1980 Industrial Policy statement. Automatic

increases in production, special incentives for promo' ' g export-oriented industries and some relaxation in location policy were allowed. The new textile policy emphasised expanded production in the decentralised sector and modernisation of the capacity in the mill sector.

The survey draws attention to the need for achieving an average rate of growth of about 7-8 per cent per annum in industrial production on a sustained basis. This would require continued improvement of and investment in infrastructure, a determined effort to utilise existing capacities fully, and speedy implementation of new industrial projects. The prospects for Indian industry in the eighties would depend largely on the success achieved in increasing productivity and reducing costs of manufacture, the survey adds.

Price Trends

Control of inflation, says the survey, continued to be an important element of economic policy and a number of measures were taken during the year to moderate the rate of inflation. Supply management effort was directed towards increased production supplemented by imports of edible oils, wheat and sugar in significant quantities. These were intended to improve the resilience and viability of the public distribution system. A number of steps were also taken to effectively contain the expansion of money supply and bank credit.

The survey draws attention to the persistent problem of inflation and says that it is a matter of satisfaction that commendable success has been achieved in the task of reducing inflation. This is a major achievement which has eluded many developed countries. It emphasises that a major task in the years ahead is to sustain a non-inflationary environment for faster growth and development and, therefore, measures for restraining aggregate demand and increasing supplies of essential commodities have to be continued.

Realizing the importance of fiscal policy in containing the growth of aggregate demand and thereby ensuring price stability, the survey points out that the Budget in the last two years have tried to achieve a balance between investment requirements and consumption needs of a developing economy. Efforts have been made in these two years to mobilise additional resources in a non-inflationary manner, to increase incentives for savings and investment, and to restrain the growth of non-development outlays.

The task of fiscal policy in the coming years, according to the survey, must be to encourage further savings and to channel these to productive investment for increasing employment and growth in the economy. The survey further points out that the financial position of the States which had improved considerably as a result of the recommendations of the Seventh Finance Commission has been showing signs of mounting strain in recent years. The financial performance of individual States has been uneven during 1980-81 and 1981-82. While some States have made a commendable effort to mobilise additional resources, the performance of some others has not been satisfactory, resulting in an increase in overdrafts from the Reserve Bank of India. States

facing gaps in resources have been advised to adopt concrete measures to restrain public expenditures and mobilise additional resources.

Wholesale, Consumer Prices

New Delhi PATRIOT in English 25 Feb 82 p 1

[Text]

THE Government admits that the fall in wholesale prices has not been reflected in retail prices during 1981-82, and has advanced a number of reasons for it.

The pre-budget Economic Survey notes that the rate of inflation, though not necessarily inflation as such, declined during the year. The consumer prices, has actually recorded a rise, even if marginal.

The Wholesale Price Index (WPI) increased by only seven per cent in 1981 calendar year compared to 13.5 per cent in 1980 and 22 per cent in 1979. However, the Consumer Price Index (CPI) did not fall in its wake. Instead, it rose by 9.5 per cent as compared to an increase of 9.4 per cent in 1980 and 12.6 per cent in 1979.

While Mr R Venkataraman used to say during his days in the Finance Ministry that the divergence between the WPI and the CPI was due to time-lag in percolation from the first to the second present Finance Minister Pranab Mukherjee on Wednesday listed a number of factors for this.

The survey noted that though in the long run, a change in the WPI should come to be reflected in CPI, this could not be possible immediately and in every case because of "subtle statistical differences" between the two indices.

For instance, WPI and CPI coverage in terms of price quotations and locations for the two indices are very different—the weighting diagram of the CPI is based on the family budget survey during 1958-59, while the weights of the WPI in the base year of 1970-71 is based on levels of transactions during 1969-70.

Consequently, the weights of even common items in the indices are quite different, the survey says.

It points out how prices of cereals, edible oils, fruits and vegetables, milk and milk products, eggs, fish and meat have continued to increase during the year, almost twice as much weight in the CPI than in the WPI.

Another reason is that prices of items distributed through the Public Distribution System have not been relatively stable during the last two years. These items have a higher weight in the CPI than in the WPI.

The survey for 1981-82 expects the current year to record a 10 per cent rise in the level of prices.

It also draws attention to the uncertainties of the international price situation, and the possibility of spurt in prices of oil and other commodities.

The survey noted that monetary expansion in 1981-82 was kept within reasonable limits—11.3 per cent till 8 January 1982, compared with 13.4 per cent in the same period last year.

Profile of economy

The Economic Survey presents the following profile of the economy in 1981-82:

Gross national product: (plus) 4.5 per cent,

Agricultural production: (plus) 3 per cent.

Industrial production: (plus) 8 per cent.

Foodgrain production: 134 million tonnes.

Wholesale prices (increase): around 10 per cent.

Monetary expansion: (plus) about 17 per cent.

Exports: (plus) 12-13 per cent.

Imports: (plus) 4 to 5 per cent.

Trade gap: Rs 5,500-5,600 crores.

Foreign exchange reserves: (decline) Rs 1,400 crores.

Net inflow of external assistance: Rs 1,089 crores.

CSO: 4220/7867

RAO INTERVIEWED BY KUWAITI NEWSPAPER

New Delhi PATRIOT in English 16 Feb 82 p 7

[Interview with P. V. Narasimha Rao, external affairs minister, by the editor of ARAB TIMES; date and place not specified]

[Text] External Affairs Minister P.V. Narasimha Rao has said that India is "not in any way in competition with Pakistan in its relations with the Arab world," reports UNI.

India's ties with the Arab countries subsist on their own merits and "I think the Arab countries appreciate India's role in the world affairs, irrespective of our being a secular state."

Giving his views in an interview with the editor of ARAB TIMES, a Kuwait-based English daily, Mr Narasimha Rao said: "I might tell you that there are more Muslims in India than in Pakistan, but I don't think this factor should make any material difference in relations between mature and sovereign nations."

Asked if any consideration was being given to the various requests made by Indian expatriates in the Gulf for facilities in their country, he said. "We have only recently liberalised our Customs regulations, and I understand that incoming passengers, especially from the Gulf region, have found this liberalisation to be helpful."

Asked about India's trade with Gulf countries, Mr Narasimha Rao said the time had come for India to be more active in industrial ventures in the Gulf, possibly in collaboration with other countries. "We are also concentrating on product improvement in India which would enable us to capture a larger share of the market for manufactures which undoubtedly exists in the Gulf region."

He added: "I regard economic and commercial cooperation between India and the Gulf countries in an important input in our emphasis on collective self-reliance among developing countries."

Mr Rao said several proposals were under consideration by his government on Arab investment in India. "We have already cleared investment proposals in respect of meat processing and export as well as for cement."

Asked if Arab countries had done better than the industrialised ones in assisting third world nations, he said: "There is no doubt that the record of the oil-exporting developing countries in respect of augmenting the flow of development finance to other developing countries has been better than the performance of the industrialised countries."

However, while the oil-exporting countries have worked out some useful bilateral and regional arrangements, these still need to be extended to the inter-regional and multilateral spheres.

CSO: 4220/7856

REPORT ON CONCLUSION OF SOUTH-SOUTH MEETING

New Delhi PATRIOT in English 25 Feb 82 pp 1, 7

[Text]

THE three-day 44-nation New Delhi Consultations concluded on Thursday on a note of consensus on approaching the issue of North-South global negotiations with "firmness and flexibility" so as to prevent compromise on matters of principle and substance even while not being rigid in approach and strategy.

On South-South cooperation, a number of concrete decisions were taken to further the Caracas Programme of Action. One of them related to the Indian suggestion for setting up a multilateral financing authority, on the basis of voluntary contributions by interested developing countries, to promote Third World cooperation in several areas.

The suggestion was endorsed, and it was decided to prepare a detailed scheme. India was asked to convene a meeting of experts from interested developing countries so that the detailed scheme could be prepared for presentation to the "Group of 77".

It was also decided that 10 technical meetings be convened in the coming months in the fields of "finance, science and technology, food and agriculture, new and renewable sources of energy, and trade and technical cooperation.

Yet another decision was to shortly set up in India a non-aligned centre for science and technology that would go a long way in realising the institutional framework for the Caracas Programme.

The section on global negotiations in the meeting's final document (that will be officially released on Thursday morning) reads: "The adoption of a short enabling resolution was considered the optimal way of launching these negotiations. It was emphasised that the Group of 77 should remain firm and flexible—firm in its commitments to the basic objective of global negotiations as contained in Resolution 34/138 and flexible in its approach and strategy.

"They were agreed that efforts should be made concurrently to achieve progress in areas of critical importance to developing countries —such as food, energy, financial flows and trade in the forthcoming conferences and meetings of specialised agencies.

"The need for synchronising the positions of the Group of 77 on issues dealt with in the context of the global negotiations and in specialised bodies, particularly those of a technical nature such as the GATT, IMF and World Bank, was stressed"

Briefing newsmen, Secretary (East) in the External Affairs Ministry Romesh Bhandari said the exchange of views here would now enable the G-77 to discuss and negotiate more effectively with the industrialised countries at global negotiations.

Asked if there were differences within the G-77 on the issue, he said it was a question of how to evolve a common approach to the US assertion that global negotiations should not question the competence of the role and functions of existing specialised international institutions like the World Bank and the IMF. It was obvious that in case these institutions could not be reviewed at the negotiating table, then the negotiations do not become global, he added. But the question was how to respond to the US attitude.

That was where the concept of flexibility in approach coupled with firmness in protecting principles came up.

Pak Plea Rejected

It is learnt that there was general opposition at the meeting to the US proposal for a conference preparatory to the global negotiations. At the same time, a proposal advanced by Pakistani delegate Niaz Naik to strike a compromise by agreeing to an 'organisational conference' as part of the global negotiations was rejected outright. The proposal, according to Mr Naik, had been forwarded by him in his capacity of Deputy Chairman of the UN General Assembly on behalf of the Chairman of the General Assembly.

Mr Bhandari, however, pointed out that if a common solution to the question of reviewing the activities of IMF and World Bank was found, the subject of preparatory conference would be sorted out.

"The stage will now move from New Delhi to New York" for consideration by the 'Group of 77', he added. The consultations (in New Delhi) were not meant to come to a decision, which had been left to the Group of 77, he added.

South-South

As for South-South cooperation, most of the participants called for expeditious implementations of the numerous ideas mooted and decisions taken at various conferences.

These ideas were outlined in a document by Mr G Parthasarathy, chairman of the meeting, summarising the report of the deliberations of the committee on South-South cooperation (which was finalised on Tuesday evening itself).

According to this document, the meeting urged for "greater commitment" at political level for promotion of economic cooperation among developing States and recommended the setting up of a 'high-level' national authority in each country for the purpose.

It underlined the strategic value of such cooperation in strengthening the negotiating power of developing countries against the affluent nations.

Summing up the deliberations, Mr Parthasarathy said in the document that the participants were guided in their deliberations by the principles, goals and objectives of developing countries in their quest for the establishment of the new international economic order.

No Substitute

The meeting was of the view that while South-South cooperation was important, it could not be a substitute for North-South economic cooperation nor "relieve the industrialised countries from their responsibilities and commitments towards the developing nations".

One proposal called for establishing a South-South financing institution, organised on business lies and involving decision making structure, which

would both give recognition to the concerns of contributing countries and provide a better balance of power between donors and recipients than is the case with the Bretton Woods institutions (the World Bank and the IMF).

The primary business of the institution would be to develop commercially viable projects in developing countries.

A new institutional framework for investment, based on joint ventures in developing countries was also suggested.

The participants expressed the hope that these proposals would be elaborated and presented to the forthcoming meeting of the group of experts of developing countries in Jamaica.

The meeting stressed that the global system of trade preferences (GSTP) was one of the key elements in the efforts of the developing countries in promoting collective self-reliance.

Food Question

On food, a suggestion was made to set up a small agricultural coordinating group with experts from various regions to work out a scheme for promoting joint ventures and collaborative projects utilising surplus capital and technical know-how in developing countries.

It was stressed that countries could organise themselves in vital area of food by developing a matrix for agricultural self-reliance and food-self-sufficiency based on the four major parameters of need, potential technology and capital.

The meeting also recalled that the Vienna Programme of action had laid the foundation of extensive cooperation among developing countries in science and technology. The caracas meeting had built on this foundation and formulated comprehensive recommendations for forging cooperation in this field. Lack of institutional mechanism was an obstacle to its speedy implementation.

Facilities available in many advanced scientific and technological institutions in several developing countries could promote not only cooperation in technological innovation and research, but also improve the position of developing nations in regard to technology transfers, it was noted.

Delegates also recognised that cooperation in the field of energy was an important component of collective self-reliance among developing countries.

The idea of an 'energy affiliate' of the World Bank was also mooted to mobilise additional financial resources.

The conference laid stress on giving special consideration to the problems of least-developed among developing countries to enable them to participate more effectively and benefit from activities for promoting economic cooperation among developing countries.

CSO: 4220/7867

INDIA SEEKING CLOSER RELATIONS WITH S. KOREA

Madras THE HINDU in English 12 Feb 82 p 7

[Article by G. K. Reddy: "Bid for Closer Ties With S. Korea"]

[Text] New Delhi, Feb 11.--As part of its policy of both widening and deepening its contacts with the third world nations, India is now making a concerted effort to develop closer bilateral relations with countries like South Korea which are in a position to engage in mutually beneficial cooperation in the economic sphere.

The South Korean Foreign Minister, Mr Shinyong Lho, is arriving in Delhi on February 18 on a three-day visit for a wide-ranging exchange of views on current developments as a prelude to the visit of the External Affairs Minister, Mr P. V. Narasimha Rao, in April or May to carry forward this dialogue.

No Stranger

Mr Lho is no stranger to India, since he served with distinction as Consul-General in Delhi in the early '70s before the two countries established Ambassador-level relations. As one who has closely followed India's policies in the past, he would be able to explain to the Prime Minister, Mrs Indira Gandhi, and Mr Narasimha Rao, the latest proposals of the South Korean President, Gen. Chun Doo Hwan, for Korean reunification.

It is not without significance that, in extending invitations to ten more developing countries to take part in the South-South talks in Delhi later this month, India has added to the list countries as diverse as South Korea and Rumania, Nepal and Iran, Morocco and Nicaragua, along with Burundi, Trinidad and Tobago, Gabon and Colombia to ensure balanced representation.

The 43 countries that will be participating in the South-South conference include 15 from Asia including China, 14 from Africa, 12 from Latin America and the Caribbean and two from Europe. Though it is not a member of the Group of 77 from which the original list has been drawn up, South Korea has been chosen along with China and Rumania for special invitation because of its intrinsic importance as one of the dynamic societies of the third world which would be able to play an important role in promoting the idea of South-South cooperation.

At the political level, too, India continues to take a lively interest in any move for Korean reunification, or for at least establishing a working relationship between the two divided Korean States, because of its past role as Chairman first of the U.N. Commission on Korea and later of the Neutral Nations Repatriation Commission that supervised the return of prisoners as part of the armistice agreement.

It is equally significant that India has now quietly abandoned the past practice of trying to equate and balance its relationship with the two Korean States. The current accent is on developing mutually beneficial relations with both Koreas without prejudice to a closer relationship with either of them.

It is against this general background that the South Korean Foreign Minister's visit to Delhi next week, and the projected return visit by the External Affairs Minister to Seoul, have been receiving considerable attention among foreign diplomats who have been following India's efforts for widening its bilateral relations with third world nations. It has been duly noted that India and South Korea are aspiring to emerge not as competitors but as collaborators sharing the fruits of development of Asian sub-regions.

CSO: 4220/7845

VICE PRESIDENT CALLS FOR BALANCED DEVELOPMENT

Madras THE HINDU in English 12 Feb 82 p 6

[Text]

AHMEDABAD, Feb. 11.

The Vice-President, Mr. M. Hidayatullah, today called for a national endeavour to attain full installed capacity in the public and private sectors, especially in the fields of power, steel and cement.

Addressing a State-level businessmen's conference here, Mr. Hidayatullah asked traders to explore methods for better management of the economy and strive for greater cooperation with the developing countries for sustained expansion of international trade and increased domestic growth.

"The Indian economy is now entering a promising phase of consolidation and growth in this year of productivity", he said.

Mr. Hidayatullah told over 1,000 delegates, gathered for dwelling on "Towards accelerated economic growth", that all programmes envisaged by the Government to strengthen the nation and take it further on the path of self-reliance, deserved their fullest cooperation.

The Vice-President said that whatever the shape and growth of the economy, the proper tackling of the unemployment problem must have priority. He asked businessmen to evolve effective schemes for this.

A great deal of collective effort was needed on the part of every one. The entire responsibility could not be put on the civil servants and managers of public enterprises. Leaders of political parties, who had got the people's mandate should bear an equal share of responsibility, if not more.

The Vice-President stressed that the planning machinery should promote balanced regional development by curbing concentration of investment in some pockets.

How far the poor had access to the benefits, which the growth in economy had made available to others, would be the yardstick for the real assessment of the economic growth, he said. — PTI.

CSO: 4220/7845

CORRESPONDENTS REPORT JAGJIT SINGH CHAUHAN IN U.S.

U.S. Reversal

Madras THE HINDU in English 12 Feb 82 p 1

[Article by N. Ram: "Jagjit Singh Case: State Dept. Overruled"]

[Text] WASHINGTON, Feb. 11.

The case might seem an individual one, but the details now available on the U.S. decision to grant the self-styled leader of the "Khalistan" movement entry into the U.S. show that a quick, conscious and high-level decision was made in the last week of January to reverse the one made within the State Department to deny him entry.

The reversal seems to have occurred within two or three days from the time it was communicated (towards the end of January) that the State Department's position remained the refusal of entry. The original decision favourable to the Government of India followed a mild protest against Mr. Jagjit Singh Chauhan's admission into the U.S., also without a passport, in December.

Both the U.S. Embassy in New Delhi and the India desk in the State Department in Washington appear to have been overruled.

Chauhan's claim: Mr. Chauhan himself has claimed that he has used the "influence" he and the "Khalistan" forces have built up in high places in this country to counter the Government of India's intensive efforts to have his entry blocked. While there is probably self-serving exaggeration in this claim, to an extent it is substantiated by whatever is known about the forces that have been at work in his favour.

While Mr. Chauhan has been advertising his rightist credentials in general and also emphasising his hawkish anti-Soviet stance in relation to Afghanistan as well as India, Mr. Jesse Helms, an ultra-hawkish, far-right Senator, is reported to have exerted himself to make Mr. Chauhan's entry and status within the U.S. something more than a "humanitarian" act connected with medical reasons and a "routine administrative procedure".

Not taken seriously: The suspicion is that, in a sense, Mr. Helms has been made a front man for those forces within the U.S. Government which cannot make their hostile stance towards India or their reasons known publicly.

The claim of "humanitarian considerations" and "routine administrative procedure" made by the State Department has not been taken seriously in New Delhi. No attempt seems to have been made by Washington to show that the man's medical history figured seriously in its reversal of a specialist State Department decision.

Claims of "humanitarian considerations" aside, the U.S. Government has simply maintained in effect that in its judgment, since no evidence has been produced to connect Mr. Chauhan with any "terroristic" or "criminal" activity in India, there is no reason it knows to deny him entry.

The Foreign Minister has angrily rejected this contention and drawn the attention of the U.S. Ambassador to India to "a new irritant in the already strained relations between the two Governments."

There is some suspicion aired here that New Delhi is trying to establish a precedent in this case with respect to the freedom of travel of passport-deprived Indian nationals who oppose it. The point is being made to counter this impression that Mr. Chauhan's background and known activity, his (politically) conscious admission into the U.S. overriding protests and reversing an earlier decision by the State Department, and the failure to impose any political restrictions on him (in contrast to the attitude of the Canadian Government), make this case qualitatively different from the position of other political opponents of the Government of India.

A contrast: By way of contrast, visa difficulties have been reported for at least one activist of the secessionist "Eelam" movement (of Sri Lanka) based abroad, seeking to visit this country from his base in the United Kingdom.

Although it would be ridiculously flattering to Mr. Chauhan to make any comparison of his political weight with that of the fanatical right-wing protestant leader of Ulster, it might be noted for the record that the Reagan Administration was obliged recently to refuse a visa to Rev. Ian Paisley to enter this country — on the ground that political passions might get dangerously inflamed. It also refused visas to a pro-IRA member of the British Parliament and another activist, who were arrested along the Canadian border while they tried to enter the U.S. without the necessary documents and later deported

Chauhan in Washington

Bombay THE TIMES OF INDIA in English 15 Feb 82 p 1

[Article by J.N. Parimoo: "Sikh Rebel at Capital Hill"]

[Text] WASHINGTON, February 14.

THE SIKH secessionist politician, Dr. Jagjit Singh Chauhan, is in Washington and not in Houston where he was supposed to go "for follow-up medical care," the reason for which he was allowed by the state department to enter the United States without a passport.

For most of the three days that he has been here, Dr. Chauhan has been lobbying at the Capitol Hill, meeting a few Senators and Congressmen.

Attempts made to contact Dr. Chauhan failed because, according to his friends, he has been advised by his American sympathisers to avoid meeting the press.

His American sympathisers, it is explained, are some pro-Pakistan politicians and officials, who are traditionally hostile to India not only because of their pro-Pakistan sympathies but also because of their perceptions of India's pro-Soviet tilt.

These politicians had helped Dr. Chauhan in getting admission to the U.S. through an extraordinary waiver process.

Sen. Jesse Helmes, who has shown keen and consistent interest in Dr. Chauhan's activities, had put pressure on Mr. James Buckley, under-secretary of state, to secure for the Sikh politician a waiver so that he may enter the U.S. without a passport.

State department sources say they have found that Sen. Jesse Helmes did not know that Dr. Chauhan was advocating a Sikh separatist cause called "Khalistan." They say the senator has known Dr. Chauhan as an "anti-Soviet activist" during the days of the Afghanistan crisis.

Dr. Chauhan has been keeping himself busy with a number of causes. He was active in a pro-Pakistan and anti-Soviet movement during the initial phase of the Afghanistan crisis. He was also active during the days of Indian emergency in a movement called "India for democracy," which was directed against Mrs. Indira Gandhi. Now Dr. Chauhan has espoused the cause of "Khalistan."

An important staff member of a senator thinks that Dr. Chauhan has been very useful to him as he was "the best informed man of India." It is not, however, clear what information Dr. Chauhan has been making available to the senator or his staff.

Indian political observers here believe that it will be rather naive to accept the argument that the few senators that may be helping Dr. Chauhan are doing so because of his association with the anti-Soviet movement for Afghanistan.

Any such misconception as the senators might have had, presumably at the initial stages when Dr. Chauhan was making desperate attempts from Vancouver to enter the U.S. without a passport, should have been dispelled by now, they argue. Why is Sen. Helmes helping him now?

Indian observers here believe that some American official or semi-official agencies and organisations have by tradition shown a willingness to help disruptionist or separatist movements in India perhaps because they would like to embarrass, if not weaken, the government of Mrs. Indira Gandhi.

These observers believe that the U.S. state department's plea that any support to a secessionist movement in India will militate against the U.S. policy objective of unity and stability in India is a simplistic attempt to explain away an extraordinary decision to admit to the U.S. a leader of a separatist movement against the wishes of the government of India.

Moreover, even if it is to be assumed that the state department is privately pursuing the policy objectives that it is professing publicly, it is not unusual for the U.S. administration to have different departments pursuing different policy goals at the same time.

These observers point to the CIA documents seized in Iran to explain how different departments of the U.S. administration or even different sections of the CIA itself could be pursuing different goals at the same time.

Meanwhile, some Sikh leaders associated with gurdwaras here are unhappy over the publicity that Dr. Chauhan has been receiving. They believe that this is out of all proportion to his status in the Sikh leadership.

They say if he is fighting for a cause why is he not going to Punjab and doing what leaders like Master Tara Singh and Sant Fateh Singh did in the past.

"Will U.S. senators give Khalistan to him? He dare not address a meeting on Khalistan in a gurdwara here. Let him try. It is you newsmen who give him the publicity he wants," they say.

Mr. Ganga Singh Dhillon, a Washington-based Sikh politician who advocates a separate Sikh nationhood (as opposed to a separate statehood for Sikhs advocated by Dr. Jagjit Singh Chauhan), expressed the view (on telephone) that the government of India was interfering with the internal affairs of the U.S. government by challenging the U.S. decision to admit Dr. Jagjit Singh Chauhan.

He said the Indian government should "mind its own business" and try to revise its policies towards the Sikhs instead of trying "to spot CIA and American influences working behind Jagjit Singh or Ganga Singh."

"Today every Sikh in this country has become suspect. If he wants to go home, his case is referred to Delhi. I wanted to participate in the akhand path of my son but I was not given a visa. Similarly, Dr. Harbhajan Singh and Sardar Tejpal Singh, two Sikh leaders, were not given visas.

"Instead of telling the U.S. who it should allow to enter this country, the government of India should set its own house in order and stop the discriminatory attitude towards Sikhs who are kept waiting for visas for months — they are guilty," Mr. Dhillon

CSO: 4220/7845

FRENCH BANKERS OFFER PURCHASE CREDIT TO INDIA

Bombay THE TIMES OF INDIA in English 24 Feb 82 p 4

[Text]

BOMBAY, February 23: A consortium of French bankers has offered a line of buyers' credit to India for francs 800 million (Rs. 130 crores). This is to be utilised for the purchase of plant and equipment besides maintenance of French-assisted industrial projects in India.

The line of credit will be split into two parts — purchase of French equipment worth 600 million francs sortium of French bankers has od-foreign currencies, for purchases elsewhere.

Mr. Harish Mahindra, president of the Indo-French Chamber of Commerce and Industry, who led a delegation of Indian industrialists to France, told newsmen here today that this agreement, subject to the government approval, followed after intensive discussions with French bankers.

"This is a significant achievement which indicates not only the high credit rating of India in Western financial markets but also continued French earnestness to assist India in its industrial development," he added. He expected further possibilities of Indo-French economic co-operation in various fields.

Mr. Mahindra was hopeful that this line of credit would be accepted by the goevrnment as a supplement to the French protocol.

He pointed out that this was not the end of the proposal and if this line of credit was successfully and rapidly utilised, a further approach would be made to French bankers to supplement it.

During their visit to France, the members of the delegation had in-depth discussions for establishing projetes in India in several sectors with French participation.

CSO: 4220/7865

DEFENSE MINISTER NOTES BUILDUP ON PAKISTAN BORDER

Bombay THE TIMES OF INDIA in English 24 Feb 82 p 9

[Text]

THERE are indications that Pakistan is strengthening its armed forces and the bulk of the Pakistani army is stationed in the vicinity of the Indo-Pakistan border, the defence minister, Mr. R. Venkataraman, said today in the Rajya Sabha in a written reply to question from Mr. N. N. Pandey.

He also said that there was no confirmed information to suggest that Pakistan had given a military base to the U.S. Pakistan was known to have obtained military equipment from a number of countries, including the U.S., U.K., France, West Germany and China. Some East Asian nations were also reported to be providing financial assistance to Pakistan for its arms acquisition, he added.

Replying to Mr. G. C. Bhattacharya as to what steps the government proposed to take for defending the country against an attack by Pakistan's F-16 planes, Mr. Venkataraman said the government had taken appropriate measures to maintain full defence preparedness. It was not in the interest of national security to disclose the details.

In reply to another question of Mr. P. L. Khandelwal, he said that there had been no case of infiltration by Pakistani or Bangladeshi troops into Indian territory during the past two months. However, there had been a few incidents of air violations by Pakistan and one by Bangladesh during this period, the government had taken up the issue relating to these violations with the concerned governments.

CSO: 4220/7865

INDUSTRY MINISTER TELLS STEEL OUTPUT TARGET

Bombay THE TIMES OF INDIA in English 13 Feb 82 p 14

[Text]

NEW DELHI, Feb. 12.

India has received offers of nuclear fuel from certain countries for the Tarapur atomic power plant which is at present dependent on supplies from the U.S.

The future of the agreement under which India has been receiving fuel from the U.S. is still uncertain and until a final decision is taken "we cannot give a clear answer to anybody else," the Prime Minister, Mrs. Indira Gandhi, said in an interview to Swedish journalists yesterday.

Mrs. Gandhi said there was no discussion with the Swedish Prime Minister, Mr. Thorbjorn Fälldin, on cooperation in the field of nuclear power during the recent talks.

Asked whether India would manufacture its own nuclear fuel in the future, Mrs. Gandhi said, "This is a question that is still hanging fire because of our discussions with the U.S. We do not know what will come out.

No discussion on arms: In reply to a question, Mrs. Gandhi said she did not discuss the question of buying weapons from Sweden during her talks with Mr. Fälldin.

No overwhelming aid

While India required more aid from outside in certain specific areas, Mrs. Gandhi said, "we do not want to be overwhelmed by aid. I mean we do not want to have more than we can manage effectively." What India received from outside had to be balanced with local resources.

Asked about the obstructive attitude of the Indian bureaucracy inherited from the British days, she said earlier decision-making used to take place at many levels. Her Government had tried to lessen those levels and there were fewer points where obstructions could occur now, she added.

When her party returned to power, she found a lot of demoralisation in the services and it took her Government a long time to set things right. When her party was out of power, "they had certain different types of philosophies....For instance they were against exports", she said.

Treaty with Pakistan: She said she had offered a "friendship treaty" to Pakistan to create an atmosphere of "understanding and cooperation" between the two countries.

India had welcomed the recent talks with the Pakistani Foreign Minister, Mr. Agha Shahi, here and "we can only hope for the best."

Replying to a question on acquisition of sophisticated arms by Pakistan, Mrs. Gandhi said it had created some fear among the country and the people. "It is clear that they are not going to use them against anybody else," she said, and added that Pakistan had already made it clear to the Soviet Union that it was not foolish enough to attack it (the Soviet Union).

Feeling for peace

Mrs. Gandhi replied in the negative when asked whether India was afraid of Pakistan, a small country. A war meant people dying, whether it was a big war or small. "We don't like that", she said.

She noted that there was a strong feeling for peace among the people in the country, though there was no movement as such. There was a Peace Council, which was dominated by communists. "There is a strong feeling for peace, first, because we have been attacked and secondly we feel that others carry out their rivalries on our continent and not in their countries," she said.

Problems galore: She pointed out that the country had a long way to go in solving its problems and eradicate poverty. "Any war or modernisation of the defence forces meant diversion of funds meant for development".

Threat to world peace

Asked which of the great powers — the Soviet Union or the U.S. — she saw as a great threat to world peace, she said the threat was not from one power or another but from the atmosphere of confrontation and the momentum which the arms race had gathered.

The other danger to peace was from the disparity between countries. "If you have very poor countries and very rich countries, I am sure it is going to lead to trouble", she said.

Russia's help

Asked what she saw as the main gain from collaboration with the Soviet Union, Mrs. Gandhi said, "They have helped us in many

things. "Soon after freedom", we wanted to build our infrastructure, that is, we wanted to produce our own steel, for instance.

"India first went to the U.S. but got a negative reply. They said they would help the private sector but not the State sector and we were anxious that these things should be in the State. We had private steel plants and we were not taking them over but we thought any new unit should be under the Government", she said.

On Poland, Mrs. Gandhi said India was against any outside interference from anywhere. "Sometimes it takes place in the form of actual presence of troops and sometimes of aggression. Both are equally bad", she said.

Irresponsible Opposition

Answering a question, she said the Opposition in India was not serious and adopted an irresponsible approach. She, however, hoped they would look at things with a deeper sense of responsibility.

She said the marxist Government in Bengal had itself given a call for a strike affecting production. This was bad not only for the State but the entire country. "There is nothing we can do about it. We have to take it in our stride". — PTI & UNI.

CSO: 4220/7846

REPORT ON OIL MINISTER'S 12 FEBRUARY PRESS CONFERENCE

Madras THE HINDU in English 13 Feb 82 p 9

MADRAS, Feb. 12.

[Text] The Government of India has made it clear to foreign collaborators in oil exploration that it would not share the product where the potential was substantial, Mr. Shiv Shankar, Union Minister of Petroleum and Chemicals, said here today.

"But there may be some areas where the oil potential is not up to expectations and the Government may consider under the given circumstances sharing the product. This is only at the will and discretion of the Government of India", he said.

The Minister told a press conference that drilling for oil was going on at a fast rate in different parts of the country. Preliminary investigations had also begun at Jwalamukhi and Jaisalmer in Rajasthan. In all, at the end of 1983, there would be 16 rigs in operation in the country, and four more would be taken on lease. The Indian drilling rigs in Bombay High were doing extremely good work.

Answering questions, the Minister said the Union Government had not overrated the oil potential and had fixed realistic targets for the Sixth Plan.

Work in Palk Straits

About the production of oil in Palk Straits, he said the second well there was spudded in November last year by the Gettysburg to a depth of 3455 metres. It was producing 1,500 barrels daily and was now under production testing. Two more wells had to be dug before commercial processing of oil could start. "We are keeping our fingers crossed", the Minister said.

He said if certain types of crude were not fit for refining within the country, there was nothing wrong in swapping them with other countries. The Madras Refineries designed to refine light Darius crude from Iran was now in a position to use Bombay High crude.

Replying to a question on the shutting out of 'multinationals, the Minister said the Government could not totally shut out foreigners. There might be need for such assistance at some intermediate range where technology was not available in the country.

About delaying expansion of the Madras Fertilizers, the Minister said NIOC of Iran and AMOCO of U.S. were holding 49 per cent of equity. They were neither willing to add to the equity not permitting expansion. The Union Government had started negotiations for purchase of their shares. If no agreement was reached, the Union Government might start another fertilizer factory. This was only hypothetical now.

As for the Nagarjuna Fertilizer project, Mr. Shiv Shankar said the Birlas had originally contemplated a turnkey project in association with a Japanese firm. Since another fertilizer project was proposed, the Birlas might have withdrawn from the scene. The Godavari project proposed to utilise gas from the Godavari Basin. This project would be built in collaboration with IFFCO.

About the Tamil Nadu Government's request for reducing price of fertilizers, Mr. Shiv Shankar said because of the subsidy involved there was little chance of this.

The Minister, who visited the Surgical Instruments Factory at Nandambakkam yesterday, said SIF had turned the corner. Mr. Varadarajan, Chairman, IDPL, who was present, said the administrative blocks of SIF had been converted into a formulation block at an investment of Rs 1 crore. The basic drug production was now being done in Hyderabad and Rishikesh, he said.

Mr. Shiv Shankar also visited Madras Fertilizers and Madras Refineries. He left for Delhi in the evening

CSO: 4220/7847

FINAL VERSION OF CPI-M RESOLUTION REPORTED

New Delhi PATRIOT in English 13 Feb 82 pp 1, 7

[Text] The political resolution of the CPI-M's 11th Congress at Vijayawada has attacked Euro-Communism as an expression of 'revisionist deviation' flowing from the Soviet Communist Party's 20th Congress.

The final document was made available on Friday.

In a new section entitled 'Party and the International Communist Movement' paragraphs have been added in the light of amendments moved at the Congress last month. The amendments were not pressed after the party leadership assured that some changes would be made in the document before it came out in its final form on the lines of the amendments suggested.

The new paragraphs note the 'severe trials and tests on ideological and policy questions faced by the party of late as in the past and highlight the two deviations--'revisionist and dogmatic'--which 'sharpened ideological controversies and undermined proletarian unity.'

The two paragraphs on the two deviations placed in their order of priority read: 'The revisionist deviation originating from certain formulations of the 20th Congress of the CPSU, continues to do immense harm to the world movement today. It expresses itself in Euro-Communism and other manifestations: rejection of the concept of the dictatorship of the proletariat, of proletarian internationalism and partisanship for the Socialist camp, of the leading role of the party, faith in parliamentary path and overt and covert rejection of Marxism-Leninism form the content of present day revisionism.

"Dogmatism and sectarianism in the international movement once again rejects partisanship for the Socialist camp and while claiming adherence to the dictatorship of the proletariat, equates the Soviet Union with the U.S. The harm it has done to the progress and economy of the originating country is now acknowledged."

The document repeats in this section what has been mentioned earlier, it holds that ruling Communist Parties of Socialist countries 'subordinate class struggles' in non-socialist countries 'to the narrow immediate needs of the foreign policy of the Socialist Governments.'

In this section the document also brings out the CPI-M's adherence to 'dictatorship of the proletariat,' 'proletarian internationalism' and unity of the socialist camp. It further highlights the party's approach to the idea of peaceful transformation to socialism, stating that how such a transformation can be brought about 'mainly depends on the behaviour of the ruling classes who, historical experience teaches us, do not respect the will of the people and suppress it by use of terror and bastial violence."

In preceding paragraphs, however, the general support to the Soviet Communist Party's foreign policy course and sharp criticism of the Chinese Communist Party on the ame foreign policy are identical as in the draft document of the resolution. There are only two additions: (a) while speaking of China, it says criticism should be done with the expectation that China would eventually take its legitimate place in the fight against imperialism 'and strengthen the unity of the Socialist Forces'; (b) under another sub-heading on attitude towards China in the South Asian context, it is mentioned: "It is encouraging that efforts are being made both from India and China to normalise the relations between the two countries.'

The words 'carrying out the imperialist line' are removed from a paragraph dealing with Naxalites' concentration of fire against the CPI-M.

In the fag end of the document some words related to China's support to rearming of Pakistan are deleted in the final document. This probably is a repetition, since it is mentioned in another section earlier.

Four paragraphs have been added on the party's ideas on 'culture.'

There are some new paragraphs castigating the Congress-I for having supported the chauvinists in Assam in the past. Other alteration are mostly in the nature of updating the document, like mention of the 19 January all-India industrial general strike and its substantial success.

CSO: 4220/7848

CONGRESS-I YOUNG FARMERS ORGANIZATION ESTABLISHED

Bombay THE TIMES OF INDIA in English 14 Feb 82 p 7

[Text]

NEW DELHI, February 13.

THE Congress (I) has floated a new organisation of young farmers primarily with the objective of preventing them from drifting towards opposition parties or groups.

Mr. Rajiv Gandhi, MP, who was the chief guest at the inaugural function held in Guntur in Andhra Pradesh on February 3, has expressed the hope that no income-tax would be levied on agricultural income in the future also.

Dr. B. Subba Rao, president of the newly-formed Indian Young Kisan Mazdoor Congress, told newsmen here today that the organisation would be complementary to the Indian Youth Congress (I) and not competitive to it.

Replying to a question on the need to mobilise young farmers, Dr. Subba Rao said that in states like Maharashtra, Tamil Nadu and Andhra Pradesh they were feeling attracted towards leaders like Mr. Sharad Joshi, Mr. Narayanaswami Naidu and Dr. J. Venjata Rayudu, respectively." We want the young farmers to come into the Congress (I) fold," Dr. Subba Rao said.

COTTON SLUMPS

The new organisation proposes to take up issues which are agitating the farmers with the state governments concerned for redressal. For instance, Dr. Subba Rao said, there had been a substantial slump this year in the prices of cotton and tobacco in Andhra Pradesh.

The Cotton Corporation of India (CCI), he said, had purchased cotton at about Rs. 100 to Rs. 125 less per quintal than last year when the prices were around Rs. 600. He proposed to take up this issue with Mr. Shivraj Patil, minister of state for commerce, shortly.

Dr. Subba Rao stated that an organisation of the kind formed was needed as social relations in rural India were undergoing a radical transformation with farmers agitating for higher prices and concessions and agricultural labourers agitating for higher wages.

STATE PANELS

He said that Mr. N. G. Ranga, MP and deputy leader of the Congress (I) parliamentary party, who has been championing the cause of farmers since the early '20s, has blessed the organisation.

The national executive of the IYKMIC has representatives from various states and more members will be co-opted soon. The state committees will be set up in March and the national convention will be held in April.

It is proposed to institute an annual "Prof. N. G. Ranga award" to be given to an outstanding young farmer, who had undertaken novel schemes to diversify agricultural production.

CSO: 4220/7849

IRANIAN SPECIAL ENVOY TALKS TO NEWSMEN

New Delhi PATRIOT in English 17 Feb 82 p 8

[Text]

BANGALORE, Feb 16 (UNI)

IRAN will buy Iron Ore from Kudremukh Ayatollah Mahdavi Kani, former Iranian Prime Minister, said here today.

The Ayatollah, who is currently touring India as special envoy of the Iranian revolutionary leader Ayatollah Khomeini, told newsmen that he had talks to this effect with Prime Minister Indira Gandhi and other officials during his stay at Delhi.

Ayatollah Kani said an Indian delegation would visit Iran next month to hold talks in this regard.

He said Iran wanted to maintain good relations with India.

He said during his talks with Mrs Gandhi, he had expressed Iran's concern at the Afghanistan issue. Besides, he had asked India to change the venue of the next non-aligned summit meeting scheduled to be held in Baghdad. The very principle of summit was based on peace and Iraq which was engaged in war with Iran was not the right venue.

Avatollah Kani, who is the chief of the revolutionary clergies in Iran, said there was complete freedom of religion in his country. Some of the Bahais were executed not because they belonged to a different sect, but for their involvement in espionage activities. The British were responsible for the setting up of the Bahai organisation which had links with the Zionists and the imperialist powers, he alleged.

CSO: 4220/7858

BACKGROUND ON ANDHRA CHIEF MINISTER APPOINTMENT

Madras THE HINDU in English 24 Feb 82 p 1

[Text] The new Chief Minister of Andhra Pradesh, Mr. Bhavanam Venkatarama Reddi, will assume office tomorrow, when he will be sworn in along with the Deputy Chief Minister, Mr. C. Jagannatha Rao, but he will take a few more days to complete the formation of his Cabinet in consultation with central leaders in Delhi.

According to Congress (I) sources here, he intends to have a compact two-tier Ministry on the basis of the broad guidelines already given to him. As he himself put it, the choice will be based on a three-fold criteria of loyalty to the party, commitment to its ideology and personal integrity, to be able to inspire greater confidence.

The new Chief Minister left for Hyderabad this evening after seeking the blessings of Mrs. Gandhi and other Congress (I) leaders, including Mr. P. V. Narasimha Rao, Mr. P. Shiv Shankar, Mr. Pranab Mukherjee, Mr. N. D. Tiwari, Mr. K. Brahmananda Reddi, Prof. N. G. Ranga and Mr. G. K. Moopanar, besides meeting a large number of Andhra MPs and out-going members of the Anjiah Cabinet. He will be back in Delhi on Thursday with a tentative list and finalise the names in consultation with the party president and others looking after Andhra affairs here.

After an agonising suspense until the last moment, the mantle finally fell on Mr. Venkatarama Reddi's shoulders for a variety of reasons. As a starting point for this exercise, the Prime Minister decided that the new Chief Minister should be from the Andhra region and he should be chosen from the legislature party as far as possible. This directive effectively ruled out the possibility of anybody being deputed from the Centre, since she wanted to avoid a parliamentary by-election.

Sharp division: The division in the legislature party between the supporters of Mr. Kona Prabhakara Rao and Mr. N. Janardhan Reddi became so sharp that the Congress (I) high command felt that no matter which of the two was chosen there would be no guarantee that the two groups would cooperate fully in fighting the next elections. The clumsy manner in which the central emissaries went about handling the whole issue, by attempting to stage-manage a snap vote in favour of one of them at the party meeting in Hyderabad last Saturday, made Mrs. Gandhi realise that any further move to impose either of them on the party would be counter-productive.

It was generally recognised in high Congress (I) circles here that one of the two claimants, Mr. Janardhan Reddi was undoubtedly a man of proven administrative ability and dynamism. But he lost the race in the process of his being equated with Mr. Prabhakara Rao for the purpose of eliminating both principal contenders and making way for a third person.

Non-controversial person: At this point she decided that a non-controversial person who was not actively identified with either group should be considered in the larger interests of party unity and discipline. This in turn led to a reopening of the whole process of selection, after the choice had narrowed down to Mr. Prabhakara Rao and Mr. Janardhan Reddi, with no third person left actively in the race. It was at this late stage that Mr. Venkatarama Reddi emerged as a dark horse on the scene, taking almost everybody in the Andhra camp by surprise except the few senior leaders who were actively engaged in this exercise.

In choosing a non-controversial person with a relatively low profile, the Prime Minister was also keen on dispelling the widely prevalent impression that she was against the dominant communities like the Reddis in the State. She wanted to avoid the feeling that no matter who was finally selected, she did not deny any community, including the Reddis, its rightful opportunity to provide the next Chief Minister for this composite State.

These two factors gave Mr. Venkatarama Reddi an edge over the other aspirants, while focussing attention on his positive qualities as a man of both ability and integrity, a good speaker in Telugu and as one who had shown his administrative capability as one of the abler Ministers in the Channa Reddi and Anjiah Cabinets. An additional plus point in his case was that, as one who has married a Khamma lady quite prominent in State politics, he could act as a bridge between the two dominant communities by projecting himself as an illustrious example of national integration.

Test for leadership: But whatever his special qualifications both as an individual and as active politician, the new Chief Minister will have to prove his mettle by providing the necessary qualities of leadership at a time when the State is heading for elections. He has to face the legislature and present the budget, prepare the party for the impending Rajya Sabha and Legislative Council elections and keep this Congress (I) vote bank in tact for the Presidential elections.

He will have to satisfy Mrs. Gandhi in the next few weeks that he has the capacity to carry the party successfully during the next elections. In attempting to impress the public that he is not a political light-weight, he has to resist the temptation of over-reaching himself under the influence of power or pressure of events.

The Prime Minister will be watching his performance quite critically in the next month or two to see whether he will be able to provide effective leadership in governing this complex State, and avoiding the pitfalls of factional politics, while inspiring the administrative machinery to put up a better performance.

The Deputy Chief Minister chosen from the Telengana region is also known to be an able man who as a member of the backward community can give a balancing touch to the new power equations. The two together can form a strong team if they are left untrammelled by the failures of this experiment in the past.

The fact that he was not the first choice but only a second alternative will certainly give a handle to his critics to decry Mr. Venkatarama Reddi as a candidate of convenience. But it need not cramp his style if he does not allow his mentors in Delhi to look upon him as their proxy in the State. One of the very first things he has to sort out with the central leadership is the PCC (I) chief Mr. Prabhakara Rao's future role, since both of them hail from Guntur district.

And if the decision is to have a new PCC (I) chief from some other district, he will have to be suitably accommodated along with Mr. N. Janardhan Reddi to give the new Cabinet greater weight and better balance. This is one of the factors that is now engaging the attention of the central leaders in Delhi.

CSO: 4220/7866

WASHINGTON CORRESPONDENT PREDICTS U.S. AID CUT

Madras THE HINDU in English 15 Feb 82 p 9

[Article by N. Ram: "Cut in U.S. Economic Aid Likely"]

[Text] Washington Feb. 14--The U.S. economic assistance proposed for India over fiscal 1983 will be around $198 millions (Rs 178.2 crores) as matters stand, Reagan administration officials told THE HINDU. The development assistance component of this is around $87 millions, with the balance represented by title two of PL-480.

The figures are expected to be sent to the U.S. Congress soon, as part of the budget details. The sources make it clear these are "planning figures" and might undergo changes (as the fiscal 1982 figures did to a significant extent). In the hardened economic and political environment that prevails and is developing in the U.S., the changes can be expected to be only downward.

Even without taking inflation into account, bilateral aid levels have been slipping with each fiscal year in which the Reagan Administration has been involved to date. This means the level planned for fiscal 1983 will be over $16 millions less (in nominal terms) than the fiscal 1982 level, which itself represents a substantial reduction from both the figure initially planned for that year and the previous year's level.

IDA Commitment: More significant than direct bilateral aid perhaps is the impact of the U.S. leverage over the resources available to the International Development Association (IDA) for commitment, as well as India's share of the cake. The Board of Executive Directors might have taken the wishful or pious position that the events for fiscal 1982 must not be regarded as "precedents," but there is every indication from the U.S. administration, and within Mr. Clausen's World Bank, that the sharp erosion in IDA resources committed to India in fiscal 1982 will be repeated in 1983.

The Reagan fiscal 1983 budget mentions a figure of $945 millions as the proposed appropriation for the third year of IDA-6, but administration sources advise this correspondent not to take this literally. In "realistic" terms, if there is going to be foreign aid legislation, the level of IDA appropriations that will be aimed at (for fiscal 1983) will be in the $700 to $750 millions range. If, as might well be the case, there is no specific legislation

and recourse is taken to a "continuing resolution." The U.S. contribution to IDA's commitment authority in the third year of the programme will be simply $700 millions.

The Government of India, it seems, cannot realistically aim for more than $850 millions in IDA resources committed--more or less the estimate for 1982--in fiscal 1983. (By the same token, too much expectation need not be brought into the forthcoming Aid India Consortium meeting, that is coordinated and chaired by the World Bank).

According to the same sources, the U.S. position is that any talk of levels for IDA-7 is premature, given the current realities. The Reagan administration has signalled those concerned that it is approaching the April meeting of IDA deputies in Paris as a deliberation over the affairs of IDA-6, and will resist attempts to go into the level and details of a future programme.

"IDA Holiday": Faced with this situation, Mr Clausen's World Bank management is dragging its feet in relation to the commitment to start negotiations for IDA-7 in time, and recipient Governments are bracing themselves for the prospect of an uncomfortable interregnum or "IDA holiday." (It is already guaranteed, of course, that the three-year IDA-6 will go into fiscal 1984 and, quite conceivably, into 1985.)

The U.S. position is that the next IDA programme cannot be expected to rely on donations from country Government and that (in the words of the Deputy Secretary of the Treasury) the "key issues" that must be addressed in designing and negotiating IDA-7 (if there is to be such an animal) are "length of maturities, including possible acceleration of repayment schedules...fees and rates charged...conditionality...and relationship to blend lending."

The World Bank President, who has been talking for several months of a "new product design" for the soft-loan window, has just announced a decision to undertake "a retrospective study of IDA"--which is supposed to "contribute significantly to discussions on its future structure and funding."

To some of those relying on concessionary aid, it might be beginning to sound like a requiem.

CSO: 4220/7854

JHA MAKES CASE FOR SOUTH ASIAN ECONOMIC COOPERATION

Calcutta THE STATESMAN in English 15 Feb 82 p 9

[Text]

NEW DELHI, Feb. 14.—Mr L. K. Jha has called for a bold initiative for economic cooperation among countries of the Indian sub-continent which, he said, could lead to "a fade-out" of political differences, reports PTI.

Mr Jha a veteran in economic administration and member of the North-South (Brandt) Commission, suggested that India, Pakistan, Bangladesh, Nepal, and other neighbouring countries embark on a framework of economic cooperation through trade liberalization with preferential tariff treatment on a reciprocal basis and clearing arrangements to get over the hurdle of hard currencies.

Delivering the first Fakhruddin Ali Ahmed memorial lecture—held in memory of the former President whose death anniversary was observed on Wednesday—Mr Jha also emphasized the importance of the South-South conference to be held in New Delhi later this month on the initiative of Mrs Gandhi.

Efforts on the global level should not detract attention from the possibilities of mutually beneficial efforts on a regional scale, Mr Jha said. He referred to groupings in the Caribbean and in Latin America and to ASEAN, which had become an area of dynamic growth and development and asked, "should we then not think of a similar initiative in the Indian subcontinent?"

Historical factors and other compulsions and possibilities favoured such a course. These possibilities should be identified and teams of knowledgeable people, who could put forth constructive ideas, should work on them, Mr Jha said.

Mr Jha did not think that it was feasible at this stage to have a common market in the Indian subcontinent on the model of the EEC but said other alternatives were available. Each country could give preferential treatment including duty free entry to products from other countries in the sub-continent if it was not itself producing them.

This programme should be on a reciprocal basis and could benefit all and hurt none. Also, it should be possible to liberalize restrictions on imports and exports within the region.

Mr Jha who is also chairman of the Economic Administration Reforms Commission said the countries in the subcontinent should have an understanding so that in the matter of jute or tea or carpets or garments they were able to increase exports to other countries without undercutting prices. There could also be a common code in regard to treatment of foreign investors.

Mr Jha proposed as the Brandt Commission did, that Nepal, Bhutan, Bangladesh and India get together to make full use of the great Himalayan rivers, not only to meet irrigation needs but also generate power on a scale which could transform the economy of the entire subcontinent.

He was quite convinced that if such an effort was launched, external finance would be forthcoming for its execution.

Mr Jha felt that hurdles to cooperation were not so much political as a result of "short-sightedness". The trend of mounting expenditure on defence because of threats to peace and security had to be halted and reversed. "To plead for peace, to talk of a no-war pact and to continue to prepare for war carries no conviction".

CSO: 4220/7853

BHEL SUCCESS IN OVERSEAS CONTRACTS REPORTED

Bombay THE TIMES OF INDIA in English 15 Feb 82 p 15

[Text]

NEW DELHI, February 14: The state-owned Bharat Heavy Electricals Limited has been awarded for the second time a consultancy contract by Turkey.

The $100,000 contract, provides for technical evaluation of the feasibility report for setting up manufacturing plant for turbines, generators and motors at Diyabakir. The earlier contract was for consultancy work for establishing a plant for the manufacture of transformer and switchgear at Elazig.

The acceptance of software from India by developing countries is indicative of the confidence being reposed in the Indian engineering and technical expertise in the field of sophisticated power equipment. Offering of consultancy, in addition to products and services, is yet another step taken by BHEL towards enlarging the range of its export activities.

BHEL have so far bagged orders totalling over Rs. 580 crores, covering nearly 40 countries, including developing nations in Asia, Africa and Middle East, and developed countries like USA, Australia and New Zealand.

Some 80 per cent of Malaysia's thermal power project consisting of two units of 120 Mw each set up on a turnkey basis by BHEL, is currently in operation. In Saudi Arabia, a Rs 72-crore project for electrification of Gizan region has been completed by BHEL.

Another order worth Rs. 14 crores has been bagged from Saudi Arabia. For the Pattani multi-purpose project in Thailand, BHEL have supplied three hydro turbines of 28.8 Mw. BHEL is also meeting the requirements of hydro generators for the Bhumibol project in Thailand.

Two successive orders are being executed for hydro generators from New Zealand, aggregating to a total generating capacity of 544 Mw in Tanzania, the first phase of submarine cable inter connection project has been completed.

In recognition of the continued efforts being made by BHEL in the export field, top exporters shield has been awarded to BHEL for the second time. The shield will be presented to Mr. K. L. Puri, chairman and managing director, BHEL, at a special function organised by Engineering Export Promotion Council, in New Delhi on February 17

CSO: 4220/7852

G. K. REDDY ON INDIAN POLICY TOWARD KOREA

Madras THE HINDU in English 19 Feb 82 p 9

[Text]

As a sort of curtain-raiser to the South-South dialogue opening in Delhi on Monday, the Foreign Ministers of India and South Korea today called for increased cooperation among developing countries to secure better standards of life for their peoples.

The South Korean Foreign Minister, Mr. Shinyong Lho, who arrived last night on a three-day official visit, expressed deep appreciation of India's "just and principled" stand on the Korean question at the United Nations and at non-aligned and other international forums.

He also spoke eloquently about the part India had played, first as chairman of the Korean Commission in supervising the first general election in his country, and later in rendering humanitarian assistance during the Korean war by sending a field ambulance unit, before assisting in the repatriation of prisoners of war after the armistice.

Reunification: At the dinner given by him in Mr. Lho's honour tonight, the External Affairs Minister, Mr. P. V. Narasimha Rao, expressed the hope that the reunification of the Korean peninsula would take place peacefully "without outside intervention".

He also recalled with pride the ancient links between india and Korea, with Buddhism serving as a bridge between the two cultures. In more recent times the two countries have established mutually beneficial trade links to tap the vast potential for increased cooperation.

After their first round of talks this afternoon, the two Foreign Ministers voiced satisfaction over their efforts to strive for peace and stability in their respective regions. They noted that two-day trade between the two countries, which was only symbolic not long ago, had

increased more than 20 times in recent years reaching $310 millions (Rs. 279 crores). The two countries were now making an ambitious effort to step this up to $1,000 millions in the next five years.

The two countries are also interested in setting up joint ventures, especially in the multi-billion dollar construction business in West Asia and Africa by pooling their skills and resources. At the Indo-Korean joint business council meeting in Seoul an year ago, the two countries had agreed to make a concerted effort to cooperate in manufacturing industries as well.

Inhibitions go: The talks today were held against this background with India shedding its earlier inhibitions in establishing closer links with South Korea and, in return, South Korea displaying an equal, and perhaps greater, interest in seeking better understanding with India. The Indian side was satisfied that South Korea was making an earnest attempt to reduce its reliance on military alliances and seek a peaceful solution to the Korean problem. The South Korean Foreign Minister was no less gratified by India's sympathetic attitude towards Seoul's aspirations.

It was in this spirit that Mr. Narasimha Rao heard intently Mr. Lho's exposition of his country's latest formula for Korean reunification. Though it was not for India to comment at this stage on the merits of these proposals, Mr. Rao saw no harm in welcoming the effort in principle.

The Indian attitude at these talks clearly implied it was no longer the policy of this country to attempt to keep up a delicate balance in its over-all relationship with the two Korean States. The approach now is to keep exploring the possibilities of better relations with both Koreas, responding to every opportunity on merit without undue reservations.

The South Korean side, too, was equally candid in voicing its desire for closer relations with India, as part of a conscious policy of cutting across the earlier constraints. The new South Korean Government headed by President Chun Doo Hwan has been making an ambitious bid to have a good working relationship with all the three Asian giants — China, India and Japan — to the extent possible in the present circumstances.

The visiting South Korean Minister will be calling on the President, the Vice-President, the Prime Minister and the Minister of Finance tomorrow to carry forward these discussions. The official engagements that have been laid on for him clearly indicate that the Government of India also is keen on strengthening Indo-Korean economic cooperation with a measure of political understanding over the basic aspirations of the two peoples.

CSO: 4220/7863

DETAILS OF PLANNED MIRAGE PURCHASE TOLD

Calcutta THE SUNDAY STATESMAN in English 14 Feb 82 p 1

[Text] NEW DELHI, Feb. 13.—India and France have signed a memorandum of understanding for wide-ranging collaboration in the field of defence equipment and its manufacture in this country, reports UNI. The pact also covers the proposed sale of Mirage 2000 aircraft for the Indian Air Force.

However, a comprehensive document called the "intention to proceed" is now being finalized by the defence experts of the two countries for the initial purchase of 40 Mirage aircraft in a fly away condition.

According to present indications, the first Mirage 2000 will be delivered to India late in 1984, almost about the same time it will be inducted into the French Air Force.

Technical details about the weapons kit of the Mirage 2000 and its exact delivery schedules are being worked out by a French team of experts in New Delhi.

The first few Mirage 2000 to be delivered to India will be fitted with the original M-53-5 engine, but the subsequent aircraft will have the uprated M-53P2 engine, which will have 7% to 15% more thrust.

In the "intention to proceed" which will cover the entire Mirage 2000 programme, India will have an option to approach France for licence production of about 100 Mirage 2000 at Hindustan Aeronautics.

Sources said that France had also cleared the advanced Matra Super 530-D missile and laser-guided weapons.

Defence experts said this would be the first time that India would go in for an advanced aircraft which was yet to enter service. In the past, India had been negotiating for weapons which had already been manufactured and had been in use for some years. This deal with France would give India the advantage of flying an absolute new and futuristic aircraft.

An added advantage would be that India could suggest to the manufacturers, Marcel Dassault, any modifications to suit their requirements of its Air Force and these would be carried out.

The experts said that there were possibilities of further development of the Mirage 2000 aircraft and that while signing the deal with France, India would keep in mind the experience of the Jaguar deal with the British. The Indian side would ensure that all stepped up technology was made available to it in future.

The Indian Mirage 2000 would be fitted with the RDM multi-mode radar, which had now been cleared for all existing weapons that the aircraft could carry in the future.

The RDM radar, it was understood, had the look-down capability to track low-flying aircraft and could be integrated with the Matra Super 530-D missile. The improved RDI radar which was optimized for air defence roles with larger ranges has presently under development and would be available to the Indian Air Force when ready.

The sources pointed out that the Mirage 2000 deal was not a reaction to the Pakistani acquisition of the American F-16 Falcon Jet fighter aircraft. They said a decision to go in for an aircraft of the type of Mirage 2000 and roles which it would perform had been taken as early as 1973-74.

There would not be any further addition to the number of combat fighter aircraft in the inventory of the IAF, but this was only a process of modernization while replacing the outdated aircraft.

The defence experts said the air defence aircraft of the Soviet origin with the IAF were "adequate to meet the existing threat but would be outmatched by the F-16S and the uprated Mirage 111S and Mirage VS that Pakistan Air Force had in very large numbers".

Pakistan had a substantial long range strike force of the Mirages today, which would now be augmented by the addition of F-16S next year. As against this, the Indian Air Force had only one or two squadrons of Jaguar aircraft.

CSO: 4220/7856

DRV POSITION ON RELATIONS WITH INDIA TOLD

New Delhi PATRIOT in English 17 Feb 82 p 7

[Article by Cecil Victor: "Vietnam Keen To Upgrade Cooperation With India"]

[Text] Ho Chi Minh City, Feb 16--Throughout the four-day visit by External Affairs Minister Narasimha Rao, Vietnamese leaders--Prime Minister Pham Van Dong, Foreign Minister Nguyen Co Thach and Vice-Premier Co Thach and Vice-Premier Vo Nguyen Giap--took pains to stress India's paramount position in South and South-east Asia and Vietnam's eagerness to take advantage of the Indian experience in agriculture, industry, science and technology.

They have said that the cooperation with India would be upgraded to a position second only to Comecon, which is a measure of the high esteem in which Vietnam holds India and a recognition of its ability to lead developing countries to a fruition of the non-aligned nation's desire to increase mutual cooperation to mutual benefit.

Time and again the stress was on the "paramount position" of India and the desire to learn from India's experiences. On regional issues the Vietnamese leaders feel that India can contribute tremendously towards resolution of tensions in Southeast Asia just as it is trying to do in South Asia.

Though Mr Rao made it clear at the joint press conference in Hanoi that India did not intend to take any initiative toward promoting dialogues between Vietnam and Thailand or other members of ASEAN, the Indian view that such dialogues are the only way of resolving disputes will nevertheless be conveyed to ASEAN in the quiet diplomacy that is continuing for the elimination of tensions in the region.

US, China, Ambition

The feeling in Vietnam is that so long as there is a convergence of the ambitions of China and the US in the region tensions will remain.

However, there are hopeful elements in the relations between the Indochina states of Vietnam, Laos, Kampuchea and Thailand on the one hand and these states and ASEAN on the other, that could eventually lead to a reduction of tensions. The Vietnamese leaders have told Mr Rao that they intend to do

everything they can to allay ASEAN and Thailand fears but they will always keep in mind the historical nature of developments in the region.

They believe that time is on the side of the Indochina states and they intend to spend the time beneficially to develop their industrial infrastructure with India's assistance by moving away from the ad hoc nature of past cooperation to long-term planned growth.

CSO: 4220/7857

MORE REPORTAGE ON SOVIET VISA DENIAL TO DANGE

New Delhi Embassy Denial

New Delhi PATRIOT in English 16 Feb 82 p 7

[Text] The USSR Embassy in New Delhi has denied refusal of Soviet visa to Mr S.A. Dange.

In a statement, the embassy said: "In connection with reports which have appeared in a section of the press about the alleged denial of Soviet visa to Mr S.A. Dange, the USSR Embassy in India considers it necessary to clarify that Mr Dange and a person who was to accompany him to Havana via the USSR were never refused Soviet visas.

"Moreover, in connection with the allegations which have appeared in the press, the Consul-General of the USSR in Bombay personally called on Mr Dange to reiterate the availability of the visas."

'TIMES OF INDIA' Editorial

Bombay THE TIMES OF INDIA in English 15 Feb 82 p 8

[Editorial: "The Dange Episode"]

[Text] By refusing a visa to Mr S.A. Dange, the Soviet Union has finally denied its attitude towards the breakaway All-India Communist Party. It has left no room for doubt that Moscow is opposed to the party. Two aspects of the entire episode are especially noteworthy. The first is the apparent suddenness with which the Soviet Union decided to make public its disapproval of India's best-known communist leader. This suddenness is more apparent than real. For, divergence between the CPSU leadership and Mr Dange on the question of endorsement of the CPI's stand on Mrs Gandhi is not new. Well over six months ago, Mr Dange was said to have been told by some CPSU leaders that they did not and would not support his openly pro-Mrs Gandhi and anti-CPM orientation--the central point of his dispute with the leadership of the CPI ever since the latter made a formal break with the Congress(I) at Bhatinda in 1978. It also cannot be an accident that the Soviet move has followed the CPM party congress which witnessed the triumph of the pro-Soviet line and preceded the forthcoming CPI party congress next month. Clearly Moscow has felt that the

time had come for it to administer a public snub to Mr Dange. It is tempting to rush to the conclusion that in the process the Kremlin has also expressed its displeasure with Mrs Gandhi over her policies. But this temptation should be resisted for the time being. Indo-Soviet relations at the state-to-state level are at once much too intricate and complex to be discussed in terms of such episodes.

The second feature of the Dange affair is the manner in which the Soviet leadership has decided to reprimand the recipient of the Order of Lenin, effectively preventing him from attending the session of the World Federation of Trade Unions, of which he has been a vice-president for over two decades. In denying him the visa, the Soviet leadership has treated Mr Dange not as a fellow-communist with whom it differs, but as an ordinary Indian citizen who is not entitled to special consideration. In other words, he has been put outside the pale. This sort of manoeuvre is, of course, nothing new for the CPSU: it goes back to the Stalinist thirties. Thus the Soviets have made it clear that they no longer consider it useful to engage in a debate with Mr Dange. As a result, the position of the Rajeshwar Rao group, which is hostile to Mr Dange, has been considerably strengthened and the opposition to the policy of going along with the CPM greatly weakened. And if the pro-Dange elements in the CPI, represented by several individuals in the national council are likely now to face a rout, the AICP, already confined to a few pockets, is sure to shrink further.

CSO: 4220/7857

ITALIAN GROUP TO AID IN OIL EXPLORATION

New Delhi PATRIOT in English 15 Feb 82 p 7

[Text] The ENI group of companies, a Government holding company of Italy, has agreed to cooperate with the Oil and Natural Gas Commission (ONGC) for early production system in Palk Strait and 57 fields where oil has been recently discovered by ONGC, reports UNI.

According to an official release the decision was taken after a three-day meeting of the officials of the Petroleum, Chemicals and Energy Ministry, the representatives of the ONGC, Indian Oil Company IPCL, EIL and OCC in Delhi.

The ENI has also offered to train Indian engineers in oil drilling technology and other spheres of production including refining.

A team from ONGC would shortly visit Italy to study the facilities available and draw up a suitable programme for training, the release added.

Snamprogetti and Saipem of ENI group, besides showing interest in oil and gas pipelines both onshore and offshore and platforms, agreed to cooperate in the development of indigenous facilities in this regard.

Agip SPA, exploration and production company of ENI group, which is presently operating in 23 countries has also offered ONGC cooperation in joint ventures abroad.

In the field of refining ENI agreed to assist Indian Oil Corporation and Engineers India Limited in the preparation of precise cost estimate for hydrocrackers being planned in the new refineries and energy optimisation in the existing refinery. It would also help ONGC improve the quality of lubricating oils so as to reduce their consumption in India where it is comparatively high. It will result in substantial savings, the release added.

The visit of the ENI delegation was a follow-up to the talks held in Rome for further collaboration in oil sector during Prime Minister Indira Gandhi's visit there in December last. The discussions have proved very fruitful, the release said. The ENI also agreed to join hands with the Engineers India Limited in setting up ventures in third countries in case to case basis and also to utilise their inspection service.

CSO: 4220/7856

BRIEFS

INDIA-INDONESIA ACCORD--New Delhi, Feb. 11--India and Indonesia signed an agreement yesterday, according to an official release, reports UNI. The agreement, which is a major step in increasing cooperation between the two countries covers exchange of information on technical, scientific, organizational and management matters. Besides, information on existing training facilities in technical, industrial and educational institutions and exchange of scientists, advisers, experts, technicians, scholars and research fellows are included. The Indonesian Foreign Minister, Mr Kusumaatmadju, said that the agreement laid the foundation of cooperation between the two countries in their effort to improve skills, technology and science. It symbolized cooperation among developing countries, in order to accelerate the realization of the new international economic order. [Text] [Calcutta THE STATESMAN in English 12 Feb 82 p 1]

PACT WITH ALGERIA--Algiers, Feb 13 (INA-Pool)--Algeria and India have signed a joint agreement for technical and economic cooperation at the conclusion of meetings of the joint Algerian-Indian committee. The minutes called for the development of technical and economic cooperation, expanding trade exchange and the exchange of expertise and technical data between the two countries. The joint agreement was signed by Planning Minister S. B. Chavan and Algerian Minister of Planning and Regional Development Abdelhamid Brahimi. [Text] [New Delhi PATRIOT in English 14 Feb 82 p 3]

NORWEGIAN AMBASSADOR--Norwegian Ambassador T. Ibsen presented his credentials to President Sanjiva Reddy at Rashtrapati Bhavan on 11 March. [Text] [BK120659 Delhi ISI Diplomatic Information Service in English 1434 GMT 11 Mar 82]

CULTURAL PROGRAM WITH GDR--On 11 March, India and the GDR signed a cultural program for a period of 3 years. The program, signed in New Delhi, envisages strengthening of mutual relations and promotion of cooperation in the fields of higher education and science, health, arts and sports. The program was signed by the minister of state for education and the GDR minister of culture. [BK120569 Delhi Domestic Service in English 1530 GMT 11 Mar 82]

COMMUNISTS TO PRC--New Delhi, 7 Mar (AFP)--The Communist Party of India-Marxist (CPI-M) has accepted an invitation from the Chinese Communist Party to visit China, it was reported here today. The daily INDIAN EXPRESS, quoting party sources, said a two-member official delegation, comprising secretaries M. Basavapunniah and Samar Mukherjee, would go to Beijing. The exact date for the visit was yet to be fixed. Mr Mukherjee is also leader of the CPI-M group in the Lower House of Parliament. Although unofficial CPI-M delegations had visited China during the last 2 years, this was the first time the Marxists had agreed to send an official delegation, the paper noted. The Chinese invitation was considered significant in view of the pronounced tilt towards the Soviet Union the CPI-M had shown at the Party's annual congress recently. [Text] [BK071107 Hong Kong AFP in English 0618 GMT 7 Mar 82]

INDO-BULGARIAN COOPERATION--India and Bulgaria will organise a working meeting in the Capital between engineering, other organisations and companies of the two countries for identifying concrete areas of cooperation on a country by country and project by project basis. An agreement to this effect was signed at the end of Bulgarian Deputy Prime Minister Andrei Lukanov's visit to India. During discussion with Commerce Minister Shivraj Patil, both sides felt that earnest efforts should continue for setting up of joint ventures in both the countries with a view to increase mutual trade. It was felt that the examination of the four joint ventures on fashion gloves, shoe uppers, leather shoes and lamb-fur leather should be expedited. The Bulgarian side indicated their interest in setting up of joint ventures for the production of dyes and intermediates in Bulgaria. [Text] [New Delhi PATRIOT in English 20 Feb 82 p 7]

RAO ON 'MERCENARIES'--External Affairs Minister P V Narasimha Rao on Friday described as 'incorrect' reports in some newspapers that a batch of 31 Indians was working as 'mercenaries' in Beirut, reports PTI. Mr Rao told Mr Dhuleshwar Meena in a written reply that the batch was recruited by some unscrupulous agents and promised jobs in a factory in Beirut on payment of amounts of about Rs 14,000 to the agents in December last year. The batch was then flown to Bangladesh on tourist visas from where they were taken to Damascus via Moscow Sofia and Istanbul. From Damascus they were sent on their own to Beirut by bus without possessing visas for Lebanon with the assurance that they would be met by the agents in Beirut. On arrival in Beirut they found themselves stranded without jobs. They were however, repatriated to India by the Indian embassy in Beirut on 31 January last he added. [Text] [New Delhi PATRIOT in English 20 Feb 82 p 8]

DANGE VISA DELAY--The veteran communist leader, Mr. S. A. Dange said here today the "inexplicable" delay on the part of the Soviet Consulate in granting a visa forced him to cancel his trip to Cuba to attend the congress of the World Federation of Trade Unions which was held from February 10 to 15. He said WFTU had sent him two air tickets, one for himself and one for his daughter. As the Soviet Consulate in Bombay did not grant a visa until February 2, they could not leave that day, he said. However, on February 5, Mr. Dange said, the Soviet Consulate told him it could not grant visas without tickets. Air-India stated its inability to issue tickets without the visas. [Text] [Madras THE HINDU in English 19 Feb 82 p 9]

CSO: 4220/7864

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

NEW AMBASSADORS--President Soeharto on Saturday [30 January] at State Palace installed in office six new Indonesian ambassadors: Vice Admiral Edie Suprapto, Maj Gen R S Sasraprawira, R Supangat, Mohamed Isnaeini, Vice Admiral Dr Raden Mas Subroto Yudono, and Lt Gen Ahmad Tirtosudiro. Vice Admiral Edie Suprapto has been appointed Indonesian ambassador to the Republic of Korea (South Korea), replacing Maj Gen Kaharuddin Nasution. Maj Gen R S Sasraprawira has been appointed Indonesian ambassador to the Republic of Kenya, replacing Mohammad Sabir. Mohamed Isnaeini has been appointed Indonesian ambassador to Rumania, replacing Brig Gen Susidarto. Vice Admiral Dr Subroto Yudono has been appointed Indonesian ambassador to Nigeria and to Liberia, replacing Maj Gen Dr Iwan Stambul. Lt Gen Ahmad Tirtosudiro has been appointed Indonesian ambassador to the Kingdom of Saudi Arabia, replacing T M Hadi Thayeb. [Excerpt] [Jakarta PELITA in Indonesian 1 Feb 82 p 1] 5170

AMBASSADOR MOHAMED ISNAEINI--"The chief of state has appointed me ambassador to Rumania, and as an Indonesian citizen I accept the task cheerfully, and I will carry out the diplomatic line of President Suharto [he used the nickname of "Pak Harto"--Father Harto] in that task." This was stated by Mohamed Isnaeni ["Isnaeni" as spelled in this article; in the previous article it was spelled "Isnaeini"] on Thursday [28 January] at an informal meeting with journalists assigned to Parliament and to the People's Consultative Assembly [MPR]. For 16 years Mohamed Isnaeni has been deputy chairman of Parliament and of the MPR. He said that his task as a diplomat was something new for him. For that reason when President Suharto asked him to serve as an ambassador, he frankly said that he did not have any experience in the diplomatic field. However, President Suharto said that since he has had 16 years of experience as deputy chairman of Parliament and of the MPR, he can certainly function as a diplomat. Ambassador Isnaeni said that, "When I went to say goodbye to President Soeharto when I was leading the Indonesian Parliamentary Delegation to Africa in November, 1981, the president asked me about my decision not to remain in Parliament any longer. Apparently, the president had plans for me, because on 2 January 1982 he directly asked me to accept appointment as ambassador to Rumania. As I am a citizen, I of course will

carry out any task assigned to me by the chief of state." Isnaeni, who is also a leader in the Executive Council of the Indonesian Democrat Party [PDI], stated that he had sent a letter of resignation to the leadership of Parliament and of the MPR. Meanwhile, the Executive Council of the PDI has sent a letter to President Shuarto asking him to replace Isnaeni as deputy chairman of Parliament and of the MPR. "At the end of February there will be a conference of Indonesian ambassadors in Europe. I will use that meeting specifically to obtain the details I need to have for my job as ambassador to Rumania," he said. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 29 Jan 82 pp 1, 8] 5170

AMBASSADOR R SUPANGAT--The government of the Republic of Kenya has agreed to the appointment of R Supangat as Indonesian ambassador to Kenya. This was stated by the Ministry of Foreign Affairs on Thursday [28 January].
R Supangat was born on 7 January 1925 in Yogyakarta. He attended the HBS [Dutch grammar school in the colonial period], the SMA [Indonesian senior high school], the Political Science Academy, the Diplomatic and Consular Course at the Ministry of Foreign Affairs, and the Senior Course at the Ministry of Foreign Affairs. In 1947 he was assigned to Yogyakarta in the secretariat of the Indonesian Delegation in the discussions with the Dutch side on the USS RENVILLE and later in Kaliurang, Jakarta, and the Hague under the UN Commission on Indonesia. After the Round Table Conference Agreement was reached in 1949, R Supangat began his career in the Ministry of Foreign Affairs. He has served in Indonesian embassies in Brussels, Jiddah, Moscow, Paris, and most recently as deputy chief of mission in the Indonesian Embassy in Wellington. Since 1977 he has been chief of the Bureau of Social and Cultural Affairs in the Indonesian National Secretariat of ASEAN. He is married and has four children. [Text] [Jakarta KOMPAS in Indonesian 29 Jan 82 p 12] 5170

COL (ARTILLERY) IDA BAGUS MADE SOEDJANA--Col (Art) Ida Bagus Made Soedjana on Saturday [20 January] was installed in his post as the new chief of staff of KOSTRAD [Army Strategic Reserve Command]. He is of the younger military generation, having graduated from the National Military Academy (now the Army section of AKABRI [Indonesian Armed Forces Academy]) in 1960. This is the first time that a younger generation officer has held one of the senior posts in the headquarters of KOSTRAD. Prior to this assignment Colonel Soedjana was chief of staff of Military Region XII/Tanjungpura in West Kalimantan. The position of chief of staff at KOSTRAD have been vacant since Brig Gen Djoni Abdulrachman was appointed commander of Military Region I/Iskandar Muda in Aceh recently. Since that time the post of chief of staff of KOSTRAD has been temporarily filled by the commander of COSTRAD, Maj Gen Rudini. Colonel Soedjana, who graduated from the National Military Academy with Brig Gen Edy Sudradjat, now commander of Military Region II/Bukit Barisan in Medan, is no stranger to KOSTRAD. He has spent a large part of his service since he became a second lieutenant in KOSTRAD, beginning as an officer of Section II in Arillery Battalion Med 13/105, and continuing as commander of Artillery Battalion Med 14 and commander of Artillery Regiment Med 2 in KOSTRAD. He was assigned for a time to Army Headquarters and was commander of Military Sub-District 121 in Sintang, West Kalimantan. There Soedjana also served as commander of Operation Perbatasan [Boundary], a joint effort by the Indonesian and Malaysian Armies. From Sintang he was promoted and became chief of staff

of Military Region XII, where the commander was Brig Gen Untung Sridadi, a former chief of staff of KOSTRAD. According to the chief of the Information Office in KOSTRAD, Lt Col (Communications Corps) Dr Winoto, Colonel Soedjana, who is now 46 years old, has served in KOSTRAD between the time its commander was Maj Gen Soeharto (now President Soeharto) and the current, 11th commander of KOSTRAD, Maj Gen Rudini, with the exception of the period when Gen Himawan Soetanto was commander of KOSTRAD. Colonel Soedjana graduated from the Army Staff and Command School in 1973 and from the Joint Staff and Command School in 1978. He graduated from the National Defense Institute in 1980. At the Institute he was awarded the "Seroja Wibawa Nugraha" prize for the best written study when he was a student there. [Excerpt] [Jakarta HARIAN UMUM AB in Indonesian 1 Feb 82 p 8] 5170

COLONEL (INFANTRY) SOETEDJO--Colonel (Inf) Soetedjo reported to the commander of KOSTRAD [Army Strategic Reserve Command], Maj Gen Rudini, on 30 January as the new chief of staff of Combat Team II. He replaces Col (Inf) Agus Suprata, who has retired. Previously Col Soetedjo was assistant for operations and commander for education and training in Military Region VI/Siliwangi. Col Soetedjo graduated from the National Military Academy in 1961 and has spent much of his service in the commandos, from the time he was a second lieutenant until he became commander of Group IV/Parachute Commandos, whose headquarters are in Cijantung. After serving in Military Region VI/Siliwangi Colonel Soetedjo again returned to Cijantung, to the headquarters of Combat Team II of KOSTRAD. [Excerpt] [Jakarta HARIAN UMUM AB in Indonesian 1 Feb 82 p 8] 5170

CHAMRIL DJAFRI DJAVID--The Indonesian government has appointed Chamril Djafri Djavid as consul and chief of the Indonesian Mission in the Indonesian Consulate in Bombay. He was installed in this office today [3 February] at the Ministry of Foreign Affairs on Jalan Pejambon. Born in Medan on 20 June 1928, Djafri Djavid graduated from SMA [senior high school] in 1952, from the Foreign Service Academy in 1956, and from the second class of the Foreign Service Officers School in 1974. In 1956 he worked in the Americas Directorate of the Ministry of Foreign Affairs, and 4 years later he was assigned to the Indonesian Embassy in Ankara. Later he had numerous foreign assignments. In 1979 he was appointed chief of the Administrative Section of the International Agreements Directorate in the Ministry of Foreign Affairs. Among the international conferences which he attended were the 1969 Quaker Conference in Rastenfeld, Austria; the WIPO Conference [sic; not otherwise identified] at Geneva, where he was a member of the Indonesian Delegation, in 1979; and as a member of the Indonesian Delegation at the Ad Hoc Committee meeting on the ASEAN-EEC Cooperation Agreement in Jakarta in 1979. [Text] [Jakarta HARIAN UMUM AB in Indonesian 3 Feb 82 p 8] 5170

NAVY COMMODORE ABDU RACHMAN--Minister of Agriculture Prof Soedarsono Hadisapoetro on Tuesday [2 February] administered the oath of office and installed Navy Commodore Abdu Rachman as director general of Fisheries Affairs in the Ministry of Agriculture, replacing the previous incumbent, Navy Commodore Imam Sardjono. The ceremony was held at the Ministry of Agriculture in Jakarta. The appointment of Commodore Abdu Rachman as director general of fisheries was based on President Decision Letter No 9/M of 1982, dated 20 Jan 1982. Before his appointment as director general of fisheries Commodore Abdu

Rachman was commander of Navy Region IX in Ambon, Navy Region IVV in Ujungpandang, and most recently as commander of Operation Halilintar [sic; not otherwise identified]. [Excerpts] [Jakarta HARIAN UMUM AB 3 Feb 82 p 8] 5170

DR HARDJANTO SOEMODISASTRO--Dr Hardjanto Soemodisastro on Thursday [4 February] was installed in office as deputy chairman of Parliament and deputy chairman of the MPR [People's Consultative Assemby] by the chairman of the Supreme Court, Dr Mudjono, at a plenary session of Parliament in Jakarta, presided over by Parliamentary Chairman Daryatmo. The oath-taking ceremony took place after the session of Parliament, attended by 232 members, unanimously approved the candidacy of Dr Hardjanto to the post of deputy chairman of Parliament. Dr Hardjanto was nominated to the post by the fraction of the Indonesian Democrat Party [PDI] as a replacement for M H Isnaeni, who was also from the PDI fraction. Dr Hardjanto was born in Surakarta in 1927. He was second chairman in headquarters of the Indonesian Verterans Legion from 1959 to 1968, a member of the MPRS [Temporary People's Consultative Assembly] from 1959 to 1968, and a member of the MPRS Working Body from 1960 to 1967. Based on the results of the general election of 1971 he became a mamber of Parliament, representing elements of the former Indonesian National Party [PNI]. Following the general election of 1977 he because a member of Parliament representing the PDI fraction, and most recently he has been chairman of the PDI fraction in Parliament. In the party organization he has been first chairman of the Executive Council of the PDI. He holds seven guerrilla decorations and six army campaign medals. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 5 Feb 82] 5170

YOOP AVE--Minister of Communications Roesmin Nurjadin on Thursday [4 February] installed Yoop Ave in office as director general of tourism, replacing Achmad Tirtosudiro, who has been appointed Indonesian ambassador to Saudi Arabia. The installation ceremony was held at the Minister of Communications, attended by all directors general and other high officials in that ministry. The replacement of the director general of tourism was based on Presidential Decision Letter No 11/M of 1982, transfering Achmad Tirtosudiro from his post as director general of tourism and appointing Yoop Ave as his replacement. The post of director general of tourism had been held by Achmad Tirtosudiro since 1977. Yoop Ave had previously been director general of protocol and consular affairs in the Ministry of Foreign Affairs. He had held that position since July, 1978. Presidential Decision Letter No 11 also appointed R Achmad Djumiril (currently Indonesian ambassador to Sweden) as director general of protocol and consular affairs in the Ministry of Foreign Affairs, replacing Yoop Ave. Yoop Ave was born in Yogyakarta on 5 December 1934. He graduated from the Foreign Service Academy in 1957 and from 1957 to 1958 continued his education at the University of the Philippines in Manila. Beginning at the age of 18 [1952] he was an announcer on Radio Indonesia for 6 years, working in the French and English service. In 1957 he was assigned to the Americas Directorate in the Ministry of Foreign Affairs. From 1 January 1965 to 1967 he was deputy chief of the Directorate of Protocol, and from 5 January 1967 to June, 1972, he was assigned to the Indonesian Consulate General in New York as a consul. In 1972 he was assigned to the State Secretariat as chief of administrative affairs at the Palace, serving in that capacity until 1978. [Text] [Jakarta HARIAN UMUM AB in Indonesian 5 Feb 82 p 3] 5170

MAJ GAN R A SALEH--Maj Gen R A Saleh on Tuesday]9 February] was installed in office as chief of the National Reserve Center [PUSCADNAS], replacing Lt Gen J Henuhili. The transfer of office, in the presence of the deputy commander of the Indonesian Armed Forces, Admiral Sudomo, took place at the offices of the National Reserve Center in Jakarta. The post of chief of PUSCADNAS for a long time was held by Lt Gen Henuhili after his appointment as commanding general of the Indonesian Armed Forces Academy, replacing Lt Gen Susilo Sudarman, who is now commander of Defense Area I. Previously, Maj Gen R A Saleh was commander of Military Region I/Iskandar Muda in Banda Aceh. [Text] [Jakarta HARIAN UMUM AB in Indonesian 10 Feb 82 p 1] 5170

MAJ GEN (RETIRED) H V WORANG--The former governor of North Sulawesi, Maj Gen (Ret) H V Worang, died suddenly on Wednesday, 3 February, at his home at Simprug Kav A 177, Jakarta. He was found unconscious in the bathroom at 1615 on that day. Mrs Worang immediately took him to the Pertamina Hospital, but the doctor who examined him on arrival there determined that H V Worang had died. Among those who came to pay their respects Wednesday evening were President and Mrs Soeharto, members of the cabinet, high-ranking officials, and close acquaintances. It is planned that his remains will be buried on 5 February in the burial place of his family in Desa Tontalete, Airmadidi, Minahasa, North Sulawesi, near where he was born almost 63 years ago. The deceased was born on 12 March 1919. He had previously served as commander of the Worang Battalion in Brigade XVI in South Dawi, Blitar, and Malang; as commander of the Worang Battalion in North Sulawesi; as commander of Regiment 24 in North Sulawesi; as commander of Regiment 6 in Tanjungkarang; as commander of the Defense and Security Corps in the Ministry of Security; and as governor of North Sulawesi for two terms. His final post, at the time he died, was that of member of the MPR [People's Consultative Council] and inspector general of development. The deceased leaves a wife and five sons and daughters. [Excerpts] [Jakarta KOMPAS in Indonesian 4 Feb 82 pp 1, 12] 5170

AWAD BAHASOAN--Awad Bahasoan was born in Ambon on 21 June 1947. He is the director of the Community Instruction Institute (LPM) [an Islamic doctrinal body] in Jakarta. He attended courses in Arabic at the Teachers Training Institute [Institut Keguruan Ilmu Pendidikan] in Jakarta. Later, he continued his studies at the Faculty of Social Sciences of the University of Indonesia, majoring in sociology, where he completed fifth year. He became general chairman of the Student Council of the Teachers Training Institute in Jakarta (1970-1971) and chairman of the Cooperative Council of the Student Senate of the All-Indonesian Teachers Training Institute (1970-1976). He has been an assistant instructor for the sociology of religion at the Faculty of Social Sciences at the University of Indonesia. He was secretary of the Community Sciences Studies Institute of the Bhineka Tunggal Ika Foundation (1973-1974), deputy general chairman of the Central Indonesian Student Press League (1974-1976), and a book editor for the publication section of the LP3ES [Economic and Social Educational and Information Research Institute]. He attended a study course and seminar in Tokyo, Japan, in 1974 on youth volunteer activities in Asia. He is active in writing for a number of publications. [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 p 127] 5170

FACHRY ALI--Fachry Ali was born in Susoh, Blang Pidie, South Aceh, on 23 November 1954. He is a staff researcher in the Economic and Social Educational

and Information Research Institute (LP3ES). From 1974 to 1977 he was a student in the Faculty of Education in the State Islamic Religious Institute (IAIN) in Ciputat. At present (1981) he is a student of Islamic history and culture in the Faculty of Culture at the IAIN. A number of his articles have appeared in Jakarta newspapers or magazines. [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 p 127] 5170

IQBAL ABDURRAUF SAIMIMA--Iqbal Abdurrauf Saimima was born in Batu Merah, Ambon, on 7 October 1955. He is a member of the editorial staff of the magazine PANJI MASYARAKAT and an editor of the publication POTENSI. He is a member of the Association for Community Research and Development (JP2M) in Ciputat. In 1975 he attended lectures in pedagogy in the Faculty of Education of the Syarif Hidayatullah State Islamic Religious Institute (IAIN) in Jakarta, and obtained a bachelor's degree there in 1978. At present he is following a master's program in Islamic history and culture at the Faculty of Culture of the Syarif Hidayatullah State Islamic Religious Institute (IAIN) in Jakarta. He has attended a number of conferences and seminars, most recently attending a seminar of Islam and the New World Order in Tokyo, Japan. He is editor of the book, "Kebangkitan Islam dalam Pembahasan" [The Islamic Awakening in Criticism] (1980), and "Perjalanan Terakhir Buya Hamka" [The Last Trip of Buya Hamka] (1981). [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 p 127] 5170

MANUEL KAISIEPO--Manuel Kaisiepo was born in Biak, Irian Jaya, on 25 December 1953. He is a member of the editorial board of the monthly publication PRISMA. He was educated in the Faculty of Social and Political Science of the University of Gadjah Mada, Yogyakarta (1973-1975), majoring in international relations; and in the Faculty of Political Science of National University in Jakarta. He has written articles on social and political questions for a number of publications, especially for the daily newspaper KOMPAS in Jakarta. He has written a book, "Bantuan Luar Negeri dan Peranannya di Indonesia" [Foreign Aid and Its Role in Indonesia], which was published by the Center for Economic, Social, and Cultural Research and Development of the Ministry of Foreign Affairs, 1981. He is a member of the editorial team of the book, "Laporan Kelompok Studi Pembangunan Irian Jaya" [Report of the Study Group on the Develompent of Irian Jaya] (Jakarta, Indonesian Science Institute [LIPI], 1980). [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 p 127] 5170

MASMIMAR MANGIANG--Masmimar Mangiang was born in Payakumbuh, West Sumatra, on 10 September 1949. He is a member of the editorial board of the magazine PRISMA (since 1977). He attended the Faculty of Law of the University of Indonesia (not yet completed) and is presently a non-tenanted staff instructor in the Department of Mass Communications Science in the Faculty of Social Sciences of the University of Indonesia. He was a journalist for the daily newspaper KAMI (1971-1972), a journalist for the daily newspaper PEDOMAN (1973-1974), a member of the broadcasting staff of Youth Education Radio and the Arief Rahman Hakim-LP3ES Radio (1974-1976). He was managing editor of the University of Indonesia campus newspaper SALEMBA (1976). He participated in compiling a book, "Pemilihan Umum 1971" [The General Election of 1971] (Jakarta: LPKP [Youth Activities Central Institute], 1972), belonged to the Indonesian Student Press League (1971-1976), and in 1976 attended courses at

the International Institute for Journalism in West Berlin. [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 pp 127-128] 5170

M DAWAM RAHARDJO--M Dawam Rahardjo was born in Surakarta (Central Java) in 1942. He is director of the Economic and Social Educational and Information Research Institute [LP3ES] in Jakarta. He graduated from the Faculty of Economics of the University of Gadjah Mada in 1960. He has been active in directing survey and research projects, including a survey on the rattan industry in Central and South Kalimantan, as well as a feasibility study on the industrialization of timber in East Kalimantan. He has attended seminars in Indonesia and abroad. He has written a number of studies published by the LP3ES, including: "Hasil Penelitian Kerajinan Rakyat Jawa Timur" [Results of Research on People's Handicraft in East Java], "Unit Perencanaan Daerah" [Regional Planning Unit], "Hasil Penelitian Industrial Craft and Design" [Results of Research on Industrial Craft and Design], "Pesantren dan Pembaharuan" (editor) [Muslim Religious Schools and Renewal], and "Profil Pesantren" [Profile of a Muslim Religious School]. [Text] [Jakarta PRISMA in Indonesian No 12, Dec 81 p 128] 5170

CSO: 4213/42

ARMY GENERAL POLITICAL DEPARTMENT HEAD DISCUSSES MILITARY OBLIGATIONS

Vi .iane SIANG PASASON in Lao 18 Dec 81 p 2

[Interview with Lt Col Souphan Leuangsisiengmai, chief of Army General Political Department; date and place not given]

[Text] Today the military and people everywhere are studying and carrying out the Eighth Plenum of the Party Central Committee and the plenum of the party central military committee. In these resolutions, the issue of "carrying out military obligations" receives special attention. This issue has never before occurred in the history of our nation. To clear up this issue, our reporter went to interview Lt Col Souphan Leuangsisiengmai, chief of the Office of Propaganda and Training of the Army General Political Department.

[Question] Today the problem of carrying out military obligations is of interest to cadres, combatants, and our people, especially among the youth. Please explain what the aim of our party and government is concerning this problem.

[Answer] We all know that the strategic duty for the whole party, the military, and all the people is to defend and build up a socialist nation. As for defense, it is most necessary to strengthen the Lao People's Liberation Army, the source of the revolutionary forces, and an effective instrument for the party in carrying out the dictatorship of the proletariat in order to make it strong, disciplined, and modern step by step. The carrying out of military obligations is one of many problems in building up our military in the First Five-Year Plan. This is made clear by the Eighth Plenum of the Party Central Committee and the plenum of the party central military committee.

[Question] Can you tell us specifically how that will be implemented in line with the detailed plans?

[Answer] This year, 1981, the party and government have only prepared the prerequisites for promulgating a military obligation law, and has experimented on improving it. After it passes government approval, the people will be educated and trained. It will take effect in 1982 as part of political life nationwide in order to organize and mobilize troops in a planned manner.

[Question] Can you possibly tell us more about what the conditions are for those who are under these military obligations?

[Answer] In the latest draft legislation concerning the rights and basic obligations of civilians in serving the people for state workers which the Council of Ministers issued on 12 December 1980, it was indicated in article No 6 that each citizen has an obligation as a soldier to take part in defending the country.

[Question] In order for this military obligation to be carried out effectively, what do you think we should do?

[Answer] I fully agree with the resolution of the party military committee that what is needed is mobilization to build a strong foundation, do a good job of changing the policies in army rear service matters, and raise high the honor of the revolutionary army. All branches in all levels of the army must work together seriously as a team to recruiting new soldiers, insure control of equipment, take care of them, and train them in order to raise the morale of those who have just joined the army.

9884
CSO: 4206/23

ANTI-REGIME INFILTRATION, AGITATION IN LUANG PRABANG

Vientiane SIANG PASASON in Lao 25 Jan 82 pp 2,3

[Article by Khaikeo Khammani: Role of Youth in Luang Prabang Province]

[Text] Our motto is that all people should defend peace and the nation, and never to let enemies come in to disturb the people's tranquility.

At this time all of our armies and people have to be more aware than ever before of our enemies' tricks. In the past six years when we have been on the path to building our country, the American imperialists, Beijing reactionaries, and other reactionaries have never ceased their attempts to threaten, pressure, and provoke. They cut our country off politically, economically, and militarily. Generally speaking, Luang Prabang Province is specifically responsible for defending the northern provinces that border on China and Thailand.

Luang Prabang Province is faced with psychological warfare, agitation movements, and bribery by reactionary China. For example, they use minorities and the people they are acquainted with as tools to propagandize and slander our government. They bribed a number of people on the northern border to carry out their dirty tricks by sneaking in and agitating suspicion of the people toward the policies of the party and the government, or else by killing and robbing, thus creating a bad situation among the people.

In confronting this situation in order to protect our land and the peace of the people in the local areas, the provincial administrative authority of Luang Prabang Province in studying the situation has set up national defense forces, peace-keeping forces, guerilla militia, and also an effective local security movement over a wide area.

In exposing the clever tricks of our enemies and also for protecting and building our fatherland to become stronger, which is the fruit of the people of the whole nation bought with tears and sweat and blood, in 1981 over 100 young men from many different towns with Luang Prabang Province, such as Luang Prabang District, Nan District, Pak-ou District, Pakseng District, and

other districts volunteered to serve the country as combatants in the Lao People's Liberation Army in order to maintain national and domestic security, and to set up conditions that could improve the people's living and steadily enrich and strengthen the nation.

Each town held a ceremony honoring those young men who were about to leave. Prior to their leaving, each young man had sworn to learn to train themselves to be enthusiastic combatants knowledgeable and capable in tactics for fighting and self-defense in order to score achievements in the national defense and security duties given by the nation, and to make the socialist nation a victorious reality in order to bring riches and health to all the people.

9884
CSO: 4206/25

ROUTE 9 CONSTRUCTION UNITS FUNCTIONS DESCRIBED

Vientiane HENG NGAN in Lao 1-15 Jan 82 pp 6, 18

[Article by Theutthoun Thavisai: "Route 9 Construction Division No 623]

[Text] According to the schedule for construction division No 923 committee, we were going to observe the animal husbandry project in Phin District, but there were some obstacles in travelling there. So I visited Mr Thongleuan Phomlouangvisa instead. Therefore, my article has had to change according to the situation. However, I will try my best to tell you about all areas of steadily increasing progress for construction division No 923.

Mr Thongleuan Phomlouangvisa, the commander of the construction division No 923, is a brave officer who fought fiercefully in uncounted battles. He used to command an army unit attacking enemies, and defeated them numerous times. Right now he has been "commanding an army" to build up the nation on the "economic battlefield" to guarantee both the construction work and improvement in the standard of living. What are his plans to carry out that responsibility? I asked Mr Thongleuan this question when I visited him at the command headquarters. Mr Thongleuan quickly answered without looking at any prepared statements.

After the nation had been established as the Lao People's Democratic Republic, the party, government, and the supreme command headquarters assigned me to be responsible for over 4,000 cadres, combatants, and their families, who are from different units, in order to carry out new work in peacetime by using the Se Thamouak area in Phin District, Savannakhet Province, as a military base that contains many natural resources, but which had been neglected for a long time.

The priority job at that time was to repair places to stay, improve the standard of living, and increase production in order to become self-sufficient. Comrade, if you could just imagine it, at that time we had only our two hands and land that was not cleared. At the same time, orders came from above for us to repair route 9 that had fallen into disrepair and was full of mines

that the enemy had buried and left since the war. We had to work to the middle from the north and the south. I sent one group of men to work on building houses, and another group to repair the broken down roads and bridges. As for the women who were the daughters and wives of those cadres and combatants, they increased productivity to become partly self-sufficient. This was something that gave those women a chance to contribute to the job. An urgent problem was to have a school and a nursery. I decided to have a general education school built for instruction from the elementary level to the secondary level, and I am now requesting permission from above to build a higher education school. Meanwhile, we built a kindergarten and a nursery school. A number of people, almost half of the people in construction division No 923, contributed their energy to increase the productivity. At the present time those people are the owners of hundreds of hectares, and have brought a large amount of income to our construction division No 923.

Meanwhile, we have trained unit cadres and combatants in both theory and technology that is able to respond in part to the demands of jobs. Comrade, you have probably seen them with your own eyes.

We started from zero. Within only five years we have managed to develop an almost complete set of materials and techniques. We are now able to respond to the jobs assigned from above. We started off as a construction division which depended primarily on its own strength. At the present time we have become a construction division that is completely equipped with materials and techniques. The party and government trust us and have invested a large amount of money in us. Since the end of the year 1980 we have been able to form the structure of the complete unit, including skilled technicians and modern equipment.

That was one aspect of the collective duty. Now I am carrying out a construction plan to turn Se Thamouak into a town that will contain schools, hospitals, a drama theater, public parks, a hydroelectric dam, hotels, restaurants, etc. I expect that whenever we succeed in the construction plan for route 9, this little town will have become developed at the same time.

Mr Thongleuan Phomlouangvisa added his views concerning the future of the construction job for route 9. He said that right now we are learning the technology from Soviet experts for construction and for taking care of the equipment. If we try hard, we can learn a lot quickly from the Soviet experts, and we will be able to set up many corporations in the near future, such as bridge construction, housing, machinery, sawmill, food production, and stone and brick corporations. By that time the capacity to do these jobs will not only be high and bring a steady increase in income to the government, but personal income will also be increased. This is a way to improve the standard of living for cadres and government employees.

After we talked for some time, Mr Thongleuan took us to see the construction of the water reservoir which is northeast of Se Thamouak. When it is finished, we will be able to have water for thousands of hectares of rice fields, and electricity to serve all areas of Se Thamouak, including new factories that will be built later.

9884
CSO: 4206/25

MEDICAL WORK, FOREIGN ASSISTANCE NOTED

Vientiane SIANG PASASON in Lao 15 Dec 81 p 2

[Article: "Public Health Progress in 1981"]

[Excerpts] The preparation and improving of three levels of medical doctors has been rapidly expanding.

In 1981, in particular, the number of high level medical doctors increased by 41 (more than expected according to the plan).

There has been an increase of over 150 doctors in the middle level (more than expected).

The total number of different kinds of primary level doctors has increased by as much as 8,540 doctors. There was also an increase in the number of students admitted to mid- and basic-level schools, and university.

In addition, the Ministry of Public Health has succeeded in upgrading the middle level medical school to a high level pharmacy school.

The party and government have appropriate methods for limiting and reforming private pharmacy operations.

The pharmacy work of the government has improved, for example, in the treatment, production, distribution, and preparation for turning it into an enterprise.

Basic construction has expanded very rapidly. For example, a 150-bed hospital has been constructed with the assistance of the Soviet Union.

A hospital was constructed in Attoupeu Province with aid from the Socialist Republic of Vietnam.

A hospital in Xieng Khouang Province was constructed with assistance from Mongolia.

Paklai Hospital was constructed with the assistance of the High Commissioner of the United Nations and others.

9884
CSO: 4206/23

GYPSUM RESERVES, MINING EXPORTS NOTED

Vientiane SIANG PASASON in Lao 15 Dec 81 pp 2, 3

[Article by V.T. Phonchanheuang: "Gypsum Mining: Our Hope for the Future"]

[Text] Gypsum mining and its production have been steadily increasing. This mine is close to Dong Hen District, Savannakhet Province. In the beginning of December our reporter had an opportunity to visit and observe the actual situation for excavation in this mine.

Now it is the dry season. It is a convenient season for all kinds of work in our mines. We went to visit them and watched while the workers were involved with many different jobs in producing diligently. Some jobs required the use of hands and feet, and some required rather big machinery such as bulldozers, graders, augers for drilling dynamite holes in stone, cranes, steam shovels, electric service units, transportation, and others that are related to each other like a chain. We saw how each worker took responsibility for his own job and had a diligence appropriate to his youth with high determination as socialist workers for the new regime.

This gypsum mine has long been known since the French colonialist occupation. They took advantage of digging up this valuable natural resource. Later, it fell under the neocolonial American imperialists. Their henchmen, the capitalists had carried out a project to build a base for preparing to excavate the resources to enrich other nations and themselves. However, this project did not succeed, as it was the time when our country was liberated, and the Lao People's Democratic Republic was established. This is the time when the Lao working class became the owners of all the land and resources of Laos. Thus, the party and government has set up a plan to excavate this natural resource to serve in enriching our people. Louang Thaimala, the director of the gypsum mine, told our reporter of the production results: Our production projects began in late 1979. It was not until 1980 that actual production started. However, it is still faced with many problems. For example, there are not many skilled workers and cadres for specialized tasks, and there is insufficient transportation. Therefore, in 1980 they could produce only 20,000 tons of gypsum. In 1981, some of the problems have gradually been solved. Strengths have been developed and are aimed at continually increasing the production capability.

Thus, they are now able to produce as much as the plan level, i.e., 40,000 tons of gypsum. Over 20,000 tons has been exported to other countries in exchange for some indispensable goods from our friendly allies, such as cement from the Socialist Republic of Vietnam.

The board of directors for the mine stated that the production plan for the coming year 1982 might not increase very much because much emphasis still needs to be put on improving certain difficulties. For example, this includes training cadres in technology and workers in repairing the sites and vehicles used for transportation. The most important thing is to repair the route from the gypsum mine to route No 9 which is 9 km long, in order to guarantee good transportation.

Gypsum is a shiny white, soft stone. It is primarily used for mixing in cement. Moreover, it is used to make chalk, casts for broken bones, forms, chemical fertilizer, etc. One technology expert said that the gypsum mine is approximately 20 km long and 6 km wide, with a great deal of gypsum. If we dig 100,000 tons a year, it will take hundreds of years to mine all the gypsum there. This is considered a very valuable natural resource and the biggest one in our country. This is our wealth and our hope far into the future.

9884
CSO: 4206/23

SAVANNAKHET ELECTRIFICATION WORK DESCRIBED

Vientiane SIANG PASASON in Lao 19 Dec 81 p 2

[Article: "Savannakhet State Electrification Enterprise Makes Progress"]

[Text] The Savannakhet State Electrification Enterprise has played an important role in the province, especially in the first year of the First Five-Year Plan of the government. One main problem is the expansion of electrification to the production bases, for example, the project to build power lines to Outhoumpon District, the survey and installation of electrification in Atsaphangthong District, and a survey to plan the installation of electrification in all other districts.

With this determination throughout the past year, the comrades, technicians, and workers of Savannakhet State Electrification Enterprise put all their strength and ability into carrying out those tasks, and they have made steady progress. For example, they wired 1,200 meters of low voltage power lines to Na Seng Village, installed poles, repaired large poles, and tightened loose power lines for 532 poles, installed 1 transformer, brought electricity into 1 factory, replaced broken poles, repaired power lines in 25 places, and did electrical repairs for offices and individuals in 2,675 places. They added 2 more high voltage transformers, set up electrification for administrative purposes 38 times, installed electricity in houses and made repairs in 182 places, and planned and built 280 [as published]. Besides these, the Savannakhet State Electrification Enterprise has made some progress in other work related to the long-term plan, and in daily work for normal operation, for example, the survey to collect data concerning electricity for five towns in the province, auto repairs, providing mobile electrification service locally, and repairing the material and technical base for the State Enterprise, for example, garages, changing electrical poles to standard sizes, and modifying a number of tools used in technical work. Since each link of the chain of the State Enterprise has guaranteed its own work, if we count the 11 months from the beginning of the year, the Savannakhet State Electrification Enterprise has contributed almost 6 million kWh of electricity for industrial work and the province as a whole. This means that 90 percent of the plan has been accomplished.

Today the Savannakhet State Electrification Enterprise consists of over 100 people, and is divided up into 7 specialized tasks, as follows: the administration, finance and accounting, billing, collection section, technical section

planning, installation, lines and transformers, and machinery and production. Most cadres are trained on site in both theory and practice. In the past year, they were able to train one cadre from the middle to the high level, and five people from the primary level or small group chief level to the middle level. Meanwhile, they trained dozens of cadres for primary or higher level jobs. In terms of money, in the first 9 months alone they collected a total of 86 percent of the yearly plan. Moreover, the Savannakhet State Electrification Enterprise joined with foreign experts in a 2-month effort in putting materials and money into the rural bases to gather data in order to build hydroelectric dams and [gather] other economic data, and were 70 percent effective.

Following this progress, in this year 1982 the Savannakhet State Electrification Enterprise plans to produce and distribute as much as 6.6 million kWh of electricity, most of which will be provided to rural areas and many important production bases within the province.

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SEMINAR INMATES REPAIR ROADS, VEHICLES

Vientiane SIANG PASASON in Lao 17 Dec 81 p 2

[Article by Theutthour Thavisai: "The One Hundred Million-Kip Men"]

[Text] Who are the one hundred million-kip men? They are not a robber gang who stole one hundred million kip, but people who helped the government save as much as one hundred million kip.

Bounkong, political chief in the technical office of bridge construction company No 923 in the Se Thamouak area escorted reporters of HENG NGAN to visit the machinery section which repairs all construction equipment for company No 923.

We had an informal conversation with Nga Chanthasombat and those who are responsible for the machinery section. In this friendly discussion, we learned about the one hundred million-kip men. This group includes Nga Chantasombat.

The story begins like this.

After the liberation, the party and government brought former officers and enlisted men of the Vientiane side for a training seminar in Se Thamouak, Phin District of Savannakhet Province. Besides political training, the committee responsible for the seminar camp provided time for them to perform physical labor. For example, some were organized to plant and raise animals, and others were organized to repair roads and build places to stay.

The road repair group in particular is facing many difficulties because of the lack of vehicles.

In confronting this situation, Comrades Kong Souriyamat and Nga Chanthasombat along with 18 other men discussed the idea of using the old broken down bulldozers that the American imperialists and Saigon puppet soldiers had left on the Lamson 719 battlefield. Their plan was given approval from above, after which they started to carry it out.

The route along which they searched for the broken down bulldozers from Dong Village to Phou Bi and Phou Pom was over 10 km long. Also, this was the area that contained mine fields of the American imperialists and Saigon puppet

soldiers that were emplaced in Operation Lamsson 719 during the war. Thus, these men had to climb along a narrow path, and carefully and slowly took two model DKD bulldozers and one model D7 bulldozer apart in Phou Bi and Phou Pom. They then had to carry the dismantled pieces with difficulty. It took them a very long time to carry the metal pieces for the three bulldozers, and they had to surmount uncounted difficulties. When the disabled vehicles arrived at the office, they hurried to clean and polish the parts, and joined the different parts together. There were many spare parts that could not be fit together, but they used their inventiveness to alter the parts to fit the different bulldozer models.

After 3 months of urgent work, those 18 cadres whom I called the "one hundred million-kip"-men succeeded in putting the parts togetner to make 3 bulldozers. Based on an appraisal from above, the three bulldozers are worth approximately one hundred million kip (in liberation kip at the time). This is the story of the one hundred million-kip men.

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BRIEFS

OUDOMSAI DISTRICT POPULATION--La District is in Oudomsai Province. Its rice harvests and salt production have been increasing steadily each year. It is self-sufficient. La District is located on the La River. It has a total population of 13,374 people. Most of them are of the Lao Theung race. The district is divided into seven cantons and 96 villages. The production base for this district is rice and salt. In addition, there is agriculture and animal raising. [Excerpts] [Vientiane SIANG PASASON in Lao 25 Jan 82 p 2] 9884

CHAMPASSAK DISTRICT POPULATION--Phonthong is a district in Champassak Province. The population density is very high, and there are over 40,000 people. There are 2,217 tribesmen, 107 villages, and 10 cantons. The majority of these people are farmers primarily involved in agriculture and animal husbandry. [Excerpt] [Vientiane SIANG PASASON in Lao 11 Jan 82 p 2] 9884

LOUANG NAMTHA POPULATION--Louang Namtha is a province located in the northern region of our country. It is a fertile land filled with natural resources. Its border adjoins three countries: China, Burma, and Thailand. It has a total population of 131,021 people, and is divided into 8 districts, 56 cantons, and 29 ethnic groups speaking different languages. [Excerpt] [Vientiane SIANG PASASON in Lao 11 Jan 82 p 2] 9884

SAVANNAKHET DISTRICT POPULATION--Khanthabouri is a district that has special characteristics which make it different from other districts in Savannakhet Province. It consists of 13 cantons, and has a total population of 77,992 people who have two new occupations: rice farming and trading. As many as 22,900 people are involved with trading in the town. [Excerpt] [Vientiane SIANG PASASON in Lao 26 Jan 82 p 2] 9884

CSO: 4206/25

BRIEFS

PUNJAB LOCAL BODIES POLLS--Lahore, March 5--The Punjab Governor Lt-Gen. Ghulam Jilani Khan, has ordered preparations for the 1983 Local Bodies elections, reports a Lahore daily. The Local Bodies Department has been instructed that on the basis of population, election procedure be finalised. The Department has asked the Provincial Elections Authority to take necessary action so that the elections could be held under the local Government Ordinance, 1979. PPI [Text] [Karachi DAWN in English 6 Mar 82 p 4]

GEN SAWAR FOR SAUDI ARABIA--The Vice-Chief of Army Staff, General Sawar Khan, left Karachi yesterday on a 10-day official visit to Saudi Arabia. He was seen off at the airport by the Corps Commander Lt Gen Ahmad Jamal Khan and other senior military officials.--APP [Text] [Karachi DAWN in English 6 Mar 82 p 10]

QASIM ON PARTIES' ALLIANCE--Sahiwal, March 6--Malik Mohammad Qasim, General Secretary of the defunct Muslim League (Khwaja Khairuddin Group), has hoped that a broad-based alliance of political parties would come into being within the next few days. Talking to PPI here on Thursday, he said that almost all the political parties were unanimous on restoration of the 1973 Constitution and holding of general elections under it. He said restoration of democracy in the country was the need of the hour, and added that only an elected government could solve problems in a better way. He claimed that restoration of democracy was the only objective of the MRD and it did not believe in agitation and subversive activities.--PPI [Text] [Karachi DAWN in English 7 Mar 82 p 3]

SATTAR NIAZI'S PLEA--Lahore, March 6--Maulana Sattar Khan Niazi, Secretary-General, defunct JUP, on Thursday demanded restoration of fundamental rights, political activities, all powers to the judiciary and lifting of curbs on Press. He was speaking at a meeting held in connection with the Hameed Nizami Day at the Jinnah Hall here. Maulana Niazi, confined to his native district by the Punjab Government but freed by the Lahore High Court only recently, said that President Zia had never said he would stay in power for good nor had he declared that there would be no elections or restoration of fundamental rights, yet an indefinite delay in all these matters was not desirable. The Maulana said if the Government restored fundamental rights to the people there would be no need for alliances of political parties. He stressed that the hurdles in the way of restoration of these rights should be made known to the nation. He criticised the formation of Federal Council and urged Khwaja Safdar to resign as its chairman.--PPI [Text] [Karachi DAWN in English 7 Mar 82 p 3]

ARRESTS IN BANNU--Bannu, March 6--About 117 persons were arrested from various places and Arms, including sten guns, handgrenades, rifles and cartridges, were recovered from them by the Bannu police during a sweep against anti-social and subversive elements here today. According to police officials, seven persons were apprehended by the Cantonment police, and 14 sten guns, three rifles each of 12 bore and three hand-grenades were recovered from their possession. The police also arrested 20 proclaimed offenders. The Mandan police recovered eight rifles each of 7 mm and four pistols each of 32 bore from 10 persons, in addition to the arrest of nine absconders. Some 20 double-barrel rifles each of 12 bore and 6,000 cartridges were recovered from the possession of 15 persons, and about 40 outlaws were booked by the Miriyan police. Twelve persons were arrested by the city police on the charge of giving shelter to absconders and forcing women to prostitution. Some 20 kilograms of charas was recovered from four persons who were arrested by the city police.--PPI [Text] [Karachi DAWN in English 7 Mar 82 p 1]

MAULANA ABBASI CRITICIZES MRD--Larkana, March 6--MRD does not enjoy any political status in the country and it is simply a group of people with peculiar mentality, who do not endear the country or the nation said Maulana Jan Mohammad Abbasi, Amir of defunct Jamaat-i-Islami, Sind. While talking to newsmen here on Saturday he said Khaksar Tehrik, JUL and Qayyum League have already left MRD and the remaining components are engaged in confrontation with each other. Moreover, majority of their members have joined the Federal Council and assured the government of their support. Commenting on MRD's charge that Jamaat-i-Islami and Muslim League are with the government the Maulana said that those who level this charge are themselves in league with the government. He said that some of the leaders of MRD have threatened to quit in case Jamaat is included in MRD, but Jamaat had never requested for its inclusion in MRD. Mutual discussion amongst the leaders does not mean that Jamaat is desirous of joining the MRD as the Jamaat does not believe in the drawing room alliance, he added. PPI [Text] [Karachi DAWN in English 7 Mar 82 p 12]

87 MORE ARRESTS--Eighty-seven more persons were arrested during last night as a result of joint Army and Police operation launched in the province against criminals and anti-social elements said an official handout. During the operation the authorities hauled up nine proclaimed offenders, one dacoits, 73 anti-social elements and four military deserters. The authorities also recovered five daggers, knives four pistols, four cartridges of all kinds. Further the campaign resulted in the recovery of stolen ornaments worth Rs 50,000 and seizure 650 of kilograms of charas. [Text] [Karachi MORNING NEWS in English 8 Mar 82 p 1]

QUARTZITE MINE IN LASBELA--Quetta, March 7--The Baluchistan Development Authority has developed quartzite mine in the Lasbella district to produce 25,000 tons of quartzite annually for Pakistan Steel Mill. According to official sources, the concerned authorities "were planning to use quartzite potential for the manufacture of ferro silicon presently imported by Pakistan for the manufacture of high silicon steel." Besides meeting the domestic demand it will have a sizeable foreign exchange for the country. Quartzite is used for the production of all kinds of steel manufacture of alloys and sanitary wares. [Text] [Karachi DAWN in English 8 Mar 82 p 4]

AUSTRALIAN AID FOR REFUGEES--The Government of Australia has announced a food aid of 10,000 tons of grains for the Afghan refugees in Pakistan. Tbe worth of this food aid was stated to be around two million US dollars. A spokesman of the Australian Ministry of External Affairs said that the food aid to refugees indicates the Australian concern over the Afghan situation. Earlier on Wednesday, the United Nations Food Programme has announced a food aid worth about 11 million dollars for the Afghan refugees in Pakistan--VOA [Text] [Karachi DAWN in English 8 Mar 82 p 6]

WHEAT FOR REFUGEES--Islamabad, March 14--The Government of the United Kingdom will provide 14,650 tons of wheat valued at about 37.72 million rupees for Afghan refugees. Letters to this effect were exchanged between the Governments of Pakistan and the United Kingdom here on Sunday. This brings the total aid given by the UK, both bilaterally and through EEC for Afghan refugees to 8.63 million pounds sterling (about 171.24 million rupees at current exchange rate) since 1980.--PPI [Text] [Karachi DAWN in English 15 Mar 82 p 12]

BEGUM BHUTTO IN COURT--Begum Nasrat Bhutto appeared before the court of Mr Justice Salim Akhtar of Sind High Court in Karachi on Sunday in connection with the two suits filed for the attachment of property of the legal heirs of the late Mr Z.A. Bhutto. The case was adjourned for want of time. One suit relates to the claim in respect of secret funds allegedly used by Mr Nasrullah Khan Khattak and Mr Khurshid Hasan Mir under the said authority of the late Mr Bhutto. The amount involved is over Rs 8 lakh. The other suit pertains to the claim of the Government in respect of additions, alterations and installation of air-conditioners at 70-Clifton and Al-Murtaza, Larkana. The amount involved is Rs 46 lakh. [Text] [Karachi DAWN in English 15 Mar 82 p 1]

FINANCE ADVISORY BOARD RECONSTITUTED--Islamabad, March 14--The Government has reconstituted the Advisory Council of the Finance Division for the 1982-84 term, according to an official handout issued here today. The council is to serve as a forum for discussing the monetary, fiscal, balance of payments and investment policies of the Government. It will assist the Government in formulating both short and long-term economic policies. It will also bring out and discuss grievances of taxpayers with a view to recommending measures to improve the taxation system. In its advisory capacity, the council will render general advice on all matters with which the Finance Division is concerned.--APP [Text] [Karachi DAWN in English 15 Mar 82 p 1]

68 HELD IN SIND--Sixty-eight more criminals and anti-social elements were arrested on March 14 throughout the province. Those hauled up included 8 proclaimed offenders and 60 anti-social elements. Six pistols/revolvers, 2 shotguns, 8 cartridges of all kinds, one dagger, 343 kgs of charas, 15 tablets of mandrix, 66 gallon of local liquor and 4 kgs of heroin were seized. Stolen property including Rs. 52820 cash and car parts worth Rs 3000 were also recovered. [Text] [Karachi DAWN in English 15 Mar 82 p 1]

BEGUM LIAQUAT DENIES REPORT--Begum Ra'ana Liaquat Ali Khan has refuted in a section of the Press (not "Dawn") that she had been offered presidentship of the defunct QML and that she had asked for time to consider the offer. In a Press statement, she said she was neither offered nor had she met or knew any person giving such irresponsible statements. Stating that she never took part in the country's politics, she said she had always been a social worker and liked to be associated with it. [Text] [Karachi DAWN in English 15 Mar 82 p 1]

MAZARI CALLS FOR TROOP WITHDRAWAL--Multan, March 14--The leader of the defunct NDP, Sardar Sherbaz Khan Mazari, has said that those who demand restoration of democracy in the country should also call for withdrawal of foreign forces from Afghanistan. Talking to newsmen in his party's office in Dera Ghazi Khan the other day, he said: "When we demand basic rights and general elections in Pakistan, the people of Afghanistan should also be given the right to establish a government of their own choice." He demanded immediate release of political detenus. He also demanded priority for all development schemes for Dera Ghazi Khan. Replying to a question, he said that all component parties of MRD had sunk their differences and "now we all are united on one platform." [Text] [Karachi DAWN in English 15 Mar 82 p 3]

SCIENCES ACADEMY FUND CAMPAIGN--The Pakistan Academy of Sciences has launched a countrywide campaign to acquaint the general public with its activities and gather support and to get donations for its ongoing and future programmes. According to a Press release of the Islamabad based Academy, previous and present office-bearers of the academy have already been meeting prominent industrialists, businessmen and others in this connection. Inaugurating the Academy in 1953 the then Prime Minister Khawaja Nazimuddin had said that the Academy would act as "the supreme organization of scientific research" and decided to promote the pursuit of knowledge unfettered by an extraneous factor. It has a restricted selective fellowship representing the most distinguished scientists with outstanding contributions of an original nature eligible for election as its members. Activities include promoting research in pure and applied sciences, publishing research journals and monographs, organizing symposia, supporting scientific societies, awarding fellowships and prizes, advising the Government on policies and procedures concerning education, research and development etc.--APP [Text] [Karachi DAWN in English 15 Mar 82 p 5]

STUDENT KILLED IN CLASH--Islamabad, March 13--A student was killed and another sustained injuries in a clash between two groups of students which took place in the Government College for Technology here today. The following Press note has been released by the District Magistrate Islamabad. "Today the 13th March, 1982 at about 11.45 a.m. an altercation took place between two students of Government College for Technology over use of unfair means in the examination being conducted by the Punjab Board of Technical Education. On the intervention of college authorities, the students dispersed. However, later these students, along with some supporters, assembled in the college compound and exchanged hot words which led to firing of pistol shots injuring two students, one of whom succumbed to his injuries

in the hospital. The condition of the other injured students is reported to be out of danger. A case has been registered and police have made some arrests. Further investigation is in progress. The college authorities have closed the college till further order. The situation is under control." PPI/APP [Text] [Karachi MORNING NEWS in English 12 Mar 82 p 1]

NWPF PRESS NOTE--Peshawar, March 13--The Government of the N.W.P.F. has issued the following Press note here tonight: "It has come to notice of the Government that a defunct political party intends to hold a public meeting at Peshawar tomorrow (March 14) for political purposes. "The public is reminded that holding of public meetings and taking out processions is banned under the existing laws and contravention of law is liable to action as prescribed."--APP [Text] [Karachi MORNING NEWS in English 14 Mar 82 p 8]

TERRORIST HELD IN RAWALPINDI--Rawalpindi, March 13--The New Town police arrested a terrorist and recovered different types of firearms from him today. According to details, the New Town police had been tipped that Sarfaraz Hussain was alleged to be involved in terrorist activities. Following this information a team of police officials, under the supervision of DSP Sardar Nasim of the New Town Circle was formed. The team in a raid here last night arrested the accused and recovered various types of firearms from his possession.--PPI [Text] [Karachi MORNING NEWS in English 14 Mar 82 p 1]

WORKERS' MEETING VOICES DEMANDS--Lahore, March 14--The 16th biennial delegates' conference of the All-Pakistan Federation of Trade Unions on Sunday pledged its full support to the Government in its efforts to build an Islamic society free from exploitation and class differences. Hundreds of delegates attending the workers' moot also resolved to struggle for the economic development and social uplift of the country and the integrity and strength of the motherland. The conference, chaired by Mr Bashir Ahmed Bakhtiar, adopted a number of resolutions demanding revision of workers' wages in proportion to the price-hike, grant of the right of pension to the workers and security of service and protection of healthy trade union activities. The conference called for comprehensive planning to solve the problem of unemployment and for this purpose it said facilities for technical training should be increased. The conference believed that an atmosphere of mutual understanding and goodwill between workers and the employers was the foremost requirement for maintaining industrial peace which would guarantee increased production. The conference called upon the Government to prepare plans for absorbing the Pakistanis working overseas on their return home. It further called for running all the industrial units to their capacity to absorb the unemployed labour. The conference urged the Government to strictly enforce the laws prohibiting display of wealth at the time of marriage and other social functions so as to discourage lust for money.--APP [Text] [Karachi DAWN in English 15 Mar 82 p 5]

70 HELD IN SIND--Seventy more criminals and anti-social elements were arrested on March 7 as a result of cleanup operation, launched jointly by Martial Law and police authorities, throughout the province, says an official handout. Those hauled up include 19 proclaimed offenders, 50 antisocial elements and one military deserter. Recoveries/seizures include 8 pistols/revolvers, one 303 rifle, 32 cartridges, 113 kgs of charas, 6 kgs of opium, 31 kgs hemp, one Datsun pickup, stolen property which includes one bus, jewelry worth Rs 30,000, besides other property worth Rs 1,200. [Text] [Karachi DAWN in English 9 Mar 82 p 1]

BORLAUG CALLS ON MINISTER--Peshawar, March 8--Dr Norman E. Borlaug, Nobel Laureate in agriculture science, who gave world renowned Maxi-Pak variety of wheat seed to Pakistan, accompanied by four other agriculture scientists, called on the NWFP Minister for Food, Agriculture and Cooperative, Mr Shujaat Ali Khan, in his office, on Saturday. [Text] [Karachi DAWN in English 9 Mar 82 p 4]

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No. 1118

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Text of Speech

Madra THE HINDU in English 19 Feb 82 p 6

[From "Yesterday in Parliament" column: "Political Differences Not at Cost of Harmony: President"]

[Text] New Delhi, Feb 18--The following is the text of the President, Mr N. Sanjiva Reddi's address to a joint sitting of the two Houses of Parliament today.

It gives me pleasure to welcome you to this first session of Parliament in the year 1982. I extend my best wishes to you for the successful completion of the budgetary and the legislative business ahead.

Inflation curtailed: The year 1981-82 was a year of further consolidation. The rate of inflation was substantially curtailed in spite of the unfavourable international economic environment. The improvement in the performance of the infrastructure in the current year and the formulation of the revised 20-point programme provide the basis for further growth along with stability and greater social justice.

During April 1981 January 1982, power generation increased by 11.3 percent, coal production by 11.2 percent and railway goods traffic by 144 percent compared to the corresponding period of the previous year.

In fact, the Railways will be achieving this year an all-time high loading of over 220 million tonnes, bettering the previous best figure by over eight million tonnes. All important industries have recorded significant increases during April 1981-January 1982 the notable examples are saleable steel (18.7 percent), cement (15 percent), nitrogenous fertilizers (51.9 percent), crude petroleum (61.2 percent) and petroleum products (18.4 percent).

There are firm indications that there will be even more impressive production in these and other industries. In fertilizers, with the expected commissioning of three new plants and expansion in existing ones, production capacity will increase from 45.75 lakh tonnes to 53 lakh tonnes of nitrogen and 12.82 lakh tonnes to 14.90 lakh tonnes of phosphate. In petroleum, the year 1981-82 may close with a total production of over 16 million tonnes of crude oil compared to 10.5 million tonnes during 1980-81.

Oil output: The discovery of oil in structures east of Bombay High, in the Palk Strait, in Sisodra in Gujarat, Napamua in Assam and of gas in Baramura in Tripura and in Kudara in Gujarat is an assurance that the tempo of production will be further accelerated.

Our refinery capacity increased from 31.8 million tonnes in 1980-81 to 37.8 million tonnes in 1981-82. Production of LPG, which went up by 15 percent in the current year, is estimated to increase further by about 40 percent in the year ahead and will show a marked change in the demand-supply position.

Production in the six integrated steel plants is expected to touch the highest ever level of 7.2 million tonnes of saleable steel, exceeding last year's production by more than a million tonnes and marking a capacity utilisation of nearly 84 per cent.

In September, 1981, the Government approved the proposal for the establishment of an integrated steel plant at Pradeep. This, coupled with the earlier decision to set up an integrated steel plant at Visakhapatnam, indicates the Government's determination to augment existing capacities to achieve a state of self-reliance in this core sector.

Productivity year: To maintain the tempo already generated in industrial production and to accelerate economic growth, the year 1982 is being observed as productivity year and we shall have an intensive drive to maximise utilisation of capacities available in all sectors of the economy.

The outlook for agricultural production in 1981-82 is encouraging.

A preliminary assessment indicates that the kharif foodgrains production might reach an all-time level of 79.9 million tonnes.

For the year as a whole, foodgrains production is expected to exceed the previous record level of 132 million tonnes. This compares favourably with the production of 129.9 million tonnes achieved in 1980-81, which itself was 18.4 percent higher than in 1979-80.

The production of sugarcane, which had slumped to 129 million tonnes in 1979-80 had reached 150.5 million tonnes in 1980-81 and is expected to be between 170 and 180 million tonnes this year. The forecast for pulses this year is 12 to 13 million tonnes compared to 8.6 million tonnes in 1979-80 and 11.2 million tonnes in 1980-81.

While the Government has made arrangements to ensure availability of agricultural inputs in sufficient quantity and in time, the major credit for our improved agricultural performance must go to the enterprise, dedication and hard work of our farmers.

During 1980-81 an additional irrigation potential of 2.4 million hectares was created. Another 2.6 million hectares is expected to be covered during 1981-82 giving an additional coverage of five million hectares during these two years.

Our objective is to add three million hectares a year during the remaining three years of the Sixth Plan. This will be the biggest effort by any country in bringing additional land under irrigation in one year.

Use of river waters: The Government has also prepared a national perspective plan for water resources development. A national water development agency will be established to carry out investigations and formulate, in consultation with the State Governments, a plan for the optimum development and use of available waters, initially of the peninsular rivers.

Two important developments during the year were the understanding on the utilisation of the Narmada waters and the agreement on sharing of the surplus flows of the Ravi and the Beas. I congratulate the States concerned.

A Central land resources conservation and development commission is being constituted to provide expert guidance in formulating national policies relating to management of land resources and also coordinate activities of the State land use boards.

New Forest Act: With the enforcement of the Forest (conservation) Act, 1980, diversion of forest land which was of the order of nearly 1.5 lakh hectares per annum in earlier years, has been controlled. As the Indian Forest Act, 1927 is not applicable uniformly in all the States, it is proposed to bring forward comprehensive legislation to replace the existing law.

As part of the social forestry programme, a total of 135 crores seedlings are expected to have been planted in 1981-82. The enactment of legislation to establish a national bank to improve the quantity and quality of credit flows to rural areas is a significant step.

Inflation: The energies of the Government continued to be focussed on controlling inflation. The components of the anti-inflationary strategy were higher production, better capacity utilisation, strengthening the public distribution system, imports of essential commodities wherever necessary, fiscal and monetary discipline, and curbing the activities of anti-social elements.

The annual rate of inflation as measured from point-to-point movement in the wholesale price index has come down from 22.2 percent as in the week ended January 12, 1980 to 14.8 percent as in the week ended January 10, 1981 and further to 6.9 percent for the week ended January 9, 1982.

During the current financial year i.e. March 28, 1981 and January 23, 1982, the index has gone up by only 2.8 percent which is significantly lower than the rise of 14.1 percent in the same period last year. The number of fair price shops stood at 2.98 lakhs in November 1981 compared to 2.73 lakhs in March 1981. There will be no slackening of vigilance in the fight against inflation.

Fight against inflation: While the present approach promises further results in the fight against inflation, far greater efforts are required to deal with the deterioration in the balance of payments situation. Owing to the sharp

increase in the import prices of oil and oil products in 1980-81, the trade deficit increased to about Rs 5,500 crores in that year compared to Rs 2,450 crores in 1979-80.

To meet the situation and ensure continued development the Government has entered into an extended agreement with the International Monetary Fund. Th s agreement will enable the drawing of SDR 5 billions over the next three years.

A series of measures have been taken to promote exports, as a result of which exports are estimated to have shown an increase of 15.4 percent during April-November, 1981.

Import Bill: Further, as a result of the steps taken to increase the productive capacity of the economy, the rise in the import Bill during this period has decelerated to 11.4 per cent. There is reason to believe that the tendency in the last few years for the trade gap to widen will be arrested in 1981-82.

Parliament also knows that an export-import bank has been established to help credit availabilities for exports. High priority will continue to be given to export promotion during the coming years.

The overall rate of growth in the output of the public sector industries under the Central Government is estimated at 20 percent in April-September 1981 over the corresponding period last year. There is scope and need for much better performance.

Steps are being taken to streamline and improve the working of these enterprises through better delegation of powers, simplification of procedures and stricter enforcement of accountability.

The Government is vitally concerned with the welfare of workers, who contribute in no small measure to national production and productivity. Legislation is proposed to be introduced in the present session to amend labour laws relating to industrial disputes, trade unions and standing orders to remove procedural delays and secure speedy justice to workers. The industrial relations machinery is being strengthened and streamlined to anticipate labour problems and to take prompt ameliorative action.

20-point plan: The 20-point programme has been revised to impart greater dynamism to some key social and economic programmes included in the Sixth Plan. In broad terms, it concretises what the Sixth Plan means for all of us, particularly for the weaker sections.

Special emphasis is being given to programmes to assist specific target groups through the integrated rural development programme, the scheduled castes component plan and hill and tribal sub-plans, the slum improvement programme and allotment of house sites to rural families.

While the thrust of the revised 20-point programme continues to be on providing better living conditions for the less privileged sections of the population the programme as a whole aims at all-round improvement in productivity.

Population control: The census of 1981 underlined anew the importance of population control. The Government gives high priority to voluntary family planning as an essential ingredient of people's well-being and national progress and has included it as part of the revised 20-point programme. It is our objective to bring down the birth rate to 21 and the death rate to 9 per thousand by the end of the century.

I should also like to draw attention to the fact that national programmes for the control of leprosy and blindness have been intensified in furtherance of the objective of health for all by A.D. 2000. These two programmes are now being treated as 100 percent Centrally sponsored. The provision of elementary education for all children, and the covering of the illiterate adult population with appropriate educational programmes is being accelerated. The Government has also launched a substantial programme of non-formal education. It is proposed to revise the content of vocational education. In higher education, especially higher technological education, the emphasis will be on quality.

Space technology: Considerable headway was made in space technology and communications during the year. Three Indian-made satellites were launched-Rohini, with the help of our own satellite launching vehicle, the experimental communications satellite APPLE and the earth-observation satellite Bhaskara-II.

India became one of the few countries to have a domestic satellite communications network when in November 1981 with the help of Intelsat-IV, satellite communication links were extended to remote areas in Leh in Jammu and Kashmir, Aizawl in Mizoram, Port Blair and Car Nicobar in the Andaman and Nicobar islands, and Kavaratti in Lakshadweep. A troposcatter communication-link was established with the Soviet Union, an under-sea link with Sri Lanka and a microwave link with Bangladesh.

The next major event will be the launching of the multipurpose Indian national Satellite (INSAT) in April 1982 and its utilisation for meteorological capability, communications and radio and television coverage.

TV link: The micro-wave link, with TV capability between major cities of India like Madras, Bangalore, Bombay, Delhi has already been established. The link between Delhi and Calcutta and Delhi-Srinagar will be completed by June 1982 and a large number of urban and rural areas will be covered through the satellite and the microwave system.

During the year a science advisory committee to the Cabinet (SACC) was constituted. In order to lessen unemployment among science and technology personnel, the Government is establishing a science and technology entrepreneurship development board.

Other major steps are the establishment of a commission of additional sources of energy which has already initiated wide-ranging programmes of research and development and demonstration all over the country on a large scale, the decision to form a national biotechnology board to ensure coordinated work in biotechnology, which has implications for agriculture, medicine and industry, and the setting up of a national institute of immunology in Delhi and a plasma physics programme in Ahmedabad.

The Department of Environment has taken up programmes to prevent eco-destruction. It has also set up a national eco-development board.

The Department has introduced procedures to ensure environmental impact assessment of large projects and monitoring the implementation of environmental safeguards in such projects.

The Department of Ocean Development, which was established in July 1981 is preparing a perspective plan of ocean development. It organised a scientific expedition to Antarctica. The leader is back and the others will soon be returning after a successful voyage of over two months. The expedition covers a wide range of scientific investigation in fields like meteorology, glaciology, and oceanography.

Law & order: I now turn to some problems concerning law and order. There cannot be forward movement without the assurance that national energies are not frittered away on agitations engineered by sectional interests.

The Government is distressed at the outrages perpetrated against members of scheduled caste communities at some places and is determined to ensure that all sections of the population live in safety and honour. The guilty will be firmly dealt with.

Evils of communalism: The problems confronting these classes are part of the larger socio-economic problems of the country. The fullest cooperation of the public is necessary to fight the forces of communalism and casteism, which are often in league with anti-social elements.

Programmes for the integrated socio-economic development of scheduled castes and scheduled tribes and weaker sections have been intensified and much larger outlays than ever before have been provided. Their implementation will be closely monitored.

Assam issue: As part of its earnest efforts to find a fair and satisfactory solution to the problems of foreigners in Assam, the Government held several rounds of talks with the representatives of the agitating organisation and leaders of political parties. These efforts are continuing.

The international situation has deteriorated. Military presences around us have increased. This danger should make all of us determined to safeguard national security and interests through non-alignment and the peaceful resolution of difference.

We earnestly hope that the major military powers will realise the futility of confrontation and arrest the diversion of resources from development and welfare to armaments. It is regrettable that the strategic considerations of other countries should cast extra burdens on us. We cannot afford to be complacent. The nation will be called upon to make heavy sacrifices to maintain preparedness at all times to meet external challenges.

With our immediate neighbours we have continued to seek relationships of greater mutual trust and closer friendship. I have just paid a useful visit

to Sri Lanka, as I did earlier to Nepal and Indonesia. The King of Bhutan will soon be in our country. Our foreign minister visited Burma, Vietnam and Thailand. With Bangladesh we have had a series of useful exchanges of views.

Further steps have been taken to improve relations with China. Following the visit of the Chinese Foreign Minister during this year, an official delegation went to Beijing to discuss international and bilateral issues including the question of boundary and territory.

Relations with Pakistan: As regards Pakistan, Parliament is only too well aware of the nationwide concern after that country decided to acquire sophisticated arms and the persistent international reports about its nuclear programme.

While announcing its move to go in for advanced aircraft, Pakistan also informed us of its desire to have a no-war pact, a suggestion we had put to them several times and in different forms over the years. In December 1981 we gave Pakistan an outline of the principles which might govern our discussions towards that end.

This dialogue was carried forward during the recent visit of the Pakistan Foreign Minister. We reiterated our desire for peace and friendship and our stand that issues should be bilaterally resolved. We are glad that Pakistan has accepted our proposal for a joint commission to examine, renew and promote the entire range of relations between the two countries.

Indian Ocean: Elsewhere on our continent, tensions persist. The problem of Afghanistan and the Iran-Iraq conflict remain unresolved. The Palestinian people's rights continue to be obstructed. The Indian Ocean is far from becoming a zone of peace.

There are a few hopeful signs also, such as the renewed plan of the non-aligned movement following the conference of foreign ministers of non-aligned countries in New Delhi last year, the initiatives of the Commonwealth countries to promote greater international cooperation, and the beginning, however tenuous, of efforts for a dialogue between developed and developing countries.

The Prime Minister participated in the Commonwealth Heads of Government meeting in Melbourne and in the international conference of cooperation for development of Cancun, Mexico. Her visits during the year to Australia, Bulgaria, Fiji, France, Italy, Kuwait, Kenya, Indonesia, the Philippines, Rumania, Seychelles, Switzerland, Tonga and the United Arab Emirates led to further strengthening of friendship with those countries.

Foreign visitors: Since I last addressed you, we have had visits from the heads of States of Governments of Kenya, the Federal Republic of Germany, Guinea, Tanzania, Britain, Bahrain, Yemen, Zimbabwe, Nauru, Australia, Madagascar, Botswana, Ghana, Venezuela, Uganda, Spain and Sweden all of which were useful.

We look forward to the visit next week of President Nyere and to conferences of some developing countries. Greater cooperation among developing countries is mutually beneficial and strengthens them collectively in their dealings with the advanced countries.

In the present session besides dealing with pending business a large number of fresh legislative measures will come up for your consideration. Among these are:

The Land Acquisition (amendment) Bill, 1982, and the National Waterway Bill, 1982 to declare the Ganga between Allahabad and Haldia as a national waterway.

Difficult times: Hon. Members, the world is passing through difficult times. Our own problems are not inconsiderable. Fortunately we are a nation imbued with a sense of purpose. Our people have also shown commendable capacity to rally together in moments of challenge.

Political differences are bound to exist in a democracy which guarantees freedom of opinion and organisation. But differences should not degenerate into discord. The good of the nation is an objective for which we must learn to cooperate, transcending disputes.

We have the strength and the resources to move forward speedily. The first two years of the Sixth Plan were years of consolidation. Let us now use this strength to make the next three years of the plan, years of a march forward.--UNI.

'TIMES OF INDIA' Editorial

Bombay THE TIMES OF INDIA in English 19 Feb 82 p 8

[Editorial: "A Candid Appraisal"]

[Text] In his address to the two houses of parliament, the President has spoken about the external threats confronting the country at much greater length than he did last year or the year before. This is entirely understandable given the deterioration in the international situation, especially in India's immediate environment. Mr Sanjiva Reddy has underscored this by referring to the increase in the "military presence around us" and to the fact that the Indian Ocean is "far from being a zone of peace." He is entirely right also in regretting that other people's strategic calculations should cast "extra burdens" on this country. His warning against complacency and about the heavy sacrifices that the nation might have to make to safeguard its sovereignty is not a rhetorical flourish but a candid appraisal of harsh realities. In reporting to parliament the progress made in the India-Pakistan dialogue, he has made no attempt to play down this country's concern over the acquisition by Pakistan of sophisticated arms from the United States and persistent international reports about its nuclear programme.

President Sanjiva Reddy has been no less candid in taking stock of some of the internal problems which he has described as "not inconsiderable." As in this Republic Day broadcast three weeks ago, so in his address to parliament he has expressed his and his government's distress over the outrages perpetrated on the Harijans and other weaker sections of society. It is for the government to make good his promise to put an end to these atrocities, punish the guilty and ensure that all sections of people live in safety and honour. But the complexity of this task is underlined by his admission that communal and

casteist forces are often in league with anti-social forces. The prolonged stalemate in the talks between the Union government and the leaders of the anti-foreigners' agitation in Assam is an obvious source of concern but it is reassuring that New Delhi intends to persevere in its attempt to break the deadlock.

On the economic front the President has painted a rosy picture. The government's critics might even call it too rosy. But there is little doubt that almost all his claims are supported by facts, the most important of which are the anticipated record food production, an impressive improvement in the performance of the core sector consisting of power, coal, transport, steel, fertilisers and oil industries and the reduction in the rate of inflation from 14 per cent last year to nearly two and a half per cent now.

Editorial Notes Dangers

Madras THE HINDU in English 19 Feb 82 p 8

[Editorial: "The Comfortable Sights of 1982-83"]

[Text] The two main points made by the President in his address to Parliament are that 1980-82 should be viewed as years of consolidation and that the base thus created should be prudently utilised to improve the results in the rest of the Plan period 1982-85. The stress of Government policy as highlighted in the address relates to the curtailment of the inflation rate, improvements of the infrastructure programme and reorientaion of the schemes for ensuring greater economic justice to the weaker sections. The optimism which characterises the speech is obviously provoked by the encouraging results in the agricultural and the industrial sectors and the slowing down of the inflation rate to 6.9 percent this January from 22.2 percent in January 1980. The recovery in agricultural production in recent years supported by the increases in industrial output has been the biggest check on the inflationary trends unleashed by the disastrous farm and factory results in 1979-80. The President has specifically stated that foodgrains production in 1981-82 was "expected to exceed the previous record level of 132 million tonnes, compared to 129.9 million tonnes achieved in 1980-81." This is a welcome confirmation of some encouraging news. It has nevertheless to be tempered by the knowledge that the buffer stocks which stood at 21 million tonnes in July 1977 came down to a low 11 million tonnes by April 1981. If a record output materialises in 1981-82 as expected, it should be possible to increase the buffer stocks to 20 million tonnes. This will of course involve procurement of over 9 million tonnes of wheat even after taking into account the imports of 2.25 million tonnes. Which means that the Government has to take appropriate pre-emptive action to prevent a repetition of the situation in 1980-81. In that year the desired quantities could not be procured because growers were holding back stocks and traders were cornering supplies in anticipation of a rise in prices in the lean months. Talking about prices, the fact needs to be emphasised that, despite a slowdown in the rate of inflation, the cost of living index went up because of the hardening of food prices. All the more reason why the Governments at all levels have to keep their public distribution system in the fettle if their concern for the weaker sections is to be meaningful.

Much has been said in the President's address about the overall improvements in industrial production and in the steel, coal, electricity and transport infrastructure. Considerable success has no doubt been achieved here and in respect of crude oil, the output is rising at a rate that can take the total indigenous supply to 30-32 million tonnes in 1984-85, making a doubling of the figure for 1981-82. It should be remembered that the Sixth Plan outlay which is twice that of the Fifth reflects increases more in the financial than the physical targets because of inflation. Also against the backdrop of an endemic inflation, the travails of 1979-81 were due to the quirks in movement of freighted traffic chiefly of coal and the consequent headaches to the thermal power and cement plants. The sickness of the State Electricity Boards and their failure to perform had such a dampening effect on industrial planning and output as to provoke the thought that the country had better concentrate on less and less of power intensive projects and schemes if it wished to keep to its production targets. The President's address says that the Railways have transported a larger tonnage of goods in 1981-82 than in any previous year. The Railways owe it to the industries to ensure that there is no slide down in achievements. On present sights the year ahead 1982-83 is taking off from a reasonably comfortable industrial, agricultural and infrastructural base. The opportunities flowing from such a position of strength require to be utilised to the fullest extent. One way of doing this will be to take a close look at the monetary policy in order to assess the validity of the criticism that the banks have been forced to be tight fisted when they ought to be liberal in the matter of advances to industry. The President has of course spoken of the pressures building around the country. That no doubt warrants larger spending on defence. But at this point of time when there is a revival of activity, a buoyancy in revenues and an attempt by industry to pick up the thread from where it had been dropped in the difficult 1979-81 period, the economy can afford--or if necessary has to find the resources for affording--concomitant increases in outlays on both defence and development. No country can be helped to stand up to an external threat, potential or immediate, by hamstringing economic activity at home. There is a real danger of the comfortable sights of 1982-83 vanishing into thin air.

Communist Paper Comments

New Delhi PATRIOT in English 20 Feb 82 p 2

[Editorial: "Optimistic View"]

[Text] The President in his traditional address to the joint session of Houses of Parliament presented on the whole a rosy picture of the domestic scene. His assessment that the current financial year had been a year of "further consolidation" was borne out by the figures of growth in the various sectors of economy, specially in the field of agricultural production. The figures show an impressive growth in some of the core sectors like power, coal, steel and petroleum, while agricultural production promises to beat all earlier records. The only troublesome area appears to be the balance of payments where the gap between import and export has compelled the Government to ask for the International Monetary Fund loan, which might turn out to be a costly bargain. What has not been noted in the address with due emphasis is

that neither growth in production nor the big fall in the rate of inflation in wholesale prices is adequately reflected in the life of the working people and the unemployed. There is a sorry gap between economic advance and people's well-being (covered up by statistics) which generates many of the problems that the President has mentioned in his address where he deals with the law and order situation. However, crime and violence are given a fillip also by lack of efficiency in administration, particularly the police force, and a weakening of social norms of life. The President has denounced outrages against the Harijans and the other weak sections and reiterated his Government's determination to fight the forces of casteism and communalism. But success in this endeavor requires, apart from public cooperation, a much more vigilant and efficient administration, to build which the requisite sense of urgency is lacking.

Referring to deterioration in the international situation, the President naturally underlined the danger to our national security and the increasing burden of defence expenditure. Against the background of regional tensions and Pakistan's effort to acquire sophisticated arms and manufacture nuclear weapons, the President's warning against any complacency is in accordance with the gravity of the situation. The address makes no reference, for diplomatic reasons, to the specific US policy in this connection, but the fact remains that the US strategic policies are causing anxiety in this country. The nation may be called upon, in the words of the President, "to make heavy sacrifices to maintain preparedness at all times to meet external challenges." This certainly does not imply that life will become any easier in the near future.

The President gave full credit to the Government for achievements in the economic field and its consistent effort to establish good relations with all countries in pursuit of the policy of nonalignment and peace. But the social problems and conflicts call for much greater efforts in different directions. He had apparently this aspect of the domestic situation in mind when he appealed to members of Parliament to rise above disputes and prevent political differences from turning into discord. Democratic struggles for changes in policies and Governments are an essential feature of our system, yet there are many issues on which the contending sides can and should cooperate. It is good to draw attention to such an area when the spirit of confrontation is in the air.

CSO: 4220/7861

SUHARTO'S DIVIDED OPPOSITION

London 8 DAYS in English 27 Feb 82 pp 20, 21

[Article by Richard Cowper]

[Text] THE INDONESIAN government of President Suharto sees orthodox Islam as its only serious political opposition, a point illustrated by the fanfare surrounding the trial, in Jakarta, of Imron bin Mohammed Zein, who is charged with attempting to overthrow the government at the head of a revolution along Iranian lines.

Imron clearly never posed any serious military threat, but the case has roused extreme fear among Indonesia's security-minded and secularist army leadership. Charged with setting up a self-styled Islamic revolutionary council, Imron is accused of masterminding last year's hijack of an Indonesian airliner, and of plotting to kidnap the Iranian oil minister as part of a plan to overthrow the government and set up a hardline Islamic state.

When Khomeini toppled the Shah and proclaimed an Islamic state in a country that had been held up by the West as a shining example of stability and economic development, it was a chilling reminder to Suharto's government of the potential political power of fundamentalist Islam in Indonesia.

Though Imron is far from being another Khomeini, there are a number of similarities between pre-revolutionary Iran and present-day Indonesia. Indonesia is by far the world's largest Islamic country, with 135m Muslims. And, as with Iran under the Shah, it is a major producer and exporter of petroleum and is strategically important to the world's non-communist industrialised nations.

A broad Islamic political alliance forms the only real opposition to Suharto, and a number of its leading figures regard the forward-looking government as authoritarian and corrupt. Some of them have privately denounced high-cost, low-employment projects like the $2.5bn Krakatau steelworks and the $2bn Asahan aluminium complex. These, they say, are grandiose schemes, unsuited to a nation which has to feed 3m extra mouths and provide 2m new jobs a year.

Many areas in Indonesia are undergoing a process of social change, which is putting noticeable strains on traditional values and ways of life. A rapidly-growing urban population — Jakarta now has almost 7m inhabitants — has witnessed a worrying increase in urban crime, and sociologists are concerned over the wave of pitched battles between secondary school pupils in the capital over the past 18 months.

There is a powerful tradition of revolutionary Islam in some areas of Indonesia. The Achinese, in the northernmost province of Sumatra, waged a 100-year war against the Dutch East Indies government. After independence, they fought a number of campaigns, inspired by their desire for an Islamic state, against the Jakarta authorities.

There, however, the similarities with Iran end. Indonesia has no Khomeini waiting his chance to take over: nor does it seem likely that the country's masses will rise up to depose Suharto in a 'holy war' against modernisation. Moreover, Indonesia may have the world's largest Muslim population, but about 80 per cent are Muslims in name only. These people hold a wide variety of beliefs, ranging from animism to Hinduism and modern secularism, making Indonesia one of the world's most tolerant and least orthodox Islamic nations.

For the vast majority of Indonesians, the idea of a truly Islamic state would be anathema: despite the history of Islamic

revolt in Aceh, South Sulawesi (Celebes) and West Java, these movements have never attracted national support. And, as the break-up of Imron's small band of about 150 followers shows, the security forces have generally been successful in infiltrating and reducing the effectiveness of those small groups of Muslim extremists which do exist.

Orthodox Islam is a minority religion in Indonesia, accounting for perhaps 20 per cent of the country's population. But even these adherents remain fragmented and divided, not only on doctrinal grounds, but also ethnically and geographically. Unlike Iran, Indonesia's Muslims are Sunni rather than Shia and the Indonesian variant does not have the ayatollah system, which proved such a powerful means of building up leading opposition figures in Iran. There is no outstanding leader or institution that can claim the loyalty of Indonesia's orthodox Muslim community and speak authoritatively on its behalf.

Parliament is powerless and democracy little more than a useful charade, but nevertheless Suharto's government, unlike that of the former Shah, does respond to criticism and seems aware of the social, political and economic forces in the country. The president has worked hard to give an impression of consulting the country's religious dignitaries, and has been careful to back down on the rare occasions when an issue threatened to unite the Islamic community against him.

Aware of the charges that the country's modernisation plans have often benefited only a small elite, the government has recently made great play, in the country's third five-year economic plan, of a new emphasis on distributing the fruits of development more equitably. At the same time, the new order has done its best to ensure that Muslim politicians are given little chance of uniting the country's 30m orthodox Muslims against the government.

There was a brief alliance between the army and Islam after the abortive coup of 1965, when the two groups combined to massacre as many as 550,000 Indonesians suspected of belonging to, or supporting, the Communist Party. Since then, the government has worked hard to keep orthodox Islam weak and divided. It does not allow political parties to organise or engage in political activities at village level, except during an election.

The Imron trial may conjure up some of the regime's deepest fears, but it is also designed to illustrate to potential Muslim dissidents the folly of opposing the government in a campaign of armed violence. With less than four months to go until the countrywide general election for parliament, some government leaders may also hope that it will prove a useful vote-winner.

CSO: 4220/428

FRENCH PARLIAMENTARY DELEGATION ON INDONESIA'S POSITION

Jakarta KOMPAS in Indonesian 8 Feb 82 p 12

[Excerpts] "France considers Indonesia the cornerstone country in Southeast Asia, and the government of President Mitterrand will always consult with countries holding key positions in each region before making a move. If Indonesia is the key holder in ASEAN, it is Mexico in Latin America and Algeria in North Africa," Claude Estier, 57, chairman of a French Parliamentary Mission, told this paper at the Halim Perdanakusuma airport before leaving Indonesia yesterday.

Claude Estier is vice chairman of Foreign Affairs Commission of the French Parliament and also director of the weekly newspaper "l'UNITE," official organ of the ruling Socialist Party. This parliamentary mission is composed of Ir Hubert Dubedout (Socialist), presently Mayor of Grenoble (near the Swiss border), Xavier Deniau (de Gaullist), 59, and Theo Vial-Massat, 63 of the French Communist Party.

During its 6-day stay in Indonesia from 2 February, the delegation was received by President Soeharto, Vice President Adam Malik, Foreign Minister Mochtar Kusumaatmadja, Education and Culture Minister Daud Jusuf, Prof Dr Eng B. J. Habibie, minister of research and technology, and Daryatmo, Speaker of the House of Representatives.

This was the first visit to Indonesia of the French Parliamentary Mission since the election victory of the Socialist Party in May 1981. In its talks with high-ranking officials of the Indonesian government, the main topics of discussion involved the creation of a new atmosphere for a bilateral relationship in the fields of economy, social and cultural affairs.

Claude Estier said that the new French government will strive to improve collaboration in a positive manner, including the teaching of French technical education to the Indonesians, granting of more French scholarships and invitation of more Indonesian exchange students to France.

Claude Estier divulged that in the course of his conversation with Foreign Minister Mochtar, he found out that France and Indonesia hold similar views on a number of international issues.

With regard to Southeast Asia, both parties agreed that Vietnam should leave Kampuchea forthwith and that the Kampuchean people themselves should decide on their own government. Estier hoped that ASEAN exert more influence on Vietnam in its effort to resolve the Kampuchean problem.

Jean-Pierre Chevenement, French minister of research and technology, and Regis Debray, personal representative of President Francois Mitterrand, are scheduled to visit Indonesia in March this year.

Regis Debray is well known as a revolutionary leftist intellectual and was once a guerrilla fighter in Latin America. He will arrive in Jakarta on 14 February and then proceed to Vietnam to study the problem of resettlement of Vietnam refugees and displaced persons in foreign countries.

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CSO: 4213/41

REVIEW CRITICAL OF AUTHOR NAIPAUL

Jakarta TEMPO in Indonesian 6 Feb 82 p 56

[Article by Abdurrahman Wahid]

[Text] The visit of the author, V S Naipaul, to the "Muslim nations" of Asia in 1979 turned out to lead to a conclusion which he sought from the beginning: an Islam that is angry.

What he sought in fact was an Islam that is not considered as a whole but rather an Islam that rejects what Naipaul believes in himself; secular, modern humanism and the technology which is developed by this humanism. The results of his visit are contained in his newest book, "Among the Believers."

As one of the greatest novelists of our time Naipaul automatically serves up sharply focused observations and deep reflections on what he saw. It is very interesting to see how he tries to find "the fine threat" linking the statements, attitude, and thought of the people whom he meets. This becomes an interesting kind of narration which is delightful to read.

Unfortunately, all of that does not cover up the fundamental weakness of his most recent work. As his conclusion he is only able to speak of an Islam which is angry with the modern world--whereas in fact this conclusion itself is not really true. I think that there are more examples of "an Islam that is not angry," which is completely distinct from Naipaul's experience.

Naipaul encountered the anger of Islam in Indonesia in various forms. Within himself Adi Sasono, who feels he has been pushed into a corner by intelligence officers, only because he is a devout Muslim, is a santri [a person consciously and exclusively Muslim in thought]. Within himself Imaduddin, from the Bandung Institute of Technology, uses modern psychological technique to develop an awareness of the superiority of the teachings of Islam, through the religion courses which he gives. Within himself is a Muslim businessman who thinks there is a physical conflict between "the university people" and "the people who have gone to the pesantren" [Muslim religion school]. It is not enough that a million people died as a result of the G-30-S/PKI [abortive Communist coup attempt of 1965], this man says. There are still millions more who will be victims of the conflict which he foresees.

Seen in this way, it is indeed appropriate for Naipaul to be afraid. An exclusive community leadership, which seeks truth only in its own interests, an intellectual outlook which does not try to look farther than merely reconstructing the formal teachings of religion, and individual morality which considers it sufficient merely to imitate on the surface the practices of the Prophet Muhammed--that is what Naipaul saw as a manifestation of the level of awareness of the Muslim community which he encountered.

He then becomes skeptical about the development of an increasingly angry Islam and sees nothing good coming from this.

It is unfortunate that the visit of Naipaul to the world of the Muslim religious schools did not lead him to reflect more carefully on the situation. Had he done so, it is there that he would have perceived a growing force, which seeks to present an Islam which is not angry.

Ironically, the visit which he made was specifically to the Tebuireng pesantren in Jombang [East Java] and the Pabelan pesantren in Muntilan, places where the outlook of an Islam that is not angry began to be seen.

What he saw turns out not to have gone very deeply into Islam and was not basic in character. At the Pabelan pesantren he did not see the creativity emerging in the form of the teaching provided, which emphasizes the integration between the people of the village and those attending the pesantren. He says that at that pesantren they have only established "a commune in which people reject technology and make everything with their own hands."

At the Tebuireng pesantren he only saw the school as a continuation of the priestly institution from the pre-Islamic period. As a result, Naipaul's view of the pesantren can be reduced to the following: they make village people remain village people. Elsewhere he says that the pesantren keeps village people ignorant.

The essence of what concerns Naipaul is the failure of Muslims to provide a modern answer to the challenges of present-day life. For him modernity is to be found in the form which is developing in the industrially-advanced countries, in an increasingly calculating attitude toward life, in the capacity to control and exploit nature. It is not surprising that he then says: Islam will not progress if it continues to pray and to fast--which he considers "unnecessary things."

Here is to be found Naipaul's basic error: he measures modernity in terms of the rejection of what is traditional; he measures progress in terms of the destruction of one's original beliefs.

Is it true that the struggle taking place is as sharp as that? Isn't it possible that an awareness is emerging of the total change in the standards of community living, particularly in terms of respect for teachings which are of a ritualistic character? Isn't it very possible that a creative and dynamic ideology is being constructed from digging back into fundamental teachings themselves?

If Naipaul regards the pesantren--which defend the external forms of the past and the rites which are handed down from generation to generation--as a continuation of the pre-Islamic "religious function" in our village society, that is his right. However, he will be seriously mistaken if he regards their supervisory function as the only developing reality in Indonesia at present.

He quotes the question which was once asked by a Christian (Catholic) magazine in the Philippines, when it interviewed a kiai [Muslim teacher]: how can a kiai be the pioneer of basic change in a community? How can he make the landlords and rich people give up their wealth which, according to Islam, is exclusively the property of Allah and give it to those who work the land? How can the kiai make the farmers aware of the importance of their presence in this world, in order to make it possible to establish social justice?

The fact that such a question was asked by a non-Muslim to a kiai in a pesantren shows how great a change has occurred. Naipaul needs to use the above quotation to dig deeper into the life of the pesantren, which is beginning the great process of changing the structure of basic community life, without using force and without stimulating any protests. And without anger.

I don't think that Naipaul has the right to belittle this and to regard the weaknesses of the pesantren only as frozen remnants of the past and to consider their dependence on ritualistic life as just a continuation of the pre-Islamic "religious function."

5170
CSO: 4213/500

NORTH KOREA REPORTED INTERESTED IN IMPORTING INDONESIAN OIL, GAS

Jakarta KOMPAS in Indonesian 5 Feb 82 pp 1, 12

[Excerpts] The problem of how to improve economic cooperation, both in trade and technical field, between Indonesia and Democratic People's Republic of Korea (North Korea) was discussed between President Soeharto and Premier Li Jong Ok at Merdeka Palace yesterday. "A follow-up to the result of this discussion is still called for," said Minister State Secretary Sudharmono at the conclusion of the discussion which lasted 90 minutes.

Radius Prawiro, minister of trade and cooperatives, added that he discussed with his North Korean counterpart the problem of how to intensify the trade relationship between the two countries, including an exploration concerning the importation of several Indonesian goods by North Korea which needs rubber, nickel concentrates, iron ore, pepper and timber.

North Korea will send a trade delegation to Indonesia before summer begins to finalize the plan for closer trade cooperation.

Trading between the two countries is still small in volume. Several years ago Indonesia imported rice from North Korea, but this was discontinued after Indonesia's domestic rice production was sufficient to fulfill her consumption requirements. Consequently, Indonesia's imports from North Korea dwindled to only about $21 million, comprising glass raw materials and some chemical matter. On the other hand, North Korea's imports from Indonesia amounted to about $1.4 million, according to Radius Prawiro.

Earlier Sudharmono said that North Korea is also interested in importing Indonesian oil and gas, but details concerning this matter need to be studied by a forthcoming dispatch of a North Korean technical team to Indonesia.

The talk between President Soeharto and Premier Li Jong Ok was held separately, quite apart from the other discussion groups on political and economic matters. Among those present in the high-level discussion groups were Minister State Secretary Sudharmono, Cabinet Secretary Murdiono, Agriculture Minister Sudarsono Hadisaputro, Minister of Trade and Cooperatives Radius Prawiro, Munawir Sadzali, political director general of the Department of Foreign Affairs; M. Satari, director of Asia-Pacific desk of the Department of Foreign Affairs; and Djundjunan Kusumahardja, Indonesian ambassador to

Pyongyang. North Korea was represented by Foreign Trade Minister Choi Jang Gun, Deputy Foreign Minister Jo Gyu Il, Foreign Economic Relations Minister Jong Song Nam, Pak Min Sop, North Korea's ambassador to Jakarta, and Kim Mun Hyop, secretary to the prime minister.

Suharmono added that in their closet meeting President Soeharto and Premier Li Jong Ok deliberated on how to improve the nonaligned movement, of which both parties are members. Both Indonesia and North Korea earnestly wish that the nonaligned movement remains nonaligned, and not drawn into the interests of a certain force or bloc.

Sudharmono said that President Kim Il Sung addressed a letter to President Soeharto, which was hand delivered by Premier Li Jong Ok, but he declined to explain the contents of the letter.

9300
CSO: 4213/41

INDONESIA STILL IMPORTS OIL FROM ABROAD

Jakarta KOMPAS in Indonesian 10 Feb 82 p 2

[Text] Although Indonesia at the present time represents an oil producing and exporting country, it still imports oil from abroad to support domestic oil fuel needs. The imports are in the forms of crude oil and ready-to-use fuel materials.

Minister of Mines and Energy Subroto made these remarks before a House Budget Commission session Monday.

Out of the total planned Indonesian oil production of 1,641 million barrels in 1982-83, Indonesia's quota is about 923,000 barrels per day. The remainder are for work contractors or production sharing. More than half of Indonesia's share of petroleum, about 588,400 barrels per day, are used to fulfill the domestic oil fuel needs, while the rest, 335,200 barrels/day, are for export.

The growth of domestic oil fuel materials averages 12 percent per year, the minister said. For the current period of 1982-83, we need oil fuel materials for domestic consumption totalling about 28,168 million kiloliters (kl). To fulfill this requirement, Indonesia imports ready-to-use oil fuel materials totalling 62,196,000 barrels (in 1981-2 the figure was 42,784,000 barrels) and crude oil totalling 39,055,000 barrels.

Indonesian oil which was refined either within the country or abroad through a "processing deal" in 1982-83 totalled 143,600 barrels (in 1981-2 the figure was 159,700 barrels). These amounts do not include crude oil imported from Saudi Arabia (ALC) utilized for the manufacture of lubrication oil at the Cilacap refinery.

According to the minister, there has been a rising tendency to import oil fuel materials and crude oil, while the refining of Indonesian crude oil has suffered a downward trend.

The costs for supplying oil fuel materials average 132.69 rupiahs per liter, of which 103.83 rupiahs is for the purchase of domestic crude oil, imported crude oil and imported oil fuel materials per liter, and the remaining 28.86 rupiahs for processing, distribution, sea transport and loading per liter. These costs and charges do not include land transportation, profits for service stations and donations to provincial authorities.

In connection with the budget for 1982-98, the minister said that the revenues total about 9,100,000,000,000 rupiahs, part of which is accrued from the export of Indonesia's quota, while a subsidy of 924,000,000,000 rupiahs is given out for petroleum consumed within the country.

Regarding the plan to sell Indonesian LNG to the U.S., Minister Subroto said that the contract is shelved for the time being, but not yet cancelled. Sale of the liquid natural gas to the U.S. has been negotiated for eight years and will end in the current year of 1982. However, the existence of obstacles within the American community has resulted in the non-realization of the sale.

We do not want to be placed at a disadvantage, the minister said. As an alternative, the American quota has been marketed to Japan and South Korea. Although the U.S. failed to obtain the gas from Arun, it has requested Indonesia not to neglect its interests when processing other liquid natural gas.

For this purpose Natuna has been reserved. This region has started producing oil and gas in its offshore section, including the one being handled by CONOCO at Udang field with a production of 30,000 barrels of oil per day and accompanying oil 29 billion standard cubic feet (MMSCF) per day. It is estimated that the offshore region has a huge natural gas potential. Pertamina is making a thorough study for its development.

9300
CSO: 4213/41

INDONESIA MAY START IMPORTING COAL IN 1985

Jakarta KOMPAS in Indonesian 10 Feb 82 p 2

[Excerpts] There is great possibility that beginning the year of 1985 Indonesia will import coal to fulfill its domestic requirements, which will be about 3,656,000 tons. In that year domestic coal production is projected to reach about 1,965,000 tons. This means we will need 1,691,000 tons more.

Minister Subroto gave this explanation in a work conference with House Budget Commission on Monday, during which he elaborated on the necessity to import coal to cover the deficit at home. On the other hand, coal consumption to generate electric power and cement plants cannot be reduced, while on the other hand increase in coal production cannot be accelerated correspondingly. Apart from the time we need to develop coal mines in the country, we also need to train more technical skills and experts to manage the mines. Two countries, Canada and West Germany, have expressed their readiness to train Indonesian technical personnel. At the same time, we are cooperating with institutions of higher learning in our country in the development of coal.

According to Minister Subroto, coal import will be handled by the state enterprise PN Batubara. Two coal storages are being planned, one located in Pulau Batam [Batam Island], the other at Tarahan in South Sumatra. The coal will be imported from the east coast of Australia and India, among other countries.

Domestic coal requirements will reach 1,054,000 tons up till 1984, which can be covered by the domestic production of 1,175,000 tons. Beginning 1985, however, there will be a big jump in coal demand. By the year 1990, domestic coal demand will not be able to be covered by domestic supply. In that year, the production will be about 15,490,000 tons, while the demand will reach about 16,646,000 tons.

The biggest domestic consumers of steam coal are cement plants, steam power electric generators, State Railway Company, PT Tambang Timah (Bangka), aluminum factories and other industries. The cement plants are located at Baturaja, Gombong, Indarung, Madura and North Sulawesi, while steam power electric generators are located at Surabaya, Paiton-Tuban, Tanjung Enim, Salak, Bali, Loa Kulu and others. By the year 1985, increase in coal requirements will still not be considerable, but beginning 1986, the demand for

energy sources will jump upward continuously. This is due to the fact that several new cement plants will begin operations, while the existing ones will increase their production and simultaneously there will be a shift to coal in the utilization of energy.

The mine development project at Bukit Asam will not start producing coal until around 1985-86. The coal to be produced there will be allocated to Steam Power Electricity Center (PLTU) Suralaya I and II and PLTU Tanjung Enim, amounting to 2.45 million tons/ year and 400,000 tons/year, respectively. The cement factory at Baturaja will be alloted 80,000 tons per year, PT Tambang Timah (Bangka) 40,000 tons per year, State Railway Company and others 60,000 tons per year.

The development of coal in Ombilin is being planned in stages. The first stage will cover a production increase from the present level to about 750,000 tons in 1985-86. Then, with the opening of a new mine in the Waringin region around 1989, the production will be increased to 1,350,000 tons per year. A portion of this production will be utilized for the cement factories in Indarung and Aceh.

The development of coal in East Kalimantan and South Kalimantan which have huge reserves will not play a role until 1988-89. According to plan, this coal will be used as an energy source in several cement factories and electric power generators in Java.

Minister Subroto pointed out that the government has conducted an inventory of coal deposits located outside of South Sumatra/West Sumatra, South Kalimantan/East Kalimantan and Irian Jaya. Some regions are thought to contain sufficiently large coal reserves potential to be earmarked for development by the government.

9300
CSO: 4213/41

UNITED STATES VIEWS ON AFGHANISTAN CRITICIZED

Karachi DAWN in English 15 Mar 82 p 9

[Text]

It appears from the attitude adopted by the western countries in respect of the Afghan crisis that they are interested in it only to use the matter in their policy of confrontation with the Soviet Union.

Continued presence of the Soviet Union in Afghanistan is for them a source of satisfaction as far as Europe is concerned. They often refer to sacrifices being rendered by the Afghan freedom fighters, saying that this was making Afghanistan a Vietnam for the Soviets. The West has the military and economic potential to serve an ultimatum on the Soviet Union to pull back from Afghanistan. The western countries being major powers, the Soviet Union does not have the capability of ignoring their pressure. It is, therefore, not inappropriate to suggest that the proposed holding of Afghanistan Day without first exerting any kind of pressure on Moscow is merely a lip service to the Afghan cause. This belief is supported by the official statement of a US government spokesman in which it was said that the US considered the Afghan problem basically related to the Muslim world. The US, the spokesman added, morally supported the freedom struggle of the Afghan people but their request for arms would be turned down. This statement tantamounts to giving the Soviet Union a free hand in Afghanistan.

CSO: 4220/326

MAZARI SAYS SITUATION FAVORABLE FOR POLLS

Karachi DAWN in English 13 Mar 82 p 1

[Text]

MULTAN, March 12: The leader of defunct NDP, Sardar Sherbaz Khan Mazari, has demanded restoration of the 1973 Constitution and holding of elections in the country according to the will of the people.

Talking to newsmen at the residence of a member of the executive body of defunct NDP, Mr Aslam Khan Marwat, at Taunsa, Dera Ghazi Khan district, he said the atmosphere in the country was quite favourable for holding of elections.

He said that dearness and corruption had broken the backbone of the people.

Mr Mazari said that it was now better to end Martial Law, and added that the Army should go back to barracks to perform its real task. He said that no one except a representative Assembly had the right to amend the 1973 Constitution.

He said: "We are not the followers of poltics of terrorism and will never ask or compel the people to agitate. We had political differences with the former Prime Minister and we had launched a movement against his government, but we are not against his widow and daughter".

Replying to a question regarding Mr Ghaus Bux Bizenjo's demand for provincial autonomy, Mr Mazari said that "we talk of rights for all the four provinces". He said that except Foreign Affairs, Finance, Defence and Communications, all other departments should independently remain with the provinces. He said the income of all the four provinces should be utilised in their respective areas according to the will of people.

Mr Mazari said all political parties in Pakistan were agreed on restoration of the 1973 Constitution and desired that elections should be held in the country.

He said the people would not support the pacts made by the present Government with other countries.

CSO: 4220/325

MAHMUD ALI ISSUES DENIAL ON PROPOSAL

Karachi DAWN in English 13 Mar 82 p 1

[Text]

ISLAMABAD, March 12: Mr Mahmud Ali, Minister of State and Chairman, National Council of Social Welfare, today desribed as "unwarranted" the reports appearing in a section of the Press that he had placed before Nawabzada Nasrullah and other political leaders proposals for a provisional government, which they had rejected.

Commenting on the report, Mr Mahmud Ali said: "I did not carry any proposals, nor was I deputed by the Government to make such proposals. Therefore, the question of the rejection of these imaginary proposals does not arise."

He said that during the course of his normal tour he had visited Karachi, Multan and Muzaffargarh. He did meet old friends, including Pir Sahib Pagara and Nawabzada Nasrullah Khan whom he had known for a long time, but he did not less any "proposals" before him.

Mr Mahmud Ali said he did not fly by helicopter to Dera Ghazi Khan at all, as suggested in the report.

"Of course if I happen to visit Dera Ghazi Khan, I would certainly like to meet Mr. Balakh Sher Mazari or Sher Baz Khan Mazari, who are my old friends."

CSO: 4220/325

SAFDAR'S CALL FOR POSITIVE RESPONSE

Karachi DAWN in English 13 Mar 82 p 4

[Text] LAHORE, March 12: Khwaja Mohammad Safdar, Chairman, Federal Council, today appealed to the political leaders to give positive response to the initiative taken by President Zia-ul-Haq for effecting an understanding with them.

Speaking at a reception here today, he said the President had detailed Mr Mahmud Ali, Federal Minister of State and a great patriot, for consultations with the politicians. He expressed the hope that they would welcome the President's gesture in a true national spirit as it had been made quite sincerely.

Khwaja Safdar said the country could ill-afford the state of confrontation and needed an atmosphere of understanding to cope with the internal and external situation facing it. He said that instead of resorting to agitational politics, the nation should make collective efforts to bring about Islamic order in the country.

He said it was unfortunate that while the Government was making sincere efforts to enforce Nizam-i-Islam, certain religious leaders in the political arena were finding faults with the steps taken in this direction instead of extending their cooperation in this task.

He said at the very first session of the Majlis-i-Shoora, which was under constant criticism in the political circles for being a nominated body, a concrete step was taken towards the Islamic order with the setting up of a committee to find out the hindrances in the way of Islamic system. This committee had already met for four times and its report was being compiled.

Strongly criticising the political parties forming the so-called MRD, Khwaja Safdar said it was astonishing that the formula announced by the present MRD chief yesterday made no mention of Islam which was the very basis of this country. The people of this country had struggled for this separate Muslim homeland only in the name of Islam and they had reaffirmed their faith during the Nizam-i-Mustafa Movement launched only four years ago.

FORFMOST NEED

Khwaja Safdar maintained that the foremost requirement of the country was the enforcement of Islamic order which could be followed by the restoration of democracy suited to Islam. He said he firmly believed in democracy but he could not endorse the concept of democracy preached and practised by the defunct PPP. Elaborating, he said the six-year rule of the People's Party was a period of lawlessness, during which political opponents were humiliated, tortured and some of them even assassinated. The state of emergency was not lifted for even a single day during the PPP rule, he added.

He said that today the defunct PPP was condemning the Martial Law but he could recall the time when 104 MNAs, of the PPP had supported the continuation of Martial Law while the Constitution of 1973 was being finalised.

About the recent campaign against anti-social elements all over the country, Khwaja Safdar said the arrests followed a hot discussion in the first session of the Federal Council about the law and order situation in country. He did not agree with the claims that the arrests were made on political grounds or they were thousands in number.

All the persons arrested were thieves, smugglers, narcotic dealers, scoundrels or indulged in other anti-social activities, he maintained adding that any innocent person taken into custody would be set free.

Commenting on the eight-point formula presented by Mr. Fatehyab Ali Khan, current MRD convener, Khwaja Safdar said he felt as if it was prepared for some country other than Pakistan.

He asked the political leaders to correct the order of priorities in their formulas, give precedence to the introduction of Islamic system and then talk of democracy. If they set right their priorities according to his suggestion he would cooperate with them, Khwaja Safdar assured.

CSO: 4220/325

TRANSFER OF POWER FORMULA SOON--NOORANI

Karachi DAWN in English 15 Mar 82 p 14

[Text]

LAHORE, March 14: Maulana Shah Ahmad Noorani, President of the defunct JUP, disclosed here today that a joint formula by all the political parties for a peaceful transfer of power would soon be presented to the Government. The formula, he said, would be forwarded after it was approved by all the parties in the country. In this connection, contacts had already been made with a number of parties, he added.

Talking to newsmen at the end of the first-day proceedings of a two-day general council meeting of the party, Maulana Noorani said that, in fact, all the political parties in the country had a formula, but they were unanimous that elections should be held this year and power be transferred to people's representatives.

Maulana Noorani said the call made by the defunct Tehrik-i-Istiqlal to observe April 24 as a protest day had not been conveyed to his party, but added that if the same was formally conveyed, his party would definitely like to discuss it with Tehrik leaders.

Regarding his meeting with the Minister of State, Mr Mahmud Ali, Maulana Noorani said he had met him at Karachi about four days back and discussed with him the current situation in the country. Mr Mahmud Ali, he said, did not indicate that he had been sent by some one neither did he talk about any formula.

RESOLUTIONS

PPI adds: The Central Shoora and the Central Executive Committee of the defunct JUP, through a resolution, has called for restoration of the 1973 Constitution and transfer of power to elected representatives of the people. The resoluiton was approved by both superior bodies of the JUP in the meeting held here today under the chairmanship of Maulana Shah Ahmed Noorani.

The resolution said that Martial Law should not be made a permanent law, political parties be given a chance to function again, ban on freedom of expression be lifted and politicians be taken into confidence to solve the political problems faced by the country.

Through another resolution adopted in the joint meeting, the members of the defunct JUP, who have joined the Federal Council and the Cabinet, were asked to review their decision within a month otherwise it would be considered that they have left the party.

The joint session also expressed profound concern over the murders of Chaudhry Zahur Elahi and Ar ab Sikandar Khan Khalil and demanded that Government should eliminate violence, subversion and crimes without further delay.

CSO: 4220/326

COLUMN DISCUSSES POLITICAL FUTURE, OTHER ISSUES

Karachi DAWN in English 15 Mar 82 p 9

[Islamabad Diary column by M. A. Mansuri: "Pining for a Flicker at the End of the Tunnel"]

[Text] THROUGHOUT last week, we were groping in the dark, trying to construct a picture of our future destiny on the basis of current conjectures. The exercise itself is a sad commentary on the state of the nation, marked as it has been for a long time by uncertainty and drift.

From the cool atmosphere of Islamabad, the strenuous exercise undertaken by the leaders of various defunct political parties to form some kind of an alliance for restoration of democracy looked like a pantomime. Similar was the feeling about the extensive tours of various cities by Majlis-e-Shoora Chairman Khawaja Safdar and some of the Federal Ministers, pleading for national unity and inviting cooperation for promotion of Islamisation. The 21-member delegation of the Majlis visiting the United States to explain the official version of the situation in Pakistan was also viewed with indifference.

When the sad news of Arbab Sikandar Khan Khalil's murder reached Islamabad, we were engaged in absorbing discussions on the extent and the impact of the latest country-wide drive by the police and other agencies against subversive and anti-social elements. The interest in reports about the widespread resentment against the use of the Holy Quran as a booby-trap, said to have been planned for some high-ups in the country, was overtaken by a sort of tension caused by the police drive which itself was claimed to have been necessitated by the discovery of this nefarious attempt.

NOORANI'S SPEECH

In this context, attention was also attracted by Maulana Shah Ahmad Noorani's hard-hitting speech, in a hotel here the previous week, in which he had claimed that over ten thousand persons had been detained during the police drive and that torture cells, worst than the Lahore Fort and the infamous Dalai Camp, were also working in the country – to extract confessions from the detained persons. Most of the detainees are reported to have been interned for 90 days each. Reported extensively in a section of the local Press, his speech gave rise to an apprehension that the Maulana would be arrested before he left for Karachi, or would, at least, be expelled from the Punjab, as he was when he came here the last time. This fear did not come true, however. But his allegations about the number of arrests and the existence of torture cells were denied by the official sources – although precise information about the over-all situation was still not provided.

Anyway, reports continued to pour in from various parts of the country about more arrests of subversives and seizure of more arms dumps. According to reports published in a section of the local Press, the Government has unearthed a big plan of the subversives which aimed at killing some important personalities with the help of rocket launchers, two of which had been supplied to

contacts in Lahore and Multan, and one in Peshawar. In Rawalpindi also some more sten-guns, detonators and hand grenades were seized. A daring dacoity in Namak Mandi, one of Rawalpindi's busiest markets, in which two persons received serious bullet wounds, was committed while the police were busy in their vigorous anti-subversion drive.

AFGHAN GROUPS

A new factor seems to have been added to the situation – we had not seen it before from this angle. It is the alleged indulgence of some Afghan refugee groups in the local affairs of the NWFP and Baluchistan. No substantial proof of this has been provided by any quarter. But the insinuations implied in the statements of Khan Abdul Wali Khan and the defunct NDP Executive's resolution on Arbab Sikandar Khalil's death, last week, alleging that it was a political murder, have involved even some of our own religious interests, though they have not been named. Khan Wali Khan has, in fact, been voicing resentment for more than a year against the opening of the Durand Line for Afghan refugees, alleging that this would revive Afghanistan's old bogey of 'Pakhtoonistan'.

But this latest insinuation has given rise to a feeling that groups of Afghan refugees could be engaged by local interests to promote their own purposes. This has prompted new thinking on the need for pursuing more vigorously Pakistan's official policy of seeking an early political solution of the Afghanistan crisis. Food for this thinking has also been provided by latest reports from London, published in a national Urdu daily, last week, that attempts may be made in the coming summer to create trouble in Baluchistan where over six thousand followers of Ataullah Mengal and Khair Bakhsh Marri – both living abroad for the past several years – are reported to have been organised and armed with modern weapons for the purpose. At the back of this thinking may also be the economic issues facing the people of certain areas in the two provinces where the refugees have out-numbered the locals.

CONJECTURES

However, we noted with interest unauthorised reports in a section of our Press, last week, which revived vague hopes that something was being done either to hold snap pools some time within this year or to evolve some kind of a national arrangement by agreement with leaders of various defunct political parties. These wishful conjectures were partly supported by enthusiastic reporting of the meetings of the Election Commission and the Islamic Ideology Council last week. They were also nourished by the report of the calls made last week by the Minister of State, Mr. Mahmud Ali, on Nawabzada Nasrulla Khan who is interned in his Khangadh House turned into a sub-jail, Sahibzada Farooq Ali in Multan and several other politicians in Karachi.

The report that Mr. Mahmud Ali was conveying a message of President Zia-ul-Haq to these politicians for formation of an interim government was denied by Mr. Mahmud Ali himself. The Minister for Manpower and Labour, Mr. Ghulam Dastgir Khan, also stated the same day that there was no plan to form any interim government. The Majlis-i-Shoora delegation at present visiting the United States has said in America that elections will be held in about two years' time if the conditions permitted. In fact, it seems, that none of these stalwarts knows anything about the plan.

So far as the meetings of the Election Commission and the Islamic Ideology Council are concerned, none of the hopes held out by some of our newsmen while reporting these events was well-founded. Who instigated them, if they were, in fact, instigated, is difficult to say.

The Chief Election Commissioner himself refuted the report when several weeks before the recent meeting it was said that the Election Commission had been asked to keep ready for snap polls. The latest meeting of the commission did not have on its agenda any item which could even remotely suggest that elections of any kind were on the cards.

Similarly, the Islamic Ideology Council made it clear early this month that its recommendations on the future political structure of the country would take another two to three months to complete. What it was working on was an "Islamic political structure in relation to General Election" only. Apparently, the intention is to evolve an Islamic system of election so as to ensure that they would yield "positive results". It is a tremendously difficult task and the Ideology Council may not be able at all to formulate a fool-proof system. What, then, will be the alternative?

One alternative is to carry on with the present system which has already worked for over four and a half years. But when this system made its start, it did not have those factors to face which are now at work in our national life. Have they not already established that they are more relevant to the present situation than most of our politicians are?

CSO: 4220/326

COMMENTARY ON SOLVING POLITICAL PROBLEMS

Karachi DAWN in English 15 Mar 82 p 9

[Text]

IT is time the government disclosed its political thinking and identified the lines by working on which it intends to solve the political problems of the country.

If it is correct that a Federal minister has met some political leaders as a representative of the government, we would describe it it as a healthy political trend. If a decision is required in respect of the collective internal and external situation, the wise step will be to have immediate and serious exchange of views with politicians. Initially this can be done on an individual level. Later on the arrangement could be expanded to the collective level.

The success of such exchanges lies basically with the government. It will have to take the initiative. It should decide that the time has come for the establishment of a political government and the people, too, should be given the right to elect their representatives. Once this is done, it would not be difficult to enter into a compromise with the political quarters over the procedure.

Presently there are two opinions in this respect. A political group supports the holding of elections within 90 days and under the umbrella of martial law. The other group believes in first establishing a political government for a fixed period and holding elections under its auspices. In such a situation, the preparation of a working formula for the interim period should not be difficult.

CSO: 4220/326

INDIA ASKED TO SEND OFFICIALS FOR TALKS

Karachi DAWN in English 15 Mar 82 p 1

[Text]

MADRAS, March 14: Pakistan has asked India to send its Foreign Secretary R D Sathe soon to Islamabad to resume the dialogue on the no-war pact which was postponed following an incident at the Human Rights Commission in Geneva last month.

Speaking at a social gathering in Banglore in south India, Pakistan Ambassador Abdul Sattar said the larger objective of India-Pakistan peace would not be allowed to be vitiated by an academic debate or difference over the interpretation of an agreement.

Mr. Sattar said it was entirely up to India to decide when to resume negotiations. Pakistan's invitation to Indian Foreign Secretary R. D. Sathe was "still outstanding", he added.

Describing as exaggerated Indian fears of Pakistan's arms purchases, Mr. Sattar said his country with fractional resources did not and could not desire any arms race. He said Pakistan was keen to discuss both reduction and limitation of arms with India and, in fact, "we have even put forward the idea of an agreement on military ratios".

In this context, he said the recent purchases of 40 F-16 aircraft by Pakistan over a four-year period could not be characterised by an impartial observer as "massive".

Referring to Indian purchase of military hardware, he said Pakistan had not raised any clamour about the deep-penetration strike aircraft Jaguar, the latest MIGs and futuristic Mirage-2000 being inducted by India in addition to other lethal equipment, both by import and indigenous manufacture.

CSO: 4220/325

DEVELOPMENT WORK IN KOHISTAN REPORTED GOING WELL

Karachi DAWN in English 13 Mar 82 p 4

[Text] RAWALPINDI, March 12: The Chairman of the Kohistan Development Board, Brig. Jan Nadir Khan, said here on Tuesday that the development activities in the region had brought about complete transformation there.

Addressing the delegates attending the international seminar on "disaster preparedness and relief" at a dinner hosted by the Board, he said that after the area had been hit by the earthquake in 1974 a four-year development programme was launched for rehabilitation and welfare of the people. This programme was later extended to eight-year period and would be completed by June 1983.

The programme was progressing according to schedule with 83 per cent work having been completed he said and added that the development plan envisaged 1000 kilometres of new roads in the area and out of this 700 kilometres had already been laid.

Before the beginning of the development activities only 2.1 per cent of the population had easy access to drinking water and with the completion of the programme 42.3 per cent would be able to get basic amenity, he said. Similarly the education would increase from 7.2 per cent to 24.6 per cent, he added.

He said the people were responding marvellously to the programme and fully participating in the development.

EDUCATION

The Chairman said that 365 new schools had been set up in the area. He said for some reasons the people previously were not interested in the education of girls but due to incentive provided by the Board now 750 girls had enrolled themselves for studies. He said free milk was provided to boys while the girl students were given free food package.

Brig. Jan Nadir Khan said that about 1000 persons had been trained under the adult education scheme and eventually 3,000 persons would benefit from it. He said 100 health guards had been trained to administer basic medical treatment and the Board planned to provide the training to 500 guards. Similarly 500 persons would get veterinary training.

The Integrated Rural Development Programme was making a great headway and the people were extending full cooperation in this regard. The programme was being implemented with the assistance of friendly countries and international agencies.

The plan would be completed with an expenditure of over Rs 400 million.

CSO: 4220/325

OVER 2,000 PUNJAB TEACHERS PROTEST IN RAWALPINDI

Karachi DAWN in English 15 Mar 82 p 1

[Text]

ISLAMABAD, March 14: Over 2,000 school-teachers from all over the Punjab today held a demonstration in the premises of a school in Rawalpindi to press their demands. They also tried to march towards the President House, hardly a mile from the school, but were stopped by a heavy police force.

Leaders of the teachers' federation, in their speeches, urged the Government to accept the demands of teachers all over the country. They demanded abolition of disparity between the teachers of rural and urban areas, equal promotion to all categories of teachers and better pay scales.

At 12.30 p.m. the striking teachers dispersed peacefully.

Meanwhile, all the colleges in Rawalpindi remained closed today in protest against the yesterday's clash in which one student, Sohail Malik of Government College of Technology, was killed; while Qayyum, another student, received injuries.

Sohail was buried today in his home town, Rawat, some 20 miles from here.

Meetings were held in several colleges to offer Fateha for the deceased. A procession of students later drove to Rawat to attend the funeral of Sohail.

The Director of School and College Education, Rawalpindi region, when contacted, said all the colleges in Rawalpindi were closed for a day at the request of students.

The students of the colleges, he said, wanted to attend the funeral of their colleague in Rawat.

The Director said the students had been asked to avoid any provocative step as the death of Sohail was the result of rivalry between the groups of students.

Classes in the girls' colleges functioned as usual, the Director said.

CSO: 4220/325

TEACHERS' FRONT HOLDS TALKS WITH HOTI

Karachi DAWN in English 15 Mar 82 p 1

[Text]

ISLAMABAD, March 14: The representatives of the All-Pakistan Teachers' United Front and the Federal Education Minister, Mr Mohammad Ali Khan of Hoti failed to reach a compromise at a meeting held here today.

A 10-member delegation of the Front, led by its President, Maulana Abdul Ghafoor Ghaffari, had called on the Minister to [words illegible] teachers' demands.

The Minister assured the delegation that the Government would give due consideration to genuine demands of the teachers, but asked them to call off their strike in the national interest as such an extreme measure did not fit in the dignified nature of their profession.

The meeting ended without an agreement.

An official handout later said: "A 10-member delegation of teachers from NWFP, led by the President, Pakistan Teachers' United Front, Maulana Abdul Ghafoor Ghaffari, called on the Federal Education Minister, Mr Mohammad Ali Khan, and apprised him of striking teachers' demands.

"The Minister exhorted the delegation to give up illiterate labourers-like tactics and call off their strike in the national interest as teaching is a highly dignified profession and such an extreme measure does not fit in their status.

"He said that teachers' decision to go on strike at this stage will not serve any useful purpose rather, in fact, it goes against the children who are centre of our all hopes.

"He assured the delegation that the Government will give due consideration to their genuine demands but they should also realise that the nation does not expect from them such undignified behaviour. The teachers should adopt the way of mutual understanding in the greater interest of society.

"The teachers' delegation assured the Federal Education Minister that they will confer with their colleagues in the light of his advice and let him know about their re-considered plan of action."

CSO: 4220/325

THIRTY KARACHI UNIVERSITY STUDENTS FREED

Karachi DAWN in English 15 Mar 82 p 1

[Text]

Thirty University Students who were rounded up by the police for obstructing the normal functioning of the University administration were released on sureties furnished by the Vice-Chancellor.

A former student of the University, who was also apprehended for allegedly keeping obscene literature during the 'sit-in', was not released.

All the 30 students, including the President of the Karachi University Students Union, were received by a group of students at the Campus on Sunday morning.

The Vice-Chancellor furnished sureties in the sum of Rs. 5,000 each for the released students with an undertaking that they would not indulge in such activities in future.

Meanwhile, the same group gave 48 hours to the authorities for acceptance of their demands, including the withdrawal of the rustication orders of some students from the University.

The United Students Movement (USM) leaders called on the Vice-Chancellor and demanded withdrawal of rustication orders of all the students.

They also demanded that the next semester should begin immediately and the University should function without the scheduled vacations.

PPI adds: Police sources said the situation at the University was calm.

The terminal examinations at the Campus were held peacefully on Sunday.

The boycott of examinations was put off for 48 hours on the assurance of teachers that they would extend their full cooperation to the students for solving their problems.

CSO: 4220/325

PROJECT FOR TEACHING OF ARABIC IN SCHOOLS UNDER STUDY

Karachi MORNING NEWS in English 14 Mar 82 p 8

[Text] Islamabad March 13--President General Mohammad Zia-ul-Haq wishes that every Pakistani child should gain mastery over the Arabic language in order to remove the language barrier existing at present between Pakistan and other brotherly Muslim countries.

This was observed by Federal Education Minister Mohammad Ali Khan Hoti during his meeting with the visiting two-member educational delegation led by the Adviser to the President of Maldives Mr Ibrahim Saihab here this morning.

The Minister told the delegation that Government is actively working on a project aimed at teaching Arabic in all the schools of the country. About 10000 teachers wil lbe required to implement this project while there are only 3000 teachers in Pakistan at present he added.

The Minister maintained that the Government is also seriously considering a proposal to make compulsory the study of Quran Majjeed in primary and middle schools so that students should get it completed positively when they clear their middle standard examination.

The Minister highlighted the Government's present efforts to establish Islamic order in the country particularly the promulgation of Hadood Ordinance Zakat and Ushr the introduction of profit and loss sharing banks account system and the programme of establishing Qazi courts in Pakistan in the near future.

The Minister briefed the Maldivian delegation about the prevailing two different streams of education in the country and apprised it about the Government's efforts to bridge the present gap between the two. He paid glowing tributes to he Ulema who waged war against the British imperialism during subcontinent's war of independence in 1957 and continued to serve Islam and Muslim brethren through 'Deeni madaris' and mosques despite all sorts of hurdles and difficulties.

CSO: 4220/326

BODY TO IMPROVE POLICE EFFICIENCY

Karachi DAWN in English 15 Mar 82 p 1

[Excerpt]

RAWALPINDI, March 14: A Federal Cabinet meeting held here today under the chairmanship of President Gen Mohammad Zia-ul-Haq. decided to set up a committee, comprising senior police officials and headed by Sahibzada Rauf Ali, to implement the Mitha Commission Report, 1969-70, the recommendations of which somehow were not implemented because of various reasons, including financial and administrative.

Briefing newsmen, the Federal Information Secretary, Maj-Gen. Mujibur Rahman said the Cabinet also considered ways of making police better organised and more effective. The Cabinet also discussed the defects in the police force owing to lack of resources, development, and training of personnel. He said the Mitha Commission Report had made recommendations for immediate and long-term restructuring of policies and resources.

He said President Zia-ul-Haq had been issuing various directives from time to time aimed at improving working of the police and this committee now had been set up to implement those directives.

He said the committee would also have the guidance of various ministries like Interior, Finance and Establishment to sort out as to which recommendations of the Report could be implemented and how. The committee would take into consideration the problems of the provinces in the implementation of the Report and how to expedite [illegible]

CSO: 4220/325

AIMS OF ECONOMIC PROGRESS DISCUSSED

Karachi DAWN in English 15 Mar 82 p 9

[Text]

In a semi-tribal and semi-fuedal state like ours, industries could not be developed as much as they should have during the past 35 years. That is why our economy is still in its initial stages of development.

Pakistan's biggest problems is speeding its economic progress. The country has chosen for itself a mixed economy. The Vice-Chairman of the Planning Commission has also emphasised the same point and has described as futile the tussle between the private and public sectors. What is relevant is progress; whether we achieve it through one sector or another is irrelevant.

Those interested in the history of economic development of this country watched in surprise the bad way in which planning was done in this country. Sometimes there was an emphasis on the industrial sector, sometimes on the agricultural sector. On still other occasions the emphasis was on both sectors.

Our motto should be to have progress which could make the country self-sufficient in basic necessities.

We have seen indiscriminate nationalisation and heard about sick units. The experts who sent the majority of our manpower to work abroad and exported food items, have got us in a mess. The oil crisis, the annual payment of billions of rupees on external debts are draining our economy. No concrete base for progress can be found without first scrapping the economic base we inherited from a colonial past.

CSO: 4220/326

BRITISH TRADERS' APATHY TO PAKISTAN MARKET NOTED

Karachi DAWN in English 13 Mar 82 p 10

[Article by Yehia Syed]

[Text] London, March 12--The Pakistan economy is in a fairly healthy shape," reported the "Daily Telegraph" staff correspondent from Islamabad on Thursday in despatch headlined: 'British Bussinessmen Failing to Enter Pakistan's 'Goodwill market.'

"Four good harvests in a row achieved self-sufficiency in food grain last year," he wrote "unemployment is low and a large trade gap--some 1,250 million pounds last year--is financed by foreign aid and remittences from the many Pakistanis working abroad, particularly in the Gulf states."

The report quotes Mr William Fullerton, Commercial and Economic Counsellor at the British Embassy Islamabad as saying: "I'm often asked why the British don't come here as much as they used to. Businessmen here say that one within of business and there's 20 Japanese on the doorstep. They want to know why we're not capitalising on the tremendous amount of goodwill towards Britain."

Trade prospects in the Pakistan market, according to the report, "are considered good.' British exports for the last two years have been 139 million pounds and 140 million pounds respectively, capturing around six per cent of the market. Britain comes fifth in the world trade table--behind America, Japan, Saudi Arabia and West Germany.

"Industrial sector growth was eight per cent in 1979-80." the report said, "and total gross fixed investment increased by more than 20 per cent in the same year. At present the goodwill to Britain is such that Pakistani entrepreneurs will take British goods even if they are a little more expensive."

"The most fertile field for British expansion," the report said, is one common to the whoe area--joint ventures involving technical know-how from the foreign partner combined with domestic cheap labour and market contacts."

Particular emphasis is now being placed on developing joint ventures in engineering industry which is welcomed by the Pakistan Government to increase Pakistan's exports which were worth only 15 million pounds last year, the report said.

CSO: 4220/325

NEW STRATEGY FOR ENERGY CONSERVATION STRESSED

Karachi DAWN in English 13 Mar 82 p 4

[Text]

ISLAMABAD, March 12: The Finance Minister, Mr Ghulam Ishaq Khan, has urged the energy consumers to make use of un-utilised indigenous resources like coal and to optimise use of available surplus fuel to contain impact of current energy crisis on the planned growth of the national economy

The Minister, who was presiding over fourth meeting of the National Energy Policy Committee here on Thursday, emphasised the development of coal in Baluchistan on priority basis. He said that in addition to the development of bio-gas and solar energy, a comprehensive strategy should be evolved to develop investment in fuel wood cultivation and marketing on commercial lines.

The Minister also stressed the need for achieving maximum efficiency in the energy utilisation and its management. He said utmost attention should be focussed on conserving energy requirements which was vital in the overall national economic interest.

The National Energy Policy Committee discussed at length concrete steps for achieving energy conservation in the country. It decided that lead time should be established for inter-fuel substitution in all the consumption sectors of the economy and specific exercises concerning different economic activities would be undertaken to realise this objective.

The NEPC decided that the concerned Ministries should examine the proposed energy management ordinance which was designed to help the industries in abating waste and maximise use of available energy. It decided that appropriate recommendations should be formulated to provide incentives to the industries in this connection.

In view of the fact that the country does not have national oil specifications, the Committee considered promulgation of national specifications of petroleum products and decided that the matter should be finalised on priority basis, at all appropriate levels.

The NEPC expressed the view that since the process of hydrocracking the furnace oil to produce HSD and HOBC was profitable, this project should preferably be left to the private sector. This would conform to the Government policy to encourage involvement of the private sector in the field of energy also.

The Committee appreciated pace of work on long term energy planning and considered it a priority to further expand it to 25-year plan split into ten years investment programme in the country. The services of the foreign consultants would be required for this purpose.

It was reported at the meeting that the indigenous production of crude oil had improved to 11,320 barrels per day in February from about 10,000 barrels per day in the preceding month. It was further reported that Khashkheli would add another 4,000 barrels per day by June this year to push up the indigenous production of crude oil at about 16,000 barrels per day thereby meeting about 13.5 per cent of the total quantity consumed in the country.

The meeting, lasting four hours, was attended by the Minister for Petroleum and Natural Resources, Maj-Gen. (retd) Rao Farman Ali Khan, Deputy Chairman, Planning Commission, Dr Mahbubul Haq, Federal Secretaries for Finance, Planning and Economic Affairs and Food and Agriculture and senior officials of the Ministries of Industries, Production, Water and Power and Petroleum and Natural Resources.

CSO: 4220/325

BRIEFS

MORE REFUGEES FOR UNITED STATES--More refugees from Afghanistan will be able to migrate to the United States as a result of the US decision to raise the quota of immigrants from that country. A US mission source said in Karachi the quota has been raised to 1,600 Afghan refugees from Pakistan, for the year ending September next. Last year, it was fixed at 1,200. Meanwhile, there has been a steady flow in the migration of Afghan refugees from Pakistan to the US. From March last, when the airlift of the refugees began, till September 1981, a total of 1,134 refugees had left in search of new homes in the US. Since September last 394 more Afghan refugees have left Pakistan for the State. The source however, thought that the quota of 1,600 refugees for the current fiscal year may not be completely utilised. He listed cumbursome administrative procedure and difficulty in finding probable sponsors in the US as two major factors which may result in under-utilisation of the quota. [Karachi DAWN in English 13 Mar 82 p 8]

SCIENCE POLICY DEMANDED--The Pakistan Association of Scientists and Scentific Professions (PASSP) has called for announcement of national science policy as early as possible. The general body meeting of the association held on Thursday under the chairmanship of Dr A. H. Chotani, said in a resolution that delay in the formulation of the science policy was causing concern among scientists in the country. The PASSP called upon the government to consider various proposals submitted by it to the Federal Science Ministry in the form of a crash programme. It decided to set up a science centre in Karachi for which a 2,000 yeards plot has been acquired in Gulshan-i-Iqbal. A fund raising campaign for its construction will be launched soon. The meeting further decided to create a fund initially with Rs 30,000 for giving scholarships to deserving talented science students. Earlier, Dr. G.M. Khattak, Vice Chancellor, Agriculture University, Peshawar, was elected President. [Karachi DAWN in English 13 Mar 82 p 9]

EXAM BOYCOTT THREAT CRITICIZED--A meeting of the Central Working Committee of the United Students' Movement (USM) held here on Thursday criticised the "threat" by a section of the students to boycott the examination, says a Press release. The meeting presided over by Mr. Hasil Baloch also expressed surprise over the decision of the authorities to close the University from March 18. The meeting condemned what it described as police intervention" in the campus and demanded immediate release of all arrested students. [Karachi DAWN in English 13 Mar 82 p 10]

CSO: 4220/326

INDEFINITE TENURE FOR VIRATA DECLARED

Manila PHILIPPINES DAILY EXPRESS in English 17 Mar 82 pp 1, 10

[Article by Willie Ng]

[Text] President Marcos declared yesterday Prime Minister Cesar Virata would remain in office indefinitely.

This would do away with the earlier proposal to rotate the position of prime minister.

"There will be no rotation for the post of prime minister because of the economic crisis," the President told newsmen. "The present crisis does not allow the changing of horses in midstream."

He added that Virata "is at his best grappling with an economic situation."

Previous announcements of the President justified rotation of the prime minister's post as a way of giving opportunity to deserving officials to take a crack at the No. 2 government post.

The executive committee headed by Virata which handles day-to-day government operations is known as the training ground for future leaders.

The President said that anyone could have a chance at the post if he thought he could do better.

"And you are well aware that the prime minister is willing that we train as many as possible to handle the position," he said. "All of us are in agreement that one cannot be selfish in this thing, because nobody knows what will happen to the prime minister."

In a talk the day before with the foreign press, the First Lady, Minister of Human Settlements Imelda R. Marcos cited Virata for showing that "he is not only a technocrat, but one who is making an effort to understand the people and how the various programs would relate to the needs of the people in the rural areas."

Meanwhile, the Cabinet presided by Virata ordered yesterday the redrafting of the barangay elections bills in order to incorporate sentiments voiced in nationwide public hearings.

It was also announced by Deputy Prime Minister Jose A. Roño that a caucus of the ruling party, the Kilusang Bagong Lipunan (KBL), will be held tomorrow at the Batasang Pambansa before the question hour to consider the trend of public opinion on the barangay elections.

The KBL in a caucus held Jan. 14 had opted to implement the results of the referendum to hold barangay elections through the consensus method.

Because of the multiplicity of proposals the committee on revision of laws, codes, and constitutional amendments and the committee on local government of the Batasan decided to hold public hearings in the country's various regions to get a cross section of citizen views on the proposals.

The public hearings were conducted in the cities of Baguio, Legazpi, Iloilo, Cebu, Davao, Cagayan de Oro, and Zamboanga. A hearing en banc was held in Metro Manila at the Batasan building.

Perez reported to the cabinet the following findings of the teams:

1. Non partisan barangay elections.

2. Election through secret ballot, without being preceded by consensus. It is claimed that preliminary consensus impairs the credibility of the barangay elections as a whole, considering that the lupong tagapayapa which is to act as the arbiter is composed of persons appointed by the barangay captain.

3. Government employes and members of the Armed Forces should not be allowed to run for barangay office without forfeiting their positions.

4. Candidates should specify the position—whether barangay captain or councilman—he is running for and votes should be counted separately for each position.

5. Qualifications for barangay official shall be: 21 years of age on the day of election, Filipino citizen, able to read and write, actual resident of barangay for at least six months, and a registered voter of the barangay.

6 Location of voting centers shall be adjusted under the supervision of the Comelec to facilitate voter access.

7. Voters registered as of the June 16, 1981, presidential election and those who may have registered thereafter shall be entitled to participate in the barangay elections.

8 Term of office—four to six years depending on how barangay elections can be synchronized with other elections.

9. Campaign period—to be fixed by the Comelec but not less than 10 days nor more than 15 days. Date of election recommended: May 17, 1982.

10. Election protests to be under the jurisdiction of the city or municipal trial courts which shall decide case within 15 days from filing and the decision shall be immediately final and executory.

11. The Comelec shall supervise the elections.

12. The 1978 Election Code shall be applicable in suppletory character.

CSO: 4220/327

FIRST LADY INTERVIEWED BY FOREIGN PRESS

Manila PHILIPPINES DAILY EXPRESS in English 16 Mar 82 pp 1, 6

[Text]

THE FIRST LADY, Imelda R. Marcos, stressed yesterday that she would leave the government service as soon as President Marcos steps down.

She told foreign correspondents in a three-hour interview at the Manila Hotel that her stay in the government is "coterminus" with that of the President.

"When he steps down, I too, will step down," she said.

* * *

DURING the interview, Mrs. Marcos also said that:

- President Marcos is not meeting with opposition leader former Sen. Benigno Aquino Jr. or Nur Misuari, Moro National Liberation Front leader, during his visit to Saudi Arabia
- She will continue to oppose the legalization of divorce in the country as she did five years ago, saying she still believes strong family ties are the foundation of a strong society.
- She was satisfied with the performance of Prime Minister Cesar E. A. Virata whom she described as a technocrat who understands the people and relates government programs to their needs.

* * *

ON REPORTS that the President may meet with Aquino in Saudi Arabia, the First Lady said "the President doesn't have to meet him. He doesn't have to go all the way to Saudi Arabia to meet Aquino. He has no time for that."

She also dismissed reports that the President is ailing. Except for occasional bouts with allergies, she said, the President is in fine physical shape.

"The President, in fact, is more fit than I am," she said, noting his personal discipline in diet and sleeping habits.

Asked about the cost of projects which she has initiated, the First Lady said she had never been "extravagant" on the projects.

She said "extravagance arises from the input of beauty" as she strives not only for a project to be "good and true" but also to be beautiful.

CSO: 4220/327

BRAIN DRAIN PROBLEMS DISCUSSED

Manila PHILIPPINES DAILY EXPRESS in English 16 Mar 82 p 24

[Article by Tenny F. Soriano]

[Text] THE REVERSE transfer of technology, or more popularly known as "brain drain," is taking a heavy toll on the already stunted growth of science and technology in most countries of Asia including the Philippines.

Here, the phenomenon of highly scientific manpower moving out of the country to more lucrative labor markets like the Middle East, the United States and Canada has prompted the government to initiate two moves to win back its scientists.

One was Presidential Decree No. 1502 providing for a system of incentives and administrative reforms to promote efficiency and productivity of scientific and technological research. The other is PD 819, otherwise known as "Balik-Scientist" program, which seeks to lure overseas Filipino scientists to return home and apply their knowledge to the development programs of the nation.

Of the 217 scientists who heeded the call and received their awards in 1975, 89 came back for the second time to serve for a period of two weeks while another 119 came home to fulfill their contract to work with the government and the private sector.

* * *

THE BRAIN drain is but one of the major stumbling blocks that defer scientific and technological advancement in this part of the world, National Science Development Board officials say. It is for this reason that the nation's five-year plan for science and technology seeks to do away with the main obstacles and in the process proceed to achieve its two-pronged objectives of increasing national productivity and world competitiveness.

The reverse transfer of technology will be a principal agenda to be discussed in a science meeting to be hosted by the Philippines on March 22 this year.

This will be the "Second Conference of Ministers Responsible for the Application of Science and Technology to Development and Those Responsible for Economic Planning in Asia and Oceana," or CASTASIA II for short.

* * *

THE FIRST CASTASIA meeting was held 13 years ago in New Delhi and since then, concerned officials of the region have concluded that after this span of time, science and technology need to be assessed as it is currently "not moving in the right direction." They blame several factors, which are prevalent worldwide, like the high cost of oil imports, the apparent lack of resources in many developing countries and, of course, the mass exodus of Asian scientists.

The last problem, they say, indicates a situation in the region where there is a surplus of science graduates and a prevalent pattern of external brain drain. This is usually accompanied by internal brain drain, a situation where graduates cannot practice their profession or cannot be employed.

* * *

IN THE Philippines, the number of scientists engaged in research and development in agriculture and natural science has apparently increased. Some of them are being absorbed by the government.

There is likewise a glut in the number of engineers. But only agricultural engineers seem to have a better chance of being taken in, and only a mere one percent of other engineers can be employed by the government in its various research and development programs.

* * *

IN ITS position paper for the forthcoming CASTASIA conference, the Philippine panel has predicted that the number of medical science graduates will remain constant. However, government demand for research and development projects will increase steadily, which means less and less scientific manpower will be left available to the private sector.

As it is, the country's medical scientists, are shrinking in number. Natural scientists, on the other hand, may be a bit luckier because the government's manpower requirements up to 1984 will accommodate at least 47 percent of them.

The Philippine report said modest gains have been made in science and technology in the country despite all the problems. It said progress was made as a result of extensive research and development programs in the fields of energy, agriculture, natural resources and social sciences.

In the field of energy alone, the country has successfully discovered alternative, new and renewable, energy sources like hydro and geothermal power.

At present, the country has five 55-megawatt plants and two 3-megawatt plants in Leyte and Negros Oriental.

Moreover, the country has 25 potential areas for geothermal development. In addition there is another 7,000 megawatt capacity from large hydroelectric sources based in Luzon and Mindanao. (NMPC-OMA)

CSO: 4220/327

PHILIPPINE SAUDI TRADE INCREASE

Manila PHILIPPINES DAILY EXPRESS in English 17 Mar 82 p 7

[Text]

IN 1974, the Philippines and Saudi Arabia agreed to act on all issues of importance to both of them in all international conferences.

A joint statement embodying this agreement was signed by Deputy Foreign Minister Manuel Collantes and Deputy Foreign Minister Sheikh Al-Sultan of Saudi Arabia when the latter made a three-day goodwill visit to the Philippines in February 1974.

The Philippines also reassured Saudi Arabia of its support on the Palestinian question within the framework of the relevant resolutions of the United Nations.

SAUDI ARABIA is given primary importance in the Philippines' diplomatic campaign to promote closer relations with the Arab world because of its pivotal role in international affairs and because of its close historical ties with Muslim Filipinos.

To insure a continuous supply of oil from Saudi Arabia to the Philippines, President Marcos wrote King Faisal a letter, which was personally delivered by Foreign Minister Carlos P. Romulo in Riyadh in November 1973.

The government made other moves which eventually resulted in the Philippines being classified among the nations friendly to the Arab world, entitled to a regular supply of oil, in the meeting of the Organization of Petroleum Exporting Countries in Kuwait on Dec. 23, 1973. It is generally believed that much of the credit for this favorable decision should be given to Saudi Arabia.

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IN APRIL 1975, the First Lady, Imelda R. Marcos, visited Riyadh as the President's personal representative. She was assured by Saudi officials that they would support the Philippine government's policy of exploring possible means of a peaceful settlement of the Mindanao problem.

In February 1977, Saudi Arabia and the Philippine signed an agreement establishing air traffic between the two countries The agreement is very significant to Muslim Filipinos because it opened to them a new means of access to Mecca the Holy City of Islam.

In May 1977 a special mission headed by Foreign Minister Carlos P. Romulo met with Foreign Minister Prince Saud to discuss bilateral issues. The members of the mission were Defense Minister Juan Ponce Enrile and Solicitor General Estelito Mendoza. They were accompanied by Ambassadors Lininding Pangandaman and Pacifico A. Castro.

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SINCE the opening of diplomatic relations in 1973, exchanges between Saudi Arabia and the Philippines have been increasing in commerce, culture, education and other fields. Saudi Arabia has also given aid to Filipino Muslims through government or private institutions.

Among the concrete symbols of the strong ties between the two countries are the King Faisal Center for Islamic and Asian Studies at the Mindanao State University in Marawi City, the Golden Mosque in downtown Manila, and Saudi assistance to mosques and madrasah (Islamic schools) in various parts of the Philippines.

In 1981, Ambassador Pangandaman was recalled to Manila after serving as envoy to Saudi Arabia for more than eight years. The new envoy, Ambassador Benjamin Romualdez, presented his credentials to King Khaled on May 24, 1981.

IN THE NINE months that Ambassador Romualdez has been envoy to Saudi Arabia he has taken steps to improve the Philippines' relations not only with Saudi Arabia but also with other Islamic countries.

Under his direction, the Philippine embassy in Jeddah organized an

information mission to key member-countries of the Islamic Conference Organization and to the 1981 Islamic Conference in Baghdad.

The special mission gave the Philippine government headway in its campaign to give the Islamic countries the true picture of the situation in Southern Philippines.

THE PHILIPPINE embassy in Jeddah also began an intensive information campaign to counter the propaganda of the Moro National Liberation Front on the Mindanao problem.

The embassy started negotiations on an economic and technical cooperation agreement with Saudi Arabia. The agreement is expected to correct the trade imbalance which at present is in favor of Saudi Arabia.

The embassy organized a week-long Philippine food and cultural festival as part of the Independence Day activities last June and set up the Philippine trade and industrial exhibit last December in cooperation with the Ministry of Trade and Industry.

THE EMBASSY helped repartriate 26 stranded Filipino pilgrims and 300 stranded Filipino contract workers, besides interceding in the settlement of about 200 labor disputes involving about 5,000 Filipino laborers. These acts helped remove irritants in Saudi-Philippine relations.

Last year, the Philippines announced its support for Prince Fahd's eight-point peace plan for the Middle East. President Marcos reiterated the Philippines' endorsement of nations during an interview with six visiting journalists from Saudi Arabia last October.

CSO: 4220/327

CHINA COCONUT OIL PURCHASE

Manila PHILIPPINES DAILY EXPRESS in English 13 Mar 82 p 11

[Text] THE Philippines and China have concluded a commodity trade protocol for 1982 under which China will buy 25,000 to 50,000 tons of Philippine coconut oil in exchange for 650,000 to 900,000 tons of crude oil.

The protocol, signed here, was the sixth since the Philippines and China set up a joint trade committee which meets annually to draw up lists of commodities to be traded between them.

This year, China will import from the Philippines as much as 50,000 tons of coconut oil, 40,000 to 80,000 tons of copper concentrates, 40,000 to 100,000 cubic meters of lumber, 30,000 to 50,000 tons of chrome ores, and 400 to 1,200 tons of tobacco leaves.

The Philippines will buy a minimum of 650,000 tons of Chinese crude oil, 2,000 tons of kenaf and 400 to 500 tons of white mineral oil.

* * *

CHINA also agreed to import substantial quantities of raw sugar, plywood, cashew nuts, television picture tubes, synthetic fibers, refined glycerine and other commodities.

The Philippines will buy from China glacial acetic acid, coal, textile, steel billets, sulphonamide paracetamol, machinery and equipment, minerals and mineral products, as well as industrial, agricultural and pharmaceutical chemicals.

A significant trade imbalance against the Philippines was noted by both parties when a review of trade transactions was made during the negotiations.

This prompted China to reaffirm its desire to import new products from the Philippines to correct the trade imbalance.

Twenty-three non-traditional products were offered by the Philippines for export to PROC as an initial step to correct the trade imbalance. These are: dessicated coconut, fatty alcohols, gum copal, raw and processed coffee, garments, toys, fruit juices, fruit puree, coffee, creamer, sugar confectioneries, polyamides, yarns, fiberglass insulation, bonded fiber fabric, soap and detergents, ferro silicon, calcium carbide, tires and tubes, flat glass (clear and figured), bottles for softdrinks (flint and green), woven polypropylene bags with inner polyethylene liner, door jambs, stops and casings, utility vehicles and nickel.

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END

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5 April 1982

South and East Asia Report

No. 1119

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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SOUTH AND EAST ASIA REPORT

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PRESS REPORTS DEBATE ON SATTAR'S PARLIAMENT SPEECH

Muslim League, Awami League, Others

Dacca THE BANGLADESH OBSERVER in English 26 Feb 82 pp 1, 12

[Excerpts] The general discussion on President's speech continued for the fifth day on Thursday in the Jatiya Sangsad. The Treasury Bench members termed the President's speech as pragmatic while the Opposition members termed it as a speech without any sense of direction.

Kazi Kader

Kazi Kader of Muslim League (Sabur) alleged that the President had failed to fulfil the promises he made during the election. He said that change of Ministry was not the solution to the problems. He said that the Ministers were in an uncertain position. Today they are ministers and tomorrow they are ousted he noted. He said that the liquidity position in Bangladesh Bank had come down to 13 per cent from the required 25 per cent.

Abdul Latif

Participating on the President's speech at the Parliament Mr Abdul Latif Khan (AL-H) said that the President's speech did not reflect the real problems of the country. He said it was expected that the President in his speech would announce abolition of Gram Sarkar and the Jubo Complex, which he felt was responsible for corruption oppression and many other misdeeds in the country. He alleged that Gram Sarkar members in the last presidential election were used as 'lathial' of the present regime.

He criticised the Government for importing luxury goods in the import policy. Bribery and illegal gratification were rampant everywhere including court and government offices. He alleged that murderers were moving at large. He cited that a particular murderer of Khulna who deserved capital punishment had been at large.

And the cases against him had been withdrawn from the Home Ministry. Mr A. Latif Khan suggested three measures. The measures are separation of the police from the investigating authority, the magistrate who would deal judiciary whould not be given other functions and allow the judiciary to function independently and appoint required number of judges.

A. S. M. Solaiman

Mr A. S. M. Solaiman of Gono Front advocated free economy for the country. He said that required political cadres for establishing socialism was absent in the country.

He criticised tnat the President's speech did not refer anything to the 11000 bank employees who lost job. He said that uncertainty loomed over the politics of the country. He felt that it was not wise to bring the armed forces in politics. He urged the members of the armed forces not to involve themselves in the politics. He hoped that the members of the army would not commit such a mistake.

Abdur Rahim

Maulana Abdur Rahim, chief of the Islamic Democratic League alleged that President Sattar had hit hard the democracy with axe by ignoring the Parliament for more than seven months bypassing the parliament. The Maulana further alleged that the President symbolised him as a dictator and established one man's rule in the country. President Sattar did not fulfil the commitment of President Ziaur Rahman that the Parliament would sit for six months a year.

Maulana Abdur Rahim who was a presidential candidate in the last presidential election alleged that the election was not fair and free.

Anowarullah

Participating in the general discussion on President's speech Col. (Rtd.) Anowarullah (Al-Hasina) made a strong plea in the Jatiya Sangsad on Thursday that the role of our Armed Forces in nation building activities should be discussed and considered. He told the House that when all the political institutions in the country are either divided or engaged in internecine quarrel, corruption was rampant, law and order situation deteriorated and the country was facing crisis in all fronts, it was not unjustified on the part of the Armed Forces which is a strong and united institution to give their reactions on these issues.

Col. (Rtd) Anowarullah said that our Army was formed as a non-political professional force 200 years ago. But our Armed Forces participated in the Liberation War in 1971 inspired by the spirit of nationalism. Those who could not participate directly had their mental participation, he added. He further said that it was therefore natural that this Army would be sensitive on national issues and they cannot be silent spectators to the happenings around them. He said that the Army chief had echoed this sentiment through his statement and it was not unjust and wrong. When the Government servants speak on certain national issues through their associations, the political parties do not say anything but when Army speaks they find it wrong. He regretted this attitude.

The Awami League leader said that "we shall make a mistake if we think that Army cannot be sensitive about the country and the nation and would

not say anything. He stated that Bangobandhu realising this reality ensured the participation of Army in the nation building activities.

Rashed Khan Menon

Mr Rashed Khan Menon (Workers' Party) said that the role of the Armed Forces in nation building activities should be discussed. He regretted that he wanted to discuss the issue in the House but was not allowed.

More Opposition Speeches

Dacca THE BANGLADESH TIMES in English 28 Feb 82 pp 1, 12

[Excerpts] The President's policy statement came under fire from the Opposition bench in the Jatiya Sangsad who said that it failed to offer any guideline for the nation for squarely facing the country's problems.

Sirajul Islam

Advocate Sirajul Islam (AL-H) criticised the President for failing to provide any accounts of Bangladesh's share of assets from Pakistan.

Shafiquallah

Al-Haj Shafiqullah (IDL) said that Government's failure to discharge its duties had increased the possibilities of a takeover by armed forces. He urged the Government to take effective steps to discharge its functions.

The IDL member called for taking effective measures to curb corruption. He also demanded proper action against violators of law and order and demanded exemplary punishment for the persons responsible for hurling bombs at a campaign procession during Dacca University student's union elections last month.

Mr Golam Mostafa (JSD) claimed that the entire country had been plunged into an anarchic situation in the absence of proper planning.

M O Ghani

Dr M O Ghani (Ind) said that the nation's future was bleak. He called for taking the political and economic crisis seriously and tackling them constitutionally. Dr Ghani also regretted the delay in convening the Jatiya Sangsad session.

Demanding resignation of the President, Mr Lutfar Rahman (AL-H) observed that he who tolerated corruption was also equally guilty. He demanded return of power to the elected representatives of the people. He also called for an account of the expenditure on the canal digging programme.

Razia Faiz

Begum Razia Faiz (BML) termed the President's speech as a charter of national failures. She said that it could not provide any sense of direction to the nation. It totally ignored the food crisis.

Begum Faiz also criticised the Government for failing to take steps to tackle the problems of corruption. She demanded that the Vice-President should be elected, Parliament committees should be strengthened and Satkhira sub-division in Khulna should be declared a famine affected area.

Four Opposition bench Members took place in the discussions during the evening sitting of the House, namely, Mr Mohammad Toaha of Samyabadi Dal (Marxist-Leninist), Mr Mosharraf Hossain, Mr Siddiqur Rahman and Mr Mohammad Mohsin; all of Bangladesh Awami League (Hasina).

Toaha

In his address Mr Mohammad Toaha pointed out that President Sattar in his address to the parliament had referred to land reforms. The President had not, however, mentioned anything about achieving it.

Mr Toaha pointed out that problems of national life could not be solved without 'fundamental land reforms.'

The chief of Samyabadi Dal criticised the Government for its 'wrong industrial policy'. He said that President Sattar in his address said that the Government had approved 6,000 industrial projects. 'We wish to know how many of these have actually beenimplemented' Mr Toaha told the House. He called for 'adequate protection' to the local manufacturing industries.

Mr Toaha hailed Army Chief General Ershad for his statement regarding the role of the Armed Forces in the politico-economic life of the nation. Mr Toaha termed the statement of General Ershad as 'very crorect'.

Siddiq

Mr Siddiqur Rahman of (Al-H) said that from the President's address to Sangsad it appeared that nobody in Bangladesh was in want and that everybody could afford two square meals a day. Nothing, he said, could have been further from reality.

The Opposition Members who particpated in the Friday's discussions on President's speech were Mr Ataur Rahman Khan (BJL), Mr Lutfur Rahman (Al-H), Mr Satish Chandra Roy (Al-H), Dr M O Ghani (Ind), Mr Nazrul Islam (Al-H), Mr Golam Mostafa (JSD), Begum Razia Faiz (BML), Advocate Sirajul Islam (Al-H), Mr Abdul Matin Mia (JSD), Alhaj Shafiqullah (IDL) and Principal Nazrul Islam (Al-H), Mr Mosharaff Hossain (Al-H), Mr Siddiqur Rahman (Al-H), Md Mohsin (Al-H), Md Toaha (BSD), Mr Rezaul Alam Khandaker (IDL), Mr Hasnat Md Abdul Hye (Ind) and Mr Abdus Sattar Khan Choudhury (BML).

CSO: 4220/7933

DEMOCRATIC LEAGUE DEMANDS NEW ELECTIONS

Dacca THE NEW NATION in English 2 Mar 82 pp 1, 8

[Excerpt] Democratic League demanded immediate election to the Parliament in the interest of national stability and for materializing people's aspiration.

In a press release issued yesterday Democratic League held the view that the nation was facing a critical moment with alarming food situation, destroyed economy, downward trend in production in mills and factories, unprecedented inflation, exhausted foreign exchange reserve and being a market of foreign goods.

The press release said along with the staggering economic condition political situation had also become alarming. The government had led the nation to a state of calamity by compromising with its foreign master on the question of state independence and soveriegnty belying the policy of establishment of a government of people's representatives based on parliamentary democracy.

The press release maintained late president Ziaur Rahman had crippled the parliament. The incumbent President has failed to preserve the sanctity of the Constitution and recent affairs made to believe that the President had become dependent on others.

CSO: 4220/7943

DEMOCRATIC LEACUE GENERAL SECRETARY SUSPENDED

Dacca THE NEW NATION in English 2 Mar 82 p 1

[Text] General Secretary of Democratic League Shah Moazzem Hossain has been suspended for alleged involvement in activities detrimental to the party interest.

A decision to this effect was taken at an emergency meeting of the party central committee in Dacca on Sunday with Khandaker Mushtaque Ahmed in the chair.

In a resolution, the meeting alleged that Shah Moazzam Hossain had also failed to discharge his responsibility and had tarnished the image of the organisation.

The meeting also decided to serve a notice on Shah Moazzem asking him to show cause within 15 days as to why he would not be expelled from the party. If he fails to do it within the stipulated time, he would be treated automatically expelled, it said.

The meeting also decided to suspend the agriculture secretary Miah Musa Hossain on similar charges. The charges brought against both of them were also proved at the meeting.

Meanwhile, member of the party central committee Miah Abdur Rashid has been given responsibility of acting general secretary of the party till the election.

CSO: 4220/7943

EXCERPTS FROM FOREIGN SECRETARY'S DELHI SPEECH

Dacca THE BANGLADESH TIMES in English 27 Feb 82 pp 5, 6

[Excerpts from the speech of Foreign Secretary Humayun Rashid Chowdhury at the New Delhi Consultation of Developing Countries on Food and Agriculture]

[Text] For the 125 million children who will be born in 1982 the facts of life are than 12 million will be dead before their first birthday and another five million before their fifth. Some time ago, FAO estimated that the number of severely undernourished people in the developing market economy countries rose from some 360 million in 1969-71 to about 420 million in 1974-76. The vast majority of the undernourished live in Asia, with heaviest concentration in South Asian region. One in every three children in sub-Saharan Africa at present is undernourished and roughly 4 per cent of them are on the verge of starvation. Worst of all, the number of population living below the poverty line or a level of income necessary to ensure a minimum diet have been increasing over time. Their absolute number is currently estimated by the World Bank at some 800 million, most of them confined in rural areas.

But, can these data, stunning as they are, ever reveal the distress and sufferings, the miseries and frustration that lie behind them?

For vast numbers of the developing countries agriculture is the mainstay of the economy. And clearly, a break through in this sector, in conjunction with a planned growth in population, holds out the best chances for economic emancipation of many of us. The findings of a survey of 16 developing countries by the World Bank affirms this in these words:

"The crucial obstacles to eliminating absolute poverty are the failure to create enough non-agricultural jobs, fast population growth, and the inequitable development of agriculture."

Agricultural success together with proper income distribution generates domestic demand for industrial products, supplies food at reasonable prices and raw materials for agro-processing, earns foreign exchange to finance imports of capital and intermediate goods for industry and creates the climate for labour intensive industries in small towns and villages. Experience has also shown how difficult it is to achieve balance of payments adjustments in countries that have lagged behind in agricultural production. Yet, inspite

of its overwhelming importance, developing countries with more than two-thirds of the global population and 91 per cent o agricultural employment are responsible for only 44 per cent of the world food production.

Globally, food production has grown marginally faster than population, and in the developing countries it rose by over two and a half per cent annually between 1950 and 1975. But demand for food has grown by well over three per cent a year with a rise in population, as well as income-level in some of these countries. As a result, the developing countries have rapidly increased their imports of cereals, from relatively low levels in the 1950s to 20 million tons in 1960-61 to over 97 million tons in 1980-81. On the basis of current trends, the Third World countries could be importing 145 million tons of food by 1990, 80 million of which would be needed by developing countries, in Asia and Africa. Given the prevailing economic condition, it is unlikely that these countries' export earnings or even additional aid can finance the massive imports. Even if the quantity needed is available, the huge task of storage, transportation and distribution will pose virtually insurmountable difficulties.

We have to keep a number of other important considerations in view. For instance, the developing countries suffer from a serious deficiency in purchasing power. Imports wring from them 20 billion dollars--at a time when their energy bills quadrupled within 24 months.

More alarming is the long-term worsening of the terms of trade of some major exports of these countries. The capacity of many of these countries to shop abroad for food or energy or other essentials partly depends on the ability to sell their export products, such as jute, rubber, palm oil, tea, tropical hardwood--the prices of which have slumped. Ten years ago, the export proceeds of one ton of tea could finance only 8 tons of fertilizer and tea prices continue its downwards slide in real terms. Likewise, one ton of banana exports covered the cost of one ton of imported steel ten years ago. By 1979, to buy the ton of steel, over two tons of banana had to be sold.

Significantly, food imports are also becoming more expensive. According to FAO while the volume of cereals imported by most seriously affected developing nations and lesser developed nations increased by 14 per cent between 1967-79 and 1976-78, the prices they paid almost doubled and the freight bills quadrupled. [as published]

Also, can we even ignore the dangers to world food security from possible climatic, logistical and political factors arising out of high and growing concentration of international grain supplies in one geographical region. These are good enough reasons for the development of alternative sources of supply, particularly in developing countries.

But, what do we find in reality? Generally, production increases were the smallest where they were most needed--in the poorest countries. The annual report of the World Bank in 1981 stated that 26 countries with a population exceeding 250 million were reporting food shortages. The average increase in agricultural output of the least developed countries is about 1.6 per

cent a year, while their population is growing at 2.6 per cent. During the past decade, production growth has kept pace with population growth in only five of them. Annual fluctuations are very great and this adds further to food insecurity. Population in more than a third of these countries are malnourished, and their dietary energy supplies cover only 86 per cent of their needs. In more than 45 developing countries, production failed to keep pace with population growth, let alone the increased demand for food resulting from people earning higher incomes usually in towns.

The picture is grim enough already. And it will get worse if we, the community of nations, do not take immediate, vigorous and comprehensive action to tackle the situation. We must act promptly and prudently. And we must act now. In introducing FAO's publication "Agriculture: Towards 2000", its Director General Mr. Sauoma observed:

"By the end of the century world population will surpass 6 billion, against less than 3 billion twenty years ago and 4.3 billion today, the labour force will increase to over 2.5 billion or 40 per cent more than today. The agricultural sector must be able to produce the food needed for the expanding population, 90 per cent of which is in developing countries. Almost 50 per cent more food would have to be grown in the year 2000, if only to meet present inadequate intake levels, yet additional food supplies will be needed by the end of the century, to conquer famine and malnutrition and to accommodate the requirements for improved nutritions as well as the demands arising from higher incomes".

As for abolition of hunger, the international community has already ignored in practice the target of mid-1985 set by the World Food Conference. We must not allow the same fate to meet the International Development Strategy in which we all agreed only as recently as December 1980 that "Hunger and malnutrition must be eliminated as soon as possible and certainly by the end of this century." The North-South Summit of 22 nations in Cancun last October also asserted the same objective.

How do we achieve this? The IDS for the Third Development Decade agreed that long-term measures were needed to step up food production in developing countries "which is the only lasting way to obtain food security". For this the target rate of growth of 4 per cent must be achieved. At the same time, the purchasing power of the poorest section of the population must be raised so that their requirement for food intake is backed by adequate effective demand. Achievement of sustained higher growth at this rate calls for modernization of production processes in developing countries. Purchased inputs need to be increased and resources used more intensively in conjunction with an expansion of the land base. The funds and the physical quantities of inputs needed are huge. FAO estimates the value of inputs for 90 developing countries to double from 1980 to 1990, and then almost to double again by the end of the century. Obviously, a large part of these requirements will have to come from the developing countries themselves. However, a part of the requirements must come in the form of external assistance, as compared with the actual 1977 commitments of 4.3 billion dollar, will rise to 12.7 billion dollar in 1990 and 16.8 billion dollar in 2000. Yet, this sum

of money when compared with the global military expenditure, which has been estimated by the Brandt Commission Report at 450 billion dollar annually, appears miniscule. Can we not forego production of a few weapons of self-destruction to rid humanity from the scourge of hunger and malnutrition?

Do the developing countries have the potentiality to optimally utilize these investments? The answer is an unhesitating yes. For instance, differences in average productivity between developed and developing countries remain enormous with crop yields twice as high on average in developed countries and labour productivity 8-9 times. Developing countries still have substantial under or unutilized land resources and estimates show that 205 million hectares of this land could be brought under cultivation by 2000.

The world has the potentiality as well as the technological, scientific and financial capability to win the war against hunger and malnutrition. Yet the prevailing mood has enough cause for concern. The largest single source of capital assistance for food and agriculture and for rural development is the World Bank. Its affiliate, the International Development Association, which is a major source of low-cost loans for agricultural projects in the poorest countries, now faces serious resource constraints, because of reduced contribution by its major donor to the Sixth Replenishment. It is also unfortunate that this has prompted some other donors to reduce their respective contributions. As a result, IDA is reportedly planning to reduce its assistance programme for the current year from projected 4.1 billion dollar to 2.6 billion dollar. Such drastic cut will severely hit the development programmes of the poorest developing countries, more so, because they are already facing the crunch in the flow of external resources from other sources. Agreement regarding another key source of funding for agricultural development, IFAD, has just been reached for replenishing its capital to the extent of 1.1 billion dollar. We welcome it. But replenishment of 1.5 billion dollar was necessary.

A four per cent target for yearly average increases in developing countries has been called for often: in 1970 in the Second IDS, in 1974 by the world Food Conference and in 1980 in the Third IDS. But, this time it is a race against time and we must win.

Meanwhile, availability of food aid remains a matter of grave concern for food deficit developing countries. Although food aid does not address the longer term problem of hunger and malnutrition, its improtance as an essential, interim measure has been accepted. The World Food Conference in 1974 set minimum target of 10 million tons of cereals a year which was about 0.6 per cent of annual world production. This modest target has not been met. The 1980 Food Aid Convention agreed to provide 7.6 million tons of food aid. This is hardly half the quantity that FAO estimated the recipients to be needing in the 1980s. The Third IDS estimated that between 17 to 18.5 million tons of cereals would be needed as food aid by 1985. A matter of additional concern is the fact that the companion International Wheat Agreement is yet to be agreed upon. Food aid in dairy products also remain low. There is an estimated requirement of 300,000 tons of dairy products and 350,000 tons of vegetable oil by 1985. Also, resources of the World Food

Programme, which provides assistance under Food for Work Programme, needs to be augmented to the level of $1.2 billion. This was called for by the 36th UNGA last December on the basis of voluntary contributions.

The 7th Special Session of UNGA and the Third IDS sets a target of 500,000 tons of cereals for an International Emergency Food Reserve (IFFR). But so far no reliable mechanism has been in place for maintaining reserves by annual replenishment and contributions have been erratic. Food reserves can provide cushion against devastating sudden shortages due to widespread crop failures, natural disasters or excessive price inflation. Therefore, IFFR should be incorporated in a legally binding convention.

Six years have elapsed since the FAO council adopted the International Undertaking on World Food Security, which called for the establishment of an internationally coordinated system of national reserve stocks. A large number of countries have subscribed to it so far. But it is still voluntary in nature making its application as uncertain as ever. This uncertainty must be overcome and the Undertaking should be turned into a legally binding instrument in a new International Wheat Agreement.

The low-income food deficit countries need balance of payments support for meeting their food import bills. This was also recommended by the IDS. We are happy to note that last year IMF agreed to establish a food financing facility to assist these countries facing abruptly increased food import bills. But we hope that the facility will have wider scope, flexible conditionality and soft repayment terms. At the same time, we also welcome the World Bank's decision to help fund food storage and reserve programmes and we hope that this programme will be raised to a sufficient level to meet the growing requirements.

Protein deficiency in the developing countries, particularly the least developed among them, is yet another area of concern. Proper management harnessing and exploitation of fisheries resources, both marine and in-land, will go a long way to meet their growing protein needs. Over 90 per cent of the world commercial fish catch comes from the exclusive economic zone of 200 miles. As soon as a new Law of the Sea Convention is adopted, these countries will need financial and technical assistance to develop capability and know-how to gainfully utilize these resources. Similarly in-land fishing holds great promise for all of us, including the land-locked countries. We hope, FAO and other multilateral and bilateral sources will be forthcoming in these respects.

The 7th Special Session of UNGA recognized the great importance of trade policy measures to augment agricultural production. The willingness of the developed countries to absorb a greater quantity of exportable surplus of food, agricultural, fishery, forestry and tropical products of the developing countries will generate the much-needed incentive. Their increased earnings will, in turn, create demand for exports of developed countries. But, international trade in agriculture has suffered all along under rigorous restrictive measures and the developing countries continue to face serious obstacles. The Tokyo Round of Multilateral Trade Negotiations was also a disappointment in this respect. This situation must be redressed.

We believe that there is imperative and urgent need for international efforts for establishing food security on a reliable basis which will, (a) ensure that the food importing developing countries, particularly the least developed among them, have access to resources to import the minimum quantum of food to protect their population from hunger and malnutrition, either as grant or on easy credit terms, (b) create a dependable system of food reserves to guard against fluctuations in production and prices, (c) a substantial increase in investments and flow of external resources to accelerate food production in developing countries to achieve the 4 per cent target and (d) development of research and training. Also, the needs and requirements of the least developed countries as agreed in the Substantial New Programme of Action adopted in Paris last year should receive unqualified support and assistance from the international community.

We, the developing countries, can achieve the breakthrough in the field of food and agriculture. India and the Philippines have done it. My own country, Bangladesh, has assigned top-most priority to agricultural development with a view to achieving self-sufficiency in food within the shortest possible time. Last year, we were able to reduce our food deficit from over 2 million tons to a million ton. But our agriculture is still overwhelmingly dependent on nature as has been proved again by this year's drought. Therefore, we need to be better equipped and we need resources.

CSO: 4220/7937

CHOWDHURY TALKS TO PRESS ON SOUTH-SOUTH MEET

Dacca THE BANGLADESH OBSERVER in English 27 Feb 82 pp 1, 8

[Text] The just concluded 44-nation informal consultations on global negotigations and cooperation among developing countries made a forward movement, Foreign Secretary Humayun Rasheed Chowdhury said in Dacca on Friday reports BSS.

The Foreign Secretary was talking to newsmen on return from New Delhi where he led the Bangladesh delegation at the consultations also known as South-South Dialogue.

The meeting he said succeeded in making forward movement for South-South cooperation and a common position on North-South issues although there were differences of opinion among the participating countries.

Bangladesh, he said, called for cohesion and solidarity among the developing countries on North-South issues.

He said that the major objectives of the Bangladesh delegation to project and safeguard particularly the concerns of the least developed countries both in the context of South-South and the North-South were attained.

The Foreign Secretary said that Bangladesh played an "active and contributory" role towards the success of the meeting in pursuance of the objectives and "our common approach with other developing countries on the global round of negotiations (GRN)".

He said that Bangladesh made the keynote speech on food and agriculture and many of its (Bangladesh's) proposals were incorporated in the final document which was the summary of the Conference Chairman.

Bangladesh he said made a comprehensive statement strongly pleading for cohesion and solidarity of developing countries laying emphasis on energy, water resources and agricultural inputs.

Bangladesh strongly endorsed Nepal's proposal for greater regional and sub-regional cooperation in the field of harnessing water resources for common beneficial uses particularly generation of hydro-electricity for benefit of Nepal, India, Bangladesh and Sri Lanka he said.

The Foreign Secretary said that Bangladesh also stressed on the initiative taken for enhancing regional cooperation as an action complimentary to South-South cooperation.

He said emphasis on South-South issues was placed regarding the special position of the Least Developed Countries for strengthening the overall cooperation of the Third World Countries.

He said the support to Nepal's proposal was in line with increasing South-South cooperation.

Mr. Chowdhury said "we think the sub-continent has enough water resources for harnessing for the common benefit of people in the region".

He added that hydro-electricity was a very important energy source that could replace to a great extent "our need of hydro-carbon".

Mr. Chowdhury said the South-South dialogue helped in understanding each other's position in taking fresh initiative towards the global round of negotiations already delayed by 18 months.

It was agreed at the meeting he said that the global round of negotiations should be launched without further delay.

The Foreign Secretary said that the meeting gave a new impetus to Caracas action programme on economic and technical cooperation among developing countries.

The basic rationale behind Bangladesh's approach on strengthening South-South position for the North-South Dialogue he said was not only to bring the least developed countries hardest hit by current economic crisis in to development process but also for immediate launching of various programmes that received support of UN General Assembly and the Paris Conference for their (LDC) survival.

He said the interventions of his delegation on different issues including food security, substantial increase of investment particularly for ameliorating the food situation was well received at the meeting and reflected in its final document.

He said his delegation also strongly pleaded for immediate launching of the substantial new programme of action for the least developed nations approved by the UN General Assembly and the Paris conference.

CSO: 4220/7935

SHEIKH HASINA RETURNS FROM UK, DELHI VISITS

Dacca THE BANGLADESH OBSERVER in English 27 Feb 82 pp 1, 8

[Text] Sheikh Hasina Wajed, President, Bangladesh Awami League (Hasina) said on Friday that her trip to the United Kingdom and New Delhi was successful. She said that she addressed public meetings and had discussions with Members of Parliament in Britain during her over two-month long stay there. Talking to newsmen at the VIP lounge of Zia International Airport on arrival from New Delhi accompanied by her husband, Mr. Abdul Wajed, she said "anything could happen any time".

Replying to questions on sharp division within her party, she said it would not be correct to say division, there could be, difference of opinion among the partymen.

Commenting on statements of some recently arrested miscreants having link with Awami League (Hasina) she said that she knew many boys while many more were there whom she did not know.

Asked if she would stay in the country, she said that she had come to stay. It may be pointed out here that she did not bring her children with her. Her children are at present studying in London.

Criticising the Government, she said that this Government did not come in a democratic manner and it could not uphold democracy.

Regarding formation of National Security Council (NSC) she said that she did not find any reason for its formation.

Asked if her party would welcome change in the government in any undemocratic manner, she said time would decide.

Meanwhile, several thousand people carried by more than 100 buses and trucks went to the Zia International Airport to accord reception to the party chief. At least a dozen of party workers were injured following a clash between rival groups of Student League led by Fazlu-Chunnu and Jalal Jahangir.

The airport authoirty was put to great inconvenience to manage the crowd who gathered at the VIP lounge raising slogans.

Sheikh Hasina Wajed was received at the airport by, among others, Mr Abdus Samad Azad, Mr Korban Ali, Mr Abdul Momen Talukder, Mr Zillur Rahman, members of the party Presidium, Mr Abdur Razzak, General Secretary, Mr Tofayel Ahmed, Organising Secretary, Begum Sajeda Chowdhury, Mrs Ivy Rahman, Mr M Hanif, Mr Amir Hussain (Amu) Syed Ahmed.

Mr Asaduzzaman Khan, Leader of the Opposition, was also present.

Sheikh Hasina also spoke a few words before the crowd present at the airport to receive her.

Mr Abdul Wajed, husband of Sheikh Hasina Wajed, will be joining the Bangladesh Atomic Energy Commission next month. During his stay in New Delhi he was working for Indian Atomic Energy Commission.

Mr Wajed has completed his 600-page book on "Fundamental of electro magnetics" designed for honours students of Physics. Talking to newsmen in English Mr Wajed said that there was no bar on his return to the country. He said that he received letter from Bangladesh Atomic Energy Commission to join by March.

CSO: 4220/7935

He was addressing a Press conference at the State guest House in Dacca on the eve of his departure after a seven-day "goodwill" visit to Bangladesh.

The five-member delegation led by Mr. Pengfei during its stay visited different city development projects undertaken by the Dacca Municipal Corporation and held talks with the Mayor of Dacca, Mr. Abul Hasnat regarding exchange of cooperation between the two municipalities.

The delegation also visited Chittagong.

Besides paying a courtesy call on President Abdus Sattar, the delegation also called on Prime Minister Shah Azizur Rahman, Speaker Mirza Golam Hafiz and Foreign Minister Prof. Shamsul Huq.

Mr. Pengfei said that he and members of his delegation were "charmed" to see the efforts of the Dacca Municipal Corporation to raise the standard of living of the city dwellers.

Mr. Pengfei appreciated the hospitality extended to him and the members of the delegation and said they were welcomed wherever they went. This speaks of tremendous love of Bangladesh people for the people of China. We are going back with love and goodwill from the people of Bangladesh to the Chinese people he added.

The Deputy Mayor of Beijing said that during the visit "we noted that Bnagladesh people have succeeded in consolidation of their national independence and sovereignty and preservation of their cultural heritage and traditions".

He said Bangladeshis were hardworking and intelligent and capable of attaining economic development.

Mr. Pengfei wished for the prosperity of Bangladesh and hoped that Bangladesh would continue to play a vital role in maintaining peace in the South Asia region and the world. The Chinese people were happy to have such a neighbouring friendly country he said adding "let the Bangladesh China friendship long live and ever lasting".

Earlier Mayor of Dacca, Mr. Abul Hasnat told the Press conference that in view of the discussions held with the Chinese team decision had been taken to declare Beijing and Dacca as twin cities.

He hoped that there would be more goodwill visits between the citizens of the two cities.

CSO: 4220/7935

PAPER REPORTS VISIT OF BEIJING VICE MAYOR

Meeting with Foreign Minister

Dacca THE BANGLADESH OBSERVER in English 27 Feb 82 p 1

[Text] The visiting five-member Chinese delegation, headed by the First Deputy Mayor of Beijing Municipality, Mr. Zhao Pengfei, called on Foreign Minister Prof. M. Shamsul Huq at the State Guest House Meghna on Friday evening, reports BSS.

Mr. Zhao told the Foreign Minister that the relationship between Bangladesh and China was deep-rooted. He said during his tour of the countryside of Bangladesh he was greatly impressed by the development efforts of the people and paid rich tributes to late President Ziaur Rahman and also to President Justice Abdus Sattar for their wise leadership.

Mr. Zhao also expressed sincere appreciation for the warm welcome accorded to him and members of his delegation during the visit.

Prof. Huq warmly welcomed the delegation and said the people of Bangladesh and China were bound by close ties of friendship rooted in history and lauded the outstanding contributions of China towards the world civilization and its self-progress.

He said that Bangladesh and China held similar views on many international issues and noted with satisfaction the growing cooperation between the two countries in various fields.

Remarks on Departure

Dacca THE BANGLADESH OBSERVER in English 28 Feb 82 p 16

[Text] The visiting first Deputy Mayor of Beijing (Peking) Municipality, Mr. Zhao Pengfei on Saturday hoped that the existing bonds of friendship and goodwill between the citizens of Dacca and Beijing would be strengthened in the coming days, reports BSS.

Mr. Pengfei said that there were lot of scopes for sharing each other's experiences in building the two great cities of Bangladesh and China.

VISITOR NOTES IMPORTANCE OF PRC-DACCA FRIENDSHIP

Dacca THE BANGLADESH OBSERVER in English 2 Mar 82 pp 1, 12

[Text] Mr. Wang Bing-Nan, President of the Chinese People's Association for Friendship with the Foreign Countries, on Monday said China "shall preserve bond of friendship with Bangladesh like the apple of the eyes," reports BSS.

Mr. Wang who is currently visiting Bangladesh leading a friendship delegation from China was replying to a welcome speech by the President of Bangladesh-China Friendship Association Mirza Golam Hafiz at a luncheon in city on Monday.

On the occasion Mr. Ataur Rahman Khan, M.P. and Jatiya League chief, Kazi Zafar Ahmed, chief of the United Peoples Party, Mr. Mohammad Toaha, M.P. and chief of Samyabadi Dal, Mr. S. A. Bari A.T. M.P., Dr Fazlul Karim, MP and Serajul Huq Mantu, MP Motahar Hussain Siddique, Editor daily NEW NATION, Chinese Ambassador Mr. Liu Shuqins and members of the friendship association, among others, were present.

Mr. Wang Bing-Nan said his delegation had not only come to visit Bangladesh with warm and friendly greetings but also to see how the people here were trying to build their economy towards a great stride.

Mr. Wang said both China and Bangladesh belonged to the Third World and they were developing countries who must set stronger for defending peace boldly.

Friendship of the Chinese people is not an experience but it is part and parcel of her long-time policy and it will have to continue, he stressed.

He described fostering of friendship among countries as the most important in today's world and expressed his deep satisfaction to see many young people in the friendship association here which demonstrated that the tie would pass on from generation to generation.

In his welcome speech Mirza Golam Hafiz said that bond of friendship between Bangladesh and China would be ever-lasting.

Earlier, Mr. Wang and members of his delegation placed wreaths at the National Mousoleum at Savar and at the mazar of late President Ziaur Rahman.

Earlier the visiting three-member delegation led by Mr. Wang Bing-Nan called on the Speaker, Mirza Gholam Hafiz, at his office at new Sangsad Bhaban on Monday morning.

They stayed with the Speaker for some time and discussed matters relating to mutual interest.

The Speaker discussed the functioning system of government and expressed his opinion that their visit will strengthen the existing bond of friendship and cooperative relations between the two countries and peoples.

Another message says the visiting Chinese friendship delegation on Monday apprised Foreign Minister Prof M. Shamsul Huq of the Chinese initiative to promote peace in Asia.

The delegation led by Mr. Wang Bing-Nan called on the Foreign Minister at his office.

Mr. Wang also reiterated Chinese efforts against all sorts of expansionism and hegemonism.

Welcoming the delegation which also included Mr. Mona Ru, a prominent council member of the association, Prof. Huq said Bangladesh and China were bound by close ties of friendship deeply rooted in history.

The Foreign Minister said that the two countries held similar views on many international issues and possessed similar sentiments on international peace and security.

He said both the countries adhered to the principles of sovereign equality and non-interference in the internal affairs of other nations.

Both the countries, he added, believed that freedom and rights of the people should be preserved in all spheres of life.

CSO: 4220/7941

WEEKLY NOTES 'SKELETONS' IN BNP 'CUPBOARD'

Dacca HOLIDAY in English 28 Feb 82 pp 1, 8

[Text] Skeletons are literally falling out of the cupboard of the Bangladesh Nationalist Party. When police arrested a notorious criminal Kamal, on Thursday who is accused of several gruesome murders in the city recently this too was revealed that at least for a time he and some of his former accomplices were members of the youth wing of the ruling party.

As far as charges of harboring criminals go the BNP's score card is higher than any of the other political with seamy records. Earlier this month Emdadul Huq, another predator was arrested from the house of the then Youth Minister. Yet another former minister is facing charges of letting his car be used for carrying illegal arms.

Even prior to the recent avalanche of misfortune which threatens to bury the BNP camp there were shocking incidents in which the ruling party's name became involved to the utter disgust of the people.

Two young men who had [word illegible] at a police sergeant last year had sought sanctuary in the office of the youth wing of the BNP. A bank employee charged with beating up the managing director of Sonali Bank was then a stalwart of the BNP labor wing.

The arrest of the Hannan Liaquat gang has dragged the Hasina Awami League also into the murky arena of criminality.

While police investigates into the long list of crimes allegedly committed by this group--some of which had injected life-claiming violence into politics--suffice it to say that at least one of the arrested, reputed to be a gang leader, was a member of the working committee of one faction of the student wing of the Awami League.

Being thrown off-balance by the turn of events officials of the BNP and leaders of the Awami League (including the eminent lawyer Kamal Hossain) had been issuing statements claiming there was no relationship between these people and their respective parties.

Since such is the state of conscience of the leading luminaries of politics there is all the more reason why the activities and connections of the arrested persons should be investigated to the hilt.

The minimum that was expected of political leaders in a situation in which criminals were going to take charge of their party machines was that they on their own would announce investigations by themselves coupled with a commitment to purge their organizations.

They have failed the nation once again in their narrow self-interest.

Grain of Salt

Against that background the Home Minister's assertion that those leaders of society who harbored criminals would be brought to book needs to be taken with more than a grain of salt.

Those lobbies which have had enough of their stinking linens washed in public might now stage a revolt of their own against law and morality to protect their citadels of power. After all, they have battled all along to rule society conveniently and not to yield to it.

But people cannot let the moral and practical issues go unchallenged because of someone else's default. It is their children whose lives were at stake in the university, it is their women whose honor was at stake in the alleys, it is their hard-earned money which the thugs and robbers were looting.

Moreover, the design was to make them permanent victims of fear. They should tell the delinquent politicians either to show up or shut up.

And if Mr Justice Sattar, who is now President, wants to help the people in any way (and be remembered thus) he should ensure that justice is dealt quickly, before the predators free themselves through the loopholes of law.

Protection to criminals by political organizations in this part of the world was begun by the infamous Monem Khan, Ayub's hatchetman, in then East Pakistan. It became a large-scale and organized phenomenon with the establishment of "bahinis" of the Awami League after independence.

Ziaur Rahman legalized the whole set-up by official registration of youth wings and student wings of political parties. The connections with musclemen became formal, and official patronage to them was made a policy by creating recognized youth wings of political parties.

It does not need much intelligence to discover the ulterior motive, for those who qualify by age to be members of youth wings also qualify to be regular members of the party itself. This vicious link should now be broken by the parties themselves.

Otherwise, as events have shown, leaders of these parties themselves will not be able to do their politics safely and peaceably.

CSO: 4220/7940

DACCA BUSINESSMEN SCORE ECONOMIC POLICY

Dacca THE NEW NATION in English 27 Feb 82 p 7

[Text] The country's economic condition is tottering. Rising prices of essentials and incoherent economic policy have further worsened the situation. Drastic cut in all unproductive expenditure and concentration on productive investments can only put the economy back on the rail.

This was the out come of a discussion meeting sponsored by the Federation of Bangladesh Chambers of Commerce and Industry (FBCC&I) with the objective of reviewing the "general economic situation" in Bangladesh, identifying the economic problems and finding out their solution was held on February 25, 1982 at the conference hall of the Dacca Chamber. Mr. Nuruddin Ahmed, President, FBCC&I presided over.

Mr. Nuruddin Ahmed, in his introductory speech, giving a graphic description of the economic situation, said that the country was suffering from stagflation. In this connection he suggested that the Government should drastically cut all unproductive expenditure and concentrate on productive investments for economic recovery.

He deplored the poor performance of the losing public sector and made a strong plea for serious rethinking of what nationalisation has brought to the economy of the country. The nation today needed a clear-cut decision and direction in this regard, he added.

Continuing the FBCC&I President said that in spite of Government's oft repeated emphasis on export orientation, growing dependence on imports has crippled the growth of domestic industries. He said that the credibility of the Government and its institutions, which is vital for sustained efforts for economic and social progress, was waning.

He further said that in order to attend to the needs of the general mass, the Government's policies relating to investment and spending must be firm, fair and on a realistic basis.

Concluding, he said that experience, records and reports available with the Government are aplenty to show where the finger should be placed to cure the present economic malaise.

Speakers, while discussing the current economic situation of the country, suggested return of the nationalised industries to the private sector, tailoring the imports in such a way that the indigenous industries are not adversely affected, banning of nonessential items and other items produced in the country in sufficient quantity to meet domestic needs, maintaining reasonable ratio between the increase in GDP and the money supply in order to curb inflation. They also stressed the need for completion of the projects in the Annual Development plan in time and scrupulously avoid inclusion of unapproved projects in the ADP.

They also felt that decision should be made in the light of basic needs giving high priority to the matters of prime importance. The speakers opined that the present admixture of 85 per cent public sector and 25 per cent private sector in industry was not a balanced mixture for the proper growth of national economy. Public utilities should be run by technically qualified and experienced persons who could be held responsible for any loss, they maintained. The speakers further noted that specialists should be allowed to render their services always in the field of their specialisation.

Among others, Al-haj M. A. Huq, Vice-President, FBCCI, Dr. Mizanur Rahman Shelley, Dr. Khalequzzaman Ahmed of BIDS, Dr. Anwar Hossain, Member E.C. DCC&I, Haji Mohammad Ali, Chairman Bangladesh Jute Goods Association, Mr. N. I. Khan, Chairman, Bangladesh Paper Merchants Association, Mr. M. A. Sattar, President, DCC&I, Mr. Moazzem Hossain, Chairman, Bangladesh Hardware and Machinery Merchants Association, Mr. Mesbahuddin Bablu, President, Rajshahi Chamber of Commerce and Industry, Mr. A. Qasem FCA, Member Executive Committee DCC&I, and Mr. A. Karim of Bangladesh Jute Association participated in the discussion.

Besides Dr. A. M. A. Rahim and Dr. A. Rab of Planning Commission, Mr. A. M. Mofazzal, Editor, BANGLADESH TIMES, Mr. M. Morshed Khan, President Metropolitan Chamber of Commerce and Industry, Dacca, Mr. L. D. B. Bryceson, President Agrabad Chamber of Commerce and Industry, Air Vice Marshal (Retd) A. C. Mahmud of Dacca Chamber of Commerce and Industry and Presidents and Chairman of prominent Chambers of Commerce and Industry and Trade/Industrial Associations attended the discussion meeting.

CSO: 4220/7938

PANEL REPORT SCORES CORRUPTION IN PUBLIC SECTOR

Dacca THE NEW NATION in English 28 Feb 82 pp 1, 8

[Text] The future of public sector institutions dealing with billions of taka is becoming bleaker because of large-scale corruption, pilferage, wastage and irregularities.

Time is running out fast and it is imperative that the Government consider a "broader policy" with regard to the public sector in the greater interest of the country.

This was stated in a report of the Parliamentary Committee on Public Institutions placed before the House yesterday by the chairman of the committee Khandakar Abdul Hamid, who is also the Minister in charge of Health and Population Control, Manpower, Labour and Social Welfare.

The ten-page interim report is based on interviews with top officials and examination of statements and documents of 63 out of 482 public sector institutions during the period January to November, 1981. "Some sensational cases of bungling in the purchase of plane, chartering of ships, appointment of clearing agents, brokers and stevedores as well as import of goods and raw materials", have come to light. Instances of naked favouritism and misuse of power were also detected by the committee.

The report added, there are many instances that instead of receiving punishment the corrupt officials were rewarded with promotion.

While pointing out the malpractices and anomalies in different public organisations the committee refrained from making comment on any matter beyond its jurisdiction.

The committee observed a number of nationalised industrial units are not in a position to cope with the uneven competition of foreign goods imported by other public and private organisations with regard to marketing their own produce.

Certain nationalised industrial units deserve to be protected in order to face the uneven competition. The question of protection arises only in special cases. It does not mean that the protection should indulge in

wastage, misuse, cost escalation caused by corruption or unlimited production cost, the committee said.

The committee pointed out reported discriminatory policy in charging customs and sales taxes on the imported spare parts of the machinery of different government organisations.

It said that many organisations had refrained from explaining audit objections for years together evidently defying them.

The committee felt that the apathetic and defiant attitude of the concerned people towards the audits should be given up and stressed the need for the adoption of harsh measures by the higher authorities to enforce their accountability.

Misuse of the transports of public institutions has become a routine affair. Referring to it the committee suggested for strict control.

Unusually high overhead expenditures were also detected by the committee in these organisations. In many cases, it pointed out, the number of officers and employees is more than requirement.

Citing the instance of BRTC the report says there are 228 officers and 3,542 employees for 352 serviceable buses, that is, 10-11 officers and employees for each bus in working condition and 30 officers and 704 employees for only 165 serviceable trucks.

Its loan and loss stands at Tk 75-crore and Tk. 41-crore respectively. Every year it is to pay Tk. 6-crore on account of interest for bank loan. The committee recommended slashing of excessive expenditures.

It came to the notice of the Parliamentary Committee on Public Accounts upon scrutiny of the balance sheets that in some organisations one year's profit and loss widely differ from the previous or next year. According to the committee, the inexplicable wide gap between the two consecutive years' loss and profit is not consistent with the normal business rules of an organisation.

The report pointed out misuse of crores of taka in foreign trips by the officers in groups and in choosing expensive ways of handling various deals. The committee stressed the imperative for the punishment of those who are responsible for the misuse of public exchequer and indulged in corruption.

It lashed out at the policy of light punishment such as transfer, suspension and appointment as OSD.

The committee reported procurement of raw materials, commodities and machinery parts from particular countries, places, parties and contractors at higher rates on the plea of "meeting emergency requirements."

The report says that efforts to justify them by the concerned people often appear to be imaginary and ununderstandable.

The committee found innumerable instances of nepotism and misuse of official power and position. It observed, "malpani" (gratification) in advance has become precondition for getting contracts and credits.

The committee called for immediate harsh measures against these malpractices to save crores of taka.

Giving a detail account of the deplorable condition of the public sector institutions and their problems the committee in its report mentioned that repeated enhancement of tariff rate or price seems to be a common practice in the public sector. Although some public sector organisations forwarded clarification justifying enhancement of rate or price but these could not satisfy the committee.

The committee observed the absence of initiative in the public sector for reducing gap between production cost and overhead expenditure involved by discarding misuse, corruption and by increased utilization of production capacity.

Some nationalized industries could not reach pre-independence level of production capacity even after ten years of independence. They are continuously suffering loss. No rationale is understandable as to why those industries are suffering loss under the management of public sector. The committee does not see any reason other than managerial inefficiency, corruption, misuse and negligence behind the loss.

There are some vital industries whose inventories were not prepared and stock-taking of the assets were not made while taking over under PO-27. The committee thinks this was preplanned to allow plundering and misappropriation of the assets of the industries. The committee is of the opinion that a high level enquiry committee should be formed to take the account of the affairs that had taken place.

The Committee is of the opinion that moratorium facilities and counting of interest on the industries under heavy loss and debt and increase of employees and their salaries in the said industries should be postponed till the overall improvement is achieved. At the same time the industries should be exempted from compulsory contribution to the national exchequer to attain improvement.

It is well thoughtout opinion of the committee that running of hundreds of public organisations efficiently pursuing commercial and farsighted policy is not possible without creating honest, devoted, active and efficient working cadre force.

CSO: 4220/7939

BRIEFS

NONALIGNED SUMMIT PLANS--A Foreign Office spokesman on Saturday replied in the affirmative when asked if Bangladesh would participate in the Non-aligned summit to be held at Baghdad in September, reports BSS. The decision to hold the summit in Baghdad was taken at the last summit of the movement held at Havana in 1979. He said that it was in accordance with this decision Bangladesh as a member of the movement would be attending the conference. [Text] [Dacca THE BANGLADESH TIMES in Enlgish 28 Feb 82 p 1]

TRADE WITH USSR--The trade turnover between Bangladesh and Soviet Union during the last ten years has increased from 24 to 88 million dollars, Mr. V. I. Sovalev, USSR trade representative in Bangladesh said in Dacca on Monday, reports BSS. Addressing a Press conference on the eve of 10 years of Soviet-Bangladesh economic and trade relations at the Soviet Information Centre, he said that trade and economic relations between the two countries had been growing successfully. During the ten years Soviet Union had exported 780,000 tons of oil products, 128,000 tons of raw cotton and 49,000 tons of cement to Bangladesh. On the other hand, Soviet Union had imported 241,000 tons of raw jute, 216 million meters of jute cloth, 111 million pieces of jute bag, 13 million pieces of goat skins and 14 tons of tea from Bangladesh. The Soviet Union also paid great attention to purchase non-traditional items such as cables, jute carpets and handicrafts, he said. The first ever economic agreement was signed between the two countries on March 2, 1972. [Text] [Dacca THE BANGLADESH OBSERVER in English 2 Mar 82 p 1]

NEW DANISH AMBASSADOR--The Ambassador-designate of Denmark Mr Bjorn Olsen presented his credentials to President Abdus Sattar at Bangabhaban on Monday morning reports BSS. Speaking on the occasion, the new Danish envoy expressed the hope that the existing bond of friendship between Denmark and Bangladesh would continue to grow further in the coming days. Reciprocating the sentiments President Sattar assured the new envoy of all cooperation in fulfilment of his duties and responsibilities during his stay in Bangladesh. [Text] [Dacca THE BANGLADESH OBSERVER in English 2 Mar 82 p 1]

CSO: 4220/7934/7942

BRIEFS

MYITKYINA AREA COMBAT NEWS--Combat news: On 9 and 13 February, two enemy soldiers were killed and one wounded in attacks launched by small units of the People's Army at (Nampasit) and (Ke Phauk Chauk). On 14 February, a small unit of the People's Army attacked the enemy soldiers at (Lan Ta Sang). An attack on the following day in (Ke Tauk Sauk) killed three enemy soldiers and wounded five others. Some mortar shells were also seized from the enemy. Comprehensive battle report for battles fought by the people and the People's Army in Sadon and Lauhkaung regions located east and northeast of Myitkyina during 1981: During 1981, the people and the people's army fought 15 battles and conducted 10 mine attacks against the enemy in Sadon and Lauhkaung regions. During these battles, 64 enemy soldiers were killed and 29 were wounded. Thus a total of 93 enemy soldiers were put out of action. Four enemy vehicles were also attacked and destroyed. [Text] [BK191050 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 19 Mar 82]

LAUHKAUNG, KUTKAI COMBAT NEWS--On 2 March, mercenaries from the military government's 58th infantry regiment approached (Bon Yang) Village in Lauhkaung region, northeast of Myitkyina, to plunder the people. The People's Army, together with the people, attacked the mercenaries, killing three enemy soldiers--including a corporal--and wounding four others. The remaining enemy soldiers fled. Several of them, however, were killed or wounded when the People's Army and people conducted mine warfare against them. Grenades, ammunition and other military supplies were seized from the enemy. On 3 March, a column from the military government's mercenary 13th infantry regiment attacked (Kyauktaing) (?market), (Mong Pi) Township, in Kutkai region--a liberated area. The People's Army and the people's militia encircled and attacked the intruding mercenaries. During the clash, 20 enemy soldiers were killed, including a mercenary lieutenant, and 17 other wounded, including 3 mercenary lieutenants and 2 noncommissioned officers. The enemy fled leaving behind eight corpses. The People's Army seized 25 grenades, 4 mortar sheels, over 20 magazines and more than 500 rounds of ammunition. [Text] [BK210839 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 21 Mar 82]

CSO: 4211/14

COMING YEAR 1982-1983 SAID TO BE PIVOTAL FOR ECONOMY

Jakarta HARIAN UMUM AB in Indonesian 9 Feb 82 pp 1, 7

[Article: "Minister Subroto: 1982-83 Very Important Years for the Indonesian Economy"]

[Excerpts] Minister of Mining and Industries Dr Subroto, expressed the opinion that the 1982-83 fiscal years will be very important for the Indonesian economy.

During those two fiscal years, the government will be making an effort so that the Indonesian economy will be given impetus not only by the oil and gas sector, but also by non-oil exports.

Subroto made the above statement at a working meeting with the national budget committee of the DPR (Indonesian parliament) at Senin, Jakarta.

He also said the mining and energy sector would receive fairly substantial financial support in the forthcoming draft national budget.

Export earnings from petroleum and natural gas are expected to bring in about $20-21 billion, with total exports for the 1982-83 fiscal year estimated at $26.4 billion. Earnings from non-oil exports are expected to reach around US$ 758 million.

Seeking to explain the growth of the Indonesian economy, Minister Subroto stated that Indonesia was one of the countries which had experienced a rather accelerated economic growth, reaching 9.6 percent in 1980, while the rest of the world was in a recession.

In 1980, Indonesia was am ong the countries that experienced the highest rate of economic growth in Asia, after Singapore (10.2 percent) and Hongkong (10.1 percent).

In 1981, Subroto expressed the opinion that the rate of economic growth in Indonesia would not be as high as in 1980, and would probably amount to only 7.1 to 7.5 percent.

Notwithstanding the scaled down expectations for 1981, Indonesia would still be among Asian countries recording one of the highest rates of economic growth, behind Singapore and Hongkong.

"This is an indication that our national economic resilience can withstand the storms of a recession that is deeply disturbing," he said.

In the meantime, world economic growth for 1980 was only 1.2 percent with an inflation rate of 10 percent, while in 1981 it was 1.25 percent with an inflation rate of 9.5 percent.

The world economic recession, said Subroto, is caused by the derailment of one of the three "locomotives" that is the driving force behind the world economy, while the other two "locomotives" remain stalled on the tracks because of the derailment of the first.

In a figurative sense, the three locomotives that are the driving force behind the world economy are the national economies of the United States, Western Europe and Japan. The derailed "locomotive" mentioned by Subroto represents the United States which experienced a very low rate of economic growth (minus 2 percent in 1980) accompanied by substantial inflation and unemployment.

Responding to a question raised by a parliamentarian, Minister Subroto indicated that at present there were four major problems in the mining and energy sector.

In the tin industry, a new International Tin Agreement will go into effect beginning on 1 July 1982. The problem is becoming more pressing because many tin-producing countries have not yet signed the agreement.

In the nickel, copper and bauxite industries, lower demand for these minerals does not present a very bright picture.

In the oil and natural gas sector, exports in 1980 were at their lowest because of decreased exploration. However, in 1981 Indonesian petroleum exports were on the upswing again and reached 1.6 million barrels a day.

In the electrical sector, the development of electric power at present will depend on fuel oil for about 12 percent of requirements.

In this latter sector, alternative sources of energy such as those derived from hydraulic or geothermal means will replace petroleum for the generation of electricity, while oil and oil products will be saved as an export commodity.

Minister Subroto estimated that domestic oil requirements were increasing about 12 percent a year. In 1982, these requirements will amount to 28.1 million kiloliters.

To fulfill domestic fuel requirements in 1981/82, Indonesia needs to import 42.784 million barrels of refined oil products and 36.5 million barrels of crude oil.

In 1982/83, increased domestic needs will require the import of 62.196 million barrels of refined oil products and 39.055 barrels of crude oil.

9464
CSO: 4213/39

PERTAMINA DEBT DISCUSSED

Jakarta HARIAN UMUM AB in Indonesian 19 Feb 82 pp 1, 7

[Article: "Pertamina's Remaining Debt Still 1.494 trillion rupiah"]

[Excerpts] According to calculations, as of 11 February Pertamina still owes a debt of 1.494 trillion rupiah. This consists of a principle of 916 billion rupiah with 578 billion rupiah in interest. This represents the Pertamina debt to the Bank of Indonesia and other institutions.

The status of the debt was explained by the General Director of Pertamina, Joedo Sumbono, at a working meeting with Commission VI of the DPR (Indonesian parliament) yesterday at Senayan. Joedo did not specify at greater length what he meant by other institutions.

He stated that during fiscal year 1981-82 as of 11 February, Pertamina had paid an installment of 305 billion rupiah on its debt, reducing it to 1.494 trillion rupiah.

As of 30 September 1981, the balance sheet for Pertamina showed liquid assets of 2.803 billion rupiah and fixed assets of 3.188 billion rupiah. The company's trading debt amounted to 710 billion rupiah and its long term debt 2,761 billion rupiah consisting of 965 billion rupiah for the construction of an LNG plant, 1,796 billion rupiah to the Bank of Indonesia and other institutions, and equity amounting to 2,520 billion rupiah.

Calculations of profit and loss indicated an income for Pertamina of 2,486 billion rupiah, operating expenses of 466 billion rupiah and the purchase of crude oil and refined products 1,737 billion rupiah. Thus, Pertamina earned a profit of 283 billion rupiah before taxes.

Joedo stressed that the figures on the balance sheet and in the calculations of profit and loss indicating the position of the company as of 30 September, and covering the period 1 April-30 September 1981, "only give a general picture of Pertamina's financial status and are not definitive."

He said that the true figures on the balance sheet and the calculations of profit and loss could not be submitted to Commission VI of the DPR yet because they had not been approved by DKKP (governing board of Pertamina).

The provisional figures on the balance sheet and profit and loss statement were submitted by Joedo Sumbono after repeated requests by DPR Commission VI to Pertamina. The DPR request was made in accordance with Indonesian Legal Code No. 8 dated 1971 concerning the inventory of Pertamina assets.

Turning to government subsidies that still apply to four types of petroleum-based products: kerosene, solar (fuel for high rpm engines), diesel and fuel oil, the General Director of Pertamina said, "We do not look at whom the subsidies benefit; we merely apply them to the four kinds of fuel in question." Whether these subsidies are on target and benefit intended recipients is not for Pertamina determine or make any judgments about, he added.

Concerning the subsidies on the four different kinds of fuel previously mentioned, DPR Commission VI is of the opinion that they are off target and not achieving their intended purpose. This conclusion was drawn from the fact that there are many private and official vehicles on the road burning solar fuel, while the subsidies on solar were not intended for such private and official vehicles. In addition, many insecticides factories are using subsidized petroleum as the principal raw material.

On the basis of such examples, DPR Commission VI estimated that the subsidies were not achieving their intended purpose which was to channel lower-priced fuel to institutions serving the general welfare such as the state electric company, industries and public transportation. The parliamentary commission also expressed the view that it would be better for petroleum subsidies to be aimed at benefiting the consumer directly.

According to Joedo Sumbono, 6,064,929 kiloliters of kerosene or 99 percent of the total is consumed by private households and 59,650 kiloliters (one percent) by the armed forces and government. Of solar fuel, 2,496,169 kiloliters (47.2 percent) are used for industrial purposes; 2,000,034 kiloliters (37.9 percent) for transportation; 654,762 kiloliters (12.4 percent) by PLN (state electrical monopoly), and 131,837 kiloliters (2.5 percent) by the armed forces and the government.

Concerning diesel oil, 1,022,951 kiloliters (88.4 percent) are used for industrial purposes; 103,418 kiloliters (8.9 percent) are used for transportation; 30,308 kiloliters are used by PLN and 989 kiloliters (0.1 percent) by the armed forces and government.

Concerning fuel oil, 969,135 kiloliters (48.2 percent) are used by PLN; 898,385 kiloliters (44.7percent) for industrial purposes; 138,784 kiloliters (6.9 percent) for transportation, and 3,446 kiloliters (0.2 percent) for the armed forces and government.

9464
CSO: 4213/39

ENERGY CONTRACTS SIGNED

Jakarta HARIAN UMUM AB in Indonesian 27 Jan 82 pp 1, 8

[Article: "Another Coal Contract to Be Signed in February"]

[Excerpts] Mining and Energy Minister Dr Subroto explained that in February of this year another contract would be signed between PN Batubara (Coal) and Rio Tinto and British Petroleum (BP) for the mining of coal in Kalimantan Timur.

Subroto made this statement at the Merdeka Palace last Tuesday after being received by President Suharto.

As it is known already, three other work contracts were signed previously with three energy firms: Arco Utah, Utah and Agip.

Minister Subroto also announced that an agreement would be signed for the geothermal exploitation of Gunung Salak which has energy reserves of four times 55 megawatts.

For the first time, part of this energy reserve amounting to 55 megawatts will be developed with Union Oil. There are three sides to this agreement. Pertamina will be encharged with harnessing the geothermal steam while PLN (State Electrical Monoply) has the task of generating electrical power.

On 9 February petroleum contracts will also be signed with five contractors. Areas to be developed will be Pelabuhan Ratu in West Java, Cilacap in Central Java, Central Kalimantan and Lombok.

With these latest five contractors, by the beginning of 1982 there will be six firms that have signed contracts for the production of oil and its derivatives with Pertamina. In comparison, said Subroto, in 1981 twelve contractors signed production-sharing contracts, while in 1980 eleven firms did so.

A journalist also raised the question of how the construction of the Dumai hydrocracker was progressing. The minister answered that "there are no problems."

"Are there not any delays on this project?" intimated another journalist. "Until now, there have been no delays," said the minister.

(Minister of Trade and Cooperatives) Radius Prawiro is the leader of a team for the Dumai Hydrocracker project which is being constructed by a contractor from Spain. Information has been received from this team that evidently construction of this project is not progressing as smoothly as the building of the refineries in Balikpapan and Cilacap. It is estimated that the Dumai Hydrocracker project will be delayed at least six months beyond what was originally planned, if the work keeps up at the present pace, said a source from the leadership team for the project.

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NICKEL PRODUCTION LOWERED

Jakarta HARIAN UMUM AB in Indonesian 26 Jan 82 p 3

[Article: "As a Result of a Steadily Deteriorating World Economy—PT Inco Decreases Production of Nickel Up to 50 Percent"]

[Text] The nickel mining firm of PT Inco plans to decrease production at its smelter in Soroako, Sulawesi Selatan, as a result of the deteriorating world economy. The decrease in production will be accomplished by shutting down one of its two processing lines beginning on 1 February.

The deputy general director of PT Inco, Eng Hitler Singawinata stated yesterday that the planned cut in production would amount to 50 percent based on an annual productive capacity of 20,000 metric tons of nickel matte which would be reduced to 10,000 metric tons.

It was not stated how long the company would maintain its decreased production. Hitler only said that the firm would hold to its cut in production depending on how long it would take the world economy to make an upturn and increase its consumption of nickel once again.

With its present three production lines (the third line has never been placed in use) the Inco nickel smelter has an annual productive capacity of 30-35,000 metric tons. The highest production rate achieved by this plant was reached in 1980 when it processed 20,300 metric tons of nickel.

According to Hitler, the cut in production will result in the termination of a certain number of foreign personnel and a substantial decrease in contractor manpower utilized by PT Inco. The firm is also carrying out a reduction-in-force of permanent employees through voluntary layoffs and natural attrition by not replacing employees who quit. Hitler could not estimate how large the staff cutback would amount to, either in terms of foreign, contract or permanent personnel. "We may possibly get word on the extent of the manpower retrenchment next week," he said. At present, PT Inco employs 3791 persons, including 121 foreigners.

Hitler Singawinata explained further that during the last 2 years, the world nickel market has declined, with the consequence that the consumption of the metal has decreased and producers have held back on output and closed mines to prevent the buildup of stockpiles. So far, the market for pure nickel (electrolite nickel) in Canada has reached a posted price of US $3.29 a pound; however, the realized price has been lower. PT Inco itself since last November dropped the price of its nickel matte by 16 cents a pound from its average price of $3.01 a pound. The highest price that this firm has realized from its nickel has been $3.45 a pound.

As a result of the weakening world market, Inco Metals which is the parent firm of PT Inco of Canada, has also lowered production and has closed its smelter with a capacity of 13,000 metric tons in Guatemala. The third largest world producer of nickel, Falcon Bridge, has closed down its mine and smelter of 30,000 metric tons capacity in Dominica (West Indies), while the number two producer, SLN, is only working at 50 percent the capacity of its smelter in New Caledonia.

According to Hitler, although PT Inco has lowered production, the firm has been able to fill customer orders in Japan by drawing from its stockpiles. Based on long term contracts, Japan consumes 10-11,000 metric tons of nickel a year from Inco, although this year, the total reached 14,000 tons. PT Inco, a Canadian firm, signed a work contract in 1968. Its initial production from its first processing line at the Soroako smelter began at the start of 1977. Its second processing line began in 1979.

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CSO: 4213/39

BRIEFS

TRADE BALANCE 1981--Indonesia's 1981 trade balance with EEC countries, the United States, Japan and ASEAN was lower than in 1980. According to data released by the trade and cooperative affairs department, Indonesia's January-October 1981 export to Japan stood at $8.6 billion, against $3.3 billion for import. Corresponding figures with the United States were $3.3 billion against $1.5 billion; with the United Kingdom, $83.1 million against $458.9 million; with the Netherland, $290.4 million against $179.1 million; with France, $42.8 million against $289.2 million; with West Germany, $201.8 million against $766.2 million. [BK231219 Jakarta Domestic Service in Indonesian 1300 GMT 19 Mar 82]

CSO: 4213/503

VIENTIANE MUNICIPALITY ORDERS CONTROLS ON TEMPLE FAIRS, PARTIES

Vientiane VIENTIANE MAI in Lao 19 Jan 82 pp 1, 4

[Announcement of Municipal Administrative Committee of Vientiane Capital, issued 11 Jan: "Festive Gatherings"]

[Text] Order No. 380 VTCP was issued on March 20, 1981 by the Municipal Administrative Committee, Vientiane Capital, concerning the role of cultural and social control in Vientiane Capital.

Announcement No. 488 VTCP was issued on March 12, 1980, concerning festivals.

Recently there have been many festivals that were held the right way and in agreement with announcement No. 448 VTCP. However, some organizations are still opposed and do things the way they want with no regard for the rules, social controls, and our fine customs. They did not take the advice of the local authorities seriously. Therefore, sometimes things get out of hand at many festivals.

In order to maintain security and encourage the unity of the people at every social gathering and for people who work together in their own local area, and

In order to implement the spirit of the Office of the Prime Minister's advisory No. 358 OPM issued on March 10, 1980,

The Municipal Administrative Committee of Vientiane Capital hereby makes an announcement for local authorities at all levels. Cadres and people within Vientiane Capital must pay attention to and follow up the advisory and protect our culture. All must act as follows:

1. Festivals and many other festive gatherings must have organizers who are fully responsible for peace and safety. They must first report to the local authorities and security officers in their own area in order to maintain peace and order.

2. If there are any family celebrations such as ordinations, the Buddhist Eleventh Month Festival, wedding parties, and household ceremonies, they must be reported to the local authorities (cantons, villages) where they live. If a host wants to have any gathering or celebration, first of all he must have

approval from the local authorities of his area and he must guarantee peace and order in all cases. The host is not allowed to take advantage of this type of activity for his own profit from the music and refreshments.

3. Temple fairs and mass celebrations which are a national custom organized by people in cantons or wards must first ask permission from the local authorities. If there is a fair, they must guarantee peace and order in all cases.

If the profits from selling drinks are for collective benefits approved by the district authorities, the organizers must be strictly checked and held responsible for security.

4. As for any celebrations that are organized by government units for any occasion, those organizations must work in cooperation with the local authorities in the area and unite themselves in maintaining security and in following the substance of this announcement.

5. For those who are responsible for fairs, or the hosts, after they are given approval to organize the fair or to have a festive gathering, e.g., movies, story singing, arts and literature performances, music, dancing, and singing, if the organizers invite any performing groups or bring in movies from anywhere to entertain, they must have a license or permit issued by the Vientiane Capital and or district Cultural Service. The theme of the shows must be the same as those performed in the past.

The local authorities must make sure not to give any approval to those who do not have licenses or who have not been checked.

Moreover, one must follow the previously announced order concerning cultural controls No. 380 VTCP issued on March 20, 1981 by Vientiane City and Province.

6. In organizing all celebrations mentioned above, there are more guidelines for the organizers or the host to follow.

A. Location-the fair area should not be an obstacle to the highway or street on which people or cars are passing by, in order to prevent accidents that might occur and inconvenience other people.

B. There must be inspection and full responsibility assumed for electricity usage and wiring. The reason for this is to assure the safety of the people who go to the fair.

C. It must be insured that the wired ratio network and hi-fi cannot be heard beyond 100 meters.

D. Celebrations must not exceed one day, and correct celebrations should not be later than 11:00 PM (23:00) except when the Vientiane Capital authority gives special approval. This aims to maintain good health and order for the people.

Henceforward from the date in the announcement, cadres, combatants, and state employees including local authorities in districts, cantons, and all the people must cooperate and carry out the order correctly for successful results. The security forces and the Vientiane Capital authorities, in particular, must carry out, attentively follow, and educate themselves according to the aims of this announcement.

Vientiane, January 11, 1982

The Municipal Administrative Committee of Vientiane Capital

Phao Phimphachan

9884
CSO: 4206/27

TAX POLICY FOR RETAII MERCHANTS, LARGE PROFITS NOTED

Vientiane VIENTIANE MAI in Lao 26, 27 Jan 82

[Column: "Conversation with the Editor": Paying Taxes in the Market]

[26 Jan 82 p 2, 4]

[Excerpt] [Question] Many people are interested in the sales tax in the market, especially the problem concerning taxes for retail merchants who have been paying one hundred kip per month for tables, two kip more per day. For example, that is what my family is doing. I work as a cadre earning a salary from the administration, and my wife is a regular retail merchant. We have to pay one hundred kip per month. Isn't this tax too high? If we do not book the table, our business will be poor. What can we do? If we did not sell the goods our children would have to depend on their mother. You probably know how much my salary is. I am not blaming the government. She does not have many things to sell. Only those who have a lot of capital investment can pay one hundred kip per month in taxes.

I hope you can clear this up for me.

Thank you,

Somvang 1/20/82

[Answer] Dear Comrade Somvang, as a cadre you must already know that today we are confronted with troubles and a depression caused by the backwardness of the nation's economy. Our country was a colony under the imperialists for many hundreds of years. The economy was poisoned and it deteriorated. It was a colonial economy (of the old regime).

The American imperialists imposed a colonial economy to poison us. They made us lazy and shiftless and waiting for handouts. This was because they tricked us in order to make people serve their tricky plans, and because they wanted to swallow us and make us into their colony completely. After our nation was liberated, it has been six years that we have all been building up our nation in order to advance to socialism. We are confronted with many difficulties and much confusion, especially in an economy that has been carried over from the colonial economy which still hangs on and has not yet been cleared out

completely. Moreover, many small and scattered units of production have just enough to support themselves. So, it is certain that the standard of living problem still exists. This is our immediate responsibility for all of us to solve together. Comrade, do you understand if I put it briefly this way?

First of all, we must agree on the collective problem that faces us. This means we must exercise our rights to collective mastery the right way and accept it completely. To transform our economy, in particular, we turn from small scattered production to engage in collective production. This immediate responsibility must be known very well by everyone and we must start to work immediately. We have to completely stop this small and scattered production, the capitalist economy, and others that still linger on. Otherwise, we all will still have to face difficulties, especially in the standard of living.

[27 Jan 82 p 2]

[Text] We must respond quickly to the turn to cooperative and collective agriculture as the direction we have set in order to solve the problem of the standard of living. After my mentioning all this, you probably feel that I have gone off the subject. In fact, I have not. I just want you and especially all retail merchants who are scattered around, as well as scattered farmers and others, to understand our duty. I want all to understand their gradual expansion and their direction in the economy.

As for trading, the government has been very accommodating. This means the people can trade freely, but they must carry out their obligations. That is, they must follow the trade rules set by the new regime for all merchants small or large. We all have our obligation to national development, defense, building up our nation, maintaining security in society. Paying taxes is a duty for all of us who are the owners of our country in order to use it as capital for our country.

Before this, you have probably seen that there are many forms of taxes depending on individual income.

As for traders, they must regularly pay income taxes according to the income they receive with no exceptions. The example you mentioned is partly right, i.e., to pay income taxes to the government periodically based on official decree: monthly, every six months, or annually, depending on the situation. This shows our obligation to our country.

VIENTIANE MAI has already discussed market taxes. I would like to review the two systems, as follows.

1. A monthly income tax to pay for the place reservation or other income tax, and trade registration charges.

2. Charges for daily sanitation for which a cadre gives out a sales tax receipt almost every day.

(For more details, please go back to read VIENTIANE MAI where all the charges were covered).

The retail merchants often do not try to understand these two systems by thinking that they have to pay the rate of two per..., that is not true. For example, for those who sell their merchandise on the tables, they must pay monthly for the table reservation and location. Daily payment for sanitation is for those merchants who sell monthly at the tables. Small merchants who irregularly sell vegetables, fruits, and other little things will pay only for the location, and this is the smallest amount.

You must understand and not mix them up. The mother sells at the table and pays one hundred kip per month. This is not expensive, because before setting up a table to sell the goods, the income or profit must be at least one hundred kip each day, otherwise she won't set up the table (isn't that so? Think about it). Saying it this way is not meant to be sarcastic, but these are the facts. Now, whether to reserve a table or not is not an issue of whether one will be allowed to sell or not. It depends on one's merchandise. If it is a small amount and is sold irregularly, there is no need to book a table. You can sell freely according to what the distributor divides up for you. The distributors cannot keep any merchants from selling their merchandise in the market. Any goods that people bring to the market, they must seek a place to sell them. Those who own the merchandise have to follow the rules set by the distributors. For example:

-a set location;

-paying a sanitation tax and other taxes depending on the nature of the merchandise.

This is what I have repeated only in order to help you understand. If there is anything that still is unclear to you, please write to discuss it further with me.

Thanks

9884
CSO: 4206/27

FRENCH INDUSTRIALISTS RETURN TO PHILIPPINES

Paris LE MONDE in French 23 Feb 82 p 21

[Article by Serge Marti]

[Text] Subjected to a de facto boycott throughout 1980 after a series of disputes that took several months to settle, French industrialists are gradually resuming normal trade relations with the Philippines.

As a result, the trade balance between the two countries, sharply out of balance in 1980 and during the first half of 1981, should once again show a slight surplus in favor of France for all of last year.

At the same time, the international financial community, which is betting on strong growth for the Asian countries in general and those of the Southeast Asian Nations Association in particular, is beginning to revise its opinion of the Philippines, where the Moslem rebellion, which has not managed to humble the government in the Mindanao area, has given rise to a number of questions on what will happen "after Marcos."

In the Philippines since 1964, at the time of the first exposition held in this country, France never really began to trade with it until 1970 with the signing of the first contracts for immediate occupancy, which essentially had to do with the cement, sugar and paper sectors.

The last to arrive in this archipelago of 7,000 islands, after the Americans and the Japanese who have always somewhat regarded it as their private hunting ground, French industrialists at first had to content themselves with the business the latter did not want to engage in and which was destined to lead to inevitable disputes.

From simple frustrations inherent in any commercial activity, especially in the field of foreign trade, between 1976 and 1978 relations between the French companies and their Philippine partners rapidly shifted to open conflict. The crisis reached its highpoint when, cut to the quick by two or three delicate deals, the Philippine Government decided to impose a de facto boycott on all French activity in the country, despite official affirmations [to the contrary].

This development was unexpected and French exports, slightly more than imports up until 1979, dropped sharply the following year (see table).

This dispute was brought on by a few issues that for many months poisoned commercial relations between the two countries, such as the one involving the firm of Creusot-Loire.

The latter, which for some time had been trying to expatriate its Firminy plant, specialized in the production of malleable cast-iron joints for central heating systems, finally made contact with the San Miguel Company, a big Philippine industrial combine which, in particular, holds the monopoly on the production and marketing of beer in that country. The two parties had agreed on the creation of a joint venture in 1978 with the San Miguel Company, which contributed a good share of the capital, as majority shareholder (60 percent) and Creusot-Loire essentially furnishing the equipment.

So, a magnificent plant — much too big — was built about 20 km from the capital, whose purpose was to produce 3,000 tons of cast-iron joints a year, destined for export. Paralyzed by the incessant power failures typical of life in Manila and by overstaffing (450 people had to be hired under pressure from various lobbies, while only 150 had been planned), the plant, which was forced to import everything for its production, including sand, ended up turning out a product that was 40 percent more expensive than those of its world competitors and could therefore not be sold.

Consequently, in 1979 San Miguel officials closed the gates of this magnificent plant, which since then has been waiting to justify its existence.

Defaulting Clients

While Creusot-Loire succeeded in rapidly getting out of the affair after cautious discussions with its Philippine partners and the country's government, the same was not the case for another French firm, Spie-Batignolles, which had to submit the dispute over the plant at Abra in the northern part of the country that sets it against the Filipinos to an international court of arbitration. Under the terms of the agreement signed in 1978, it was a matter of building a pulp mill in the vicinity of a nearby forest. Assured of being the only industrial plant, the French firm did not concern itself with access problems, which seemed to constitute a local responsibility. The fact remains that, once the mill was completed, it was impossible to operate it since the road leading from the forest to the sawmill had not been built and the stream that was supposed to carry the cords of wood was always dry. As a result, the mill has remained closed for almost a year and, now that Spie-Batignolles has thrown in the towel, a solution is still being sought with a local partner.

These two examples, corresponding point for point with the real situation, set the tone. The parties concerned toss the ball back and forth to one another, the Filipinos accusing the French industrialists of not backing their commitments to the hilt, while the latter maintain that they have delivered the equipment ordered, gone on to build the plants and install the equipment as planned, then clearing

themselves of any responsibility for the failure of these enterprises which they do not hesitate to chalk up to their partners, whose /"flightiness"/ [in italics] in terms of planning and management they underline.

These French firms are all the freer with their estimates because all these contracts benefit from a COFACE (French Insurance Company for Foreign Trade) guarantee, with the Philippine Development Bank (DBP) providing the same role locally. What in normal times was nothing but a simple debit entry assumed quite another dimension when it became apparent that the DBP had to rapidly substitute for its now defaulting local clients, thus becoming the direct go-between between COFACE and the French banks.

Now it turns out that one of the most important members of the DBP is none other than the chairman of the Board of Investors, Philippine Minister of Industry and Trade Roberto V. Ongpin, in person.

Partisan of a "Brazilian-style" development which does not enjoy — far from it — unanimity in the government, Mr Ongpin has always tried to upgrade with President Marcos ambitious projects likely to enhance the Philippine image in international circles.

We understand that, following the affairs we have just alluded to, Mr Ongpin felt all the more strongly about the French firms and that his economic approaches regularly clash with the view Prime Minister and Finance Minister Cesar Virata and governor of the Philippine Central Bank Jaime C. Laya, regarded as much more orthodox and who enjoy an undeniable audience with the international monetary and financial institutions where they were career men, hold.

The fact remains that, donning his Ministry of Industry and Trade cap, Mr Ongpin for many months helped freeze French commercial activities in the Philippines, refusing to extend the DBP guarantee and automatically excluding the firms involved from calls for bids, even though the term "boycott" was naturally never officially used.

It was not until the second half of 1981 that relations began to improve at the intervention of other members of the Philippine Government along with the action taken locally by French Ambassador Albert Treca.

Some companies faced with the same kind of difficulties have more discreetly tried to resolve them by continuing their negotiations. Thus Kloeckner Ina, a subsidiary of the West German family combine, Kloeckner, is pursuing the cooperation established between 1974 and 1977 with its client, the Batong Buhai Gold Mining Company, regarding a copper mine project north of Luzon, the biggest island in the archipelago.

The consortium created for this purpose between Kloeckner Ina and the Fives Cail Babcock Company had guaranteed to furnish the equipment and was in the process of supervising it when the local partner experienced a serious shortage of funds in 1979, forcing it to suspend operations, among others on the road that was to enable them to ship the ore to the port of San Fernando.

There again, the DBP was forced to step in, but the French consortium, which had been entirely paid off for what it had contracted to do — it is fitting to underline — is now guaranteeing to check out the equipment left at the site.

During these past few weeks Franco-Philippine relations have resumed a somewhat more normal course and businessmen are returning to Makati, the business district of Manila.

Thus some time ago the Degremont Company, which was brought to a standstill with a water treatment plant for the San Miguel combine brewery in Batangas, also on the island of Luzon, started work on the drinking water treatment station at Zamboanga, the third-largest city in the country. These relatively modest contracts were to be followed by a larger-scale operation: the water supply project for the Manila urban district. Actually, this is the third phase of the project, estimated at $500 million, and slated to be the object of a big contribution by the World Bank and Asian Development Bank. Part of that amount is to go to specialized firms. Established for several years now in the Philippines, Degremont is in a good position for the bidding that is to be opened at the beginning of 1983.

As for the Lafarge Coppee combine, the founder of a consortium notably including the Japanese firm of Mitsubishi, it has just signed a contract with PHILPHOS (Philippines Phosphate Fertilizer Corporation) providing for the construction of a big fertilizer factory on the island of Leyte, which will be operational by 1984. This complex will be supplied with superphosphates by the Republic of Nauru (formerly New Guinea), to the Philippine Government. Figuring among the 11 major industrial projects President Marcos has just approved, it will provide a sulphuric acid unit with a daily capacity of 1,500 tons, two phosphoric acid plants (600 tons a day) and one ammonium sulphate unit producing 520 tons a day.

Just so many elements that are moving toward a normalization of relations between the two countries, the effects of which should quickly be felt in their mutual balance of trade. During the first 6 months of 1981 French exports to the Philippines (essentially capital goods and semifinished products) largely doubled in comparison with the first half of the preceding year, reaching a figure of 456 million francs, and there is agreement in thinking that they probably came to a volume of about 800 million francs for all of last year, thus resulting in a slightly surplus balance in favor of France.

Evolution of Trade Between France and the Philippines
(in millions of francs)

	1979	First Half 1980	1980	First Half 1981	11 Months 1981
Exports to the Philippines	845.2	190.8	383.8	451.1	681
Imports from the Philippines	754.2	470.1	867.5	445.4	823
Balance	+91	-279.3	-483.7	+5.7	-138

(Source: Head Office, Customs Department)

11,466
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No. 1132

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SOUTH AND EAST ASIA REPORT

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PEACOCK ANNOUNCES PARTY LEADERSHIP CHALLENGE

BK051032 Melbourne Overseas Service in English 0830 GMT 5 Apr 82

[Text] Former minister, Andrew Peacock, has officially announced his challenge for the leadership of the Parliamentary Liberal Party. In a statement released Mr Peacock says there is very great concern among his Liberal Party colleagues about Australia's national leadership. Accordingly, he has decided to offer himself for the leadership of the party at its special meeting in Canberra on Thursday [8 April]. Describing the Victorian election as a watershed in national politics, Mr Peacock said it had confirmed the national trend against the Liberal Party in state byelections in Western Australia, Victoria, in Lowe in New South Wales and in city council elections in Brisbane. The former foreign affairs and industrial relations minister said the Liberals were no longer regarded as the party of economic growth, social progress and opportunity. Mr Peacock said a change in direction and new sense of purpose and a confident, but sensitive style of leadership were now required.

The prime minister, Mr Fraser, said in Melbourne today that former Minister Andrew Peacock had nowhere near the numbers to successfully mount a challenge at Thursday's special party meeting. Mr Fraser has called the meeting to resolve the matter of the leadership. He has said he is totally confident of remaining prime minister. Mr Fraser said the question of leadership challenge was first raised just before the Commonwealth heads of government meeting in October last year. He had always hoped the matter would disappear, but it had not, so it was now time to clear up the speculation. In a reference to Mr Peacock, Mr Fraser said it was an obvious distraction when somebody who had been a senior member of the ministry continually made speeches critical of the leadership or policy.

CSO: 4220/514

DISCUSSION ON BATTLE FOR LEADERSHIP OF GOVERNMENT PARTY

BK071141 Melbourne Overseas Service in English 1110 GMT 6 Apr 82

[From the "Australian Insight" program]

[Excerpt] The latest development in the battle for the leadership of the Australian Government has been the announcement that the deputy leadership of the principal party in the government coalition, the Liberal Party, will also be decided on Thursday [8 April]. The Liberals' present deputy leader, Sir Phillip Lynch, has declared that he will be vacating the position to enable it to be contested at the same meeting which will determine the actual party leadership. This meeting is to be held in Canberra on Thursday. The prime minister, Mr Fraser, called the meeting to settle the leadership question in the wake of the elections in Victoria which saw the loss of office of the 27-year old state liberal government.

A former minister in the Fraser government, Andrew Peacock, has declared himself a contender for the leadership of the Liberal Party and thus for the prime ministership. Again (Bill Nicholl):

The battle for leadership of the Australian Government is on in earnest. It's a numbers game with both the prime minister, Mr Fraser, and his challenger, the former foreign minister, Andrew Peacock, both claiming they have enough support to win the leadership contest when it is held here in Canberra on Thursday. More than numbers, the contest is also a question of tactics. The latest and most significant of these is the decision by the deputy leader of the Liberal Party, Sir Phillip Lynch, to stand down from his position and allow it to be contested along with that of the party leadership itself. Announcing the move, Sir Phillip said it was time he made way for a younger man. Sir Phillip is 48, Mr Peacock 42.

Sir Phillip spoke to reporters after informing cabinet of his decision:

[Begin recording] There's no pressure and I think really the matter frankly jelled in a quite firm way last weekend after discussion with the family. But its not a mere thought that emerges now for the first time and some of you, I think, would be aware of that for discussions [words indistinct] from time to time.

[Question] Will you leave politics altogether now?

[Answer] I am confident of doing well but I don't intend to conduct a public campaign for the position. My colleagues know me well enough, I think they can form an opinion of whether I am suitable for the post without any public advice from me, and I don't really intend to give any. [end recording]

In assessing the numbers for the leadership contest, it is very difficult to say who, between Mr Fraser and Mr Peacock, to say who can actually win the contest, although the odds appear to favor the prime minister. Some members of the parliamentary Liberal Party previously though possible supporters of Mr Peacock have, as the contest draws near, publicly stated their support for Mr Fraser. One is the defense minister, Mr Killen, a close personal friend of Mr Peacock. Another is Ray Groom, a former minister dumped by Mr Fraser with neither fanfare or warning.

Now the opening of the contest for the deputy leadership has further complicated Mr Peacock's position. The reason for this lies in the tactics being developed by the Fraser camp to undermine Mr Peacock's position in the Parliamentary Liberal Party. Mr Peacock, in declaring himself a contender for the leadership, stressed that the issue on which he stood was not one of personalities, but rather on the style of leadership and, more importantly, the policies being followed by the Liberal Party in government. With the vacating of the party's deputy leadership by Sir Phillip Lynch, the Liberal Party now has the opportunity of changing both the party's style of leadership and its policies and to do so, without changing the prime minister himself. With Mr Howard declared as a candidate for the deputy's job, the party will have a chance of electing someone perceived to have the ability to alter both--both style and policy. Those in the party dissatisfied with Mr Fraser, then, now have the chance to divert their frustration or anger away from actually voting against the prime minister. And where does this leave Mr Peacock? If he fails to win the leadership, someone has suggested he could nominate for the deputy leadership. But he has ruled this out saying he is a candidate for the top job and the top job alone. Whether sufficient pressure could be brought on Mr Peacock inside the party room to have him change his mind is a question that can only be answered on the day. Some political commentators believe a decision by Mr Peacock to take the deputy's position would provide a neat solution to the internal bickering over the leadership which is diverting the Liberal Party's attention from the business of government. As the Peacock and Fraser camps count the numbers, however, there is growing doubt about Mr Peacock's ability to win even the deputy leadership. But the vote could be extremely close, as it could be for the prime ministership. An indication of this is the near feverish attempts by both sides to shore up their support for the final battle this Thursday in Canberra. This is (Bill Nicholl) reporting.

CSO: 4220/514

BRIEFS

UN CONVENTIONAL WEAPONS--Australia has signed a United Nations convention that prohibits or restricts the use of certain conventional weapons. The convention, which covers weapons that may be deemed to be excessively injurious or to have indiscriminate effects, was adopted by consensus in October 1980 after almost a decade of negotiations. Included in the convention are weapons such as mines and booby traps, incendiary devices and bomb fragments that cannot be detected by X-ray. The foreign affairs minister, Mr Street, said that although limited in scope, the convention represented a major advance in the negotiations of restraint agreements in the field of humanitarian law. He said the government remained fully committed to the negotiation of further agreements on humanitarian law, in armed conflict, on balanced and verifiable disarmament and on arms control. A foreign affairs department spokesman said the delay between adoption of the convention in the United Nations and the signing of it was not unusual. The spokesman said ratification of the convention would follow a further assessment of the implications before making a final commitment to it. [Text] [BK131030 Melbourne Overseas Service in English 1830 GMT 13 Apr 82]

LIBERAL PARTY DEPUTY RESIGNATION--The deputy leader of the Federal Parliamentary Liberal Party, Sir Phillip Lynch, is to resign his position. Sir Phillip made the announcement to a meeting of Federal Cabinet in Hobart this morning. He said he would step aside at a special meeting of the Parliamentary Liberal Party on Thursday [1 April]. Sir Phillip said he felt it was time for a younger man to take on the position. There had been no pressure on him from anyone in the Liberal Party, however, he felt it was time for a change. Sir Phillip had held the deputy leadership for 10 years. [Text] [BK060712 Melbourne Overseas Service in English 0500 GMT 6 Apr 82]

CONTENDER FOR LIBERAL PARTY POST--Among other developments today affecting the Liberal Party, the federal treasurer, Mr Howard, said he would be a contender for the deputy leadership of the party's parliamentary wing and a former foreign affairs minister, Andrew Peacock, who is challenging Mr Fraser's leadership at Thursday's [8 April] party meeting says he is not interested in becoming deputy leader. Mr Fraser, the prime minister, had also issued a statement warmly praising the work of Sir Phillip Lynch. [Excerpt] [BK061136 Melbourne Overseas Service in English 0830 GMT 6 Apr 82]

INDONESIA-AUSTRALIA AIR COMMUNICATIONS--The Indonesian and Australian governments today signed a memorandum of understanding on arrangements for direct aviation communication channels for linking control centers in Jakarta, Bali, Ujungpandang, Perth and Darwin. At the signing ceremony, the Australian Government was represented by its ambassador in Jakarta, Frederick Dalrymple and the Indonesian side by Air Communications Director General Sugiri. According to Sugiri, the memorandum was the result of consultations held between the Air Communications Directorate General of the Indonesian Republic and the Australian Department of Transport. Sugiri hoped that the signing of the memorandum would serve as a starting point for a wider cooperation between Indonesia and Australia in the field of civil aviation in the future. [Text] [BK061447 Jakarta Domestic Service in Indonesian 1200 GMT 6 Apr 82]

LIBERAL DEPUTY LEADERSHIP CANDIDATES--The prime minister, Mr Fraser, says his numbers will be adequate to win tomorrow's contest for the leadership of the Parliamentary Liberal Party. Asked today in Canberra whether he would win a vote against challenger Andrew Peacock, Mr Fraser said yes, I will. Meanwhile, there now are four definite candidates for the deputy leadership following yesterday's decision by Sir Phillip Lynch to stand down after 10 years in the post. They are the treasurer, Mr Howard; the industrial relations minister, Mr Viner; the minister for the Australian capital territory, Mr Hodgman; and the health minister, Mr Mackellar. Radio Australia's political correspondent in Canberra says Mr Howard is a strong favorite to win and most Liberal MP's believe Mr Fraser will remain prime minister. [Text] [BK070941 Melbourne Overseas Service in English 0830 GMT 7 Apr 82]

VICTORIA LABOR LEADERS CONFIRMED--The two leaders of the Victorian Labor Party who led it to victory in last Saturday's [3 April] state elections have been confirmed in office. The party met today and reelected John Cain as leader and the new premier and (Robert Fordam) as his deputy. It also elected Victoria's new ministry. Meanwhile, the Liberal Party, defeated after 27 years in government, has reelected the outgoing premier, Mr Thompson, and elected outgoing transport minister, Robert Maclellan, as the new deputy leader to replace Bill Borthwick who lost his seat. [Text] [BK071049 Melbourne Overseas Service in English 0830 GMT 7 Apr 82]

CSO: 4220/514

'VOPB' REPORTS COMBAT NEWS FROM MONG YAWNG, NAMTU

BK181256 (Clandestine) Voice of the People of Burma in Burmese to Burma 1200 GMT 18 Apr 82

[Text] On 31 March, a combined unit of the people's army and the Kachin Independence Army [KIA] attacked and occupied Mong Yin camp, east of Namtu, where a company office of the military government's mercenary 41st Infantry Regiment and a platoon of soldiers and defense volunteers were stationed. Eleven enemy soldiers were killed, many others were wounded and three were taken prisoner in the battle.

More than 30 assorted weapons, including 1 90-mm bazooka and 1 submachine, and a large quantity of other military supplies were seized from the enemy.

On 2 April, a combined unit of the people's army and the KIA surrounded and attacked the military government's mercenary 4th Infantry Regiment at (Saihkaung), north of Namtu. Many enemy soldiers were wounded. The enemy fled in disarray leaving behind 35 dead.

Ammunition and military supplies and 19 assorted weapons were seized from the enemy.

On 5 April, the people's army launched a suprise attack and overran the (Pong Cho) camp, near Mong Yawng, where the military government's 3d Chin Rifles Regiment and defense volunteers, who were harrassing and bullying the people, were stationed. In this battle, the military government's mercenary army suffered 3 dead and 2 wounded while the defense volunteers of the military government suffered over 20 dead and many others wounded.

The people's army seized 37 assorted weapons, including 1 pistol, 1 collapsible mortar, 1 2-inch mortar and 17 rifles, and some ammunition and a large quantity of military supplies.

The enemy's (Pong Cho) camp was burned down and destroyed by the people's army.

CSO: 4211

MAUNG MAUNG KHA DISCUSSES EXPORT PROSPECTS

BK311642 Rangoon Domestic Service in Burmese 1330 GMT 31 Mar 82

[Excerpt] The coordination meeting of the economic coordination committee of the Council of Ministers and the chairmen of state and divisional people's councils on work relating to the implementation of the objectives of the 1982-83 economic plan--the 1st year of the Fourth 4-Year Economic Plan--was held in the conference hall of the prime minister's office at 0900 today.

Present at the meeting were chairman of the Council of Ministers' economic coordination committee and Prime Minister U Maung Maung Kha, committee members who are ministers, deputy ministers, chairmen of the state and divisional people's councils and heads of departments concerned.

Addressing the meeting, Prime Minister U Maung Maung Kha said that now was the time to start implementing the objectives of the Fourth 4-Year Plan. The entire Third 4-Year Plan, he said, was a success thanks to the leadership of the Lanzin Party, the supervision of people's councils at different levels and to the cooperation of and implementation by the people.

He added that, as production increases, it would be necessary to carry out all other related work such as, storage, milling and export in a systematic and coordinated manner. Efforts must be made to ensure exportable goods are sold at competitive prices; even more efforts must be made to realize the export target of 4.25 billion kyat for the 1982-83 fiscal year.

Rice, teak and minerals, he said, play a major role among exportable goods. Therefore, cooperation is needed to ensure work is accomplished effectively at all stages--from the production stage to storage, milling and finishing stages--for those goods.

He said time varies for each economic sector as to when beneficial results can be obtained from investments. For instance, he said, in the agriculture sectors, some projects can be done in a relatively short time to achieve results but results from building dams and irrigation systems cannot be obtained immediately. The mineral and industrial sectors also need time to achieve beneficial results. The industrial sector has currently become one of the exporting sectors. As the export momentum accumulates, efforts must be made to expand and increase exports from that sector, he concluded.

CSO: 4211

PARTIES SHOULD DOWNPLAY IDEOLOGY

BK121052 Jakarta ANTARA in English 1036 GMT 12 Apr 82

[Text] Ambon, 12 Apr (ANTARA)--Coordinating Minister for Political and Security Affairs M. Panggabean called on political parties in Indonesia Saturday not to emphasize ideology. They should instead orient themselves to social and economic development programs, he said.

He said in a get-together with local military and civilian leaders in Ambon what the nation presently needed was development in all sectors of national life to raise the social and economic welfare of the people.

"Ideology we already have, that is Pancasila. The political parties therefore need not emphasize ideology. They also should be more open to all Indonesian citizens without discriminating their religion, race or ancestry," Panggabean said.

The retired army general denied criticism from several quarters saying it was not true the government had neglected political education for the people. The people's political education was attended to but not given top priority, he said.

High priority was given to national efforts at raising the welfare of the people, he added.

In the past 13 years (since the First Five-Year Development Plan) the new order government had concentrated on development programs and these programs had yielded many positive results, he said. The government was now exerting efforts to distribute the results more equitably, Panggabean said.

He said the government was not a magician, capable of achieving all its objectives overnight. The people need to realize this in order to avoid frustration or the mistake of closing eyes to the positive results of development.

The government, he explained, was confronted by many problems in its work to fulfill the basic needs of the people. For instance, there are now 24 million children in Indonesia which have to be provided with elementary schooling facilities.

Panggabean was in Ambon Saturday for a 3-day tour in the Maluku area.

CSO: 4220/514

PARTY OFFICIALS VIEW ELECTION CAMPAIGN

BK121036 Jakarta ANTARA in English 1014 GMT 12 Apr 82

[Text] Medan, 12 Apr (ANTARA)--The current campaigning for the forthcoming May 4 general elections had been going on satisfactorily despite a few incidents, leaders of the three political contestants told ANTARA here over the weekend.

The present campaigns had been carried out much better than those for the 1971 and 1977 general elections, they said.

Chairman of the Indonesian Democratic Party (PDI) Sunawar Sukowait said after campaigning here Saturday the first 27 days of the 45-day campaign period had run satisfactorily. The contestants, he said, had reflected an improved attitude--to win as many votes as possible only through legal means.

Without giving exact figures, he noted that formal complaints from the contestants on the execution of the campaigns had been much less than formal complaints filed in during either the 1971 or the 1977 general election campaigns.

Vice-chairman of the Muslim United Development Party (PPP) Muddin Lubis in a separate interview with ANTARA also said he must admit that the organization of the current campaigns had been quite satisfactory.

He said after campaigning for his party in a number of provinces throughout the country he had become more convinced that the better conditions of the current electioneering would give a better opening for PPP to win.

Husni Thamrin, deputy secretary general of PPP, also campaigning in North Sumata, told ANTARA the present general election campaigning had been much improved due to changes the role of the armed forces has assumed.

The armed forces, as the referee, were now standing impartially above all the three contestants, he explained.

He added the general public too had become more mature making them less vulnerable to intimidations or insinuations. The public emotions were now better controlled, Husni said.

Scheduling of the campaigns, giving one day for one contestant only to stage a mass rally, while the other two waited for their respective turns, had contributed to the smooth running of the political contest, he observed further.

Despite a few violent incidents in Java, Golkar leader Dr Suhardiman also admitted to ANTARA that the present campaigning by PDI, Golkar and PPP had been running very well.

He did not give the incidents which occurred during the initial stage of the 45-day campaign period any special significance.

CSO: 4220/514

'AFP' REPORTS SUHARTO ON ELECTING NEW PRESIDENT

BK050922 Hong Kong AFP in English 0258 GMT 4 Apr 82

[Text] Jakarta, 4 Apr (AFP)--President Suharto was today reported to have put his position at stake by challenging the Indonesian people to elect another president if they no longer trusted him.

"I happen to be the president this time. The president can be re-elected after a five-year term of office if the people still trust him. But if they no longer trust him, they should not elect him again but elect someone else they trust," he told a gathering of peasants at the village of Barong on Sumba Island, east of Bali, yesterday.

President Suharto's remark, which was reported by the Jakarta newspaper SINAR HARAPAN (RAY OF HOPE), was the first ever published on the controversial problem of the presidency in the wake of resolutions and petitions pouring in almost daily calling for his re-election.

President Suharto, according to the paper, flatly denied allegations that he had been running the country as he willed. He was quoted as saying that he was only carrying out the decisions of the People's Congress (Indonesia's highest policy-making body) which had laid down the basic guidelines of state policies.

The president said that all policies, including those on development efforts, had been adopted by the congress.

The congress then trusted someone, the president, to carry out the policies, he said adding, "Therefore it is not true that the president goes his own way."

He also dismissed charges that the policies were intended to make the presidency a life-long one.

"This is also not correct. The president has only a five-year term of office," he pointed out.

The presidential election will be held by the new congress next year after the parliamentary elections on May 4.

Several universities and institutes of higher learning in Yogyakarta, Central Java, last month named former Vice-President Sultan Hamengkubuwono as a presidential candidate to succeed President Suharto, who is so far the sole official candidate.

Meanwhile, the rector of the influential University of Indonesia, Brigadier General Nugroho, has threatened to shut some faculties if the students continued their strike.

He made it clear that he would not tolerate strikes, saying that the students should abide by the university's rules. Those wishing to boycott lectures could do so freely, he added.

The students have been on strike since April 1 in protest against the dismissal of student leader Peter Sumaryoto, charged with organising campus anti-government activities.

CSO: 4220/514

MURTOPO PINPOINTS OPPONENTS OF RULING GOLKAR PARTY

BK180839 Hong Kong AFP in English 0312 GMT 18 Apr 82

[Text] Jakarta, 18 Apr (AFP)--The Indonesian Government has pinpointed the opponents of the ruling Golkar (Functional Groups) Party whom it says should be countered in the interest of Golkar's victory in next month's general election, ANTARA News Agency reported today.

Information Minister General Ali Murtopo told some 5,000 officials of the Industry Ministry here last night that the opponents were those of the "Petition 50" which wanted to delay the election, Muslim extremists led by Imron Mohammad Zein, whose followers hijacked an Indonesian jetliner to Bangkok and raided a police station last year, followers of the "Malari Group," who staged violent demonstrations against the government 6 years ago, and those who disagree with the current government.

According to ANTARA, General Murtopo said these opponents had been trying to disrupt the government and democracy.

"They are terrorists who have caused a setback in democracy," he was quoted as saying.

General Murtopo strongly condemned the riots that ruined a Golkar campaign rally here last month.

Golkar would deal with the rioters itself if the authorities were unable to act quickly to settle the problem, he said emotionally, according to ANTARA.

He reaffirmed that Golkar should win the election with a solid majority on polling day, May 4.

Meanwhile, two men have been sentenced by a Jakarta District Court for alleged involvement in the riot. Hassan Karokaro, 45, a businessman, was sentenced to a month's imprisonment and Darso, 17, a student, 2 months. Six other people will be taken to court next week on the same charges.

The Army newspaper BERITA YUDHA (WAR NEWS) reported today that a member of "Petition 50" has defected to Golkar. The man, Sulaiman Hamzah, has expressed allegiance to Golkar and pledged to vote for Golkar, the paper said.

The defection was announced by Hamzah himself at a Golkar meeting here yesterday, an announcement that was warmly applauded, the paper added.

The defection was seen by observers as a split within the Petition 50 group which consists of leading politicians and senior military officers, including former Police Chief General Hugeng Imam Santoso, former Jakarta Governor General Ali Sadikin, former Prime Minister Dr Burhanuddin Harahap and former Health Minister Dr Azis Saleh.

CSO: 4220/514

TEAM SET UP TO IMPROVE UNDERSTANDING WITH MUSLIMS

BK271447 Jakarta Domestic Service in Indonesian 1200 GMT 27 Mar 82

[Text] Commander of the Security and Order Restoration Command [KOPKAMTIB] Admiral Sudomo said he believed that it is necessary for him to maintain communications particularly with the Indonesian Muslim community as KOPKAMTIB had to frequently handle extremist cases caused by elements claiming to be acting on behalf of Muslims or the Islamic religion. Admiral Sudomo stated this when he launched a social communications team between KOPKAMTIB and the Muslim community in Jakarta this morning.

He said that the occurrence of extremist cases among the Muslim community was made possible because there is still a lack of mutual understanding in a number of cases. He expressed the hope that, with the setting up of the team, a mutual understanding would prevail in several cases which sometimes could disturb national stability, which is the responsibility of the KOPKAMTIB to maintain.

Meanwhile, KOPKAMTIB chief of staff General Wijoyo Suyono said there must certainly be causes for the occurrence of extremist cases among the Muslim community which could harm national stability. He said it is these cases which KOPKAMTIB should prevent before such extremist cases occur.

The team, comprising nine members, consists of social and religious experts of the KOPKAMTIB, staff members of the department of religious affairs and of the mental development center of the department of defense and security headed by the head of the mental development center, Brig Gen Sugeng Wijaya.

The secretary general of the Indonesian Council of Ulemas, Burhani Cokrohandoko, appealed to the Muslim community to take good advantage of the communications team.

The chairman of the Indonesian Council of Ulemas, Kyai Haji Hassan Basri, said that with the formation of the team, the most important thing is that the team could be utilized to make approaches to enable us to reach a mutual understanding in various religious related problems.

CSO: 4213/5050

SUDOMO, PARTY OFFICIALS MEET TO DISCUSS CAMPAIGN

BK171124 Jakarta Domestic Service in Indonesian 0600 GMT 17 Apr 82

[Text] The three participating parties in the general election, the United Development Party [PPP], the Functional Group [Golkar] and the Indonesian Democratic Party [PDI] have agreed that each party would strengthen party discipline, sothat the election campaign in the remaining 11 days of the campaign period would be peaceful and orderly.

In this connection, the executive committees of the political parties and Golkar agreed that the chief of the Security and Order Restoration Command [KOPKAMTIB] Sudomo would make public any excesses emerging from the election campaigns conducted by the contending parties.

At today's meeting between the contending parties and the KOPKAMTIB commander in Jakarta a proper settlement was achieved regarding a Golkar complaint over excesses in the PPP campaign in Jakarta on 13 April.

The three contending parties also agreed that in order to avoid future excesses, they would expand security teams and stick to the routes of their respective campaign tours. Each party will take necessary steps to protect its campaign posters and launch joint patrols with the police.

Today's meeting was meant to consolidate efforts aimed at conducting the general election in a secure and orderly atmosphere, while simultaneously maintaining national stability, unity and cohesion and safeguarding the process of development.

The meeting was also attended by Attorney General Ismail Saleh as chairman of the general election supervising committee and Suprapto, the secretary general of the General Election Institute.

CSO: 4213/5050

BRIEFS

ROK CONSTRUCTION MINISTER--Jakarta, 27 Mar (ANTARA)--Visiting South Korean Construction Minister Kim Chong-ho and his entourage Friday paid a courtesy call on Public Works Minister Purnomosidi Hajisaroso accompanied by South Korean Ambassador Han U-sok. The South Koreans were here to have further talks on an agreement signed between the two countries on June 28, 1981, which laid down plans for cooperation in construction works in Indonesia, the Middle East countries and in any other third country. They arrived here Wednesday and planned to leave for home on Saturday. [Excerpt] [BK281203 Jakarta ANTARA in English 0658 GMT 27 Mar 82]

NEW BURMESE AMBASSADOR--Jakarta, 2 Apr (ANTARA)--The Indonesian Government has given approval to the appointment of U Than Swe as ambassador extraordinary and plenipotentiary of the Socialist Republic of the Union of Burma to Indonesia. [Excerpt] [BK021503 Jakarta ANTARA in English 0726 GMT 2 Apr 82]

ENVOY TO ROMANIA--Jakarta, 27 Mar (ANTARA)--The new Indonesian ambassador to the Socialist Republic of Romania, Mohammad Isnaeni, Thursday [25 March] presented his credentials to President Nicolae Ceausescu in Bucharest. [Excerpt] [BK281203 Jakarta ANTARA in English 0959 GMT 27 Mar 82]

BASIC CHEMICAL INDUSTRIES--Jakarta, 31 Mar (ANTARA)--Production of the basic chemical industries at home in 1981 were valued at RP1,150 billion up by 22 percent from the previous year's level of RP944.3 billion. Sales of the production were worth RP1,050 billion, according to Hartarto, director general of basic chemical industries at a meeting here Tuesday. Hartarto pointed out the growth exceeded the previously set target of 14 percent for this sector and 11 percent for industrial sector as a whole. Despite the rising production, exports fell in 1981 compared with 1980. Hartarto attributed the fall to an increase in domestic consumption. The decline in exports was among other things recorded in fertilizer sector which was valued only at RP13 billion in 1981 as against RP20.7 billion in 1980. Investment projects in this sector rose from 26 in number worth RP378 billion in 1980 to 67 worth RP2,700 billion in 1981, Hartarto said. [BK011317 Jakarta ANTARA in English 0706 GMT 31 Mar 82]

CABINET MEMBERS POSSIBLE OPPOSITION--Jakarta, 8 Apr (AFP)--Vice President Adam Malik today raised the possibility of two opposition political parties joining the cabinet of the ruling Golkar Party (Functional Groups) if they can adapt to Golkar's policy. Talking to newsmen after a meeting with President Malik said the PPP (the Muslim United Development) and the PDI (the Democratic Party) may get seats in the cabinet "provided they can conform with the policies." The two opposition parties had been excluded from the government by President Suharto since Golkar won a landslide victory in the 1977 general election. Although the makeup of the cabinet does not depend on the parties' win in the general election scheduled for next month since President Suharto selects his ministers himself, Mr Malik's statement is seen here as an indication that both the PPP and the PDI may be included in the coming cabinet. [Text] [BK081541 Hong Kong AFP in English 1402 GMT 8 Apr 82]

OIL SUPPLY--Indonesia's oil supply to various friendly countries will not be affected by the reduction in Indonesian crude oil production and Pertamina has no intention of reviewing its contracts with various countries, such as the Philippines, Thailand, Bangladesh and Japan. This was stated by Mining and Energy Minister Subroto during a meeting with foreign correspondents in Jakarta today. He said that the amount of oil supplied to the countries concerned will remain at the levels agreed upon in the contract. Based on the OPEC agreement on 20 March 1982 in Vienna, Indonesia is reducing its oil production from 1.6 million barrels per day to 1.3 BPD. Subroto also stressed that OPEC will not reduce oil prices, and the $34 per barrel floor price will be maintained until the end of 1982. [Text] [BK151350 Jakarta Domestic Service in Indonesian 1200 GMT 15 Apr 82]

CSO: 4213/5050

BRIEFS

POLISH EMBASSY CLOSING--Wellington, 6 Apr (AFP)--The Polish Embassy here is being closed for economic reasons next month. The "suspension of activities" follows about a dozen similar closures of Polish embassies round the world in the past 8 months, said the Polish charge d'affairs in Wellington, Jan Koscinski. "Business will be carried on by the Polish Embassy in Canberra and the consulate and commercial offices in Sydney," he said. Mr Koscinski notified the New Zealand Government last week and "I have got full understanding from them." He added "the reasons are purely economic and we continue to be interested in maintaining good relations with each other." The mission in Wellington was opened in 1965. Embassy staff had travel restrictions placed on their movements around New Zealand after the Polish military takeover last December. It is understood the present Polish political crisis and New Zealand's opposition to the military crackdown had no effect on the present position. [Text] [BK071453 Hong Kong AFP in English 0542 GMT 7 Apr 82]

CSO: 4220/514

PRESIDENT'S PERSPECTIVE ON DEMOCRACY SUPPORTED

Karachi MORNING NEWS in English 5 Apr 82 p 4

[Editorial: "Paving Way For Democracy"]

[Text]

FEW persons in the country will disagree with President Zia-ul-Haq's apt remark that the real problem of Pakistan was the establishment of democracy not its restoration. Restoration literally means "to bring back to a (supposed) former state or to a normal state". Pakistan never had democracy, if by democracy is meant a government of the people, by the people and for the people. Put in other words, democracy is a form of government under popular control, responsive to the aspirations and demands of the common man and depending for its continued existence on the will of the majority. It would be more appropriate, as the President said, to talk of establishment of democracy in Pakistan which has always been ruled over not by the representatives of the majority but by oligarchic groups drawn from the landed aristocracy and bureaucracy, constituting but a microscopic minority and using the powers and resources of the state to preserve their own privileges and honours, and what is more tragic, at the cost of the country and the countrymen. Therein lies the root of all troubles to which this country has been victim since it was born.

Deprecating the agitational and negative politics indulged in by some of the politicians, the President has said that the Government was seriously engaged in working out a political structure based on Islamic principles, which would be put before the Majlis-i-Shoora at an appropriate time, leading to restoration of political activities and representative government in the country. He said that the Government was steadily moving towards introduction of Islamic democracy which should provide a government of the choice of the people and also give them a sense of participation in the affairs of the state.

The President also made the straightforward statement: "The politics should be made subservient to Islamic principles." Actually, the non-existence

of democracy in Pakistan and political activities—and the politicians who have so far held power in the country—being divorced from Islam are the two facets of the same problem. In view of the popular demand from the whole country for remoulding the Pakistani society on the pattern of Islam, only a government headed by persons believing firmly in Islam, living up to its tenets in their daily lives and desiring to run the country according to Quran and Sunnah can command the support and loyalties of the majority. A government headed by such persons will qualify in modern parlance to be designated as a democracy.

Taking note of the insistent popular demand for holding elections to effect the transfer of power to the elected representatives of the people, the President said that the holding of elections and transfer of power was always fraught with some dangers in our country. The few elections held in this country he said, had left a bitter taste. Outside forces, according to him and those opposed to the ideology of Pakistan would also try to influence the results of elections by pumping in money and other resources.

The President has correctly diagnosed the malady that has sapped the strength of the body politic of Pakistan. In a society in transition, such as Pakistan, elections are the only and the safest method for effecting political, economic and social changes in keeping with justice and popular aspirations. But the pressure groups and the vested interests—a tiny group that can be counted in thousands in a population of nearly 85 million—blinded by their self-interest went to extreme lengths in rigging the elections and thus barred the way to a smooth changeover. That has been the record since the first provincial elections down to the general election in 1977. It helped them for a time but ruined the country.

And today we stand at the cross-roads, rigging, as we pointed out in these columns earlier, has been the favourite method of the anti-Islam, anti-Pakistan and anti-democracy elements of nullifying the popular will as expressed through the ballot boxes, and capturing political power in the country. Certainly, they could not do it without willing tools and accomplices in bureaucracy. Given an administrative machinery free of such corrupt and unpatriotic elements, it should not be difficult to ensure honest and fair elections at the appropriate time, making it possible for honest, patriotic and inspired Muslims to take command of national affairs.

CSO: 4220/512

TALKS ON FOREIGN BASES DENIED

Karachi DAWN in English 5 Apr 82 p 7

[Text] THE DISCLOSURE by President Zia-ul-Haq that the Reagan Administration's offer last year to station American forces in Pakistan had been rejected by Islamabad should help to clarify the Government's position on a vital aspect of foreign policy. That the President should have deemed it necessary to reaffirm his Government's commitment to non-alignment at this stage is not without significance. At a time when there has been much speculation in the foreign Press on the basis of reports said to be emanating from Washington, it is essential that the record be set right at the Islamabad end. Reports that Pakistan is to play a role in the American strategy in the region by providing "facilities" for the Rapid Deployment Force would obviously have proved damaging since they tended to cast doubts on Pakistan's non-aligned credentials. Hence, the President's statement that no foreign bases are to be allowed on Pakistan's soil, nor any country is to be allowed to preposition its arms here, is both timely and unequivocal. Given its security compulsions in the context of the Afghan situation, none would deny Pakistan's need to strengthen its defences. But it is equally important that the country does not jeopardise its non-aligned status or erode its sovereignty in its quest for security.

In that context, it is significant that the 3.2 billion dollar package for arms sales and economic assistance negotiated last year is based on reciprocity and equality. As affirmed by President Zia, the arrangement does not contain any stipulations that derogate from the sovereignty and independence of Pakistan. The importance of this can hardly be overemphasised, considering our past experience with treaties and agreements which were not thought to be contingent upon any parliamentary ratification. Devoid of the scrutiny and moderating influence provided by a parliamentary debate, these agreements did not always serve the long-term national interest of the country even though they reflected the thinking and orientation of the Government in power. The Mutual Defence Assistance Agreement negotiated, at the behest of Mr. Ghulam Mohammad, by Prime Minister Mohammad Ali of Bogra with the Eisenhower Administration in May 1954, after Mr. Liaquat Ali Khan and Khawaja Nazimuddin had rejected offers of similar pacts in the past, embroiled Pakistan in security arrangements with a superpower which compromised, to a large degree, Pakistan's sovereignty and independence. The agreement which provided for the stationing of American personnel here and required Pakistan to accord them special facilities and privileges, was not conditional upon parliamentary ratification and came into effect when it was signed. Similarly, the 1959 Bilateral Defence Agreement, following which Pakistan provided the Budaber base to the United States from which the U-2 took off on its infamous flight, also came into force immediately after it was signed. It is to be presumed that, in the absence of any parliamentary mechanism for evaluation and scrutiny, the Government has been extremely careful in weighing all the pros and cons of the recent military sales and economic assistance arrangements with the US. It is of supreme importance that the country firmly adheres to its non-aligned policy – a position the President has reaffirmed – and jealously guards its independence in foreign policy.

CSO: 4220/511

DASTGIR ON INCENTIVES FOR OVERSEAS PAKISTANIS

Karachi DAWN in English 9 Apr 82 p 8

[Text]

ISLAMABAD, April 8: The Federal Minister for Labour, Manpower and Overseas Pakistanis, Mr. Ghulam Dastgir Khan, said here on Tuesday that the Government would give maximum incentives to overseas Pakistanis to make investment in trade and industry.

He was talking to newsmen at Islamabad Airport on his return here after a visit to four Arab countries. The Minister headed an eight-member delegation to Saudi Arabia, Kuwait, U.A.E. and Qatar.

He said the Government would give rebate of 25 per cent to the overseas Pakistanis for the import of machinery.

He said that they could invest in 50 industries and the Government was developing industrial estates in various parts of the country for this purpose. He said if necessary the government would authorise its embassies in these countries to give import permits for machinery as had been allowed for Pakistanis in Britain.

Mr. Ghulam Dastgir Khan said in Saudi Arabia he met the Interior and Labour Ministers and had useful discussions. He said he was assured that positive steps would be taken to solve the problems of Pakistanis in that country. He had also discussed with the Labour Ministers of UAE, Qatar and Kuwait about the problems of Pakistanis.

He said three or four more labour attaches would be posted in Saudi Arabia and a labour attache for Abu Dhabi would be sent soon to attend to the problems of the overseas Pakistanis.

He said that the Saudi Government had decided to constitute a committee with Pakistan's ambassador as a member to solve the cases of Pakistanis who were in various jails of that country. He said that about 500 Pakistanis were convicted while about 4,000 to 5000 were still waiting for decision in their cases. The Minister hoped that the committee will solve their problems as soon as possible.

The Minister said that in his deliberation with the Labour Minister of Abu Dhabi, it was decided that in future manpower would be exported on government to government basis to avoid corruption.

During his 12-day tour the Minister met a number of Pakistanis to apprise himself of their difficulties.

CSO: 4220/512

COMMENTARY ON SHOORA, ISLAMIZATION

Karachi DAWN in English 5 Apr 82 p 7

[Text] It was in this atmosphere that the Majlis-Shoora began its second session, early this week, in the old National Assembly Hall. The session's importance lay mainly in its being addressed by President General Mohammad Zia-ul-Haq on the opening day. Otherwise, right from the day of its creation, the Shoora's powerless and unrepresentative character have been its main handicap. Besides, since its first session, the torrential utterances of its Chairman, Khwaja Safdar, and of, some of its over zealous members, creating hopes about elections and restoration of democracy within a year or two which turned out to be totally baseless, have made this body look as ignorant about the future plans as anyone else in the country. On the other hand, it has a great potential to serve as a red rag for the defunct political parties.

It is against the elementary norms of political science to expect that a political vacuum of wide dimension can be filled by a plethora of monologue or by resort to verbal political gymnastics. It is bound to draw other forces out in the field, if the game is desired to continue. Otherwise, the single-side game cannot last very long. At least, it will not attract any spectators, and this at present is the position of the Shoora. The general atmosphere is such that even an honest critical speech in the Shoora will be looked upon as a stage-managed show or a command performance.

Where the objective of Islamisation of laws is concerned, a feeling is growing in educated circles here, which also include senior bureaucrats, that it can be achieved more effectively and more systematically by the Federal Shariat Court, if it is strengthened and empowered fully to take cognisance of the present laws which militate against Islamic injunctions—either on its own or on request by a citizen or the government.

There seems to be much force in the argument that to ensure national unity and restoration of confidence among the people, work must start without any further loss of time for the restoration of the supremacy of the country's judiciary, besides political activity.

CSO: 4220/511

GOOD NEWS ON KHASHKHELI OIL PRODUCTION WELCOMED

Karachi DAWN in English 5 Apr 82 p 7

[Text] GOOD NEWS continues to flow out of Khaskheli in the Badin district. The new estimates are that 5,000 barrels per day of oil will be produced by the recently discovered five wells there. The estimate is based on first-hand knowledge by a senior official of the Ministry of Petroleum who visited the site the other day. Not only has oil been discovered in the lower Indus region for the first time but its economics are going to be better than that of any previous find within the country. Oil has been struck at a depth of just around 3,500 feet in all the wells, thus consuming one-third of the time and money required for drilling in some other places, as for instance the Potwar area. And the oil is of a very high grade. The Khaskheli oil discovery is most encouraging since the need for more indigenous oil production has never been greater than now. The country is spending 1.6 billion dollars per year on oil imports. The consumption, now one lakh barrels per day, is likely to rise to 1,60,000 by 1990. Domestic production has been about 10,000 bpd for the last four years and is projected to go up to 26,000 bpd by 1990. Much will depend, however, on the new discoveries at Khaskheli. The area's potential seems richer than was thought earlier, and there is every reason why more wells should be drilled. Unofficially, it is estimated that these five wells together may yield as much 10,000 bpd, which will be equivalent to the total indigenous production at present.

The discovery at Khaskheli has also raised the question of transporting the crude from the site to the refinery in Karachi. At present, a few tankers belonging to the National Logistics Cell have been entrusted with the job of carrying about 2,000 bpd of crude from site to the refinery. However, with the increase in the Khaskheli output, the tanker fleet may prove inadequate to the task and a pipeline may offer a better mode of transportation. It will be appropriate if preliminary work for laying a pipeline is taken in hand on a priority basis. The proposed pipeline must have enough extra capacity to handle a greater quantity. Lastly, a more intensive prospecting exercise than hitherto in the lower Indus Basin is greatly to be desired.

CSO: 4220/511

GOVERNMENT ESTIMATES ON EXPENSES CHALLENGED

Karachi DAWN in English 1 Apr 82 p 12

[Article by Tariq Zaheen]

[Text] Lahore, March 31: Maulana Abdul Ghaffar Ghaffari, President of Punjab Teachers Union, in an interview with "DAWN" on Tuesday (partly covered in Wednesday's issue) said that Government's estimate of Rs 7000 million, as extra expenditure to be incurred on the acceptance of the teachers' demand, was not correct. He said that according to calculations made by the Union, the maximum amount to be spent on teachers would not exceed Rs. 100 million, he added. Out of this Rs 70 million would be spent by giving house rent at the rate of 30 per cent while another Rs 30 million would be spent on the adjustment of grades and promotions.

When asked to confirm the figure of Rs. 7,000 million as the total expenditure for meeting the teachers' demands, the Provincial Additional Secretary, Finance (Budget) Mr. Zulfiqar Ali Shah, who at present is also officiating as Provincial Secretary, Finance, said "we never provided these figures to the Government." The Director, Public Instruction (DPI) Mr. Qazi, also expressed similar views when asked to comment.

Basis of Calculation

Informed sources here believe that the figure of Rs. 7,000 million was the result of an exercise conducted by the Education Department but nobody appeared to know the basis of calculation.

On the other hand, Mr. Ghaffari claimed that the figure was highly exaggerated and misleading as the actual burden on the exchequer would be far less. The Federal Education Minister, he said, was also unable to give any comments on these inflated figures.

Referring to the suggestions made by the Chairman, Majlis-i-Shoora, Kh Mohammad Safdar, that the teachers should first call off the strike to enter into a dialogue with the Government. Mr. Ghaffari said, the decision to go on strike had a long painful history behind it. He said that despite the Union's repeated reminders since 1979 which remained unheeded it had called off its strike last year only on the suggestion of the Government and had submitted a charter of demands on Jan. 21, 1981. After a prolonged delay the matter came up for discussion in the Punjab

Council in December last. On that occasion, the Provincial Education Minister had made a categorical statement that the Government had dropped the idea of considering the teachers demand as it involved huge expenditure.

Mr. Ghaffari said that in view of the statement the Union had no choice but to chalk out a programme to get its demands accepted.

Maintaining that the meetings held so far with the authorities had failed to yield any concrete results it was now for the President of Pakistan to take up the issue personally, particularly, in view of the deteriorating situation. Mr. Ghaffari claimed that on March 2, that is, just five days before launching the strike, they had a meeting with the Shoora Chairman at Islamabad and had asked him to convey their point of view to the President but that also produced no results.

Meanwhile, a high-level meeting was held here in the Governor House under the chairmanship of the Governor to finalise an agenda for the meeting scheduled for April 1 at Islamabad.

CSO: 4220/511

PROPOSAL TO SET UP PORT POLICE

Karachi DAWN in English 5 Apr 82 p 8

[Text] A proposal for the formation of port police has been sent to the Government for approval.

Disclosing this to newsmen at a Press conference at the KPT Staff College, the Chairman of KPT, Rear Admiral M. I. Arshad, said the mobile port police will be provided motor-cycles and equipped with the latest instruments to check the mis-handling in the port. It will directly work under KPT as in England and New York, he added.

The KPT Chairman said there was no indiscipline and crisis in port.

He said his speech during a lecture of port management and operations recently was misquoted by the Press.

Rear Admiral Arshad said he had cited an example of discipline in PIA.

A plan for the construction of a modern container terminal (cost about 1.3 billion rupees) has been submitted to the Federal Government for final approval, he said.

The work on the project is expected to start within a year's time, and will be completed in five years.

Several international agencies, including the World Bank, may assist in meeting the foreign exchange component of the project.

With the completion of the container terminal Pakistan will enter a new era of port handling, he said.

He said the congestion at the Karachi Port has been eliminated and the period of crisis which was at the port during 1978, has been overcome.

He said the Karachi Port is working on no-profit, no-loss basis. Side by side it has been undertaking new constructions, modernisation and improvements to meet the ever-increasing traffic.

Since independence most of the 21 berths have been re-constructed and now there are 30 berths at the port.

The KPT will construct three new mosques in the port area during the current year, Rear Admiral Arshad said. A number of mosques have been completed and renovated by the KPT earlier.--PPI.

CSO: 4220/511

NATIONAL ENDOWMENT FOR SCIENCE SUGGESTED

Karachi DAWN in English 5 Apr 82 p 8

[Text] Dr I. H. Usmani, a senior UN Energy Adviser, has suggested creation of a national endowment for science and technology and another for humanities to train and build highly trained manpower in the country.

Addressing members of the Pakistan Association of Scientists and Scientific Professions (PASSP) in Karachi on Saturday evening, Dr Usmani a former Chairman of Pakistan Atomic Energy Commission (PAEC), said the setting up of the national endowment of science would revolutionise scientific effort in the country.

He proposed that one dollar per capita be allocated for the setting up of the endowment so as to have substantial funds to train scientists and technologists upto post graduate and Ph.d. level of the age group between 25-30 years.

Dr Usmani also suggested to the Pakistan Government to advertise in foreign scientific magazines asking Pakistani scientists abroad about conditions and salaries on which they would like to work at home. He was confident the response would be quite positive in this regard.

He said that scientists and technologists in the country have failed in coming up to the expectations of the people. The need of the hour was to concentrate on training manpower for which a new effort was needed.

Dr Usmani was of the view that Pakistani scientists and technologists should be associated in matters of decision making in respect of defence matters as this will help save substantial amount currently spent on scientific projects geared to the defence of the country.

He underlined the need for spending more on scientific research and development in the country as this was a sector of vital national importance.

He said he was impressed by the development achieved in the field of agriculture and industry over the past few years. But, he felt, that this could be tripled if "sincere and serious efforts were made".

He called for giving priority to development in rural areas which have been neglected in the past. In this connection, he said, stress should be laid on rural electrification and water supply. He suggested decentralisation of electricity in the rural areas.

Dr Usmani also stated that a national energy audit should be carried out and that there was need of evolving a different philosophy in the energy sector which includes conservation of energy and greater use of solar energy.

He said a scientific service of Pakistan be introduced to give due status to the country's scientists. Dr Usmani said he would discuss proposals outlined by him with government officials.

Mr Manzur Ahmed Shaikh, Secretary, Federal Ministry of Science and Technology, in a brief speech said the idea of a national endowment was an excellent one.

Mr Shaikh said a pilot project to provide clear water in rural areas had been launched by the Pakistan Council of Scientific and Industrial Research (PCSIR) in collaboration with the Public Health Department.

Mr Abdul Hameed Chotani, Vice President, PASSP, earlier welcomed Dr Usmani.--PPI.

CSO: 4220/511

TASK FORCE TO STEP UP REMITTANCES

Karachi BUSINESS RECORDER in English 8 Apr 82 p 1

[Text]

ABU DHABI, April 7: The Pakistan Government has set up a task force for a detailed examination of problems faced by Pakistanis in remitting money home and possible incentives to attract more remittances through Pakistani banks.

The task force was set up because of a growing feeling in Pakistan that after nationalisation the banks had become bureaucratic, resulting in delays in transfer of money.

The force comprising officials of State Bank, Pakistan Banking Council and nationalised banks is currently on a visit of countries with concentration of Pakistani workers from where bulk of remittances is sent.

A. Rahman, a member of the force told "Khaleej Times" in an interview that the remittances by Pakistanis abroad constituted a substantial part of the country's foreign exchange earnings and the government wanted to provide all possible facilities for the smooth operation of this system.

He said the task force during its month long tour would study the procedure adopted by Pakistani banks in these countries, rates offered by them as compared to other banks and exchange houses and possible innocentives for attracting more remittances through Pakistani banks. On return the task force would submit an action plan to the government.

The plan will include a proposal that drafts sent by Pakistanis abroad should be encashed when presented at the counter of any nationalised banks even though the draft had been made by another bank.

Dr Rahman said the task force also intended to propose Investment schemes to attract more remittances into productive channels.

He disclosed that after delinking of Pakistani rupee from dollar in January this year, the amount of remittances had increased by at least ten per cent, it was mainly because of higher remittances from salaried class.

The members of the task force after visiting UAE will go to Qatar, Kuwait, Saudi Arabia, Libya, Britain and West Germany.

CSO: 4220/512

KARACHI'S ABORTED SUBWAY PROJECT DISCUSSED

Karachi DAWN in English 9 Apr 82 Magazine p 1

[Article by Azmat Ansari]

[Text]

Whatever happened to Karachi's underground railway project? A lot of people who earlier on thought that a subway for Karachi was a luxury may now have second thoughts about it.

The plan to dig a tunnel under the Bunder Road spine at a cost of 200 million rupees has been shelved by the government. The planner concluded: although the subway would carry between 72,000 and 76,000 persons every day, benefits would not justify the cost.

A few files and a couple of maps showing the proposed route of the subway still survive in the Master Plan Department of the KDA. There is even a map of the wall on which two routes in dotted lines are the routes suggested by the KDA and the Ministry. When the project was still hot, the KDA suggested that the route of the subway should not be under Bunder Road as proposed by the Ministry, rather it should start from somewhere close to the Karachi University, touching Gulshan-i-Jauhar, Scheme-33, Tariq Road, Shahrah-e-Faisal and via M. A. Jinnah Road and terminate at the City Railway Station.

An official whom I interviewed said that a route along the Karachi University corridor would be a more useful route than a route under Bunder Road. The population projections show that the concentration would be around the Karachi University corridor in the next 20 years and therefore a route along this corridor could serve a larger number of people.

Social costs

The environmentalists in Karachi are not particularly opposed to the subway. At least one of them said to me that while reckoning the cost of the subway, the planners do not seem to take into account the social costs that the people may have to pay in the event of abandoning the project.

In the developed world, noise is considered being increasingly felt that one of the principal causes of psychological diseases and ailments. And then it is not just the noise that we hear that is dangerous. Some sound wavelengths, although not audible, may be utterly damaging to the human system. A house or a settlement pretty close to a busy thoroughfare, may in fact be lethal for the human system.

Studies carried out in the West have shown that people living close to the flyways are twice as prone to mental derangement as people living in houses in relatively quiet areas.

A former official who worked for the Rapid Transit Cell or the Karachi Subway Project and who had lived in the United States for some time says that if a person stays near one of those flyways for two weeks he may become a mental wreck. In Karachi, now on account of the increase in traffic there has been some talk of making flyways to ease traffic congestion. A subway will take some lead off the roads, and reduce the need for having more flyovers, at least for some more years.

Already, on M.A. Jinnah Road, during peak hours on certain sections of the road the capacity for taking on vehicles reaches a saturation point. The Traffic Engineering Bureau has collected some extremely valuable data which has not yet been formally released to the Press:

On 7th March, a batch of young students, mostly from engineering colleges and the Karachi University, observed between 7 a.m. and 7 p.m. 69,772 vehicles going up from the Quaid's Mazar towards Mereweather Tower. In the same period 58,590 vehicles came down from M.A. Jinnah Road towards Guru Mandir. The break-up of the traffic observed was:

–26,428: taxis, cars, vans and wagons;
–5144: mini buses, buses, trucks, oil tankers;
14,400: Scooters and motorcycles
–247 Animal-driven cars and 23,553 rickshaws.

The following figures – as yet unpublished – collected in a week-long survey from 30 Jan until 4 Feb show that on an average 1,506 vehicles enter Business Recorder Road every hour from Lasbela, 993 go out from Business Recorder Road towards Lasbela; 1,310 enter Jehangir Road from Tin Hatti; 1,227 go from Jahangir Road towards Tin Hatti; 453 enter Bahadur Yar Jang Road from Britto Road; 587 vehicles every hour go from Bahadur Yar Jang Road towards Britto Road; 1,063 enter Jamshed from Jail Road; 908 go from Jamshed Road towards Jail Road; 2038 vehicles from M.A. Jinnah Road go towards the Old Exhibition ground, while 1,694 enter M.A. Jinnah Road from Old Exhibition.

These interesting figures show that traffic on some roads in Karachi is fast reaching a point where it cannot run smoothly, and if nothing is done to improve the situation, then, within the next few years, traffic jams may throw the entire traffic system out of gear.

Overhead rail

The need for an alternate transport system becomes acute every day. An overhead railway is ruled out because the countries which had such railways are now getting rid of them. In New York, for example, an entire overhead railway system has been dismantled because of the protests by the environmentalists and residents.

On normal working days, it is almost impossible to find a place for parking a car on I. I. Chundrigar and M.A. Jinnah Road. Every year more cars are being brought into Karachi by its citizens. By 1985 the number of households owning cars is likely to increase from 36,000 in 1971 to 118,000 in 1985. One households out of every ten will be owning a car by 1985. One can imagine how grave the parking situation will become by that time.

A subway can also ease the parking situation to an extent. In the West, a large number of car owners use subways to reach their offices largely because there is no place for parking their cars around their offices. A subway relieves a lot of pressure from the parking lots inside a city.

Other unpublished reports of survey on pollution in Karachi show that anti-smoke emission laws for buses and rickshaws are lax. Take a look at these figures:

On 7th March among the vehicles going towards Mereweather Tower between 7 a.m. and 7 p.m. 538 buses were seen emitting a high degree of smoke and 208 buses a low degree of smoke. Seventy KTC buses that travelled on Bunder Road that day emitted a high degree of smoke and 31 buses low degree. Among rickshaws 832 emitted high-degree and 137 low degree of smoke.

As a result, the extent of pollution of air in Karachi is one of the highest in the world.

ircular train

A surprisingly large number of people use the Karachi circular rail way. From the number of tickets sold at the railway stations it would appear that not more than 200 persons on an av rage board the train, but staticians figure that several thousand people use the circular railway every day travelling as they do without tickets.

The trolly buses which until some time ago were talked about more and more by people as a supplement to the existing fleet of buses in Karachi have the advantage of rapid acceleration, silent and pollution-free operations and low maintenance costs, but the disadvantages far outweigh their advantages.

Trolly buses – which look like ordinary buses requiring overhead electricity lines for power and subject to de-wiring incidents, and when this occurs traffic congestions ensue; they cannot overtake another vehicle; and the system is not flexible.

Unlike buses they cannot be re-routed quickly if the situation so demands. They cannot detour around accidents or blockages and they are subject to power failures.

Lahore and Pindi

A case for subways for Lahore and Rawalpindi is equally strong. Recent trends have shown that people in those cities are buying more cars for their daily use than they have bought, perhaps, in the last two decades.

In both Lahore and Rawalpindi – which are older cities than Karachi – streets are narrow and ill-planned. In view of the growing traffic the need for alternate means of transport become more dire and urgent

CSO: 4220/512

ARTICLE DISCUSSES FAISAL MOSQUE

Karachi DAWN in English 9 Apr 82 Supplement p I, III, IV

[Text] ISLAMABAD Master Plan, prepared in 1959, envisaged the construction of grand National Mosque, on high terraced land at the foot of Margalla Hills, on the axis of Islamabad's most important highway, Shahrah-i-Islamabad. The site of the mosque is a focal point for road-users approaching the Federal capital from the South; it is so located that on completion, it will be visible from a long distance, both during day and night, and will be an important landmark of the Federal capital.

In 1966, when selection of an architect for designing the National Mosque was under CDA's consideration, his Majesty the late King of Saudi Arabia Shah Faisal Bin Abdul Aziz graced Islamabad and paid a visit to Shakarparian on April 21, 1966 for planting a sapling. When general characteristics of the town were being explained to His Majesty, the location of the Jamia Masjid was also mentioned. The late King Faisal showed keen interest in the construction of the mosque and graciously offered to bear personally all expenses on its construction.

In order to obtain the best possible design for the mosque, an internatinal competition limited to Muslim architects all over the world was held by CDA in 1969, under auspices of the Union of International Architects. Top architects from 13 Muslim countries participted in the competition. The entries were judged by a jury appointed by the Union of International Architects. The jury also included a representative of the Saudi Arabian Government. The design of Mr. Vedat Dalokay was adjudged to be the best and he was awarded the first prize. He was consequently selected as the Architect for this project. The contract agreement with him was finalized in April 1970 and he was entrusted with the entire project, including overall supervision till its completion. The mosque is now being constructed according to the design prepared by Mr. Vedat Dalokay.

In 1975, applications for pre-qualification of construction companies were invited, both at home and abroad through Pakistan's Missions. Eighteen applications were received in all, and in November, 1975, twelve construction companies from within and outside the country, were pre-qualified by the CDA with the help and advice of the consultant. Tender documents to pre-qualified companies were issued in December, 1975 and tenders were opened on February 28, 1976 in the presence of His Excellency the Ambassador of Saudi Arabia Mr. Fahad Al-Modlej; Director Projects, Ministry of Finance, Saudi Arabia; and Mr. Vedat Dalokey, the main Architect of the project. Four construction companies participated. After the usual technical scrutiny of tenders and fulfilment of necessary formalities, the work was awarded to Messrs National Construction Company (Pakistan) Limited. The letter of intent was issued in June, 1976 with November 17, 1976 as the date of start.

MASTER PIECE OF ARCHITECTURE

The splendour of Margalla Hills rising North of the project site was the most important factor in moul-

ding the structure of the mosque, which resembles the form of a pyramidal tent. The background in natural combination of triangles made by valleys and ridges, the triangle as its basic element, provides perfect harmony with recurring triangular facets of the background hills.

As first prayer congregation was held by the Holy Prophet (May peace be upon him) in a tent, the project, as such, is well designed in both the directions, nature as well as religious history. The use of modern technology in its construction, coupled with inspiration from 5000 year old tradition of the area, will make this structure a masterpiece of contemporary architecture.

PHYSICAL FEATURES

The major elements included in the mosque are briefly as follows:–

A. CAPACITY

i) Site area 46 acres.
ii) Main Prayer Hall 228 foot x 228 foot x 138 foot high for 10,000 persons.
iii) Four 285 foot high minarets.
iv) Women's gallery located on Mezzanine floor with a capacity for 1500 ladies.
v) Entrance Verandah with a capacity for 2,000 persons located East of the mosque structure.
vi) Main courtyard for 40,000 persons
vii) Porticos with a covered praying capacity for 22,000 persons
viii) Courtyard towards the North for about 20,000 persons.

B AUXILLARIES

Parking facilites for 400 cars, ablution space for 200 persons at a time, cycle stand for 2000 cycles, Islamic Centre, museum, Library, auditorium, office space for mosque Administration and residence for the staff.

C STRUCTURE

The structure of the Main Prayer Hall is supported on girders rising from the four corners along valleys to a height of 133 feet in the centre. The pyramidal roof consists of hollow box type slabs and cross girders with hinge line beams running at ridge lines, adequately stiffened with diaphragm girders. At the top, the main girders are joined through decorative grid ceiling and a Summit Block. The horizontal thrust of the main girders is counter-balanced by the weight of mass concrete foundations and the four minarets located at the corners. The whole structure has been designed as a monolithic unit and constitutes one of the biggest unique buildings ventured in the medium of reinforced concrete with teh application of special construction techniques. All structural elements have been designed keeping in view earthquake effects, temperature, loading, creep, shrinkage, differential settlement of foundations in addition to normal vertical horizontal loading.

D. FINISHES

i) Exposed concrete finishes like fluted, bush hammered, board marks in patterns and fairface concrete have been specified for the structure. These finishes call for meticulous control of the design of concrete mixes and fabrication of form work, placing of concrete, application of release agents and compaction techniques.
ii) Aluminium anodized doors and windows and skylights.
iii) Teakwood doors and windows in Phase-II
iv) Flooring of stones, marble and terrazo
v) White marble clading on the roof.
vi) Fibre glass thermal insulation.

E. DECORATIVE FINISHES

The following decorative finishes have also been proposed in the mosque:

i) Turkish ceramic tiles, coloured scripture tiles and ceramic veneers.
ii) Stained glass and scriptures on Qibla wall.
iii) Coloured crystal glass on near and side walls of Main Prayer Hall.
iv) Marble and transparent glass work in Mehrab and Mimber.
v) Aluminium chandelier consisting of a sphere of 10 meters dia and ring of 40 meters dia suspended from grid ceiling.
vi) Fountains in the interior of the mosque, pedestrian entrance, ablution area, reflection pools with fountains on the North and West sides.
vii) Gold plated crescents on minarets and main crescent 'Alem' on the hall.

F. ELECTRIFICATION

i) The entire mosque will be well illuminated with flourescent, incandescent, mercury vapour and sodium light fittings, including flood lights.
ii) Under water fountain lights have been provided in the fountains.
iii) The entire mosque will be equipped with proper public address system based on laboratory backed accoustical studies.
iv) A modern lightening protection system has also been provided.
v) Two lifts shall be installed in North and South-East minarets for the public.

G. GENERAL

In addition, the complex will have a network of parking areas and properly designed external and internal utility services. The green areas adjoining the mosque shall be properly landscaped and devoted to prayers, increasing its congregational capacity from 100,000 persons to 300,000 persons.

CONSTRUCTION

The project has been split into two phases. Phase-I comprises main prayer hall, the four minarets and the four walls, podiums and some services. Phase-II includes the open courtyard, covered passages, ablution areas, fountains, three faculties of Islamic University, external and internal utility services, access roads from the East and South.

CSO: 4220/512

BRIEFS

MINORITY AFFAIRS ADVISER--Rawalpindi, April 8: The President and CMLA has appointed M. M. P. Bhandara as Adviser to the President on minorities affairs, with the rank and status of a minister of state with immediate effect, according to a notification issued by the Cabinet Division here on Thursday. The Ministry of Religious and Minorities Affairs would be the Administrative Ministry concerned with the work assigned to Mr. M. P. Bhandara.--APP. [Text] [Karachi DAWN in English 9 Apr 82 p 1]

RICE HUSK CEMENTING MATERIAL--Pakistan has achieved major breaktrhough in use of rice husk as cementing material replacing cement by 75 per cent and resulting in 40 per cent savings in existing building construction costs. A small house has recently been built at the Building Research Station in Karachi on an experimental basis. Officers said research on reduction in use of cement and its replacement by lime in construction work had also shown encouraging results. The Building Research Station was also carrying out research on prolonging the life of earth building in Pakistan mainly in the rural areas. Furthermore, the use of partial pre-fabrication of elements and buildings was also receiving due attention. An experiment on the use of slag, a waste material from the Karachi Steel Mills for making block to be used in construction of buildings was also underway.--PPI. [Text] [Karachi DAWN in English 9 Apr 82 p 7]

BAR MEMBERS ASKED TO QUIT--Faisalabad, April 8: A meeting of the Faisalabad District Bar Association has given a fortnight notice to its members who have joined the Majlis-i-Shoora to quit it or face expulsion from the association, according to a Press release of the Bar Association. [Text] [Karachi DAWN in English 9 Apr 82 p 8]

IDA SMALL INDUSTRY CREDIT--Quetta, April 8: The International Development Agency (IDA) has given to Pakistan for the first time an amount of 30 million US dollars (about Rs. 30 crore) for the promotion of Small industry in the country. Of this an amount of Rs four crore will be utilised in the Government projects while remaining 26 crores credit will be given to the private enterpreneurs through nationalised commercial banks. This was stated by Mr S. M. Yousuf, Deputy Managing Director of the Industrial Development of Pakistan. The credit will be given through the nationalised commercial banks while the Industrial Development Bank will carry out the monitoring of the credit. Credit to each party and upto the limit of Rs eight lakh would be given by the banks but credits beyond that limit would be referred to IDA's Washington office for scrutiny and approval. The loan which bears 11 per cent interest, is to be utilized in three years' period and it will be repayable in ten years' time. A tripartite committee with Provincial

Secretary, Industries, as its Chairman has been formed to receive and scrutinise the applications.--APP. [Text] [Karachi DAWN in English 9 Apr 82 p 15]

UNIVERSITY OFFICE BLOCK LOCKED--The supporters of Karachi University Students' Union locked the first floor of the Administration block on Thursday, says a KUSU Press release. Meanwhile, the Joint Secretary of KUSU, Mr. Ayaz Sarwat Farooqui, has sent a letter to the Students' Advisor of the University in response to the show-cause notice saying that the notice was "too vague and general." The President and General Secretary of Dow Medical College Students' Union, in a joint statement urged the authorities to acdept the demands of the KUSU. [Text] [Karachi DAWN in English 9 Apr 81 p 16]

TECHNOLOGY TRANSFER FROM JAPAN--Tokyo, April 1: Japan can help transform Pakistan's deficit-ridden economy into an economy with "sustained long-term trade surpluses within the next few years' by extending technology transfers Dr Mahbubul Haq said today. Dr Mahbubul Haq who holds the portfolio of Deputy Chairman of the Planning Commission said Pakistan "has experienced a remarkable economic recovery during recent years' led by increased agricultural and industrial production. Dr. Haq former Director of the World Bank's Policy Planning and Programme Review Department told reporters that mechanisation in agriculture was a first step towards economic development. Japanese small farm technology which did not displace human labour but increased productivity was most needed by the Pakistani farmers who owned an average of 10 to 12 acres he said. Earlier this week the visiting Pakistani official met the Japanese Government officials to discuss trade issues between the two countries including measures to stimulate Pakistan's exports.--APA. [Mahbubul Haq] [Text] [Karachi MORNING NEWS in English 2 Apr 82 p 1]

UNIVERSITY FOR MALAKAND DEMANDED--Peshawar, April 6: Farooq Mujahid, President of Jehanzeb College Students Union, has demanded the establishment of a university and technical and commerce colleges in Malakand Division. At a press conference here yesterday he said that keeping in view the strength of the students of the division, two technical colleges in the division and one commerce college at Mingora should be established so as to fulfil the longstanding demand of the students of the division. Enumerating the achievements of the union during the current session, he said that it was due to their efforts that books worth Rs. 8 000 were purchased for the college library, scholarships worth Rs. 4 000 were awarded by the Mingora municipality besides provision of transport facilities for the college students. Farooq demanded early award of scholarships for the students of district Dir.--APP. [Text] [Karachi BUSINESS RECORDER in English 7 Apr 82 p 2]

DEBATE ON WESTERN DEMOCRACY--Islamabad, April 6: The Pakistan National Centre in collaboration with the National Investment Trust is organising a debate on "Western democracy is a trap" (Maghrabi jamhooriyat ek phanda hai) in all the four provinces during the current month. The debate will be at the university level, but in the case of Baluchistan, colleges are also being associated with it. In Sind, the inter-university debate will be held at Hyderabad in the senate hall of the old campus of the Sind University on April 8. Ten speakers from six universities are taking part in it. The Sind provincial minister for education, culture and law, Mr. Justice Syed Ghaus Ali Shah will preside. In Baluchistan 11 speakers from

the Baluchistan University and five colleges from Quetta, Mastung and Loralai will take part in the debate being held at auditorium in Quetta, also on April 8. The Chairman of intermediate and secondary education, Baluchistan, Dr. Inamul Haq Kausar, will preside. In the Punjab the debate will be held at the Pakistan National Centre, Lahore on April 18 and in the Frontier province at the Pakistan National Centre, Peshawar on April 25. Prizes of Rs. 1,500, Rs. 1,000 and Rs. 500 in the form of NIT bearer units will be awarded to the winners of the first, second and third positions respectively in all the provinces. In addition the NIT will present souveniors to all participants in the debate. Winners of the first and second prizes in provinces will be invited to participate in a debate to be organised at the federal level at Islamabad. The date and subject of the federal debate will be announced later.--APP. [Text] [Karachi BUSINESS RECORDER in English 7 Apr 82 p 2]

REMARKS ON BIHARIS SLATED--The Vice-President of defunct Pakistan Muslim League, Sheikh Liaquat Husain, and Mr Ahmad Altaf, Chairman of defunct Tehrik Suba Karachi have taken exception to the statement of Sardar Sherbaz Mazari at the Karachi Bar Association, regarding repatriation of Biharis from Bangladesh to Pakistan. They point out that right of repatriation to three lakh Pakistanis stranded in Bangladesh cannot be denied by anyone. In a similar statement, the National Council for Repatriation has also criticised Mr Mazari's statement and said that it amounts to ridiculing those who sacrificed everything for Pakistan.--PPI. [Text] [Karachi DAWN in English 5 Apr 82 p 8]

STUDENT FEDERATION DEMANDS WITHDRAWAL--The Central Joint Secretary of Jeay Sind Students' Federation, Mr Ghulam Husain Khawaja, has demanded the withdrawal of rustication orders against all the students of the educational institutions in Sind. Addressing a Press conference yesterday he demanded that "outside interference in the educational institutions of the province be stopped." [Text] [Karachi DAWN in English 5 Apr 82 p 8]

DISSATISFACTION OVER STATE OF ECONOMY--Political and economic strategies are interlinked. But if the requirement of keeping a balance between political compulsions and economic facts is ignored, not only the economic objectives are not realised, political interests are also harmed. This was what happened during the tenure of the previous government. Acting wisely the present government did not give priority to economics over politics. It was, therefore, able to work with a greater satisfaction during the past five years. At the same time, it is also true that results expected during the past five years have also not been happy. Even today the majority of taken-over units are working well below their installed capacity. The textile industry can hardly achieve fifty per cent of its installed capacity. Only a quarter of the projects sanctioned during the past five years could be completed. After the delinking of the rupee from the dollar, the value of the rupee has been on the constant decline. Moreover, there are reservations and apprehensions in the private sector. How can there be an appreciable progress in such a situation? Different countries have adopted different methods for achieving greater productivity and economic progress. We should also take steps in the light of our condition and ideologies. We have no other option but to pursue the way of mixed economy. But the new lines of thoughts and actions should be adopted to improve the performance of both the public and the private sector. A continued projection of satisfaction on the results of the past five years would not be correct.--Jang, Karachi, April 3. [Text] [Karachi DAWN in English 5 Apr 82 p 7]

CANAL REHABILITATION PROJECT--LAHORE, April 7--The Federal Government is very soon launching a major project with World Bank for the rehabilitation of the financial assistance of the canal network, Ilahi Bakhsn Socmro, Federal Minister for Industries said here today, while inaugurating the third convention of Pakistan Society of Agricultural Engineers. He said that this project would ensure its operational efficiency in accordance with the vastly increased needs. He said that a stage had come and here was a challenge for agricultural engineers when mechanisms must be devised to regulate water deliveries to the fields in dynamis harmony with crop water requirements. He said that everyone concerned must wage an all-out war on all losses specially in water, which was the most precious input to agriculture. A beginning had been made with the on-farm water management on the downstream side of the canal Mogah. This activity would be continued and expanded as more resources became available, he said. [Karachi BUSINESS RECORDER in English 8 Apr 82 p 3]

AWARD FOR HEALTHY JOURNALISM--President Gen. Mohammad Zia-ul-Haq last night announced an annual award of about Rs. 50,000 from the National Press Trust to be given to journalists or institutions promoting the cause of healthy journalism. Speaking at the annual dinner of All-Pakistan Newspapers Society at a local hotel here, he said the award would be put at the disposal of APNS to be given by it at its annual function along with other awards. President Zia hoped that this small gift from him would be helpful in adding new chapters to the glorious book of journalism. [Excerpt] [Karachi DAWN in English 31 Mar 82 p 1]

BAR ASSOCIATION EXPELS MEMBERS--The Karachi Bar Association on Monday expelled five advocates from its membership for not resigning from the Majlis-i-Shoora. This is in pursuance of a resolution passed unanimously at a general body meeting of the KBA held on March 20 urging "such members to resign from the membership of Majlis-i-Shoora within three days," says a Press release. The advocates who have been expelled from the KBA are: Mr Obaidur Rehman, Syed Saeed Hassan, Mr Sharaf Faridi, Mir Nawaz Khan Marwat, and Mr Zahoorul Hassan Bhopali. The Honorary General Secretary of the Association, Mr Rasheed A. Razvi, in separate communications to the five advocates said that since no intimation about their resignation from the Majlis-i-Shoora was received till March 29, "we have to inform that in terms of resolution you are expelled from the membership of the KBA. Consequently, you have ceased to be a member of the KBA with immediate effect." [Text] [Karachi DAWN in English 31 Mar 82 p 12]

EXPULSION OF MEMBERS RESENTED--Mr Obaidur Bahman has, in a communication to the President of the Karachi Bar Association, protested against the decision to expel five members of the Association including himself, for their failure to resign from the Federal Council. He said on Wednesday that "an august body like the Karachi Bar Association is expected to follow its own Constitution and principles of natural justice". He objected to the passage of the resolution by the Association without giving an opportunity to the concerned fellow advocates who are members of the Federal Council to explain their position. Mr Obaidur Rahman said, the action taken against him and others was an attempt "to influence the coming elections of the bar and to divide it". [Text] [Karachi DAWN in English 1 Apr 82 p 6]

PAKISTAN-UAE COOPERATION--Abu Dhabi, March 31: Pakistan and the UAE have agreed to study a draft of an agreement on cooperation in labour affairs and organisation of Pakistani labour for work in UAE. Both sides have also agreed that suggestions

by the Pakistani side on issues relating to Pakistani workers would be discussed by a committee consisting of Labour Ministry officials and the Labour Attache at the Pakistan Embassy here in order to find solutions. This follows discussions between Mr. Ghulam Dastgir Khan, Pakistan's Labour Minister and his UAE counterpart, Mr Saif al-Jarwan, here on March 27. Later Mr Dastgir told a news conference that Mr Jarwan had assured him of the UAE Government's constant endeavour for the welfare of the Pakistanis in the country. Replying to a question, Mr Dastgir said the two Governments were discussing an extradition treaty, but declined to go into details as the matter fell within the jurisdiction of the Home Ministry of the two countries. He said Pakistanis were working in 40 countries and his Government was keen to ensure their welfare and do everything possible to improve their lot. Mr Dastgir said he had handed over a message of President Gen. Mohammad Zia-ul-Haq addressed to the President and Deputy Prime Minister of UAE. In his message, President Zia extended his greetings and appreciated the increasing cooperation between the two countries.--PPI. [Text] [Karachi DAWN in English 1 Apr 82 p 10]

TUFAIL'S FOREIGN TOUR--Lahore, April 4: Mian Tufail Mohammad, accompanied by Prof Khurshid Ahmad and Maulana Khalil Hamdi, will be leaving here on Monday on a month-long visit to three Muslim countries, namely Egypt, Kenya and Saudi Arabia. They will reach Cairo on April 6 to participate in a function being held in connection with the thousand years celebrations of Jamia al-Azhar. After a three-day stay in Egypt, they will proceed to Kenya to participate in a conference of World Assembly of Youth Student leaders belonging to Islamic movements of the African Continent, beside leaders of Islamic movements from all over the world, would participate. After a week's stay they will proceed to Saudi Arabia to perform Umra.--PPI. [Text] [Karachi DAWN in English 5 Apr 82 p 6]

PAKISTAN RAILWAYS--NEW APPOINTMENTS--Lahore, April 4: Pakistan Railways' new Chairman, Mr Abul Kalam on Sunday formally took charge of his office from Mr Mohammed Siddiq, who has proceeded on leave preparatory to retirement. Under the new arrangement, Mr Abul Kalam will also hold the office of Secretary Railways, and will sit in Islamabad. Meanwhile, Mr Amanullah Zafar has assumed, the charge of the newly-created post of General Manager (Administration and Operation). Mr Abul Kalam was previously Managing Director of the Karachi Shipyard while Mr Amanullah held the post of Additional Secretary, Planning Division in Islamabad. According to a PR spokesman the entire offices of the Railway Board will not shift to Islamabad, before the new Budget while the General Manager Administration and Operation will sit in the Railway Headquarters in Lahore. [Text] [Karachi DAWN in English 5 Apr 82 p 12]

TEACHERS WANT TALKS--The executive committee of Pakistan College Teachers Association (Sind) at its meeting on Sunday protested at the "treatment meted out to the teachers in the Punjab and NWFP" and "noted with regret" the attempt to spoil the image of the teaching community in the eyes of the public. The meeting demanded that the service conditions of eachers of government and nationalised institutions should be uniform, and appealed to the Governor of Sind to direct the authorities to convene a meeting of the representatives of teachers and the relevant departments to work out the modalities of a sclution and their implementation. [Text] [Karachi DAWN in English 5 Apr 82 p 12]

CAMPUS QUIET--The Karachi University Campus remained calm yesterday, but some crackers were exploded by unknown students. A spokesman of the KUSU said in a Press release that show-cause notices had been received by two more students--Mr Humaiyun Naqvi and Mr Rishad Khan--who were arrested from the campus along with three students including the General Secretary of KUSU on Thursday. The Students' Adviser has now issued fresh show-cause notices to the five University students, M/s Mahmood Ghaznavi, Shakilur Rehman, Ayaz Farooqui, Saifuddin, and Ali Muntazim. The fresh notices have been issued on the letterhead of Students' Adviser. Meanwhile, the acting Nazim of Islami Jamiat-i-Tulaba, Karachi University Unit, has criticised the issuance of fresh show-cause notices. [Text] [Karachi DAWN in English 5 Apr 82 p 12]

UNITED STUDENTS' MOVEMENT DEMANDS--The leaders of the United Students' Movement have demanded that the problems of the Karachi University be solved through negotiations and "outside interference be stopped". Addressing a Press conference they reiterated the proposal of a code of ethics to determine the future course of student-administration relationship. The USM leaders said they wanted withdrawal of rustication orders of all the students irrespective of their affiliations. They also demanded release of all the arrested students. The USM leaders alleged that workers of the rival group had manhandled three students at Dawood College on Saturday. They also alleged that a revolver shot was fired during the incident. They demanded action against those responsible. [Text] [Karachi DAWN in English 5 Apr 82 p 12]

SIND PROFESSORS ACTION--The Professors Association of Sind has decided to dissociate itself from the Sind Teachers Co-ordination Committee because of "its transgressing its limits". In a Press release, the Association also welcomed the announcement made by the Punjab Teachers Action Front which decided to call off the demonstration scheduled for Monday on the assurance of Federal Government.--PPI. [Text] [Karachi DAWN in English 5 Apr 82 p 12]

ISLAMIC MAYORS CONFERENCE--ISLAMABAD, April 7--The second general conference of the mayors of the Islamic capitals will be inaugurated by President Gen. Mohammad Zia-ul-Haq here on Thursday. Over one hundred delegates from 39 Islamic countries, and six observers from the affiliated bodies of the Organisation of Islamic Conference (OIC) will attend. Most of the delegates, including Engr. Abdul Kadir Koshak, Secretary-General of Islamic Capitals Organisation, have already arrived here. Habib Chatti, Secretary General of the OIC flew in to Islamabad today. [Karachi BUSINESS RECORDER in English 7 Apr 82 p 6]

MAJLIS ADOPTS OMBUDSMAN ORDER--ISLAMABAD, April 7--The Majlis-e-Shura today adopted with 24 amendments the draft establishment of the office of Ombudsman (Federal Mohtasib) Order, 1982, and recommended for its enactment. The Ombudsman, to be appointed by the President, will diagnose, investigate, redress and rectify any injustice done to a person through maladministration. The House approved the amended draft with an overwhelming consensus. There was only one dissenting voice. Chairman of the Majlis, Khawaja Mohammad Safdar presided over the Majlis session. The draft order was debated in the house for three days during which ninety-one members participated. 169 amendments were tabled by the members which were reduced to 24 after a meeting lastnight between the Law Minister Sharifuddin Pirzada and the members who had moved the amendments. The Chairman Khawaja Safdar disallowed another motion on the publication of proceedings of the Majlis in a daily and observed that while he would like the press to report objectively, he would not favour imposing any restrictions on the press. [Karachi BUSINESS RECORDER in English 8 Apr 82 p 1]

CSO: 4220/512

STATE-OWNED ENTERPRISES MANAGEMENT CHANGES CANCELLED

Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 9

[Article by Samuel V. Senoren]

[Text] A drastic move to overhaul the hierarchy of government-owned or controlled corporations has been quietly called off.

The major revamp ordered by President Marcos early last month would have separated the positions of chairman of the board and president of government enterprises.

The presidential directive would have clipped the powers and authority of officials of top government companies who hold the positions in a concurrent capacity.

The order, however, could not be immediately carried out because of the firm ties these officials already have with the international business community.

Although the directive has not been implemented, a government bank--the Philippine Veterans Bank--is likely to comply with it.

A banker who used to head another commercial bank has already been tapped to become PVB president.

PVB is presently headed by retired Gen. Romeo Espino as chairman and president. Espino assumed the presidency following the retirement of Esteban Cabanos early this year.

The President's directive addressed to Cabinet members early last month said that "in the event that the two positions are presently held by one person, steps shall be taken within three days to separate them and the Office of the President will be notified of the resolution of the governing board to this effect in order that the President may order the election or appointment of either the chief executive officer or the chairman."

The same directive said that "if the charter of a corporation provides for a concurrent chairman of the board and chief executive officer, appropriate recommendations for the amendment of its charter should likewise be submitted within three days to the President."

Had the directive been implemented, it would have affected primarily Energy Minister Geronimo Z. Velasco who is both chairman and president of the country's largest corporation--the Philippine National Oil Co. and GSIS general manager Roman Cruz Jr. who is also chairman and president of Philippine Airlines.

Questions were raised as to whether the Central Bank, Monetary Board or the Development Bank of the Philippines were covered by the directive.

The CB and the Monetary Board are headed by Jaime Laya while the DBP is headed by Cesar Zalamea as chairman and chief executive officer.

In the case of the PNOC, it was noted that most state-owned oil companies are headed by one individual who holds the top positions in a concurrent capacity.

Observers say the set-up makes it easier for the company to deal in the oil market where transactions are sometimes done on a purely personal basis.

In the case of PAL, it was pointed out that most of its major deals have been negotiated by Cruz and that a disruption in the hierarchy could affect the airline's standing in the world aviation industry or lead to repercussions on PAL's international commitments.

CSO: 4220/505

LOG EXPORT BAN URGED

Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 9

[Article by Resty Perez]

[Text]

THE PRESIDENTIAL Committee on Wood Industries Development (PCWID) has asked the government to stop log exports starting May 1 because the country's forest resources are fast depleting

PCWID said the country at present has only about 17 million hectares of forest lands, of which six million are already denuded.

The remaining forest areas, it added, are being cut at an alarming rate of 80,000 hectares a year prompting forestry experts to link reports that the resource base is inexhaustible and renewable

PCWID said that log exports must be totally phased out and the development of the wood processing industry be given more emphasis.

PCWID pointed out that the rationalization of the wood industry "can only be effectively implemented if log export is phased out."

PCWID said that between 1970 and 1974, 83 percent of all logs cut were exported and only 17 percent of the volume were processed locally.

It added that the wood processing plants were operating at only 47 percent of their rated capacities resulting in high cost of production.

Moreover, logs of the highest quality are exported while the rejects are processed into "poorly-made" wood products

THE Philippine Wood Producers Association (PWPA), on the other hand, wants the log ban implemented only after 1982.

It also asked the government to adopt a scale-down version of the old log export policy of allowing only logging concessions with processing plants to export logs

The log export ban has been delayed for the past six years after two extensions were given by President Marcos

The extensions were granted to "cushion a radical change in government policies that would inevitably affect the industries' position in the country's balance of payments."

CSO: 4220/505

LIMITS ON SHARIAL COURTS GIVEN

Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 p 3

[Article by Al Labita]

[Text] The setting up of shariah courts in Mindanoa does not imply that the Muslim Filipinos will be governed solely by their own legal system.

A pamphlet prepared by Esteban B. Bautista, a senior law lecturer of the University of the Philippines, says the "Muslims will continue to be governed by laws of general application."

Bautista was one of the members of the presidential commission that drafted the Code of Muslim Personal Laws of the Philippines.

The code, embodied in Presidential Decree 1083, is now the subject of an eight-week training institute for about 50 Muslim lawyers, /ulama/ and /asatidha/ [in italics] at the western Mindanao State University here.

The training, scheduled March 10-May 6, is in preparation for the establishment next year of the shariah courts in the predominantly Muslim areas of Mindanao.

The courts will be manned by those who successfully undergo the training and pass the special bar exams to be administered by the Supreme Court.

The Supreme Court, which has jurisdiction over the Muslim shariah courts, is one of the agencies involved in the implementation of the code.

The others are the Muslim Affairs Ministry, the Justice Ministry, the Institute of Islamic Studies of the University of the Philippines and the Center for Arabic and Islamic Studies of the Mindanao State University in Marawi City.

The courts will adjudicate cases involving Muslim personal laws only such as personal status, marriage and divorce, rights and obligations and property relations between husband and wife, paternity and filiation, parental authority, support and maintenance, and succession or inheritance.

Bautista said the laws that will continue to be applied to the Muslims include the Revised Penal Code (except, in certain cases, as to bigamy),

the land registration act, the public land act, the mining law, the forestry law, the fisheries act, tax and customs laws, commercial laws and many others.

"The Civil Code itself will continue to be applied to the Muslims, except insofar as it relates to persons and family relations and succession," Bautista said.

He said the adoption of the Muslim legal system "does not mean that it is an independent legal system without regard to other laws or the national interest."

"Like other laws, the Muslim legal system is subject to the constitution," he said.

The UP law lecturer said non-Muslims in the Muslim areas need not fear that they will now be governed by the Muslim legal system.

"It will apply to them and other non-Muslims in other areas only in limited instances provided for in the code," he said.

The provisions of the code on marriage and divorce, for instance, will apply to a non-Muslim whose marriage to a Muslim is in accordance with the code or other Muslim law, Bautista said.

CSO: 4220/505

CAVITE CONSTABULARY COMMANDER ASSAILED

Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 3

[Text] THE CAVITE Beach and Resort Owners Association pressed for the relief of PC provincial commander Lt. Col. Romeo Odi for alleged "militarization" of the province.

Through its chairman, George Agregado, managing director of Garden Coast Resorts, the association asked Assemblyman Jorge G. Nunez to relay the sentiment of the business sector of the province to the proper authorities.

Nunez was the guest of honor and speaker at the induction of the Garden Coast Homeowners Association last March 28.

* * *

AGREGADO, in a welcome address, said Col. Odi should be held responsible for giving the provincial commander a bad image. He said the provincial commander has continued to defy the instruction of Defense Minister Juan Ponce Enrile ordering the dismantling of all checkpoints.

While these checkpoints serve no good purpose, the PC authorities in the province have failed to check or solve a number of crimes in the province.

Agregado said that the holdup last week at the Lido Beach Resort staged by a group of heavily armed men shows the utter lack of respect by criminal elements for the PC/INP command in Cavite.

He also recalled that last September three persons were wounded when a crowd at Villa Susana Beach Resort was fired upon by men armed with Armalite rifles as evidenced by empty Armalite cartridges found in the vicinity.

And the irony of it all, he added, is that inspite of many witnesses, nobody has been arrested.

* * *

AGREGADO said that it is only during the tenure of Lt. Col. Odi, as PC provincial commander, that the governor and the municipal mayors of the province have find it necessary to bring peace and order problems of Cavite directly to the attention of the Ministry of National Defense.

The Cavite Beach and Resort Owners' Association unanimously approved a resolution supporting the steps taken by he governor and the Cavite Mayors' League in denouncing the Cavite PC/INP command to the Minister of National Defense.

CSO: 4220/505

POTENTIAL JAPANESE THREAT

Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 p 4

[Article by Teodoro F. Valencia in column, "Over a Cup of Coffee": "U.S. Will Save Money if Japan Rearms"]

[Excerpt] Let's go slow about encouraging Japan to rearm. We might regret it. Whether we like it or not, Japan will rearms so she wont disappoint the United States. [as published] The United States will save money by making Japan bear the cost of her own defense and contribute to the fulfillment of the American anti-communist plans. America, too, might be sorry later.

The Japanese national discipline is still there. If Japan never rearmed after World War II, it was because the United States prevented her during the early years following the end of World War II. In that period of time, Japan prospered because she did not have to spend for defense. And she liked it a lot. Today, the Americans are jealous of the Japanese who are prospering while they are going under due to heavy military preparations. Also, America wants Japan to spend for arms so that American business can have a fair chance against the Japanese.

The Japanese have been secretly telling the Americans that they want to rearm. However, the ASEAN countries apparently do not understand this. Hence, the trip of US Defense Secretary Caspar Weinberger to Japan and the Philippines and other destinations in Asia. Now, Japan must be reassured that we don't mind if she rearms. Who knows? That may just be what the Japanese are aching to do to contain Soviet and Chinese pressures. But the Japanese sword can be turned against the United States later- Japan never forgives an enemy, specially one that defeated her. The United States has never been good at knowing who's a friend and who's an enemy.

CSO: 4220/505

PROTECTION OF WORKERS' RIGHTS URGED

Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 p 4

[Editorial]

[Text]

SERVING notice that the government will not hesitate to arrest strikers whose motives dubious, Labor Minister Blas F. Ople the other day warned workers against illegal and hasty mass actions that would undermine the stability of the state.

He expressed the suspicion that some unions are using collective bargaining to promote social and economic instability for their ulterior political objectives. Such actions designed to promote destabilization of the government will not be tolerated, he said.

Ople probably had in mind the numerous strike notices filed with the labor ministry and the actual strikes waged by workers that were later ruled as illegal but continued by unions to press for their demands. These strikes, some of which have tended to be explosive, have caused severe labor-management strains even as they spelled huge losses for the struck firms.

While it is probably true that subversive elements are seeking to exploit the labor unrest in many firms to pursue their goals, it would be well for the labor minister to reassure the workers that their rights and prerogatives would be upheld and protected by the government. It should perhaps be stressed that his warning was a statement of fact that subversive elements within the labor ranks will not be countenanced and not a veiled threat against the more militant and vocal workers.

It is not remote that some workers would view the minister's warning in the wrong light. Destabilization, after all, is such a broad and abstract term that it could be wrongly applied to mean almost anything not in the interest of public order or the welfare of many.

Of course, there is cause for worry when labor unions defy court orders or labor ministry directives for a return to work either because the strikes have been found to be illegal or have been certified for compulsory arbitration. While this could mean that some workers are being manipulated by subversives elements, this could also be an indication of a sagging faith and confidence in the labor ministry to aptly protect the workers' welfare.

What the Ministry of Labor and Employment can work on at this point are measures that would safeguard labor rights and enhance the welfare of workers. There have been many complaints, for instance, of harassment and the use of goons, security guards, and even law enforcers against legitimate strikers -- although this has been greatly minimized by the agreement reached between workers and the defense ministry. There are also unresolved issues, like the granting of the 13th month pay on top of the Christmas bonus, which the ministry and the courts should clarify. The Batasan picketing and anti-scab bill still has to be passed.

The presence of subversive elements within the ranks of labor is almost a certainty. But it would be very difficult for them to gain ground if the workers know the government is there to protect them and see to their best interests.

CSO: 4220/505

COMMERCIAL BANK ASSETS RISE

Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 10

[Text] **THE** combined assets of commercial banks reached P168.9 billion at end-February 1982, an improvement of 1.3 percent or P8.2 billion over the previous month, the Central Bank reported yesterday.

CB data showed that the assets of private domestic banks and branches of foreign banks rose by P1.1 billion or 1.1 percent and P2.1 billion or 13.1 percent, respectively, or a combined increase of P3.2 billion.

However, the asset expansion was partly offset by the P1-billion or 2.1-pecent drop in the resources of the Philippine National Bank (PNB) which accounts for over 20 percent of the resources of the banking system.

The CB said the increase in resources of both private domestic banks and the branches of foreign banks was shown in the improvements of their due from other banks of P1.2 billion and P767 million, respectively.

The drop in PNB's resources was mainly due to the P1.5-billion or 12-percent dip in its cash assets, 42.3 percent in deposit with the CB, and 42 percent due from other banks.

Loan portfolio, the major earning asset of banks, rose by only P453 million or .4 percent -- about one-sixth of the expansion recorded in January, the CB said.

Traditional loans and discounts which accounted for 68.8 percent of total outstanding loans went up by P731 million or one percent. Other loan components increased by P2.3 million.

On the other hand, trading account securities and interbank loans dropped by P299 million and P198 million, respectively.

INVESTMENTS, another earning asset, had the highest increase in February at P694 million or 4.2 percent. Additional investments in trading account securities of P534 million accounted for 76.9 percent of the increase during the month.

Deposits which declined in January dropped further by P15 million in February. The deterioration was due largely to the drop in PNB's domestic demand deposits of P890 million, and foreign time accounts of P453 million.

On the other hand, domestic savings and time accounts of private local banks rose by P156 million and P218 million, respectively. Savings deposits of branches of foreign banks also increased by P126 million.

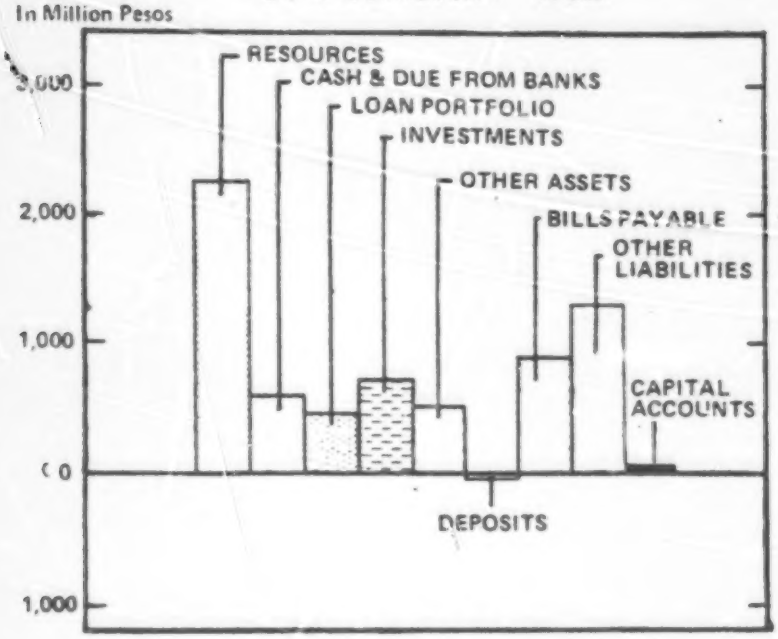
To meet the system's fund requirements, banks borrowed heavily as bills payable rose by P895 million or 1.8 percent, 71.6 percent of which was in deposit substitutes of PNB and branches of foreign banks.

Private banks, which reported a rise in deposits of P1.1 billion, reduced their bills payable by P361

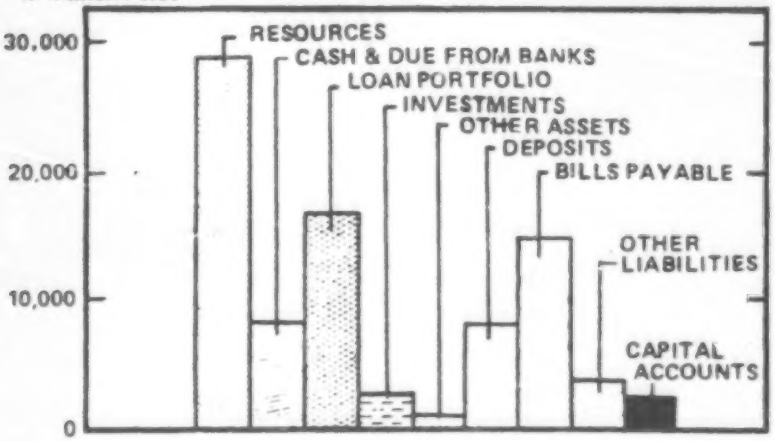
million, 86.8 percent of which were deposit substitutes.

During the month, the larger banks, i.e., those with assets over P3 billion and over P2 billion up to P3 billion, increased their asset. The small banks, i.e., with assets up to P2 billion, experienced a P179 million or 2.2 percent decline in assets, mainly because of the slow deposit growth and repayments of maturing bills payable, the CB said.

CHANGES FOR THE MONTH OF FEBRUARY 1982



CHANGES FOR THE YEAR



CSO: 4220/505

AMERICANS HOLD LARGEST FOREIGN INVESTMENTS

Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 9

[Article by Rosario A. Liquicia]

[Text]

THE Americans were the biggest single group among foreign investors in the country from 1968 to 1981, statistics from the Board of Investments (BOI) shows.

A report reveals that from 1968 to 1981, the Americans poured in P2.669 billion or 28.7 percent of foreign investments approved by the BOI during that period.

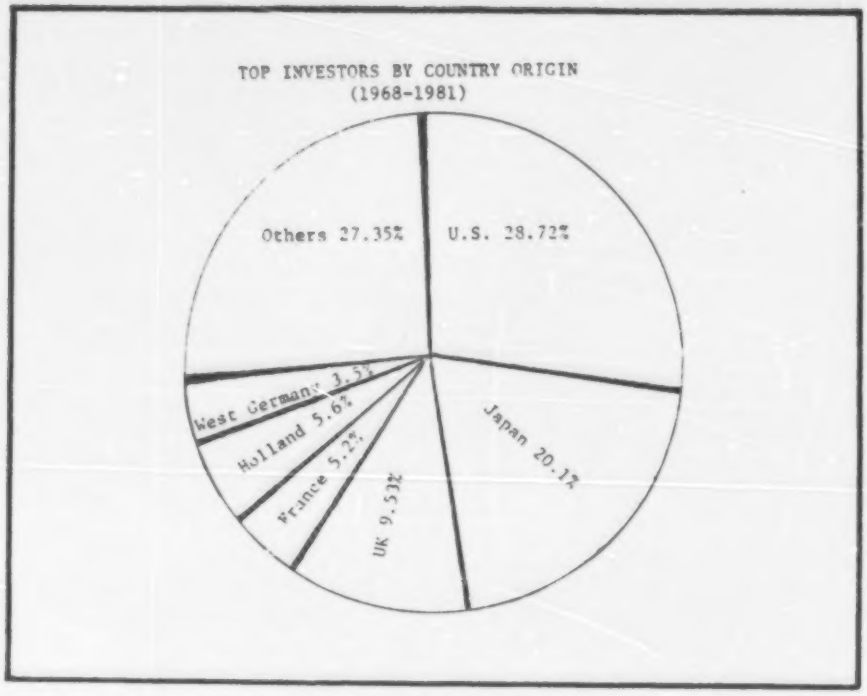
The BOI during the 4-year period, approved investments amounting to P23.187 billion, 60 percent of which was local with the balance of P9.29 billion accounted for by total foreign investments.

The amount of P23.187 billion represents investments approved by the BOI under the Investments Incentives Act, the Export Incentives Act, the Agricultural Investments Incentives Law, and the Foreign Business Regulations Act.

* * *

EARLIER, the BOI announced that it approved during 1968-1981 investments of P16.6 billion in priority areas, projects registered with the BOI which receive government incentives.

However, the amount of P23.187 billion includes investments approved under the Foreign Business Regulations Act (RA 5455) which are not entitled to incentives



* * *

THE Americans, being ready in the country while other foreign investors were still "feeling their way around," had in 1968 investments amounting to P57 million or more than half the total foreign investments of P97.5 million at that time, the BOI reports says.

Last year, American investments approved by the BOI totalled P495.8 million, or only 25 percent of total foreign investments last year.

As the share of American investments declined, the share of other investors, like the Japanese and some European investors, increased.

The Japanese were the second biggest single foreign investor with P1.868 billion or 20.1 percent of total foreign investments from 1968-1981, the BOI statistics shows.

* * *

ALTHOUGH Japanese investors already made some investments in 1968, the BOI report shows, it was only in the early 1970's that investments from Japan picked up.

The BOI report further states that investments from Europe during the 14-month period was P2.781 billion or 30 percent of total foreign investments during that period.

Broken down to individual country-investors, the biggest European investors were the British with P886.3 million or 9.53 percent of total foreign investments approved during 1968-1981, followed by the Dutch with 5.6 percent share and the Swiss with 5.27 percent then the Germans with 3.51 percent share of the total foreign investments during the 14-years period, the BOI report shows.

CSO: 4220/505

BRIEFS

U.S. BASES' VALUE QUESTIONED--The United States assures us of continuing help and friendship. If the US can just stop adding to our troubles by not sheltering terrorists who are out to blow up this country, we'll be grateful. With regard to the US bases, they are here to help the United States, not the Philippines. The US Supreme Court decision on a case filed by an American who was fired from Clark Air Base and replaced by a Filipino puts to rest all arguments that the bases agreement, not being a treaty ratified by the US senate, cannot be enforced against American citizens. This puts agreements between the United States and other nations in legal focus. So the US Supreme Court has ruled that Filipinos may be hired as employes and workers at the US bases in this country over Americans who used to enjoy priority. The next problem is whether or not the US bases officials will positively implement the order. The US Supreme Court decision is not directive but only permissive. The rest is up to the base officials. The record does not give room for too much optimism. [By Teodoro F. Valencia] [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 4]

GEOTHERMAL POWER PLANT CONTRACT--Tokyo--Mitsubishi Heavy Industries and two affiliates have jointly received a turn-key order for two 55 megawatt geothermal power units from the National Power Corp. of the Philippines. The contract value is about yen 12 billion ($48.9 million) and delivery is scheduled for May and August 1984, respectively, Mitsubhishi Heavy Industries said. The contract includes the supply of turbines, cooling towers and auxiliary equipment by Mitsubishi Heavy Industries and the supply of generators and electrical equipment by Mitsubishi Electric Corp. The other Mitsubishi company involved is Mitsubishi Corp. The power units will be installed at the Makiling and Banahaw power stations to supply power to Central Luzon island areas, including Manila. (PNA) [Text] [Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 9]

SPANISH ECONOMIC MISSION--Spain, whose phenomenal growth during the past 15 years brought it to the 11th position among the world's industrial producers, is gearing up for expanded economic relations with the Philippines. A 30-member businessmen's delegation, composed of senior leaders in seven industry groups, will come to Manila on April 15-16. The seven industries are banking, shipbuilding, cement and construction, telecommunications and electronics, engineering, machinery and heavy equipment, and trading. The mission will be headed by Manuel Prado Y Colon de Carvajal and Juan Maria Arenas, director general of exportation in the Ministry of Economy and Commerce. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 3 Apr 82 p 10]

MINDANAO REGIONAL COUNCILS MERGED--In our lead story today, the presidential move on the autonomous regions of Mindanao. The regional councils of the two autonomous governments in Mindanao have been combined into one body. President Marcos issued presidential decree 1843 to merge the two bodies in line with the joint communique issued by the president and Saudi King Khaled recently. It will be recalled that President Marcos last month visited Saudi Arabia to hold wide-ranging talks with top Saudi officials. Saudi King Khaled and President Marcos signed a joint communique to confirm that steps would be taken to merge the two executive councils into one. The merging of the two councils of regions 9 and 12 implements the Tripoli accord of 1976. The merging will also be submitted to the people of the two autonomous regions in a plebiscite to be supervised by the commission on elections on May 17. The plebiscite in the two autonomous regions coincides with the country's Barangay elections. [Text] [HK080031 Manila Far East Broadcasting Company in English 2330 GMT 7 Apr 82]

MOVE AGAINST DISGUISED TERRORISTS--All military field commanders have been ordered to institute preventive measures immediately against communist terrorists reportedly masquerading as army troopers and disarming special paramilitary forces members. Armed forces chief of staff General Fabian Ver ordered all field commanders to carry out effective measures. His order came in the reports that members of the civilian home defense force in Cagayan and Misamis Occidental were disarmed by fatigue-uniformed men. There were other incidents reported in Zamboanga del Sur and Cagayan. [Text] [HK070059 Manila Far East Broadcasting Company in English 2330 GMT 6 Apr 82]

WARNING ON PARALYZING INDUSTRY--President Marcos has warned Labor leaders against moves to paralyze industry. The president said labor unions infiltrated by subversives are being closely watched. He said they pose no real threat to the government, but the government will not allow them to disrupt the economy. [Excerpt] [HK050029 Manila Domestic Service in English 2330 GMT 4 Apr 82]

CSO: 4220/514 END

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20 May 1982

South and East Asia Report

No. 1143

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20 May 1982

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No. 1143

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CONGRESS-I MP DISCUSSES RELATIONS WITH U.S., PAKISTAN

Calcutta THE STATESMAN in English 19, 20 Apr 82

[Article by Madhavrao Scindia]

[19 Apr 82 p 6]

[Text] The see-saw of international relations sways dangerously on its fulcrum. There is a real threat of it disintegrating in a heap on what is being treated as the "playground" of the great Powers. But with it will succumb humanity, as we know it, leaving to the "unfortunates" who survive the tangible legacy of a scorched earth, and the intangible one of shattered values and dreams. Unless the very approach undergoes a radical transformation, the future is grim. It is across such stormy and tempestuous seas that India has to chart the voyage of the ship of her foreign policy.

No one is quite sure of the shape the world will take and what the future will take and what the future holds. We are witness to confrontation between Powers dedicated to change and those wedded to the maintenance of the status quo; between powers feverishly indulging in exploitation and those attempting to arrest that exploitation, between Powers committed to perpetuating the thesis of spheres of influence, and those fiercely asserting their independence and sovereignty. The world is regrouping into a myriad fiercely independent, locally redoubtable entities. We are moving into a prismatic world whose exact hues are still hazy.

Nationalism

Afghanistan, Poland and the Latin American situation have led to a sharp deterioration in super Power relations. However, the days of a few mighty Powers dominating the world seem clearly numbered. The flame of nationalism is asserting itself across many lands and proxy leaderships facing this resurgence of nationalist sentiment find themselves desperately at bay. Iran and now Poland are examples of this emotional awakening in what were formerly docile client States. All indications point to this trend continuing with further upheavals in Latin America and West Asia to the detriment of the USA, and in Eastern Europe where the Soviets will be at the receiving end.

In fact, great Power rivalry and their total absorption in a senseless arms race has cast its dark shadow over our part of the world. With the changes in Iran and Afghanistan, the whole focus of international relations has shifted to the sub-continent, Military and naval activity in the Indian Ocean, the continuing uncertainty in Afghanistan and the induction of a new generation of weapons into Pakistan have undoubtedly aggravated India's security environment.

The role of the USA has been unfortunate to say the least, aptly described in Selig Harrison's words as "a monumental self-defeating blunder," which will only succeed in "fanning the flames of anti-Americanism in the sub-continent."

Ever since the first year of the Reagan Administration, Indo-U.S. relations have come under severe pressure. In the Pentagon's annual military posture statement for 1981, the Administration clearly admitted that it intended to improve its military balance in Southwest Asia, a new geopolitical construction of the USA, of which Pakistan is an important member. The ostensible aim is the limitation of Soviet power and the containment of the possibility of direct Soviet military intervention and it is thought by Washington that Pakistan best fits into this scheme of things. How dangerous for the world that the foremost nuclear Power should base its foreign policy perspectives on such short-term and simplistic thinking.

Generation

Even assuming that the Soviet Union intends to intervene in Pakistan, which I cannot see it doing, does Washington really feel that Pakistan can stop it? Besides, it is well accepted that most of the high-powered weapons being supplied to Pakistan cannot be used on its western front, but only on its eastern front towards India. By this unwarranted and unnecessary action peace-loving and non-aligned India suddenly finds itself looking down the glistening black barrel of new generation weapons. In the circumstances, our endeavours to provide adequately for our defence places a severe burden on our economy, delicately poised at the take-off stage.

Compounding this further the stand the USA took on the much-needed IMF credit facility, its de facto unilateral abrogation of the Tarapur agreement and the denial of vital spare parts for the plant leaves us with the feeling of a sinister conspiracy aimed at blunting the potential of a country poised to play a significant role in the world--a country whose only crime in American eyes seems to be its outright rejection of the status of a client State. Washington seems to be ready to sacrifice U.S. interests in India for the sake of its ties with the military rulers of Pakistain in the hope that various forms of strategic cooperation will prove possible in the hope that the projected Rapid Deployment Force will acquire access to Pakistani ports; in the hope of naval base facilities and the restoration of U.S. electronic intelligence stations in Peshawar. Yes, some of these aims have been revealed by no less a person than Admiral Thomas H. Moore, former chairman of the U.S. Joint Chiefs of Staff.

Predicament

It is sad to see the predicament that the U.S. Ambassador in New Delhi has been left in by his Administration. Mr Harry Barnes can only express his confidence that Pakistan will not misuse American arms against India, surely more wishful thinking than conviction when one casts one's mind back to certain events in 1965 and 1971. Facing a turbulent internal situation, American strategic projections suit General Zia admirably. But what about America? In the constant changing graph of international relations, is it wise to slam the door in the face of a peace-loving and potentially great country? Is it wise to slam the door in the face of one of the most industrialized nations in the developing world? Is it wise to slam the door in the face of a country whose technological advance has culminated in such brilliant scientific achievements as membership of the exclusive satellite club and the conquest of Antarctica?

The USA is the second largest democracy in the world, and professes to be the champion of the democratic cause. Yet ironically, it seems to feel much cosier in its relationship with the largest Communist nation than with the largest democratic one! Its role in El Salvador, Nicaragua, Guatemala and its relationship with South Africa are glaring to even the non-discerning eye. There may be some truth in the saying that no country has permanent friends, only permanent interests. But even permanent interests must be based on some minimum principles of international morality, otherwise one's credibility fast erodes as is happening with Americans.

Even in the USA's relations with China, Taiwan is proving a difficult hurdle. In fact, Alexander Bovin, a respected political commentator said, talking of the Sino-American partnership, that "It is a partnership without confidence or, let's say, with a minimum of confidence. They now regard each other with more suspicion than previously. History is not only the past and the present, but also the future. And that which can be seen as a success today can turn out for Americans to be a complete failure tomorrow..."

[20 Apr 82 p 8]

[Text] There are clear indications that the Soviet Union and China are attempting to mend their fences with the Soviet call for new border talks and Chinese probes in the direction of economic cooperation. After Ayatollah Khomeini, Iran too, may be full of uncertainties with wide and far-reaching implications.

Cannot the foreign policy planners in the White House envisage the possibility of a changing situation where it becomes imperative for us both to have a much closer working relationship in the quest for peace, stability and development? Indeed, the very fragility of Pakistan's internal situation could culminate in the complete overturning of the American apple cart if a democratically elected Pakistani leader came to power with a popular mandate. Can Washington not see the possibility of a backlash in Pakistan against previous American dealings with military dictatorships? American policy in Pakistan is fraught with grave dangers for countries in the region, but most of all for the USA itself and for the American future in this part of the world.

India has a vested interest in a stable Pakistan. The collapse of Pakistan would mean the removal of an important buffer between us and a part of the world which is very disturbed. It would mean the de facto sharing of a common border with a very sensitive region in which the super Powers are deeply embroiled. And let us not forget that Chankya had said that common borders are always ultimately followed by the emergency of new friction points.

Abject Poverty

Above all, we are fighting a war in India--a war against abject poverty; and under the leadership of our Prime Minister we are determined to win this war. We are determined to succeed in giving a fair deal to the farmer toiling in his field; to the worker labouring in the factory; to the proletariat suffering crushing economic burdens and social injustice. And what may I ask would be the economic consequences of conflict with Pakistan? What would be its effect on the outcome of this crusade against poverty? It would be disastrous, catastrophic.

It is obvious that a war with Pakistan not only goes against the very grain of the philosophy of peaceful co-existence which has guided the basic Indian approach ever since the days of Mahatma Gandhi and Jawaharlal Nehru, but also goes against our national self-interest. Surely, enlightened public opinion in Pakistan understands this? Can we forget that basically we originate from the same stock; that only due to certain circumstances, whole families were separated, but that citizens of Pakistan were, are and will always remain our brothers and as brothers we will always respect our individual sovereignties? Can we simply wish away the bond between the peoples of the two sovereign countries which has endured for centuries? I feel convinced that this underlying amity and brotherhood between the peoples of the two countries still remains.

Unfortunately, it seems almost as if it is deliberately suppressed and kept dormant to serve the ends of a few in Pakistan who rule with no mandate from the people and therefore do not necessarily reflect their true aspirations. This can be the only explanation for the Pakistani regime's inconsistent behaviour. A tranquil relationship may destroy the very raison d'etre of the Pakistani military dictatorship. Otherwise what reason is there for Pakistan to repeatedly reject India's no-war pact offer right from 1949?

I quote Jawaharlal Nehru, the supreme architect of our foreign policy whose impact endures even today. He said in Parliament on August 14, 1951, "Our approach is not, if I may say so, one of piety or pacifism. It is an approach based on hard facts and on a cold-blooded realization of facts. Since we want to avoid war we offered Pakistan a "No-War Declaration" which Pakistan did not wholly accept or agree to. And even a few days ago this offer was repeated, but they declined to accept it..." Repeatedly from 1951 onwards we have been making this offer and on every occasion it has been rejected. Last year General Zia himself said that a "no-war pact would not be worth the paper it was written on." Then, all of a sudden, a few months later he makes the offer of a "no-war Pact," almost as an after-

thought, a postscript. And when India responds positively just before the second phase of talks are to commence in Islamabad, his representative at the U.N. Human Rights Commission in Geneva comes out with a preposterous statement; in effect throwing a spanner into the works. This is followed by innocent surprise at India's strong reaction.

Many Sacrifices

This country, through the great sacrifices made by its people, under the leadership of such giants as Gandhi, Nehru and Subhas Chandra Bose, achieved its own freedom from the colonial yoke. This country pioneered the struggle for freedom in other parts of Asia and Africa. It was in this country that thousands of young men and women with smiles on their faces sacrificed their lives at the sacred altar of national liberation. Such a nation is compared to regimes that perpetuate injustice and oppression in Palestine and Namibia! As long as the Palestinians do not get their homeland and the Namibians do not get their independence, no free nation can consider itself truly free. Unless such injustice is eliminated our own freedom cannot be truly complete. These have been the sentiments of our Government and our people and yet the Pakistani delegate had the gall to compare us to the oppressors when the world knows how our heart bleeds for the oppressed.

We understand the sentiments of friendship that must surely exist in Indian and Pakistani hearts in spite of the last two wars, forced on the two peoples by military dictatorships in Pakistan. But let not the Pakistani military regime misuse our sentiment for the people of Pakistan. Let the present rulers of Pakistan not mistake this for weakness. Like envy, aggression grows on appeasement, every success it achieves inflames it further. It will be a sad day for the people of our two nations if this destructive flame succeeds in setting the sub-continent alight. For in spite of any subsequent military success achieved, in the ultimate analysis the only victor will be those interests whose aim is to retard the blossoming of the bud of progress in our two great nations.

General Zia is obviously catering to three audiences. When he speaks of Soviet expansionism and the desire for a cordial relationship with India, he caters to American listeners in the hope of generous military aid. When he speaks of Kashmir and raises the bogey of aggressive Indian intentions he is talking to Pakistanis. And when he refutes the possibility of Pakistan being used as a willing tool by the USA for military facilities, he is talking of India. How can one maintain these three divergent signals to three different audiences and yet be consistent? The Pakistani offer loses credibility. General Zia is torn between the compulsion of trying to sabotage his own offer on the one hand, and trying to develop it on the other.

A Smokescreen

In any case, no-war pacts have had a chequered history. The Briand-Kellogg pact in the late twenties did not endure. The Molotov-Ribbentrop pact was torn up by Hitler within two years in 1941. The Molotov-Matsuoka pact was renounced by the Soviets in 1945 before declaring war on Japan. Within a short period of the signing of the Panch Shila agreement between India and China in 1954, China started nibbling at bits of Indian territory in Ladakh. The Sino-Soviet mutual security pact of 1950 met with a similar fate. History has shown that no-war pacts are, in most cases, used as a smokescreen to play for time. As Dorothy Thompson writes, "The trouble with non-aggression pacts is that they are only made for avoiding war--which is not the same thing as achieving peace."

That is why the friendship pact which Mrs Gandhi has consistently stressed upon has much more relevance and significance. A friendship pact has a much more positive element; a much wider dimension. It opens up a wide vista for active cooperation and abiding goodwill. This is the objective that Indian diplomacy has to set before itself.

But friendship is a two-way street. Friendship must, and does, exist between the peoples of the two countries. If the Pakistani Government is really genuine about its intentions towards India, let there be a freer exchange of culture. Let there be more trade, leading to greater mutual benefits. Let there be a more open border to enable brother to meet brother. This would automatically lead to confidence replacing suspicion, and the re-emergence of the traditional ties between our two sovereign peoples.

The world today is in torment. We stand at the crossroads. The human being is the only species on the globe with the capacity to alter his own future. Will he take a giant step forward towards the goal of economic emancipation for all in a climate of peace and tranquillity--or will he tumble backwards into the gaping pit hole of complete self-destruction? This is the question that confronts us all. Only we have the power to decide for ourselves.

CSO: 4220/7200

G.K. REDDY TELLS INDIAN STAND ON FALKLANDS

Madras THE HINDU in English 20 Apr 82 p 1

[Article by G.K. Reddy]

[Text] New Delhi, April 19--An effort is being made by some Latin American countries for a non-aligned initiative to settle the Falkland Islands dispute by bringing the United Nations more actively into the picture, according to reports reaching here.

The sponsors of this move are maintaining that whatever the origins of this dispute, it involves decolonisation and as such the U.N. has a responsibility to intervene and find a peaceful solution to this problem.

But other non-aligned countries including the bigger ones like India feel that the more immediate need is to avert the danger of an armed clash between the British and Argentine forces. Since the U.S. was now engaged in a mediatory effort, it is no use duplicating the peace move with a non-aligned initiative at this stage.

The whole British case for restoration of its sovereignty, or reoccupation of the Falklands as a starting point for any negotiated settlement is based on the argument that Argentina has no right to seize the islands through military action.

A country like Britain with a record of voluntary relinquishment of its farflung empire it is claimed, is entitled to better international understanding without being dubbed as an unrepentent colonial power bent on retaining these remote islands over 12,000 km away from its shores.

Unjustified: But the non-aligned countries which are opposed to British reoccupation of the Falklands are reported to be arguing that, if Argentina which is 800 km away from the bulk of these islands was not justified in resorting to military action to enforce its claim, Britain was entitled even less to retake them by despatching the bulk of its fleet to the South Pacific to intimidate it.

The only way out of the tangled situation, in the opinion of those opposing the British bid to reoccupy the Falklands, is to turn over these disputed island to the U.N. as a trust territory whose future could be determined in due course in accordance with established procedures for decolonisation.

It appears that Cuba, as current president of the non-aligned community, has mooted this idea behind the scenes, without openly identifying itself with the move because of the U.S. allergy to any suggestion emanating from it. But the U.S. delegation at the United Nations, which is aware of the attempts of some non-aligned countries to intervene in the Falklands dispute, has been discouraging them from doing or saying anything at this stage when the Secretary of State, Mr Alexander Haig, is engaged in delicate negotiations.

A number of African countries are reported to be somewhat critical of the reluctance of the more important non-aligned countries to intervene in a dispute involving decolonisation, all because they do not want to offend Britain.

Mediation efforts: But the majority of non-aligned countries which participated in the ministerial meeting of the coordination bureau in Kuwait earlier this month, felt that there was no harm in awaiting the outcome of the U.S. mediatory efforts before initiating any moves of their own for bringing the U.N. more actively into the picture.

The British continue to maintain that they cannot abandon the 1800 odd inhabitants of these islands and transfer the territory to Argentina against their wishes in the name of decolonisation. But once Argentina agrees to withdraw its forces, the present Government in Britain may not be totally averse to the idea of involving the U.N. in determining the future of the Falklands after ascertaining the desire of its people.

Cautious stance: The Indian policy is to avoid any entanglement in this controversy other than reiterating its stand that the dispute should be settled peacefully without further resort to force. But some of the non-aligned countries have been privately taunting it that after what it had done in Goa to put an end to Portuguese colonisation, India should not be sermonising to others on the virtues of a peaceful settlement of such disputes.

A point that is conveniently overlooked by the critics of India's cautious stance is that in Goa the bulk of the local population was of Indian origin and would have indisputably voted for merger with India if the people were given the choice to exercise their option. In the case of the Falklands, almost the entire population is of British stock and have no filial links with Argentina.

The Latin American countries which are pressing for a non-aligned initiative do not dispute this fact but they do not consider it as enough justification for the continued retention of these islands by Britain.

CSO: 4220/7203

ANALYST GIVES BACKGROUND TO GANDHI SAUDI VISIT

Madras THE HINDU in English 18 Apr 82 p 2

[Article by G.K. Reddy]

[Text]

THE Prime Minister, Mrs. Indira Gandhi, is now on a trip to Saudi Arabia: 26 years after her father had gone there in 1956 to return the visit of the late King Ibn Saud, an old-fashioned monarch who continued to value his country's friendship with India even after partition. But Indo-Saudi relations have not been particularly close or cordial after his death, since the Pakistan factor tended to strain, and at times even sour, the traditional links by creating some unfortunate misapprehensions about each other's policies and intentions.

After the spadework has been done behind the scenes, Mrs. Gandhi has taken the initiative to improve the relationship to the extent possible in the present circumstances. A person who has played an important role in preparing the ground for her visit, interestingly enough, is no other than Mr. Yasser Arafat, the fiery PLO leader who sees no contradiction in maintaining a beneficial relationship with the Saudi monarchy, the very fountain-head of Islamic orthodoxy, while continuing to espouse ardently the cause of Arab socialism.

Pillars of stability

The PLO leader wants India and Saudi Arabia to get closer without prejudice to their respective commitments and aspirations, since these two countries are the main pillars of political stability in the region. Any conflict or clash of interest between them, in his view, would have a deeply unsettling effect by exposing the entire area to increasing foreign interference.

As the home of Islam's two holiest shrines, Saudi Arabia wields considerable influence over the world's 700 million Muslims, one-third of whom live in the Indian sub-continent. A secular State like India, with nearly 100 million Muslims, plays a much more important role in shaping the destinies of the area and influencing the attitudes of its peoples.

There are at present two brands of Islamic fundamentalism pulling the bulk of the world's Muslim population in opposite directions. The Saudi variety with its powerful religious appeal aims at uniting all Muslims in the name of the Prophet, while the new Iranian variant seeks to purify the Islamic faith by purging the deviates who have proved unworthy of it. The two look upon the heretics preaching Islamic socialism and others campaigning against excessive orthodoxy with grave suspicion, as though they are the enemies within the fold who have to be fought first. The real enemies of Islam who have subjugated and exploited them all these years come next.

Explosive situation

It is this strange interaction of prejudice and ignorance, combined with misplaced fervour and intolerance, that has created a highly explosive situation in West Asia, making the oil-rich States even more vulnerable to internal subversion and external pressures than the impoverished desert Sheikhdoms plagued by blood feuds and privation.

The ferment set in long before the Shah of Iran lost his throne. General Zia-Ul-Huq executed Bhutto, the Soviets moved into Afghanistan, the sanctity of the Holy Mosque in Mecca was violated by political extremists, the Iraqis invaded Iran and Sadat was killed by his own countrymen.

The passions unleashed by these turmoils have had a deeply unsettling effect on the Islamic world, making the more pragmatic minded realise that in the final analysis God

helps those who are prepared to help themselves without leaving everything to the heavens.

A country that has benefited most from this traumatic experience is Saudi Arabia which started realising the limits of its phenomenal oil wealth and political importance as the main element of stability in the region. The 5,000 odd princes and princelings who share power and the spoils of oil wealth have developed over the years their own pattern of desert democracy based on a tightly run family system.

The monarchy is not accountable to any elected representatives for its actions, but the people who have the right of approach to the king himself are allowed to ventilate their grievances and seek redress without questioning the legitimacy of the system. This dispensation has generated step by step a degree of sensitivity at various levels of the ruling family, making the more important ones respond in their own way to the wishes of the people.

Obscurantism given up

It is this dispensation that has encouraged the educated and modern minded princes in the Saudi royal establishment to start shedding the obscurantist traditions inherited by them. The present Crown Prince Fahd, who functions virtually as Prime Minister under the benign guidance of his elder brother, King Khalid, has rallied round him a dozen well-educated and liberal-minded princes to modernise the regime and keep abreast of global developments.

It is this new set of princes that have helped the Saudi monarchy to get out of its cocoon and establish a warm relationship with the PLO, cultivate the liberal Arab regimes, keep away from extremists like Qadhafi, refrain from identifying itself unduly with Egypt and shed its superior airs in dealing with volatile neighbours like South Yemen.

The better educated Saudis are not unaware of the fact that historically the Arab had suffered much more grievously at the hands of the Ottoman Empire that enslaved them in the name of Pan-Islamism than the Western imperialist powers which finally freed them from Turkish dominance.

The slogan of Islamic unity has not been able to put a gloss over the grim reality that the Muslim countries by and large are more divided than united as a result of geopolitical rivalries, religious animosities or nationalistic ambitions. For no single cause-not even in their crusade against Israel —have these countries been able to stand together for any length of time, as demonstrated painfully by the behaviour of Egypt.

It is against this general background that Saudi Arabia has started responding to India's moves for better bilateral relations as a starting point for greater understanding in coping with problems of regional stability and peace. The new Saudi rulers also have got over the earlier fears that anybody who wanted to be friendly with them was interested only in siphoning off some of their oil wealth and not really cultivating them. It is realised that there is no incompatibility involved in a secular country like India striving for a better accord with a theocracy like Saudi Arabia without any ulterior motives.

The Saudis know quite well by now that India wants them to be friendly with Pakistan and help in its economic development, with the only reservation that they should not get mixed up in subcontinental politics by financing its arms purchases. This is a fair proposition which King Khalid, Prince Fahd and their brethren cannot object to if they are indeed keen on strengthening Indo-Saudi relations.

Similarly, India is not going out of its way to press for substantial Saudi investments in its economic development, but only pointing out the opportunities open for capital participation if the country chooses to take advantage of it. The offer of Indian technical assistance in some selective spheres has also been made in a similar vein without giving the impression that India is queuing up with the other supplicants for the Saudi largesse.

No quarter to communalism

The Ministers and officials accompanying Mrs. Gandhi on this trip will discuss the prospects for increased trade, technical assistance and industrial participation only in the context of the political framework emerging from the Prime Minister's talks with the Saudi hierarchy. It has to be based on the clear understanding that, whatever be the nature of the Saudi relationship with Pakistan, it should scrupulously avoid the impression of backing Islamabad in its disputes with India either directly or through the Islamic nations. A secular country like India with nearly 100 million Muslims cannot afford to allow any outside country, whether it is Islamic or non-Islamic, to engage in activities that easily could be misconstrued as encouraging communalism.

Once these bilateral hurdles are overcome, there should be no difficulty in India and Saudi Arabia reaching a degree of understanding on how they should work together in promoting stability and preserving peace in the region. There are no conflicts of interest between them in coping with the Israeli problem, striving for an early end to the Iraq-Iran conflict, discouraging the extremists in the area from interfering in the internal affairs of neighbouring countries or attempts to export either Islamic fundamentalism or Arab socialism to them.

Mrs. Gandhi could not have chosen a better time to pay this visit since the Saudis themselves have been veering round to the view that they should stop playing the ostrich and share with countries like India the responsibility of promoting a spirit of inter-dependence among the rich and poor countries of the region.

As a country of only seven million people which has been the prime beneficiary of the twelve-fold increase in oil prices in less than a decade, pushing up its income from a modest $10 billions to $120 billions a year, Saudi Arabia is unable to absorb and assimilate this bonanza without creating economic disparities and generating social tensions in the region.

The big challenge to the Saudi leadership is how to respond to the new realities of financial power without running into political difficulties in the bargain. And the new dialogue with India can help to provide the missing element of pragmatism in its philosophy of co-existence with the neighbouring peoples, both Islamic and non-Islamic, in this highly volatile region where oil and politics have proved to be a highly inflammable combination.

CSO: 4220/7198

OFFICIALS REPORTEDLY DEBATE FUTURE DEFENSE STRATEGY

Madras THE HINDU in English 21 Apr 82 p 1

[Article by G.K. Reddy]

[Text] New Delhi, April 20--The bi-annual conferences of the Army, Air Force and Naval Commanders which used to be routine meetings in the past for discussing the organisational and logistical problems of the three services have become increasingly important in the wake of the changing security environment in the region.

Apart from generating a better awareness of the country's defence burdens these conferences enable the political leadership to get better acquainted with the top Commanders of the three services and get to know their thinking on strategic issues.

The Prime Minister, Mrs Indira Gandhi, has been addressing each one of these conferences and sharing her thoughts with the respective service chiefs and their colleagues on the geopolitical aspects of defence, besides listening to their professional assessment of national security problems. The discussions that follow behind closed doors take the shape of a debate on defence strategy for the next decade as seen from both political and military angles.

The three services are gratified that despite financial difficulties the Government has been finding money to obtain latest equipment to replace obsolescent weaponry, improve mobility and enhance fire power to enable them to cope with the complexities of modern defence. The Army continues to get the lion's share because it happens to be the largest service, but the Air Force and Navy have not been lagging far behind in acquiring highly expensive weapon systems.

Spirit of comradeship: The Government is heartened by the new spirit of comradeship and coordination that has developed between the Army, Air Force and the Navy in recent years by overcoming the old inter-service rivalries and grievances. There is evidence of greater professionalism now in the attitudes of the three services free from the old rancour over civilian dominance.

The main accent is not on expanding the armed forces by adding more men to the three services for raising new fighting formations, but on improving the calibre of the existing units by re-equipping them with the most sophisticated weapons. The Indian Army today is the fourth largest in the world in terms of its numerical strength and operational capability, ranking next only to the American, Soviet and Chinese land forces. The Air Force, though comparatively small in numbers is a compact arm with more teeth and striking capacity than any other Air Force in Asia including the Chinese air arm.

The Navy is, no doubt, still very small compared to the other two services, but it has also been expanding rapidly without publicising its new acquisitions. It is developing into a two-ocean naval force to cope with the maritime responsibilities on both the East and West coasts against the background of increasing big power rivalries in the Indian Ocean.

New weapons: The Jaguars, MIGs and Mirages are not the only ones that India has been acquiring for its defence. The new T-72 battle tank is only one of the many new field weapons that the Army has been getting to replace its old equipment with the very latest versions. These included a wide range of rocket weapons, guided missiles, radar controlled anti-aircraft guns, more powerful artillery and anti-tank weapons. The Navy has been concentrating on faster frigates, missile boats, submarines and other equipment for offensive-defensive operations.

The upgradation of the cadres has also provided the extra incentives required for stepping up the morale of the armed forces. But the three services are faced with a serious decline in the numbers of promising young men coming forward to seek careers in the armed forces. The pay scales and living conditions do not compare well with the opportunities open to them in civilian life.

The Defence Ministry is quite concerned about this aspect and is taking steps to make military careers more attractive for well educated young men. Meanwhile, the Government is doing whatever is possible to encourage those already serving in the armed forces to stay on longer without seeking premature retirement to switch-over to more lucrative jobs in civilian life.

The human aspects of defence are thus receiving due attention to enable the armed forces to combine their sense of dedication and commitment with a reassuring feeling of social security and better career prospects. It will take some time to make the country's youth better aware of the new opportunities open to them in the armed forces.

CSO: 4220/7207

ACCOUNTS COMMITTEE REQUESTS DEFENSE PROJECT REVIEW

Bombay THE TIMES OF INDIA in English 18 Apr 82 p 9

[Text]

NEW DELHI, April 17.

CASES of undue delays in the executive of developmental projects in the field of aeronautics have led the public accounts committee to ask for a comprehensive review of the defence ministry of all major developmental projects initiated during the last 15 years.

This review should ascertain the reasons for delays and attempt to correlate the effect of the delays on the morale and combat-worthiness of the defence personnel, the committee has said in its report presented to the Lok Sabha this week.

The committee wants this study to identify the projects which were abandoned half way and to go into the reasons why these were abandoned.

The committee wants representatives of the defence research organisation, three services and Hindustan Aeronautics Ltd. (HAL) to be associated with this study.

The report covering the case of replacement of a basic trainer aircraft, emphasises the need for closer and continuous co-ordination between the minister of defence, defence research and development organisation, department of defence production and HAL.

The committee has hoped that the modification of the old basic trainer aircraft, which is accident-prone, will be done without any further hitch so as to ensure that the existing training aircraft are put to the maximum use and the training of pilots which has been affected adversely over the last few years is resumed on the normal pattern.

The committee notes that the number of incidents in which HT-2 aircraft has been involved has been quite severe — the rate being as high as 43.09 per 10,000 flying hours in 1978-79.

The committee noted that the search to replace HT12 as basic trainer aircraft, which had been inducted in service in the air force in 1953, was started as early as November 1965.

It regretted that five and a half precious years were lost in the search for the elusive common trainer aircraft. The feasibility report prepared by HAL in February, 1969, remained in cold storage till September, 1974, and HAL was "kept waiting" for the government's decision.

The project proposal passed through various stages running into several hurdles and according to the latest anticipation, the new trainer aircraft is expected to be inducted in service only in 1985-86.

CSO: 4220/7196

FINANCE MINISTRY ISSUES 1981-82 ANNUAL REPORT

New Delhi PATRIOT in English 20 Apr 82 p 5

[Text]

The balance of payments position remained under pressure during 1981-82 with foreign exchange reserves declining by Rs 1,292 crores (up to 31 January 1982).

This was the position even after taking credit for the receipt of Rs 637 crores under the International Monetary Fund's (IMF) extended agreement, according to the 1981-82 annual report of the Finance Ministry.

However, in other fields, the report has many good things to say, including deceleration in the inflationary pressure.

The growth in real gross national product (GNP) in the first two years of the sixth Plan is expected to be significantly higher than the target growth rate of 5.2 per cent per annum during the plan period, the report said.

The GNP is likely to show an increase of 4.5 per cent in real terms in 1981-82, on top of 7.5 per cent in 1980-81. The improvement in economic situation which commenced from the second half of 1980-81, gathered momentum in 1981-82. Industrial production is likely to increase to eight per cent and agricultural production by three per cent.

There was a marked decelaration in inflationary pressure in 1981-82, the report stated. The annual rate of inflation, on a point-to-point basis, as measured by wholesale price index, came down to 2.0 per cent in the first week of March, 1982 from 15.6 per cent in the first week of March 1981.

The report said the monetary and credit policy of the Reserve Bank of India (RBI) continued to aim at containing inflation through restrictions of bank credit. Several steps including, raising of the statutory liquidity ratio, and cash reserve ratio in banks and increase in bank rate were adopted to reduce excess liquidity. As a result of these measures, monetary expansion in 1981-82 witnessed significant moderation.

The policy of extending the bank network in the rural areas continued during the year. Commercial banks opened 2,517 branches during January-November 1981. Of these, 2,010 or nearly 80 per cent were located in rural areas.

CSO: 4220/7204

PLANNING COMMISSION PRESENTS 1981-82 ANNUAL REPORT

Calcutta THE STATESMAN in English 22 Apr 82 p 7

[Text] New Delhi, April 21--The Planning Commission has intensified efforts to discipline the economy, accelerate development in the key and core sectors, speed up poverty alleviation programmes and remove economic imbalances in the country. This was stated in its annual report presented to Parliament today. During the year, periodic analysis and review of the economy were undertaken. This was in respect of agricultural and industrial production, performance of the infrastructure sectors, trend in wholesale and consumer prices, money supply and bank credit and balance of payments.

With regard to financial resources, the commission prepared estimates of resources of the Centre and the States for the plan for 1982-83 and analysed the central budget for 1981-82 to assess the scheme of financing the Centre's plan for 1981-82.

The State's budgets were analysed to find out deviations from the scheme of financing the annual plan for 1981-82. Following the study of post-budgetary developments in financing the central and State plans, measures were suggested to make the annual plan financially viable without reliance on deficit and overdrafts.

The agricultural division finalized reports of the group on disaster preparedness and management, land use plan for Sikkim and the Fuelwood Study Committee. A high-level expert group set up to examine the working of the integrated rural development and other poverty alleviation programmes has completed its report.

Power development was given high priority and a detailed review of all major schemes, including delivery schedules, equipment and construction programmes were made to identify the spheres and factors which contributed to deficiencies in project implementation.

All projects with an aggregate capacity of more than 3,000 MW were approved up to January 1982. These included six hydel and five thermal power stations costing Rs 1,409 crores, while 19 coal mining projects with an ultimate capacity of 16.7 million tons and involving a capital cost of Rs 310 crores were cleared up to February 1982. Besides, projects with critical linkages were cleared for advance action to reduce their gestation lag.

CSO: 4220/7212

EXPERT TELLS PROBLEMS OF NEPALESE IN NORTHEAST

Calcutta THE STATESMAN in English 17 Apr 82 p 6

[Article by A.C. Sinha]

[Text]

DESCRIBING the three main categories of Nepalese settlers in Assam, Nagaland, Meghalaya, Manipur, Tripura, Mizoram and Arunachal Pradesh, A. C. Sinha, who is head of the sociology department at the North-Eastern Hill University in Shillong and also the author of a book examining the class composition of Sikkim's political elite, says that the comparatively backward north-eastern tribes are bound to resent the prosperity of hard-working and enterprising immigrants from Nepal who have contributed handsomely to the economy. Dr Sinha claims that settlers are often involved in border disputes and in conflicts between the armed forces and extremist movements, which does not make them more popular. He also traces Gurkha revivalism to the alienation of second-generation Nepalese immigrants, while arguing that the sub-continent's geo-political conditions, and the open borders between India, Nepal and Bhutan, make it impossible to prevent infiltration.

NO Nepalese settlement is reported from north-eastern India prior to the 18th Century. The first meaningful contact in this region was in 1817, when the Cuttack Legion, consisting of a thousand "Hindustanis" and Gurkhas, took part in the Sylhet Operation. This was the beginning of the series of expeditions among the north-eastern hill tribes in which Gurkhas took part.

After being released from the army, Gurkhas were encouraged to settle down in the north-east as faithful allies of the British administration. The region was sparsely populated then by isolated, backward and, at times, hostile hill tribes, ruled by deputy commissioners. Being used to an undulating topography, and being temperamentally closer to tribal communities, the Nepalese—Hindu, Lamaist and animists alike—were naturally accepted by both the British and local tribes.

But the region ceased to be controlled by distant rulers after 1947. The local communities were encouraged to take part in their own affairs; political awareness and participation followed improved education and communications. Meanwhile, Nepalese migration continued unabated. Since the influx into Sikkim and Bhutan was greatly contained in recent years, there was a tremendous corresponding increase in migration to the north-east. Unlike earlier soldier-settlers, the new immigrants were unskilled peasants known for their thrift and industriousness. They reached the barren uninhabited forest fringes and the marshy Brahmaputra quagmire, cleared the jungle, started dairy farming, and were soon an inalienable part of the economy

UPSET BALANCE

Apart from the economic, political and cultural consequences, this pressure upset the population balance and generated demographic tensions. Assam's Nepalese population rose from 101,335 in 1951 to 132,925 in 1961, and to 353,673 in 1971. While Assam's 1961-71 decennial growth rate was 34.95 per cent, for the Nepalese in the State it turned out to be 46 per cent. There were also substantial numbers of Nepalese in Tripura, Mizoram, Manipur, Nagaland, Meghalaya and Arunachal Pradesh. If we add Bhutan's Nepalese population (200,000 in 1969), Sikkim's (180,000 in 1971) and that of West Bengal's northern districts (a rough estimate of between 1,200,000 and 1,500,000) the total came to about two and half million a decade ago.

Even at the modest rate of a 25 per cent increase during the last ten years, the number of Nepalese in the region is about three to three and a half million. This increasing presence creates a host of problems for indigenous people as well as for immigrants.

The latter fall into three broad categories. First, there are Nepal's pastoralists and marginal farmers, herdsmen and cultivators who move out of the hills in search of new opportunities. His only capital is cheerful perseverance, a sturdy physique the ubiquitous khukri at his belt and the cap symbolizing Sagarmatha (Mount Everest) on his head, and a readiness to do anything to make a living. He can be dairyman, sharecropper, agricultural labourer, porter, smith, carpenter, or even errand boy. These men set themselves up at some distance from tribal villages, often even in reserve forests where they fell trees. A cosmopolitan outlook, relative cultural omnivorousness, and polygamous habits enable them to acquire partners. The number of wives a Nepalese has increases his productive capabilities, both economically and biologically. Even small children add to the working force.

North-eastern tribesmen are traditionally jhum cultivators. But because of education, roads, conversion to Christianity, State welfare schemes, and constitutional safeguards, many are taking up white-collar jobs. As they adjust to modern patterns, they invariably employ Nepalese to raise cash crops (potato, vegetables, spices and fruit) on their farms—often communal land that they have acquired—because their own tribespeople are neither available nor competent enough for agricultural work, in lieu of wages. Slowly but steadily therefore, the Nepalese are occupying valuable agricultural land which is really communal property. While the tribal jhumia remains a marginal farmer like his forefathers, the Nepalese newcomer acquires modest affluence.

This is potentially an explosive area of conflict between the immigrant and the autochthon. With the connivance of some tribals, many Gurkhas have acquired landed property in spite of legal safeguards. But what might look like criminal transgression is often initially condoned by local tribal communities which realize that the Nepalese have developed resources that are of benefit to educated, urban tribal leaders.

But fricton does occur, two instances of which may be described. The Marapani region on the border of Okha (Nagaland) and Sibsagar (Assam) was a reserved forest and, by tradition, known as a Lotha tribal area. But slowly, the Nepalese infiltrated into Marapani, and with them came Bengalis and Biharis. The region being a subject of dispute between Assam and Nagaland, some of the Nepalese settlers have title papers from both governments. But the Assam police helped Nepalese domiciled in Assam, as well as Bengalis, to encroach on disputed land in Nagaland which led to a bloody reprisal raid by the Lotha Nagas in 1978. In another incident, a clash between Sema Nagas and Nepalese settlers (March, 1978) at the trijunction of Okha, Mokokchung (Nagaland) and Sibsagar (Assam) took toll of about 200 Nepalese lives. In both cases, the feeling that Nepalese were alienating tribal land appears to have been the main cause of violence.

GOOD PEASANTS

Secondly, soldiers have been encouraged, since the end of World War II to settle down and reclaim the foothills, forest fringes and river banks in Arunachal Pradesh, Assam, Nagaland and Manipur. These ex-soldiers have all the qualities of good peasants, coupled with military training, and are, therefore, officially regarded as loyal citizens who support the establishment. Their newly acquired settlements are the thriving cen-

[illegible] of a prosperous peasantry, army pensions providing the added advantage of a regular cash income. The money is invariably invested in land, visible prosperity provoking jealousy since it is inevitably contrasted with the relatively indolent and less achievement-oriented tribal people.

A further complication arises because ex-army settlers are invariably concentrated on the frontier where extremist and secessionist movements are often active. The loyal Nepalese are accused of providing data on strategy and logistics to the armed forces, and are thus resented by the local population. The best example of such a situation was in Manipur in April, 1980 when several Nepalese-inhabited villages, in the Sagolmong area of Central district, were burned down, houses destroyed and cattle killed. This is no ordinary area. It was from here that R. K. Tulachandra, the Prepak leader, and some of his comrades were earlier captured, so that the rebel attack was clearly inspired by the lust for vengeance.

Finally, artisans and semi-skilled professionals comprise a sizable section of the Nepalese population, moving from one urban centre to another. They are employed partly, fully, occasionally and even seasonally, in various vocations, a number being engaged in traditional (caste?) occupations. The Nepalese fill the role of intermediary semi-skilled professionals between the unskilled local community and sophisticated white-collar professionals from other part of India in hill townships. The demand for their skills has increased with the expansion of construction works, electrification programmes, commercialization, the advent of modest industrialization, extension of transport and communications, and other welfare activities. This is in addition to working as smiths and carpenters, plumbers, cleaners, masons, mechanics, tailors, drivers, electricians, helpers, porters, construction workers, pony-cart drivers, muleteers, vulcanizers, watchmen, gardeners and bus conductors. Nepalese men are invariably available for private or corporate agencies for any sundry labour on modest payment.

The kind of work they do is relatively new to the north-east and there is little competition from local communities. Unlike pastoralists and soldier-farmers, these semi-skilled urban Gurkhas rarely come into direct conflict with indigenous people. Their skills are appreciated, and they do not attract the envy of their non-Nepalese neighbours, because they are seldom outstandingly rich. In spite of their substantial contribution to the economy, they maintain a low profile and being Nepalese, are able to join Hindu, Buddhist or Christian social, cultural or religious festivities.

URBAN CLASS

Two other significant categories of north-eastern Nepalese deserve mention. First labourers employed by the Border Roads Organization, Railways and other public undertakings, and secondly, the emerging urban white-collar class. The former is invariably a floating population; it is rarely organized, and is devoid of political consciousness or any awareness of its plight. The urban white-collar man is a new breed, invariably born, brought up and educated in the north-east, and knowing no other home. These second generation immigrants speak local dialects, have a number of friends, patrons, and enemies among the local community, and are organizationally affiliated to local voluntary associations. But they also remember the sufferings of their fathers and grandfathers, and are politically aware and culturally conscious of their status as Indian citizens.

When these articulate and educated young people are made to feel that they do not belong to the dominant local community, their bruised ego seeks consolation in evoking memories of the great Gurkha past and Hindu traditionalism to support movements like the "Uttarkhand" demand. They then support the pan-Nepalese solidarity movement, providing the lead for airing genuine Nepalese grievances. Since they compete with local people in the search for not enough white collar jobs, they are automatically objects of suspicion.

The international border between Nepal and India has been made effective in recent years. But simple rural Nepalese are unable to understand the nuances of legal citizenship, or the distinction between Nepal's Nepalese and Indian Nepalese. It is an impossible distinction in view of the open borders between India, Nepal and Bhutan, and because of the sub-continent's geopolitical situation. The north-east's traditional tribal practice of loyalty to its chiefs has also crumbled. Hence, it is not possible to allow "small groups" to continue to pursue their livelihood on the forest fringes, for they are no longer unnoticed. The Nepalese dependents of local chiefs have to register as voters, and every legal settler who claims to be Indian has to be allowed to exercise his constitutional rights. However, a number of Nepalese enjoy multiple citizenship—of Nepal, India, and possibly also of Bhutan. Given this situation, the expectations of the hill communities of north-east India are bound to clash with the traditional privileges of Nepalese settlers.

CSO: 4220/7214

NEWS AGENCY INTERVIEWS LOCAL GOVERNMENT ADVISER

Dacca THE NEW NATION in English 18 Apr 82 p 3

[Text] Mr Mahbubur Rahman, Adviser in charge of Local Government said in Dacca Friday laws and measures for eradication of corruption by the present Government would be enforced at all levels without any discrimination.

Whoever was found guilty, whether he was an ex-Minister, ex-MP, high official or a petty Government official at Thana level, or Union Parishad Chairman or member would be punished in accordance with law, he said, adding that Martial Law Government did not suffer from any political constraints.

The Adviser was talking to BSS at the end of his three-day visit to Comilla, Noakhali and Chittagong.

Mr Mahbubur Rahman underlined that to perform these great tasks cooperation of everybody was needed and vigilance on the part of every citizen against corruption and malpractices was required.

He said that credibility and accountability of the Government officials must be restored. None should be retained without a return, he pointed out.

He said that officials even at Thana level would have to account for and submit periodical balance sheets of their activities and functions to their superiors and competent authorities. Local people also must be attentive and intelligent in realising service from the Government officials.

Mr Mahbubur Rahman, replying to a question, listed lack of economic activities, little opportunity for employment and agriculture development, bad communication system and power supply as the basic problems in the rural Bangladesh.

He said that the present Government being fully aware of these problems was busy in formulating policy, preparing plan and projects for development of the rural areas, giving priority to less developed areas and communities. There must be a balanced and equitable development in all parts of the country, he asserted.

He said that if the countrywide canal digging programme and the other projects undertaken by the previous Government were found to be useful and productive they would be allowed to continue. But, he added, in carrying out these projects unnecessary expenses and political consideration must be avoided. The local people should be inspired for voluntary participation.

CSO: 4220/7216

WASHINGTON CORRESPONDENT ON IMF LOAN, WORLD BANK

IMF Loan Review

Madras THE HINDU in English 19 Apr 82 p 5

[Article by N. Ram]

[Text] Washington, April 18--The latest high-level review of the performance of India's LFF arrangement with the international Monetary Fund has re-emphasised the nature of the external scrutiny of the Indian economy as well as the pressure that is being exerted and developed.

While Indian officials have attempted to keep even the agenda of the discussion secret, the information available from other sources here shows that the thrust of the questioning and to some extent grilling, in the Fund's Executive Board on Thursday concerned not (at least at this stage) monetary or fiscal performance--but a range of "structural issues" relating essentially to administered prices, resource mobilisation and allocation, and the import and export control regime.

At one point in the discussion, the U.S. representative raised pointed questions about the results of the changes in administered prices and was told essentially that it would be difficult to evaluate the results so soon. However, it was made clear that the Reagan Administration would look for more specific evidence on the way the arrangement and the economy performed on the "structural" front. There was also some questioning on the balance of payments situation and the Government of India's approach to it, covering briefly and superficially issues such as defence spending.

The discussion of the IMF staff's performance review came at the end of the second lap and the beginning of the third lap in a first-year arrangement that would permit India to draw a total of 900 million SDR (over the abridged year) in three instalments. Following the Executive Board's approval of the staff review of performance over this lap, India is in a position to draw the third instalment of 300 million SDR (as briefly reported).

Performance Clauses: A more substantive review and discussion of the performance of the arrangement as well as of the Indian economy will take place at the end of the first stage (June 30, 1982). At that point, India will be obliged to negotiate with the IMF new "performance clauses" as well as other conditions relating to a wide range of fiscal, monetary and economic issues. The second stage of the five billion SDR arrangement under the extended fund facility will come before the Executive Board for a major discussion prior to approval.

Some fresh information that is available on the protracted process of negotiation of the original arrangement reveals that the Fund management gave the Government of India a more difficult time than was publicly acknowledged before putting together the deal. At one point the problem related to the balance of payments estimates and projections, with the IMF management pressing for a particular profile and for more specific commitments. (Revised figures were provided).

Heavy Leaning on Supply Side: The Fund's Managing Director, Mr J. De Larosiere, also emphasised the heavy weighting of the Indian adjustment programme on the "supply side." The Fund management pressed the Government of India for more specific and deeper commitments with respect to both import liberalisation (a quantification in this area) and resource mobilisation.

At one point, the documentation reveals New Delhi expressed concern over the Fund staff's formulation or language relating to resource mobilisation and import and export policy--on grounds of "political sensitivity" in India--but essentially accepted the terms and language when the arrangement was finalised.

The issue of "containing" social subsidies also came up naggingly in the negotiations.

The new material makes it clear that while some of the formulations or language or emphasis were contested, there was no resistance by New Delhi on any of the policy issues.

So far, the U.S. stance with respect to the Indian arrangement has made a couple of things clear. Unlike as in the case of the recent World Bank loan for a refinery conversion and upgrading project in India, the Reagan Administration has chosen not to oppose the EFF arrangement in its current development. Its game plan seems to be to raise the policy pressures and the conditionality built into the three-year arrangement incrementally. Seen in another way, it is clearly an approach of extracting more and tougher "structural adjustment" as the cost of multilateral external flows to a country in balance of payments difficulty.

Problem on the Macro-side: With respect to India, the approach was usefully indicated by the U.S. Executive Director, Dr Richard Erb, in January (see THE HINDU of January 23 for a detailed report on the interview to this correspondent). "I don't think there was anything on the finaicial or monetary side that stood out "per se" as beingthe sign of the problem on the macro-side, usually where there is a balance of payments problem, it's because there is excessive growth in credit and money and excessive fiscal deficits. In those cases, the adjustments may be necessary on the monetary-fiscal side. In other cases, it may be eliminating price rigidities, reducing restrictions on say, the allocation of resources in the country, reducing restrictions on imports and exports--with the objective of making the economy more efficient."

India clearly fitted into the second category.

Using the Big Leverage: There are obvious divergences involved in the approaches of the Reagan Administration, other Western Governments, and the IMF management, but it is fairly clear that the current thrust of the conservative external approach to India's economic problems and policies--using the big leverage provided by the five billion SDR deal--relates to tackling so-called structural rigidities in the economy on the internal and external fronts. The shaping of the second stage of the arrangement that is expected to commence without interruption in July 1982 through another round of negotiation with the IMF management and after the Executive Board scrutiny, should provide a more accurate measure of the tightening of the screws.

'Confidential' World Bank Assessment

Madras THE HINDU in English 20 Apr 82 p 9

[Article by N. Ram]

[Text] The sustained pressure from the World Bank in favour of more "open" economic policies in India--with respect to an exported growth strategy, import liberalisation, domestic and external resource mobilisation, a liberalised investment climate, "realistic" exchange rate management, a new emphasis on the private sector, containment of social subsidies, and a stance of "inflationary contraction" towards the growth of monetary resources and bank credit--is documented in a 300-page study that includes an array of statistical tables.

The confidential assessment of the Indian economy, including its prospects, has become available to THE HINDU in Washington. It represents an annual exercise that serves (after it is edited and sanitised) as the basis for discussions in the Aid India Consortium that is scheduled to meet in Paris in a couple of months.

A first reading of the material shows these to be some of the notable components of the World Bank's assessment and prescription relating to the Indian economy.

(1) An endorsement of the performance of the economy in 1981-82 and the policy measures taken, along with notice of the weaknesses, constraints or problems connected with the balance of payments, the situation of the power, coal and railway sectors, the allocation of investment, the productivity of industry, imbalances in agriculture, the development of irrigation and population control.

Increases "insufficient"

(2) Increases in Plan outlays for 1981-82 and 1982-83, while "encouraging" are insufficient to meet the real investment levels planned for the public sector for the Sixth Plan period as a whole.

(3) Three categories of economic issues are particularly important at this juncture. First, the process of domestic mobilisation of resources must be intensified to raise the level of savings above 25 percent of gross domestic product (GDP) by the end of the Sixth Plan: external resources will, meanwhile, be needed to finance a sizable current deficit: and in the medium-term, foreign exchange resources will have to be generated within the economy to reduce this deficit. Secondly, the "efficiency" of capital utilisation in key sectors, notably irrigation and infrastructure must be addressed. Thirdly, there are major population and population policy issues to be tackled.

(4) With respect to resource mobilisation in the public sector, the savings-investment gap relating to the sector is anticipated to rise from 5.3 percent of GDP in 1975-80 to about 7.3 percent of GDP in 1980-85. The policy of granting price increases to selected commodities and services in the public sector must be consolidated and developed. The various measures are estimated to have generated additional revenues of approximately Rs. 15.7 billions in 1981-82 and are expected to net higher revenues in subsequent years.

(5) The resource mobilisation efforts by the State Governments are inadequate and disappointing. Without additional special measures, only one-half of the relevant savings target will be achieved by the end of the Sixth Plan.

Higher Interest Rate Suggested

(6) The Government of India must take special steps to generate additional resources through its capital recovery policies. For example, it must levy a higher interest rate, adjusted periodically to reflect inflation for the "effective recovery" of capital financed by the Government.

(7) Since administered prices are generally set on a cost-plus basis without adjustment for revaluation of capital assets, there is a built-in tendency for the pricing system to understate the capital cost of commodities and services in inflationary conditions and bring about a lower recovery rate than would be required to replace the existing physical assets over time. A "more flexible" approach to pricing commodities and services to facilitate a higher capital recovery rate would be consistent with Government policy (and World Bank prescription) of bringing administered prices "more into line with economic costs."

(8) Further price reforms are needed in price-administered industries to encourage efficiency and make possible the growth of enterprise savings.

External Resources

(9) In the eighties, the Indian economy must rely increasingly on external resources. The situation has obviously become considerably more difficult than it was in the seventies, with large balance of payments deficits and declining reserves posing a challenge. Current account deficits are anticipated to be above two percent of GDP for at least the first half of the decade. The higher reliance on external resources implies liberal growth in imports, accompanied by improvements in infrastructural performance, industrial modernisation and accelerated export growth as a "top priority."

The projections for total exports (FOB) are: $10 billions in 1982-83, $11.6 billions in 1983-84, and $13.5 billions in 1984-85. The corresponding projections for imports (CIF) are $17.6 billions, $20 billions and $21.75 billions. The adverse current account balance is projected to peak in 1983-84, at a level of $5.19 billions.

(10) The flow of concessional aid (net) is anticipated to be $1.8 billion in 1982-83, $1.85 billion in 1983-84, and $1.9 billion in 1984-85. Medium and long-term borrowing (net, and including IMF credit) would be, for these three years, $2.604 billions.

Given the deteriorating climate for concessional aid, India has no choice but to rely to an increasing degree on non-concessional borrowing and the Extended Financing Facility (EFF) arrangement with the International Monetary Fund represents a significant step in this direction.

Assuming that the availability of new concessional capital remains constant in real terms, the level of non-concessional borrowing required to maintain reserves at a minimum level (equivalent to three months of imports) will be over 60 percent of net capital inflow by 1984-85.

To "adjust" to this tough seenario for the eighties and to "borrow successfully" in the international capital markets, India must keep up "a consistently successful" export performance supplemented by import substitution only where "economically justified" and develop a suitable investment and policy environment.

(11) Exchange rates are likely to come under pressure and the deterioration in the real effective exchange rate between 1979 and 1981 might hold portents. The exchange rate indices have behaved "quite appropriately" in 1981-82.

(12) With respect to private foreign investment, the process which was started under the Foreign Exchange Regulation Act of 1973 is "near completion." The experience of the past half decade shows that the application of FERA need not be an obstacle to more rapid growth of private foreign investments. In fact, the number of collaboration agreements approved annually since 1974 suggests that FERA does not have "any particular impact."

"Technological Inflow"

The United States has emerged as the major supplier of technology, followed closely by West Germany and the United Kingdom. The other noteworthy sources of "technological" inflow "through collaboration are Japan, Switzerland, France and Italy.

Nearly two-thirds of the collaboration agreements covering the period 1970-79 related to five major industries--industrial machinery, electrical equipment, chemicals, machine tools, and metallurgical industries. The dilution of FERA has encouraged collaboration in areas of sophisticated technology and one result has been a noticeable decline in research and development on previously transferred technology.

Private foreign investment is expected along with commercial borrowing, to play an important role in financing India's foreign savings during the 1980s. It is not quite clear why direct foreign investment has thus far played only a modest role, given the "generally favourable domestic environment" and apparent gains.

With the new official policies encouraging foreign investment in high technology and export-oriented activities and with India's "excellent" record with respect to repatriation of profits, no expropriation, and adherence to due process of law, it should be possible to woo foreign capital in a bigger way.

(13) Continued official capital flows are important. As further deterioration in the current account deficit is anticipated during the remainder of the Sixth Plan (as part of the "adjustment process" begun 18 months ago), there is likely to be considerable strain on financing requirements.

The World Bank's analysis shows that if concessional assistance were to fall significantly below the current levels, India would be hard pressed to resist sharp cutbacks on imports so as to maintain creditworthiness in the face of continuing deterioration in the terms of trade and substantial current account deficits. And this would mean a reduction in the economy's growth prospects.

More Critical Role of External Sector

(14) The role of the external sector in the Indian economy is "certainly more critical now" than at any point during the past decade. The Government of India has acknowledged this change.

Imports play a "critical role" in promoting the efficient utilisation of resources in the Indian economy: they form the "principal means" by which competitive pressures can be introduced generally into the economy: and at least in the short-term the "significant challenges of modernisation" can be met only through "greater reliance on imports of key equipment." Exports also have an important role to play in encouraging a more efficient use of resources and in improving the allocation of "scarce resources for development."

(15) Restraint in the growth of monetary resources and bank credit is necessary for combating inflation. The rate of growth in monetary resources and bank credit is necessary for combating inflation. The rate of growth in monetary aggregates and in net bank credit to the Government have been reduced since August 1981 and continued restraint is called for in view of the large investment programme envisaged in the Sixth Plan.

The tightening of net bank credit to the commercial sector since October 1981 has been felt by industry--causing "some difficulties" in financing the increase in production--but it is "unavoidable to dampen inflation and to avoid its resurgence."

(16) Containment of subsidies and action to pass on the costs to the consumer are important.

Tribute to "Incomes Policy"

(17) A tribute is paid to the "effective incomes policy" of the Government of India, again in the name of anti-inflation. The adjustment of wages and agricultural procurement prices "with a lag" and "to a lower extent than the actual inflation rate" is claimed to have contributed to "lower inflationary expectations." However, the inflation rate is seen to be "a source of uncertainty."

(18) Although demand in some sectors has proved lower in the most recent period than was anticipated earlier, the evidence available to the World Bank at this stage "does not suggest the emergence of a demand-induced industrial recession in 1982-83." Significantly, the "aggregate demand situation" is seen as "not unduly restrictive on output," but having "a salutary restraining effect" on overall inflation and in particular on price increases of manufactured products.

(19) The coming mid-term review of the Sixth Plan (summer 1982) should offer a chance to the Government of India to "readjust Plan allocations as warranted."

(20) Over time, investment as a proportion of gross domestic product has risen significantly (to reach 24 percent in the early eighties) and this means that an increasing amount of capital has been used to produce a given amount of output. Some of this is unavoidable but a key task is to harness the current investment rate to achieve higher growth by "improving the efficiency with which capital is used."

At a time when a qualitatively new external role has been instituted in economic policy-making for India, the World Bank's uninhibited view of the Indian economy and its policy prescription hold outstanding interest--as can be seen from the above "20 point" extraction.

CSO: 4220/7203

INDIA PLANS BORROWING FROM ASIAN DEVELOPMENT BANK

Bombay THE TIMES OF INDIA in English 22 Apr 82 p 12

[Text]

NEW DELHI, April 21 (PTI): India has informed the Asian Development Bank (ADB) that it would like to commence borrowing from 1983 onwards.

According to the finance ministry, the amount of loan and the details of projects will be worked out with the bank after a decision is taken on the size of the third general capital increase.

India is likely to borrow $2 billion from ADB during the sixth plan period which ends in March 1985.

The ADB is currently engaged in getting an agreement on the replenishment of the Asian Development Fund (ADF) from which soft loans are extended to poorer member-countries of the region. The progress in this regard and the capital increase will come up before the 15th annual meeting of the ADB to be held in Manila from April 28 to 30. Mr. Pranab Mukherjee, Union finance minister, is expected to lead the Indian delegation.

The bank's new president, Mr. Masao Fujioka, has said that he would vigorously pursue the bank's resource mobilisation programmes.

In 1981 the ADB approved loans totalling $1,678 million for 54 projects in 15 developing-member countries. Of this, soft assistance was a little over $530 million.

India is the third largest subscribers of bank's capital after Japan and USA and has so far not drawn any loan. In view of its balance of payments difficulties and cuts in the share of IDA credits, India is forced to seek ADB assistance.

After a mere $30-million worth of contracts that India secured for export of goods and services to bank financed projects in the first 10 years, the figure now exceeds $120 million.

India is the only developing country-member of the bank which has bagged a significant amount of consultancy contracts. The areas of operation of Indian companies in bank assisted projects include, irrigation, rural credit, dairy development, power, development banks and railway rehabilitation.

CSO: 4220/7211

PLANNING COMMISSION SAYS LAND REFORM IS SLOW

Madras THE HINDU in English 19 Apr 82 p 10

[Text]

NEW DELHI, April 18.

The Planning Commission has urged the States to speed up land reforms so that the task is completed by 1982-83 as envisaged in the Sixth Plan.

The Commission is concerned over the tardy progress over land reforms. Not only is the declared surplus much lower than the original expectations but the States have also been slow in the take-over and distribution of surplus land. Though land records have been updated in some States as part of the resurvey operations, the requisite machinery is yet to be set up in some others for updating the records.

Under the revised ceiling legislation which came into operation in 1972, according to the Planning Commission, only 15.89 lakh hectares have so far been declared surplus in different States. Out of this 10.49 lakh hectares have been taken possession of and about 8 lakh hectares distributed to 12.82 lakh landless agricultural workers.

The figures relating to the land declared surplus and the area taken possession of given by the Planning Commission do not, however, wholly tally with those given by the Union Agriculture and Rural Development Ministry. According to the Agriculture Ministry, the area declared surplus under the revised land ceiling laws in all the States is 41,07,056 acres which works out to about 16,42,821 hectares while the area taken possession of is 26,89,274 acres corresponding to 11,75,709.6 hectares (an acre is equivalent to 0.4 hectare).

Under the 20-point programme, special efforts have to be made by the States to implement agricultural land ceilings, distribute surplus land and complete compilation of land records by removing all administrative and legal obstacles.

Land ceiling legislation relating to private land holdings exists throughout the country. As the progress of the implementation of these laws has been hampered by complicated legal procedures, the State Governments have already been advised to restrict the number of appeals and revisions and they may have to set time-limits for filing of appeals and revision petitions.

CSO: 4220/7199

SIGNIFICANCE OF NONALIGNED LEADERS' VISITS NOTED

Madras THE HINDU in English 22 Apr 82 p 9

[Article by G.K. Reddy]

[Text] New Delhi, April 21--The President of Algeria, Mr Chadli Bendjedid, is arriving tomorrow on a three-day visit to India on his way to China after a stopover in Belgrade where he had wide-ranging talks with the Yugoslav leaders on the present state of the non-aligned movement.

This is the first-ever visit to India by an Algerian Head of State, although the two countries have established fairly extensive economic cooperation and been working in close concert on many international issues.

The Indian Government is attaching considerable importance to this visit because of the increasingly important role that Algeria has been playing both as a leading member of the non-aligned movement and as an active participant in the efforts of the Group of 77 at the United Nations. The Prime Minister, Mrs Indira Gandhi and the External Affairs Minister Mr P.V. Narasimha Rao, will discuss the third world problems with him in great depth since Algeria happens to be the current chairman of the Group of 77 which is spearheading the campaign for global negotiations.

Vietnam Minister's Visit: Another equally important visitor to Delhi this week will be the Foreign Minister of Vietnam, Mr Co Thack, who arrives on Saturday for talks on bilateral and regional problems. The Vietnamese Government is keen on India's cooperation not only in the revival of its war-ravaged economy, but also in promoting better understanding among the countries of the region.

No Longer Suspicious: The Indian approach to the problems of the Indo-China States has both long-term and short-term objectives aimed at establishing a mutually beneficial relationship with Vietnam which is fast emerging as the most important country in South-East Asia. Once the Kampuchean issue is settled to the satisfaction of the ASEAN States, Vietnam will be able to display greater resilience in the conduct of its foreign relations, without being unduly beholden to any country, not even the Soviet Union.

A significant aspect of the current South-East Asian situation is that the ASEAN countries have started not only reconciling themselves to the reality of Indian recognition of Kampuchea but also realising that India had taken this step on its own initiative and not at the behest of the Soviet Union. The ASEAN countries are no longer looking upon India with grave suspicion as though it has willy-nilly allowed itself to be used as a trojan horse by Moscow to exert pressures on others in the region to accept the "fait accompli" in Kampuchea.

ASEAN Rethinking on India's Role: The fact that India had not even indirectly urged them to follow its example and recognise the Heng Samrin regime has helped to reassure the ASEAN countries that they could count on India to play a helpful role in finding a solution to this tangled problem. It is this realisation that had encouraged the Thai Government to talk of utilising India's good offices during the External Affairs Minister, Mr P.V. Narasimha Rao's recent stopover in Bangkok on his way back from Vietnam for finding a basis on which the regional countries could get together to discuss the Kampuchean question.

Regional Cooperation: The Vietnamese, too, want India to use its influence with the ASEAN countries to open a dialogue with them not only on Kampuchea but also on the wider issue of regional cooperation. Though it is too early yet for India to make any specific moves in this direction, the follow-up talks with the visiting Vietnamese Foreign Minister will certainly help to carry forward this effort to the stage of sounding the two sides on how they should proceed to deal with the problem in a regional context, without involving China, the Soviet Union and the United States in it.

Arafat's Visit: An equally important and perhaps more interesting personality to visit India in the latter part of next month will be the PLO President, Mr Yasser Arafat, who played a part in the improvement of Indo-Saudi Arabian relations. He was to have come to India on his second visit within two years before the end of this month but the trip had to be deferred because of Mrs Gandhi's preoccupation with the elections.

CSO: 4220/7213

STEPS TAKEN TO ENCOURAGE INDUSTRIAL GROWTH

Industry Minister's Announcement

Bombay THE TIMES OF INDIA in English 22 Apr 82 p 1

[Text] New Delhi, April 21 (UNI)--The government today enlarged the list of industries open to large houses and FERA companies to stimulate industrial growth and step up exports.

The decision to revise the list in the productivity year was announced in the Lok Sabha by industry minister Mr Narayan Dutt Tiwari while replying to the debate on the demands for grants for his ministry.

Mr Tiwari also announced a new scheme which would ensure increased utilisation of industrial capacity as part of the plan to liberalise investment procedures.

Mr Tiwari said the changes made in the list were aimed at stimulating industrial growth in the core sector as well as in industries with export potential or import substitution, for adoption of advanced technologies, for economies of scale and for giving encouragement to units with potential for large scale ancillarisation.

He said large houses and FERA companies would be eligible to participate in the establishment of industries in the list, along with overt applicants, provided the specific item of manufacture was not reserved for the public sector or small scale sector.

Ordinarily such companies would not be permitted to establish industries outside the list, except where the product was predominantly for export--60 percent export in respect of items not reserved and 75 percent export in the case of items reserved for small scale sector.

The changes, Mr Tiwari hoped, would further improve the industrial and investment climate in the country and that the large house and FERA companies would respond in adequate measure so as to help in achieving the socio-economic objectives of the industrial policy.

List of Industries

Madras THE HINDU in English 22 Apr 82 p 9

[Text] New Delhi, April 21--The Government today enlarged the list of industries open to large houses and FERA companies to stimulate industrial growth and step up exports.

Following is the list of industries:

Metallurgical industries: Ferro alloys; automotive castings, SG iron castings, steel castings and steel forgings; non-ferrous metals and their alloys, including aluminium foils, and sponge aluminium foils.

Boilers and steam generating plants.

Prime movers (other than electrical generators): Industrial turbines; internal combustion engines; alternative energy systems like solar and wind, and equipment therefor and gas/hydro/steam turbines from 20 MW to 60 MW.

Electrical equipment: Equipment for transmission and distribution of electricity including power and distribution transformers, power relays, HT-siwtch gear, synchronous condensers; electrical motors; electrical furnaces including industrial furnaces; X-ray equipment; electronic components and equipment; component wires for manufacture of lead-in-wires and hydro/steam/gas generators from 20 to 60 MW.

Transportation: Mechanised sailing vessels upto 10,000 DWT including fishing trawles; ship ancillaries; commercial vehicles; public transport vehicles including automotive commercial three-wheeler jeep type vehicles, industrial locomotives; personal transport vehicles; passenger cars; automotive two-wheelers and three-wheelers.

(Regarding two-wheelers, only expansion of existing units, subject to an export obligation of 25 percent on additional capacity).

Specialised automotive components such as pistons and piston rings, fuel injection equipment, auto-electricals, such as starter motors, generators, spark plugs, rear axle assembly, brake and clutch assembly, tyre, tube valves, wheels for automobiles and bimetal bearings.

Industrial machinery including specialised equipment: High performance and high fidelity industrial valves as may be specified by the Industry Ministry; centralised lubrication systems; gears, gear boxes and couplings, rolls for paper mills, rolls for rolling mills, pollution control equipment and process equipment and utilisation of recycling of wastes.

Machine tools, including controls and accessories: Jigs, fixtures, tool and dies of specialised types and cross land tooling; engineering production aids such as cutting and rorming tools, patterns and dies and mining tools.

Agricultural machinery: Tractors.

Earth moving machinery: Earth moving machinery and construction machinery and components thereof;

Industrial instruments: Indicating, recording and regulating devices for pressure, temperature, rate of flow, weight levels and the like.

Scientific and electromedical instruments and laboratory equipment.

Nitrogenous and phosphatic fertilizers falling under inorganic fertilizers under "18-fertilizers" in the first schedule to the I (D and R) Act, 1951.

Chemicals (other than fertilizers): Heavy organic chemicals including petrochemicals; heavy inorganic chemicals; organic fine chemicals; synthetic resins and plastics, man-made fibres: synthetic rubber: industrial explosives; technical grade insecticides, fungicides; weedicides and the like; synthetic detergents and miscellaneous chemicals (for industrial use only), including catalysts and catalyst supports; photographic chemicals, rubber chemicals, polyols, isocyanates, urethanes, etc., speciality chemicals for enhanced oil recovery, heating fluids, coal tar distillation and products therefrom, tonnage plants for manufacture of industrial gases, high altitude breathing oxygen/medical oxygen, nitrous oxide, refrigerant gases like liquid nitrogen and carbon dioxide in large volumes, argon and other rare gases, alkali/acid resisting cement compound and leather chemicals and auxiliaries.

Drugs and pharmaceuticals: For FERA drug companies.

Drug intermediates from the basic stage for production of high technology bulk drugs and high technology bulk drugs from basic stages and formulations based thereon with an overall ratio of bulk drug consumption (from own manufacture) to formations from all sources of 1:5.

For non-FERA companies.

All bulk drugs and formulations with an overall ratio of 1:10 between the value of production of bulk drugs and of formulations.

Paper and pulp including papers products. Industrial laminates.

Automobile tyres and tubes, including automobile tyre tube valves.

Rubberised heavy duty industrial beltings of all types.

Rubberised conveyor beltings.

Rubber reinforced and lined fire fighting hose pipes.

Plate glass: Float glass; toughened glass insulators and glass fibres of all types.

Ceramics: Refractories; furnace lining bricks-acidic, basic and neutral and cermic fibres.

Cement products:

Portland cement and gypsum boards, wall boards and the like.

High technology reproduction and multiplication equipment.

Carbon and carbon products: Graphite electrodes and anodes, impervious graphite blocks and sheets.

Pretensioned high pressure RCC pipes.

Rubber machinery.

Printing machinery:

Web-fed high speed offset rotary printing machines having output of 30,000 or more impressions per hour. Photo composing/type setting machines. Multi-colour sheet-fed offset printing machines of sizes 18 x 25 inches and above. High speed rotogravure printing machines having output of 30,000 or more impressions per hour.--PTI

CSO: 4220/7213

PAPER GIVES STATISTICS ON ARRESTS UNDER MARTIAL LAW

Dacca THE NEW NATION in English 26 Apr 82 pp 1, 8

[Text] More than 3600 persons were rounded up in the metropolis alone during the post-Martial Law days on various charges including violation of curfew.

Of them around 1700 persons who were taken into custody for alleged violation of curfew and traffic rules have been released in the meantime.

Others were arrested in connection with robbery, murder, pilferage, possession of firearms and stolen goods, immoral trafficking and corruption.

According to government handouts, 1750 arrests were made in the Martial Law Zone-E comprising Jessore, Khulna, Faridpur, Kushtia, Barisal and Patuakhali districts till April 13 after the proclamation of Martial Law on charges of anti-social activities, corruption, abuse of power, possession of firearms and misappropriation of government funds.

Huge quantity of arms and ammunition were also recovered from the ML Zone-E. The recovered stock of arms and ammunition included 3 pistols, 2 revolvers, 5 rifles, 5 chopped rifles, 12 shot guns, 24 pipeguns, 4 rocket launchers, one hand grenade, two daggers and 549 rounds of ammunition.

Besides, over 240 persons including former ministers, former MPs, leading businessmen, political leaders and government officials were either detained or apprehended by the law-enforcing agency from different districts of the country.

Most of them have been charged with corruption, abuse of power, misappropriation of government funds and anti-state activities.

Former Deputy Prime Minister Jamaluddin Ahmed and S.A. Bari AT, four former ministers Majidul Huq, Habibullah Khan, Saifur Rahman and Abul Hasnat who is also Mayor of Dacca Municipal Corporation and two state ministers Tanbir Ahmed Siddiqui and Atauddin Khan, were among them.

Besides, some former MPs including Zillur Rahman, Nasiruddin Sardar Kalu, Dil Mohammad and Akhtaruzzaman Alamgir of BNP were also arrested.

The political leaders who are now in detention are BNP Joint and Secretary General Ferdous Ahmed Qureshi, Suranjeet Sengupta of Ekota Party, Prof. Nazmus Sadat of Jessore District BNP, Jessore District BNP Treasurer Shahidul Islam Rabiul Alam and Ashoke Sen, respectively president and secretary of CPB, Sechchasebak Sangathan Central Committee member Borhanuddin of Jessore district, Gonotantrik Party leader Mr Alam and Golam Majid of Workers Party, who is also editor of Jessore, based daily "Ranar" Hasan imam, Advocate Ali Hossain Moni, Salam and Asoke Kumar of Jessore JSD and Mymensingh Awami League leader Rafiquddin Bhuiyan.

Dr Enamul Huq, Curator of Dacca Museum was recently arrested. Some retired officials were also arrested.

The arrested businessmen include Dr Anwar Hossain, Morshed Khan, Aziz Mohammad Bhai and Mohammad Zahir.

Three commissioners of Dacca Municipal Corporation are also in the custody of police.

Some of the arrested persons including Saugatul Alam of Jagannath college, who is a leader of the BNP's student wing and Mohammad Zahir have already been released.

Col (retd) Nuruzzaman, former Chairman of Muktijoddah Sangsad and R.B. Shaha, principal of a metropolitan school were picked up on the first day of the Martial Law and given one month's detention. Now their detention has been extended to six months.

It is learnt that the charges against Col (retd) Zaman include his objectionable speech at Baitul Mukarram square, provocative write-up against army in his weekly attempt to undo the judgement of the Court Martial against the assassinators of late President Ziaur Rahman.

CSO: 4220/7217

JUTE PRODUCTION EXPECTED TO SUFFER MAJOR SETBACK

Dacca THE NEW NATION in English 26 Apr 82 pp 1, 8

[Text] Jute production will suffer a major setback this year, it is widely feared. The reasons are many including scarcity of seeds, lack of loans, competition from Aus crop and above all the disincentive of a perennially bad price.

This year a total of 18 lakh acres would be under jute cultivation. Of this 12.5 lakh acres would be under the intensive jute cultivation project. The target of production has been fixed at 55 lakh bales from the intensive projects comprising 400 acres of land. In each scheme the non-intensive areas would produce another 20 lakh bales.

Earlier the National Economic Council had passed a resolution to substantially increase the production of jute by increasing the per-acre yield and raising it to 5.2 bales. The resolution, however, was not found feasible by the extension officials and was abandoned at last and the estimated production target was fixed at 4.5 bales per acre.

The target fixed for this year's acreage did not exceed that of the last year. The only change that has been made in the current plan is the expansion of intensive cultivation area from 10 to 12.5 lakh acre while the non-intensive area was reduced to 5.5 lakh acres from 8.0 lakh acres of the last year. The production last year totalled 52.48 lakh bales.

The year before last the total acreage under jute cultivation was 15.68 lakh acres which produced 49.37 lakh bales. Regarding the scarcity of jute seeds an official told New Nation that total requirement for this year's production was more than 40 thousand maunds but the available stock of seeds are about 30 thousand maunds. Last year the jute-seed crisis hit a peak in many years when the available seed stock was 15 thousand maunds against an actual demand of 35 thousand tons. The small seed multiplication capacity of the Jute Research Institute which is the national mainstay in this regard, is the major contributor to the shortfall. The government has no plans to import jute seeds from India or any other jute producing country in case of scarcity now or in the near future.

Government each year provides loans for the jute growers to meet the comparatively high cost of jute production. But these loans cover only 30 percent of the total loan demand. This year during the primary stage of the jute strategy the total amount of loans to be disbursed were fixed at 12 crore but it came down to about taka eight crore when the annual development programme was cut by a large measure in December last.

The reduction of disbursible loans in the wake of price rise of insecticides and fertilizers will affect the farmers, it is felt. Underlining the sapping interest of farmers in jute growing, a competent observer said that for some years at a stretch farmers have been getting niggardly price for jute and a sense of frustration has been taking hold. Jute cultivation needs more money, care and labour than its close rival, Aus. The annual announcement of jute policy, rather than coming to their rescue throws them into deeper trouble by confirming that not even the cost of production can be recouped.

CSO: 4220/7217

DEPARTMENT OF MINES REPORT FOR 1981-82 NOTED

New Delhi PATRIOT in English 20 Apr 82 p 5

[Text]

Production of copper and zinc this year is expected to be higher than last year and a 10-year programme for development of mineral resources in the ocean has been formulated.

These are certain features of the annual report of the Ministry of Steel and Mines (Department of Mines) for 1981-82 released on Monday.

According to the report, the development of mineral resources in the ocean would cover various aspects of off-shore surveys and exploration as well as research and development activities in the area of mining of manganese nodules.

As for production of copper, the report speaks of the highest potential of copper in Bihar's Singhbhum district and refers to the detailed exploration scheme taken up in the area by the Mineral Exploration Corporation to assess its full potential. It informs that a study of the integrated development of the Singhbhum belt for a phased enhancement for copper production would be taken up by Hindustan Copper Limited.

The report says detailed exploration of the lead-zinc deposits at Rampur Gucha having been completed in record time, a large-reserve potential considered adequate for an investment decision for development of the deposit has been revealed. Consultants for preparation of the detailed project report for the mine and concentrator have also been selected.

The report highlights the fact that research and development activities has been given a major thrust in public sector undertakings and organisations under the Department of Mines covering geology, exploration, mining, beneficiation and non-ferrous metallurgy.

CSO: 4220/7204

PETROLEUM MINISTRY REPORT FOR 1981-82 QUOTED

Calcutta THE STATESMAN in English 22 Apr 82 p 1

[Text] New Delhi, April 21--The country was likely to import less crude and petroleum products during the current year, resulting in an estimated saving of Rs 700 crores in foreign exchange, according to the 1981-82 report of the Department of Petroleum, the Ministry of Petroleum, Chemicals and Fertilizers.

According to the report, the total requirement of imported crude oil in 1981-82 was estimated at 15.30 million tons and of petroleum products, 5.47 million tons. The foreign exchange required for these imports was likely to be Rs 5,200 crores.

However, during 1982-83 it was estimated that the country might have to import 14.4 million tons of crude oil and 4.45 million tons of petroleum products which, at prevailing prices and exchange rates, would cost Rs 4,500 crores in foreign exchange.

Between April and December 1981, 11.55 million tons of crude oil was produced in the country from its on-shore and off-shore fields. The share of the Oil and Natural Gas Commission was 9.28 million tons of this. The ONGC produced 5.37 million tons from its off-shore project, Bombay High, and 3.9 million tons from its onshore fields in Gujarat and Assam.

Oil India, another major oil exploration and production agency which became a wholly government-owned enterprise when 50 percent equity on Burmah Oil was acquired on December 14, 1981 produced 2.27 million tons of oil between April and December.

A notable achievement of the ONGC in its on-shore operations was the discovery of natural gas in Kudara in Ankleshwar (Gujarat) and Baramura in Tripura and the discovery of oil in Sisodra also in Gujarat and Napamua and Naharhabi in Assam.

The ONGC discovered oil and gas in the first well drilled in the northern Palk Strait in the PH-9 structure in the Cauvery basin. The agency also discovered oil and gas in a new structure, B-57, located about 35 km east of the Bombay High fields.

Further wells were being drilled in these structures to assess the production potential of the two new fields.

Oil India succeeded in discovering oil in the Begapani well No.II in March and the analysis of results indicated that the reservoir could be fairly extensive.

With the recent commissioning of the 6-million-ton Mathura refinery, the total refining capacity in the country would increase from 31.80 million tons to 37.80 million.

The report said that with the take-over of the Digboi refinery from Assam Oil on October 14 all refineries in the country were under the public sector.

CSO: 4220/7212

AGRICULTURE MINISTER SPEAKS IN LOK SABHA DEBATE

Record High Production

New Delhi PATRIOT in English 20 Apr 82 pp 1, 7

[Text]

INDIA'S foodgrain production is expected to be an all time high of 134 million tonnes in the current agricultural year despite the damage caused to the crops by the recent rains and hailstorm, Agriculture Minister Rao Birendra Singh declared in the Lok Sabha on Monday.

Replying to the three-day debate on the demands for grants of his ministry, he said that wheat production was expected to be 37.6 million tonnes as against 36.5 million tonnes during the last year. Similarly, production of rice, potato, cotton, oil seeds and other crops had shown an upward trend, he added.

However, it appears that the ministers in his enthusiasm to announce the record production slipped up by saying that the production was 'exepcted to be 137 million tonnes'. He later went a step further to say that the figure would be 'ever higher —137.5 million tonnes.

It was only later, perhaps, that the officials pointed out the slip up to the minister which resulted in the official correction that the production would be 134 million tonnes.

Mr Singh said that the previous best production was 132 million tonnes but it had come down to 109 million tonnes in 1979-80 because of one of the worst droughts faced by the country.

Forcefully refuting the Opposition contention that foodgrain production had not increased appreciably in the past the minister said that our achievement was being appreciated by the entire world but not by the Opposition.

If it had not increased, how could we have fed the teeming millions of the country, he asked.

Moreover, in the past several years, actually since 1976, the country had not imported foodgrains, except in 1979-80 when large areas were under drought, he pointed out.

PROCUREMENT PRICES

Strongly defending the Rs 142 per quintal procurement price of wheat, criticised as inadequate by many members, including some from the ruling party, Mr Singh said that it was fair and would satisfy the farmers.

Asserting that the Government was always keen to give fair and remunerative prices to farmers, the minister said that the wheat procurement price had gone up from Rs 117 to Rs 142 within two years.

There has been 10 per cent increase in the procurement price of rice and support price for coarse grains, groundnut, soyabean and other crops had also gone up to give a boost to their production, he added.

The minister also announced that the Land Acquisition Amendmentment Bill had taken final shape and hoped to introduce it in the current session.

Replying to the members' demand for parity in the prices of agricultural commodities and industrial goods, the minister asserted that more than parity had been ensured in the matter.

In the past 12 months, the wholesale price index of all commodities rose by 1.7 per cent while that of agricultural commodities by 6.3 per cent, he said

CREDIT POLICY

Mr Birendra Singh said the best had also been done in the matter of agriculture credit and by the end of the Plan period Government hoped to raise the credits to Rs 5,400 crores.

He said attention was also being paid to provide adequate quantities of seeds in the coming year.

The minister said Government had accepted over 2,000 of the 2,361 recommendations of the National Commission on Agriculture.

Mr Birendra Singh said Government was adopting a policy of equitable distribution of sugar factories in the country and the underdeveloped areas would also be looked after.

Enlisting several strides made by the country in the field of agriculture, the minister said fertiliser consumption had gone up from 69,000 tonnes in 1950-51 to nearly six million tonnes now

Again, the production of fertillsers had risen from 30,000 tonnes 30 years ago to the four million tonnes at present.

He agreed with the view expressed by a majority of the members participating in the debate that farmers should be given a better deal.

He said the farmers constituted the backbone of the nation and the Government wanted to do the maximum possible for them.

Buffer Foodgrains Stock Low

New Delhi PATRIOT in English 20 Apr 82 p 5

[Text]

The buffer stock of foodgrains in the country is below the stipulated level Agriculture Minister Rao Birendra Singh informed the Lok Sabha on Monday reports PTI.

In reply to questions by Mr Harihar Soren, he said as per decision taken in 1978, a buffer stock of 12 million tonnes of foodgrains was required to be maintained over and above the operational stock ranging between 3.5 million to 3.8 million tonnes on 1 April and 8.2 million to 8.8 million tonnes on 1 July of a year.

The present stocks being below this level, efforts were being made to build up the stocks by maximising procurement as well as regulated release of foodgrains for their judicious utilisation, Mr Birendra Singh said.

The Agriculture Minister informed the House that Government had constituted a technical group in April last year for working out the national buffer stock policy for foodgrains for the sixth Plan period.

Asked about the statewise target of buffer stock, Mr Birendra Singh said since buffer stock was maintained on all-India basis, the question of fixation of the state wise target did not arise.

Mr Birendra Singh informed the House that total stocks of foodgrains, rice, wheat, and coarse grains—with the Centre and the State governments as on 1 April last year was 9873.4 thousand tonnes.

Mr K C Haldar complained that West Bengal did not have sufficient stock of foodgrains. The Minister replied that the State had a stock of 4.48 lakh tonnes of foodgrains in March this year. A buffer stock of five to six lakh tonnes had been maintained in West Bengal during last three years. This was a good stock.

CSO: 4220/7204

BRIEFS

ENVOY TO GHANA--New Delhi, April 20--Mr Gurcharan Singh, at present Director of the Africa Division in the External Affairs Ministry, has been appointed High Commissioner to Ghana, the Ministry announced today. He succeeds Mr P.A. Nazareth.--PTI [Text] [Madras THE HINDU in English 21 Apr 82 p 10]

AGREEMENT WITH TOYOTA--New Delhi, April 20--The DCM Engineering and Electronics Division announced today that it has finalised collaboration arrangements with Toyota of Japan for the manufacture of light commercial vehicles in India. An agreement was signed recently by Dr Vinay Bharatram, Executive Director of DCM, and Dr Elji Toyoda, president of the Toyota Motor Company Limited. Steps have been initiated for a joint venture company to be launched under the name of DCM-Toyota Limited. It will set up a plant for manufacturing 15,000 light commercial vehicles per annum in a backward district of Uttar Pradesh. A letter of intent has already been obtained by DCM. Papers are now being submitted to the Government for the conversion of the letter of intent into an industrial licence. The Industry Ministry, meanwhile, has pointed out certain flaws in the application submitted by Hyderabad Allwyn Metal Works Limited for a collaboration arrangement with Nissan Motor Company Limited of Japan for the manufacture of light commercial vehicles. The application has been examined by the Directorate-General of Technical Development but found incomplete in certain respects. [Text] [Madras THE HINDU in English 21 Apr 82 p 10]

SOLAR CELL PRODUCTION--Bangalore, April 16--The Control Equipment Division, one of the three Bangalore-based units of the State-owned Bharat Heavy Electricals, has entered into an agreement with the Indian Space Research Organization to supply 100,000 solar cells worth about Rs 3.5 crores. These will be used in future space missions. Based on the technology developed by the Bhabha Atomic Research Centre, Bombay, the Control Equipment Division has established facilities for the manufacture of spare-grade solar cells. The division, which had a record production of Rs 34.21 crores during 1981-82, supplied "static excitation" equipment of 210 MW to the Korba, Chandrapur and Kolaghat thermal power stations and converters to Tata Iron and Steel, Mukund Iron and Steel and the Bokaro and Salem steel plants. The electro-porcelain division which is celebrating its golden jubilee this year, has started work a plant at Jagdishpur in Uttar Pradesh where high tension insulators will be manufactured. On the export front, the Control Equipment Division has supplied equipment worth Rs 50 lakhs to Malaysia. The Electro-porcelain Division's insulators worth Rs 77 lakhs have been sold to several countries. [Text] [Calcutta THE STATESMAN in English 17 Apr 82 p 12]

ONGC RECORD PRODUCTION--Bombay, April 19 (PTI)--The Oil and Natural Gas Commission (ONGC) has achieved an all-time record production of Rs 670 crores in 1981-82 against Rs 480 crores in the previous year. ONGC Chairman Col S.P. Wahi told a group of visiting newsmen from Assam here today it was estimated that the ONGC would produce 70 percent of the oil requirements of the country by 1990. ONGC's eastern region has set a record in the output of crude, from 1.8 million tonnes last year to 2.1 million tonnes this year, Col Wahi said. He had visited the eastern region headquarters at Nazira to personally congratulate the employees on their excellent performance. He said that the Commission had intensified its operations in the eastern region by commissioning 19 rigs as against the 15 now in operation are reviving some of the sick oil wells. [Text] [New Delhi PATRIOT in English 20 Apr 82 p 5]

ASSAM-NAGALAND BORDER ACCORD--Kohima, April 17 (PTI)--The governments of Nagaland and Assam have signed an agreement to resolve the boundary dispute between the two states. The agreement reached yesterday at the end of a high-level meeting here decided to adhere "in letter and spirit" to the accord reached between the chief ministers of both states in Shillong in January 1979 in the presence of the then common governor. Both sides also agreed to follow agreements reached between the chief ministers in the presence of the Union home minister and governor in Delhi in April 1979. The chief secretaries and police chiefs of both states signed the agreement yesterday, the minutes of which were released here today. Both sides have agreed to withdraw the Nagaland Armed Police and the Assam police posts from the Rengma, Nambar and Diphu reserve forests to defuse the situation and restore the position as it existed in the disputed areas before February 20, 1982, the date of induction of the nap. [Text] [Bombay THE TIMES OF INDIA in English 18 Apr 82 p 9]

KNITWEAR TO USSR--Bombay, April 17--According to Mr M.I. Radchenko, Dy. Soviet trade commissioner more than 90 percent of the output of India's knitwear industry concentrated in Ludhiana and employing 5 lakh workers, goes to the USSR. Speaking at House of Soviet Culture on Wednesday on "Soviet-Indian Cooperation Prospects and retrospects" the Soviet executive revealed that big Soviet orders stimulated the development of India's traditional industries and emergence of new ones. It has given a new impetus to garment, knitwear and handicraft industries. Striking a note of optimism he said that by 1985 Soviet Union will import more engineering goods from India and give fillip to engineering industries, too. [Text] [Bombay THE TIMES OF INDIA in English 18 Apr 82 p 10]

CSO: 4220/7197

ALKATIRI ON FUTURE OF MAUBERE PEOPLE

Maputo TEMPO No 600, 11 Apr 82 pp 17-21

[Report on interview with Mari Alkatiri, foreign affairs minister of the Democratic Republic of East Timor, by Antonio Souto, in Maputo in late March]

[Text] At the end of 1974, FRETILIN sent an alert to the international community: Indonesia was preparing for a military occupation of East Timor and the results would be tragic. However, countries in the best position to avert the tragedy, countries like Portugal, Australia and the United States, had other interests and chose to ignore the alarm. Today, some 7 years after the moment when all this could have been averted, it is estimated that 200,000 Maubere people have been massacred or lost their lives in combat.

As long as the Maubere people exist, however, FRETILIN will fight for their independence. These are not words of desperation. On the contrary, they are said with serenity and confidence in the future by one of the most distinguished leaders of FRETILIN, Mari Alkatiri, member of the Central Committee of that liberation movement and foreign affairs minister of the Democratic Republic of East Timor [RDTL].

"We are fighting a difficult battle, but we are determined and we know it is impossible to eradicate an entire people. Therefore, we are certain we will win."

We talked with Mari Alkatiri a week after a general meeting of the Central Committee Overseas Delegation, held in Maputo from 5 to 15 March.

Our conversation covered the current status of the Maubere people's struggle, relations with Portugal, the nonaligned movement and the socialist countries, internal crises of organization and even accusations that have been made against FRETILIN.

For us, it was a matter not only of understanding the possibility of victory--which, sooner or later, Alkatiri has no doubt will come about--but also the problems which the Maubere people are experiencing today in the struggle, their failures and successes.

"In this current phase of our combat we are witnessing a revitalization of the struggle and not, as some say, a retreat." In this statement by Alkatiri, which at first struck us as more a diplomatic statement than an evaluation of the facts, we could nonetheless understand the reason for his serenity and certainty of victory.

He explained that there is a revitalization because there has been a qualitative step forward in the nature of the struggle, as a result of changes in tactics and strategy.

"If we compare it with what happened in Mozambique, we see that here there was a possibility of continuous and secure growth. Initially, our growth was rapid and premature. From 20 May 1974 to the end of that year, we grew from a few founders to a majoritarian organization. On 15 August, when we determined to launch a generalized armed insurrection, we had only 25 men in arms. By the end of that month we had an army and by 15 September we controlled all the territory. But our army had been trained by the colonialists.

"Hence we inherited the colonial armed forces that came over to our side, but they were not prepared for the guerrilla warfare that was necessary to effectively resist the Indonesian invasion."

"So in view of our obligation to fight for the sovereignty of our country and the integrity of our people, until 1978 we had to fight a war of positions, with guerrilla warfare as a secondary activity."

"To move to more effective political and military action, we had to give up our concern with maintaining large areas under our control."

Alkatiri further explained that the change, in which guerrilla warfare became primary, was not simply a military matter. It meant an intensification of the popular nature of the combat. This was also a time of significant betrayals and desertions by officers following the death of Nicolau Lobato, president of FRETILIN, on 13 December 1978.

"But after that we began to see solid military advances, which made it impossible for the enemy to keep the situation under wraps. An indication of the increasing popular support for our struggle is that the church in East Timor, which initially opposed FRETILIN, now supports us."

If today the guerrilla war can be consolidated and broadened in a country completely surrounded and occupied by a powerful enemy like Indonesia, it is solely because of the popular roots of FRETILIN. Zones now "controlled" by the occupation army are secure rearguards of support to FRETILIN.

Submission to Djakarta Blackmail

Nonetheless, Mari Alkatiri did not conceal the material difficulties in waging this battle. He spoke of the lack of material means to respond to the people's desire for liberation and to combat the enemy. He listed the problems in

establishing effective communication between combatants inside the country and those abroad.

These difficulties are not only because of the military might of the occupying army, but because Indonesia is a strategic area in world geopolitics, and also because the various riches owned by Indonesia (one of the world's largest producers of petroleum, rubber and lumber) lead countries to take political and diplomatic positions opting for good relations with the Djakarta regime, or at least not antagonistic, instead of denouncing the massacre of the Maubere people, much less providing material support for their liberation struggle.

Thus, to the internal difficulties in the struggle are added international cynicism and timidity.

East Timor File: for Internal Consumption

"We made an intensive analysis of the Portuguese role in East Timor, and once again we concluded that they have responsibilities they cannot ignore," Alkatiri said, referring to the recent meeting of the Central Committee Overseas Delegation. He also pointed out that FRETILIN remains open to dialogue to find just solutions.

He also accused the Portuguese Government of confining itself to declarations of intent. As an example, he reported that in various contacts with countries friendly to Portugal, they had said that they would abstain in any UN vote on East Timor, because the primary responsibility for such a stand rests with the Portuguese Government and it has not taken any initiative.

"In all our informal contacts with Portuguese officials, we came away with the impression that certain officials were prepared to take some action, but, in light of the facts, we have to think again."

Alkatiri added that "there are no political forces, except for isolated individuals, in favor of East Timor's annexation by Indonesia.

"Nonetheless," he explained, "we reject any attempt to make the problem of East Timor an internal matter for Portugal. This only indicates a lack of seriousness and a disregard of the sacrifices of our people, who were under Portuguese colonial rule for centuries."

The RDTL diplomatic minister made this accusation, noting that it was only last year, for the first time in 6 years, that the Assembly of the Portuguese Republic debated the matter. "But this was because of the impact of the International Tribunal. However, the debate was not aimed at finding solutions but was for internal consumption. The right attacked the left; the left defended itself and counterattacked, filling the newspapers. They only wanted to establish who was to blame. We know who was to blame. What is needed now is a solution...which they have not come up with to date, nor have they dared to search for it."

According to Mari Alkatiri, the so-called "East Timor File," which filled the Portuguese press during the International Tribunal in Lisbon, "was the Portuguese Government's public attempt to recover its image in the East Timor case and also to distract attention."

In its references to relations with Portugal, FRETILIN noted that "President Ramalho Eanes took a position that set him apart from the other organs of government, a certain concern with finding a solution to the problem."

FRETILIN also referred to several commitments of intent assumed by Portugal, from Article 307 of the constitution to the communique of 12 December 1980. "These documents have not been followed by any practical action to date, however."

Nonaligned: Delicate Situation

If Alkatiri's criticism of Portugal was directed more at the "lack of seriousness with which the government organs have approached the East Timor problem," the issue is a more delicate one for the nonaligned countries. "Here the issue is more sensitive, because here we see more clearly that there are large interests at stake, overriding principles."

"If the movement ignores that one of its members is denying independence to an entire people, is violating the orders of a sovereign state and refusing to recognize the existence of another nonaligned state--if the movement ignores all this because the aggressor is one of the nonaligned countries, then the movement is guilty of negating its very reason for being attacked, one need only be a member."

"Although the movement has taken stands regarding the East Timor problem, particularly in Columbia and Havana, we feel it has done very little," Alkatiri told us, explaining that interests in Indonesia constitute the currency used to buy the betrayal of principles by certain member countries.

"This has held back the condemnation of the expansionist policy of Djakarta and full recognition of the rights of our people."

The maneuvers to transfer the next nonaligned meeting from Baghdad to Djakarta and the attempt to have Indonesia assume the presidency after Iraq were also included in the examination of FRETILIN's foreign policy concerns.

"If that happens, we will have the movement presided over by a colonizing power," Alkatiri warned, adding: "What force would such a movement have to criticize South Africa and Israel for their annexationist and colonialist policies?"

Mauberes Above All

Equally important in FRELIMO's foreign relations is action "to clear up certain accusations."

"We are aware that for a long time we have been accused by some of being 'Maoists,' and by others of perhaps being 'Muscovites.' The fact is that the only justification for these accusations is that they do not want to see us as the Mauberes we are. They cannot understand that, for us, the Maubere people come first, with all their dignity and desire for independence. We cannot understand how it can be believed that a people would fight to be something that they are not."

The FRETILIN leader later explained that his organization has "the greatest respect for all peoples and, regarding the socialist countries, they have experience which merits a good deal of reflection. "But above all," he reiterated, "we are Mauberes."

He added: "There is a tendency to look at a movement in terms of what country it has ties with, instead of seeing if it is tied to its people. For us, a movement deserves support only if it is tied to its people. Otherwise, it should be opposed."

To this clear statement of principles, Alkatiri added: "We challenge anyone to prove that FRETILIN does not represent its people."

Before ending his denunciation of these accusations, Alkatiri added: "When an attempt is made to label us, there is also another reason. When someone wants to duck support for the movement, he thinks up an argument to justify his position publicly."

Mutual Support in Pacific Zone

In solidarity with other movements, FRETILIN gives particular attention to the struggle of the Indonesian people. "Today we can say that we already have strong relations with the Indonesian democratic opposition."

Alkatiri also assigned importance to the struggles taking place in West New Guinea, Borneo, the Celebes, Sumatra and the Moluccas. In the South Pacific there is the example of the victory in Vanuato, as well as the progress of the struggle in New Caledonia.

"There is a whole range of opposition fronts with which we are seeking to establish cooperation, within our strategic and tactical limits. These struggles can play an important role in our struggle, and vice versa.

The RDTL foreign affairs minister also referred to southern African examples: "They are lessons to the world, and broaden our bases of support."

He also feels that the issue of disarmament and a New International Economic Order are important aspects. "We firmly support the people's struggle for peace and for a new international economic order because these are vital issues for all peoples and future generations." His concern also derives from the fact that the current situation in these areas constitutes a serious threat to the people of the South Pacific.

Crises Further Unite Us

Since its foundation in 1974, FRETILIN has been confronted with desertions and betrayal by some of its leaders. There have been attempts to interpret these as the collapse of the organization and the end of the liberation struggle. In this regard, Alkatiri commented:

"We feel that all liberation movements have experienced internal crises. They take very similar forms: assassination, divisionism and so on. FRETILIN is no exception, particularly under the circumstances in which we found ourselves."

He said that to face and overcome these disagreements, "we had to grow more cautiously."

The rapid and premature growth of FRETILIN meant that "after a certain time, two basic lines emerged, one essentially military, which saw weapons as the solution, and another one which saw men as the determining factor for victory."

Thus the contradiction between the faction that called for a quick victory, a militarist faction, and one that emphasized the necessity of a prolonged people's war. Faced with a powerful enemy like Indonesia, the first solution was impossible.

"Out of this disagreement came the defection of Xavier do Amaral, in September 1977, and then Alarico Fernandes. After these two betrayals, FRETILIN became more cohesive, which made it possible to develop a more effective people's war."

The consolidation of internal positions dictated a new type of activity abroad. "At this point, when the country had entered a rather hectic phase, we outside were having difficulties, primarily because we did not know what was happening and were limited in our ability to keep abreast of developments, so our work came to a kind of standstill."

It was in this context that the meeting now held in Maputo came about, along with the campaign to reform and reorganize FRETILIN activity abroad, a process which will culminate in a General Conference of Overseas Cadres, to take place in the Mozambican capital in the first half of next year.

"There is a whole range of problems contributing to the upheaval we are experiencing. Nonetheless, the patriotism which unites us has allowed us to give serious thought to the problems and to find the correct solution," Alkatiri declared, adding finally:

"Today we can say that we are even more determined and that we have a better understanding of our priorities. We are clearer in our minds about the problems facing us and the tasks ahead of us."

6362
CSO: 4742/286

INDONESIA TO CHANGE FOREIGN CONTRACTING POLICY

London ARABIA in English No 8, Apr 82 p 43

[Text] The Indonesian government is having to make amendments to its controversial "counter-purchase" policy, introduced at the beginning of the year. The policy stipulated that any foreign contractor winning an Indonesian government contract worth over 500m rupiah ($1.46m) should import Indonesian commodities, other than oil and gas, to a similar value.

Foreign suppliers failing to meet this obligation were told they would face a fine amounting to half the value of the goods they fail to import.

Not surprisingly, the announcement of this arrangement provoked strong criticism from foreign contractors, who said it was deliberately intended to benefit Indonesia's biggest trading partner, Japan. Government spokesmen in Jakarta denied this, claiming that contractors were simply seeking a scapegoat for their own inability to compete with the Japanese.

Nevertheless, the government has responded by relaxing some of the earlier provisions. Exemptions have been established for companies operating joint ventures with Indonesian state firms, those carrying out contracts financed from soft loans and consultants providing professional services. According to Trade Minister Radius Prawiro, the total value of goods which foreign firms will now have to promise to import will come to less than three per cent of the overall value of Indonesia's international trade – a 25 per cent reduction from the amount originally envisaged. Government officials now think the scheme will boost exports by something less than $1bn a year.

Indonesian exports are badly in need of a boost. Oil exports rose in value in 1979 and 1980 but domestic demand for oil is growing steadily by 10-12 per cent a year and the volume of sales is being eroded. In 1980 total exports earned the country $21.9bn, of which $15.7bn was accounted for by oil and gas. In 1981, however, according to statistics published by the Central Bank, overall exports fell dramatically to $16.2bn, of which a much larger percentage ($13.1bn) was due to oil and gas.

The drop in non-oil and non-gas exports has been sharp, but some of it at least has been attributable to Indonesian government policy. Income from timber exports, for example, stood at over $1.9bn in 1980 but fell to under $1bn last year because of attempts to establish a domestic timber-processing industry to enable the country to export higher-value timber products such as plywood.

At the beginning of March the government announced its intention to halt all log exports by 1985.

Exports of plywood have already more than doubled since 1980 and exports of veneer have increased by over 300 per cent.

Income from palm oil, meanwhile, slumped in 1981 as a result of regulations designed to force local consumers to use domestically-produced oil for cooking in place of imported coconut oil. Shrimp exports have been cut to conserve stocks. Earnings from rubber dropped from $1.16bn in 1980 to $850m last year because of weak prices, while revenues from coffee were undercut by low demand. Tin prices have also fluctuated wildly in recent months (see p.38)

It is in an attempt to rectify these trends and to boost the market for Indonesian goods that the counter-purchase policy has been introduced. At the same time, however, the authorities in Jakarta are evidently hoping to balance the rapid increase in Indonesian imports that has coincided with the downturn in non-oil and non-gas exports. Imports of capital goods are said to have risen by about 20 per cent in real dollar terms, and there is little hope of restraining this increase if the country is to establish a manufacturing base.

CSO: 4220/569

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta]

FUAD HASSAN--Fuad Hassan was born in Semarang (Central Java) on 26 June 1929. He is chief of the Research Office in the Indonesian Ministry of Foreign Affairs and professor in the Faculty of Psychology of the University of Indonesia. He graduated from the Faculty of Psychology of the University of Indonesia in 1958. He obtained his Ph D degree in the psychology of social philosophy in 1962 from the University of Toronto in Canada, with a dissertation entitled, "Neurosis sebagai konflik existensial" [Neurosis As an Existential Conflict]. He was dean of the Faculty of Psychology of the University of Indonesia (1972-1976); director of the Strategic Studies Institue of the National Defense and Security Council (1972-1976); and Indonesian ambassador to Egypt, Sudan, Somalia, and Djibouti. He was a member of the experts on political questions for the chairman of the Presidium in the Indonesian Supreme Command [KOTI] in 1966. He was a member of the Mutual Assistance Parliament (DPR-GR) and of the Provisional People's Consultative Assembly (MPRS) in 1968 and a member of the Indonesian Delegation on the occasion of the formation of ASEAN [Association of Southeast Asian Nations] in 1967. He has written extensively on ASEAN questions and on Asia in general. A number of his books have been published. [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

HERSRI S--Hersri S was born in Yogyakarta on 3 May 1939. He is a translator and free-lance writer. He graduated with a bachelor's degree in publicity science and community science in the Faculty of Social and Political Affairs of the University of Gadjah Mada in Yogyakarta (1960). From 1957 to 1960 he taught at a number of high schools in Yogyakarta and Semarang. He participated in preparing the military history of Military Region VII/Diponegoro and subsequently worked in the Secretariat of the Bureau of Asian-African Writers in Colombo, Sri Lanka (1965). From 1971 to 1978 he was a farmer on Pulau Buru [Ambon]. He is active in writing for a number of magazines and daily newspapers. He also wrote and made broadcasts as a literary and theatrical critic on the Indonesian Radio Service in Yogyakarta and Semarang. Apart from that he has translated numerous books from foreign languages into Indonesian. [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

JOMO K. SUNDARAM--Jomo K Sundaram is an assistant professor [profesor madya] in the Faculty of Economics of Malaysian National University [Universiti Kebangsaan Malaysia] at Bangi, Selangor, Malaysia. He is the director of the Social Analysis Institute (INSAN), a member of the editorial staff of the magazine NADI INSAN [The Pulse of INSAN], and chairman of the editorial board of the JURNAL EKONOMI MALAYSIA [Malaysian Economic Journal]. He obtained a BA degree in economics from Yale University in the United States (1973), a Master's in Public Administration from Harvard University (1974), and a Ph D from Harvard (1977). He has taught at Malaysian Science University [Universiti Sains Malaysia] in Penang. His book, "Economic Development and Social Class in Malaya," will be published by Oxford University Press. [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

MOHAMMAD SADLI--Mohammad Sadli was born in Sumedang (West Java) on 10 June 1922. He is a professor of economics in the Faculty of Economics of the University of Indonesia in Jakarta. He studied at the Technical Faculty of the University of Gadjah Mada (1949-1952) and continued his studies in economics at Massachusetts Institute of Technology in the United States (1954-1956). He graduated from the University of California in Berkeley in the United States (1957). He obtained a doctoral degree from the Faculty of Economics of the University of Indonesia (1957) and took a course in international studies at Harvard University in the United States (1963-1964). He was chairman of the Supervisory Body for Foreign and Domestic Capital Investment (1967-1973), minister of labor (1971-1973), and minister of mining (1973-1978). He has been active in writing for the mass media. [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

SOETJIPTO WIROSARDJONO--Soetjipto Wirosardjono was born on 1 November 1937 in Nganjuk, East Java. He is deputy chief of the Central Statistical Office for statistical plans and analysis. He is general chairman of the Indonesian Family Planning Association, director of the Development Studies Association, and deputy chairman of the Association of Students and Experts on Indonesian Demography. He completed his studies in statistics at the University of the Philippines in Manila, Republic of the Philippines (1964). He was general manager of the Business Registration Body of the Indonesian Chamber of Commerce and Industry in Jakarta (1972-1979); secretary of the Regional Elections Committee for Jakarta for the LPU [General Elections League] (1970-1972); chairman of BKS-AKSI [Cooperation Body of the Indonesian Fine Arts Academy] (1969-1979); chief of the Research Center for City and Neighborhood Affairs in Jakarta (1972-1978); and secretary of the Central Statistical Office (1977-1980). He was editor-in-chief of the journal WIDYAPURA (1976-1978). He has been active in attending seminars in Indonesia and overseas. He has written extensively and is co-author of the book, "The Unsteady State" (Hawaii, East West Center, 1975). [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

SOEHARSONO SAGIR--Soeharsono Sagir was born on 17 January 1943 in Tegal [Central Java]. He graduated from the Faculty of Economics of Padjadjaran University in Bandung (1960); obtained a certificate in economic planning from the Advanced School of Planning and Statistics at Warsaw University (1963); and was in the doctoral program at Padjadjaran University in Bandung. He was a teacher in Indonesian Armed Forces educational institutions and in the Faculty of Economics of Padjadjaran University. He was also an extraordinary teacher

at the Bandung Institute of Technology and at Parahiyangan Univeristy in Bandung. He was dean of the Faculty of Economics at Padjadjaran University (1968-1972). He is an economics columnist in several newspapers and is active in attending seminars in Indonesia and overseas. [Text] [Jakarta PRISMA in Indonesian No 2, Feb 82 p 108] 5170

COLONEL (MARINE CORPS) MUNTARAM--Colonel (Marine Corps) Muntaram, who up to the present was chief of the Navy Provost Service, last Thursday [25 March] took over the office of chief of staff of the Marine Corps from the former incumbent, Brig Gen (Marine Corps) Soeharmo Hariantho. Brig Gen Soeharmo Hariantho, who was chief of staff of the Marine Corps for about 5 years, will take over his new post as commanding general of the Navy Training Command in Surabaya. Colonel Muntaram was born in Cianjur [West Java] 47 years ago. He completed his training at the Joint Staff and Command School in 1977 and graduated from the National Defense Institute in 1981. Previous posts he has held included: commander of the Marine Corps recruit training battalion; commander of the Navy Commando Battalion; assistant III in the Marine Corps battalion assigned to Marine Corps Headquarters [KKOAL]; officer assigned to the amphibious unit, Marine Corps Training Center [PPAKO]; staff officer III in the Marine Corps Training Center; staff officer III in 1st Marine Battalion; staff officer III and deputy commander of 1st Marine Battalion; staff officer at the Marine Corps Training Center; staff officer I at Jakarta Naval Base [PUALDA]; assistant director of Marine Corps Amphibious and Anti-Amphibious Operations Center [LPAAKO]; staff officer I, Navy Commando Troops [PASKOARMA]; deputy commander of the Marine Corps Training Center; staff officer II, Navy Headquarters [OPAGA/SUAL 2, MABAL]; military police, Navy Headquarters [POM ABRI MABAL]; chief of security office, Military Police, Defense Area II; Navy Provost Marshal's Office; and chief of the Navy Provost Marshal's Office. Military operations to which he was assigned included the following: in 1958, Operation Merdeka and Operation Detap II in North Sulasesi, as well as Operation Sapta Marga in West Sumatra; in 1973 he was assigned to international duties as a member of Garuda Unit IV in Vietnam. Some 20 years ago Colonel Muntaram, who at the time was a Marine captain, married a young woman from Blitar [East Java] named Devie. Up to the present this happy family, which lives in Cilandak Marine Complex in South Jakarta, has been blessed with five sons and daughters. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 30 Mar 82 p 6] 5170

GEN SURONO REKSODIMEDJO--Coordinating Minister for Social Welfare Surono Reksodimedjo on Tuesday, 23 March, married Mrs Suwarti Tjokrosiwojo (47 years old) at the bride's home, Jalan Sudirman 52, in Cilacap [Central Java]. This ends the minister's period of mourning since his first wife, R A Winarni, died at Gatot Soebroto Hospital in Jakarta on 6 March 1980. The bride, Suwarti Tjokrosiswojo, is the sister of the late R A Winarni and has lived as a widow since her husband, Maj Gen R Soemitro, died on 3 March 1978 of a heart attack. At the time of his death the later General Soemitro was commander of Military Region VII/Diponegoro, Central Java. According to the elder brother of the bride, R Soedjarwo, the marriage between Minister Surono and his younger sister was in accordance with the wishes of their mother before she died 3 months ago--or 100 days, to be exact. Her intention was that the ties between the two families should not be broken. Soedjarwo went on to say that the late R A Winarni was the eighth child in the Tjokrosiswojo family. Suwarti is the seventh child in the family. She had three children by the late Major General

Soemitro, while the late R A Winarni left a son who is now about 8 years old. On Wednesday morning [24 March] the newly-weds left for Yogyakarta to take a plane for Jakarta. At about 7:00 pm the same evening Minister Surono and his wife were the guests of President and Mrs Tien Soeharto at Cendana Palace. [Excerpts] [Jakarta KOMPAS in Indonesian 25 Mar 82 pp 1, 12] 5170

SENIOR NAVY OFFICERS RETIRE--Seventeen Senior Navy officers stood in a line Friday afternoon [2 April] on the parade ground at the "Bumi Moro" Navy Section of the Armed Forces Academy in Surabaya. They were part of the 25 senior officers who retired at a ceremony presided over by Navy Chief of Staff Admiral Waloejo Soegito. Those who retired at the traditional, torch-lit ceremony were: Vice Admiral Mahmud Subarkah, Rear Admiral Soeparno (currently commander of the Military Security Service in Jakarta), Rear Admiral D Fardjaman, Marine Maj Gen Sardjono Suprapto, Rear Admiral Mas Wibowo, Rear Admiral Atung Soedibyo, Marine Maj Gen M Anwar Kusuma, Rear Admiral R J Sulamet, and Commodores Soebandi, Abdul Basit, Aris Munandar, Tata Abubakar, Abdul Madjid, Dr Soebidya S, R Basuki Hardjawijana, Soekotjo Poerwoatmodjo, Mochamad Suud, R Soekamto, Sudarmun, Siswo Margono, M Ralie, and R S B Djatikusumo. [Excerpts] [Jakarta KOMPAS in Indonesian 4 Apr 82 p 12] 5170

5170
CSO: 4213/53

VIENTIANE MILITARY, PUBLIC SECURITY FORCES DISCUSS 1982 PLAN

Regional Forces Meeting

Vientiane VIENTIANE MAI in Lao 4 Mar 82 p 1

[Text] On the evening of 27 February 1982, in Saisettha District, Vientiane capital, there was a closing ceremony for the successful regional forces training in Saisettha District capping the year's achievements that were the subject of the meeting that began 25 February 1982.

The honored guests who participated in the ceremony were General Choummali, assistant chief of staff of the LPLA Supreme Command; Maj Keo Vongsa, chief of the Saisettha District Regional Forces Command; the party committee and district administrative committee; and over 70 cadres, combatants and government employees.

In the ceremony, the representatives of this organization reported on the successful training and the outcome of the cadres' and combatants' work in national security in the preceding year and the new policy and the plan that will be carried out next to implement it.

After that, General Choummali gave a speech in which, before anything else, he praised the cadres and soldiers of Saisettha District who conscientiously and effectively performed their duty to maintain peace and security in their own district.

Moreover, he pointed out the enemies' tricks aimed at destroying them, namely, expansionist Beijing, the American imperialists and their followers, the reactionary forces who want to incite our people.

At the end he asked all cadres and combatants to increase their love for their country and socialism, increase the unity among the people, and carry out their jobs as brave cadres and combatants. He asked everyone to fight for new and greater victories to greet the LPRP Third Congress.

Security Forces Meeting

Vientiane VIENTIANE MAI in Lao 4 Mar 82 pp 1, 4

[Text] On the afternoon of 27 February 1982, in Sikhottabong District, Vientiane capital, there was a ceremony to summarize the preceding year's achievements by the Youth Union Administrative Committee of the Public Security Forces (PSF) in this town and to adopt a new plan for 1982 to implement the plan set by the party committee and the district administrative committee and to prepare to welcome the coming LPRP Third Congress.

The honored guests who participated in this meeting were Mr Khamyot Inthanam, a member of the Vientiane City Party Committee who also holds the post of Sikhottabong District Party Committee secretary, along with representatives of the PSF Youth Union Administrative Committee of the capital, representatives of young district men and many young people.

During the ceremony, one of the young men's representatives summarized the results of the PSF Youth Union for this district, which successfully and effectively carried out their job in the past, especially in protecting and maintaining public security. In this endeavor they work conscientiously and intensively with the regional Guerrilla Militia to carry out guard duty in many different areas within their own district. Meanwhile, they contributed their labor to increasing animal husbandry and other agricultural production. This is to carry out, step by step, the slogan, "self-sufficiency, self-reliance" in food supplies.

After that, Mr Khamyut Inthanam gave a speech to the young men. First of all, he praised the achievements in their work as a result of their determined effort to maintain security in their own district in the past year. Moreover, he warned the young men to be alert and to be ready to fight at any time against the enemies' clever tricks aimed at inciting and creating factions among the ranks of young men.

In closing, he emphasized that the strength of these young men is like the right hand of the party. He asked the young men to be strong and to achieve new and greater victories to welcome the Third Congress of our party.

9884
CSO: 4206/35

CEREMONY HONORS CHAMPASSAK GUERRILLA UNITS; AWARDS GIVEN

Vientiane SIANG PASASON in Lao 27 Feb 82 pp 2, 3

[Article by Champassak Province reporters: "Meeting To Summarize Activities and To Praise Military Forces in Champassak Province"]

[Excerpt] Under the sky of Pakse District on 5 February 1982 was the warmth of the sunrise of a new day. In the Military Theory School in Champassak Province, a meeting was held to summarize the guerrilla war to successfully wipe out counterrevolutionaries.

It was exactly 0900 when officials of the LPLA Supreme Command, officials of the Southern Region Army Command, the party committee, the provincial administrative committee and the provincial military command all entered the meeting room, which was decorated with flags and pictures of party and government leaders. Deep red banners with white and pink letters proclaimed, "Long Live the LPRP, Organizer and Leader of All Victories of the Lao Revolution," "Long Live the Honored and Glorious LPDR," "Long Live Marxist-Leninist Victory," "Wholeheartedly Hail the Meeting Summarizing the Guerrilla War Movement To Wipe Out Enemies in 1981" and "Raise High the Spirit of Being Ever Ready and Alert in Overcoming the Enemies' Tricks."

When it was time, the ceremony was opened in the presence of the following individuals: Mr Sounthon Thep-Asa, member of the party Central Committee and secretary of the Champassak Province Party Committee; Maj Gen Somsak Saisongkham, alternate member of the party Central Committee and deputy minister of defense who also holds the post of assistant chief of staff; Mr Thongin Thammakot, deputy secretary of the provincial party committee and chairman of the Provincial Administration of Champassak; Colonel Labia, party committee member and official of the Southern Region Army Command; Lieutenant Colonel Sichan, party committee member and an official of the Champassak Province Military Command; other honored guests from the Southern Region Army Command; party committee members and the provincial administrative committee; and several party committee members of the provincial military command.

The participants in this exalted meeting were outstanding combatants, national heroes, party committee members of provincial and district administrative committees, party committee members of the provincial military command and more than 240 representatives of guerrilla units from many areas. Mr Thongin

Thammakot, chairman of the ceremonies committee, officially opened the ceremony. He pointed out the great significance of this meeting, being held in the midst of a situation in which our people have won great victories in many things in carrying out the task of the first year of the First Five-Year Plan of the government. We smashed and destroyed the reactionaries' tricks and took part in insuring the success of 1981 production. The amount of agricultural tax collection was the same as planned. We will determinedly protect our country and advance it towards socialism and prosperity.

After that, Mr Sounthon Thep-Asa, chairman of the ceremonies committee, read a speech in which he expressed admiration for the brave sacrifices made to protect our country, build socialism, mobilize the people to be enthusiastic in contributing their initiative and energy to protect their own country and build the new socialist economy. in his speech, he said that in the past we improved many populated areas. In this process, national security was well protected. There were many cadres, combatants and people everywhere who scored new successes. In our province, 47 units were selected as outstanding and 1,245 comrades were chosen as outstanding. Of these, 823 comrades are in guerrilla units. At the end of his speech, Mr Sounthon emphasized that our achievements marked the first step in the first year of the government's 5-year plan. From now on, the party, military and people of our province must unite to improve their weak points and deficiencies and overcome many difficulties in continuing to carry out the plan for 1982, the second year of the 5-year plan.

After that, Mr Somphon, the head of the provincial institute awards section read the accounts of the president, the prime minister, the Ministry of Defense, the chairman of the Champassak Province Administrative Committee, and the provincial military committee praising the regional forces and Champassak Province's guerrilla unit, all of whom have done an outstanding job in wiping out robbers in the last dry season in 1981, for which one collective unit received the independence medal first class and a victory banner. Four collective units received the third class medal and a victory banner for supporting the revolution and leading the task of protecting, transforming and building socialism. One comrade received the medal of victory first class. Another received a second class. Five collectives received commendations from the government. Two hundred and twenty-three comrades received commendations from the government; 2 received the medal of bravery third class from the Ministry of Defense; 32 district companies and guerrilla units in Champassak Province received the medal of bravery third class from the Ministry of Defense; and 5 provincial and district military units and 195 comrades received commendations from the Ministry of Defense. Five hundred and ninety-eight comrades received commendations from the chairman of the Champassak Province Administrative Committee and 231 comrades received commendations from the Champassak Province Military Command. Also on this occasion, some gifts were given to guerrilla soldiers' families.

9884
CSO: 4206/35

CADRES ENCOURAGED TO MOONLIGHT IN COTTAGE INDUSTRIES

Vientiane MEGNING LAO in Lao Jan 82 pp 6, 11

[Column: "Problems in Life"]

[Excerpts] [Letter] Based on the policy of the party and government, there is a plan to mobilize our cadres' families to turn to building up our family economy. We all agree with the plan from the higher echelon regarding this problem. In the reality of daily life, if a family expands its family economy, its standard of living will improve.

However, there is one problem in our unit that is often discussed, for example:

1. Animal keepers. People sometimes come to the office just to show their faces, use office hours for finding animal food and then return to the office when it is almost quitting time.

2. Silk-weavers. People sometimes report trouble in their families by using the excuse that their children are sick or that they themselves are sick, in order to stay home to spin and weave.

In a situation like this, what should we do to assure the collective policy concerning family economic expansion, specialized tasks and domestic solidarity?

We hope you can look into this and give us some views. We believe that this lesson will be very beneficial to other units as well.

Vientiane, 15 January 1982
Representative of Women's Association Committee
Mrs Khamsi

[Response] The party and government have always been concerned about the standard of living for all cadres and government employees. Along with many policies, they have opened the way for families of cadres and government employees to expand their family economy in order to steadily improve their standard of living. Before carrying out this policy we must study things so as to have a thorough understanding of both sides: the government and the family.

1. As for the problem of those raising animals, we can see that things are complicated because those who have to get food must do so during office hours in order to find the places involved, and to be successful they must make several trips. We all should understand this problem. As for the animal keepers, they must try their best to make appropriate arrangements within their families to do whatever they can to reduce the number of office hours needed to run their family errands. Animal raising should be done gradually. It should not be more than one can handle, otherwise it will affect one's health and collective work. In the beginning we might want to raise a small number first to study how to do it and to accumulate capital, and after that we can expand gradually, depending on our ability and individual circumstances.

2. As for weaving, we should pay attention to it and expand it. Based on what we mentioned concerning the families that both raise animals and weave, weaving is more convenient than animal raising because the loom is something that does not demand food as do animals. If we are busy we can leave it alone 2-3 days a week without worrying that it might die, as an animal would. Weaving does not take a lot of space as animal raising does. In residential areas in towns there is a limit; there is no room to raise animals. It would be better for us to turn to weaving. There were many cadres who did this in the past. From now on, we should encourage and expand this activity. The reason for this is to increase family income, improve the standard of living, and revive our Lao women's handicrafts, which were neglected by the old regime. As our old women used to say "hang the cotton gin and spinning wheel on the wall and let them gather dust." The party and the government encourage us and ask us to revive it. We will be the ones who take down the cotton gin and the spinning wheel and dust them off.

As for the cadres who work in government units whose job is to weave silk, they should set aside time to do it correctly. With regard to this problem, we should try our best to avoid using official hours to do personal jobs. In a case where we live far from each other, it is hard to check. It is only because of our cadres' honesty that the organization will be able to protect our cadres.

As for those who do not have specialized tasks but have the capability for family economic expansion, they should turn to building up the family economy according to the policy of the party and government. The reason for this is to help reduce the burden of the government further, and also to improve the economy in families, to help the husband concentrate on doing his job and to provide security for the children and help them progress in their studies.

Concerning the above problem, all levels of the Women's Association Committee--for example, the unit that has to contact other women--should increase political and ideological study in order to raise the level of awareness and improve attitudes toward future problems. We must fight against any ideology or actions that are not honest for the organization and raise the awareness of the collective mastery. We should be responsible for collective work as well as our family work in order to carry out effectively our jobs assigned by the organization and our family responsibilities as wives and mothers.

These are the only views we wish to give for now concerning this problem. If you do not think this is clear enough or if you have any more questions, please send them in. We will be ready to discuss them with you in future columns.

May you all succeed in your responsibilities for improving the organization and family economy according to the policy of the party and the government.

Vientiane, 25 January 1982
MEGNING LAO

9884
CSO: 4206/35

BRIEFS

SAVANNAKHET MILITARY RECRUITMENT--Vientiane, KPL--At the end of 1981, 143 young men in 3 cantons, Naonneau, Sikhai and Dongtha, Outhoumpon District, Savannakhet Province, were enthusiastically, voluntarily and happily recruited as combatants in the ranks of the Lao People's Liberation Army. [Excerpt] [Vientiane KHAOSAN PATHAT LAO in Lao 11 Feb 82 p A3] In the beginning of 1982, 288 young men from different local areas in Song Don District and Outhoumpon District, Savannakhet Province, enthusiastically and voluntarily served the nation in military units, offices, organizations and factories for honored participation in national security and to develop and enrich their own local areas. [Excerpt] [Vientiane SIANG PASASON in Lao 24 Feb 82 pp 1,3] 9884

CSO: 4206/35

GOVERNMENT AIMS UNCLEAR, BUT TALKS WITH POLITICIANS NEEDED

Karachi JANG in Urdu 13 Mar 82 p 3

[Editorial: "Administration Should Take the First Step in Solving the Political Dilemma"]

[Text] A federal minister, according to a report from the JANG correspondent, met several political leaders as a representative of the government for the purpose of arranging an exchange of views with them on the current political situation to gain an awareness of their thinking and so that they could be made aware of the government's intentions and proposed steps. It has been indicated that this government representative, Mr Mahmud Ali, met Sardar Sherbaz Mazari after meeting Nawabzada Nasrullah and then returned and had further talks with Nawabzada Nasrullah. It has been indicated that some other leaders are also being contacted and, in order to deliberate on the matters, a conference is being held in Islamabad 14 and 15 March. The governors of all four provinces have been invited to attend. Hope has been expressed that the president, when he next addresses the nation, will shed light on his political program. If the present contacts with the political leaders prove fruitful, the nation will be informed in that regard as well.

At this point, we cannot say with certainty what the objectives of Mahmud Ali's mission are, what the latest thinking of the government is or what the reactions are of the leaders who have been contacted. There are so many contradictory and unrelated reports about the political lines along which the government wants to move that no opinion can be formed with certainty. The president has said that his Islamic steps and other strategies will take 10 years to bear fruit. His ministers talk in a tone that gives no impression of the government's moving toward reconciliation and understanding. The other day a federal minister accused some people of creating havoc by digging up corpses from the past. Another person has equated the unity of some people in the political parties with the revolt against the blood of our martyrs. In the report that was published on President Zia's conversation in Jiddah, he was quoted as saying that when his mission is completed he will hand over the reins of government to an honest man and depart. From these statements, it seems that the present government will not transfer power to an elected institution or to a majority party in it, but to an honest person selected at its own volition. The matter of a general election aside, we don't even know how this person will be elected and what modus operandi will be utilized for the

transfer of power. On the other hand, the chairman of the Federal Advisory Council, though he is not a government spokesman but holds a high place by virtue of his rank, is giving the insistent impression that the elections are not far off. The other day he even talked about holding the elections at very short notice. From all this, the picture of the government's political thinking, preferences, plans and objectives that emerges before the nation is not a clear one. We are not saying that this state of uncertainty is being maintained deliberately. But the reality is that nobody knows along what lines and in what direction the government is headed. It is clear that such a situation is not in the interest of a nation nor does it present an enviable image of the government. It can be said that either the government is confused or is deliberately confusing the public, and either way the impression is not favorable.

On this basis, it is the exigency of time that the government express its political thinking before the people and tell them in no uncertain terms along what lines it plans to move to resolve the country's political dilemma. If the report of the JANG correspondent to which we alluded in the beginning is correct, we will regard it as a symptom of the government's political thinking being well intentioned and healthy. If both the domestic and foreign issues are kept in view and an early decision is intended, then it would be wise to arrange soon for a serious parley with the political leaders. At first it can be done on an individual basis, and after the ground is broken, it can also be done in group form. Although responsibility for the success of the contacts will lie with both the government and the political leaders, the initial responsibility will lie with government because it alone will decide about making the move. If it decides that the time to establish a democratic government has come and the people should be given a chance to elect their representatives, then the creation of understanding within the political circles will not be difficult. So far, two schools of thought have appeared. One political group is for holding elections within 90 days under martial law, whereas the other believes in setting up a provisional civilian government first and then holding the elections under its supervision. Fortunately, the group of the former school of thought, though not desirous of participation in the civilian government, has announced that it will not be a stumbling block in its path. Under these circumstances, the search for and discovery of a workable formula for the interim period should by no means be difficult.

We regard both the government and the political leaders as patriotic and as realists, and if they once agree to deliberate on extricating the country from its present political crisis, it will not be hard to find a plausible and mutually acceptable solution. If the qualities of good intentions and sincerety are evident and if the objective is clearly the interest of the country, then the most complicated issues can be solved. If the government moves with a belief in God and takes the necessary measures to bring about understanding with the political groups, the best wishes of the patriotic elements will be with it.

9859
CSO: 4203/94

PRESIDENT CALLED ON TO ACT QUICKLY TO AVERT POLITICAL CRISIS

Karachi JANG in Urdu 25 Mar 82 p 3

[Editorial: "President Zia-ul-Haq's Mission"]

[Text] President Zia-ul-Haq addressed an unscheduled news conference late last night at Lahore airport before leaving for Rawalpindi. During the press conference, while expressing his displeasure at the newspapers, the president talked freely about readers' demands, political activities, the conduct of politicians, elections and the restoration of democracy in Pakistan. The president criticized the newspapers, especially the Urdu newspapers, and said that the news published in the media gives the impression that Pakistan has no future, and that one cannot say for sure whether Pakistan's ship of fate will reach the shore or sink into the sea. The president complained that the press does not write anything about the helpless plight of patients and mal-administration in the hospitals and does not ask the teachers why they were on a strike at a time when exams are approaching, when they could very well have chosen some other time for making their demands. The readers know a good deal about the problems referred to by the president and as such we do not wish to engage into a controversy on these issues.

In the same press conference, the president said that if he wished he could close down all the newspapers the next day and if people held rallies, he could have them put behind bars. The president added that no one will so much as raise a voice of dissent. The president, in his capacity as the head of state and the chief martial law administrator, can close down the newspapers not only for 5 years but forever and no one can say anything. Previously, during democratic regimes or under martial law administrations, when governments placed restrictions on the newspapers or closed them down, except for the affected employees who lost their jobs no one ever demanded restoration of publication of the newspapers or protested against the restrictions. If anyone ever raised his voice it was only to fulfill formalities or make his presence known. The reason for this is that the politicians themselves are not happy with the newspapers, especially big newspapers, because the newspapers do not give them the importance they seek. We are grateful to our judiciary, because of which, even though belatedly, our tears are sometimes wiped.

In a country where people have lost half of their country and did not even so much as turn around and ask who was or was not responsible for this greatest of sins or crimes and what punishment was meted out to them, a country whose

people have seen their constitution abrogated and new constitutions formed time and again and did not so much as raise their voice in protest, a country whose politicians and elder statesmen quarrel among themselves like children and cannot get together to save the dignity, honor and reputation of their country--if in such a country the newspapers are closed down for 5 years or, for that matter, forever, no one would ever raise his voice in protest. The president was right about that.

During this press conference, the president also said that the conditions were still not favorable for holding elections, the elections will not be held now and if elections were held under present conditions a serious crisis would occur, a crisis so serious that it would make people forget the seriousness of the events that occurred in 1977. Political parties, he said, have disappointed the people. We agree to a great extent with the views expressed by President Zia-ul-Haq. There is no doubt that the political parties of this country and their leaders have disappointed the people. Similarly, there is also no doubt that during the long 4 years and 9 months of the present martial law regime, our celebrated political parties and distinguished politicians did no "homework" whatsoever except to attend or give banquets. Until now they have not been able to work out any political formula acceptable to the majority of the people that could also solve the problems referred to by the president. Similarly, President Zia-ul-Haq's statement that the politicians thus far have not been able to reach an agreement on the establishment of a national government is also not incorrect. If the newspapers of recent months are carefully studied, it becomes quite clear that the politicians did not accomplish anything concrete other than to issue statements against one another and indulge in accusations and counteraccusations. We will also have to ponder whether there is any political party in the country that could win a decisive majority if the elections were held and be able to form a strong government. In our view, under the present circumstances it seems doubtful that even a coalition government formed by more than one party would be able to remain in office for long. Then the question is how the current crisis can be resolved and how our armed forces can be honorably discharged from this difficult position.

In this context, we would like to respectfully draw the president's attention to the fact that inasmuch as the political parties and our politicians have been responsible for the political instability currently prevailing in the country, he too cannot totally absolve himself from this responsibility. During the nearly 5 long years, why did he not try to bring one or more political parties to the line he had in mind, even though, according to him, some of the politicians are his personal friends, who he has described as patriots? Under the circumstances, when, according to the president himself, political parties have failed to bring propriety to either their work or politics, and the ways of the government and the politicians are wide apart, the statements of the president that he will not leave until his mission is accomplished and that martial law will remain in force as long as it is needed are causing concern and misgivings in the minds of the people. Our country cannot tolerate uncertain conditions much longer. He is well aware of the political parties in the country. If the president believes that the political parties cannot accomplish his mission, then he should find ways and means of resolving not only the political crisis facing the country but also ways of honorably discharging the armed forces from the present difficult position. He should come

forward to save the country and himself, so that the political deadlock can be resolved and people having identical views with the president and "those who would go along if they find the right path" could help accomplish his mission.

President Zia-ul-Haq is a God-fearing, virtuous and sincere man. No one wishes that he fail to accomplish the virtuous objectives he has in mind. We, too, for our part, would wholeheartedly like to submit that if he does not act quickly, we are afraid that just as during the past 4 years and 9 months he could not move even an inch in the direction of political stability, he will again face disappointment and it may be too late to do anything. This is the only way of taking the country out of serious and revengeful politics and revengeful political crisis.

9315
CSO: 4203/100

EDITORIAL CALLS ON MUSLIM COUNTRIES TO UNITE BEHIND AFGHANISTAN

Karachi JANG in Urdu 21 Mar 82 p 3

[Editorial: "Salute to the Afghan Mujahedin"]

[Text] Today is Afghanistan Day. All democratic countries of the world have dedicated this day to the struggle of the freedom fighters of Afghanistan. All the democratic countries of the world today pay tribute to the spirit of the freedom fighters of Afghanistan, the undying spirit of freedom that even the all-powerful forces of the Soviet Union have not succeeded in subduing. The Afghan Mujahedin have been fighting against one of the most powerful armies of the world for almost 2 years in a state of destitution. Despite the fact that hundreds of thousands of Afghans have lost their hearths and homes, the resolve of the Afghan Mujahedin has not been shaken. They are determined to continue their struggle through the coming generations. They know that they cannot expect to win a victory against a great military power like Russia. They do not have even one one-hundredth of the military aid they need in their struggle against Russia. They have the moral support of the democratic countries of the world but the funds they need so badly are not easily forthcoming. Afghan Mujahedin makes up for the paucity in funds by their spirit, valor, fearlessness and their faith in God. This is why they do not expect immediate success; on the contrary, they know that they will have to continue fighting for quite some time to come and they also know that if they do not win this war, their coming generation will have to continue the struggle.

There are many aspects relating to the problems of the Afghan Mujahedin. One of these is that Afghanistan is a Muslim country and its population is 100 percent Muslim. In this sense, Afghanistan is an important member of the Islamic world. It is the collective responsibility of the entire Muslim world to try to liberate Afghanistan from foreign domination. But it is deplorable that up to now, the Muslim world has done nothing but pass resolutions. Only a few wealthy nations have given some help in the name of Afghan refugees.

The Afghanistan issue poses a challenge to the Muslim world. If the Muslim world was to unanimously demand that Russia withdraw its forces from Afghanistan, Russia would have to give their demand serious consideration. This can only happen when the Muslim world unites. In fact, this is not the case. There are many Muslim countries that cannot afford to strain their relations with Russia. To such countries we would like to say that unity among Muslim countries can be more beneficial to them than their friendship with Russia.

The Muslim world by uniting will not only liberate Afghanistan from Russian domination, but in the future no big power will ever have the courage to commit aggression against Muslim territory. If the leaders of the Muslim world comprehend this point, the Muslim world would become a great power today.

The second aspect of Afghanistan is that it is a poor and backward country in the Third World. Poverty and ignorance is rampant. From the point of view of education, the people of Afghanistan are considered to be the most illiterate people in the world. Today the wealthy nations of the world, specially the big powers, sympathize with the Third World. Everywhere the Third World is being discussed. Russia in particular condemns the exploitive policy of the imperialist countries in strong terms. But it invaded Afghanistan and uprooted 3.5 million people from the hearths and homes and is not the least ashamed of the land it has thus acquired. The hypocrisy of the big powers is the greatest tragedy of the 20th century.

The third aspect of Afghanistan is that it has always supported a policy of nonalignment. During the last decade, Russia and India have been in the forefront in propagating the policy of nonalignment. India received the blessings of Russia for its role as leader of the nonaligned movement. But when Russian soldiers invaded Afghanistan, the neutral and nonaligned countries of the world did not show any reaction. On the contrary, India practically supported the Russian action. Today, when the Afghan refugees demonstrate to protest the arrival of some Russian leaders in New Delhi, Indian police beat them up. One good effect of the Russian action has been that it brought into open the truth of the nonaligned movement.

At any rate, it is a fact that the United Nations, the Islamic Organization Conference, the nonaligned movement and the Third World have done nothing more than express verbal sympathy. The Afghan people are fighting their war of independence all by themselves. They do not expect to be successful overnight, but they have staunch faith in God and are determined to continue their struggle for years to come. We salute these freedom-fighters.

9315
CSO: 4203/100

DOUBTS EXPRESSED ABOUT ISLAMIC SOCIAL JUSTICE CLAIMS

Karachi JANG in Urdu 3 Apr 82 p 3

[Article by Arshad Ahmad Haqqani: "The Islamic Teachings of Justice and Obligation"]

[Text] Dr Mahbubul Haq's claim that in implementing his economic policy he will adhere to the concepts of Islamic justice and obligation is a very large claim. Justice is a very comprehensive and forbidding term, and even if we look at just its economic aspect its demands are all-embracing. The first demand of justice between individuals and society is that there be no difference or discrimination between them in their fundamental rights. They should be provided with uniformity of opportunities. Everyone should have the opportunity to advance in life. For this to be so, it is necessary that the entire new generation have the opportunity to avail itself of a single, uniform system of education so that it will be possible for all young people to start the race of life under similar conditions. What is our situation here? The literacy rate is 24 percent. That is, three-fourths of the population do not even have a chance to obtain an education. The overwhelming majority of those who do have education is in such a dire strait that the less said of it the better. The overwhelming majority of those of the nation's children who are so fortunate as to be in school are studying with teachers who, because of their poverty, have now gone on strike. In contrast, there are educational institutions in this country where it can be said without exaggeration that thousands of rupees are spent on each student every month. Can any honest man have the temerity to mention the fulfillment of the demands of justice in society when there exist such superior and inferior classes in the educational system? Dr Mahbubul Haq has mentioned free, compulsory education up to the matriculation (i.e., high school) level. If you are able to arrange for a uniform curriculum and similar conditions of education, and to give the children of the entire nation the right to enter various institutions on the basis of their performance and ability, then we will be able to say that you have introduced the justice of Islamic education in one department.

What is the condition of medical facilities? Millions of people in this country, yes, without exaggeration, tens of millions, do not have the necessary resources to obtain proper care and treatment. They are sticken with various kinds of diseases but can do no more than get charms and spells

and prayers or seek treatment from some charlatan hakim or doctor. There is nothing more they can do. How can you mention justice in society in the presence of such conditions? Dr Mahbubul Haq has said that 30 million people in Pakistan are living below the minimum standard of living, that is, under conditions lower than the lowest bearable level of poverty. The next 30 million above this level are less indigent, but for them too, as the English saying goes, it is "a struggle to make ends meet."

Then there are the lack of opportunities for employment. If one looks at the bitter feelings and sharp emotions of those young people who are without connections and recommendations one does not see the slightest reflection of the concept of justice anywhere. A young man is born in a poor household; he sees his parents and brothers and sisters thirsting for, rather writhing in their desire for the necessities of life. He himself wants to accomplish something and to advance for their sake, but he finds all doors closed. If he manages to find a foothold somewhere he must put up with a hundred difficulties and a thousand insults. But after all this what does he have? Is there any comfort, any peace of mind, anything to fulfill his longings, to give him courage to live his life? No. Instead of these, he will be caught up in a continuous feeling of deprivation, injustice, oppression, pain and frustration, which will produce in him a deep bitterness and madness. How can you talk of the Koran's teaching of justice in a society in which you do not make possible uniformity of opportunity? And what would your claim deserve other than to be met with a vitrolic, derisive laugh?

Our social values, morals and mores are the product of a capitalistic system of life. We call on the name of Islam and will not so much as take a bite to eat without it, yet what arrangements do we have for social welfare? What institution do we have to help needy, misfortunate young men and women? What institutional arrangement is there to fulfill the wish of the orphan, and the poor, and the middle class white collar family to preserve their self-esteem? There is so much anguish in society, so much greed, so much feeling of each for himself, of gluttony, that we should be ashamed when we talk of the system of Islamic justice. The Iranians say that their revolution was a revolution of the humble against the haughty. This is the spirit of Islam. That change or revolution which does not raise up the humble and force the haughty to prepare to take the path of moderation is anything but an Islamic change or Islamic revolution. The very essence of Islam is the eradication of oppression; and oppression is the opposite of justice. So long as there remains the inequality which is now in our society, the horrifying, shameful great distance between various classes in their means and condition of life, if we so much as mention the system of justice and obligation in Islam we will be guilty of the worst kind of hypocrisy and deserving of what befalls those, according to the Koran, who don't do what they say.

While it is doubtless true that Islam does not acknowledge absolute equality in some fields, still the essence of its teaching is justice between man and man, between class and class, between man and woman, and between the individual and the state. This teaching is side by side with the order to establish justice throughout the entire Koran. So far as obligations are concerned,

these too are demanded by the spirit of Islamic teaching. The Koran considers all humanity one people, and all Muslims one family, rather, one single body, and thus shows the path of obligation. It is the teaching of Islam that all men are brothers and are descended from one father. Muslims are like one body. All the food and resources given them by God are to be shared; are for the use of all. They should fill the needs of all. Islam cannot conceive of condoning selfishness such that in the name of the sanctity of the right of private property, one individual could deprive another individual, or one class another class, of the use of its possessions when the other had need of it. The spirit of the teaching of Islam is that necessity has supremacy over the claim of possession. In the first place, the person with property should in his own right relinquish his property and fill the need of the needy, but if he does not do so, then the state has the complete right to intervene and give the truly needy the excess property. The concept of property and means as a trust is understandable, since Islam has given Muslim society the status of a family. The concept of the absolute right to property cannot be acceptable.

Unfortunately, the bitter truth is that the majority of the classes in our society which tithe according to the economic teachings of Islam are those very people who not only support the absolute right to property and resources, but feel that Islam came into existence just to protect their property, and that its greatest teaching is that you cannot touch the earnings of someone else. Without doubt, Islam has strictly forbidden taking and using the property of a brother by false means, but Islam also does not permit the maintenance of islands of excess in a sea of need. It respects the rights of the individual but also reminds him of his social responsibilities. The new deputy chairman of the Planning Commission has resolved to make the Koranic teachings of justice and obligation his guide, so let him make his heart strong, his honesty powerful, his thought revolutionary, and start his work. The tie to the love of property and special class distinctions has become second nature for those privileged classes of our society who have attained their rights. It will not be easy for them to change overnight. This will require a long war, and we cannot say to what extent Dr Mahbubul Haq is aware of its gravity and importance.

But we cannot refrain from saying that the establishment of justice has become a necessity in Pakistan, as in other societies of the world, and that if you do not do so happily and willingly, those agents and stimuli which are today demanding it will after long discontentment be forced to search for other paths for its fulfillment. Oppression, inequality, discrimination, walls and distances, and great differences between men can no longer continue. They must be lessened and erased, whether as a result of Dr Mahbubul Haq's planning or as a result of these conditions as yet unknown.

Then too, it is an insult to man that he should be treated like a dumb animal and not oppose this treatment; not protest it or try to change it. Pakistan is a normal nation, and those intellectual, psychological and mental waves which are running through the third world are here too. Then too, it is a fact that we continually call on Islam and do not even eat a bite of food without it. We have stopped the country's political journey for the last five

years for the sole reason that we have not yet found a framework for an Islamic political system. The fundamental justification the rulers give for their continuance in power is that they want to complete the founding of an Islamic society. When we give Islam so much importance that its promulgation is given as justification for maintaining in power an unelected government, you cannot escape negative criticism and reaction if you ignore the social and economic teachings of Islam. If Islam is to be promulgated it will not be enough to spend five years searching for a political framework. We will have to go the whole way; at least we will have to erase the great difference presently found between the haughty and the humble. We ask that you put into effect a uniform system of education in the whole country; enter children in important institutions not on the basis of the weight of their parents' purse but on the basis of the weight of the children's intelligence; make medical facilities common enough so that at least it will be possible for everyone to receive treatment for common diseases; stop the construction of houses which are like palaces, and adopt moral and legal policies to have families reside in those already existing according to the space available; stop the large number of luxury goods; stop the unnatural standard of housing and the profligate way of life of some; consider all of humanity to be human, don't consider some to be sheep and goats and beasts of burden; and provide opportunities for advancement for all. Then your friendship for Islam will be meaningful and the country too will shine with the light of justice and fairness and brotherhood and solidarity. Empty shells of slogans and verbal promises will not fill stomachs, and no one will give any weight to what you say. Dr Mahbubul Haq, it is said, left his high post in the World Bank because the new leader of the institution had begun to ignore the interests of poor countries and push them into the background. It will not be out of place to expect that after returning to his homeland he will act on this praiseworthy sentiment and, so far as he is able, will live up to his word that he will implement the new plans for the construction and progress of the country under the guidance of Islamic concepts of justice and obligation. Our prayers are with him, but the difficulties are such that it is hard to say how much help our prayers will be to him.

9914
CSO: 4302/107

PRESENCE OF U.S. BASES REJECTED; SELF-DEFENSE STRESSED

Karachi JANG in Urdu 6 Apr 82 p 3

[Editorial: "Sahabzada Yaqub Khan's Clarification"]

[Text] Minister of Foreign Affairs Sahabzada Yaqub Khan has denied that the American administration ever asked Pakistan for bases or other facilities for stationing foreign troops or stockpiling arms on its soil. The foreign minister told reporters in an informal meeting in his office that the question of an American request for bases in Pakistan simply has not arisen. The foreign minister, commenting on the speech President Zia gave before the Advisory Council the other day, said that the president was alluding to the question of U.S. bases in Pakistan raised by some American visitors to Pakistan who were not representatives of the administration during talks regarding the $3.2 billion aid agreement. In fact, the president made the point in his speech that such a thing was out of the question.

It has become clear from a timely statement by Yaqub Khan that the proposal of American bases in Pakistan was not put forward by the representatives of the American administration. Now it is evident that such a proposal was put forward during the U.S.-Pakistan economic and defense aid talks and also who put it. Though the proposal did not come from the representatives of the American administration, President Zia, while rejecting it on behalf of the people of Pakistan, said that if 85 million people cannot defend themselves then nobody else can do it for them. Thus, the president rejected the idea of bases of any power, not only the United States, on the soil of Pakistan. Now two points have become clear from the statement of the president and the clarification of the foreign minister: that a request for the bases in Pakistan was not made by the American administration and that Pakistan rejected any such possibility.

After these clarifications, the debate as to whether the United States wants bases in Pakistan and whether Pakistan has acceded to this request should be ended for good. Pakistan is a free, sovereign and nonaligned nation. The Pakistani people got this country after a long struggle and the Pakistani people have fought three wars in their short history of 34 years for the defense of the country's freedom and existence. If aggression is committed by an external power in the future, the Pakistani people will defend it fully. President Zia is right in saying that if 85 million Pakistani people cannot defend themselves then no foreign power can do it for them. Pakistanis are a self-respecting people and no self-respecting people can rely on a foreign power for their defense.

9859
CSO: 4203/106

SALARIES FAIL TO KEEP PACE WITH PRICES; REFORM NEEDED

Rawalpindi TAMEER in Urdu 22 Mar 82 p 2

[Editorial: "The Outdated Pay Structure"]

[Text] As the struggle by the teachers for an increase in pay and other benefits continues, doctors in Punjab, presenting their demands, have notified the government that they are beginning their token strike. These are not the only government servants who are miserable because of inflation and higher prices. The truth is that every person on a fixed income, even if he is in grade 21 or 22, is experiencing difficulty in making ends meet. The government has the largest payroll of any institution and therefore even a small pay increase raises its expenditure greatly. This is why the government delays making decisions in this regard. Often, the lack of funds is given as the excuse. But the hardships of the government employees are also legitimate. They also have to purchase consumer goods from the marketplace. As for the marketplace, the prices of these goods rise every month and these people have no recourse but to protest. This is a problem to which the government will have to find a solution. Increases or minor changes in the salaries of some people when demands are pressed, will not solve this problem. Before freedom, the natives were not treated well in regard to salaries during the British regime. However, their pay during that period with respect to prices was much better than it is now. If there has been a 10-fold increase in salaries since then, prices have gone up 20 or 30 times. This is why everybody who has any skill or higher education prefers to work abroad.

We think now the time has come to examine all aspects of this issue and to make attempts to create a system that will give skilled and educated people a respectable place in society and pay according to their ability and training. When a Ph.D., a doctor or an engineer in this country cannot earn as much as a person going abroad can earn as a laborer or a minor businessman, it is very disheartening and creates a great many social and political problems. The pay and remuneration system has now become so outdated that it is beyond reform.

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ARBITRATION COMMISSION REJECTS GENERAL WAGE RISE

BK141442 Melbourne Overseas Service in English 0830 GMT 14 May 82

[Text] The full bench of the Australian Arbitration Commission has decided against granting a general wage rise. At the same time it has called a conference to consider the future of the wage fixing system. The decision has pleased employers and the federal government and disappointed unions and the opposition. It follows the first national wage hearing since the centralized system pegging wages to cost of living increases was abandoned in July last year.

The Australian Council of Trade Unions [ACTU] has sought a community catch-up rise of $25 a week--about U.S.$27--for workers who were not included in a recent round of wage increases. The president of the Arbitration Commission, Sir John Moore, said in handing down its decision that such a rise would mean a substantial increase in labor costs at difficult time for the economy. He said the full bench had difficulty identifying the lag in community wages claimed by the ACTU. Sir John said wage hearings conducted during the next few months on a case by case basis would be critical not only to the economy but to the future of wage determination. He said he had called a conference for (?17 August) to examine the future of wage fixing which could involve returning to a structured centralized system or moving to a more decentralized approach.

The industrial relations minister, Mr Macphee, later said the decision of the full bench had made a significant contribution to an atmosphere of wage moderation and a lower level of industrial disputes.

The opposition spokesman on industrial relations, Mr Hawke, said he was concerned that following the decision the strong would get stronger and the weak would get weaker.

The director of the Confederation of Australian Industry, Mr (Selidc), said it was the sort of decision that employers hoped for, putting the onus on the unions to decide what their wages policy should be.

The president of the ACTU, Mr Dolan, said claims by individual unions following the decision could lead to industrial disruption depending on the reaction of employers.

The ACTU executive passed the resolution stating that a campaign for increased wages and shorter hours would continue.

CSO: 4220/607

BRIEFS

DEPLOYMENT OF FORCES OVERSEAS--Australia's civilian defense chief has warned that it would be imprudent for Australia to neglect its long-term national interest by assuming a global military role. Secretary of the Defense Department (Bill Prichet) said it would be feasible to train and equip a multiservice defense force for deployment in areas remote from Australia, such as the Persian Gulf. But he told a conference in Sydney that defense planners would be cautious at developing a defense force geared exclusively or predominently for involvement in remote areas even though regional indicators were at present reassuring. [Text] [BK161103 Melbourne Overseas Service in English 0830 GMT 16 May 82]

TRADE WITH SAUDI ARABIA--Trading ties between Australia and Saudi Arabia have been strengthened this week with the inaugural meeting of the Australia-Saudi Arabia Joint Commission. Speaking in Melbourne today, the Saudi minister of commerce, Dr Sulaym, said it was hoped the new commission will increase trade between the two countries. Australia currently imports more than A$500 million worth of products, mainly oil, from Saudi Arabia each year, while in return, Australia exports just under A$280 million worth to the Middle East kingdom. Dr Sulaym said there was plenty of opportunity for Australian exports to increase. He said Saudi Arabia was interested in tapping Australia's expertise in the field of mineral resources development. [Text] [Melbourne Overseas Service in English 0830 GMT 7 Apr 82]

COAL LIQUEFACTION INDUSTRY--New Zealand's Energy Minister Mr Birch has suggested that Australia and New Zealand jointly developed multimillion dollar coal-to-oil liquefaction industry. Speaking at Brisbane, Mr Birch said it will be far more beneficial for both countries to develop the industry on a joint basis rather than a competitive one. Mr Birch said he was particularly interested in a recent in-depth study of the development of coal liquefaction industries in two Australian states, Queensland and Victoria. He said the technology used to develop these industries in Australia would be of major value in the development of a New Zealand liquefaction industry. Mr Birch was speaking after visiting Central Queensland coal fields as a guest of the Queensland's government. He said his visit to the fields would help the New Zealand Government assess Australian coal companies that have stated an interest in developing large coal fields on New Zealand's South Island. Meanwhile, the minister for primary industry, Peter Nixon, has announced the removal of one of the

major obstacles to free trade talks between Australia and New Zealand. Mr Nixon told an agricultural field day in Victoria that an agreement had been reached on including dairy products in the round of talks to establish a closer economic relationship between both countries. He said the agreement was consistent with Australia's condition to safeguard the interests of the Australian dairy industry. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 3 Apr 82]

SURPLUS IN BALANCE OF PAYMENT--A record net inflow of capital during April has resulted in a large surplus in the latest balance of payment figures. The Bureau of Statistics says almost $2 billion came into Australia during April mainly as a result of companies borrowing overseas. The result is a surplus of about 1.2 billion in the balance of payment. The balance of trade also improved last month because of lower imports of goods, such as machinery. [Text] [BK131255 Melbourne Overseas Service in English 1500 GMT 12 May 82]

AUSTRALIA DEVELOPS ANTI-MISSILE 'DECOY'--Australian defence scientists have developed a decoy which could protect ships from missiles similar to that which wrecked the destroyer Sheffield. It has undergone successful trials in Australian waters. The system, known as project Winnin, consists of a small havering rocket deployed away from the ship. It dispenses a sophisticated range of electronic communications, including radar and infra-red signals which are designed to attract an incoming missile. [Report by "Our Sydney correspondent": "Anti-Missile Breakthrough"] [Text] [PM181333 London THE DAILY TELEGRAPH in English 18 May 82 p 4]

CSO: 4220/643

THAI DELEGATION ARRIVES FOR BORDER TALKS

BK201645 Rangoon Domestic Service in Burmese 1330 GMT 20 May 82

[Text] An 11-member [figure as heard] Thai delegation headed by Thai Deputy Foreign Minister Dr Arun Phanuphong flew into Rangoon this evening at the invitation of the Government of the Socialist Republic of the Union of Burma. The Thai delegation was received at the airport by Deputy Foreign Minister U Tin Ohn, Burmese Ambassador to Thailand U Soe Myint, Thai Ambassador to Burma Phirat Itsarasena and responsible officials of the Foreign Ministry, the Ministry of Home and Religious Affairs, the Land Survey Department and the Thai Embassy in Rangoon.

Director General of the Thai Foreign Ministry's Treaty and Legal Department Dr (Sathit Satiyasaiya), Deputy Under Secretary of the Interior Ministry (Lakphum Phaksi), Director General of the (?Administration) Department (Chalong Bhiranasuk), Director of the Naval Hydrographic Department of the Royal Thai Navy Rear Admiral (Rot Hoprasit) and responsible officials of the office of the National Security Council, the Land Survey Department and the Foreign Ministry accompanied the deputy foreign minister as members of the Thai delegation.

The Thai deputy foreign minister and his delegation will hold talks with the Burmese side headed by Deputy Foreign Minister U Tin Ohn on matters concerning the Mae Sai-Mae (?Moei) border area.

CSO: 4211/19

PAPERS ON CONTENT, PROCEDURE OF TALKS WITH PRC

Madras THE HINDU in English 5 May 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, May 4.

An 11-member Chinese delegation led by the Vice-Foreign Minister, Mr. Fu Hao, who is equivalent to a Secretary in the Government of India, is arriving on May 15 for the next round of official level talks on the border dispute.

The Chinese delegation will spend the first two days in private consultations, as the Indian team did when it went to Beijing in December last, to prepare for the talks which begin on May 17 and will go on till May 21, according to current indications.

There are reports of a major overhaul of the Chinese Governmental set-up, including a drastic reduction of Vice-Premiers from 13 to two, followed by a parallel curtailment of the number of Cabinet Ministers from 52 to 41 and Vice-Foreign Ministers from 10 to 4 indicating that Mr. Deng Xiaoping's bid to consolidate his hold is far from complete.

The name of Mr. Fu Hao has not been specifically mentioned in the Xihhua report as one of the four Vice-Foreign Ministers who have been retained, but in the absence of any official announcement to the contrary the Government of India is proceeding on the assumption that he would be leading the Chinese delegation.

However, the reported changes have left many observers of the Sino-Indian scene wondering whether in the midst of this widespread shake-up Mr. Fu would be coming with a comprehensive brief to engage in substantive discussions on various aspects of the border question. But as a veteran diplomat who is well acquainted with the complexities of this problem he is not going to shirk from discussing the border issue in depth if only to explore the possibilities of a settlement, even if he is in no position at this stage to commit his Government to any particular course of accommodation.

At the last round of talks in Beijing, the two sides merely reiterated their basic approaches without getting down to the guts of the problem. But they will have to move forward during the Delhi round to the stage of at least exchanging views on their respective concepts of a settlement, before entering into serious negotiations at a later stage.

Real task: The real task at these talks is not to just keep talking to avoid the impression of a breakdown even if the two countries are unable to make any tangible progress during these discussions. The whole emphasis will be on identifying the common ground, if any, between the divergent approaches that could serve as a starting point for substantive negotiations.

There have been some preparatory talks in Beijing between the Indian Ambassador, Mr. K. S. Bajpai, and the Chinese Foreign Ministry, but these exchanges were by and large confined to procedural matters for conducting the discussions in a more purposeful manner to set the right tone for the subsequent rounds of this dialogue. Otherwise, neither side was expected to nor willing to disclose its negotiating strategy nor indicate how far it was prepared to go at this stage in coming to grips with the border problem.

For psychological reasons, however, the two sides are equally keen on keeping up an atmosphere of expectation that with the necessary determination to resolve this dispute it should not be beyond the capacity of India and China to evolve a mutually acceptable compromise. But until they have gone through the probing stages and are reasonably satisfied about each other's desire for a settlement, it is not possible to start serious discussions on the elements of mutual concessions that could conceivably lead step by step to a comprehensive settlement.

The process of sustaining some degree of optimism during this confidence building stages will inevitably involve a corresponding

effort to carry forward the process of normalisation in other spheres like economic and cultural relations, while the two countries make a serious endeavour to resolve the border dispute. Due attention is, therefore, being given to this aspect in the preparation of the briefs for the next round of the official-level discussions.

Envoy coming: The Indian delegation to the talks will be led by the Secretary in the External Affairs Ministry, Mr. Eric Gonsalves, who has been handling these Sino-Indian negotiations. It will include Mr. Bajpai, who is arriving on May 9 for advance consultations. He will go back to Beijing to make his farewell calls before returning to Delhi a few weeks later to take up his new appointment as Secretary in place of Mr. Gonsalves when he goes to Brussels as Ambassador

CSO: 4220/7260

BORDER ISSUE MAJOR PROBLEM

Calcutta THE STATESMAN in English 5 May 82 pp 1, 9

[Text] **From Our Special Representative**

NEW DELHI, May 4.—Senior officials of India and China will resume their talks here to find ways of normalizing bilateral relations and to find a solution to the contentious border issue.

A 10-member Chinese delegation, headed by Mr Fu Hua, Vice-Foreign Minister, will arrive here on May 15 to pick up the threads of the bilateral dialogue from where they were left at the last round in Beijing about four months ago. The talks beginning on May 17 will conclude on May 21.

Mr Eric Gonsalves, Secretary in the Ministry of External Affairs, will lead the Indian delegation. The Indian Ambassador in Beijing, Mr K. S. Bajpai, will be here on May 9 for consultations at the Foreign Office.

The talks are expected to cover a wide range of subjects including trade, economic cooperation and cultural relations. Both sides are committed to work towards normalizing relations. But then the problem facing them will be to find a mutually acceptable solution to the border issue with China in control of vast slices of Indian territory in the north, central and eastern sectors of the India-China border.

There has been some relaxation of tension in the relations between the two countries during the past two years—the one to contribute most to this was, of course, the Chinese decision last year to let Indian pilgrims visit Mansarovar. There have been exchanges at other levels as well. For instance, a Chinese Press delegation is currently visiting the country. But much will ultimately depend on how far the Chinese are prepared to go to meet the Indian position on the border issue. This would indeed hold the key to the outcome of this and other rounds that may follow.

Our Special Representative in Calcutta adds: Mr Jiang Yuanchun, Deputy Director, International News Department of the People's Daily and leader of the seven-member Chinese Press delegation now visiting India, said in Calcutta on Tuesday that there was no difference between the Press and the Government regarding the policies pursued by the Government in his country. The Press in China supported the Government's policies on national development and peace and journalism in his country had become an important medium for propagating the Government's policies and programmes to the masses.

He, however, said that the Press did not spare erring Ministers and officials for whose sake the people suffered. Reporters had freedom to investigate and write critical stories which often jeopardized the position of Ministers and officials. No attempt was made to suppress facts as this was not permissible under the Chinese constitution. Recently the Press wrote critical pieces about a Minister who, after having food in a hotel, did not pay his bill in full.

Mr Jiang praised the efficiency of Indian journalists and said that they did a better job than their Chinese counterpart. Technologically also, the Indian Press was more advanced. Chinese characters were standing in the way of modernizing the production techniques. Since there was no typewriter which featured Chinese characters, editors and reporters had to write pieces in their own hand.

Mr Jian said that the support by the Chinese Press and radio to some Indian political elements during the cultural revolution was a wrong policy of the Government. China did not believe in interfering in the internal affairs of any country. The Chinese Press did not publish stories which it thought were the internal affairs of other countries. When asked whether the Chinese Press published stories about Maneka Gandhi leaving Mrs Ghandi's house, he replied in the negative. "This is an internal affair of India", was his remark.

He lauded the role of the Chinese Press in the process of democratization in his country. The Press, he said, had no role when it was totally controlled by the "Gang of Four". He said that there was no question of China condemning the USA on developments in El Salvador as the USA had committed no aggression in that country.

Earlier in a brief speech, he said that the delegation had come to India to promote the age-old ties and friendship between the two countries.

CSO: 4220/7260

SINGAPORE DEVELOPMENT OF BATAM ISLAND REVIEWED

BK151109 Hong Kong AFP in English 1027 GMT 15 May 82

[Text] Singapore, 15 May (AFP)--A Singapore trading company has won a massive $400 million (U.S.$190 million) contract to supply granite to the island of Batam, it was reported today.

Comfort Marine, which has delivered 3 million tonnes of granite to the Batam Industrial Development Authority (BIDA) since last month, is getting the assorted sizes granite from Agaleim quarry in the south Malaysian state of Johor, the BUSINESS TIMES said. Barges are being used for the delivery of the rocks, expected to be completed in 2 years. Batam Island is about 22 km (13 miles) from Singapore.

Construction of infrastructure facilities has been in progress for the last 2 years when the Indonesian Government decided to go ahead and develop Batam into an industrial centre to complement Singapore.

An Indonesian Embassy official here told the paper that the infrastructure facilities on the island should be ready by 1985.

Construction of a 300-room hotel and airport, and the enlargement of the harbour is underway. Fifty percent of the road network linking the three main industrial areas of Sekupang, Batu Ampar and Nangsa have been completed, the official was quoted as saying.

Meanwhile, 35 companies and factories dealing in shipping and cargo handling, beef and meat processing, a metal fabrication yard and a pipe-coating plant, have already started operating from the island. To date some $76 million (U.S.$36 million) have been invested in various projects on the island, the BUSINESS TIMES said.

The development of Batam Island into an industrial centre has the official backing of Singapore although it has no investments in the project.

In November 1980 the two countries signed an agreement to slash red tape and to facilitate the movement of capital, men and machines to Batam to speed up its development.

CSO: 4220/607

BRIEFS

WEST GERMAN LOAN--Indonesia and West Germany concluded a financial cooperation agreement for the 1982-83 fiscal year in Jakarta on 14 May. The agreement covers a $52.45 million loan for the financing of a number of development projects, including the Bukit Asem Coal Mining project and electrification projects in West Sumatera Province. It will also be used partly to finance the construction of projects launched in the previous fiscal year. [BK191507 Jakarta Domestic Service in Indonesian 0700 GMT 14 May 82 BK]

TIN EXPORT FROM SOUTH SUMATRA--South Sumatra exported 2,785 tons of tin, worth $40,295,000 in March 1982. Nearly 1,375 tons of the volume was shipped to Singapore and the rest to EEC countries. In February 1982, the figure stood at 2,125 tons with a total value of $32,186,000. [BK191507 Jakarta Domestic Service in Indonesian 1200 GMT 16 May 82 BK]

ZAMRUD OIL FIELD PRODUCTION--Jakarta, 11 May (ANTARA)--Contractors of Pertamina, American companies California Asiatic Oil Co and Texaco Overseas Petroleum Co, have started to produce oil at the Zamrud field in Riau at the rate of 21,300 barrels per day. Production is carried out by PT Caltex Pacific Indonesia (CPI), a joint venture company formed by the two contractors, the Public Relations Office of Pertamina announced Monday [10 May]. The more than 20,000 barrels production come from 8 of 11 wells that have been drilled at the Zamrud area. The other three wells will soon be linked with the production network of Zamrud. Zamrud is the last of four oil fields which are now producing in the Beruk-Zamrud project area. [Excerpt] [BK131315 Jakarta ANTARA in English 1315 GMT 11 May 82]

CSO: 4220/607

KAYSONE PHOMVIHAN DISCUSSES TRANSITION TO SOCIALISM

Vientiane BULLETIN QUOTIDIEN in French 6, 8-10 Mar 82

[Article by Kaysone Phomvihan, general secretary of the CC [Central Committee] of the Lao People's Revolutionary Party [LPRP] and prime minister of the Lao Democratic People's Republic, first published in the NOUVELLE REVUE INTERNATIONALE--PROBLEMES DE LA PAIX ET DU SOCIALISME, September 1981: "The Strategy of the Transition to Socialism"]

[6 Mar 82 pp 7-10]

[Text] The transition to socialism is a logical continuation and devleopment of the revolutionary process in this country. Relying on the principles of Marxism-Leninism and fortified by the experience of fellow countries, our party initiated a policy for the socialist transformation of society after the victory in 1975 of the national democratic revolution in Laos. This policy has its origin in the political program of the LPRP and has the objective of "meeting all the conditions necessary for a direct transition to socialism and bypassing the capitalist stage of development."

Since this goal was set by the 2nd LPRP congress in 1972, the party has devoted itself to developing and perfecting its strategy, adapting it to the political, economic and social tasks of the transition period.

We are making our way toward socialism, and we are carrying through with the general laws of socialist revolution discovered by Marxism-Leninism. Our party seeks to apply them creatively and adapt them to the specific facts of life in Laos.

"The concrete analysis of a concrete situation," that is the cardinal Leninist principle that we are applying to develop our strategy in the transition period.

What, then, is special about the present situation in Laos?

First, it must be emphasized that Laos is the outpost of socialism in Southeast Asia; it is on the front line of the confrontation between the socialist and capitalist systems in this region. This country suffered for several decades under the yoke of colonialism and imperialist aggression; it is still under bitter attack and subversion by reactionary forces. Reactionary feudalism, former colonialists, American imperialists, hostile governing circles in Thailand and other ASEAN [Association of Southeast Asian Nations] nations, the Peking

expansionists and hegemonists in collusion with the imperialists and reactionaries of every stripe, all these represent the combined forces against which we must constantly struggle. The enemies of our revolution are working in concert. They are arming and sending commando units and pirates against Laos, they are carrying on psychological warfare, engaging in economic sabotage, and seeking to provoke trouble in the country in an attempt to overthrow the people's government and roll back the process of social transformation.

What conclusions can we draw from these facts?

Our party considers, first, that the peaceful edification of Laos should be closely tied to the consolidation of the armed forces and the improvement of their combat readiness in order to defend the country's independence and the people's revolutionary conquests. Historical experience supplies irrefutable evidence: a revolution that cannot defend itself is condemned to death. Then, every step of the way, we must unmask the main enemy and concentrate our efforts on defeating him. Against our enemies we turn a policy of principle that consists in determinedly combating their intrigues and defending the conquests of the revolution. This policy is applied with flexible tactics, which is particularly important for a small country that has no great economic power or any great potential for defense. While refusing to compromising on matters of principle, our party seeks to avoid crisis situations in foreign policy.

Firmness and flexibility characterize our relations with Thailand, the other ASEAN countries, the United States, and other Western countries. In general, our foreign policy strives to ensure peaceful international conditions favoring the building of socialism in Laos. Our foreign policy aims especially at developing cooperation with all the countries of Southeast Asia on the basis of the principles of mutual respect, indpendence, and peaceful coexistence in order to ensure peace, stability, and prosperity in this region of the world.

The third conclusion to be drawn from Laos's special position is that it implies a link between the national and international tasks of socialist transformation in our country. The LPRP considers Laos to be an integral part of the socialist community. We are constantly strengthening our ties of revolutionary solidarity with Vietnam and Kampuchea, which has freed itself from the genocidal regime of Pol Pot and Ieng Sary. We attach special importance to the increase in cooperation with the Soviet Union and sister countries. While relying mainly on our own ways and means, we are also counting on the aid and support of socialist countries, which is an important factor for success in the defense of revolutionary conquests and in building socialism in Laos.

Another objective characteristic that is being taken into close account in developing and perfecting the strategy of transition is the country's low level of economic and social development. There is practically no heavy industry in Laos. Before the revolution, the country had a few hundred small businesses, essentially in light industry and food; each rarely employed more than 20 people. At the time, the United States helped build several businesses by using imported raw materials; they delivered their production to the Americans and their local servants and functioned as a nursery for the moneyed bourgeoisie. The new government has nationalized them.

The economy of Laos was caught until recently in the vise of feudalism and colonialism; it is still largely agricultural, with some small production from scattered family farms. Cottage industries have sprung up in several regions of the country, but they are generally no larger than family shops. Agriculture is unprofitable and has not yet succeeded in meeting the needs of the population. In some places, archaic methods of farming are still in use, and the division of labor does not go beyond the village or even the family. Trade exists only on the plains and in the towns.

The extension of commerce is hobbled by a lack of seaports and terrible transportation facilities. The country's present social system is characterized by a variety of economic structures. There are five of them: public (agricultural businesses and nationalized industries); cooperative, which includes a large part of the farmers (40 percent of the families in the rice-growing regions) and the artisans; mixed or state capitalist structures; private capitalism; and, finally and most frequently, small production units, where patriarchal, clan and tribal ties are sufficiently strong. The large majority of the Lao population lives in conditions of feudal underdevelopment. This means we have to build socialism by bypassing not only the capitalist stage but also that of centralized and developed feudalism. Having said this, what can we deduce from it that might be useful for our strategy?

First, our strategy must be one that is irreversibly directed toward a gradual transition to socialism. In this day and age we can skip the stage of developed feudalism and capitalism, but we cannot do the same with other stages objectively necessary for building the new society without jeopardizing the building of socialism. Thus, the party cannot agree to make transformations where the groundwork has not yet been laid. It rejects the temptation to socialize and collectivize too quickly without regard for actual conditions and to "install" socialism solely through administrative methods. After all, V. Lenin repeatedly emphasized that such behavior only undermined the building of socialism.

The party seeks to evaluate realistically the means at its disposal and the possiblities open to it. The 7th general meeting of the CC of the LPRP in 1979 noted that the country is at the very first phase of the transitional period. By our estimates, the transition to socialism will go through several stages and will take about 20-25 years, maybe even more, because it will depend on the course of events. The 7th general meeting emphasized that in moving into a new social order economic and social transformations and the building of socialism should be done simultaneously and be closely linked. In doing so, the building of socialism shall play a basic part. Why? Simply because there is practically nothing left for us to transform directly.

[8 Mar 82 pp 5-8]

[Text] Any further change can be made only by creating new productive forces and establishing new production arrangements. The decisive transformations for the present stage of the revolution have already been completed: the old government apparatus has been done away with; the power of the workers has been instituted; town and city lands, natural resources, and the property of the moneyed middle-class, large feudalists and other reactionaries has been nationalized; the bases of the public sector of the economy, including more than 500 businesses, have been laid; and an effective system of state control over the activity of private enterprise leaders has been set up. In order to enter

the new stage of transformations equivalent in depth and significance to the previous ones, it will be indispensable to lay the material and social groundwork, that is, to develop the forces of production, ensure conditions that will establish new productive relationships, raise the masses' living standards, etc. Obviously these tasks can be done only by laying the appropriate material and technical foundations starting with existing economic structures, including private capitalism.

Does all that mean a kind of moratorium has been invoked concerning future transformations? Obviously not. It simply means that social mutations must be brought about scientifically by keeping in mind the real needs and possibilities that exist in this respect.

Our revolution must first set about solving the problems inherent in the transition period, when, to cite the words of Lenin, the majority of the people is made up "not of workers who have learned in the school of capitalist factories but of typical representatives of the mass of exploited workers and by peasants burdened by the yoke of medievalism."

The working class in Laos includes some 50,000 workers. Adding administrative and military civil servants, they comprise 3 percent of the population. The rest are mainly farmers; the stratum of small businessmen and artisans is also rather important. As for the nation's middle class, it has always been small, and its members can now be reckoned at a handful. Is the transition to socialism possible in such a country?

Our experience and the previous experience of Mongolia and Vietnam indicate that it is. Indeed it is, if the campaign to install the new regime is led by the party, and the party adheres to the positions of the working class, which is itself informed by Marxist-Leninist ideology. In our context, the main thing is not the number of workers in the party but their adherence to the interests and objectives of the proletariat, not to mention the consistent application of Leninist principles concerning leadership of the masses and building the party. That was the starting point of the PPRL, which was born from the union of the national liberation movement and Marxism-Leninism. That is why it has been able to take on successfully the role of leader of the revolution and lead it to victory, with the solid union of the working class and farmers as forged by the party as the decisive factor. This factor will remain the decisive one until socialism is achieved. Under the specific conditions prevailing in this country, this will be the primary factor for achieving the dictatorship of the proletariat, which is the main instrument for defending revolutionary conquests, proceeding towards building socialism and reeducating the mass of small producers for the purpose of drawing them into collective production.

An especially important aspect that we always consider in developing the strategy for the transition period is the multinational composition of our country's population, for no nationality predominates. Laos is inhabited by nearly 70 nationalities and ethnic groups at various stages of economic, social and cultural development. The nationalities question is one of the basic ones of the Lao revolution and in building socialism in this country. The party seeks to integrate the solution of this problem with the tasks of socialist transformation of society; it is striving to give cohesion to the nationalities and ethnic groups in Laos by considering their individualities and common interests in the struggle for a better future.

Our cultural backwardness throws up serious obstacles to the transition to socialism. Our people have a rich and ancient culture that was interrupted by colonialism. Before the revolution, 97 percent of the population was illiterate. We have attacked illiteracy with great success in recent years; more than 80 percent of the people have learned to read and write. But there is a lot left to be done in this area, and it is only a first step toward the cultural revolution that we still have left to achieve.

In general terms, these are the main characteristics of the transition period in Laos. The party pays careful attention to them both when it sets some course of strategy in the transition to socialism and when it plans which forms and mechanisms to use in implementing the strategy.

The 4th general meeting of the CC of the LPRP in 1977 set forth the program of 3 simultaneous revolutions in the transition to socialism: a revolution in production, a scientific and technical revolution, and an ideological and cultural revolution. The first of the three is to play the leading role, the second occupies a key position, and the third will be somewhat more advanced than the other two.

These three revolutions are the component parts of a single process. They are closely related and markedly influence one another. A new society, productive forces and new means of production, and a new man, those are the objectives of these revolutions, which can be achieved only if undertaken simultaneously. However, each one has a particular place in the process of social development, each has its own function, and each pursues its particular objectives, which are shaped by the needs of building socialism.

What are the production goals of the revolution in the first stage of the transition to socialism? They consist first in completely restructuring the system of property, which means doing away with the capitalist private-enterprise economy and installing a socialist property system in two forms: property of the entire people and collective property. Then socialist production methods must be given the dominant role in the national economy; the workers must be guaranteed the right to be the collective rulers of the country. The way must also be found to transform individual production units into a great socialist production unit. The major objective for Laos is to turn the natural economy into a trading economy. The revolution in production methods will completely do away with the natural economy. That means it will have to reach into all the regions of the country, even the most remote and hard to reach; otherwise they will remain backward (as, for example, in Thailand, where the cities are modern while the countryside remains medieval). The disappearance of the natural economy is a decisive factor in transforming the psychology, lifestyle, and working methods of the rural people, who still do not know how to work and live as modern times require; these people have always lived in closed patriarchal communities and work only to feed themselves. The transformation of the natural economy has another important feature: Laos can effectively participate in the commercial, financial and other activities of the Council of Mutual Economic Assistance and thus become an entirely independent member of that organization only if it has suitably developed commercial production and trade. The production revolution has basic importance, but it cannot by itself lead to putting appreciable socialist production into practice and ensure the continued development of production conditions.

[9 Mar 82 pp 5-8]

[Text] In Laos, the most acute question concerning the transition to socialism is the following: how can the new production forces be developed and work productivity increased? The answer cannot be found outside of scientific and technological progress. Therefore our party considers the scientific and technological revolution to be a major one in the process of simultaneously carrying forth the three revolutions. What objectives does it set for itself? They consist in applying under the special conditions of Laos the achievements of science and technology in agricultural and industrial production, in improving management of the economy, in assimilating the advanced production experience of other countries, and in using effectively the scientific and technological aid of the socialist countries. Also, we should be able to realize full profits from our cottage industries as we seek to raise them gradually to a mechanized level of production. Thus, the scientific and technological revolution is essential for a backward country to do away with poverty and underdevelopment, thus taking the first steps toward the total victory of socialism.

The ideological and cultural revolution is a necessary and major factor in the transition to socialism. It aims to transform the awareness of the masses and their way of life and to form a new man permeated with a high degree of revolutionary spirit and extensive education; it is also intended to provide qualified people to manage the economy and society. Even recently, the large majority of the Lao people were illiterate, because they were victims of the policy of enforced ignorance applied for long years by the colonialists and the feudalists. In the area of ideology and education, the revolution must therefore take precedence over the others. The party is particularly attentive to the education of youth. In line with the LPRP's general policy, the press, radio, cinema, art and literature are to have much larger scope in order to meet the increased needs of building socialism. Also, the party is struggling against the vestiges of feudal and colonial ideology and culture and against the outdated customs and traditions inherited from the old society. The establishment of a new socialist culture and the training of the new man are important elements that will effectively stimulate new means of production and the scientific and technological revolution.

Our party is aware of the considerable difficulties to be overcome during the transition period. However, we also know our country's and peoples' potentialities. We started from a very low level of production, socio-economic relations and education. But laying the foundations of socialism does not mean starting from scratch. Success in national economic recovery and development achieved under the 3-year plan (1978-80) shows that our workers are capable of solving great economic problems under the direction of the party. Several dozen factories were built in those years; the second stage of the Namngum hydroelectric plant was finished, making it possible to increase electrical output considerably; nearly 5,000 km of roads were repaired or constructed; and aircraft and automobile companies were founded.

Our country has great natural resources; favorable conditions exist for developing forestry, agriculture and animal husbandry. We have great energy reserves and useful minerals: iron, coal, non-ferrous metals, raw materials for the cement industry, and others. The 8th general meeting of the CC of the LPRP (1980)

set forth a program of social and economic development for Laos for the period 1981-85 (the basis for the first 5-year plan of our Republic); its plans for the maximum use of all these possibilities.

The basic objectives of our 5-year plan are to strengthen the construction of the economy, to extend the state and collective sectors in the economy, improve the people's living standards, to strengthen national defense, and to speed up the scientific, technological and cultural progress of the country. For the 5-year period, the plan provides that national production shall increase 65-68 percent; the volume of agricultural production, 23-24 percent; industrial production, more than twice; and by the end of 1983, illiteracy among young people shall be erased. Substantial changes in the structure of society will be necessary to carry out the plan. The plan also provides, in particular, that by the end of the 5-year period the numerical composition of workers and state employees will reach 40-45 percent. Implementation of the plan will be the decisive step in the first stage of Laos's transition to socialism. What are the essential problems of the country's economic development?

First, there is the structural problem. To solve it, industry, agriculture and lumbering must be put under a single agro-industrial structure on a national scale. Also, agriculture and lumbering must give impetus to the development of industry, which will stimulate them in its turn. Conditions in this country are not favorable for accelerated industrialization in the first stage of the transition to socialism. At the moment, the country cannot provide the equipment, labor and management for construction and industry. That is why the implementation of a socialist economy in this country consists in beginning with the development of agriculture and lumbering, which shall meet the needs of the population and national defense and make wood products for export in exchange for machinery and industrial equipment. The basic task of agriculture is to solve the food problem in coming years and to make it eventually unnecessary to import food products.

The party considers the grouping of farmers into cooperatives as the decisive condition for transforming agriculture and lumbering into a structure on which an industry can be built. We shall also lay the foundations for a state agricultural and lumbering economy. In doing this, we shall consider the condition and existence of agricultural areas, natural resources, economic experience and traditions of the regional population involved. This will help to reorganize production systematically, judiciously distribute and use natural resources and labor in accordance with the unified state plan.

The party also attaches great importance to another aspect of the structural problem: the establishment of a proper relationship between locally and centrally managed economies. This will involve optimal use of the principle of democratic centralism in the national economy. A few years ago, especially in 1976-77, the effectiveness of our economic policy suffered from a tendency toward excessive centralism. We are correcting that and at the same time trying to avoid rash decentalization of the economy. The party feels that in the initial stage of building a socialist economy, when agriculture and lumbering are the basis for industrial development, the regional economy should be developed first and that the greatest efforts and amount of resources should be devoted to it in order to lay the bases for a centrally managed economy. To do this, it is indispensable to reorganize the system of distribution of labor, centralization and

cooperation in production first at the provincial and then at the national level. This seems to be the best way for Laos, because it meets the objective needs of the transition period, which is shaped by the transition from small commercial production to large-scale socialist production.

In practice, economy-building in our country and in other socialist countries reveals the need to make widespread use of the law of intrinsic value, commercial relations, balanced management, credit, prices, and profits in order to ensure correct relationships between production and consumption and accumulation and consumption. This means that one of the first things that must be done is to set up an efficient organization of trade and distribution. There was a time when we underestimated the importance of all this.

[10 Mar 82 pp 4-7]

[Text] It has been emphasized that the national economy can develop, wider production be stimulated, the people's material needs be met, and society's increased wealth be insured only if trade and distribution are well organized, price policy is applied judiciously, purchasing and marketing are done properly, and distribution costs are reduced in order to encourage trade and satisfy in a timely manner the needs of industry. Achieving all that will make it possible to overcome contradictions in the economy in the transition period, namely contradictions between the possibilities of production and the needs of the population, between capital formation intended to speed up economic development and the growth of consumption as well as to improve the material condition of the masses.

To solve these complex problems, we are making great use of fellow countries' experience in making the transition to socialism, mainly the Soviet Union. The new economic policy, the works of Lenin, such as the immediate tasks confronting the soviets' governmental power and the tax in kind that they collect, all have particular importance for us. The ideas they express constitute the strategy outlined by the 7th general meeting of the CC of the LPRP. Basically it is a specific expression of the general principles of the NEP [New Economic Policy] formulated by Lenin and applied to Laos. The Leninist thesis on commerce as a "link" in the chain of historical events "which we must seize with all our might as the government of a proletarian state and as leaders of the Communist Party" has become the byword in Laos for the present transition period, where commerce is the main channel of distribution.

We are encouraging domestic trade by all possible means; it will almost double in the coming 5-year period. We are actively helping develop foreign trade, in which our plans also provide for growth. The state is also encouraging, within limits, private trade, which it controls. The government is stimulating trade between urban centers and the countryside, and transportation development is helping with that. Domestic traffic in merchandise will increase 85 percent in the 5-year period. Rules are being introduced on collecting taxes in kind. These rules are stable and uniform for the whole country and will make it possible to increase harvests, consolidate the process of cooperativization, raise buying volume, supply food to the population on a larger scale, and help stimulate agricultural production. Farmers are being encouraged to sow for a second harvest. If, for example, a farmer plants another crop on his field during the dry season, it will not be taxed. The income tax on cooperatives has been reduced considerably; in mountain regions, where farming is very difficult, it is not collected. The state encourages the use of advanced methods of farming.

Thus, farmers who are starting to practice irrigated rice-growing are exempt from the farm tax for 3 years. All these measures tend to transform old means of production and to form new ones, to restructure the distribution of labor, and to create the technical and material bases for making the transition directly to socialism.

History has placed a heavy responsibility on our party for the destiny of the revolution and the future of the Lao people. If we are to fulfill this responsibility honorably, we shall have to maintain unswervingly the three unities: unity of the people, unity of the party, and unity of Laos with its fellow socialist parties.

The unity of the people in the transition to socialism is an extensive and close alliance of city and country workers, intellectuals, and all levels of the population, including representatives from former leadership circles who have willingly agreed to be reeducated in order to become true workers. The indissoluble alliance between workers and farmers grouped together in cooperatives is the nucleus of this great unity. In the process of accomplishing the three revolutions, the party is striving to strengthen and perfect education and organization within the working class so that it may have the leading role in society. The LPRP is also actively working on education among the farmers in order to unite them as the process of socialist collectivization takes place. The national intelligentsia has an extremely important role to play in accomplishing the tasks of the transition period. We are therefore being careful to educate it in the spirit of Marxism-Leninism and of a close alliance between the workers and farmers. The party also supports members of the nation's middle class, religious and other sectors of society who align themselves with progressive and patriotic positions and are supportive of state policy.

In striving increasingly to consolidate the unity of the people, we are paying ever more attention to the problem of nationalities. The party is constantly extending activities tending to raise the level of educational effort among the various ethnic groups, to improve instruction and cultural and medical aid in regions populated by national minorities, and to train cadres from the different ethnic groups for building socialism. The activities are also intended to ensure close cohesion of the masses within a broad, united national front and within various social organizations, such as unions, youth and women's organizations, and others.

It is vitally important for us to consolidate the interior unity of the party. As it is the guiding force of the people and the headquarters of social construction, the party must be solidly united and have a single ideology and a single will. Only then will it be able to draw the workers and the whole people into the effort for the transition to socialism. Intent as we are on consolidating unity in the ranks of the party, we are aware that the LPRP was formed in a country characterized by special conditions and by backward social relationships. Our cadres and party members obviously could not help being influenced in their conceptions by this fact. We are therefore continuing to struggle against petit-bourgeois views, the farmers' patriarchal mentality, and the influence of feudal, bourgeois and imperialist ideology. At the same time, we are vigorously confronting all manifestations of opportunistic attitudes and combating all kinds of

petit-bourgeois illusions and deviationist tendencies. One of the main orientations of the party's ideological activity is the internationalist education of its members and of the whole people. This orientation flows organically from the LPRP's strategic policy, which is intended to consolidate unity with fellow parties in the socialist community and with the international communist workers movement. Our party's internationalism springs from its revolutionary traditions, its ideology, and its political stance. The solidarity of countries where socialism exists and of other world progressive forces have helped us overcome the colonialists and imperialist aggressors. It is helping our people today to advance confidently along the path of building socialism.

8782
CSO: 4200/35

TIN PRODUCERS ASSOCIATION JUSTIFIED

BK171221 Kuala Lumpur International Service in English 0800 GMT 17 May 82

[Unattributed commentary]

[Text] The three tin producing nations of ASEAN--Malaysia, Indonesia and Thailand--have agreed in principle to the formation of a Tin Producers Association among themselves. It is also open to other tin producers who would like to join the grouping. This decision was taken after a 2-day meeting in Kuala Lumpur over the weekend by the countries' ministers in whose portfolios lie the tin mining industries.

This is a defensive measure to safeguard the interest of the tin producers and not, as some consumer countries are likely to view it, as a mechanism of confrontation. It is a poor response from them for the ratification of the sixth international tin agreement that has forced the ASEAN tin producing nations to get together to form such an association. This can be seen from the fact that to date and past the April deadline that only slightly more than 50 percent of consumer votes has been received. For the agreement to come into force provisionally, 55 percent of the votes is required from both the producer and consumer countries. And for the agreement to come into force definitely, 80 percent of votes is required from both camps.

Producer countries have produced more than the required 80 percent of votes, thus indicating that given the option they would prefer the international tin agreement [ITA] which has served both producers and consumers well in the past 26 years. This can also be seen in the willingness of producer countries to make further efforts from now until 1 June to get more consumers to join the tin pact.

Rather than taking the view that the producers in ASEAN are out for a confrontation, consumer nations should instead give their support to them. Besides the uncertainty of ratification of the sixth ITA, there is the depressed prices of tin to consider thanks to the United States. Its General Services Administration's unloading of tin from its stockpile has caused havoc in the world market despite the fact that the United States is a member of the fifth international tin agreement.

There was jubilation among both producing and consuming countries when the United States joined the fifth pact for the first time. As it turns out its membership has been more destructive rather than productive. Since its entry into the fifth ITA it has been working more often than not against the spirit and essence of the tin pact which is to maintain order in the market for the mutual benefit of both the producers and consumers.

In 1977, when there was a shortage of tin, it failed to answer producers' pleas to ease the prevailing shortage by unloading tin from its stockpile. Last year, when there was an oversupply of the metal in the market, instead of holding back its release, it went against the wishes of the producers and started to unload the metal from its stockpile. If this is not enough indication of its destructiveness, further proof can be seen in its dumping of 100 metric tons of the metal on a weak market on the very day that the International Tin Council made export controls mandatory. Despite this the United States could still say that it will cooperate even if it is not a member of the sixth ITA.

Against such U.S. actions and the uncertainty over the ratification of the sixth ITA, is it any wonder then that producer countries would resort to all means possible to safeguard their own interests?

CSO: 4220/607

BRIEFS

FRENCH MINISTER ENDS VISIT--French investors have reached agreement with local partners for the setting up of two joint venture agricultural projects. Another three joint ventures are in the final stage of negotiations. The projects are prefabricated housing, aquaculture and the building of hospitals. This was disclosed by a French official in the 51-member French delegation led by the French deputy prime minister, Mr Michel Jobert, at Kuala Lumpur International Airport before leaving for home this evening. He said France attached great interest to Malaysia. This was demonstrated by the large delegation led by a high-ranking minister on a 5-day visit to Malaysia. The delegation included 35 leading businessmen, six bankers and 10 officials. He pointed out that the French leader had an overall review in all fields of its cooperation with Malaysia through discussions and talks with Malaysian leaders. He added that more French investment in Malaysia could be expected in the near future. [Text] [BK111427 Kuala Lumpur Domestic Service in English 1330 GMT 11 May 82]

JANUARY OIL, NONOIL EXPORTS--Peninsular Malaysia exported a total of 422,880 tons of crude petroleum valued at 282.3 million ringgit in January, more than half of it to Singapore. The republic was sold a total of 274,990 tons of the commodity valued at 183.4 million ringgit. Japan was sold a total of 147,890 tons valued at 99 million ringgit. In January last year, a total of 419,969 tons valued at 304.7 million ringgit were exported to Singapore, Japan and the United States. Peninsular Malaysia also exported a total of 119,704 tons of rubber valued at 229.5 million ringgit in January. Export of tin and tin concentrates during the month totalled 6,090 tons valued at 212.3 million riggnit with 3,100 tons or about half of it valued at 108.3 million ringgit going to Holland. [Text] [BK161505 Kuala Lumpur Domestic Service in English 1130 GMT 16 May 82]

JANUARY TRADE SURPLUS--From a deficit of 609 million ringgit in December, peninsular Malaysia recovered to record a trade surplus of more than 98 million ringgit in January. The recovery was achieved through a reduced import from 2,311 million in December to 1,450 million in January and export from 1,702 million to over 1,548 million ringgit. Preliminary figures released by the Statistics Department showed that machinery and transport equipment valued at 544 million ringgit continued to form the bulk of the import for January. This was followed by mineral fields, lubricants and allied products valued at 260 million and manufactured goods valued at nearly 205 million ringgit. [Text] [BK161505 Kuala Lumpur Domestic Service in English 1130 GMT 16 May 82]

CSO: 4220/607

OPPOSITION PARTY TO BAN U.S. NUCLEAR WARSHIPS VISIT

BK120313 Hong Kong AFP in English 0248 GMT 12 May 82

[Text] Wellington, 12 May (AFP)--New Zealand's opposition Labour Party is to make a direct approach to France over its continued nuclear testing in the South Pacific, and would ban American nuclear warships from its ports.

Labour leader Bill Rowling has told applauding party delegates in Wellington the time "has come for more direct action" on the testing issue. He said he would put the case personally to French President Francois Mitterrand in July this year.

Mr Rowling said he would seek the backing of Pacific island national states beofre his meeting with Mitterrand. In his most open warning yet, Mr Rowling told the United States a Labour government will ban its nuclear warships from New Zealand's ports.

He said with the present visits of nuclear warships (like the cruiser USS Truxten later this month) the United States was "thumbing its nose at a large body of New Zealanders' and he again called for changes to the Anzus Alliance. "In recent times we have made it abundantly plain that Anzus is no longer acceptable in its present form."

Mr Rowling said he has raised the issue with U.S. leaders like Vice President George Bush, "with the expectation that our views, and the views of a growing number of New Zealanders on the question of nuclear weapons in the Pacific, would be respected."

"I do not regard a flag flying visit of nuclear ships into the harbour of this city (Wellington) as respecting the views of New Zealanders on this question."

The 600 delegates gave his statement a foot stamping, clapping and cheering ovation. Mr Rowling wanred if other nations do not respect New Zealand's wishes "then we will take such unilateral action as is necessary."

He rejected claims by both the United States and New Zealand's National Government that banning nuclear warships from New Zealand ports was incompatible with a revised Anzus defence pact.

CSO: 4220/607

UNITED STATES AID CONCEPTS TO THIRD WORLD DENOUNCED

Lahore VIEWPOINT in English 13 May 82 p 6

[Text]

DEFINING its future aid policy, the Reagan Administration has issued new guidelines which state bluntly that henceforth US aid will be tied directly to the pursuit of America's strategic interests. The full text of the document prepared by the State Department has not yet been released officially, but the restricted circulation allowed has permitted informed publicists to analyse its basic features and its possible consequences. Assessing the change, one US diplomat has said that "the new policy sets out an explicit rationale for spending aid money as a lever for advancing US defence policy", and concludes that "it was the death knell of the liberal notions from the 1960s about world economic development as an end in itself".

Since his assumption of office, President Reagan has been responsible for limiting aid to the Third World and international agencies responsible for development in countries suffering from acute food shortages and economic stagnation. Increasingly, US aid has concentrated on what is called security assistance. It is argued, without any real explanation, that military hardware will be more useful for stability than more aid to balance the budget, feed more people, or modernise the economy. The new policy declaration will, therefore, cause no great surprise.

The United States embassies and aid agencies have been given a new order of priorities. The directive lists eight possible justifications for extending financial help. The top category is that of countries where aid can directly advance US strategic aims or where the United States can obtain military facilities. It is said, with a strange disregard for realities, that military aid, not economic assistance, has a better chance of maintaining stability in areas where America has a stake. Therefore, US aid will now have direct political and often military purposes. For example, what is called restoring "the strategic focus" to assistance programmes will mean that on the top of the list of recipients will be countries like Israel and Egypt or El Salvador. The second highest category covers what are described as friendly countries that are ready to offer military facilities, as for example Oman, Somalia, Kenya, and, some US policy-makers hope, Pakistan. Then come countries

whose political institutions are said to be under threat from outside Powers or whose governments are engaged in a struggle against what, in the State Department book, is described as communist-backed terrorism. Another theme of the new aid plan is to help stabilise countries that are prepared to join the campaign against the spread of Soviet influence and are willing to extend opportunities for US business to expand its activities and influence in foreign markets. The very last item on the list refers to grant of aid in terms of international solidarity for the broad purpose of general economic growth with a view to improving living conditions for the people.

The new aid policy crystallises the attitudes manifested by the Reagan Administration in its recent decisions and the advice often given by the President himself that the poorer countries must not expect the richer industrialist States to continue to help them, and that they should try to learn about the blessings of free enterprise and open their doors wide to foreign investment. That no country acting on such advice has succeeded in overcoming its problem does not seem to concern US theorists. Reaganomics, in the opinion of many American economists, promises chaos for the US economy —which has already registered the largest rate of unemployment in forty years—, but whatever its results at home for the rest of the world, and particularly the developing countries, the possible consequences can only lead to unmitigated disaster. This also means that whatever scant hope remained that resumption of the North-South dialogue may lead to the first hesitant step towards a new international economic order will vanish. More important, the short list of countries qualifying as recipients of US largesse will have to think again about accepting the US aid in view of the conditions laid down. If every recipient must become an active partner in serving US strategic interests—which embrace, for example, the protection and maintenance of Israel and backing it in its vandalism and supporting its aggressive designs, and US plans for establishing hegemony over the Gulf area because of its oil resources, or keeping in power blood-thirsty dictatorship in Latin America—the countries concerned will necessarily be compelled to revise their policies and seek other means of developing their defence potential and buttressing their economies.

CSO: 4220/645

JAMAAT-I-ISLAMI CRITICIZED FOR PRO-WEST STAND

Lahore VIEWPOINT in English 13 May 82 p 11

[Text]

SINCE their wrath fell upon two dailies, the students' wing of the Jamaat is busy fighting a losing game —for battle it cannot be called.

Now, the Islami Jamiat-i-Talaba's thunder squads (as their toughs are now known in educational institutions) succeed in getting boys and girls out of the classrooms, since the already bullied teachers sit in their staff rooms, or find it safer to let the students go their way without trouble.

The latest attempt by them is trying out joint students-labour protest rallies, and if the Jamaat's Punjab Secretary is to be believed newspapers publishing 'obscene material' will not be guaranteed safety (his latest statement said so).

The Islami jamiat-i-Talaba, Punjab office-bearers, on the other hand have warned the authorities that their 'patience' in not marching on should not be misconstrued as any kind of weakness, for they have been assured of being joined by workers, teachers, lawyers and some other sections of the public. One wonders why they have not mentioned a section of journalists as well, which in their camp were also quite reluctant since the criminal assault on newspaper offices.

CSO: 4220/645

IJT'S TACTICS DENOUNCED

Lahore VIEWPOINT in English 13 May 82 p 11

[Article by Hussain Naqi]

[Text]

FEW of us were aware that Mian Tufail Mohammad's recent jaunts to a particular set of Islamic countries would include a call on Egyptian President Hosni Mobarak, to congratulate him on the success of the Camp David Accord.

As the leader of a highly centralised organisation, the Jamaat-i-Islami, Mian Tufail must have taken his party's *shoora* in confidence before going to Egypt, in order to compliment the Egyptian President on a so-called accord which has been opposed not only by Arabs, but also by the Organisation of the Islamic Conference and even pro-West and pro-U.S. Rabita-i-Alam-i-Islami.

The Camp David Accord brought recognition for the Zionist entity from Egypt and more violent persecution of the Palestinians, both within and outside the lands occupied by the racist Zionists.

Positive violation

It is also worth noting that Mian Tufail's Jamaat not only behaved in a manner contrary to public opinion in the Muslim world, but also violated the publicly-held official position on the Camp David Accord. As such it cannot be believed that Jamaat sacrificed its position to obtain the release of a couple of hundred *akhwans* in prison since the late Anwar Sadaat's days. It was, in fact, in keeping with its pro-U.S. stance, which was being covered up under one pretext or another.

Now it appears, this group of so-called Islamic ideologists, which has definite links with similar pro-U.S. and pro-West organisations working under religious cover, were ready to come out in open support on an unprincipled compromise on the Palestinian people's basic right of freedom of self-determination. As for the Pakistani people, this is not the only or the first instance of Jamaat taking a position opposed to their basic postulates.

On the Palestinian issue Pakistan's position has been clear since its inception, and the Quaid-i-Azam had, even before the inception of Pakistan, made this enunciation. The people of Pakistan, therefore, will always uphold the cause of Palestinian sovereignty over Palestinian territory.

All machinations to the contrary will only alienate those conniving against the Palestinian people's cause.

CSO: 4220/645

PAKISTAN-INDIA NO-WAR PACT DIALOGUE, RELATIONS ANALYZED

New Delhi INDIA TODAY in English 15 May 82 pp 54-62

[Article by Suman Dubey]

[Text]

FOR A diplomatic pantomime that has, for three decades, yielded few punch lines, the latest tableau between India and Pakistan over a no-war pact was a familiar scenario to the vast audience on both sides of the border. The script, the lines, the actors, the props and the setting had echoes of past history. The surprise lay in the ease and rapidity with which the impromptu script of the pact disintegrated amid a cacophony of recriminations from both protagonists. The tragedy lay in the fact that, at a time when both countries are on an extravagant arms-buying spree, a no-war pact could have been the most significant breakthrough in Indo-Pakistan relations in a decade. The irony lay in the fact that the 10th anniversary of the historic Simla Agreement, the last conclave which brought peace for the subcontinent, is just around the corner in July.

Yet, if last fortnight's events were any indication, the last thing on the minds of the cast was the tentative dialogue on the pact. Mrs Indira Gandhi was closeted with Riyadh's white-robed rulers convincing them that India harboured no ill designs on its neighbours. Pakistan's new Foreign Minister, Sahabzadah Yakub Khan was wooing the Chinese leadership in Beijing at a time when relations between Beijing and New Delhi are finally at thawing point.

His Indian counterpart, P.V. Narasimha Rao, was nibbling noodles in Japan and dangling some hooks of his own for closer ties between the two Asian giants. And Zia himself, the most controversial member of the subcontinent's diplomatic quartet, was rewriting the history of Kashmir when he told veteran journalist Kuldip Nayar in Islamabad that the three northern districts of that disputed territory, Gilgit, Hunza and Skardu, were an inalienable part of Pakistan (*see interview*).

Jaundiced Views: If this didn't seem to be an exercise in confidence building between two very suspicious neighbours, it was hardly out of keeping with the disposition of the lead performers involved. Indian and Pakistani policies towards one another are basically the handiwork of just two people, Mrs Gandhi and Zia, and neither has so far given much evidence of being able to rise above their jaundiced perceptions of one another and get down to doing serious business. Mrs Gandhi, ever suspicious of the military dictator in Zia, remains convinced that the General is bent upon undoing her painstaking handiwork which produced the epoch-making Simla Agreement. Zia, convinced that Mrs Gandhi remains an unremitting hawk on the subject of Pakistan, finds it just as hard to overcome his fear that she plans once again to dismember his country.

Thus, the General could hardly have chosen a worse moment last month to tell his Majlis-i-Shoora, a federal advisory council hand-picked by him to give the martial law regime a public face, that he was appointing three "observers" to the Majlis from the northern areas. "Why upset a status quo that even Pakistan has respected for 35 years?" queried a veteran Indian diplomat in Pakistan.

Nor did it help matters when it appeared clear that Islamabad was talking in two voices. Zia's remarks were an unexpected departure from his prepared text and

when he later confirmed his view to Nayar. Pakistani diplomats pleaded with Nayar to put Zia's "northern areas" remarks off the record. Had Zia asked him, Nayar says he would have complied; as it was, Nayar published the relevant extracts in his syndicated column. Later, in the course of a relaxed 90-minute interview with INDIA TODAY held over two sessions, Yakub Khan waived discussion on the northern areas question on the plea that he had to first answer the Indian Government "through proper channels" before talking to a newsman. No answers have yet materialised, but an official asserted that "it was not intended at any stage to throw into the fray another issue which might be considered contentious."

Clumsy Response: With that it was patently clear to even the most optimistic observer that the tentative Indo-Pakistan dialogue had degenerated from the sublime to the ridiculous. India didn't exactly cover itself with glory with its clumsy response to Pakistan's original offer. Indeed, had it persisted with its knee-jerk reaction that Zia was merely stealing an idea first proposed by Nehru in 1949, Indian officials would have effectively set the clock back one decade: the 1949 offer required international arbitration, a concept finally buried with the Simla Agreement.

It was bad enough when India's Bali Ram Bhagat and Pakistan's Agha Hilaly—who had smoothed the way for the Shahi-Rao parleys last January in a secret visit to Mrs Gandhi as a Zia emissary last year—should find themselves in a slanging match befitting fishmongers rather than diplomats at the Human Rights Commission in Geneva. It was worse when, piqued at Hilaly's comparison of Kashmir with Palestine and Namibia, India chose to postpone the talks indefinitely and Mrs Gandhi resumed her war-threat-from-Pakistan refrain.

Not to be outdone, Pakistan's foreign office unexpectedly went to town to protest at remarks attributed to departing Indian Ambassador Natwar Singh in which he allegedly belittled the two-nation theory and seemed to advise Pakistan to cut its armed forces by half. The Pakistanis didn't take time out to find out that Singh had been misquoted and that the censored Pakistani press, which tends to depict its neighbour in less than flattering terms, declined to print corrections issued by the Indian Embassy. Observed Natwar Singh wryly: "Indo-Pakistan relations are accident prone. We have to keep applying diplomatic first aid."

Complex Exercise: Diplomatic hospitalisation was what the two countries appeared to need most last fortnight as they were back to their familiar roles of blowing hot and cold on well-worn issues. "The no-war pact is beginning to look like a squash ball that has been bounced off too many walls," wryly observed a Pakistani diplomat in Islamabad. Wrote Inder Malhotra in the *Times of India*: "The prolonged negotiations, stalled since the end of February, have degenerated into an essay in scoring debating points." The two were once again viewing each other through what Yakub Khan described as "some strange refracting medium that seems to distort our perceptions of one another".

In India this denouement seemed to confirm its worst doubts. Zia, never seen to be particularly trustworthy, simply seemed to confirm his archetypal image of a military ruler more interested in making propaganda to shore up his image at home and among his allies than in getting down to brass tacks. Did India really want to negotiate with a man who very clearly had no popular sanction and, in the process, perhaps unwittingly, prolong his undemocratic rule? Hadn't Zia told Indian journalists—for example, Rajendra Sareen of Public Opinion Trends (POT) on June 7, 1981—that the "Simla Agreement provided an adequate and comprehensive framework for the normalisation of Indo-Pakistan relations"? Why was he now so keen on a brand-new no-war pact which, as he had once told INDIA TODAY (February 16-29, 1980), was "not worth the paper" on which it was written?

If Zia was really so concerned with tension on his Afghan borders, why hadn't he moved even one military unit off the calm and undisturbed Indian border to keep the peace following the huge influx of 2.6 million Afghan refugees or guard against military incursions from a regime Pakistan refused to acknowledge? Hadn't Mrs Gandhi's special emissary Sardar Swaran Singh, as long ago as late 1980, made it clear that India had no interest in creating difficulties for Pakistan and would look the other way if the troops manning the Indian border were thinned?

Above all, douots came frothing to surface that Zia's position on Kashmir was hardening and that he was using the cover of the no-war pact negotiations to present India with a *fait accompli* of integrating the northern areas and tossing the dispute back into the international arena in spite of the Simla Agreement which describes it as an issue to be settled purely bilaterally. And, if Zia was making capital out of the negotiations, what guarantee was there that once he had a no-war pact under his belt he would not simply turn his back on everything else: the joint commissions, trade, cultural agreements, and the entire diplomatic paraphernalia that usually ties two neighbours trying to be friendly with one another.

Doubts can obviously be contagious, and some of these ideas were also riding high in the minds of Pakistani diplomats who, watching the fragile Indo-Pakistan dialogue crack, were trying to read the pieces. In background briefings and formal interviews, officials in Islamabad's imposing foreign office spelt out what can only be described as the moderate line, in contrast with the harder positions outlined by Zia. The arguments are on one point, at least, unequivocal. Pakistan is feeling its way towards a new agreement that will commit the two countries to abjure force.

THE MAN who fields the formal questions in the foreign office, newcomer Yakub Khan, does so with a dexterity which belies his newness to the job but speaks eloquently of his 10 years as ambassador in some of the world's toughest capitals (INDIA TODAY, March 31, 1982). Sitting in a period chair, a benign depiction of Pakistan's founder Mohammed Ali Jinnah gazing serenely from a wood-panelled wall, the nattily dressed Yakub Khan gesticulates agitatedly with carefully manicured hands as he strikes a conciliatory note from the start. His first remarks on Pakistani soil on replacing Agha Shahi were to outline the importance of India in his scheme of things. The collapsed dialogue over the no-war pact is his first, abrupt test.

"The no-war pact endorses and reaffirms the position stated in the Simla Agreement," he says in carefully measured tones, feeling his way with care. "It is obviously a desirable end to pursue at a time when tensions and suspicions in our region have reached a high point." Asked why there is any need to duplicate the Simla Agreement at all, Yakub Khan bounces back more quickly, "What, the question could be asked, what would be the disadvantage of signing such a pact even if it is a reinforcement of a position that already exists? I find it difficult to understand what the reasons could be for being suspicious, for regarding such a suggestion with suspicion."

Yakub Khan agrees that a no-war pact without progress on other fronts—travel, cultural exchanges, trade—would be a futile aim. "In fact, as you know, the joint commissions would be tackling just that. What we would not like to see happen is a substitution of the no-war pact by merely the joint commissions. We think the two should complement each other. In fact, our position is that the signing of such a pact would create conditions which would be more comprehensive and deeper on other fronts by dispelling, dissipating the clouds of suspicion which at the moment seem to haunt certain quarters."

Strategic Connection: Still, he is not yet prepared to take up Mrs Gandhi's offer of a friendship treaty. Mrs Gandhi, says Yakub Khan, brought up the idea of a friendship treaty informally with Pakistani journalists visiting India. "Next day we were told officially—that Mrs Gandhi had mentioned this idea only because a Pakistani journalist had referred to the Indo-Soviet treaty. As you know, the Indo-Soviet treaty has military clauses reflecting a strategic connection between the signatories. Indo-Pakistan relations have a different context. A non-aggression treaty could be given a number of titles which can be discussed. The substance of an agreement is much more important than its name."

It was significant that, as the fortnight drew to a close, it was Yakub Khan, a man who forsook a promising military career rather than accept what he saw to be his country's wrong policies in erstwhile East Pakistan in 1971, should have taken the initiative to try and resume the dialogue. Pakistani officials gave the impression that while they did not want to seem to be over-

anxious or over-zealous, they were keen to see the no-war pact through. "The ball is in Delhi's court," said one. Yet, only days later Yakub Khan had written to Narasimha Rao saying that he wanted to continue with the talks on the basis of the February I communique issued after the first round of talks, an initiative which saved India from having to find an opportune excuse to resume the dialogue.

There are good reasons for Pakistan's persistence. The strategic view from Islamabad is far from reassuring. To the far west, Iran's Islamic revolution has apparently stabilised but with Ayatollah Khomeini's regime far from secure, and the superpowers hardly reconciled to its peaceful existence, the country remains in an unpredictable limbo. Across the border in Afghanistan the presence of Soviet troops is far from reassuring even though a political settlement with the Babrak Karmal regime could be had for the asking and the Soviets are unlikely deliberately to provoke a greater sense of insecurity in Pakistan. Yet, the gnawing fears persist: people close to the martial law regime speak of the Soviets training legions of young tribesmen from among the Pathans and Baluchis for possible subversion of the country's sensitive western tribal reaches.

Sensitive Border: "All of a sudden, our entire western border has come alive," says retired brigadier Noor Hussain, director of the nine-year-old Institute for Strategic Studies. "If that doesn't shake the policy makers in the Indo-Gangetic plain, then I don't know what will. What you don't seem to realise is that the Soviets are in the traditional security zone of the subcontinent, yet the same psyche seems to be at work as when the invaders of the past came through the Khyber Pass."

And, from the verdant avenues of Pakistan's tidy capital—which one journalist says consists of bores, bureaucrats and boulevards—the view towards India isn't particularly reassuring either. After two wars, each of which paved the way for the dismissal of a military regime, Zia knows that he has neither the military muscle nor the industrial might to wage war with India. The F-16s notwithstanding, Pakistan's overall punch—military and economic—would eventually be no better than a temporary lurch in comparison with the weight of India's military and economic might.

Even though in strictly military terms there is rough parity on the long Indo-Pakistan border, nobody is in any doubt in Pakistan that if a war did not fortuitously end in a stalemate it would be a disaster. "We can't afford a war," says Tahir Ayub, a son of Field Marshal Ayub Khan. "It will be total ruination." Even a Zia opponent such as Sherbaz Khan Mazari, leader of the Baluchistan-based National Democratic Party is explicit: "Zia wouldn't be foolish to launch a war. Past experience teaches that that would be the end of his rule."

Changed Policy: Pakistan's ally, the United States, is likely to look askance at any war-like adventure the Zia Government might have in mind. There is reason to believe that the Reagan Administration has travelled some way from the time when it whole-heartedly embraced the Fukuyama report (INDIA TODAY, September 1-15, 1981) and embarked on its single-minded pursuit of strategic overkill along Soviet frontiers. Speaking at Karachi's Institute of Foreign Relations, a recognised public platform for diplomatic statements, US Ambassador to Pakistan Ronald I. Spiers corrected an earlier policy statement last fortnight when he told a high-level Pakistani audience that "American weapons are supplied for use only in self-defence".

Earlier, Spiers had been quoted by a Karachi daily as saying that the United States imposed no conditions on the use of arms it supplied. Though American assurances on this score have in the past been hardly worth the paper on which they were written, Spiers did go on to say, "We are confident they would not be used for aggression in any direction, and we do not believe that Pakistan intends to attack India or that India intends to attack Pakistan." Debunking a popularly held myth in Pakistan, Spiers, undoubtedly aware of Mrs Gandhi's proposed visit to Washington, said that though India and Pakistan had their differences, "We do not believe that it is anybody's (meaning Soviet) proxy."

IN FACT, the US interest at the moment seems to be to bolster the morale and muscle of the martial law regime so that it can play a more useful role in the Gulf, an area of prime strategic interest in Washington, if it is called upon to do so. Writes Girilal Jain, "Pertinent for us is the fact that the Americans appear to have concluded that Pakistan needs assurance of security on its eastern borders in order to be able to play any worthwhile role in the Gulf." Some two million Pakistanis already work in the Gulf.

sending home $3 billion a year—a sum in no mean way responsible for the relative prosperity in Pakistan, and for shoring up its import-oriented, deficit economy—not to mention the Baluchis who fight for the Oman army, the Pakistani pilots who fly fighters with an Arab flag, and the division stationed in Baluchistan for contingencies beyond Pakistan's borders.

Pakistan's alliance with the United States is far from universally welcome in Pakistan. The country's popular anti-US sentiment—expressed in a particularly ugly fashion when the US Embassy was attacked and set afire in November 1979—has been somewhat curbed by the Soviet thrust into Afghanistan. But there is resentment at the enormous influence Washington wields in Islamabad. "Pakistan foreclosed an independent policy on Afghanistan the minute we took arms from the US," complained a well known Pakistani journalist. The Pakistan People's Party (PPP), is even more forthright in its condemnation. "Zia is a stooge of Reagan," says one leader who has served time in jail. "As soon as we come to power we will recognise the Karmal regime. The Soviets are good neighbours for us."

Perhaps Zia was paying lip-service to these sentiments when he dropped his bombshell in the Majlis-i-Shoora last month, saying that the US had asked if it could station troops and military equipment in Pakistan for contingency requirements. Hurried consultations with the Americans later produced the somewhat less than convincing explanation that "certain visitors and other persons who did not represent the US Administration" had suggested US bases in Pakistan while the two countries were discussing the arms package.

Zia also seemed to realise that having bought himself an impressive package of arms, he would have to make more than a token declaration to smooth feathers ruffled by his action. It was no coincidence that the first talk of a no-war pact came in the concluding paragraphs of a press release announcing the US-Pakistan arms deal—hardly the place for a major, genuine diplomatic initiative. The Soviets, now a close northern neighbour, were hardly likely to view his new military toys with any more favour than India—or even the Gulf countries who can hardly be expected to rely on Pakistan if it can't clear the decks with India. It was not for nothing that Mrs Gandhi's highly successful Saudi visit was viewed with alarm in Pakistan.

Popular Support: More than any of this, the most powerful impulse that has kept the Zia Government on the track of the no-war pact is the vast popular support for it. "I am amazed," says a scholar of diplomacy. "In India you have open minds about everything but in regard to Pakistan you don't frequently draw the right conclusions. You don't see the full significance of a government like this one offering India a no-war pact. Even the opposition to this government and its enemies have not criticised it. My mind boggles that the penny hasn't dropped." Adds a renowned columnist: "Only a Punjabi general could have made this offer and not be accused of a sell-out."

Nothing is more palpable in the context of Indo-Pakistan relations than the disappointment that the two neighbours have made such scant progress towards the pact. The subtleties of diplomacy and the complexity of argument mean little in the face of the emotion that seems to have come to be invested in the three small words. "Does it represent caprice," asks the scholar tilting at India's suspicions of the no-war pact offer, "or the groundswell of a people wanting to bury the hatchet?"

There is no mistaking the widespread popular feeling. It runs like a thread of hope in formal interviews and random conversations alike. It is most potent among common people—shopkeepers, businessmen, white-collar workers, students, people with relatives and friends in India, and those who've never been there. Kashmir as an issue, crops up spontaneously by exception. Even those who speak stridently of Pakistan's own identity or their misgivings about India (*see box*) invariably qualify it by extending their hand, however tentatively. The popular mood is so far removed from the stereotype firmly lodged in Indian minds that it borders on the incredible.

The popular self-image of Pakistan has been transformed beyond recognition. There is no more talk of one Pakistani soldier being equal to three Indian jawans, or a 1,000-year war, or even of avenging the humiliation of 1971. In its place there is an acute consciousness of how much smaller Pakistan is than India, how unequal, suddenly, has become the power balance in the region. What seems to have clinched the change was Mrs Gandhi's re-election in January 1980, at about the same time that the Soviet forces crossed into Afghanistan. "We have not forgotten that the last time the security interests of India and the Soviet Union coincided, it meant the break-up of our country," says a dour politician in Karachi. The unspoken fear is that the same thing might happen again.

Uneasy Views: The anxiety about India's intentions peppers conversations with all sorts of people. The occasional politician will argue that there is no threat from India, but enough publicity is usually given to India's arms purchases—exactly like the wide dissemination in India of Pakistan's arms purchases—to make people feel uneasy. Last fortnight, India's contract to buy Mirage fighters from France was emblazoned in all papers. Strangely echoing the suspicion voiced in India, an opposition leader asked, "Pakistan is no longer a challenge to India, but we fear who is India buying its arms against."

Yet, evident as it is, popular Pakistani preoccupation with India is increasingly getting overshadowed by the apparent discontent with the military regime. "I am 100 per cent sure India won't come to Pakistan," says a PPP functionary. "The Simla Agreement is very clear about war. The issue is elections. I feel the integrity of my country is in doubt if people's representation isn't given." In a country where the armed forces have traditionally been held in high esteem, the open criticism of the army's domination comes as a surprise.

According to recent regulations, 20 per cent of civilian government jobs have been reserved for the armed forces—10 per cent each for serving and retired people. Last fortnight the Government told the Majlis-i-Shoora that of 42 Pakistani ambassadors abroad, 17 were from the armed forces. There is resentment that army officers are finding their way into universities, as secretaries in government ministries, and at the top of such key government corporations as Pakistan International Airlines, the state-run oil and gas concern and the Water and Power Development Authority.

Fragmented Threat: Muted though it is, criticism of the martial law regime is commonplace. Charges of corruption abound. Not that Zia faces any particular threat to his regime. The opposition parties, about a dozen of them, are fragmented and the Movement for the Restoration of Democracy (MRD) is moribund. In recent weeks the leaders of the opposition groups have again been meeting clandestinely even as Zia has cracked down on dissenters (INDIA TODAY, April 30, 1982). But till the opposition parties find a resurgent leadership to capture the nation's imagination like Benazir Bhutto, who has been incarcerated in jail and in house arrest for quite some time now, or popular issues on which to throw down the gauntlet, the challenge will remain subdued.

Zia knows as much. Last fortnight, he told the Lahore Chambers of Commerce and Industry that martial law would continue a "reasonably good time" and elections would be held when the country achieves political, economic and social stability. For the moment, at least, that put the lid on any expectations that the General, who has twice gone back on his word to hold elections, might have a change of heart.

Chafing at the martial law chain that surrounds them, the political parties nevertheless are mostly solid in their support of the no-war pact. On the far right, Gafoor Ahmed, chief of the Jamait-e-Islami, a well-organised cadre-based party which is said to have a tight code of discipline, says, "I'm in favour of it. The bifurcation of the country was not meant to bifurcate hearts for ever." A middle-of-the-road grouping like the National Democratic Party is more concerned with internal problems than with Pakistan's tussles with India. "I think the no-war pact is necessary," says Mazari, adding the rider: "An elected government will have to ratify the pact."

Refusal: There is, however, a divergent political stream which takes a different course. "India cannot afford to negotiate with a military regime. It must wait for a democratic alternative to take office," asserts Maulana Shah Ahmed Noorani, president of the Jamait Ulema-i-Pakistan, an Islamic Sind-based party. "If something is done by the military government, the elected government would change it. The military government is not an elected government. We will not take responsibility for any pact signed by a non-elected government."

The PPP, riding a groundswell of popularity sustained by the memory of Zulfikar Ali Bhutto and, ironically enough, the military government's persecution of his widow Nusrat and daughter Benazir, emphatically insists that the Simla Agreement is an effective enough deterrent for a war between the two countries. "Zia wants to push the Simla Agreement aside and replace it with one of his own making," says a Bhutto loyalist.

But however discordant the political chorus seems, ultimately, a no-war pact stripped of its hyperbole content, is as complex and paradoxical as relations between the two countries have been all these years. No leader or diplomat worth his or her salt would link a no-war pact with a mutual lowering of military guard. Similarly, Indian negotiators, present or future, will hardly settle for just a no-war pact. The basic aim, in Indian eyes, is a friendship treaty erected on the foundations of the joint commissions.

Opportune Moment: Yet this is precisely where the paradox lies. For the first time since partition, popular opinion in Pakistan and in India strongly favours a rapprochement. At no other time in the history of the two neighbours has the atmosphere for friendship and mutual goodwill been more opportune. The ball, however, is not in Pakistan's court, as Indian leaders insist, but in India's, merely by virtue of its pre-eminent position, its vast size and population and its more powerful international clout.

It is clearly time for statesmanship. If Anwar Sadat could bell the Israeli cat is there any reason why, with much less to lose, Mrs Gandhi cannot write another chapter into the sorry tale of Indo-Pakistan relations to match the achievement of the Simla Agreement? Any reconciliatory gesture will carry more weight and credibility if it emanates from the big brother. It will be viewed as an act befitting a regional power, perhaps paving the way for the ultimate goal of reducing military arsenals being stockpiled on both sides of the border. The alternative would be a mockery of diplomacy.

CSO: 4220/645

LETTER CRITICIZES TOURISM POLICY AND FALSE HOPES

Lahore VIEWPOINT in English 13 May 82 p 3

[Text]

I AM sorry, but when I see special issues (I *never* go through them) on tourism, I really want to cry.

Tourism doesn't work like this – that's why I liked U NO WHO this week (May 6). I can see the white spots, of course, where the scissors went to work. All the same, he made his point.

I would like to ask one question, one question alone, of the ladies and gents who try to push and glamorise Pakistan as a land likely to be placed on the tourists' map as a *must* – What do YOU want when you travel?

Whatever the answer, we must face up to the fact that much of it we can't offer, and the beauties and the attractions, and so on, which we do go on about, are fast falling into disrepair and neglect–through indifference. You simply can't take a safe bet on the glorious valleys and mountains–you find them all over the world –with all the pluses we can't offer.

I believe that if you can create a vital *national* tourist traffic, offering your own people all their beauties and treasures in an air of being well-looked after, with pride, with true historical perspective, with cheap comfortable travel, you will have travelled at least part of the way. This cant of laying our bets on foreign exchange really should stop now.–*REALIST, Lahore*

CSO: 4220/645

ZIA SUPPORTS ROLE FOR ARMY

Lahore VIEWPOINT in English 13 May 82 p 13

[Text]

ELABORATING on his earlier themes of "Islamic democracy" and "elections on non-party basis", the CMLA-President, General Muhammad Ziaul Haq, has declared that in the future political setup, the Army will have a permanent role to prevent frequent recourse to martial law.

Talking to newsmen in Multan on May 6, Gen. Ziaul Haq explained that a "higher command council" comprising the Prime Minister, Defence Minister and the three service chiefs would be set up "to avoid conflicting decisions regarding the country's foreign and domestic problems".

However, the CMLA-President reiterated that general elections would be held only when he (Gen. Zia) was sure that they would lead to "positive results".

Always in picture

Explaining why he favoured a permanent role for the army in politics, Gen. Zia said that by virtue of the importance of the armed forces in the defence of the country it was imperative that they were kept in the picture regarding all national and international issues facing the country.

The armed forces, being the country's only "well-organised" and "well-disciplined" institution, could play an "effective" and "constructive" role in the administration of the country, the General declared.

The armed forces, he insisted, must be involved in the affairs of the country so as "to avoid any crisis in the future and to lead the country to progress, stability by defending not only our frontiers but also our Islamic ideology on the basis of which Pakistan had come into being".

Observing that all the constitutions in the country (of 1956, 1962 and 1973) had failed "to meet our needs", Gen. Zia said that Pakistan being an Islamic State needed no constitution since "we have to seek guidance from the Holy Quran and Sunnah".

Gen. Zia disclosed that the Advisory Committee for Islamic Ideology had submitted to him its report about the mode and system of elections in the light of Islamic principles. The Council, he said, had proposed that all candidates for election should fulfil "certain conditions" and only "true Muslims" would be allowed to contest.

"I have certain ideas in my mind and my colleagues have also their own thinking and we are all working on a formula and a legal framework order under which elections will held", Gen. Zia further disclosed.

On Saturday, Gen. Zia, while talking to newsmen in Rawalpindi, further elaborated his proposal regarding elections on non-party basis He was of the view that the election could not be held with 78 political parties in the

country. However, he said, he had just given an idea and no final decision had been taken in this regard.

Gen. Zia said that once he was assured that the number of political parties could be reduced to one or two, then he would prepare to lift the restrictions from political activities.

The same day, Pir Sahib of Pagara, said in Lahore that his party would take part in elections even on non-party basis. He, however, said that this would be under "protest" as his party believed in free functioning of political parties.

Not for restrictions

Replying to question, he said the Muslim League could not agree to recommendations of the Council of Islamic Ideology for imposing restrictions on candidates for contesting elections. He said that all voters had the right to contest elections and there should not be restrictions of age, qualifications or observance of religious rituals

Non-party elections would neither suit the nation, nor the armed forces the Pir said. He opposed Gen. Zia's suggestion for "active role" for the armed forces.

CSO: 4220/645

'BLACK DAY' OBSERVATIONS REPORTED

Lahore VIEWPOINT in English 13 May 82 p 13

[Text]

THE Islami Jamiat-i-Talaba observed a 'black day' on Friday in protest against the arrest of some of their members in the wake of attack on two newspaper offices in Lahore last month.

According to a Press release of the Jamiat, hundreds of students in various colleges, the University of the Punjab and the Engineering University participated in the 'black day' and demanded immediate release of all the arrested students. A number of labour leaders, belonging to the defunct Jamaat-i-Islami, also attended the protest rallies, the Press release added.

Threat to launch campaign

The Jamiat leaders, including Amirul Azam, Hafiz Suleman Butt, Saeed Saleemi, Ashfaq Mehr and Tayyab Shaheen, addressed the protest meetings at various campuses and warned the Government to release all the arrested students within a week or they would be compelled to launch a country-wide movement

Amirul Azam said that the Jamiat had so restricted its campaign to "peaceful demonstrations", but the Government should not take it as our weakness. "If we are forced to come out, we can release our friends within hours", he added.

Saeed Saleemi said that the Jamiat was "peaceful" because of its Amir's orders, but if it was allowed to accountability of those who had committed violence on students then "the nation will see how powerful the Jamiat really is". He alleged that Pir Sahib Pagara had provided arms to the Quaid-i-Azam students Federation in the Engineering University.

Nobody will stop us

Hafiz Suleman told the students that the Jamiat was powerful enough to get released all its members. "If the Government will not pay attention to our demand, we will be forced to come on the streets and at that time nobody could be able to stop us", he added.

The speakers said that the Jamiat's fight was against "yellow journalism" in the country and the Government, instead of supporting it, had taken "ruthless actions" against "innocent" students.

Mian Tufail also warns

Earlier, the Amir of the defunct Jamaat-i-Islami, Mian Tufail Mohammad, who recently returned from a foreign trip, strongly criticised the Government for arresting Jamiat students. He said that when a compromise had been reached between the newspapers and the Jamiat, there was no justification for keeping the students, in jail.

Meantime, on Saturday, the Summary Military Court No. 2 sentenced four students of the F.C. College to one year's R.I. and a fine of Rs. 10,000 to Rs. 15,000 each.

Only 26 are in Jail

That day, about fifteen students of Engineering University, belonging to the Jamiat, were released from the Camp Jail. There are now only 26 Jamiat students in the Kot Lakhpat Jail. They have been sentenced by military courts. All others arrested have already been released.

CSO: 4220/645

CORRUPTION IN CEMENT MARKETING CRITICIZED

Lahore VIEWPOINT in English 13 May 82 p 15

[Text]

AS THE "construction season" gets into full swing, the prices of building material have started soaring and artificial scarcity, particularly of cement, has been created There is a flourishing black market in cement as also adulteration. It has been estimated that the prices of construction material have gone up by about 20 to 30 per cent in the last four or five weeks and a further increase is feared.

Good quality bricks which were selling at even less than Rs. 400 per thousand are not available for less than Rs. 500. Similarly, the price of crushed stone was Rs. 6 per one square foot a month ago but it is now selling at Rs. 8 to Rs. 9

Most serious problem

The most serious problem is, of course, cement. The State Cement Corporation has officially acknowledged that it is being adulterated and that the stuff is in short supply. Retailers have alleged that the stockists are exploiting the situation because the SCC has failed to evolve a balanced distribution and supply policy.

According to retailers, Lahore had been flooded with cement due to heavy imports and people had no problem in purchasing it from anywhere and according to their requirements more or less at the price fixed by the Corporation. In winter, cement was available at a price even lower than the fixed one. Up to the end of March, the position was the same. But in April, cement began disappearing and the price per bag rose from Rs. 65 to Rs. 75 in a matter of days.

"Centre of corruption"

Retailers charge that the railway godowns on G.T. Road are the "centre of corruption", where agents of stockists posing as retailers make bulk purchases at somewhat higher prices. The other method is that such people induce stockists into sharing the profit thus accruing and the latter usually agree in order to save themselves the bother of selling it to people at their own places. Another trick: at least five kilograms of cement are pilfered from each bag and extra bags are filled and sold at anything between Rs. 80 to Rs. 85.

Yet another method of making money at the expense of the consumer is to add stone powder to the extent of 30 per cent to make 100 bags into 130. The more enterprising resort to shortselling as well as adulteration.

CSO: 4220/645

COMMERCIALIZING EARLY EDUCATION ATTACKED

Lahore VIEWPOINT in English 13 May 82 p 4

[Text]

LAHORE is traditionally known as the city of schools and colleges but the situation has never been as 'sanguine' as it is now. Passing through narrow streets or busy thoroughfares one can see all sorts of odd-named schools And as an additional attraction there is always inscribed singificantly the words "English medium". We speak and eologise Urdu but in fact we all wish, in fact love, to hear our children speak in English. In principle, we uphold that Urdu should be the medium of instruction but in practice we haven't been able to rid ourselves of the European-standard complex.

It is there, reigning supreme in the inner lanes of the walled city or in other areas like Shadman, Shah Jamal, New Garden Town, Model Town and, of course, Gulberg.

Higher education in our country is the cheapest thing available, whereas initial education is forbiddingly expensive. This unruly growth of schools, of doubtful standards, have all the more, made initial education something unapproachable for a family of moderate means. They charge exorbitant fees, not to mention fees they extract in the name of Meena Bazaars or annual funds, etc. Uniforms, books, all must be bought from the "recommended" shops. See a small child of five or six years carrying books to school. The massive weight of the bag is out of all proportion to his bodily strength. The constant weight makes him dislike his books . . . . Organisers of newly-opened schools more often than not employ teachers who are prepared to work for the lowest salary. Teachers are exploited, while they in their turn take vengeance on the children. . We have made education a commercial enterprise . . . A child in such schools is not a serious responsibility but a lifeless commodity to be exploited.–*RAI NAZAR HAYAT, Lahore*

CSO: 4220/645

ABDUL GHAFFAR KHAN'S PLEA FOR SANITY

Lahore VIEWPOINT in English 13 May 82 p 15

[Text]

THE former Red Shirt leader, Khan Abdul Ghaffar Khan, has said that tension between the United States of America and the Soviet Union and danger of war in this region pose a threat to Pakistan and other countries of Asia.

Talking to newsmen at the Lady Reading Hospital, Bacha Khan expressed the apprehension that the present situation of confrontation between two super-Powers in this region could be more damaging for Pakistan than anyother country of the region. The most unfortunate aspect of our history, Bacha Khan said, was the fact that despite 35 years of independence we were still discussing which system of government we wanted.

For what fault?

"I spent fifteen years in jail during the British Raj and that was understandable. But what surprises me most is that why I was kept in jails for seventeen years after independence. What was my fault? Was I imprisoned because I participated in the liberation struggle against the British?" Bacha Khan asked sadly.

It was the Khudai Khidmatgar Movement which had forced the British to leave the country and at that time the Muslim League had been playing the rulers' game, he added.

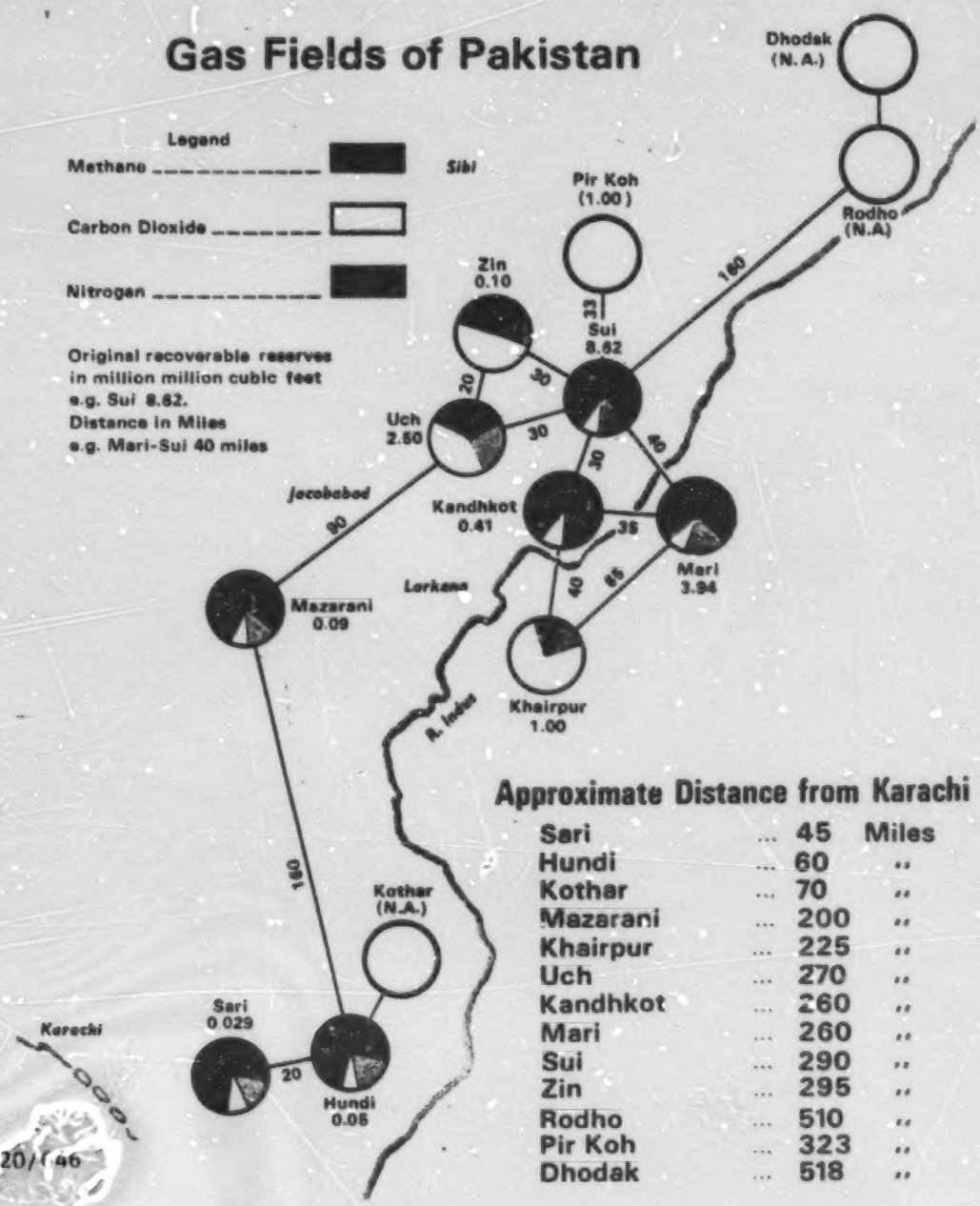
Bacha Khan said that ironically in Pakistan the people who fought for independence were labelled "traitors" and those who had joined hands with the British were honoured as "patriots".

CSO: 4220/646

GAS FIELDS, DISTANCE FROM KARACHI

Karachi PROGRESS in English May 82 p 3

[Map



CSO: 4220/046

GAS PRODUCTION FIGURES, FACTS STATED

Karachi PROGRESS in English May 82 pp 1, 8

[Text]

"PAKISTAN's requirements of commercial energy are met by gas, oil hydel power, coal, LPG and nuclear power. According to statistics compiled by the Government, the share of each in the energy mix is: natural gas (excluding that used as feedstock in the fertiliser industry) 41.9 percent, Oil 36.3 per cent, hydel power 16.0 percent, Coal 5.5 percent, LPG 0.3 percent and nuclear power 0.2 percent" (Sui gas 37 percent; associated gas and gas from Mari, Sari and Hundi less than 5 percent).

This was observed by Mr. H. M. Sohail, technical manager, PPL, at the Institute of engineers, Karachi, on 5th April. The subject of the talk was Availability of Natural Gas in Pakistan.

Mr. Sohail thanked "the Institute of Engineers, and particularly its Vice President Engineer Zahid Ali for inviting me to talk to you this evening."

Before dealing with the subject he touched briefly on the energy scene presently obtaining in the country.

The share of natural gas in the total energy supply was 41.9 percent, but excluding imported oil and considering indigenous sources alone the share of gas went up to 62 percent.

Pakistan's natural gas industry was born in the year 1952 when Pakistan Petroleum Ltd., discovered large reserves of natural gas at Sui. The field was brought on production in 1955 and after 27 years of production the field had now reached almost the optimum level of production. The speaker reiterated that production was increased to meet demand and the field, though only 30 per cent used up had reched the maximum level in 27 years. Production from the field was expected to remain at the current level for about 20 years before it begins to decline.

"According to one estimate the demand for gas over the next five years is expected to double. Therefore, the supply of gas from the existing producing fields will fall short of demand. The known reserves of gas are being developed but they too may not be enough to meet the demand."

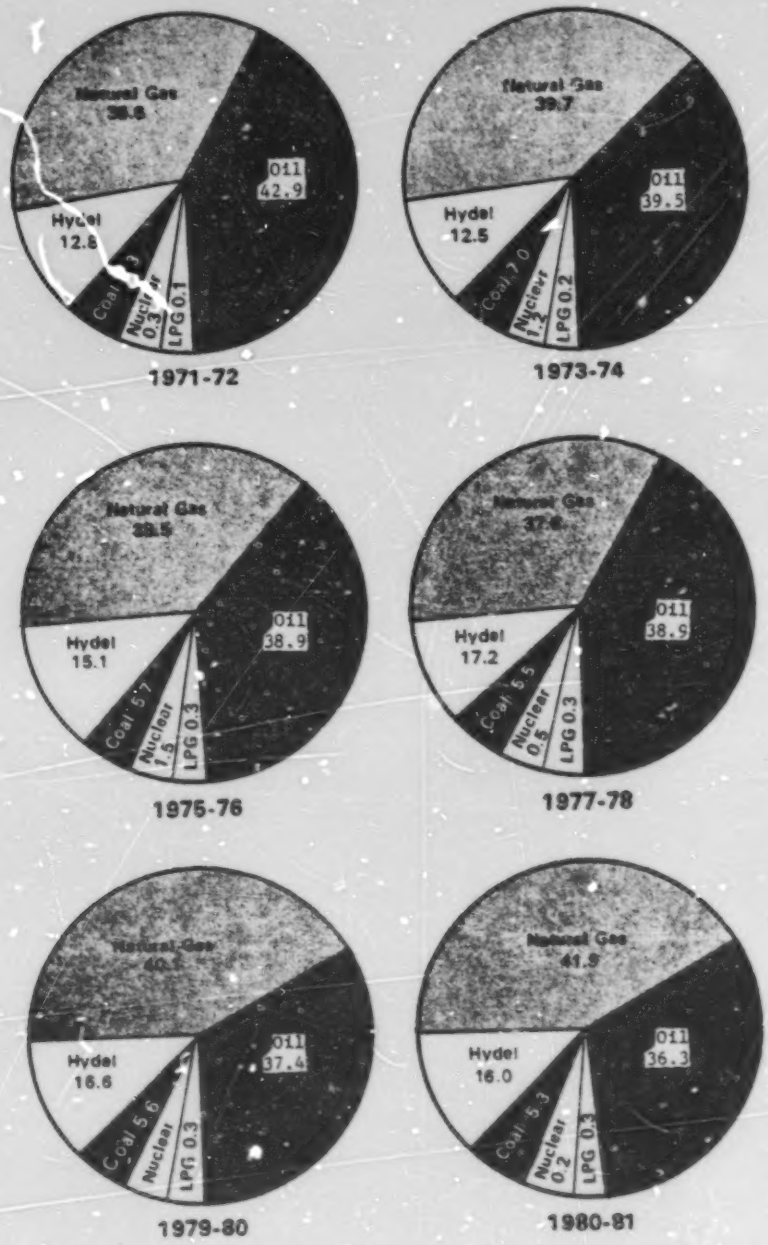
It is therefore imperative to accelerate the pace of exploration activity in the country so that more reserves could be found. "Our salvation lies in discovering new reserves of gas. This is not as difficult as it may appear to be and my suggestion would be that extensive seismic and geological surveys in the more promising areas should be conducted to locate possible gas bearing structures. More wells should then be drilled to increase the prospects of finding big reserves."

The discovery of natural gas at Sui and more importantly, its commercial utilisation at the end of 1955 resulted in a spurt of drilling activity. Seven more gas fields and a small oil pool were discovered in the fifties.

A sketch on Page 3 shows that six more gas fields were subsequently discovered, bringing the total to 13. Of these Sui and Mari and two smaller ones, Sari Sing and Hundi have been put on stream. Some associated gas is also produced from Meyal and Dhulian oil fields.

The total proven original recoverable reserves of natural gas are estimated at nearly 18 trillion cubic feet. Average daily production from the fields on stream at present stands at: Sui about 800 million cubic feet; Mari 115 MMCF; Sari-Hundi 7 MMCF; associated gas about 55

Pakistan's Energy Supply by Source and Percentage Share of Each Source (1971-72 to 1980-81)



Note: Figure for 1980-81 are provisional. Contribution of nuclear power in the energy mix in 1979-1980 was negligible.

MMCF.

Two gas transmission systems emanate from Sui, one to the north right upto Peshawar and the other to the south upto Karachi. The southern system, owned and operated by Sui Gas Transmission Company, consists of two pipelines—the original 16" diameter 347 miles long pipeline on the left bank of the Indus and the second 18" diameter 305 miles long pipeline on the right bank. This second line passes through the Sari/Hundi gas fields which are hooked on to this system. The nominal capacity of the two pipelines with compressors installed on the first line is 270 MMCFD.

The two gas distribution companies KGC and IGC purchase gas from SGTC and sell it to their customers in Karachi and other areas of Sind.

The gas transmission and distribution system in areas north of Sui owned and operated by Sui Northern Gas Pipelines. On its transmission system SNGPL also purchases the associated gas produced by Pakistan Oilfields from its Dhulian and Meyal oilfields. The transmission capacity of Sui Northern Pipelines stands at 415 MMCFD.

Raw Sui gas contains certain impurities—H_2S & CO_2. These are removed at a purification plant owned by SNGPL and SGTC and operated by SGTC. Presently the gas purification plant has nine banks with a total gas processing capacity of 670 MMCFD.

Pakistan Petroleum Ltd., discoverer and producers of Sui gas field, sells gas at Sui to SGTC, SNGPL, and WAPDA. WAPDA purchases raw gas for their 439 MW thermal power station at Gudu.

Today almost all the industry in areas south of Sui to Karachi and in the north upto Peshawar, Mardan, Charsadda, Takhtbai etc., is running on Sui gas.

Now to maintain production at the maximum production potential of the field not only will PPL have to drill additional wells but will also be required to install compression facilities over the next few years. This, according to rough initial estimates, should cost several hundred million dollars. On the basis of maximum production potential of the field at 880 MMCFD, PPL has committed to supply 290 MMCFD of purified gas to SGTC, 409 MMCFD of purified gas to SNGPL and 110 MMCFD of raw gas to WAPDA for Gudu Thermal Power Station.

Work is now underway to develop two dormant fields, Pirkoh and Dhodak. The former is being developed for gas and the latter for condensate production. Gas produced at Dhodak will probably be re-injected into the reservoir for maintaining pressure.

Pirkoh gas field, some 45 miles north of Sui gas field is being developed by OGDC with the assistance of the Asian Development Bank. The field is proposed to be integrated with SGTC's transmission system by laying an 18" diameter transmission pipeline between Pirkoh and Sui. This integration project will be dovetailed into the Indus Right Bank Pipeline (IRBP) Compression Project and will make available additional gas supplies for the southern part of the country. Initially 72 mmcfd of gas will be available from Pirkoh in 1983.

The project for increasing the transmission capacity of the Sui-Karachi pipeline from the present 270 MMCFD to 397.5 MMCFD is also underway. This is being done by installing gas compressor stations on the mainline at Shikarpur and Dadu and a side stream booster compressor station at Sari/Hundi along the route of the 18" diameter Indus Right Bank Pipeline. The project is expected to be completed by end 1982 or early 1983.

For the supply of gas to Quetta and areas enroute a pipeline is being laid from the 18" diameter Indus Right Bank Pipeline (IRBP) transmission system from an offtake point about 44 miles down stream Sui.

This is an S.G.T.C. project and on its completion consumers of air mixed LPG at Quetta should be assured of a continuous energy supply from a more dependable source. The Quetta Pipeline Project is expected to be completed by 1983.

Another project, now being planned is a 14" diameter 35 miles long gas pipeline from an offtake point on SGTC's Indus Right Bank Pipeline right upto Lasbela for the supply of gas to Galadaris 2000 tonnes per day cement plant and other projects being set up in that area. The pipeline will have a free flow capacity of 44 mmcfd.

The Sui Gas Transmission Company also plans to install standby gas purification facilities at the Sui Purification Plant and standby gas compression facilities at the company's existing gas compressor stations.

To sum up, In the larger interests of the country's economy and to meet future demands of gas the development of other gas fields should proceed along with the development of Pirkoh now underway. Effort should also be made to find new reserves of gas.

(Due to pressure on space a much abridged version of the talk is published here. A future issue will carry the full text.—Ed).

CSOF 4220/646

BRIEFS

HIGH COURT BAR'S DEMAND--Lahore, May 13--The Lahore High Court Bar Association has demanded the restoration of the 1973 Constitution to "ensure the rights of the people to be the final arbiters of their destiny." This demand was made at an emergency meeting of the Association held here today under the chairmanship of Mr Abid Hussain Minto, the president of the Association. [Text] [Karachi DAWN in English 14 May 82 p 22]

ZIA BREACHED ON BALUCHISTAN--Quetta, May 11--President General Mohammad Zia-ul-Haq was briefed about the development schemes in Baluchistan in Quetta this morning. He was informed with the help of maps and charts that under the provincial Annual Development Programme 2070 million rupees had been spent on more than 800 development schemes in the province during the last five years. The main sectors of development were Water, Power Irrigation, Agriculture, Communication, Health and Education, etc. In addition 3,650 million rupees had been spent during the same period on Federally financed projects in the province. The President expressed his satisfaction over the pace of development and directed to further accelerate the tempo of development.--APP. [Text] [Karachi MORNING NEWS in English 12 May 82 p 8]

COLLEGE TEACHERS' STRIKE CONTINUES--The professors and lecturers of the nationalised cadre in Sind; including Karachi; continued their indefinite strike for the 9th day yesterday in support of their demands. An emergency meeting of the Executive Committee of All Pakistan Lecturers-Professors Association is being held in Bahawalpur on May 15 to consider the President's appeal asking the teachers to call off their strike. While efforts are underway to bring to an end the deadlock; strike continued in all parts of the city. According to Sind Lecturers Association some positive development is expected to take place in next two days to resolve the crisis. [Text] [Karachi MORNING NEWS in English 14 May 82 p 1]

ARRESTED FOR OBJECTIONABLE HANDBILLS--The Arifwala Police have registered a case against a student of tenth class and his four "accomplices" under MLR 16. Zahid Munir and the others were charged with pasting anti-government handbills at the local college campus. Police registered the case on a report from the principal of the college, Mr Abdul Haq. [Text] [Lahore VIEWPOINT in English 13 May 82 p 16]

LEADERS' RELEASE DEMANDED--The first meeting of the newly-elected managing committee of the District Bar Association, Sukkur, has expressed its deep concern over the continuing detention of Miss Benazir Bhutto, Rasool Bux Palejo and Asghar Khan and demanded their immediate release. It also demanded the release of all political prisoners, students and trade union leaders. [Text] [Lahore VIEWPOINT in English 13 May 82 p 16]

CSO: 4220/646

TEAM TO NEGOTIATE FOR SAUDI LOAN

Manila PHILIPPINES DAILY EXPRESS in English 13 Apr 82 p 2

[Text]

A TOP-LEVEL government team will negotiate with Saudi Arabian officials for a P110-million loan to finance five training centers for Muslim workers.

Labor Minister Blas F. Ople said he and Economic Planning Minister Placido Mapa had been directed by President Marcos to continue negotiating with Saudi Arabia officials on the establishment of training centers in Zamboana City, Dipolog City, Marawi City, Cotabato City and Sulu.

* * *

THE PHILIPPINE government had sought financing of the training centers during the state visit of President Marcos last March in Saudi Arabia.

The Saudi government had approved in principle the proposal, Ople said.

The loan, to be funded from the Saudi Arabia Development Fund will carry minimal interest rate, he said.

Saudi Labor Minister H. Al-Ansari is expected to visit the Philippines in September and Ople, in turn, visit Saudi Arabia in October.

* * *

MEANWHILE, the administrator of the newly-formed Philippine Overseas Employment Administration, Patricia Sto. Tomas, promised to have the contracts of workers going abroad processed in one day.

The POEA had absorbed the Overseas Employment and Development Board, Bureau of Employment Services and the National Seamen Board in the recent labor ministry's reorganization.

Sto. Tomas said the POEA will tap the hearing officers of the abolished BES and NSB to act on complaints of workers against illegal recruiters.

CSO: 4220/613

POWER STRUGGLE SEEN AFTER MARCOS

Cebu City VISAYAN HERALD in English 12 Apr 82 p 4

[Column by Danny M. Gonzales: "Power Struggle Seen"]

[Text] AS I POINTED out earlier, sooner or later, Pres. Marcos will have to go — out of the presidency. How? This all depends on the circumstances. All the possibilities are there. A coup d'etat could depose him. His health might deteriorate further making it too weak for him to dispose of his duties. Or he could die.

WATCHED WITH BATED BREATH

THUS, MR. MARCOS is being watched — with bated breath — by a lot of people: his enemies and friends, especially the pretenders to his throne. When will the Marcos reign over this country end? Everyone knows it will end. But not one is certain when the end will come and what is the nature of such an end. The next best thing to do, as most are now doing, is to watch him, his political maneuvers — when he'll trip up; and his health — when he'll kick the bucket.

WHAT WILL FOLLOW

WITHOUT meaning any harm to him, assuming that Pres. Marcos will be out of the top post of the land — what happens next? To those who are opposition-inclined in their sentiments, let me disabuse their minds of the thought that an opposition leader will, overnight, be the new leader to be installed immediately after Marcos bows out. Of the many opposition leaders in the country today, not one is that politically entrenched as to effect a quick takeover. As for the other strong opposition leaders — like Aquino and Manglapus — they are out of the country; their initial problem — after hearing the news of Marcos' fall — would even be how to get back into the country. When they do get back, it will be too late. Somebody else had taken over; and they will just have to do a little more waiting for the right timing — an opportune one, that is.

POWER PLAY

WHAT IS envisioned by a lot of people when Marcos is gone is nothing less than a power struggle among the big guns within his circle. Among

the names mentioned as likely to be involved, not necessarily in the order of their importance or influence, are Defense Minister Juan Ponce Enrile, Gen. Fabian Ver, the First Lady, Labor Secretary Blas Ople, Gen. Fidel Ramos, etc. How the struggle would come about, armed or otherwise, everyone has his own version of it.

A PROTRACTED ONE?

WILL THE power struggle be a protracted one? This all depends on how effective the strongest among the contenders is. If the forces of the contending parties are evenly matched, a prolonged conflict could take place — and it will then be some kind of a war of attrition that the peace-loving among us could only mourn over, assuming we survive the power carnage.

ANOTHER BLOW

WHAT WILL happen will be another blow to the country — economically and politically. Such a power struggle would derail the country's peace. And whatever semblance of peace is attained after it will be an uneasy one. For what assurance is there that no further trouble would erupt? So, business will be in doldrums. And the political instability that will prevail is one undesirable but inevitable reality that the Filipinos have to face and overcome.

A MIRACLE

HOWEVER, the religious among the people have not lost hope. They are still praying that a peaceful takeover would be effected. That some kind of political miracle would avert a power struggle that is bloody and glory. Big power is tempting. But the protagonists, being Filipinos and mostly Catholics, there is always that possibility that their greed for power would be subdued — that they would not go to the extent of grabbing it at all cost, acting like mice or wolves, but as true human beings made aware of the reality that power is not really everything.

CSO: 4220/613

EDITORIAL: FREEDOM OF SPEECH THREATENED

Cebu City VISAYAN HERALD in English 14 Apr 82 p 4

[Text] A military official who has been allowed by President Marcos to retire has left behind him as one of his last official acts as Enforcer of Broadcast Media Association an order to close a popular radio commentary.

The order of Col. Jose Guillem to stop Lawyers Migs Enriquez and Vic Villordon from continuing with their commentaries on Radio DYLA was one act worthy of the condemnation of all freedom-loving Filipinos.

Not only is the attempt an act of muzzling the press but the act itself is a monumental blunder violative of the individual rights to free speech enshrined in our Constitution.

The order not only abrades the fundamental concept of due process but is a repression in its totality. What the commentators have merely done was to put acts of public officials before the acid test of ciriticsms testing whether their official acts could survive public standards of morality and expectations. But those who complain have realized the cutting edge of public contempt when even high echelons recognized the damage they have done to government image and good government. Hence, the counter-attacks and reprisals.

All these have utilized as instruments military power but in the process have crucified long-cherished values of freedom of speech.

Attempts have been made at control and suppression in many stations like DYRE, DYRB and others, and on many other commentators, the latest one in Negros where a commentator was banned for life, but these ugly inroads and assaults against freedom and individual rights must now be resisted at all cost.

The people of Cebu must rally behind the commentators and station DYLA on a common stand against the repression.

Otherwise, the Cebuanos whose image is that of a freedom fighter and freedom lover in the tradition of Lapulapu will be put to unmitigated shame and ignominy.

Will the Cebuanos allow this travesty?

CSO: 4220/613

RADIOMEN DEFY STOP-BROADCAST ORDER

Cebu City VISAYAN HERALD in English 14 Apr 82 pp 1, 2

[Article by Mike Ynclino]

[Text] A local radio station has defied an order of the Kapisanan ng Mga Brodkaster ng Pilipinas (KBP) to stop the broadcast of programs hosted by lawyers Migs Enriquez and Vic Villordon, now known as "conscience of the airlanes" here.

The KBP order was contained in a letter addressed to DYLA manager Monsignor Achilles Dakay who earlier sought clarification and specification of charges against the two radio commentators. The KBP Standards Authority thru its Director for enforcement Col. Jose G. Guillem cited violation of KBP broadcast guidelines by Enriquez and Villordon for allegedly challenging to a duel President Marcos and Col. Jesus Hermosa, former Deputy Commander for Administration of the PC-INP in RECOM 7, for alleged irresponsible attacks on Atty. Adela Marcos San Ramon (a kin of the President), and BFD Regional Director Jose Gapas.

Reacting to the order ALU Vimcontu titular head Democrito Mendoza reportedly told the commentators that he would support them in their fight against the KBP stop-broadcast order. DYLA station manager Monsignor Achilles Dakay had earlier assured the two that he would not implement the order and fight to forestall it.

Enriquez and Villordon meanwhile continued to hold their programs at the said radio station defying the stop-broadcast order of the KBP.

In a related development, Cebu's mass media practitioners were today alarmed at the implications of the order. Al Alinsug, president of the powerful Cebu Tri-Media Association (CTMA) and publisher of the Visayan Herald disclosed that CTMA members and other media men in Cebu will rally behind the two beleaguered media men in their fight for press freedom. In a press statement Alinsug said:

"To say the least the order is whimsical and narrowminded. Col. Guillem does not realize the implications of his act. The order reflects the illusion that we are still in a state of martial law."

In condemning the repression, Alinsug continued:

"Such Hitleric repression stabs into human freedom and dignity and has no place in a civilized society. All mediamen worth their salt must stand solid to defend the cause of free speech. Enriquez and Villordon are incidents; their cause is our cause. All Cebu Tri-Media members are called to a meeting on Saturday to take up the issue. As a mediaman I personally condemn the act of Col. Guillem."

Enriquez and company have assailed the order as a blatant excuse to allegedly silence them from the airlines because of their critical comments against powerful and corrupt government and military officials. They said that the move of the KBP is said to be a clear violation of the constitutional guarantees against press freedom.

Supporters of the crusading commentators had voiced their sympathy and support for them. Some callers during the program "Saksak Sinagol" have even hinted that violence may ensure if the order would be implemented as the people who support Enriquez and company might understand it as the start of a crackdown on militant critics of the administration.

In a letter to Monsignor Dakay, Enriquez said that the violations mentioned in the KBP order are entirely new and different from the charges mentioned in an earlier letter of Col. Guillem dated January 22, 1982, which specified only two violations.

Enriquez also said that the letter of Guillem dated March 27, 1982 is allegedly so worded as to contain findings or conclusions of law and facts, allegedly finding them guilty of the offenses charged. Morover, Enriquez disclosed, that the concluding portion of the same letter from KBP imposes a penalty not only on him but also on Villordon who had allegedly never been previously notified of any charges against him.

As it is today, it looks like this would be an interesting test for the media men against an apparent clampdown on the militant press in Cebu.

CSO: 4220/613

SUPPORT FOR RADIOMEN'S DEFIANCE

Cebu City VISAYAN HERALD in English 15 Apr 82 p 1

[Excerpt] A high official of the Integrated Bar of the Philippines (IBP), Cebu Chapter, has expressed condemnation of the act of Col. Jose Guillem, Enforcer of Broadcast Media Council, of ordering the stopping from broadcast of two radio commentators of a local radio station here.

Lawyer Bernardito A. Florido, President of the IBP-Cebu, has branded the closure order poised against Lawyers Migs Enriquez Jr. and Vic Villorden of Radio DYLA advising them to go off the air as "an assault on the basic Constitutional freedom."

Florido considers the closure order as "subversion of presidential policy, recalling that "the President has time and again publicly announced the full guarantees of freedom of speech and the press," as he has time and again encouraged the general public to expose anomalies and irregularities perpetrated by government officials.

The IBP President vehemently denounced Guillem's act saying that the closure order is the act of "minions of the government which try to embarrass the President."

CSO: 4220/613

PRESS CONFERENCE ON HUMAN RIGHTS

Cebu City VISAYAN HERALD in English 15 Apr 82 pp 1, 13

[Text] "Once again, the onslaught of military atrocities has been launched with wanton ferocity by the abusive militaristic regime," says a spokesman of the Nagkahiusang Katawhan alang sa Tawhanong Katungod (NKTK), an organization in Mahaplag, Leyte for the promotion of people's human dignity and welfare.

As a manifestation of their Christian solidarity to the cause of the poor farmers, the Visayas Ecumenical Movement for Justice and Peace (VEMJP) is holding a Press Conference on April 16, 9:00 a.m. at Pete's Kitchennette. This came about when the NKTK approached various sectors, of which VEMJP is one, requesting them to support their determined efforts against the recent spate of tortures, illegal arrests and detention and other forms of harrassments being inflicted on the farmers of their area.

VEMJP, a federation comprising various groups, organizations and institutions concerned for justice and defense of human rights invites all media people and all others interested to attend this conference. This will be an opportune time for all to be adequately informed of the present issue besetting our torment-stricken brothers.

CSO: 4220/613

UNEMPLOYMENT, STRIKES A SERIOUS MATTER

Cebu City VISAYAN HERALD in English 6 Apr 82 p 7

[Article in Business & Industry Column by Eddie R. Gandionco, Business Editor-Consultant: "Unemployment and Strikes are Pressing Concern of Gov't"]

[Text] The government, particularly the Ministry of Labor and Employment (MOLE) is focusing its attention to the increase unemployment rate and the increase number of strikes in many commercial and industrial establishments. However, the labor ministry considers more critical the problem of unemployment than the wage-levels of workers. It can not be denied that there is a worsening of unemployment today. The worst in our history.

The nationwide unemployment rate more than doubled during the first three months of 1982 and is believed to rise further in the second quarter. According to government statistics, the unemployment rate reached 40 percent in Metro Manila alone while the nationwide unemployment rate went up to 30 percent at the end of 1981.

The ranks of unemployed at the end of 1981 were swollen in March of this year by workers who were laid off or terminated by business and industry because of poor sales and unfavorable economic conditions. In short, everybody went on retrenchment. As of March 15 this year, labor ministry reports pointed to about 100,000 workers who had lost their job for the two-and-a half months of 1982. The reports of the ministry does not include those who were terminated but not reported. If so, workers laid off could thus be greater than the 100,000 figure.

The already difficult unemployment situation is compounded by the numerous strikes taking place all over the country today. At the end of 1981 there were an estimated 257 strikes, most of them in Metro Manila. It is my thinking that the present labor situation is caused by government's mandated higher pay and more benefits for workers which was decreed for the past three years. Had the government listened to the position of then former NEDA boss Gerardo Sicat and the employers confederation to temporarily freeze on wages and allowances, the increase of the unemployment rate could have been controlled. While wage increase favors the workers, they reduced the capability of business and industry to create more jobs and thus increase unemployment.

Lately, the labor ministry has change gear. It now favors leaving wage-allowance increases to collective bargaining between labor union and management. If push through, it is better late than never. However, the labor groups do not approve of the idea because they pointed out that current wage and allowances given a worker do not meet the basic needs of the worker and his family.

It is the thinking of the labor ministry that wages be frozen in areas or provinces that are depressed for they cannot look forward to improvements in the standard of living of the people in these places even beyond the year 2000 unless they attract job-creating investments. Getting the basic pay is very good enough in these areas or provinces. The best assurance for an investor is cheap labor, at least during the time when his investment is not paying off.

In answer to the labor ministry's softening stand, the labor sector filed notices of strikes. The number of strikes averaged almost five days a week since the start of 1982. Because of the increased number of strikes and lock-outs, even in vital industries, the government has taken a tougher stand. And strikes has now become another pressing concern of the government aside from the worsening unemployment.

I believe, considering the prevailing economic crisis of business and industry, that labor unions and workers should abandoned their fight for higher pay and more fringe benefits in order to save their jobs Additional wages and allowances can wait until better times, or, when business improves. There is a proper time to fight management but certainly not today. However, their are industries which are making more money in spite of inflation such as those engaged in drugs, basic consumers products, insurance, rice and corn mills, chemicals, and drinks. On these industries labor can make their demands or even go on strike. They are making money or profits. How about it TUCP and the other unions? Pity the workers!

CSO: 4220/613

SYRIAN TRAINED TERRORIST HELD

Manila PHILIPPINES DAILY EXPRESS in English 13 Apr 82 pp 1, 6

[Text] **ZAMBOANGA CITY**, May 12 – A suspect in the bomb attacks in this city this week was arrested this afternoon by Southcom intelligence operatives in Recodo, a fishing village 15 kilometers away from the downtown area.

The suspect – whose identity was withheld by the military pending the arrest of his companions – was reportedly a Syria-trained member of the Moro National Liberation Front. He was reportedly seen by witnesses dropping one of the plastic bombs Monday in front of the Zamboanga Central School.

Military operatives sent seaborne patrols to a nearby island, where the suspected mastermind of the bombings was hiding.

* * *

AS THIS developed, an eight-pound time bomb, which was set to explode at 4 p.m. today, was recovered by members of the Southcom intelligence group and Zamboanga police anti-terrorist task force in one of the rooms of Bel Air motel in this city. The bomb was reportedly brought in by a man, described as "well-dressed and good-looking," at 3:30 p.m.

Maj. Damming Unga Jr., commander of the INP southern sector command, said the bomb had six pounds of potassium chlorate, an igniting powder. Attached to the bomb were two fragmentation grenades in a plastic box.

Unga said the bomb could blow up a building.

* * *

MAJ. GEN. Delfin Castro, Southcom chief, said three MNLF commanders, one of whom has been identified as a native of Zamboanga, were on a sabotage mission in urban centers in Mindanao.

Castro said that four persons were killed and 71 others wounded in Monday's seven bomb explosions in this city.

CSO: 4220/613

MNLF, CPP COOPERATE

Manila PHILIPPINES DAILY EXPRESS in English 12 Apr 82 pp 1, 6

[Article by Vic Pena]

[Text] ZAMBOANGA CITY, May 11 – Military authorities are tracking down a foreign-trained rebel commander and his group in a citywide manhunt launched after the series of bomb explosions in the city's commercial district Monday which killed four persons and injured 71 others.

Subject of the manhunt is a native of Zamboanga and reportedly a member of the abortive June Bride operation which was busted by operatives in Metro Manila under Gen. Fabian C. Ver, AFP chief of staff, last year.

Those killed were Dante Dagonas, 21, of Zamboanga del Sur; Jessie Alomes, 22, of Daet, Sangali, Zamboanga City; Ricardo Alagatmo, 23, and Jessie Flores, 26, military authorities in Zamboanga reported.

***

MAJ. GEN. Delfin Castro, AFP Southern Command chief, revealed today a tie-up of the Moro National Liberation Front (Misuari faction) and the Partido Democratico Socialista ng Pilipinas, one of the allied organizations of the Communist Party of the Philippines.

Castro said these two groups plotted the six explosions in the downtown section of the city.

Castro said that last December military operatives arrested Manolito Canonigo, PDSP secretary general, and seized from him documents which pointed to the tie-up of these two subversive organizations.

AMONG the documents seized were papers on an MNLF-PDSP plot to conduct urban terrorism in Zamboanga City on May 1 this year. However, the plan did not materialize because of the seizure of huge explosives shipment by military operatives from a commercial vessel coming from Tawi-tawi and a raid at a house in Baliwasan district, which yielded 16,000 blasting caps last March 13.

Other urban centers in Mindanao such as Davao, Cotabato and Iligan cities had experienced similar bombing incidents earlier this year, as part of the MNLF-PDSP plot, the military said.

CSO: 4220/613

BRIEFS

SYNDICATED LOAN--Colombo, 13 May (AFP)--Sri Lanka has successfully negotiated a syndicated loan of $100 million in London, the Finance Ministry announced today. The syndicated credit leaders are Citibank, Lloyds Bank International, Bank of Tokyo, Indosuez Bank and the Long-Term Credit Bank of Japan. The terms obtained are the best-ever by the Sri Lanka Government in the Euro-dollar market, the Finance Ministry said. The credit, which is for an 8-year period, is at half percent over libor for the first 2 years and five-eighths over libor for the next 6 years. For the first time Japanese banks will take a considerable portion of the syndication when it is finalised, the ministry said. [Text] [BK131321 Hong Kong AFP in English 1116 GMT 13 May 82 BK]

CSO: 4220/644

'YOUNG TURK' OFFICER REINSTATED TO FORMER COMMAND

Bangkok MATICHON in Thai 4 May 82 pp 1, 12

[Text] One of the 1 April Young Turks has been reinstated in government service as a Royal Aide-de camp by the order of the king.

News reports from the Army to MATICHON state that at this time the Army has ordered Col Sakan Mitkasem of academy class No 7 and former defendant in the 1 Apr 1981 rebellion returned to service. He has been returned to the position he held before his dismissal that of deputy commander of the Army transportation department. The report also revealed that on 27 April, His Majesty the King appointed Col Sakan as one of 96 Royal Aides-de-camp.

Concerning this matter, Col Sakan told MATICHON that he had been reinstated to his former position in the service approximately 6 months ago, but that none of his fellow officers who had been dismissed have as yet been reinstated.

Col Sakan Mitkasem had been dismissed from government service by order No. 10001/1981 of the Ministry of Defense dated 1 Apr 1981 along with Col Manoon Rupkhachon, Col Prachak Sawangchit, Col Pridi Ramasut, Col Panlop Pinmani, Col Sakhon Kitwiriya, Col Prap Chotsathien, Col Chanboon Phentrakun, Col Boonsak Phochareon, Lt Col Boonyang Bucha, and Major Surit Chanthrathip on the grounds that they were threats to the peace and order of the nation and the throne. The dismissal order was signed by Gen Prem Tinsulanon in his capacity as Minister of Defense.

Also, when the events of 1 April took place, Col Sakan was appointed a member of the Revolutionary Council by Gen San Chitpatima, the leader of the coup.

CSO: 4207/98 END

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7 June 1982

South and East Asia Report

No. 1149

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PRESIDENT CHOWDHURY'S MAY DAY MESSAGE SUMMARIZED

Dacca THE BANGLADESH OBSERVER in English 1 May 82 pp 1, 12

[Text] President Justice A.F.M. Ashanuddin Chowdhury expressed his hope that the toiling masses would be inspired by the spirit of May Day and discharge their responsibilities with devotion in their respective fields, reports BSS.

In a May Day message, the President also expressed his confidence that the working community would work hard to achieve economic self-reliance and raise the standard of life of the people.

President Ahsanuddin Chowdhury described May Day as a symbol of struggle and success of the working community of the world in establishing their rights and said that the appeal and significance of the historic day was immense.

President Chowdhury said that the Government had formulated policies and laws to ensure the rights and interests of the workers. Under these policies and rules, the working community on the one hand had built up organisations to work unitedly and on the other they had undertaken necessary programmes to improve their skill and efficiency, the President observed.

He said the Government and the management authorities had extended all cooperation to these programmes.

The President referred to different steps taken to improve the labour-management relations increasingly and said the Bangladesh Government considered such understanding and relations between the management and workers as essential prerequisite to raising production.

The President in his message extended good wishes and congratulations to the toiling masses and wished their well-being on the occasion of May Day.

CSO: 4220/7278

GENERAL ERSHAD ISSUES MESSAGE ON MAY DAY EVE

Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1

[Text] The Chief Martial Law Administrator Lt. General H. M. Ershad on Friday night said in Dacca that the aim of the Government is to remove all barriers in the way of realising the legitimate rights of the working people by forming a people-oriented and progressive administrative framework reports BSS.

In a message on the eve of the historic May Day General Ershad said the Government's determination is to root out exploitation and corruption from the society. "We hold the assurance to our worker brothers and sisters that the present Government is determined to bring an end to injustice, exploitation, corruption and top heavy administration from all spheres of life to save the masses from the exploitation of the vested interests," he stressed.

He said: "Inshallah we shall establish such a political economic and social order in which brotherhood and bonds of mutual co-operation will be the main source of inspiration of national progress."

The Chief Martial Law Administrator visualised a cherished society devoid of the obstinacy of individual and in which man will be identified as man.

General Ershad said the working people of Bangladesh are observing today the historic May Day expressing solidarity with the working community of the world. On this mournful day we are recalling with gratitude those fearless workers who had laid down their lives in Chicago city hundred years ago in the struggle for establishing the rights of the workers he added.

The Chief Martial Law Administrator paid his deep respect to the great ideals of the May Day and urged all including the workers and employers to realise the significance of the day. He noted that even today the ideals of their struggle inspired the working people of all countries for realising their legitimate rights.

In common with the rest of the world the historic May Day will be observed throughout the country today (Saturday) in a befitting manner.

On this occasion the working community will pay homage to the workers of the United States who had made supreme sacrifice this day in 1886 at Hav Market near Chicago to establish the rights of workers.

The Day has been declared a closed holiday.

Newspapers will carry special articles highlighting the significance of the day and its impact on the working condition of the workers all over the world.

CSO: 4220/7278

GENERAL ERSHAD ANNOUNCES WAR AGAINST POVERTY

Dacca THE BANGLADESH TIMES in English 24 Apr 82 pp 1, 8

[Text] Chief Martial Law Administrator and Commander-in-Chief of Bangladesh Armed Forces, Lt. Gen. H. M. Ershad said on Friday that the Government had declared war against poverty which should be won for the survival of the nation.

Gen. Ershad called upon all to participate in this war. "All citizens are equal and the poverty shall have to be shared by all equally," he said.

The Chief Martial Law Administrator was speaking at the foundation stone laying ceremony of a multi-storied sweepers' colony of Dacca Municipal Corporation at Tikatuly. Mr. Mahbubur Rahman, Adviser in charge of the Ministry of Local Government also spoke on the occasion.

Mr Pardesi, an elderly sweeper of the DMC laid the foundation stone of the complex. It would be built at an estimated cost of about Tk. 35 lakh to accommodate 60 sweepers' families. The complex is one of the six multi-storied buildings that the DMC planned to construct. The others will be built at Mohammadpur, Ganakkuti, Nayabazar, Sutrapur and Miranjala.

Social Change Must

Gen. Ershad said that the nation could not allow free hand to a handful of people to exploit others and lead luxurious lives. He said that under the present social structure, exploiters and the privileged ones were enjoying all benefits while those putting in labour were being looked down upon.

The CMLA said that the social structure had to be changed and the dignity of labour must be restored. He said that it should have to be ensured that those who gave labour, were honoured.

Jehad Against Corruption

General Ershad said that the jehad declared against corruption must be won. He said that corruption, which had been eating into the vitals of the nation, must be eradicated once for all. "We do not want corrupt people," he said.

The CMLA said, "we do not want the Government officials to be the masters. They are not masters, they are servants of the people," he said.

Objectives

General Ershad said that elimination of corruption and exploitation, attainment of food autarky, recasting of age-old administration and establishment of a pro-people democratic system were the major objectives of the present Government. He called upon the people from all walks of life to extend their support and cooperation to achieve these objectives of the Government to ensure a better future for the nation.

The CMLA said that all these objectives could be attained if every one performed their duties in their respective fields with honesty, sincerity and dedication.

General Ershad said that wherever he had gone, he had noticed tremendous enthusiasm among the people to work. They wanted direction he said. He called upon all to come forward and join hands with the Government to build up a happy and prosperous Bangladesh.

General Ershad also told that those who had earned money, acquired cars and houses by exploiting the poors, had a place in the society. But, the poor and downtrodden who worked hard, had no room in the society, he said adding that such society should be changed and the dignity of labour must be restored.

Mr Mahbubur Rahman said that the policy of the present government was to pay more attention to those who were neglected in the past, contributed much to the nation but received less.

Mr. Pardesi and other sweepers told me that they were inspired by the speech of General Ershad. "He has echoed our sentiments," they said.

All Are Equal

Mr. Mahbubur Rahman said that the present Government did not consider anybody as untouchable. He said that all sections of people of the society were equal.

Mr. Rahman said that General Ershad was not only the Chief Martial Law Administrator and the Commander-in-Chief of the Armed Forces. He said that Gen. Ershad was the Commander-in-Chief of the war against corruption and exploitation which was waged on March 24. He called upon all to participate in this war and help implement the programmes of the Government.

The Adviser said that the goals of the War of Independence of 1971 would be achieved under the leadership of General Ershad. He said that the present Government was backed by Almighty Allah and the nine crore people of the country.

Mr. Rahman said that the present Government had come to serve the people, not to rule them. He termed March 24 as "najat day" and said that all would now have to work hard with dedication, honesty and sincerity forgetting the past.

The Adviser said that the Government was planning to make the DMC effective so that it could render more services to the people. He said that it was being planned to bring Gulshan and Mirpur Purashavas under the DMC.

CSO: 4220/7265

MARTIAL LAW ORDER ON VACATION OF GOVERNMENT PROPERTY

Dacca THE BANGLADESH TIMES in English 24 Apr 82 pp 1, 8

[Text] The Chief Martial Law Administrator on Friday night issued the Martial Law Order No. 15 of 1982, according to an official announcement.

Following is the announcement:

In pursuance of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the Chief Martial Law Administrator is pleased to make the following Order:

1. All persons who are in unauthorised or illegal possession of any property, movable or immovable, belonging to or under the control, custody or management of the Government, including the Bangladesh Railway, shall within thirty days from the date of commencement of this Order, vacate or surrender such possession and hand over the property to the officer or authority concerned with the control, custody, management or maintenance thereof and obtain receipt therefor.

2. Whoever fails to vacate or surrender such possession of any immovable property and hand over the property to the officer or authority concerned within the period specified in paragraph 1 shall be liable to be evicted from the property without any notice and for this purpose the officer or authority concerned, or any other officer or authority authorised in this behalf by the Sub-Zonal Martial Law Administrator, may use such force as he or it deems necessary and any structure, building, erection or other property standing or found therein or thereon may be demolished, destroyed or removed and the cost of such eviction, as may be assessed by the officer or authority taking action under this paragraph and approved by the Sub-Zonal Martial Law Administrator may be recovered as a public demand.

3. Whoever fails to surrender and hand over any movable property mentioned in paragraph I to the officer or authority concerned within the period specified therein, or returns such property in a damaged or mutilated condition, shall be liable to pay such compensation to the Government or the Bangladesh Railway, as the case may be, as the officer or authority concerned may with the approval of the Sub-Zonal Martial Law Administrator determine and such compensation may be recovered as public demand.

4. Where possession of any immovable property mentioned in paragraph I has not been vacated or surrendered within the period specified therein, the officer responsible for the control, custody, management or maintenance of such property shall, within thirty days after expiry of that period, submit a proposal before the Sub-Zonal Martial Law Administrator for taking possession by eviction under paragraph 2 and take necessary action after such approval.

5. The Sub-Zonal Martial Law Administrator shall get the proposal submitted under paragraph 4 examined by a committee, to be appointed by him, consisting of a Judicial Officer not below the rank of Subordinate Judge, a Government Pleader and an Additional Deputy Commissioner and shall accord approval to the proposed action if the committee finds that the property concerned belongs to or is under the control, custody, or management of the Government or the Bangladesh Railway, as the case may be, and it is in unauthorised or illegal possession of any person and advises him to accord such approval.

6. If the officer mentioned in paragraph 4 fails to submit the proposal within the period specified therein and fails to take necessary action within thirty days of receipt of approval and cannot show satisfactory cause as to why he could not do so, he may be retired, removed or dismissed from service or reduced in rank by his appointing authority for such failure without any further opportunity of showing cause.

7. If any immovable property mentioned in paragraph I comes under unauthorised or illegal possession of any person after the recovery of possession thereof under this Order, the officer responsible for its control, custody, management or maintenance may, if he fails to show satisfactory cause as to why he could not prevent such possession, be retired, removed or dismissed from service or reduced in rank by his appointing authority.

8. Any person aggrieved by an action taken under this Order in respect of any property may get his claim established by an appropriate legal action instituted before a Civil Court of competent jurisdiction and get relief accordingly, but no such Court shall make any order of injunction, temporary or permanent, against any officer or authority acting or taking action under this Order.

9. Whoever, being responsible for the control, custody, management, maintenance or supervision of any property mentioned in paragraph 1, is found to have helped or connived at the unauthorised or illegal possession of such property by any person shall, without prejudice to the provisions of paragraphs 6 and 7 be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

CSO: 4220/7265

MARTIAL LAW ORDER NO 16 ON FOREIGN RECRUITMENT

Dacca THE BANGLADESH TIMES in English 6 May 82 pp 1, 8

[Text] The Chief Martial Law Administrator has issued Martial Law Order No. 16 asking persons, who had received money from others promising them employment abroad, either to secure the employment or to return the money with compensation at the rate of 20 per cent per annum within 60 days.

Violation of the order shall be punishable with rigorous imprisonment for maximum term of five years of, or with fine or both.

Text

"In pursuance of the proclamation of the 24th March, 1982 and in exercise of all powers enabling him in that behalf the Chief Martial Law Administrator has made the following order.

1. Any person who, before the commencement of this Order, received any money from others on the promise of providing them with employment abroad, but failed to do so within the stipulated or agreed time or, where there was no such time, within one hundred and twenty days from the date of receipt of the money are directed either to secure the employment or to return the money received with compensation thereon at the rate of twenty per cent per annum within sixty days from the date of commencement of this Order.

2. Whoever contravenes the provisions of paragraph 1 shall be punishable with rigorous imprisonment for a term which may extend to five years or with fine or with both, and shall also be liable to return the money received with compensation thereon at the rate of twenty-five per cent per annum.

3. Whoever after the commencement of this order, receives any money from any person on the promise of providing him with any employment abroad, but fails to provide him with such employment within the stipulated or agreed time or where there is no such time within one hundred and twenty days from the date of receipt of the money shall be punishable with rigorous imprisonment for a term which may extend to five years, or with fine or with both and shall also be liable to return the money received with compensation thereon at the rate of twenty-five per cent per annum.

4. Nothing in this Order shall apply to a person against whom criminal proceedings were pending before any court immediately before the commencement of this order on the allegation that he failed to provide any person with any employment abroad as promised through he received money for the purpose or that he did not return the money received for that purpose when demanded.

CSO: 4220/7284

MARTIAL LAW REGULATION ON UNTAXED INCOME ISSUED

Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1

[Text] The Government has issued Martial Law Regulation V about disclosure of untaxed income and investments of such income, an official handout said in Dacca on Friday reports BSS.

The Government and the public have for some time past noticed with increasing concern that there is considerable amount of idle and unaccounted money in the hands of many people. These funds cannot, for obvious reasons, but utilised for productive purposes. These scarce resources of the country are either being kept completely idle or are being used to finance various unproductive activities which do considerable harm to the economy.

It is, however, generally admitted that simplification and rationalisation procedures coupled with responsiveness of both income tax administration and income tax payees will considerably reduce the incidence of idle and concealed income in the economy. Of late some measures have already been taken to improve matters in this direction. The Government is keenly aware of the need to carry forward these improvements and reforms, but meanwhile there is a general concern about the urgent need to curb the incidence of idle funds in the economy and make it available for productive investments.

The Government has therefore, decided to give incentive to holders of idle and taxevaded funds so that these funds are declared and made available for productive purposes. The declared funds will be subject to a flat rate of 15 per cent to be paid along with declaration. The balance 85 per cent of the declared funds can be utilised by the declarants in a wide range of productive activities which will strengthen the productive sector of the economy, increase employment and help stimulate the private sector of the economy. This opportunity is also available for untaxed income in foreign exchange held abroad.

The Government is conscious of the fact that such extraordinary concession or incentive cannot be repeated as such concessions are unfair to honest tax payers. With the various improvements in the direct tax system, Government hopes that there will be no justification in future to provide any such incentive to attract idle funds.

In this connection, it is needless to add that those who fail to avail of this last opportunity will be dealt with very severely under the Martial Law Regulation that has been promulgated. At the same time the Government is determined to ensure that those who respond to this facility for disclosure of concealed and untaxed income will get complete immunity from any questioning or any other coercive action against them. The Government, however, expects that all persons in possession of concealed income will make a fair and full disclosure of the untaxed income in view of the extraordinary incentive given to them.

The details of the Martial Law Regulation are given in Martial Law Regulation V along with information regarding rate applicable, date by which the returns under the Martial Law Regulation are required to be submitted, investment opportunities available and the form of declaration. The declarant will have the choice to pay tax at 30 per cent along with the declaration if he does not intend to invest the balance amount in the prescribed manner.

CSO: 4220/7278

SOURCES REPORT NATIONALIZED BANKS VICTIMS OF FRAUD

Dacca THE BANGLADESH TIMES in English 6 May 82 pp 1, 8

[Article by Muzaffar Hussain]

[Text] The country's six nationalised commercial banks have been robbed of at least Tk. 25 crore by internal and external fraud and forgery since Liberation, according to authoritative sources.

While due to inherent organisational defects chances of such fraudulant practices continued to exist, quite a large number of cases detected by the bank authorities were lying pending with the police for disposal.

The authoritative sources told the Times that the cases of undetected internal fraud could turn out to be large, if thorough probe was carried out in a planned manner in all the banks. They, however, warned that any haphazard action without going deep into the anomalies and without taking necessary deterrent measures against future repetitions might prove useless in the long run.

Although some cases of forgery and fraud were detected as early as 1973, such incidents began to increase with the expansion of banking in the country. Externally frauds were carried out by forged cheques and demand drafts by outside parties in collusion with the bank people. Internally, bank employees themselves did the job.

It is gathered that the banks were now facing a peculiar problem where cheques, exact prototype of the original cheques, were being produced at the bank counter for encashment. These cheque leaves, printed by some modern duplicating machines, do not differ with the original cheque leaves issued by the bank. In one case, detected recently, the forgers got the signature of the account holder so accurately that even the account holder could not differentiate between the two signatures. In this case, the original cheque leaf was found intact with the account holder. The forged cheque leaf contained the original cheque number of the bank.

In some cases, demand drafts, so long considered as the safest media in banking transactions, were being forged with surprisingly accurate code numbers.

Internally, fraud cases detected where huge amount of money had been withdrawn by issuing false cheque books against genuine accountholders. In some cases, deposited money was misappropriated without making necessary entries in the books. In some cases advances were made against fictitious accounts opened by the corrupt bank people. In some cases, bank managers made advances violating their limit of authority. It may be mentioned here that frauds and forgery normally take place in busy banks and in big towns.

Sources said that after detection on cases were filed with the police for investigation. But, in most of the cases there was abnormal delay in the investigation since the investigating policemen could hardly concentrate on a particular case due to their multifarious functions.

In the absence of any security press, banks are to depend on some earmarked printing press like Padma Printers, Ebco Pioneer Biac and Zenith Printers. Papers used for printing cheque books and demand drafts are imported exclusively for the earmarked printers and are never on open sale. Cases have been detected where some unscrupulous employees of these printing presses got some papers smuggled out for preparing forged cheques. These forged cheque books were used both by the internal external frauds.

Surprisingly, audit firms could hardly detect internal frauds. Cases of such frauds were detected when the accountholders lodged complaints with the banks about discrepancies in their accounts.

Secondly, posting of bank managers, accountants and other concerned employees for a long time at a particular branch made the task easy. Frauds were detected when concerned people were transferred elsewhere and new people took over. Previously, there was heavy pressure from the employees union on the management regarding transfer of employees. Most of the employees preferred to stay in towns with busy branches.

Internal frauds often manipullated accounts by jugglery during any inspection by higher authorities which made detection difficult. Long stay of bankmen in one particular branch helped the frauds to carry out jugglery of accounts with virtually no difficulty.

Sources said that the crux of the problem lay on the organisational structure of the banks. Due to the existing structure, there was great lack of supervision by senior bank officials. At present, General Managers or Deputy General Managers are responsible for a particular function of a bank. This functional jurisdiction instead of areawise jurisdiction virtually made no one responsible for the anomalies.

Welcoming the intentions of the present Government to put the country's banking system on the right track, authoritative sources suggested immediate setting up of a highpowered commission for reorganising the banking system and also to carry out a thorough probe into the anomalies piled up for years.

They suggested that separate agency should be set up for investigation of bank cases and separate court should be set up for disposal of these cases. This would ensure quick investigation and disposal of cases. Such management are seen in other countries of the world.

They also suggested setting up of a separate agency for the movement of cash from one place to another. They said that the bank officials should be freed as far as possible from non-banking jobs so that they could serve the people better.

CSO: 4220/7284

MORE GOVERNMENT APPOINTMENTS, TRANSFERS ANNOUNCED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 p 12

[Text] Mr Habibur Rahman, Joint Secretary, President's Secretariat has been attached to the CMLA's Secretariat according to a PID handout.

Mr Abdul Quddus Choudhury, Joint Secretary, Law and Parliamentary Affairs Division has been attached to the CMLA's Secretariat in addition to his own duties.

Dr A.M. Abdur Rahim, Division Chief Planning Commission has been appointed Joint Secretary, in-charge of the Relief and Rehabilitation Division, Ministry of Food.

Mr M. Shahiahan Ali, Deputy Secretary, Planning Division Ministry of Finance and Planning has been appointed Deputy Secretary, External Resources Division in the same Ministry.

Mr Khandaker Abdul Haque, Deputy Secretary, Parliament Secretariat has been appointed Deputy Secretary Planning Division Ministry of Finance and Planning.

Mr Taslimur Rahman, Deputy Secretary Ministry of Agriculture (Agriculture and Forest Division) has been appointed Private Secretary to the Adviser, in-charge of the Ministry of Agriculture.

Mr Inan Ranjan Saba officer on Special Duty, Establishment Division has been appointed Deputy Secretary Education Division, Ministry of Education and Religious Affairs.

Mr A.W. Nuruddin Ahmed, Deputy Secretary Civil Aviation and Tourism Division, Ministry of Defence has been appointed Deputy Secretary, Food Division, Ministry of Food.

Mr Abdur Raquib Deputy Secretary Food Division, Ministry of Food has been appointed Deputy Secretary, Civil Aviation and Tourism Division Ministry of Defence.

CSO: 4220/7270

PERSONNEL, MISSION OF PRESS COMMISSION ANNOUNCED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 pp 1, 12

[Text] The government has constituted the Bangladesh Press Commission with Mr Ataur Rahman Khan as Chairman of the Commission, according to a PID handout.

The members of the Commission are:

Non-officials: (1) Barrjsler Mainul Hosein, Chairman of the Board of Editors of the Ittefaq and Chairman, Bangladesh Sangbadpatra Parishad! (2) Mr Enayetullah Khan, Advisory Editor, the Weekly Holiday! (3) Mr Obajdul Huq, Editor, The Bangladesh Observer! (4) Mr Ahmedul Kabir, Editor, the Daily Sangbad! (5) Mr Shamsur Rahman, Editor, the Dainik Bangla! (6) Mr Ahmed Humayun, President, Bangladesh Federal Union of Journalists.

Officials: (7) Representative (not below the rank of Joint Secretary) of Law and Parliamentary Affairs Division, Ministry of Law and Land Reforms! (8) Representative (not below the rank of Joint Secretary) of the Ministry of Home Affairs! (9) Representative (not below the rank of Joint Secretary) of Defence Division, Ministry of Defence! (10) Representative (not below the rank of Joint Secretary) of Finance Division, Ministry of Finance and Planing! (11) Chairman, Press Council! and (12) Principal Information Officer, Press Information Department, Ministry of Information.

Names of three other members and the Secretary of the Commission will be notified shortly.

Following are the terms of reference of the Press Commission:

The Press Commission shall enquire into the present state of the Press in Bangladesh and its growth and role with particular reference to national development and shall examine and make recommendations on:

(1) Growth, ownership, management pattern and financial structure and management of the Press in Bangladesh.

(2) Economics of the newspaper industry; printing machinery and spares, proper utilisation and allocation of newsprint, other inputs and newspaper distribution system.

(3) Legal provisions relating to the freedom of the Press: review of the Press laws to ensure freedom coupled with responsibility: the role of the Press Council and further powers, if any, to be given to the Council.

(4) Professional performance, degree of objectivity and sense of responsibility, editorial institution; method of recruitment, education and training of journalists.

(5) Role of the Press in national development, self-reliance and in building a corruption and exploitation-free austere society.

(6) Advertisement in the economics of newspapers and appraisal of advertisement policy.

(7) Professional organisations related to Press and their role.

(8) Structure and management of news agencies with special reference to their sources of revenue, reception and transmission capabilities.

(9) The imbalance in rural-urban information flow and growth of rural newspapers;

(10) Perspectives of newspaper development in Bangladesh.

The Commission will start functioning from May 1, 1982 and will submit its report in six months.

CSO: 4220/7270

ERSHAD SENDS MESSAGE ON SHER-E-BANGLA DEATH ANNIVERSARY

Dacca THE NEW NATION in English 27 Apr 82 pp 1, 8

[Text] Chief Martial Law Administrator Lt. General H. M. Ershad yesterday called for taking a fresh vow to establish a social system free from corruption and exploitation following the ideals of Sher-e-Bangla A. K. Fazlul Huq, reports ENA.

In a message on the occasion of the 20th anniversary of death of the great leader which falls today, Gen. Ershad said true respect would be shown to his memory only when the lot of the commonman of the country could be improved for which he had dedicated his life.

Paying glowing tributes to Sher-e-Bangla, Gen. Ershad said the political and economic emancipation of the neglected and exploited people of the rural areas was the only goal of the great leader and he had pursued it till his death. His contribution in the field of education will remain everfresh in history, the CMLA added.

A man of uncommon personality and rare genius Sher-e-Bangla was a wise and foresighted political leader, patriot and real-friend of the downtrodden Gen. Ershad said.

CSO: 4220/7271

NATIONAL SAVINGS BUREAUS REPORTED TO EXCEED TARGET

Dacca THE BANGLADESH TIMES in English 30 Apr 82 pp 1, 8

[Text] With a total savings generation of about Taka 11 crore during the first 19 months of their existence, the achievements of the four national savings bureaus have exceeded the target.

The four bureaus--two in Dacca, one each at Narayanganj and Chittagong--were opened between February 1980 and May 1981 by the Directorate of National Savings with a view to extending more direct and efficient services to small savers.

The opening of these bureaus was felt necessary because the banks and the post offices, which are operating half a dozen savings schemes on the basis of commission, were preoccupied with their own businesses.

There was also popular demand from small savers that the Directorate of National Savings operate its own bureau offices alongside the banks and post office to directly deal with them.

Initially the four bureaus were asked to deal in two savings schemes--Pratirakkha Sanchayapatra and Bonus Sanchayapatra.

Total saving mobilisation by the four bureaus during fiscal 1980-81 stood at over Taka 5.78 crore while withdrawals amounted to only Taka 78 thousand thus leaving a net investment of Taka five crore.

The Motijheel National Saving Bureau which was opened on December 20, 1980, generated a total savings of over Taka 2.69 crore during 1980-81. The Narayanganj and Chittagong bureaus opened in February 1981 had collected a total savings of over Taka 85 lakh and about Taka 1.35 crore respectively. The Bureau at Elephat Road, Dacca, which was opened on May 15, 1981, generated over Taka 89 lakh as savings during the year.

Of the total savings mobilised during 1980-81, Pratirakkha Sanchayapatra accounted for 5.43 crore while Bonus Sanchayapatra fetched over Taka 35 lakh.

A Directorate source told the Times that during the first nine months of the current fiscal year ending in March, total savings generation by the four

savings bureaus totalled over Taka 5.37 crore against a target of Taka three crore for the year. Savings under the Pratirakkha Sanchayapatra scheme amounted to over taka 4.70 lakh while under Bonus Sanchayapatra scheme it was over taka 67 lakh during the nine months.

Recently the Directorate has introduced the sale of prize bonds through these Bureau offices in addition to the two schemes already being run by them, the source said.

The source said that the Directorate was considering the question of opening similar kind of bureaus in other important urban centres of the country. It is also being felt that a breakthrough in savings mobilisation under different schemes of the Directorate might be achieved, if there were bureau offices at all important district and sub-division towns.

The source said, at present the Directorate had its own field officers entrusted with motivational work at all district and sub-division towns, and some important thana headquarters. They publicised the different schemes and advised potential savers to save their money through the banks and the post offices.

He said that introduction of saving bureaus in Dacca, Narayanganj, and Chittagong made the field officers in these more effective, because they could lead potential savers to the bureaus whose only business was to deal with the savings schemes. The clients did not face the inconvenience that they usually faced with the banks and the post offices which were more busy with their own businesses to be able to pay adequate attention to the small savers.

The Directorate of National Savings, inspired by the success of national savings banks in countries like Sri Lanka and Thailand, went for introducing the savings bureaus. Except the Motijheel bureau which is being run by only one officer, one accountant and one clerk, the three other bureaus are being run by one officer and one clerk each.

CSO: 4220/7277

UN DELEGATE SPEAKS ON PALESTINE ISSUES

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] New York, Apr. 24--Bangladesh has again condemned the illegal and arrogant acts of Israel which created a highly explosive situation today not only in Palestine and other occupied Arab territories but also in the entire Middle East region reports BSS.

Addressing the seventh emergency special session of the United Nations General Assembly yesterday, the Acting Permanent representative to the UN Mr. Farooq Sobhan, said that Bangladesh's involvement in the freedom struggle of the Palestinian people was total. Bangladesh has always condemned in no uncertain terms the Israeli acts of aggression and will continue to do so till the wrongs are righted, he added.

The Acting Representative told the UN session that Bangladesh's stand on the Palestine and the Middle East question was unequivocal and consistent, and was not based on political expedience. He said Bangladesh firmly believed that no solution in the Middle East could be envisaged which "does not fully take into account the legitimate aspirations of the Palestinian people."

Quoting from a recent message to the nation by Chief Martial Law Administrator Lt. General H.M. Ershad, the Bangladesh representative said "It is our deep conviction that there can be no fair and lasting solution to the problem of the Middle East without a total withdrawal of Israeli forces from all Arab lands and without the restoration of the inalienable national rights of the Palestinians to have a state in what has always been and still is their own land."

The Bangladesh Representative said that the sinister designs of Israel must be stopped, Israel must be compelled by the world body to obey its mandate not only in the interest of peace and justice in the region but also in the wider interest of international peace and security and the welfare of mankind as a whole.

CSO: 4220/7267

UN DELEGATE'S 26 APR SPEECH TO ECOSOC REPORTED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 p 1

[Text] New Kork, Apr 26--Bangladesh has reiterated its opposition to all forms of colonialism, racism and racial discrimination and its irrevocable commitments to their total eradication from the face of the earth, reports BSS.

The reiteration was made by the Bangladesh Representative at the United Nations while making a statement at the first regular session of the Economic and Social Council on Wednesday on the agenda item "Decade for action to combat racism and racial discrimination."

The General Assembly decided in 1973 to observe the decade beginning December 10 of that year.

The Bangladesh Representative said that the ultimate goals of the decade were to promote human rights and fundamental freedom for all without distinction of any kind such as race, colour, birth or ethnic origin through total eradication of racial prejudice racism and racial discrimination.

He said that the cruellest and most naked expression of racism were found in the policy of apartheid followed by the South African regime against its majority population. This policy resulted in denial of political representation to more than four fifths of its population, economic discrimination and exploitation of an unprecedented scale and dismemberment of the country through creation of so called black home lands.

CSO: 4220/7270

AMBASSADOR REITERATES PRC SUPPORT FOR BANGLADESH

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] China has reiterated her Government's total support to Bangladesh in the preservation and consolidation of her state sovereignty and national independence and in the attainment of her economic emancipation progress and prosperity.

This was stated by Chinese Ambassador in Bangladesh, Mr Liu Shu Qing in an exclusive interview with ENA Chief Editor Golam Rasul Mallick on Saturday morning.

The Chinese Ambassador stated in clear terms that his Government and people hope that the Government and people of Bangladesh would achieve success in maintaining peace and stability in the country and in their efforts at developing good neighbourly relations and regional cooperation and maintaining peace in the region.

Mr Liu Shu described as excellent and very friendly the relations between Bangladesh and China and visualised greater cooperation between the two countries in the coming days.

Q: Mr Ambassador how do you describe the present state of relations between Bangladesh and China?

A: Our relations are very good and excellent. There is no problem between the two countries. Our friendly and cooperative ties between the two people will be further strengthened.

Q: How would you evaluate economic cooperation between the two countries?

A: The economic cooperation between the two countries is very good. There is some imbalance in import and export between the two countries. We are trying to bridge the gap. As you know we are always helpful to Bangladesh with our limited resources and despite our own constraints. We have been readjusting our own economy in our country. We are certain that in due course we will be able to extend greater economic cooperation to Bangladesh. Our trade relation with your country is encouraging and this will further grow in coming days.

In conclusion the Ambassador sincerely hoped that Bangladesh would develop into a strong, prosperous and peaceful nation. We shall always stand by them in their struggle against hegemonism and external interferences, he said.

CSO: 4220/7267

ADVISERS DISCUSS PARIS MEETING, HEALTH FACILITIES

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] A meeting of the Council of Advisers was held in Dacca on Saturday with the Chief Martial Law Administrator in the chair at the CMLA's Secretariat for about six hours, reports BSS.

The Council took up the presentation of the brief to the Bangladesh Aid Group meeting in Paris. The Adviser for Finance and Planning gave detailed account of the proceedings of the Bangladesh Aid Group meeting. The CMLA took the opportunity to compliment the Adviser and members of the Bangladesh delegation on their performance.

The Council reviewed the foodgrains and salt situation in the country.

A substantial part of the Council meeting was devoted to in-depth examination of the role of IRDP in the context of Government determination to decentralise and streamline the administration using Thana as the basic unit.

The future of the cooperatives was discussed in particular and the Council decided that this vitally important subject will be taken up again exclusively in a special session of the Council Wednesday.

The Council took some important decisions in the health sector. It was decided that no doctor shall be allowed to go abroad for employment unless he served in the rural areas of the country for a minimum period of five years.

On completion of five years' service in the rural areas the Government will, however, consider only a small number of doctors for employment abroad keeping in view the country's requirements and the number of doctors available in the country.

The Council also decided to stop implementation of the schemes for the establishment of eight new medical colleges in different districts out of which four had already started functioning. This decision has been taken because the four medical colleges were started in these districts without providing adequate accommodation, required number of qualified teachers, appropriate equipment and other facilities.

However, in order to extend medical services to the people of those areas, it has been decided that the hospital component of the project where medical colleges were started will continue. Accordingly a 500-bed hospital in Khulna and 250-bed hospital each in Comilla, Bogra and Pabna will be set up.

These will be accomplished by upgrading the existing district hospitals where possible or by constructing new hospitals.

About the students, it was decided that those studying or admitted in these medical colleges will be shifted to the existing medical colleges in the country.

However, the Second Year students in Khulna and Pabna Medical Colleges will be shifted after they complete their Second Year Examinations.

The Council considered the present practice of sharing of the fees on account of pathological examination. X-Ray, ECG, EEG, physiotherapy, radiotherapy, blood test for blood transfusion by the doctors and the staff and decided to stop such practice under a Martial Law Order.

The decision was taken in view of the fact that doctors and staff used to keep themselves busy with cases of patients who were paying fee for such examinations to increase their earnings, causing negligence to the treatment of non-paying patients both in hospital wards and in outdoor.

At present, the doctors and staff are used to get 50 per cent of the charges on account of such examinations though they are doing these works as part of their normal duties using Government instruments and equipment. In order to ensure proper attention to the general patients and proper utilisation of Government resources, the Council decided to stop this practice forthwith.

CSO: 4220/7267

ADVISER TALKS TO PRESS ON RETURN FROM PARIS MEETING

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] Mr A.M.A. Muhith, Adviser for Finance and Planning on Saturday expressed the hope that the actual disbursement of the aid would be higher than the amount committed by the donor countries for the next financial year, reports BSS.

Mr Muhith who led the 7-member delegation at the recently held Aid to Bangladesh Consortium meeting in Paris was addressing a Press conference at his Sher.e. Bangla Nagar office in Dacca.

The members of the Aid Group representing 27 Governments and institutions in their ninth annual meeting in Paris committed 1700 million US dollars for 1982-83.

Mr Muhith said due to the world-wide economic recession most of the donor countries had cut their external aid. But in case of Bangladesh their attitude was favourable, he observed.

Referring to the review made by the Paris meeting on the economic programme of Bangladesh, Mr Muhith said the donors had welcomed the policy reforms and announced their commitments. But they had also indicated that implementation of the policy would play an important role in determining their future aid allocations for the country.

He said seven countries, France; Canada; Norway, Netherlands, Japan; U.K. and Denmark, had indicated that they would increase their aid levels "substantially."

He said a delegation from Netherlands would visit Bangladesh next month for further talks. Netherlands had reduced its external aid budget by ten per cent, but in case of Bangladesh it was expected to increase the aid substantially.

Replying to a question, Mr Muhith said he hoped the quantum of aid from the United States would be the same as in the last year.

Bangladesh is also negotiating with the International Monetary Fund (IMF) another aid source, for its financial assistance during next year he said.

He termed the current financial year as critical for Bangladesh due to seven lakh tons additional food shortage widening of trade gap caused by decrease in export price and increase in import price of commodities.

He said that short term loans and reserve financial sources were utilised to face the situation.

He, however, cautioned that such sources will not be available in the coming years. At the same time trade imbalance would be widened due to further increase in prices of import commodities.

Stressing the need for setting up of scientific economic target, Mr Muhith said the Bangladesh delegation explained to the Paris meeting that the Government's policy was aimed at preventing wasteful expenditure in the public sector to achieve a growth rate of seven per cent. Our policy also aimed at encouraging private investment, achieveing self-sufficiency in food, controlling population through realistic measure and mobilisation of domestic resources.

Replying to a question he explained the measure for mobilisation of domestic resources. He said two and a half lakhs of people were now paying taxes and current year's performance was quite satisfactory. He stressed the need for revision of income tax laws to increase revenue earnings from agricultural sector and public entrepreneurs and by reduction of subsidy in different sectors and capacity utilisation of manufacturing projects.

Speaking about project implementation Mr Muhith said that a "fundamental change" would be brought about for speedy disbursement of fund to the priority projects. The project directors would be given necessary powers for efficient implementation of the projects.

Replying to a question the Adviser that instructions were already issued to the financial institutions for giving equal treatment to the public and private entrepreneurs in extending credit and other facilities.

He said small public sector units would be disinvested to encourage the private sectors and to prevent wastage in public sector.

He told another questioner that Bangladesh will also appeal to the foreign investors for oil and gas exploration in the country on production-share basis.

CSO: 4220/7267

DETENTION PERIODS LENGTHENED FOR PROMINENT PERSONS

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Manik Hussain]

[Text] In many of the cases where persons were arrested and detained initially for a period of one month, the authorities have now extended the period of detention by another six months. This order has been passed mostly in cases of prominent citizens now behind bars on various charges.

So far eight former ministers, including two deputy prime ministers and four former parliament members have been arrested. They are: deputy prime ministers Jamaluddin Ahmed and S.A. Bari A.T., former establishment minister Major-General (retd) Majid-ul-Huq, former finance minister Saifur Rahman, former jute minister Habibullah Khan, former public works minister and mayor of Dacca Abul Hasnat, former state minister for commerce Chowdhury Tanbir Ahmed Siddiky and former state minister for manpower development Atauddin Khan.

The former parliament members are: Akhtaruzzaman Alamgir of Patuakhali, Siddiqur Rahman of Barisal, Zillur Rahman of Kushtia and Dil Mohammad of Rajshahi. All the parliament members belonged to the Bangladesh Nationalist Party (BNP).

Besides Abul Hasnat, three commissioners of Dacca Municipal Corporation are in custody. They are: Yunus Abdullah Sentu, Moslehuddin Bagu Miah and Mirza Abbasuddin. Abbas was also the chief of the city unit of the BNP's youth front.

Former deputy prime minister Jamaluddin Ahmed is now being tried on different charges of corruption and abuse of power.

Release

Meanwhile, Mohammad Zahir, a director of Alauddin Taiwa Textile Mill and father-in-law of Abul Hasnat, and Sagir Ahmed, vice president of Jagannath University College Student's Union have been released. While Zahir was arrested in the last week of March, Sagir Ahmed was taken into custody by police on April 7 on charge of possessing unauthorised firearms. No firearms, however, could be recovered from his possession.

On April 9, Kotwali police arrested Dr Shahid Hasan alias Babul, an interne of Mitford Hospital and recovered a revolver on the basis of his confessional statement. The physician later told the police that he had bought the revolver from Sagir Ahmed making a cash payment of Tk 10 thousand.

Sagir was produced before a metropolitan magistrate a few days ago. He was set free and all the charges against him were dropped.

CSO: 4220/7269

'HOLIDAY' INTERVIEWS ADVISER ON RURAL DEVELOPMENT

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Interview with Adviser Mahbubur Rahman by Jaglul Alam]

[Text] "The state of affairs in most of the organisations under the ministry of local government and rural development (LGRD) is very unsatisfactory. Many organisations are running without the required return and output, and have sunk in losses and debts."

This was revealed by Mahbubur Rahman, the adviser to the chief martial law administrator in charge of the ministry of LGRD in an exclusive interview with HOLIDAY last week.

He said that the performance of the members and chairmen of union parishads, who are in office now though their term in office normally would have ended in last February, is being "evaluated and we are intending to hold elections to union parishads sometime at the end of this year provided the election commission is ready and the atmosphere is congenial."

He added that thereafter the government intends to constitute thana parishads and also hold elections to zilla parishads. He recalled that after the emergence of Bangladesh, although a decade had passed, no election to zilla parishads had been held.

Mr Rahman said that "this government is for the whole nation and people and is neither in favor nor against any particular political party."

No political party has any influence on this government, he said. He observed that "most of the concepts, objectives and plans are General Earshad's, not borrowed from anybody. He is impartial and does not belong to any political party."

"His strength comes from the blessings of Almighty Allah, the 90 million people of the country including the entire armed forces," the adviser said.

"We who are with him are in total agreement with him," he added.

Mahbubur Rahman, while explaining the present conditions in different municipalities, said that the activities in all municipalities and the performance of the chairmen and the commissioners are now under scrutiny.

"Those who will be found to have failed or engaged in activities prejudicial to public interest or are sick may be replaced in accordance with law, and Dacca Municipal Corporation is no exception," he said.

"In this connection we are exploring the possibilities of integrating Mirpur and Gulshan municipalities with Dacca," he observed.

Gram Sarkers

He said that the government had been evaluating the work of the gram sarkers and the final decision about them would come within the shortest possible time.

He pointed out that the existing gram sarkers, if after evaluation they retains their existence, will be supplementary and not competitive to the union parishads.

In taking any decision, he went on, the present government does not suffer from any political constraint.

The adviser to the CMLA said after the liquidation of the youth complex the concerned agencies had already been directed to audit and inspect the accounts but due to paucity of manpower this process might take time.

"We intend to strengthen the cooperative movement by streamlining it, weeding out bad and fake cooperatives and providing incentives where they deserve them," he remarked.

Mahbubur Rahman observed, "The present government does not believe in unaccountability and hence everywhere we are trying to enforce accountability and the system of inventory. During last decade we lost both. This was one of our national tragedies."

LGRD

He said that since 85 percent of the total population are living in rural areas, the present government is determined to plan, channelize and direct its activities toward development of rural areas and rural people.

"One of the objectives of the government as repeatedly declared by the CMLA is to give more attention toward the neglected class of people and consequently attention will be focused on the rural areas," he elaborated.

The adviser said that in development activities the government wants to ensure participations of the people with a sense of belonging, self-help and self-reliance.

To achieve these ends the government is planning to carry out various reforms such as administrative, economic and social, Mr Rahman said.

The adviser said "we intend to make the local institutions of the people, such as union parishads, thana parishads and zilla parishads more powerful, with more responsibilities and service facilities but not for use to the advantage of particular individuals, groups or parties."

He assured that the present government would in every possible manner discourage misuse and abuse of power and resources given to those institutions.

"One thing I must mention. During my recent visits to different districts inspiring response from the people was demonstrated and noticed. They expressed their willingness and readiness to build the country for which they fought in 1971."

"Our people are patriotic and good. In my opionion, they never failed. It is we who assumed responsibilities and leadership failed in the past," he confessed.

On his personal experience he said, "I am from legal profession. Previously I used to work for my clients and at present I am working for the country and countrymen. Hence in the present assignment job satisfaction is greater. This is the real reward for me," he concluded.

CSO: 4220/7269

AID CLUB DISBURSEMENT DOWN IN REAL TERMS

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Hossain Khasru]

[Text] The World Bank-sponsored Aid Club which concluded its ninth annual meeting in its usual course in Paris on April 21 pledged external aid commitments to Bangladesh to the tune of 1.7 million US dollars for upcoming fiscal 1982-83.

According to the official news agency report, the level of commitments for the coming year would represent an increase of about 14 percent over the one committed by the donors to the country last year.

The increase in aid commitments as such has been calculated at current prices. The import price indices for the country like others placed in the UN-category of LDCs have meanwhile been under phenomenal upward pressure due to a global inflationary wave.

According to a rough reckoning, the cost of imported merchandise in the case of Bangladesh registered an average increase of over fifteen percent over the last one year period.

When the global inflationary factor is thus taken into account and the figure relating to commitments by the Bangladesh Aid Club for 1982-83 is adjusted against the price escalating factor, the external aid scenario does not look as promising as matching the nominal increase in donors' pledges in percentage terms.

This is more so in view of the fact that the just-concluded Bangladesh aid group meeting has been the first one since the United Nations Conference on Least Developed Countries adopted the Substantial New Program of Action (SNPA) for 31 LDCs including Bangladesh and the Cancun summit endorsed increased flow of assistance for the LDCs.

It is worthwhile to mention here that external assistance to Bangladesh has recorded a downswing in real terms over recent years despite a higher volume of commitments and disbursements in nominal terms. According to an estimate, external aid disbursements in real terms were 15 percent

lower in 1980-81 than the related level in 1979-80, notwithstanding the fact that disbursements in nominal terms were higher during the period under review.

Fresh Promises

In all, Bangladesh received aid commitments to the tune of 3.7 billion US dollars for the first two years (1980-81 and 1981-82) of the second five-year plan (1980-85).

Against this, aid disbursements during the two years ending June next are expected to reach the level of 2.7 billion dollars, indicating that the next financial year is to begin with one billion dollar external assistance in the pipeline.

Fresh commitments for 1.7 billion dollars worth of external assistance have now been received at the Aid Club meeting from consortium sources which have normally been providing about seventy-five percent of the annual external aid availability for Bangladesh.

The exact picture about the fresh commitments and disbursements for the upcoming year to the country from non-consortium sources including OPEC and socialist countries is not yet known for certain.

Viewed against the backdrop of an increasingly unfavorable international aid climate over recent years which has adversely affected the aid-dependent LDCs in particular, the outcome of the just-concluded Aid to Bangladesh Club meeting in Paris can however be viewed otherwise as a not-so-disappointing one.

Most members of the Aid Group were reported to have said that they expect to maintain their aid-levels in the coming years at or above those indicated at last year's meeting.

Some donors have reportedly announced already substantial increased level of external assistance for Bangladesh for 1982-83.

The ninth Aid Club meeting in Paris was attended by Australia, Belgium, Canada, Denmark, Finland, France, FRG, Japan, The Netherlands, Norway, Sweden, the UK and USA.

Eight multilateral agencies including IMF, IFAD, IDB, UNDP, UNCTAD, and WFP also participated in it.

Besides, Italy, Switzerland, Kuwait Fund and OECD attended the meeting as observers.

Vice-President of the World Bank David Hooper, presided over the Aid Group meeting.

A seven-member Bangladesh delegation, led by A.M.A. Muhith, adviser-in-charge of the ministry of finance and planning, represented the country at Paris.

The Aid Club meet this year had a special session to consider the investment program and aid requirements in the country's energy sector in particular.

Official reports suggest that the donors have agreed in this connection for concerted efforts by Bangladesh and the aid-giving countries and agencies for effective exploitation of energy resources with particular emphasis on natural gas.

The concrete nature of donors' assistance in this particular sector for the coming year has not been spelled out yet in details.

The Needs

No firm indication was available before hand to suggest as to what Bangladesh sought in precise quantum terms in different forms of assistance--food, commodity and project--for the coming year at the Paris meeting from the consortium.

Indications prior to the change-over of the government showed that Bangladesh would seek 2.3 billion dollars from the Aid Group for 1982-83.

The new administration discussed at length in a meeting of the council of advisers on April 10 the issues relating to the Aid Group meeting in the light of its priorities for rejuvenating the economy along its stated lines.

According to available reports, Bangladesh had urged the donors at Paris for an increased flow of food and commodity assistance for 1982-83.

It was not however known till the writing of this report on Friday as to what the donors pledged in concrete forms, such as project aid, commodity assistance and food aid for the country for the coming year.

Official news agency report about the outcome of the Paris meeting indicated that some donors had expressed their willingness to provide more of their assistance in the form of fast disbursing commodity and to cover the local currency cost of priority development activities.

The donors were also reported to have welcomed the policy reforms announced by the new administration in Bangladesh and to have commended the prompt attention it had given to the critical economic and financial issues following its assumption of office.

Now that broad commitments by the donors for fiscal 1982-83 have been announced through their pledges in the Paris meeting, the next phase of the task which is indeed the more difficult one lies in the field of securing the disbursement of aid funds in the pipeline.

CSO: 4220/7269

REPORTER SAYS FARM PRODUCTION IN SHARP DECLINE

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Mahmud Rashid]

[Text] The question whether Bangladesh will ever be able to attain its long-cherished dream of self-sufficiency in production of foodgrain still remains unanswered as all previous exercises eventually turned out to be futile.

The latest addition to the series of exercises is the medium-term food production plan which was launched in February, 1982, covering the second five-year plan period.

The World Bank in its appraisal described the medium-term food production plan as ambitious. Yet its success by its terminal year, 1984-85 was claimed by its sponsors who have, meanwhile, paid heavily for their baseless and unrealistic claims with their exit from the coveted saddle of power.

The mid-term food production plan (MTFPP) envisaged production of foodgrains at 15 million tons in fiscal 1980-81, 16.2 million tons in 1981-82, 17.3 million tons in 1982-83, 18.6 million tons in 1983-84 and 20 million tons in 1984-85.

Due to unprecedented fair weather, production of foodgrain in 1980-81 was 14.7 million tons which was only 4.5 percent below the MTFPP target for the year.

But in the current fiscal year production has declined sharply from the target of 16.2 million tons to 14 million tons because of prolonged drought beginning in October, 1981.

According to a source in the agriculture ministry, now the target of food production for 1982-83 is 15 million tons while a maximum 16 million tons and 17 million tons of foodgrains are likely to be fixed as targets for fiscal 1983-84 and 1984-85.

It is evident that the MTFPP targets were inflated with a certain purpose. The present administration has already hinted that various plans of the previous government will be revised soon.

It may be pointed out that the spearhead of the MTFPP is enhancement of irrigated acreage and a corresponding expansion of seed-fertilizer technology. It is based on 57 quick gestation projects and its annual targets were fixed at the growth rate of 6 percent which was registered in 1980-81.

The input package of the food production program was based on the following plan: a total net investment of Tk. 5,100 crores was projected to achieve the targets, Tk. 250 crores medium credit was envisaged to provide finance for the purchase of irrigation equipment and agricultural implements and the sum of short-term crop loan was anticipated to double over the level of Tk. 150 crores per year, demand for HYV seed was estimated to increase from the 6,200 tons of 1980-81 to about 58,000 tons by 1984-85, fertilizer use in 1984-85 has been shown to go up to about 19 lakh tons and diesel requirements for the operation of irrigation equipment were anticipated to be about 7 crore gallons in 1984-85 from 2.8 crore gallons in 1980-81.

Besides, the plan further included expansion of irrigation acreage from 36 lakh acres in 1980-81 and arrangement of drainage and flood control facilities for 20 lakh more acres of land and minor irrigation facilities through low lift pumps, deep tubewells, shallow tubewells and hand tubewells to 80 percent of the incremental irrigated area.

Contradictions

Referring to the land occupancy survey of 1978 a senior official of the agriculture ministry told this correspondent, the impoverished condition of most of the country's farmers and input-oriented production strategy of the government are contradictory and this sort of production strategy never yielded satisfactory results.

It may be pointed out that the land occupancy survey of 1978 shows that 29 percent of rural households own no land other than homesteads, 33 percent of households possess less than one acre of land, but three precent of them having land of five acres and above own 25 percent of the total cultivated acreage.

Besides, 23 percent of the cultivated land is under share-cropping.

The increase in the production of foodgrains is attributed by a senior official of the planning ministry to the people's all-out efforts to raise their food production in view of the acute food crisis in 1979-80 which was offset by the then government through immediate arrangement of foodgrains from abroad.

However, the production achievement of 1980-81 convinced the policy-makers of the country that through traditional input-based production strategy self-sufficiency in foodgrains can be attained.

But the then agriculture minister disagreed with the planners who were optimistic about the spectacular rise in foodgrain production through the provision of modern technological package.

He expressed the view that structural transformation must accompany technological changes for the achievement of the MTFPP targets, otherwise underdevelopment would continue to take worse forms.

He also mentioned in the document on food production program that the pressure of population on land and the existing land ownership as well as tenurial system had been an obstade to the proper utilization of modern technology.

The importance of structural changes in land in order to raise the production of foodgrains has also been subtly admitted in a recent paper of the ministry concerned.

It mentioned among others, the purchasing power of farmers in the list of production limiting factors. Since a farmer's purchasing power is directly linked with the tenurial system the present tenurial system cannot ensure generation of farmers' purchasing power.

CSO: 4220/7269

AGRICULTURE TO GET TOP PRIORITY IN NEXT ANNUAL PLAN

Dacca THE BANGLADESH TIMES in English 7 May 82 p 1

[Text] A total of Taka 445 crore has been earmarked for the agriculture sector in the proposed Taka 3300 crore Annual Development Plan for the next fiscal year according to reliable sources.

The allocation is higher by Taka eight crore than that of the current fiscal year. The increased allocation, the sources said, reflected the policy of the present government to attach highest priority to the agriculture sector.

Of the total allocation, Taka 350 crore has been allocated for fertilizer, seed, irrigation schemes excluding Bangladesh Water Development Board projects.

The sources mentioned that allout efforts would be made for the timely availability of seed and fertilizer and proper implementation of irrigation schemes with short gestation period.

The strategies and policies in the agriculture sector during the next ADP will be, among others, to (a) to expand irrigation coverage; (b) provide extensive production package of HYV seeds, fertilizer, pest management and farmer training credit etc.; (c) expand HYV wheat and rice in rain-fed areas and (d) ensure full capacity utilization of irrigation facilities and other support services.

CSO: 4220/7287

ADVISER SAYS MISMANAGEMENT OF FOOD SITUATION OVER

Dacca THE BANGLADESH OBSERVER in English 28 Apr 82 pp 1, 8

[Text] Dudmukha (Feni), Apr 27--Air Vice Marshal (Retd) A.G. Mahmood, Adviser in-Charge of Food, Relief and Rehabilitation has said the firm measures taken now in food management with facilities for unrestricted flow of foodgrains were aimed at reaching food to people everywhere in the country, reports BSS.

Addressing the 46th annual prize-awarding ceremony here yesterday of the Yaqubpur Ishaqia Aytimkhana (orphanage) as chief guest, the Food Adviser said the perils of a grossly mismanaged food situation which mounted us in the recent past were now over as the government had adequately galvanised its measures to manage the food situation inclusive of bulk international procurements.

Our attempts of total self-reliance, including food, must not end up as hollow slogans only especially when the Food-for-Work Programmes had been effectively consolidated he said and warned, "you must not, just wait for the government to help you."

The Food Adviser said, a country-wide rehabilitation programme was now being prepared to motivate "all of you to work harder."

Earlier, Air Vice Marshal Mahmood was welcomed by Peer Sahib Moulana Abdul Huq of Dudmukha, a village 12 miles from Feni town. Briefly narrating the history of the orphanage in a remote village the venerable Peer Sahib, the founder's representative, sought assistance to develop the institution further.

Mr. Anwarul Islam, Deputy Commissioner of Noakhali who also spoke on the occasion, assured help and assistance to the orphanage.

Mr. Mahmood then saw the vulnerable group feeding programme for the orphans.

The Food Adviser called upon the Yatimkhana management to rear up orphans as selfless future citizens of the country who would engage themselves in enhancing the dignity of the nation.

Explaining certain new management measures, Air Vice Marshal Mahmud said that many redundant formalities in food carriage and movement were now removed, so that even imported grains could reach the distributing points at the LSD within a very short while from being unloaded at the ports.

The dealers in foodgrains were expected to be appreciative of this policy of the Government which, he said, promoted a genuine free-market atmosphere. Modes of operation in this respect including the modified and statutory rationing, free market operation and the open market sale, must not be lost sight of by the traders, since continuous monitoring and constant vigilance by the appropriate authorities were unabated, the Food Adviser said.

He also held out the assurance that, if necessary, more vulnerable group feeding programmes along with the existing ones throughout the country could be undertaken by the Government for the distressed, the lactating mothers and the children and the orphans.

CSO: 4220/7272

PAPER TOLD FOOD TARGET TO BE REVISED DOWNWARD

Dacca THE NEW NATION in English 24 Apr 82 pp 1, 8

[Article by Kazi Montu]

[Text] The food production target for next fiscal year (1982-83) may be refixed at 15 million tons as against 17.3 million tons projected in the highly ambitious medium-term food production plan (MTFPP).

Disclosing it an authoritative source in the Agriculture Ministry told THE NEW NATION that the MTFPP would be reviewed and revised shortly for its adjustment with the refixed targets of food production for the remaining years of the plan.

According to the source, the food production targets for fiscal years 1983-84 and 1984-85 are going to be set at 16 million tons and 17 million tons respectively while the MTFPP targets for the two years were 18.6 million tons and 20 million tons respectively.

The MTFPP launched in February, 1981 after lapse of a year of the plan period beginning in July, 1980 was aimed at attaining self-sufficiency in food production by increasing it from a benchmark level of 13.5 million tons to 20 million tons by the terminal year of the plan, 1984-85.

The basic thrust of the plan was to raise the availability and utilization of modern agricultural inputs and provide small scale irrigation facilities.

It also promised to enhance the role of private sector in the distribution of inputs and the owneship of irrigation facilities.

Besides, the plan envisaged large investments in complementary storage and transport facilities and an expanded government role in procurement and open-market sale of foodgrains.

The first year of the MTFPP period, which ended before its launching was marked by record production of foodgrains because of the farmers' all-out efforts to raise production as they had suffered in the previous year when an acute food crisis hit the country.

But the current year's achievement proved the targets of the MTFPP as unrealistic. It may be noted that the gap between the target set in the MTFPP and the actual production is 2.2 million tons.

The input-based production strategy of the MTFPP has also been severely affected by the withdrawal of subsidy for fertilizers and pesticides.

The price of fertilizer increased by 46 percent over last years while 50 percent of the subsidy provided to the pesticides was withdrawn causing a sharp rise in the retail price of pesticides by 300 percent.

The sale of pesticides is being handled by the private sector.

Now subsidy is being provided to wheat seed, but there is heavy pressure from the external sources to withdraw it. Concerned circles maintain that if the provision of subsidy for wheat seed is discontinued the prospect of wheat production will be severely affected.

A source in the Agriculture Ministry informed that the demand for fertilizers had remarkably fallen in the current crop season.

It is learnt that Bangladesh Agricultural Development Corporation, which handles the distribution of agricultural inputs may be reorganised in order to streamline its activities.

The Government is learnt to have a plan to eventually defrock the corporation of its agricultural inputs distribution responsibility in the interest of the private sector. It will only manage the repairing workshop of the irrigation machinery.

CSO: 4220/7266

EXPORT-IMPORT GAP CONTINUES TO WIDEN

Dacca THE BANGLADESH OBSERVER in English 24 Apr 82 p 1

[Text] Despite efforts to bridge the export-import gap, the imbalance continued to deteriorate during the last seven years ending in June '80. On an average the export was only 36.84 per cent of the total import during the period.

Though the export figure has considerably increased during the period, the import figure likewise has also marked a steep rise resulting in the staggering imbalance.

During 1979-80 the total export was to the tune of Tk. 1135 crore while the import figure stood at Tk. 3924 crore. Similarly during 1973-74, the total export was Tk. 297 crore against the import of Tk. 732 crore. The export earning rose to Tk. 837 crore during these seven years with the consequent rise in import bill to Tk. 3192 crore.

The highest percentage of export against import was attained during 1976-77 when the figure marked 44.70 per cent. The total export during the year was Tk. 625 crore against an import of Tk. 1399 crore. During 1974-75 and 1975-76 the export earnings were Tk. 306 crore and Tk. 551 crore respectively against the import expenditure of Tk. 1084 crore and Tk. 1470 crore.

The export earning during 1977-78 was Tk. 740 crore against the import figure of Tk. 1821 crore. During 1978-79 the export figure stood at Tk. 928 crore against the import figure of Tk. 2493 crore.

While jute and jute goods contributed more than 60 per cent to the export earnings, the bulk of the import expenditure accounted for the public sector, petroleum being the most.

Besides raw jute and jute goods, other products and commodities exported including leather, frozen foods, tea, fruits and vegetables, newsprint, ready-made garments, handicrafts, cables, G.I. pipe specialised textiles and cotton fabrics and fodder naptha, furnace oil and bitumen.

Imported goods included petroleum industrial raw material, industrial spare parts, consumer items and essential food commodities.

CSO: 4220/7263

TEXT OF ANNOUNCEMENT LISTING BANNED IMPORTS

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] The Government has decided to ban the import of a number of items in pursuance of its policy to protect the indigenous industry with a view to maximising production in the country. The decision was taken in the meeting of the Council of Advisers held on Saturday says a PID handout.

Following are the items whose import has been banned:

1) P V C Compound (Shoe grade).

2) Cellophane paper all sorts except MST and MXXT type, which may be allowed to pharmaceutical industry as per their entitlement only.

3) Dry Cell Battery (Standard and medium sizes only).

4) Electric bulbs (15-100 watts only).

5) Electric Ceiling Fans.

6) Pilfer proof cap except for pharmaceutical industries within their entitlement.

7) Empty Lacquered Drums.

8) Metal and paper transfer of all foreign bicycle brands.

9) Steel Reeds of sizes upto 60s.

10) Electrical Accessories bed switches, table lamp switch, piano switch upto 15 Amp and 2 and 3 pin plugs only.

11) Hand sprayers, except those required by Tea Gardens requiring special automisation.

12) Locks and Padlocks upto 2 3/4" size, except combination and special locks.

13) Torch lights.

14) Telephone sets and exchanges upto 10 lines.

The following items shall remain banned, but import of any of these items may be allowed whenever necessary, with the clearance of the Industries Division and on notification by the CCI&E:

1) Paper, all sorts except the following grades - Cigarettee paper, Filter paper, Parchment paper, Tracing paper, Toilet paper, Base paper for carton paper, Base paper for sensitised paper, Monotype spool paper, Transfer paper, and Stencil Tissue paper.

2) PVC Pipe (Upto 8" dia).

3) Cycle tyre (2 ply) and tubes.

4) Foam Rexin.

5) Second hand and reconditioned buses, trucks and jeeps except Microbus, Minibus, Coaster and Pickup.

6) Aluminium conductors, steel re-inforced (ACSR).

7) Urea Formaldehyde Adhesive.

8) Carbon Dioxide Fire extinguisher upto 2 gallon capacity.

9) G I Pipe (1/2" to 4" dia).

10) Tear off vial seal.

11) Duplex Board.

12) Ships of steel or wooden bodies upto 1000 tons.

13) M S Tubes.

14) Shovels.

Import of duplicating ink under cash, credit and barter is also banned.

The decisions will come into force with immediate effect and the neccessary public notice has already been issued by the CCI&E in this respect.

To ensure adequate production within the country the industries concerned will be licensed at a level not less than 100% of their entitlement. The Government has decided to maintain strict vigilance on the market behaviour so that timely action could be taken for corrective measures.

CSO: 4220/7267

BANGLADESH JUTE INDUSTRY REPORTED IN TROUBLE

Dacca HOLIDAY in English 1 May 82 pp 1, 8

[Article by Amin Choudhury and Hossain Khasru]

[Text] Like the case in the preceding years, raw jute exports in 1981-82 will in all certainty miss the target. The gap between projected target and actual exports may be even higher this year.

As Bangladesh continues to lose much of her traditional dominance in the global jute export trade over recent years, other raw jute producing countries like Burma, Thailand, Nepal, China and India have succeeded to gain new grounds by capturing the markets which Bangladesh's 'golden fiber, has lost for itself.

The export sales of raw jute registered during 1981-82 season up to the middle of April, '82 aggregated to 13.5 lakh bales valued roughly at about Tk 140 crore. The belated export sales during the corresponding period of the last fiscal 1980-81 were recorded at about 16 lakh bales.

The trends in the current year's raw jute export trade show that total sales were registered at 4.34 lakh bales valued at 43.20 crore taka up to September, '81 and then at 8.87 lakh bales valued at 89.18 crore taka at the close of November, '81.

The most recent figure relating to export sales of raw jute with 13.5 lakh bales as on April 15, '82 shows rather a sluggish performance during the last four and a half 'months' period from December '81 to mid-April '82.

The raw jute export target for 1981-82 was earlier fixed at 23 lakh bales which was less than the target of the previous year by two lakh bales. The target for the current fiscal year was as such fixed after taking into account the scarcity of seeds and the unfavorable weather conditions, adversely affecting raw jute production during the year.

The Ministry of Agriculture projected the volume of raw jute availability in the country in 1981-82 at 65 lakh bales while the ministry of jute estimated the related availability of raw jute for the new crop at 50 lakh bales.

However, Foreign Trade Division of the Ministry of Industry and Commerce felt that the value-wise target for raw jute exports in 1981-82 could be reasonably set at 240 crore taka in consideration of the fact that there had already been an increase in the current exchange rate of US dollars in taka ratio and also the fact that unit price of raw jute was likely to have an upward trend during 1981-82.

Price Falls

Now at the closing part of the current financial year, it is quite clear that Bangladesh's raw jute exports will fall short of the earlier projected targets by a wide margin both in terms of volume and value. Raw jute exports in 1980-81 were also short of the targets.

In terms of volume, the shortfall was to the tune of fifteen percent and in terms of value, it was about 30 percent. The Export Promotion Bureau (EPB) explained the last year's faltering performance in terms of the world-wide recession which resulted in the decline of both price and demand for raw jute in 1980-81.

Raw jute from Bangladesh sold in 1980-81 at an average price of 13.64 percent lower than that of previous year's average price of tk 1141 per bale.

It is true that persistent global recessionary trends have hit the primary producing countries like Bangladesh hard. But it must as well be admitted that lack of an effective and realistic thrust for marketing of raw jute in the international markets along with exploration of new markets, inadequate shipping space and internal transport problems, the absence of the much-needed coordination between the public sector agencies and the private traders connected with raw jute exports, etc. have in particular been responsible for Bangladesh being elbowed out in the international raw jute export trade.

Thus, the export earnings from raw jute indicate this year even more a depressing situation than that of the last year despite the fact that the exchange rate of taka in relation to US dollars has depreciated and the unit price of raw jute export has maintained a constant, if not slightly improved, position this year as compared to the situation last year.

Unofficial sources further maintain that smuggling of a sizeable quantum of raw jute across the border this year has led to lower level of availability of raw jute for export from Bangladesh.

It is to be mentioned here that more than fifty percent of raw jute produced in the country are needed as the basic raw materials in the jute industry. Ninety percent of the rest quantum of raw jute are available for exports.

About 80 percent of the raw jute export business of the country is now in the hands of the private sector.

According to official figures during 1979-80 out of little over 19.68 lakh bales export, private sector handled over 16.5 lakh bales and the nationalized jute exporting agencies namely the Jute Trading Corporation and the Jute Marketing Corporation did business of only a little over 2.5 lakh bales.

The previous government provided liberal credit facilities to the jute trading sector, both private and public. According to some sources during 1981 the total amount of bank credit outstanding to private traders and autonomous bodies for purchase of raw jute was 453 crore taka.

Of this amount 118 crore taka was sanctioned during July-December 1980. The remaining amount accumulated over the years. The quantum of credit sanctioned during the jute season of July-December 1979 was 134 crore taka.

According to one estimate a sum of about 200 crore taka bank loan has remained due from different traders of the private sector in the jute export business. Official sources believe that some of the jute exporters after taking the bank credit in the name of jute trade have switched over to other business and invested the money elsewhere.

Farmers

Over the last few years the jute growers, however, did not get fair price of their produce. There remained a big gap between the production cost and the selling price of raw jute per maund and as a result the farmers were the worst hit.

During the last jute season the government did not even fix the lowest price for raw jute in the internal market and jute was sold at 100 to 150 taka per maund while production cost of per maund jute was estimated to be about 175 taka.

Not only the jute growers have been suffering for the last several years jute acreage also has diminished sharply. According to official statistics the acreage under jute was 13.53 lakh acre in 1979-80 against 18.78 lakh acres during 1978-79.

Despite the continuous deterioration in the overall performance of the jute sector well-planned and coordinated steps were not taken to stem the rot. The government and private sectors accuse each other for the anomalies in the jute sector.

Private sector sources point out that the authorities have failed to evolve correct policies to streamline jute production and marketing in both internal and external markets, and fixing a competitive export price for raw jute vis-a-vis other exporting countries.

No Coordination

There is also lack of coordination between the nationalized jute industry, government raw jute purchasing agencies, and private sector jute traders though all these organizations are interlinked.

Jute being still the major foreign exchange earner of the country there is immediate need to adopt correct policies protection the interests of the growers, traders, and above all the country.

Observers feel that adequate measures should be taken before the beginning of the jute season from July this year.

The banking control department of Bangladesh Bank announced 15-point terms and conditions for banks to sanction or to renew credit facilities to jute traders in the private sector last year.

The Bangladesh Bank announcement also included a schedule for the liquidation of outstanding credits and the caution that the "repayment program must be strictly adhered to" in default of which strict action should be taken for recovery.

It could not be ascertained how far the situation improved following the bank's directives.

CSO: 4220/7280

GOVERNMENT STEPS TO ACHIEVE JUTE EXPORT TARGET TOLD

Dacca THE BANGLADESH OBSERVER in English 6 May 82 pp 1, 8

[Text] The Government has taken certain measures to achieve the current year's target for export of jute despite the prevailing lull in the international market due to world-wide recession, according to official sources in Dacca on Wednesday, reports BSS.

The measures were taken following review of the situation in respect of sale and export of jute during last few days by the Jute Division of the Ministry of Industries and Commerce.

The measures taken to achieve the target of export of jute by end of the current year include.

1. The agencies and exporters who had concluded contracts for sale of specific quantities of jute by June this year would make allout efforts to export their goods within the specified time.

2. The Secretary of Jute would hold meetings with the principal jute exporters to emphasise the need for export of jute within the time limit. Traders facing any difficulties in respect of jute export have been advised to immediately bring them to the notice of the Jute Division so that it could remove such difficulties in time.

3. A number of countries which purchase certain quantities of jute from Bangladesh on regular basis have their representatives in Bangladesh. The Jute Secretary would hold meeting with them and request them to make efforts for timely import of jute according to their contracts.

According to the sources, the Government had fixed the export target of raw jute during current year to 20 lakh bales with the hope to earn Taka 210 crore in foreign exchange, but due to world-wide recession, the sale and export of raw jute slowed down. As a result, till April 30 last, it had been possible to export a total of 15 lakh bales of jute worth about Taka 160 crore.

The sources said that after reviewing the sale position of jute till April 30 last, it had been ascertained that the exporters in public and private

sectors had lined up sale of 7.50 lakh bales of jute. In addition, at least 3 lakh bales of jute are expected to be sold in next two months.

Official sources hoped that it would be possible to export at least 19 lakh bales if not 20 lakh bales by the end of current fiscal year if the exporters make all out efforts and if there was no problem of vehicles and ships for inland and overseas shipment.

The Jute Division during last few days held meetings with the representatives of government jute purchase agencies, Bangladesh Jute Traders Association and prime jute exporters with a view to achieving the target of jute export. Different aspects of jute purchase and export were reviewed at these meetings and necessary measures were taken to achieve the export target.

CSO: 4220/7282

PAPER REPORTS IMPROVEMENT IN JUTE EXPORT SITUATION

'OBSERVER' Report

Dacca THE BANGLADESH OBSERVER in English 7 May 82 pp 1, 12

[Text] The export earnings of jute industry have been showing a rising trend in recent times.

Jute industry used to get greater financial help from the Government till 1969-70 compared to what it is getting in the form of subsidy in post-liberation period.

In the pre-liberation period, the Government patronage to jute industry was in the form of bonus vouchers.

The Government subsidy to nationalised jute industry was over Taka 160 crore during eight years from 1972-73 to 1978-79 which amounted to 5.38 per cent of the foreign exchange earning of Taka 2,980 crore during the period. The subsidy by the Government provided to the private owners of jute mills through bonus voucher in 1969-70 was 41.47 per cent of the total foreign exchange earning of Taka 77 crore during the year.

A total of 72 jute mills were nationalised and former owners or managers were appointed as administrators. Management of jute mills was taken over by the Bangladesh Jute Mills Corporation in 1975. Out of the total nationalised mills, 35 were owned by Bangladeshi owners. Two mills were later handed over to the former owners. Ten mills were financed by erstwhile EPIDC. The total installed capacity of these nationalised mills are 25791 looms out of which 91 per cent is operating and nine per cent lying idle.

Despite heavy odds the BJMC earned profit during 1979-80 and 1980-81. The net profit in 1979-80 was Taka 116 crore and Taka 39 crore during 1980-81. However, BJMC does not expect to earn profit during the current fiscal year.

The BJMC had to pay heavy amount of liability of bank loan insurance claim, and service charges of insurance etc. In 1980-81 alone, BJMC paid Taka 83 crore towards repayment of liability. The Corporation also paid Taka 75 crore to the national exchequer out of profit.

Despite reduction of thickness of products according to international market demand, production has registered an increase in 1980-81. During the year the production was 5,80797 tons which is 104 per cent of production in 1969-70. Product in 1969-70 was 5,60,500 tons. BJMC jute mills produced 5,47,300 tons in 1977-78.

BJMC expected 4,50,000 tons of jute goods during the nine months of the current financial year. The Corporation earned foreign exchange amounting to Taka 468 crore through this exports during these nine months.

But exports earning of jute goods increased during last few years despite gradual fall in average price in international market of jute goods. Foreign exchange earnings through export of jute goods was Taka 595 crore during 1979-80 and Taka 583 crore during 1980-81. Whereas fall in average price in international market was estimated at Taka 13,372 per ton in 1979-80, Taka 11,725 in 1980-81 and Taka 10,318 during July-December 1981.

It may be mentioned that BJMC had to declare lay-off at its mills producing carpet backing due to slump in United States market. The Corporation has again started receiving orders from US buyers and the backlog stock or carpet backing has been sold out.

Quantity of wastage in jute mills has also come down significantly resulting in the reduction of production cost. Wastage in mills during 1968-69 was 8.81 per cent, and it was 8.42 per cent in 1969-70 whereas in 1980-81 the amount of wastage came down to 7.12 per cent and it further came down to 6.75 per cent during the current fiscal year.

Trade with Soviet Union

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] The USSR has shown keen interest in purchasing more high quality raw jute and jute goods from Bangladesh during the current fiscal year, says a PID handout.

The keenness of the USSR was shown when their trade representatives had a discussion with the Secretary, Jute Division, Ministry of Industries and Commerce, in Dacca on Wednesday.

Under the current Trade Protocol signed between Bangladesh and the USSR, 49 thousand tons of raw jute will be exported to Russia. She has so far contracted to buy 22 thousand tons of raw jute out of which 14 thousand tons have already been shipped. The balance of eight thousand tons will be shipped within this month.

The USSR has so far contracted to buy 3.35 million metres (about 1640 bales) of jute cloth out of a provision of 28 million metres (about 18,000 bales). She has also bought two million pieces (about 5,000 bales) of heavy ceas out of a provision of 19 million pieces (about 48,000 bales).

The trade representatives further said that the USSR has already made a contract to buy 25 thousand square metres (5,000 pieces) of jute carpets from Bangladesh last year.

It may be mentioned here that the USSR has doubled her purchase of raw jute from Bangladesh during the last three years.

Twine to Burma

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] Rangoon, May 6--Bangladesh and Burma signed an agreement for sale of over 500,000 lbs. of Bangladeshi jute twine to Burma valued at over Taka 22 lakhs yesterday, reports BSS.

The shipment is to be made in May/June 1982.

The agreement was signed in Rangoon between Myanma Export Import Corporation and the Bangladesh Embassy.

CSO: 4220/7286

INCREASE IN SUGAR PRODUCTION REPORTED FOR 1981-82

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] Production in the country's 14 sugar mills during 1981-82 has already exceeded 1,97,000 tons till Wednesday.

A Sugar Corporation source told BSS on Thursday that the total production might exceed 1,28,000 tons with the completion of production of the remaining three mills. Out of the 14 mills which went into production this year, the Carew and Company, North Bengal Sugar Mills and the Mobarakgon Sugar Mills are expected to end production within a short time.

This time production of the sugar mills under the Corporation, which has become a profit earning concern of the nationalised sector has already exceeded all time high target since the independence.

With the production of nearly two lakh tons of sugar the sugar mills of the country have exceeded their target of 1,65,000 tons. The mills have also marked a record crushing of 24,20,000 tons of sugarcane till Wednesday which was not possible earlier.

The Corporation source said that the most important factor behind this year's production boost was the highest percentage of sugar recovery which was around 8.25 per cent as against 7.93 per cent last year.

A well informed source said that the main reason behind maximum production in this nationalised sector was the maximum production of sugarcane this year due to favourable weather conditions streamlining of administration and the dedication and hard work of the officials of the concerned factories. It is learnt that there were 2,34,688 acres of land under sugarcane plantation this year as against 1,91,182 acres last year.

CSO: 4220/7286

GOVERNMENT GIVES PRIORITY TO GAS PIPELINE

Ershad Directive

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] The Chief Martial Law Administrator, Lt. Gen. H.M. Ershad on Saturday directed to give highest priority to the project of laying gas pipeline in the Western region of the country, reports BSS.

The directive came from the CMLA at a meeting of the Council of Advisers held on Saturday with him (CMLA) in the chair.

Gen. Ershad also directed the Ministry of Communications that the road between Dacca and Dinaipur and Dacca-Raishahi should be dual highway and be given top priority.

Energy Adviser's Speech

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] Air Vice-Marshal Sultan Mahmud, Deputy Chief Martial Law Administrator, and Adviser in charge of the Ministry of Energy and Mineral Resources has reiterated the government policy programme for taking gas to the western zone of the country, reports BSS.

The DCMLA was addressing the scientists, chemical engineers and other officials of Petrobangla Research Laboratory at Gulshan, on Friday.

Air Vice-Marshal Sultan Mahmud expressed his satisfaction at the zeal, and enthusiasm of the young scientists engaged in the research and development task in the survey and exploration sectors of the Petroleum Division. He cautioned that such a research is cost prohibitive for a developing country like ours but the professionals are also obliged to the society to ameliorate the conditions of the masses and to boost the national economy for our future generations through the discovery of our natural resources.

The DCMLA described the generation and distribution of power and exploration of natural resources as the twin functions of his Ministry which he pointed out, was central to the success of our annual and terminal development programme.

The Adviser also reviewed the present position of existing gas fields and development of new gas wells at Habiganj, Titas, Fenchuganj and Patharia. He emphasised the future plans of the government to restructure the gas transmission lines into a national gas grid. To that end the DCMLA ordered a preliminary study board to be completed by one month and a feasibility study board to submit the complete report within three months.

Air Vice-Marshal Sultan particularly viewed that Bakhrabad, Ashuganj and Titas Gas Transmission lines would be designed as a "loop" to ensure uninterrupted flow of gas on the national grid. He referred to the recent investigation ordered by him to apprise him about the reported fault in design of the Habiganj gas plant.

The DCMLA exhorted the achievements of Petrobangla research for being a pioneer institute to meet the challenge of our national oil and gas exploration research. He directed the Chairman of the Petrobangla to find a suitable place for the laboratory which might gradually develop into a Petroleum research institute.

Earlier, the DCMLA while addressing the PDB personnel in a separate meeting at the Power Development Board urged them to improve the power distribution system throughout the country. This, he emphasised, could only be achieved through their professional efficiency, skill and consciousness.

He directed the concerned officials to introduce self-metre reading system and where necessary to take voluntary service of school and college students to expedite and to ease the present complicated metre reading procedure.

Referring to the existing outdated billing system, the DCMLA asked the concerned officials of the department to prepare electricity bills under their respective areas in time. He hoped that the consumers would clear-up their dues also in time which would enable the PDB to render better services.

He acknowledged the inadequacy of emergency maintenance attendants of the Power Board. He directed them to attend to the complaints lodged by the consumers with highest priority.

Expressing concern at the recent pilferage of power transmission lines and its accessories, the DCMLA said that he was convinced that people from all walks of life would come forward and help the law enforcing agencies to bring the public enemies to books.

The DCMLA disclosed that a national policy on energy would soon be promulgated.

CSO: 4220/7268

BRIEFS

SOCIAL WELFARE ADVISER--The Chief Martial Law Administrator Lt. Gen. H.M. Ershad has appointed Dr. Shafia Khatun, Member of the Bangladesh Public Service Commission as a member of his Council of Advisers, reports BSS. Dr. Shafia Khatun has been allocated the portfolio of the Ministry of Social Welfare and Women Affairs. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1]

AMBASSADOR IN YUGOSLAVIA--The Yugoslav President Mr Sergej Kraigher has conferred upon the outgoing Bangladesh Ambassador, Mr Fakhruddin Ahmed, the decoration of "Grand Cordon of Yugoslav Flag" in cognition of his contribution to the development of friendly relations between the two countries according to a message received in Dacca on Friday, reports BSS. The decoration was conferred when Mr Fakhruddin Ahmed made a farewell call on the Yugoslav President before his departure for London. Mr Ahmed has been made Bangladesh High Commissioner to U.K. Speaking on the occasion the Yugoslav President said that the Yugoslav leadership attached great importance to the friendly relations, understanding and cooperation between Bangladesh and Yugoslavia. He also stressed the need for closer cooperation and understanding between the two countries in preparation for the seventh Non-aligned summit which should reinforce the unit and action capability of the Non-aligned movement in the world. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 12]

ENVOY TO KENYA--The Government has decided to appoint Mr. A.B.M.G. Kibria a former Inspector General of Police as High Commissioner for Bangladesh to the Republic of Kenya it was officially announced in Dacca on Wednesday night says BSS. Born on May 1, 1928 Mr. Kibria graduated with Honours in Economics in 1948 and obtained M.A. degree in Economics in 1949 from the University of Dacca. He joined the erstwhile P.S.P. cadre as Assistant Superintendent of Police in January 1953. Thereafter he held important assignments in the police department in various capacities. He became Principal of the Police Academy in Sardah in 1972. Before joining the Ministry of Foreign Affairs as OSD in February 1982 he was Inspector General of Police since August 1978. Mr. Kibria has some publications to his credit also. He has attended a number of international seminars and Interpol meetings in Panama '78, Nairobi '77, Manila '80, Nice '81. He is a renowned sportsman and was General Secretary of erstwhile East Pakistan Sports Federation in 1965. He is married with three children. [Text] [Dacca THE BANGLADESH OBSERVER in English 29 Apr 82 p 8]

FOREIGN DEBT CONVERSION--The total outstanding debt of Bangladesh stood at 380 crore US dollars till June 1981. Of the total debt, about 600 million US dollars have been converted into outright grant by different donor countries. France, Canada and FRG have converted their loans into outright grant. Japan on the other hand has converted into grant the interest part of its loan. The United States has also been converting the interest of PL-480 into grant. The amount runs into Taka 10 to 12 crore every year. Bangladesh paid US dollar 95 million for debt servicing in the current fiscal year. The debt servicing amount will rise to US dollar 110 million in the coming fiscal year. Most of the debt bear an interest rate of two per cent. Five per cent interest rate is considered hard term loan. Very limited funds are borrowed on such terms. The total hard term borrowing by Bangladesh till June 1981 was 396 million dollar out of which the outstanding debt is 235 million dollar. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Apr 82 p 1]

PACT WITH SWEDEN--Bangladesh and Sweden signed a bilateral Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income here yesterday, says a PID handout. The Convention was signed by Mr A. K. Azizul Huq, Secretary, Ministry of Finance, Internal Resources Division and ex-officio Chairman, National Board of Revenue, and Mr Peder Hammarskjold, Ambassador of Sweden to Bangladesh on behalf of their respective governments. The Convention aims at promoting investment as well as facilitating closer economic and commercial relations between the two friendly countries by removing the problems of double taxation in the development of such relations. [Text] [Dacca THE NEW NATION in English 4 May 82 p 8]

FRENCH AID AGREEMENT--Paris, 23 Apr--France will provide Bangladesh 235 million franc (one franc equivalent to Taka 3.40) under financial protocol for 1982 and will supply 14,000 tons of foodgrains under the food aid programme reports BSS. Mr A.M.A. Muhith Adviser in charge of the Ministry of Finance and Planning and Mr Jacques Delors French Minister for Finance and Economy on Wednesday signed the agreements on behalf of their respective Governments. [Text] [Dacca THE BANGLADESH OBSERVER in English 24 Apr 82 p 8]

AUTOMOBILE MANUFACTURING PLANS--The country's first automobile assembling plant in private sector will go into production in June next. The Take eight crore plant at Fauzderhat Chittagong will have a yearly capacity of assembling 1200 landcruiser jeeps and other medium and light commercial vehicles, microbus, pick ups and 1200 trucks and buses of Toyota and Hino models. Bangladesh Shilpa Bank will provide Taka 30 million, ICB consortium Taka 14.20 million and the rest of total cost of Taka 80 million will be invested by the promoters. Besides assembling and progressive manufacturing of heavy, light and medium types of commercial vehicles the plant is expected to make efforts to introduce some basic transports for multipurpose use as both passenger cum goods carriers. The plant will save foreign exchange and generate employment opportunity a Press release of the firm said. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 May 82 p 1]

CSO: 4220/7283

FINANCE MINISTER WINDS UP LOK SABHA DEBATE

Bombay THE TIMES OF INDIA in English 27 Apr 82 p 1

[Text] NEW DELHI, April 26. The finance minister, Mr. Pranab Mukherjee, said today that the wholesale price of several essential items had started coming down, a phenomenon which had occurred only twice since independence after the presentation of the budget.

These included such items of daily requirement as edible oils, fruits, vegetables and eggs, sugar and khandsari, gur and pulses, Mr. Mukherjee said while winding up the debate at the first-reading stage of the finance bill in the Lok Sabha today.

On a point-to-point basis, the rise in the wholesale price index on April 10 last was zero. The figure was 17.8 per cent, the same as last year, he said.

He gave these statistics to buttress his claim that the government had succeeded in effectively containing inflation and added that this was the result of his budgetary proposals.

He [words illegible] he had never claimed that prices of some items were not rising. All that he claimed was that the rate of inflation was coming down since the Janata period.

Janata Blamed

Referring to the rise in the prices of items like cement and steel, Mr. Mukherjee said it was unavoidable because of the cost of inputs. The input costs had to get reflected somewhere, either in the prices of the items or in budgetary support through subsidies. The latter would mean a heavier dose of taxation.

The finance minister agreed with Mr. Nawal Kishore Sharma (Cong-I) on the need for pursuing a selective credit policy so that certain sectors of industry, which were in genuine need of credit, were not starved of funds.

Mr. Mukherjee, in fact, claimed that the government was actually pursuing such a policy and it was paying rich dividends. He pointed out that only last month, the Reserve Bank had somewhat liberalised its credit policy.

In reply to Mr. Nawal Kishore Sharma's complaint that smuggling was on the increase despite the fact that the same Mr. Mukherjee, when he was minister of state during the emergency, was able to put a check on the menace, the finance minister put the blame squarely on the Janata government.

He said in 1977, a situation was created where "smugglers regained their credibility." For two years, there was not a single income-tax raid. So the "momentum" of the early 70s was lost and it would need some time before the proper atmosphere was generated.

The debate took on political overtones, when a CPM member protested against the minister quoting figures to show that the Centre was not discriminating against West Bengal as often claimed by the state chief minister, Mr. Jyoti Basu. The marxist MP alleged that Mr. Mukherjee was giving the figures with an eye on the elections.

Mr. Mukherjee said that when the initiator of the debate, Mr. Somnath Chatterjee (CPM), had made the allegations, he had to reply to them.

The minister pointed out that of the 171 Central undertakings, 35 were located in West Bengal and the investment involved was Rs. 3,800 crores out of a total of Rs. 21,126 crores. The state government, on the other hand, spent only Rs. 376 crores out of the plan outlay for 1980-81 of Rs. 575 crores. It failed to utilise about Rs. 200 crores.

"The state government may have squandered money elsewhere," the minister said, "but it was of no use because there cannot be development by giving out doles."

The finance minister said overdrafts by the state governments were causing worry, emphasising the need to enforce "serious fiscal discipline." The reference apparently was to West Bengal being guilty of drawing large overdrafts from the Reserve Bank.

Mr. Mukherjee met the criticism of the government's liberalised import policy by saying that it could on no account be interpreted as giving up the policy of self-reliance. In fact, the aim was to strengthen self-reliance through a liberalised import of know-how and sophisticated technology.

CSO: 4220/7231

PRESIDENT REDDY'S 5 MAY SPEECH IN DUBLIN REPORTED

New Delhi PATRIOT in English 6 May 82 p 3

[Text]

DUBLIN, May 5 (PTI) — President Sanjiva Reddy said today that democratic tendencies had gone deep into consciousness of Indian people and their faith in political and economic freedom 'has become firm and stable.'

'We, as a nation, strive towards a society where every citizen irrespective of his origin or faith can achieve his utmost potential,' he told the people of Dublin at a civic reception.

Like Ireland, President Reddy said, India was a parliamentary democracy with representative institutions, the rule of law, a free press and independent judiciary. Since Independence, a major task of the Indian Government had been to promote social and economic justice for the people. The Government was committed to the goals of ending exploitation and poverty and guaranteeing equality of rights and opportunities to all citizens without any discrimination of caste, creed or colour, he added.

The President made a reference again to the 'disquieting trends' in the world today, especially in the political and economic spheres and said, 'there is a rise in world tensions, the near break-down of detente, the build-up of new and awesome weapons of mass destruction.'

He expressed the hope that wise counsel would prevail and the world would be spared another holocaust.

'In our region, our efforts are directed towards promoting stability, normalisation and good relations with neighbours,' he said, adding 'without peace there can be no development.'

'Countries like ours cannot afford to divert their energies and scarce resources from development to armament. Both our countries stand for peace and for an equitable world order', President Reddy said, appealing for working together towards making the world a better place to live in.

The President said a sense of enduring friendship, mutual appreciation and shared beliefs had underlined the relations between India and Ireland from the beginning of the present century. One of the famous Irish leaders, Eamon De Valera, inspired many patriots in many lands, including India. In Ireland's struggle for independence, as in India, many parallels could be drawn. There were episodes which recalled Mahatma Gandhi's technique of non-violence, he said.

Noting that the historic city of Dublin, known to Irelanders as 'Baile Atha Claith' had let an indelible impression on his mind, the President recalled the contribution of Ireland in producing great writers, creative artists, scholars and scientists considering the small size of its population.

CSO: 4220/7262

CPI-M POLITBURO CONDEMNS KASHMIR ATTACKS

New Delhi PATRIOT in English 6 May 82 p 4

[Text] THE Polit-Bureau of the CPI-M has severely condemned the Jamait-e-Islami for 'brutal attack' on CPI-M activists and leaders on May Day in Kashmir and urged the State administration to take stern action against those responsible for the incidents.

In a statement on Tuesday, the Jamait-e-Islami, 'backed by opportunist political elements inside the State and encouraged and supported by Islamic fundamentalists and imperialist agencies from abroad,' was indulging in 'destabilising activities' in Jammu and Kashmir.

That is why, it pointed out, the Jamait had made CPI-M, CITU and Kisan Sabha its main targets of attack.

Presenting an account of the incidents, the DB statement said the 'hoodlums belonging to the ultra-reactionary organisation' first tried to disrupt the May Day rally and later waylaid and assaulted with lathis and other weapons CPI-M state committee secretary Mohammad Yusuf and other party workers with him.

The Jamait-e-Islami elements then extended their attack to neighbouring areas like Balsoo Tarigram where houses belonging to CPI-M workers were attacked people beaten up, women molested and property looted.

CSO: 4220/7262

SUPREME COURT RULES ON POWER TO SET UP BENCH

Madras THE HINDU in English 5 May 82 p 9

[Text]

NEW DELHI, May 4.

The Supreme Court today upheld the setting up of the Bombay High Court Bench at Aurangabad and directed that it shall function with full and normal powers.

Allowing an appeal filed by Maharashtra Government against the December 14, 1981 judgment of a Division Bench of the High Court, Mr. Justice A. P. Sen, Mr. Justice E. S. Venkataramiah and Mr. Justice R. B. Misra held that the notification setting up the Bench did not suffer any "infirmity, legal or constitutional."

The Judges said that all cases relating to the Marathwada region comprising the districts of Aurangabad, Bhir, Jalna, Nanded, Osmanabad and Parbani and now pending before the Court in Bombay, shall be so disposed of as the Chief Justice of the High Court may direct.

In their seven-page order, their Lordships said that the High Court had erred in concluding that the Presidennt's powers to establish a permanent Bench or Benches of the High Court of a new State under the provisions of the States Reorganisation Act could no longer be exercised due to lapse of time.

"These powers continue to exist by reason of part V of the Act, unless Parliament by law otherwise directs. The Act is a permanent peace of legislation on the statute book.: ....That power may be exercised from time to time as occasion arises," the Judges ruled.

The High Court had struck down the setting up of the Bench on a petition by Mr. N. S. Puranik. The Maharashtra Government then moved the Supreme Court.

Mr. Puranik had challenged the setting up of the Bench which started functioning from August 27 last year on the ground that the Chief Justice of the High Court, Mr. Justice V. S. Deshpande, had no power under section 51(3) of the States Reorganisation Act to do so.

In their order, the Judges said the power to appoint the sittings of the Judges and division courts of the High court for a new State at places other than the principal seat of the Court, was in the unquestioned domain of the Chief Justice. The only condition was that he must act with the approval of the Governor, it said.

"It is basically an internal matter pertaining to the High Court. The Chief Justice has full power, authority and jurisdiction in the matter of allocation of the business of the High Court".

The opinion of the Chief Justice to appoint the seat of the High Court of a new State at a place other than the principal seat of the Court must normally prevail because it was for the more convenient transaction of judicial business. There was no territorial bifurcation of the Bombay High Court merely because the Chief Justice had directed that the Judges and Division Courts should also sit at Aurangabad, the Supreme Court said.

The judges said: "We are unale to agree with the view that the High Court of Bombay was not the High Court for the new State of Bombay under the provisions of the States Reorganisation Act. The Bombay High Court owes its principal seat at Bombay to the Presidential order under the Act.

The Court will deliver the detailed judgment with fuller reasons later. — PTI and UNI.

CSO: 4220/7261

G. K. REDDY ON BACKGROUND FOR INDO-AFGHAN TALKS

Madras THE HINDU in English 28 Apr 82 p 9

[Text]

NEW DELHI, April 27.

The Secretary in the External Affairs Ministry dealing with Pakistan, Afghanistan and Iran, Mr. K. Natwar Singh, will be going to Kabul on May 11 to attend the first meeting of the re-activated Indo-Afghan Joint Commission.

The joint commission has remained in a state of animated suspension after the Soviet intervention, but it was recently revived at the request of the Afghan President, Mr. Babrak Karmal, to provide an institutional forum for Indo-Afghan economic cooperation.

Though he is going to Kabul primarily to attend the meeting of the joint commission, Mr. Natwar Singh will certainly avail himself of the opportunity to call on Mr. Karmal and the Foreign Minister, Mr. Shah Mohammed Dost, to get an idea of their latest thinking on the peaceful settlement of the Afghan problem.

The continued stalemate has made it abundantly clear to the Soviet Union that there can be no military solution to this tangle without resort to excessive force that would be quite self-defeating and counter-productive in the long run. The Afghan rebels also have realised during the last two-and-half years that there is no way of getting the Soviet troops out of Afghanistan except through a negotiated settlement.

Twin realisation: It is this twin realisation that has been dampening the spirits of the hardliners on either side and restraining them from resorting to any rash action which could easily recoil on them. If the Soviet command is unable to make fuller use of its military power in fighting the widespread insurgency in Afghanistan, the rebels are no less frustrated by the marked reluctance of both the United States and Pakistan to train, equip and assist them beyond a point.

The result is that neither side is itching for an all-out showdown unmindful of the consequences. The utter helplessness of the Kabul regime in coping with this perplexing situation is matched by the growing disappointment of the Pakistan-based Afghan rebels over their inability to make any headway with their trans-border guerilla activity to compel Moscow to come to terms with them.

The Afghan people, no matter where they stand in this tragic conflict, are thus exposed to an agonising suspense not knowing what the future holds in store for them. It is a cruel dilemma that has been poignantly highlighted on the one hand by the severe limitations of modern military power in compelling an unwilling nation to submit meekly to the dictates of an imposed regime, and the bitter disillusionment and humiliation on the other hand of a fiercely independent people unable to assert themselves in a revolutionary situation backed by foreign intervention.

The talks that Mr. Natwar Singh will be having in Kabul with Mr. Karmal and Mr. Dost, and the reports of the internal situation in Afghanistan that India has been receiving from its own sources, will enable the Prime Minister, Mrs. Indira Gandhi, to discuss the Afghan situation with the Soviet leaders with detailed knowledge of the problem during her forthcoming Moscow visit. What has really astonished her is not so much the fact of the initial Soviet intervention as the subsequent disinclination to talk seriously of even a partial withdrawal to pave the way for a negotiated settlement.

It is not India's policy to decry the Karmal regime all because it had been installed by the Soviet Union in extraordinary circumstances, nor condone in any way the covert or overt acts of American or Pakistani interference in the internal affairs of Afghanistan under the guise of supporting an insurgent movement. But at the same time it cannot afford to let this dangerous situation prevail on the borders of the sub-continent without endangering its own security environment in the region.

It is for this reason that Mrs. Gandhi keeps on exploring the possibilities of some accommodation by utilising every opportunity to urge both sides to settle this problem. And before she goes to Moscow in early June, she will be making one more effort to see whether their differences could be narrowed down to enable them to at least talk to each other directly without laying down unacceptable preconditions.

CSO: 4220/7233

PRESS DETAILS SRV FOREIGN MINISTER'S VISIT

Banquet Speech 26 Apr

Bombay THE TIMES OF INDIA in English 27 Apr 82 pp 1, 9

[Text]

NEW DELHI, April 26 (UNI).

VIETNAM today called for an end to China's policy of "expansionism and hegemony" which was threatened the independence and sovereignty of the Indo-Chinese states.

Criticising China for attempting to create instability in the region, the Vietnamese foreign minister, Mr. Nguyen Co Thach, said the Chinese had been interfering the internal affairs of the ASEAN countries and had cooked up the so-called Kampuchean problem.

Mr. Thach, who was replying to a toast at a dinner hosted by the P. V. Narasimha Rao, said the Chinese-backed "Pol Pot clique" had ceased to be a notable force and the situation in Kampuchea was increasingly stabilised.

Mr. Thach said the only way to guarantee peace and stability in south-east Asia was to encourage harmony and co-operation among the countries of the region and the Indo-Chinese states of Vietnam, Laos and Kampuchea without outside interference.

Welcoming India's support to the Kampuchean people, he said, such support w would be a decisive factor for peace and stability in the region.

Earlier, Mr. Rao said the Kampuchean issue could be best resolved through discussions and dialogue among the countries concerned.

Mr. Thach said Vietnamese will do their best to consolidate their "pure relationship" with India, making it as firm as the Himalayas.

PTI adds: India hoped for a reduction in tensions in South East Asia in the coming months.

Speaking at the dinner Mr. P. V. Narasimha Rao noted with concern the atmosphere of tension and uncertainties around the globe.

He spoke of the particularly warm and friendly ties existing between India and Vietnam and said: "Our bilateral relations touch upon a number of major facets of our national life."

Mr. Narasimha Rao recalled that both India and Vietnam had been engaged in their respective struggles for national freedom and later Vietnaf struggle continued for national consolidation. The two countries could not therefore concentrate on programmes to diversity bilateral relations to the extent desired.

"We have no such constraints now. And as we look back we can be justly proud of all that we have been able to achieve in recent years." His talks with Mr. Thach had revealed a wide range of possibilities for furthering bilateral ties.

Our special correspondent from Delhi adds: India and Vietnam have expressed their deep concern over the continuing tensions in South-East Asia and called for direct talks between the countries of the region to resolve their outstanding issues.

Mr. Nguyen Co Thach, and Mr. P. V. Narasimha Rao reviewed the relations of the three Indo-Chinese states with ASEAN during their two-hour meeting.

India, during the official talks, pledged to step up aid to Vietnam and to offer enhanced technical assistance on a long-term basis. The Vietnamese minister had separate discussions with the finance minister, Mr. Pranab Mukherjee, the agriculture minister, Rao Birendra Singh, and the railway minister, Mr. P. C. Sethi.

The talks were held in an atmosphere of cordiality and mutual understanding, according to a spokesman of the external affairs ministry. The two sides also exchanged views on the forthcoming non-aligned summit in Baghdad, the recent New Delhi consultations on South-South co-operation and the forthcoming special session of the U.N. general assembly on disarmament.

During the talks, the Kampuchean issue also came up and Vietnam reiterated its stand that it would withdraw its troops when the threat from China ceased. A partial withdrawal could begin once the Kampuchean border with Thailand was stabilised.

Mr. Thach mentioned that the Kampuchean refugee problem persisted and the border was also being used as base by the anti-Vietnamese guerillas.

The Vietnamese side also expressed its keenness to secure increased assistance from India. The areas of agriculture and railways were discussed in detail as they form the main sectors of bilateral economic co-operation.

The final round of talks will be held on April 28 when Mr. Thach would call on the Prime Minister, Mrs. Indira Gandhi.

G. K. Reddy on Talks

Madras THE HINDU in English 27 Apr 82 p 9

[Text]

NEW DELHI, April 26.

At the Indo-Vietnamese talks today, the Foreign Ministers, Mr. P. V. Narasimha Rao and Mr. Nguyen Co Thach, called for a direct dialogue between the countries of the region to resolve their problems.

This plea came as a reiteration of the earlier stand taken by India and Vietnam that the Kampuchean issue should be settled by the South-East Asian countries themselves without any outside interference.

The ASEAN (Association of South-East Asian Nations) countries, on the other hand, have been pressing for an international conference to settle the Kampuchean problem in accordance with the U.N. resolution. Though Vietnam has been totally opposed to any such attempt to internationalise this question, the Indian view is that, perhaps as a first step towards a wider settlement, the countries of the region should meet to discuss the broad framework for such an accord to promote peace and stability in the South-East Asian region.

The implications of this dual approach have been discussed at length by India and Vietnam at various levels during the last two years, but they have not so far been able to come forward with a formulation that was equally acceptable to the ASEAN countries and the three Big Powers, China, United States and the Soviet Union, in one way or the other are involved in this conflict.

CSO: 4220/7231

INDO-ROMANIAN JOINT COMMISSION MEETS IN DELHI

New Delhi PATRIOT in English 27 Apr 82 p 5

[Text]

Indo-Romanian collaboration in wide ranging areas such as steel industry, railways, chemical and pharmaceutical projects, machine building, light industries, agricultural and scientific areas were discussed in the Capital on Monday in the first plenary meeting of the sixth Indo-Romanian Joint Commission.

Commerce Minister Shivraj Patil and Romanian Minister for Metallurgical Industry Neculai Eftachi were the co-chairmen of the commission on behalf of their respective countries.

During the talks, the two Ministers agreed to increase cooperation in wide ranging fields and to take all possible steps to promote joint ventures and to achieve a balanced trade between the two countries.

They also agreed on the need to exchange experts between the two countries for identifying specific areas and commodities for bilateral cooperation. The Romanian Minister also suggested long-term arrangements for import and export of commodities between the two countries.

In his initial remarks, Mr Patil stressed that India had developed competence in several fields and could usefully consider proposals to establish joint ventures in Romania for manufacture of automobile parts and components, air compressors, watches, textile machinery and some chemical and pharmaceutical products.

He also urged that both countries should get down to specifics and identify the countries and projects where such possibilities exist for joint industry in project exports or sub-contracting of orders already secured.

Mr Patil was happy to note that the two-way trade between India and Romania had been growing at a faster pace and reached a record level of Rs 1.6 billion in 1981. He hoped that this would be doubled in the next five years or so.

He was, however, of the opinion that the trade was still narrow based and the balance was heavily in favour of Romania with two commodities alone fertilizers from Romania nad iron ore from India — accounting — for nearly 60-65 per cent, while most of our trade was still conducted in commodities.

He said that we must widen and diversify trade to reflect the growing industrial base of our economies.

The last meeting of the Indo-Romanian Joint Commission was held in Bucharest in October, 1980. During the fifth session, both sides had reviewed the performance of the Indo-Romanian trade and emphasised the need for taking steps that would further expand and diversify bilateral trade.

The trade agreement between India and Romania was initially signed in 1959 and it is being extended from time to time. The current agreement was signed on 2 December, 1980 and is valid for 5 years from 1981 to 1985.

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FIRST INDIAN AIR FORCE MIG-23 SQUADRON OPERATIONAL

Bombay THE TIMES OF INDIA in English 27 Apr 82 p 19

[Article by Yogendra Bali]

[Text] SOMEWHERE IN SOUTH-WESTERN AIR COMMAND, April 26.

The first MiG-23 squadron of Indian Air Force is now totally operational.

It has further toughened the well-know "hardened cover" evolved over the years by the IAF, an air defence system which had paid rich dividends in the past as not a single IAF craft has been shot as a sitting duck during the last two wars this country has had to fight.

Assimilation of the sophisticated MiG-23 craft into an indigenously evolved complete weapons system by IAF in just one year isconsidered an achievement by all standards. Usually it takes at least 18 months to ensure proper training of pilots, technicians and support personnel for the operational needs of a new military aircraft.

The "hardened cover" evolved by the IAF has been recognised as a significant achievement by military experts all over the world and even NATO forces are understood to be copying it.

Air Marshal J. R. Bhasin, air officer commanding-in-chief, south western air command, explained to reporters visiting the forward air bases in the command that the process of strengthening the air cover took full cognisance of the current threat perceptions from both the north-western and south-eastern regions as well as the Indian Ocean in the south.

He underlined that the IAF was fully prepared in its support role to the army and the navy and to meet the combat challenge in the air from all outside hostile forces with greater confidence and sophistication than in the past.

Weapons System

"We have adequate and close co-ordination with the Indian Navy for combined operations," he said.

Air Marshal Bhasin also explained that MiG-23 was not merely an isolated air weapon but part of an overall and complete weapons system fitting in with the strategy to evolve a diversified and self-reliant air defence. And combat force with the assimilation of capabilities of military craft like the various series of MiG-21s, MiG-25s, Jaguars and other aircraft with different roles and capabilities. "We are always prepared to meet any aerial offence against our skies."

The reporters were shown round by now completely indigenised MiG-23 facilities including operations, maintenance, administration, servicing, repairs, training, radar and electronic control and support systems. They were also shown exercises to demonstrate the flexibility and special features of the MiG-23 in air defence and combat missions.

There was an interesting discussion between the visiting journalists and the top brass of the south-western air command about the relative merits and capabilities of MiG-23 and F-16. Most of the officers conceded that F-16 was a more sophisticated and lighter aircraft, but said MiG-23 was an incomparable aircraft in its own class. Pricewise it cost just about one-third the price of an F-16.

In fact, it had two versions as listed in "Jane's--The MiG-23 BN and MiG-23 MF. Combined together the two versions could be a deadly match to an F-16. While they could perform in a pair almost all tasks which an F-16 was supposed to perform, they could carry a much larger payload of varied ammunition, including rounds, retarder bombs and missiles.

A special feature of MiG-23, they explained, is its capacity to sweep its wings for a very low and slow flight in the 16-degree wing arrangement, to very high and fast flight in the 72-degree wing position. Normally it is flown at the middle wing arrangement of 45 degrees. It is a supersonic air craft with rated mach-II plus speed. It has an excellent short take-off and short landing capability.

A series of manoeuvres executed by IAF MiG-23 pilot with great skill and confidence during demonstration aerobatics showed the aircraft turning at a height of 100 metres, at a speed of 1,100 km. per hour to pull up vertically for a loop, climbing at the rate of about 12,000 metres a minute. It could change direction at 180 degrees and boom in from the other direction at 1,200 km. an hour. The speed can be brought down to as low as 240 km. an hour.

Since January 26, 1981, when the first MiG-23 made its advent in IAF not only has the first squadron become completely operational, but now complete facilities have been organised for training of pilots and all other technical and para-technical personnel in the country and all future MiG-23 squadrons will be trained at home by IAF.

Discussions with the top brass of south-western air command revealed that there is adequate surveillance of the skies, the IAF is not mainly concentrating its attention on the north but also on the south, its air defence system is now more self-reliant and sophisticated than it was 10 years ago

and it has better deep penetration and survival capability in air combats. As Air Marshal Bhasin said, "Should the situation so require we can go into action immediately."

Of course, the IAF, has no "bowser problem." As a senior commander in the command explained the IAF bowsers were all equipped with the series of 10 micron filters and there were continuous and stringent quality checks on the fuel. If the bowser had 9,000 litres capacity only 6,000 liters of the top layer of fuel was used for aircraft. So far no IAF aircraft had to suffer because of the "fuel problem."

CSO: 4220/7231

SITE CHOSEN ON SUMBA FOR ILLEGAL IMMIGRANTS

Jakarta KOMPAS in Indonesian 25 Mar 82 pp 1, 9

[Excerpt] The government has chosen a location in the western part of Sumba Island as a receiving area for illegal immigrants who cannot be returned to their own countries.

The choice of this location, according to Dr Subagio, public relations section chief of the Directorate General of Immigration, was established through 1982 Presidential Executive Order No 5, dated 25 January. It has not been determined yet when the executive order will be implemented. "But preparations have already begun to be made," said Subagio.

Until now many illegal immigrants have not been able to be returned to their own countries for a number of reasons. Just for example, illegal Chinese (PRC) immigrants are compelled to remain because Indonesia does not have diplomatic relations with the PRC and because other means have failed. Also, there are illegal immigrants who, it turns out, do not have any citizenship. All of these are now located in immigration detention centers and constitute a perpetual burden for Indonesia.

In order to overcome the financial burden, the government then thought about the possibility of "self-support" for the illegal immigrants. At first the plan was to choose an isolated island for them, where it was possible to till the soil or produce something. But the security aspect had to be able to be guaranteed. At a working meeting the Indonesian parliament's 3rd Commission once discussed with the minister of justice the question of locating the illegal immigrants in an isolated place.

The public relations chief of the Directorate General of Immigration admitted that managing the illegal immigrants on Sumba Island as stipulated by the presidential executive order "was something new to him." He showed that even in regard to what the immigrants must do, the most appropriate work has to be considered. If there is a production surplus, what are the possibilities for marketing? The organizational structure, personnel, and the work mechanism are currently being arranged.

Subagio confirmed that to date there are about 2,000 illegal immigrants who cannot be sent home.

9792
CSO: 4213/52

UNNAMED PROVINCES CLOSED TO TRANSMIGRANTS

Jakarta KOMPAS in Indonesian 7 Apr 82 pp 1, 9

[Excerpt] Several provinces outside Java have been declared closed to transmigrants, retroactive to 1 April 1982, the 4th year of the Third Five-Year Development Plan. So stated the deputy minister for transmigration, Martono, Tuesday, after being received by President Soeharto at his residence on Cendana Street.

Martono explained that the decision was made since it was no longer possible to open new farmland in the provinces concerned. The reason is that those areas are already densely populated, both by residents as well as outsiders. But Martono was not yet prepared to name the provinces that had been closed.

The deputy minister said that the names of the aforementioned provinces will be publicized after the national consultative meeting of the Transmigration Coordinating Board, which will be held this May. The meeting will discuss material for reinforcing the board's program, and it will take significant steps in the effort to find accomodations for general and spontaneous transmigrants.

Prior to the national consultative meeting of the Transmigration Coordinating Board, regional consultative meetings are being held in three places, namely in Jakarta as region 1 (this past 30-31 March), Yogyakarta as region 2 (12-13 April) and in Ujungpandang as region 3 (23-24 April). The results of a study on the possibility of creating transmigration settlement areas in Central and East Indonesia will be reported at the regional meetings.

In the future the movement of transmigrants from Java will be directed to Sulawesi, the Moluccas and Irian Jaya. To accomplish this, there needs to be a study of land conditions and the number of transmigrants that can be accommodated.

A routine report was conveyed to President Soeharto, Martono said, regarding implementation of the transmigration program through 6 April 1982. During 1981, 91,711 transmigrant families were moved. But in fiscal 1981-82, 89,969 transmigrant families have been moved successfully. Hence, in fiscal 1982-83, 200,000 transmigrant families must be moved; that is, the target for this fiscal year and the remainder from the previous year.

9792
CSO: 4213/52

SUDOMO MAKES OFFICIAL STATEMENT ON 18 MARCH RIOTS

Jakarta KOMPAS in Indonesian 3 Apr 82 pp 1, 12

[Excerpts] Although for the moment evidence has been disclosed regarding involvement of the United Development Party (PPP) members and sympathizers in the rioting incident at Lapangan Banteng and vicinity, that does not mean that PPP as an organization was involved.

This was the official government statement concerning the rioting during the Golkar [Functional groups; government political organization] campaign on 18 March. Admiral Sudomo, commander of KOPKAMTIB [Restoration of Security and Order Command], conveyed the statement at the Information Department auditorium on Friday.

According to Admiral Sudomo, a PPP commissioner in Jakarta has been arrested by KOPKAMTIB in connection with efforts to find the person behind or the mastermind of the incident. Meanwhile, of those persons detained because they were caught right at the time of the incident, most were PPP sympathizers.

Sudomo said that Johny Naro, SH, general chairman of PPP's Central Management Board, has already been informed about the involvement and arrest of the PPP individuals. And Johny Naro responded that their actions were not in response to PPP wishes or instructions. For that reason, whoever the people are, the matter is to be resolved according to the laws in force.

The arrest of the perpetrators has been carried out by the security force. As a result of the investigation, witnesses' accounts, and other evidence which has been able to be gathered, it definitely can be stated that the rioting was part of a premeditated plan. The goal of the rioting was to frustrate the Golkar campaign at Lapangan Banteng, Jakarta, demoralize Golkar and AMPI [Indonesian Reform Youth Movement], and also realize strategic, political and subversive objectives. The aforementioned objectives were, among others, as follows: First, it was hoped a spark could ignite rioting of the same sort all over Indonesia, with the goal of circumventing the 1982 general election. The second objective was to shake or discredit the government, so that conditions would be created whereby the populace would no longer believe in the government and opposition to the government would increase more and more until, as a result, the government would be overthrown and replaced.

On 18 March 1982 toward midday the inhabitants of the capital, both members and supporters or sympathizers of Golkar as well as other interested persons, flooded Lapangan Banteng as spectators and participants of the Golkar campaign. The gathered throngs were extraordinarily large and greater than had been expected. The plaza was a sea of humanity.

Around 1400 hours the protocol committee tried to calm the people, who were beginning to become restless because the program was not running smoothly, by shouting out "Long live Golkar!" and raising two fingers. The people responded in like manner.

Suddenly among the crowds were heard very strong and repeated shouts of a group of people who raised one finger, "Long live Ka'bah!" [most sacred Islamic shrine, in Mecca].

The cries went back and forth, "Long live Golkar!" and "Long live Ka'bah!" Then the people divided themselves into two opposing groups. Finally, they fought each other. This had been preceded by the throwing of stones, sandals, shoes and other hard objects, until victims began to fall. The group which cried out "Long live Ka'bah!" appeared increasingly aggressive and determined. They then occupied the platform and later broke it up and burned it, along with all of the equipment.

After that, vehicles parked at Lapangan Banteng and vicinity which the group could reach were wrecked and/or burned.

Security troops which were brought in to control the situation succeeded in dispersing the crowds of people, who then were driven away and funneled toward the Gunung Sahari and Senen areas. From Senen the people channeled themselves toward Cempaka Putih and Salemba.

Still shouting "Long live Ka'bah!", the group continued to destroy and burn automobiles and stone a number of buildings, stores, offices, churches, hospitals and homes they encountered on the way. They were aided by friends who had been waiting for them beforehand at certain strategic locations.

By 1830 hours the security force was in total control of the situation.

In connection with this rioting incident, the security force has arrested 318 persons who were caught in the act of causing damage, or burning vehicles and/or throwing stones at buildings and elsewhere, both at Lapangan Banteng and in the surrounding area.

Of the aforementioned number after selection, 274 individuals were released because it turned out they had just gone along and had been incited. Most of them were primary, junior and senior high school students.

The rest, mostly PPP sympathizers, are being processed, so that their cases can be sent to the courts. It is hoped these cases can be completed in the near future.

Furthermore, as a result of an extensive investigation, new arrests have been made based on tips obtained from the rioters at the square. The arrests will further expose what was behind the rioting incident, both in discovering the perpetrators as well as the instigators or the mastermind. This is still in the investigative process. In this regard, a PPP commissioner in Jakarta has been arrested.

It needs to be clarified that although for the moment evidence has been disclosed regarding involvement of PPP members and sympathizers in the rioting incident at Lapangan Banteng and vicinity, that does not mean that PPP as an organization was involved. PPP members who were involved acted outside of PPP policy lines and took the responsibility upon themselves.

Sudomo said to the press that if news of the Lapangan Banteng incident were carried in the newspapers, on the positive side it could provide a reminder to the public to be careful. But negatively it could raise feelings of concern or fear, particularly at the moment we are conducting the campaign.

"For that reason, I am more inclined for it not to be carried. The contestants themselves are in accord that it should not be published, because later it could exert influence in the provinces. So it is not to cover it up, because, of course, it cannot be. The foreign press has already run it," said the KOPKAMTIB commander.

Only, according to Sudomo, what was published in the foreign press--that there were 10 or 11 persons who died during the incident--was absolutely untrue. "There were no deaths," he said. Four domestic papers, he said, had received warnings because they had carried stories concerning events at Lapangan Banteng.

9792
CSO: 4213/52

OPPOSITION TO PLANNED TRANSIT PORTS REPORTED

Jakarta KOMPAS in Indonesian 19 Mar 82 p 2

[Excerpts] The close relations between most Indonesian exporters and Singapore importers will hamper government plans for developing Tanjungprick, Tanjungperak, Belawan and Ujungpandang harbors into transit ports which would take Singapore's place.

KOMPAS learned at the end of last week in Singapore that according to Indonesian traders there Indonesian exporters and Singapore importers, consisting of closeknit families, constitute one link in the capital chain which has become a public secret.

For that reason, this source said, Indonesian exporters and Singapore importers will continue to make every effort to use Singapore as the transit port before shipping to final destinations. If the government simply develops the four harbors without taking other problems into consideration, the effort will be in vain.

At the present time there are four import-export companies in Singapore which control Indonesian coffee, rubber, rattan and pepper exports. The members of this group of "the big four" are respectively Kick Seng Singapore PTE, which controls coffee exports from East Timor, Teck Hok, specializing in coffee exports from South Sumatra, Asiatic Enterprise PTE, dominating a majority of pepper exports from Lampung, and East Commodities PTE, which specifically handles rattan and rubber exports from Kalimantan and Sumatra. The owners of the goods in Indonesia, on the other hand, are their own fathers, children, younger siblings and sons-in-law.

In light of this strong "network," according to the Indonesian traders, if the government is going to make it "mandatory" for the export commodities to be amassed at the four transit ports first, before going to their final destinations, they probably will reject that policy. Their reason is that costs will be higher, since they do not have representatives at the four transit ports who can help to look after their goods. Moreover, a great deal of time is needed for ships to make the trip.

Conversely, the Port of Singapore Authority (PSA) itself will not remain silent vis-a-vis Indonesia's policy of reducing passage rates and warehouse storage

rental fees up to 50 percent. To counter all of these, it is possible that PSA also would lower rental fees for loading and unloading equipment and warehouse fees far below rates in Indonesia. Or, maybe they would not even charge anything. Or, they might express their anger by no longer wanting to take in those Indonesian export commodities. So stated the traders.

Several of these Indonesian traders said further that in order to make the plan to develop four transit ports a success, a review of route patterns is necessary.

A comparison between INSA (Indonesian National Shipowners Association) and SSA (Singapore Shipowners Association) on the RLS (Regular Liner Service) S line (a special line for round trips between Indonesia and Singapore) indicates the following: INSA has 46 shipping units (52,075 DWT) and SSA has 33 shipping units (54,693 DWT). Viewed from the aspect of number of shipping units, INSA, of course, has more units. But Singapore is superior in tonnage.

Expressing their opinion regarding exporters who traditionally always used Singapore as a transit port, these traders said that free port status was one of the main reasons for coming there. Singapore harbor not only is secure from all kinds of disturbances by thieves (even though a ship might drop anchor in mid-ocean), but also ships are available from any country in the world, flying all flags and headed for whatever destination you can think of.

That is one of the victories Singapore achieved in the transit port matter. On the other hand, it is not certain that these ships will be available at the four Indonesian transit ports, in spite of the fact that time is the main objective for exporters. And when speed is achieved, costs will be lower.

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CSO: 4213/52

OIL PRODUCTION CUTS PROMPT BUDGET REVIEW

Jakarta KOMPAS in Indonesian 25 Mar 82 pp 1, 9

[Excerpts] The government will review the 1982-83 budget because state revenues will decrease after crude oil production is limited to 1.3 million barrels per day. But even though there is a drop in state receipts, the development budget will not be affected.

Minister of mining and energy, Prof Dr Soebroto, made this statement to reporters Wednesday at Bina Graha [Executive Building]. Earlier Prof Dr Widjojo Nitisastro, coordinating minister for economics, finance and industry/ chairman of the National Development Planning Board, together with Minister Soebroto, reported to President Soeharto on the results of OPEC's 63rd extraordinary session in Vienna at the end of last week.

The result of the OPEC session in Vienna was to set a production ceiling of 18 million BPD on OPEC oil, beginning 1 April 1982. Each OPEC member country will be affected by the production cuts, and Indonesia will be limited to 1.3 million BPD. This means Indonesia will have to decrease its exports from the current level of 1 million BPD, because some of the oil is needed for domestic consumption, which, according to Soebroto, is about 590,000 BPD. For that reason, after the production cuts, exports will only be about 710,000 BPD, or a drop of approximately 29 percent.

The president will issue an executive order to implement the reduction, requiring government agencies to curtail oil consumption. These cuts will specifically be directed to motorized vehicles, use of electricity, etc.

The minister of mining and energy said further that the period for the oil production cut to a 17.5 million BPD ceiling will continue only for one quarter. After one quarter passes, world oil demand will begin to rise again, so that OPEC production will be able to increase.

"Oil stocks of the developed countries will drop in the next quarter," said Soebroto, "so they are going to need oil again." The production ceiling will be put into effect on 1 April 1982. With the expectation that the cuts will only continue for one quarter, by 1 July world oil demand should rise and, it is hoped, OPEC production can be increased.

Indonesian exports of crude oil in 1981 reached 383,636,200 barrels. Caltex had the largest exports, with 176,925,800 barrels of Sumatra Light Crude (SLC). This was followed by Handil (44,730,300 barrels), Cinta (40,469,700 barrels), Arun Condensate (21,389,300 barrels), Arjuna (17,611,500 barrels), Duri (17,188,100 barrels), Attaka (15,525,400 barrels), Walio (10,433,900 barrels), Jatibarang (7,923,000 barrels), and Badak (6,507,900 barrels). These are followed by other kinds, such as Bekapai, Udang, Salawati, Sepinggan, P. Juata, Sembakung, Arimbi, NSC and Bunyu.

Caltex is the biggest exporter, with 194,113,900 barrels of Duri and SLC, both of which are 50.6 percent of Indonesian exports. Pertamina [State Oil and Natural Gas Co] exports only 4.5 percent, or 17,176,800 barrels. Then other oil contractors export 172,345,500 barrels or 44.9 percent.

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CSO: 4213/52

ASEAN NATIONS COOPERATE IN FERTILIZER COMPLEX

Jakarta KOMPAS in Indonesian 18 Mar 82 p 2

[Excerpt] Vice President Adam Malik officiated at a ceremony on Tuesday, 16 March, for the building of a fertilizer plant which is the result of industrial cooperation among the five ASEAN countries. The plant is to be managed by PT ASEAN Aceh Fertilizer (PT AAF). At the same time the vice president officiated at a ceremony for the construction of PT Iskandar Muda fertilizer plant and pier A at PT AAF's port.

These three projects are located in a region near Lhok Seumawe, North Aceh [Sumatra]. The first project, PT AAF, encompasses a 288 ha area, including the factory area, port, a green belt around the plant, water supply and pipeline, and a housing area.

Approximately 77 percent of the funds is coming from a Japanese government loan. The remaining 23 percent is to be deposited by the five ASEAN nations. Indonesia's share is 60 percent; the Philippines, Malaysia and Thailand each have a 13 percent share; and Singapore has a 1 percent share. Total investment is to be about $410 million.

It is hoped construction of PT AAF will be completed at the beginning of 1984. In the future the plant will produce 570,000 tons of urea fertilizer per year. Production output will be used mainly to meet the needs of the ASEAN countries.

Total planning and construction of PT AAF and the port are being handled by the chief contractor, Toyo Engineering Corporation, Japan, while construction of roads and housing facilities, which had begun in stages at the end of 1979, is largely being carried out by local contractors.

In addition to the PT AAF project, the PT Iskandar Muda urea fertilizer plant is going to be built. To that end, a land area of 276 ha has been purchased. The project is to be started this year and, according to plan, is to be completed and in production in 1984.

PT Iskandar Muda itself will produce 570,000 tons of urea fertilizer per year. Construction of this plant will be handled by PT Rekayasa Industries, in addition to Toyo Engineering Corporation. PT Rekayasa Industries will be responsible for managing project construction.

Tied to construction of PT Iskandar Muda is the establishment of an industrial center for the production of olefin, which is the basic material for various chemical compounds.

Distribution of urea produced by PT Iskandar Muda will be carried out by PT Pusri, in coordination with the national distribution of fertilizer.

Officiating at the ceremonies for the aforementioned projects, Vice President Adam Malik said that construction of the PT AAF port at Lhok Seumawe has a dual purpose. Apart from fulfilling industrial needs, the port will play a significant role in the development of the region's economic potential.

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CSO: 4213/52

STUDENT ATTACKS ON NEWSPAPERS IN LAHORE STIR REACTION

Demand for Students' Release

Karachi JASARAT in Urdu 28 Apr 82 pp 3, 6

[Article: "Professor Ghafor Demands Government End Violent Tactics and Honorably Release Students; Rivals Should Ignore Mutual Hatred for Sake of Country; Unsavory Elements Causing Troubles; Intrigues of Nation's Enemies Working in the Newspapers Should Be Noticed"]

[Text] Karachi, 27 April--by staff reporter--The prominent leader of Tehrik-e-Islami (Islamic Movement), Prof Ghafur Ahmad, has demanded that the government suspend its policy of oppression and honorably release all of the arrested students. In a statement tonight, he said that the recent incidents in Lahore and their causes were very unfortunate and he wished they had never happened. But now, he said, it was expected that both sides would make up in view of our country's internal and external situation. The government can play an important role in this respect, but, to the concern of all patriotic people here, this incident is still being kept alive. The government's oppressive policy is making the situation even worse. Prof Ghafoor added that this incident is not the most serious incident to have shattered the peace. Robberies, thefts, bank holdups and even political murders have been committed all the time. The worst of these was the soul-shaking crime of the degradation of Koran, but the government was never able to bring the offenders of such crimes to book. On the other hand, the students in this case have already been jailed for a minor incident after a summary trial. Apparently some elements are interested in making the situation worse. Prof Ghafoor again asked both sides to forget their personal enmity for the sake of the greater good of the country. He appealed to the government to reconsider its stand, suspend the policy of suppression and acquit all students honorably.

Advocate Chowdhary Mahmud Ahmud, general secretary of the defunct Jamaat-e-Islami in Punjab, has expressed concern at the antagonism between the students and two newspapers and has appealed to the governor of Punjab to release the students in order to keep the situation from getting worse. The state secretary of the Jamaat said that this incident occurred as the result of momentary anger and that the members of Indian and Russian lobbies working at the JANG office had hatched this conspiracy with the cooperation

of some members of the airport security force. He added that it was a sad thing that antistudent comments were being published in the newspapers about the natural reaction by the students, but that no mention was being made of the actions of the traitors who work in those newspapers. The freedom of press should be protected, but it does not mean freedom to disobey all legal and moral rules. It is very depressing to note that while punishment is being announced for the students, nothing is being done to curb those elements in the newspapers or the journalists. To top it all, the Governor of Punjab has spoken in favor of the newspapers' proposed strike. He added that it is impossible legally or morally to tolerate the publication of such baseless, fabricated, insulting and irritating news as part of a systematic plot to destroy the credibility and honor of a group.

Karachi Municipal Corporation Row

Karachi JASARAT in Urdu 28 Apr 82 p 2

[Editorial: "Violence--A Vote of Confidence"]

[Text] There was an uproar in the recent session of the Karachi Municipal Corporation. This uproar was caused when one of its members labeled Islami Jamiat-e-Tulaba a violent group. The members of the corporation took serious exception to Mr Gulam Mohamed Chishti's accusation. Most of the members expressed their resentment toward these remarks by standing in their seats. They demanded the expulsion of the offending member. The mayor asked Mr Chishti to take back his remarks but he refused. The staff in attendance at the municipal hall was then directed to expell him physically. At that point, other members yelled "shame." While leaving the meeting hall, Mr Chishti accused Mayor Afghani of being a fascist and terrorist. Mr Chishti raised this hue and cry when the mayor refused to allow his motion concerning an attack on two newspapers in Lahore. He added that Mr. Abdul Khaliq Allahwala had already given him permission to present his motion before the arrival of the mayor. The entire membership present, however, claimed that he was lying. Mayor Afghani was forced to say that he was persistent with his falsehood.

This decision was made by the country's largest municipal body of elected members. A member of this body labeled Islami Jamiat-e-Tulaba a terrorist group and the whole membership stood up against this accusation and yelled, "Chishti is a terrorist himself and is spreading terror." They took quick action against the blatant accusations against Jamiat-e-Tulaba and expelled that member from the meeting hall. Nobody was ready to listen to such a baseless and stupid accusation against Jamiat-e-Tulaba. This perjury and fabrication on the part of the member has been justly punished according to the rules and regulations of the municipal corporation.

The members of Karachi Municipal Corporation are elected by popular vote; they could not accept accusations of violence against Islami-Jamiat-e-Tulaba and so took action against the offender. The reaction of these members makes us wonder how the members of Islami Jamiat-e-Tulaba felt when those two newspapers in Lahore accused the group's president of attempts

to hijack a plane--and to Kabul at that. The newspaper must have caused quite a stir with its eight-column banner to spread this baseless accusation. The follow-up on this invented news must have excited many people.

Now, should we treat the decision of the municipal body as a final vote of confidence in Islami Jamiat-e-Tulaba, or should we punish all the members for expelling a member for his lies and violent behavior?

7997
CSO: 4203/122

EDITORIAL DEPLORES KHAN FAMILY ACTIVITIES IN AFGHANISTAN

Lahore NAWA-I-WAQT in Urdu 20 Apr 82 p 5

[Editorial: "Best Time To Serve God"]

[Text] Khan Abdul Wali Khan is back in Pakistan after visiting his father in Kabul. At Torkham border, he was seen off by Mr Solayman Laeq, minister of nationalities [and tribal affairs] of the puppet government of Afghanistan, and Ajmal Khattak, who, a few years ago, had fled to Kabul where he engaged in anti-Pakistan propaganda more intense than that of his own Afghan bosses and benefactors. He is still consumed with the desire for revenge against Pakistan. Reportedly, Wali Khan was greeted enthusiastically by the same group of people when he first arrived in Jalalabad from Peshawar. On his departure, he was given a military guard of honor. Congratulations to him for this honor!

According to Wali Khan, the purpose of his visit to Kabul was his concern for the health of his father, who had suffered a fractured hip. However, it is not known if he ever noticed the blood of the millions of Afghan martyrs or had time to visit thousands of Afghans in all corners of the country who are the victims of atrocities committed by Babrak Karmal and his Russian masters. Undoubtedly, but not surprisingly, his sick eyes could not see the miserable condition of the families of the martyred and wounded Afghans because the same eyes had failed to see the refugee settlements near Peshawar. How could one expect him to notice the destruction and ruin in the suburb of Kabul?

Since Wali Khan and his father, the Sarhadi["Frontier"] Gandhi, had often indicated their kinship with the Afghans, it was expected that they would cry their hearts out at the unnecessary bloodshed. Instead, Bacha Khan, the father, became a permanent guest of Babrak Karmal, who is responsible for the deaths of tens of thousands of Afghans. Wali Khan also enjoyed his hospitality for 3 weeks. At first it was understood here in Pakistan that Bacha Khan had a blood relationship with the royal family and, as such, preferred to be called Bacha Khan [the king] and named his residence at Charsaddah Shahi Bagh [the Royal Garden]. Despite the fact that his dream to become king never did come true due to the existence of Pakistan, he nevertheless accepted lavish hospitality bestowed on him by the royal Afghan family, simply to satisfy his ego. After Zahir Shah was overthrown

by his own cousin, Bacha Khan, promptly forgetting all the kindnesses of his former host, became a guest of Daud Khan. Upon Daud Khan's death, he let Taraki take him as his guest and, after him, it was Aminullah Hafiz's turn to treat him as his guest. Presently, he has developed a relationship with Karmal, who rode into Kabul on a Russian tank. Although several of his hosts have departed empty-handed, yet his desire to let others serve him remains unchanged.

He has always proudly claimed himself to be a Khudai Khidmatgar [servant of God] and charged that Pakistan never gave him a chance to do so. The fact is that all his life it was he who was served, either by the Hindu Congress or the Afghan rulers. Since 1947, Indian rulers have been serving him with bagsful of money. Ironically, while the entire world is protesting the persecution of Afghans, the Khudai Khidmatgars are staying with the persecutors as their guests. At present there are some 2.6 million refugees, among them large numbers of children and women, who deserve most of all humanitarian aid and sympathy. There could never have been a better time than now for Bacha Khan and his son to serve God by heading for the refugee camps. But they have failed to do so. They have been insensitive to the sufferings of the same Afghans whose help they had sought in their attempt to create a "greater Pakhtoonistan."

Sarhadi Gandhi and his family demonstrate unity with Babrak Karmal, the ruler, who rode into Kabul on a Russian tank and has, ever since, been a life sucker for Afghan Muslims. Wali Khan speaks highly of this Babrak Karmal. It is hard to imagine Wali Khan as a Russian agent. Regrettably, he is going against the position taken by Pakistan, Iran, other Muslim countries and the third world in supporting Babrak Karmal's position, which in fact is the Soviet position because Babrak Karmal is a mere pawn in the Soviet game.

Mr Wali Khan has disclosed that his father will return to Pakistan when allowed by his doctors. It is not clear what he actually meant by the term "doctor"--whether medical or political doctor. Anyway, he is free to return whenever he feels like it. We wish him a very long life and also the will to serve Afghan refugees. There is no better way for him to serve God. We suggest that he bring with him the 8 million rupees, which by now must have increased to over 10 million, received by him from India. If he does this and spends the money on the refugees, it would be considered a very appropriate and noteworthy act on his part. Besides, he will also be rewarded by God, which all Muslims his age most desire.

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CSO: 4203/117

AID AGREEMENT WITH UNITED STATES SIGNED

Islamabad THE MUSLIM in English 14 Apr 82 p 7

[Text] ISLAMABAD, April 13: The Governments of Pakistan and the United States signed here this morning an agreement under which the United States would provide $60 million assistance to Pakistan

The agreement is the first in a series which the two countries anticipate to conclude over a period of five years for $300 million to be utilised by Pakistan to finance an agricultural commodities and equipment programme. Besides providing balance of payments support the programme would result in increasing agricultural production in the country

The first year's allocation of $60 million will be used to import about 113 000 metric tons of the fertiliser diammonium phosphate, and will allow for purchase of heavy equipment required for canal rehabilitation work. While the fertilizer will be financed from concessional credit of $34 million equipment will be financed by a $26 million grant.

The terms of the concessional credit include a ten-year grace period with the loan to be paid back in forty years During the grace period the interest rate is 2 per cent for the remaining thirty years, the rate is 3 per cent

The US Ambassador, Ronald I. Spiers and thhe USAID Director Donor M. Lion and the Secretary Economic Affairs Division Ejaz Ahmad Naik signed the agreement on behalf of their respective Governments.

Commenting on the occasion of signing ceremony the US Ambassador said the agreement was part of the American $1.625 billion six-year economic assistance for Pakistan. The agreement, he said provided the first $60 million of what was expected to be upto $300 million over a five-year period to finance imports of commodities and equipment. the agreement would boost Pakistan's balance of payments position and support country's efforts to enlarge agricultural production and move towards the goal of increased agricultural self reliance.

The Economic Affairs Secretary in his remarks expressed appreciation over the US assistance for promoting the agricultural sector which constituted back-bone of the national economy basis of country's major development investment and the mainstay of its exports. He said the US assistance had played a significant role in the economic development of Pakistan.

He hoped the fruitful and positive Pak US economic co-operation would continue growing in future

CSO: 4220/601

TWO-PART ARTICLE RIDICULES OMBUDSMAN IDEA, EFFORTS

Islamabad THE MUSLIM in English 12, 13 Apr 82

[12 Apr 82 p 4]

[Article by Hassan Habib]

[Text] Apart from the brilliant discourse of the Law & Parliamentary Affairs Minister, and half a dozen other members, the Federal Advisory Council, during its recent discussions, showed little awareness of the institution of the Ombudsman. This should not be surprising. Ten years before Britain introduced the Ombudsman in 1967, there were few in the country who had heard about it. Now the Law Minister reminded us that the office is functioning in 40 countries. But a decade later what happened to the British Ombudsman (Parliamentary Commissioner), hedged in as it was from the outset with numerous constraints? The P.C was charged to investigate and expose any misuse of government power as it affects the citizen, but the elitist Administrative Class of the Civil Service (having earlier opposed the institution as an interference with the principle of ministerial responsibility to Parliament, under which misdeed of bureaucrats can be covered) succeeded in ensuring that the Ombudsman himself was always one of them; his entire staff, now 100 individuals, have been and still are, all civil servants. The Administrative Class of the Civil Service justifies this on two grounds: 'set a thief to catch a thief' and a civil servant knows the public administration 'inside-out', but discerning observers of the scene look at it "as if a regional crime squad was headed by a retired convict and staffed by career burglars". The lesson is that when rival power centres are set up outside the elite ruling-class bureaucracy, this group, having the power and the influence, quickly sets out to neutralise these rival centres. No wonder the Ombudsman in U.K. began to be known as *Ombudsmouse!*

A similar fate may await the future Ombudsman in Pakistan. The trends indicating this are fairly visible. Based on the Swedish institution, an Ombudsman for Pakistan was first strongly recommended by the the West Pakistan Study Group on the Toning Up of Provincial Administration (1969). In Sweden the Ombudsman is elected by an electoral college chosen from members of the two houses of parliament. There can be several deputy Ombudsmen. A military Ombudsman was also appointed. Any citizen can bring a complaint, even a prisoner. It is an important concern of the Swedish Ombudsman to safeguard the freedom of the citizens particularly in case of their arrest and detention. Sweden and other Scandinavian countries have successfully demonstrated that the Ombudsman is independent of the executive and is a champion of the people's voice against the insolence of public office and the arrogance of public power as represented in the higher bureaucracy. In Pakistan in the 1970s, the idea began to gain favour, and for the first time a formal provision for its creation was made in the Interim Constitution (1972) , and the office was spelled out in Section 276. Provision was also made for provincial Ombudsmen. But in the final Constitution of the Islamic Republic of Pakistan, the proposition was relegated to the fourth schedule of the federal legislative list in two words. . . "Federal Ombudsman", under the unlucky number 13. Meanwhile the then Federal Government did set up an office intended to be passed on as 'Ombudsman' - - - Prime Minister's Representative for Administrative Inspection. This was our first mouse - - - no disrespect to persons intended - - in the Ombuds context.

The office achieved little by way of receiving and redressing citizens' complaints; it never had the tools, although a fine person and an able and honest administrator, the incumbent was a higher bureaucrat in principle; some procedures were improved, for instance the issue of passports, but there is nothing much to show in line with the Swedish Ombudsman-pattern. Indeed in our efforts in this direction, we do not seem to have moved beyond the 'inspection team' concept, with which we have been familiarised since the early 1960s. Thus we have had the Governor's Inspection Teams, the President's Inspection Teams, and now on the same lines, a Federal Inspection Commission. Somewhat similar

was the Vigilance Officers Scheme which we have known since the middle 1960s. Today we also have a Vigilance Commissioner for the Punjab under the Punjab Administrative Vigilance Commission Ordinance, 1979. Heads of all these teams and commissions have been higher bureaucrats, invariably drawn from the elite 'generalist' class, which derives its inspiration character and lineage from the elitist British Imperial Civil Service of the empire days. Not a dent has been made in maladministration or corruption in fact both have got worse.

Basically. Ombudsman is a one-man institution; in the present circumstances it will be very difficult, if not impossible, to find such a one-man to man the institution, who will found and develop it as the nation's watch-dog of the ordinary citizen's rights, who will have the courage, competence and power to blow the whistle on outdated systems and procedures, on a powerful higher bureaucracy wedded to the status quo; surely it cannot be a man from the same higher bureaucracy, which first of all itself needs change and reform. Instead, to start with, might it not be better to let each major department/ministry have a high-powered complaints commissioner from outside the executive, but having acquired some knowledge and insight into the working of that department/ministry. Why not immediately start with the Railways, the Police, the Telephone Department, the Transport Department, the major Municipal Corporations, - - - all directly close to the deepest concerns and conveniences of the citizens.

Another very valuable field of operation for the grievance-man is the newspaper, which someone described as 'the final watchman', especially when one recalls the Pentagon Papers, the Watergate exposures. One Urdu daily runs a regular feature on this aspect, and virtually plays the role of a 'Newspaper Ombudsman'. An English paper from Karachi (now closed) had started a regular complaints feature. The Muslim itself has been playing a useful role in this connection. It is for the Departments concerned to respond positively and generously, not to confine themselves to issuing 'contradictions' which only go to confirm the bad news.

A LITTLE CORRUPTION

As for corruption, what can an Ombudsman do when every department, every agency is supposed to be riddled with it. It may be much better and manageable to tackle the top few first, and to start with little things, such as misuse of transport and staff cars by the higher bureaucracy, the concocting of log-books, other 'minor' abuses. And no one should say, what harm, a little corruption, some even say it greases the wheels of progress and development. The ultimate answer to corruption is genuine Islamisation, when Capitalism, Materialism, Elitism, Greed and Profit Motive are eradicated and we move towards an egalitarian society where there are no really rich or really poor, and national wealth is equitably distributed, and national resources, including human, professional talent, are provided full opportunity to blossom and flower.

ISLAMIC TRADITION

As regards the Islamic tradition in the handling of people's complaints and grievances, there was the special branch of justice, *Mazalim* Courts, which dealt with the infringement of the rights of citizens by public servants. This was distinct from the other two major branches of justice, - - - *Diwan-ul-Qazi* for ordinary crimes and *Saysat* for political crimes against the state. The practice of *Mazalim* Courts was not institutionalised until Hazrat Ali's tenure of office.One may quote here from his well-known directive to Malik-e-Asntar, Governor of Egypt:

"Out of your hours of work, fix a time for complaints and for those who want to approach you with their grievances.For this purpose you must arrange public audience for them, and during this audience, for the sake of God, treat them with kindness, courtesy, and respect. Do not let your army and police be in the audience hall at such a time so that those who have grievances against your government may speak to you freely, unreservedly and without fear. All this is a necessary factor of your rule because I have often heard the Prophet (mpbuh) saying: 'that nation or government cannot achieve salvation where the rights the depressed, destitutes and suppressed are not guarded, and where mighty and powerful persons are not forced to accede to these rights.

You must take care not to cut youself off from the public. Do not place a prestige curtain, between you and those over whom you rule. Such pretensions and show of pomp and pride are in reality manifestation of an inferiority complex and vanity. The result of such an attitude is that you remain ignorant of the conditions of your subjects and actual causes of incidents happening in the State."(Nahj-ul-Balagha)

[13 Apr 82 p 4]

[Article by Aziz Beg]

[Text] Now that the Ombudsman Order has been adopted by the Majlis-e-Shoora. the people are anxious to greet the official appointed to investigate individuals' complaints against public authorities. The Legal Analysis and Research Forum a non-political body of senior lawyers, has sent findings of its study on Ombudsman to the Chairman Majlis-i Shoora, the Chief Justice of Pakistan and the Federal Law Minister claiming that it (Ombudsman) was not the remedy for corruption and malpractices.

All these years we have been hearing of commissions and committees to enquire into matters as diverse as Liaquat's assassination and freighter crash, food crisis and failure at Tarbela; but our rulers never thought of an enquiry commission manned by Supreme Court Judges, to conduct a probe into corruption which has permeated all departments of our national life. And, whenever we learnt that an anti-corruption crusade is about to be launched, all we had to read in newspapers was that the peon of a tehsildar had been fined rupees five, a panwalla had been hauled up for charging ten paisa extra for a packet of cirgarettes, and a patwari in Jaranwala had been suspended. What we really needed was a high-powered judicial commission to report on such cases where public figures - Governors, Ministers party leaders - - were found guilty of: (a) weakening the political and economic foundations of Pakistan in the discharge of their duties as public dignitaries; (b) Overt acts of commission which could only be committed by those who misuse their positions of power.

More specifically, what we needed was some sort of a permanent committee for the prevention of such activities. dealing largely with the conduct of public men. Firstly, its deliberations should have been confined to cases of indiscretion - - like wasting public money, unwittingly giving out State secrets, misbehaving towards members of the public etc., In private life, one is immediately penalised for such acts by the inexorable forces of society and economic competition. But, in public life, the guilty are often able to save their skins with the help of their official or political position. In the second category of public offences come those who accept bribes, secure allotments or demand a share in business deals because they happen to cocupy a position of authority and patronage. Again, in private life, such cases hardly go undetected or unpunished because the aggrieved party enjoys the protection of law courts. But in public life, many cases of corruption are scarcely reported and seldom taken up for enquiry because the guilty happen to be in possession of power - - the power that gave them a chance to be corrupt is the power they misuse for their protection and safety.

When PRODA (Public and Representative Offices Disqualification Act) began its 'abnormal operations' in 1949, it did not add a new word to the language or a new institution to the machinery of government but a new chapter to the biographical anthology of politicians. It was an Act ' to provide for the debarring from public life for a suitable period of persons judicially found guilty of misconduct in any public office or representative capacity or in any matter relating thereto". The politicians, ministers and other public leaders were so scared that they called it "a form of impeachment", a coercive measure and a potent weapon which could be misused. Thus, PRODA was repealed, "because the Assembly thought it had been misused". Thus, an instrument designed to combat corruption at the highest level fell a prey to corruption - - it agreed to be misused. But, meanwhile, PRODA had almost acquired the personality of a Public Prosecutor and moral censor. Public opinion in the country was strongly arrayed against its abrogation. Mr. Proda was found guilty and dismissed. It will be recalled that this honourable gentleman was appointed soon after the birth of Pakistan to catch the corrupt among the high public dignitaries but since there appeared to be a general premium on corruption, he was over-powered and soon lay prostrate, licking the sacred dust of Pakistan. *He was commissioned by the Quaid-i-Azam to create a nation of gentlemen*, but our gentlemen thought that he was a Frankenstein created to destroy them. Many say that he was one of the finest gentlemen Pakistan has so far produced: he was loved by the lowliest and feared by the highest in the land. But restrictions were imposed on the public activities of Mr. Proda and he was deprived of some of his dictatorial powers but, strangely enough, even his emaciated form seemed to strike terror into the hearts of our politicians. The charges against him were grave enough. It was said that Mr. Proda was not only an alien but is not even a denizen of this world because there is no gentleman like him in any country. Must we say that he was supposed to deal with gentlemen the like of whom we don't find anywhere in the world. The second charge against Mr. Proda was that he always chose to hang over the Ministers' heads like the proverbial sword of Damocles and thus demoralised our "patriotic politicians'. In other words, he was guilty of preventing and obstructing our leaders from performing their duties as public servants. But, if Mr. Proda represented the fear of public opinion, and our ministers were afraid of public opinion, why did they not leave public life and chose a more private profession. The third charge against Mr. Proda was that he easily allowed himself to be 'misused'. According to anti-Prodaists, it was quite a serious allegation because in a country like Pakistan where ministers are always in danger of being misused, the presence of a gentleman who lets his position be abused by others is highly prejudicial to public peace and stable government.

Having nervously watched the birth and demise of PRODA, one is constrained to say that nothing fails like failure. It remains to be seen what fate awaits Ombudsman.

CSO: 4220/601

CLARIFICATION ON QADIANIS

Karachi DAWN in English 21 Apr 82 p 3

[Text] ISLAMABAD, April 20: Federal Minister for Information and Broadcasting, Raja Mohammad Zafarul Haq declared here on Monday that Qadianis and Ahmadis were non-Muslims and continued to be non-Muslims.

Replying to a question by Qar Saeed-ur-Rehman, during the Question Hour, Raja Zafaru Haq, who is also Acting Law Minister, said there was no ambiguity in the constitutional status of the Qadianis, only certain people had tried to create doubts in this regard.

However, he said, "all doubts and misgivings regarding the constitutional status of Qadianis have been removed by the President's Order No. 8 of 1982, made on April 12, 1982. It has been declared and reaffirmed in the said Order that the inclusion in the first schedule to the Federal Laws (Revision and Declaration) Ordinance, 1981 (XXVII of 1981) of the Constitution (Second Amendment) Act, 1974 (XLIX of 1974), which incorporated the aforesaid amendments in the Constitution of the Islamic Republic of Pakistan, 1973, did not and shall not alter the position of persons of the Qadiani group or the Lahori group (who call themselves "Ahmadis") as non-Muslims, and they continue to be non-Muslims".

CSO: 4220/602

WIDE RANGING TRADE AGREEMENTS WITH IRAN SIGNED

Karachi BUSINESS RECORDER in English 21 Apr 82 p 1

[Text] ISLAMABAD, April 20: Pakistan and Iran will trade dollar 500 million worth of goods both ways, over the next 12 months, Ghulam Ishaq Khan, Minister for Finance and Commerce said here today.

He said the trade between the two countries could range between dollar 400 to 500 million. it means each country will be exporting around dollar 200 to 250 million goods in the next 12 months. This is part of a short-term agreement, which the two countries signed, during the minister's visit to Teheran from April 17 to 20. The minister made this statement on his return from Teheran.

The two countries have also made an agreement under which Pakistan will import 10,000 barrels of Iranian crude oil a day, or nearly half a million barrels over the next one year, at prices "advantageous to Pakistan".

Under the short-term trade agreement, Iran will import from Pakistan, several types of goods, including textiles, cotton and woollen yarn, cotton fibres, one-day old chicks, rice, iron and steel products, carbon black, other chemicals, fertilizer, sugar and fish-meal.

Pakistan's imports from Iran will include: crude oil, zinc, lead sulphur, saffron, raisins, oilseeds and medicinal herbs.

The agreement provides that Iran will purchase 100 million metres of textiles in the next 12 months.

The price of each item will be negotiated before a contract for purchase is signed.

The two countries also signed a five-year long term trade agreement, for which annual protocols will be signed before the start of the relevant years.

The long-term agreement replaces the existing agreement which was signed in 1975.

Payments Accord

The two countries have signed a one-year payments agreement to facilitate trade under the short-term agreement. It provides for settlement of accounts between the State Bank of Pakistan and the Bank Markazie Iran. Accounts for trade will be settled at the end of 30-day periods, and a final settlement at the end of 30-day periods.

A Pakistan-Iran committee will be formed to meet occasionally and oversee the flow of trade as well as promotion of economic cooperation.

Pakistan and Iran have also agreed to have a bilateral trucking arrangement under which trucks registered in one country and carrying goods from one country will be permitted to go upto their destination in the other country. Details of the arrangement will be finalised through normal diplomatic channels.

Under a memorandum of understanding to be signed between the two countries, the National Iranian Oil Company will rent rigs and other equipment to the Pakistan Oil and Gas Development Corporation for drilling exploratory and development wells.

The officials of the two countries have also agreed to an arrangement under which Pakistan Railways will undertake repair and maintenance work, including supply of spares, for the Iranian railway locomotives.

The two countries will collaborate in the field of shipping, ship repairs, and port operations, for which officials will work out necessary details.

CSO: 4220/602

ZIA FOR ENCOURAGING FOREIGN INVESTMENTS

Karachi DAWN in English 21 Apr 82 p 1

[Text]

LAHORE, April 20: President Zia-ul-Haq said here today that patronage to the private sector and foreign investment in Pakistan was the cornerstone of the economic policy of his Government. The private investors were at liberty to set up industries of their choice and the Government was willing to remove the procedural difficulties, he added.

In his address at the inaugural ceremony of the Imperial Chemical ndustries polyester staple fibre plant on the Sheikhupura Road, about 30 kilometres from here, Gen Zia said the Government was indebted to the entrepreneurs for taking interest in the development of the country. To restore their con. dence, which was damaged in the past he and his collagues had been devising ways and means to take multi-dimensional steps, he said.

During the tenure of his offics he said industrial projects worth Rs. 36 billion were sanctioned in the private sector though the majority of the same were not set up physically. By seeing these steps the policy of his Government towards the private sector could very well be determined, he pointed out.

Gen Zia said foreign investors would be treated equally as far as the sanctions of industries and other investment facilities were concerned. The policy of confrontation between the Government and the business and investors, which was adopted in the past, had now been replaced with an atmosphere of congenial understanding because the present regime wanted to pursue national develooment with the active participation of the entrepreneurs.

He, however, advised the entrepreneurs that the benefit of industrial development should also be shared by the people, who were the real users of consumer goods.

The Presid-nt expressed his con. dence that with the development of the private sector consumer items would be available at cheaper rates.

Gen Zia especially referred to the steps now being taken by the Ministry of Finance for the promotion of private sector and remarked that the Ministry, which was once considered a cold storage, had now started working in accordance with the desire of the majority.

Earlier, Mr J.R. Rahim, Chairman of ICI group of companies in Pakistan, presented his address of welcome.

APP adds: While inaugurating the IMT tractor plant set up in the private sector with the collaboration of Yugoslavia, President said that the agricultural policy of the Government was aimed at rapid development of agriculture on modern lines as an industry, not only to achieve food autarky but also produce surplus to meet the needs of the neighbouring and friendly countries.

The President said the Government was particularly encouraging the establisnment of industries which were designed to contribute towards the development of agriculture in the country.

He said the Government had sanctioned four tractor plants, two each in the public and private sectors. He said the IMT plant, which was completed in a record time of 10 months, was a living symbol of Pakistan-Yugoslavic cooperation and collaboration.

The President said it was a happy augury that the farmers were switching over to the use of inputs like modern agricultural equipment, fertiliser and insecticides. But, he added, the country could not afford all the time to depend on imports of all such things. It was a high time that efforts were made to set up industries of these things within the country, he stressed.

He said Pakistan had very close friendly relations with Yugoslavia. Both the countries stood for world peace and security as the members of the Non-Aligned Movement.

CSO: 4220/602

MAHBUBUL HAQ ON BUREAUCRATS AND THEIR HOLD ON ADMINISTRATION

Karachi MORNING NEWS in English 17 Apr 82 p 7

[Text] The Number of "22" seems to continue to haunt Pakistan. First there were the notorious and much maligned businessmen, '22' of them reportedly, who cast a spell on the socio-economic scene of Pakistan.

The battering the businessmen received following the loss of East Pakistan and the recession which followed in quick succession in the early seventies and a spate of nationalisation of several industries set the erstwhile industrialists reeling under their impact. Due to tight credit, creation and continuing role of public corporations in trade and industry and the bourgeoning costs of building their infrastructure and reports of maladministration the Pakistan businessman has not yet been able to extricate from his lilliputian stature to which he has been relegated. He has not found his newly defined role in the economic landscape as he finds no proper avenues to build his capital, invest or expand.

Now, however, Dr Mahbubul Haq has castigated the "22" Bureaucrats who, he believes, are truly entrenched and have created straight-jacket on the Pakistan economy. Dr Haq has declared that if the economy has to be set free as envisaged and planned, only the debureaucratisation of administration could lead to the necessary withdrawal of controls, restrictions and other constraints. So the "22" Bureaucrats are now under fire. We believe we can neither banish the businessman nor the bureaucrat from Pakistan. What should be done is to draw on the talent of the bureaucrats to plan and project the future course of economic revival and expansion and leave the actual implementation and execution of economic performance to the private sector.

A welcome and much anticipated step in this direction would be to denationalise most of banking, insurance, the PVC and soda ash plants, the vegetable ghee units and motor assembly and also allow private sector to compete in cotton and rice exports. If we do not follow a clear line of action immediately, we may have to find another set of scapegoats for the malfunction of our economy, provided they are "22" in number.

CSO: 4220/601

TOURISM PROMOTION CAMPAIGN LAUNCHED

Karachi MORNING NEWS in English 20 Apr 82 p 5

[Text] Begum Viquarunnisa Noon, Chairman, Pakistan Tourism Development Corporation has said a vigorous has been launched to promote tourism all over the country specially in Sind and Baluchistan.

She said that she visited the Lasbella and the Hub Dam for the first time and visualised bright prospects for providing the tourists with natural resort.

Begum Noon said the Department of Tourism has a plan to build small rest houses, and motels to provide facilities to tourists in this area.

About Gadani Beach. she said the encroachments was to be removed and the place closed to foreign tourists, will open shortly after the development projects is completed.

She said small projects would be helpful in running ongoing projects.

Referring to Baluchistan she said it was very rich in its cultural heritage which has to be exploited.

Similar plans are prepared for other areas of the country, she added.

About her recent visit to W. Berlin and Scandinavian countries, she said Pakistani books on culture would be put on sale there and many people were interested in knowing about Pakistan and its cul tural heritage.

Many exhibits of Pakistani artists and culture will be displayed and put on sale there This will help in cultural exchanges between countries and would also promote tourism in Pakistan.

CSO: 4220/601

ON FOOD NEEDS AND HIGHER YIELDS

Karachi DAWN in English 21 Apr 82 p 7

[Text]

IT IS estimated that Pakistan's annual food requirement will reach the 20-million-tonn mark by the year 2000. The country will be able to meet this requirement only if the food production goes up. The recent increase in agricultural production is reassuring but the rate of growth and the investment in agriculture are far from satisfactory. The contradictions in the Government's agricultural policy are not easy to explain. While agriculture is heavily subsidised, the growers are allowed high tax-free profits in the name of incentives. Thus, the bigger landholders contribute nothing out of their high incomes to the public investment in agriculture. Private investment does not claim an adequate share of these tax-free profits. Most big growers avoid the investment and the hard work needed to tackle the basic problem of low yields. Small farmers lack the necessary resources, and modern inputs remain out of their reach, interest-free loans notwithstanding. It is only a small class of commercially motivated modern farmers commanding operational units of from 50 to 100 acres which is achieving significant increases in productivity.

It is the low average productivity which still remains the bane of Pakistani agriculture. If the country is to acquire larger exportable surpluses of cash crops and if it is to supply the increasing need for food, it must develop a major trust towards raising the average yield per unit of cultivation. This cannot be achieved if the process of rising yields is confined to the lands cultivated by the new class of kulaks. These modern farmers command only a small part of the total cultivable land. What they achieve can contribute only marginally to an increase in the average yield per unit. This will rise only when the small farmer is enabled to produce more.

The potential of increased production exists as has been demonstrated by the Government's experimental farms. The yield on these farms is three times that of what a farmer usually achieves. According to the Pakistan Agricultural Research Council, the present yield of 16 to 17 maunds per acre can be increased to 70 maunds per acre. If we are to be self-sufficient in food in the foreseeable future, the present low yields must be increased at all costs. It will call for imaginative planning to bring about an appreciable increase in the currently static average yield per acre by stimulating production on the

millions of small farms. The right way to go about it will be a blend of indigenous research, extension and comprehensive community development, with emphasis on motivation, education and cooperation. We are a long way behind others in agricultural research. Only two Ph.Ds. in agriculture are produced in the country every year whereas just one agricultural university in India turns out 150 Ph.Ds. in agriculture every year. There are plans to set up an agricultural research system for fundamental, applied and adaptive research. But they have yet to see the light of day. Not only should more people be trained in higher research in various agricultural sciences, the results of their research and experiments must also be made available to those interested or involved in agriculture and the research findings must be ensured practical application. This is easier said than done. To a large extent, extension has proved a mechanical exercise so far. The response to it has been poor because of illiteracy and lack of motivation. Extension can prove rewarding only if it is visualised as part of a total effort to transform the life of the rural community. This calls for a massive investment. But perhaps more important, it calls for a field organisation which can establish close rapport with the rural people and organise them for a cooperative effort for improvement through self-help.

CSO: 4220/602

WORK OF RESEARCH BODIES CRITICIZED

Islamabad THE MUSLIM in English 18 Apr 82 p 4

[Text]

The Pakistan Council for Scientific and Industrial Research (PCSIR) has approved its Annual Development Plan for 1982-83. The allocation of Rs. 50 million for research in scientific and industrial fields by this premier research organisation shows that there will not be any enlargement of its vital activities next year as the budget allocation for the current year is also Rs. 50 million. This is disappointing in a country which has to allocate greater funds for scientific and industrial research so that it can produce better products cheaply and increase its export earnings.

The overall allocation for science and technology in Pakistan is very small compared to the need for the allocation of one per cent of its Gross National Product or even one per cent of its Federal Budget. The budget allocation of Rs. 3.4 million for the Ministry of Science and Technology, Rs. 69.9 for research organisations and Rs. 13.9 for science associations and other such organisations, making a total of Rs. 87.2 million in the current year is less than one fifth of one per cent of the current federal revenues. Similarly, the allocation of Rs. 81 million for promoting research from the capital budget is only a small fraction of the development outlay for the current year.

Dr. Abdus Salam, and other leading scientists have been voicing their disappointment on the small allocation for scientific research and pressing for larger funds for more extensive and intensive research. It is hoped that the next budget would provide for larger allocations so that research activities commensurate with the needs of the country could be undertaken. If that is not done, the brain drain in the area of scientists would continue, with industry starved of the benefit of valuable scientific research. Meanwhile the Government has to re-examine with the help of serious scientists how useful are the plethora of scientific organisations and associations functioning in the country using official funds. Are associations like the National Science Council of Pakistan, Pakistan Science Foundation, Appropriate Technology Organisation and National Institute of Electronics doing enough work? How many of them continue to be ceremonial organisations or institutions which exist without doing serious research? Is there much duplication of work by them or excessive concentration on elementary tasks? Is serious

research being done by these organisations or associations in the field of industry, technology, health, housing, or irrigation? Without such periodic reassessment the small funds allocated for scientific research may not be put to the best use. Even more relevant is the question: how much of the research work is really being utilised by industry and the economic sector as a whole? Judging by the results of the research work of PCSIR the volume is, indeed, very large. But industry in Pakistan is making very small use of it, and this is truly tragic. That happens as the industrialists are in a position to make large profits with their substandard products or reproduction of their old technology.

Clearly the industries are reluctant to accept innovation and change. As a result, the consumer has to pay high prices for poor products and Pakistan's exports suffer. The Pakistan Scientific and Technological Information Centre, with its budget of Rs. 1.88 million, is expected to make the benefit of the research work done by others available to the Industry. Is it doing its work well, and to what extent does it enjoy the co-operation of the industrialists? Much has to be done urgently now ranging from far more research and better utilisation of the results.

CSO: 4220/601

SERIOUS WORK SUGGESTED IN PROMOTING SCIENCE IN URDU

Karachi DAWN in English 21 Apr 82 p 7

[Text]

IT REMAINS to be seen whether the Government's decision to rename the Central Board for the Promotion of Urdu as the Board for Promotion of Science in Urdu will yield any positive results. It is obvious that the mere reshuffling and renaming of existing bodies which profess to be working for the promotion of Urdu will not change things materially. What is needed is a change in approach and some serious work by serious-minded people. There are several public and private voluntary organisations engaged in serving the cause of the national language, but it is by no means certain if they have, individually or cumulatively, made the kind of impact that was expected. It seems to have become standard practice to set up a new agency to carry out a task which could as well have been undertaken by an existing organisation. The newly established bodies often fail to accomplish much apart from providing sinecures for retired or redundant bureaucrats. Moreover, the proliferation of such organisations only leads to the duplication of functions which can be avoided with a little careful planning. Thus, soon after the Urdu Development Board had been established in Karachi in 1958, the Central Board for the Promotion of Urdu was set up, followed by the National Language Authority. All of these have been functioning independently of one another and there is no coordination among them.

Mercifully, a new body has not been set up to promote the cause of science in Urdu but the functions of an existing organisation are being redefined for the purpose. But even then it is quite obvious that duplication of activities is bound to follow, since a number of institutions are already working on the translation of technical terms — a function assigned to the newly reorganised Board. It will do well to concentrate on its task of removing "the existing deficiencies in Urdu, particularly in the fields of natural and social sciences as well as technologies in order that it can become the medium of instruction also at the higher levels of education". Perhaps no other "deficiency" is as pronounced as the dearth of standard textbooks in Urdu. Not that the authorities responsible for publishing textbooks are doing any better in English. But in the event of a complete change-

over to the national language, the students will be denied access to the quality publications available to them at present in English through the courtesy of foreign publishers. If the switch-over to Urdu is not to lead to an even further lowering of academic standards, attention will have to be paid to the quality of books being produced in Urdu. The Board's task will by no means be easy. It will be required not just to fill a few gaps here and a gap there but to fill the entire vacuum which exists in the field of textbooks at all levels.

Until arrangements can be made for the writing and compiling of works in Urdu, we will have to make do with the translation and adaptation of standard books in foreign languages. These could serve as models for our writers. But it should be clearly recognised, especially by the protagonists of Urdu, that a switch-over to the national language will prove rewarding only when textbooks of quality are available. A shift to the language the student can comprehend better will not bring about an improvement in the standards of education unless the students are provided with quality textbooks and reference works to study from. This would, obviously, call for concerted efforts, imagination, expertise, resources and plenty of good sense. Given the official backing it is receiving, the Board should find no difficulty in proceeding with the job of book production even before the mandatory change-over to Urdu takes place at the higher level of education.

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URDU BOARD RENAMED TO PROMOTE SCIENCE

Lahore THE PAKISTAN TIMES in English 17 Apr 82 p 10

[Text]

KARACHI, April 16: The Government has renamed the Central Board for the Promotion of Urdu as the "Board for Promotion of Science in Urdu", APP officially learnt.

The functions of the Board have been redefined as under:

— To remove the existing deficiencies in Urdu particularly in the field of natural and social sciences as well as in technologies in order that it can become the medium of instruction also at the higher levels of education.

— To prepare standard dictionaries of scientific and technical terms for use by all the individual and the institutions when translation of such books is attempted in Urdu or writing of original book is proposed to be undertaken.

— To coordinate the work of other organisations engaged in promoting scientific and technical knowledge in Urdu.

The Board will have a Director to be appointed by the Ministry of Education and also a Secretary/Administrative Officer to perform the administration duties as well as supervise the financial matters. His appointment will be made by the Governing Body.

The Minister of Education will be the Chairman of the Board, while a scholar of repute, to be appointed by the Federal Government, will be Board. The Committee will have the composition, functions and other terms and conditions determined by the Governing Body.

The existing officers and staff working in the service of the Board, whether on regular contractual or in honorary capacity shall continue to hold their respective positions on terms and conditions of service. The Board shall continue to work according to the rules of business already framed by it.

The funds of the Board shall comprise grants-in-aid received by it from the Government together with income of the Board through sale proceeds of its publications etc.

its Vice-Chairman. The members will include a representative of the Ministry of Education, University Grants Commission, National Language Authority, Chief Editor, Urdu Dictionery Board Karachi, two representatives of the professional organisations, working for the promotion of scientific knowledge in Urdu and two scholars to be appointed by the Government.

The Director of the Board will act as Member/Secretary of the Board.

The Board shall have an Executive Committee headed by the Vice-Chairman of the

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EFFORTS TO REVIVE AUTOMOTIVE INDUSTRY

Islamabad THE MUSLIM in English 20 Apr 82 p 4

[Article by Mohammad Ziauddin]

[Text]

ISLAMABAD – After an unsuccessful bid to prop up the local truck and tractor manufacturing industry in the mid-'70s, Pakistan is shifting its attention to the production of small cars in collaboration with Suzuki of Japan.

The Government approved recently a 580-million-rupee $60.2 million) proposal by Suzuki to produce three-cylinder, 797 CC four-stroke engines for cars, vans and pickup trucks which it hopes would be adequate to meet local market requirements.

The project has been entrusted to the state-owned Pakistan Automobile Corporation. However, PACO has decided to handle only 20-22 per cent of the in-house manufacturing component, leaving the bulk of the job to the private sector and other government entities.

Of the projected initial production of 25,000 units, 10,000 will be cars, 10,000 pickups, 2,500 vans and 2,500 four-by-four-trucks. The transport-manufacturing scheme will limit production growth to 10 per cent annually and a peak output of 55,000 units in the 10th year of the programme.

It is divided into six stages denoting the major thrusts of the programme. Under stage one, operation would consist mainly of assembly line jobs with the local content of the products, such as tyres and batteries, limited to 9.97 per cent. In the third stage, the cumulative local content of finished products would be raised to 50.17 per cent; and in the final stage, local contents would be 72.50 per cent.

Suzuki will put in 15 million rupees ($1.6 million) as equity capital, while PACO's initial equity of 26 million rupees ($2.7) million) will be increased to 120 million rupees ($12.4 million).

Besides its equity participation, Suzuki will also provide a long-term credit of 100 million rupees ($10.4 million) to help finance the project. Another 138 million rupees ($14.3 million) is being lined up for the project by the National Development Finance Corporation.

Until it gained its independence, Pakistan had no automotive industry to speak of. Assembly operations started furtively in 1958, but in 1972 the Government took over the assembly facilities.

The following year, the Government attempted a progressive manufacturing programme, but it flopped because of lack of demand, lack of local know-how and high production costs. In 1975, the Government decided to give greater priority to the truck and tractor production programme, but it, too, was a failure.

Officials behind the new venture with Suzuki claim that they have learned from the lessons of past failures. Studies have been made on the development of automotive industries in Japan and Western Europe in the early 1950s and in Brazil, Mexico, Spain Portugal, Yugoslavia, India and Korea in the '60s. Now authorities feel they have learned the secrets of the trade.

They have concluded that the success of the automotive industries of these countries arose from their decision to develop an entire "product mix" simultaneously. For instance, they argued that by going into simultaneous production of small vehicles which local customers wanted, the pace of development of bigger vehicles like trucks, tractors and heavy equipment

followed suit.

With this in mind, Pakistan will embark on a simultaneous production of trucks, cars, light commercial vehicles and tractors. Initial production, however, will not exceed 1,000 CC engines because of the high cost of fuel.

Pakistan had invited 18 foreign automobile manufacturers to develop the engine, but only three responded favourably. Suzuki was chosen over Renault and Citroen mainly because it offered the latest engine design.

Perfected in 1979, the Suzuki design is said to be good for at least 10 more years. On the other hand, Renault and Citroen proposed old models of cars and spare parts for local assembly.

Officials behind the project said the selling price of the Suzuki car would be around 47,620 rupees ($4,940). This amount is still beyond the reach of the middle-class Pakistani but a market survey showed that with a reasonable reduction of taxes on the product, local demand would keep production facilities running at full capacity throughout the year.

Already, officials claim that in its sixth year of operation, the car-manufacturing sector would employ 839 people and 1,031 in its 10th year. In addition, 2,900 more people will find jobs in related fields such as spare parts outlets and the raw material supply sector.

Despite the enthusiasm of the project supporters, many Pakistanis are worried that local demand would not sustain the industry's growth. Economists have warned that the projected annual growth rate of 10 per cent from a base production of 25,000 vehicles is uneconomical. They said that the small number of vehicles out of the assembly line would make it doubly difficult for Suzuki to keep prices down.

They added that even at 47,650 rupees ($4,943) per vehicle, it would be difficult to dispose a small inventory of 10,000 cars. India, which has a population almost five times more than that of Pakistan, has been producing only 30,000 cars a year although it has the capacity to manufacture 50,000 units.

On the other hand, if the production target is scaled down, the spare parts industry would be squeezed out of business because of lack of demand. Fears have also been expressed that if the Government were to ban importation of cars and spare parts, or impose prohibitive duties to discourage importation, the quality of locally manufactured vehicles would deteriorate.

However, supporters of the project argue that it should be viewed in the wider context of the nation's economy. They claim that the project would create ancillary industries that will benefit the country in the long run. *Depthnews Special*

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ANNUAL ENGINEERING OUTPUT SATISFACTORY; FUTURE LOOKS GOOD

Karachi DAWN in English 21 Apr 82 p 5

[Text]

Over 2,000 engineering units all over Pakistan are producing roughly 1,000 million dollars worth of engineering goods every year.

According to a study of Export Promotion Bureau, the total production value of engineering goods in the country was about 600 million dollars in 1976-77 and only 140 million dollars in 1966-67.

The study which has not taken into account the giant steel mills near Karachi reveals that engineering industry involves capital investment of 1,500 million dollars and provides employment to over 250,000 workers.

Giving the range of production of the national engineering industry in both public and private sector, the study mentions electrical and non-electrical machinery, transport equipment, metal manufacture excluding cutlery, non-ferrous metal foundries etc.

The production of non-electrical machinery in the country includes engines and turbines agriculture machinery, machine tools, pumps and compressors, textile, machinery and accessories.

Diesel engines of various types are being manufactured with production capacity of more than 40,000 engines every year. Pakistan has been exporting diesel engines to Afghanistan, Saudi Arabia, Iraq, Syria, Jordan, Dubai, South Yemen, Vietnam and South Korea.

According to the study, there are over 60 units mostly located in Punjab which are manufacturing a variety of agricultural implements.

There are 71 units including the Pakistan Machine-tool factory located near Karachi which are producing machine tools like lathes, shapers, power presses, grinders, polishers, drilling machines, milling machines and various other machines.

The study has identified 50 units which are producing all types of pumps and compressors apart from six other units which are engaged in manufacture of different types of boilers.

The study gives details of the sewing machines, road construction equipment including the heavy road-rollers, concrete mixers and printing presses. A variety of electrical machines like switchgears, motors, power generating sets, transformers, electric fans, wires and cables, telecommunication equipment, shipping equipment, various metal fabricated products and production of other items.

The picture which emerges from the study is that of a country with a strong engineering base well poised to take giant strides in the near future.

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MAHBUBUL HAQ ON ANNUAL DEVELOPMENT TARGETS

Karachi DAWN in English 21 Apr 82 p 8

[Text] Dr Mahbubul Haq, Deputy Chairman of the Planning Commission, said in Karachi on Tuesday that the 1982-83 Annual Development Plan would be ready for submission to the National Economic Council next month.

It would aim at achieving "decisive acceleration" in certain critical fields in both agriculture and industry and also the neglected social sector, particularly in the rural areas.

Among other things, it should strengthen the base for the Sixth Five-Year Plan which would be launched next year, he said at a Press conference.

He said he already had a series of consultations in Islamabad and Lahore and would go from here to Quetta and Peshawar to complete discussions with the provincial governments.

It would be premature to list specific goals or targets at this stage, he said, adding that a broad pattern was already taking shape and the overall strategy was emerging.

Stating that agricultural sector would earn the highest priority, he listed programmes of increasing fertiliser intake and other inputs like water, seeds, small farm technology etc. besides availability of "sizeable number" of small tractors, and revival of 1.5 million acres of land with zero to five feet water level.

In the industrial sector, Dr Mahbubul Haq said, it was envisaged to complete the Pakistan Steel project within the next 18 months and to price its products realistically so that the private sector manufacturing and capital goods industry grew fast and the stage was set for the second phase of the industrialisation.

It would also provide framework for maximum acceleration to the private sector in three critical areas viz finance, infrastructure, and reduction in control and proecdures.

Major acceleration in rural services would cover electricity and roads where the aim would be to ensure "quantitative jump," he said.

At present, 11,000 villages were electrified. The task was to cover 75 per cent of the remaining 34,000 villages during the Sixth Plan. It was in this context that the target for 1982-83 would be determined in consultation with the provincial governments, he said.

The present pace of farm-market road construction programme would have to be raised to three of four times.

In the social sector, programme of primary education would be increased from the present 2,000 schools a year to 20,000 in 1982-83, focus being not on buildings but on functional literacy.

Health care programmes would be improved through extended programme of polyimmunisation, oral rehydration, and trained midwife for every village.

Dr Mahbubul Haq also called on the Sind Governor, Lt-Gen S. M. Abbasi, and had detailed discussions with Sind officials.

He termed these consultations "extremely productive", and added that he was "highly impressed" by the programmes in various sectors and the innovative methods for the realisation of the goals.

He said Sind presented some "special features" like 47 per cent of the population living in urban areas; the gigantic problem of Kutchi Abadis, etc. "We are discussing the dimensions of these problems," he said, and added that the Planning Commission would "try very hard to back them up". The other major issues highlighted at the Press conference included:

--No national mineral policy yet; this would be covered in the Sixth Plan;

--The 1982-83 ADP targets would be achieved through reallocation of existing programmes and the additional resources;

--Need for broadening the tax base as well as rationalisation of tax structure;

--Tax ratio to national income 13 per cent compared to 23 per cent in comparable societies;

--Private consumption (85 per cent of GNP) highest and compares with 67 per cent elsewhere;

--Domestic savings six per cent of GNP and not enough to maintain existing capital;

--Scope wide open for economising on non-development budget;

--National planning should be through national debate and consensus;

--Public services need improvement, and for this users must contribute;

--Need for investment houses for overseas Pakistanis;

--Results of national income distribution survey to be out in a couple of months.

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GUDDU-JAMSHORO TRANSMISSION LINE WORK

Karachi DAWN in English 17 Apr 82 p 9

[Text]

LAHORE, April 16: With the completion of 578 tower foundations and erection of 205 tower structures on the Guddu-Larkana-Jamshoro Section of the 500 KV Faisalabad-Guddu-Jamshoro transmission line, about 47 per cent of the total 1,216 foundations have been concreted by April 12.

Out of these, 273 foundations, which include five pile foundations, have been concreted and 72 structures erected on the Guddu-Larkana Section, while concreting of 305 foundations and erection of 133 towers have been carried out on Larkana-Jamshoro Section.

The work on construction of 439 kilometers long Guddu-Jamshoro Section which is the last leg of 1,221 kilometers long 50 KV Faisalabad-Guddu-Jamshoro transmission line is in full swing and is scheduled to be completed by June, 1983.

Completion and energisation of this last leg of the 500 KV transmission line project will render it possible to make full use of ultimate enormous power potential of 35.0 megawatt at Tarbela hydel power station and to reduce heavy transmission losses at lower voltage.

Its energisation will also help in overcoming power shortage and voltage problems in the southern region, particularly Karachi with the transmission of bulk of Tarbela's power to this area.

Other sections of this biggest transmission line of the country which is second biggest in Asia after Japan comprising 330 kilometers long Tarbela-Faisalabad and 519 kilometers long Faisalabad-Multan-Guddu had already been completed and are in operation.

The foreign exchange cost of this project is being met through a Kuwait fund loan of 13 million Kuwaiti dinars.-

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CHEMICAL WARFARE SEEN AS PROPAGANDA ISSUE

Bangkok SIAM RAT SAPPADA WICHAN in Thai 25 Apr 82 p 16

[Article: "Poisonous Chemicals: an Undeclared War"]

[Text] The United States and the Soviet Union have been carrying on an undeclared war in several spheres and one sphere that has involved Thailand is the use of poisonous chemicals. It appears that when the government of the United States sent a group of biochemical warfare experts to do battle over this issue, the Soviet Union disseminated information that it was in fact the United States that was using chemicals.

A Pandora's Box

The task of this group of biochemical warfare experts was to travel around the world "in order to gather evidence and gain the attention of the people of the world" so that they would oppose the Soviet Union's use of chemicals in Afganistan, Kampuchea and Laos. They told the Thai mass media that they had "irrefutable evidence" that the Soviet Union had opened the "Pandora's box" of the present era through the use of chemicals.

This group of experts, composed of eight members, was led by Garry Crocker, an official from the U.S. State Department. He said that they would try to collect additional evidence by checking blood and skin tissue samples, collecting water and foliage samples and so on.

This work group travelled to the Thai-Lao, Thai-Kampuchean and Pakistan-Afkanistan border areas. Both Thailand and Pakistan willingly cooperated in this [attempt] to gather proof.

The Irrefutable Evidence

The latest report that was issued by the United States in March charged that the Soviet Union had brought in and used poisonous chemicals in Afganistan and that it had sent chemiclas to Laos and Kampuchea and was providing advice on their use.

Concerning these chemicals, the United States has claimed that these chemicals include chemicals that destroy the nervous system, chemicals that spread diseases

and so on. The report, gathered from refugees, also mentioned yellow rain, which has been greatly discussed since the struggle by the U.S. secretary of state.

"The irrefutable evidence is the testimony of the victims of these chemicals," said Crocker.

There has been a report that U.S. embassy officials in Thailand began interviewing Lao refugees in 1976 but that they only revealed this matter in the middle of 1980. However, they have not succeeded in turning world opinion against the Soviet Union as much as they should have.

One important reason for this is that this so-called irrefutable evidence is not at all firm. For example, the United States does not have any photographs of the dead or of the chemicals.

Besides this, the U.S. government itself announced that in fiscal year 1983, the United States would spend $705 million to produce and develop biochemical weapons.

In the absence of such evidence, the U.S. experts have said that it is difficult to get the bodies of the victims out of Laos. This has led to a dispute. That is, if this is the case, why haven't they tried to do the same thing in the case of Kampuchea, where there is fighting near the Thai border and where they can obtain evidence or bodies.

In response to this, the experts have stated that little is known about some of these chemicals, it is difficult to learn about them and it is difficult to collect [samples] for analysis.

The confirmation of the experts that is said to be irrefutable evidence is still the testimony of the refugees.

The Poison Users

The Soviet Union claims that besides stirring up trouble by saying that the Soviet Union is using poisonous chemicals, it is the United States that is using chemicals.

In the 15 April 1982, Vol 34, issued of SOVIET NEWS, the article entitled "The Poison Users," which was written by M. Rostachook, a reporter for ISVESTIA, charged that the teachers and students at a girls' school in Kabul were victims of poisonous substances that the Afganistan rebels had obtained from the United States and used in their fight against the government forces.

"They admit that they received training at a camp in Pakistan concerning the use of chemical weapons that were made in the United States," stated Rostachook. "The real facts show that the Afganistan rebels have chemical weapons from the United States in their possession."

In SOVIET NEWS, Vol 33, Alexander Ikanatoff mentioned the fact that American Vietnam war veterans, some only 33 years old, had come down with red spots all over their bodies and they walked with a limp because of having come in contact with Agent Orange when loading it onto the helicopters to spray the jungles in Vietnam.

In this issue, it was claimed that many American soldiers died from liver cancer after having come in contact with Agent Orange, a defoliant.

In news reports, the names of several companies that produced Agent Orange have been mentioned, including the Dow Chemical and Hercil companies.

To Thailand

The propaganda war between the United States and the soviet Union will probably continue for a long time, particularly in the situation in which neither side has clear proof. The important problem that has arisen now is that on Songkran Day, Hanoi Radio, citing an official Phnom Penh newspaper report, reported that the United States had given chemical weapons to Thailand and Pakistan.

Concerning this charge against Thailand, in the end this will be linked to the charge that those opposing the Phnom Penh government are using poisonous substances and that they were trained in Thailand, the same charges that have been made against Pakistan.

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CONDITIONS SURROUNDING 4TH CPT PARTY CONGRESS ANALYZED

Bangkok SIAM MAI in Thai 24 Apr 82 pp 12-18

[Article: "The 4th Congress of the Communist Party of Thailand, the Red Flag Changes Direction"]

[Text] The fourth nation-wide congress of the Communist Party of Thailand is of greater significance to the CPT than any of the past internal or external struggles. Many sides believe that the atmosphere of this congress will be marked by an intense and ferocious ideological struggle.

They will encounter the problem of internal conflicts, conflicts that have existed for more than 20 years since the Third Party Congress that was held in 1961. There are conflicts concerning theory and directions and over disputes concerning the international problems that have shaken the world communist movement.

As for outside the CPT, this Fourth Party Congress will have great effects and even the Thai government will have to attach great significance to this.

A document prepared by the chief of staff of the Second Army Area that analyzed the recent movements of the communists states that the "state must use every way possible to prevent the CPT from holding its Fourth Party Congress."

However, admidst the efforts to start a war to harass and put great pressure on the CPT throughout the country, including the operations in the south, the north and the northeast at the beginning of 1982, reports have leaked out that the CPT has been able to free itself from the clutches of the government and hold its Fourth Party Congress. Some reports have stated that there is a new leader of the CPT while other reports have stated that this congress has hastened the split within the CPT. None of the reports are really clear.

The Events Leading Up to the Fourth Party Congress

1. A Second Army Area document analyzed the movements [leading up to] the Fourth Party Congress. The important contents are:

"Another thing that cannot be overlooked is the jealous guarding of power within the party. This congress is being held not only to solve the problems concerning theory, strategy and tactics but also the leadership problems of the party. This refers to the election of a new central committee and new committees at the various echelons. Those who presently hold various echelon positions and have party administrative roles may lose their power and positions in the clean up to solve the problems and rectify the mistakes in the party. For this reason, the present leadership center must try to have the congress postponed."

But at the same time, the same document said that "in the CPT's present survival conditions, it is believed that the CPT will try to exert pressure in every way possible to hold the Fourth Party Congress in order to clear up the many problems in the party.

"If the congress is held in the near future, the most ferocious internal struggle in the history of the CPT will take place between the progressive thinkers and the conservatives in the party. Only by holding the Fourth Party Congress will the CPT be able to solve the internal problems and free itself from the conservatism that has dominated the party and solve the basic problems concerning revolutionary theory."

2. Actually, looking at the past activities and movements of the CPT, it can be seen that it is the objective conditions that have made it necessary to hold the Fourth Party Congress, such conditions including the crisis in the international communist movement, the leadership crisis within the party, the conflict between the party and the intellectuals and the government's attitude and policy toward the CPT.

But actually, looking more deeply, it can be seen that the main thing that has really exerted pressure on them to hold the Fourth Party Congress is the conflict within the party, a conflict that has existed for more than 10 years now since the Third Party Congress. The Thai communist movement has experienced many important conflicts in the party during this period. This can be seen from the following cases:

2.1. There was the movement by the upper northeast zone, which was the spearhead in proposing that the party change its combat strategy to two united fronts and three strategic zones. It is believed that this idea was first proposed in the period 1974-1975.

The communists in the upper northeast zone are the people that have carried on a widespread movement within the party since most of the people in this zone have taken part in movements in other regions. General acknowledgement of the problems is thus a special characteristic of this zone.

Besides this, in 1980, government officials who carried on operations in accord with the "chai chana" operation in Dong Luang Subdistrict, Nakhon Phanom Province, were able to seize documents concerning the proposal to have three strategic zones and they stated that:

"From existing intelligence sources, it appears that these documents were produced by the leadership center of the upper northeastern zone, which has set up its base in Phu Phan. Many news sources, who are students, have given similar reports saying that the person who has played an important role in exerting pressure to put this strategy into effect is Mr Lieng Phiromnam, the number three person in the upper northeastern committee after Mr Prachuap Ruongrat and Mr Chawalit Thapkhwa. This is because Mr Lieng is the most progressive thinker in the committee. Actually, this idea did not originate from the desires of any one person. Rather, it originated from pressures outside and within the CPT."

Thus, the upper northeastern zone's movement to revise the strategy and tacticis is part of the internal conflict that has been going on for more than 10 years.

2.2. The conflict in the zone where three provinces (Phetchabun, Loei and Phitsanulok) converge:

The document "Party History" that was seized during an attack on a TPLAF camp in the south mentioned the conflict between the party's leadership center and the tri-provincial secure base zone. It stated that the conflict that had arisen between the leadership center and this zone is a very important conflict.

The tri-provincial border zone, which was made into a secure base, caused trouble for the party's leadership center in 1968. This group was criticized for being highly individualistic and not subordinating itslef to the center. This happened because the tri-provincial secure zone implemented a policy containing many independent aspects. It did not subordinate itself directly to the leadership center and acted freely under the name "The Tri-Provincial Zone."

Besides this, this zone was able to increase its importance by very strong military means, and it withstood the important suppression operations of government officials. Its fame spread widely. Concerning the fact that the tri-provincial zone carried on an independent policy during that period, even though this greatly jolted the party's leadership center, the conflict did not become so severe that there was a break. After more than a year of trying to resolve the conflict, some of the problems were finally resolved.

But this does not mean that the root of the problem was completely eliminated. This conflict between the tri-provincial zone and the leadership center reflected the conflicts within the communist party that had been piling up continually.

2.3. The ideological conflicts in the cities:

In the period prior to 1976, some of the things that were done made it clear that ideological conflicts had arisen among those in the cities who supported the communist ideology. Such conflicts appeared concerning both theory and practice. There were conflicts between the communists operating in the cities and also between those operating in the cities and those operating in the

jungle-mountain zones. These conflicts led to several responses on the theoretical front and various things showing a lack of unity appeared.

These examples show that the Fourth Party Congress of the CPT is being held mainly because of the fact that more and more internal problems have arisen. The objective conditions that have arisen during the past 4-5 years have only served to arouse people to hasten preparations for the congress.

The Movements In the Fourth Party Congress

3. The document [prepared] by the Second Army Area states that "it can be said that within the CPT there has continually existed two conflicting forms, that is, the conservative form and the progressive form. But for various reasons, the conservative ideology has clearly played the dominate ideological role in the party ever since the Third Party Congress, which was held 20 years ago in 1961. No congress was held during this period. The problems in the CPT have piled up to the point where they will be difficult to solve since they have piled up throughout the system."

Besides this, when the document of the Second Army Area was cited above, it was mentioned that "this struggle between the progressives and the conservatives in the party will be the most ferocious struggle in the party's history."

4. There will certainly be a clash during the Fourth Party Congress between the conservative and the progressive groups in the party. But one interesting thing that may conflict with the analysis by the Second Army Area is that the Second Army Area feels that this congress "will probably not be able to resolve the conflicts at the basic level. The past method used to solve the problems was to slight and put aside the various problems. Thus, the problems will continue to pile up."

But in fact, if we look at what has happened in the party, we can see that, during the past 20 years since the Third Party Congress, the progressive group in the CPT has not been a small group and it has not been totally dominated by the conservative group.

Many things that have happened show rather clearly that the progressive group in the CPT has continually expanded during this period. It has begun to show that it has real power and that it too is an important power that can exert pressure to change the basic problems.

Besides this, the basic conflicts that have arisen did not arise just during the Fourth Party Congress or in the period immediately preceding the congress. In reality, these conflicts have been developing continually. They have affected high-ranking CPT leaders throughout the party and have even resulted in some changes being made prior to the Fourth Party Congress. Thus, the CPT has a great opportunity to solve the basic problems during this congress. This can be seen from the following examples:

4.1. Concerning the movement of the upper northeastern zone [to solve] the basic problems concerning military management, a movement that began in 1974-1975, it was proposed in 1978 that the secure bases be done away with. The reason given was that establishing secure bases that were not genuine would create problems rather than bring good results for the various zones during the period 1978-1980 when the government carried on strong suppression operations and destroyed several of the CPT's secure bases, including Phu Phan. This resulted in the movement to solve these problems becoming even more important.

Concerning the revision of some elements of the strategy, the document of the Second Army Area stated that the "change to the three-zones strategy will go into effect when it is approved by resolution at the party congress, or it must at least be approved by the highest leadership center before being put into use. But at present, there is no evidence that this has happened yet.

"However, it is worth noting that in some areas in the upper northeastern zone, such as [in the zone] of the Khon Kaen provincial committee (Zone 666), this strategy has already been put into effect."

Concerning solving the basic problems, based on the real situation throughout the party, it should be noted that there should be several developments in the movement to propose solving the basic problems at this congress.

4.2. The movement in the southern zone reflects activities that show how the problems are being solved in the CPT. That is, the CPT in the south has continually carried on a policy of "self-reliance." The situation in the area has made it necessary for the various movements of the CPT in this zone to have special characteristics that are in accord with the movement to solve the basic problems throughout the party.

The southern CPT has a prominent feature militarily. It has a broad military movement and automatically uses the three zones strategy in fighting the government officials. Besides this, since 1976, large numbers of intellectuals who fled into the junble have gone to this zone. This has led to the first ideological conflict between the intellectuals and the CPT and exerted great pressure to have a movement to improve things and make changes in this zone.

4.3. The conflicts in the united front (A 30) are important conflicts and it is likely that these have exerted pressure on this congress to change and improve several elements in the basic policy [that was implemented] in 1977.

Besides the fact that these conflicts have exerted pressure on the high-ranking party leaders who have relations with this united front to consider making changes and improving various aspects of the policy, the important intellectuals in the united front who are cooperating with the CPT are an element that will exert pressure for a major change. Examples are the ideological movements of Thirayut Bunmi, who once proposed that the united front banner be raised high.

4.4. The activities of the various communist united front movements in the cities during the past 4-5 years are one thing that show that efforts are being made because of the pressure to solve the problems in a comprehensive manner. The new thinking toward the communist movement seems to have generated much response.

These examples are data that show that the Fourth Party Congress will almost surely make major changes in the basic policy and change some of the details. It can be observed that the past conflicts in the CPT show the problems that have begun to pile up and lead to a movement and they show the saturation point in solving the problems.

The problems in the CPT are real. The effects of these problems have been felt throughout the party or throughout the country. High-ranking party leaders have been hit with countless problems. Besides this, there have been important movements by CPT leaders that show an attitude of accepting the rules of the changes in the party.

Some people have said that the fact that the progressive group in the party is exerting pressure to have the Fourth Party Congress make changes may result in the "party splitting into two factions." But actually, looking at the essence of the problems, it can be seen that both the progressive and the conservative groups in the party agree on the same strategy. Thus, the expectation that this will cause a split is probably far from the truth.

Changes At the Fourth Party Congress

5. It is believed that several important changes in the CPT will emerge from this congress. For example:

5.1. The united front strategy will be changed. Previously, several actions showed that there have been appeals for the CPT to change the united front strategy. There have been calls to raise the united front banner or attach greater importance to the role of the cities, in accord with the three zones strategy, so that [this zone] is equal in importance to the jungle and plains [zones].

It is believed that this willingness to make changes concerning the united front stems form the CPT's efforts to coordinate things and cooperate with the united front on a basis of equality rather than setting up a bogus united front or forcing the united front to be subordinate to the CPT as was done in the past.

5.2. Concerning changes in personnel in the party, it is worth noting that, during the past 2 years, in the lower echelons of the CPT -- that is, from the provincial committee echelon on down -- important echelons for the various zones throughout the party, many changes in personnel have been made in every zone. The younger people, or progressives, in the party have become very influential from the provincial committee level on down.

This shows that these forces probably form a strong pressure group. Besides causing some policy changes in the CPT, they can also join together to have some of the high-ranking people in the party removed. Along with the policy changes made at the Fourth Party Congress, more and more leaders who have new ideas will probably be able to create a role [for themselves] and step into high-level positions in the CPT.

The important people who are expected to continue playing a role include Thong Chaemsiri, Udom Sisuwan, Nit Phongdapphet, Sak Suphakasaem, Vibun Chenchaiwat, Uthai Thiembunloet, Prasit Taphienthong, Kanok Bunyodom, Phrom Thongphithak, Prasit Thienkhiri, Bai Sukchai, Suraphan Sutrong, Lieng Phiromnam and Weng Tochirakan.

These are the people who have acted as the representatives of the progressives in the party or who have agreed with the movements of the progressives.

5.3. Concerning the military problem, it is expected that this is one thing concerning which policy changes will be made at this congress. That is, there were previously many movements to change the thinking about solving the military problem, especially concerning establishing secure bases.

In one period, the CPT rushed to establish secure bases and to expand these bases. But later on, these bases became a liability during the combat operations of the CPT. Government officials were able to make use of the CPT having weak bases to break through and attack the CPT in several zones and this weakened the CPT quickly. Based on the combat reports that have been gathered and the military tactics used in the past period, it is believed that the CPT is trying to make changes by greatly reducing the number of secure bases.

Besides the problems concerning a lack of war materials, the active movements of the military forces in this period are of great importance to the CPT as it adjusts the fighting in accord with the military plans of the government, which is relying on putting constant pressure on the secure bases of the CPT in the jungle-mountain zone.

It is believed that the CPT will review the special characteristics of guerrilla warfare in accord with the principle of "disseminating the forces and bringing together the force centers," a cornerstone in resolving the military problem. Once again, violent combat operations against government officials will decline. Instead, there will be scattered attacks and the large force centers will be brought together in order to make major attacks now and then.

5.4. Concerning the international problems, Second Army Area documents state that the "conflict between China and Vietnam put the CPT in a very uncertain position and later led to a break with Vietnam and Laos." And, "China has forced the CPT to clearly choose sides. It can no longer 'straddle both sides of the fence' on policy. And it is certain that the CPT has chosen to follow China."

Actually, looking at the CPT's situation with regard to China, it can be seen that the CPT probably is "hesitant" about China's attitude, concerning both the dispute with Vietnam and China's policy of cooperating with the United States and strengthening relations with the Thai government in the hope of opposing the Soviet Union in this region.

Because of the fact that China is probably exerting much pressure on the CPT through both its aid and the close relationship that was forged between the Thai and Chinese parties in the beginning, it is believed that, concerning these international problems, the CPT will certainly try to exert pressure to keep the international problems from becoming basic problems in the conflict.

But concerning various activities, it is believed that the universal view of the CPT is one of gaining continually greater freedom. This has been observable since 1976-1977. A CPT document sent to those operating in the various regions asked them to study the international problems carefully. In 1979, a mimeographed document from the Voice of the People of Thailand News Agency stated that the lessons from the Nicaraguan revolution were worth studying and that the methods used had been able to hit the targets in the Nicaraguan revolution.

In 1981, a mimeographed document signed by the party spokesmen of the CPT stated that the struggle of the Polish mass organization against the communist party was strict in combining centers. And a report from an internal news source later stated that the CPT's Voice of the People of Thailand radio station was not moved out of China because of any pressure from China. This was done voluntarily by the CPT to show its dissatisfaction with China's foreign policy of strengthening relations with the United States and the Thai government.

Based on the data and this analysis, it is believed that the Fourth Party Congress of the CPT has already been held. And it is believed that there will be major changes and improvements within the CPT.

An important problem that must be understood is that the government will have to bear a great burden resulting from this. This can be seen from the sense of urgency of officials in the Second Army Area who have stated that "during this period, the state must do everything possible to keep the CPT from coordinating things with the united front. The state must do everything possible to prevent the CPT from holding its Fourth Party Congress. These are preventive measures."

But while this cannot be prevented now and changes have now been made within the CPT, the proposal submitted to the Prem government by the Second Army Area is still an interesting summary and there is great agreement when it says:

"The only way to solve the present problems in Thai society is to carry out a democratic revolution. Basically, the opportunity to carry out a democratic revolution in this limited period lies mainly with the government of General Prem and next with the CPT. The side that proposes and implements a democratic revolution first will be the side that receives the support of the majority of the people. This is the problem that the present government must review." 11943 CSO:4207/90

PROTEST LEADER DISCUSSES STUDENT MOVEMENT

Bangkok SIAM RAT SAPPADA WICHAN in Thai 11 Apr 82 pp 46, 47

[Interview with Saowani Limmanon at the Cite Universitaire Foreign Students' Dormitory, University of France, Paris; date not specified]

[Text] [Question] There has not been any news about you for a long time.

[Answer] I left in 1965 [sic] to go study.

[Question] There are still many matters that have not been cleared up about the events of 14 October, aren't there?

[Answer] Yes. There are still many things. I am still unclear about many things.

[Question] What about the split between Thirayut Bunmi and Seksan Prasoetkun?

[Answer] At that time, I was working with Seksan all the time. When word leaked out from Khao Din, I heard only fragments. Those working there had to tell me what had happened.

[Question] How did you feel?

[Answer] Sorry. Very sorry. We had worked hard together for days.

[Question[After that happened, wasn't there an attempt to patch thigns up?

[Answer] I heard that they met and patched things up.

[Question] Really, how could this have happened?

[Answer] I don't know. I really don't.

[Question] How could you not know? You were one of a small number of leaders at that time.

[Answer] Frankly, at that time I was just a good follower. Not extgremely good but good. When a policy was made, I tried to act accordingly as well as I could.

[Question] During conferences, you didn't know what plans were being made? For example, didn't you know how the movement was to be carried on? What the demands were? Where things were headed?

[Answer] As for the formation of the movement, I had no knowledge about this. I carried out my duties on the rostrum. As for the demands, they told us what the policy was.

At that time. we knew that we wanted to get the 13 people out. Then, we demanded a constitution within 6 months. After that, we weren't sure what we wanted.

I used to hear that this and that person and this and that group had formed the movement. I believed what I heard.

[Question] Why were you so willing to believe what you heard?

[Answer] Those who talked about this or who said that it was Seksan who had formed the movement were all smart people. They were really intelligent. How could I doubt them?

[Question] What about the charges that the movement was being used by the communist party?

[Answer] I do not know about this. I cannot say anything because I don't know anything about this. I was always on the rostrum. My only duty was to give speeches.

[Question] Didn't you think about things while you were on stage?

[Answer] No. Never. I was really a follower. Once, Toi (Thirayut Bunmi) even told me to "think for yourself sometimes."

[Question] When?

[Answer] When we were in the People for Democracy group.

[Question] The birth of the People for Democracy and the fact that you joined the People for Democracy shows that the student leaders had split into at least two groups and that they were confronting each other. You sided with Thirayut, didn't you?

[Answer] I worked with both of them. I worked with Seksan and with Toi. There were no problems becasue I was a good follower.

[Question] After licking your wounds for so many years, can you now say why the student movement fell apart?

[Answer] Yes. One reason is that the other side was always able to recover in a short period of time. We forgot about this. Another thing is that....

Actually, we made mistakes too. What should I say.....

I made mistakes too. I blamed others a lot. But when it came to me, they called me a hero. I made mistakes too. I admit this. But really, there were large numbers of young heroes who worked much harder than I did and they never became well known. These were the real heroes. An example is when we went to spread democracy in the rural areas. We had blamed others, saying that they did this and that. But when we went out, we behaved even worse than those we had blamed.

Another mistake that we made was thinking that all government officials were bad. This was not true. We made the mistake of not bringing in the good officials and forming a united front. We were really wrong.

[Question] And you encountered things you could not control, didn't you?

[Answer] It is the same throughout the world. Give me one example where this is not true.

[Question] And what about the call to have these three people [Thanom, Praphat and Narong] leave?

[Answer] At that time, we did not think that we would achieve that much. But there were people who felt that since we had gone this far, we should grab everything possible. They thought like this.

Some felt that if these three were gotten rid of, others even worse would take their place.

[Question] You never thought about Professor Sanya?

[Answer] No. Never.

[Question] And what about the 6 October affair?

[Answer] I was not there. But frankly, if I had been there, I probably would have died.

[Question] You didn't think of fleeing into the jungle or doing something similar?

[Answer] Oh! Where could I have gone? Running away would not have been right. I probably would have died there.

[Question] The last time you visited home was when Thirayut left the jungle and made preparations to travel to the Hague.

[Answer] We met. We just asked about each other's ups and downs like friends who have not met for a long time.

[Question] What are your views on the CPT?

[Answer] I saw and experienced much more than when I was in the city. This was when I was with the Poeple for Democracy group. It is difficult to say....

They constantly said that this was a people's political party and that we were the people. We were each doing things in our own way. They gained from everything that we did. We were deeply hurt by the lies of the government side. But the party that claimed that it was a party of the people lied to the people too. The people were decieved by both sides. And so whom could we turn to to rely on?

Please be sincere (cries).

They gained a lot from us. Couldn't we ask for a little honesty?

If they had been honest with us, they could have gained much more. We were certainly very young. We may have been somewhat impatient. But we could have waited if they had shown a little sincerity. We could have waited 10 or 20 years.

This matter is like a house that has been infested by weevils and termites. What I am trying to say is that the weevils ate the termites and the house. The owner of the house was unwilling to admit that his house had been infested by termites and weevils. What can we do?

They should have admitted what the situation was really like. This would have helped correct the situation.

But things have been allowed to rot. The people have been hurt by both sides. Who can they turn to to rely on?

[Question] It seems that you are hurt by the fact that your friends have returned to the city. What is your opinion about the Thirayut and Seksan cases?

[Answer] As for Seksan, I know about the matter.

We realized that the jungle did not have an answer for Seksan or Toi (Thirayut). What surprised me....

Seksan always looks at things clearly, squarely and resolutely. Thus, the jungle did not have any answers for Seksan.

As for Toi, he liked to compromise, think and make plans. Toi could have gotten along all right there.

[Question] And what is your opinion about the present government?

[Answer] It should know how to keep quiet and get to work. I will not say any more.

[Question] There are many organizations in France, even an international communist party.

[Answer] Yes, there are.

[Question] Many of the young people from all over the world who have come to study here have become members of this party. They take part in various activities and seminars and play many other roles. In the end, after they return home, many of them will become important people and there will be closer international cooperation because of the closeness that developed among them when they were students here.

[Answer] I have not become involved with this party. But I have met many foreign students. We understand each other very well. Someday, we may have a chance to cooperate with each other at the level you mentioned. But to bring this about, I do not think it is necessary to join this international communist party.

[Question] Have you met Pridi. What is your opinion about him?

[Answer] I frequently go pay my respects to him. He is a person who is worthy of gret respect. He is a revered person. I frequently go to learn from him.

[Question] When do you plan to return home?

[Answer] At the end of this year.

[Question] You won't continue your studies? What will you do after you return home?

[Answer] Oh! I feel embarrassed about being this old and still not having a job to support myself.

When I return, I will probably get a job as a teacher. I have seen much. I feel that the children in our country should be receiving more than they are from the instruction that is being provided at present.

[Question] You want to be like the teacher Miss Prathip.

[ANswer] No. I probably cannot do that. But something similar to that.

[Question] Do you ever dream of someday having a chance to work together with your friends as in the old days?

[Answer] Frankly, yes. I have dreamed about that.

But when I come to my senses, I know that that day will never come. The future belongs to the next generation. Our day has passed.

[Question] Wasn't it because of such thinking that the events of 6 October occurred since the younger generation was not ready?

[Answer] You shouldn't say that. The younger generation has many better qualities than our generation.

[Question] Does that mean that you are ready to sit by and allow something similar to occur?

[Answer] No. I said that my generation's day has passed. The future belongs to the next generation.

What we can do is to serve as advisors.

[Question] If you have a chance to work with your friends as in the past....

[Answer] I would not be a follower again. I want to say that since I have had several years to stand on the outside and look back on things, I have seen many things. I have began to think for myself. I am not ready to become a follower again.

[Question] Does that mean that everyone is older now or that there has been a split?

[Answer] Everyone is older. There has not been any split. It is quiet here and I have had a chance to think and read. It is clear that we were all working in an unorganized way.

The politicians were deeply involved with those with economic power. Those with economic power were involved in social matters. Politics is rotten when this is the case. Even the labor organizations thought that they were always right but they made mistakes too. There are many reasons for this. But since they have gotten involved in everything and in all the organizations, it is as if there is only one organization.

We must do things in accord with our abilities.We cannot sit by idly. But someday, if it is necessary for us to cooperate again, we will certainly do so.

[Question] When will you get married?

[Answer] (Laughs) Have you ever seen the play "A Streetcar Named Desire?" The last streetcar has already passed me by.

[Question] Would you like to add anything?

[Answer] I would just like to repeat one thing. It must be admitted that if weevils infest the house, they will cause a lot of damage. I ask that people be honest with us.

Otherwise, the people will be in the middle and suffer from both sides. How can the people survive?

[Question] What about the 200th-year Rattanakosin celebrations?

[Answer] You haven't read what Pridi Phanomyong wrote?

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LABOR DEPARTMENT OFFICIAL INTERVIEWED ON EMPLOYMENT

Bangkok SIAM RAT SAPPADA WICHAN in Thai 25 Apr 82 pp 46, 47

[Interview with Charoen Siriphan, age 58, the Deputy Director-General of the Labor Department; date and place not specified]

[Text] [Question] Concerning the problem of Thai laborers abroad, to date, what action has the Labor Department taken?

[Answer] We have divided the work by division. Foreign activities are under the control of the director-general. On other fronts, we are trying to carry on public relations activities and keep workers from being deceived. To protect people, we must educate the people, which is a way to solve the problem at its source. Most of the workers from the rural areas are poor people who have come to look for work. Increasing the penalties [illegible] guarantees are end solutions. We must keep them from being deceived.

As for public relations activities, we must carry on activities very actively in the various communities where rural people have come to look for work and in the rural villages. We must inform the laborers in all the provinces. We will inform people at the provincial government-unit conferences and at the Kamnan and village headmen meetings. Each month, we will take part and provide information like this. Concerning such matters, sometimes the kamnans and village headmen conspire to gain benefits.

Increasing the penalties is just one of many ways to solve the problem. We must educate the workers more. The problem of deception must be solved at the source. The people have very little education and public relations activities have not been carried on among them. People are certainly being cheated. Increasing the penalties is just one way to threaten those who are considering cheating [people].

[Question] Concerning the problem of employment agencies deceiving workers, what can be done to solve this problem?

[Answer] If a job procurement law can be enacted quickly, this will help a lot. Because concerning the penalties according to the new law, if [a company]

accepts an application without reason, it can be penalized immediately. Even announcing in the press that applications are being accepted is a violation unless permission has been granted. But under the present law, applications must be made before a violation is committed.

The law that is presently in use is an old law that was enacted long ago. It provides protection concerning labor procurement within the country. We must revise it so that it can be used for both domestic and foreign cases. To solve this problem, this [new] law must be enacted as quickly as possible. And public relations activities must be carried on simultaneously so that the people are aware of the tricks used to deceive people. At the same time, we must also educate them.

[Question] Other places seem to be very interested in this. What can be done to get the government interested in this problem so that [efforts] to solve it at the policy level achieve results?

[Answer] There should not be any problem if the government gives its full support. If things are done at the national level, solving this problem should be done at a higher level than the department level.

Concerning such a matter, if the high-ranking people discuss things together, labor protection will improve and people will be more considerate of each other. Giving attention to the problem of sending laborers abroad to generate profits will give the laborers a greater feeling of security.

[Question] What are the worrisome things concerning Thai laborers abroad?

[Answer] This is a problem that I think about every day. There are more than 100,000 [Thai] laborers working abroad. There are few problems at present, but when the various projects are completed, where will they go? Because, at present, there is a great labor problem in our country. I am very concerned about this.

Thailand presently ranks third in the number of workers working abroad, equalling the Philippines. The countries with the largest number of workers working abroad are, in order, Egypt, Pakistan, Thailand, the Philippines, Korea and Japan, which has only executive-level personnel working abroad. Besides this, there are some from Indonesia and Bahrein. At present, the People's Republic of China is entering the labor market in the Middle East, but it is at a disadvantage concerning political ideology.

Our workers have an advantage in that they are known to be skilled and they have few problems because they cannot speak the language. They can get along because they are accommodating. Actually, if people argue with them, they do not understand. We may be at a disadvantage concerning work hours and wages.

[Question] Concerning the domestic labor problem, unemployment will increase greatly this year. What will be done?

[Answer] We must persuade more people to invest here, especially in the countryside, in order to keep laborers from migrating. This can be done using revolving capital so that the rural people have a better economic income after the agricultural season.

Unemployment is divided into three types: real unemployment, that is, those who have had jobs but have been laid off or fired; those working at jobs beneath their capabilities; and seasonal unemployment. Unemployment figures from the National Statistical Office show that 1.2 million are unemployed each year. In fact, this figure is not correct. I myself noted that 20,000 were laid off last year. Where did they go? Some returned to the countryside and to the ranks of the seasonally unemployed. This has made them ever poorer, and normally they are already quite poor. When they come, they are not used much; they are just surplus labor.

As for revolving capital, I think that if real results are to be achieved, a survey must be conducted first to determine which provinces are really poor. Then, just these provinces can be given help instead of giving help to all the provinces. In provinces where the economy is good, I do not think that revolving capital is necessary. I think that if the revolving capital is used in places that have actually been found to be poor, the labor migration problem can be solved.

[Question] When will a Labor Bureau be established? What stage is this in? And after it has been established, how will things be better?

[Answer] At present this matter is [under consideration] by the advisory office of the prime minister. The real problem is not whether it will be possible to solve the problems once the bureau is established. Rather, the problem is whether the Labor Department can make a manpower development plan and how much freedom it will have in implementing the policies. At present, there are no clear policies concerning the labor problems. Things depend on the policies, what the government wants.

[Question] There are several sectors that are responsible for labor affairs. How much coordination is there between them?

[Answer] It would be good if the sectors joined together to formulate a manpower development policy. Or if this is done separately, policy directions must be stipulated clearly. Each group must be not be allowed to go its own way. We must have definite figures, regardless of whether they concern the [number of] births, [the number of] students graduating or what types of jobs are available.

If the work is done separately, the same system must be used so that the data can be used. I am an administrator. The data are unclear and cannot be used.

For example, according to labor laws, children below age 12 are resolutely prohibited from working. But the Statistical Office conducted a survey beginning with laborers laborers age 11. And the population figures compiled by the Department of Local Administration are not definite. There must be close cooperation, regardless of whether this concerns providing vocational education guidance or knowing the population birth and death rates. Otherwise, it will be impossible to do things correctly.

Things must start from the government's policies. We must first know what policies the government will implement. After policies have been made, project plans can be made and which sectors must do what can be stipulated.

The problem of manpower use is very important. Care must be taken. Concerning even investments in machinery, this must take the form of employing more human laborers.

[Question] On Labor Day this year, as a person who is responsible for labor affairs, what do you intend to do that will benefit the workers?

[Answer] We will just make things convenient and provide them a place. You should have asked what the laborers will do to benefit the people. They are meeting on the eight floor. Go and ask them (laughs).

[Question] What can be done to stop the migration of laborers?

[Answer] The government already has a policy concerning this. Revolving capital has already been alloted for this. There will be jobs for people during the dry season so that they will have continuous work. Promoting private investment is a government policy too.

[Question] As far as the work you have done in this sector, are there any laws that are unfair to the workers? What will be done?

[Answer] We have a new work committee that was formed only recently. It is composed of [representatives]from all sides, that is, the employers, the employees and the government. Its task is to improve things so that things are more just. The labor laws must be revised in accord with the changing social situation.

[Question] Concerning social security, several sectors are involved in this. Actually,which sector should have responsibility for this?

[Answer] Social security is an economic matter. Whoever works in an economic field concerned with security should be involved in this. The problem is that the policies are not clear.

Providing jobs is the duty of the government. The task of providing jobs is not a support task. It is a duty that the Labor Department must fulfill. It must provide social security and promote security among the workers in order to improve their situation.

[Question] We have a social security law. Why hasn't it been used? What can those who have suffered losses do?

[Answer] This old matter is universal. At present, things are being improved. Actually, social security helps only those who have jobs; it does not help just the poor.

[Question] When there are labor problems, why does the matter get passed on to the prime minister? Cannot the problems be solved at a lower level?

[Answer] This is a matter of what [people] have become accustomed to. I have tried to put a stop to this and have things done step by step. It is because of the same old political atmosphere that people try to do this. Actually, some of the matters are really hidden political matters. Politics is involved in everything. We are trying to promote a tripartite system.

As for problems being passed on to the prime minister, this is the old political atmosphere that these people are used to. This is being supported by outsiders.

[Question] Last year, there was a great problem of [factories] being closed and people being laid off in the industrial sector and this is continuing this year. How will this problem be solved?

[Answer] Such problems depend on the market. The goods that have been produced cannot be sold. If they do not lay off workers, they will be in trouble. They have to pay interest every day.

If people come to us, we try to find jobs for them. Even if they have to accept lower wages, they have to accept the jobs in order to have an income. Concerning this, we must solve this problem quickly. At present, we are trying to find positions for these people.

[Question] There have been reports that the cabinet is not doing much. As someone who is involved in things, what is your feeling?

[Answer] They are working very hard and are trying to solve the problems in every way possible. Who could sit back idly when the country's economy is in such poor condition? Take General Sitthi (Chirarot), for example. I admire him. He is struggling resolutely.Matters will improve in the country.

Take those who cheat and deceive others, for example. They must be punished severely right away. At present, it is nature that punishes them. For example, companies cheat the workers and some of these people have to sell their houses and buffaloes to pay the brokers. When they are cheated like this, they have to kill before they themselves are killed. This occurs frequently. Those who are considering cheating others should think hard about this.

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UNEMPLOYMENT PICTURE, ECONOMIC SYSTEM PREFERENCES NOTED

Bangkok PATINYA in Thai 19 Apr 82 pp 26-28

[Article: "The 1982 Unemployment Crisis: Problems and Solutions"]

[Text] Concerning unemployment in 1982, looking at things based on rough figures, it can be seen that 700,000 laborers are out of work or openly unemployed. This figure does not include those who are underemployed and those who are seasonally unemployed. Also, unemployment among laborers will increase even more during the next 2-3 months when students at various levels graduate from the schools, colleges and universities and enter the labor market. Whether the unemployment problem in 1982 will develop into a crisis is something that people are very interested in. This is also motivating the people concerned and people in general to become informed about the present situation so they can see what the causes are, whether the unemployment problem will be more severe than in past years and what measures will be implemented to solve the problems.

For this reason, the committee for Seminars and Publicity, the Faculty of Economics and the Human Resources Institute, Thammasat University, sponsored a seminar and discussion on the topic "The 1982 Unemployment Problem: Problems and Solutions." Attending this seminar and discussion were such qualified people as Associate Professor Kroekkiet Phattanaseritham from the Faculty of Economics, Thammasat University, Mr Khanin Bunsuwan, an MP from Chonburi Province, Mr Charoen Siriphan, the deputy director-general of the Labor Department, Mr Chumphon Phonprapha from the L.P. International Company Ltd., Mr Phaisan Thawatchainan, the president of the Employees' Council of the Labor Council of Thailand and Dr Chira Hongladarom, the director of the Human Resources Institute, Thammasat University. The things that have led to an unemployment problem and the way to solve the problem can be summarized as follows:

Unemployment: The Minimum Wage

As compared with the unemployment problem in many other developing countries, unemployment in Thailand is very low. It is probably for this reason that many of the powerful people concerned with the unemployment problem have overlooked the importance of unemployment and instead given their attention to minimum wage rates and underemployment. This can be seen from the fact that the government

announced that the minimum wage rates would be adjusted in October 1981. In Bangkok Municipality and the surrounding areas, the minimum wage has been increased from 54 baht to 61 baht per day. In the centeral and southern regions, it has been increased from 47 to 52 baht per day. In the north and northeast it has been increased from 44 to 52 baht per day. The result of this increase in the minimum wage has been to cause great dissatisfaction among the businessmen and factory owners. It has reached the point where workers have been laid off and people who used to invest in the provinces since labor costs were cheaper than in Bangkok have stopped investing. Thus, the result of having increased the minimum wage rates has been to increase unemployment. It can be seen that, although the members of the labor unions have played a part in supporting the government's adjustment of the minimum wage rates, which has increased the minimum wage paid to the workers, considering things carefully, it can be seen that the workers also have a greater chance of being unemployed.

The Agricultural sector

The problems concerning markets for agricultural products and the problem of promoting investments in that part of the agricultural sector that is concerned with markets are serious problems. Even if agricultural production increases, because the agricultural products price guarantee policy has failed to achieve results, even though the farmers produce goods themselves, the stipulation of prices is still in the hands of the merchants. And if the farmers want to purchase other goods that they cannot produce themselves, it is again the merchants who set the prices. The farmers are thus in a situation in which they must be patient and reconcile themselves to being poor, regardless of whether their yields increase or fall. This is why people from the countryside have migrated to the cities. Thus, more and more laborers have flocked to the cities and these are unskilled laborers. This has created an unemployment problem.

The Industrial Sector

Investments in the industrial sector will probably not increase very much because of the effects of both domestic and foreign factors. Within the country, the government's devaluation of the baht and inflation have played an important part in reducing people's purchasing power. When the demand for goods does not increase, industry and trade expand very little. As for those factors outside the country that have had an effect, because of the world economic recession and the international trade and finance situation, there is a tight money situation and this has directly affected business and employment.

Government Policies

The government has played a very important role in creating the unemployment crisis. The first thing has been the government's lack of stability and its lack of a definite policy concerning the promotion of investments in both the industrial and agricultural sectors. Besides this, the government's financial policies concerning government expenditures and the tax system have not created a [good] investment atmosphere or promoted the creation of jobs. This can

be seen from the fact that in the national budget, only 30 percent has been earmarked for national development and for promoting investments. The government is spending the other 70 percent on wages, national defense and so on. The adjustment of the tax rates has had an effect on investments and employment too. The government should implement a tax policy that will lead to greater employment, such as by lowering taxes for investing in certain activities.

The Way to Solve the Problems

Regardless of what sector is considered, the private and government sectors, industry and agriculture, the labor unions and the government's policies have all definitely played a part in creating the unemployment crisis in 1982. Thus, as a short-term solution, the government should really play a part in the creation of jobs, both through that part of the national budget earmarked for national development and through the investmnt promotion policies. This should be done in both the industrial and agricultural sectors. Besides this, labor relations must stress slowing down lay offs instead of increasing wages only. The minimum wage adjustment policies must look at both relations and production. Also, the government should encourage business to train more laborers.

As for the long-term, it is essential that there be measures that will help increase employment. And the structure of the economic system must be improved. At that seminar and discussion, those attending did not stress what the form of this new economic system would be. They did not say whether it would be a free system or a socialist system.

A study done by the research group of Dr Somchai Rakwichit found that the economic system that is favored by the majority of the people is a mixed capitalist and socialist system similar to the present system. But the country's economic and social system must be improved so that it is a secure, fair and efficient mixed economic system and so that the people can lead happy lives and have security concerning their lives and property. PATINYA feels that this mixed economic system will help those who intend to invest and enable them to continualy increase their investments. At the same time, this will make things fair for the laborers. This will help the country's general economy and help create more jobs.

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REFUGEE REPATRIATION, CAMP CHICANERY REPORTED

Bangkok KHAO CHATURAT in Thai 26 Apr 82 pp 30-33

[Article: "Returning to Their Homes In Laos"]

[Excerpts] During the second week of March, 133 Lao refugees had a chance to cross the Mekcng River, the natural boundry between Thailand and Laos. This was not the first time that Lao people have crossed the border. Tens of thousands of Lao people have done this during the past 7 years. But this time was special. They did not cross over secretely but crossed over during the day with the help of officials from the United Nations High Commission On Refugees (UNHCR) and with the consent of both the Thai and Lao governments. In this group were 46 Meos; the other 87 were Lao. These people came from Laos and went to a refugee camp in northern Thailand. And now they have had to return to Laos.

Two years ago this month, the first four refugees were repatriated in accord with the voluntary refugee repatriation program, which is under the control of the United Nations. After that, more and more were repatriated. The figures to date show that 560 Lao people and 307 hill tribesmen, most of whom are Yaos, [have been repatriated]. These figures are not very notable when compared with the 180,000 Lao refugees. Of this number, 60,000 hill tribesmen have gone and settled down in third countries. The remaining 90,000 are still in refugee camps in Thailand. Of this number, approximately two-thirds, or 67 percent, are hill tribesmen, most of whom are Hmongs.

Repatriating the refugess back to their homeland seems to be the easiest and most humanitarian way to solve this rather complex problem. At a time when the United Nations and other international aid organizations must work hard to find money to support the various aid programs, repatriating these people back to their homeland is better than having to aid these people in places outside their homeland. This is because these people must adjust to a [new way] of life, they must study new languages and there are many other problems. Besides this, this is also a delicate matter concerning international political security, just as in the case of the Palistinian problem in the Middle East, which in the end became the major problem in the conflict in that region and led to general unrest.

Since Thailand is responsible for the 180,000 Lao refugees living in the refugee camps supervised by the UNHRC and for the approximately 200,000 Kampucheans who are living in the Thai-Kampuchean border area, it wants the refugee repatriation program to be carried out as quickly as possible. This is because the number of refugees allowed to go on to a third country, particularly the United States, has been greatly reduced during the past several months. Thus, a satisfactory and necessary way to solve the problem in the present situation is to send them back to their own country. While the officials concerned are satisfied with the results of the repatriation of the refugees in the camps, others have asked whether sending large numbers of refugees back will have any effect or whether it is even necessary.At the same time, the repatriation of people across the Thai-Kampuchean border is continuing, especially at the Khao I Dang and Sarakaeo camps. But things are being done differently than they are with the Lao refugees. In the case of the Lao refugees, the activities of the past 2 years show that this repatriation program is possible but that there are limitations. It is not a permanent "way out" for Thailand in solving the refugee problem.

The Yao group's return to Sayaboury was similar to this group's migration from one mountain to another during the past century, generation after generation. The children were strapped to the backs of their parents. Bags of rice and bamboo water flasks were carried on the shoulders. They also carried oil lamps and other necessities. The elderly in the tribe wept as they walked. Most of the Yao women wore black dresses with red buttons and old but beautifully embroidered pants. During the trip, people coughed and constantly blew their noses.

The men who had once worked as farmers in the high mountains in northern Laos were very thin, nothing but "skin and bones." Some showed signs of having malaria. During the trip, there were periodic rest stops. Sometimes they stopped to get a drink of water, which could be found everywhere. If they felt any uncertainty about what was waiting for them ahead, they did not show any signs of this because once they crossed the Mekong River, they were committed to going on with no chance of ever returning.

But why and when did it become necessary for them to flee aimlessly across the river into Thailand? Choichong Saetoen, age 38, the father of six children, travelled to Thailand with his children and wife. When asked why he and his family had left during the spring of 1979, he replied that, before he left, several Yaos who had preveiously crossed over into Nan Province returned to Phiang Boun District, which is where he was living, in Sayaboury Province and tried to persuade people in the district to flee. At that time, approximately 174 people travelled as a group until they reached the refugee camp in Nan Province. It took them about 10 days to get there. Each of them paid the guide "1 French coin" for having led them out.

When they arrived at the camp in Nan Province, they discovered that their friends who had persuaded them to come here had already left for a third country. "But I did not know anyone well enough to have them act as a sponsor for me and I didn't know what to do to be able to get to a third country."

Those who have volunteered to return home have lived in the camp in Nan Province for different lengths of time, just as it took them a different amount of time to get here from Laos. Chiemon Caeli left Sayaboury in 1975. He was hired to carry goods. The person who hired him was named Thongchan. His aim was to excape form the communist system of government. It took them 15 days to make the trip. He was accompanied by his wife, but his wife died at the camp. While Thongchan, the man who had hired him, was able to go to a third country, Chiemon found himself in the same situation as Choichong. That is, he was unable to get a third country to admit him. Thus, there was only one thing to do and that was to return to Laos.

After having fled to Thailand and lived here awhile, it is not easy for the refugees to ask to be sent back. Choichong said that "some people recommended that I flee from the camp and find a place to live in Thailand." He said that he had relatives here and that he knew other Lao refugees who had fled from the camp and settled down in Thailand. "But I was afraid that one day the police would discover and arrest me." This was why he did not dare follow this advice. Those who are still at the camp in Nan Province can return to Laos easily. They do not have to go through such difficulties. But if they are moved to Chiang Kham, they will no longer have a chance to do this. There are also many other problems. For example, there is the problem of people being oppressed by refugees who arrived earlier and who lived in Chinag Khong before. Most are former members of the "Sakai" (CIA) forces that were under the command of Chao La. These people fled across the Mekong River from Ban Nam Yu. These people are still very hostile toward the Lao government. Chaichong said that "they do not want us to return to Laos. They have told us that the Lao government will soon send aircraft to bomb our village."

But in the end they decided to ask to return to Laos, even if they had to risk being assaulted before reaching Nong Khai or even being killed by Lao soldiers. In this group, in addition to Choi, there was also his family, including his parents who had adopted one of his children. In the past before they fled from Laos, Choi and his family had grown rice, poppies and corn. But they are not sure if they will cultivate poppies again when they return to Laos. "If we return and live in the high mountains again, we may grow poppies."

When they reached Nong Khai from the Chiang Kham camp, officials gave them various items necessary for daily life such as cooking utensils, dried food, soap and black cloth (or jeans or Lao-style pants). The officials assured them that they would be safe during the trip to Laos and that they would not be bombed. Those who were not involved in the "secret war" in Laos were satisfied with these comforting words.

But for those who are involved or who were once involved, one observation concerning the situation at one camp in Chinag Khong is that there were 3,200 refugees there, most of whom were Yao and Liso tribesmen. In the middle of February, these people were moved to another camp in Chiang Khong further north. As for the Hmongs, they were moved to Nan (the plains Laos were sent to Ubon Province). But only 46 of these people volunteered to return to Laos at the beginning of March.

There are still approximately 85,000 to 90,000 Lao refugees in Thailand. Most of these are referred to as "hard heads" or "remnants." This includes people who have refused to go settle down in a third country and those whom no third country wants because of their lack of qualifications. The transfer of the plains Laos to Nakhon Phanom has resulted in those who cannot go to a third country having to return to Laos instead. (Statistics provided by officials do not clearly show how many have returned home since during the past 2-3 years, large numbers of refugees, totalling hundreds of people, have fled from the camps and returned to Laos on their own.)

Thus, this leaves the "hard heads," most of whom were once members of the Vang Pao forces and the forces of Chao La. These people want to return to the mountains in Laos. But they want to return on their own; they do not want the Lao government or refugee officials to get involved at the Ban Winai camp. Besides refusing to be resettled in a third country, the remnant forces of Vang Pao have attempted to win over and even threatened other refugees who want to return to Laos or go to a third country.

In October 1980, Vang Neng, a relative of Vang Pao and a leader of the refugees at the Ban Winai camp, received permission to go live in the United States. As he was about to get into the vehicle that refugee officials had provided for those who were leaving for a third country, he recieved a death threat in a letter that was attached to the door of his hut. He was threatened in other ways too and so he gave up. Today, he is still living the life of a refugee at Ban Winai.

The fact that more than 55,000 soldiers of Vang Pao have come to live in the refugee camps has caused great alarm among Thai officials. Besides this, these forces have shown no sign of breaking up.

As for the events along the Thai-Kampuchean border, people are being sent back quietly and things are being done differently than they are along the Thai-Lao border. This is because the two countries cannot reach a direct agreement about this. Thus, the repatriation of Kampuchean refugees has gone through many stages. For example, approximately 2,300 refugees were sent back. UNHRC officials were told that these people had returned voluntarily. No one knows how many times this method has been used to send people back. But at the beginning of this year, Phnom Penh officials issued a report that 5,000 Kampuchean refugees had returned home. If the political conflict can be separated from the matter of repatriating the refugees, the refugee problem will be reduced somewhat. This would certainly benefit Thailand.

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'VOPT'-'VOPB' LINKS DISCUSSED

Bangkok SIAM MAI in Thai 24 Apr 82 pp 18, 19

[Article: "The VOPT Radio Station on the CPT-BCP Line"]

[Text] The final day of broadcasting for the Voice of the People of Thailand was 11 July 1979. In its final report that day, the station announced that it was closing temporarily. Since that day, many groups have watched the movements and listened for news concerning when the station will start broadcasting again. But they have just waited.

At first, or during the first year after the station was closed, there was much confusion among those who were waiting for news because there was no clear explanation about why the station was closed. But later on, everyone clearly recognized the "necessity" of the station. And after that, reports that the VOPT radio station would be established in Thailand in accord with the principle of self-reliance that was confidently announced by the CPT were disseminated widespreadly. But to date, almost 3 years later, there have not been any broadcasts by the VOPT.

Broadcasts By the Burmese Communist Party

A military news source has confirmed that the last time that the VOPT tried to broadcast was on 7 December 1981. Before that, it tried during the middle of 1980. This matter has constantly been checked by the government units responsible but there has been no clear statement concerning the location [of the station]. Some say that the Khmer Rouge's Voice of Democratic Kampuchea radio station was used while others say that these reports were broadcast from the radio station of the Burmese Communist Party, which broadcasts from a secure base in the northeast of Burma near the Chinese border.

"Before the party closed the VOPT, Vietnamese officials proposed that it be moved to Vietnam. They also proposed that two stations be set up. But the party turned down these proposals; officials did not know about this," said a person who was once closely associated with the VOPT radio station to SIAM MAI.

"After that, during [a period] of important events, the party requested to use the station of the Burmese party. People who were in China after the VOPT was closed know about this," stated the same news source. "As far as I know, the last time was on 1 December 1980 on the anniversary of the founding of the party."

On the Path of the Thai and Burmese Parties

The large area from the northeast all the way to the north of the Shan State in Burma borders the northern part of Laos and China's Yunnan Province. The terrain is composed of high mountains and forests, and the Salaween River divides the Shan State into two parts.

The western bank of the Salaween River is the zone of the Shans. And in one area on the eastern side of the river are all the secure bases of the BCP. A high-level news source said that their armed forces presently number 50,000 men and that the leadership center is located in Mong Pang Shang near the Chinese border, which is a secure rear. A group of Western reporters who went and filed reports about this secure base stated that the secure base is a liberated zone that is well-supplied and that this is where the VOPB radio station is located.

The movement to form close relations between the CPT and the BCP has been going on for a long time, and at present, there are several interesting phenomena.

The 1-8 April 1982 issue of THE FAR EASTERN ECONOMIC REVIEW contained a very interesting article concerning the attempt of the CPT and the BCP to cooperate with some of the minority groups in order to open a route from the north to Burma's Kayah State, which borders Khun Yao District in Mae Hong Son Province in Thailand.

Concerning the CPT and BCP movements that were mentioned in the article, there were at least two movements, one during November 1981 and one on 8 February 1982, with high-ranking representatives of the CPT joining the BCP. The writer of this article cited reliable news sources in the Shan State.

Besides this, the article also pointed out that, in early 1981, the BCP had proposed exchanging items in order to form close relations with Khun Sa. But Khun Sa's side refused. But when the Thai side launched its suppression drive and expelled Khun Sa's forces at the beginning of the year, Khun Sa's attitude toward the BCP probably changed.

"The two parties have had relations for a long time; this is normal. The route that passes through Laos and China is used. Party officials of central committee rank have had close contact, especially during the period when the group received great pressure from China," said one man who had left the jungle to SIAM MAI.

"Regardless of Where It Is Located, We Will Attack It"

The recent joint movements of the CPT and BCP have not been commented on widely. But a high-ranking military news source stated that while it is felt that both parties still have limitations and cannot carry on joint operations, attention must be given to what the results of these closer relations between the two parties will be in the short term.

"Concerning the opening of a supply route from China through Burma just as the Ho Chi Minh trail was once opened through Laos, this is definitely not possible nor is it necessary," stated a sell-informed news source.

"This is not yet possible because of the problems with the ethnic minority groups that live in the Thai-Burmese border area to the east of the Salaween River. The BCP does not have relations with them. Thus, opening a communications route here, where there has never been one, is beyond their power. With things like this, supplies must be transported by foot. Each person must carry 40 liters of rice both going and coming. In such a situation, this is not possible," said the same news source.

"As for this being unnecessary, this is because they will probably receive aid from China as usual. Even though it may be more difficult than before, Thais in Zone 12 can still go visit their relatives in Chiang Rai as usual. If they continue to receive aid from their friends, there is no need to build a new route."

Since relations between the two parties are viewed as being strategically necessary and since there has been pressure from a friendly country, they have had to increase mutual cooperation on several fronts. And since there is no reason to believe that this supply route will be established, the remaining thing that must be given attention is the combat propaganda. The thing that the CPT must now struggle with is [reopening] the VOPT radio station.

Thus, based on what a high-ranking army officer once told a reporter, this is something that the military is very concerned about. "We will definitely not allow the CPT to set up a radio station. Regardless of where they set it up, we will attack it. But I doubt whether we will have a chance to attack it."

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South and East Asia Report

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Central Shan State

BK141321 (Clandestine) Voice of the People of Burma in Burmese to Burma 1200 GMT 14 May 82

[Text] On 26 April, an attack by a small unit of the People's Army at (?Mong Hkun) resulted in two enemy soldiers being wounded. On 27 April a guerrilla attack by a small unit of the People's Army on the military government's mercenary 79th infantry regiment at (?Pangnang) resulted in two enemy soldiers being killed and three others wounded.

On 1 May a clash broke out between the People's Army and the Military Government's mercenary 103d light infantry regiment near Molo in Mong Mit region. Three enemy soldiers were wounded in the clash. On the same day, an attack by a small unit of the People's Army at Man Hpwi, near (Hsai-Taw), resulted in two enemy soldiers killed and four others wounded from the military government's mercenary 75th infantry regiment.

On 4 May a combined unit of the People's Army and the Kachin Independence Army blew up and destroyed two bridges--at Nam Mwe and near Ho-Mong--used by the military government's mercenaries between Namhpakka and Ho-Mong on Kutkai - Mu-se Road. The clash near Ho-Mong saw one enemy soldier killed and another wounded from the military government's mercenary 45th infantry regiment. On 6 May mines planted by the People's Army seriously wounded an enemy soldier from the mercenary 46th infantry regiment which had come to repair the Nam Mwe bridge.

Northeast of Keng Tung

BK171010 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 17 May 82

[Text] On 26 April a combined unit of mercenaries from the 4th and 5th companies of the military government's mercenary 4th Chin rifles regiment came out of their (Kathin) camp on the banks of the Nam Loi River, northeast of Keng Tung, to proceed toward Wan Kang village to plunder and massacre people there. A unit of the People's Army staged an ambush on

the mercenaries on the way, killing 18 enemy soldiers, including one mercenary captain and a mercenary second lieutenant, and wounding several others. The enemy soldiers fled. Eight of them were taken prisoner.

The People's Army seized 2 pistols, 1 carbine, 6 G-2's, 2 G-3's, 5 G-4's, 1 90-mm bazooka, 1 2-inch mortar, 1 signal gun--a total of 19 assorted firearms--and ammunition and military supplies.

CSO: 4211/20

INDIAN PRESS REPORTAGE ON SINO-INDIAN TALKS

PTI Interviews Delegation Leader

Bombay THE TIMES OF INDIA in English 14 May 82 p 7

[Text]

BEIJING, May 13 (PTI).

CHINA hopes that the second round of India-China official-level talks on border and other bilateral issues, beginning on Monday, "will proceed in a constructive atmosphere."

In an exclusive interview the leader of the 11-member delegation, Mr. Fu Hao, said today that the talks were a continuation of the first round held here in December to further "study and explore ways to settle the outstanding issues between our two countries, particularly the border question.

"We shall make joint efforts to seek ways to solve the problem (of the border). Besides, like the last round of talks, we shall also exchange our views relating to scientific, technical, cultural, trade as well as bilateral co-operation", Mr. Fu said.

Mr. Fu, who has been designated a special envoy of his government, said: "In the past two years there has been some progress in all these fields."

Mr. Fu described his mission to India as "important and significant." Most of the delegation members had participated in the first round of talks, he said.

The delegation, which leaves for Bangkok tomorrow, will reach Delhi on Saturday evening, Mr. Fu hopes the talks go on for four to five days.

Asked to indicate from which point the Chinese delegation would pick up the thread of discussion with the Indian counter part, Mr. Fu said the second round would be a "continuation of the last round. As you know we have begun discussion on the border after 20 years."

MCMOHAN LINE

Question: Your government recognised McMahon line while demarcating border with Burma in 1959. Does this mean China will also recognise McMahon line to settle the border question with India? If not, what probable solution you have in mind which may form the basis of a durable solution of border question with India.

Answer: "The so-called McMahon line was delineated by British imperialists against India. Sixty-eight years have passed since this line was delineated.

"It is universally known that previous governments of China never recognised this McMahon line. So it is still less possible for the People's Republic of China to recognise this line.

"We have settled boundary question with several friendly neighbours in addision to Burma. With regard to the boundary question between India and China, we hope we shall discuss it with the same kind of spirit — friendly consultation.

"We can have many rounds of discussions. We have patience and confidence to seek a solution. We believe the boundary qustion will be ultimately settled."

Question: One hears a lot about a package deal to solve the border question. Can you comment something on this point?

Answer: "We have already made explicitly clear concerning this deal. This also means that we have maintained a positive attitude towards settlement of the boundary question.

"We have already dealt with this matter last time. We shall continue to deal with this question. If I elaborate here, that will not be of any help to the forthcoming talks.

"I wish to add that the package proposal also reflects the importance which China attaches to the longstanding friendship between India and China.

"It also gives expression to the far-sight and magnitude of mind of the Chinese leaders."

Question: The Chinese view on border problem with India is that if it cannot be solved, favourable conditions can be created for relations to develop in other areas. But your official position regarding Sino-Soviet and Sino-Vietnamese border question is that the border dispute is the crux of the matter.

Broadly, the Indian thinking tallies with your government's views on the border question as regards the Soviet Union and Vietnam. But you seem to apply a different standard as regards India on the question of solution of the border problem. How do you reconcile your two different standpoints in respect of India and other two countries on border question?

IDENTICAL VIEWS

Answer: "Sino-Indian boundary question has been left over from history. Both sides hold identical view that it is an outstanding issue. Current round of talks is aimed at settling this outstanding issue.

"Both sides agree that relations in other fields should improve, while boundary talks go on. Between China and the Soviet Union, there exists boundary question, but it is not the most important issue in our relations.

"The crux of the matter lies in the hegemony on the part of the Soviet Union. It is carrying out aggression against Afghanistan and interfering in the affairs of Indo-China and Kampuchea.

"The Soviet Union has also stationed about one million troops along the Sino Soviet border. It has also stationed troops in Mongolia.

"Concerning out attitude towards the Soviet Union, we watch what they do and attach more importance to it. Our relations with the Soviet Union are handled from an overall perspective.

"Vietnam launched armed attacks against China and it also launched aggression against Kampuchea. Our differences with Vietnam lie here. We have common accepted boundary between China and Vietnam. So, bounary question does not constitute the main issue in Sino-Vietnam relations.

"The question is different in nature compared to the one between China and India. The boundary question between China and the Soviet Union and between China and Vietnam cannot be mixed up or confused with the boundary dispute between China and India.

"Though differences exist on boundary question between China and the Soviet Union, this will also be settled through negotiations. We had talks in the past, but regreatably talks stopped not becuase of any reason on our part."

Gonsalves Talks to Newsmen

New Delhi PATRIOT in English 15 May 82 pp 1, 7

[Text] Normalisation of Sino-Indian relations requires an 'honourable and mutually acceptable solution' of problems but no breakthrough is anticipated in the discussions on the border when officials of the two countries meet in New Delhi next Monday.

This was clearly stated by Mr Eric Gonsalves, Secretary (East) in the External Affairs Ministry, on Friday. Mr Gonsalves will lead the Indian delegation at the second round of Sino-Indian talks (scheduled to be held here from 17 to 20 May).

The Chinese delegation, headed by special envoy Fu Hao, is arriving in the Capital on Saturday night.

Mr Gonsalves, who was addressing newsmen to clarify the Indian stand on the eve of the second round of talks (that were initiated after a decision on this score was reached by the two Foreign Ministers during their meeting in New Delhi in June, 1981), informed that the first round of discussion in Beijing last December had revealed 'wide differences'. But it was felt that 'there is advantage in continuing the talks' when both sides were committed to early resolution of the boundary dispute.

'To us normalisation of relations and indeed the enhancement of relations with a great neighbour like China has a high priority,' he declared, adding that this would necessitate solution of the boundary dispute.

The talks, he explained, were not confined to the boundary dispute although as Chinese Foreign Minister Huang Hua had stated last June, this (boundary question) was central to improvement of Sino-Indian relations. The idea was that while discussing the border 'we can go ahead in the meantime in other areas' as culture, trade etc. However, these could not be insulated from the border issue, he added.

'If the border issue is not settled then it will have repercussions on the entire range of our relations,' he underlined.

India, he clarified, was approaching the current round of talks in a 'positive and consrtuctive manner' in the expectation that 'we will make progress.'

Mr Gonsalves was asked several questions about Mr Fu Hao's interview to the resident PTI correspondent in Beijing, but he evaded them saying that it would be unwise on his part to say anything on Mr Hao's observations just when Sino-Indian talks were about to begin. He only remarked that he had read the interview 'with great interest.'

When a questioner persisted with the query on the Indian position on the McMahon line which the Chinese had refused to accept as was evident from Mr Hao's statement, Mr Gonsalves said it was not necessary for him to reiterate the Indian stand on the issue. India has all along considered McMahon line which the Chinese had refused to accept as was evident from Mr Hao's statement, Mr Gonsalves said it was not necessary for him to reiterate the Ihdian stand on the issue. India has all along considered McMahon line as the boundary between India and China in the eastern sector.

He also assured that India was committed to a 'honourable and mutually acceptable solution' of the boundary dispute which meant that 'there are certain parameters beyond which we will not got,' even while being flexible on the whole.

Mr Gonsalves was asked if the Chinese would question Sikkim's integration with India as they had earlier done. 'As far as we are concerned,' he replied, 'this issue is settled. The Chinese may not agree with it, but that is a different matter.'

He disclosed that at the last round of talks in Beijing there had been considerable measure of substantive, serious and in-depth discussions. Asked why he was using the adjective "substantive' while speaking of the discussions he explained that since the two governments had decided to talk with a view to reach a solution of the boundary dispute, 'to that extent the talks are substantive.'

He declined to be drawn into the specifics of the boundaty dispute when a questioner sought to know how India would react if the Chinese offered to withdraw from some areas of Aksai Chin now under China's occupation (14,000 square kilometres) in the west and recognised the McMahon line in the eastern sector. But about the Indian reaction to the 'package deal' presented by China, Mr Gonsalves recalled that External Affairs Minister P V Narasimha Rao had already spelt out the Government's stand in Parliament. The proposal, outlined by Chinese Vice-Chairman Deng Xiao-Ping to an Indian journalist, had led Mr Rao to state that there could be 'other ways' which could prove to be 'more effective', though India welcomed the 'prospect of the eastern sector being settled without any particular difficulty.'

PACKAGE DEAL

The package deal suggested that China make concessions in the eastern sector and India in the western sector on the basis of the actually controlled border line.

Asked if there had been any movement forward in the last round of talks in comparison to where the two countries stood on the border question in 1962, Mr Gonsalves said last June 'we did arrive at an agreement to seek a solution through negotiations across the table' and 'that is certainly a movement forward since 1962.'

He said Chinses maps still showed portions of Indian territory in the eastern sector within China as China did not accept the McMahon line. He was not sure if the Soviet maps retained the Chinese version or some necessary corrections had been made.

Mr Gonsalves clarified that questions related to Dalai Lama's stay in India, Sino-Soviet relations and Sino-Pak understanding would not figure in the talks precisely because these did not fall under Sino-Indian bilateral relations.

Analyst on Border Problems

Bombay THE TIMES OF INDIA in English 18 May 82 p 8

[Article by K. N. Ramachandran]

[Text] SEEN in the context of the ongoing India-China talks, the publication of a long research article on the legal aspects of Sino-Indian border by Chen Tiqiang in the January (1982) issue of *Journal of International Studies* (Beijing) assumes importance. It is significant because it is a major article by a Chinese scholar on the subject to appear after an interval of two decades.

The article deals with the subject without resort to doctrinal jargon and prescriptions, a refreshing contrast to the abrasive onslaughts of the sixties. The author has basically dealt with India's legal position on the border dispute, sandwiching the analysis between a preamble stating that the 1962 conflict was "extremely unfortunate" and that China had always advocated the policy of "mutual give and take" and the epilogue emphasising the point that beyond the law, the border problem is a "political problem" and only through "political methods" could a reasonable solution be found.

The significance of the article lies in the author's effort consistently to repudiate India's legal claims from the Chinese point of view. In fact, this is the author's Achille's heel. From the legal-record point of view, the abundance of evidence produced by the Indian side during 1960-61, in marked contrast to the meagre evidence produced by the Chinese side, exposed the futility of China seeking a legal basis to reiterate and rationalise its claims which came about as a result of China's strategic needs. In this sense, the article registers no fresh advances on substantive legal issues, although the argument that it should be settled politically has force. Further, copious references to western literature on the border, particularly to the works of Alastair Lamb, and Neville Maxwell have been made. Significantly, however, no fresh evidence of Tibetan or Chinese origin has been cited. Actually the article has underlined the fact — although this was not the author's intention — that Chinese-Tibetan evidence is appallingly poor to shore up the Chinese legal case, as a rationale for the occupation of territory by military means.

Western Sector

As regards the western sector the argument is: the Ladakh-Tibet treaty (1684), the Kashmir-Ladakh treaty (1842) and the Tibet-Ladakh agreement (1852) are by local officials all imprecise and do not mark the boundary and that the British proposals of 1899 were not accepted by China. The fact is China did not reject these. However, the critical issue is whether there was any evidence to suggest that China's sovereignty extended beyond Kunlun ranges in the later half of 19th and early part of this century. Xinjiang was supposedly a Chinese province but that was only a nominal status during most of this phase. The fact is that no Chinese presence validating sovereignty existed in the western sector. This is underscored by the map officially given by Huang Ta-Chen, a senior Chinese official to the British Indian consul at the Khasghar (1893) or the postal map of China published by the government of China (1917) and confirmed by the Indian administrative and revenue records. An objective perusal of the report of officials of India and China published in February 1961— a report that China published fourteen months later because it did not suit its strategic interests — would substantiate this contenion.

Mr. Chen's argument about the western sector of the border draws considerably on Alastair Lamb's books wherever it is convenient to do so. However, even Lamb's conclusion — though it is not the Indian position — that the McDonald-Macartney line (1899) which divides Aksai Chin and follows the watershed between the Indus and Tarim basin leaving the Xinjiang-Tibet road in Chinese control, could constitute a valid boundary has been contested to legitimise the Chinese occupation of territory in the western sector, as a result of the border war of 1962 even beyond the shifting claim lines of 1956 and 1960.

The crux of the matter is that the Chinese occupation of about 14,500 sq. miles in the western sector since the mid-fifties, because the Aksai Chin area provided the strategic link for a road between the two turbulent and strategically vulnerable border provinces of Xinjiang and Tibet, has no valid legal basis as the shifting claim lines have forcefully demonstrated.

New Information

Moreover, in order to buttress the case, a fresh piece of information has been provided. According to Mr. Chen, during 1950-59 China regularly used Aksai Chin "highway" to transport "large quantities of supplies." There is no evidence to suggest that the "highway" came into existence before mid-fifties.

China's claim that it was in effective control of the large part of the

territory claimed since 1956 is false. By November 1959, five months before Mr. Zhou Enlai's visit to India to hold discussions, China had not occupied significant sections of the area it had claimed to be in possession. By late 1959 Chinese presence was not evident in the Indus basin in areas such as Chip Chap valley, Galwan valley, Lanakha-Damchok area, Changchemo and Panggong regions, Kongka La and across the Changchenmo river to Dambu Guru and Damchok. These were occupied by progressive forward policy by China from 1960 onwards. Any meaningful discussion has to take this fact into account. And China's withdrawal from these areas is essential for fashioning any meaningful settlement.

As regards the middle sector, Mr. Chen's arguments are cursory and selective. The abundant revenue records provided by India during the 1960 official talks regarding tax collection in the Spiti area by Lambardars and after 1839 by Sikh thanedars and similar evidence regarding Shipki pass, the Nilang-Jadhang area and Barahoti, Sangchamalla and Lapthal reveal the vulnerabilities in the Chinese argument. But then, since the dispute in the middle sector is marginal for arriving at a *modus vivendi* it should be relatively easy to sort out.

The border issue in the eastern sector has two aspects: The legal claims; and China's political behaviour. The restated legal arguments by Mr. Chen are essentially related to Tawang, the discussion over inner and outer line in the eastern sector during British days and the validity of the McMahon Line. On the question of Tawang the point advanced is that Tibetans collected taxes there. But the question is what kind of tax did they collect. It was essentially a religious toll, different from state revenue. It was more like the church collecting donations from the faithfuls in several countries for welfare activities without making claims to exercise legal jurisdiction over them. More than anything else, the chief of Tawang, the Deb Raja came under British jurisdiction and accepted an annual grant of Rs. 5000. This solid evidence that has been ingnored by the Chinese side.

Legal Claim

In the discussion over the inner and outer lines in the eastern sector much has been said and China's latest assertion of legal claim is based on the proposition that since British India did not exercise "any control whatsoever" over the outer line at least until the thirties of this century, the territory did not belong to India. Apart from the point that this area was not under either Tibetan or Chinese administration, it may be said that during the British period the outer line was treated as a "tribal reserve" where normal administrative functions were not performed and the tribal way of life was not disturbed. This is essentially the meaning of British injunction "that it is illegal for the British subjects to cross this line, unless they have a special permit." It did not mean that the area remained outside British jurisdiction.

The Latin American examples readily come to mind. In several countries of Latin America — for instance, Brazil — there are "tribal Indian reserves" where no administration exists even now and it is illegal for the subjects to enter and exploit these areas. Until recently, some areas in Pakistan enjoyed a similar status.

As regards Simla convention, we are told, it is not valid because the Chinese representative merely "initialled" it and even this was later rejected by the Chinese government. Further Sino-Tibetan agreement on India's borders which led to the McMahon Line is not valid because China was not a party to it. But the essential point is that what is the Tibetan or Chinese claim south of the McMahon Line? Even assuming that Tibet made some claims — though these were nebulous — and placed boundary markers unilaterally on Lohit at Walong (1910 and 1912) this did not invalidate the old Indian outer line. Thus China's claim to about 33,000 sq. miles of Indian territory in the eastern sector in the fifties was unrelated to any exercise of sovereignty in this area at any period of time. Even Alastair Lamb, no advocate of India's view, has observed that the Chinese used their claim as a "symbol of their refusal to accept the fact that since 1912 Tibet had passed from Chinese control and had become to all intents and purposes an independent state."

A basic weakness of the Chinese case is its inability to provide counter evidence to the legends, notes of travellers, and records of survey personnel. Hence these have often been — as in the present case — dismissed as evidence of no value.

Valid Point

However, the case for seeking solution to the problem now through political methods and "friendly negotiations" is a valid point worthy of serious consideration. However, the political solution advanced by the Chinese side based on "package deal" (this is implicit in Mr. Chen's article) advocated by Vice-Premier Deng Xiaoping (June 1980 and April 1981) and the three principles, namely, historical background, present actual situation, and the feelings of the two peoples advanced by Huang Hua (June 1981) during his visit to India cannot constitute a mutually acceptable basis for border settlement. For, both proposals seek to legitimise the status quo on the borders, a status quo realised by force of arms, particularly in the western sector. Hence alternative frameworks have to be fashioned to ensure a just settlement of the border problem.

(Mr. K. N. Ramachandran works for the Institute for Defence Studies and Analyses, New Delhi.)

G. K. Reddy on Opening Talks

Madras THE HINDU in English 18 May 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, May 17.

The second round of the Sino-Indian official-level talks began today in an atmosphere of cautious optimism at the Hyderabad House here behind a barricade of armed police to foil a threatened Tibetan demonstration.

After the leaders of the two delegations, Mr. Eric Gonsalves and Mr. Fu Hao, met privately for a preliminary discussion on the border question, the Indian and Chinese officials had a general exchange of views on other bilateral issues in continuation of the talks that had taken place at the first round in Beijing in December last.

The two delegations then split into four working groups to meet and discuss simultaneously and continuously, during the remaining three or four days of these talks, the border question, trade and economic matters, scientific and technological exchanges and cultural cooperation. The second round will conclude on May 21 with an understanding to continue the discussions in Beijing after some months at a mutually convenient date.

Veil of secrecy: Apart from giving these bare details, the Indian and Chinese spokesmen refused to disclose the outcome of these opening exchanges. It had been agreed by the two delegations not to say anything about the nature or substance of the talks on any subject until the end of these discussions.

All that was indicated was that the two sides had agreed at the very beginning of these talks that a border settlement was central to the development of better Sino-Indian relations. But they also decided to carry forward the process of normalisation in other spheres subject to the proviso that the main effort should be directed at resolving the border issue to mutual satisfaction.

No concrete proposals: The Chinese delegation did not come forward at today's talks with any concrete proposals for settling the border question, other than stressing the need for a comprehensive settlement. The Indian delegation also played its cards very close to the chest saying the right things to set the correct tone for these delicate discussions.

It is too early yet to get an inkling of the Chinese strategy, whether Mr. Fu would confine himself to generalities at these talks or make some specific suggestions privately during his meeting with the External Affairs Minister, Mr. P. V. Narasimha Rao, to carry forward this dialogue to the next stage of exchanging ideas on the main elements of a border settlement. The way the two sides have been beating around the bush without making a serious effort to come to grips with the guts of the problem indicates quite clearly that they are not ready yet to engage in any serious negotiation on the border question.

Modest optimism: But both India and China seem to be equally interested in carrying forward this dialogue with some expectations of a settlement, if only because there is no alternative to a peaceful solution. The current effort is, therefore, aimed at sustaining the modest optimism of an ultimate settlement generated by the initiatives taken by both sides to normalise relations. It is in this context that the two countries have agreed that a border accord was central to the development of mutually beneficial relations.

A seasoned negotiator and veteran diplomat like Mr. Fu, who is well acquainted with the complexities of Sino-Indian problems, will not let go this opportunity to make some progress towards better understanding even if it is going to take a long time to settle the border dispute. He is reported to have sounded eminently reasonable during the preliminary exchanges, both during the private exchanges with Mr. Gonsalves and later at the plenary meeting of the two delegations, when he spoke emotionally of the need for better Sino-Indian relations.

Four-hour talks: The Secretary in the External Affairs Ministry, Mr. Eric Gonsalves, was assisted at today's talks, among others, by Mr. K. S. Bajpai, Indian Ambassador to China, Mr. G. N. Rao, Ambassador to Mongolia, who is a China expert, Mr. Ranjit Sethi, Joint Secretary in charge of China in the External Affairs Ministry, Mrs. Usha Vohra, Joint Secretary in the Commerce Ministry, and Mrs. Manorama Bhalla, Secretary of the Indian Council of Cultural Relations.

The Chinese delegation included Mr. Chen Zhaoyuan, former Chinese Ambassador to India, and at present Director of the Asia Department in the Chinese Foreign Ministry in Beijing, Mrs. Zhang Yinua, Deputy Director of the Asia Division in charge of cultural relations, Mr. Wang Zhixi, Deputy Chief of Bureau in the Ministry of Foreign Economic Relations, and Mr. Zheng Jianying, a divisional head in the Asia Department.

The talks today lasted four hours, with the first two hours taken by the plenary session. In the afternoon, the four working groups met separately to begin detailed exchanges on each issue assigned to them.

Reddy Continuing Reportage

Madras THE HINDU in English 19 May 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, May 18.

The Sino-Indian talks on the border question which continued today in what was officially described as a cordial atmosphere made no headway in evolving an acceptable basis for detailed negotiations to settle the dispute in a spirit of mutual accommodation.

The working group dealing with this issue discussed, both in depth and at length, the respective concepts of the two countries of a negotiated settlement to narrow down the differing approaches, before exchanging views on specific suggestions from either side that could conceivably lead to a peaceful solution.

The leaders of the two delegations, Mr. Eric Gonsalves and Mr. Fu Hao, did not meet separately to elevate the level of the dialogue, while the working group was grappling with this problem. But they were keeping in close touch with the progress of the talks and making themselves available for consultations by their respective teams engaged in this complex exercise.

High degree of confidentiality: The two sides continued to maintain a high degree of confidentiality about the progress of these delicate discussions. But it became known that the main accent at today's talks was still on formulating certain principles which could serve as basic guidelines for settling the border problem. The talks were being conducted on the assumption that there could be no lasting normalisation of relations between India and China without an honourable border settlement.

If Mr. Fu had come with any concrete proposals, he had not so far disclosed them. The Indian delegation was waiting to see whether he would have anything more to say during his meeting on Thursday with the External Affairs Minister, Mr P. V. Narasimha Rao, on what exactly China meant by a comprehensive settlement.

Package idea elaborated: At today's meeting of the working group, the Chinese officials gave some elucidations which were more in the nature of an elaboration of the package idea without spelling out its specific application. The Indian side made it quite clear that the package concept involving one-sided concessions without matching compensations was unacceptable in the sense that such a settlement would only amount to giving a de jure status to what was, in effect, a de facto situation.

Neither side was, therefore, talking in terms of a breakthrough on the border question during the present round of discussions. The limited objective at this stage was to narrow down the differences, if possible, and evolve a mutually acceptable negotiating position for more detailed exchanges during subsequent discussions.

Long drawn-out process: It was not without significance that the Indian spokesmen recalled, after the second day's talks today, what Mr. Gonsalves had said on the eve of the present meeting in Delhi that no dramatic results should be expected from it. In other words, he was not only cautioning against undue optimism, but also hinting that this was going to be a long drawn-out process spread over several rounds of discussions.

The intention seemed to be to conclude the current round on a hopeful note with some measure of understanding to step up bilateral relations in economic and cultural spheres, while continuing to focus the main attention on the border problem. The Chinese delegation would be leaving on Friday, after a brief sight-seeing trip to Agra, since Mr. Gonsalves is due to accompany the External Affairs Minister, Mr. Narasimha Rao, the next day on his visit to Dacca for talks on Indo-Bangla problems.

Indian side wary: If the Indian side was being rather wary to the point of being over-cautious in indicating how far this country would be prepared to go to arrive at a settlement, it was only because of the apprehension that any hasty response to the Chinese idea of a comprehensive settlement might be mistaken for a readiness to make one-sided territorial concessions. And this psychological factor was as important as the political considerations that would weigh in arriving at a settlement that would be broadly acceptable to Indian opinion.

No Progress Seen

New Delhi PATRIOT in English 19 May 82 pp 1, 7

[Text] Although the Sino-Indian official level talks on the border question continued for the second day on Tuesday, the Indian spokesman informed newsmen tnat discussions on the subject were proceeding "without the expectation of a breakthrough."

He thus confirmed what leaders of the two delegation — Special Envoy of the People's Republic of China Fu Hao and Secretary (East) in the External Affairs Ministry Eric Gonsalves — had stated earlier: it would require many rounds of talks before a settlement could be in sight.

With both sides keeping their briefs close, it was not known if the Chinese had advanced any fresh proposal to break the stalemate after India had rejected the package plan in full and hinted that China must make at least some substantial concession in the Aksai Chin region of the western sector if it really wanted any advance in the talks.

It was learnt that a commonly agreed foundation for detailed discussion on the border had yet to emerge from the discussions of the last two days. Neither side displayed undue optimism about the outcome of this round of talks.

According to the Indian spokesman, the talks were proceeding in a "cordial" atmosphere.

The officials of the Indian side conveyed to Prime Minister Indira Gandhi and External Affairs Minister P V Narasimha Rao a general idea of the talks so far. The Chinese side was also in contact with Beijing.

The final plenary session is scheduled to take place on Thursday (20 May). The Chinese delegation will visit Agra the next day. However, last minute changes have not been ruled out.

Mr Fu Hao would call on Mr Narasimha Rao on 20 May. But meeting of the Chinese delegation leader with the Prime Minister was scheduled.

WORKING GROUPS

Meanwhile, officials continued to hold discussions on the other aspects of bilateral relations — trade and economic cooperation scientific and technical cooperation and cultural exchange — in the different working groups set up on Monday.

The Chinese officials also visited some of the concerned Ministries and offices of relevant organisations to get a better idea of the extent of coopeartion possible in the aforementioned areas.

However, the Indian spokesman underscored once again that the border question being "central" to improvement of ties between the two countries the advance or other wise in settling the border dispute would have a direct effect on all other aspects of Sino-Indain relations.

CSO: 4220/7288

CHAN YOURAN SPEAKS AT UN ENVIRONMENT MEETING IN NAIROBI

BK181151 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 May 82

[Excerpts] The governing council of the UN environment program opened a special conference in Nairobi, Kenya on 9 May in order to review the outcome of work done by this world body since the Stockholm conference in 1972. This session, which will be held until 18 May, is attended by 120 UN member countries, including our Democratic Kampuchean delegation led by Chan Youran, Democratic Kampuchean ambassador extraordinary and plenipotentiary to the Arab Republic of Egypt. On 13 May, Chan Youran, head of the Democratic Kampuchean delegation, delivered a speech before the plenary session. Here is an excerpt of this speech:

For the past more than 3 years, Democratic Kampuchea has been the victim of aggression and occupation by more than 250,000 Vietnamese troops.

The Le Duan Vietnamese enemy's war of aggression has wreaked untold destruction on our Kampuchean nation and people. Over 2.5 million Kampuchean people were killed by the Le Duan Vietnamese aggressors' conventional weapons, man-made famine and biochemical weapons banned by the 1952 Geneva convention and the 1972 agreement.

Our Democratic Kampuchean Government has drawn the attention of the United Nations and international opinion to this Vietnamese biochemical warfare in Kampuchea since 1979. Since then, a great deal of evidence regarding the use of toxic chemical warfare in Kampuchea by the Vietnamese aggressors has been sent to the United Nations. The current growing piles of evidence regarding Vietnamese chemical warfare in Kampuchea reflect the aggravation of the situation in Kampuchea in which the Vietnamese aggressors are waging toxic chemical warfare to exterminate the Kampuchean race.

The Vietnamese aggressors have used toxic chemical weapons, biological weapons and toxic gas supplied by the Soviet Union. The Vietnamese aggressors have trained their fellow Vietnamese nationals as special agents to pour toxic chemicals into foodstuffs, medicine and water sources in order to poison the Kampuchean people.

The speech by our Democratic Kampuchean delegation was attentively followed by those at the meeting. Many countries expressed support for and sympathy with the Kampuchean people's delegation under the leadership of the Democratic Kampuchean Government.

CSO: 4212/19

THACH'S EUROPEAN VISIT VIEWED AS FAILURE

BK251113 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Apr 82

[Station commentary: "Shameful Failure of Nguyen Co Thach's Trip to Western Europe"]

[Text] At the beginning of April after being promoted by Le Duan in the course of the Fifth VCP Congress, Vietnamese Foreign Minister Nguyen Co Thach set off on his trip to a number of West European countries in order to trick these countries into accepting the Vietnamese aggression against Kampuchea as a fait accompli and to beg for West European aid for use in carrying on Vietnam's war of aggression against Kampuchea.

At the end of this trip, Nguyen Co Thach displayed his arrogance and fury to everyone. At his press conference in Brussels on 19 April, Nguyen Co Thach blurted out that he did not come to Europe to beg anyone and that it would be a grave (?mistake) if the West European countries continued to oppose Vietnam. What was it that made Nguyen Co Thach lose his temper? It was the total failure of his deceitful diplomacy. He failed to deceive anyone. Everywhere he went, Co Thach was told: The Vietnamese aggression against Kampuchea violates the principles of the UN Charter and international law. The Vietnamese aggression against Kampuchea is the root cause of the tense situation in Southeast Asia. For this reason, Vietnam must withdraw all its aggressor troops from Kampuchea.

At the same time, the West European public, mass organizations and political organizations launched activities and issued statements opposing the presence of Nguyen Co Thach and the Vietnamese aggression against Kampuchea. Concerning aid, except for France, no other countries aid Vietnam. No one wants to give even a bone to Vietnam. Having been beaten and denied even a small crumb or a bone, dog Nguyen Co Thach was very furious and turned to bare its fangs at everyone. However, no one fears such a skinny and starving dog.

At the end of his European trip, Co Thach called on Leo Tindemans, Belgian foreign minister and chairman of the Council of Ministers of the European Economic Community. The Belgian foreign minister told Co Thach outright that Vietnam must withdraw all of its troops immediately from Kampuchea

in accordance with the UN General Assembly resolution and respect the Kampuchean people's right to self-determination. Concerning aid, the Belgian foreign minister told Co Thach that Belgium will consider the resumption of its aid to Vietnam only after Vietnam complies with the UN resolution that demands the withdrawal of all Vietnamese troops from Kampuchea.

When Nguyen Co Thach arrived in Bonn, the West German Foreign Ministry issued a press communique reiterating the stand of the West German Government concerning the Kampuchea problem. This press communique said: The West German Government supports the statement issued by the International Conference on Kampuchea in July 1981 and the resolution adopted on 9 October 1981 by the UN General Assembly which demand the withdrawal of all Vietnamese troops from Kampuchea, and the resolutions adopted on 29 and 30 November 1979 by the EEC Council which demand that the Kampuchean people enjoy the right to self-determination free from outside interference or pressure by foreign forces. Therefore, this trip to West European countries by Nguyen Co Thach, the big liar of the Hanoi authorities, faced total failure. This has once again caused Nguyen Co Thach, who has just been promoted to a higher position, to lose face.

The West European countries, like all other peace and justice-loving countries throughout the world uphold international principles and laws, have continued to adhere firmly to the principles of abiding by international law and opposing the Vietnamese aggression in Kampuchea. So long as Vietnam maintains its troops in Kampuchea, they will never give aid to Vietnam. They are of the same opinion that it is necessary to continue to pressure Vietnam, politically, diplomatically, economically and financially, in order to join hands with the Kampuchean people's struggle on the battlefield in forcing the Vietnamese aggressors to respect the UN General Assembly resolution and withdraw all of their aggressor troops from Kampuchea.

CSO: 4212/19

'VODK' REPORTS ON TOKYO KAMPUCHEA DAY ACTIVITIES

BK240714 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 22 Apr 82

[Text] The Kampuchea Day celebration was held in a grand and enthusiastic atmosphere in Tokyo, the beautiful capital of Japan, from 10-13 April.

A large number of Japanese personalities, scientists and people from the masses as well as foreign diplomats in Tokyo took part in meetings, demonstrations, Kampuchean night, discussions on the Kampuchean issue and a banquet to close Kampuchea Day.

On the evening of 10 April, a large number of Japanese personalities and people from all walks of life met in the Tokyo Theater Hall to attend the Kampuchea night. The organizing committee announced the Kampuchea night open at 1830. The Phnum Malai artistic troupe performed successfully amid resounding applause from the audience.

A political program was held after this performance. His Excellency (Izikawa Makoto), chairman of the Japanese Workers' Trade Union, made a speech. He said: Vietnam has invaded Kampuchea, which is an independent state. We cannot accept this. We must continue to support the Kampuchean people's struggle. The Kampuchean people's just struggle will be victorious. We wish the Kampuchean people's struggle great success.

Later, Mrs Ieng Thirith, Democratic Kampuchea minister of social affairs, and His Excellency (Chan Ma) said: Vietnam must withdraw its troops from Kampuchea. May Kampuchea again enjoy peace.

These three speeches were interrupted many times by prolonged bursts of applause from the audience.

Mrs Marita Wikander, representative of the Swedish-Kampuchean Friendship Association, and Prof (Steven Okles), representative of the Canadian mass organizations, who were unable to attend the Tokyo Kampuchea Day, sent messages of support.

In conclusion, Prof Sakamoto Tokumatsu read an appeal issued by the meeting calling for the unconditional withdrawal of Vietnamese troops from Kampuchea,

the retention of Democratic Kampuchea's seat at the United Nations and the unification of the Kampuchean national forces. This appeal was supported by the unanimous applause of the participants.

It is to be noted that during the meeting representatives of various Japanese mass organizations presented a quantity of aid consisting of money and medicine to the Kampuchean people through our Democratic Kampuchean delegation.

On 11, 12 and 13 April, there were discussions on the Kampuchean issue, meetings and a banquet to close Kampuchea Day. All these activities proceeded in an atmosphere of militant solidarity between the two peoples of Kampuchea and Japan.

CSO: 4212/19

IENG THIRITH DELIVERS SPEECH IN JAPAN

BK280848 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 25 Apr 82

[Text] On 11 April 1982, Japanese and foreign personalities, scientists and people who attended the Kampuchea day held a meeting to discuss the Kampuchean problem. On that occasion Mrs Ieng Thirith, minister of Social Affairs of Democratic Kampuchea, presented a speech that we would like to excerpt as follows:

After telling the audience about the military situation and the struggle of our Kampuchean people under the leadership of the Democratic Kampuchean Government and the Patriotic and Democratic Front of the Great National Union of Kampuchea, Mrs Ieng Thirith said: Militarily the Vietnamese enemies have been defeated. They have attempted to gather their troops to carry out operations in the western Kampuchean border region, but there are not enough troops inside Kampuchea, which enables us to fight them everywhere.

Politically, the national coalition is steadily progressing both inside and outside the country. For this sacred national coalition, the Democratic Kampuchean side has made every effort to the point of daring to sacrifice to give up the socialist revolutionary line and the building of socialism by adopting a new strategic line for approving the private ownership regime and, in particular, dissolving the Communist Party of Kampuchea, which has been the center of the Kampuchean people's struggle for decades. All of these changes were made in order to persuade the entire Kampuchean nation to agree to unite to fight the Vietnamese enemy aggressors.

The Democratic Kampuchean Government took the initiative to secretly negotiate with other parties which have opposed the Vietnamese enemies, culminating with the open signing of the Singapore joint communique on 4 September 1981. Later on, we worked to unite all national resistance forces against the Le Duan Vietnamese enemies. The Kampuchean people are satisfied with these efforts made by the Democratic Kampuchean Government and the Patriotic and Democratic Front of the Great National Union of Kampuchea, and wholeheartedly support them. The Kampuchean people have a greater realization of the nature of the Le Duan Vietnamese enemies and hate them more. The people assist and support the Democratic Kampuchean National Army and guerrillas as they have started stronger operations against the

Vietnamese aggressors. The Vietnamese enemies have become more isolated. They cannot force the Kampuchean people to serve as their Phnom Penh puppets soldiers. They were forced to draft new soldiers in their country, which causes greater trouble. The Vietnamese people oppose them. They do not agree to allow their children and grandchildren to die on the Kampuchean battlefield. They do not want to admit that Vietnam is ruined and suffers economic trouble because of this injust war. They have increased their opposition to the Le Duan Vietnamese clique. The Le Duan Vietnamese enemies have been defeated. When they are defeated they are more arrogant for not respecting any international law. They are irritated and confused, and have become lost. They lack troops and cannot draft new soldiers, and the morale of the experienced soldiers is deteriorating. Their economy is suffering and the Vietnamese people are rebelling and oppose them.

At present, the Le Duan Vietnamese enemies are increasing their use of toxic chemicals and gas in Kampuchea, without taking international opinion into account, killing thousands of Kampucheans--the young, the old, males and females.

Having been defeated in the military and political fields, the Le Duan Vietnamese enemies are attempting to stage diplomatic maneuvers to divide the ASEAN countries and dupe the mass's opinion. They pretend that they want to split from the Soviet Union or that they differ with the USSR. In fact, everybody knows that the Vietnamese are devoted lackeys on the frontline of the world expansionists in their attempt to advance in order to occupy the Strait of Malacca and the Persian Gulf. They are at the same time staging maneuvers and threatening other countries, such as when they gather their troops to stage operations on the western Kampuchean frontier and threaten Thailand.

Everyone realizes these tricks because the Le Duan Vietnamese enemies have already sold military bases, such as Haiphong Port, Cam Ranh Bay, Da Nang and Tan Son Nhet Airport, to the Soviet world expansionists. Therefore to help the Le Duan Vietnamese clique is to aid the Soviet world expansionists.

The war for national liberation and race defense waged by our Kampuchean people is a just war. The just war will undoubtedly win. This victory which will bring prosperity to the Kampuchean people and the peoples of the world is never separated from Japanese assistance and support as well as from all of you--ladies, gentlemen and friends. This victory can be achieved quickly if Japan and various other countries unite with each other to apply pressure on the Le Duan Vietnamese clique until they unconditionally withdraw all of their troops from Kampuchea, in accordance with the resolutions of the 34th, 35th and 36th UN General Assemblies and of the UN International Conference on Kampuchea in July 1981. All peace and justice-loving countries in the world should join hands to bring economic pressure to bear on the Le Duan Vietnamese clique by not giving them aid. They should support the legal right and the seat of Democratic Kampuchea at the United Nations. They should assist and support the Kampuchean people's struggle in all fields--materially, morally, diplomatically and politically.

After thanking the Japanese people and nation, Mrs Ieng Thirith continued: Japanese friends have assisted and supported us during those times when our country and nation and race are in danger of extinction. There is a Kampuchean saying: Know each other in difficult times. The Japanese people are the real friends of the Kampuchean people.

Our delegation is confident that through this Kampuchea day, the Kampuchea-Japan friendship which is now developing will develop and flourish further as (Sakura) flowers in the spring.

Mrs Ieng Thirith's speech was applauded many times by the audience.

CSO: 4212/19

WEEKLY ROUNDUP OF KPRAF ACTIVITIES

BK231308 Phnom Penh Domestic Service in Cambodian 1200 GMT 22 Apr 82

["Weekly Roundup of KPRAF Activities"]

[Text] While we were celebrating the traditional new year festival throughout the country, over the border the Pol Pot remnants with the support of the Thai reactionaries were launching sabotage attacks on several points.

In the north, they fired 14 times at the junction of the three borders--in Preah Vihear, Battambang and Siem Reap--and 24 times onto Ampil, Thmar Puok, Poipet, Malai and O Da. At the border west of Pursat, they fired 13 times on the Smat Deng area and south of Ta Sanh and 7 times onto the southwestern part of Koh Kong Province. The enemy's artillery shells caused damage and losses to the lives and property of our people in a number of places. On 1 April they fired artillery pieces onto the western part of Battambang Province. From 2 to 4 April the Thai reactionaries sent various types of aircraft such as L-19's, A-37's, F-5's, and C-130's to fire rockets and 20-mm machineguns on our border defense units in support of the infiltrations by the Pol Pot remnants in their sabotage attempts. On 7 April, Thai warships in our territorial waters shelled the border region east of Khlang Yai.

In the interior, the Pol Pot remnants also sneaked in to conduct sabotage activities. It is evident that during the new year festival the more fun we had, the more indignant the Pol Pot remnants were. They sought by all means to undermine us. The more perfidious their maneuvers, however, the more seriously they suffered.

In the past weeks, with a high sense of vigilance our KPRAF appropriately punished the Pol Pot gang and Son Sann's Sereika group, causing them serious losses. In various areas such as Toek Chhak, Malai and O Da the Pol Pot remnants are still scared following our army's punitive raids at various points they attempted to capture, particularly those groups which are still being pursued by our forces.

At the beginning of April a battle took place at Sok San village where we killed 55 enemy soldiers and the survivors fled in haste back to Thai

territory. This resulted in 50 tons of rice, 5 tons of medicine, 9 tons of vegetable oil and a large quantity of arms and ammunition being left behind. This did not include a huge amount of materiel which was destroyed.

On 2 April, at a point south of Smat Deng, a group of 11 enemy soldiers was intercepted and annihilated by our forces before it could commit any crime after crossing the border. We seized 12 assorted weapons. On the same day, in the southwest, some prisoners of war led our forces to Ampil Mountain where a group of enemy soldiers hiding in the forest were surrounded and destroyed. After surrounding them, we called on them to surrender; but, they were stubborn and started shooting. As a result, seven of them were killed, two escaped and eight weapons were seized. At the same time, at (Ta Ngea) jungle we wiped out 17 other enemy soldiers.

In the Seida-O Da region in the northwest of Battambang Province where the Pol Pot remnants had to bury hundreds of their colleagues in the previous month, on 2 April they were forced by Pol Pot to cross the border again with the support of Thai aircraft and artillery fire. The fire cover seemed to be completely ineffective as 50 Pol Pot remnants were killed on the spot and we seized 40 weapons, including 13 12.7-mm machineguns.

In other areas in the interior of the country, with a high sense of vigilance our people reported in time to the authorities permitting the army and security forces to arrest several groups of enemy spies.

On 6 April in the vicinity of (Phalla) and (Damdek) south of Chong Kal we killed 28 enemy soldiers and captured 12 others. In the vicinity of Chamka Leu and Stoung we killed six, took four others prisoner and seized nine weapons. Upholding a sense of vigilance, the people at Kompong Thmar tried hard to discover enemy arms caches. Last week they led our army to retrieve 54 assorted weapons.

Dear comrades and friends, [words indistinct] nurturing an ambition to nibble at the territory of our fatherland, they intensified their activities of attacking us in a number of areas in the north during the new year festival. With the vigilance of our people and KPRAF, however, we duly responded to their onslaught. Our stinging blows drove them back, frightened and hopeless.

CSO: 4212/19

CHHENG PHON INTERVIEWED ON UNESCO ANGKOR EXHIBITION

BK231110 Phnom Penh Domestic Service in Cambodian 1230 GMT 21 Apr 82

[Station correspondent's interview with Minister of Information and Culture Chheng Phon--recorded; date not given]

[Text] [Question] According to information we have obtained through the Western press, UNESCO organized a photo exhibition on 5 April on the Angkor temples and this organization authorized the Pol Pot gang to attend it. What is your opinion on this?

[Answer] First of all, let me thank the radio station of the PRK for raising this question, thus giving me an opportunity to enlighten national--as well as international--public opinion about the maneuvers aimed at undermining the Kampuchean revolution by the Chinese expansionists and the imperialists through their cat's-paws, in particular, the genocidal Pol Pot gang and other reactionary Khmer groups. On 5 April a photo exhibition on the Angkor temples was held in New York and UNESCO authorized the representatives of the Pol Pot-Ieng Sary-Khieu Samphan clique to attend. This attitude of UNESCO constitutes contempt for the souls of the 3 million Khmers who were massacred by the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique which was sentenced to death by the people's revolutionary tribunal. This also constitutes interference in the internal affairs of the PRK. At the same time, UNESCO created favorable conditions for the traitorous Pol Pot-Ieng Sary-Khieu Samphan clique to conduct a propaganda campaign to distort the realities in the PRK.

The fact is that it is public knowledge that during the more than 3 years under the Pol Pot-Ieng Sary-Khieu Samphan regime, the national culture was completely wiped out by the gang. The Angkor temples and other antiquities were abandoned to the attacks of nature. These monuments were taken over by vegetation. A number of temples were heavily damaged by the roots of big trees. A number of stone carvings in Angkor became targets for shooting practice by Pol Pot soldiers. Why did UNESCO not raise this question concerning the Angkor temples at that time? Why does it blame the PRK now?

The enemy has raised the question of turning the Angkor region into a demilitarized zone. Why has it raised this question? Let me tell you that

this is part of the dark maneuvers to mislead world opinion into misinterpreting the realities in Kampuchea. This is because the enemy wants to show that the Angkor temples are in a zone lacking security.

It is my personal view that it is more advisable to think about the question of security for the exhibition site in New York City rather than to bother about security in the Angkor region which is now enjoying peace and good order and which is receiving good care and is under restoration.

Not only has the genocidal gang massacred innocent Kampuchean people, but it has caused nature and vegetation to wilt, wither and shrivel. In particular, Angkor, which is a holy place for the Kampuchean people, suffered the worst. As I said in the statement [words indistinct] for the Kampucheans, Angkor is virtually everything.

Now, the lackeys of the Beijing expansionists are no longer able to undermine us. They cannot even put their dirty foot on the land of Angkor, in particular the Angkor region which is the goal of the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique. This clique cannot come close to the Angkor region because our people, in cooperation with our army, are determined to protect Angkor from the clique's attempts to destroy it again.

UNESCO should be more careful [words indistinct] of the genocidal gang. Kampuchea is alive. The Pol Pot-Ieng Sary clique is not allowed to harm Angkor any more. Because the people and army are ready to protect Angkor they have issued this proposal to demilitarize the region.

The imperialists and Beijing expansionists have tried to transform UNESCO into an instrument of propaganda in service of their policy and the policy of their lackeys, aimed at interfering in the internal affairs of Kampuchea and tainting the prestige of the PRK and SRV.

In my statement of 16 March I informed the people throughout the world about the efforts made by the party and PRK Government, with the assistance of fraternal socialist countries and other friendly countries, since the liberation on 7 January 1979 in repairing the ancient temples as part of our drive to restore national culture and national civilization. In particular, the authorities of the PRK have cooperated with the Vietnamese Army in preserving the Angkor temples and other antiquities in the PRK. We have also cooperated with archaelogists all over the world--for example, the Indian technical experts--inviting them to provide us with technical assistance in restoring the Angkor temples.

On this occasion, I would like to express deep thanks to the Vietnamese troops for sacrificing all their efforts and even their lives in protecting the Angkor temples and other antiquities as well as in defending the lives of the Kampuchean people, allowing us to live in peace and happiness in our beautiful land of Angkor.

CSO: 4212/19

CHAN SI ADDRESSES COMMUNICATIONS MINISTRY MEETING

BK250755 Phnom Penh Domestic Service in Cambodian 0400 GMT 24 Apr 82

[Text] The Ministry of Communications, Transport and Posts held a meeting at the land transportation service on the morning of 23 April to review the achievements of 1981 and set future plans. Present as members of the presidium of the meeting were Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the Council of Ministers; Comrade Hun Sen, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers and minister of foreign affairs; Comrade Chan Ven, vice chairman of the KUFNCD National Council and secretary general of the Council of State; Comrade Khun Chhy, minister of communications, transport and posts; and many ministers, deputy ministers, chairmen of various committees and mass organizations and cadres from various ministries and offices.

Comrade Chan Si made the opening speech. He noted: During the past 3 years under the KPRP's leadership, we have struggled vigorously to restore and rebuild everything and have achieved success in all fields. Our working class has revived and become master of its destiny in building and defending the country. The working class is the class that leads the revolution and resolutely wages a revolutionary struggle. It has a scientific character and the abilities to build socialism. Therefore, the working class must make vigorous efforts to fulfill all tasks for the revolutionary cause of building and making our country advance toward socialism.

We must always elevate our spirit, hold aloft the banners of patriotism and proletarian internationalist solidarity--particularly with our Vietnamese friends--and be vigilant at all times to counter the maneuvers of our enemies led by the Beijing hegemonists and expansionists in collusion with the U.S. imperialists, who are attempting to destroy our Kampuchean revolution.

Later, Comrade Khun Chhy, minister of communications, transport and posts, read a report reviewing the tasks performed in 1981. The report noted the great achievements scored by the ministry in all tasks related to building and defending our revolutionary gains.

The meeting was recessed at 1100 in a joyous atmosphere permeated with lofty spirit of fraternal solidarity.

CSO: 4212/19

EDITORIAL URGES EXPANDED RUBBER PRODUCTION

BK210800 Phnom Penh Domestic Service in Cambodian 1100 GMT 20 May 82

["Kampuchea" editorial: "Strive to Successfully Fulfill Plans to Expand Rubber Production and Planting Acreage"--date not given]

[Text] Following the historic victory on 7 January 1979, our KPRP has set two essential tasks--firmly defending national independence and rehabilitating the national economy. As the masters of the country and the ones who are responsible for the national history and having grasped the essential requirements and urgent tasks of the revolution, our people throughout the country, with a lofty spirit of patriotism, have jointly strived to actively carry out all kinds of production, thus overcoming famine left behind by the Pol Pot-Ieng Sary-Khieu Samphan clique, cheap lackeys of the Beijing hegemonists and expansionists, and restoring various important economic establishments, particularly the rubber plantations.

Under the three oppressor regimes of the past, our people had never enjoyed the benefits of the tens of thousands of hectares of rubber trees in their country. Under the Sihanouk feudalist regime, rubber was monopolized by the French capitalists. Under the Lon Nol regime, rubber plantations continued to be monopolized by the French capitalists, and several hectares of rubber plantations were damaged by the U.S. war of destruction. Worse still, under the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime, tens of thousands of hectares of rubber plantations were destroyed, the material and technical establishments were seriously ruined and the majority of cadres and specialized workers were massacred.

After the liberation, the revolutionary power has paid strict attention to this large source of wealth for use in stimulating the restoration and strengthening of the national economy and bringing benefits to our people. In this spirit, within a brief period our fraternal rubber workers have struggled resolutely to clear the land and restore thousands of hectares of rubber plantations. At the same time, with their spirit of industriousness and creative ingenuity, our valiant state rubber workers at Chup, Ta Pau, Peam Cheang, Thma Pech and other plantations have strived to tap latex, thus turning out a quantity of rubber for use in the country and for export abroad. In 1981 in particular, our workers--with a greater sense of conciousness and revolutionary optimism--actively carried out production

in their respective sectors, thus bringing enthusiasm to the rubber plantations. First of all, we have repaired houses, solved problems of living quarters, foodstuffs and clothing and taken care of the health of and educated our workers in political, ideological and technical fields. All the production sites have organized security and guerrilla forces to provide protection and crush all maneuvers of the enemy attempting to undermine our internal ranks, cause instability, destroy our rubber trees and disturb our production. These achievements clearly reflect another firm advance brought about by the correct policy of the party and state and the sincere support, assistance and cooperation of fraternal Vietnam, the Soviet Union, the GDR and other friendly socialist countries. These achievements are also the outcome of the confidence in and active struggle of the workers who, despite difficult conditions, have worked industriously with the only aim of bringing prosperity to our beautiful Angkor land.

The third plenary session of the party Central Committee and the second session of the First National Assembly paid great attention to the exploitation of rubber trees under cultivation and the expansion of rubber plantation acreage in order to increase the volume of raw and processed latex to (?12,000) tons in 1982.

In order to carry out this plan effectively and achieve success at the same rate as the vigorous incessant development of our revolution, it is imperative for cadres and workers in all the rubber plantations to heighten their spirit of resolute struggle and their sense of responsibility and to improve the organization, control and system of work by effectively carrying out the following requirements:

To establish a firm and harmonious organizational system from the top to the grassroot levels and to improve the control of work in all aspects while promoting the construction of party and mass organizations, each production site must strive to expand its forces in order to fulfill the plans set forth by the party and state. The areas which have just started this exploitation and lack sufficient forces to meet work requirements must select, train and increase knowledge of cadres and workers in political and technical fields so that they can serve the work requirements now and in the future.

In the areas where rubber plantations have not yet been restored nor exploited, the Agriculture Ministry must closely cooperate with the localities and set up methods of protecting them from subversion and fire. It is imperative to discuss, exchange views and cooperate with the experts and draw experience from them in order to set up concrete plans aimed at rapidly increasing the volume of production and the quality of latex for export; to pay attention to improving the standards of living of the workers; and to implement the wages and award system as appropriate in order to stimulate work enthusiasm among workers, particularly those efficient and specialized workers. This should be done by providing them with foodstuffs, paying their wages in a timely manner and absolutely avoiding such unhealthy phenomena as tardiness and cheating. It is imperative to increase the workers' right to ownership by regarding every one of them as a valiant combatant who defends the rubber plantations and collective property against the perfidious maneuvers causing

instability and sabotage by the enemy of all stripes. It is imperative to abide by the sense of thrift and avoid such unhealthy phenomena as lavishness and lack of responsibility. It is imperative to stimulate the spirit of affection, respect and mutual assistance and to strive to accelerate the production. It is also imperative for everyone to heighten the spirit of being masters of the factories, tools, rubber trees and productivity by striving to keep and protect them thoroughly. Everybody must be aware that each rubber tree is very valuable, thus the tapping must be carried out thoroughly and carefully according to its techniques. It is imperative to avoid carelessness which will damage the rubber tree, thus reducing the volume and quality of its latex.

Based on the past experience in expanding and strengthening the rubber plantations and with the state's guidance and care and our resolute determination, in the near future our rubber plantations will certainly be put in good condition and become a lively production base, thus guaranteeing the restoration of our national economy and contributing to making the PRK advance directly through a transitional period toward socialism.

CSO: 4212/19

JAPANESE JOURNALISTS VISIT DK ZONE

BK061220 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 5 May 82

[Text] On 26 April (Nikume Tadao), photographer of the JAPAN DAILY NEWS, and his wife Mrs (Morito Kisaziko), a KYODO journalist based in Bangkok, paid a visit to the zone under the control of Democratic Kampuchea.

The friendly guests were warmly and cordially welcomed upon their arrival by cadres of the Foreign Ministry. Chhorn Hay, secretary of state of the Ministry of Posts and Telecommunications of Democratic Kampuchea, held talks with and entertained the friendly visitors in a warm atmosphere of mutual understanding.

(Nikume Tadao) handed over to the government of Democratic Kampuchea 39 crates of bean oil. This was the second visit by (Nikume Tadao). Following his first visit to Democratic Kampuchea, he won a prize in a photo competition in Japan. He spent the prize money on vegetable oil to donate to the Kampuchean people who are suffering from the Vietnamese acts of aggression, expansion, annexation and genocide.

Mrs (Morito Kisaziko) also presented a quantity of vegetable seeds to our Kampuchean people.

During their stay in the zone under the control of Democratic Kampuchea, the friendly Japanese guests visited and took pictures of Phum Thmei, Phum Sangke, the school, the experimental workshop producing artificial legs for disabled combatants and the hospital. They noted the ingenuity of our male and female combatants who worked in difficult conditions at the experimental workshop and the hospital.

On 27 April the friendly guests attended an artistic soiree at Phum Thmei.

On 28 April they ended their visit to Democratic Kampuchea by firmly assuring that they would never forget the National Army and guerrillas of Democratic Kampuchea. This is an irreversible situation, they said. We pledge to do our best to assist the Kampuchean people in the future.

CSO: 4212/19

BRIEFS

DELEGATION TO DELHI--At the invitation of the World Peace Council of Helsinki, a two-man Kampuchean delegation led by Comrade Sieng Saran, secretary general of the Kampuchean Committee for the Defense of Peace, left Phnom Penh on 19 April to attend the international conference on the Indian Ocean as the zone of peace to be held in New Delhi from 23 to 25 April. [Text] [BK211341 Phnom Penh Domestic Service in Cambodian 1230 GMT 20 Apr 82]

MONGOLIAN DIPLOMATIC DELEGATION--A Mongolian delegation led by Comrade Legdengiyn Damdinjab, ambassador extraordinary and plenipotentiary of the People's Republic of Mongolia to the PRK with residence in Hanoi, arrived in the PRK at 1100 on 22 April for an official visit. Greeting the delegation at Pochentong Airport were Comrade Kim Sarin, deputy chief of the Asia Department of the Foreign Ministry; and many other cadres. At 1515 on the same day, the delegation called on Comrade Chheng Phon, minister of information and culture. Comrade Chheng Phon spoke to the delegation about the struggle to restore national culture and the PRK's achievements and rapid development. He stressed the spirit of internal solidarity and proletarian internationalist solidarity with the Vietnamese and Soviet comrades in particular. He also highly appraised the Mongolian party, government and people for leading their country toward progressive socialism through a transitional period bypassing capitalism. In his reply, Comrade Damdinjab welcomed the rapid progress of the PRK and the Kampuchean national culture as explained by Comrade Chheng Phon. The comrade said that in this trip to Kampuchea, he brought projects for Mongolia-Kampuchea cooperation, particularly in the cultural field. The comrade also discussed the project to help train cadres of the PRK Ministry of Information and Culture as well as all other Kampuchean cadres in the cause of building their country. [Text] [BK240925 Phnom Penh Domestic Service in Cambodian 1100 GMT 23 Apr 82]

ROAD REPAIR ACTIVITIES IN KAMPOT--Workers in Kampot Province's Public Work Service are striving to repair highway 3 leading from Kampot provincial seat to various districts and routes 16 and 17 leading from Kampot provincial seat and Kompong Trach District to Tuk Meas District. So far, they have repaired a total of 84 kilometers of these roads. Moreover, they have repaired a number of bridges on the roads in the province. They are now striving to repair a bridge at (Traeung) on highway 3. [BK250845 Phnom Penh Domestic Service in Cambodian 0400 GMT 23 Apr 82]

KEAT CHHON ENDS MAURITANIA VISIT--Following his successful visit to Mauritania, Minister Keat Chhon, special envoy of Chairman Khieu Samphan, left Nouakchott on 15 April for Niamey, capital of Niger. Seeing Minister Keat Chhon off at the Mauritanian airport were His Excellency Hasni Ould Didi, Mauritanian minister of national education; and Mauritanian Foreign Ministry officials. At the end of his visit, Minister Keat Chhon was feted by His Excellency Hasni Ould Didi. Also attending the banquet in honor of Minister Keat Chhon were His Excellency Diagana Youssouf, minister of health and social welfare; His Excellency Mohamed Yehdi Ould Breidelleil, government secretary general; and His Excellency (Mohamed Mahmi Val), chief of cabinet of the Mauritanian Foreign Ministry. During his stay in Nouakchott, Minister Keat Chhon also met the Mauritanian press. He informed the press director and editors about the military situation in the Kampuchean battlefield where the Vietnamese aggressors are being deeply bogged down everywhere and suffering heavy defeats on the Malai Mountain area in the current dry season. [Text] [BK241113 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Apr 82]

KEAT CHHON'S ACTIVITIES IN SENEGAL--On the occasion of his visit to Senegal, Keat Chhon, minister attached to the prime minister's office of Democratic Kampuchea, accompanied by Ambassador Hing Un paid a visit to the office of Le Soleil. He was cordially and warmly welcomed by His Excellency (Para Diouf), member of the Socialist Party of Senegal Central Committee Political Bureau and general secretary of Le Soleil. At the invitation of His Excellency (Para Diouf), Minister Keat Chhon attended, as guest of honor, a meeting of responsible employees and writers of this paper. He told the attendants about the situation of the Kampuchean people's struggle under the leadership of the Democratic Kampuchean Government against the Vietnamese enemy aggressors. On 9 April, Minister Keat Chhon paid a courtesy call to His Excellency Djibril Sene, minister of higher education and scientific research. During this meeting which was held in a sincere and fraternal atmosphere, His Excellency Djibril Sene said that the struggle of the Kampuchean people and the Democratic Kampuchean Government is a just struggle. He reinterated the complete support of the Senegalese Government for the struggle of the Kampuchean people and the Democratic Kampuchean Government. He wished the Kampuchean people and the Democratic Kampuchean Government more and greater victories in their just struggle. [Text] [BK181305 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 17 Apr 82]

BRIDGES DESTROYED IN SIEM REAP--On 6 April our army and guerrillas destroyed a 12-meter long bridge of the Vietnamese enemy on Route 6 near (Samraong Kanhchanh) village, the Route 6 battlefield. On 13 April they also destroyed a 30-meter bridge near Sala Kakaoh on Route 6. Long live our valiant army, guerrillas and people on the Siem Reap battlefield. [Text] [BK280719 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 26 Apr 82]

GUERRILLAS ACTIVITIES 10 MAY--Here is a report on the resistance activities in Laos: On 10 May the Vietnamese sallying out of their position at (Preay) hamlet for the position at (Peou) hamlet stepped on landmines and punji stakes planted by the Lao National Liberation Front guerrillas: three of them were killed and two others wounded. [Text] [BK160909 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 May 82]

CSO: 4212/19

HAQ ORDERS WORKING PAPERS ON COTTON CRISIS

GF251804 Karachi DAWN in English 22 May 82 p 1

[Text] Lahore, May 21--The federal government has decided to deal with the cotton crisis at a higher level and devise ways for the timely supply of sufficient amount of cotton to the local textile industries.

The shortage of cotton has threatened closure of more textiles units in the country.

Knowledgeable sources said a meeting of the Federal Export Promotion Board (FEPB) in Islamabad on Tuesday will discuss the problem in detail.

The chairman of the board, President Ziaul Haq has given specific instructions to the officials concerned for the preparation of a working paper on the availability, shortfall, and demand of cotton to be considered at the board meeting.

The chairman of the All-Pakistan Textile Mills Association (APTMA), Mr Aftab, has been invited to attend the meeting. Representatives of the Cotton Export Corporation (CEC) will also be present at the meeting.

The CEC has fixed a target of 17 lakh bales of cotton for export this year. In this connection it has procured cotton from the open market on the prices higher than fixed by the government.

The demand of textile mills for the current session has been estimated at 30 lakh to 32 lakh bales whereas the crop output has been estimated at 40 lakh to 41 lakh bales.

With a carryover stock of three lakh to four lakh bales there would be shortfall of at least 10 lakh bales.

The CEC wants to fulfill its business contracts whereas APTMA wants full supply against their demand.

CSO: 4220/654

FOREIGN MINISTRY TEAM TO VISIT MOSCOW

GF251215 Karachi DAWN in English 23 May 82 p 1

[Text] Islamabad, 22 May, (AFP)--A Foreign Ministry delegation, headed by a senior official, is expected to visit Moscow in a couple of months as part of the annual consultations between Pakistan and Soviet Union matters before United Nations and bilateral relations, informed sources said here on Saturday.

The sources said this while clarifying the impression created by certain press reports, in which the Soviet ambassador in Pakistan was quoted as having said in a recent speech in Karachi that Foreign Minister Sahabzada Yaqub Khan would visit Moscow to hold talks at the Kremlin.

The sources said that so far Sahabzada Yaqub Khan had not been invited to visit the USSR. But the Soviets had indicated that they were preparing to receive a Foreign Ministry delegation to visit Moscow for annual exchange of views on the agenda of the forthcoming session of the United Nations General Assembly in addition to bilateral relations.

Last year Soviet Deputy Foreign Minister Nikolai Firyubin, had visited Pakistan as part of these exchanges and two years back Foreign Secretary Riaz Piracha had gone to Moscow for the same purpose.

CSO: 4220/654

FEUDS BETWEEN PATHAN TRIBES LIVING ABROAD REPORTED

Abu Dhabi EMIRATES NEWS in English 20 May 82 p 3

[Text] Al Ain (EN): In a remote location on the outskirts of Al Ain over 40,000 men live inside what is known as the Pathan town. It stretches for over three kilometres in a semi-circular shape near the rocky hills which resemble the mountainous regions where the Pathan tribes live on the border areas between Pakistan and Afghanistan.

Only men live in the Pathan town of Al Ain inside shacks almost uniform in their design with each shack comprising one large room, a yard in front and a small bathroom. The streets of this town are actually narrow and winding lanes and only a town resident would know how to find his destination there. A striking feature which never fails to surprise the first-time visitor are the flags hoisted on each of the town's houses. They may at first be taken as some form of decoration but the fact of the matter is that they are tribal flags. Each one of them indicates the Pathani tribe of the people living under its roof. This feature becomes a frightening one when the differences and feuds between these tribes are borne in mind. Indeed, it has been claimed that the town with its tribal divisions, evident in the grouping of houses and the flags flown atop is a time-bomb liable to explode any time the inherent feuds erupt in violence. At any rate, the wise men among them have so far succeeded in containing the occasional outbursts which are closely suppressed to allow the men to attend to their livelihood for which they have come to the country.

The Pathans are devout Muslims careful to perform their prayers and for this reason about eight mosques are set up in their town. It could be for this reason that they regard their stay in the country as a legitimate right although a significant part of their numbers have either entered the country through illegal channels or are staying illegally. They complain about their poor housing facilities and want to see their town supplied water and electricity by the authorities, although their houses have come up without permits from the municipality.

Nawab Khan of the town's residents, who works on a plantation belonging to a national, says that he and his roommates pay 90 dirhams daily for a tanker of water (their one-room house shelters 30, while Ahmed Afdal who works as a driver for one of the companies in Al Ain says that the municipality

refuses to supply power to many of the houses there (the municipality says it has not given permits for erecting those houses).

Darlen Saleh, another resident of the town, wants the state to be responsible for their accommodation but when asked to account for the large number of unemployed Pathans in the town who are staying in the country illegally, merely asserts that he has a valid visa and a job.

Besides the illegal residence status of many of the Pathans in the town and the feuds among them which may spark violence they pose a greater threat to the society's internal security. They are a town of men without wives and families. They live in constant deprivation of the natural conditions of life where a man lives as part of a family with the wife who provides love and companionship. This makes their life harsh and, therefore, they become harsh people. Their incomes are well below the standards required by law to allow them to bring in their families and they, on their part, prefer to keep their families behind as they consider the time they will spend in the emirates as a period of austerity where every fils should be saved. Such conditions are not the making of a healthy environment and it is natural that crime should thrive amidst conditions of this kind.

How do these people enter the country in such numbers and then stay for too long a time? Abdul Rahman Ahmed Al Shaer, Director of Labour and Labourers' Office in Al Ain, blamed private sector companies for the problem. He explained that those companies apply for collective visas to bring in the required labourers to complete the projects on condition that their own personnel will select the labourers required and will repatriate them after completion of projects. Naturally, he added these companies head for Asian countries to bring in cheap labour but do so through an agent who trades in collective visas by selling them to other agents. He added that the agent who recruits the workers does not pay any attention to whether they are qualified for the job or not since his own concern is how much the workers will pay to get the job. The result, he said, is many workers unfit for the job required enter the country and the company concerned is forced to lay them off. But to avoid paying for their repatriation, the companies concerned grant them unpaid leave or holidays and, consequently, they stay jobless until they find other employment, and when this happens the company which brought them in gives them the required release.

Another fact which Abdul Rahman revealed is that a large number of workers run away from the employers who sponsor them. They do so, he added, because the employer either fails to pay their wages regularly or pays very low wages and since the worker had paid a large sum in the first place to get the job, he feels that he must make up for the costs he had borne to enter the country. In addition, he added, there is a large number who enter the country illegally.

Colonel Salem Al Tajer, Deputy Director of Al Ain police, points out that Pathan workers have brought to the country new and dangerous kinds of crimes. "They came from a tribal society where feuds are plenty and revenge is common and most the revenges in Al Ain take place inside the Pathan town," he said. Moreover, he said for some time we found that escaped criminals and outlaws were being helped and hidden inside the town but the situation has never been out of police control.

CSO: 4220/654

BRIEFS

STUDY ON REMITTANCES PLANNED--Rawalpindi, May 19--The Ministry of Labour, Manpower and Overseas Pakistanis is to undertake a comprehensive study for mobilising foreign exchange earnings remitted from Overseas Pakistanis into productive channels. This was stated by M.A. Kazmi, Labour Secretary while speaking at a special function held in connection with the national Savings Week at Pakistan National Centre here this evening. He said at present these remittances helped improve the balance of payments yet were not being used in productive channels. He urged upon the people to curtail unnecessary expenses and save more and more money not only for the country but for themselves too. He said being a Muslim it was our moral and religious duty as laid down in the Holy Quran not to waste the wealth unnecessarily. The function was also addressed by among others Dr Ghulam Rasul and Dr Hussain Malik, well-known economists. They emphasised importance of saving into the national economy and wealth.--PPI [Text] [Karachi BUSINESS RECORDER in English 20 May 82 p 1]

MALAYSIANS MAY BUY RICE--Lahore, May 19--The private entrepreneurs in Malaysia are very keen in importing rice from Pakistan and trying to seek permission from its Government for this purpose. This was disclosed by the Director-general, Export Promotion Bureau, S.M. Mattu, after extensive talks with the three-member Malaysian delegation here today. Mattu said the delegation was also interested in buying diesel engines from the Pakistan Engineering Company, surgical instruments, handicrafts, engineering goods and general machinery. At present, Malaysia imports diesel engines from India. Mattu said the delegation was very much satisfied with the quality of diesel engines manufactured by the PECO. He, however, hoped we were prepared to negotiate their prices. The delegation, in Pakistan for the last three days, is also interested in setting up trade office in Pakistan to increase trade relations between Pakistan and Malaysia.--PPI [Karachi BUSINESS RECORDER in English 20 May 82 p 1]

NEW LABOR POLICY SOON--Quetta, May 19--Federal Minister for Labour and Manpower, Ghulam Dastagir Khan, yesterday said that the new labour policy will be formulated soon. Replying to questions at a news conference on his arrival here on a three-day visit, the minister said that only few points and not the entire labour policy were to be changed. The government, he said, did not want to impose anything on one section or the other. He said he was holding talks both with the proprietors and representatives of the labour. He said that some progress had already been achieved, while there was difference of opinion on some others which were being thrashed out. The government is trying to find

out concensus to the satisfaction of both the parties which he hoped would be found. --APP [Text] [Karachi BUSINESS RECORDER in English 20 May 82 p 6]

PRESIDENT MEETS EDITORS--Rawalpindi, May 15--The President General Mohammad Zia-ul-Haq met editors of the leading dailies at the COAS house here this evening. The editors remained with the President for some time. The Federal Minister for Information and Broadcasting, Raja Mohammad Zafarul Haq and Information Secretary, Maj. Gen. Majibur Rehman were also present on the occasion.--APP [Lahore THE PAKISTAN TIMES in English 16 May 82 p 1]

GHAFOOR SERVED NOTICE--Karachi, May 15--Prof. Ghafoor Ahmad, the Naib Amir of the defunct Jamaat-i-Islami, has been served with a show-cause notice by the District Magistrate of Hyderabad for making a speech contravening MLR 13 and 18 in Hyderabad on March 18. The speech was delivered by Prof. Ghafoor Ahmad at a Seerat Conference held in Hyderabad. [Text] [Lahore THE PAKISTAN TIMES in English 16 May 82 p 8]

RAWALPINDI DAILY'S DECLARATION RESTORED--Rawalpindi, May 15--The Deputy Commissioner Rawalpindi has authenticated the declaration of daily HAIDER Rawalpindi today. The declaration of the newspaper was declared void in March last year due to some technical flaw. The managing editor of the paper. Raffi Butti said today that necessary arrangements were in progress and the newspaper will start its regular publication soon.--APP [Text] [Karachi BUSINESS RECORDER in English 16 May 82 p 8]

YAQUB KHAN VISITS--Foreign Minister Sahabzada Yaqub Khan is scheduled to leave Karachi on 28 May for Havana to attend the nonaligned movement's coordination bureau meeting, which begins on 31 May. On his way to Havana he will stop in Amman and hold talks with Jordanian King Husayn, the crown prince and the foreign minister on the matters of mutual interest. After attending the Havana meeting, Sahabzada Yaqub Khan will go to New York at the head of a delegation to participate in the UN conference on arms reduction. This conference will open on 7 June. Later, the Pakistan foreign minister will hold talks with U.S. Secretary of State Haig in Washington on matters of common interest. From Washington, he will go to Geneva to participate in the UN-sponsored talks on Afghanistan. [Text] [BK210825 Karachi Domestic Service in Urdu 0200 GMT 21 May 82]

NAVAL SQUADRON VISITS--A squadron of the Pakistan navy's ships and submarines left Karachi today on a good will visit to Saudi Arabia, the United Arab Emirates and Qatar. This visit will provide an opportunity for the officers, cadets and sailors included in this squadron to obtain practical training in deep seas. This visit of the naval ships will further improve and consolidate good will and cooperation between Pakistan and these countries. [Text] [BK230628 Karachi Domestic Service in Urdu 0600 GMT 23 May 82]

NDP PRESIDENT'S STATEMENT REPORTED--In Pakistan, president of the banned National Democratic Party Sher Baz Mazari has said 49 members of his party were arrested by policemen in Lahore on Tuesday [25 May] and he and 4 others were expelled from the province for 90 days. Provincial authorities said the action was taken because the party was holding a meeting in violation of the government's ban on political activities. Mazari told newsmen in Karachi the government took no action against some rightist parties which openly held political meetings but took others to task for similar activities. [Text] [BK270917 Delhi Domestic Service in English 0830 GMT 27 May 82]

CSO: 4220/654

SIGNIFICANT ECONOMIC IMPROVEMENT IN 1981

Kuala Lumpur BUSINESS TIMES in English 3 May 82 p 2

[Text]

COLOMBO, May 2

THE overall performance of Sri Lanka's economy last year showed a significant improvement over 1980, the Central Bank said in a report released on Friday.

The country's real gross domestic product (GDP) achieved the same 5.8 per cent rate of growth as in 1980, the annual report said.

The GDP at constant 1970 prices increased from 19,575 million rupees (US$950 million) in 1980 to 20,706 million rupees (US$1,005 million) in 1981.

The report said that due to a larger outflow of factor income consisting of interest, profits and dividends, the gross national product (GNP) increased only by 4.2 per cent last year compared with 5.6 per cent in 1980.

After making allowances for a population growth of 1.7 per cent, real per capital income increased by 2.4 per cent, the report said.

The maintenance of the GDP growth rate in 1981 was possible due to the better performance of agricultural and manufacturing sectors, which grew at 6.9 per cent and 5.4 per cent respectively.

Unlike in the previous years, the report said, agriculture contributed the major share of nearly 35 per cent towards the growth of the economy.

The growth of the construction, trade, banking and other services, however, slowed down.

The report said that in spite of continuous increases in administered prices and world inflation, the inflation rate was moderate. The Colombo consumer price index increased by 18 per cent last year compared with 26 per cent in 1980.

The report said that transition from a closed economy to an open economy created serious problems of adjustment.

"However, the overall performance of Sri Lanka's economy in 1981 has shown a significant improvement over 1980," it said. — Reuter

CSO: 4220/613

CENTER OF GOVERNMENT BEING MOVED OUT OF COLOMBO

Kuala Lumpur BUSINESS TIMES in English 19 Apr 82 p 23

[Text]

SRI Lanka's Parliament will this month move from Colombo in what marks the start of moving the capital itself eight kms to Sri Jayawardanapura.

The new site is the seat of an ancient kingdom. The move of Parliament is scheduled for April 29, a date chosen by astrologers as favourable.

"The capital has to be shifted because Colombo is getting congested" said State Minister Anandatissa de Alwis, adding: "the new state is ideally suited because of its historic significance."

Sri Jayawardanapura was reclaimed from marshes surrounding Lake Diyawanna Oya and was the centre of the Sinhala Kingdom from 1412 AD to 1597 AD.

The modern Parliamentary complex will be the nucleus around which the new capital will grow in an area of 12,000 hectares, three times the size of Colombo.

"The planning of the new capital started only two or three years ago and the whole process of shifting will take about 20 years," Mr Lalith Mutukumarana, an architect involved in designing the new capital said.

It will have three large administrative complexes to which most of the government establishments will be shifted from Colombo.

The plans for the new capital include the development of 30 major townships already existing in the area, the opening of new roads and the extension of the railway network. A 1,000-bed hospital is also under construction with Japanese assistance.

Housing complexes for Members of Parliament and government employees and a diplomatic community have also been planned.

Almost half the area of the new capital will be reserved for residential purposes while a quarter of the area will be set apart for parks and sports fields.

No heavy industries will be allowed in Sri Jayawardanapura.

"The present population of the area is estimated at 500,000 and is expected to rise to about one million by the turn of the century," Mr Mutukumarana said.

Colombo's population has nearly doubled from the 284,000 of 50 years ago. About a further million people come into the city each day to work or shop.

Colombo, which has a fine harbour, was first made the administrative centre in the early 16th century by the Portuguese who occupied the maritime provinces of the country. The Dutch and the British, who followed as colonisers, continued to keep Colombo as the metropolis.

The old Parliament building, one of the capital's main landmarks has served as the legislature for the past 52 years but is now inadequate.

Its chamber, originally designed to seat 49 members, had to be remodelled from time to time to increase the seating capacity.

At present there are 168 Members of Parliament and the number will increase to 196 after the next general election which is expected to be held before the middle of next year. — Reuter.

CSO: 4220/613

OIL IMPORTS FROM CHINA FOR RUBBER EXPORTS

Kuala Lumpur BUSINESS TIMES in English 1 May 82 p 9

[Article by Mallika Wanigasundara in Colombo]

[Text] Anxious to maintain the pace of its 30-year-old rubber-rice pact with China in the face of falling demand for rubber, Sri Lanka has agreed to buy base oil from the People's Republic for the first time.

Under the trade protocol for 1982, Sri Lanka will buy about US$15 million worth of base oil from China. No crude oil imports are involved in the deal, although Sri Lanka can manufacture lubricants from the base oil.

Another big item in the import package is wax, a petroleum by-product which China manufactures. For its part, Sri Lanka will export to China several items besides rubber, such as coir fibre, cocoa, arecanut, cardamons, precious and semi-precious stones and medicinal herbs.

Fair quantities of textiles, including the colourful "jumping fish" variety of prints, coal, building materials and light industrial goods, will also be imported from China.

Sri Lanka's rubber-rice pact dates back to 1952, when the rubber industry was skidding under the onslaught of synthetics. The Korean war had also brought pressures from the US rubber-producing countries to scale down their rubber exports to China. Rubber is considered a strategic raw materials.

Under the first five-year trade agreement with China, which began in 1952, Sri Lanka supplied China with 50,000 tons of rubber in return for 27,000 tons of rice.

A second five-year accord was signed in 1957 in which China agreed to contribute 15 million rupees (US$960,000) annually to the government's subsidy for its replanting programme. This contribution was in addition to the rubber-rice barter transaction and ran for 10 years.

But both China and Sri Lanka have been having trouble coming up with the required quantity of the barter items. Sri Lanka's rubber output has declined, and while China's rice production has been in the upswing, domestic consumption has also been rising.

During the last three months of 1981 when negotiations for the new trade agreement between the two countries were in progress, Sri Lankans were optimistic that the country was on the threshold of self-sufficiency in rice.

However, optimism over the country's rice production has been dashed by the drought which affected rice crops since last January. Already, government sources are talking about importing 30,000 metric tons of rice from China. This figure could increase depending on the severity of this year's drought.

Sri Lanka's main cushion against a wild swing in its trade balance with China is rubber. Last year, Sri Lanka exported 20,000 metric tons of rubber to Beijing. A protocal signed last year between the two countries states that China will import US$120 million worth of rubber from Sri Lanka, but up to now, no formal agreement has yet been signed.

On the other hand, Sri Lanka fears no drastic reduction of Chinese rubber imports. The two countries have forged an unwritten agreement whereby China will maintain the level of its rubber imports from Sri Lanka at prices obtaining at the time the accord was reached.

Daham Wimalasena, chairman of the Sri Lanka Petroleum Corporation, told Depthnews that China had agreed to sell its base oil to Sri Lanka at prices lower than that obtaining in the international market. Under a three-year contract, China will also supply Sri Lanka with wax at 25 per cent lower than world market prices for the product.

China's base oil exports have run into difficulties in the international market because unlike base oil from other countries, it requires special additives to make lubricants out of it.

Scientists from the Sri Lanka's Petroleum Corporation have, however, discovered the additives specially suited to process the China base oil.

Still, authorities claim that local rice output were severely affected by the drought, Sri Lanka's rice importation from China would be small and other commodities would have to be thrown in to fill the gap.

Sri Lanka is the fourth largest exporter of rubber after Malaysia, Indonesia and Thailand. China has been Sri Lanka's biggest rubber buyer for the past years.

In 1976, China bought 74,488 metric tons of rubber from Sri Lanka. But since then the volume of Chinese rubber imports from Sri Lanka has dwindled progressively from 64,034 metric tons in 1977; 62,527 metric tons in 1978; 44,648 metric tons in 1979; and 43,200 metric tons in 1980.

China's rubber imports from Sri Lanka plunged even deeper last year when it imported only 20,000 metric tons. Similarly, as Sri Lankan rice production rose over the years, its rice imports from China have declined. Last year, Sri Lanka's rice importation from China was only 80,000 metric tons.

The changed situation in the demand of both countries for each product has spawned certain disagreements on the price of rubber. While bargaining continued, Sri Lanka decided to halt its rubber exports to China. The temporary suspension of rubber exports has created enormous inventories in the godowns of the Commissioner of Commodity Purchases, the agency that handles the exportation of sheet rubber.

But Sri Lankan officials are confident that despite the protracted debate, negotiators will come to an agreement acceptable to both countries.--Depthnews Special

CSO: 4220/613 END

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ASIAN FOREIGN SECRETARIES MAY MEET IN AUGUST

Bombay THE TIMES OF INDIA in English 9 May 82 p 5

[Text]

NEW DELHI, May 8: The third meeting of the foreign secretaries of seven South Asian countries to decide on regional co-operation is expected to be held in August.

The venue is likely to be Islamabad. Although the last foreign secretaries' meeting in Kathmandu in November had chosen the Pakistan capital and Male of th eMaldives as alternative venues, indications are that the former is being favoured for this important meeting.

The third meeting will be crucial because its main task will be to prepare the ground for foreign ministers-level conference as an intermediate step to a South Asian regional summit. It will mean the consummation of an idea which the South Asian countries have been approuching with great caution and circumspection.

NON-CONTROVERSIAL

The first two preparatory meetings of foreign secretaries held in Colombo and Kathmandu have gone through well presumably because the areas of co-operation chosen were non-political, outside the pale of controversies.

The Colombo meeting set up five study groups on agriculture, rural development, health, meteorology and telecommunication. The reports prepared by these groups were submitted to the Kathmandu meeting which approved them and set up three more study groups on scientific and technical services, transport services and postal services. The recommendations of these groups will be submitted to the third meeting.

The Islamabad meeting will be held in an improved atmosphere of co-operation primarily because the governments in Dacca and Colombo appear to have adopted a pragmatic approach to their problems. Though there have been new strains in relations between India and Pakistan, as far as New Delhi is concerned, it seems to welcome an opportunity for improving ties at non-political levels to counterbalance the difficulties in areas where no immediate relief can be expected.

CSO: 4220/7299

BRUNEI EYED AS NEW ASEAN MEMBER

Manila PHILIPPINES DAILY EXPRESS in English 12 May 82 p 1

[Text]

JAKARTA, May 16 – Indonesia is keen on having Brunei join the Association of Southeast Asian Nations (ASEAN) because it will further strengthen the organization's position in dealing with regional and international affairs, Indonesian officials said here today.

The oil-rich British protectorate on Borneo island is bound to feel secured within ASEAN, they added.

They were commenting on the current visit here of a Parliamentary mission from Brunei which, according to mission leader Pangiran Indra Mahkota Kamaluddin Al-Haj, is to cement good relations between Brunei and Indonesia.

* * *

THE TINY sultanate, bordering Indonesian Borneo in the north, will gain its independence from Britain next year.

President Suharto briefed the mission yesterday on ASEAN's objectives and development, the officials said.

Mission members also held talks with Foreign Minister Mochtar Kusumaatmadja on regional and bilateral issues.

* * *

BRUNEI has a per capita income of $1,500, one of the highest in the region.

Indonesia is believed to have assured Brunei that it has abandoned the late President Sukarno's policy of interfering in the Sultanate's internal affairs.

Sukarno gave political asylum to former Brunei rebel leader Azahari whose bid to topple the Sultan in 1963 failed.

Indonesia regards Brunei as being quite suitable to be an ASEAN member because of its geographical position. (AFP)

CSO: 4220/2

KAREN REVOLT REVIEWED

Bangkok BANGKOK POST in English 9 May 82 pp 15, 22

[Text]

ASK them why they fight and they'll tell you they want national freedom. Ask them whether they can ever hope to win, and they'll smile slowly and tell you yes, one day. But after the decades, no one counts the days any more.

Thirty years after they took up arms against the central government, victory for the Karens of eastern Burma is less a goal than an act of faith. But this year, like last year and the year before that, faith is not in short supply: west of the Moei River that marks the border, the dry season months have again been long, hot and sporadically bloody.

The war has been its usual mix of skirmishing, raiding, march and countermarch punctuated by occasionally heavy clashes as Burma Army units have thrust into the wedge of territory between the Moei and the Salween — a border tract the Karen National Liberation Army (KNLA) dominates and vows it will one day wrest from even nominal Burmese control. In their own language they call it "Kawthoolay". An improbable little jungle Ruritania, it struggles on as the embattled residue of a dream of independence that began with the Karen Revolt of 1949.

And for the insurgent Karens Kawthoolay is where the buck stops. From here there is no more retreat. Only surrender of exile.

In more than 30 years though Rangoon too has learned some lessons. Today its campaigns are seldom targetted on the elusive rebel columns that criss-cross the parched flatlands along the Salween and melt away again into the tangle of purple mountains on the border. The aim is to hit the Karens where they're most vulnerable — along the lines of black market trade that is the life-blood of insurgent economy, organisation and armament. And there is only just so much the guerrillas can do about that.

But if the KNLA with its arsenal of assault rifles, carbines and grenade launchers can hardly halt the advance of Burma Army units 500 strong and more, the Burmese have headaches of their own. As over-eager commanders are wont to discover at some cost to their careers (and men's lives) getting into Karen country is one thing; getting out again something else. The trading centres and guerrilla bases near the border may be tempting. But the deeper the Army penetrates, the harder it is to extricate themselves along the narrow, rutted cart-tracks through thick jungle that are both the only lines of advance and ideal spots for ambush.

Awkward too is the fact that trade can be halted only just so long as the Army stays. Getting the wheels of illicit commerce turning again once government forces have headed home is impressively swift, in a part of the world where everything else is impressively relaxed. But then the profits involved for guerrillas and traders alike being what they are, that is anything but surprising.

In many ways last month's fighting was as good a picture of the conflict as any. And, for that matter, not a bad picture of why no one is winning (or appears to be in any hurry to).

Around the middle of the month the Burmese arrived, crossing the Salween with a column of between 500 and 1,000 men and heading in business-like fashion for the border. Evidently a major offensive. At least you might have been excused for thinking so. Shortly after crossing the river it almost bumped into a Karen force of 200 odd operating in the area under one Major Tutu of the KNLA's 7th Brigade.

A large, slightly fleshy 37 year-old, the major enjoys a certain reputation in Karenland: a man "born to fight" as one admiring subordinate put it. Suffice to say he has been chasing Burmese around the jungle since his early teens and evidently enjoys it. Reclining in a blue check sarong by his field radio at the edge of a dry river course where his men lay concealed, he was inclined to view the impending onslaught with almost Olympian indifference.

The Burmese, said the major, were about two miles away and there were lots of them. But there was nothing to worry about. If they attacked, there would be a battle. If they didn't, there wouldn't. As to whether the Karen would attack, well, that said the major impassively depended entirely on "the situation". It might all have happened a hundred times before. In fact, the impression was it probably had.

Two miles away in the mind of Lt Col Hla Myint, commander of the 6th Battalion of the Burma Army's 44th Light Infantry Division, "the situation" obviously presented itself in more compelling light. The Burmese force pushed on east into country they colour black on the map — black for rebel held. Before long it had reached the village of Klogadi, putting itself squarely athwart the road from the border along which a huge volume of black-market merchandise flows daily into the Socialist Union of Burma.

On arriving, the troopswould not have been surprised to discover the inhabitants of the village (as many Burmese Muslims as Karens) had fled along with the traders — a fairly predictable expression of their confidence in the good manners and discipline of the Burma Army on one of its punitive forays. With the place to themselves, the soldiers dug some stoutly reinforced bunkers, helped themselves to such of the local livestock as was still around and viewed their options.

One possibility was further advance along the track to the border and Methawa, a thriving little township on the banks of the Moei that is both trading centre and revel base. On the map, a distance of a mere 15 miles. On the ground, a tortuous roller-coaster of a track that cuts across rivers, through jungled ravines and dense bamboo forests — a very long 15 miles.

Nor is Methawa a particularly inviting prospect for the invader if and when he gets there. Last time the Burma Army visited the spot was in October 1980. They came in strength with most of the 44th Division and four independent regiments. Moving up fast, one force scaled the precipitous crags that overhang the settlement to rain fire down on the surprised defenders. The rest attacked down the narrow defile along which the road cuts down to the town and river.

The garrison commander, Captain Tender, a stocky betel-chewing father of three, today recalls how the assaults simply kept on coming without respite. The defenders fell back into a shrinking perimeter; no reinforcements were in sight. A sort of latter-day Asian Alamo situation. The Karens though were not anxious to go down in a blaze of glory on the Moei. Tender, as he confides today in tones of mock horror, had no choice but to have a crate of Mekhong whisky ferried over from the Thai bank to put fire into his outnumbered and dispirited men. The unrivalled combination of Thai liquor and Divine Assistance (Tender is also a devout Christian) saved the day — the perimeter held until reinforcements arrived from along the river.

Both before and after the arrival of the Mekhong, carnage among the Burmese was heavy. By the time the attackers pulled back, scores lay dead in the narrow approach to the settlement where they had bunched for the assault. Methawa is a name unlikely to go down on the 44th's roll of honour. But not a name the division is likely to have forgotten.

Option No 2 was to sit tight in Klogadi. Option No 3 simply to go home again — a course of action likely to give rise to some doubt in the ranks as to why they had bothered to come in the first place. In the event, Col Hla Myint concluded discretion to be the better part of valour and remained in the village. His men commenced a leisurely and mostly inaccurate mortar fire against Prijito, a nearby way-station on the Methawa track where goods from Thailand are transferred from pick-up trucks to bullock carts. Not that there was anyone there at the time. But the Burmese weren't to know that.

Tutu meanwhile had finally divided his force, dispatching one group to harass the Burmese around Klogadi. It was commanded by a Captain Khar Soe, a slight, taciturn man with a penchant for village-brewed rice wine that the demands of the military situation appeared to stimulate rather than dampen. Tutu himself hung back with the greater part of the force to cover the enemy retreat. From Methawa a third force, the garrison company, was sallying forth to meet the invader.

Khar Soe's section reached the Klogadi area a day later and installed itself in a secluded gully at the edge of a neighbouring valley. The captain remained in the camp cross-legged by his field radio like some gaunt Buddha image listening intently to its hiss and crackle. Occasionally he talked excitedly into the telephone mouthpiece, or gave orders for a patrol to move out.

The first day the patrols probed, slipping down from the hills that flanked the valley darting across open paddy fields to the cover of a treeline to loose off a few rounds or a grenade into the village. Then like truant children they made off to repeat the performance from a different angle — the practised art of appearing to be everywhere at once.

On the second day, the section linked up with the heavily armed Methawa company on a wooded ridge overlooking the village and close to a commanding hill on which the Burmese had dug in. Now and then you could see them, small, insubstantial figures hardly visible through the trees. Improbable enemies.

Through the late morning the Karen too dug in along the ridge with feverish haste, silently. Everywhere was freshly turned earth, sweat, sweltering heat, precious little water and the piercing shrill of the cicadas overhead. By 1.30 they were ready crouched in foxholes as if half the Burma Army were expected to swarm up against them.

The rebel bombardment opened with a rocket from a bazooka — advertised as "Kawthoolay made" and looking it: a murderously simple affair, little more than a piece of oversized piping with a crude trigger mechanism and odd bits of wire hanging here and there. Surprisingly, it actually worked. There was a sudden, deafening crack, a terrific blast from the back of the thing that snatched up dust, leaves and started a small fire. Then, seconds later came the dull crump as the objectile made contact with the hill.

That was the signal for battle to commence, as a steady rain of small arms fire, mortar bombs and M-79 grenades were showered onto the offending hill. But of the enemy neither sight nor, it became gradually apparent, sound. They were just going to sit it out. The din continued for close on an hour before petering off into scattered shots, yelled taunts, the oddly hollow pop of an M-79, silence. And then the rising shriek of the cicadas in the trees — the jungle reasserting itself.

And still from the hill nothing but a dust shrouded silence. No shots in reply, no furious counter-barrage, nothing ... until finally from down in the valley echoed the lazy, intermittent report of a mortar, sending the guerrillas scrambling for cover. A crouching, anxious wait counting off the seconds until in a string of reverberating thuds the incoming rounds came crashing into the trees far down the slope, so far off you wondered if they even knew what they were shooting at. Or cared. As the sun slipped lower the Karens moved off the ridge back to their valley leaving the Burmese to continue the war alone and at random against the jungle.

The next morning the Burmese left Klogadi as abruptly as they had come. No one seemed to know why. Perhaps they were unnerved by the concentration of rebel fire-

power; perhaps, unwilling to risk a push to Methawa, they had never intended to stay. But if they were worried about getting out again, they had good reason. Behind them the rebels were moving warily down off the high ground, filtering back into the village, now eerily deserted, its bunkers yawning empty. Within hours reinforcements arrived by pick-up from Methawa loaded with an 81mm mortar, ample ammunition and a machine-gun of venerable if uncertain vintage.

To the Burmese front, the main Karen force waited.

The trap snapped shut in the afternoon as Maj "born-to-fight" Tutu and the intruders began to slog it out in a running battle that echoed and rolled along the valley until after dark. Then it gained in intensity as Karen guerrillas moved in closer to overrun a mortar position in a furious little action that cost the Army the mortar and its crew. From the rear, outside Klogadi a continuous harassment from jubilant Karen mortarmen kept Burmese heads down. Between 10 and 20 died at a cost of one guerrilla officer killed.

Tutu knew better than to push his luck though. That night his men melted away to permit the Burmese bull a way of escape. Next morning the retreat continued. Behind the mauled government force the Methawa Karens followed in a tentative, inching advance clearly anxious to "pursue" while equally anxious to avoid actually catching up. A tricky balance — as they discovered when the vanguard blundered headlong into an ambush at the rear of the Burmese column, sparking a brief firefight, sudden, blind and thoroughly confused. The Karen ammunition porters fled with impressive alacrity, the troops in more orderly fashion, wounded dragged off piggy-back.

Now that the Burmese were clearly headed home, smarting and still dangerous, no one was that keen to take risks. The "pursuers" retreated a mile or so and recovered from their fright over lunch and a relaxed expenditure of mortar ammunition in the general direction of the ambushers. At the price of a few loud bangs confidence was swiftly restored.

So the withdrawal to the Salween continued; followed at a respectable distance by the KNLA and behind them by the creaking bullock cars moving back to the huge market of Burma proper. The end of an "offensive" — unspectacular, indecisive, inconclusive. The Karen war in a nutshell, conflict that is both a war and a way of life, a sputtering military continuum sustained by an ideal of independence sufficiently far removed from the political realities of Burma today not to interfere with more immediate matters of trade and taxation.

And trade, as the cynics would have it, is after all what it's all about. Undeniably it suits just about everyone. The KNLA's political wing the Karen National Union tax it at a handsome eight per cent (just up from six) and gain the wherewithal to fund a shadow government, a pocket army and some well-worn ideals. Neither are the merchants who run the cart convoys and porters across Kawthoolay complaining — not even at eight per cent. One Muslim trader from Thaton, back in Klogadi with four laden carts just 24 hours after the Army pull-out, reckoned he was making a good 10,000 kyats per trip. With a journey to the border and back taking a week, that meant three trips a month. Aged 33 and employing several porters and cart drivers, not difficult to see why he's been in the game since the age of 13.

Despite the tiresome necessity of periodic forays into Karen country, the Burma Army too is getting a share of the action. For every laden cart that lumbers westwards into government controlled areas, 200 kyats end up in the pockets of the soldiery. Once past the first checkpoint and loaded onto individual porters, there's a further 20 kyats per porter for both the Army and the Police. The officer corps prefers of course to avert its eyes, but has (as one trader delicately termed it) "understandings" with the other ranks. There is, after all, more than enough to go round.

Similarly, the urban populations of Thaton, Hlaingbwe and Shwegun, not to mention the major cities beyond, have more than a

casual interest in seeing the consumer goods that socialism scorns to provide reaching them. The only losers it seems are the ideologues of the regimes' Burma Socialist Programme Party (BSPP) who rail against the smuggling and the corruption it spawns without proposing any alternative beyond noble self-denial.

Their representatives on the ground, the vigilantes of the officially sponsored People's Councils prosecute their own little war against the infection in the towns with seizures of goods, arrests, more rarely brief prison spells.

Token gestures. For the government's essential dilemma persists. Even assuming it were viable, an effective crack-down on the trade that would deny the insurgents their revenues would simultaneously deny the populace the goods that dull the edge of disaffection. Apathy, disinterest, corruption, the system has learned to live with. But serious urban discontent such as flared in 1974 is one distraction Rangoon can do without.

And yet, amidst the lucrative business of border commerce, the old ideas that fired the Karen revolt of 1949 live on. Despite the steady consolidation of the Union over 30 years, the destruction of Karen forces in the Irrawady Delta, the shrinkage of their eastern redoubt, the vision of a separate state and identity remains.

In one sense, it is the dream of an aging generation of Anglophile, Christian leaders, men often more British than the British who fought at Insein on the very outskirts of Rangoon, who occupied Mandalay; men for whom victory was so nearly a reality. With the passing of the generation of '49 and the rise of commanders whose horizons are bounded by the Salween and the Moei that dream could die.

Could, but probably will not. For ultimately it draws its strength from the villages between the rivers. There, politics is simpler, more immediate but as compelling. It is so often just a bitter tiredness with having men pressed into Army porter service, women occasionally raped, houses burned, cattle stolen. And this by men who expect them to speak another language, adopt other ways and attempt to be something they are not — Burmese.

The soldiers keep coming, raking over the embers of last year's anger, fanning the fires of next's. And the war drags on.

The Karen of course are not winning. But then as Col Hla Myint will tell you, they're certainly not losing either.

CSO: 4220/12

TRANSPORTATION ACHIEVEMENTS REVIEWED

BK261514 Rangoon Domestic Service in Burmese 1330 GMT 26 May 82

[Excerpts] The meeting of the Ministry of Transport and Communications to review the accomplishments of 1981-82 and to discuss programs for 1982-83 opened at 0900 today at the Water Transport Corporation on Pansodan Road, Rangoon. Minister for Transport and Communications Thura U Saw Pru delivered an opening address.

In his opening address, Minister Thura U Saw Pru said the objectives of transport corporations for the 4-year period of the third 4-year plan were to transport 975.6 million passengers and 14,411,600,000 passenger-miles, but the actual transportation was 914.6 million passengers and 13,010,200,000 passenger miles. Thus, 93.75 percent and 89.84 percent of the planes were implemented, respectively.

Regarding freight transportation, the objectives of transport corporations for the same 4-year period were to transport 22.5 million tons of freight and 13,618,400,000 freight-ton-miles, but the actual transportation was 21.7 million tons of freight and 17,576,900,000 freight-ton-miles. Thus 96.28 percent and 128.41 percent of the plans were implemented, respectively.

The minister said during the third 4-year plan, transport corporations did not succeed in implementing passenger and freight transportation targets every year. However, he said he was satisfied that the transportation of passenger and freight had increased every year.

He added that as the economy of the state improves, more investments will be made to strengthen the transportation and communications sector. There are plans, he said, to invest kyat 883.7 million during the 1982-83 fiscal year--the first year of the fourth 4-year plan--and kyat 4,116,200,000 for the entire fourth 4-year plan. We are now beginning to implement the fourth 4-year plan which ranges from 1982-83 to 1985-86, and the objective is to invest 13.02 percent of the total state investments in the state transportation and communications sector, the minister added.

The objectives, the minister said, are to increase the net services value of the transportation sector by 5.3 percent yearly and that of the communications sector by 16.4 percent yearly. It will be necessary, he said, to effectively and successfully implement these objectives.

CSO: 4211/21

BRIEFS

POWER LINE PROJECT--The Electrical Power Corporation under the Ministry of Industry II will obtain U.S. $70.1 million under the special drawing rights from the International Development Agency to carry out a super power line project which will connect all existing as well as under construction hydroelectric and natural gas power generating stations in the country. [Rangoon Domestic Service in Burmese 1330 GMT 19 May 82]

COMBAT NEWS FROM SHAN STATE--On 7 May a small unit of the People's Army blew up and destroyed the (Long Kin) and (Man Pok) bridges used by the mercenary army on Hsenwi-Kunlong Road. Between 12 and 14 May, a combined unit of the People's Army and the Kachin Independence Army conducted an attack on the military government's mercenary 75th infantry regiment at (Loi Kawng)-(Sai Hkawng). According to incomplete reports, 10 enemy soldiers were killed and almost 50 others were wounded in the attack. Also on 13 May the enemy camp at (Mong Bon) village, near Mong Mit, was attacked. Three enemy soldiers were killed and the People's Army seized 10 carbines and more than 600 rounds of ammunition in the attack. [Text] [BK241004 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 23 May 82]

CSO: 4211/21

G.K. REDDY NOTES PROBLEMS IN INDO-U.S. RELATIONS

Madras THE HINDU in English 6 May 82 p 1

[Article by G.K. Reddy: "P.M. May Visit U.S. in July"]

[Text]

NEW DELHI, May 5.

There is still no reply from Washington to the Indian suggestion for rescheduling the Prime Minister's visit to the U.S. towards the end of July, but Mrs. Indira Gandhi's advisers do not anticipate any great difficulty in finding alternative dates.

The Indian Ambassador, Mr. K. R. Narayan, is expected to come to New Delhi for consultations to prepare for the visit after he gets some indication of the dates from the White House.

The U.S. invitation to the Prime Minister and her acceptance of it are seen as part of a conscious effort by both sides to establish a better working relationship despite the persisting differences between the two countries over several issues.

Though Indo-American relations continue to be strained by their differing perceptions of many international problems, there are no serious bilateral conflicts other than the Tarapur question to sour these relations.

The main points of friction at present are India's on-going relationship with the Soviet Union, its refusal to line up with the U.S. in condemning the Soviet intervention in Afghanistan, India's opposition to the American naval build-up in the Indian Ocean and its strong disapproval of the rearming Pakistan, the vagaries of the Reagan Administration's China policy, and the U.S. attempts to curtail India's share of international developmental assistance.

A dilemma facing the policy-makers in Delhi is whether it would be more desirable to get the Tarapur problem out of the way by terminating the nuclear agreement before Mrs. Gandhi goes to Washington or put it high on the agenda for a personal discussion on the subject with the U.S. President, Mr. Ronald Reagan in an attempt to avoid bitter recrimination over the modalities of termination on the eve of her visit. The two Governments are not talking about their tacit understanding to allow the import of some critical spares for the Tarapur plant without prejudice to their respective positions over the basic aspects of the problem.

Roosevelt centenary: Meanwhile, it has been agreed to celebrate the Roosevelt centenary in India later this year with some seminars and other functions on the contribution of Roosevelt and Nehru to the evolution of democracy and their commitment to freedom. Many distinguished American political personalities, scholars and retired diplomats are to be invited to participate in these functions.

The preface to the recent congressional staff committee report on Indo-American relations stresses the importance that India attaches to good relations with the United States, despite their recurring differences over many issues. The U.S. in turn has started realising the futility of indulging in pin-pricks to irritate and even provoke India with unfriendly acts which serve no particular purpose other than alienating the sympathies of one-sixth of the world's population.

The present time is thus considered by both sides to be politically and psychologically an appropriate occasion for a meeting between Mrs. Gandhi and President Reagan. The primary purpose of such a meeting is to dispel wrong notions about each other's attitude rather than achieve any dramatic results.

It is for this reason that both sides are equally keen that the visit should take place soon. And the move to reschedule it has been made in full awareness that the U.S. will try to accommodate it at the end of July as suggested to sustain the mutual desire for a better working relationship despite the persisting differences.

CSO: 4220/7292

ANALYST DISCUSSES INDIAN POLICY ON FALKLANDS

Madras THE HINDU in English 7 May 82 p 1

[Article by G.K. Reddy]

[Text] New Delhi, May 6. For the first time since Independence, India has chosen to remain discreetly silent over an issue of international importance like the current conflict between Britain and Argentina over the Falkland islands.

Apart from the cryptic statement that was issued on April 3 deploring the use of force and appealing to both sides to settle the issue through peaceful negotiations, India has said nothing so far on the substantive aspects of the dispute.

In similar situations in the past, the Government, never missed an opportunity to voice India's views on the merits of the issues and take an active interest in initiating necessary moves through the U.N. and other relevant organisations like the non-aligned movement to bring about a settlement. But this time India has been adopting what in the view of some observers amounts to a neutral stance, deliberately refraining from any public comments on the conflict.

Puzzle: The inexplicable Indian silence has certainly puzzled diplomatic observers in Delhi who are interpreting it differently according to their own predilections. The Western powers generally see in this reticence a refreshing sign of maturity on India's part, while the Soviet bloc countries see a marked reluctance to say anything that might offend Britain.

The Latin American group at the United Nations is reported to be rather bitter that Asian and African members of the nonaligned group have been less than lukewarm in their support to Argentina in terms of the Colombo summit resolution which was reaffirmed last year at the Foreign Ministers' conference in Delhi. But the Indian view is that it would serve no particular purpose to speak out at this stage on the merits of the dispute, when the real issue at the moment is how to bring about an early ceasefire.

If and when the issue goes to the U.N. General Assembly, India will make its views known on the alternative formulations that are bound to be put forward to bring about a peaceful settlement. The nonaligned community would be happy to see the U.N. brought into the picture in a peace-keeping role once there

is a ceasefire. It will imply a U.N. supervised administration, with a token force drawn from other countries under its auspices, as a temporary expedient pending a final settlement.

The new accent on pragmatism in India's foreign policy postures is reflected by the reluctance to say anything on the merits of the Falklands dispute that might offend Britain. The recent improvement in Indo-British relations is a striking example of Mrs Gandhi's sustained efforts to have a better accord with countries of Western Europe.

The Prime Minister came back from her visit to London in March greatly impressed by Mrs Thatcher's genuine desire for closer Indo-British relations. It was evident from her quick response to the Indian plea for keeping up the full share of British contributions to the sixth IDA replenishment, which set the tone for similar action by Germany and France, despite the U.S. opposition. It is quite understandable if India is not going out of its way to say anything at this stage that might embarrass Britain.

Not the only one: But then India is not the only major non-aligned country that is adopting a low stance over the Falklands issue. It is an indication of the effectiveness of British diplomacy in virtually neutralising the possibility of any adverse reaction by the Third World during the initial stages of the Falklands crisis, when many non-aligned States would have followed suit if a major country like India had viewed it as a case of decolonisation.

Whatever the merits of the Argentinian claims which are not disputed by the Third World critics of its initial military action, the British Government has by and large succeeded in convincing them that the Falklands issue does not automatically fit into a classic anticolonial mould because its tiny population is entirely of British origin. And this has been a major factor in influencing the attitudes of countries like India which would have normally denounced the British response irrespective of the Argentinian action.

CSO: 4220/7297

G. K. REDDY WRITES ON RELATIONS WITH PAKISTAN

Madras THE HINDU in English 11 May 82 p 1

[Article by G.K. Reddy: "P.M. To Write to Zia"]

[Text] NEW DELHI, May 10.

The Indo-Pakistan moves for an early resumption of the stalled no-war dialogue have virtually ground to a halt at least for the time being, even if these efforts have not ruin into a dead end, with neither side making any fresh overture at present for finding a way out of this tangled situation.

There has lately been a marked hardening on the part of Pakistan after the new Foreign Minister, Gen. Yaqub Ali Khan, has taken over from Mr. Agha Shahi, although he continues to talk reassuringly of his country's desire for better relations with India.

But it is not India's policy to let this stalemate harden into a deadlock to the detriment of peace and stability in the subcontinent. So the Prime Minister, Mrs. Indira Gandhi, proposes to write to Gen. Zia-ul-Haq as part of her on-going correspondence with him, restating the Indian position that the two countries could restart the process of normalisation by setting up a joint commission, while proceeding side by side with the no-war dialogue for entering into a treaty of peace, friendship and cooperation abjuring the use of force for settling bilateral disputes.

The last communication from Gen. Yaqub Khan to the External Affairs Minister, Mr. P. V. Narasimha Rao, had, no doubt, stressed that Pakistan stood by the joint statement, issued at the end of Mr. Agha Shahi's visit to Delhi, which welcomed the idea of a joint commission while agreeing to carry forward the no-war discussions. But the subsequent observations of Gen. Zia, including his latest remark that the Kashmir question was not strictly a bilateral issue, have led to some misgivings in India's mind about Pakistan's real intentions behind the no-war proposition.

The present lull in diplomatic activity on the Indo-Pakistan front is partly attributable to the still incomplete changes in the two Foreign Ministries and their embassies in Islamabad and Delhi. The new Foreign Minister of Pakistan will require a couple of months more to settle down, while the continued talk of a possible shift of Mr. Narasimha Rao from External Affairs to Home during the next reshuffle has been creating a similar uncertainty in Delhi.

Though the new Foreign Secretary, Mr. M. K. Rasgotra, has taken over in Delhi, his counterpart in Pakistan, Mr. Riaz Piracha, is being posted as the next Ambassador of Pakistan to India and he is not likely to take up this assignment till the end of June at the earliest. The new Indian Ambassador to Pakistan, Mr. K. D. Sharma, who is at present High Commissioner to Australia, is not expected to reach Islamabad before July, if not August.

The Secretary-General of the Pakistan Foreign Ministry, Mr. Shah Nawaz, is also due to move out soon. The next Secretary-General and the Foreign Secretary will take some time to get acquainted with the complexities of Indo-Pak. relations. They must also get used to the style of functioning of the new Foreign Minister, who is much closer to Gen. Zia than Mr. Agha Shahi, who never had a proper rapport with the military establishment.

But on the Indian side Mr. Rasgotra, has had an excellent personal relationship with Gen. Yaqub Khan, during their stay in Paris as fellow Ambassadors of India and Pakistan. Similarly, Mr. K. Natwar Singh, the former Indian Ambassador in Islamabad, who is now Secretary in charge of Pakistan affairs in the External Affairs Ministry, has had a good equation with Mr. Piracha during his tenure there.

These two contacts would be helpful at the working level in smoothening the rough edges of Indo-Pakistan diplomacy as the two countries start coming to grips at some stage with the no-war negotiations.

Meanwhile, India is keeping up its efforts to find some acceptable basis for direct contacts between Pakistan, Iran and Afghanistan, in the context of the U.N. mediator's endeavours to bring about such a dialogue in one form or the other under any auspices. After her recent talks with the Iranian Foreign Minister, Mr. Ali Akbar Vilayati, the Prime Minister is writing a letter to the Afghan President, Mr. Babrak Karmal, on the subject.

During the reactivated Indo-Afghan joint commission meeting in Kabul later this week, the leader of the Indian delegation, Mr. Natwar Singh, will have the opportunity to meet both Mr. Babrak Karmal and his Foreign Minister, Mr. Shah Mohammed Dost.

CSO: 4220/7301

REPORT ON INDO-NEPAL INTERGOVERNMENTAL TALKS

New Delhi PATRIOT in English 19 May 82 p 8

[Text]

INDIA and Nepal have agreed upon a number of measures to check smuggling, promote bilateral trade and improve transit facilities for Nepal through the Indian territory, reports UNI.

The officer on special duty in the Directorate of Revenue Intelligence in New Delhi and the Director General of Customs, Kathmandu, have been designated as "contact points" for cooperation to check unauthorised trade.

It was also agreed at the recent fifth meeting of Indo-Nepal inter governmental committee in Kathmandu that the Director General of Constoms of Nepal and the Collector of Customs, Patna, should meet at least once in six months. Both sides would exercise greater vigilance in the border areas to monitor and control unauthorised trade.

An official release said on Tuesday that Nepal had assured to supply logs and sleepers to the Indian Railways on time. The Indian side had agree to walve the proforma procedure in the case of items of clearly Nepalese origin like 'katha,' unbranded ghee and minerals like limestone and slate.

It was noted that processing of proformae had been streamlined and the timelag in issuing notifications for preferential entry into India of Nepalese industrial products would now be considerably reduced. India would renew notifictions without insisting on fresh proformae if the Nepalese authorities certifies that there was no change in the contents of the concerned product.

It was agreed to provide insurance cover for all goods in transit. Even in regard to goods belonging to private Nepalese parties and moving to Nepal in privately-owned trucks, insurance cover is expected to be available by 30 June after completing the modalities.

The meeting had observed that the transit facilities at Calcutta Port had improved considerably. Line restriction for movement of transit goods via Garahara had been removed. Therefore, there would not be any difficulty in the movement of bulk cargo from the transit shed within the prescribed period.

Even so, as a special gesture, India agreed to increase the period of 15-30 days to 45 days in respect of Nepalese traffic in transit. This would eliminate the difficulties arising out of the triple rent imposed on Nepalese cargo in transit.

India has agreed that no detention charges would be levied by the Calcutta Port Trust for the first three days of the wagons being made available. Exemption made would also be considered in all cases on merits where delays might occur for factors beyond the control of the importer. Due assistance would be given to the Nepalese side for the placement of sufficient number of wagons and for moving fully the loaded wagons.

It has also agreed to open one more transhioment point at Gorakhpur, taking into account, among other things, the developmental needs of far-western Nepal.

As a special case, India agreed to increase the free period for the storage of bulk cargo at Narayanpur Anant from one day to three days. Facilities would also be provided to the Nepalese, to build their own warehouse and siding with the help of the Indian Railways.

The Indian side agreed to permit the Nepalese side to keep the goods imported by them in their shed at Raxaul subject to requisite safeguards.

During the discussion leader of Nepalese delegation, Malla stressed the need for India's continued support to Nepal to promote the export of her manufactured products. He hoped that India's new liberal import policy would provide new opportunities to export Nepal's manufactured products to the Indian market.

Leader of Indian delegation Abid Hussain stressed that the two sides should explore new avenues of cooperation.

It was decided that the next meeting of the committee would be held at New Delhi on dates to be decided through mutual consultations.

CSO: 4220/7290

NEW POLITICAL PARTY FORMED IN KARNATAKA

Madras THE HINDU in English 11 May 82 p 1

[Text]

BANGALORE, May 10.

The Karnataka Kranti Ranga, led by Mr. D. Devaraj Urs, which will consider uniting with like-minded parties like the Lok Dal and the Janata, formally came into being today.

A "convention of supporters" of Mr. Urs ratified the decision taken by the executive committee of the Karnataka Pradesh Congress Committee (S) on April 26 and 27 to form a regional party.

The naming of the party was significant in many ways. For the first time, the Congressmen gave overwhelming support to not giving the name 'Congress' to the new party and also gave up all claims to being the "real Congress" unlike all splinter groups of the Congress which had been born since 1969.

Urs will consider unity: The meeting also ratified the executive committee's resolution authorising Mr. Urs to consider the question of unity with the Lok Dal and the Janata after consulting the steering committee which would consist of members of the executive committee of the erstwhile KPCC (S), Presidents of district units and Legislators.

The resolution was moved by Mr. J. H. Patel, MLA and seconded by Mr. M. C. Perumal, MLC, an old-time Congressman. It was Mr. Perumal who first voiced the demand for giving up the name Congress.

There was some debate on the naming of the party. Then the final decision was left to Mr. Urs, who said he would suggest a name if it was approved unanimously. Then he suggested the name "Karnataka Kranti Ranga", and it was greeted with vociferous approval.

There was a suggestion that the party be called one of peasants and workers. But the leaders said they should not associate themselves with any one particular section.

Mr. Urs did not express his support either for a regional party or for forming a national party, but left the matter to the convention. He told his supporters they need not fear that he would lead them to the Lok Dal or the BJP.

CSO: 4220/7301

DEFENSE FAILURE TO DEVELOP MISSILE SYSTEM SCORED

Madras THE HINDU in English 11 May 82 p 7

[Text] New Delhi, May 10. The Public Accounts Committee (PAC) of Parliament has expressed displeasure over the Defence Research and Development Laboratory's (DRDL) inability to "develop or design" an anti-tank missile system even over a 10-year period, leading to the closure of the project in April 1972, after incurring an expenditure of Rs 28.72 lakhs against the estimated cost of Rs 6 lakhs.

The committee in its 113th report said the delay in developing the weapons system necessitated import of certain quantities of the two varieties of the weapon costing Rs 4 crores.

In addition, equipment costing Rs 23.47 lakhs for mounting the weapon on a vehicle had also to be imported.

Further, imports of mounts of a different design offered by another source were also made at a cost of Rs 17.13 lakhs in October 1972.

'No deep examination': The Army headquarters did not examine the proposal in depth before assigning the project to the Vehicle Research and Development Establishment (VRDE) to develop a suitable mount for deploying the weapon system to improve the operational effectiveness of these tanks.

'Waste of precious years': Had this been done, the process of trial and error, which ultimately resulted in "nothing but waste of five precious years" would have been cut short, if not altogether avoided.

The committee hoped that proper lessons would be drawn by the Government from its experience in this case.

DRDL was entrusted with the project in 1962. At the initiative of the user, it was converted into a staff project and necessary sanction was accorded in January 1964.

No time schedule for its completion was fixed since it was a new field of technology for which adequate know-how and even the basic infrastructure did not exist then in the country.

At the time of revision of cost estimate in 1966, it was felt that it would be possible to complete the project in one-and-a-half to two years.

The committee regretted that DRDL could not develop it even over a 10-year period.

Reliability of weapons system: By January 1969, it had become clear that the weapon under development was not suitable for induction in the army. The user trials showed that the reliability of the weapons system actually achieved was 64 per cent at a range of 1,500 yards as against 90 to 95 per cent reliability required at a range of 2,000 yards.

It was, however, decided to continue the work on the project "to enable the scientists in DRDL to derive maximum benefit from the project in the areas of design, development, engineering trial techniques and evaluation methods of similar weapons.

The committee found that an expenditure of Rs 27.64 lakhs had been incurred on the project up to January 1969 and a further expenditure of Rs 9.91 lakhs was incurred from February 1969 till the closure of the project.

"Thus, the total expenditure on the project comes to Rs 37.55 lakhs out of which credit to the tune of Rs 8.82 lakhs is stated to have been given on account of salvage items assets utilised elsewhere on the closure of the project.

The committee said since the user trials had been completed by August 1970, there was "no ostensible reason" for delaying the formal closure of the project till April 1972.

Much of the extra expenditure of nearly Rs 10 lakhs could therefore have been saved and the project could have been formally closed in August 1970, itself, the committee said.--PTI

CSO: 4220/7301

GANDHI 11 MAY SPEECHES IN KERALA REPORTED

New Delhi PATRIOT in English 12 May 82 pp 1, 7

[Text] Trivandrum, May 11 (UNI, PTI). Prime Minister Indira Gandhi today charged the CPI(M) and the CPI with providing a foothold to the RSS and the BJP in Kerala.

Mrs Gandhi said it was the misrule of of the CPI-M that gave RSS a foothold in the State, and through them came the BJP. The CPI-M and the CPI, she said, did not realise that the BJP and the RSS were making use of them in achieving their sole objective of destroying her and her party.

Addressing an election rally here, Mrs Gandhi denied charges of authoritarianism levelled against her and her party by the CPI-M and its allies and challenged them to cite a single instance of authoritarianism since her return to office in 1980.

Refuting the charge of one-party rule raised by the Opposition, particularly the CPI-M, Mrs Gandhi said she and her party always believed in democratic functioning. But she would like to know whether there was multi-party rule in Communist countries.

Mrs Gandhi also accused the Marxists of converting their regime (as and when they came to office) into a rule for the party instead of a rule for the people.

Even though rain started soon after Mrs Gandhi began her speech, the crowd sat patiently throughout the address.

CONFRONTATION

Mrs Gandhi's main charge against the Marxists was that they were obsessed with the policy of confrontation with the Centre. She wanted the people of Kerala to ponder whether such a policy was in their interests.

The BJP, Mrs Gandhi said, was reactionary and its policies were inimical to secularism and progress.

She said the legacy left by the Janata regime was an economy in shambles and poor image of the country abroad. Listing self-sufficiency in food and great strides in industrial and scientific progress among the achievements of the nation since her return to power, Mrs Gandhi said much more had to be done. Special programmes like the 20-point programme were designed to better the conditions of the poorer and weaker sections of the people, she added.

EXTENSIVE

Never before had Mrs Gandhi campaigned so extensively as in this election in which she toured from Manjeswar in the North to Parassala in the South, touching every district in the State.

During the first phase of the electioneering on 5 and 6 May, Mrs Gandhi has toured the northern districts of the State. In the second tour being conducted now, she is concentrating on southern districts.

Even though she had been slated to speak at nearly 30 centres only, she was accorded wayside receptions at innumerable

places.

Soon after her arrival at Cochin this morning by an IAF aircraft, Mrs Gandhi changed over to a helicopter and visited Shertallai in Alleppey district. From then on it was almost a non-stop tour by helicopter and car. She will conclude her visit tomorrow.

Congress-I leader K Karunakaran and Union Communication Minuister C M Stephen accompanied her throughout.

Mrs Gandhi's campaign in south Kerala lasted till midnight. In the constituency (Nemim) of former Chief Minister K Karunakaran, people in massive strength turned up and lustily cheered her..

Mrs Gandhi's meeting at Trivandrum was mammoth. Accompanying the Prime Minister were Mr Karunakaran, Communications Minister C M Stephen, Dr Shankar Dayal Sharma AICC-I observer to Kerala and KPCC-I general secretary M M Jacob.

Mr Stephen translated Mrs Gandhi's English speeches into Malayalam.

MINI-MANIFESTO

In all the meetings, Mr Karunakaran reeled out a mini-manifesto for the election to thunderous applause by the audience. The promises made include improvement in the law and order situation, stability of the State Government and pension to genuine agricultural workers.

Mrs Gandhi will wind up her electioneering in Kerala tomorrow afternoon and leave for West Bengal.

In a bitter attack on the Marxist rule in Kerala, Mrs Gandhi charged them with making a mess of the administration. The law and order situation had deteriorated, political murders were taking place and the State's progress had received a setback, she said.

Mrs Gandhi ridiculed the Marxist leaders' charge that she was an authoritarian and believed in one-party rule. 'We in India have allowed parties of all shades to flourish but it is in Communist countries where there is one-party rule.'

Speaking of the problems facing the nation, Mrs Gandhi stressed the need for maintenance of peace and harmony to achieve the objective of socialism and self-reliance. A tremendous concerted effort must also be put in to achieve the goal, she said.

Poverty and backwardness, Mrs Gandhi, said, were the twin problems facing the country. Production had to be stepped up if economic backwardness was to be effectively solved. It should also be ensured that what was produced was equitably distributed she said.

20-POINT PROGRAMME

In this connection the Prime Minister said the 20-point programme had been formulated to take care of the specific problems confronting the various sections of people like industries labour and Harijans, who needed special attention.

Earlier, Mrs Gandhi addressed election meetings at Chavara, Karunagappally, Pathanamthitta and Adoor.

She said she was distressed to hear that funds allocated for developmental activities in Kerala had not been properly utilised when the Marxists had been in power. They were not earnest about development but were interested only in exploiting the discontent among the people, she said.

Stressing the need for complete harmony between the Centre and the States, the Prime Minister said the Marxist line of confrontation with the Centre, even while ruling some States, would not be helpful to the people.

During their rule of Kerala, the Marxists had adopted this policy and that retarded the progress of the State, she added.

At another meeting at Changanachery, Mrs Gandhi said that Kerala enjoyed a stable rule only when the Congress had been partner in the administration.

'The Marxists and their allies, who had come to power in the State on a number of occasions, spent their time in only fighting the Centre, she said.

Mrs Gandhi said the Marxists were not able to implement any development programme in the State because they were more interested in their confrontation with the Centre.

Mrs Gandhi said the 'misrule' of the Marxists had led to the growth of a dangerous rightist force (an apparent reference to the BJP) in Kerala which was a 'big threat' to the minorities and the backward sections of people.

The Marxists, she said, had deliberately created law and order problems so that they could carry on their fight against the Centre on the pretext or other.

Refuting the Marxist allegation that the Congress-I was authoritarian and the Congress-I led United Democratic Front in Kerala was a rightist alliance. Mrs Gandhi said it was the CPI-M which was trying to prepetuate authoritarianism in the States they had ruled.

Mrs Gandhi said there was only 'one party rule' in the Communist countries. 'In our country, we do not suppress any political party," she added.

The Prime Minister said the CPI-M was now in the rightist camp and it had openly aligned itself with rightist parties like the Lok Dal, both inside and outside Parliament. Even for the present elections, it had covert alliance with these rightist parties in some states, she added.

Mrs Gandhi said the Marxists, who had voted for her ouster from Parliament during the Janata Party rule, had no right to speak about democracy.

Mrs Gandhi ridiculed the Marxists for raising the 'bogey' that the Centre was out to 'capture' the States. The Constitution provided a good amount of autonomy to the States and the Centre stood by that, she added.

"At the same time, there should be a strong Centre, of course, not at the cost of the States, but for the good of the country," she said.

The Prime Minister said even when the economy was shattered during the three-year rule of the Janata Party and the Lok Dal, the Marxists had stood by them.

She said her Government was trying to put the country's economy back on the rails and to a certain extent they had succeeded. "Our policies have stood the test of time and that is why we are again seeking your support,"' she added.

CSO: 4220/7304

GANDHI TELLS NEWSMEN TRAVEL PLANS, OTHER MATTERS

New Delhi PATRIOT in English 15 May 82 pp 1, 7

[Text] Chandigarh, May 14 (PTI)--Prime Minister Indira Gandhi said today that she was likely to visit the Soviet Union toward. he end of September but was not sure whether she would be able to combine it th a trip to the Scandinavian countries.

'I shall see about it,' she replied when asked if visits to USSR and Scandinavian countries would be combined.

Talking to the PTI correspondent during her flight from Bagdogra (West Bengal) to Himachal Pradesh on her election tour, she confirmed she would visit the United States towards the end of July.

Asked if she would visit any other country also, Mrs Gandhi said she was intending to go to Mozambique before the year end.

Mrs Gandhi did not foresee any change in Pakistan's attitude towards India. Replying to a question, she said the Simla Agreement was in effect a no-war pact.

Bengal Situation

Asked about law and order situation in West Bengal and its effect on the coming Assembly poll, Mrs Gandhi said she could only hope that free and fair elections would be held. "It was the duty of the Election Commission and the State Government to ensure safety to the voters."

Mrs Gandhi said when the attention of the Left Front Government was drawn to the recent murders in Murshidabad the State Government had never cared to institute an inquiry nor did it take cognisance of the situation.

She said she had recently been receiving complaints about 'atrocities' on the people of West Bengal. 'Those complaints are being regularly forwarded to the State Government. But no reply was received by her.

Mrs Gandhi said one thing was clear that people of West Bengal were 'fed up' with the Marxists rule over the past five years, and 'they have become conscious of this now.' Mrs Gandhi also criticised the Bharatiya Janata Party for spreading the 'rumour' that there would be no elections in the future. 'The BJP has joined hands with Marxists and has been spreading the canard,'she said.

CSO: 4220/7290

PRESS REPORTAGE ON REDDY VISIT TO YUGOSLAVIA

Report on 6 May Banquet

New Delhi PATRIOT in English 7 May 82 pp 1, 7

[Text] Belgrade, May 6 (PTI, UNI). India and Yugoslavia tonight called for strengthening of the Nonaligned Movement and ending without delay conflicts among member countries.

The call came at a banquet given in honor of President N. Sanjiva Reddy who arrived here to a warm and affectionate welcome on a five-day State visit to Yugoslavia.

In his speech, President Reddy said: "For the voice of the Nonaligned countries to be effective it is also essential that its own ranks must be closed and the unfortunate conflicts between the member countries must give way to peaceful negotiations and political settlement."

The Yugoslav President said it was high time to find ways and means of terminating without delay conflicts between nonaligned countries and of starting the search for solutions to the existing problems exclusively by peaceful means.

This was especially important in respect of the war between Iraq and Iran he said.

Exceptionally important for the successful outcome of the summit in Baghdad in September is the undelayed ending of the armed conflict between those two nonaligned countries and their proceeding to a search for the peaceful settlement of the outstanding problems existing between them.

Both President Reddy and Mr Kraigher saw great scope of close cooperation between India and Yugoslavia.

Recalling the decisions of the New Delhi Consultations of 44 developing countries, Mr Reddy said the programme chalked out at the time would give a fresh impetus to the launching of global negotiations. The meeting had brought forth some highly constructive and useful suggestions to bring about cooperation in the areas of food, energy, trade finance, raw materials, industry and technology.

Mr Reddy gave details of India's efforts to normalise relations with its neighbours, especially Pakistan and China.

On Indo-Yugoslav relations, Mr Reddy said the friendly, association and mutual respect shared by the two great leaders Marshal Tito and Jawaharlal Nehru had been nurtured and strengthened by successive leaders in both the countries.

On way to Belgrade, Mr Reddy's plane flew over Britain, Belgium, Austria and West Germany. He sent messages of greeting to the heads of State of these countries while overflying their territories.

Earlier, at Dublin airport, Mr Reddy was given a warm send-off by Irish President Dr Patric J Hillery, Prime Minister Charles J Haughey and other Irish dignitaries.

Reception on 7 May

New Delhi PATRIOT in English 8 May 82 p 3

[Text]

BELGRADE, May 7 (UNI).

PRESIDENT Sanjiva Reddy today paid glowing tributes to the contributions of President Tito and Jawaharlal Nehru to non-alignment and world peace.

Departing from his prepared speech at a civil reception accorded to him Mr Reddy said the foundation of non-alignment and Indo-Yugoslav friendly relations were laid by those two eminent leaders whose vision was great. 'We feel inspired to think of Tito and Nehru'.

President Reddy was repeatedly cheered during his speech at the function at which he was presented the golden plaque of the City and scroll.

Acting Mayor Bogdanovic referred to the close bonds of friendship existing between the two countries, which had chosen the nonalignment path.

He quoted from Tagore—'where mind is without fear and head is held high'—and said this thought was valid today for freeing the world from current tensions.

Mr Reddy noted the similarities of Belgrade and Delhi, where historical monuments and modern architecture coexist—'bringing before us in one sweep the continuity and historical cavalcade of the centuries'.

He referred to the destruction of Belgrade City during the Second World War and said its emergence as a modern metropolis was a memorial to the courage and determination of the people here.

Mr Reddy also spoke of the progress made by India since independence thanks to the foresight and planning of Nehru, who started mighty projects which he used to call temples of modern India.

Welcoming Mr Reddy to the 'city of freedom and of heroes', Mr Bogdanovic said the plaque testified to 'our deep respect for your personality and for your tremendous contribution to the efforts of the peace-loving world community at a time when hotbeds of disquiet are seriously threatening the survival of the loftiest human ideals'.

After the city Assembly function President Reddy planted a sapling of red oak at the Park of Friendship in the city.

The idea of setting up this park was mooted at the time of the Belgrade conference of nonaligned countries in 1961.

Eminent personalities have planted many trees in the park, which extends over an area of 14 hectares.

Earlier in the day, Mr Reddy drove to Mount Avala, a popular picnic spot 16 km from here and laid a wreath at the tomb of the unknown soldiers.

The monument is in memory of soldiers who died during the wars between 1912 and 1918. Mr Reddy also signed the book there.

Talks With Kraigher

Bombay THE TIMES OF INDIA in English 9 May 82 p 13

[Text]

BELGRADE, May 8 (PTI).

INDIA and Yugoslavia have arrived at a broad measure of agreement on most of the issues, both international and bilateral, with the non-aligned movement remaining the central arena for co-operation between the two nations.

This was the outcome of two rounds of talks here last night between high level teams of the two countries headed by President N Sanjiva Reddy now on a state visit to Yugoslavia, and President Sergej Kraigher.

Among the subjects that came up for discussion was the role and relevance of the non-aligned movement in today's situation in the Indian ocean, South Asia, South-east Asia and West Asia.

The two sides also exchanged views on the prospects of the seventh non-aligned summit.

Describing the talks, taking place in an atmosphere of goodwill and cordiality, an official spokesman told newsmen that there was identity of views on most of the subjects.

ECONOMIC ISSUES

The two presidents also acquainted each other with the economic issues and problems facing the developing countries and the need to work together in combating these problems through greater South-South co-operation.

Besides the President, the Indian side was represented among others by Mr. Veerendra Patil, minister of transport and shipping who also held separate talks with his Yugoslav counterpart, and Dr. J. S. Teja, additional secretary in the external affairs ministry.

Mr. Metod Rotar and Mr Ante Zelic, minister for foreign trade and transport, assisted President Kraigher.

The two sides also discussed Indo-Yugoslav bilateral relations and ways and means of economic cooperation between them. Joint efforts to promote dialogue for global negotiations for economic order were also discussed.

Both the Presidents agreed the talks were positive and useful and that there should be frequent contacts between them.

The Yugoslav side also referred to and appreciated the important role and weight of India in the non-aligned movement in particular and in general to India's efforts to defuse the tensions.

After his two rounds of discussions the President leaves for Sarajevo and later to the sea resort of Spiti before returning home on May 10.

Remarks to Newsmen

New Delhi PATRIOT in English 12 May 82 pp 1, 12

[Text] PRESIDENT Sanjiva Reddy described his seven-day state visit to Ireland and Yugoslavia as "friendly and useful" and noted the identity of views on "almost all" international and bilateral issues between India and Yugoslavia, reports UNI.

Speaking to newsmen accompanying him on board Air India special carrier "Lhotse", Mr Reddy said the discussions in the Yugoslav capital had shown clearly that both the countries were keen on seeing the policy of non-alignment succeed. "Non-alignment", he said, "is much more necessary now than 10 years ago because of conflicts among major power blocs."

Mr Reddy returned to New Delhi on Monday night, after his visit to the two countries.

Mr Reddy said although Yogoslavia was a European country, it was still a developing nation and therefore both India and Yugoslavia could share their technologies and cooperate in development.

The President was sure that the Indo-Yugoslav friendship, built by Jawaharlal Nehru and Marshal Tito—"who is still a household name in Yugoslavia" —would grow stronger for generations to come.

Referring to his visit to Ireland, Mr Reddy noted the goodwill and admiration Irish people have towards India. He said mutual admiration started from the days of Mahatma Gandhi and De Valera.

In a message to the Yugoslav people telecast in Belgrade on the conclusion of his five-day visit to that country, Mr Reddy said the non-aligned countries could achieve collective self-reliance in the economic field by sharing their resources and technological know-how. This would strengthen their position vis-a-vis the developed countries to in promoting global negotiations for a new economic order.

The President said friendship between India and Yugoslavia was not 'incidental but one based on the firm foundations of mutual allegiance to the principles of non-alignment and on the similar experiences in the struggle against foreign dimination'.

Mr Reddy said the non-alignment movement, of which India and Yugoslavia were co-founders, 'is even more vital now for the restoration of world peace than it was at the time of its inception'. This was because of the 'tense' world situation and the 'danger of a wider conflagration and annihilation of mankind'.

CSO: 4220/7305

PRIORITY FOR DEFENSE RESEARCH ADVOCATED

New Delhi PATRIOT in English 8 May 82 p 8

[Text]

BANGALORE May 7 (UNI) — Atomic Energy Secretary Dr Raja Ramanna said today that the country could become self-reliant in defence needs only if research and development were given their proper place.

Laying the foundation stone for a Rs 15 crore defence research and development complex here, he said no amount of equipment imports and licensed production would benefit the country's defence department. The nation would be able to reap the full benefits in the area of defence only if the laboratories turned out good work.

Dr Ramanna who is also director of the Bhabha Atomic Research Centre was all praise for the defence research laboratories and said they had made useful contributions in vital areas.

Dr Ramanna said it was essential for the Defence Ministry to give full support to R and D efforts. He congratulated the scientists for realising several of the R and D projects. The users should be made to feel the usefulness of the projects, he added.

Dr V S Arunachalam, scientific adviser to the Defence Ministry who presided, said the DRD complex would integrate the three major defence laboratories in the country. It would bring about a fusion of interests and commitments.

Brigadier G K Dogra chief engineer, project, R and D said the housing development wing of the complex would provide residential accommodation to the members of the defence R and D establishment. It was proposed to build 1,750 quarters for all categories of employees, a school, a community hall, a modern welfare centre and playfields and parks. The complex would be one of the high technology townships in the city.

CSO: 4220/7298

GANDHI WARNS AGAINST TROUBLEMAKERS IN PUNJAB

Bombay THE TIMES OF INDIA in English 11 May 82 p 1

[Text] Karnal, May 10 (PTI)--The Prime Minister, Mrs Indira Gandhi, today warned people to beware of "mischievous elements indulging in acts of sacrilege in some towns of Punjab.

"I do not know who they are but they want to weaken India," she said.

Addressing more than one dozen largely-attended election meetings in Haryana, Mrs Gandhi said Sikhs, who were known for their patriotism, did not want confrontation with Hindus. The two communities had lived in amity for centuries and she was sure that none wanted to disturb it, she added.

She said: "Neither Sikhs want to harm Hindus nor Hindus have anything against Sikhs. Only a handful of trouble-mongers want to drive a wedge between them, Mrs Gandhi said.

She also referred to the Ravi Beas accord in almost all her meetings and said the benefits of this project would go to the people of Punjab, Haryana and Rajasthan.

She regretted that some people in Punjab wanted to whip up an agitation on the agreement. That was not fair, she added.

Mrs Gandhi assured the people of Punjab that the state would not face any shortage of water. The interests of Punjab had been fully safeguarded. By opposing the accord, some people were only trying to find an excuse to create trouble, she added.

Mrs Gandhi said acquisition, of sophisticated arms by Pakistan had, no doubt, posed a threat to India. People must remember that it was India which was attacked in the past.

The clouds of war, she added, had been hovering over the world. There had been conflicts also in some areas too.

The Prime Minister said the world leaders were worried about the use of nuclear arms for in the event of a nuclear war, the entire humanity would be annihilated.

Mrs Gandhi called upon the people to raise their voice against nuclear arms. She stressed the need for a strong centre and said the states should cooperate with it in implementing the schemes for people's welfare.

Addressing another meeting at Fatehbad, she said India wanted peace with Pakistan and despised war. But it could not go to anybody seeking friendship on bended knees.

She said India's interest will not be sacrificed in befriending its neighbours.

CSO: 4220/7300

PARLIAMENT DISCUSSION OF CORRUPTION REPORTED

Bombay THE TIMES OF INDIA in English 7 May 82 p 1

[Text] New Delhi, May 6 (UNI)--The home minister, Mr Zail Singh, today called for a code of conduct among political parties to eradicate the canker of corruption from public life.

Replying to a five-hour discussion on growing corruption in all walks of life, Mr Zail Singh appealed to the opposition not to exploit the issue for its own advantage but co-operate in a joint endeavour to root it out, or at least minimise it.

Both Mr Zail Singh and the finance minister, Mr Pranab Mukherjee, who interviewed earlier, took the opposition members to task for trying to draw a grim picture as if the whole country was reeking with corruption.

Country's Record

The majority of the politicians, businessmen and industrialists and officials were honest and India could be proud of its record and was second to none in the world in this regard, they said.

The two senior ministers accused the opposition parties of having undermined the system of parliamentary democracy when they were in power by instituting a large number of cases against the Prime Minister, Mrs Indira Gandhi, to efface her from the political life of the country. But this tactic recoiled on them, with some of the Janata ministers publicly trading corruption charges against their own colleagues.

Mr Zail Singh recalled his encounter with Mr Morarji Desai. When the former protested against cases framed against him for corruption he told him that these allegations were totally false and if he was serious about eliminating this evil he should set up a commission of inquiry. His plea fell on deaf ears and ultimately, nothing could be established against him, Mr Zail Singh said.

The home minister rejected the suggestion for a permanent machinery to go into corruption in high places. "When we as a government and as members of Parliament elected by lakhs of people cannot put an end to this, how could this job be handled by a few persons whom we ourselves nominate?" he asked. The remedy

lay in the government itself being vigilant, with the opposition having the right to expose its misdeeds before the public.

An immediate panacea suggested by him to cleanse public life was a vow by all politicians not to collect money for themselves and route donations only through their respective political parties. In a democracy with a multi-party system of fund collection could not be wished away. No party could do without it. If the solution was to have a one-party state which some communist members wanted, he was totally opposed to it.

"Only in a democracy, the human personality can achieve its fullest growth and I will not part with it," he said.

Mr Pranab Mukherjee took strong exception to the tenor of the BJP member, Mr Bhai Mahavir, who had attacked the Bihar chief minister and described it as a "holier than thou" attitude as if similar charges could not be levelled against members of his party who had been in the government.

Citing his own case, Mr Mukherjee said that an opposition member had leveled a fantastic charge that as commer minister he had arranged for a commission of $400 per tonne of cement, while its actual imported was only $70.

The finance minister disagreed with the Janata member, Mr Piloo Mody, that licences, controls and other regulations were solely responsible for corruption. Against this, there was a view that without such controls, one could not have a social order free of exploitation, he said.

Political Power

PTI adds:

Initiating the debate, Mr Piloo Mody said that he would be satisfied if it was accepted by everyone that corruption was growing and the malady had to be fought.

Dr Rafiq Zakaria (Congress-I) congratulated Mr Mody on his "balanced" speech and agreed that only concerted efforts could succeed.

But Mr A.G. Kulkarni (Congress-S), who described himself as a Congressman of the old generation, raised many an eyebrow when he said that while he realised that only Mrs Gandhi could eradicate corruption, he was equally sure that the "bonded party and her sycophants" would not allow her to do it.

Some members of the ruling party thumped their desks when Mr Kulkarni made his reference to Mrs Gandhi.

Several members held the very political system responsible for corruption and, as Mr Kulkarni put it, it now began from the very selection of candidates for elections to various bodies. "The new loyalty criteria, has done a lot of damage to the country and brought in a number of celluloid characters," he said amidst laughter.

Mr Mody said there was a "nexus" between political power and growing corruption. For this, he said, "all of us are to blame." Addressing the treasury benches, the Janata Party leader said because they had been in power for a longer period, therefore, they were to blame more.

CSO: 4220/7295

SEPARATIST LEAFLETS REPORTED CIRCULATING IN GOA

Bombay THE TIMES OF INDIA in English 14 May 82 p 9

[Text]

PANAJI, May 13: The bogey of anti-national leaflets in Portuguese supposedly calling for a separate nationhood for Goa has been, it appears, created out of a pre-liberation document with the purpose of fomenting communal disharmony in the Union Territory.

In 1960, some Goans prepared a pamphlet demanding autonomy for Goa within the Portuguese Commonwealth. Very few peole here remember anything about it but someone having a copy of it but someone started the whole affair.

The existence of such a pamphlet was first revealed at an official function held at Farmagudi on April 25 to celebrate Shiv Jayanti, by Mr. Janardhan Shinkre, a former Maharashtrawadi Gomantak - supported member of parliament. He mentioned the existence of such pamphlets but so far has not handed over a copy of it to the police.

Mr. Govinda Panvelcar, joint secretary of the PCC (I), said the inference in Mr. Shinkre's allegation was that the members of the Catholic community had a hand in bringing out the pamphlet.

The chief minister, Mr. Pratapsingh Rane and the inspector-general of police, Mr. Sharma, have both denied the existence of the pamphlet.

According to Mr. G. Y. Bhandare, general secretary of the Goa unit of the BJP, the leaflet bogey has been raised to substantiate the allegations against the Catholic Church and the community made in two articles in the December and January issues of "Rajdhani," a Marathi magazine published from Bombay.

Mr. Bhandare said he had written to the prime minister inviting her attention to these articles and claimed the query had now been referred by the Centre to the Goa government for comments.

Linking the articles to the alleged appearance of leaflets, Mr. Bhandare said the entire exercise was to whip up anti-Catholic sentiment through a definite conspiracy against the minority community. He demanded that the Press Council should probe the conduct of the writers of these articles. He hinted he might take the issue to court.

Meanwhile, the Goa legislative assembly has appointed a house committee to inquire into the articles in "Rajdhani."

CSO: 4220/7289

ANALYST DISCUSSES PROBLEMS OF NATIONAL SUGAR POLICY

Bombay THE TIMES OF INDIA in English 6, 7 May 82

[Commentary by S.M. Gothoskar: "National Policy on Sugar"]

[6 May 82 p 8]

[Text] I. Stable Cane Price Is the Key

INDIA is poised to become the world's largest single producer of sugar. Following the all-time record sugarcane crop, the production of sugar touched 60 lakh tonnes by the end of March, substantially surpassing the previous peak output of 45.85 lakh tonnes in the corresponding period in 1977-78. In that year the post-March output was 20 lakh tonnes. Assuming that in the remaining part of the current sugar year the output will be the same as in 1977-78, the total for the year will push India above last year's highest producer, Brazil, which this year is expected to maintain last year's output.

This means that the Sixth Five Year Plan (1980-85) target will have been exceeded by three lakh tonnes in the second plan year itself. Reports from various cane-producing areas suggest that lakhs of hectares are still burdened with the standing crop. The demand from the gur sector is tapering off both because the gur processing season has almost come to an end and gur prices have slumped. The cane growers have no alternative but to knock at the doors of the sugar mills which may have to absorb as much cane as they can manage by prolonging the crushing season. This may take the post-March sugar production to well above 26 lakh tonnes, raising the year's total to 87 lakh tonnes. Incidentally, this would be equal to the highest ever world record registered by the USSR in 1978.

No Assurance

Paradoxically, however, this is not a prospect about which we can afford to be sanguine. For this year's achievement is true to the cyclical pattern in sugar production which has been responsible for the instability in the sugar economy over the years. The main feature of this pattern has been abundance for two years followed by two years of extreme paucity and skyrocketing prices. This cycle has been perpetuated by the official policies on sugar over the years.

The 1977-78 peak production of sugar — which, incidentally, had surpassed the Draft Sixth Plan (1978-83) target of 62 lakh tonnes by three lakh tonnes even before the start of the Plan — was seen by the Janata government as a populist opportunity. It not only resorted to sudden decontrol, but for the first time, did away with the system of monthly release. As a result, prices tumbled to woefully uneconomic levels, to 30 per cent below the officially computed cost of production. But consumer euphoria over low sugar prices was shortlived. Cane prices plummetted and farmers drastically cut the area under sugarcane.

Strange as it may seem, the then prime minister, Mr. Morarji Desai, went on record to say that the "crisis of sugar plenty" could be tackled only by reducing the land under sugarcane. He scarcely realised the gravity of such an approach, but then he did not have to face any embarrassment when the shrinkage in cane prduction to the extent of 30 per cent pushed down sugar production to barely 39 lakh tonnes in 1979-80, the lowest in seven years. The caretaker government of Mr. Charan Singh made a feeble attempt to tackle the situation by first fixing the open market prices of sugar well above the rock-bottom levels they had reached and then reintroducing dual pricing.

Partly because of this but largely because of an anticipation of higher prices in a situation of extreme scarcity, there was again some increase in the area under sugarcane and the next year, 1980-81, witnessed the sugar production increase to 52 lakh tonnes. Yet, in both these years exports of sugar had to be suspended for the first time in 23 years and domestic availability augmented by imports. Even this, however, did not prevent prices from recording a new high. The relative decline in sugar prices in 1981-82 and the present abundance has completed the cycle.

The Implications

There is no reason to believe that the Centre is wise to the implications of this abundance. It may not resort to decontrol, though decontrol in the face of plenty has often been experimented with ever since controls were first introduced during the second world war. But official pronouncements so far have reflected a faith in dual pricing as the key to the solution

of the sugar problem. It is claimed that dual pricing, which has been continuously in operation since 1967, barring a shortlived spell of decontrol, has "stood the test of time." It is not explained why in that case 14 long years of dual pricing could not break the highly unsettling sugar cycle.

While in no other major sugar producing country the range of biennial fluctuations in production exceeds 20 per cent. India has often witnessed a drop as high as 40 per cent from the previous peak, followed by a doubling of output from the previous low. After the 40 per cent slump from the 1977-78 record (65 lakhs tonnes) to 39 lakh tonnes in 1979-80, we are now on the threshold of a doubling of output.

And now, in the face of an uncomfortable surplus, the government is talking about a buffer stock — exactly as it did in the past. Its calculations run thus: the estimated production is 70 lakh tonnes. The carryover stock of nine lakh tonnes from the previous season adds up to 79 lakh tonnes. Domestic consumption is estimated at 57 lakh tonnes. Out of the remaining 22 lakh tonnes, exports — which are limited by the quota system under the international sugar agreement — would absorb seven lakh tonnes. Allowing for a "comfortable" carry-over stock of 10 lakh tonnes to meet the requirements of the first two months of the next sugar year, there will still be a balance of five lakh tonnes which could constitute the buffer stock.

Granting, for argument's sake, that the government's production estimate is correct, there is every reason to doubt its seriousness about creating the buffer stock. There is a familiar ring in the official statement that "the quantum of the buffer stock and the modalities of its operation are being worked out." This has been the stock statement in the past too. It is presumed perhaps that the mere talk of buffer stocks will have an impact on prices. However, nothing of the sort has ever happened. Besides, official estimates in years of abundance have invariably fallen far short of actual output and in the years of shortage they have proved to be grossly exaggerated.

If production this year turns out to be, not 70 lakh tonnes, but over 85 lakh tonnes as unofficially estimated, the government's calculations will be wide of the mark, leaving an uncovered burden of 10 lakh tonnes, even if a buffer stock is built up. This will not merely upset the government's plan of action. The consequent depression of sugar prices will scare cane growers into pruning the acreage under cane. And inexorably, the sugar cycle will assert itself with a vengeance.

Basic Flaw

The basic flaw in the dual pricing policy on sugar is that it is incapable of breaking the sugar cycle. Another, equally basic, defect is that it only applies to 35 per cent of the total ouput of sucrose, the sweetening agent manufactured from cane, and has left untouched gur (55 per cent) and khandsari (10 per cent). Under this policy, 65 per cent of the refined white sugar output (which constitutes just about 23 per cent of the total supply of sweetening agents) is apportioned to the public distribution system by subjecting it to a levy price which, even according to official calculations, is below the cost of production. The assumption is that the losses incurred on this count can be made good by the open market prices realised on the remaining 35 per cent (12 per cent of the total sucrose supply).

The obvious purpose of this policy is to ensure supply of sugar to what are called vulnerable sections of the urban consumers at a low enough price. Industrial and commercial consumers who buy more than half of the open market sugar may not mind paying the cost. It is the rest of the open market sugar, no more than five per cent of the total supply of sweetening agents, that is treated as the villain of the piece. Articulated discontent over the "high" price of this sugar, which is specifically provided for by the dual pricing policy, has from time to time prompted the government to react with a sense of indignaton and alter pricing and stocking restrictions.

[7 May 82 p 8]

[Text] II. Gur's Exclusion Is Sugar Policy's Bane

THE government ought to feel more indignant, however, over the inexplicable phenomenon of the prices of gur, consumed by the vast rural population, finding their levels with the open market prices of sugar, irrespective of the demand and supply position.

This year, for example, gur production has fallen short of last year's output, but gur prices have plummeted by about 60 per cent in response to the decline in the open market sugar prices. Last year, on the other hand, though gur production was higher, gur prices stayed high in response to the upward movement of open market sugar prices in the face of extreme shortages. If only the government pondered over the correlation between gur and open market sugar prices, it would have got a clue to the solution of a problem which has remained intractable over the years.

In the case of both their product and raw material the gur manufacturers are free agents. If there is no price control on gur, so is there no control over the price of the cane used to make it. Gur is not covered by the Essential Commodities Act but sugar is. The so-called statutory minimum cane price applies only to the sugar mills. In times of abundant production, the gur manufacturers beat down the cane price, and during shortages they pay very high prices, thus accentuating the cyclical fluctuations of price and output. In the two abandant years 1977 to 1979, for example, they bought cane at as low as Rs. 30 per tonne when the average statutory minimum price in northern India was Rs. 90-110. In the next two years, when shortages developed, they paid as much as Rs. 360 against the statutory price of Rs. 135-155.

Statutory Price

Price constraints on both cane and sugar prevent sugar mills from competing with the gur manufacturers in either case. In fact in the years of abundance there is greater pressure on them from the cane growers and they have to absorb more cane and prolong their crushing season, and during shortages they have to pay much more than the statutory minimum to keep their units going. It is irrelevant whether the sugar mills feel obliged to pay only the statutory minimum cane price or agree with the state governments, as urged by the

Centre, on a price over and above this floor level. The basic point is that, since their capacity to absorb cane at whatever price is limited, it is the demand from the gur sector that largely determines the ups and downs in cane acreage and prices.

What this problem calls for, therefore, is a mechanism to regulate cane production, which is not distorted, as it is today, by a statutory price for 35 per cent of the sucrose output and an open price for the remaining 65 per cent. Sugarcane is India's third largest crop in terms of value, next only to rice and wheat. There is pressing need to stabilise it with an overall support price system just as in the case of other essential crops.

There is however no point in fixing a minimum price which has no relation to the cost of production but is, rather, motivated by a desire to keep the sugar prices as low as possible. This is what is happening now. A reference to the production costs of the public sector cane farms reveals that these are often 60 per cent higher than the minimum cane price fixed by the government. No doubt, sugar is among the most sensitive commodities, but trying to subdue its prices by pegging down cane prices is an unsound way of combating inflation. A rational cane price should be determined on the basis of keeping cane attractive for the farmer, in competition with other crops, so that the grower is in fact prompted to undertake expansion in keeping with the growing demand for cane and sugar.

Fixing a rational price for cane will not make sugar exorbitantly expensive. It is worth noting that India is among the countries with the lowest cost of sugar production, net of taxes on sugarcane and sugar. Despite the tax factor, however, our consumer price for sugar is the lowest among the top 10 most populous countries which account for 60 per cent of the world population. The Chinese consumer buys sugar at a uniform price of Rs. 11 per kg. In countries where the consumer price is lower than in India, both cane and sugar are free from any taxes. In certain countries, indeed, both are favoured with subsidies.

Largest Producer

Another misconception is that India has a poor per capita consumption of sugar. The trouble is that "sugar" here refers only to what is called white sugar. We leave out of account gur and khandsari, which too are forms of sucrose. In technical terms, they are called non-centrifugal sugar and open pan sugar respectively. Including these varieties of sugar, India is the largest producer and consumer of sugar in the world. And though India's GNP is one-thirteenth of the average for the rest of the world, its per capita consumption of sugar (all three kinds), at 23 kg., is a kg, more than the world average (in all other essential commodities we lag behind). Countrywise comparison places us with middle-income countries whose per capita sugar consumption is 20 to 25 kg. against 50 to 60 kg. in affluent countries and 5-7 kg. in poor countries.

It goes without saying that a sugar policy which does not take into account gur (khandsari is not significant) can never be effective. It is not enough that the government lays down a price and distribution policy for sugar. It must have a complementary policy for gur as well. In fact, without a clear-cut policy of making available gur at a common price, again determined on the basis of costs, no sugar policy, however foolproof on paper, can have a practical meaning.

This means that we must take the opportunity provided by the current abundance of sugar to make a bold departure towards an all-embracing national policy on all sweetening agents. The crux of this policy has perforce to be cane price stability. And the urgency of such a policy derives from the fact that, otherwise, there is imminent danger of a severe reduction of the acreage under cane during the coming sowing season which begins from November.

CSO: 4220/7294

NEW APPROACH TO ELECTRONICS INDUSTRY PLANNING URGED

Bombay THE TIMES OF INDIA in English 11 May 82 p 13

[Article by V. Sooriyanarayan: "Electronics Industry Needs a Boost"]

[Text] Bombay, May 10. The electronics industry has not progressed to the desired extent in the past few years, despite the recent technological advancement, availability of the requisite technical manpower and good potential for meeting the ever-increasing demand for its finished products, both in the domestic as well as overseas markets.

A new and dynamic approach on the part of the planning commission and the department of science and technology will go a long way in improving the prospects of this vital sector and enable the country to earn valuable foreign exchange it is felt.

India has a wide scope for exporting professional electronic equipment and the industry should be developed to meet this challenge and earn the much-needed foreign exchange for the nation. The country, at the same time, has the requisite know-how, expertise and skilled and technical manpower. What is lacking is only an appreciation of its role in the industrial map of the country, sizable allocation of funds for its faster rate of growth and development, and a coordinated approach for its implementation with a body to monitor its growth.

The level of production of electronics goods is proposed to be raised to Rs 1,867 crores by the end of the sixth five-year plan period, 1984-85. This would mean a compound growth rate of about 23 per cent during the entire plan period, as against only 15.5 per cent achieved during the last five years. During the same period, exports, it is planned, will go up to only Rs. 180 crores. India, thus, will continue to be as insignificant an exporter of electronics at the end of the sixth plan as it is at present.

Fast-growing

Why is it that the industry does not grow fast in terms of both production and its export? The allocation of just Rs 141 crores in the entire plan period for this sector--about 70 per cent of which will be spent on ongoing schemes and projects on hand--reflects the inadequate appreciation on the part of the planners of the role of this industry in the national economy.

Electronics has a vital role to play in the fields of atomic energy, defence, education, communication, entertainment and space application and the like. The systems are increasingly being used in industrial processes, hospitals, transport and communication, power generation and business establishments. Broadly, therefore, the industry can be classified to comprise entertainment electronics, electronics for mass communications, telecommunications, defence electronics, computers and control systems, instrumentation and components.

No other single industry in the world in the recent years, has displayed as much of dynamism and challenging opportunity as that of the electronics industry, Japan, South Korea, Taiwan and a few other Asian countries have forged ahead in the manufacture of electronics in varied fields during the last decade and have literally captured the world markets.

During the last decade, India, of course, has made a dent. In fact, at one time grand visions of India emerging as a big producer and exporter of labour-intensive electronic products were raised. The electronics commission and the department of science and technology were set up in 1971 to initiate a bold plan of action for the eighties. As a result of the concerted action, the industry has taken root in the country, but its growth has failed to meet the objective.

Although the rate of growth of industry has gone up from ten per cent in 1979 to 24.7 per cent in 1980, it was extremely poor in 1981 as compared to the performance made in 1980. While in terms of production, 1981 registered an output worth about Rs 856 crores against Rs 806 crores in 1980 and Rs 646 crores in 1979, the growth rate was lower and was only marginally higher at 6.2 per cent.

Labour Problems

The production of consumer electronics items during 1981 was about Rs 246 crores, against Rs 214 crores in 1980. The tape-recorder industry showed a 60 per cent rise in terms of numbers during 1981. The computer control and instrumentation sector achieved a production level of Rs 188.5 crores against Rs 160 crores in 1979, thus registering a growth rate of about 17.8 per cent during the year.

All other sectors like control instruments, test and measuring instruments, power electronics equipment and medical electronics equipment registered a fairly good growth rate during 1981. The production of all these items went up from Rs 130 crores in 1980 to Rs 158 crores in 1981, thereby showing a growth rate of about 19.5 per cent.

The decline in the growth rate of production during 1981, according to the annual report of the department of electronics for 1981-82, can be attributed to strikes and labour problems in many of the public and private sector concerns. This resulted in a substantial loss of production. Compared to 1980, the production of the major public sector units decreased by about Rs 50 crores in 1981. If production of these units was excluded from that of 1980, a net growth of 18 per cent in production could be seen in 1981, the report explains.

As for the exports of the industry, there has been a sharp fall in its exports. This is the most dismal feature of its performance. The annual report of the department shows that exports declined to Rs 42 crores in 1982 from Rs 47 crores in 1979 and marginally increased to only Rs 52 crores in 1981, as against even the tiny countries like Singapore and South Korea whose exports of electronics materials went up to $300 billion and $700 billion respectively. Since India is a marginal supplier in the world markets with its export touching hardly 50 crores a year, this setback cannot be attributed to recessionary conditions in the West. This means that either the marketing techniques adopted abroad are inadequate or Indian suppliers have not been able to compete with others in terms of prices, quality and servicing.

The none-too-encouraging trend in exports of electronics goods is a definite reflection to a large extent on the ladkadaisical way in which the electronics industry's growth has taken place in the country during the last few years. The young industry has an ideal climate for growth in India but the opportunity remains to be exploited.

CSO: 4220/7300

INFORMATION MINISTER MEETS WITH PRC NEWS TEAM

New Delhi PATRIOT in English 12 May 82 p 8

[Text]

INFORMATION and Broadcasting Minister Vasant Sathe on Tuesday called for strengthening Sino-Indian cooperation for the sake of promoting peace not only in Asia but in the entire world, reports UNI.

Speaking to a six-member Chinese journalists delegation which called on him in Delhi Mr Sathe expressed confidence that cooperation between India and China in various fields would be beneficial to both the countries and other developing nations.

Mr Sathe pointed out that both India and China have learnt through history the effect of the divide and rule strategy. "We must see that nobody succeeds in this game", he said.

Mr Sathe told the delegation that both India and China had a long and glorious history and heritage. In every field, there was much commonality, besides, the ties between the two countries date back to thousands of years, the Minister added.

Mr Sathe exchanged views with the Chinese delegation about the functioning of the press in the two countries.

Chinese delegation leader Jiang Yunhun, who is deputy director of the international department of the Chinese Peoples Daily "Renmin Ribao", noted that both the countries were engaged in national construction.

Mr Jiang said though the approaches of the two countries were different in this regard the aspirations of the two peoples were identical. Both countries were engaged in developing their industrial and economic base and in controlling the population explosion, he added.

Mr Sathe asked the delegation to convey the regards and affection of the Government and people of India to the Government and people of China.

CSO: 4220/7307

ONGC PLANS TO PRODUCE MORE CRUDE IN 1982-83

New Delhi PATRIOT in English 12 May 82 p 8

[Text] The Oil and Natural Gas Commission (ONGC) has planned to produce an addition 1.31 million tonnes of crude oil during 1982-83 by acquiring two more jack up rigs, reports UNI.

With this, the total production of oil in 1982-83 is expected to cross 19 million tonnes. The envisaged production programme of ONGC for the year was 17-91 million tonnes.

The programme of work for the year also envisages drilling of about 438,000 metres of both exploratory and development wells and off shore seismic surveys covering an area of 29,300 line km.

During the current year, the ONGC also drawn up plans to produce 1871 million cubic metres of natural gas and 141,000 tonnes of Liquefied Petroleum Gas (LPG).

The oil production target of the country during the current plan period is fixed at 93.65 million tonnes. This was to be achieved through 13.15 million tonnes in 1980-81, 16.95 million tonnes in 1981-82, 20.55 million tonnes in 1982-83, 21.35 million tonnes in 1983-84 and 21-.65 million tonnes in 1984-85.

As against the target, actual production in 1980-81 was only 10.51 million tonnes and 16.26 million tonnes in 1981-82.

By the end of the Plan period, ONGC alone proposes to produce 24 92 million tonnes of crude oil per annum Similarly, the despatch or supply of natural gas by ONGC will be increased to 8914 million cubic metres in 1984-85.

CSO: 4220/7307

PLANS TO BUY SHIPS FROM YUGOSLAVIA REPORTED

New Delhi PATRIOT in English 12 May 82 p 8

[Text] India has told Yugoslavia that it is prepared to consider taking her ships if they are competitive in prices and other offers, reports PTI.

Indicating this in New Delhi on Tuesday, Minister of Transport and Shipping Veerendra Patil told newsmen that the Yugoslavian side had agreed to consider this suggestion.

Mr Patil who accompanied President, N. Sanjiva Reddy, on his state visits to Ireland and Yugoslavia, held wide ranging discussions with his Yugoslav counterpart, Ante Zelic and visited the shipyard at Split during the week-end.

In the past, Yugoslavia had supplied 39 ships to India, mostly to the Shipping Corporation of India. It is anxious to resume supply of ships to public sector undertakings.

During his discussions, Mr Patil was told that they were prepared to give 80 per cent yard credit on 8.5 per cent interest to be repayable in eight instalments. They had made this offer to Moghul Lines and SCI.

Mr Patil, however, told the Yugoslavs that in the present changed situation there was recession in the shipping industry. This was because the freight market had gone down. Several shipyards were canvassing for their orders. In view of the price of ships also coming down, they must put forward fresh offers.

Mr Patil said there was also a proposal to have a "shipping agreement" between India and Yugoslavia to decide on sailings and the percentage of cargo carrying.

The Yugoslav side expressed its concern over the delay in signing of the agreement. Mr Patil said he would see that this matter was looked into and take steps for expediting the agreement.

He said transaction between India and Yugoslavia had been in dina currency before the Yugoslavs changed it into hard currency. The Yugoslav Minister had indicated that he was prepared to go back to the old system.

CSO: 4220/7307

FIRST PHASE OF VIZAG STEEL READY IN 1986

New Delhi PATRIOT in English 12 May 82 p 7

[Text] VISAKHAPATNAM, May 11 (UNI)—The first phase of the 3.4 million tonnes integrated Visakhapatnam Steel Project (VSP) would be commissioned by February 1986 to produce 1.2 million tonnes of liquid steel, according to VSP managing director K V Bhaskara Pantulu.

Speaking to newsmen after a conducted tour of the steel plant site, he said the VSP was a time-bound programme to be completed in six years and work on the Soviet-aided project was progressing as per schedule.

He said Rs 141 crores had been spent during 1981-82 as against the allocation of Rs 120 crores. The expenditure incurred since the commencement of work on the plant totalled Rs 212 crores at the end of March 1982. A provision of Rs 250 crores had been made for the current financial year, he added.

Mr Pantulu said that as part of its efforts to encourage participation of local industries, the VSP had placed structural fabrication orders worth Rs 8 crores with local parties. Besides, the VSP had been in touch with the State Government for encouraging ancillary industries to serve the needs of the project at the construction and operation stages.

Referring to the recruitment of personnel, the managing director said that recruitment was in conformity with man-power requirement as per the detailed project report. He said over 1100 personnel of various categories were working in the project and 600 more persons would be recruited in the coming year. The VSP had provided employment to nearly 400 displaced persons.

Reviewing the general progress of the VSP, Mr Pantulu said most of the essential infrastructural and pre-construction facilities had been made ready. Buffer stocks of critical raw materials like cement and steel had been built up.

CSO: 4220/7304

BRIEFS

INDUSTRIES IN DISTRICTS--New Delhi, May 5 (PTI)--The Union finance minister, Mr Pranab Mukherjee, said in the Rajya Sabha today that the Centre was taking steps to set up industries in 83 districts in the country where no industry existed at present to remove regional imbalances in the states. He appealed to the states to raise additional resources to meet their part of the required finances so that these districts were brought on a par with other districts. The minister was winding up a discussion in the house on the finance bill, 1982, which gives effect to the financial proposals of the Centre for 1982-83 as passed by the Lok Sabha. After rejecting over 90 opposition amendments, the house returned the bill as passed by the Lok Sabha. In a 30-minute spirited reply, Mr Mukherjee referred to the criticism of the opposition that the budget was oriented towards meeting the conditionality of the massive IMF loan and said the criticism was not justified. Mr Mukherjee claimed that an ailing economy taken over by his government had been put on the rails, and was now under control owing to a number of steps it took to rejuvenate it. He said industrial production had gone up and inflation had been brought down from 23 percent, when his government took over on January 14, 1980, to minus 0.8 percent in the third week of April. It was not the government's claim that the prices had been brought down. [Text] [Bombay THE TIMES OF INDIA in English 6 May 82 p 1]

FOREIGN CURRENCY LOANS--Bombay, May 5--With the raising of its first foreign currency borrowing of $25 millions (Rs 22.5 crores) as syndicated Euro-currency loan in January last and completion of formalities for its utilisation, the Industrial Development Bank of India has commenced granting foreign currency loans for import of capital equipment. This will be part of IDBI's normal project financing operations. It has made arrangements with the import licensing authorities for issue of import licences for this purpose. According to a press release, IDBI is equipped for opening letters of credit for import of capital equipment, acquisition of technical knowhow and other services.--PTI [Text] [Madras THE HINDU in English 6 May 82 p 1]

TRADE WITH EGYPT--New Delhi, May 6 (PTI)--An FICCI delegation, led by Dr Charat Ram, former president, which visited Cairo recently, has identified several areas for expansion of Indo-Egyptian trade. In a report on the visit, FICCI suggested the setting up of a "cooperative arrangement" on the pattern of the joint business council to further strengthen the existing trade and investment opportunities between India and Egypt. Among the other measures suggested by the report are the establishment of a nodal agency in Egypt to identify business possibilities and locate the right local partners; improvement of shipping

services to facilitate cargo movement, establishment of air links with Cairo by Air-India, facilities for appointing agents to explore prospects and marketing of Indian goods and services, liberal commercial credits or deferred payment terms to Egypt, financial support particularly in the case of joint projects, project proposals with a built-in provision for in-plant training facilities in Indian factories. [Text] [Bombay THE TIMES OF INDIA in English 7 May 82 p 9]

ADMISSION TO AFRICAN BANK--New Delhi, May 11--India has been formally admitted to the membership of the African Development Bank group of institutions at a plenary session of the annual meeting of the board of Governors of the bank at Lusaka on May 6, reports PTI. The instrument of ratification was handed to the secretariat on behalf of the Government of India by the leader of the Indian delegation, Mr Yogesh Chandra, who was named temporary Governor. As a full-fledged member, India will contribute to the African Development Fund, the soft loan window of the bank, and quality for participating in projects directly funded by the bank and fund. In terms of a law enacted by Parliament, India's contribution to the ADF will be 8 million units of account (about $8 million) as part of the third replenishment which would total $1 billion. The bank itself lends at the rate of $500-600 million per annum, the cumulative loans totalling $13 billion. The African Development Bank had initially kept the membership closed to non-regional countries. A move to open up the capital to non-regional members was thwarted last year by opposition from Nigeria, Algeria and Libya which control 26% of the bank's capital. However, Nigeria withdrew its objection this year paving the way for India's admission. India's application for capital is pending before the bank. India is the second country after Japan to be admitted to the bank. [Text] [Calcutta THE STATESMAN in English 12 May 82 p 16]

PAKISTANI SPY ARRESTED--Rajkot, May 11 (PTI)--A Pakistani national, posing as an Air Force officer was arrested at Gandhidham last Sunday, accord- today. [as published] In a bid to get classified information the Pakistani met various individuals and a few officers at the Bhuj air force station, the report said. An IAF officer's uniform and an identity card were recovered from him. He was produced before a magistrate at Gandhidham who remanded him to police custody for 14 days. [Text] [New Delhi PATRIOT in English 12 May 82 p 7]

BUSINESSMEN TO PRC--A four-member delegation of the India-China Chamber of Commerce and Industry will pay a 10-day visit to China from 24 May to discuss possibilities of further promoting trade between the two countries, reports UNI. A spokesman for the chamber said the delegation would discuss matters relating to agro-machinery, auto cycles, hand tools, machine tools and other engineering products. "Also on the cards is examination of China's needs in the field of industry and agriculture and whether India is in a position to meet them," he said. "Besides, we feel there is a possibility of developing exchange of handicrafts between India and China on barter basis," the spokesman added. The delegation includes ICCCl president B.D. Agarwal, its secretary Santosh Chatterjee and Mr R.D. Rathi, a businessman. The visit is coming at the invitation of the China Council for Promotion of International Trade (CCPIT). The delegation will acquire first-hand knowledge about the recent changes in Chinese laws relating to foreign collaboration, investments and import-export trade practices and procedures. This is the second visit to China by an ICCI delegation, the first having taken place in June 1980 when, among other things, prospects for setting up a rayon manufacturing unit in China were discussed. [Text] [New Delhi PATRIOT in English 12 May 82 p 7]

CSO: 4220/7306

NATION'S ARMED FORCES EXAMINED

Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 82 pp 36-44

[Article by Khalid Abdullah]

[Text]

A geographical giant in the family of nations known as ASEAN, sharing the same principles of ZOPFAN (Zone of Peace, Friendship and Neutrality) with her neighbours, Indonesia is one of the two partners in ASEAN to have fought for and won independence from the ruling colonial power.

With a population of 154,360,000 people of different races and cultural backgrounds, Indonesia is uncompromisingly non-aligned at the moment although it leans politically and economically towards the West. It is the only member of ASEAN which does not have unilateral defence or mutual-aid agreements with its neighbours or other foreign powers. Thailand, the Philippines and the United States are signatories to the Manila Pact, while Malaysia, Singapore, Britain, Australia and New Zealand are components of the Five-Power Defence Arrangement. (FPDA).

POTENTIAL DANGERS AND EXTERNAL THREATS

Unlike its neighbours, Malaysia and Thailand who regard the Soviet-Vietnamese alliance as the immediate threat to their security, Indonesia regards China as the greater danger. With more than one thousand nautical miles between the two countries, China does not appear to be militarily threatening. Indonesia's profound distrust of the Chinese stems from the evident Chinese involvement in the GESTAPU or the September 30 movement which was engineered by the Indonesian Communist Party in an attempt to take over the country. The resulting fall of Sukarno heralded the establishment of a new era in which the Armed Forces (Angkatan Bersenjata Republik Indonesia - ABRI) promised to play an ever increasing role.

Moreover, the Indonesians were less than satisfied with the vague attitudes and policies of mainland China to the question of the Overseas Chinese domiciled in Indonesia and the overt as well as covert support given to the Communists in the region. However, Indonesia must be feeling some uneasiness with the escalation of the Soviet presence in the Indian Ocean and the use of the Malacca Straits by Soviet submarines especially now that KOPKAMTIP, the powerful Indonesian security apparatus, has caught the KGB with the goods. A high-ranking naval officer has been arrested for selling naval secrets (reported to have been detailed charts of the Sunda Straits) to the Jakarta-based KGB hood. In a conflict between

major powers, which could easily embroil the ASEAN region, Soviet ability to navigate the treacherous waters of the Sunda Straits would be a decided advantage.

Before the unfortunate confrontation with Malaysia reached its final stages, and ended in 1966, the charismatic Sukarno had the reins of Government taken from him and power passed to General Suharto, who later became President. It was during Sukarno's rule that the Soviet Union poured arms and aid into Indonesia. The armed forces found themselves equipped with the latest in Soviet weaponry. Sukarno had the distinction of being the leader of a nation that possessed a modern armed forces equipped with highly sophisticated hard-ware and systems. This wide range of modern Soviet equipment was beyond the then level of Indonesian technical know-how and infra-structure support and great dependence was placed upon Russian spares supply and maintenance advisors.

After the debacle of the September 30 movement, the Communists in Indonesia were in bad odour and by then the Russians had already withdrawn all support; mainly because, through the promptings of the Indonesian Communist Party, Sukarno began leaning towards the Peoples' Republic of China in 1964. Requests by the new government for Soviet stores and aid went unheeded and the Russian stores and equipment quickly degraded. It might be worth mentioning here that the wily Sukarno managed to finagle the Americans into providing aid to Indonesia while dancing with the Russian Bear at the same time. All this meant that the Indonesians were lumbered with a great deal of stores and weapon systems which could not be used once the Jakarta Moscow pipeline was cut. Today ABRI is faced with the task of rebuilding anew and of trying to make some sense out of the welter of American and Soviet as well as other equipment bought from other countries.

During the early years of the Suharto regime the military budget lost its priority in favour of sorely needed economical and social reforms. In his passion to create a 'Greater Indonesian Republic' which would eventually be the dominant power in South East Asia, Sukarno almost bankrupted a nation which was, and still is, one of the top oil-producing countries in the world. It is only since recently that the armed forces are being rejuvenated and the organisation, personnel and armoury are being overhauled to meet the needs of this decade.

FORCES BEING UPGRADED

Organisation, personnel, equipment, and morale are in the process of being upgraded in carefully planned moves in order to improve the Armed Forces effectiveness and capability to defend the nation. In the words of Defence Minister General Mohamed Yusuf: "We have to tidy up the Armed Forces so that they will become perfect and ready to deal with any threat that may endanger the state". These words were uttered at a fly-past of new helicopters at a parade which marked the close of a Commanders' Call meeting held in Bandung. That was the reason, he said, for the complete restructuring of the armed forces organisation, personnel, armament and equipment. And he went about his task with a will! It is only recently that the services have received shipments of badly needed equipment and military hardware. Indonesian officials have admitted openly that it would be some years to come before the country saw a fully modernised army. The Army has been more fortunate than the others and has been the first of the three services to be re-equipped.

In spite of all these set-backs, troop morale is high and one military observer has admitted that the troops were very good. The armed forces have always had a strong sense of national consciousness and those who took part in the fight for freedom made many collective as well as personal sacrifices to achieve independendence for the nation. In response to the demand for national unity, the armed forces re-asserted the common values identified in the Indonesian National charter, the *PANCASILA*. In 1966, they re-affirmed their full commitment to the *PANCASILA* by incorporating it in it's *ARMY DOCTRINE OF STRUGGLE* - the *TRI UBAYA CAKTI* - and in 1974, the main ideas incorporated in the *TRI UBAYA CAKTI* became the *DOCTRINE OF NATIONAL DEFENCE AND DOCTRINE OF STRUGGLE* of the armed forces of the Republic of Indonesia as a whole. It was called the *CATUR DARMA EKA KARMA*.

It was General Mohamed Yusuf's untiring efforts and determination that infused new life into the somewhat disgruntled armed forces. He cut back the 1976 appropriation for equipment so that the lot of the common soldier could be improved. He gave priority to improving their living conditions; increased their food rations, issued more and better uniforms, provided new living quarters and upgraded training facilities. Most of all he instituted a compulsory retirement programme and put old and worn out soldiers to pasture, thus opening the way for younger and more vigorous men. This no doubt weeded out the unfit and the politically doubtful (such as the uncompromising Sukarnoists); but it must have left a legacy of discomfited senior men and officers who must have felt that they were shouldered aside in spite of the services and sacrifies they had rendered to the state.

To quote Dr. Bachtiar of the University of Indonesia: "The armed forces reassumed responsibility to take active part not only in the traditional task of defending the Indonesian nation and state against foreign threats but also to participate in the maintenance of national stability to facilitate development efforts in all recognised sections of the social life of the Indonesian population". Amongst other things the Armed Forces refuse to be drawn into ideological differences such as Islamic, socialistic and nationalistic ideologies, although these are allowed to continue to exist so long as they do not violate the concepts of the *PANCASILA*.

This is not to suggest that ABRI is in any way anti-cleric or reactionary. On the contrary, the greater majority of officers and men belong to the Islamic faith and are devout Muslims. Rather, it is the disruptive activities of certain fanatical and aberrant groups, both Muslim and non-Muslim, that attract their concern and attention. This watchfulness is extended to all groups be they religious, social or ideological.

"ABRI MASUK DESA"

The armed forces are also well represented in Parliament and in the Peoples' Consultative Assembly (which determines the principal developmental guidelines). whose decisions are totally binding on the state and the people.

In line with the philosophy of restoring morale and efficiency there was also a need for restoring public confidence in ABRI and for forging a new image in the public eye. To achieve this, ABRI has launched a programme of social service aimed at winning the hearts and minds of the people and to integrate more fully with the Indonesian social system. This impressive and ambitious programme called "ABRI MASUK DESA" or in English - ABRI GOES TO THE PEOPLE - is a whole-hearted attempt to provide badly needed social services to the underprivileged areas in the countryside. It strives to project a new image of the soldier to the people, to bring Soldier and Civilian together through co-operative social work. Units of a newly formed militia are being sent into the rural areas armed with shovel and trowel as well as their mechanised equivalents, to bring a better quality of life to the villagers.

Side by side they build or repair schools, mosques, churches and community halls, or they lay roads and sewers and sometimes they throw bridges across streams and rivers. They live as the villagers do and they fraternise with the people. All things considered, the programme has had its ups and downs. One reliable Indonesian source admitted that the success of the programme depended largely on the existence of skills and facilities to enable the villagers to maintain continuity. In extremely backward areas where no such facilities or infrastructure existed, the programme could back-slide into its original condition and be neglected once the soldiers left.

Defence Minister General Mohammed Yusuf has placed great emphasis on tri-service co-operation in his efforts to revitalize the present day armed forces. The tactical goal is to perfect inter-service co-operation in order to realize maximum efficiency and rapid reaction to a violation of territorial integrity. The armed forces are probably still smarting over the lessons learnt from the take-over of Portuguese East Timor. This campaign exposed weakness in staff co-ordination, low troop morale and fundamental errors in troop emplacement. In the end, 30,000 troops were required to 'pacify' the island partly because an elite paratroop unit was dropped *on* rather than behind the Fretilin Forces in East Timor. In all fairness, it must be recorded that a military observer

commented that the Indonesians did not commit regular troops to the East Timor campaign, but instead, they put in mostly militia without armoured support. This would have been a contributive factor to the apparent difficulties that arose.

Like her neighbours, Indonesia is preparing her troops for a 'conventional type' battle scenario which again calls for a restructuring of equipment, tactics, training and logistics. The lessons of the Vietnam War are not lost to the Indonesians.

Equipment and weaponry has so far been the weakest areas in the armed forces up till now. The nightmarish mix of U.S. and Soviet equipment as well as equipment from other countries defies the imagination. The situation begs for rationalisation and can be resolved only with patience and careful planning.

The first right moves towards a commonality of equipment were made when the French AMX-13 light tanks were chosen to be the battle armour for the Army and it is a safe bet that an efficient, mobile armoured force can be built around this series as old and obsolete vehicles are rapidly phased out. There is strong promise that in the future a well-trained, efficient and integrated modern armed service, will emerge.

The armed forces strength declined from 650,000 men in 1966 to around 415,000 men in 1976. The plan is to stabilize the figure at around 300,000 men.

In 1981, the International Institute of Strategic Studies quoted an armed forces strength of 239,000 and as usual did not include the 118,000 men in the Police Force. An autonomous body before 1964, the Police Force was included as an integral component of ABRI.

The Indonesian Armed Forces (ABRI) consists of four service arms: the Army, the Navy, the Air Force and the Police Force. The Army is the senior service by virtue of its prominent role in winning freedom from the colonial power and it plays an important part in the military, civil, social and political affairs of the nation. It still remains to be seen if the military leaders will be able to steer ABRI along the course they have planned and if their achievements coincide closely with their objectives.

THE ARMY

From humble beginnings, the Army was officially founded on October 5, 1945 from bands of ill-equipped guerillas whose ranks were swelled by 20,000 men and their weapons from the HEIHO. The HEIHO was an Indonesian militia recruited by the Japanese to assist them in the war-effort. Tentera Nasional Indonesia (TNI) has come of age today and has the potential to develop in size and capability not easily equalled by the other countries in the ASEAN region. It only requires the will to do so.

The TNI (ANGKATAN DARAT) is the senior member of Angkatan Bersenjata Republik Indonesia (ABRI). During the Japanese Occupation of the Dutch East Indies, the National Army, under the guidance of Sukarno and Dr. Hatta, adopted a more or less non-committal stance towards the Japanese presence and did not actually form part of the Resistance Groups organised by the Allies. They regarded the ousting of their former colonial masters as an opportunity to gain the freedom denied to them by the Dutch.

The Dutch had always been luke-warm towards the question of Indonesian Self-Determination and eventual independence. It was hoped that the Japanese would prove to be the liberators but this was not to be so until the Japanese realised that they were losing the war. In order to co-opt the Indonesians into helping them stem the tide of Allied victories, they promised independence to the Indonesians but this move was frustrated by the dropping of the Atom Bomb which ended hostilities.

The absorption of the HEIHOs and their weapons further strengthened the Nationalists in their fight for Merdeka (Freedom) and when the United States stepped into the picture and helped the Indonesians gain a seat on the United Nations Assembly, the final battle was won.

This rag-tag army grew into it's present strength of 195,000 men over the years. The army is almost fully-equipped and its modernization is almost complete. Observations in Jakarta only a month ago revealed that the army is now proceeding with the job of upgrading its organization,

personnel and tactics. The personnel upgrading exercise was launched after 1965 and all redundant or averaged officers and men have been pensioned off.

By virtue of its single-handed struggle for national freedom, the Army is the strongest and loudest voice in military, civil and political matters in the country. The army's swift action in crushing the abortive Communist coup (the September 30 Movement, to take over control of the government) demonstrated the army's powerful position in the country. From then on, the army has consolidated its vital role in national affairs in Indonesia.

Presently, the morale of the common soldier has been boosted through the programme of reforms under the Defence Minister, General Mohammed Yusuf, to better the lot of the soldiers.

Besides these reforms, the 'ABRI MASUK DESA' project is also intended to raise the image of the soldiers in the eyes of the public, through its efforts to win the hearts and minds of the people. A new concept, the project is an integral part of the military to serve the people, and it has been organised to give the army a civic as well as a military character.

Reliable sources have remarked that the new National Army is well-trained, disciplined and professional. Training is rigorous and there is a firm commitment to achieve tri-service coordination for greater effectiveness in battle.

The 'heart' of the armour is the proven AMX-13 light tank. It was reported that the Indonesians have also acquired some German Leopard tanks. The AMX series are probably some of the most successful armoured vehicles to be produced in the post-war period and the acquisition of this tank reflects the Indonesian realisation of the need for a fast, manouevrable and easily transportable armoured vehicle with good cross-country characteristics. Moreover, there is the decided advantage of using a type with a multi-mission capability derived from the utilisation of 'family' variants. Not only are family series weapon systems mission-flexible but they are cost-effective.

At present the Army has around 1000 AMX-VCI APCs. Although without good water-crossing capabilities this vehicle possesses role-flexibility and can be fitted with an anti-tank warfare system. The Army does not appear to possess a mobile anti-tank system at the moment in order to provide on the spot ATW capability to the troops. The introduction of the AMX-10 PAC 90 is a step in the right direction although the best modern armour plate would require the use of a 120mm smooth bore gun firing APFSDS ammunition. The Dutch Army has equipped it's AMX-VCIs with TOW and the French Entac anti-tank missile. This move could be emulated by the Indonesians and the more the Army chiefs turn their thoughts to a conventional war/invasion type scenario, the more apparent becomes the need for a hard-hitting, mobile anti-tank system.

The mixed force of ex-Soviet PT-76 light tanks must now be in a sorry state due to a lack of spares and plain old age. And so are the Saladins and Ferret scout cars today. In the words of Yusuf Wanandi: "During the late Fifties and early Sixties, the Soviet Union assisted Indonesia by providing arms needed in Indonesia's campaign to regain Irian Jaya (West Irian) from the Dutch colonists. This aid was terminated in 1964 because Indonesia, under the influence of the Indonesian Communist Party, began to lean towards the PRC (People's Republic of China)". *(Politico-Security Dimensions of S.E. Asia - A S.E. Asian View: CSIS)*

The Saladins and the Ferrets are in a bad state of repair due to old age and poor maintenance and the slowness in obtaining spares. Britain has been trying to persuade the Indonesians to buy the new Panga instead of refurbishing the Saladins and the Ferrets but so far they have been unable to impress the Indonesians with the virtues of the Panga. However, if it is true that the Army has acquired German Leopard tanks then the combination of the Leopard with the AMXs will provide the army with a formidable armoured force.

The one hundred V-150 Commandos are in reasonably good shape and their mission-priority is for internal security in the Jakarta area. Judging from the recent pre-election riots, this has proved to be a sagacious move. As for the ex-Soviet BTR-50s, it is anybody's guess if they are still operational.

The Army does not appear to have upgraded it's artillery and the current equipment is less than mobile. There is also a lack of information in respect of recent purchases of new weapons. Current weaponry available is the 50 ex-Yugoslavian 76mm M-48 and about 40 150mm howitzers. The ex-Soviet SPGs and rocket launchers are not likely to be serviceable while about 200 ex-Yugoslavian 120mm mortars are still in use, supplemented by ex-South Korean 60mm and 81mm mortar.

Basic infantry weapons are the AK-47 (although it must seem that this assault rifle should be reaching the end of it's useful life by now) and the American M-16. Anti-tank capability is provided by the Carl Gustav. The Indonesians are reported to be producing small arms, ammunition and assembling their M-16s. The Turen factory in East Java is producing some small arms.

Army aviation too has not been neglected and the joint agreement between the Indonesians and the manufacturers of the CASA Aviocar, the MBB - 105 and the Aerospatiale Puma should be profitable for the Army as well as the Air Force One source has claimed that the Indonesians are converting the Puma into a gun-ship armed with GPMGs.

As noted earlier, ABRI plays a dominant role in all aspects of Indonesian national life. This was made very clear by President Suharto last year when he announced that ABRI would remain a key factor in shaping the future of Indonesia's 150 million people. *(ADJ Nov. '81).* President Suharto declared: "The Indonesian Armed Forces are not regular soldiers like in any other country. We should not measure and evaluate their socio-political roles according to yardsticks and democratic norms of other countries". (For Armed Forces read Army.)

"TENTERA NASIONAL INDONESIA"

The Army

CURRENT EQUIPMENT

STRENGTH
195,000 including administrative elements and men involved in rural aid programmes.

DEPLOYMENT:
In KOSTRAD (Strategic Reserve Command)
1 Armoured Brigade (1 Tank Bn; Suppost units)
2 Airborne Inf Brigades (6 battalions)

INFANTRY UNITS
13 Infantry Brigades (76 Inf Bn; 14 Arty Bn; 13 AA Bn; 10 Engr Bn)

ARTILLERY UNITS
4 Field Artillery Regiments; 4 AA Artillery Regiments

ENGINEER UNITS
1 Engineer Regiment

ARMOUR
25 M-3A3, 200 AMX-13, 75 PT-76 Light tanks; 1000 AMX-VCI MICV; 75 Saladin and 55 Ferret scout cars; 60 V-150 Commando; 130 BTR-40-152 APCs. On Order: 30 AMX-10 PAC 90 and AMX-10P APC.
Leopard MBTs reported.

ARTILLERY
50 76 mm M-48, 40 150 mm M-56 Howitzers; 200 20mm, 40mm and 57mm AA guns; 200 120mm ex-Yugoslav mortars.

ARMY AVIATION
Helicopter Squadron: 16 Bell-205; 5 Alouette II/III; 16 Bo-105
Composite Squadron: 2 C-47; 2 Aero Commander; 1 DHC-2; 1 Beech; 18 Cessna 185; 18 Gelatik ac.

MISCELLANEOUS
20 small landing craft.

THE NAVY

It was a highly sophisticated and modern navy more appropriate to a nation with "blue water" pretensions. Largely Soviet inspired, it pandered to the lofty ambitions harboured by the regime in power at that time. Almost twenty-five years later, it has today diminished to a shadow of its former self, largely due to bad 'book-keeping' and the lack of sustenance. It has today reached the final stage in its transition. The new and hard-headed thinking that influences current military policy in Indonesia today has decreed that the new Navy shall be modest and will concern itself with realistic targets and roles. The present trend is for a Navy which can and has the will to create EEZ security and be effective in the defence of the state.

A glance at the map of the Indonesian Republic will reveal the vast network of islands that need to be secured and patrolled. The task facing the Navy is truly monumental and vital to the well-being of the nation. With the probable exception of the Philippines, Indonesia is confronted with the need to guard too many coast-lines from intruders and infiltrators. She will need to protect her fishing grounds from poachers and her shipping lanes from pirates who, to this day, prey on fishing boats and small coastal vessels.

More than anything else, it would be safe to say, the security of the 200-mile EEZ (Exclusive Economic Zone) and especially the Natuna Islands is foremost in Indonesian minds. The Natuna Islands face the Vietnamese coast and is a bone of contention between Vietnam and Indonesia. To support her determination to maintain sovereignty of these islands a ten-day naval exercise was held in these waters early in 1981. The area has been prospected for off-shore petroleum deposits and the American-Indonesian consortium have made a strike recently. There still remains the problem of isolating noxious gases found with the deposit. The Vietnamese have retained the Russians to prospect for oil in these waters also. So far, Vietnam and Indonesia have yet to find a compromise on where to draw the ocean boundaries.

New naval facilities have been planned for the Natuna Islands and these facilities will be supplemented by the extension of the existing airfield. This extension will beef-up Air Force capabilities and will provide further air cover for naval units at sea. It is a fact that the Natuna Islands form a vital link in the defence chain which stretches from Sabang in the north-western tip of Sumatra to Djayapura in the far south-east of Irian Jaya. The Indonesians are determined to uphold their claims to the EEZ and, if absolutely necessary, will do so by force.

Indonesian thinking on the nature of the quality required of personnel and the role to be played by naval combat units has taken on a different dimension. Where, in the past, there was a compulsion to build an impressive fleet, the keynote today is to build modestly with stress on cost effectiveness so that the Navy will best serve its purpose of defence and deterrence in the context of national security.

This programme of reconstruction began with US Military Assistance Programme transfers of surface craft. Three PGM-39 large patrol craft were handed over to the Indonesian Navy in 1972. Four *USS Jones* class frigates were transferred in 1973/74. Operating alongside these transferred vessels is one *Pattimura* class frigate built by ANSALDO in Livorno and commissioned in 1958. Three more *Pattimura* class frigates are believed to be held in reserve.

Three corvettes complement the frigates. These are the *Fatahilla* class corvettes displacing 1,000 tonnes and were built in Holland in 1977. Two more are on order and possibly may be commissioned in 1985. The *Fatahilla* class corvette is armed with one 76/62 mm OTO Melara COMPATTO, two 40 mm BOFORS cannon and one twin-barrelled BOFORS SR., an anti-submarine rocket launcher. There are plans to fit the corvettes with SSMs. Four refurbished Westland Wasp ASW helicopters were acquired last year. Based on the corvettes, the Wasps will operate primarily in the ASW role. They will also carry out air-sea search and rescue missions.

Taking into consideration the great number of islands and coastlines to be guarded, the Navy has realised that there is a requirement for a large number of small and large patrol craft, as a supplement to the Fast Attack Craft, in order to carry out a wide range of military and civilian tasks. Indonesian patrol craft are a mixed 'bag' of 'local' and foreign products. Apart from the lightly armed

PGM-39s, the Navy has been operating four heavily armed TNC-45s which are fitted with two 40 mm Bofors and four 21-inch torpedo tubes. These Lurssen-designed craft were constructed in Singapore. A US$20 million order for Mk46 Mod 5 torpedo improvement kits has been placed with *Honeywell* for an unspecified delivery date.

Patrol craft in service is varied and it is believed that six ex-Soviet *Kronshtadt* FPCs, three ex-US PC-461s, and five ex-Yugoslav *Kraljevica* FPCs are still operational. Six *Carpentaria* class light coastal PCs have been acquired from Hawker De Havilland, Australia and local shipyards are building *Mawar* class ASW patrol craft. It is reported that 19 patrol boats are on order with a French shipyard.

Supporting these smaller boats are four South-Korean PSSM Mk5 class FAC (M). These 254-tonne FACs are formi-

The Navy

CURRENT EQUIPMENT

DESCRIPTION	CLASS/TYPE	QTY	DETAILS
Frigates	Pattimura	1	3 in reserve
	Claude Jones	4	Ex-USN
	Riga	3	Ex-Sov; op status N/k
Corvettes	Fatahilla	3	2 on order 1 Trg frigate on order from Yugoslavia
Mine-sweepers	Ex-Sov T-43	4	Op status N/k
	R-Class	1	Coastal type; in reserve
Submarines	Ex-Sov Whiskey	2	1 used for trg
	IKL/HDW Type 209	2	2 more on order
Command/Support		1	1 in reserve
Fast Attack Craft	PGM-39	1	2 in reserve
	TNC-45	4	Lurssen-designed
	PSSM MK 5	4	10 more reported on order
Fast Patrol Craft	Kronstadt	5	1 in reserve; Ex-Sov
	Kraljevica	5	Ex-Yugoslav
	PC-461	1	2 in reserve; ex-USN
	Kelabang	5	1 in reserve
	"Attack"	2	
Coastal Patrol Craft	Carpentaria	6	Hawker De Havilland Australia
	"Spear"	2	
Miscellaneous	LSTs	11	2 on order
	LCUs	5	
	LCMs	38	
NAVAL AVIATION			
Maritime Recce	Nomads	12	6 on order (in 2 squadrons)
	CASA C-212	6	in one squadron
	Grumman HU-16	5	
Other transport	C-47	6	
Ac + Helicopters	Aero Commander	3	
	Bell 47G	4	
	Alouette II/III	6	
	Bo-105	4	
	Westland Wasp	4	For ASW role ship-based
MARINES			
12,000 men	Infantry Regts	2	6 battalions
	Close support Regt	1	
	Amphibious Assault Battalions	3	Armaments:- Light tanks, APCs 40mm AA
	Artillery Bns	1	
	AA battalion	1	

dable floating weapon platforms and are armed with one 76 mm OTO Melara, two 40 mm Bofors and four *Harpoon* missile launchers. KMTI (South Korea) built these US Tacoma-designed FACs and it is reported that ten more are on order.

Recently, two West German IKL/HDW Type 209 submarines have been commissioned and two more are on order. In it's early days, the Indonesian Navy had a fleet of 12 *Whiskey* class ex-Soviet submarines and only two are still operational. It can be validly argued that Indonesia does have a requirement for a submarine force in order to protect its vast territorial waters from intrusion as well as to augment the deterrent force of surface ships.

THE AIR FORCE

In keeping with Defence Minister General Mohammed Yusuf's expressed desire to create a fully integrated armed service, the Air Force is receiving the attention that it was deprived of for some years. In carefully planned moves, rebuilding is in progress in order to create an effective fast-reacting force capable of providing ground and naval forces with air-support.

The combat aircraft which were originally supplied by the Soviets are now non-operational from a lack of spares and maintenance. Presently, the Air Force's first-line aircraft are the Northrop F-5E/F and the McDonnell Douglas A-4 Skyhawk. Counter-insurgency capability is provided by one squadron of Rockwell International OV-10F 'Broncos'. The Indonesian Air Force has 16 F-5E/Fs and 16 McDonnel Douglas Skyhawks; the latter having been acquired from the Israelis.

Prior to 1970, the Indonesian Air Force had some of the most modern aircraft in the region. The Soviets supplied them with 200 MIG-15s, MIG-17s, MIG-19s, Tupolev Tu-16s and Ilyushin Il-28s. All these had to be scrapped when the Russians withdrew their patronage after 1964. Moreover, when President Suharto took the reins of office, lack of funds and a directional change in national priorities also contributed to the cut-backs. By the beginning of the 1970s, Indonesia's air force was reduced to a token of its former self.

The Indonesians have since turned to the Americans and the Australians for equipment. The Australians first supplied Avon Sabres which are probably unserviceable by this time. The Australians also supplied Nomads. A second batch of sixteen Skyhawks will be bought from ex-US Navy stocks.

Training is carried out in a mixed batch of aircraft including four venerable T-6G Texans. Other trainers include Beech Fuji 'Mentors', 12 Lockheed T-33 As and others. Six British Aerospace Hawks have been acquired and may also be used as a ground-attack fighter. Four more Hawks are on order. Twenty new FFA AS-202 'Bravos' have been ordered to supplement the training facilities.

Indonesia was the first ASEAN country to use the C-130 Hercules transport aircraft and ten C-130/Bs are still flying operationally. The Air Force has recently acquired two C-130H-30 (the 'stretched' Hercules) and one more is on the way from Lockheed-Georgia. These air-transports arrived in September last year and are actually first production models. In addition to the C-130H-30, the Air Force operates a special mission L-100-30 Super Hercules. All Antonev An-12 heavy transports have been superseded by the Hercules.

Other transport aircraft include three Super Constellations, 18 CASA C-212 Aviocars, Seven De Havilland Canada 'Otters', 20 Douglas C-47s, 12 Fokker VFW F-27s, one Lockheed Jet Star, and seven Cessna 401/402s. The Air Force is also acquiring three Boeing 737-200S, which will be used for maritime reconnaissance. Also on order are four Transall C-160 transports, the first of which was handed over in Paris this year.

The Air Force has also adopted the Aerospatiale Puma helicopter to beef-up her helicopter force. It is believed that the Puma is being converted into a gunship 'locally'. A few weeks ago the Indonesians tested their first 'home-made' parachute and the first trial drop involving a dummy was a success. When all tests have been completed satisfactorily, the parachute will offered to ASEAN countries in the open market.

In keeping with ABRI's new look, the Air Force plans to build three major air-defence bases in North Sumatra, the Celebes and West Irian. Other operational bases in outlying areas, such as the Natuna Islands, will be strengthened. An Early Warning System, radar, additional Puma helicopters, maritime patrol and transport aircraft will be acquired. Air Marshall Ashadi Tjahyadi said that the Air Force was presently training a special strike force. He told a Parliamentary inquiry commission late in November 1981:

"We are now capable of dropping one fully equipped battalion anywhere in the country, while our fighters are able to meet any security disturbances in three places at a time."

There is a small but effective force of 12,000 marines consisting of two infantry regiments, one close support regiment, three amphibious assault battalions, one artillery and one anti-aircraft battalion. Naval aviation is restricted mainly to maritime reconnaissance as air support is provided for by the air force. Naval helicopters perform in the ASW role, as well as carry out air-sea search and rescue missions. ASW helicopters operate from the corvettes and air cover for naval elements at sea will be upgraded when three major forward air-defence bases are completed. More A-4 Skyhawk FGAs have been ordered by the Indonesians and will greatly increase Air Force capabilities to provide air cover to naval units at sea. EEZ surveillance is performed by five Grumman Albatros amphibians and twelve GAF Nomads. Six more Nomads have been ordered and three Boeing 737-200s are to be acquired by the Air Force for maritime reconnaissance.

During the years between the 1960s and the 1970s and before the new policy came into force, human skills and equipment deteriorated considerably. The new Navy must now get down to the job of creating and training a new generation of sailors. This should not be too difficult a task as the Indonesians are an island people, a breed of men who take to the sea readily. To realise this goal the Navy has ordered one heavy training ship of 1,820-tonne displacement from Yugoslavia. The vessel is powered by CODOQ engines.

TENTERA NASIONAL INDONESIA ANGKATAN UDARA

The Air Force

CURRENT EQUIPMENT

COMBAT:

CA-27 Avon Sabre Mk 32 (16
Rockwell-International OV-10F Bronco (16)
Northrop F-5E/F (16)
BAe Hawk T Mk 53 (6)
McDonnel Douglas A-4E/TA-4H Skyhawk (16)

On Order: (4) BAe Hawks; (16) A-4E Skyhawks.

TRANSPORT:
Lockheed Super-Constellation (3)
C-130B/H Hercules (12)
L-100-30 Super Hercules (1)
CASA C-212 (6)
DHC-3 Otter (7)
Douglas C-47 (20)
Fokker-VFW F.27 (12)

On Order: (3) Boeing 737-200;
(4) C-160 Transall
(3) C-130H-30 (Stretched)

Lockheed Jet Star (1)
Cessna 401/402 (7)

HELICOPTERS:
Sikorsky UH-34D (12)
Agusta-Bell 204B/206N (4)
Aerospatiale Alouette III (14)
Bell 47G (8)
P.T. Nurtanio/MBB Bo 105 (10)
Bell 205A-1 (16)
On Order: (6) SA-330 Puma
(12) MBB Bo-105
SA-332 Super Puma

TRAINERS:
Beech Fuji T-34C Mentor (30)
North American T-6G Texan (4)
Lockheed T-33A (12)
LET L-29 Delfin
WSK TS-8 Bies
BAe Hawk T-53 (8)
AS-202 Bravo (4)

On Order: (4) Hawk T-53
(20) AS-202

MISCELLANEOUS:
Dornier Do-28 (3)
Cessna 310P (2)
Rockwell 680F-1 Grand Commander (13)
Cessna T-207 (5)
Piper Cub L-4
Lipnur PZL-104 Gelatik (32)
NU-85 Belatang

MAIN BASES:
Jakarta (Halim Airport); Palembang; Balikpapan; Sabang; Morotai; Ambon; Lombok; Seurarang; Kupang; Makassar; Menado; Pedang; Djambi; Tarakan; Dili; Surabaya; Gorotalo; Kemajoran (Jakarta).

CSO: 4220/16

KPNLF ORGAN ASSESSES RELATIONS BETWEEN RESISTANCE GROUPS

'MOUL KHMER' Editorial

Paris MOUL KHMER in French Mar 82 pp 3-4

[Editorial: "Is It Truly a Disappointment?"]

[Text] According to the newsletter KAMPUCHEA, No 127 of 15-21 March 1982, the Khmer Patriots Committee (read: the Khmer Rouge Committee) is said to be very disappointed by the evasive response of the president of the FNLPK [National Liberation Front of the Khmer People] to the invitation extended to him by Khieu Samphan, leader of the Khmer Rouge, and Prince Norodom Sihanouk, supporter of the royalists--who are always ready to conspire to make others responsible for their own negligence--to join them in Peking to seek together a solution to the problem of national unity, which constitutes "the deepest aspiration of all Khmers both inside and outside the country who want to rapidly liberate Cambodia from the yoke of the Vietnamese expansionists." Commenting on this reply, these ardent patriots did not fail to write that the FNLPK president did not see the point of agreeing to the three-party meeting which the former had planned to hold in the capital of the People's Republic of China--which amounted to saying that Mr Son Sann is not so anxious to drive the Vietnamese expansionists out of Cambodia.

However, the truth is completely different. Indeed, it was in order to combat these invaders that Son Sann decided to create the FNLPK with his friends, and despite the systematic opposition of Prince Sihanouk, backer of the Khmer Rouge, he has nevertheless succeeded in establishing this resistance movement.

But it is these foreign patriots and their backers who have made him lose an infinite amount of time, to the advantage of the aforesaid invaders, by suggesting meetings all over the world that, in short, were only traps. Quite convinced that they were knowingly playing the enemy's game, the president of the FNLPK owed it to himself to bide his time, which was his inalienable right; all the more so since he had absolutely nothing to do with the current catastrophic situation of Cambodia, which--is it necessary to repeat--is entirely due to the insane policy of the Khmer Rouge and their backer, whose crimes have cost the lives of more than 3 million

of their compatriots out of a population of 7 million which Cambodia had before the war.

Therefore, listening only to his heart, Son Sann only tried in his own way to free his country from the foreign stranglehold. Why must those who are truly responsible for this situation now reproach him for his indifference, if indeed it was indifference at all? But the task of ensuring the national defense is primarily their responsibility. And if they have failed in this task, they who wanted to seize power so badly, even with the collaboration of today's invaders, why, after so many offerings and missions, must they conspire to make the president of the FNLPK responsible for their own setback? He had absolutely nothing for which to account to them, because he had nothing to reproach himself for. Isn't it themselves whom they should blame?

But no, Son Sann must at all cost assume all the responsibility for their failures! Perhaps, reversing roles, he should ask them to do him the favor of fighting the enemy! Well, that's the limit!

As we see it, their disappointment is nothing of the kind. It is no doubt a pretense on their part, because, knowing well that the Vietnamese have always had designs on annexing Cambodia, they nevertheless allowed themselves to be aided by these foreigners in order to seize power. Instead of showing their disappointment, they should be rejoicing over the brilliant result--they who established as their objective the weakening of all the Khmer nation's energies, saving only 1 million inhabitants from among the purest of the pure out of a population of 7 million, imperiously declaring that all the rest were instilled with the dangerous influences of Western civilization!

So let them jump for joy now instead of pretending to be disappointed--they who, acting so sure of themselves and so domineering, wish to impose their insane conditions on the pure nationalists who truly want to fight to free their country! At least that is what all honest people think of it, the innocent victims of these foreign patriots who we know have covered Cambodia with numerous camps during the space of only 4 years in power. To these honest people, the word "patriots" already means: assassins of the people.

In conclusion, if these ardent patriots truly want to liberate Cambodia, then let their backer ask his great friend Pham Van Dong, on his knees this time, to order his troops to evacuate our country, instead of spending his time sending him sentimental but perfectly useless messages to this effect. That is the least we can advise them to do to resolve the Khmer problem. In that case, there would certainly be a chance that their prayers would be better heard and maybe even granted, without their being obliged to crow about their victory every day from the depths of their jungle.

Lack of Unity Noted

Paris MOUL KHMER in French Mar 82 pp 6-8

[Article by Sam Sok: "Anti-Vietnamese Coalition: Dream or Reality?"]

[Text] While the Afghan resistance manages to form a united front to combat Soviet occupation, the Cambodian resistance still remains divided. What happened in Peking in February provides a striking example.

Different approaches separate the various groups. According to the Khmer Rouge, supported by China, an anti-Vietnamese coalition should be formed within the institutional framework of Democratic Kampuchea; it could not have an independent existence separate from the standing legal structures established by the Khmer Rouge. Prince Sihanouk, who has long been hesitant, finally subscribed to this approach through the terms of the agreement which he concluded on 21 February 1982 with Khieu Samphan, leader of the Khmer Rouge. Moreover, he invited Son Sann, president of the FNLPK, to come to Peking for talks. Son Sann, while accepting the principle of a three-party coalition, still remains hostile to this approach. In a statement to the press on 1 March, he clarified his position in these terms: "It was to demonstrate our good will and our strong desire to free our fatherland that the FNLPK authorized me to go to Peking as soon as possible. On that occasion I would be able to meet personally and individually with Prince Sihanouk and Mr Khieu Samphan to explore the possibilities for forming a flexible coalition among the three parties, respecting the principles which pertained to the formation of the flexible coalition as a government solution."

In the Lap of the Khmer Rouge

The three-party meeting in Peking did not take place as planned. Khmer Rouge leader Khieu Samphan and Prince Sihanouk began preliminary talks without Son Sann--talks which resulted in the 21 February agreement.* They both had already left the Chinese capital.

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*The three points of the 21 February 1982 agreement between Prince Sihanouk and Mr Khieu Samphan are as follows:

1) Once the three parties have formed a coalition, they will have to have a joint political program.

2) Any three-party coalition government--once established--will have to be within the legal context of Democratic Kampuchea, which is a full-fledged member state of the United Nations.

3) The three parties represented by Khieu Samphan, Sihanouk and Son Sann will have their respective autonomy and freedom with regard to ideology and philosophy.

Some official circles in ASEAN countries do not hide a certain satisfaction with this "mini-failure." Not that they don't want the anti-Vietnamese coalition to see the light of day. But the goal of the ASEAN countries is to avoid to the greatest extent possible this coalition being formed according to methods that suit Khmer Rouge plans. In other words, it is a matter of preventing such a formation from sliding into the lap of the Khmer Rouge--and therefore of the Chinese. That would be a development which, according to some, could further complicate the search for a political solution to the Cambodian problem.

With the Peking round having failed, most observers expect ASEAN to react with new efforts aimed at leading the Khmer Rouge to ease its stand. The trip that Mr Suppiah Dhanabalan, Singapore's minister of foreign affairs, is making through ASEAN countries is obviously part of the efforts aimed at restoring the "flexible coalition" formula, which has momentarily been muted following the refusal of the "Khmer Rouge" last January.

Signs of Change

It is curious to note that these renewed efforts have appeared at a time when signs of change are appearing in international relations--between Hanoi and Washington, primarily. It is clear that nothing significant has yet been established. Nevertheless, the fact of the Hanoi regime's agreeing to cooperate in the search for the remains of American GI's killed in Vietnam merits consideration. It would be premature to comment in this regard, but such an attempt--even if still hesitant--if followed by others could contribute to a gradual easing of relations between the two enemies of yesteryear. Besides, Peking, whose relations with Washington have greatly deteriorated because of the Reagan administration's stand on Taiwan, is looking unfavorably at this. Another no less important sign of change: relations between Hanoi and Moscow are no longer so fine. Recently, elements of dissent have clouded the atmosphere between these two "brothers in arms": struggle for control of the Phnom Penh regime; Vietnam's desire for independence in the face of attempts to make it a vassal. These are the primary sources of disagreement. The dismissal of Penn Sovann, the Phnom Penh regime's leading man, is one of the episodes in all this.

It is clear that, for the moment, nothing serious or irreparable seems to have happened. However, if the situation continues to worsen, it is to be expected that the breaking point will be reached sooner than expected. In any case, it is quite obvious that Hanoi doesn't want to reach this point of no return before having clearly defined its position with regard to the West--the United States in particular--and especially its big Chinese neighbor. There will be an opportunity for discussion of this at the Fifth Congress of the Vietnamese Communist Party, which is to take place shortly.

9693
CSO: 4200/38

BRIEFS

AID APPEALS FOR PRK, KPNLF--Phnom Penh's electric service, drinking water supply and sewage disposal may be interrupted due to the lack of fuel, spare parts and urgently needed repairs. This is what emerges from the investigation recently conducted in Cambodia to two French electrical engineers sent over by OHFOM (4 avenue Marceau, 75381 Paris Cedex 08, C.C.P. 35-14-54 W Paris). Repairs to the electrical distribution network would cost Fr 125 million, but for the moment special lubricating oil is urgently needed for the motors to supply current. Elsewhere, Monaco's humanitarian association, Aide et Presence, (11 rue Princesse-Marie-de-Lorraine, Monaco; checks to be sent to Credit Foncier of Monaco), which has sent many medical teams, teachers and technicians to the Sokh-Sann zone on the Khmer-Thai border, is making an appeal on behalf of the civilian population of this region, who had to flee before the advance of Vietnamese troops in mid-March. The Finistere Solidarity Association, which is participating in the activities of the Monacan association, is also making an appeal on behalf of its Cambodian operations (Community Cultural Center, rue des Deportes, 29260 Lesneven, telephone 83-04-91). [Text] [Paris LE MONDE in French 3 Apr 82 p 4] 9693

CSO: 4200/38

ARMY BUILDUP TO CONTINUE

Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 82 p 13

[Text] The Malaysian Army had expanded by 70 percent over the last five years which was proof that it was a growing force and not facing a shortage of men.

The Army would continue to expand at the rate of 20 percent annually until the targeted number of men was achieved, the Chief of Army, General Tan Sri Zain Hashim said recently.

Presently the total strength of the service is about 90,000.

Expansion would include adding more "teeth" to the services arm of the Army, especially to the cavalry, artillery, engineers and signal corps, and this was in line with the planned modernization which includes new and better tanks and weapons.

The General said that the Malaysian Army's three recruit training centres turned out a total of 7,800 men in the rank and file and the officer cadet school had an output of 1,000 annually. The recruit training centres are at Port Dickson, Pulada in Johore and Lok Kawi in Kota Kinabalu, Sabah. The officer cadet schools are the Royal Military College in Kuala Lumpur and another one at Port Dickson.

The four-star General added that the training institutions are being expanded and the technical training is being updated to familiarise the men with the new equipment.

Touching on Army personnel leaving the service, he said this had not affected the effectiveness or combat performance. About 3,000 officers and men had left the Army during the last four years. But the vacuum left by these personnel has been filled by trained men.

CSO: 4220/16

NATIONAL INSTITUTE OF DEFENSE STUDIES ESTABLISHED

Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 82 pp 13, 14

[Text] Malaysia's National Institute of Defence Studies is to be set up for training the armed forces' top brass in strategic warfare, according to Ministry of Defence sources.

The new institute will be on a site about 15 miles from the national capital, Kuala Lumpur.

Preliminary work has begun on the huge complex which would also house the Armed Forces Staff College and the Armed Forces Defence College which are now located at the Ministry of Defence headquarters.

The complex on a 300 acre site is being developed at a cost of about M$330 million (US$145 million), and completion of the project is scheduled for 1985.

The administration of the three colleges at the complex will be coordinated, the source said.

There will be training capacity for more than 490 military officers per year; the Armed Forces Staff College will have about 60 officers, the National Institute of Defence Studies will take 30 generals above the rank of brigadier-general and the Armed Forces Defence College, 400 officers.

Facilities at the colleges will include living quarters for instructor and trainees, and administrative blocks.

Instructors are to be trained in several countries including India and Britain (for defence study courses) Australia for advanced courses, the United States, Thailand, the Philippines and others for defence staff training.

CSO: 4220/16

'LEARNING FROM THE JAPANESE'

BK251145 Kuala Lumpur NEW SUNDAY TIMES in English 23 May 82 p 14

[Editorial: "Learning From the Japanese"]

[Text] Formed 20 years ago, the National Productivity Centre has emerged as a recognised institution for management training in this country. NPC has trained thousands of Malaysians in both private and public sectors. It also has the mission of propagating productivity consciousness. Here, however, it has not succeeded so well.

At the recent seminar held to launch the most ambitious productivity campaign planned by the NPC, the local head of a multi-national company was honest enough to express his view on productivity. He said Malaysian managers had no personal commitment to increased productivity.

This should not at all be surprising. According to another speaker at the same seminar, there had been little universal concern about productivity until the recent oil crisis and the global economic recession.

"The drive to boost productivity now has all the air of an economic world olympics," said Mr Kohei Goshi, chairman of the Japan Productivity Centre.

According to him, his country has worked continuously since the end of World War II to raise its productivity. Not known to many people outside Japan, the JPC was founded in 1955 at a time when the country was still troubled by violent labour disputes. Now labour-management cooperation is one of the golden keys to Japanese success.

To modernise management and to learn the latest scientific technology, JPC sent study teams to Europe and the United States. So far more than 20,000 have gone abroad to acquire such knowledge.

Nowadays Japan is acknowledged as the grandmaster in the field and is revered even by its gurus of old. This is because it has succeeded not only in adapting the best techniques available, but also in innovating its own.

The Japanese management philosophy known as theory Z is world-famous. While American QC did not take root in the U.S. where it had been developed as a statistical quality control technique, Japanese QC circles have mushroomed as working examples of team spirit on the factory floor.

Prime Minister Datuk Sri Dr Mahathir is right in exhorting Malaysians to learn from the Japanese experience. The Japanese work ethic and commitment to productivity are definitely worthy of emulation.

The PM has worked out the dollars and sense of the productivity line. With a national income of $26 billion (1980) a mere 5 percent increase in productivity will bring an additional $1.3 billion into the economy at no extra cost. A sense of achievement will surely come with such success.

In learning from the Japanese, however, it is very important to find out exactly /how/ [slantlines denote boldface as published] they have succeeded in what they have been doing to create economic "miracles" with scarce natural resources.

CSO: 4220/24

JOINT PAKISTAN-IRAQ COMMISSION MEETING REPORTED

Karachi BUSINESS RECORDER in English 20 May 82 pp 1, 8

[Text] **ISLAMABAD, May 19: The second session of Pak-Iraq Joint Ministerial Commission opened here this afternoon to consider measures for promoting bilateral economic and technical cooperation.**

The Federal Finance Minister, Ghulam Ishaq Khan led the Pakistan side at the talks which included Secretary Economic Affairs Division, Chairman Overseas Construction Pakistan Cell and senior officials of the ministeries of Water and Power, Commerce, Economic Affairs, Foreign Affairs, Food and Agriculture, Railways, Labour and Manpower and NESPAK.

The visiting Iraqi Irrigation Minister, Abdul Wahab Mahmood headed his side which, besides members of his delegation, included the ambassador of Iraq to Pakistan.

In his opening statement, the Finance Minister, referring to fraternal and cordial ties between Pakistan and Iraq at all levels, stated that the people of Pakistan desired not only to maintain but to further strengthen the existing close and friendly relations and to intensify economic, commercial and cultural exchanges between two countries on the basis of mutual advantage.

He said that there were limitless possibilities for stepping up bilateral cooperation to the mutual benefit of the two peoples. He said both Pakistan and Iraq were committed to collective action under the organisation of the Islamic conference to promote collective self-reliance.

Ghulam Ishaq Khan stressed that the current world economic situation characterised by slow growth rate, high level of unemployment and recession in the developed economies had adversely effected the economic progress of the Muslim world. He said that an accelerated cooperation among Muslim countries could play an important role in meeting this situation.

He said during the last few years exchanges between Pakistan and Iraq had taken place in many fields and a number of Pakistani construction companies had undertaken works in Iraq, especially in the irrigation sector. He said a substantial number of Pakistani workers had been involved in the execution of many construction and educational projects in Iraq.

He emphasised that there was still a vast scope for further cooperation between the two countries particularly in the sectors of irrigation, control of salinity and water-logging, power, agriculture, manpower training and railways operation and construction. Pakistan, he pointed out, could assist Iraq in these fields.

BILATERAL TRADE

Touching upon level of bilateral trade, the Finance Minister said that it had increased from dollar 65 million in 1976-77 to dollar 127 million in 1980-81. He said there existed considerable scope for pushing it up further. In this connection, he referred to Pakistan's production and export capability. He said the country was not only producing all sorts of consumers goods but had now started production of a host of capital goods like machinery, equipment, road building materials and complete sugar and cement manufacturing plants.

The Minister said that Pakistan and Iraq could also cooperate gainfully in various technical spheres. He expressed the hope that the commission would explore possibilities for the promotion of collaboration in all these areas and suggest measures to achieve it, besides, evaluating progress of implementation of the decisions of the first session of the Joint Ministerial Commission.

VAST SCOPE

The leader of the Iraqi delegation said that they had brought to Pakistan greetings of the government and people of Iraq who loved and respected Pakistan and its people immensely. He said Pakistan and Iraq were bound together by centuries old religious, historical and cultural ties.

Abdul Wahab Mahmood said that his country was keen on furthering the existing economic and technical cooperation between the two countries.

He said there was wide room for improving the present level of bilateral cooperation. He said his delegation would discuss all proposals designed to achieve this objective to the mutual benefit of the people of both the countries.

WORKING GROUPS

The Commission decided to constitute two working groups one on trade and commerce and the other on economic and technical cooperation. The groups will meet tomorrow morning to take up specific items of the agenda.

Prior to the opening of the session, the leaders of the two sides met and exchanged views on the broad para-metres for enlarging scope of cooperation between the two countries in different sectors.

The secretary, Economic Affairs Division and the Iraqi ambassador also attended the meeting.

Earlier on its arrival here this morning, the 9-member Iraqi economic mission was received at the airport, among others, by the Federal Finance Minister, Economic Affairs Secretary, Chairman, Overseas Construction Pakistan Cell and the ambassador of Iraq. —APP.

CSO: 4220/1

FOOD MINISTER EXPRESSES HOPE ON WHEAT SELF-SUFFICIENCY

Karachi BUSINESS RECORDER in English 20 May 82 p 1

[Text]

RAWALPINDI, May 19: The Federal Food and Agriculture Minister, Vice-Admiral Mohammad Fazil Janjua, has said the country is expected to maintain its self-sufficiency position in wheat despite small setback in production in the Punjab due to untimely rains.

He told Radio Pakistan's representative in Islamabad this afternoon that the recent rains in the country had been untimely for harvesting of the crop, particularly in central and northern Punjab.

In three or four districts of the province the damage was estimated to be of the order of 10—15 per cent, but in other districts, it had been very small and was estimated to be about one or two per cent. The total loss due to rain in the Punjab is estimated to be about 4—5 per cent. The farmers, who have suffered this loss are being suitably compensated by the provincial government.

Janjua said the overall adverse effect of the rains in the Punjab will not be more than 2-2.5 per cent on the national production and by the grace of Almighty Allah there would be plenty of wheat to meet the country's requirements,

He said the shortfall in production would be very easily managed through the reserve stocks. He appealed to the people to pray to Almightly Allah that there should be no rains in the next three to four weeks in areas where wheat was being harvested to save the crop from any adverse effects.

Explaining the wheat position in other provinces, the minister said, the crop in Sind and NWFP was much better than last year. He said in Sind, the production was estimated at 20.6 lakh tons as against the last year's production of 19.46 lakh tons. Similarly in NWFP, the estimated production was 9.8 lakh tons as against 9.4 lakh tons produced last year. The production in Baluchistan was expected to be 2.4 lakh tons just about as last year.

Vice-Admiral Janjua said the wheat production supplemented by reserve stocks will be more than adequate for the national needs for the year 1982-83. In fact it is estimated that out of the reserve stocks of 16 lakh tons, 10 to 12 lakh tons of wheat will still be available on the first of May next year.

The minister pointed out that agricultural production was always subject to the blessings of Almighty Allah and weather conditions. As such there would always be variations in production. However, the effort of the present government is that the management of agriculture should be so scientific that such effects are of minimum nature and that there should be enough reserve stocks to more than off set fluctuations in production.

This, he said, was the main philosophy of their national food security reserves. The reserve stocks of 16 lakh tons as on first of May this year is the highest stock ever held by the government.

Vice-admiral Janjua said the procurement drive was in full swing. So far they had procured four 4.5 lakh tons of wheat in the Punjab, Sind and NWFP. The national wheat procurement this year had been fixed at 35.25 lakh tons. The minister said the government would buy any quantity offered by the farmers.—APP.

CSO: 4220/1

SIND GOVERNOR PLEADS FOR LIGHT AGRO-BASED PROJECTS

Karachi BUSINESS RECORDER in English 20 May 82 pp 1, 8

[Text]

The Sind Governor, Lt-Gen S. M. Abbasi yesterday said more efforts were needed to persuade well-to-do farmers to invest in light agro-based industrial projects in order to diversify their undertaking and use modern agricultural know-how.

Addressing members of the provincial Council of Sind during the second day of its current three-day session in Karachi, he said simultaneously industrialists should be urged to diversify their holdings by branching out into the agricultural sector.

He said large and medium-scale farmers could utilise their spare money by investing in various types of light agro-based industries which could turn out to be source of support in bad crop years. Another benefit of such projects would be the provision of employment opportunities for the local people, he added.

The Governor said the more affluent cultivators could take up various projects allied to agriculture such as ice factories, processing and chemical plants etc.

The government, he continued would provide assistance through loans as well as allotment of land in industrial estates. Agriculturists should also make more efforts to modernise their machinery and use advanced farming technics to boost production, he added.

Lt-General S. M. Abbasi went on to say that simultaneously efforts should be made to persuade industrialists to invest in capital intensive agricultural projects which required larger initial monetary outlays than could be made by cultivators. Such projects could include shrimp farms, dairy and cattle farms etc.

He said there had already been some encouraging responses from industrialists, and the Agriculture Department and Board of Revenue had received a few applications for the grant of land for dairy farming and establishing shrimp farms in the Thatta area.

Besides, emphasizing the need to modernise agriculture and boost the production of good crops, the Sind Governor referred to the launching of the 3-year small industrial development plan (1981-84) which is designed to give impetus to growth of industry in the under-developed areas of the province.

ZAKAT FUND

He said during the past year a sum of Rs 15 crore had been received from the Islamabad-based Central Zakat Fund for disbursement among Mustahiqeen in Sind province. A similar amount of money was expected to be transferred to the Sind Zakat Council from the Federal Zakat Fund during the 1982-83 financial year, he said, adding that this would be distributed among poor and deserving people as was customary.

Coming to the provincial Transport Department, Faizi remarked that it was split up into two sections, i.e. the Karachi Road Transport Corporation (KRTC) —for which responsibility had been assumed by the Federal Government—and the Sind Road Transport Corporation (SRTC), which served the interior of the province.

The provincial Minister for Industries and Mineral development, Ashraf W. Tabani then rose to inform the house about the working of these two Departments during the past year, and the projects to be undertaken within the 1982-83 ADP period.

SMALL UNITS

He said the Sind Small Industries and Handicrafts Development Corporation had taken a number of steps to help artisans and craftsmen raise their output and market the finished products.

The Corporation planned to open an information-cum-advisory office in each district to provide expert help and advice and allocate space for new units in industrial estates he added.

He said a number of training centres in woodwork, embroidery, handcrafts etc. were being established throught the province. He said a three-year programme to develop small scale industrial and handicraft units in Sind province had been launched in 1981-82, and the Rs 5 crore investment target figure for the first year of this scheme had been exceeded by Rs one crore.

A total of 92 new small-scale industries had been sanctioned during 1981-8, and these projects, (which represent an investment of Rs. six crore) included plants for manufacturing agricultural tools, hosiery flour milling, carpets, poultry, ice plants etc.

New industrial estates were being established in Dadu and Shikarpur to help in the development of these areas and provide employment opportunities for local people, he added.

He also said that steps were being taken to help the silk handicraft industry in Khairpur and Karachi by providing them with pure silk and dyes.

CSO: 4220/1

JOINT FINANCING OF NEW SUGAR MILLS PLANNED

Karachi BUSINESS RECORDER in English 20 May 82 p 1

[Article by Anwar Rajani]

[Text]

Pakistan Industrial Credit and Investment Corporation of Pakistan (PICIC) and Industrial Development Bank of Pakistan (IDBP) will now jointly finance the new sugar mills in the country.

It is for the first time, that the two leading financing agencies will share the financing arrangement in one and the same project.

Usually a consortium of bankers or financial institutions is formed and the funds for new projects are provided by that consortium. Now PICIC and IDBP will provide funds separately for the same project.

Informed sources told "Business Recorder" yesterday that a couple of new sugar projects are being processed by PICIC and IDBP and they will privide finance together to the entrepreneurs.

The joint financing for the first time has become unavoidable in such projects as involve heavy capital structure.

The PICIC which usually finance bigger projects can provide funds not more than Rs. 7 crore to any single unit. The sugar plant now involves the investment not less than Rs. 28 crore incluing foreign exchange component.

The sources said that the two financing agencies which now plan to provide joint financing may also invite the International Finance Corporation (IFC) to participate in the financial arrangement.

If invited, the IFC will provide the foreign exchange component for the new sugar mills.

The two sugar plants which are expected to secure funds from IDBP and PICIC will be set up in Sind. Their annual capacity will be about 22,000 tons of refined sugar per annum.

The two parties have filed separate loan applications with IDBP and PICIC. After approval, the parties will, however, enter into separate agreements with the two financing agencies.

CSO: 4220/1

GAS FOR BALUCHISTAN CITIES, TOWNS

Karachi BUSINESS RECORDER in English 20 May 82 p 6

[Text]

QUETTA, May 18: Eleven cities and towns of Baluchistan will be supplied with natural gas by the end of December this year. A 334 kilometre offshoot line of the main Sui-Karachi Line is being laid from Shikarpur to Quetta jointly by the Sui Northern Gas Pipelines Limited and Sui Gas Transmission, Karachi, for the supply of gas to Jacobabad, Jhatpat, Dera Murad, Jamali, Bailbathh, Nautaal Sibbi Dhaddar, Muchh, Kolpur, Darwaza and Quetta.

The project will cost Rs. 760 million of which Rs. 210 million will be used exclusively for construction works. The Kuwait development fund has provided Pakistan a grant to meet the entire cost o fthe project, according to official sources.

The completion of the project will also help in industrialization of Baluchistan.

The gas, to be supplied on special directions by President General Mohammad Zia-ul-Haq will be mainly used for domestic purposes but the supply quantum will be sufficient to run 50 factories in Quetta alone where liquid petroleum gas is the major heating material at present.

Starting from October last year the Sui Northern Gas Pipelines Limited has completed in all respects 132 km out of its total share of 160 km pipeline and work on remaining part is being carried out very briskly.

Of this 28 km pipeline (Muchh to Kolpur) has been laid under the bed Bolan River at a depth of 14 to 18 feet.

Kolpur Hillcrossing — 600 metre long and 300-feet high — is the highest point so far in the country carriyng a pipeline. Blasts are being used to make the surface of this hill excavable. In all 47 km of the pipe used is locally manfactured while the remaining is imported.

Grid stations, equal to the number of cities and towns to get gas, will established along the pipeline to regulate the gas supply. Preliminary work on these grids is already in hand.

The Sui Gas Transmission, Karachi, assigned to lay 173 km of pipeline has also laid over 100 km pipeline.—PPI.

CSO: 4220/1

TWO MORE POLYTECHNIC INSTITUTES FOR SIND

Karachi BUSINESS RECORDER in English 20 May 82 p 6

[Text] .

The Sind Government plans to open two new polytechnic institutes at Mirpurkhas and Dadu during the next financial year.

This was stated by the Director Technical Education, Sind, Inamul Haq, at a radio press conference yesterday. He said that budgetary allocation for the scheme will be made in the next budget.

He said that at present 10 polytechnic institutes, including one for women, were functioning in the province and providing training in a total of 20 different trades.

He said that efforts were being made to introduce some more technologies in order to meet the needs of the present time. Haq disclosed that a second polytechnic institute for women of upper Sind will be established at Sukkur next year in collaboration with the women division of the federal government.

He said that polytechnic institute for women at Karachi had a "great success" and 600 girls applied for admission aganist 100 seats.

To a question, Inamul Haq said that at present 3,500 students were in the polytechnic institutes and another 900 in the bachelor of technology classes in Sind were studying he said that since the establishment of polytechnic institutes in Sind so far about 26,000 students had passed out.

He said that technical education was receiving more and more encouragement and this year alone for one seat in a polytechnic institute 32 applications were received.

To yet another question, Inamul Haq said that the government was spending Rs. 1.50 crore on technical education and on an average bearing an expenditure of Rs. 2,000 on each student every year.—APP.

CSO: 4220/1

YUGOSLAVIA'S STAND ON AFGHANISTAN REAFFIRMED

Karachi BUSINESS RECORDER in English 20 May 82 p 6

[Text]

ISLAMABAD, May 19: The Minister for Information and Broadcasting Raja Muhammad Zafarul Haq told a Yugoslavian visiting delegation today that the invasion of Afghanistan, a non-aligned country, had injected a sense of insecurity in the region".

But, he added, Pakistan was lucky to have Yugoslavia as a friend because both countries had "common perception" of many international issues.

The minister was talking to Aleksandar Bakocevic, Director-General of Yugoslavia's national news agency Tanjug, Ambassador Slobodan Martinovic of Yugoslavia and Tanjug chief correspondent for South Asia, Predrag Stamenkovic, who called on him in his office this morning. Present during the meeting were the Information Secretary, the Director-General, External Publicity Wing and the Director-General APP.

The minister paid glowing tributes to the late Marshal Tito "the top most leader and father of the Non-Aligned Movement".

"He was as much respected in Pakistan as in Yugoslavia" he added. Raja Zafarul Haq hoped that the new leadership of Yugoslavia will continue to follow in the footsteps of Marshal Tito."

He expressed gratitude for the welcome given by Yugoslavia to President Zia-ul-Haq during his visit to the country last winter.

Raja Zafarul Haq said that although the idea of non-alignment is old, the NAM is still young and we have "a lot to do" to strengthen it. He said that "bloc politics" was like the two wheels of a mill in which the small countries were being crushed. It was hoped that the non-aligned countries would remain safe from the pulls and pressures of big powers. But the invasion of a non-aligned country-Afghanistan had injected a sense of insecurity in the entire region.

Raja Zafarul Haq said that "the Afghan situation is telling upon our resources. Besides other things, we have to bear the burden of the largest concentration of refugees".

He stressed that Pakistan had taken a stand on this issue with the support of non-aligned and Islamic countries.

"We appreciate that most of the non-aligned countries-barring only a few-have understood the implications of this issue. Some countries had not come out openly on this moral issue.

The minister pointed out that "Pakistan regard Yugoslavia as a country which always takes stands on principles. "Yugoslavia may not be a very big country militarily but "the respect it enjoys as a moral force is immense".

He hoped that Yugoslavia will help in the projection and understanding of the Afghan issue".

Replying Aleksandar Bakocevic said that he fully subscribed to the view expressed by the minister on the relations between Pakistan and Yugoslavia. The non-aligned policy which Pakistan was following was highly respected in Yugoslavia.

He said that President Zia-ul-Haq's visit to Yugoslavia was "very significant, not only because it gave impetus to the development of bilateral relations but also in the broader sense".

He said peace was greatly needed at this time because "... are faced with deep crisis in the international field".

Bakocevic declared "this crisis has been brought about by the politics of hegemony. The only way to face this bloc politics is to follow an independent line and build more cooperation among the non-aligned countries".

The Tanjug chief in this context underlined the urgency of developing cooperation of the mass media which could present a more realistic and clear picture of non-aligned countries. This, he said, would also overcome the "monopolistic position" of some news agencies. He emphasised that the APP-Tanjug cooperation would be very helpful.

Referring to the points raised by the Information Minister Bakocevic said that Yugoslavia had always been against aggression. "We support the condemnation of the use of force in international relations".

He agreed that moral power was of immense importance. The value of non-alignment was its moral principles. It wa necessary to follow the policy on non-alignment and he hoped that more and more countries will be able to adopt an independent line in their policies.

The minister presented a set of books on Pakistan to the Yugoslavian guests and ambassador Slobodan Martinovic.—APP.

CSO: 4220/1

RESEARCH PROGRAMS IN KARAKORAM REGION REPORTED

Karachi BUSINESS RECORDER in English 20 May 82 p 6

[Text]

ISLAMABAD, May 19: The Karakoram research cell has decided to undertake 10 research projects in the Karakoram region, it was officially announced here yesterday.

The announcement was made after a meeting of the the project identification and implementation committee of the Korakoram research cell held yesterday at the University Grant Commission under the chairmanship of Dr. M. Afzal, Chairman of the University Grant Commission, and advisor to the President on higher education. Two members of the commission, departmental heads, experts from universities and other national organisations participated in the meeting.

A press release of the UGC said:

The object of the committee was to identify and formulate geological, geophysical, geographical, anthrapological, rural, wild life and plant sciences oriented projects in order to undertake integrated and concerted research and exploration of Northern Areas of Pakistan with particular emphasis on the Karakoram region. Nine detailed papers, identifying the scope and extent of research in these disciplines were presented and thoroughly examined and discussed by the committee. It was finally decided that the following projects will be undertaken in Karakoram region:

1. Engineering geology and stresse dynamics studies pertaining to mud flows, rock slides, slopes stabilization of other related hazards along the Karakoram Highway (geological survey of Pakistan, frontier works organization, Kohistan development authority).

2. Economic geology project

2. Economic geology research project aimed at a systematic reconnaissance survey of Karakoram region to make a general assessment of its potential of industrial minerals and rocks (Punjab University and Peshawar University).

3. Preparation of topographical and other maps of the area to cater for all the projects of the Karakoram research cell (S.O.P. and SUPARCO).

4. Gravity, magnetic and electrical survey at 250 interval to correlate the geological structures with geophysical data and to delineate the metallogenic characteristics, domains and their potential along the KKH (Quaid-i-Azam University).

5. Integrated studies of flora and fauna of the Karakoram areas in the context of the natural habitats of the Northern Area (Quaid-i-Azam University).

6. Social, anthropological/sociological research pertaining to the identification and classification of the people on the basis of significant shared cultural characteristics, survey of land use and land tenure system, systems of social control and local decision meeting, economic activities and economic interest goups, regional legal system, role of women in local economic and political process, changing health condition, and the study of local effects of mass media (Quaid-i-Azam University).

7. Glaciological studies: glaciers of Karakoram (Punjab University).

8. Studies related with the discipline of local government in Northern Areas (centre to be set up at Peshawar Universit).

9. Agriculture, forest and wild (life studies of Karakoram (Agricultural University, Peshawar).

10. Cultural and linguistic studies of Karakoram (Quaid-i-Azam University).

It was also decided to set up a reference library on related aspects of Karakoram and Northern Area research at the earth sciences department of the Quaid-i-Azam University.—APP.

CSO: 4220/1

PAKISTAN URGES PRESSURE ON SOUTH AFRICA

Karachi BUSINESS RECORDER in English 20 May 82 p 5

[Text]

ISLAMABAD, May 19: Pakistan has called upon the international community to apply maximum pressure on Pretoria to force it to relent from pursuing the present policies which threaten world peace and security.

Foreign Office spokesmen making a statement on the week of solidarity with the colonial peoples of Southern Africa fighting for freedom, independence and equal rights, being observed from May 19-25, said:

"The government and the people of Pakistan join the international community in commemorating the week of solidarity with the peoples of South Africa fighting for freedom, independence and equal rights and pay homage to the countless freedom-fighters who have laid down their lives in defence of human dignity and fundamental right..

"The observance of the solidarity week has a special significance this year as 1982 has been proclaimed by UN General Assembly to be the international year of mobilization of sanctions against South Africa.

"It is indeed deplorable that in continuing affront to the conscience of the humanity, the Pretoria regime persists in flouting the resolutions of the Security Council and General Assembly addressed to it. The present political situation therefore underscores the need for an intensified struggle for justice and equality against the white supremacists in South Africa. At the same time, it is the moral duty of the international community to apply maximum pressure on Pretoria to force it to relent from pursuing the present policies which threaten world peace and security.

"Pakistan, a non-aligned and Islamic country, has always extended full support to the just struggle of all peoples against colonialism, imperialism and racism in all their manifestations.

"Today we reaffirm our wholehearted support to the struggle of the courageous peoples of South Africa for equality, human dignity and the complete eradication of the reprehensive system of apartheid and racial discrimination. We are confident that the day of their deliverance from colonial and racist oppression is at hand".—APP.

CSO: 4220/1

ARTIFICIAL LIMB CENTER FOR REFUGEES ESTABLISHED

Karachi BUSINESS RECORDER in English 20 May 82 p 5

[Text] Islamabad, May 19--The Government of Pakistan is contemplating the setting up of an artificial limb centre for Afghan refugees in Pakistan and all necessary arrangements have been given final shape in this connection it was reliably learnt here today.

These reliable sources said the staff equipment and material and building has already been acquired in Peshawar for the centre which will start functioning with the financial assistance of the United Nations High Commissioner for the Refugees (UNHCR) shortly.

The centre is being set up in connection with the government's three phase comprehensive plan for providing all possible help to those homeless people.

In the first phase of the plan, the surgical and medical facilities are already being extended to them by the government in collaboration with the UNHCR and the World Food Programme (WFP).

The last phase, the sources said, envisages the setting up of a Paraplegic Centre for the rehabilitation of the disabled refugees for making them fit and useful members of society. The arrangements in this regard are also in the last stages, the sources added.

Meanwhile, the government is gearing all its efforts to extend all possible assistance to 27 million Afghan refugees who have been seeking refuge in Pakistan since 1979 on humanitarian and religious grounds. These refugees include 25 percent people of advanced ages, 27 percent women and some 48 percent children of all ages.

In addition to their rehabilitation in refugees tentage villages (RTVS), they have also been allowed to construct mud-houses on state lands on self-help basis by the government. The government, however, shares some expenditure for the construction of roofs of such houses, the sources maintained.

Essential Supply

Furthermore, they are being supplied with, on regular basis, wheat, edible oil, powdered milk, sugar and tea by the government in collaboration with the UNHCR and WFP. For cooking purposes, they are being provided with a stove and 18 litres of kerosine oil per family. The kerosine oil has been donated by the Government of Saudi Arabia for this purpose.

As for clothing, the sources told they are given one quilt, bedding or blanket per head in addition to one suit of "Shalwar Kameez" length per head per year. This does not include unlimited supply of used clothing. Similarly, foot-wares are provided on one pair per head per year basis as well as utensils one set per family.

As for medical assistance, the sources said a full-fledged dispensary was functioning in each tentage village with one medical officer, one compounder and one lady health visitor. These dispensaries are fully stocked with medicines, the sources added.

Veterinary facilities are also being extended for about 30,00,000 livestock brought by the refugees in Pakistan. The influx of these refugees in NWFP and Baluchistan caused a serious problem for the forests in the shape of deforestation. Plans were underway to overcome this problem, the sources concluded.--PPI

CSO: 4220/1

GETTING RID OF FOREIGN LOANS EMPHASIZED

Karachi BUSINESS RECORDER in English 20 May 82 p 8

[Text]

The Sind Provincial Minister for Finance and Industries, Ashraf W. Tabani said in Karachi last evening that the country would have to get rid of foreign loans as earlier as possible in order to ensure its economic freedom.

"For this purpose we will have to utilise the country's internal resources effectively', Tabani said while speaking as the chief guest at a symposium on savings organised by the Pakistan National Centre.

The Minister pointed out that on the one hand the rich and developed countries were progressing at the rate of three per cent per annum while the poor countries were getting poorer at the annual rate of six per cent.

He said that the population of developed countries which constitutes 25 per cent of the world population was in possession of 90 per cent of the world's natural resources and they provide only 5.7 per cent of the national growth to poor countries as an aid, and this gap between the rich and poor countries was widening day-by-day.

"Under such conditions we would have to decide not only how to utilise our resources in order to lead our economy on the path of progress but also restrict our expenditure within a set limit and save our money for the country's development and welfare", Tabani stressed.

He said that as compared to India, Sri Lanka and Burma with dollars 190, 230 and 160 per capita income respectively, it was 284 dollars in Pakistan but its rate of saving was only 6.5 per cent in —4.1 per cent in the public sector and 2.4 per cent in the private sector—as against the saving rate of 22 per cent in India, 19 per cent in Sri Lanka and 15 per cent in Burma.

The Minister pointed out that Pakistan had secured the first loan in 1950 and till December, 1979 loans amounting to 10 billion dollars were oustanding against the country.

He said that these loans were a big burden on our economy and the country would have to get rid of them, for its economic emancipation for which the nation will have to strive for increasing the rate of savings.—APP.

CSO: 4220/1

BUDGET CUT FOR 1983 CONSIDERED

Manila PHILIPPINES DAILY EXPRESS in English 18 May 82 p 10

[Article by Resty Perez]

[Text]

THE proposed P72-billion national budget for 1983 may be reduced to only P64.5 billion because of an expected drop in government revenues from taxes and customs duties.

In the past two weeks, Budget Ministry officials have been meeting behind closed doors to figure out ways to prune down the 1983 budget from P72 billion to P64 billion with the least disruption in the implementation of government projects, informed sources disclosed.

Despite the projected drop in government income, the President may ask the Batasang Pambansa to approve a P68-billion national budget to boost economic activity and to gain flexibility "if ever tax and duty collections exceed projections," the sources added.

* * *

THE budget cut, informed sources said, could trigger the adoption of more austerity measures and threaten the implementation of some projects and programs.

It was gathered that for the first three months of 1982, the Bureau of Customs collected P2.9 billion in duties, a slight 3.89-percent increase over collections a year ago.

The Bureau of Internal Revenue, on the other hand, eked out during the same period a 4.47-percent increase in tax collections to P7 billion from last year's P6.7 billion.

The slight increases, the sources added, are not enough to cover the original budget proposal of P72 billion.

* * *

THE poor collections have been blamed to a downturn in business activities here and abroad.

The proposed budget cut could result in a cutback in new hirings by government agencies and delays in the construction of new buildings.

Buying of new equipment such as typewriters and vehicles, will likewise be discouraged, the sources said.

The P64-billion budget proposal is only 10 percent more than the P59.7-billion appropriated for 1982.

There is no increase in real terms because the additional 10 percent being allocated will be barely enough to take care of inflation, the sources said.

* * *

THE Cabinet is scheduled to take up the money measure today to draw up a list of projects which should get priority funding.

The major allocations for this year's P59.7-billion budget are: Ministry of National Defense, P8.3 billion; Ministry of Public Works and Highways, P5.4 billion; Ministry of Education, P4.3 billion; Ministry of Energy, P2.4 billion; Ministry of Health, P2.1 billion; Office of the President, P2.1 billion; Ministry of Human Settlements, P1.8 billion; Ministry of Natural Resources, P1.04 billion; Ministry of Trade and Industry, P1.2 billion; National Priorities Support Fund, P8.1 billion; and national assistance to local governments, P6.8 billion.

CSO: 4220/2

PRESIDENT DEFENDS FOREIGN BORROWING

Manila BULLETIN TODAY in English 24 May 82 pp 1, 5

[Article by Jose De Vera]

[Text]

President Marcos defended yesterday the ₱35-billion foreign borrowings by the Central Bank for the country's industrialization program.

The President also told newsmen the administration will review the government's 11 major industrial projects and present a balanced agro-industrial program.

The ₱35 billion borrowings of the Central Bank, the President said, were needed to prime the economy, enable the Filipinos to control their economic destiny and prevent foreign domination.

He quoted the late senator and statesman Claro M. Recto as saying that it was better for the Philippines to borrow than let foreigners come in and control the economy.

He pointed out that if private firms were to borrow on their own, they would be paying interest rates ranging from 21 to 25 per cent.

If, according to the President, the government borrows from abroad, the interest is only about nine or 10 per cent.

The government guarantees these loans, although eventually the private sector gets the funds, he stressed adding the government only appears as the borrower, which is truly the private sector.

Infrastructure borrowings the President said, would benefit not the government but the people and private firms.

'In reviewing the 11 major industrial projects, the President said "we should not listen to the critics who are plotting to ensure that we will forever be under industrialized countries."

"What we need," the President said, "is resolve. Should we still have second thoughts just because of the complaints of other countries?"

He stressed the need for foresight and said this was the reason for his persistence in pushing through the industrial projects.

He said that if prices increase 10 per cent annually, a 100 per cent increase would have taken place in 10 years. This demands the country should move now, he added.

"The truth is many of the bigger countries are preventing industrialization," the President stated.

Asked if the administration would push through all its planned 11 major industrial projects, the President answered: "Not all of them. We will balance them."

He disclosed that the Nauru government has invested in the sulphur phosphate project 40 per cent equity totalling $40 million. The balance, he said, will be provided by the National Development Company.

The President

admitted he had his "own doubts" about the viability and profitability of many oil-based factories listed among the 11 major industrial projects.

The reason for this, he explained, was the high cost of fuel.

The President promised that administration leaders would review the industrial projects.

"As the wise men say," the President declared, "only fools don't change their minds. Probably we should remember the saying, 'On the beach of hesitation bleach the bones of millions who, on the dawn before victory, rested, and resting, died'. We should not hesitate."

The President said that hesitation on the part of government sometimes proved costly.

He cited the copper smelter project which he ordered studied in 1967. The projected cost of a small smelter was only then only $15 million, the President said.

"How much do we have to pay now for a copper smelter?" he asked, and answered his own query. "$400 million to $1 billion," he said.

Mr. Marcos also chided the opposition for harping on the country's borrowings.

The 11 major industrial projects are:

1. The ₱400-million copper smelter project in Isabel, Leyte.

2. The ₱370-million phosphatic fertilizer project also in Isabel, Leyte.

3. The ₱580-million joint aluminum smelter project of NDC and a foreign company in Tagoloan, Misamis Oriental.

4. The ₱100-million diesel engine manufacturing project.

5. The on-going cement rationalization program, which will rehabilitate and convert cement plants to coal-fed plants.

6. The ₱150-million coconut industry rationalization project of the United Coconut Planters Bank and the Henckel of Germany.

7. Integrated pulp and paper factory which is still under study.

8. The ₱187-million petrochemical complex in Limay, Bataan.

9. The ₱100-million heavy engineering industries project to produce requirements of all major industrial projects.

10. A steel mill project or the modernization of the Iligan plant of the National Steel corporation to produce 1.2 million metric tons of slabs and 0.3 million metric tons of bloom.

11. Alcogas program of the Philippine National Alcohol Commission which will put up 14 distilleries with a total capacity of 234 million liters of alcohol by 1985 to reduce the country's dependence on imported crude oil.

CSO: 4220/12

MORE INCENTIVES FOR FOREIGN OIL SEARCHERS

Manila PHILIPPINES DAILY EXPRESS in English 19 May 82 p 10

[Article by Samuel V. Senoren]

[Text]

THE PHILIPPINE government is trying to revive waning interest among US-based oil companies in local exploration as a result of the current oil glut and runaway drilling costs.

A series of unsuccessful drillings have discouraged many foreign prospectors but the government is now trying to appease them by arranging mainly for an attractive cost recovery scheme.

The speedy cost recovery scheme is actually one of several new lures which the Ministry of Energy is working out. The incentive package was unwrapped by Energy Minister Geronimo Velasco before oil executives in Houston two weeks ago.

Official response from oil exploration companies is not expected to be known until such time that the government comes out with a definite policy on incentives.

SOME of the incentives require legislation and this may take some time before they can be enforced.

These include cross-recovery of all deepwater service contract technical operating expenditures and allowance of longer periods for delineating deepwater discovery fields.

Under the cross-recovery concept, oil exploration firms drilling in more than 200 meters of water will be allowed to recover all technical operating expenses from production in case of an oil discovery.

Furthermore, to determine the viability of such discovery areas, they will be given a time frame of up to 16 years within which to put the field into production.

Other incentives which local and foreign oil companies have been seeking are also likely to be given.

These include the restoration of the Filipino Participation Incentive Allowance (FPIA), increased production share from the present 30 percent to 40 percent and the reduction the three-well drilling commitment during a two-year period.

TO support the oil sector, the government also extended the invitation to cover geothermal development.

In a dialogue with US oilmen, Velasco noted that "oil companies have diversified into other energy fields and are looking for suitable investment opportunities."

"I cannot think of a more suitable non-oil investment opportunity for you than in Philippine geothermal operation," he told the oilmen.

The energy official added that the drilling success ratio in geothermal exploration has been 9 out of 10 wells drilled.

At present, geothermal operations are being undertaken by the government-owned Philippine National Oil Co. with financing provided mainly by the World Bank.

CSO: 4220/2

INDIGENOUS ENERGY USE RISING

Manila PHILIPPINES DAILY EXPRESS in English 20 May 82 p 9

[Article by Rosario A. Liquicia]

[Text]

THE country is gradually but surely increasing the use of domestic energy resources to fill its energy requirements.

For the first three months of the year alone, data show that more indigenous energy resources were put to use than in the same period last year, hence helped the country save $231 million which would have otherwise been spent for oil imports.

According to a report of the Bureau of Energy Utilization (BEU), demand for imported oil during the quarter declined by 12 percent. As a result, the share of oil in total energy consumption dropped from 73 percent in the first quarter of 1981 to 66.8 percent this year

The gap was partly filled up by indigenous energy, the share of which in domestic increased energy usage rose to 32.2 percent.

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OVERALL energy consumption during the quarter, however, dropped by 3.1 percent from last year's volume equivalent to 23.1 million barrels of oil.

BEU Director Orland L. Galang said oil production from the Cadlao and Nido oilfields went up by 144.5 percent to 797,000 barrels, representing 3.6 percent of total energy consumption in the first quarter.

Hydro power accounted for 7.2 percent of total energy consumed during the period or 1.60 million barrels of oil equivalent (MBOE), while power from geothermal plants provided 6.2 percent of total energy demand or 1.38 MBOE, Galang reported

The BEU head also said overall demand for coal decreased by 6.9 percent despite the 17.9-percent growth in coal consumption by cement plants.

Coal accounted for one percent of total energy consumption during the first quarter.

Bagasse, another indigenous energy source, accounted for the biggest share of 15.2 percent to total energy requirements for the first three months of 1982.

Bagasse consumption, the BEU said, hit 3.4 MBOE during the three-month period, exceeding the past year's volume by 16 percent.

CSO: 4220/2

ASEAN FREE TRADE POLICY FAVORED

Manila PHILIPPINES DAILY EXPRESS in English 20 May 82 p 9

[Text]

THE Philippine Chamber of Food Manufacturers (PCFM) has endorsed the proposal that ASEAN members adopt a free-trade policy among themselves on all food products, subject to a few conditions.

Jose Concepcion Jr., PCFM president and concurrently director of the Philippine Chamber of Commerce and Industry, said that an ASEAN free trade policy on all food products would substantially improve the level of intra-ASEAN trade and boost Philippine exports to other countries.

However, the PCFM board proposed the following conditions:

- Tariff duties on all food products in all the ASEAN countries be reduced to a level selected by the ASEAN economic ministers.
- The ASEAN countries adopt a 30 percent tariff on all food products outside the ASEAN region
- ASEAN members with no existing tariff duties should impose tariff on other products from non-ASEAN countries; otherwise, their products will not be given preferential ASEAN access.
- That the free-trade policy starts five years after its approval.

The PCFM said the Philippine Food processing industry will not survive competition from other ASEAN members unless existing problems and difficulties are resolved.

Among the measures proposed:

1. That Philippine food firms be allowed to import their own raw materials to take advantage of appropriate timing and lower prices;
2. That the tariff on the local industry's imported raw materials and packaging materials are set at least at the same tariff level as those in other ASEAN neighbors in order to compete with products imported from competing ASEAN food processors;
3. That Philippine firms are provided with lower electric power rates. Electric rates of local industrial users are 40 percent higher than those in other ASEAN countries.
4. That the industry be given access to interest rates comparable with those made available to other food industries in the ASEAN region.

CSO: 4220/2

ASEAN FOOD PROPOSAL BACKED

Manila BULLETIN TODAY in English 24 May 82 p 16

[Text]

The board of directors of the Philippine Chamber of Food Manufacturers (PCFM) has favored the proposal that Association of Southeast Asian countries adopt a free trade policy among themselves in all food products, subject to a few conditions.

This was announced by Jose Concepcion, Jr., PCFM president and concurrently director of the Philippine Chamber of Commerce and Industry.

Concepcion said that an Asean free trade policy on all food products would substantially improve the level of intra-Asean trade and boost Philippine exports to non-Asean countries as well.

He explained, however, that for an Asean free trade policy to be successfully implemented, the PCFM board proposed the following conditions:

1. Tariff duties on all food products in all the Asean countries should be reduced to zero or at a level selected by the Asean economic ministers.

2. The Asean countries should adopt a common outer tariff of about 30 per cent on all food products from non-Asean countries.

3. Asean member-countries who do not have existing tariff duties should impose an outer tariff for products from non-Asean countries to participate in the free trade scheme; otherwise, their products should not be given preferential Asean access.

4. The implementation of the free trade policy should commence 5 years after its announced promulgation.

In supporting the free trade policy proposal, the PCFM board also warned that the Philippine food processing industry would not be able to survive competition from other Asean countries unless major structural problems and difficulties currently being encountered by the industry are resolved.

Among the measures proposed are:

1. Philippine food firms are allowed to import their own raw materials to take advantage of appropriate timing and lower prices.

2. The tariff on the industry's imported raw materials and packaging materials are set at least at the same tariff level as those in other Asean countries in order to be able to meet head-on the products imported to the Philippines from competing Asean food processors.

3. Philippine firms are provided with lower electric power rates than present rates for industrial users which are as much as 40 per cent higher than those in othe Asean countries.

4. The industry is given access to interest rates comparable with those made available to the food industry in other Asean countries.

CSO: 4220/12

RECESSION SEEN INTO '82

Manila BULLETIN TODAY in English 20 May 82 p 20

[Text]

The government's economic managers have finally conceded that the international recession will continue during most part of the year, with an upturn expected, hopefully, by the end of the year.

This assumption, based on a number of forecasts both here and abroad, was taken by the government when it presented recently to the International Monetary Fund the preliminary projections for 1982.

Despite its assumption of a prolonged economic slump for most of 1982, the government projections still were based on a target rate of real growth of 5.1 per cent.

Inflation rate is also projected at 10 per cent, slightly lower than the 12 per cent registered last year.

Further slowdown in the inflation rate may be partly due to the recession factor, as was the case last year.

Moreover, the government projections presented to the IMF estimated a current account deficit of $2.7 billion, equivalent to 6.5 per cent of GNP which was slightly higher than the 6.2 per cent of GNP last year.

Balance of payments deficit, which already reached $539 million after the first three months, is projected at $500 million, roughly 1.2 per cent of GNP.

Probably as a result of this Central Bank projections, other government agencies likewise acknowledged that the overseas economic slowdown would not run its course until by the latter part of the year.

The Philippine National Bank, citing its own economic studies, believed that recession will linger for most part of the year, forcing it to lower its quantitative targets for loans and resources.

In the private sector, business leaders took a more gloomy forecast about the economy.

They felt that if recession will take some more time and end by the latter part of the year, no upturn in the domestic economy could be expected until by the middle of next year.

They cited that the time lag for any improvement in the economies in the industrialized countries to be felt on the local economy takes at least six months.

Based on this experience, exports, on which a large chunk of the economy depends, are not expected to recover until May or June next year.

The behavior of exports would determine to a large extent the size of the country's balance of payments deficit.

The government's projection of a $500 million BOP gap this year is based on a projected growth of 11 per cent in exports and a 7.0 per cent increase in imports.

The export projection, in turn, assumed a 19 per cent growth in the value of non-traditional manufactures.

CSO: 4220/3

FARMERS' PROBLEMS BARED

Manila BULLETIN TODAY in English 18 May 82 p 32

[Article by Mario P. Chanco]

[Text]

A beleaguered farm society claimed to represent more than half the nation's booming 50-million population faces the celebration of Farmers Day on Friday, May 21, with mixed emotions.

Soaring farm production costs, the low prices of farm produce, shrinking of farmsteads, and the attrition of countryside labor as a result of mass migration away from the rural areas have taken their toll. Land reform, despite the peripatetic impulses given to it, appears to have lost its earlier momentum and in some provinces farmer leaders actually claim its previous gains have become endangered.

Depressed world prices for such basic farm commodities as sugar and coconut oil have had a large hand in the band of poverty encircling the rural areas. But, farm leaders who have been quantifying the amount and the variety of assistance programs given to the countryside say technocratic mismanagement of agriculture on many ministerial and financing levels is the culprit, the nigger in the countryside woodpile.

"In so doing, we have created a welter of over 50 different credit and more than 60 assorted farm assistance programs costing hundreds of millions of pesos which more often than not clash with each other," says a ranking national farm organization leader. "Unless this situation is properly diagnosed, we shall be funnelling scarce resources in the perpetuation of greater irrelevancies than the present. To dismantle this costly apparatus, we must tackle the problem from top to bottom. Anything less than a total overhaul would be merely postponing the time of agricultural disaster."

Adding an ominous note to the plea of some sectoral groups for an immediate increase in the basic price of palay and rice is their realization that this request may have fallen upon unsympathetic ears. The basis for this belief is that industrial labor, its partner in the socio-economic ladder, got nothing but a few superficial concessions in retirement benefits at its own May 1 Labor Day observance. A price increase in basic rice or palay, farmers feel, not only might seem untimely regardless of the farmers' need but might trigger off a price chain reaction affecting not only workers but the farmers themselves.

CSO: 4220/3

RECESSION FORCES LOWERING OF NATIONAL BANK TARGETS

Manila BULLETIN TODAY in English 19 May 82 p 22

[Text]

The Philippine National Bank has decided to lower its quantitative targets for this year as a result of worldwide economic downturn and the delayed recovery of the international economy which are affecting the country, particularly the banking sector.

PNB chairman Gerardo Sicat and president P. O. Domingo stressed, however, that credit support to the agricultural loan programs, the KKK, Biyayang Dagat, cottage and small and medium scale industries and the dollar-earning export sector will remain undiminished.

PNB which accounts for one-fourth of the total resources and loans of the commercial banking system, will also continue its efforts to salvage industrial concerns that qualify for assistance under the industrial fund of the Central Bank, according to the two officials.

The adjustments in PNB's financial goals under its management by objectives (MBO) program substantially affect the following key areas: assets growth, loan portfolio, borrowings and income.

The bank, which recorded ₱44.9 billion in total assets last year, has lowered its assets growth objective from 15.0 to 12.0 per cent this year. Total resources are forecast to reach only ₱50.25 billion at year-end 1982.

The revised loan level by year-end 1982 is targeted at ₱29.61 billion against the previous goal of ₱32.40 billion or an expansion of just 8.0 instead of 18.2 per cent previously programmed.

Borrowings from US and other foreign banks will be brought down from the ₱7.59 billion at the end of 1981 to ₱6.40 billion by the end of 1982 or a reduction of foreign borrowings by 15.7 per cent. This will be possible if the domestic savings mobilization effort succeeds.

PNB also expects to have a reduced net profit of ₱160 million than the ₱250 million earlier projected for 1982.

The decision to change the planned targets was arrived at after careful review of economic indicators that emerged during the first quarter of this year.

Studies conducted by the bank showed that the current state of recession that has overtaken the country's principal exports markets has turned out to be much deeper than had been forecast and new predictions suggest that it will be more prolonged. As a result, PNB's base for sources of funds for loan expansion may be reduced due to the liquidity difficulties facing a number of export-oriented firms.

The move to cut cash operations of the government due to a possible shortfall in expected revenues may also limit PNB's bid for funds from the public sector.

CSO: 4220/3

DEBT SERVICING COST FOR '82 FORECAST

Manila BULLETIN TODAY in English 19 May 82 p 22

[Text]

The Philippines debt service ratio this year is estimated by the Central Bank at 19.4 per cent (reckoned from the total foreign exchange receipts for the previous year), slightly higher than the 19.1 per cent recorded last year.

This is equivalent to about $2.4 billion, according to the latest estimates made by the CB and is just about the size of the ceiling for new external borrowings authorized by the monetary board for the current year.

According to the CB, the current year's debt service was well within the statutory ceiling prescribed by R.A. 6142, as amended otherwise known as the foreign borrowings act.

A big bulk of the $2.4 billion estimated repayments in 1982 consist of interest on outstanding loans while a minor portion are payments of principal.

The computations were based on the outstanding external debt of $15.84 billion at the end of the first quarter this year consisting of $11.49 billion in fixed-term borrowings and $4.35 billion in revolving credits.

Government authorities brushed aside concern expressed by some sectors in the foreign banking community about the country's debt service capacity in the light of poor export performance last year and this year.

They said that there is enough leeway in debt management because the 20 per cent statutory ceiling was based on total foreign debt, including those of the private sector.

However, the ceiling excludes short-term debt.

Of the outstanding foreign debt, 46 per cent is owned by the private sector and 54 per cent was borrowed by the public or government sector.

On the other hand, the CB maintains a comfortable attitude in its debt management efforts because about 68 per cent or $10.7 billion of foreign debts consists of borrowings with maturities exceeding five years.

CSO: 4220/3

DEEPWATER OIL PROSPECTING URGED

Manila BULLETIN TODAY in English 17 May 82 p 24

[Text]

Oil exploration in deepwater areas has become the focus of a seven-point incentives package now being considered in the Cabinet headed by Prime Minister Cesar E.A. Virata.

With much of the oil discoveries recorded in the offshore areas and the deepwater areas promising to be only source of a major find, the government through Energy Minister Geronimo Z. Velasco prepared the new set of incentives to accelerate the pace of exploration in the more difficult areas.

Exploration in the country has tapered off primarily because of recession and the higher risks involved in the search for oil. From 21 wells in 1980, only 17 were drilled last year. Velasco attributed the decline in drilling activities to the more expensive operations required by drilling the significant potential structures in deepwater areas.

So far, oil exploration firms have drilled in the Galoc and Malajon areas as well as the Reed Bank area, which is also known as the Kalayaan area.

The three separate areas have more difficult and expensive exploration operating conditions, but drilling activities have indicated that they could hold a big reservoir of oil.

Galoc and Malajon both sit in a sandstone structure with the former proving to be an oil and gas field. Two discoveries were already made in north and south Galoc while Amoco Phils. is set to drill another well in Malajon where oil seepage is evident.

The Kalayaan area on the other hand yielded gas in the first drilling conducted by the Swedish firm Salen Exploration.

Development works and further exploration in these areas, however, present difficulties to oil exploration companies. Cities Service, for one, spent $16 million in drilling South Galoc-1 and it would cost the Houston-based firm $947 million to develop the field which could involve the drilling of 50 production wells.

Furthermore, drilling in an offshore area with waters beyond 1,000 feet requires higher and more expensive technology.

Recognizing the higher cost and risk involved in deepwater operations, Velasco is working out with the Batasang Pambansa the passage of a legislation that will allow service contractors "to recover all technical operating expenses in such areas from production under a deepwater service contract."

A cross-recovery scheme is being offered to companies involved in such operations. Under the proposal, exploration firms can recover their expenses in a separate deepwater area from an area where a successful oil discovery is made and developed for production.

The government is also extending the statutory eleven-year exploration period to as much as five years in determining the viability of deepwater discovery fields.

CSO: 4220/3

MINING INDUSTRY MAY NEED FINANCING

Manila BULLETIN TODAY in English 19 May 82 p 22

[Text]

A total of ₱2.0 billion may be shelled out by the government to keep the mining industry afloat.

This estimate was made by industry sources who quantified the requirements of the mining industry under the inventory and swap financing facility authorized by the Central Bank to help distressed mining companies.

Based on the prevailing prices for gold, copper and nickel, all the country's mining firms are eligible to apply for financing assistance from the CB.

Under CB Circular No. 873, the financing assistance may be availed of based on the threshold prices of $370 per ounce for gold, $0.90 per lb. for copper and $3.00 per lb. for nickel.

If metal prices are below these guidepost prices, financing assistance to mining companies will be extended by the CB.

At present, the prices for gold, copper and nickel are all below the threshold prices adopted by the CB.

Based on the financial performance of the mining companies for the first quarter of 1982, only two of the big firms—Philex Mining and Benguet Corp.—reported net profits, although their profitability showed a marked decline from that of the comparative period last year.

The rest, Atlas, Lepanto, Marinduque, Benguet Ex., and Marcopper all reported net losses during the first quarter.

Under the CB scheme, financing assistance are to be directly provided by the CB to copper mines.

They could avail of a swap facility for a period of six months up to 50 per cent of their actual production.

The other half may be financed by an inventory financing for 90 days, renewable for another 90 days at not more than 14 per cent per annum.

In the case of primary gold producers, they may avail of a hedging facility from the CB.

Under the facility, producers may sell their output to the CB at the prevailing gold price and prevailing exchange rate with option to repurchase.

When gold prices go up, producers may buy back the gold at the former price and take advantage of the current high prices.

They have up to 360 days under the repurchase option to speculate on the price of gold, with their inventory held by the CB at the financing rate of 14 per cent.

CSO: 4220/3

COAL MINES NEED GOVERNMENT ASSISTANCE

Manila BULLETIN TODAY in English 18 May 82 p 20

[Text]

Domestic coal producers need financial assistance from the government, preferably access to long-term funds from one or more of the government financing institutions.

The final report of the joint survey mission of the World Bank and the Asian Development Bank of the country's energy sector emphasized this need as it listed a number of recommendations concerning the government's national coal program.

It pointed out that underground coal producers ought to be assisted to expand their output because the huge coal reserves found in open-pit mines are suitable only for power generation.

Noting that the coal industry is not in a healthy financial position, the mission proposed a study of the industry's financial needs at the same time that an operational plan is being prepared.

At the same time, the mission urged the government to "remove any uncertainties" in the minds of coal users as to the relative roles of government and private sector agencies in expanding the coal market.

For nearly two years, the study noted, major private buyers did not know whether or not they were free to enter into direct negotiations with foreign or domestic producers or would be required to buy from a government agency and, if so, under what pricing principles.

It was only in the middle of last year that the government decided that coal importing would be a government monopoly.

However, no policy had yet been established on the prices at which imported coal would be sold to private buyers or on how much freedom major buyers would have to enter into direct contracts with domestic producers.

CSO: 4220/3

SUGAR QUOTA FREEZE OPPOSED

Manila BULLETIN TODAY in English 23 May 82 p 15

[Text]

Ambassador Roberto S. Benedicto, head of the Philippine delegation to the executive council meeting of the International Sugar Organization (ISO) in London, condemned yesterday the freezing of basic export tonnages (BETs) to 1982 levels.

Benedicto said the move would reduce the ISO to "impotence for the next two or three years."

The Philippine delegation head said the current world price is actually 35 to 40 per cent lower in real terms than when the International Sugar Agreement (ISA) was negotiated in 1977.

Benedicto pointed out that the fall in sugar price has greatly affected production costs in countries which have expanded production.

He added that the steep price decline was causing serious balance of payments problems even in conservative countries like the Philippines which did not join the rush to expansion activities.

This year's dollar receipts would probably be less than 10 per cent due to the low world market price of sugar, according to Benedicto. Sugar accounted for 25 to 27 per cent of total export receipts seven or eight years ago.

He called on both the ISO and the European Economic Community (EEC) to get together in a common effort to improve the sugar situation.

The Philippines, Benedicto told the London meeting, is of the view that the first duty of the council is "to seek ways and means to improve the price situation." He said this is urgent as it affects the credibility of the ISA.

World sugar price is now down to about seven US cents a pound compared to 15 US cents a few months ago.

Benedicto called for an urgent solution to the worsening world sugar price situation which is affecting the balance of payment problem of sugar exporting countries around the world.

Benedicto's appeal was supported by both exporters and importers such as Japan, Zwasiland, Mauritius, Guyane, South Africa and Norway.

John Maddison, representative of the EEC, requested that the EEC be fully involved in any fullfledged conference that may be held to discuss EEC accession to the International Sugar Agreement (ISA) and in the talks to solve the price problem.

LONDON, May 22 (Reuter) — The future of the International Sugar Agreement was assured for the next two years today when the council of the International Sugar Organization (ISO) decided to freeze 1983-84 exports at 1982 levels.

The ISO, a 59-nation group of sugar exporters and importers which aims to stabilize prices with the help of the pact, approved a committee decision to freeze total basic export tonnages from 1983-84 at 19.44 million tons of raw sugar annually, the same as for 1982.

Yesterday the Philippines said the ISO should start preparing the groundwork for a new pact because the present one was unable to support prices, delegates said.

The Philippines called on the European Economic Community (EEC), which will export a record five million tons this year, to become a member of any future agreement.

CSO: 4220/10

RICE SUPPORT PRICE RAISED

Manila BULLETIN TODAY in English 22 May 82 pp 1, 11

[Article by Jose De Vera]

[Excerpt]

President Marcos announced yesterday that the government support price for palay was being raised from ₱1.55 to ₱1.70 per kilo.

The increase, he said, was only part of a package of agricultural incentives that included the abolition of the fertilizer subsidy and the reduction in the price of fertilizers.

The incentives also came with measures meant to improve the farmer's lot. They were all announced by the President during the celebration of Farmers Day at the Philippine International Convention Center.

The other Presidential directives:

1. A letter of instructions for the procurement by the National Food Authority of 15 per cent of all palay production, for the implementation of a comprehensive procurement program, the extension of credit lines and acceleration of procurement tie-up with organized farm groups.

2. An order removing the fertilizer subsidy and reducing the prices of fertilizers except Triple 14 which was subjected to a study for price reduction purposes.

3. An instruction to the Ministry of Agriculture (MA) to submit in two months' time an economical applicator (fertilizer) for price similar to that used in sugarcane fields.

4. The appropriation of ₱450 million over three years as special revolving trust fund to facilitate payment of claims by Masagana banks.

5. Instructions for the inclusion of corn under the crop insurance coverage.

6. An order creating 2,300 new positions for field extension workers, increasing the extension force from 13,000 to over 15,000.

7. A directive increasing the Maisagana hectarage from 50,000 to 100,000 hectares.

8. Directive for a study on the improvement of the cattle and dairy industry and the setting up of small cattle ranches.

The President emphasized that the creation of an integrated area management system was necessary to promote effective coordination and integration among the various government agencies involved in agricultural and rural development.

Under this setup, the MA and the Food and Agriculture Council will formulate policies and programs including delivery of agricultural inputs and services.

In increasing the price support for palay, the President hoped farmers would realize increased incomes despite increased farm labor and input costs.

After the announcement, Minister Placido Mapa, director general of the National Economic and Development Authority (NEDA), said that the new price of rice "will not cause any significant increase in the cost of living."

"It will add no more than one per cent to the consumer price index," Mapa said.

"In the final analysis, it is the adequate supply of rice that will assure us of stable prices and cost of living," he added, saying postponing the increase would wreck havoc on farmers.

The President also said it was crucial for the NFA to increase its rice procurement to 15 per cent of total production, the bulk of which will come from the October-December harvests.

The President reiterated anew the use of azolla or organic fertilizer instead of chemical fertilizers, citing Sulpicio Estares of barangay Linao, Barotac Nuevo, Iloilo, whose successful use of azolla earned him a Presidential trophy.

The President added that the fertilizer subsidy had cost the government ₱2 billion in the last eight years, but that now that the prices of fertilizers had gone down, it was time to remove the subsidy.

The President also asked scientists and experts to study the most economical application of fertilizers.

The President cited several improvements in the crop insurance program, including increase in guaranteed yield for both rainfed and irrigated rice areas.

The President said crop insurance represents renewed determination and dedication to agricultural development under the New Republic.

Citing the urgent need of transferring new technology from scientific laboratories to the farmer, the President thus created 2,300 new field extension posts.

The President also expressed hope that by 1984 the country will not import corn any longer.

CSO: 4220/10

STEEL VENTURE IN ABEYANCE

Manila PHILIPPINES DAILY EXPRESS in English 20 May 82 p 9

[Article by George T. Nervez]

[Text]

PLANS for the proposed $1-billion integrated steel complex, one of the 11 major industrial projects envisioned by the government, may be delayed, highly reliable sources disclosed yesterday.

The National Steel Corp. (NSC), which will implement the ambitious projects has set aside proposals submitted by three big foreign groups, and changed the specifications for the first phase of the steel complex, the sources said.

It has also reset two news deadlines for the submission of the revised specifications: June 26 and August 26, 1982.

The new specifications desired by the NSC were not immediately known.

THREE big groups have already submitted bids for the project which involves the expansion of NSC's iron and steel production facilities in Iligan.

The expansion program calls for the construction of three separate facilities, namely, the iron factory, a steel plant and a rolling mill

Bids for the NSC project were earlier submitted by the Lurgi of Germany and Voest Alpine of Austria. Kawasaki Heavy Industries of Japan and Krupp Polysius of Germany, and Davy McKee of Britain and Direct Reduction Co. of the United States

But the foreign companies have reportedly expressed serious doubts about the viability of the project because of the high cost involved.

It was learned that the NSC increased the planned rated capacity of the iron factory from 800 million tons yearly to 1.4 billion tons a year

The additional capacity would boost the cost of the iron facility alone from about $200 million to anywhere from $600 million to $800 million.

THE COMPANIES also said that the construction of the iron facility in a hilly site as proposed would involve additional costs of about $40 million.

It would be cheaper if the NSC facilities in Iligan would be transferred to a flat area in Luzon where adequate power supply could be tapped easily.

Earlier, top government officials said some of the 11 major industrial projects may be dropped because of the high capital investment involved.

The World Bank, the country's major creditor, in a recent report likewise expressed serious doubts regarding some of the projects because of the loss of comparative advantage if all the proposed projects are implemented.

CSO: 4220/2

WEST GERMAN FIRM BIDS ON DIESEL PROJECT

Manila BULLETIN TODAY in English 20 May 82 p 20

[Text]

Maschinenfabrik Augsburg Nurnberg (MAN) of West Germany renewed its bid to undertake the troubled diesel engine manufacturing project in a last ditch attempt to regain its original contract.

Deputy Trade and Industry Minister Edgardo L. Tordesillas disclosed in an interview yesterday that MAN has informed the Board of Investments (BOI) a solution to the financial problem encountered by the West German firm was "nearing."

As this developed, representatives of Cummins Engines of the United States, the only other serious contender for the project, arrived yesterday to meet BOI officials.

Tordesillas said that Cummins Engines will hold talks with government officials regarding the company's separate bid and that a formal proposal is expected to be submitted by the third bidder to the BOI.

BOI has clamped down on its deadline for awarding the project with capacities of 50 to 150 horsepower. Earlier, Tordesillas said that the government will decide which company will undertake the project either late this month or early June.

With the new ruling imposed by BOI on the three proponents, MAN has lost its outright chance to regain the contract since its proposal would be evaluated side by side with Detroit Diesel Allision and Cummins Engines.

According to Tordesillas, this arrangement would no longer pose an irritant to the two new bidders.

Detroit Diesel earlier complained to the BOI over the first arrangement where MAN can easily regain its original contract once the West German company solves its internal problem with Delta Motor Corporation.

The expected proposal of Cummins Engines, on the other hand, would be the third to be submitted in the project where interest among earlier proponents has waned.

CSO: 4220/10

ELECTRICAL ITEMS, CLOTHES MAJOR EXPORT ITEMS

Manila BULLETIN TODAY in English 18 May 82 p 20

[Text]

Two of the country's non-traditional export products have emerged as the top ranking dollar-earners for the last two years, dislodging such traditional exports like sugar, coconut and copper concentrates, according to Romulo. Lumauig, deputy minister of the ministry of trade and industry.

Electrical components and garments have emerged as the top dollar earners in the country today, Lumauig said.

Electrical components in 1981 earned $811.57 million, a 20.9 per cent increase over its export earnings of $671.13 million in 1980, he said.

He said garments posted a growth rate of 19.9 per cent improving its performance from $500.32 million in 1980 to $599.97 million dollars in 1981.

This is the reason why the government has included in the development plan for 1983 to 1987 provision for the expansion of exports of these products, Lumauig added.

He said the government will encourage cottage, small and medium industries to participate more actively in the export drive by expanding the volume and improving the terms of financing for these enterprises.

In achieving these targets, Lumauig said, the trade ministry will be guided by the following key elements.

— Organization of all small scale and medium industries patterned after that of Hong Kong, Taiwan and Korea to insure delivery of export products.

— To achieve more favorable trading arrangement with principal trading partners such as Japan, the United States, and the European economic countries by suing as leverage Philippine industrial purchases.

— To be selective in the development of new products without leaving the others in order to determine the products in which the Philippines has a natural manufacturing advantage.

In implementing the program, Lumauig said, the ministry has pinpointed product lines which have natural manufacturing advantages and which offer interesting export market potentials.

These are garments and textiles, electronics items, shoes and leatherware, furniture and woodwork, handicrafts, processed foods, and overseas contracting.

In the process, he said, the country will utilize full advantage of the facilities of existing agencies of the government and private sectors. (PNA)

CSO: 4220/3

PREPARATIONS MADE FOR EXCLUSIVE JAPANESE TRADE ZONE

Manila BULLETIN TODAY in English 22 May 82 p 14

[Text]

The setting up of exclusive Japanese zones in the country loomed as the government worked out the final details of the plan with the Overseas Economic Cooperation Fund (OECF) of Japan.

A source from the Export Processing Zone authority (EPZA) said yesterday that two of the probable sites being groomed for the Japanese zones have already been given priority for development and funding through an OECF loan.

An OECF loan of $52 million under the yen credit program set for 1982 is being worked out by the Philippine government for project construction and engineering of the exclusive zones.

Twenty-eight Japanese companies, according to the source, have already signified intentions of operating their enterprises in the zones. The source did not identify the companies since the project is still being finalized.

Of the three choice sites earlier announced by EPZA, the one in Malilipot, Albay has been given the first priority for the exclusive zones owing the province's harbor facilities and proximity to the Legaspi airport.

San Fernando, La Union received the second priority while Batangas city got the last priority since a mini-industrial estate in Tabangao, Batangas has already been declared. The estate in Tabangao has been declared an industrial zone after the $100 million liquefied petroleum gas terminal of the Shell group of companies sought an application with EPZA.

EPZA, it was gathered, established priorities on the three choice sites upon the recommendation of the National Economic Development authority.

EPZA administrator Gerardo Espina, in a letter to NEDA director-general Placido Mapa, Jr., gave the priorities in connection with EPZA's application for an OECF loan.

Mapa, on the other hand, addressed a letter to OECF regarding the priorities relative to the OECF loan which forms the 11th and 12th package under the yen credit program.

CSO: 4220/10

EXPORTS TO JAPAN, EUROPE AFFECTED

Manila PHILIPPINES DAILY EXPRESS in English 18 May 82 pp 10, 9

[Article by George T. Nervez]

[Text]

PROLONGED recession in Japan and the protectionist stance of some member countries of the European Economic Community (EEC) reduced substantially Philippine exports to these destinations in 1981.

Trade data showed that last year, trade with Japan resulted in a $267-million deficit, a complete reversal of the $2-million surplus realized the previous year.

In the case of the EEC, two-way trade dropped by 1.5 percent as against the 1.5-percent increase recorded in 1980 because of the economic slowdown in the area and the protectionist stance of some member countries.

Trade statistics show that Japan, the country's second most important trading partner, accounted for $2.783 billion or 20 percent of total trade which amounted to $13.9 billion.

Two-way trade (export and imports) with Japan was 9.2 percent down after expanding 17.9 percent in 1980.

* * *

THE United States last year maintained its position as the country's top trade partner and the premier outlet for Philippine exports.

Trade with the US accounted for more than a quarter or $3.644 billion of the country's total trade. This was eight percent over the level in 1980 as sales to and purchases from that country increased.

The trade data show that shipments to Japan dropped by 18 percent to $1.258 billion as demand for certain leading exports stagnated because of the prolonged recession in that country.

Nevertheless, the Japanese market remained the second largest outlet for Philippine products obtaining the biggest share of copper concentrates, logs, iron ore and gold. Purchases of Japan accounted for 22 percent of total exports.

Imports from Japan also decreased slightly by $6 million to $1.525 billion. Imports consisted mainly of base metals, transport equipment, chemical elements and compounds and electrical machinery, apparatus and appliances.

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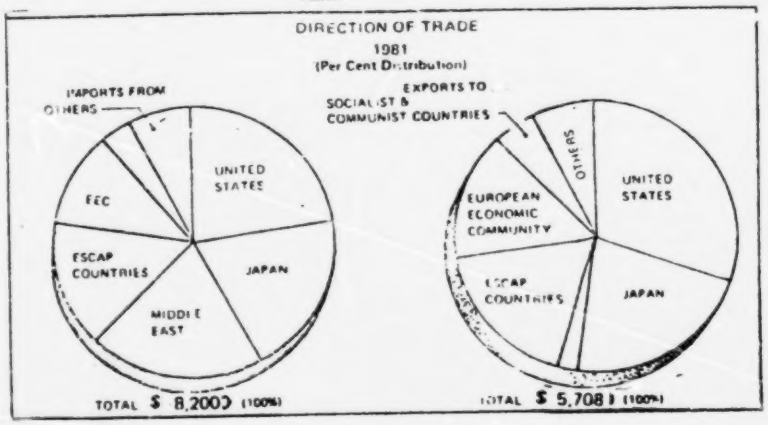
IN THE case of the EEC, exports to that trading bloc dropped by some 6.2 percent to $919 million. About 16.1 percent of total



exports went to the EEC.

The Netherlands was the principal export outlet in the EEC purchasing Philippine products valued at $317 million mostly coconut oil.

Other major customers were West Germany-$244 million, the United Kingdom-$188 million, and France-$83 million. Coconut-based products, forest-based products, semi-conductor devices, handicrafts and garments were the most heavily demanded products in the EEC.

* * *

DURING the year, trade with the Economic Commission for Asia and the Pacific (ESCAP) countries reached $2.366 billion, an increase of 11.5 percent over the 1980 level. The ESCAP nations accounted for 17 percent of the country's total trade.

The Association of Southeast Asian Nations (ASEAN) group shared 41.6 percent of the RP-ESCAP trade, and grew by 14.4 percent on a yearly basis.

Outside the ASEAN, Hongkong, Australia and South Korea were the major trading partners. Transactions with these countries amounted to $1.077 billion or about 45.5 percent of RP-ESCAP trade.

RP-Middle East trade during the year amounted to $1.817 billion or 13.1 percent of total trade. The two-way turnover expanded by only four percent compared to the preceding year's rate of 70.4 percent.

Trade with the Middle East consisted mostly of imports due to the acquisition of additional oil from that region. Exports to that country amounted to only $103 million or 1.8 percent of total Philippine exports.

CSO: 4220/2

LABOR DEMANDS PAY RAISE

Manila PHILIPPINES DAILY EXPRESS in English 23 May 82 p 1

[Text]

THE TRADE Union Congress of the Philippines said yesterday it will seek a P3 daily wage increase for workers in private companies and in the government to cope with the impending increase in the price of rice.

President Marcos ordered the other day a 15-centavo increase in the palay support price. Despite the increase, retail price of rice remains at P2.85 per kilo, the National Food Authority said yesterday.

The NFA said it has stocks of 600,000 metric tons of rice bought from farmers at the old support price. The stocks are good for 130 days.

* * *

THE WAGE hike, the TUCP said, is necessary because prices of other basic commodities will increase as a result of a raise in the price of rice.

The labor group said a family of six living in Metro Manila now needs a daily income of P59.26 to pay for its food and other necessities, while those outside the area need a daily income of P55.45.

At present, industrial workers in Metro Manila receive P18 basic minimum daily wage. Those outside the area get P17.

The TUCP said it will finalize on Thursday its wage increase proposal.

The new price of rice is likely to be P3.19 a kilo, or 25 centavos more than the present price of P2.85 after the floor price of palay was hiked by 15 centavos from P1.55 to P1.70.

Andres Dinglasan Jr., acting TUCP president, reiterated its request for the convening of a bipartite conference to discuss wage increase proposals of 800,000 government workers. He said the meeting should be convened immediately because the government is now preparing its 1983 budget.

The demands of government workers include: grant of a 13th month pay; a uniform retirement law and adjustment in the existing retirement benefits to current cost of living; and grant of a monthly minimum basic pay of P920 and P1,200 for teachers, nurses and other professionals with civil service eligibility.

CSO: 4220/12

TAX INCENTIVES URGED FOR FAILING FIRMS

Manila BULLETIN TODAY in English 24 May 82 pp 1, 10

[Text]

Foreign companies are supporting the clamor for the grant of additional tax incentives to losing companies, it was learned yesterday.

The European Chamber of Commerce of the Philippines has filed a petition with the Bureau of Internal Revenue (BIR) for the adoption of the loss carry-over scheme, as earlier suggested by local firms.

The chamber said that loses in any given year should be deducted from their taxable income for the next four or five years.

For instance, if the firm loses, say ₱1 million for 1982, the said company should be entitled to deduct the same amount from their taxable income for the next four years at ₱250,000 per year.

At present, the chamber noted that only enterprises registered with the Board of Investments are granted such an incentive.

The chamber said that last year, several unfavorable developments led to a slowdown in the country's economic performance.

It said the gross national product (GNP) increased by only 4.9 per cent as against the 5.4 per cent gain posted in 1980.

"Mainly responsible for the decline of the GNP is the slowdown in the industrial sector, lower expansion rate in agricultural production and similar slowdown in the growth of the service sector," it said.

The chamber said the proposed incentive program would reduce the revenues of the government, "but it is believed that in the overall, the impact on the present state of slackened economic activity outweighs more its negative effect."

It said that only the Philippines in the Asean region does not allow the tax incentive scheme.

The chamber said that several other countries like Japan, the United States and West Germany also grant the loss carry-over incentive.

It said that, among others, Indonesia grants loss carry-forward for four years while Singapore and Malaysia give loss carry-forward indefinitely.

CSO: 4220/12

LABOR MINISTER SCORES LABOR BILL OPPONENTS

Manila BULLETIN TODAY in English 23 May 82 p 40

[Text]

Labor Minister Blas F. Ople urged yesterday certain labor extremists critical of Cabinet Bill 49 "to stop playing politics with national stability at a time when the persistent global economic crisis is wreaking havoc on national economies, particularly employment.

"There is no country in Asia outside Japan where the industrial relations law, supplemented by Cabinet Bill 49, grants more social and economic rights to workers, or permits under certain safeguards the resort to the ultimate bargaining weapons of strikes and lockouts," he said.

Ople said certain labor quarters "are demanding a free-fight situation in labor relations" which they could exploit to destabilize the economy and the State.

"Cabinet Bill 49 above all protects the right to picket and prohibits the use of strike-bearers but it also defines the obligations of striking workers especially to the general pulbic," Ople said, adding:

"Some labor extremists disagree with clarifying ground rules because they operate best, as aggressive union raiders, in a no man's law of legal ambiguities."

Ople will discuss the most controversial provision of Cabinet Bill 49 in a television interview today, Sunday, at the "Interaction" program emceed by Assemblyman Gerardo Espina.

The Cabinet bill, earlier endorsed by the cabinet, the committee on labor of the Batasan and the KBL party caucus, is the centerpiece of the current special session of the Batasan starting May 19 and ending June 7.

CSO: 4220/10

MAJORITY PARTY FAVORS FIRMER POSITION TOWARD LABOR

Manina PHILIPPINES DAILY EXPRESS in English 19 May 82 pp 10, 6

[Article by Samuel Senoren]

[Text]

MEMBERS of the ruling Kilusang Bagong Lipunan (KBL) yesterday endorsed for approval by the Batasang Pambansa a Cabinet-sponsored measure giving the labor ministry broader powers to cope with the rising number of unsettled labor disputes.

KBL support for Cabinet Bill 49 came after a four-hour caucus in Malacanang presided over by President Marcos.

The bill was adopted without changes, paving the way for its passage by the Batasan when it resumes its special session today.

THE AMENDED bill seeks to amend several provisions of the Labor Code which is claimed to have "many gaps" that have made it ineffective in dealing with labor disturbances.

If passed by the Batasan, the bill will give broader powers to the National Labor Relations Committee (NLRC) of the Ministry of Labor and Employment and to the labor minister himself in handling labor problems.

The bill also seeks to stop illegal strikes which have hurt many industries while protecting legitimate strikers from "strike breakers" and scabs hired by strike-bound establishments.

AS DEFINED by the bill, a strike breaker means "any person who obstructs or interferes by force, threat or intimidation any peaceful picketing by employes during any labor controversy affecting wages, hours or conditions of work or in the exercise of the right of self-organization or collective bargaining."

The same measure referred to a "strike area" as "the establishment of the employer struck against, as well as the immediate vicinity actually used by picketing strikers in moving to and fro before all points of entrance to and exit from said establishment."

Under the bill, the powers of labor arbiters were expanded to include exclusive jurisdiction over unfair labor practice cases, money claims of workers, cases involving household services and cases involving strikes and lockouts, including questions on their legality.

* * *

DECISIONS of labor arbiters can be appealed only to the NLRC which can issue without hearing *ex parte* restraining orders valid for a period of up to 20 days.

In strengthening the powers of the labor minister, the bill provides that "when in his opinion there exists a labor dispute causing or likely to cause strikes or lockouts adversely af-

fecting the national interest such as may occur in but not limited to public utilities, companies engaged in the generation or distribution of energy, banks, hospitals and export-oriented industries including those within export processing zones, the minister of labor and employment shall or may assume jurisdiction over the dispute and decide it or certify the same to the commission for compulsory arbitration. Such assumption or certification shall have the effect of automatically enjoining the actual, intended or impending strike or lockout as specified in the assumption or certification order."

The inclusion of export-oriented industries and export processing zone-based companies was made through the representation of Industry Minister Roberto Ongpin.

ONGPIN had complained that unsettled strikes in export companies were disrupting international commitments, resulting in heavy foreign exchange losses for strike-bound firms.

As a backup proviso, the bill provides that "the President of the Philippines, when his opinion so warrants, shall not be precluded from determining the industries where labor disputes may affect the national interest and from intervening at any time and exercising jurisdiction over any labor dispute adversely affecting the national interest in order to settle or terminate the same."

* * *

THE MEASURE also banned the following activities:

- Wilfull obstruction or interference by force, threats or intimidation of any peaceful picketing by employes during any labor controversy or in the exercise of the right of self-organization or collective bargaining or aiding or abetting such obstruction or interference.
- Employment of any strike-breaker.
- The bringing in by any public officer or armed person of any person who seeks to replace strikers in entering and/or leaving the premises of a strike area or to work in place of the strikers.

CSO: 4220/2

ILLICIT JADE TRADE NOTED

Nairobi DAILY NATION in English 5 May 82 p 6

[Article by Chiang Mai]

[Text]

THE Chinese once regarded jade as a symbol of the best qualities in man. But along today's jade trail — from the jungles of Burma to the emporiums of Hong Kong — the gem drives men to gang wars, smuggling, a strange kind of gambling and sometimes suicide.

Mined in the heart of the notorious "golden triangle," the precious mineral passes through the hands of warlord armies, rebel minority groups and the Chinese Kuomintang before it is fashioned into carvings and jewelry sometimes more valuable than diamonds.

The best jade in the world is quarried in the Kachin State of Northern Burma. The Chinese discovered this some 4,000 years ago, ensured a flow of it to their imperial court and sculpted now-priceless artifacts from the hard stone.

Today, jade leaves Northern Burma in three directions, the bulk of it being smuggled into Thailand.

The Burmese Government, which needs foreign currency badly, has tried to acquire as much of it as possible since nationalising the mining industry 19 years ago. What it does retrieve is auctioned off to European, American and Asian dealers at a state emporium held each year in Rangoon, Burma's capital.

Burma has made $15.9 million since the auctions began in 1964.

Those involved in the gem trade in Rangoon estimate that at least 10 to 20 times what is sold at the state auctions gets smuggled abroad. The mining areas, located in rugged, jungle terrain, are full of rebels of the Kachin independence army, one of a dozen-odd minority groups fighting for autonomy from the Rangoon government.

Kachin rebels who recently surrendered to the government claim that some of the jade is smuggled into China, something also confirmed by jade dealers in this northern Thai city.

But by far the largest quantity of illicit jade winds its way to Thailand by boat, mule caravan, human porters and motor vehicles.

The passage of the jade is taxed by other rebel groups, who use the funds to maintain small "liberation armies".

Some of the biggest opium smugglers, who also maintain private armies, happen also to be among the top jade traffickers, and the periodic "opium wars" among groups competing for the rich, deadly opium harvest can also be regarded as "jade wars".

Thai authorities say that Khun Sa — regarded as the most powerful opium warlord of the triangle — maintains a highly profitable sideline in jade,

CSO: 4220/12

MARINE PULLOUT IN BATAAN URGED

Manila BULLETIN TODAY in English 23 May 82 p 40

[Article by Efren P. Molina]

[Text]

BALANGA, Bataan, May 22 — Residents of Abucay and Samal towns are agitating for the pullout of the Philippine Marines in Bataan.

They said that the Constabulary, including the integrated national police, and the Philippine Army are enough to give protection to the lives and property of the people of Bataan.

They said that the presence of the marines in Bataan is an insult to the provincial leadership and the Constabulary as well as the police and the Army because the peace and order situation in the province is good.

According to them, the marines should be deployed in hot spots like Samar and Leyte in the Visayas and Cotabato and Davao in Mindanao where they are most needed to help combat insurgency and other forms of lawlessness.

Moves for the pullout of the marines were intensified following the killing of Jesse Rafael, top NPA leader in Bataan, and three henchmen during an encounter with the marines in a place near the Abucay townhall.

Abucay and Samal are said to be the hometowns of most of the key figures of the New People's Army in Bataan. The military tagged these towns as two of the five hotbeds of NPA sympathizers. The three others are Orion, Orani and Morong.

CSO: 4220/10

KKK LOANS CORNERED BY RICH

Manila BULLETIN TODAY in English 23 May 82 p 23

[Article by Casiano A. Navarro, Jr.]

[Text]

CAGAYAN DE ORO CITY — Concerned citizens, including regional directors have appealed to the authorities to give the poor an equal opportunity with rich, in the race for seed capital under the Kilusang Kabuhayan at Kaunlaran (KKK).

At the same time, bureau regional heads who requested anonymity warned that unless the poor are given priority in the grant of collateral-less loans, the intended beneficiaries might not be able to avail of the opportunities to find livelihood for themselves.

This reaction surfaced during the visit here of Prime Minister Cesar E. A. Virata who had a series of dialogues with the people of southern Philippines recently.

At the dialogue, Virata handed to former constitutional convention delegate Luis Lorenzo, a check worth more than ₱3 million, as seed capital release for the latter's KKK-oriented sericulture project.

As proposed, the project, envisioned to produce export quality silk is expected to employ some 30 individuals. It is also expected to spend some ₱17 millions for its initial operations.

Bukidnon Gov. Carlos O. Fortich, chairman of the regional development council, also announced in the dialogue that a loan application for some ₱32 million to finance a piggery and another application for the establishment of a ₱18 million lime crushing plant in Manolo Fortich town have been approved. This will bring to a total of ₱67 million KKK's financial exposure in Bukidnon.

The regional directors however lamented that most of the incorporators of these KKK endeavours already approved, are the rich ones, while the applications of the poor still have to be acted upon.

All the three KKK projects already financed by the government are expected to benefit only 300 persons. The incorporators are rich and will be the only ones who will share in the profits.

CSO: 4220/10

LEYTE, SAMAR IRRIGATION SYSTEMS CONSTRUCTED

Manila BULLETIN TODAY in English 21 May 82 p 18

[Article by R.S. Movido]

[Text]

TACLOBAN CITY — The national irrigation administration has built 410 communal irrigation systems in Leyte and Samar to promote the food production program of the government.

The irrigation network has a total project cost of over ₱28 million and will serve some 32,000 hectares of agricultural land with a productive potentials of 3.2 million cavans of palay yearly.

Regional Director Manuel Salazar said the program of NIA under the stewardship of Administrator Fiorello Estuar is to establish more communal irrigation projects in Leyte and other parts of the country.

The regional official has adopted a systematic management policy to maximize the utilization of funds for the different projects to ensure the completion of construction work on time and at less expense to the government.

Ebenezer De Pano, engineering division chief, said the communal irrigation projects constructed included also those in Central Visayas which is under the regional office here.

De Pano said the regional director has sought an increase in the budget ceiling for the region on the basis of its impressive performance by completing irrigation projects in Central Visayas by 100 per cent and Eastern Visayas 94 per cent.

The accomplishments attained by the NIA was attributed also to the proper management and maintenance of some 491 heavy and light construction equipment by Manuel Arce, regional equipment engineer.

Lulu Palencia, president of the Tacloban news media representing the Leyte press-radio organization, said the present projects being undertaken by Director Salazar would promote economic prosperity to the farmers of Leyte and Samar.

The press club president said the program of the Leyte provincial government is being supported by NIA and other agencies to improve further the socio-economic standards of the Waray people who are now enjoying a better life compared to inhabitants of other regions.

CSO: 4220/10

PHILIPPINES LOSING COMPUTER SPECIALISTS

Manila BULLETIN TODAY in English 21 May 82 p 10

[Article by Rod L. Villa, Jr.]

[Text]

Computer talents are being sucked out of the country by the Middle East and other richer nations to a point there is not one Filipino computer specialist here today, a top education official said yesterday.

"This may seem unbelievable but the few Filipino computer specialists of international standard have gone away," rued Dr. William Torres, head of the newly established Network for Integrated Computer Education (NICE).

Torres, who is also vice president of the Development Academy of the Philippines, called upon the private industries, the educational system, and the government to close ranks in filling what he called "this critical gap in the development of the country."

So strong is the demand that students taking up electronic data programming (EDP), the basic computer course, are being lured away as fast as they graduate, Torres said.

He said that available manpower, totalling some 30,000, acquired skills only to the level of programmers and analysts and the few specialists are gone.

He urged a crash program to focus national education on logic, mathematics, algorithm, and similar courses in high technologies to equip students in coping with the computer age.

"So much attention has been wasted on non-productive and ornamental subjects when it takes so little doing, with the innate talent and high literacy of the people, to leap from mat and basket weaving to microprocessor or 'chip' production," Torres said.

President Marcos recently approved the implementation of NICE to harmonize the various sectors in the mass education on computer systems.

Torres said the dearth of computer experts has given rise to embarrassing situations, such as computer specialists rating salaries higher than their employers and top corporate officials.

CSO: 4220/10

INTEGRATION OF MUSLIM, PUBLIC SCHOOLS SOUGHT

Manila BULLETIN TODAY in English 24 May 82 pp 1,

[Article by Rod L. Villa, Jr.]

[Text]

The integration of the Islamic and public educational systems will be discussed during a three-day meeting of public school officials and their Muslim counterparts which starts today in Zamboanga city.

The proposal is intended to hasten assimilation efforts in the Southern Philippines.

Education Minister Onofre D. Corpuz will lead state educators in conferring with over 100 ulamahs, ustadzs, gurus, and other Muslim intellectuals about the integration of the public school system with the madrasah, the traditional Islamic education.

Corpuz will be assisted by Deputy Ministers Abraham I. Felipe and Hermenegildo C. Dumlao, Director Minda C. Sutaria of the bureau of elementary education, and other MEC regional officials.

Representing the Muslim educators are Minister Romulo Espaldon of Muslim affairs, his deputy Dr Michael Mastura, Director Nunggo Pahm of Region 12, and Chancellor Salipada Tamano of the King Faizal Center for Arabic and Islamic Studies.

The Muslim educators have blamed previous education leaders for failing to take proper approaches in inculcating among Muslims allegiance to the government and a feeling of unity and brotherhood with their Christian brothers.

They also found fault in the Madrasah for its fixation of Islam as a creed, giving rise to expectations not of financial or social reward but desires to study and stay in Muslim countries in Southeast Asia and the Middle East.

Although earliest studies to integrate the two systems were initiated by the Fund for Assistance to Private Education as early as 1972, the move did not materialize until the recent visit to Saudi Arabia of President Marcos.

Studies showed that while public schools were in a better position because these were funded by the state, they failed to penetrate the Muslim citizenry.

The madrasah schools, introduced here many years ago by Arab missionaries, have on the other hand increased dramatically despite financial constraints. Funds were generated mainly by wealthy Muslim families, assistance by Mideast nations and ₱30 tuition fee.

CSO: 4220/12

ILOILO INFRASTRUCTURE CONSTRUCTION

Manila BULLETIN TODAY in English 20 May 82 p 19

[Text] ILOILO CITY — Some ₱1.5-billion worth of infrastructure projects like roads, bridges, water supplies, school buildings, ports, flood control and drainage, hospitals and health centers, etc. are being constructed in Western Visayas comprising Iloilo, Capiz, Aklan, Antique, Negros Occidental provinces including Guimaras subprovince, it was announced by MPWH regional director Rodolfo Lataquin.

Among these major projects are:

The ₱278-million commercial port complex rising on a 10-hectare reclaimed area for the sea located in La Paz district, Iloilo city. Target date of completion is March, 1985.

The ₱186-million Fishing Port in Molo district, Iloilo city.

Viejo (Iloilo) road expected to be opened to traffic on May 31, 1983.

The Passi (Iloilo)-Dumarao-Dao(Capiz) road worth ₱90.7 million. Target date of completion is August 17, 1983.

The ₱11.2-million Passi-Calinog(Iloilo) road undergoing widening and improvement expected to be finished on Dec. 27, 1982.

The ₱136-million Bacolod-Kabankalan (Negros Occidental) highway.

The Bacolod-North improvement project to Escalante estimated to cost some ₱100 million. Although the price is still undergoing negotiations, work has already started.

The La Castellana-Isabela-Hinigaran-Bago-Talisay-Concepcion-Sumag-Abuanan road projects worth a total of ₱43.2 million all over Negros Occidental.

The ₱50-million PRIP Barangay projects on going in Antique province.

The 33-million Port project in Roxas city (Capiz), Dumaguit port (Aklan), San Jose de Buenavista (Antique) port, Naluyan, Dumangas and Estancia ports both in Iloilo province.

The ₱400-million alloted for school buildings, water supply, hospitals and health centers, flood control and drainage, bridges and others all over Western Visayas region. (Ruben C. Guevarra)

CSO: 4220/3

BRIEFS

ADDITIONAL WORKERS NEEDED--Some 4,000 Filipino workers are needed in three giant development projects, two in Papua, New Guinea and one in Kota Kinabalu, Malaysia, Engr. Roger L. Rivera, Sr., president and chairman of the board of Petroland Resources and Development corporation announced. Rivera said that the workers, who are needed for the first year of operations of the projects will leave for New Guinea as soon as their "exit permits" are released by the Ministry of Labor and Employment. The development projects in New Guinea cover some 106,000 hectares of timberland located in Magarida, Papua, owned by the Magi-Wopten Development company, a Papuan firm and PRDC business partner. The PRDC will provide the funds and the technical manpower requirements of the joint venture which will also undertake large scale logging operations and massive production of plywood. Part of the development program is the construction of big agro-industrial enterprises. Meanwhile, Rivera is leaving today for Sabah to clinch negotiations for another huge construction deal with the Halim Construction company of Malaysia which calls for the development of about 200,000 raw land in Sabah into a modern community and the construction of about 40,000 low-cost housing units, a 22-storey-first class-200-room hotel in Kota Kinabalu. [Text] [Manila BULLETIN TODAY in English 24 May 82 p 13]

CSO: 4220/12

TERMS FOR LSSP-SLFP ALLIANCE GIVEN

Colombo THE ISLAND in English 13 May 82 p 2

[Article by I.S. Perera]

[Text]

Dr. Colvin R. de Silva leader of the LSSP said that his party had not yet decided to join hands with the Sri Lanka Freedom Party (S) to form a United Front to defeat the United National Party. Only his comrade Anil Moonesinghe had joined Mrs. Sirimavo Bandaranaike's Group. There was secret behind this.

He was addressing the LSSP Youth League representatives of the Kalutara District at Waskaduwa in the Kalutara electorate.

Dr. Silva before the 1977 general elections, a majority of LSSP MPs came from the Kalutara district.

If the SLFP was prepared not to nominate candidates to this district to contest with the LSSP he was ready to join hands with the Sri Lanka Freedom Party of Mrs. Bandaranaike to form a United Front to contest the 1983 election to defeat the UNP. Otherwise we cannot accede to Mr. Bandaranaike' request.

Dr. Silva, explaining the current political situation, stated that there were conflicts among politicians but the LSSP was not a party that will sell the workers to the reactionaries.

Dr. Silva added that the LSSP Youth Leagues must be prepared to accept the challenge of selecting LSSP candidates to control an election.

Many Youth League officials also addressed the meeting.

CSO: 4220/8

OPPOSITION PARTIES RESOLVE DIFFERENCES

Islamabad THE MUSLIM in English 12 May 82 p 5

[Article by Mallika Waniga Sundara]

[Text]

COLOMBO: The wheel has come full circle and the expected has happened. Former Prime Minister Sirimavo Bandaranaike and her "rebel" son, Anura, have reconciled, leading to the reunification of the Sri Lanka Freedom Party (SLFP), the country's largest opposition party.

Meanwhile, erstwhile political bedfellows, Maitripala Senanayake and Anura, have parted ways with the attendant recriminations. They are slinging mud at each other while their diehard supporters are smearing cowdung at each other's political posters.

Mr. Senanayake and Anura formed a breakaway SLFP faction last year over political differences with Mrs. Bandaranaike. The two factions were known as SLFP (M) after Maitripala and SLFP (S) after Mrs. Bandaranaike's first name, Sirimavo. The party was founded by her husband, the late Prime Minister SWRD Bandaranaike.

The SLFP (M) outdid itself in pyrotechnics at the concluding stages of the battle for unity. Mr. Senanayake suspended deputy Anura and nine other followers while the young Bandaranaike, in turn, suspended him from the post of party president.

But the cracks within the SLFP (M) were already visible when the newspapers reported that private talks were going on between the Bandaranaikes for party unity. Mr. Senanayake did not participate in these talks and later accused Anura of deliberately keeping him in the dark on the negotiations.

As the facts unfolded, Mr. Senanayake said: "If the mother likes to take back her son she could do so, but I would have none of it because I am not prepared to betray the party."

Another political complication arose when Mrs. Bandaranaike visited India, ostensibly on a pilgrimage which was widely covered by the Indian press. Some observers even interpreted the visit as an attempt by Mrs. Bandaranaike to seek the mediation of Prime Minister Indira Gandhi.

Then while the question was being asked whether Anura would ditch Mr. Senanayake, mother and son announced that the two factions were reuniting under the indisputable leadership of Mrs. Bandaranaike. Mr. Senanayake was thus presented with a *fait accompli*, causing one leading newspaper to publish the comment of a member of the ruling United National Party (UNP) that the Bandaranaikes "will bury the hatchet on Maitripala's head leaving the party like the tribe that lost its head."

The unity resolution was spearheaded by Anura at one of the stormiest meetings of SLFP (M). Angry words, vile abuse and flying missiles provided the backdrop as the resolution was approved by a 10-7 vote. Not surprisingly, Mr. Senanayake voted "No."

Policemen posted outside the SLFP (M) headquarters said that the noise inside was terrible. Surprise defections from the Senanayake camp to the Anura fold added to the excitement of the day. Anura then summoned the 500-strong All Island Working

Committee of the party at his ancestral home in Horagolla where the members unanimously ratified the resolution.

But the legal complexities are not quite over yet. Competent observers said that in taking over the SLFP leadership, Mrs. Bandaranaike will cause problems for the party. The former prime minister has been deprived of her civic rights following her conviction in court of abuses while the SLFP was in power.

The legality of the party during an election is at stake. The Government has enacted laws which debar her from canvassing, or taking any part in any electioneering activities. If it could be proved that she did so, the candidate runs the risk of being unseated after an election protest. With her as president, SLFP candidates thus run the risk of being disqualified en masse under the present Parliamentary Elections Act of 1981.

But Anura earlier announced that should his mother's presence as party president would create problems for SLFP, he would resign. It would follow then that Anura would become president.

In Parliament itself there is another problem which puts Mr. Senanayake again in a bad light. When the two factions split last year the SLFP (S) informed Parliament that four MPs Messrs. Senanayake, Anura, Nalim Ishak and R.P.Wijesiri have been expelled from the party.

Under the present law, when an MP is expelled from a party he runs the risk of being expelled from Parliament, too, though not automatically. If he does not seek redress in the Supreme Court a select committee of Parliament inquires into the circumstances under which the expulsion took place. The committee then recommends to Parliament whether the MP should be expelled or not. Right now a select committee is going through this exercise in the case of the four expelled MPs.

But now Anura has gone back to the SLFP (S); so Parliament will have to be duly informed. Mrs. Bandaranaike has consistently said that she cannot take back Mr. Senanayake and some others. Into this muddle must be thrown the problem of ownership of the party headquarters. It is now in the possession of Mr. Senanayake who has locked it up and requested police guards. Anura and Basil Rajapakse, former SLFP (M) general secretary, are, however, seeking court permission to enter the building from which they are debarred.

Meanwhile, President Jayewardene has declared 1982 an election year, which could mean the start of the campaign period prior to the May 1983 polls. But every once in a while, political gossip floats the possibility of a snap election sometime this year. There are also other predictions that a presidential election would be held towards the end of this year as a prelude to next year's polls. As to how true these are, is still anybody's guess.—*Depthnews Asia*

CSO: 4220/8

TULF OPPOSITION IDENTIFIED

Colombo THE ISLAND in English 17 May 82 p 2

[Text]

At a conference held by representatives of six political movements in the North, in a private house at Nelliady, unanimity was reached that the TULF should be opposed and exposed at the next General Elections for its 'volte-face' which amounts to a breach of trust of the Tamils.

But there was difference of opinion among the participants as to whether the Tamils should boycott the next Parliamentary elections. Those who participated in the discussions were representatives of the Tamil Eelam Liberation Front, Tamil Self-rule Party, Tamil Eelam Liberation Party, Jaffna University Student's Union, Tamil People's Democratic Front and the 'Truth will Triumph' Movement.

Those who contended that the Tamil people as a whole boycott the next hustings argued that since the Tamil Eelam has already been unilaterally declared in the United States, there is neither sense nor logic in Tamil representatives being elected to the Parliament in Kotte. Further, they add that such a boycott on a massive scale will demonstrate to the world the cause espoused by the Tamils.

But Mr. V. Navarahiam, former M.P. for Kayts and President of the Self-rule Party argued that we should make the optimum use of the Parliamentary forum to put acros the demands of the Tamils, so that the attention of the other countries may be drawn towards the Tamil.

Since no unanimity was reached on the question of boycott, it was decided to have further rounds of talk.

Dr. S. A. Dharmalingam, a former Mayor of Jaffna and Mr. K. Jeyakody, ex-M.P. for Udupiddy also participated.

CSO: 4220/8

LONG TERM CREDIT FROM BONN

Colombo THE ISLAND in English 7 May 82 p 2

[Text] Bonn--The Federal Republic of Germany's developmental aid to Sri Lanka this year will continue to give top priority to the expansion of food production and modernisation of the railway system on the island.

This has been agreed upon between the two countries at the three-day inter-governmental negotiations just concluded here.

Other main areas of co-operation will be hydro-electric power generation, promotion of basic school education in the hilly areas of Sri Lanka, technical and vocational training and meeting of other basic needs.

During the negotiations, the Bonn government announced that it give Sri Lanka DM. 37.5 million in long-term credit and technical assistance this year.

Mr. Ackiel Mohammed, Deputy Director of the Department of External Resources, Colombo, who led the Sri Lankan delegation, said in an interview that his delegation was quite satisfied with the outcome of the negotiations. He noted that the Federal Republic of Germany will continue its assistance in 1982 for increasing Sri Lanka's agricultural production through efforts to improve the supply of fertilizers.

At present, supply of fertilizers is severely hampered by disruptions in the railway network, caused mainly by defective railway bridges. Therefore, the Federal Republic of Germany and Sri Lanka have agreed to make the railway workshop of the state railways in Colombo more efficient with German assistance so that repair works could be carried out without any foreign assistance. The Federal Republic of Germany will also provide intensive training to the workshop personnel besides strengthening the management of the Sri Lankan railways with the assistance of a group of German advisers.

Last year, the Bonn government had earmarked DM. 7 million for the purchase of railway wagons for transporting fertilizer throughout the island. A fertilizer factory, financed by the German government, went on stream in January.

The Federal Republic of Germany also agreed to cooperate in efforts to remove effluence from one of the two paper mills set up on the island with its assistance some years ago and committed DM. 6 million for this purpose, Mr. Mohammed said.

Another new project to be taken up this year will be the promotion of basic school education of the Tamil population in the highlands of Sri Lanka. The project seeks to improve preliminary and higher education, equipment of schools with the minimum requirement of the classes and educating parents about the necessity of basic education for their children.

Mr. Mohammed said the Bonn government was satisfied with progress in the preparation for the Randenigala hydro-electric-cum-irrigation project which forms part of the giant Mahaweli scheme. The Federal Republic of Germany which is the only foreign participant in the Randenigala project had earmarked DM. 400 million for the project in 1979. Work on the project is scheduled to start in September.

The Federal Republic of Germany accepted a proposal by Sri Lanka to make a survey of the hydro-electric potential of the island and agreed to take it up in 1983.

The Sri Lankan delegation included Mr. C. R. Kurup, Chairman of the Fertilizer Corporation, Colombo, Mr. Veera Surya, General Manager of the Sri Lankan Railways, Colombo and Mr. A. G. Dharmawardena, Economic Counsellor at the Sri Lankan Embassy in Bonn.

The Bonn delegation was led by Dr. Willy Ehmann, head of the regional division for Asia in the Federal Ministry for Economic Cooperation in Bonn.— (INP)

CSO: 4220/8

CENSUS SHOWS MORE UNEMPLOYMENT

Colombo THE ISLAND in English 19 May 82 p 1

[Article by Ravindran Casinader]

[Text]

The absence of the unemployment statistics in the 10 per cent sample study of the 1981 Census released by the Department of Census and Statistics a few weeks ago has led to speculation among economists whether or not unemployment has increased.

'The Island' understands that the 10 per cent sample study of the Census has revealed that unemployment today stands at 22 per cent.

The Director of Census and Statistics Mr.W.A.A.S.Peiris, when contacted by 'The Island', said that the Department had not released the unemployment figures because of a distortion which appeared to have been created by the increase in the number of women in search of jobs, especially in the Middle East and Free Trade Zone, during the past few years.

Unemployment has been defined as 'those who wish to work and are capable of working, but have no jobs'.

Mr.Peiris said that unlike in the past, when women were content with unpaid household duties, more women today were looking out for employment, and therefore, might fall into the category of 'unemployed', thus, creating an impression that there were more persons unemployed in the country today.

The unemployment figures would be released after the entire tabulation of the Census was completed, he said.

CSO: 4220/8

STATISTICS MISLEADING ON ECONOMIC CONDITION

Colombo THE ISLAND in English 19 May 82 p 4

[Article by Chandrakanthi Dharmadasa]

[Text]

The increase in the Gross Domestic Product of a country is not considered a valid indication of the prosperity of the nation. This is so not only because the statistics tend to be erroneous, but also because the GDP could increase without offering a higher standard of living to the people.

However, the growth rates have to be taken as a measurement of economic development for want of a better and regular way of assessing economic development.

The information regarding the GNP and Per Capita income as it is given in the Central Bank report is disappointing. The Gross Domestic Product retained the same growth level of 5.8 per cent, the rate achieved in 1980 but the growth rate of the Gross National Product and Per Capita income proved to be a continuation of a downward trend.

The impressive high growth rate of 8.8 per cent in 1978 showed a gradual decline in the following years, with the GNP growth rate declining to 6.4 per cent in 1979, 5.6 in 1980 and 4.2 in 1981.

The corresponding decline in the growth of per capita income was 2.4 per cent in 1981 from 6.8 per cent in 1978. The decline in the GNP, while the GDP remained at the same level was the result of a larger outflow.

Income in the form of interests, profits and dividends in 1981, according to the Central Bank Annual Report.

The growth oriented policies introduced during the last few years added to the growth of the total income, but a large slice of this has been filtered out of the country.

It remains to be seen, whether this trend will change in the future, in a way possible to retain a better part of the income within the country or the large scale foreign investment and expertise in the country would continue to enhance the outflow.

Even a high level of national income and per capita income could be a mere pleasing game of statistics. The income level of a country could increase without incurring benefits to all sections of the society. The income which is divided by the population may be the income concentrated in the hands of a few, while the living conditions of the majority have deteriorated. Therefore the true prosperity of the people could be ascertained only by an exercise such as a socio-economic survey.

Taking a glance at the major growth areas in 1981, some sectors such as construction, trade and banking which were in the forefront soon after liberalisation, took a backward step in 1981. The construction sector which benefited most recorded a growth rate of 28.3 per cent in 1978 which was the highest growth rate for any sector. This declined gradually to 20.9 per cent in 1979 and 11.0 per cent in 1980, and finally a negative growth of 3 per cent was recorded last year. The Central Bank report has attributed this decline to restricted credit and pruning of governement expenditure in 1981.

The emphasis has been on the development of the agriculture sector, as Sri Lanka is mainly an agricultural country. Growth directed towards this end proved fruitful in 1981, with the agricultural sector taking the lead last year.

It contributed a 35.5 per cent to the GDP which was a considerable proportion compared with only 10.6 per cent contribution in 1980. The increased activity of the manufacturing sector was based on the processing of export crops.

This reveals the importance of the improvement of the export plantation sector, as it could enhance the activity of the industrial sector in a country such as Sri Lanka, where the plantations could be the base.

The old problem of deteriorating terms of trde is still a major problem for Sri Lanka. The terms of trade according to 1978 standards has come down to 46 in 1981 from 58 in 1980. This is based on the calculations of 1978 after making adjustments for the difference in the exchange rate.

The declining prices of our exports, in the face of increasing cost of imports resulted in a loss of Rs. 1406 million in 1981.

The problem of deteriorating terms of trade brings into focus certain problems in the domestic front.

Low prices fetched by the exports are likely to discourage the exporters, and therefore adjustments have to be made in the export duty structure to retain the enthusiasm of the exporters by way of making provision to obtain a reasonable price for their export products.

This necessitates reduced export duties or in the alternative a further depreciation of the rupee value, both which could force other problems. Export duty is a major income source of the government, while a depreciation of the rupee value though an encouragement to the producer create many other problems.

Another noteworthy feature of the economy in 1981 was the increase in domestic savings. The gross domestic savings, as well as savings as a ratio of the GDP increased last year. Though the ratio of savings as a percentage of the GDP, is below the impressive level of 18.4 per cent reached in 1977, there was an increase in 1981, to 12.3 per cent from its 11.2 per cent in 1980. The total domestic savings increased from Rs. 7.4 million in 1980 to Rs. 10.5 billion in 1981.

The unfortunate side of the savings is that the savings are not transferred as investment as the theory goes. There is a large gap between savings and investment, and this part is generally spent on import of goods and services. Which are basically for consumption.

A considerable amount of our savings are remittances from Sri Lankans abroad and this part is the most vulnerable towards consumer imports. The result is a heavy reliance on foreign finances to finance the investment programme, in the absence of adequate domestic savings which could be mobilised for investment.

The massive budget deficit of Rs. 21 billion, as a percentage of the GDP showed a decline. The budget deficit of Rs. 14 billion in 1980 was a 24 per cent of the GDP, while the deficit of 1981 was only 17 per cent of the GDP. The income increased by 15 per cent while the expenditure increased by 3 per cent. The reliance on the bank financing also reduced from 11 per cent of the GDP in 1980 to 5 per cent of the GDP in 1981.

However, as there was no increase in the government savings to finance the capital expenditure the current account deficit increased in 1981. The massive investment programme which has to be financed in return has increased the budgetary gap.

In this situation although the reliance on the banking system has been reduced, dependence on foreign assistance has been further increased.

The assistance from non-banking and rebanking sources abroad which carry high international interest rates have posed the problem of increasing heavy debt service ratios.

Another area worthy of special attention is the tax system, the low income received through this source, owing to the poor enforcement of tax laws or to a large number of concessions granted, has forced the governement to make a number of changes, preventing the enforcement of a stable tax system with reasonable tax. The end result of all this has been more indirect tax which adds to the cost of living.

CSO: 4220/8

EXTERNAL ASSETS RISE

Colombo THE ISLAND in English 17 May 82 p 4

[Text]

The Gross External Assets of Sri Lanka showed an improvemnt in 1981 but the net external assests showed a decline of Rs. 406 million.

The increase in the external assets last year was 42 per cent while the external resource gap widened by 46 per cent.

Foreign earnings in 1981 amounted to Rs. 30,658 million and the foreign payments shot up to Rs 56,611 million.

According to Central Bank statistics the external resource gap was mainly financed by capital flows. The capital inflows included foreign borrowings and direct foreign investments. Among the recent changes in the capital inflow pattern the most significant was the growth of commercial credit since 1980. The government departments, public corporations and private sector enterprises relied on cmmmercial loans to finance their imports. The major importers in this category who resorted to commercial borrowings were Air Lanka, Cement Corporation and Shipping Corporation. The commercial loans carry high interest rates.

The total external debt at the end of 1981 was Rs. 34,824.1 million compared with Rs. 25,821.1 million in 1980. The Debt Service Ratio as a percentage of exports which showed a favourable decline from its high percentage of 16.0 in 1977, recorded an increase in 1981. It was 12.4 per cent in 1980 and 13.4 per cent in 1981.

The growth of exports in 1981 was encouraging, as it was much faster than the growth of imports but the export growth was not sufficient to finance the import bill. Despite a remarkable 10 per cent lowering of the trade deficit, the total deficit was Rs. 14,666 million. The loss occured to the country as a result of deteriorating terms of trade was Rs. 1,406 million.

CSO: 4220/8

LACK OF SECURITY AT POWER INSTALLATIONS

Colombo THE ISLAND in English 10 May 82 p 1

[Article by Ranjan Joseph]

[Text]

Bureaucratic lethargy has delayed the implementation of vital security measures at Kelanitissa and the other seven hydro-power stations and the grid sub-stations. These measures had been recommended to the Ceylon Electricity Board by President J.R.Jayewardene as Minister of Power and Energy as far back as November last year.

The President had instructed that barbed wire fences around power stations and grid sub-stations must be replaced by high walls and well-sited watch-towers. Except for ad hoc designs being occasionally submitted to the Ministry of Power and Energy when progress reports are called for, no civil construction has yet got off the ground, a senior official of the Ministry told 'The Island'.

While the bureaucracy crawls on the job, an estimated Rs.10,000 million worth of electrical installations lies wide open to attack by potential saboteurs.

The 'Sunday Island' of April 25, reported that 3 unknown youths had been arrested on the premises of the Kelanitissa Power Station in the early hours of the morning with arrack-stopper hand-bombs. Even the Grandpass Police, who made the arrests had been shocked at the lack of security at this nerve-centre of electricity generation.

The country's entire thermal electricity needs and more than one-third of the hydro-electricity requirements are met by the Kelanitissa Power Station.

Further investigations by 'The Island' last week revealed that shanties occupying the valley between the barbed-wire fence of this power station and the main road still pose a security threat. These dwellings are so close to the barbed-wire fence that one needs only a plier to 'cut his way' into the power station.

Another measure suggested by the President was that all workers at power stations and grid sub-stations throughout the country must carry identity cards. According to the Ministry of Power and Energy, this requirement is not strictly enforced today.

The General Manager of the Ceylon Electricity Board when asked what additional steps were taken at Kelanitissa after the detection of hand-bomb carrying youths, said that although security had been strengthened, it had limitations. He said that there were workers' quarters on the premises and security men could not refuse entry to anyone who claimed to be a relative of these workers.

A senior official of the Ministry of Power and Energy, however, held a different view.. He said that living quarters could be cordoned off with a separate entry-gate because there were no quarters between the thermal and steam turbines. According to the Ministry official 'there should be no loop-holes in security enforcement at as vital a place as a power station. In fact, it would be a good thing if the C.E.B.strictly enforced the rule that power stations and grid sub-stations are completely 'out-of-bounds' for civilians, as in other countries. Only personnel with identity cards on them must be permitted entry and nobody should be allowed 'to see friends on the power station complex as a security precaution', this official suggested.

He urged that the Government would have to speed up its bureaucratic machinery or else the exposure of electrical plants to potential saboteurs is an ever increasing possibility.

CSO: 4220/8

BETTER TREATMENT FOR PLANTATION WORKERS

Colombo THE ISLAND in English 17 May 82 p 2

[Text]

The economy of the country depended on the foreign rule and also after Sri Lanka became a free nation. Yet the plantation community was a neglected lot. They had been under-going great hardships without proper housing, clothing, medical and educational facilities and above all they had also lost their political rights and remain a "stateless community".

Mr. T. Aiyadurai, President of the National Workers Union said so addressing a large crowd at the Nuwara Eliya Maskeliya electorate May Day celebrations held at Maskeliya Public Play Grounds organised by National Workers Union up-country region. Was this the kindness the government was showing the poor labourers for shedding their sweat and blood to improve the country, he asked.

He said someone who called himself the representative of the 10 lakhs of Tamils of Indian origin in the up-country plantations was privileged to be in the Cabinet, yet, be remained silent when the question of wage increment for the plantations workers came up. But he want all out to increase the salary of all employees in the National Milk Board, under his Ministry by nearly 40 percent amounting to Rs. 177 And the poor estate workers were given a rise of Rs. 2 only. When he was questioned about the wage increases the reply he gave was that the Labour Minister had to be approached for discussions.

Mr. Aiyadurai said unless the workers were satisfied, paid a fair wage and looked after the democratic progress of the nation would face setbacks and the development projects would be retarded. This Union demanded a monthly salary for the plantation workers-but the government felt that estates would run at a loss if that was granted.

If the estates were well managed the plantation sector would bring in bigger profits as it did before the estate take-over period.

The estates were now running at a loss, because the superintendents and their stooges were not interested in managing the estates at a profit. They were only interested in making a profit for themselves. All the planters were engaged in robbing the estates. Many superintendents did not even know the boundaries of their plantation nor had they visited the fields which was one of the fundamental duties of a planter. Estate labour was engaged in their private poultry and dairy farms.

As long as the workers were exploited no government could forge ahead in the process of nation building, he said.

The General Secretary of the N.W.U. Mr. P. V. Kandiah and the Treasurer, Mr. P. Perumal also spoke.

CSO: 4220/8

U.S. EFFORTS ON 'YELLOW RAIN' SAID TO BE MADE FOR OWN INTERESTS

Bangkok KHAO CHATURAT in Thai 17 May 82 pp 31, 32

[Article: "Yellow Rain -- News Released For the Benefits"]

[Excerpts] Yellow rain -- rumors that have spread around the world. Where do they come from? Things are close to us.

Only a few months after the American forces left Vietnam, large numbers of Hmongs from Laos flocked into Thailand. During the Indochina war, a number of the Hmongs had served as main forces under the direction of the CIA in Laos. When they reached Thailand, they told Thai officials and international organizations that Vietnam had sent aircraft to drop chemicals in the areas where they were living. The purpose of this charge was to attack the Lao, Kampuchean and Afganistan forces that have received support from the Soviet Union. Experts on poisonous substances have been sent to Thailand in order to check [the validity] of these reports. Besides this, they have provided Thai officials with information concerning the chemical weapons that Vietnam is using. There have continually been verbal reports that "hundreds of thousands of people have been killed by these poisonous substances. But Dr Thompson has stated that there is as yet no clear scientific evidence concerning this.

These stories concerning the use of poisonous substances to kill Hmongs come mostly from the Ban Winai refugee camp. It is well known that this camp is under the control of Hmongs who once served as soldiers for the CIA. And these people are probably still in close contact with the U.S. embassy in Bangkok. The data provided by the Hmong refugees have resulted in the entire world viewing Vietnam as if it were a fiend. This greatly benefits the Hmongs and the Khmer Rouge. In particular, this has completely covered up people's thoughts about the past barbaric actions of the Pol Pot group.

However, many scientists still doubt the charge by U.S. officials that chemical weapons using microtoxins, or "yellow rain," are being used in the war and that many people in Laos and Kampuchea have been killed by these weapons. One report says that a sample of an item believed to have been contaminated by yellow rain was sent to the United States and that the laboratory there found microtoxins in the sample, the level being 150 parts per 1 million. But tests conducted by a group of researchers at the University of Maryland

found that, normally, various items will contain chemical substances at a level of 200-300 parts per 1 million. They ran these tests using plants and leaves from Brazil. Thus, there is little doubt that U.S. intelligence officials, with the cooperation of the Hmongs, who were formaerly soldiers "for freedom," will now try to find the "smoking gun," which they could use as an excuse to build new factories to produce chemical weapons or to exert pressure on Vietnam. This would also be a bargaining point with the Soviet Union in future nuclear arms reduction talks.

11943
CSO: 4207/96

MERCHANTS PROTEST TRADE BARS WITH SRV, PRK

Bangkok SIAM RAT in Thai 17 Apr 82 pp 1, 12

[Article: "Thai Merchants Experience Problems In Trading With Socialist Countries"]

[Text] The director-general of the Foreign Trade Department has expressed sympathy for the merchants concerning the matter of "trade with socialist countries." But they are experiencing problems concerning the "security policy." The Ministry of Commerce is being pressured and Thai merchants are raising a hue and cry. This is why foreign countries are making profits indirectly.

A report summarizing the trade problems with some socialist countries, particularly the three Indochinese countries, has been issued. Several groups of major Thai merchants are unhappy over the fact that the government is trying to implement trade barrier measures, especially [measures to block] the export of goods to Kampuchea and Vietnam. The government is citing "national security" policies to forbid the export of certain types of goods that the Security Council and the Ministry of Commerce have designated as war materials. But foreign merchants in Asean are carrying on trade by purchasing goods from Thailand and sending them directly to Vietnam and Kampuchea, and the Thai government cannot control this.

Concerning this, Mr Prachon Isarasena, the director-general of the Foreign Trade Department, Ministry of Commerce, told SIAM RAT that, in fact, the government, through the Ministry of Commerce, has not implemented any measures aimed at directly blocking trade with the socialist countries in Indochina. Just the opposite is true. It has tried to promote trade with countries such as Laos with a policy of having political relations. But concerning the trade problem involving certain types of goods, a problem that certain groups of merchants are unhappy about, this stems from the that the national security policies are fundamental and, in addition, the government has a policy of controlling trade in certain types of goods. The Ministry of Commerce once issued a regulation to control the possession, import and export of these types of goods, such as chemicals, oil, sugar and rice. Some of these goods are considered to be war materials or elements of war materials and they are necessary to the nation's economy.

The director-general of the Department of Foreign Trade also stated that the policies of the Thai government, especially the present government, are not intended to obstruct the trading activities of private businessmen and that merchants will be allowed to engage in trade freely, even with socialist countries. "But concerning certain countries, our security groups have a policy of taking special precautions. We would allow trade to be carried on freely with the socialist countries but because of security reasons, we have to see what the intentions of these countries are toward Thailand," stated Mr Phachon. He also said that "actually, concerning this, we sympathize with the merchants too.But for those who understand this, there is no problem. They accept this."

Furthermore, a high-level policy official in the Ministry of Commerce explained matters to SIAM RAT concerning the problem of trading with the socialist countries in Indochina, a problem that stems from the fact that certain merchants are presently making appeals through the mass media and through the people concerned. This official said that problems are being encountered because of having to use security policies in the export of [certain] goods. Thai officials are strict about the export of these goods because of the belief that they are goods that affect national security. But at the same time, merchants from other countries in Asean are purchasing these types of goods from Thailand and secretely sending them to Vietnam and Kampuchea. This is something that the ministry is very unhappy about. "But concerning this, it is difficult for us to explain matters because this concerns policies of the security sector, which has stated that this is a matter of security. There are certainly reasons that take precedence over principles. But who can see this problem," said the news source who explained things concerning this.

11943
CSO: 4207/96

LAYOFFS, UNEMPLOYMENT PROJECTIONS DISCUSSED

Bangkok BANGKOK POST in English 11 May 82 p 8

[Article by Niphat Taptagaporn]

[Text]

POLITICAL courage and economic sacrifices are needed by the Government to help many jobless Thais get work, Director of the Human Resources Institute Dr Chira Hongladarom said yesterday.

The present unemployment situation in Thailand looks grim and the problem which will become critically more acute in the long run will require austere government measures to reduce the increasing rate of unemployed Thais, according to him.

Within five years, the number of unemployed will have increased many-fold because of the persistent recession in world economy which has serious consequences on Thailand's economy on the demand side of employment and the predicted high number of about 700,000 per year of new entrants to the labour force on the supply side.

Although Labour Department statistics indicate that as of last year there were about 260,000 unemployed Thais representing only one per cent of the total labour force of more than 22 million, Dr Chira is certain that these figures are unrealistic.

CATEGORIES

Describing the present unemployment situation in Thailand, Dr Chira, also assistant professor of Thammasat University's Faculty of Economics, explained that unemployment can be divided into three categories: open unemployment, underemployment and seasonal employment.

Open unemployment concerns those who are jobless, which according to the 1981 statistics, total 260,000 persons throughout the country. Despite his belief that this figure is grossly underestimated, he thinks that the present situation of this category of unemployment is not yet a cause for alarm. Nevertheless, Dr Chira expressed concern over the recent trend of massive lay-offs of workers and a drop in labour demand which he thinks will attribute to a much higher figure of open unemployment in the next few years.

Economic slack and the demand for a higher minimum wage are blamed for last year's 25,000 (a conservative estimate) workers being laid-off, the first four months of this year's more than 8,000 laid-off and the 1981 drop in labour demand by 44 per cent compared to the figure in 1980.

He said: "I don't think that last year's figure of 25,000 laid-off workers is realistic enough. I am inclined to think that more than 50,000 workers were laid off last year.

CABINET

Dr Chira, whose specialisation is in ways to utilise Thailand's human resources, has called on the Government to pay

greater attention on averting the present situation of unemployment. In a fortnight's time, he will propose his measures, though short term solutions they may be, to the Cabinet for consideration.

"I've been requested by Dr Snoh Unakul (the Secretary General of National Economic and Social Development Board) to submit a report on the 'unemployment situation in Thailand.' He will present it to the economic ministers. My proposed measures are short term solutions to the unemployment problem because I believe that there are no long term solutions at the moment," he said.

On the more serious angle of unemployment, there are about six million underemployed workers who work less than 35 hours a week and earn income less than the prescribed minimum wage, and about three to four million people engaged in seasonal employment, usually in the agricultural sector, working only six months per year, according to him.

Because Thai economy has a concentration in agricultural activities, Dr Chira pointed out that full utilisation of its human resources is vital to the economy.

But the present state of the rural economy is deteriorating to such an extent that the purchasing power of the farmers has been reduced and the farming activites and investment in farming have been retarded. Thus, according to him, demand for wage labourers declines at the expense of family labourers and this is why there has been a mass of rural workers migrating to the city in search of jobs which in turn, puts more pressure and burden on the urban areas.

ECONOMY

"Traditionally, our agricultural sector has been absorbing our employment very well but this year in particular this absorptive ability will not work so well. The declining trend of the world economy has persisted longer than anticipated and is hurting the Thai economy because the demand for our agricultural products has dropped substantially.

"A drop in agricultural prices also leads to a substantial drop in farmers' incomes and thus to a decline in their purchasing power. The point is that if workers cannot be absorbed in the agricultural sector, they have no choice but to try to find employment in urban areas, adding more pressure to the unemployment problem in Thailand," he said ruefully.

The outspoken assistant professor emphasised the importance of immediate attention from the Government to avert these problems of unemployment and said that the unemployment situation in Thailand is becoming a "hot issue."

"I fully realise the dilemma facing our Government because it lacks adequate budget to tackle this problem, but the Government must have political courage and must make some economic sacrifices. I'm of the opinion that if in order to ease the unemployment situation the Government must encounter a budget deficit, so be it," Dr Chira stated.

MEASURES

In his proposed measures, he calls on the Government to seek ways and means to increase the export of agricultural goods — specifically by ways of finding new markets as well as relaxing restrictions on exports.

The Government should relax the border trade restriction with Indochina. He said that Thailand is losing about 500 million baht per year for its trade ban with Indochina.

The Government should employ fiscal measures to promote employment by way of tax incentives in industries and firms and in order to prevent massive lay-offs, Dr Chira proposed that under the present economic condition labour leaders should not demand unreasonably higher wages from employers.

Workers should be encouraged to work abroad especially in the Middle East, he said. This measure does not only help alleviate the unemployment problem but also brings more foreign exchange into the country. For example, there are at present about 160,000 Thais working in the Middle East, remitting about 10,000 million baht to Thailand each year.

Dr Chira also proposes that Tambon projects should be continued and that the money must go to the most needed rural areas.

CSO: 4220/11

SAIYUT: MROU BOATS SHOOT FIRST IN DISPUTES WITH LPDR

Bangkok PHYA KHRUT in Thai 1 May 82 pp 1, 16

[Article: "Thai Mekong River Operations Unit Boat Sunk. The Unit Is Again Charged With Firing First. Second Army Area Unhappy"]

[Text] Concerning the matter of Laos firing on a MROU boat, the RAT CINC said that a meeting had been held to discuss the matter and that local responsibility had been stressed. The Second Army Area must cooperate with the navy to prevent this from happening again. Laos always reports that it was Thailand that fired first. We must, therefore, carry out things in strict accord with the policies.

General Saiyut Koetphon, the supreme commander, responded to reporters questions concerning yesterday's meeting of the Defense Council, which met to discuss the case of Laos firing on MROU boats. He said that, at the meeting, the navy explained what had happened concerning the MROU boat being fired on. At the conference, an attempt was made to stress local responsibility. To solve this problem, the Second Army Area will cooperate with the navy in order to prevent this from happening again.

In his statement to reporters at Supreme Command Headquarters this morning, General Saiyut said that it is his understanding that a local-level committee discussed and solved the problem in the first stage. As for the various decisions that must be made, the National Security Council will meet and stipulate things once again.

He was asked if it is true that each time this happens Laos reports that it was Thailand that fired first. The supreme commander said that this is what happens every time. Thus, we must have our officials follow the policies strictly. And Laos must act in accord with the policies to which they agreed so that things are fair for both sides.

The reporters asked whether the high-level Thai-Lao border committee would discuss things in order to solve the problem. The supreme commander said that this had been agreed on in principle and that there would have to be discussions. However, we will first have to wait and see what the results of the local-level discussions are before discussing the matter at a high echelon. This will probably take time.

In response to the question of whether closing the Thai-Lao border had been discussed at yesterday's Defense Council meeting, the supreme commander said that this was a matter for the National Security Council to discuss. As for whether Thailand will ask for any compensation for the damage, it is understood that, at present, the Ministry of Foreign Affairs has started to take action on this.

11943
CSO: 4207/96

HARDSHIP FORCES VILLAGERS TO FARM IN CPT ZONES

Bangkok PHYA KHRUT in Thai 16 Apr 82 pp 1, 2

[Article: "Thai Farmers Have Been Found to Be Working With the Communist Terrorists, Each Side Receiving a Half"]

[Text] An MP from Phitsanulok has said that, at present, farmers in areas bordering communist terrorist zones who have produced salt for a living for more than 100 years are just waiting to die because they have nothing to eat. They cannot sell their salt. They want to change occupations but there is no land to cultivate crops. Some people have had to go into the mountains to farm and divide [the yields] with the communist terrorists. This is very dangerous for the nation. The villagers have complained that the state is more interested in the refugee hill tribes than it is in the people of the country.

Mr Prathuong Sichanpricha, an MP from Phitsanulok and a member of the National Democracy Party, was interviewed by reporters on the morning of 15 April. He said that during a visit with the people of Ban Bo Po in Nakhon Thai District, Phitsanulok Province, which is a village where the people make a living by producing salt, an occupation that people here have engaged in for more than 100 years, and which is a communist terrorist zone, he was informed by the villagers that, at present, the people in this village cannot sell their salt. The MP from Phitsanulok also said that he knows that, prior to this, the villagers used to sell their salt to Laos for a good price. Later on after communications routes were improved, sea salt was sold here instead, and the people living here greatly preferred the sea salt since the price was much lower. At present, the villagers cannot sell their [local] salt even though they are selling it for 2 baht per kilogram.

Mr Prathuong also said that he met with the commander of the 314th Cavalry Battalion to discuss how to provide help. He was informed that, at present, some villagers have stopped producing salt and have gone to cultivate crops instead. But they cannot grow crops in this area and so some villagers have gone into the mountains to grow crops. There, they give half their yield to the communist terrorists. This is a very worrisome matter because the villagers may become enemies of the government officials and this will increase the strength of the communist terrorists.

Mr Prathuong stated that, concerning this problem, he has sent a note requesting help to the prime minister. It is expected that, initially, cheap rice will be sent to keep the villagers from starving. As for promoting occupations for these people, this will probably take time since the land here is not suitable for growing crops. And it is not possible to promote animal husbandry since livestock feed is very expensive. The MP from Phitsanulok said in conclusion that some villagers have criticized the government over its treatment of the various hill tribes that have migrated here to make a living, saying that the government has received them warmly and given them much help while the villagers have received very little attention.

11943
CSO: 4207/96

MEKONG BASIN DEVELOPMENT PROJECT DISCUSSED

Bangkok BANGKOK POST in English 9 May 82 p 6

[Interview with Bernt Bernander, executive agent for the Interim Committee for Coordination of Investigations of Lower Mekong basin, by Theh Chonghadikij, date and place not given]

[Text]

THEH: At one time there was a rumour that the Mekong project was on the verge of collapse. Is this true?

Bernander: I see little possibility of a collapse of this enterprise. As you know, an interim committee was formed in 1977. I think the intent of the countries in forming the interim committee was to ensure that the work on the Mekong did not stop. This will presumably be the position until we have a solution to the political difficulties in the region.

Theh: Are you referring to the financial problems or political solution? Are you getting more support now?

Bernander: We continue to get good financial support from donor countries and international agencies. You can single out the year 1981, when there was an additional US$47 million allocated to our programme. This is twice the annual average amount we have been getting over the past 20 years.

Theh: Is this what you call a budget allocation?

Bernander: Not really. We talk in the Mekong Committee in terms of funds allocated for research, and project implementation and construction. We total up year by year what money is committed for the programme by donors as well as the participating governments. This is not a budget set up by the committee. Strictly speaking, the budget of the committee is only the budget of the Secretariat.

Theh: Are the countries which in the past were committed to the Mekong development still interested in this project? Are the different governments interested in these projects?

Bernander: The amount of funds which have gone into our projects has fluctuated widely throughout the committee's extistence. Certainly, some countries have contributed more at one time or another. For example the United States which was earlier a lage contributor has not been contributing to our projects since 1975. This is as a result of an act in the Congress which prohibits aid directly or indirectly, to projects in some of the countries in Southeast Asia.

Theh: At one time people have seen the cooperation on development of the resources of the Mekong project to be the only possible focus to bring about a solution to the political problems that you mentioned. Or to bring us together despite the political problems. What are your views?

Bernander: It is important to understand what the Mekong Committee Project is actually about. The project is to create institutionalised cooperation between countries of the lower Mekong Basin, a forum for mutual consultation, and for planning jointly the use of resources. In that sense, the Mekong project will not come to an

end. It will be a permanent feature involving economic cooperation in this region. Many international river organisations have been created during the past 30 years. It is in recognition of the fact that international rivers and lake basins pose special problems for development. Several countries are owners of the same resource, and to develop that resource they have to consult with each other. In a number of these river basins, development has lagged behind for the simple reason that the ownership is shared. To the extent that this consultation is active and leads to development, it is obvious that it also has its political implications and will tend to mitigate the differences that exist. The Mekong project in fact consists of a whole series of separate projects covering the tributaries and the mainstream. The mandate of the committee is to coordinate investigations, to undertake project preparation and feasibility studies, etc.

The implementation of projects is really up to the governments themselves but the committee does get into implementation as well because sometimes it suits both donors and recipients to have the committee play a certain role. For instance, we sometimes operate as a executing agency and provide the external inputs for the projects on behalf of the donors. Or we are given a reporting responsibility, a supervising responsibility in realation to that particular project. The Mekong Committee is a very flexible instrument in that it can be used by both donors and recipients in many ways. Our primary vocation is however to undertake studies and plan the use of resources.

Theh: Are all members of the Committee meeting regularly?

Bernander: Members of our committee meet three times a year. The chairmanship and the location is on a rotation basis. At one of these meetings we invite all the cooperating countres and agencies to this annual meeting. The other two meetings are internal working meetings.

Theh: Which of the countries are represented?

Bernander: In the Interim Committee, all the countries of the lower Mekong Basin are represented except Kampuchea. The rule of the committee is moreover that it should be unanimous. If one member is not represented then there is no quorum.

Theh: Are you carrying on with the smaller projects?

Bernander: Yes. We have 102 separate activities which are grouped in six sectors, all dealing with the use of water resources which are subidivided into about 25 sub-programmes. Some are regional progrmmes while others are more nationally oriented. It is sometimes a difficult distinction to make, to determine what is regional and what is primarily a national effort. Of course some projects are located in one country but in one way or another they tend to affect the region as a whole.

Tributary development is our focus in Thailand like the Hwai Mong, which is under implementation. For the Mum and the Chi, we have just completed a feasibility study for a major irrigation project which is estimated to cost some 2,400 million baht, and as a large tributary this affects the Mekong Basin as whole. We have also completed a feasibility study of the Nam Suai project, a typical flood control and irrigation project.

These tributaries are perennially flooded from the Mekong River into their own basins, so generally these projects require the establishment of a regulator at the river mouth to prevent floods from the Mekong entering the basin and to enable irrigation.

We have further constructed a pilot fish farm near Kalasin, with the Dutch providing the funding.

Theh: What about the Pa Mong Dam project?

Bernander: We have just completed the draft report on the financing and the organisation needed for the implementation of this huge multi-purpose project. This report goes into how ownership would be divided, how it would be managed, and financed. But in

order to proceed further there is also need for a treaty between countries concerned, in this case Laos and Thailand. This study also goes into the elevation of the dam which has not been finally decided. It is estimated to cost between $2½ billion to $4 billion. This project would be able to pay for itself in 10 years after start-up, but it would take 13 years to complete.

The prime benefits of this scheme for the various countries are complementary. For Thailand, it would be energy. For Laos it would be the income brought on from the sale of power. In the Delta, the fact that you would have a guaranteed low flow will have a major impact on agricultural development. Because of the fact that you can never tell exactly in the delta how low the flows will be, you cannot say how far the salt water from the sea will flow inland. If you have a stabilised low flow, then you know how far inland the salinity will occur. This minimises the risk for crop damage, and you can safely irrigate certain areas.

The lower the elevation of the dam the lesser resettlement you would have and you can exclude inundation of the Mong Valley, the Loei Valley as well as the Lik Valley in Laos. This would reduce the resettlement requirement by about three quarters.

Theh: Do you find that at the meetings, Vietnam is participating in a cooperative manner?

Bernander: Certainly. We of course only discuss technical matters at these meetings. A reference to Kampuchea is usually made in the opening statement but it does not crop up during the discussion itself.

Vietnam is represented by their Vice Minister of the Water Resources. The member for Laos is a former minister of Transport and Public Works, and is the current chairman of the Interim Committee. Thailand is represented by the Secretary-General of the National Energy Administration.

Without the political problems we would of course be able to make more headway. We could tackle with greater purpose the mainstream projects. In 1970 we produced an indicative plan for the basin which is due for revision now. It is however difficult to revise this plan without the involvement of the Kampucheans.

Theh: How long has the Mekong Project been in existence? I remember Dr. Hart Schaaf was one of the first to be here, in your position.

Bernander: The Mekong project was started in 1957.

Theh: How long have you been with this project?

Bernander: I came to Thailand in July, 1980.

Theh: Do you think there has been much progress made since you took up office?

Bernander: Certainly. I would like to say that I do see continued progress and good cooperation. The interests of the member states are not really competitive or conflicting in the way they can make use of these resources. Therefore, I think it has very good prospects.

On a more general note, I would like to say also that during the past 30 years we have witnessed the population issue, the environment issue, the energy issue and so forth.

In the 21st Century, people are more and more talking about the water crisis. Even in Thailand, which has abundant rainfall, there are long term trends which point to future water shortages. We know about the supply problems for the Bangkok metropolitan area. So you can see that even with plenty of rain water there can be water shortages.

Then there are the semi-arid areas of the world where the water situation is already quite acute. These trends make it very important for countries sharing a river resource of this kind to really get into agreement on how it should be managed to the best effect for all the member states.

It is not always realised that about 40 per cent of the world's population live in international river and lake basins. This is a very complex issue. We had a meeting of international river and lake organisations a year ago in Senegal sponsored by the United Nations. Over 26 organisations were represented most of them of recent creations. There is no international law regarding the use of international river basins. A lot of work has been done to try to codify all the legal principles involved in treaties and international agreements about how to use international rivers effectively. The International Law Commission of the United Nations is working on this. After seven years of work they have only adopted provisionally five articles. This goes to show how long it takes. Like the Law of the Sea, it is very complicated.

The commission has even had difficulty in defining what is an "international water course system." The earlier definition that has been used has been the concept of the drainage basins. But this does not deal with items related to underground water movement or atmospheric humidity, and that is where even legal people get stuck.

CSO: 4220/11

CONSTRUCTION WORKERS UNDERPAID, UNORGANIZED

Bangkok THE NATION REVIEW in English 10 May 82 p 6

[Text]

A JOINT survey by the Social Research Institute of Chulalongkorn University and Baan Thantawan shows that as many as 43 per cent of construction workers in Bangkok have been receiving less than the minimum wage of 61 baht a day.

But the number of the women workers given less than 61 baht a day was recorded at 82 per cent during the survey conducted shortly after the minimum wage enforced in October last year.

The findings, made public during a seminar at Chulalongkorn University over the weekend, attributed the low wage to the lack of bargaining power on the part of the workers who are mostly unskilled labourers.

Because of their frequent changes of the site of their work, the construction workers have no chance to form a union or even a group to struggle for their right, it said.

The Social Research Institute, Baan Thantawan and the Union for Civil Liberty spent six months between October 1981 and March 1982 in conducting the survey among 500 workers in eight sample areas.

The survey shows that there are more than 100,000 workers related to construction work in Bangkok and their number is on the rise.

It points out that 30 per cent of the workers, mostly migrants from rural areas, were living from hand to mouth and were also in debt.

But 69 per cent who can make ends meet cannot afford to save up any money.

Despite the fact that most of the workers are often exposed to dangers because of the nature of their work, as many as 75 per cent of them did not have any safety equipment.

At least 38 per cent of them claimed to have had accidents while working but 24 per cent were denied medical treatment and compensation.

While almost every worker and his or her family had to put up with deplorable living condition, 94 per cent of them had to pay for their own medical bills.

The survey shows that because of the time and financial pressure, 19 per cent of the workers worked without a holiday throughout the month while 39 per cent had only one day off a week.

The workers hardly had any entertainment because of financial restrictions and the need to rest after their tiring work.

According to the survey, women makes up 28 per cent of the work force in the construction industry but 80 per cent of them are unskilled labour.

Only a few companies were willing to allow women to take leave with pay during their pregnancy. There were cases in which women workers had to resume working only a few days after giving birth to a child, the survey said.

Natural disasters and bankruptcy were the main factors that drove farmers into the cities to search for manual jobs. Most of the construction workers were from the Central Plains where farming was not productive or after they went bankrupt.

On education, 56 per cent of the workers completed primary schooling (Pathom Four), it said.

CSO: 4220/11

GASOHOL PROJECTS FACE DELAYS

Bangkok BANGKOK POST in English 13 May 82 p 21

[Text]

THE difficulties of obtaining soft financing and uncertainties of public acceptance and domestic demand for gasohol fuel are among major problems discouraging potential distillers from rapidly setting up production plants for this substitution source of energy.

This is the view given by Mr Ta-noo Vicharangsan, secretary of the Thailand Power Alcohol Commission, in his prepared keynote address to the Fifth Internationa Alcohol Symposium to be held in Auckland, New Zealand, staring today.

"A big problem of a venture in this field is finance," Mr Ta-noo says. "As most local investors want to build large size distilleries which require large amounts of investment, realisation of such projects is difficult without low-interest, long-term loans from overseas, and such loans need firm guarantees which these investors cannot provide through normal business transactions."

Other major obstacles are uncertainties of public acceptance of the alcohol fuel and domestic demand for alcohol-gassoline blended motor fuel (gasohol), Mr Ta-noo says. Taking a long-term prospect, he says some investors are pressing on with a view towards exporting portion of their alcohol output.

Despite a considerable number of parties expressing interest to invest in the setting up of these fuel alcohol distilleries, the Government has received only five applications for permission to set up plants as of the end of January. Of these, two applicants have already been granted licences to build the distilleries. They will have up to three years to complete construction.

"Although alcohol-blended gasoline is faring well in a number of places, contradictory results are frequently reported, raisng doubts among informed public and some of the alcohol fuel advocates in the Government that alcohol is a good substitute for gasoline," Mr Ta-noo says.

Without acceptance by the motoring community, the implementation of alcohol fuel programme along this "route" will lead to failure, and various incentives to buy the fuel such as lowering the price (through subsidy) may not rectify the situation, he says.

The "route" he mentions refers to the use of alcohol as a gasoline substitute or as a gasoline extender (blending with gasoline or straight alcohol use in spark-ignition engines). Such applications point to passenger vehicles as the principal consumers, extending to agricultural machinery in some cases.

Indifference also abounds on the possible use of fuel alcohol, he adds. "It is often dismissed by the government energy planning and managing bodies either as a non-practical proposal or as one with insignificant contribution to the energy scene."

"These government bodies procrastinate, maintaining a perpetual view of their support only for the research aspect of the fuel alcohol programme. Such attitudes, coupled with the indifference of the local oil companies who are enjoying the sellers' market of petroleum fuels, are not helpful to a rapid implementation of the programme."

Technical possibility aside, he says one major hurdle for the programme is to prove that those participating in the programme — the agro-producers, alcohol producers, oil industry and consumers — will benefit.

On the alcohol production potentials, he says it is prudent to consider that alcohol fuel will, together with a number of alternative energies, have a proper role to play in the future energy scene.

"Versatility of alcohol as multi-purpose fuel and as chemical insutry feedstock will make the alcohol production an up-and-coming industry in Thailand and in a number of development countries, especially those rich in agriculture."

As some half a million gasoline-powered motor cars and one million motor cycles are plying Thailand's roads, he says, it is believed that a ready market exists for alcohol-gasoline blended fuel (up to 20% of alcohol by volume). With the annual consumption of gasoline in present day Thailand being about 2,400 million litres, some 480 million litres of alcohol is considered the maximum target for gasoline blending.

In order to inform the government sector and the general public of the merits and demerits of the alcohol fuel gaining proper support, as well as to indicate how useful the production of this renewable fuel can be to the nation, a "nucleus" project should be organised to demonstrate the complete chain of fuel alcohol usage, from raw material collection, production procedure, distribution of alcohol, to the sales of alcohol fuel for use in motor vehicles and various prime-movers, Mr Ta-noo says.

Fuel alcohol from agricultural material is a new business in Thailand, hence it lacks information for confident proceeding, he says. The "nucleus" project will then provide investors and concerned parties with useful data for appropriate implementation of many large-scale fuel alcohol production projects which will follow, thus preventing possible failure or wastage of huge amounts of capital, Mr Ta-noo says.

CSO: 4220/11

BRIEFS

NAVY TACTICAL TRAINING CENTER--The Royal Thai Navy has signed a contract of an order which is valued at more than ฿ 1 million with Ferranti Computer Systems for a Combat Information Centre Tactical Trainer (CICTT) at Sattahip Naval Base. The Computer-based CICTT is to be installed at the Royal Thai Navy Base in Sattahip near Bangkok. It will bring its users to a high state of combat readiness without the need to tie up valuable operational ships in their secondary training role. Using the latest digital simulation techniques, the trainer will provide economic but realistic on-shore training for individual operators of the Royal Thai Navy and Command Teams in several disciplines including weapon control, radar tracking and computer assisted plotting. [Text] [Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 82 p 11]

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END

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South and East Asia Report

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SOVIET ASSISTANCE TO LAOS DESCRIBED

Moscow EKONOMICHESKAYA GAZETA in Russian No 18, Apr 82 p 19

[Article by A. Dukhov: "Soviet-Lao Cooperation"]

> [Text] The 3rd Congress of the People's Revolutionary Party of Laos, which opened on 26 April, called forth a new surge of creative energy from the working people of the Lao People's Democratic Republic. For seven years the people of Laos have been confidently laying the foundations of socialism under the leadership of the communist party, relying on fraternal aid from the Soviet Union and the other countries of the socialist community.

This is the first time that the PRPL [People's Revolutionary Party of Laos] has held its congress legally, as the ruling party. It has come a long way since 1972, when the preceding second congress was held in the liberated regions of the country, which at that time was fighting imperialist intervention and a neocolonialist regime. American aggression was repulsed, and the military and political forces of the collaborationist bourgeoisie bureaucrats and reactionary feudal landowners were crushed. The proclamation of the republic in December 1975 marked completion of the national democratic revolution in the country, located in the center of Indochina, and the beginning of the socialist revolution.

In the six years that the republic has existed, the working people of Laos have taken steps toward socialism that are really appreciable today. The first five-year plan of social and economic development of the country was worked out and is being put into effect. Laos is strengthening and developing various links with the Soviet Union, Vietnam, and other fraternal countries.

Reliable Bonds

Soviet-Lao economic cooperation began with specialists from the USSR helping Laos restore the country's economy, which had been devastated by American aggression. State farms were planned and built, animal husbandry and a veterinary service were organized, and the most urgently necessary national economic facilities were constructed. Considerable attention was devoted to training national cadres.

The fruits of Soviet-Lao economic cooperation can be seen everywhere in the LPDR [Lao People's Democratic Republic] today. A number of projects which are important for establishing an independent economy in the country has been built and put into operation with Soviet technical assistance in recent years. Among them are the 100 meter bridge across the Nyon River, a hospital with modern equipment and a clinic that can handle 150 patients a day, a petroleum depot with a capacity of 8,000 cubic meters near Vientiane, and a motor vehicle repair shop. The Lao geological service has been formed and supplied with necessary equipment, and the tin mining enterprise has been restored.

Work is going well on construction of a shop to repair agricultural equipment. Construction work has begun on two bridges across the Nam Ngum and Nam Kading rivers on rational highway No 13, which connects the southern and northern parts of the country. A second hospital with 150 beds is under construction, along with a polytekhnikum for 600 students to be trained as power industry workers and geologists, a 150-kilowatt radio station, and numerous other projects.

Geological exploration for raw materials for the brick plant and exploration of limestone to provide raw material for the cement plant in Vanvieng Province is practically completed. With Soviet assistance the technical-economic substantiation for construction of a power transmission line from the Nam Ngum hydroelectric power plant to the city of Vanvieng has been worked up and ratified by the client and joint surveying work is being done along the transmission line route. The main consumer of the electricity transmitted on this line will be the planned cement plant, so its construction is being coordinated with the construction schedule of the plant.

In September 1980 the "Protocol on Results of Coordinating the State Plans of the USSR and the LPDR for 1981-1985" was signed. The Protocol establishes measures to resolve economic problems to insure steady development of the Lao economy and outlines specific projects and jobs to be done in Laos with technical and economic assistance from the USSR during the coming five-year plan.

Noting the great importance for the Lao economy of coordinating the state plans of the two countries, Kayson Phomvihan wrote: "We face new goals. They are unprecedented and enormous, but we know that we can achieve them. Our assurance of this is coordination of plans of the USSR and the LPDR for 1981-1985. While working out this coordination, guided by the decisions of the CPSU Central Committee and the Central Committee of the PRPL, we outlined steps to resolve economic problems to insure steady development of the Lao economy and agreed upon the principal areas of economic cooperation for the next five years and, for certain problems, even further into the future."

New Scale and New Problems

The scale of Soviet-Lao economic cooperation for the current five-year plan is the result of a series of intergovernmental agreements according to which Laos is receiving assistance in construction and work on 45 national economic projects and topics. In the five years Soviet Lao commodity turnover will expand about 3.5 times.

Construction will be completed on public health facilities, a radio station, a shop to repair agricultural equipment, and a state agriculture enterprise. Considerable attention is being devoted to completing construction of facilities to train Lao national cadres: the polytekhnikum, an agricultural teknikhum, and vocational-technical schools.

The leaders of the party and government of Laos have observed many times that the development of communications and transportation is one of the fundamental problems in the country's economic development. During the current five-year plan Soviet aid will help complete construction of two bridges on highway No 13, which connects the northern and southern provinces of the country. The decision has been made to restore and rebuild highway No 9. This is the road that connects the ports of Vietnam with Laos. It is the main route by which foreign trade cargo can be delivered to the country quickly and shipped out of the country; it is Laos' "window" on the outside world. Surveying and construction work is already underway on the highway. Sets of Soviet road building machinery and Soviet specialists are arriving at the construction site.

Assistance is being given in establishing a state transportation organization, building and equipping central storage depots, and producing building materials. Considering the steadily growing volume of construction work being done by Soviet and Lao specialists at various national economic sites, the question of setting up state construction organizations is being worked out.

Soviet-Lao cooperation on a compensation basis is to be expanded. For example, various Soviet organizations are helping the LPDR set up a logging enterprise, expand the tin mining enterprise, and expand coffee production, including processing. In connection with this the questions of expanding the raw material base for production of tea, tobacco, and medicinal plants with later construction of appropriate processing capacities are under consideration. Realization of these projects would help Laos increase its potential for producing goods that can be exported.

A portentous event in the life of Laos occurred recently: the Lotus-2 ground station of the Intersputnik space communications system went into operation. This station was a gift of the Soviet Union to the Lao people. Now Laos will have reliable telephone and telegraph communications through space, and will also receive television broadcasts from the USSR and other countries of the socialist community. An official meeting was held for the opening of the station , and at it speakers remarked that the help given by the Soviet Union to the peoples of Indochina is a demonstration of international solidarity and an important factor in defending the revolutionary achievements of the peoples of Laos, Vietnam, and Kampuchea.

During the days of the third Congress of the People's Revolutionary Party of Laos the Soviet people wish the fraternal Lao people new successes in carrying out their plans of socioeconomic development and strengthening solidarity with the fraternal socialist countries.

11,176
CSO: 1825/60

BRIEFS

SOVIETS PROVIDE AAA--The USSR is sending "Stenla 7" light anti-aircraft guns to Laos at the Thai border, Khongchiam-Ubolratchathani district. Reports from the Ministry of the Interior disclosed to MATICHON on 28 April state that Mr Suphon Supsorn, Lt Governor of Ubolratchathani Province, has urgently advised the Ministry of movements of Lao People's Army troops, together with Vietnamese troops, in the Champassak district of Laos, just across from Thailand's Khongchiam district. The USSR has sent in Stenla 7 model light anti-aircraft guns, which can be carried from place to place by personnel and have an effective range of about 50 km. They are already in use by troops in the Southern region, but their number is not known definitely. Furthermore, at the beginning of April, about one company of 100 Lao soldiers and 4 Vietnamese soldiers took up positions at Chanasombun in Champassak district and have established permenent bases of operations on the Thai-Lao border at Phurasi and Dorn Klum. It is presumed that these troops are meant to block resistance groups in Laos and to gather information on Thai troop movements. [Text] [Bangkok MATICHON in Thai 29 Apr 82 pp 1-2] 9943

CSO: 4207/95

BRIEFS

OFFER ON ISA DETAINEES CLARIFIED--The Ministry of Home Affairs today clarified the government offer for adoption of persons detained under the Internal Security Act 1960 by foreign countries or organizations. The deputy minister, Mr Kasim Ahmad, stressed that in such cases the offer was subject to several conditions. These include the renouncing of citizenship and mutual agreement between the sponsors and the detainee to the adoption. The minister has made it clear that the offer does not include those prosecuted and convicted in court. He was speaking to newsmen in Kuala Lumpur on the situation regarding the offer for adoption of detainees. [Text] [BK220839 Kuala Lumpur International Service in English 0600 GMT 22 May 82]

CSO: 4220/48

ZIA LAUDS CHINESE COOPERATION, HELP

Karachi DAWN in English 19 May 82 p 1

[Text] Peshawar, May 18--President Mohammad Zia-ul-Haq today lauded Chinese cooperation and assistance in the establishment of the Rs 10.40 crore sheet glass factory near Nowshera, and termed it a living symbol of friendship between Pakistan and the People's Republic of China.

Speaking at the inauguration of the factory, the President said that Pakistan and China had a "model" friendship which had established new standards in the international relationship.

He expressed confidence that these ties between the two countries would further expand with the passage of time.

He expressed his appreciation for the warm sentiments of friendship expressed by the Chinese Charge d'Affaires in Pakistan in his address at the function earlier, and said that the people of Pakistan took these sentiments in a positive manner, because those were based on sincerity.

He also lauded the cooperation extended by China in the setting up of the factory and in the installation of the machinery by experts from the great neighbour.

The President hoped that the factory, established by the National Police Foundation, would be run on commercial basis and would play a vital role for the welfare of the retired and serving police personnel and their families.

The President noted with satisfaction that the factory, which was the biggest glass unit in the country, would help save foreign exchange, now spent on the import of sheet glass. It would provide employment opportunities to the people and would thus augur well for the national economy, he said.

The President appreciated the endeavours of the National Police Foundation to ensure welfare of the police personnel and their families, and expressed confidence that it would continue to expand its welfare activities with the passage of time. He described the Foundation's performance as satisfactory.

The President called upon all segments of society to respond to their religious and moral obligations, to build a strong edifice for establishment of an Islamic social order in the country.

He emphasised that responsibility to banish crime from society and to ensure supremacy of law devolved alike on the police and society itself. As a matter of fact, he said, maintenance of peace was the fundamental obligation of a society.

A civilised society could never allow the elements capable of disturbing normalcy to nurture in its midst, he remarked.

The President was, therefore, convinced that so long as society did not respond to its moral obligations, to curb crime and weed out anti-social elements, no one could improve it.

"You must analyse your past and present so as to draw up a role befitting a Muslim nation like Pakistan for the future," he told policemen.

He reminded them that the Pakistani police force had the legacy of high traditions of the Police Department established by Hazrat Umar Farooq. "You have, therefore, certain additional obligations," he said, adding "besides dedication to the maintenance of law and order, protection of life, honour and property of the citizens and functioning in accordance with the Islamic values, you must instill in you the spirit of chivalry, sincerity and devotion to duty."

Earlier, Mr Habibur Rahman Khan, Managing Director of the National Police Foundation, in his welcome address, explained the salient features of the factory and said that the sheet glass unit, which would have a production capacity of 40 tons of glass sheet daily, would provide jobs to about 500 persons, including officers and workers.

He held out an assurance that the retired police personnel would be given preference, on the basis of their merit, for appointment in the factory.--APP

CSO: 4220/19

NEW SECRETARY OF WOMEN'S DIVISION NAMED

Lahore THE PAKISTAN TIMES in English 20 May 82 p 12

[Text] --Islamabad, May 19--Mrs Salima Ahmed, the country's most senior woman civil servant, has been appointed Secretary, Women's Division.

She will take up her new assignment some time in the middle of June, it was reliably learnt here. Currently, Mrs Salima Ahmed is Finance Director of Pakistan Industrial Development Corporation, as well as director of two textile mills, two sugar mills and one woollen mill. She is also director of a steel pipes and gas company.

Salima Raisuddin Ahmed, born in Bangalore, is a first class first in Economics from the Madras University. She entered the Audit and Accounts Service in 1949 and has to her credit over three decades of financial and administrative experience.

In the field of women's activities, she has played a pioneering role in former East Pakistan and in Karachi where she was posted for several years. Architect of a children's library, a working women's hostel and two school buildings in Dacca, Salima as President of the Pakistan chapter of the Business and Professional Women's Clubs of Pakistan is working on the Rs 56-lak Working Women's Hostel in Clifton, Karachi.

Widely travelled, Salima Ahmed has led several delegations of women to international conferences. She is married and is mother of two sons and a daughter.

Mrs Ahmed succeeds Miss Gulzar Bano who went on leave before retirement some months ago.

CSO: 4220/19

SHARP INCREASE IN REMITTANCES FROM ABROAD REPORTED

Karachi DAWN in English 21 May 82 p 1

[Article by M. Ziauddin]

[Text] Islamabad, May 20--Despite an expected leap in the current account deficit and a retarded rate of long-term net capital inflows, Pakistan is not likely to round off the current fiscal year with a negative foreign exchange reserve balance.

The situation is reported to have been retrieved, to a large extent, by remittances which reportedly recorded a sharp increase in the wake of the delinking of rupee from dollar in January this year.

The disclosure early this month that some 40 companies handling remittances in the Gulf region on behalf of Pakistani banks have crashed, is however expected to adversely affect the rate of inflow of remittances in the current quarter. Still, the massive surge in the inflow of remittances during the last three months is likely to more than make up the losses expected during the current quarter and the total receipts under the head of private transfers for the year is likely to be in the vicinity of 2,900 million dollars as against 2,400 million dollars last year.

On the other hand the gap between the receipts and payments in the current invisibles, excluding remittances, is expected to expand to about 900 million dollars compared to over 700 million dollars of last year. The increase in the gap is mainly due to the devaluation of the rupee by over 15 per cent.

The trade balance, which was showing a gap of about 2,000 million dollars at the end of the first nine months of the current fiscal year is expected to expand by another 1,000 million dollars by the close of the year.

Thus, the current account deficit for the year 1981-82 is likely to reach 1,000 million dollars as against 940 million dollars of last year.

With respect to long-term capital inflows an amount of about 600 million dollars, excluding the 200 million dollars for Afghan refugees, are expected to come in by the end of the current year.

On the other hand short-term and trade credits, including the second installment from IMF's extended fund facility, are likely to bring in about 400 million dollars. Thus the long- and short-term capital inflows will just about meet the current account deficit of 1,000 million dollars for the year 1981-82.

Probably, mindful of what is in store at the end of the year with respect to foreign exchange balance and also in order to meet its debt servicing obligations in the event Islamabad is not allowed debt rescheduling facility for another year at the expiry of the present agreement of 232 million dollars debt relief for 18 months, Pakistan has obtained a credit of about 225 million dollars from a consortium of commercial banks and is likely to negotiate another credit of 125 million dollars after three months from another consortium of commercial banks.

According to independent economists this is a long way from the promising note on which the current fiscal year was started discussing the projections for 1981-82, the Annual Development Plan documents had claimed: "the balance of payments position for 1981-82 appears to be reasonably manageable....Under the circumstances Pakistan may not have to resort to special aid or the contraction of commercial credits in addition to borrowings needed to roll over the existing loans."

On the other hand an official of Citibank, which withdrew from the consortium of banks that loaned Pakistan 225 million dollars on very soft terms for three years at half per cent over liber, was quoted by a Western newspaper as saying: "There is a feeling in the market that Pakistan has reached a point where risk-reward ratio is no longer attractive enough for us to make funds available.

CSO: 4220/20

ARTICLE ANALYZES POLITICAL SITUATION, RECOMMENDS ELECTED INSTITUTIONS

Islamabad THE MUSLIM in English 16, 17 May 82

[Two-part article by Aitzaz Ahsan: "In Search of Political Order"]

[16 May 82 p 4]

[Text] A widespread debate is underway on the nature of the political system best suited to Pakistan. The controversy proceeds, of course, on the not-too-sound assumption that the Constitution of 1973 lacks all intrinsic merit and does not justify its re-promulgation in an unamended form.

General Mohammad Zia-ul Haq has himself made several disclosures about the proposed political system. In a quick series of statements he has revealed inter alia, that the system will include such departures from the past as non-party elections and the pre-qualification of candidates. He has called these a "must" for the success of the system justifying with the words that "even the pedigree was pre-determined by prospective buyers" so why not pre-qualify the genealogy of candidates.

General Zia has also envisaged the setting of a Command Council comprising of a membership including, besides the President and the Prime Minister, the Service Chiefs and vested with the authority to take decisions on all important matters of State. This, of course, would ensure a permanent role for the Armed Forces in the administration of the country akin to the so-called Turkish pattern. Now, however, he has gone one step ahead with the statement that the restoration of the democratic system cannot precede a drastic cut-down in the number of political parties from seventy-eight to two.

At this point it is not necessary to go into the motives of the proposed measures. These may ostensibly be the most altruistic. What must concern us, however, is that any such legislation is, per se, going to involve drastic amendments in the very fundamentals of the 1973 Constitution. We must examine the need and necessity for such proposals as well their impact, if any, on the body-politic and the legal system.

It so happens that in any such examination we can benefit from our own past record. This country has previously seen two "staff solutions". Both were in all material particulars, to the same effect and purpose. The first was rejected by a popular upsurge. The other was aborted in fairly advanced stage of conception.

The Constitution of 1962 was the self-tailored brainchild of one man. It ensured a concentration of power in his person and his executive secretariat. It purported to reflect, in an arrogance all its own, a broad popular consensus treating the populace with the condescension of the authoritarian brass hat giving the "irresponsible rabble" no direct participation in the process of the formation of governments and their policies. The indirect method of voting embodied in the Basic Democracies' system, was a clear measure of the disdain with which the elite looks upon the ordinary citizen not considering fit to exercise a direct personal option in the electoral process.

Then came the staff solution that Yahya Khan all but promulgated in the last hours of his regime. For the sake of posterity two most vital provisions thereof were reproduced by the Supreme Court in its judgment in the *Asma Jilani case of 1972.*

ARTICLE 16 of the draft Constitution provided for the first President under the Constitution. He was also to continue as the Commander-in-Chief of the Pakistan Army. And, of course, all doubts were repelled by the Constitution itself incorporating the name of its nominated incumbent: (who else, but) Agha Mohammad Yahya-

Yahya Khan, H.Pak., H.J. ARTICLE 260 of the draft then proceeded to vest, in the creater of the Constitution himself, the authority to suspend his own supreme law. It gave to the Commander-in-Chief the power to declare Martial Law which could then be revoked only by himself. How simple. While the Constitution, by its very terms, was not only to be supreme, but also the very source of all authority, the fountainhead of the all powers of each and every institution and office in the body-politic, yet the Commander was to remain "More Supreme". This would have been a peculiar and obviously impractical dissection of sovereign power, reminiscent of the Orwellian tragic comic equation of "all men are equal but some men are more equal than others".

It is, fortunately, inherent in the nature of super-imposed staff solutions that they are met with the invariable disapproval and rejection of the final arbiters of legitimacy, the broad masses. Attempts to put popular aspirations in pre-conceived and individualised

strait-jackets have always failed. Little wonder that having seen the fate of the two staff solutions, Justice Yaqub Ali concluded in the Supreme Court in 1972 that "the will of a single man, howsoever laudable or sordid, is a behest of a command, but is certainly not law as understood in the juristic sense." (Asma Jilani Case.).

Despite the unambigous lessons recorded in history books, in bold print, men unfortunately continue to skip their pages. Thus' does history, as they say, repeat itself. The greater and more irreparable tragedies, the more indelible set backs, however, befall a nation when a power-elite equipped with the "requisite physical means" to impose its will, with brute force if necessary, chooses to do so.

Our past experience testifies that all too often popular consensus is assumed to be identical with individual predelictions. "I am the pulse and the mind of the people. Follow me, and I will deliver thee to liberty". This is the most prevalent attitude among an elite who have, indeed, no means left of feeling the pulse of the times. They only deliberate and pronounce upon reports, fed them "through proper channels" marked 'urgent' and "For his eyes only". Soon the forbidding turret stop the dizzying height of the ivory tower completely and irredeemably encapsules its occupant leaving him no contact wth the world below except his own subjective impressions. And self-righteous authoritarianism is the inevitable product of such subjective value judgments.

The precedents of the past three decades prove to us the sheer risk involved in any such attitude. A narrow but moralistic and self righteous elite has struck again and again at the very vitals of the body-politic. From the dissolution of the First Constituent Assembly to the December of 1971 in Dacca, this has been, perhaps, the greatest single affliction upon this country. What irony that this country should itself have been the product of a broad national consensus manifested in none other but the electoral process in 1946! The free will that created Pakistan is not trusted with the ability to administer, safeguard and preserve it. Respect and gratitude for the popular expression of the 1946 elections, that giant wave of an energetic and widespread storm, can only be manifested by giving free play to the very democratic and constitutional spirit that gave birth to Pakistan and was its *raison detre*. Ever so often we have ourselves denied, by our actions, the validity of the impelling force that projected us into the orbit of nationhood. How often in the past have personal fears and prejudices, highlighted by a selective process of reasoning, not been marketed as popularly accepted propositions. Logic has been strained and distorted to this end, but, then, who has the need for any logic.

Pakistan's tragedies can be attributed entirely to the machinations undertaken by the small interest-groups for the sole and narrow purpose of their self-perpetuation. Wielding authority and influence far beyond their true measure, they have continued to project and portray their own phobias in holy shibboleths synonymous with the security of the country and the integrity of the Federation. It is in purported pursuance of such high-sounding goals that a succession of constitutions (those of 1956 and 1962) were abrogated. And it is as a result of this imperious disdain for the fundamental norm (the Grundnorm – the Constitution) that the process of disintegration set in, in the first two decades of our history. Who, indeed, can deny that the seeds of the erosion of the East-West (Pakistan) compact lay, inter alia, in the proclamation of Martial Law in 1958.

The mischief that has beleaguered Pakistan in the past cannot, in fact, be adequately understood except in this sole context and perspective. Whenever the vital exercise of obtaining popular consensus on national issues; or on the formation of the governments, through recognised democratic processes, (i.e. elections), has been delayed or obstructed, or whenever the result of the exercise has purportedly been distorted, irreparable harm has befallen both the country and its rulers. The very cancer that has plagued this nation is the repeated obstruction or distortion of the process of determining the will of the people.

In rejecting the argument permitting fundamental changes in the Constitution of 1973, Mr. Ali Mohammad (The Muslim, 25 and 27 April) has made a perceptive observation that: "A well-knit group of people enjoying absolute power and commanding the requisite physical means can always impose upon a nation a political system of its choice. Carried away by its fervour, it may even come to genuinely feel that its prescription is ideal for the good health of the community. Invariably such a group is inclined to tailor a structure which will also ensure its own perpetuation on the ostensibly altruistic ground that it alone is qualified to mother its off-spring and make it sturdy."

This is indeed the syndrome of the self-righteous. And it flows, as we have so often seen, directly out of the immediate and present-day brute and unhibited capability to do both good and harm. It is the natural product of a complex of factors including unfettered power, absolute authority, and a prætorian insularity from the broad masses. It occurs whenever every recognized means to obtain and benefit from periodic graphs of the peoples' consensus have been put to perpetual disuse. It is in such circumstances that the assumption of a self-styled role of the sole arbiter of popular aspirations becomes inevitable. Many of our present-day misfortunes are the direct legacy of the assumption of authoritarian powers by the Governor-General Ghulam Mohammad so unambiguously portrayed in the dissolution of Pakistan's Constituent Assembly. Ayub betrayed himself in the very Preamble of his (truly "his") Constitution when he pontificated: "I, Field Marshal Mohammad Ayub Khan, Hilal-i-Pakistan, Hilal-i-Jurr'at . . . . . do hereby enact this Constitution."

The ill-fated army action unleashed by Yahya Khan on East Pakistan in a frenzied attempt to smother the popular will of the Awami League was also a martial manifestation of the "I-know-best" syndrome.

It is naive, of course, to assume that popular aspirations can best be interpreted by any non representative, exclusive and isolated elite completely insulated from popular contact and exposure.

It is equally naive to believe that the body-politic can be treated as a Victorian child, to be chastised whenever it is deemed to have gone wrong. If we in West Pakistan had not been so self-righteous and "holier-than-thou" in the past, East Pakistan may never have become Bangla Desh.

One point that Yahya's obstruction of the popular will indubitably establishes is that the democratic process is the only defusing process. If the forum of popular judgement is not denied, political activity does not assume the dreadful proportions of unabated hatred and despise. Do not deny free political and democratic rights to the people, and they may not take their grievances to the streets. In what bold relief does the Iranian Revolution testify to this . It also establishes the invariable application of the principle that the greater the degree of repression, the greater the intensity of the ultimate fight-back. According to the infallible law, after all, reaction has not only to be opposite but also and, at least, equal.

The point is that in Pakistan there is, and has been, a tragic imbalance of power structures. This is a colonial heritage. On the one hand the bureaucratic machine is well-knit and organized. Its cadres, the chains of command, the tiers of authority and competence, are easily discernible. There is security and safety in abject subservience and the tenure of the unimaginative conformist is likely to last the longest. There is, thus, a premium on the perpetuation of the "status quo". For if one's career is to be secured from the grade of the raw Assistant Commissioner to the Chief Secretary in the twenty five years in service (with more to hope for), one must chip in with the forces seeking to resist change (normally in the garb of the oft-pronounced "stability"). When such attitudes are translated into statistics of national growth and social progress they simply spell S-T-A-G-N-A-T-I-O-N.

Development policies are either discarded or neglected. In any event they are not what they are made to appear on paper-graphs and tables. Moreover the elite has neither the will, nor the means or capacity to mobilize, and thus cannot employ, the energies of the broad masses along any development route.

By comparison, the processes of democracy imply all that which is anathema to a narrow elite encapsuled inthe ivory towers of an administrative Secretariat.

[17 May 82 p 4]

[Text]

First the democratic process is a process of exposure and accountability. By its very essential dynamics it is a process of volition, of change, of mobilisation. There may, of course, be times and interludes when it can appear to have set about negative forces. But these are, in any event, derogative of none but the elite who are thus democracy's most vociferous opponents. Even the impression that some people are particularly keen to portray, that democracy is, in our context a retrogressive movement cannot hold, if democracy is allowed to take full root and to flower in an uninterrupted continuum.

By its nature the democratic process is a continuing process. It permits no short-cuts or tailor-made solutions. You can neither disqualify the voter, nor pre-qualify candidates if its very essence is not to be vitiated. Nor can one experiment tell adversely upon the entire system.

It must be allowed to take bud and flower. Who will be inexpedient enough to hack down a fruit sapling merely because it bears no fruit in its first season. Thus, too, with the democratic process. You can judge its gifts and blessings only, and only if you permit its free and uninterrupted flow through series of free elections. Any other judgment can be nothing but both premature and tragic, and is bound to be based upon the subjective value-scales of the interest group presently equipped with the authority to take, and enforce, its decisions.

The great advantage of the democratic process is that it is not confined to particularised interest-

groups who are likely to dictate and perpetrate their own subjective value-judgments. Its forum is the body-politic as a whole. In the democratic process the counter-forces if any, are proportionately counter-balanced and evened out. In a continuum the anti-people forces are pushed out of the mainstream and reduced to ineffective proportions. The people may, no doubt, commit a mistake or two, but their sense of participation, and the realisation of their own power to sit in effective judgment, gives them that greater stake and interest in the proper and just disposition of the administrative authority of their representatives.

It is for this primary reason that the democratic process admits of no solutions that have been pre-programmed by the elite. Any attempt to pre-determine the choice of the people must, per se, vitiate the spirit of the electoral process.

The democratic process is also the only harmonising and cementing political process. If the will of all persons having been manifested within the polity, is absorbed in the larger, over-all matrix, ethnic or cultural sub-nationalities will not engage in centrifugal pulls. It is only when they are not so accommodated that they would rather tear the fabric apart. We have to learn from the effects upon the Bengali psyche of West Pakistan's martial dominance. We may well be repeating our past mistakes yet again.

Finally, being in essence based upon the consensus of the citizenry, the democratic process compels governments to look within, and not without. The requisites being the confidence of the people themselves, it infuses a self-confidence that is so necessary for vigorous nations and their governments. It thus becomes the very foundation of national consciousness and, indeed, of essential nationhood. No government, therefore, even good government, is ever a substitute for self-government.

It is thus that citizenry cannot be compared with animals and their pedigree. Responsibility to the popular will impels a respect for the peoples' judgement and their representatives. For if the buyer does indeed verify the pedigree of the animals, the buyer in the electoral process is none other than the voter. He does, no doubt, pronounce upon the candidates in casting his vote for only one out of a plurality of aspirants. No other persons or authority can usurp this function belonging, in truth, to the voter. Election Commissioners are only referees. They cannot become contestants imposing their own subjective value judgments where only those of the electorate are relevant.

Pakistan's predicaments are, of course not entirely unique. The elite in the Third World, in countless countries of Asia, Africa and Latin America, exhibit the symptoms that in Pakistan non-democratic governments have, so often in the past, displayed. And the consequences here, as well as elsewhere, can be no different.

It is true, for instance, that the Third World elite is seldom confident of obtaining the stamp of popular approval for measures designed to perpetuate its own dominance. It seeks, therefore, means to circumvent the processes whereby popular consensus can be expressed or obtained. These circumventing manoeuvres are invariably packaged in sugar-coated staff solutions. The elite also discovers, in the bureaucrat, a ready agent for the marketing of all staff solutions with such over-simplistic ad-like captions like the one that is the favourite with the Third World elite: "The people, lacking political consciousness and civic responsibility, are simply not fit for democracy." In Pakistan we only add, as a safe measure, the sweeping generalisation that the peoples' representatives are also corrupt and inefficient and hence not capable of governance. In two statements a circle is neatly squared. What is not perceived by the Third World elite (if it does not deliberately avoid perceiving) that even if these highly contentious and dubious value judgements were correct, the element of truth in them is due not to a freeplay of democracy but rather on account of its frequent and repeated obstruction.

Yet such absolute and sweeping statements, over-simplifying complex relationships and sets of facts, appeal to simpler and less complex minds. These generalisations are loaded with invitations to adventurers sitting in the wings and the stage is thus again set for the self-righteous to inflict another entry.

Political naivete does not end here. Third World politics is replete with instances where staff solutions, or bureaucratic remedies, are justified solely by the success-ethic. Effective government is too readily declared synonymous with legitimate governance. In the mere present-day competence to legislate is held implicit the political expediency to make, by legislation, fundamental changes in the basic structure of the Constitution. Once the most tenuous and even dubious competence to legislate (and that too in presentum only, for who can predict the future) is acquired, justifications are readily contrived to repeal, destroy and pull down the existing structures. However guised, the motive is always transparent. It is inevitably to fabricate an ultra-Constitutional system suited to the individual predilections of one man or of a small and narrow elite.

In Pakistan today the competence to alter the structure of the Constitutions, is said to have been derived from the judgment of the former Chief Justice Anwar-ul-Haque, in the 1977 Case of Begum Nusrat Bhutto, whereby the present Martial Law was initially legitimised. In the judgment where reference is made to the powers of the Chief Martial Law Administrator, a half-sentence commands the particular attention of the reader: ". . . . . including the power to 'amend' it (the Constitution)." From this point logic is made to take a reckless qualitative jump. The protagonists and supporters of the "Omni-competence" argument at once conclude that since the power to amend the Constitution has thus been bestowed, it must be read as the power to amend indiscriminately, indeed, as the power to abrogate.

One is not quite clear how far itself does the Supreme Court's verdict permitting amendments go. Is it not itself subject to the all-embracing and indisputably supreme dictates of the doctrine of Necessity, making the validity of every action conditional upon the irrefutable necessity of the earliest restoration of the Constitution of 1973? After all, the very legitimacy of the take-over of July 1977 is derived from this necessity!

In any case, the power to "amend" cannot include the power to "abrogate". A given power cannot be "employed" to wield a far greater authority or to exercise power in excess of the quantity actually vested. Such an exercise would be hit by the age-old, oft-applied and inevitable doctrine of "ULTRAVIRES" which, literally, invalidates actions "beyond the competence" of the authority purporting to promulgate or apply them.

The 1973 Constitution is a com-

pact. It is a delicate balance elaborately and meticulously fabricated to meet the demands of divergent interests within the scope of one polity. It is like a many-ended see-saw, which if disturbed or shaken can irretrievably lose its delicate equilibrium. Variation of weight on any one of its several arms is only going to vindicate and strengthen the support of centrifugal elements who have, by this document, been pulled into an orbit that takes its bearing from one common axis.

Inherent in a polity assembled from a multiplicity of components and constituent parts, are both a unity as well as a diversity. If the right balance is maintained between the unity and the diversity, between, that is, the forces of integration and autonomy, the two can co-exist. But if either the imposing centrist forces, (the bureaucratic state apparatus), or the potentially centrifugal elements, (the leaders of the historic national pulls of the smaller ethno-cultural population groups), wrest the advantage, the result is always the same. Even the action of the centri-petal bureaucracy must generate (by Newton's law) a reaction by the separatists in each area of the polity. And any attempt to impose an iron grip upon the smaller (or even larger) entities will be met, in turn, with the equal, if not greater, resistance of iron fists wielded by the formidable and indomitable sinews of popular resistance. At least we must always keep the lessons of East Pakistan in our minds at all times when we contemplate fundamental changes without seeking the opinion of the popular will.

If follows from the above that any such change as alters the fundamentals of the Constitution is likely to be *ultra vires* in the juristic sense and disastrous in its political consequences. Any change in the electorate, as also any restriction in the category of candidates, will be such measures. Under the 1973 Constitution the National Assembly must be elected by the "direct and free" vote of the electorate. Freedom, under the Constitution, must imply both a freedom to the voter as well as to the candidate. Since, moreover, the only disqualifications for candidates are those prescribed in Article 63 of the Constitution, any addition to this list will amount to tampering with fundamentals of the Constitution as it will spell a change in the membership of the supreme legislative body under that Constitution. This, then, would be more than an amendment. It would amount to the abrogation of a fundamental aspect of the Constitution.

There is yet another inhibition on the competence to legislate, amend, repeal or promulgate. Let us remember the "specified and limited" mandate permitted by the Supreme Court in the case of Begum Nusrat Bhutto (1977). The Court prescribed (besides the restoration of (sic) "normalcy"), the "earliest possible holding of free and fair elections for the purpose of the restoration of democratic institutions "under" the 1973 Constitution" (per Anwar, C.J.). And "under" means "in accordance with", "subject to", and "within the scope of". It cannot be made to imply "in derogation of", or even "despite".

At another point in the judgement, the Court referred to the imperative mandate to hold "free and fair elections leading to the restoration of democratic rule in accordance with the dictates of the Constitution'. (This would exclude the dictates (or advice) to the contrary made (or given) by any person or body – be it the Council of Islamic Ideology or a Shariat Court: -

There are, then, other proposals. An Orwellian mistrust of political parties (expressed in the author's "Nineteen Eighty Four") continues to hold despite our chronological proximity, in 1982, to title-year. And, quite clearly, a non-party election, besides failing to obtain the stamp of the political parties (and hence the necessary element of popular legitimacy), would offend the provisions of Article 17 of the Constitution guaranteeing freedom of association. Let it not be forgotten that even such provisions of the Constitution which today appear to be dormant under the greater weight of effective power-politics may tomorrow be the very criterion and touchstone of validity. History, time, and posterity eventually revert to standards that crass expediency may seem to have discarded for the present.

There is another aspect of non-party elections. Political parties do not exist under flags or badges. They do not need formal offices for their management. Political parties are the product of real, objective conditions and their obliterated by the mere letter of association and loyalties call upon the minds and hearts of the populace. People identify themselves not with the emblems, but with manifestoes and programmes. No political party can ever be obliterated by the mere letter of any law. The "Awam Dost" participation in the local council elections of 1979 established this with such clarity. Indeed implicit in the recognition of the existence of 78 political parties is the fact that the law dissolving the (Regulation 48) could achieve nothing more then to create a fiction. "Defunct" is, in these terms, therefore, an obvious misnomer. So why attempt the impossible! Any such attempt can only succeed in creating distorted fictions with no correspondence in reality. And, of course, the only process known to man whereby the number of political parties was reduced and a two-party system came about, is the sifting function of the democratic process. This alone, can separate the grain from the chaff. If anyone genuinely wants a responsible two-party system functioning in Pakistan, let him realise that the only route to it is through the discerning filter of popular judgement. If we want to reduce the number of parties, let us go to the polls. The number will be reduced with each successive election. There is no other way.

The great merit of the 1973 Constitution as we have seen, is that in addition to being Federal, it encompasses the principle of adult franchise. We may call it democratic federalism. With the freedom of choice of government inherent, by definition, in its very "raison detre" democracy is itself the process of the exposure of corrupt and illegal practices. Thereby it becomes, in a continuum, the ultimate word in accountability. No argument, howsoever altruistic in purpose, can detract from this reality. But self-interest may yet prevail where argument and logic fail. The elite dread the flood lights and choose to remain in the darker recesses of the back-stage.

The democratic process, then, admits of no alternatives. Any attempts to tamper with the re-

cognised modes of permitting the populace to give a free and fair expression to their will, can be nothing short of tragic.

Nor does the 1973 Constitution call for any amendment - at least not by any method that does not depend upon the participatory and truly representative will of the the people of each and every constituent unit of the Federation. The terms of a compact can never be varied unilaterally by one party alone without vitiating the very substratum thereof. Nor can any legalistic or technical argument of competence, bearing the stamp of the courts alone, be pressed into use in this regard. The competence to amend the Constitution, and the competence to legislate or shape a political system, can be derived only from the body-politic itself and from no other authority. This is the lesson of East Pakistan and of neighbouring Iran. Let this be burnt into our hearts. *(Concluded)*

CSO: 4220/18

BUDGET MAKING TO REMAIN WITH FINANCE DIVISION

Islamabad THE MUSLIM in English 5 May 82 p 1

[Text] Islamabad, May 4: The Deputy Chairman of the Planning Commission, Dr Mehbubul Haq has contradicted news items alleging that the responsibility of preparing the Budget has been transferred from the Finance Division to the Planning Division.

The Deputy Chairman clarified the position in a statement here today.

Following is text of his statement:

"My attention has been drawn to news items appearing in a section of the Press regarding the alleged transfer of the responsibility of preparing the annual budget from the Finance Division to the Planning Division. The news items are totally baseless. The correct position is that the Finance Minister, as Chairman of the Planning Commission, has the full responsibility for the preparation of both the Annual Development Programme for next year as well as the financial budget.

"The Planning Division is currently having some preparatory meetings with concerned Federal Ministries and Provincial Governments to formulate ideas and proposals to be presented to the Finance Minister and later on the Annual Plan Coordination Committee and the National Economic Council for their approval. The role of the Planning Commission is to assist the Finance Minister in the preparation of the development programme for next year and to give suggestions for the consideration of the Finance Minister in the preparation of the next budget."

CSO: 4220/17

NWFP GOVERNOR: U.S., UK APPRECIATE NATION'S AFGHANISTAN STAND

Karachi DAWN in English 21 May 82 p 17

[Text] Islamabad, May 20--The NWFP Governor, Lt-Gen. Fazle Haq has said that Pakistan's principled stand on the Afghanistan issue was being highly appreciated by the American and British authorities.

Talking to newsmen at the Islamabad airport, on his return from a six-week tour of United States, Britain and Spain, the Governor said, he had discussed the Afghan problem with the British Prime Minister Mrs. Margarett Thatcher in London and the American Administration officials, Senators and Congressmen, in Washington and New York.

He said that the British Prime Minister lauded Pakistan's stand on the Afghan issue and wished other nations to emulate it. She had also conveyed her best regards to the people of Pakistan in this connection.

Gen. Fazle Haq said that he also met Mr Peter Blacker, British Deputy Minister for Defence, during his week long stay in London.

About his talks with the American officials, Senators and Congressmen, the Governor noted with satisfaction that the United States was providing assistance to Pakistan to share her burden of providing humanitarian relief to over two and a half million Afghan refugees in Pakistan.

He also noted that the United States authorities had decided to step up delivery of 240 trucks which would reach Pakistan by October for the improvement of communication for the distribution of humanitarian relief. These trucks, he said, were in addition to the two workshops already provided by the American authorities.

Replying to a question, the Governor said the number of Afghan refugees in Pakistan had exceeded the 2.7 million figure. More than 2.2 million of them were in NWFP alone, he added.

CSO: 4220/20

GREATER EFFORTS RECOMMENDED FOR MIDDLE EAST EXPORT

Karachi DAWN in English 8 May 82 p 9

[Editorial: "Export to M.E. Countries"]

[Text] THE Export Promotion Bureau is reported to have drawn up a "comprehensive and integrated programme" to boost exports to some of the neighbouring Arab countries. This has long been overdue. Opportunities and openings for exports have existed in Saudi Arabia, Kuwait, Abu Dhabi, Dubai, Qatar, Oman and Bahrain ever since the oil boom gave a new vigour to Middle East economies. Many countries have already taken full advantage of the fabulous markets that have opened up to exports from all over the world. Pakistan's exporters have also benefited, but this market has yet to be tapped fully to the mutual advantage of Pakistan and these friendly Islamic countries. Geographical proximity by itself should have been sufficient to warrant greater efforts towards promoting trade with the seven countries, which have the fewest import controls. Nevertheless, the realisation at this point of time that this large market offers opportunities for Pakistan's exports is welcome. The programme should be implemented without wasting time on the usual paper work and unnecessary discussions and meetings.

In view of falling exports in recent months, now is the time for effective action. Official statistics show a decrease of 17.33 per cent in export during July 1981–March 1982 period (Rs. 17.68 billion value-wise) as compared with the same period last year (Rs 21.39 billion value-wise). Exports have suffered on account of the deepening recession and growing protectionism in the industrialised countries. The lower prices of rice, cotton and cotton yarn, which are Pakistan's major exports, have also taken their toll. Oil-exporting countries are faced with the problem of the loss of oil income due to the depressed demand and lower prices of oil. But the seven Arab countries named above have preferred not to make cuts in their development programmes and ancillary works. There are also indications that they will continue with free imports of consumer and capital goods. This should mean an assured market for Pakistani exports. The Export Promotion Bureau has identified the goods for which a demand exists in these countries. They are agricultural and animal husbandry products, engineering goods, building materials and consumer goods. Producers and exporters should explore these markets and establish business links with reputable Arab trading houses. Bilateral and multilateral contacts and exchanges must be fostered among the Chambers of Commerce and Industry of Pakistan and of these countries. The EPB should also lend full support to the private sector in its efforts to promote exports, because private traders can act without getting entangled in bureaucratic red-tape. Rather than delay the implementation of the programme by seeking acquisition of two small cargo ships exclusively for trade with the Gulf region, the Government could work out arrangements with the existing Pakistani shipping lines.

CSO: 4220/17

FISCAL POLICIES BLAMED FOR LACK OF SAVINGS

Islamabad THE MUSLIM in English 18 May 82 p 4

[Editorial: "Firm Fiscal Deterrents to Saving"]

[Text]

If investment in national saving schemes has risen by 354 per cent in one year, that does not necessarily mean saving has suddenly become popular with the masses in Pakistan. The fact is that the country has few viable alternatives to investing in the national savings department, which, for example, offers 17 per cent interest as well as pays the dividend every six months under the Khas Deposit Certificate Scheme. Its Defence Savings Certificates offer a higher return along with investment relief for income tax payers. In a country in which the share market is passing through a prolonged paralysis for long, and the returns from NIT are modest, while those from ICP are rather uncertain, the National Savings Department does offer better terms. Hence instead of Rs. 847.5 million mobilised last year, it has been able to mobilise Rs. 3,850 million this year. And it has been able to do that despite the zakat, which reduces the earnings by 2.5 per cent per year, and the scandals that rocked the department for the last two years following defalcation of money from its branches in several parts of the country.

In spite of the notable success of the Savings Department, the Finance Minister has lamented that Pakistan is among the developing countries with the lowest domestic savings rate in the world. He has done so because while the minimum savings is expected to be 20 per cent, Pakistan's savings rate is as low as six per cent of the gross domestic product. In fact, it has been falling over the years from 12 per cent in the early 1970s, and by 1978-79 it hit the rock bottom of 4.5 per cent. It has since then been inching upwards. Why has this been happening in spite of the steady economic growth in the country in recent years? Why are countries with a low per capita income and a lower growth rate able to achieve far higher savings than Pakistan? If India with a lower growth rate, and far lower per capita income can achieve a domestic savings rate of 23 per cent why should Pakistan's performance be so depressingly low? Why should it be lower than in Sri Lanka? These are some of the basic questions troubling economists and planners who find the need for far larger resources to accelerate the tempo of investment and development in the country. To make a success of the fifth five-year plan the planning commission estimated a savings

rate of 12.5 per cent by 1982-83, but what has been achieved is less than half of that. So the results have to fall far short of the targets in many areas.

But the rate of savings would have been higher if inflation had not been so high and so well entrenched. If high prices reduce the ability of people to save, higher taxation makes it far worse. As the final discouragement to savings, comes the low return from savings and investment, a return which is often far below the real rate of inflation. Even the highly prized Khas certificate at 17 per cent interest rate is giving nearly a zero return as the officially admitted inflation is 14 per cent and zakat deducted is 2.5 per cent.

Admittedly the savings drive is confined largely to urban areas which constitute about 70 per cent of the country. The agricultural area, where a good deal of the enhanced farm income is available, is largely out of this drive. Why cannot the local councils and its members be utilised for the purpose and institutional arrangements made all over the country? The large untaxed underground income, too, is not being mobilised. Steps have to be taken to bring in the funds of this parallel economy for national development. And it is a pity that only 14 per cent of the vast home remittances—Rs.22 billion—is invested and out of that less than two per cent is invested on an institutional basis.

Undoubtedly the fiscal policy and procedures of the country stand in the way of domestic savings in a big way. Heavy taxation leaves the corporate sector with too little savings. In fact, this sector is calling for more and more bank loans for survival. And despite the very heavy taxation the government has a large deficit budget annually and it has to resort to heavy deficit financing. Because of high prices and high taxes and a pattern of high living and conspicuous consumption that has come to persist, the people are left with little or no savings. And to add to all that, the Government has slashed the investment allowance for tax payers and made it a sham. So a higher rate of savings necessarily demands better opportunities for saving and higher rewards. It calls for an enlightened fiscal policy instead of the negative and inhibitive kind that thwarts our progress all around.

CSO: 4220/18

YAQUB KHAN ADDRESSES HAVANA NONALIGNED MEETING

BK040935 Karachi Domestic Service in English 1700 GMT 3 Jun 82

[Text] Foreign Minister Sahabzada Yaqub Khan has said that the present situation in Afghanistan poss a direct threat to the region's security as well as world peace. He was addressing the ministerial meeting of the coordination bureau of the nonaligned movement in Havana today. He said Pakistan had a direct and vital stake in the peaceful solution of the conflict in Afghanistan as a result of which Pakistan had been burdened with the enormous responsibility of caring for over 2.7 million Afghan refugees. The foreign minister said it remained an ardent hope that peace and tranquility would return to its (?tormented) neighbor so that the Afghan people could once again become the masters of their own destiny and the Afghan refugees could return to their homes in safety and honor.

The Pakistan foreign minister said the nonaligned movement must speak out courageously and unambiguously whenever the rights of people and sovereign states were threatened or violated. In this connection he referred to the meeting of the foreign ministers of the nonaligned countries in February last. He said it made an appeal for a political settlement on the basis of withdrawal of foreign troops from Afghanistan and with full respect for the territorial integrity and nonaligned status of Afghanistan. He said it is a matter of regret that the call by the international community for such a political settlement made in the United Nations, the nonaligned movement meeting and the Organization of the Islamic Conference had been unheeded. Pakistan, he added, together with the overwhelming majority of the members countries of the world body, is committed to the resolution of the crisis in Afghanistan. He appreciated the efforts of the UN secretary general and his personal representative on Afghanistan in this connection. Pakistan, he added, looked forward with constructive spirit to discussions on Afghanistan issue beginning in Geneva on the 16th of this month.

On the Iraq-Iran war, the foreign minister referred to the efforts of President Gen Mohammad Ziaul Haq to resolve the conflict as a member of the Islamic peace committee. Pakistan, he added, had special interest in the speedy solution of this conflict which exacerbated the climate of insecurity in the already troubled region.

About the South Atlantic, he said it was Pakistan's fervent hope that the hostilities between Britain and Argentina would cease forthwith and a just settlement is found.

About the Middle East situation, Sahabzada Yaqub Khan said the key to find the just and lasting peace remained in withdrawal of Israel from Arab and Palestinian territory. The other topics dealt with by the foreign minister included the right of self-determination by the Namibian people, to (?make) the Indian Ocean a zone of peace, disarmament and the world economic situation.

CSO: 4220/45

MORE REALISTIC PLANNING FOR WATER NEEDS URGED

Karachi DAWN in English 21 May 82 p 17

[Editorial: "Planning for Water"]

[Text]

THE Sind Governor's water supply disclosure is no doubt happy news for Karachiites, but it is a happiness which is overshadowed by the thought of what will happen until the new scheme begins to function, and also its subsequent inadequacy. Work will begin on the fourth phase of the Greater Karachi Bulk Water Supply Scheme from the next financial year. The scheme will cost Rs. 360 million and will eventually make available to Karachi 70 million gallons of water daily. What has not been mentioned by the Governor is when the project is expected to be completed. Earlier estimates by Karachi Development Authority officials placed the date of completion in 1985, but the Governor's disclosure that the fourth phase will itself be again divided into two phases tends to throw some doubt on whether the work will be completed by 1985. In addition to the fourth phase another, smaller, scheme is development of Dumlotee Wells, which is expected to supply 4 MGD from next month.

While these development works are welcome, they do not remove the basic problem which faces all citizens, and this has to do with the fact that even if the fourth phase is completed next month by some magic, it will be insufficient to meet the city's needs. The Hub Dam scheme, if it is completed later this year as stated by officials, is meant for industry and some residential areas in one part of Karachi. So between now and whenever the fourth phase gets completed the water shortage will only keep getting worse. Perhaps the most disturbing aspect of the whole matter is that we don't hear of what will happen afterwards. It is well known to everyone that the city is confronted with water famine. Those in power are also aware of the fact that the schemes currently underway will not be able to make good the shortage. No projects are meant to be undertaken so that in a few years the water needs of the city can be met substantially. The Bulk Water Supply Scheme to which the authorities are still adhering faithfully became out of date more than fifteen years back, and this was evident to all discerning observers. The scheme was formulated on the premise that Karachi's population in the year 2000 would be in the region of three million, and the various phases of the Scheme would have met needs comfortably if that had been the case. The three million figure was reached 35 years before it was scheduled to come by — in 1965 — and Karachi's population is around 5.5 million now. Yet the authorities are complacently adhering to the original plan — and with delays at that. As said earlier, news of the impending work on the fourth phase is welcome, yet this can in no way reassure the citizens. For that plans will have to be taken up which are intended to effectively meet present needs of the people and industry, and in which provisions for the future are based on recent projections.

CSO: 4220/20

FOREIGN EXCHANGE FOR HAJIS

Islamabad THE MUSLIM in English 19 May 82 p 1

[Text]

ISLAMABAD, May 18: The govemment has allocated Rs. 500 million as foreign exchange quota for 50,000 pilgrims, who will perform Haj this year after a computerised draw which declared them successful, it was reliably learnt here today.

A competent source of the Haj Ministry told this correspondent that this year 39,000 Hajis would travel by air while about 11,000 would be transported to Jeddah by three ships, each undertaking three trips.

In each trip, he said, Shams will carry 1096 passengers, Safina-e-Arab 1238 and Safina-e-Abid 1083 Hajis. Adequate arrangements are being made to prevent any last-minute mishap on hurdle. Last year another ship Safina-i-Hujjaj had become inoperative after developing serious defects at the crucial time of departure.

It is expected that the transportation of Hajis by sea and air which would commence by the end of July and terminate some time in August would provide adequate period to the Hajis to settle well in time for the Haj, which is falling on September 25.

According to the source in addition to the 371 groups, each comprising 40 Hajis, there would be 100 "Khadimul-Hujjaj" who would reach Saudi Arabia in advance to make necessary arrangements to facilitate the Hajis' stay there.

Their duties will include expending help in tracing out the lost luggage, provision of medical care to the sick and attending to similar other services. "While the group-leaders, for each group will travel on the Hajis funds. The Khadimul Hujjaj will be looked after by the government by providing free accommodation and return air-ticket.

In addition to the group-leaders and Khadimul Hujjaj a team of para-medical staff and doctors will remain with the Hajis during the entire Haj period. They would set up their transit camp at Mecca, Medina and Mina.

This year in all, 95,000 applications were received for Haj. Out of this 62,000 persons applied under "regular scheme" and 33,000 should desire to perform Haj under the "sponsorship scheme." Around 42,000 unsuccessful applicants will not be able to perform Haj.

This year also the source said, Hajis would be issued a separate Haj passport (Blue), free of cost.

While 15,000 Hajis will travel under the arrangements made by the government, the remaining 35,000 would be going to Saudi Arabia on their own.

Those travelling by air will have to pay Rs. 6600 as return fare while the steamer voyagers will pay Rs 65,00 Rs 5900 and Rs 4300 for the first, second and the deck classes respectively.

CSO: 4220/18

ZIA DEFINES ARMED FORCES ROLE

Islamabad THE MUSLIM in English 19 May 82 p 8

[Text]

RISALPUR, May 18: President Ziaul Haq today called upon the officers and the jawans of the Armed Forces to always keep themselves ready to discharge their sacred duty of defending the ideological and geographical frontiers of Pakistan.

Speaking at the seventh convocation of the Military College of Engineering, here, Gen. Zia said nations which did not have the ability to defend themselves and did not follow the commandments of Almighty had no future.

The President said the fundamental duty of the Armed Forces was the country's defence and paving the way for Pakistan's prosperity. "You can acquit yourself of this important responsibility only when you abide by the principles of the Islamic faith and build your character in conformity with the teachings of the Holy Quran" he added.

Education and training, Gen. Zia said, was a two sided process, devotion of the students to the acquisition of knowledge and desire of the teachers to adorn their students with sciences, arts and craftsmanship. He said it was with the combination of these two urges that lights up the torch of various branches of knowledge and arts.

The President said he wanted to draw the attention of the new graduates of the engineers corps being an important branch of the armed forces, to their important responsibilities of continuously augmenting their knowledge and craftsmanship. It was necessary, he said, because their dexterity and expertise could play a vital role in the defence of the country.

The leadership of only such officers, Gen. Zia said, was accepted as could demonstrate their technical abilities in all branches of the professional career and fully showed their leadership qualities. The military officers, he said, gained the confidence of their subordinates only when they proved their ability which called for hard and diligent work. He said even as it was, acquisition of knowledge and usage of knowledge in a particular situation were two different things and the combination of those two things only lead to real leadership qualities.

Gen. Zia said the corps of engineers was important in two ways as it had to render services to the nation both in peace and war. The army engineers, he said, had to undertake special services and also attain full competence in the arts of war, and as such the army engineers had to go through exceedingly exacting situation in most military engagements.

The President said even in the peace time the services of the army engineers were commendable like evacuation and rehabilitation of flood stricken people, their transportation and first aid, to the construction of paths and bridges and roads in Pakistan's remote areas. He said the construction of the Karakoram Highway was a feat of the officers and jawans of the corps which was always to be remembered.

Gen. Zia said every step taken by the inhabitants of the region on the Karakoram Highway would be a step reminiscent of the Pak-China cooperation and a homage to the Pakistan army engineers.

MOSQUE: Earlier Gen. Zia laid the foundation stone of a mosque in the military college of engineering.

The mosque to be built mainly with the individual contribution of the students and ex-students would have a place for about 500 persons and cost around Rs. 7 lakh.—APP

CSO: 4220/18

RED TAPE IN AWARDING SCHOLARSHIPS CRITICIZED

Islamabad THE MUSLIM in English 18 May 82 p 10

[Article by Salim Bokhari]

[Text] ISLAMABAD, May 17: Due to bureaucratic red-tapism, a large number of foreign as well as national scholarships go waste every year. Of late the Ministry of Education has evolved a method to solve this chronic problem, an education expert told 'The Muslim' here today.

He said 40 per cent of foreign scholarships and 19 per cent of national scholarships could not be granted to the students for one reason or the other. In case of foreign scholarships, numerous objections were raised by the concerned ministries and the students failed to seek clearance resulting in lapse of the scholarships, he added

The Ministry of Education administered overseas scholarships of two categories including scholarships financed by the Ministry and scholarships awarded by foreign governments and donor agencies, he said. The scholarships financed by the Ministry of Education were covered under four different schemes namely: Central Overseas Training Scheme, Quaid-e-Azam Scholarships, Merit Scholarships and Khushhal Khan Khattak Scholarships, he added.

Under the Central Overseas Training Scheme, the expert said, only university and college teachers were eligible. For university teachers, the selections were made by the University Grants Commission on the basis of the nominations received from each university, which in turn was required to select on the basis of the established criteria. Explaining the criterion, the expert said that the candidate must have good qualifications with at least first or second division in Bachelor and Master Degrees and at least second class in the remaining examinations while for technical or engineering subjects at least a degree with first division and second division in the remaining examinations. Moreover, they should be on the regular teaching staff of the departments. Preference was given to those who have completed five years of service. They should also execute a bond to serve in their department for a minimum period of five years after completion of their studies.

On the other hand, the nominations of the college teachers were received from provincial governments. All such nominations were examined by a high-powered Foreign Training Committee of the Ministry of Education.

The expert said, under the Quaid-e-Azam Scholarship Scheme, each scholarship was awarded to a student of each university by securing the highest percentage of aggregate marks in their M.A./M.Sc./B.Sc (Engineering) and MBBS examinations.

While under the Merit Scholarship scheme, he said, two scholarships were awarded every year to each university to the next two best students, after the award of Quaid-e-Azam Scholarship, one in the faculty of Science and the other in the Humanities. Khushhal Khan Khattak Scheme, he said awarded scholarship to a student who secured the next highest position in all the subjects (Arts, Science and Engineering) in the universities of NWFP after the grant of Quaid-e-Azam Scholarship and Merit Scholarship.

He said scholarships offered by the foreign governments and donor agencies could be classified under Cultural Exchange Programme, Technical Assistance Programme and Miscellaneous or Ad hoc offers. The scholarships awarded by the foreign governments under the Cultural Exchange Programme were advertised in the national Press. Selections from of the applicants were made by a high-powered Foreign Training Committee of the Ministry of Education purely on merit basis keeping in view the provincial and regional quota and the field of study offered by the donor country.

He said the facilities under the technical Assistance Programme and miscellaneous offers were normally meant for in-service personnel. The selections were made out of the nominations received from the provincial governments and universities according to criteria of eligibility of each offer.

CSO: 4220/18

DETAILED SURVEY OF PAKISTANIS IN SAUDI JAILS

Karachi DAWN in English 21 May 82 p 15

[Text] Quetta, May 20--The Pakistan Ambassador in Saudi Arabia has been included in the committee set up by the Saudi Government to visit various jails in that country and undertake a detailed survey of the detained and imprisoned Pakistan nationals.

The number of Pakistanis jailed for committing criminal offences stands at 500 while the number of those detained on charges of residing illegally is yet to be ascertained.

This was stated by Federal Minister of Labour, Manpower and Overseas Pakistanis Ghulam Dastgir Khan at a news conference in Quetta on Wednesday.

He said a legal cell had also been set up in Saudi Arabia to provide legal assistance to Pakistan nationals in cases instituted against them.

He told a correspondent the existing labour policy would be improved and amended, where necessary, after consultation with employers and the employees.

The referendum for bargaining agents in Pakistan Railways would be held next month.

Giving an assurance that no further retrenchment was contemplated in PIA, he said the Government wanted to provide jobs to people and not to render them jobless.

He informed a correspondent that the Manpower Division had completed a survey to find out details and the number of doctors and engineers in the country. Similar survey, he added, would be carried out in other sectors.

He told a questioner that as a politician he thought that elections in the country would have to be held sooner or later but it would be ensured that those who got elected were pious and God-fearing.

He said elections were delayed because those who delivered speeches outside had been holding indoor meetings with Gen Zia-ul-Haq.

CSO: 4220/20

WORKSHOP ON POPULATION REPORTING PLANNED IN AUGUST

Karachi BUSINESS RECORDER in English 8 May 82 p 2

[Text] Islamabad, May 7: The first-ever women's journalists workshop on population and development reporting would be held in Karachi in the first week of August next, stated Dr Attiya Inayatullah, Presidential Adviser on Population Planning here today 25 women delegates from across the country would attend the workshop.

In an interview she said this was their maiden efforts to acquaint the media women with the population problems. Dr Attiyia said the Population Division had prepared a comprehensive communication strategy for dissemination of information on population, and development.

This strategy, she added, covered all types of media including print media, electronic media, film media and traditional folk media. Dr Attyia said this was, for the first time, that we had planned to integrate the traditional media with the communication strategy on population. She was of the view that hitherto traditional media including jesters, folk artists (bhand, nut mirasi) were neglected in the communication strategy despite the fact that they had got greater and easier access to the general public as compared to other communication agencies. Similarly she said, the commercial film media, too, was being for the first time included in this communication strategy.

All these measures Dr. Attyia said, would go a long way in making the people realise the population explosion carrying explosive problems. The Presidential Adviser said a meeting of the producers, directors and script writers connected with the radio and TV was being held in the middle of June next to consider the ways and means as to how to implement the population welfare plan.--APP

CSO: 4220/17

OFFSHORE SEISMIC SURVEY OPENED

Karachi DAWN in English 21 May 82 p 7

[Text] The Federal Minister for Petroleum and Natural Resources, Maj.-Gen (rtd) Rao Farman Ali, on Thursday inaugurated offshore seismic exploration which is being conducted by OGDC under a Norwegian Assistance Programme.

The Minister said Oil and Gas Development Corporation (OGDC) for the first time since its inception was entering into active offshore seismic exploration. Previously offshore exploration in Pakistan was conducted by foreign oil companies.

He said 1,98,000 sq. km. offshore area of Pakistanis regarded to have good potential for discovery of oil. Out of that 48,000 sq. km. is within water depth of 200 meters.

Rao Farman Ali said offshore prospecting in Pakistan started in early 1962 and since then 4 international oil companies have conducted exploration. Eight wells have been drilled--7 offshore Indus Basin and 1 offshore Mekran Basin. This did not result in discovery of oil or gas fields.

OGDC's detailed studies have indicated that 4 of these wells due to technical problems could not reach their objective while 4 wells have been located off of an inadequate structural traps. [as published]

OGDC's research group have conducted detailed study of the data and are of the view that the offshore area of Pakistan has good prospect for discovery of petroleum.

Under a Norwegian Assistance Programme a technical mission of NORAD visited Pakistan in 1979 and discussed with OGDC about studies to be conducted prior to any further seismic survey of drilling. OGDC in collaboration with HDIP made a detailed study of available geological, geophysical, drilling and production testing data and prepared a report recommending the areas of potential interest. The Norwegian concurred with the technical conclusions of Pakistani experts and agreed to finance a seismic programme.

For seismic survey, services of experts and training of Pakistanis, Norway has assigned a grant equivalent to US $1.2 million. The current seismic programme

will cover 1,200 km. on selected structures in the Indus offshore area. After the seismic survey the areas will be selected for drilling preferably in joint venture with oil companies.

The main objective of this effort is to establish the petroleum prospects of shore areas of Pakistan and to regenerate the interest of international oil companies in exploration of offshore areas of Pakistan.

CSO: 4220/20

PER CAPITA INCOME FIGURES, OTHER STATISTICS

Lahore THE PAKISTAN TIMES in English 20 May 82 p 5

[Text]

WASHINGTON, May 19: UAE tops the world with per capita GNP of 30,070 dollars per year, followed by Qatar with 26,080 and Kuwait with 22,840 dollars. West Europe comes next, led by Switzerland with 16,440. United States and Saudi Arabia are just about equal at 11,300 dollars.

This is disclosed by the "1982 data sheet" released here today by the "Population Reference Bureau"

The data sheet lists Pakistan as leading the nine nations of what it called "Middle South Asia" with per capita income of 300 dollars followed by Sri Lanka with 270, India 240, Bangladesh 120 and Bhutan 80 dollars per annum.

The Bureau's news release points out that the world population now 4.6 billion people, has doubled since 1940 which is nearly half way towards a projected peak population of some 10 billion likely to be reached around 2050

Population growth rates have started slowing down, during the last few years, in all regions except Africa whose population is expected to increase seven-fold during 1950-2050 to 1.5 billion. Bangladesh too with its present population of 90 million is projected to pass the 300-million mark in the next century.

In the industrialised countries, however, population has nearly stopped growing, and in a few cases, begun to decline, following the rise in the standards of living.

Pakistan's population is estimated to reach 142.7 million from the present level of 93 million by the turn of the century and India 967.6 million. The estimated growth rate is 2.0 per cent per year for India and 2.8 per cent for Pakistan and Bangladesh.

Iraq's population is expected to rise from 14 million to 24 million, Saudi Arabia's from 11 million to 20.5 million and United Arab Emirates from 1.2 million to 1.9 million by the year 2000. The estimated growth rate for Iraq is 3.4 per cent, for Saudi Arabia 3.2 per cent for UAE, 2.3 per cent, but for Israel it will only be 1.7 per cent with the result that in the overwhelmingly Muslim south-west Asia, out of the total population of 171 million by the turn of the century, Israel will have a bare 5.6 million.—PPI.

CSO: 4220/19

MAJOR REASSESSMENT OF EXPORTS URGED

Karachi DAWN in English 18 May 82 p 4

[Text] A State Bank publication has released data concerning export receipts during the month of March, which afford an opportunity to examine the country's performance in the sector. Pakistan's export earnings in March were Rs. 1,892.4 million, less than the corresponding month in 1981 when the amount earned was Rs. 2,934.4 million, but an improvement over the previous month of February with its low receipts of Rs. 1,752.4 million Although from month to month in the current financial year March denotes an upturn, the general export trend is still traversing a period of decline. The March earnings are lower by Rs. 93.1 million than the average of the month over the past five years. To get a still clearer focus on what is happening to our exports one can look at the overall performance in the first three quarters of 1981-82. Total receipts from June to February stand at Rs. 16,700.8 million with a monthly average of Rs. 1,855.6 million. In the corresponding period in 1980-81, these figures were Rs. 20,354.4 million while the monthly average came to Rs. 2,261.6 million. A clear verdict emerges: the financial year 1981-82 has been a period of partial reversal in the sector of exports.

The commodity-wise analysis of the receipts in March points to the same initial upturn that may not, however, rescue the performance of the financial year. Cotton, which till December had been indicating a 50 per cent slump, has earned Rs. 241.1 million, picking up from February's low by a margin of Rs. 63.3 million. As if to confirm the uncertainty of market trends, rice in March earned Rs. 223.5 million, a downward trend from the previous month during which it earned Rs. 288.1 million. Floor coverings, tapestries and textile yarn and thread recorded a general improvement in March which must come as a relief in a sector worst affected by the vagaries of the international market. Petroleum and petroleum products have earned less than what they did in February. Textile manufactures, leather goods and cotton clothing have gone up by good monthly margins while organic chemicals, already insignificant, have gone down to touch bottom. Saudi Arabia has emerged in March as our best customer, buying rice, textile and dry fruit worth Rs. 1,974.4 million. The U.S. came next, accounting for goods worth Rs. 152.2 million. There is no gainsaying the fact that the recession in the international economy has caused the reversal which is becoming manifest in our export pattern this year: but in no small measure is this negative development owed to our altogether top-heavy and procedurally complicated export machinery. A major reassessment of our general ability to cater to the emerging trends in the international market is called for.

CSO: 4220/19

GOVERNMENT TO PURCHASE RAIN-AFFECTED WHEAT

Karachi DAWN in English 21 May 82 p 1

[Text] Lahore, May 20--The Government will not let the cultivators suffer on account of the recent untimely rain, as far as possible, and purchase even the rain-affected wheat from them, the Federal Minister for Food and Agriculture, Vice-Admiral Mohammad Fazil Janjua, said here yesterday.

In a meeting with the provincial Food Minister, Sardar Rafique Hajder Leghari and provincial Food and Agriculture Secretaries, food technologists and agriculture scientists in the Civil Secretariat here, Vice-Admiral Janjua was informed that the recent rain had caused a superficial black spot at the end of the wheat grain and also slightly discloured it. It was observed that it would not render the wheat in any warm harmful for human consumption or for the purpose of storage.

The Federal Food Minister was further informed that the only cause of concern was the high percentage of moisture in the wheat for which the farmers were being advised to dry their stocks before selling them to the Government.

The provincial Government, Sardar Rafique Haider Leghari informed the meeting, had taken necessary measures to prevent any deterioration of the procured wheat.

In view of the changing climatic condition, the Federal Food Minister told the meeting that the Government, in future, would construct sophisticated silo godowns having facilities for evaporation of moisture.--APP

CSO: 4220/20

WHEAT SELF-SUFFICIENCY TO BE MAINTAINED

Lahore THE PAKISTAN TIMES in English 20 May 82 p 1

[Text]

RAWALPINDI, May 19: The Federal Food and Agriculture Minister Vice-Admiral Mohammad Fazil Janjua, has said the country is expected to maintain its self-sufficiency position in wheat despite small setback in production in the Punjab due to untimely rains.

He told Radio Pakistan's representative in Islamabad this afternoon that the recent rains in the country had been untimely for harvesting of the crop, particularly in Central and Northern Punjab.

In three or four districts of the province the damage was estimated to be of the order of 10 to 15 per cent, but in other districts, it was estimated to be about one or two per cent. The total loss due to rain in Punjab is estimated to be about four to five per cent. The farmers, who have suffered this loss are being suitably compensated by the Provincial Government.

Vice - Admiral Mohammad Fazil Janjua said the overall adverse effect of the rains in the Punjab will not be more than two to 2.5 per cent on the national production and by the grace of Almighty Allah there would be plenty of wheat to meet the country's requirements. He said the shortfall in production would be very easily managed through the reserve stocks.

Explaining the wheat position in other provinces, the Food and Agriculture Minister said, the crop in Sind and NWFP was much better than last year. He said in Sind the production was estimated at 20.6 lakh tons as against the last year's production of 19.46 lakh tons. Similarly in NWFP, the estimated production was 9.8 lakh tons as against 9.4 lakh tons produced last year. The production in Baluchistan was expected to be 2.4 lakh tons as last year.

Vice Admiral Mohammad Fazil Janjua said the procurement drive was in full swing. So far they had procured 4.25 lakh tons of wheat in the Punjab, Sind and NWFP The national wheat procurement this year had been fixed at 35.25 lakh tons.

The Minister said the Government would buy any quantity offered by the farmers.—APP.

CSO: 4220/19

NEW 'PURDAH' DRESS COMPULSORY

Islamabad THE MUSLIM in English 16 May 82 pp 1, 8

[Article by Anwar Iqbal: "New 'Purdah' Dress in Schools, Colleges"]

[Text]

ISLAMABAD, May 15: A new "Purdah" dress has been made compulsory from today in all women educational institutions coming directly under the Federal Government,

The students have been asked to cover their heads with a proper "DOPATTA" and not a thin strip of cloth presently in use. However, the staff members have been advised to be modestly dressed and cover themselves in chadar.

The order says: "The Federal Government has decided that in all institutions under its control, girls from class IX upward will henceforth wear a proper "DOPATTA" as head-cover, rather than the thin strip of cloth which is generally in use at present."

"It has further been decided that all female staff in schools and colleges will be modestly dressed and will wear a chadar over their dress," the order added.

This circular was served on March 15 on the educational institutions with two months time for implementation.

According to a survey conducted by this correspondent, staff members in all major colleges – Federal Government College for Women, Government College Satellite Town, Sir Syed College and Viqarunnisa College – were dressed as directed and were either covered in a chadar or wearing a gown over their dress.

However, the girls do not seem to have taken this directive seriously. Hardly three to five per cent girls were dressed as directed while the rest were wearing the usual shape "DOPATTA".

When contacted, they said that no fresh orders were served concerning the new rules except the notice hung in March this year, asking them to obey new rules regarding the dress.

Most of the girls were of the view that wearing a chadar or the new "DOPATTA" outside the college was more important as observing "Purdah" inside the college did not make much sense. They maintained that they needed the "Purdah" most when they were outside the premises.

Meanwhile, Federal Secretary of Education Ahmad Zafar Farooqi, when contacted, said that the institutions were given two months time to implement the order and now the Ministry would ask them to submit a report concerning the implementation.

He said, he expected the order to be fully implemented in the schools but, there may be some difficulty in making the college girls obey it. But he expressed the hope that they would also be made to observe the new rules.

CSO: 4220/18

RESTRICTIONS ON WOMEN IN NAME OF ISLAM OPPOSED

Islamabad THE MUSLIM in English 16 May 82 p 4

[Editorial: "Women in Pakistan"]

[Text]

BEGUM Rana Liaquat Ali Khan, President of the All Pakistan Women's Association, has urged the President to enter into a dialogue with her with a view to clarifying certain questions that have arisen recently concerning the Status of Women in Pakistan. This request follows widespread concern among women in the wake of a controversial suggestion made by a former member of the Majlis-i-Shoora and host of a religious TV programme that all working women should be pensioned off and confined to their homes. This statement has opened, quite understandably, a veritable Pandora's box and a national debate has ensued with all kinds of proposals being made by various quarters.

The time is ripe for a meaningful dialogue since it could lead to a crystallization of fundamental issues and result, hopefully, in a clearcut policy statement by the Government. A positive clarification is all the more essential since too many retrogressive views are being aired these days which are not conducive to a rational and reasoned discussion of the issue. As we have had occasion to note earlier, the emphasis has so far unfortunately been on form rather than on, substance. The moment the question of women's rights comes up, there is a spate of protests that women are seeking to become un-Islamic. In the debate over chadar, the question of assuring the rights of women enjoined by Islam are accorded a secondary status. In this context, a number of issues need to be identified and understood.

The demands for the protection of their rights by women should not be interpreted in terms of Western liberalism or compared to the movement by women liberationists in that part of the hemisphere because they are fundamentally different due to the perspective imparted to them both by our religion and cultural traditions. No woman has ever asked or, for that matter, aspired to be recognised as the equal of a man in purely physiological terms. Equal rights mean the right of a woman to certain basic human needs including the right to education, employment and social justice. Islam has provided for rights to women in all spheres of life including inheritance, marriage, divorce, custody of children and legal justice. However, it is unfortunate that in implementation and interpretation, these rights have been consistently ignored or

actively suppressed by male dominated societies which have kept women subjugated out of a fear of social and economic insecurity.

It is time something was said about the rights of women enshrined in the Holy Quran. A woman is not required to be confined to her house; she is required only to be modest in dress and behaviour—the wives of the Holy Prophet (PBUH) were told to 'let down part of' their 'outer garments' while going out of their house so as to guard their modesty (as men were required to lower their eyes and be modest), and to speak in an 'unaffected manner' if they had to talk to other men; a woman had the right to divorce; to compensation for raising a child on her own and to the inheritance of property. Women in early Islam participated in business (Hazrat Khadija), took part in active battle (Hazrat Safia at the Ghazwa-e-Khandak); work side by side with men in tending the wounded (Hazrat Fatima at the Battle of Ohud); made personal sacrifices in the way of God alongside their men (Hazrat Zainab at Kerbala); exercised their right to propose to a man (Hazrat Khadija); and used their option to divorce a man (the wife of Zaid the adopted son of the Holy Prophet (PBUH); to give only a few examples. These taken together with the rights given by God to women point quite unequivocally to the active participation of women in all spheres of human activity.

In a country where half the population is composed of women, they cannot be confined to their homes on the false plea that this is an Islamic requirement. Women share the work load of men – they till the field, sow and reap crops, graze cattle, treat the sick, educate the young and look after their homes as well. What kind of logic would justify continued contribution by women in these vital spheres but deny them the right to be engineers, administrators or civil servants? Nobody talks of pensioning off all the rural women; it is the educated urban woman who can now compete on an intellectual and economic plane who seems to raise such worry. Let us not confuse issues or justify retrogression in the name of religion. The rights of women have been clearly set forth in Islam and there is not much room for obtuse interpretations.

CSO: 4220/18

BRIEFS

AMBASSADORS APPOINTED--Islamabad, May 18--The government has appointed a medical doctor and a university professor as Ambassadors to two Muslim countries, it was reliably learnt here today. The well-known surgeon, Major-General (Retd) Agha Masood Akram has been appointed Ambassador to Morocco. Professor Ehsan Rashid, an economist and former Vice-Chancellor of Karachi University, is going as Ambassador to Jordan. Prof Rashid replaces Shahriyar Khan, who is returning to the Foreign Office as Additional Secretary (Political). [Text] [Islamabad THE MUSLIM in English 19 May 82 p 1]

UK INDUSTRIAL PACKAGE DEAL--London, May 18--Pakistan has offered to the UK an industrial package deal, said Mr Elahi Bux Soomro, Pakistan's Minister for Industries. Talking to newsmen here this morning, Mr Soomro said the most important part of the deal is that Pakistan is willing and prepared to reactivate the sagging British textile and jute industries, to name a few, which are depressed at the moment and on the verge of collapse. The other parts of the deal are that Britain should provide training facilities to Pakistanis in modern technology and British industrialists should join hands with Pakistanis in setting up joint industrial ventures in various fields in Pakistan. Our suggestion was well received, Mr Soomro said. We told the British Government that we know how to put fresh impetus into British textile or jute industries. We can also provide markets for them in the Muslim countries if the British businessmen and industrialists start joint industrial ventures with Pakistanis as partners. The British Government, Mr Soomro said, is very seriously considering our package offer and very soon we would be having concrete proposals from them. Mr Soomro leaves for Pakistan tomorrow. [By Yehia Syed] [Text] [Karachi DAWN in English 19 May 82 p 1]

'URDU NAMA' FOR OFFICES--Attock, May 17--The Punjab Government has through a circular, directed all its departments and district heads of nation building departments to purchase the monthly 'URDU NAMA' being published by the "Majlis-e-Zaban-e-Daftri Punjab" to promote Urdu as national language of Pakistan. PPI [Text] [Lahore THE PAKISTAN TIMES in English 18 May 82 p 10]

CHANGE IN SCHOLARSHIP SYSTEM--Islamabad, May 20--The present system of awarding foreign scholarships to students will be drastically changed soon, sources close to the Ministry concerned told DAWN. Scholarships will now be awarded on the basis of academic achievements alone. The place of residence of a student would make no difference to his eligibility for the scholarship. The Ministry

concerned recently asked its Foreign Training Committee to select the candidates for awarding scholarships only on merit and not on the quota system. The system is said to have had a deteriorating effect on the overall educational standard of the country. The committee has also been instructed not to show any preference to the candidates hailing from the least developed areas as was the rule in the past. The sources further said that the committee will see that the subject of study of students seeking foreign scholarships is related to their province they belong. The decision, it is reported, will help the Ministry to select the right candidate for the right subject. [Text] [Karachi DAWN in English 21 May 82 p 1]

NEW REFUGEE INFLUX FEARED--An Afghan dissident Mr Mohammad Eshaq, who is Director of Radio Free Kabul and a leading spokesman of "Mujahideen," has apprehended a new wave of refugees influx into Pakistan from Afghanistan.--PPI [Text] [Karachi DAWN in English 21 May 82 p 6]

AMBASSADOR TO DPRK--Islamabad, May 3--The Government of Pakistan announced the appointment of Mr Sultan Mohammad Dutta as Ambassador of Pakistan to Democratic People's Republic of Korea, says a Press note of the Ministry of Foreign Affairs issued here today.--PPI [Text] [Lahore THE PAKISTAN TIMES in English 4 May 82 p 10]

ADDITIONAL UNIVERSITIES PROPOSED--The Vice-Chancellor of Karachi University, Prof S.M.A. Tirmizi, has suggested the setting up of one or two more universities in Karachi to cater to the growing educational needs of the city. Speaking at the annual function of Karachi College for Women yesterday, he said that about 85,000 candidates from Karachi appear in the degree classes examinations every year. There was therefore the need of setting up more universities. Prof Tirmizi decried the notion that new universities should not be opened in view of paucity of funds. He pointed out that five new universities have been opened in the country, but none in Karachi. He highlighted the importance of education for women, as he said, they are endowed with duty to nurture the new generation. He advised the students to study the Holy Quran and Hadith with translation. [Text] [Karachi DAWN in English 4 May 82 p 14]

YAQUB KHAN, CASTRO MEETING--Foreign Minister Sahabzada Yaqub Khan called on President Fidel Castro in Havana and exchanged views with him on the Afghanistan issue and the Iran-Iraq war. He briefed the Cuban leader on the nature of the forthcoming talks on the Afghanistan issue in Geneva. He also referred to Pakistan's apprehensions about the Gulf situation and said that if the war did not end there is a danger of its expanding to other areas and a risk of foreign intervention. Israel might try to exploit the disunity among Muslim states to fulfill its aggressive designs. It was decided during the talks that both countries should keep themselves fully apprised of the latest situation on the Iran-Iraq war. On this occasion, President Castro referred to his cordial and friendly meeting with President Ziaul Haq in Havana in 1979 when the president led the Pakistan delegation to the summit. [Text] [BK051605 Karachi Domestic Service in Urdu 1500 GMT 5 Jun 82]

FORMER PRESIDENT CHOWDHRY DIES--Former President Fazal Elahi Chowdhry died in Lahore tonight. He was 78. Late Fazal Elahi Chowdhry was a heart patient and had been under treatment in the Albert Victor Hospital in Lahore for some time. He held the presidency for 5 years. He was elected speaker of the National Assembly in 1972. [Text] [Karachi Domestic Service in English 1700 GMT 1 Jun 82 BK]

KHAN'S MEETINGS IN HAVANA--Pakistan Foreign Minister Sahabzada Yaqub Khan has had talks in Havana with his Yugoslav counterpart. Bilateral relations between the two countries, especially the growing ties in the economic field, figured at the talks. Sahabzada Yaqub Khan expressed appreciation of the Yugoslav stand on Afghanistan and the Middle East. The Yugoslav foreign minister spoke of the positive results following President Mohammad Ziaul Haq's visit to Belgrade. The foreign minister also held talks with his Syrian counterpart, who appreciated Pakistan's strong support on the Middle East question, the right of the Palestinians and status of occupied Jerusalem. The foreign minister also had a meeting with Bangladesh Information Minister [as heard] Shamsul Huda and discussed the situation in the region. [Text] [BK021024 Karachi Domestic Service in English 1005 GMT 2 Jun 82]

CSO: 4220/42

TRADE UNION MOVEMENT, MEMBERSHIP DISCUSSED

Bangkok MATICHON in Thai 2 May 82 pp 14-17

[Text] Last February Somkiad Wanthana, Professor of Sociology at Kasetsart University, presented an essay on "The Evolution of the Thai Working Class: An Outline History of Labor After 200 Years" at the seminar "Two Centuries in Bangkok: Changes in Thai Society," at Thammasat University.

This seminar was convened by the Institute for the Study of Thai History at Thammasat University, the Social Studies Institute at Chulalongkorn University, the Thai Social Science Association, the Foundation for Textbooks in Sociology and Anthropology, and JURISPRUDENCE magazine.

The proceedings of the seminar will soon be published in JURISPRUDENCE. Seminar papers from the Institute for the Study of Thai History were published in mimeographed form and were quickly exhausted.

As for the contribution by Somkiad Wanthana, MATICHON's reporter noticed that it contained many interesting data, particularly in its portrayals of labor and of movements in Thai economy and society in the period 1960-1980.

The Growth of Labor in the Last Two Decades

Somkiad Wanthana gives many opinions on the growth and the role of Thai labor in the last two decades. Th thinks that this class has now come of age--in quantity. The number of employees in the private sector has grown from 1,143,234 in 1960 to 1,819,886 in 1970, 2,824,670 in 1974, and 3,291,400 in 1978. If we add in employees in public enterprises, the total is about 3,512,000.

Of these, 1,024,900 work in agriculture and 931,000 in industry and handicrafts. Besides these there are workers in service, commerce, construction, transportation, etc.

Although Workers Have Increased, Only 10 Percent Are Organized

Somkiad notes that of the more than 3,000,000 workers, not many are organized as yet. In 1980 there were 255 labor unions all told, with 153,550 workers. This comes to less than 10 percent of the workers. The most organized labor forces are those in manufacturing, transport, and public works, but in agriculture, services, commerce, and even in industry and crafts, which have large numbers of workers, there is not much organization at all.

As for the educational level of the workers, 78 percent in 1971-73 entered the labor market after finishing fourth grade. Sic percent were seventh grade graduates. Somkiad therefore agrees with the conclusions of Narong Phetprasert, of the Chulalongkorn Faculty of Economics, that the labor market is full of uneducated people, most of whom can do no more than read and write. Their technical and academic knowledge is very low.

The Consciousness of Workers Has Its Basis in a Rural Outlook

Because the foundation of the Tahi socio-economic system is still agriculture, the basic form of consciousness of the Thai working class is deeply rooted in the agricultural life. This gives them a rather atomistic character. They believe irrationally in luck and omens, ghosts and gods.

Phasuk Phongsphaichitr, author of "Early Stages in the Evolution of Labor Organizations in Thai Industry," has said in his book about the philosophy of employees: "From interviews with workers in various Bangkok factories which have labor organizations, we find that workers at present are interested only in mouth and stomach issues. They have no other philosophy. They are interested in how to raise their standard of living and improve their well-being. In general Thai workers love peace and easy living. They do not approve of violent methods. The most they will do is to stop work. If the employers or the Labor Department speaks kindly to them they will go back to work very readily."

Somkiad Wanthana thinks that the basic consciousness of the working class is still in the formative stage, a stage filled with rapid changes in the last 20 years. The cultural patterns of workers still have their basis very much in the rural outlook. Their way of thinking therefore is to confront the economic problem at hand. Moreover, Somkiad believes, their class and status consciousness has not yet crystallized into a structured whole.

The Averag Monthly Income of Workers is 712 Baht

Table 1 shows the ordinary income of persons in major occupations for the year 1976. If we consider these data we will notice some clues that have been overlooked.

Table 1. Annual Per Capita Income, By Occupation

Occupation	Income Per Capita Per Year (Baht)	Index
Agriculture	7,113	100.00
Industry	45,215	635.67
Commerce	70,339	988.88
Services	32,665	459.23
Average for all occupations	7,732	------

Source: National Plan for Economic and Social Development, vol 4, 1978-82

Table 2. Size of Labor Force (1978) and Numbers of Unions and Members (1980), By Sector

Sector	Number of Workers (1978)(1)	Number of Unions (1980)(2)	Union Members (1980)(2)
Agriculture	1,042,900	8	1,554
Manufacturing	931,900	161	55,538
Services	581,900	10	11,198
Commerce	397,300	15	4,385
Construction	263,900	3	283
Transport, Shipping and Communications	218,800	37	53,777
Public Property	57,900	12	25,092
Mining	12,700	9	1,725

Sources: (1) Somkiad Wanthana, excerpts from the National Statistical Office Report on the Second All-Kingdom Manpower Survey (July-Sept., 1978)

(2) Labor Department, Labor Statistics for 1979 (Aug. 1981) pp 21-22

In 1976 the lowest wage for workers was 25 baht per day, or about 750 baht per month. It is worth considering that in 1976 the Economic and Social Planning Division of the National Commission on Economic and Social Development made a study of 1,731 workplaces with 118,430 employees and found that 58.8 percent were paid by the day. Only 36.6 percent were paid by the month. The remaining 5.1 percent were paid by the piece.

The study showed that the average daily wage of the majority of workers came to 27.40 baht, only slightly higher than the lowest wage.

In one month a worker works about 24 days. It follows that most workers will have wage incomes of 712.40 baht per month. But Table 1 shows that persons occupied in industry, commerce and services have monthly incomes of 3,768 baht, 5,862 baht and 2,722 baht respectively--very much higher than 712.40.

Somkiad suggests that these figures show how the incomes of owners and managers, who are few in number, must be enormous, if they can pull the average incomes up to the reported levels.

Thai Industry Still Has Small-Factory Characteristics

In the statistics of the Department of Industrial Factories for 1979, we find that not counting rice mills, there are about 45,166 factories in Thailand. Of these, 63.5 percent employ fewer than 10 people, 29.7 percent employ 10 to 49, 5.5 percent employ 50 to 199, and 1.2 percent employ 200 or more.

Somkiad thinks it is because Thai industries consist mainly of small factories that administration and labor relations are disorderly.

In the doctoral dissertation of Phiraphol Tritasawit, done at New York University, we find the conclusion that the outlook of employers is expressed in two related characteristics: they think that they are fathers or patriarchs, and they play the role as authoritarians.

Somkiad thinks that besides trying to lower wages, employers use many other devices, such as hiring by the day or from month to month rather than on a regular basis, letting go members of labor unions, shutting down work for short periods to get rid of enthusiastic unionists and then re-opening, and making lists of workers who dare to make demands and picket on their property.

The Role of the State Toward the Workers: Both Controlling and Supportive

According to his study "Economic Interest Groups in Thailand," Montri Chianwithiakan finds that "the government encourages merchants and capitalists both in law and in fact to form associations of various kinds, whereas they do not encourage and do not sincerely support workers and peasants forming interest groups. The result is that bargaining power between workers and peasants on one hand and merchants and capitalists on the other, already unequal, becomes even more unequal." Montri concludes, "This difference in bargaining power has a highly unfair effect on the division of income between the two groups."

In Somkiad's view, since 1957 the role of the government toward the working class can be roughly divided into two aspects.

A controlling role can be seen clearly in the sweeping arrests of labor leaders and the promulgation of dictatorial laws that oppress workers, for example Revolutionary Proclamation 19, dated 31 October 1958; Land Reform Proclamation 1, dated 8 October 1976; and Ministry of the Interior Proclamation dated 8 October 1976.

A supportive government role appears in laws protecting labor by forbidding oppressive conditions. But enforcing the laws in full measure and with justice to the workers has never been successful. Examples are the law governing means of curbing labor disputes of 1965, the law protecting job seekers of 1968, and Revolutionary Proclamation 103, concerning the protection of workers, of 1972.

Workers Can't Get Away From Politics

Mr Nikhom Chantharawithun, former head of the Labor Department, has said "...In the last 20 years, the movements of the workers and the Workers' Institute have consistently risen and fallen according to the results of changes in politics. We may say that the Thai labor force is closely tied to changes in politics."

Somkiad thinks that workers activities are always stamped as causing political turmoil.

One worker has pointed out that many rumors have been spread (especially in 1973-76) about workers joining terrorists or Communists to attack the country, yet the facts show clearly that, even during crises, although many strikes were called and feelings were strongly expressed, there were no violent incidents.

Strategies of Workers, Owners and Government

In Somkiad's opinion, the basic workers' strategy that everyone in the workers' milieu agrees on is to expand the basic organizations which will guarantee the democratic rights and interests in economics and politics of both the workers themselves and the people in general--the labor unions.

While the workers move in this direction, the employers have answering tactics which take many forms but all aim to obstruct the birth of new unions.

If they are unable to achieve this, they use methods to break unions down, reduce their role and weaken them, sowing dissension in union ranks to reach the goal of dissolving them altogether. Somkiad has uncovered a theoretical paper for employers entitled "Techniques for Attacking Labor Federations," by Momratchawong Damrongdet Suksawad, which was presented to a seminar for administrative personnel at the Faculty of Political Science at Chulalongkorn University last year. The aim of the seminar was precisely to combat and destroy the coming together of workers in unions.

Somkiad expects that the class struggle between capitalists and workers will certainly become sharper than ever during the Bangkok bicentennial year.

In the middle of this sharp struggle, Somkiad sees the government, particularly the Labor Department, conducting itself more as the representative of the employers than of the workers. He maintains that the attitude of high officials in the Labor Department that "The employer is the one who gives, the employee the one who receives," amounts to pushing aside the workers' standing making outright beggars of them.

He concludes finally that the struggle between classes (employers and employees) in this round does not have an impartial referee. In the conduct of negotiations there is nothing but friendship between the capitalists and the state apparatus, joining together to take advantage of the workers. This is the situation in the Bangkok bicentennial year!

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LABOR LEADER DISCUSSES MEMBERSHIP, REJECTS POLITICAL ROLE

Bangkok MATICHON in Thai 2 May 82 pp 36-37

[Interview with Phaisan Thawachayanand, Head of the Employees Labor Organization of Thailand by staff of the S.S.S.; date and place not specified]

[Text] In Thai labor union circles Mr Phaisan Thawachayanand, of the Bangkok Electrical Workers Union, can be considered a worker who holds firmly to the principles of unionism. This interview was made by the staff of the newsletter S.S.S., of the Union for the People's Rights of Freedom (Sahaphap phuea Sithi Seriphap khorng Prachachon) when that union arranged a discussion on "The Chosen Path of the Thai Worker." MATICHON WEEKLY thinks it contains much valuable information and opinion and therefore reprints it, in shortened and re-arranged form.

Question: How many workers are there at present?

Answer: Two years ago the Labor Department announced a figure of about 4,500,000 people, with an annual increase of about 800,000. So we estimate that Thailand now has at least 6,000,000 workers. This includes only 110,000 people in all 74 of the state enterprises. The rest are in the private sector.

Question: How are the workers distributed throughout the country?

Answer: The majority are clustered around Bangkok and the nearby provinces, such as Nonthaburi, Pathumthani, Ayutthaya, Samut Sakhon, Samut Prakan and Nakhon Pathom, and in the leading provinces of the various regions, such as Phuket, Phangga, Ranong, Khorat, Khonkaen, Chiangmai, Phitsanuloke, Uttaradit.

Question: How many unions are there?

Answer: There are now more than 380 registered, but only 320 or so that are really functioning. Besides these, there are some that have collapsed and some that employers have toppled.

Question: What are the main problems that Thai workers are now facing?

Answer: The most important of all is that income isn't keeping up with outgo. Goods are dear, wages are cheap. Benefits are inadequate. There is no job security and no security for the future. Job safety and work environment are very bad. Legal rights to make demands are impeded and interfered with, e.g., the right to form labor unions. Besides all this, workers also suffer oppression from employers and state officials. The final problem is divisiveness among labor leaders.

Question: Please talk in detail about divisions among labor leaders.

Answer: It is a matter of cooperation among workers who are not united. First of all, most workers have no labor unions yet. Most of us workers still don't understand the rights that the laws give us. Next, in all the groups that have been set up there is splitting into factions according to the ideas of each person and each clique. One lot, for example, submits that to solve the problems of the workers it will be necessary to solve the problems of the political system, while another bunch maintains that the workers are not yet ready (for politics). In fact there is no real difference between these two lines of thought. Each side thinks it will find a way to a better life for its brother workers, that's all, and it is to be hoped that they will find one. But this is not said. So they lack strength to cooperate and fight for the interests of the workers. And besides the issue of lines of thought, some leaders and groups have been infiltrated by outsiders undermining the unity of the labor movement.

Question: We know that new labor unions are now facing severe problems from an employers' drive to attack unions.

Answer: This is a pressing problem that shakes the morale of workers very much. The employers should not block the employees' negotiating path. If they do, they'll leave the employees with no choice but to fight like cornered dogs. So far, whether the employers have negotiated or not, they've been holding back the employees by kicking and stalling, dragging negotiations out. Labor Department officials must help with this problem to give justice to the employees.

Question: What ideas do you yourself have for solutions to all the problems you've mentioned?

Answer: We must start by solving the problem of unity. Workers must unite and struggle together for the rightful interests of their brother workers. And all sides must cooperate to demolish the barriers between them. Bargaining is a matter of using power to press the other side to yield. Unity itself gives rise to power. If the Thai labor movement continues without unity as it is today, it is bound to fail at everything it tries.

If our movement can achieve unity, our next step will be to set up a central workers' organization, with officials responsible for supervising the committeemen who are elected by the workers nationally. Besides these, the central organization will also have to hire experts in various fields to help out as advisors and consultants, because the employers have such experienced advisors now that the employees can't keep up with them and suffer an added handicap.

Question: Isn't there already a central organization, the National Labor Council?

Answer: That council is only one element on the scene. It hasn't yet been accepted by all the workers. The Labor Council at all events has a chance to develop to that point (of being accepted by all the workers) but it must get its members and committeemen to have more discipline than they have now.

Question: How will the central organization be used in the struggle for the workers' interests?

Answer: We should use all methods, both discussions and bargaining, which in the first instance should be the duty of the labor unions or federations. The central organization of labor council will act at higher levels, such as proposing changes in the labor laws, which still have many gaps, and finding experts to advise the unions, the labor federations, and workers who have difficulties of any kind. We must understand that the role of the council cannot be to conduct negotiations which the unions can handle for themselves. We must not ride out on elephants to catch grasshoppers. Many people don't yet understand this.

Where the labor council can help a lot is in encouraging leaders in each factory who are knowledgeable about labor federations to set up labor unions as their next step.

Question: What do you think about some labor leaders setting up the Democratic Labor Party?

Answer: It is their right to do this. We respect personal rights and freedoms. Anyone who wants to do something may do it, we have no objection.

Question: Do you think you will join the Democratic Labor Party?

Answer: I myself am not ready to become a politician, even though I fully agree with their understanding that the problems of the workers, or of all our suffering brothers, can only be solved by political means. That I do not go and join them is not because I oppose them, but because I am not skillful in this area. At this time I want to work first on things that will help awaken the workers to their rights and cause them to form unions to protect their interests.

Question: What do you think of the way some labor leaders are negotiating softly with the employers, asking them to sympathize with the workers and give them some share in the profits?

Answer: This is one means that can be tried. If the employers are willing to hear the troubles of the employees and to pay fair wages out of simple goodness, this is a very fine thing.

Question: Can this method solve the problems of today's workers?

Answer: It will be hard to do. This method will work only in certain kinds of industries, where the owners have profits big enough to share some of them. And the managers in these industries must understand troubles and be big-hearted enough too. This sort of industry is very hard to find. For the most part, owners aren't willing to give the workers anything easily.

Question: What is your opinion of struggle in the manner of the Polish workers' Solidarity movement?

Answer: I think there are many differences in social conditions between Poland and Thailand. In Poland the great internal power of the dictatorial Communist Party of Poland bears down very hard. Moreover, Solidarity has received quite a lot of support from the countries of the Free World. Thus the co-operation of workers in Poland is very firm. This is not in line with conditions in Thai society.

Question: What sort of path do you think the Thai workers' struggle should follow?

Answer: I think we should use every method as long as it is in the workers' interest. Whoever thinks something should be done, let him do it all the way, so long as we are not kicking one another in the shins. Best of all would be coordinated work in a united manner. If we can do this, I firmly believe that we will certainly be able to raise the condition of the workers.

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LABOR LEADERS' ALLIANCES DESCRIBED

Bangkok MATICHON in Thai 2 May 82 pp 5-6

[Text] "The workers are united now. The dream is coming true." These encouraging workers' works boldly call on all laborers to come together in the national Labor Day celebrations this year. The celebrations are being organized by three labor councils and are an annual event.

If we turn to look at the development of the Thai labor movement in our community, there have been changes in various areas. Has anything happened that would make the workers stand up and cheer? No matter whether concerning job security, labor law, employment conditions or benefits, we may say that laborers' problems haven't eased at all and have only worsened. Socio-economic and political conditions have reached the point where Thai labor problems have spilled over into foreign countries, and dozens of Thai have lost their lives.

Rapid growth in the urban labor force has led to a large increase in quantity in labor circles, but very little change in quality. Few workers are able to grasp political changes and also to keep their worker's consciousness.

One labor leader compares the Thai labor movement to a retarded child whose body is grown but whose brain is tiny, who lacks common sense to deal with the problems that come up around him. In this situation the chance comes up for groups of opportunists to seek their own gain while injuring the labor movement, causing workers to break up into opposing factions which are independent in their directions and competing in their ideas. This causes internal trouble in the Thai labor movement and costs it much of its bargaining power.

The groups of leaders with roles in labor circles who we can see clearly are the backers of Sawad Lukdod and the Labor Union Federation of State Enterprises, which backs Phaisan Thawachayanand. The struggle between the two is gradually developing from the labor union and council level to the national level.

Much discussed at present is the internal Thai workers' ideological struggle over unionism and the struggle at the level of political parties. Each has its judgments as to whether particular events are shaking the strength of the labor movement or not. Whether they make the workers more firm or harm them, causing them to step back and fall into the canals, remains to be seen.

Sawad's group declares the line of the Thai workers clearly to be a struggle at the level of political parties, i.e., of the Democratic Labor Party, which Sawad directs, while Prasert Sapsunthorn, former committeeman of the Communist Party of Thailand guides his thought from behind the scenes. For a democratic revolution, here would be a party in which workers would be an important element in mobilizing masses of people.

Sawad opposes labor unionism because, he says, under a political dictatorship, unionism is not permitted to achieve any success at all in its struggle for the demands of the laborers. A method that can work is to enter the struggle and demand rights in the political arena by establishing a workers' party and seizing a base. Mobilizing the masses is that base. As for moving the Parliament, that comes next.

Thanks to Sawad's position as Secretary of the Thai Council of Workers and Workers' Organizations, he is considered well able to mobilize and to enlarge the democratic revolutionary line of his labor party. When he gives seminars to labor unions, he is able to draw the workers into his party as members.

In any event, Sawad and Ahmad have close ties with Prasert Sapsunthorn, having all been "democracy soldiers" together and even continuing so still. This fact arouses suspicion among workers, who wonder whether Sawad and Ahamd are drawing them into the service of some political faction to obtain some special end.

"We learned a lesson during the rebellion of 1-3 April last year. At that time we were drawn completely into the rebel faction. You remember, don't you? The policies that the rebels announced were all those of Professor Prasert, so how could we have faith in them?," news reports quoted.

At the same time, they reveal that even now the Sawad group is taking a position close to that of General Athit, leading supporter of the Ph.B.Th.B. (?) and of General Sayyud Kerdpol, military commander in chief. Their hope is that if a political change comes, their line on democratic revolution may be put into practice.

News sources state that Sawad tried to prop up Gen Athit by drawing him in to take part in settling a strike by Maekhong workers. At that time Gen Athit promised to help the workers achieve their demands. But it appears that so far the employers still refuse to act according to the conditions agreed upon. This is a situation which may soon explode, together with the problems of the tobacco workers and at Thai Plywood, which bear close watching.

"Even parties like Gen Kriangsak Chamanand's party are in contact with Sawad!s group, which includes Ahmad and Sunthorn, as well as Netr. He is the glue that keeps the other two on as directors of the Thai Workers Foundation. Mr Kriangsak will soon dig into his pocket for hundreds of thousands (of baht) to cultivate labor unions at the regional level," sources say.

While Phaisan's state enterprises labor unions are rather decisively collecting themselves and are taking a unionist line, Sawad's group is well aware of the strength of these opponents, whom they will have to meet in many rounds of the

Thai labor movement fight. In this situation Ahmad's side is setting up a Federation of Transport Workers together with Sunthorn Kaewnetr, Wichian Sriwichian and Narong Kochirapan, because if they should slip off the stage of the Labor Council, who can say but what a new labor council might be formed.

According to the latest reports, Ahmad has set up another group of labor unions in state enterprises, consisting of workers in savings banks, railroads, KhSMK.(?), rubber plantations, waterworks, the Express Transport Organization, communications, highways, tobacco, petroleum, etc. A committee from among these has been set up to study their problems.

However, some people have remarked that these two new labor councils are not a difficult matter from any standpoint. If Sawad should ever capture both of them, it will be on condition that Sanan Wongsuthi is already tottering in the eyes of the workers. As for the Free Labor Council under Bunrawd Phuengthat, it has only a few locals and could be taken over at any time.

What road will the workers take? Who will come and who will go? This is a matter that workers will look at closely and then decide for themselves. Whether they will draw back and fall into a trap or go forward may be a matter in which they must help and support one another.

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CENSUS DATA: POPULATION INCREASE REPORTED

Bangkok MATICHON in Thai 30 Apr 82 p 2

[Text] Results have been announced from the 1980 census of population and k.h. (?) Thailand has 44.2 million people, more women than men, an increase of nearly 10 million since the last census.

Mr Amphorn Arungrangsi, Secretary of the National Statistical Office, disclosed that the census was conducted on 1-25 April 1980. This was the third census of population and the second census of k.h. The National Statistical Office has been making censuses every 10 years since 1960. A summary of the major results follows.

As of 1 April 1980, as far as could be counted, there were 8,422,000 households in the Kingdom, with a total of 44,278,000 persons, 22,008,000 males and 22,070,000 females (sic. Total does not tally--Tr.). This is an increase since the 1970 census of 9,881,000.

The census shows that the population is distributed regionally as follows: the Central region has about 32 percent, the Northeast about 35 percent, the North about 20 percent, and the South about 13 percent.

The average size of all households is about 5.3 people, compared to 5.7 in 1970, a decrease of about 7 percent. Broken down by region, average sizes are: metropolitan Bangkok 5.2 persons, Central region 5.1, Northeast 5.7, North 4.8, and South 5.2.

Analyzing the population by age and sex, we find that about 38 percent are children under 15 years old, and that the ratio of females to males is about 99 to 100.

Of children 11 years old and older, about 79 percent have completed 4 or more years of education. Broken down by region, the figures are: Metropolitan Bangkok 86 percent, Central region 80 percent, Northeast 89 percent, North 72 percent, and South 71 percent.

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EDITORIAL CITES CRONYISM OVER SUTSAI RETENTION AT ETO

Bangkok MATICHON in Thai 29 Apr 82 p 4

[Text] When Mr Wira Musikphongs, Deputy Minister of Communications, first announced a cutback in administration at the Express Transport Organization (ETO), not a few people supposed that this cutback would have real meaning for development. At the very least, ETO board chairman Maj Gen Sutsai Hatsadin would be one of those to be cut back. But when the results of a Cabinet meeting appeared and Gen Sutsai still clung firmly to his ETO chairman's seat, everyone began to wonder whether the announced "cutback" really had any meaning at all.

Although it was announced that ETO had lost money because of fuel problems and American troop withdrawals, which were purely external factors, the managers did not mention their own inadequate management and planning. Moreover, since a gradual reshuffling of junior managers has taken place, there have been reports from certain channels that instead of ETO receiving parcels directly, another organization has been shipping them for the private profit of the managers rather than for the account of the collective organization. The Cabinet has had no reports of these doings, and probably even the prime minister has not been told the truth.

The question on everyone's mind is why Gen Sutsai, who does not appear to have any special abilities, is nevertheless able to cling firmly to his seat as head of ETO. Gen Sutsai should really have been a target of the cutback, but he turns out to be Mr Wira's knife instead. The object of the impending threat turns out to be rather the blade, one which has no real meaning whatsoever. Some sources indicate that Gen Sutsai was not cut because he was as a captain a fellow student of the prime minister, Gen Prem Tinsulanond, and emphatic word was received that his feelings should be preserved, since he had just been relieved of a Cabinet post.

There have long been those who have said that although this prime minister claims his government is national, those he gathers around him are all men from the same region, soldiers from the same units, students from the same schools, and that no matter how poorly these people do their work or what damage they cause, the prime minister won't dare to hurt their feelings. People never believed these rumors before and considered them unfair slanders, but in the case of Gen Sutsai, an old school friend of Gen Prem, if the grounds for keeping his position is merely an old friendship, then it is most worrisome for the future of the nation.

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EX-CPT LEADER NOTES LEADERSHIP FACTIONS

Bangkok MATICHON in Thai 18 Apr 82 pp 5-6

[Text] The column "News Filter" in a magazine said "...The story about the Communist Party of Thailand (CPT) that broke last week was that it has changed secretaries. They say that the secretary's close friend Udom Sisuwan has gone up to replace him...."

The same column in another edition said "...The latest reports about the Fourth Convention of the CPT indicate that there was a meeting of part of the Central Committee, or what is called a "big circle" meeting, less than two months ago in Kunming, with Udom chosen to be the new Secretary. As for other decisions and the list of those who took part, details are not given...."

When there are news items about the Secretary and members of the Political Department, they mention warmly Wirat Angthaworn, Damri Ruengsutham, Thong Chaemsri, Udom Sisuwan, Prasit Taphianthorng, and Adsani Phonchantr, among others.

Of these, there is news that Wirat Angthaworn is still in China, even though reports in columns like "News Filter" say he has come back to Thailand by way of Burma. Those who are inside the country, then, are Thong, Udom, Adsani, Damri, and Prasit.

It is speculated that Thong, Udom, Adsani and Prasit are in the combat zone. As for Damri, he has been arrested and detained at the Police Sergeants' School in Bangkhen.

Not long ago a special reporter from MATICHON accompanied Mr Thorngpai Thorngpao and relatives of Mr Damri on a visit to him and discussed many problems with him. Since this discussion contains some details of the Fourth Convention of the CPT, MATICHON offers its readers a different angle, one from a member of the Political Department of the CPT.

Mr Damri said about the convention, "It has to take place, but I'm not involved in how or where. I'm not in a position to give any information about it." He also said, "The first convention met in Bangkok in 1942, the second in Bangkok in 1952, and the third also in Bangkok in 1961."

As for the story that the Central Committee has met in Kunming, China, Mr Damri thinks "This probably couldn't happen, because it's hard to travel off to meet outside the country. All the meetings up to now have been in Thailand, they've never been abroad." About the news that the convention has already met and has chosen Mr Udom Sisuwan as Secretary, Mr Damri commented, "I don't know, but I think it can't have happened." As to why then there was such information, he replied, "I don't know. Probably it's a false leak." What would be the point of the false leak? "This I don't know," Mr Damri said. "They have their own purposes." In Mr Damri's opinion, the leakers are in Internal Security unit of the government.

"In general, a Party convention must consider policy problems, investigate work, review various sorts of policy lines and problems in carrying on the work, and elect the Committee," Mr Damri said. "I believe that if the convention had met, or if it had already elected a Secretary, there would have been some announcement to let us know."

As to what changes in the CPT, if any, would result if Mr Udom were elected Secretary, Mr Damri's opinion is "There wouldn't really be any, because charges must follow decisions and accord with the policy line that the Committee has set."

Concerning the news that factions had arisen within the CPT and that factions led by Wirat, Thong and Damri were contending for power, Mr Damri said, "This couldn't happen, because the CPT has discipline, order and solid principles. There may be differences of opinion, but no matter what happens, each of us has almost identical principles and methods. Therefore talking about factions and what-not is just playing games, setting false leaks and then citing them as evidence."

On the story that Mr Damri was caught because he was betrayed by Mr Wirat's group, Mr Damri said, "This too is a false leak. The truth is that I came out to look for a way to deal with government officials, to seek a basic path for ending bloodshed and useless expenditures of the country's funds."

"Furthermore," he said, "if increased danger threatens from abroad, we will be glad to join with government officials who are concerned about it. They say that if we go on fighting with one another this way, the Thai nation will die out. I say that this has been a common anxiety for the Thai, but I would also say that Thailand will not die out easily. Ayutthaya (capital of the kingdom in 1350-1767) did not use up all the good people."

Mr Damri has been a senior cadre in the CPT since 1947, when he was arrested with Lieutenant Was Sunthornchamon, another senior cadre, a Chachoengsao. During the post-war era, it is believed that he has been in the Political Department since the third convention of the CPT. He was a "point man" and worked from the start in the combat zone in the North, particularly in Petchabun, Phitsanuloke and Loei, as the cadre responsible for military affairs. Since then he has been responsible for arrangements in place of Mr Wirat, who has been in China since 1979.

Mr Damri was arrested at [word illegible] Suratthan while traveling to make contacts and have discussions with non-Government representatives in early 1981. Military sources indicate that he worked in labor affairs and in the in-country United Front before he went to work in the hills.

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OVERSEAS LABORERS IN MIDDLE EAST

London ARABIA in English No 9, May 82 pp 68-69

[Text] Overseas labour contracts in the Middle East are becoming increasingly important to countries such as Pakistan, the Philippines and India. Labour agreements help to alleviate domestic unemployment, remittances from migrant workers are a major foreign exchange earner, and in some cases manpower agreements have served as instruments of foreign policy. Libya, for instance, which has been a strong supporter of the Moro Liberation Front in the southern Philippines, has lessened its support for the Muslim rebels since signing lucrative manpower agreements involving Filipino workers. Last month the Philippine Land Oil Company signed contracts with Libya totalling $400m and involving 1,800 additional workers, mainly for road construction. Libya already employs 20,000 workers from the Philippines including 350 doctors and nurses.

With the demand for labour in the Gulf expected to continue growing in this decade, Pakistan, the Philippines and India are in fierce competition and have all announced plans to boost their manpower exports to the Middle East. The Pakistani Labour Minister, Ghulam Dastagir Khan, confirmed during a recent visit to Abu Dhabi that Pakistani workers abroad remit $2.5bn a year. Similarly, remittances by Filipino workers in the Middle East accounted for $453.1m in 1981, bringing total receipts from this source since 1976 to almost $3.65bn. Indian government sources say their workers sent home some 15bn rupees ($1.6bn) last year.

So fierce is the competition that governments seem to pay more attention to the size of remittances than the conditions and wages of their citizens abroad. Filipinos, for instance, are willing to work for a minimum wage of 800 riyals ($234) a month in Saudi Arabia as opposed to the SR1,500 ($438) minimum wages demanded by Pakistani workers.

In March the Estimates Committee of the Indian parliament rapped its Labour Ministry for failure to discharge its duties under the 1922 Emigration Act, which came into being as a result of the exposure of Indian workers to ill-treatment and harassment in foreign countries. The committee also attacked the government for failing to check unscrupulous recruiting agents.

The Pakistani Labour Minister's recent Gulf tour, on which he was accompanied by a seven-man delegation including manpower, investment and customs advisers, aimed at inquiring about the labour conditions of Pakistani workers in the Gulf. More importantly, however, it was to urge and advise Pakistanis overseas to contribute their remittances to development projects in their homeland. To achieve both ends Dastagir Khan attended a series of conventions for Pakistani workers in the Gulf states to learn about their difficulties and to find solutions at government level. In the UAE, the Minister met his opposite number, Serif Al Jarwan, and both approved a draft agreement for labour co-operation and organising the employment of Pakistani workers in the Emirates.

Pakistani government is disturbed about the reported detention of 6,000 illegal Pakistani migrant workers in Saudi Arabia. To pre-empt future problems concerning the expatriate workers, Islamabad has strengthened its labour attaches' offices in all its Middle East embassies and has promised to impose its own severe penalties on Pakistani nationals who enter the Gulf countries illegally. Such penalties would include imprisonment, withdrawal of passports and cancelling the permits of the agencies who helped the offenders. The government has also warned that such agencies will be blacklisted and the insurance money they deposit (about R100,000 ($8,780) confiscated.

Pakistan, with about two million expatriates

working in the Middle East, is keen to maximise benefits and lessen the difficulties experienced by its citizens abroad. For the moment Pakistanis, with the advantages of a common religion and geopolitical proximity, are at the forefront of the manpower export race. They realise that they lack skilled and semi-skilled manpower and the government is urging various sectors to implement training programmes. With expatriates contributing 46 per cent of the country's total foreign exchange earnings last year, manpower exports remain a vital "commodity," high on the government's priority list.

The Philippine government, for its part, has set up a regional labour centre in Jeddah with the encouragement of the Saudi Arabian government to look into the grievances and problems of Filipino workers in the region, and to solve them with the co-operation of the labour courts. Manila has also instructed the centre, headed by the Philippine Director for Employment Services, Jonathan de la Cruz, to study prospects for boosting the country's share of the labour market in the Middle East. A million dollars have been set aside for the first year of the centre, which will look after the affairs of workers in Saudi Arabia, Iraq, Kuwait, Bahrain, Qatar, Jordan, Oman, North Yemem and the UAE.

The setting up of the centre fits into a five-year-plan, during which the Manila authorities see an increase of Filipino workers in the Gulf to one million. In the immediate future, Manila expects an additional 15,000 workers to be placed in Saudi Arabia during the current year, bringing the total of Filipino workers in the Kingdom to 165,000. The South-East Asian state has also signed a contract with Iraq for 5,000 nurses and hospital workers, while other contracts with Iraq and Libya are in the pipeline. According to the Philippine Labour Minister, Blas Ople, an annual increase of 25 per cent is planned in the number of Filipinos working in the Middle East. As from December 1981, Filipino workers in Arab countries totalled 183,590 of which 82 per cent (nearly 150,000) were in Saudi Arabia.

While at present the bulk of Filipino workers in Arab countries is engaged in construction work, the authorities in Manila are looking forward to growth in service areas including operations and maintenance, medical and health, dock work, telecommunications and sanitation management. During a recent visit to Manila, the Mayor of Jeddah, Sheikh Muhammed al Farsi, negotiated a contract for 200 telecommunications technicians for the city. Jeddah is already a major employer of Filipino labour and the mayor had come to Manila for a twinning ceremony of Jeddah with Manila and to sort out some disputes involving Filipino sanitation workers.

Manila, of course, has an additional consideration when sending its manpower to work in the Middle East. Filipino Muslim leaders in the southern Philippines have often raised the question of possible benefits for the country's neglected and minority Muslims through employment in the Arab countries. At present there are 10,000 Filipino Muslims working in Makkah and Madinah, and Ople told *Arabia* that Muslims accounted for 10 per cent of placements arranged on a government-to-government basis. He said that the government gave priority to placing Muslims in the Gulf provided employers indicated a preference for Muslims in their workforce. Yet Muslim employers in the Middle East seldom do so and it is difficult to place Muslim Filipinos when they lack requisite skills and training. The Labour Ministry is said to be arranging manpower development programmes in the predominantly Muslim areas of southern Philippines and officials expect that a greater number of workers will be recruited from among Muslims in the future.

The Indians, with a wealth of skilled, semi-skilled, and educated manpower, have been slow to make the most of the highly lucrative market in the Gulf. India, a major resevoir of professional manpower, has many training institutions to meet growing demand. The Indian Ministry of Commerce has recently launched a "Projects Export" drive to promote the country's manpower services in engineering, management and technical sectors. The Indian Overseas Construction Consortium, saying that Indian companies, "despite all their advantages, had captured only a small slice of the Middle East market," announced that it was forming a chain of subsidiaries in Kuwait, Bahrain, Saudi Arabia and the UAE. The Consortium recently won a $200m contract in Iraq and is negotiating others in the UAE, Libya and Iraq.

The New Delhi government is also keen to create confidence among foreign employers and has urged various sectors to set up institutions for recruitment and deputing trained personnel. Prime Minister Indira Ghandi is expected to discuss trade and manpower services, amongst other things, when she visits Saudi Arabia in April.

CSO: 4220/47

TEST TRANSMISSIONS AT AUSTRALIAN RADAR SITE

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jun 82 p 98

[Text] Stage B of Jindalee, the novel very-long-range radar being developed by Defence Scientists for surveillance of the northern approaches to Australia from Alice Springs, will begin experimental transmissions in April.

The Australian Minister for Defence, Mr D.J. Killen, said today Jindalee was one of the most promising research and development projects ever mounted for the defence of Australia.

The more advanced stage B system was approved by the Government in 1978, after excellent results had been obtained from the initial experimental equipment set up near Alice Springs by the Defence Science and Technology Organisation.

A new Stage B receiving station had been constructed near Alice Springs, next to the original Stage A site on Bond Spings Station.

The new main receiving antenna array is 2.8km long.

Much of the large transmitter complex at Harts Range, about 160KM from Alice Springs, had been completed. It had been necessary to construct a new three-megawatt power house and buildings to contain additional transmitter equipment.

Complex and Novel Stage B equipment had been developed at Electronics Research Laboratory, South Australia. Most of this equipment was moved to Alice Springs in 1981. Mr Killen said the main projected improvements in Stage B would be the ability to swing the radar beams over a wide arc together with the use of much more powerful computer systems, including "State of the Art" equipment developed by the staff of Electronics Research Laboratory.

This would enable targets to be tracked while the beam continued to scan the whole area under surveillance.

Already defence planners were working on ways to incoporate Jindalee techniques into Australia's surveillance and early warning systems.

Much of the A$24.6 million allocated to the project had been spent on tasks involving Australian industry, Mr Killen said. This included a contract worth A$1.4 million, let to John Holland Constructions by Department of Housing and Construction for the re-development of the Alice Springs sites; a contract of A$2 million let to Amalgamated Wireless (Australasia) Ltd. (AWA) for assistance in the development of equipment at Salisbury and the subsequent operation and maintenance of the system at Alice Springs, and contracts worth several million dollars in total to other Australian firms for the supply of power generating equipment and for manufacture of the receiver antenna, power supplies and printed circuit boards.

CSO: 4220/47

INTERNATIONAL FUNDING FOR BURMESE POWER PROJECT

Rangoon THE WORKING PEOPLE'S DAILY in English 20 May 82 pp 1, 4

[Text]

RANGOON, 19 May—The Electric Power Corporation of the Ministry of Industry 2 will use a credit of SDR 70. 1 million (equivalent to 80 million US dollars) from the International Development Association (IDA) to instal transmission facilities for a common grid between existing and proposed thermal and hydroelectric power generating facilities.

The power systems to be interconnected consist of the thermal facilities of Kyunchaung, Mann, Prome and Myanaung systems and the hydro systems comprising Lawpita Hydroelectric Power Station; the Sedawgyi and Kinda hydro systems now under construction, and, Paung-laung and Baluchaung hydroelectric power projects, which are now in the planning stage.

The provision of transmission lines under the project will increase the reliability of power supply to Rangoon, since there will be another 230 kilovolt line to be constructed in addition to the existing 230 kilovolt line. The high voltage transmission line will be 643 kilometres in length and there will be eight grid substations with a total transformer capacity of 330 megavolt amperes.

The IDA credit is for 50 years including 10 years of grace. It carries no interest but bears an annual service charge of 0.5 per cent on the undisbursed balances of the credit, and 0.75 per cent on the disbursed balances..

CSO: 4220/47

PAKISTAN MISSILE ACQUISITION THREAT TO INDIA

Madras THE HINDU in English 16 May 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, May 15.

There are reports that Pakistan has acquired already, or is going to acquire shortly, the French-built Exocet air-to-air missiles which skim just two metres above the waves at the speed of sound and hit the pre-determined targets with deadly precision.

The first use of this formidable weapon in naval warfare has been made by an Argentinian aircraft which launched the Exocet from a distance of 60 to 70 kilometres against HMS Sheffield, destroying this modern British frigate within minutes.

The Exocet is built in two versions, as a ship-to-ship and air-to-ship missile, that can be launched from sea level as a surface weapon or from an aircraft flying as high as 10,000 metres or as low as 100 metres depending on tactical requirements.

The French had offered this missile to India in either form a few years ago while it was still in the initial stages of development. But for some imexplicable reason it was not accepted, either because of its high cost or other reasons.

Threat to Indian Navy: A number of countries including Pakistan had evinced interest in this new fire-and-forget missile with its own in-built computer guidance to home accurately on the target. It is not known which version Pakistan has opted for, the shipborne or aircraft-launched one, to meet its limited requirement. But it can pose a serious threat in either form to the Indian Navy in the Arabian Sea and the Bombay high off-shore installations.

The other new generation missiles tested for the first time in actual battle include the Tigerfish torpedo with which the British nuclear submarine, HMS Conqueror, sank the Argentinian cruiser, General Belgrano, the helicopter-fired Sea Skuas which sank three Argentinian patrol boats, and the Sea Wolf and Sea Dart missiles carried by British warships capable of intercepting the Exocet and Tigerfish before they hit their targets.

Naval experts of many countries including India are following closely the performance of these new weapon systems to decide which of these would meet their respective requirements.

Hard to detect: If the performance of the aircraft-carrier based Sea Harrier fighter-bombers has not come up to expectations, the Lynx and Sea King helicopters of the British fleet seem to have done remarkably well despite adverse weather conditions. But the main lesson that has been drawn is the increasing vulnerability of both surface and submerged naval vessels to missile attacks that are hard to detect until it is too late to take any counter measures.

It is not only the French-built Exocet missile that has attracted worldwide attention, but also the Super Etendard fighter-bomber manufactured in France which launched this magic missile that has won the admiration of military experts everywhere. It has been able to penetrate the radar screens of the British task force and get back safely without being shot down by the very latest anti-aircraft missiles.

The French have carried away the trophy no matter what the final outcome of this sad conflict in the South Atlantic that is serving no better purpose than as a testing ground for new weapon systems. And once the fighting is over, the arms merchants will start descending on various client States to sell these battle-tested missiles to them.

CSO: 4220/7339

ANALYST SAYS GANDHI PLANNING GOVERNMENT CHANGES

Madras THE HINDU in English 9 May 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, May 8.

After the presidential election, the Prime Minister, Mrs. Indira Gandhi, proposes to consolidate her power structure both at the political and administrative levels to provide for greater cohesion in the functioning of the ruling party as well as the Government, according to some highly placed sources here.

But it is not clear how exactly she intends to proceed to put her immense power to positive use, apart from reshuffling the Central Cabinet, removing a few Chief Ministers, shifting some Secretaries or cracking the whip to curb indiscipline and putting greater emphasis on integrity and ability in running the Government.

After reaching the mid-way point of her present five-year term, Mrs. Gandhi has evidently started realising that some drastic steps have to be taken to end the current drift and revive the old confidence. But before administering such a shock treatment, she has to work out a set of priorities for shedding some of the deadwood and inducting more competent persons into the Government.

After watching the functioning of the party and performance of her colleagues during the first two years of her present term, the Prime Minister had more or less decided to make some far-reaching changes in her Cabinet in January last. But she had subsequently some second thoughts on the wisdom of going in for a major shake up in one instalment.

So only half of the exercise was completed during the last reshuffle, when the portfolios of several Ministers were changed and a few were dropped from her team. The second instalment of changes was to be carried out after the monsoon session when many more Ministers were due to be shifted around or eased out because they had not come up to her expectations.

But this residuary operation has been deferred again until the presidential election is over and the Prime Minister is through with her impending foreign visits. She also needs time to map out her strategy carefully for improving the quality of Government both at the Centre and the States. The interregnum is being utilised to take a fresh look at the group politics and inner party equations to pin-point the causes of discontent and the consequences of indiscipline.

The Chief Ministers of some States who have been pressing for permission to expand their Cabinets for placating the potential trouble-makers in the party have been advised to wait until Mrs. Gandhi has made up her mind on what she should do at the Centre. She is also waiting to see how the Congress (I) performs in the Assembly elections under way to assess the mood of the people.

What the Prime Minister finally does, or does not do, will naturally depend on a combination of circumstances. But the mere fact that she is keen on doing something has helped to create the impression that Mrs. Gandhi is all set to make some far-reaching changes in the power structure.

And the very thought that she is anxious to take timely steps before it is too late is helping to reassure the civil servants that the accent hereafter is going to be on competence and not subservience. The Ministers who have been playing favourites in the past by transforming personal loyalty into a narrow political cult are much more careful now in their attitude to the services.

CSO: 4220/7330

G.K. REDDY DISCUSSES SUBJECTS FOR TALKS WITH FRG

Madras THE HINDU in English 16 May 82 p 2

[Article by G.K. Reddy]

[Text]

A CHINESE delegation led by Mr. Fu Hao a senior functionary of the Foreign Ministry in Beijing, who is an expert on Sino-Indian relations, is in Delhi to begin the second round of official level talks on normalisation. The discussions will go on for four or five days in an atmosphere of cautious optimism, with no illusions on either side of an early break-through on the complex border problem.

The on-going dialogue basically is a confidence-building exercise aimed at generating enough faith in each other's desire for better relations, before any major move can be made for resolving the border dispute. Neither side is, therefore, in any great hurry to step up the pace of this effort for fear of running into a dead end.

The current series of talks are thus intended to create the right atmosphere for serious negotiations on the substantive aspects at a later stage by first establishing an acceptable basis for further discussions.

Concept on border

As a starting point for a negotiated settlement, the two countries must agree on a common concept of a border that is fair and equitable to both sides. The Chinese view the dispute not as a border problem but as an ugly historical legacy that has soured Sino-Indian friendship and strained their relations. The Indian grievance, on the other hand, is that it has been a victim of both dissimulation and aggression.

The Chinese are ready to discuss the border problem, but they would prefer to leave it aside for the present and proceed with the improvement of relations in other spheres. The Indian approach is that, as an aggrieved party, it is entitled to some degree of redress in respect of the border issue which was central to the whole process of normalisation.

The two countries have to deal with what is essentially a territorial dispute, not merely a ratification of a boundary alignment. The issue in dispute is not delimitation of an unsettled border, but a political settlement of conflicting claims to a vast area of nearly 37,000 sq. km in Ladakh alone.

If the two nations continue to harp on their respective historical rights, the current exchanges will end up in a more damaging stalemate that will only freeze the issue leading to further distrust and frustration. The adverse psychological impact of an abrupt anti-climax after the expectations of a settlement will be much more damaging than the prolongation of the present impasse.

Adjustment

It is for this reason that both India and China are moving forward warily and taking their own time to probe each other's approaches carefully before making up their minds on how to carry forward this dialogue without risking a breakdown. The accent is no longer on reiterating the past claims to justify the present postures, but talk reassuringly of a possible settlement through mutual adjustment. If India is not insisting any more on a total and unconditional withdrawal from the occupied territory as a condition to any negotiations, China is not repeating its extravagant claims even for the limited purpose of justifying its illegal occupation.

The talks opening on Monday will have to be conducted in this grey zone to see how far the two countries are prepared to go to arrive at an amicable settlement. The Indian strategy will be to nudge China to unpack its package offer and spell out more clearly what is meant by a comprehensive settlement.

The Chinese, on the other hand, will try to get some indication of India's current thinking, whether it would be prepared to settle the dispute on the basis of the existing realities with some minor gestures to make the loss of Aksai Chin more acceptable to the Indian public opinion.

It is highly unlikely that the two sides will get down to a serious discussion on the details of a border settlement during the present round of talks, since a lot more spadework remains to be done to reach this stage.

No concrete proposals

Amidst their other preoccupations on the home front, the Chinese were not particularly keen on having these talks in Delhi. But they agreed to an early date on the assumption that India was anxious to have the second round soon, whether it was to keep the dialogue going or avoid the impression of waning interest.

There are no indications to suggest that Mr. Fu Hao has arrived with any concrete proposals other than repeating in general terms the Chinese plea for what is described as a comprehensive settlement. The Indian side too has not formulated any counter proposals to set the ball rolling for detailed discussions.

But there have been some hints to third countries friendly to both India and China that Beijing is prepared to consider suggestions for making the annexation of Aksai Chin a little more palatable by establishing in Ladakh a permanently demilitarised buffer zone, which India was more or less prepared to agree to as a temporary expedient after the loss of this territory during the 1962 conflict.

If this hint is pursued seriously, it can serve as a starting point for substantive talks on what should be the basis for a comprehensive settlement, providing for compensating satisfaction in other sectors to make the package more acceptable.

Otherwise there is every danger of these talks getting bogged down if the two sides keep repeating their old claims or restating their earlier positions. The whole Chinese case is based on the contention that the Indian claim to Aksai Chin, or for that matter to the McMahon line, stems from the unequal treaties or impositions of the British era which lapsed with the disappearance of the imperial power from the sub-continent.

Geopolitical solution

It can be argued with much greater justification that, unlike the Indian stand which is reinforced by historical data pre-dating British rule, the whole Chinese claim to any part of the Indian border territory is based only on its conquest and continued occupation of Tibet which is no less indefensible in the present-day context.

The historical and geographical aspects of the problem have to be meshed together to produce a geopolitical solution that is both fair and acceptable to both sides. It has taken India and China nearly 20 years to resume the threads of discussions that were suddenly snapped in 1962.

It is sad to recall how the two Asian giants with so much in common had talked themselves into a conflict that has left its scars which can turn into running sores again if the current moves for a border accord end up in smoke. It is, therefore, incumbent on both countries to ensure that the talks do not fail, even if no progress is possible at this stage.

At the first round of talks in Beijing in December last, India proposed an acceptance of the Colombo proposals which China rejected as being out-dated and inapplicable in the present circumstances. The Indian plea for a sector by sector settlement was also turned down on the ground that a complex border problem of this kind can be resolved only through a comprehensive political solution.

Though the Chinese had started resorting to force from 1958 in some isolated cases, it was not until September 8, 1962, that they moved in a big way to assert their territorial claims and launched an all-out attack on October 20, 1962, all along the border from Ladakh in the north to NEFA in the east. The attack followed the reassertion of the Chinese claim to not only 31,000 sq. km. in the Ladakh region but also 90,000 km across the McMahon line.

The Nehru offer

The Colombo powers — Egypt, Ghana, Sri Lanka, Cambodia, Burma and Indonesia — proposed that both India and China should withdraw 20 km on either side of the September 8, 1962 line and agree to maintain only a limited number of civilian posts in the territory subsequently occupied by China after October 20, 1962.

When the Chinese rejected the suggestion, Nehru said the area could be demilitarised with neither side maintaining any civilian or military posts there. The offer of zero posts was made by India as a prelude to resumption of talks with a proviso for international mediation or arbitration including reference to the World Court, if the two countries failed to settle the problem through bilateral negotiations.

The reported Chinese readiness to agree now to what they rejected in 1962 will be in consonance with the Nehru offer in its immediate application, except that India then viewed it as a reasonable basis for resuming the negotiations, while China considers this as part of a permanent solution.

The painful chronology of events, starting off with the high noon of the Hindi-Chini Bhai-Bhai phase when the Panch Shila agreement on Tibet was signed in 1954 and Zhou en Lai assured Nehru that there was no border dispute, the clandestine construction of the Aksai Chin road, the start of the Chinese intrusions into Bara Hoti and Spiti area and the incidents at Longju and Khinzamane to the occupation of Khurnak Fort, establishment of camps at Spanggur, the Soda and Deepsang plains, the clashes in the Galwan, Chip Chap, Shyok and Chang-Chengmo valleys and the subsequent extension of the Chinese claim

line in Ladakh through large-scale military action can serve as a useful sequence for reversing some of these steps and reaching a point of accommodation at which a lasting border settlement is possible.

Line of actual control

The so-called line of actual control set up by China, first through construction of the Aksai Chin road and then infiltration and incursion along the river valleys to the east of the Karakoram watershed was no line at all except a series of scattered positions. The ceasefire line in 1962 more or less conformed to the Chinese claim line in Ladakh which left Beijing in control of nearly 37,000 sq. km of territory in Ladakh.

About a third of this territory is on the Indian side of Karakoram even if one were to concede the Chinese argument that the area between the Kuen Lun and Karakoram ranges did not historically belong to it. The least that China can do is to confine its claim upto the Karakoram watershed and arrive at some understanding to demilitarise permanently the rest of the occupied territory that can be legitimately regarded as vital for the security of the Aksai Chin region.

The border dispute is a bottomless pit in which all arguments based on history and geography or treaty and tradition get lost, unless the two countries reconcile themselves to a rational demarcation that both is politically just and militarily defendable. There can be no comprehensive settlement that does not also take into account the special geopolitical interests of the two countries on either side of the great Himalayan dividing line. And it is better to delay a settlement by waiting for a more opportune moment than arriving at a makeshift compromise that could be a source of recurring frictions in future.

CSO: 4220/7339

G.K. REDDY DISCUSSES SEARCH FOR NEW PRESIDENT

Madras THE HINDU in English 8 May 82 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, May 7.

The search for a presidential candidate has begun in the sense that some names are being mentioned in the ruling party circles, but the stage has not yet been reached for narrowing down the choice to any single person.

The Congress (I) is proceeding on the assumption that three will be a contest, since it is not keen on another consensus President, unless the Opposition parties are prepared to support its nominee without any conditions.

The Opposition parties have not yet got together to agree on a common candidate to put up a token fight. But the name of Mr. Bhola Paswan is being mentioned as a possible choice because of his Gandhian background and wider acceptability to the weaker sections.

According to some of her close confidants, the Prime Minister, Mrs. Indira Gandhi, has to decide first whether to adhere to, or dispense with, the practice of giving due weightage to the claim of the incumbent Vice-President, before considering other names for the office of President. It is only after this decision has been taken that she can start consulting her senior colleagues on who should be chosen in the present circumstances.

But as a starting point for this exercise, she is not in any way discouraging her colleagues from privately mentioning names, without disclosing her own thinking on how the ruling party should proceed to select a suitable person. All that she has so far indicated in a general way is that, in making the choice, the party should bear in mind the basic requirement that the President and the Prime Minister should be able to function with proper understanding in the larger national interest.

In the initial stages, during the first two presidential elections after Dr. Rajendra Prasad stepped down, the then Vice-Presidents, Dr. S. Radhakrishnan and Dr. Zakir Hussain, were automatically chosen as the ruling party's nominees for the office of President. But the precedent was not followed when on the eve of the first Congress split, in the wake of Dr. Zakir Hussain's death, Mrs. Gandhi preferred Mr. Jagjivan Ram instead of proposing the name of Mr. V. V. Giri who was staking his claim.

What followed later is now part of history, but the point is that Mrs. Gandhi chose Mr. Fakhruddin Ali Ahmed, instead of the then Vice-President, Mr. G. S. Pathak, when Mr. Giri completed his term. The present President, Mr. N. Sanjiva Reddi, emerged as a consensus candidate in an entirely different situation.

North-South equation

There is a section of opinion in the Congress (I) which feels that the former Vice-President, Mr. B. D. Jatti, was unfairly denied a chance in 1977 by the Janata leaders who considered him to be pro-Congress and, therefore, unacceptable to them. The Prime Minister also is known to share this view, but it is anybody's guess at this stage whether she would choose him in preference to the other aspirants.

The other names that are being mentioned include a couple of southern personalities along with some nothern politicians who are being brought into the picture, strangely enough, for diametricaly opposite reasons. The aruments that the next President also should be from the south since the Prime Minister is from the north is being rebutted with the counter plea that as many as four of the six Presidents so far have been from the south and it is high time that the north got a chance again.

The advocates of this north-south equation maintain that, for the purpose of choosing the next President from the north, Mrs. Gandhi could be deemed to be a southerner since she has retained her southern constituency in preference to the one in her home State. The point is being further stretched the need for a caste balance because of the prevailing political sensitivities on the subject that cut across the normal party interests.

There are still five weeks left for the Prime Minister to make up her mind and she is apparently in no hury to foreclose her options until the last. The notification of the presidential election is expected to be issued around June 10 and the nominations will have to be filed within the prescribed 15-day time limit. The decision cannot be delayed beyond the middle of next month, if the choice is not made earlier to avoid undue pressures.

Choice wide open

At the moment, the choice is wide open with several aspirants in the field and no names being ruled out in advance. But what is significant is Mrs. Gandhi's letting her colleagues talk quite freely in the party circles about the claims of various persons, just to assess the public reaction to the mention of their names than allow herself to be influenced in any way by this propagation.

The Prime Minister's non-commital, monosyllabic reactions to the mention of various names are mistaken for sympathetic responses, with the result, that each one who talks to her about a suitable candidate gets away with the impression that she is well disposed towards him. And when the time comes for her to take a decision, quite a few aspirants and their supporters are going to feel let down.

CSO: 4220/7328

G.K. REDDY ON IMPORTANCE, EXCESSES OF SECURITY MEN

Madras THE HINDU in English 9 May 82 p 2

[Article by G.K. Reddy]

[Text] One of the great hazards of high office in a democracy is constant exposure to danger, strangely enough, through close contact with the people. In a dictatorship, on the contrary, the leader remains cloistered most of the time, wielding his immense power by remote control, as it were, with no compulsion to meet or mingle with those who have no reason to see or be seen with him. The concept of security, therefore, varies from one political dispensation to another depending on the exigencies of different situations.

The President of the United States, for instance, is often the prime victim of the country's libertarianism, which permits its citizens to own and use firearms, engage in fierce controversies and arouse raw emotions in the name of self-assertion. It is a sad commentary on the American system that a demented young man, jilted by his girl friend, should think of shooting the President simply to gain notoriety and let others know of his frustrations in life.

But happily in Europe the gun laws are much more stringent and the assertive public opinion draws a clear distinction between liberty and licence. In a country like Britain with its well-established traditions of tolerance it is simply unthinkable that anybody would seriously think of posing a threat to the person of the sovereign or the Prime Minister even in the wake of a national humiliation. Those that have met with a cruel fate on the Continent over the centuries were generally victims of cold-blooded conspiracies or revolutionary upheavals, not of stray acts of senseless violence sparked by momentary passions.

Right Equation

It is the tyrannical despot not accountable to the people for his monstrous actions who is invariably overtaken by his monumental follies in the long run. The absence of safety valves in a totalitarian set-up leads to a dangerous accumulation of pent-up public resentment to the flash point when the slightest miscalculation or misjudgment of the public mood could have disastrous consequences.

The ultimate security of an individual in power, or a system in operation, lies in the final analysis in the capacity of the establishment to assess and respond to the wishes of the people. A successful leader in any political dispensation can survive only by developing the right equation with his people.

The danger signals start flashing when the credibility is lost and the people begin to suspect that one is resorting to various alibis to explain away one's failures or justify one's continuance in office. The classic dilemma that constantly haunts a pocket dictator or a diabolical politician is whether one should gracefully quit before it is too late or try to hang on to power even at the risk of further imperilling one's chances of survival in the face of mounting opposition.

Men of Destiny

The present genre of world leaders has unfortunately not benefited from the experiences of those in the past who came to grief by considering themselves indispensable or developing over-reaching ambitions.

History is replete with examples of how great conquerors like Alexander and Napolean, tyrants like Hitler and Mussolini, titanic personalities like Stalin and Mao, shrewd manipulators like Machiavelli and Metternich and ambitious politicians like Bismarck and Clemenceau, not to speak of more contemporary visionaries like Gandhi and Nehru, war leaders like DeGaulle and Churchill, Third World statesmen like Tito and Nasser, and near lunatics like Pol Pot and Idi Amin, have either helped to shape or destroy, dignify or pervert, the destiny of mankind.

The art of present-day leadership calls for a fuller comprehension of the interaction of pulls and pressure at work on the international scene. It is not adequate for a successful leader to attempt to case oneself in the heroic mould of a historic personality since the real test of a success lies in emulating the high-mindedness or unfailing intuition of those who were able to rise above the rut of narrow self-interest in championing their respective national interests.

The world today needs more than ever before the prototype of a successful modern politician who combines in oneself the virtues of sound tradition and ability to keep pace with the dynamics of rapid change in the quality of life.

Compulsions of Populism

Unfortunately, the developing countries much more than the developed ones are burdened with sick societies that are becoming breeding grounds for violence. The compulsions of populism oblige one category of leaders to play to the gallery while the fear of public opinion impels the other to render themselves inaccessible, if not invisible, to all except small circles of admirers or sycophants around them. The pressures of the power game and the feeling of insecurity generated by the agonising uncertainties about their own future make them increasingly vulnerable to talk of destabilisation.

A country like India with all its missed opportunities and imperfections is still a haven compared with other Third World States caught up in the coils of stagnation. The Indian electorate has become increasingly conscious of its capacity to bring about drastic changes through the ballot box in an orderly transformation. The native wisdom and shrewd horse sence of the illiterate Indian voter are perhaps the best guarantee against any gross misuses of parliamentary institutions for ulterior purposes. The system has come to stay in the sense that it can be tinkered with but not tampered to the point of eroding the very basis of it.

It is necessary for all the major elements in the country's public to cooperate to preserve the system, whatever be the nature of their disagreements on how to run it. The nation can ill-afford to let the creeping cult of violence condition the reflexes of the younger generation at a time when the greatest need of the hour is national discipline. A society in transition going through the ordeals of rapid change is also a society in flux that is subject to various centrifugal pressures.

It is the responsibility of the leader to remain firmly in command of the situation without blaming others for one's own lapses. One should not make the mistake of isolating or placing oneself out of reach of common people in the name of security since it amounts to virtually insulating oneself from the very electorate that has put one in power in the first place. There is no such thing as ultimate security for a person in public life. since one has to take calculated risk all the time in maintaining mass contact and developing the necessary communion with the people.

But security has become a major industry these days with those in charge acquiring a new vested interest in maintaining a tight cordon around the head of government. There is what is called a blue book which lays down the norms for security for various dignitaries starting with the President and the Prime Minister down to the Governors and Chief Ministers in the States.

After the recent upsurge of violence on the international scene, the agencies concerned in India have spread themselves so wide that it is impossible to keep up a sensible distinction between protection of the top leaders and harassment of the public through an intensification of irksome restrictions.

The world over security men tend to smell something sinister behind everything, mistaking every crank for a conspirator, sensing some dark plot behind an innocent attempt to get closer to the top leaders even for perfectly legitimate reasons. The people will not grudge the crores of rupees spent on security so long as it serves the desired purpose without becoming a major irritation. In the long run those entrusted with the personal of a President or Prime Minister do more harm by infuriating and alienating the people through excessive zeal and over-reaction.

Vested Interest

The other day the security men in Delhi brought in police dogs to smell the personal baggage of those invited to accompany the President on his foreign tour and even the air crews were not spared this humiliation. In the past security used to be more ceremonial, but now it has assumed the dimensions of a vested interest with those in charge thriving on the spoils that go with it.

The extra numbers do not provide an additional margin of safety other than making a nuisance of themselves with their conspicuous presence. A few alert individuals are much more effective than a whole horde of raw hands in coping with any possible threat.

The Prime Minister is a brave person who is used to taking risks and facing dangers with composure. She has to fight hard often to ensure that her personal security does not become counter-productive by making a parody of it. One cannot easily ignore the telling remark of Bernard Shaw that the assassination of Gandhiji only proved how dangerous it was to be too good.

And true security lies in a proper blend of precaution, anticipation and pre-emption, not in isolating a leader from the people by building barricades, filling the front rows with plainclothesmen or over-reacting to events as it happened in the Makalu episode.

CSO:

WRITER DISCUSSES TREND TOWARD REGIONAL PARTIES

Bombay THE TIMES OF INDIA in English 13 May 82 p 8

[Article by Inder Malhotra]

[Text]

IN July 1979 when Mr. Devraj Urs ostentatiously announced his break with Mrs. Gandhi, it was generally expected that he would form a regional party confined to Karnataka, then believed to be his stronghold. But he did nothing of the sort. Instead he threw in his lot with that of his Congress colleagues on whom, along with her, he had earlier pronounced anathema.

For their part, Mr. Swaran Singh and his associates not only welcomed Mr. Urs with open arms but, dazzled by his apparent political clout which later turned out to be illusory, requested him to take over the party's stewardship. Almost overnight the Congress (S) became the Congress (U). The rest of the story is too well known to need recounting in detail. Indeed the only reason for returning to it is to note that now that Mr. Urs is, politically speaking, rather like Samson after his historic hair-cut, he has chosen to renounce his claim to all-India leadership and form a regional party, Karnataka Kranti Ranga or the Revolutionary Forum of Karnataka. His radical pretentions cannot obscure the fact that, like so many desperate politicians before him, he finds it expedient to pander to petty and divisive parochial sentiment.

Whether Mr. Urs's regional party will fare any better than the Congress (U) did remains to be seen though it is obvious that his task has been rendered somewhat easier by the ineptitude and worse of the Karnataka chief minister, Mr. Gundu Rao, and his cohorts. But whatever the eventual fate of the Karnataka Kranti Ranga, its formation itself is an unhappy development coming, as it does, in the context of several other trends towards an unhealthy regionalisation of Indian politics.

Of the recent developments in this connection the most talked of has understandably been the formation in Andhra of Telugu Desam, also an unabashedly regional party, headed by the state's "matinee idol", Mr. N. T. Rama Rao, who fancies himself as the Telugu counterpart of the Tamil actor-politician, Mr. M. G. Ramachandran.

Contagious Examples

Since nothing is more contagious than bad example, the question is whether Mr. Rama Rao and Mr. Urs will have their imitators elsewhere in the country. There is no sign yet that regional parties are likely to burst on the body politic like a rash. But some dismal rumblings are being heard in some states which ought not to be overlooked.

In Gujarat, for instance, the powerful Patels, also called pattidars, excluded from political power for the first time since independence by a new caste combination called KHAM (Kshatriyas, Harijans, Adivasis and Muslims), are said to be planning to form a regional party to give the present Congress (I) leadership in the state a fight.

All this cannot but cause concern even after full allowance has

been made for the fact that in a country of India's size and diversity, different parties must come to the fore in different parts.

No great harm might have been done if different political parties having at least an all-India outlook, if not an all-India reach, had competed for influence only to find that they could strike roots only in limited areas and the rise of the essentially regional or local parties was confined to such outlying areas as the north-east or Jammu and Kashmir. But that is far from being the case.

Over the years, political stability in this country and progress towards national integration have depended largely on the "one party plus system" which means a multi-party dominated by a single party. There was an unfortunate break in this pattern first because of the emergency and then during the Janata experiment which, until its ignominious collapse, had created the illusion of a two-party system taking shape.

In January 1980 the country returned to the pattern of single party dominance. All the more reason therefore to regret the emerging trends towards the fragmentation of the polity and the rise of regional and parochial feelings in various parts of the country. These developments have to be viewed moreover against the less disturbing wider backdrop.

In Tamil Nadu, a regional party — one manifestation of the once united Dravidian movement or the other — has been entrenched in power since 1967. Kashmir continues to be a virtual sheikhdom. Even the CPM, despite its international ideology, is behaving as a regional party, with its vision restricted to West Bengal, Tripura and Kerala. In West Bengal in particular, the CPM party boss, Mr. Promode Dasgupta has been advocating that the state be made a Marxist citadel even at the risk of provoking a confrontation with the centre and, if need be, the rest of the country.

Endless Agitation

Add to this the horrendous goings-on in Punjab, the seemingly endless agitation in Assam, the equally unending disruption in Manipur and son on and the perilous state of affairs becomes clear. And yet it may well be that when all is said and done, the present fears of regionalisation of the Indian political system may turn out to be as exaggerated as the ones in the past.

After all, in 1967 when the undivided Congress lost power in so many states that one could travel all the way from Howrah to Amritsar without having to pass through any Congress-governed territory, had not many knowledgeable persons declared that the days of all-India parties were over and in future only regional groupings will hold sway?

There is indeed a tendency in this country to swing from the depths of despond to extravagant optimism. The gloom of 1967 was replaced by euphoria first in 1971 and then in January 1980 when, following Mrs. Gandhi's sweeping victory in the Lok Sabha poll even in Tamil Nadu, some rushed to the conclusion that a requiem for regional parties was in order.

If this optimism was misplaced, which it clearly was, so can be today's pessimism. There is nothing to show that the two new regional parties that have been formed in Andhra and Karnataka will necessarily make headway. On the contrary, a case can be made out that they might turn out to be non-starters.

Mr. Urs has been proved to be a newspaper tiger before and this may happen all over again when Karnataka goes to the polls in February. In Andhra, Mr. Rama Rao, thanks to the glamour bestowed on him by the silver screen, has made a greater splash than Mr. Urs has been able to in Karnataka. But even his stellar performance has begun to lose its initial shine. The adverse reaction to his intemperate attacks on such respected personalities as the late Mr. T. Prakasam or President Sanjiva Reddy is unmistakable. Nor has he improved his prospects by giving it away that his rhetoric about regionalism is but a cloak for his championship of the cause of his own Kamma caste. This has inevitably angered the powerful Reddys, to say nothing of others.

To cap it all, despite the similarity in their cinematic roles, NTR is in no way comparable to MGR in terms of political stature or personal popularity. Moreover, neither Andhra nor Karnataka has anything like the legacy of the Dravida movement in Tamil Nadu in which is rooted the present strength of the AIADMK or its rival, the DMK.

No Complacency

Even so, there is absolutely no room for complacency. The fabric of national unity, already under much strain, cannot be allowed to be subjected to any further stress.

To combat the divisive trends is the bounden duty of not merely the Congress (I), as the only all-India party in the country at the present juncture, but also all other parties which either have or claim to have at least all-India perspective, if not yet all-India following.

In view of this, it is distressing that the Bharatiya Janata Party, while projecting itself as the "National alternative" to the Congress (I), has given up in advance any hope of striking roots in several states. It has, in fact, explicitly stated in the Vrindavan document that in order to rule at the centre at some future date it hopes to — indeed is anxious to — seek accommodation with the Anna DMK or the DMK in Tamil Nadu, the CPM in West Bengal and Kerala, Sheikh Abdullah's National Conference in Kashmir and the Akalis in Punjab!

No less disturbing is the effort by some otherwise well-meaning individuals and groups to foster the belief that far from being injurious, a coalition of regional parties ruling in New Delhi might be a good thing because it would work towards greater decentralisation of power. This is a dangerous doctrine which has got to be fought tooth and nail. There can be no national unity without a party or parties with both a national outlook and nationwide following. A combination of regional parties will be rather like a frog in the well. Leave alone its inability to take an all-India view of social or economic problems, such a combination might lack even a proper comprehension of issues of national security.

Some of the current craving for regionalisation of politics arises also from the erroneous belief that a strong centre, which a country like India badly requires, is necessarily an overbearing centre. Unfortunately, this misconception has been strengthened partly by the way the central leadership of the Congress (I) has often appointed or summarily removed chief ministers of states, some of whom are political lightweights and some others men of proven incompetence or established venality.

CSO: 4220/7334

EXPERTS STUDYING ARMS USED IN FALKLAND FIGHTING

Madras THE HINDU in English 10 May 82 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, May 9.

Indian defence experts have been closely observing the weaponry used and the tactics employed by the British and Argentinian forces in the Falklands conflict to draw the necessary strategic conclusions.

It is customary for the defence establishments of all countries to assess the positive and negative features of all such military engagements irrespective of their geopolitical and strategic context to benefit from the experience.

After each Israeli-Arab conflict, an Indian military mission used to be sent to the area of conflict to make a critical study of the performance of the two sides. The lessons drawn from these wars were valuable in the training of the Indian armed forces and planning the country's defence strategy in the changing security environment of the region.

The Indian interest in the present British-Argentinian conflict is a little more pronounced since the country's service chiefs are keen to know how the aircraft carriers and other warships, fighter-bombers and helicopters and missile systems used by both sides have been performing in their offensive and defensive roles in these operations, because some of this weaponry is also used by the country's armed forces.

The refurbished Indian aircraft carrier, INS Vikrant, is being equipped with the Sea Harrier short takeoff jet fighter-bombers now operating in the Falklands conflict.

Unequal engagement: Indian experts do not consider the sinking of the Argentinian cruiser, General Belgrano, a World War II vintage vessel which would have normally gone to the scrap yard long ago, as something that the British nuclear submarine, HMS Conqueror, can boast of since it was a totally unequal engagement.

But the unsuccessful Argentinian attack on a very modern and highly sophisticated British destroyer, HMS Sheffield, is regarded as a more creditable act in the sense that a French-made Exocet guided missile was able to evade its electronic defences by skimming at sea level from a distance of 40 kilometres.

The performance of the Sea Harriers in their interceptory and interdictory role has not come up to Indian expectations. But the experts are awaiting more operational data, including details of the adverse weather conditions, before drawing the necessary conclusions.

The British fleet has, however, displayed greater skill in the use of carrier-based Sea King helicopters in their hunter-killer role in searching out or attacking the Argentinian submarines within the exclusion zone.

A disquieting feature of these naval operations has been the U.S. logistical assistance given to the British fleet in the shape of staging facilities and satellite observed naval movements in the South Atlantic, which gave the Soviet Union an excuse to do the same thing by passing on similar information to the Argentinian forces. Though the two superpowers were not going to the extent of transforming this mini war into a proxy conflict, the U.S. and the Soviet Union were clearly taking sides.

Indian defence experts are waiting to see what tactics the British fleet would adopt for making a landing on the main Falkland islands if the U.N. fails to bring about an early ceasefire. The reinforcements that are being rushed by Britain to the war zone include weaponry that is going to be tested for the first time in actual battle.

The strategists of the Indian armed forces, who are totally apolitical are not concerned about the merits of the British response to the Argentinian action. They are only interested in the efficacy of the weaponry used and tactics adopted by either side to be able to benefit from their experience.

It is only in this narrow context that a professional study is being made of the progress and outcome of these operations some 12,000 kilometres away from Indian shores.

CSO: 4220/7333

REPORTS ON LALDENGA DACCA 'VISIT' CALLED 'STUNT'

Bombay THE TIMES OF INDIA in English 10 May 82 p 1

[Text] New Delhi, May 9--The Union government is not taking any serious notice of the rumours being spread by followers of Mr Laldenga that the MNF leader would soon come to Dacca to regroup the rebel forces now said to be in the Chittagong Hill tracts of Bangladesh.

For various reasons such a possibility is considered here to be remote. The rumours are seen here as an "election stunt" to improve the electoral prospects of candidates sympathetic to the insurgents in where four by-elections to the Union territory assembly are being held.

It is considered highly unlikely that the present government in Bangladesh which apparently wants to improve relations with New Delhi will allow Mr Laldenga to go to the border areas to indulge in hostile activities against India.

Rebel Group Split

Besides, the rebel group under the command of 'Col.' Lalrawna, which had taken shelter in the hill tracts after the breakdown of the Delhi leadership of Mr Laldenga. It was because of the hostile attitude of the rebel group that the MNF chief failed to fulfil his commitment to act the underground personnel to surrender their arms.

According to reports available here, things are getting hot for 'Col.' Lalrawna's men in the hill tracts where the Bangladesh army commander has made it plain to them that their continued stay in the area is not welcome.

In fact, the underground forces have become so demoralised with the large-scale desertions from their ranks that it will take a long time for them to regroup again and revive their insurgency operations.

Since January 20 when the MNF was declared an unlawful body, 111 rebels have been arrested, 377 have surrendered with their arms and Rs. 2 lakhs collected by the MNF volunteers as "taxes" from the people, have been recovered.

The Union government's policy of giving sympathetic treatment to the undergrounds who have surrendered and pledged to give up the path of violence is inducing others to follow their example. More surrenders are expected in the days to come.

Mr Laldenga who was provided with all facilities during his stay in New Delhi, sought the Union government's permission to leave the country when it became apparent that his writ did not run among the underground forces.

He made two trips to the so-called MNF headquarters in the Arakans but failed to persuade the rebels to follow his lead.

In order to conceal this bitter truth, the MNF chief started issuing various mis-statements with a view to confusing public opinion in Mizoram.

One such statement was that he was being kept in New Delhi as a "hostage." The fact, however, was that when Mr Laldenga expressed his desire to leave the country permission was given to him immediately. But the MNF chief continued to postpone the trip for one reason or the other.

During the talks in New Delhi, the Union government in fact went to the maximum possible extent to accommodate Mr Laldenga and rejected only those demands which were violative of the constitution.

The Union government could not accept his demand that he should be installed as the head of an "interim government" in Mizoram without elections being held.

It was only when the Mizo leader was adamant on this demand that the Union government told him that it would be forced to discontinue the talks.

Mr Laldenga, under this threat, agreed to send instructions to his followers to lay down their arms but the instructions were obviously spurned by the rebel forces.

Delhi Offer

Another attempt to accommodate the Mizo leader was made when the Prime Minister, Mrs. Indira Gandhi, offered on January 1 to form an advisory committee with representatives of all political parties in Mizoram including the MNF, under the chairmanship of the lieutenant-governor for an interim period during the transition to statehood for Mizoram after the underground forces laid down their arms. This was unacceptable to Mr Laldenga.

On January 22, Laldenga wrote to the Prime Minister to allow him to go to London. The Union government immediately agreed and offered him all facilities. However, in the first instance, the U.K. government showed unwillingness to give him entry permit.

His next choice was West Germany but the FRG government was reluctant to allow him to go to that country. Mr Laldenga and his family members were then issued passports for West European countries except the U.K. and the FRG.

However, Mr Laldenga repeated his request for endorsement for these two countries and it was done.

Finally, Mr Laldenga left for London on April 21 accompanied only by his wife.

CSO: 4220/7332

COMMITTEE NOTES DEFICIENCIES IN DATA BASE

New Delhi PATRIOT in English 9 May 82 p 7

[Text]

Parliament's Estimates Committee has said that there are still gaps and deficiencies in the data base of the Indian economy to meet the growing requirements of planning and policy making reports PTI.

Some of the important areas in which statistical series is at present not being collected, due to technical and operational difficulties, are agriculture, industry and trade, the committee said in its 33rd report on the working of the Department of Statistics (Ministry of Planning).

In agriculture and allied sectors, major gaps are in the fields of crop statistics, livestock products, forest products, inland fisheries, fruits and vegetables and farm inputs.

In the field of trade, distributive trade statistics and trade by road are the two major segments in which systematical data are not available. the committee said.

The committee said similar is the position with regard to unorganised transport sector Construction activity and unorganised segments of the services activities are the other areas where there is data gap.

It said an important area in which statistical aggregates are at present not being compiled relates to All-India index number of retail prices. Some other areas for which data are at present not adequately available relate to environment or energy balance.

Some of the factors responsible for non-collection of data in these areas, according to the committee, are deficiencies of manpower resources for data collection, supervision and compilation non-response in implementing the statutory provision for data collection. non-availability of proper operational methodology for collection of requisite data in certain fields and lack of any statutory obligation for maintenance of records in certain areas.

The committee had taken note of various programmes drawn up by the Department of Statistics to fill up major data gaps in certain areas.

It said the Department had not drawn up any programme to deal with the problems on non-response in implementing statutory provisions for data collection and the lack of statutory obligation in certain other fields to maintain records for the purpose of collecting data

The committee felt that in these two fields the Government could and should take remedial measures at the earliest.

The department of Statistics had not been able to derive consistent series of savings and consumption of households in the absence of a comprehensive survey of household income and expenditure, the committee said.

LAPSES IN PUBLIC SECTOR PROJECT SCHEDULES NOTED

Madras THE HINDU in English 9 May 82 p 6

[Text] New Delhi, May 8--Out of the 49 public sector projects costing over Rs. 20 crores each which were expected to be commissioned during 1974-79, only five were completed on schedule. The delay has ranged between one and two years in 10 projects, two and three years in 10 projects, three and five years in 13 projects and five years and more in eight projects.

Out of these projects there has been no cost escalation only in two projects. In the case of nine projects the cost escalation was below 50 percent while in the case of 15 projects the cost estimates had gone up between 50 and 100 percent. The cost escalation amounted to between 100 and 200 percent in the case of 17 projects while in the case of the remaining six, the escalation has been more than 200 percent.

These six projects where the costs have gone up by more than 200 percent are as follows:

	Original Estimate	Latest Revised Estimate	Percentage Increase
		(Rs. in crores)	
Neyveli Lignite Corp. Mine expansion	36.00	137.83	280
Kerala Newsprint project of Hindustan Paper Corp.	30.08	133.49	343
Nagaland project of the Hindustan Paper Corp.	18.72	62.12	230
Bongaigaon Refineries and Petrochemicals Ltd. (I) Crude distillation unit and offsite phase (II) Captive power plant (III) Petrochemical units and three other small units	80.91	310.75	280
Main shipyard of Cochin Shipyard	45.42	139.00	205
Khetri copper complex	24.44	138.36	466

As for the time over-runs, the Haldia unit of the Hindustan Fertiliser Corporation due for commissioning in October 1976 was delayed by five years, the Naptha unit of Indian Petrochemicals Corporation scheduled for commissioning in 1973 was commissioned in 1978. Other projects like the Bongaigaon Petrochemicals, Cochin Shipyard, Bharat Aluminium and the projects of Steel Authority of India Ltd.(SAIL) have been delayed for periods ranging from five to nine years.

Erosion of Public Sector Autonomy

Commenting on these time and cost over-runs, the Parliamentary Committee on Public Undertakings (COPU) has said in its 49th report submitted to Parliament that the position needs toning up. It has recommended that there should be a planning cell in each Ministry or Department and this cell should integrate the Committee's attention by the Standing Committee on planning and monitoring systems.

The erosion into the autonomy of the public sector undertakings by the Ministries concerned was brought to the Public Sector Enterprises (SCOPE).

The SCOPE said, "the control of the Ministry, visible, latent or even camouflaged over the enterprises left little freedom of action for the management of public enterprises. It is no doubt recognised that a public sector enterprise should enjoy managerial autonomy but neither has the degree of autonomy been defined nor have safeguards been built into the system which would ensure autonomy. What is needed is a degree of insulation from external pressure by ministerial support. The government as the owner has the unquestioned prerogative on giving directive on policy but such directives should be in writing stated as such and not disguised as guidelines."

Commenting on the erosion of autonomy, the COPU has said, "the committee has also come across cases of needless intervention of administrative machinery in matters that are clearly within the autonomous jurisdiction of public undertakings. The SCOPE has urged that there should be no such interference. The committee agrees with this...It is necessary to clearly delineate areas of powers and authority between the public and the administrative ministries and the former should be allowed to function in full freedom within their sphere. Thereafter the guidelines issued by the Bureau of Public Enterprises should be reviewed to clarify which of these ought to be regarded as mandatory and where the public undertakings have flexibility in following them."

Matters relating to the pricing policy for public sector undertakings were also discussed by the COPU and it was urged that the units should be given flexibility to fix prices.

Mr Prakash Tandon, President of the Board of Governors of the National Council of Applied Economic Research (NCAER) told the Committee that the Government should not have the last word on prices. The enterprises should be told not only about the Government's justification for the price fixed but also how long the price fixed by the Government would stay. There should be a review of the price after the stipulated period was over.

Greater Freedom favoured

It was also brought to the notice of the committee by the Member-Secretary of the Planning Commission that prices were not adjusted for a long period because of the mistaken view that if prices were increased there would be inflation. "In my view," he said, "this fear is exaggerated."

Pointing out that while the public sector collieries were not allowed to charge more than Rs. 101 per tonne of coal, the users were paying as much as Rs. 1,000. "The result is that the benefit of shortage goes to the black marketeers. If we have to sustain the tempo of investment in face of stable taxation, the only mechanism is that the public sector must generate more in internal resources and one essential condition is that the public sector must have greater freedom to adjust its prices in the face of rising costs."

The COPU has said that the price and wage policies for the public sector units should be spelt out in detail. The prices administered by the Government ought to allow reasonable return to the undertakings having regard to the need to avoid needless budgetary support to them and the need to generate internal resources. For socio-economic reasons if the price is pegged at an unremunerative level direct subsidy to the undertakings would be justified. The COPU has recommended that there shouod be an independent body as in the U.K, to which the major price increases could be referred to to ensure cost efficiency.

CSO: 4220/7330

FINANCE MINISTRY REPORT ON ECONOMY REVIEWED

Calcutta THE SUNDAY STATESMAN in English 9 May 82 pp 1, 7

[Text] New Delhi, May 8--A sharp drop in foreign exchange reserves by more than 30 percent and a fall in textile production are the two significant developments in a mixed performance of the Indian economy in 1981-82, according to a recent study by the Ministry of Finance.

Though the wholesale price index on a point-to-point basis registered a zero inflation rate, the study says that the average change in 1981-82 over the previous year works out to a rise of just more than 9 percent--still a single digit figure. At the same time, however, the consumer price index rose by 12 percent.

Foreign exchange reserves at the end of March 1982 plummetted to Rs. 3,354.5 crores despite the drawal of more than Rs. 600 crores from the International Monetary Fund. This compares with Rs. 4,822.1 crores at the end of March 1981 and thus--if the IMF drawals are not taken into account--the reserves fell by a massive Rs. 2,097.6 crores, the largest drop in a year.

This was because of a record trade deficit. The figures are available only up to December when the gap had already reached Rs 4,109 crores during April-December, 1981, against Rs. 3,949.59 crores in the same period of the previous year.

Despite an impressive increase of 15.3 percent in exports to Rs. 5,317.04 crores during the period, imports rose by 11.9 percent to Rs. 9,426.15 crores and it thus seems that the country is heading for a record deficit that could be nearly Rs. 6,000 crores by the end of March.

However, it is clear that other foreign exchange earnings--in the form of aid, loans and "invisibles" like remittances from Indians abroad was at a relatively high level since the reserves fell by Rs. 2,097.6 crores despite the trade gap. This is, however, not expected to be maintained in 1982-83 though the reserves position should be boosted by the second year's instalment of the three-year Rs 5,200-crore loan from the IMF.

The other economic indicators for the past year are encouraging. Overall industrial production increased by just under 9 percent. This was helped by the large increase in such key sectors as crude oil which rose by as much

as 56.9 percent and fertilizers which increased by 48.2 percent in the case of nitrogenous and 13.1 percent in phosphatic. Both items would mean substantial savings in foreign exchange because they would otherwise have had to be imported.

Infrastructure improved during the year though it is acknowledged that much more remains to be done. Electricity generation rose by 10.8 percent and the coal production by 10.2 percent while the total revenue earning traffic on railways increased by 14.1 percent. Obviously this helped increase industrial production but this is by no means a totally satisfactory picture of infrastructure which continues to impede industrial growth. This is particularly so in respect of power supply because of the low capacity utilization of thermal and hydel stations which remains at less than 50 percent on an average all over the country.

Estimates of foodgrain production have still to be made though a forecast has been made that it will reach the record level of 134 million tons. However, in view of the recent bad weather, this may not be achieved. Even if it is, it would be just marginally more than the previous record of 132 million tons.

Nevertheless, foodgrain stocks rose by 4.2 percent helped by imports of wheat from the USA and Australia. At the end of March the stocks were 11.34 million tons compared to 10.88 million tons at the end of 1980-81. The improvement was in the case of wheat, stocks of which increased by 23 percent to nearly 4.5 million tons. However, rice stocks fell to just more than six million tons compared to 6.6 million tons, a drop by 6.4 percent.

That the rise in stocks was mainly because of imports is clear from the fact that wheat procurement fell by 13.7 percent in 1981-82 over the previous year to just 5.9 million tons, though curiously, even though the stocks dropped, rice procurement increased in April-February, 1982, to 6.09 million tons compared to 5.26 million tons in the same period of the previous year. The offtake of foodgrain through the public distribution system was marginally lower by 0.8 to 12.24 million in April-February 1982, the rise being 15.8 percent in the case of rice and a drop of 13.7 percent in the case of wheat.

CSO: 4220/7329

FICCI PRESIDENT ASKS CREDIT POLICY EASING

Bombay THE TIMES OF INDIA in English 16 May 82 p 9

[Text]

BOMBAY, May 15.

MR. G. K. Devarajulu, president of the Federation of Indian Chambers of Commerce and Industry, said in Bombay today that the shortage of bank credit was currently of the order of Rs. 1,000 crores in respect of industry and Rs. 600 crores in respect of trade.

Talking to newsmen, he said the recent liberalisation in the credit policy had not helped these sectors. Out of Rs. 290 crores released by the reduction in the banks' cash reserve ratio from 7.75 per cent to 7.25 per cent, a major portion had been adjusted between banks and the Reserve Bank, and hardly Rs. 50 crores to Rs. 60 crores had been released for industry and trade.

Reiterating the demand for further liberalisation in credit policy, Mr. Devarajulu said at the present juncture such relaxation need not necessarily lead to a rise in prices, as was feared in some quarters. On the other hand, liberalisation of credit would lead to higher production and productivity, as a result of which prices could be expected to seek lower levels.

CREDIT SQUEEZE

He pointed out that FICCI's emphasis was that production should not be interrupted by credit squeeze and that too in a year which had been designated as "productivity year."

Mr. Devarajulu said the business community was keen that the installed capacity was fully utilised and new investment and expansions were accelerated.

He said the credit squeeze was particularly hurting industries producing commodities like fertilisers, diesel engines, farm equipment, commercial vehicles which normally are financed, at least partially, by banks. He suggested that a judicious combination of buyers' credit and suppliers' credit was necessary in order to revive demand and enable industry to reach full capacity production. He called for liberal bank finance for leasing companies.

Referring to recessionary tendencies being noticed in some sectors of industry, Mr. Devarajulu said he would not subscribe to the view that this was demand recession. He said it was a result mainly of lack of finance. He pointed out that the accumulation of vehicles was mainly because the operators were not able to secure prompt and adequate credit.

'INDUSTRIAL TRUCE'

Mr. Devarajulu said the industrial relations situation had deteriorated considerably. The textile industry in Bombay had been the biggest victim. The loss of mandays had already exceeded 29 million, which was more than the national total of 23.5 million in 1981. Production to the extent of Rs. 470 crores and wages of over Rs. 90 crores had been lost due to the strike.

He suggested that for a period of at least three years, there should be 'industrial truce.' A grievance machinery should be set up to look into the genuine problems of labour, and any disputes that arose should be settled through conciliation and arbitration. He said the government should take a lead in bringing about a congenial atmosphere.

Mr. Devarajulu said the corporate sector was faced with an acute shortage of finance for investment. He suggested indexing of depreciation under the income tax act.

Referring to power shortages in various states, he said to overcome this difficulty altogether in the next three years, industry would have to invest about Rs. 820 crores in captive power generation. He urged for liberal and cheaper finance for captive power plants.

CSO: 4220/7337

TEN STATES EXPECTING POWER CRISIS BY 1985

Bombay THE TIMES OF INDIA in English 15 May 82 p 14

[Text] New Delhi, May 14 (UNI)--Ten states in the country face the grim prospect of energy deficit even by 1984-85, the terminal year of the sixth plan according to the latest state-wide survey of energy availability and requirements.

The states are: Haryana, Uttar Pradesh, Punjab, Rajasthan, Jammu and Kashmir, Karnataka, Tamil Nadu, Maharashtra, West Bengal and Orissa, according to the 11th power survey.

However, nine states--Andhra Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Kerala, Madhya Pradesh, Manipur and Meghalaya--will be surplus in energy by 1984-85 with the completion of several ongoing power projects.

The energy deficit in many of the states even at the end of the sixth plan is mainly due to the slippages in establishing additional capacity envisaged in the plan.

Additional Capacity

The sixth plan had set a target of additional capacity of about 20,000 MW. The actual achievement of additional capacity, however, is only about 4,000 MW in the first two years of the plan, including 1981-82 according to the official sources.

Therefore, about 16,000 MW would have to be commissioned in the remaining years of the plan period to achieve the sixth plan targets. It was extremely unlikely that this target would be achieved in view of the slippages in commissioning of new projects, the sources said.

Union energy ministry sources point out that the shortfall can be made up to some extent by improving the Plant Load Factor (PLF) of the existing thermal units and ensuring early stabilisation of new units commissioned in the past two years.

The All-India Plant Load Factor slipped from 56 percent in 1975-76 to 44.7 percent during 1980-81 but as a result of various measures taken by the ministry, the All-India average Plant Load Factor rose to 47 percent in 1981-82. In the current financial year the overall plant load factor is expected to go up to 49 percent.

Meanwhile, although the power position in the country has improved considerably during the past one year, many states still face marginal shortage. For, despite an increase in generation by more than ten percent, the actual generation falls short of the increasing demands.

The present availability of power in the country is a little over 18,000 MW against the unrestricted maximum demand of over 22,000 MW.

Power Shortage

The power shortage in many of the states is due to generating capacity, comparatively unsatisfactory performance of thermal power stations and shortfall in rainfall during 1981.

The power supply position in some of the states including Orissa, Tamil Nadu and Maharashtra is expected to become satisfactory with the onset of the monsoon in June next.

The estimated total energy requirement of the country for 1982-83 is 14,500 million units against which the anticipated availability during the year would be 132,000 million units, leaving a total deficit of 13,000 million units while the energy generation in the country during 1981-82 was 122,000 million units against the anticipated energy requirement of 137,000 million units.

The present per capita availability of power in the country is about 135 kilowatt hours.

The overall increase of power generation in April last, the first month of the current financial year recorded to the tune of 6.2 percent over the corresponding months of last year.

The total power generation in the month was 10,652 million units, as compared to the generation of 10,031 million units in the same month of the last year.

During the month, the thermal output recorded an increase of ten percent and hydrogeneration 4.6 percent over the corresponding month last year.

CSO: 4220/7336

INDIAN MILITARY REPORTED INTERESTED IN U.S. ARMS

Calcutta THE STATESMAN in English 13 May 82 p 1

[Article by Warren Unna]

[Text]

WASHINGTON, May 12.—The Indian military has rekindled its interest in purchasing U.S. arms, in at least two areas, planes and howitzers, it was learnt here yesterday.

The Northrop Aviation Corporation's F-5(G) intermediate fighter has been the subject of some very preliminary discussions between the manufacturer and the Indian military and, according to the Indian Embassy here, the U.S. State Department "so far has said it would have no objection" to any sale of these U.S. planes to India.

Also, Indian military officials have revived their earlier interest in acquiring American-made howitzers, and possibly in a new improved version of the tube-launched, optically-guided, wire-controlled missiles known as "Tows".

"There hadn't really been a closing down of our interest from two years ago. People are just now looking into this thing in a more pragmatic way and finding out what can be available with safeguards for delivery and security from cut-offs. As for the aircraft, first we have to find out whether it meets India's needs. But we always look at everything and there is no mental block on either our side or the USA's", an Indian Embassy official explained.

Aircraft representatives here sense that India has become "concerned" with Soviet technology and so is looking elsewhere, just as India already has done in ordering the new French Mirages. There have been reports here that while the early MIG-21 fighter planes proved satisfactory, Indian military experts are finding that in more recent times dependability and maintainability have gone down at a faster rate than improved Soviet technology has gone up.

In October 1980, India's Defence Secretary, Mr K. P. S. Menon, headed a high-level delegation here to look into the purchase of 60 Tow launchers, and 3,500 actual missiles, at a quoted cost then of $39 million to $40 million; and 230 light-weight, long-range, highly-accurate, towed M-198 howitzers, at a then quoted price of $300 million. But the Indian Government abruptly backed off from the actual purchase and little interest has been shown from then until now.

Indian officials have indicated that two things stopped that purchase: (1) A Government-to-Government contract with the USA insisting on the standard caveat that it reserves the right to cancel (something which evoked bitter memories of the USA backing out of its 30-year commitment to keep the Tarapur nuclear power plant refuelled with U.S. enriched uranium); and (2) the lack of any guarantee of refund for whatever payment India might make prior to a contract cancellation.

Some U.S. officials here are convinced that the real reason why India backed away from her earlier interest in U.S. arms purchases was political—first President Carter's and then President Reagan's efforts to start sending arms to Pakistan in response to the Soviet invasion of Afghanistan. Now that the sale of F-16s to Pakistan is a reality, and some of the emotion has died down, there are officials here who believe India can now afford to look at U.S. arms purchases in a more detached way.

In addition, the Reagan Administration, since taking office nearly 1 1/2 years ago, has been busy removing Government controls over U.S. private business and regards arms sales to foreign nations in a less ideological and more profit-motivated way. India, for instance, can now contract directly with a U.S. manufacturer. And American embassies abroad are now specifically instructed to help U.S. manufacturers obtain contracts.

There even was some speculation here yesterday that the matter of India's purchase of U.S. arms might move along far enough for it to come up in the discussions Mrs Gandhi will be having here with President Reagan when she visits Washington on July 29.

As for any pending new visit here of an Indian military purchase team, officials explained things still are in far too preliminary a stage and "nothing is in prospect at the moment".

CSO: 4220/7335

WORLD BANK DEEMED EXAGERRATING INDIA'S DIFFICULTIES

Calcutta THE STATESMAN in English 13 May 82 p 9

[Text]

NEW DELHI, May 12.—Finance Ministry officials feel that the World Bank has overstated India's balance-of-payments difficulties in its report to the Aid India Consortium, and feel that the current-account deficit during the 1980s should be manageable if aid flows continue at the present level.

Their view is based on the increase in oil-production in the country last year, when, for the first time, more than 56% of requirements were met from internal resources. The oil-production picture should improve in the coming year, and by 1985 it should reach 70% of total requirements, even though these will increase.

In its report, the World Bank has said that the Indian economy will have to rely increasingly on external financing throughout the 1980s, because of the large deficit in balance of payments and falling reserves.

Finance Ministry sources say that the performance of the economy has improved because of infrastructural constraints, and this has resulted in cuts in non-essential imports and higher exports, although they acknowledge that the trade gap will remain high. However, with further improvement in the economy, the payments picture should improve in the medium-term.

The Bank anticipates that current-account deficits will be more than 2% of the Gross Domestic Product for the first half of the decade. The reliance on external resources means a liberal growth in imports, but the Bank has said that this must be accompanied by major improvements in infrastructural performance, modernization of industry and accelerated export-growth.

Its projections for export are $10 billion in 1982-83, $11.6 billion in 1983-84 and $13.5 billion in 1984-85. Imports are projected at $17.6 billion in 1982-83, $20 billion in 1983-84 and $21.75 billion in 1984-85. The current-account deficit will be the highest in 1983-84, when it is estimated at $5.19 billion, more than double the amount estimated for 1981-82.

The annual flow of concessional-aid is expected to be roughly $1.8 billion in the next three years, and this must mean a rise in medium and long-term borrowings from other sources, including the International Monetary Fund and the World money-markets.

The Ministry thinks that this is a distorted picture of the situation and could mislead other countries into thinking that the economy is weaker than it is.

CSO: 4220/7335

PANEL TO PROMOTE RURAL EMPLOYMENT PLANNED

Calcutta THE STATESMAN in English 13 May 82 p 13

[Text]

NEW DELHI, May 12.—The Centre has constituted a committee to prepare a strategy for generating "full" employment in rural areas. The committee is headed by the Secretary Department of Rural Reconstruction.

A high-level committee has also been set up under the chairman of Dr Manmohan Singh, member of the Planning Commission, to review credit support for the Integrated Rural Development Programme. The committee will also identify "difficulties" being experienced by the States.

Even though the Government claims that the implementation of the National Rural Employment Programme has not suffered a setback owing to inadequate allocation of funds and foodgrain, the appointment of the two commitees means that it is far from satisfied as far as the execution of NREP and IRDP is concerned.

The Centre's assessment, based on reports received from the States, is that the implementation of the IRDP is not receiving the desired impetus partly owing to lack of adequate credit support from banks.

A high-level committee, under the chairm. hip of Dr Manmohan Sin. has been constituted. A circular has also been issued to the States incorporating guidelines for ensuring credit support for the IRDP. The Ministry of Finance has also called meetings of the chief executives of commercial banks and the State Government authorities for sorting out the problems of credit support for the IRDP from time to time.

In 1981-82 the States and Union Territories were given 300,000 tons of foodgrain. Among the major recepients were U.P. (55,800 tons), Bihar (40,000 tons), Andhra Pradesh (31,500 tons), Tamil Nadu (25,000 tons), Maharashtra (24,000 tons), West Bengal (22,500 tons), Madhya Pradesh (22,000 tons), Orissa and Karnataka (14,000 tons each) and Kerala (13,400 tons).

The funds disbursed to the States and Union territories for 1981-82 totalled Rs 180 crores. Of this, U.P. received Rs 33.40 crores, Bihar Rs 24.20 crores, Andhra Pradesh Rs 18.96 crores, Tamil Nadu Rs 14.80 crores, Maharashtra Rs 14.20 crores, West Bengal Rs 13.48 crores and Madhya Pradesh Rs 13.20 crores.

It is significant, however, that the Centre's own allocation for the current year is Rs 380 crores which is just Rs 20 crores more than what it was in 1981-82.

CSO: 4220/7335

STATISTICS ON INDUSTRIAL BANK SANCTIONS GIVEN

Madras THE HINDU in English 16 May 82 p 6

[Text]

BOMBAY, May 15.

Aggregate sanctions by Industrial Development Bank of India (IDBI) during 1981-82 (April-March) at Rs. 1,815 crores registered a growth of 15.8 per cent as compared to Rs. 1,567.3 crores during 1980-81. This increase was shared by all the schemes of assistance.

Scheme-wise, sanctions under (i) bills rediscounting increased from Rs. 219.6 crores to Rs. 289.7 crores (plus 32 per cent); (ii) soft loans for five selected industries from Rs 73.4 crores to Rs. 92 crores (plus 25.3 per cent); (iii) refinance of industrial loans from Rs. 683 crores to Rs. 777.3 crores (plus 13.8 per cent) and project finance (loans and underwriting) from Rs. 391.3 crores to Rs. 431 crores (plus 10.2 per cent).

Under the export finance schemes, santions or the 11 months upto end of February 1982 when operations under these schemes were transferred to the newly constituted Export-Import Bank) aggregated to Rs. 128.8 crores as against Rs. 119.6 crores for the whole of 1980-81. Sanctions under the technical development fund scheme registered a modest increase (8.3 per cent).

Total disbursements during the period at Rs. 1,223.7 crores were 15.7 per cent higher than in the previous year (Rs. 1,057.9 crores). Scheme-wise significant increase took place under technical development fund (plus 68.9 per cent), bills rediscounting (plus 28.8 per cent) and project finance (plus 16.5 per cent). Increases under refinance of industrial loans (9.6 per cent) and soft loans (9.1 per cent) were relatively modest. Disbursement under the export finance schemes aggregated to Rs. 47.6 crores registering a growth of 3.7 per cent.

Guarantees sanctioned under the export finance schemes for overseas construction projects and turn-key contracts increased from Rs. 139.6 crores to Rs. 197.3 crores (41.4 per cent). IDBI also extended deferred payment guarantee assistance of Rs. 23.6 crores under project finance scheme.

Cumulatively, sanctions by IDBI since its inception in July 1964 upto March 31, 1982 aggregated to Rs. 8,256.8 crores of which Rs. 5,641.6 crores was disbursed. Assistance outstanding as of end-March 1982 aggregated to Rs. 3,807.1 crores.—Our Special Correspondent.

CSO: 4220/7339

CLASH WITH BANGLADESH AT NAIROBI MEET REPORTED

Calcutta THE SUNDAY STATESMAN in English 16 May 82 p 9

[Text]

DHARAMSALA, May 15.—Mrs Indira Gandhi said today that her party was against defections in politics and offered to put an end to it provided all the Opposition parties cooperated with her, report PTI and UNI.

Addressing seven meetings in the final round of her electioneering in Himachal Pradesh, Mrs Gandhi said that those who charged her with engineering defections had also indulged in it whenever it had suited them.

Referring to the problems faced by those displaced in the wake of the Pong dam project in Himachal Pradesh, Mrs Gandhi said an agreement between the Chief Ministers of Himachal and Rajasthan with regard to resettling them in Rajasthan had been ratified and they would soon be suitably rehabilitated.

Mrs Gandhi said that Pakistan was not adhering to the Simla accord since its present military rulers had come to power. She said India sincerely wanted friendship with Pakistan but it had to be forged with dignity and honour

Pakistan, she added has been adopting "dubious standards" while talking of a no war pact with India. On the one hand that country was talking of friendship with India, on the other, it had been acquiring sophisticated weapons.

The Prime Minister paid handsome tribute to the "brave sons of Himachal Pradesh" who had been serving the Army and were always ready to defend the country.

Mrs Gandhi said she had always evinced great interest in the welfare of army personnel and their families. She had sent gift packets to Indian jawans who had gone to Korea when her father was the Prime Minister. After the wars with Pakistan and China, she had formulated schemes for the welfare of widows, she said.

Mrs Gandhi referred to certain demands of former servicemen and said they would be met as and when "we have more resources."

She called upon the people of Himachal Pradesh to vote for a stable Government so that the country's integrity and sovereignty could be defended and India moved rapidly towards economic self-sufficiency.

Mrs Gandhi also referred to certain complaints she had received regarding a section of Government employees who had been participating in the poll campaign. She warned them that this type of activity was against their service conduct rules.

The Prime Minister said that no Government had done as much for the welfare of the common man as the present one. Among the places Mrs Gandhi canvassed support for her party's candidates were Kulu, Chamba, and Bakloh.

She also addressed a largely-attended meeting at the constituency of Mr Shanta Kumar, BJP leader and formal Himachal Pradesh Chief Minister.

Her helicopter could not land near Jawalamukhi town owing to bad weather. She was to have addressed a public meeting in the area and prayed at the famous temple.

Mrs Gandhi was accompanied by the Chief Minister, Mr Ram Lal, the Union Industry Minister, Mr N. D. Tiwari, and the Minister of State for Energy, Mr Vikram Mahajan.

Mrs Gandhi accused the erstwhile Janata Government of having neglected economic development and brought down India's prestige in the world.

The situation had changed drastically after her return to power. It was her Government which had exchanged envoys with China and Pakistan and taken steps to improve relations with the two countries.

The Prime Minister said that the Farakka agreement reached with Bangladesh by the former Janata Government was not in the interest of the country. Had that accord been implemented Calcutta would have been seriously affected, she added.

CSO: 4220/7338

WHEAT CROP DAMAGE MAY MEAN INCREASED IMPORTS

Calcutta THE SUNDAY STATESMAN in English 16 May 82 p 9

[Text] New Delhi, May 15--Following unseasonal heavy rain in the northern parts of the country which damaged a substantial part of the harvested as well as standing wheat crop particularly in Punjab, Haryana and western U.P., Krishi Bhavan began a debate on whether the Government should import wheat.

An informal meeting of officials was called in Krishi Bhavan yesterday to assess the damage. If it is widespread as is feared, the Government will have to go in for further wheat imports.

Though Krishi Bhavan's all survey teams have not yet returned from the Punjab and Haryana, preliminary estimates based on reports received from the State Governments of U.P. Haryana and Punjab put the damage around 30 to 40 percent. The Punjab Government's report is believed to be more pessimistic since most of the crop in its northern parts was yet to be harvested when the untimely rain came.

At least 60 to 70 percent of the wheat crop in Punjab, Haryana and western U.P. has become moist, according to an official survey team which returned from western U.P., last evening.

An on-the-spot survey by senior officials at a later stage is not ruled out. The survey teams which have gone to Haryana and Punjab consist of experts of the Indian Council of Agricultural Research, Ministry of Agriculture and the Directorate of Economics and Statistics.

The Centre is keen on salvaging most of the wheat and has advised the Food Corporation of India and other agencies responsible for procurement to purchase whatever wheat comes their way and channelize it to flour mills.

The Department of Food is being requested to relax its percentage of wheat lustre loss from 10 to 30 percent. The department is also being pressurized to permit 16 to 18 percent moisture in wheat instead of 12 to 14 percent permitted so far. The Punjab Government is reported to be demanding that the percentage of lustre loss be relaxed to 100 percent.

In case the State's request is granted the excessive moisture in the wheat will naturally lead to germination and heat which in turn will make the grain bitter and inedible.

Even if the damage is assessed at 30 percent of the official estimate for million tons), the loss is fairly substantial. This year's procurement so far has hardly been encouraging--just 96,000 tons as against two million tons for the corresponding period last year. The outlook, therefore, is quite bleak in view of the Government's policy to have a buffer stock of 12 million tons in addition to operational stocks of 3.5 to 3.8 million tons.

This year's wheat crop had also been damaged by untimely rain and hail in late March and early April by what the agricultural scientists described as "lodging" in plants. The loss was estimated to be 10 to 15 percent.

CSO: 4220/7338

SCIENCE, TECHNOLOGY PARLEY CLOSES IN DELHI

Madras THE HINDU in English 8 May 82 p 6

[Article by K.V. Narain]

[Text]

TOKYO, May 77.

China's State budget for 1982 and its plan for economic development during the year show that stringent curbs are to continue on capital construction and budgetary expenditures while allocations are to be increased for energy production, communications and on national defence.

Approved by the standing committee of the National People's Congress on Tuesday and made public by the Finance Minister, Mr. Wang Bingquian on Thursday night, the budget shows a small deficit of three billion yuan (Rs. 1,530 crores). Expenditures on national defence "and preparations against war" are set at 17.870 billion yuan which marks an increase of six per cent over last year when military expenditures were actually slashed by 12.7 per cent.

One feature of this year's budget is that 3.55 billion yuan have been set aside to repay foreign loans and the interest thereon, a reflection on China's new policy of large-scale borrowings from abroad.

China's national economic development plan for this year calls for modest increases of four per cent each over 1981 in both agricultural and industrial output with continued emphasis on light industry to speedily achieve readjustment of the service orientation and heavy industry.

Higher grain output: In agriculture, the target for grain output is 333.5 million tonnes an increase of 8.5 million tonnes over last year. Higher increases are also planned in cotton and sugar, while a big increase is expected in the output of such durable consumer goods as bicycles, sewing machines and wrist watches. The coal target is set at 625 million tonnes while oil output will remain the same as last year at 100 million tonnes. Efforts are to be made to improve the quality of steel and to add more steel products which are in short supply. The steel output target is set at 34 million tonnes for a four per cent rise over 1981.

The expenditure on capital construction is set for a drastic reduction with a total budget of 29.73 billion yuan under this item which represents a drop of 28.8 per cent when compared with last year's 41.7 billion yuan. Emphasis on new capital construction projects will be on transportation, communications, energy and other basic construction works.

Efforts are also to continue to control population growth. The economic plan carries a stringent warning to "smugglers, speculators, swindlers, embezzlers, bribe-takers and other economic criminals" against whom heavy penalties are called for. At the same time it says "departmentalisation, decentralisation, liberalisation and other erroneous tendencies should be overcome".

CSO: 4220/7328

STAGNATION IN OUTPUT OF UNDERGROUND COAL REPORTED

Calcutta THE STATESMAN in English 8 May 82 p 7

[Text] New Delhi, May 7--The official data on coal production in 1981-82 bring into a sharp focus the stagnation over the last five years in the output of underground coal although the Centre has been increasingly investing huge resources year by year supposedly to finance the growth of the nationalized coal industry.

The total production of coal in Coal India's five subsidiaries in 1981-82 was 109.61 million tons, against 100.95 million tons in the previous year. Of this, in 1981-82, underground coal output accounted for 63.42 million tons and open coast 46.19 million tons against 60.69 million tons and 40.26 million tons respectively in the previous year.

Coal India's subsidiaries are Eastern Coalfield, Bharat Coking Coal and Western Coalfield, Central Coalfield and North Eastern Coalfields. Of the five ECL employs the largest complement of work force at 1,88,389 followed by BCCL at 1,69,199. The total number of officers in ECL is 2,458 and 2,553 in BCCL.

Judging by the production figures in the perspective of the past five years it is evident that the department of coal in the Union Ministry of Energy has adopted a soft quantitative option of producing coal than unearthing goo good quality underground coal which is in much greater demand than the energy sources obtained from the open cast mining.

From the production level of 24.91 million tons of open cast mining in 1977-78 it has steadily risen to 46.19 million tons in 1981-82.

However, in sharp contrast, the production of underground coal has declined from the level of 64.05 million tons in 1977-78 to 63.42 million tons. The production of underground coal which stood at 61.14 million tons in 1978-79 declined to 59.13 million tons in 1979-80. It picked up marginally to 60.69 million in 1980-81.

CSO: 4220/7326

BRIEFS

SUGAR QUOTA LOST--Brussels, May 15--India has lost its 25,000-tonne sugar quota for export to EEC for this year. This is because with Government banning sugar exports, India failed to honour the agreement to export 25,000 tonnes last year. Indian embassy officials are, however, hopeful that EEC will restore the quota next year. India banned sugar exports last year as production fell below expectations while domestic demand was around five million tonnes. India is still trying to persuade the EEC officials to permit Indian sugar imports this year, but with EEC itself expecting to have surplus production this is unlikely to materialise.--PTI [Text] [Madras THE HINDU in English 16 May 82 p 6]

ORE TO JAPAN--New Delhi, May 15--India has concluded contracts worth Rs. 157.5 crores with Japanese steel mills for supply of iron ore in the current financial year. A delegation from the Minerals and Metals Trading Corporation (MMTC) has been able to secure a price increase of over 16 percent on an average in respect of all the ores being shipped from Visakhapatnam and Madras ports. The Japanese steel mills agreed after a great deal of persuasion to maintain the offtake at the same level as in 1981-82. [Text] [Madras THE HINDU in English 16 May 82 p 6]

SUPPORT TO AFRICA--New Delhi, May 7--India has again pledged its full support and cooperation for the development and prosperity of Africa in the spirit of collective self-reliance of developing countries. Speaking at the eighth meeting of the economic commission for Africa which ended recently at Tripoli, the leader of the Indian delegation, Mr K.P. Anand of the Ministry of Commerce stressed the interdependence of global economy and the need for the revitalization to bring about stable and equitable relationship among all countries. [Text] [Calcutta THE STATESMAN in English 8 May 82 p 1]

CSO: 4220/7327

INDONESIA STATIONS SKYHAWKS IN MEDAN

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jun 82 p 18

[Text]

To upgrade the defence potential of the northern region of Indonesia, the Defence Ministry has deployed the latest A-4 Skyhawks in Medan, the first time such sophisticated weapons have been stationed outside Java.

Defence Minister and Armed Forces Commander, General Mohammad Yusuf officiated at a ceremony to mark the stationing of the combat aircraft at the Polonia air base, near Medan.

Gen. Mohammad Yusuf said the move was to improve the defence resilience and the government would periodically provide better facilities and equipment to the various regions.

According to the Minister, the First Defence Territory, called 'Kowilhan 1' was a strategic region covering Sumatra and West Kalimantan and was important as many development projects were located there.

Besides the deployment of better defence equipment, the government was also improving the facilities of the air bases at Pekanbaru, Riau and the Natuna Islands in the South China Sea.

The general urged military personnel to maintain strict discipline and provide proper security for the Skyhawks deployed.

However, details of the number of Skyhawks and other combat aircraft in the Kowilhan I region were not available.

CSO: 4220/47

NO MARKET FOR SURPLUS COPPER PRODUCTS IN MALAYSIA

Manila BULLETIN TODAY in English 2 Jun 82 p 24

[Article by Resty Perez]

[Text]

THE country is on the verge of losing another sure market for the products of its copper fabrication plant.

Malaysia, a member of ASEAN, has indicated that it will not buy more than its original share in the annual output of the copper plant.

Earlier, Singapore totally reneged on its pledge to buy fabricated copper from the Philippines. It has also decided not to buy soda ash from Thailand.

The P200-million copper fabrication plant is the country's contribution to the ASEAN industrial program (AIP). Thailand's contribution is the soda ash project.

IN the recent ASEAN economic ministers' meeting held here, Malaysia asked the Philippines to absorb whatever surplus production of the copper fabrication plant.

As agreed upon by the ASEAN members, which include Indonesia, all five members of the association will equally share among themselves 80 percent of the 100,000 metric tons (MTC) annual output of the copper plant.

The remaining 20 percent is designed for export to non-ASEAN countries. They, nevertheless, agreed to absorb on a pro-rata basis the entire or part of balance in case there are no non-ASEAN buyers.

The same arrangement is true for all project contributions to the AIP.

THE Philippines reportedly rejected the Malaysian suggestion and insisted that the other ASEAN countries share the surplus as they originally agreed upon.

Sources said that the issue needs a more intensive study because whatever decision made over the matter will also be used as the basis in resolving similar disputes among the other ASEAN members.

The copper project is designed to produce finished copper products, like wires and tubes.

CSO: 4220/47

DEFENSE MINISTER SEES NO SECURITY PROBLEM

Manila PHILIPPINES DAILY EXPRESS in English 2 Jun 82 p 2

[Text]

DEFENSE MINISTER Juan Ponce Enrile said Monday subversives have persisted in sowing agitation and discontent among the people but have not reached a point where they pose a real threat to society.

"They have not reached a point of ideological or operational readiness to pose a real danger to our society," Enrile told delegates to the Ministry of Education and Culture Educational Executives Congress in Baguio City.

Apparently, he said, "the enemies of the state have been emboldened by the liberalized post-martial law situation."

* * *

TOWARD the end of the last decade, he said, the government had "witnessed a steady letup in the threats that were ranged against our Republic," after the lifting of martial law in the early part of 1981.

"Hardcore dissidents and rebel elements have engaged in terroristic acts against the civilian populace," he said. "In desperation of their cause, they have perpetrated senseless killings and depredations against local officials and developmental workers in the rural areas."

Enrile said dissidents have been concentrating on organizational propaganda and recruitment in setting up "revolutionary basis" in rural areas and infiltrating students, peasants and labor grounds.

* * *

ENRILE said the Moro National Liberation Front, has suffered a steady decline in capability due to the loss of popular support and failure of propaganda operations.

Despite the surrender of many rebel leaders, some splintered groups conduct guerilla operations against government forces and civilians in some parts of Southern Philippines.

"Our main weapon against dissidents," he said, "is not in the form of roads, bridges and physical facilities, but in the form of an enlightened dynamic and committed citizenry who can clearly understand their collective role as defenders and builders of our nation."

CSO: 4220/47

RUSSIA OFFERS TO BUILD PHILIPPINES FACTORY

Manila PHILIPPINES DAILY EXPRESS in English 2 Jun 82 pp 1, 6

[Text]

THE SOVIET Union plans to put large factories in the Philippines to produce cement, canned fruits, prefabricated houses and medicines.

The Soviet proposals were submitted to President Marcos by V. I. Litvinenko, chairman of the State Committee on Foreign Economic Relations in the Council of Ministries in Moscow.

Litvinenko has been in Manila since May 25 to drum up trade between the Philippines and the Soviet Union. His low-key visit was hardly noticed by the local business community.

* * *

AFTER submission of the Soviet proposals, the President directed the ministries of foreign affairs, trade and industry, and human settlements to study them

Litvinenko headed an economic delegation which assured the government of increased purchases of coconut oil, sugar and other non-traditional products.

He said the Soviet plans could become the first step towards increased Soviet involvement in the economic development of the Philippines.

In seeking increased trade, the Soviet official explained that Siberia is now in the midst of an enormous development program and that new port facilities have shortened the sailing time between the two countries to only seven days.

The President assured Litvinenko and Soviet Ambassador Youri Sholmov that he will take a personal hand in the matter since it was the first time he has received concrete proposals from the Soviet Union.

OTHER developments:

1. The President ordered the release of P5 million to the Philippine Dairy Corp. for establishing a genetics center patterned after that of Cuba. A cow bred by Cuban experts holds the world record of 110 liters of milk production per day.

2. The Cabinet will start looking today into the proposed individual budgets of ministries. The system does away with the old practice of budget meetings at the low-echelon level. Immediate Cabinet involvement in budgetary preparations speeds up finalization of the consolidated budget for presentation to the Batasang Pambansa.

CSO: 4220/47

BANGSA MORO AMBUSH BUS

Manila PHILIPPINES DAILY EXPRESS in English 31 May 82 pp 1, 2

[Text] Tagum, Davao del Norte--At least 15 persons were wounded, including two policemen, when heavily armed members of the Bangsa Moro Army (BMA) ambushed a passenger bus and a jeep at barangay Mampising, Mabini, this province at around 10 a.m. yesterday.

The Bangsa Moro Army is a Muslim group different from the Moro National Liberation Front which seeks a separate Muslim state.

Col. Milton F. Tiburcio, Davao del Norte PC commander, identified the wounded policemen as Cpl. Reynaldo Cadelina, 36, and Pat. Ernesto Bunayog, 33, members of the Mabini police.

Bunayog is confined at the Davao del Norte regional hospital, while Cadelina is confined at the Christ the King hospital.

The other victims were identified by Tiburcio as Emil Sulayman, 36, bus inspector, Iluminado Mata, 32, Ronnie Sumagaysay, 27, Cristeto Barrete, 21, Jovelita Alburo, 18, Benjie Virtuzo, 20, and Rodolfo Canizares, 27.

The names of the six others who were slightly injured and taken to Davao City hospitals were not immediately available.

Except for Bunayog and Sulayman who were given 50-50 chance by attending physicians, all the rest were pronounced out of danger.

Tiburcio said that Bachelor Bus No. 112 was bound for Davao City from Mati, Davao Oriental, when it was ambushed by about 40 heavily armed BMA members.

The other jeep involved in the simultaneous ambush was owned by the National Irrigation Administration (NIA) which was coming from Carmen, Davao del Norte, and was on its way to Pantukan town.

The ambush site is about 90 kms northeast of Davao City. (PNA)

CSO: 6133/14

INTERNATIONAL FUNDING FOR COAL MINES

Manila BULLETIN TODAY in English 2 Jun 82 p 24

[Text]

HERE'S good news for local coal miners.

The Asian Development Bank (ADB) is drawing up a plan that will enable it to finance coal mining operations in the country.

It also intends to provide technical assistance to coal miners.

Robert N. Bakley, ADB director of the industry and development banks department, said the bank is discussing with national financing institutions how ADB funds could be channeled to private coal miners.

Under the plan, loans may be obtained by coal miners to finance the importation of machinery, equipment and materials, Bakley said.

The ADB may also provide loans to local coal miners, he further said, to pay the fees of foreign experts.

THE bank plans to provide technical assistance to coal miners in the preparation of feasibility studies.

To facilitate the preparation of the studies, Bakley explained, the ADB is now discussing with the PNOC Coal Corp. an equipment leasing scheme under which diamond drilling equipment – acquired by the government coal firm with ADB funds – can be leased to private coal miners at reasonable costs.

Bakley added that ADB will propose to the government the establishment of a mechanism that will set an equitable price for coal produced domestically.

The pricing mechanism, he added, will include incentives to coal miners to increase production as well as offer benefits to industries that shift from oil to coal-fired engines.

CSO: 4220/47

BRIEFS

CALATRAVA TERRORISTS PURSUED--Balolod City--The Negros Occidental PC command has launched an intensified campaign against three armed terrorist bands operating in northern towns in the province after discovery of the graves of 11 more murder victims in Calatrava, 183 kilometers north of here. Police investigators have sought the aid of the National Bureau of Investigation in exhuming the remains of the victims. Col. Francisco Agudon, PC provincial commander, said elements of the 334th PC Company have killed three terrorists and captured 12 others. The combined NBI-INP-PC teams recovered the remains of 10 victims in various barangays of Calatrava. As a result, murder charges were filed against 21 men before the municipal court of Calatrava-Toboso. The latest casualty in the government crackdown was Meypita Lachica, who was killed Thursday in a gun battle at the Lopez sugar mill in barangay Puraiso. The PC said Lachica, who had a standing warrant for murder, tried to disarm the security guard of the mill. The guard asked for PC reinforcements. Lachica's companions, however, escaped. (PNA) [Text] [Manila PHILIPPINES DAILY EXPRESS in English 1 Jun 82 p 2]

CSO: 6133/14

OPINION SURVEY DISCLOSES ATTITUDES ON PREM PERFORMANCE

Bangkok SIAM MAI in Thai 22 May 82 pp 30-36

[Article: "General Prem Tinsulanon, a Great Decline"]

[Text] The Institute of Social Research, Chulalongkorn University, in conjunction with the newspapers SIAM MAI and MATIPHUM, conducted a public opinion survey on the topic "General Prem Tinsulnon and Political Trends." The journal SIAM MAI is reprinting this survey in detail in order to show the opinions of one group of people who have opinions about the prime minister and about the government's performance in various spheres.

From the results of the survey shown in Table 2, it can be seen that 47.30 percent of the people surveyed are dissatisfied with the government's handling of the economic problems; only 25.10 percent are satisfied with how the government has handled the economic problems. The sample of 1,000 people was composed of small merchants, employees, private and state enterprise officials, students, civil servants, policemen, soldiers and businessmen. The percentage of those dissatisfied with the government's handling of economic matters has increased by more than 50 percent [as compared with] that of those who are still satisfied with this government.

In Table 3, which concerns expectations for the future, the question was: If General Prem Tinsulanon continues in office as prime minister, will he be able to solve the economic problems? The results are the same as before. That is, 45.20 percent do not think that he will be able to solve the problems while only 22.00 percent feel that he will be able to solve the problems. This is a ratio of almost 2 to 1.

Table 4 concerns people's opinion about their standard of living under this government's administration. The number of those dissatisfied has risen somewhat. The survey results show that 39.30 percent of the people feel that their standard of living will decline while only 16.30 percent feel that their standard of living will improve.

Besides this, the survey also asked about a proposal by one group, a proposal that has been in the news, to extend the term of office of the present government

and parliament another 4 years. The results of the survey show that 53.60 percent of the people do not agree with extending the term of office of the government and parliament. At the same time, only 16.10 percent agree with this proposal.

Besides this, the people who expressed opinions in this survey expressed their views about having an elected prime minister. Table 9 shows that 56.30 percent feel this is necessary as compared with only 31.70 percent who do not feel that this is necessary.

The people surveyed also expressed opinions concerning interest in the election. Of those surveyed, 72.50 percent said they were interested while only 16.10 percent said that they were not interested.

SIAM MAI feels that, even though only 1,000 people were surveyed, the results of this survey reflect on the administration of the government and reflect some of the mistakes made by the government as perceived by the people. At the very least, the data obtained from this survey should make the head of this government realize what his future decision should be concerning his political role.

Tables showing the results of the 18th public opinion survey on the topic "General Prem Tinsulanon and Political Trends." The survey was conducted by the Institute of Social Research, Chulalongkorn University, in conjunction with the newspapers MATIPHUM and SIAM MAI. 21-22 April 1982

Table 1: The breakdown of the sample

	Number in the Sample					
Occupational groups	Men	Percent	Women	Percent	Total	Percent
1. Small merchants, employees, workers	118	47.20	132	52.8	250	25
2. Private and state enterprise officials	126	63.00	74	37.00	200	20
3. Students	89	59.33	61	40.67	150	15
4. Civil servants	66	44.00	84	56.00	150	15
5. Policemen, soldiers	94	94.00	6	6.00	100	10
6. Businessmen	91	60.67	59	39.33	150	15
Total		58.40	416	41.6	1,000	100

Table 2: Satisfaction with the way the government of General Prem Tinsulanon is handling the economic problems

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Satisfied	80	32.00	33	16.50	33	22.00	36	24.00
Not satisfied	114	45.600	105	52.50	78	52.00	64	42.67
No opinion	56	22.40	62	31.00	39	26.00	50	33.33
Total	250	100	200	100	150	100	150	100

Opinion	Police, soldiers		Businessmen		Total	
	Number	Percent	Number	Percent	Number	Percent
Satisfied	24	24.00	45	31.00	251	25.10
Not satisfied	39	39.00	73	48.67	473	47.30
No opinion	37	37.00	32	21.33	276	27.60
Total	100	100	150	100	1,000	100

Table 3: If General Prem Tinsulanon continues in office as prime minister, will he be able to solve the economic problems?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	64	25.60	30	15.00	27	18.00	35	23.33
No	116	46.40	88	44.00	74	49.33	60	40.00
No opinion	70	28.00	82	41.00	49	32.67	55	36.67
Total	250	100	200	100	150	100	150	100

Opinion	Police, soldiers		Businessmen		Total	
	Number	Percent	Number	Percent	Number	Percent
Yes	19	19.00	45	30.00	220	22.00
No	46	46.00	68	45.33	452	45.20
No opinion	35	35.00	37	24.67	328	32.80
Total	100	100	150	100	1,000	100

Table 4: Expectations concerning one's personal standard of living if General Prem Tinsulanon continues in office as prime minister

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Will improve	43	18.80	19	9.50	27	18.00	26	17.33
Will not improve	107	42.80	75	37.50	60	60.00	46	30.67
No opinion	96	38.40	106	53.00	63	42.00	78	42.00
Total	250	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
17	17.00	27	18.00	163	16.30
37	37.00	68	45.33	393	39.30
46	46.00	55	36.67	444	44.40
100	100	150	100	1,000	100

Table 5: If the government and the parliament extend their term in office another 4 years, will they be able to solve the economic problems?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	70	28.00	22	11.00	22	14.67	26	17.33
No	110	44.00	106	53.00	92	61.33	68	45.33
No Opinion	70	28.00	72	36.00	36	24.00	56	37.33
Total	250	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
11	11.00	24	16.00	175	17.50
55	55.00	85	56.67	516	51.60
34	34.00	41	27.33	309	30.90
100	100	150	100	1,000	100

Table 6: Do those who have proposed extending the term of the government and parliament another 4 years without an election have the interests of the nation at heart?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Studetns		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	49	19.60	34	17.00	12	8.00	19	12.66
No	124	49.60	110	55.00	104	69.33	64	42.67
No opinion	77	30.80	56	28.00	34	22.67	67	44.67
Total	250	100	200	100	150	100	150	100

	Police, soldiers		Businessmen		Total	
	Number	Percent	Number	Percent	Number	Percent
Yes	22	22.00	25	16.67	161	16.10
No	55	55.00	79	52.66	536	53.60
No opinion	23	23.00	46	30.67	303	30.30
Total	100	100	150	100	1,000	100

Table 7: The feelings of the various groups toward General Prem Tinsulanon

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1. Honest	130	24.21	104	23.48	71	17.93	99	26.05
2. Capable administrator	76	14.15	40	9.03	43	10.86	37	9.74
3. Polite	95	17.69	95	21.44	77	19.44	85	22.37
4. Sings well	62	11.55	29	6.55	31	7.83	25	6.58
5. Charming	18	3.35	6	1.35	10	2.53	7	1.84
6. Dresses well	26	4.84	38	8.58	19	4.80	15	3.95
7. Weak	52	9.68	48	10.84	32	8.08	36	9.47
8. Inept	41	7.64	31	6.99	31	7.83	18	4.74
9. Stupid	3	0.56	9	2.03	18	4.55	6	1.58
10. Not done anything of import	17	3.17	17	3.84	28	7.07	23	6.05
11. Is tricky	11	2.05	7	1.58	23	5.81	5	1.32
12. Other	16	1.12	19	4.29	13	3.28	24	6.32
Total	537	100	443	100	396	100	380	100

	Police, soldiers		Businessmen		Total	
	Number	Percent	Number	Percent	Number	Percent
1.	62	29.52	106	32.82	572	24.99
2.	25	11.90	30	9.29	251	10.97
3.	45	21.43	89	27.55	486	21.23
4.	10	4.76	17	5.26	174	7.60
5.	8	3.81	7	2.17	56	2.45
6.	8	3.81	11	3.41	117	5.11
7.	27	12.86	34	10.53	229	10.00
8.	11	5.24	10	3.10	142	6.20
9.	3	1.43	3	0.93	42	1.83
10.	4	1.90	8	2.48	97	4.24
11.	3	1.43	1	0.31	50	2.18
12.	4	1.90	7	2.17	73	3.19
Total	210	100	323	100	2,289	100

Note: "Other" includes: plays favorites, should retire, lacks political charm, thoughtful, lacks economic knowledge and is not resolute.

Table 8: Are you satisfied with how the 200th-anniversary celebrations were arranged?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	166	66.40	109	54.50	56	37.32	77	51.33
No	63	25.20	44	22.00	70	46.67	35	23.33
No opinion	21	8.40	47	23.50	24	16.00	38	25.33
Total	240	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
69	69.00	91	60.66	568	56.80
8	8.00	43	28.67	263	26.30
23	23.00	16	10.67	169	16.90
100	100	150	100	1,000	100

Table 9: Should the prime minister have to be an MP?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	128	51.20	117	58.50	109	72.67	84	56.00
No	72	28.80	54	27.00	39	26.00	49	32.67
No opinion	50	20.00	29	14.50	2	1.33	17	11.33
Total	250	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
57	57.00	68	45.33	563	56.30
33	33.00	70	46.67	317	31.70
10	10.00	12	8.00	120	12.00
100	100	150	100	1,000	100

Table 10: Are you interested in the 1983 election?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	152	60.80	151	75.50	134	89.33	106	70.67
No	69	27.60	24	12.00	6	4.00	19	12.66
No opinion	29	11.60	25	12.50	10	6.67	25	16.67
Total	250	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
77	77.00	105	70.00	725	72.50
12	12.00	31	20.67	161	16.10
11	11.00	14	9.33	114	11.40
100	100	150	100	1,000	100

Table 11: Is General Athit Kamlangek playing a greater role than called for by his duties?

Opinion	Small merchants, employees, workers		Private, state enterprise officials		Students		Civil servants	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	80	32.00	76	38.00	84	56.00	58	38.67
No	61	24.40	38	19.00	22	14.67	32	21.33
No opinion	109	43.60	86	23.00	44	29.33	60	40.00
Total	250	100	200	100	150	100	150	100

Police, soldiers		Businessmen		Total	
Number	Percent	Number	Percent	Number	Percent
33	33.00	46	30.67	377	37.70
35	35.00	49	32.67	237	23.70
32	32.00	55	36.66	386	38.60
100	100	150	100	1,000	100

11943
CSO: 4207/101

EUROPEAN COMMUNITY INVESTMENT PATTERNS NOTED

Bangkok SIAM MAI in Thai 29 May 82 pp 34-39

[Article: "The European Communities and Investment In Thailand"]

[Text] Concerning his recent visit to Europe, General Prem Tinsulanon, the Thai prime minister, told the alumni association for [Thai] graduates of European schools about the many accomplishments in building economic and political relations. In one part of the prime minister's talk, he said that the English newspaper THE FINANCIAL TIMES had published a story concerning talks on the cassava problem. The story said that Thailand, which has been blocked on the European Common Market, won a victory in these talks. Concerning the truth of these statements by the prime minister about the successes, SIAM MAI is printing an analysis of the economic relations between Thailand and the European Communities. This analysis is taken from the journal SARUP KHAO SETTHAKHIT [Economic News Summary] published by the Thai Farmers' Bank. At the very least, this provides data that reflects the truth [about relations] between Thailand and the European Communities and it allows us to see what the results of the prime minister's visit to Europe will be.

The European Communities is composed of 10 member nations: Belgium, Denmark, France, the Federal Republic of Germany, Ireland, Italy, Luxembourg, the Netherlands, Great Britain and Greece. It is a joint institution composed of three organizations: the European Coal and Steel Community, the European Economic Community, or Common Market, and the European Atomic Energy Community.

Thailand and the European Communities have had trade relations for a long time. In particular, some of the countries have a long history of trading and investing in Thailand. For the EC nations, the value of Thai trade does not reach 1 percent of the total value of trade of these countries. But for Thailand, the value of trade with the EC is 16 percent of Thailand's foreign trade. This is second only to the value of trade with Japan.

Thailand has imported goods from the EC at a continually increasing rate and in 1981 imports from the EC reached 12.7 percent of Thailand's total imports. The important items imported include machinery and parts, electrical equipment, electrical appliances, organic chemicals, iron, steel, chemical products, plastic goods, fertilizer, medicines and dairy products.

But Thailand has had a trade surplus with the EC ever since 1976. The important goods exported to the EC include cassava, tin and textiles. These goods together account for 60 percent of the value of the goods exported to the EC. In particular, cassava alone accounts for 40 percent. Less important goods include rice, precious stones, frozen squid, tobacco leaves and canned pineapple.

Besides the benefits that Thailand has gained from trading with the EC, Thailand has also received aid from the EC. This aid has included aid on the agricultural development and rural development fronts and aid under the program to solve the cassava problem. The aid from the EC comes from the Fund for Technical and Financial Aid to Non-Associated Countries.

Another side of relations between Thailand and the EC is investments. While the markets of the EC are important markets for Thai exports, expecially foodstuffs, investments by these countries in Thailand are rather limited as compared with other countries even though many of these countries have been investing in Thailand for a long time and even though Thailand has attached great importance to foreign investment and has a rather liberal policy concerning foreign investment.

Besides this, looking at the countries that are important investors here, which includes Japan and the united States, it can be seen that they are very interested in investing in Thailand. Along with this, while other important investors, which includes Asian investors, have continually shown a greater interest in investing in Thailand, European investors have not shown much enthusiasm for investing in Thailand.

Since the EC is a large organization composed of many member nations in Europe and since some countries have played a role in investing in Thailand, there should be discussions concerning the investment situation of these countries in order to set a clear path for investment by these countries.

Investments By the EC

Since 1960, which was the first year in which investments were promoted, the European Community nations have held shares in the activities that have received investment promotion. They have invested a total of 1,031 million baht, which is third among Thailand's important foreign investors behind Japan and the United States.

Investments have been made in various types of activities. This group has shown the greatest interest in mining, metals and ceramics. Investments in these account for 35.8 percent of total registered investments by the EC.

Following this comes agricultural production activities, 10.4 percent, and service industry activities, 10.3 percent. Chemicals and chemical products and machinery and electrical equipment account for 8.7 and 5.3 percent respectively.

However, if we look at European Community investments in the country, we see that investments are very limited. Only a few of these countries have invested in Thailand. These include Great Britain, West Germany and the Netherlands.

AS for the other countries, they have shown very little interest in investing in Thailand, even though they have long had trade relations with Thailand. This matter can be discussed country by country as follows:

Great Britain

This is the European Community nation that has invested the most in Thailand. It has invested in various activities that have received investment promotion. Between 1960 and 1981, it invested in 59 companies, investing a total of 8,597.5 million baht with registered capital of 2,678.2 million baht.

Of this registered capital, the share of Great Britain is 380.3 million baht, or 14.2 percent. Great Britain has shown greatest interest in mining, metals and ceramics. These activities have accounted for 31.4 percent of Great Britain's total registered capital. Next come service activities, which account for 20.0 percent of the capital.

West Germany

This is another European Community nation that is an important investor in Thailand. Various activities have been promoted with investments in 26 companies totalling 2,451.5 million baht. Registered capital totals 518.3 million baht. West Germany's share in this is 111.6 million baht, or 21.3 percent. West Germany has shown greatest interest in mining, metals and ceramics followed by agricultural products or produce.

The Netherlands

This country has invested in promoted activities, investing a total of 8,141 million baht in 12 companies. Registered capital is 389.9 million baht; the Netherlands' share of this is 300.8 million bhat, or 77.2 percnet. The Netherlands too has shown interest in investing in mining, metals and ceramics. It holds 100 percent of the shares in Thailand Smelting and Refining Ltd, which is a tin smelting company, and holds shares of various proportions in other mining operations. Besides this, it also holds shares jointly with Belgium and other countries in artificial pewter production.

The Netherlands is also interested in the agricultural industry. It has invested in theproduction of sweetened condensed milk and the production of oil from rice. And it is interested in industries producing electrical equipment and electrical appliances. In addition to the activities that have received

investment promotion, the Netherlands has played an important role in Thai industry. It has played a role in major activities in various types of industries. These include Thai Shell Ltd, the Thai Billingtan Company Ltd, Lever Brothers of Thailand Ltd and Philips Electronics of Thailand Ltd.

France

As of 1981, France had invested very little in Thailand. In investing in promoted activities, France has invested in five companies. Registered capital is 482.9 million baht, of which France's share is 197.4 million baht. France has invested mostly in textile activities. It has invested in the Thai Telon Polyester Company Ltd, which produces polyester fiber and filament thread. France's share amounts to 48 percent, or 192 million baht of France's registered capital. As for other activities, it is involved in the production of aluminum cables, copper and aluminum hydroxide. It also has interests in precious stones and hotels.

Besides this, it has also invested in other activities, including the production of canned seafood, floor tiles and artificial flowers. All three of these activities have received investment promotion from the Investment Promotion Board, although operations have not commenced. A total of approximately 10 million baht has been invested. The registered capital is 4 million baht, of which France's share is 10 percent.

Italy

Italy has invested in Thailand but it has invested very little. It is involved in six companies in Thailand. It is involved in various types of activities, from brick production and hotel operations to the diesel engine industry. Of these, four of the companies have received investment promotion. One is a mining company while the others are involved in service activities. Italy is a rather small shareholder, holding shares totalling only 10 percent of the registered capital.

Denmark

Denmark has invested in a variety of activities, including the shipping business and the agricultural industry. Several of the companies have been in operation for more than 10 yeras. These include the East Asiatic Group of Companies, the Christtiani and Nielsen Company Ltd, and the Kampsax Company.

As for the two activities invested in by Denmark that have received investment promotion and that have begun operations, one is an agricultural company. The shares held by Denmark amount to 99 percent of the company's 12 million baht in registered capital. The other company is involved [in the production of] machinery. Denmark holds shares jointly with Great Britain and Thailand. Denmark's shares amount to only 7 percent; Great Britain holds 58 percent of the shares and Thailand holds 35 percent.

Besides this, there are two other companies that have been promoted but that have not begun operations. These companies are involved in mining, metals and ceramics activities and in chemicals. However, [we are] delighted that the government of Denmark has set up an Industrialization Fund for Developing Countries in order to promote investments in developing countries, which includes Thailand.

Belgium

Belgium is interested in investing in the ore smelting industry. But it has invested very little in Thailand. The companies that Belgium has invested in that have received investment promotion include the Thai Present Company Ltd, which produces artificial pewter that is exported to European markets. It has invested 50 million baht. Registered capital is 15 million bhat, of which Belgium's share is 3.7 million baht, or 24.8 percent. Besides this, Belgium has invested in Thai-Belgium Industries, which is involved in the cutting of precious stones.

However, even though Belgium has invested very little in Thailand, it has begun to show greater interest in large-scale projects. At present, Belgium has joined in investing in the Phadaeng Industry Company, which is a large-scale zinc smelting project. Registered capital is 840 million baht. This project received investment promotion on 27 June 1981, but operations have not yet begun. Belgium's share is 30 percent, or 252 million baht. Besides this, it has invested 8.8 million baht in the production of polystyene, which received investment promotion.

Luxembourg

Even though Luxembourg is a small country, it is another European Community country that has invested in Thailand. It has invested in one company that has been promoted and that is involved in the production of chemicals. Total investments are 235 million baht and registered capital is 29 million baht. Luxembourg's share of this amounts to 24 million baht.

A Few Opinions

Looking at investments by the European Community nations, it can be seen that there are several prominent aspects:

1. Investments by these countries are still limited. The inflow of capital in the form of equity from the investments of these EC is reather small as compared with that of other countries. Fore example, the United States' capital inflow in the form of equity reaches two-thirds of the total capital and Japan's is three-fourths. At the same time, Great Gritain's equity share is onlyone-half. The exeption is West Germany, whose equity share reaches four-fifths of the inflow capital.

This difference in the form of inflow capital probably reflects the level of confidence in Thailand's long-term prospects. In particular, political stability is the most important factor.

2. Investments by the countries in this group are often investments made jointly with Thai shareholders or shareholders from other countries. Few hold all the shares by themselves. Besides this, joint investments take the form of holding a minority of the shares. In approximately half of the companies that these countries have invested in, they hold less than 30 percent of the shares.

However, even though they hold a minority of the shares, the shares have not been distributed among many [people]. This is different from Thai shares, which are held by many people. Thus, these shares held by foreigners play a rather [important] role in administration and decision-making. Besides this, the need to depend on [their] technical expertise has put more management power in the hands of the foreign shareholders.

3. The activities that the EC are interested in investing in are usually industrial activities that they are experts in, regardless of whether it is mining, metals and ceramics, machinery and electronics, chemicals or service activities. However, these types of activities invested in by the EC usually emphasize replacing imports or meeting their own domestic market needs.

This is different from other countries, including Japan, that are major investors. Japan is more interested in industrial activities for exports. For example, Japanese investments in the textile industry account for 45 percent of total investments. Thus, while domestic markets are saturated, the expansion of investments in order to satisfy the domestic market needs of the EC will gradually show down.

4. As for investment prospects in the next period, even though Thailand's large-scale projects in the near future will emphasize projects that invest in areas along the eastern coast, including projects connected with natural gas and other heavy industry projects, which the EC have industrial expertise in, because the United States and Japan will play a major role in these projects, have a direct role in their completion and make the plans, it will be difficult for the EC to have a chance to invest in these projects.

5. Besides the fact that the EC were late in becoming involved in Thailand's large-scale projects, looking at [what has happened] in the past period, it can be seen that investmetns by these countries came mostly from only two countries, Great Britain and West Germany. These two are the important investors in this group and their investments accounted for 40 percent of this group's investments. But compared with total foreign investments, this amounts to only 8 percent. Thus, it will be difficult for these countries to increase their investment role in Thailand in the near future.

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RTG URGED TO STAY OUT OF KHMER COALITION POLITICS

Bangkok SIAM RAT in Thai 10 May 82 p 2

[Article by Kasem Atchasai: "The Formation of a Khmer Coalition Government: An Attempt That Will Never Succeed"]

[Text] Things have been quiet for awhile, but things are now starting to get lively again. This refers to the attempt once again to hold a tripartite conference among Khmer leaders in order to find a way to establish a coalition government to create political bargaining power with the Heng Samrin group. Each side claims that it has the right to control Kampuchea.

The two people who are making the most noise about this are Mr Son Sann, the leader of the Khmer [People's] National Liberation Front (the free Khmers), and Prince Norodom Sihanouk, a person who behaves in accord with the Chinese proverb: "Fighters must know how to be flexible."

It will be recalled that several months ago, Mr Son Sann was "attacked" by China, which would not allow him to enter the country to meet Prince Norodom Sihanouk and Mr Khieu Samphan, because China was "repelled" by his equivocating about this and that. For example, his attitude was that he would not travel to Peking as stipulated, hinting that he would ask that the Khmer Rouge reduce its demands in forming a coalition government. For example, he hinted that he might ask that certain Khmer Rouge leaders such as Khieu Samphan and Pol Pot leave Kampuchea or that he [Son Sann] be made prime minister and that most of the cabinet positions be given to his men. In the end, this attempt to hold this tripartite summit conference failed. This greatly pleased Vietnam, the country that is supporting Heng Samrin.

When this bargaining game with China failed, Mr Son Sann seemed to regain his senses somewhat. Thus, around the end of April, he travelled to Kuala Lumpur to open negotiations with high-ranking Malaysian officials and stated that he would like to hold a tripartite Khmer summit conference in order to form a coalition government and establish patriotic forces to oppose the Vietnamese forces in Kampuchea.

The Malaysian government was very pleased, saying "hold a conference anytime you want to. We will be glad to arrange a meeting place."

But when asked whether or not he is willing to change his original position and allow all sides to serve as equals in a coalition government, Mr Son Sann replies with many reservations, saying "lets just wait and see."

Son Sann's standards for joining the coalition government follow those of Asean, which is an important body in finding a solution to the Kampuchean problem using political methods that are in accord with the United Nations' resolution that has called for the withdrawl of foreign troops from Kampuchea and for allowing the Kampucheans to decide their own fate.

But a condition set by Mr Son Sann is that he must have greater power than the other factions. This has caused the Khmer Rouge, which has put much money and effort into opposing Vietnam, to think hard. And in the end, they will probably not be able to please Mr Son Sann even though the Khmer Rouge hopes to have the support of the other factions in order to direct the expulsion of Vietnam in accord with the goals. Thus, the Khmer Rouge is hesitating and does not know what to do. Because if it gives in to Son Sann, this would amount to giving its gains on the battlefield to its former enemy. But the Khmer Rouge cannot refuse either since it needs support forces.

Thus, both Son Sann and Khieu Samphan must try to compromise. But how much they can compromise also depends on those who back Son Sann and on those who back the Khmer Rouge.

As for Prince Norodom Sihanouk, it looks as if he received some sort of signal. Last week, he hurried from his home in Pyongyang to Peking.

When he arrived, he immediately told the mass media that, concerning the formation of a tripartite Khmer coalition government, whatever the other two Khmer factions agree to will be all right. He does not want to bargain for anything.

Prince Norodom Sihanouk said that he will not attend if the summit conference is held somewhere else besides Peking or Pyongyang.

Concerning what he said, internal news sources said that the reason for saying this was not because Prince Norodom Sihanouk is "tricky" or is up to any tricks. Rather, at present, he is "broke" and cannot go anywhere unelss China or North Korea pay his expenses.

As for the Khmer Rouge, they are quiet at present and have not expressed an attitude. The same is true for China, which is an important sponsor. But it is understood that they will definitely react in the near future since they know that they cannot sit by indifferently since the day is fast approaching when Vietnam will propose that the Kampuchean seat in the United Nations be left empty.

Concerning this movement of the three Khmer factions, it appears that Thailand is taking a great interest in this just as before. Otherwise, Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, would certainly not have flown to Peking to meet with Prince Norodom Sihanouk.

Thailand's attitude in the past has been one of trying to promote a policy of forming a Khmer coalition government. The hope has been that this will lead to Vietnam being expelled from Kampuchea.

Thus, Heng Samrin and Vietnam have simply charged that Thailand is supporting the Khmer Rouge.

Concerning Thailand's standpoint on this matter, frankly, [I] am sometimes afraid that we have gone too far.

Actually, if a coalition government or a tripartite Khmer patriotic united front can be quickly established, this should be very good news. But has anyone ever thought about how violent the war in Kampuchea will become once this happens and about who the three Khmer factions will turn to for help if not Asean, particularly Thailand? Won't Thailand be drawn into the war too?

Actually, it would be just as well to let this matter [the formation of a coalition government] remain unsettled. Then, Thailand would not have to get too involved. Whoever wants to fight on can go ahead and do so; we could limit our involvement to providing support only.

I don't know whether anyone else feels differently or not.

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COLUMNIST COMPLAINS ABOUT LAO ATTACKS, THAI RESPONSE

Bangkok BAN MUANG in Thai 7 May 82 p 5

[Ta Mo Lo column: "Compromise Between the Two Sides -- Where Can It Begin?"

[Text] I can guarantee you that all Thais are angry about the matter of Lao soldiers firing on a Thai MROU boat, which resulted in some of our officials being severely wounded and killed.

Laos has acted as if MROU boats are practice targets that Laos can fire on any time it wants. When they fire on our boats, we suffer casualities, boats are damaged and Laos does not have to take responsibility. They have not even expressed any sincere "regrets."

Each time, Laos denies or only partly admist that it was guilty or it puts the blame on Thailand.

It looks as if the Thai government is going to be very gentle with Laos.

At most, it closes the border and stops trade, but then soon yields and reopens the border to trade. This has happened time and time again.

The local joint Thai-Lao border committee has only "winked its eye." It cannot do anything or solve any of the problems. This committee is rather close to the events, but it can only shake its head tiredly. I do not know why this is so.

Speaking frankly, this has made me really angry because our MROU boats are like practice targets for Laos. If they want to fire on them, they do.

The Thai government just accepts this because Thailand feels that Laos is a fraternal country.

Concerning this, a person told me why it is so important that MROU boats go and patrol the Mekong River and thus become targets for Laos.

I will repeat what he said. He said that there are several reasons why MROU boats must take the risk of patrolling the Mekong River:

1. They must do this to prevent the smuggling of illegal goods and to prevent Lao people from fleeing into our country. Because, Thailand is suffering greatly already from the present number of Lao refugees.

2. They must stop the transport of soldiers, weapons and men from Laos to the communist terrorists in the north and northeast of Thailand.

Everyone knows that some organizations in Laos are supporting the communist terrorists in the north and northeast. Thus, we must watch things in order to protect ourselves. The intent is not to harm Laos in any way.

3. The MROU boats are there to "stop" the "bad people" in Laos when they have the urge to fire rounds into Thailand. The MROU boats swoop down and protect the Thais and give the Lao people over there something to worry about.

Every time that this happens, the Lao commanders try to cover up their mistakes. They turn a small matter into a major issue, as if it were an international problem. Tension arises and there are disputes. Sometimes this occurs because of a single drunken soldier.

Sometimes the local officials are aware of all this but once things get started, it is difficult to say anything.

Concerning the things that I have related here, I did not write them by myself. A friend who is a reporter and who has had experience in this told me about this.

Little Laos is bigger than a general.

I do not believe that the high-ranking people in either Laos or Thailand intend to destroy each other. The things that have constantly taken place (in which Thailand has suffered every time) have been caused by the stupidity of a few low-ranking people who are irresponsible.

But this problem must be solved in order to bring about a lasting peace along the Mekong River. Normally, things are peaceful here, and the people on both banks are brothers. The way to bring about peace is for both Laos and Thailand to withdraw the same distance and create a "zone of peace." Neither side should have war weapons here. Those on the right bank should not have Russian patrol boats while those on the left bank should not have MROU boats. There should only be Thai police on this side and Lao police on that side and a "peacekeeping" committee to discuss things.

But this can only come about when certain organizations in Laos stop providing support to the communist terrorists in the north and northeast of Thailand.
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SOCIAL DEMOCRAT PARTY CHIEF ANNOUNCES ELECTION PLANS

Bangkok PHYA KHRUT in Thai 7 May 82 pp 3, 14

[Political Secrets column by "6 October"]

[Text] A democratic fire is raging.

The various political parties are preparing for the election to be held in April 1983. Some parties have held conferences to elect a party head and high-ranking leaders. Admidst conflicts, agreements have been reached.

Concerning the Social Democrat Party of Colonel Somkhit Sirisangkhom, there have been reports that this party too is making preparations for the election. "At present, we are gathering the 5,000 members as required by law and will soon register," said Colonel Somkhit to PHYA KHRUT the day before yesterday.

Colonel Somkhit stated that his party will probably hold a conference sometime next month in order to elect a party leader, deputy party leader and other administrators. At present, the high-level members who are considering [running] for party administrative positions include Khlaeo Naropti, Suri Phuwaphan, Inson Buakhieu, Prasoet Loetyaso and Chan Kaeochusa.

"After electing a party administrative committee, we will go ahead and open party branches throughout the country," said Colonel Somkhit. He also said that the party will seek new members continually, including people to run for MP in the name of the party. Thus, there must be at least 160 people.

Concerning the election within the party of Colonel Somkhit, from what has been observed, no major problems should arise, as happened in other parties. For example, in the Democrat Party, the Social Action Party and the Thai Nation Paty, there were major conflicts between some party members.

At a time when the Social Democrat Party is building itself up and developing itself, Colonel Somkhit will certainly be elected as party leader.

"I will run for MP," stated Colonel Somkhit. "I will run in Udorn Thani."

And what about money to help the party?

"That is a serious problem for us. We will try to let the members help themselves, with the exception of those who are really in need. We may be able to provide money to pay the candidate fees and to pay for printing leaflets," said Colonel Somkhit.

He also said that, at present, the party is carrying on various activities in order to earn money for the party. For example, the import-export activities that are being engaged in should bring in money with which to carry on party activities and help some members.

"Besides this, we collect 20 baht per month from each member," said the leader of the Social Democrat Party.

This money will be used to carry on various party activities such as public service, legal and nursing activities. Money will also be spent to have party activists go and explain the party's policies to the people in the various localities.

The Social Democrat Party was born when the Socialist Party of Thailand and the Socialist United Front Party were dissolved and [the members] joined together. At present, the party has formed a "Social Democrat Youth" unit in order to use it to help expand the party's base and to build a foundation in order to ensure party development in the future among the youth organizations. Usually, it is students who form organizations and they can administer things freely, using the policies for guidance.

Colonel Somkhit has great hopes for the 1983 election. He stated that at least 15-20 members of his party will be elected.

"My party will not fight for election with money. We will fight those parties by making the people understand that buying votes will destroy the democratic system and the nation."

"In waging such a campaign against those who have money, there may or may not be problems. We have achieved results before," said Colonel Somkhit.

The energy of the political parties shows that democracy is definitely blossoming. Even if these fights are not too clean sometimes, this is still better than having a military dictatorship.

"At present, we have assumed that there will not be a coup and that there will definitely be an election. But if something occurs to prevent this, this will be outside our control."

Yes, even though the smell of a coup is in the air now, I do not think that anyone will dare to go against the wishes of all the democratic people who want to gradually build a modern political system with the political parties serving as the foundation.

It is very hot in April. But it will be hot because of the flames of democracy. Please do not misunderstand and think something else.

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BORDER TRADE RESTRICTED TO PUNISH LAOS

Bangkok MATICHON in Thai 18 May 82 pp 1, 12

[Article: "Small Traders Prohibited From Crossing the Mekong River"]

[Text] It has been revealed that at a meeting of the Thai-Lao border committee concerning the matter of Thai MROU boats being fired on, Laos has admitted that it was the one who fired.

On 17 May, a high-level official in Nakhon Phanom Province told MATICHON about the talks that were held by the provincial-echelon Thai-Lao border committee in order to discuss the matter of a Thai MROU boat being fired on at Ban Napon Noi in Mukdahan District, Nakhon Phanom Province, on 26 April. He said that 2 weeks ago, Lao officials in Savannakhet sent a note to the governor of Nakhon Phanom Province admitting that, concerning this matter, Lao soldiers had fired on the Thai MROU boat first. They did this because the MROU boat had captured two Lao policemen who were on patrol in a row boat to maintain safety.

The same high-ranking official stated that after this took place, the National Security Council and the Ministry of Interior implemented a policy of resolutely refraining from closing the border. This was done because it was feared that Laos would use the closing of the border to make it seem like a big country was bullying a smaller country, which would tarnish Thailand's image in the eyes of other countries.

However, even though the border will remain open, the province has prohibited Thai merchants from crossing the border and selling goods in Savannakhet. Only goods from companies that have contracts will be allowed to pass through to Laos. This will put indirect pressure on the Lao government to admit its mistake since the amount of goods that will be allowed to pass will not be sufficient to satisfy demand.

This high-ranking official also stated that this policy has made the small traders very unhappy because they do not think that this is fair. Concerning this, the Lao side is well aware of the weakness that has caused the provincial officials to be hesitant. And there have been reports that the small traders are joining together in order to make demands.
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CONCERN VOICED OVER 1983 BUDGET

Bangkok MATICHON in Thai 21 May 82 p 5

[Article by Sangsit Phiriyarangsan, Chulalongkorn University Social Research Institute: The 1983 Budget, Is It For the Military Or For the People?"]

[Text] In a statement by General Prem Tinsulanon, the prime minister, to parliament in which he requested support in the preparation of the 1981 budget, one section states that "this government has set a general goal in the administration of the economy. That goal is to raise the people's standard of living and to reduce the existing differences."

One year later, the same prime minister asked parliament to approve the 1982 budget. One section in this statement concerned poverty in the rural areas: "Some areas, especially remote rural areas, hve not received any benefits from the development. Almost one-fourth of the poeple in the country are living at the poverty level and cannot support themselves."

And just several days ago, in an interview with the mass media, General Prem said that poverty is a very important problem for Thailand. There are presently about 10 million Thais living in abject poverty and most of them live in rural areas.

What Is the Policy In Preparing the Budget?

Based on the interview statements that have been compiled by Mr Trairong Suwannakhiri, the government spokesman, it can be said that the 1983 national budget was prepared with at least two goals in mind. The first is to preserve the monetary and financial stability of the country. The second is to create a balance between development and the stability of the economic system in general.

During an interview, Mr Sommai Huntrakun, the minister of finance, stated that the "budget appears to be somewhat austere since we have to be frugal." This shows that Thailand's 1983 budget has been limited and that the amounts allocated are not in accord with the expenses. This is because it was not possible to collect taxes last year in accord with the stipulated targets. An

important reason for this was the world economic recession, which led to a slowdown in Thailand's general economy too.

Thus, it looks as if the main goal of the policy in preparing the 1983 budget is to preserve the country's general economic stability. The thing that is worth noting is that, in preparing the new budget, the government did not mention the goal of eradicating or reducing poverty among the people in general, even though General Prem has constantly talked about fighting poverty.

A Budget That Is More For the Military Than It Is For the People's [Economic] Well-Being

On 11 May, the government spokesman stated that the cabinet has issued a resolution accepting in principle the 1983 budget and approving budgetary expenditures of 177 billion baht. This is a 9.9 percent increase over last year's budget. As for revenues, it is expected that revenues will total 151 billion baht from commercial taxes and other sources. Another 26 billion baht will be borrowed from domestic sources and treasury reserves for a total income of 177 billion baht.

Concerning this 9.9 percent increase in the budget over last year's budget, when this is compared with last year's rate of inflation of 10 percent, it can be seen that, in real terms, the budget has not increased. The question is, with this limited budget, what has the government chosen to spend the money on?

The thing that can be seen clearly is that the government has chosen to give precedence to national security rather than other problems. From the table, it can be seen that the budgets for national defense and internal security together total 45,065.8 million baht, which is 25.4 percent of the total budget. In the new budget, the government has increased the budget for maintaining internal security 16.8 percent and it has increased the national defense budget 12.1 percent.

This can be compared with the 2.9 percent increase in the budget for the economy. It can be seen that General Prem Tinsulanon, the prime minister, minister of defense and former RTA CINC, still attaches more importance to presrving national security than to solving the economic problems in general.

At present, it is probably impossible to find anyone with figures showing how efficient this budget sector is. Thus, doubts will probably arise concerning the suitability of this budget or about whether it is in line with the economic situation of the country, which is in a very bad state.

It is certain that the people who have to pay increased taxes to the government every year will not be satisfied with a budget whose results cannot be assessed. If this is the case, aren't the national defense and internal security budgets retarding the development of production efficiency and society in general?

A Depressed Economy; Few People Are Benefiting

Those who pay taxes to the state probably expect that the state will try to prepare a budget in an efficient way and they probably consider the benefits that the state can provide them in return as appropriate. However, it seems that, this year, the people who earn their living in various ways have negative rather than positive expectations when they see the structure of the new fiscal budget. This is because, while the economy in general has clearly been deteriorating since the beginning of the year, that part of the budget concerned with the economy has, in real terms, declined greatly.

The thing that is very worrisome at present is that, while the private sector is in a very depressed state, the government does not have the ability to increase expenditures and has even reduced spending. This may cause the economic system in general to deteriorate even more. This is something that can be discussed.

Another thing is that, if it is assumed that the government is really sincere about increasing the amount of money budgeted, in real terms, to a level higher than last year (regardless of what method the government uses to obtain this money) but prepares the budget without holding to the principle of efficiency, will people in general in society benefit or will only one small group in society gain most of the benefits?

Thus, with the original budget in real terms, if the government's administration is improved so that there is greater efficiency, there will be greater benefits. The problem is that, at present, there is no sign from the government that the administration will be improved any time soon.

By using a tighter policy (such as by reducing the construction budget) every year, it is expected that the unemployment problem will grow worse this year. Also, because the budget for rural development has not increased at all, this will lead to the income inequality between those in the cities and those in the rural areas growing even worse. However, the 19 and 15 percent increases in the public health and education budgets respectively are only moderate increases as compared with those for other sectors. These budgets will help narrow the gap in society somewhat and they are important for developing the human resources in the country, especially in the long term.

One aspect of the budget that is very alarming is the allocation for loan repayments, which is the fourth largest slice, or 15.3 percent, of the total budget. This budget sector also shows the largest percentage increase, 29.2 percent, as compared with other budget sectors. The 1983 budget for loan repayments is 27,150.3 million baht. When this is compared with the budget for this same sector 10 years ago, in 1973, when the budget for this was 3,800.6 million baht, it can be seen that the debt ceiling has risen 23,349.7 million baht, or 614.37 percent. This is a very rapid increase. Concerning this budget, the more that is needed for repaying foreign loans, the greater the danger to the country in general.

The fiscal 1983 budget divided according to expenditures and compared with fiscal year 1982 (millions of baht)

Sector	Fiscal 1982		Fiscal 1983		(+ equals increase) (- equals decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Economy	32,857.0	20.4	33,822.7	19.1	+965.7	+2.9
Education	32,364.6	20.1	37,228.9	21.0	+4,864.3	+15.0
National defense	31,617.6	19.6	35,454.2	20.0	+3,836.6	+12.1
Loan repayments	21,008.5	13.0	27,150.3	15.3	+6,141.8	+29.2
Public health	6,395.2	4.0	7,611.6	4.3	+1,216.4	+19.0
Public utilities	10,330.3	6.4	10,888.5	6.3	+558.2	+5.4
Internal security	8,231.3	5.1	9,611.8	5.4	+1,380.5	+16.8
General administration	4,309.0	2.7	5,325.8	3.0	+1,016.8	+23.6
Other	13,886.5	8.7	9,906.2	5.6	-3,980.3	-28.7
Total	161,000.0	100.0	177,000.0	100.0	+16,000.0	+9.9

Summary

The government has issued the Fifth National economic and Social Development Plan. One important element in this plan is the intention of waging a battle against the many poverty-stricken zones in the rural areas. This has generally been praised.

One surprising thing that has happened is that, in preparing this budget, consideration was given to the balance between development and the stability of the economic system in general, which is of significance for considering the economic growth rate. Even though the government has summarized the mistakes of the Fourth National Development Plan, saying that too much attention was given to economic growth as compared with income distribution, which is incorrect, it does not look as if those who are running the country or the government spokesman will mention the policies in parparing the budget aimed at hitting the targets for just income distribution in society as the Fifth Plan has stipulated.

Besides this, budget preparations have attached greater importance to non-production sectors, or sectors that do not benefit the economy, that is, the national defense sector, than to the economic sectors even though the economy in general is facing great difficulties. It seems as if more attention is being given to setting annual targets for numbers of reservists, thahan phran irregulars, Regional Security Volunteers, Volunteer Defense Corp members and so on in the various regions than is being given to setting targets for stipulating minimum prices for the crops of the farmers, who are the ones who shoulder most of the burden in the country.

If the government focuses exclusively on collecting taxes from the people, as the minister of finance said in an interview -- "in collecting taxes, we will establish revenue zones and localities and divide the zones in carrying on the activities; we will divide the zones street by street and collect taxes from all the stores" -- rather than focusing on preparing budgets that are reasonable and efficient in administering the national budget, which would benefit the people in society in general, the discouragement of the taxpayers and the tensions and conflicts among the people in society will continually increase.

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MILITARY FIGURES DOMINATE RAILWAY BOARD

Bangkok DAO SIAM in Thai 19 May 82 pp 1, 2

[Article: "Thienchai Appointed As Chairman of the Railway Board. The Cabinet Has Appointed a New Board"]

[Text] The cabinet has appointed a new State Railway of Thailand board in order to improve railway affairs. It also approved the 1982-1986 National Economic Development Plan. Thienchai has been made chairman of the board.

On the afternoon of 18 May, Mr Montri Phongphanit, the deputy minister of communications, told reporters at parliament that at a cabinet meeting held earlier in the day at the government house, a meeting chaired by General Prem Tinsulanon, the prime minister, the cabinet passed a resolution to replace the present executive board of the State Railway of Thailand. The new members of the board are:

1. Lieutenant General Thienchai Sirisamphan, the head of the Territorial Defense Department and the [new] chairman of the board. 2. Mr Manat Khowanit, the deputy undersecretary of the ministry of communications. 3. Police Lieutenant General Prakop Wiraphan, the commissioner of the Central Investigation Bureau. 4. Mr Sunthon Sathienthai, the comptroller general of the Comptroller General's Department. 5. Police Major General Chatchai Upaphong, the assistant inspector-general of the Police Department. 6. Major General Wichit Wichitsongkhram, the director of the Directorate of Logistics. 7. Mr Bodi Chunnanon, the deputy director of the Office of the Budget. Because of his position, Mr Thawat Saengpradap, the railway director, is also a member of the board and the secretary.

Mr Montri Phongphanit also told the reporters that the term of the new board established by the cabinet will run for 3 years. This new railway board was established because the term of the old board expires in just 5 more months. However, the 1982-1986 National Economic Development Plan stresses projects to improve rail transportation rather than other forms of transportation. Thus, it is essential to make plans accordingly in improving railway activities since fuel oil prices may increase in the future. Besides this, construction in other sectors has been cut back.

The reporters asked why it was necessary to change the railway board right away or whether it was felt that the old board had lost its vigor. Mr Montri Phongphanit stated that the cabinet had considered things carefully and was afraid that if the old board continued to carry on the work, the development activities would not be connected. At present, only 5 months of its term are left, stated the deputy minister of communications in conclusion.

In conclusion, the news report stated that the chairman of the old railway board is Dr Sirilak Chantharangsu, the former undersecretary of the ministry of communications. Two members of the old board will continue to serve on the new board. These two are Mr Sunthon Sathienthai and Mr Bodi Chunnanon, the deputy director of the Office of the Budget.

11943
CSO: 4207/100

NEW FORCE PARTY MAY HAVE TO DISBAND

Bangkok SIAM RAT in Thai 20 May 82 pp 1, 12

[Article: "The New Force Party May Disband. There Are Not Enough Members to Run For Election"]

[Text] The New Force Party is considering its position in fielding candidates in the next general election. The party leader has disclosed that the party may have to be disbanded if it is not possible to field candidates in accord with the regulations. He said that several parties, including the National Democracy Party, had shown an interest.

Yesterday, 19 May, the 8th anniversary of the founding of the New Force Party was celebrated at the Imperial Hotel. Attending the anniversary party were 500 party members.

In an interview with a reporter, Mr Somwang Sirichai, the leader of the New Force Party, stated that the New Force Party will join the debate on the lack of confidence in the government. It will send Mr Suthep Wongkamphaeng, an MP from Korat, and Mr Bunruon Thawonsawat, an MP from Khon Kaen, to cooperate with the opposition.

The issues in the debate on the lack of confidence include the matter of the Ministry of Industry signing a fuel oil contract with Saudi Arabia at prices that are higher than world market prices, the matter of the Ministry of Communications being unable to solve the problem of state enterprises, including the State Railway of Thailand, the Transport Company and the Metropolitan Transport Company, suffering losses and the matter concerning the Ministry of Foreign Affairs in which [people in] the Thai consulate in Chicago were involved in the heroin trade. [This latter matter] has damaged the country's image throughout the world, but the Ministry of Foreign Affairs has not investigated this matter carefully.

The leader of the New Force Party also said that, after this, the party will probably start making preparations for the election. It will field as many candidates as possible. But there are still financial difficulties. If this is solved and if all factions join together, the party should win at least 10 seats. The seats won will be in the northeast, especially in Khon Kaen.

Besides this, the party should win a few seats in the south. As for the north, the party is very weak there.

The reporter asked whether the party would join with other parties. Mr Somwang replied that every party had made contact asking them to join. But at present, they will probably not join with any other party. But as the time for the election approaches, if the party cannot field candidates in accord with the stipulations, it will be disbanded and members will be free to go join any party they want.

The leader of the New Force Party also criticized the constitution, saying that the law that has been promulgated poses obstacles for the small political parties. At present, the large parties can survive because of the economy. It is like an investment.

Mr Suthep Wongkamphaeng, the secretary-general of the party, stated in an interview that the next leader of the party will probably be Mr Somwang Sirichai. A reporter asked about drawing Dr Athit Urairat into the New Force Party. Mr Suthep said that this depends on whether Dr Athit decides to join the New force Party or the National Democracy Party. But from what he has seen, General Kriangsak has expelled Mr Thawit Klinprathun and Mr Wattana Atsawahem. This shows that he wants Dr Athit to join the National Democracy Party.

Furthermore, the New Force Party will hold a nation-wide party caucus on 26 June. This caucus will elect a party executive committee. At present, the party has approximatley 7,000 members nation-wide. This is more than the 5,000 members required by law.

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CSO: 4207/100

GEN SAN, TURKS MAY CONSIDER JOINING NEW FORCE PARTY

Bangkok PHYA KHRUT in Thai 24 May 82 pp 1, 2

[Article: "Young Turks Start to Move: San Leads Them In Joining the New Force Party"]

[Text] San will definitely lead the young turks, the former rebels of 1-3 April in joining the New Force Party. He has secretely contacted important people in the party and discussed joining the party. As for "Suthep," the party secretary-general and singer who has sold gold records, he said that anything is possible in politics. But before San will join the party, he wants to see if they can get along. Because when he led the coup, he ordered parliament dissolved, which was counter to the wishes of the New Force Party, which holds to democratic methods.

In his position as secretary-general of the New Force Party, Mr Suthep Wongkamhaeng, an MP from Nakhon Ratchasima, granted an interview to a reporter concerning the news that young turks led by General San Chitpatima, Colonel Prachak Sawangchit and Colonel Manun Rupkhachon, are considering either forming a political party or joining some political party. The news report stated that the young turks will join the New Force Party and that they are already in contact with high-ranking people in the party.

Concerning this, Mr Suthep stated that in politics anything is possible; nothing is impossible. As for the young turks joining the party, this is certainly possible. Mr Suthep said that he does not know anything about this but that there may have been high-level contacts.

The secretary-general of the New Force Party said that before the young turks join the New Force Party, they should study the policies of the party to see if [their views] are compatible with the principles and policies of the party. The young turks carried out a coup on 1-3 April. On that occasion, the young turks' Revolutionary Council first ordered parliament dissolved and then asked that parliament be reconvened. Thus, their principles are not definite. And in particular, the New Force Party favors democratic methods.

However, Mr Suthep added that they should first study the policies of the party. In conclusion, Mr Suthep said that he really does not know whether the fact that the young turks have made contact indicates that they will really join the party or not.

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CSO: 4207/100

MONEY PROBLEMS COULD CAUSE SMALL PARTIES TO FOLD

Bangkok PHYA KHRUT in Thai 24 May 82 p 3

[Political Secrets column by "6 October": "Things Will Be Difficult For the Small Parties In the 1983 Election"]

[Text] Several days ago, the New Force Party held a conference in order to announce the party's declaration. The present leader of the party revealed that if the party cannot field at least 160 candidates in accord with the law, the party will be temporarily disbanded.

The statement by the leader of the New Force Party, Mr Somwant Sirichai, was made based on present political facts and not on anything unrealistic. The possibility of the New Force Party being temporarily disbanded is quite real.

And several other parties are probably encountering the same problems as the New Force Party.

From what can be seen clearly at the present time, the small parties are facing two main problems: the problem of money and the problem of people running for office in the name of the party.

Colonel Somkhit Sirisangkhom, the leader of the Social Democrat Party, once told this column that "money is a great problem for the party. In fielding candidates for MP, we have had to ask them to help themselves."

It is known that the cost of fielding a single candidate is at least 300,000 baht. To field 160 candidates would cost 50 million baht. This is the minimum cost to each political party.

The problem of money is thus the first basic problem for the various political parties and it is one that they cannot avoid since very few wealthy people join the small parties that have ideals.

It requires money to be able to express political intentions in accord with the ideals of the party. This is very stifling for idealists.

Thus, the large parties, which the businessmen and investors have joined, always have the advantage. At the very least, they can field the required number of candidates as stipulated by law. And when much money is invested, there are usually great results.

As for the second point, the large parties with money can easily find people to run in the name of the party since there are many people who have the potential of becoming politicians but who lack resources or who are well known but who lack money.

This has given rise to a new occupation, that is, "politician for hire." Everyone is running around searching for a party with money. These parties are becoming even larger, their image is improving and they have an even greater chance of winning the election.

It is their fate and luck that has allowed them to make such progress.

But if you ask someone why he has joined this particular party (referring to a large party), he will say that his ideals are in harmony with those of the party. But the real thing is that if he joins this party, he will have a greater chance of becoming an MP.

Another phenomenon that confirms this is that even people who once belonged to small parties with wonderful ideals (they used to say this during that period) have turned and joined large parties (with money) and they will run for MP in the name of these parties.

Let those who belonged to the small parties (in the past) with the same ideals face their fate.

More and more "hot" people are leaving the small parties. By the time of the 1983 general election (if there is one), probably few of the small parties will be able to field candidates.

Actually, this is good.We may have only two or three political parties left just as in other democratic countries.

But there is the question of whether the person who has abandoned a small party and joined a large party just wants money to run for MP and a greater chance to become MP or whether he is thinking of something else. This is a question that is difficult to answer.

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SOUTH AND EAST ASIA REPORT

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COMMUNICATIONS GROUP RETURNS FROM NORTHEASTERN VISIT

BK051555 Phnom Penh Domestic Service in Cambodian 1230 GMT 5 Jun 82

[Text] After successfully completing its visit to the northeastern region, a delegation of the Ministry of Communications, Transport and Posts led by Minister Khun Chhy returned to Phnom Penh on 4 June.

During their stay in the northeastern region, Comrade Minister Khun Chhy, head of the delegation, and the entire delegation inspected national routes 7, 13 and 19, the (O Krieng) bridge and the port in Kratie Province, the (O Preah) bridge and the airfield in Stung Treng Province, the (O Tang) bridge in Ratanakiri Province and various national highways and provincial trails in Mondolkiri Province which were damaged by the U.S. war of aggression and wantonly sabotaged by the genocidal Pol Pot-Ieng Sary-Khieu Samphan gang.

At the same time, the delegation thoroughly discussed and exchanged views with the people's revolutionary committees of Kratie, Stung Treng, Ratanakiri and Mondolkiri provinces regarding the repair and construction of roads, bridges, airfields and river ports in order to facilitate travel and the transportation of goods for distribution to all remote rural areas for the benefit of the people of the northeast.

The delegation also visited the people and minorities living in the northeastern region and conveyed the greetings of the party and government.

Through this visit by the delegation of the Ministry of Communications, Transport and Posts, the population of the northeastern region can clearly see the care and attention accorded it by the party, front and Council of Ministers. This has made our brothers in this region more confident in and proud of our party and government and has sharpened their determination to fight and win in building and defending the country toward socialism.

CSO: 4212/20

EDITORIAL PROMOTES TRANSPORTATION SECTOR

BK061323 Phnom Penh Domestic Service in Cambodian 0400 GMT 5 Jun 82

["Kampuchea" editorial: "Communications and Transportation in Our Cause of Our Kampuchean Revolution"--date not given]

[Summary] Communications and transportation is an important sector of the economy as it helps to promote production. Weakened by the Pol Pot regime and poorly equipped, our transportation workers have become more innovating and creative. In 1981, thanks to the assistance of friends, they have succeeded in transporting goods from Kompong Som port and distributing them in the northeastern region. "They also managed to distribute relief materials to drought and flood-victims last year on a timely basis and did an excellent job of transporting supplies and materiel for our frontline combatants by bringing them 307,758 tons of goods. Such results have won our party, front and government the confidence of the people.

Our cadres and workers of the transportation service have displayed a great determination to perform their jobs well. "Nevertheless, in the current situation in which the revolution is advancing steadily, we cannot be careless or complacent. The faster the revolution progresses, the more developed the production movement and the greater the needs of the people will be. For this reason, transportation is becoming more difficult and complex and requires advanced skills, greater professionalism and sharper determination of the working class concerned." In order to fulfill the 1982 plan, the communications and transportation service at all levels must fully develop the locally existing materials in addition to the participation of the masses. "In the recent past, the people of a number of provinces such as Kompong Thom, Kampot, Takeo, Kandal and so on took the initiative in repairing and building roads without using the state budget, thereby successfully improving transportation."

We advise the following: Do not remain indifferent to the state of the transportation service; do not let difficulties arise before attempting to wipe them out; concentrate on waterway transportation as it is relatively inexpensive; properly and creatively use all primitive transportation means, such as carts,

elephants, horses and rafts; avoid unplanned and wasteful use of transportation means; uphold the sense of thrift; make tools last as long as possible and use them efficiently; and eliminate extravagancy, irresponsibility and theft.

"All localities must raise their sense of vigilance and be resolute in defending communications lines against enemy sabotage attempts. In case of interruption, for whatever reason, efforts should be made to repair, rebuild or relink the lines as soon as possible. Do not wait for the intervention of the central or provincial authorities. Armed forces assigned to protect communications lines must grasp the importance of their role and they must not impede traffic without a good reason."

The transportation service must properly reward those who are outstanding in work and punish those who are bad and set up core groups and model figures to boost performance. Good plans and scientific procedures are important for the success of this sector.

CSO: 4212/20

SOY KEO ATTENDS 26 MAY PEDAGOGIC COURSE

BK290417 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 May 82

[Text] On the afternoon of 26 May, the army cultural school organized a ceremony to close a pedagogic course attended by almost 30 teachers from various units throughout the country.

Present on that occasion were Comrade Soy Keo, member of the KPRP Central Committee, deputy minister of national defense and chief of the KPRAF General Staff; Comrade (Bun Sang), deputy chief of the KPRAF General Logistics Department and chief of the technical department; Comrade (An Sum), chief of the Propaganda and Education Department; female comrade Khun Nget, head of the Adult Education Directorate; and many cadres of the National Defense Ministry and teachers representing the Education Ministry.

In his report summing up the results of the course, Comrade Chea Saran, director of the KPRAF Cultural School, highly praised the efforts made by the trainees and teachers to study and teach. Therefore, this pedagogic and cultural course was 100 percent successful as wished. Among those in attendance, 70 percent of the trainees were rated at the skilled level. During the teaching training, 55 percent of the students were rated at the skilled level and the others were rated at the average level. The comrade director of the school stressed that the successes of this second pedagogic course were made possible due to the complete assistance of the Education Ministry and the guidance of various comrades experts working in the school.

Comrade Soy Keo took the floor and presented advice to the student teachers. He stressed that in order to modernize our KPRAF, cadres and combatants of all three branches of our armed forces must demonstrate high cultural standards which facilitate the study of politics and military techniques. This will improve the conditions of our armed forces and make it a modern army to defend Kampuchean territorial integrity and contribute to the defense of peace in Southeast Asia.

Later on, a representative of the trainees took the floor and expressed his determination that when he and his colleagues return to their units they will make every effort to teach their fellow combatants in their local units.

In conclusion, the school authorities handed over congratulatory letters and a number of trophies to teachers and trainees which consisted of 30 percent of those involved in this course who showed excellent performances in teaching and studying. This ceremony was closed in a joyful atmosphere. All trainees were determined to fulfill their duty to improve the cultural knowledge of the armed forces.

CSO: 4212/20

BRIEFS

MONGOLIAN AMBASSADOR RECEIVED--Phnom Penh, 26 Apr (SPK)--On Sunday, 25 April, Chan Si, chairman of the Council of Ministers and member of the KPRP Central Committee Political Bureau, received Mongolian Ambassador Legdengiyn Damdinjab. Chairman Chan Si spoke of the sabotage maneuvers of Chinese expansionism in collusion with U.S. imperialism and reactionary Khmer groups against the Kampuchean revolution and of the relations of friendship and solidarity between Kampuchea and Vietnam. He said that these maneuvers would be doomed to failure. He mentioned the great successes achieved by the peoples of Kampuchea, Vietnam, Laos, the USSR and other fraternal socialist countries. On behalf of the party, government and people of Kampuchea, Chairman Chan Si expressed his gratitude to the party, government and people of Mongolia for their valuable aid to the Kampuchean people. This aid has contributed to deepening the relations of friendship, solidarity and cooperation between Kampuchea and Mongolia. The Mongolian ambassador praised the Kampuchean people for their rapid progress and stressed that this progress would serve as a base for the advance of the Kampuchean revolution. L. Damdinjab reasserted the support of Mongolia to the Indochinese peoples. Both parties talked of measures to consolidate and expand the relations of friendship, solidarity and cooperation between Kampuchea and Mongolia. [Text] [BK271036 Phnom Penh SPK in French 0413 GMT 26 Apr 82]

CSSR NATIONAL DAY MEETING--Phnom Penh, 12 May (SPK)--A meeting sponsored by the Kampuchea-USSR [as received] Friendship Association was held in Phnom Penh on Sunday, 10 May, to commemorate the 37th National Day of the CSSR. In his speech, Minh Khin, deputy secretary general of the KUFNCD National Council and secretary general of the association, thanked the CSSR for the material and moral support given to Kampuchea. The CSSR ambassador's representative, Devan Dusan, recalled the cooperation between the CSSR and the USSR in their anti-Nazi struggle and affirmed that the CSSR's great successes were due to the support of the Soviet party and people. Pen Navouth, minister of education and vice-chairman of the Kampuchea-USSR Friendship Association, and Yit Kim Seng, minister of health, also attended the meeting. [BK131231 Phnom Penh SPK in French 1448 GMT 12 May 82 BK]

GREETINGS ON CSSR NATIONAL DAY--Phnom Penh, 10 May (SPK)--On the occasion of the 37th National Day of the CSSR, Meas Saman, chairman of the Kampuchean Women's Association, sent her sincere and warm congratulations to the CSSR women's committee. Meas Saman expressed her profound gratitude for the material and moral assistance and support provided by the people of the CSSR to the Kampuchean people in building a new, independent, free, democratic and progressive Kampuchea. She wished that relations between the two countries would continue to develop for their own interest and for that of world peace. [Text] [Phnom Penh SPK in French 0404 GMT 10 May 82 BK]

CSSR PHOTO EXHIBITION--Phnom Penh, 7 May (SPK)--On the occasion of CSSR's 37th National Day an exhibition sponsored by the Ministry of Information and Culture and the CSSR Embassy was opened in Phnom Penh on Thursday, 6 May. Chheng Phon, minister of information and culture, attended the opening ceremony. Petr Janeck, acting charge d'affaires of CSSR to Kampuchea, and other diplomats accredited to Phnom Penh were also present. On display were some 300 photos reflecting progress made in CSSR during the past 37 years after the destructions of World War II. [Text] [Phnom Penh SPK in French 1450 GMT 6 May 82 BK]

YOUTH DELEGATION TO MOSCOW--Phnom Penh, 13 May (SPK)--At the invitation of the Leninist Communist Youth Union of the USSR (Komsomol), a delegation of the Kampuchean youth led by Nuch Than, chairman of the Kampuchean Revolutionary Youth Organization, left Phnom Penh today for Moscow. The delegation will participate in the 19th congress of Soviet Youths. It was seen off at its departure by cadres of the Kampuchean Revolutionary Youth Organization. O. V. Bostorin, ambassador of the USSR, was present. [Text] [BK151235 Phnom Penh SPK in French 1429 GMT 13 May 82 BK]

TU DELEGATION TO MONGOLIA--Phnom Penh, 14 May (SPK)--At the invitation of the Mongolian Trade Unions Central Council, a Kampuchean Federation of Trade Unions delegation lef by Um Mean, member of the Executive Committee and chief of the external relations department, left Phnom Penh on Thursday, 13 May, to attend the 12th trade unions congress of Mongolia. Personalities of the Federation of the Trade Unions went to see the delegation off at Pochentong Airport. [Text] [Phnom Penh SPK in French 0403 GMT 14 May 82 BK]

INFORMATION GROUPS DEPART--Phnom Penh, 21 May (SPK)--A delegation of the Ministry of Information and Culture led by Minister Chheng Phon left Phnom Penh on Thursday (20 May) to attend, in Moscow, the 7th international film festival of Asian, African and Latin American countries at the invitation of its organizing committee. Cadres of the Ministry of Information and Culture went to Pochentong Airport to see the delegation off. The presence of Oleg Bostorin, Soviet ambassador to Kampuchea, was also noted. Another delegation led by Iev Ponnaka, chief of the motion picture department, left on the same day for Moscow, where the Kampuchean produced documentary film "Bouquet of Wish" will be shown. [Text] [BK210811 Phnom Penh SPK in French 0400 GMT 21 May 82]

SRV PUBLISHING OFFICIALS--Phnom Penh, 26 May (SPK)--On Tuesday, 26 May, Pen Navouth, Kampuchean minister of education, received in audience in Phnom Penh a Vietnamese delegation led by Phan Nhu Cuong, deputy director of the VCP Central Committee Commission for Science and Education. The two sides discussed their experiences in writing and publishing geography, history, literary and political books. [Text] [BK270552 Phnom Penh SPK in French 1432 GMT 26 May 82]

RADIO DELEGATION IN LAOS--Phnom Penh, 17 May (SPK)--A delegation from the Voice of the Kampuchean People led by its director Un Dara arrived recently in Laos. It was received in audience by Sisana Sisan, the Lao minister for propaganda, information, culture and tourism. The Kampuchean National Radio delegation and that of the Lao Radio and Television Service discussed their experiences and talked about expanding the professional cooperation between the two services. [Text] [BK170657 Phnom Penh SPK in French 0407 GMT 17 May 82]

LAO, VIETNAMESE ARTISTS GREETED--Phnom Penh, 26 May (SPK)--On Monday, 24 May, Bou Thang, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers and chairman of the Central Propaganda and Education Commission, received in audience in Phnom Penh a number of Vietnamese and Lao artists who were attending the traditional music festival of the Indochinese countries. Bou Thang highly praised the successes of the festival, the first of this kind, which, he said, confirms the proper character of the culture and civilization of each country. The traditional arts of the Indochinese countries, created by the people, serve their interests by respecting the principles of socialist culture. The festival has enabled the three Indochinese peoples to consolidate their ties of friendship, which bind them to each other, Bou Thang stressed. The Vietnamese and Lao artists have already left Phnom Penh. [Text] [BK270757 Phnom Penh SPK in French 1438 GMT 26 May 82]

MESSAGE ON NICARAGUAN FLOOD--Phnom Penh, 6 Jun (SPK)--Recently, Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the Council of Ministers, sent a sympathy message to Daniel Ortega Saavedra, commander of the revolution and coordinator of the Nicaraguan Junta of the Government of National Reconstruction. The message said notably: We heard with deep regret about the major damage caused by the recent flood in your fatherland which devastated buildings, educational establishments, hospitals, bridges, communications lines and deprived tens of thousands of inhabitants of their shelter. In the name of the Kampuchean Government and people, we would like to express our deep regret. Would you please accept and confer to the government and the victims our sentiments of lasting solidarity in this tragic disaster. [Text] [BK060549 Phnom Penh SPK in French 0352 GMT 6 Jun 82]

PHOTO EXHIBITION--Phnom Penh, 1 Jun (SPK)--A photo exhibition on Kampuchean children sponsored by the Ministry of Information and Culture and the Kampuchean Press Agency, SPK, was opened in Phnom Penh today on the occasion of International Children's Day. Chairman of the Council of Ministers Chan Si, member of the KPRP Central Committee Political Bureau, cut the inaugural ribbon

following a speech by Men Saman, vice chairman of the Central Propaganda and Education Commission. Chan Ven, secretary general of the Council of State; Men Chhan, vice chairman of the FUFNCD National Council; and other personalities of the KPRP and Council of Ministers attended the opening. Members of the Diplomatic Corps accredited to Phnom Penh were also present. Eighty photographs taken by SPK photographers show various activities of Kampuchean children since liberation under the tender care of the whole people. [Text] [BK021026 Phnom Penh SPK in French 1435 GMT 1 Jun 82]

CHILDREN'S DAY SPEECH--Phnom Penh, 4 Jun (SPK)--The public services and authorities at various levels have been urged to pay particular attention to and create favorable conditions for children's physical and moral education. During the commemoration of International Children's Day on 1 June in Phnom Penh sponsored by the Central Propaganda and Education Commission, the chairman of the commission, Bou Thang, member of the KPRP Central Committee Political Bureau and vice chairman of the Council of Ministers, emphasized the role played by children in national reconstruction. Bou Thang advised children to accomplish the "five goods" and to eliminate the "five bads" in order to fulfill their tasks as inheritors of the revolutionary cause, he emphasized. On Wednesday, 2 June, Men Saman, vice chairman of the commission, visited orphans in Trapeang Veng village, Trapeang Kong commune, Samraong Tong District, Kompong Speu Province, 50 km southwest of Phnom Penh. Men Saman offered clothes, school materials and toys to the orphans. Up to now, more than 1.5 million children attend first grade schools and 100,000 are in kindergartens. Some 126,000 orphans are well cared for in 40 orphanages all over the country. More than 30,000 of them are recognized as pioneers. One hundred and ten children, of whom 75 are orphans, attend artistic courses at the fine arts school. Children have set up their own orchestras, singing groups, modern and traditional dance groups and some of them attend ballet classes. [Text] [BK040947 Phnom Penh SPK in French 0416 GMT 4 Jun 82]

U.S. NUCLEAR ARMS PRODUCTION--Phnom Penh, 8 Jun (SPK)--On the occasion of the second special session of the UN General Assembly on disarmament, the KUFNCD National Council organized a ceremony chaired by Front Vice Chairman Superior Bronze Tep Vong in Phnom Penh, on 7 June. Min Khin, front deputy secretary general in charge of religious affairs, expressed the Kampuchean people's aspirations for peace and called for an immediate end to the U.S. imperialists' production of nuclear arms. He declared support for the initiatives of the Asian Buddhist Council for Peace on a total destruction of nuclear arms. NATO deployment of new medium-range missiles in Europe and the increased production of chemical weapons by Washington are provocative factors against the stability in Europe and the world. Superior Bonze Tep Vong said that the PRK unites with the Vietnamese, Lao and Soviet peoples and other socialist countries in their struggle against the imperialists and condemns the U.S. decision to accelerate the manufacture of nuclear arms. [Text] [BK091017 Phnom Penh SPK in French 1422 GMT 8 Jun 82]

WFDY DELEGATION LEAVES--Phnom Penh, 23 Apr (SPK)--The delegation of the World Federation of Democratic Youth [WFDY] journalists led by Ahmad Ayach of Lebanese nationality left Phnom Penh on Thursday, 22 April, at the end of its 4-day visit to Kampuchea. It was seen off by cadres of the Kampuchean Revolutionary Youth Organization. It was received by Nuch Than, chairman of the Kampuchean Revolutionary Youth Organization; and Kong Korm, deputy minister of foreign affairs. During their stay, the WFDY journalists visited the Tuol Sleng school-prison, the mass graves at Cheung Ek, the orphanage No 1 and the health establishments. [Text] [BK231438 Phnom Penh SPK in French 0359 GMT 23 Apr 82]

SRV RICE HUSKING MACHINE--Phnom Penh, 20 Apr (SPK)--A rice husking station donated by the Vietnamese province of Long An was inaugurated at Kilometer Market No 6 in the northern suburb of Phnom Penh on Monday [19 April]. Poun Ponloe, deputy minister of trade attended the opening ceremony. Nguyen Hoa, counselor of the Vietnamese Embassy in Phnom Penh, was present. The rice husking machine turns out 15 tons of rice in 8 hours. [Text] [BK211341 Phnom Penh SPK in French 1437 GMT 20 Apr 82 BK]

WATERWAY TRANSPORTATION ACTIVITIES--Phnom Penh, 19 Apr (SPK)--Workers of the Waterway Transportation Service and dockers of the ports of Phnom Penh and Kompong Som have intensified their activities during the past few months. In March, the service transported more than 1,000 tons of goods from Phnom Penh to Kratie and Siem Reap Provinces and 1,340 tons of paddy from Kompong Cham to Phnom Penh. During the same period the dockers of the port of Phnom Penh unloaded 3,400 tons of goods. The port of Kompong Som loaded approximately 5,000 tons of goods on trucks and nearly 4,000 tons of goods on ships and some 17,000 tons of goods have been stored in warehouses. [Text] [Phnom Penh SPK in French 0400 GMT 19 Apr 82 BK]

AMBASSADOR TO CUBA--Phnom Penh, 24 Apr (SPK)--Long Visalo, PRK ambassador extraordinary and plenipotentiary to Cuba, on 15 April presented in Havana his credentials to Carlos Rafael Rodriguez, vice president of the Cuban Council of State. On this occasion, Carlos Rafael Rodriguez expressed Cuba's firm support for Kampuchea and stressed his will to deepen cooperation between the two countries. [Text] [BK250845 Phnom Penh SPK in French 0407 GMT 24 Apr 82 BK]

WFDY JOURNALISTS--Phnom Penh, 22 Apr (SPK)--Nuch Than, chairman of the Kampuchean Revolutionary Youth Organization, on Wednesday, 21 April, held talks with the visiting World Federation of Democratic Youth journalists delegation led by Ahmad Ayach of Lebanese nationality. Nuch Than informed the visitors of the successes won by the Kampuchean Revolutionary Youth under the leadership of the KPRP during the past 3 years since liberation. The Kampuchean youth, he said, actively contribute to the defense and reconstruction of the country, particularly in agricultural production. On his part, Ahmad Ayach pledged to acquaint the Lebanese people and public opinion with the realities in Kampuchea. The WFDY, he said, would like to consolidate its relations of solidarity with the Kampuchean Revolutionary Youth Organization. [Text] [BK221223 Phnom Penh SPK in French 0403 GMT 22 Apr 82]

GDR EDUCATION GROUP--Phnom Penh, 28 Apr (SPK)--Minister of Education Pen Navouth on Tuesday, 27 April, received in audience the GDR education delegation led by Gunter Bernhard, secretary of state for superior and technical education. Pen Navouth talked about the progress in the educational domain, saying that it is a result of the enormous efforts of the Kampuchean Teachers Corps under the KPRP's correct leadership. He dealt with the project of enlarging the educational sector in the future. He expressed his gratitude to the GDR people for their material and spiritual aid to the Kampuchean people, especially in the educational field. Gunter Bernhard highly praised the rapid educational development in Kampuchea and affirmed that the educational cooperation between Kampuchea and the GDR will be further enlarged and consolidated. GDR ambassador to Kampuchea Rolf Dach was present at the meeting. [Text] [BK290807 Phnom Penh SPK in French 1436 GMT 28 Apr 82]

BULGARIAN ECONOMIC GROUP--Phnom Penh, 28 Apr (SPK)--A Kampuchean economic delegation led by Minister of Agriculture Kong Samol held talks in Phnom Penh on Tuesday, 27 April, with the Bulgarian economic delegation led by Minister of Forests and Forest Industry Yanko Markov. The two delegations discussed cooperation between the two countries. Minister Kong Samol talked about economic development in Kampuchea and, for his part, Bulgarian delegation head Yanko Markov affirmed that the Bulgarian people will continue to give aid and support to the Kampuchean people. [Text] [BK290809 Phnom Penh SPK in French 1434 GMT 28 Apr 82]

AID TO REPATRIATED FAMILIES--Phnom Penh, 23 May (SPK)--The Kampuchean Red Cross recently distributed UNHCR aid to 4,750 families returning from refugee camps in Thailand. At present, they are staying in Kralanh, Samraong and Banteay Ampil districts, Siem Reap Province, and Thmar Puok District, Battambang Province. They received cutting utensils and agricultural and carpenter's tools. The Red Cross of Battambang Province, 250 km northwest of Phnom Penh, distributed clothes, mosquito nets, foodstuffs and domestic utensils to 1,920 repatriated families in Battambang and Preah Net Preah districts and in the capital city of Battambang Province. [Text] [BK271205 Phnom Penh SPK in French 1431 GMT 23 May 82 BK]

HO CHI MINH BIRTHDAY CELEBRATIONS--Phnom Penh, 21 May (SPK)--The Kampuchea-USSR Friendship Association and the Soviet cultural center held a meeting in Phnom Penh on Thursday, 20 May, to honor Ho Chi Minh's 92d birthday. Talks on the life and works of the late president were organized for the benefit of personnel from various department at the central level. The Ministry of Information and Culture screened films on the life and revolutionary activities of President Ho Chi Minh. Mass meetings were held in different provinces such as Battambang to mark the late president's birthday. [Text] [Phnom Penh SPK in French 1437 GMT 21 May 82 BK]

KAMPOT'S INFORMATION, CULTURE SERVICE--Phnom Penh, 24 May (SPK)--The Information and Culture Service of Kampot Province recently held a meeting to review its 1981 activities and set targets for the next period. Chheng Phon, minister of information and culture, was present at the meeting. In the past year, the service carried out its mass agitation work by encouraging the people to promote production, wipe out illiteracy, participate in the strengthening of people's power and consolidate the Kampuchea-Vietnam-Laos international solidarity. For 1982, the meeting decided to intensify the mass agitation work among the people against the enemy's psychological warfare and to urge them to increase agricultural production and strengthen international solidarity with Vietnam, Laos, the USSR and other fraternal socialist countries. [Phnom Penh SPK in French 0407 GMT 24 May 82 BK]

GIFT OF CSSR BOOKS--A ceremony to hand over a quantity of the CSSR books to Kampuchea was held at the National Library on 21 May in presence of Janeck, CSSR charge d'affaires; and Ros Ren, chief of the mobile information service and mass culture department. Janeck spoke on the Czechoslovak people's spirit of proletarian internationalism reflected by this sincere distribution of books to the Kampuchean people, and appraised the firm relations and cooperation between Kampuchea and the CSSR. Ros Ren thanked the Czechoslovak party, government and people for their support and assistance, materially and morally, to the Kampuchean revolution. [BK271205 Phnom Penh Domestic Service in Cambodian 2300 GMT 22 May 82 BK]

RAILWAY TRACK CUT--On 15 May, our army and guerrillas cut 20 portions of railway track for a total of 800 meters between (Kbal Sav) and (Kaoh Cha), Moung Battlefield. Long live our valiant army, guerrillas and people on the Moung Battlefield. [Text] [BK220852 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 May 82]

RADIO DELEGATION RETURNS--The PRK Radio delegation led by Comrade Van Sunheng, acting director general of the Voice of the Kampuchean People Radio Station, returned safely to the fatherland at 1115 on 27 May following its successful visits to the Soviet Union, the Hungarian People's Republic and the People's Republic of Bulgaria. Many cadres from the Voice of the Kampuchean People Radio Station went to welcome the delegation at Pochentong Airport. [Text] [BK280939 Phnom Penh Domestic Service in Cambodian 1230 GMT 27 May 82]

STOUNG DISTRICT SCHOOLS VISITED--On 2 April Education Minister Comrade Pen Navouth went to Stoung District in Kompong Thom Province, where he spent the whole day visiting the kindergartens, the second cycle education schools and the adult education schools at Phum Chheuteal and Phum (Meat Keng). The comrade minister exhorted the school committees, parents' associations, teachers and the village and commune people's revolutionary committees on the usefulness of education and the value of knowledge to each person in his daily life and in serving the national construction work. The comrade stressed: uneducated persons are like a blind man who knows nothing. This was the reason that the Pol Pot-Ieng Sary-Khieu Samphan clique used the uneducated and ignorant persons to massacre more than 3 million fellow people.

illiteracy is a great danger to our revolution. For this reason, as genuine socialist we must totally eradicate this danger of illiteracy. On behalf of the party and government, the comrade presented gifts composed of clothing, orkbooks and ball-point pens to various associations. On the same day, the comrade minister attended a meeting at the first cycle education school in Kompong Chen which was organized by the teaching staff, students and people. During the meeting, the comrade minister spoke on the genuine socialist system of Marxism-Leninism and the bogus revolution of the traitorous Pol Pot-Ieng Sary-Khieu Samphan clique, which followed Maoism. At the same time, the comrade minister commended Stoung District for development in all fields, including education. [Text] [BK281551 Phnom Penh Domestic Service in Cambodian 1100 GMT 27 May 82]

RADIO DELEGATION RETURNS--The delegation of the Voice of the Kampuchean People Radio led by its director general, Comrade Un Dara, returned to the fatherland at 1100 on 31 May after paying a successful visit to the LPDR. Welcoming the delegation at Pochentong Airport were Comrade Van Sunheng, acting director general and deputy director general of the Voice of the Kampuchean People Radio; many cadres and personnel; and Comrade Khamphan Vilachit, LPDR ambassador extraordinary and plenipotentiary to the PRK. [Text] [BK010213 Phnom Penh Domestic Service in Cambodian 1230 GMT 31 May 82]

CSO: 4212/20

PHOUMI VONGVICHIT ATTENDS VIENTIANE CHILDREN'S DAY RALLY

BK060938 Vientiane Domestic Service in Lao 0000 GMT 5 Jun 82

[Feature: "The 1 June 1982 Festival in Vientiane"]

[Summary] Under the new regime, Lao children have been provided with proper care, and have been well treated, educated and trained to become good citizens so that they can successfully pursue the revolutionary cause in the future. Over the past 6 years or so since the establishment of the LPDR, additional nurseries and kindergartens have been set up throughout the country. A celebration is organized on 1 June of every year in Vientiane to mark the International Children's Day. As in previous years, this year the organizing committee for the celebration of the International Children's Day held a grand rally at the Vientiane Theater. A large number of children, youths, nursemaids and kindergarten teachers as well as parents and people in general attended the rally.

"Attending the celebration as guests of honor were Phoumi Vongvichit, member of the LPRP Central Committee Political Bureau, deputy prime minister, minister of education, sports and religious affairs, and chairman of the National Committee for the Children's Welfare; Mrs Khampheng Boupha, member of the LPRP Central Committee, chairman of the Patriotic Lao Women's Association, and vice chairman of the National Committee for Children's Welfare; and Phao Phimphachan, chairman of the Vientiane Municipal Administrative Committee."

Phao Phimphachan delivered a speech in which he pointed out the care, education and training provided for the children in Vientiane Municipality, over the past 6 years under the LPRP's leadership. "He stressed that everyone has the duty and responsibility of contributing to stepping up fostering, educating, training and raising the children to be strong and wise so that they deserve to be precious offspring of the nation."

After presenting gifts to the children, Deputy Prime Minister Phoumi Vongvichit addressed the rally. "He wholeheartedly hailed the past achievements in taking care of mothers and in fostering, educating and training children throughout Vientiane Municipality. He said: Only under the new, socialist system has attention been paid to educating and training the children to be good.

This is because this system regards the people as the precious capital of the nation. The party and state have always paid attention to protecting children since their birth, and they have gradually built them to become new, socialist men.

"In conclusion, Phoumi Vongvichit called on all parties concerned, including parents, brothers, sisters and all of the children's relatives, to pay attention to the necessary tasks--for example, the task of consolidating nurseries and kindergarten teachers, nurses, doctors, administrative committess and mass organizations in fostering, educating and training the children in both the urban and rural areas to be healthy, to maintain a patriotic spirit and a spirit of cherishing the new, socialist system and the party and state leaders, to maintain revolutionary virtues, and to cherish the studies, labor and progress. Children must be educated, trained and raised to be wise so as to deserve to be the persons who will pursue the revolutionary cause in the future."

Afterwards, a representative of the parents took the floor pledging to strive to take even better care of their children. A representative of the children also pledged they would be good children, obey instructions from their parents and teachers and positively train and foster themselves to become new, socialist men.

Art and literature performances were staged by children from various kindergartens at the Vientiane Theater that evening to celebrate this occasion.

CSO: 4206/52

BRIEFS

GDR OFFICIAL GREETED--Vientiane, 4 Jun (KPL)--Phoun Sipaseut, vice premier and minister for foreign affairs yesterday thanked Oskar Fischer, minister for foreign affairs of the German Democratic Republic, for the latter's congratulations on Phoun Sipaseut's reelection as Political Bureau member. Phoun Sipaseut seized this occasion to wish the strengthening of the fraternal friendship and cooperation between Laos and the GDR. [Text] [BK041027 Vientiane KPL in English 0901 GMT 4 Jun 82]

PHONSALY AGRICULTURAL TAX--Vientiane, 10 Apr (KPL)--More than 820 tons of paddy were recently paid as agricultural tax to the state by local farmers of Phonsaly Province. Another 10 tons of paddy was sold to the state by farmers of Outhoumphone District, Savannakhet Province. [Text] [BK130350 Vientiane KPL in English 0907 GMT 10 Apr 82 BK]

MORE REFUGEES RETURN--Vientiane, 27 May (OANA-KPL)--Fifty-two more Lao refugees misled by counterrevolutionary propaganda, on May 25, volunteered to return home from refugee camps in Thailand. Present at the welcoming ceremony organized in Hatsaifong District, approximately 20 km south of Vientiane Province, were officials from the Administrative Committee of Vientiane Municipality and those of the National Committee for Social Security and War Veterans. Representatives of UN High Commission for Refugees to Laos and Thailand, as well as Thai Nong Khai provincial authorities and Thai Embassy personnel were also on hand. [Text] [BK271300 Vientiane KPL in English 0923 GMT 27 May 82]

COOPERATION AGREEMENT WITH GDR--Vientiane, 10 May (KPL)--The Lao and GDR ministries of foreign affairs, on May 8, signed here the 1982-83 cooperation agreement. Signing for the Lao side was Khamphai Boupha, acting minister of foreign affairs, and signing for the GDR side was Ambassador Extraordinary and Plenipotentiary of the GDR to Laos Dieter Doering. The signing of this agreement is to strengthen and enlarge the solidarity, the friendly relations and the cooperation between the ministries of foreign affairs of both countries. [Text] [BK100643 Vientiane KPL in English 0923 GMT 10 May 82 BK]

PHONG SALY-LAI CHAU TRADE PROTOCOL--Vientiane, 10 May (KPL)--The Lao northeastern province of Phong Saly and the Vietnamese Lai Chau Province recently signed a trade protocol. The protocol which aimed to implement the trade agreement between the two sister provinces was signed by Vichan, in charge of the Phong Saly Trade Company, and his Vietnamese counterpart Tran Luong. [Text] [Vientiane KPL in English 0925 GMT 10 May 82 BK]

WOMEN DELEGATION TO VIETNAM--Vientiane, 18 May (KPL)--A delegation of the Lao Patriotic Women's Association led by its vice president, Mrs Khamsouk Vongvichit, left here yesterday for Hanoi to attend the 5th congress of the Vietnam Womens Union. The congress will be held from May 19 to 24. [Text] [BK191501 Vientiane KPL in English 0855 GMT 18 May 82 BK]

ROAD REPAIR IN SAVANNAKHET--Vientiane, 18 May (KPL)--A 40-km long road linking Taleo and Vangsoung villages in Savannakhet Province is under reparation since last month. The road repair works is due to be finished soon. [Text] [Vientiane KPL in English 0859 GMT 18 May 82 BK]

NEW JAPANESE ENVOY--Vientiane, 26 May (KPL)--Phoumi Vongvichit, vice premier, minister of education, sports and religious affairs, yesterday received the newly-appointed Japanese ambassador to Laos, Yoshinao Odaka. On this occasion, the Lao leader wished the ambassador much success in the fulfillment of his diplomatic mission here in view to strengthen the friendship relations between the LPDR and Japan. [Text] [BK261020 Vientiane KPL in English 0914 GMT 26 May 82]

HA SON BINH PROVINCE DELEGATION--Vientiane, 20 May (KPL)--A delegation of Ha Son Binh Province of the Socialist Republic of Vietnam, led by its party vice secretary and chairman of the people's committee, Nguyen Trong Theu, on May 18 paid a friendship visit to Lao northern Luang Prabang Province. During its stay in Luang Prabang, the Vietnamese delegation of the party and administrative committees held cordial talks with Lao officials on the enhancement of special friendship relations and large-scale cooperation between the two sister provinces. [Text] [Vientiane KPL in English 0934 GMT 20 May 82 BK]

VIETNAMESE-BUILT BRICK FACTORY--Vientiane, 21 May (KPL)--The Vietnamese Quang Nam-da Nang Province recently handed over a brick factory to its sister Lao southern province of Saravane. The brick factory whose cost of construction was 250,000 kip can produce 15,000 bricks per day. Quang Nam-da Nang Province helped built the factory. The two provinces have signed several bilateral agreements on cooperation. [Text] [Vientiane KPL in English 0944 GMT 21 May 82 BK]

HIGHWAY BRIDGES REPAIRED--Vientiane, 20 May (KPL)--Two bridges on Highway No 13 linking Vientiane and Luang Prabang Provinces were recently repaired by public servants and local people of Kasi District, Vientiane Province. The repair work of these two 80 X 4m bridges can save nearly 80,000 kip from the state annual budget. The two bridges are now open. [Text] [Vientiane KPL in English 0938 GMT 20 May 82 BK]

DELEGATION RETURNS FROM GDR--Vientiane, 29 May (OANA/KPL)--The delegation of the Foreign Ministry, led by its secretary general, Soulivong Phasitthidet on May 25 returned here after attending the conference on arms reduction. The deputy foreign ministers conference of the socialist countries was held in Berlin of the GDR from May 17 to 18. [Text] [BK010545 Vientiane KPL in English 0900 GMT 29 May 82 BK]

CULTURAL DELEGATION TO BERLIN--Vientiane, 31 May (OANA/KPL)--A Lao delegation led by Paseut Sisanon head of fine arts department, left Vientiane on May 29 to the German Democratic Republic. The delegation is due to participate in the 7th international summer training course on cultural fields which will be held from June 1 to 24 in Berlin. [Text] [Vientiane KPL in English 0916 GMT 31 May 82 BK]

GDR TRADE UNION DELEGATION--Vientiane, 31 May (OANA/KPL)--A delegation of the Confederation of Free German Trade Unions led by its CC member Klaus Mensel left here on May 29 after concluding its 2-week official visit. During its stay here, the delegation gave a series of lectures on trade union work and called on the president of the Federation of Lao Trade Unions, Sanan Southichak, who is also member of the party CC. [Text] [Vientiane KPL in English 0918 GMT 31 May 82 BK]

CZECHOSLOVAK GIFTS--Vientiane, 29 May (OANA/KPL)--The Czechoslovak-Laos Friendship Association on May 27 handed over here acoustic equipment to its Lao counterpart. Czechoslovak ambassador to Laos Ladislav Kocsis, representing the Czechoslovak-Laos Friendship Association, presented the gifts to Ounheuan Phounsavat, deputy minister of propaganda, information, culture and tourism and vice chairman of the Lao-Czechoslovak Friendship Association. [Text] [Vientiane KPL in English 0903 GMT 29 May 82 BK]

DELEGATION TO FAO CONFERENCE--Vientiane, 31 May (OANA/KPL)--A Lao delegation of agriculture led by its deputy minister, Khamphet Phommavan, this morning left for Jakarta. The delegation is to attend the 16th regional conference of FAO scheduled to be held on June 1 to 12. [Text] [Vientiane KPL in English 0920 GMT 31 May 82 BK]

MORE REFUGEES RETURN--Vientiane, 20 May (KPL)--Thirty-four Lao refugees were officially given a warm welcome recently in southern Champassak Province. Present at the ceremony were officials of Lao Champassak and Thai Ubon Ratchathani provinces. Also on hand were officials of the National Social Security and War Veterans and the representatives of the UN [High Commission] for Refugees to Laos and Thailand. [Text] [BK201203 Vientiane KPL in English 0939 GMT 20 May 82]

AVIATION DELEGATION TO SRV--Vientiane, 2 Jun (KPL)--A Lao delegation of the Civil Aviation Department led by its head, Phoun Khammounheuang, arrived here on May 31 from Vietnam. The delegation had assisted in the Indochinese countries conference on civil aviation held on Ho Chi Minh City of the Socialist Republic of Vietnam. [Text] [BK021206 Vientiane KPL in English 0913 GMT 2 Jun 82]

CUBAN POSTAL DELEGATION--Vientiane, 29 May (OANA-KPL)--A delegation of post office of Cuba arrived here on May 27 for an official and friendship visit. In the afternoon of the same day, the Cuban delegation headed by Filiberto Ankin met with Lao officials of the Telecommunication and Post Office. Views on strengthening the cooperation and mutual assistance between the two countries were exchanged at the talks. [Text] [BK291126 Vientiane KPL in English 0902 GMT 29 May 82] Vientiane, 1 Jun (OANA-KPL)--The Cuban

telecommunications delegation headed by Filiberto Ankin, head of the Technical Development Department, left here on May 31 after concluding a 5-day visit to Laos. The Cuban delegation, during its stay here, met the Lao telecommunications authority where issues on strengthening of cooperation between the two countries' organizations were raised. The two delegations, in particular, centered their talks on the use of ground station of "Intersputnik," the printing and issuing of post office stamps, and the training of staffs. [Text] [BK010929 Vientiane KPL in English 0902 GMT 1 Jun 82]

CHILDREN'S DAY MEETING--Vientiane, 2 Jun (KPL)--A meeting was held here on June 1 to mark the International Children's Year. On this occasion, Phao Phimphachan, mayor of Vientiane city, addressed the meeting emphasizing the importance of children care during the past six years and the need to further carry out the obligation for mental and physical development. Phoumi Vongvichit, vice-premier, minister of education, sports and religious affairs, also addressed the meeting, stressing that the party and government have always considered the question of mother and child care as significant in the priorities of the state. Also present on this occasion was Phampheng Boupha, Central Committee member of the party, president of the Lao Patriotic Women's Association. In the evening of the same day the children art performance was put on at the national theatre. [Text] [BK021212 Vientiane KPL in English 0906 GMT 2 Jun 82]

YOUTH FESTIVAL--Vientiane, 31 May (KPL)--The 1982 youth festival held at the "Youth Friendship Park" was successfully closed on May 30, after 2 days running. The festival, participated by youth organisations from all over Vientiane City and from the armed forces, had their own displays of paintings, picture exhibition on political, economic and cultural activities. Youths and young pioneers also took part in varieties of sports and games, and artistic performances. According to Khamkong Keovongsot, member of the Standing Committee of the Lao People's Revolutionary Youth Union, the 1982 youth festival was a spontaneous manifestation of the Lao youth to live in friendship, solidarity and harmony. The success of the festival also shows readiness and trust in the Lao People's Revolutionary Party. To mark the event, Sisomphan Lovansai, member of the Political Bureau of the LPRP CC and vice chairman of the People's Supreme Assembly planted souvenir trees and freed thousands of fish in the "Youth Lake." [Text] [BK311029 Vientiane KPL in English 0923 GMT 31 May 82]

BELGIAN MEDICAL AID--Vientiane, 28 May (KPL)--The "Belgian Bateau Pour l'Asis du Sudest" (Base), on May 26, handed over to Laos the third batch of medicines and medical equipment with the value of U.S.$11,616. The medical equipment included hypodermic syringes and needles and x-ray equipment. Vannalet Latsapho, acting minister of public health, and Rosette Rogemang, secretary of base organisation, presided over the handing-over ceremony. [Text] [BK281303 Vientiane KPL in English 0912 GMT 28 May 82 BK]

PHONG SALY ROAD CONSTRUCTION--Vientiane, 28 May (KPL)--The bridge and road construction team of Parnamnao in the northern Phong Saly Province, during the first trimester of this year, repaired 50 mm of damaged roads and built 3 km of a new road. A number of damaged bridges were also repaired by the team. [Text] [Vientiane KPL in English 0910 GMT 28 May 82 BK]

USSR-AIDED ELECTRIFICATION PROJECT--Vientiane, 2 June (OANA/KPL)--A memorandum on carrying out feasibility study and expansion of rural electrification in 16 districts of Vientiane Province was signed yesterday between Laos and the USSR. This project designed by "Selenergo Proekt" and "Energosteproekt" research institutes of the USSR comes into effect till 1990. The signatories of the document were, on the Lao side, Sisom Phetsimuang, deputy head of the machinery and electric power department, and, on the Soviet side, A. M. Karpenko, head of the Soviet engineering team in charge of Vientiane rural electrification. [Text] [BK031155 Vientiane KPL in English 0911 GMT 2 Jun 82 BK]

MINISTER TO HUNGARY, CSSR--Vientiane, 1 Jun (OANA/KPL)--Latsami Khamphoui, deputy minister of agriculture, forestry and irrigation, left here yesterday for the Hungarian People's Republic. Latsami Khamphoui will also pay an official visit to the Czechoslovak Socialist Republic from June 3 to 27 [dates as received]. Latsami Khamphoui is due to hold talks with officials of both countries, which will culminate in the signing of contracts on animal husbandry and installation of a laboratory for animal feed analysis. [Text] [Vientiane KPL in English 0900 GMT 1 Jun 82 BK]

AGRICULTURE DELEGATION TO GDR--Vientiane, 2 Jun (OANA/KPL)--The delegation of the Agriculture, Forestry and Irrigation Ministry, led by head of its office, Khamsing Sai-gnakon, recently returned home after attending the 12th congress of farmers of the GDR which was held on May 13-14. [Text] [Vientiane KPL in English 0914 GMT 2 Jun 82 BK]

GDR-BUILT WORKSHOPS--Vientiane, 2 Jun (OANA/KPL)--The German Democratic Republic recently handed over bicycle and shoe repair workshops to the northern province of Luang Prabang. These include in the aid project of the GDR to Laos in which 12 workshops are to be built. [Text] [Vientiane KPL in English 0915 GMT 2 Jun 82 BK]

VIETNAM-BUILT DAM IN LUANG PRABANG--Vientiane, 2 Jun (OANA/KPL)--A medium-size [word indistinct] in Khan River of Oudomsai District, Luang Prabang Province, whose cost was met by Ha Son Binh Province of Vietnam, was officially handed over to the Lao provincial authority on May 22. The construction of this weir, [which] started in January 1982, was in conformity with the signed agreement between the two sister provinces. A 1500 x 0.80m canal which can irrigate 150 hectares of ricefields was also dug at the same location with assistance of Vietnam. [Text] [Vientiane KPL in English 0900 GMT 2 Jun 82 BK]

CZECHOSLOVAK FILM SHOW--On the occasion of the 37th anniversary of the Czechoslovak National Day, on the evening of 8 May, the Laos-CSSR Friendship Association and the CSSR Embassy in Laos held a film reception at the Vientiane Theater with the attendance of Sali Vongkhamsao, secretary of the LPRP Central Committee, deputy prime minister and chairman of the National Planning Committee; Nhiavu Lobaliayao, member of the LPRP Central Committee, head of the party Central Committee Nationalities Committee, and president of the Laos-CSSR Friendship Association; several cabinet members, members of the SPC and the LFNC Central Committee, Czechoslovak Ambassador Ladislav Koccis, and members of the diplomatic corps and representatives of the international organizations in Laos. [Vientiane Domestic Service in Lao 0000 GMT 11 May 82 BK]

SOVIET TU DELEGATION--After a 7-day visit to our country to attend the May Day rally in Vientiane, on the evening of 5 May the delegation of the All-Union Central Council of Trade Unions [AUCCTU] led by Comrade Klopov, member of the AUCCTU and chairman of the trade union in Gorgi in the Russian ASSR, left Vientiane for home. [BK100643 Vientiane Domestic Service in Lao 0000 GMT 7 May 82 BK]

ANNIHILATION OF BEIJING HENCHMEN--In the past 2 months, cadres and combatants of Army Division "A" in the northern region carried out operations to defend the country and to maintain security along the northern border. We put out of action a number of reactionary henchmen of the Beijing expansionists and hegemonists smuggled into our country to create disturbances among our people, and captured a quantity of weapons and military supplies from them. [Vientiane Domestic Service in Lao 0400 GMT 5 May 82 BK]

PRK BANK DELEGATION--On the afternoon of 26 May, a delegation of the PRK National Bank led by its Vice President Chea Chantho arrived [in Vientiane] for a friendly visit to the LPDR at the invitation of the LPDR State Bank. During its visit, the delegation will exchange views and lessons on banking with the Lao side in accordance with the agreement signed between the two countries in February 1982. [Text] [BK270429 Vientiane Domestic Service in Lao 0000 GMT 27 May 82]

CSSR NATIONAL DAY VISIT--On the occasion of the 37th anniversary of the Czechoslovak National Day, on the morning of 10 May representatives of the Ministry of Agriculture, Forestry and Irrigation and the foreign experts management department of the prime minister's office led by Khamphet Phommavan, deputy minister of agriculture, forestry and irrigation, presented a bouquet of flowers to Czechoslovak experts sent here to work for Laos at the residence of the economic counselor of the CSSR Embassy in Vientiane. They were warmly welcomed by Czechoslovak ambassador Ladislav Koccis and the Czechoslovak experts. [BK131221 Vientiane Domestic Service in Lao 0000 GMT 11 May 82 BK]

CSO: 4206/52

RESUMPTION OF INDO-PAK DIALOGUE DISCUSSED

Talks Resume

GF061120 Karachi DAWN in English 3 Jun 82 p 5

[Editorial: "Resuming the Dialogue"]

[Text] The decision of the governments of India and Pakistan to resume their interrupted dialogue is a positive move which will be generally welcomed. When New Delhi unilaterally called off the officials' level talks scheduled for early March, the communications gap which has normally existed between the two neighbours widened. In view of the suspicions and misgivings which have marked Indo-Pakistan relations for decades, the importance of keeping the channels of communication open between the two countries cannot be over-emphasised. Moreover, in the difficult politico-strategic environment of South West Asia today, it is vital that the peace and security of the region is not further jeopardized by an increase in Indo-Pakistan tensions. The negotiations which were held in late January and early February in New Delhi between the foreign ministers of India and Pakistan created the climate necessary for reactivating the process of normalisation of relations. Hence, it is regrettable that this confidence-building exercise was interrupted before it could yield any result. In the intervening period, the confidence and goodwill generated by the New Delhi round dissipated and new misunderstandings cropped up.

Now that the two governments have agreed to resume their dialogue, it is logical to expect that they will pick up the thread from where it was left off at the New Delhi meeting. Thus, they will not be expected to cover the same ground again but should proceed on the basis of the understanding they have already arrived at in the last round. The major issue to come under discussion, no doubt, will be the mutual security concerns of the two countries. Islamabad's proposal for a non-aggression agreement is central to the security relationship between the two countries. Since they are already agreed that it is in the interest of regional peace to conclude such an agreement, they should now proceed to examine and work out its details. The treaty of friendship now being talked about by the Indian Government is premature as yet. Objective conditions for such treaty do not exist. The no-war pact, if it is concluded, will not militate against a friendship treaty. In fact, it could prove to be the vital first step in the development of a friendly relationship based on equality and reciprocity.

The no-war pact should be central to Indo-Pakistan negotiations. But this does not rule out discussions on the establishment of a joint commission. Agreement in principle on this was reached at New Delhi and it is felt that a joint commission should facilitate contacts between the two governments. A non-aggression pact and a joint commission are not mutually exclusive. But the no-war pact, being the key to Indo-Pakistan relations in the all-important strategic and political context, should remain the focus of negotiations. A meeting of minds between India and Pakistan on the importance of a nonaggression agreement has already taken place. It is now necessary that they build further on this initial understanding.

Decision to Resume Talks

GF041202 Karachi DAWN in English 2 Jun 82 p 1

[Article by M. A. Mansuri: "Pakistan, India Decide To Resume Talks"; date and venue to be settled later]

[Excerpt] Islamabad, 1 Jun--Pakistan and India today decided to resume their discussions on the basis of the understandings reached between the two sides at the meeting of their foreign ministers in New Delhi in February last.

The decision was taken at a meeting here this morning between the two sides, led by the secretary-general, Pakistan foreign office, Mr S. Shah Nawaz, and the visiting Indian external affairs secretary, Mr Natwar Singh, at the Ministry of Foreign Affairs.

At the meeting which lasted 90 minutes, the two sides discussed "a variety of subjects relating to bilateral and regional matters," an official handout of the Pakistan Government said. "The talks were held in an atmosphere of cordiality and frankness," the handout further said.

The handout did not say when and where the talks will be resumed and what precisely will be discussed. But it was presumed in knowledgeable quarters that the dates for the resumed meeting will be finalised through diplomatic channels, and that it will pick up the thread from where it was left at the meeting between Pakistan's former foreign minister, Mr Agha Shahi, and his Indian counterpart, Mr Narasimha Rao.

The joint communique issued at the end of their meeting, which was held to discuss Pakistan's proposal for a non-aggression pact between the two countries, had said that the two sides had noted with satisfaction that the air had been sufficiently cleared to facilitate specific consideration of the elements which would constitute the substance of such an agreement. They had agreed that the talks would be continued at officials level.

The two sides had also decided at the New Delhi meeting, at Prime Minister Indira Gandhi's suggestion, to set up a joint commission which was to meet periodically to deal with bilateral relations.

Today's handout was silent on these points, but it was presumed that both these points would be pursued further at the resumed meeting. The venue and date for the meeting have yet to be settled.

The contents of Mrs Indira Gandhi's letter to President Ziaul Haq, which was delivered by Mr Natwar Singh when he called on the president last evening, were not disclosed to the press by either side.

Mr Natwar Singh is expected to leave back for Delhi tomorrow via Lahore.

CSO: 4220/54

BRIEFS

CHINA TEA GROWING EXPERTISE--Islamabad, 30 May--China-Pakistan cooperation in the field of tea growing is likely to open up possibilities to reduce this country's dependence on tea imports. Three tea experts from China--the birthplace of tea--are now here to help Pakistan start with its cultivation. Pakistanis hope that ultimately they should be able to do away with tea imports, at some stage, if all goes well. All tea is imported in Pakistan, valuing 110 to 120 million dollars a year. At that level, after edible oil, tea is the second largest food item imported. Tea imports are two percent of the country's overall import bill of over $5 billion a year, says the Ministry of Commerce. Pakistan has the potential to plant tea over an area of 25,000 acres, out of an approximate 50,000 acres in the mountainous region. The hope for yield is 400 to 500 kilograms of dried leaves an acre. [Excerpts] [GF041112 Karachi DAWN in English 31 May 82 p 3 GF]

NEW RICE VARIETY (APP)--The government has approved for general cultivation a new high-yielding rice variety named as "lateefi." The variety has been developed by the rice research institute Dokri by crossing traditional sugdasi and irri-6 varieties. Its yield is 46 maunds per acre which is double the average yield of existing varieties. Besides being high yielding and disease-resistant, the new variety possesses much more aroma than the varieties now under cultivation in the country. [GF041153 Karachi DAWN in English 1 Jun 82 p 12 GF]

U.S. ARMS AID--American ambassador to India Harry Barnes has said the forthcoming visit of Mrs Gandhi to the USA and her talks with President Reagan will help the two countries make a positive impact on world problems. Speaking to newsmen in New Delhi today he said the two leaders had made a very good beginning when they met at Cancun in Mexico in October last. Barnes welcomed the efforts of India and Pakistan to resolve their differences. On the supply of sophisticated weapons to Pakistan, he said it has been made clear to Pakistan that the assistance has been given because of the developments in Afghanistan. This assistance will stop if Pakistan explodes a nuclear device. [Text] [BK091603 Delhi Domestic Service in English 0530 GMT 9 Jun 82]

ARMS, GOLD SMUGGLING--Brigadier Zuluqar Akbar Naqvi, director-general, Pakistan coast guards has claimed that the two launches which escaped into the Iranian waters on April 19 last had illicit arms on them. Talking to newsmen at its marine wing, Keamari, on Thursday, he said efforts were being made to have the two launches repatriated through foreign office. The launches had at least 400 crates packed with sophisticated arms and ammunition, according to 'unconfirmed reports,' he said. He said Pakistan Coast Guards had seized smuggled goods worth Rs.120 million in 1982 to date, including the biggest-ever seizure of gold (30,200 tolas worth Rs50 million) as against the total seizures made during 1972-81 viz. Rs.104.10 million. [Excerpt] [GF231155 Karachi DAWN in English 21 May 82 p 20 GF]

AMBASSADOR TO IRELAND--Pakistan's present ambassador to France Jamshed K. Marker has been appointed concurrently as ambassador to Ireland. [Text] [BK091149 Karachi Overseas Service in Urdu 0800 GMT 8 Jun 82 BK]

CSO: 4203/141

TAMIL TERRORISTS KILL TWO

Colombo THE ISLAND in English 28 May 82 p 1

[Article by D.B.S. Jeyaraj and Norman Palihawadena]

[Text]

Two youths suspected to be members of the Umamaheswaran group, were mercilessly gunned down at Alaveddy yesterday morning.

Their bullet-riddled bodies were found in a paddy-field adjoining a road at Alaveddy.

One of the youths was a cultivation officer named Iraikumaran, who was earlier one of the leaders of the TULF Youth Front, the "Thamil Ilaingar Peravai" and had later broken away to form a rival faction.

The other youth, 27-year-old Umakumar was also from Alaveddy.

Police sources told 'The Island' that five persons had first come to the house of Iraikumaran and called him out. They had asked him to direct them to Umakumar's house.

Thereafter, they had come to Umakumar's house and were seen walking out, away with Iraikumaran and Umakumar, at about 11.30 pm on Wednesday night.

The bodies of the two youths were found in a paddy-field yesterday morning with Sub-machine gun wounds. Both had been shot in the head.

Police sources said that the brother of Iraikumaran and the father of Umakumar were in a position to identify some of the five youths who had come to the houses.

Police sources said that they were unable to ascertain whether the killing was a repercussion of the Prabhakaran-Umamaheswaran battle in South India or an extension of the terrorist feud here. Police, however, believe that both youths were either members or supporters of the Umamaheswaran group. The possibility of a personal clash between the members of one group, too, was not ruled out by the police.

CSO: 6133/0017

KRIANGSAK PARTY FACES FACTIONALISM, COULD STILL GROW

Challenge for Name

Bangkok BANGKOK POST in English 28 May 82 pp 1, 3

[Article by Yuwadee Thunyasiri]

[Text] GENERAL Kriangsak Chomanan announced yesterday that he would press ahead with registering the National Democracy Party (NDP) as a legitimate party in spite of the challenge for the right to the party's name from a rebel faction.

Describing the dissident faction's claim to the party's name, the general said that though all the founding members had as much right to the name as himself, he was actually the only person entitled to the name because he was the one who demonstrated the wish to set up the party when submitting the application.

"The other members who affixed their signatures in the application are co-founders who merely shared a similar opinion," he stated.

Confirming his irreparable break-up with the dissident faction led by Samut Prakan MP Wattana Asavahem, General Kriangsak said that his group, from now on, will meet at his house in Bangkhen instead of the office of the former Mass Line Party until the party's permanent office on Montri Road is completed, he added.

In an exclusive interview with the *Bangkok Post*, the acting leader of the NDP said that he felt sorry for the end of the alliance with Wattana's group. But he maintained that there is no way for him and Wattana to remain in the same party "because Wattana is not satisfied to remain in the party and because he has no respect for me."

He recalled an incident early this week when he had to wait until midnight for Wattana who asked to see him at his Bangkhen house through his aide, Mr Piya Angkinant. Wattana never showed up, he said.

General Kriangsak said the meeting with 55 founding members at his home on Wednesday night was aimed to bring back unity and discipline. The meeting, he added, decided to sever its link with Wattana's faction.

Commenting on criticisms that he was not decisive enough and did not intervene quickly to settle the conflict in the party, General Kriangsak said that he did not move immediately because no damage had been inflicted on the party. Besides, he said he wanted to let the "other side show their colours first."

He insisted that he had always upheld principles as a basis of his actions. "I won't do anything without principles. I am sincere with everyone and I will not be the first one who deserts the others."

The general maintained that he was not naive, but had tried to resolve the infighting in the party by appointing a group of mediators to mend the rift.

"As an acting leader, whenever there is a problem my house is open to all alike."

In politics, he said it was not possible for all politicians in the same party to be clean. "There are white here and black there. It depends on how we can control them," he said, adding "There are problems in every party, so there is no need to repeat it."

Defending his role in calling a premature end to a party assembly late last month, General Kriangsak accused Wattana of breaching the party's resolution by submitting a list of party's executive members — all of whom are MPs — to the assembly with Wattana himself being named the secretary-general.

He disclosed that Wattana's faction and the other group previously made separate proposals regarding the executive members. The two proposals were rejected by the party and a free vote was held to finalise the issue.

Instead of accepting the party's ruling, Wattana submitted a list to the assembly, prompting him to call for a vote.

He continued that Wattana also held in his own possession a dossier of the party's membership and refused to return it to the party.

Commenting on criticism by Pol Maj-Gen Sanga Kittikachorn that he was incapable of resolving the party's infighting, General Kriangsak said: "One must not forget that there are others who are more intelligent, or more knowledgeable. Just speaking out without knowing the real situation shows that the speaker is unwise or not I don't know."

Severs Wattana Connection

Bangkok BANGKOK POST in English 28 May 82 p 1

[Text] SEVERAL MPs are likely to join General Kriangsak Chomanan in the National Democracy Party following his break-up with Samut Prakan MP Wattana Asavahem's faction, a source close to the party disclosed yesterday.

The source said the MPs were reluctant to join the NDP from the beginning because they had reservations about Wattana's group. Moreover, it added that several non-MPs who are interested in politics had also shown interest in joining the party.

The source said he believed less than 20 MPs would desert General Kriangsak to side with the Samut Prakan MP.

The source continued that the meeting at the general's house on Wednesday night had appointed a new interim central committee led by Kriangsak as its leader, and comprises four deputies (ACM Dawee Chullasapya, General Lek Naewmalee, Ob Vasuratna and Prida Karnasuta) and a secretary-general, Wong Polnikorn, four deputy secretaries-general and 20 members.

PLEDGE

The committee's appointment is being considered by the senior members of the party before an official announcement is made.

Meanwhile, it was reported that three NDP MPs had resigned from the party, and pledged loyalty and support to Wattana. They are Chavalit Visetsitthikul of Ang Thong, Vanich Panichkriangkrai of Nakhon Nayok and Yutthana Pornsawan of Ubon Ratchathani.

Another party member, Mr Bannasomboon Mitpakdi, who is not an MP but a financial backer, also quit the party, citing his intolerance with the rift in the party.

In the meantime, Petchaburi MP Panich Sampavagupta said yesterday he was sorry that General Kriangsak had severed his alliance with Wattana's group in which he is a member.

"In fact, we had given General Kriangsak the opportunity to settle the problem, but he didn't do anything," he said, adding that their faction disapproved the appointment system in the party and had fought, without success, for an election of all key party posts.

He reiterated that their group would register the NDP within two months' time.

A party member, Mr Prathuang Vicharnpreecha, said that a meeting of the party's founding members would be held in the next few days to ascertain if any of them are still loyal to General Kriangsak, or have joined Wattana's faction.

CSO: 4220/56

GOVERNMENT SCRAPS BID WON BY POLES

Bangkok THE NATION REVIEW in English 27 May 82 p 13

[Text] THE Cabinet on Tuesday decided to scrap the previous bidding called by the Alum Organization for construction of a new alum factory which was won by a Thai-Polish consortium.

The decision was in line with the recommendations of a study group comprising representatives of the Finance Ministry, Industry Ministry and National Economic and Social Development Board.

At the same time, the Cabinet instructed the organization to call a new bidding in accordance with international practice. Informed sources said the decision was based on the consideration that the bid offered by the Thai-Polish consortium at 518 million baht was much higher than 225 million baht as approved by the Cabinet earlier.

The Cabinet's decision spelled out that there were only three competitors in the previous bidding. They were screened from 14 companies seeking prequalification, the sources said.

The Cabinet did not believe that with only three bidders, the offer was the best one and would enable the state enterprise to have an efficient factory, the sources said.

It also pointed out that the small number of bidders might have been due to strict regulations and conditions laid down by the organization which was not in line with international practice. And these factors might have been the prime cause for discouraging other bidders from participation, the sources said.

The consortium includes Polimex-Cekop of Poland and M.H. Planning and Development Co Ltd of Thailand.

M.H. Planning earlier said that an arbitrary cancellation, without sufficient reason, of a regularly held international tender, would inevitably be interpreted as a "lack of elementary fair play and business integrity, thus damaging Thailand's reputation, at international level, as an honourable and reliable partner."

The consortium had extended the validity of its offer three times to await the government's final decision. The Cabinet set up the study team about two months ago after it expressed reservation on the capability of the Polish firm to implement the project in light of the present situation in Poland.

Informed sources said the Cabinet was of the view on Tuesday that the state enterprise had set a high penalty for delay in implementation. It was 0.002 per cent of the contract value per day until completion.

PRACTICE

"The Cabinet thinks that it was too high compared to the international practice which sets the penalty ranging from 0.0001 to 0.001 per cent of contract value," the sources said.

It also set up a new working group to organize a second round of bid in accordance with the regulations of the organization on procurement and contract award. The group comprises representatives from the Industry Ministry, Finance Ministry, NESDB and the Electricity Generating Authority of Thailand which has experience in calling bids, the sources said.

The group will prepare bidding documents and arrange the opening of bids in line with the regulations of the state enterprise. There will be changes in the scope of the project and the fixed budget of 225 million baht set earlier was cancelled.

The new budget will be in accordance with the successful bid. The Cabinet also asked the Alum Organization to adjust the sizes and number of its plant in line with what to be set by the working group.

The period for implementation of the project has been extended from 18 to 24 months after signing the contract, the sources said.

The Cabinet, however, expressed reservation that the delay would lead to the inability of the organization to cope with the demand for alum by water works authorities during the next five years because the existing plant is no longer efficient.

It instructed the organization to expand production capacity as necessary by using its own working capital up to 20 million baht.

Meanwhile, Deputy Industry Minister Dr Chirayu Israngkun na Ayuthaya said that the Cabinet had made such a decision because it thought the amount was far higher than the budget.

"It was the best consideration by the Cabinet," he said, adding that the new bid opening will allow as many bidders as possible and the government will not bar the Thai-Polish consortium from the new bidding.

Asked what the government would do if the consortium won the bid again but with a much higher amount, the deputy minister said: "This is a risk which we must take."

CSO: 4220/56

SENATORS, MPs SHOWDOWN ON CONSTITUTIONAL ISSUES PREDICTED

Bangkok THE NATION REVIEW in English 27 May 82 p 13

[Article by Sompong Tang]

[Text] THE DRAFT bill on the amendments of the Constitution due for debate by Parliament tomorrow is expected to be a real test of strength between the elected MPs and appointed Senators.

One particular article which will certainly be the bone of contention deals with the balloting process for the next general elections. Their open divergent views on this point have made headlines during the past several months.

Most of the Senators appear to be in favour of elections based on the divided constituency system but candidates will be elected on a party basis. The MPs, however, also want a divided constituency system but that the candidates would be picked on individual basis.

Divided constituency system means that each of the provinces will be divided into different constituencies. And under the party system favoured by the Senators, candidates will have to run in teams under party banners.

The past general elections were based on the balloting on individual basis.

The majority of the Senators, who happen to be army officers, argued that elections on party basis will indirectly force splinter political groups to disband and contribute to more stability for political parties forming a coalition government to run the country.

But the MPs claimed that such balloting method will encourage more "money-dumping" by major political parties.

"And only political parties with a sound financial base will win the election," said an MP.

The Constitution Amendment Bill was passed with an overwhelming vote by Parliament in January this year but the 39-member committee set up to scrutinize the bill was divided on its pros and cons.

Sources said that some of the Senators are trying to lobby for a secret ballot after the debate on the bill tomorrow so that "all the Senators can exercise their free will on the issue."

Senator Thammanoon Ladplee said the Senators were given a "free vote" on the bill.

He was speaking to reporters after attending a dinner hosted by Premier Prem Tinsulanonda at the Army Club last week.

"The Senators will be making their independent decision on this important issue," he said.

Prayoon Suraniwongse (NDP-Udon Thani) expressed confidence that if the attendance of MPs tomorrow is good there is a chance that they will win the vote. The Constitution requires at least half of the legislators present to win the vote on this bill.

However, Prayoon said he was concerned at the prospect that the MPs might have difficulty in winning the vote in the third session when the decisive vote must come from at least half of the Senators and MPs combined together.

"Then we will need at least 264 supporting lawmakers," said Prayoon.

There are 301 MPs but many of them hold different views on the balloting method and some also side with the Senators.

Deputy leader of the Prachakorn Thai Party Pipob Asitirat said that the majority of MPs support the move for a divided constituency and the candidacy on individual basis.

He said the system favoured by the Senators excludes the voters' right not to elect particular candidates they do not advocate.

Responding to the Senators' argument that an election on party basis will benefit the political stability by forcing splinter parties to dissolve,

Pipob said that the Political Parties Law which will be enforced next year already serves similar purpose.

"The law requires every MP to be a member of a political party and that each of the political parties must field candidates at number no less than half of the Members of Parliament," he said. "This automatically means that only major parties will be able to contest in the elections."

The government-sponsored amendment bill also requires all MPs to become members of political parties 180 days after the Constitution is promulgated.

The Social Action Party (SAP) has sponsored a bill with similar content which demands that all MPs must become members of political parties within 30 days.

Parliament in January endorsed both bills. The scrutinizing committee later agreed that all MPs must become members of political parties 90 days after the Constitution is promulgated.

However, several Senators who are members of the scrutinizing committee have reserved their right to debate on the bills during the second reading tomorrow.

Sources in the Senate said that the meeting of Senators at the headquarters of the Central Security Command yesterday was designed to brief them on the pros and cons of the amendment bill.

"We only explained to them the benefits of the candidacy on party basis for the elections but it is left to them to decide," one of the sources said.

After the Parliament passes the bill tomorrow it will have to go through the third reading in 15 days.

CSO: 4220/56

UNITED STATES BASE POSSIBILITY CALLED 'BLUFF'

Bangkok SIAM RAT SAPPADA WICHAN in Thai 9 May 82 pp 6, 7

[Article: "Revival of Americal Bases; May it be Only a Bluff"]

[Text] The news that the Americans are going to return and set up bases in Thailand has been denied, but the repercussions and the events behind the story are still present, in this game of international politics.

Instant Denial

An A.P. report at the end of last month stated that John Gunther Dean, American ambassador in Thailand, revealed during a meeting of the U.S. Commission on Asian and Pacific Affairs that: "The U.S. is interested in opening American bases in Thailand to protect Southeast Asia."

The report went on to say that the bases would not be set up to resist Kampuchea, but to resist the threat from the southwestern part of Asia, that is Vietnamese troops stationed near the eastern border of Thailand.

"These bases would greatly increase Thailand's level of security," the A.P. quoted John Gunther Dean as saying.

However, after the news came out, the U.S. International Communications Agency in Bangkok (USICA) announced that there was no truth to it.

"Ambassador Dean pointed out that those reports were completely untrue. The U.S. never announced it would re-open its bases in Thailand."

General Prayut Charumani, Army Commander, said that no government officials at any level knew of this in advance. If there is any truth to it at all, it was probably just the personal view of Mr Dean.

"This is a matter of government policy that must be considered," the army commander said. "But the advantages and disadvantages internationally must be considered. In the past we have learned a lesson about keeping foreign forces in Thailand. This caused other nations to see Thailand in a bad light, particularly nations that were not our allies who saw us as a threat to our neighbors."

A Raise and a Big Bluff

One expert gave his opinion to SAPPADA WICHAN: "Those reports were meant to inhibit Vietnam because both Thailand and the U.S. know that in the dry season before the rains come Vietnam will gather its forces and make a strong attack on the Khmer Rouge, and that in order to wipe out the Khmer Rouge successfully they must come through Thailand and attack them from behind. Vietnam may seize the opportunity as in the incident of Nonmakmun.

"Therefore the U.S. is inhibiting Vietnam by saying that if they make any violent moves that affect our ally, Thailand, America is ready to come back," the expert commented on the report.

These comments are in agreement with what a spokesman from the U.S. Embassy in Thailand said. In the matter of defense and unity both sides have obligations that were agreed upon in the agreement of Thanat and Dean Rusk.

In addition, the border situation is still menacing; the smoke of war has not yet disappeared. Therefore Thailand is in a position where it must not be caught off-guard. It must keep its forces ready. Lt Naval Commander Prasong Sunsiri, secretary of the Security Council, said that if these circumstances continue, we ought to prepare to pay careful attention to certain locations at home, to beware of strategic locations, and to prepare to defend against invasions into our territory at such locations. In the event of such a plan, we must be prepared and able to respond.

The same expert went on to say that the news of American bases does not enable us to escape the dangerous border situation, and the fact that Thailand denied it shows that we will remain friendly with Vietnam if there is no infringement upon Thailand's sovereignty.

The Game of International Politics

One high-level military officer told SAPPADA WICHAN that not long before the reports that American bases were to be reopened in Thailand, Heng Samrin, who is backed by Vietnam, made a protest. Thailand has allowed foreign companies to drill for oil in the vicinity of the Gulf of Thailand, an invasion of the 200-mile off-shore limit, and Heng Samrin claimed that it was an invasion of his sovereignty.

"He always claims this or that, with no good intention. Therefore we can only keep silent and not respond at all," a news source said.

The news report continued that the words of the U.S. ambassador to Thailand were related to the posture of Heng Samrin, who accused Thailand of invading its sovereignty, while we don't know what concealed purpose he had.

"The report was a game of international politics in which we didn't lose anything," a news source said, and he emphasized that "the government's response didn't please me. In fact, they should have answered that they hadn't been approached yet. If they were approached they would discuss it. That's how they should have answered so that they couldn't guess our intentions correctly."

Advantages and Disadvantages

The military commissioner of the house of representatives analyzed the advantages and disadvantages of American bases being set up in Thailand. An advantage is that it would show that friendly relations between American and Thailand are still firm. Thailand would get up-to-date weapons, war materiel, and military hardware. Economically, an advantage would be increased income in the area of relaxation.

But, disadvantages are greater than the advantages. There would be an effect on national security. Thailand would be seen as weak. Efficient weapons and war materiel would cause unrest in neighboring countries, who would feel that they could be invaded or challenged at any time. This is of no benefit to the region. It would destroy relationships with other countries and the independence and sovereignty of nations and have a bad effect on traditions and culture, which are good things. And finally, it would destroy the neutral policies in the region.

"In the present circumstances, I believe there is no need to set up foreign bases in our country," Lt Commander Prasong said, and he reiterated: "I think we do not yet have a need. And the Americans don't want their forces sent anywhere."

In any case, the reports of bases being set up in Thailand, I repeat, are not true or, in another way of putting it, there is no need at present. So may it only be news that was invented as a bluff, or just international politics.

9937
CSO: 4207/97

MISSILE, ROCKET RESEARCH AND TESTING REPORTED

Bangkok BANGKOK POST in English 30 May 82 p 24

[Article by Kamon Pensrinukun]

[Text]

IT was a brave attempt at any rate. A team of young Thai scientists and engineers were determined to bring the kingdom one step closer to the age of computerised missiles.

On a clear sunny afternoon the group crouched near an electronic apparatus which was wired to a strange-looking metal structure housing a metre-long rocket some hundred metres away. Expectations were high at the Armoury Testing Site in Saraburi Province.

As the ignition button was pressed a thunderous explosion ripped through the air. The blast was followed by a spectacular sequence of unpredictable events.The men who saw their creation shoot off from the makeshift launching pad seemed to be caught in a momentary trance.

Unfortunately, instead of soaring into the air the rocket, with a firing range of about four kilometres, zig-zagged menacingly across the parched field, leaving a billowing cloud of thick black smoke in its path.

Just as the flickering vision (of Thailand entering the missile age) was about to crumble the cylindrical projectile eased its head up, made a stunning reverse loop, dipped momentarily and soared magnificently skyward.

Everyone sighed in relief, said Dr Kosol Petchsuwan, the energetic dean of King Mongkut Institute of Technology (Lard Krabang campus), recounting one of KMIT's test launches.

Having closely monitored the performance of the rocket that day KMIT engineers retreated to their machine workshop in Lard Krabang, figured out what was amiss and soon came up with better rockets.

With the continuing research and vigorous experiments — some highly successful — KMIT engineers hope that one day Thailand will be able to produce its own missiles.

Like their contemporaries in other science researches they are faced with set-backs, particularly a shortage of capital and plenty of critics.

Considering the multi-million baht sum being spent on foreign-made armaments each year the sum of about 100,000 baht allocated to the KMIT rocket programme last year makes it sound something like a joke.

The significance of this important research has not gained much attention from high-ranking government officials although the situation is looking brighter.

Some military leaders have shown increasing interest in the programme, Dr Kosol said.

One reason for the renewed interest according to Dr Kosol is the Falklands crisis. "It has showed that present and future wars will be fought with missiles. We are expecting more money to work with next year," he said.

Although capital shortage is a major obstacle for KMIT research-

ers, critics of the programme have had an even bigger impact.

Thai people are their worst enemy, he said curtly.

"We are often asked if we can emulate the foreign model," recalled Dr Kosol. "This only adds up to our frustration."

"When a foreign model doesn't function well they blame it on themselves saying that maybe it's because they are ignorant. But when locally-made instruments miss their mark they say it's junk," he lamented.

Dr Kosol believes that this psychological inferiority complex has proved costly in some government quarters.

He pointed to the "Highwaymen" brand computer purchased from abroad to coordinate traffic light signals in Bangkok. He said the machine which cost 32 million baht has never functioned and is now left to rust.

According to Dr Kosol the machine is worth nothing more than scrap metal now.

Dr Kosol also expressed concern that the planned purchase of a millions-baht-worth solar cells system by a state enterprise may suffer the same fate.

Although experiments in rocketry have been gaining strength and KMIT is hoping to build a computerised rocket guiding system soon, a number of less glamorous researches which are geared to agriculture and industrial development have already gained wide acclaim.

Prize

KMIT's Rice Moisture Meter won the 1981 IBM Prize for Technological Research and Development.

The meter, which is capable of determining the moisture content of rice and other grains, was selected from among 32 entries. By using the meter the farmer stands to get a fair price for his paddy based on the percentage of moisture content.

KMIT engineers are trained to be realistic.

After two years of toil, master's degree student Somasak Cheirsirikul successfully built Thailand's first laser apparatus.

The machine powered by a powerful stepped-up transformer was a gas type and used a mixture of helium, nitrogen and carbon dioxide. During the demonstration the invisible laser beam emitted by the machine bored a hole through a thick plastic block within a few seconds.

Other areas of research are gaining ground at KMIT include the solid state and solar cell technologies.

It is evident that to these young men, there is no shame in failure if one tries. To them surrendering a goal without trying is not only unjustifiable, it is a betrayal of their duty.

PHOTO CAPTIONS

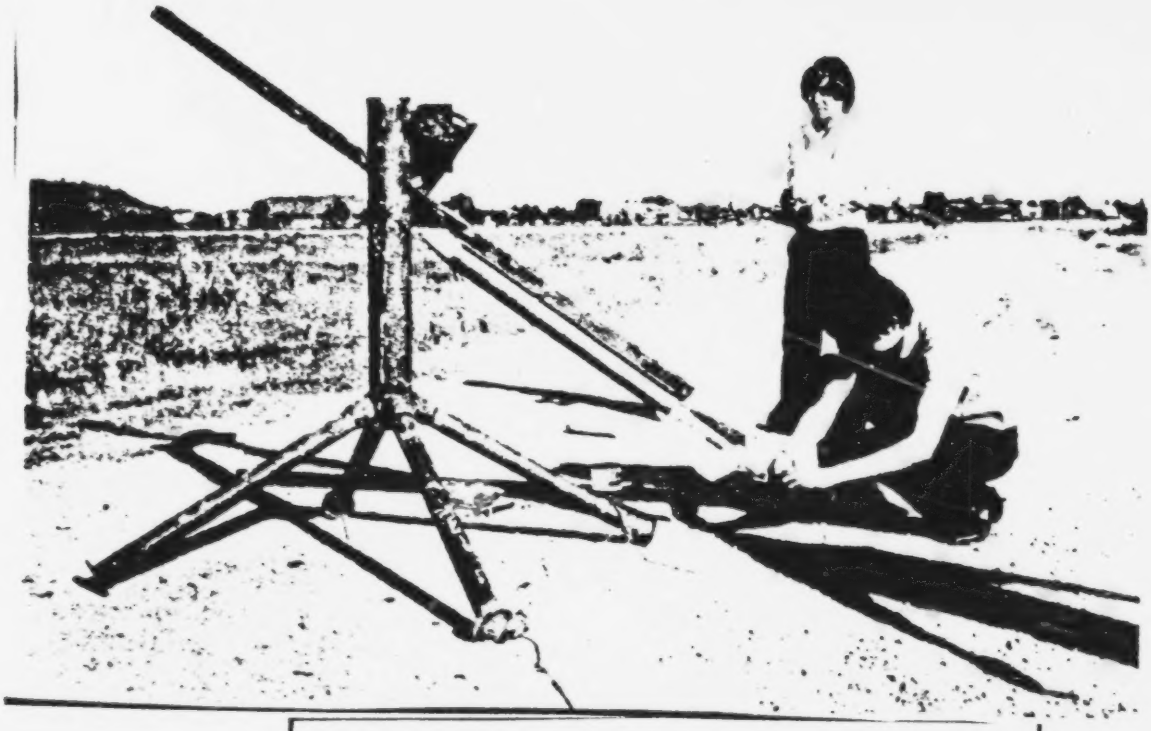
Thailand Landsat system belonging to the National Research Council is situated on KMIT campus and is partially manned by KMIT graduates.

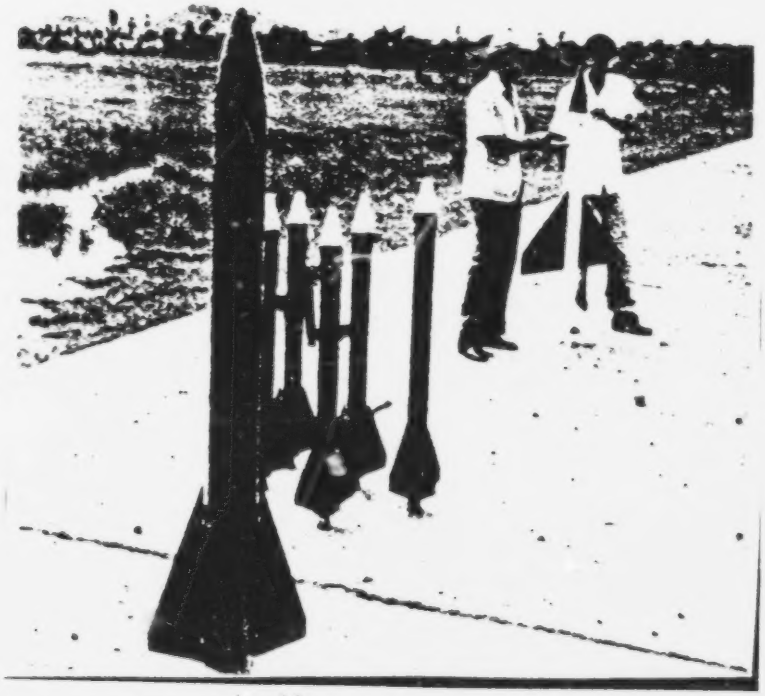
Minutes before the countdown, Air Force officers and KMIT engineers gave the rocket a final inspection.

Billowing cloud of thick black smoke remains behind after the rocket has been fired.

Traffic signal computer system conceived at KMIT in Lard Krabang.

Dr Kazunori Sato of Tokai University, a solar cell specialist, watches KMIT graduate student Somchai Vonmetta preparing semi-conducter plates for the oven.





KMIT engineers prepare the rockets before the test launching

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SPOKESMAN DISCUSSES SRV, ASEAN, SON SANN, FALKLANDS

BK241024 Bangkok Domestic Service in Thai 0530 GMT 24 Apr 82

[Text] Commenting on Vietnamese Foreign Minister Nguyen Co Thach's statement made in Brussels that Vietnam is interested in joining ASEAN, Foreign Ministry spokesman Chet Sutcharitkun said ASEAN countries and Thailand would favorably respond to Vietnam's wish if Vietnam is sincere and willing to abide by the purpose and principles of ASEAN. This is because Vietnam is geographically in the ASEAN region. Thailand, he said, wishes to have smooth relations with Vietnam. Yet, a major obstacle to achieving smooth relations between Vietnam and Thailand as well as other ASEAN members is Vietnam's armed aggression and occupation of Kampuchea. The Foreign Ministry spokesman, however, viewed the Vietnamese foreign minister's statement as propaganda rather than Vietnam's real intention.

Concerning progress in the effort to set up a coalition government among the various Kampuchean resistance factions opposing Vietnamese occupation, the Foreign Ministry spokesman said Thailand and other ASEAN members left it to the three Kampuchean resistance factions to work it out. ASEAN countries only provide the venue for them. He said Foreign Minister Air Chief Marshal Sitthi Sawetsila met with Son Sann, leader of the Khmer People's National Liberation Front, 2 weeks ago and on 23 April Son Sann left Bangkok for Singapore and Malaysia for talks on the tripartite negotiations. It is, therefore, believed that a meeting of the three Khmer factions can take place before the ASEAN foreign ministers' meeting. It is also hoped that Son Sann may accept to meet with the other Khmer factions following his rejection of a meeting with the leaders of the two other Kampuchean factions in Beijing.

Mr Chet Sutcharitkun rejected as incorrect the charge by some that Thailand has no clear-cut stand regarding the Falklands dispute between the United Kingdom and Argentina. The Foreign Ministry, he said, has made clear its stand of disapproving the use of force to settle disputes between nations and supporting a peaceful settlement of the problem through negotiations. Thailand has also supported the United Nations' resolution on the Falklands dispute.

CSO: 4207/105

DISADVANTAGE TO THAILAND SEEN IN JOINT OPERATIONS WITH MALAYSIA

Bangkok SIAM MAJ in Thai 8 May pp 30-34

[Article: "Thai-Malaysian Joint Operations: From Joint to One-sided Action"]

[Text] Joint Thai-Malaysian operations to suppress terrorists in the border area between the two countries, which have been criticized by Thai experts for quite a while as being disadvantageous, seem to be decreasing in importance. The joint operations have nearly disappeared over the past 2 or 3 years. There have been a great number of important Thai news reports and military and political analyses saying there are many disadvantages to the Thai government in the joint Thai-Malaysian operations.

The military reported data concerning several types of relationships: between political parties in Malaysia and the Southern Secessionist Movement, data concerning the incidences of Thai Muslims emigrating to Malaysia, claiming that they couldn't stand the intimidation of the Chonchin Communists (Malaysian Communist Party), and data concerning the fact that Malaysia is trying to improve its economic base in the border region and make economic changes to favor Malaysia more.

This data has caused the Committee to Study Thai-Malaysian Border Problems to review its data, and the extent to which we should cooperate with Malaysia has become a matter of importance.

Documents from the Central Intelligence Department, central headquarters of the supreme commanders of the military show that the cooperation with Malaysia to suppress the "common enemy" has existed since 1949. At that time the Ministry of the Interior was in charge. Important moves were made in the cooperation between the two countries in an agreement on 12 March, 1965 to negotiate standards for the peace and safety of the citizens of the border region between the two countries. An important aim was to resist the menace and expansion of influence of the Chonchin Communists, who were a more direct enemy of Malaysia.

After that agreement two committees were set up, a general border committee and a regional border committee. A news-filtering agency was set up in Songkhla province that did special work relating to the operations of the Chonchin Communists in the area, but it was unable to support the work of the Department

of the Border Region, and so it was disbanded, and the Regional Border Committee was set up on 1 January, 1968.

The substance of the agreement allowed police officials to pursue Chonchin Communists who escaped across the border within a 5 mile radius. These operations caused severe problems for the Thais. The Chonchin Communists attacked from the Malaysian side came into the Thai border region in increasing numbers.

Because the agreement was not entirely satisfactory and because of new moves of the Communist Party of Thailand in the border region, there was a new agreement on 7 March, 1970 in which command headquarters of the special joint forces were set up in each category responsible for suppression operations of the Chonchin Communists along the border. Suppression was to be carried out according to the laws of the home country.

Later, during the term of Mr Thanin Kraiwichian, therewere problems with the agreement of 7 March, 1970. Thais along the border were dissatisfied, especially in Betong precinct, where there were protests and Malaysian police were expelled from the country. During the Thanin era a new agreement was drawn up on 5 March, 1977, making several important changes and creating new joint operations by dividing operations into three types: 1) combined operations; 2) coordinated operations; and 3) unilateral operations.

The most effective part of the joint operations in the past has been the suppression of the Chonchin Communists. We have been able to destroy many of their camps, which is of great advantage to Malaysia, but the increase in terrorist acts by the secessionists, whose operations in two places resemble those of the Chonchin Communists, still makes the Thai supreme commanders uncomfortable. And Malaysia has not been able to give a firm promise to unite with the Thais to suppress the secessionists. There may be problems within Malaysia itself or some reason we don't know. Thailand is becoming more and more uncomfortable.

Thai news analysts received much data suggesting that the secessionist movement actually has a base of operations in Malaysia and is receiving support from some influential groups there.

Thai officials have attempted increasingly to call on Malaysia to take responsibility for these problems while Thailand would take responsibility for problems with the Chonichin Communists, but what operations are actually aimed at the secessionist movement is unclear, especially as those rightist Muslims who reinforce the actions of the Thai secessionists in Malaysia have become more influential.

In addition, after the joint Thai-Malaysian operations, Thailand found that actually terrorism on the Malaysian side of the border decreased, while at the same time, operations of both the Chonchin Communists and the terrorist movement in Thailand increased.

Thailand's discomfort has increased recently as it has learned that the secessionist movement has had growing room in Malaysia to expand its operations

into Satun province in Thailand and is likely to continue to expand. At the same time, the Chonchin Communists have spilled over into Thai territory, using Thailand as their base of operations as before.

We need not mention the budget for the joint suppression, the results of the suppression in terms of loss of war materiel and officials during the period of joint suppression. Thailand has begun to review the policy, and most recently reports have appeared that Thai officials have asked for a "suspension of joint operations." Aside from that, Thailand has placed greater emphasis on the importance of Thai-Malaysian border problems.

Currently Lt General Han Sinanon of the 4th Army Region has the greatest knowledge of Thai-Malaysian border problems. He set a goal before taking his post in the 4th Army Region that there must be fairness, not greater advantage to one side or the other, in the solution of border problems of the two nations.

Now, as a first step, the supreme commander is pressing to send more Thai officials to be stationed in Malaysia to strengthen the news-filtering activities of Thai officials in Malaysia, which will bring about changes in the joint Thai-Malaysian operations so as to bring greater advantages to the Thai government.

Besides the problem of terrorism, officials are looking at economic problems of the border regions and crime in the area.

Suppression by joint forces has been decreasing recently, but there is still probably "coordination," using the forces of one side in each area. Malaysia's rapid economic development and political stability are lessons to the Thai military that if no suitable agreement is reached concerning the "political and economic conditions" of the two nations, the Thai border will be the site of increasing terrorist problems, problems between Chinese and Muslims, and outbreaks of war between various terrorist forces.

It is believed that the disappearance of joint suppression operations for a while was a new signal that in these operations there must be a better, more fair cooperation. The cooperation between the two must be one of equality, of allies, not using the other sides weak points to one's own advantage.

The new face of the cooperation to solve problems of the border between the two nations should be brighter. But how much the Thai government will profit will depend on internal considerations, whether Thailand will be able to build political and economic stability on a par with the nation with which it shares a border.

9937
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'THAI RAT' EDITORIAL ON TOXIC CHEMICALS USE

BK171023 Bangkok THAI RAT in Thai 17 Apr 82 p 3

[Editorial: "Yellow Rain--A Disaster"]

[Text] The U.S. Embassy in Bangkok has reported that it has in its possession samples of toxic material which were collected in Laos. The samples were the so-called "yellow rain" or mycotoxin. The samples will be analyzed in order to verify the use of such toxic chemicals in Laos and Kampuchea. In this connection, Thai authorities have also warned the people along the border to be careful of toxic chemicals.

The use of toxic chemicals in Laos and Kampuchea has been denied despite the existence of toxic chemical victims--civilians and soldiers. ABC television, which is a private mass media, has produced a documentary film about the use of toxic chemicals in Afghanistan by Soviet troops and in Kampuchea and Laos by Vietnamese troops. The film shows areas where the chemicals were used, victims and methods of use.

The Thai military reports that from 1978-1981 yellow rain was used in the plain of Jars and Xieng Khouang in Laos, killing 6,310 Lao. Some 981 Kampucheans were killed in Kampong Speu, Kampot, Koh Kong and Kompong Chnnang, while 305 were killed in Siem Reap and 673 in Battambang. Some 3,042 people were killed by toxic chemicals since the beginning of the Soviet occupation of Afghanistan.

Although there is no clear evidence of the use of toxic chemicals, accounts by victims and medical reports show that such use exists. The U.S. statement on the presence of samples should help to confirm the violation of the Geneva convention which prohibits use of toxic compounds by warring parties.

Should the USSR and Vietnam, confronted by evidence, continue to deny their use of toxic chemicals and refuse to take any action, they will demonstrate to all that they are the violators of the Geneva convention and the perpetrators of crimes against the people--civilians, women and children--who are not connected to the fighting in any way.

CSO: 4207/105

MEKONG RIVER INCIDENT REPORTED

BK281520 Bangkok Domestic Service in Thai 1300 GMT 27 Apr 82

[Text] At 1905 on 26 April RTN Patrol Boat No 332 from the naval station in Mukdahan district intercepted two infiltrators carrying an AKA rifle near Don Sawan, Ban Na Bua Tnoi, Mukdahan District, Nakhon Phanom Province. While towing the boat and the infiltrators to the naval station, the RTN patrol boat came under two submachinegun fire attacks by LPDR troops on Don Sawan Island. The skipper of the boat, petty officer Sonthichai Lekhawat, was killed; the patrol boat's machinegunner, petty officer Nakhon Chom Khokkruat, was shot and fell into the river and is also believed to be dead; and the signal officer of the boat, petty officer Suchat Wannasakun, was shot in the stomach and seriously wounded. The infiltrators jumped into the river and fled away leaving their AKA rifle. RTN patrol boat No 3107, which was also on patrol at the moment, came to its rescue and brought the dead and wounded to Mukdahan Hospital.

After the incident, the LPDR sent one PBR boat on patrol in the Lao side near the site of the attacks. The Mekdahan naval station, meanwhile, sent RTN patrol boat No 117, No 387, No 3107 and an armoured car No 50 to be stationed at the site of the incident in readiness for retaliation and to search for the missing petty officer Nakhon Chomkhokkruat. Concerning casualties, the craft's M-60 machinegun, the craft itself, the radio antenna and the craft engine were damaged.

The operation of the Mekong River patrol unit is aimed at safeguarding national security without any intention of production or aggression against anybody. The above report clearly shows that the Mekong River patrol boats were unfairly victims of attacks--resulting in the losses of lives and property--against their mission to stop infiltration from other countries. The party provoking such an act of hostility must bear full responsibility. The Thai armed forces have taken measures in readiness for due retaliation.

CSO: 4207/105

ARRESTS, TORTURE, MURDER OF SUSPECTS SAID TO CONTINUE

Bangkok SIAM RAT SAPPADA WICHAN in Thai 9 May 82 pp 19-21

[Article: "Special Report: Secret Arrests in Thailand"]

[Text] The United Nations Commission on Human [Rights] recently made a resolution to condemn the flagrant violations of human rights by government officials in various nations through "secret arrests," and SIAM RAT SAPPADA WICHAN has revealed data and examples from various countries.

Then, there is the story of secret arrests in Thailand, from the time of Police General Phau Siyanon to the present, which shows that Thailand is in the forefront in "secret arrests," ahead of many of the world's dictatorships.

Has the principle of mercy instilled in the hearts of all Thais been "secretly arrested?" Where has it gone?

"My son disappeared from home on 25 December with his uncle. I don't know where they went. He said, 'Mother, I'm going to do some errands,' and he still hasn't returned."

These are the words of Wimon Phianthamdi, a blind woman of 54 years of age who was captured on 10 January, 1982 on charges of having participated in Communist activities and who was imprisoned temporarily at Bankhen Police Academy, at the time under military jurisdiction. She told of the disappearance of her son, Mr Kamon Phiantamdi, and her younger brother, Mr Phongsak Thirapatharaphaibun, since 25 December, 1980.

"On 25 December there were no incidents involving arrests. There were only the arrests of two kids for entering such-and-such third year technical school, right. Their homes were in Phrakhanong, right?" Miss Phenrung Thirapatharaphaibun described the words of a police official at Central Radio of the Royal Police in front of Fort Jiraprawat, Nakhonsawan. When she and other relatives made their search for her brother and nephew, from the above words of the abovementioned official she believed they had been captured by police because the description of the two individuals and the vehicle given by police matched that of Mr Kamon and Mr Phongsak. Therefore, she and the other relatives went on to question officials at various center, military and police, such as the Information Center of Phitsanulok province, Fort Jiraprawat, and the special security police. But, they received denials from officials, who said they had not arrested the two. From 25 January, 1980 to the present, over a year,

relatives received no word of the two. They were not sure whether they were still alive or had been executed. But they believed that they had been arrested by officials for several reasons.

The disappearance of the two is an example of the many cases of mysterious disappearances that occurred in 1981. It is figured that the two individuals were secretly arrested by government officials. The secret arrest is one method by which government officials can suppress citizens who are or are suspected of participating in communist activities. In Thailand today the secret arrest is becoming a new trend in the violation of human rights, as in many nations. It appears that the secret arrest is used as a tool to suppress citizens with views different from those of the government or local officials. Many citizens are arrested and taken away, leaving no trace. Sometimes they are freed afterward. Sometimes they are arrested and their relatives don't know why and don't know their fate for many years. And many unlucky people are executed after secret arrests. The government or the officials responsible usually claim they have no knowledge whatsoever.

Secret Arrests in Thailand are not a New Thing

Actually, there have been secret arrests in Thailand for a long time, ever since the era when Field Marshal P. Phibunsongkhram was prime minister and Police General Phau Siyanon was still in power. That was the time when the U.S. began to extend its influence and dominance into Thai politics. National leaders were made to believe that communists were the most important enemies of the government and would have to be suppressed by any means and that Communists had penetrated into all circles, students and politicians, for example. And at that time, Police General Phau had a desire to suppress all people in the opposition. So, a large number of civilians, government employees, and politicians, who were seen as adversaries of the government were suppressed, being charged as communists. All methods of suppression were used: political arrests and imprisonments, ambushes, assassinations, as well as the secret arrest.

The secret arrest of that time might be called the secret arrest and execution. It was performed by police officials. The person was secretly arrested and then executed by various methods: by strangulation, the corpse disposed of in the water or burned, or by burning alive. These people who were arrested secretly and executed were usually in the government opposition but were charged with being communists. After they were arrested, nothing was heard of them again. For example, there was the incident of the four former ministers. Mr Chamlong Daoruang, Mr Thawin Udon, Mr Thongin Phuriphat, and Dr Thongphaew Cholaphum, who were arrested and killed on 4 March, 1949; the incident of Mr Tiang Sirikan, a representative, and five others, who were killed and disposed of in the water on 14 December, 1952; the incident of Mr Phon Malithong, a representative, who was asked to come to the second division of the special security police, and then was taken and killed and thrown in the water on 23 March, 1954.

Then, during the period when Field Marshal Thanom Kittikhachon and Field Marshal Praphat Charusathiam came to power, the U.S. influenced and interfered

in Thai politics quite a lot. Command Headquarters for Communist Suppression were set up at the recommendation of the U.S. in December, 1965 to prevent and suppress communism. The U.S. gave financial support. It later became the Administrative Headquarters to Suppress Communism and then the Administrative Headquarters to Protect Internal Security in October, 1971, in order to increase its jurisdiction and power of suppression.

From there the movement to suppress innocent citizens began to be used by officials at the local level under the power of the law against communist activities, which was first used in 1950. It was used as a tool in the beatings to death of many ordinary citizens for several purposes: to bring about conditions in which to receive a budget, because if an area is proclaimed an infiltrated zone, officials in that zone are budgeted for the suppression of communists, which is a great advantage; or to get rid of dissenters against advantage and local influence; or to arrest individuals because of personal differences and then to charge them with being communists and use various methods of suppression against them. Volunteer Centers to Protect the Safety of Villages were set up, which were para-military centers that operated locally, enlisting rougues and bullies or former gangsters and teaching them to use weapons and giving them power to suppress. Village people were assassinated, homes burned, and arrests and tortures of all kinds took place, as well as secret arrests and executions.

Kicking down the Mountain, Burning the Red Barrel [Burned Alive]

The methods of execution called "kicking down the mountain and burning the red barrel" are methods of arrest and secret execution used in the southern provinces, especially in Phatlong province between 1971 and 1972. In these methods local suppression officials, consisting of soldiers, police, border police and volunteers, imprisoned people on a list of those accused of participating in or supporting communist activity, being spies, or having contacts with communists. The method of arrest might be imprisonment, informing the person he is accused of being a communist or not informing him, or asking him to go have a chat, taking him to the place called command headquarters or administrative headquarters. Then he is interrogated and tortured until he is willing to confess to being a communist. Methods of torture are, for example, pressing the temples, knocking the nails, pressing the testicles, plucking the nails, shooting a gun by the ears, or burning the private parts. Then, in the middle of the night, he is forced to sign a document saying he was released, which indicates he will be taken and executed in the red barrel, being beaten black and blue and then stuffed in a red barrel. Then gasoline is poured in and he is burnt to the bone and disposed of in the woods. After that, there is no news of that person again. When relatives look for him and make inquiries, the officials say he wasn't arrested or he was released. It is estimated that by these suppression methods in Phatlong province during 1971-1972 3,000 people were arrested and burnt alive in red barrels.

Besides the method of burning the red barrel, there were arrests followed by execution by being kicked out of helicopter or shooting. There have been reports of many cases of villagers who disappeared and whose corpses were

found in fields, forests, or caverns. The corpses had the head or arms cut off, mutilated beyond recognition. This type of suppression occurred in Phatlong, Pattani, Songkhla, Trang, Suratthani, and Nakhonsithamarat provinces.

The Second Wave of Suppression of Citizens

After the changes of 14 October, 1973, some of the suppression in various locations diminished. From October 1973 to October 1976 was a time when people of all groups and all types rose up and called for justice, rights and freedoms. After the coup of 6 October, 1973 [sic. 1976], starting with the period of Thanin Kraiwichian, the wide suppression of citizens was renewed. There was a great purge of all politicians, journalists, labor leaders, farmers, peasants, students and citizens who were seen as opposition to the government. They were arrested and imprisoned, shut up and forgotten, tortured, or secretly arrested and executed, accused of being a danger to society or communists.

For example, in the southern provinces many were secretly arrested. Among them were leaders who were loved by local villagers, as in the case of the three monks. Phra Klom Chantathammo, former assistant to the village headman of Pakkwian village group 5, Phipun precinct, Nakhonsithamarat; Phra Prakop Arayo; and Phra Mun Parisutto were invited by volunteers to their camps for questioning and then strangled. Their corpses were burned on 20, March, 1977. Later relatives made inquiries, and officials said they had escaped. There was the case of Mr Phitak Praraman of Pattani, who led villagers in protest of the incident in which a neighbor disappeared and was imprisoned, accused of not having an identification card on 30 October, 1977 in Tonyongmat district, Pattani, who later disappeared himself. There was the case of Mr Hadj Arong, an Islamic leader who was arrested and accused of not having a driver's license in November 1977 and then disappeared; the case of the headman Somchit Morasin of group 9, Phromlok precinct, Phromkhiri, Nakhonsithamarat, who was taken by marines to talk at their base of operations and then disappeared in November, 1978; the case of Mr Prayun Kaewprachu, district chief of Prian Sichon district, Nakhonsithamarat, who was arrested by marines and secretly executed on 1 September, 1979.

In addition, there may have been people who lived justice who came into conflict with local advantage and influence, as in the case of Mr Iam Sangkhakun, a reporter for the newspaper MUANG THAI in Nakhonsithamarat, who was arrested and locked up and executed. His corpse was found buried together with two others who had been executed, accused of being communists.

In addition, there are the many who were suspected of being communists or supporting communists, who disappeared in the south. It is understood that they were secretly arrested by military officials, police, or volunteers, as had occurred earlier.

Aside from the secret arrests of citizens by local soldiers, police or volunteers, there was suppression by death squads. These death squads were supported by the Headquarters to Protect the Internal Security as their unit of operations in the villages. They were chosen from among local bullies, given weapons and power to suppress. Many citizens fell victim to these death squads. Some of these death squads were involved in secret arrests between 1977 and 1979 in the south.

These death squads later developed into the Volunteer Thahan Pran Irregulars. The Thahan Pran Irregulars are para-military units that stand opposite the regional troops under the control of the army. Their operations during 1978-1981 caused trouble for many innocent citizens, as is known. The Thahan Pran units used the method of secret arrest in many cases.

From 1980 on it appears that the method of secret arrest has been used on people suspected of being communists or those who had joined the communist party and then left and gave themselves up. These people were secretly arrested without any official record. They were arrested in joint operations of military intelligence and special security police without any official record and taken to be confined in places no one would know of. It might have been a military or police prison or just an ordinary home. It was just a place to confine people and hold interrogations. Sometimes people were confined for indeterminate amounts of time, as in the case of Mr Kamon Thiraphataraphaibun that we have mentioned.

Or, in the case of Miss Darani Panyabutsayakun, a law student at Ramkhamhaeng, relatives of the student notified the Attorneys Association of Thailand that the student Darani had disappeared from home. Later there was a report that she was released after having been imprisoned by officials of the special security police for a while with two friends.

Or, there was the case of Mr Silapasot Phothigaew, former secretary of the law students association of Thailand, who had joined the CPT. After the events of 6 October, 1973 [sic. 1976], he left to continue studies at Sinakarinwirot Prasanmit University. He disappeared in February, 1981, and relatives believe he was arrested by officials. Later news reports said that Mr Silapaset had died, with a bayonet wound in his neck.

Conclusion

It can be seen that the method of secret arrests was used as a tool in the suppression of opponents of the government or people suspected of being communists, but it seems that many innocent citizens have fallen victim for various reasons, because they haven't been able to call for their legal rights. Relatives haven't been able to find out the fate of people who have been arrested. In sum, the method of secret arrest is a clear violation of human rights. All people who are arrested should have the legal right to a trial in a court of justice, naming the charges that he has been accused of. Suppression officials don't have the right to decide who is right or wrong. Relatives of an arrested person have full rights to know the fate of the person arrested. This type of suppression policy should be changed so as to be proper and just and fit for a nation that can be believed to have a democratic system of government and be a nation of mercy.

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POSSIBLE ISTHMUS OF KRA CANAL DISCUSSED

Bangkok SIAM MAI in Thai 8 May 82 pp 36-38

[Article: "Economy: Digging the Isthmus of Kra Worth Careful Consideration"]

[Text] Recently an MP from the Social Action Party, Dr Yupha Udomsak, and a portion of the MPs from the south secretly submitted a letter to the head of the Social Action Party and the prime minister recommending that the government consider carefully "digging the Isthmus of Kra."

The news appeared on the pages of many newspapers, although THAI RAT and the BANGKOK POST only had small stories. Not long after, columnists of various sides criticized the matter, claiming that the plan to dig the Isthmus of Kra would cut off the south. A large part of the reason for this is that the terrorism in the south from various sources could cause the destruction of the south.

But in fact the attacks of many of these newspaper colunists are miscalculated. The truth is that terrorism in the south is not an important issue in cutting through the Isthmus of Kra.

This is because those people's wars have changed a lot and the 4th Regional Army is in control of every aspect of the situation in the south. From the point of view of Professor Krikkiat Phipatseritham: "Rather, if the Isthmus of Kra is dug, it would bring about economic development. The tens of billions that would be invested in the construction and industrialization of the area of the Isthmus of Kra would bring about improvements in the economic development of the south."

Besides, the basis for terrorism in the south is not geographical but political.

Stopping construction [sic, terrorism] or the problems of war in the south takes political methods. And indirectly, cutting through the Isthmus of Kra and bringing economic development to the south would bring political development to the south, which of itself would unravel the problems of the people's war.

There are other more important issues than the problem of terrorism in cutting through the Isthmus of Kra.

High-level officials among the supreme commanders believe from studies of the navy that the pluses are outweighed by the minuses:

Cutting through the Isthmus of Kra around Ranong Province, the narrowest spot, would be immensely costly no matter how atomic or modern the technology used. The cost of the digging would be very expensive compared with the benefits to be gained. When compared with the Straits of Malacca, cutting through the Isthmus of Kra would shorten the navigation time by only about 6 hours, and there hasn't been much of a problem for merchant vessels at this time. The need at the Isthmus of Kra cannot compare with the Panama Straits or the Suez Canal, which shorten time of a cross-continental trip absolutely.

2. The water level between the two shores of the ocean in the vicinity of the Isthmus of Kra is uneven. Therefore, a system of water gates would have to be built to even out the water level at both shores before allowing sea-going vessels to cross the straits, and vessels would have to wait for the water level to be adjusted, which takes more time. In the end, the Isthmus of Kra would save only about 5 hours.

3. The Isthmus of Kra would create certain problems for the military in sending reinforcements from the central region to the south, slowing them down a little.

4. It is true that cutting through the Isthmus of Kra would give Thailand an importance in shipping routes through use of these straits, but at the same time it would cause increased economic competition between Thailand and ASEAN, especially Singapore. At the present time Thailand may be inferior to many many ASEAN nations in commercial ability and world market competition. Cutting through the Isthmus of Kra may actually serve as an acceleration for certain ASEAN nations, which would squeeze out Thailand and increase competition in other areas, which would be of great disadvantage to Thailand.

5. Administrative ability or supervision of the Isthmus of Kra with the substandard efficiency of Thai officials may not be sufficient to meet the target in terms of commercial vessels passing through. In addition, inefficient administrative mechanisms might cause gains from the Isthmus of Kra not to materialize as planned.

6. If we consider the military aspects, the canal through the Isthmus of Kra would cause Thailand to become more important as a military strategic location, which would increase the desire of the superpowers to seize or try to extend influence over the Isthmus of Kra in order to maintain a strategic route in the future. At present we must avoid conflict with the superpowers. The canal would cause Thailand to become more involved in conflicts with the superpowers.

However, there are also benefits to the construction of the canal. Many experts have given the following views:

1. The Straits of Malacca are now very shallow, and it is becoming a problem for ships to pass through. If the Isthmus of Kra is actually dug, its importance could be very great due to the problem of the Straits of Malacca.

2. Japan, which is a great power economically in Asia, has only one choice in transporting half of its oil to factories in Japan, going around the Straits of Malacca. Japan now has to give a lot of importance to ASEAN in order to protect its oil transport route to supply Japanese factories, becuase if there are problems with the Straits of Malacca, more than half of Japanese factories would have to be shut down immediately, and Japan's economy would be in great turmoil.

So, if there were another route through the Isthmus of Kra, that would give Japan a choice, and Japan in turn would have to give greater importance to Thailand, as Thailand would gain considerable power in economic bargaining with Japan. These are very important matters because Thailand has long been within Japan's economic sphere of dominance.

3. The importance to the superpowers is another matter for consideration. In the sense we mentioned before, Thailand might be drawn into the conflict over military strategic locations. But, in another sense, from observation of American moves in the region, America gives great importance in its Pacific naval strategy to the Indonesian Straits of Sunda which are deep-water straits. The importance of the Straits of Sunda has caused America to increase its economic and military aid to Indonesia greatly over the past 4 to 5 years. And, Thailand's importance to America has decreased.

Cutting through the Isthmus of Kra would give Thailand greater international bargaining power, depending on the foreign policy and diplomacy of the Thai government, which, depending on its ability, could use its strategic location to benefit the nation.

4. Cutting through the Isthmus of Kra would be very likely to cause changes in business, industry and economic development in this region, which could greatly reduce poverty in the south.

5. An important effect might be the greater role of the Thai navy in the protection of ocean resources, which are gaining in importance, and greater control over them.

These advantages and disadvantages should be analyzed and considered by the different sides.

From the point of view of Yupha Udomsak and the portion of the southern MPs in the Social Action Party who proposed the matter, if looked at as a proposal "for the government to review," which will press the government to see the importance of competition in the economic arena at a national level, then it is a matter which should receive more careful attention than if seen as just a group of people trying to cut off the south.

We must understand that today Thailand's economic development is inferior to many other ASEAN nations. Important projects that would change Thailand's

economic base should be reviewed by the government time and again and considered seriously in an attempt to develop economic power on a par with its neighbors.

In this sense the present proposal of the Social Action Party to dig through the Isthmus of Kra should be of particular importance in pressing the government to become interested in large projects that will raise the level of economic and political importance of the nation to that of its neighbors. As for what decision to come to, that is a large matter in which the many sides must bring together all the data, seeking to bring the greatest benefits to the nation.

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CASH CROPS MAY BE USED AS ALTERNATIVE ENERGY SOURCE

Bangkok SIAM RAT in Thai 16 Apr 82 p 11

[Article: "Plan to Cultivate Energy Crops to Produce Alternatives to Oil"]

[Text] Thai industry is making progress in its search for energy alternatives to oil. Plans have been set to plant energy forests, using plants as the raw materials in producing fuel alternatives to oil.

Mr. Thanu Wicharangsan, member and secretary of the committee to discuss alcohol manufacture from agricultural raw materials, revealed that the committee is now supporting a plan to plant "energy forests" in O.P.Ph. villages, consisting of giant wild tamarind trees. When the trees, which mature quickly, reach full size they can be used to produce fuel, especially by burning charcoal sticks to obtain gas to be used to produce electricity inside those villages.

"If we compare the cost of producing alcohol and purchasing oil for use, the cost is not very different, but an important objective is to enable the people to take the raw materials they have in their localities and combine them with their labor to reap the greatest benefits. For example, the sugar cane and cassava, which the people usually produce, bring a low price when produced in great quantities. Therefore they should use part for fuel and part to sell or eat. Then they would get a good price and benefit in all areas," said Mr Thanu.

About this plan to encourage peasants to use the agricultural raw materials in their localities such as sugar cane and cassava to produce alcohol, Mr Thanu said that the Ministry of Industry has now joined with the Army Research and Development Center in researching and in producing cheap machinery that the people could buy and use.

"We can now make a machine for about 1-200,000 baht. The production capacity is not great, but it is enough for use in the villages so that the agricultural raw materials planted on one rai will be able to produce 300 liters of alcohol per year. If a village produces ten rai worth, it will be enough for a whole year's use," Mr Thanu pointed out.

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NUMBER OF WORKERS IN MIDEAST EXCEEDS OFFICIAL FIGURES

Bangkok THE NATION REVIEW in English 27 May 82 p 4

[Text]

A GOVERNMENT fact-finding team has found that the number of Thai workers in three Middle East countries exceeds the official figures by over 55,000. And many of them are living in dire financial condition.

A senior labour official who came back recently with the team said most of the workers were sent there without approval from the Labour Department.

The team was the second despatched by the government to have a first-hand look at the Thai labour situation in several Middle East countries.

Chirathorn Bunyarit, Chief of the Overseas Employment Services and Registration Division of the Labour Department, said Thai workers in Iraq are now prohibited to remit over 60 per cent of their income as part of the Iraqi Government's wartime monetary measures.

The Thai workers were formerly allowed to send home between 70-80 per cent of their earnings, he said.

There is also prevalent shortage of food supplies because of the on-going war with Iran, he said.

While the official figure on Thai workers in Iraq was 10,000 the actual number discovered by the fact-finding team was over 20,000, he said.

The team, he said, also found that the actual numbers of Thai workers in Libya and Kuwait were 50,000 and 10,000 respectively. But according to official figures there were only 10,000 workers in Libya and 5,000 in Kuwait.

The fact-finding team, which made a separate trip to the Middle East with another team led by Deputy Interior Minister Vichien Vejsawan, was headed by Deputy Undersecretary of State for Interior Saneh Wattanathorn.

Chirathorn said the team officials also visited two Thai workers who had been sentenced to life imprisonment in Kuwait after they were found guilty of taking part in a robbery and murder.

The two are Penchai Boonsaenpaen and Somsuan Mangchanthuek. Chirathorn said both appeared to be in good health and were getting used to the surroundings of the prison.

Penchai and Somsuan were arrested together with another two Thai workers who were hanged late last year for robbing and killing a local money changer.

Chirathorn said that worker associations or centres should be set up in countries which have no diplomatic relations with Thailand so that labour officials here can be informed of the activities of the Thai workers working there.

There are presently more than 200,000 Thai workers in the Middle East. The findings of the team will be submitted to the Interior Ministry and the Cabinet.

The other fact-finding team which came back last week reported that more than 80 Thai workers are being imprisoned in Saudi Arabia. They were arrested mostly on charges of smoking or peddling marijuana.

CSO: 4220/56

EEC AGREES TO CONTROLS ON THAI TAPIOCA EXPORTS

BK070410 Bangkok NATION REVIEW in English 7 Jun 82 p 13

[Excerpts] Thailand and the European Economic Community (EEC) have reached agreement over the measures designed to control and check the country's exports of tapioca products to the European grouping.

The measures, effective this week, are under the agreed minutes signed on Friday between Director General Phat Itsarasena of the Department of Foreign Trade and EEC representative I. de Gruben.

They require Thai exporters to seek export certificates from the department and forward them to European importers to obtain import licences from EEC authorities.

Under the agreed minutes, EEC will deduct from Thailand's export quota if tapioca products imported into the economic grouping were re-exported to other countries in the same condition or as processed animal feed, he said.

Thailand will also verify the export volume from January this year by sending export statistics covering January to April to EEC.

The agreed minutes are part of the agreement Thailand has signed with EEC fixing tapioca exports at 5 million tons this year, 1983 and 1984 and 4.5 million tons each in 1985 and 1986. The measures followed the apprehension that Thailand's tapioca exports would exceed 5 million tons this year. The European Commission, which ratified the agreement a week earlier, has suspended for the next 4 months the issuance of import certificates.

The certificates guarantee in advance that tapioca consignments will be admitted into EEC at the low rate of duty of 6 percent, because they have been issued for very large quantities of the products.

The EEC decision was made with a view to safeguarding the arrangements covering tapioca imports from Thailand and other countries. Thailand exported 796,359 tons of tapioca products to EEC last month, worth 1,812 million baht. Total exports from January to last month amounted to 3,163,094 tons worth 7,365 million baht.

Meanwhile, Commerce Minister Punnamee Punsri said on Friday that the government will allow unrestricted tapioca exports throughout the remaining period of this year.

CSO: 4220/49

BRIEFS

CANADIAN FOREIGN MINISTER VISITS--According to the director general of the Foreign Ministry Information Department, Chet Sutcharitkun, in his capacity as the ministry spokesman, Canadian Foreign Minister Dr Mark MacQuigan will make an official visit to Thailand from 19 to 21 June at the invitation of Foreign Minister Air Chief Marshal Sitthi Sawetsila. This will be the first visit to Thailand of a Canadian foreign minister and a return one following Air Chief Marshal Sitthi's visit to Ottawa last April. [Excerpt] [BK031417 Bangkok Voice of Free Asia in Thai 1000 GMT 3 Jun 82]

'ILLEGAL IMMIGRANT' TOTALS--According to the Supreme Command, as of 28 April there were 170,006 Indochinese illegal immigrants in Thailand. Of this number, 76,222 were Kampuchean illegal immigrants who are under military control--22,961 in the Sa Kaeo Center, 39,430 in the Khao I-dang Center, 13,655 in Phraya Kamphut Center and 176 in the Khao Lan Center. A total of 14,983 Kampuchean illegal immigrants were in the processing center in Phanat Nikhom District, Chon Buri, and 3,263 were in the transit center. There were 284 Vietnamese illegal immigrants at the Sangkhla detention center and 4,088 in the Si Khiu detention center. These Vietnamese illegal immigrants were under the control of the Interior Ministry. There were 71,166 Lao illegal immigrants under the control of the Interior Ministry. Of this number, 6,598 were in the Chiang Khong center, 10,895 in the Pua center, 7,635 in the Mae Charim center, 31,087 in the Pak Chom center, 4,029 in the Nong Khai center, 10,922 in the Ubon Ratchathani center and 7,311 in the Nakhon Phanom center. [figures as heard] [Text] [BK011241 Bangkok Voice of Free Asia in Thai 1000 GMT 29 Apr 82]

INDONESIAN AMBASSADOR--On 3 June 1982, the Foreign Ministry announced that the government of the Kingdom of Thailand approved the nomination of Air Marshal Subambang by the government of the Republic of Indonesia as the new Indonesian ambassador extraordinary and plenipotentiary to Thailand. [Text] [BK030714 Bangkok Domestic Service in Thai 0000 GMT 3 Jun 82]

OFFICIAL RESERVES DECLINE--Thailand's payments deficit in March which was recorded at about 2,760 million baht caused the official reserves to drop by about 3,827.2 million baht. Kiattisak Micharoen, assistant director of the Bank of Thailand, disclosed that the drop in the reserves is not a

concern to the Bank of Thailand as it is expected that the balance of payments in the second quarter of this year would improve. [BK221209 Bangkok Domestic Service in Thai 0530 GMT 22 Apr 82 BK]

EXPORTS TO U.S.--According to the secretary to the foreign trade department, in 1981 Thailand's exports to the United States under the Generalised System of Preference [GSP] totaled $172.78 million, a great increase from the exports worth only $104.22 million in 1980. This is due to a greater demand for Thai exports by the United States as well as Thai manufacturers' and exporters' interests in the GSP benefit. Top export income earners to the United States under the GSP in 1981 are sugar, plastic flowers, wood furnitures, tungsten, and leather goods. [BK221209 Bangkok Domestic Sercice in Thai 0530 GMT 18 Apr 82 BK]

THAI-UK AVIATION TALKS--Yesterday Thai and British representatives began negotiations aimed at amending the aviation agreement between the two countries. The negotiations, which took place at the communications ministry, are expected to last for 3 days. Communications undersecretary of state M. L. Choengchan Kamphu, who is leading the Thai negotiators, disclosed after yesterday's session that it lasted 3 hours and that the Thai side brought up several issues for discussions. He expected the negotiations will take 3 days to complete. The head of the British governmental delegation is (A. K. Hudnt). The Thai side reportedly wants to amend the provisional civil aviation agreement with Great Britain. It seeks to cancel two stops on the Bangkok-London route flown 3 times weekly by Thai International. The provisional agreement will expire on 30 June. From 30 June onward twice weekly Thai International must make two stops on its Bangkok-London route and must make one stop on its remaining weekly flight. The stops on this route have caused a loss of income to Thai International. [Text] [BK011441 Bangkok Voice of Free Asia in Thai 1000 GMT 1 Jun 82]

NEPAL OFFICIAL VISITS--Nepalese Foreign Secretary Jagadish Shumshere Rana completed a 5-day official visit to Thailand on Monday [31 May] with reassurances of his support for ASEAN's effort to seek a negotiated political settlement of the Kampuchean problem. Mr Jagadish Shumshere was here as guest of the Thai undersecretary of state for foreign affairs, M. R. Kasemsamoson Kasemsi. During the discussions with the Thai foreign undersecretary of state, Mr Jagadish Shumshere reaffirmed his country's support for the ASEAN declaration for the zone of peace, freedom and neutrality in Southeast Asia. Both sides also agreed to encourage trade, investment and technical cooperation between the two countries. [Text] [BK020423 Bangkok Domestic Service in English 0000 GMT 2 Jun 82]

ACTIONS AGAINST PRESS--The labour department will urge the Ministry of Foreign Affairs to make a formal protest to the British Government over "fabrications" in the London DAILY MIRROR's report about child slavery in Thailand, the department director-general, Wichit Saengthong, said yesterday. Meanwhile, he said, the police department is to be recommended to declare the reporter who wrote the story, John Pilger, persona non grata. The public relations department and the Thai News Agency will also be instructed to make statements correcting the story. On March 22 the DAILY MIRROR, a popular British tabloid, carried a frontpage report filed from

Bangkok by Pilger allegedly exposing Thailand's child slave trade. Pilger, an Australian journalist, claimed that he bought a 9-year-old girl in Bangkok for 85 pounds (about 3,400 baht) and took her back to her parents in Phitsanulok. After an extensive investigation, the labour department last week produced the girl, Ratcharin, and her mother Toi Nanthaphan, who said that they were hired by the journalists for a "film production." They said they were being used in a story that would defame the country's image abroad. [Text] [BK010113 Bangkok BANGKOK POST in English 1 Jun 82 p 3]

THAI MAIZE EXPORT POLICY--It has been reported that the export of maize of the 1982-83 crop starting from July this year will be freed, with exports being permitted without prior approval from the foreign trade department. However, exporters will still be required to report their sales to the department. This was recently agreed upon at a meeting chaired by the commerce minister between officials of the Commerce Ministry and representatives of the Thai maize and produce traders association. The meeting also agreed at the same time that Thailand will continue its tradition in having long-term maize agreements with Japan and Taiwan. The board of trade instead of the foreign trade department, however, will represent local exporters in signing the long-term agreements with Japan and Taiwan. Where China is concerned, the two countries have already agreed that it will buy some 100,000 tons of Thai maize after October this year. Therefore, Japan, Taiwan and China will be agreement markets for the Thai maize, while exports will be allowed freely to markets other than these. [Text] [BK271431 Bangkok Voice of Free Asia in English 1100 GMT 27 May 82]

FRENCH OFFICIAL PRESS CONFERENCE--French Minister of State and Foreign Trade Michel Jobert yesterday praised Thailand's continuing efforts to seek political solution to the Kampuchean problem. Jobert, speaking at a press conference to mark the end of his two-day official visit to Bangkok, said that there are three methods for dealing with the ongoing war in Kampuchea. They include the use of power, indifference and seeking solution through reasoning. Thailand has so far not abandoned the third method but instead pursuing with preseverence using economic and political means to end the contlict in Kampuchea, he said. [sentence as published] "Thailand and France have different approaches toward the seeking of solution to this conflict, but the two countries have the same approach in analysing the problem," Minister Jobert said. In his reply to a question regarding France's resumption of assistance to Vietnam, Jobert said the aid granted since 1977 has not been utilized due to war. Asked whether France intends to expand her assistance to Vietnam, Jobert said: "We will see the result first and decide whether we should expand." On a possibility of France's recognition of the Vietnamese-backed Heng Samrin regime in Kampuchea, Jobert said France's policy is similar to the European Community. [Text] [BK260304 Bangkok NATION REVIEW in English 26 May 82 p 3]

IRAQI DENIES MERCENARY REPORT--The Iraqi Embassy here has described the report about recruitment of Thai mercenaries to fight for Iraq as a "cheap propaganda" against the country. It denied that the Iraqi Government had asked foreign agencies to recruit volunteers to fight for Iraq in its war against Iran. "It is known that when the Iraqi Government needs Thai people to fight with the Iraqi army against Iran, the Iraqi Embassy is concerned about that and it is unbelievable that the Iraqi Government asked a Thai agency to do this without consulting the Iraqi Embassy," it said in a letter sent to SIAM RAT daily. The report about the alleged mercenary recruitment was publicized

by MP Songtham Panyadi (Chiang Rai) who claimed that the first group of 300 recruited Thai mercenaries were about to be sent to Iraq in the middle of this month. He said each of them was paid 60,000 baht in advance installment and promised a monthly salary of 10,000 baht. The Iraqi Embassy said that an advertisement about the recruitment in the paper was false. It said there was no office carrying the name as mentioned in the advertisement in Iraq. "It seemed to us that who has supplied your newspaper with this advertisement aimed at the destruction of the excellent relationship existed between the two countries so as to serve special purpose of this group," it said in the letter published in SIAM RAT. It added: "What has been mentioned is cheap propaganda against the Iraqi people and their government, and it is unacceptable to both friendly countries." [Text] [BK030359 Bangkok NATION REVIEW in English 3 Jun 82 p 6]

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U.S. TOLD OF VICTORIA'S NUCLEAR-FREE ZONE PLAN

BK090927 Melbourne Overseas Service in English 0830 GMT 9 Jun 82

[Text] The Victorian government has revealed that it told the United States of its plan to ban all nuclear materials from the state before the prime minister, Mr Fraser, was informed. The disclosure is the latest statement in the controversy over the Victorian government's announcement that it intends to proclaim the state a nuclear-free state. This would mean a ban on the entry of most nuclear-powered ships or vessels carrying nuclear weapons.

The state premier, Mr Cain, said today he had explained his government's position some time back to America's Assistant Secretary of State for Asian and Pacific Affairs Mr (Brandt) [name and title as heard]. Mr Cain said Mr (Brandt) had accepted the right of the Victorian government to make the decision and made no suggestion that it could lead to a breakdown of the Anzus treaty--the defense pact linking Australia, New Zealand and the United States.

The prime minister, in an angry reaction to Mr Cain's proposal, said it would jeopardize the Anzus alliance and said he would enquire whether legislation would be necessary to ensure that the federal government's defense responsibilities could not be overridden.

Radio Australia's Canberra office reported late today that the initial advice from the government's legal advisers was that special legislation might be required.

In Brisbane today, the acting premier of Queensland, Mr Sullivan, declared that nuclear-powered warships would be welcomed at Queensland ports.

Amid the row over the Victorian government's plan to ban the entry of nuclear materials, it has been revealed that the port of Sydney has been unofficially closed to nuclear-powered warships since 1976. The new South Wales premier, Mr Wran, has disclosed that in 1976 he effectively turned away a nuclear-powered American warship visiting Australia which wanted to berth in Sydney harbour.

The spokesman for Mr Wran said the premier had written to the United States consulate in Sydney advising that there were no adequate safeguards and saying he'd rather the ship went elsewhere. The spokesman said the American Government had agreed to the request and the situation had not arisen since.

CSO: 4220/68

BRIEFS

NEW TRAINER AIRCRAFT--A contract worth $36 million, that's about the same in American dollars, has been signed for new trainer aircraft for the Australian Air Force. The trainer plane is to be designed and built by the Australian aircraft consortium made up of the private Commonwealth Aircraft Corporation, Hawker De Havilland and the government aircraft factories. Test flying of the prototype of the new aircraft is expected to begin early in 1985. The air force will eventually take delivery of 69 of the new trainers. [Text] [BK160916 Melbourne Overseas Service in English 0830 GMT 16 Jun 82]

CSO: 4220/68

NETHERLANDS TO PROVIDE FINANCIAL, TECHNICAL AID

Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1

[Text] The Netherlands government will provide Bangladesh a total of Dfl 105 million (about Taka 88 crore as financial and technical assistance under the Agreed Minutes signed in Dacca on Wednesday says BSS.

The total amount include a partially untied grant of Dfl 82 million (about Taka 69 crore) for financial assistance and untied grant of Dfl 23 million Taka 19 crore) for technical assistance. z SH

An official handout issued in Dacca on Wednesday said the partially untied grant would be used for procurement of goods and services from the Netherlands or from developing countries including Bangladesh. Part of this grant can be allocated to meet local costs. n

The Agreed Minutes were signed on the conclusion of the six day bilateral talks between Bangladesh delegation headed by Mr Shafiul Alam Additional Secretary External Resources Division and The Netherlands delegation headed by Mrs E Badon Ghijben head of the South East Asia Division Directorate for Asia and General Financial Development Cooperation of the Ministry of Foreign Affairs. Bu

The discussions covered the programming and utilisation of funds made available in previous years procedural matters and proposals concerning the bilateral co-operation programme for 1982. The discussions also covered the uncommitted funds for financial cooperation available from allocations of previous years upto an amount of Dfl 11 million Taka 10 crores approximately).

The Dutch assistance will be utilised in the sectors of irrigation, water development and flood control rural development health and family planning construction of fertilizer and food godowns rehabilitation of gas field at Chhatak and installation of gas pipeline between Kailashtila and Chha tak

CSO: 4220/7348

IDA APPROVES CREDIT FOR CHITTAGONG PORT UPLIFT

Dacca THE BANGLADESH OBSERVER in English 20 May 82 pp 1, 12

[Text] International Development Association (IDA), the soft-loan agency of the World Bank announced on Wednesday the approval of a 60 million US dollar credit for Bangladesh for improvement of port facilities.

Port facilities at Chittagong will be expanded with this assistance of an SDR 54 million (worth 60 million US dollars) from the IDA.

A World Bank Press release issued in Dacca says:

Owing to the high occupancy rate of existing berths and the expected growth of traffic, the country's main Port of Chittagong urgently needs increased throughput capacity. The Port has 17 general cargo berths, and several jetties and moorings which handled about 6.7 million tons of cargo in 1979-80.

IDA, the World Bank's Affiliate for Concessionary lending will support a U.S. Dollar 110 million project for constructing two multipurpose berths with facilities to handle increased container traffic and reduce delays at the port. The improvements are expected to cope with growth in general cargo and container traffic through the early 1990s.

The new berths, designed to carry container handling equipment, will be provided with two mobile cranes, fork-lift trucks, and tractortrailer units construction of back-up facilities including a paved storage area for containers, a container freight station and offices, will be carried out under the project. Additional maintenance facilities will be provided and improvements made to the training institute building.

Technical assistance will be provided by the project to help develop a maintenance programme, train Port workers, develop a longterm programme for the training institute, prepare a manual on container operations, and develop a Port Management Information system.

Previous IDA assistance to Bangladesh's transport sector amounts to US dollar 73.7 million. It has been for highways and inland water transport projects.

The IDA credit for the Chittagong Port is for 50 years including 10 years of grace; it carries no interest but bears a small annual service charge of 0.5 per cent on the undisbursed balances of the credit, and 0 75 per cent on the disbursed balances.

CSO: 4220/7348

UNICEF REPRESENTATIVE REPORTS NEW AID APPROVED

Dacca THE BANGLADESH TIMES in English 20 May 82 pp 1, 8

[Text] Mr. Uffe Konig, UNICEF Representative in Bangladesh announced in Dacca on Wednesday the approval of 100 million US dollar country programme for Bangladesh by the UNICEF Executive Board.

Addressing a Press conference at the Jatiya Press Club, Mr. Konig said that 100 million dollar assistance--evenly divided between UNICEF general resources and specific purposes contributions--would be spent on 39 projects during next three-and-a-half years beginning from July next. The projects had been worked out by the point UNICEF-Government Advisory Group he said.

Mr. Konig briefly outlined three main objectives of the next programme which were (a) further development of Government programme in rural primary health care, water supply, and environmental sanitation, primary and non-formal education and social services for children and mothers, (b) to demonstrate the feasibility of basic services development strategy and (c) to strengthen the government's management capabilities to implement its service programmes for disadvantaged children and mothers.

Following are the sectoral allocations from the UNICEF general resources fund: health--US 16.2 million dollars; education--14 million dollars; water and environmental sanitation--10 million dollars; social services--2 million dollars; women's development--0.8 million dollars; nutrition--0.6 million dollars; area development--2.9 million dollars; development activities--0.4 million dollars; project support--2.7 million dollars and disaster relief--0.4 million dollars.

Year-wise allocations from the general resources during 1982085 will be as follows: 1982 (six months)--6.8 million dollars; 1983--9.3 million dollar; 1984--12.3 million dollars; 1985--21.6 million dollars.

Under the noted projects, sectoral allocations are: health--6.8 million dollars; education--18.9 million dollars; water and environmental sanitation--32.9 million and nutrition and area development--0.7 million dollars each.

The UNICEF representative said that there was 'strong indication' that the 50 million dollar fund for he noted projects would be raised from various developed nations.

He told a questioner thatless than 40 per cent of 6.5 million dollars earmarked for the noted projects could be raised during 980-82 (till June) period.

Mr. Konig said that about 50 per cent of the 1980-82 81.5 million dollar programme funds for Bangladesh remained unutilised for reasons 'partly external and partly internal.'

He listed three main reasons for the under utilisation of funds which were: (a) premature deah of President Zia, presidential election etc which had marked impact on the implementation rate of projects; (b) bureaucratis delay; (c) non-availability of local counterpart funds for the projects. He said that 29 out of 52 projects were implemented 1980-82.

Mr. Konig said that the third country programme for 1982-85 represented a coherent and consistent approach to the major child problem in Bangladesh. The programme reflected a qualitatively improved action programme of services for children in Bangladesh, he said.

UNICEF will provide for use within the programme supplies, equipment transport and cash assistance to a value not exceeding 50 million dollars including freight. In addition UNICEF will seek special funding for noted projects to a value of 50 million dollars.

CSO: 4220/7350

EDITORIAL TELLS PROBLEMS OVER GANGES WATERS

Dacca THE NEW NATION in English 21 May 82 p 5

[Editorial: "Flows of International Rivers and Us"]

[Text] In the just concluded nine-day special session of the government council of the United Nations Environment Programme held in Nairobi, the Bangladesh representative has made a forceful proposal for effective environmental laws to ensure undisturbed flows of international rivers. He made a pointed reference to the fact that the major rivers of Bangladesh originating across the border were subject to pollution besides disruption of water flows in the upper reaches because of diversion and other activities. He rightly stressed that unless immediate attention was given to the problem one-fourth of the country would soon turn into deserts with serious environmental and ecological consequences. There has already been signs of mushrooming desert patches in the Ganges basin in Bangladesh due to tampering with the flow in the upper reaches of this international river which originates in the Himalayas and flows through India and Bangladesh.

Referring to the recent UNEP surveys bearing out the above facts the Bangladesh representative expressed his gratefulness for including our country in the UNEP regional programme to combat desertification caused by upstream diversion of the Ganges. We expect that the UNEP would take up immediate programmes to remedy such situation in our own country and elsewhere arising out of disruption of flows of international rivers by upper riparian.

Unfortunately since the adoption of the Stockholm Plan a decade ago in this respect things have gone worse instead of improving. According to conservative estimates the amount of loss suffered by Bangladesh on economic terms alone during the last seven years due to unilateral withdrawals by India of the Ganges water exceeds Taka forty thousand million. During the six years from 1975-76 to 1980-81 the losses on certain visible accounts stand at more than 29,640 million Taka out of which the agriculture sector alone accounts for Taka 22,060 million. Other visible heads of losses include damage to the intake channel of the Ganges-Kobadak irrigation project, additional transport expenditure due to compulsive changes in routes of cargo vessels, arrangement for alternative sources, of supply of power to industrial units, severe damages done to agriculture and forest wealth. According to knowledgeable sources the total loss sustained due to the harmful effects of Farakka would far surpass 40 thousand million Taka if the figures of 1981-82 are included.

In such an alarming situation Ganges water has literally become a life and death problem for us. While the UNEP and other international agencies should make effective contributions towards mitigation of the gravity of the situation, it calls for immediate political decision of India, the upper riparian, in favour of a just and equitable sharing of this common river. Let us hope that during the ensuing visit of Mr. Narasimha Rao, the Indian External Affairs Minister to this country for talks on bilateral issues, his stance on the question of water sharing will reflect due awareness of the gravity of the situation and genuine desire to solve the problem without any further delay or dilly-dallying.

Let the Gulf War Halt Here and Now

The Secretary General of the Islamic Conference Organisation Mr. Habib Chatti has reportedly told the Reuters that an Islamic peace committee formed by OIC has appealed to both Iraq and Iran to halt the Gulf war before the Holy Muslim month of Ramadan expected to begin on June 22 or 23.

The fratricidal war between the two Muslim neighbour, which broke out in September 1980 is now 20 months' old with neither party in a position to claim decisive victory. The unfortunate war has continued for too long with a colossal loss for both the parties who have by this time almost bled themselves white in economic terms. With occasional and sporadic successes on their score-cards more than offset by subsequent reverses none of them stands to gain. According to some analysts, both would have finished fire on their armour by this time, but for clandestine supply from other interested quarters whose purpose this futile encounter between two muslim neighbours may have served.

Efforts by the OIC members and the non-aligned group to disengage these combatants have so far failed to produce any notable results. Both the parties have stuck to their guns-Iraq claiming full sovereignty over the Shatt al-Arab and Iran insisting on unconditional withdrawal of Iraqi troops from occupied Iranian lands and "punishment of the aggressor" and payment of war reparations.

According to Mr. Habib Chatti, the peace committee which last visited Teheran and Baghdad in April has submitted "constructive proposals which form a sound basis for ending the war." These proposals reportedly call for an Iraqi withdrawal from Iranian territory occupied at the start of the war, stationing of Islamic troops on the joint borders between the two countries and placing the disputed Shatt al-Arab waterway under Islamic control. It appears as a sound formula which should prove acceptable to both the warring nations without any loss of face. Let us hope that both the countries will have the wisdom to take stock of the situation in an objective dispassionate way and call a caveat to this corrosive combat on the basis of such a formula. The interests of their own development as well as the interests of Muslim unity and solidarity in the face of other challenges like the one coming from Israel demand an immediate halt to this long, senseless fighting.

CSO: 4220/7354

EDITORIAL LAUDS PRESIDENT'S SPEECH TO CADETS

Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 5

[Editorial]

[Text] The need for organized and cohesive armed forces is felt in all countries. The same is felt due to the widening role that the armed forces are called upon to perform. They were called upon to defend the country including its territorial boundaries and national interests as is required at a given point of time. They are also at times called up to perform their patriotic duty in times of crises in national life. Officers and men of the regular forces are as such required to acquire qualities of firmness, discipline and sense of duty through continuous training. And they do acquire those sterling qualities from the beginning of their career.

Addressing the passing-out parade of the commissioning of Gentlemen Cadets of the 6th BMA long course President Mr. Justice Ahsanuddin Chowdhury has identified the need for well-organized and dynamic armed forces in the country. He underscored the utility of professional standards and continuous training for officers and men. The same is needed to enable them to shoulder any responsibility at any point of time. It is obvious that such training pre-supposes the existence of facilities and services of specialized trainers within the organization. The Bangladesh Military Academy at the picturesque environment of the sea-side hills at Chittagong offered an ideal environment for continuous training. Efforts have to be made to ensure all-round growth and development of Gentlemen Cadets who enter the Academy at an early age and to inculcate in them the spirit of sacrifice and service so that they can shoulder responsibilities in the different stages of their career.

The President urged the cadets in their passing-out parade that they should work shoulder to shoulder with the people and do so with a sense of patriotism and firm conviction of self-determination. He also expressed his satisfaction over the firm character of soldiers and their faith in Almighty Allah. It is the character that enables our officers and men to work for the defence of the country as well as for national emergencies. Under the current dispensation they

have pledged also to uproot corruption from various walks of life in a society that has for long been exploited by the vested interests. It is expected that in the coming days they will prove their mettle in shouldering the responsib'lities of the government and in furthering the cause of the common people through adoption of appropriate programme of development.

The welcome changes that have occurred in the country and their result over the past one month and a half have earned the armed forces the gratitude of the people. They have kept the interest of the general masses above every thing else and built an image of being bold, straightforward and objective in making decisions and their implementation. The President expressed his confidence that the armed forces 'are capable of facing any challenge'. We share the views expressed by the President and hope that in future the patriotic armed forces of the country will come to the rescue of the nation in all situations calling for service and sacrifice on any scale.

CSO: 4220/7352

DECREASE IN IMPORTS REPORTED OVER 9 MONTHS

Dacca THE BANGLADESH OBSERVER in English 19 May 82 pp 1, 9

[Text] The Import Bill during the first nine months of the current fiscal year totalled about Taka 1500 crore agains the total allocation of Taka 2950 crore laid out in the import policy.

The export earning during the same period amounted to a little over Taka 900 crore, falling short of the target by Taka 600 crore approximately.

The major factors which accounted for the slack in import were non-availability of required funds, squeeze in bank credit, higher prices abroad and lesser local demands. Right from the beginning of the current fiscal year, the banks offered less margins to the tradesmen against their letter of credits (LD) and the subsequent curtailing of credit resulted in the slump.

According to importers of the private sector, there has been a sharp fall in demand of commodities locally which might have resulted from limited buyers capacity of the consumers. Tariff anomalies with frequent imposition of higher customs duty and sale tax left the businessmen with little or not profit margin. Thus discouraged by the adverse factors, tradesmen had few imports to their account. The Import Permit (IP) rates of foreign currencies dropped drastically to nearly the same level of the official rates due to the sharp fall in import by the private sector.

Continuing recession in the world market and related discrepancies marked the impending shortfall of export earnings During the last fiscal year, the price of goods in the foreign market dropped by 7.52 per cent and the lose as such was Tk. 210 crore in consideration to the volume of export. According to an official source, more exports worth Taka 400 crore, at the maximum were on the pipeline in addition to the existing export earnings.

The Export Promotion Council (EPC) in its sixth meeting held on June, 1981, had proposed an export target of Taka 1325 in view of the world-wide recession, which they termed as realistic.

CSO: 4220/7345

EDITORIAL DEPLORES GROWING TRADE IMBALANCE

Dacca THE NEW NATION in English 20 May 82 p 5

[Editorial]

[Text] Ten years ago, on March 2, 1972, the first ever economic agreement was signed between the USSR and the People's Republic of Bangladesh under which this republic was granted a state credit amounting to about US $60 million to be used to put the Ghorasal Thermal Power Station (110 MW) into operation, to complete the electric equipment plant (GEM plant) in Chittagong, build a medium-wave radio station and conduct geological prospecting for oil and gas.

But in fact, the USSR has been rendering Bangladesh from the very first days of its emergence comprehensive aid, economic and technical assistance chiefly in its production sector including rehabilitation and development of merchant fleet and deep-sea fishing, railway transport, communication, power sector, training of specialists as well as restoring normal conditions for navigation in Chittagong port.

Since then economic as well as trade relations between the two countries have been growing successfully under various agreements signed by Moscow and Dacca in subsequent years.

Recently an accord to the effect that Bangladesh Power Development Board (BPDB) would receive Soviet-aid worth 74 million dollars for the construction of the 3rd stage of Ghorasal TPS, was signed in Moscow between the BPDB and V/ Technopromexport. Under the agreement Technopromexport will supply all equipment and materials necessary to complete the project of 210 MW units of the third stage. The project is scheduled to be completed by June 1987. With the completion of the third stage, the capacity of Ghorasal TPS will rise to 530 MW, being one of the most powerful station in the country.

The GEM plant in Chittagong was commissioned on 26th September 1978 and was inaugurated by the late President of Bangladesh Mr. Ziaur Rahman. It is a quite modern and versatile plant with annual capacity of 10,000 tons of electrotechnical items like power transformers of upto 10,000 KVA, lightning arresters and disconnectors, high-voltage safety fuses, etc. needed by this country's economy. Upto now over 4,000 transformers of various capacity have been produced and are successfully utilized in different fields of Bangladesh economy. This plant is gaining momentum to turn out in the nearest future a leading producer of electrotechnical items. Bangladesh will not only become self-sufficient in their production but will also have some surplus for export.

Soviet Union rendered technical and other assistance in the prospecting for and exploration of oil and gas. With participation of Soviet experts three gas wells have yielded commercial flow of gas at Semutang, Begumganj and Feni.

On March 31, 1972 the governments of the USSR and Bangladesh signed Trade Agreement on the basis of which trade cooperation between the two countries has been developing successfully for last ten years. During this period, the turnover of goods in the trade between the two countries has increased from 24 to 80 million dollars, that is, 3 fold.

CSO: 4220/7351

FERTILIZER SHORTFALL AFFECTS FARM PRODUCTION

Dacca THE NEW NATION in English 20 May 82 pp 1, 8

[Text] Fertilizer supply to farmers this year fell far short of the Government projection. This has affcted agricultural production adversely.

BADC which is solely responsible for procurement and supply of fertilizer registered the July-April off take at 7.15 lakh tons against the original target of 12 lakh tons. The target was, however, later revised to 9.8 lakh to- [word illegible] which is not likely to be reached by the end of the fiscal year in June.

Again, of the total off-take from BADC goodowns a substantial chunk of fertilizer is learnt to have been smuggled out across the border.

The shortfall in the supply was attributed to non-availability, high price and bad weather.

An official source, however, said fertilizer demand corresponds positively to other input demand situation. Shortfall in providing other inputs had direct implication on the shortfall in fertilizer demand.

An acute scarcity in fertilizer supply was experienced during the early part of this year because of major mechanical troubles in the Zia Fertilizer Factory immediately after its commissioning.

The fertilizer price was officially raised again in December last by an weighted average of about 24 per cent, and by nearly 165 per cent since 1974-75, Official rate of urea price was gradually raised to Tk. 132 per maund this year from Tk. 50 in 1974-75.

The price at the farmer's level was, however, much higher when it is required most. During the early stage of Irri-Boro and potato cultivation, urea price had shot up to Tk. 175 per maund.

Officials said the original fertilizer distribution programme was trimmed to 9.8 lakh tons in view of the critical shortage of urea following frequent suspension of production at Ghorashal Fertilizer Factory and delay in starting production in the Zia Fertilizer Factory at Ashuganj.

Meanwhile, an agricultural expert opined that 75 per cent of the fertilizer applied in our soil go waste. He said soil tests in the recent past showed high doses of fertilizers were not absorbed in our soil.

He said crop plants receive 90 per cent of food from the atmosphere and only 10 per cent from the soil. Fertilizers used for meeting the soil deficiencies should be applied after proper test of the soil. That will save huge fertilizers now being used haphazardly.

Citing an example, the expert said such a soil test was done some time ago at a remote village in Faridpur district when even an excessive dose of fertilizer failed to give a desired crop yield. The test revealed deficiency of zinc in the soil. Following that application of zinc gave tremendous result.

He said in agriculturally developed countries, fertilizers are used after proper test of the soil. In our country also this should be practised to ensure appropriate application of fertilizer, the expert added.

CSO: 4220/7351

GOVERNMENT ESTIMATES ON EXPORT, IMPORT TOLD

Dacca THE NEW NATION in English 20 May 82 pp 1, 8

[Article by Hasan Saeed]

[Text] Government is likely to fix a target of 2,840 million dollar imports for the fiscal year 1982-83.

In real terms it would be only five per cent increase over the current year imports which is estimated at 2,500 million dollars.

On the other hand the export earning is likely to increase to 745 million dollars in 1982-83 from an estimated 650 million dollars during the current year.

According to government estimates, this minimum level of imports would be essential to utilise domestic capacities, to maintain flow of essential consumer goods, to replenish depleted inventory of key commodities and to achieve a modest growth in the level of investment which has been declining over past two years.

Most of the finances earmarked for the imports would be eaten up by petroleum and petroleum products, foodgrain and fertilizer. Quite a sizable sum would be needed for imports of cotton, cement, and edible oil.

A sum of over 392 million dollars would be needed for imports of crude petroleum while for petroleum products the amount would be around 226 million dollars.

On the foodgrain front the imports may reach a figure of 308 million dollars for import of atleast 1·3 million tons of wheat and rice. The import requirement for the next fiscal year based on a normative target of 15.5 oz per capita daily consumption comes to about 1.9 million tons.

Import of fertilizer would cost the government at least 93 million dollars. Import requirement of fertilizer is projected at 350,000 tons compared to 461,000 tons in 1981-82. This is based on a 15 percent increase in domestic production to 1.15 million tons. Nearly all the requirement of urea will be met from domestic supply and the gap in respect of TSP and DAP and MP will be met from imports.

The government is likely to earmark 708 million dollars for capital goods which will represent 18 per cent increase in nominal terms over the level of 1981-82.

Imports of petroleum both crude and products may cost the government around 658 million dollars. This would mean only three per cent increase in the consumption.

Government's hope for increase in the exports is based on the likely recovery of demands for major export commodities stemming mainly from a possible upturn in the economies of the developed countries. In addition, further increase in the export volume of jute goods, tea, leather, frozen fish and other non-traditional items were expected during the fiscal year 1982-83.

A tentative projection of exports for the next fiscal year prepared in March showed that government hoped to earn 355 million dollars from the sale of jute goods, 124 millions from raw jute, 66 millions from leather, 48 millions from tea. Export of fish shrimps and frog legs was likely to fetch 56 million with naptha and furnace oil export bring 45 million dollars.

CSO: 4220/7351

BRIEFS

NEW PAKISTAN ENVOY--Government of Pakistan has appointed Mr. Tanvir Ahmad Khan as its Ambassador to Bangladesh it was officially announced in Dacca on Tuesday night reports BSS. Born in 1932 Mr. Khan joined Foreign Service of Pakistan in 1965 and served on various diplomatic assignments in Pakistan Missions abroad. He has been serving as Director General in the Ministry of Foreign Affairs Government of Pakistan since May 1979. He is married. [Dacca THE BANGLADESH OBSERVER in English 19 May 82 p 1]

JUTE TO DPRK--Bangladesh Jute Mills Corporation has signed a contract with the Democratic Republic of Korea recently for export of jute goods worth Taka one crore 66 lakh. General Manager (Marketing) of BJMC and Commercial Councellor of the Embassy of DPRK signed the contract, says a Press release. [Dacca THE BANGLADESH OBSERVER in English 19 May 82 p 8]

ECONOMIC COUNCIL RECONSTITUTED--The Government has reconstituted the Executive Committee of the National Economic Council (ECNEC) with the Adviser incharge of the Ministry of Finance as its Chairman. Other members of the ECNEC are: Adviser incharge of the Ministry of Industries, Adviser incharge of the Ministry of Works and Adviser incharge of the concenred Ministry. The terms of reference and procedure for approval of projects by the ECNEC will remain unchanged. [Dacca THE BANGLADESH TIMES in English 19 May 82 p 1]

GROUP TRAVEL REGULATIONS--The External Resources Division of the Ministry of Finance will hencefforth not consider any proposal from other Ministries relating to study tours and group visits for funding from donor agencies unless these are covered by protocol agreement or under standing. A circular issued by ERD on May 4 has noted that proposals forwarded to it by various Ministries and Divisions are not covered by any protocol agreement or understandding. There may be exceptions to such cases provided such proposals are convincingly justified. The circular has also requested the Ministries and Division to have all proposals on visits abroad cleared by the respective Adviser in charge before forwarding it to the ERD. The final decision on trips abroad by government officials and personnel of autonomous and semi-autonomous bodies will, however be given by the CMLA's Secretariat. The circular also said once a group visit or study tour is organised on lined up by the ERD it shall be the responsibility of all concerned Ministries and Division to obtain final clearance from the CMLA or an officer authorised by him. [Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1]

AMBASSADOR TO YUGOSLAVIA--The Government has decided to appoint Mr A K M Nazrul Islam at present Bangladesh Ambassador to Pakistan as Ambassador to the Socialist Federal Republic of Yugoslavia, according to a PID handout. [Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1]

PRC PRESS TEAM--The five-members Chinese Press delegation led by Mr. Jiang Yuanchun called on the Chief Martial Law Administrator, Lt. Gen. H.M. Ershad in Dacca on Thursday, says BSS. Welcoming the Chinese journalists Gen. Ershad described the existing friendly ties between Bangladesh and China as excellent. Talking informally the CMLA informed the Chinese delegation of the measures taken by the present Government for the welfare of the people. The leader of the Chinese team appreciated various steps, the new Government is taking to solve the pressing problems including food and population explosion. He particularly lauded the planned administrative re-organisation which envisages the administration to the villages. Mr. Chun hoped that exchange of ideas and experiences between the two countries on agriculture and population control will help ease these problems. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

FOREIGN DEBT PAYMENTS--Bangladesh has so far repaid 631 million US dollar out of the outstanding debt of 3512 million US dollar. Out of this amount US dollar 2702 million was the interest while US dollar 360.8 million is the principal amount. Debt service expenditure was US dollar 17.5 million in 1973-74 fiscal year. The expenditure is automatically increasing. The maximum amount was paid in 1979-80 fiscal year. Bangladesh had repaid US dollar 108 million during the year. The margin of debt service will considerably increase when repayment of loans with ten years grace period become due. The grace period of most of the foreign loans will expire in 1984. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

EXPORT EARNINGS--The export earnings of Bangladesh could not even reach the level of 1968-69 till 1976-77 in terms of US dollar. The export earnings of the then East Pakistan in 1968-69 was 532 million U.S. dollar. The export earnings of Bangladesh reached 535 million U.S. dollar merely three million more in 1977-78, almost a decade since 1968-69. The export earning in 1972-73 was 343 million U.S. dollar in '73-'74, 355 million U.S. dollar in '74-'75, 367 million U.S. dollar in '75-'76 and 406 million U.S. dollar in '76-77. The export earnings in 1978-79 was 598 million U.S. dollar, 749 million U.S. dollar in '79-'80. The export earnings in 1980-'81 dropped down to 708 million U.S. dollar which was 41 million U.S. dollar less than the previous year's earning. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

NEW AUSTRALIAN ENVOY--CANBERRA, May 20--The Australian Government has appointed Dr. Ian Mitchell as its new High Commissioner to Bangladesh, Acting Foreign Minister Dame Margaret Guilfoyle announced here today, reports AFP. The Acting Minister also drew attention to Australia's long-standing links with Bangladesh. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 12]

CSO: 4220/7353

BRIEFS

COMBAT NEWS FROM SHAN, KACHIN--On 4 and 17 April, small units of the People's Army made three attacks on the enemy at Wan Ta-pe camp and at Wan Kiao in Mong Lin field. Fifteen enemy soldiers--six mercenaries from the 5th rifles regiment and nine military government defense volunteers--were killed in the attack. A total of 22 enemy soldiers, including four defense volunteers, were also taken prisoner. A total of 14 firearms--6 carbines, 1 G-2, 1 G-4, 3 M-16's, 1 M-1, 1 rifle and another gun--were also seized from the enemy. On 18 April, the People's Army clashed three times with the enemy in Mong Yawng region, killing seven enemy soldiers and wounding five others. On 9 and 14 May, small units of the People's Army blew up and destroyed two bridges--one between (Theikdi) and (Kye-u), and another between (Kye-u) and (Nankalat)--which the military government's mercenary army was using. On 15 May, mines planted by a small unit of the People's Army on Sadon-Waingmaw Road, east of Myitkyina, killed four enemy soldiers and wounded two others from the military government's mercenary 2d Chin rifles regiment. One vehicle belonging to the enemy was also destroyed. [Text] [BK071414 (Clandestine) Voice of the People of Burma in Burmese to Burma 1200 GMT 7 Jun 82]

AMBASSADOR TO LPDR--The Ministry of Foreign Affairs announced on 4 June that the president of the Socialist Republic of the Union of Burma [SRUB] has appointed U Kyaw Thant, ambassador extraordinary and plenipotentiary of the SRUB to the Socialist Republic of Vietnam, concurrently as ambassador extraordinary and plenipotentiary of the SRUB to the Lao People's Democratic Republic. [Text] [BK091119 Rangoon Domestic Service in Burmese 0630 GMT 4 Jun 82]

INDUSTRIAL CROPS DEVELOPMENT PROJECT--The industrial crops development project is to be implemented by the Agriculture Corporation under the Ministry of Agriculture and Forests with assistance of the United Nations development program and the Food and Agriculture Organization. The industrial crops development project is aimed at strengthening the cotton, jute and sugarcane cultivation in accordance with the agricultural development project of the fourth 4-year plan. The UNDP contribution for the projects is U.S.$1.84 million and the Burmese Government will contribute kyat 11.31 million for the project. An agreement to this effect was signed recently between the Burmese Government and the FAO. The project will cover programs including sugarcane development, jute improvement technology, cotton seed processing and quality control, procurement of equipment for farm development as well as applied research, seed grain multiplication, field demonstrations, pilot scheme extensions and training of personnel. [BK101227 Rangoon Domestic Service in Burmese 1330 GMT 9 Jun 82]

SRI LANKAN ENVOY--The government of the Socialist Republic of the Union of Burma [SRUB] has agreed to the appointment of Mr Don Piyadasa Wijenarayana as ambassador extraordinary and plenipotentiary of the Democratic Socialist Republic of Sri Lanka to the SRUB in succession to His Excellency Mr Arthur Basnayake. [Excerpt] [BK031309 Rangoon WORKING PEOPLE'S DAILY in English 25 May 82 p 1]

CSO: 4220/68

INDIA-PRC TALKS AT IMPASSE, WORKING GROUPS PROGRESS

Madras THE HINDU in English 21 May 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, May 20.

The Sino-Indian official-level talks concluded here today with "wide differences" still persisting over the border dispute despite continued efforts to "narrow" them down to a "commonly agreed basis" for negotiating a settlement.

An Indian spokesman said at the end of these talks, without going into the details of these discussions, that the two sides had "addressed themselves to the key aspects of the boundary question and specifically focussed on the considerable differences between them".

It was decided to continue these efforts at another meeting in Beijing in due course. The dates would be decided later according to mutual convenience.

The spokesman said that, during the three-day talks in Delhi, each side presented its "ideas on the principles and methods that should guide the search for a solution". The intention was to reach a commonly-agreed basis for dealing with the differences in all sectors of the border in their search for a mutually acceptable solution.

Integral solution

There were differences of opinion, the spokesman added, in every sector of the border and, if a settlement had to be reached in its entirety, all these differences would have to be resolved as part of an integral solution. The two sides recognised, he stressed, that a border settlement was central to Sino-Indian relations and as such they should make every possible effort to resolve it through peaceful negotiations.

The talks were "free, frank and wide-ranging" and held in a "friendly and cordial atmosphere". The fact that the differences were still wide did not deter them from agreeing to continue their efforts to find an ultimate solution. But otherwise, neither the Indian nor the Chinese delegation disclosed how close they came to discussing their respective approaches to the border problem.

Bilateral cooperation

But the other working groups dealing with economic and trade matters, scientific and technological issues and cultural exchanges made considerable progress in evolving a broad framework for bilateral cooperation. The understanding arrived at for establishing and intensifying contacts in these spheres was highlighted as positive evidence of the mutual desire for better relations.

It was agreed that India would send to China in the near future, oil, railway and agricultural delegations, while Chinese delegations would pay reciprocal visits in the coming months to study scientific advances in different fields like wheat breeding and dairy development. There would be similar cooperation in lacquer industry through exchange of expert delegations.

Cultural cooperation: The cultural cooperation envisaged by the two sides during these talks included exchange of dance troupes, radio and television material, film festivals and academic exchanges. But no agreed programme emerged from these talks for commencing such exchanges in different spheres in the near future.

During the discussions on the border question, the Chinese side was quite firm that the dispute could be settled only on the basis of the existing realities along the entire line. The Indian contention was that any attempt to settle the problem in its entirety must take into account the existence of differences in all the sectors, which meant that there could be no package settlement involving one-sided concessions.

No substantive issues now

The stage was not reached for coming to grips with the substantive aspects of the problem or even exchanging views on the nature or extent of differences. The Indian spokesman put it rather colourfully to drive home his point that the two sides got nowhere near a meaningful discussion on how to resolve the border problem. He said the solution lay at the centre of a maze and the negotiators skirting around it found no way of getting

to the centre.

The leader of the Chinese delegation, Mr. Fu Hao, who called on the External Affairs Minister, Mr. P. V. Narasimha Rao, this morning after the concluding plenary session, renewed the invitation to him to pay a visit to China at his convenience. The Secretary in the External Affairs Ministry, Mr. Eric Gonsalves, who has been heading the Indian delegation, was also present when they had a brief discussion on the outcome of the talks on the border problem.

CSO: 4220/7358

PRC FOR CLOSER TRADE TIES, TECHNOLOGY EXCHANGE

Madras THE HINDU in English 22 May 82 p 6

[Text] NEW DELHI, May 21.

Beijing's interest in forging trade and economic ties and sharing of knowledge and experience in the field of science and technology was conveyed by one of the members of the visiting Chinese delegation, Mr. Wang Zhixi of the Ministry of Foreign Economic Relations and Trade when he met representatives of the Federation of Indian Chambers of Commerce and Industry (FICCI) here on Thursday.

A FICCI spokesman quoted Mr. Zhixi as saying that exchange of technology would be useful and China would like to benefit from Indian advanced technology in certain areas besides sharing its own experience with India in areas where China had superior technology.

Scientists for China: Mr. Zhixi also told FICCI that an Indian team of scientists and technologists would visit China soon for exploring technology for petroleum. A proposal for sharing technology in respect of biogas was under consideration.

Enquiries in official circles show that during the just-concluded talks, the Chinese delegation mooted the idea of a visit of an Indian S and T team to China for exploring the possibilities of cooperation in select areas including petroleum, biogas and medical sciences. The delegation felt that both countries could benefit from exchange of information on technology, which each had developed. For instance, in biogas, China had of late been feeling that the Indian model was better than its own model. Already, there had been exchanges of individual scientists in different areas, but the Chinese delegation felt it would be more fruitful if a team of scientists visited China.

Economic ties: As regards economic ties Mr. Zhixi told FICCI that the two countries should come closer.

The FICCI president, Mr. G. K. Devarajulu, indicated the possibility of export to China of a wide range of items, including power equipment, agricultural machinery, rice milling machinery, sugar machinery, textile machinery, scooters and earthmoving equipment, heavy machinery, sugar, finished leather, etc., in addition to traditional items like cotton, iron and steel, barley and unmanufactured tobacco.

Mr. Devarajulu pointed out that in the international market the two countries were competing with each other in several identical items and suggested that arrangements could be devised to coordinate their activities to mutual benefit. He also said India would be interested in importing from China silk, chemicals, non-ferrous metals, mercury, etc.

CSO: 4220/7362

G. K. REDDY TELLS PURPOSE, DETAILS OF ARAFAT VISIT

Madras THE HINDU in English 22 May 82 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, May 21.

The Chairman of the Palestine Liberation Organisation (PLO), Mr. Yasser Arafat, arrived today on a three-day visit amidst security precautions never before witnessed here on such a large scale.

After the recent aircrash in which the Algerian Foreign Minister, Mr. Mohammed Benyahia, died in mysterious circumstances in Northern Iran, the Arab leaders had been extremely security-conscious — and much more so, in the case of Mr. Arafat.

He is paying a second visit to India in the last two years from the time India recognised the PLO in April 1980. He has come for wide-ranging talks with the Prime Minister, Mrs. Indira Gandhi, on the explosive situation developing in Lebanon, where as many as four Israeli divisions are reported to have been massed for an attack on the PLO strong points.

The PLO is now recognised by more than 100 countries and it has offices in as many as 90 countries, not only in Asia and Africa, but also in Latin America and Europe.

Unquestioned leader: As the unquestioned leader of the Palestinian people, Mr. Arafat has emerged as one of the most important personalities in the Arab world. His militancy has lately mellowed and the Arabs everywhere now accept him as a moderate statesman, destined to play an important role in shaping their future.

The PLO leader is particularly interested in establishing closer understanding with India to project himself as a centrist-statesman, whose only ambition is to secure justice for the Palestinian people, not to topple or destabilise the feudal regimes in the Arab world by preaching Islamic radicalism. It is not without significance that he has played a key role behind the scenes in paving the way for better Indo-Saudi relations.

Logical follow-up: It is in this context that India has been attaching considerable importance to developing relationship with the PLO as a logical follow-up of its consistent support to the cause of the Palestinian people. The Government of India has been working in close concert with the PLO in exploring the possibilities of ending the Iraq-Iran conflict, besides campaigning against the Israeli annexation of the Golan Heights in open violation of the U.N. resolutions.

The Prime Minister, Mrs. Indira Gandhi, and the External Affairs Minister, Mr. P. V. Narasimha Rao, will have wide-ranging discussions with Mr. Arafat on West Asian developments. He is accompanied by a high-power delegation which includes Mr. Farouk Khaddoumi, Head of the Political Department, who functions as Foreign Minister of the PLO, and Mr. Yasser Abid Rabuh, a member of the PLO Executive Committee.

Secret flight: After a secret flight to Dhahran in Saudi Arabia from Beirut in the Lebanon last night, Mr. Arafat and his colleagues flew by a Saudi executive jet to Delhi, arriving four-and-a-half hours behind schedule. During his stop-over in Dhahran, the PLO chief conferred with the Saudi leaders on the latest situation in the Lebanon.

The Prime Minister was told of the delay in Mr. Arafat's arrival this morning, but all others including Cabinet Ministers, Arab heads of missions, Members of Parliament and Service Chiefs came to know of it only after their arrival at the airport. Mr. Arafat was received by the Prime Minister with all the State ceremonial that is laid on for a visiting Head of State, although the President was not present.

Meets Mrs. Gandhi: Mr. Arafat met Mrs. Gandhi for 75 minutes without any aides and acquainted her with the explosive situation in West Asia, while Mr. Khaddoumi and Mr. Rabuh had separate discussions with Mr. Narasimha Rao, External Affairs Minister and other officials on other issues. The talks will be continued tomorrow when the two sides will have more detailed exchanges on Indo-Arab relations.

The Government is treating Mr. Arafat's visit for protocol purposes, as a visit by a head of government. So, the Prime Minister hosted the banquet in his honour tonight. He lunched with the External Affairs Minister, before paying a courtesy call on the President and attending a joint reception by various organisations supporting the struggle of the Palestinians.

After concluding his talks in Delhi, Mr. Arafat is scheduled to pay a visit to Hyderabad to receive an honorary doctorate. But his programme is subject to last-minute changes.

CSO: 4220/7362

FINANCE MINISTER SPEAKS ON PUBLIC SECTOR PERFORMANCE

Calcutta THE STATESMAN in English 21 May 82 p 6

[Text]

NEW DELHI, May 20.—The public sector made a net profit of over Rs 400 crores in 1981-82, thereby reversing the trend of continuing losses for four years. As a percentage of capital employed, its gross profit increased from 7.8% to 11.6% in 1981-82.

This was announced today by Mr Pranab Mukherjee, Minister for Finance, at the inaugural session of the coordination committee on production and productivity in public enterprises. A sample study of 101 private sector companies had shown that the profitability ratio of this group was 11.4% in 1980-81, he said.

"This only highlights the point that given the direction, political will and the support in the form of improved infrastructural facilities, the public sector can, and indeed has given a better account of itself", Mr Mukherjee said.

A review carried out by the Bureau of Public Enterprises indicates that production and capacity utilization has improved by about 9% to 10% in 1981-82 as compared with the previous year in a number of sectors like saleable steel, coal, lignite, petroleum crude, aluminium, cement, fertilizers, petro-chemicals and railway coaches.

Mr Mukherjee said it was essential also to recognize that there were a number of enterprises and units in each cognate group where the levels of capacity utilization continued to be low. A number of units in fertilizer, non-ferrous metals, minerals, chemicals and pharmaceuticals, heavy engineering and ship-building sectors continued to perform at a low level of capacity utilization.

On the profitability side, out of 169 enterprises, 70 are reported to have incurred net loss last year. While 1981-82 has been one of improved performance by the public enterprises as a whole, there were still a number of areas where performance had fallen short of expectations, Mr Mukherjee said.

The Minister stressed the importance of "critical linkages" between one cognate group and the other in the family of public enterprises. Steel production was linked to coal availability. Movement of steel products was dependent on wagon availability. "These linkages are well known. One set of activity impings on the other. There is clear need for greater interactions between and among the groups of enterprises" he said.

CSO: 4220/7357

OUTPUT AND EXPORTS OF MACHINE TOOL PRODUCTS UP

Bombay THE TIMES OF INDIA in English 21 May 82 p 10

[Text]

BOMBAY, May 20: The output of machine tool products, including metal cutting and metal forming machine tools, other metal working machinery, machine tool accessories, small and cutting tools, measuring testing equipment, in 1981 was Rs. 277 crores, according to the Indian Machine Tool Manufacturers' Association. The data is based on the returns received from 174 manufacturing units. The output marks a rise of 25 per cent over 1980 when the production was Rs. 221 crores.

The increase in production has been shared by metal cutting and metal forming machine tools (Rs 146.42 crores), welding and plastic machinery, die casting machines, machine tool accessories and tools (Rs. 79.76 crores) and small and cutting tools, testing and measuring equipment (Rs. 50.49 crores).

The production of the first two groups was Rs. 226 crores, which has surpassed the target of Rs. 201 crores for the year.

It is estimated that due to increase in the cost of raw materials, power, fuel and the general inflationary trend, prices of machine tools increased by about 10 per cent. Inspite of this inflationary trend, the machine tool industry has been able to maintain a reasonably high growth rate. Some major user industries like automobile and automobile ancillary, heavy electricals, railway and defence workshops have undertaken expansion and modernisation generating a fairly high level of demand for machine tools.

According to the data compiled by IMTMA from the returns received from 83 member-firms, the export of machine tool products during the year was Rs. 23.25 crores against Rs. 20.85 crores in 1980. Thus, there was a growth of 12 per cent in 1981.

Metal cutting and metal forming machine tools accounted for Rs. 14.64 crores, welding machines and equipment, plastic machinery, die-casting machines, machine tool accessories, electric and pneumatic tools etc. Rs. 4.14 crores, and small and cutting tools, testing and measuring equipment Rs. 4.48 crores.

There was an increase in the export of lathes, drilling machines, bending and folding machines. Export of the other machine tool items remained at the same level.

Another feature of the export performance is that the machine tool products are now exported to a larger number of countries. These include industrially-advanced countries like USA, USSR, West Germany, Nigeria, Japan, Canada and UK. The total number of countries to which machine tool products were exported in 1981 was 79.

CSO: 4220/7355

INTEREST IN PURCHASE OF U.S. FIGHTER PLANE REPORTED

Bombay THE TIMES OF INDIA in English 22 May 82 pp 1, 9

[Article by J. N. Parimoo]

[Text] WASHINGTON, May 21. Pro-Pakistan generals in the Pentagon and a section of senior bureaucrats in the Reagan administration are opposed to the offer made to India by the California-based company, Northrop, "to sell and also co-produce" the fighter aircraft F-5C.

A senior executive Northrop is expected to visit Delhi soon for discussions with Indian Air Force officers.

The military aircraft, F-5C, named Tigershark by the company, is a tactical air defence fighter. It is an advanced version of the F-5-E, which Northrop is already co-producing in Taiwan.

The Tigershark flies at twice the speed of sound. The company claims that it is a high performance aircraft "that accelerates faster, turns faster and climbs faster than the F-5E."

A senior executive of the company claimed that the Tigershark's 1:14 combat thrust to weight ratio, its unrestricted handling qualities and innovative design changes "give it the capability to defeat projected enemy threats through the 1990s."

The first Tigersharks are now in production at the Northrop company's aircraft division in California. The first flight of the plane would be held in September this year and a spokesman of the company claimed that the plane, "equipped with 24-hour avionics and capable of round-the-clock tactical air defence will be available for delivery in July, 1984."

The Northrop offer to India was made more than two months ago. It was cleared by the state department and the White House despite opposition from the Pentagon.

It is for the first time in the history of Indo-U.S. relations that an American company has been allowed to offer not only to sell military aircraft to the Indian Air Force but also to co-produce them in India.

As part of its offer to India, Northrop has undertaken to enter into a trilateral arrangement to sell India-produced planes in third countries in order to earn foreign exchange for India and thus make it economically viable for India to co-produce the plane.

Northrop became notorious in the sixties for pay-offs and bribes that it was believed to have given to influential people and agents around the world, particularly in some West Asian countries, in order to promote the sale of its aircraft.

The pay-off scandal, which received the maximum attention in and outside the U.S. (a book, "Arms Bazaar," has also been written on the subject by Anthony Simon) resulted in the shake-up of its top management. The new management is believed to have given up the old practices.

In Taiwan, the company is facing rough weather because it has not been allowed by the Reagan administration to produce a more advanced aircraft in collaboration with the Taiwanese.

At present, the company is manufacturing in Taiwan F-5E fighters at the rate of two planes a day, but more than 80 per cent of the plane's equipments are being produced in California.

From May 1, this year, Northrop has been facing a problem. It has no orders for the F-5Es that it is producing in Taiwan. In deference to the Chinese opposition to any rearming of Taiwan, the Reagan administration has not allowed Northrop to upgrade its Taiwanese co-production project.

The American company is, therefore, on the look-out for a market, a country that will have the capability to co-produce the more sophisticated F-5G and also needing a large number of these planes. Northrop executives believe that India is one such country, and perhaps the only such country in Asia.

The American arms sales system is somewhat complex. Even though the state department has permitted Northrop to make a "presentation" to India the permission by itself does not represent any commitment from the U.S. government.

The sale of military aircraft and any co-production arrangement has to be on a government-to-government basis. A Northrop executive said: "We have received permission to sell the plane to 40 countries, including India and Pakistan."

The executive, however, did not disclose the details of the offer or the percentage of the parts of the plane that India would be asked to make under the co-production arrangement.

Even though the present negotiations are at best a sales inquiry, there are reasons to believe that once Northrop, which wields considerable influence in the White House, reaches an understanding with IAF officers, the rest of the job will be easy.

The air at the White House is much clearer than it has been. But there are some Congressmen and senators for whom the word India is like the red rag to the bull and then there is Pakistan ever willing and ready to stoke anti-India fires in Washington.

An agreement on F-5Gs or a declaration of intent on the sale and co-production of these planes may form part of the package that is being wrapped up for the visit of Mrs. Indira Gandhi now scheduled for July 29.

CSO: 4220/7360

BRIEFS

UNDP TECHNICAL AID--NEW YORK, May 20 (UNI)--India is expected to receive 252 million dollars worth of technical assistance over the next five years from the United Nations Development Programme, according to a UNDP release. Earmarkings include: 55 million dollars for industry and minerals; 53 million dollars for energy and science and technology; 51 million dollars for agriculture; 33 million dollars for education; and 18 million dollars for communications. [Text] [Bombay THE TIMES OF INDIA in English 21 May 82 p 15]

ENVOY TO NETHERLANDS--NEW DELHI, May 20--Mrs. Soonu Kochar, till recently Ambassador to Fiji, has been appointed Ambassador to the Netherlands. She succeeds Miss C. B. Muthamma. Mr. L. L. Mehrotra, Ambassador to Argentina, has been concurrently accredited as Ambassador to Paraguay with residence in Buenos Aires. [Text] [Madras THE HINDU in English 21 May 82 p 9]

AMBASSADOR TO PORTUGAL--NEW DELHI, May 21 (PTI)--Mr. Sudarshan Kumar Bhutani, officer on special duty in the ministry of external affairs, has been appointed ambassador to Portugal in succession to Mr. Avadhuth Raoji Kakodkar. [Text] [Bombay THE TIMES OF INDIA in English 22 May 82 p 15]

SUGAR EXPORT QUOTA--LONDON, May 21--Producers in the International Sugar Organisation have agreed to allow India to export up to 700,000 tonnes of raw sugar this year, instead of its quota of 388,924 tonnes. At its meeting here yesterday the organisation said the relief was to compensate India for the drought years of 1980 and 1981 when its exports were hit severely. The producers have also agreed to leave sugar export quotas for the 1983 and 1984 sugar years unchanged from 1982. [Text] [Madras THE HINDU in English 22 May 82 p 9]

INDO-SOVIET SATELLITE COOPERATION--NEW DELHI, May 22 (UNI)--India will launch the remote sensing satellite (IRS) during the mid-eighties from the Soviet Union. An agreement to this effect was signed between the Soviet government and the Indian department of space in Moscow on Thursday, according to official reports received here. The remote sensing satellite forms an important part of the Indian space programme in the eighties. The Indian-built satellite will be launched from a Soviet cosmodrome to serve the needs of national resources management in India. [Text] [Bombay THE TIMES OF INDIA in English 23 May 82 p 8]

TAX ACCORD WITH LIBYA--India and Libya have exchanged documents on avoidance of double taxation. These were exchanged in the Libyan capital, Tripoli. The Indian ambassador A.G. Asrani signed the document on behalf of India. [Text] [BK031245 Delhi Domestic Service in English 0240 GMT 3 Jun 82]

ENVOY TO NORWAY--Hardev Bhalla presented his credentials as ambassador of India to Norway to King Olav V. on 2 June at Oslo. [Excerpt] [BK031524 Delhi ISI Diplomatic Information Service in English 1440 GMT 3 Jun 82]

CSO: 4220/7427

TAX PAYMENTS, RICE SALES TO STATE REPORTED IN MEDIA

[The following information is extracted from Vientiane press reports on the dates indicated in the parentheses following each entry in the remarks column. SP=SIANG PASASON; VM=VIENTIANE MAI; KPL=KHAOSAN PATHET LAO; BQ=BULLETIN QUOTIDIEN]

Location	Remarks
Khammouan Province	A total of more than 6,000 tons of rice has been paid in taxes or sold or exchanged for goods with the state (SP 20 May 82 p 1)
Phon Hong, Vientiane Province	From 1 Jan to 30 April, farmers have sold 312 tons of rice to state (VM 20 May 82 p 1)
Sanakam, Vientiane Province	In only 1 month people have sold or exchanged for goods over 720 tons of rice to state (VM 20 May 82 p 1)
Champassak Province	From Jan to April 82 people have paid as tax or sold to state 13,296 tons of rice. The taxes paid at the beginning of the year were 5,686 tons (SP 18 May 82 p 1)
Savannakhet Province	In first quarter of 1982 the Trade Corporation and the Association for the Purchase and Exchange of Rice of Savannakhet Province has collected more than 7,320 tons. Of that the Provincial Trade Corporation collected more than 5,110 tons. Collections were better than any other year because prices had been adjusted to reflect actual conditions and because materials needed and wanted by the people were sent for exchange and purchase. Private sector organizations loyal to the revolution were utilized in collection and exchange with benefits accruing to both state and private sector. (KPL 18 May 82 p A 5)

Nationwide	Campaign to sell rice to state has yielded 42,374 tons. This figure includes both sales and exchanges for goods. Provincial totals as follows: Vientiane 10,089 tons; Khammouan 2,926 tons; Savannakhet 7,817 tons; Champassak 7,449 tons; Saravane 3,432 tons; Attopeu 367 tons; Phong Saly 562 tons; Oudomsai 2,200 tons; Louang Namtha 435 tons; Luang Prabang 3,113 tons; Houa Phan 2,087 tons; Xieng Khouang 1,314 tons; Sayaboury 583 tons. (SP 27 May 82 pp 1,4)
Paksan District, Vientiane	As of 15 May district farmers have paid 496 tons of rice as tax to state (SP 25 May 82 pp 1,4)
Savannakhet Province	Of the 12,080 tons of rice sold to the state, 6,600 tons was rice that was exchanged for goods (KPL 20 May 82 p A 6)

CSO: 4206/56

STATUS OF RELIGION, YOUTH UNION, MARKETS IN LUANG PRABANG NOTED

Vientiane NOUM LAO in Lao 1-15 Mar 82 pp 7, 8, 21

[Journal by Comrade Fai]

[Excerpts] The representatives of the Lao People's Revolutionary Youth Union arrived at Luang Prabang not long before the end of the Buddhist Lent.

On the clean road wet from rain and along the fence at Phousi Hotel, some 20 Buddhist monks and young Buddhist novices who have been receiving alms and offerings are closing up their black umbrellas.

The market in Luang Prabang has been crowded since dawn. Within the provincial area is where people of different races and ethnic groups live. For those who live off their own sweat, the market is a place to display their wide-ranging productivity. This can ease their hardship fairly well.

Luang Prabang is a mountainous province, and 95 percent of its people engage in shifting cultivation. The total population is 67,960 [people] (34,057 women). Of these 7,520 are members of the Lao People's Revolutionary Youth Union (3,246 women).

We reached Meuang Khai Canton at the time when the youth were picking peanuts on the youth peanut collective farm. We were served plenty of alcohol and roasted peanuts. At the same time the people of Meuang Khai Canton were enjoying their annual festival after the Basi well-wishing ceremony and dances on the occasion of a farewell party for over 70 of their offspring who will voluntarily serve the nation as soldiers.

Before and after the Luang Prabang Youth Union Congress, the Luang Prabang youth have united themselves, scoring many outstanding achievements. For example, they have enthusiastically cleaned the town, roads, and public places, and have formed volunteer units to cut wood for telephone poles. In doing this job, the provincial youth had contracts with the postal service, and were able to raise as much as 30,000 kip for their own organization.

The Xieng Ngeun Youth volunteered 800 labor units to transport agricultural rice taxes, and 8,000 kg of rice. Three hundred and fifty people dug a 50-meter long irrigation ditch. Meanwhile, the Lao People's Revolutionary Youth Union gained a new group of 52 members, and the December Second Youth Group gained 65 more members. In terms of the addition of new members, it was a quite active movement. There are hundreds of new members over the whole province. The most outstanding unit was the Provincial Education Service which gained 214 members (99 women)! Besides the jobs mentioned above, there are also the construction and repair of dams and communications routes, increasing cultivation and husbandry, etc. The outstanding groups concerning the change and progress of this historic congress are the youths from units within the province, such as Xieng Ngeun District, Phonsai District, Pak-Ou District, Nan District, Ngoi District, etc.

9884
CSO: 4206/48

BENEFITS OF AGRICULTURAL COOPERATIVE MEMBERSHIP NOTED

Cash Income

Vientiane VIENTIANE MAI in Lao 15 Apr 82 p 1

[Excerpt] Last 11 April, the agricultural cooperative unit of Ban Mai Sivilai, subordinate to Tha Deua Canton, Hatsaifong District, enthusiastically held a ceremony on the occasion of its annual report.

In the ceremony, the representative of the board of directors read the annual report for last year, as follows. The total membership of the agricultural cooperative unit is 21 families, with a total of 66 worker members, 42 primary workers, including 20 women. They were able to clear 4 and 1/2 hectares of new rice fields using 25 draft animals. The average income of each cooperative family member was 20,000 kip. In 1981 the average cash income calculated as rice was 488 kilograms of rice per family.

At the same time, this agricultural cooperative unit was able to accumulate 624 kilograms of paddy rice, 66 kilograms of mung beans, and 27,000 kip cash. They were also able to put up a club building.

Vientiane Co-op Productivity

Vientiane SIANG PASASON in Lao 15 Apr 82 p 2

[Excerpt] Speaking of an expanded and firmly based agricultural cooperative unit, we can never forget the one in Ban Dong Phosi, Hatsaifong District, Vientiane Province. Its rice production has increased every year, and the average income rate per capita has also increased. For example, in the beginning of 1982 the dry season rice field harvest is expected to be at the desired level, i.e., 3,000 kilograms per hectare. The average production obtained by the co-op members last year was 400-900 kilograms per person. This means that they were able to have enough food supplies for their needs, and could also fulfill their obligations to the government. For example, in 1980 they paid over approximately 1,520 kilograms of agricultural taxes to the government. They sold and exchanged over 10 tons to the government. In 1981 for rice agricultural taxes alone

the amount of 1445 kilograms was paid. Meanwhile, in order to raise the level of rice production, the Dong Phosi agricultural co-op members worked together to clear 15 more hectares for dry season rice fields, and to mobilize an improved family economy.

Sayaboury Cooperative

Vientiane SIANG PASASON in Lao 13 Apr 82 p 2

[Excerpt] Ban Somsavan is a fertile land in the south of Phiang District, Sayaboury Province. Its total of 67 families, 473 people, consists of different races, such as the Leu, Black Thai, etc.

Its people have clearly expressed their awakening and have voluntarily joined the agricultural cooperative organization in order to have socialist style collective living. The organization was formed on 7 May 1977 and was officially designated on 28 June 1978.

The total rice field area is 74.20 hectares. The agricultural area within the village totals 150 hectares. The 150 hectares of agricultural area was never able to yield as high as 1.5 tons of rice per hectare on the average. Later in 1980-1981 this area was studied and the strengths of intensive agriculture were emphasized. This made the rice production that year over 207 tons, which was 2.8 tons per hectare on the average. After agricultural taxes, seed rice, accumulated rice, policy rice, and other expenses, each member received a net amount of rice on the average of 594 kilograms per person. At the same time, the agricultural collective investment consisted of seven buffalos, accumulated rice, materials used in different areas of production, and some cash. All these were valued at 71,506 kip. From the time of that good production until now, the Somsavan co-op has invested in buying tractor(s), chemical fertilizer, insecticides, spraying equipment, and a number of [other] indispensible materials.

With determination to score achievements in order to greet the Third Congress of the Lao People's Revolutionary Party that will soon open, along with the rice production that was more than was needed for consumption in houses, 60 tons of extra rice were sold to the government. Also, the outstanding activity of the Somsavan agricultural co-op right now is the construction of collective shops, mobilization to repair broken dams, and planting 500 kilograms of seed garlic per hectare.

9884
CSO: 4206/48

BRIEFS

MAHATHIR SPEECH AT WEST SAMOAN DINNER--Datuk Sri Dr Mahathir Mohamed says developing countries should work together if they wish to uplift the standard of living of their people. The prime minister is sure that if developing countries, like Malaysia and Western Samoa, work together they will gain in terms of a more stable economy and a stronger voice in world affairs, especially in matters affecting them. He was speaking at a dinner given by Western Samoan Prime Minister Vaai Kolone in Apia last night. Datuk Sri Dr Mahathir also said that Malaysia had embarked on a modest program of technical cooperation, especially geared toward helping countries within the region. There were many areas of cooperation which could be explored and mutual expertise and experience fit to better use. [Text] [BK090911 Kuala Lumpur International Service in English 0800 GMT 9 Jun 82]

DEPUTY DEFENSE MINISTER ENDS BANGKOK VISIT--Malaysia and Thailand can benefit from closer cooperation between their armed services. This is particularly so in the sharing of training facilities and use of common equipment. The deputy minister of defense, Datuk Abang Abu Bakar, expressed this view at the end of a 5-day visit to Bangkok. He said changes in the region's strategic environment demanded greater flexibility and closer bilateral cooperation. The common items of equipment used by the two countries could form the basis for joint programs, while the cost of training soldiers abroad could be reduced by sharing training facilities. [Text] [BK111412 Kuala Lumpur International Service in English 0600 GMT 11 Jun 82]

CSO: 4220/68

BRIEFS

AMBASSADOR TO GDR--Royal Nepalese Ambassador Narendra Bikram Shaha presented letters of credence to Eric Honecker, chairman of the Council of State of the GDR in Berlin on 28 May. [BK091125 Katmandu THE RISING NEPAL in English 1 Jun 82 p 1]

PAKISTAN ENVOY--M. Abul Fazl has been appointed as ambassador of Pakistan to Nepal. [BK091125 Katmandu THE RISING NEPAL in English 31 May 82 p 1]

FOODGRAIN RESERVE--Nepal's foodgrain position in the last fiscal year stood at a reserve of 348.7 metric tons, reports RSS. According to statistics from the National Planning Commission, the country produced 2,409.3 metric tons of foodgrain in the period while the domestic requirement was 2,060.6 metric tons. However it will be a challenge to the Nepalese economy to continue keeping Nepal's foodgrain in reserve in view of the country's growing population needs. It is, however, hoped that Nepal's foodgrain position will continue to be in the reserve if the programmes aimed at boosting agriculture production are successfully implemented. [Text] [BK091125 Katmandu THE RISING NEPAL in English 30 May 82 p 1]

CSO: 4220/69

ANNUAL BUDGET FOR 1982-83 ANNOUNCED

BK150614 Karachi Domestic Service in English 1700 GMT 14 Jun 82

[Excerpt] Announcing the budger over the radio and television network, Finance Minister Ghulan Ishaq Kahn said that additional measures would be taken next year with the ultimate objective of establishing an Islamic economic system in the country. The most significant among these is the introduction of Usher [Islamic Agricultural Produce Tax] which would be levied from Rabi 1982-83 compulsorily, but on a self-assessment basis.

Usher will be charged and collected from the agricultural produce of the land of a landowner, grantee, allottee [words indistinct] and landholder at a rate of 5 percent of his share of the produce, an Usher-Guzar [payee] will reduce his crop value by up to 25 percent as cost of production allowance. Exemptions would also be available for those who follow any of the recognized Fiqah [Islamic jurisprudence] and file a declaration claiming that his fiqah does not oblige him to pay the whole or any part of Usher in the manner prescribed under the law. No land revenue will be levied on land on the produce of which Usher or contribution in lieu thereof has been charged on a compulsory basis.

A sum of 10 million rupees has been provided in the next year's budget for a comprehensive program of dawat to (?spread) the message of Islam. The [word indistinct] fund is being increased three-fold.

The finance minister said it has been decided that for government servants in grade 1 to 20 and equivalent the existing dearness allowance will be replaced by a dearness allowance at the rate of 35 percent of their basic pay subject to the condition that under this dispensation no employee would get an additonal amount of less than 50 rupees or more than 200 rupees per month over his entitlement on the basis of the existing dearness allowance. This enhanced rate of dearness allowance will also be admissible to employees in equivalent grade in the public sector corporations, autonomous and semi-autonomous bodies including banks and financial institutions, subject to the same general conditions as were applicable in the case of dearness allowance last year. In the case of those employees who are governed by the provisions of the industrial relations ordinance 1969, the dearness allowance will be admissible subject to the condition that the period of at least 1 year has

elapsed from the date of effectiveness of the agreement, award or settlement of new ordinance.

It has also been decided that house-rent allowance at the rate of 20 percent of the minimum of relevant national pay scale will also be allowed to government servants [words indistinct] level. It has been decided to allow pensioners a further dearness allowance increase at the rate of 10 percent of their gross pension subject to the maximum of 200 rupees per month. The measures to provide relief to the salaried class would cost the government 2.48 billion rupees.

Recounting the measures for relief in the industrial field, the finance minister said the locally-made engineering goods supplied to organizations and projects entitled to duty free or concessional imports have also been extended the facility of reclaiming the custom duties and customs as admissible for exports.

The engineering units providing complete or near-complete industrial plants manufactured against confirmed order from abroad shall be eligible for customs duty free import of specified quantities of raw materials and components for execution of such export orders. Goods, tools and dies required by the engineering industry have been exempted from import duties. The benefit of 20 percent concessional rate of duty has been allowed on import of billets for manufacture of wirerods. Customs duty has been substantially reduced on soda ash, soyabean [words indistinct] for replacement purposes. A 5 percent surcharge on [word indistinct] values has been levied on all imports except the accompanied baggage and post parcels.

In order to avoid any adverse effect on exports the incidence of the surcharge on the cost of raw materials would be [word indistinct] for exports. To protect the metal industry customs duty has been increased on natural graphites from 30 to 40 percent, on carbonpaper sheets from 50 to 70 percent, (?duplex) board from 50 percent to 4,000 rupees per metric ton, [word indistinct] books from 50 percent to 85 percent, million and boring machines from 40 percent to 85 percent and cement from 20 percent to 25 percent. [long passage indistinct]

Duty on all components of audio cassettes has been levied at the rate of 120 percent customs duty plus 20 percent sales tax. All audio cassettes recorded or blank will be liable to duty at 10 percent per cassette. The levy of sales tax for import of primary and secondary plastic material has been rationalized. The 10 percent sale tax has now been made measurable on secondary state-plastic material instead of primary state raw material for plastic goods. All air conditioning plants and operational equipment imported by some hospitals, clinic and nursing homes having a minimum capacity of 25 beds has been exempted from customs duty. [passage indistinct]

It has been decided to increase the monetary limit of [words indistinct] for the cottage industry exemption from 50,000 rupees to 100,000 rupees to encourage the cottage industry, sales tax has been withdrawn on a number of goods being produced within the country. These are wallcloth, welding

electrodes, insecticides and pesticides for household use and napthalene balls. Imported methanon will be exempt from sales tax. Cottage industries exemptions available to the manufacturers of gas operated appliances, sanitary wares and foam and foam products have been withdrawn due to its disorganizing impact on the manufacturers in the organized sector.

Referring to direct taxes, the finance minister said under the finance [word indistinct] will be entitled to initial depreciation of 40 percent. [sentence indistinct] Exemption of the dividend distributed by the company set up between July 1977 to June 1982 has been extended to companies set up before 30 June 1983. Exemptions to bonus shares issued by a company which was expiring on 30 June 1982 has been extended up to 30 June 1983. For the purpose of levy of surcharge of 10 percent taxable limit in the case of individual taxpayer has been raised from 50,000 rupees to 100,000 rupees. [sentence indistinct]

The monetary limit of investment for the purpose of tax rebate has been raised from 35,000 rupees to 60,000 rupees. The self-assessment scheme will remain in its liberal form intact for the year 1982-83 except for some minor modifications. Gift tax will not be charged if one residential house is gifted to its [word indistinct]. This facility can be availed once in a life time.

Gross revenue receipts for the fiscal year 1982-83 are estimated at 57.18 billion rupees, representing an increase of 6.29 billion rupees over the revised estimate for 1981-82, net revenue collection, after allowing for transfer of 9.98 billion rupees to provinces, is set at 47.21 billion rupees.

Earlier the cabinet, meeting in Rawalpindi under the chairmanship of the president, approved the budget [passage omitted].

CSO: 4220/72

SOCIAL, POLITICAL PROBLEMS IN KARACHI DISCUSSED

Lahore NAWA-I-WAQT in Urdu 24 Apr 82 p 2

[Article by Ilyas Shakir: "Karachi: Though Situated By the Ocean, Karachi's Water is Distributed by Quota"]

[Text] The advent of summer signals the scarcity of water in Karachi. The problem has progressed from people's bathrooms to every drop of water they drink. Jobs used to be allocated under a quota system; now matters have reached a point where even drinking water is distributed by quotas. Water has become Karachi's most serious problem. It is interesting that the inhabitants of this cosmopolitan city on the ocean go to bed thirsty at night. The "eagles" of Iqbal's poems, who were supposed to be waging war on the side of truth against falsehood, are now seen squabbling over a pail of water. The city residents complain that the water situation became critical after a new department was formed to oversee its distribution. The people are calling the city's Water Management Board, the Board for murder by thirst. The city residents want to know when these experiments, in which they are the guinea pigs, will end. Even as we write these lines, a glass of brackish, tasteless water sits on our table where there should have been a glass of sweet-tasting water. In the meantime, millions of gallons of river Sind's fresh water are allowed to go to waste by flowing into the ocean.

Factions In the M. R. D. [Movement for the Restoration of Democracy]

A new political group, M. R. D., formed to end political factionalism, is itself falling victim to divisions. Informed sources call it M. R. D's "Class differences." The first group within the M. R. D. is wealthy; lives in houses with wide lawns, and drives late model cars. The members of this group are the leaders who will profit from the restoration of the '73 democratic constitution and elections. Some of these leaders have resources enough to buy assembly seats. They do not fight the battle of democracy themselves, but sit back comfortably and wait for results.

The other group in the M. R. D. is composed of the middle and lower middle classes. The majority are progressive youths, who take a beating and go on fighting for democracy. They drive old cars or have no cars at all. They themselves say that their fight is with both the provincial powers and M. R. D.'s powerful leadership. These factions within the M. R. D. have brought the political alliance

to the brink of failure, The two M. R. D. groups in Karachi are composed of the following leaders: Sardar Sherbaz Khan Mazari; Begum Nusrat Bhutto; Abid Zuberi; Ghulam Mustafa Jatoi; Musheer Pesh Imam and Khwaja Khairud Din (are in the first group). The other group is composed of Qari Sher Afzal; Fatehyab Ali Khan; Nafees Siddiqui; Zainul Abdin; Alam-bardar Haidar and Iqbal Haidar. It is not possible to say at this time as to where this internal struggle and factionalism within the M. R. D. will take it. The old leaders' opinion regarding the newly emerging leadership is that it is an outgrowth of the situation. The new elements are saying that the real leadership belongs to the individual who has inherited limitless land and a ready-made constituency. In fact, a struggle between the right and left wings is taking place within the M. R. D.

Karachi is the birthplace of M. R. D.; and the situation here today would convince even a person of ordinary intelligence that M. R. D. is beginning to appear more and more as a stagnant alliance. M. R. D. leaders decided to observe Friday, 16 April as "Aqsa Day." According to the announcement, protest meetings were to be held in different mosques in the city at which M. R. D. leaders were to speak. In view of the political status of mosques in Pakistan's history, it was feared that there might be trouble.

M. R. D's leaders were scheduled to speak at the mosque of a five-star hotel near the United States' consulate. To make the occasion more interesting, a large number of police were present, together with the Deputy Commissioner of S. D. M., S. P. and D. S. P. But not a single M. R. D. leader appeared to utter even a word about the first Muslim Qibla [the direction in which prayers are said]. The mosque's Pesh Imam, [leader of prayers], Maulana Siraj, waited until 4 o'clock for the M. R. D. leaders. Finally he called Qari Sher Afzal at his house on the hotel telephone, and had a long fight with him. We will not comment on this matter; since nothing happened, there is nothing to comment about.

Nabi Baksh Zuhri's White Tie

One leader of the defunct Jive Pakistan party and an old Muslim League member connected with Baluchistan, Nabi Baksh Zuhri, has declared that at the present time, there is great need for a good understanding between the government and politicians; and he has offered himself as the referee. As a preliminary step, he has taken to wearing white ties. Addressing a press conference, he said that a tie has the same significance here as a white flag on the battlefield.

Zuhri supported the proposal that more provinces be created, and expressed the view that 11 to 17 new provinces should be carved out. He said that the suggestion for creating new provinces does not imply that 'one unit' is being set up under a new name. He thought that the new conditions demanded such a measure. Since the present provinces were created during British rule, conditions and administrative needs had changed in numerous ways. It was necessary, therefore, to make various changes.

When the name of former president Agha Mohammed Yahya Khan was mentioned in the press conference, Zuhri said that he did not see him after he [Yahya Khan] was paralyzed. but that he would have been proud to have visited him during his

illness. As the press conference was ending, he remarked: "The man is dead; how can I express an opinion about him? Do you gentlemen expect me to go to his grave and dig up his body?" Answering a final question about Mercury Awards, he said that he did not know about the Mercury Awards business, but came to know of it only after the event, otherwise he also would have done something. He said that an award that was given to everybody could not have much value.

Concerning Nafees Siddiqui

Nafees Siddiqui has nowadays become the all-in-all of the defunct Tahrik-e Istiqlal. Conditions are such that the big players on the political front are out, so the small ones are becoming important. Nafees Siddiqui has taken to making political prophesies. After reviewing the country's economy, he expressed the opinion that if the price of agricultural implements and fertilizer continued to increase at the present rate, by 1983 the price of flour would rise to between 100 and 200 rupees a maund. He considered the present crisis in the dollar and the Pakistan currency as a matter for concern, and said that in the next six months, the value of the Pakistani rupee would fall an abnormal 32 percent. After expressing these views, he expressed pleasure that the "situation" was becoming favorable for starting a movement against the government. While making these statements, he showed that he was a true politician who is pleased, not concerned, at the prospect that the problems the people are encountering will make them rise up and make sacrifices to bring about a change.

9863
CSO: 4203/118

BALUCHISTAN WILL NOT BE AN EASY TARGET FOR COMMUNISM

Lahore NAWA-I WAQT in Urdu 24 Apr 82 p 2

[Article by Aziz Bhatti: "Letter From Quetta: What Is Happening In Baluchistan Province; Islam Has Become a Part Of the Culture In Pushtun And Baluch Societies"]

[Text] The picture of conditions in the province of Baluchistan as projected in the Western press is not a true one. Either because of ignorance, or else knowingly to serve their own special interests, the Western press is showing a negative side; and our own national press is also failing to present the positive side.

Although Baluchistan has always been important because of its geographical situation, this importance has increased since the establishment of Russian control over Afghanistan. Our enemies, our ignorant friends and enemies in the guise of friends are trying to use Baluchistan to create doubts and mistrust in world opinion and among the inhabitants of the other areas of Pakistan; and some national elements, whether knowingly or not, are getting involved in the game. Though not unique in this respect, Pakistan is one of the few countries whose national integrity and survival is always reputed to be in danger. What is the reason for this? For how long will we continue to play the game of foreign interests in our country? When will the doubts and misgivings about the permanence of our national integrity be ended? Not only the government, but the entire nation should ask itself whether we will have to fight for a new Pakistan all over again?

If this should happen, then such a battle would not take place in the military or political arena, but on a psychological level. It is necessary to start a movement to create an atmosphere of confidence and to lay to rest forever all fears about the country's survival and integrity. When this happens, political and psychological contacts and currents will stay within the country's geographical boundaries and the force which, knowingly or unknowingly, creates an atmosphere of fear will be ended. This force has been encouraged by certain weaknesses and shortcomings to gain strength up to now, and the situation provokes the question as to whether, if political liberties are restored, positive political forces will be able to withstand negative and misleading political forces. If the answer should be in the negative, then the country's interests demand that before political freedom is restored, positive political forces be

strengthened. The authorities and the national press bear a heavy responsibility in this respect. The intangible pressure, by means of which certain elements are trying to make others ineffectual and weak in order to make themselves indispensable need attention.

What is encouraging those who play politics with racial and linguistic prejudices is the fact that no effective antidote is being offered to these slogans. The fact of the matter is that Baluchistan does not constitute a single racial or linguistic entity. It is composed of several racial and linguistic units which will never coalesce politically. The slogans of those using the political ploy of race and language are based purely on politics. Some of them talk of "provincial autonomy," while others assume that the slogan of "provincial autonomy" implies a "Free Baluchistan."

The slogan of "Free Baluchistan" is similar to what the slogan of Pakhtunistan used to be at one time; that slogan has now been rendered ineffective circumstance. The slogan of a "Free Pakhtunistan" used to be more attractive to its adherents than is the slogan of "Free Baluchistan" because the people inhabiting the area from Chaman to Chitral spoke one language, and the area itself was contiguous to a country whose people were related to them by race and language, and whose government backed the "Pakhtunistan" stunt openly. The Baluchis have no such relationships. In the whole of Baluchistan, there are not even a handful of Pushtuns who openly support a "Free Baluchistan."

In the past, those elements who now speak ambiguously or openly of "Free Baluchistan" had backed the shouters for "Pakhtunistan." These same elements now regard the Pushtuns, who comprise about half of the population of Baluchistan, as the greatest obstacle to the achievement of their slogan's goal. The Pushtuns, whose eyes have been opened by conditions in Afghanistan, now constitute what can be considered as a strong wall in the north of Baluchistan. Those who wish to look beyond this wall will have to tear it down first. If a similar strong wall should be erected on the shores of Makran, then the shout of "Free Baluchistan" would become an empty echo in a domed vault.

Informed persons do not believe that Russia will attack Baluchistan in the near future, or that its tanks and ships will reach the shores of Makran. Russia will not cross the "Durand Line" itself nor send Afghanistan to do it; and there are several reasons for this. One of the reasons may be that after the Russian control of Afghanistan, Pakistan has assumed the status of a buffer state. The countries on the other side of Pakistan do not want Russia to knock on their doors.

Thus, under the present changed political conditions in the world, Russia will not use Pakistan as a corridor to a warm water port. Russia will of course continue to use its agents to create trouble and difficulties within Pakistan, especially in Baluchistan. Communism cannot enter Pakistan through the door, but will infiltrate through the chinks and fissures around the door; through the holes in the walls and the breaches in the ramparts--if we should cease to be vigilant. One reason for this is that Islam has been absorbed into the culture of the Pushtuns and the Baluch. An open revolt, deviation from or repudiation of Islam is totally inconceivable. Centuries ago, when the British established control over the area, they thought that the Brahui speaking area

would be receptive to the propagation of Christianity, and started activity with great enthusiasm. But they did not succeed in converting even a single person. The ties with Islam have become even stronger since then. It would be, thus, a mistake to think that the people of Baluchistan will accept "Communism." As far as the Pushtuns' attachment to Islam is concerned, the fighting in Afghanistan is a living testimony of that.

The British conquered Quetta in 1877, and their conquests extended to other areas of Baluchistan. The Brahui speaking people were more backward, hence the British thought them a promising target for the propagation of Christianity. A representative of the "British and Foreign Bible Society," T.J.L. Mayer, worked for many years among the Brahuis with this purpose in mind, and published a book in three volumes entitled "Brahui Reading Book" written in the Roman script. It was published in Ludhiana in 1906. On the last page of each volume the following sentence is printed: "This book is dedicated to those followers of Jesus Christ who will enjoy the great blessing of converting the Brahuis to Christianity in the near future." This dream was not realized, and by the grace of God, will never be realized in the future.

9863
CSO: 4203/118

GDP GROWTH EXPECTED TO SURPASS 6 PERCENT

BK121045 Karachi Domestic Service in English 1005 GMT 12 Jun 82

[Text] The growth in gross domestic product [GDP] is expected to surpass 6 percent for the fifth successive year as a result of continuation this year of the process of economic revival and financial discipline which characterized economic policies since 1977. This has been stated in the Pakistan Economic Survey for the fiscal year 1981-82 released in Islamabad today. It mainly focuses on major growth trends and salient policy measures taken during the course of the year in the background of the recent past. The survey also contains a comprehensive series of the economic indicators covering major fields of the economy. The growth in GDP, which had been estimated as 6.6 percent on the basis of wheat crop of 11.75 million tons, was now estimated to exceed even if the wheat harvest hit by excessive rains and storms last month turns out to be lower than last year.

CSO: 4220/72

ECONOMIC SURVEY FOR 1981-82

GF171115 Karachi DAWN in English 13 Jun 82, pp 1, 12

[Text] Islamabad, June 12: The gross domestic product [GDP] for the fiscal year 1981-82 has been estimated to exceed 6 percent compared to 6.1 percent in 1980-81 even if the wheat harvest "turns out to be lower than last year."

Disclosing this, the Pakistan Economic Survey 1981-82, issued here today, conceded that the wheat crop of 11.75 million tonnes on the basis of which the GDP for 1981-82 2as estimated to grow at 6.6 percent now "appears to be in doubt."

Like last year, sectors other than agriculture and manufacturing contributed more than 50 percent to the GDP in 1981-82 while agriculture contributed 30.1 percent as against 30.8 percent last year, and the manufacturing sector 17 percent against 16.2 percent in 1980-81.

The manufacturing sector has excelled not only the last year's growth but also the plan target for the year. This sector with a 12.1 percent growth claims a share of 17.0 percent of GDP. The large-scale manufacture is estimated to have grown by 14 percent, a considerably higher increase compared to 11.0 percent recorded in 1980-81.

This pronounced increase in the large-scale manufacturing sector is said to have emanated mainly from the large increase in the output of sugar, urea, ammonium nitrate, nitrophosphate, cement and jute goods.

According to the survey, the gross national product at constant factor has expanded at a rate of 5.9 percent during the year, higher than the increase of 5.1 percent recorded last year.

Nevertheless, the document agreed that GNP's growth was lower than that in GDP and their differential was due "to lower growth in remittances from Pakistanis abroad."

The document also conceded that during the year the export growth momentum was "temporarily" reversed and tax receipts fell below budget provisions.

Agriculture subsectors have recorded varying growth rates with major crops showing a growth rate of 4.1 percent against 4.2 percent of last year, minor crops 3.1 percent against 1.9 last year and others including livestock, fishing and forestry 4.4 percent against 4.5 percent of last year.

Electricity and gas distribution has recorded a growth rate of 110 percent, wholesale and retail trade 7.7 percent, transport, storage and communication 6.4 percent, banking and insurance 4.4 percent, ownership of dwellings 3.6 percent, public administration and defence 2.0 percent and services sector 5.7 percent.

In the mineral sector the production of gas registered a rise of 8.6 percent to 6.84 billion cubic metres during July-March 1981-82 over the level of 6.0 billion cubic metres during the corresponding period last year. The improvement was due largely to increase in demand and use of natural gas for domestic consumption and for commercial and industrial purposes.

The production of crude oil increased by 1.9 percent to 2.75 million barrels during July-March 1981-82 from 2.70 million barrels during the corresponding period last year, excepting Mayal, all other oil-wells experienced a decline in production during July-March 1981-82.

The coal production has shown an increase of 10.4 percent to 1,236 thousand tonnes during July-March 1981-82 from 1,120 thousand tonnes during the same period last year. This was due mainly to the increased demand of coal from the brick kilns which consume over 90 percent of the output.

A sum of RS. 1.71.9 [as published] million showing a rise of 153.2 percent over last year's revised estimates of RS. 67.9 million has been allocated for the development of mineral sector during 1981-82.

Monetary assets during the first nine months of the current fiscal year grew at 8.0 percent recording an expansion of RS. 8,308 million, according to the Pakistan Economic Survey for the fiscal year 1981-82, released today.

The outstanding level of monetary assets stood at RS. 112,305 million as on March 25, 1982, up from the level of RS. 103,997 million as in June 1981.

During the corresponding period last year the monetary assets recorded an expansion of RS. 9,074 million (10.02 percent).

The expansion of overall money supply for the current year has been targeted at RS. 15,826 million, a 15.22 percent increase over last year.

An analysis of the causative factors of changes in monetary assets revealed that a lower monetary expansion during the current year was due to large draw down on foreign assets (net). As a matter of fact, there was a bigger expansion in credit utilisation by the private sector which together with credit expansion in the public sector enterprises and government sector exercised a credit expansion of 15,557 million compared with RS. 9,942 million during the corresponding period last year.

The increase in credit was offset by RS. 2,582 million contraction in other itmes so that the net domestic credit expansion amounted to RS. 12,975 million, a 12.88 percent increase during June 26, 1981, to March 25, 1982, as compared to RS. 8,766 million (10.04 percent) in the corresponding period last year.

After adjustment of bigger contraction of RS. 4,667 million in foreign assets (net), the overall expansion in monetary assets remained at RS. 8,308 million during the current year as compared with an expansion of 9,074 million during the corresponding period last year.

The sectoral breakup showed that the government sector brought about a credit expansion of 9.11 percent during June 26, 1981--March 25, 1982, as compared to 7.85 percent during the corresponding period last year.

Bank borrowings in the government sector for budgetary support was higher at 10.53 percent as compared to 8.0 percent in the corresponding period last year.

Bank credit for financing commodity operations stood a bit lower at 3.37 percent as compared with 6.95 percent in the corresponding period last year, which is attributable to larger releases and lower stocks of wheat, fertilisers and seeds.

The current fiscal year witnessed a substantial increase in bank credit in the private sector proper compared to the last year and appears to be due to the fact that firstly the current year has recorded better food and cash crops requiring higher bank financing for their handling and movement and secondly, substantial credit appears to be held up due to lower movement of many exportable commodities owing to sluggishness in their international demand.

Other items including longterm foreign borrowings and counterpart funds exerted a contractionary impact of RS. 2,582 million during the current year as compared with that of RS. 1,176 million during the corresponding period last year.

Claiming that the pace of inflation has slowed down discernibly during the current year, the Pakistani Economic Survey 1981-82 stated that the pattern of general retail prices manifested an increase of 7.0 during July-March 1981-82 compared to 10.6 percent recorded during the corresponding period last year.

The rate of increase in consumer prices also slackened to 7.7 in the first nine months of 1981-82 compared to 12 percent during the same period last year.

The increase in wholesale price index came down to 3.6 percent during July-March 1981-82 from 10.5 percent in the corresponding period last year.

The consumer food price index increased by 10.2 percent during July-March 1981-82 against 13.2 percent during the corresponding period last year.

The food group has a weightage of 54 percent in the consumer items. There has, however, occurred sharp decline in the consumer price index of apparel, textiles, footwear from 11.1 percent in July-March 1980-81 to 3.1 percent during the same period in 1981-82, This group has a weightage of 9.11 in the consumer items.

Housing and household operation which have a weightage of 14.64 percent in the consumer goods have recorded an increase of 5 percent in the consumer price index during July-March 1981-82 against an increase of 9.7 percent during the corresponding period last year.

The increase of 3.6 percent in the wholesale price index during July-March 1981-82 is attributed to a 6.9 percent increase in food prices, 2.1 percent in fuel, lightening and lubricant prices and 1.2 percent in manufactures which has in part offset by a substantial decrease of 4.8 percent in raw material prices.

The notable items which experienced increases include wheat, rice, maize, pulses, milk, desi ghee, sugar, fish, eggs, meat, spices, salt and condiments, pol products and some manufactures like leather, cotton manufactures, silk and rayon manufactures, woolen textiles, soap, medicines, paper and cement.

The decline in the raw material prices is attributable mainly to a decline in the prices of cotton, timber, wool, hides and skins, cottonseeds, mustard and rapeseeds.

The increase in consumer prices was higher for industrial employees compared to other occupational groups.

The rise in this group during July-March 1981-82 was 8.4 percent against 7.8 percent for government employees and 7.4 percent for commercial employees.

The per capita income at constant factor cost has registered a rising trend, during the year it recorded an increase of 2.9 percent to RS. 702 at 1959-60 constant factory cost.

At current factor cost the per capita income is estimated at RS. 3,706 in 1981-82 as against 3,294 during 1980-81. This shows an increase of 12.5 percent during the year over the previous year.

With investments showing a 29.3 percent increase in the nonagricultural and non-industrial activity of the public sector and a 17.3 percent increase in similar private sector activity, the total investment during the current year has recorded a rise of 18.5 percent.

According to the economic survey, the total investment during the year has increased from RS. 40,983.0 million in 1980-81 to RS. 48,573.0 million.

While the public sector investment increased by 20.17 percent from RS. 26,824 million to RS. 32,234 million, investment in the private sector improved by 15.39 percent from RS. 14,160 to RS. 16,339 million.

The general index of share prices which stood at 128.47 in June 1980-81 increased to 134.00 in March 1981-82 showing an increase of 5.53 points.

Similarly, the aggregate market capitalisation of ordinary shares which stood at RS. 6,583.0 million in June 1981 increased to RS. 9,236.4 million in March 1982.

The number of listed companies at the Karachi stock exchange has increased from 309 during July-March 1980-81 to 313 during July-March 1981-82.

The sanctions made by PICIC, IDBP, [not further identified] etc. which are important sources of financial assistance to the private sector amounted to RS. 1,700.24 million during July-March 1981-82 compared to RS. 1,267.66 million during 1980-81.

Similarly, sanctions by NDFC [not further identified] for public sector financial institutions have increased to RS. 1,651.4 million during 1981-82 from RS. 837.6 million during 1980-81. Also the sanction accorded by the controller of capital issues for the issue of capital to companies corporations has increased to RS. 6,852.36 million during July-March 1981-82 from RS. 3,081.05 million during the corresponding period last year.

The current account deficit for 1981-82 is projected at 1,309 million dollars from the level of 991 million in the preceding year.

According to the survey, the expansion in the current account deficit is mainly attributed to the combined result of decline in the export earnings. Higher import payments and increase in the deficit of services transactions which was partly offset by increased inflow of net unrequited private transfers. For the current year the revised estimates of exports were 2,735 million dollars compared to 2,927 million dollars' worth of goods exported last year.

The import target for the year was revised to 5,754 million dollars as against 5,354 million dollars' worth of goods imported last year.

The deficit in merchandise account is estimated at 3,019 million dollars, denoting a rise of 9.2 percent over the level of 2,765 million dollars during 1980-81.

In the service transaction the deficit is estimated to increase by 116 million dollars from 459 million dollars in 1980-81 to 575 million dollars on account of higher freight and insurance charges and interest on public debt.

Aggregate receipts are estimated to increase from 945 million dollars in 1980-81 to 966 million dollars in 1981-82 while that of aggregate payments from 1,404 million dollars to 1,541 million dollars.

Net inflow under unrequited private transfers during 1981-82 is estimated to go up by 2.3 percent as compared with an increase of 17.8 percent in the preceding year from 2,233 million dollars in 1980-81 to 2,285 million dollars in 1981-82.

Under capital account the long-term capital inflow for 1981-82 is estimated at 667 million dollars compared with 581 million dollars in 1980-81 while the short-term inflows are estimated at 250 million dollars compared with 336 million dollars for 1980-81. In addition, the monetary movement (net) recorded an increase of 404 million dollars against a negative 12 million dollars in 1980-81.

Out of the estimated gross disbursement of 1,063 million dollars 600 million dollars are anticipated as projected aid while 463 million dollars as non-project aid.

Despite an increase in the net capital inflows the current account deficit is likely to be only party offset by it. According to the survey's estimates, the current account deficit in the balance-of-payments is expected to increase by 318 million dollars and the basic balance by 232 million dollars.

Debts: as on Dec 31, 1981, Pakistan's net debt (disbursed and outstanding) is estimated at 9 billion dollars.

Even with debt relief arrangement made during 1980-81, debt service payments stood at 675 million in 1980-81 and are estimated to go up to 728 million in 1981-82 which would constitute 26.6 percent of country's export earnings and 12.2 percent of foreign exchange earnings.

The balance-of-payments type of assistance received by Pakistan from Iran, Libya, Abu Dhabi, Qatar, Saudi Arabia and OPEC amounted to 1,301.9 million dollars during the period 1973-74 to March 1982.

The rupees generated by these assistance were utilised to finance development projects and programmes.

Efforts to attract equity participation and loans for financing important high-priority projects in Pakistan from Middle East countries have also met with success, total assistance received from these sources up to March 1982 amounted to 2,164.5 million dollars.

CSO: 4220/72

GOVERNMENT MOVE TO CENSOR FILM EDITIONS, WOMEN'S PHOTOS CRITICIZED

GF101025 Karachi DAWN in English 6 Jun 82 p 5

[Editorial: "A Non-Existent Moral Issue"]

[Text] One may be in sympathy with the Ministry of Information's concern over the need to discourage the exploitation of sex and what it calls "glamorisation" of women in the print media. But whether the right method of doing so is to require the newspapers to discontinue the publication of separate film editions and to stop printing even the pictures of female film stars is open to question. In fact, some sections of organised opinion, including those of the film industry and one of the women's rights, have taken strong exception of the move, arguing, quite convincingly, that far from serving any useful purpose, the action will unduly restrict the legitimate projection of the performance and personalities of the film industry which is desperately in need of aid and encouragement for its survival. The fact that the All-Pakistan Newspapers Society and the council editors have concurred with the Information Ministry's decision does not make it any more logically sound and acceptable than it intrinsically is. Nor does it diminish some of the vital implications the proposed ban on film editions and printing of photographs of film actresses carries.

What is fit to print and what is not is a matter which involves the exercise of editorial judgment. It should stay that way. Journalism can serve the public cause best by being free to rely upon and develop its innate sense of responsibility. The decision in question seems to have ignored this basic issue for reasons which are not readily understandable. The principle, it must be emphasised, is not an obsession with certain established newspapers. Nor is it a fad of some old-fashioned newsmen still left in the field of journalism to carry the banner of the rules and principles that once were implicitly accepted. The principle has an institutional basis and is fundamentally important to the working of newspapers as a national institution. What is more, the use of discretion that this principle implies is not an absolute one; it operates within the limits prescribed by the law, within the parameters of the moral and ethical values a society holds dear and, of course, in conformity with the policy a particular newspaper follows. A newspaper is, therefore, answerable in law and answerable before the bar of public opinion. Certain things a newspaper publishes may not

attract the mischief of the law, but the newspaper, even if its innate sense of responsibility is weal, has to be mindful lest it should invite the moral censure of its readers for the manner in which it uses its editorial judgment.

Given these implicit restraints as well as the fact of answerability under the normal laws, it is difficult to understand why an extraordinary step like an outright ban on separate film editions and printing of pictures of female film stars has been considered necessary at all. If the purpose is to prevent the printing of pictures and material which are not in good taste and which are likely to offend public morality, the government has other options for promoting the intended purpose. One is to take up the matter with the newspaper publishers and editors collectively to impress upon them the need for observing the norms of decency and moral discernment in publishing pictures and material concerning the film industry. Another option is to remonstrate with publications as and when any of these are found deviating from the norm. As a last resort, the government could decide to prosecute papers guilty of repeated transgressions of the law against obscenity in print. In fact, the Obscene Publications Act of 1925, together with the section 292 of the Pakistan penal code, provides a fairly comprehensive legal framework for dealing effectively with lapses involving the publication of material likely to promote immorality and depraved taste.

The particular course of action the Ministry of Information has thought fit to adopt relies on the invocation of executive sanction. Because this is something that has to be imposed from above, the normal function of the exercise of editorial judgment from within stands suspended. Likewise, the other sanction provided by the popular disapproval of vulgarity and prurience is rendered redundant and inoperative. Besides, insofar as it stipulates almost a blanket ban on the pictures of female film artistes, regardless of their merit, it involves questions and paradoxes which are bound to create a lot of confusion and misgivings, especially about the future of the film industry and no less about television which is a government-controlled medium. It would be hard to explain, for instance, why the printing of pictures of female artistes is to be regarded as constituting a threat to public morals when the artistes themselves are considered eligible for state honours--pride of performance awards, annual TV awards and so on--for outstanding performance or for contributions of exceptional merit to the particular branches of performing arts they may belong to. Again, how is it that pictures of female artistes are to be kept out of the pages of newspapers and periodicals, presumably because they are thought to be a source of moral corruption and obscenity, while films and TV programmes featuring the same artistes can be viewed and appreciated as acceptable forms of entertainment--without being assailed by a sense of moral guilt? The contradiction is too apparent to gloss over. In this particular case, the question of public morality has somehow been overstretched to justify a course of action which is both sweeping and arbitrary. Since the action does not make any distinction between pictures of artistic merit or news value and those that are lacking in good taste, but treats all pictures of film actresses as anathema, the proposed ban may well be judged as discriminatory, reflecting a strong bias against women belonging to a particular class.

The purpose here is not to de-emphasise the importance of legal as well as moral sanctions against all forms of obscenity and moral corruption. Indeed, it would be against the grain of the basic moral and social values of a Muslim society to advocate a too lenient or tolerant view of permissiveness or the exploitation of women as sex objects. These tendencies and aberrations have naturally to be fought wherever they are found, but in doing so, a proper distinction has to be observed between what is plainly vulgar and immoral and what belongs to the genre of artistic expression. Where film editions or cinema sections of newspapers are concerned, they do no more than present what is going on in the film industry through reports, comments, features, interviews and so on. It is difficult to see, as the proposed restrictions seem to imply, how they incur any particular moral liability by discharging this function, which most newspapers and periodicals do objectively and responsibly. There may, of course, be some exceptions indicating a propensity towards prominently printing and displaying stories and pictures of dubious cinematic merit--some of them lacking in good taste. As we have said before, these isolated instances can be taken care of by means of warnings and, where necessary, by recourse to the normal legal means. But the basic position is that the record of film coverage in newspapers has been by and large healthy and professionally-oriented and cannot be faulted on moral or ethical grounds. In any case, the taint of a few isolated instances cannot provide the justification for imposing a blanket ban and restrictions of the kind the Ministry of Information has prescribed for all newspapers. The step is uncalled for and we earnestly hope that the government would reconsider the whole matter. In doing so it would be letting sound editorial judgment and the weight of opinion of the moral majority prevail. This, we are sure, will over a period of time, offer the strongest defences against infractions of morality and decency in print.

CSO: 4220/66

GROWING USE OF ANGLICIZED URDU SHOWS LACK OF NATIONAL IDENTITY

Lahore CHATAN in Urdu 3 May 82

[Article by Dr Sayyed Abdullah: "Englurdu: the New Devilish Language of Pakistan"]

[Text] Two experts on society--Ibn Khaldun and Toynbee--agree that slavery is the wretched state that deprives otherwise normal individuals and groups of their ego and identity. Its most reprehensible aspect is that the conquered nations regard the odious and slavish imitation of their conquerors as a source of pride and honor. Although the conquerors may regard this manifestation of inferiority with a contemptuous smile, they dislike their slaves for distorting their culture. Toynbee called it "Babu culture" or "Babu mentality." The other scholar, Ibn Khaldun, called it a natural phenomenon that manifests itself when the aping societies lose their identities, and begin to represent outsiders, and look upon the imitation of the alien's overt actions as proof that they have mastered the conquering nation's skill; whereas, in fact, achievement and progress result from Khaldun's "Asabiyya" [social cohesion] or Iqbal's "Khudi" or the strength of the "self" or "ego."

It is not necessary to elaborate further upon this principle which is self-evident. If not all of Iqbal's poetry, then certainly nine-tenths of it is devoted to the analysis and elaboration of this principle. I am writing now because I have something to say about the ludicrous contrasts existing in Pakistan's present-day society, especially as regards language. I could say something here about Anglo-Mohammadanism, but I really intend to write about the adulterated and incomprehensible composition of this current Islamic society in which the traditional distance between "the religious sanctuary and the wine-seller's shop" seems to be shrinking. At present I want to write about a strange language which is gaining rapid acceptance, less on the government level, but more on the private social level.

I call this language Englurdu or Engli-Urdu: it is similar to the special language that came into existence during the time of the East India Company called "Hobson Jobson," much to the distress of English language purists. The reason for the anger of those who wanted their English to remain pure was that, under the demands of administration, Indian terms were creeping into the English of Englishmen connected with India, thus not only injuring the concept of the

"King's English," but also the English image on the strength of which the British ruled India. The devices that the English resorted to in order to preserve their individuality and identity are described in John Carey's [sic] book, "Good Old Days Of John Company." "Hobson Jobson" English was regarded as the first sign of the decline of power.

I think that, if not the sign of the decline of power, Engli-Urdu or Englurdu is certainly a sign of the decline of that sense of cohesion on the strength of which we forced Hindu nationalism to accept our separate identity. We had objected to the Vidya Mandir Scheme (and even to the use of the word Hindustani) because we feared that non-Urdu (that is, Sanskrit) words and words from other Indian languages would infilterate, harming Urdu's identity. There was a real possibility that this would happen. We had at one stage identified Urdu as representative of our Muslim identity, and we regarded the corruption of Urdu with foreign elements as inimical to our national identity.

But the passage of time teaches one many lessons. The language that only yesterday was regarded as the proud sign of our national identity has fallen on such hard times and is being treated so shabbily that the written or spoken word cannot express its sad state. Words have lost their power, and the pen has become helpless to point out the shame of this spectacle. Were Altaf Husan Hali alive today, he would have written a "Complaint for Urdu," and a poet like Iqbal would have replied with "Answer to the Complaint," and mourned this insult to our identity. The strange aspect of all this is that "nationalism" continues to be drummed up, and "Shikva-e-Hind" ("Complaint of India") is also regularly recited. The exploitation of the cry of "nationhood" is a lesson in itself: the poet has expressed the situation best in this couplet: "In the excess of zeal, what we took to be our final destination turned out to be only the dust of the caravan."

Talking of the caravan's dust, the disease of English-worship has infected the whole of society. Up to now, we had complained of bureaucracy which we thought was the embodiment of Macaulayism. We blamed the authorities and criticized them. But now we find that even those who know no English, (though thanks to English becoming the medium of instruction, even the untutored can read up to the level of "Baa baa black sheep"), and cannot figure out the English alphabet, are using English names for their shops, factories, firms, houses and streets. The same people who could not tolerate a few words of Hindi, (and rightly so), are now utilizing in their business life tons of English without any cause or reason, and not feeling their nationhood threatened in any way. Pass through any street in Lahore, and you will see the influence of the East India Company blazoned forth from every shop, from the cleaner's, the barber's, the tailor's to the grocer's. The English must be repenting of ever having left. They must be thinking, "Here we see all around us such love (to the point of madness itself), and we were foolish enough to regard these people as strangers, and to have decided mistakenly to leave." As the couplet says, "What we thought was a hurricane turned out to be our own home."

The question is, why does a grocer's shop need an English name? Is it nuclear science that English terminology has to be perforce used?

There is really no end to the problem. On every side, people are busy patching themselves with bits and pieces of tasteless English. Strange words have crept into our language, betraying our inability to express ourselves. "Complaint cell," "briefing," "focus," "suite," etc. etc., all these American slang words and phrases are becoming part of every educated and uneducated person's vocabulary, and taking the place of their mother tongue. The reasons for this are first, the decline of Arabic and Persian; second, the decline of national feelings; third, Anglo-Mohammadanism; fourth, lack of ambition and laziness; no one wants to look up the correct Urdu word.

All over the country, large firms and business organizations have taken English names; these long names, when written in Urdu, sound ludicrous. (As I do not wish to harm anyone, I will not cite any examples.) The true flavor of pidgin Urdu or 'Pink Urdu' emerges in the advertisements published in Urdu by these firms, as for example, in this one: "The Pharmaceutical and Surgical Institute (gazetted) hereby notifies those companies to whom advance premium payments have been credited, that to save themselves from overdue payments, they should cash their installments, within the time limit, through the Sun Life Insurance Company of Pakistan and Abroad, and send their payments together with their affadavits to the Central Office (Plaza Avenue, Liberty Market, Lane No. 40). This will save the other parties inconvenience and not disturb the arrangements. This notice should be regarded as a final warning, etc. etc." [The majority of the English words in this passage are reproduced in Urdu script.]

God save us! Is this the exalted Urdu for which we fought so long, and for which so many people made the utmost sacrifice? Government bureaucracies save themselves from criticism by citing administrative privilege; but even businessmen are now flying high. They should remember that wealth is a transitory phenomenon, and should fear the day when all this play will come to an end. It seems that these individuals are not satisfied even with all their wealth (and foreign spices with which to digest their gains). To realize what the future holds in store for them, they should study Sura-e al-Takathur in the Holy Koran. The breaking of pledges made to God and the Muslims during the struggle for Pakistan will eventually bring down punishment.

Political parties are no better in this respect. Everyone knows the old names; but when a new party is launched, it flies on the wings of English. An alliance of parties was recently formed which was called M. R. D. When students and employees in general name their organizations, they receive inspiration from English alone. The abbreviations of these names are something else again: government abbreviations of L. D. A., K. D. A., WAPDA WASA (to rhyme with Urdu 'bad howasa' "nerve wracking"). There is no limit to these words. It seems to me that the entire population is out-Englishing the English, while brazenly calling Urdu their national language.

All these things are manifestations of the mentality against which Akbar, Shibli and Iqbal had raised cries of protest. But the elders of the time did not believe that this would be the eventual result of Macaulayism: that a new race of black Englishmen would come into existence, who would turn away with disgust from indigenous and national names and words, and use the vestigial language of slavery, not only in science, which is after all on a higher plane, but in all common affairs of life, and consider this sign of slavery as a mark of honor. Perhaps this is a natural trait handed down from the times of the Greeks, but it does offer historical proof of Macaulay's influence.

The object of this discussion is to point out that this new trend, (which is becoming part of the natural habits of the people), is destroying whatever is left of the dignity of Pakistani nationalism and identity, and is unmasking everyone.

It would not be irrelevant to point out again the fact that a nation's life is linked to the strength of its identity (or in Khaldun's terminology, its social cohesion). Geographical borders do not defend themselves; their protection depends on the right ideals, and unfortunately, these ideals have become weak.

In conclusion, I would suggest that if the people of Pakistan are really disgusted with Urdu and are determined to adopt English as their mother tongue, then the farce of Urdu being called the national language should be ended. They should openly declare that they are English, and that whether the real English accept them or not, they would continue to regard themselves as English. In any case, the whole matter should be settled without ambiguity. As the poet Sarmad says: It is necessary, O Sarmad, to be brief; and to gather all problems into. Either one should accept authority, or increase one's ability to ignore it.

9863
CSO: 4203/127

BRIEFS

YAQUB KHAN IN GENEVA--The UN-sponsored indirect talks on Afghanistan begin in Geneva today. Pakistan's Foreign Minister Sahabzada Yaqub Khan arrived in Geneva from Washington yesterday to take part in the talks. He said that Pakistan was approaching the talks with a spirit of sincerity because it attached great importance to the Afghanistan problem. He told Pakistani newsmen that both the Soviet foreign minister and the American secretary of state had wished well for the talks. Gromyko expressed the hope that these talks would lead to a reduction of tension in the region and produce constructive results. Haig said that he would be following with interest the progress of these talks. According to the latest schedule of talks issued by the United Nations, Pakistan's foreign minister will be the first to meet Diego Cordovez to start talks. Foreign minister of the Karmal regime in Afghanistan, Shah Mohammad Dost, will call on the UN secretary general's personal representative this afternoon. [Text] [BK160356 Karachi Domestic Service in Urdu 0200 GMT 16 Jun 82]

YAQUB KHAN MEETS WEINBERGER, SENATORS--Foreign Minister Yaqub Khan held talks with U.S. Defense Secretary Weinberger in Washington yesterday. The meeting lasted for 1 hour. Official sources said Weinberger highly commended Pakistan's stand on the Afghanistan issue. Sahabzada Yaqub Khan briefed the U.S. defense secretary on the tripartite and indirect talks to be held in Geneva under UN auspices. During his meeting, the foreign minister exchanged views on the current situation in the Middle East and Asia and informed the American leader about Pakistan's viewpoint on Israel's unprovoked aggression against Lebanon and its consistent violence against the Arabs. Sahabzada Yaqub Khan said that bilateral issues between Pakistan and the United States are being resolved in an atmosphere of mutual understanding. The U.S. defense secretary was also told that Pakistan desires a resumption of talks to develop relations with India. The Pakistan foreign minister held separate meetings with Charles Percy, chairman of the Senate Foreign Relations Committee and Charles Mathias, chairman of the Senate Foreign Relations Subcommittee on international economic policy. [Text] [BK150349 Karachi Domestic Service in Urdu 0200 GMT 15 Jun 82]

YAQUB KHAN MEETS BUSH--Pakistan Foreign Minister Sahabzada Yaqub Khan called on U.S. Vice President George Bush in Washington yesterday. Views were exchanged on major world issues during the talks. Later the foreign minister told the Associated Press of Pakistan that he apprised the American

vice president of Pakistan's viewpoints expressed at the recent nonaligned conference at Havana. On the Middle East crisis, the foreign minister told the American leader that Pakistan understands that Israel's aggressive adventurism, expansionism and its barbaric steps against Lebanon have created a serious danger for the Middle East and the world peace and that Israel's contemptible action will have far-reaching consequences for the entire region. They also exchanged views on the Afghanistan situation. Sahabzada Yaqub Khan also informed Bush about Pakistan's efforts in connection with ending the Iran-Iraq war through Islamic Ummah Peace Committee. During the talks George Bush reiterated that the United States desires preservation of Pakistan's sovereignty and its independence. He said that Pakistan is a factor of stability in the region. Sahabzada Yaqub Khan conveyed to George Bush good wishes on behalf of President Mohammad Ziaul Haq. In response, Bush also expressed similar feelings. [Text] [BK120618 Karachi Domestic Service in Urdu 0200 GMT 12 Jun 82]

YAQUB KHAN MEETS WITH HAIG--Foreign Minister Sahabzada Yaqub Khan has had a meeting with the American secretary of state in Washington on the question of Afghanistan and the current Middle East situation, particularly the unprovoked Israeli aggression against Lebanon. Later, the foreign minister told the Associated Press of Pakistan [APP] that he informed Haig that Pakistan will pursue a policy of political settlement of the Afghan crisis at talks in Geneva in the framework of the resolutions of the Organization of the Islamic Conference and the United Nations on the subject. AFP quotes an official source as saying, while discussing the Afghanistan issue, Haig expressed his total admiration for Pakistan's courageous stand on Afghanistan. [Text] [BK151100 Karachi Domestic Service in English 1005 GMT 15 Jun 82]

CSO: 4220/66

BRIEFS

CAMPAIGN AGAINST NPA SYMPATHIZERS--Constabulary and police operatives in Western Visayas have pressed their campaign against lawless groups in the hinterlands. Defense Minister Juan Ponce Enrile was briefed on the renewed activities of these subversive elements during his recent visit in Iloilo City. Since then task force (Panai) and other patrol teams of the military police and civilian home defense force have raided the lairs of New People Army sympathizers in Barangays (Stuno), (Pitak), (Kulasi) and (Tike). [Excerpt] [OW141347 Quezon City RPN Television Network in English 1100 GMT 14 Jun 82]

CSO: 4220/68

THIRD TERRORIST FORCE SEEN EMERGING IN JAFFNA

Colombo THE ISLAND in English 31 May 82 p 1

[Article by D.B.S. Jeyaraj]

[Text] Police suspect that a third terrorist force is now operating in Jaffna

The recent killing of two youths at Alaveddy has added a new twist to the pattern of killings in Jaffna, a Police spokesman said.

Investigations indicate that a third terrorist force is now operating in Jaffna. This force is said to be independent of the earlier groups of Uma Maheswaran and Prabhakaran, he said.

Police sources told 'The Island' that although they believed earlier than the Alaveddy killings were a backlash to the feud between rival groups in India, they are now having second thoughts about it.

The weapons used by the killer the Police said, were sophisticated and never found in Sri Lanka before.

A top security official told 'The Island' that they had information of a new gang of terrorists in the North. This group is said to be financed by Tamil expatriates in the U.S.A., U.K. and France. This group, which is said to be having left-wing connections, is suspected of being behind a student organisation and a periodical published in Jaffna.

Another factor worrying security personnel is the possibility of foreign trained men joining this group.

The problem before them, the Police said, was to ascertain the objectives and affiliations of the new group.

Police sources said that a political cannotation, too, had been added to the Alaveddy killings. The recent anti-TULF feeling in Jaffna is being scrutinised by the Police as they believe that this could yield relevant information on the killings as well as the emergence of a new group.

Police sources said that the Alaveddy killings could not possibly be a clash between the supporters of Uma Maheswaran and Prabhakaran as in the present situation the possibility of them lying low was greater.

The speeches made by Iraikumaran and Umaikumaran at a community centre meeting and their possible role in university demonstration are being carefully studied by the Police at present.

CSO: 6133/0019

BRIEFS

PROBE OF FOREIGN PAYMENTS--Parliament, sitting in extended session last night after standing orders were suspended, decided to appoint a select committee on a matter raised by the second member for Harispattuwa, R.P. Wijesiri. Wijesiri had alleged that sometime in July last year a vehicle from a foreign organization had delivered six sacks, presumably containing money, at the Colombo residence of Mrs Sirimavo Bandaranaike. The resolution to appoint a select committee moved by the minister of Parliamentary Affairs was carried by a majority of 98 votes. One hundred and six members voted for the motion and six against it. According to the prime minister, the government had thought it necessary to introduce the motion and support its acceptance by the house after careful analysis of various circumstances connected with the dramatized personnel involved in principle. [Sentence as heard] The prime minister also spoke of the importance of the inquiry in the context of the gravity of the allegation which reflected on the country's independence and sovereignty. [Excerpts] [BK111157 Colombo International Service in English 1045 GMT 11 Jun 82]

FLOODS LEAVE 200,000 HOMELESS--Flood waters have rendered more than 200,000 people destitute in the Ratnapura, Kalutara, Galle and Matara districts with the largest concentration of the homeless at Ratnapura. Twenty-five thousand families have been affected in the Ratnapura district with damage caused to 4,000 dwellings. Secretary to the Ministry of Social Services T.G. Gunasekara, who made an on-the-spot assessment of flood damage in the Ratnapura district yesterday, said that there had been four major earth slips and four threatened earth slips. The latest report put the death toll at 12. Reports indicate that the flood waters are now receding. [Excerpts] [BK111217 Colombo International Service in English 1045 GMT 11 Jun 82]

NEW AMBASSADOR TO PHILIPPINES--N.M.M.I. Hussain has been appointed ambassador extraordinary and plenipotentiary of Sri Lanka to the Republic of Philippines in succession to Francis W. Wanigasekera, states a press communique from the Ministry of Foreign Affairs. [Text] [BK091229 Colombo SUN in English 2 Jun 82]

INVESTMENT PROTECTION AGREEMENT WITH ROMANIA--A Sri Lanka-Romania investment protection agreement, the first such agreement with a socialist country, entered into force on 3 June with the exchange of instruments of ratification at a simple ceremony held at the office of the secretary to the president. The instruments were exchanged between the secretary to the president on behalf of Sri Lanka and the Romanian charge d'affaires on behalf of Romania. The agreement was signed in Bucharest in February 1982 during the visit to Romania by minister of finance and planning. [BK091229 Colombo International Service in English 1045 GMT 4 Jun 82]

CSO: 4220/69

TRADE WITH EAST BLOC GIVING NEW STIMULUS TO ECONOMY

Stockholm DAGENS NYHETER in Swedish 2 Jun 82 p 8

[Report by DAGENS NYHETER correspondent Wolfgang Hansson]

> [Text] Bangkok, May--Thailand is looking for new ways to improve its economy. The United States, Japan, and West Europe are no longer alone at the top of the trade statistics. In a few years the Soviet Union has climbed to fifth place as buyer of Thai products. That the trade with the East Bloc is now beginning in earnest is also shown by visits of Russian and Romanian trade delegations.

During last year the Soviet Union bought nearly 2.5 billion kronor's worth of Thai goods, mostly agricultural products.

The increased trade comes at a time when political relations between the countries are not the best. Thailand is accusing the Soviet Union of being indirectly behind the Vietnamese presence in Kampuchea. It feels threatened by having Vietnamese troops so near Thai territory. In the situation, Thailand has drawn closer to China.

Japanese Loan

For the Russians, trade with Thailand in the past has been a very poor affair from the point of view of the national economy. During 1981 Thailand bought only 80 million kronor's worth of Soviet goods. The Soviet Union and the other East Bloc states are among the few countries with which Thailand has a trade surplus. With the Western World an always large and increasing trade deficit prevails.

Recently the Thai government has been more and more concerned about the increasing deficit in the balance of trade. Late last year Prime Minister Prem Tinsulanonda went first to the United States and the later to Japan with big trade delegations.

The visits were primarily for two purposes. First, to get the two industrial countries to buy more Thai products, and second, to show the business men in the west that Thailand is now a country with a stable political climate where

foreign firms can establish themselves without fear of being unable to get a return on their investments.

Japan promised to import more from Thailand and also to give the country a loan of 325 million kronor for a natural gas project. Thailand is also the biggest recipient of Japanese aid.

The visit to the United States, however, was described by several Thai appraisers as "less successful."

Reagan's Views

Relations with the United States have not been exactly frictionless since Prem's visit, either. In January of this year Thailand protested strongly against the United States' sale of tin from its buffer stock on the world market.

The Thai got little balm for their wounds by being included in Reagan's new insistence on replacing parts of the state aid to development with "support" from private firms.

There is no doubt that foreign firms have now discovered the investment object Thailand as an alternative to Singapore and Malaysia. The wages are still low, and in spite of all the problems of the economy, in recent years the country has had a growth rate of 6 to 7 percent a year. There is a good labor supply. That has meant that wages could be kept down in spite of the fact that the country has a legally established minimum wage, a law that many firms do not care for.

The inflation was 17 percent last year, but that is not a high figure for a Third World country.

No Headway

Enumeration of positive factors notwithstanding, there has been no real headway in establishment of foreign firms in Thailand. Recently the Thai investment council sounded a warning that many investment projects were being greatly delayed or even withdrawn altogether in spite of having gotten state approval.

"This trend is all the more disturbing in that it has recently increased noticeably," says Somporn Punyagupta, head of the investment council. "It is normal for some projects to encounter problems, but today the number is abnormally high."

An important cause of the problems, as the Thai themselves admit, may be the lack of cooperation between various public agencies that deal with foreign establishments.

Somporn gives another cause that certainly must have great significance--the tax system.

Great Corruption

"The Thai tax system still does not give foreign firms adequate incentive to invest in the country. The rules are not uniform enough."

Another factor is the widespread corruption among state officials. That scares off many firms, especially those which are not accustomed to doing business in the Orient.

With all due respect to foreign investments, agriculture is the foundation on which the Thai economy rests. The most important export commodity is rice, closely followed by cassava (a root crop) and sugar. For the last 2 years harvests have been very good. This has had the consequence, however, that prices have dropped on the world market, so that the farmers are not as well paid for their products.

Like many other developing countries, the constantly increasing oil prices have caused problems for Thailand. Some 40 percent of the income from exports goes into the purchase of oil. There is a bright spot on the horizon, however. The country is already getting natural gas from the Gulf of Siam, and oil has also been found. Optimistic appraisers say that within the not too distant future Thailand will be practically self-sufficient in the energy field.

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END

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6 JULY 1982

South and East Asia Report

No. 1162

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6 July 1982

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No. 1162

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BRIEFS

AMBASSADOR TO MOZAMBIQUE--Canberra, 7 Jun (AFP)--Australia's high commissioner in Zimbabwe Jeremy Hearder was today accredited as the first Australian ambassador to Mozambique. Minister for Foreign Affairs Tony Street announced the new posting today following Mr Hearder's presentation of credentials to President Machel in Maputo. [Excerpt] [Hong Kong AFP in English 0923 GMT 7 Jun 82]

BANK BRANCH IN BEIJING--The National Bank has been given approval to establish a representative office in the Chinese capital, Beijing. The approval from the Bank of China is the first extended to an Australian bank to set up an office in China. It follows a recent visit to China by the National Bank's managing director, Mr (Jack Booth), and general manager, Mr (Jim Ambridge), to discuss expanded trade and finance opportunities between the two countries. The bank said it is confident of the potential for greater mutual cooperation. [Text] [Melbourne Overseas Service in English 0830 GMT 7 Jun 82]

AMBASSADOR TO FRG--In Canberra, the appointment was announced on 9 June of Mr Robin Ashwin as Australia's ambassador to West Germany. Mr Ashwin, 51, will succeed Mr Maxwell Loveday who has been ambassador in Bonn since 1977. Mr Ashwin is presently the head of the Department of Foreign Affairs' International Organizations, Africa and Middle East Division in Canberra. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 9 Jun 82]

ASSISTANCE TO THAILAND--Australia is to start a new aid program to improve Thailand's agricultural research with a view to increasing its food production. The program will be conducted by the West Australian Department of Agriculture, the University of Western Australia and the federal government's aid agency--the Australian Development Assistance Bureau. The first stage of the program will cost more than $5 million and will involve regionalizing Thailand's agriculture department. The program will include the provision of technical expertise and training in Thailand and postgraduate training of Thai students at the University of Western Australia. The West Australian Agriculture Department will provide a consultation service and technical advice to an office in Bangkok to be staffed by four Australian experts. [Text] [BK131147 Melbourne Overseas Service in English 1130 GMT 11 Jun 82]

CSO: 4220/74

PEOPLE'S POLICE FORCE COMMENDED

Rangoon THE WORKING PEOPLES DAILY in English 4 Jun 82 p 4

[Editorial]

[Text]

THE rule of law and establishing peace and tranquillity are primary responsibilities of the People's Police Force. To carry out these functions successfully, the members of the PPF must suppress crime by means of preventive measures as well as through investigation and prosecution. These are the points highlighted by Minister for Home & Religious Affairs U Bo Ni while addressing a co-ordination meeting of State and Divisional PPF Commanders on Monday.

The PPF, in the accomplishment of its primary responsibilities, is also charged with the tasks of busting drug and smuggling rings, defending the socialist economic system and safeguarding national security hand in hand with the people alongside the People's Tatmadaw.

The PPF has come a long way from 1887 when the colonial regime formed the police force to consolidate its interests. It was used as an instrument for suppressing national struggle for independence, exploiting natural resources and disrupting national harmony. In the post-independence period it served the interests of the capitalists and took orders from political groups in power.

The Revolutionary Council renamed the force as People's Police Force on 1 October 1964 and reoriented the entire force to socialist outlooks and gave it new directions and new responsibilities in the socialization programmes. In 1972 the PPF was given

structural reforms in accordance with the socialist democratic system of administration which replaced the old one in March that year.

Among the new functions assigned to it the most noteworthy is defence of the country against internal and external threats. A number of police officers and other ranks are cited in the Independence Mawgun lists every year. They are decorated for outstanding service to the people and the state by way of fighting rebel bands in the remote areas. With dedication and hard work the PPF has managed to bring down crime incidence in the whole country. The incidence of major criminal offences has steadily declined from 8,450 in 1978 through 7,395 the following year to 6,451 in 1980. For these reasons the image of the policeman as a friend and defender of the people has vastly improved. It is the profound duty of every member of the PPF to preserve their image as guardians of law and order and protectors of peace and tranquillity by executing their functions efficiently and honestly.

CSO: 4220/71a

BRIEFS

MONG YAWNG, MONG HPAYAK COMBAT NEWS--On 1 May a small unit of the People's Army seized an M-16 in an attack on the military government's defense militia on the Keng Tung-Mong Hpayak road. On the following day, 2 May, mine and guerrilla attacks by small units of the People's Army near (Lang Hsat) killed three enemy soldiers and wounded another. On 8 May the People's Army clashed twice with the enemy near (?Wan Kiao) and (?Wan Wo) villages in Mong Yawng. Five enemy soldiers were wounded in the clashes. On the following day, 9 May, an ambush against an enemy vehicle on the Mong Yawng-Mong Hpayak road killed three enemy soldiers and wounded two others. The vehicle was hit and destroyed. On 11 May a small unit of the People's Army made an attack on an enemy force which had come to loot Keng Lap. One enemy soldier was killed and another wounded. A G-2, a G-3 and some ammunition were seized by the People's Army. On 18 and 20 May, attacks by small units of the People's Army around (?Wan Hpak-Hi) and (Wan Tao-Hki) killed three enemy soldiers and wounded seven others. [Text] [BK110848 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 11 Jun 82]

CSO: 4211/23

'PATRIOT' WRITER ON PRC INTEREST IN KASHMIR ISSUE

New Delhi PATRIOT in English 31 May 82 p 2

[Article by Tapan Das]

[Text] The recent reaffirmation of China's "consistent position" of support to Pakistan on the Kashmir issue has coincided, fortuitously or otherwise, with India's strong protest to Islamabad against the illegal annexation of Gilgit, Skardu and Hunza districts in the illegally-occupied Kashmir. What is also more significant is that the statement of the Chinese Vice-Foreign Minister, Mr Fu Hao on the Kashmir issue on 21 April in Beijing found favourable reflection in various speeches and statements of the top Chinese leaders made in the course of Pakistan Foreign Minister Mr Yakub Khan's official visit to China on 23-25 April.

Observers of Chinese and Pakistani scene would no doubt dispute the Chinese claim about "consistency" with regard to the Kashmir issue. One may recall here that Chinese adopted a different posture in the halcyon days of "Hindi-Chini Bhai Bhai" relationship. For instance, India's former Ambassador to China, the late Mr R K Nehru, after his several rounds of discussions in the mid-fifties, stated that eBijing had n "reservations" about the Kashmiri peoples' clear verdict on accession to ndia. Official records also show that in one of his talks on the Kashmir issue in 1959 with the Secretary-General of External Affairs Ministry of ndia, the late Prime Minister Chou En-lai asedk bluntly, "Can you cite any document to show that we have said that Kashmir is not a part of India?"

As is well nkown the course of Sino-Indian relations took a violent turn in 1962 and not unexpectedly China's stand on Kashmir and other vital issues concerning India's national interests too changed in subsequent years. China had even given tacit approval to Paikstan's membership in CENTO and SEATO on the plea that it was a measures against "India's aggressive designs" and it would help Pakistan 'liberate' Kashmir.

In the years following the 1965 Indo-Pak conflict, China gave up all pretension of 'neutrality' and openly came out in in favour of Pakistan's belligerent posture on Kashmir. Marshal Chen Yi, a former Foreign Minister of China during one of his visits to Pakistan expressed deep sympathy for the people of Kashmir in their 'struggle for self-determination.'

China also did not hesitate to uphold Pakistan's repeated attempts to internationalise the Kashmir issue. In a rare demonstration of firm solidarity with Pakistan on the issue, China referred to it in the Shanghai cvommunique which was issued on the conclusion of former US President Richard M Nixon's historic visit to China in February 1972. The communique stated that China 'firmly supports the Pakistan Government and people in their struggle to preserve independence and sovereignty, and the people of Jammu and Kashmir in their struggle for the right of self-determination."

While this brief history does not uphold China's claim of 'consistency' on the Kashmir issue, it also leaves much room for speculation on the timing of China's recent and earlier statements. One may recall in this context that in December 1962 when India and Paistan were holding bilateral negotiations for the settlement of outstanding disputes, China hurriedly concluded a deal with Pakistan 'on the location and alignment of the boundary' with the latter. Under this deal, formally signed on 2 March 1963, China gained control over 2,100 square miles of Indian territory in Kashmir, which was illegally occupied by Pakistan. On another occasion, just a few months before Pakistani troops invaded the Rann of Kutch in April 1965, the late Premier Chou En-lai announced in Pakistan that an agreement has been reached between the two countries on the construction of the Karakoram Highway across Indian territory in Pak-occupied Kashmir. The 800-km all-weather highway passing through Gilgit and Hunza leading to Sinkiang and also connecting with the Chinese network of military bases in western Tibet became operational in June 1978.

Viewed in this background, the recent Chinese statement on Kashmir and Beijing's studied silence over Pakistan's illegal annexation of three districts in the illegally held Kashmir region have more deeper implications than what meets the eye as a mere reiteration of political stance. The 21 April statement came at a time when both Pakistan and China are stating with renewed vigour that they are keen to normalise relations with India. It is also noteworthy that the Chinese reaffirmation has been made despite full knowledge that both India and Pakistan have pledged in the Simla agreement to settle all issues, including Kashmir, through bilateral discussions in the spirit of the Simla agreement.

It needs to be stressed that China like Pakistan has developed great stakes in deliberately creating confusion about India's sovereignty over the Pak-occupied Kashmir areas. Apart from the Karakoram highway, China has built in cooperation with Pakistan three major strategic roads in the disputed regions.

One road connects Gilgit with Kashmir through Mintaka Pass. This 400 km road built in 1968 has a connecting link with Muzaffarbad and goes along Gilgit, Hunza, Morkhun to Kashgar. The second road connects Morkhun with Kashgar through Khunjerab Pass. The 425 km road begins from Morkhun in Northern Kashmir and extends to Kashgar through Khunjerab Pass and Quila Nabi. The third road connecting Skardu and Yarkand at an altitude of 19,000 feet through the mountain pass has just been completed.

India's repeated statements that all these roads pose grave dangers to India's security have fallen on deaf ears. Construction of para-military installations by China in Hunza and other adjoining areas is continuing till this day

in cynical disregard for Inda's concern. How real is the threat posed by the Karakoram highway to India's security? The two-way road characterised often as the 'highway of China-Pak friendship,' in the opinion of a Pakistani Major-General G S Butt has made possible for China to transport whatever 'load' it likes to anywhere in illegally-held Kashmir.

For military purposes, the road, according to an Indian expert Mr Ravi Rikhye, would make it possible for China to deploy 36 divisions against India within six months. The highway will also enable China not only to move, when necessary, its troops to the Himalayan border with Indian but will also enable it, in coordination with Pakistan, to declare military presence in the Pak-occupied Kashmir and in Western Punjab areas.

For China, Karakoram highway is a third route along which the Sinkiang front can be kept supplied, and faster too, says another expert on military affairs, Brig. A C Cariappa (Retd.). From mainland China it takes anything from four to six weeks to reach Kashgar, from Tibet it is about three weeks' travelling time to Sinkiang, and from Pakistan it is a mere week, he points out. Referring to the road's role in the event of a military conflict, he warns that India will have to face much more massive effort from the adversaries on the western and northern parts of Kashmir which hitherto were confined to skirmishes by para-military forces.

It remains to be seen how far the hCinese and Pakistani leaders are able to clear up the cobwebs of mystery surrounding the activities in the occupied Kashmir areas in the course of future negotiations on normalisations of Sino-Indian and Indo-Pak relations.

CSO: 4220/7398

INDIA, SOVIET UNION TO EXPAND OIL EXPLORATION

Madras THE HINDU in English 31 May 82 p 6

[Text] NEW DELHI, May 30--Mr P Shiv Shanker, Union Minister for Petroleum, Chemicals and Fertilizers, left for the Soviet Union on Sunday on a seven-day visit for talks with the Soviet Oil Minister about further expansion of cooperation in oil exploration petrochemicals and pharmaceuticals

The Soviet Union will be supplying 2.5 million tonnes of crude to India during 1982 Mr Shiv Shanker will be visiting the oil and gas fields in Siberia and some of the petrochemical and pharmaceutial units in the Soviet Union.

A major project of considerable technological interest to India is the huge 5,500 km natural gas pipeline being built by the Soviet Union from the Urengoy gas field in Siberia to Western Europe. The deadline for the flow of gas is some time in 1984 It will be pumped by 25 MW gas turbines which the Soviet Union is now reported to be developing

One factor which seems to be delaying the project is the embargo which the United States has imposed on supplies of plant and machinery to the Soviet Union. However, the Soviet Union is unlikely to be greatly handicapped by this embargo since it is said to be capable of fabricating most of the equipment it will need for the project.

During the current plan period, the Soviet Union has a massive programme to build large diameter gas pipelines for a total length of 25,000 km

CSO: 4220/7397

INDIRA, MANEKA QUARREL OVER SUCCESSION

Paris LE MONDE in French 11 Apr 82 Supplement pp 8-9

[Article by Patrick Frances: "Indira Gandhi Against Her Daughter-in-Law"]

[Text] On Monday evening, 29 March, a metallic gray Ambassador left the prime minister's residence, with Maneka, age 26, and her son Feroze Varun, age 2, inside. "I am leaving, I have had enough," the widow of Mrs Gandhi's younger son, who died in an air crash in June 1980, confided to a journalist. Then she took refuge in a Delhi hotel, since Indian tradition rules that a married woman cannot return to her mother's home.

This spectacular departure--which, on the following day, was to make the front pages of the newspapers shudder--had its origin in the ultimatum the prime minister had issued to Maneka that afternoon, explaining to her in front of witnesses that she could no longer remain in that house if she continued to be associated with forces hostile to the prime minister personally and to her party. If Maneka would disassociate herself from them, she would again be welcome there.

It all pretty much started with the decision of someone close to Sanjay--an Uttar Pradesh Assembly representative, Akbar Ahmed, nicknamed "Dumpy"--to organize a rally on 28 March in Lucknow, the capital of the state of Uttar Pradesh. The rally was meant to revive the dead leader's five-point program,[1] and Maneka had agreed to be the guest of honor. For "Dumpy," it was a matter first of resurrecting the memory of a somewhat forgotten man, and then of restoring hope to his faithful followers, mainly regrouped within the youth organization of the Congress Party (Indira) [Congress-I], the Youth Congress and who, orphaned followers, feel somewhat neglected if not deliberately excluded from power nowadays.

Conspiracy and Betrayal

There was no question, however, of embarrassing, criticizing or challenging the prime minister, the organizer asserted. In his opinion, the posters put out on that occasion and on which Maneka was flanked by Sanjay and Mrs Gandhi attested to that. The leaders of the party in power should, however, judge differently, since they decided, as of 17 March, to suspend "Dumpy," accused of engaging in activities prejudicial to the organization presided over by

Mrs Gandhi. This saction--labeled "arbitrary" by its victim--was intended to check what party authorities perceived to be for the most part an operation aimed at putting Maneka into the arena and, therefore, offending her brother-in-law Rajiv.

For a short time after Sanjay's death there had been some question of his widow taking up the torch herself and, since she was in a strong position because of the experience gained at his side, succeeding him in preference to his elder brother Rajiv, an airline pilot considered by some to be a little soft. In actual fact, in the end the latter yielded to pressures and, triumphantly elected in his brother's electoral district, made an attention-getting entry into Parliament where, under his mother's watchful eye, he was to be initiated into the subtleties of local politics. Maneka's entering the lists could, therefore, appear as an annoying challenge.

"They wanted to buy me off," counterattacked a somewhat hard-headed "Dumpy," giving to understand that he had been promised attractive positions if he would renounce his undertaking. Clever, he did not cease affirming his loyalty to Mrs Gandhi, "undisputed leader but influenced by a coterie of sycophants." "Let her command and I shall obey," he added. In the meantime, he stood his ground, just like Maneka, who confirmed her intention to go to Lucknow.

It was then that Mrs Gandhi entered the scene. She had barely landed from London (where Maneka had refused to accompany her) when, on 27 March, she described the controversial rally as an "antiparty act" and noted with sadness that "certain of those persons who had been close to Sanjay were today associated with those very people who had formerly fought and persecuted him when the Janata Party was in power." Whereupon she in turn asserted that the operation, controlled from a distance by the opposition, was financed by the BJP [Bharattya Senate Party], a nationalist Hindu party described as "far right" by the present government because of its links with the RSS [Rashtriya Swatamsevak Sangh], a communal league.

The NATIONAL HERALD, a daily newspaper close to the government, spoke of "conspiracy," denounced "the strategy of infiltration led by the RSS," and recalled the recent sale of the magazine SURYA--owned by Maneka's mother, it had been founded by Sanjay and edited for a long time by Maneka--to a group linked to the BJP. "She had no choice," "Dumpy," who emphasizes the magazine's financial difficulties, says nowadays. A decision which Mrs Gandhi, who would not have been informed of it by Maneka, would, however, have considered veritable treason.

Some elected representatives of the Congress-I asserted, while they were at it, that "Akbar Ahmed is only the Trojan horse of the reactionary forces which we fought and vanquished in the past and will vanquish anew--forces which," and here they became accusatory, "intend to do anything to destabilize the country and tarnish Mrs Gandhi's image."

Since Maneka felt that her silence had up to then done more harm than good, she explained in a letter sent to her mother-in-law on 26 March, that she was

going to Lucknow in order to "nip any damage in the bud." And she attached to her letter the broad outline of the speech she intended to deliver there--a speech in which, after having affirmed her loyalty to the prime minister and paid homage to the memory and work of her husband, she was to recall in particular having fought "shoulder to shoulder" at Sanjay's side. "How, in these circumstances," she asked several thousand people who came to listen to her, "could I be the ally today of our adversaries of yesterday?" Whereupon she affirmed that this meeting was neither a "revolt" nor an act meant to break up the party in power. At the close of the meeting, nevertheless, it seems to have been decided to create a new organization (the objective of which would be to propagate Sanjay's ideas) and to hold a national rally soon in Delhi.

"Dear Mummy"

Sunday evening, 28 March, Maneka arrived back home, Monday evening she left hastily, with child, dogs and baggage--the price of an unacceptable challenge, or simply, and more prosaically, a "family affair," as she was herself to maintain during a press conference in which she talked about "misunderstanding," affirmed that she was and remained "a Gandhi," asserted that, for the time being, she had no political plans, and declared herself ready to go back to her home if Mrs Gandhi wished her to do so.

A simple "family affair"? Perhaps, but in a family--the leading family in the country--which was all of a sudden washing its dirty linen in public, the laundry being spread out over page one of the newspapers which (when they were not publishing straight-out photocopies were reporting on the letters exchanged by the two women. Thus, Mrs Gandhi was said to have denounced the "bad influences" from which, after Sanjay's death, Maneka is said not to have been able to or not to have wanted to free herself, reproaching Maneka indirectly for "her origins"--Mrs Gandhi is a Brahmin, India's leading caste--and accusing Maneka of lacking respect for her on several occasions, "to the point of shocking Sanjay himself."

On her part, Maneka pointed out to her "dear Mummy" that "no other human being would have put up with" what she had been subjected to since the death of her husband. And went on to recall that in difficult times she had fought at her side "while the rest of the family was ready to escape abroad." "I only ask for a little affection," wrote this person whose mail was apparently censored, visitors screened and telephone tapped.

"Enough, that is enough," the prime minister's entourage then decided, quite wisely, refusing to get involved in an argument being hawked about without restraint. Does this mean that we can write "end" to a story fit to make the best Bombay screenplay writers green with envy, a story with the favorite themes of Indian movies: the traditional tensions existing within the "joint family"--the extended family--and, in particular, the conflict between the "bahu" (the daughter-in-law) and the "saas" (the feared and fearsome mother-in-law)?

Apparently not, inasmuch as the episode was perceived by most observers of the political scene as much more than a simple family quarrel--as worthy of the Mongol courts or the Bonaparte tribe. Here one must go back. When Sanjay died, he left behind him a young widow, a son, a tearful mother and a horde of paralyzed followers. Rajiv succeeded him. Sanjay's army was disbanded, his widow got out of the way, and he was destined for obscurity and the silence of anonymity. Suddenly she rebelled, at the same time becoming the hope of the demobilized followers who were all the more formidable since they were fighting with their backs to the wall. And there she is, offending the rising star, Rajiv, who certain people feel is taking forever to take off. So some talk of a war of succession in which two totally different styles are said to be in confrontation. On the one hand, the honest, the gentle, the courteous, the prudent, the pragmatic Rajiv--endowed with a halo because he belongs to the Nehru dynasty. On the other hand, the person some have identified with Durga, the warlike divinity--Maneka, Sanjay's widow, ready to mount her legend.

Unless she chooses to listen to the advice of those already suggesting to her to sacrifice her ambition on the altar of the future of her son, Varun. In India, one looks far ahead.

FOOTNOTE

1. In July 1976, Youth Congress, led by Sanjay Gandhi, proposed a program stressing the abolition of dowries, literacy, the environment (tree planting), the elimination of shanty towns, and birth control--objectives which, Rajiv has just stated, have not been abandoned but have been incorporated into the new program recently announced by Mrs Gandhi.

9631
CSO: 4200/41

MAJOR CABINET SHAKE UP REPORTED IN BIHAR

Bombay THE TIMES OF INDIA in English 31 May 82 p 1

[Text] PATNA, May 30 (UNI)--The Bihar chief minister, Dr. Jagannath Mishra, today dropped the minister of state for law and housing, Mr. Sagir Ahmed, and changed the portfolios of almost all ministers in a major shakeup of his ministry.

Although Mr. Ahmed is officially stated to have tendered his resignation, informed sources said he was asked by the chief minister to resign because of his alleged involvement in some scandal.

Among the cabinet ministers, Mr. Ramsharaya Prasad Singh has been relieved of the industries department and allotted food, supply, commerce, information and public relations in addition to his old portfolio of parliamentary affairs while Mr. Yogeshwar Prasad Yogesh, till now in charge of the road construction and building departments, was given industry.

The health minister, Mr. Umeshwar Prasad Varma, has been moved to irrigation department, till now held by the chief minister himself.

The rural reconstruction and panchayati raj department held by Mr. Shankar Dayal Singh has been allotted to Mr. Rajendra Pratap Singh. Mr. Dayal Singh was given road construction and transport department.

The mines and geology and sugarcane minister, Mr. L. P. Sahi, became health and family welfare minister.

The minor irrigation minister, Mr. Jagnarain Trivedi, has been put in charge of building construction in addition to his old department of religious trusts.

The agriculture minister, Mr. Ramesh Jha, has been given minor irrigation also.

The minister for excise and prohibition, Chaudhary Salauddin, has also been allotted the public health engineering department and waqfs.

Mr. Budhadeo Singh has been shifted from urban development to mines, minerals and jails.

The co-operative minister, Mr. Ghanshyam Singh, gets urban development and sugarcane departments, while Mr. Sami Nadvi has been given the co-operative department.

Mr. Karam Chand Bhagat and Mr. T. Mochi Rai Munda will, however, continue to hold the education and forest departments, respectively.

The portfolios of ministers of state were also reshuffled.

CSO: 4220/7396

INDONESIA CONTRIBUTES $3 MILLION TO ASIAN DEVELOPMENT FUND

Jakarta KOMPAS in Indonesian 1 May 82 p 2

[Text] Manila, 30 April--For the first time Indonesia has made a contribution to the ADF (Asian Development Fund), the source of funds for the Asian Development Bank (ADB), which are used for helping developing countries with very soft loans (no interest).

The contribution of $3 million was mentioned by Minister of Finance Ali Wardhana when he spoke at the yearly meeting of the Council of Governors of the ADB in Manila on Friday [30 April].

Together with Hong Kong, South Korea, and Taiwan, Indonesia was said to have opened a new page of history in the ADB. ADB President Masao Fujioka, in addition to expressing his thanks, stated that the four countries are the first among the developing countries to give assistance to the ADF. Up to the present the ADF has obtained its funds from wealthy, developed countries which are members of the ADB, such as the U.S., Japan, Canada, and others, while the developing countries have only been recipients of loans.

Apart from Indonesia, which provided $3 million, Hong Kong stated it would provide $1 million, while the contributions from Taiwan and South Korea are not yet known.

However, on the whole the ADB has had difficulty in collecting funds for the ADF. The ADB has two kinds of funds, that is, conventional funds which are loaned out under not particularly soft conditions and on which interest is payable. For the countries which are considered the poorest among the developing countries there is the ADF which provides loans on very soft conditions and without payment of interest.

A large part of the difficulties facing the ADB is caused by the fact that the U.S., as the largest contributor of ADF funds, has stated that it will reduce its total contribution. In this connection the ADF needs $3.2 billion for the period 1983-1986 in order to be able to help the developing countries which most need help. The shortfall in the ADF fund, it is hoped, will be made up by contributions from the 10 developed countries which are members of the ADB.

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CSO: 4213/56

SYNDICATED LOAN OF $300 MILLION OBTAINED

Jakarta KOMPAS in Indonesia 6 May 82 pp 1, 9

[Text] Jakarta, KOMPAS--Indonesia's credit worthiness has been recognized by the international world and in particular among bankers, non-bank financial institutions, and among other investors. For that reason Indonesia is currently receiving many offers of loans from foreign investors on low credit terms.

Minister of Finance Prof Dr Ali Wardhana and Governor of the Central Bank Dr Rachmat Saleh made this statement to reporters on Wednesday [5 May] at the Ministry of Finance after the installation in officer of a number of banking officials.

In New York on 20 April the Bank of Indonesia signed an agreement under which it will receive credit assistance amounting to $300 million (about Rp 195 billion) from a syndicate consisting of 40 international banks, principally from the United States. The interest rate on this line of credit is 3/8 of a percent above LIBOR (London Interbank Offered Rate), the inter-bank interest rate on loans which is set in London.

Later on, at the beginning of May 1982, the Bank of Indonesia will sign a "floating rate note" (FRN) in London, a type of financial obligation whose interest rate floats, depending on the circumstances. The level of the interest has been fixed at 0.25 percent above the LIBOR. The total funds under the FRN which can be drawn amount to $200 million, or about Rp 130 billion. This obligation will be sold to 15 banking firms in Europe, led by Swiss Bank Corporation International Ltd. The period for repayment of the obligation is 10 years.

These two events, according to Ali Wardhana, show that Indonesia is presently recognized as a country whose development is going well. The interest rates of 3/8 of a percent and 0.25 percent above the LIBOR has only been extended to Malaysia and Indonesia among the developing countries. The low the interest rate the greater the confidence shown by foreign financial interests to Indonesia. "However, maintaining this credit worthiness is very difficult, for which reason Indonesia must succeed in its development program," said Ali Wardhana.

Governor of the Central Bank Rachmat Saleh said that because economic conditions in Indonesia are attractive Indonesia is receiving many offers of loans from foreign financial institutions, foreign banks, and other investors. "However, we must limit our borrowings. We must arrange things so that we don't go too far. Loans must be matched to our needs," he said.

The $300 million credit from the banking syndicate and the $200 million from the Floating Rate Note are not directly earmarked for any particular development project. The funds will be used to pay for several projects. The fact that these funds are not linked to any particular project means that we have avoided receiving loans under restrictive conditions. With the $500 million in credits Indonesia is free to spend it and to purchase things needed for projects from any country at all, provided the equipment is regarded as fulfilling the project needs.

The FRN obligation is a new way of obtaining funds in foreign exchange. Credit assistance has also been obtained from the banking syndicate.

The Bank of Indonesia, in obtaining loans in foreign exchange, has tried to work through a number of banks in a number of countries. In this way it has become increasingly evident that Indonesia is trusted overseas, not only by a given group of banks but in a broad sense. It is increasingly known as a country whose credit worthiness is high, and it is increasingly easy to obtain credit when it is needed.

For the Bank of Indonesia the best way to obtain funds from abroad cannot be determined. The Bank of Indonesia merely limits itself to arranging conditions in terms of the circumstances, and this time was regarded as the most appropriate for obtaining funds through an FRN obligation. In addition to the FRN Indonesia has previously issued six kinds of obligations at fixed rates of interest in various foreign countries.

Indonesia issued the first obligation in July 1978, amounting to 10 billion and with a repayment period of 10 years. The second obligation was issued in October, 1978, for a period of 6 years and a value of DM 100 million. The third obligation was issued in March 1979, to the value of 75 million Dutch guilders and for a period of 10 years. The fourth obligation was for 7 billion Kuwaiti dinar and for a period of 12 years and was entered into in July 1979. The fifth obligation was entered into in September 1980, and was valued at 75 million Swiss francs and for a period of 5 years. The sixth obligation was for 10 billion for a period of 10 years.

The nine banking officials who were installed in office yesterday [5 May] were: Dr H Omar Abdalla, reappointed as principal director of the Bank Bumi Daya; R Mohammed Samadikun Hardjo Darsono, reappointed as a director of the Bank Bumi Daya; Sutono Sudirdjo, director of the Bank Bumi Daya; H M Widarsadipraja as principal director of the Bank Dagang Negara; Dr Hartawan Sumosubroto as a director of the Bank Rakyat Indonesia (BRI); Dr Gandhi Martono as a director of the BRI; Dr Soepari Dhirdjoprawiro as a director of the BRI; Dr Daulat Siahaan and Dr Sidharta Soerjo Poernomo Soerjadi as directors of the Bank Pembangunan Indonesia.

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CSO: 4213/56

LAND REFORM STUDY COMMITTEE RESUMES ACTIVITY

Jakarta KOMPAS in Indonesian 13 May 82 pp 1, 12

[Excerpts] Jakarta, KOMPAS--After about 15 years of no activitity on Wednesday [12 May] the first meeting of the Central Land Reform Study Committee (PPLP) was held at the Ministry of Internal Affairs. The meeting was opened by Minister of Internal Affairs Amir Machmud, accompanied by Director General of Agrarian Affairs Doctor Daryono, and with several senior officials of the Ministry of Internal Affairs attending.

The formation of this committee is based on Minister of Internal Affairs Decision No 37/1981 in implementation of Presidential Decision No 55/1980. The appointment of members of the committee, handled by Minister of Internal Affairs Decision No 28/1982, involves the designation of nine officials by a number of ministries and the Central Executive Council of the Association of Indonesian Farmers' Organizations (HKTI).

Members of the committee are: Maj Gen Naya Iskandar (Ministery of Defense and Security), Dr Sri Oeripto (PPLH) [expansion unknown], Dr A T Birowo (chief of the Bureau of Planning in the Ministry of Agriculture), Oskar Surjaatmadja (director general of domestic monetary affairs in the Ministry of Finance), Dr Sumantri Wirjosedono (chief of the Bureau of Legal Affairs in the Ministry of Manpower and Transmigration), Mrs Sumarpeni Sedyatmo (chief of the Bureau of Legal Affairs in the Ministry of Public Works), Dr Kusmiyat Wiryodinomo (chief of the Cooperatives Research Center in the Ministry of Trade and Cooperatives), Dr Hajati Soeroredjo (director of criminal law in the Ministry of Justice), and Muhammad Toha (chairman of the Central Executive Council of the HKTI).

The Central Land Reform Study Committee (PPLP) will be assisted by the director of land reform as its secretary, together with three assistant secretaries, who will provide technical assistance in carrying out the work of the secretariat. Meetings of the committee are planned to be held once every 2 months or whenever circumstances require.

Director General of Agrarian Affairs Daryono, in his report to the committee, mentioned three problems to be considered at this time. First, consideration of the failure to carry out land reform in the framework of implementing "the seventh success" of the "Eight Successes," that is, success in handling the land question.

Secondly, he referred to consideration of the resolution of the problem of land reform disputes, particularly those connected with decisions of the state courts, state appeals courts, and the Supreme Court. Thirdly, consideration of the problem of compensation for land over the maximum allowed and absentee land ownership in the framework of implementing the land reform program.

The committee will have the task of providing advice to the minister of internal affairs regarding all matters connected with the implementation of the land reform program which come under the minister.

Installation in office of the members of the Central Land Reform Study Committee (PPLP) and the chairmen of the Regional Land Reform Committees (the governors of the respective provinces) was performed by the minister of internal affairs, Amir Machmud, on 6 March 1982 at the Balai Sidang in Senayan on the occasion of the closing meeting of the All-Indonesia Conference of Governors, Regents, and Mayors.

Minister of Internal Affairs Amir Machmud drew attention to the emergence of an incorrect impression that land reform in Indonesia is no longer needed or no longer exists. That impression has emerged because for 15 years nothing has been heard of land reform activity. "Such a view is absolutely untrue, but there are reasons why it exists," said Amir Machmud. He said that since the G30S/PKI [abortive communist coup attempt in 1965] it seems there has been a feeling of fear among members of the community and within the government structure of speaking about or especially of carrying out land reform. This is because the word "land reform" has been identified with the communists.

The implementation of the land reform program, said the minister of internal affairs, will be carried on, among other things, with the redistribution of land which is its object. In connection with that attention needs to be given to the increase of population in Indonesia, particularly in Java, which is becoming more and more crowded. There are about 11 million people who are small farmers and have less than one-half hectare. In connection with the redistribution of land, which is the object of land reform, these matters need to have attention.

"In carrying out land reform in Indonesia individual property rights are not being abolished. Land reform does not end the individual rights of people to the land. What is being limited is the amount of land," said Minister Amir Machmud, adding, "It is for that reason that land affected by the provisions of the land reform program and later taken over by the state will require compensation of the last landowner of record."

In accordance with Regulation No 4/1967 issued by the director general of agrarian affairs the maximum compensation has been fixed at Rp 50,000 per hectare. The minister of internal affairs admitted that this price will cause many former owners of land to refuse to accept this conmpensation, with the result that solution of the problem will go on endlessly and cause many quarrels. The easy way to overcome the problem is to increase the amount of the compensation. However, in this connection it is necessary to note the limited funds available for the purpose.

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CSO: 4213/56

COMMUNICABLE DISEASE REMAINS COMMUNITY HEALTH PROBLEM

Jakarta KOMPAS in Indonesian 29 Apr 82 p 3

[Text] Jakarta, KOMPAS--The results of research carried out in 1980 show that at any given time about 11.4 percent of the population of Indonesia is suffering from illness. Of that total about 57.2 percent of them are suffering from communicable disease. This statement was made by the director general for the prevention and elimination of communicable disease in the Ministry of Health, Dr Adhyatma, during the program "Television Platform" last Tuesday evening [27 April].

Dr Adhyatma said that it is clear that communicable disease is still a community health problem in Indonesia. This is because the most common diseases people suffer from in Indonesia are communicable illness, while cancer, diseases of old age, heart disease, injuries, and other medical conditions are just starting to appear, However, communicable disease is still the major problem in Indonesia as a developing country. There is also the fact that communicable disease causes repeated illness such as infection of the upper and lower respiratory system, including influenza, bronchitis, inflammation of the lungs, skin diseases, diarrhea, tuberculosis, eye diseases, malaria, and other parasitical infections. However, the most serious communicable diseases which cause death are infections of the upper and lower respiratory passages, such as inflammation of the lungs, diarrhea, tuberculosis, tetanus, and typhus affecting the intestines.

According to Dr Adhyatma, in order to prevent and eradicate communicable disease effectively, it is necessary to break the chain of infection. Among other things this includes improvement of health conditions in the neighborhood, killing insects or livestock suffering from disease, treatment of sick people who are the source of infection, and immunizing community groups which may be affected by communicable diseases. Usually, these efforts at preventing and eradicating the spread of disease are carried out as a combination of several of the forms of activity mentioned previously.

Communicable disease which can be prevented by immunization includes diphtheria, whooping cough, tetanus, poliomyelitis, and so forth. The object of preventing and eradicating communicable disease is to lower mortality and illness figures and reduce the impact of other consequences of communicable disease.

Dr Adhyatma said that as a result of efforts to prevent and wipe out communicable disease, illnesses like the plague, which were once the greatest health problem affecting Java, have been effectively eradicated. Indeed, in a gradual way the plague has been completely overcome or confined to a single location, that is, Boyolali [Central Java]. Since 1972 Indonesia has had no additional cases of the plague affecting human beings. Smallpox has also been successfully wiped out. Previously, small pox was once major community health problem. However, since 1972 there have been no reports of smallpox in Indonesia. The last case of smallpox was reported from Tangerang [West Java] in 1972. In 1974 Indonesia was declared free of smallpox, and the whole world was declared free of smallpox in 1980.

There are other communicable diseases which have been successfully eradicated or whose incidence and seriousness as a cause of death have been reduced, according to Dr Adhyatma, including yaws, which has been eradicated. The seriousness of malaria has been reduced, the death statistics due to cholera have been reduced, and the death statistics due to dengue fever have been reduced. In 1968 the incidence of death among those suffering from dengue fever was still 48 percent; presently, the figure was dropped to 3-4 percent.

Meanwhile, he admitted that other diseases have not yet been eradicated, but the program to deal with them is spreading wider and reaching farther out. The immunization program now reaches, 2,099 Community Health Centers, and the program for the eradication of tuberculosis now reaches 1,320 Community Health Centers.

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CSO: 4213/56

INCREASE IN NICKEL PRODUCTION

Jakarta KOMPAS in Indonesian 7 May 82 p 2

[Text] Jakarta, KOMPAS--Although prices have declined slightly, production of nickel ore at present continues to rise, compared with the previous period. From January through March 1982, at the Pomalaa and Gebe nickel mines which are operated by Aneka Tambang [Aneka Mining Company] 343,345 tons of nickel ore were produced, an increase of 54,918 tons compared with production of nickel ore during the same period of the previous year, when only 288,427 tons were produced.

An Aneka Tambang source contacted by KOMPAS on Thursday [6 May] gave no particular reason for the increase in production. However, out of the production figure mentioned above 234,033 tons were exported to Japan. The export price fell from $29 per ton in January to about $28.30 per ton in April.

It appears that the government wishes to continue to increase production and exports of nickel ore in an effort to obtain more foreign exchange which is little affected by the decline in the production of petroleum. In 1981 production of nickel ore only reached the level of 1,537,224 tons, while in 1982 production of 1,715,000 tons is hoped for, or 177,976 tons more than in 1981. It is planned that from this production some 1,480,000 tons will be exported, bringing in about $34,989,793 in foreign exchange.

In the ferronickel sector production has also been increased. In 1980/1981 production of 4,506.4 tons was recorded, with exports amounting to 4,434 tons valued at $27.8 million. In fiscal year 1982/1983 it is planned for production to be increased further to 5,000 tons. It is planned that all of this will be exported for a value of $28.4 million. Exports will be directed in particular to Japan and Europe. Last March the price of ferronickel was $6,415 per ton.

Ferronickel is produced by the ferronickel factory at Pomalaa. When the factory is working normally it is capable of processing 350,000 tons of raw ore, which amounts to 250,000 tons of dry ore. From ore containing 1.8 percent of Ni (nickel) some 20,000 tons of ferronickel can be obtained.

In an effort to increase diversification of production in order to lessen dependence on a low-priced commodity like nickel ore and dependence on petroleum, the government is carrying out preparations for an expansion of

the plant. This will be based on the plan to develop a PLTA [Earth Resources Electric Energy Center] at Larona Hilir. An economic feasibility study on the expansion of the plant and development of the PLTA on a joint basis was prepared in 1981. The development project will be carried out in two phases until the PLTA has a capacity of 135 Megawatts and there is a 300 percent increase in the capacity of the processing plant. In carrying out this plan PT Aneka Tambang will be able to increase production of ferronickel to 16,000 metric tons of nickel per year.

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CSO: 4213/56

NEED TO IMPORT IRON ORE EXPECTED TO CONTINUE

Jakarta KOMPAS in Indonesian 30 Apr 82 p 2

[Text] Jakarta, KOMPAS--For the indefinite future Indonesia will still have to import iron ore because domestic production does not meet even the small-scale requirements, while the iron content of the ore is not very high. Known reserves in the country are still limited.

In 1981 the total quantity of iron ore imported by Indonesia from a number of countries such as India and Brazil was rather large, or about 600,000 tons. The full productive capacity of iron ore each year in Indonesia amounts to about 2 to 3 million tons.

Domestic requirements for iron ore each year have risen quickly. Iron ore, which is the primary raw material for the iron and steel industry, must first be processed into pellets before it is used. After the processing into pellets, if the steel is to be used for fuel pipes, it must first be processed into steel plates or sheets.

The steel pipe industry is the largest consumer of steel plates or sheets made from pellets which in turn are made from iron ore. Requirements for steel pipe in development projects continue to increase.

Total requirements for steel pipe for petroleum and natural gas in Indonesia are currently estimated at about 300,000 tons, about 50 percent of which is welded pipe, while the remainder is not welded pipe. However, domestic production can only take care of about 70 percent of requirements, while the remaining 30 percent must be imported.

Minister of Industry Abdul Rauf Soehoed, in presiding over the official entry into operation of the PT Bakrie Pipe Industries (BPI) factory at Bekasi [West Java] on Wednesday [28 April] stated to the press that Indonesia's continuing need to import iron ore should not be a cause for concern. He noted that Japan was an advanced industrial country which continues to import iron ore for its industrial needs in a number of sectors. "Japan does not produce iron ore at all. However, Indonesia continues to produce iron ore, although the quality does not fully meet our requirements. This should not be a cause for concern, because it is the will of God that there is only a limited quantity of iron ore in Indonesia and its quality does not meet the requirements," Soehoed added.

Meanwhile, the president and director of PT Bakrie Pipe Industries (BPI), H Achmad Bakrie, stated in his report that the factory, which will have a capacity of 100,000 tons of pipe per year, will cost Rp 15 billion. This cost will be met jointly by BAPINDO (Bank Pembangunan Indonesia) [Indonesian Development Bank] and by BPI. The bank will hold about 40 percent of the shares in the factory.

On this occasion the commander of KOPKAMTIB [Security and Order Command], Admiral Sudomo, and the director general of basic metal industries, Dr Eman Yogasara, were in attendance. The presence of Admiral Sudomo attracted the attention of journalists who were following the program. A reporter asked Admiral Sudomo if his attendance at the dedication of the plant indicated a special matter which could be discussed. Admiral Sudomo replied with a laugh, "There's nothing to it. I am just a good friend and old acquaintance of Achmad Bakrie. When I retire, I could always go to work in a factory owned by Achmad Bakrie."

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CSO: 4213/56

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

AMBASSADOR H ACHMAD TIRTOSUDIRO--The Indonesian ambassador to the Kingdom of Saudi Arabia, H Achmad Tirtosudiro, has delivered his letters of credence to King Khalid bin Abdul Aziz at Ma'azar Palace in Riyadh recently. At the ceremony King Khalid was accompanied by Minister of Foreign Affairs Prince Sa'ud al-Faysal, the chief of the cabinet of the kingdon, Muhammad Nuwaysir, and others. On this occasion the ambassador, accompanied by four members of the staff of the Indonesian Embassy, transmitted the fraternal greetings of President Soeharto King Khalid and expressed the hope that King Khalid would assist and facilitate the work of the ambassador in carrying out his duties in Saudi Arabia. In the private conversation between Ambassador Achmad Tirtosudiro and King Khalid, who was accompanied by Minister of Foreign Affairs Prince Sa'ud al-Faysal, King Khalid asked that he convey fraternal greetings to President Soeharto. The king expressed his willingness to provide all necessary aid to the ambassador in carrying out his duties in Saudi Arabia. [Text] [Jakarta HARIAN UMUM AB in Indonesian 13 Apr 82 p 8] 5170

AMBASSADOR ALEX RUMAMBY--Alex Rumamby (age 55) has been appointed Indonesian ambassador to Sweden and will be resident in Stockholm. The career diplomat is a graduate of the Foreign Service Academy. He replaces Ambassador R Achmad Djumiril, who has completed his tour of duty and is presently director general of protocol in the Minister of Foreign Affairs. Ambassador Rumamby began his work in the Ministry of Foreign Affairs immediately after completing his training at the Foreign Service Academy. From 1957 to 1960 he was assigned to the Indonesian Embassy to the Vatican as an attache and third secretary. From 1960 to 1965 he served in the Ministry of Foreign Affairs and then was successively assigned to the Indonesian Consulate in Canton (1965-1967), the Indonesian Embassy in Wellington (1969-1973), the Indonesian Embassy in Port Moresby (1973-1976), and the Indonesian Embassy in Ottawa (1976-1979). His most recent post was that of director of protocol in the Ministry of Foreign Affairs, before being assigned as ambassador to Sweden. Born on 1 April 1927 in Bengkulu [South Sumatra], Ambassador Alex Rumamby has four children. [Text] [Jakarta KOMPAS in Indonesian 30 Apr 82 p 12] 5170

CSO: 4213/57

BRIEFS

SAKURAUCHI TALKS WITH LEADERS--Japan supports Malaysia's efforts in working toward the formation of a coalition government of the three resistance groups in Kampuchea. This message was conveyed by the visiting Japanese foreign minister, Mr Yoshio Sakurauchi, in talks with the prime minister, Datuk Sri Dr Mahathir Mohamed, in Kuala Lumpur. A spokesman for Wisma Putra [Foreign Ministry] told newsmen they also discussed the possible relocation of certain Japanese industries in Malaysia. This will help transfer Japanese technology and knowhow to Malaysians. On the economy, Datuk Mahathir said it was not very healthy due to the low prices of export commodities and global recession. Malaysia would require more financial assistance from Japan. In this context the prime minister stressed that Malaysia should not be treated as a newly industrialized country but as a developing one. Earlier, Mr Yoshio Sakurauchi met the minister of foreign affairs, Tan Sri Ghazali Shafie. He pledged that Japan would help Malaysia in its look east policy. In line with this, a team of experts will be sent to Malaysia soon to assess its training and educational requirements. The experts will also recommend the fastest way of teaching Japanese to Malaysians intending to pursue studies and training in Japan. [Text] [BK191217 Kuala Lumpur Domestic Service in English 1130 GMT 19 Jun 82]

ADB LOAN--Malaysia has received a 66 million ringgit loan from the Asian Development Bank to finance the Farmers Organization Authority's projects. The loan will cover more than half the total cost of the projects costing 132 million ringgit. The spokesman for the authority told Radio Television Malaysia today the projects included the building of 43 farmers development centers and 33 farmers mechanization centers. [BK171559 Kuala Lumpur Domestic Service in English 1130 GMT 16 Jun 82]

1981 PALM OIL EXPORT--Malaysia exported 2.5 million tons of palm oil worth 3 billion ringgit in 1981. This was disclosed by the director general of the Palm Oil Research Institute of Malaysia in Kuala Lumpur on 15 June. [BK171559 Kuala Lumpur International Service in English 0800 GMT 15 Jun 82]

SAUDI ARABIAN CRUDE SUPPLY--Trade and Industry Minister Tengku Ahmad Rithauddeen has said after returning from a 4-day visit of Saudi Arabia that Saudi Arabia agreed to supply Malaysia 20,000 barrels of crude oil a day from 1 July on a government-to-government basis. [BK131143 Kuala Lumpur International Service in English 0800 GMT 12 Jun 82]

TIN ORE 'FISHED OUT'—Johor Bahru, West Malaysia, 13 Jun (AFP)—Malaysian customs officers have "fished out" tin ore worth about 1.4 million dollars (650,000 U.S.) from a sunken Thai vessel near Pulau Pisang, off Pontian coast, Bernama News Agency reported today. The agency said the customs department believed that another 15 tons of tin ore worth nearly half a million dollars (230,000 U.S.) were still hidden in the vessel. In yesterday's operation the officials recovered not only tin ore but 51 bales of rubber, the value of which is not known. According to a customs spokesman some 1,034 bags of tin ore weighing about 45 tons were hauled out. The Thai vessel is believed to have sunk following a collision with a Singapore-bound vessel while trying to smuggle the ore out of the country a month ago. "We have yet to establish the details of the case as we are now trying to get in touch with the ship's agents in Singapore," the agency quoted the spokesman as saying. Salvage operations to recover the remaining ore are to start next week. [Text] [BK131143 Hong Kong AFP in English 0902 GMT 13 Jun 82]

CSO: 4220/74

DISTORTION OF 'HIJACKING' NEWS CRITICIZED

Lahore CHATAN in Urdu 3 May 82 pp 10-13

[Article by Sauban Ghalzai: "What is Freedom of the Press?"]

[Excerpts] In newspapers competition, negative competition, produces an explosive situation for readers and journalists. When the "order of the day: in the newsroom is "Give me something explosive" then it will inevitably be so. Whether the explosion is in social life or in the newsroom, innocent passersby and spectators will feel the force of the blow. The picture which the newspapers presented on 24 April of the immediate effects of the explosive event which occurred on 23 April, 1982 is both irritating and amazing. Since some time has passed and the effects are ebbeing, this is an appropriate opportunity to try to determine what the means of acquiring news are, who is responsible for the publication of the news gathered, what is freedom of the press, and how is it related to the gathering and dissemination of news.

Before answering the above questions and considering their effect on the current situation we will look at what the news really was, and at how it was published in the newspapers.

We have in front of us three newspapers of Lahore: MASHRIQ, NAWA-I-WAQT, and JANG. These three newspapers all published one news item with the date line of 22 April. NAWA-I-WAQT published it as by its special correspondent, MASHRIQ by its staff reporter, and JANG by its staff reporter, PR (that is, press release). At least this much is clear from these attributions: the news being given is the result of the reporters' own investigation. The reporters are the source of the news and they are responsible for the truth or falsehood of the items included in the news. It is also necessary to mention in this regard that the newspaper is not released from responsibility just by publishing such indicative words as "press release" or PR and BR. This does not and can not exonerate it. The newspaper is responsible for any news it publishes, whether it is true or false. Here it is necessary to refer to a news item published against Maulana Kausar Niyazi by a newspaper published from London. Maulana Kausar Niyazi declared the news item to be contrary to fact and a false accusation. The matter reached the courts, the newspaper agreed that it was guilty of wrongdoing, and the court, ruling Maulana Kausar Niyazi to

be in the right, ordered the newspaper to pay Maulana Kausar Niyazi a very appropriate amount by way of fine for their defamation of his fame and honor. But unfortunately we have to say that these kinds of laws are almost unknown in Pakistan. Here it is usually not a crime to publish a news item which is contrary to fact. Even if one manages to somehow make it a crime, the newspaper is protected and safe if it fulfills the legal necessity of publishing a small clarification and refutation, which cannot compensate for the great damage done by the publication of an important news item. The result of this unusual protection for newspapers is that the reporter does not work hard to insure the correctness and truth of the news, and as a working journalist I know very well how every evening in the newsroom each person searches out the press releases for his "beat" and either verbatim or with a minimum of rewriting puts on them "staff reporter" or "special correspondent" and presents them as his own. So on 23 April too, this is what happened.

The thing which bothers one here is why the newspaper reporters did not try to find out the reason for the Airport Security Force delaying the press release for 1 day? How could they tolerate accepting it exactly as it was presented? Why were they so happy to have "instant" and "pungent" news that they abandoned all the obvious and customary principles for investigating news about "sensitive" institutions, while the PIA itself had not even reported any incident serious enough to be connected with an airplane hijacking.

Not only this, in the newspaper editions reserved for Lahore this news was published with headlines just two columns high, while in the editions for districts outside Lahore, in JANG in particular, this news was published with very large headlines, as though they were making the lead sotry of the day out of this 24 hour old news in which the police, in light of the report of the Airport Security Force, had only entered an accusation of illegal possession of a weapon under Article 13/20/65. If this was really a hijacking incident, why didn't the newspapers tell why this institution and the police changed an extremely serious event into an ordinary incident of illegal possession of a weapon. It is the personal experience of this reporter, and newspaper pages give evidence of this, that often news items are published where it is said that the police have changed armed robbery and brigandage into a charge of ordinary robbery.

What is more, at the newspaper JANG, which gave this news the greatest "slant," it came to light that two people on its reporting staff made contact with some friends in the Islami Jamiat-i-Tulaba [Islamic Students' Association] and informed them of the incidents reported in the press release. They learned their reaction and position. After this, journalistic ethics and principles required that they state the position of the Islami Jamiat-i-Tulaba as well, but they did not. It was as a result of this action that the members of the association raced to appeal to the newspaper offices and made them aware of the hidden mischief in the press release, but they did not receive an encouraging answer. They had a face to face conversation with JANG's resident editor, in particular, but he remained unyielding. These reporters also invented the matter which formed the basis

for this whole outburst on the basis of the press release which was issued after a delay and with a slant. How did the responsible gentlemen in JANG look at this matter? This can be guessed from these words of Mr Inam Durrani which were published in JANG in Karachi on 27 April:

"Although those in whose support this spectacle of terror and destruction was enacted might have many complaints at being arrested by the Airport Security Force, the ordinary airline passenger who is treated no better than a butcher treats goats or sheep has many more complaints, and we cannot ignore the possibility than the matter was built up at the airport.

"Airplane passengers often have licensed pistols which they give into the safe keeping of the airplane staff. And we ourselves have seen during airplane trips that some passengers are not familiar with the procedure and their weapons are later taken from them and given to the cabin crew, and it is just possible that an ordinary incident was dramatized to make it sensational. But there is still no justification for punishing the newspapers for the sins of the original author of this exaggeration."

Mr Inam Durrani has given a correct analysis of this incident, but he has ignored one thing that the news is also scrutinized in the reporting rooms and newsroom. There was once a time in JANG in Lahore when people were immediately thrown out of the newspaper for any mistake in a headline. He also knows that because of the publication of a news item about the Karachi Bar Association in JANG, the paper had to publish clarifications and apologies which are still considered unusual for their volume and contents. So if a news item is published with such prominence, it can only be with the complete and utter satisfaction of the news editor and editor. In this case we will call the position that the newspapers published the true news completely correct so far as the claim of NAWA-I-WAQT goes, but it is difficult to accept it in the case of JANG.

If we try to pull together the above discussion, we can summarize it as follows: that all those causing the tumult, and the newspapers themselves, agree that the news which was published was far from the truth. This is confirmed by this news item published on 26 April on the front page of the Lahore JANG: "JANG and the Islami Jamiat-i-Tulaba have reached an understanding," and "Some readers have complained that some incidents in our news were not reported correctly. The editors wish to make it clear that they had no intention of defaming the members of the Islami Jamiat-i-Tulaba and if members of the association were saddened by some portion of this news item, we are sorry," and also "The high command of the Jamiat for its part apologizes to JANG and its workers."

Now when we talk of investigative reporting in journalism, it is possible that some reporting may go against its proper nature and lead up to the usurping of someone's rights and the insulting of someone's honor. This is something which has become quite ordinary in all developed countries, where there is the control of fines for newspapers and fines and prison terms for reporters. There too there are protests and demands for

reparation. The difference is that in Pakistan there is no law to protect the rights of the public. The attempt to make newspapers ethical has gone no further than the desire to talk of forming a press code of honor and press court. Remember that KOHISTAN was burned, MASHRIQ was attacked, youngsters stood guard all day and night at NADAE MILLAT, JASARAT was attacked, the office of MAGHRABI PAKISTAN was torn up, but after a temporary burst of passion, this was considered a temporary wave of social protest and was ignored. Since neither the newspapers nor the people have any way to demand reparacions for the damage they suffer, these waves of two-sided protest continue to rise. How can the newspapres protest? For the moment, there is danger of the discussion taking a wrong turn if we raise this subject, so it is necessary to ignore it. At any rate, investigative reporting is a very important part of journalism in the modern age. But the sad thing is that, as was mentioned above, while referring to the accusation that the Islami Jamiat-i-Tulaba's high official Shabir Ahmad and his companion Ahsan had unsuccessfully tried to hijack an airplane, the press release of the Airport Security Force was by itself considered to be 100 percent correct and complete and with embellishment, was used as the basis for the entire story. Otherwise why did the investigating reporter not ask what Shabir Ahmad, who wanted to hijack a plane, was doing in Sukkur? What was his purpose in coming from Sukkur to Lahore? Where did he stay in Lahore? Who did he meet? It would have been even easire to find the answers to these questions because one of the accused was still in police custody. But no newspaper reporter bothered to search for the answers to these questions. Why? It is the responsibility of those newspapers to answer or not answer this question. Even so we must state here that we consider investigative reporting to be a right of journalists; a right which they should have, and any attempt to stop it, from whatever direction, is to be resented.

Another matter which has been thrown up by this unfortunate incident is the description of the chaos and destruction caused by the students as an attack on freedom of the press. We consider this claim to be based on a great exaggeration. Disregarding the matter of to what extent the facts in the news item under discussion were true or not, it is totally incorrect to call the protest against it an attack on freedom of the press. Someone was absolutely correct in saying "the limit of your freedom stops where my nose begins." Whether it be the Islami Jamiat-i-Tulaba, or the Jamat-i-Islami, the Muslim League or the Pakistan Jamhuri Party, the Tahrik-i-Istaqlal or the Qaumi Jamhuri Party, we have not yet seen any of them claim that if any newspaper publishes anything against them the newspaper will have to face serious consequences. The break-up or unity of a political party and the stories of the victories and defeats of student unions in the universities are continually being published. The newspapers give them space on their pages according to their policy and needs. But you have never heard of anyone protesting "Why was a particular item published? Why was it not published?" Or "Why was it not given the importance it deserved?" And if freedom of the press means that some newspapers or some one newspaper can without thinking make such a frightful accusation against some person or organization as hijacking, the punishment for which is at least death and the perpetration of which is synonymous with being an enemy of the country, then who could support it? It is necessary to have concrete proof to make

such an important allegation, not just a press release in which there was not even any mention of a plane hijacking. The strange thing was that in the postal edition of the 23 April JANG the news was published with six-column headlines as:

"Attempt to hijack PIA airplane foiled. Two armed students arrested: both from a subsidiary organization of a defunct political party."

And this news, as was described above, was created just on the basis of a press release. In its introductary paragraph it was stated:

"(Staff Reporter). Foiling an attempt to hijack a PIA airplane en route to Peshawar from Lahore, the Security Force staff arrested two armed students. They were armed with a pistol loaded with bullets..."

And then its ending is like this:

"It is obviously suspected that the two had wanted to hijack the plane and take it to Kabul instead of Peshawar."

If we look at the disparity in these portions in the postal edition and the local edition, it becomes clear that during this time something certainly must have happened to make this news which was published with "banner head lines" have only two column high headlines in the local edition. And there was quite a change in its contents. Undoubtedly the original news could not be published because so important a news item published in the postal edition would have been refuted the same day. A new problem which comes before us here is not "freedom of the press" but "freedom of information." We are sorry that in the reaction of our journalist brothers to the commotion caused by the students, freedom of the press and freedom of information have been made synonymous. The above news item to which the students had such a violent reaction, which is at any rate objectionable, comes under the heading of freedom of information. The journliast should have the opportunity to obtain information and fulfill his duty of getting the information to his readers without any obstruction. But in no society of the world, be it civilized or uncivilized, does any journalist have the right to twist and distort the information to this extent. The appropriate place for the expression of freedom of the press is not in the news columns but on the editorial page and in articles. This is the point which this terrible incident demands that we keep before our eyes, that is, we bear in mind the difference between freedom of expression and freedom of information.

9914
CSO: 4203/126

DEMOCRACY 'NOT PRACTICED'; NEED FOR ISLAMIC IDEOLOGY IN POLITICS

Lahore CHATAN in Urdu 26 Apr 82 pp 28-31

[Article by Salim-ul Rashdi: "Pakistan was Built on the Two Nation Theory, Not Democracy"]

[Excerpts] First of all, there just isn't anyone in Pakistan who talks about ideology, and even if there are some in this world, they are besieged by the plagiarists of the "play of democracy" and lose their way, because in practice they themselves do not have the courage to act according to the constitution (the holy Koran) of Pakistan. They become nervous when they come into the grip of the offshoots of democracy, i.e., bureaucracy and diplomacy. In their journey in the practice of democarcy they become engrossed in living a palatial life where their mind finds brilliance and their body becomes plump. They keep up the argument of ideology but they don't believe in it in their hearts. Pakistan came into existence from ideological politics, and united India split into two parts and was established as India because of ideological politics. India's ideology was secular and democratic, so putting this ideology into practice made India strong and the country united. Running away from ideology made Pakistan split into two party. Hypocrisy and provincial partisanship took root in the country. When East Pakistan became Bangladesh, the Indian Prime Minister Mrs Indira Gandhi said publically, "Pakistan's two nation theory has now ended, and the formula for dividing the subcontinent on the basis of ideology was wrong." We should have realized the intentions of our enemy and the importance of ideology from this statement, but our ranking politicians and scholars keep giving reasons for the restoration of democracy by referring to western ideas. The fact of the matter is that they don't believe in democracy as a creed even 1 percent. Believing in an ideology has nothing to do with it. What these gentlemen believe in is getting power for themselves, ruling, and living a palatial life. This is their ideology. And this is their democracy. They are the proof of the saying:

> Democracy their maidservant; ideology their slave
> Advancing two steps they say hello to power.

We have been pointing out that while there are hopeful signs that there may be respect for expression of opinions and the willingness to accept criticism in the democarcy for which they keep yearning, they themselves cannot tolerate

any criticism or difference of opinion. Incidents ranging from insults to beatings and killings are visible before us bright as day. Are not such ranking politicians and scholars being hypocritical about democracy? They talk about elections. When they see themselves failing in an election then their democracy is immediately confronted with danger. When they change failure into success by various deceits and by buying votes then the future of democracy is bright and shining. The 1977 elections exhibit these facts. National Alliance had barely won 60 or 70 seats; they were absolutely no more successful than that. But the leaders of National Alliance party insisted that there had been fraud regarding all the seats, therefore all the seats belonged to them and they coveted the highest national authority without the participation of anyone else. Is it not fraud in the practice of democracy to obstinately refuse negotiation and to insist on one's own way like a headstrong horse? Is this not a negation of democracy? Western democracy has a particular cool-headedness and mind temperament. It possesses a particular logic and reasoning. In practice another characteristic of Western democracy is that it is the birthright of the rulers to live the high life in palatial halls in the name of the people, and to earn huge salaries and allowances from the income of the blood and sweat of the people because, in order to reach the halls of power in democracy, it is necessary first to be a capitalist. It is nothing to spend 300,000 rupees on an election. Success or failure is both conditional and not conditional on this amount. Consider that there is a price attached to the horse of power. If the horse of power wins then it is lucky thrown of the dice. If it loses, then an unlucky throw. The methods of democracy are also very regal. The amusing thing is that the representatives of the people leap out of the halls of power just at election time, like frongs which come out only when it rains. They come out on the level of the public surrounded by their swarm of lackeys. Otherwise they are completely unaware of the pain and suffering on the level of the people, and they stay buried under their files and drunk with power.

By God, we are not against democracy, but we are very much against the current electoral and regal style of democracy.

We are strongly opposed to that kind of democracy in which elections are called in which only the capitalist class and the feudal lords can take part, and in which hundreds of thousands of rupees are spent like water; where those with a differing opinion are considered enemies and their blood spilt without pity; where putting one's opponents in jail has become a demand of democracy; where a government elected by the people is in power, and the assemblies are echoing with the shouts of the representatives of the people, but a mountain of terror and oppression has fallen on the people; where the people are beaten without mercy in the police stations, and innocent, respectable people are shamefully insulted; where the hospitals are filled with the sick, the doctors are present, but there are no medicines to be found, and theft is secretly going on; where the courts are filled with the problems of the people, and there is no quick solution to their problems and no sign of justice anywhere; the criminals are considered worthy of honor and respectable citizens are dishonored; where murder, dishonor, robbery with violence, bribery, nepotism, black marketeering, hoarding,

smuggling and the mad desire to amass as much wealth as possible are all increasing and spreading like an air-creeper vine to smother society. In such a diseased and sick society can there be a demand to repeat the democracy which has led to this disease? Does democratic politics have the cure for all these problems? And is there a cure in the practice of elections? If there were some program in democratic and electoral politics to give society a peaceful and quiet atmosphere then it would not have been impossible for such democratic societies to become healthy. So far as ideological politics is concerned, ideology is a great power in it, and along with political policy, it implements the limits and conditions of ideology in society which ends the distinction between high and low. The government fully protects the rights of the people. In ideological politics the government becomes the servant of the people and does not live a regal life but rather lives like the ordinary people. In ideological politics the rich do not live separately in spick and span colonies and the poor in small dark huts. In ideological democracy hospitals, police stations, courts and all other institutions beautifully fulfill the rights and duties of their people humbly and obediently and with sensitivity. The standard of living of the people is raised, and every individual is persuaded to be self-sufficient. Every person easily has honorable accomodations and can eat his fill at every meal. No one can be seen living his life weeping by the roadside or dying of starvation in a cramped dark building. In ideological politics the government is god-fearing and sympathizes and commiserates with the people. It approaches the people with tenderness, kindheartedness, affection and humility, and abstains from arrogance, haughtiness, insolence and pride. In ideological politics the government does not spend hundreds of thousands of dollars selling itself to the public while hiding its faults and begging votes from door to door; rather the people bow before their door of their own will and present them with the highest authority. When they come into power they rule over the hearts of the people and sacrifice their body, soul, and all their resources for their country and nation. This was the ideological politics which gave birth to pure, clean and peaceful societies. This was the ideological politics which gave birth to Pakistan on the basis of ideology in a world of the politics of democracy and communism. Ever since the Muslim nation forgot ideological politics, its political and economic situation has become more and more serious, and electoral democratic politics has left the Muslim nation nowhere.

Pakistan has reached the middle of its fourth decade of existence. Ideological politics was wrapped up and put away with the founding of Pakistan, but the sad thing is that the intellectuals and proponents of electoral democracy and electoral politics have preached democratic politics constantly but they have never acted upon it themselves. Our politicians are like those engineers who read and teach theory their whole lives but are themselves incapable of building a building or a bridge or constructing a road.

We should study the situation in Pakistan and see whether democratic and electoral politics really can work here successfully. In this regard, we should center our attention on the following facts. First of all, Pakistan is completely lacking in any nationally accepted leadership. Then there are big feudal lords and religious seats of power established here, which came to

Pakistan in inheritance. They have made themselves rich capitalists: the landlords through their large landholdings, and the heirs of saints through sucking the blood of their followers and disciples. Heaps of wealth and the compulsions and constraints of hundreds of thousands of humans surround them like flies around sugar. They want power and only power. They already have everything else. The third group is the group of businessmen and industrialists which grew up in Pakistan itself. This group has taken more than half of the country's capital for itself by its illegal business and industry. It too has everything. But they don't have the pleasure and the pomp and show of the highest power. The fourth group is that of the bureaucracy which controls the key posts of the government. Since all the resources of the country are in their control and possession, this group too consists of wealthy capitalists. It wants to establish a government of its own choice here which will dance to the tune of the bureaucracy. The fifth group is composed of those journalists and intellectuals who are in agreement with the first named four groups. This group plays an important role in eulogizing the other four groups and in advancing their objectives. In return the other four groups play an important role in freeing their eulogists from the anxiety of livelihood, so this fifth group too is a capitalist class. It has wealth and riches and the patronage of the other four groups, and it wants to see these four groups in power. The sixth group is that of the majority. And it is much larger than the other five groups. But this is the group of helpless humans which sees and hears everything. Power is not the goal of this group. Its goal is just to be able to eat and fill its belly, and in the pursuit of this goal it takes countless beatings like the nag pulling a pony cart which is already half dead and benumbed. This wretched creature has no interest in elections or democracy. He will follow whoever talks to him of food. Despite this group's economic hardships it still has not forgotten its ideology. When there is mention of ideology it proves ideology more important to it than its own life. Whether it be the elections of 1970 or the movement for the system of the Prophet or the movement of the ideology of Pakistan, they always draw its attention to the rule of ideology.

The present government is a martial law government. The leader of the government is one who believes in ideology and faith. He has announced again and again that he wants to bring the rule of ideological politics to this ideological country. Living in the midst of bureaucrats and in the palatial halls of power he is cautiously advancing towards ideological politics. What he should pay most attention to is that the Pakistani people are terribly oppressed. At the time of the founding of Pakistan and after the establishment of Pakistan they have never hesitated to sacrifice their life and property for the sake of ideology. If nothing else, at least they should be given quick and inexpensive justice. Society should be cleansed of those elements which are enemies of society. There should be a firm arrangement to deal with people with humanity and virtue in all institutions. In particular, the behavior of the police is in great need of change. The deserving people of Pakistan should be given good, clean housing free of charge, and it should be made easier to earn a living so that they may sleep in peace at night beneath a roof and get enough to eat without any difficulty. The five groups we mentioned above who want electoral

and democratic politics have been continually fighting for power for the last 35 years and intend to fight even more in the coming 35 years. They will keep trying to gain power even if they die in the attempt. Despite being favored with every blessing and having every wish fulfilled, they are like the saying:

> Thousands of desires; for each I would die,
> Many desires have been fulfilled, but still it is too few.
> [Ghalib]

There is no hope of such people improving. If the present government and the head of the government would give special attention to those steps which we mentioned above as immediate steps, then the vast majority of the Pakistani people will stand behind them. They will be very successful in putting in force ideological politics in an ideological country.

9914
CSO: 4203/125

MUSLIM, NATIONAL GOVERNMENT RIFT DENIED

Manila BULLETIN TODAY in English 11 Jun 82 p 6

[Editorial]

[Text]

IF it were true that there is a rift between the Muslim population of Regions 9 and 12 on one hand and the national government on the other, there would not have been many Muslim candidates in the recent elections for the regional assemblies and these candidates would not have won.

The elections were an additional refutation of the thesis of division. There has been enough proof that the Muslim leaders and the Muslim population in the predominantly Muslim areas participated enthusiastically in the polls.

It is useful to keep this in mind despite the abatement of the rebellion, for we cannot tell when another set of rabble-rousers will take advantage of religious diversity and certain cultural differences to convince innocent Muslim youths to take up arms against the government.

It was clear, even before the uprising started at the beginning of the last decade, that the differences were minor and that the great majority of the Muslims considered themselves part and parcel of the nation.

It took a good part of the decade to solve the problem. The process was not entirely a government effort. What must not be glossed over is the effort of the Muslims themselves to assert their identity with the rest of the nation.

The government could not have accomplished as much without that vigorous cooperation.

CSO: 4220/70

MISUARI ISOLATED SAYS MUSLIM AFFAIRS MINISTER

Manila PHILIPPINES DAILY EXPRESS in English 9 Jun 82 p 6

[Text] **ZAMBOANGA CITY** – Muslim Affairs Minister Romulo M. Espaldon said yesterday the secessionist movement in Mindanao has lost the support of most Muslim countries in the world.

Reporting from a recent trip to Indonesia, Malaysia and Saudi Arabia, Espaldon said heads of states in these three countries said they have nothing to do with the Moro National Liberation Front (MNLF) headed by self-styled chairman Nur Misuari.

In a radio interview here, Espaldon said his month-long trip to these countries some two weeks ago was made with Simeon Datumanong, former chairman of the *lupong tagapagpagunap ng pook* in Central Mindanao, Nur Hussein Ututalum, speaker of the Western Mindanao *sanggunlang pampook* and Ambassador Linangding Pangandaman of the Philippine Pilgrimage Authority (PHILPA).

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ESPALDON said their trip was primarily to inform these countries about the steps and programs undertaken by the Philippine government to assist Muslims in the country.

Espaldon said the group was able to talk to Indonesian President Suharto, Malaysian Prime Minister Datuk Hussein onn and in Saudi Arabia wih King Khaled.

He said these Muslim officials gave the assurance that their governments are appreciative of what the Philippine government has undertaken for Filipino Muslims.

He said efforts to assist the Filipino Muslims here are all within the framework of Philippine sovereignty, unlike the desire of the MNLF to create a separate state of Mindanao.

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THE PHILIPPINE government will continue to implement the provisions of the Tripoli Agreement even without the cooperation of the Moro National Liberation Front (MNLF), Espaldon said.

Espaldon, who arrived here Monday evening to get first hand information on the results of the just-concluded regional polls, said he will brief the President and members of the Cabinet on his mission abroad.

Espaldon said, in line with the Tripoli Agreement which was signed in 1977, the MNLF is constantly being requested by the Philippine government to participate in its implementation.

The agreement provides that the MNLF will assist the Philippine government in implementing its provisions.

Among the provisions are the establishment of the autonomous governments with assistance from Islamic countries and the holding of regional elections.

CSO: 4220/70

WORLD BANK GIVES LOAN FOR IRRIGATION

Manila PHILIPPINES DAILY EXPRESS in English 11 Jun 82 pp 1, 2

[Article by G. T. Nervez]

[Text] **THE WORLD** Bank approved yesterday a $71.1-million loan to the Philippines to finance the construction and rehabilitation of communal irrigation systems serving about 34,500 hectares.

The project, to be implemented by the National Irrigation Administration, is intended to benefit small farmers.

The WB said the loan is for 20 years with a five-year grace. It carries an interest rate of 11.6 percent a year.

The loan also includes $12 million co-financing provided by the International Fund for Agricultural Development (IFAD).

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SOME P1-BILLION worth of irrigation works will be financed under the communal irrigation project, government sources said

The NIA has already tested the system on 40 pilot projects over the last five years. Farmers will be involved in all phases of project planning, design and construction to help them carry out the operation and management of their own systems after construction.

Improvements of existing irrigation works include building of diversions, intake works, main canals, laterals, drains, and related structures.

About 24,000 farm families will benefit from the project through an increase in food production.

At full development in 1990, the irrigation works are expected to result in the additional product of 106,000 tons of rice, and an increase in net income of about $588 per year for each farm family in the project

CSO: 4220/70

PROSPECTS FOR TRADITIONAL EXPORTS BLEAK

Manila PHILIPPINES DAILY EXPRESS in English 9 Jun 82 p 10

[Article by Rosario A. Liquicia]

[Text] **IMPORT** substitution and a declining market share will continue to upset the performance of the country's traditional exports until the end of the century.

As a result, the country will have to rely heavily on the capacity of non-traditional products to generate much-needed foreign exchange.

These bleak predictions were made yesterday by Deputy Trade and Industry Minister Vicente Valdepenas before members of the Philippine Marketing Association.

"There seems to be no future for commodity trade in the country between now and the year 2000," he said.

IN THE case of coconut oil, Valdepenas pointed out that the presence of palm oil and other substitutes has caused a drop in demand for the products. And the decline in the price of copper is attributed to the large stockpile of the commodity. Valdepenas added.

The trade official added the country can not in the long run compete with other sugar-exporting countries, like the EEC states which provide subsidy for the production of sugar beet.

So, given all these constraints, Valdepanas told marketing executives to turn instead to the export of the non-traditional manufactured export items which he said, have been able to hold their own quite well in spite of recession.

CALLING them "growthexports," Valdepenas said garments, electrical components, woodworks, furniture and fixtures, footwear and processed fruits "have practically defied the shrinking effects of the recession that has come to weaken a lot of the developed market economies."

The trade official cited electrical components and garments which he said earned for the country $1.17 billion in 1980 and another $1.45 billion last year. They expanded an average at the exceptional rate of 24 percent, Valdepenas further said.

So even in times of recession, he added, there still are opportunities open for exporters who, he stressed, should be flexible enough to adapt to changes and new approaches.

CSO: 4220/70

MARCOS MEETS HUNGARY'S PRESIDENT ON ARRIVAL

OW211349 Quezon City RPN Television Network in English 1100 GMT 21 Jun 82

[Text] Hungarian President Pal Losonczhi arrived to a warm welcome at the Manila International Airport this afternoon for a 5-day official state visit. On hand to welcome the visiting Hungarian chief of state were the president and the first lady, other top government officials and members of the diplomatic corps. For more on the state visit, here's Jose Carlos.

Formal talks on improving trade, scientific and cultural relations between the heads of state of the Philippines and Hungary begin tomorrow at Malacanang. In his welcome statement, President Marcos said he expects trade relations to expand. Total trade between the two countries currently stands at $166 million.

The president led government officials in welcoming Hungarian President Pal Losonczhi and his party at the old Manila International Airport. It was a warm welcome, no doubt, for the visiting dignitary who will stay for 5 days in the Philippines. The 63-year-old Hungarian leader started as an agricultural worker and rose from the ranks to become minister of agriculture from 1960 to 1967. He has been a member of the Hungarian Communist Party and president of the Presidential Council since April 1967.

Tomorrow will be a working day for the Hungarian president. He begins talks with President Marcos in the morning and receives Prime Minister Cesar Virata for a dialogue. In the afternoon, he visits several tourist spots in metro Manila that include (Puerto Isabel), (Fort Santiago) and the PICC. He'll also have a tour of the Rice Research Institute at (Los Banos), the National Art Center in Laguna and various (?brief) projects. He leaves Manila on Friday for Budapest.

CSO: 4220/74

SMALL CONTRACTORS GET KKK LOANS

Manila PHILIPPINES DAILY EXPRESS in English 11 Jun 82 pp 1, 2

[Article by Miguel Genovea]

[Text] BAMBAN, Tarlac, June 10 – President Marcos ordered yesterday the extension of loans to small local contractors to enable them to participate in government projects up to P700,000.

In a speech during the turnover ceremonies of a goat-raising project to five barangays under the Sacobia Development Authority here, the President lamented the fact that thousands of small local contractors could not participate in government projects for lack of funds

The President's order is contained in Executive Order No. 807 establishing the small contractors module under the Kilusang Kabuhayan at Kaunlaran and for other purposes.

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THE PRESIDENT also directed the

- Organization of a national marketing body to buy all agricultural products, particularly poultry products and hogs, under the KKK.
- Establishment of model barangays like the Sacobia resettlement project in every province throughout the country.

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THE PRESIDENT later conducted an aerial survey of government projects in Tarlac, Pampanga and Bulacan.

Before returning to Manila, the President and his party stopped over in San Rafael, Bulacan, to inaugurate the P31,316 gasifier-retrofitted pump irrigation project in barangay Talaksan Isa.

In remarks in San Rafael, the President ordered the organization of a commercial corporation to promote the nationwide use of the gasifier.

He authorized the Farms Systems Development Corp. and the Gasifier and Equipment Manufacturing Corp. to organize the corporation.

During the ceremony, the President also distributed certificates of agricultural land leaseholds and certificates of land transfers to farmers in San Rafael.

He also received from Swiss Ambassador Richard Gaechter 14 MAG kerosene engines, seven for agriculture and seven for marine application.

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THE PRESIDENT'S first stop in his inspection of government projects in three provinces was in barangay San Vicente, one of the five barangays of the Sacobia resettlement project which was started in 1979. The project is a model for a balanced and integrated development of identified depressed area by the Ministry of Human Settlements.

He was accompanied by Information Minister Gregorio Cendana, Deputy Presidential Assistant Joaquin Venus, Solicitor General Estelito Mendoza and Assemblyman Teodulo Natividad.

CSO: 4220/70

BRIEFS

NPA COMMANDER KILLED--An NPA [National People's Army] commander was killed and two others were captured in separate encounters with government troops in Negros Occidental over the weekend. The slain NPA commander was identified only as a certain Commander (Magno), who was killed in the encounter with PC [Philippines Constabulary] troopers in (Hinobaan). Another NPA member was captured in the same encounter. In another encounter, this time in (Tapi), Kabankalan, another NPA terrorist was captured. [Text] [OW211355 Quezon City RPN Television Network in English 1100 GMT 21 Jun 82]

TERRORISTS ATTACK SAMAR TOWN--More than 40 heavily-armed communist terrorists raided a municipal hall in northern Samar Wednesday. Fourteen of them were killed in the ensuing gun battle with army troopers. The terrorists attacked the town of Palapag Wednesday afternoon and held hostage for 2 hours all employees inside the building. Brigadier-General Salvador Mison, eastern command chief, said the raid was led by New People's Army Commander (Marga). The terrorists had high-powered firearms and wore white headbands. The hostages were freed unharmed after a daring rescue operation by assault teams of the 15th infantry battalion and the Palapag police. [Text] [HK190026 Manila Far East Broadcasting Company in English 2330 GMT 18 Jun 82]

INCOME SURVEY--MANILA, 30 May--About 76.2 per cent of Metro Manila household heads earned less than the 1,500 pesos (187.50 dollars a month estimated by a Government nutrition agency to be the minimum family income required to meet basic needs here, a university study showed. A 1980 survey by the University of the Philippines' Population Institute (UPPI), the final report of which was published today, said the average monthly income of household heads in Metro Manila amounted to only 765 pesos (92.17 dollars) which is also significantly less than the 780-peso Government-pegged minimum wage for the year. The Metrol Manila median income, which was noted to be way above that of other regions in the country, included only 23.8 per cent who would be estimated above the poverty line and roughly 40 per cent whose paychecks meet the mininum wage, the UPPI report showed. An average Filipino family is placed at six persons. [Text] [Rangoon THE WORKING PEOPLES DAILY in English 1 Jun 82 p 6]

CSO: 4220/71a

PAPER VIEWS NEXT TASK FOR ASEAN

BK221537 Singapore THE SUNDAY TIMES in English 20 Jun 82 p 12

[Editorial: "Not Just Another Name"]

[Text] When America pulled out of its commitments in South Vietnam, it seemed like a victory for communism in Asia. But in the decade since, the real winner has not been Marxist-Leninist ideology or Vietnamese aggression but regional harmony. The loss of Cambodia and the ensuing diplomatic battle between the five (and the free world) and Vietnam in international forums has served to rally the non-communist nations of ASEAN closer together. In the glow of diplomatic successes, ASEAN leaders are confident in their belief that the regional association is now "a state of mind" which puts regional interests at least on par with, if not above, sectional interests. The value of that kind of thinking is increasingly relevant in a world where armed might has regrettably become the chosen instrument for resolving conflict and satisfying ambition. The various discussions and dialogues between the five and other governments have shown that there is really concensus on many issues ranging from economics to politics to social affairs. But while impressive as far as multinational groupings go, ASEAN is yet short of the mark. The true test of an ASEAN spirit goes much deeper than this. It must touch the hearts and the lives of the ordinary people. This is essential for ASEAN to take root as a truly universal concept in the minds of the 250 million people who make up the body of the association.

In recent years we have seen a proliferation of ASEAN-wide organisations. They span many levels. From professional associations to trade and industry, from commerce to shipping and from health to education. Close interaction between the leading lights of each country will certainly help bring us closer together. But again it fails to touch the heart. Our leaders deal with each other in good faith, amity and trust. That is a great leap forward in relations from even the recent past. To talks about the example of the European community where there is the freedom to roam and work throughout the community's borders with very little hindrance or paperwork or even an ASEAN parliament right now seems premature, which is putting it mildly. It is a daunting task to achieve that degree of cooperation in our lifetime. Moreover, should we not evolve our own yardsticks for the type and level of cooperation required and relevant to our different cultural

and historical background? And even the most optimistic ASEANphiles know the pitfalls of trying to push together a disparate group of nations all at different levels of development. What we need now are visionaries who can transcend sectional calculation to take us a step further to make ASEAN a more cohesive whole. It is a task that will take us a long time to realise. But the first fruits have been sweet. We can get better crops if we try harder. And it would help us prevent ASEAN from becoming just another international acronym for ineffectual global goodwill.

CSO: 4220/74

DROUGHT DAMAGES TEA CROP

Colomgo DAILY NEWS in English 7 Jun 82 p ;

[Text] **Sri Lanka has dropped 11.6 million kilos of tea crop in the first four months of this year, accounting for more than half the 19.3 million kilo shortfall of world tea production, according to figures now available to the trade.**

There has been a sharp decline in production in South India too with a nine-million kilo crop loss reported upto April this year. The North Indian statistics were not available.

A Colombo tea trader said yesterday that the drought earlier this year was largely responsible for much of Sri Lanka's reduced production.

However, even after the onset of the rains, a 'slight falling-off of crop intake" has been reported from the planting districts during the last few days, despite the fairly widespread rain that has been experienced.

The April crop figure this year, at 20.7 million kilos, was slightly below the April 1981 crop of 21.6 million kilos.

The Central Bank, in its report for 1981, said that although last year's 10 p.c. tea production growth appeared impressive, it should be noted that the comparison was with the drought-hit 1980 crop which was the lowest in a decade.

"Compared to 1979, a year with normal weather conditions, last year's production growth was less than 2 p.c.", the bank said stressing that 1981's "relatively favourable weather" accounted for the bulk of the production gain.

The world's tea crop loss upto March-April this year has been placed at 19.3 million kilos. While Sri Lanka and South India were the big losers, Bangladesh and India too have lost 1.3 and 0.8 million kilos respectively. Production gains have been recorded by Kenya (2.8 million kilos) and Malawi (0.6 million kilos).

CSO: 4220/71a

PRESENT ADMINISTRATION PRAISED

Colombo DAILY NEWS in English 7 Jun 82 p 1

[Editorial]

[Text]

President J.R.Jayewardene's penetrating analysis of the world situation today, and our own prospects in an environment assailed by economic problems, certainly merit the consideration of every voter in this land.

The President, addressing a mammoth gathering at the opening of a shrine room at the Vidyachandra Pirivena in Ahangama, made a crucial point which Opposition parties would like to gloss over.

President Jayewardene pointed out that the escalation of oil prices had changed economic conditions all over the world, whether in developed or developing areas, whether in communist or capitalist societies.

Glib speakers of political parties which were overwhelmingly rejected in 1977 for the torments they heaped on the people -- bread queues, bus queues, emergency rule and all the configurations as it seemed of a dictatorship -- are today campaigning for return to power.

They would like to blame the UNP for the rising cost of living. They cannot deny the truth that people live in greater security today. They cannot contest the fact that the present government has re-established the independence of the judiciary and all that is embodied in that concept for a free people

They cannot deny that there is -- today -- more employment for our people, both at home and abroad, than ever before.

They cannot deny that our artisans, our blacksmiths, masons, carpenters and fitters are today earning Rs.10,000 to Rs.15,000 every month abroad - and that thousands of families today are having a better life: better dwellings, better food and clothing, better prospects and TV, too, if you like. What is more, there is no denying the truth that under

the UNP, under President Jayewardene's rule, the poorest of the poor have been among those who have gained most.

Corruption and rising costs are not the brain-child of the UNP. They were very much in evidence under Coalition rule when chillies were sold by the pod, salt by the grain and fly-infested dates did service for sugar.

That was the time when a team of doctors were driven to warn the State against growing symptoms of malnutrition; when men and women were seen feeding off dustbins.

Public memory may be short. But not that short as to forget why, in 1977, the last government was swept out -- lock, stock and barrel. The people then overthrew their masters because they had had enough of what seemed a carbon copy of a Police State, with rice barriers, detention camps, and patients in the intensive care section of our General Hospital lying chained to their beds.

What effect that spectacle could have had on other patients could be anyone's guess. Certainly, it seemed to be nobody's business then. Certainly, no one dared to protest.

For, protest itself is regarded as an offence in any enslaved society. Today, protests have led to salary increases, and -- who knows -- might still ensure a better deal for those in the mercantile sector.

No one will be foolish enough to claim that the present administration has been perfect, or that it has not had its share of traitors to the ideals it professes. Worst among these could be various perfidious functionaries, out to make the most while the going is good. All of them claim to be following the UNP's policies, to be great loyalists. Certainly, some of them are great pretenders in public -- even if they sneer at the concepts of freedom, honesty and justice, in private.

The difference is that the present regime has shown its willingness to tame its wilder elements; to discipline those caught with soiled hands and -- as we might hope -- with guilty minds.

That readiness to punish any abuse of power betokens a continuing willingness to reject thuggery, violence and oppression. Hence, the Presidential Commission to deal with abuses of power and other mismanagements.

It is in that context that the President's survey deserves to be studied: in that context that people must judge and decide between the alternatives before them.

Seldom before have they been the masters of their fate as they could be today. The fact that we have regained our freedoms after a period of darkness, does not mean that we cannot lose them again.

CSO: 4220/71a

BRIEFS

INTERNECINE TIGER WAR--Ten youths, two of them armed with machine guns were arrested in the Jaffna and Vavuniya District during the weekend as the Police began rounding up suspected terrorists in an effort to prevent a bloodbath between rival factions of the Liberation Tiger Movement, Police said yesterday. A senior Police officer said that heightened intelligence activity by the Police and the Army had resulted in a tip-off that the Uma Maheswaran and Prabakhan Groups were forming battle lines and getting ready for a show down. "While the 'first eleven' is in jail, the 'second strings' are about to battle it out", the officer said. Security patrols have been heightened and searches were being carried out for arms and ammunition. [Geoff Wijesinghe] [Text] [Colombo DAILY NEWS in English 8 Jun 82 p 1]

CSO: 4220/71a

LABOR ACTIVISTS TO FORM PARTY WITH YOUNG TURK, LEFTIST INVOLVEMENT

Bangkok SIAM RAT in Thai 26 May 82 pp 1, 12

[Article: "Laborers Are Preparing to Form a Party; the First Group Has Already Made an Announcement. Their Policy Is the Young Turks-1 April Policy"]

[Text] Laborers on the side of the Democratic Soldiers have become fully involved in politics. They have formed a political party called the Democratic Labor Party. Their first goal is to work among the masses; parliament is secondary.

Concerning this movement to form a political party, SIAM RAT was told by a person within labor circles that, at present, one group of laborers is trying very hard to form a political party in order to have it serve as the special organization of the laborers.

The leaders of this group of laborers are Mr Sawat Lukdot, the secretary-general of the Employees' Council of the Labor Council of Thailand, and Mr Somphong Sarakawi, a former student leader. Both men have close relations with Mr Prasoet Supsunthon, a former CPT central Committee member, and the Democratic Soldiers group.

The name of this new political party will be the Democratic Labor Party. At present, the founders are quickly trying to gather members in order to have the necessary 5,000 members as required by law. The party will then be registered.

Mr Sawat Lukdot told SIAM RAT that it is true that he is one of the founders of the Democratic Labor Party. He feels that politics must be used to help solve the labor problems. Mass movements are regarded as being primary; parliament is secondary.

Mr Somphong Sarakawi stated that efforts will be made to register the party as soon as possible. At present, only 300 to 400 more members are needed to reach the 5,000 mark in accord with the law. "The policy of our party is the policy of the 1 April Revolutionary Council."

As for some people's fears that this will involve laborers in politics to the point where they abandon labor union activities, Mr Somphong pointed out that the laborers will not abandon the unions. Union activities will be carried

out strictly and well. "We must not separate unionism from the political party. It is not necessary to abandon one of them." Mr Somphong also said that the laborers are not struggling for economic reasons alone. They must also show an interest in the problem of democracy and the problem of war and peace. Knowledge about these problems can be gained from the political party.

As for whether or not this party will be associated with the Democratic Soldiers group, particularly with Major General Rawi Wanphen, the head of this group, Mr Somphong stated that "there is a connection as far as thinking is concerned but there is no connection as far as the formation of the party is concerned."

11943
CSO: 4207/106

EDITORIAL URGES PREM TO JOIN POLITICAL PARTY

Bangkok SIAM RAT In Thai 27 May 82 p 3

[Editorial: "General Prem and the Political Parties"]

[Text] In politics at present, there is much talk about General Prem Tinsulanon, the prime minister. And the things being discussed are not rumors or anything damaging to the honor or reputation of the prime minister. Rather, they bode well for Thai politics in the future.

The thing that is being discussed is whether General Prem Tinsulanon will become a member of a political party, and, if political parties in Thailand are established in accord with the law, which of these political parties will the prime minister decide to join.

As for the prime minister becoming a member of a political party, we feel that this is the correct thing for him to do. During the entire period that General Prem has been involved in politics, while he received support and became prime minister, in a democratic system it is very strange that he has never been a member of a party. He became prime minister within a democratic system but he does not belong to a party, although he has received enough support from the political parties to maintain stability and maintain his position as prime minister to the present time. Thus, if the prime minister becomes a member of a political party that supports him, this will not be at all strange.

Concerning this matter, there is just one question. That is, in the near future, will General Prem remain involved in politics? We do not know and cannot guess what General Prem intends to do. Thus, whether General Prem will join a political party is still uncertain.

If General Prem decides not to get involved with such political methods, either because he is tired from the things that he has gone through for so long or because he is bored with politics, we would understand if he does not join a party. But if he decides to continue on in politics and looks to a political future, feeling that he can benefit Thailand and the Thai people, we are sure that General Prem will have to join a party or establish a new party in accord with the law.

Concerning the fact that there is talk about General Prem joining a political party, this is tantamount to asking him to show an interest in politics and to stay involved in politics. Because the time when people could be politicians without belonging to a political party is rapidly coming to an end. Thus, this talk is a warning to General Prem that he must make a decision about his future.

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THAI NATION PARTY POLITICKING, FINANCES NOTED

Bangkok SIAM RAT in Thai 27 May 82 p 7

[A Reporter's Commentary column by Badaeng: "The Politics of the Thai Nation Party"]

[Text] The Thai Nation Party has finished electing a party executive committee. Mr Sihanat Rucha, a spokesman for the Thai Nation Party, asked reporters to say that things were "orderly and very smooth."

This is probably true, as the spokesman said. If some party comes and observes the organization and unity of this party, it will have a good example to think about.

Party members from all provinces filled the conference room at the Mandarin Hotel. I would estimate that there were roughly 1,000 people there. But I was told by an insider that, of the members who filled the hall, most came from Suphanburi and Saraburi provinces.

The party capitalists met with great enthusiasm. Even though Colonel Narong Kittikhachon, a new member, claimed that there was little money to play politics, the attempt to open the Thepprathan hotel along the Chao Phraya River in the Yannawa area has led many people to believe that the Ayuthaya provincial field can provide large sums of money if Colonel Narong goes and runs for election there in the name of the Thai Nation Party.

However, there will probably not be the smell of blood and gunpowder as there was in Phetchaburi Province, where he once tried to run for election.

The capitalists in this party have all joined together and become party committee members. This includes a textile capitalist, a capitalist from the Asahi Glass Company, one from the textile industry, one from a trading company and one from the Mali Milk Company (this capitalist once supported the Democrat Party), the owner of the Thanin Television Station, an important person in the Borneo Company, a capitalist who serves as an advisor concerning petroleum matters and others.

Money does not seem to be any problem.

Looking at this party's election of party committee members, it is very strange that no one opposed the nomination of this "slate" of candidates with another "slate."

Yes, looking at such unanimity, it can be said that probably no one except Major General Praman Adireksan has a chance to become party leader, or, if this should be wrong, Major General Chatchai Chunhawan.

As for an ordinary person gaining a position in this party, the most he could hope for would be to become an ordinary committee member who does not have the same rights or voice as other committee members who come from large companies or who were once high-ranking government officials.

But comparing the Thai Nation Party with the National Democracy Party, whose recent election of committee members was a failure and some of whose MPs have turned away, we can see the skill of this capitalist party that is of a very different class, even though some [in the other party] are called eagles.

At the least, the junior members of the Thai Nation Party pay more attention to their party leader. And there is no division between the capitalists and the MPs as there is in the National Democratic Party.

The Thai Nation Party's election atmosphere was like being in a nightclub. There were drinks and food and there was music and a floorshow, although it was not risque. In addition, the election proceedings were recorded on video tape (the only request is that this not be shown to foreign political parties since they will smile at the methods of Thai political parties).

Another clear feature in this election held by the Thai Nation Party was that the party leaders and the party capitalists mixed with each other happily while the members and MPs of the party had to come pay their respects to them and then go and mix with the other MPs and ordinary members.

As for the party level politicking of this party, there was very little intimacy with the common members.

I could not help remembering an old affair of this party. Why did the leader of this party once say that "we cannot be the opposition?"

And why after it joined the government was this party unable to keep its Ministry of Industry portfolio?

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SOCIAL SCIENTIST ANALYZES MILITARY INTERVENTION IN POLITICS

Bangkok MATICHON in Thai 28 May 82 p 5

[Article by Wichai Thikhaphutisakun, Chulalongkorn University Social Research Institute: "The Army, Parliament (Politics) and the National Government -- the Way of the Military (Parliamentary) Conservatives"]

[Text] Even before the tumult about a "national parliament" had died down in parliament, someone proposed forming a national political party -- which would enhance Thailand's political history -- called the National Alliance Party.

The person who proposed this took the Malaysian UMNO Party as the model. This would be like a "central organization" of small parties that had joined together to serve as the government's central party. The person who proposed this feels that the founders of this party should include General Prem, the commanders in chief of the three military services, the supreme commander, the director-general of the Police Department and former directors-general of various departments who have retired. They should serve as the key people to bind together the small parties.

But the problem is not in the form of this idea. Even people in general who are not very interested in politics know that this is impossible if it were just up to the person who proposed this, Mr Amnuai Suwannakhiri. Even he once said at the end of an interview that "this is my own personal view."

But this view is in accord with the views of the "senators." Based on a conversation with Mr Prayun Suraniwong, an MP who is a member of the National Democracy Party, (whose interview by MATICHON was printed in the 24 May issue), it is worth thinking about the "possibility" that Mr Amnuai Suwannakhiri was just the "person who announced" this idea in place of some group that thinks like this. In particular, this idea may have originated in circles that Mr Amnuai is involved with in his capacity as chairman of the parliamentary subcommittee for military affairs and as the brother of Dr Trairong, a spokesman for the present government.

Three Institutions and Three "National" Apparatuses

It is no secret at all that a policy similar to having a "National Alliance Party (or "national government," "national army" and "national parliament") is favored by the National Security Council, which has had such an idea ever since 1975 after a conference on the "loss" of the three Indochina countries.

The idea that is referred to here is the idea of national security. The structure is composed of national ideals, which include three basic institutions -- the nation, the religion and the monarchy. The political organizations have the duty of protecting national security through the "national political system" (democracy with the king as the head). These political-administrative organizations include the (national) parliament, the (national) government and the (national) army.

Why "National?"

The philosophers behind the "national" thinking of the National Security Council can be separated into two main groups.

The first group thinks that the reality of the country, especially since 14 October 1973, is that the military was excluded from having political power or political influence, especially in parliament. The businessmen and capitalists were free from the power and influence of the military.They took this opportunity to build themselves up as a group with political bargaining power and they formed political parties to protect their interests. Some officers who received support from some of the political parties, or capitalists, struggled to gain power in the army. Mass groups such as the laborers formed labor unions. The social anarchy in that period led to the rise of several political power groups, each with its own political potential. Thus, gathering together or uniting the various interests was a way to build an alliance, with the political organizations of the state serving as the focal point and using the word "national" in order to prevent the power groups, particularly the various economic groups, from fighting among themselves. This would have made the social and administrative situation worse and been a weakness that the enemies of "national survival" (the communist party or invaders) could have taken advantage of.

The second group feels that the situation is one of conflict, disorganization and infiltration. If things are allowed to continue like this, there will be no unity or social order, and social stability will weaken and disintegrate. Several groups must unite under the [leadership] of the political organizations of the state as quickly as possible, even if it is necessary to force, or elminiate, those who oppose this.

Even though the views of these two groups are fundamentally different, both these groups still act in accord with the national security policy, with each group having the same goals.

Phenomena and Games

Actually, the fact that the army was able to return to power after the reform of 6 October 1976 should have given a great boost to the security idea. But just the opposite occurred. Because the CPT kept expanding, the 20 October coup, along with "semi democracy," was necessary in order to change course from "breaking the knife with the knees" to "moving slowly in accord with the real situation" in order to control the political groups that were expanding from the businessmen, or industrial merchants, and the political parties. The aim was to destroy their power and place them under strict control.

The fact that the army carried out the reform of 6 October 1976 does not show that there is unity in the army. Following the suspicious death of General Krit Siwara, the home of Lieutenant General Amnat Damrikan was bombed.Later on, after he had become a full general, General Amnat died suspiciously like General Krit.After that came the transfer of officers during the time that General Kriangsak was prime minister. General Soem Na Nakhon was made supreme commander and (then) Lieutenant General Prem was made RTA CINC. And when General Prem became prime minister, colonels were transferred and his term as RTA CINC was extended. As a result of the events of 1 April, Lieutenant General Athit was made a full general and made assistant commander in chief of the army. Most recently, prior to this October, there has been internal pressure to put General Pamot Thawonchan on a "par" with General Athit in "waiting" for the position of RTA CINC. And it is certain that the young turks will not be allowed to return to the army.

Parliament has the fewest problems since the present constitution was drafted for the benefit of parliament, for the security sphere and for the beneift of the various political groups. The government was the one who changed this. But today's parliament is still not a "national" parliament, which was the intention since the very beginning.

From the time of General Kriangsak until the first Prem government, the government and the parties, or political groups, have seemed to be testing this alliance under the leadership of the core. But because of the confusion and interests of the political parties, it has not been possible to create a real alliance. General Kriangsak had to resign. And General Prem had to reshuffle his government two more times (there may be a fourth Prem government) before the situation began to change. The three major parties that have joined the government have had rather serious conflicts and "clashes" with each other. The politicians in the major parties that have "credit" were compelled to accept positions that pose a risk to their "credit" and political reputation. At the same time, within the parties, there have been more and more conflicts because of the original conflict in interests. The matter of members leaving the party and joining another party, which was once a common event, seems to be getting more serious. The position and prestige of the three major parties have declined. The age of the party leaders who have had great prestige since the beginning has passed. At the same time, in the eyes of the people, the prime minister is isolated since he has remained above these tiresome conflicts and has not gotten involved in these conflicts of interest.

While the major parties are disorganized, the small parties have faded away or dissolved themselves and joined the larger parties. Or they have continued to exist but without having any role or significance. Furthermore, when the political party law, which is about to be passed by parliament, is promulgated, the small parties will no longer have any chance. (As for the National Alliance Party, this may be an idea that reflects present parliamentary turmoil. Or it may represent a change in the idea of a "national parliament" in the present conditions in which political parties are accepted.)

Parliament, the political parties and the government will probably continue in existence in a game that will continue to be played for only a little while longer -- until things are ready.

Democratic Politics or Military (Parliamentary) Conservatism?

Just because the "national parliament" is just a rumor and the "National Alliance Party" is just a personal idea at present, this does not mean that they cannot become a reality. They havea chance to become real as long as the movement to create national security under the "three institutions and three apparatuses" continues to be carried on carefully in accord with the complexity of the situation and with patience. It has been possible to defeat the CPT. The time may have come to exert every effort to create security with a "national political system."

The collapse of the Kriangsak and first Prem governments made it clear that the method of relying on forming an alliance will be defeated by the method of joining centers. Even though we will not see force used, we will see a political game that will gradually destroy the old system and create a new and cruel system. This means that Thailand will start to pull back from democratic politics and return to military (parliamentary) conservatism.

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END

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EDITORIAL CRITICIZES SIHANOUK, PRC SUPPORT

Paris MOULKHMER in French May 82 pp 2,3

[Editorial: "His Master's Voice"]

[Text] As if he had just recognized the voice of his master, made breathless by his lonely struggle against a windmill, Mr Khek Vandy, one of the greatest profiteers of a defunct Cambodian regime, contributed a long tirade in an attempt to rescue the latter. In No 25 of the Monthly Documentation Bulletin (BMD) dated April 1981 (he is probably not fully awake since we are already in May 1982), his editorial entitled "Until the Last Cambodian" is aimed at all those guilty of not having listened to his master's voice, the very people who form the largest group of nationalists resolved to fight against the Vietnamese occupying forces.

If Mr Khek Vandy had not overslept, he would know that his master has been appealed to several times by such cursed nationalists, especially by Mr Son San, president of the Khmer People National Liberation Front (FNLPK), but in vain, precisely because of the opposition of said Mr Khek Vandy himself and of other profiteers of the defunct regime. Therefore, since his master listens only to the toadying of his entourage (for which he has a weakness) he rejected all appeals. Not only did he reject all of them, but he also boasted that he would obtain the withdrawal of Vietnamese troops from Cambodia by sending messages to his close friend Pham Van Dong. And since the nationalists remained skeptical and insisted on creating a resistance movement to fight against the Vietnamese occupying forces, from his gilded cage in Pyong Yang his master sent them telegram upon telegram to oppose the creation of such a movement and, in addition, he decided to fought with his pen those of his fellow citizens who would be foolish enough to wish to pit themselves against the Vietnamese.

Mr Khek Vandy would know all that if the Vietnamese occupation of Cambodia had awakened him. But he was sleeping a deep sleep, and he must have taken reality for a mirage.

Mr Khek Vandy also claims that his master is wearing himself out addressing heartrending appeals for union to his fellow citizens in his many interviews, declarations to the press, and in books such as "Chronicles of War and Hope" or "Bitter and Sweet Memories," etc. A lot of good they did us, Sihanouk's many appeals! It is perfectly true that he has tried to create a movement for

unity among his fellow citizens. But it was to bring them back to Cambodia, even under Vietnamese rule. It was therefore a total failure!

As far as his books, "Chronicles of War and Hope" and "Bitter and Sweet Memories," are concerned, the first one is a plea for his cause, justifying Vietnamese operations in Cambodia, whereas the second has been written only to justify his own action when he was at the apogee of his glory in his own country.

Or course, the author has carefully avoided to offend, even slightly, his Vietnamese friends... against whom, three years after they have occupied Cambodia, he says he too wants to fight.

As for the statement that after all threat of a Khmer rouge come back has been eliminated, only Samdech Norodom Sihanouk can validly represent the Khmer people, we believe it is a gratuitous affirmation which represents only Mr Khek Vandy's opinion.

It is true that Peking, which has been supporting the former Khmer sovereign at arm's length since 1970, has only just granted him a material assistance for the equipment of 3,000 soldiers. Even if this assistance were multiplied by 100, no solution for the Khmer people could come from continental Chinal alone for, as long as the Soviet Union does not agree to leave Cambodia in the Chinese sphere of influence, nothing will be solved. To say that the People's Republic of China itself has so well understood how important Samdech Norodom Sihanouk's person is that it has granted him some military assistance, would be to state that, were it not for him, the earth would no longer revolve around the sun.

It is of course possible to love someone and speak so highly of him as to reach the limit of what is reasonable, that goes without saying. But to carry idolatry so far as to say that he alone can validly represent the Khmer people, that is the mark of an excessive and untimely zeal, for nobody on earth is indispensable to anybody, especially since, in the days of his glory, he did so much that independent Cambodia has become a Vietnamese colony. With the complicity of the Khmer rouge , that is true.

But, instead of recognizing his monumental errors--after all, he managed to cause the collapse of his whole country--he persists in saying and writing that he was right, even though he knew that he was wrong. To such an extent that no sensible nationalist will ever want him at the head of the state. And this is what makes him furious.

As for the Chinese themselves, who purport to support him against all opposition, do they really known exactly what they want for themselves? First, they help the North Vietnamese to fight against the French, then against the American, then they fight against the North Vietnamese themselves, so that Mao Zedong himself, the Great Helmsman, were he still alive, could not make head or tail of it. We feel sure that, dead as he is, he must have been turning in his mausoleum more than once.

Well then, Mr Khek Vandy, when are you going to wake up?

9294
CSO: 4200/45

NATIONALITY REPRESENTATIVES TO PARTY CONGRESS PROFILED

Vientiane SIANG PASASON in Lao 27 Apr 82 p 3

[Column: Opinions of Representatives Attending LPRP Third Congress]

[Excerpt] Lieutenant Colonel Bounpheng Khamphidet, 53, was born in Ban Non Euang, Khok Savang Canton, Soukhouma District, Champassak Province.

He was a full representative of Champassak Province who attended the LPRP Third Congress.

Comrade Bounpheng Khamphidet joined the revolution on 2 March 1951 as a village guerrilla. Because he was very active in his job the higher-ups brought him into the ranks of the regular army stationed in his own local area (Champassak District).

Working together with the Vietnamese soldiers of a volunteer unit, he took part in attacking the enemy's camp in Khousouma Village, Don Talat. It was the same time as the painful loss by the American imperialists in our country. In 1959 he had changed his direction to fighting against the American imperialists in the western part of Champassak District. He had scored many outstanding achievements, and was loved by the people and trusted by the higher echelons of the party.

Because of his outstanding job and very strong beliefs in the principles of the revolution, he became a member of the LPRP in 1962. Meanwhile, he was assigned as platoon cadre, continuously attacking the enemy. This caused many problems for the enemy. In 1965 he was appointed to the military command of Champassak District and also to the District Party Committee. Only 2 years later he was appointed to the Champassak Provincial Command.

In the Party Congress in Champassak Province in 1968 he was appointed to the provincial party committee and military commander of Champassak Province.

On 22 March 1982 he was selected by the Party Congress of Champassak Province as a full representative to attend the LPRP Third Congress.

Comrade Khamsing Kaying was a full representative of Houa Phan Province who attended the LPRP Third Congress.

Comrade Khamsing Kaying, 35, is a Mong, and was born in Ban Hin Ngeum, Gnot-In Canton, Sam Tai District, Houa Phan Province.

Comrade Khamsing joined the revolution in 1959. But because he was young, the higher-ups sent him to further his studies abroad. He finished his education in 1967 and returned with mid-level qualification for specialized medical work. When he arrived at the liberated zone he was appointed to mobilize the building of the foundation of the revolution behind enemy lines in the Vientiane Province area. He attentively carried out his work at that time. There were many problems but he was never afraid or discouraged; instead he succeeded in all jobs assigned by the higher-ups.

At present Comrade Khamsing is responsible for the Laos-Vietnam Friendship Hospital in Houa Phan Province.

Comrade Khamsing, a son of the Mong race, has now become the youngest leading cadre when compared with the cadres in Houa Phan as well as with representatives of all sectors who attended the LPRP Third Congress. He was selected as a full representative of Houa Phan Province to attend the LPRP Third Congress.

Major An Koulavong was a full representative of Attopeu Province who attended the LPRP Third Congress.

Comrade An Koulavong, 42, of the Lave race, was born in Ban Dong Ngiu, Oudom Canton, Saisettha District, Attopeu Province. Comrade An joined the revolution and fought to resist the imperialists and invaders. He took part in fighting the enemy, and resisted the arrest of secret cadres in 1956. He led the people to resist the theft of Lao Patriotic Front additional representative's ID cards in 1958. In 1962 he was accepted as a party member, led the people to fight against the war of aggression of the American imperialists, and brought about the people's confidence toward the policy of the party. In 1967 he led the people and militia of the peace-keeping forces to fight against enemy agents and looters in the areas of North Phouvong District and South Phouvong District. In 1975 he took part in seizing power in Pakse, which was successful. Moreover, he has participated in many other jobs with loyalty to the party, the people, and the country.

9884
CSO: 4206/47

GDR AID PROJECTS DESCRIBED

Vientiane SIANG PASASON in Lao 8 Apr 82 p 3

[Article by Chandeng Keopaseut: LPDR-GDR Friendship Bicycle Repair Shops]

[Text] The government of the LPDR along with the Ministry of Industry and Trade signed an agreement with the German Democratic Republic and the Ministry of Local Industry and Food Industry on 24 July 1980 in Berlin concerning aid in building 13 repair shops in the LPDR. These include eight bicycle repair shops to be set up in Vientiane City and Province, especially in the four districts of Sisattanak, Sikhottabong, Saisettha, and Chanthaboury. There will be one shop in each district and one each in Luang Prabang, Khammouan, Savannakhet, and Champassak provinces. There will be three shoe repair shops, one each in Vientiane, Luang Prabang, and Champassak provinces. One large-size tire recapping shop will be set up in Vientiane. Another repair shop which is the artificial limp and shoe repair shop will be set up in the artificial limb center under the Ministry of Public Health, which is directly responsible for it.

Since the beginning of 1982, the construction and repair of buildings in preparation for installing equipment in each shop has been well carried on in other provinces as well as in Vientiane Province. They attentively and successfully repaired the buildings. Early in March experts from the GDR began installation of the first building which is the LPDR-GDR friendship bicycle repair shop No 1, and in the middle of the same month on Monday 15 March 1982 ownership of the repair shop was officially transferred by having the people involved participate as honored guests in the ceremony. Meanwhile, the second workshop in Sikhai Canton, Sikhottabong District, was set up later and finished, and was transferred officially on 24 March 1982 in the midst of [fraternal] joy by people who together achieved success by their sweat. In the near future the repair shops which are being set up will be completed accordingly, and the transfer will follow until all 12 workshops have been completed according to the aid plan.

Success in the construction and installation of the bicycle repair shops has shown the cooperative relationship and mutual help between the two governments and the people of the two nations, Laos and Germany. This relationship has borne fruit and steadily grown. Each GDR expert has devoted himself to his own responsibilities, and the responsible Lao cadres in this

project and each local administrative authority have paid attention to, facilitated, and given their seat and energy to make this project steadily progress with confidence and success. This achievement will be able to solve the problem of transportation repairs for cadres, government employees, workers, and the Lao people for a reasonable price. Moreover, the workshops are an aspect of the socialist economy for decreasing and eliminating the role of private repair shops. This is also considered important in the transformation and construction of socialism within our country. The most important thing is taking part in scoring achievements to greet the LPRP Third Congress, which will soon be opened.

9884
CSO: 4206/47

PAKSONG REPRESENTATIVE DISCUSSES COFFEE PRODUCTION, EXPORT

Vientiane SIANG PASASON in Lao 14 May 82 p 2

[Article: "Paksong District Representative Gives Speech at LPRP Third Congress"]

[Excerpts] This is an opportunity to give our views to the congress concerning the expansion of coffee production in the Bolovens Plateau in order to increase exports.

As socialist construction progresses in our country, besides the hard labor to solve the problem of food supplies and everyday commodities within the country, we also need a great deal of money to buy machinery, equipment, raw materials, fuel oil, materials, spare parts for industry, and other goods in order to serve the people. If this is what we want, we must produce more goods for export, i.e., goods that have a high exchange value.

In the past 5 years, coffee prices on the world market have been $2-3 dollars per kg (depending on quality and the harvest each year). The coffee crop in Paksong is 500 kg per hectare, but in some other countries they can pick 1.5 tons per hectare. Recently Indonesia has employed new strains of coffee. This increases the quantity of coffee to as much as 2 tons per hectare.

The Bolovens area has the best climate for growing coffee. Around this area there is flat land in Champassak and Saravane which are large rice granaries and are able to meet the demand for supplies; these areas are also able to provide some labor for the coffee growing area. In Paksong District alone there are approximately 10,000 hectares which can be used to grow coffee. If we include all the coffee-growing areas in the Bolovens area along with the areas in Saravane and Attopeu provinces, the total will be approximately one-half million hectares. However, the coffee-growing area at the present time is only 14,000 hectares.

Nowadays we export approximately 2,000 tons of coffee each year valued at about US$4-5 million. Of the total purchased, approximately 1,500 tons is from Paksong alone. Now in Paksong, besides the coffee-growing settlement of the government and the army, we have experimented in growing coffee in some cooperatives. The outstanding one is the Phou-Oi co-op which engages

in both growing coffee and raising oxen. Over the past 3 years this co-op has produced a rather good amount and has expanded the coffee-growing area 40 percent. The number of oxen has been increased to over 100. Up to now the co-op has paid all the loans it had borrowed from the government, and is now saving millions of kip.

If in the future it could sell as much as 20,000 tons of coffee every year, it would be able to exchange this for approximately 150,000 tons of gasoline or $50 million.

To speed up the coffee production we must first convert the Bolovens area to a coffee production collective center whose aim is to serve exports. We have proposed the following to the party and government:

1) increase the number of government and army coffee-growing settlements consistent with the economy in order to support production and profits;

2) support, assist, and organize the coffee growers to grow a large amount of coffee in cooperatives and the private sector in order to seel to the government. Move people from other areas to permanently settle here to produce coffee;

3) set up a coffee company responsible for the following:

--set up a coffee nursery, sell cuttings and seeds to the bases and coffee-growing families (starting with buying high-quality coffee seed from abroad);

--supply fertilizers, insecticides, and vehicles used in production to the coffee-growing areas; mobilize the people in these areas to stop slash and burn cultivation;

--buy all the coffee the settlements produce, from the government, the collective co-ops, and the people, and also take care of coffee exports;

--send cadres, workers, and technicians to each coffee co-op and settlement.

Besides these, we propose that the center might use joint enterprise with fraternal socialist countries in order to expand the large coffee plantations, and use machinery in coffee production.

9884
CSO: 4206/50

EDITORIAL ASSESSES AGRICULTURAL GOALS, PERFORMANCE POSITIVELY

Vientiene SIANG PASASON in Lao 19 May 82 pp 1, 3

[Editorial: "Press Forward on Preparations and Farm Work in Time for the Season"]

[Text] To encourage agricultural production expansion, we give special importance to food production in order to improve the standard of living for society and to have raw materials for industry and goods, especially corn and soybeans for export. In 1985 we must try to increase [rice production] to 1.6 million tons. Paddy rice is the important item in agriculture which we had pledged to the Third Party Congress recently. In order to realize this pledge and for 1982 to be another great victorious year for agricultural production in our country according to order No 60 of the Council of Ministers, our farmers all over the country must hurry diligently to get ready for the yearly wet rice farming in time for the growing season. Yearly wet rice farming is something by which to judge the agricultural productivity of our country, and it is also something to insure the living standard of our people.

In general, most farmers start farming in June, but in some areas, especially in the plains where the irrigation system is sufficient, yearly wet rice farming can start earlier. This trend is steadily increasing, as shown by the appearance of many different sizes of irrigation systems, farmers joining agricultural co-ops all over, and rice farming that starts earlier than normally. Twice-a-year rice farming by new scientific techniques it to be achieved, and this will become our farming tradition. For these reasons, last year's agricultural production in our country yielded 1.154 million tons. This was a fairly good increase as compared to 1980.

Even given this, the goal of economic development especially in agriculture as called for in the party and government's 5-year plan, is still before us. We must try to climb up one more step so we can reach that goal. What will help us to reach that goal is the coming rice farming season. Therefore, all agricultural co-op units of all provinces must speed up getting things ready, such as farming areas, draft animals, machinery, oil, agricultural equipment, seeds, insecticides, etc. Moreover, wherever possible we should hurry and get down to work at the beginning of the year. We should not waste our time. As the old saying goes, "ten plants that are planted late aren't

"as good as five planted early in the year." Our farmers must realize that there is no other work more important than to get the ploughing done at the right time of the season. This means that administrative authorities at all levels must fully facilitate the work of all farmers in their farming, and put aside all other unnecessary work in order to put all their efforts to achieve the highest possible production.

One more problem we should pay attention to is that now our farmers in many provinces have already started their farming. All leading cadres at all levels as well as agricultural officials in all provinces must contact, guide, and help the people's production to be on time. This involves, for example, seeds, equipment for production, harrowing, hoeing, insecticides, and also lessons in planting. Concerning this problem, many provinces have been doing quite well, such as Champassak, Savannakhet, Khammouan, and Vientiane Provinces, and several provinces in the north. However, there are many other provinces that have made no serious moves concerning such work. From now on, more attention must be given to getting down to agricultural work this year. It is our responsibility to see that all must carry out directly and indirectly whatever we can to make agricultural production this year become another victorious year in line with the order of our Council of Ministers

9884
CSO: 4205/50

BRIEFS

CHAMPASSAK COOPERATIVIZATION--An outstanding economic aspect of Champassak Province is the agricultural co-ops that are being improved and reestablished. At the present time in the whole province there are 428 units, 397 villages, and 19,101 families. There are 110,942 co-op members. Average productivity per co-op unit is 400-584 kg per person. [Excerpt] [Vientiane SIANG PASASON in Lao 15 May 82 p 2] 9884

CHAMPASSAK BANK DEPOSITS--In 1981 multiethnic groups within Champassak Province voluntarily deposited their savings in the government bank to allow the government to invest in protecting, transforming, and constructing socialism. The total amounted to over 500,000 kip. The outstanding contribution was made by the transportation association, which was 13.91 percent more than expected. [Excerpt] [Vientiane SIANG PASASON in Lao 17 May 82 p 1] 9884

XIENG KHOUANG RESETTLEMENT--At the beginning of the rice farming season this year, tens of families in Mok Canton and District, Xieng Khouang Province, voluntarily stopped shifting cultivation and enthusiastically accepted wet-rice planting instead. This is because they deeply believe in the government and party's policy and its direction, and in their responsibility to build up the economy and new-style socialist production. Counting the members of families who left shifting cultivation to engage in wet-rice farming from 1979 until now, there are 196 families, which is two-thirds of the total number of families in the whole canton. [Text] [Vientiane SIANG PASASON in Lao 17 May 82 p 1] 9884

CHAMPASSAK COFFEE PRODUCTION--In the first 3 months of this year the Provincial Trade Service of Champassak Province has sent its cadres to buy and exchange its goods for coffee beans from the people. Even though the time involved was only 3 months, they bought and exchanged a total of over 1,140 tons of coffee. The most outstanding area was E-Tou Canton, Paksong District, which involved over 530 tons. This is 52 percent of the 1982 coffee buying plan. [Text] [Vientiane SIANG PASASON in Lao 12 Apr p 3] 9884

CSO: 4206/47

GOVERNMENT URGED TO EXPEDITE FORMULATION OF FUTURE POLITICAL SYSTEM

Karachi JANG in Urdu 16 May 82 p 3

[Article by Irshad Ahmad Haqqani: "Ambiguity About Future Political System Should be Removed; If the Government Feels that the Time is Unsuitable for Elections, It Can Wait, But the Task for the Formulation of Political System Should Not be Delayed Further."]

[Text] The president often expresses his views about the significance of politics, the interest of Pakistanis in politics and the undesirable implications of their unfulfilled political expectations. His latest comments in this regard that just as food is essential for a human being, similarly politics is essential for a nation and political system is essential for the functioning of a country carry great significance. These comments of the president reflect the truth that in spite of being an army administrator, he is fully aware of politics and the significance of the political structure and according to his capability, the president is trying to move the country towards the destination of political stability. It is a strange coincidence, however, that on one hand the president carries this notion and belief, but the situation on the other hand is that nothing seems to have been accomplished in the field of politics.

We are trying to formulate a structure of Islamic political system, nevertheless, it is still not clear as to what will be its fundamental guidelines and characteristics. For example, it is still unknown whether the political parties will be accommodated in the political system or not. The president has often declared that he prefers election on non-party basis. He expressed this view recently also. When some political sectors exhibited their dissatisfaction, the president said that nothing had yet been decided in this regard and he had offered this suggestion just to acquaint himself with the political reaction. Now he says that although the proposal for non-party elections has not been finalized, the initial reaction is encouraging. It is not known how the president drew this conclusion. No one from the well-known political circles favored this suggestion. Two or three parties have said that if the government insists upon holding elections on non-party basis, they will agree even to that since they regard elections extremely essential. This indicates that elections without the participation of political parties have not been favored, rather, it is an expression of forced decision.

Similarly, the question of the capability of the candidates is also creating some problems. According to the information, the proposals under consideration of the government include a suggestion that a special educational and moral standard should be set for all candidates. It has been said that a condition of (college or high school) graduation or completion of a religious course will be levied for the candidacy to national and provincial assemblies. Besides, it will also be judged whether a candidate is regular in fulfilling his religious obligations and prayers or not. Moreover, the Council of Islamic ideology or some other institution comprised of religious scholars will issue certificates of capability to all the candidates and only after obtaining clearance from them a person will be able to participate in the elections.

So far, the majority of the people who have expressed their views about this proposal have shown their disapproval. The president of the largest group of the defunct Muslim League, Pir Pagara has gone so far as to say that under these conditions, he too will be incapable of participating in any election. "He is neither a graduate nor a religious scholar." The spokesmen for certain parties included in the MRD have also expressed their disapproval of these conditions. The problem in this regard is that although everyone believes in the advantage of the conditions set for ability and nobility, no acceptable method has been suggested as to how they should be specified and enforced in practice. The condition that political representatives should possess intermediate or B.A. degrees is not so perceptible because a diploma or degree is quite different from political experience, public contact, awareness of public problems and willingness to participate in an effort to solve them. It is essential for political workers and representatives to possess all these qualities. It is not so easy to evaluate the moral qualities of a candidate, since, firstly, this is a matter of a person's inner rather than outer self. Secondly, it is possible that a discussion of a person's good or bad characteristics produces no result and give rise to extreme disagreements. There may be a few candidates whose moral degradation is well-known. When they are declared unsuitable on this basis, these candidates, however, will try in every possible way to find faults in other candidates. Thus, at the very initial stages of candidacy every person's known and unknown aspects of life will become a topic of discussion and argument, accusations and counteraccusations. Again, it is not certain that a person who possesses religious qualities will necessarily portray a high standard of capability and honesty in public life, also. Therefore, this suggestion also does not appear to be more than a pious thought. Pir Pagara's suggestion that any person who is a voter should also be allowed to be a candidate does seem to bear weight.

President Zia-ul-Haq has said that some sort of legal framework order for future elections is under review and various recommendations are being considered. An overwhelming majority of political circles favors elections based on the 1973 constitution. If the government, for some reason, wishes to set new guidelines and principles, it would be preferred that there be no further delay in making that decision and that the characteristics of the future political system now be made known. It is a fact that due to ambiguity about the future political system, there is restlessness among the

intellectual circles of the country and it is essential to remove this doubt. If the government feels that the time is unsuitable for elections, it can wait, but the task for the formulation of the political system should not be delayed further.

9779
CSO: 4203/128

GOVERNMENT'S ROLE IN OVERSPENDING TREND CRITICIZED

Karachi JANG in Urdu 16 May 82 p 3

[Editorial: "Savings are Requisite of Every Era, But!"]

[Text] Yesterday, during the inauguration of the National Savings Week, President Zia-ul-Haq said that every person should pledge to invest a part of his personal income in the national savings schemes instead of spending it altogether. Similarly, the Minister of Finance Ghulan Ishaq Khan and the Governor of Sind, Lt Gen S. M. Abbasi, too, exhorting the public about savings, said that simple living was the requisite of patriotism, since, compared to other developing countries, the ratio of savings was the least in Pakistan.

No one can disagree with the president, the minister of finance or any other person regarding savings. Surely, a little bit of personal savings only can help accomplish the requisites of national planning and the required goals of progress. It may be truly justifiable to say that, compared to other progressive countries, the ratio of savings is the least in Pakistan. Nevertheless, its reasons and causes are deep-rooted. This matter is not linked with any particular era; rather, if the causes are taken into consideration, the matter goes far back. Undoubtedly, the people of Pakistan are prone to a life of pomp and show instead of simple living and the competitive race still continues. So much so that even those people who are well aware of their limited resources obtain loans to acquire certain luxuries, regarding them as obligatory. Unfortunately, wealth has been made the standard of honor in our country and those people who lack wealth, merely for outward exhibitionism, obtain luxurious items or unnecessary things in order to create a good impression. As a result of this attitude, unlimited innovative tricks have crept into our entire society. If this matter is studied carefully, the governments have been as responsible as the people themselves for promoting this trend. Loans are secured for national projects, but at the same time there is a generous nevertheless, unrestricted policy to obtain cars, air-conditioners, televisions, luxurious and exhibitionistic products and other such items. This has enhanced the indebtedness trend. Besides, another major factor is the basence of proportional wealth among the people. In this regard, the employees sector, and especially the group which believes in lawful earning, is oppressed and being ground in the grinding-stone of financial problems. The third major factor is inflation

and that, too, inflicts this sector since it is unable to save because of hoarding, profiteering and inflation. Naturally, therefore, a sector whose worries begin from pay day on the first of the month can ponder only over the existing burden of the payment of loan. How can it contemplate upon savings? The exhortation and guidance of our leaders is truly appropriate and it cannot possibly be disputed. Nevertheless, the above mentioned causes are an admitted fact, too. If a campaign is launched against these causes, a trend of savings would certainly evolve by itself. This would also play an essential role in solving the problems of the government.

9779
CSO: 4203/128

BRIEFS

BEGUM ASGHAR'S STATEMENT REPORTED--Karachi, 1 Jun--Begum Amina Asghar Khan, wife of Retd Air Marshal Asghar Khan, leader of the now defunct Tahrike Istiqlal party, said that her husband has been enduring hardships of detention with great courage and fortitude and that his morale is high. Begun Asghar Khan, speaking to the correspondent of JANG over the telephone from her residence in Abbottabad late this afternoon, said her husband was in sound health, that all along he has been living a clean life and because he is on the right path, detentions and restrictions cannot harm him. Begun Amina Asghar said that those people who deviate from the path of righteousness are haunted by anxieties. Air Marshal Asghar Khan, she said, always carried out his duties honestly and he is blessed with peace of mind. In reply to a question she said that the affliction in his ear had become intense and that this affliction cannot be treated in Pakistan. When she was asked whether he would avail himself of the opportunity to go abroad for medical treatment if the Government of Pakistan were to allow him to do so, she did not reply in the negative, saying only that such a supposition could not be answered at this point. She further said that during the 2 and 1/2 years of continuous detention, he was freed for only 4 weeks. Martial Law authorities have extended his detention for an indefinite period under Martial Law regulation 78, whereas he was previously detained under Martial Law regulation 12. She said that Asghar Khan was not permitted to talk to anyone over the telephone or meet with anyone, but that he is provided with newspapers and is allowed to watch TV programs. [Text] [Karachi JANG in Urdu 2 Jun 82 p 8] 9315

EMBASSY REFUTES MENGAL'S CHARGES--London, 1 Jun--(JANG Correspondent)--Spokesman of the Pakistan Embassy in London rejected as baseless Sardar Ataullah Mengal's charges that the government of Pakistan was involved in attacks on his sons and brother. The spokesman said that nothing could be further from the truth than the baseless accusations levelled against the Pakistan government by Sardar Ataullah Mengal, former chief minister of Baluchistan. The spokesman said that the fact is that in this way Sardar Mengal was trying to cover up tribal bickering and the fights between his sons and the local people. Mengal had charged that an attempt was made on his life by throwing a gasoline bomb on his Datsun car, parked near his house. But fortunately a police patrol saw the car on fire and extinguished the fire immediately. He said that if the flames had spread to the gas tank, his whole house would have burned. Baluchistan's former chief minister said that on the following day, on 20 May, a gang of white men attacked and seriously injured his two

sons Jawaid and Akhtar Mengal and his brother Saleem Mengal in a nearby shopping center. Sardar Mengal alleged that the Pakistan government paid those men for attacking his sons and his brother. [Text] [Karachi JANG in Urdu 2 Jun 82 p 8] 9315

'RUSSIANS GETTING CLOSER'--New York, 1 Jun--JANG Correspondent--Russians are drawing closer to the border of Pakistan, where the number of Afghan refugees already present exceeds 1.5 million people. This story was carried by the editorial column of NEW YORK TIMES, which writes that the number of Afghan refugees is increasing and that among the Muslim refugees their number has now exceeded even that of the Palestinian refugees. The paper further writes that ever since the absence of foreign correspondents in Afghanistan, the international community has forgotten the invasion of Afghanistan. Neither are the Russians being put to task on account of this, nor has the outside world any information about the facts and figures pertaining to incidents occurring in Afghanistan. NEW YORK TIMES writes that since there are no foreign correspondents left in Afghanistan, there is no one that can provide information as to how the war is being drawn closer to Pakistan's borders. It now appears that the people are now being led to believe that Russia is winning the war against the Afghan Mujahedin. Nevertheless the paper says that there are some people who think that the Russians have not succeeded in their plans to convert Afghanistan into a colony because of intense hatred against communism among the Afghan people. Secondly, Russians have failed to control factionalism within the ranks of the Afghan communist party. In the opinion of non-aligned countries the prestige of the present-day rulers in Afghanistan is similar to that of the Norwegian leader who aligned himself with the Nazis in utter disregard of the interests of his own people. According to NEW YORK TIMES, only change in leadership could be taken to mean an acknowledgment by the Russians that they committed a serious blunder by invading Afghanistan. The paper concludes that at this time when there is so much bloodshed in Afghanistan, we tend to disregard its miseries because everyday routine in the world is proceeding as usual. [Text] [Karachi JANG in Urdu 2 Jun 82 p 1] 9315

NASRULLAH KHAN'S RELEASE DEMANDED--The officials of the Pakistan Human Rights Committee have appealed in a statement to the president for the release of the country's renowned and venerable politician, Nawabzadah Nasrullah Khan. He is among the country's few chosen great politicians who believe in peaceful, lawful and civilized politics. Even those government officials with whom he has had sharp differences in the past have acknowledged those qualities of Nawabzadah Sahib. At present, political activities are totally banned in the country and political parties are defunct. Under these circumstances, therefore, the President of Pakistan should sympathetically review the release of Nawabzadah Sahib. [Text] [Karachi JANG in Urdu 16 May 82 p 3] 9779

ISRAR ON VOTING RIGHTS--Lahore, 28 May (JANG correspondent)--Dr Israr Ahmad said here today that persons less than 40 years in age should not have the right to vote because it is only after 40 that maturity sets in. Speaking at the Darul-Islam mosque here, Dr Israr said that it was not wise to give the destiny of the nation in the hands of young people; only mature people should be entrusted with that burden. He further said that even in some Western countries women today were not allowed to vote, but why people here in Pakistan did not accept that fact was beyond him. Women, he said, admittedly cast the largest number of 'bogus' votes. It was his personal opinion, he stated, that women should not have the right to vote in the first place, but if somehow this right was granted to women, a woman's vote should be counted as equal to half a vote because in Islam the evidence given by two women is regarded equal to evidence given by one man. [Excerpt] [Karachi JANG in Urdu 29 May 82 p 8]

ARREST FOR SELLING DOCUMENTS--Islamabad, 2 June (JANG correspondent)--Islamabad police arrested three persons outside a local hotel here and recovered from their possession important documents relating to defense which they wanted to sell to a foreigner. Unlicensed arms were also recovered from the persons. It is said that all three are students in a local college and one of them is said to be the son of an Islamabad police officer. According to details, a few days ago the three accused went to the embassy of a foreign country and offered to sell these documents. By coincidence they met a Pakistani official there who told them to come to Hotel Inner Garden with the documents and arranged to meet them there. The Pakistani official meanwhile informed the police and the martial law authorities. When the three, Mohammad Iqbal Ansari Sajid Aziz and Naim Mukhtar, arrived at the hotel by taxi yesterday, police, who were present there in large numbers, surrounded them and took them under arrest. Body search of Mohammad Iqbal revealed the file which pertains to defense and which the accused wanted to sell to the foreign embassy. Search also revealed a revolver and eight bullets on Sajid Aziz and a knife on Naim Mukhtar. After arrest the accused were turned over to the (Federal) Investigative Agency. Islamabad police have said that during investigation the identity of other antinational elements will be learned and it will also be known in the hands of which antinational group these three were playing. In addition, how they received such important documents will also be revealed. [Text] [Karachi JANG in Urdu 3 Jun 82 pp 1, 12]

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COLUMNIST: CPT SUPPLIED LOCALLY, ECONOMIC FACTORS CITED

Bangkok BAN MUANG in Thai 9 Apr 82 p 5

[Ta Mo Lo column: "'Tai Rom Yen,' Han Might Hurt Himself"]

[Text] There have been reports that the "commanding general of the Fourth Army Area has ordered drugstores in Trang, Krabi and Nakhon Sithammarat provinces to report the amount of drugs on hand each week. Selling drugs to people who do not have a doctor's prescription is prohibited."

It has been explained that the reason for this is that when government forces attacked and seized communist terrorist Camp 508 at Chong Chang in Surat Thani Province, they found a large quantity of medical supplies and medicines that had been sold by drugstores.

The order prohbits the sale of all types of medicines to people without a doctor's prescription. This includes medical equipment, analgesics and antibiotics.

People who are sick and who need medicine can go and receive treatment at the hospitals, public health clinics and military units.

I feel that the commanding general of the Fourth Army Area is wrong about this matter. It is true that the terrorists obtain medical supplies and drugs from these drugstores and it is necessary to implement measures to control the drugstores in order to keep drugs and medical supplies from falling into the hands of the terrorists. But prohibiting the sale of drugs to people who need drugs but who do not have a prescription is going too far. This will cause trouble for the people in general.

It is true that the commanding general of the Fourth Army Area has given the people an option by suggesting that they go to the hospitals, public health clinics or military units for treatment. But are there really enough state units that provide medical services to serve all the people?

Because there are not enough such units, the people must rely on the drugstores, which are their last resort. And now the commanding general has come and taken away their last resort. This is what things are like for the people.

As for the new commanding general of the Fourth Army Area, ever since he launched operations against the terrorists in the south, even though his "Tai Rom Yen policy" has won over members of the "united front" for the Fourth Army Area, opposing the influential people in the cities, whose interests are tied to those of the terrorists in the jungles, has created many enemies for the Fourth Army Area and its commanding general.

Even though there were good reasons, the fact that the commanding general of the Fourth Army Area has prohibited the drugstores from selling medical supplies and medicines to the people will result in the Fourth Army Area and the commanding general losing the support of most of the people. The united front will be lost to the terrorists and we will not be able to keep it on our side.

Thus, I only pray that the commanding general will reconsider this action, have a change of heart and allow the people to purchase medicines as before. Its not worth it.

It is true that, in principle and theory, this is the correct thing to do. But in practice, because the knowledge and understanding of the people is limited, it would be better not to do this.

Speaking frankly and with concern, the Fourth Army Area and the commanding general already have many enemies. There are the three terrorist groups -- the communist terrorists, the Chinese communist guerrillas and the bandit terrorists -- and all kinds of bandits. And there are influential people with interests who are even more cruel than the terrorists.

This is more than enough already. Don't try to make even more enemies.

People everywhere are talking about the influential people whom the commanding general of the Fourth Army Area is struggling against and whom he has been fighting for a long time. Neither side has been able to defeat the other.

In particular, the most influential people in the mining and timber spheres have joined together and are opposing him strongly. It has reached the point where I am not sure how much longer the government will support the commanding general of the Fourth Army Area.

I am afraid that if the commanding general keeps fighting by "throwing in everything without thought," he may suffer defeat.

This is because the profits from mining and timber operations are really immense.

"Money twists soft iron."

"Give and take" is the strategy that must be used in such a case. It is like catching a large fish. If you just take a pole and are impatient, the line will break and you will lose the fish.

Moving backwards a few steps in order to [show] agility in a boxing match has never resulted in any loss of honor for the world champion.

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ANTITERRORISM MEASURES TO BE DISCUSSED WITH GOVERNORS

Bangkok MATICHON in Thai 12 May 82 p 3

[Article: "Conference For Provincial Governors From Throughout the Country to Be Held to Revise Security Policy"]

[Text] A conference of provincial governors from throughout the country will be held to discuss the announcement by the Office of the Prime Minister on national security.

A report from the Ministry of Interior states that on 13 May, the Ministry of Interior will hold a conference for provincial governors from throughout the country in order to discuss the government's policy in accord with Office of the Prime Minister nnouncement No 66/1980 on preserving national security.

The report stated that the aim of the communist terrorist suppression plan of the Ministry of Interior is to oppose terrorist infiltration and destruction at the village level in order to reduce the level of infiltration in at least 20 percent of the 5,560 targeted villages and prevent increased infiltration in at least 20 percent of the 8,000 insecure villages.

Besides this, as for the southern border villages, a political offensive will be launched, especially by carrying on psychological operations and helping the people, including giving them protection.

The report also stated that, in other border provinces, the goal is to establish a border readiness system in order to defend against air sabotage and ground attacks. Great attention will be given to the 13 border provinces in the east, north and northeast. Measures will also be taken to defend against urban sabotage, especially in the south. The minority problem will be solved, the number of refugees will be reduced and the movements that pose a danger to national security will be monitored.

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CPT IN TAK GETS HELP FROM MINORITIES

Bangkok MATICHON in Thai 8 Apr 82 pp 1, 12

[Article: "Prayut Resolutely Forbids Giving Weapons to the Communist Terrorists"]

[Text] Communist terrorists from Umphang in Tak Province have carried on operations in cooperation with Karens and Free Mons. There was a clash with border patrol police at Thiyip. Prayut has ordered that weapons seized from the communist terrorists be registered.

On 6 April, a reporter for MATICHON in Kanchannaburi reported that around the middle of March, approximately 50 communist terrorists led by Mr Namchai clashed with officials of Border Patrol Police Platoon 722 and with thahan phran irregulars subordinate to Thahan Phran Volunteer Company 130 near Ban Thi Rai Pa in Rai Wo Commune, Sangkhalaburi District.

As a result of this clash, Police Sublieutenant Ophat Sapsamai, the leader of Platoon 722, and Mr Mong Chiong, a thahan phran irregular, lost their legs .

The report stated that this group of communist terrorists, which was led by Mr Namchai, had moved here from communist terrorist headquarters Camp 401 in Umphang District, Tak Province, a camp that is responsible for the Kanchannaburi-Tak border area. They had come here to carry on mass activities in Ban Thi Rai Pa, Ban Cha Kae and Ban Thi Khorong in Rai Wo Commune. As for Mr Namchai, he is a former student who fled into the jungle and joined the CPT after 6 October 1976.

After this occurred, Civilian-Police-Military Unit 11 from the Khao Kruat Camp in Ratchaburi Province, which is responsible for Kanchannaburi Province, sent Colonel Bunchu Yisakon, the deputy commander of this unit, with a force to set up a special operations center in coordination with Region 7 Border Patrol Police forces led by Police Lieutenant Colonel Channarong Sutkangwan, the deputy superintendent of the Region 7 Border Patrol Police. They had one helicopter on constant alert at this point.

The reporter also reported that, since that clash, clashes have occurred frequently. There was even a clash between the two sides on the night of 5 April. This resulted in Police Lieutenant Colonel Santi Udomsak, the superintendent of the Region 7 Border Patrol Police, sending in two more groups of reinforcements with K60s, K81s and machine guns, forces from Border Patrol Police Platoon 728 and the Muanchon Samphan Platoon (1st Cavalry, Thong Phaphum).

The report stated that in the Ban Thi Rai Pa area, which is the area of responsibility of Mr Namchai, another communist terrorist force led by Mr Yuphe, a Karen, is also carrying on operations. This force is composed of about 40-50 armed men. It is coordinating activities with the Free Mons of Nora, who split away from the forces after the Suai Chin Revolution and who has a total strength of approximately 600 men.

As for the communist terrorist group of Mr Yuphe, the report stated that he has received military supplies from this group of Free Mons. This group of communist terrorists carries on operations to earn profits by extorting protection money from the people living in this area rather than carrying on operations in accord with CPT ideals.

Colonel Thammarak Isarangkun Na Ayuthaya, the head of the Intelligence Section, Fourth Army Area, revealed that sweep operations have been carried on against the communist terrorists in Zone 520 in Krabi and Trang provinces and in Thung Song and Thung Yai districts in Nakhon Sithammarat Province. Government forces pushed back the enemy. There were two to three clashes with soldiers being wounded by mines two to three times.

General Prayut Charumni, the commander in chief of the army, was interviewed on the morning of 7 April concerning the weapons that were seized from communist terrorist Camp 508. He stated that he has ordered the commanding generals in all army areas to keep good records on the weapons seized and to make specific people responsible for them. The fact that we seized weapons belonging to us will probably make it difficult for the communist terrorists to stockpile weapons again.

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DOUBTS RAISED OVER CLAIMS OF VICTORY OVER CPT

Bangkok KHAO CHATURAT in Thai 24 Apr 82 pp 25-27

[Article: "A Summary of the Communist Suppression Activities: We Have Won (Again), Mom"]

[Text] On Monday, 26 October 1981, at the Kittikhachon Auditorium, Chulachomklao Royal Military Academy, the results of the CPT suppression activities during the past 6 months were summarized. Major General Chawalit Yongchaiyut said that "concerning the present situation, the war is over. We have won."

On Wednesday, 12 May 1982, at the Kittikhachon Auditorium, Chulachomklao Military Academy, the results of the CPT suppression activities during the past 6 months were summarized. Major General Chawalit Yongchaiyut stated that "we have won. The CPT has no hope of being able to fight again. Nowhere in the world have communists who have been defeated been able to stage a comeback."

Twice in just 6 months, a key man in the anticommunist struggle has announced that "we have won." But most analysts, especially those who have analyzed the communist problem, are skeptical of this claim. This official announcement concerning this problem resembles ordinary propaganda.

If such propaganda had been put out by middle or high-level military officers, this would not be anything to get excited about. But this statement was made by a "pro" like Major General Chawalit, a man whom even the CPT recognizes as being a capable person.

"It is unbelievable that he would say such a thing."

"He surely doesn't believe what he said."

"Or will the big fish die in the shallow water?"

"Two people could joke together like this. But he was speaking to high-ranking government officials and the governors of all the provinces. Was this good?"

"What kind of tactic was this? This will only be harmful."

These are criticisms that have come from various corners throughout the city since last October. Chaturat wrote about this once before in issue No 11 of 14 November 1981. And I received such a strong response that I considered never again writing such stories about military affairs. Today, criticisms are being made just as they were once before, but this time there is an additional voice.

"Ah! You sound exactly like Professor Soet." The words Professor Soet refer to Prasoet Sapsunthon, the person who has spread "democracy" and the father of the "Democratic Soldiers" group.

Chaturat once discussed who Prasoet Sapsunthon is and what his thoughts are in the present situation. Prasoet is confident that in order to defeat the CPT, we must be the ones to carry on a political offensive. Thus, he fought to implant this idea in the chief of staff, who is responsible for fighting the CPT and who has constantly been responsible for him. And through the group of officers who trust him, he has tried to get their superiors to accept this too. And the officers who trust Prasoet and who have played a great role in the life and work of this former member of the CPT are the "Democratic Soldiers." And the ultimate result of Prasoet's thinking, which was transformed into a concrete policy of the government and army, is "Office of the Prime Minister Order 66/1980."

Actually, Order 66/1980 is a democratic revolution pronouncement that is in accord with the thinking of Prasoet and the Democratic Soldiers. These people are confident that all the problems in the country can be solved if the system of government can first be changed into a democratic system.

The thing that is evident to outside analysts is that Prasoet and the Democratic Soldiers have done everything possible to bring about the democratic revolution.

Pressure has been exerted on the mass movement by establishing democratic organizations in various forms in order to serve as the basis for a democratic revolution. Exerting pressure was made easier when Order 66/1980 was issued since this is one element in the policy.

High-ranking officers have been pressured to serve as leaders in the democratic revolution even though these high-ranking officers attach a different meaning to the words "democratic revolution" than does Prasoet.

[They have tried] to transform the coups, regardless of which group of soldiers was responsible, into a democratic revolution using the mass group that they had set up to serve as the agent of change.

Prasoet feels that the fact that the CPT is so disorganized that large numbers of them have left the jungle is a basic victory over the CPT. He wants the CPT to come and fight legally in the cities with ideas. And he is certain that the democratic side will be able to swallow the CPT.

But another group of officers feels that Order 66/1980 has a loophole that the CPT can use to its own advantage after reforming its strategy and tactics, especially after changing from the "countryside encircles the cities" strategy to the "two battlefields, three strategic zones" strategy. A "confidential" Army Operations Center document made the following analysis:

"In the period just after Order 66/1980 was put into effect, the CPT was almost defeated. Inside the CPT, there were serious disagreements and conflicts and so a large number of people surrendered. Desertions by CPT members and members of the united front and the army's extermination campaigns in the jungle zones gave the CPT a chance to use Order 66/1980 to its own advantage by infiltrating people into the cities in order to have them attach themselves to officials, the masses and the united front to create an urban zone that can serve as a secure base in the future. This gave the CPT strategic power in both the jungle and urban zones and made it possible for the plan to link the jungles and the cities to achieve results very quickly.

"The government army's plan to carry on a political and military offensive has achieved success in the jungle zone, but the success of the army's political and military offensive in the cities cannot be assessed since there was no firm plan to confront the CPT. Thus, the strategic retreat and withdrawl by the CPT has achieved success without any interference from the government side. Even though the government has tried to wage a military fight in the countryside in order to force people to leave the jungles, this does not mean that the CPT will stop either the armed struggle in the countryside or the unarmed struggle in the cities.

"The peaceful struggle in the cities that is being waged by the strong but unarmed strategic political forces will be just as dangerous, or even more dangerous, than the armed struggle in the countryside in the situation in which there are severe political conflicts."

Pressure has been exerted on Major General Chawalit to alter Order 66/1980. At the same time, Prasoet and the Democratic Soldiers have opposed the changes. The conflict has been sharp. But the announcement by Major General Chawalit 6 months ago shows that he does not see the weaknesses and loopholes in this historical order. While some people think that he made such an announcement in order to help, it seems that this did not help anything and that things are even more serious now.

"From now on, regardless of whether the communists wage an armed or a peaceful struggle, regardless of whether they fight in the jungles or in the cities and regardless of whether they change their operations apparatus and have a party secretary-general or a political bureau, they will not be able to fight the government Summarizing what has happened to date, we have defeated the communists," said Major General Chawalit.

"But having won does not mean that the communist problem has disappeared entirely. We still have many problems left. One is the united front, which is an important factor of the revolution. It is a movement that has created

problems and that will make it appear that the guerrilla forces are revolutionary forces." Major General Chawalit has constantly said this in order to leave himself a way out. But the following statement by a young general shows that the united front movement still poses problems. "The important united front is composed of dictators and influential people at the center and in the provinces. If we can destroy this united front, the communist will disappear completely."

Many problems will follow in the wake of this announcement. If it were true, Major General Chawalit would have to answer many other questions:

"If we have won, why are there still communists?"

"What does the word 'victory' mean basically?"

"If the united front is still in existence, how can it be said that the communists have been defeated?"

"How can the dictators and influential people be destroyed?"

This matter is not finished.

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CONCERN RAISED OVER 'EXPORTS': NARCOTICS, PROSTITUTES, MERCENARIES

Bangkok MATICHON in Thai 30 May 82 pp 14-17

[Article labeled "Special Report from Correspondent 'J'"]

[Text] The exports of Thailand these days are not only rice, teak, tin and rubber. There are others, such as:

Arabs using money to tempt Thais to go and fight in the Middle East as professional hit men. They line up to apply to escape poverty.

Thai women selling themselves in beer country by the tens of thousands. Germans pointing at Thais, extracting young women to show them off abroad. And

Narcotics in the diplomatic pouch, or digging for gold in the sand, the buried treasure of Thai laborers.

Thailand: World Heroin Distribution Center

According to disclosures by Police Chief Prasong Sunsiri, Deputy Secretary of the National Security Council, the Thai-Burmese border region has some 13 to 15 heroin factories hidden in the dense forests of its high mountains. Furthermore, sources in the Narcotics Control Board (NCB) assert that heroin production has begun to spread south: Hadyai has at least three factories.

One of the biggest opium-growing regions in the world is the Golden Triangle, where Thailand, Laos and Burma have common borders. The estimated annual production there is at least 500 tons, in some years as high as 700 to 1000 tons.

According to Police Maj Gen Phao Sarasin, Secretary of the NCB, the best heroin at present is produced in the factories of Mr Lao Su in the mountains along the Thai-Burmese border. Lao Su has been able to improve the refining process and obtain heroin 98 percent pure.

When the heroin is in the form of fibers it is transported from the Golden Triangle to Bangkok for distribution to Hong Kong or Malaysia, thence to enter the markets of Europe and the U.S.

According to Mr Richard Hart of the U.S. Embassy here, a "Khun Sa" who lives in the Thai-Burmese border area is the main source of opium and heroin, by himself sending out for sale some 70 percent of the total yield from the Golden Triangle.

Thai airlines has been caught with some of its employees acting as a heroin pipeline. Some military envoys and important consuls have been implicated in heroin cases. One big Thai general was the hero of a satirical film called "The Thai Connection," which showed the transportation of opium and heroin for sale all over the world.

How much money do opium and heroin earn for Thailand? The Bank of Thailand has not disclosed its figures, but we know that in 1981 the NCB stated that nearly 25,000 persons were arrested for narcotics offenses--a very high number.

"Flesh for Sale: Thai Women Are Tops"

Reports from the Thai Rat newspaper indicate that Japan is becoming a goldmine for a vendor of "fresh meat" who procures women and sends them to sacrifice their young bodies for yen. In only 5 months he has brought back 2.4 million baht.

In July 1981 the Japanese police arrested a Thai male broker in this business who had arranged to bring 350 Thai women to Japan to earn their living this way, with each person receiving an entry payment of 30,000 yen (about 2700 baht).

From Thailand to Hong Kong and Macao go not only gamblers on holiday who want to play the casinos and spend millions of baht per week; these places are replete also with masseuses, "partners," and prostitutes who go to dig for gold too.

According to Yingyong Sadedyad, a pseudonymous columnist for Thai Rat, prostitutes and masseuses from Thailand are second only to those from the Philippines.

Mr Thorngbai Thorngbao, noted human rights attorney, disclosed to Matichon that in the month of March alone the Singapore police arrested 124 Thai prostitutes, double the number from February.

Mr Sanit Plangprayun, Ambassador to Singapore, and labor officials in the embassy there, admit that many Thai women go to Singapore as prostitutes.

In Europe the reputation of Thai "flesh" is so resounding that sex tours are organizing specially to go after it.

Ms Hanna, a volunteer in the Dutch group Solidarity, discloses that about 1,000 Thai prostitutes are now in the Netherlands. They marry Dutch men but stay with them only a month and then divorce.

She said, "Thai women who come to the Netherlands are bound to meet hardship. Even if they sell themselves dear, there's no comparison with freedom."

In West Germany at present, Mr Jurgen Hansbreuner, head of the Thai-German Society, informed Mr Banyad Banthodthan, 7,000 to 8,000 Thai women have come to work as prostitutes. Thai embassy officials disclose that they estimate not fewer than 5,000 Thai prostitutes are in Germany, while in Berlin alone German police put the number of Thai sex workers at 3,000 to 4,000.

This is because entering Germany from Thailand presents no difficulties. One can stay 3 months without a visa, and when that time runs out it is easy to find ways to extend it. One Thai strip dancer in Berlin told a Thai newspaper, "There's no problem about time being up. My agent will take care of it."

Price of "Spreading the Legs" Is More Than Spare Change

Mr Prathueang Rawdphrawm, in charge of protecting Thais and their interests abroad at the Foreign Ministry, says that in Malaysia and Singapore there are all-Thai brothels. He says, "There have been brothels in Malaysia and Singapore for a long time now. Thai women have had reputations there since 1967. The women who sell themselves are Northerners, from Chiangrai southward."

The Thai Consul at Penang discloses that Thai women cross the border to work in Malaysia because they can earn up to five times more than in Thailand.

According to Trairat Sunthornpraphat of the Munich Daily News, Thai prostitutes in the better neighborhoods ask 2,000 baht per half hour, though the ordinary street price is 50 marks (about 500 baht) for 20 minutes.

From charges brought in Singapore courts we know that Thai prostitutes there ask U.S. $19-27 for their services, or about 400 to 1000 baht.

The Middle East: Gold Mine for Thai Labor

After building military bases and pleasure districts around the bases, the U.S. had to step down in accordance with the military conditions in Indochina. New sources of labor demand which drew the Thai labor force on a large scale were the Middle Eastern oil states, which sorely lack lower and middle level labor.

From the research of Dr Niphon Phuaphongsakon of the Thammasat University Economics Department, we learn that from 1975 to 1981 there were 169,000 Thai workers in Singapore and the Middle East, and the number of those who went abroad was increasing by 400 percent per year.

These overseas workers had incomes 2.3 to 5.3 times higher than they had in Thailand. Those who stayed for the full term of their contract (1 year) sent home an average of 100,000 baht per year.

According to the Bank of Thailand, in 1981 alone Thai workers abroad had cash incomes in foreign currencies worth 5.5 billion baht.

The commodity "Thai labor" at this time is thus a kind of "smelly meat" from Thailand.

Exporting "Labor Power" Prospers

When the labor markets of Singapore and the Middle East need labor from Thailand, a prosperous business is the employment agency which finds jobs and sends labor overseas.

In 1978, statistics from the Bank of Thailand showed that there were 92 overseas employment agencies operating in the country, 45 in Bangkok and 47 in the provinces.

By 1981, Labor Department statistics told of 222 such agencies, 113 in Bangkok and 109 in the provinces.

These figures refer only to agencies lawfully licensed by the Labor Department. Unlicensed agencies are estimated to be more than 300.

Mr Phirathep Tungchiwin, of the staff of the National Commission on Economic and Social Development has made a survey of the problem of Thai workers abroad and has found that:

In 1981 there were more than 90,000 workers who went abroad with the help of labor brokers, to whom they paid at least 22,000 baht commission each, plus expenses of 25,000 to 30,000 baht.

From Dr Niphon's study of many data we can conclude that workers generally pay agency service charges of 8,500 to 10,000 baht for work in Singapore and 10,000 to 52,000 baht for work in the Middle East.

Dr Niphon considers these rates rather high, because if the average income of Thai workers in Singapore is 60,000 baht per year (from a study by Wachiriya Tosanguan) and in the Middle East is 150,635 baht per year (from the study of Phirathep Rungchiwin), the charges for finding this work come to 15.4 percent and 20.6 percent of a year's income for Singapore and the Middle East respectively.

These rates are 7.4 to 9.9 times higher than permitted by law.

A New Occupation Is Born: "Fighters for Hire"

Looking for "hired soldiers" in Thailand works the same in every way as Wilfred Burchett has described it in his book "Guerrilla War." The first step is to place an ad in a foreign-language newspaper such as the Bangkok Post. News reports say that within a day large numbers of people have lined up to apply.

"Thai men who pass muster must be under 35 years old," sources say, "and having been a soldier or policeman before makes the road many times easier."

Able-bodied young Thai who go into "guerrilla war" are sent to the Middle East and especially, sources say, to Iraq, which is presently involved in a struggle with Iran and particularly wants a lot of "guerrillas" from Thailand.

The fighting position of Iraq, which is getting steadily worse, and the economic position of the Arab countries, which are rich from oil, combine with Thai "mercenaries" reputation, which was established in the Indochinese fighting decades ago, to greatly increase the demand for Thai "mercenaries" among the clients.

Sources in mercenary circles indicate that those who are chosen to fight in Iraq get 10,000 baht per month plus 100 baht per diem expense allowance, making 13,000 baht per month in total.

Of this amount, the recruiting company sends the monthly salary to the mercenary's family and pays the per diem directly in Iraq.

Those who actually fight and return home get a special bonus of 100,000 baht, and anyone who dies, no matter how, receives an indemnity of 400,000 baht, which Iraq itself underwrites for a year at a time for every foreign mercenary.

Country, People Get Money, But There Are Costs

If we ask why Thailand has had some strange exports lately, there are many causes, but the clearest and most direct is a need for money.

Selling narcotics, not to mention selling flesh to go abroad and "spread the legs," let alone offering to sell even life itself as a mercenary or, by another international name, "guerrilla fighter," perhaps answers the question in no roundabout way. These people need money and the sources they can go to in Thailand can't pay them enough.

Thai who go to work in the Middle East bring billions of baht home. Adding in those who sell narcotics, flesh and their own lives, we get huge sums.

But nothing can be sold at pure profit. These activities bring grave harm to the country too, namely, notoriety. Thailand is becoming a prime location for narcotics and sexual services. Later on, if the mercenary business prospers even more, Thailand will also become a land of mercenaries, full of people who really live only for money.

Even Exporting Labor Carries Significant Costs

From its study of Thai workers who went to the Middle East in 1978 the Bank of Thailand concluded that "of the workers who went abroad to work, especially to the Middle East, 72 percent were semi-skilled, 23 percent were unskilled and 5 percent skilled."

So we must say that every year the Thai economy must give up a work force of which 77 percent are of value in building up our productive powers, and who add up to nearly 50,000 people in the years 1977-81.

Dr Niphon, the Thammasat economist mentioned above, offers the opinion that since there are 100,000 Thai workers outside the country, the labor force inside must be diminished by 100,000, especially in the younger age brackets. Since the majority of those who go abroad are skilled or semi-skilled and not people out of work, this emigration does not help to unravel the unemployment problem.

Uneven Pattern of Strange Exports From Thailand

Thai society has created the phenomenon of labor, sex, narcotics, and even life itself becoming commodities that cover the world. This report was certainly not written to disparage people who must go that way.

Their departures, whether for money or for whatever reason, so long as the work is honest, are to be respected. The exceptions are for dishonest work such as exporting heroin or causing harm to others, whether knowingly or unknowingly.

But it is worth considering that in Thai society our government is sure to let various kinds of caps develop. Thai people are thus becoming heroin shippers, Thai women are roving the world to "spread their legs" for money, and able-bodied Thai men, instead of being able to work here to build the nation, must sign contracts to sell their lives for a few hundred thousand baht in other countries' wars.

Only in modern times have such conditions arrived and gained footholds in our country. They have arisen even while the government is submitting its Fifth Economic and Social Development Plan to increase production and solve the problems of poverty in the countryside.

Before that plan succeeds, how many more lives of Thai people will become export commodities, lying on the ground?

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SUSPICION RAISED OVER MALAY INVOLVEMENT WITH SEPARATISTS

Bangkok MATICHON in Thai 30 May 82 p 7

[Text] After having met with fine victories in the campaign "Peaceful South 9" Lt Gen Han Linanon, commander of forces in Region IV, is putting into operation a plan to make the "peaceful South" even more secure by joining with Malaysia to open up the combat zone at the Thai-Malaysian border.

Military officers with troops in Region IV declare that this battle is to "clear the thorns off the land" and make it as smooth as a drumhead.

The "thorns of the land" in the border region from the viewpoint of the Thai government should refer to the forces of the Communist Party of Thailand (CPT), of the Communist party of Malaysia (CPM), of separatist groups and of terrorist bands.

But speaking from the Malaysian side, the sharpest points of the "thorns of the land" belong to the forces of the Malaysian communist guerrillas, also called the Chinese communist guerrillas in Malaysia.

Cooperation between Thailand and Malaysia to suppress border communists has existed ever since the time of Field Marshall Phibun Songkhram. The main aims of the Thai at that time were directed against the Chinese communists, just as the aims of the Malaysians were. But after more than 20 years the forces of the CPM are still in place and, even worse, have joined with the forces of the CPT.

Moreover, a matter for special consideration is the expanded field of operations of the separatist and terrorist movements, which are widely agreed to consist of Thai Muslims who are dissatisfied with the form of government that the center provides and want to split off and become free and separate. There are also those who want to break off from Thailand but become a state or part of Malaysia.

At present we may say that the terrorists and separatists have dozens of bands causing a great deal of trouble for Thailand.

Certain international news sources maintain that some separatist movements are receiving support from opposition parties in Malaysia, as well as funds

from Muslim terrorist movements. Some movements are receiving weapons training and funding from certain countries in the Middle East.

In the cooperation between Thailand and Malaysia to "clear the thorns off the land" in the border region, the Thai government should therefore operate cautiously and at all events should be very careful about letting Malaysians enter unnecessarily into Thai territory, where they may do more harm than good.

Otherwise the cooperation between us, instead of being useful to Thailand and the Thai people, will become a situation where we pour in huge sums to help Malaysia clear away its thorns, while in our country the thorns are spreading alarmingly.

9943
CSO: 4207/107

PRO-SRV SUBVERSIVES SAID TO BE ACTIVE IN NORTH

Bangkok DAO SIAM in Thai 28 May 82 pp 1, 2

[Text] Vietnamese fleeing concentrations camps in the Northeast are bursting out into the Northern provinces, especially Chiangmai, by the thousands, and are setting up schools to teach the Vietnamese language to Vietnamese children every day, while showing inflammatory films of Vietnamese who have changed citizenship and do not wish their country well, cooperating and having status as "officials in charge of Vietnamese."

From investigations by reliable sources, we know that Vietnamese have escaped from Phuapi Camp and Ban Norng Chik Camp in Udorn province and from various other centers in great numbers. Most of them engage in secret trade, for instance opening businesses to make silk rugs, and for the most part they get cooperation from police and district officials, who ignore the situation and get illegal goods as their return. Some operate openly, but no one is able to arrest them and send them back to the camps. It is a great peril to the country when even police officials let this situation go and when most of the escapees receive cooperation from Vietnamese who have become Thai citizens but whose hearts are still with evil ideologies, squeezing money from the Vietnamese and sending it to Vietnam every month while forging identity cards and military reserve certificates. Almost all of these come from Norng Chik in Udorn.

In Chiangmai province these Vietnamese have great influence. They are big in construction, silk rugs, electric goods, and they hold meetings every week. Governors of the Vietnamese are appointed, Mr Mui Ting and Bui Ting, and they chair the meetings, the results of which are transmitted to Vietnamese communities throughout the country. Mr Mui Ting is a Vietnamese who has changed citizenship but whose heart is still devoted to causing trouble for his country as the man in charge of escaped Vietnamese, and he stirs up danger for the nation constantly.

These Vietnamese escapees are almost all men of means, able to open the mouths of village officials with money. They lead a free existence, changing the names they have in household registers and forging identity cards, whereas Vietnamese immigrants by law should not be able to change their names at all. Some have moved their residences several times, changing their family names and forging their government documents each time. First they come from Nakhon

Sawan and move to Saraburi, then to Phattalung, finally to Chiangmai, secretly coming and going from Chiangmai to Udorn all the time while renting a house in Soi Rat Chiangsaen.

There are five Vietnamese leaders in Chiangmai. These five squeeze money out of the local Vietnamese to send to Vietnam at the rate of about 1.2 million baht per shipment. They always secretly claim to be intimates of the governors of several provinces and of important people in their districts, as is well known to the Chiangmai police. The governor of the Vietnamese is a man of great influence and a very dangerous person. He works as a big contractor with many frightening junior partners. All the big electrical goods stores are in the hands of Vietnamese immigrants and there are other Vietnamese who join in all over the country. Their behavior is audacious. Recently they held a big meeting in Chiangmai that was attended by Vietnamese leaders from all over the country, called together by the Vietnamese organizer Mr Ong Ting and about 15 chiefs of staff, viz: Mr Wiam, Mr Bunchai and Mr Hem from Lampang, Mr Kluay from Chiangmai, Mr Ku, Mr Suwan, Mr Awd, Mr Phorahom, Mr Phayung, Mr Manit, Mr Phloi at Hadyai, Mr Kwing, Mr Kuen and Mr Mai, who all met together to receive policy directions. Then they went their separate ways, and within a few hours Vietnamese all over the country knew all about it.

Later a reporter from Dao Siam met with the Chiangmai district chief to ask about policies for suppressing Vietnamese who escape from concentration camps, come in to play political roles and teach Vietnamese to children. Did he know of this or not? The district chief said that as soon as he learns that Vietnamese have indeed escaped from the camps he gathers a list of their names, but investigating them is difficult because he hasn't enough officers to do the job. The reporter also called on the governor, Mr Chayya Wongsiriphun, to ask about Vietnamese immigrants on 21 May but didn't see him.

The reporter asked Police Major Somyot Fakthorngpant, head of the Chiangmai provincial police, about the flood of Vietnamese immigrants into Chiangmai and the Northern provinces and the policies being adopted to suppress this very great danger to the nation. Major Somyot said that he had just newly come to this post, but knew that indeed many Vietnamese had escaped into the area, were forging documents and were difficult to detect, because his manpower was insufficient to determine degrees of guilt. Even if penalties were imposed, they would only amount to returning the prisoners to the concentration camps. But there were many security matters to consider, because this affair was coming to the blossoming stage. As for the political meeting, they are now being investigated.

9943
CSO: 4207/107

LIKELIHOOD OF PREM CANDIDACY DISCUSSED BY PARTY FIGURES

Bangkok SIAM RAT SAPPADA WICHAN in Thai 30 May 82 pp 6, 7

[Text] Many quarters are watching closely to see whether there will be an election in 1983, if so what form it will take, and whether or not General Prem will continue on in politics. If he does continue, what direction will the unaffiliated general take. These are matters in question. Finally, a line of thought is surfacing about a "National Alliance Party."

Mr Amnuay Suwankhiri, Democracy Party M.P. from Songkhla and chairman of the Military Commission, has raised an interesting point. When the idea of founding a National Alliance Party as the central governing party is proposed, to be made up of various existing parties which hold similar views, those who would establish it would include both military men and civilians. There would be General Prem, the top commanders of all the armed services, the chief of police and senior chiefs of various departments. Mr Amnuay adds that this line of thought envisions something like Malaysia's UMNO, which brings together 11 small parties. "My principles are wholly democratic, and I would have the prime minister chosen by election," he said.

The Military Commission's chairman spoke of a turning point in politics for parties of the Left and the Right that are outside Parliament. He said it will affect the elections of 1983, where some groups think the prime minister should not be chosen by election.

Mr Amnuay said that this idea came from thoughts arising in the course of his political experience and had nothing to do with the Democracy Party.

Nevertheless, the Songkhla M.P. admitted that "There is talk about this idea in the House of Representatives. But to have the parties study if officially and take it up in the central committees--that has certainly not occurred."

"I put forward this idea for anyone who is interested, whether scholars or political groups, to study its outlines and its feasibility," Mr Amnuay said.

Chancellor Ramn Thorngthammachat, Dean of Political Science at Chulalongkorn University, told Sappada Wichan, "Talking about ideas is a good thing. But Thai politics comes hard, and to have a National Alliance Party or a party of combined tendencies, such as UMNO in Malaysia, cannot happen here, because

our ways of thinking are very diverse. If it did happen, it would be like a mixed party."

Chancellor Ramon said that the idea of UMNO came from the UMNO party itself, which already had a majority in Parliament and didn't need to ask other parties to come into the government. In order to achieve a smooth flow of work, however, it did draw in 11 small parties with only three or four votes each.

Besides this, Mr Amnuay's idea is by no means new. The notion of a convergence began in the days of Phibun Songkhram, who wanted to make the Serimanangkhasila Party the central party of government. In the era of Field Marshall Sarit Thanarat, the Social National Party was to be the central party in the convergence. Finally the United Thai People's Party of Field Marshall Thanom Kittikhachorn proposed this same idea.

"You can suggest it but you can't do it, just as the United Thai People's Party couldn't, because when elections took place that party didn't get a majority in Parliament, which violated its principle," the Chulalongkorn University Dean said.

When election time approaches, waves of rumors spread through the air, especially about setting the Parliament to extend the terms of the prime minister, the senators and the representatives.

Stories are not yet confirmed about temporarily continuing the terms of senators as supporters of the government, but Mr Amnuay says, "I believe there are people thinking of temporary extensions."

"Temporary extensions are not democratic, but they are half-way there. We should do whatever continues on from half-way democracy," Mr Amnuay believes, which in his opinion amounts to the "National Alliance Party" itself.

According to current reports, many sides are thinking that come what may, General Prem's political future will endure; that he will continue as prime minister after the 1983 elections.

The reports add that pressure for a National Alliance Party must be the idea of a faction within the Democracy Party that wants to test the political wate waters, and a way out for General Prem, who will leap down onto the election field in 1983.

"My opinion is that General Prem ought to remain prime minister, because he hasn't failed in anything," Mr Amnuay said.

If General Prem is to respond with hammering fists, his political strategies are probably two: to create undemocratic conditions in order to remain prime minister, or to throw himself fully into the electroal arena. In these matters there are nothing but cliques trying to influence General Prem to follow their ways of thinking.

In any case General Prem has never spoken about the matter and no one can guess the heart of this solemn unaffiliated general, no matter how hard they try.

Reports from the official residence point out that "If General Prem goes into politics he must run for office, because the line of M.R. Kukrit Pramote or Gen Kriangsak Chamanand will be to run for office. As for the problem of which party to run with, there will probably be a way out."

Lt Gen Chantrakup Sirisut, secretary to the prime minister, said recently, "Whenever the Prime Minister runs for office, you can be sure he gets 100 percent of the vote in Nakhon Srithammarat or 99 percent in Songkhla."

The secretary said also that leading parties old and new have been sounding out General Prem to become their leader. The party chiefs who have contacted him have been middle-aged, not old. "Pa doesn't answer them at all, he just smiles calmly." It is supposed that one who has been to see General Prem must be Mr Chaisiri Ruangkanchonset, head of the Popular Government Party.

What should be watched closely in the future is whether or not General Prem does run for office. And will he truly step in as deputy leader of the Social Action Party with secure military backing? And will the National Alliance Party be the spearhead of General Prem, as some elements in the Democracy Party anticipate?

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END

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No. 1169

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20 July 1982

SOUTH AND EAST ASIA REPORT

No. 1169

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SIHANOUK ASEAN TOUR PLANNED BY GHAZALI

BK281026 Hong Kong AFP in English 0857 GMT 28 Jun 82

[Text] Singapore, 28 Jun (AFP)--The sudden change in Cambodian leader Prince Norodom Sihanouk's plans to travel to China appears to have been a Malaysian strategem to keep the limelight on ASEAN and to play down Beijing's role in the evolution of the coalition government of Democratic Kampuchea.

AFP understands from a reliable Cambodian source that the plan, whose architect is Malaysia's astute Foreign Minister Ghazali Shafie, envisages the prince spending at least 3 to 4 weeks in the region before going on to Beijing and perhaps, Pyongyang, by which time the recent events would have lost prime, or even secondary, news value.

Tan Sri Ghazali's initiative, which involved hectic consultations with other Association of Southeast Asian Nations (ASEAN) capitals, also reflects the irritation that the five-nation grouping had felt for some time over Beijing's reluctance to put real pressure on its protege, the Khmer Rouge, in the formation of the tripartite coalition, the source said.

Prince Sihanouk, who signed the anti-Vietnamese coalition government agreement in Kuala Lumpur with Nationalist leader Son Sann and Khmer Rouge chief Khieu Samphan, was to have flown from Penang to Hong Kong on Friday en route to Beijing and Pyongyang.

But while the prince holidayed on the Malaysian island where he flew in on Wednesday to pay a courtesy call on his old friend, former Prime Minister Tunku Abdul Rahman, the Foreign Ministry in Kuala Lumpur had frantic exchanges with its counterparts in Singapore, Jakarta, Manila and Bangkok.

Thus when Friday came, the prince, who was to have left for the airport, was breakfasting with the Tunku.

The same evening, the prince's entourage told newsmen about an invitation the prince had received from Singapore Prime Minister Lee Kuan Yew, but even at that time a full-fledged ASEAN tour was still in the balance.

However, by late that night, it was clear that the tour was on, and that the prince would be received by President Suharto of Indonesia, President Ferdinand Marcos of the Philippines and Thai Prime Minister Prem Tinsulanonda.

(Reports from Indonesia today said no official confirmation of Prince Sihanouk's visit, which is due to start tomorrow, was available.

(Diplomats said Indonesia, which has always been the most favourable of the ASEAN countries to a dialogue with Vietnam, would play the visit down. Indonesian officials have voiced scepticism about the future of the coalition and do not hide that they would like a political solution to the Cambodian problem.)

CSO: 4220/207

ASEAN TRADE WITH SOVIET UNION INCREASES

Jakarta MERDEKA in Indonesian 25 May 82 p 10

[Article: "ASEAN-Soviet Union Trade Relations: Thailand Occupies the First Place, Reaching $458 Million"]

[Text] Thailand holds first place among ASEAN member nations in the volume of trade with the Soviet Union at this time.

According to APN [?Trade Research Academy] trade volume amounted to $458 million in 1981, an increase of 85 percent compared with the previous year. Thai Trade Ministry sources said the volume of trade between the two nations in 1981 was recorded at $331 million, of which $326 million were Thai exports to the Soviet Union and $15 million were imports [as published].

An agreement was signed between the two nations in Bangkok recently setting a trade target for the period January 1982 to June 1983. The Thai government was represented by Prapas Limpraphan, vice minister of trade, while the Soviet mission consisted of six persons headed by Boris Gordeyev, vice minister of foreign trade.

Boris Gordeyev promised to give priority in his country to agricultural imports from Thailand. Under the agreement, Prapas said, Thai commodities expected to be imported by the Soviet Union during this period include 500,000 to 800,000 tons of rice, 100,000 to 200,000 tons of corn, 400,000 to 600,000 tons of tapioca products, and about $5 million worth of textiles. The Soviet Union is planning to export heavy machinery, chemicals equipment, medicinal products, and printing machinery.

Other ASEAN Trade

According to APN, the total value of trade between the Soviet Union and other ASEAN nations in 1981 amounted to $1,254 million while in the previous year it was only $940 million.

Soviet exports to the ASEAN region rose by 69 percent while imports from the region rose 24 percent and totaled $1,102 million. Soviet purchases of traditional commodities of ASEAN countries assisted to a certain extent in compensating for the losses suffered because of the unstable world market as well as the drop in demand and prices.

The value of U.S. trade with Malaysia in 1981 was $271 million, narrowing by 8 percent because of the drop in the rubber price on the world market and not because of the drop in the volume of the commodity.

Philippine trade with the United States in 1981 rose by 17 percent and was valued at $225 million. The rise in Philippine exports came from sugar, palm oil and copra while imports dropped and consisted of metal cutters and railroad ties.

The value of Indonesian trade with the United States last year was recorded at $133 million; U.S. trade with Singapore was valued at $167 million. The trade balances favored Indonesia and Singapore.

6804
CSO: 4213/58

BRIEFS

FRENCH SHIPS PICK UP ASIAN REFUGEES--Papeete, Tahiti, 30 Jun (AFP)--Two French ships have taken aboard 362 Southeast Asian refugees in the Gulf of Thailand, French military sources said here today. Seventy-one persons have been picked up by the frigate Balny, according to Vice Admiral Jacques Choupin, commander of the French Pacific experimental station in Tahiti where the Balny is based. A total of 291 refugees is now aboard the Goelo, a specially equipped medical ship outfitted by the organization "Medecins du Monde" (Doctors of the World), Admiral Choupin said, adding that both ships are coordinating their efforts. The Balny will arrive in Singapore within a few days, while the Goelo is on its way to the Philippines. The Balny, which left here 13 April for Southeast Asia, has already taken 181 refugees to Singapore picked up in the Gulf of Thailand during an earlier patrol mission lasting from 14 May to 7 June. [Text] [BK010125 Hong Kong AFP in English 1229 GMT 30 Jun 82]

CSO: 4220/207

SUCCESS, FAILURES OF TRANSMIGRATION PROGRAM DISCUSSED

Jakarta KOMPAS in Indonesian 28 May 82 pp 1, 12

[Article: "Transmigration Program Has Taken the Proper Direction. PELITA IV Target Is 800,000 Families"]

[Excerpts] The direction in which the transmigration program was implemented in Indonesia has been confirmed as the right one. Proof of this can be found in the graph showing the movement and relocation of transmigrants outside Java, which rose greatly during PELITA III [third 5-year development plan] compared with the previous period.

This was stated by Prof Harun Zain, NAKERTRANS minister [minister of manpower, transmigration and cooperatives], in opening the 1982 work meeting at the NAKERTRANS Department in Jakarta on Thursday [27 May]. The minister said that during PELITA III to the beginning of the present fourth year the number of transmigrants relocated outside Java totaled about 202,000 families, or about 1 million persons, out of a total target of 500,000 families. During the 10 years of PELITA Iand II only about 101,000 families were relocated.

Because of proper direction for the transmigration program has been found, he said, the target for transmigration is PELITA IV will be raised again. However no idea was given as to whether the figure for this target would be more than 500,000 families.

Harun Zain only said that in Java, Bali and Lombok with their dense populations, about 13 million farmers have less than a quarter of a hectare of arable land per family or own no land at all. "They must be relocated so that they can obtain much more arable land to improve their standard of living."

One of the participants in the transmigration consultation meeting which was handled by the Department of Public Works and the NAKERTRANS Department in Jakarta on Tuesday [25 May], said as of the end of PELITA III the number of transmigrants will total only 350,000 families or about 75 percent of the overall target of 500,000 families. The reason for this is that the capabilities for land preparation for transmigrants do not match the established target or are poorly handled.

Nevertheless, he said, this consultation meeting concluded that in PELITA IV (1983-88) BAKOPTRANS (Transmigration Implementation Coordination Agency) had a relocation target of 800,000 transmigrant families. This relocation will be directed principally toward the eastern part of the Indonesian region.

A participant in another meeting clarified that poor, large-scale land preparation for the transmigration operation in pursuit of the target proved that it destroys agricultural land beyond the maximum tolerable limit. Therefore the rate of erosion also is increasing. It was estimated that 3.5 million tons of top soil would be eroded in Indonesia in 1981-82.

6804
CSO: 4213/61

NEW CONSULATES GENERAL OPENED

Jakarta KOMPAS in Indonesian 19 May 82 p 12

[Article: "Two New Consulates General Opened"]

[Excerpts] Under the current Republic of Indonesia government policy of using any and all means to stimulate non-oil and natural gas exports, it was felt necessary to further develop bilateral relations with the United States and Australia. Hence a consulate general was opened by the government in Houston, United States, and another in Melbourne, Australia. This was announced by Foreign Minister Mochtar Kusumaatmaja in his speech in Pejambon on Tuesday [18 May] afternoon, installing the RI representation chiefs for Houston and Melbourne.

Drs Rachadi Iskandar was appointed the RI consul general for Houston and R.A. Kuntjoro Pranoto the RI consul in Melbourne. By increasing our bilateral relations with these two friendly nations, the foreign minister said, we are protecting Indonesian interests in the trade and capital investment sectors. To open representations in certain nations, for example, does not mean that the consulate involved is limited only to arranging for passports and visas. Such a narrow interpretation of their duties is very misleading because consular affairs are not solely restricted to such activities.

Houston is a center for the petrochemical industry and a center for the energy industry. Businessmen there have many contacts with Indonesia through joint ventures. At least 29 companies having business ties with Indonesia at present are domiciled in Houston.

In addition to being of interest for the factors of trade and capital investment, Australia is considered important for the development of international tourism with Indonesia. Almost 40 percent of all Australian businessmen who invest capital in Indonesia are located in Melbourne.

To date 2,900 Indonesian citizens are recorded as living in Melbourne. Until only recently Indonesians there could obtain little definite information on what was happening in Indonesia, particularly in regard to development.

Information activities cannot be divorced from sociocultural aspects. Therefore the Directorate for Sociocultural Relations and the Directorate for Foreign Information have been combined to form the Directorate General for Sociocultural Relations and Foreign Information. Thus the new directorate is expected to be able to encourage international tourism to Indonesia.

6804
CSO: 4213/61

FOUR HASAN TIRO MOVEMENT MEMBERS CAPTURED

Jakarta KOMPAS in Indonesian 23 May 82 pp 1, 8

[Article: "Perlak Governor' Taken Alive Along With Three Cohorts"]

[Excerpts] A leader and three members of the Hasan Tiro Movement (GHT) were seized by a Task Force B unit of KODAM I [First Military District Command] in an ambush on Friday morning, 21 May, at Mata Neuheun, Nurrussalam Subdistrict, in East Aceh. The GHT leader was Idris Mahmud who called himself "the Governor of the Perlak Region." He was taken alive along with his cohorts, none of whom offered much resistance.

This was announced by Brig Gen Abdurachman, commander of KODAM I/Iskandarmuda, in Banda Aceh on Saturday [22 May] when he presented the GHT members taken for interrogation so that they could be viewed by newsmen. Idris Mahmud and his followers appeared physically fit and smiled as newsmen photographed them. "Don't take too many photos or the glare of your flashbulbs will blind me," Idris said jokingly.

According to the commander, Idris Mahmud was ambushed at 0545 on Friday, 21 May, in the house of a Matang Neuheun resident, located close to the shore and highway. Information on their location was received from the community by Inf Maj Jahdi Husen, commander of Task Force B, on 19 May. After studying the information and deciding on his area of operation, the task force commander ordered Inf Capt Wainto to act as operations officer and move with his 18-member unit toward the targeted area.

All ambush operations were completed toward the first target around Matang Bungong Idi Rayeuk, East Aceh. Idris Mahmud and his companions were said to be hiding in a fisherman's house. Upon investigation, it was found that the GHT members had moved from that position, leaving in a speedboat for Matang Neuheun, Nurussalam Subdistrict.

Capt Wainto immediately pursued them cautiously. Without arousing any suspicion whatsoever, the task force approached the hiding place of Idris Mahmud and his companions. Toward dawn, someone came out of the house. It appeared to be Idris Mahmud.

Idris was watched closely by Capt Wainto and his men. The task force became suspicious because Idris did not return to the house for a long time. Capt Wainto immediately commanded Idris and the others in the house to surrender in good order and warning shots were fired overhead. Idris was caught while trying to resist capture.

Idris's followers were Jailani (27 years old), Said Hasan (24 years old), and Marzuki (26 years old).

Idris Mahmud is the older brother of Zubir Mahmud, the "social affairs minister of Free Aceh," who was shot to death in Seuneuboh, Peurelak Subdistrict, East Aceh, on 25 May 1980. He is a graduate of the Agricultural Academy and recently worked for an East Aceh company.

6804
CSO: 4213/61

NAKERTRANS MINISTER DISCUSSES UNEMPLOYMENT

Jakarta KOMPAS in Indonesian 27 May 82 pp 1, 9

[Article: "202,000 Families Were Relocated in the Past 3, 5 Years. Number Unemployed Hard Tc Determine in Indonesia"]

[Excerpts] After being received by President Suharto, Harun Zain, manpower, transmigration and cooperatives minister, at the Bina Graha on Wednesday 26 May] said unemployment in Indonesia constitutes 3.5 percent of the 59 million labor force. This figure, he said, was obtained from the BPS (Central Statistics Bureau) and ILO (International Labor Organization).

The majority in the labor force, or 25 to 40 percent, are included in the "semiunemployed" category. However it is very difficult to determine the exact number of unemployed in Indonesia because some individuals do not want to report themselves and usually the unemployed are supported by their families.

Waht is meant by "semi-unemployed," Harun Zain said, are those individuals who work less than 40 hours a week or who work more than 8 hours a day but whose earnings are below the minimum wage. It also includes new graduates who are looking for work. "Most of the 'semi-unemployed' are school children and housewives," Harun Zain said.

According to the 1980 census, a person who works 1 hour a week can be categorized as "working." Persons 10 years of age and over number 104.4 million; 51.8 million of them are in the labor force. The remaining 52.6 million are in school, are housewives or retired persons living on a pension.

Harun Zain said industry and other development can only absorb about 1 million of the labor force per year. The remainder are absorbed into the nonformal sector, for example, they become sidewalk vendors.

In addition the government is implementing a labor intensive program which is directed at seasonal workers. Generally the labor force is supported by the labor intensive program by providing commodities or income while the individuals are not employed in farming.

Harun Zain said he reported to President Suharto his plan to leave for Geneva to attend the annual ILO session beginning on 1 June. The main item to be discussed is job opportunities for the young generation.

"This is very advantageous for us because we can profit from the experience of other nations which will be discussed during this session."

6804
CSO: 4213/61

JOINT VENTURE LIFE INSURANCE COMPANIES PERMITTED

Jakarta HARIAN UMUM AB in Indonesian 10 May 82 pp 1, 3

[Article: "Foreign Life Insurance Companies May Operate in Indonesia as Joint Ventures"]

[Excerpts] The government will authorize foreign life insurance companies to operate in Indonesia as long as they form joint ventures with Indonesian life insurance companies which are lawful limited companies (PT) and not state-owned companies.

This opportunity was offered by the government within the framework of supporting the growth of the life insurance industry in Indonesia which requires greater capital and satisfactory technological management. To date only new foreign casualty insurance companies have begun to operate in Indonesia as joint ventures.

Finance Minister Ali Wardhana, who offered this opportunity in his decision which was announced by the Finance Department on Saturday [8 May] in Jakarta, clarified that the foreign life insurance company's share of paid-in capital at the time the joint venture company is formed is to be 70 percent.

Ten years after the formation of the joint venture, the foreign share must drop to 40 percent and 10 years later must drop again to 30 percent.

These shares must be transferred through sale on the capital market in Indonesia. Purchasers of these shares must be Indonesian citizens or national businesses which are not state-owned businesses.

In his decision the finance minister established that paid-in capital for the joint venture must be at least 4.5 billion rupiah and each year an obligatory additional deposit must be made in one of the state-owned banks amounting to 45 percent of the premium reserves created in the previous year.

The obligatory deposit is set at 20 percent of the paid-in capital of the company at the time the joint venture is established and must be deposited in a special account held in the name of the finance minister.

Only one person from the foreign life insurance company involved may sit in the directorate and in the commissioner's council, respectively, for a term of office to be determined by the director general for domestic monetary affairs.

The foreign official may not hold the position of executive director or financial director or any other position with any title whatsoever which is intended to imply executive director or financial director.

Insurance policies of the joint venture life insurance company must be issued in rupiah terms with a total value of 3 million rupiah or more.

6804
CSO: 4213/61

VODK COMMENTARY APPEALS FOR OPPOSITION TO CBW USE

BK050938 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 3 Jun 82

[Station commentary: "The Kampuchean people and democratic Kampuchea would like to appeal to peace and justice-loving countries and the United Nations to unite in opposing the most criminal acts of the Vietnamese and the Soviets in using toxic chemical weapons to kill the Kampuchea, Lao and Afghan peoples"]

[Summary] On 7 June, the UN General Assembly will convene a special meeting to discuss the disarmament issue. "On this occasion, the Kampuchean people and democratic Kampuchea--victims of the unjust and barbarous war of aggression and race extermination being waged by the Hanoi Vietnamese enemies using toxic chemicals with the support and participation of the Soviets during the past more than 3 years--would like to appeal to all peace and justice-loving countries, peoples, personalities and mass organizations throughout the world, as well as the United Nations, to pay special attention to the issue of Vietnamese and Soviet use of toxic chemical and biological weapons to kill the Kampuchean, Lao and Afghan peoples."

"There is concrete evidence to support the fact that the Vietnamese and Soviets use of toxic chemical and biological weapons in Kampuchea, Afghanistan and Laos. Everybody knows that the Vietnamese and the Soviets used toxic chemical weapons in Laos before 1976 to commit genocide against the Hmong race. In Kampuchea, the Hanoi Vietnamese enemy aggressors have used toxic chemical weapons to commit genocide against the Kampuchean people since the beginning of 1979, after their big offensive. In Afghanistan, the Soviets started to use their toxic chemical weapons at the beginning of their war of aggression."

Tens [of] thousands of Kampucheans, Laotians and Afghans have died every year from toxic chemical and biological weapons of the Vietnamese and Soviet expansionists and aggressors." There are many types of toxic chemical weapons used by the Vietnamese and the Soviets in Kampuchea, Laos and Afghanistan. Among them, the one which the world calls yellow rain is the most poisonous and dangerous. It was used particularly by the Vietnamese in Kampuchea and Laos."

There is a lot of evidence of Vietnamese and Soviet use of toxic chemicals in these three countries." Therefore, the present issue that the world must pay

attention to is the stand to condemn the most criminal Vietnamese and Soviets. Effective measures have to be taken to stop the Vietnamese and the Soviets from continuing their use of toxic chemical and biological weapons to exterminate the Kampuchean, Lao and Afghan peoples. Pressure must be brought to bear on them to respect the 1925 Geneva convention and the 1972 treaty, which absolutely prohibit the use of toxic chemical and biological weapons."

The most effective measure for solving this issue is to bring pressure to bear on the Vietnamese and the Soviets to stop their wars of aggression and withdraw all of their troops from Kampuchea, Afghanistan and Laos, in accordance with the UN General Assembly resolutions.

CSO: 4212/26

IENG SARY RECEIVES PRC CORRESPONDENTS 27 MAY

KB310625 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 20 May 82

[Text] (Yang Mu), chief of bureau of the XINHUA News Agency in Bangkok; (Fang Yinguang), chief of bureau of the Chinese PEOPLE'S DAILY newspaper in Bangkok; and their colleagues Mrs (Li Yinxiao) and Mrs (Geng Yiaoping) arrived in democratic Kampuchea on 25 May for a visit to the Sisophon south of route 5-bavel zone.

Upon their arrival, the Chinese quests were warmly and cordially welcomed by cadres from the democratic Kampuchean Foreign Ministry.

On 27 May, Ieng Sary, democratic Kampuchean deputy prime minister for foreign affairs, received and granted an interview to the friendly Chinese journalists. Present at this interview together with Deputy Prime Minister Ieng Sary was (Sok Phiep), division commander attached to the Phnum Malai-mak Hoeun sector.

In the afternoon on the same day, Ni Kan, division political commissar attached to the Bavel-Mongkolborei sector, received at his headquarters the friendly Chinese correspondents and informed them of the defeat of the Vietnamese enemy's dry-season operations in this battlefield.

During their stay in the democratic Kampuchean zone, the friendly Chinese correspondent visited Phum Thmei, Phum Sangke, schools, laboratories, hospitals and shops in various villages and Phum Sralau Chrum, Phum Tuol Chrey and Phum (Peam) which were burned down, looted and destroyed by the Vietnamese aggressors, expansionists, annexationists and race exterminators and later result within a short period of time by our people.

On the evening of 26 May, the Chinese correspondents watched a performance by the Phnum Malai art troupe. The Chinese correspondents also interviewed Female combatants of the transport unit and some people who were busily launching production, digging Punji pitfalls and setting automatic bows for the defense of their localities.

Everywhere they went, the friendly Chinese correspondents saw a great deal of evidence reflecting the spirit of resolute struggle, perseverence and sacrifice displayed by our democratic Kampuchean National Army and guerrillas and our

people in fighting against the Vietnamese aggressors in order to liberate their nation and territory and defend their race. The friendly Chinese correspondents also photographed trenches, a quantity of ammunition and war materiel and the carcass of the Vietnamese tanks smashed by our democratic Kampuchean National Army and guerrillas and deserted in great shame by the Vietnamese aggressor troops in last dry season.

Before their departure from our democratic Kampuchean zone, the friendly Chinese correspondents expressed their admiration and profound respect for the heroism and lofty spirit of sacrifice of our people and our democratic Kampuchean National Army and guerrillas who have fought valiantly and even sacrificed their lives in the resistance against the Vietnamese aggressors in order to liberate their nation and territory and defend their race.

CSO: 4212/26

VODK REPORTS SPORTS GROUP'S VISIT TO INDONESIA

BK090345 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Jun 82

[Text] Our democratic Kampuchean table tennis delegation led by (Long Narin), general secretary of the Kampuchean Table Tennis Association; and with (Srei Chan Thoeun) as member, attended the 6th Asian table tennis competition in Jakarta--the capital city of Indonesia--from 24 May-3 June 1982.

Our democratic Kampuchean delegation participated in this competition in order to tighten friendly ties between our Kampuchean people and sportsmen and friendly Asian peoples and sportsmen, particularly with the Indonesian people and sportsmen. With this aim, our delegation met and held talks with His Excellency Major General Ali said, minister of justice, action foreign minister and chairman of the Indonesian Table Tennis Association; as well as with other friendly delegations.

On 25 May 1982, our delegation attended the meeting of the council of the Asian Table Tennis Union. On 27 May and 1 June 1982, our delegation participated in the Asian Table Union's assembly. These meetings were convened in a most friendly and understanding atmosphere.

It is noted that the Hanoi Vietnamese clique did not attend the 6th Asian table tennis competition or the meetings. During its stay in Jakarta, our delegation informed various delegations about the situation in Kampuchea where the Hanoi Vietnamese enemy sent their 250,000 troops to wage an aggressive and genocidal war against our race. The friendly delegations understood this situation and sympathized with the just sturggle of our Kampuchean people.

On 6 June 1982, this delegation safely returned to the fatherland.

CSO: 4212/26

AGRICULTURAL REPORT 28 JUNE-4 JULY 1982

[Editorial Report] BK041159 Monitored Kampuchean media have reported the following agricultural developments in the reporting period 28 June-4 July:

Kompong Thom: Phnom Penh Domestic Service in Cambodian at 1100 GMT on 28 June reports that last April state tractor operators helped peasants in Stoung District to till 2,075 hectares of land while the peasants themselves tilled 442 hectares. Peasants also broadcast rice on 422 hectares of burned-off land and planted 46 hectares of corn. Phnom Penh SPK in French at 1429 GMT on 30 June adds that the veterinary service of Stoung District vaccinated 7,640 cattle, 1,790 buffalo and 50 pigs against contagious diseases. The fishermen of Stoung District supplied the population with 17 tons of fish and produced 22 tons of dried fish and 7 tons of fish paste. At 0435 GMT on 3 July SPK notes that solidarity groups in Baray District have tilled 670 hectares of land since the beginning of the rainy season. They have grown 1,600 hectares of quick-growing and long-term rice and more than 1,000 hectares of rice on burned-off land. Reporting on the same district, Phnom Penh radio at 1230 GMT on 29 June says that by the end of May the peasants sowed 1,609 hectares of floating and late rice and transplanted 630 hectares of ordinary rice. The peasants of Kompong Svay District tilled or broadcast 3,278 hectares of rice, according to Phnom Penh Radio at 1230 GMT on 1 July.

Battambang: According to Phnom Penh Radio at 0400 GMT on 28 June, almost 8,000 tons of fish--1,442 tons above plan--were hauled in the province during the last fishing season. The report notes that 2,000 tons were dried, fermented or smoked. The operators of 103 state-owned tractors helped the peasants to plow over 30,700 hectares of land. By 10 June, the whole province broadcast 17,236 hectares of floating rice, according to the radio at 0400 GMT on 1 July, Battambang Province had 86,700 hectares of land tilled and more than (?46,000) hectares of rice sown by mid-June.

Kampot: Phnom Penh Radio at 1230 GMT on 29 June reports that from the beginning of January to mid-May the salt workers of the province turned out 3,800 tons of salt or 95 percent of the plan. According to SPK at 1428 GMT on 2 July, during the first 10 days of June, peasants of Chhuk District seeded 960 hectares and planted 520 hectares of rice. They also planted 650 hectares of subsidiary crops and harvested 220 hectares of early rice. The district plans to grow 22,750 hectares of rice, or 5,000 hectares more than last year, and to reclaim 700 hectares of land during the current principal planting season. According

to Phnom Penh Radio at 1230 GMT on 3 July, the peasants of Chhuk District tilled 1,075 hectares of land, sowed 964 hectares of rice, planted more than 650 hectares of subsidiary crops and repaired 5,000 meters of dikes.

Prey Veng: The radio reports at 0400 GMT on 29 June that the people of Preah Sdech District plan to grow 28,883 hectares of rice and 305 hectares of subsidiary crops during the rainy season. By early June, more than 125 hectares of rice had been sown, 7,012 hectares of early and ordinary rice transplanted.

Siem Reap-Oddar Meanchey: SPK at 1455 GMT on 28 June reports that fishermen of the province caught 8,660 tons of fish during the last fishing season and produced 128,400 liters of fish sauce. In March and April alone, 2,400 tons of fish were hauled. According to the radio at 0400 GMT on 2 July, peasants in Samraong District have so far planted 340 hectares of rice and 87 hectares of subsidiary crops.

Kompong Cham: SPK at 0415 GMT on 30 June reports that the provincial trading service sold to the population more than 208,000 meters of cloth, 43,420 scarves, 84,000 liters of fuel oil and more than 3,300 kg of nails, utensils and farm tools. According to Phnom Penh Radio at 1230 GMT on 30 June, by early June the peasants of O Reang Euv District had sown 160 hectares of rice seed and grown more than 800 hectares of broadcast rice. They planted 836 hectares of corn, 11 hectares of sugarcane and 1,428 hectares of manioc and beans. They plan to grow 13,525 hectares of rice in the rainy season. The agriculture service of the distirct is preparing to provide peasants with 190 tons of 16-20-00 fertilizer, 65 tons of urea, 200 liters of nitrate fertilizer, 300 kg of rat poison, 12 tons of IR-36 seeds, 10 tons of red corn, 65 kg of vegetable seeds and 3 threshers. Phnom Penh Radio at 0400 GMT on 30 June reports that in 1981 peasants in Kang Meas District grew 3,650 hectares of rainy-season rice and reaped 6,570 tons of paddy. They caught 1,000 tons of fish. There are now more than 6,000 pigs, 8,556 cattle and 227 buffalo. Over 4,000 head of cattle and buffalo have been vaccinated.

Kompong Speu: According to SPK at 0415 GMT on 30 June, repair and development work at three dams in Paoy Mea commune, Phnum Sruoch District, is nearing completion. Phnom Penh Domestic Service at 0400 GMT on 30 June notes that by 7 June the peasants of Kompong Speu Province had tilled more than 5,300 hectares of ricefields, sown 4,172 hectares of seeds and transplanted 1,200 hectares of rice. They have grown 863 hectares of cassava, 510 hectares of corn, nearly 600 hectares of potato and about 1,500 hectares of beans and 500 hectares of vetegables. They have raised more than 101,000 cattle, 2,895 buffalo, 36,000 pigs and more than 241,000 chickens.

Takeo: At 0406 GMT on 4 July SPK reports that peasants in Takeo Province have seeded 4,600 hectares of rice and plan to grow 185,000 hectares of rice during this rainy season. They have harvested 32,000 hectares of dry-season rice.

CSO: 4212/26

BRIEFS

SRV TROOPS HIT LNLF LANDMINES--Here is a combat report from Laos:: On 27 June the Vietnamese enemy troops hit landmines planted by the guerrillas of the Lao National Liberation Front in an area between (Muong Mun) and (Te) hamlets in Sithandone District of Champassak Province. They suffered two killed and five wounded. [Text] [BK030722 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 2 July 82]

PHNOM PENH REPORTS ENEMY SURRENDERS--According to still incomplete statistics, from November 1981 to April 1982, a total of 1,545 enemy remnants and Sereika elements came out of the jungle and surrendered to the revolutionary authorities. In addition, 4,614 anti-revolutionary elements who mingled among the people turned themselves over to the revolutionary authorities. This includes 3,675 enemy troops with 588 assorted weapons who surrendered to the authorities in Siem Reap Province and 171 POL pot and Sereika troops who returned to the fold from the border area. [Excerpts] [BK290905 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 Jun 82]

GIFTS TO KPRAF LOGISTICS SCHOOL--A ceremony was held at the KPRAF logistics school at 1430 on 24 June to hand over gifts of the SRV army logistics officers school to the KPRAF logistics school. Attending the ceremony were Comrade Di Phin, deputy minister of national defense and chief of the KPRAF general logistics department; and a number of army cadres. Speaking on that occasion, Comrade (Men Vanmoli), deputy head of the KPRAF logistics school, described the development of the school and stressed: The development of the school is attributable to the material and moral support and assistance given by the Vietnamese comrades who have always been the comrades in arms and good friends of the Kampuchean people. These gifts handed over to the KPRAF logistics school clearly reflect the relations of solidarity and close cooperation between the armies and peoples of the two fraternal countries of Kampuchea and Vietnam and emphasize the pure spirit of Proletarian internationalism of the Vietnamese party, government, army and people. In conclusion, the comrade expressed profound thanks to the Vietnamese party, government and people for supporting the Kampuchean people in their cause of national liberation, defense and construction of their fatherland. The comrade said: Cadres and combatants of the KPRAF pledge to make every effort to strengthen and develop constantly the Kampuchea-Vietnam special bond of militant solidarity in order to ensure the peace and independence of each country and to contribute to the defense of security in this region. [Text] [BK260303 Phnom Penh Domestic Service in Cambodian 0400 GMT 25 Jun 82]

MOUNG BATTLEFIELD ATTACK--On 25 June, our army and guerrillas cut 400 meters of Vietnamese railroad tracks in an area located between Kralaom Phluk and Tuol Kruos in Moung Battlefield. They also killed two Vietnamese soldiers and wounded three others. Long live our valiant and courageous army, guerrillas and people on the Moung Battlefield! [Text] [BK050750 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 4 Jul 82]

IENG SARY'S BEIJING ACTIVITIES--The democratic Kampuchean delegation attending the UN special session on disarmament led by deputy Prime Minister in charge of Foreign Affairs Ieng Sary, arrived in Beijing on 20 June, on its way back home. It was warmly greeted at the airport by His Excellency Han Nianlong, adviser to the Chinese Foreign Ministry, and other Chinese cadres. Pech Cheang, democratic Kampuchean ambassador to China and the embassy's staff were also at the airport to welcome the delegation. On 21 June, His Excellency Ji Pengfei, member of the Chinese state council, received and hosted a reception for Deputy Prime Minister Ieng Sary and his delegation. The talk and the reception were held in a friendly and most cordial atmosphere. Also attending the reception were His Excellency Wu Xueqian, vice minister of foreign affairs; His Excellency Han Nianlong, adviser to the Foreign Ministry; democratic Kampuchean Ambassador Pech Cheang; Chinese cadres; and many other Kampucheans. [Text] [BK301329 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 29 Jun 82]

LAO GUERRILLA ACTIVITIES--Here is a report on activities of the Lao National Liberation Front guerrillas: On 25 June, Lao National Liberation Front guerrillas attacked a Vietnamese enemy position at (Banteay Khlem), killing two Vietnamese soldiers and wounded three others. [Text] [BK010900 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 30 Jun 82]

VODK REPORTS ATTACK ON RAILROAD--On 22 June, our army and guerrillas cut 13 sections of the Vietnamese enemy's railway track for a total of 350 meters between Kev S'at and Thnal Bat, Moung Battlefield. Long live our valiant and courageous army, guerrillas and people on the Moung Battlefield! [Text] [BK010857 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 30 Jun 82]

LNLF GUERRILLA ACTIVITIES--Here is a combat report from Laos: On 10 June, Vietnamese troops hit landmines planted by the guerrillas of the Lao National Liberation Front [LNLF] south of (Khlem) Hamlet, suffering two killed and three wounded. On 20 June, the LNLF guerrillas attacked the Vietnamese troops east of (Khlem) Hamlet, killing three enemy troops and wounding four others. In sum, the LNLF guerrillas killed or wounded 12 Vietnamese troops. [Text] [BK270311 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 26 Jun 82]

SOVIETS KILLED IN AMBUSH--On 16 June our army and guerrillas ambushed two Vietnamese trucks west of Kompong Seila, killing 23 enemy troops, including 20 Soviets, and wounding 4 others. We also destroyed the trucks and a quantity of materiel. On 17 June our army and guerrillas ambushed another Vietnamese truck west of Samraong Bridge on Rouge 4, destroying the truck, killing four

Vietnamese troops, wounding five others and destroying three AK's and all the materiel on the truck. In sum, we destroyed 3 Vietnamese trucks and killed or wounded 36 enemy troops, including 20 Soviets. Long live our valiant and courageous army, guerrillas and people on the Kompong Som Battlefield! [Text] [BK270124 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 26 Jun 82]

CANADA'S 'YELLOW RAIN' REPORT--In a press conference held in Bangkok on 20 June, visiting Canadian Secretary of State for External Affairs MacGuigan said that Canadian scientists have found evidence of the use of toxic chemical weapons by the Vietnamese in Kampuchea and Laos. The discovery was made by a team of Canadian scientists led by Bruno Schiefer, head of the toxic chemicals department of the University of Saskatchewan, Canada, who visited areas along the Thai-Kampuchean and Thai-Lao borders last February. The Canadian team made its investigation in refugee camps, interviewed Kampuchean and Lao victims and also analysed soil and plant samples taken from Kampuchea and Laos. Secretary of State for External Affairs MacGuigan said that the Canadian Government would forward the report on the use of toxic chemical weapons in Kampuchea and Laos to the United Nations secretary general this week. [Text] [BK241200 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Jun 82]

TRACKS CUT ON MOUNG BATTLEFIELD--On 16 June, our army and guerrillas cut 40 sections of the Vietnamese enemy's railway track between Svay Chek station and Phnum Thippadei, Moung Battlefield, for a total of 2,000 meters. When we were cutting this track, Vietnamese soldiers who came to inspect the track were attacked by us and two of them were killed and another wounded. Long live our valiant and courageous army, guerrillas and people on the Moung Battlefield! [Text] [BK290336 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 28 Jun 82]

TRAIN AMBUSHED IN KAMPOT PROVINCE--On 8 June army and guerrillas ambushed a Vietnamese train at Chrak Siem, Angkor Chey District, Kampot Province. We burned a locomotive, killed five Vietnamese troops on the train and wounded seven others. We also destroyed a 12.7-mm machinegun, two AK's and a quantity of materiel. Long live our valiant and courageous army, guerrillas and people in Angkor Chey District of Kampot Province! [Text] [BK260415 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 25 Jun 82]

THAI OFFICIALS' REACTION TO COALITION--Addressing a press confernece at Government House 23 June, Thai Prime Minister Prem Tinsulanon said he was happy that Kampuchea's anti-Vietnam patriotic forces have joined together. He added: This coalition well result in more votes for democratic Kampuchea in the forthcoming UN General Assembly in September and will strengthen democratic Kampuchea's seat in the United Nations. More countries will pay attention and respond more actively to the international conference on Kampuchea initiated by the Asean countries. Concerning resistance against the Vietnamese aggressors on the battlefield, Prime Minister Prem said: This coalition will strengthen the Kampuchean resistance forces and increase their combat strength in realizing the Kampuchean people's desires. He added that the stronger the Kampuchean

resisting forces become, the easier Thailand can safeguard its stability and security. Concerning the coming visit to Thailand by Nguyen Co Thach, Prime Minister Prem Tinsulanon said: Thailand still adheres to the resolutions of the UN General Assembly nad the international conference on Kampuchea. Our attitude remains unchanged. At the same time, the Thai Foreign Ministry spokesman said: The Thai Governemnt welcomes the formation of the democratic Kampuchean coalition government. He stressed: This coalition conforms to the will of the Kampuchean patriots who want peace to be restored in their country and who want the whole region to enjoy peace and stability. [Text] [BK260357 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 25 Jun 82]

COALITION FORMATION WELCOMED--The governments of various freendly countries near and far throughout the world have extended their warm welcome to the declaration on the formation of the coalition government of democratic Kampuchea signed on 22 June by the three Kampuchean groups. The Chinese government: In his meeting with Deputy Prime Minister Ieng Sary in Beijing on 24 June, Deng Xiaoping, vice chairman of the Chinese Communist Party, said that Tripartite Kampuchean leaders' signing of the declaration on the formation of the coalition government of democratic Kampuchea was a victory for the Kampuchean patriotic forces which have united with one another to oppose the Vietnamese aggressors. The Japanese Government: A spokesman of the Japanese Foreign Ministry stated that the Japanese Government welcomed the declaration on the formation of the coalition government of democratic Kampuchea issued by the three Kampuchean groups fighting against the Vietnamese aggressors. He stressed: Japan will support democratic Kampuchea's seat in the United Nations, continue to provide aid through international organizatons and will consider providing aid directly to the coalition government. The U.S. Government: A spokesman of the U.S. State Department stated on 22 June that the United States welcomed the declaration in the formation of the coalition government of democratic Kampuchea. The United States regarded this coalition as a significant development. [Text] [BK270424 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 26 Jun 82]

CSO: 4212/26

BRIEFS

SOUPHANOUVONG RECEIVES AMBASSADOR TO USSR--Vientiane, 18 Jun (KPL)--Lao President Souphanouvong on 17 June met Khamta Duangthongla before assuming his ambassadorial post in the Soviet Union. Khamta Duangthongla is also accredited to Czechoslovakia, Hungary, Bulgaria, and Poland. On this occasion, President Souphanouvong gave some practical advice to the new ambassador, emphasizing on diplomatic activities in the enhancement of relations between Laos and the foreign countries. [Text] [BK181009 Vientiane KPL in English 0908 GMT 18 Jun 82]

CSO: 4220/207

BRIEFS

ENVOY TO PRC--Katmandu, 20 Jun (AFP)--Nepalese King Birendra has appointed General Guna Samsher Rana, royal Nepalese ambassador to the People's Republic of China following the completion of Professor Y.N. Khanal's term. Born in November 1921, General Rana had served as royal Nepalese Army chief of staff for a term of 4 years. The general is a graduate of the Indian Staff College. [Text] [BK251209 Hong Kong AFP in English 1715 GMT 20 Jun 82]

CSO: 4220/204

WALI KHAN'S 'FOREIGN' CONNECTION ALLEGED

Karachi JASARAT in Urdu 12 Jun 82 p 3

[Article by Sayyid Shakil Ahmad: "Peshawar Diary"]

Speaking at a formal dinner party at the Press Club a few days ago, the Governor of the Frontier, Lieutenant General Fazl Haq, said that those people who until a short while ago were saying that Bhutto and Pakistan cannot go together have now joined the Bhutto party and its partisans. The governor said emphatically that there ought to be some principles in politics. The governor is very busy, otherwise he would have remembered that the gentleman who used to say that Bhutto and Pakistan could not go together filled the ears of the military rulers after their release from jail in Hyderabad, saying not by hints and allusions, but openly from the platform of the people in public gatherings that "we did what we could for this country according to our abilities. Now only the military can save the country. Since the snake is beneath the boot of the military, if the military moves its foot the snake will strike at the military before anything else. Our turn will come later." Along with this they gave the advice that the military should not stop until it has crushed the snake. In this action lies the refuge of the military and of Pakistan. It doesn't stop there; now we want to show another aspect of Wali Khan. He has also used to ask "Why are the people who talk of Vietnam and Chicago [sic] and salute those who risked their lives there ashamed to salute those of their own country who risk their lives? Were the sacrifices which the people of the Punjab made against dictatorship any less than those of Vietnam? I say they were a great deal more."

No one is surprised by what Wali Khan is saying today, because it has always been Wali Khan's rule to change what he says according to circumstances. Whenever some difficult time comes he uses the excuse of treatment for his eyes to suddenly depart for London, and leaves his friends to undergo political trials and tribulations alone. When Wali Khan recently asked the government for permission to go to Kabul, saying he wanted to visit his old and feeble father, there must have arisen the fear in the hearts of his companions that Wali Khan wanted to leave them alone again. In fact ther were even conjectures that he might follow the lead of his respected father and his father's old accomplice Ajmal Khatak and not return to Pakistan. But then came the news that Wali Khan was returning to Pakistan and was

bringing the good tidings that his father, the Red Shirt leader Abdul Ghaffar Khan, was also coming to Pakistan. The followers of the Red Shirt leader crossed the Frontier border to welcome him.

The Frontier Gandhi, who is also called Bacha Khan, showed no concern for those who had come so far to greet him on this occasion, and did not even get out of the car, which was an action completely contrary to Pakhtun tradition. The interpretation given for his not getting out of the car was that he was not entirely well as a result of a broken hip bone. But after a few days stay in Charsadda, and after a particular incident in the interval from 3 May to 9 May, he traveled over difficult and arduous roads with his son. People were amazed that a few days before his health did not allow him to get out of the car, and now how could he be traveling for miles and giving speeches for hours?

Why did Bacha Khan suddenly remind Pakhtuns that the war in Afghanistan is a war of America and the Soviet Union, and that the typhoon which is coming this way is a danger to all Pakhtuns? Bacha Khan has remembered this after this long interval of three years and is ringing the warning bell of danger everywhere, although in fact he is not warning people of any danger but rather is spreading fear and anxiety among the Pakhtuns by talking about a typhoon. What he is today trying to prove to be the Soviet Union's and America's war has been going on for three years, unless Wali Khan has been just playing with words when he talked about the Afghan freedom fighters. All of these matters have one direction and one central point, and there is one date for the change of tone too, that is, the period from 3 May to 9 May.

An important event took place during this period which made his tone change completely. Perhaps people don't know about these dates. At any rate, what happened between 3 May and 9 May was this. A woman arrived in Peshawar at a hotel. At the counter she gave her name as Mrs. M. J. Singh, and she stayed there for one night. In the morning she went to the home of Wali Khan's brother-in-law, Yahya Khan. Later she came back to the hotel, not alone, but with another woman. The other woman was Mrs. Naseem Wali, the daughter-in-law of the Red Shirt leader, and the wife of Wali Khan. She packed up Mrs. M. J. Singh's luggage, seated her in the car, and took her back to Yahya Khan's home. After she stayed there one night, Mrs. Naseem Wali took Mrs. M. J. Singh to Charsadda, where Mrs. M. J. Singh met with her uncle, the Frontier Gandhi, Abdul Ghaffar Khan, and after that met with the other members of the family. The next day Mrs. M. Jaswant Singh went with Wali Khan to his paternal home in Madyan (Swat). Mrs. Wali Isfandyar and one other lady were also with them on this occasion. Mrs. Jaswant Singh stayed in Swat for three days with Wali Khan and Mrs. Wali Khan. On 9 May she went back. After Mrs. Jaswant Singh's meeting with her uncle Ghaffar Khan in Charsadda perhaps there is no need to say who she is, but for the sake of clairty we will explain that Mrs. Jaswant Singh's real name is Miriam, and she is the dauther of the Red Shirt leader Ghaffar Khan's elder brother, the former Chief Minister of West Pakistan, Dr Khan. Her husband is Jaswant Singh, about whose religion there is a difference of opinion even in his wife's family as to whether he is a Sikh

or a Christian. Some people say he was previously a Sikh and later changed his religion to Christianity. At any rate, whatever Mr. Jaswant Singh's religion may be, that is of no concern to us. What does puzzle us though is why, despite her many ties of kinship, Miriam Jaswant Singh stayed one night in a hotel. This makes it clear that her arrival was sudden, and obviously, it was not without a purpose. The greater part of her stay was with Wali Khan and Mrs. Wali Khan. And it was after this that every word which came out of the mouth of Abdul Wali Khan was in praise of Babrak Karmal and in complete harmony with the Soviet Union, and was calling India the champion of democracy. It seems that whatever message was brought by Miriam Jaswant Singh, it was an encouraging one. The Kabul pilgrimage had already changed his mind, and now he was given fresh encouragement.

9914
CSO: 4203/145

CLOSED-DOOR POLITICAL DIALOGUE CRITICIZED

Karachi JASARAT in Urdu 20 May 82 p 3

/Editorial: "The Evils of Closed-Door Discussion"/

/Text/ The minister of labor and manpower, Ghulam Dastagir Khan, stated that the responsibility for elections not being held in the country rests on the politicians who talk publicly about elections, but sing a different tune to President Zia behind closed doors. If politicians followed the right course, elections could be held within months instead of years.

It is not possible for us to testify to the truth of the minister's statement or to prove it wrong. Basically, his statement is an unproved accusation. If a politician were to claim that the president tells the politicians one thing privately, and then says something quite different in press conferences and television talks, the politician's statement would be as much an accusation without proof as Ghulam Dastagir Khan's. The view is current among politicians that the president is unwilling to gather all the politicians together and talk to them as a group. He meets with then individually, and says something different to each one.

The question is, what purpose is being served by this exchange of recriminations between the politicians and Ghluam Dastagir Khan? Is it bringing any closer the goal, collective agreement or compromise? Everyone knows that these accusations only create dissension, suspicion and distrust among the people. This is the kind of situation that arose during Yahya Khan's term of office. He used to meet with politicians individually, and then he and the politicians would trade accusations. Distrust and suspicion reached a stage where no fruitful dialogue was any longer possible; neither side was ready to trust the other. President Zia would be well advised not to allow a simular situation to arise.

It is our considered opinion that corruption infiltrates national policy when the people are ignored, and the government and a few elders of the political arena start closed-door discussions. The nation is never given any direct report of the topics discussed, and only hears bits and pieces of the secret talks during the exchange of accusations. We request that the president realize the hidden consequences of this dangerous situation; and instead of creating an atmosphere of confrontation with the politicians, he should trust

in their patriotism and take them into his confidence. He should convene a roundtable conference similar to Ayub Khan's last venture. He should summon all politicians and noteworthy parties for a discussion on the national situation, come to an understanding with them regarding elections and chart a correct political course for the nation. This is not the time for increasing dissension, airing tensions and creating an atmosphere of confrontation. Instead, now is the time for solving difficulties with wisdom.

9863
CSO: 4203/131

MORE OPENNESS SUGGESTED ON NEWSPAPER STATISTICS

Karachi JANG in Urdu 15 May 82 p 3

[Editorial: "The Problem of Newspaper Circulation"]

[Text] According to a report, the Indian government has instructed all newspapers to publish their daily circulation figures. Although this measure was taken because of the shortage of newsprint, it has the added advantage of allowing the people and the government to know the daily circulation figures of newspapers, and to deter the newspapers from making exaggerated claims. A few days ago in Pakistan, during the question hour in the Council, the federal minister of information was asked regarding the daily circulation figures for various newspapers. He declined to answer, saying that the information was confidential, and that there was an agreement between the ministry of information and the All Pakistan Newspapers Society to keep information regarding the daily circulation of newspapers confidential.

We do not consider information regarding newspaper circulation figures a confidential matter; and as far as we know there is no agreement that prevents the government from divulging this information. If newspapers can publish information of all kinds, then the readers and the public should also have the right to know certain facts about the newspapers themselves. The government has established an audit bureau of circulation just for this purpose; it reviews the circulation figures for each newspaper and issues a certificate specifying the number of newspapers sold daily. Based on this certificate, the government determines the rates of government advertisements published in each newspaper. Irrespective of the exaggerated claims of daily circulation published on the front pages of newspapers, the audit bureau of circulation (which is under the jurisdiction of the federal Ministry of Information and Broadcasting) knows the correct daily circulation of each newspaper. Hence, the government should have no difficulty in informing the people of the daily circulation of each newspaper, if it should decide to do so. All the government has to do is to order every newspaper to publish the correct number of copies it sells daily. Such a step would, on the one hand, ensure a healthy competition among the newspapers, and on the other hand, keep the public informed of the true standing of each newspaper.

9863
CSO: 4203/131

DEPLORABLE CONDITIONS OF HIGHER EDUCATION OUTLINED

Karachi JANG in Urdu 15 May 82 p 3

[Article by Irshad Ahmad Haqqani: "The Financial Needs of Universities and Their Educational Environment"]

[Text] A report states that the University Grants Commission has prepared a comprehensive report on the financial needs of the country's universities and the difficulties they are encountering, and will soon submit it to the president. The reason for preparing such a report was that these institutions of higher education are finding it difficult to continue their educational and development activities because of the lack of sufficient funds, which is also affecting their educational standards and general efficiency. The report is intended to draw the president's attention to the situation and to seek his aid in solving the difficulties being encountered by the country's 18 or so institutions of higher learning.

The educational sector of our beloved country is beset with various ills. The primary, secondary, higher secondary, undergraduate and graduate institutions have their own special problems; some of these problems are common to all of them and all need attention. But the institutions of higher education should receive the most attention because it is here that the majority of students complete the final stages of their education and enter practical life. The fact is that the standard of performance of any nation depends on the standard of efficiency of its universities which determine the nation's existing condition and the brightness or darkness of its future.

The intellectual leadership of a nation as well as its leaders in all walks of life receive their training in universities. Any nation that is wise and farsighted will not ignore the needs of its universities, and if it does, then such a nation is neither farsighted nor responsible. All the dynamic countries of the world have lavished their utmost care on their universities. Anyone visiting the institutions of higher education of a strong and free country realize at once the secret of its power and success.

In Pakistan, a certain amount of money is alloted to the educational sector which the government perhaps regards as all that the country's finances can bear. But judged on the basis of percentages, education's share of the national resources seems very inadequate. UN experts recommend that 4 percent

of the gross national product should be allocated to education, whereas we are spending only 1.8 percent or less than half the recommended amount. It is even more unfortunate that the funds that are allocated for education are not properly utilized owing to the awkward handling of priorities and the non-educational atmosphere of education institutions. Who can deny that conditions in our institutions of higher learning are not conducive to education, study and research? One reason for this is that we have not succeeded in establishing a nationwide tradition of support for education, nor do we have that high regard or love for learning necessary for basic research. Moreover, we do not tolerate even the basic demands of free thought and speculation. We like to place restriction on thought, and do not favor allowing differences of opinion. We are quick at issuing religious pronouncements and attaching labels. Such attitudes are inimical to the tradition of learning.

A university, by its very nature, is a place where free speculation and differences of opinion are allowed. What are the conditions here? Closed minds, narrow hearts, limited vision and lack of imagination. Under such conditions, how can the light of knowledge be kept burning and research and investigation confer benefits?

To top it all, political intrigues are taking their toll. Universities are major centres of political activity. Where peace and security should reign paramount, there are scenes of vandalism, violence, threats, force and collusion. Can the delicate plant of knowledge be nurtured in such surroundings? The writer can say with certainty that the extent of political activity that goes on in most Pakistani universities is unequalled in the universities of any other country in the world. Try to think of all the regions and countries of the world and compare them with Pakistan in this respect, and you will reach the same conclusion. There may be several reasons for this state of affairs, the most important of which is that since there is no political activity allowed in Pakistan, educational institutions have become the centres of political rivalries. Political elements are expending all their energies in that arena, trying to find fulfillment there for their political desires. The first and foremost result of this is the destruction of the environment necessary for serious study and research.

Added to all these are financial problems which plague all the universities. In the last few years, some of them have on occasion lacked money even for everyday expenses. Punjab university, which is the country's oldest, was considering until recently the feasibility of allowing commercial centres on its campus in order to raise money for its needs. Last year, Karachi university lacked funds to pay the salaries of its staff. This year, the government approved 320 million rupees for development projects in nineteen universities; but one by one, these institutions have been told that they would receive only 210 million rupees. Obviously, the projects and programs of these universities will be adversely affected. The whole nation should give a moment's thought to this problem: national problems will be solved in their own good time, but emergency measures are needed to improve the conditions of the universities. A few more years of procrastination will not only prove disastrous for education, but will harm all other sectors of national life as well.

Conditions are already bad. It is necessary to restore freedom of thought and intellect to the universities; to put an end to political intrigues there; to increase financial support for them in order to enable these institutions of higher education to truly dispense knowledge to the new generation and provide vigorous and healthy new blood to the nation without which a nation's existence is endangered.

9863
CSO: 4203/131

BRIEFS

HAQ CONSULTS WITH CHATTI--President Mohammad Ziaul Haq is keeping himself abreast of the latest situation in Lebanon and international efforts to prevent further bloodshed and destruction by Israelis in Lebanon. This was stated by an informed source in Islamabad today. The president spoke by telephone with Habib Chatti, the secretary general of the Islamic Conference Organization, yesterday and exchanged views on the possibility of convening an extraordinary session of the Islamic foreign ministers soon to examine the grave situation created by the Israeli criminal aggression against Lebanon. Habib Chatti apprised the president that he was in continuous touch with the member countries. He said Pakistan was the first member which apprised him of its support for such a meeting. As reported earlier, Foreign Minister Sihabzada Yaqub Khan had already supported PLO Chairman Yasir 'Arafat's proposal on convening an extraordinary session. [Text] [BK061615 Karachi Domestic Service in Urdu 1500 GMT 6 Jul 82]

HAQ GREETS REAGAN--President Mohammad Ziaul Haq has felicitated President Reagan on the independence day of the United States of America today. In a message he said both Pakistan and the United States were animated by desire to promote regional and international peace based on justice and to secure a better life not only for their own people but for humanity at large. These objectives constituted a firm basis for lasting friendship between the two countries. The president expressed confidence that the existing mutually beneficial relations between two countries would be strengthened and consolidated further with the passage of time. [Text] [BK040710 Karachi Domestic Service in Urdu 0200 GMT 4 Jul 82]

DPRK VICE PRESIDENT DEPARTS--The vice president of the Democratic People's Republic of Korea left for Pyongyang this morning after a night-long stay in Karachi. [Text] [BK070950 Karachi Overseas Service in Urdu 0800 GMT 7 Jul 82]

PIR PAGAR TOURS NWFP--Pir Pagara, the leader of the defunct Muslim League, said that Pakistan was esrablished for the sake of democracy and every party, particularly the Muslim League, has a complete right to struggle for national unanimity and the restoration of democratic action in the country. Pir Pagara is currently on a four day organizational trip in the Frontier Province. He met with party officials and workers the past day in Nowshera, Swabi, Bunir, Mardan and Pir Baba. According to party sources, during his short stay in these places Pir Pagara advised his party workers to base their organization on solid and energetic lines so that it might play an important role in future affairs of the country. The provincial leadership of the party, the party's Central General Secretary S. M. Zafar, Mirza Asim Beg, Sardar Muskin, Yusuf Balock and Azad Bin Hyder also accompanied Pir Pagara. Mr S. M. Zafar also payed glowing tribute to Khan Abdul Qayyum Khan's political policy and endeavors in his speeches on this occasion. He said that the Frontier is the fortress of Pakistan, and the Muslim League also bears a similar status in this area for having a feeling of action and power. [Text] [Karachi JANG in Urdu 21 Jun 82 p 1] 9914

CSO: 4203/145

BRIEFS

BILL TO EXTRADITE HIJACKER--Colombo, 6 Jul (AFP)--The Sri Lankan cabinet today approved legislation to extradite the man who hijacked an Alitalia jetliner last week to Italy. The decision was taken at a special cabinet session here today amid a growing outcry that hijacker Sepala Ekanayake should be punished for the 32-hour hijack drama at Bangkok Airport where he reportedly used bogus explosives to hold 261 passengers and crew hostage in exchange for a ransom of $300,000 and a demand that he be reunited with his estranged Italian wife and young son. Because the legislation still has to be approved by Parliament this week, an exact date for Ekanayake's extradition has not been finalised. The legislation will give effect to the three anti-hijacking conventions of the Hague, Tokyo and Montreal. [Excerpt] [BK061133 Hong Kong AFP in English 1022 GMT 6 Jul 82]

CSO: 4220/204

KHMER ROUGE TO PERMIT ALLIC TO VISIT AREA

BK050334 Bangkok NATION REVIEW in English 5 Jun 82 p 6

[Text] The Khmer Rouge will allow with apparent jubilation members of the Asian Lawyers Legal Inquiry Committee (ALLIC) to visit an area under its occupation in Kampuchea to collect first-hand evidence about the alleged use of chemical weapons in the war torn country.

The 1-day trip to Phum Thmei in Phnum Malai areas which has been tentatively scheduled for 6 July will be part of the committee's investigation into the charges of human rights violations in Kampuchea and Laos.

In a letter dated 28 May, Khmer Rouge Social Affairs Minister Ieng Thirith quoted its leader Khieu Samphan as telling the committee of his full support for its works.

She also said that the ALLIC delegates would be warmly welcomed during their visit and their security would be fully guaranteed.

The delegation would be provided with facilities including lunch and dinner, during their trip there, according to the letter which also said that the Khmer Rouge's folk dance troupe will be ready to entertain the committee members.

Copies of the letter were distributed to reporters during a ceremony to open the investigation at the new Imperial Hotel last evening. The ceremony was attended by several top personalities including former Thai Ambassador to Kampuchea Pol Maj Gen Chana Samutthawanit, former Prime Minister M.R. Seni Pramot, and Democrat Party leader Phichai Rattakun.

Members of the Inquiry Committee will also visit two refugee camps on the eastern and northeastern border during their work which will be pursued from today until 11 June.

The inquiry team will later compile a report on its findings for distribution to interested parties and government bodies worldwide.

CSO: 4220/206

TREATMENT OF EX-CPTs, OTHER DISSIDENTS REPORTED

Bangkok SIAM RAT SAPPADA WICHAN in Thai 21 Mar 82 pp 18-22

[Article: "A Summary of the Human Rights Situation In Thailand In 1981"]

> [Excerpt] As for in Thailand, the "Religious Activities Coordination Group for Society," a human rights protection group, has regularly prepared an annual summary of the human rights situation in Thailand. They have provided data and reported the situation in detail according to the data gathered. The following is the report of the "Religious Activities Coordination Group for Society" which summarizes the human rights situation in Thailand for the year 1981.

The Religous Activities Coordination Group for Society has reported that the human rights situation in Thailand in 1981 was not very different from that in 1980. While the government has given the people greater freedom of speech and written expression and the farmers have just been given the right to strike for their rights, the government is still preserving some limitations just as before. For example, martial law is still in effect, some types of cases are still tried in military courts and press control laws are still in use. Besides this, the human rights of some people are still being violated. People are being oppressed and even murdered by such elements of the state apparatus as the thahan phran irregulars and the police, for example.

1. In 1981, some laws that curtailed the rights and freedoms of the people were still in effect. Such laws include National Administrative Reform Committee orders 1, 8, 29 and 30, which give the military courts the power to try certain types of cases such as cases involving national security, communists and so on. Defendents who are tried in military courts do not have the right of appeal. The Communist Activities Suppression Act permits the detention of people who have been accused of engaging in communist activities for up to 120 days with the permission of the director-general of the Police Department and up to 480 days with the permission of the criminal or military courts.

Last year, many people were arrested and detained in cases involving communist activities. The actual number of people was not disclosed, but based on the reports that appeared in the press, such people included Mrs Wimon Phienthamdi, age 51, Mr Chanchai Chansaichonnathi, Mr Damri Roengsutham and Mr Surachai Saedan. These people have been imprisoned at the temporary prison at the Bang Khen Police Academy.

Since the end of 1980, more and more people who joined the Communist Party of Thailand have surrendered to government officials. Based on government disclosures, it has been learned that the number [who have surrendered] is more than 4,000. Included in this number are political leaders, students and labor leaders who went into the jungle and joined the CPT after the events of 6 October 1976. Such people include Chamni Sakset, Wisa Khanthap and Mahachat Khongsuk, for example. The government's policy is not to punish those who joined the CPT and then surrendered to government officials. But these people must undergo training at various training centers. One is called the Karuntathep Center. They must spend a certain amount of time at these centers before they are released. The actual number of such training centers and the number of people who have been sent for training in each period have not been disclosed.

In 1981, there were reports that some people who had once joined the CPT and later surrendered or people who were suspected of having joined or being in the united front of the CPT were either openly or quietly assassinated or they were arrested and then mysteriously disappeared. As for this quiet method of assassination, government officials who have recieved awards for their communist terrorist suppression activities have confirmed that this method is used for people who have joined or who are suspected of having joined the CPT. The following are examples of such cases:

At the beginning of 1981, three construction laborers, Mr Lek Antamoh, age 40, Mr Arun Chiuhakan, age 44, and Mr Wichien Chaowaphong, age 45, who had once joined the CPT in the Nakhon Sithammarat area and who had later surrendered were shot and killed by seven gunmen in the public park in Muang District, Nakhon Sithammarat Province.

On 24 December 1980, Mr Phongsak Thiraphatphaibun and Mr Kamon Phienthamdi, the son and nephew of Mrs Wimon Phienthamdi, who was arrested on communist charges, disappeared. Their relatives did not receive any further news about them.

In June 1981, the relatives of Miss Darani Panyabutkun, age 24, a graduate of the Faculty of Law at Ramkhamhaeng University, told the Lawyers' Association of Thailand that Miss Darani had disappeared from home without any news. Later on, there were reports that she had been released after having been detained by police officials for a period.

In July 1981, Mr Silaphasoet Phothikaeo, age 30, the former secretary-general of the Student Center of Thailand who had joined the CPT after 6 October 1976 and

who had later returned and continued his studies at Sinakharinwirot University, Prasanmit, disappeared. His family believes that he has been imprisoned by officials.

2. Since the establishment of an armed unit in order to operate as a guerrilla unit in opposing the activities of the communists, a unit that is called the Thahan Phran Irregular Volunteers, or thahan phran irregulars for short, the thahan phran irregulars have been subordinate to the army and they have been used to oppose just the communists. In 1982, the military issued a statement concerning the achievements of the thahan phran irregulars in suppressing the communists. It also announced that the policy is to increase the size [of this force] from the 24 battalions in 1981 to 32 battalions in 1982. Because the Communist Activities Suppression Act has given the thahan phran irregulars broad powers in assassinating people suspected of being communists without first having to make an investigation and because an autopsey does not have to be made because of loopholes in the establishment of the thahan phran irregulars, the thahan phran irregulars can use their power to cause trouble for innocent people. They have robbed, killed and raped people and used force to exploit the people. During the 3 years since 1979, the thahan phran irregulars have been involved in many cases. The existing evidence shows that they have been involved in at least 126 cases throughout the country. Of this number, 84 cases involved the murder of 132 innocent people, including children, women, village headmen and even policemen. In 1981, the things that the thahan phran irregulars did that caused trouble for the people can be summarized as follows:

On 13 February 1981, Mr Kawem Phinyo, age 35, a native of Surat Thani Province who moved to Krabi Province to grow coffee, was shot and killed by thahan phran irregulars. The thahan phran irregulars suspected that Mr Kasem was helping the communists since his house was in an infiltrated area.

On 11 April 1981, three thahan phran irregulars led by Mr Suchat, surname unknown, shot Mr Bunruan Siriin with 11-millimeter weapons at his house in Village 3 in Chawang Commune, Nakhon Sithammarat. After that, the relatives of the dead man went to appeal to the police but thahan phran irregulars threatened them to get them to abandon the matter.

On 28 April 1981, thahan phran irregulars robbed the house of Mr I and Mr Roman Sutthikan at 54 Village 3 in Nakhien Commune, Nakhon Sithammarat. They ransacked the house for valuables and killed Mr I.

On 28 April 1981, five thahan phran irregulars from Operations Base 4151 in Phruphi Commune, Surat Thani Province, and two policemen from the provincial police station in Wiangsa District joined together to rob a southern-line train that was about to arrive at the Ban Song raidroad station in Surat Thani. hey killed the policeman on the train and two passengers.

On 2 May 1981, for some unknown reason, thahan phran irregulars from Ban Nai Mun killed Mr Phan Chaikhongsi near Wat Samoson in Thasala District, Nakhon Sithammarat Province.

On 7 May 1981, Mr Chum Khongthong, the assistant village headman and the commune doctor in Thawa and Karo communes, Thasala District, Nakhon Sithammarat Province, was robbed by thahan phran irregulars. The money that he had received in accord with the rural area job development program was stolen and Mr Chuam was shot and killed.

On 10 May 1981, thahan phran irregulars shot and killed Mr Win Ratchani, a member of the Volunteer Defense Corp and a rubber grower who lived in Ban Suan Mak in Thonhong commune, Phromkhiri District, Nakhon Sithammarat province, while he was eating at his house. He was suspected of supporting the communist terrorists.

On 23 May 1981, Mr Noi Khruthamat, age 32, the village headman of Village 7 in Tha Ngiu Commune, Muang District, Nakhon Sithammarat Province, was shot and killed by a thahan phran irregular named Nan, surname unknown, because Mr Noi had complained to the provincial governor that thahan phran irregulars were firing their M16s into the village and frightening the villagers.

On 31 June 1981, thahan phran irregulars shot and killed Mr Phin Sapphasanchon at Ban Suan Mak in Thonhong commune, Phromkhiri District, Nakhon Sithammarat Province.

At the beginning of June 1981, Mr Niwat Khongthongkham, a teacher at the Wat Bansara School in Chawang District, Nakhon Sithammarat Province, was shot and killed by thahan phran irregulars in front of students at the school.

On 18 August 1981, during a furneral at Village 4 in Kamphaengsai Commune, Nakhong Sithammarat Province, a funeral that was attended by approximately 200 people, nine thahan phran irregulars armed with M16s entered the area where the funeral was in progress. At first, the villagers did not suspect anything and were not afraid. But then someone whistled and these irregulars opened fire on the villagers at the funeral. Eleven were killed and 16 wounded. This took place because the irregulars had received information that communist terrorists were going to take part in the ceremony.

On 28 October 1981, a group of thahan phran irregulars seized the Pong Nam Ron provincial police station and freed a thahan phran irregular who had been jailed on charges of carrying a weapon in public. This group of irregulars also fired warning shots to keep the police from following them. They commandeered a paramilitary vehicle and fled from the Nawikyothin Camp to their operations base. The soldier responsible for the military vehicle was shot and wounded by the irregulars.

Few of the thahan phran irregulars responsible for these illegal actions have been captured or punished in accord with the law. However, at the end of 1981, the officials directly responsible for the thahan phran irregulars announced that the irregulars would be talked to and checked to prevent them from causing trouble for the people and that those guilty of illegal actions would be resolutey punished.

3. Ministry of Interior Regulation 3, 1980, on handling criminal cases went into effect on 15 December 1980. It deals with giving permission to arrest politicians, government officials and [ordinary] people. Police officials must have sufficient evidence and they must request prior permission from administrative officials. This provides certain guarantees to people who are to be arrested. But in 1981, the Police Department tried to get the Ministry of Interior to review this regulation, claiming that this regulation has made it difficult for the police to carry out their work. Then, on 26 January 1982, General Sitthi Chirarot announced the implementation of Ministry of Interior Regulation No 4, 1981, on handling criminal cases. This replaced Regulation No 3, 1980. The power to arrest people without having to have the approval of the administrative officials was returned to the police. This generated criticisms among various circles of people such as lawyers, scholars, newspapermen, students and [other] people. They said that the rights and freedoms of the people would not be protected. There have been many times when the police have unjustly arrested suspects. Every year, there are reports of innocent people, suspects and prisoners being illegally seized, threatened, treated roughly and even murdered by police officials. The following are examples of the injustices that the people suffered at the hands of the police in 1981:

On 15 December 1980, police suppression officials from the Thungmahamek Metropolitan police station and other police officials arrested Mr Chatchawan Chanyaroengrob, Mr Chamnien Saengsuri and Mr Kasaem Manasuk on charges of harboring bandits. They were detained at the Thungmahamek police station and tortured to make them confess. Mr Chatchawan died from the torture and Mr Chamnien and Mr Kasaem were threatened to keep them from revealing this matter. Then on 19 January 1981, the matter was revealed by relatives of Mr Chatchawan.

On 4 February 1981, police from the Lopburi provincial police station in Chai Badan District, together with local administrative officials, who had influence, murdered Mr Han and Mrs Tun Prathumkham, Mr Somsiri Phatchaiphum, Mr Bun Daenthon, Mr Tun and Mr Toi Hatsadimun and Mr Bunchuai Sirisanguanthai, claiming that all seven of these people were bandits who had been waiting to hold up vehicles. These seven people were murdered on the Saraburi-Lomsak highway. The officials cremated their bodies immediately without giving doctors a chance to perform autopsies. And they did not permit relatives to come view the bodies. Villagers who witnessed this said that none of these seven people had any weapons on them when they were murdered and none of the seven had a criminal record.

On 7 March 1981, while investigation officers from the Thungmahamek police station were conducting inspections along the road, they saw three teenagers standing in a dark place. When they went to search the three teenagers, the three fled. The police gave chase and caught them and then shot two of them to death, claiming that the teenagers had shot first. However, the gun belonging to the teenagers showed no sign of having been fired.

On 15 March 1981, Mr Phieu Haicharoen, age 29, and four friends were arrested by 10 policemen in Nong Yaplong Subdistrict, Phetchaburi Province. They were not told the charges. They disappeared mysteriously and never returned home. Then on 16 March 1981, Mr Somsak Haicharoen, the elder brother [of Mr Phieu] went and made inquiries at the Yaphong police station. But the officials told him that [his brother] had not been arrested. Following that, more than 50 friends went and made an appeal at the Police Department.

On 26 May 1981, eight Suphanburi police officials arrested Mr Anucha Borisut, age 17, Mr Ocha Thipphawathin, age 16, and Mr Pramuan Witthisak, age 15, on charges of theft. The police threatened all three to get them to confess. Mr Ocha and Mr Pramuan confessed, but Mr Ocha [sic] refused. He was then tortured to make him confess. The next day, Mr Ocha was released but he died at the hospital. The doctor reported that Mr Ocha's brain and internal organs had been severely injured.

On 12 September 1981, Mr Amphon Sunthonwiphat, age 25, and Mr Chai Raephan were seized and shot by police from the Suphanburi provincial police station in Uthong District. Mr Amphon died but Mr Chai survived. The story was later exposed, and the policemen involved were charged with murder.

On 26 June 1981, police from the Bangna police station arrested Mr On Yuyen, a Sanyo employee, on charges of stealing a neighbor's motorcycle. Mr On was tortured so severely that he died.

Besides these, there are also other cases in which the police have engaged in illegal activities. Such things have stemmed from personal disputes and conflicts of interest, for example.

4. Reform Committee Order No 42 and the Publishing Law of 1941, which concern controlling and prohibiting the printing and dissemination of certain types of printed matter are still in effect. This publishing law gives press officials the power to withdraw the licenses of publishers, advertizers, editors and owners in cases in which the press officials feel that the stories and articles affect national security or the government. In 1981, these laws were used to close or warn many newspapers. For Example:

From 6 to 22 January 1981, the newspaper DAO SIAM was closed for 7 days for printing obscene photographs.

On 5 march 1981, Mr Phadet Phuripatiphan, the editor of the newspaper NAEO NA, was charged with having revealed government secrets in the 4 March 1981 issue of NAEO NA.

On 16 March 1981, the press officer issued a notice warning the editors of all newspapers that they should stop publishing stories to the effect that the government does not have sufficient treasury reserves left to pay the salaries of the government employees. It was felt that such stories would erode the stability of the government.

On 15 April 1981, the press officer called in the editors of all newspapers and asked them not to publish incorrect stories concerning the 1-3 April coup such as "The Double Coup" story.

On 22 May 1981, the press officer warned the daily newspapers CHAO THAI and NAEO NA and the wekly journal SU ANAKHOT about the publishing of the article "The Secret Memorandum of Manun Rubkhachon," which concerned the coup of 1-3 April 1981. But CHAO THAI refused to sign [the paper] acknowledging the warning.

On 3 August 1981, the newspaper DAO SIAM was ordered closed on charges of distorting the news in such a way that the peace and security of the nation would be affected.

On 16 November 1981, the press officer warned the editors of all newspapers to stop publishing alarming headline stories.

In principle, Reform Committee Publishing Law No 42 is an undemocratic law that violates the rights and freedoms of the press in thinking, speaking and writing. Thus, there have constantly been objections, and appeals have been made to revoke this law. During the past year, several MPs proposed that parliament consider revoking this law. But this was turned down.

As for newspapermen, there have been many cases of newspapermen being threatened, persecuted, tortured and assassinated for trying to reveal the illegal actions of government officials and influential people. For example:

On 13 February 1981, Mr Suphasak Chaisamut, a former local newspaperman was murdered in [illegible] Province for once having attacked the illegal actions of government officials.

On 3 March 1981, Mr Wisit Satharot, the editor of the Phichit newspaper group and a reporter for THAI RAT, was shot and killed by three armed gunmen at the office of the daily newspaper SIANG CHAO BAN in Muang District, Phichit Province. The police stated that he was murdered because of a business dispute. But Mr Wisit had once published stories about corruption in the military budgets in Phichit Province and he had tried to expose those who were involved.

On 14 March 1981, a grenade was thrown into the house of Mr Somsak Watcharaphirom, a reporter for several central and local newspapers, in Muang District, Nakhon Sithammarat Province. However, he was not killed. This happened because he had writen articles attacking the illegal timber trade and the illegal construction of commercial buildings.

On 17 April 1981, Mr Sakon Duangkaeo, a reporter for the DAILY NEWS in Saraburi Province, was shot because he had reported that an influential person had killed a villager in order to seize his land in Lopburi Province and that the owner of a shop that sold eyeglasses had been shot and killed by police officials.

On 9 June 1981, Mr Phisit Saroituram, a reporter for MATICHON in Nakhon Pathom Province, was threatened by a stranger because he had reported on a demonstration opposing the crime suppression activities of the officials.

On 10 June 1981, Mr Montri Phattharawat, a reporter for THAI RAT in Nakhon Sawan Province and the owner and editor of the local newspaper SERI NAKHON, was shot and killed by gunmen while he was driving home. He was murdered because he had reported information that he had dug up about the evil activities of a police official, stories that resulted in this policemen being investigated. It is believed that it was this policeman who committed the murder.

On 7 June 1981, Mr Manu Thawikhun, a reporter for DAO SIAM, and Mr Sakon Chaiyakham, an official of DAO SIAM, mysteriously disappeared. It is thought that both have been murdered. Both disappeared after having taken pictures of the Sia Ngoa Five Strengths gambling house, or automobile cooperative, which is a large gambling house. They have been missing since 17 [sic] June 1981.

On 26 June 1981, Mr Chak Atrasak Na Ayuthaya, a photographer for CHAO THAI, was threatened by soldiers of General Athit Kamlangek. They also grabbed him by the neck in order to rough him up.

5. During 1980, the labor unions, labor organizations and labor employee councils constantly demanded that the laws prohibiting laborers from striking in order to demand their rights be repealed. Finally, in January 1981, the government announced the repeal of the Ministry of Interior Notice of 8 October 1975 that prohibited strikes and lockouts. This resulted in the laborers receiving a basic right in demanding justice.

Since the beginning of 1981, many people have been laid off from work, especially during the last 6 months of the year. During the first 9 months of the year, more than 4,200 people were laid off and more than 1,200 were fired. As for why the workers were laid off, the employers said that the businesses were losing money. It is worth noting that of the workers who were laid off, many were members and committee members of the various labor unions that had taken part in demanding justice. For example:

The Bangna-Trat Sahamid Seat and Draf Motor Company, which produces motorcycle seats, locked out 63 workers who were members of a labor union after the workers took part in demanding [better] employment conditions.

The CH Autoparts Company in Samut Prakan laid off 132 workers who had taken part in demanding that employment conditions be improved.

The Biawat Rubber Industry Company in Bangkhunthien, Bangkok Municipality, a company that produces Jumpmaster shoes, laid off 12 workers who were labor union committee members.

The Charoensawat Synthetic Fiber Company in Nakhon Pathom fired 19 workers after they participated in demanding that employment conditions be improved.

During the first 9 months of 1981, the Department of Labor received 3,186 complaints from workers nationwide who were treated unfairly by their employers. The number of employees involved was 13,266. As for labor disputes and strikes during the first 9 months of 1981, there were 158 disputes involving 80,188 workers. There were 38 strikes involving 13,933 workers. In 1981, workers registered to establish 79 labor unions, 29 in Bangkok and 50 in the provinces.

From a labor survey conducted by the Department of Labor in 1981, it was learned that approximatley 80 percent or more of the work places are not operating in accord with the law. For example, they do not pay minimum wages in accord with the standards and the employment and work situation is not correct.

From the various statistics presented above, it can be seen that the situation facing the laborers became more and more tense, especially toward the end of 1981. Besides this, this tenseness can be seen from the fact that many labor leaders and laborers who played a role in demanding justice have been threatened, beaten up and even murdered.

On 10 April 1981, Mr Wichien Prangthong, age 42, the president of the labor union at the Kamonkit Rice Mill in Nonthaburi, was shot and killed by two hoodlums at his home in Nonthaburi. The reason was that Mr Wichien had led workers in making demands and a suit was in court at the time of his murder.

On 1 October 1981, when two carloads of workers from the Honey Factory, one group of whom had been laid off, were returning home after a meeting to demand [higher] cost of living and welfare benefits, talks that had been going on since 14 September 1981 but that had collapsed, hoodlums in cars pulled up alongside the cars of the workers and used pieces of wood to break the windshields of the workers' cars. Two people were injured.

On 2 October 1981, two carloads of teenagers attacked and roughed up workers from the Charoensawat Synthetic Fiber Company in Nakhon Pathom during a gathering in front of the factory. The news report stated that while this took place, police officials stood by indifferently as if nothing was happening.

On 15 October 1981, Mr Samrong Naphachot, the president of the United Farm Company labor union, Mr Son Kitchawat, a member of the labor union, and Mr Somsak Bunsomphong, the secretary-general of the labor union were shot by hoodlums. Mr Samrong and Mr Son died; Mr Somsak was seriously wounded. These were three of the four people who had been fired because they were important people in the formation of the union and they had demanded that work conditions be improved. The three were shot while waiting for a bus after a meeting.

On 22 October 1981, 70 policemen went and arrested 54 workers of the Thai Oriental Steel Company on charges of gathering together, making threats and forcing others to obey their demands. This took place while the workers were gahtered together in front of the plant.

As for the child labor situation, the situation has not changed much from previous years. It is certain that many medium and small-scale industrial plants are illegally employing many child laborers. Last year, the newspapers reported many stories concerning the seizure of hellish factories that used child laborers like slaves.

In summary, the human rights situation on various fronts in Thailand during 1981 changed very little from that in 1980. Even though the government has given the people greater freedom in thinking, writing and speaking, some restrictions have been preserved. The rights and freedoms of the people are still being trampled on by the state powers. The lives and property of the people have not been protected. The general situation of the people remains the same. More than 500,000 farm families still have no land to work. More than 50,000 Thai children under 5 years of age are still dying from starvation each year. Slum dwellers are still regularly being driven out of the places where they live. Few laborers receive the minimum wages that they should. This was the human rights situation in Thailand in 1981.

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CSO; 4207/79

LABOR RELATIONS, UNEMPLOYMENT DISCUSSED IN ASSESSMENT OF ECONOMY

Bangkok SIAM RAT SAPPADA WICHAN in Thai 28 Mar 82 pp 18-22

[Article by Chira Hengladarom, the Director of the Human Resources Institute: "Price Situation and Labor Problems In 1981-1982"]

[Text] Inflation Is Declining

In 1981, inflation began to decline, declining from 20 percent in 1980 to 13 percent. In particular, inflation declined greatly during the last 6 months of the year, even though there were several things that indicated that the inflation rate would increase, such things including the effects of the devaluation of the baht, the increase in the minimum wage and the increase in the price of benzene. In the following section, we will discuss inflation in 1981 and the economic factors that caused inflation to decline and make estimates about inflation in 1982.

Inflation During the First 6 Months of 1981

Several economists forecast that in 1981 inflation would decline from the 1980 level of 20 percent. But during the first 3 months of 1981, inflation rose quickly and if the rate had kept increasing like that, inflation would have increased to 30 percent by the end of 1981, an unprecedented level. In Figure 1, it can be seen that in February and March of 1981, the transportation index rose to 22 percent, which resulted from the 20 percent increase in the price of oil, the increase in bus fares in Bangkok and the 20 percent rise in upcountry bus fares. Besides this, the rise in the Consumer Price Index during the first 6 months of the year resulted from the government's policy of reducing the financial support provided to the urban people by raising power rates -- these rates were increased twice, 16.6 percent in January and 20 percent in April -- and by raising water rates 15 percent in April. In May-June 1981, all items in the Colnsumer Price Index began to fall, with the exception of tobacco and Alcoholic beverages, which rose to 8 percent because of an increase in the tobacco tax in April. However, in short, during the first 3 months of 1981, the Consumer Price Index rose 7.3 percent and if the rate of increase had stayed like this, inflation would certainly have reached 30 percent by the end of 1981.

The Factors That Caused Inflation to Decline In the Last 6 Months of 1981

It is difficult to say which factor was responsible for inflation during the last 6 months of 1981 declining more than was expected at the beginning of the year since each factor helped. But we want to mention the following points:

First, Thailand is in a situation that is known as an economic recession. Production is starting to drop in many sectors. For example, construction increased at a slow rate (6 percent). Few businesses are using their full production capacity. This has caused profits to fall and the purchasing power of the consumers has dropped too.

Second, domestic interest rates during the first 6 months of the year remained high. This made it impossible for businesses to maintain their stocks in order to speculate for profits. Various types of goods were put on the market and this increased the amount of goods. There were price wars in order to keep profits constant. In particular, this resulted in rather stable prices for consumer necessities.

Third, there was an economic recession throughout the world and inflation in the Western World was not very severe. In 1981, inflation in the United States was about 10-11 percent and it is expected that this will decline to 8-9 percent in 1982. Since Thailand has foreign trade relations, the decline in inflation in the West caused domestic inflation, that is, the price of imports, to decline.

Fourth, agricultural production exceeded demand, especially world market demand. This forced the price of agricultural goods to decline.

Fifth, the government tried to reduce government expenditures by implementing a financial policy. This reduced inflation. We call this "financial restraint."

Sixth, the Bank of Thailand did not increase the domestic money supply (M1) as much as it did in 1980. The existing data shows that this year's rate of increase is approximately 2.9 percent as compared with 13.8 percent in 1980.

Seventh, during the first 6 months of 1981, the government increased power rates, bus fares and water rates. Thus, in the last 6 months of the year, there was little increase, except for premium gasoline, which increased from 11.95 to 13.45 baht [per liter], and the increase in the excise tax on cigarettes. However, these price increases had little effect on the Consumer Price Index.

It is worth noting that, concerning the various reasons mentioned above, with the exception of the financial policy and the money supply, the state does not have any policy aimed at reducing inflation. Many of the factors are things that cannot be controlled. Thus, the economic situation is not very encouraging.

In 1982, the price of petroleum products will be adjusted in order to narrow the gap between the cost of premium gasoline and the price of [other] petroleum products. The effect of the devaluation of the baht will not yet be manifested

clearly. And it is expected that the world economy will recover from its dismal and very worrisome state. Domestic interest rates will decline if the banks' prime interest rate stays as it is. The paddy support price during the 1981/1982 production season will increase 250 [baht] per ton. These factors will cause inflation to rise in 1982. That is, it will be around 10-11 percent. Because of some of the factors discussed above, the government should quickly take advantage of the short-term benefits by spreading the income and adjusting the income of the people. At the same time, the economy must be allowed to operate freely.

Wage and Income Policies In 1981: The Minimum Wage

In October 1981, the government announced that the minimum wage would be raised. Table 1 shows that in Bangkok and the surrounding area the minimum wage rose from 54 baht per day to 61 baht per day, an increase of 13 percent. In the central and southern regions, the minimum wage rose from 47 baht per day to 52 baht per day, an increase of 10.6 percent. In the north and northeast, the minimum wage increased from 44 baht per day to 52 baht per day, an increase of 14.2 percent. Concerning this stipulation of minimum wages based on region, there were great changes. In the seven provinces of Chiang Mai, Nakhon Ratchasima, Saraburi, Chonburi, Ranong, Phangnga and Phuket, prior to 1 October 1981, the minimum wage had been less than that in Bangkok but in October 1981 it increased to 61 baht per day, just as in Bangkok. The owners of factories and other businesses did not agree with this increase in the minimum wage since it meant that their expenditures increased up to 30 percent. In Nakhon Ratchasima Province, the owner of a gunny bay factory laid off 200 workers because of the effect of this increase in the minimum wage. Even though the equality in the minimum wage in the various regions has tended to reduce the migration of workers, this has caused investors, who want to invest outside the Bangkok area since they gain because of the fact that wages upcountry are lower than in Bangkok, to cease making investments. This is an important crisis because it makes it difficult to carry out the government's policy of promoting and dispersing industry to the provincial areas since the basic conveniences are lacking and no benefits are gained from the capital in this matter of labor.

Setting the minimum wage at an improper level at a time when the country's economy is in such a dismal state has given rise to various doubts about the government's policies, especially concerning unemployment. This is because raising the minimum wage this time has led to higher unemployment. This point comes from a statement by the Department of Labor itself. It is hoped that before the next minimum wage rate is announced in October 1982, there will be detailed studies and standards. The most important point is that it must always be remembered that Thailand is competing with other developing countries in order to put the country in a position in which it can compete with world markets. Among the Asean countries, actual labor wages have declined in the Philippines while they have remained stable or increased slightly in Thailand. This will make [people] see the unsuitability of the labor market. Because while the world economy is in such a recession, labor costs have increased. This will lead to production switching over to the use of machines since production costs are lower.

Labor Unions and the Minimum Wage

Thailand's industrial sector can be divided into two parts. The first is the official part composed of large-scale businesses, or those that are under the supervision of the Department of Labor. The labor unions usually play an important role here and most of these businesses pay wages in accord with the minimum wage as stipulated by law (see Table 2). The second part is composed of small-scale businesses such as cottage industries. The labor unions do not play any role in these businesses. Because the members of the labor unions have helped to have the minimum wage policies used in an efficient way, the laborers who work in large-scale businesses or in businesses that are under the supervision of the Department of Labor have received this right. But workers who work in small businesses such as cottage industries do not receive the stipulated minimum wage. Thus, setting a minimum wage has not helped to improve the standard of living of those who work in small-scale industries. These people are in great need of help.

Income Policies

Certainly, a policy that has helped contribute to the present high standard of living is the policy of adjusting incomes, wages and prices so that they can respond to each other. In the past, the government did not have an efficient income policy. The policies that it implemented were aimed at solving only the immediate problems. In 1981, the government's income policy can be summarized as follows:

The decline in inflation has resulted in the incomes of those who have regular incomes climbing faster than prices. This is also the first time that the government has decided to raise the salaries of government employees and state enterprise employees at the same time, which took effect on 1 January 1982. This increase in salaries was greater than the increase of the Consumer Price Index. Besides this, the government has increased retirement pensions by 20 pecent. As for tax policies, which have a direct effect on income, the government's goal is to reduce income taxes for individuals by increasing deductions and the minimum income on which taxes must be paid. But these changes have not gone into effect. However, on 21 December 1981, the government cut the tax on dividends from 15 to 10 percent. And the government will probably continue to have a policy of guaranteeing agricultural crop prices. But the drop in the price of agricultural products on world markets has made it difficult to ensure prices efficiently.

However, things can be summarized by saying that the government's 1981 income policies must continue to be carried out. Long-term plans should be stipulated so that the policies can achieve results. But because of the present unstable political situation, it will be difficult for the policies to achieve results as planned in 1982. At the same time, the 17 percent increase in the salaries of government employees has led to the question of whether the bureaucracy should be reformed. And it is worth noting that this reform of the bureaucracy will start in 1982 because of political reasons. As for 1982, concerning the

incomes of people in the rural areas, especially farmers, it can be seen that the incomes of the farmers are much lower than those of the people in the cities. This is because the price of farm products has fallen while the incomes of government employees and state enterprise employees have increased and the minimum wage paid to laborers has been increased too. Thus, it can be said that in 1981-1982, the distribution of income will not be fair. This is because for most people in the cities, that is, the government employees and state enterprise employees, incomes have been increased while for the farmers in general, incomes have not increased as much as they should have.

Labor Problems

Concerning the section in which the minimum wage was discussed, this is an example of the government's unfairness in changing policies during an economic recession. The industrial, or labor, problem is a complex matter. The government tries to solve the problems only when a crisis arises; no plans are made in advance (an example being the recent strike by postal workers).

In 1981, the government still felt that the labor problem was a political matter. Thus, this year there is no basic policy for solving the labor problem. As the person in charge of maintaining order in Bangkok, General Athit Kamlangek has asked labor leaders to think carefully about the present situation. Mr Wichit Saengthong, the director-general of the Department of Labor, has had his term of office extended 1 year. The figures in Table 3 (data to october 1981) show that the number of disputes has been increasing and that the strikes in 1981, as compared with those in 1980, have lasted longer. This is because the government has made strikes legal. The longer duration of the strikes has resulted in the number of man-days lost in 1981 (first 9 months) reaching 164,136 days, which is an increase from 1980.

In 1981, the labor unions in the state enterprises continued to play an important labor role. Those who have studied labor relations in Thailand know that the state enterprise labor unions, which have both skilled and semiskilled laborers as members, are labor unions that have good organizational administration. In 1981, the provincial water works employees, the employees of the Telephone Organization and the postal employees violated the law prohibiting strikes. But the government did not give in to their demands. The important criticisms of the state enterprises concerned the disputes about the unequal salaries or welfare benefits. The interesting demands made by the state enterprise labor unions were their demand that the state enterprises be able to adjust salaries without having to have cabinet approval. But the government has not responded to this demand. This matter will continue to be discussed.

The labor court will continue to play an important role. The statistics in Table 4 show that in the period January-October 1981, 3,982 cases went to the labor court. This is an increase from the 2,682 cases in 1980. Eevn though data on disputes in 1981 have not yet been disseminated as they should have, Table 4 shows that most of the disputes that reached the labor court in 1980 concerned the payment of compensation. It is expected that in 1982 the labor court will handle an even greater number of cases stemming from the economic

recession. Various businesses will be affected by the recession, resulting in more workers being laid off, and the number of disputes concerning compensation will increase. Thus, it is necessary to evaluate the role and efficiency of the labor court. In general, it seems that the labor court cannot solve the important problems in matters concerning the Thai industrial sector. In 1981, there continued to be internal disputes between the workers, the administrators and the government and such disputes will continue to arise in 1982.

Unemployment

It is said that many people have not attached much importance to the problem of unemployment in Thailand since our unemployment rate is still low as compared with many other developing countries. Thus, greater attention has been focused on the problems of low wage rates and underemployment. Until recently, unemployment was not a pressing problem for the government because our agricultural sector was quite capable of absorbing the additional laborers. Also, in the cities there were service and production activities that could absorb laborers. The government has viewed the unemployment problem as a long-term problem. But changes in this began to take place in 1981. The press took such an interest in the unemployment problem that it became a new political problem. And recently, the Department of Labor announced that in 1982 unemployment would increase by another 700,000 people, 170,000 of whom are skilled and educated workers.

The two important pressures that affect the unemployment situation can be summarized as follows:

1. The fall of world market prices for agricultural products, of which Thailand is a major exporter, will directly affect the agricultural sector's ability to absorb laborers. This is because how much the farmers produce depends on the prices they receive at present. During the 1981/1982 agricultural season, agricultural production will fall, and the migration of laborers from the rural areas to the cities will increase in 1982. Even if the government carries on the commune investment program resolutely, this will have little effect as compared with the severity of the problem. Also, this program can ease the unemployment situation only during the dry season.

2. Thailand's industrial sector is in a semi-recession. Many factories such as glass and textile factories, which are found throughout Thailand, have shut down. The seriousness of the problem is that almost 700,000 people are entering the labor market each year even though the population growth rate declined from 3.3 percent in 1965 to 1.9 percent in 1981. The movement of laborers abroad will help solve the problem only partly. And at the same time, this will give rise to a new problem. Approximately 10 billion baht a year is sent back to Thailand. But this shows the basic error of our policy of promoting capital-intensive industries instead of labor-intensive industries. Stipulating minimum wage rates will further increase the number of unemployed in 1982. Even though the government has begun to try to solve the problem, it does not have a basic policy for the long term. As an example, the government's

remedy is to postpone the firing of 300,000 temporary government employees by 4 months. In 1982, the unemployment problem will get worse, and it will be difficult to solve the problem. It is essential that long-term plans be made, regardless of whether in the fields of education, agricultural and industrial policy, manpower planning or financial policy. In short, we should ask ourselves the question: With whom does the responsibility, the power and the duty lie?

Table 1: The Minimum Wage: 1973-1981 (baht/day)

Region	17 April 1973	1 January 1974	14 June 1974	1 October 1975	1 October 1977	1 October 1978	1 October 1979	1 October 1980	1 October 1981 1./
Bangkok and the surrounding area	12	16	20	25 (25)	28 (12)	35 (25)	45 (28.6)	54 (20)	61 (13)
Central and southern regions	-	-	-	18 *	21 (16.7)	28 (33.3)	38 (35.7)	47 (23.7)	52 (10.6)
Northern and northeastern regions	-	-	-	16	19	25	35 (40.0)	44 (25.7)	52 (14.2)
Average	-	-	-	19.7	22.7 (15.2)	29.3 (29.1)	39.3 (34.1)	48.3 (22.9)	55.0 (13.9)

Note: 1./ This rate includes not only Bangkok and the five neighboring provinces but seven other provinces that are industrial centers in various regions. These seven provinces are Chiang Mai, Nakhon Ratchasima, Saraburi, Chonburi, Ranong, Phangnga and Phuket. The figures in parenthesis are the change in percent.

Source: Department of Labor, Ministry of Interior.

Table 2: Percentage Paying Wages According to the Minimum Wage Grouped by Size of Business (%)

Size of Business	1975	1976	1978
Small-scale:			
Less than 5 people	59.56	47.25	67.60
5-9 people	63.02	59.28	53.96
10-19 people	68.49	59.29	59.47
Medium sized:			
20-49 people	69.81	72.94	63.55
50-99 people	75.90	80.20	75.85
Large scale:			
100-299 people	84.66	86.29	83.84
More than 300 people	87.06	87.79	93.58
No data	40.91	80.00	-
Average	68.62	67.12	68.65

Source: Labor Statistics Section, Labor Studies and Planning Division, Department of Labor.

Table 3: Nationwide Labor Disputes and Strikes, 1979-1981

	1979	1980	1981
Labor Disputes			
Number of disputes	205	164	173
Number of employees involved	75,468	52,697	94,548
Strikes			
Number of strikes	64	22	48
Number of employees involved	16,203	4,290	15,535
Number of strike days	119.25	53.50	224
Number of man-days lost	33,837.75	9,092.75	164,136

Note: In 1981, statistics are for the period January-October .
Source: Labor Statistics Section, Labor Studies and Planning Division, Department of Labor.

Table 4: Number of Cases That Were Taken to the Labor Court in 1980

Total number of cases	2,682
Number of employees demanding compensation	1,668
Number of employees demanding other types of compensation such as overtime pay, support funds, retirement allowance and reimbursement pay	600
Number demanding that they be rehired	130
Number of employees suing employer	3
Number of employers suing the Department of Labor	40
Number of employers suing the Labor Relations Board	47
Number of employers requesting to use their court rights	41

Source: Workmen's Compensation Fund Office, Department of Labor, Ministry of Interior.

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EDITORIAL EXCUSES EXPLOITATION OF CHILD LABOR IN FACTORIES

BK010443 Bangkok POST in English 1 Jul 82 p 4

[Editorial: "The Root Cause of Child Labour"]

[Text] The exchange of communications between the labour department and certain members of the western press brings to the fore the need for a clearer understanding of Thailand's child labour problem.

The point it, child labour and child exploitation are two different things; and the danger is to rush a judgment that mistakes one for the other. Just as it would be irresponsible to deny that child exploitation exists in the country so would it be completely false to even insinuate that all forms of work performed by children rank as exploitation.

In most any society, there is always the tendency to exploit its more vulnerable members, and children--by the very fact of their physique--are more exposed to exploitation. But what constitutes exploitation?

The low wages generally paid to child labourers working in foodshops and small family enterprises do not necessarily rise from the raw avarice of employers, nor do they tot up superprofits for their small-time business operations. For some of these employers, the only way they can keep their heads above water and provide for their employees is by keeping their labour costs low. In a case like this, which of two options is better? Close the business and sever much-needed employment, or carry on?

Separation from parents and other members of the immediate family is generally distressing for children. But it is a debatable question whether children from absolutely poor families suffer less (or more) mental and emotional anguish by being helpless witnesses to their parents' frustration and seemingly perpetual state of poverty.

It is not always easy to draw a distinct line between what are tolerable terms of employment for children, and working conditions that verge on exploitation. However, some cases cannot be considered anything else but exploitation. These include jobs that expose children to physical and mental injury due to excessively long working hours, while also burdening them with tasks unsuited to their physique. The worst form of exploitation--child prostitution--is especially damaging, both psychologically and physically.

Child labour is not unique to Thailand, nor is it a problem exclusive to this century. And to make sweeping pronouncements with preconditioned biases hardly serves the purpose of solving the problem at its source. At its root is poverty. And whatever form of cruelty and exploitation child labour may have given rise to is the byproduct of attempts to break out of poverty--among the parents, the employers and the children themselves.

To pay exaggerated attention to overt signs of child exploitation is, in a way, to digress from the bigger and more basic problem of hardship caused by poverty, which is at the root of so many troubles in our society today.

CSO: 4220/206

EDITORIAL CRITICIZES RELEASE OF SRI LANKAN HIJACKER

BK020414 Bangkok POST in English 2 Jul 82 p 4

[Editorial: "Has Justice Been Done?"]

[Text] Congratulations are due to officials involved in preventing tragedy in the Alitalia hijacking. A dangerous situation which potentially could have cost scores and even hundreds of deaths was averted by calm and professionalism. In particular, praise must go to the special committee appointed so quickly by the prime minister, headed by chief-of-staff of the Royal Thai Air Force, Adm Arun Phromthep. Communications Minister Adm Amon Sirikaya, the committee's chief negotiator, was instrumental in averting possible tragedy.

Italian Ambassador Francesco Ripandelli and Sri Lankan Ambassador Mrs Irangani Manel Abeysekera did their own countries proud by their composed handling of the problem. And there is no question that the aircraft commander, Giovanni Amoroso, also has special praise coming for protecting his passengers so well.

The lone hijacker, identified as Sepala Ekanayaka, apparently staged his dangerous act of piracy to try to gain custody of his child. But sympathy for his cause should not be confused with sympathy for the means he used. He had so little respect for the other 260 innocent men, women and children aboard his flight that he threatened to kill them all.

In 1978, Thailand enacted a law to deal with such people, called officially the anti-air piracy law. It provides for penalties up to and including the death sentence for airplane hijackers. Thailand is also signatory to three international anti-hijack conventions aimed at stemming the worldwide problem of endangering airline passengers and crew.

The man who seized the Alitalia flight and threatened for 32 hours to blow it up at Don Muang Airport was promised amnesty as part of a deal to stop his dangerous actions. But promises made under duress are not binding. No honour was at stake and Ekanayaka should have been arrested as Thai law provides.

At his trial under this law, Ekanayaka would have been permitted to bring forth mitigating circumstances that could have affected the verdity. If

found guilty, these circumstances could be taken into account in passing sentence. The anti-air piracy law makes the death sentence a possibility, but only as a maximum. It would be a mitigating circumstance, for example, that he surrendered the hijack attempt voluntarily, without harming anyone, and without force being used.

The only alternative, now that he has left this country, is that Bangkok may have a certain allure for future hijackers. The decision not to prosecute weakens an almost universally held belief that hijacking can only be stopped by making it unattractive to both the madmen and the professional terrorists who would turn a method of transport into an inferno of death.

CSO: 4220/206

EDITORIAL HAILS PIRACY ACCORD

BK260230 Bangkok POST in English 26 Jun 82 p 4

[Editorial: "Piracy Accord Good News For All"]

[Text] It was indeed good news to hear the other day that the various parties involved have finally come to an agreement on combatting piracy in the Gulf of Thailand. The wrangle among Thai, foreign and United Nations authorities on this important problem had gone on much too long, and had caused tempers on both sides to fray.

There were important misconceptions in all the bargaining, not the least of which was that piracy is a new problem sparked by Vietnamese boat people. As we have been at pains to point out for several years, pirates have thrived for a century or more in the area. Their chief victims have always been fishermen, primarily Thai fishermen. The horrendous attacks upon the Vietnamese refugees is a recent and deplorable phenomenom.

The United Nations, and to a lesser extent donor countries such as the United States, have chosen to consider the piracy problem only in relation to the refugees. If they had, as they wished, retained control of the anti-piracy programme, it would have been ineffective. Pirates exist as seaborne criminals against Gulf of Thailand commerce. When there are no more boat people, the pirates will still be among us.

The answer to piracy is an across-the-board attack on their activities, as is any campaign against any criminal elements. Pirates must be stopped from attacking Thai fishermen, tourists and boat people, not just the refugees. This is the reason, and it is a valid reason, why our authorities have insisted on maintaining control of any antipiracy campaign no matter where the financing originates.

The concerned Thai authorities have been right in withholding support for the crackdown on pirates until they got their point across. It will be a much better programme now that foreign officials realise that we are just as concerned about pirates as they are, perhaps more so. Thailand would like to end the piracy problem once and for all. It is important to stop attacks on hapless refugees from Vietnam. It is equally important to stop pirate attacks on defenceless fishermen, tourists and boat passengers from all other countries in the region.

Pirates are lawbreakers, no matter whom they attack. The new cooperation extended by the United Nations and others, we sincerely hope, will help wipe out the pirates and make the Gulf of Thailand a safe place for all.

CSO: 4220/207

TALKS ON TIN ASSOCIATION BEGIN IN BANGKOK

BK281234 Bangkok Voice of Free Asia in English 1100 GMT 28 Jun 82

[Text] Today, senior Thai Government officials are scheduled to meet their colleagues from Malaysia and Indonesia to prepare issues related to the formation of a Tin Producers' Association for their ministers who will begin discussions tomorrow.

Despite discussions on research and development of their respective tin mining industries as mentioned in the joint announcement to form an association last week by Thailand, Malaysia and Indonesia, which account for more than 70 percent of world's tin production, the officials and ministers will also discuss means to control smuggling of tin from the three countries to Singapore which is also an ASEAN member country. The ministers who are scheduled to meet tomorrow include Industry Minister of Thailand Maj Gen Chatchai Chunhawan, Malaysian Minister of Primary Industries Datuk Paul Leong Khee Seong and Indonesian Minister of Mining and Energy Dr Subroto.

The ministers from Thailand, Malaysia and Indonesia will discuss the framework of the association which is designed to further contribute towards the better operation of the sixth international tin agreement. The association will serve the purpose of producers in much the same way as the Association of Natural Rubber Producing Countries.

Tin producers and consumers last week adopted the sixth international tin agreement to stabilize the metal's price on world markets. The agreement will be effective on 1 July.

CSO: 4220/207

EDITORIAL SUPPORTS FORMATION OF TIN PRODUCERS ASSOCIATION

BK300549 Bangkok NATION REVIEW in English 30 Jun 82 p 4

[Editorial: "Tin Association Is Absolutely a Necessity"]

[Text] The industrial countries of the world have long pontificated about the help they are giving to Third World countries in terms of financial aid and soft loans. On the other hand, the Third World countries have been saying that they want more trade than aid. The two attitudes are actually not in conflict but they do frequently run counter to each other. In all this, as producers of raw materials, what the Third World most needs is stability in commodity prices. The price of tin which has much been in the news is extremely important from this point of view.

The major producers of tin--ASEAN's Malaysia, Thailand and Indonesia--have been extremely hard hit by the decline in the price of tin which reached a record low of U.S.$9,640 per ton last week registering the lowest price during the past 5 years. If nothing else, the three ASEAN tin producing countries had actually no recourse but to enter into a tin producers association in order to protect the price of this metal.

The formation of the association is a legitimate move by the three countries to preserve their interests in the international market in the face of falling prices--the price decrease being artificially induced by irresponsible release of large quantities from stockpiles. The tin price has been largely under the control of the London Metals Exchange which has little interest in the welfare of the producers.

Tin price decreased to almost half of what prevailed in 1980, thereby seriously threatening the economies of the three ASEAN producers since their own income from tin exports is quote large. It is only partly true that recession and technology have lowered the demand for tin since the release of tin from the American stockpile contributed much to the plummeting price of tin. The U.S. General Service Administration (GSA) was authorized by Congress to dispose of 30,000 tons of tin between 1 July 1980, and 30 June 1983. Until last week, 9,410 tons have been released mostly in the international market.

At first the United States gave the impression that the GSA stock would be released for domestic consumption only. However, in December 1981 the GSA started selling in the international market. The ASEAN producers charged that the move was "pure dumping."

Apparently the American intention was to prevent the emergence of an OPEC-like cartel of tin producers. But the three concerned ministers who met and formed the Tin Producers Association in Bangkok yesterday state that it was formed only to protect their interests and not aimed at pushing up the price of tin. It is indeed welcome news that Bolivia, the world's fourth largest producer of tin, has indicated that it will join the association.

Another point that has to be taken into consideration is that the United States has offered to hold high-level official consultations with the ASEAN producers, and that offer was reiterated yesterday here in Bangkok by U.S. Assistant Secretary for East Asia John Holdridge. But ASEAN producers have not reacted favourably to this proposal. The producers contend that the United States has so far shown no gesture towards relaxing its uncompromising attitude--the United States refused to join the sixth international agreement and has not stopped dumping tin.

It is time that the United States shows some positive and concrete indications of any good intention on her part. It is necessary that the newly-formed association should work with the United States which has been a consistent friend of ASEAN.

After all, the United States is the world's largest tin consumer and further holds a stockpile of about 200,000 tons. The United States must understand that she must not let this quarrel drift since she will be losing politically because the three ASEAN producers are only seeking fair prices to protect their economies. The argument that the United States seeks to dump tin in order to buy copper does not hold water--the United States could have easily come up with the money to buy copper without hurting the economies of her friends.

CSO: 4220/206

BRIEFS

MALAYSIA LIFTS BAN--Malaysia has lifted an import ban on cattle from Thailand following the eradication of foot and mouth disease in the southern provinces of the country. Director General of the Livestock Department Dr Thim Phansiri says that the disease has now been eradicated through the cooperation of the two countries. He says that Thailand and Malaysia have jointly carried out large-scale vaccination of livestock within a 50 km area inside their common border since 1980. Dr Thim says that the two countries have agreed to check and vaccinate the livestock every 6 months in an attempt to prevent new outbreaks of foot and mouth disease. He adds that Malaysia will import Thai cattle at about 200-300 heads per month to meet its local demand. [Text] [BK020555 Bangkok Domestic Service in English 0000 GMT 2 Jul 82]

ASEAN AGREEMENT ON SODA ASH PROJECT--Five member countries of the Association of Southeast Asian Nations or ASEAN have agreed to carry out a joint rock salt-soda ash project in Thailand. The agreement for this project was signed over the weekend in Bangkok in a ceremony presided over by Industry Minister Maj Gen Chatchai Chunhawan. The contract was [word indistinct] signed by representatives from Singapore, Malaysia, Indonesia, the Philippines and Thailand. About $277 million will be spent on the project under which the ASEAN Soda Ash Project Company Limited will be established. [Text] [BK270456 Bangkok Domestic Service in English 0000 GMT 27 Jun 82]

OFFICIALS MEET ON TIN PRODUCERS ASSOCIATION--About 20 officials from Thailand, Malaysia and Indonesia attended a ministers meeting in Bangkok yesterday to finalize details of the new Tin Producers Association. Malaysian Minister for Primary Industries Dr Paul Leong said that the association is not a cartel and it will play a complimentary and supplementary role to the 6th international tin agreement that goes into effect tomorrow. He also said that the association is aimed to raise tin consumption for the benefits of both producers and consumers. Meanwhile, Thai Indistry Minister Maj Gen Chatchai Chunhawan said other tin producers will be invited to join the association so that it will truly be beneficial to as many countries outside ASEAN as possible. Bolivia, the fourth major producer, has already announced its intention to join the association. [Text] [BK300632 Bangkok Domestic Service in English 0000 GMT 30 Jun 82]

KAMPUCHEAN REFUGEES RETURN HOME--About 8,000 Kampucheans who fled across the border into eastern border province of Trat since March when their stronghold was attacked by Vietnamese-backed forces have returned home, the

supreme command said yesterday. It said the Kampucheans were able to return because the Vietnamese forces in the area had withdrawn deeper inside Kampuchea. [Text] [BK300439 Bangkok NATION REVIEW in English 30 Jun 82 p 3]

WORLD BANK LOAN--The World Bank yesterday announced the approval of a U.S.$90 million loan, about 2,070 million baht, to the Petroleum Authority of Thailand [PTT] for the construction of its natural gas separation plant. The loan to PTT is guaranteed by the Thai Government. The loan is for a period of 20 years at an interest rate of 11.6 percent per annum. A grace period of 5 years is provided for before amortization of the loan, the bank said, and added that the loan also carries a frontend fee of 1.5 percent and an annual commitment charge of 0.75 percent on the undisbursed balance. [Excerpt] [BK251411 Bangkok NATION REVIEW in English 23 Jun 82 p 24]

TRADE DEFICITS TO IMPROVE--The Bank of Thailand has revealed that Thailand is expected to suffer a trade deficit of $2.08 billion this year representing a decrease of nearly 45 percent from the deficit during the preceding year. Exports of merchandise for 1982 will be about $7.4 billion while imports of the products will be around $9.5 billion. However, due to an expected decrease in capital inflow, the country's international reserves would decline. It is expected that at the end of this year the country's official reserves would stand at $2.5 billion as against $2.75 billion recorded at the end of last year. [BK020429 Bangkok Voice of Free Asia in English 1000 GMT 29 Jun 82]

CANADIAN ASSISTANCE--Canada has agreed to buy more Thai products to help reduce Thailand's growing trade deficit with Canada. The agreement was reached at a meeting between Canadian Foreign Minister Mark Macguigan and Foreign Minister of Thailand Air Chief Marshal Sitthi Sawetsila during his 2-day official visit to Thailand recently. Canada has also agreed to provide financial aids and technical assistance for several development projects in Thailand. [BK251213 Bangkok Voice of Free Asia in English 1100 GMT 22 Jun 82]

NATURAL GAS EXPORT PLAN--The Committee for the Development of Natural Gas for Export has approved a plan to export natural gas in an attempt to earn more foreign exchange. The decision was made during its meeting chaired by Prime Minister Gen Prem Tinsulanon early this week. The project will soon be submitted to the cabinet for final approval. During the meeting the committee also proposed that a special organization be set up to be responsible for the development of natural gas for export. Industry Minister Maj Gen Chatchai Chunhawan says that the gas development project, if approved by the cabinet, will be completed within 5 years. He adds that about 50 billion baht will be spent on the project. [Text] [BK020605 Bangkok Domestic Service in English 0000 GMT 2 Jul 82]

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END

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FRANCE LAUNCHING MAMMOTH PROJECTS IN ASIA

Kuala Lumpur BUSINESS TIMES in English 29 May 82 p 9

[Article by Gilbert Sedbon in Paris]

[Excerpts]

FRANCE has launched a major export drive in South-East Asia, including transfer of advanced technology, as part of President Francois Mitterrand's policy of boosting the French presence in the Far East.

The French Socialist government's strategy is to assist developing countries in mammoth projects with factories, finance, joint ventures and above all, the transfer of high technology, officials say.

"The object is to make business, big business, but also to help developing countries lessen their dependence on the US and Soviet Union," one official said.

The financing package includes a combination of commercial credits syndicated by European banks and government grants or cheap credit so that the average interest rate is attractively low. Until lately this averaged 7.5 per cent in place of the more than 18 per cent that would have been charged had the loans been taken only from Eurocurrency markets, bankers say.

President Mitterrand who recently visited Japan, accompanied by a large delegation of bankers and industrialists, is going to Indonesia before the end of the year to foster new economic links with the countries of the Asean.

French Prime Minister Pierre Mauroy is going to Kuala Lumpur in the next few months, following talks in Paris with Malaysian Deputy Prime Minister Musa Hitam who said that "a new era in French-Malaysian relations is henceforth opened."

Mr Mauroy has stated that the government granted Malaysia a credit line running into millions of dollars to assist its fourth five-year development plan. He called for closer co-operation particularly in the aeronautical and telecommunications fields.

Contracts

External Trade Minister Michel Jobert, Scientific Research Minister Jean-Pierre Chevenement and other Cabinet ministers as well as business leaders have been touring Asia booking orders from governments and companies.

Two spectacular deals were recently clinched in India, netting multibillion dollar contracts for French industry.

France has signed a US$3.2 billion deal for the sale of 40 Mirage 2000 combat aircraft, plus 80 others to be built at the Hindustan Aeronautics plant in Bangalore, in the southern state of Karnataka.

The other big contract involves modernisation of India's telecommunications system and extension of the network. The French telecommunications group Cit-Alcatel won a US$500 million contract in the face of tough competition from 10 other bidders.

The French are also building a US$700 million alumina plant in Orissa and have a stake in India's offshore drilling programme on the Western continental shelf that could be worth several hundred million dollars.

In Taiwan the French are trying for a foothold in Taipeh's nuclear energy programme. The French nuclear energy reactor builder Framatome is in the race for the next phase in the programme.

The French have been more successful in South Korea and won a billion-dollar contract for two nuclear power plants of 950 megawatts each.

The Mitterrand Administration is now striving to capture another billion-dollar deal in South Korea for a high-speed rail line between Pusan and Seoul to be built in time for the 1988 Olympic Games.

The French are trying to associate Japan in the construction of a new Airbus known as A320 and helicopters for sale on Asian markets.

France hopes to sell Japan its 1,200-megawatt Super-Phoenix fast breeder, a US$3.5 billion revolutionary nuclear reactor. The Japanese want to share the technology and negotiations are moving very cautiously at present, one industrialist said.

French locomotives and rolling stock have been selling well in China and oil companies are prospecting in the South China Sea, officials say.

In Australia, the French are pursuing talks on a uranium enrichment plant project in partnership with Japanese and Australian interests. Other ventures include offshore oil exploration. — Reuter

CSC: 4220/623

STAGGERING PROBLEMS OF ASIA-PACIFIC REGION CAN BE SOLVED

Kuala Lumpur NEW STRAITS TIMES in English 2 Jun 82 p 19

[Article by Peyton Johnson in Bangkok]

[Text]

THERE is a very old Thai saying that, "There is rice in the fields and fish in the water." That may have been true, not only for Thailand but for the whole vast region of Asia and the Pacific — once upon a time. It is becoming less and less true for the region today, there is less rice in the fields which houses above 55 per cent of all humanity, along with its almost endless problems, is often beyond the imagination of people from richer and less crowded parts of the world.

It is against this background that the United Nations Food and Agriculture Organisation (FAO) and its regional office for Asia and the Pacific (Rapa) in Bangkok, plus the country offices and FAO experts throughout the region, must struggle to help the less fortunate countries overcome, at least partially, their myriad ills.

Improvement

These are so complicated, complex, staggering and difficult to solve that FAO, as the agency specially charged with UN development assistance in the fields of agriculture, forestry and fisheries, can only hope to help the governments get started "on the right track" in facing their truly herculean, but by no means hopeless, problems during the rest of this century and probably well into the next.

It is, of course, the governments themselves, with assistance from other UN, bilateral and other aid agencies which must do the lion's share of the work.

Much, it is true, has been achieved. But much more needs to be done: As FAO director-general Dr Edourad Saouma said at the organisation's 15th regional conference for Asia and the Pacific held in New Delhi in March, 1980:

"There have been gains throughout the Seventies. Countries like the Philippines achieved self-sufficiency in rice. India built a 20-million-ton buffer stock of foodgrain. Burma is systematically curbing food losses. Thailand broke new ground with its Land Reform Law of 1975. The Republic of Korea launched a dynamic rural development programme through its Saemaul movement. Sri Lanka approved a series of progressive land reform laws. And the Pacific countries vigorously designed rural development programmes that dew on the strength of the traditionally communities structures.

"Much of those gains have, however, been negated by the effects of a growing debt burden, deterioration in terms of aid, protectionism, and falling off of aid, as well as — let us face it — international and civil conflict and its resultant disruption and ecnomic and human wastes."

Since the New Delhi conference, some of these problems have shown a slight improvement. Most of them have become even worse. How FAO can help the countries deal with them will be the main theme of the 16th FAO regional conference for Asia and the Pacific when it meets in Jakarta June 1-12.

Dr D.L. Umali, FAO assistant director-general and regional representative for Asia and the Pacific from 2971 through 1982, summed it up well. He once said: "Development occurs only when the basic needs of the poorest are met."

That the greater part of the Asia and the Pacific badly needs development in practically every field and practically at every level would not be denied by the most determined optimist. No one who knows the region at all would maintain that the majority of its too many millions are "well off." For as region holds the greatest percentage of the world population, so does it also hold the greatest number of world's poor. Nine of what the United Nations calls the LDCs or "least developed countries," are in Asia and the Pacific. One of them, Bangladesh, with over 90 million people and a population growth that as yet remains unchecked, accounts for about a third of the people in all 26 of the LDCs.

Double

■ World population is expected to reach, or indeed exceed, 6.5 billion by the year 2000. By far the biggest majority of these teeming masses will live in Asia and the Pacific. Unless immense efforts are undertaken, beginning now, the great majority will live in even more wretched misery and poverty than they do today by the end of the century.

■ The birth rate for the "developed," or rich countries, is expected to rise by eight per cent during this coming generation. In the "developing," or poor countries, it is conservatively esti-

mated to rise by 25 per cent.

■ If present trends continue, as they almost surely will, population in the developed countries will double in 85 years. In the developing countries it will double in 28 years.

■ The number of children per couple in Hungary is a mere 1.8, indicating a slight drop in population over the generation. In Japan, one of the world's richest countries and by far and away the richest of Asia and the Pacific, the figure is just two children per couple. In France the figure is 2.8, in the United States only 3. For Asia and the Pacific the figure is an ominous 6.8 children per couple. It does not take a demographic expert to conclude that unless this spiralling regional population growth is brought under control, great distress lies ahead.

As a placard in the lobby of Rapa's office in Bangkok puts it under the title *An Unbalanced Equation:* "The number of mouths to feed is growing faster than the amount of food produced and the problem is becoming more serious every year." Even that warning may be an understatement.

And then there is the all important matter of rice production, traditionally the region's major staple. Another Rapa placard entitled *Rice-Life Grain in Asia* states it simply: "Rice production in the region lags behind population growth."

This, too, bodes ill for Asia and the Pacific. Yet another Rapa placard says: "In the final analysis, it is population that will determine the quality of life on earth." This means that the quality of life in the region, already dismal in all too many tens of millions of cases, will become even more dismal yet.

There are, of course, many other problems, all related in one way or another, that plague this most populous of the inhabited areas of the globe. Fully 20 per cent of all Asian children, for instance, are born underweight. For Africa the figure is 15 per cent; Latin America, 11 per cent; Europe, 8 per cent; North America, 7 per cent.

What can be done about all that? Is the situation in the region hopeless?

Expand

The answer to the first question is "a very great deal, if we begin to act now." The answer to the second question is "No." Mankind after all took hundreds of centuries to work its way from barbarism and the caves to a state of civilisation. Very much of this "working upward into civilisation" took place in this very region. Asia is very old and very wise. Unfortunately, all too much of it today is also very sick. But it has lost neither its wisdom, its talents, nor its ability to face and overcome, provided it shows the will, problems, tremendous enough to make younger regions flinch in terror. Asia can do it again — if it has the will.

Here are just a few of the things that must be done, the sooner the better, for less pain for fewer people.

■ Over the next 10 years, the region must increase its grain production by a colossal 55 million tons annually. This would mean an increase of 60 per cent in the irrigated areas; increase improved seed supplies by 50 per cent a year; increase pesticide use by 200 per cent a year; increase fertiliser use, which most Asian farmers cannot at present afford, by fully 500 per cent a year.

■ The irrigated area itself, now only 26 per cent of the actively farmed lands of the region, must be greatly expanded. The most common estimate is that they must be at least doubled and preferable tripled. Even this will still only provide a slender margin of food production gain over population growth.

■ Forty per cent of the region's farmers, who make up a majority of its families, operate on less than one hectare. The implication here is quite clear — there must be more agrarian reform in more countries and it must take place more rapidly and with more justice to the poor. This problem will certainly be one of the most difficult, politically and socially, the region must face. The landed rich have never been known, anywhere on earth to give up their highly favoured positions without implacable resistance.

■ Animal power, which provides at least half of the energy that drives agriculture in the region, must also be greatly increased and better care taken of the animals and better breeds introduced. This becomes all the more imperative with every worsening of the world energy crisis, which so far shows no signs of abating.

Progress

■ The suicidal destruction of the region's once enormously rich forests must be stopped at once. Asia and the Pacific are losing an average of 5,000 hectares of prime timber land per day. The results of this practice, which by anybody's standards can only be called "madness," are more erosion, more floods, more pollution, grievous and perhaps irreparable loss of precious genetic resources. And on top of these huge economic losses, the men and women of the region will lose living space, greenery and even fresh air to breathe as well.

■ Milk production must be greatly increased, if for no other reason than to save more of the region's children from a protein-deficient diet. Here considerable progress has already been achieved but not nearly enough. In 1960 the region produced 20 million metric tons of milk a year. By 1980 milk production had almost doubled to 34 million tons a year. But by the end of the century, FAO experts insist, it must reach a minimum 50 million tons.

■ To "put more fish into the waters," as the Thai saying would have it, rural agriculture must be greatly expanded, both to provide poor farmers and fishermen with better incomes. In many parts of Asia and the Pacific, fish is traditionally the principal source of protein. Freshwater fish production presently seldom exceeds 100 kilogrammes per hectare in the region. FAO experts say this could be increased at least five-fold with relative ease — provided the will is there is do it.

■ Sea fisheries must also be greatly expanded and a serious attempt made to "clean up" the annually increasing coastal pollution.

As staggering as these problems may seem, none is beyond the capacity of the region, or humanity as a whole, to resolve. And there are many more urgent problems not touched upon here. They, too, must be dealt with.

For this or any other region one thing can be said without the slightest doubt or qualification. As FAO director-general Dr Saouma puts it: "Food is an incontestable right. Technical or food assistance cannot be made the wages of docility." — Depthnews Asia

CSO: 4220/623

CANBERRA FORGING CLOSER TIES WITH ASEAN

Kuala Lumpur BUSINESS TIMES in English 3 Jun 82 p 19

[Article by Soh Eng Lim]

[Excerpts]

RELATIONS between the Asean countries and Australia come into focus again this week with the holding of the second Asean-Australia Business Council joint meeting in Singapore.

Australian Prime Minister Malcolm Fraser stressed that, in recent years, more and more Australians from all walks of life have become increasingly aware of the close links between their future well-being and that of the Asian countries, including the Asean five.

Like its Asean counterparts, the Australian government has worked actively to strengthen the ties that had long been established with its immediate northern neighbours across a broad range of political and economic activities.

As Mr Fraser puts it, his government was particularly keen to encourage all Australians "to become involved in building bonds of friendship and cooperation with the people of the Asean region."

In the context of Asean-Australian relations, the main changes took such forms as Australia's extension of preferential tarrif arrangements to developing countries and the encouragement of investment in foreign territories (particularly joint venture projects in the Asian region) subject to the investments being "within accepted guidelines."

In pursuit of these aims Australia has entered into preferential trade agreements with Malaysia as well as New Zealand and Canada, and non-preferential agreements with Malaysia (1955), Indonesia (1972), the Philippines (1975) and Thailand (1979).

To develop ties of cooperation and progress in economic, social and cultural matters with its friends and neighbours, Australia became the first country to institute a formal "dialogue" relationship with Asean in 1974.

In subsequent years, economic and other cooperation between the two parties have continued and expanded at many levels through governmental, business and people-to-people contacts.

Among the major advances in the development of close ties between Australia and Asean was the formation (through the coming together of the Confederation of Australian Industry and the Australian Chamber of Commerce) of a consultative private business body to develop links with the Asean Chambers of Commerce and Industry (ACCI).

As a result of this an Asean-Australia Business Council was formed at a meeting in June 1980 in Kuala Lumpur.

The first joint meeting of the AABC was held in Manila a year later (June/July 1981). At this meeting working papers were presented by the various study groups on trade, shipping and investment set up previously as part of the AABC's continuing work programme.

The papers reviewed trade and shipping between Asean and Australia and examined impediments to the flow of investments and cooperation between the two regions in the transfer of technology.

The Manila meeting noted:

- Despite current world difficulties, there was general recognition by the council of better prospects for enconomic growth in the region, particularly for Australia, in the 80's. This encouraging scenario presented opportunities for structural developments that would enhance two-way trade and investment.
- There is a need for further initiatives and innovation in the shipping area to facilitate intra-Asean trade and Asean-Australia trade. The study group on trade and shipping would undertake further studies in this area.
- The Australian delegation announced that the development of an Australia-Asean management orientation/training course was being investigated to further Asean-Australian business relationships.
- Australia would initiate the Australian Executive Service Overseas Programme (Aesop).

Imbalance

Latest available statistics show that over the last 10 years trade between Australia and the Asean countries grew rapidly in value and importance, having increased "more than fivefold". There has been relatively high growth rates since the mid-1970s. The two-way trade in 1979 was estimated to be worth nearly $5.4 billion.

However the trade is tipped largely in Australia's favour and this imbalance has formed one of the key issues in talks between Australian ministers and government officials and their Asean counterparts.

As an official source puts it, there appears to be a growing understanding in the Asean countries of the problems facing Australia in restructuring its industry and providing employment in the present difficult world economic climate.

There also appears to be a general recognition that a strong Australian economy will provide a continuing and expanding market for Asean exports.

AUSTRALIAN TORPEDO MISSILE VERSATILITY INCREASED

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 p 116

[Text]

Ikara, the Australian torpedo carrying missile, can carry the US MK 44 and MK 46 torpedoes. At least three others - the Italian A2445, the Swedish TP 42 and the British Stingray - are feasible alternative payloads with appropriate system modifications. This makes Ikara potentially the most adaptable long-range anti-submarine weapon system in the world today.

Each of the five torpedoes is similar in size and weight, but each has been optimised to seek out and home on submarines operating in different maritime environments. Launched from a ship, Ikara is a long-range airborne vehicle which is guided throughout its flight to the constantly updated, predicted position of a submarine, where it drops its homing torpedo to attack and destroy the target.

Ikara is in operational service in ships of the Royal Australian Navy, the Royal Navy and the Brazilian Navy, where it has earned an unsurpassed reputation for accuracy and reliability.

An option to increase versatility and in particular to cater for smaller, anti-ship requirements is a new lightweight box-launched version. The ability to deliver the torpedo to the target with the extreme accuracy Ikara normally achieves, is not degraded with this proposed system.

Ikara was designed and is produced in Australia. The British Aerospace Dynamics Group acts as representative of the Australian government for Ikara sales promotion in many countries throughout the world.

CSO: 4220/214

DRAFT OF NEW CITIZENSHIP LAW AWAITS APPROVAL

Kuala Lumpur BUSINESS TIMES in English 2 Jun 82 p 19

[Article by Min Thu in Rangoon]

[Excerpts]

BURMA aims to introduce a three-category citizenship law if the unicameral People's Congress approves the new draft being placed before the public to solicit their views and suggestions.

A category would comprise Burmese nationals who are of pure Burmese blood as well as those belonging to the indigenous national races like the Shans, Karens, Kachins, Kayahs, Chins and Arakanese who have settled in the country before 1823.

The year 1823 was taken because Burma fought the first Anglo-Burmese war in 1824 and lost its independence after the third war in 1835 when many foreigners came in and resided in the country.

Every national is also a citizen but those taking permanent residence in a foreign country would not be regarded as citizens, according to the new draft.

The second category is composed of those of mixed blood among these nationals. The third category — naturalised Burmese citizens — includes other races and foreigners who entered Burma as immigrants during the British colonial rule.

Persons who are already citizens in accordance with existing laws when the new law comes into force would also be classified as citizens. Children born of parents one of whom is a foreigner and the other a national, or a citizen or a naturalised citizen would be regarded as temporarily naturalised citizens until they attain the age of 18 when they have to renounce their foreign citizenship and vow loyalty to Burma to become a naturalised citizen, according to the new draft. They would have to make this in one year before they attain the age of 19.

A foreigner who has resided with official permission for five years may apply for naturalisation while one married to a citizen could do so in three years.

Consent

Under the existing laws, such rights were given only to females married to citizen males but the new law has given equal rights to both men and women.

While applying for naturalisation they could also put in the list of their children under their control in the certificate of naturalisation to be issued to them.

But here the written consent of the foreign parent is necessary — a condition not provided under existing laws. An applicant for naturalisation would not be permitted to leave the country except when allowed to do so, within five years from the date the certificate of naturalisation is granted, says the new draft.

A citizen or a naturalised citizen would not lose his citizenship by marriage to a foreigner who would also not automatically acquire citizenship or naturalised citizenship by marrying a citizen, according to the new law.

Nationals and citizens would continue to enjoy the status which is not less than enjoyed by them before this new law comes into force, explained Dr Maung Maung, a member of the council of state and chairman of the law commission.

Naturalised citizens would also enjoy the rights almost the same as citizens but they would not have the right to be elected to serve political duties or serve as heads of bodies of public services, he said.

The new law would replace the Union Citizenship Act and Union Citizenship (Election) Act that came into force when Burma became independent in 1948.

Because of loopholes and weaknesses in the existing laws, Burma began drafting a new law since 1976. It was placed before the public to solicit their views and suggestions at the suggestion of party chairman Ne Win.

Official groups toured 11,933 wards and villages in 304 townships in the country to explain the new draft; the commission received 37,186 suggestions from 14 states and divisions, 293 townships, 1,255 organisations and 188 individuals.

Based on these suggestions this new draft was made and official groups have now begun explaining it to the people in various parts of the country.

After soliciting public views and suggestions it would be redrafted before submitting to the unicameral People's Congress. The new revised citizenship regulations are now necessary, according to official statements, because there "always run high risks involving national interests" in entrusting state responsibilities to non-nationals," meaning those not of pure Burmese stock. — Depthnews Asia

CSO: 4220/625

WASHINGTON CORRESPONDENT ON GANDHI U.S. VISIT

Bombay THE TIMES OF INDIA in English 24 Jun 82 pp 1, 9

[Article by J.N. Parimoo]

[Text] Mrs. Indira Gandhi's visit to the United States is expected to clear the way for solving the important bilateral problem of Tarapur.

Her discussions with key senators and congressmen may help dispel the fears that India is about to launch a nuclear weapons programme.

The Prime Minister is expected to take up with the U.S. President the issue of U.S. arms supplies to Pakistan and regional problems that it is going to create. Increased militarisation of the Indian Ocean and the Reagan administration's stand on multilateral aid given to India by specialised agencies like the World Bank and IMF are among other important issues expected to come up at the meeting of the two leaders here on July 29.

American observers believe that Mrs Gandhi has neither asked nor would she ever ask for any US arms aid but they believe she will explain to President Reagan how administration after administration in Washington, possibly under pressure from Pakistan, turned down Indian requests for arms purchases and drove New Delhi to other countries for arms.

Pro-Soviet Tilt

These observers believe that the so-called pro-Soviet tilt in Indian foreign policy may be the direct result of the wrong policy perceptions of the US in the sixties and early seventies.

According to these observers, it would be wrong to conclude that Mrs Gandhi wants to distance herself from Moscow. "She may want to clear American perceptions of the distance that lies between her and the Russians. She is no closer today than she has ever been or her father has been but it is the American perceptions that have changed."

Militarisation of the Indian Ocean is a subject to which Mrs Gandhi's government has consistently attached great importance because the superpowers' military presence in the region of India makes the entire coastline of the country vulnerable.

Considering the strained relations with China in the north and with Pakistan in the northwest and the secessionist activities in the east (also promoted by some foreign powers) the superpowers' presence in the Indian Ocean resulting in increased militarisation of the ocean creates an atmosphere of virtual encirclement for India. No heed has been paid by the superpowers to the U.N. resolutions on the Indian Ocean.

Mrs Gandhi is expected to make one more attempt to persuade President Reagan to keep the Indian Ocean free from superpower rivalries.

On the economic side, the focus of the Gandhi-Reagan talks is expected to be on the US attitude towards multilateral credit--the concessional credit provided by the World Bank affiliate, IDA, to India and the IMF loan. So far as the fund loan is concerned, the IMF management is more than satisfied with the economic performance of India and with the Indian government's policies and utilisation of the loan. The board of directors of the fund is expected to meet soon to take a decision.

As to the concessional credit that India has been getting from IDA, the credit that has been the mainstay of the external resources for development, there is already a sharp drop from 40 percent to 34 percent (of the total available IDA credit) caused by a cut in the contribution of the U.S. and other donor countries to the sixth replenishment.

The next contribution, that is the seventh replenishment, is a big question mark. Add to this the Chinese membership of the World Bank and the prospect of the IDA credit to India becomes more bleak. The US has an important part to play because other donor countries follow its lead.

Mr L.K. Jha, chairman of the economic administration reforms commission who is a trusted adviser of Mrs. Gandhi, is in Washington. He arrived here on Sunday.

He is scheduled to meet the World Bank president, Mr Clausen, and the IMF managing director, Mr Larosierie. Mr Jha will also meet Mr Sprinkel, under-secretary for the treasury, to discuss the US attitude towards the credit supplied by the bank and the fund to India.

Mr Jha is also expected to meet his old friend, Mr Alexander Haig, to have preparatory discussions on the forthcoming visit of Mrs Gandhi. He is also scheduled to meet Indian scientists and investors in New York on Saturday to discuss with them the possibility of investing in India's development.

Another adviser of Mrs Gandhi, Mr G. Parthasarathy, is also visiting Washington reportedly in connection with the visit of the Prime Minister. He has come to New York to attend a seminar on foreign policy.

Meanwhile, the programme for Mrs Gandhi's visit to the US is receiving the final touches. The Prime Minister is scheduled to arrive in Washington in the evening on July 28 and the next day she will be received formally by the President at the White House where the talks between the two leaders will be held.

She will have luncheon with the secretary of state, Mr Alexander Haig and attend a banquet given by President Reagan. On July 29, Mrs Gandhi will meet members of the Senate and the House of Representatives at two separate meetings. The meetings have been convened by the Senate Foreign Relations Committee Chairman, Mr Charles Percy and the House Foreign Affairs Committee Chairman Mr Zablocki.

On July 30 the Prime Minister will address the Indian community in Washington and have luncheon at the National Press Club. In the evening there will be a reception by the ambassador.

In the course of her five-day stay, Mrs Gandhi is also expected to visit the world Disney centre in Florida. She will address a number of meetings in New York. She will address the Indian community, the foreign association, the Far East Association and the Asia Society. Her programme for San Francisco has not yet been finalised.

The Prime Minister's office is believed to have been flooded with letters of invitation from the west coast, from south and from midwest, but she has not been able to accept most of them.

An interesting sidelight of the Prime Minister's visit is that she will have to stay in a hotel here during her brief visit because Blair House, which is just opposite the White House and where all foreign dignitaries stay during their official visit, is being repaired.

According to official sources here, it will take five months to repair it and therefore, Blair House would not be ready in time for Mrs Gandhi's visit. All foreign dignitaries visiting the White House in the meantime like the President of Cameroon or the Prime Minister of Israel will have to stay in a hotel.

CSO: 4220/7535

MALTA GOVERNMENT SENDS INVITATION TO GANDHI

New Delhi PATRIOT in English 21 Jun 82 p 3

[Text]

The Government of Malta has renewed its invitation to Prime Minister Indira Gandhi to visit the island state in the Mediterranean.

Talking to UNI, Deputy Information and Broadcasting Minister Arif Mohammed Khan said he has brought a message from the Maltese leaders requesting Mrs Gandhi to visit the island at an early date.

Mr Khan, returned from Malta on Saturday after attending the two-day meeting of the Non-Aligned Inter - Governmental Council for Coordination of Communication and Mass Media.

He said Mrs Gandhi was held in high esteem and was virtually a household name in Malta.

Mr Khan said he met Maltese Prime Minister Dom Mintoff, Deputy Prime Minister Wistin Abela and Foreign Minister Alex Sciberras Trigona and discussed with them matters of mutual interest.

He said all of them expressed a keen desire to increase trade and technical ties between the two countries. Mr Khan offered India's assistance in boosting the print media in Malta. . He apprised them of the expertise and technical know-how available in this regard.

Being a member of the non-aligned world, Mr Khan said Malta was anxious to enlarge and strengthen its relations with other non-aligned nations. The Maltese leaders wanted collaborative arrangements with India in ship-building. For this Malta was now dependent on Yugoslavia and Sweden.

CSO: 4220/7526

JANATA LEADERS DISCUSS ELECTION FAILURE

New Delhi PATRIOT in English 21 Jun 81 pp 1, 7

[Text]

The Janata Party appears to be passing through an agonising reappraisal with some of its top leaders raising doubts about its very existence, reports UNI.

Since the Janata Party fared badly in the 19 May mini-general elections, its general secretary Bapu Kaldate in his report points out, 'other parties are trying to write it off and to a certain extent people may eventually think on the same line.'

Another general secretary S Shahabuddin, MP, also took note of what he calls 'spate of comments in the national press writing off the Janata Party.' Mr Ramakrishna Hegde, the senior most general secretary, admits that these elections have laid bare certain in-built weaknesses of the party which it has been trying to gloss over.

Besides the reports of the three general secretaries, documents prepared by other leaders on the party's poll debacle are being discussed in the party ranks to identify the causes for the party's organisational and ideological weaknesses.

Haryana Janata Party chief Sushma Swaraj finds fault with the general secretaries who 'did not take any interest in Haryana elections. 'I am pained to point out that no general secretary was available at the centre during the election campaign and they were more or less inactive,' says Mrs Swaraj.

Kerala leader K Chandrasekharan is critical of Mr Morarji Desai's public utterances which according to him had 'adversely affected the party's poll prospects in the State. The statement of the former Prime Minister objected to by Mr Chandrasekharan was that the 'Janata Party does not desire to go with the CPI-M into the Government.' Though the two parties went to the hustings as partners in the left front.

What worries Mr Hegde is the lack of cohesive thinking and planning' in the party. It has not been able to mobilise resources and has been the victim of inertia and a prisoner of inaction at various levels, the party general secretary observes.

Mr Kaldate wants the party to jettison its 'vague shape and character' and try to build itself up as a party with a 'clear ideology.' In the process some people may opt out of the party for which there should be no regret, he adds. Mr Shahabuddin expects the party to define its 'social constituency' and 'strategic goals.'

The party leaders including general secretaries hold conflicting views about the need for unity with other opposition parties. While Mr Kaldate makes out a strong case for opposition unity, his colleague, Mr Hegde puts on record that the 'singleminded pursuit of opposition unity did create a wrong impression that its weakness was driving the leadership towards a mirage of opposition unity for self-survival'.

But, the third general secretary Shahabuddin has no doubt that the Janata Party would have done well in the elections had it kept itself aloof from the 'unity game' like the Bharatiya Janata Party.

Dr Subramaniam Swamy, MP, who was incharge of the party's electioneering in Himachal Pradesh, calls for immediate suspension of all unity talks with other parties. Mr Harmohan Dhavan, president of Janata Party in the Union Territory of Chandigarh, feels that the unity talks made the party a 'laughing stock in public and lowered its image.'

CSO: 4220/7526

NOMINATION OF OPPOSITION CANDIDATE REPORTED

Papers Filed

Bombay THE TIMES OF INDIA in English 24 Jun 82 pp 1, 9

[Text] New Delhi, June 23--Representatives of most opposition groups in parliament have signed as proposers and seconders on the nomination papers of Mr H.R. Khanna, former judge of the supreme court, filed with the returning officer today.

Among the proposers were Mr Indrajit Gupta and Mr Jagjivan Ram, Mr Charan Singh, Chandra Shekhar.

The 70-year-old jurist, chosen by the opposition at the end of a long search for a candidate, told newsmen that he accepted the nomination in "deference to the wishes of so many parties."

He declined to be drawn into any political discussion except when pressed by newsmen, to explain his preference for the parliamentary system over the presidential system.

He also preferred not to join issue with anyone over the government policies.

Mr Khanna, who had the distinction of having been a minister in Mr Charan Singh's government for a little over 24 hours, resigned in 1977 as judge of the supreme court when he was superseded.

Mr Khanna's was the 36th nomination paper to be filed in the eighth presidential election. No other nominee, except Mr Zail Singh, has any proposer or seconder. Obviously, Mr Zail Singh and Mr Khanna will be the two main contenders.

Later, talking to newsmen, Mr Khanna said that a contest being part of the democratic process was good. All that I would say is that I value very much the confidence reposed in me by the political leaders whom I hold in high esteem," he added.

Repeatedly asked about the role of the president, he said that in the parliamentary system, policies were always formulated by the cabinet.

About the comparative merits of the presidential and parliamentary systems, he recalled the long articles he had written in "The Times of India" and other journals. Mr Khanna said he had pointed out that whatever be the experience of countries like the U.S. and France, in Asia and Africa, wherever a presidential system functioned the leadership changed only as the result of a death or coup. Only in a parliamentary system, a leader like Mrs Gandhi could be voted out of office and be then returned to power, he added.

In a related development, the Lok Dal central office released the text of letter exchanged between the Prime Minister and Mr Charan Singh.

In her letter dated June 21, Mrs Gandhi spoke of the consultations on the consensus proposal with legal and constitutional experts and its reference to the Congress (I) parliamentary board. She wrote, "The opinion has emerged that successive presidential elections since 1952 do not indicate the existence of any 'consensus' of the kind you mention. The mode of election is laid down by statute and there has been no express or implied refinement thereto. There is always the possibility that everyone's choice might fall on the same person in a given case. But that certainly cannot be called a consensus, nor can it be generalised accordingly.

"Even as I was consulting my senior colleagues, we got the news that you had announced your candidate. Doesn't this indicate that you yourselves were not serious about consensus?"

In his reply, Mr Charan Singh stated, "We had suggested this course because in our opinion the dignity and authority that the highest office in our polity commands, demanded that it be held by a person who enjoyed the widest possible support and esteem of the people. More than this, you have tried to twit the opposition by saying that by announcing our nominee's name when discussions in the meeting of your parliamentary board were still proceeding we have, in a way, proved that in fact, we ourselves did not want a consensus. Now, nothing could be more incorrect and indeed, more unfair.

"It seems clear to us that you were deliberately delaying an announcement of your choice to prevent the opposition, consisting of so many parties as it does, from taking a decision in time. First, you fixed a meeting of your parliamentary board on June 15 for the purpose. Then you postponed it to June 21 and 22 so that you were free to announce your decision till the evening of June 22, knowing that June 23 was the last date for filing nomination. Obviously all this delay on your part could not be without a design."

Now that the deadline for nomination is over, the presidential poll will provide a straight contest between Mr Zail Singh and Mr Khanna.

The DMK president and former Tamil Nadu chief minister Mr M. Karunanidhi, several members of the party, Mr R. Mohana Rangam (AIADMK), Mr Ibrahim Sulaiman Sait of the Muslim League, and Mr Ravinder Singh of the Akali Dal (L) were among those who proposed the candidature of Mr Zail Singh in the three separate papers filed today.

Texts of Gandhi, Charan Singh Letters

Madras THE HINDU in English 24 Jun 82 p 10

[Text] New Delhi, June 23--The letters exchanged between Mrs Gandhi and former Prime Minister Mr Charan Singh on their respective positions on the choice of a Presidential candidate, show there was no meeting point.

The following is the text of the letters:

From Mrs Gandhi to Mr Charan Singh:

New Delhi, June 21, 1982

Dear Chaudhury Charan Singh,

I write in continuation of my reply dated 17th June to your letters on the Presidential election. I placed the correspondence before the Congress Parliamentary Board and have also held consultations with some legal and constitutional experts. The opinion has emerged that successive Presidential elections since 1952 do not indicate the existence of any 'consensus' of the kind you mention. The mode of election is laid down by statute and there has been no express or implied refinement thereto. There is always the possibility that everyone's choice might fall on the same person in a given case. But that certainly cannot be called a consensus, nor can it be generalised accordingly.

Even as I was consulting my senior colleagues, we got the news that you had announced your candidate. Doesn't this indicate that you yourselves were not serious about consensus?

With regards

Yours sincerely,
Indira Gandhi

Charan Singh's Reply

From Mr Charan Singh to Mrs Gandhi

June 22, 1982

Dear Prime Minister,

I write this in reply to your letter which I received at about 10 last night.

You have been pleased to point out in reference to our correspondence about the desirability of a consensus of political opinion in regard to the election of President of the country, that the Constitution does not provide for any such process. But surely, no democratic Constitution could possibly do so in writing. We have suggested this course because in our opinion the

dignity and authority that the highest office in our polity commands demanded that it be held by a person who enjoyed the widest possible support and esteem of the people. More than this, you have tried to twit the Opposition by saying that by announcing our nominee's name when discussions in the meeting of your Parliamentary Board were still proceeding, we have, in a way, proved that in fact we ourselves did not want a consensus. Now, nothing could be more incorrect and indeed, more unfair.

It seems clear to us that you were deliberately delaying an announcement of your choice in order to prevent the Opposition, consisting of so many parties as it does, from taking a decision in time. First you had fixed a meeting or your Parliamentary Board on June 16 for the purpose. Then you postponed it to June 21 and 22 so that you were free to announce your decision till the evening of June 22 knowing that June 23 was the last date for nomination. Obviously all this delay on your part could not be without a design.

Ever since the statement you made in Bhubaneswar, various office-bearers of your party have been denouncing the very concept of consensus. In your own earlier letter, while you had promised to place our plea before your Parliamentary Board you had given no indication that you would consult the Opposition before announcing the name of your nominee. Nor did you communicate to us at any stage what reservations you had with regard to the suitability of the consensus candidate proposed by us. Only when it became quite clear that you had no intention to consult the Opposition we proceeded with the selection of our candidate.

As regards the merits of your candidate I must be excused if I say that it is not a happy one. With the report of the commission of enquiry consisting of Justice Gurudev Sing still gathering dust in the Secretariat of the Punjab Government since 1980 which held that out of 50 charges that were entrusted to him for enquiry, 35 stood prima facie proved, the people in general will not be far from wrong if they see in your choice an attempt to strike another nail in the coffin of the democratic institutions of the country.

With regards

Yours sincerely
Charan Singh

CSO: 4220/7535

BIHAR ADMINISTRATIVE SHAKEUP

Calcutta THE STATESMAN in English 24 Jun 82 p 1

[Text]

PATNA, June 23.—The Bihar Cabinet, in a major administrative shake-up, today named a new Chief Secretary, created the post of an additional Chief Secretary and transferred 37 IPS officers, reports PTI.

Official sources said here that the Development Commissioner and senior-most IAS officer in the country, Mr Subash Kumar Mukherjee, was appointed Chief Secretary to the State Government, replacing Mr P. P. Nayyar, who will take up his new assignment as Special Secretary, Home, Government of India.

Mr J. C. Kundra, Finance Commissioner, was named the new Additional Chief Secretary.

The Cabinet also decided that the Commissioner of Commercial Taxes, Mr B. P. Verma, would replace Mr Kundra, while Mr Narendra Pal Singh, till now the Labour Commissioner, would take up the former's post.

In the State Police shake-up of the 37 IPS officers to have been transferred is the Inspector-General of Police for Home Guards, Mr Sudhistha Narain Singh, who has been appointed I.G. (Prosecution).

CSO: 4220/7537

COMMERCE MINISTER SPEAKS AT LONDON MEETING

New Delhi PATRIOT in English 23 Jun 82 p 5

[Text]

COMMERCE Minister Shivraj Patil has urged India and the United Kingdom to take a fresh look at the emerging patterns of their economies and to see how their complementarities could be exploited further to mutual advantage.

He was speaking at the opening session of the Indo-British Economic Committee meeting which began in London on Tuesday. He is leading a high powered Indian delegation. The British delegation is led by Minister of Trade Peter Rees.

Mr Patil said there was considerable scope for setting up complementary production units in India for providing components to British original equipment manufacturers and producing goods and machinery at comparatively less cost for the purpose of exports to other markets.

He felt cooperation between the Indian and British firms in third country contracts and joint ventures was another area where efforts so far made had barely touched the fringes of the immense potential.

Mr Patil also urged the UK Government to intervene favourably in arriving at a suitable bilateral textile agreement with the European Economic Community so that a satisfactory solution could be found to this problem which would also help India in promoting its exports in the face of its growing trade deficits.

The Minister expressed India's concern at the growing balance of payment difficulties and said India's trade deficit with UK had been steadily increasing for the last three years.

He said unless there is a comparable increase in the exports, India could not sustain its imports from Britain for long. The situation will reach alarming proportions in the near future with the implementation of the various projects in the pipeline including those in the power and coal sectors.

He sought UK's cooperation to ease the situation. The Minister also urged the British Government to intervene to improve the EEC, GSP regime for which India had already requested.

Mr Patil recalled that a committee of the British Parliament had pointed out the distortions which had crept into EEC's policies towards the developing countries and suggested that British Government should take steps to restore the balance.

CSO: 4220/7534

FIGURES ON EXPORT FOR 1980-81 RELEASED

New Delhi PATRIOT in English 21 Jun 82 p 8

[Text]

An analysis of India's export of jute goods in the jute year 1980-81 (July-June) reveals a sharp increase in the shipments to West Europe, East Europe, and Africa but a substantial fall in respect of the US, Far East and Australia, reports UNI.

According to figures compiled by the Indian Jute Mills Association, the total exports of jute goods to the UK increased from 12,800 tonnes in 1979-80 to 17,800 tonnes in 1980-81, and to the rest of West Europe from 39,300 tonnes to 78,500 tonnes.

Export to USSR jumped from 102,200 tonnes in 1979-80 to 217,500 tonnes in 1980-81 and to the rest of East Europe from 23,200 tonnes to 34,100 tonnes in this period.

The offtake of jute goods by Africa which had declined from 15,500 tonnes in 1978-79 to 14,500 tonnes in 1979-80 shot up to 34,100 tonnes in 1980-81.

SETBACK IN US

But in the US there has been a steady set-back. Export to this market declined from 87,900 tonnes in 1979-80 to 74,000 tonnes in 1980-81. The decline was mainly in the export of carpet backing from 59,200 tonnes in 1979-80 to 33,800 tonnes in the next year.

In the earlier years the US had imported substantial quantities of Indian jute goods, the total amounting to 160,400 tonnes in 1975-76, 118,00 tonnes in 1976-77, 142,800 tonnes in 1977-78 and 96,100 tonnes in 1978-79.

Exports to Canada rose from 10,7000 tonnes in 1979-80 to 11,700 tonnes in 1980-81 and to Argentina from 2,200 tonnes to 6,700 tonnes. To the rest of America India exported 9,900 tonnes in 1980-81 compared to 5,200 tonnes in 1979-80.

CSO: 4220/7526

NIGERIAN TRADE MISSION DISCUSSES JOINT VENTURES

Calcutta THE STATESMAN in English 23 Jun 82 p 9

[Text] New Delhi, June 22--A trade mission sponsored by the Calabar Chamber of Commerce and Industry of Nigeria and led by its president Mr C.U. Nyong held a one-hour talk with the Federation of Indian Chambers of Commerce and Industry here yesterday on the possibilities of setting up joint ventures and increased commercial exchanges.

The meeting was presided over by Mr Shripati Singhania, A FICCI committee member, and was attended by people representing business interests, including public sector organizations.

A Press release issued by FICCI today said that the visiting mission evinced keen interest in Indian collaboration in development of its agriculture, mining and of industries for food processing, manufacture of agricultural equipment, fertilizers, and beverages. The Cross River State of Nigeria, whose capital is Calabar, is rich in petroleum and valuable minerals such as iron ore, tin, manganese, uranium and also palm oil, timber and rubber. The State with a population of more than 5 million has a modern port, a good road network and an international airport.

Mr Singhania referred to the visit of the FICCI delegation to Nigeria in March and hoped that as a result of the discussions held with Calabar trade mission the communication gap which affected closer economic relations between the two countries, would get mitigated.

India's share in Nigeria's global imports, he pointed out, was very meagre. Obviously the possibilities of trade with each other had not been fully explored. India, for instance, could supply not only food products, including rice but a variety of manufactured produces, both consumer and capital goods, such as complete plant and machinery, transport equipment, chemicals and other pharmaceutical products. He felt that India too could import items like cashew kernal, hides and skins, rubber and tin from Nigeria.

CSO: 4220/7532

ADDITIONAL SOVIET T-72 TANKS FOR INDIA

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 p 78

[Text]

The Indian Government has decided to purchase a further, unspecified quantity of *T-72* MBTs from the Soviet Union. The Indian Army already has a batch of 70 *T-72s* in service; these tanks, however, ordered in 1977/78 and delivered from the middle of 1979 onward, were mainly for evaluation purposes, as India intended to develop its own MBTs to start replacement of the 1,000 or so *VIJAYANTA* tanks (modified Vickers Mk. 1 built under licence) produced so far at the Avadi plant.

However, it was reported the programme for the new indigenous MBT has now been postphoned for at least ten years. This is because of serious difficulties in the planned indigenous development of a 1,500 horse power diesel engine. After having considered the possibility of purchasing a modern diesel abroad, India has finally decided to purchase more *T-72s* tanks as an interim measure.

The *T-72* tanks are being supplied by Soviet Union at a price of about 1.2 million US dollars each, a low figure when compared to the current prices of Western Main Battle Tanks.

CSO: 4220/214

INDIAN COAST GUARD PROFILED

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 pp 82, 84

[Text]

The Coast Guard, the youngest of the Armed Forces in the country, completed five years existence on February 1, 1982, having started operations in 1977 with two Naval Frigates and five patrol boats. As an interim measure the Force operated initially as part of the Indian Navy. It was formally constituted as an Armed Force of the Union of India on August 19, 1978 under the Coast Guard Act of 1978. The ships which were then operating with the interim Force, were permanently transferred to the Coast Guard and commissioned as Coast Guard ships after formal inauguration of the Service.

Under the Coast Guard Act, the force is enjoined to protect the maritime and other national interests in the maritime zones of India. The area of responsibility of the Service is approximately 2 million square kilometres, equal to roughly half the land mass area of India. It is the primary agency employed to enforce India's sovereign right for exploitation of all living and non-living resources in the Maritime Zones and to administer the provisions of various legislations passed by the Parliament for this purpose.

India's Maritime Zones are rich in high quality tropical fish and attract a large number of poachers from different countries. Flying flags of convenience, these unscrupulous and mercenary vessels have for long exploited the resources in India's exclusive economic zone. (EEZ)

Since its formation the Coast Guard has been very active in safeguarding these maritime resources. At present no less than 24 foreign fishing vessels are being prosecuted for poaching within the Maritime Zones. The presence of Coast Guard ships at sea also gives a sense of security to thousands of Indian fishermen.

The Coast Guard Headquarters are located in New Delhi, mainly for closer interaction with Naval Headquarters and a number of Ministries having an involvement in the Maritime Zones. The operational Headquarters are located in Bombay, Madras and Port Blair, to look after the three regions, namely the Western, the Eastern and the Andaman and Nicobar regions, respectively.

Each Regional Headquarters controls a District Headquarters, and a number of Coast Guard Stations which provide local support to Coast Guard ships. There is a District Headquarters in each of the Coastal States. Some District Headquarters have

already been activated. A Rs. 100-crore ($110 million) Plan for the development of the Service during the period 1979-84, has been approved by the Government. The Plan, which includes induction of ships, helicopters and aircraft into the Service, is being implemented. By 1984 five Seaward Defence Boats, ten Inshore Patrol Vessels, three offshore Patrol Vessels, three helicopters and five surveillance aircraft will join the Coast Guard force. All the seaward defence boats and most of the patrol vessels are being built in Indian Shipyards.

Currently, the Coast Guard is manned by 102 officers, 703 sailors and 157 civilians. A majority of the uniformed personnel are seconded from the Navy. The Coast Guard has also started building up its own regular cadre. So far 37 officers and 210 sailors have been recruited and trained. The basic training is carried out in Naval training establishments. However, dependence of the Service on seconded Naval personnel, at least in the higher and upper middle levels, will continue for a number of years. The existing infrastructure of the Navy provides considerable assistance to the Coast Guard.

The Coast Guard is also required to assist the Customs in their anti-smuggling operations. It has been decided by the Government that the sophisticated craft used by the Customs in anti-smuggling operations will be manned and maintained by the Coast Guard. The existing fleet of interceptors with the Customs Marine Organisation and their crew are being merged with the Coast Guard with effect from April 21, 1982.

There is an increased awareness of the vast wealth that lies unexploited in India's EEZ. The need to safeguard this national wealth by means of a well-equipped, alert and effective organisation, is increasingly being met by the Coast Guard.

CSO: 4220/214

INDIA SIGNS SUBMARINE CONTRACT

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 p 84

[Text]

It has been after many months of uncertainty concerning the deal with HDW that the government of India has finally decided to go ahead and procure the German-designed submarines. Under the terms of the contract, signed in early December 1981, the German shipyard will build two submarines, the first to be delivered at the end of 1985, and the second six months later. A further two submarines will be built in India, under licence, at Mazagon Docks, in Bombay.

The signing of the contract had reportedly been held up mainly as a result of differences between the two parties regarding a significant escalation in the cost of spare parts and training (a six-fold increase in 18 months) and HDW's inability to make certain modifications to meet Indian Navy specifications (particularly relating to noise reduction). Another point to be settled was the reluctance of the German Government to provide guarantees in writing regarding the supply of spare parts and the transfer of technology. Presumably these problems have now been settled.

Details of the submarine's equipment have not been released. It is understood, however, that, whereas HDW traditionally uses Signaal fire-control equipment and Thomson-CSF ESM systems, the Indian submarines may be fitted with US equipment - a Singer Librascope fire-control computer and an Argo Systems ESM suite. It is also understood that Italian torpedoes will be fitted in the submarines.

CSO: 4220/214

GANGES EXPLOITATION SCHEMES EXAMINED

Calcutta THE STATESMAN in English 14, 15 Jun 82 p 8

[Article by Sunil Kumar Munsi]

[Text]

AS India and Bangladesh prepare to negotiate renewal of the 1977 Farakka agreement, Sunil Kumar Munsi, Professor of Geography at Calcutta's Centre for Studies in Social Sciences, says that the total flow of water in the Ganga will always seem insufficient for the multifarious needs of one of the world's most densely peopled regions. Hence plans to augment supplies by storing monsoon rain, tapping ground water reserves and transfers from other rivers. Discussing the various schemes, and the proposal for a National Water Grid, Dr Munsi regrets that every additional drop of water is likely to be used up in the Ganga's upper reaches, leaving nothing to flush out the silt-choked port of Calcutta, or to meet Bangladeshi requirements. Dr Munsi will conclude this survey tomorrow.

IN the third week of May this year an Indian delegation headed by Mr P. V. Narasimha Rao, the External Affairs Minister, was in Dacca on a goodwill mission. The joint communiqué issued at the conclusion of talks pointed out the necessity of intensifying efforts for a mutually acceptable solution to the problem of sharing Ganga water at Farakka. This, together with the more basic problem of augmenting the river's flow, appears to have come up for a probing discussion as the Farakka agreement between India and Bangladesh will expire in November, and the two countries will have soon to initiate talks on the issue. Press reports indicate that India is unhappy with the present agreement which is considered disadvantageous. Moreover, India does not favour any involvement of Nepal in the question of sharing Ganga water.

SPECIAL DEMAND

It is obvious by now that with an ever-increasing and multifarious demand on the Ganga throughout its run in India of nearly 2,500 kilometres, and over 200 kilometres in Bangladesh, no sharing, however just and logical, can ever be satisfactory to either party, given the rather limited quantum of water against a sharply rising population and its needs for agriculture, industry, navigation and a host of other activities. The Ganga basin is one of the most densely populated regions of the world. It has Calcutta, one of the ten major ports of India, located on the river nearly 100 kilometres away from the sea, making a special demand for navigation. In a situation like this, the Farakka agreement can at best be an interim solution aimed at partially meeting the requirements of the lower basin, with planned disbursement of the available quantum to West Bengal and Bangladesh.

When we talk of the limited or available quantum, we have in mind that though the Ganga, and a number of its major tributaries are snow-fed, a substantial quantity of water is added to its flow from rains during the monsoon months, much of which is lost in

unregulated run-off. Of the 493,000 million cubic metres of total average annual discharge of the Ganga in India, only a limited quantity is used, given our existing level of water management. The problem of augmentation of the flow is basically the problem of guaranteeing an additional flow of water during the lean months. of increasing the usable quantity of Ganga water throughout the year for the entire basin, whether in India or in Bangladesh.

It is well-known that there are three alternatives for such augmentation of the flow in the Ganga: storage of surplus for supply in lean months, adequate utilisation of the basin's ground water potential, and acquiring additional water through inter-basin transfers. Over the years, all the three alternatives have been rather disjointedly discussed and debated in the Indian Press.

India's share of the Ganga basin is almost one-third the total area of all the major river basins in the country, with more than a proportionate share of the total average annual discharge. Of the major tributaries of the Ganga which originate in the Himalayas, the Ghaghara is the largest contributor. It is followed by the Yamuna, Kosi, Gandak, Ramganga, Gomti, Buri Gandak and other rivers. The Son is the most substantial contributor from the south. The total volume of these contributions can be gauged from the fact that near Patna, the Ghaghara alone annually adds over 94,000 million cubic metres of water, while the Son and other basins between the Tons and the Son, add nearly 32,000 million cubic metres.

As no detailed snow surveys have been conducted, it is difficult to assess quantitatively the amount of water contributed either by snow melt or rainfall for rivers like the Yamuna, Ramganga, Ghaghara, Kosi and so on, which rise in the northern snow fields. Very broadly speaking, one can say that nearly 80 per cent of the flow in the Ganga basin occurs in the four monsoon months, with 20 per cent spread over the remaining eight months. The problem, therefore, is of storing the excess of the four months for equitable distribution throughout the year.

SOUTH BANK

Of the major north bank tributaries, storage reservoirs in the form of dams or barrages have been constructed on the Ramganga, Gandak and Kosi. So far as the south bank tributaries are concerned, three dams have been constructed on the Chambal, and there is also a dam on the Rihand river, which is a tributary of the Son. Evidently, there is still ample scope for training the remaining major tributaries which are left out, and increasing the storage capacity of the already trained rivers through strings of minor dams on smaller tributaries in sub-basins.

It is known that the upper reaches of the Ganga's Himalayan tributaries do not offer suitable sites for providing storage because of the steep terrain; also because the Himalayan belt is prone to earthquakes. But their courses through the foothills offer such possibilities. A study by the Central Water and Power Commission established that even comparatively small storages on the Ganga's smaller tributaries could contribute substantial increases in the total volume of water in the Ganga during the dry period.

But the problem is not just one of increasing the total storage capacity of surface flow in the Ganga basin. Equally serious is the problem of adjustment between local, regional and national demands. So far, every additional project for storing water has been aimed at meeting some urgent and legitimate local or regional demand. The Ramganga Project consisting of a reservoir at Kalagarh, is to supply water to the upper and lower Ganga canal and the Agra canal, besides direct irrigation. The Gandak project consists of a barrage on the Gandak with two canals which will supply irrigation water to an additional 1.4 million hectares in Bihar. The Kosi barrage will irrigate another million hectares in the same State. The Chambal and the Son projects also have similar aims.

In fact, the water-hungry land consumes on the spot every additional gallon of water available. What happens then to the needs of the lower basin or peripheral areas unless an integrated rational budgeting is done keeping in view the requirements of the entire basin spread across nine Indian States, as well as of Bangladesh up to Goalundo?

Unfortunately, while the plan for a National Water Grid of India prepared by the Central Water and Power Commission, envisages the use of the Ganga's surplus monsoon water to meet the needs of the Cauvery, not much thought appears to have been given to the use of the surplus within the basin itself, particularly in the peripheral areas.

MAIN SOURCE

Mr K. L. Rao, former Union Minister for Irrigation and Power thought that considering India's existing sources of water, the Ganga had to be the main source of surplus water for planning any national integrated system. In principle, he was not against meeting the requirements of the basin first, and then diverting the surplus water for use as a supplementary source in areas of need. Nevertheless, under his instruction the Central Water and Power Commission formulated the scheme known as the Ganga-Cauvery Link Project. The scheme proposes to lift up to 1,700 cusecs of water from the Ganga by constructing a barrage near Patna and a canal taking off on the right bank. Of the volume pumped, 290 cusecs will be supplied to the drought-prone areas of south Uttar Pradesh and south Bihar which are located within the basin itself. The rest will be pumped to areas outside the basin.

The obvious questions which remain to be answered are: What happens to the two-thirds of the cultivated areas of the Ganga basin which go without irrigation and have to depend entirely on rain water? What happens to the 40,000 cusecs of water to the Hooghly-Bhagirathi which were assured but never realized? What happens to India's international commitments?

There are, of course, a number of other schemes to augment the supply of water in the upper and middle reaches of the Ganga.

One such scheme has been drawn up involving the Kosi. Experts appear to be certain that in the next 15 or 20 years, three major dams will be built across the Yamuna with a total capacity of two million acre feet. There are also proposals to construct dams at Kotli Bhel on the Ganga; across the Sarda at Pancheshwar with a capacity of 3.5 million acre feet; one across the Rapti, a tributary of the Ghaghara; and another across the Karnali at Chisapani. The Karnali dam will be one of the largest in the region with a capacity of five million acre feet. Similar projects are contemplated on the Kanhar and North Koel tributaries of the Son These are regionally necessary schemes in keeping with the rising demand for water in irrigation and power. But however much one may talk of a National Water Grid of India, it still remains illusory as far as the peripheral eastern zones of the lower basin are concerned.

(To be concluded)

IN the second of his two articles on the need for water in India and Bangladesh, Sunil Kumar Munsi examines the Brahmaputra link canal proposal to suggest that international money, expertise and supervision are not always most helpful for Third World nations. But he supports the idea of transferring the Brahmaputra river's surplus water to the Ganga, providing India and Bangladesh agree on the blueprint and on division of the benefits "under joint supervision without any third party control". If so, the link canal will augment the Ganga's flow, revitalize the Padma, flush out the Hooghly-Bhagirathi system and help both West Bengal and Bangladesh. Dr Munsi also stresses the importance of utilizing ground water potential, explaining that the eastern part of the sub-continent might be in grave difficulties if water management is not carefully planned and strictly budgeted.

INTER-BASIN transfer of water has long been considered a feasibe propose' for augmenting the flow in the Ganga. In this case, a transfer is envisaged between the Brahmaputra and Ganga basins. The Brahmaputra carried a discharge of 3,500 to 5,000 cubic metres per second even during the dry summer months. This is considerably higher than even the long-term projected demand of the basin itself.

The scheme incudes a diversion barrage at Dhubri in Assam, and a connecting feeder canal through Bangladesh and West Bengal to join the Ganga at Farakka. Preliminary studies have revealed that about 1,150 cusecs could be diverted from the Brahmaputra at Dhubri without affecting the river's normal flow. But for topographical reasons, the water has to be lifted 10 to 15 metres hizher than the source of the feeder canal through pumping at suitable intervals. The technology of the lift is not very complicated, though it will require a considerabe quantity of power which the region will have to generate.

The Brahmaputra-Ganga Link and the Ganga-Cauvery Link are parts of the proposed National Water Grid. The UNDP was invited by the Centre in 1971-72 to study the scheme.

NEED FOR FUNDS

It is obvious that before anything else, such a scheme calls for full amity between India and Bangladesh, the two beneficiaries of the project. The magnitude of the undertaking would then require a search for funds and technology. There is already a proposal to set up an International Himalayan River Commission (or the Greater Ganga Commission) in which international expertise, international finance and the international good offices of the World Bank could be summoned as and when necessary. It is said that the experience in planning the development of the Mekong river in South-east Asia can be used as a guide in the development of the Brahmaputra and the Ganga. Experts close to the World Bank have indicated the Bank's interest in the programme which could guarantee funds, experts and technology as it did for the Mekong in the midst of the Vietnam war.

The programme is expected to include first the study and finalisation of the Ganga-Branmaputra link project followed by the construction of a 20 million acre feet dam across the Brahmaputra, the digging of the feeder canal, harnessing of rivers in Nepal, the training of the Barak and the Meghna and so on and so forth. The World Bank scheme involves three countries: India, Bangladesh and Nepal.

While bilateral exchanges and harmony between India and Bangladesh are obviously a basic prerequisite for the execution of the scheme, such cooperation under the supervision, guidance and control of the World Bank, particularly in very sensitive international border areas, appears to be a dubious proposition, particularly after disclosures about the role of international financial agencies at the time of the acceptance of the IMF loan by India.

The International Bank for Reconstruction and Development has been concentrating its contribution on large infrastructural construction like dams in recipient countries. It has also been the experience all over the Third World that many World Bank projects have been grandiose, but not equally valuable for the host country. On the other hand, the active penetration of IBRD capital in the development of infrastructure in these countries was often accompanied by no less intensive inroads of multinational capital which many of the recipient countries did not quite appreciate.

The IBRD has always been keen in financing, and participating in, our river valey projects. It took considerable interest in the DVC, the Koyna and Purna schemes, and in a number of other river valley projects in India. In Sri Lanka, the Bank is financing the harnessing of the island's biggest river, the Mahareli. This project is very expensive, especially in terms of foreign exchange, and it will be a long time before it brings any benefit to the country. While involving Sri Lanka in such a giant project, it has been pointed out that the Bank shows no interest in looking into the potential of a thousand small earth dams in the Kandy district alone. These could be constructed mainly on the basis of national resource mobilization with next to no outlay in foreign exchange, and would be immediately productive.

Our sub-continent gained some experience of the operation of the "Mekong Concept" in the multinational agreement between India and Pakistan for the Indus Valley Development Programme under the aegis of the Word Bank. An agreement on the use of water from the Indus system of rivers, and on building an irrigation project, was reached in 1960 after prolonged negotiations. The outlay was estimated at $1,000 million. The USA would grant $10.3 million, and a sum equal to $235 million in Indian and Pakistani rupees, and the IBRD another $103 million.

AID CLUB

Australia, Canada, West Germany, New Zealand and Britain were also enlisted in financing the project. In other words, another aid club was set up. The total foreign investment ran to $750 million. India agreed to contribute $62 million in ten equal instalments to the Indus Basin Development Fund set up and administered by the World

Bank. The project was to be completed in ten years; the construction contract would be awarded on the basis of competitive international bidding, with the IBRD exercising general supervision.

Susan George, the author of "How the Other Half Dies", referred in her book to the working of one of the projects belonging to the Indus Valley Development scheme, the Tarbela Dam Project on the Indus. It appears that this project, 51 kilometres from Attock and one of the world's largest earth and rock-filled dams, has brought nothing but disaster, a saga of mishaps—jammed sluices, implosions and explosions, collapsed tunnels, 500,000 cubic yards of earth inadvertently swept away. All these appeared in the World Bank's periodic report. Even after seven years of construction, not a drop of water had reached a single farmer. On the other hand, 80,000 people had to be removed from the reservoir area. Meanwhile, the cost was rising at an astronomical rate. Therefore, the "Mekong Concept" is not all that it is made out to be.

But the Ganga-Brahmaputra link is a feasible project provided India and Bangladesh came to terms on the blueprint, and on an equitable share of the benefits disbursed under joint supervision without any third party control. The project will augment the Ganga's flow, revitalize the Padma, and help the Hooghly-Bhagirathi with the much needed additional suppy of water. The canal will thus be a beneficial project for the whole of the lower basin.

GROUND WATER

The other scheme for augmenting the supply of water in the Ganga basin depends on the proper utilization of the ground water potential, both in India and Bangladesh. There are four distinct geographical regions in the Ganga basin with differential ground water potentials. The Bhaber areas with gravel talus and with a somewhat steep slope, fringing the outer margins of the Siwalik hills, have aquifers located deep inside but occur under confined conditions. The densely forested and rather marshy zone below the Bhaber is the Terai region where the water table occurs near the surface and, as a whole, has excellent ground water resources. The rest of the Ganga plains and the deltaic areas in the lower basin have fairly good usable ground water resources.

It has been estimated that a ten-inch tubewell in Gazipur, with only 70-metre depth of aquifer, yields 165,000 gallons per hour. Mr K. L. Rao had estimated that India's total ground water, including already used water, was 256,000 million cubic metres. And 70 per cent of the future development of ground water was to take place in the Indus, Ganga and Brahmaputra basins.

It should be remembered that there is already a considerable amount of pressure on ground water resources of the Ganga basin. At present over 3.5 million hectares of land are irrigated with deep tubewell water in Uttar Pradesh alone.

With a scientifically worked out recharging system of the ground water reserve, it can be a perennial source for irrigation and many other uses. With the Geological Survey of India having more or less completed the mapping of ground water resources of the Ganga plain, it should not be difficult now to regulate the total quantum of supply through its disbursement in co-ordination with the surface water supply.

But this cannot be done without efficient management and strict budgeting. Local, regional and national needs must essentially be treated to a symbiotic approach. And in the case of the Ganga basin, the problem assumes an international character which cannot be overlooked. With a tremendous population density which is increasing every year, water in the Ganga basin has already become the most precious gift of nature which must be treated with all our care and consideration. Lack of planning in exploitation and use may spell disaster much sooner than we may perceive.

(Concluded)

CSO: 4220/214

DIVERSION OF BRAHMAPUTRA STUDIED

Madras THE HINDU in English 23 Jun 82 p 8

[Text] India would firmly press with Bangladesh for the diversion of the tributaries of the Brahmaputra river westwards to improve the flow of water in the lowest reaches of the Ganga. The joint River Commission meeting takes place tomorrow in Delhi at which India will be represented by Mr Kedar Pandey, Union Irrigation Minister and Bangladesh by Mr Ob idullah Khan, Minister for Irrigation.

Sharing natural resources even between States has always been an emotive problem, with both sides tending to become unnaturally suspicious of the motives and concealed designs of one another. The problem is far more complicated if two countries are involved. Mediation by mutually acceptable third parties has not always worked. In international relations very few agreements have been known to work effectively. The process of protracted discussions is difficult enough when two democratically elected governments are involved, with the pressure of domestic opinion to contend with. But national interests always being uppermost for most governments regardless of the nature of the regimes, the process is not necessarily easier when military administrations have to live in the tension ridden atmosphere of skilled diplomacy and high-level bargaining.

Not unexpectedly, given the backdrop of Hindu-Muslim tensions in the sub-continent, it would have been a miracle if the Ganga water sharing agreement really had worked satisfactorily. Bangladesh has claimed that large tracts of its districts bordering the river have gone dry, the water table has fallen, causing havoc to millions empllyed in agriculture. It has sought to politicise the issue by taking it to the United Nations and suggesting the participation of Nepal in the talks.

If India has not welcomed these moves, even Nepal has not shown much interest. Indian delegates have pointed out that Bangladesh had exaggerated the number of people affected as well as the damage to its agriculture.

On the other hand, the Indian proposals would not only save large areas of Bangladesh perennially prone to floods and natural calamities. They would also help raise the standards of living in the poorest areas of the world by bringing in their train a number of other benefits like power generation and making available untapped energy resources, helping to reduce the crippling oil imports bills for both countries.

The diversion of the tributaries therefore would be the crux of the new proposals to be submitted by India in a bid to resolve the Farakka water sharing controversy which has persisted for a number of years. The present agreement which expires in November does not protect the interests of the Calcutta port or of the vast industrial hinterland it serves in the eastern and northeastern regions because the supply of 40,000 cusecs to the Hooghly in the lean summer months is not assured.

Mr Pandey has already described the agreement as a "sellout" of Indian interests while the Prime Minister, Mrs Indira Gandhi had assured election meetings in West Bengal that the interests of the region would not be allowed to suffer because of the anomalies in the agreement.

New Arrangements

Briefly, the new arrangements would not only help increase the flow of water into the lowest reaches of the Hooghly, they would also produce power in considerable quantities, reduce flooding substantially in both countries, open up irrigation, agriculture and commerce between the two countries.

It is pointed out that the Brahmaputra and Meghna rivers carry copious and plentiful supplies of water. Per hectare of cultivable area in their catchments they have 14 times and six times that of the waters of the Ganga which has to support 80 percent of the population in the mighty Ganga, Brahmaputra Meghna system, the second largest international drainage basin in the world.

In the Ganga system, the western parts are semi-arid and are short of water. The existing irrigation systems have very unsatisfactory water supplies. They badly need the entire fair weather flow of Farakka. Only a part of their requirements can be met.

Major Handicap

The Ganga system has a major handicap in its limited storage possibilities. The 40 million acre feet available in India is inadequate to meet even the minimum local needs.

In Nepal too, the possibilities of storage are limited. The need for Ganga water is so vast that any storage possible in Nepal will not be able to meet even the requirement in the upper reaches of the Ganga. These sites could advantageously be used for multi-purpose benefits to Nepal and the areas lower down in India.

They will not provide a solution to the augmentation of the Ganga in its lower reaches at Farakka and downstream where a shortage has already developed and is steadily increasing, since no realistic scheme can overlook the requirement of the areas lying between the dams and the lower reaches of the Ganga. There is, therefore, no alternative but to divert the flows of the Brahmaputra towards west to the Ganga to the maximum extent practicable.

Better Regulated

The Brahmaputra has a higher proportion of fair weather flow and is better regulated. The combined Ganga-Brahmaputra-Meghna system has the lowest flow of 2.5 lakh cusecs in the end of February which rises to over four lakh cusecs in April and 8.5 lakh cusecs by the end of May compared to 55,000 cusecs by the end of April and 65,000 cusecs by the end of May in the Ganga at Farakka.

The Indian scheme proposes the construction of a barrage on the Brahmaputra at Jogighopa with a lined gravity link canal of one lakh cusecs capacity falling into the Ganga at Farakka. This canal will provide irrigation and water supply to 3.2 million to four million hectares in Bangladesh and an equal area in India besides providing 40,000 cusecs to Calcutta port all round the year including the critical months of March, April and May.

Large Storages

The scheme also envisages, depending on the requirements of water at Farakka and the demands on Brahmaputra water, the building of large storages on the Dihag, the Subansiri and the Barak rivers, with an aggregate effective capacity of over 28 million acre ft.

The Dihag dam alone will reduce floor heights in the Brahmaputra in Assam, and Bangladesh by over three to four feet and the Subansiri will provide further lowering.

The Tipaimukh dam on the Barak will provide great flood relief to Cachar district of Assam and mitigate the chronic flood problems of Sylhet district of Bangladesh where nearly 82 percent of the land is flooded every year.

At least two million hectares in Bangladesh will get flood relief and an equally large area will be protected from deep flooding.

The scheme will enable 10 million KW of hydro-power generation at 60 percent load factor, yielding over 51,000 GWH. Seasonally another 20,000 GWH can be generated with additional installations.

The eastern region has such a large power demand that it can absorb the entire power as and when it becomes available. The scheme can meet the present and future water needs of both India and Bangladesh. In fact, Bangladesh's water requirements can be met in full and flood problems reduced considerably.

Navigation Facilities

The dams will add nearly one lakh cusecs to the natural Brahmaputra flows. Perennial navigation facilities from Dibrugarh to Bangladesh and beyond up to Farakka will be provided. In Bangladesh additional routes of navigation will be provided in the Karatoya, the Atrai, the Tangon and the Purusabhaga rivers.

The two countries will be linked by major navigational routes promoting trade, commerce and regional development. The salinity problem in the coastal areas of India and Bangladesh will be satisfactorily solved benefiting agriculture, fisheries and forestry. The scheme thus not only meets the needs of augmentation of the flows in the lower reaches of the Ganga in India and Bangladesh but also would serve the regional development of both the countries on a long term basis within the framework of the optimum development of water resources for the benefit of over three-fourths of the poorest people in the world.

Employment

Navigation facilities connecting the northeast of India will be improved and expanded. The region will get all its power and also earn royalty by supply of power to West Bengal, Bihar and U.P. Large investments on the dams and power houses will open up communications and employ thousands in the northeastern region.

Catchment protection and soil conservation works will provide employment, enhance and preserve forest wealth and some of the potential fertile lands will be brought under cultivation and there will be navigation in the reservoirs and canals for transport of forest and other produce.

CSO: 4220/214

DELHI-DACCA WATER TALKS SET

Calcutta STATESMAN in English 14 Jun 82 p 1

[Text]

MR Kedar Pandey, Union Irrigation Minister, told reporters at Calcutta Airport on Sunday that the Ganga water agreement between India and Bangladesh would be reviewed at a ministerial-level meeting in New Delhi on June 24. The agreemnt was to expire in November. If a long-term pact was not signed by then, the previous one would automatically expire, he added.

The Minister said that India would press for the construction of a link canal between the Ganga and the Brahmaputra, which had always been opposed by Bangladesh. He said that the proposal by Bangladesh to involve Nepal in these talks could not be accepted by India.

Mr Pandey hoped that a solution could be found at the meeting of the Joint River Commission on June 24. He said that he would try to ensure a steady supply of Ganga water at Calcutta Port even during the lean season. He intended to hold talks with West Bengal Irrigation officials about the Teesta Barrage Project, which might feature at the forthcoming meeting.

CSO: 4220/189

GANGES WATER TALKS SET

Bombay THE TIMES OF INDIA in English 14 Jun 82 p 1

[Text]

CALCUTTA, June 13 (PTI).

THE Union irrigation minister, Mr. Kedar Pande, said here today that the last review meeting of the agreement on sharing of the Ganga waters would be held in New Delhi on June 25.

Mr. Pande, who arrived here today from Delhi, told newsmen at Calcutta airport that the sharing of the Teesta water issue with Bangladesh would also be discussed at the meeting.

He said if Bangladesh accepted India's proposal for the Ganga-Brahmaputra link canal to augment the Ganga waters during the dry season, the question of renewing the present agreement would be considered.

Bangladesh did not accept India's proposal so far for linking the Ganga with the Brahmaputra and if she did not accept it in the next meeting also, we would have no worries if the agreement terminates since the Centre has taken a decision not to go in for any agreement at the cost of the Calcutta port which requires at least 40,000 cusecs of water," he said.

About Bangladesh's insistence on inclusion of Nepal in the sharing of the Ganga waters, Mr. Pande said Bangladesh might have some vested political interests for which she wanted to include Nepal. But the issue concerned only two countries—India and Bangladesh, he added.

CSO: 4220/189

PACT WITH USSR ON POWER STATION CONSTRUCTION SIGNED

New Delhi PATRIOT in English 22 Jun 82 p 1

[Article by Vinod Taksal]

[Text]

MOSCOW, June 21 — India and the Soviet Union today concluded an agreement to set up a super thermal power station at Vaidhan in the coalbelt of Madhya Pradesh.

The agreement, signed by India's National Thermal Power Corporation and Soviet Union's Technopromexport provides for detailed project report, supply of machinery and equipment and supervision of construction by the Soviet Union.

The first unit of the 1260 MW capacity giant thermal power station, expected to cost 288 million roubles (Rs 288 crores), is to be commissioned in June 1987. Subsequently, every six months a 210 MW-capacity unit would be commissioned, completing the entire project by 1989 end.

NTPC chairman A K Sah told newsmen here that the agreement also provides for the training of personnel and experts by the Soviet Union in maintenance and repairs of the plant machinery.

He said the Vaidhan project is being aided by a two billion dollar World Bank loan, the largest ever in the world received by any organisation in the power station.

Mr Sah said Vaidhan is one of the six super thermal power stations being set up by NTPC in the country. The other five are Korba (2100 MW capacity), Singarauli in Uttar Pradesh (2000 MW), Ramagundam in Andhra Pradesh (2700 MW), Farakka in West Bengal (2700 MW), and Bijpur along Rihand dam in UP (2500 MW).

Of these six projects, three at Korba, Singarauli and Farakka are being built with BHEL equipment, Bijpur with British collaboration and Ramagundam with Italian technical participation. The six power stations would form the backbone of the national power grid.

The Vaidhan super thermal power station, the NTPC chairman said, would supply power to western India — stretching from Madhya Pradesh to Maharashtra, Gujarat and Goa. The NTPC was laying 8,500-km of 400 KV lines to link the six super thermal power stations with load centres in all the States.

Vaidhan, Mr Sah said, is the first major Soviet-aided power project after Korba, Patrapur and Neyveli, among others. It would be part of the integrated scheme to simultaneously develop coal-mines and power generation in the Singarauli area. The Soviet Union is already collaborating in developing the Singarauli coalbelt.

CSO: 4220/7530

SOVIET UNION TO HELP INDIA DOUBLE COAL OUTPUT

New Delhi PATRIOT in English 22 Jun 82 p 8

[Text]

MOSCOW, June 21 (PTI)—The Soviet Union is keen to assist India in every way possible in its plans to double coal production, from the present 125 million tonnes to 260 million tonnes a year by 1987-88.

Soviet experts are at present busy preparing a project report for two major opencast mines in India—the Mukunda Mines in Jharia coalfields in Bihar, estimated to yield 12 million tonnes of coal a year, and Nigahi project in Singrauli in Madhya Pradesh with an annual capacity of 14 million tonnes.

Production is already going apace in the Jayant opencast mines in Singrauli with an annual capacity of ten million tonnes, the project report of which was also prepared by Giproshakht the USSR State Mine Planning Institute in Leningrad.

Indo-Soviet collaboration in the field of coal, for which a credit of 80 million roubles (Rs 96 crores) out of the total Soviet credit of 500 million roubles have been earmarked, envisages supply of equipment, training facilities for the handling of equipment and their maintenance, besides project planning.

A team of Indian experts, led by Mr S N Singh, director of the Indian Institute of Mining, Dhanbad, who came here recently and had discussions with Soviet experts, appeared satisfied with the progress of technical planning of the two projects, Mukunda and Nigahi.

The Indian experts would be coming here again shortly in connection with the preparation of the detailed project report of the two opencast mines. The finalisation of these reports would take about a year.

As soon as the Government of India approves of the project reports, Giproshakht would start preparing the working drawings, Mr V A Neuimin, chief engineer of the Giproshakht, told a visiting PTI correspondent.

The two teams would also then work out the details of the equipment required by India. The bulk of the rouble credit earmarked for the coal sector is likely to be utilised in the purchase of equipment.

The machine manufacturing factories of USSR are getting ready to manufacture the equipment likely to be required by India, Mr Neuimin said.

Giproshakht is also preparing project reports for the expansion, remodelling and improvement of the two existing ashes, Katharia and Patherdih, to handle the increased production of coal.

CSO: 4220/7530

BRIEFS

GANDHI RUSSIAN VISIT--New Delhi, June 23 (PTI)--The Prime Minister, Mrs Indira Gandhi, will visit the Soviet Union in the third week of September, it is learnt. The dates and duration are being finalised. Mrs Gandhi visited Russia in 1976 which was followed by the visits of President Sanjiva Reddy to the Soviet Union in 1980 and President Brezhnev to India in December. The Prime Minister will visit America for a week from July 27. [Text] [Bombay THE TIMES OF INDIA in English 24 Jun 82 p 1]

SURFACE-TO-AIR MISSILE SYSTEMS--India is studying proposals from France, the United Kingdom and the Soviet Union in an attempt to find a new short range air defence missile system. Roland, Rapier, Crotale and the Soviet SA-9 are understood to be the contenders. The weekly journal "India Today" reports that the SA-9 was hastily offered to India after the Soviet Union discovered that India was leaning towards the Crotale. Presently, six batteries of Crotale, air defence missiles are already being operated by neighbouring Pakistan. [Text] [Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 p 82]

BLUE FOX RADAR DELIVERED--The first Ferranti Blue Fox radar for the Indian Navy's Sea Harrier aircraft was recently delivered from the Company's Radar Systems Department in Edinburgh--another export milestone for the Department. Blue Fox is a lightweight air-intercept, search-and-strike radar especially designed by Ferranti for the British Aerospace Sea Harrier. It is already in service with the British Royal Navy and proving a success. During recent NATO exercises Blue Fox demonstrated its effectiveness in performing well the operational tasks for which it was designed. "International Defence Review" reports "despite the newness of the Sea Harriers and their Blue Fox radars, 100 percent availability was achieved for much of the time and the ship HMS Invincible returned from its three-month cruise with all the squadron's Blue Fox radars serviceable." [Text] [Kuala Lumpur ASIAN DEFENSE JOURNAL in English Jul 82 p 10]

INDUSTRIAL OUTPUT INDEX--Calcutta, June 19 (PTI)--The monthly index of industrial production in the country for March 1982 stood at 184.3--4.6 percent higher than that for the corresponding period last year, according to an official release here today. The growth rate during the first three months of 1982 over the same period of 1981 showed a rise of 4.9 percent. The growth rate for the finaicial year 1981-82 over the corresponding period of 1980-81 showed a rise of 8.2 percent. Compared to the last month, the increase of 11.1 percent in index is accounted mainly by the increase in production of electrical machinery, apparatus, appliances and supplies, mining and quarrying, basic metal industries and electricity against the marginal [words missing.] [Text] [New Delhi PATRIOT in English 22 Jun 82 p 8]

CSO: 4220/7531

JOINT BORDER OPERATIONS WITH PAPUA NEW GUINEA POSSIBLE

Kuala Lumpur BUSINESS TIMES in English 10 Jun 82 p 21

[Article by Soeharjono in Jakarta]

[Text]

INDONESIA may consider proposing joint military operations with Papua New Guinea to fight insurgents along their common border in a bid to end protracted frontier conflicts between the two countries.

"Such a joint action, like the one Indonesia has with Malaysia along the border in Borneo, will help solve problems arising from border violations," military sources said here.

Indonesia and Malaysia have set up a General Border Committee charged with arranging joint patrols along the Borneo border against communist insurgents.

They privately admitted that Indonesian troops had to cross the border in hot pursuit of anti-Indonesian rebels of the outlawed Free Papua Movement (OPM).

"The border is not marked at all in certain areas making our boys unable to see the boundary between Irian Jaya (former Dutch West New Guinea) and Papua New Guinea," the sources said.

There has been a border conflict between Indonesia and Papua New Guinea since Jakarta acquired the vast backward territory of Irian from Holland in 1963.

The OPM wanted to have an independent state of West Papua free of Indonesia rule.

The 1979 border agreement between Indonesia and Papua New Guinea has been seen here as fragile. Indonesia, however, is obviously happy over Papua New Guinea's pledge not to allow OPM elements to carry out anti-Indonesian activities from its territory.

The border problem came to the open last Monday when Papua New Guinea's ambassador here, James Gegeyo, was recalled for consultations.

The recall followed charges made by the country's Prime Minister, Sir Julius Chan, during campaigning for the general election next month.

Mr Chan was quoted as saying that Indonesian troops had made four separate border violations in May to free a number of Indonesians held hostage by OPM rebels in Papua New Guinea.

The Indonesian military commander for Irian, Brigadier General C. Santoso, has been firm against OPM rebels, vowing to "finish them up" if they refuse to surrender.

The general's firmness followed a daring attack by OPM men on a sawmill outside the Irian provincial capital of Jayapura in October last year in which they managed to kidnap several company employees.

Indonesian officials have described OPM rebels as a "thorn in the flesh" because some of their sympathisers exist in the community, particularly among groups of Irianese natives.

The officials were shocked one morning late last year when they saw an OPM flag flying atop the governor's office.

The fact that the flag was hoisted by several women working at the office, showed that the OPM had gained some sympathisers among the local administration.

The officials were generally in agreement to seek joint efforts so that border problems would not strain the good relations between Indonesia and Papua New Guinea.

Such efforts would be a good idea as they would help prevent OPM members and supporters from taking refuge in the PNG territory, the officials said.

The officials felt annoyed over a remark by PNG Deputy Premier Okuk as published by several Australian newspapers last November that over 90 per cent of the Irianese people favoured the establishment of an "independent state of West Papua."

They branded the statement open interference in Indonesia's domestic affairs, adding that Mr Okuk's thinking was not correct.

The plebiscite held in Irian in 1963 under the United Nations supervision showed that the Irianese people wanted their territory to merge with Indonesia, according to Indonesian officials.

In a bid to illustrate progress in Irian, the state television screened scenes from the Baliem Valley deep in the Jaya Wijaya mountain range, where local natives had started wearing clothes and listening to transistor radios.

Irian governor Busjiri, former Indonesian ambassador to Papua New Guinea, said here last week that he had high hopes the standard of living of the Irianese people — many of whom still lead a Stone Age existence — would be improved. — AFP

CSO: 4220/626

INVESTMENT PROMOTION OFFICE OPENED IN NEW YORK

Jakarta BUSINESS TIMES in English 3 Jun 82 p 2

[Text]

AMERICAN businessmen were told yesterday they are falling behind their foreign competitors in Indonesia and were urged to play a bigger role in that country's rapidly expanding economy.

In a speech marking Indonesia's opening of an investment promotion office in New York, former US ambassador Edward E. Masters said that country had a growth rate of 9.6 per cent in 1980, one of the highest in the world. The same year its exports grew 40 per cent to US$1.9 billion, he added.

Despite favourable business conditions, Mr Masters continued, the US ranked fourth behind Japan, Hong Kong and Canada in investment in Indonesia and saw its share of Indonesian imports drop from 14.3 per cent to 13 per cent in 1980.

Mr Masters, a diplomat-turned-businessman and now a senior vice-president of the Natomas Company, a US oil firm, stated:

"The American businessman has, in many cases, not been as aggressive or as effective as his competitors in taking advantage of available opportunities. I am convinced that we need to show a little more ingenuity and a lot more action if we are not to fall even further behind."

Earlier, Indonesian ambassador D. Ashari presented an official Indonesian coat of arms to Mr Risaldo Kasri as a symbol of the opening of the Indonesian government's investment promotion office. Mr Kasri, an official of the Investment Coordinating Board in Jakarta, was named director of the new office.

Among those present for the ceremonies were Indonesia's Investment Coordinating Board chairman Suhartoyo and government minister Johannes B. Sumarlin, vice-chairman of the National Development Planning Agency.

Mr John V. Lindsay, former mayor of New York and now the city's special trade representative, welcomed the investment office as an "expression of the Indonesian government's interest in American trade and investment in Indonesia."

Mr Kasri told business representatives attending the ceremony that Indonesia "is sending a very clear message to US businessmen: We admire your technology and want to help you establish operations in Indonesia."

The ceremonies, which included a reception and luncheon, were attended by about 250 persons. Sponsors of the event were three American banks — the Bank of America, Bankers Trust Company and Citibank — and Mobil Oil Company.

An Indonesian delegation of some 40 persons was on hand for the office opening and to confer with New York businessmen. The advisory delegation came to New York from meetings in Canada and was scheduled to visit Houston, Texas, following its New York stop.

In his speech Mr Masters offered advice for doing business in Asia. He said that in order to deal effectively in any society "it is essential to understand the local culture — to know what makes people tick and what might alienate them."

He continued: "There is one American trait which they (Asians) find most difficult to overlook. That, as Asians see it, is our impatience — our inability to take the time to do things the Asian way.

"All too often the American businessman gives the impression that he's in a great hurry. Inadvertently, what he is saying to his Asian audience is that he has more important things to do and that the relatively leisurely Asian pace is a waste of time. He has five days to meet the top managers in three countries, conclude his arrangements and get back home.

"He will be far more effective if, like many of his competitors, he meets his Asian counterparts at least half way." — AP

CSO: 4220/626

PLANNERS WORRIED BY PROLONGED OIL GLUT

Kuala Lumpur BUSINESS TIMES in English 28 May 82 p 21

[Article by Warief Djajanto in Jakarta]

[Excerpts]

INDONESIA beginning to feel the pinch of the oil glut. Last January and February, its oil production dropped for the first time in years, forced by the downtrend in the global demand for the commodity.

Judo Sumbono, president-director of the state-owned oil corporation of Pertamina, admited to reporters in mid-March that the country's oil production was down, although he refused to cite specific figures.

He said, however, that Caltex Pacific Indonesia, one of the major oil companies operating in Indonesia, was having difficulty marketing the products.

A prolonged slump in oil demand could seriously strain the country's foreign exchange earning capacity and put pressure on the oil companies' storage capability as well.

Unsold crude is stored in tanks, but these facilities have limited capacity. The only alternative open to the oil companies in case of a prolonged slump in world demand for crude would be to stop production altogether.

Miscalculation

But such a dire step would have far-reaching consequences. For one thing, it would create problems for the companies, their workers and the government itself.

Petrodollar is the main prop of the country's economy and a protracted decline in oil demand would create serious fallouts on the employment situation, particularly for the thousands working in oil-related enterprises.

Oil companies are equally placed on the spot. Caltex has reportedly stopped pumping its Duri oilfield in Sumatra. At the height of its production, the Duri field was producing 25,000 barrels a day.

Caltex's oilfield at Riau province has, however, been spared the agony of other oilfields brought about by the current slump in oil trade. The Riau oilfield produces the highly-coveted Minas sweet crude. The crude worst hit by the slump are the so-called non-sweet heavy and non-sweet light crude.

The Organisation of Petroleum and Oil Exporting Countries (Opec) of which Indonesia is a member had expected that with the advent of winter in the cold industrial countries, the demand for oil would soar.

This projection now has proven to be a sorry miscalculation. Instead of heavy importations, traditional crude buyers, particularly industrialised countries, failed to place additional orders for the commodity.

Oil imports accummulated the past months had kept reservoirs well stocked. After going through the oil crisis, industrialised countries have improved their capacity to conserve energy and diversify to other energy sources particularly coal.

Opec's problem was compounded by non-Opec oil-producers which offered their exports at prices well below the price level set by the oil cartel.

For instance, Pemex, Mexico's state oil firm, unilaterally reduced the price of its Isthmus light crude in early March from US$35 to US$32.50 a barrel. Similarly the price of its Maya light crude was discounted from US$26.50 to US$25. The Mexican move created a chain reaction that swept even Opec member nations.

In early March this year, nine Opec oil ministers met in Doha, Qatar and formally agreed to maintain the benchmark price of crude at US$34 per barrel and cut back total Opec daily output from 20 million to 18.5 million barrels.

Indonesia agreed to cut its production by 42,000 barrels a day, down from 1.6 million barrels in 1981. In January and February, Indonesia's crude output reportedly dropped to an average of 1.5 million barrels a day.

At US$35 a barrel, Indonesia's sweet light crude fetches a price higher than the benchmark. And there are fewer takers than before.

Indonesia's economic planners are clearly worried that a prolonged slump of the global demand for oil would adversely affect the country's economy. A production cut of 42,000 barrels a day would translate to a revenue loss of US$1.5 million daily at existing Opec-agreed prices.

A modern oil tank costs US$1.5 million, enough to build 1,500 classrooms. With that staggering revenue loss, one or a combination of sectors of Indonesian life could be seriously affected. - Depthnews Asia

CSO: 4220/626

FOREIGN OPPOSITION TO NEW SHIPPING DECREE

Kuala Lumpur BUSINESS TIMES in English 2 Jun 82 p 9

[Text]

THE US government has sent a diplomatic note to the government of Indonesia protesting a presidential decree which would put the shipping of all government goods under Indonesian-flag vessels or Indonesian charter.

Diplomatic sources said the note protested blatant flag discrimination. The governments of Britain, Norway, Holland, France and Germany agreed provisionally in a meeting in Paris last week to send similar notes, they added.

There was no comment immediately available from the Indonesian government.

The Indonesian government has to date given priority to Indonesian flag carriers when available but the new ruling, presidential decree no 18, effective April 12 this year, stipulates that all "export and import commodities owned by the government of Indonesia will be carried by vessels operated by Indonesian shipping companies."

Some 20 foreign shipping lines with agents and offices in Indonesia, excluding oil tankers, specialised liquefied natural gas and ore carriers, would be affected by the ruling.

Although no figures were available immediately for the tonnages involved, shipping circles said at least 30 to 40 per cent of all cargoes could be considered government, and as high as 50 per cent when large government construction contracts were underway, such as oil refinery expansions, cement plants, LNG plants and petrochemical complexes, all of which are under construction this year.

The shipping sources said although the new decree is retroactive to April 12, it was learned by most shipping agents only three weeks ago that since then three ships, two American liners carrying US aid goods and one eastern European vessel, had been delayed in unloading because of the decree.

The decree states that if Indonesian shipping capacity is not available, shipment may be carried out by other vessels chartered by Indonesian shipping companies.

Shipping sources said they estimate there is insufficient Indonesian tonnage available, especially for the long US and Europe-Scandinavia routes. — Reuter

CSO: 4220/626

EXPANSION OF JAKARTA TRANSIT SYSTEM PLANNED

Kuala Lumpur BUSINESS TIMES in English 9 Jun 82 p 19

[Article by Richard Cowper in Jakarta]

[Text] IN THE next two decades the population of the Indonesian capital of Jakarta and its urban transport catchment area is expected to double from around 11 million people now to 22 million. The rapid growth in the central Jabotabek area is already beginning to put serious strains on its poorly planned urban transport system, and Jakarta itself shows every sign of falling prey to the traffic jams and pollution which plague so many of the world's major cities.

Jakarta badly needs to boost the 61 per cent share of those currently travelling to work by public transport to around 80 per cent by the end of the century if the city is not to be snarled up by private cars.

Private cars currently account for around 24 per cent of all commuter traffic, this means that almost 500,000 people go in and out of the capital by car every day. If this proportion is not changed the number of cars would more than double in the next 20 years.

In a bid to head off what experts say could become a nightmare of unrestrained road traffic growth, the Indonesian government has already embarked on the first stage of a US$1.9 billion (£1.05 billion) mass transit urban-surburban railway scheme devised by Japan's International Cooperation Agency (JICA). Divided into two parts — the so-called Intermediate plan (1978-84) and the Master plan (1984-2000) — the scheme envisages a major overhaul and expansion of the area's present inefficient overground railway system built by the Dutch in 1925.

The plan has, however, come under heavy criticism by some transport planners working for the Indonesian government. They say that the scheme as envisaged, backed by cheap Japanese government loans, will mean big equipment orders for Japanese companies, but is not the answer to Jabotabek's future transportation needs. They allege the scheme is too costly for the number of passengers it will carry, and have been calling on the government to take a fresh look at the problem.

"Under this scheme, less than 7 per cent of Jakarta's working population of around 2.8 million would be using the railway to get to work in the year 2005. Last year 45,000 people in Jakarta used the railway. This would increase to a mere 198,000 — hardly cost-effective for an outlay of almost US$2 billion at current prices," says one such opponent of the current scheme," and even this figure is possibly an overestimate of anticipated demand," he says.

The Japanese government, which produced the master plan for the Jabotabek scheme, disagrees. It says that it is essential for Indonesia to make heavy initial investments to modernise the existing system in a way which would allow it to expand later on. Many of the world's major cities have decided that underground or overground railway systems are the best all-round solution to rush-hour traffic. JICA cites London, Tokyo, Osaka and New York — more than 50 per cent of whose rush-hour traffic is carried by rail. In contrast, less than 2 per cent of Indonesia's commuters travel by rail.

Whatever the arguments — and these are likely to cause delays and tinkering rather than a complete re-appraisal of the scheme — the Indonesian government has already given the green light for the Intermediate plan which involves expenditure of around US$700 million and the purchase of an estimated 156 diesel and electric railcars.

The Japanese government is understood to have offered export credits and Overseas Economic Cooperation Fund (OECF) loans to cover the larger part of the foreign exchange component of both the Intermediate and the Master plans. This has already brought sizeable orders for railway stock and equipment for Japanese companies.

To date, OECF has extended three loans totalling around US$60 million at interest rates ranging from 2.5 per cent to 2.75 per cent per annum. This will help to finance the purchase of 60 electric railcars, signals and other components from Japanese companies under the Intermediate programme.

Earlier this year a Japanese consortium made up of Sumitomo Corporation, Nissho Iwai, Nippon Shryo Seizo Kaisha, Kawasaki Heavy Industries and Hitachi won an order worth Y2.6 billion (£6 million) for 24 railcars, signals and other components under the plan.

The Indonesian government will soon have to make up its mind whether to go ahead with the more expensive and ambitious Masterplan which recommends the construction of two new lines, the elevation of some existing track and the purchase of over 530 new railcars at a total cost of around US$1.2 billion in 1980 prices.

A shortage of Indonesian transport planners (the Jakarta municipality has just six compared to around 200 in London's Greater London Council) and conflicting interests among key government departments could make a clear evaluation of the Japanese scheme rather difficult. Perhaps even more important, the lack of an overall urban plan for Jakarta and its environs makes the task of forecasting the geography of future transport needs an almost impossible one.

The lack of an overall urban transport policy could also cause major problems. Around 60 per cent, or roughly 1.3 million out of Jakarta's estimated working population of just over 2.2 million, travel to work on a heavily subsidised bus system. Commuters can currently travel any distance within the city for between 8 US cents and 16 US cents. — FT

CSO: 4220/626

FRANCO-SPANISH GROUP TO BUILD KRAKATAU STEEL MILL EXTENSION

Kuala Lumpur BUSINESS TIMES in English 28 May 82 p 1

[Text]

JAKARTA, May 27

A FRANCO-SPANISH group has won an US$808 million contract to construct a cold-rolled steel mill extension to the state-run Krakatau steel complex in Cilegon, West Java, a French embassy spokesman said.

The contract was signed on May 15 with two subsidiaries of France's Creusot-Loire Sa Steel Company, which will be the primary contractors, and two Spanish companies, Centunion Sa and Tecnicas Reunidas Sa, he said.

The mill is to be 60 per cent owned by two private Indonesian groups, the Liem group and the Ciputra group, and 40 per cent owned by Krakatau Steel.

Finance will be US$240 million from equity, US$200 million from commercial loans with the balance being met by French and Spanish export credits, the embassy spokesman said.

Construction is to begin in early 1983 and the project will be completed in 1986. The new mill is designed to diversify the local steel industry, industry sources said.

The credit package has yet to be signed, the spokesman said.

Industry sources said the entire complex will have a capacity of some 800,000 tonnes of steel products a year when the new mill is complete. — Reuter

CSO: 4220/626

CHEMICAL INDUSTRY THE CATALYST OF ECONOMIC DEVELOPMENT

Kuala Lumpur BUSINESS TIMES in English 15 Jun 82 p 19

[Article by Warief Djajanto in Jakarta]

[Excerpts] INDONESIA has given high priority to the development of the chemical industry in its economic agenda for the 1980s.

The government is pouring millions of dollars into the industry, and the country's courtship of foreign investors is sweetened with tax holidays and other incentives.

The industry's development has accelerated in the past few years, but the present single-minded emphasis could preoccupy development planners for the rest of the decade. The industry covers synthetic fibres, fertilisers, petrochemicals, pharmaceuticals, cement, plastics and chemicals.

Under the current Five-Year Plan (Repelita III, 1979-84), the government's emphasis is on industrial development using local resources such as basic petrochemicals and their intermediaries.

Indonesia already has three fertiliser plants which had a combined production of 1.8 million tons in 1979 and two million tons in 1980. The three state-owned fertiliser plants are the PT Seiwidjaja in South Sumatra, PT Petrokimia Gresik in East Java and PT Pupuk Kuyang in West Java.

The three plants have a combined annual production capacity of 2.2 million tons of urea and 150,000 tons of ammonium sulphate.

Besides urea and ammonium sulphate, the three plants also produce other types of fertilisers like TSP, 330,000 tons; DAP, 80,000 tons; and NPK, 50,000 tons.

Two other fertiliser plants are under construction, one in East Kalimantan and the other in Aceh. Each will produce 570,000 tons a year.

The Aceh plant is a co-operative venture of the Association of South-East Asian Nations (Asean). Indonesia will shoulder 60 per cent of the financing equity with the remaining 40 per cent to be shared by Malaysia, Singapore, Thailand and the Philippines.

Production from the Aceh plant would be the main source of fertiliser supply of Asean members.

In the petrochemical field, Indonesia's main aim is to meet the increasing demand for monomers and polymers as raw materials for plastic products and resins, and synthetic fibres for textiles and household goods.

The other objective is to fully harness the abundant local raw material for the production of olefins (ethylene, propylene and styrene) and the production of BTX aromatics.

Indonesia's overall strategy is to integrate petrochemicals with industries to process local raw materials into finished products. An example is the herbicide and pesticide industries that will produce local ingredients as well as finished products for exports.

Indonesia's only operating petrochemical plant is in Plajau, south Sumatra which produces 20,000 tons of polypropylene for the plastics industry.

An aromatic petrochemical complex that would get its supply of naphtha from Plajau is under consideration for joint venture with foreign partners.

To be constructed at an estimated cost of US$45 million, the proposed plant would produce raw materials for the domestic synthetic fibre industry, particularly polyester and nylon.

Also under consideration is a US$1.7-billion olefin complex to be established in Aceh near the Arun natural gas fields. The project consists of an ethane extraction unit, a 350,000-ton annual ethylene production facility and downstream units to produce materials for the Indonesian plastics industry.

A number of downstream petrochemicals are already manufactured in the country. They include polyester and nylon fibres, adhesives, raw materials for the paint industry, polypropylene and polyvinyl chloride.

Indonesia now has 268 pharmaceutical companies, the biggest of which is the state-owned Kimia Farma. Most of these firms import raw materials for batch processing and tableting, instead of producing their own based on their own formula.

Another major project under construction is a US$3 million plant for the production of contraceptive pills. The plant is being set up as a support facility for the country's family planning programme.

In cement, Indonesia has eight major cement plants with an aggregate annual production capacity of 8.5 million tons. New plants are going up and old ones are being expanded in line with the current Five-Year Plan.

Indonesia's aim is to increase cement production from 8.5 million tons to 15-17 million tons a year by the end of the current plan period. Because of the risk of big capital involvement, the government itself is directly involved in all joint ventures with foreign partners.

To attract foreign investors, Indonesia offers tax holidays to plants producing olefins and aromatics. In the fertiliser industry, manufacturers are entitled to tax holidays for those engaged in the manufacture of urea, triple superphosphate, diammoniumphosphate and ammonium sulphate. Ventures in these areas must also be with government participation.

Indonesia pins great hopes on its chemical and petrochemical industries as major catalysts for the development of the other economic sectors. With the country's abundant local raw materials, cheap labour and attractive tax incentives, authorities are confident that foreign investors will find the country a challenging and profitable area of investment. — Depthnews Special

MONG, LAO THEUNG PARTY CONGRESS DELEGATES PROFILED

Vientiane SIANG PASASON in Lao 25 May 82 p 3

[Article: "Opinions of the Delegates Who Attended the Third Party Congress"]

[Excerpts] Phia Louang, 83, Lao Mong race, was born in Ban Pha Lavek, Pha Lavek Canton, Hom District, Vientiane Province. He is a full representative of Vientiane Province who attended the Third Congress of the LPRP.

Phia Louang was a member of the Lam and Kwouan feudal aristocracy, but he gave up all of the privileges of his noble rank to serve the revolution, the country, and the people. This is because he was tired of the unjust kingship, the feudal warlords, and the reactionary system that verbally and physically insulted the worker class.

Phia Louang became a member of the LPRP in 1955 after he had been captured by the enemy. He was jailed in 1954 because he did not lead the Mong youth movement to fight against the enemy; he did not want to be a fighter for the enemy. Since then he has become a solid supporter of the Mong in their fight against the enemy. In the first year of the sixties enemy soldiers attacked the Pha Lavek area many times in an attempt to seize the area. However, they were fought back successfully each time by the revolutionary guerrillas led by Phia Louang. For this reason the enemy became dispirited and afraid.

Phia Louang became a member of the Supreme People's Council. He is a beloved leader of the people in Hom District. These people are of the Mong race in Ban Pha Lavek, his hometown. Now in this village there is a school for small children, a school for cultural enhancement for adults, and a hospital. Before this less than 100 percent of the Mong had rice fields to work on, but from the liberation until now 70 families have been engaging in rice farming. This is a result of Phia Louang's leadership.

Mrs Yong Bouapaseut, 42, Houak race, Lao Theung nationality, is from Ban Saken, Saken Canton, Na Le District, Louang Nam Tha Province.

Mrs Young Bouapaseut is one of the females who since 1960 has joined the nation's liberation movement in its fight against the American imperialists and their henchmen. Even though at that time our cultural level was not high, she exercised very good judgment in both studying as well as mobilizing the

building up of the population base at the same time. She overcame many obstacles until she succeeded in all duties assigned by the higher echelons. In 1968 she was assigned responsibility for the Women's Association of Na Le and to guide the youth work in that district. She determinedly improved and set up both mass organizations quite well, and this helped to steadily strengthen the dictatorship of the proletariat. In 1982 she was assigned responsibility for the Louang Nam Tha association. This province is far from the center, and is a militarily strategic province. There are many mountains, cliffs, and marshes. Its population is complex, with many ethnic groups who have diverse cultural and political awareness. In spite of these difficulties, she has determinedly, successfully, and beautifully carried out her duties.

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CSO: 4206/57

YOUTH UNION MEMBERSHIP, PRC MILITARY ACTIVITY IN NORTH REPORTED

Vientiane NOUM LAO in Lao 1-15 Apr 82 pp 4-5

[Journal by Comrade Fai: "Oudomsai Youth Union"]

[Excerpts] Oudomsai is located in the middle of the 4 northern provinces. Its borders are 41 km from China and 53 km from Thailand. This is a mountainous province with only 25 percent flat land. It contains 3 major nationalities and 17 ethnic groups, the Lao Theung nationality being the most numerous.

Comrade Bounleut, assistant secretary of the central committee of Youth Union of Oudomsai Province, has made several proposals concerning the special characteristics of the situation and the youth union movement within the province to Comrade Thonglai Khommasit, chief of the committee for mobilizing and building up the LPDR Youth Union all over the country, as follows.

"The total youth in our province number 30,544 people. Of these, 5,117 are LPDR Youth Union members!

The youth and their strength in our province have been clearly confirmed in protecting our country and peace. The moving up of the Chinese reactionaries against its borders has created boiling anger among the youth. They have volunteered to be soldiers and guerrillas. [I'll] give only one example, involving middle level teacher's school No 1. As soon as they heard the news about the provocation along the northern border they volunteered to be soldiers, until the board of directors had to have a talk with them. That was how [the school] kept them from leaving and becoming soldiers! Most of the youth are from farmer families. All of the flatland has become agricultural co-ops, and in this region they are the combat forces on the agricultural front. Besides producing rice, these youth are also actively transporting the agricultural rice tax.

When [the representatives of the Central LPDR Youth Union] arrived at the Youth Union office of [Oudomsai Province], the representatives met the Youth [mobilizers] from various divisions around the province. They were transporting wood and tin in order to build the party meeting hall. Following the triple solidarity and quadruple attack competition the youth are in a new

atmosphere of socialist competition, solidarity and protection, and building the socialist fatherland!

Because of the special characteristics of its location as an outpost of the northern region, Oudomsai has to confront the power expansionists day and night. They have been using military forces to threaten us along the border, sending minions of the reactionaries in to create confusion and clever psychological warfare, and dropping propaganda leaflets slandering the new regime. They propagandize in an attempt to divide the multiethnic groups by saying that the Lao Soung race is one tribe of China, and that "in your country nowadays the Lao Loum race controls the power, they make life hard, and they will kill whoever they want to!" Moreover, they also try to break up the special militant solidarity between Laos and Vietnam, and they look for weaknesses and small mistakes of the Vietnamese volunteer soldiers in order to verbally attack and destroy our solidarity.

The spreading of this harmful news was thoroughly countered by truth and justice, and the right and just policy of the LPRP!

On the beautiful paved road along valley and cliff, the thick and high jungle forms a wall on both sides of us as we head from Oudomsai toward Louang Nam Tha Province. On the way we stopped and rested in Na Mo District.

Na Mo has been a rear section district since 1964. When there was a change in the power group in China which provoked Laos, this district then became an outpost district. Along with this place, we passed by several other places. The two strategic duties of the youth have been carried out very strictly.

Although the Chinese reactionaries used to flatter the people earlier, their acts were not able to cover up their true intentions. For instance, when a road was being constructed and they broke a bamboo shoot they reported it to our administrative authority, and they also apologized to the authorities when they shot a deer and then returned it to our people. In this location the Guerrilla Youth capatured 3 of their spies. As for their sending in people to make a move [here], they have sent those who have relatives here or else people of the same races as are in this area. Even so, they are often caught!

None of the Na Mo youth ever said they were afraid of China; instead, many more than expected volunteered to become soldiers! With respect to building irrigation ditches, irrigation, and transporting agricultural rice tax, they never feel that they can do any less than anyone else, not even a little bit.

On the night when there was a farewell party for the youth leaders all over the country, the Na Mo youth walked 5 kilometers in order to join us in eating and solidarity dancing until fairly late. The rain that night was so heavy that it seemed as if it wanted to keep the representatives of the Lao People's Revolutionary Youth Union here longer. We felt the same, but because of our duty we had to leave Oudomsai with regret. We still remember the smiles of the Ban Na Lao co-op girls and the solidarity dance with the Ban Na Mo girls.

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EDITORIAL HAILS KADAR, COOPERATION WITH HUNGARY

Vientiane SIANG PASASON in Lao 27 May 82 pp 1, 3

[Editorial]: "Friendly Relations and Cooperation Between Laos and Hungary Bear Beautiful Fruit"]

[Text] On 26 May Hungarians as well as Hungarian friends enthusiastically celebrated the 70th birthday of Comrade Janos Kadar, first secretary of the central committee of the Hungarian Socialist Unity Party [as published].

On this occasion, we the Lao people would like to send our regards and best wishes to Comrade Janos Kadar, and also may the friendship and cooperation between Laos and Hungary increase steadily and grow closer.

From the time of the liberation until now we Lao have been physically carrying out many different plenums of our party and government concerning the policy for the transformation and socialist construction within our country. The fraternal Hungarian people have always supported and assisted us with materials and moral support in fighting for the just revolution of the Lao people, in order to set up our new society.

During the visit to the Hungarian People's Republic in mid-1976 by a delegation of the party and government of the LPDR led by Comrade Kaysone Phomvihan, general secretary of the central committee of the LDRP and prime minister of the LPDR, there was a meeting between the Lao party and government leaders and Comrade Janos Kadar, the first secretary of the central committee of the Hungarian Socialist Workers Party. Both sides signed a cooperation protocol concerning assistance and cooperation in economic and cultural matters. This indicated a new round of fraternal friendship and cooperation between the LPDR and the Hungarian People's Republic.

To carry out this agreement made some years ago, joint committees of the governments of the two countries have visited with each other regularly. This was to ensure that the assistance and cooperation plan would be actually carried out properly. The delegations of both countries signed many cooperation protocols in economic, scientific, technological, and cultural matters. One of the important terms in the agreement was that the Hungarian People's Republic would help to build a bridge at Se Sam Soi on Route 9 in Savannakhet Province in the first Five-Year Plan of the LPDR. At this time such work has

been going on with the aid of experts from the Hungarian People's Republic. Besides this, the education and culture parts of the agreement have steadily borne fruit. The Hungarian People's Republic has also trained a number of Lao students to become experts in professional occupations so they can attentively and honorably participate in building up our most beloved country.

Lao people all over the country are pleased to see the fraternal friendship and cooperation between the LPDR and the Hungarian People's Republic, which is based on Marxism-Leninism and the International Proletariat whose roots have grown and expanded. They express their deep gratitude towards the fraternal Hungarian people for their great assistance in many aspects in building up the young LPDR.

On the auspicious occasion of Comrade Janos Kadar's 70th birthday, he is the respected leader of the fraternal Hungarian people. As for the Lao people, he will always be our close friend who is concerned with increasing and strengthening unity, friendship, and cooperation between the two parties, the two governments, and the people of Laos and Hungary.

We will always remember this. With this, we would like to send our best wishes to the fraternal Hungarian people. May you all succeed gracefully in carrying out the sixth Five-Year Plan, and achieve greater victories in the material and technical base construction to expand socialism in Hungary.

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COMPLAINTS RAISED OVER SCHOLARSHIPS, UNEQUAL TREATMENT GIVEN TO CADRES

Vientiane NOUM LAO in Lao 15-30 Mar 82 pp 4, 5

[Column: "We Pour Out Our Sweat for Our Country"]

[Excerpt] Letter no 1 is from Comrade Khammoun Mounnaphan stationed in tobacco factory no 1, asking why children of workers and ordinary people in secondary schools cannot have school allowances the same as the children of cadres.

Letter no 2 is from Sonhak Somsengdi, Teacher's School No 3, Kham District, Xieng Khouang Province. In the letter, besides praising NOUM LAO, she raised three questions:

1. Why do some final-year vocational training students still receive money for one full year after they graduate, and get a job, but some get a job right after they graduate? How can this problem be solved?

2. Some divisions dismiss cadres who are found guilty in cases of social misconduct to go back to being ordinary people. However, other divisions solve this problem simply, just by criticizing them, reporting the reasons, and them letting them continue their specialized task. What of these two approaches is right?

3. A group of mobilizing cadres went to a village, and there they were put under a hex, or completely possessed by evil spirits. If in this case our physicians could not cure them, but a sorcerer could, how can we say that there are no ghosts?

Answer to letter no 1, concerning the assistance fund for students in secondary schools, we would like to print order No 1403/MESRA of the Minister of Education, Sports, and Religious Affairs which was sent to provincial administrative authorities, city and province, and provincial education services.

Based on the study and agreement between the Department for Organizing Cadres and on the General Education Department, therefore, the Council of Ministers and the Deputy Minister of Education, Sports, and Religious Affairs hereby issue this order for provinces, cities and provinces, and education services.

1. Assistance Fund Guidelines

A higher education student (high level of secondary education) receives 1,500 liberation kip from the government.

Those who receive 1,500 liberation kip per month are considered to get the full amount. One who receives the maximum amount of 1,500 kip must have a canton administrative authority in his locality confirm his hardship, and that his family's production cannot make ends meet. Or, he must be an orphan or child of a revolutionary who has gone to work far away and so could not stay with his children, and it was not likely that he could be stationed where he could take care of his children, such as being a moble work cadre. However, the grant must be approved by the district or provincial organizing services (equivalent).

Those who received 750 liberation kip per month are considered to receive half of the total amount; for conditions in general one must follow the above regulations, except that the student's family is able to supply some assistance but not all, which could affect his study. In cases like this, a province will provide half of the total amount.

This order was signed by Phoumi Vangvichit on 17 August 1976. We can see that our party and government have paid attention to the support of children of cadres and the poor who are qualified under the above conditions. However, there are some places that still do not know how to do it correctly. This might be because the local organization itself does not do a good job. NOUM LAO thinks that this should be reviewed correctly.

Answer to letter no 2, 1. Question no 1 is not clear, so it is hard to respond. However, concerning an improper or wrong matter the organization involved must be responsible. NOUM LAO has pointed out the weaknesses that have been around for a long time as they have been sent in by the masses.

2. Concerning the cadres who fell into social danger, it depends on the case and how serious it is. If it is serious they have to be dealt with a serious disciplinary action; if it is less serious they have to be dealt with a less serious one. This depends on how each division involved will carry out the policy correctly or not. However, the best way is to prevent rather than cure; controlling disease to save a person is better than killing them.

3. Concerning the story of a group of cadres who were put under a hex or spell or possessed by evil spirits, and who could not be treated by our physicians, it might be possible that a sorcerer could cure them. We asked experts who said that sorcerers also have plants and herbs for curing sickness, but they would not tell us. These sorcerers seem to practice magic on the outside, but inside they also treat patients with herbal medicines.

Plants and herbs are one kind of poison which actually exist. As for evil spirits, NOUM LAO once wrote about them as being an abnormal phenomenon of the nervous system in one's body, caused by outside interference. Its deeper meaning is still difficult to interpret. Thus, if we explain evil tree

spirits to uneducated people they could not understand. But when they become educated they will be able to understand this issue. Also, those who believe in ghosts are afraid of science and light. Wherever there is science, light, and bravery (knowledge), there are no spirits.

We have tried our best to explain this issue. Later on people will understand better as education is expanded in our society.

Thank you.

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DEPUTY MINISTER OF EDUCATION PROFILED, INTERVIEWED ON RESEARCH

Vientiane NOUM LAO in Lao 1-15 Apr 82 pp 15, 19, 20, 5

[Report on Interview with Professor Bountiam Phitsamai, Deputy Minister of Education; date and place not given]

[Excerpt] On the morning of 30 March 1982 NOUM LAO was honored to be granted an interview with Prof Bountiam Phitsamai, deputy minister of education. Our aim in this interview was to become familiar with his background, especially in education and scientific research. Moreover, we wanted to have his opinion on the future of our country and of our science.

Following initial remarks, he gave us some of his views. During the Lao People's Democratic Revolution, especially while our Lao people of different races were firmly uniting themselves with the Lao Patriotic Front to actively and aggressively fight against the American imperialists and invaders in order to liberate our country, he was a student in France. With his true patriotism, his concern for the future of our country, and his hatred towards the enemies who wanted to destroy our country, first starting in his student days he joined the Patriotic and Progressive Lao Student Movement. He made the movements for the revolution increasingly active and strong in order to campaign for the Lao revolution, for support from foreign countries, and to mobilize Lao students to join the movement. Meanwhile, with his strong determination he tried to study hard, for he thought that only by studying hard and learning as much as possible would we be able to protect and build up our country. After 7 years of studying in the university he completed his doctoral degree in physics and mathematics, and was praised by the examination committee. While he was preparing for his doctoral degree he assisted a professor by guiding students in laboratory work, and scientific testing in electricity, thermodynamics, and engineering physics. He then got a job in the National Scientific Research Institute of France using the computer to do scientific research in aerospace physics, involving the selection and analysis of data from satellite 0505 and later satellite 0508. After that, he derived several theories and laws, and scientifically assessed the results. After that, he derived several theories and laws, and scientifically assessed the results. After 8 years of this type of scientific research he had many achievements. He wrote a book used within the research institute concerning new methods and techniques for analyzing satellite data. He collaborated with a French scientist on an important scientific discovery accepted by international

scientific circles and published in the Journal of Geophysical Research of the American Geophysical Union. For example, in March 1973 he published an article concerning the relationship between solar Lyman alpha radiation and the thickness of the [ionosphere]. In January 1974 he published a paper on the evolution of the thickness of the [ionosphere] with solar radiation 100 km above the surface of the earth. After that he carried out a research project on the 0508 experiment and analyzed technical problems of the 0508 experiment for one month in the U.S., based on a scientific agreement between Frence and the U.S.

Before returning to our country he continued his research and published an article in early 1980 concerning solar [word missing] Lyman alpha radiation in the lower atmosphere.

The splendid achievements of his studies and scientific research make him proud of the honor of his country and of the Lao people's own heritage of diligence in working to build up the country. They are brave, and yield to no one. Their beloved intelligent sons led the people to fight against the imperialists, and to the shining path of socialism. We can realize that our Lao people are not ignorant and that when they have a chance to study they can learn as well as other people in the civilized world. It is a great honor to be born to be Lao at the time of the socialist revolution.

After this we continued our questions.

NOUM LAO: Where is your hometown? Who are your parents, and how many brothers and sisters do you have? Do your parents know of your success in your studies and scientific research? What was the reason you studied so well?

Professor: My father's name is Chan Peng, and mother's is Chanpheng. My hometown is Luang Prabang District. I have 6 brothers in all. My mother died when I was only 5. My father died in 1969. At that time I was preparing for my thesis and it was the time when Lao people of all races were fighting fiercely against the American imperialists in order to liberate the country. It also was the time when I was working in a strong revolutionary movement led by the students in order to resist the former government's reactionaries, and determinedly supported the revolution. Thus, I could not come to visit my father who was then in the enemies' detention area. My parents thus did not have a chance to see the achievements of my studies.

As for a good way to study, I cannot see any special way. When I was small I studied normally, especially mathematics which I was good at. But when I grew up and continued studying at higher levels I felt that the more I studied the better I became, especially from the pre-university level to the university level. This is because I have a strong love for my country. I love progress. I have determination and patience in my study and research because I think education is very important in protecting and constructing a socialist country.

NOUM LAO: How old are you, and how many children do you have? Where do they go to school, and what field will you let them select to study?

Professor: I am 39, and have 3 children, the oldest being 14. The eldest is studying in the third year of secondary school, and the other two are in the first year of secondary school. All of them are fairly good in school, especially in natural science. As for selecting fields for them, that depends upon their ability and what they like, considering the needs of the country, and I will guide them and explain to them each kind of work and the future for each field.

NOUM LAO: As for LPDR space research, what are the prospects, and what, in your opinion, will be the future of our country?

Professor: Research in science and technology and in other fields is very important. Besides general education work, this is an issue we should hurry to address. This is because it will help us to be able to bring what is new and more up-to-date into our country. It will help us to be able to develop intelligent individuals with new and better qualifications than before. At the same time, we will be able to discover new things to contribute to the store of man's scientific wealth in order to expand it and ever raise its level. As for space research, right now we are not ready and it is not an urgent problem. However, we will need it in the future. We might join other countries, especially our fraternal socialist countries, just as many socialist countries have been working together with the USSR.

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COOPERATIVES SELL TO PRIVATE MARKETS, PROFITS NOTED

Vientiane SIANG PASASON in Lao 27 May 82 p 2

[Article by Sanipangna: "Progress of the Ban Kao Leui Agricultural Cooperative"]

[Excerpts] The agricultural cooperative of Ban Kao Leui is an outstanding and rapidly expanding one, according to a disclosure by the board of directors of the co-op in its annual report ceremony.

In terms of crop production, they were able to grow 70,000 heads of cabbage, 30,000 heads of cauliflower, and 10,098 kg of tomatoes.. This produce was distributed and sold to serve many governmental organizations, ministries, and departments, and was also sent to markets. The total sales of produce was 635,086 kip. Moreover, they were able to grow 3,200 sugar cane plants with a total sales of 40,250 kip. Besides growing this produce, the co-op members also engaged in dry-season rice farming on 8.7 hectares. They used 480 kg of seed rice and produced a total crop of 27,280 kg, which amounts to 3,135 kg per hectare on the average. On the average, each person received 225 kg of rice.

Moreover, the co-op paid close attention to and encouraged family production for its members. In each growing season co-op land was divided up for its members, 400 square meters per family, to work on after hours. The family production before or outside regular co-op time brought in 8,958 kip of net income to a family in one year. In addition, the co-op has improved the material and technical base, e.g., by clearing 2 more hectares in order to set up an electric rice mill, and a 30-meter long and 15-meter wide clear area for drying rice which is also used as a club. They also made a fish pond, and provided materials and vehicles used in production, e.g., a sprinkler system, a water pump, a small-size ploughing tractor, a machine to pump water, an insecticide sprayer, a rice winnowing machine, a small harvesting tractor, and one each of 15 and 5 horsepower electric water pumps. The total capital is 1,335,000 kip.

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BRIEFS

AIR FORCE CONGRESS DELEGATE--Colonel Phao Bounnaphon, 48, of the Lao Theung race, was born in Ban Houa Xieng, Luang Prabang District, Luang Prabang Province. He joined the revolution in 1961 and the party organization in 1974. In 1963-1972 he served in the Patriotic Neutralist Command in the Xieng Khouang and Phongsaly areas. He used to take part in the peace talks committee in Vientiane. After the agreement was signed he was on the Vientiane Agreement Compliance Committee. After the country's liberation he was on the Air Force Command Committee, and now he is the Air Force Chief of Staff officer for the Lao People's Liberation Army. [Excerpt] [Vientiane SIANG PARASON in Lao 21 May 82 p 32 9884

VIENTIANE DISTRICT SECURITY WORK--In the competition to score achievements in order to greet the Third Congress of the Lao People's Revolutionary Party which has just recently finished, since March the local military forces of Phon Hong District, especially guerrilla units in 8 cantons, were improved by strengthening their numbers and quality. For example, they succeeded in carrying out their political life style and in improving living in the area. One aspect was to set the responsibility for the areas to be watched. By inspecting and patrolling day and night on a regular basis they were able to protect and maintain security in their regions, and to facilitate people in their living. The most outstanding of all were the guerrilla units in Na Lao, Na Pho, Saka, Phonsoung, Phon Hong, and Phon Ho Cantons. They all were attentive to the guarding and protecting of bridges, electric power lines, and the ground communications satellite station. Meanwhile, they were especially attentive to suppressing spies, thieves, looters, threats to society, psychological warfare, etc. [Text] [Vientiane SIANG PASASON in Lao 21 May 82 p 1] 9884

NORWEGIANS TO BUILD DAM--After one month of intensive work at the end of April the surveying and data collection for the hydroelectric dam in Tat Set, Lao Ngam District, Saravane Province, was 100 percent completed. Norway is the contractor for this hydroelectric dam project, which is financed by a loan from the Asia Bank. There is also news about the second phase construction of the Se Labam hydroelectric dam which was started in November 1981. As of last April 35 percent of the plan was completed, especially the water gate 20 meters long which is now 70 percent completed. In the second phase the hydroelectric dam will be 83 meters long, 560 meters high, and 6 meters wide at its base and 1 meter wide at the back. At the present time the

construction has been going on diligently in order to score achievement as expected, in order to expand the electrification network to serve production and to provide sufficient lighting for society. [Text] [Vientiane SIANG PASASON in Lao 26 May 82 pp 1, 4] 9884

CSO: 4206/57

SOLDIERS CLASH WITH POLICE IN SABAH TOWN

Kuala Belait BORNEO BULLETIN in English 5 Jun 82 pp 1, 44

[Text]

SANDAKAN. — More than 200 soldiers have been transferred from Sandakan after disobeying a commanding officer's order and then becoming involved in a violent feud with police that brought nightlife in the town to a standstill.

The catalogue of trouble came to a head in the middle of last month when a group of soldiers tried to storm the Marine Police base to attack policemen.

Several warning shots were fired to deter the mob and one soldier was hit in the leg.

After that incident soldiers of the 12th Infantry Brigade were confined to camp and Military Police were brought in to tighten security as high-ranking officers held a board of inquiry into the trouble.

More than 200 soldiers were transferred to Kuala Lumpur last Saturday as part of the disciplinary action.

It is also understood 15 marine policeman have also been transferred away from the trouble spot.

Problems began two days before the Agong's visit to Sandakan camp as a part of his Sabah tour.

About 200 soldiers, mostly young recruits, refused to practice their marchpast in preparation for the visit and then attacked their camp Commandant Mohamed Abu bin Haji Ali, locking him in a room.

They complained that the training was too rigorous on top of their regular training.

On the eve of the Agong's May 11 visit, the Chief of the Fifth Infantry Brigade, Datuk Abul'as bin Ismail, flew to Sandakan from Kota Kinabalu to restore order and the royal visit went without a hitch.

Two days later, however, trouble erupted again when several of the soldiers became involved with a call-girl in a bar in the town. The girl called police who escorted her away from the bar to prevent problems.

Angry soldiers then went to the police station a few hundred yards away and shouted at duty policemen before attacking a police officer and two policemen.

The soldiers were not allowed to carry arms after the earlier trouble at their camp.

The next day about 20 soldiers returned to the police station but duty policemen locked the gates and fired warning shots to scare them off.

On the evening of May 15 several soldiers attacked a marine policeman in a town street. The policeman escaped and ran back to his base. He returned with 14 friends who beat up the the soldiers.

The soldiers then gathered help from their camp and drove to the Marine Police base in lorries.

An army captain and some of his men went in the lorry and tried to stop the soldiers.

The unarmed soldiers shouted abuse at the policemen when they could not break into the base.

The police fired warning shots when some of the soldiers tried to scale the chainlink fence surrounding the base.

The soldier hit in the leg is understood to be one of the men who tried to prevent the attack.

The feud between soldiers and police killed nightlife in Sandakan as people were afraid to go out on the streets.

But since the soldiers have been confined to camp the town has returned to normal.

As a precaution, Military Police and other police have been patrolling the streets in case of any further trouble.

CSO: 4220/627

GUERRILLAS KILLED IN CLASH OF COMMUNIST PARTY FACTIONS

Kuala Lumpur NEW STRAITS TIMES in English 28 May 82 p 11

[Text]

BETONG, Thurs. — Two communist guerillas have been killed in further fighting between two rival factions near the Malaysian border, Thai army sources said today.

The sources said more than 20 guerillas of the outlawed Communist Party of Malaya (CPM) and the breakaway Marxist-Leninist (CPM-ML) group clashed near this south Thai town on Sunday.

Last week, Thai security forces found the bodies of six CPM-ML guerillas in jungle areas north of here.

Thai army intelligence sources said the victims in Sunday's clash were CPM guerillas who had strayed into a CPM-ML preserve seeking food supplies and "protection money" from local villages.

"CPM-ML victory" had been crudely scrawled on a sign where the guerillas were buried and villagers also reported seeing a number of wounded being carried into the jungle, the sources said.

An estimated 3,000 CPM guerillas operate near the Malaysian border, of which more than 200 belong to the CPM-ML faction. — Reuter.

CSO: 4220/627

UNWILLING SUPPORTERS OF COMMUNIST TERRORISTS

Kuala Lumpur NEW STRAITS TIMES in English 17 Jun 82 pp 1, 2

[Text]

KUALA LUMPUR, Wed.

Some people in the Mengkarak and Triang areas in Pahang, especially squatters, are known to be aiding communist terrorists there, army sources said today.

The sources said the Mengkarak incidents on Feb 25 and 26 and the Triang incident last Wednesday when security forces clashed with communist terrorists "are proof that the residents are aiding the enemy."

The fact that the communist terrorists were moving about freely last week within a 6 km radius of Mengkarak town and that no information was forthcoming on their whereabouts by civilians, is a clear indication that the people there are communist sympathisers, the sources said.

After the Mengkarak incident, the army has strung out a security net stretching from Tanah Rata, through Raub, Triang and Mentakab and cutting across the town of Pekan.

The sources said civilians are usually co-operative and would inform the police or the Armed Forces on the locations of communists if they are aware of the enemy's whereabouts.

The sources said these people are usually unwilling supporters and that the army realises this.

They usually support the communists out of fear more than anything else. They know that they live in isolated areas and can be easily harassed by the communists.

Co-operation is usually in the form of food, medicine or money.

In the Mengkarak incident, soldiers found a rubber tapper about 500 metres from the scene of the clash with communists on Feb. 25 wearing a pair of trousers similar to the one found in the enemy camp.

The man also had $100 and had pieces of bread, identical to those found in the enemy's camp.

On March 11, an army unit found a communist pamphlet in a food dump in the Mengkarak area containing the record of activities carried out by tappers in support of the communists.

On Feb. 28, about 14 tappers in the Mengarak area had alleged that they were assaulted by a group of soldiers on Feb. 26.

The sources said this was one of the tactics used by the terrorists to get members of the security forces out of the security areas.

Sources said communist terrorists there are operating within an area of 10 square miles of Mengkarak.

They are believed to be the splinter group of the 10th Regiment of the illegal Communist Party of Malaya operating in the Pahang jungles.

The sources said there are not more than 15 communist terrorists operating in the general area.

Sources said follow-up operations will be carried out to track down the remaining terrorists.

CSO: 4220/627

RMAF CHOOSES SKYHAWKS OVER CORSAIRS

Kuala Lumpur BUSINESS TIMES in English 8 Jun 82 p 19

[Article by Bob Teoh]

[Excerpt]

MALAYSIA'S decision to acquire second-hand Skyhawk jet fighters has temporarily grounded Corsair's efforts to carve out a foothold in the important South-East Asian air defence market, according to industry sources.

The Royal Malaysian Air Force's decision to refurbish its 88 Skyhawk "carcasses" now mothballed at a US Air Force base in the Arizona desert may give a boost to Singapore's state-owned air defence and aerospace company if it can get part of the work under sub-contract arrangements.

According to the observers, the Singapore Aircraft Industries (SAI) with six subsidiary companies under its wings would be in a good position to get the sub-contracts because it is doing the same work on Skyhawks bought by the country for its air force.

The long drawn-out decision on the choice of ground attack multi-purpose fighters for the RMAF was announced last week by Chief of Air Force Lt Jen Datuk Mohamad Taib, putting an end to speculation on whether the Skyhawk or the Corsair would win in the end.

The Skyhawk was selected in 1978 as the attack aircraft to strengthen the RMAF's capability.

According to some observers, the Corsair was then favoured by Malaysia but the ban by the Carter Administration on the sale of advanced aircraft to non-Nato nations scotched hopes of the RMAF acquiring it it.

It was then believed that Malaysia would go ahead to renovate the 88 Skyhawk carcasses it had bought earlier.

However, just when the procurement exercise was about to be completed, the Reagan Administration reversed the preceding administration's ban on the sale of the Corsair to non-Nato countries.

A dogfight immediately ensued among the two US firms eyeing the Skyhawk refurbishing contract and Vought Corporation, makers of the Corsair. A top flight team headed by Vought's president, Mr Robert Kirk, flew into Kuala Lumpur to persuade the government to buy the Corsair instead of settling for the second-hand and out of production Skyhawk.

The sale of the Corsair to Malaysia was important for Vought as a stepping stone into the South-East Asian air defence market.

Industry sources said although all the five Asean countries expressed active interest in the Corsair, it was Malaysia that would probably have been the first to buy it, if the RMAF was persuaded to drop the Skyhawk.

Like Malaysia, Thailand and Indonesia have also evaluated the Corsair but any decision by these two will probably not be made in the immediate future. The Philippines has not evaluated the Corsair yet. Singapore is believed to be interested in the British Harrier jets.

Vought executives had earlier indicated that they would be interested to set up "some form of regional assembly plant" for the Corsair if there were sufficient orders from air forces in this region.

Malaysia's decision to stay with the Skyhawk has, therefore, dashed for the moment Vought's hopes of selling its first fleet of Corsair outside Nato countries.

Industry observers said losing the final dogfight to the Skyhawk was particularly disappointing to Vought Corporation, especially when it has taken the trouble to impress on Malaysia that the Corsair "was designed to replace the Skyhawk".

Vought described its Corsair as a "premier multi-purpose light attack aircraft in the US defence inventory where it will serve into the late 1990s with a life expectancy of at least 25 years. Vought has produced some 1,500 Corsair to date.

Observers said the Corsair (more than $30 million each), is superior to the cheaper Skyhawk, and this was implicit in the Carter Administration's ban on the sale of such advanced aircraft outside Nato.

According to Jane's current record of world aircraft, the Vought Corsair 11 designated by the US military as A-7, won a US Navy award in 1964 for design of a single seater carrier-based light attack aircraft. The requirement was for a subsonic aircraft able to carry a greater load of non-nuclear weapons than the McDonnell Douglas A-4E Skyhawk.

In the case of the McDonnell Douglas Skyhawk A-4, the first prototype appeared in 1953 for the US Navy. Production of the A-4 ended in 1979, after having produced a total of 2,405 attack aircraft and 555 trainers.

Prior to confirmation of the Skyhawk deal, Malaysia did not possess any A-4s. According to the London-based International Strategic Institute, the RMAF has two fighter-ground attack squadrons of Northrop F5s and two counter-insurgency and training squadrons of ten obsolete Tebuans.

The main Skyhawk refurbishing contract is likely to be awarded to be either the Lockheed Aircraft Services Corporation or Grumman Corporation.

It was recently reported that the Singapore Defence Ministry's fledgling Singapore Aerospace Maintenance Company (Samco), now under the umbrella of the Singapore Aircraft Industries after a recent restructuring, was making a bid to win a role in the Skyhawk refurbishing job.

CSO: 4220/627

PRESERVATION OF FREE ENTERPRISE IS GOAL OF PACIFIC TRIP

Kuala Lumpur NEW STRAITS TIMES in English 4 Jun 82 p 2

[Text]

KUALA LUMPUR, Thurs. — Datuk Seri Dr Mahathir Mohamad's visit to the Pacific islands is a reflection of Malaysia's foreign policy to demonstrate to the world what can be done to ensure the preservation of the free enterprise system.

Foreign Minister Tan Sri Ghazali Shafie said the Prime Minister's visit to Fiji, Western Samoa and Tonga "is not a junket but a purposeful and momentous visit.

"Countries practising the free enterprise system talk and talk of what steps should be taken to ensure that no more nations are lost to the non-free enterprise system.

"We are showing them what should be done for we believe in this system," he said at a Press conference today.

The Prime Minister left for the islands this evening.

Tan Sri Ghazali said Malaysia is willing to help the Pacific islands wherever possible.

Neglected

"We will find out where we can be of help," he added.

He said Malaysia feels that the Pacific islands are an area where the country can be a contributor (of aid).

He said it will "not be good for us to leave the area neglected.

"We don't want to lose them (the Pacific islands) to the non-free enterprise system.

"There have been too many countries lost to this system," he said.

He called on the United States to take into consideration global strategic considerations and not to be motivated "by petty national interests."

He said the Pacific islands have only the sea to depend on for resources and the United States should to this end "not alienate them (the Pacific islands) by taking a hard line in the Law of the Sea Conference.

"What will happen if some other elements request these islands permission to set up fishing stations in return for aid?" he asked.

Tan Sri Ghazali said the Pacific islands in the context of global strategy are a bulwark of the free-enterprise world and could easily be lost to some centrally-controlled economic system by the inward attitudes.

Inequality

He said there is now an unequal distribution of technical know-how, resources and capital.

The developed free-enterprise countries must have the political will to see that this inequality is erased.

He said there is now a time of crisis in the world and the developed nations should wake up to this point.

There is a need now, he said, for a re-awakening of the spirit of Bretton Woods to meet and seek ways to overcome this crisis.

He said the top seven free-enterprise countries of the world — the U.S., Canada, Japan, West Germany, Britain, France and Italy — should look into this when the leaders of these countries meet in Versailles in France next week.

CSO: 4220/627

EMPLOYERS SET UP NEW ORGANIZATION FOLLOWING SPLIT

Kuala Lumpur BUSINESS TIMES in English 29 May 82 p 1

[Article by Bob Teoh]

[Text]

A NEW employers' organisation initiated by mining and plantation companies elected its pro-tem committee yesterday and is now set to be the chief spokesman of employers in the country, a role previously assumed by the Malaysian Employers Federation (MEF).

Five employers organisations met in Kuala Lumpur and adopted the constitution of the proposed body to be known as the Malaysian Council of Employers' Organisation (MCEO).

Although the MCEO has yet to apply for incorporation to the Registrar of Societies, it is believed that this would merely be a formality since the body apparently has the blessings of the Labour and Manpower Ministry.

The five convenors of yesterday's meeting comprised the Malayan Mining Employers' Association (MMEA), the Malayan Agricultural Producers' Association (Mapa), the Motor Vehicles Assemblers' Association, the Sabah Employers' Consultative Association, and the Lighter Owners' Association (Penang).

Tengku Mansor bin Tengku Yaacob from Mapa heads the pro-tem committee while Mr S.S. Subramaniam from MMEA was elected his deputy and Mr David Wong, also from MMEA, was elected the secretary-cum-treasurer. The six committee members include Messrs H.M. Collier, R.H.M. Lindesay, John Chelliah, Lim Meng Seng, Ng Beh Tong and Puan Kalsom Taib.

A spokesman of the MCEO said the five founding employer organisations together have some 370,000 workers in the planting, mining, shipping, banking, commercial and timber industries on the payroll of their members.

The inauguration of the MCEO has dealt a heavy blow to the standing of the much criticised Malaysian Employers Federation. The MCEO's membership is open only to employers' organisations, and major bodies like the bank and insurance employers are likely to be more inclined to move under its wings, leaving the MEF to represent individual employers who are not members of any employers organisation.

The split among the employers within the MEF came to a head last year when the mining bosses, acting in concert with their counterparts in the plantation sector, decided to break away from the MEF.

Both the MMEA and the Mapa officially withdrew from the MEF in January this year. Their withdrawal was devastating to the morale and future of the MEF, since they together account for the major part of the work force employed by MEF's members.

The root cause of the split was the dissatisfaction of the MMEA and the Mapa over the effectiveness of the MEF as a national centre for employers.

A spokesman of the MMEA said experience had shown that a national employers' organisation could only be effective if its membership was confined to employers' groups and not a mixed membership of individual employers (some having a mere handful of employees) and trade unions of employers on the MEF pattern.

Another complaint against the MEF was that it has been paying too much attention to day to day labour problems of individual members instead of providing effective leadership at the national or international levels.

They were unhappy that the MEF had been spending too much time and effort in crossing swords with trade unions in industrial courts when this should be the responsibility of individual members.

The MEF was formed some four-and-a-half years ago when the former Malayan Council of Employers' Organisation (MCEO) dissolved itself to make way for its formation.

The original MCEO comprised three organisations — the MMEA, representing the mining companies, the Mapa, representing the plantation ones, and the Malayan Employers' Consultative Association (Meca), representing the smaller and less organised employers.

Most Meca members became ordinary members of the MEF while the MMEA, the Mapa, and other bigger employer groups became association members.

Evidently, this mixed membership structure later proved to be the stumbling block to the effectiveness of the MEF, leading to the allegation that the MEF was not viable as a centre to promote employers' interests at the national level.

CSO: 4220/627

GOVERNMENT SURVEY SHOWS CONTINUED ECONOMIC IMPROVEMENT

Kuala Lumpur BUSINESS TIMES in English 14 Jun 82 p 2

[Text]

THE Pakistani military government said yesterday the country's economy continued a process of revival but remained afflicted with balance of payments deficit and inflation.

A government economic survey estimated a 6.6 per cent growth in gross domestic product (GDP) for fiscal 1981-82 ending on June 30 compared to 6.1 per cent of the previous year.

But the survey said it had become doubtful because of harm done to the wheat crop by excessive rains and storms before harvesting.

The survey, issued before the scheduled announcement of the national budget for fiscal 1982-83 last Monday, said the GDP estimate was based on a wheat production of 11.76 million tonnes against a target of 12.2 million tonnes.

However, it said, the GDP growth was likely to surpass six per cent for the sixth successive year even if the wheat production fell short of last year's production of 11.4 million tonnes.

The survey said the country had already achieved food self-sufficiency and there would be no shortages as large reserves were in stock from the crop last year when Pakistan stopped importing wheat.

The survey said the outgoing financial year had in general marked "a continuation of the process of economic revival and financial discipline that has characterised the economic policy since 1977" when President Mohammad Zia-Ul-Haq's military government came to power.

But it said, the economy was hit by a deepening world recession, a collapse in world cotton prices and an influx of an estimated 2.7 million refugees from Afghanistan.

"These forces had a marked impact on the balance of payments and the budget. Yet the target for growth in output was realised and both balance of payments and budget deficits kept within planned levels. However, the export growth momentum was temporarily reversed and tax receipts fell below budget provisions."

The survey said all sectors of the economy contributed significantly to the rising trend of the GDP with agriculture growing by four per cent during 1981-82.

The commodity producing sector outpaced the growth in the services sector for the third year in recession and manufacturing production rose by 12.1 per cent.

Sugar production rose by 41 per cent after two years of a "serious production crisis," making the country not only self-sufficient in sugar but also with a "sizeable export surplus."

The survey estimated the current account deficit in balance of payments would rise by US$318 million to US$1,309 million compared to last year's US$999 million.

Prices continued to be an area of major concern to the government although a "rising tempo" had been considerably curtailed during the year, it said.

The survey said consumer prices in nine months from July 1981 to March 1982 rose by 7.7 per cent compared to a rise of 12 per cent in the corresponding period of the previous fiscal year.

The wholesale price index showed a rise of 3.6 per cent for the same period against a 10.5 per cent rise in the corresponding period of the previous year.

The government figures about inflation are often contested by the private sector.

The official estimate of 13 per cent for the last financial year was contested by the Federation of Pakistan Chambers of Commerce, the organisation industrialists who put it at about 40 per cent. — Reuter

CSO: 4220/628

'FRONTLINE' STATE STATUS OF PAKISTAN - I

Islamabad THE MUSLIM in English 5 Jun 82 p 5

[Article by William L. Richter]

[Text]

(The writer recently visited Pakistan on a U.S. government-sponsored lecture tour.)

Contemporary Pakistan may appear to outside observers as a bundle of paradoxes. The martial law regime of General Mohammad Zia ul-Haq seized power on July 5, 1977, with the solemn promise to relinquish it within 90 days; it is about to complete its first half-decade in office. General Zia, who assumed the office of President in 1978, continues to reaffirm that all current arrangements are temporary and that neither he nor the army can remain in power very long.

Far from being a mere caretaker, however, the present regime has embarked on a series of steps directed toward the transformation of Pakistan's society, economy and polity into a new Islamic order. Although few people (including Zia himself) credit the country's military ruler with more than modest abilities as a politician or leader, Zia has managed not only to stay in power almost as long as Zulfikar Ali Bhutto, his more charismatic predecesor, but also to preside over economic and diplomatic triumphs that have brought considerable recognition to himself and his regime. Most notable, perhaps has been the reforging of Pakistan's ties with the United States, itself a somewhat paradoxical development considering the state of United States–Pakistani relations in the late 1970's.

To some extent, these apparent contradictions represent problems that have plagued Pakistan's political culture at least since the country's creation in 1974. For more than one-third of a century, neither civilian nor military regimes have succeeded in creating and sustaining an effective political order. Other features of contemporary Pakistan, particularly the impetus toward Islamisation, tap deep-seated cultural aspirations that have been frustrated in the past in various ways. They also reassert Islamic values and identity. Pakistan's politics and policies are also heavily conditioned by recent global and regional developments, most notably the events in neighbouring Afghanistan and Iran.

From the beginning, the martial law regime has wavered between the goals of restoration and reform. On the one hand, General Zia announced on the day of the takeover that the "sole objective" of the regime was the holding of fair elections and the "return" of government power to civilian hands. The 1973 constitution was not abrogated by the military; certain portions were "held in abeyance." Although the attempt to hold elections was twice aborted - in October, 1977, and November, 1979 (in both cases because the anticipated results were not acceptable to the military) -- General Zia continues to search for some means of restoring civilian rule. Although he has rejected the establishment of a permanent military government or even the sort of "civilianised" system President Muhammad Ayub Khan created in the 1960's, Zia has not provided a blueprint showing where he wants to go or how he intends to get there.

On the other hand, there is a reformist Islamic element in the current regime. Within weeks of his coming to power, Zia decreed new criminal punishments, based on a literal reading of the Holy Quran, including flogging and the cutting off of hands for specified offensive. Since then, additional steps moved Pakistan closer to a new Islamic order. On February 10, 1979, General Zia introduced new Islamic laws, including new punishments for adultery, theft and drinking, and new Islamic taxes (Zakat and Ushr). Other Islamic reforms affected the court structure and the electoral system, educational policy and the economy. Interest-free (risk-sharing) deposit arrangements have been established in banks and other financial institutions, with apparently good success and a fair return to investors. During the army's five years in power, the goal of Islamisation has gradually — but not totally superseded the restoration of parliamentary and democratic representative institutions.

Unable to return to civilian government by means of free election, General Zia has searched for other alternatives. He has hinted at the possibility of holding national referenda and building a national government on the basis of the local officials elected in August, 1979, somewhat on the order of President Ayub Khan's Basic Democracy system of 1962-1969. More frequently, Zia has contemplated an Islamic political system, with an Amir and Majlis chosen on the basis of moral character rather than partisan competition. Although his public statements often reiterate his pledge to hold elections "when conditions permit," on several occasions he has observed the inapplicability and in-appropriateness of "Western-style" elections in Pakistan.

On March 23, 1981, General Zia issued a new Provisional Constitution Order which, among other things, provided for the appointment of a 350-member Majlis-i-Shura (Federal Council). By the end of the year, the martial law regime had appointed approximately four-fifths of the projected membership, apparently retaining the rest of the appointments for future patronage. The Majlis held its initial session in Islamabad early in January, 1982.

The Majlis has apparently at least three intended functions. It provides a "link" between the government and the people, by giving its approval to government policies, it makes them somehow appear less unrepresentative; and it is supposed to "decide the question of the country's future pattern of government." But the reactions of the Press and party politicians to the new Majlis were generally skeptical.

Although Zia's statements on the characteristics of a truly Islamic polity suggested that government officials would be chosen on the basis of their righteousness and their adherence to Islamic principles, the actual composition of the Majlis revealed that the criteria of selection were more pragmatic than ideological. Those who had proved their loyalty to the regime in local or provincial councils during the past two years, were well represented as were members of the major landed families, who have always supported whichever rulers happened to be in power.

It remains to be seen whether the new Majlis will be more than a rubber stamp for the actions of the government. During its January session, some members questioned government policies, only to be told rather sharply by Finance Minister Ghulam Ishaq Khan that they had not been appointed to criticise the government. Despite the new line, power remains in the hands of the military: General Zia, his service chiefs, his corps commanders, and the four military officers who serve as provincial governors. Policy direction and initiative continue to remain with a few key civilian officials, like Finance Minister Ishaq and Foreign Minister Agha Shahi.

The new Majlis will provide a facade of popular participation, and it may in fact suggest some ways out of the political impasse that has plagued Pakistan for the last four years. However, it would be overly optimistic to expect a significant shift in power from military to civilian hands or a restoration of representative government through elections. Zia is likely to find, as he has before, that what is acceptable to himself and his military colleagues may not be acceptable to the voting public and vice versa.

OPPOSITION AND REPRESSION

When the army took power in 1977, politics was polarised between Zulfikar Ali Bhutto's Pakistan People's Party (PPP) and the nine-party opposition coalition Pakistan National Alliance (PNA). Subsequent maneourreing and factionlism transformed that cleavage. Several parties have been split over the issue of whether to collaborate with the military authorities, while repeated government postponement of elections led to dialogue and cooperation among political groups that had bitterly opposed one another.

Technically, political parties have been outlawed since October, 1979, when elections were last canceled. However, party leaders continue to operate within a restricted range, to issue Press releases and even to confer with Zia and other government authorities as representatives of their party positions. The Press reports their activities by referring to them as the "defunct" Pakistan Muslim League, or even as "the PPP (defunct.)"

In the early months of 1981, it appeared that the party leaders might succeed in a concerted effort to force the government to deliver on its long overdue pledge to hold elections and relinquish power. Representatives of nine parties met in Lahore and formed a Movement for the Restoration of Democracy (MRD), calling for an end to martial law and the holding of elections. During the same period, the judiciary also displayed a greater willingness to question the actions of the military authorities. The Baluchistan High Court, especially, agreed to hear cases questioning the legitimacy of martial law authority.

This apparent coalescing of opposition to military rule was shattered, however, by two developments in March, 1981. The first was the dramatic hijacking of a Pakistan International Airways Boeing airliner, including the murder of one of its passengers and prolonged negotiations over the release of Prisoners in Pakistani jails in return for the remaining hostages. It soon became obvious that the hijacking had been perpetrated by al-Zulfikar, a terrorist organisation led by Murtaza Bhutto, son of the late Prime Minister Zulfikar Ali Bhutto. Although Bhutto's widow Begum Nusrat Bhutto and her daughter Benazir, who inherited the leadership of the PPP when the elder Bhutto was executed in 1979, disclaimed any foreknowledge of or involvement with the hijacking, the event splintered the MRD, threw the opposition into disarray, and provided the military with justification for widespread arrests. The Pakistan Muslim League (PML), led by the Pir of Pagaro, and the Jamiat-ul-Ulema-i-Pakistan (JUP), both former components of the PNA, seized on the issue as an excuse to pull out of the MRD and to declare their support for the military authorities in the face of such wanton violence.

The second major action that aborted criticism of the regime was the issuing of the Provisional Constitution Order (PCO) on March 23, 1981. The order expressly prohibited judicial questioning of martial law authority or actions and required judges to take an oath of loyalty to the PCO rather than to the 1973 constitution. At least 19 senior judges refused to sign the new oath and were summarily

dismissed. The PCO thus successfully thwarted criticism of the regime, but it also removed the last orderly channel of dissent within the system and any check on the abuse of authority.

The PIA hijacking was one of a series of events over the last several months that indicate that the level of violent protest is on the increase in Pakistan. Shortly before the hijacking, another PIA airliner was mysteriously destroyed by fire at the Karachi airport. There are frequent reports of bombings, including one when Pope John Paul II visited in *Karachi in 1981*. In *November, 1981*, in an armed attack in Lahore, veteran PML politician Chaudhri Zahur Wlahi and his driver were killed, and former Supreme Court Justice Maulvi Mushtaq was injured. Despite extensive Press censorship, there are sporadic reports of campus killings, attacks on police outposts and other outbursts of violence. Law and order were major topics of conversation at the January, 1982, meeting of the new Majils. Although officials charged that many incidents were connected with an "international conspiracy" to destabilise Pakistan, with thinly veiled references to al-Zulfikar, it was difficult to deny that festering public discontent with prolonged military dictatorship was increasingly finding violent outlets.

One reason – perhaps the major reason – why political discontent in Pakistan has not yet erupted in mass protest, as it did in the late 1960's and again in early 1977, has been the relative strength of the economy. Under the leadership and direction of Finance Minister Ghulam Ishaq Khan (and as a result of a series of good crop years), the Pakistani economy has shown significant improvement in agricultural, and industrial productivity, exports, savings and investments since the military takeover in 1977. Although during the past year growth has appeared to slow somewhat from its pace during the two previous years, it still remains significantly ahead of the increase in population. The State Bank of Pakistan Report for 1980-1981 revealed a growth rate of 5.7 percent in gross domestic product (compared with 7 per cent the previous year), a 6-per cent growth in commodity production (versus 7.8 per cent in 1979-1980), a 9.2-per cent increase in manufacturing (versus 9.5 per cent the previous year), and an increase in gross fixed investment of 11.6 per cent (compared with 25 per cent the previous year). At the same time, however, the economy continued to be plagued by trade deficits and by inflation, both the result in part of levels and costs of imports, including petroleum imports.

Some of Pakistan's economic growth under the present regime can be attributed to improved economic management. Threats of nationalisation rife under Bhutto, have been eliminated, and incentives have been directed toward greater productivity. However, fortuitous external factors also reinforced the recovery. The first of these is the large-scale migration of Pakistani labour abroad, particularly to the Middle East. Remittances from Pakistani workers outside the country totaled approximately $2.225 billion in 1980-1981, Pakistan's largest single source of foreign exchange. Although foreign remittances have had inflationary effects on certain sectors of the economy, particularly land and housing prices and wages, the "escape valve" of migration has reduced pressures on domestic employment and removed a potentially disruptive political element from the scene.

The second major source of external support for Pakistan's economy has been the global economic community, i.e., international lending agencies like the International Monetary Fund (IMF) and the World Bank, and the United States, Japan, and the industrialized countries of West Europe. *Although initially reluctant to invest in Pakistan under what appeared to be a temporary and potentially unstable military regime, during the past two years policymakers in these countries and agencies have firmly endorsed the Zia regime.* In December, 1980, the IMF approved a record-setting loan to Pakistan of nearly $1.7 billion. The World Bank's Aid Pakistan Consortium met the following June and pledged $1.17 billion to Pakistan, including relief for Afghan refugees in Pakistan, again a record-setting amount. Pakistan's major creditors have agreed to debt rescheduling, and meetings with Japanese, European Economic Community (EEC), and United States officials within the past several months have all signaled an improved environment for trade and investment. Pakistan has also continued to receive significant economic aid from Saudi Arabia and other fellow Islamic states in the Gulf region.

Government economic policies have been encouraging to both domestic and foreign private investment. While inaugurating a new cement plant on January 1, 1982, Zia reiterated his position that "*the private sector was the cornerstone of his government's industrial policy.*" Foreign companies have been invited to collaborate in petroleum exploration and other ventures, and Zia, Ishaq, and other Pakistani officials have met with American and European businessmen to encourage foreign investment in Pakistan. Under IMF pressure, import restrictions have been eased, and foreign advisers have urged greater deregulation of the economy to encourage further growth.

Despite the recent slowing of its growth rates, the Pakistani economy apparently has considerable capacity for further expansion, particularly if foreign remittances and external support continue to be strong. On the other hand, inflation and energy dependence are major problems. Growth may lead to further problems of distribution, particularly under conditions where union activity is suppressed. The pressures of more than two million Afghan refugees in the two Western provinces presents potential economic as well as political problems. Perhaps the most vulnerable features of the economy, however, are its growing dependence on the remittances of Pakistani workers abroad and on international assistance. It is possible that both foreign aid and remittances will continue to provide the necessary conditions for growth and eventual self-sufficiency. If cutbacks should occur in either field, however, the economic and political consequences could be serious.

(To be concluded)

CSO: 4220/216

CONTEMPLATED POLITICAL ORDER DISCUSSED - I

Islamabad THE MUSLIM in English 10, 12 Jun 82

[Article by Cassandra]

[10 Jun 82 p 4]

[Text]

In the past four years or so, there has been a good deal of loud thinking about changes in the constitutional and political fabric of the country. Much of the time it had seemed more like spasmodic kite-playing then any serious, concrete proposal, but it has proved to be a kind of softening-up process in which political elements sympathetic to the regime had also participated energetically. In recent months, however, a recognisable embryo has finally popped out of the test tube.

The main features of changes contemplated have been made fairly plain in official statements, politicians', critical pronouncements as well as recent press reports of major recommendations of the Ideology Council. And as it seems that the time for decisions may be drawing close, this looks like an opportune moment for a rational and unblinkered scrutiny.

It needs to be emphasised first of all that these endeavours should be tempered by constant awareness of past experiences, mostly unhappy and sometimes terribly costly. This is not virgin territory. There is a besotted history, a whole chain of events which have a powerful bearing on what is being attempted now. And surely, the one awful lesson that must never be overlooked is that whenever an elite group or faction, believing itself to be the repository of all wisdom, has sought to impose itself, its wizardry and authoritative solutions on the nation, the consequences have been invariably disasterous.

The one constant theme throughout has been the introduction of an Islamic system of government. This should be treated, however, as a chapter heading rather than the actual verse. For one must remember that the 1973 Constitution had received, and continues to receive to this day, the Islamic certificate from all the major maulanas of all the established parties. (Besides, the changes now being promoted have little, if anything, to do with the true Islamic tradition. Some tend to really flout it.)

The actual proposals, as a matter of fact, deal with mundane, temporal affairs, inspired not so much by any spiritual considerations but by a fouled-up political impulse. Take, for example, the proposal that elections should be held on non-party basis, hardly an established and recognised Islamic concept. One need not question the motives, but the net-result of such an election will be the emergence of a heterogeneous group without any commitment national programme or policy.

It is envisaged that the candidates will campaign in their constituencies within the framework of Islamic ideology and about local issues. This is the surest way of not seeing the wood for the trees. And adherence to Islamic ideology is not a coherent and concrete programme but mere obeisance to a pretty slogan.

Such a collection of legislators can contribute little to national cohesion. On the contrary, they will encourage the promotion of narrow interests. Only a political party with a substantial following in all or most of the federating

units can ever hope to bring the nation together on one platform. Elections on non-party basis will, therefore, bring forth an assembly which can be manipulated by any adventurous group for its own purposes, a subterfuge which is not unfamiliar to Pakistan.

Closely linked with the aims and objectives of elections on non-party basis is the proposal about the screening of candidates. Of course, candidates do have to satisfy certain basic requirements. They have to be adults, sane and without a criminal record, the kind of qualifications all civilised societie stipulate.

These are already a part of the 1973 Constitution, and there is no discrimination because of political views of a citizen. But the proposed screening seems aimed at political opponents. And who, pray, is to perform this God-like function of moral evaluation of individuals?

At the end of a year-long elaborate exercise, the government had selected and appointed members to the Federal Council. Yet amongst the ranks of the pure were to be found 16 who had been disqualified by Martial Law tribunals for malpractices and two had been flogged.

Then there is the proposal meant for countering regional, secessionist pulls: the elevation of all divisions into provinces. This political quackery is of a piece with the earlier extreme remedy of submerging the provinces into One Unit. The problem is not one of administrative units but of ethnic groups, conscious of their identity, their rights or the lack of them. These aspirations can be satisfied not by an administrative sleight-of-hand but through equal rights and equal participation in the conduct of national affairs.

The disintegration of provinces will, thus intensify and not slake regional thirsts.

Although Islamic labels will continue to decorate the package, these proposals in particular and all the rest in general add up to a return to "Controlled Democracy" or a jazzed-up version of Ayub Khan's "Basic Democracy." For the elimination of political parties, the arbitrary selection of candidates and the prevention of formulation of any concrete national programme apart from Islamic Ideology which can mean anything and everything-all these clearly identify preconceived notions about the outcome of the poll and complexion of government.

That there is a marked tendency to put the political process in an authoritarian strait-jacket is evident from other proposals as well. There is, for instance, the plan to redistribute the powers of the Prime Minister and the President. In other words, it is considered that tailoring the political process and short-circuiting the electoral procedures is not enough. The use of powers by a government so elected has also to be regulated and confined to set, sanitized limits so that even if one lot of self-appointed saviours departs the appartus should be available to the next. This particular proposal and others akin to it will be examined in a concluding article.

[12 Jun 82 p 4]

[Text]

The proposal for increasing the President's powers is not an exclusive brain-child of the Martial Law regime. Some of the political parties have also taken a lively interest in it, especially the old Ayub Leaguers who are aware that in a traditional parliamentary democracy they may not even win a seat, leave alone cadging a minister's post. There is, however, one marked difference between Ayub Leaguers and other political elements favouring a fresh distribution of powers between the President and the Prime Minister. While the former are one with the regime in resorting to ukase, the latter want to rely on the will and judgement of a properly elected national assembly.

To put the matter in its proper perspective, it needs to be recalled that in 1973, political parties had unanimously agreed to give all the basic executive powers to the Prime Minister, directly answerable to the Sovereign National Assembly, because of bitter experiences of previous heads of state. Beginning with Governor-General Ghulam Muhammed, the foundation head of Pakistan's political troubles, through Iskander Mirza down to Ayub Khan, governments and assemblies were dismissed arbitrarily and constitutions destroyed at one fell swoop.

It was felt, therefore, that the President should not have any executive powers that he could misuse. He should not be in a position either to oust a duly-

elected government answerable to a duly elected parliament or to tamper with the constitutional arrangement.

The sharingof executive authority and control between the President and the Prime Minister is an ideal recipe for instability and weak government. In practice, this will mean, and past experience will bear witness, that either the Prime Minister remains pliant and subservient to the wishes and whims of the President or he is liable to be undermined and ousted. For a Head of State enjoying the final executive authority and in direct command of the armed forces will be naturally tempted to conduct affairs according to his own views. The President will be in a position to do this by manoeuvrings in the assembly. It is hard enough for a leader to keep his supporters in line even when they have won elections as a party committed to that leader. It becomes a doubly difficult task in a free for-all assembly, for as individual members without any party loyalty or discipline they can be induced to change sides at will.

The proposal for giving more powers to the President acquires a much deeper significance when one considers the role and composition of the National Command Council. The President will head the Council comprising the Prime Minister, the Defence Minister and the three Service Chiefs. In reality, therefore, the Prime Minister can be outmanoeuvred and cut to size in a Council which is to take major policy decisions.

On the surface at least, this has the making of a presidential form of government, but in reality it is the intended, mechanism for the armed forces' role in the government. Apart from the three Service Chiefs, this policy-making body may, most probably, have retired generals as the President and the Defence Minister. This is where the Turkish connection comes in.

A lot has been said about the Turkish model, but unfortunately, the analogy has been forced and is far from relevant. Modern Turkey was salvaged from the ruins of the Ottoman Empire by the Turkish army and the young Republic was established and nourished by its brilliant generals. In addition, the Turkish army is not in any sense an exclusive institution confined to any particular region, and it is manned by national servicemen.

Given all these attributes, the Turkish experiment has not been an unqualified success. The armed forces grip and frequent interventions have retarded the normal growth of political institutions. Ministers have been executed summarily, large-scale and bloody unrest has plagued the country. Even if the Turkish system had been a complete success, its transplant here will not flourish for the simple reason that none of the strong points of the Turkish forces and their historic achievements are available. On the contrary, the record here is quite the reverse and the circumstances now far from propitious for that kind of graft.

It is essential to bear in mind that this whole exercise towards a modified political order is being conducted to install at some stage a civilian constitutional government and return the armed forces to the barracks. But the creation of a National Command Council and the retention of a powerful role for the armed forces will amount largely to consemtic changes: the substance will remain basically unaltered, giving the country neither one thing nor the other.

It does not require too much imagination to grasp the fact that this arrangement is certain to make armed forces' involvement a permanent feature. Inevitably, over a period of time, the armed forces will be politicised, and a political army can impose on the country any system its colonels and generals think fit: one-party rule Islamic Ideology, Islamic Socialism, Marxism-whatever the leading commanders of the day take fancy to.

The other serious drawback of this hybrid dispensation is that it will still back that popular sanction without which at least its civilian political edifice can have no sure foundation and seem like castle in the air. A political facade may sound an attractive proposition, but in this day and age, the people are neither that easily mesmerised nor that easily satisfied. Thus, the basic requirement for a genuine return to constitutional rule will remain unmet and the threat of a breakdown will continue to loom large.(*Concluded*)

CSO: 4220/217

'FRONTLINE' STATE STATUS OF PAKISTAN - II

Islamabad THE MUSLIM in English 9 Jun 82 p 5

[Article by William L. Richter]

[Text]

Pakistan's international role in the present decade has been greatly affected by two developments in the closing months of the 1970's. The culmination of the Islamic revolution in neighbouring Iran, which drove out the Shah and brought anti-American forces to power, knocked the cornerstone out of the United States strategic edifice in Southwest Asia, the Soviet invasion of Afghanistan in December, 1979, escalated and intensified the conflict in that beleaguered country, swelled the flow of refugees to Pakistan, brought Soviet troops literally to Pakistan's borders, and threatened in various ways to expand the conflict into Pakistan. With the loss of Afghanistan as a traditional buffer, policymakers and commentators in Pakistan and elsewhere have come to regard Pakistan as a "front-line" state in confrontation with the Soviet Union. In the restructuring of the United States strategic consensus in the Middle East after the "loss" of Iran, Pakistan (along with Saudi Arabia, Turkey and Egypt) has come to play an increasingly prominent part.

United States-Pakistani relations, on the decline since the mid-1960's, reached their low point in 1979. When the United States cut off all non-food aid because of Pakistan's apparent nuclear weapons programme, Pakistan joined Iran in pulling out of CENTO (the Central Treaty Organization) and joining the non-aligned movement; angry mobs burned the United States embassy in Islamabad and several other other American buildings in Pakistan. Immediately after the Soviet invasion of Afghanistan, however, United States President Jimmy Carter offered Pakistan a $400-million package of military and economic aid, which General Zia subsequently rejected as "peanuts." The United States administration of Ronald Reagan resumed negotiations with Pakistan and reached agreement in mid-1981 on a package that apparently satisfied the security interests of both countries. The package includes $3.2 billion in assistance, half in economic aid and half in military credits, spread over the next five years. In addition, the United States agreed to sell to Pakistan, on a cash basis, up to 40 advanced F-16 fighter aircraft, for a total of approximately $ 1.1 billion. In seeking congressional approval of the agreement, Reagan administration spokesmen stressed the need to upgrade Pakistan's defensive capabilities and the symbolic importance of the F-16's as a measure of the United States commitment to Pakistan's security.

As expected, India objected strongly to the deal, particularly to the F-16's. Although India will continue to have decisive military superiority in the region even after the rearmament of Pakistan, the sophisticated electronic equipment and the strike capabilities of the new aircraft increase the possibility of greater damage to Indian targets in any future conflict.

United States critics of the package similarly stressed the danger that United States military aid may disrupt the power configuration in South Asia, leading to a new arms race on the subcontinent and increasing the possibility of another war between India and Pakistan. Other arguments against the proposal included its anticipated reinforcement of the military dictatorship in Pakistan and the Zia regime's dismal human rights record. Pakistan's purported

nuclear weapons development programme was cited both in support of and in opposition to the proposed assistance package. Opponents stressed nonproliferation policies that preclude aid to countries developing nuclear weapons except under special circumstances. Proponents argued that the five-year assistance programme would provide the United States with greater leverage to deter, or at least defer, Pakistan's testing or completion of a nuclear device. Neither side seemed to take seriously General Zia's repeated denials that Pakistan is developing a nuclear weapons capability.

Three other potential problems were considered by the United States Congress before it approved the administration's package. The potentially most explosive of these is the question of Baluchistan, Pakistan's southwestern province, in which persistent separatist sentiments erupted into an undeclared civil war during 1973-1977. Although recognising that prolonged military rule in Islamabad may intensify Baluch Alienation, proponents of support to Pakistan argued that some economic assistance in the package would be targeted to alleviate the conditions of deprivation in Baluchistan.

The other issues centered on the Burgeoning Afghan refugee population and the problem of narcotics' producing, both of which primarily concern Pakistan's Northwest Frontier Province (NWFP). In both instances investigators concluded that Pakistan was taking as many positive steps as possible.

In many respects, the United States-Pakistani relationship is a remarkable diplomatic achievement for both countries. The United States has found a way to strengthen both Pakistan's capacity and its resolve to resist Soviet pressures from beyong the Khyber Pass and has *made it possible for Pakistan to play a potentially wider security role in the region.* Pakistan has secured the means to upgrade and modernize its military without giving up its nonaligned status or being forced to make any serious commitments on the use of its new weapons. As in many such international agreements, however, the potential for misunderstanding and differing interpretations remains great. The United States sees the Soviet force in Afghanistan as the major threat to Pakistan. Pakistan sees India as the threat. The United States expects leverage; Pakistan expects "complete independence of action." The United States expects Pakistan to remain firm on the principle of Soviet withdrawal from Afghanistan and nonrecognition of the Babrak Karmal regime; Pakistan, in basic agreement, appears more flexible concerning negotiation with the Soviet Union.

Pakistan has attempted diplomatically to minimise the adverse impact of its arms buildup on its relations with both India and the Soviet Union. In mid-1981, during final negotiations on the arms deal with the United States, Pakistan offered India a mutual no-war pact. India, originally scornful of the proposal because of its timing has subsequently given it more serious consideration. Exchange visits by the foreign ministers and India's counterproposal of a friendship treaty have helped to keep alive the hope that Pakistan's new arms might have the ironic effect of encouraging dialogue rather than enmity with its larger neighbour. In like fashion, Pakistan has been careful to maintain economic ties with the Soviet Union and to continue diplomatic of the major outstanding discussion issue, the Soviet troops in Afghanistan.

Pakistan's new line of attack on the old problem of finding a viable civilian political order may buy time in the short run but appears destined ultimately to encounter the same difficulties as earlier experiments. Like national legislative bodies in the 1950's and 1960's Zia's appointed Majlis-i-Shoora lacks an electoral link to the people. If the Majlis merely rubberstamps the military regime's policies, it will be criticised as a facade.

Within this political and economic context, Pakistan's new status as a "front-line" state and its new security relationship with the United States present opportunities as well as dangers. In its relations with India, Pakistan has already defused a potentially explosive situation. Development funds channelled to Baluchistan may succeed in reducing separatist feelings there. But unless and until Pakistan finds a solution to its primary political problem – that of finding some form of legitimate representative government – the dangers of violent protest, disruption and uncertainty will remain. *(Concluded)*

CSO: 4220/216

RESENTMENT AGAINST WORLD BANK 'IMPERIALISM' NOTED

Karachi BUSINESS RECORDER in English 6 Jun 82 p 2

[Editorial]

[Text]

SUZERAIN is defined as an entity which comes to exercise sovereign influence over independent states. Looked at with this definition in view, the World Bank together with its associated agencies seems to have assumed all the power and influence of a sovereign over the states which knock at its doors for loans. And, much more so in the case of the Third World countries. If the World Bank was to function just as any other money-lending institution, it would be within its rights to examine the repayment potential of its clients when the loans are asked for. Of course, it has to take into consideration, like any other bank, the economic viability or otherwise of the projects, the risk element and the safety of its money.

However, the rub lies where it assumes the authority, either directly or through its agencies, to dictate to the loanee its various pricing policies, trade liberalism or restrictions, industrial and commercial policies to be adopted and, most important of all, to try and force the countries to devalue or revalue their currencies. Indeed, few in desperate need have been able to resist the 'sovereign diktats' of this great financial conglomerate and have had to bow to the 'sovereign majesty' of the World Bank's will.

Let us here talk about our own Pakistan. The massive devaluation of our rupee in 1972 did take place at the behest, direction or command, say what you like, of that 'imperial majesty' the World Bank. What effect it had on the economy of Pakistan the nation knows to its cost. Then again, this 'sovereign' institution directed a second devaluation of Pakistan rupee in 1978-79. And, when the present regime declined to obey, this country and the whole world know what economic squeeze it was made to suffer. Luckily for us, the geo-political situa-

tion underwent a change and the 'sovereign' had to relent. But not all the way. It would not let us forget who the economic 'sovereign' is. It makes its authority felt particularly in the sphere of loans needed for the creation of or improvement in the infra-structure required for the economic development of the country. We are obligated to have the 'emperor's' designated consultants and advisers, contractors of its approval; besides the country must agree to the rates and prices that it should charge from the people. The story is the same whether it is the electricity projects of KESC or WAPDA, or the water projects of KDA or WASA.

It is not unnatural, therefore, that this 'imperial' attitude of the World Bank and its affiliates creates antagonism against the country which has the major financial holdings in these international financial organisations and whose nationals preside over their working. It is not unoften that economic diktats of these institutions and their implementation have led to popular unrest or have contributed to the destabilisation of the regimes in the Third World. Not long ago we had objected to IMF and World Bank teams breathing down our necks all the year round and viceroying our activities and performance. But it was of no avail. Indeed, such activities seem to be on the increase. We now ask President General Mohammad Zia-ul-Haq and his Finance Minister, Ghulam Ishaq Khan to resist the World Bank pressure with the same determination as they exhibited in 1978-79 against these agencies' demand for devaluation. What should be the water rates or electricity charges in Karachi, Lahore or anywhere, or of any other produce or service in the country, is only our sovereign right to determine and we accept the suzerainty, economic or political, of no power on earth. This joke has now gone too far. Indeed, it is time that this 'imperial' attitude of these financial institutions should be taken up pointedly in appropriate Third World forums like the Group of 77, as also in the Organization of Islamic Conference.

CSO: 4220/216

LOAN FOR FERTILIZER IMPROVEMENT

Islamabad THE MUSLIM in English 10 Jun 82 p 8

[Text]

ISLAMABAD, June 9: The World Bank will provide a loan of Dollars 38.5 million to Pakistan to improve its fertiliser production and to develop a strategy for expansion of the industry.

A press release issued here today said: by 1986, Pakistan will need about 1.8 million nutrient tons of fertiliser, with imports expected to account for 40 per cent of the requirement. To help meet a larger share of the growing demand with domestically produced fertiliser, the government will undertake a fertiliser industry rehabilitation project at a cost of dollar 49.3 million.

The Pakistan Government will make funds available to the National Fertiliser Corporation of Pakistan and two subsidiaries to rehabilitate and expand their existing facilities and to improve their operational, management, and training capabilities.

An increase in the annual output of about 178,000 tons of fertiliser is expected to result from the improvements in existing fertiliser works.

Under the project, the Multan Urea Plant rehabilitation will include renewal of instrumentation and electrical systems, replacement of worn equipment, and reconditioning of other parts of the plant. An additional carbon dioxide compressor and ammonia feed pump will be installed to increase the production capacity of the plant. The capacity of the Multan Ammonia Plant will be increased by the installation of a purge gas recovery unit. A rationalisation programme for the entire Multan complex is planned, which will involve pollution abatement measures, provision of spare parts, modernisation of maintenance facilities and the addition of new product handling equipment.

The ammonium sulphate plant at Daud Khel will also be rehabilitated under the project to improve the mechanical reliability of the complex and extend its useful life. The project will include the installation of a new boiler and a new water treatment plant, and renewal of the converter and waste heat boiler sections of the sulphuric acid plant.

The project also provides for a study to assess future fertiliser demand in the country, to develop a strategy for expansion of the industry and to review the government's ex factory pricing policies.

The World Bank loan is for 20 years, including five years of grace, with interest at 11.6 per cent a year, the loan also carries an annual commitment charge of 0.75 per cent on undisbursed balances, and includes a front-end fee of 1.5 per cent on the amount of the loan. -APP

CSO: 4220/218

CAUTION ON DEBT BURDEN STATED; SELF-HELP STRESSED

Karachi BUSINESS RECORDER in English 12 Jun 82 p 1

[Text]

The problem of debt servicing liability has become a mill round the neck. Our debt burden amounts to nine billion dollars on which our annual repayment liability amounts to 700 million dollars. As more and more loans are maturing, this obligation is increasing from year to year and by now we have crossed the "safety limit" of 20 per cent of our total foreign exchange earnings. That our economy has not grown to the extent to meet this huge pile-up of external liability is evidenced by the fact that we have requested the Aid-to-Pakistan Consortium for rescheduling of 243.7 million dollars old debts falling due for repayment from July next and have also asked for a total loan of 1.75 to 2 billion dollars for fiscal 1982-83 to correct and improve our balance of payments position.

Nobody can deny that foreign credit has not played a useful role in our economic progress in certain ways; indeed it has done some damage in certain directions because of hardening of terms and conditions. It has been estimated that on the average every 100 dollars borrowed by us from abroad have resulted in a rise of 33 dollars in national income but out of this not less than 11 dollars had to be credited back to the donors as interest and other charges. Under these circumstances it is very difficult to achieve a reasonable growth rate, unless the developed countries change their attitude with regard to the whole problem of loans, trade and debt service liability.

Indications are that the World Bank is favourably disposed towards Pakistan and the Consortium countries are likely to accede to request. However, it has to be realised that suspension or rescheduling of debts is not a lasting solution of the problem. The indiscriminate borrowing and the tied nature of the loans have done incalculable harm to the country. We have been pushed into a tight corner. The

burden is huge. The respite that we beg, and get is only for one year. It is, therefore, imperative that we do not add to the burden any more. This means that we should shun reliance on foreign credit and fall back upon our own resources. This can be made possible only by effecting a radical change in our development strategy. We should learn to cut our coat according to the cloth. The pattern of growth that we have borrowed from the developed west does not offer a lasting solution to our problems. Let us bid goodbye to it. The sooner we do this the better it will be for the country's economy.

The root of the trouble is that a short-term view is specially attractive to interest groups in a static society. The trader, the peasant, the artisan, the Government employee, each one of them is disinclined to look beyond his immediate gains or subsistence or security. It cannot be over-emphasised that development calls for hard work, social discipline, austerity and curbs on rapid increases in consumption. Moreover, the process of one-sided modernisation disturbs the balance between rights and duties, the former getting primacy over the latter.

It is a wrong strategy that one sector of the economy should be built and developed at the cost of the other. Our planning has suffered from this fault from the very beggining. This has created imbalances in the overall economy. Might some sections of a sector have profited by this kind of development but the disparities have been on the increase and the two major sectors of the economy, that is, rural and urban, are falling apart. Unless their natural interdependence is restored, both will not come into their own. A balanced growth of our economy is necessary by employing national resources to the maximum extent. It is only in this way that we can lay the foundation of a self-sustaining and self-generating economy. We have to create an atmosphere conducive to economic dynamism and enterprise through self-help.

CSO: 4220/218

$1.35 BILLION AID REQUEST APPROVED BY CONSORTIUM

Karachi BUSINESS RECORDER in English 12 Jun 82 p 1

[Text] Paris, June 11--The Paris aid-to-Pakistan consortium at a meeting here today almost approved Pakistani request for a 1.35 billion dollar assistance, BBC reported tonight.

This was disclosed after the meeting by Pakistan delegation leader Ejaz Ahmed Naik who said Pakistan did not receive sanctions of non-project aid to the extent it wanted.

The purpose of relating aid to specific projects is that in case the amount remains unutilised for a certain period the funds are diverted to the lending country.

Pakistan had sought an increase of about 22 percent in the non-project aid in 1.35 billion aid package sanctioned today.

Naik said that Pakistan had requested for 40 crore dollars in the head of non-project assistance but the country would not now be receiving this much amount.

Pakistan had called for more aid because on the one hand it faces an adverse balance of payments position and on the other it wants to pay greater attention to sectors of education, rural development and public health.

As far as Afghan refugees are concerned a sum of 23 crore dollars had been sanctioned. This is more than the last year's sanction, only feeding the Afghan refugees would cost the country 55 crore dollars. It means that the country would have to spend as much amount from its own resources as it would be getting from the consortium.

The issue of the concession in extending period for repayment of loans was not discussed but it appears that the lending countries are being approached separately. In 1981 the consortium had allowed a moratorium of one and half years on loans repayment. Something definite in this regard would be known by September.

According to Naik the countries giving assistance to Pakistan are first the United States and then, according to size of the funds, Japan, Germany, Canada, Britain, France and Italy. Naik said that Pakistan was highly concerned at the current accounts deficit which had touched 1.40 billion dollars.

An official statement issued after the consortium meeting said that despite all factors, Pakistan's economic development survived and has remained at six percent for the last five years. But, the statement said, Pakistan is faced with economic difficulties and policy changes are required to overcome these difficulties.--PPI

CSO: 4220/218

EXPORT PROJECTIONS FOR 1982-83

Karachi BUSINESS RECORDER in English 12 Jun 82 p 2

[Text]

Export earnings for next fiscal year are being projected to remain at almost the level of current fiscal year which is now being estimated at about 2.6 billion to 2.7 billion dollars.

According to the informed sources the export proceeds had shown sharp slump in the current fiscal year, contrary to the estimates made by the planners at the beginning of 1981-82 when they had projected foreign exchange earnings of 3.32 billion dollars.

They attributed the slump in export earnings to the all pervading recession in world market which particularly affected the major export items of Pakistan namely cotton and rice.

Consequently the export receipts of these two items showed marked decline though the quantity remained more or less on the level projected earlier at the beginning of current fiscal year. The same downward trend was also seen in case of export of yarn and carpets.

As for next fiscal year the sources said rice is expected to be main foreign exchange earner and is likely to realise 400 million dollars to 450 million dollars which is being estimated for current fiscal year also.

COTTON

Cotton export is expected to yield marked improvement during 1982-83 and is likely to fetch over 400 million dollars as against estimated earnings of over 260 million dollars in current fiscal year. The main reason for this optimistic assessment is the rising trend in cotton prices in the international market following breakout of war in southern American hemisphere between Argentina and England. As a result the cotton supplies from Latin American countries has been obstructed. The other factor cited for increase in cotton prices is the massive buying by People's Republic of China.

Following recent bilateral agreements with the EEC countries for increasing export quotas of textile from Pakistan the sources hoped that textile group would fetch about 650 million dollars to 700 million dollars.

As for other commodities they said export of carpets would yield foreign exchange earning of about 170 million dollars, petroleum products over 150 million dollars, leather products over 100 million dollars and fish over 50 million dollars.

However, the export proceeds for current fiscal year and the projected earnings for 1982-83 is lower than what was earned in 1980-81 when it amounted to over 2.9 billion dollars.—PPI.

CSO: 4220/218

JOINT VENTURE PACT WITH SUZUKI SIGNED

Islamabad THE MUSLIM in English 7 Jun 82 p 8

[Article by Jawaid Bokhari]

[Text] Karachi, June 6--A joint venture for progressive manufacture of some 25,000 vehicles including small cars, economical on fuel and cheap pricewise, was signed here between state-owned Pakistan Automobile Corporation and Suzuki Motor Company.

M. Jalaluddin Chairman, PACO and Mr O. Suzuki, President, Suzuki Motor Company, initialled the agreement on behalf of their respective organisations.

The project is expected to manufacture 7,500 cars, 12,500 pick-ups, 2,500 vans and some 1700 jeeps.

At current exchange rate of the Rupee, the car will be priced roughly at Rs. 50,000 each, pick-ups Rs. 20,000, jeeps Rs. 67,000 and vans Rs. 50,000 after taking into account the protective duty sought by PACO from the government because of domestic fabrication entitlements.

Talking to newsmen after the signing ceremony the PACO chairman revealed that his organisation had also sought official assurance that permission would not be given for setting up another unit for assembly and manufacture of same size of car for which PACO was setting up the joint venture.

Mr Jalaluddin said PACO would hold 51 percent of share in the new enterprise christened as Pak-Suzuki Motor Company. Suzuki's contribution to the paid-up capital of Rs. 120 million will be limited to 12 and 1/2 percent. The remaining shares will be offered for public subscription.

The decision to embark on progressive manufacture of Suzuki automobiles was taken in late 1979 after studying proposals from 18 leading manufacturers for possible collaboration in the local development of a car below 1000 c.c. with a derivative in the form of pick-up, van and four-wheel drive vehicle.

The products selected for local manufacture are: car model SS80, pick-up model ST 308, van model ST308V, four-wheel drive model SJ410 (soft-top and hard-top). Car, pick-up and van are to be powered by a common 796 c.c. 3 cylinder 4 stroke engine.

The feasibility for the project was submitted to Ministry of Production in April 1980 and was formally placed before Planning Commission in October 1980. The project was accorded anticipatory approval on Dec. 12, 1981. President, Minister of Finance and Production have shown keen interest and provided their patronage to the project at all stages.

The project envisages production of 25,000 units of the product mix. The project aims at local manufacture of Suzuki automobiles achieving 80 percent local content within a period of 6 years. The in-house manufacturing facilities are restricted to intricate high quality components which amount to approximately 22 percent by value. The rest 58 percent components are planned to be manufactured by private and public sector vendors.

The strategy for local production is based on three principles: a)--Optimisation of the existing resources; b)--Creation of licenced components manufacturing facilities all over the country; c)--Achieving self-sufficiency in shortest possible time in provision of a "value packed product needing least maintenance."

It has been planned to gear up the whole engineering industry to "quality-oriented error-free production" by providing technology quality control techniques and the specific tools, dyes, jigs and fixtures needed to all vendors working for Suzuki project. Besides these the project is designed to make positive contribution towards management and marketing know-how. It will also assist the nation at large in meeting of social responsibility by providing transport for maximum people at minimum cost.

Mr Jalaluddin said Pakistan was embarking on its first main project for automobile production which would give a big impetus and dimension to the general engineering industry. It will also help make Pakistan a self-reliant country.

The PACO chairman said this project had been planned the personal direction of President Ziaul Haq who not only directed PACO to set up an automobile industry but also give his personal support to get it finalised at the earliest. He also thanked Federal Minister of Finance Ghulam Ishaque Khan and Minister for Production, Lt Gen Saeed Qadir for their personal interest in the project.

Speaking at the agreement signing ceremony, Mr O. Suzuki, President Suzuki Motor Company, described the new venture as a milestone for the future of Pakistan automotive industry. He said the joint venture would help strengthen friendship between the peoples of Pakistan and Japan.

CSO: 4220/217

TREND TOWARD EXCESSIVE TAXATION DECRIED

Islamabad THE MUSLIM in English 13 Jun 82 p 4

[Editorial: "Taxation Without More Tears"]

[Text]

IN a country in which Finance Ministers have been Presidents and Prime Ministers it is not uncommon for them to wield tremendous authority. Similarly, the Finance Ministry has been playing a major role in the affairs of other Ministries, particularly those described as beneficent Ministries, like health and education, but its role most of the time has been negative. That has been to check other Ministries from doing something instead of a positive one to an extent that cannot be helped in a poor country with small resources and soaring demands. Financial policies of Pakistan, except in the initial years and later at times, have been conservative. But can such excessive caution and a policy of calculated gradualness enable a poor country like Pakistan achieve rapid economic development, combined with distributive justice? Even if the present six per cent growth in Gross National Product is maintained it may take more than 20 years to achieve a real doubling of the modest per capita income, because of the three per cent increase in population annually.

It has taken 32 years now to achieve a doubling of the per capita income in real terms from Rs. 351 in 1949-50. But if at current prices the per capita income rose by nine times in 21 years, ending 1980-81, that only shows the extent of inflation in the country and the degree of personal prosperity. So the rise of per capita income from Rs. 373 in 1959-60 to Rs.3.331 in 1980-81 must be regarded as more of a statistical progress than a mirror of personal boom. That underscores the urgency for making determined and realistic efforts for rapid and positive economic development, which would not lay great emphasis on some of the vacuous and wasteful areas of the amorphous service sector and some superfluous areas of the industrial sector. Undoubtedly allocating the modest resources of Pakistan among the competing demands is difficult for any Finance Minister. Even the substantial aid and heavy borrowing have not made the task less arduous. The three D's of Pakistan's economy – defence, debt relief and development –claim the bulk of the official resources. And even when tax revenues of the State increased by 113.5 per cent in four years the Finance Minister was forced to resort to deficit financing in a big way. In the current year that was budgeted to be as large as Rs. 544 crore. Hence the inflationary conditions in the country have become more acute.

As a result of such inflationary pressures, Pakistan has been forced to devalue its rupee several times including the massive devaluation of 1972 and the new devaluation following the delinking of the rupee from the dollar on June 8 last year. If one dollar of imports now cost Rs. 1.98 more than before our per capita income too has being going down in terms of dollars.

The revenue figures for the current year given by the Chairman of the Central Board of Revenue shows if the financial resources do not exceed the budget estimates, they will not be far below them. If the earnings from customs duties and sales tax have fallen, following the substantial fall in exports and marginal fall in imports, the excise revenues have risen appreciably. Income and wealth tax collections, too, have improved distinctly. And the income of Rs. 225 million from the anti-smuggling operations is not an inconsiderable figure. The number of income tax payers, too, have exceeded the one million target a year ahead of the projected date.

Now the lower income groups are crying for tax relief and the middle income group are clamouring for it. The entrepreneurs are insistently demanding to make large savings and investment possible, while the small investors are protesting sharply against the denial of incentives to save. The basic question now is: Will the Finance Minister make substantial allowance for inflation while presenting his budget proposals? If he will make allowance for inflation for government employees by giving them larger emoluments, as he did during the last three years when he increased their pay and allowances by Rs. 4,310 million, will he provide inflation relief to the lower income group? If the government employees need to be provided with a living wage so should the public. So the minimum taxable salary that was fixed at Rs. 12,000 eight years ago – in 1974-75 – should be raised to Rs. 20,000, as is being demanded all around Pakistan. If the minimum taxable salary could jump from Rs. 6,000 to Rs. 12,000 in three years in the early 1970's there is absolutely no justification for holding on to the Rs. 12,000 figure until eternity. If the minimum taxable figure could rise in India from Rs. 8,000 to Rs. 20,000 within three years, and in addition, salaried employees could have an earned income relief of Rs. 5,000 plus substantial investment relief up to Rs. 40,000, Pakistan must raise the minimum taxable amount to at least Rs. 20,000. But it is not enough if the minimum taxable figure is raised. The higher slabs of income, too, should be provided relief, and the highest slab of 66 per cent, inclusive of the six per cent surcharge of the 60 per cent tax, should become applicable at Rs. 1,50,000 if not Rs. 2,00,000 instead of at Rs. 1,00,000 as it is now.

The Chairman of the CBR has indicated that larger revenues could be mobilised by moving into new areas and bringing new products under excise duties. The decision to set up income tax offices in 'Mandi' towns and collect tax from the grains and cotton merchants is proper. Clearly there is plenty of scope for increasing the number of tax payers as well as mobilising far more revenues from persons with substantial income or big money. Let the government go after such fish instead of adding to the burdens of those who pay taxes, while inflation saps their financial vitality inexorably.

Dr. Mahbubul Haq could not be serious when he said recently that the wholesale price increase during the first nine months of this year was only 3.5 per cent while the retail prices were double of that. Such minimising of the impact of inflation and trying to recreate the myth of single digit inflation is neither credible nor persuasive. The facts of the prices and the painful realities of the market are known to the people too well for them to be persuaded officially that the contrary is true. Hence the budget proposals the Finance Minister comes up with should not ignore the cardinal fact is the substantial inflation that is wiping out the middle class and the fixed income group and eroding domestic savings alarmingly. That all this should happen in a country in which the agricultural sector is exempted from taxation despite the rapid increase in support prices all round is even more incongruous. So, while the rural rich are spared, the relatively poor should not be taxed heavily or allowed to groan under the impact of the burden already placed on them as the purchasing power of their income, too, is eroding constantly.

CSO: 4220/217

PUBLICATION OF SOCIAL SECURITY REPORT DEMANDED

Islamabad THE MUSLIM in English 5 Jun 82 p 6

[Article by Shamsul Islam Naz]

[Text] Faisalabad, June 4--The report of the commission appointed by President Ziaul Haq to probe into the affairs of the Social Security Scheme and to suggest remedial measures for streamlining its working may be brought to limelight.

This was demanded by Maulvi Faqir Mohammad, a member of the Punjab Social Security Advisory committee.

He said that the commission which was appointed last year toured the principal cities of Pakistan for an exhaustive survey and met the representatives of the employees and employers and recorded their statements and suggestions. But so far the report of the said commission has not seen the light of day.

He demanded that the report may be published forthwith because any further delay in the matter would deny to secured workers and their families of their legitimate rights and concessions. He suggested that instead of remaining a provincial subject the S.S. Scheme should be brought under the purview of the Federal Government and the scheme may also be enforced in the province of Baluchistan.

He demanded that the education of workers children and their old age benefits should be merged in the S.S. Scheme, the amount of pension be made pro-rata and all the children of the workers should be allowed the benefit of free education.

He suggested ailing parents of the workers should be given free medical aid, medical and burial allowance be enhanced, incurable tuberculosis and paralytic patients be given permanent disability pension and the vacancies of doctors in SS dispensaries be filled.

CSO: 4220/216

PROBLEM OF MIGRATION TO URBAN AREAS DISCUSSED

Lahore THE PAKISTAN TIMES in English 11 Jun 82 p 6

[Editorial: "Rural-Urban Drift"]

[Text] Provincial Governors of our two most populous provinces, Punjab and Sind, have in recent weeks made reference to a major problem impinging on all Third World countries including Pakistan—the problem of rural-urban migration. They have emphasised the urgency of developing the rural areas and of bringing some comfort along with employment opportunities to the masses residing there. Failure to do so will only add to the misery and squalor found in the 650 or so shanty towns 'katchi abadis' that are a permanent feature of the urban scene. The urban-rural population ratio has climbed from 25 per cent in 1972 to 28.28 per cent in 1982. It is the large towns already bursting at the seams that absorb the hundreds of thousands of yearly migrants who move towards cities in search of a livelihood. The presence of large numbers of unemployed slum-dwellers compounds the problems of sanitation, traffic, water supply and law and order, now endemic to our urban environment. An estimated 1.75 million persons all over the country inhabit "jhuggis".

As pointed out by Governors Jilani Khan and Abbasi on the eve of the Annual Development Plans future planning should provide for new townships away from existing metropolitan concentrations. These must be well-conceived to contain agro-industries, electricity, schools and other basic human needs. In a statement made only a few days ago Air Marshal Inam-ul-Haq, the Federal Minister for Housing and Works, affirmed the present regime's concern for ensuring social justice and eradicating hunger. A project for the coming five years to found a new city 17 kilometres north of Lahore at a cost of rupees 1,500 million has also been disclosed. The LDA Chief promises light and medium industries along with residential arrangements. This will take some of the pressure off Lahore. The present scale of urbanisation and demographic load have almost reduced this garden city to a shambles—except for the beautiful Mall. We learn that LDA is making perspective plans for the next 25 years, a process to be commended. The future is in some ways already with us. The exigencies of housing and employment grow with each passing year. Phased, planned expansion as proposed for Lahore's future twin is obviously more desirable than uncontroled growth.

There is another side to the picture, however, which sincere planners cannot turn away from. The present imbalance in the ownership of the means of production will have to be corrected as far as possible if Pakistan is to move towards a social system ensuring a large measure of distributive justice. Many of the rural migrants are evicted tenants, the dispossessed, those who make distress sales of their few assets. The agrarian structure requires a second look. While we need to draw the rural unemployed into more productive and satisfying lives away from the farms and the already over-crowded cities the process calls for a great deal of compassion, forethought and above all a sense of justice.

CSO: 4220/218

CHANGE IN TONE TOWARD WALI, GHAFFAR KHAN WELCOMED

Islamabad THE MUSLIM in English 16 Jun 82 p 6

[Article by Murtaza Malik]

[Excerpt]

There has of late been an interesting development on the political front which is as defunct as the politicians and their parties. Muhammad Ashraf Khan is a veteran Muslim Leaguer and a close comrade of late Abdul Qayyum Khan. He has come out with a statement, which is a complete departure from the traditional Muslim League line and this might have annoyed some of his partymen though it was a welcome change.

What prompted him to issue the statement was a recent interview of the former Red Shirt leader Abdul Ghaffar Khan, popularly known as Bacha Khan, in which he had described Pakhtoonistan as a stunt created by Afghanistan and India and exploited by them as a lever in their propaganda campaign against Pakistan. Describing Ghaffar Khan as a man of insight and character, under whose leadership, the people of the Frontier Province had achieved many successes in the political field, Ashraf Khan also referred to the Khudai Khidmatgar Movement initiated by Abdul Ghaffar Khan and said that the people of the Frontier Province had even laid down their lives for the success of the movement. In spite of certain misunderstandings, he said there had been no decline in the esteem in which the former Red Shirt leader was held.

He "sincerely" believed that politics of personal likes and dislikes had done a tremendous harm to the national politics. Ghaffar Khan's statement, he said, had not only removed all the doubts and misgivings but also enhanced his prestige. He suggested that the tendency of negative politics must come to an end now and through mutual trust and understanding, united efforts should be made by all for the progress and prosperity of the Province and the country. He assured Bacha Khan that he and his colleagues were with him in the struggle for the restoration of democracy which was vital for national integration and healthy politicking.

Besides issuing this statement, Ashraf Khan is said to have met certain leaders of other parties and discussed the new line with them. The response was reported good.

CSO: 4220/219

NWFP GOVERNOR CRITICIZES WALI KHAN AND GHAFFAR KHAN

Peshawar KHYBER MAIL in English 13 Jun 82 p 1

[Text] NWFP Governor Lt-Gen Fazle Haq Saturday criticised the defunct NDP leadership for political mongering, despite ban on political activities in the country.

Speaking at the foundation stone laying ceremony of a plaza on the Jamrud Road here, the Governor referred to the detention of certain defunct National Democratic Party leaders at their residences and said that these people were violating the law for the past several weeks. "We had shown restraint and had even reminded them through indirect messages about the ban on political activities in the country," he said, adding it seemed that they were trying to put soul into their dead horse. The government, therefore, had to take action against them, he said.

Gen Fazle Haq, however, declared that the leniency shown to such political elements should not be attributed to the government's weakness.

The Governor also lashed out at the former Red Shirt leader, Khan Abdul Ghaffar Khan for his recent outbursts and said it seemed that he had returned to Pakistan with some specific motive. That was why he was undertaking tours of different areas of the province, he said.

He recalled that Mr Abdul Wali Khan had sought permission of the government to proceed to Kabul to meet his ailing father. Our estimation was that Mr Ghaffar Khan would be brought to Pakistan in an ambulance. Surprisingly, however, the situation turned out to the contrary.

Gen Fazle Haq was particularly critical of Mr Ghaffar Khan for his assertions that Pakhtoons were being killed on both sides of the Durand Line and that the Afghan peoples Jehad was a war of superpowers.

The Governor questioned the former Red Shirt leader as to why did he not say this during his stay in Afghanistan. Had he done so, the people here would have taken his statement as genuine. But, he said, his outbursts on his return here seemed to be a one-sided affair and its motives were quite evident. "It is for the people to judge as to who is his master's voice," he said.

About the question of general elections in the country, the Governor reiterated that national polls would be held at appropriate time when the conditions in the country would be congenial for them.

The President, Gen Mohammad Ziaul Haq would decide about the time of the elections.

CSO: 4220/218

PLANNING, LOCAL GOVERNMENT EXPERTS HAVE MEETINGS

Karachi BUSINESS RECORDER in English 30 Jun 82 p 1

[Text]

ISLAMABAD, June 29: The international experts on basic needs of planning and local government, Dr. Richard Jolly of UNICEF and Ponna Wignoraja, who arrived here yesterday called on Dr. Mehbubul Haq, Deputy Chairman Planning Commission today.

The Deputy Chairman apprised the experts of the new thrust which Pakistan was giving in the development programmes to fulfil basic needs of the people like primary health care, safe drinking water and rural infrastructure and services. He stated that during 1982-83, special development programmes would be launched at a cost of Rs. 1.7 billion.

The Deputy Chairman also informed them that the government laid great stress on assisting the local communities in the process of development. In fact, it was proposed to allocate about 10 per cent of the entire development resources during the 6th plan period for programmes to be implemented through the local bodies, he added.

The visiting experts stated that the special development programmes effecting the rural countryside were praise-worthy. The international agencies like UNICEF, could contribute considerably in the provision of hardware and technical advice in this regard. They would, therefore, be studying the various aspects of the basic needs of the planning in Pakistan during their stay, they added.

FAKHR IMAM

The visiting Deputy Director of the UNICEF, Dr. Richard Jolly and members of his delegation called on the Federal Minister for Local Government and Rural Development, Syed Fakhr Imam, here today.

Briefing the delegation on the new local government set up in the country, the Minister analysed in depth the working of the local councils, income generation during the last two and a half years and their role in the rural development through local planning. The Minister said during the last two years significant change in the planning and development strategy has taken place and more and more reliance is being put on the lected representatives of these institutions.—APP.

CSO: 4220/220

PAKISTANI LABOR'S PROBLEMS DISCUSSED

Islamabad THE MUSLIM in English 12 Jun 82 p 8

[Article by Salim Bokhari]

[Text]

ISLAMABAD, June 11: Pakistan's unskilled labour working in the Gulf and the Middle Eastern countries is facing a crisis, particularly in the remittance of their earnings in foreign exchange to their relatives here.

Some countries have revised their regulations regarding employment of foreign manpower which has led to great hardships, specially for Pakistanis. It may be noted that the employment of foreign manpower in the United Arab Emirates is the main issue now for the authorities there and in other Gulf States.

Though there is a shortage of local manpower in these countries to meet the large-scale developmental activity, they hold the firm view that foreign manpower is endangering the security of their countries and is having a corroding influence on their economic and social sectors.

According to reports published by the "Gulf News", a leading newspaper of the UAE, economists claim that there should be a permanent solution to the problem of foreign manpower before it gets out of hand and beyond control.

Foreign manpower in the Gulf States increased during 1975 and 1980 which was the period of economic recession. Foreign workers, the paper said, made large-scale transfer of hard currency "depriving the country of funds for development and weakening the savings for local investment".

It said, "The absence of a clear-cut policy and an assessment of UAE's development needs has confused the economic situation in the country and has created a disparity in the resident population. Nationals in the UAE are 20 per cent of the total population while the balance of 80 per cent comprises foreign manpower".

On the one hand, these countries are contemplating new measures to handle the situation arising out of the increased foreign manpower while on the other hand no serious effort is being made to help the Overseas Pakistanis facing serious problems, some resorting to illegal ways and means to transfer their savings. For this they fall into the hands of agents involved in this business, many losing all their money. The government should, without any further delay, make arrangements for such kind of transactions through the State Bank of Pakistan.

It may be recalled that most of the countries in the Gulf and the Middle East have resolved that the foreign employment should be on a time schedule and the period of the execution of the projects should be clearly defined. After the work is finished foreign workers should go back to their countries. They have further decided that first priority would be given to Arabs employment. The UAE Ministry of Labour has already enacted a law that any group visa should contain 30 per cent Arab workers.

Pakistan's diplomatic missions have a very important role to play regarding the problems of our workers in these countries and it is believed that the government has already issued a directive to its embassies that the first priority should be given to the problems of Pakistani workers since they are the major source of foreign exchange earnings.

CSO: 4220/217

PERVASIVE CLANNISHNESS OF FORMER CIVIL SERVICE DISCUSSED

Islamabad THE MUSLIM in English 27 Jun 82 p 4

[Article by Khalid Hassan]

[Text]

Though I have never asked my good friend Dr Atiya Enayatullah if she really is the author of the immortal observation (If Dr, Salam is so bright, why is he not a CSP), in the late 1960s, practically everybody believed she was. Those were the salad days of the Service. Its stock ran high, at least where it mattered, and it ruled the country from end to end.

The CSP Academy on the upper Mall, in Lahore described by some as the civil serpent propagation nursery, stood away from the road in lone, colonial splendour. If you tried to enter it, you were stopped by fierce-looking chobdars who wanted to know if you were expected by the sifarisi and if so what their exalted names and titles were. This kept wags and poachers out.

In 1968 when unrest began to spread, the Service became the most palpable symbol of public wrongs committed by the Ayub regime. Every procession taken out in defence of this or that/invariably carried/cause/placards denouncing the Service. I remember one in particular, organized by the engineers. It assembled outside the Lahore Secretariat one crisp sunny morning. It was led by four chief engineers, men in sober-looking suits, their backs a little arched because of their years and the huge banner they were carrying. It said in blazing red letters: down with the civil service of Pakistan, publish the Cornelius Report.

I asked them if they were aware how many rules in the book they were breaking by parading in the streets with heretical demands. "For thirty-five years I have lived by the book and see where it has got me," one of them said. No further conversation was possible because soon everyone, including the four elderly gents, were shouting soulstirring slogans of down with CSP. That was the day.

I suggested at the time in a newspaper colum that for the sake of fairplay somebody should set up a CSP defence front. This public-spirited suggestion was discounted when Sardar Sadiq declared in Shezan the next day that while the idea had his support, he was afraid any procession taken out by the CSP defence front would be lathi-charged by the public, as opposed to the police.

The Service did not break rank, despite the blitzkrieg of growing protest, but it could not understand why it was under attack. I remember one of its lesser luminaries – but a luminary nevertheless – telling me at the time: why is everybody gunning for us? What have we done? "Wrong number, pal," I told him. "Ask the chief engineers who were lathi-charged by the police in front of the Assembly Chambers the other

day."

The Service was always conscious of its select, almost masonic character. It fashioned itself in the direct tradition of the old Indian Civil Service and fought every attempt designed to invade its territory. Its allegiances were tribal. It considered itself among the chosen and treated other services with a supercilliousness bordering on contempt. Within the Service itself, there were castes. The old ICS- A. T. Naqvi, Main Aminuddin and the like – did not think much of the post-1947 entrants. It was considered a great distinction that under an agreement with the two successor governments, the pensions of the ICS were payable in pound sterling. One heard no end of this. The CSP transferred the contempt it receive from the ICS to the PCS, especially those among its members who had been inducted into the CSP. Any blue-blooded CSP will tell you even today that Mr Ghulam Ishaq Khan is actually not a CSP but a PCS who made good. "Otherwise he is alright," it would be added by way of an afterthought.

But since all the three subcastes were united in the face of the common enemy, intration and sabotage were fought with guerilla-like virulence. The Cornelius Report, which was neither revolutionary nor a fundamental departure from the status quo, was suppressed with a ferocity reminiscent of the Inquisition. To this day, it has neither been published nor can one even get hold of a copy. Ayub Khan was railroaded into the belief that even an academic consideration of the Report's recommendations would throw the country into administrative and political turmoil. He was even assured that the Report would dismantle the system of basic democracies he had bequeathed to the nation.

The clannishness of the Service was beyond belief. I recall a young CSP probationer, all shaved and shampooed, telling his friends in Shezan that he was off to 'done' one. I cannot imagine a probationer from another service even dreaming of making such a call.

The CSP clannishness was not confined to Pakistan' It was assiduously practised 'abroad as well. If one CSP managed to get ensconced in the World Bank or the IMF, he would soon carve out a niche for one of his colleagues, who, in turn, would return the favour and thus keep the line going.

In 1972 when the services were abolished, the wails of CSP spouses – as they without doubt were the more deadly of the species – could have been heard as far as the Cape Of Good Hope. However, it was not long before the process of regrouping got underway. One CSP told me in Paris in 1973: all they have done is take away our name, but make no mistake about it, we are alive and well and kicking. Old Darwin was not wrong, as experience has shown.

All you have to do is to take a look at the civil list, provided the Service has not taken steps to declare it a classified document.

CSO: 4220/220

JILANI STRESSES CONTINUING NEED FOR SIMPLIFICATION OF OFFICE PROCEDURES

Karachi BUSINESS RECORDER in English 18 Jun 82 p 3

[Text]

LAHORE, June 17: The Punjab Governor, Lt.-Gen. Ghulam Jilani Khan has stressed that the review of procedures and systems followed in government offices should be continued and periodical meetings held to simplify them so as to meet the needs and aspirations of the people.

He was presiding over a largely attended meeting convened in Lahore today to discuss the simplification of procedures and system in government departments and offices and decentralisation and delegation of authority. The meeting which continued for nine hours was attended by provincial ministers Chief Secretary Punjab secretaries commissioner and other senior officers. Experts on administration university professors, retired government officers and members of bar were also present.

The Governor said time has come when we should look inwards and try to give systems which should adequately meet the needs and requirements of the people in their dealings with the administration.

He said this was a big exercise being carried out for the good of the people, as over the years a lot of refuse had accumulated that shall have to be cleared to meet the aspirations of the people. A beginning has been made and such meetings will be held in future also to solve the issues and problems encountered by the people in their inter-action with the administration.

Earlier, the Chief Secretary in his opening remarks observed that efforts had been made to improve the administration and a number of proposals made by the committees constituted for this purpose. He said a high-powered committee for the simplication of procedures and systems in government departments/offices had been constituted which had gone into elaborate studies. The committee examined in detail the reports of all previous committees and commissions.

He said the committee had drawn inspiration from the Governor. Half-a-dozen government departments has been reorganised in the light of its recommendations. A major step towards improving the administration had been the creation of new divisions, districts and tehsils in the province to ensure quick dispensation of justice to the people.

He said for running the system of administration smoothly and effectively a number of proposals had been made including provision of incentives to dedicated functionaries in the shape of accelerated promotion, merit certificates and cash rewards. He said inspections had proved most effective for improving efficiency of government offices. An exercise regarding government departments had been carried out individually and specific proformas had been devised in this respect. Every government department was now carrying out its own inspections, he added.—APP.

CSO: 4220/219

NEW CITY PLANNED NEAR LAHORE

Islamabad THE MUSLIM in English 2 Jun 82 p 6

[Text]

LAHORE, June 1: A new city will start taking shape 17 kilometres north of Lahore along GT Road during the next five years with an initial cost of Rs. 1500 million.

This was disclosed by the Director-General of the Lahore Development Authority, Maj. Gen. (Retd) M.H. Ansari, in an interview here today.

He said an area of 7,000 acres would be developed along GT Road near Muridke with its extreme end touching the Muridke Minor, in the second phase the Lahore Development Authority planned to develop another 7,000 acres across the Muridke Minor, the first phase would be populated by three lakh people.

The LDA Director-General said in fact the Authority had divided the North of Lahore in to two parts for the purpose of developing it in to residential sites, one part was prone to active flooding, while the other to only sheet flooding.

He said the LDA would first take the area of sheet flooding for the purpose of developing it into a new city short of Muridke having its own separate identity.

He said all the modern facilities would be made available in this new city, light and medium size industries would be set up in it. It would also provide residential facilities to the workers and other people working in the industries operating in Kala Shah Kaku and other adjacent areas, and thus would reduce load of population on Lahore.

Mr. Ansari said the pre-planning of the city had been completed and procedural matters were being taken up, the scheme would soon be submitted to the government for approval, after which land would be acquired and town planning started.

In reply to a question, he said the LDA would be able to start the physical work on the site during the next two years.

He said in fact the LDA was making plans for the next 25 years, and under these plans it would demarcate areas so that they were not lost, it would have been better if the LDA had acquired these areas, but it would involve a lot of money, he added.

However, Mr. Ansari said, the Authority was making a broad planning for four housing schemes in the South and South East of River Ravi and four schemes in the North of Lahore.

This was being done much before so that at the time of implementation of these schemes, it did not face difficulty in the construction of main drains, arteries and commercial areas.

He said at present the Lahore was expanding on one side which was not good for the city, the city should expand in all feasible directions.—APP

CSO: 4700/1547

BUDGET EMPHASIS ON AGRICULTURE LAUDED

Karachi BUSINESS RECORDER in English 16 Jun 82 p 2

[Text]

The introduction of Ushr from the next Rabi crop is, indeed, in the words of Finance Minister Ghulam Ishaq Khan, "the most significant" among the measures the Government would take next year with the ultimate objective of establishing an Islamic economic order in the country. We stick to our first reaction to the step that it is "an epoch making feature of this budget". There has been a constant demand from almost all the saner sections of society for levying agricultural income tax so that the burden of the revenue collection is also shared by the agriculturists. It was justified in the context that the urban corporate sector and the fixed income group were being subjected to a heavier and heavier burden of taxes for meeting the ever-growing needs of the Government. And these two groups constituted only about 30 per cent of the total population of the country. Thus 70 per cent of the people went scot free, while among the beneficiaries of the revenue expenditure the landed gentry has been getting the lion's share. This was one of the causes which retarded the rate of growth of industry. It may also be pointed out that the small farmer and the owners of small holdings did not benefit as much as they deserved. The major chunk of the concessions granted to the agricultural sector was grabbed by the big landlords. It had resulted in the creation of distortions in the economy and widening of the gap between the haves and have-nots in society. Two years back when the Zakat and Ushr Ordinance was issued and Zakat deductions were made with immediate effect, people were disappointed why Ushr was not levied simultaneously which is also a religious obligation for the Musalmans. However, now when it is being enforced, the agriculturists have been provided relief in the form of exemption from land revenue. On this analogy, the Zakat givers may be to some extent justified in demanding that they should be exempted from the payment of

Income Tax. But we do not subscribe to this proposal because if it is done it would become impossible for the State to raise enough revenues to administer the country. It is hoped that the agriculturists would pay the Ushr honestly and the persons made responsible for spending the proceeds would do so strictly in accordance with the religious injunctions.

The budget's tilt towards agricultural development is also a commendable feature. One third of the total allocations for the next year's development programme, has been earmarked for agriculture. With a view to making this country an exporter of foodgrains, measures have been initiated and particular emphasis has been given to the creation of infrastructure in the rural areas. Agriculture has got to be developed on the pattern of industry. We have been emphasising the point all along. And we hope that with the establishment of infrastructural facilities in the rural areas, it would become possible to float agricultural joint stock companies. The immediate concessions being granted to this sector would definitely help in accelerating the pace of its growth.

However, it should be borne in mind that the development of this sector should be taken up in such a way that the per unit yield which at the moment is among the lowest in the world, is maximised, that the post harvest losses are minimised, that the farmer is enabled to take his produce to the market place without any difficulty and sell it at competitive prices and that, above all, input-output ratio is improved to the maximum. While some measures are being suggested in this regard, care has got to be taken that the small farmer is not deprived of his due in the financial assistance which would be provided to this sector.

We welcome the statement of the Finance Minister that preference is being given to improvement of the water resources in the rural areas. There has been colossal wastage of these resources in past due to a number of reasons. With the completion of Khanpur Dam and the repairs of Tarbela and Hub dams, the supply of water would of course increase. But to take this increased supply to the fields without wastage is essential. In this connection the three-year programme being launched for the repairs of the canal network is of prime importance.

We hope that the way the development of the agriculture sector is being conceived would help us in achieving the production targets. We have seen that with more encouragement, this sector has produced positive results. The efforts made during the last four years have enabled us to have bumper wheat, cotton, rice and maize crops. But we have made this achievement by resorting to extensive farming, i.e., by increasing the area under these crops. Now we must aim at maximising production through intensive farming, which means by maximising yield per unit. Incentives have also to be provided for setting up small scale agro-based industries like the mini-sugar mills, oil expelling units, etc. Such a strategy of development would also prevent the flow of population from the rural to the urban areas which has created a host of socio-economic problems today.

We are basically an agricultural country. We had overlooked this fact in the past and were pursuing a development strategy which did not suit our peculiar conditions. The present regime seems to have grasped this point. However, it does not mean that we should completely reverse the development process, that is, ignore industry for the sake of agriculture. Our object should be to create a balance between the two. It is hoped that the new measures would help to strike such a balance.

CSO: 4220/219

INADEQUATE FOOD STORAGE CAPACITY OUTLINED

Karachi BUSINESS RECORDER in English 9 Jun 82 p 2

[Editorial: "Depressing Picture of Food Storage Capacity"]

[Text]

One has again been reminded of the distressing paradox that this country, living as it does with widespread under-nourishment and still struggling to do away with its dependence on food imports, allows about one-fifth of its own precious produce to be destroyed by lack of adequate storage facilities, crop insects and diseases. The damage, in terms of money, is worth above Rs 136 crore on account of lack of storage facilities and as much more for other reasons. It cannot be said, though, that our agricultural planners and executives have all been sitting there twiddling their thumbs. Impressive figures are flashed in the face of the critic every now and then.

Why then does the real picture still seem so depressing? It is estimated by experts that annual wheat losses due to lack of storage would be sufficient to feed the existing population of Karachi which is not less than 70 lakh. The plain fact is that no serious thought was given to creation of more storage facilities. The planners failed to comprehend that with increased production of agricultural produce more space for storage of foodgrains would be required. Perhaps they are under the impression that drawing a project means half the job is done and things will take care of themselves.

The position is that Government-built godowns are concentrated in the port and some other major cities. In the actual centres of crop production they remain unaccountably scarce. There have been even allegations that some godowns shown in official records as existing, were actually never built. Who is to be held responsible for this colossal national loss? Pakistan is a poor country. It is under-fed and under-nourished. It cannot afford to be deficient in food items for ever nor can it indulge in this kind of man-made wastage. The nation is paying through its nose to achieve self-sufficiency in agricultural pro-

duction. It is subsidising major inputs in the hope of a better future. It should not be taken for a ride because no nation has an inexhaustible fund of patience.

About a year back, the total storage requirements for some of our major commodities including wheat, rice, cotton, sugar, fertilisers and other items were 16,212,000 tonnes while total storage facility available was 3,169,000 tonnes. Of this capacity 91 per cent was in public sector and the rest in private. Out of the public sector storage capacity 65 per cent was under the Provincial Governments and 35 per cent belonged to Federal Government, which was mainly concentrated in Karachi where only exportable commodities like rice or cotton meant to be shipped abroad, were kept. Most of this capacity had grown on ad hoc basis so it lacked other technical requirements for safe storage of commodities. They had no proper fire fighting equipment, maintenance and fumigation arrangements.

The problem is a gigantic one, no doubt, but we cannot plead helplessness. At least the enormous size of the waste should be reduced to much smaller proportions. Apart from what the Government can do, and it can certainly do better than it has done so far, the answer lies in co-operative effort. Small landholders should be encouraged and given all facilities such as easy credits, to build common godowns according to modern standards. Private enterprise should also be associated in this task in a planned way. They should be encouraged to built modern silos in big cities and godowns in towns. There should be a chain of silos and godowns throughout the country. It is to be realised that mere storage is not enough; preservation of foodgrains on scientific lines is necessary. To keep them immune from fungus and pests is necessary so that it is not rendered unfit for human consumption.

CSO: 4220/217

JINNAH BRIDGE OPENED, CALLED A 'LANDMARK' FOR KARACHI PORT

Karachi BUSINESS RECORDER in English 9 Jun 82 p 8

[Text]

The Sind Governor, Lt-Gen S. M. Abbasi, yesterday, inaugurated the Jinnah Bridge connecting the island of Keamari and the City.

Speaking at the occasion, he said that the construction of Jinnah Bridge to replace the Napier Mole Bridge was a landmark for the Karachi Port and a welcome addition to the communication infrastructure of the City.

Jinnah Bridge has been constructed by the National Construction Company in 6 years and 9 months, while according to the contract awarded by the KPT it was to be completed in 2 years and 6 months.

The delay in the project resulted in obvious cost escalation--from Rs 120 million it went up to Rs 210 million.

The Sind Governor said that the Jinnah Bridge was a part of the scheme to connect the Karachi Port with the national highways and industrial areas through express ways and roads.

He said that the Bridge is a feat of engineering and reliance on undigenous material.

Abbasi lauded the performance of Karachi Port Trust and its collaboration with National Logistic Cell, which he said has eliminated the waiting period of ships, saving the country shipping surcharges.

He commended the development work being carried out by the KPT.

APP adds:

In this regard, he referred to increase in oil handling capacity, deepening of approach channel from 30 to 40 feet, increase in the size of tankers visiting the port from 32,000 to 75,000 DWT and expension of container handling capacity from 5,000 teus in 1977 to 60,000 teus in 1982.

The Governor said that it was encouraging to note that dry cargo handling capacity will be increased by 20 per cent by December this year with the completion of four Juna Bandar berths, 50 per cent increase, in rail handling capacity on the completion of west railway's yard scheme by September this year and further increase of 100 per cent in container handling capacity during 1985.

TIMELY STEP

The Governor observed that the 50 year prospective master plan, prepared by the Karachi port, indicate that the west bay of the harbour has the potential for accommodating a hundred shipping berths. Right-of-way reservations have consequently been made in the Karachi metropolitan master plan, to link future port development with land communication arteries and highway system. This has been major and timely step in the right direction, the Governor said.

Earlier presenting the welcome address the Chairman KPT, Rear-Admiral M. I. Arshad, gave a detailed description of the new six lane dual carriageway 1400 feet long and 96 feet wide bridge which, he said, was designed for the heaviest class of highway loading, in accordance with the international standards and checked for abnormal loading requirements.

ONE-MONTH BONUS

The Federal Minister for Communication Mohyuddin Baluch, announced one month bonus as reward for the officials and men of the KPT's Planning and Development Division.

Making important announcement in this regard after the inaugural address of the Governor of Sind Lt-Gen S. M. Abbasi, on the occasion of formal inauguration of the newly constructed Jinnah Bridge at Chinna Creek, Mohyuddin said that the bonus will be given in recognition to the hard and dedicated efforts made by the officials and men of the Planning Division of KPT in the accomplishment of the project.

CSO: 4220/217

FAUJI FERTILIZER PLANT INAUGURATED

Islamabad THE MUSLIM in English 7 Jun 82 p 8

[Text]

GOTH MACHI, June 6: The Punjab Governor, Lt. Gen Ghulam Jilani Khan said today that the policy of the government was to maximise agricultural production through the promotion of agricultural technology, extensive use of modern machinery and fair application of fertilisers. He was formally inaugurating the Rs.319 crore urea plant of the Fauji Fertiliser Company at Goth Machi near Sadiqabad.

He said it was gratifying to note that a plant having an installed capacity of over five lakh tons of fertiliser annually would make the country self sufficient in nitrogenous fertiliser.

Emphasising the vital role which the fertiliser played in increasing the agricultural produce, the Governor said its extensive application was needed to increase yield per acre. The plant would enable the country to achieve self sufficiency in this field, he said.

The credit for this, the Governor said, went to the Fauji Foundation which was doing remarkable job for the welfare of country, ex-servicemen and their families.

He said the completion of such a gigantic project could not be possible without total dedication, untiring efforts and comprehensive planning which was evident right from the planning stage to the completion of the project by the Fauji Foundation management and all those concerned with the project.

The Governor said the purpose of creation of Fauji Foundation was to build such an organisation which may establish a network of industries through its own resources and also utilise the profits for the welfare of dependants of the defenders of the geographical as well as ideological frontiers of the country.

The Governor said the Fauji Foundation not only provided facilities for technical training, medical care and job opportunities but also gave stipends to the children of ex-servicemen for studies. It has also established modern centres for the production of artificial limbs for the disabled ex-servicemen.

About the urea plant the Governor said with its establishment the Foundation had attained a unique position in the industrial history of the country. This would help accelerate agricultural production of the country.

He said if Pakistan was to become one of the leading nations of the world it had to achieve self sufficiency in food for which concerted efforts and careful planning had to be made.

The factory is one of the six such factories producing urea fertiliser which has helped the country become self sufficient in urea requirements.

Later the governor went round the factory.

Earlier welcoming the governor the Chairman, Fauji Foundation, Maj. Gen. (Retd) Rao Farman Ali, said here today that the urea plant set up by the Fauji Foundation would play a vital role in meeting entire national requirements of urea and help the foundation to further step up its efforts for the welfare of ex-servicemen, their dependents and wives and children of 'shaheeds".

He said that five and a half lakh tons per yearly capacity urea plant of Fauji Fertiliser company was going to be in operation with the collaboration of the world renowned Denish company Haldor Topse. With the going into production of this major plant which would help achieve self sufficiency of urea fertiliser, he said, the turning point in the history of our agriculture had reached and the goal of realizing the long cherished dream of green revolution and food autarky would not be far off. He said those on whose shoulders lay the responsibility of manning the plant should remember that dedication alone bore sweet fruit.

Rao Farman Ali said that out of 82 million dollars equity of the Fauji Fertiliser Company. Haldor Topse had 6.4 per cent share, Fauji Foundation 39.2 per cent Pakistan Government two per cent, Pakistan-Kuwait Investment Company six per cent, Denish Industrialisation Fund for Developing Countries 6.4 per cent and Pakistan Consortium of Commercial Banks and Financial Institutions 39.5 per cent.

He also mentioned the details of loan provided by the World Bank. U.S. Government. Federal Republic of Germany, Kuwait Fund for Arab Economic Development, Government of Denmark and Italian Government apart from the basic capital. He said Rs. 41.5 crore had been provided by Pakistani Consortium of Banks and Financial Institutions. He also mentioned a project undertaken by the Foundation since its inception in 1954 which included three textile mills, three sugar mills and several other big projects.

So far the foundation had spent Rs.28 crore on welfare programmes designed to help ex-servicemen, their dependents and wives and children of Shaheeds. This year the foundation had allocated Rs.6.50 crore while the next year's allocation would be more than Rs. seven crore.

CSO: 4220/217

DECISION ON SAINDAK MINERAL PROJECT SOON

Karachi BUSINESS RECORDER in English 30 Jun 82 p 1

[Article by Anwar Rajani]

[Text]

The Saindak Integrated Mineral Project is now on the take-off stage and final decision by the Government to launch it as a "Joint Venture Project" with foreign assistance is expected within about a month, it is reliably learnt.

Foreign consultants — Messrs Charter House — of U.K. engaged by the Bankers Equity L.d. to re-evaluate the project, has recently submitted its report to the BEL.

The report is to be considered soon by the Federal Cabinet and final decision in this behalf is expected within about a month.

Informed sources told "Business Recorder" yesterday that all is set to go ahead with the project and that there was no reason to delay it further. The total cost of the project is 400 million dollars with foreign exchange component of about 240 million dollars.

The sources said that rupee finances would be provided by local financing agencies like Bankers Equity, Pakistan Banking Council etc. The local currency component will be equal to about 150 million dollars.

According to official sources, 25 per cent of the equity may be given to foreign partners. As such the foreign share of equity will amount to 100 million dollars in the joint venture.

The Saindak project is located in Chagai District of Baluchistan where the copper deposits were first discovered in 1963. Extensive studies and investigations have been made abroad since 1974 under the UNDP programme.

Total reserves of 412 million tons of minerals have been estimated as the site.

In the first instance, according to recommendations made by Messrs Seltrust Engineering L.d. of England, the mineral reserves of 72 million tons of copper and substantial quantities of gold, silver, pyrite and magnetite are to be developed as an integrated project at the mining-milling rate of 12,000 tons per day.

The project is sponsored by the Resource Development Corporation.

While a concentrator will be established at the mine site for producing concentrates of copper, pyrite, magnetite and molybdenite, these would then be transported to a suitable location for manufacturing the following (annual averages):-

(i) Blister Copper—17,859 tons per year.

(ii) Sulphuric acid—334,285 tons per year.

(iii) Steel billets—100,000 tons per year.

(iv) Molybdenite concentrates will not be treated fuurther and exported as such.

Further pilot tests and detailed laboratory tests abroad have confirmed the technical and economic viability of the project.

Subsequently, on the basis of bids invited from seven International Consulting Companies, M/s. Mountain States Mineral Enterprises (MSME) of Tuscson, Arizona, U.S.A., were selected to prepare Bankable documents and detailed Feasibility Study of the project with the object of raising finance for its implemenation. This work was completed with basic engineering designs in May 1980.

CSO: 4220/220

BRIEFS

SUBSIDY ON SOLAR ENERGY PUMPS--Islamabad, June 6--The Federal Government has decided to give more than 50 percent subsidy on Solar Energy Pumps to small farmers of the country, it was officially stated here today. The agriculture Development Bank of Pakistan (ADBP) has also announced to give 80 percent loan for these pumps while the farmer will have to invest only about eight percent of the total cost of the imported Solar Pumps. The step has been taken to introduce this latest technology for irrigation purposes particularly in the areas where the water level is 10 to 20 feet below the surface. The Solar Pump with works on the radiant energy of the sun operates automatically and require no fuel. It needs little maintenance and is non-polluting and produces water at much lesser recuring cost than other sources of energy. To stimulate the widespread adoption of the technology by the farmers throughout the country the ADBP would allow a loan Rupees 16,000 per set, repayable in seven years while the Federal Government would grant subsidy of Rupees 124,000 per set out of out of total price of Rupees 44,000 as an incentive to popularise solar technology among the farmers. APP [Text] [Quetta BALUCHISTAN TIMES in English 7 Jun 82 p 4]

EXTENSIVE OIL SEARCH LAUNCHED--Sadiqabad, May 5--The oil production in the country is expected to go up to 16,000 barrels a day by the end of this month the Federal Minister for Petroleum and Natural Resources, Major-General (rtd) Rao Farman Ali said today. Talking to newsmen at Goth Machhi near here the minister said last year the daily oil production was 9,000 barrels. He said an extensive geological survey was being conducted for oil prospecting in Sind. The Pakistani survey teams conducting oil exploration were of the international standards and were hopeful of finding more oil, he said. He said oil found in Khasikheli in Badin district of the Sind province has raised hopes of finding more oil in the area. The minister was of the view that oil prospecting in Sind was and availability of soft loans on very nominal interest the foundation has been able to s ve from Rs. 10 to 11 crore. He said the loans would be repaid over the period of 40 years with 10 years as grace period. Talking about the activities of the Foundation the minister said the organisation has spent about Rs. 28 crore since its inception in 1954 on welfare programmes. From an initial capital of Rs. 1.80 crore with which it started its first project the Foundation now has three textile mills, three sugar factories, a fertilizer factory and serial complex and host of other industrial units.--APP [Text] [Karachi BUSINESS RECORDER in English 6 Jun 82 p 1]

PRESS TRUST DEPUTY CHAIRMAN--Islamabad, June 8--Former Joint Secretary and Director-General in the Ministry of Information and Broadcasting Mr Abdul Aziz Khan has been appointed Deputy Chairman of the National Press Trust. He took over the charge today. Mr Abdul Aziz Khan, who comes from a prominent family of Dera Ismael Khan, was presently Secretary-General of the All-Pakistan Newspaper Society.--APP [Text] [Lahore THE PAKISTAN TIMES in English 9 Jun 82 p 7]

NIAZI PML (QAYYUM) CHIEF--Lahore, June 10--Lt-Gen (Rtd) Amir Abdullah Khan Niazi has unanimously been nominated as the President of defunct Pakistan Muslim League (Qayyum Group) says a PML Press release. The nomination was made at a joint meeting of the Working Committee and PML workers held here recently. The meeting also appointed Khan Amanullah Khan as Senior Vice-President and Malik Sarwar Awan as Central Secretary-General. The name of the other office bearers will be announced later. [Text] [Karachi DAWN in English 11 Jun 82 p 20]

AMBASSADORS FROM PUNJAB--Raja Zafarul Haq told Agha Sadruddin Durrani that 59 ambassadors and 135 diplomats were posted abroad in Pakistani missions. Of 59 ambassadors, 35 belonged to Punjab and Federal Area 13 Sind, nine NWFP and two Baluchistan. Among other diplomats 64 belonged to Punjab, 38 Sind, 25 NWFP, four Baluchistan, one Tribal Area and three Azad Kashmir. Minister for Production, Lt-Gen Saeed Qadir told Mr Zain Noorani that the state owned [words missing] [Karachi MORNING NEWS in English 28 Jun 82 p 3]

CENSUS BULLETINS ISSUED--The Population Census Organisation has issued census bulletins No. two, three, four and five containing provisional tables for Sind, Punjab, NWFP and Baluchistan. These bulletins contain detailed data up to tehsil and subdivision level by sex and mural and urban distribution.--PPI [Text] [Karachi BUSINESS RECORDER in English 26 Jun 82 p 6]

LAHORE DIVIDED INTO UNITS--Lahore, June 27--The Punjab Government has divided the district of Lahore into two units: the City and the Cantonment. Each unit has been placed under an Additional Deputy Commissioner (General) who besides having the powers of the Additional District Magistrate shall enjoy the authority of the Collector in his respective unit. Each unit has been further divided into two Sub-Divisions. Accordingly, the City unit will consist of the City Sub-Division and the Saddar Sub-Division and both the Sub-Divisions include 21 Police Stations. Similarly, Cantonment unit will include Canto ent Sub-Division and Model Town Sub-Division. Each Sub-Division will be headed by an Assistant Commissioner. Keeping in view the considerations of revenue administration a new Tehsil to be known as Lahore Cantonment has also been carved out. Thus, Lahore will, in future have two Tehsils that is the City and the Cantonment. These decisions will take effect from July 1.--PPI [Text] [Karachi MORNING NEWS in English 28 Jun 82 p 8]

CSO: 4220/220

PAKISTANI VIEWS MORO PROBLEM

Islamabad THE MUSLIM in English 18 Jun 82 p 5

[Article by A.S. Lingga]

[Text]

THE westernisation of Filipino culture is an unfortunate phenomenon. However, in the case of the Filipinos, it is a sort of poetic justice that their westernisation is part of the price they have to pay for their earlier acquiescence to American colonialists in addition to more than 300 years of Spanish vassalage. It is a totally different case with respect to the Moros for they bravely withstood both Spanish and American colonial encroachments. Given their incontrovertible status as unconquered people against two colonial powers, the Moros, just the same, became the unwilling victims of a new kind of colonialism, i.e., cultural colonialism, by America and later the Philippines.

The Moros were able to surmount direct Western colonialism but now they are being threatened by cultural colonialism and they may eventually succumb to this new menace inspite of their having earlier succeeded against colonialism.

The Moros were unjustly and arbitrarily incorporated into the Philippine territory through the notorious 1898 Treaty of Paris wherein Spain 'sold' the Philippines to the United States. In this dubious deal, the entire ancestral homeland of the Bangsa Moro people encompassing Mindanao, Basilan, Sulu, Tawi-Tawi and Palawan was included in the 'sale' despite the fact that neither Spain nor the United States had any legitimate basis to annex the Moro territories under the international law. The Moros were never a party to such a deal. The Philippine government consequently became the successor-in-interest to the illegal deal. As such, the exercise of sovereignty by the Philippine government over the Bangsa Moro homeland since 1946 should be regarded as another colonial usurpation. It is within this context that the Bangsa Moro people should never be labelled as Muslim 'Filipinos' since the term is colonially inspired to perpetuate the myth that the Bangsa Moro people are 'Filipinos' so they could become an integral part of the colonialist Filipino nation.

On account of the fact that the Moro people fell within the jurisdiction of the Philippines since the installation of the Philippine Republic in 1946, the Moros inevitably became innocent recipients of Western, specifically American, colonial offensive through the cultural infiltration of their much-cherished society and value system.

The Moros have been nurtured in the Islamic and Asian cultural matrix since 1310 without a significant western penetration, while the Filipinos of the north were already westernised under Spain for 300 years with the Americans merely continuing the process in a more sophisticated fashion. In effect, the cultural colonisation of the Moros by the Americans is filtered through the conduit of Filipino culture. This makes the cultural debasement of the Moros more pronounced because in addition to the imperialistic American scheme, it is channelled through the Filipinos who have been antagonistic to the Moros since the Spanish period when they collaborated with the Spaniard colonialists.

The longer this colonial process operates, the more profound the cultural alienation of the Moros will be.

Cultural colonialism operates through the two methods: the educational system and the mass media (print, radio and television). The first was pursued by the Americans at the turn of the century through the public school system and has been carried to this day with some modifications and variations by the Philippine government. The American modelled school curriculum made mandatory the teaching of such subjects as American and Filipino history, English and Filipino grammar and language and more substantially, the incorporation of the American ethics of capitalism with its pure profit motive and materialistic orientation.

The effect of this kind of curriculum on the Bangsa Moro people is that they become afflicted with 'cultural amnesia' wherein they virtually become ignorant about their own culture and adopt

an alien culture. No wonder, present-day generation of Moros are more familiar with Washington and Rizal than Sultan Qudarat, Rajah Bongsu and Ampuan a Gaus, their very own heroes. They read and speak English and Filipino more fluently than Arabic, the language of the Holy Qur'an. They become more materialistic and individualistic (traits that are imparted by capitalism) rather than spiritual and communal (qualities that are taught in Islam). The net result of this process is the strengthening of American control over a culturally colonised people since the latter's tendency is to accept the Americans as benevolent people rather than knowing them as usurpers and exploiters. Thus, Moro submissiveness, resignation and docility to American and Filipino designs is engendered and nurtured at the cost of freedom, dignity and resistance.

This is not to ignore the fact that Filipino sub-colonialism is also a repressive factor to contend with. The fact that the Philippines has become the relay station between American colonialism and Moro subservience makes the cultural dislocation of the Moros more grave. In as much as both the Americans and Filipinos are Christians, they would not care if Moro school children would imbibe such textbook lessons as 'Mark must eat protein-rich foods like pork to stay healthy' even though eating meat of swine among Muslims is absolutely prohibited (haram). And yet on top of this, the myth that the Filipinos and the Moros are brothers and therefore one people is always stressed and cultivated although the two peoples are distinct in culture, aspirations and history. The Filipinos have collaborated with the Spaniards and Americans in annihilating Islam in general and the Moros in particular.

To add insult to injury, the Western oriented educational system even glorified the colonialists by inculcating the notion that the only essential element of Filipino national identity is Christianity. On the other end of the colonial equation are the deliberate efforts to make the Bangsa Moro people perceive themselves as Filipinos. One thing which is certain is that the Moros are *regarded* as Filipinos but *never* treated as Filipinos. If the Moros are regarded as Filipinos, it is only in pursuance of the colonialist design to do away with their Islamic and national identity. On the other hand, if they are not treated as Filipinos it is because the Filipinos do not want the Moros to share with their economic and political rights. In short, the Moros are accepted as members of the Filipino house on account of their physical presence but they do not share the home. They do not belong, they do not enjoy security and they are not at home.

The emphasis on Christianity as the principal element in the Filipino integrated national is the clearest proof of how Islam in the Philippines is being downgraded and belittled in the conceptualisation of the Filipino national philosophy. This is even allowed to flow into the grassroot level when Moro school children are required by the Filipino teachers to observe and celebrate Christmas in utter defiance of the Islamic tenet not to deify Jesus Christ for he was only a messenger of God, peace be upon him. History books abound with such epithets as 'the Philippines is the only Christian country in Asia' and that 'the Filipino revolution of 1872 ... the starting point of Filipino revolution and nationalism'. This illustrates the wanton disregard for the Bangsa Moro struggles and nationhood which antedated the much heralded Filipino revolutionary struggle for 300 years. Moreover, Filipino struggle pales into insignificance when compared with the Moro struggle because the former was waged by an already conquered people while the latter was fought precisely to preserve their freedom and independence.

The several decades of American and Filipino cultural conditioning through the public school system was followed later by a sustained effort through the vehicle of the mass media. The radio aired programmes that exalted everything American and Filipino. Newspapers, magazines and comics featured articles that elevated Western culture on a pedestal. More recently, television channels and stations have sprouted in Muslim dominated areas in south Philippines to beam programmes that would further bombard the Moro viewers and listeners with such Western decadent trends as pop musics, disco dances, homosexuality and communist fads and many other trivialities. What these programmes imbibe are the mere glamourisation of these counter-social and regressive vogues.

Moro children who are in their formative years internalise most of the cultural bombardments that they receive from the media. What in turn have these media to offer? Most of them totally denigrate the Islamic and Asian roots and base of the Bangsa Moro people.

At no other point in time have the effects of this cultural colonialism been visible than today. Young Moros worship Western pop culture instead of devoting their time reading the Holy Qur'an. Moro women are more adept at disco rituals than the rituals of Islamic prayers. Premarital sex is on the rise inspite of the Islamic values. To enumerate them seems endless. However, these are enough to show how grave is the Moro 'cultural amnesia'.

If this cultural colonialism will go unabated, the Bangsa Moro people may roll themselves on the way to a cultural genocide, a possibility that is harder to contemplate than physical genocide because the latter is concrete and therefore can easily be warded off while the former is difficult to discern because it is abstract. Nonetheless, both physical and cultural genocide will yield the same desired effect—the superimposition of a foreign value system and ideology over a hapless people to facilitate their perpetual servitude.

Casting the Bangsa Moro people into the western cultural mould is nothing but a subtle and systematic extermination of Islam in the Bangsa Moro homeland. For as long as the present situation continues in the Philippines, the future generation of Moros will totally forget and even denounce Islam.

Today, the so-called 'autonomous governments' exist in Central and Western Mindanao. This is a showpiece of the Philippine government in order to smokescreen the oppression, exploitation and the extermination of the Moros. This regional set-up is nothing but an adjunct of the Filipino colonial government. It is being used by the Manila government to further fortify the Filipino colonisation of the Bangsa Moro people and homeland.

Television stations were installed in the Muslim areas ostensibly to 'bring the Muslims into the stream of national development' but were actually designed to wean them away from their cultural upbringing by continually hammering western culture into the Moro mind.

This further reinforces the already tacit stratagem that dominates the alliances of the Moro communities. The title of the radio programme is the Tinig ng Kawal Filipino (Voice of the Filipino Soldier), which was conceptualised by the Armed Forces of the Philippines. It is aired every night in the South.

The Tinig ng Kawal Filipino is a modernised version of the Spanish Moro-Moro plays. The plot of this radio drama is the encounter between the Bangsa Moro Army and the Armed Forces of the Philippines. The former is always depicted as the villain and the latter the hero. In the Moro-Moro plays, the Moro 'pirate' was the villain and the Christian soldier the hero. The Bangsa Moro Army has merely replaced the Moro 'pirates'.

What is worse is the 'romantic flavour' of the story wherein the Muslim woman eventually falls in love with the Filipino soldier and in the process, she leaves her parents. Because of her 'love' for the Filipino soldier, the Muslim woman consequently forsakes her faith and value system.

The impact of this wanton brainwashing of the Bangsa Moro people is so effective that the number of Moro women living with or marrying Filipino soldiers is on the rise.

This is a programme that is targetted for long-range objectives. Decades from now, children who are born out of Moro-Filipino union, be they legitimate or not, will be totally cut off from their Islamic base. This is a manifest case of cultural colonialism designed to weave the future generation of Moros into the fabric of Filipino and therefore, western Christian way of life.

Unless a radical change in the status quo is brought about, the Bangsa Moro people are destined to become a lost people in the western-Filipino cultural quagmire.
—Impact International

CSO: 4220/215

WORLD BANK VOWS AID TO PHILIPPINES

Manila PHILIPPINES DAILY EXPRESS in English 1 Jul 82 p 6

[Article by Dionisio L. Pelayo]

[Text]

TOKYO, June 30 – The World Bank expressed full support yesterday to the Philippines' energy development program.

Shahid Hussein, regional vice president for East Asia and Pacific of the Bank, said the five year energy program of the Philippines is being launched "under exceptionally difficult circumstances."

Hussein noted that the Philippines had experienced a sharp deterioration in its external terms of trade and substantially higher interest rates on its external debts

"In common with the other oil importing countries, growth had decelerated since the oil crisis of 1979 – in the case of the Philippines, growth had decelerated from 6 percent per annum in the 1970s to 4 percent per annum in 1980 to 1981," he said.

The WB consultative group met here yesterday and today with the Philippine delegation headed by Prime Minister Cesar E. A. Virata.

VIRATA noted that the Philippines energy program has resulted in the decrease in the use of imported crude oil from 95 percent of its total needs in 1974 to only 78 percent in 1981.

By 1987, he said, the Philippines will be using 55-percent domestic energy sources and only 45-percent imported energy.

Figures released by the Ministry of Energy show that at 1982 prices, a total of P66.57 billion will be needed to finance the program. Of the total amount, P42.22 billion will come from foreign sources.

The consultative meeting noted that in the past 10 years the Philippines has:

- Achieved and maintained self-sufficiency in rice.
- Developed non-traditional manufactured exports from $100 million in 1972 to $2.6 billion in 1981.
- Reduced dependance on imported energy from 95 percent of energy consumption in the early 70s to 78 percent in 1981.
- Increased public investment from 1.5 percent of the gross national product in the early 70s to more than 7 percent of GNP in 1980-1981.

The World Bank also said it would be reasonable for the Philippines to seek from it official development assistance commitments of about $1.2 billion in 1983 on the first year of the new plan period.

CSO: 4220/221

WORLD BANK DEVELOPMENT LOANS SIGNED

Manila PHILIPPINES DAILY EXPRESS in English 2 Jul 82 pp 1, 6

[Text]

WASHINGTON, D.C. – Three loans totalling $360.5 million to push Philippine development programs were signed Wednesday between the World Bank and the Philippines at the bank's headquarters.

Ambassador Benjamin T. Romualdez, the new Philippine envoy to the United States, and Syed Slar Kirmani, World Bank acting vice president for East Asia and the Pacific, signed the agreements.

Romualdez said the signing was a continuation of the World Bank's support for Philippine development as well as a reflection of the good credit standing the Philippines enjoys among international lending institutions.

• • •

THE THREE loans are for small and medium-scale industries, textile plants and communal irrigation projects.

The loans carry an interest rate of 11.6 percent per annum, payable in 20 years with a grace period of five years.

In remarks after the signing, Krimani said the bank was proud of its association with the Philippines, which he called one of the most important countries in the East Asia and the Pacific region.

He said the $71.1 million communal irrigation loan is a shift in the bank's lending policies. Previously, he said, the bank had given out only loans for large irrigation projects.

"Obviously, we learned from your experience," he told Romualdez.

• • •

ROMUALDEZ noted that the loans will help the Philippines attain a "faster sustainable economic growth" in the coming years.

"They involve projects that will have a direct bearing on the lives of countless numbers of people in many sectors of our economy, raising incomes and creating new jobs in our cities, countrysides and farms," he said.

The first loan, for $132 million, will finance foreign exchange costs of small and medium industrial projects.

The amount will be relent through the Central Bank Industrial Guarantee and Loan Fund which will relend $63 million to end-users or through accredited institutions; the Ministry of Trade and Industry which will receive $8.55 million for pilot cottage projects, payments to consultants, and the training of personnel; and the Development Bank of the Philippines which will relend $21 million to accredited private development banks and another $27 million to medium-scale industries.

CSO: 4220/221

LOAN FORECAST FOR 1982 GIVEN

Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 10

[Article by George Nervez]

[Text] A huge $2.2 billion deficit in the country's merchandise and invisible trade transactions (current account) is expected this year mainly because of the depressed world prices for exports and the increasing cost of imports.

It means that in 1982 the country will have to generate about $2.3 billion worth of medium-and long-term loans and direct foreign equity investments to finance the current account deficit and meet loan repayments during the year.

Bruce Jones of the Philippine Programs Division of the World Bank said that in 1981 the current account deficit in the balance of payments (BOP) was $2.3 billion.

He said that the current account gap is expected to be $2.2 billion in 1982 and $2 billion in 1983.

WB and International Monetary Fund (IMF) officials also said that the government will have to increase tax collections, improve the administration of direct taxes, reform the fiscal incentive system and increase indirect taxes to offset revenue losses caused by the tariff reduction program.

They suggested the measures during the recently concluded meeting in Japan of the consultative group of the country's major creditors.

Ranji Salgado, IMF representative to the Tokyo meeting said that improvements in both government savings and in the profitability of public enterprises would contribute significantly in the reliance on foreign loans.

He said that there is little room for further cuts in government expenses because these have already been reduced sharply in recent years.

Salgado added that there is also a need to strengthen the financial position of public enterprises through improvements in pricing policy and efficiency.

The suggested measures, they added, will help increase domestic savings and reduce the reliance on foreign savings and prevent the foreign debt burden from becoming onerous.

They pointed out that in 1982 the ratio of medium-and long-term debt service to export earnings is expected to be 23 percent. The country has a self-imposed debt service ceiling of 20 percent.

The country's outstanding foreign debt as of March 1982 amounted to about $15.75 billion. This includes the fixed-term and revolving credits.

However, the IMF and WB officials noted that the country is carefully managed and foreign debt of both the public and private sectors is subject to global ceilings.

CSO: 4220/224

NPA, MNLF KILLINGS REPORTED

Manila PHILIPPINES DAILY EXPRESS in English 6 Jul 82 pp 1, 6

[Text]

SIXTEEN persons – including two barangay officials and four soldiers – were killed in separate ambushes and executions carried out the past few days by armed men identified with rebels.

The first killings took place in the vicinity of Matictic bridge in Norzagaray, Bulacan, where a former barangay councilman, his wife and their three-year-old granddaughter were killed by armed men believed to be NPA members. The victims were asleep in their house when the killers attacked.

The former barangay councilman was identified as Felix Cruz. His wife and his granddaughter were not identified.

Motive for the massacre was not established.

* * *

FOUR ARMY soldiers who were on a mission to recover the bodies of two barangay officials kidnaped and killed the day before by dissidents were themselves ambushed and killed Saturday by a band of terrorists in the hills of Kanao-kanao, Bonifacio, Misamis Occidental.

The soldiers were identified as Corporal Abelardo Guerrero and Fernando Sian. Pfc. Samuel Blanca and Trainee Leonardo Ebilario, all of the army 9th infantry battalion.

Four other soldiers in the ambushed platoon were wounded. They were listed as Corporal Edgardo Castaneda, Pfc. Delfin Labina, and Trainees Leon Elezer and Teresito Lozano.

* * *

THE SLAIN barangay officials supposed to be rescued by the soldiers were identified as barangay captain Sinforoso Berioso, 54, and barangay treasurer Nicomedes Sabijon, both of barangay Sibuyan in Bonifacio town.

Berioso and Sabijon were killed for refusing to cooperate with dissidents operating in the area, according to information gathered by investigators.

The army regional command sent a team to pursue the killers.

* * *

FOUR OTHER civilians were killed and six others seriously wounded when a band of terrorists identified with the MNLF ambushed a school principal and his companions in Sulu over the weekend.

Those killed were identified as Kulayan Halipa, a schoolteacher; Narruja Jawali, Imam Omar Umba, and Ibrahim Ibani, a barangay captain in Sulu.

The leader of the attackers was identified as one Commander Arula Sulaiman of the MNLF.

Those wounded were listed as Hamzali Jawali, the school principal; Julhari Jawali, Tanjilol Shiol, Hajihil Tuttoh, Asm Tagayan, and Abdulnasm Ajalan.

The victims were aboard a Toyota jeep bound for Parang from Jolo when attacked in the vicinity of Uba-uba, Silangkan in Parang town.

* * *

ALSO LAST Saturday, three employes of the Ministry of Public Highways working at Kabawan bridge in Matanog, Maguindanao, were massacred by still unidentified armed men.

The victims, who were riddled with bullets, were identified as Kadir Ogto, Haji Akmad and a certain Dali.

A fourth worker, Matas Pacmand, managed to escape.

Motive for the killing was not known.

CSO: 4220/221

OUSTED NEWSPAPER STAFFERS PROTEST

Manila PHILIPPINES DAILY EXPRESS in English 6 Jul 82 p 6

[Article by Vina Paredes]

[Text]

OUSTED staffers of the *Philippines Collegian*, weekly student newspaper of the University of the Philippines, yesterday branded as "arbitrary" their dismissal by the editor.

Collegian editor Napoleon J. Poblador dismissed two weeks ago 12 of his staffers for alleged "betrayal of confidence." He reportedly protested the publication of an article on "committed journalism" in his term's maiden issue last June 21.

The ousted staffers contended there cannot be a "breach of agreement" because, they said, Poblador or his authorized representative approved every page proof before it was printed.

"Had there been anything objectionable. . .the editor or his representative would have disapproved it, and the press would not have printed the copies," they said.

A MEMBER of the editorial board said the ousted staffers found it hard to adapt to Poblador's policy of "neutral journalism." The 12 ousted staffers were former members of the previous Collegian.

Poblador had asked William Chua, the ousted managing editor, to return as associate editor. Chua reportedly recommended the 11 others to Poblador when the latter was named editor last April.

The *Collegian* will come out with its third issue tomorrow with practically a new staff. Four student organizations at the Institute of Mass Communication – the IMC Student Council, Tinig ng Plaridel staff, Samahan ng mga Mag-aaral sa Komunikasyon and the UP Journalism Club – have urged the new *Collegian* staff to rise up to its "role of writing for the students." – *Vina Paredes*

CSO: 4220/221

FIRST LADY VISITS LEYTE

Manila PHILIPPINES DAILY EXPRESS in English 1 Jul 82 pp 1, 6

[Excerpt]

TACLOBAN CITY, June 30 -- The First Lady, Imelda R. Marcos, distributed today gasifiers for bancas to 11 fishermen of Tanauan, Leyte.

Mrs. Marcos also inaugurated a pilt development center in Jaro, Leyte, to benefit 160 farmers. The P1.2-million project will provide them with five threshers and 29 sprayers and assistance for rice and vegetable seed production and swine breeding.

She also opened a rice cooperative for 2,031 farmers, who are members of 61 integrated services associations in poblacion Bairan, Leyte. The project will provide a warehouse capable of storing 10,000 cavans per ricemill, a rice halted-grain dryer and a truck.

Through it, farmers tilling some 6,804 hectares in San Miguel will be able to get government funding to buy equipment for drying, milling, storage and draining. Total cost of the project is P2.3 million, most of which will be loans from the Farm Systems Development Corp.

MRS. MARCOS said Samar and Leyte will develop faster and have new industries.

"Apart from the geothermal power plant in Tongonan, Leyte, two sources of volcanic power have been discovered in Piliran," she said. She cited recent discoveries of rich deposits of phosphates, which can be used in fertilizer production, in Isabel and Tongonan.

She announced that the President has allocated almost P1 billion for the development of Samar and that the construction of a copper smelter in Leyte will open jobs and spur regional development.

She announced programs for children to be developed jointly by the government, church, civic and educational leaders. She told local officials that "much of the work has to be done by you."

CSO: 4220/221

LAND LACKING TO RELOCATE SQUATTERS

Manila PHILIPPINES DAILY EXPRESS in English 1 Jul 82 pp 1, 6

[Text]

METRO MANILA mayors are having serious problems in relocating thousands of squatters whose shanties were demolished by government teams.

Paranaque Mayor Florencio Bernabe said yesterday his town's most serious problem is where to relocate its 7,000 squatter families.

The rainy season, he said, also prevents them to undertake a massive relocation program.

* * *

IN PASAY CITY, Mayor Pablo Cuneta said it would take some time before their relocation program could be completed.

Aside from relocation, Cuneta said Metro Manila officials must also adopt measures to stop the squatters from coming back.

In Las Pinas, Mayor Felimon Aguilar said they are still drawing the list of families who will qualify for government relocation assistance.

* * *

VICE GOV. Ismael Mathay Jr. said he will ask owners of big factories to provide low-cost housing units for their workers who re squatting on public lands near their place of work.

This would help ease the lack of relocation areas in Metro Manila, Mathay said.

Mathay also said work on 40 project sites, where 41,311 squatter families are living, is in full-blast.

He said the government will spend P877 million to upgrade these sites which cover a land area of 22.85 hectares.

The sites will be turned over to the local governments once they are fully developed, Mathay said.

BERNABE said there are no adequate facilities or space at the National Housing Authority relocation sites in Dasmarinas and Carmona, Cavite.

He said that based on the initial findings by barangay officials, more than half of the 7,000 squatter families could not avail themselves of government help.

He said these squatters were relocated several years ago, but returned to Paranaque later.

Since Monday, they have relocated some 300 families living near the Manila International Airport.

IN MANILA, the anti-squatting drive was delayed when demolition teams from the City Hall found out that 21 families occupying the bank of Estero de San Lazaro in Sta. Cruz have land titles granted by the NHA.

Acting Mayor James Barbers, who heads the City Hall's anti-squatting committee, said he will bring the issue to NHA Gen. Manager Gaudencio Tobias.

An NHA record signed by Tobias showed that 341 square meters of the estero's bank have been awarded to the families at P19.60 per square meter.

Estero de San Lazaro is behind the Arellano High School and parallel to the Jose Reyes Memorial Hospital.

The lot sizes awarded range from eight to 52 sqm. Most of the families, however, received about 12 sqm.

* * *

MATHAY said his office will ask the help of the World Bank to provide loans for the construction of workers' housing units.

Since an average worker receives about P900 a month, or P31 daily, the affordable amortization for a unit will be P150 a month, he said. This is about one-fourth of his salary, which he can well afford," he said.

CSO: 4220/221

LAND TURNED OVER TO FARMERS

Manila PHILIPPINES DAILY EXPRESS in English 3 Jul 82 p 2

[Text]

THE TWO estates of the Compana General de Tabacos de Filipinas (Tabacalera) in Ilagan, Isabela, have been turned over by the government to some 5,000 former tenant-farmers, the Ministry of Agrarian Reform said yesterday.

Agrarian Reform Minister Conrado F. Estrella said the haciendas, Sta. Isabel and San Antonio, were given to farmers in simple rites held in Hacienda San Antonio last week.

The ceremonies also marked the turnover to the government of the 12,000-hectare properties by their former owner, Anca, Inc. The government bought the land from the latter in 1981 for some P80 million.

AN INTER-AGENCY committee, headed by the MAR regional director, has been formed to expedite the transfer of land ownership to the farmers, who are "deemed owners" of the land, Estrella said.

Under MAR rules, the farmers have to pay 15 equal annual amortizations to become full owners of the land.

* * *

ESTRELLA said the event "brings to a close years of social unrest over the 100-year-old landholdings."

He explained that the government bought the land from Anca after reports of alleged abuses by company security men on the farmers. The farmers also complained of being relocated to less fertile and less productive areas of the estates.

A petition to President Marcos filed by the farmers gave way to Executive Order No. 778, ordering the Land Bank of the Philippines to buy the lands for resale to farmers.

Anca, Inc., a multi-million firm engaged in the diversified crop production aside from tobacco, acquired the estate from Tabacalera in 1980. Its organizers, Antonio Carag and Eduardo Cojuangco, bought the properties nine years after the Tabacalera offered the land for sale to the government for subsequent distribution to farmers.

CSO: 4220/221

LABOR LAWS TO BE ENFORCED

Manila BULLETIN TODAY in English 8 Jul 82 pp 1, 8

[Text]

Labor Minister Blas F. Ople assured management people yesterday that all labor laws will be enforced without compromise.

He warned management and labor, however, against shifting the burden of maintaining fair and just industrial relations to the government.

He told employers not to create such situation under the illusion that enterprises are excused from making an honest effort to manage and solve industrial conflicts within their own companies.

Ople made the assurances in an open forum following his speech to members of the Employers Confederation of the Philippines (ECOP) at the Hotel Intercontinental in Makati, Metro Manila.

Management people said that in the past, some unions defied return-to-work orders issued by the Labor Ministry, such as in the strike at Inter-Asia in the Bataan export processing zone last month.

In spite of the return-to-work order, the strikers continued to picket the premises of the firm, prompting the guards to arrest the workers, they said.

The labor chief, however, pointed out that non-compliance with return-to-work orders is very minimal.

He warned unions and their members to be aware of the penalties for those who violate the order, including possible loss of employment.

Minister Ople also told participants in the conference that the new labor relations law was created to achieved a stable industrial relation policy that can serve the country in the coming decades.

Ople said the government achieved in BP 227 and its companion law, BP 130, a framework law on industrial relations that can stand the turbulence of the coming years.

He said the law fulfilled the criteria discussed in the tripartite conference held in Puerto Azul following the lifting of martial law on Jan. 17, 1981.

Following the lifting of martial law, he said, it was no longer possible to maintain the legal restraints on the workers' ultimate weapon, the right to strike.

Ople said that the new industrial relations law, when being deliberated on, called into play certain insights that gave rise to some conditions and safeguards. One feature that was absent in the old law was that a two-thirds vote of all members of a union is necessary before a strike can be declared.

He said the new law likewise requires the boards of directors to vote on a lockout decision before it can be carried out.

Ople also said he does not agree that the strike vote provision is anti-labor.

CSO: 4220/224

CHARGES FILED IN LABOR MASSACRE

Manila PHILIPPINES DAILY EXPRESS in English 3 Jul 82 p 2

[Text]

SIX persons -- including three soldiers implicated in the massacre of a barangay captain and four other civilians in Camarines Norte were charged Wednesday with multiple murder before the Labo municipal court.

Named principal respondents in the mass slaying were Private First Class Edwin Carmen, Leon Amulong and Oscar Sibonga, all of the 45th Army Infantry Battalion. The three other co-accused were not identified. They are at-large.

Brig. Gen. Rene Cruz, PC Recom 5 commander, ordered the filing of the cases based on the testimony of two witnesses.

Records showed that the victims, identified as barangay captain Eduardo Bayani of Lugui, barangay councilmen Dionisio Villaluz, and Manolo Lausin, Louie Cama and Carlos Hermogino, were slain last June 23 while being escorted by the suspects to the army detachment at Mabilo, Labo

* * *

TWO WITNESSES, identified as Alfred Quibral and Romeo Tagala, pointed to the three soldiers as principal killers.

Other witnesses indicated the soldiers were apparently drunk.

The accused soldiers, on the other hand, claimed in a counter-statement that the victims provoked them.

The suspects said one of the civilians they were escorting punched Pfc. Amulong while another grabbed Carmen's M-16 rifle when they were on the provincial road leading to barangay Tulay na Lupa.

Carmen alleged that when a suspect grabbed his rifle, three other members of the party they were escorting rushed toward him

He said he fired warning shots but that this was ignored.

He said it was at that point that he fired his armalite at the five civilians. They were killed on the spot.

CSO: 4220/221

SEMICONDUCTOR 1985 EARNINGS FORECAST

Manila PHILIPPINES DAILY EXPRESS in English 6 Jul 82 p 10

[Article by Rosario Liquicia]

[Text] Electronics exports, the country's top dollar earner last year, is expected to generate export sales exceeding $1 billion in 1985, according to government projections.

This forecast is based on the export performance of the industry and the growth opportunities open to electronics firms, according to the Ministry of Trade and Industry (MTI). MTI said the industry may also attack new foreign investments of about $150 million by 1985.

Central Bank statistics show that semi-conductor exports totalled $636.2 million last year, accounting for 11.1 percent of total 1981 exports.

The non-traditional export product moved up from fourth to first position because of a 27.4 percent increase value. The strong performance of electronics products, the CB said, was largely due to the boom in demand particularly in the US and Japan.

The growth opportunities for the electronics industry, the MTI said, are brought by the continuing technological inventions, automation, and integration of production operations and improved manpower skills.

The ministry further said that about 10 American electronics companies are eyeing the Philippines as a possible area for future operations.

There are now a number of foreign electronic firms operating in the export processing zones.

President Marcos late last week issued Executive Order 815 granting additional incentives and declaring the semi-conductor industry a vital industry.

The order made the industry "a more stable area" in the sense that industrial disputes are expected to be resolved immediately.

The presidential directive further stated that it will be government policy to maintain an investment climate conducive to the growth and development of the semi-conductor electronics industry.

The local semi-conductor industry accounts for some 20 percent volume-wise of the world's semiconductor assembly production, according to government reports.

CSO: 4220/224

EDITORIAL URGES JAPAN TO IMPROVE IMAGE

Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 4

[Text]

JAPAN is worried by increasing foreign criticism of her trade policy that she has decided to send a nine-man mission of scholars and business leaders to seek out the views and advice of opinion leaders of other countries.

The main mission of the team is to improve the international image of Japan. The nine members will split into three groups for Europe, the US and the Southeast Asian nations.

Japan has every reason to be concerned with her image. Despite several measures already adopted to appease her trading partners, Japan is still being accused of not opening her domestic market sufficiently enough to allow the entry of the products of other countries.

The complaint of developing nations was aptly voiced by Prime Minister Cesar Virata in his recent visit to Tokyo. In a meeting with Japanese Prime Minister Zenko Suzuki, Virata said that Japan should open her market wider to developing nations. He said that the measures so far adopted by Japan benefit only the developed countries.

On the other hand, Japanese cars, watches and household appliances can be found in almost all countries. Both the developed and the developing countries have reason to complain. It would seem that trading with Japan is becoming a one-way traffic in favor of Japan.

The economic success of Japan has rubbed off on its citizens. The Japanese may be among the most disciplined and patriotic peoples in the world but they are beginning to exude an air of superiority. Even Japanese tourists think they can get away with almost everything. In Manila, Japanese tourists do things they cannot do in Japan.

There have been a number of incidents which have become sources of irritant in Philippine-Japanese relations. One of these incidents is the reported indecent treatment and degradation of Filipino women entertainers by Japanese businessmen in the nightclub industry. Another source of irritant concerns the limited visa for a Filipino businessman visiting Japan. Japanese

businessmen can stay up to one year in the Philippines while Filipino businessmen can only get 15-day or 30-day visas to Japan.

Both the Philippine and Japanese governments should look into these irritants. The Filipino is well known for his hospitality and friendship, but for other nationals to enjoy such friendship, there must be reciprocity. They should respect and deserve the friendship.

The fact that Japan has become an economic giant gives her a big responsibility. This has apparently been realized by the Japanese government. The nine-man mission is being sent to improve Japan's public relations activities. It is hoped they don't miss out on their immediate neighbors.

CSO: 4220/224

SOLDIER-LED CATTLE-RUSTLING GANG CAPTURED

Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 3

[Text] Baras (Rizal) police busted a 15-man cattle-rustling gang reportedly headed by a PC officer with the arrest of all suspects while loading five cows stolen from a general's ranch Monday night.

Capt Fortunato Malabanan, Baras police chief identified the alleged mastermind as Maj Fernando Eslava of the PC headquarters in Camp Olivas, Pampanga.

Another military officer, identified as S/Sgt Edward Guevarra of the US Air Force in Angeles City and Eslava's driver, Benigno Suarez, were also arrested with the PC officer.

Also arrested by a Baras police team led by Cpl Conrado Fullante were Alfonso David, 20, Dominador Indita, 39, Resty Pamintuan, 23, Benjamin Gervacio, 60, Basilio Baso, 38, all of Angeles City; Cesar Alcaraz, 35, Virgilio Benardino, 32, Arnold Bernardino, 19, of Balagtas, Bulacan; Jimmy Bernardino, 19, of Calumpit, Bulacan; Buenaventura Puno, 25, Benjamin Fernandez, 19 and Alfonso Rase, 39, also of Angeles City.

Police recovered from the suspects the cargo truck (with plate No. TH-403 GQ) owned by a certain Pedro Fernandez, and the five cows allegedly stolen from the ranch of Brig Gen Sinforoso Duque, GHQ adjutant general.

Malabanan said the suspects, headed by Eslava, forcibly entered Duque's ranch at Sitio Malalim in Barangay Rizal, Baras, and took the animals after threatening to harm Duque.

The suspects, who had reportedly victimized the ranch at least twice in the past, were tipped off to police just after they entered the ranch.

CSO: 4220/224

STUDENTS OPPOSE INCREASED SCHOOL SECURITY

Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 3

[Text] Student representatives said yesterday the move of private schools to beef up their security units to brace for student rallies is inconsistent with the agreements and assurances made to students by the Ministry of National Defense and the Ministry of Education and Culture.

The League of Filipino Students made this statement in an open letter to Brig Gen Narciso Cabrera, Western Police District superintendent and the Philippine Association of Colleges and Universities.

The PACU earlier said its member schools were strengthening their security forces following the advice of Cabrera who reported moves of some student groups to agitate the studentry.

Cabrera reportedly advised educators to hire the services of "well-known retirees from the military and police services and other technocrats."

The LFS, in its letter, said the agreement entered into by the students with the MND was brought about by the protest against militarization in the campuses.

"To beef up security guard units and to hire the services of well-known retirees from the military and police services constitute a palpable disregard of the spirit behind the agreement," the LFS said.

The student group added that the move of the private schools is a clear case of circumvention because it renders meaningless the provision of the MND agreement with students.

The LFS said the growing student unrest this school year is due to the inability of many educators to comply with the MND and MEC agreements with students.

CSO: 4220/224

CENTRAL LUZON FLOOD CONTROL NEEDS REPORTED

Manila BULLETIN TODAY in English 8 Jul 82 p 6

[Article by Jerry J. Lacuarta]

[Text]

SAN FERNANDO, Pampanga, July 7 — About ₱1 billion is needed to control floods in Central Luzon, it was learned here yesterday.

Sources said the money is needed to put up dikes and levees, to improve the Pampanga river basin, and other flood control projects.

Renato R. Tinio, manager of the Pampanga River Control System (PRCS) in Apalit town, disclosed yesterday that 14 more dams will be built in the Zambales mountains to protect waterways leading to the Manila bay.

Tinio said the Japanese technology will be used in constructing the dams because it was found effective in controlling the silt and sand flowing into the rivers from the mountain ranges.

The PRCS completed the country's first "sabu dam" in the northwestern part of Porac town, with a total cost of ₱5 million.

The technology, Tinio said, was borrowed from "sabu-sabu," a Japanese construction technique used in controlling erosion from the mountain slopes.

Central Luzon, which is always hard hit by floods during the rainy seasons, has flooded areas of about 220,000 hectares, half of which is protected only by dikes, levees, and other small flood control systems.

The region, sources said, will continue to suffer further destruction from typhoons and floods unless the government allocate sufficient funds for flood control projects.

Meanwhile, the government also has yet to decide whether to "disturb or not" the Candaba and the San Antonio swamps in Candaba, this province, and Nueva Ecija, respectively.

The Candaba, which was the object of a study of both the Philippine and the Japanese governments, and the San Antonio swamps can hold waters of about 1.5 billion cubic meters during rainy season.

The delay in the implementation of flood control projects in the two swamps, which were described as "natural reservoirs," earlier were caused by the conflicting results of studies conducted by the Ministry of Public Works and Highways and the Japanese International Cooperation agency (JICA). (Jerry J. Lacuarta)

CSO: 4220/224

ENERGY PLAN APPROVED

Manila PHILIPPINES DAILY EXPRESS in English 2 Jul 82 pp 1, 6

[Text]

PRESIDENT MARCOS approved yesterday a 10-year power expansion program to meet the growing power needs in the country, particularly in industries and new commercial enterprises.

The program, submitted by the Cabinet through Prime Minister Cesar E. A. Virata, involves investments in power plants and transmission systems totalling P46.6 billion.

Malacanang said that the program was formulated to fulfill the projected increase in power consumption from 14.9 billion kilowatt hours in 1980 to 31.7 billion kilowatt hours in 1990.

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THE PROGRAM will complete the transmission grids in Luzon, Mindanao, Samar, Leyte, Bohol, Negros and Panay Islands.

It is also intended to reduce the share of oil-based power plants in the country from 65 percent of total electricity output in 1980 to only 18 percent by 1990 through greater use of geothermal, hydro-electric and other non-oil sources of power. This would save much foreign exchange which would otherwise have been used for crude oil payments

The projects envisioned under the 10-year program will reduce oil consumption in 1990 by about 160 million barrels equivalent to an estimated saving of US$5.44 billion calculated at the current oil price of $34 a barrel.

* * *

BROKEN DOWN, the power program entails an outlay of P16.5 billion in 15 projects ongoing as of the end of 1980 and P31.1 billion for 12 new projects authorized after 1980.

Of the P31.1 billion for the new projects, P11.1 billion in investments had already been authorized as of April 15, 1982, leaving only P20 billion to be authorized of which P10.2 billion will be appropriated for the San Roque multi-purpose hydro project in Pangasinan. The San Roque project, which will provide not only power but also irrigation, flood control and anti-pollution services, has already attracted the interest of foreign investors from Sweden and international institutions such as the Asian Development Bank.

The National Power Corp. said that under the expansion program, its installed capacity of 4,159 mega-

watts nationwide as of June, 1982, will increase to 8,264 megawatts or 34.6 billion kilowatt hours by 1990 as against the projected requirement of 31.7 billion kilowatt hours by that time.

* * *

THE ONGOING power projects include the Kalayaan power plant complex in Caliraya, Laguna, which became operational last Sunday. A second Kalayaan plant will start operating by August, increasing its total capacity to 300 megawatts or 300,000 kilowatts daily. The Magat hydro-electric power plant in Isabela will likewise become operational next year adding an additional output of 360 megawatts or 360,000 kilowatts.

The other power projects already underway are Tiwi geothermal plants 5 and 6 in Albay, the nuclear power plant in Bataan; Agus 7 hydroelectric plant in Iligan; Agus 1 hydroelectric plant in Marawi; Agus 4 and 5 hydroelectric plants in Lanao del Sur; Aplaya 2 diesel plant in Misamis Oriental; power barge diesel power units in Isabel, Leyte and Bacolod; Cebu diesel in Naga, Cebu; Panay diesel in Dingle, Iloilo; Cebu coal plant in Naga, Cebu, and Tongonan geothermal power units 1-3 in Leyte, and Palimpinon geothermal power units 1-3 in Negros Oriental.

The new power projects are Mak-Ban geothermal power units 5 and 6 in Bay, Laguna; Batangas coal plant 1 in Calaca, Batangas; Naga-Kalayaan-San Jose -Jose transmission lines from Camarines Sur to Bulacan; direct current line from Naga to Tongonan; Pulangi 4 hydroelectric plant in Bukidnon; Tiwi geothermal units 7-8; Tongonan geothermal units 4-5; Tongonan geothermal units 6-7; Tongonan geothermal units 8-11; Batangas coal 2 plant; San Roque hydroelectric plant in Pangasinan and Cebu Coal 2 plant in Naga, Cebu.

CSO: 4220/221

GOVERNMENT TO PRODUCE MORE DIESEL FUEL

Manila PHILIPPINES DAILY EXPRESS in English 1 Jul 82 p 1

[Article by Rosario Liquicia]

[Text]

THE government – through the Bataan Refining Corp. – will increase production of diesel fuel to meet the increasing local demand for the product.

BRC operator of the country's largest oil refinery in Limay, Bataan, has reactivated a cracker unit to be able to produce more diesel fuel.

The cracker used to produce more gasoline but has been converted to produce more diesel.

BRC also said it has completed the modernization of two furnaces as part of its energy conservation program. The program, costing P58 million, will result in fuel savings equivalent to P30.1 million annually.

The unit, called the thermofor catalytic cracker unit (TCCU), was originally intended to increase gasoline yield from the different types of oil processed at the refinery.

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IN 1979, however, there was a marked drop in gasoline consumption and the plant had to be shut down. Studies were then made to determine the feasibility of operating the unit to yield more diesel instead of gasoline.

Regular gasoline consumption continues to decline steeply, according to the ministry of energy, while premium gasoline appears to be tapering down only by 2.8 percent last year compared to the previous year.

On the other hand, diesel fuel consumption increased 2.1 percent in 1981, the energy ministry said.

Studies were conducted by the state-owned Philippine National Oil Co. (PNOC) and Mobil, and new processes were put into use to achieve higher diesel yield.

Operation of the TCCU will increase the refinery's diesel production by 1.23 million barrels a year.

The products refined at the Bataan refinery are sold to the public through Petrophil and Mobil gasoline stations. For the past three years, however, the refinery has not been able to fully meet the diesel requirements of the two oil companies.

With the commissioning of the TCCU, diesel requirements of these two companies will be filled.

CSO: 4220/221

TIN IMPORT SUBSIDIES APPROVED

Manila PHILIPPINES DAILY EXPRESS in English 1 Jul 82 p 1

[Text]

PRESIDENT MARCOS allowed yesterday the subsidized importation of tinplates, tinmill blackplates and tin ingots.

Industry sources said that some 8,471 metric tons of tinplates, 6,360 metric tons of tinmill blackplates and 64 metric tons of tin ingots will be initially imported by the government through the National Steel Corp.

Tinplates are used in making tin cans.

The President also directed the Ministry of the Budget to set aside a government subsidy equivalent to the taxes and duties which will have been collected from the importations by the government-controlled steel company.

A similar subsidy was ordered set aside for subsequent importations of tin products whose volume will be determined by an executive committee of the National Economic and Development Authority board composed of Prime Minister Cesar E. A. Virata, Trade and Industry Minister Roberto Ongpin and NEDA Director-General Placido Mapa Jr.

The imported tinplates will be distributed to local milk processors by the NSC on recommendation of the NEDA and under the supervision of the Iron and Steel Authority.

CSO: 4220/221

BRIEFS

POPULATION GROWTH RATE--Prime Minister Cesar E.A. Virata said yesterday the government will review its population planning policies to further cut down the rate of population growth from the present rate of 2.4 percent to 2 percent by 1987. Virata, who presided over the regular Cabinet meeting at the Executive House, said he expected the population to stabilize at 115 million which is a level predicted to be "economically viable" for the country taking into account its conditions in the future. Unofficial statistics said the country's population is now 50 million. He said population was among the issues taken up during the consultative group meeting of the World Bank in Tokyo last month where he led a Philippine panel to get support for the government's development plans. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 1]

FOREIGN EXCHANGE DEFERRAL--The government may defer measures to further relax foreign exchange restriction and call off additional cuts in import duties if the balance of payments (BOP) performance deteriorates further. Prime Minister Cesar E.A. Virata hinted at this recently in a speech before the World Bank-sponsored consultative group meeting in Tokyo. Adoption of the twin measures, he said, is designed to contain a further deterioration in the BOP. In fact, Virata added, the BOP problem has prompted the government recently to entertain the idea of whether to "persevere in its program to promote higher efficiency of our country's industrial firms by liberalizing foreign exchange restrictions and reducing import duties." This was one approach, he added, in solving the problem of "reconciling short-term adjustments called for by recent external adversities with structural adjustments for long-term growth." The same BOP problem forced the government to also think of "whether to bring about rapid adjustment in the external accounts by adopting emergency measures or to allow a gradual adjustment process," Virata added. In the meantime, Virata said, the government is sticking with its industrial restructuring programs reform. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 7 Jul 82 p 10]

CSO: 4220/224

GOVERNMENT WARNS OF HARDER TIMES AHEAD

Kuala Lumpur BUSINESS TIMES in English 29 May 82 p 9

[Article by Francis Daniel in Singapore]

[Text]

AFTER years of uninterrupted economic growth and prosperity, Singapore is preparing itself for harder times ahead.

For the first time in five years, the growth of the economy fell sharply below expectations in the first quarter of this year, with all indications pointing to the slowdown continuing into the 1980s.

Government leaders have called on their people, accustomed to a good life, to tighten their belts and set their sights a little lower in the coming years.

Workers have been told that the days of high wage increases and carefree work attitudes are over, and that unless they improve their skills and increase productivity, Singapore will not survive the current world economic recession.

Prepared

The official gloom follows a decline in the growth rate from a high of 10 per cent last year to an annual rate of 7.3 per cent in the first three months of this year.

The manufacturing sector, one of the important indicators of this small island nation's economic health, grew by only 1.6 per cent, the lowest since 1975 when Singapore had its worst recession year after the first oil crisis.

Financial and business services, the leading growth sectors of the island's economy, showed only a 12 per cent annual-rate increase compared to an average of 18 per cent in 1981.

Singapore's trade growth slowed in the first quarter to 5.5 per cent annually, less than half the rate in the same period last year. Tourism and shipping services also were affected.

Only the construction industry, transport and communication showed a significantly higher rate of growth since the beginning of this year.

However, economists say Singapore's 7.3 per cent growth in the first quarter is no mean achievement, when many industrial nations are expecting very little growth, if any, this year.

Singapore could not hope to maintain double-figure growth all the time, particularly as it is bereft of natural resources and is constantly buffeted by world economic trends, they said.

But Minister for Trade and Industry Dr Tony Tan warned Singaporeans that they would be lulling themselves into a false sense of complacency if they ignored the danger signals and did not brace themselves to withstand the chill winds of recession.

"We must be prepared to face rough weather. To avoid sinking we must tighten up the hatches. We must cut out unnecessary spending and avoid wastage," he said.

Dr Tan urged Singapore workers to accept lower pay increases compared to the past three years when wages were allowed to rise by 20 per cent a year as part of an economic restructuring.

Singapore would price itself out of world markets and damage its investment climate if it allowed the costs of its services and labour to rise too steeply, he said.

However, many foreign and local businessmen appear less pessimistic than the government, and hope there will be an upturn in business conditions in the second half of this year.

Thriving

The latest survey by the US Embassy here said that Singapore's growth rate would slow this year, but not by much.

"It is always dangerous to predict a decline in the growth rate of Singapore. Though the economy's health is unquestionably tied to international economic developments, Singapore has proven itself better able than might be expected to weather recessions in its industrialised trading partners," it said.

Because Singapore had diversified its export markets, only a simultaneous downturn in the major Western economies would severely reduce its economic growth, the embassy said.

Once largely an entrepot, Singapore has become a thriving metropolis and an industrial hub for the region with a standard of living second only to Japan in Asia.

The republic, with a population of 2.4 million people, managed to keep its inflation rate down to seven per cent in the first quarter of this year, compared with eight per cent in 1981. There is also no unemployment problem here.

Dr Tan said Singapore had full employment because multinational companies found it profitable to operate here. Singapore workers should strive to keep it that way.

Some economists believed that Dr Tan's bleak words were partly aimed at preparing workers for forthcoming national wage increases that might well fall short of their expectations.

The National Wages Council (NWC), a tripartite body representing the government, employers and unions, announces wage increases in June every year.

Official sources said that the labour unions had been seeking increases of up to 14 per cent, while the government wanted to keep them well below eight per cent. — Reuter

CSO: 4220/629

BANDARANAIKE RECONCILIATION IMPROVES OPPOSITION'S CHANCES

Kuala Lumpur BUSINESS TIMES in English 28 May 82 p 21

[Article by Dalton De Silva in Colombo]

[Text]

FORMER Sri Lankan Prime Minister Sirimavo Bandaranaike and her son, Anura, appeared together at a rally here recently for the first time in more than 10 months and the crowd burst into cheers.

The occasion signalled the end of political differences that had forced mother and son into rival camps and threatened the election prospects of their party.

Anura, 32, a Member of Parliament, left his mother's Sri Lanka Freedom Party (SLFP) last August with a group of dissidents, splitting the major opposition party.

The group, led by Mrs Bandaranaike's former deputy, Maitripala Senanayake, elected its own office bearers and called itself the Genuine SLFP.

Anura, who was being groomed by his mother as a future leader of the country, was elected deputy president of the rebel group.

"My action was based on a matter of democratic principle," he said. Anura's group opposed Mrs Bandaranaike for wanting the authority to appoint election candidates and demanded that they be elected from village level upwards.

A factor behind their reconciliation is the general election scheduled for next year.

"If the rift had gone on for another six months the ruling United National Party (UNP) would have definitely won the next elections," he said. "Now the SLFP has an excellent chance of winning," he added.

Anura, whose late father was also Prime Minister, will have to do most of the campaigning for the party. Mrs Bandaranaike has no civic rights and is barred from electioneering.

"I will have to carry my mother's message to the masses at the next election, which could take place very soon," he said.

Before the SLFP break-up, Anura had been widely expected to follow his parents and take over the leadership of the party. He was a member of the SLFP's powerful central committee (political bureau) and the chief of its youth organisations.

"Anura has been misled by schemers who were manoeuvring to create a rift in our family," Mrs Bandaranaike said at the height of their quarrel.

Quoting the title of a Sinhala film, Amme Mata Samawanne (Mother Forgive Me) running in Colombo at that time, Mrs Bandaranaike predicted her son would return to her.

The mother and son, who live in adjoining houses did not, however, allow political differences to mar their close family relationship.

Party supporters, concerned about the rift, including some Buddhist monks, tried unsuccessfully to bring the two factions together.

With growing speculation among politicians of an early general election, Anura began what he called "unity talks" with his mother.

After the discussions, a resolution was moved at a central committee meeting of the dissident group proposing that the two factions should unite under Mrs Bandaranaike's leadership.

But Mr Senanayake, the rebel leader, and his followers opposed the move. They said Mrs Bandaranaike would create legal problems for the party and its candidates at an election as her civic rights had been removed for alleged abuse of power when she was Prime Minister.

Instead, they proposed Mr Senanayake as the new president. Anura and his followers, who were in a majority, opposed this and rejoined Mrs Bandaranaike's party.

Mr Senanayake said later it was "a conspiracy hatched by Mrs Bandaranaike and her son to retain leadership of the SLFP."

In the past five years Anura had become a national figure and his return to his mother's party would deprive the dissident group of a lot of support at the general election, political observers said.

They said if the SLFP returned to power Anura could get an important Cabinet post, and could even be a strong contender for the presidency in the absence of his mother.

But Anura realises that he could face opposition within the party. "There were some who were against unity because they feared my return would threaten their own positions," he said.

Reuter

CSO: 4220/630

BANDARANAIKE LEADERSHIP OF SLFP QUESTIONED

Colombo THE ISLAND in English 29 Jun 82 p 6

[Article by Gamini A. Caldera]

[Text]

THE present divisive tendencies of the Sri Lanka Freedom Party brings to mind the cynical retort that politics is the last refuge of the scoundrel. The founding of the Sri Lanka Freedom Party though done in a fit of pique by the late Mr. S. W. R. D. Bandaranaike, was a signal service rendered to the cause of parliamentary democracy in Sri Lanka. If parliamentary democracy is to survive, it needs a strong and dedicated Opposition. Unless the Opposition, even though weak in numbers, acts as the watchdog of the citizens the party in power is likely to become autocratic.

The single-minded dedication of Mr. Bandaranaike who sacrificed wealth and prestige enabled him to forge a party which has stood the test of time. It wasn't the bookish politics of the Left but an organic, relationship with the masses.

Grassroots

Mr. Bandaranaike stuck to his principle of going to the grassroot levels to pick his candidates rather then relying on blood-ties and class distinctions. The fact that the present leadership prefers family bandyism to integrity is the cause of the present ludicrous situation. One can well understand Mrs. Bandaranaike's position when she was literally pitchforked into the driving seat of the Sri Lanka Freedom Party bandwaggon. Naturally she chose to have some of her near and dear ones round her

The aura of the Bandaranaike name does not necessarily confer the cloke of political acceptability or suitability on family members. Mr. Anura Banaranaike has still to win his spurs on the floor of the House before he could be considered fit to lead a party backed by millions of supp orters. Neither does marriage to a Bandaranaike confer political prestige.

The Sri Lanka Fredom Party does not belong to a family junta. It is the common banding together of a host of people drawn from the not-so-affluent classes of society who were literally given a place in the sun by the late Mr. Bandaranaike. The Party cannot be made the plaything of power hungry politicians kicking their heels in the political wilderness.

Nor is the Sri Lanka Freedom Party the plaything of any particular group. It is a vehicle for popular and national aspirations left by its founder to the down-trodden masses.

Hence the party must not only be just and fair. It should mature into a position of trust.

It is an unquestionable fact that the appointment of Mrs. Bandaranaike under her present disabilities, as party president jeopardises the validity of candidates contesting and winning seats under Sri Lanka Freedom

Party nomination at the next general elections. This has led to a large section of the party hierarchy refusing to accept Mrs. Bandaranaike as president and leader of the party. What Mrs. Bandaranaike and her advisers have failed to realise is the fact that she should remain the de facto leader of the party while keeping to the background until such time as she is able to regain her lost rights.

As a matter of fact the present disabilities imposed on her will redound to her credit and the party. Furthermore the present political climate guarantees Mrs. Bandaranaike the unswerving loyalty of the masses. The question of who will lead the party in the meantime is neglible in so far as it is the party and the party alone that matters. Any aspiration that Mr. Anura Bandaranaike has of stepping into his father's shoes has to be ratified by the supporters of the party.

Maithri

The position of Mr. Maithripala Senanayake is particularly unfortunate. A senior parliamentarian who has held the Medawachchiya seat for over thirty-five years. Mr. Senanayake has been caught in a web of intrigue. A little right thinking by Maithri and the SLFP will enable the party to come into political reckoning.

The fate that befell the Leftist parties at the last general elections should serve as a lesson to the fueding members of the Sri Lanka Freedom Party.

The debacle of the Sri Lanka Freedom Party has brought a dark horse into the reckoning. The Janatha Vimukthi Peramuna led by a group of radicals are in a position to fill the political vacuum left by the Marxist and the SLFP.

Hence the duty of the genuine stalwarts of the Sri Lanka Freedom Party must be to close ranks.

Or else it is a moot point whether democracy can survive in Sri Lanka.

CSO: 4220/225

BRIEFS

SQUATTERS TO RECEIVE LAND--650,000 families will be given land with outright deeds before Parliament is dissolved next year. This has been decided by Mr Gamini Dissanayake, Minister of Lands, Land Development and Mahaveli Development following a survey conducted by his Ministry on squatters occupying state land throughout the island. The survey has revealed that nearly a million acres are occupied by squatters. A senior official of the Ministry told "The Island" that each family would receive a maximum of two and a half acres of land under the "Swarnabhoomi" programme. He said that about 200,000 acres of land would be reserved for reforestation of occupied by squatters reservoirs and their government projects. Those ejected would be provided with land elsewhere, the same source said. Mr Dissanayake has instructed his officials that top priority should be given to preparing the deed with plan of the lands to be distributed. [Text] [Colonbo THE ISLAND in English 26 Jun 82 p 1]

CSO: 4220/225

LEFTIST PARTIES SAID TO FACE UNCERTAIN FUTURE

Bangkok SIAM MAI in Thai 12 Jun 82 pp 18, 19

[Article: "Will the Socialists In Thailand Unite Or Split Apart?"]

[Text] It is fairly certain that the 1982 revised draft constitution of Thailand will be presented to parliament in the next few days. If things proceed as expected, the form of Thailand's political party system and Thailand's parliament will definitely change. This is because Article 95 of this revised constitution states that "in a general election, those political parties whose members have the right to run for election must be political parties that have fielded candidates numbering at least one-half the total number of MPs to be elected." And the election law that will be in effect during the 1983 election stipulates that MPs must be elected as a party.

Thailand's political parties that are social democrat parties, of which there are very few at present, will probably not be able to continue barely struggling along like they have been. All groups are interested in what these parties will do in order to find a way out so that they can struggle in a parliamentary way. Can the Social Democrat Party, the New Force Party, the Revolutionary Party and others unite in order to mobilize forces to fight in parliament or is this just a fading dream?

Concerning the build up of the Socialist Party of Thailand, the New Force Party and the Socialist Front Party, after the events of 14 October 1973, admidst the high tide of the democratic forces, these political parties found themselves in a strong position. But after 6 October 1976, a large element of the Socialist Party of Thailand fled into the jungle. Those who were left joined the Socialist Front Party and it became the Social Democrat Party. But the New Force Party and the Social Democrat Party, which have continued on the path of parliamentary politics, have fallen into a dismal situation, just as the democratic forces have gotten weaker and weaker.

Is There Unity or Diversity?

"I am very much in favor of uniting," said Mr Khlaeo Narapadi, the secretary-general of the Social Democrat Party, emphatically to SIAM MAI. He said that he favors this because, in the 1983 election, the various restrictive factors

will force the small political parties, including these leftist parties, to encounter problems on several fronts, including problems concerning money and people. "The small parties should unite in order to have broad forces. If we are not really secure, things will be difficult. As for the Social Democrat Party, we are ready. This is being discussed. At present, two parties may join the Social Democrat Party. But this does not include the New Force Party. It has already refused," said Mr Khlaeo.

A former MP has confirmed that an attempt has been made to compel three political parties, that is, the Social Democrat Party, the New Force Party and the Revolutionary Party of Mr Uthai Phimchaichon, to join together to form a single large party in order to serve as the representative of the democratic forces in parliament. This effort has been made by the members and young people in these parties. At present, the Revolutionary Party absolutely refuses. After discussing things, the New Force Party too refused to join with the Social Democrat Party. It is thought that this was becasue the New Force Party had differences with them concerning the policies for carrying out things and that it did not feel that it would gain anything by joining.

Mr Somwang Sichai, the leader of the New Force Party, told SIAM MAI that "this matter has been discussed by some members. But it must first be asked whether [this party] will really be large if we join together. Our party has concluded that we will not join with any other party since this would amount to dissolving the party. Regardless of what happens, we must hold to our principles. We believe that the ideals and principles of our party are correct. If we join together with some other party, even if the various differences are not too great, there must be a mutual adjustment of the policies and the name of the party must be changed. We do not want to do this."

Similarly, Mr Suthep Wongkamhaeng, an MP who belongs to the New Force Party, said that "this would be difficult. We have always fought honestly in a parliamentary way. We do not have any history of wrongdoing. We have never taken up arms to fight in the jungle. We are different from them. They are much more violent."

Mr Bunruong Thawonsawat, an MP who belongs to the New Force Party, stated that "our present problem is not members but money. The Social Democrat Party has financial problems too. If we join together, things will just be even worse."

However, Mr Somwang added that another reason is that there should be many forms. There should not be a single target that can be destroyed easily.

The SPT, From the Jungles to the Cities

The Socialist Party of Thailand (SPT) is another political party that is being watched to see what role it will play since some of the members, including the party leader, Colonel somkhit Sisangkhom, who became the leader of the Social Democrat Party, [have become party leaders]. The idea that those members of the SPT who have returned to the cities will join these political parties can be forgotten since all of the parties, and even they themselves, realize that

this would further tarnish the image [of the parties]. Mr Chamni Sakset, who is thought to play an important role in this part of the SPT, told SIAM MAI that, in this period, we will not be able to join together to form a party. But concerning having a political role, for the SPT, this group will definitely play a role in the future. What kind of role is now being discussed.

A Decline Admidst a Low Tide

It can be said that the fact that the political parties in the social democrat camp are presently shrinking cannot be separated from the political situation in which the tide of the democratic forces is ebbing. Thus, it is urgent that an effort be made to create a democratic base among the people and that an effort be made to join together with the democratic forces in the various spheres in order to exert pressure on the democratic tide and raise the banner of democracy.

At the same time, concerning the immediate problems, the differences between the parties is interesting. Conclusions should be arrived at quickly otherwise the parties will continue to become weaker and weaker.

11943
CSO: 4207/113

IRAQ STOPS ISSUING VISAS TO 'GUARDS,' DEBATE ON MERCENARIES CONTINUES

Bangkok SU ANAKHOT in Thai 6-12 Jun 82 pp 8-12

[Article: "Exposing the Thai Mercenaries Movement"]

[Text] In a third-world society such as Thailand today, a period that the government has called an "era of brightness," a large number of Thai youths are experiencing great difficulties in earning a living. They are selling their labor in exchange for money with which they can purchase a little food so they can live to the next day and shoulder the heavy burdens of the next day.

Because of such a social situation, the young men, who are the important laborers in Thai society, have had to struggle to find a way to improve their lives. Many Thai laborers have struggled by borrowing from acquaintances. Somethimes they have had to mortgage their land and lost possessions to strangers in order to pay the fees to the employment agencies and to buy an airplane ticket to try their luck at finding work in Arab countries.

This golden age of young Thai adventurers began 4-5 years ago. The hundreds of thousands of Thai laborers in Arab countries, including Saudi Arabia, Kuwait, Libya and Iraq, earn a high monthly salary from selling their labor. These Thai laborers each earn an average income of 10,000 to 20,000 baht per month, and this does not include overtime, which amounts to approximately 5,000 to 6,000 baht per month.

But the golden age of Thai laborers in these countries has passed quickly. In just the last 2 years, the need for Thai laborers in the Arab countries has dropped and Thai workers are finding it increasingly difficult to find jobs in these countries.

Besides this, the once high labor wage rates have dropped rapidly.While laborers used to earn over 10,000 baht a month, they now earn only 6,000-7,000 baht a month and there is no longer any overtime pay.

Working As a Mercenary, the New Hope of Thai Laborers

Ever since the situation for Thai laborers in Arab countries became dismal, fewer and fewer Thai laborers have been hired to go work there. But at the same time, the fees of the employment agencies have more than doubled. Because of

this, some Thai laborers working in Arab countries have begun to return home and this has further disheartened those Thai laborers who had hoped to go find work in the Arab countries.

But all of a sudden, in the past 2-3 months, the Thai labor situation, which has been in a very dismal state for a full year, has begun to look brighter because of the work application leaflets for workers who want to go work as "guards," or "security officials in Iraq."

These applications for Thai guards began to be circulated for the first time in military camps, including regiments in Bangkok Municipality and in Lopburi, Prachinburi, Nakhon Sithammarat, Nakhon Ratchasima, Chiang Mai and Songkhla provinces, which is where Thai regional forces are based. Besides this, these leaflets have been disseminated widely elsewhere so that they reach demobilized soldiers as well. This means that the leaflets are aimed directly at Thai youths who have been in the military.

The way that the leaflets are distributed is for people to distribute these applications among their small circle of friends. No office to accept applications in an organized way has been opened like employment agencies in general.

The people who distribute the leaflets are the ones who accept the work applications. They leave applications with those who are interested in applying to work as Thai guards in Iraq. These people who give them the leaflets are the ones who contact the applicants once again so that the applicants can get passports and visas after their qualifications have been reviewed and they have been found to have the stipulated combat qualifications.

Everything starts with those who distribute the applications and the applications are accepted by these same people, with everything done "secretely." The applicant himself does not know which company he has applied for work with or whether this is the same employment agency that he applied for work with in the past.

Qualifications For Being a Mercenary

As for the qualifications that are mentioned in the applications that have been distributed, regardless of who has distributed them, the standards are all similar. The applicant must have the following qualifications: He must be a Thai male who has had military service. He must be between 26 and 36 years old. And he must not be a person who gets "homesick." The period of service is 1 year (each contract runs for 1 year).

An important factor about applicants that is considered first is that the applicant must have been in a "war," either in Laos or Vietnam.

As for wage rates for those who will travel to work as security officials, minimum incomes have been stipulated as follows: Those who have been selected and who will be sent to work as security officials will be paid at least

10,000 baht a month. This rate is for people who once served in the military with the rank of private.

Monthly wages are higher for applicants who were once sergeants or platoon leaders. Their monthly salaries will be 15,000 baht a month and they will receive a bonus of 150,000 baht. Those who were once company commanders will be paid 30,000 baht a month and they will receive a bonus of 300,000 baht.

In addition to these salaries and bonuses, the Iraqi government will also provide free round-trip airplane tickets, room and board and medicines.

These applications also state clearly that if a person is injured or wounded in the line of duty, the Iraqi government will provide treatment until he is well. In cases in which the person is disabled, the Iraqi government will provide artificial limbs free.

In cases in which a person is killed, the Iraqi government will make arrangements to return the body to Thailand and his relatives will receive 100,000 baht in compensation.

As for the payment of the salaries, the contract clearly states that officials who will go to work in Iraq will receive an advance payment equal to 10 times their monthly salary. This will be deposited in a commercial bank in Thailand. They will be able to withdraw this money after they have worked in Iraq for 3 months.

As for the payment of the monthly salaries, the Iraqi government will pay the salaries to the Thai officials by depositing 70 percent of the monthly salary in a commercial bank in Thailand. The other 30 percent will be paid to the officials in Iraq.

Besides this, the details of the contract clearly state that this contract has been make between the [Thai] officials and Iraqi commercial officials. The first 500 to 800 [Thai] officials to be selected will leave for work in Iraq in June.

Thai Guards Or Mercenaries?

After these leaflets had been circulating in and outside the military camps for at least 1-2 months, stories began to appear in the newspapers to the effect that these security officials were really mercenaries who had been hired to fight in Iraq since at present Iraq is at war with its neighbor Iran.

When these stories began to appear, Mr Wichit Saengthong, the director-general of the Labor Department, initially admitted that some Thais were involved in this and that they had been requested, through the newspapers, to stop engaging in such activitieis since this will definitely have an effect on international relations.

At the same time, Master Sergeant Songtham Panyadi, an MP from Chiang Rai, revealed that the Ithiphon and Friends Company, which has an office in Chiang Rai Province, has engaged in activities that show that it is really sending Thais to work as mercenaries in Iraq. He has called on the government to give attention to this problem since such activities may have an effect on international relations.

It seems that the stories about mercenaries will die down. Seri Pramot, a company consultant and the son of former prime minister Seni Pramot, strongly denied that company workers who have been sent to Iraq to serve as Thai guards are working as mercenaries.

"The reason why only former soldiers have been accepted is that Iraq is now at war and it needs Thais who have the ability to protect themselves in a war," he stated.

Mercenaries, Fact Or Fancy?

At present, everyone is confused about the matter of people being sent to serve as security officials in Iraq. People are not sure whether they have been sent to serve as security officials or to serve as mercenaries.

An internal news source who accepts applications from demobilized soldiers to serve as security officials talked with SU ANAKHOT about the details behind this. He said that "actually, past applicants have been accepted for one of two assignments. People really have been hired to serve as security officials to guard oil storage depots, oil wells and airfields in Iraq.

"But others have been accepted to serve as mercenaries and fight in the war between Iraq and Iran. But when the newspapers print these stories, they have not distinguished between the two cases. This has distorted the truth somewhat," said this news source to SU ANAKHOT.

A reliable report states that, around the end of last year, a royal heir to the throne in the present Iraqi cabinet (defense) paid a quiet visit to Thailand by posing as an ordinary tourist who was just passing through Thailand.

But the truth behind this visit by this heir to the throne in the Iraqi cabinet is that he wanted to come and meet an "old friend" with whom he had been friends while a student in the United States. This Thai friend is about his age, that is, about 40.

The purpose of this trip was to have his "old Thai friend" find Thais to go work as security officials in Iraq. It was agreed that the first group of Thais to be sent in June to work as guards would number approximately 500 to 800 men.

Both sides met together and reached a firm agreement at the end of last year. Thus, the movement to find men began in earnest at the beginning of this year. This quota was alloted to various colonels who are close associates of this general.

The aim in finding Thai workers to serve as security officials is to procure "Thai guards" to maintain security at the oil storage depots, oil refineries and airfields. This is because Iraq encountered a great shortage of security units after the Iraq-Iran war broke out.

The wages that the security officials will receive will be in accord with those stipulated in the contract.

"But after the newspapers printed stories concerning sending mercenaries to Iraq, my boss called me in and told me that everyone should cease operations for a period. At present, we are not accepting applications from anyone. Everything has stopped," said this same news source.

The Mercenaries and the CIA, Their Old Employer

"As for the mercenaries, that is a separate affair from the movement to procure Thai guards. Those hired to work as mercenaries receive higher salaries. They make approximately 25,000 baht a month, and if they are killed in battle, their families will be paid another 500,000 baht in compensation," said a military news source to SU ANAKHOT.

Another news source confirmed that, at present, it is true that at least 4,000 Thai soldiers have gone to fight in the Iraq-Iran war. These Thais do not hold Thai citizenship. They go as citizens of Kampuchea or Laos in order to keep this from having an effect on international relations.

"This movement to send Thai soldiers to fight in this Arab country is an affair of the CIA, a secret agency of the United States. It wants to procure approximately 20,000 mercenaries for Iraq with the hope of toppling the Khomeini regime," said this military news source concerning this ruse in sending mercenaries to Iraq.

As for sending mercenaries who have been accepted, things are done just as they were when mercenaries were sent to fight in Laos 10 years ago. The citizenship of these mercenaries is changed and they are sent to secret locations for combat training.

"From what I have heard, the mercenaries that will be sent to fight in Iraq will receive combat training at a base in one of the Asean countries that is particularly close to the United States (the Philippines). They will train for 1 to 2 months. The training camp for mercenaries in Europe is in Norway," said this news source.

"From what I have heard, the government of Iran once protested to the government of the Philippines about this matter of allowing bases in the country to be used to train people to fight in Iraq. But the matter died down. The Philippines did not respond to this news or say how much truth there was to it," added this military news source.

Reaction of the Iraqi Embassy

At a time when everything is uncertain and [people] are waiting for proof concerning the truth of what has been said or evidence that confirms or refutes the reports of mercenaries going to fight in the Iraq-Iran war, the thing that has happened now is that the Iraqi embassy, which has constantly feigned indifference, has now reacted by immediately ceasing to issue visas, for a temporary period, to temporary Thai workers. This includes work visas for construction workers and security workers. This action was taken, without any reasons being given, after the stories about mercenaries appeared in the newspapers.

Even though the issuance of visas to Thai workers going to work in Iraq has been temporarily halted, the Iraqi embassy still has a policy of "allowing things to proceed quietly." It refuses to either confirm or deny the truth of the reports. At present, officials of the Department of Labor, Ministry of Interior, have begun to have "second thoughts" about these reports and to show greater concern about this even though at first it was believed that this could not possibly be true.

Mercenaries and Benefits and Losses

It can definitely be stated that, if there are in fact mercenaries as the officer told SU ANAKHOT, the present group of mercenaries is receiving much better pay than 10 years ago when Thais served as mercenaries in Laos.

Ten years ago, the mercenaries employed by the CIA, their old boss, were paid only $102, or 2,040 baht, a month. But at present, the mercenaries in Iraq are receiving a minimum of 25,000 baht a month. This is a great inducement for poor people who cannot easily find work in Thai society today to go work as mercenaries in this Arab country.

But the fact that Thai fighters are being paid great sums of money gambles the nation's reputation on the international political stage that we are standing on these days.

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'YOUNG TURK' OFFICERS PURSUING OTHER CAREERS

Bangkok SIAM MAI in Thai 26 Jun 82 pp 19-21

[Article: "What Are the Young Turks and Athit Thinking About Doing?"]

[Text] Even though it has now been over 1 year, it appears that the effects of the conflict between the generals, such as General Athit Kamlangek, and the young turks, a conflict that broke out on 1 April 1981, are still as severe as ever. Even though the warrant for the arrest of a young turk on charges concerning the bombing of General Athit's house has now been withdrawn and a warrant has been issued only on charges of possession of stolen property, the web of past events and future trends make this a matter worth watching.

Since the events of 1 April, the old ideological ties and friendships have remained intact. These young soldiers, who are today in the position of rebels and who have had to resign from government service, still confer with each other regularly on both professional and political matters.

And it is probably the fact that they form such a tight-knit group that has caused the General Athit faction to fear that the young turks will try to carry on some movement in order to restore the position of their group by relying on their friends who are still in the army. Thus, the young turks have constantly been watched closely. It was probably for similar reasons that, when two bombs were set off at the end of last October, the homes of some of the leaders of the young turks were searched. Similarly, the warrant for the arrest of Captain Chakraphong on charges of being involved in setting off the bomb in front of General Athit's house was probably issued for similar reasons.

Before news about these warrants began to appear in the press, such rumors began to circulate in military circles. The young turks have said that they knew about this before the newspapers began printing the stories. But they felt that the real purpose in releasing such stories was to destroy their image or threaten them. Thus, they maintained an attitude of indifference. But they also made preparations to flee and when these stories appeared in the press, Captain Chakraphong immediately went into hiding.

Officers in the young turk group have said that the stories that began to appear in the beginning said that a warrant for the arrest of Captain Chakraphong would be issued on charges that he was involved in the 5 May bombing in front of the home of General Athit. The stories said that he had been implicated because the license number of the car that was blown up was the same as that of Captain Chakraphong's old car that was seized at the New Imperial Hotel last March on charges that he had received stolen property, since this was a stolen car.

These young turks also said that Captain Chakraphong used to have a white Toyota liftback but about 7-8 months ago it was stolen by two hoodlums under suspicious circumstances. This took place in the Fangthon area. He reported this to the Bang Phlad Police Station. After that, Captain Chapraphong went to buy a new car and purchased a stolen vehicle, for which he was ordered arrested. There were stories that the license number of this vehicle was the same as that of the vehicle that was blown up in front of General Athit's house.

However, when the newspapers began to print these stories, the police and the Department of Public Prosecution confirmed that a warrant for the arrest of Captain Chakraphong had been issued only on the charge of purchasing stolen property.

As for the present condition of the young turks, as has been mentioned, the young turks are still bound together closely. They meet together frequently at the Raminthra Shell Station. A small building has now been built in that area to serve as the office of Colonel Prachak Sawangchit. It is here that these men meet almost every day. "But the meetings are held at a special place on a formal basis once a month. Everyone comes and on these days the talk centers on the situation in the country. Manun is the person who plays the main role in summarizing the situation."

As for their present occupations, they are engaged in various occupations. For example, Colonel Prachak Sawangchit is engaged in the "Sawangchit" rice trade and in oil trading activities. He has been given help by Mr Aram Krabuanrat, the president of the Oil Dealers Association. Mr Aram has provided much help to the young turks ever since the events of 1 April, including providing help with rice from his mills and help with oil and providing the present space that is being used as an office. And recently, Colonel Prachak has expanded his activities and become involved in the ore trade. He is also making preparations to sell used automobiles. Space at the Shell station will be used. The person who will be directly responsible for the car business will be Lieutenant Colonel Bunyang Bucha. This man is now operating a small automobile repair shop at his home and his wife runs a beauty shop.

Colonel Phanlop Pinmani, Colonel Wirayut Inwasa and Colonel Sombat Rotphothithong have pooled their money and invested in growing corn in Kanchanaburi and Saraburi. They have a total of about 1,000 rai. Besides this, Colonel Sombat is also involved with the Bangrak Condominium.

Colonel Sakhon Sitwiraya has a rubber plantation in Trat Province. Lieutenant Colonel Phaithun Nakrat is the manager at the Samut Prakan Transport Company. Lieutenant Colonel Suraphon Chinachit and Colonel Chuphong Mathawaphan are engaged in family business activities. Colonel Adunyadet Chakraphan has opened an antique shop, the "Bencharong" shop, on Sukhumwit Road.

Colonel Prap Chotiksathien has invested with friends in publishing the newspaper THAILAND TIME. He is presently serving as the chairman of the company. Colonel Pridi Ramsut is working in the trust business.

Lieutenant Colonel Sanchai Buntharisawat, a man who has written under the name "A Young Soldier," is preparing to go study for a Ph.D. in Singapore. Lieutenant Colonel Ronchai Sisuwonnan recently moved to Chumphon Province in order to become the general manager of a large hotel owned by General Chamnan Nilawiset.

Colonel Buan Ngamkasem is still working on his degree at Kesetsat University, just as is Colonel Manun Rupkhachon, who will soon graduate. Colonel Buan, Colonel Manun and Colonel Wirayut are the only three members of the group who are still serving as senators.

However, several of the other members of this group, such as Colonel Nansak Khumphairi and Colonel Chanbun Phentrakun, have dropped out of sight. Concerning these men, one newspaper recently printed a story saying that these men had been contacted by a Taiwanese policital group and invited to travel to Taiwan as special guests. One member of the young turk group has stated that Colonel Chanbun has been pressured by his family, especially his father-in-law, Police General Prasoet Ruchirawong, to stay out of politics. He has been sent to study in the United States and so he is gradually becoming separated from the group.

However, concerning the fact that the group meets at the Raminthra Shell station, it seems that this has been watched by one high-ranking military officer who lives nearby since detailed reports of young turk movements, especially at the Raminthra station, are still being sent regularly to high-ranking officers.

One young turk officer said that his group is still being threatened regularly. He is sure that his group will be blamed for the explosion that occurred in front of General Athit's house. As a reason, he said that some officers or high-ranking people are really trying to bring up the matter of reinstating his group. However, as for returning to government service, the young turks have affirmed that if they must return without honor, they will not return. The important thing is that if people such as General Athit Kamlanget remain in power in the army, it would be better if the young turks continue to engage in business activities as at present.

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EDITORIAL REAFFIRMS NEED FOR THAI NEUTRALITY

Bangkok SU ANAKHOT in Thai 13-19 Jun 82 p 3

[Editorial: "The Lesson From the Middle East"]

[Text] The United Nations is a paper tiger that does not have any solutions. The people of the world have known this for a long time. The many examples that have been witnessed since the end of the Second World War prove the truth of this.

When a crisis arises somewhere, the countries concerned look to their own interests and do not follow the resolutions of the United Nations. What is more, whether the resolutions of the United Nations have any effect or not depends on the great powers.

Examples of this in 1982 are the invasion of the Falkland Islands by Argentina and the invasion of Lebanon by Israel. In both cases, the U.N. resolutions calling on both countries to withdraw their forces from these places were ineffective. And looking back 4 years ago, an example very close to our country was the invasion of Kampuchea by Vietnam, which it has occupied until today. Vietnam has not abided by the U.N. resolution.

Citing the latest example, Israel claims that it has both the legal and moral right to destroy the bases of the Palistine Liberation Organization (PLO), which Israel believes is just a terrorist group based in Lebanon.

"It is not Israel's task to consider whether Lebanon is waging war on or carrying on terrorist activities against Israel or whether it is just tolerating or not doing anything about the actions of the terrorists. In short, Lebanon must bear responsibility for the things that happen; it does not have the right to make any appeals if Israel takes action to defend itself. Because of this, Lsrael has both the legal and moral right to destroy these bases if the officials of Lebanon do not have the power to put a stop to the activities of the terrorists in their country...."

This was an official statement by Israel that disregarded the Security Council's resolution calling on Israel to withdraw its forces from Lebanon quickly and to cease operations immediately and unconditionally.

The country with the greatest role in this is the United States. The United States acted as if it was the moral guardian of the world in the cases of Vietnam's invasion of Kampuchea and Argentina's invasion of the Falkland Islands.But in the case of Israel, the United States has sat by idly. It did not veto (using its right to ab tain) Spain's proposal, which was submitted to the U.N. Security Council, calling for Israel to be condemned.

The lesson from international politics at present is that, as for Thailand, the United States is indeed a friend. But it cannot be trusted absolutely. Argentina and the Latin American countries have been taught a lesson by the Falkland Islands case. And Israel's invasion of Lebanon shows that the United States is not the moral guardian of the world. Rather, it looks after its own interests.

Another thing is that the claim that Israel used in order to invade Lebanon seems to be very pertinent to the situation in Indochina. If Vietnam uses a claim similar to that used by Israel, it is entirely possible that Vietnam could claim that Thailand is supporting the opposition Khmer groups and then invade Thailand.

The lessons from the Middle East are good reminders for the government that "remaining neutral" and "standing on ones own legs" is the best foreign policy in this period, a period in which no standard that can serve as a universal principle can be found, except for "self-preservation."

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AIR FORCE CHIEF OF STAFF INTERVIEWED ON AIRCRAFT PROCUREMENT

Bangkok SU ANAKHOT in Thai 6-12 Jun 82 pp 28-30

[Interview with Air Chief Marshal Arun Phromthep, the Chief of Staff of the Air Force: "It Stems From the 'Nomad'"; interview conducted at the home of Air Chief Marshal Arun on 25 May 1982]

[Text] After he graduated from the Chulachomklao Royal Military Academy during the time that it was still known as the Technical Academy, Air Chief Marshal Arun Phromthep, the air force chief of staff who is 55 years old, went on to study aircraft engineering. At the time he graduated, the air force needed pilots. He applied and has been in the air force ever since. As for the positions that he has held, he advanced from the position of deputy director of the Directorate of Operations to the position of deputy chief of staff of the Tactical Air Command (a position he left several years ago). He then became the director of the Directorate of Operations. After that, he served as the assistant chief of staff for operations and as deputy chief of staff before advancing to his present position as chief of staff. At the end of last year, the air force decided to purchase 20 Australian "Nomad" aircraft, a small transport aircraft, for 766.6 million baht. During that period, several newspapers harshly attacked this as being improper. The air force finally had to send representatives, including Chief of Staff Arun, the chairman of the aircraft procurement committee, to explain the matter on television. However, the BANGKOK POST recently published a story concerning the announcement that the plants that produce the Nomad aircraft will cease production. Thus, the air force is being criticized once again. SU ANAKHOT interviewed the air force chief of staff at his home on the evening of 25 May.

[Question] Concerning the reports that Australia will stop producing the Nomad aircraft within the next 2 years, has the Hawker Pacific Company informed the Thai air force of this and what effect will this have on Thailand?

[Answer] Their company has not informed us of this. In fact, the Hawker Pacific Company is not the builder but the distributer. The company that builds this aircraft is the Government Aircraft Factory (GAF), a state enterprise of the Australian government.

As for their ceasing production, this will not have any effect on our air force. In a democratic country, they will always announce what the government is planning to do and what the plans of the state enterprises are. The minister for transport or for commerce who supervises this state enterprise has announced that they will cease production at the end of 1984. The final shipment of such aircraft to us will be completed in 1984. They have given two reasons for this. First, because the world economy is in a recession, orders for these aircraft have declined. But at the same time, the workers are demanding higher wages and so the aircraft are more expensive. They have thus had to cease regular production. They produce aircraft in accord with the number ordered. Competition is great and even sales of Bowing aircraft, which are said to sell very well, are down at present. This is because many airline companies are going bankrupt. Time periods for delivering aircraft have been extended. They have had to cut back production and personnel. This has happened at all the aircraft companies.

Another reason is that the Australian government has agreed to purchase F18 fighter aircraft. In purchasing such large aircraft, the developed countries do not purchase finished aircraft but do some of the work in the country. Thus, the GAF is responsible for producing some of the parts for the F18. Thus, it must close the production lines that are not showing a profit. Such closings are normal in aircraft construction. No one is overly excited about this. They do this all the time. For example, France and Germany, which produce the "Transon" aircraft, joined together about 10 years ago. After they had produced enough to supply the two countries, no one else ordered any and so they ceased production after 10 years. But 2 or 3 days ago, the French government needed another 25 "Transon" aircraft and so they started production again.

Or there is the example of the American C5, production of which ceased 10 years ago. The U.S. government needed more C5s. The Lockheed Company began producing them again and when the orders had been filled, they ceased production again. Whenever someone orders aircraft, they reopen production. I am talking about entire aircraft.

[Question] But won't there be problems concerning spare parts when we have to replace things?

[Answer] Concerning the matter of spare parts, we are presently using several types of aircraft that are no longer being produced. For example, production of the C47 ceased almost 40 years ago. C123s have not been produced for more than 30 years. Even the F5A and F5B, which we are using now, have been out of production for more than 10 years. But this does not mean that these companies will cease producing parts; this is a different matter. Aircraft production is not carried out by a single company. The company that produces an aircraft

produces only the fuselage, wings and tail, that is, construction that uses various metals. The engines, instruments, electrical equipment, communications equipment and radio equipment are all purchased elsewhere and then assembled. These are called vender items.

When we talk about parts, if it is a part for the fuselage, we can look for a company that produces this type of part. If it is an engine part, we can look for a company that produces engines. For example, at least 5,000-6,000 "Arisan" engines that are used in the Nomad aircraft have been produced and they are still being produced since there are still many helicopters that use this type of engine. It is the same for the various instruments and radio equipment. As for fuselages, when a plant ceases production, there will not be any parts. I must again talk about aircraft construction. There are two parts. First, small parts are produced in sheets and then joined to form larger pieces. These usually last a long time. If they break, they can be repaired. For example, if an aircraft is shot at and hit, the holes can be patched. But if the fuselage is twisted, the entire body must be sold. The wings and tail are removed and stored and used as spare parts for other aircraft. This is how the body is used.

When they say that they are ceasing production, what they mean is that they are no longer producing the complete aircraft. But they will continue to produce and sell small parts needed by buyers and keep them in stock at the warehouses. Whenever someone needs parts, they will sell them immediately. Or if a large quantity is involved, they may produce them as a special order. A group of four to five workers can be formed at any time to produce a complete aircraft. Thus, there is no problem concerning parts.

[Question] Would you please discuss once again why the air force decided to purchase the Nomad aircraft since some feel that this is an outmoded aircraft that many countries have stopped using?

[Answer] We must look at two things. Technology is moving very fast. Concerning fighter aircraft, whenever an aircraft is produced and put into service, it is already outmoded. This is a fact that is known in aircraft circles. The reason is that technology is making progress every day. This is especially true for fighter aircraft. For example, at present, the F16 is said to be the best. But the General Dynamics Company, which produces the F16, has an improved version of the F16 on the drawingboards. And the engineers are already working on a new project. Similarly, our F5As and Bs and F5Es and Fs are now outmoded. The F5G will soon be put into service.

But a transport aircraft does not become outmoded so quickly. Only the internal equipment has been modernized. You don't see anything on the outside changed. Take the C130s, for example. Since the start of the Vietnam war more than 10 years ago, nothing has been changed, but it is not outmoded. Internally, they have changed the engines and communications equipment. It is the same for the Nomad. The Nomad of 10 years ago and that of today are different internally but the outside construction is the same.

From the standpoint of the tasks to be carried out, it is not outmoded. We bought the F5E and F5F to fight Vietname's Mig 21, which is still in use. Thus, our F5Es are not outmoded. We bought the Nomads to use them like a "Pleesemaker" (the nickname for a type of multipurpose cargo aircraft), which are no longer in production. From this standpoint, nothing is outmoded. The communications and flight equipment is all new. The Nomad can take off and land in a short space. We have modified the aircraft by mounting guns on it and we use it in communist suppression activities when the terrorists clash with soldiers. Since production has stopped, if we order only a couple of aircraft, who would build them for us? We have to order 20-30. We asked how much they would charge if we ordered 20 aircraft (Pleesemakers). They wanted $2 million per aircraft. Since we can buy a Nomad for approximately $1 million, why should we buy the other aircraft since the Nomad has greater capabilities?

[Question] What is the present situation like concerning our territorial airspace along the eastern border? Since the Andonoff affair, has there been any sign that the enemy will invade again?

[Answer] No. there has not been any sign of this. There was no sign of this when the Andonoff crossed over. Everything was normal. But we picked them up on radar when they were still a long way off. We waited to see how far they would go. When we saw that they were not going to change course, we sent fighter aircraft to intercept them. The air force has said from the very beginning that their aircraft was not lost. How could anyone say they were lost? If they had been lost, they would not have flown a straight course. AT the very least, the aircraft would have had to turn to the left and right in order to look for important geographical features to determine where they were. But this aircraft flew a straight course.

[Question] How likely do you think it is that there will be a war between us and Vietnam?

[Answer] This could happen but it is not very likely. It is more likely that there will be border clashes between military units and they will cross over in pursuit. But if they cross over, we will fire on them. We have even fired on some Khmer groups who have been transporting goods. Several times, we have engaged in clashes without knowing who the other group was. But these have not been Thai groups. If they are carrying weapons, we have to fire on them. If the Kampucheans want to cross over to request help, they must first lay down their weapons.

[Queston] We have built an air defense system and held drills several times. How much protection will this system provide if a war really breaks out?

[Answer] Enough. But not full protection. The air forces are not strong enough to keep all the enemy out. There is no net to block them if they really throw in

their forces. They would get through. Take the Falklands, for example. England had a strong defense system. But when Argentina threw in large forces, they were able to get through and England suffered losses. I think a civilian defense system is necessary. The people must be encouraged to take responsibility. This will help reduce losses.

The people can provide important help by reducing the danger of disasters. Air defense includes both direct defense (active defense), in which it is the duty of the air force or other service branches to use AAA to intercept the enemy, and indirect defense (passive defense), which concerns the construction of shelters and the preparation of various civilian defense items. This requires a very large number of people. Thus, the supreme commander has stressed that the soldiers and civilians must work together.

[Question] What plans does the air force have for improving the capabilities of the combat forces this year and in the following years?

[Answer] We have such plans but I cannot discuss them. Our aim is to develop our national defense [capabilities]. Both radar and modern fighter aircraft are mentioned in the development plan. But to date, the government has not been able to provide money for these things. We are not able to make any large purchases but have carried out only small projects. Since we have been alloted a budget of 20 billion baht, we cannot purchase any large aircraft since there is not enough money. With the money that we receive every year, we have been able only to maintain the present combat readiness of these forces. We are wondering when the government will allot us a large sum so that we can make a large purchase.

[Question] How far along is the project to build an aircraft production plant in Thailand?

[Answer] We are making preparations. I may be criticized about this matter too. We are discussing matters. This will probably have to be done using co-production. We must purchase patent rights from them and buy some of the parts from them. We will produce what we can and increase things continually. But don't ask me to tell you what company we are negotiating with. Many people are trying to find out, especially the brokers. We are conducting the negotiations without using brokers. I think you will probably have to come interview me again in another 2-3 months. Several hundred million baht will be spent on this project, but over many years. No bids will be submitted. We must select an aircraft that we are satisfied with and that suits our tasks.

[Question] Concerning the Falklands engagement, which is still going on, has the Thai air force learned anything from this?

[Answer] Oh! This is realy interesting. One thing of interest has been the use of rockets. Even though modern weapons were used, when a mass attack was launched, with attacks launched from all sides, the targets were reached. And the air weapons were powerful. They easily destroyed warships. Even those

[warships] armed with Seacat and Seawolf [missiles] (which can shoot down aircraft and missiles) could not prevent [the aircraft] from getting through. They came from all directions. While one was engaged, another came in and scored a hit. They did not have enough. If a full scale attack had been launched, they would not have had enough. England thus withdrew its two aircraft carriers outside the radius of fire because it did not dare risk losing them. Argentina still has tens of Skyhawk aircraft left.

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JAPAN ASSAILED OVER TRADE DEFICIT

Bangkok SIAM MAI in Thai 12 Jun 82 pp 39-41

[Article by Setthasamphan: "The Thai-Japanese Trade Balance, A Dark Future"]

[Text] It can be said that Japan is Thailand's most important trade partner. The value of trade (including both imports and exports) is 73,934 million baht, or 8.69 percent of Thailand's total foreign trade. Considering Thailand's balance of trade deficit with Japan, it appears that, in 1981, Thailand's trade deficit with Japan reached 30,406 million baht, or 22.86 percent of Thailand's total foreign trade deficit.

Thus, it can be seen that finding a way to solve the Thai-Japanese trade problem will help solve Thailand's international balance of trade deficit in general.

Concerning the attempt to rectify the trade imbalance between Thailand and Japan, it can be said that people have been trying to do this for almost 20 years, both at the private and at the governmental levels. The Thai side has resolutely attempted to negotiate trade targets in order to reduce the deficit.

It must be admitted that, up to now, the negotiations to set targets for exporting Thai goods to Japan have failed completely. The sale of goods between the two countries has not been conducted in accord with the gentleman's agreement that was made. In the years when sales have exceeded the targets, the reason was that Japan greatly needed Thai goods. This was because there was a world-wide shortage or because it was not convenient for Japan to purchase the goods from other sources.

As for Thai exports, sometimes it has not been possible to export goods in accord with the targets agreed on for two reasons. First, there have been droughts and the yields have not been large enough to support exports. Second, other markets have offered higher prices for Thai goods than Japan and so the Thai exporters have had to refuse the Japanese offers in accord with general trading principles.

In short, past trade agreements between Thailand and Japan have not been beneficial. In fact, the figures show that the deficit with Japan will continue to increase.

Thai-Japanese Trade Targets Are Not Normal Targets

On 24 May, trade experts from both countries held discussions to review the targets for exporting Thai goods to Japan during the first 2 months of 1982. The trade figures show that, for 14 major items such as para rubber, sugar and corn, Japan has made purchases in excess of the targets. Concerning the figures for the value of exports, during the first 2 months, the value of Japanese purchases totaled 3,484.5 million baht, as compared with the target of 15,619.0 baht.

But if particular items are considered, it appears that some items have not been ordered at all or only small quantities have been ordered. One example is sugar. During the first 2 months, Japan did not purchase any at all. But an encouraging piece of news is that, after February, Japan ordered 250,000 to 270,000 tons for shipment between March and June.

As for shredded squid, very little has been ordered. The value of the orders is only several tens of thousands of baht. Besides this, orders for other types of marine products are far below the targets. Such items will certainly not be delivered in accord with the targets and the fishermen will certainly experience difficulties.

A point worth noting is that Japan imports large quantities of marine products from Spain each year, even though the cost of transporting goods from Spain to Japan is higher than transporting goods from Thailand. Thus, they certainly have an advantage concerning the quality of the goods, which makes Japan more interested in importing marine products from Spain than in importing products from Thailand, which is closer to Japan.

Concerning this, the Fishing Association should conduct a study of the Japanese market to clarify what the preferences of the consumers are. This would help solve the problems with these types of goods in the future.

As for corn, Japan has informed the Foreign Trade Department that it would like to purchase an additional amount in excess of the amount agreed on. But it is expected that there will not be any sale since the Thai exporters will probably not agree to sell at the price Japan wants.

As for cassava flour, Thailand has been trying for several years to penetrate the Japanese market. But this is very difficult because Japan's agricultural protection measures make it necessary for Japan to limit the import of this item.

Besides this, there are another 25 new items of various sorts but, for 19 of the items, no orders have been placed or only small quantities have been purchased. Total sales for these goods is far off the targeted figure. That is, sales for the first 2 months totaled only 217.7 million baht as compared with the target of 2,565 million baht, which is only 8.5 percent of the sales target.

In summary, in 1982, the trade targets with Japan will probably depend mainly on the market situation. The gentleman's agreement that has been made will probably be worth very little, just as in every previous year.

The Thai-Japanese Balance of Trade -- Why Does There Have to Be a Deficit?

Based on the statistics concerning Thai-Japanese trade, it can be seen that the trade imbalance between Thailand and Japan is rapidly increasing. In particular, in the 1977-1981 period, the deficit almost doubled.

Considering the deficit in the future, this is something that is ratter worrisome. Concerning the factors that have contributed to the trade imbalance in the past, the factors that have resulted in Thailand having a large trade deficit with Japan can be summarized as follows:

1. It is well known that Japan has been investing in industry in Thailand for a long time. By 1980, the value of investments promoted by the Investment Promotion Board totaled 27,506,440 million baht, or 40 percent of total foreign investments here. Since Japan has invested large sums, the import of raw materials, machinery and equipment from Japan has also increased since Japan's trade and investment systems are systematically related.

Thus, it can be said that as long as Japan continues to invest heavily, the import of machinery, equipment and raw materials from Japan will certainly continue to increase.

2. Japan can produce various types of capital goods such as machinery and equipment much cheaper than other developed industrial countries. Thus, as long as an underdeveloped country such as Thailand has development plans, plans one through five, and has to borrow money from Japan to carry on development in accord with the plans, it will be impossible to stop importing goods from Japan.

3. Another thing worth noting is that Japan is a country that has to purchase almost al types of goods and raw materials from abroad. Thus, Japan has to have a purchasing network that is highly efficient in purchasing low-cost goods whose quality meets the standards. This is to compensate for transportation costs in bringing these goods into the country.

But considering Thailand's production and distribution structure, it appears that production and distribution costs at all stages for almost all types of Thai goods are very high. A clear example is corn. Japan has turned to purchasing corn from Argentina and the United States, which are much farther away than Thailand.

It can be seen that it will be difficult to export Thai goods and sell them on Japanese markets if Thailand's production and distribution structure remains as it is and is not improved and developed.

Year	Value of exports	Value of imports	Trade balance
1977	14,029.37	30,469.33	-16,439.96
1978	16,096.82	33,460.65	-17,363.83
1979	22,906.66	37,635.99	-14,729.33
1980	20,098.40	39,984.31	-19,885.91
1981	21,764.69	52,170.72	-30,406.03

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CSO: 4207/133

CHINESE NEWSPAPER MAGNATES, THAI PATRONS DISCUSSED

Bangkok SIAM MAI in Thai 12 Jun 82 pp 29-32

[Article: "The Chinese Newspaper Mafia Campaign, Profits Above All Else"]

[Text] For a long time, the Chinese newspapers in Thailand have been viewed as being the affair of a group of Chinese. The daily circulation reaches at most 10,000 to 20,000 copies and there are not many stores that sell these Chinese newspapers. Usually, they are sold from mats in the Chinese areas of Yaowarat, Phahurat and Sampheng. The Chinese newspapers are mostly filled with stories about the activities of the businessmen, stories about what this and that family are doing and the times and locations of weddings and meetings.

The Chinese newspapers have made a great effort not to print stories concerning domestic politics, their attitude being that "I am very comfortable and do not want to cause any problems for myself." This is the usual way of businessmen in Thailand. It seems that they want to protect themselves. They simply print stories concerning domestic and foreign political events [without editorial comment].

This is probably one reason that many of the Chinese newspapers in Thailand are still in existence and will probably continue to exist for a long time to come. At the same time, when we look at the Thai newspapers, especially the weekly newspapers, we can see that they are in trouble and and that they are failing in the present situation. For example, it seems that only a few of the daily newspapers will be able to survive. This is because the economic recession has resulted in fewer people buying newspapers and income from advertising has fallen. This has resulted in many Thai newspapers "going into the red."

But at the same time, many of the Chinese newspapers in Thailand have a secure position. There are presently nine daily Chinese newspapers in Thailand. These are the TONG HUA (CHONG HUA), the CHIN HUA (SIRI NAKHON), the SING CHONG IEN, the SIN SIEN YOE PAO, the TONG NAN (CHIA PAO), the TONG NGUAN YIT PO, the THAI SIENG YIT PO, the THAI CHONG YOE PAO and the SAKON (SIKAI YIT PO).

In general, the Chinese newspapers in Thailand, regardless of whether it is the CHONG HUA, the CHING HUA, the SONG CHONG IEN or the TONG NAN, belong to Chinese capitalists in Thailand whose main aim is trade. The stories that are printed try to please the market and they follow the wishes of the editor's

office. Their main source of income is the advertisements of the movie theaters and various businesses. At the same time, they try to promote good relations between Thais and Chinese at the highest levels. This reflects the desires of the wealthy Chinese readers in Thailand, who do not want the political stories of any side printed but who want to follow the desires of the government officials.

Chinese Newspapers In Thailand, How Do They Operate?

A high-level news source in Chinese newspaper circles told SIAM MAI that in publishing the Chinese newspapers in Thailand, few of the capitalists, or owners of the Chinese newspapers in Thailand, have any regular reporters or editorial staff who try to seek out news stories. In fact, at present, all the Chinese newspapers in Thailand employ only a few regular reporters. Of these, it seems that Mr Phusadi Khitaworanat, a reporter from THE NATION, is also working as a columnist for SING CHONG IEN. Mr Wirachai is one of the few reporters working directly for TONG HUA. This is because the owners of these newspapers do not have a policy of obtaining domestic news directly. They rely on purchasing stories from the reporters for the Thai-language newspapers. As for the reporters who work at the editorial office, their task is to translate stories from the Thai-language newspapers. Also, Thai reporters on the payroll supply stories. Or they send people to copy the daily headlines at the Public Relations Department or to obtain stories from the Thai Information Office and the Communications Authority of Thailand, which are then translated.

As for the Chinese newspapermen, besides translating stories from the Thai-language newspapers into Chinese, they copy foreign news reports and take almost all their articles, commentaries, foreign news reports and feature sections from the newspapers in Hong Kong.

"As for the reporting of the Chinese newspapers in Thailand, they take stories from the daily Thai newspapers and translate them and they get their foreign news reports from the newspapers in Taiwan and Hong Kong. Stated simply, the tools used by the Chinese newspapers in Thailand to obtain stories are knives and scissors. The stories are cut out and pasted up," said a knowledgeable person humorously.

SIN SIEN YOE PAO, a War For Advertisements

Concerning the matter of the conflicts becoming major news stories that have appeared for several consecutive days in Thai newspapers:

"This is a war for power between business and trade giants and it involves high-ranking people with political power. That is, it is a war between Mr Li Santiphongchai (Yoe Sim Saeli), the owner of the newspaper SIN SIEN YOE PAO, and Mr Norarat Tangpakon (Si Hieng Saetang), the president of the Chinese Newspapermen's Welfare Association and a person who has great influence in Macao Casino Tours and in government circles. He is very close to the former (1975) director-general of the Police Department, Police General Phot Phekanan.

The Power of the Two Godfathers: Li Yoe Sim and Tang Si Hieng

The Thai name of Mr Li Yoe Sim, the owner of the newspaper SIN SIEN YOE PAO, is Mr Li Santiphongchai. He is a Chinese who was born in Burma. He gave up his Burmese citizenship and became a Thai citizen less than 10 years ago. Seventeen years ago, he came to Thailand to find work. He worked as an employee at the Tiger Brand drugstore that belonged to the granddaughter of Oh Bun Ho, a very wealthy person. Later on, he married this granddaughter of Oh Bun Ho. When Oh Bun Ho, the owenr of SIN SIEN YOE PAO, died, Mr Li became the owner of this newspaper. After this, he had to go wage a court battle against the daughter of Oh Bun Ho in England. Following this, Mr Li carried on the business of selling Tiger Brand drugs and publishing the SIN SIEN YOE PAO. He has always been successful.

Mr Li is an arrogant person who does not like to associate with other Chinese. He does not speak Thai very well. He can speak English and can converse well with [English-speaking] foreigners. Of the owners of the nine Chinese newspapers in Thailand, only Mr Li can speak English. This gives him a great advantage and has resulted in his finding more advertizing than the other newspapers. The normal rate for advertisements is 14,000 baht per page. Since each day's paper averages 32 pages, his income from advertisements is at least 10 million baht a month.

Mr Li feels that he is a high-level businessman who has been able to develop a close association with diplomats from various embassies in Thailand, such as the Japanese, South Korean, American, English, French, Malaysian and Israeli embassies, and with high-ranking officials in Thai government circles, including General Prachuap Suntharangkun and Mr Thanat Khoman. And even Mr Phot Sarasin, the former deputy prime minister, once hosted the wedding reception for Mr Li's daughter. Later on, Mr Li exerted pressure on his daughter to become his advertizing manager and so the old manager had to be fired.

Mr Norarat Tangpakon, whose original name was Tang Si Hieng, is a Taechew Chinese who was born on the Chinese mainland before the revolution. He came to work in Thailand when he was a youth. He built up his social position and is now the owner of the Thai-Hong Kong Public Tour Company. He is very close to high-ranking government officials such as Police General Phot Phekanan, the former director-general of the Police Department, and high-ranking police officials in the Special Branch Division. He has a wide range of interests and is involved in activities concerning people entering the country and becoming naturalized citizens and in providing various services for Chinese refugees. Most recently, he has taken on a new role and has gained power over the Chinese merchants in Thailand by becoming powerful in newspaper circles in Thailand.

Something that has been talked about for a long time is the fact that Mr Tang Si Hieng has taken on a new role for himself by taking control of eight of the nine Chinese newspapers, with the one exception being the SIN SIEN YOE PAO of Mr Li. He has been able to do this because of his great financial power and he is the president of the Chinese Newspapermen's Association, which is

composed of the officials and newspapermen of the eight Chinese newspapers. It has a large fund and benefits are paid out to the people working for these newspapers.

How Did the War Between the Mafia Godfathers Begin?

The conflict between the godfather Li Yoe Sim, or Mr Li, and the godfather Tang Si Hieng, or Mr Norarat, begain in 1980 when Mr Tang Si Hieng, using large sums of money, joined together all the Chinese newspapers, with the single exception of the newspaper belonging to Mr Li, which is the oldest Chinese newspaper in Thailand, having come into existence more than 30 years ago, in order to form the Newspapermen's Welfare Association. He was able to gather together members from all eight Chinese newspapers and he used them to gain power and influence over the Chinese merchants and businessmen in Thailand.

He did not want to let Mr Li, the owner of the SIN SIEN YOE PAO and a giant in Chinese newspaper circles in Thailand, grow even more powerful and so a conflict broke out. When Mr Tang Si Hieng made arrangements to exhibit Chinese imperial treasures on the occasion of the Rattanakosin celebrations at the Bangkok Center, he had stories about this published in the Chinese newspapers in order to help publicize the event.

He received cooperation from all the newspapers except the SIN SIEN YEO PAO, which refused to publicize the exhibition of Chinese treasures.

Mr Li feels that he inherited his present role from Oh Bun Ho, the foremr owner of the SIN SIEN YOE PAO. Since he became the owner of the SIN SIEN YOE PAO, Mr Li has constantly made changes in the newspaper's work, or administrative, section. He has fired around 50 of the original employees. For example, he fired the original head of the advertizing department and replaced him with his daughter, Mrs Su Si. And he made his son, Mr Li Khong Ieng, who had just graduated from a school in Hong Kong, the manager of the newspaper.

Mr Li fired the original officials because he felt that they were the original workers, or people of Mr Oh Bun Ho, the former owner. This led to sensational stories being printed in the daily newspapers.

At the same time, Chinese newspaper circles themselves are discussing the question of whether the time hasn't come for these newspapers to show social responsibility as a mass medium and not be just a means of earning profits.

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BRIEFS

INCREASE IN SECRET POLICE STRENGTH -- On 6 May, Police Major General Ophat Rattanasin, the commander of the Special Branch Division, told the mass media that the Special Branch Division has sent a proposal to the Police Department requesting permission to increase the size of the force by another 600 men, including commissioned police officers and police privates. They will be used to guard embassies and high-ranking embassy officials and to conduct secret investigations in the provinces. [Text] [Bangkok SIAM MAI in Thai 19 Jun 82 p 8] 11943

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END

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23 July 1982

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No. 1171

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TEXT OF GENERAL ERSHAD'S 20 JUN TELEVISION INTERVIEW

Dacca THE BANGLADESH OBSERVER in English 24 Jun 82 pp 3, 7

[Text] The following is the English rendering of the T.V. interview given by the Chief Martial Law Administrator, Lt Gen Hussain Mohammad Ershad in its special programme "Mukhomukhi" telecast on Sunday night, reports BSS.

Introduction: March 24, 1982--On this day a new government came to power through proclamation of Martial Law in the country. It is quite natural that during the last few months various questions may crop up in the minds of the people about this government. Why a Government like this has come? What this Government has been doing? What is the objective of this Government?

Today we have got an opportunity to interview the Chief Martial Law Administrator, Lt Gen Hussain Mohammad Ershad. It is hoped that it would be possible to discuss many important questions today.

Question: Lt Gen Ershad, in the very beginning I like to thank you on behalf of the Bangladesh Television for providing this opportunity to interview you. First of all the question which comes to our mind is that the people of Bangladesh had come under Martial Law Administration a number of times in the past. Was the present Martial Law administration at all necessary? Was there no alternative before you but to promulgate the Martial Law?

Answer: At the outset I want to thank you (interviewer) and your colleagues for taking my interview. Naturally this question that was prevailing in the minds of the people and I think this question is very important. But before I answer this question, I would request you to look back to the political situation that was prevailing in the country after the death of President Zia. The country was heading towards a dangerous situation. Seventy-five or more political parties were there in the country. In almost all the political parties, big or small, internal dissension and rivalry and struggle for power reached such a stage that sharp divisions among the leadership of these political parties started surfacing. All of you know that the ruling party BNP won the November election by capitalising on the image of late President Ziaur Rahman. The people of the country used to respect President Zia. They made the BNP victorious in the election as an expression of their respect for him (Zia). But what was the internal condition of this ruling

party at that time? During the rule of this regime, the people witnessed unprecedented corruption.

Question: When such a state of affairs was prevailing, then why you, i.e., the Armed Forces, did not take over the administration of the country before the election?

Political Framework

Answer: No, we did not like to do so. We wanted that a political framework should be there in the country. We have tried to the last in that direction. I know you yourself (interviewer) as well as all the countrymen are aware of these things. Different quarters have requested me many times to promulgate Martial Law. But we had unflinching faith in the political system and as a result we did not pay heed to such requests. We believed that the problems of the country should be solved politically. We requested the President time and again to bring about improvement in the prevailing situation to save the country. But that did not bring any result. The highhandedness of the opportunist class was at its peak at that time. The rate of crime of different nature went on rising. And why do not this should increase? When a people's representative could provide shelter to a heinous murderer at his own residence then everything was possible. Then came our last effort. I met the President on February 11 last. I requested him to improve the situation quickly and to stop the deterioration. I requested him to dissolve the large cabinet and to replace the same with a smaller and capable one with new faces and to remove the corrupt elements from the cabinet and to punish the miscreants. On the other hand, the economy of the country was on the verge of collapse. Capital investment in the country came to a standstill after the death of President Zia. The prices of food and other essential commodities had been increasing incredibly. I am giving you a small example here. Immediately after the promulgation of Martial Law I instituted an enquiry commission to go into the affairs of banking sector.

Its report has recently reached me and I would like to read out some portion from the report.

Advance of loans: The amount which would never be refunded is about Taka one crore sixty three lakh.

Amount outstanding: Taka 1,104 crore.

Outstanding loans from financial institutions: Taka 1,366 crore.

Banks have incurred a loss of Taka five crore eighty six lakh due to fraudulence and forgery in 1981. Besides this, we have not yet received the details of other losses. It is only the preliminary report.

Now you can see to what extent the chaos had spread. You have asked whether the Martial Law was absolutely necessary. I shall say yes, to save the country and to secure the future of the nation. It would not have been possible to arrest the fast deteriorating situation without this rule of law.

But the political government in the past failed to take many emergency measures due to their corruption, indecision and dependence.

Great Anarchy

A great anarchy was prevailing in the administration system of the country. Nothing tangible for the improvement of the administration could be done because of the pressures of the ruling political parties on various occasions. Fake industrialists were being given licence and permits because they used to contribute towards the funds of the political parties. Miscreants working as touts of political parties created a reign of terror in the society. The parties in power actually used to appease these people. That is why whatever political party that could come to power was not able to bring about any change. On the other hand, finding no outlet for remedy, the poor people were silently accepting all those wrong doings and injustices.

In fact, there was no way out from this situation than the imposition of Martial Law. Failure in the political field, lootings, chaos and corruption had shaken the very foundation of the country. Now each and every soldier, mindful of their responsibility of safeguarding the nation were working ceaselessly for the implementation of Martial Law administration. We did not snatch away the responsibility of running the affairs of the state. The people of the country hailed the imposition of Martial Law. The imposition of Martial Law was very logical, cogent and natural in the light of prevailing situation at that time. There was no alternative opened before the nation which the country could have been saved from utter destruction.

Question: There are many countries of the world where the military chiefs could prepare plan for capturing power after being dissatisfied with the civilian administration, say in Europe and America. Why are the Generals not going to the Westminster or Capital Hill to capture power? Then why did it become necessary here?

Answer: No, they are not doing that. But we have delved deep to find out the reasons. In England and America, a framework for political rules accepted by all was in practice for a long time. This framework is the democratic functioning of the state. But what had happened so far in our country is the opposite of this democratic practice and mentality. If any party could come to power, it used to think they are the one who should stay and that none else be there. As a consequence of this mentality of clinging to power they (parties) either became the victims of all sorts of dirty intrigues or they themselves get immersed in it. Although they were forced to hold elections but those in power did not hesitate to use elections illegally for their own selfish purpose. In the past, many a government remained in power by holding farcical elections, a fact which you know better than me. There are many instances of use of force at the polling booths and putting votes in the ballot boxes of the ruling party. This misbehaviour could not be conceived in the developed countries of the world. If you analyse the history of our country you will find that no political party have ever left power voluntarily. But they do not try to understand the very simple fact that it is not possible to stay in power without popular support.

Let me give you an illuminating example. President Zia had great popular support behind him. That is why the tiny group that had conspired to capture power by killing President Zia was wired out within three days. The people of the country were in favour of the Government at that time.

You are speaking about America. An American president was forced out of power there by two journalists by bringing up the charge of telephone tapping against him. That is why the armed forces has no reason to intervene in those countries.

One of the great failures of the political parties in our country is that they could not build up any such institution in which the people of the country could have unstinted respect and confidence. The constitution that a party gives after coming to power is scrapped by another party later. That is how uncertainty prevailed in the political field in the country. When a political party after totally losing popular support indulges in conspiracy in order to cling to power, there remains no alternative but to impose Martial Law to bring about their downfall.

24th March in Bangladesh is the repetition of the same history.

Question: You have said that this Martial Law regime is different from the previous Martial Law regimes. How is that so?

Answer: You see, the Martial Law is usually imposed as a temporary measure. Say for example the civilian Government fails to take any measure in any area due to widespread rioting and entrust the army to bring the situation under control, a Martial Law is then imposed for a temporary period for the purpose in the past Martial Law regimes in the country were more or less like this. They had no long-term objectives.

The present Government is determined to bring about a revolutionary change in the country--the changes that would ensure the future of this country. This Government is going to introduce permanent measures so that the people do not suffer as victims of dishonest policies again and again. The present Government is determined to take the country towards progress by bringing about a change in the economic and social structure. In my opinion, the permanent changes that this regime are thinking about would distinguish it from other Martial Law governments in the past.

Question: Another question arises in this connection. It concerns basic policy. The Armed Forces are now become directly involved in politics. If it is considered proper for the armed forces to be involved in politics, then how far a soldier could go into politics?

Answer: To give answer to your question on the history of the birth of Bangladesh and the Liberation War has to be looked into. There is history behind the birth of the Armed Forces of every country.

What is the history of the Bangladesh Armed Forces? Bangladesh is the name of a political definition and this force came into being with the responsibility of giving a reality to Bangladesh. When this force was entrusted with the political responsibility of creation of Bangladesh on the world map during the Liberation War and each and every soldier discharged the responsibility with unparalleled courage and self-sacrifice.

Did anybody at that time raise any question whether a soldier should get entangled with politics? At that time the brave soldiers of this force were engaged in translating the hopes and aspirations of Bangladesh into reality and they fought to ensure food and cloth. These were the political aims.

So when after 11 years the expectations of the people of this country remain unfulfilled, the present and future of the nation was at stake due to inefficiency and corruption. At that time the patriotic Armed Forces of the country naturally came into the scene as they once participated in the war to fight the enemy. Besides, there could be a wrong impression in the minds of the people about the duty of the Armed Forces and I think it should be removed.

The basic responsibility of the Armed Forces is to protect the country from the hands of both internal and external enemies. Most unfortunately this is true that the country was at stake due to conspiracy of internal enemies. To save the country from the attack of internal enemies is a military responsibility and the Armed Forces was ready to perform it.

If you want to say by coming forward to discharge this responsibility was involvement in politics, you can say so. But we will describe it as a patriotic and historical responsibility.

Question: Presently a part of the Armed Forces has directly come to the administrative jobs. As such has not the capability of the army been affected?

Answer: No, not at all. Through discharging Martial Law duties our soldiers are performing their own task. By the grace of the Almighty they are performing their onerous responsibility very nicely.

Question: Now I am asking you a question on a very important matter. That is about corruption. In our country corruption is all pervasive. Corruption is noticed from the upper strata to the lower level. How far your government has succeeded in continuing corruption during the last few months.

Answer: You have correctly diagnosed the disease. The disease named corruption is all pervasive in our society. If you want to know by number how many corrupt people we have arrested and put on trial or tried and punished in that case at this moment it will be difficult to answer. It is necessary to give exemplary punishment to a man guilty of corruption so that the rate of offence comes down. But punishment will undoubtedly minimise the disease named corruption but it cannot be totally eliminated. We have to go to the

rot of corruption. Corruption is a symptom of a moth-eaten society. The social system which has given birth to corruption has to be uprooted.

Only in that case corruption could be contained, otherwise not. People from all strata will then learn to hate corruption. We have to launch ahead against corruption through combination of punishment and social changes.

Question: A number of people from among those who were known as big and influential businessmen and industrialists in the country are being charged with the act of increasing personal wealth through dishonest and corrupt means. As a result panic has been created in the upper strata of the business circle. It is feared that this circle will engage themselves in different kinds of anti-government propaganda. They have already started different kinds of propaganda which may create confusion in the minds of people. How would you tackle this kind of propaganda?

Answer: That is why I am having this discussion with you so frankly. You see, there are many examples in history that when anybody wants to do any good work one has to face a hostile situation. You are apprehending this. But I know different false propaganda about the activities of this government has already started to create confusion in the minds of people. But I will request you to assess the problem in depth. Who are carrying out this propaganda whose interest are affected? Those who have been enjoying facilities unduly and since they cannot enjoy those any more they have become angry.

I cite an example. Fourteen hundred years ago Hazrat Ali (R) Caliph of Islam instructed Malik Bin-Ashtab, Governor of Egypt, in a letter said "remember Malik that this group of the prominent few constitute the scum of human society. They are the people who in times of prosperity proved to be the greatest burden on the state. In times of need and distress they will be the least helpful. They hate equity and justice most. In the demands on the resources of the state they are most persistent. They will never be satisfied with generosity bestowed. They will prove most ungrateful to all the favours and the demands are justifiably refused. They will be most unwilling and slowest to accept the reasons. When time and fortune changes, you will never find them patient and staunch in faith. They are the constant drain on the resources of the society.

Lust for more privileges by this wealthy class will never cease. All good work will be criticised and opposed by them. I think the social corruption that had been prevailing fourteen hundred years ago as mentioned, are similarly rampant in the circumstances of Bangladesh today. Mis-propaganda has, in the meantime, started. The other day a British journalist, Mr Trevor Fishlock informed us (at this stage a part of Fishlock's report in the London Times was shown on the TV screen. That part of the report said: "Some people believe they would rather be part of India just to be in a democracy. You can now understand the level of mental perversion of these corrupt people. Serious deviation has taken place in their thinking. These people will now try so that we cannot do anything good for the country.

Majority of the people in the country desire a change and a revolutionary change at that, so that they could be freed from their miseries. All of you should help our government to resist all efforts of these conspirators.

Question: Efforts are afoot to modernise the country's administration. For example, your Government has planned to introduce new type of decentralised administration centering on the thana administration. What fruitful result may appear to the teeming millions due to this measure?

Answer: It is a matter of deep regret that in our country the majority of the population who live in the villages never easily get the benefit of the city-based administrative system. It is like carrying water in a strainer with innumerable holes. Similarly, nothing from Dacca can reach the villages with the help of the administration "strainer." There are so many examples that the poor peasants have fallen into miseries due to the administrative failure. A person has been involved in litigation since last twenty-four years and hearings in the case took place [word indistinct] hundred times. Now you realise the extent of miseries the poor peasant has suffered. When a common villager comes to a town he immediately falls in the trap of a tout there. We have taken measures to reach the central administration to the doorstep of the villagers by taking it to the thana level. A responsible, capable and humane administration which will remain committed to the people is extremely necessary at this juncture of the country, as I think. That is why we have undertaken measures for the decentralisation of the administration.

Question: With regard to the industrial development, whether your government is laying stress on the private or the public sector? And why?

Answer: We want to follow mixed economy as our policy in the country. Those who think of economic development in our country singularly through the public theoreticians, they have least accountance with the real situation.

Public sector corporations have incurred losses worth crores of Taka in the past due to incapability, dishonesty and lack of planning. We have seen in the name of nationalisation some top-heavy organisations have been created. We are determined to completely remove the existing extreme anarchy in some of the public sector industrial concerns. Let energetic businessmen and industrialists come forward to develop the country. We greet the honest, industrious and responsible persons to come in the industrial sector. You yourselves prove that businessmen and industrialists of this country are industrious and responsible. I know it for certain that the greater business community in the country have had no connection with the dishonesty of a handful of persons. Some of the Asian countries, such as Singapore, Malaysia, Indonesia, and South Korea are rapidly energing as industrially developed country from the state of industrial backwardness. The other day I read in the papers that within the next few years South Korea will be able to compete in some industrial sectors with that of developed Japan. Whereas South Korea had been poverty-stricken and backward like other Asian countries, why can't we then do it?

I firmly believe, if all of us try together as one then inshallah within the next ten years Bangladesh shall be able to rise up in pride in the community of nations as an industrially developed country. Common people of our country are the most laborious people in the world. I think the industrialists, together with the government, must come forward to utilise the people. [As published]

Question: What is your policy in respect of the students and the youths and why your policy are different from that of the erstwhile government in solving the problems of the students?

Answer: Students and the youths are the principal strength of a country. They are the resources, the pride and the future. Appropriately educated youth force are the future leaders. Those who are receiving education today at schools, colleges and universities run at the expense of the tax-paying poor people of the country and are indebted to the entire nation. Their main responsibility is to receive education well. Our country is a very poor one. It may never be possible to create ideal atmosphere in all respects due to financial reasons. Still then government of this poor country will try its utmost to remove most of the problems of the students. I too know the greater section of our student and youth communities are quite aware what is their main responsibility in this poor country.

But what has happened in the past? We have seen different coteries have committed sacrilege in the educational sanctuariesin various manners. In the garb of student politics, student community had been rendered confused and frustrated due to anarchy, indiscipline indulged in by some anti-social elements on the campus. Damage has seem caused to the country. Teachers had been intimidated, examination halls had been entered by those with brandishing knives, gun-shootings took place on the campuses and women students were attacked and girls were insulted.

You tell me is it the way of preparation of ideal men for the country?

(Incomplete)

Student Politics

You tell me why any woman is afraid to walk alone through the university area after dusk?

Some miscreants and non-student youths masquerading as students had utilised the honesty of general students for their own petty interest acting as agents of some of the political parties.

From our experience, it can be said that the student fronts of different political parties had let the muscle men of the party move freely in the various campuses of the country. They could scare the general students in different ways. A number of such students have already been arrested and are being tried. They are being punished according to law so that nobody can try to pollute the educational institutions.

The difference in our outlook regarding the students and youths is because that we want the best students to come forward and think about the country's politics. The student politics is never guided by the goondas any more in the country. The educational institutions should have fair politics for making the country's politics constructive.

You can see that those who had befooled the students in the name of politics had sent their sons and relatives abroad for higher studies and had told innocent students "you are the future of the country" and then they had handed over guns, pistols and stenguns to them and made them murderers, tyrants, dacoits and highjackers. We will not allow this any more. The students cannot be misguided. We will not allow any educational institution of the country to become the war field of grenade-slinging in the name of student politics.

Womenfolk

Question: Women constitute 50 percent of our population. What importance are you attaching to their development?

Answer: Look. President Zia had done many commendable jobs for the welfare of the womenfolk. We believe that the women of our society could be utilised in a proper way so that they can take a greater part in the national uplift. If you project the village scene in your mind you will find that cutting the paddy is the work of the farmer. After the paddy is brought in the woman in the household of the farmer does the entire work from husking to boiling then drying and storing it.

After that she finishes every work of the household and goes to sleep at dead of night after sending everybody to sleep. We have seen our mothers do so. If we can make them literate and reach the light of civilisation then I think we can make them contribute a greater share in the national uplift.

Question: What are you thinking about the urban women?

Answer: The Government has already provided many facilities to the urban women. We are thinking to do more in the future. We have invited the women to compete at the BCS administrative competitive examination to be held in October next. If they can compete in the examination successfully then why they will not become D.C.S.D.O. We have seen them doing it abroad; our womenfolk have that power and ability.

Food Situation

Question: What is the country's food situation now?

Answer: I shall say it is satisfactory. But six people had died from starvation at two villages of Khulna on the March 24 when we assumed power. I will say one thing about the food situation. I shall say it with great grief. It is just like the cow of the Quazi. It is on paper but not in the

cow shed. There was plenty of food according to many people. But in reality there was no food in the godowns. We have tried a lot, appealed to many foreign governments. I shall like to say with delight that they have responded to our call, and we have received aid from everybody and with that we could overcome the food crisis. There is no chance of food crisis if the next harvest of Aman is good and plus the food stock we have at the moment.

We have marked that the food price went very high before this government came into power and now it has come to a stable position.

Question: You believe that this stability could be maintained?

Answer: Surely you have seen everybody expected that we will catch hold of the wholesalers and stockists after the Martial Law government came and punish them but we did not do that. We have kept open market sale which is the normal principle of marketing. We did not interfere in the marketing. We have tried to regularise the food distribution system. We have made arrangements so that food can be easily transported from the outside districts where there were stocks of food to the food deficient areas. As a result the price of food gradually came down which had been going up.

Lot of Masses

Question: Do you think it possible to ameliorate the lot of the peasantry without effecting land reform?

Answer: No, it is not possible. Land reforms became necessary for us for a long time. Moreover, retention of old land administration system will not be helpful for augmenting production in the land which is under pressure as a result of population growth. The genuine peasants have been losing land under the pressure of poverty. There are many peasants in villages whose lands are very little compared to the number of the members of their families. Besides, many have no land. I consider this situation as an impediment in the way of stepping up production. We have chalked out a programme on land entitlement and you will hear an announcement on it very shortly.

The government is contemplating cultivation of land on collective method and cooperative basis. The people of the country will be enlightened about it in future.

Question: When the democratic process will be restored in the country.

Answer: I have already told the people that we have undertaken some programmes. I think our responsibility will end when these programmes will be executed properly. But this will depend on the people. I think we may be able to accomplish our task in two years.

Democracy

Question: Democracy has failed again and again in our country. Yet we are wanting democracy and telling that it is a necessity. What you have been thinking about democracy and how you are looking at it?

Answer: Democracy has not failed. What has failed is the imitation of foreign politics. Look at Japan, Singapore and South Korea. These countries have built up their national politics in their own interest. We have not been able to formulate any industrial policy in the country. We have not been able to achieve any political progress. It is because we could not introduce politics that is suitable to the time and our needs and which could carry the country forward. I look at democracy as such a state structure that will take Bangladesh on to the road to secured progress.

Question: What in your view should be the role of the Bangladesh Armed Forces?

Answer: Bangladesh very much lacks in administrative, organisational, technological and engineering skill. Bangladesh Armed Forces are rich in these skills, hence it will be logical to use the patriotic armed forces in the matter for reorganising the country as a unified, united and powerful nation. Moreover, the Armed Forces can work as a balancing factor in social and political fields.

We want a bridge of affinity to be built up between the people and the Armed Forces. You know, having been obsessed by foreign ideology we have always thought that the Armed Forces would be kept in a state of exile from the mainstream of the masses. This is the rule, this is the tradition. We have never thought whose rule and tradition are these?

How much the countrymen know today about their armed forces? Yet the armed forces have been raised with the boys of this country. Like other citizens a soldier thinks about the country and feels hurt at the failure of politics of the country. Is it wrong on the part of the soldiers to think for the country and feel sorry? No, not at all.

Take the case of Chittagong Hill Tracts. What is happening there? How many soldiers have shed their blood there for you? How much the people know about their sacrifice? We have flung open the door of understanding between the soldiers and the people. This way a united nation can press ahead and build itself up.

Question: I shall now ask you some personal questions. In which places you have personal property and how much are these worth?

Answer: When I was a Lieutenant in the army in 1955 we were given some lands in the border area from the army. I was then allotted 20 acres--60 bighas of land for cultivation. I am cultivating that land now. Another person was also given 20 acres--60 bighas of land adjacent to mine. Together we two cultivate 120 bighas where we have sunk a deep tubewell. I earn one lakh to one and a half lakh Taka from there annually. I usually grow sugarcane in that land.

Question: Are you very much interested in agriculture personally?

Answer: I have attached priority to agriculture as I am interested in this sector. From my own experience I have realised that there should be no shortage of food in the country if we can provide water and fertilizer regularly. You know how fertile is our land. Besides, I inherited from my father some land--a little less than a bigha in Rangpur and in 1980 DIT allotted me a plot at Gulshan. Of course I got the plot after trying for about thirty years. I have constructed a house there.

Question: You must be a very busy man. Now you have become busier. Do you make some time to spend for recreation like studying or reading books or something like that?

Answer: You should remember one thing--that we soldiers have to study always because we have to know and learn the employment, tactical employment, strategic deployment of the modern equipment and sophisticated equipment that are coming up with the passing of days. For this each and every soldier and officer have to study for some time every day. I have to study for an hour or two after midnight every day.

Question: Which subject interests you most other than military affairs?

Answer: That has to be studies, of course. Besides, I love to read the biographies of the great leaders of the country. I read their biographies attentively to get some lessons from their lives. I also like to read poems and as you know I was fond of composing poems and I have the habit even now.

Question: You are very much interested in games and sports from your student life. Which are your favourite games?

Answer: Yes. I am interested in games and sports from my student life. I used to play football in my college days and during the early years of my army career, I was a member of the army football team. I also like to play tennis. Now I play golf. I can play a little of every game but I play tennis and golf more these days.

Question: Now I like to ask you a personal question which I believe many people would be interested to know. As a soldier as it is your profession, you certainly love song. What types of songs you like?

Answer: You know, we all in Bangladesh love songs. I personally like Nazrul Geety and Rabindra Sangeet more.

Question: Whenever you get time, you listen to songs. Does listening to songs--has become your main pasttime?

Answer: Yes. See I have arrangements of listening to music and songs here. I love to listen to songs. I listen to songs sitting in the living room or the drawing room whenever I can make the time and specially during the time between saying my morning prayer and going to office.

Question: Another question, the last one on personal matters. Did you ever think when you were a minor or in your youth that you would reach the position where you are now in the national life?

Answer: You see, the greatest ambition of a soldier's life is to become Chief of the Army Staff and we work with that aim in view, but we are Muslims and we believe in Allah. So we express our gratitude to Allah if this dream comes true, all praises to him.

CSO: 4220/7556

ERSHAD ADDRESSES BANGLADESH COMMUNITY IN LONDON

Dacca THE BANGLADESH TIMES in English 17 Jun 82 p 1

[Text] London, June 16--The Chief Martial Law Administrator, Lt Gen H.M. Ershad has said that measures were being taken to streamline the administration with a view to taking it more closer to the people, reports BSS.

Addressing the Bangladesh community at the Islamic Centre here yesterday the CMLA said that under the proposed administrative system, the administration would be decentralised making the thana as the focal point of all government and development activities.

He said that process had been initiated to suitably amend and change the outdated laws inherited from colonial days. Gen Ershad said that the government had launched austerity drive to minimise unproductive expenditures which was rampant in the past regime and added, as a result of the drive, much of the unnecessary expenditures had already been cut down.

The CMLA referred to squandering of several crores of Taka by the nationalised banks and said that the corporate and the nationalised sectors were also being reorganised and streamlined to make those more efficient.

Gen Ershad told the meeting that the main objective of the present government was to improve the condition of the common people and associate them actively with the process of nation building activities.

He said the highest priority attached by the present government is to ensure two square meals to the common man.

About the circumstances under which Martial Law was proclaimed, the CMLA said that rampant corruption and maladministration of the past government made the life of the people of Bangladesh intolerable causing much suffering to them.

Gen Ershad said that before the changeover, the number of Ministers had swelled to 42 and despite repeated public demands, corrupt Ministers were not removed from the cabinet.

The CMLA said that the situation had climaxed to such a stage that a Minister of the past government gave shelter to a killer at his official residence. The food situation had so much aggravated before the proclamation of Martial Law that if the "ineffective government was not changed at the time, the situation would have gone out of control."

CSO: 4220/7544

PRESS REPORTS ERSHAD'S VISIT TO UNITED NATIONS

Meeting With Secretary General, Others

Dacca THE BANGLADESH OBSERVER in English 19 Jun 82 pp 1, 8

[Text] June 18--Lt General H.M. Ershad, Chief Martial Law Administrator, had a meeting yesterday with UN Secretary General Mr Javier Perez de-Cuellar at the UN reports BSS.

Warmly congratulating the CMLA for his speech, Mr Cuellar said the concrete proposals made by the Bangladesh leader for complete disarmament would be a source of inspiration to the participants of the special session.

The Secretary General hoped that the special session would lead to some "concrete results."

The CMLA thanked the Secretary-General for the courtesies extended to him.

They also discussed UN-Bangladesh cooperation.

The Secretary General referred to the fall in multilateral aid and said he would do everything possible to reverse the trend against multilateral aid affecting UNDP projects.

The Secretary General said he had great feeling for Bangladesh and recalled his visit there in February last year accompanying the then Secretary General Mr Kurt Waldheim.

The CMLA said Bangladesh valued UN cooperation.

The CMLA referred to the measures already taken by his government to tackle economic problems facing Bangladesh.

They discussed the international situation particularly the developments in Lebanon and South Asia region.

They expressed concern at the prevailing situation in Lebanon. The Secretary General said that presence of UN peace keeping force in Lebanon was essential.

They expressed the view that solution of the Palestinian problem and upholding the rights of self-determination of the Palestinians were the only way of resolving the Middle East situation.

The Secretary General also hosted a reception in honour of the Bangladesh leader.

Present at the meeting were Foreign Minister Mr A.R. Shamsud Doha, Principal Staff Officer to the CMLA Major General Mozammel Hussain and Acting Permanent Representative of Bangladesh to UN Mr Farooq Sobhan, Director General of International Cooperation of UN Mr Jean Repert, UN Under secretaries General Mr Bi Jilong, Mr Brian Urqhuari and Mr Akashi.

The CMLA was warmly applauded in the General Assembly as he made his disarmament address.

Foreign Ministers, Permanent Representatives and heads of delegations congratulated the CMLA on the General Assembly floor after the speech.

Later the CMLA was taken round the UN complex by the Chief of Protocol of United Nations.

Meets Kittani

BSS adds: The Chief Martial Law Administrator Lt Gen H.M. Ershad at a meeting yesterday with UN General Assembly President Mr Ismat Kittani discussed matters of mutual interest. They discussed international situations with particular reference to Iran-Iraq conflict and the Middle East situation. Members of entourage of the CMLA were also present at the meeting held in the office room of the UN General Assembly President.

Mojosov

The Chief Martial Law Administrator Lt General H.M. Ershad and the Yugoslav Foreign Minister Mr Lazar Mojosov discussed matters of mutual interest.

The Yugoslav Foreign Minister said his country wanted to substantially increase its trade and economic cooperation with developing countries.

He said Yugoslavia and Bangladesh enjoyed excellent relations and hoped trade and economic cooperation between the two countries would increase. They exchanged non-aligned matters.

Meeting With South Asian Envoys

Dacca THE NEW NATION in English 20 Jun 82 pp 1, 8

[Text] New York, June 19 (BSS)--Chief Martial Law Administrator Lt General H.M. Ershad had "informal discussions" with the South Asian envoys to the United Nations at his hotel suite here yesterday.

Foreign Minister Mr A.R. Shams-Ud-Doha and Acting Permanent Representative of Bangladesh to the U.N. Mr Farooq Sobhan were also present at the meeting.

A Bangladesh spokesman later told BSS that they discussed cooperation among the countries of South Asia for which Bangladesh took initiative.

They also discussed future activities of the Group of 77 and situation in the region.

The South Asian envoys who called on the CMLA at his suite included Mr M. Krishnan, Permanent Representative of India, Mr Om Pradhan, Permanent Representative of Bhutan and Mr Benjamin Xonseka, Permanent Representative of Sri Lanka and Mr Khalid Mahmud, Charge d'Affaire of Pakistan and Mr Yadav Silwal, Charge d'Affaire of Nepal.

Visits Bangladesh Mission

The report adds: Lt General H.M. Ershad yesterday visited the Bangladesh permanent mission to the United Nations here.

The CMLA went round the mission office; addressing the officers of the mission he called for hard work in the interest of increasing Bangladesh role in the international arena.

The CMLA said he was happy that Bangladesh was well represented and made a mark at the UN.

He said everyone should work harder for a greater projection of the country.

Foreign Minister Mr A.R. Shams-Ud-Doha and Major General Mozammel Hussain, Principal Staff Officer to the CMLA accompanied Gen Ershad.

Mr Farooq Sobhan, Acting Permanent Representative of Bangladesh to the UN received the CMLA at the mission.

CSO: 4220/7547

TEXT OF ERSHAD SPEECH TO UN DISARMAMENT SESSION

Dacca THE BANGLADESH OBSERVER in English 18 Jun 82 pp 1, 16

[Text] Chief Martial Law Administrator Lt Gen H.M. Ershad today launched an appeal to all nations particularly to more powerful states, to display self-restraint and moderation and to enter into serious negotiations on disarmament, reports BSS.

The comprehensive plan of disarmament is the linchpin of "our disarmament efforts," he said, adding immediate steps for the world leaders should be to resolve to ban all nuclear tests, chemical and biological weapons, and to freeze and reduce military budgets and also to transfer resources, thus released, for development purposes.

Addressing the second special session of the UN General Assembly on Disarmament, General Ershad pointed out that disarmament depended on the mutual understanding among the major powers and stressed that tensions and threats to peace must be removed.

The CMLA told the Special General Assembly session that the three major challenges to mankind's continued progress and eventual survival were the arms race, underdevelopment and unlawful use of force for solving international disputes.

On arms race, General Ershad called for putting an end to the continuing escalation of the arms race to ensure peace and security that would preserve our planet for succeeding generations. He referred to present stock of weaponry which can destroy the civilisation many times over and said, "We must, therefore, strive towards the goal of achieving total and complete disarmament with nuclear disarmament as our immediate and central objective."

General Ershad said that the problems of disarmament were complex and as such "they warrant the attention of leaders invested with the highest responsibilities."

The CMLA reiterated that Bangladesh's policy on disarmament was based on its constitutional commitment according to which "we are wedded to the concept of general and complete disarmanent." He spoke of Bangladesh's readiness to take concrete and tangible actions in the appropriate context and said it

was our "total dedication to the cause of general and complete disarmament" that led us to accede to the non-proliferation treaty.

General Ershad however, expressed "dismay and distress" that despite over 100 member states having acceded to the treaty, nuclear proliferation, both vertical and horizontal, "continues unabated."

The Bangladesh leader urged the UN special session to adopt a 15-point "programme of action" on disarmament and said that given the necessary political will the priorities enumerated in the programme are not beyond the possibility of realization. He said: "Let us therefore pledge that this special session this distinguished gathering of the world leaders of vision would make a point of departure: let this be a springboard for launching us on to our projected rendezvous with history."

The programme of action proposed by the CMLA includes a complete prohibition on the use of force as a means of settling disputes, a joint or individual declaration by the nuclear weapon states not to use such weapons, commitment by all states to refrain from testing nuclear weapons pending conclusion of the comprehensive test ban treaty, total freeze on production, development, deployment and research of nuclear weapons, provision for negative security, guarantee by nuclear states for non-nuclear weapon and neutral countries and stoppage of indiscriminate arms sale.

Referring to the importance attached by Bangladesh on the Second Special Session on Disarmament General Ershad said that he had come all the way from Dacca "to share with this august assembly our growing concern about the very survival of the human race." He earnestly hoped that he would be able to take back with him at least a ray of hope that the present generation of human race shall eventually witness a triumph of rationality.

The CMLA reiterated Bangladesh's firm conviction to the principles of peaceful and negotiated settlement of all international problems and referred to the amicable settlement of the problem of over 200,000 refugees who came to Bangladesh from Burma in 1978.

He said that his country was constantly pursuing her efforts towards peaceful and negotiated settlement of outstanding problems with other neighbours. He pointed out that Bangladesh's relentless efforts toward evolution of a framework for regional cooperation would lead to promotion of confidence-building among the countries in the South Asian region.

CSO: 4220/7545

ERSHAD TALKS TO PRESS ON RETURN FROM NEW YORK

Dacca THE BANGLADESH OBSERVER in English 24 Jun 82 p 1

[Text] The Chief Martial Law Administrator, Lt Gen H.M. Ershad, returned home on Wednesday concluding his 10-day visit to the UN headquarters and London.

Talking to newsmen at Zia International Airport, the CMLA termed his visit as "extremely fruitful." He also expressed satisfaction over his discussions with US President Ronald Reagan, British Prime Minister Mrs Margaret Thatcher and Soviet Foreign Minister Andrei Gromyko.

The CMLA said that during his brief meeting at the UN headquarters, President Reagan had assured him of continued US help to Bangladesh. He said President Reagan normally does not meet any Head of State or Government at the UN headquarters but "for me he made a departure in this regard and agreed to meet me there and I thank him for his gesture to me." The brief meeting with the US President, he said, was more to be acquainted with each other. He said that he had informed President Reagan about the situation in Bangladesh.

Terming his discussions with the Soviet Foreign Minister Andrei Gromyko as "fruitful" the CMLA hoped that the actions between the Soviet Union and Bangladesh would be strengthened further. He said that the Soviet Foreign Minister had invited his Bangladesh Counterpart, Mr A.R.S. Doha to visit Moscow.

The CMLA who had one hour discussion with the British Prime Minister Mrs Margaret Thatcher in London, said that Britain would give all-out assistance to Bangladesh. The British Premier he added, assured all help and assistance and wished him all success.

He said that during his discussions with the Bangladeshi nationals in Britain he was informed about the various problems the Bangladeshi nationals were facing there. These problems would be taken up with the appropriate authority he said.

Talking about his address to the UN Special Assembly on disarmament the CMLA said that he had placed a 15-point programme on the subject. He proposed to divert a portion of the huge amount now being spent by the developed countries on arms for the development and welfare of the developing and poor nations who are fighting against hunger, poverty and diseases. He said that his address was well appreciated by the UN members and 71 heads of delegations had thanked him for the bold stand Bangladesh took on disarmament.

In the UN headquarters the CMLA met the UN Secretary-General and the President of the UN Assembly. He also had discussions with other leaders attending the UN special session on disarmament.

The CMLA said that Bangladesh had sent a medical team to Lebanon and by this Bangladesh had reiterated her steadfast support to the Palestinians and the Arab cause.

In reply to a question he said that his Government was giving financial help to the stranded Bangladeshis in Lebanon now.

The CMLA said that during his visit to the UN Headquarters and London he was interviewed by Newsweek, The New York Times and The Economist. He said that from the interviewers he came to know that the Bangladesh embassies were yet to project the country properly. Turning to his Foreign Minister Mr A.R.S. Doha who was sitting beside him, the CMLA said that order had been given to make the embassies more active.

At the airport the CMLA was received by Deputy Chief Martial Law Administrator Rear Admiral M.A. Khan and Deputy Chief Martial Law Administrator Air Vice Marshal Sultan Mahmud, members of the Council of Ministers, heads of diplomatic missions and high-ranking civil and military officials.

CSO: 4220/7554

CORRESPONDENT WRITES ON POSSIBILITY OF IMF AID

Dacca HOLIDAY in English 20 Jun 82 pp 1, 8

[Article by Hossain Khasru]

[Text] While uncertainties still hang around the possibilities of Bangladesh obtaining the IMF's assistance in the form of Extended Fund Facilities (EFF) and Supplementary Financing Facility (SFF) under the earlier agreement of 1980, the prospects for getting IMF's support under the Food Import Facility seems to be bright now.

Assistance under the Fund's Food Import Facility which is one of the several stand-by IMF support facilities for the member-countries is given to those members in the event of excessive pressure on their external payments' account due to food imports.

Reliable sources told this correspondent that the IMF team which left Dacca on June 8 after completing about a fortnight's appraisal mission in the country had indicated to the concerned authorities about the prospects for the Fund's support operations for Bangladesh in the food import sector.

The quantum of assistance under this facility is likely to be sized at the level of two hundred percent of the country's quota with the Fund.

The final decision on IMF's assistance under this particular head of facility will depend on further follow-up action on both sides.

The five-member appraisal team from the IMF which was incidentally the third one visiting the country during Fiscal 1981-82 had several rounds of discussions with the officials of different ministries including those of Bangladesh Bank in Dacca.

The discussions as usual covered the areas of interest in a Third World country like Bangladesh to the IMF.

The areas were: import programming, export performance, exchange rate adjustment process, balance of payments situation, monetary and credit policy, interest rate, fiscal strategy with particular reference to efforts to contain deficit financing and curtail subsidies particularly in the consumption sectors, efficiency of public corporate bodies and development priorities.

According to official circles, the appraisal by the IMF team was not an "unusual" thing. It was carried out under the normal practice of "Exchange Rate Policy Surveillance Operation" stipulated under clause IV of the Fund's articles of association as amended in April, '78.

But what makes the appraisal exercises by the IMF experts to "unusual" for Bangladesh is the continuing reluctance of the Fund authorities in resuming its assistance to the country under both EFF and SFF.

So far three teams of IMF experts have visited Dacca in 1981-82 to evaluate operations within the economy in the light of the Fund's performance criteria and conditionalities.

Reluctance

Apparently the teams were not satisfied with the establishment's efforts to "streamline" the economy in accordance with the Fund's prescription. Thus the Fund authorities had held back disbursement of any funds under EFF and SFF since July '81.

Meanwhile, Bangladesh got an IMF support worth 60 million SDR under the compensatory financing facilities (CFF). The CFF support is given by the Fund to member countries hit hard by falling export prices in the international markets.

Under the agreement signed between IMF and Bangladesh in December '80 the former was to give the latter an amount of 800 million SDR, one half of which is in the form of EFF and the other half in SFF over a period of three years through quarterly instalments.

After disbursements of 220 million SDRs in equal proportions under EFF and SFF till June '81, the withdrawals of any further funds under EFF and SFF were kept suspended for the country.

The Fund's EFF and SFF operations are meant to offer support to the member countries in effecting structural adjustments in their balance of payments' difficulties.

While the EFF is operated out of the IMF's own general resources carrying an interest of 6.25 percent per annum, the SFF is extended from the Fund's borrowed funds carrying an annual interest rate of 13 percent.

Sources told this correspondent that the IMF appraisal team which left Dacca on June 8 had not signalled anything about the Fund's resumption of EFF and SEF to Bangladesh under the agreement of 1980.

Some doubts meanwhile persist as to whether the 1980 agreement with the IMF for EFF and SFF support remains valid now or the country will have to approach afresh the Fund authorities to reactivate the EFF-SFF operations under a renewed agreement.

CSO: 4220/7550

TEXT OF 'HOLIDAY' INTERVIEW WITH ENERGY MINISTER

Dacca HOLIDAY in English 20 Jun 82 pp 1, 3

[Interview with Air Vice Marshal Sultan Mahmud, Deputy Chief Martial Law Administrator, by Jaglul Alam]

[Text] Deputy Chief Martial Law Administrator Air Vice Marshal Sultan Mahmud gave an exclusive interview to HOLIDAY, excerpt from which were printed in our last issue. In this issue we are printing the full text of the interview.--Ed

Q: Is the government thinking of using gas other than as fuel, like as raw material for industrial production or for petrochemical production, etc? If so, how soon will it be done?

A: Yes. It would be only natural to think of using gas not only as fuel but also as feed stock for fertilizer, PVC, methanol or manufacturing any other petrochemical products.

Gas is already being supplied as feed stock for manufacturing of urea fertilizer in three fertilizer factories at Fenchuganj, Ghorasal and Ashuganj. Three more urea factories in the final phase of planning will also use gas as feed stock.

At present 45 percent of the total gas consumption in the country is used as raw material for urea production, of which Fenchuganj uses 20 MMcfD, Ashuganj 45 MMcfD and Ghorasal 38 MMcfD. Presently our total gas consumption is about 230 MMcfD.

I am sure you are aware that gas-based projects are highly capital intensive. Therefore, availability of foreign collaboration either as joint venture or aid is very important for undertaking as such projects.

Q: What steps are being taken to use gas so that fuel import bill is decreased?

A: If you infer in any manner about what steps might have been taken by the previous governments, I shall prefer not to dwell on it, but what I can assure you of is that we are fully aware of the yoke of our fuel import bill,

the credit account for which has over the years accumulated to an approximate amount of Tk. 525 (five hundred and twenty-five) crore and the controlling corporation has to bear a payment of about Tk. 100 crore interest. The enormity of its impact cannot but be a concern for any government. The effect of the measures that can be taken will require a considerable time to make a mark on our economy.

Our prime objective in this sphere would be evolved around our knowledge of the proven reserves and a co-relation of care and prudence in the blending of our immediate economic needs and a rationale of the foreseeable developing programs that would necessitate the use of gas. What has to be undertaken first is to maximize gas production and then develop a strategy for its optional use in consonance with the developing programs. I believe this should adduce our way of approach to the problem. I am afraid there are no quick-time measures.

One of the main uses of gas is as raw material for commercial energy production. Of the total commercial energy consumed in the country, natural gas contributes about 41 percent, imported oil about 52 percent, for which annually the country would spend about 1300 crores of taka which is about 80 percent of the total export earnings for the year.

At present 49 percent of the total gas consumption is used for fuel. By 1984-85 the use may rise to 67 percent. The savings in fuel import would be then about 32 lakh tons in oil equivalent, amounting to 2300 crore takas at today's price. With a view to increase the use of gas in the rural areas, increased production of LPG and multiple use of CNG as substitutes of kerosene and diesel are also being seriously considered.

Q: Has there been any study done about how much actual gas reserve we have and how long will it last?

A: If you allow me, there is no such thing as "actual" gas reserve. Expert use the terminolgy like "proven," "probable," "possible" and "recoverable" reserve.

A number of studies were undertaken between 1968-80 by various local and foreign consultants. But these studies show a wide variation in the estimated gas reserves. They range between 4.2 trillion cubic feet to 19.5 trillion cubic feet. However, the proven gas reserve in the 12 gas fields discovered so far is estimated to be about 11 trillion cubic feet.

A comprehensive appraisal of almost all gas fields would be necessary to collate proven/recoverable reserve figure.

The length of time for which our present known reserve of 11 TCF would last will depend primarily on the rate of use of gas in our development programs.

Q: What are the prospects of oil discovery in Bangladesh?

A: Here you are stepping on an extremely sensitive topic. Exploration of oil and gas is highly capital intensive and risky because of their uncertain

occurrence and often deep underground locations, etc., no matter how tempting the speculations. Providence seems to play an important role in its discovery. Supporting the thesis that reserves are the result function of exploration, it may be justifiable to mention that since a large part of Bangladesh is yet to be surveyed, it is likely that future exploration may uncover the "wish."

Q: Has there been any positive indication of existence of oil reserves?

A: I have a hunch, you are gradually cutting the cake thinner.

Experts opine that Bangladesh, at least part of it, is gas prone zone. And there is a possibility of striking oil, too. So far Hatargaj structure has "Oil Show" and Patharia structure has "Oil Seepage." Such interesting geological structures need to be further explored and drilled, as you may appreciate.

Q: At times there has been talk of selling gas to India. What is the present thinking on this question?

A: This question may be answered in the context of possible export of gas in one form or the other. Identification of the optional export choices of gas would depend on projects that maximize net benefit to Bangladesh. Government is studying various options available with us at present.

Power Supply

Q: People continuously complain of insufficient and erratic power supply both for domestic and industrial purposes. What are the causes and what measures are being taken to remedy this situation?

A: Yes, I couldn't but more readily agree with you. When I visit the Old Town areas of Dacca and the industrial areas of Tongi, not mentioning the countryside, it's a marvel of today's technology to see the network of electric lines on the distribution pillars, and wonder, not just "where" but that the electricity at all passes through the "maze of wirings." The reasons for insufficient and erratic power supply are many and they have been accumulating over the years. Let me deal with just a few of the major ones:

(a) Inadequate firm generation capacity: With an installed capacity of 562 megawatts and 295 megawatts, the Power Development Board is operating with an inadequate firm generation capacity of 366 megawatts in the eastern zone and 118 megawatts in the western zone. Whereas the peak demand is 450 megawatts in the eastern and 146 megawatts in the western zone.

In order to improve the generation situation, PDB has undertaken programs to rehabilitate the existing power plants and early completion of the under-construction projects. The underconstruction plants are 90 megawatts Ashuganj gas turbine, 60 megawatts Chittagong power station, and 110 megawatts Khulna power station.

To improve power generation in the western zone, top priority is being given to the completion of the East-West Interconnector project by the end of 1982 so that power can be transmitted from the east to the west zone.

(b) Overloading of distribution network: Sometimes consumers instal power-consuming appliances and motors without taking permission from the local electric supply and this causes overloading of distribution lines and distribution transformers. This ultimately results in interruption of power supply.

To arrest the situation, the government is arranging relocation of the transformers at different places and replacement of the existing transformers by transformers of higher capacity where necessary. Government is also making physical inspection to check unauthorized connections and at the same time planning to instal protective devices to protect the service connections against overloading

(c) Inadequate design, safety measures, operation and maintenance of the distribution system: Design and planning are the core of any project. In the cities like Dacca where distribution lines are somewhat better designed, the maintenance has been far from satisfactory.

Operation of the power generation and distribution system has become difficult due to an unmatched system. This unmatched system is the outcome of different systems and equipment procured from different sources according to availability of foreign aids and loans. If design and maintenance are improved, I believe the disruption will be considerably reduced.

(d) Lack of alternate source of power supply: Due to lack of duplicate power supply system in case of failure, the supply remains suspended till the cause of the failure is located and cleared. To improve the situation Government is installing duplicate sources of power supply in the big cities so that it can be restored through alternate feeder quickly.

(e) Lack of spare parts and experienced manpower: Due to shortage in revenue, the Power Development Board could not procure adequate spare parts that are necessary for maintenance of the system. However, the government is giving due importance to timely procurement of spare parts.

(f) Some of the other main reasons are: Overloading of transformers in grid-sub stations; delay in execution of power distribution projects; shortage of experienced and trained manpower; lack of properly equipped breakdown vans; deficiency in protection of power system; theft of materials; illegal service connections and stormy weather.

Q: Why are most of the projects taken up for production, transmission and distribution of power being delayed in implementation?

A: Project implementation in the power sector is delayed due to a number of factors. Most of the projects are implemented with foreign collaboration and quite often are subject to both local and foreign constraints.

The local factors are shortage of local currency, lack of project management, skill and sometimes official procedures in the government departments in decisionmaking and releasing of funds.

The foreign factors are mainly delay in getting suitable foreign assistance and delay in manufacturing and supply of foreign equipment by the supplier.

Q: What measures have been taken to supply adequate power to the western zone of the country?

A: For augmentation of power supply to the western zone we have undertaken a number of programs like:

(a) The East-West Interconnector to be completed by the end of 1982.

(b) Setting up of new power stations such as the 110 megawatt Khulna power station, 56 megawatt barge mounted unit and the 10.5 megawatt gas turbine unit.

(c) Rehabilitation of the old units, such as the 60 megawatt Khulna unit and the 60 megawatt Bheramara gas turbine.

(d) Construction of transmission lines from Bheramara to Barisal, via Faridpur, from Ishurdi to Shahjadpur, and from Natore to Rajshahi.

(e) Procurement exercise for a 25 megawatt generator in Barisal is in the final phase.

Q: The industrial consumers argue that enhancement in tariff on electricity has been threatening small and cottage industries. What do you think of that?

A: Per unit price of electricity charged to the consumers in Bangladesh is relatively lower compared to other countries. This is because the PDB is heavily subsidized by the government. The fraction of production cost due to electricity bill is usually small (5-10 percent). The industrial consumers who are vocal about any increase of tariff are highly subsidized.

These industries are commercial organizations. As such, if prices of other commodities have to at times increase, including the prices of the products of these industries, there is no reason why electricity industry should continue to suffer loss in order to subsidize others.

While efforts are underway to improve the administration and maintenance to reduce the high system loss of the PDB, I think it may be fair to bring to the knowledge of the consumers that the previous government had, in view of the enormous amount of accumulated loss of PDB approved the increase of tariff. However, an extensive study has been done to arrive at a pragmatic equation of levying the charges on the domestic sector, charitable institutes, small and major industries. Affording capabilities of a consumer and commercial incentives, I am sure have been well considered.

CSO: 4220/7550

REPORT ON FINANCE MINISTER'S TELEVISION INTERVIEW

Dacca THE BANGLADESH TIMES in English 23 Jun 82 pp 1, 8

[Text] The Minister for Finance and Planning, Mr A.M.A. Muhith on Tuesday night called for a stern austerity programme backed by efforts of the "entire nation" to face the current economic situation in the country, reports BSS.

In a television interview the Minister explained the present economic conditions and suggested remedial measures that include containing inflation, expansion and mobilisation of domestic resources and qualitative change in investment.

Global Shock

Mr Muhith said it was urgently necessary to be "realistic and act pragmatically." We should tailor our aspirations keeping in mind the need of serious tightening of the belt. The contradiction between ambition and objective reality must be removed, he stressed.

The Minister said the present economic situation was characterised by low productivity, limited employment opportunity, inflation and inadequate and misdirected investment. The people are "prepared to suffer the shared sacrifices" to face the situation.

Mr Muhith said the present economic situation mainly stemmed from the country's refusal to adjust to the changing circumstances followed by the second global economic "shock" of 1979 and the economy was in deep recession.

The aid flow during this period, he said, stagnated and exports receipts fell, but expenditure levels were not accordingly cut. In the last two years the country lost one billion dollars of purchasing power capacity, he added.

Mr Muhith said the refusal to adjust to the realities following the global shock resulted in budget deficit some five to seven hundred crores in the two years. Losses of public enterprises spiralled and this year it is likely to be 500 crore Taka.

The subsidies in various public goods, he added, continued and as a result there had been liquidity expansion leading to highest inflation. This year it is likely to rise to 18 percent, six percent more than that of last year.

Referring to the state of investment, he said in real terms it went down and there had been very little qualitative change in the investment. Investment in infrastructure had been at the rate of 65 percent and rest went to productive sector.

Growth Rate

Referring to the grim economic situation the Minister said the growth rate this year was likely to be less than even one percent. We have to be "very cautious" to face the challenge an uphill task.

The Minister thought the economic conditions of the country suggest that very careful planning and dedicated efforts were necessary for at least 20 years for the nation to "reach a reasonable level of economic welfare."

During this period, he added, the country would require concessional economic assistance from abroad. The problems were well-known and except in some limited areas the solution can also be found without disagreement. But problem lies in implementation of the solutions prescribed.

The Minister stressed the need for execution of the solutions prescribed. In the past good plan documents were produced but "we have failed to implement those." We have made the soft options in preference to the difficult ones.

Mr Muhith regretted "we have not cared for the reality that covers all the 90 million of the privileged class." The soft options exercised in past two years has brought us to the brink."

Remedies

Replying to a question Mr Muhith said remedy of the current situation lay in attacking in three different directions.

Firstly, he said inflation must be contained which he added, would call for budget-balancing and avoidance of losses.

Secondly, he said since the foreign aid was not so plentiful the availability of domestic resources must be espanded.

Finally, the investment, he suggested should undergo a qualitative change and it should be expanded through higher domestic savings.

The finance Minister admitted that there was a general awareness about the onset of the recession beginning in 1979 but the country, he said, as a whole failed to take steps to meet the challenge.

The administration and the government entrusted with the responsibility for giving guidance to the economy failed to do so and so did the public opinion and the leaders of the public opinion.

Domestic Resources

Speaking about raising domestic resources, he indicated that there were some success despite various failures during the past ten years. The level of foodgrain production during the period increased by 30 lakh tons. Even, he said, during the current year production of crop was not so good. It was expected to be 141 lakh tons as against 148 lakh tons last year. The previous best records of crop production was 135 lakh tons.

Agri Income

Mr Muhith said in an average the agriculture had registered a growth in the last ten years but savings had not been generated by this sector. He suggested that a part of the increased agricultural income should be secured for investment.

He pointed out that only 14 to 20 percent of the population above the poverty line had the capacity to generate savings. It was possible to obtain more resource savings from this source, he added.

Replying to a question Mr Muhith said immediate result could not be expected in the area of reduction of inflation. He said rationalisation of prices would have some impact on the general price situation. But avoidance of subsidy will make it possible to contain liquidity expansion.

The Finance Minister pointed out that at present subsidy was being given at the rate of Tk 35 per maund to fertilizer, Tk 70 per maund to rice and Tk 35 per maund to wheat. Petroleum products which are being imported entirely is sold at half the price which entails a loss of 50 percent per gallon.

Similarly, Mr Muhith said the loss to the per unit of electricity was now about 50 to 60 paisa. In addition, he said the road transport railways, jute and textile corporations were all suffering losses. "In fact, only a limited items of public enterprises were making profits and breaking even," he added.

The Finance Minister pointed out that the country needed a "stern austerity programme." This was not simply a reduction in the administrative expenditure but it was an "effort by the entire nation and particularly the privileged classes essentially the city dwellers" the people were "prepared to meet" the situation and had "courage to suffer the shared sacrifice" he added.

CSO: 4220/7552

INDUSTRIAL INVESTMENT IN 5-YEAR PLAN 'DISAPPOINTING'

Dacca THE NEW NATION in English 23 Jun 82 p 1

[Text] Industrial investment during the last one and a half year under the Second Five-Year Plan has depicted rather a disappointing picture as the utilization was around 30 percent of the provision earmarked in the plan.

According to a performance report, the priority sectors received much less response while the non-priority sectors had eight times more investment causing setback to the objectives of the plan.

The review report said the investors were not "inclined" to invest in the basic manufacturing industries. Rather, they showed their interest in the service industries.

For the period, a total of 2250 industrial units were sanctioned by the Government in 12 sectors with 144 sub-sectors. The total investment allocated against these units was about Taka 942 crore with foreign exchange component of about Taka 369 crore.

Despite allocations made for the industrial units, the real investment during the period would be much less and is estimated to be not more than 30 percent.

Besides, investment climate experienced overutilisation of the physical and monetary provision specially on non-priority sectors, not only for the period under review but also in some cases over the whole plan period. This, the departure of the investors and the loan giving agencies of the Government virtually expedited the social catastrophe as implied in the low productivity and the law employment opportunity.

The resultant fall in the contribution of manufacturing sector will have a devastating effect on the economic growth of the country. On the other hand overall industrial investment sets a glaring instance of poor maintenance of the debt equity ratio which also implies that investors portfolio were not duly maintained.

In different industrial sectors of the 12 major groups non-priority sectors received maximum response from the investors. The performance report shows that physical and monetary investment sanctioned about eight times more in some sectors. The service sector seems to be the attraction of investment.

On the contrary, basic manufacturing sector failed to utilise its physical and monetary provision. Similar is the case with various industries under food and allied sector and pharmaceuticals.

In the service sector, hotel, motel and restaurants, cinemas and film studios, artificial jewelry and related articles, musical instruments, toys including mechanical ones, television receiver sets and other components and wheat, grain milling, etc., both monetary and physical provision for 1980-82 and over the whole plan period were exceeded.

CSO: 4220/7553

FIRST COMMERCIAL BANK IN BANGLADESH OPENS IN DACCA

Dacca THE BANGLADESH OBSERVER in English 19 Jun 82 pp 1, 8

[Text] Arab Bangladesh Bank, country's first commercial bank in the private sector was opened in Dacca on Friday reports BSS.

Inaugurating the bank the first joint venture project in the banking sector, the Minister for Finance and Planning Mr A.M.A. Muhith expressed the hope that it (private banking) would "release individual initiative and energies in the promotion of savings, investment and trade and establish new standard in banking service."

He said although the decision to allow private banks to function was taken two years ago ABB was the first among the nine proposals to start operation.

The finance miinister called upon the new private bank to take up innovative approach and initiative in offering non-conventional credit facilities to small industry and non-farm activities for attacking the rural poverty, an area where government has already started moving.

The inaugural function was addressed among others by Mr A.S.F. Rahman, Director of the bank, Mr Abdur Rahim-bin-Ibrahim Galadari, Chairman of Dubai Bank of the UAE and partner of the joint project and Mr Hafizul Islam, Managing Director of the Bank. Governor of Bangladesh Bank, heads of different financial institutions and members of the business community attended the function.

Giving a brief review of the performances of the country's banking system which till today were fully nationalised, the Finance Minister said although these banks (nationalised banks) have succeeded in taking the banking services to the remote areas through the expansion of 4500 branches yet it is true that the social service concern has infringed on the profitability criterion rather heavily." Mr Muhith stressed that "it is time for consolidation."

The Finance Minister emphasised the urgent need of "balancing resource availability with expenditure plan of the country" and said we "intend to overcome" the past deficiencies of the performances of the nationalised commercial banks. He hoped the standard of service delivery to be attained by private banking will greatly help in fixing government targets.

Referring to the international banking which was undergoing serious strains during the recent years because of the recycling of surplus financial resources and other factors, Mr Muhith said banks alone cannot solve the crisis and needed the helping hand of the government and international compact.

The director of the bank, Mr Gahman, said the development of private sector banking would augment resources for the all-round economic development of the country and hoped that this joint venture would certainly encourage others from home and Arab countries to look for cooperation in other areas of economic activities.

The Chairman of Dubai Bank, Mr Galadari, said the establishment of ABB was a "gesture of friendship between Bangladesh and UAE Arab world and Muslim countries." He said this was the beginning of the many fruitful joint venture projects that would come up in future benefiting the business community and people of Bangladesh and Arab world.

CSO: 4220/7547

IDA GRANTS $400 MILLION FOR RURAL ELECTRIFICATION

Dacca THE BANGLADESH OBSERVER in English 18 Jun 82 p 1

[Text] The International Development Association (IDA) has given a credit of 40 million U.S. dollars to the Bangladesh Rural Electrification Board for the expansion of electricity in the rural areas of Bangladesh.

A World Bank Press release issued on Thursday said that the credit will support the second phase of the Bangladesh government's rural electrification programme and will finance the expansion and distribution networks in seven cooperatives (Palli Biddvut Samity) near Dacca Farid pur Noakhali, Chittagong, Khulna, Barisal and Kushtia.

The Rural Electrification Board which was created in 1977 will implement the 64.5 million dollar project. The Board will transfer assets of each completed scheme on the basis of loan to each of the seven rural electrification cooperatives to be established under the project.

Project works to be carried out over the next six years will include the installation of new distribution networks in the seven selected areas and the rehabilitation of limited existing distribution system to integrate them into the new system.

Each electrification cooperative called Palli Biddvut Samity will be respons responsible for load promotion, organisation of sign-up campaigns for consumers and hiring of its own staff.

The IDA credit is for 50 years including 10 years of grace. It carries no interest but bears a small annual charge of 0.5 percent on the undisbursed balances of the credit and 0.7 percent on the disbursed balances.

CSO: 4220/7545

FOREIGN INVESTORS IN DACCA TO STUDY POSSIBILITIES

Dacca THE NEW NATION in English 19 Jun 82 pp 1, 8

[Text] A number of foreign entrepreneurs are now in Dacca exploring the possibility of their participation in management and production of industries both in public and private sectors.

Some of them are learnt to have already met the Minister of Industries and commerce, Mr Shafiul Azam and discussed the prospect of their investment.

It is understood that the foreign entrepreneurs are invested more in participating in the management of the existing industries than setting up new enterprises immediately. They appear to be encouraged by the Government decision to give away management control of the Machine Tools Factory, General Electric and Manufacturing plant and Chittagong Steel Mills. They prefer entering into similar management contracts of some public sector concerns including those in jute and textile sector.

The entrepreneurs who are in the city are from Pakistan, UK, USA and Singapore. They are learnt to have also made officials of the Industries Ministry to know the details of the Government's new Industrial policy and facilities to foreign investors for investment in Bangladesh.

All the foreign entrepreneurs are believed to have shown keen interest in the provision of the industrial policy which said "foreign investment will continue to receive due consideration and Government would welcome foreign participation in joint ventures on mutually beneficial terms and conditions. Foreign investment will be encouraged specially in existing public and private sector enterprises where an injection of foreign capital or technology will mean an increase in productivity and an improvement in the product."

The foreign entrepreneurs are understood to have been trying to convince the authorities that their participation in the existing industries in the public sector, which are sustaining loss would largely improve the situation.

But the local entrepreneurs vehemently oppose the idea. They said the Government should not give away the management of the industries to foreign entrepreneurs where local expertise and technology are available.

CSO: 4220/7548

NORWAY GRANTS AID FOR LIGHT, COTTAGE INDUSTRIES

Dacca THE BANGLADESH OBSERVER in English 20 Jun 82 pp 1, 12

[Text] Norway will provide Bangladesh a grant of Norwegian Kroner 20 million (approximately Taka 6 crore) for financing small and cottage industries under an agreement signed in Dacca on Saturday, reports BSS.

According to PID handout, Norwegian Kroner 10 million will be utilised for financing of a revolving fund called the refinancing fund for small and cottage industries in the Bangladesh Bank and remaining 10 million Kroner will be utilised for the establishment of a revolving fund for small-scale industries in the Bangladesh Krishi Bank called the District Development Fund.

The agreement was signed by Mr M. Mahiuddin, Section Chief (Joint Secretary) External Resources Division, Ministry of Finance and Planning and Mr Rolv Hultin, Resident Representative of the Norwegian Agency for International Development (NORAD) on behalf of their respective government.

The refinancing fund aims at extending financial support for trained persons under the Ministry of Youth Development and Women's Affairs and other skilled persons to help in the rehabilitation through development of cottage industries.

The District Development Fund will enable BKB in extending long and medium term loans on concessionary terms for the growth of small scale industry in rural areas.

Norway will also provide personnel to assist in the implementation of the agreement and the costs thereof will be borne by that country, in addition to the grant.

They also signed agreed minutes on the conclusion of mid-term discussions on Norwegian assistance for 1982 held in Dacca from June 14 to June 17.

CSO: 4220/7549

EXCLUSIVE INTERVIEW WITH AGRICULTURE MINISTER SUMMARIZED

Dacca THE BANGLADESH OBSERVER in English 24 Jun 82 p 1

[Text] The government has launched a medium term foodgrain production programme to reap a harvest of 155 lakh tons by 1982-83, Agriculture Minister Mr A.Z.M. Obaidullah Khan said in Dacca on Wednesday.

In an exclusive interview with the BSS, Mr Khan said that the main thrust of the medium term foodgrain production had been given on the extension of irrigation facilities of 72 lakh acres of land.

Side by side attempts would be made to provide intensive production package of High Yielding Variety seeds, fertilizers, pest management and credit in the irrigated areas, he added.

The Agriculture Minister said appropriate marketing and price policy would be followed to promote efficient utilisation of modern inputs and to achieve desired production target of different agricultural crops.

Mr Khan said with irrigation facilities to 11 percent of the total 3.2 crore acres of arable land, Bangladesh produced 141 lakh tons of foodgrains during the current year.

With the extension of irrigation facilities to 72 lakh acres, the percentage of irrigated area in the country would stand at nearly 30 percent, the Agriculture Minister added. At present irrigation covers 36 lakh acres land.

He said that 80 percent of the irrigation facilities under the medium term foodgrain production would be derived from small irrigation programmes like sinking shallow tubewells and deep tubewells.

He said 25,000 shallow tubewells had so far been fielded. He said with 25,000 shallow tubewells already fielded, government sold another 25,000 shallow tubewells during the current year. Another 30,000 tubewells would be sold among the interested farmers by next year.

The Agriculture Minister hoped that by the year 1984-85 one lakh shallow tubewells would be fielded in different parts of the country.

The number of deep tubewells that have already been fielded stands at 12 000, Mr Khan said, and added that 4,000 more deep tubewells would be fielded during the current year.

Moreover, the government had planned to procure another 4,000 deep tubewells under a World Bank credit. He said Kuwait Development Fund and the Asian Development Bank were also providing assistance to increase the irrigation facilities for boosting foodgrain production.

The number of lowlift pumps would also be increased to 86,000 from the existing 41,000, the Minister said.

Besides, the irrigation projects under Bangladesh Water Development Board would also be completed during the current season and attempts would be made to implement the Mirsarar project at Chittagong and Haor areas of Jessore district, he added.

Replying to a question, Mr Obaidullah Khan listed financial constraints as the major problems of modern farming in the country and added that the government would launch a medium term credit programme within the next few months.

He said Bangladesh Bank would take the responsibility of distributing medium term loans to the genuine farmers through its affiliated banks. In this connection, the Minister said that the World Bank had already committed 45 million dollars for the procurement of shallow tubewells.

Replying to another question the Agriculture Minister said that the deep tubewells would be distributed through Farmers' Cooperative Societies whereas shallow tubewells would be sold both to individuals and cooperatives.

Regarding the smooth distribution of fertilizer, the second most important factor for boosting production, the Minister said government would engage distributors at thana level in the private sector.

Regarding the distribution of quality seeds, the Agriculture Minister said as for paddy seeds Bangladesh is self-sufficient but for wheat it would take some more years to evolve quality seeds.

He, however, said government would procure wheat seeds from West Germany and EEC countries. He said India would provide 5,000 tons of wheat seeds under EEC programme and the United States would also provide wheat seeds to the tune of 3,000 tons.

The Agriculture Minister said government had also taken intensive programme for jute cultivation.

Referring to the better harvesting of potato cultivation during the current season, he said government is trying to export potato.
Replying to another question the Agriculture Minister said that the idea of voluntary canal digging programme launched by late President Ziaur Rahman was good and suggested that each canal project must be executed according to specification. "Canal digging is good but it must be scientific," he added.

CSO: 4220/7554

TRIAL OF FORMER FINANCE MINISTER OPENS

Dacca THE BANGLADESH TIMES in English 25 Jun 82 pp 1, 8

[Text] The five-member Special Martial Law Tribunal No 2 headed by Colonel A.B.M. Elias on Thursday began the trial of former Finance Minister Mr Saifur Rahman on charges of corruption and abuse of official position under Regulation II of MLR I of 1982 reports BSS.

The Chairman of the Tribunal read out the charges to Mr Saifur Rahman who pleaded not guilty.

Mr Saifur Rahman has been charged with obtaining through corrupt or illegal means or through abuse of his official position, pecuniary advantages either for himself or for others to the tune of Taka 28,92,900.19 and thus causing prejudice to the economic or financial interest of the state.

According to the prosecution case, during his tenure of office as Minister/ Adviser Mr Saifur Rahman exempted M/s. Gulbarg Briha Nirman Samabay Samity Ltd from payment of stamp duty amounting to Tk. 21,99,510 ignoring objections of the Ministry of Finance and also the laws on stamp duties, Mr Saifur Rahman compelled the Managing Director of Pubali Bank to advance a loan of Tk. 5 lakh to Hotel Anurag of Sylhet town although such loans were not admissible under the normal rules of the nationalised commercial banks. Mr Saifur Rahman also obtained vehicles from various banks and corporations for the use of the members of his family and others in addition to the whole time transport provided by the Government Transport Pool and thus caused a loss of Tk. 1,93,390.19 to the organisations concerned as cost of fuel, maintenance and driver's salary, etc.

The Tribunal will start hearing the case on Monday (June 28, 1982).

The prosecution case is being conducted by Special Public Prosecutor Mr Ashrafuddin Ahmed and Assistant Special Public Prosecutor Mr A.S.M. Obaidul Huq. A team of lawyers including senior advocate Mr Abdul Malek is appearing for the defence.

CFO: 4220/7555

FOOD MINISTER, DELEGATION LEAVE FOR MEXICO

Dacca THE BANGLADESH OBSERVER in English 19 Jun 82 p 1

[Text] The Food Minister, Air Vice Marshal (Retd) A.G. Mahmud left Dacca on Friday night for Mexico to lead a four-member delegation at the eighth Ministerial session of the World Food Council beginning in Acapulco, Mexico on June 21, reports BSS.

About 38 Ministers of the member countries are expected to attend the session to discuss world food situation food security and strategy for combating hunger and malnutrition.

The four-day long session of the World Food Council will highlight particularly the burning food issues like hunger, malnutrition and food security reserves in the national, regional and international levels.

The food crisis of the Less Developing Countries (LDCs) particularly those in Africa and Latin America is expected to dominate the discussions of the international Ministerial level forum.

Bangladesh will pursue these issues with all seriousness to ensure realisation of the food security goals of the developing countries.

The other members of the delegation are Mr Atul Ahsan, Bangladesh Ambassador in Rome, Mr S.A. Mahmud, Additional Secretary Ministry of Agriculture and Mr Abidur Rahman, Economic Minister, Bangladesh Embassy in Washington, D.C.

The team is expected to return to Dacca on June 27.

CSO: 4220/7547

FOOD MINISTER ADDRESSES ACAPULCO MEETING

Dacca THE BANGLADESH TIMES in English 25 Jun 82 p 1

[Text] Acapulco (Mexico), June 24--Food Minister Air Vice Marshal (Retd) A.G. Mahmud has stressed the need for greater awareness among the developed world about the requirements of developing countries for massive investments for making their national food strategy a success, reports BSS.

He urged the developed countries to make provision of assistance matching needs of the developing countries.

The Minister was addressing the eighth ministerial session of the World Food Council here on Monday.

A four-member Bangladesh delegation led by the Food Minister is participating in the session which was inaugurated by the President of Mexico, Mr Jose Lopez Portillo.

The Food Minister in his speech highlighted the need of a direct attack on hunger through Food-for-Works programme and vulnerable group feeding and exhorted the international community and the donors to come up with greater volume of assistance which the situation demands.

Air Marshal Mahmud observed that in spite of continued international concern at the growing problems of hunger all over the world, In Asia, Africa and other regions, the world still lacks a workable and dependable world food strategy and security system.

He emphasised the need for an immediate action-oriented programme for (a) increasing food production in deficit countries on a sustainable basis, (b) continued availability of both production inputs and food aid to food deficit and low income countries, (c) ensuring timely and balanced distribution, (d) building up of food management infrastructure, (e) raising purchasing capacity of the poorer segments and (f) assuring market for the surplus produce of the countries with limited scope of marketing.

The Minister also observed that production itself would not help solve the problems of hunger less an equitable distribution system was evolved both nationally and globally.

Bangladesh endorsed the concept of the global food security network to attain food security as well as market stability and supported the proposals for country reserves and a mutually agreed food security network.

The Bangladesh approach to this problem of eradication of hunger and malnutrition and its stand on the basic issues was received with appreciation.

CSO: 4220/7555

EXPORT GAP INCREASES, BALANCE OF PAYMENTS DETERIORATES

Dacca THE BANGLADESH TIMES in English 17 Jun 82 pp 1, 8

[Text] The export gap in the country increased by Tk. 113 million in 1980-81 over the preceding year deteriorating further the balance of payments situation.

According to Export Promotion Bureau (EPB) sources, the trade gap of the country was Tk. 26,340 million in 1979-80 which increased to Tk. 26,453 million in 1980-81.

In the background of the slow growth in the export of the country, the Export Promotion Bureau (EPB) made various proposals for implementation in 1982-83 to boost up export earnings.

According to EPB sources, the proposals centred round four main issues including product and supply development, export market development, export incentives and infrastructure support services.

The sources pointed out that export sector recorded a growth of only 3.18 percent in 1980-81 while import recorded a growth of 16.8 percent during the year.

On the other hand, the Gross Domestic Product was estimated to have increased by 6.08 percent in 1980-81 as against the growth of GDP by 2.9 percent in the preceding year. This growth had been mainly due to development in both agricultural and industrial sectors.

The agricultural sector recorded a growth of 7.09 percent during 1980-81 as against the marginal growth of 1.72 percent in 1979-80. The growth in the industrial sector also recorded a significant rise and was estimated to have increased by 8.6 percent as compared to the increase of only 0.17 percent in 1979-80.

Growth

All these figures showed that except export sector there had been substantial growth in other sectors. The EPB sources said that the combined effect of slow growth in export and high import expenditure had deteriorated the balance of trade situation of the country.

In order to minimise the trade gap, the EPB made a number of recommendations for implementation in 1982-83 to boost up country's export. The recommendations were on specific item of export and at the same time on policy matters.

In the jute and jute goods sector, the EPB recommended to intensify implementation of intensive jute cultivation scheme, to ensure regular sailings of Bangladesh Shipping Corporation (BSC) ships for West Africa, South America, Australia and Middle East, to intensify efforts to develop new markets in selected end-user markets, especially in West Africa and West Asia to ensure timely allocation of foreign exchange for import of spares of jute mills.

CSO: 4220/7544

HIGH COURT BENCHES IN DIVISIONS BEGIN TO FUNCTION

Dacca THE NEW NATION in English 16 Jun 82 pp 1, 8

[Text] The permanent benches of the High Court division of the Supreme Court began functioning yesterday in Comilla, Rangpur and Jessore.

The High Court division was split into several benches recently in pursuance of the government decision to decentralise the judiciary.

Reports from Jessore said the High Court bench for Khulna Division began functioning at satellite town here.

Speaking at the inaugural function, Mr Justice Abdur Rahman Chowdhury underscored the need for close cooperation and mutual understanding between the bench and the bar as he added, they are the inseparable part of judiciary.

Deputy Attorney General Mr Moazzem Hossain gave a brief resume of the establishment of the High Court bench in Jessore and added that it would greatly facilitate the people of Khulna Division.

The function was also addressed by Syed Shamsur Rahman, the senior-most advocate in Khulna Division and advocate Rowsan Ali, president of Jessore Bar Association.

Later a full bench reference was held with Mr Justice Abdur Rahman Chowdhury in the chair. A milad mahfil was also held before the opening of the bench.

The bench for Chittagong Division was scheduled to sit at the Comilla health centre building. The Rajshahi Division bench was scheduled to sit at Rangpur Zilla Parishad building.

CSO: 4220/7543

BANGLADESH PETROLEUM REPORTS 1981-82 IMPORTS

Dacca THE BANGLADESH TIMES in English 16 Jun 82 pp 1, 8

[Text] Bangladesh Petroleum Corporation (BPC) imported crude oil worth Taka 1,070 crore in 1981-82 to meet the total requirement of the country.

The total requirement of the country is 16 lakh tons of petroleum products which is exacted after processing and refining 1.9 million tons of crude oil.

The crude oil is imported from Saudi Arabia, Abu Dhabi and Indonesia.

This included one million tons from Saudi Arabia, 0.6 million tons from Abu Dhabi and 0.3 million tons from Indonesia.

Out of 1.9 million tons of crude oil, 1.2 million tons are refined and processed in Eastern Refinery Limited while 0.7 million tons are diverted to Singapore fore refining and processing at the Singapore Refinery.

The Corporation has to pay two dollars for refining a barrel of crude oil to the Singapore Refinery.

Following is the refined products of crude oil:

Jet petrol 60,000 tons, superior kerosene oil 4,46,000 tons.

High speed diesel 4,52,000 tons, motor spirit 52,000 tons.

HOBC 8000 tons, light diesel oil 36,000 tons.

JBO (jute batching oil) 36,000 tons, furnace oil high sulpher 4,71,000 tons.

Low sulpher 42,000 tons, minor products 3,000 tons.

The entire jet oil 60,000 tons, is imported from Singapore while out of 4,46,000 kerosene oil Singapore supplies 1,37,000 tons. Singapore also supplies 3,54,000 tons of DGL including 38,000 tons from the USSR on barter out of 4,52,000 high speed diesel.

Talking to Times Brig (Retd) Azizul Islam, Chairman, BPC, said that 65 percent of total requirement of refined petroleum products were made available by the Eastern Refinery Limited, while 35 percent were imported from Singapore.

He said that the BPC exported petroleum products worth Taka 300 in 1981-82. This included naphtha and furnace oil, he said.

CSO: 4220/7542

AGRICULTURAL WORKERS REAL WAGES CONTINUE DECLINE

Dacca THE BANGLADESH TIMES in English 16 Jun 82 pp 1, 8

[Text] The real wages of agricultural workers of the country gradually declined by about 50 percent over the past 30 years barring a short period in mid-sixties.

According to a recent study, the real wage (at 1973-74 cost of living) of an agricultural worker declined to Taka 6.79 in 1979-80 from Taka 11.29 in 1949.

The decline in real wage has not been a steady one as there were shorter periods over which stability or recovery was registered. In particular, over the decade ending in mid 1960s real wages of the agricultural labourers increased steadily. The rise was associated with rising productivity and improved terms of trade for agriculture.

In other periods, particularly over the decade between mid 1960s and mid 1970s, the rate of decline was high and steady. The average real wage in the second half of the 1970s was nearly 30 percent lower than the average real wage in the first five years (1949-1953).

Money wages of the agricultural workers had also been flexible. At least on three occasions during past three decades, there were decreases in the money wages. The money wage of per worker per day was Taka 1.92 in 1949 which declined for the next five years to Taka 1.32. Again in 1965, the money wage declined to Taka 2.34 from Taka 2.65 in 1964. Finally, there was a decline in money wage during 1975-77 period.

According to the study the long-term factors like declining land-man ration continued in equality in the distribution of land, prevalence of institutions and techniques discouraging the absorption of labour in agriculture and the slow growth in non-agricultural employment, tended to depress the real wage of agricultural workers.

However, rapid output growth, in association with improved terms of trade for agriculture was able to overcome the effects of these trend factors for short periods. But since mid-1960s such situation has never come.

CSO: 4220/7542

BRIEFS

AUSTRALIAN WHEAT GRANT--Under a Memorandum of Understanding signed in Dacca on Thursday, Australia will provide 50 thousand tons of wheat as grant to Bangladesh as part of Australia's Food Aid Programme for the year 1982-83, says a PID handout. Australia already committed 1,11,025 tons of wheat for shipment to Bangladesh during the financial year 1981-82. This quantity of 50 thousand tons of wheat is in response to Bangladesh's request for additional food aid during the year 1982 and is in addition to the foodgrains committed earlier. The memorandum of understanding was signed by Kazi Fazlur Rahman, Secretary, External Resources Division, Ministry of Finance and Planning and Mr Mack Williams, High Commissioner for Australia in Bangladesh, on behalf of their respective Governments. It may be mentioned that Australia has so far provided to Bangladesh approximately US $120 million (excluding the value of this grant of 50 thousand tons) in the form of food aid. Australia has also provided us project commodity and technical assistance to our development efforts. [Text] [Dacca THE BANGLADESH OBSERVER in English 18 Jun 82 p 1]

LOAN FOR WATER--Manila, June 17--The Asian Development Bank (ADB) has approved two loans to finance a project for improvement of water supply in Bangladesh and a telecommunications project in Pakistan, the ADB said today, reports Reuter. A 14.4 million dollar loan extended to Bangladesh will cover the foreign exchange cost of a project aimed at expanding water supply and sanitation facilities. Drawn from the bank's special funds resources, the loan is repayable in 40 years at a yearly service charge of one percent. The loan to Pakistan is for 29 million dollars over 25 years at 11 percent a year interest and is the bank's 40th loan to the country, ADB said. [Text] [Dacca THE BANGLADESH times in English 18 Jun 82 pp 1, 16]

SIERRE LEONE ENVOY--The Government of Sierra Leone has appointed Mr C.B. Aubee as High Commissioner of Sierra Leone to Bangladesh with residence in Peking an official announcement said in Dacca on Thursday, reports BSS. Born in 1942 Mr C.B. Aubee was educated in USA and obtained his B.A. degree in History Government and Philosophy and M.A. degree in Education Psychology. From 1978 to 1981 he was High Commissioner of Sierra Leone to the United Kingdom. Since 1981 he is the Ambassador of Sierra Leone to the People's Republic of China with concurrent accreditation to DPRK, Japan, Pakistan and the Philippines. [Text] [Dacca THE BANGLADESH OBSERVER in English 18 Jun 82 p 16]

IRAQI MINISTER'S VISIT--Mr Hamed Alwan Minister of States for Foreign Affairs and Special Envoy of President Saddam Hussain of Iraq, arrived in Dacca on Tuesday afternoon on a two-day visit to Bangladesh, reports BSS. On arrival by a special plane of the Iraqi Airways, Mr Alwan was received at the airport by the Minister for Labour and Manpower Development, Air Vice-Marshal (Retd) Aminul Islam, Foreign Secretary Mr A.H.S. Ataul Karim, Iraqi Ambassador to Bangladesh Mr Arif Muhammad Ali Karim and high officials of the Foreign Ministry. Later the Special Envoy called on Deputy Chief Martial Law Administrator Rear Admiral M.A. Khan and handed over to him an invitation of the Iraqi President for the Chief Martial Law Administrator Lt Gen H.M. Ershad to participate in the seventh Non-aligned summit conference to be held in Baghdad in September next. They also discussed matters of mutual interest. [Text] [Dacca THE BANGLADESH OBSERVER in English 16 Jun 82 p 1]

NATIONALIZATION ORDNANCE AMENDMENT--The Chief Martial Law Administrator has promulgated the Bangladesh Industrial Enterprises (Nationalisation) (Amendment) Ordinance 1982 to further amend the Bangladesh Industrial Enterprises (Nationalisation) Order 1972 says a PID handout. According to the amendment 1st provision in Clause (2) of Article 4 of the Order has been subsituted as follows: "Provided that the power of sale or transfer under this clause shall not be exercisable in respect of a scheduled industrial enterprise enumerated in the Third Schedule unless such sale or transfer is in favour of a company all the shares of which are owned by the Government and its nominees." [Text] [Dacca THE BANGLADESH OBSERVER in English 16 Jun 82 p 1]

JAPANESE AID--Chittagong, June 21--The Ambassador of Japan in Bangladesh, Mr Hirohiko Otsuka disclosed here yesterday that Japan shares the 25 percent of total aid of Consortium to Bangladesh. The Japanese Ambassador was speaking as chief guest at the fifth installation ceremony of new office-bearers of Rotary Club of Agrabad at a local hotel on Saturday night. Among others, the Rotarians Mr Ajit Prasad, Mr A.K.M. Shahidul Islam, Mr A.K. Chowdhury, Mr Bashirul Huq, Dr Shah Nawaj Khan and Mr Mainuddin Ahmed spoke on this occasion. Mr Otsuka said that assistance of Japan to Bangladesh in a single year in 1980 totalled 150 million dollars. Referring to the existing economic relation of two countries, the Ambassador claimed that Bangladesh after her independence is the recipient of second biggest amount of Japanese economic assistance. The volume of this assistance is gradually going up, he added. Mr Otsuka advised the Bangladesh exporters to augment the export of shrimp which has got good market potentialities in Japan. Mr Abul Khair Chowdhury, Mr Mainuddin Ahmed and Mr G.M. Chowdhury have been elected President, Secretary and Treasurer respectively, of the Rotary Club of Agrabad for the year 1982-83. [Text] [Dacca THE BANGLADESH OBSERVER in English 22 Jun 82 p 1]

CSO: 4220/7551

GANDHI SPEAKS ON SANJAY'S DEATH ANNIVERSARY

New Delhi PATRIOT in English 24 Jun 82 pp 1, 9

[Text] Mrs Indira Gandhi said on Wednesday that she did not fall for the consensus move on the presidential election because she had seen through the opposition motive which was to weaken her government, impede the development process and pull her down.

"If they wanted consensus without hurting the Government, it would have been good; but if they wanted to weaken the Government, how could we accept that," she added, while addressing a large public meeting at the Parade Grounds organised by the DPCC-I on Mr Sanjay Gandhi's second death anniversary.

Mrs Gandhi said that the Left and progressive parties had by joining up with the BJP and the RSS in the guise of putting up a common Presidential candidate, weakened themselves and bartered away the future.

"No one is thinking of what he is doing for the future; national unity is being harmed; the development of the country is being impeded," she said.

Mrs Gandhi said during the rise of Hitler, the Left and the Communist parties in Germany had welcomed his talk of nationalism and socialism, believing that he was going to implement the programmes that they had been advocating. Yet, when Hitler did come to power, the Communists and the progressives were the first to be shot.

The same is happening here. "The RSS or the BJP--whatever they call themselves, I'll call them the RSS and the Jana Sangh as they are the same even if they have a handful of Muslims and Christians in their party--is spreading communalism," she added.

Trying to hurt her and trying to pull her down had been their main activity all along, ever since she first came to power in 1967. "They tried to kill me, to harm me. They tried character assassination. But they do not scare me," Mrs Gandhi said. "I think anyone who is strong and whose ideals and goals are high had to fear no evil," she added.

Her main objective, the Prime Minister said, was to maintain national unity and the pace of its development. Stability and a strong Government were needed to solve problems. She said she had welcomed their cooperation in this task, but was sorry that the Opposition had tried only to remove her and to harass her.

Her Government, Mrs Gandhi said, had taken up many programmes to improve the economy and to ameliorate the lot of the minorities and the weaker sections.

Lakhs of people had been brought above the poverty line, though crores remained below it. The progress had been considerable but was not visible in ever-expanding ocean of the population explosion, she said. Her Government had given due emphasis both to the urban areas and to the people living in the rural areas. The struggle however, was not over.

Mrs Gandhi lashed out at her critics, saying that while they could see nothing but faults and shortcomings, others had recognised the achievements of the country. At the recent meeting at Versailles in France, tribute had been paid to India's development. "If there are shortages, it is because the needs and demands of the people are also growing. This itself is an index of the rise in the standard of living," she said.

The Prime Minister said India as much as the world, faced three main crises today. The first was in the arms race, the purchase and piling of arms in the neighbourhood and in other countries. The second was the increasing disparities--between man and man and nation and nation. Disparities automatically lead to tension. And the third major crisis was of the depredation of ecology, industrial pollution and the philosophy that immediate gain was important and let the future take care of itself.

"Instead of uniting and finding a common way to fight all these crises, we find that all parties are uniting against me and my party," Mrs Gandhi said.

The prime need, she said, was to see that national unity was preserved. She referred to caste and religious tensions and said only a handful of people were behind them. Her Government, she said, would ensure that no one was hurt, that help was given to the weaker sections and the minorities.

Mrs Gandhi scoffed at her critics, dismissing their charges as born of frustration. "We have dismissed officials, ministers and chief ministers for corruption. Did they dismiss anyone for corruption when they were in power," she asked.

Obviously referring to statements of Mrs Maneka Gandhi, herdaughter- in-law that Sanjay's five-point programme had been cast aside after his death, Mrs Gandhi asserted it had been and is part of the Congress policies.

Sanjay, she said, had only given preference to these five points as he thought they could be implemented without depending entirely on the Government. He also believed that the youth could gainfully engage themselves in implementing these five points.

All the five points were now a part of the revised 20-point programme which was meant to help the poorest and weakest sections of the people, Mrs Gandhi said.

Earlier welcoming the Prime Minister, Delhi Youth Congress-I president Jagdish Tytler said Sanjay Gandhi's five points had not been forgotten by the organisation.

He ridiculed those who criticised the Youth Congress-I for having jettisoned Sanjay's programmes and said "We will work with unstinted dedication" to realise his dreams. The IYC-I president Gulam Nabi Azad also spoke.

The meeting was also attended by senior Cabinet colleagues of Mrs Gandhi including Defence Minister R. Venkataraman, Irrigation Minister Kedar Panday and Information Minister Vasant Sathe.

It was also attended by other Central Ministers, MPs and party workers including the Delhi Congress-I president H.K.L. Bhagat.

CSO: 4220/7539

REFORM COMMITTEE RECOMMENDATIONS SUMMARIZED

Dacca HOLIDAY in English 13 Jun 82 pp 1, 8

[Text] The Committee for Administrative Reorganization/Reforms is learnt to have recommended for fully elected local councils from village to district level.

The recommendations of the committee aim at taking the administration to the doorstep of the people curtailing the bureaucratic dominance at all levels and gradually ending the legacies of the colonial system.

The committee, headed by the Deputy Chief Martial Law Administrator and Chief of the Naval Staff Rear Admiral Mahboob Ali Khan, is learnt to have submitted the report to the concerned authority.

According to sources, the committee has reportedly recommended that the chairmen of union parishad (UP) thana parishad (TP) and zilla parishad (ZP) should be directly elected by the people. The chairmen of the union parishads should be members of the thana parishads while the members of the thana parishads should be members of the zilla parishad.

The chairmen of ZP, TP and UP should be the chief coordinators of all local administrative matters including development activities.

The committee is learnt to have recommended that zilla parishad and thana parishad should be provided with senior staff support. However, the elected chairmen will be given adequate powers to ensure accountability of local officers.

The report observed that the regulatory administration might be kept outside the jurisdiction of local councils but this could be closely associated with public order and security and local revenues.

The report recommended strengthening the village courts in terms of enforcement of its decisions.

The report is also learnt to have recommended conversion of existing subdivisions into districts and abolition of division as unit of administration. These should be carried out in phases.

Some of the experts consulted by the committee have reportedly opined that there should be less of bureaucratic predominance and creation of more popular leadership at all levels. They also supported popular participation in administration as well as decision making process as far as practicable.

According to some experts whose opinions have been incorporated in the report the senior staff support by the government to thana and zilla parishads might sabotage the people's sovereignty. They viewed that all secretarial support to the councils should be locally arranged.

It could not be ascertained as to what would be the relationship between the elected chairman of the zilla parishad and the deputy commissioner. It could not be gathered whether the status of the deputy commissioner would be reverted to the position held till 1959 when they were responsible for collection of land revenue and magisterial function.

CSO: 4220/7540

PAPER REPORTS CONDEMNATION OF ISRAELI INVASION

Diplomats Speak

New Delhi PATRIOT in English 24 Jun 82 p 12

[Text] Senior representatives of various nations on Wednesday demanded immediate withdrawal of Israeli troops from Palestine and urged other countries to join in the disarmament negotiations.

Addressing a meeting organised by the All-India Peace and Solidarity Organisation in the Capital, the diplomats, foreign emissaries and Indian parliamentarians emphasised the importance of the UN special session and pointed out the need for global peace.

USSR minister councillor V. Yakunin pointed out the dangers of arms race and felt that it only meant a nuclear holocaust. The visiting Minister demanded immediate withdrawal of Israeli troops and said that they were disturbing Asian peace.

Vietnam charge-de-affaires Khang, while condemning the imperialist for adding to the global tension, extended total support to the fighters of Palestine and said that it was yet another conspiracy of the US forces to bring disharmony in the area.

Mongolian embassy charge-de-affaires R. Bold too, condemned the Israelis for aggravating the sorld situation and said that forces of peace in Asia and other places were joining hands to bring global harmony.

Rasheedudin Khan, MP, charged the Reagan administration with conspiring against the success of the UN special session and condemned the Israeli forces for aggression.

Presiding over the meeting, Mr Chandrajit Yadav, MP, warned that the global danger has to be fought unitedly to avert the threat of a nuclear disaster.

Janata Party Statement

New Delhi PATRIOT in English 24 Jun 82 p 12

[Text] The Janata Party has unequivocally condemned the Israeli invasion of Lebanon and urged the Government and people of India to extend all help and assistance to the Palestinian and Lebanese people in their struggle against Zionist militarism.

In a statement on Wednesday, Janata Party general secretary Syed Shahabuddin, MP, said his party fully supported the stand of the non-aligned group calling for immediate and unconditional withdrawal of Israeli forces from Lebanon. He also pointed out that the Janata Party expressed solidarity with the Arab cause and the Palestine and Lebanese people in their hour of crisis.

He observed that the Israeli aggression was yet another example of its "continued defiance of world public opinion and persistent violation of UN resolution." Israel's objective today, he explained, "is nothing less than complete liquidation of the Palestine resistance and annexation of the hole of Palestine by force." He further regretted that instead of vacating occupied territories and conceding the Palestinian right to self-determination and statehood, Israel had chosen to "enlarge the area of conflict and keep the cauldron boiling."

"Territorial gain by force or liquidation of a community is against the spirit of the time and the Janata Party is convinced that unless Israel forsakes its policy of confrontation and recognises the legitimate aspirations of the Palestinian people, there shall be no peace in West Asia nor shall Israel have a secure existence," Mr Shahabuddin averred.

CPI Statement, Drive

New Delhi PATRIOT in English 24 Jun 82 p 9

[Text] The Communist Party of India has directed its units in the country to intensify the campaign of solidarity with the Palestinian and Arab people, and collect urgently needed relief in aid of victims of Israeli barbarity in Lebanon.

In a statement on Tuesday, CPI National Council Secretary N.K. Krishnan conveyed his party's "strongest condemnation of the criminal genocide which the Israeli aggressors are carrying on against Palestinian families and the PLO in Lebanon with the open support of the Reagan administration."

Pointing out that the Israeli aim was to physically liquidate the Palestinian freedom fighters and their leader, the CPI leader demanded immediate withdrawal of all Israeli forces from Lebanon and expressed its fullest solidarity with the PLO.

CSO: 4220/7539

JANATA MP TALKS TO NEWSMEN ON VISIT TO PRC

Calcutta THE STATESMAN in English 22 Jun 82 p 9

[Text] New Delhi, June 21--Mr Subramaniam Swamy, Janata MP, today claimed that India's border problem with China was "within sight of an amicable solution," reports PTI. He was talking to reporters here after his return from a two-week visit to China.

Mr Swamy said his impression was based on the talks he had with a leading foreign policy expert holding the rank of Deputy Prime Minister Mr Ji Peng Fei. The Indian Ambassador, Mr K.S. Bajpai was present at the talks which lasted an hour.

The Janata MP said that during the talks held between the two countries till now China had suggested five points for settlement and India six additional points. With this the negotiations had come to "specifics." He did not disclose the points.

What was needed now was a "political push" to the negotiations, Mr Swamy said and urged the two countries to reach a settlement before the end of 1983. He urged the Minister for External Affairs, Mr P.V. Narasimha Rao to visit China, an invitation for which had been extended by Mr Huang Hua in June last year.

Mr Ji, who is also the head of the International Affairs Department of the Communist Party of China, had described as a "good idea" his (Mr Swamy's) proposal to build a Shiva and Buddha temple complex in the Kailash-Mansorovar areas. He told Mr Swamy that the proposal would be referred to the Tibetan authorities.

He was impressed with the extent of religious freedom now existing in China. Temples had been renovated and new mosques opened in that country.

On his visit to Bangladesh, Mr Swamy said there was an "unnecessary communication gap" between the two countries. India, being the bigger country, should show a spirit of accomodation to Bangladesh requirements."

CSO: 4220/7527

FINANCE COMMISSION APPOINTED, MISSION TOLD

Madras THE HINDU in English 22 Jun 82 p 10

[Text] New Delhi, June 21--The President has appointed the eighth Finance Commission by an order under Article 280 of the Constitution and Mr Y.B. Chavan, former Union Finance Minister, will be the Chairman of the Commission.

The other members of the Commission are: Mr Justice Sabyasachi Mukherjee, Judge of the Calcutta High Court, Dr Ch. Hanumantha Rao, Member, Planning Commission Mr G.C. Baveja, Secretary, Union Ministry of Finance and Mr A.R. Shirali, Deputy Comptroller and Auditor-General of India. Mr N.V. Krishnan, Joint Secretary, Ministry of Finance, will be the Secretary to the Commission.

Report by October 1983: The award of the Commission will cover the five-year period 1984-85 to 1988-89. It will submit its report by October 31, 1983 in time for finalising the budget proposals for 1984-85.

The Commission will make recommendations relating to (i) the distribution between the Union and the States of the net proceeds of Central taxes like income tax (other than corporation tax and union excise duties, which are to be, or may be divided between the Union and the States) and (ii) the principles which should govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India.

The Commission will determine and recommend the sums to be paid to the States in need of assistance, by way of grants-in-aid of their revenues in pursuance of the substantive provision of Article 275 (1) of the Constitution.

Central Assistance Norms: In making its recommendations, the Commission shall take into consideration the resources of the Central Government and the demands on such resources as well as the present practice in regard to the determination and distribution of Central assistance for financing the State Plans. The Commission will also take into consideration the requirements, on revenue account, of the States to meet the expenditure on administration and other non-Plan commitments and liabilities, keeping in view the national policies and priorities.

In making the assessment of such requirements of the States, the Commission shall take into account the emoluments and terminal benefits of the Government employees and teachers and employees of local bodies as obtaining at a specified date, as the Commission may deem it proper, and with reference to appropriate objective criteria, it shall also reckon with the commitments in regard to interest charges on the States' debt and transfer of funds to local bodies and aided institutions.

The Commission shall also consider the requirements of the States for upgrading standards in non-developmental sectors and services, particularly of States which are backward in general administration with a view to bringing them to the levels obtaining in the more advanced States. The scope of better fiscal management and economy in expenditure of the States, consistent with efficiency and the need for ensuring reasonable return on investments in irrigation and power projects, transport undertakings, other industrial and commercial enterprises, etc., are also matters the Commission will consider.

Other Terms of Reference: Under Clause (C) of Article 280 (3) of the Constitution, it is open to the President to refer to the Finance Commission any other matter in the interests of sound finance. In pursuance of this provision, the Commission, like the earlier Commissions, has been asked to suggest changes, if any, to be made in the principles governing the distribution, among the States, inter-se, of the net proceeds of estate duty on property other than agricultural land, additional excise duties, in replacement of States' sales tax levied and collected on cotton fabrics, sugar, tobacco, including manufactured tobacco, as well as the grants-in-aid to be made available to the States in lieu of the tax on railway passenger fares and the grants-in-aid in consideration of the collection of wealth tax on agricultural property.

As in the case of the fifth Finance Commission, the eighth Commission has been asked to examine the scope for raising revenue from the taxes and duties mentioned in Article 269 of the Constitution, but not levied at present. It has also been asked to examine the scope for raising revenue from the duties mentioned in Article 268.

Financing of Relief Expenditure: The Presidential order provides that (i) the Commission may make an assessment of the non-Plan capital gap of the States on a uniform and comparable basis for the five years ending with 1988-89. In the light of such an assessment, the Commission may take up a general review of the States' debt position with particular reference to the loans advanced to them by the Central Government and likely to be outstanding at the end of 1983-84 and suggest appropriate measures to deal with the non-Plan capital gap; and (ii) the Commission may review the policy and arrangements in regard to the financing of relief expenditure by the States affected by natural calamities and suggest modifications, as it considers appropriate in the existing arrangements, having regard to all relevant considerations including the need for avoidance of wasteful expenditure.

CSO: 4220/7528

INDO-PAKISTAN TALKS HELD LIKELY IN AUGUST

Madras THE HINDU in English 24 Jun 82 p 1

[Text] New Delhi, June 23--The stalled Indo-Pak dialogue is expected to be resumed in early August when the Foreign Secretary, Mr M.K. Rasgotra visits Islamabad.

Mr Rasgotra will be going to Pakistan primarily for the official-level meeting of South Asian countries on Aug 7 and 8--as part of the series of which the last get-together was in Nepal.

He will stay there another day to discuss bilateral matters with his Pakistani counterpart. Whether it will be a formal contact as envisaged during the talks here of the former Pakistani Foreign Minister, Mr Agha Shahi earlier this year, or an informal affair, and whether the meeting will be structured or not is not so relevant as the considered decision that he extend his stay for bilateral discussions.

This is significant in the context of the recent efforts to salvage the dialogue which got bogged in mutual recrimination following a Pakistani delegate's reference to Kashmir at the U.N. Human Rights Commission's meeting.

Limited Understanding: As a matter of fact, the visit of Mr K. Natwar Singh who is in charge of the Pakistan division in the Foreign Ministry to Islamabad on May 31 and his talks with the Pakistani President Gen. Zia-ul-Haq and others, marked a considerable advance. It was during these discussions that a limited understanding was reached for resuming the dialogue.

Even then it was not clear whether the next round of discussions would centre on the proposal for a no-war pact as desired by Pakistan, or on confidence-building, as suggested by India. As New Delhi saw it, the desire to widen the scope of discussion was not to be interpreted as a move to exclude examination of the no-war proposal.

On the other hand, the intention, it was stressed, was to have a full-scale discussion on all matters that could conceivably promote amity and these could include the proposals for a friendship treaty or a joing commission or an institutionalised framework for bilateral contacts.

At the same time, New Delhi made it clear that the Pakistani draft of the no-war pact proposal was not acceptable to it as the basis of discussions. The deliberate leak of the draft by Pakistan was seen as an attempt to score a propaganda point and the critical Indian reaction was made known by the official spokesman. In keeping with its approach, India would like the scope of the Islamabad document to be enlarged, he said.

It will be in this context--of mixed signals from Pakistan--that Mr Rasgotra will be discussing bilateral issues in Islamabad.

CSO: 4220/7538

ONGC REPORTED SEEKING HIGH CRUDE OIL PRICE

Madras THE HINDU in English 24 Jun 82 p 6

[Text] New Delhi, June 23--The Oil and Natural Gas Commission (ONGC) has told the Government that if the price it was paid for indigenous crude is raised to the international market price, ONGC would have enough funds for its 10-year (1980-1990) action plan which has been submitted to the Government.

The plan is of two variants--the first proposes an outlay of Rs. 23,940 crores for which the internal resources to be generated by ONGC would be around Rs. 21,579 crores and the external resources needed would be Rs. 2,361 crores.

The second envisages an outlay of Rs. 28,995 crores to be financed by internal resources to the tune of Rs. 24,646 crores and the external resources of the order of Rs. 4,149 crores.

Under the first variant, oil production target in 1990 is 46.5 million tonnes and under the preferred second variant it will be 60.5 million tonnes.

ONGC has indicated how Government could help it generate almost all the funds needed for this plan.

(i) The Government should allow ONGC international market price for the crude it is obliged to swap in the overseas market; (ii) the price of liquefied petroleum gas (LPG) should be raised to correspond to the ex-Koyali price; (iii) the price of crude a barrel should be fixed on the basis of 34 degrees API as was done in the earlier years instead of on a per-tonne basis adopted by the Government from July 1981 onwards. Adoption of volumetric basis would be more appropriate; (iv) the price paid to ONGC for natural gas should also be revised.

Greater Multiplier Effect: Explaining why it preferred the second variant, ONGC has said that (i) it is based on a planning model with explicit logic and systems analysis tested for validity by a more sophisticated technique; (ii) the net foreign exchange outflow will be less for the second variant; (iii) larger investment for the second variant will have a greater multiplier effect on the economy; (iv) in the approved Sixth Plan outlay the investments reach a peak in 1982-83 and shows a decline later.

Oil exploration being a priority national task, the tempo of exploration and exploitation have to be maintained without any let-up. This is all the more important when many promising areas are yet to be fully explored. The two variants proposed by ONGC take care of this, the second in a greater measure.

The foreign exchange component of the action will be Rs. 13,803 crores under the first variant and Rs. 16,962 crores under the second. ONGC has said it would be necessary to borrow in foreign markets and to obtain loans from the World Bank. To project a sound financial image to the financial institutions, it will be necessary to augment internal resources.

Need for More Powers: The magnitude of the tasks involved in implementing the action plan implies that ONGC should be backed to the hilt by the Government by enhancing its powers. ONGC has spelt out in detail how this could be done.

(i) Once the action plan is approved, no further approval should be needed from the Public Investment Board (PIB) nor the Government for individual proposals covered under the plan. The monetary limits fixed under the ONGC Act and rules for incurring expenditure should be waived.

(ii) Short-term annual foreign exchange budget should be approved by the Government within the framework of the plan so that after the foreign exchange budget has been approved by the Government and the allocation of sources identified, it may be stipulated that no further approval for foreign exchange release need be obtained in respect of these items unless there are major variations from the budget.

(iii) So long as ONCC follows the broad directives of the Government policy, individual items for approval by the Bureau of Public Enterprises (BPE) and the Government need not be insisted upon in respect of issues regarding personnel, pricing, purchase, award of services and consultancy contracts, etc.

Blanket Sanction of Exchange: (iv) Customs duty should not be imposed for offshore purchases and operations.

(v) ONGC should be empowered to release foreign exchange up to Rs. 100 crores a year without the Government approval as a blanket sanction. This amount should be allowed to be used for items not covered by the foreign exchange budget provided the variations are not more than 20 percent.

(vi) ONGC should be empowered to make purchases even of all high-value items on the basis of limited tenders from reliable sources to save time and ensure quality.

(vii) Immediate action should be taken to set up high-power committees to study the availability of capital equipment, services, consultancy, setting up of subsidiary companies and joint ventures preferably in the public sector.

(viii) Capital investment proposals beyond Rs. 5 crores should not have to be submitted to the Government for approval once they have been approved at the stage of the five-year and the annual plans.

(ix) ONGC should be given full powers for the creation and filling up of all posts except the posts of members.

CSO: 4220/7538

BRIEFS

AMBASSADORIAL APPOINTMENTS--New Delhi, June 21--Mr G.S. Dhillon, former Speaker of the Lok Sabha and now High Commissioner in Canada is being succeeded by Mr M.R. Sivaramakrishnan. Mr Sivaramakrishnan, Ambassador in Poland, will take up his new assignment shortly. Other appointments announced today include the appointment of Mr Muchkund Dubey, presently High Commissioner in Bangladesh as the Permanent Representative of India at the United Nations offices at Geneva in the rank of Ambassador. He succeeds Mr A.P. Venkateswaran, who is going to Beijing as Ambassador in place of Mr K.S. Bajpai. Mr Bajpai is returning to India as Secretary in the External Affairs Ministry. Mrs Manorama Bhalia till recently Secretary, Indian Council of Cultural Relations, has been appointed Ambassador to Denmark. She succeeds Mr Prem Shunker.--PTI [Text] [Madras THE HINDU in English 23 Jun 82 p 11]

NEW POLITICAL PARTY--Coimbatore, June 21--The Agricultural Labour Association, led by Mr K.K. Anbuganesan, a member of the Tamil Nadu Government's high power agricultural committee, was changed into a political party and the new party under the name "Labour Party" was inaugurated here. Mr Anbuganesan is the president of the new party while Mr Rama Kumaraswami and Mr Gobi Mariappan were elected secretary and treasurer respectively. Mr Anbuganesan also introduced a new flag for the party yellow in colour with a chakra in red along with an axe in the middle. The meeting passed a resolution urging the State and Central Governments to withdraw the 'anti-labour' legislations Mr Velusami proposed a vote of thanks. [Text] [Madras THE HINDU in English 22 Jun 82 p 12]

CSO: 4220/7529

GOVERNMENT PROGRAM NO SOLUTION

Kathmandu THE MOTHERLAND in English 30 Jun 82 p 3

[Editorial: "Illusive"]

[Text] What the government proposes to do now cannot be done even in a decade hence. The reason: corruption is the order of the day. The apparent main thrust of the government which is the economic development through the implementation of the special economic programme, can possibly carry the country nowhere because the target of the government to create an exploitation free society is so illusive and ephemeral that it can at best be described as an ideal which can never be materialised.

In the circumstances the proposition to generate in the entire society an overriding urge for development and sense of total dedication sounds quite platiduinous. Nobody in the government can bring about a change in the heart of the people whose resentment against the government for its indulgement in corruption and for making their life unlivable is unprecedented. Corruption has become so deep-rooted and widespread that the people in the government have lost whatever little credibility they had. Actions taken here and there against small officials cannot redeem the lost name because the people know that corruption has already assumed the pyramidical structure which can be traced from the base to high level in the government.

The demoralised and hamstrung people are not even in a position to express their resentment in an organised manner. There are no leaders worth the name who can revive the wilted spirit of the people in order to enable them to contribute whatever little they could. The RP members are meeting against this backdrop of disappointment and frustration. As the only representatives of the people, the RP members are expected to ventilate the untold miseries of the people in the highest legislature of the country and if necessary take those to task who have made a farce of the representative democracy. It is their business to tell the government in the face that the special economic programme is no cure for the sufferings of the country.

CSO: 4220/211

PRIME MINISTER HECKLED IN LEGISLATURE

Kathmandu THE MOTHERLAND in English 1 Jul 82 p 1

[Text] Twenty members of the Rastriya Panchayat asked questions about the corruption and other current affairs at the zero hour of the Rastriya Panchayat yesterday.

In an argument held during the zero hour, RP member Pashupati Shumsher Rana said that some of the members were seriously accused when the Prime Minister referred to some of the misdeeds and the crisis that prevailed before he assumed the office of premiership.

Rana said that the Prime Minister had given no reply about the question why licence was given for felling trees just before announcing the foreign policy and noted that his replies were irrelavent.

Rana claimed that the political situation that prevailed in the country prior to the proclamation of the referendum was created by what had happened in the field of education and added that he had done his duty as minister then by undertaking full responsibility.

Janak Bahadur Shah demanded to know why the Food Corporation was made to purachse the grains at a time when greater price for the grains had to be paid and that at a time when the Corporation was incurring losses.

Bhagabati Das Shrestha asked how it was possible for the government to know which of the palm oil was edible and which not when all kinds of palm oil was imported under the same invoice.

Niranjan Thapa called the attention of officials concerned, to incidents at Tribhuvan airport customs on May 18 and 31 and June 2.

What investigations had been done about the customs chief, deputy officer and inspectors on duty on those days and what action was taken, he asked.

On one of those days a mini van drove to the door of godown no. 2 and 60 suitcases were taken into it without even examining them, he said.

The boxes weighed 100 to 125 k.g. each according to the godown register and the documents stated the contents as 12 toys in some places and readymade garments in others.

Then after four junior employees were made scapegoats and the officer who examined the goods and signed the documents, Narendra Thapa was merely returned to his former department and then to the ministry, he said.

Harish Chandra Mahat said all the files pertaining to his year in office be examined and if any irregularities are found with evidence he was prepared to face the consequences. He then asked if the Prime Minister was prepared to do the same.

He also said police who are there to protect the people should not instead kill them.

Dr. Prakash Chandra Lohani asked what were the achievements of the Nuwakot, Rasuwa integrated rural development project? the report for which was already in and why both the zonal administration and the police were trying to take action against the editor of Samikchhya at the same time.

Asking why no answer had been forthcoming to the allegations that license for 50 thousand cubic feet of timber and 10 thousand trucks of firewood had been given just two days before the advent of the forest policy, he also asked for a clear cut answer as to whether it was true on not that license for 50 thousand cubic feet of timber had been issued in the name of a student studying in the Soviet Union.--RSS

CSO: 4220/211

THAPA'S INTEGRITY QUESTIONED

Kathmandu THE MOTHERLAND in English 1 Jul 82 p 3

[Editorial: "Serious Allegation"]

[Text] Some of the RP members raised issues at the zero hour of the RP session on Tuesday questioning the very integrity of Prime Minister Thapa. The issues they raised are very disquieting in the sense that they throw a flood of light on the character of people in whose hands the destiny of the country is placed. No government in power has the moral and legal right to issue licenses to do things which are to be banned a day or two after. The allegations made by the RP members that the Thapa government had given permission to export timber and firewood just two days before announcing the forest policy must have been based on evidence because the Prime Minister has not denied the allegation. The audacity with which Thapa ignored the allegation shows that such questions raised by RP members cannot affect him nor can they dislodge him from power. A worse situation cannot be envisaged when representatives of the people can be so easily ignored in a house where legally speaking, there is no opposition. This is one reason why the people have lost all faith in the government. There is no rapport between the people and the government. The situation has deteriorated to such an extent that there is complete alienation of the government from the people. One does not take the other into confidence. Nothing can be worse than this for a country where so much is said and almost nothing is done. Thapa's reply that he had saved the country when it was crisis-ridden is also misleading and fallacious. The credit for the victory in the national referendum as everybody knows does not go to him. Even if he thinks that the victory was due to his machination, it can be no justification for the kind of curruption he is alleged to have been indulging in.

CSO: 4220/211

LEGITIMACY OF SUHARTO REGIME QUESTIONED

Tehran KAYHAN INTERNATIONAL in English 26 Jun 82 p 3

[Text] The election victory for President Suharto's army-backed Golkar Party in the Indonesian general elections on May 4 was a foregone conclusion. With rural votes controlled by village military officials (BABINSA), urban votes by the civil servants' organization (KORPRI), workers votes by official trade unions (FBSI), and the approval of candidates firmly in the hands of an official watchdog body, the Election Institute, the CIA backed ruling elite, had left nothing to chance. Every five years a stage-managed show is enacted to create a democratic farce.The regime considers this a sign of maturity among the masses and a clear mandate for the continuation of its policies.

The Golkar is reported to have secured 64 percent (47.5m) votes, the United Development Part (PPP) obtained 28 percent (20.8m) votes and the Indonesian Democratic Party (PDI) managed about 8 percent (5.9m) votes. According to these figures the support for the ruling Golkar increased by about 2 percent since 1977 when the last elections took place. The results indicate that the composition of seats in the new parliament will be: Golkar 244, PPP 96 and the PDI 24.

Under the Indonesian system, there are three political parties: one ruling and two in opposition, designed to perpetuate the Suharto government. Beside the ruling Golkar party, the opposition factions were compulsorily grouped into two political groupings in 1973. The United Development Party (PPP) comprises Islamic groups and the Indonesian Democratic Party (PDI) brings together old nationalist and elite socialist interests. Although the names and symbols of these parties are very different from each other, the political ideology regulating the direction and nature of their activities is officially regulated and hence identical to the Golkar; all are committed to the 1945 Constitution and the State Ideology (Pancasila — belief in God, humanism, natinalism, democracy and social justice). With the leadership of the opposition manipulated by the powerful Ali Murtopo, Suharto's Information Minister, the candidates are in effect chosen through negotiations and bargaining. During the elections, the voters are asked to choose from among the three parties whose emblems only appear on ballot papers. The seats of a given district are divided proportionately after the ballots are counted. If a part gets, for example, five seats in a district, they are filled by the first five individuals on the party list submitted to the Election Institute. But which candidates should top the submitted list is virtually decided by the government. Twelve outspoken Muslim leaders were dropped this way from the PPP list in these elections to make way for more compliant 'Islamic' leaders; while second ranking Muslim leadership was kept out of the campaign through systematic detentions.

The opposition groups are not allowed into the rural areas except during the election campaign period, only military-approved bodies have this privilege. The army has been stengthening its presence in the villages in recent years. The village leadership now consists of a hand-picked local man as head, with a military official (BABNISA) at his right hand. Gatherings of more than a handful of people are banned and even strictly social events need an official permit.

The elections were called to elect representatives to the People's Consultative Assembly (MPR) and the House of Representatives (DPR). The new MPR will choose a President next year for the 1983-88 term of office. The President will then choose a vice-President. The armed forces (ABRI) do not take part in the elections but are given a third of the seats in the MPR, and 100 of the 460 seats in the DPR. According to Suharto, the ABRI's role in these bodies is that of a 'stabilizer' and 'dynamizer' in the implementation of their legislative tasks; and to control the primary functions of Parliament for the smooth and proper enactment of laws. There is general agreement that Suharto will continue as Head of State for a forth term since onethird of the seats in the MPR are occupied by ABRI and the remainder monopolized by Golkar.

Suharto came to power as a result of a CIA-backed army coup in 1965 which eliminated most top generals, pro-Sukarno elements from the army, government and his left-wing supporters. Between half and one million people were killed in this 'anti-communist' crusade. The Muslim groups, not realizing the true nature of the conspiracy, sided with Suharto, only to be removed from places of significance once his pro-U.S. army elite had taken control of the country. General A.H. Nasution, regarded as an 'Islamic' leader and now an opponent of Suharto, played a key part in developing the so-called concept of 'dwi fungsi' (dual function) role for the army. Many other Muslim political leaders have continued to support the system by upholding their commitment to social change within the legal framework, while what is legal and permissible is continually decided by the regime alone.

The 350,000-strong armed forces (ABRI), in alliance with the civilian bureaucratic elite (KOPRI), through its 'functional group' Golkar, play a dominant role in the political, economic and social system created by the 'New Order' government of President Suharto. About 40,000 members of the armed forces are currently serving in non-military positions throughout the country. Half of the cabinet is made up of either serving or retired ABRI members and the all-important state secretariat is in the hands of the military. Almost 60 percent of the secretary and director-general posts (the key ministerial assistants) are occupied by army men. The three most powerful State companies, Pertamina (oil and gas) Bulog (rice), and Tambang Timah (tin), have soldier chiefs. In addition, military men control hundres of companies which run everything from banks and insurance to buses, shipping and aircraft.

More than half of the governorships of Indonesia's 27 provinces are run by serving or retired military officers and the army has its own administrative system running parallel to that of the Ministry of Home Affairs down to sub-district level. The Army's Command for the Restoration of Security and Order (KOPTAMTIB) is so powerful that the opponents of the regime simply disappear without trace.

The media is in government control and so is the journalist association. Strikes are banned and workers do not have a right to form free trade unions.

Another element with overwhelming influence is the Christian missionary group. They operate through Suharto's wife who is a Catholic. These groups control the State security and intelligence services and are well represented in bureaucracy. Church missionaries, who have partitioned the country into zones of influence and activity, have a free hand in establishing schools, hospitals and even providing water and electricity to villages with finance coming from the Vatican, the U.S. and other western states and Churches. Their efforts to contain the Islamic movement in a country of 160 million, over 90 percent of whom are Muslim, takes various shapes. One of the recent methods has been to accuse any Islamic group calling for the application of the shariah of practising immoral acts of magic and gimmickry. This is designed to fool the Muslims inside and outside Indonesia.

CSO: 4220/211

STATISTICS SHOW OCCUPATION SHIFTS BY LABOR FORCE

Jakarta KOMPAS in Indonesian 15 May 82 pp 1, 12

/Text/ Agriculture, which for centuries has been the mainstay of the majority of the Indonesian population, is steadily losing its appeal. This fact is apparent from the continued decline in percentage of the inhabitants engaged in this occupation, while the percentage in the sectors of services, industry, trade and construction has risen sharply, according to three latest censuses.

The symptoms of change in the formation of Indonesia's work force are not only visible from the change in population percentage based on job opportunities, but also from the change in population formation based on work categories.

According to the latest readjusted result of the 1980 census, those who are engaged in agriculture represent 54.8 percent of the entire work force, while the percentage stood at 64.2 percent during the 1971 census. This signifies a decline of 9.4 percent for the agricultural sector during the past decade.

By way of comparison, the 1961 census indicated that 71.9 percent of the entire work force were engaged in agricultural occupation, or a decline of 7.7 percent for the 1971 figure.

While inhabitants working in the farms are decreasing in number, more and more are entering other occupational sectors. The service sector, for instance, has registered an increase from 10 percent of the work force in 1971 to 15.1 percent in 1980. Likewise, the industrial sector has increased from 6.5 percent to 8.5 percent, trade from 10.3 percent to 12.9 percent, and construction from 1.6 percent to 3.1 percent during the corresponding period.

These facts show that job opportunities outside of the agricultural sector are becoming more and more open.

The change in composition of the population who work according to sphere of activity apparently runs parallel with the change in composition of the population who work according to type of activity, such as professional, sales, services, transportation operation and agricultural skill.

Those who worked as agricultural experts have dropped from 60.9 percent in 1971 to 55.5 percent in 1980. This sharp decline is contrasted by a steep rise in other fields.

Although its percentage is minute in comparison with the total work force, the number of professional experts registered an increase of 1 percent during the 1971-80 period, that is, from 2.1 percent in 1971 to 3.1 percent in 1980.

Sales people rose from 10.1 percent to 13.1 percent, transportation operators and production experts from 11.3 percent to 19 percent, while services rose from 3.8 percent to 4.7 percent.

According to the 1980 census, 104.4 million people are 10 years old or over, which means 70.8 percent of the entire population.

Compared with the result of the 1971 census, the people of "10 years old or over" age group who joined the work force have decreased, percentagewise. This decrease is not solely caused by large numbers of unemployed people, but rather by the fact that more and more people are extending their schooling or engaged in other activities.

The number of population who have joined the work force, that is, those who are gainfully employed or who are looking for jobs, covers 51.8 million, or 49.6 percent of the population who are 10 years old or over. Of the figure, 50.9 million are at work, and .9 million are unemployed. In the previous census, the work force totaled 51.3 million or 1.7 percent higher.

However, the decrease in percentage of the work force is caused not only by a decrease of gainfully employed people, but also by the glaring decline in percentage of job seekers, which is 3.6 percent--from 4.5 percent in 1971 to 0.9 percent in 1980.

On the other hand, the population outside of the work force has increased in number, which is attributable to an increasing number of people who further their schooling or who are involved in other activities. Specifically, those "10 years old or over" people who used to keep house have dropped from 24.5 percent to 21.5 percent, as more and more women are entering the job market.

According to the census, "10 years old or over" people who do not belong to the work force total 52.6 million or 50.4 percent of the entire group concerned. Of the figure, 18.2 percent are in school, 21.5 percent are housekeepers and 10.6 percent are engaged in other activities.

In line with the government effort to expand educational opportunities, the percentage of schooling population has increased during the past decade. An increase of 4.3 percent has been reached.

As regards the drop in percentage of homemakers, one of the causes is believedly because more and more women are participating in outside employment. However, it is still the norm for Indonesian women, particularly married women, to prefer housekeeping to outside employment.

The data show that women's participation in work force has intensified since 1971, while the men's role has dropped considerably.

The increase is relatively small, from 33.1 percent in 1971 to 32 [sic] percent in 1980 for women. However, the men's participation in work force has dropped from 70.3 percent to 67.8 percent during the same period.

Although the women's entry into the job market in Indonesia is lower than other countries, this nevertheless shows an intensification of their role in public life.

A scrutiny reveals that women's active participation takes place when they reach the age between 15 and 54 years. For young women ranging between 10 and 14 years in age, their participation drops by 4.3 percent, from 13.7 percent to 9.4 percent, probably because many in this age group are still in school nowadays.

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CSO: 4213/60

GOVERNMENT CHARGED WITH MALPRACTICE

Kathmandu THE MOTHERLAND in English 26 Jun 82 p 3

[Editorial: "Mere Eyewash"]

[Text] In all fairness it can be said that the government is not serious about mitigating the suffering of the people because of the price rise that records new heights every day. Its efforts to tame the unscrupulous traders have gone in vain. Small wonder because the efforts were at best casual and half-hearted. All that has been done in this connection so far is to take some kind of administrative action against small businessmen or retailers. This does not mean to say that the action is not necessary, but that it is a wee bit when compared with the bunglings that goes on a larger scale. Intensified and serious-minded efforts which alone could curb the malpractice are nowhere to be seen.

More ominous is the fact that the government itself encourages malpractices. Sometimes it adopts policies designed for the purpose. And when its works out some kind of seemingly sensible policies, the same are implemented in such a way that the common man suffers at the hands of unscrupulous officials and businessmen.

CSO: 4220/211

GOVERNMENT ACCUSED OF CORRUPTION

Kathmandu THE MOTHERLAND in English 30 Jun 82 pp 1, 4

[Text] At the zero hour of the Rastriya Panchayat yesterday, several RP members raised matters which they claimed could put a question mark on the intention of the government. The matter concerned alleged irregularities in trade, export of timber, distribution of telephone lines, corruption at the Customs Office of the Tribhuvan International Airport and National Trading Ltd. as well as maintenance of law and order.

Answering questions on the occasion, Prime Minister Surya Bahadur Thapa said that it was well within the right of the Rastriya Panchayat to raise doubts at the intention of the government, but it was the people only who could take the decision.

RP member Pasupati Shumsher Rana recalled that two days before the new forest policy was announced, the government granted permission to a particular individual for export of 50 thousand cubic feet of timber, besides authorizing felling of trees for ten thousand trucks of firewood, and asked why was permission granted when the government knew that a new policy was in the offing.

Noting that the permission was granted by the Prime Minister and not the Forest Minister, he asked whether this did not constitute an interference in the right of the forest minister. Can such an interference be justified? Rana asked.

He also charged that the government was allowing the National Trading Lt. to indulge in irregularities in selling goods seized by the customs.

RP member Prakash Chandra Lohani said that permission to export timber was granted to a student studying in an overseas country. Does such an act fall within the rules? he queried.

He also recalled that in Kanchanpur district in the month of Poush 2038, license was granted for felling trees for one hundred thousand cubic feet of timber. The very next day however regulations prohibiting felling the trees was announced.

RP member Niranjan Thapa pointed out that corruption was rife at the Customs Office of the Tribhuvan International Airport. He cited a case in which the customs office allegedly weighed a shirt for five kg. weight.

RP member Rana Bahadur Shah alleged that there were irregularities in distribution of telephone lines at Siddharthanagar.

RP member Karna Hyoju recalled an incident which took place at Nalinchowk in Bhaktapur district in which passengers of a minibus were looted.

CSO: 4220/211

INDONESIA FACES 13 PERCENT INFLATION, $2 BILLION DEFICIT

Jakarta KOMPAS in Indonesian 10 May 82 pp 1, 9

/Excerpts/ In the current fiscal year of 1982-3, Indonesia's budget deficit will reach about $2 billion, its economic growth rate 6.5 percent and its inflation 13 percent, Prof Dr Soemitro Djojohadikusumo told reporters after meeting with President Soeharto at Bina Graha Saturday afternoon.

Without explaining the subject matter he discussed with the Chief of State, Soemitro said that the deficit is caused by the unsettled world economic condition, while the 6.5 percent growth rate by the government's determination to make good use of the momentum of development. As regards the estimated 13 percent inflation, this is attributable to the price rise of oil fuel last January, the huge development costs and the sluggish Indonesian economy which is affected by the world recession.

Soemitro continued: "This is admittedly my worst projection, unless the present level of our non-oil export can be heightened. The situation is indeed serious, but not critical if we make timely policy adjustments."

Answering questions, Soemitro said that the deficit does not mean a reduction in foreign exchange, as it can be covered by means of such loans as "floating rate notes" made by the government recently; apart from that, it is estimated that interest accruing from foreign exchange reserves will fetch from $1.5 to $2 billion. All this can cover the deficit, although the foreign exchange will be lessened thereby.

He estimated that at the end of 1983, Indonesia's foreign exchange reserves will amount to about $10 billion, made up of $7.8 billion worth of foreign exchange reserves and an additional $4 billion in the custody of commercial banks. With the deficit of $828 million for 1981-2 and an estimated deficit of $2 billion for 1982-3, which will be covered by interest of foreign exchange reserves overseas and through loans, there will still be a balance of $10 billion at the end of 1983.

"Until now the foreign exchange reserves are not affected. Much will depend on world economic development in the coming six months, and we must be careful in making necessary preparations as we have been in the past two years until the third quarter of this year," he said.

Soemitro admitted that revenues from non-oil exports cannot be increased by magic in 1 or 2 years, but he was hopeful nonetheless. It is possible that exports of rejuvenated plantation produce may bring some result in the coming years.

He confirmed that production of Indonesian export commodities is rising steadily year after year, but the problem is that prices are low overseas due to world economic situation which, in his view, has hit depression level. "We cannot force them to buy our products at an expensive price," he added.

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CSO: 4213/60

DEVELOPMENT OF PLYWOOD INDUSTRY NOTED

Jakarta KOMPAS in Indonesian 19 May 82 pp 1, 12

/Excerpts/ By now, obligatory contributions from the logging industry, amounting to 31 billion rupiahs have been utilized for the development of plywood factories. The release of the said funds is to help develop plywood industry in Indonesia.

Soedarsono Hadisapoetro, the minister of agriculture, made the remarks after a meeting with President Soeharto at Merdeka Palace on Tuesday, when he briefed the president on the current development of plywood industry in Indonesia.

A total of 61 billion rupiah obligatory contributions have been collected from about 500 forest concession license holders. For every cubic meter of log exported before the 3 ministers' joint directive took effect, each license holder is obliged to contribute 2,000 rupiahs. Of the total amount accumulated, 31 billion rupiahs have been released.

Answering questions from reporters, the minister said that the compulsory industrial contributions are deposited in a government bank, while the interest accruing therefrom is credited to the account of the donors respectively.

The release of the funds is regulated in stages. The first stage represents 50 percent of the total contributions, released at the start of construction of a plywood factory. The second stage, representing 25 percent, is released at the time of arrival of machinery, while the third stage, also 25 percent, at the completion of the factory.

It is estimated production of Indonesian plywood will reach 5,798,979 cubic meters by 1984. Of this total, 4,208,564 cubic meters will be exported abroad. At the present time, 40 plywood plants are already in production. Forty others are under construction, 7 of which will be completed this year. Three other factories will be finished in 1983.

The minister said that export of logs from Irian Jaya by forest concession license holders is still permitted, but limited in volume and tied to sawmill industry operation. The export of logs from Irian Jaya, restricted to

230,000 cubic meters per year, is still permissible until 1984. Thereafter, beginning 1985, no forest concession license holder will be permitted to export logs from Irian Jaya.

According to the minister of agriculture, log export from Iran Jaya is tied to development of sawmill industry with a minimum machine-made production of 12,000 cubic meters per year. However, no effort is being made to develop plywood factories in Irian Jaya, the minister added.

The minister continued that starting in 1982 the government prohibits the export of veneer, especially wet veneer, and in the following years the export of dry veneer will also be prohibited.

The minister explained that the export of veneer has intensified competition with the export of Indonesian plywood. It turns out that the exported veneer is processed further into plywood and sold as Indonesia's production.

He added that entrepreneuers who are producing veneer have been urged to equip their plants with machinery for the production of plywood, thereby enabling them to carry on further with their business activity and export plywood on their own.

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DEVELOPMENT OF AUTOMOTIVE INDUSTRY DISCUSSED

Jakarta KOMPAS in Indonesian 17 May 82 pp 1, 12

/Excerpts/ By 1985 at the latest, all component parts of motor vehicles must be made domestically and thereafter all motor vehicle assembling plants will be obliged to make use of components produced within the country, said Minister of Industries A. R. Soehoed after reporting on intensification of industrial undertakings to President Soeharto at Bina Graha on Saturday. "At present, only a portion of the components are made in Indonesia and used as spare parts," he said.

According to Soehoed, the next problem involves the manufacture of engine, transmission and steering system. A number of licenses for the manufacture of engines and their assembling have been granted. The aim of assembling is to train the workers.

He added that after 2 years' experience in assembling engines, automotive plants are expected to import engines in cast iron form which are to be lathed within the country. It is estimated that this phase will require 1 and 1/2 to 2 years.

In the third phase, the enterprises concerned will be prepared to make foundries and forges in the country, the products of which will be used by automotive plants here.

The minister explained that the entire process will require 5 to 6 years, so it is estimated that Indonesia will be capable of producing engines for motor vehicles in 1987 or 1988.

With the impending completion of oliefin /sic/ and alkali factories several years later, demand for industrial salts will increase, the minister said. It is estimated that in 1985 Indonesia will require 750,000 ton industrial salts per year. Present production of Indonesian salt is about 350,000 tons per year.

Due to limitation in climate and area, expansion of the salt factory on Madura Island is no longer possible. Therefore, a study is being made concerning the feasibility of producing salt in the East Lesser Sundas or East Timor. If feasible, salt factories will be constructed on an extensive scale in the East Lesser Sundas, Soehoed added.

As to the PT Krakatau Steel, Soehoed said that this steel mill is developing into a "truly integrated" system, because next year PT Krakatau Steel will be equipped with a factory to produce basic materials for the manufacture of steel sheets as well as a steel sheet factory itself.

It is hoped that the entire process will be completed within three years, so PT Krakatau Steel will become a steel mill that can produce all industrial requirements.

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BIRTH RATE HIGHEST IN SUMATRA

Jakarta KOMPAS in Indonesian 12 May 82 pp 1, 9

/Excerpts/ Mothers in Sumatra have more children than those on any other island. This fact is reflected in statistics showing a high birth rate in Sumatra, based on the averaged number of living children born to a married woman who has now passed fertility age.

The number of living children born to a Sumatran woman who has now reached the age of 45-49 years averages more than six. The women of 45-49 years of age is taken as an example because at this age group she has passed her fertility. In other words, the possibility of her having another baby is very remote, if not nil.

Compared with those living in the countryside, Sumatran mothers in the cities produce more children. Based on the result of the 1980 census, children born and bred in Sumatran urban areas number more than seven per household, as compared with six in the rural areas.

Several factors may be presumed for the relatively large households in the urban areas. Facts show that, in general, economic standards, awareness to health and education are better, as compared with the corresponding conditions in the countryside.

The available data show that there are more young, unmarried women living in the cities than in the villages. For instance, according to the 1980 census, 82 percent of unmarried women ranging between 15 and 19 years in age live in the cities, against 70 percent in the countryside. There is also a difference in marriage age: On the average, city women get married when they have reached the age of 21.8 years, while country women 20 years.

The above situation holds true not only in Sumatra, but also for other islands/provinces throughout Indonesia, thus becoming a valid general pattern.

Next to Sumatra, Bali, the West Lesser Sundas, the East Lesser Sundas, the Moluccas and Irian Jaya also have high birth rates, averaging six children per family, irrespective of locality. The situation is similar with Sumatra's. Urban women now in the 45-49 age group have more than seven living children each, while those in the countryside have less than six on the average.

Then come Sulawesi and Kalimantan, where on the average the women produce nearly six children each, irrespective of locality. For the urban areas of Sulawesi, the figure stands at 6.5. This means that the mothers each produce between six and seven living children, while in the countryside, the average number of living children is less than six persons.

Judging by the figures collated from various islands, it turns out that Java has the lowest birth rate. On the average, the number of living children born in urban or rural Java alike hovers around five persons.

On a provincial scale, West Java has the highest average, with six living children, while East Java holds the lowest position, hovering between four and five children.

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KING MAKES POLICY SPEECH

Kathmandu THE RISING NEPAL in English 26 Jun 82 pp 1, 6

[Text] Kathmandu, June 25: His Majesty the King, addressing the 33rd session of the Rashtriya Panchayat today at Singha Durbar Gallery Hall, declared that experience gained over the years has made it evident that the safeguard of our national independence and the country's all-round development are possible only through the medium of the Panchayat System, which, after overcoming various challenges, has reached the present stage of success with broad and popular support of the people. The national polity has, following the national referendum and the elections of village, town, district panchayats and Rashtriya Panchayat, specifically assumed very important dimensions, His Majesty the King also emphasised.

Against the background of "today's national and international situations", His Majesty the King underlined the need for "all Nepalese to be alert and think, before we act, whether our activities are going to be in the common and larger interest of the nation." In this connection, His Majesty the King stated that "the primary objective behind the new endeavour to mobilise the society by bringing about a new sense of values on the question of economic development is to uplift the living standard of the common masses as early as possible."

Referring to the Constitutional reforms and general election reforms and general election concluded last year in a peaceful manner, His Majesty the King declared that "it is naturally satisfying for Us to note that during the past two or three years when the nation was engaged in important and far-reaching political exercises, Our people with their active participation, patience, discipline and restraint lent a considerable strength to the promotion sand consolidation of the System, thus contributing to our national unity and well-being." His Majesty added: "The elections of various units of the partyless democratic Panchayat System held after the Third Amendment of the Constitution have enabled the young generation to join the System in larger numbers. This, His Majesty the King observed, "will further help in enlisting active popular participation in resource mobilization and project implementation."

Describing the "greatest challenge confronting the nation today" as that of economic development, His Majesty expressed the point that "we view it not in isolation but in a comprehensive and broader perspective" mobilising not only the Government but also "the other important units of the system—the village, town and district panchayats, the class organisations and all the people."

Stating that "Our policies, plans and programmes should be geared to attain" the "political, economic, social and development goals" set forth in the Constitution, His Majesty the King asserted that "My Government realises the need, on our part, to adopt new values and new outlooks." His Majesty the King went on to add that "My Government is also determined to push forward its development programmes on the basis of providing equal opportunities to people of all parts of the country and securing a balanced regional development as emphasised in the Constitution."

Decentralisation

Describing decentralisation as a "basis" of the Panchayat System, His Majesty the King stressed the fact that the "people can be effectively mobilised in their enthrety to take up the present challenge of national development" if all the units of the national polity--the ward, village, town and district-level units--are made "more active and strong by developing their personalities with necessary rights".

"Keeping this very fact in mind, and with a veiw to clearly defining the rights and responsibilities of the lowest units of the Pnachayat System, upto the ward-level," His Majesty the King declared, "My Government will table a bill in the current session of the Rashtriya Panchayat to implement the decentralisation scheme."

His Majesty the King referred to His Majesty's Government's Special Economic Programme and stated that, "keeping the resolutions adopted by the Central Pancha Convention in mind, has already initiated measures to implement them."

Underlining the importance of the agricultural sector, His Majesty the King said that "it is but natural for My Government to lay continued stress on the development of agriculture." Keeping its diversified character in mind, His Majesty the King stated that "experience calls for an integrated approach with simultaneous development of other related sectors in order to move ahead in this area."

On the subject of forest conversation, His Majesty the King declared that "My Government has decided to impose restrictions on the export of timber and firewood." As such, "the felling of trees for export purposes will be prohibited".

Water Resources

On the utilisation of Nepal's vast water resources, His Majesty the King declared that "My Government has made a policy to formulate and implement a long-term programme" for which "it has become necessary for us today to prepare a national land-use plan under which agriculture and irrigation facilities should be developed."

On the population problem, "which is getting very acute", His Majesty the King referred to the constitution of the National Population Commission for "finding out solutions to the fast rate of population growth on the basis of a broad national perspective".

On the industries front, His Majesty the King stated that measures had already been taken to define the role of public as well as private sectors, adding that

"the activities of the private sector have remained confined to the field of trade and commerce alone." In this context, His Majesty the King added: "As matters stand today, private sectors also can bear greater responsibility in the management and development of irrigation, transportation, electricity, afforestation and construction works as well. The resources until now flowing exclusively to the field of trade and commerce can be diverted and the private capital and management skill can be channeled towards still more productive areas of our economy through appropriate economic and other policies".

Stating that "at the current stage of our development it is but natural that we need external resources", His Majesty the King stressed the need to improve our capacity to absorb such resources, adding that "foreign aid should be sought in the high priority areas and should be utilised as much as possible in productive sectors or in those areas directly linked with production." Also, financial discipline should be maintained and society "should follow a course of austerity."

Pay Commission

On the subject of general administration, His Majesty the King declared that "the rights and duties of all government employees--up from the centre down to the lowest level--will be well specified and a condition will be created for every one of them to bear his responsibility by introducing necessary changes in the present working pattern."

Stating that His Majesty's Government had made "all possible arrangements in the current fiscal year for the benefit of government employees", His Majesty the King referred to the constitution of a Pay Commission and said that "My Government wishes to go ahead with whatever else is possible".

Stating that "development projects will be put to work with timely provision of necessary man-power and construction materials together with popular participation and support", His Majest the King declared that "My Government will remain active in checking the artificial price-rise and shortage of essential commodities which affect common people." His Majesty's Government could also "control with determination malpractices such as corruption."

Referring to the fact that His Majesty's Government had already put into effect some of the recommendations of the Royal Press Commission, His Majesty the King disclosed that "My Government will table a bill in the current session of the Rashtriya Panchayat in order to introduce changes, as suggested by the Commission, in the Press Act.

In the sphere of foreign relations, His Majesty the King emphasised that "the fundamental objectives of My Government's foreign policy will be to protect and promote the national interests, to play an active role in strengthening the causes of international peace, cooperation and goodwill, and to consistently endeavour with a view to make Nepal a Zone of Peace adhering to the basic ideals of the United Nations and the principles of non-alignment."

For the purpose of increasing the area of mutual cooperation among nations of South Asia, His Majesty the King reminded all that "My Government has remained active in making the Regional Cooperation Programme a success". Priority would also be accorded "to maintain close relationship with our friendly neighbours, India and China."

On the Middle East problem, His Majesty the King declared that "all countries of the region, including Israel, should have the right to live in peace within secured boundaries" with His Majesty's Government holding the view that "the Palestinian people's right to a separate and independent state and the participation of the Palestine Liberation Organisation, the only legitimate representative organisation of the Palestinian people, in conferences to be convened for a comprehensive settlement of the Middle East problem must be recognised."

His Majesty the King also declared that "We firmly stand on our views and policies that no foreign forces should be present in any country. My Government has always been expressing its opinion that such foreign forces, where ever they may be, should be withdrawn immediately and unconditionally and that no exception should be entertained in this matter".

The following is the full text of the Royal Address:

Mr. Chairman and Members of the Rashtriya Panchayat,

In accordance with the wishes of Our beloved countrymen suitable reforms were incorporated in the Constitution on the basis of which a general election was concluded last year in a peaceful manner with wide popular participation, and subsequently, a Council of Ministers responsible to the Rashtriya Panchayat was constituted. In continuation of this process, recently, elections of village panchayats, town panchayats and district panchayats have also been successfully completed. Similarly, district-level units of various class organizations have also been formed and processes to constitute central and zonal-level organizations are underway. It is naturally satisfying for Us to note that during the past two to three years when the nation was engaged in important and far-reaching political exercises, Our people with their active participation, patience, discipline and restraint lent a considerable strength to the promotion and consolidation of the System, thus contributing to our national unity and well-being. The elections of various units of the partyless democratic Panchayat System held after the Third Amendment of the Constitution have enabled the young generation to join the System in larger numbers. This, We feel, will further help in enlisting active popular participation in resource mobilization and project implementation.

The greatest challenge confronting the nation today is that of economic development. The challenge lies in taking advantage of the changed context and circumstance in accelerating the pace of development programmes. My Government is determined to take up this challenge. The other important units of the system--the village, town and district panchayats, the class organizations and all the people should, likewise, face this challenge with determination.

While considering the question of economic development in the present context, it seems necessary that we view it not in insolation but in a comprehensive and broader

perspective. In fact, the pre-requisite for development would be to generate in the entire society an overriding urge for development and a sense of total dedication. Past experiences have made it evident that rational development cannot be effectively carried forward without generating in the society a new sense of awareness and urgency for development, without bringing about a change in the thinking and outlook towards the programme implementation, and without improving the working method and style.

As regards the economic development, everybody should pay attention to the ideals set forth in the Constitution. The Constitution is clear about our political, economic, social and development goals. Our policies, plans and programmes should be geared to attain these objectives. Even in the context of the basic objectives of establishing a democratic, just, dynamic and exploitation-free society as enshrined in our Constitution, My Government realises the need, on our part, to adopt new values and new outlooks.

The Constitution envisages to create a dynamic society free from exploitation and economic pressure by one class upon the other by developing private enterprises and cooperative institutions with effective coordination. My Government is also determined to push forward its development programmes on the basis of providing equal opportunities to people of all parts of the country and securing a balanced regional development as emphasized in the Constitution.

Decentralization constitutes a basis of the Panchayat System. In a situation like ours, national development works can be carried forward through this medium alone by enlisting wide and extensive popular participation and by developing, on institutional basis, the lower units of the Panchayat System--the ward, village, town and district--level units and by making them aware of their rights and responsibilities. People can be effectively mobilised in their entirety to take up the present challenge of national development if these units are made more active and strong by developing their personalities with necessary rights. Keeping this very fact in mind, and with a view to clearly defining the rights and responsibilities of the lowest units of the Panchayat System, upto the ward-level, My Government will table a bill in the current session of the Rashtriya Panchayat to implement the decentralization scheme.

We had last year apprised the Thirty-second Session of the Rashtriya Panchayat of My Government's plan to initiate a substantive programme of action in the economic field. A Special Economic Programme has accordingly been published. My Government, also keeping the resolutions adopted by the Central Pancha Convention in mind, has already initiated measures to implement them. As this will constitute the main basis of the annual programme, it will be implemented in an effective manner.

The primary requirement today is to raise national production by putting the economy on a right track. My Government, has, in this connection, decided to abandon all economic and trade policies which are not in conformity with our national economy. My Government is also determined to take other necessary measures in this regard.

In a developing country like ours, if problems relating to development have existed since long, many more are being added to them as a result of increasing population pressure. This has made the process of development all the more complex. Activities such as deforestation for the sake of cultivation have given rise to the problems relating to low fertility, soil conservation, environment and energy. We have now no other choice than to confront these problems.

Our country being primarily agricultural, it is but natural for My Government to lay continued stress on the development of agriculture. But as agriculture is so diversified in character, experience calls for an integrated approach with simultaneous development of other related sectors in order to move ahead in this area. Therefore activities such as the protection of tenancy rights under the Land Reform Programme, making the land acquired as surplus to fixed ceiling available to the farmers, provision of soil conservation and irrigation; distribution of fertilizers, seeds, insecticides and easy agricultural loans channelized through the active and efficient cooperative institutions should proceed side by side in a well coordinated manner. In view of the relatively better development of infrastructures in many areas the possibility of achieving the targets set in the agricultural sector of the Sixth Plan being certain, My Government has accordingly revised the agricultural development programme.

With a view to improving forest conservation to resolve the ecological problems as well as soil erosion, My Government had decided to impose restrictions on the export of timber and fire-wood. Timber will now be available for development and construction purposes only and for meeting the consumers' needs in general. Felling of trees for export purposes will be prohibited. My Government has initiated an extensive afforestation programme with a scheme to enlist the participation of the panchayat and private sectors in it.

The water resources constitute our vast wealth. With a view to making maximum utilization of this resource, My Government has made a policy to formulate and implement a long-term programme. In the present situation it has become necessary for us today to prepare a national land-use plan under which agriculture and irrigation facilities should be developed. As the process of development mainly based on agriculture alone will not be adequate to meet all our future needs, My Government will give a thought to the need of restructuring our economy in the light of the new possibilities opened up by our water resources.

The population problem, which is getting very acute, has also received My Government's attention. A Population Commission has been constituted with a view to finding out solutions to the fast rate of population growth on the basis of a broad national perspective. As for the immediate problems, it has become necessary to find out other alternative sources of employment especially in the hilly and rural areas as agriculture alone cannot cater the demands of the growing population. Convinced that the small-scale industry has a useful role to play in this respect, My Government is determined to take effective measures to develop and popularise small-scale industries by using indigenous raw materials and skill. This may as well exercise a control on the problem of migration from one region to another.

In the prevailing situation, there appears to be no alternative to industrialization for raising the living standard of the people. In an under-developed economy like ours, industries based on local raw materials naturally enjoy greater prospects. My

Government will therefore take early measures to establish industries based on agricultural, mineral and forest produce as well as the development of tourist industries, under both private and public sectors, by according them all necessary facilities.

My Government has taken measures to define the role of public as well as private sectors. Presently, the activities of the private sector have remained confined to the field of trade and commerce alone. As affairs stand today, private sectors also can bear greater responsibility in the management and development or irrigation, transportation, electricity, afforestation and construction works as well. The resources until now flowing exclusively to the field of trade and commerce can be diverted and the private capital and management skill can be channeled towards still more productive areas of our economy through appropriate economic and other policies. My Government will therefore be more effortful to secure private sector's participation in various development activities.

Resource mobilization at its maximum is required for any economic development. It is on this account that the administrative and panchayat units at all levels have to lay a special stress on the mobilization of the internal resources. At the current stage of our development it is but natural that we need external resources as well. What is required today is to improve our capacity to absorb such resources. Foreign aid should be sought in the high priority areas and should be utilized as much as possible in productive sectors or in those areas directly linked with production. My Government will adopt a suitable policy to this effect.

A check in the misuse of resources is as important as tapping new resources. Financial discipline should be firmly maintained for the maximum utilization of the resources. In today's situation which demands more savings for development works, society should follow a course of austerity.

My Government has taken various measures to make the administrative machinery effective, dynamic and development-oriented for a successful implementation of the development works. This will be a continuing process. The rights and duties of all government employees--up from the centre down to the lowest level--will be well specified and a condition will be created for every one of them to bear his responsibility by introducing necessary changes in the present working pattern. My Government has made all possible arrangements in the current fiscal year for the benefit of government employees. A Pay Commission has been constituted in this connection and My Government wishes to go ahead with whatever else is possible. My Government will take various measures to maintain a situation where officials will remain duty-bound and honest, bear their responsibilities as expected and will afford no opportunity for complaint.

Formation of economic development programmes alone is not enough. Arrangements should be made to provide logistical support and to activise every one on the go for a successful implementation of the programme. In this context, My Government feels the need to visualise the problems likely to come up during implementation of the projects before they are finalised. For the purpose of effective implementation of the projects, improvements will also be made on the relevant rules and regulations with a view to clearly defining the rights and duties. Development

projects will be put to work with timely provision of necessary manpower and construction materials together with popular participation and support. In order to strengthen the decentralization scheme and facilitate project implementation, My Government will henceforth make the grants to the schools available to their management committees so that they could be made self-reliant by enlisting public support.

In order to facilitate development works and also in the interest of public convenience, qualitative improvement will be made in such essential services as telecommunications, postal services, transportation, drinking water, electricity and health. My Government will remain active in checking the artificial price-rise and shortage of essential commodities which affect common people. My Government will control with determination malpractices such as corruption.

As national development is not possible without law and order, My Government will pay attention to increase the effectiveness of defence and security measures. My Government views that law and order would get much more strengthened if the administration could be kept efficient and aware of the hardships suffered by the common mass, and if the financial hardships of the people could be reduced by pushing the development works forward.

Mindful of the fact that the Press has important contributions to make in the promotion of democracy and national development, a Royal Press Commission had been constituted to suggest essential measures for the development of Nepalese Press. A majority of their recommendations having been found useful, My Government has already put some of them into effect. My Government will table a bill in the current session of the Rashtriya Panchayat in order to introduce changes, as suggested by the Commission, in the Press Act. My Government will take further steps to gradually implement other recommendations of the Commission.

The fundamental objectives of My Government's foreign policy will be to protect and promote the national interests, to play an active role in strengthening the causes of international peace, cooperation and goodwill, and to consistently endeavour with a view to make Nepal a Zone of Peace adhering to the basic ideals of the United Nations and the principles of non-alignment. My Government will always remain active in having Nepal established as a Zone of Peace in accordance with the aspirations of the Nepalese people and the Directive Principles of our Constitution.

With a view to enlarging the area of mutual cooperation among nations of South Asia, My Government has remained active in making the Regional Cooperation Programme a success. The Second Meeting on South Asia Regional Cooperation was successfully concluded in Nepal. This has helped the programme of cooperation to move further ahead.

We were requested last year to address, on behalf of the nine least developed countries of Asia and the Pacific region, a Conference held in Paris under the auspices of the United Nations. While presenting the common problems of underdevelopment shared by these countries before the Conference, We drew the attention of the international community to the need to remove the growing economic disparities among nations of the world.

The talks that We have had in Paris, on the occasion, with His Excellency President Zia-Ul-Haq during our informal visit to Pakistan have promoted the understanding between Nepal and those countries.

My Government will, as usual, accord priority to maintain close relationship with our friendly neighbours, India and China. The President of India, His Excellency Mr. Neelam Sanjiva Reddy's visit to Nepal last year has helped further develop the relationship between Nepal and India. Similarly, as a result of the visits paid to Nepal last year by the Prime Minister of the Democratic People's Republic of Korea and by the First Vice-President of the Soviet Union, understanding between Nepal and those countries has been further promoted.

A failure so far to find out a solution to the Middle East problem has been a matter of continued concern with regard to world peace. My Government is of the opinion that all countries of the region, including Israel, should have the right to live in peace within secured boundaries. My Government accordingly holds the view that the Palestinian people's right to a separate and independent state and the participation of the Palestine Liberation Organization, the only legitimate representative organization of the Palestinian people, in conferences to be convened for a comprehensive settlement of the Middle East problem must be recognized. My Government is of the opinion that war between Iraq and Iran, members of the non-aligned group, should also be solved in a peaceful manner.

My Government has always voiced its opposition to imperialism, colonialism, expansionism, racial discrimination and apartheid and such other undesirable anomalies in whatever form or where ever they may be. We firmly stand on our views and policies that no foreign forces should be present in any country. My Government has always been expressing its opinion that such foreign forces, wherever they may be, should be withdrawn immediately and unconditionally and that no exception should be entertained in this matter.

My Government continues its cooperation in the establishment of peace in Lebanon by providing contingents of Royal Nepalese Army at the request of the United Nations.

With a view to assisting Nepal's development efforts, My Government will remain effortful to obtain cooperation from friendly countries and international organizations. We express our gratitude to all these friendly nations and international organizations which have, until now, been extending their cooperation in the development works of Nepal.

Finally, in accordance with the aspirations of the entire Nepalese people, the Panchayat System has, after overcoming various challenges, reached the present stage of success with broad and popular support of the people. Following the national referendum and the elections of village, town, district panchayats and Rashtriya Panchayat, it has specifically assumed very important dimensions. Experience gained over the years has made this fact evident that the safeguard of our national independence and the country's all-round development are possible only through the medium of this System. Today's national and international situations demand that we all Nepalese be on the alert and think, before we act, whether our

activities are going to be in the common and larger interest of the nation. The primary objective behind the new endeavour to mobilise the society by bringing about a new outlook and a new sense of values on the question of economic development is to uplift the living standard of the common masses as early as possible. It is Our wish that all Nepalese march ahead in a spirit of greater mutual trust and cooperation with total dedication to the cause of national development for the welfare of the common masses realising the fact that every citizen of the country has a responsibility towards his motherland brought to bear upon him by history today. We hope that My Government will receive, as ever, cooperation from all in the discharge of its duties for the welfare of the nation and its development.

May Lord Pashupatinath bless us all!

Jai Nepal!

CSO: 4220/211

SCRUTINY OF INDO-PAKISTAN RELATIONS; GOOD PROSPECTS FOR PACT SUGGESTED

New Delhi INDIA TODAY in English 30 Jun 82 pp 62-63

[Text] IN THE subcontinent, the wheels of amity grind but slowly. India and Pakistan fought four wars in 34 years; it is utopian to expect the conflicted twain to rush to the bucolic goal of treaty-bound peace. Prime Minister Indira Gandhi took three months to reply to a cordial and constructive letter from President Zia-ul-Haq. Since there is no Indian ambassador in Islamabad, she sent her reply through K. Natwar Singh, secretary in the foreign office in charge of Pakistan, Afghan and Persian Gulf affairs. Singh was received by Zia with a warmth which belied impressions that the Pakastani leader had been stalling the process of negotiation between the two countries for a no-war treaty.

As he read Mrs Gandhi's letter, Zia beamed. The prime minister had taken a positive stand, and the communication breathed cordiality. Natwar Singh returned to New Delhi on the morning of June 2 with his portfolio bulging with goodwill. But the second round of negotiations between India and Pakistan is now to be held very soon. No date has been fixed. Early August, after Mrs Gandhi's return from Washington, is a safer guess than early July.

In the subcontinent, diplomacy is conducted with noisy silences. The noise is made by reporters; the silence is the property of governments. While in the United States, nothing remains secret in the world of foreign policy, in the subcontinent little is known until and unless officialdom pleases to share information with the public. The official "smokesmen" of the foreign office artfully kept the contents of Mrs Gandhi's letter to Zia concealed from the people; enterprising reporters spun out yards of moonshine prose to hide the fact that they did not know what their prime minister had told the President of Pakistan. Still they almost unanimously announced that Mrs Gandhi—and India—had taken the "initiative" to break the logiam in the talks.

Equal Responsibility: The truth was different. In the current India-Pakistan diplomatic dialouge, neither party can be exclusively hailed for an initiative nor blamed for a deadlock. The two parties are equally responsible for both. If they seem to be taking two steps backward after one step forward, they are keeping in step with one another. In other words, the dialogue has now become a web. Neither Pakistan nor India can break loose from it. They can, and they will, stall. But it looks as if the two are at long last doomed to sign a no-war treaty before the end of 1982 and keep talking about a friendship pact.

Before explaining why, it is necessary to listen to what India and Pakistan have been telling one another. On February 1, the then Pakistani foreign minister, Agha Shahi, left Delhi at the end of his talks with the Indian Minister for External Affairs P.V. Narasimha Rao. Within a few hours of Shahi's departure, Rao reported to the Lok Sabha on the talks. "Mr Shahi's visit afforded the first opportunity to hold direct and in-depth discussions on the proposal for the conclusion of an agreement on non-aggression and non-use of force between India and Pakistan." Rao told an eager House. He disclosed that India had sent to Pakistan an *aide mémoire* on this subject on December 24, 1981, and had received an *aide memoire* from Pakistan on January 12. He said that "after the discussions between the two sides, we are now in a position to undertake specific consideration of the elements which would constitute the substance of a no-war pact or an agreement on non-aggression and non-use of force." He announced that the second round of talks would take place in Islamabad at foreign secretary level in the first week of March.

On February 21, Zia wrote a warm and cordial letter to Indira Gandhi. He had received from Shahi a full report of the New Delhi talks and was particularly pleased to learn that "Madame Prime Minister" had bestowed upon the dialogue her personal blessing. Zia said that he was certain that

> the conclusion of a no-war pact between Pakistan and India would alter the strategic scenario in the entire region. He welcomed Mrs Gandhi's suggestion that the two countries set up a joint commission and described it as a positive step. He hoped that the negotiations would proceed on the lines of the understanding reached between the foreign ministers as a result of their talks, and that the

dialogue would not be interrupted by any external or internal circumstance. As evidence of his desire to improve India-Pakistan relations, Zia informed Mrs Gandhi that he had ordered that postal rates to India be cut by 15 per cent.

Friendship Treaty: Neither Zia in his letter nor Rao in his report to the Lok Sabha made any reference to a friendship treaty, for the simple reason that India did not formally offer a friendship treaty to Pakistan at any stage of the dialogue till the prime minister's letter of May 31. The idea of a treaty of peace and friendship was thrown at Pakistani correspondents by Mrs Gandhi rather sportingly shortly before Shahi's departure from Delhi. If it were meant to be a formal proposal, Rao would have included it in his report to the Lok Sabha. The fact is that neither verbally nor in writing did India suggest a friendship treaty to Pakistan till the end of May.

Zia's letter to Mrs Gandhi was written three days after the exchanges between the Pakistani delegate, Agha Hilaly, and the Indian representative, B.R. Bhagat at the UN Human Rights Commission in Geneva. Verbatim report of the exchanges is now available at the UN office in New Delhi. On February 25, Rao, responding to a call-attention question in the Lok Sabha, observed: "We have carefully studied Mr Agha Hilaly's statement. It is inconceivable that so senior and experienced a diplomat, who has served as his country's high commissioner to India, could have made such a statement without the prior approval of the Government of Pakistan, who could not have failed to anticipate the strong reaction in India."

The Indian Government therefore decided to postpone "for the time being" the foreign secretary's journey to Islamabad for the second round of talks. A protest was lodged with the Pakistani Government. The fact that Zia's letter to Mrs Gandhi had followed Agha Hilaly's remarks in Geneva was either ignored or considered insufficient evidence of Pakistan's sincerity and goodwill. The possibility that the Pakistani and Indian delegates to the Human Rights Commission had unwittingly provoked one another to fight a verbal duel over Kashmir, and that both spoke mainly with the home audiences in mind was apparently dismissed when the Indian Government interpreted the Hilaly statement and put the dialogue in the freezer.

Diversionary Moves: As both sides blamed each other for stalling, each expressed hope that the dialogue would be resumed soon. There was no lack of diversionary moves on either side. Zia permitted three territories in the Jammu and Kashmir region, Gilgit, Hunza and Skardu, whose legal status is in dispute, to send "observers" to the hand-picked Majlis-i-Shoora. India lodged a cosmetic protest, wondering, at the same time, if the President was not moving in his own way towards accepting the prevailing political and military realities in Kashmir.

Meanwhile, Pakistan's new Foreign Minister, Shahabzada Yakub Khan, who seems to be more confident than his predecessor of his grip on Islamabad's external policy, chose Beijing to be the capital of his first trip abroad after assuming office. There, conversations between Khan and the Chinese leaders produced a jelled Sino-Pakistani approach towards improving ties with India: cautious, step-by-step movement towards amity without abandoning established policies or values, but ready to pursue give-and-take tactics. Mrs Gandhi, on her own part, went to Saudi Arabia with a view to conquering the minds and purses of the oil-rich princes. She told them that India had offered a treaty of peace and friendship to Pakistan, and got this written into the joint communiqué issued at the end of her visit.

The prime minister's diplomatic offensive wrested from the reticent Khan the first authoritative Pakistani statement on the concept of a friendship treaty. "We feel convinced," said he on May 15, "that the interest of both countries will be served by the early conclusion of the proposed non-aggression pact. The requisite ground for the promotion of mutual friendship and cooperation can be effectively prepared through this approach."

Principal Objective: Khan added: "The idea of a treaty of

> peace and friendship was mentioned by the Indian prime minister to Pakistani journalists in the course of a discussion on the nature and scope of the Indo-Soviet treaty of 1971. However, the matter was not pursued as it was realised that such a treaty was premature. The principal objective of the non-aggression pact was to create the necessary atmosphere of mutual trust and confidence in the context of which alone could such a treaty acquire relevance."

He implied that a no-war pact and the joint commission (about which he said there

was "no element of doubt or ambiguity") would help create the kind of strategic harmony on which alone could a treaty of friendship and cooperation be mounted.

Mrs Gandhi in her letter to Zia has (according to reliable sources) made six points. First, she repeated her assurance that India regarded a stable and prosperous Pakistan highly and would never attack the neighbouring country. Secondly, India, she said, would be ready to resume negotiations for a no-war or non-aggression treaty as soon as arrangements could be mutually agreed upon for the next round in Islamabad. Thirdly, the next round should aim at finding common ground between Indian and Pakistani concepts of a non-aggression treaty.

Fourthly, as negotiations proceeded, the two countries should agree to set up the joint commission but it should not be made conditional on the no-war pact. Fifthly, her offer of a friendship and cooperation treaty stood and this was what the two countries must aim at as soon as the necessary ambience had been created. And, finally, both countries must strictly adhere to the letter and spirit of the Simla Agreement and refrain from doing or saying anything that might be construed as offensive to that accord. Mrs Gandhi's letter was couched in friendly and polite language, of course; she defended the postponement of the second round as a result of Hilaly's references to Kashmir in Geneva.

Motivation: The question that was asked avidly in New Delhi's diplomatic community was: what exactly motivated Mrs Gandhi's letter to Zia? Various answers were suggested. Some argued that having committed herself to the Saudi princes that India would pursue the quest for amity with Pakistan, the prime minister had to lift the embargo and get the dialogue going again. Others believed that the letter to Zia was part of Mrs Gandhi's environment-building for her trip to Washington.

She must also have had in her mind the major shift in the balance of power in south-west Asia that will follow a decisive Iranian victory in the 20-month-old war with Iraq and a probable regime change in Baghdad. Both India and Pakistan have been backing the Gulf Cooperation Council (GCC) which is strongly opposed by Iran with the support of the "steadfast group" of Arab nations—Syria, Libya, Algeria, Yemen and the Palestine Liberation Organisation.

This confrontation has suddenly gifted Moscow its moment in the Persian Gulf and the Middle East. Saudi Arabia, Kuwait and other Gulf sheikdoms are seeking Soviet help to bring the war to an end. A Soviet "Tashkent" in the Persian Gulf will have a profound impact on the balance of power in south and south-west Asia. It seems that both Mrs Gandhi and Zia realise that this is the time to bridge the India-Pakistan strategic divide that has enabled external powers to intervene in the subcontinent's affairs.

CSO: 4220/209

'TYRANNY OF THE PSEUDO-RELIGIOUS' RESENTED

Lahore VIEWPOINT in English 10 Jun 82 p 7

[Text] ACTS of organised violence against boys and girls of tender age are not unknown in our society. We have heard about the forced labour camps, the dens of beggar-thugs where children are maimed for life, the gangs of kidnappers who act as suppliers to brothels and slave markets, and the practice of chaining the mentally sick in asylums and at 'mazars'. All such forms of exploitation of the child, its person and labour, have been condemned in the strongest possible terms by the public and the administration alike and their eradication figures high on the priority list of social reformers. But now a far more heinous use of violence on children has been reported.

A local contemporary has revealed the existence of a religious school at a mosque where children are punished by being chained to their stools. According to the writer of the feature, the "thick and heavy iron chains" looked like those used to tether wild buffaloes and locks on them were also strong and heavy. Further, the writer reported that he found the arm of a boy severely injured and guessed that the four feet long and 1.5 inch thick cane lying nearby was the instrument of torture. Some other notable aspects of this so-called school, as revealed in the report, are: that there is a mosque which can be kept locked and used as a private establishment; that children enrolled as pupils are made to cook food and render personal service to the director; and that the director has applied to some organisations for an increase in his 'grant'.

Veracity

We have no reason to doubt the veracity of the reporter or the honesty of the photographer who has supported the text with pictures. Indeed, they deserve a medal from the country's Press for having provided one justification for its existence and its claim to freedom. The heart-rending disclosure must have put the whole nation to shame. There can be no two opinions on the enormity. Resort to violence and torture at a religious seminary constitutes a far graver outrage than torture in police cells or white traffic. All vestiges of such fiendish barbarism must be stamped out with the speed and the firmness visible in several less culpable cases. The duty of the law and order authorities is clear and one hopes they have already taken note of this terrible crime against man. One should also like to ask the privileged minions of the Auquf Department whether they are too busy unlocking charity boxes and changing *chadars* at 'mazars' to notice what vile deeds are committed in the house of God!

However, this sordid affair has another aspect, perhaps even more disturbing than the purely legal or administrative one. The writer of the

feature has lamented his inability to dip his pen in blood and vitiro[1] – which he would have done if the culprit had been a thanedar or a patwari, a heartless trader or an arrogant official – because "this is a religious matter, and I don't have the courage to throw light on this or raise an accusing finger . . ." Before going into print he sought to strengthen his defence with the opinions of a well-known poet and the principal of a famous house of knowledge. Both condemned the use of violence by teachers of religious courses in unequivocal words. No less emphatic would have been the reaction of any sensible layman, though perhaps less printable. Even with this precaution, the reporter dared not reveal the location of the school of horrors or the identity of the man behind it.

Why this fear?

In any decent Muslim society such precautions would be unnecessary and the culprit would have been denounced in every public square and from every rooftop. Islam is the religion of kindness, compassion, and charity. It is the religion that declared a single drop of a Muslim's blood to be more sacred than the Ka'aba. It is the creed of the Prophet who gave the child the protection and the dignity it had not know before. That children should be fettered under the facade of instruction in this religion is not only an offence against man's conscience but also a slur on the religion itself. Nobody should be afraid of exposing something no Muslim can possibly condone.

Yet people are afraid, and not only the unprotected journalists. Why? What have we done to deserve the tyranny of the pseudo-religious? Why is God's own injunction against compulsion in religion being flouted? If we know the answers and do not have the guts to speak out, surely there is more suffering in store for us.

CSO: 4220/209

PROSPERING ON BORROWED MONEY CRITICIZED

Lahore VIEWPOINT in English 10 Jun 82 pp 24-25

[Article by M. B. Naqvi]

[Text] ISLAMABAD financial wizards are patting themselves on the backs. A large consortium of private transnational banks has thought so well of Pakistan's credit worthiness that it has oversubscribed to its request for $ 225 by a large margin. And others have promised more later in the year. The Citibank's uncomplimentary remarks have, to the entire satisfaction apparently of our bureaucracy, been rebutted.

That may be so. But one wishes to know whether there is an official who wishes to draw the line somewhere. How far are we to go on with our spree of loan-taking? We are asking for roughly $ 2 billion from the World Bank's Aid-to-Pakistan Consortium countries, both on multilateral and bilateral bases and some in debt rescheduling. What we will get is a different matter. The Pakistan delegation will be lucky if it can get as many pledges as it got last year. Substantial bilateral loans are expected from a wide variety of countries, including the conservative oil-rich Arabs. Some international agencies and international banks would also be giving credits. There may still be some small loans coming from socialist countries; some credits from China are certain. On top of it all, Islamabad has grown, rather proudly, accustomed to obtaining short-term credits from private multinational banks (Eurodollar market).

Smart?

There is a view holding this to be rather smart. What is wrong in importing more if we can obtain the necessary advances? To all appearances, the Government seems to be of this view. All its justifications imply our continuing credit - worthiness. Just that and nothing about the supposedly 'vital' role in development of foreign loans, as used to be claimed. There are still some people who feel concerned over the present situation in this regard.

True, such people are old-fashioned. To them borrowing needs to be justified in terms of what it is meant for, what it is actually likely to achieve and what its full economic and political cost would be. The assumptions they make need to be stated. To begin with, all loans a nation, like an honourable individual, secures are meant to be returned. This is the point of departure.

Simple criteria

The next position logically follows. Since loans create an annual amortisation liability that has to be paid out of current earnings as a matter of priority, they should only be taken for truly priority purposes. This involves two simple criteria. First, ideally the foreign loan should directly enhance the country's (current or export)

earnings. Second, even if a particular loan does not directly improve the export capability, it should add distinctly to the productive apparatus of the economy (including its infrastructure, properely so called).

Even this is too ambiguous. Let us take transport facilities. This is by all standards a vital component of the infrastructure, the constant improvement of which is essential. But there can be more than one way of doing this. One way would have been to give primary importance to railways for most long-distance freight and travel. But for regional, sub-regional or local routes a network of roads – by way of supplementing the railways – might be the choice if quick expansion of they railway system is not feasible. Another choice, made in the event, could be: develop air travel for the modern sector people, let 'inefficient' railway stagnate, develop a large-scale trucking industry and let the automobile culture fill the void created by the neglect of mass transportation facilities – trams, local or underground railways, buses in cities of large size or between medium towns. And this sort of thing is true in several fields.

Transport policy

The results may be watched of the transport policy one has citied as an example: All cities are chockful of private cars while local and provincial authority has been unable to provide enough modern motorable roads or parking facilities. People of lower income groups are hard pressed because the local or provincial authorities have not cared to provide enough buses for mass urban transportation – in all large cities. Bad roads mean faster deterioriation and more repairs and greater consumption of spares and fuel. The fuel bill has shot up spectacularly, we are consuming 720,000 barrels of crude oil per day at $ 34 per barral plus other costs.

If the policy orientation in the transport sector had been different and had emphasised the railways and mass transport facilities, rather than air travel and free private car imports, our total fuel bill would be much less, common people would have a more reliable, efficient and cheaper transportation and the roads would not present the picture of chaos. Nor would there be so many grievous road accidents. The main point is the chosen policy, supposedly to favour private enterprise, has turned out to be economically more inefficient by way of more people wasting more time, energy and money on roads waiting for a chance to got to wherever they have to. It makes for more import propensity, more external indebtedness, greater debt servicing liability *et al.* Whom has it benefited apart from foreign suppliers of automotive goods and oil? Not many, not even the affluent capitalists who are more irritated by delays on the crowded roads, late arrival of labour, insufficiency and bad maintenance of roads and so forth; economic efficiency suffers from whichever point of view one looks at it – but, above all else, in terms of the higher cost of transportation making the costs too high in Pakistan.

Public health

Don't think this sort of thing is confined to transportation. Look at public health. How efficent and economic are the facilities today? Preventive medicine is not emphasised; most expenditure is devoted to curative one that is highly unevenly distributed. We have highly-trained specialists in a few cities available at fabulous, by our standards, fees and after long waits; the free hospitals and dispensaries, where they do exist, wear a desolate look.

Much the same holds for education: universities and institutes of higher learning keep going up while the effective literacy rate threatens to look down – even from the benchmark of 1947. There is no system of vocational education and training for masses of young boys and girls. This is so all along the line.

Despite the deplorable quality of life for large sections of the population, the cost of so-called development has been heavy. One is looking at the restricted sector of international viability of the economy. On June 30, 1981 the long term external debt on

the SBP books showd $ 9 billion. (But those 'backward people' who wish to count all foreign liabilities – of IMF's various facilities, short-term credits from private foreign banks or short rescheduled servicing burdens – were putting it at well over $ 10 billion and their unofficial estimate for June 1982 is somewhere around $ 12 billion, although the budget makers are likely to put it just about $ 10 5 billion. Insofar as 1981 was concerned, it has to be seen what relationship the external debt had either with the GNP or its annual servicing burden with the export earnings: In a Gross National Product of $ 25 billion the external debt was $ 10 or more or against the export earnings of $ 2.7 billion the true servicing burden was $ 1.2 to 1.5 billion (inclusive of other liabilities). This is much too unhealthy by any standard – even officials' own.

'More of the same'

And yet their policies amount to 'more of the same'. It is time thinking people asked a few questions. Do our officials really think that the economy, on present showing, will ever be able to repay their rapidly growing debt burden? Is not the current policy direction pointing in the direction of ever decreasing ability to meet all our liabilities? What is a rescheduling request? This is an euphemism for inability to pay one's dues on the due date – default in other words. As was demonstrated in Poland's case, it might not be in the interest of the creditors to declare a debtor bankrupt. They would go on giving credits to enable it to repay, basically, interest on old debts. Do we want that? Poland has other resources and sources of strength, apart from its own economy's considerable potential What about us? What have we beyond the undeveloped potential of our own economy?

No doubt the problem has many dimensions. It includes the macro question of the total staggering amount of Third World indebtedness to the First, as one noted earlier. How can that ever be repaid? What are the feasible mechanisms for such repayments and whether can the creditors afford to take them all back in the only way it can be done? No doubt they are all relevant questions and may assume a different look if only the Third World could get together on this issue and speak with one voice. This is, however, not likely today or in the near future.

We had better remember two facts. Pakistan economy as now constituted is an integral part of the capitalist world economy and the authorities are working to make it more so. All the free world economies rules therefore apply. We have therefore to deal with our creditors as a weak, isolated Third World country and all the cards are in others' hands What are we going to do?

CSO: 4220/209

TALL CLAIMS ABOUT CLEAN WATER, SANITATION IN RURAL AREA RIDICULED

Lahore VIEWPOINT in English 10 Jun 82 p 26

[Article by Ayaz Amir]

[Text] I SUPPOSE it does not greatly matter what Ministers say or do not say these days More often than not, their pronouncements run according to prepared scripts from which they would have little incentive to depart except for people such as Dr. Mahbubul Haq who harbour, like Cleopatra, "immortal longings" in their souls.

As distinguished familes go in our country, Syed Fakhr Imam is the scion of one such, which is perhaps the overriding qualification for his having been vaulted into the secondary chambers of power. As Minister of Local Government and Rural Development, he has a large ornamental role to fill considering the importance the regime attaches to grassroots democracy, to the exclusion of other forms, in the new dispensation it is striving to create. On this account he is a highly visible man, being the recipient of reflected glory (The light that shines on anything to do with local government necessarily shines on him as well). I do not know whether this is a compelling reason for anyone to take much notice of what he says but if I am devoting this column to his lineage, it is because of a prepared script he read out recently before a gathering of the residents of the Taxila Cantonment Board.

Development priorities

Speaking of the development priorities which the regime or its Planning Commission or Dr. Mahbubul Haq have in mind, Syed Fakhr Imam disclosed that by the year 1990, clean drinking water would be available to 66 per cent of the rural population compared to the 20 per cent who were enjoying this privilege today His second disclosure related to "rural sanitation". By the same hallowed year, rural sanitation would be extended to cover 13 per cent of the rural population compared to the 2 per cent at present.

I do not know whether Syed Fakhr Imam blushed when he unfolded these statistics. To say that 20 per cent of our rural population are provided with clean drinking water is, I am sure, a gross exaggeration but even if it is true, it is not because of any pioneer work done by the Ministry of Rural Development. The clean water that there is comes from fresh-water wells scooped from the earth by the rural population themselves untained by any other help except perhaps that of the Almighty.

Not revelations

These are not revelations but simple facts which anyone who has ever lived

in a village knows better than the lines on his forehead, the galling thing is not that this deprivation exists for it is as old as the hills and will take more than prepared texts to lighten. The galling thing is to see this misery reduced to a convenient sum table that any official who comes can rattle off so easily Drinking water for 20 per cent of the rural population is shame enough but to say that after eight years of heroic effort clean water could be available to just 66 per cent of the rural population is a scandal which should send Syed Fakhr Imam home, for what, if one may ask, will the remaining one-third of the rural population do? Wait for another Minister to promise them eight more years of heroic effort?

The bit about rural sanitation is surely a joke. If by rural sanitation is meant flush toilets, then the 2 per cent Syed Fakhr Imam is talking about consists of those who, because of inherited or acquired means, are in a position to instal flush systems in their country homes. No one needs to be told that the remaining 98 per cent squat quite contendedly in the open. As landlords pick up education and money comes from the Middle East, I am sure there will be more domestic privies eight years hence, but none owing to any effort on the part of any Ministry. If by rural sanitation something else is meant, like setting up village sewerage systems or means to dispose off refuse and garbage, then the idea is still more ludicrous. We have first to accomplish the feat in our towns before we begin to talk about bringing sanitation to our villages. I know of two anthropology students who went to a village to carry out some field study They spent four days in agony looking surreptitiously for some means of rural sanitation but unable to find any, they let themselves go on the fifth with the help of a discarded half of a water-melon which they filled with water and used as a *lota*, their anthropology not having taught them how villagers did their daily cleaining. So much for rural sanitation.

Ivory towers

It is all too early to talk about ivory towers and the reality that lies beyond them. But I dare say that even those who try to demolish them live in ivory towers of their own. To know what the life of a farmer is one has to be a farmer oneself, otherwise it is all editorial comment which anyone can be skilful at.

We talk so much about the wheat season and of wheat autarky but how many of us who do so have actually known the pain and weariness of wheat harvesting which requires more labour and yields less profit than any other crop?

The land set aside for wheat has to be ploughed more intensively than for any other crop. The sowing of wheat demands more than ordinary care. Insufficient rain dries up the crop, excessive rain damages it in other ways, and the golden mean is so hard to achieve. When the crop ripens, one has to look to heaven again so that hail does not destroy it.

The countryside is certainly not a scene of unreclaimed misery but neither is it the scene of frolicsome idylls which some of our artists seem overly fond of painting (Nor, I am afraid, is there much love in the haystacks). My only plea is that no one should speak about the countryside until he has lived there. We have no Chairman Mao to turn the tide (and even he stands disowned) but should we not at least wish that before Dr. Mahbubul Haq or Syed Fakhr Imam next feel it proper to pronounce their bits on agriculture, they should spend just one day in the sun, threshing or winnowing wheat? And till they do so clean water for the 66 per cent and rural sanitation for the 13 can wait for I am sure that if they do what I have suggested, their ideas on the subject will undergo a profound change.

CSO: 4220/209

BHUTTO FAMILY'S LEGAL TROUBLES HIGHLIGHTED

New Delhi INDIA TODAY in English 30 Jun 82 p 53

[Text] THE TROUBLES of the Bhutto family never seem to end. Ever since Zulfiqar Ali Bhutto was hanged, his wife Nusrat and daughter Benazir have shuttled between jail and house arrest. And Pakistan President Zia-ul-Haq has never made a secret of the fact that he holds the family accountable for the deeds of the past. To this end he has delved deep into the records of the Bhutto era. The result of all this sleuthing has been two cases which could land the family in dire financial difficulties, if upheld. The Government has sued for the recovery of Rs 55 lakh altogether which Bhutto is said to have misappropriated.

Allegations: One suit has been filed for the recovery of Rs 8.2 lakh which Bhutto is said to have misused from secret service funds. It is alleged by the Government that he 'dishonestly misappropriated' Rs 6.9 lakh from secret service funds for the Pakistan People's Party (PPP). Of this amount the Government claims that Bhutto paid Rs 2.1 lakh to Khurshid Hasan Mir, the deputy secretary-general of the PPP, and another Rs 4.8 lakh to Nasrullah Khan Khattak, president of the PPP in NWFP.

The state suit also alleges that Bhutto paid Rs 44,000 to Naya Daur Motors of Karachi for the repair and freight charges of five jeeps belonging to the NWFP unit of the PPP. He is also said to have printed the PPP manifesto in Baluchi, paying Rs 6,000 from the secret service funds and then prepared fake certificates declaring that the money had been spent in the public interest.

Besides this the Government also claims that around May 1976 Bhutto spent Rs 79,000 to buy a Toyota jeep from a company named National Motors Ltd. This jeep was then sent to his ancestral home Al-M[illegible] in Larkana for his own personal use.

Huge Sums: The second case against Bhutto's heirs involves even bigger sums. In it the Government claims that Bhutto spent Rs 46 lakh for improvement of his mansion in Karachi and Larkana. This case was investigated by the Federal Investigation Agency (FIA). On the basis of the investigation Bhutto was arrested in 1978. However, after he was hanged the case was dismissed by the High Court. Now the Government is pursuing its efforts to recover the money by filing a suit against the family.

It is stated in this suit that in the very first week of assuming office, Bhutto told his military secretary that while visiting Karachi and Larkana he would stay in his own houses. After this, all through his tenure as prime minister, he is said to have forced the Public Works Department to spend nearly Rs 50 lakh for structural improvements, additions, alterations, electrical work and having air-conditioning plants installed.

Initially Bhutto is said to have agreed to pay this sum, but in the end he only paid Rs 3 lakh. The suit also maintains that the air-conditioning plant installed in Bhutto's house in Larkana cost Rs 5 lakh but he only

paid Rs 71,000 for it, which was supposed to be 50 per cent of the depreciated value of the plant.

Bhutto is said to have done the same thing in his other house, 70, Clifton in Karachi. The air-conditioning plant for this house was ordered in 1974 through the Pakistan Embassy in the US and customs duty amounting to over Rs 5.5 lakh on the import of the equipment was evaded. Instead he again had a valuation done and ended up paying Rs 1.77 lakh on the depreciated value of the plant. In all the Government claims that it spent more than Rs 50 lakh on the plants and got back only slightly over Rs 3 lakh.

Protracted Battles: Nearly all the family have been dragged into the suits. Two of his widows, Amir Begum and Nusrat Bhutto have been impleaded as defendants. Besides them, his two daughters Benazir and Sanam and his sons, Murtaza and Shahnawaz are also defendants. His second wife Nusrat has been appearing in the High Court in Karachi regularly to defend the suits. The court has also directed the Bhutto family not to sell their two houses in Larkana and Karachi,or their agricultural land and other property.

Meanwhile Bhutto's third wife, Husna Sheikh, who has always stayed away from the limelight, is also finding herself in trouble. Husna fled from Pakistan just before Bhutto was ousted, in 1977. She is now said to be living in one of the Gulf countries where she owns a hotel. She has now found herself pursued by the income tax department which has issued notices against her for the recovery of dues of Rs 8 lakh. The department has already tried to recover this money by auctioning a piece of land belonging to her in Karachi's posh Clifton locality. However, the public auction failed to attract bidders and the 2,000 sq yard plot was sold for a mere Rs 2.75 lakh which has brought prices crashing down in the area.

But prospective buyers who stayed clear of the sale were probably wise. Husna has already challenged the sale in the Sind High Court and the court has ordered the maintenance of the status quo. Husna's writ seeks a declaration that the income tax demand of Rs 8 lakh be struck down.

While these cases drag on through the courts, some other of Bhutto's friends are finding themselves in trouble. Jam Sadiq Ali, a former PPP minister, and close friend of Bhutto's has been sued by the nationalised Habib Bank for the recovery of Rs 2.1 lakh taken as a loan. He is alleged to have drawn this money as an overdraft but never paid it back. Sadiq Ali has also fled the country and is in Dubai where he is running a hotel.

Nobody knows how these cases will end, but the family is understandably sore about having to face protracted legal battles. One family source puts it bluntly when he says: "General Zia's coup against Bhutto was codenamed 'Operation Fairplay' This, however, is no fairplay but total foulplay."

—QUTUBUDDIN in Karachi

CSO: 4220/209

BRIEFS

LAHORE DEVELOPMENT TERMED WASTE--The World Bank already has more than a single finger in Lahore's development pie. Now one hears the Bank has acquired an interest in developing the old (walled) city, an area inhabited by a million human and (milch) cattle souls. (The sum named is Rs. 4000 million). We have been hearing of dozens of plans and blueprints and decisions to give the walled city a facelift. But the grain market remains where it was in granddad's time. Encroachments are there and multiplying. More and more markets are coming up, gobbling up every inch of space in the city walled and unwalled. One would not mind the addition of another 400 million rupees to our indebtedness provided slums were really removed, and all the markets and 'mandis' shifted scientifically to reduce congestion around residential districts. That is like asking for the moon and we know that the moon is not for us. Why not then restrict all investment--borrowed or indigenous--to the clearing of garbage, removal of encroachments and ensuring that old houses worthy of being pulled down immediately are pulled down immediately so that no loss of life is reported when the rains come as come they must every monsoon. [Husain Naqi] [Text] [Lahore VIEWPOINT in English 10 Jun 82 p 9]

KASURI CRITICAL OF DETENTION--Mian Mahmud Ali Kasuri of the defunct Tehrik-i-Istiqlal said here on May 31 that restrictions on courts had rendered them totally ineffective in matters of civil rights and political liberties. He ruled out early release of his party chief Asghar Khan, now detained under MLO 12 as the order has been so modified that he could be confined for an indefinite period. He said according to ulema, detention without trial was un-Islamic. He was critical of what he described the partisan attitude of the Government towards certain parties who were free to say whatever they wished and their leaders could go wherever they liked. He said, "One needed almost a visa" to move from one Province to another. And that, he remarked, amounted to dividing and not uniting the country. Mian Kasuri spoke also about the plight of the Biharis who, it is reported, have become beggars in India. Said he: It was "regretable" that while 27,00,000 "foreigners" were being treated as mehmans, the Bilharis who were patriotic Pakistanis were not allowed to settle down here. They were languishing in Bangladesh camps. [Text] [Lahore VIEWPOINT in English 10 Jun 82 p 16]

CSO: 4220/209

JAPAN OFFERS AID TO END BROWNOUTS

Manila BULLETIN TODAY in English 2 Jul 82 pp 1, 12

[Article by Brenda P. Tuazon]

[Text]

An eight-man Japanese technical-cooperation delegation now in Manila said yesterday that it will send experts to study the causes of brownouts in this country.

Seiichiro Otsuka, head of the mission, said it will include financing aid in its recommendations on brownouts to the Japanese government.

President Marcos had earlier created a committee headed by Prime Minister Cesar Virata to oversee National Power Corp. measures for ending the series of brownouts. The President acted following widespread public complaints over the effects of frequent power failure.

Otsuka, who is economic cooperation bureau chief in the Japanese Ministry of Foreign Affairs, said his government is ready to offer loans to enable the Philippines to buy the equipment for supplying the power needs of Metro Manila and the provinces.

Otsuka said the Japanese delegation, here on a three-day visit, will check on the progress of Japan-Philippine projects under the $200-billion bilateral technical assistance to Asean countries.

Japan's overall assistance to Asean members covers a massive program which trains Filipinos and other nationals from the region in various specialized fields.

Japan in return sends its experts to the Philippines and other Asean nations.

Aside from supplying equipment and financial assistance to developing nations, he said his government has adopted the Overseas Cooperation Volunteers Program under the Japanese International Cooperation Agency (JICA).

Under this program, young experts may enlist and offer their resources in various specialties like agriculture, sports, communication and transportation.

Otsuka said Japan is implementing three new projects this year under the human resources development program which covers industrialization, agriculture, rural development, energy development, and human resources.

Otsuka said Japan's $100-million economic aid to Asean nations will include the Bohol agricultural promotion complex project.

He said the Japanese development survey program is now carrying out 13 projects, like the aerial topographic mapping of Cagayan Valley and Mayon volcano and the rural telecommunication projects covering the Bicol region.

Also being carried out is the port development program of San Fernando, La Union, Panay river basin flood control study, and satellite communication for improved weather forecasting and information.

CSO: 4220/222

MINDORO PC COMMANDER EXPLAINS POLICIES

Manila BULLETIN TODAY in English 7 Jul 82 p 18

[Article by Del Villanueva]

[Excerpt]

The PC command in Oriental Mindoro said yesterday that the maintenance of peace and order in that province is being pursued in keeping with the constitutional rights of the people, upholding the supremacy of the law, coupled with the intention to be compassionate and humane in dealing with the civilians.

Lt. Col. Rogelio G. Valentin, PC commander and INP superintendent, said his command even encourages the people to come out and file charges against abusive military and police personnel as well as against civilians using the names of ranking military officers in the province for mulcting and extorting activities.

Valentin said the alleged "martial law hangover" of military authorities in the province as reported by a newspaper columnist is without basis.

He said the reported coercion made against a local newsman by his command is not true because the only purpose of inviting him to visit the office of the PC commander was to clarify and determine the veracity of the news item about the alleged mulcting and extortion activities of some civilians using the names of high ranking military officers in the province.

"All I wanted from the newsman was to assist the PC command in determining the person or persons who made such report so that we could immediately conduct an investigation on the alleged illegal activities with the end in view of imposing disciplinary action as to whoever among my men are responsible for such anomalous activities," the PC commander said.

At the same time Colonel Valentin also denied a report that his command was allegedly involved in settling cases against suspected drug pushers in exchange for monetary considerations.

CSO: 4220/223

CASH DEFICIT REPORTED

Manila BULLETIN TODAY in English 3 Jul 82 p 14

[Text]

A fiscal deficit of ₱2.62 billion was incurred by the national government in May, raising the cumulative deficit to ₱6.0 billion from January to May, the bureau of treasury reported yesterday.

Budgetary receipts totalled ₱3.04 billion up by 30.51 per cent from the level a year ago of ₱2.33 billion. Tax revenues, mostly coming from the bureau of international revenue and the bureau of customs, amounted to ₱2.45 billion, reflecting an increase of ₱233.74 million or 10.54 per cent.

Budgetary disbursements, on the other hand, amounted to ₱4.79 billion in May, growing at a much faster rate of 16.50 per cent as compared to the increase in receipts.

Bulk of the budgetary expenditures went mostly to operating expenses which aggregated ₱2.465 billion and capital outlays which amounted to ₱2.19 billion.

The cash operations of the national government in May ended in a cash balance of ₱16.255 billion, posting an increase of ₱1.27 billion or 8.51 per cent from the cash balance at the end of May last year.

Net public debt incurred during the month amounted to ₱591 million. From January to May, total public debt borrowed by the national government amounted to ₱5.25 billion, of which ₱4.27 billion came from domestic sources.

CSO: 4220/222

MUSLIM LEADERS SUPPORT FAMILY PLANNING

Manila BULLETIN TODAY in English 1 Jul 82 p 5

[Text]

Two highly respected Ulamas Muslim religious leaders, Ustadz Abdulgani Yusop, grand mufti, and Imam Yacob Ismi, the high imam of Sulu, said that the population and family welfare program in Southern Philippines is gaining ground with the positive involvement of the religious leaders.

They expressed this sentiment upon their return from a two week study-observation tour of the Indonesian population program, looking particularly into the active support by the ulamas in the implementation of the Indonesian family planning program.

They also said that Islam is not against family planning. "We shall try to adopt some experiences in Indonesia in involving the ulamas in the promotion of the concept of planned family," they added.

The grand mufti, Ustadz Yusop, is the chairman of the council of Ulamas. He finished his doctorate in Islamic philosophy at al Ashar University in Cairo, Egypt. Imam Yacok Ismi is the vice-chairman of the council and is the president of the Madrasa (Islamic school) based in Jolo, Sulu.

The other members of the observation study group to Indonesia were: Jose G. Rimon II, Popcom deputy national program coordinator and team leader; Rene Bautista and lawyer Ramon de la Fuente, Popcom regional officers from Western and Central Mindanao: Mentang Kabagani, and Bashir Ingkoh, provincial population officer of Maguindanao and Tawi-Tawi, respectively. Gov. Ali Dimaparo of Lanao del Sur and Gov. Sandiale Sambulawan of Maguindanao were not able to join the study visit.

The team noted the high commitment of the Indonesian government to a strong population program. They said this was evident from the support given starting from President Suharto down to all the governors, regency and city mayors, and the village leaders.

CSO: 4220/222

NPA, HUK INSURGENCIES COMPARED

Manila BULLETIN TODAY in English 4 Jul 82 p 6

[Article by Apolonio Batalla]

[Text] Offhand some points of comparison can be made between the Huk movement in the late 1940's and early 1950's and the present NPA insurgency.

One difference is while the Huks laid stress on communism, the NPA's are increasingly neglecting the need to propagate communism. That is as far as we can see.

Maybe the NPA's have learned a lesson from the past. In our country it is difficult to make people understand what communism is. The philosophical basis for communism cannot readily be absorbed by the masses who are not in fact that poor and that oppressed. Consequently, the true believers are limited to a few.

That was the lesson learned by the Huk leaders themselves. If the movement spread and was able to knock on the door of Manila it was because its strength derived from the determination of the aroused peasants in the central plan of Luzon. There were no Huk groups of consequence in other parts of the country.

The present NPA's do not stress communism, and since there are hardly any rice tenants to woo they attempt to make up for this by enlisting the support of other kinds of peasants and agricultural workers, especially those in the depressed areas of Quezon, the Bicol region, Eastern Visayas, Western Visayas and in the Davao provinces.

Another point of comparision is the quality of leadership. Then as now rebel leadership was fiercely determined and had integrity. They were motivated by deep conviction.

The difference lies in age and flexibility. The Huk leaders were relatively older than the NPA leaders. Moreover, the present movement seems to have more intellectuals.

If the NPA's no longer dangle the charms of communism to would-be adherents, they do stress grave and specific shortcomings of the government such as graft and corruption, the slow administration of justice, military abuses and hypocrisy of some in the government.

They also stress the poverty of the people in the rural areas.

It should be noted that for every grievance pointed up by the rebels the government has an answer in deed.

For example, people suspected of having committed irregularities in the disposition of funds or of bribery are investigated and prosecuted before the Sandiganbayan.

Much effort is directed at speeding up the administration of justice by the courts. Undesirables in the Armed Forces are being punished.

Numerous public works projects have either been completed or are being constructed. Agricultural production has been increased to the extent that the nation is self-sufficient in rice.

The list of achievements is long.

Still another point of comparison between the Huk rebellion and the NPA effort is the duration and magnitude of the struggle.

Offhand, it seems that the fighting during the late 1940's was more intense but shorter in duration than the current struggle of the NPA's.

Government NPA encounters involve less men, but the fighting takes place in more provinces. One is tempted to conclude that the NPA's are better guerrilla fighters than the Huks.

Also, they are not as easily appeased. And as long as they are not neutralized they will be a thorn in the side of the present order. They may not pose a serious threat, but they are nonetheless a threat.

Probably there is no better formula of dealing with the NPA's than dedicated government service at the grass roots.

Many government servants in the countryside are simply coasting along. They appear to inflate their achievements in order to obtain promotions. And it is this kind of conduct that encourages the rebels.

It should be noted, however, that if on the whole the government had been negligent the rebellion would already have spread like wild fire. This country would not have been the same.

It should also be noted that some policies take time to implement and when implemented do not bear fruit right away.

A more effective government working under these conditions have yet to be proven.

CSO: 4220/222

COLUMNIST CHARGES IMPROPER USE OF MILITARY INTELLIGENCE

Manila BULLETIN TODAY in English 30 Jun 82 p 7

[Article by Nick T. Enciso]

[Text]

The so-called military intelligence is a vital arm of the Armed Forces whose operations are also conveniently and effectively relied on by the civil government. Wars have been won and critical policies of government adopted as a result of positive military intelligence. The Falkland Islands war was won by the British in no time with few casualties because of efficient military intelligence.

* * *

On the other hand, when used for personal and selfish ends, especially for political expediency, the objective becomes obvious causing embarrassment to the establishment. An example is the situation in Cavite which hogged the limelight in recent weeks. It started when Cavite Governor Johnny Remulla, fulfilling a pledge to the President that he will rid his province of criminality, including smuggling, apparently had stepped on the toes of some junior military officers. Here's when the so-called military intelligence started to build up derogatory reports, picturing him (Remulla) as one coddling criminals, organizing a private army, allowing smuggling, etc.

* * *

With disparaging reports, Remulla almost became persona-non -grata to top military bosses. Taking advantage of the fix Remulla was in, his political enemies, some of whom were envious of his strong political hold on the province, were reported to have connived with the few military officers who were out to get Remulla. Even Brig. Gen. Andres Ramos, PC regional commander for Southern Tagalog who is a professional and upright soldier, was almost dragged into the power play if not for the timely intervention of Defense Minister Johnny Ponce Enrile and PC chief, Major Gen. Fidel Ramos, who reconciled the two officials.

* * *

Barely had the improved civilian-military cooperation in Cavite started when the barangay polls were held and another irritant came up specifically in Tagaytay city. Because of the almost unanimous election of barangay captains in that city known to be sympathetic with the KBL administration of Mayor Hilarion Maglabe, reports circulated that some smart local opposition leaders teamed up with the same group of junior officers who were against Remulla. But this time Maglabe was the target. The Tagaytay mayor has been made to appear to be coddling a wanted person who used to harass his political enemies.

* * *

To make things turn from bad to worse, intelligence reports claimed that this wanted person, who is now the object of an intensive manhunt, is out to kill known opposition leaders of that resort city and ranking military and civilian officials who frequent the area, including Defense Minister Enrile. Of course local neutral observers took this report as another move to involve the defense minister in the local political squabble—a futile move nevertheless, as Enrile is not that naive.

* * *

Politics, it is claimed, is behind the killing of a toughie, a former policeman and a resident of nearby Silang shortly before the barangay polls. A month later, the father of Nuestro, Rafael a retired policeman with excellent record, together with a former PC sergeant who are both Tagaytay residents, were arrested and now facing court charges as suspects in the Silang killing. This arrest, according to military quarters, triggered the killing of the two policemen of Mendez, one of whom was reported to have been mistaken for a police officer. This incident is of course an isolated one to tarnish the excellent peace and order record of Tagaytay and the rest of Cavite province.

CSO: 4220/210

NEW MILITARY POLICIES ISSUED IN DAVAO

Manila BULLETIN TODAY in English 1 Jul 82 p 22

[Text]

DAVAO CITY — Brig. Gen. Pedrito de Guzman, new head of Region XI military command, said the policies of his command aimed at gaining public confidence in the military.

Trying to erase the tarnished image of the military because of some alleged mistakes in the peace and order policies, de Guzman:

— Gave gambling lords until June 15 to end their operations of "jueteng," a Chinese numbers' game racket which has proliferated in Davao, jail-alai, "last two," another numbers game racket, and other forms of gambling;

— Ordered the return of foot patrols within the city and the strict enforcement of the ban against gun-totting;

— Organized the PC-police field strike force to serve as the main force against criminal elements and dissidents;

— Ordered the use of armored vehicles in the fight against crimes in all cities and provinces in Region XI;

— Abolished all military checkpoints and if there is any need for them, they will be manned by responsible officers. De Guzman stressed that "I do not like to see any CHDF manning any checkpoints;

— Stressed the importance of military-civilian relationship in maintaining peace and order, and;

— Announced that his command will be "willing to give enemies of the government a chance to go back to the folds of the law, but would take drastic measures within the bounds of the law to crash those who would use violence to fight the government.

De Guzman ordered all commanders under to enforce strickly the firearms ban, stressing that military personnel carrying long arms must be in proper uniform and must carry memorandum receipts and mission orders when entering Davao city.

On civilian operatives, de Guzman explained that they should not be allowed to carry firearms. He said that his command will immediately tackle the peace and order campaign in Davao city, saying that "if we can succeed in Davao city, we can succeed anywhere in the region." — RCC

CSO: 4220/222

ARMY CHARGED WITH KILLING CIVILIANS

Manila BULLETIN TODAY in English 2 Jul 82 p 32

[Article by Benny S. Burgos]

[Text]

MALOLOS, Bulacan, July 1—The reported killing of five persons in San Rafael, Bulacan, last June 21 was not an encounter between the New People's Army and government troopers, members of the victims' families said here today.

The testimonies were made in a meeting held yesterday at the Bishop's Palace here between church leaders, concerned groups, and relatives of the victims. The meeting was called in response to the latter's request seeking justice for the death of their relatives.

The families' claim refuted earlier reports that five NPA members were slain in an encounter with elements of the 175th PC company under one Major Baluyot in Pulo, San Rafael.

The newspaper account did not disclose the identities of the fatalities but sources identified them as Renato Marimbo, 26, of San Ildefonso; Edwin Borlongan, 20, of Malolos; Celestino Medina, 26, of Hagonoy; Danilo Aguirre, 27, and Teresita Llorente, 20, both of Meycauayan.

Despite the families' efforts, only the bodies of Borlongan and Marimbo were recovered from the San Rafael town hall.

During the meeting, the relatives also disclosed that the victims were arrested by some 30 PC soldiers at about 10:30 p.m. of June 21 in barangay Balatong, Pulilan, Bulacan.

It was claimed that the five were sprayed with bullets in a remote barrio in San Rafael after they had been maltreated by their captors.

Their bodies were later brought to the San Rafael town hall where the military reported the "encounter," the relatives said.

Witnesses said the victims were unarmed when apprehended while having a meeting in a house in barangay Balatong.

CSO: 4220/222

REPORT CITES UNION GAINS

Manila BULLETIN TODAY in English 2 Jul 82 p 9

[Text]

Filipino workers are increasingly conscious of the importance of unionism in their worklife.

This was the conclusion of the Labor Statistics Service in a report to Labor Minister Blas F. Ople.

According to LSS Chief Sonia Castro, figures on labor organizations covering 1980 and 1981 show that the number of unions had increased from 1,576 in 1980 to 1,747 in 1981 and rose further to 1,927, by mid-1982.

Total union membership also rose from 1,920,623 in 1980 to 2,220,528 in 1981—by 16 per cent. By mid-1982, membership increased to 2,259,335 or 4,931,348 if the members of the National Congress of Farmers Organizations are included.

The LSS report on labor organizations came out with these observations:

Unionism is most practiced in the manufacturing sector, which had in 1981 the biggest number of local unions, 969 and the largest in membership among the industries 248,726.

Next was the industries group of transport, storage and communication, with 254 locals and 71,873 union members. Distributive and service trade had 226 locals, and was fourth in membership with 26,348.

The industries group of community, social and personal services had 131 unions, which reported a combined membership of 22,150 workers.

The group of financing, insurance, real estate and business services registered 56 unions, with 17,662 unionists. Many of these members were white-collar workers such as accountants, credit analysts, insurance adjusters, counselors.

By region, the national capital region (Metro Manila) was on top of the list, registering 1,177 labor organizations in 1981. Similarly, it was the leader in union membership 262,666 workers.

The NCR unions were predominantly labor organizations in the manufacturing industry 716 of the 1,117 workers' groups in the area. And of 262,666 unionized workers in the region, 156,755 were factory workers.

Distributive and service trades placed second in 1981 in the number of unions, having 171 of the total in the region. This group, however, was only third in union membership, 21,549 workers.

CSO: 4220/222

INDEPENDENT INVESTIGATION OF SAMAR KILLINGS URGED

Manila BULLETIN TODAY in English 7 Jul 82 p 32

[Text]

An opposition member of the Interim Batasang Pambansa asked Defense Minister Juan Ponce Enrile yesterday to create an independent group to look into reported killings in Northern Samar.

Assemblyman Reuben R. Canoy cited the big number of what he called mysterious deaths in the province, which has aroused an outcry from various sectors in Samar and in Leyte.

Canoy said he proposed the investigation after receiving complaints from civic, religious, and media quarters against supposed military brutalities on civilians.

He said the incidents were extensively reported by two pro-government newspap-

the session hall under tight guard starting this afternoon to prevent sabotage.

He also requested the police not to allow other persons other than barangay captains and duly accredited persons inside the session hall. (CANJR.)

ers, the Reporter in Tacloban city and the Leyte-Samar Forum in Catbalogan, Samar, as well as by radio stations in the areas.

Canoy cited the murder of Dr. Remberto de la Paz in Catbalogan, the killing of young boys in Daram and 210 civilians, including women and children by mortar shells in barangay Somoroy, Lope de Vega, all in Northern Samar.

Replying to an earlier query, Gen. Fabian Ver, armed forces chief of staff, denied the Lope de Vega massacre and other Samar killings and the report that the military or related groups had a hand in them.

Ver said such incidents would have been too big to have escaped his attention.

After writing an editorial in the Reporter on the Samar killings, publisher Agustin Arnaiz, was charged with rumor-mongering by Lt. Col. Hernani Figueroa, assistant chief deputy for intelligence of the Eastern Visayas command.

CSO: 4220/223

POLICE, SOLDIERS WARNED AGAINST WRONGDOING

Manila BULLETIN TODAY in English 4 Jul 82 p 18

[Article by Efren P. Molina]

[Text]

BALANGA, Bataan — Lt. Col. Benjamin O. Feliciano, Bataan PC commander and INP superintendent, said yesterday that he would not countenance any wrongdoing any erring member of his command.

Speaking at the first PC sponsored monthly dialogue with newsman, Colonel Feliciano said his command would dispose of within 24 hours any complaint against misbehaving PC soldiers or policemen.

Colonel Feliciano urged the people to report to him any unruly PC soldier or policeman so he could take the necessary action against him. He said misbehaving law enforcers have no room in his command.

He said he would recommend, if the situation warrants, the dismissal from the service of the policeman who roughed up a town official of Limay during the mass oathtaking of the barangay captains and councilmen of that town last June 7.

Colonel Feliciano said he immediately ordered the policeman disarmed and grounded him at the PC headquarters after learning of the incident. He identified the policeman as Pat. Anselmo Labrador, member of the Mariveles INP.

The mauling victim was Francisco Manuel, municipal administrator of Limay. Manuel, a religious and civic leader, is an Ilocano who settled down in Limay years ago. He filed a criminal complaint against Labrador.

Colonel Feliciano appealed to newsmen during the dialogue for fair news reporting. He said that slanted news reports can be exploited by the enemies of the state for their own ends.

The PC commander said he considered the media people as partners in the peace and order drive of the government. He appealed to newsmen to write not only adverse stories against the government but also the achievements of the government.

Present during the dialogue was Maj. Tua Ulama, assistant PC commander.

CSO: 4220/223

EDITORIAL DEPLORES POLICE VIOLENCE

Manila BULLETIN TODAY in English 3 Jul 82 p 6

[Text]

A commendable study is that made by the National Police Commission showing that unnecessary violence is employed by the police in roughly one of four cases. If the finding is significant the motives for undertaking the survey were clearly well-meaning, for they sought to determine police and civilian attitudes and to lay down the basis for a higher degree of public support for the police.

In the light of the study, Defense Deputy Minister and Napolcom Chairman Jose M. Crisol had good reasons to advocate a "broad education" for policemen "that can provide awareness of the social context of policing, the responsibility of public power in a democratic society, and the ethical and moral dilemmas which attend law enforcement in a liberal society."

In our social milieu the deeper that awareness on the part of the individual policemen the better will it be for the society because the police are leaders. People who enforce the law perform a leadership function.

The fact established by the survey that unnecessary force is often used indicates that that role is not being played satisfactorily.

CSO: 4220/222

SHORT TERM LOAN RATES LIFTED SOON

Manila BULLETIN TODAY in English 7 Jul 82 p 20

[Article by Loreto Cabanes]

[Text]

The last remaining interest rate ceilings — those on loans with maturities of one year or less — will soon be lifted by the Central Bank to complete a deregulation on interest rates began a year ago.

Governor Jaime C. Laya of the Central Bank announced yesterday the CB was already in the final stages of a study that would pave the way for the eventual lifting of the remaining rate ceilings.

Speaking before the bank marketing conference yesterday, Laya said the study was intended to make sure that the removal of the interest rate ceilings on short-term loans would not shorten maturities on lendings and disrupt the fund markets significantly.

He was not, however, sure when the lifting would take place but expressed the hope it would be soon.

Edward S. Go, president of the Bankers Association of the Philippines (BAP), in a separate interview, said the BAP was in favor of lifting the short-term rates now when loan demand was so low that the freed interest rates would not be able to rise so high that they would be out of line.

Laya mentioned two measures now in place that augurs well for lifting the ceiling on short-term loans. These are the functioning open-market operations of the CB and the rediscounting window for medium and long-term loans that was recently opened at the CB.

In addition, he said that instituted controls on the commercial paper market that limit which firm and the corresponding amount that they could borrow through the commercial paper market would guard against the shortening of maturities for bank lendings.

The financial reforms introduced two years ago, which included abolition of interest rate ceilings and the gradual lowering of the required reserves of banks, were mean to make available the funds from the financial system for medium and long-term lendings to support the requirements of business and industry.

Laya also said that the CB has to be very sure before such ceilings were lifted that normal interest rate curves develop to avoid violent disruption in the funds market.

CSO: 4220/223

KKK SOURCE OF NEW MIDDLE CLASS

Manila BULLETIN TODAY in English 6 Jul 82 p 14

[Excerpt]

MALAYBALAY, Bukidnon. — State Minister Antonio R. Tupaz of Local Government told local officials, educators, civic leaders and businessmen here today that President Marcos and the First Lady are determined to convert the Philippines from "a mere consumer economy into a leading Niagara and supplier of the 11 basic needs of mankind in Asia and Africa."

Speaking before the induction of officers of the Malaybalay Mt. Kitanlad Lions and Lioness, the assemblyman from Agusan del Norte said the KKK projects which are directly and personally managed and monitored by the President and the First Lady will bring about a new middle class in the Philippines who will chart the political, cultural and economic behaviour of the Filipinos in this coming decade.

Tupaz said that while the national leadership is committed to industrialization and the development of the finest technologies comparable to those of the developed countries, the priority of the President and Minister of Human Settlements Imelda Romualdez Marcos is to raise the poor up to the level of a strong middle class.

He exhorted the civic, education, student and business leaders to be united behind the national leadership "not only in economic and socio-cultural program but as well in attitude, forgetting, even in the meanwhile, the adversary and contentious syndrome engrafted into our culture by foreign institutions."

Minister Tupaz said the Philippines must respond to the "new wave of economic ferment" in the world occasioned by the decision of the super powers to concentrate their resources in super technology and leave to the developing countries the function of producing the basic needs of mankind such as food, clothing, medicine and shelter.

"Unless we are united as a people," Tupaz stressed, "we shall forever stagnate as mere sources and suppliers of raw materials needed by the developing countries in Asia and thus remain as the most outstanding consumers in the world."

Tupaz, who was chairman of the recently concluded ASEAN conference of parliamentarians coming from Indonesia, Thailand, Malaysia, Singapore and the Philippines, said that the Filipinos cannot afford "contentions and bickerings since these will only sap the talent and resources of our people, leaving them unprepared to cope with the economic and cultural competition from countries in the Asian basin."

CSO: 4220/223

COLUMNIST SEES BENEFICIAL FALLOUT FROM NPA

Manila BULLETIN TODAY in English 5 Jul 82 p 6

[Article by Apolonio Batalla]

[Text] One can look at it philosophically and say that the NPA insurgency acts as a goad to performance.

It is reasonable to regard it from that angle. We can say that if it had not been for the MNLF rebellion, the Muslim-dominated province of Mindanao would still be sadly neglected now. At government-sponsored development of those provinces would not have been as spirited as it is.

We can also say that if it had not been for the Huk rebellion, there would not have been a compelling reason to institute agrarian reform.

Because of that insurgency the liberal thinkers in our government fought to enact an agricultural reform code even after the back of the rebellion had been broken.

Later, because the law had been proven inadequate, the President issued the decree emancipating the tenants from the bondage of the soil.

The necessary economic and social reforms were made but at a high cost to the nation.

What we should aim at as a people is to be able to institute reforms in the government and in the socio-economic order at the least cost, and certainly not at the cost of many lives.

We have not yet reached that goal because there is insurgency, and the insurgency mirrors the imperfection in our government and society.

In any case, the government and indirectly the society have to be goaded and prodded. The population is fast increasing and all the additional people have to be fed, housed, clothed, educated and given many other kinds of services.

If we ponder the situation we cannot allow the Philippines to be like China or India, for if we let the situation ride there will be no hope for a better life for Filipinos in the future.

Before the war and for some time after the war, government was relatively simple. The Post Office Building, the City Hall, and the Congress Building, among other edifices, were for the purposes for which they were built.

The demands on government have grown immensely, and it is not surprising that City Hall has become a rabbit's warren, divided into so many cubicles and dark passageways that dishonor the spirit behind the construction.

If we look at the edifices of the ministries and relate them to the functions of those agencies we realize how the demands on the government have grown.

More importantly, we realize how the government has failed to keep up with the demand for so many years. Even the public schools have suffered. The government cannot even provide medicines for the dental care of the school children. And the University of the Philippines is in danger of becoming a second-rate institution for lack of funds.

The government hospitals are crowded while many poor people cannot afford hospitalization in the private hospitals. In the rural areas there are doctors but no medicines.

In our younger days there were hardly any squatters in Metro Manila and those few that could be found could easily be evicted. But now the solution has become more difficult to come by.

It takes no great effort to see that as the population grows the government has to improve its performance if life in this country is to improve.

If life becomes more difficult, it will be harder to maintain law and order. Hence, it becomes easy for some visionary to step out and impose a dictatorship in the name of law and order.

Some degree of anarchy or breakdown in national discipline usually provokes a heavy-handed treatment of the people by the government. This is true even in the developed countries: France in 1968 and the US at about the same period.

Somehow in certain cases, democracy has to suffer, if not completely then for a short period.

The people who by specific acts weaken the economy wittingly or unwittingly weaken the underpinnings of democracy in this country.

CSO: 4220/223

EDITORIAL EXAMINES FUEL PROBLEMS

Manila BULLETIN TODAY in English 6 Jul 82 p 4

[Editorial]

[Text] The situation in which there is too much gasoline but too little diesel fuel, relative to demand, is one that could not have been accurately foreseen a few years back.

It is true that some such situation could have been foreseen on account of the pricing policy. By setting the prices of gasoline at a high level the government discouraged the consumption of the commodity to a considerable extent. By setting a much lower price for diesel fuel, the government encouraged "dieselization." Still the magnitude of the disparity in consumption could not have been predicted with accuracy.

Besides, the pricing policy must have been influenced by a political consideration--as much as possible the government sought to lower the cost of transportation for the masses. By holding down the price of diesel fuel the government encouraged public utility vehicles to shift to diesel engines and by using diesel the operators could charge fares lower than if they had stuck to gasoline engines.

It appears that the disparity in the consumption of the two types of fuel has become intolerable. Somehow the gasoline prices have had to be lowered by 10 centavos per liter. The question is whether there will be an increase in the price of diesel fuel.

The question is an important one and has had to be raised to the Cabinet level. It is also a difficult problem because of the number of variables involved, among which are the cost of importing additional diesel fuel, the proceeds from the exportation of gasoline, the possible effect on overall production and on the cost of living.

The best solution would be a policy that in the final analysis would be least burdensome to the nation.

When the course of action has been chosen, it must be fully justified to the public.

CSO: 4220/223

COPPER, SEMICONDUCTOR INDUSTRIES GET GOVERNMENT AID

Manila BULLETIN TODAY in English 4 Jul 82 pp 1, 11

[Article by Willie NG]

[Text]

President Marcos acted yesterday to safeguard two vital export industries, copper mining and semi-conductor electronics.

To avert a shut-down of major copper producers due to the depressed world copper prices, he ordered the state-owned National Development Co. to buy up copper production from this month to December at 75 US cents a pound.

This is the break-even price for copper ore production, about 15 cents higher than the world price of less than 60 cents a pound.

Hence, for the next six months, copper mines can continue operating at break-even point while the NDC absorbs the risks for them and the losses as well.

All copper mine operators had told the President that without government relief, they would have to shut down, resulting in a loss of 30,000 jobs and hundreds of millions of dollars in lost income.

Annual copper production stands at 700 million pounds. Even at the depressed price of 60 cents a pound, that would mean income of $420 million.

The President also issued Executive Order 815 declaring it a state policy to maintain an investment environment "conducive to the growth and development of the semi-conductor electronics industry."

He said the industry now accounts for some 20 per cent of the world merchant semi-conductor assembly production.

Moreover, foreign investors view the Philippines as having "an attractive, cost competitive environment."

To maintain this good environment, he said, the government should provide maximum operational flexibility, adequate supply of skilled labor and training to ensure a continuing supply of skilled engineers and technicians.

The President said that investors must be encouraged to evolve higher levels of assembly processes and automation. A viable consumer and industrial electronics products in-

dustry must be developed to serve both domestic and export markets.

He authorized more incentives for the industry, such as exemption from taxes and duties on spare parts importation, from contractor's tax and from tax on accumulated profits and surplus.

Furthermore, he said, the semiconductor industry being a vital one, the Ministry of Labor, in the event of a strike, must at once assume jurisdiction, deciding it or certifying it for compulsory arbitration.

In a supplementary move, the President authorized Minister of Trade Roberto Ongpin to ask Japan, which buys almost the entire copper production, to give an advance payment of $120 million to enable the Philippine government to subsidize this aid program for copper producers.

The industry pointed out that if mines close down, the copper smelters of Japan would likewise have to shut down.

The government would hedge its risks in the subsidy program by buying copper futures in the world market.

The mining companies welcomed the President's action. Among those who would benefit from it are Atlas, Marinduque, Marcopper, Benguet, Lepanto, CDCP Mining, and Philex.

CSO: 4220/222

BRIEFS

MAYOR'S SLAYER SOUGHT--Davao City--Brig. Gen Pedrito de Guzman, Region XI commander said yesterday he has ordered a shoot-to-kill order for the six or seven suspects still at-large believed responsible for the gunslaying of Digos, Davao del Sur Mayor Ninito Llanos, Jr. and a barangay captain at Barangay Aplaya of that town last Saturday evening. Gen De Guzman's order came in the wake of the capture of one of seven suspects the other day and the full identification of the six others. However, he requested that identities of the suspects be withheld pending their arrest. The suspects belong to the higher echelon of the NPA operating in Davao del Sur and identified as members of the Sparrow Unit, the liquidation squad of the terrorists. The PC/INP regional commander said that charges of multiple murder, frustrated murder and illegal possession of firearms were filed with the court against the suspects and warrants for their arrest were issued. It will be recalled that Llanos, 42, was with his wife, Mrs Gavina Llanos, to crown the fiesta queen of Barangay Aplaya that Saturday night. During the celebration, one of the gunmen inched his way towards Mayor Llanos and fired point-blank at him. The mayor suffered four gunshot wounds while Barangay Captain Kasuki Mamac was hit fatally twice. Both died on-the-spot while Mrs Llanos was seriously wounded. She was rushed to the San Pedro Hospital for treatment. (GMA). [Text] [Manila BULLETIN TODAY in English 4 Jul 82 p 40]

CEBU CONTAINER PORT--Foreign shipping lines hailed last weekend the Philippine government for starting the construction of the 373-million international container terminal at the port of Cebu. Philippine Ports Authority (PPA) said that at least 10 hectares of the 169-hectare reclamation project have been cleared of 100 squatter-families. The International Bank for Reconstruction and Development (IBRD) is financing this project. When completed, port congestion will be solved and the government's revenues improved. Statistics showed that Cebu's international terminal project has been considered as one of the biggest terminals in the Asean region. Meanwhile, UNCTAD study showed that ships under Greek flag regularly ignored safety laws and had high casualty rates. The study also indicated that "developing countries could increase their merchant fleets by about 70 million tons and earn about $5 billion more in freight rates annually if they win their battle against the flags of convenience." It added that these ships would register in Third World countries offering sufficient maritime labor force. When carried out, it would ensure more job opportunities for the Third World sailors. [Text] [Manila BULLETIN TODAY in English 5 Jul 82 p 6]

LIBYAN STUDENTS COMPLETE PROGRAM--The Libyan People's Bureau of the Socialist People's Libyan Arab Jamahiriyah and Brig Gen Florencio F. Magsino (ret.), president of the International Center for Technology Transfer, Inc. (ICTTI), a Landoil affiliate, announced that the English-language program for 412 Libyan students has been satisfactorily completed and that the students would now return to Libya. At the same time, the Libyan People's Bureau and ICTTI said that the cases filed against five Libyan students who were reported facing criminal charges have been dismissed. ICTTI also announced that contrary to earlier reports, the Kamaya Point hotel has not filed any suit against the five students. The charges against the five students which rose from personal differences were withdrawn by the complainants, a Vietnamese and a Filipino national, Magsino said. The five Libyan students were among 412 Libyans who undertood an intensive English course under the International Center for Technology Transfer, Inc. The Libyan People's Bureau thanked the Philippines and ICTTI of the Landoil group for undertaking the training of Libyan students which, it said, underscored the special relationship between the Libyan and Filipino peoples. [Text] [Manila BULLETIN TODAY in English 7 Jul 82 p 5]

GEOTHERMAL PLANTS SET--More geothermal plants will be set up this year in certain areas of the country. Prime Minister Cesar Virata announced this after the signing of a protocol for loans amounting to $116 million. The Export-Import Bank of Japan granted the loan to help the Philippines implement its electric power development under the Five-Year Plan (1981-1985). Virata said the loan was "very significant to energy-starved Philippines in view of the frequent power failures in Metro Manila." It will also provide jobs for the unemployed in the rural areas where the project will be set up, he said. (FTF) [Text] [Manila BULLETIN TODAY in English 2 Jul 82 p 5]

COTTAGE INDUSTRIES TOP EXPORT EARNER--"We will keep moving." This was the terse reaction of Nacida Administrator Mario R. Reyes to a published report that cottage industry is now the country's top exporter with a record sales of $666 million for 1981, dislodging traditional exports for the first time in Philippine trade history. At the same time the Nacida chief said that Nacida regional managers have been summoned to Manila next week to receive final instruction on monitoring repayments of loans obtained by cottage industry entrepreneurs under the ₱800 million Cottage Industry Guarantee and Loan Fund (CIGLF), a KKK accredited program. Reyes said that as of June 28, ₱100.4 million in loans have been granted to 2,109 cottage industries under the CIGLF. "This was achieved in less than 300 working days from the time DBP and PNB opened their windows for these loans," Reyes added. "Monitoring the repayments is now the next business," Reyes said. "Minister Ongpin, our board chairman, has fielded the Small Business Advisory Council (SBAC) of the Ministry of Trade and Industry to assist us do the job," the Nacida chief announced. "We need this help because this is the most difficult phase of the CIGLF program," Reyes said. [Text] [Manila BULLETIN TODAY in English 3 Jul 82 p 36]

CSO: 4220/222

JVP LEADER ATTACKS UNP AND SLFP

Colombo THE ISLAND in English 1 Jul 82 p 2

[Text] President J.R.Jayewardene was day dreaming of coming back again for another term of office. His theory was that because of the several parties eyeing for power at the next general and presidential elections he would be an easy winner. But to safe guard democracy and human rights there is no other alternative but to defeat J. R.Jayewardene.

For that irrespective of party differences all voters should gather under one banner and decide on a candidate capable of defeating 'the fascist dictatorship'.

So said Mr. Rohana Wijeweera Leader of the JVP addressing a well attended propaganda meeting held at the Senanayake Park Badulla.

Mr. Jayaratne Jayasinghe presided.

Mr. Wijeweera said while the UNP ruled the country for 20 years the SLFP was in power for 15 years. Neither of the parties had done any good to the 'small man'. In the past there wasn't a party in this country to which the down trodden masses could turn to , for solace.

Today there was a national level left - the JVP and the President Jayewardene was afraid of the party. That was why his party had conspired to bring out a charge of 'Bomb factory in Embilipitiya' against his party. The JVP was not scared of such charges because it knew that the people were with it. It had done no wrong to the masses . It s members were not involved in bringing in contraband nor in tender rackets. It could not be blamed for bribery or corruption.The President knew that the people were shifting away from his party because of his racketeers and he also knew that they joined the JVP as it was the only party free of corruption.

He said there was a rumour that the President was eyeing to hold a snap election. The next school holidays were longer than usual. The president knew that it would not do any good for his party by prolonging the elections as the public support was shifting away from him. The JVP would be in a stronger position then. Mr. Jayewardene would not hesitate to do anything to bring disrepute to the JVP. If the rulers acted against the law, Mr. Wijeweera said democracy would not survive in that country. Today that was what was happening in Sri Lanka. This Govt. at its level best, was trying to eliminate the opposition parties and trade unions by under hand methods. This could not be allowed.

That was why he wanted all voters to get-together irrespective of party differences to eliminate the present rulers.

The only party that has come forward with a good plan for the well being of the people was the JVP. So far the people had elected eight Govts. that 'ate' this country. Why won't the masses elect a JVP Govt. this time to develop the country he questioned.

Mr. Wijeweera said that only under a true democracy that a country could be developed. The JVP had instilled a belief in their own class among the oppressed class. No law could kill this belief. All humans were born as equals. But under the present rule while the majority were down trodden, a handful died after a privileged life. If the humans were born as equals they should die as equals. The JVP's aim was to restore this equality. Therefore he requested the masses to give one chance to his party to show how to conduct a Govt.

Messers Udeni Saman Kumara, Mohamed Ayub, Vijitha Ranaweera President Hambantota JVP District Organisation, Wickremapala Herat, DDC Mamber Badulla. Yasapala Gange, DDC Member Badulla, and Gunapala Halpagoda JVP Organiser Badulla also spoke.

CSO: 4220/210

BANDARANAIKE SCORES GOVERNMENT WASTE

Colombo THE ISLAND in English 30 Jun 82 p 3

[Text] The Bandaranaike family had no skeltons in the cupboard because her husband or she had not taken to politics to earn money or do business. She had not invested money in any business, Mrs. Srima Bandaranaike said when she addressed a mass meeting of the SLFP (S) at Divulapitiya.

Mrs. Bandaranaike said that she was a founder member of the SLFP from 1951 when the party had been formed by the late Mr. S. W. R. D. Bandaranaike but Mr. Maitripala Senanayake joined the party much later.

In July 1960 she gave the leadership to the SLFP and won the elections on the request of Mr. Maitripala Senanayake and Mr. C. P. de Silva.

She asked Mr. Senanayake why he or Mr. T. B. Ilangaratne could not give that leadership to the SLFP then. People were prepared to accept only her as leader that was why they had to come to her.

Mrs. Bandaranaike explaining the wastage of money, material and country's resources said that the Prime Minister was celebrating his birthday, and there was a "Gam Udawa" exhibition to coincide with his birthday. This exhibition was costing millions of rupees. Various structures and other buildings had been constructed with people's money and those would be dismantled in a few days which would be an utter wastage.

Mr. Anura Bandaranaike said that their party had now become the strongest party in the country even without MR. Maitripala Senanayake and that was why President J. R. Jayewardene was so scared of Mrs. Badaranaike.

He said that if 51 percent of the voters had voted for the UNP at the last general elections as the President had stated them the other 49 per cent had voted against the UNP. If the UNP was to be defeated they had to get only 2 per cent more and that would be the easiest thing at the next elections.

A person like Mr. Premadasa was able to become the Prime Minister because of the policies implemented by the late Mr. S. W. R. D. Bandaranaike in 1956.

Mr. Lakshman Jayakody MP for Attanagalle presided at the meeting. Mr. Stanley Tillekeratne and several others also spoke.

CSO: 4220/210

EDITORIAL WARNS AGAINST SUBVERSIVES

Colombo DAILY NEWS in English 1 Jul 82 p 4

[Text] The discovery of some Lankans in what are believed to be guerilla training camps in certain parts of Lebanon's now besieged areas has naturally led to a variety of conjectures on our own soil.

As early as 1971, our own Security Intelligence Division alerted the nation to the danger of local groups aligning themselves with foreign organisations.

There are, of course, plain mercenaries or soldiers of fortune in most parts of the world, ready to do a spot of killing around South Africa or elsewhere, for payment. There are several organisations bearing exotic labels and certainly the marxist - led companies, too.

Indeed, in a world in which big nations prefer to fight their battles by proxy, the danger of factions from smaller countries selling themselves for such services becomes all the more serious. Especially so, when more than one party can get in on the act of collecting blood money and secret weapons.

It is known beyond doubt, for example, that at a famous international confab held in Sri Lanka some years ago, lavish gifts changed hands. They were not all presented in the style of diplomatic courtesy or as marks of goodwill. Some of them went to very private hands.

A government which, at the time, was hounding hospital watchers and office orderlies on charges of bribery chose not to take notice of this high - scale oil palming.

Where are the recipients of those gifts then today, gifts of sophisticated wrist - watches and a variety of other goodies?

How come that men who, before that time, were in dire straits suddenly blossomed like oil - rich sheikhs?

The truth is, some of those who struck up various deals with foreign elements could be in business to this hour. What is more, it would be a piece of supreme folly to think that those who forged those links were all tigers from Jaffna.

The insurgency of 1971, it must be remembered, was not any display of tiger dancing. It drew its inspiration from other quarters.

Some of its agents could be in disguise today. It is but wise, then, to keep a check on elements that have grown rich out of dubious transactions.

They must not be allowed to indulge in any intrigue against the people of this land, its sovereignty or its lawfully constituted government. The latter must be on their guard against eavesdropping double agents, against those commissioned to erect listening posts within the ranks of the UNP.

Time and again have we seen this country falling a prey to the snares of flattery and neophytic loyalties. Better the open enemy than the hidden beast of prey. The latter, like the leopard, rarely changes his spots.

It is from such that the dignity and security of the community must be preserved: from their low cunning and treachery.

CSO: 4220/210

JAPANESE GIVE GRANT FOR HOSPITAL CONSTRUCTION

Colombo DAILY NEWS in English 1 Jul 82 p 3

[Text] Notes were exchanged recently at the Ministry of Finance and Planning between the Governments of Japan and Sri Lanka providing for a grant of Yen 3500 million (approximately US $ 14 million or Rs. 288.1 million).

This amount represents the second instalment of an outright grant of Yen 8300 million (approximately US $ 32.7 million or Rs. 677.3 million) being extended by the Government of Japan over a period of three years for the construction of the Sri Jayawardhanapura General Hospital.

The proceeds of this grant will be used by the Government of Sri Lanka to obtain products and services necessary for the construction of the hospital, which include wards, a central diagnostic building, an out-patient building supplementary facilities and for the purchase of equipment necessary for the hospital inclusive of installation services.

The grant is being extended by the Government of Japan in appreciation of the President's visit to Japan in 1979.

Mr. Yoshiyuki Motomuru Charge d'Affaires Embassy of Japan, signed the Exchange of notes on behalf of the Government of Japan and Dr. W. M. Tilakaratna, Secretary to the Minister of Finance and Planning on behalf of the Government of Sri Lanka.

CSO: 4220/210

MINORITIES URGED TO SUPPORT SLFP

Colombo THE ISLAND in English 22 Jun 82 p 2

[Article by Cyril Wimalasurendra]

[Text] Ever since the Jayewardene government took over the reigns the people in the North have lived in fear and suspicion. The cultivators in particular in the North were deprived of their regular income from agricultural products said Mr. Anuruddha Ratwatte, MMC, Kandy, at a recent meeting in Kandy.

Giving pride of place to the minorities did not mean that one or two individuals who were in the Cabinet should make a better living, he observed.

Mr. Ratwatte, was addressing a meeting of residents of Katukelle and Mulgampola in Kandy. The meeting was held to form a committee to assist the SLFP Organiser for Kandy, Mr. H. D. P. Fernando, MMC.

Mr.Ratwatte said that the minority groups of the country were deceived by the present government. The Muslims, if they could recollect the past would no doubt admit that immense services were rendered to them by the SLFP government. The Tamils have already realised these facts.

The UNP pretended they were the saviours of the Tamils, but the unfortunate happenings in the north showed the difference between their word and deed.

He said that the Jayawardene government failed to safeguard the interests of the minorities and save them from social and economic perils.

A handful of Muslims and Tamils who were able to collect more wealth while the Muslims and Tamils who were under-previledged were reduced to nothing.

The UNP deceived both the majority race and the minorities as well, he claimed.

"The Tamils and Muslims were anxiously waiting for the general elections to join hands with the Sinhala people to oust the Jayewardene government".

Mr. Ratwatte, explaining the present position of the SLFP said that there were no groups in the SLFP and that there was only one SLFP with Mrs. Sirimavo Bandaranaike as leader.

Messrs H. D. P. Fernando, MMC, S. Ranasinghe, former MMC, Al-Haj N. M. A. Atheek, Daniel Pinto, David Perera and W. M. Weerakoon also addressed the meeting. A committee was elected to assist Mr. Fernando

CSO: 4220/210

IRAN RAISES CRUDE OIL PRICE TO SRI LANKA

Colombo THE ISLAND in English 1 Jul 82 p 1

[Article by Ranjan Joseph]

[Text] Iran has upped its cost of crude oil exports to the Ceylon Petroleum Corporation by one U.S. Dollar with effect from today.

The announcement was made five days ago by Iran that a barrel of crude oil which cost U. S. Dollars 30.55 would from 1st July cost the Ceylon Petroleum Corporation U.S. Dollars 31.55

The sudden upward revision of crude oil costs has in effect meant that a further amount of Rs. 100 million would have to be found by the C.P.C. to import the balance quantity of crude oil from Iran for the current year.

Corporation sources indicated to *"The Island"* that crude-oil is imported from Iran on a regular basis monthly and as such it could be estimated that half of the country's crude oil requirements had yet to be imported.

Iran supplies fifty per cent of the country's crude oil, the balance being shared between Saudi Arabia and Malaysia.

"The Island" reliably learns that the government has been already presented with an analysis of the Iran cost hike on crude oil to Sri Lanka.

Although no decision has yet been reached on steps that the government would take in view of the recent price revision, political sources said that there would be government reluctance to increase the price of petroleum products immediately. These sources added that it appeared more likely that the total annual subsidy around Rs. 150 million that the Ceylon Petroleum Corporation is at present paying to the Ceylon Government Railway and the Transport Boards would be lifted.

Analysing the effect of the Iran crude oil cost increase, government has been told that as a result of the Petroleum Corporation being called upon to search for another Rs. 100 million, the Rs. 40 million profitability that the Corporation expected to make this year had swung the pendulum of costs towards a loss for 1982.

It has been pointed out that there are possibilities for Iran to further increase its price on a barrel of crude oil again towards the end of the year.

It has been explained to government that calculations of the Petroleum Corporation, furthermore, for the year had been based on the exchange rate not exceeding Rs. 21 per U.S. Dollar. But it would appear now that the exchange rate will reach Rs. 21 very shortly as there was sudden spurt of fifteen cents (Rs. 20.70 to Rs. 20.85) within the past two weeks. For every increases of the exchange rate by one rupee, the impact on the budget of the Petroleum Corporation is expected to be about Rs. 350 million, it has been pointed out.

CSO: 4220/210

BRIEFS

PRESIDENT ON TRADE UNIONS--Trade Unions should not take advantage of their freedom to disrupt work in the public sector, President J. R. Jayewardene said yesterday addressing the Annual General Meeting of the Jatika Sevaka Sangamaya Branch of the Postal and Telecommunication Department held at the Ramakrishna Hall, Wellawatte. The President made the point that while trade unions engaged themselves in their activities, they however, had no right to topple a government. The government was answerable not to trade unions but to the people of this country, he went on. Mr. Jayewardene warned that the same principle of workers going on strike being considered as having vacated their posts as had happened in the recent past would be applied in a future event of a strike as well. This was because any work stoppage affected the people the President said. Minister of Posts Mr. D. B. Wijetunge said that a memorandum seeking increased wages for employees of the Postal and Telecommunication Department had been submitted to the Cabinet which he expected to be favourably considered. [Text] [Colombo THE ISLAND in English 22 Jul 82 p 3]

JVP RECOGNIZED AS POLITICAL PARTY--The Commissioner of Elections yesterday recognized three new political parties. They are the Nawasamasamaja Party, Janata Vimukthi Peramuna, political wing of the Democratic workers' congress. [Text] [Colombo THE ISLAND in English 1 Jul 82 p 1]

CSO: 4220/210 END

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28 July 1982

South and East Asia Report

No. 1172

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SOUTH AND EAST ASIA REPORT

No. 1172

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BRIEFS

ASEAN POLICE CHIEFS AGREE ON HOT LINE--Djakarta, 28 June--The five ASEAN police chiefs who recently met in Bangkok have agreed to open a "hot line" between their countries in a bid to facilitate present communications through embassies or Interpol, Indonesian Police Chief General Awaluddin Djamin said here at the weekend. He also told a Press conference that the extradition of criminals between ASEAN countries was among the main subjects discussed during the Bangkok meeting and it was agreed there was an urgent need for an ASEAN extradition treaty, the newspaper ANGKATAN BERSENJATA (Armed Forces) reported. Singapore is the only country without an extradition agreement with Indonesia. The next conference, ASEANPOL III, will be held in Indonesia next year, the paper reported. NAB/AFP [Text] [Rangoon THE WORKING PEOPLE'S DAILY in English 20 Jun 82 p 6]

CSO: 4220/236

'AFP' REPORTS ON NEGATIVE ECONOMIC TRENDS

BK061546 Hong Kong AFP in English 1411 GMT 6 Jul 82

[Text] Canberra, 6 Jul (AFP)--Unemployment in Australia could reach seven per cent of the country's workforce by the end of the 1982-83 financial year which started this week, the Commonwealth Banking Corporation predicted today.

The corporation, which includes the reserve bank, said the downturn in economic activity, deterioration in business confidence and rising labour costs point to a rise in the unemployment rate, currently at 6.6 percent. It could reach 7 percent very quickly.

Meanwhile, THE MELBOURNE AGE said in a survey today that there could be a total level of unemployment "close to or above half a million"--this would be over seven percent of the workforce.

A survey of 21 leading economists from the major banks, merchant banks, manufacturing companies, institutions and top stockbrokers show Australia facing a bleak economic year. This is the most pessimistic outlook the influential newspaper has projected in the last six years.

Based on official statistics, the survey showed a "negative economic growth rate" despite continuous forecasts of improvement from government leaders.

The Australian saving bond rate has risen to 14.75 percent under pressure this week from rising interest rates offered by other investments. In Australian monetary circles the bond rate is regarded as the inflation rate.

A high budget deficit is expected when parliament resumes in August because a balanced budget is now regarded in Australia as politically impossible in face of government promises to cut taxes and the likelihood of a general election by the end of 1983.

Meanwhile, labor opposition leader Bill Hayden told the 35th biennial national conference today that Australia's next labor government had to reach a growth of at least 5 percent a year to cancel out the current period of negative economic growth.

He was supported by Bob Hawke, the former trade union leader who is under a spotlight at this conference because he is regarded as a possible challenger for leadership.

This is the first time a potential Australian prime minister has warned that production must be increased and economic growth be sustained for at least a year "before we can begin to reduce the vast army of unemployed that the Fraser liberal government has created with seven years of stop-start policy making, tight money, high interest rates, low growth and continuing high inflation."

Mr Hayden promised that labour would increase the incentive to work, give businessmen stability and make Australia once again "the lucky country."

CSO: 4220/229

BRIEFS

PERMANENT REPRESENTATIVES TO UN--Canberra, 1 Jul (AFP)--Australia's most experienced ambassador Mr Richard Woolcott, aged 55, has been appointed Australia's permanent representative to the United Nations in New York. Announcing this today Foreign Affairs Minister Tony Street said Mr Woolcott, before his present appointment as ambassador to the Philippines, since 1978, was a deputy secretary in the Department of Foreign Affairs and Australian ambassador to Indonesia. Mr Woolcott has served in many appointments abroad and is regarded as one of the experts on United Nations affairs in the Australian Foreign Ministry. Mr Woolcott will take up his appointment shortly before the opening of the next meeting of the general assembly in September. [BK020751 Hong Kong AFP in English 0700 GMT 1 Jul 82 BK]

LEBANESE WAR VICTIMS--Australia is giving $2.25 million, that's about the same in American dollars, to help the victims of the conflict in Lebanon. The foreign minister, Mr Street, says the money will be given to the world food program, the United Nations Children's Fund, the Red Cross and an Australian appeal for disaster relief in Lebanon. Mr Street says Australia looks forward to the restoration of Lebanese sovereignty and territorial integrity. [Text] [BK020751 Melbourne Overseas Service in English 0830 GMT 29 Jun 82 BK]

TIES WITH NEW ZEALAND--State agricultural ministers in Australia have told the federal government they are not happy with the current proposals for a closer economic relationship with New Zealand. At a special meeting of the agricultural council in Canberra, the ministers expressed concern that the phasing-out period for New Zealand's import licensing and export incentives is too long. The ministers say the proposed antidumping arrangements are not strong enough and there needs to be greater explanation of the details on related exchange rates. The federal primary industry minister, Mr Nixon, told the meeting that the government had not taken a decision on the closer economic relationship with New Zealand and had not made any commitment. [Text] [BK051000 Melbourne Overseas Service in English 0830 GMT 5 Jul 82]

ABORIGINAL LEADERS--Two Aboriginal leaders say they have been encouraged by a tour they have just made of three African countries. Mr Ossie Cruse and Mr (Mike Anderson), who made the tour on behalf of the National Aboriginal Conference [NAC], said politicians in Nigeria, Zimbabwe and Tanzania were sympathetic and willing to give advice about the problems facing Australian

Aborigines. Speaking in Sydney their return, the two men said one of the aims of the tour was to indicate to African nations that because of its treatment of Aborigines, Australia had broken international covenants on human rights. They emphasized that the purpose of their trip was to persuade African leaders to boycott the commonwealth games, which began in Brisbane in late September. Mr (Anderson), a research officer with the NAC, said that as a result of the tour the problems facing Australian Aborigines were likely to receive more international attention. [Text] [BK110200 Melbourne Overseas Service in English 1130 GMT 10 Jul 82]

GOVERNMENT-ACTU TALKS--The federal government has held talks with trade union and employer representatives in Canberra to discuss the worsening economy. The Australian Council of Trade Unions [ACTU] requesting the talks as a matter of urgency during its pre-budget discussion with the federal government earlier this year. The prime minister, Mr Fraser, said before the meeting began that with the overseas recession hitting hard he hoped that the talks would find a new determination to work together for all Australians. A Radio Australia reporter covering the meeting said it was clear that all parties attending agreed that the economy was in bad shape and drastic action was needed. The leader of the union delegation, Mr Fitzgibbon, said the union had adopted a constructive approach and would be looking for action from the whole community before the present situation slipped further into recession. [Text] [BK070959 Melbourne Overseas Service in English 0830 GMT 7 Jul 82]

FIJI WATER SUPPLY SCHEME--A major water supply scheme built in Fiji with Australian government assistance will be officially commissioned next week. The scheme, about 20 km from Suva, costs $8 million of which Australia provided $2 million. It will supply water to about a quarter of a million people in Suva and surrounding areas. [Text] [BK070227 Melbourne Overseas Service in English 0830 GMT 2 Jul 82 BK]

NSW COAL DEPOSITS--New coal deposits have been discovered in the northwest of New South Wales near the towns of Narrabri and Coonabarabran. The premier, Mr Wran, said the coal seams have been discovered during an exploration program in the Gunnedah basin, about 300 km northwest of Sydney. He said the Narrabri deposits were mainly in one seam up to 12 meters thick covering an area of 500 square kms. The Coonabarabran deposits cover a much wider area. Mr Wran said both deposits were up to 600 meters below the surface and would need to be mined by underground methods. [Text] [Melbourne Overseas Service in English 0830 GMT 2 Jul 82 BK]

URANIUM CONVERSION PLANT--The South Australian Government is having an agreement drafted for a uranium conversion plant in the Port Pirie area, about 200 kilometers north of Adelaide. The proposed plant would convert yellow cake from uranium mines into uranium hexafluoride and would be the first step toward the uranium enrichment industry. A feasibility study for the conversion plant is being carried out by the state government and a private consortium. [Text] [Melbourne Overseas Service in English 0830 GMT 6 Jul 82 BK]

CSO: 4220/229

BURMA INTRODUCES NEW CITIZENSHIP RULES

Bangkok BANGKOK POST in English 24 Jun 82 p 7

["Letter from Burma" column by Min Thu: "Burma Introduces New Citizenship Rules"]

[Text]

THE new measure, according to official statements, is needed because of high risks involving national interests in entrusting state responsibilities to non-nationals, meaning those not of pure Burmese stock.

BURMA aims to introduce a three-category citizenship law if the unicameral People's Congress approves the new draft being placed before the public to solicit their views and suggestions.

The first category would comprise Burmese nationals who are of pure Burmese blood as well as those belonging to the indigenous national races like the Shans, Karens, Kachins, Kayahs, Chins and Arakanese who settled in the country before 1823.

The year 1823 was taken because Burma fought the first Anglo-Burmese War in 1824 and lost its independence after the third war in 1885 when many foreigners came in and resided in the country.

FOREIGN

Every national is also a citizen but those taking permanent residence in a foreign country would not be regarded as citizens, according to the new draft.

The second category is composed of those of mixed blood among these nationals. The third category — naturalised Burmese citizens — includes other races and foreigners who entered Burma as immigrants during the British colonial rule.

Persons who are already citizens in accordance with existing laws when the new law comes into force would also be classified as citizens. Children born of parents one of whom is a foreigner and the other a national, or a citizen or a naturalised citizen would be regarded as temporarily naturalised citizens until they attain the age of 18 when they have to renounce their foreign citizenship and vow loyalty to Burma to become a naturalised citizen, according to the new draft. They would have to make this in one year before they attain the age of 19.

A foreigner who has resided with official permission for five years may apply for naturalisation while one married to a citizen could do so in three years.

Under the existing laws, such rights were given only to females married to citizen males but the new law has given equal rights to both men and women.

While applying for naturalisation they could also put in the list of their children under their control in the certificate of naturalisation to be issued to them.

But here the written consent of the foreign parent is necessary — a condition not provided under existing laws. An applicant for naturalisation would not be per-

mitted to leave the country except when allowed to do so, within five years from the date the certificate of naturalisation is granted, says the new draft.

A citizen or a naturalised citizen would not lose his citizenship by marriage to a foreigner who would also not automatically acquire citizenship or naturalised citizenship by marrying a citizen, according to the new law.

Nationals and citizens would continue to enjoy the status enjoyed by them before this new law comes into force, explained Dr Maung Maung, a member of the Council of State and chairman of the law commission.

Naturalised citizens would also enjoy the rights almost the same as citizens but they would not have the right to be elected to serve political duties or serve as heads of bodies of public services, he said.

Giving associations or families as examples, Dr Maung explained that nationals would be like founding members, citizens full members and naturalised citizens associate members.

The new law would replace the Union Citizenship Act and Union Citizenship (Election) Act that came into force when Burma became independent in 1948.

CEASE

One would cease to be a citizen should he acquire foreign citizenship and those under 18 would also lose their citizenship should both the parents become foreigners under the new draft.

They have the right to apply to re-acquire citizenship but these rights would be given only to nationals and children of citizens, the law clarifies.

Citizenship or naturalised citizenship granted to foreigners would be revoked should he be found trading, communicating or abetting with an enemy or a hostile organisation, engaging in acts likely to endanger state security, disclosing state secrets or showing disaffection or disloyalty to the state.

One would also lose his certificate if sentenced to a minimum of one year or a fine of 1,000 kyat for an offence involving moral turpitude within five years of getting the citizenship.

But he could re-apply for naturalisation for this only offence after five years from the date of revocation. There would be no right to re-apply for other offences.

This new law has a provision for stateless persons whose labour would be utilised for the benefit of the state. They could acquire a foreigner registration certificate and apply to reside in the country. But they would have no right to apply for naturalisation.

Anyone failing to surrender his certificate after revocation could be sentenced to five years' imprisonment or a fine of 5,000 kyat.

Anyone who misrepresents or conceals or obtains a certificate in a fraudulent manner or abets in such act would be sentenced to a prison term of maximum seven years or fined 10,000 kyat, the law says.

Under the new law, a central body with three ministers would be formed to handle these affairs but one could appeal to the Cabinet when dissatisfied with its decision.

Because of loopholes and weaknesses in the existing laws, Burma began drafting a new law since 1976. It was placed before the public to solicit their views at the suggestion of party chairman Ne Win.

TOURED

Official groups toured 11,933 wards and villages in 304 townships in the country to explain the new draft; the commission received 37,186 suggestions. Based on these suggestions this new draft was made and official groups have now begun explaining it to the people in various parts of the country.

After soliciting public views and suggestions it would be redrafted before being submitted to the unicameral People's Congress. The new revised citizenship regulations are now necessary, according to official statements, because there are "high risks involving national interests" in entrusting state responsibilities to non-nationals."

The official pronouncements while admitting that it "will be unfair to label all non-nationals as untrustworthy" adds that in "certain cases their loyalty may be divided" — an indirect reference to the thousands of Chinese living in Burma.

CSO: 4220/201

EDITORIAL EXAMINES MINING SECTOR IMPORTANCE

Rangoon THE WORKING PEOPLE'S DAILY in English 29 Jun 82 p 4

[Text]

MINING is one of the priority sectors of our economy having consistently taken the third place in foreign exchange earnings behind agricultural and forests sectors. Although the sector's production fell short of targets under the Third Four-Year Plan, it nevertheless increased from year to year in real terms. The net value of production of the mining sector rose from K 16.89 crores in 1978-79 to K 21.49 crores in 1981-82, having increased at an average annual rate of 8.2 per cent, according to the 1982 Report to the Pyithu Hluttaw. In terms of foreign exchange earnings, the same report states that the value of exports of minerals and gems increased from K 12.35 crores in 1977-78, the base year of the Third Four-Year Plan, to K 65.93 crores in 1981-82, finishing third behind the forests sector, the latter's foreign exchange earnings for the two corresponding years being K 39.81 crores and K 70.61 crores respectively.

The encouraging trend of the mining sector's performance is the result of realistic objectives laid down for the sector to be followed under the Third Four-Year Plan. They are to explore for both surface and underground natural resources, to supply the heavy industries with mineral raw materials and to produce more crude oil and export more. To implement these objectives, exploration for new mineral resources was stepped up, the tempo of exploitation of on-going mining projects increased and crude production operations intensified under the plan. Geological surveys and exploration operations were carried out on an extensive scale financed with local funding supplemented by UNDP assistance both on land and off-shore.

As a result production of important minerals like tin and silver grew steadily and new oil and natural gas reserves were discovered in the central dry zone and delta regions during the Third Four-Year Plan period.

We have already begun implementing the first year of the Fourth Four-Year Plan. With the State's investment, careful planning all-out efforts by the departments and corporations concerned, we are confident that the growth achieved by the mining sector under the previous four-year plan will be maintained and the 8 per cent growth targeted for this year will be fully met.

CSO: 4220/235

REIGN OF TERROR IN TRIBAL VILLAGES

Bombay THE TIMES OF INDIA in English 7 Jun 82 p 5

[Text] BOMBAY, June 6--For over two months, certain tribal villages in the Dahanu, Talasari and Jawahar talukas of the Thane district, have been in the grip of a vicious reign of terror, allegedly unleashed by members of the CPM-led Kisan Sabha. The victims have been landless tribals who, over the last few years, have been associated with the Kashtkari Sanghatana, a tribal organisation which has been agitating for certain basic demands like minimum wages for plantation workers and prevention of the illegal depletion of forests.

At a solidarity meeting held at Danahu yesterday, attended by representatives of the Committee for the Protection of Democratic Rights, the Bhoomi Sena, the Van Niketan, Surya, Rudra and Karma, all independents, non-party organisations, the Kashtkari Sanghatana claimed that more than 135 families had suffered at the hands of the CPM hoodlums. It was learnt that in a series of well-planned, armed attacks on hamlets owing allegiance to the Kashtkari Sanghatana, gangs of 400-500 men broke down huts, smashed their roofs, destroyed cooking vessels and looted clothes and grain, leaving the victims bereft of the basic amenities that would protect them from the onslaught of the coming monsoon.

Growing Support

For example, the villages of Sukhadamba, Zanoonpada, Shirsonpada and Patilpada were marauded on May 10 and May 19. Similarly, Khinauli villages Khauripada was raided on May 9. In the last two months, there have been attacks on nearly 10 hamlets and the Sanghatana fears that these will escalate since the CPM wishes to annihilate the Kashtkari Sanghatana which threatens a traditional stronghold of the CPM by the growing support it has received from the tribals. These tactics have been used earlier too in October last year when news reports focussed on the terrorisation of villagers in Shisne and Gangan gaon by the CPM activists. Nearly, 20 activists of the Sanghatana are presently hiding in the jungles, fearing for their lives.

So far, the police and other subdivisional officials have done nothing to prevent this terrorisation campaign and Pradip Prabhu of the Kashtkari Sanghatana stated that "given the systematic violence which carries on unabatedly, there is reason to believe that there is some collusion between the administration and

the CPM". He also referred to a provocative speech made by CPM leaders on April 23 which threatened the Kashtkari Sanghatana with dire consequences if they persisted in supporting the organisation. Following this, the villagers of Sukhadamba had asked for the police protection on May 6, but it was pointed out that this was not granted.

The meeting of the non-party organisations expressed concern over this situation. A resolution stated that the atrocities and attacks on he tribals must stop immediately and the police must ensure that no such incidents take place again. The government should accept its responsibility to rehabilitate the victims of these dacoities and the exterment notices served on Pradip Prabhu and Kaluram Dhangda, both activists of the Sanghatana, must be withdrawn.

CSO: 4220/201

'INDONESIA TIMES' EDITORIAL VIEWS U.S.-PRC RELATIONS

BK120417 Jakarta THE INDONESIA TIMES in English 26 Jun 82 p 2

[Editorial: "Not at the Expense of ASEAN"]

[Text] After receiving the United States assistant foreign minister [as published] for the East Asian and Pacific region, John H. Holdridge, Foreign Minister Mokhtar Kusumaatmaja stated to the press on Thursday that relations between the United States and the People's Republic of China should not harm the interests of Indonesia and the Southeast Asian countries.

Reacting to Indonesia's fears of stepped-up relations between the United States and the People's Republic of China, John H. Holdridge referred to the recent statement of United States Deputy Foreign Minister [as published] Walter Stoessel whereby he gave the assurance that the stepping-up of the United States' relations with China would not demote Southeast Asia into the United States' second priority.

The United States must be aware that the countries of Southeast Asia, especially the ASEAN countries, fear and distrust the People's Republic of China. While professing to be friendly to the Southeast Asian countries, China supports and encourages the communist underground movements in the region. For the same reason Indonesia, up to now, has not yet resumed normal diplomatic relations with China. The Unites States' relations with China should not increase this fear and mistrust.

On the other hand, these countries are very jealous of their independence and freedom and to have options of their own. Therefore, the United States should deal with these countries on an equal footing and not to entertain any idea to make them its satellites or allies in the same sense of the United States' Western European allies. Particularly, the ASEAN member countries aim at freeing themselves and their region from the influence and interference of the superpowers or any other foreign power.

CSO: 4220/229

REBEL 'COMMANDER' IN ACEH CAPTURED

BK080837 Jakarta ANTARA in English 0806 GMT 8 Jul 82

[Text] Banda Aceh, 8 Jul (ANTARA)--Tengku Rahman Bate Puteh, self-styled "commander" of the Simpang Ulim District and also traditional law head of the Peureulak "Gerombolan Hasan Tiro" [Hasan Tiro Group] rebel movement in Aceh has been captured by special security forces, it was announced by Lt. Col. Hamli, public relations officer of the special internal security command (Laksusda) of Aceh Province here Wednesday [7 July]. He said the rebel chieftain was seized at 11.00 p.m. in the Peureulak area in Aceh Timur (East) Regency Tuesday.

A unit of the special security force in East Aceh Regency also seized a Karel Gustaf rifle and a magazine with 10 rounds of ammunition.

On May 21 last, the press officer said the same security force also captured Idris Mahmud, 39, who called himself "governor" of the Gerakan Hasan Tiro Rebel Movement in Peureulak. The rebel governor was arrested together with three of his aides, Jailani, 27, Said Hasan, 24 and Marzuki, 26, the press officer said.

He reported that the capture of "commander" Rahman Bate Puteh was the fourth successful seizure of ranking rebels by the "B" Company of the special security force commanded by Major Jahdi Husin, Lt. Col. Hamli said.

From the rebel governor and his lieutenants the security forces also confiscated two firearms and 130 rounds of ammunition, a typewriter, old military uniforms, three blue coloured berets, documents and medicines.

On June 25 last the same security squad again had contact with rebels capturing Yasin Ali, who called himself commander of District I of the rebel territory.

He continued that on June 28 another brilliant security roundup was made by the same security forces when they captured Tengku Salim, advisor to the Peureulak rebel governor.

The press officer said that two special security task forces have been set up to deal with insurgency in Aceh Province, one squad company headed by Major Subowo and the now famous company "B" under command of Major Jadhi Husin.

He reported that "A" Company forces on April 15 last shot to death rebels identified as Ilyas Lebee who claimed to be the "justice minister" in the rebel movement, Idris Ahmad, "governor" of Bates territory and Yakop Piah, a rebel logistics officer.

They were shot by the security troops because they resisted capture and tried to flee. Some documents were found at the hiding place of Ilyas Lebee and marijuana planted on two hectares of land.

CSO: 4220/229

HUNGARIAN MEDICAL ASSISTANCE PROGRAMS REPORTED

Jakarta MERDEKA in Indonesian 18 May 82 p 4

[Excerpts] In order to assist health programs in Indonesia, Hungary, which is represented by Medicor [Medical Equipment Exporter], wants to participate in the development of Indonesia's health sector.

According to J. Sajti, assistant trade counsellor at the Hungarian embassy in Jakarto, Medicor is offering cooperation in Indonesia's health development program, which includes supplying instruments and machines that are suitable for interior regions and for doctors' practices.

Furthermore, Sajti said, Medicor also is prepared to participate in and assist the development of local industries which produce medical instruments and equipment.

Medicor began to carry out its mission more than a half century ago in 1920 with less than 100 employees. In 1982 the number of its employees exceeds 8,000.

Medicor is the sole exporter of its own production, apart from medical equipment [it exports] which is the production of other companies. Moreover, it is the only state-owned exporter for medical equipment and acts at once as the supplier of all that is needed in the context of health care in Hungary.

This firm has joint ventures in Australia, Brazil, West Germany, Nigeria, Peru and the United States.

Medicor has built 25 hospitals, including the equipment, in Hungary. Further, it has also handed over a number of hospitals it has built abroad, such as in Peru, Nigeria, Egypt, Algeria, Vietnam, Brazil, Ecuador, Jamaica and the USSR.

In cooperation with developing countries, Medicor also trains local employees so they become skilled workers.

In a medical equipment exhibition in Jakarta several months ago, two-thirds of Medicor's medical equipment was able to be sold, according to J. Sajti, in ending his explanation to MERDEKA.

9792
CSO: 4213/62

HOME AFFAIRS MINISTER REPORTS ON ELECTION CAMPAIGN

BK021111 Jakarta ANTARA in English 0815 GMT 2 Jul 82

[Text] Jakarta, 2 Jul (ANTARA)--Home Affairs Minister Amirmachmud has appealed that the past general election of May last is a matter of the past and there is no need to continue making a big issue of it by the Indonesian people.

Of importance was "We must start thinking on how best we can carry out the next general elections, and this is the task and obligation of the entire Indonesian people," the minister declared before Commission II of the House of Representatives here today.

The minister was giving a government statement before the commission chaired by Suharto.

He reported that the country's general election May 4 this year was carried out in agreement with the direct, free and secret principles or known in Indonesian as "langsung umum, bebas dan rahasia-luber" which was beyond doubt as proved by the numerous statements testifying to this effect.

The government was of the same view as Commission II that the experience gained from the 1982 general elections be used as material towards improvement of the organising of the next general elections, Minister Amirmachmud declared.

If closely studied, the minister continued, one would realise that the problems faced mainly lie on how all should obey and apply the rules of the game determined earlier.

According to the minister the campaign period for the general elections in 1982 had been used and exploited by all the parties concerned but factually carried out each according to their own ideas and different in obeying the rules of the game. The campaign had been directed on how these parties concerned could acquire the most votes during the polling.

As a consequence, the campaigning was marked by undesirable events and developments among which excesses, little or no pronouncement about development programs and the putting of emphasis on the gathering of popular masses, the minister

complained. He was understood to be referring to the huge campaign rallies and rioting during the campaign for votes which in some cases resulted in the death of people and heavy damage to public and private property.

The minister also said that with regard to settlement of the cases of excesses during the polling the government was of the view that regardless of the person concerned, those violating existing regulations of the voting would be punished in accordance with valid regulations and procedures, stressing that these steps were taken on clear evidence as without proof it would be impossible to sentence someone.

A most gratifying thing about which the Indonesian people should be proud of, the minister said, was that despite the troubles during the general elections the Indonesian nation remained firmly united. This was only possible because of views firmly founded on pancasila ideology which must be jointly upheld, he declared.

Speaking about the casting of votes, the minister said so far none had demanded that the balloting should be repeated or a by-election held.

He pointed out that the voting had been carried out peacefully and in an orderly manner, and this also applied with regard to the counting of the ballots in agreement to existing regulations and made possible due to close cooperation by all concerned. This also was proved by that so far no reports were received from the vote-counters that there had been foul play or that some ballots were invalid, he added.

In the course of the meeting with the legislators the minister also mentioned the number of seats won by the contests in the elections. He said that the Moslem United Development Party (Partai Persatuan Pembangunan--PPP) won 94 seats in the House of Representatives, the Golkar Functional Groups 246 and the Indonesian Democratic Party (Partai Demokrasi Indonesia--PDI) 24 seats.

The number of registered eligible voters was 32,133,639 people, the valid votes cast 75,126,308 and polling booths 288,621 in the country and 125 overseas.

CSO: 4220/229

INTELLECTUALS CALL ON U.S. TO REVIEW MIDEAST POLICY

BK080723 Jakarta ANTARA in English 0703 GMT 8 Jul 82

[Text] Jakarta, 8 Jul (ANTARA)--A number of lawyers, intellectuals, dramatists and writers have called on the United States Government to review its Middle East foreign policy.

The urging was made in a petition "for the protection of the basic human rights of the Palestinian people" submitted to the United States Embassy here Wednesday by the signatories.

The signatories included T. Mulya Lubis and Abdul Rakhman Saleh of the legal aid bureau LBH, Adnan Buyung Nasution, Mulyana W. Kusuma, W. S. Rendra, Nasir Tamara, Anwar Haryono, Ike Supomo and H.J.C. Princen.

The petition, which was read out before political counselor Francis Joseph Tatu, further asked the United States to support the aspiration of the Palestinian people to have a homeland of their own, and not on the contrary as has been the case "to back up Israel without reservation causing Israel to get ever bolder in ignoring United Nations resolutions and trampling on the conscience of civilized nations in this world.

In another section, the petition urged the governments of peace-loving nations in the world and international bodies to take immediate concrete steps for the restoration of peace and freedom in Lebanon, and to uphold the basic human rights of the Palestinian people.

The signatories also condemned Israel's military actions in Lebanon which have resulted in, not only bloodshed and casualties among the Lebanese and Palestinian civilian population but also in jeopardizing the principles of international relations.

The petition demanded that all Israeli forces be withdrawn without delay from Lebanon and denounced the use of the veto right in international agencies having the effect of supporting the Israeli military actions.

Francis Tatu, the highest authority in the United States Embassy in the absence of deputy chief of mission and with the ambassador's post still vacant, told the delegation he will pass on the petition to Washington.

CSO: 4220/229

MP DECRIES U.S. MIDEAST POLICY, TO VISIT EMBASSY

BK061005 Jakarta ANTARA in English 0729 GMT 6 Jul 82

[Text] Jakarta, 6 Jul (ANTARA)--Amin Iskandar, member of Commission I (Foreign Affairs) of the House of Representatives, has appealed to the United States to apply the declaration of independence of that country to the people of the Palestine.

He found the time for the appeal most appropriate as the United States last Sunday was commemorating its 206th independence [as received] on the fourth of July. In the framework of the commemoration, the MP urged that the Americans should look at their declaration of independence of Thomas Jefferson defending the rights of both individuals and the people in general alike.

Speaking to newsmen at parliament here Monday Amin Iskandar accused that political manipulations had been committed whereby the [word indistinct] had been influenced. Reminding the developments in Lebanon he said that the just and legal rights of the Palestine people to determine their own fate by giving them a free, independent and sovereign land was the basic problem at issue.

He also felt that ways and means should be found on how the invasion into and aggression by Israel of Lebanon causing inhuman sufferings to the people be resolved and ended.

The legislator pointed out that the Palestine Liberation Organisation (PLO) was in Lebanon as a consequence of the face that these people had not been given the right to determine their own fate by having their own free, independent and sovereign land.

"Let's not talk about the question on how the PLO should leave Lebanon (Beirut) but instead seek a comprehensive solution to the two main problems first," Amin Iskandar declared.

The key to end the cruelties by Israel in Lebanon lies in whether the United States was willing to take firm action by discontinuing all kinds of aid starting from the field of financial, military and political aid to Israel, he suggested.

If the U.S. was willing to take such action, all the Israeli cruelties in Lebanon would automatically come to an end, he believed.

To bring pressure to bear on the United States, the Arab countries should withdraw all their assets from the U.S. as soon as possible prior to using their oil weapon, the Indonesian parliamentarian urged the Arab nations.

He also accused the Soviet Union of being "passive" in the Middle East conflict especially in Lebanon as that superpower was thinking twice before it was willing to interfere in the dispute as the Soviets feared to make sacrifices.

He also disclosed that a seven-member Islamic delegation composed of Sujono, Aminudin Azis, Imron Rosyadi, Bustaman, Tengku Saleh and Amin Iskandar himself, will call on the American Embassy here today to lodge a protest against the developments in Lebanon puctuated by Israeli cruelties.

CSO: 4220/229

INTERNATIONAL YOUTH ORGANIZATION PROPOSED

Jakarta MERDEKA in Indonesian 15 May 82 p 8

[Excerpts] Indonesia and Romania will propose that a new worldwide youth organization be formed so that participation of youth in various international issues can be further increased.

According to plan, the concept will be conveyed in a meeting of the Advisory Committee of the 1985 International Youth Year (TPI-1985) in Vienna, capital of Austria, this June.

So stated Aulia Rachman, general chairman of the Central Management Council, National Committee of Indonesian Youth (DPP-KNPI), after the program Thursday in Jakarta of face-to-face discussions between the chairman of the Advisory Committee of TPI-1985, Nicu Ceausescu, KNPI's Central Management Council and leading figures among Indonesian youth.

According to Aulia, the idea arose because existing international youth organizations, such as the World Youth Committee and the Asian Youth Council, are not functioning as expected.

The concept is also in harmony with TPI-1985's program, whose theme is "Participation, Development, Peace," as has been included in UN General Assembly Resolution No 34/151, 25 January 1980.

The face-to-face discussions were also attended by personages from the Generation of '66, among others Abdul Ghafur (junior minister for youth affairs), David Napitupulu, Akbar Tanjung, Marzuki Darusman (vice chairman of the Asian Youth Council), Farid Wajdi and others invited from student circles, youth organizations and the DPP-KNPI membership.

Meanwhile in the Advisory Committee chairman's group Miss Iunescu Anca Irina, concurrently an interpreter and Romania's ambassador to Indonesia, was seen with Ion Cotot.

According to Aulia Rachman, there is not a great deal of difference between youth programs and organizational structure in Indonesia and Romania. Youth in both countries are trying to increase their participation in the economic, social and political development of their respective countries.

Abdul Ghafur, junior minister for youth affairs, said the TPI-1985 National Committee is currently being formed in cooperation with the various parties concerned. The National Committee will coordinate all youth activities in Indonesia in order to have "a point of contact" with the TPI program.

According to a 1980 assessment, youth affairs are getting the attention of the international community (United Nations) because it appears the increase in the size of the young generation will have serious implications for economic growth and social programs.

UN documentation for TPI shows that the size of the world's young generation in 1975 was 738 million, and it is estimated that it will increase 60 percent to 1.180 billion by the year 2,000. In that period there will only be a 5 percent increase in the number of young people in the developed countries and 80 percent in the developing countries. And in three major regions of the world--Africa, Asia and Latin America--the number of youth will almost double during the quarter century between 1975 and 2000.

9792
CSO: 4213/62

SUBROTO DISCUSSES PLANS TO MEET ENERGY REQUIREMENTS

BK051152 Jakarta ANTARA in English 0741 GMT 5 Jul 82

[Text] Jakarta, 5 Jul (ANTARA)--Indonesia is determined to raise its present daily oil production to 1.8 million barrels by April 1984 (beginning of the Fourth Five Year Plan) and to two million barrels in the longer run.

To attain these production levels exploration and development of new oil wells, resort to alternative energy sources and efforts to conserve oil will be stepped up without letup, Mines and Energy Minister Subroto stated Friday.

Speaking to newsmen at the Ministry of Mines and Energy Subroto was pleased to note that oil conservation was already beginning to be practised by the public. This was evident from the fact that domestic fuel oil consumption during the first five months of 1982 had increased by only 4.5 percent compared to the last five months of 1981. Indonesia's domestic fuel oil consumption has to date been estimated to rise at an average of 12 per cent a year.

The use of kerosene in particular appeared recently to be declining, Subroto said, possibly as a result of the increasing number of rural areas being supplied with electricity under the government's village electrification program.

In 1980 oil accounted for as much as 80.3 per cent and alternative energies such as coal, natural gas and hydropower for 19.7 per cent of the nation's energy consumption.

The aim now is to increase the contribution of the alternative energies to the overall energy consumption to 39.61 per cent by 1990. This goal can be attained by intensifying oil conservation efforts, lowering the population growth rate and raising the economic growth rate, Subroto said.

In 1981 Indonesia's energy consumption was recorded at a total of 196 million barrels oil equivalent specified as follows: natural/petroleum gas 201 billion cubic feet or 37.44 million barrels oil equivalent, coal 383,000 tons or 1.456 million barrels oil equivalent, hydropower 1,549 mw or 4.375 million barrels oil equivalent and petroleum 153 million barrels.

By 1990 the national energy consumption is estimated to total 432 million barrels which must be met with production of various energies as follows: coal 17 million tons or 48 million barrels oil equivalent, naturla gas 467 million tons or 87 million barrels oil equivalent, hydropower 3,500 mw or 28 million barrels oil equivalent, geothermal energy 690 mw or 7 million barrels equivalent and petroleum 262 million barrels.

CSO: 4220/229

ACEH FAMILY PLANNING PROGRAM MEETS RESISTANCE

Jakarta MERDEKA in Indonesian 26 May 82 p 4

[Article by Agus MR: "Family Planning Worker in Aceh Labeled 'Baby Killer'"]

[Excerpts] It is indeed not easy to realize a family planning program in accordance with the design that is wanted in Aceh. Besides problems involving smooth communications and transportation, religious fanaticism, which is alive and growing in Acehnese society, also still constitutes a serious area of conflict.

At the present time most Acehnese living in rural areas still believe that "practicing family planning is against religion."

Dr Hamzah Effendi, head of BKKBN [National Family Planning Coordination Board] for Aceh Province, admits that his group is often labeled "Koum Bijeh" (murderers of human seed).

"People often scream at me 'baby killer,'" said Dr Ilyas, information agent and motivator, as he described his bitter experiences when entering rural areas to provide information regarding the importance of family planning.

That is why it is not surprising when Hadi Thayeb, governor of Aceh Special Region, admits his province is indeed categorized as one that is "difficult" for the family planning program.

Several village residents living in the Aceh Besar District spoke sharply in regard to their reluctance to participate in the family planning program. "Why should I take part in family planning?" said a woman who admitted she had four children. "My farmland is still extensive. The distance between my house and my neighbor's is far. Certainly in Java it is appropriate to practice family planning because there are many people and houses close together," she said.

On the other hand, Mrs Hamidah, 42, resident of the village of Simpang Tiga, said she is often mocked and even isolated from associating with her neighbors because it is known she practices family planning.

Several women in that village who participate in the family planning program also admitted they are forced to keep it a secret that they have accepted family planning practices, simply to avoid their neighbors' ridicule.

And in order to obtain the necessary contraceptive devices, the women admitted the devices are often sent secretly by the Rural Family Planning Mail Carriers (PPKBD), whose membership consists of women. These village family planning officers are known by the name Halimah Women.

This situation is of course a bitter pill for the Aceh BKKBN. Nonetheless, its officers have worked hard to constantly promote the program through various means such as approaches to the Islamic learning centers, schools and advanced centers and to Islamic scholars. Gradually the fanaticism of the Acehnese people is beginning to abate, and the number of those who are opposed to the program is becoming less and less.

That is why there is an increasing trend to reach new family planning accepters and to educate the old ones. Although they must clash with obstacles which still are extensive, in the end Aceh has been able to leave phase 1 far behind and enter into the subsequent phase 2, namely the program training phase, because 35 percent of the population of 2,610,926 have been registered as family planning participants.

Likewise, the total figures from data gathered by BKKBN Aceh are quite gratifying because through December, 1981, 21,428 people have been listed as new accepters, 60,029 as active accepters, with a total of 341,136 fertile couples.

Aceh's success in entering phase 2 of the family planning program evidently cannot be independent of the work of the Halimah Women who work at the posts of the foremost rural family planning clinics.

The function of the Halimah Women is to act as a processing agent of the rural community in order to assist the public health centers in distributing contraceptive devices to accepters and at the same time to motivate potential accepters.

There are about 4,000 Halimah Women altogether throughout the province of Aceh. If each Halimah Woman receives 1,500 rupiahs per month as an honorarium, by the end of each month BKKBN must pay out 6 million rupiahs. It means at the end of each year no less than 72 million rupiahs must be expended by BKKBN for this work.

"This sum is indeed a burden, in that budgeted funds are limited. Even worse, the Halimah Women are urging that the 50 rupiah per day honorarium be increased," one of the Aceh BKKBN workers said.

As several Halimah Women pointed out to MERDEKA, they are asking for attention so that BKKBN will consider an increase to the 50 rupiah per day honorarium. "This is too small when compared to our work of having to seek out villages to find new accepters and maintain the old ones, with various risks," said one of the Halimah Women who was unwilling to give her name.

In reaction to these complaints, Mrs Hadi Thayeb, wife of Aceh's governor, expressed her willingness to provide an increase. But when met by MERDEKA at her residence, the wife of the governor did not say exactly how large an increase it would be.

It is fitting indeed if the Halimah Women receive even more serious attention in light of the fact that the work to which they are devoted helps to determine whether or not the family planning program in Aceh Province will succeed.

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CSO: 4213/62

DEFENSE MINISTER COMMENTS ON TRAINERS, LST'S

Jakarta SINAR HARAPAN in Indonesian 22 May 82 p 12

[Excerpts] All Indonesian Air Force trainer aircraft which were involved in accidents some time ago during training exercises inside Indonesian territory have been completely replaced by the selling countries. So explained [Gen] M. Yusuf, minister of defense and security, at Bina Graha [executive building] Saturday morning in response to questions from the press after reporting to President Soeharto.

The minister was unwilling to explain how many or what kind of trainer aircraft had been involved in accidents. He only said, "Any aircraft involved in accidents have been replaced."

In regard to his visit to South Korea recently, the minister explained that the 2 LST's (landing ship, tank) which were launched at a drydock in Seoul were the 9th and 10th ships launched these past 3 years in the framework of cooperation between the Indonesian government and South Korea.

According to the minister of defense and security, the two ships are more capable as battle unit transport vessels with all the amphibious tank equipment, which, with water and food supplies, are capable of being at sea for quite long periods of time. Five U.S.-made Bell helicopters and 6 BO 105 helicopters can land on each of the ships all at once. The ships also have an organic capacity for air transport mobility with Puma helicopters, which are able to carry 22 paratroops in each helicopter.

The ships can also transport one amphibious unit battalion with other necessary equipment, not only in the interest of military tasks, but also for civic missions.

In response to a question on ABRI's [Indonesian Armed Forces] [combat] readiness after UN acceptance of the archipelagic concept, whereby Indonesia obtained 3 million square miles in additional territory, the minister of defense and security said that Hankam [Defense and Security] has been thinking about this for a long time and has included it in its Strategic Plan (Renstra Hankam). To that end, Hankam has increased the means of transport in order to strengthen the three Indonesian fleets, consisting of

the East, West and Central Groups. All of these fleets have already been reinforced. And, besides increasing the capacity for mobility at sea, air mobility has also been expanded.

Asked if there have also been armed forces personnel increases, the minister of defense and security answered that this has been included in Renstra Hankam and that in last March's ABRI leadership meeting in Bandung a number of the armed forces' annual requirements were determined.

"We have considered all of this, but we cannot disclose it to the press," he said.

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CSO: 4213/62

INDONESIA SEEKS U.S. JETFOILS FOR EXOCETS

BK110347 Hong Kong AFP in English 0238 GMT 11 Jul 82

[Text] Jakarta, 11 Jul (AFP)--The Indonesian Army will shortly acquire four jetfoil craft which will be armed with French Exocet missiles, informed sources said here today.

Indonesian Technology and Research Minister Habibie who is to arrive in Washington today on a 48-hour visit will have talks with top American officials on the purchase from Boeing of four military jetfoils worth a total 70 million dollars.

The craft will very probably be assembled at the Surabaya Military Base in East Java and then equipped with Exocet missiles--the Indonesian Army currently owns 25 Exocets, the sources said.

During his brief stay in the United States, Mr Habibie could also bring up the topic of building a factory to build U.S. M-16 rifles in Indonesia.

In addition the Indonesian Air Force is also keen to upgrade the missiles used to equip its 32 Skyhawks.

Indonesia's military budget for fiscal March 82-April 83, officially set at 1,000 million dollars, contains no provisions for the purchase of sophisticated combat aircraft.

Some observers here believe that the United States, which is Jakarta's main arms supplier, could be conciliatory both on prices and on the type of military equipment sold to Indonesia in a bid to warm up bilateral relations which have soured over the last year.

The United States could, for example, extend the list of arms that can be sold to Indonesia, the sources said.

But a foreign analyst said that technically such a move would change nothing, as the Indonesians were "very limited financially" in what they could buy.

CSO: 4220/229

REPORT ON TRADITIONAL EXPORT ITEMS

BK091249 Jakarta ANTARA in English 1002 GMT 9 Jul 82

[Text] Jakarta, 8 Jul (ANTARA)--Most of Indonesia's traditional export commodities, except pepper, have dwindled both in volume and value during 1981, allegedly due to the current world economic recession. On the other hand, there was an increasing tendency in volume and value of exported industrial products, compared with 1980.

The nine traditional export commodities are fresh and frozen shrimps, tea, pepper, palm oil, copra cake, tobacco leaves, rubber and timber.

Trade and Cooperatives Ministry sources told ANTARA that the export value of traditional and other products during 1980 stood at $5,647 million and $3,928 million during 1981.

The export volume for such commodities for 1980 was 22,718 tons. During 1981 it went down to 17,489 tons [figures as received].

The drop in export volumes of fish, palm oil and timber was attributable, among others, to the ban on trawlers and the curb on the export of palm oil and timber for the sake of domestic industrial requirements.

The drop in coffee export was due to the reduced quota by the International Coffee Organization from 192,000 tons during the coffee year (October-September) in 1980/1981 to 138,000 tons for the 1981/1982 coffee year.

Indonesia's export of industrial goods during 1981 saw a reduced volume compared with the 1980 figures.

However, several products experienced a drop, like urea fertilizer, cement, leather and synthetic fabrics.

The drop was due to the fact that these products were considerably needed for domestic industrial development.

Export value for Indonesian industrial products in 1980 stood at $520 million. This went up to $672.4 million in 1981. The volume for 1980 was 1,298 tons, and it went up to 1,385 tons in 1981. [figures as received]

Export industrial goods included essential oils, urea fertilizers, leather, leather goods, plywood, synthetic fabrics, cement, garments and electronics articles.

Prominent export products, both in volume and value, included leather goods, plywood, construction materials and air transport devices.

Other export goods worthy of mention were steel billets, construction machines, music instruments and films. Their value for 1981 amounted to $27.3 million.

Imported agricultural commodities and raw materials for 1981 stood at $2,038 million. The figure for 1981 was $2,590 million.

Imported agricultural commodities included powdered milk, wheat, rice, sugar, cattle feed, spices, raw cotton, pulp and artificial fiber.

Imported industrial machines and generators, and motor vehicles. [sentence as received]

Their import value for 1980 was $7,048 million. For 1981 the value was $8,960 million.

CSO: 4220/229

BRIEFS

THAILAND RICE PURCHASE--The Indonesian Government has purchased another 100,000 tons of rice from Thailand, particularly to help this fellow ASEAN country to cope with the drop in paddy prices in the country. This was stated by junior minister for cooperatives Bustanil Arifin after he reported to President Suharto at Bina Graha on the signing of the rice purchase from Thailand. The rice will be for the national food reserve of more than 1 million tons. The rice was purchased at $100 per ton. [BK110951 Jakarta Domestic Service in Indonesian 1500 GMT 8 Jul 82 BK]

INDONESIAN-CANADIAN ENERGY AGREEMENT--Jakarta, 5 Jul (ANTARA)--Indonesia and Canada are soon to sign an agreement on cooperation in the development of nuclear energy for peaceful purposes, mines and energy minister Subroto disclosed here Monday. The agreement will be signed in Ottawa and for this purpose Subroto is to visit Canada after attending OPEC (Organization of Petroleum Exporting Countries) meetings in Vienna which are scheduled to open July 7. The agreement with Canada was reached following a Canadian offer to cooperate [illegible] nuclear energy development some time ago. Subroto Monday morning [illegible] at the latter's Jalan Cendana residence to report on his [illegible] OPEC price-monitoring committee consisting of the oil ministers [illegible] other countries (Indonesia, Algeria, Venezuela and the United [illegible]. The committee meeting will be followed by an extraordinary [illegible] meeting which is to discuss the question of whether or not OPEC should raise its production ceiling of 17.5 million barrels a day. Asked whether Indonesia would increase its oil exports Subroto said this would depend on what the OPEC meetings in Vienna would decide and on conditions on the world market. [Text] [BK051126 Jakarta ANTARA in English 0803 GMT 5 Jul 82]

ISRAEL CRITICIZED--Jakarta, 11 Jul (AFP)--President Suharto has unleashed a strong attack on Israel and pledged Indonesia's full support to the struggle of the Palestinian people. "The world must not tolerate one country acting arbitrarily against another in the midst of the present civilised life of the world," the Indonesian leader said in a message to mark the descent of the Holy Koran read out by Vice President Adam Malik yesterday. All Muslims in the world should be united to face Israel, the president said. "The sufferings of the Palestinians and Lebanese peoples remind us of our struggle against the colonialists and imperialists in 1945," he said. The time has come for all Muslims to foster unity among themselves and to abandon differences between the Palestinian and the Lebanese peoples, he added. [Text] [BK111309 Hong Kong AFP in English 0411 GMT 11 Jul 82]

FOREIGN LEADERS' VISITS--Several foreign chiefs of state and heads of government will visit Indonesia this year in connection with the increasing role of these countries in international events. At least three presidents, a prime minister and a former queen have expressed their wishes to make official visits to Jakarta at the end of this year or early next year. President Nicolae Ceausescu from Romania, President Francois Mitterrand from France, President Husni Mubarak from Egypt and Prime Minister Pierre Trudeau from Canada will hold discussions with President Soeharto on bilateral and international issues. It is planned that former Dutch Queen Juliana will come at the end of this month for a visit of several days. According to AFP, French minister of external relations, Claude Cheysson, will arrive in Jakarta toward the end of this year before Mitterrand's visit, possibly next year. His will be the first visit of a French president since Indonesia obtained its independence 37 years ago. The planned visits of various leaders of foreign countries are viewed as a sign of Indonesia's increasingly important position in international forums, especially in regard to several regional problems, like Kampuchea, Afghanistan and efforts in the direction of creating stability in Southeast Asia. [Excerpt] [Jakarta MERDEKA in Indonesian 19 May 82 pp 1, 2] 9792

CSO: 4213/62

GDR'S HONECKER GREETS HENG SAMRIN ON KPRP ANNIVERSARY

BK040754 Phnom Penh SPK in French 1441 GMT 3 Jul 82

[Text] Phnom Penh, 3 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP (28 June), Erich Honecker, general secretary of the Socialist Unity Party of Germany (SED) Central Committee, sent his cordial greetings and fraternal salutations to Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State.

The message of Erich Honecker said, among other things: Since its founding, your party, born out of the Indochinese Communist Party, has passed through a difficult and heroic road full of sacrifices. Under the leadership of the communists and closely linked with the Vietnamese and Lao peoples, the Kampuchean people valiantly struggled against the French colonialists and U.S. imperialists for national liberation. Following the historic victory over the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique, the communists of Kampuchea have restored their Marxist-Leninist party.

The KPRP is leading the struggle of the reborn Kampuchean people and has led them to achieve victories in all fields.

The Fourth KPRP Congress formulated a Marxist-Leninist program of action to consolidate its organization and ideology and develop the socialist society. Through these measures, the KPRP and Kampuchean people have achieved important successes at which we express heartfelt satisfaction.

The SED and the KPRP and the peoples of the GDR and PRK maintain close fraternal relations with each other. It is with joy that we note that the fruitful cooperation between our parties and our peoples is developing in the interests of socialism and peace.

Rest assured that the SED and the GDR people will continue to strengthen solidarity with the KPRP and the fraternal people of Kampuchea, that hereafter they will accord their support for the natinal construction and the defense of sovereignty of the PRK, and that they will work to win recognition for the PRK.

CSO: 4200/50

CPI-M CONGRATULATES KPRP ON ANNIVERSARY

BK120643 Phnom Penh SPK in French 1434 GMT 10 Jul 82

[Text] Phnom Penh, 10 Jul (SPK)--On the occasion of the 31st anniversary of the KPRP, the Communist Party of India (Marxist) [CPI-M] Central Committee sent its revolutionary congratulations to the KPRP Central Committee.

The CPI-M message reads: Bringing into full play the glorious traditions of the Indochinese Communist Party which, as of 1930, led the Kampuchean, Vietnamese and Lao peoples in their heroic struggle against French colonialism, the People's Revolutionary Party formed in the bases of the revolutionary Khmers on 28 June 1951 has led the Kampuchean people in a protracted struggle against aggression by the French colonialists and U.S. imperialists in Southeast Asian countries.

The reactionary coalition of Sihanouk, Son Sann and the Pol Pot remnants, like the Kampuchean problem at the United Nations and elsewhere, has once again been stage-managed. At present, they launch armed attacks against Kampuchea from Thai territory in an effort to reimpose their rule in Kampuchea from which they were chased after their pitiable defeat. We think it is wrong that the PRC continues to recognize and support the Pol Pot remnants and the reactionary coalition led by Sihanouk. But the U.S. imperialists, the ASEAN ruling circles and the Khmer reactionaries are torn apart by acute differences.

The CPI-M Central Committee is convinced that the KPRP, with the fraternal assistance of Vietnam, Laos and other socialist countries, will triumph over the latter. From the moment Kampuchea was liberated from the Lon Nol puppet regime in April 1975 till 7 January 1979 when it was liberated from the counterrevolutionary regime of Pol Pot-Ieng Sary, the KPRP and the Kampuchean people had to endure hardships. You have achieved final victory by toppling the Pol Pot counterrevolutionaries with the fraternal assistance of the SRV. With the assistance and support of Vietnam and other socialist countries, the PRK has achieved numerous successes in restoring the economy devastated under Pol Pot and in the improving the living standards of the people of whom half were massacred under the genocidal regime and the rest deported to the countryside.

We wish you great successes in the struggle against the imperialists and reactionaries and in the building of socialism in Kampuchea.

CSO: 4200/50

CHEA SIM ATTENDS KOMPONG CHAM REVIEW MEETING

BK120830 Phnom Penh SPK in French 0400 GMT 11 Jul 82

[Text] Phnom Penh 11 Jul (SPK)--The People's Revolutionary Committee of Kompong Cham Province, northeast of Phnom Penh, recently held its third meeting to review past performance, consolidation of national and international solidarity and measures to be taken to carry out the year's agricultural production plan.

Chea Sim, member of the Political Bureau and chairman of the National Assembly and of the front; Sim Ka, member of KPRP Central Committee and chairman of the State Affairs Control Committee, attended the meeting.

The meeting expressed high appreciation for the results in 1981: the people take active part in production as masters of the country and their own destiny. More than 1,000 misled persons have rallied to the revolutionary power.

Despite natural disasters, the people, with the assistance of the revolutionary power, increased the cultivated area to 134,800 hectares--14 percent more than in 1981--and in particular achieved an increase of 8 percent for subsidiary crops, 50 percent for potatoes and 25 percent for industrial crops. Fish production reached 460 tons.

The province produced 576,800 metres of cloth and enough agricultural tools for the population.

Transportation, trade...achieved encouraging successes.

In the 1980-1981 school year, in the primary education sector, there were 1,120 schools with 21,680 pupils; in 1981-1982, 218,230 [figure as received] pupils have enrolled in primary and 3,930 in secondary education. About 25 percent of adults registered for literacy classes.

In the first half of 1982, the people planted 14,220 hectares of dry-season rice--an increase of 30 percent more than last year--and 9,950 hectares of subsidiary crops.

During the current rainy season, 5,730 hectares of rice have been planted, 3,760 hectares transplanted, and 20,950 hectares of subsidiary crops grown. The province expects to grow 175,000 hectares of rice, 50,720 hectares of corn and 33,400 hectares of potatoes.

Chea Sim congratulated the cadres and people of Kompong Cham Province for their efforts.

Citation certificates were awarded to districts of the province for their success.

CSO: 4200/50

MEETINGS MARK KPRP ANNIVERSARY

BK020911 Phnom Penh SPK in French 0418 GMT 2 Jul 82

[Excerpts] Phnom Penh, 2 Jul (SPK)--During a meeting held recently in Kompong Cham in honor of the 31st founding anniversary of the KPRP, Khim Sophal representative of the provincial party committee, called on cadres and party members to heighten their patriotism and their spirit of proletarian internationalism.

He spoke of the successes scored by the Kampuchean people, and particularly the population of the province, during the past more than 3 years under the leadership of the KPRP and thanks to the assistance of Vietnam, the USSR and other fraternal socialist countries.

Khim Sophal stressed: This year Kompong Cham Province expects to grow 150,000 hectares of rainy-season rice and 20,000 hectares of dry-season rice. In 1980 the province grew 130,000 hectares of rice against 90,000 hectares in 1979. In 1981, despite drought, the area under cultivation was 135,000 hectares.

A meeting under the sponsorship of the Ministry of Education was held in Phnom Penh in the presence of Mat Ly, member of the KPRP Central Committee and vice chairman of the National Assembly; Men Saman, member of the Central Committee and vice chairman of the Central Propaganda and Education Commission; Chan Ven, secretary general of the Council of State and vice chairman of the KUFNCD National Council; Pen Navouth, minister of education; and Chheng Phon, minister of information and culture.

Meetings marking the 31st founding anniversary of the KPRP were also held at the Ministry of Transportation and Communications and at Phnom Penh Thmei Ward, in the western suburbs of the capital.

CSO: 4200/50

THAI BLACK MARKETEER DESCRIBES BATTAMBANG CONDITIONS, JAIL

Bangkok THE NATION REVIEW in English 28 Jun 82 p 6

[Article by Prasit Saengrungruang]

[Text]

TEH Ka Muay is a two-storey shophouse in the Kampuchean city of Battambang. It is widely known as one of the country's most notorious detention centres, first used by former Khmer Rouge leader Pol Pot during his 'reign of terror.'

Today it is used by the Vietnamese-backed Heng Samrin forces to detain not only Kampucheans but also Vietnamese and Thais.

Wanchai Wongsilp is a 20-year-old student at one of a local schools in his home district of Aranyaprathet who has gone through a one-year ordeal at Teh Ka Muay.

Here is his first-hand account on his one full year of experience in that apparently ordinary looking two-storey shophouse.

During my school holiday last year, trading along the Thai - Kampuchean border was reasonably flourishing. My friends persuaded me to join them in selling some merchandises in the black market there. People were going there in hundreds each time so I didn't see any danger in going there at all. Naturally, I joined them.

That night we gathered at my house in Baan Koke in Aranyaprathet at around 8 pm. About an hour later, we started to move out. There were nearly 300 people altogether, including myself. We headed for the same lucrative black market. I had with me 30 sheets of 10-square-metre cloth for sales.

We went eastward from the village and later turned to the North trekking along the border towards the market.

Suddenly there was a shout ordering everyone not to run away followed by a rattle of gunfire. I couldn't make out what sort of gun it was nor where the firing came from. For sure, everyone was running away for safety.

If you have this sort of experience before, you are an expert in all the possible escape tours. If you are new to the whole thing, you are either get shot at or suffered a salvo of bullet wounds.

I ran like made as fast as I could to be as far away from that spot as possible. It was the only course of section I can think of. I remember I kept on sprinting, not knowing which direction I was heading to.

There was a shout ahead of me. It was in Vietnamese language which I have no idea what it meant. It certainly scared the hell out of me! So, I stopped and held up my hands and walked towards the place where the shout came from.

I saw about four or five Vietnamese

soldiers coming towards me. They asked me some questions. Obviously, we didn't understand each other. It was several minutes past midnight, about a little over an hour after the shooting. I was absolutely exhausted. After a meal they had given me, I fell asleep.

Next morning, another group of Vietnamese soldiers came and took me away along the Poipet-Si Sophon highway. We stopped at Nimit for two nights, then boarded a GMC vehicle for Si Sophon. There I was interrogated in Thai language by a Vietnamese refugee from Aranyaprathet. I recognized him well but I just can't think of his name.

The next day they took me to Teh Ka Muay in Battambang where they kept me under a Kampuchean guard who was in turn being watched by a Vietnamese soldier.

Teh Ka Muay is a two-storeyed shophouse-style building with the Vietnamese troops live on the top floor. There were about 40 detainees. I was the only Thai inside there along with others who were Kampucheans and Vietnamese. They were all in a very pitiful state.

Every morning at 5 am, all of us had to get up. At 6 am we had to stand in line waiting to be assigned to a job in the town. We were led by overseers to do the work like sweeping the streets, clearing the rubbish, digging te roads and many others hard labour.

At 11 am, we came back and had our very first meal of the day after which we took a break until 1 pm in the afternoon.

At precisely 1 pm, we were all led once more back to town for another round of gruelling hard work. Then, we came back again to Teh Ka Muay four hours later. It went on like this every day.

Suicide by hanging among the detainees there was a weekly event. The guard knew about it so the detainees turned to poison drinking instead. I did take some once but I was saved in the nick of time against my will be the doctor. The guard alerted by the clamour of others detainees, saw me and whisked me to the doctor. I thought at that time that I may stuck there for life.

Most of the Kampucheans there were mostly sent by the Heng Samrin government either because they were thought to be untrustworthy, or had committed some crimes.

Most Vietnamese detainees were of Chinese origin, who had escaped from Saigon (present-day Ho Chi Minh City) and were trying to enter Thailand for a resettlement in the third countries. They were, however, nabbed by the Vietnamese troops.

The city of Battambang itself was in a state of decaying and dilapidating. No new buildings and no maintenance of the existing buildings.

The majority of the Kampucheans feel that the owner of their country is the Vietnamese. Their attitude towards Pol Pot now is that of brotherly who shares the same Khmer blood, even though execution is the only punishment for all types of crime during his horror reign.

For sure the Khmer people are frustrated. They don't want Pol Pot back, but then they don't want the Vietnamese in their country either.

On the morning of May 25, this year (about a year later since the capture) the guard approached me and gave me a document in Khmer language. He told me that I can go home now.

Without a moment for second thought I grabbed the document and left the place as quickly as possible. The guard told me that I should show this piece of document if the guards at the check-points along my route ask for it. I adhered to his advice until I got to Nong Samet.

When I reached the black market place, I asked the driver of a truck if he could take me to Aranyaprathet. I told him all my story at Teh Ka Muay. He agreed to take me.

After all this, I think I deserve a well-earned quiet rest for quite a while. Before I go back to school and experience something completely different.

CSO: 4220/230

BRIEFS

PZPR GREETINGS--Phnom Penh, 4 Jul (SPK)--The Central Committee of the Polish United Workers Party [PZPR] recently sent fraternal congratulations to the KPRP Central Committee on the occasion of the latter's 31st founding anniversary (28 June). On behalf of all Polish communists, the PZPR Central Committee wished all Kampuchean communists and workers success in socialist construction, internal stabilization, the establishment of socialist Kampuchea's international position and the realization of the tasks defined by the Fourth KPRP Congress. [Text] [BK040912 Phnom Penh SPK in French 0359 GMT 4 Jul 82]

CUBAN GREETINGS--Phnom Penh, 4 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP--28 June--the Central Committee of the Cuban Communist Party recently sent "fraternal and warm" greetings to the KPRP Central Committee. The message said: Always loyal to the revolutionary legacy of the Indochinese Communist Party, the KPRP knew how to react to the treacherous maneuvers of the Maoist agents and knows how to lead the struggle of the Khmer people against all of their enemies toward victory. Today, the KPRP reaffirms its historic and militant unity and, closely linked with the parties of Vietnam and Laos, stands as a firm bastion in the struggle for peace, social progress and socialism. We wish you new successes in the construction and defense of the Kampuchean fatherland and in the implementation of the resolutions of your fourth congress. We hope that our friendship and solidarity will continue to grow with every passing day. [Text] [BK040946 Phnom Penh SPK in French 0401 GMT 4 Jul 82]

HUNGARIAN CC GREETINGS--Phnom Penh, 4 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP, 28 June, the Central Committee of the Hungarian Socialist Workers Party sent its "warm felicitations" to the KPRP Central Committee. The message of Hungarian Party Central Committee reads: The Kampuchean communists, successors of the Indochinese Communist Party, together with the communists of other Indochinese countries, waged a victorious struggle against French colonialism and U.S. imperialism and toppled the regime of the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique. We wish you success in accomplishing the tasks defined by the Fourth KPRP Congress for the consolidation of peace and security in Indochina. The Hungarian communists express their internationalist solidarity with your just struggle. We are convinced that your national construction effort, your struggle as well as the common cause of reinforcing friendship between the Hungarian and Kampuchean peoples and cooperation between our two countries and our two parties will be victorious. [Text] [BK050710 Phnom Penh SPK in French 0407 GMT 5 Jul 82]

BULGARIAN CONGRATULATIONS--Phnom Penh, 7 Jul (SPK)--On the occasion of the 31st anniversary of the founding of the KPRP (28 June), the Bulgarian Communist Party Central Committee sent its "most cordial congratulations" [passage indistinct] U.S. imperialists, local reaction and the Pol Pot regime, have opened to the Kampuchean people the glorious path of rebirth, independence and socialism. We wish you great success in the implementation of the Fourth KPRP Congress resolutions. We express high appreciation for the policy of the PRK to promote and deepen friendship with the Soviet Union and other countries of the socialist community, to firmly oppose the aggressive activities of imperialism and hegemonism; and to transform Southeast Asia into a zone of peace, stability and prosperity. We are convinced that the fraternal relations between the two parties, based on the principles of Marxism-Leninism and proletarian internationalism, will further consolidate and deepen in the future. [Text] [BK081210 Phnom Penh SPK in French 0413 GMT 7 Jul 82]

KPRP OFFICIAL TOURS--Phnom Penh, 8 Jul (SPK)--Accompanied by Sim Ka, member of the Central Committee and chairman of the Committee for the Control of State Affairs, Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council, recently made a working tour of Kompong Cham Province, 100 kilometers northeast of the capital. He visited workers at a textile factory, at a manufacturer of traditional medicine in the provincial city and the peasants of Srei Santhor District. The chairman of the National Assembly attended a review meeting of the provincial people's revolutionary committee. At the meeting Chea Sim said: Under the clear-sighted leadership of the KPRP, due to the efforts and patriotism of cadres, combatants and the people and with the assistance of fraternal socialist countries--first of all Vietnam, Laos and the USSR--and the peace and justice-loving countries the world over, the Kampuchean revolution, which at present is facing temporary difficulties, is progressing irresistibly. He condemned the Chinese expansionists, U.S. imperialists and reactionaries in the ASEAN countries who joined in forming the phantom and illegitimate tripartite government, which has neither people nor territory, and declared that it was a gross interference in the internal affairs of the PRK. [Text] [BK091021 Phnom Penh SPK in French 1430 GMT 8 Jul 82]

INTERIOR MINISTRY CADRES ADDRESSED--Phnom Penh, 9 Jul (SPK)--Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council, recently visited cadres of the Interior Ministry. Chairman Chea Sim expressed high appreciation for the efforts of the police forces who, in cooperation with the armed forces, have succeeded in maintaining political stability and social order. He denounced enemy maneuvers aimed at undermining the Kampuchean revolution. He talked about the successes in all fields achieved by the Kampuchean people over the past 3 years and stressed that they are due to the friendly relations, militant solidarity and cooperation with Vietnam, Laos, the USSR and other fraternal socialist countries. [Text] [BK090935 Phnom Penh SPK in French 0440 GMT 9 Jul 82]

CAPE VERDE OFFICIAL GREETED--Phnom Penh, 5 Jul (SPK)--On the occasion of the 7th anniversary of the independence proclamation by the Republic of Cape Verde, Council of State chairman Heng Samrin recently sent his warm felicitations to Aristides Pereira, president of the Republic of Cape Verde. In his message, chairman Heng Samrin said: The Kampuchean Government and people wish that the heroic people of Cape Verde under your enlightened leadership will score greater successes and that they will overcome all difficulties in national reconstruction. We are convinced that the relations of friendship between our two countries based on proletarian internationalism will further develop in the interests of our two peoples in the common struggle against imperialism and international reaction for the safeguarding of national independence and world peace. On the same occasion, Foreign Minister Hun Sen sent congratulations to his Cape Verde counterpart, Silvino Manuel da Luz. [Text] [BK050658 Phnom Penh SPK in French 0429 GMT 5 Jul 82]

KAMPUCHEAN-CSSR CULTURAL COOPERATION--Phnom Penh, 10 Jul (SPK)--Chey Sophea, deputy minister of information and culture, expressed satisfaction with the Kampuchea-CSSR cultural cooperation in the fields of cadre training, distribution of films and restoring the motion picture sector in Kampuchea. Chey Sophea, at the head of a Kampuchean cultural delegation to the 23d International Film Festival, recently granted an interview to Czechoslovak newspaper RUDE PRAVO in which he said that Czechoslovakia sent films to Kampuchea which were distributed throughout the country. This supply of films, Chey Sophea said, has contributed to enriching the programs of Kampuchean movie halls and to furthering the changes which take place there. At present, the radio broadcasting network has been expanded and we are making preparations to transmit television programs. He added that an agreement will be signed between the two countries to intensify cooperation in the cultural field. [Text] [BK101057 Phnom Penh SPK in French 0406 GMT 10 Jul 82]

CSO: 4200/50

SECRECY TO BE MAINTAINED ON PARTY LEADERSHIP BIOGRAPHIES

Vientiane VIENTIANE MAI in Lao 25 May 82 p 2

[Column: "Conversations with the Editor"]

[Text] [Statement[To the Editor: I have already followed your column, and I sincerely admire you. There is something on my mind I would like you to help me with. I would like to know the biographies of each individual member of the new Central Committee of the LPDR, especially those who are newly selected. As for those leaders who are members of the former Central Committee, I am already familiar with their reputation. Among the newly selected people are some Vientiane people whom I know well. These are the only ones I know, and I must admit my weak point that I know nothing about the rest at all! I think the events in their struggle might motivate youth to train and mold themselves by using them as good examples. With this, permit me to heartily congratulate the new Central Committee, and wish them good health and leadership of our country forever. [Comrade Vovoli of Ban Wat Sopsouanmon].

[Answer] To Comrade Bovoli: We found your letter very interesting because it involves an issue that we ourselves would like [to know] not less than you. However, we regret that we cannot answer your question because some members of the [new] Central Committee do not want to disclose their biographies; they want the masses to know and understand them, but not by means of newspaper coverage.

This is part of the reason we cannot fulfill your request. In addition, it might not be a good time to reveal themselves for we all know that if it was not handled well and not done at the right time, it could become self-propaganda and self-praise for no reason. Finally, people might misunderstand that they are showing off. This is just what we think among ourselves. As for our leaders, they are even more prudent than we. It is most certain that this problem will be solved in time and it is not time yet. We hope you can understand and forgive us for not being able to answer you this time. When the appropriate time comes we will be able to fulfill your request. Thank you.

9884
CSO: 4206/58

ELECTRIFICATION WORK, SALES TO THAILAND NOTED

Vientiane KHAOSAN PATHET LAO in Lao 25 May 82 pp A2, 3

[News Column: "Report of the Lao State Electrification Enterprise for 1981 and the First Half of 1982"]

[Text] From May 1981 to May 1982, cadres and workers of various services in the Engineering and Electric Power Department and the Lao State Electrification Enterprise have patiently and successfully put all their strength, ability, and creatifivy into competing with each other in doing their specialized task. They were able to ensure the expected electricity production and distribution figures and also to manage technical and enterprise planning and to expand the electrification network to serve society very well in industrial, agricultural, and light production.

According to Mr Khammouan Phonkeo, chief of the Lao State Electrification Enterprise, in his annual report ceremony which was held last 22 May, all cadres and workers in the department as well as the Lao State Electrification Enterprise have strong convictions and unshakeable confidence. This indicates and confirms the actual results of last year's work. The base [village] planning and construction service surveyed and cleared the land, installed electric lines and did soil testing in order to construct transmission lines in Tha Lat, Vangviang. It was 100 percent completed. They also surveyed and collected data and constructed hydroelectric dams all over the country in the area of Nam Sim, Houei Talat, and Houei Kasao, Houa Phan Province; Nam The, Kham District, Xieng Khouang Province; Tat E-Tou, Champassak Province; and Nam Pa, Attopeu Province, and successfully collected data to start a rural electric construction project in Attopeu Province. The first group for the first six months of 1982 in particular surveyed and collected detailed data for the hydroelectric dam at Se Sat, Saravane Province. The first and second groups surveyed and collected basic economic and industrial data. Also, 29 small-size hydroelectric dams in Champassak and Savannakhet were 100 percent completed. As for electricity production and districution, the Nam Ngeum electric dam produced 842,972,500 kWh, which exceeded by 10 percent the year's project. Of this, in only the first 4 months of 1982 they were able to produce 276,127,900 kWh, which exceeded the plan by 20 percent. They distributed 107,170,032 kWh of electricity within the country, and sold 702,028,600 kWh to Thailand. In the enterprise and technical control plan, inspection of generators 1-4 was completed 100 percent. The 110 kW

transmission line repair and maintenance was completed 100 percent, based on the year's plan. The 220 kW transmission line repair and maintenance was completed 100 percent based on the year's plan. Repairs to the [underground station], telephone, and That Louang distribution station were 100 percent completed.

The base and rural electrification construction project in the Vientiane Plain was completed, a cement pole construction factory was built, and repairs to generators 1 and 2 were completed 100 percent. Data was prepared, the plan was carried out, and the electric generators in Se Labam, Champassak Province, and Nam Dong, Luang Prabang Province were repaired. Moreover, they collaborated with many different divisions around the center and provinces. For example, they successfully installed electricity in 534 houses, set up 853 electric meters, installed 7 electric water pumps, installed electricity in 11 factories, and expanded the medium-voltage electrification network by 22 km and the low-voltage electrification network by 28 km.

9884
CSO: 4206/58

PRICE INCREASES, FLOW OF STATE STORE GOODS TO MERCHANTS CONTINUES

Vientiane VIENTIANE MAI in Lao 24 May 82 p 2

[Column: "Conversatins with the Editor"]

[Text] [Statement] To the Editor: I have a question concerning the principles of trade and ways to raise the living standard of the people.

1. Is there any difference between state trade and private sector trade? Before opening and closing or changing prices in state stores, must there be any orders from the higher echelons of the party first?

2. Retail stores in the Evening Market, Chanthabouri District, took advantage by raising prices by themselves. For example, Adeng brand cigarettes are advertised for sale at 280-290 kip per pack. The state shop's price is not that high. Is it right to do this? Is it right when a retail store orders cigarettes to sell in stores and then do not sell them but instead hoard them in their houses to sell to merchants? This involves not only cigarettes but also [cooking] oil, sugar, soap, and other items that have good values and that are wanted by private merchants. I can never buy them shenever I ask for them. Please clear this up to satisfy the masses. [Young Worker, Evening Market, Nong Douang]

[Answer] Dear Young Worker: We would like to answer your letter as follows.

1. State stores and private stores are completely different. State stores aim to sell in order to serve and raise the living standard of people of all races. Private stores, however, aim to sell for personal profit and only for their own personal gain. This is a very brief explanation, and we hope you understand. As for changing prices or whatever, it can be done only when there is an order in advance. The stores cannot raise prices as they please.

2. You did not state whether the store you mentioned in your first question was a state store or a private store, but we understand it to be a state store. If it is and it does not sell state goods at the price that was set, it is not right. If this is true, that store must change in order to be consistent with the plenum concerning prices and the order issued by the party and government. As for the problem of hoarding goods, we do not wish to comment, but if it is true you should send us the details along with complete evidence, so that we can pass the matter on to the higher echelons who are involved so they will be able to find ways to improve it.

That's all for now. If there is something more you would like to discuss we can do it next time. Thank you.

9884
CSO: 4206/58

BRIEFS

TEACHERS SEMINAR--Vientiane, 3 Jul (OANA-KPL)--The education service of Vientiane Municipality opened, on July 1, a long school-vacation seminar for teachers. Besides drawing experiences from the 1981-82 educational work, the attendants will also center their attention on the 1982-83 school year program. Resolutions of the Third National Party Congress and other documents on education will also be studied. Eighty one attendants from various schools listened to Vice-Premier and Minister of Education Phoumi Vongvichit who inaugurated the seminar. Phoumi Vongvichit, stressing on the joint contributions of the local education service and the local administrative committee, said that: "during the first stage of the transitional period to socialism, we must unite ourselves around the party to victoriously overcome all obstacles." [Text] [BK031035 Vientiane KPL in English 0901 GMT 3 Jul 82] Vientiane, 14 Jul (OANA/KPL)--A seminar for teachers organized during the long school vacation by the education service of Vientiane Province was closed on July 22 after 12 days of sitting. During the session, the conferees attempted to pinpoint past weak points and laid down the next school-year educational programs. The attendants also studied various resolutions adopted by the Third Party Congress and other documents concerning educational works. Vice-Premier and Minister for Education, Sports and Religious Affairs Phoumi Vongvichit, who attended the closing ceremony, addressed the gathering stressing on the significance of educational works which are needed to permeate in all spheres of life, in the national socialist construction. He further emphasized on the necessity to carry out one step ahead of others, the ideological and cultural revolution and to combine on the spirit of proletarian dictatorship with genuine patriotism. [Text] [BK141255 Vientiane KPL in English 0941 GMT 14 Jul 82]

OUTGOING POLISH AMBASSADOR--On the morning of 14 July, Nouhak Phoumsavan, deputy prime minister and minister of finance, received Marek Czurley, ambassador extraordinary and plenipotentiary of the Polish People's Republic to Laos, who paid a courtesy call on and bade farewell to the deputy prime minister prior to his departure for home after the completion of his term of service as an ambassador in Laos. Earlier, on the afternoon of 13 July, Ambassador Marek Czurley also took leave of Sali Vongkhamsao, deput prime minister and chairman of the State Planning Committee. Deputy Prime Minister Nouhak Phoumsavan and Deputy Prime Minister Sali Vongkhamsao held separate conversations with the Polish ambassador in an atmosphere of cordiality and

close friendship. The two deputy prime ministers wholeheartedly praised and hailed the great success of the Polish people in suppressing the counter-revolutionaries and normalizing the tranquil situation in the country. The two also thanked and commended the ambassador for his endeavors in performing his diplomatic tasks, which have greatly contributed to the daily development and strengthening of the friendly relations between Laos and Poland. Ambassador Marek Czurley also took this occasion to express his thanks to the party, government and people of Laos for the convenience provided him in performing his tasks. [Text] [BK150353 Vientiane Domestic Service in Lao 0000 GMT 15 Jul 82]

KAYSONE REELECTION--Vientiane, 2 Jul (KPL)--The first secretary of the Executive Committee of the Polish United Workers' Party CC, Wojciech Jaruzelski recently sent a telegram to Kaysone Phonvihan, general secretary of the Lao People's Revolutionary Party CC, congratulating the latter's being reelected as general secretary of the LPRP. The Polish party's first secretary expressed his conviction that the relations between the two countries, based on international socialism, will be strengthened for the interests of the peoples, peace and socialism. [Text] [BK021340 Vientiane KPL in English 0931 GMT 2 Jul 82]

FRENCH NATIONAL DAY--Vientiane, 14 Jul (OANA/KPL)--President Souphanouvong today sent a message to President Francois Mitterrand of France, greeting the French National Day. The message says: On the occasion of the National Day of France, would like to convey my congratulations, my best wishes of happiness and prosperity to you and, through you, to the French Government and people. Khamphai Boupha, acting minister for foreign affairs, also sent greetings to Claude Cheysson, minister for foreign affairs of France. [Text] [BK141237 Vientiane KPL in English 0944 GMT 14 Jul 82]

PROVINCIAL COURT SEMINAR--Vientiane (KH.P.L.) The court seminar for the 5 southern provinces that lasted for one month until the beginning of May was successfully closed. There were 50 court cadres in all from 5 southern provinces who attended the seminar. Their hard work and their serious study together of many documents concerned with court work made each cadre clearly understand the importance and significance of the work and the content of each document quite well. At this opportunity all expressed their decision to apply their successful seminar results to their work in order to improve each one's provincial court work effectively, and to participate in keeping peace in our country. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 26 May 1982 p A3] 9884

CHAMPASSAK FOREST INDUSTRY WORK--Vientiane (KH.P.L.) From last January to April the Champassak provincial workers of the tree removal and wood preparation company carried out their specialized tasks with high spirits, actively aiming to achieve their first 6-month plan in order to serve the needs of material for construction. Within the past 4 months they cut and collected 45,728 cubic meters of all kinds of wood, transported 14,434 cubic meters of wood for sawmills, sawed 3,776 cubic meters of wood, made 526 tables, chairs, beds, and wardrobes, and a fairly good amount of work in conjunction with others. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 21 May 1982 p A6] 9884

CSO: 4206/58

BRIEFS

ISRAELI GOODS IMPORT--Stern action will be taken against anyone found importing goods from Israel. The director of the Royal Customs Preventive Division, Raja Omar Raja Abdullah, warned today that while the goods would be seized, those involved would also be prosecuted. He was commenting on reports of the success of the city customs preventive drive in finding out that a firm in Petalingjaya had imported Israeli goods through a third country. The firm tried to import laboratory equipment and chemicals through Britain while making the payment through the United States. Raja Omar said such activities were hard to detect, but those suspected of involvement would be investigated and brought to court. [Text] [BK081247 Kuala Lumpur Domestic Service in English 1130 GMT 8 Jul 82]

RUBBER PRICES--The decision by natural rubber producing countries to deny 350,000 tons of the product to the market is part of a move by producers to improve prices. The action is necessary following the failure of the bufferstock operation to bring up the prices to adequate levels. The denial of rubber will help prevent disruption to the natural rubber industry. If will also prevent an exodus from rubber cultivation to other economic activities. The minister of primary industries, Datuk Faul Leong, told newsmen in Kuala Lumpur that the Association of Natural Rubber Producing Countries is due to meet in Jakarta later this month. It will hold discussions on the withholding of the product. He sayd that the denial to the market represents the private sector's contribution to help jack up prices. The government on its part has given almost 2 million ringgits to the bufferstock operations of INRA [International Natural Rubber Association]. The bufferstock manager currently holds more than 150,000 tons. Datuk Paul Leong made it clear that the step taken by producers is to create a more equitable balance between the demand and supply situation. The minister says that the forecast by the World Bank for natural rubber is very optimistic. Based on the current trend, the World Bank predicts a price of $1.68 by 1990. However, Malaysian production has remained stagnant around 9.5 million tons. [Text] [BK090921 Kuala Lumpur International Service in English 0600 GMT 9 Jul 82]

PALESTINIAN SOLIDARITY ASSEMBLY--The Malaysian Youth Islamic Movement has organized a Palestinian solidarity assembly in Kuala Lumpur. The assembly is to protest the Israeli invasion of Lebanon. Among the speakers at the assembly were the PLO special representative to Malaysia, Mr (Abu Riad), and the president of the Malaysian Nationalist Islamic Students Association. The Palestinian Solidarity Fund was also officially launched in conjunction with the assembly. [Text] [BK040751 Kuala Lumpur International Service in English 0600 GMT 4 Jul 82]

ENVOY TO INDONESIA--The government has appointed Datuk Mohamed Rahmat as Malaysia's ambassador to Indonesia. Datuk Mohamed Rahmat, who is a former minister of information, started his career with the government in 1965. He is a graduate from University Indonesia. [BK080405 Kuala Lumpur International Service in English 0600 GMT 6 Jul 82 BK]

1981 REFINED TIN EXPORT--Malaysia exported about 67,000 tons of refined tin last year. This is about 4,000 tons less that the export for the previous year. The figures are given in TIMAH, a magazine published by the Publicity Management Committee of the tin industry in Malaysia. The magazine says there has also been a decline in tin production following the closure of a number of mines. Production for last year was about 60,000 tons, which is approximately 1,000 tons less than in 1980. [Text] [BK080405 Kuala Lumpur International Service in English 0600 GMT 4 Jul 82 BK]

JUNE-MAY INVESTMENT--Investment is still coming to the country despite worldwide recession. The Malaysian Industrial Development Authority had been receiving an average of 40 applications monthly since the beginning of this year, the deputy minister of trade and industry said in Kuala Lumpur. He pointed out that another encouraging sign is an increase in the number of registered companies. This totals 5,800 in the first 5 months of this year. He said the business community and investors should guard into falling into the depression syndrome. They must consolidate themselves where others are holding back. Such a move will help reap a better profit when the situation becomes better. [BK020755 Kuala Lumpur International Service in English 0600 GMT 30 Jun 82 BK]

CSO: 4220/229

GOVERNMENT CLOSING OF PAPERS PROTESTED

Kathmandu THE RISING NEPAL in English 20 Jun 82 p 1

[Text]

Kathmandu, June. 19.

The executive committee of the Nepal Journalists Association (NJA) has protested against the action taken by the local administration against the weekly "Samiskshya" published in Kathmandu and the weekly "Yugbodh" published in Dang and demanded immediate lifting of the ban imposed on the publication of the newspapers,reports RSS.

The meeting was presided over by NJA president Manjuratna Sakya.

CSO: 4220/201

BANNING PAPERS INCOMPATIBLE WITH PRESS FREEDOM

Kathmandu THE MOTHERLAND in English 19 Jun 82 p 3

[Editorial]

[Text]

The ban imposed on the vernacular weekly "Sameekshya" has come in sharp contrast to the liberal atmosphere in which the press was allowed to function until recently. The government had been relatively tolerant of criticism from the press and this was a welcome development, considered to be in conformity with the new era ushered in by the national referendum. Sadly, however, the government has chosen to stamp out the meticulously built atmosphere of free press by a single stroke, thus reversing its old policy of intolerance and subsequent suppression of the press. Looks like the government has not learnt and is not willing to learn from its past mistakes.

More serious is the fact that the government resorted to the Press and Publication Act to deal with a heavy hand with the weekly. The Act has been widely acknowledged to be draconian in nature and there has been a widespread demand for its abolition without any further delay. Even the Royal Press Commission, whose recommendations for a better press still lie unattended at the Prime Minister's office, has called for amendment to the Act. Far from doing so, the government is sending feelers that the 'Damocles Sword' is going to be there, over the heads of all newspapers, freedom or no freedom of expression.

CSO: 4220/201

BETTER POLICE IMAGE URGED

Kathmandu THE MOTHERLAND in English 24 Jun 82 p 3

[Editorial]

[Text]

Policemen in general are not trusted by the people and that not without reasons. Even well-meaning people are scared of the police and more often than not it is not the bad characters who are tortured but people who are wronged and innocent. Those who hold position and wield power belong to a different category. They are part of the establishment and can only help make things worse. The irony of the situation is that good men do not feel sure in the presence of police whereas bad characters do. To well-meaning people they are a scheming and plotting lot. Reasons and arguments have nothing to do with them. Such a situation should not have existed.

The action taken by the police headquarters against two assistant police sub-inspectors and six other constables and publicized by the Home Ministry can at best be described as a smokescreen in the prevailing condition. Can such actions make up the moral and social indignity suffered by the mother and son even when they are declared not guilty? Had it happened elsewhere such things would have been ignored. The law and order

situation is deteriorating every day and the establishment should make it a point to punish those who are largely responsible for it.

And against this backdrop a new IGP is appointed. He is known as a man of integrity and has had a distinguished service career. As such he should be different from his predecessor and live up to his name and reputation though he is also very much a part of the establishment. As such one simply wonders whether he can resist all the temptations and benefits and withstand the consequences that follow if he refuses to become obliging. Yet he should agree, first of all, that the police force should be disciplined gradually and steadily by of course providing them better facilities, and they should be stopped from becoming law unto themselves.

CSO: 4220/201

BENEFITS SEEN FROM IMPLEMENTATION OF PRESS LAW

Kathmandu THE RISING NEPAL in English 20 Jun 82 p 2

[Editorial]

[Text] His Majesty's Government's decision to implement most of the recommendations of the Royal Press Commission submitted to His Majesty the King in July last year can be said to have paved the way for a more systematic and rapid development of the press in the Kingdom. His Majesty the King had appointed the Royal Press Commission to examine the difficulties being faced by the Nepalese press and journalists and to suggest ways to solve them. His Majesty the King after the Commission had completed its work had handed over the report to His Majesty's Government to implement the suggestions. The report of the Royal Press Commission are far reaching and as such various legal and other aspect had to be studied and solutions found before the recommendations are acted upon. This probably explains the reason for what looked like a delay on the part of HMG to implement the Royal Press Commission suggestions. Now that HMG has taken a final decision to implement the suggestions the door has been opened for the institutional growth of the press in Nepal. Among the more important of the recommendations which the government is to implement concerns the automatic cancellation of a newspaper's or a periodical's registration once a fine is imposed by the administration. With no chance of appealing the government's decision and even when the case is won in court after a writ, the newspaper or a periodical has to cease publication until the final court decision this clause could said to have been an obstacle to the press freedom. This means a loss of readership and indeed, many a time such a closure could prove to be permanent. This provision of the press act is happily now being abolished. Related to this is the clause under which the press in which the new paper in question is printed is also to be prosecuted along with the newspaper. This clause is an impediment to press freedom in as much as the owners of the printing presses will be very reluctant to print newspapers. In this case also His Majesty's Government is to implement the Royal Press Commission recommendations which will dissociate the printing press in any action against a newspaper. The right to move courts to challenge any action that the government might take against newspapers and periodicals is the sort of innovation that will result in further guaranteeing the freedom of the press.

Side by side with the press freedom, the implementation of the suggestions will also result in the institutional development of the press in the Kingdom. This flows from the government decision to treat the newspaper and journals as service oriented industries with all the benefits that arises from it. Once this is done, the newspaper publishing will come under the purview of the industrial act that guarantees minimum salaries to the workers. Also stemming from this will be the availability of loans and credits on softer term to the newspaper publishers. This should activise the Nepalese press to serve the country better by taking the news and information to different parts of the country. The new decision of HMG will also enable the publication of new newspapers and periodicals once the legal requirements are met, and in this respect, HMG is to ensure that such requirements are within the reach of all Nepalese, they are to be made practical and realistic. The government has also assured that the necessary inputs for the newspaper publication such as newsprint and others will be made available on reasonable terms and rates. All these bode well for the Nepalese press and HMG's decision to implement the Royal Press Commission recommendation scan be said to have been a step of far reaching consequences to the Nepalese press.

CSO: 4220/201

INFLATION RATE UP TO 17 PERCENT

BK090930 Hong Kong AFP in English 0700 GMT 9 Jul 82

[Text] Wellington, 9 Jul (AFP)--New Zealand's annual inflation rate jumped back to 17 percent today, after a 5-percent rise in the country's consumer price index in the second quarter, according to official statistics released today.

It was the highest quarterly figure for 3 years, pushing the nation's inflation level up from 15.8 percent.

The massive boost to consumer prices came in the wake of a housing price boom, high fuel and transport cost increases, and a government spending spree before last November's election.

Government charges for electric power, rail transport and many other services have risen rapidly in recent months. Milk prices, bread and even beer prices have also lifted sharply in the past 6 months.

Indications to the government that inflation was again spiralling prompted it to impose a tough wages, prices, rents (?and) dividends freeze on the economy 2 weeks ago.

Today the labour opposition accused Prime Minister Robert Muldoon's government of "pushing the panic button."

Labelling the inflation rise "disastrous," labour leader Bill Rowling warned that working people would not tolerate the wage freeze if the cost of living continued to soar.

"The New Zealand economy is now pitched into a desperate situation," Mr Rowling said.

But Trade and Industry Minister Hugh Templeton said the high inflation level reinforced the need for cooperation to ensure the wage-price freeze works.

"The present slowdown in world inflation must be used to get positive results from the freeze. We have to move now to get inflation down," he said.

Observers speculated that one element of the government strategy could be the tax reduction planned for the annual budget in 3 weeks, as a trade-off for lower wage demands by the country's unions.

CSO: 4220/229

ISRAEL'S POLICIES TERMED 'BRUTAL AND BARBARIC'

Karachi DAWN in English 2 Jul 82 p 9

[Editorial]

[Text] AMIDST the carnage in Lebanon, and the suffering of the injured and homeless, the plight of those unfortunate Palestinians who have fallen into the hands of the Israelis has not received the attention which it deserves. In the first place, Israel has refused to recognise captured Palestinian soldiers as prisoners of war, and is, instead, insisting that they are 'terrorists'. This means that these soldiers, who have fought so bravely, will be refused the facilities to which they are entitled under the Geneva Conventions, to which Israel is a signatory. It takes a very vicious kind of approach to behave in the manner in which Israel has been behaving in Lebanon. While there had not been any doubts about the viciousness of the Israeli mind, it had been hoped that it would at least treat its adversaries in the field of battle, with the honour which all armies have come to accept traditionally. That it is not doing so is plain by now. If Israel does not recognise the Palestine Liberation Organisation diplomatically, that does not rob the Palestinians of their internationally accepted identity. A large number of the world's nations and even the United Nations recognise PLO as the sole representative of a people fighting for their national rights. But the more significant fact is that the Palestinian prisoners have fallen in Israel's hands in the course of a war of aggression waged by the Zionist forces. They were not captured in Israel's own territory. In this savage, all-out war, Israel has openly accepted the Palestinians as its enemy. It is worse than perverse logic to deny the captured PLO fighters the status of prisoners of war.

Not only is Israel not according the facilities to Palestinians which it is required to under international law and conventions, but its behaviour towards them has been unspeakably cruel. According to reports, most captured Palestinians are kept bound hand and foot, and most are blindfolded also. There can be no

conceivable reason for the Israelis to go to such barbaric extremes, the only interpretation being that the Israelis are bent on torturing Palestinian prisoners to break their spirit and to get some perverse pleasure out of it. Two Norwegian doctors have also given eyewitness accounts of the brutal treatment meted out to prisoners — these included merciless beatings of helpless men for no apparent reason other than that they were Palestinian. These are facts which have been observed and reported by neutral men. There is no knowing what else the Israelis are up to in their modern-day equivalent of dungeons. What brings on even more horror is the thought that the incidents and practices reported may only be the tip of the iceberg, so to say, and that far worse tortures are being inflicted on the Palestinians.

The extent to which Israel is prepared to go — massacring innocent men, women and children — in pursuit of its unholy objectives has revolted even its closest allies. Even the United States has now been constrained to warn Israel that any further attack on West Beirut while negotiations with Palestinians are going on will bring repercussions, and that the United States will consider enforcing an arms embargo. This latter need not be taken seriously. But the statement, coming at this time, does show that there is concern in the United States at world indignation over Israeli atrocities in Lebanon. The American Government ought to be perturbed, to put it mildly, at the Israeli brutality of the past month, and the effect that a continuation of this scorched earth policy may have on world opinion, and also on the American people. While cessation of hostilities is a larger issue, the maltreatment of prisoners of war is a matter which is much less complex and whose solution is not all that difficult. The International Red Cross regards captured Palestinians as prisoners of war — and so does the world at large. All countries of the world, and the United States as the one having the most influence over Israel, should bring pressure to bear on Tel Aviv, so that Palestinians are accorded the treatment they deserve on the basis of world opinion, on the basis of international conventions and, above all, on the basis of their bravery in a savage war which was suddenly imposed on them.

CSO: 4220/212

EDITORIAL CAUTIONS AGAINST DEPENDENCE ON AMERICAN AID

Karachi JANG in Urdu 29 May 82 p 3

[Editorial: "Potentialities of American Aid and Pakistan"]

[Text] The U.S. Senate Foreign Relations Committee is currently considering the issue of aid to other countries. Some decisions have already been made, while matters relating to certain countries are under way. The proposal for giving $532 million to Pakistan during the 1982-83 fiscal year for the purchase of arms is in its initial stage of debate in the committee. The Foreign Relations Committee of the powerful Senate of the U.S. Congress will give its decision on this issue in a day or so, a decision that will determine to a great extent the fate of the agreement under the terms of which Pakistan is expected to receive $3.2 billion during a period of 6 years, also how in the end this aid will be implemented and in what form.

The debate in the Foreign Relations Committee over the past 2 days, to say the least, can be described as surprising as well as incredible. Powerful members of the Senate, including Senator Cranston from California and Senator Glenn from Ohio, have demanded that Israel's demand for additional aid should be carved out of the aid allocated to Pakistan. The committee at first approved, 9 votes to 7, that during the coming fiscal year Israel should be given $125 million in additional aid. On the question as to how this additional aid could be procured, the first-mentioned senator suggested that this whole amount should be deducted from the proposed $532-million aid to Pakistan then under consideration. He said in clear and unambiguous terms that when there is a clash between Israeli and Pakistani interests, we must support Israel. The same senator, supported by Senator Glenn, tried to raise the alarm that very soon Pakistan will be starting work on its atomic project. He added that as soon as it is known that Pakistan is about to start work on reprocessing atomic fuel, all aid should be stopped. Both these senators raised the hue and cry that 5 months ago, when it was decided not to apply the Symington amendment to Pakistan, it was hoped that this country would halt its atomic program but that things did not turn out as expected. Therefore, as a first step, economic aid for Pakistan should be reduced, and in this way it should be given a warning. If despite this warning Pakistan 'warmed up' its atomic plant, then all aid to Pakistan should be stopped forthwith.

This detailed account shows that our expectations and hopes as far as the United States is concerned are based on weak foundations and that its pledges cannot be relied on. It is true that Senator Percy, the chairman of the Senate Foreign Relations Committee, cautioning his colleagues against a breach of faith, warned them that this would adversely affect the credibility of the United States and that not only would Pakistan not trust us in the future, but at the same time, other friends and allies of the United States would also hesitate to credit our pledges. But the members of the Senate who were bent on opposing Pakistan refused to give any importance to the statements of the committee chairman. It is not possible to predict what the final decision of the Senate will be and what shape the commission's [sic] final recommendations will take. It is quite possible that by the time these lines are published, its decisions will have been made public. It is also possible that at this stage no significant reduction will be made in the proposed aid to Pakistan and that the total amount will be maintained intact. But the proceedings of the meeting of this important committee reveal that nothing definitive can be said as to what will happen in the remaining 4 or 5 years, particularly at a time when one of our very big "benefactors" is going on a visit to the United States in a few weeks. She has already made known her intentions about expressing her displeasure over the proposed military aid to Pakistan. To intimidate and at the same time to subdue her hosts, she has already started her multipurpose campaign. At times she says that the United States and India are the world's two largest democracies and that both of them should respect each other's point of view. At other times, she says that the United States is a great power that India cannot disregard, and similarly her own country is also so big and so important that the United States cannot afford to cast it aside. Circumstances indicate that Mrs Indira Gandhi's efforts seem to be bearing fruit and that the United States, in view of its interests, appears to be adopting an attitude of appeasing India.

On the other hand, Israel's hostility towards Pakistan is a permanent and well-known fact. Everyone is aware of the contradiction that exists between the interests of Israel and Pakistan's way of thinking. The close relationship between the United States and Israel constitutes an important factor in world politics. The extent of that closeness can clearly be seen from the other day's proceedings of the Senate Foreign Relations Committee. During these proceedings, when one of the senators suggested an unexpectedly surprising proposal for the payment of Israel's loans in the form of American aid, one of his opponents replied that if today we accept the responsibility of Israel's loans, then the next day other U.S. states, e.g., Maryland, Illinois and others, will also demand that the federal government pay their loans. This senator practically placed Israel in the same category as one of the states in the United States. Similarly, another senator remarked that for the sake of providing the complete food requirements of one child we cannot starve other children. These are the remarks of two senators opposed to giving additional aid to Israel. One put Israel in the same category as other U.S. states, and the other senator looks upon Israel as a child of America. If we enter into a treaty of aid and friendship with such a country, then apprehension about its stability and usefulness will

forever haunt us. The Senate Foreign Relations Committee's recent debate reveals this fact in its entirety.

This situation demands on the one hand that so long as we depend on American aid we must strengthen our lobby in America and, to whatever arguments are put forward by our opponents, try to give convincing counter arguments, so that the agreement reached [between the two countries] is executed fully. On the other hand, we must try to reduce our reliance on foreign aid and shape our internal and external policies in such a way that we do not have to depend on one or the other superpower to the extent that in the event of losing its support we have to face dangers and difficulties. Our policies should be so balanced that even in the event of a change in the course of U.S. action, we are in no way faced with a situation or difficulty that could seriously jeopardize our national security and interests.

9315
CSO: 4203/140

FEDERAL HELP TO SIND FOR WATER TO BE EXTENDED

Karachi DAWN in English 2 Jul 82 p 14

[Text]

ISLAMABAD, July 1: The Federal Finance Minister, Mr Ghulam Ishaq Khan, winding up the Budget discussion in the Majlis-i-Shoora today, said the Federal Government was fully aware of the water situation in Karachi.

He assured the Members of the Shoora, who in their speeches voiced concern over the water situation in Karachi, that the Federal Government was extending all possible help to the Government of Sind in this regard.

Mr Ishaq said that keeping in view the growing population of Karachi and its development needs, a Greater Water Supply Scheme in four phases had been prepared under which the water supply capacity would increase by seven crore gallons at each stage. He said so far three phases have been completed at a cost of Rs 107 crore, raising water supply by 21 crore gallons.

The Minister expressed the hope that the Hub Dam would be completed, during the next few months. With the completion of the dam, 8.9 crore gallons of water would further be added to water distribution system in Karachi, he said.

The Minister said that Rs 31 crore, given by the Federal Government to the Sind Government for the completion of Greater Water Supply Scheme and Hub Dam, as loans, had been waived by President Mohammad Zia-ul-Haq.

The Federal Government had also contected the Sind Government regarding the commencement of the fourth phase of Greater Water Supply Scheme.

CSO: 4220/212

KARACHI'S SEVERE WATER PROBLEMS DISCUSSED

Karachi DAWN in English 2 Jul 82 Magazine p V

[Article by Azmat Ansari]

[Text]

If you want to know why Karachi is facing the worst-ever water crisis, don't ask Mr. M.A.Rahim, the chief of the Water Wing in K.D.A. He would turn round, shoot an angry glance at you and say with a note of anger in his voice: "People who say there is no water are liars. If they had been paying their dues regularly, there would have been no crisis to start with. The problem is that we all want to use water but don't want to pay for it." KDA owes lakhs and lakhs of rupees to the KESC. Not half the users have paid their bills. KDA is now only the water supplier in bulk – the retailers are the Water Management Board. "If we cut off the water supply of the defaulters, they come up with such emotional arguments like they have no water for ablutions – they can't say their prayers; there's a corpse in the house – they can't give it the last bath. If there were no water, how is life in the city going on undisturbed."

Just as these lines were being written, the loudspeaker from the minaret of a nearby mosque blared out: "Gentlemen (hazraat), there is no water in the mosque today. You are requested to do your ablutions at home before you come to say your prayers."

Karachi was hit by a severe water crises between 1956 and 1962 – but it was nothing compared to the present. "The problem with Karachi", a Government official says is that a large number of people who live here have their roots elsewhere. They live here as tourists; most of them are here to earn money anyway: they really don't care a straw about what happens to the city; they haven't developed a concerted civic sense as yet; they are not inclined to pay for what they use."

Mr. Rahim wanted this story to be written after another six months when "the results of the excellent work that the KDA has done by way of solving the city's water problem start to show". That is: once the Greater Water Supply Scheme was implemented, the City won't face any water shortage until the next century.

If the past record is any index of the solution of the water crises that the city has faced between 1956 and 1962, then it would appear that our planners may not be able to get us out of the water muddle – merely on account of a weak and timorous approach to the problem.

Complicated

The new 1200-cusecs Independent Canal which takes off from Chilya (a few miles further up the lower tip of Kheenjar Lake if you approach the lake from Karachi) can feed 520 cusecs into the 11-mile long concrete-lined Karachi Conduit canal. Right now, the gates are opened at Gujjo to allow approximately 240 million gallons daily into the canal. After the fourth phase of the Greater Karachi Water Supply Scheme is finished and the canal is improved additional 64 million gallons would be drawn from the canal at Dhabejee. After allowing for losses through evaporation and leakages, 300 MGD will be drawn finally – 280 at Dhabajee and 20 at Gharo.

The solution, says Mr. Rahim, is not pumping in more water into the system. The problem is so vast and so complicated that the brain of an average citizen can hardly grasp it. A whole set of new pipe lines, reservoirs, pumping stations, conduits and rising mains have to be laid out and installed. In a four-inch pipeline you can't pump in as much water as an eight-inch pipeline would take.

How did the citizens react in the wake of headlines: 'Half the City Goes Without Water' . . . . ' 'Dry Taps, No Water' . . . . . 'Water Sells in the Black Market'. The population reacted mildly, and their protests were confined – mostly to letters to the editors: "The problem is not more – management, but more water', said one writer. 'The creation of the water Management Board has not eased the problem, rather it has aggravated it."

A resident of Nazimabad was more specific: He wrote, "Earlier on, we got water every alternate days, now we are getting it every five days, and that too for a few odd minutes". . . . . and perhaps not more than a few drops. At least once the administration played a practical joke on the residents of Nazimabad by throwing the sewage and untreaterd effluent into the pipelines.

Posh Areas

People in Karachi for the first time questioned the validity of having to live on water brought to their houses in tankers for which they had to pay so dearly. Why should a man living in Karachi pay, in some cases, 300 rupees for one tanker (the rate fixed by the authorities is Rs. 60) when a citizen living in Lahore, 'Pindi, Hyderabad, Quetta and Peshawar pays only three rupees to buy the same amount of water? The cost of water in a 1200- gallon capacity tanker is only two rupees (two hundred paisas).

Sure enough the large number of people paying between 10 to 14 thousand rupees in P.E.C.H.S. and Defence Housing Society to see them through the summer would have to pay only three hundred rupees if they were living elsewhere in Pakistan. Why this difference?

Residents in the posh Defence Housing Society were so badly affected that some of them had wells dug in to take out sub-soil brackish water, one of which caved in.

In Nazimabad, reports of more wells being dug came in, although environmentalists had warmed that all sub-soil water in Karachi may not be fit for drinking, some of it is positively contaminated.

A large number of residents of P.E.C.H.S. had their water pipes lowered into the ground several feet to let the low-pressure water flow into their taps.

Officials at COD Hills in Gulshan-e-Iqbal, and the KDA have held frantic meetings to find out ways of coping with the situation, and visiting the recently inaugurated Hub Dam to assess, how much water the KDA could draw out of the reservoir to feed the 100 million gallons a day water filteration plant at Manghopir. The reservoir is not even half filled up and all depends on the rainfall this summer. They finally decided that they would draw only 89 million gallons daily from the reservoir.

In Theory

But the most dramatic evidence of the shortage of water in the city is the Muslimabad Hydrant – a walled in compound from where, at least on paper, 1815 trips of 1200 and 1500- gallon capacity tankers originate every day.

The Hydrant Complex, only a furlong from the Quaid's mausoleum, is athrob with life: tanker owners crowding around the clerk's window to deposit tax, – drivers waiting out their turns to move their vehicles under the hydrants, housewives coming with sad stories.

Of the 13 hydrants in Muslimabad two are set apart for KMC, two for private companies and government and semi-autonomous bodies such as the KESC, Korangi

Power House, SUPARCO, Coast Guards, Steel Mills, National Logistic Cell, Fire Brigade; eight hydrants are exclusively for the use of private – tankers.

At least in theory, the Corporation in some cases is supposed – to give water free of cost to people who complain that their taps are without water. In practice not more than fifty tankers – the maximum number that can be filled up from the two hydrants set apart for the KMC – go out to houses in very widely scattered localities.

And it is interesting to note that some people in the city can get water free of cost whereas – others have to pay for it; however, at times, people have to wait for months together to get a free tanker which lasts not more than three or four days for an average household.

Water for the towzels[1] and wilted cacti and scre grass in the Quaid's mausoleum goes from this very hydrant – not more than five to ten tankers every day, according to the management; in actual practice it may be less.

The residents of the Defence Housing Society who deposit 40 rupees (according to some residents 60) are a little better off compared with people in other parts of the city who have to pay much more to buy the same amount of water.

The rates fixed by the Karachi Water Management Board for a tankerful of water are sixty rupees per tanker provided the distance of the tank or the container in which the water has to be emptied at the distination is not more than 15 feet. If the distance is more than 15 feet than the rates are bargained for. In some cases, fifteen hundred gallons of water has sold for three hundred rupees or more.

Some people argue that if there is water at the Muslimabad hydrant, then the bad situation has arisen only due to poor distribution and not to any shortage of water; others say it is because of the low pressure of water in the pipes which is actually the same thing: when water is scarce, pressure in the taps is low.

Apart from the Muslimabad Hydrant, there are quite a few more in Sher Shah, Stadium, Karsaz, Sakhi Hasan and North Nazimabad.

Is the shortage of water artificial and assidously manipulated by vested interests? In peak summer months, an average tanker owner earns between nine to fifteen thousand rupees every month, that is if they charge the buyers at the official rate which means they earn much more. No sane person would like to forego this income

A large number of people in Karachi do not look at the tanker owners as greedy and rapacious lot of businessmen, rather they look up to them as their friends. Especially if they live in a place where the nearest water line is ten miles away, and the sub-soil water is brackish and entirely unfit for drinking.

In Karachi the problem acquires a peculiar intensity: the pollution is on the increase, the industries are growing, the city is expanding – lack of adequate supply of water is a major constraint on the development of industry and construction of buildings; costly water supplied in tankers and electricity twice as expensive as in the rest of the country could make it difficult for any Karachi-based Pakistan manufacturer to compete effectively in the world market.

A horticulture expert who was interviewed for 'Dawn' recently said that the devastation is so complete that several public parks in Nazimabad alone will have to be laid out afresh; trees and bushes are dead or dying. "We will have to build the parks from scratch. Hill Park, of course, is finished."

This drying up and wilting of the parks and gardens have come in the wake of news reports that the environs of Karachi have been found to be specially suitable for fruit and vegetable gardening. Just think for a moment what grows in and around Karachi: coco-nut, betel-leaf, areca nut (chaliya), cheeko, guava, ornamental cardamom, papayas.

People for the first time are questioning: Is Karachi a safe city to live in at all? Is the city on the brink of disaster? Will Karachi again become the desert that it once was?

CSO: 4220/213

NDP LEADER PROTESTS DISCRIMINATION, LACK OF FREEDOM

Karachi JANG in Urdu 29 May 82 p 1

[Report by JANG representative: "Wali Khan--"Political Restrictions Should Be Imposed on All Parties Equally; We Do Not Need Someone's Certificate to Prove Our Loyalty to the Country"]

[Text] Mardan, 28 May--The leader of the defunct NDP, Khan Abdul Wali Khan, has said that his party would not hesitate to make any sacrifice to restore democracy and human rights. He strongly demanded that the government hold immediate elections in the country and transfer power to the representatives elected by the people. Today he addressed a public meeting at Takar, 10 miles from Mardan, to observe Takar martyrs day. He paid glowing tribute to the martyrs and expressed sorrow at the fact that the people whose sacrifices made this country independent were being remembered in a place of confinement. He said that politics has been restricted for 35 years in this country and presently an effort was being made to deprive them of even the right to live. He said that during the British rule of slavery, there was freedom of assembly and no restrictions on newspapers. Now in their own country, however, all freedoms had been taken away. He said that if political activities are banned under martial law, those restrictions should be imposed equally on all parties. He said that this restriction was for his party alone, while there were no restrictions on meetings of the defunct Jamiat-e-Islami, the Muslim League Pagara group and other flattering courtiers. He said that he was constantly being blamed for breaking up Pakistan, but he wanted to know from the government why those people, who actually broke up Pakistan were still not being questioned as to how the country was split. He demanded that the heinous faces of the collaborators be unveiled. Wali Khan said that his party could not give further proof of its loyalty and did not need a certificate for that from someone, since this was its own country and it, too, made sacrifices to free the country from British rule. He said that the disciples of the British were pretending to be loyal, while those who love freedom were being restricted. Wali Khan said that Islam was not in dispute between them, since they were all Muslims. If the government wanted, there could be immediate total implementation of Islam in Pakistan. He said that Islam was being ridiculed in the country and selfish motives were being pursued in the name of Islam. He said that there was a conspiracy to involve the army in politics, but the

army should not become a political party. Criticizing the defunct Jamiat-e-Islami, he said that that party was trying to promote its policies in Pakistan in the name of the Afghanistan refugees. Such claimants of Islam obtained salaries to talk about Islam. He said that from the time of the British rule up to the present he had never bowed to anyone and that would not happen in the future either.

9779
CSO: 4203/137

MUSLIM LEAGUE LEADER AGREES TO NONPARTY ELECTIONS

Karachi JANG IN Urdu 27 May 82 pp 1, 8

[Report by JASARAT representative: "Pir Pagara--'If People Pray Fervently, Elections Might Be Held by 1992; Zakat Committees Are Turning People into Beggars; If Elections Are Held, Muslim League Will Gain Victory; Hur Warriors Will Fully Defend Pakistan Against Aggression'"]

[Text] Khair Pur, 26 May--The leader of the defunct Muslim League, Pir Pagara, has said that he has never declared that elections will be held in 1982. He said that if the Pakistani people offer their obligatory prayers, elections might be held by 1992; otherwise, there is no hope of elections for a thousand years. During an informal meeting with the press today, Pir Pagara accused the government of not watching Jamiat-e-Islami carefully enough. Jamiat-e-Islami, Pir Pagera said, was fully involved in all of the incidents of terrorism occurring in the colleges of Pakistan, and the party itself was functioning with the support of the government. Commenting on the Zakat committees, Pir Pagara said that these committees are turning people into beggars who wait for charity every month. The government has made them beggars. The government should give enough assistance to every person to enable him to stand on his own feet. The system of Zakat in the country has failed. An audit group should be formed to check the accounts of these zakat committees. Pir Sahib said that his personal feeling was that the government will have to spend hundreds of thousands of ruppees for this task. In the interest of the country, therefore, the government should end this system at the first opportunity. Pir Sahib said that there was a vast difference between the crimes of the past and the present government's. He said he felt that the government of the People's Party itself was responsible for promoting crime. Nevertheless, the situation is not the same now and the current government is clear of this charge. He said that they, i.e., his party, once offered the presidency of the Muslim League to the president of Pakistan, but he turned it down. The president now says that if he is offered the presidency of the Muslim League again, he will accept it. Responding to a question, he said that if this country was driven into war, by India, Russia or Afghanistan, the Hur warriors would participate just as they did in the 1965 war. Pir Sahib said that bribery was now extremely common in all government departments. The president himself has admitted that a task that was previously accomplished with 50

rupees now requires 1,000 rupees. Due to improper government expenditures, there is now high inflation in the country and it is difficult for a poor person even to feed himself. He demanded that the government free the press from restrictions, free political leaders and lift the bans imposed on political parties. He said that the Pakistani public has already rejected the People's Party and the Jamiat-ul-Ulma-e-Islam; these parties have deceived the public in the name of Islam. Replying to another question, Pir Sahib said that the Muslim League was the largest political party in Pakistan and if elections are held, the Muslim League would achieve an overwhelming majority. In answer to a question, he said that there was only one Muslim League in Pakistan, the other two were nonexistent because a Muslim league cannot be formed with only two persons. He said that the newspapers are wrong to say that the Muslim League is divided into three groups. Replying to a question, Pir Sahib said that the Muslim League will participate in elections held on a nonparty basis and that the current situation was suitable for elections. He said that Jamiat-ul-Ulma-e-Islam and Jamaat-e-Islami did not have any candidates for elections before and the Muslim League provided them with its own candidates who ran for their seats in the name of Jamaat-e-Islami and Jamiat-ul-Ulma-e-Islam. Pir Sahib rejected the notion that the Jamaat-e-Islami and Jamiat-ul-Ulma-e-Islam were involved in breaking up National Alliance. He said that if nonparty elections, as favored by Jamaat-e-Islami, are held in the country, the Muslim League will free its workers to participate in the elections. He said that the Federal Advisory Council was limited to Islamabad only. In conclusion, he said that no one was with Khawaja Khairuddin and he was deceiving the public by saying that his Muslim League was a genuine party. Pir Sahib said that his Muslim League embodied total democracy and gave everyone an opportunity to express his opinion. If Khawaja Khairuddin's party criticized the Pagara league, it did not have any ill effect on his health. Responding to a question from a JASARAT representative as to why he was so scared of the reporters of JASARAT, he said that the JASARAT representatives did not cooperate with him and presented his statements in a distorted manner.

9779
CSO: 4203/137

EDITORIAL DEPLORES GOVERNMENT ACTION AGAINST NDP LEADERS

Karachi JASARAT in Urdu 27 May 82 p 3

[Editorial: "Indecent Conduct"]

[Text] The Government of Punjab took an unexpectedly surprising action against the leaders of the defunct NDP who were holding a meeting of the NDP Central Working Committee at the residence of Mr Latif Qureshi. Khan Abdul Wali Khan, Begum Abdul Wali Khan, Sardar Sherbaz Mazari and Haji Ghulam Ahmad were among those arrested. They were subsequently conducted to their respective residences. According to our correspondent's report, the meeting started in the morning at 10 am. At that time, a large number of policemen were present near Mr Latif Qureshi's residence. Police arrested all the participants at about 11:30 am.

This action was uncalled for, regrettable and ugly. A press note issued in this connection stated that the Punjab Government was forced to take legal action and arrest all those members of the defunct NDP who were holding a meeting of their Central Working Committee in violation of Martial Law Regulation Nos. 33 and 48. However much the government may try to make this action appear legal and logical on the basis of martial law regulations, the truth is that the reasons put forth are not sound enough to justify this action. These regulations have been in force for quite some time. Despite these regulations, a number of political parties held such meetings in the past, and the Government, exhibiting a spirit of tolerance, did not create obstacles. There was a good tradition of tolerance, and justice demands that all political parties should benefit from it on an equal basis. Why was the NDP deprived of the benefits of the tolerance that was shown to other parties? Does this mean that this action is intended to make one party appear oppressed, thus making it eligible for political benefits? Mr Wali Khan, Begum Wali Khan and Mr Sherbaz Mazari, on arriving at Peshawar and Karachi, rightfully declared that their party was subjected to discrimination.

We have previously stated in these columns that limiting the movements of national leaders within the borders of their home provinces and imposing restrictions on their entry into other provinces means that it is government policy to discourage them from carrying on activities from a national point of view and at a national level, thus limiting their activities to the borders

of their respective provinces and forcing them to adopt a narrow regional outlook. Is this a policy of national unity or is it directed at encouraging regionalism?

Second, this action was carried out in an extremely uncouth manner. This meeting of the NDP was not a secret affair. Reports about the meeting had been published in newspapers for days. Members of the Working Committee were gathering from various parts of the country. In Lahore, too, newspapers published reports about their arrival. All this was neither a conspiracy nor a secret affair. This was done openly and in accordance with established political ethics, but the action of the government made it look as though a gamblers' den was being raided or a gang of conspirators was being attacked. While arrangements for the meeting were proceeding openly, why couldn't the Punjab Government use its discretion a day or two earlier and warn the participants and the hosts. When the meeting was opened at 10 am, even then the site of the meeting was surrounded by police. Before the inauguration of the session, the meeting could decently have been forbidden. To raid the meeting and announce without any warning that all those present were under arrest is a very improper and uncivilized way of doing things. This is not how national leaders should be treated.

Begum Wali Khan's point that if all her colleagues were arrested under the same clause, how was it that she was released but her other colleagues were sent to jail deserves consideration. The Punjab Government which took the trouble to issue a press note on the incident, should issue a similar press note to explain the following two questions. First, since all such meetings of other political parties were not considered accountable under martial law regulations and were overlooked, why was the NDP subjected to such a discriminatory action? Second, when all the 52 members of NDP were arrested under the same clause and in the same place, why were 48 leaders sent to jail and the remaining 4 leaders--Haji Ghulam Ahmad Billor, Wali Khan, Begum Wali Khan and Sherbaz Marari--released? What was the basis for setting them free and why were these four leaders treated differently? We impatiently await the explanatory reply of the Punjab Government in this matter.

9315
CSO; 4203/136

SHOORA COMMENTARY--MEMBERS EXPRESS DISPLEASURE

Karachi DAWN in English 2 Jul 82 p 14

[Article by Anis Mirza]

[Text] ISLAMABAD, July 1: The two-week tumultuous general debate on the Budget started with a ang and also ended with a bang. Just as Finance Minister sexagenarian Ghulam Ishaq Khan announced with a flourish that members of the Majlis would get free First Class return rail tickets from Karachi to Peshawar an army of members rose in protest. The Chairman had barely prorogued the current session, when members were seen walking out in anger, from the back lobby.

When Mr Ghulam Ishaq made the announcement of the rail tickets, one of the first to protest in the house was Karachi's labour leader Malik Mohammad Shafi. From the side aisles Hussain Haroon from Karachi wanted to know whether the Finance Minister had finished his speech. There was laughter in the back benches. Several members rose in their seats and in a chorus shouted: "Thank you for the tickets, we don't want them. We came here to project problems and press for concessions to the common citizen."

From his elevated dais Chairman Khwaja Mohammad Safdar was heard repeating: constantly "please sit down, please sit down, you cannot raise points of order". But before the Shoora Chairman could complete his customary vote of thanks, groups of members were seen with glum faced leaving the Shoora hall.

Among the members who were seen leaving the hall were Malik Mohammad Shafi, Kamaluddin Salarpuri, Hussain Haroon, Anwar Tiwana, Umar Hayat Siyal, Syed Saeed Hasan and Khurshid Ahmed Kanju. Later in the main lobby several members told correspondents that the Finance Minister had "given a slap on the faces of the Shoora members". They said that in the long 15-day debate they had repeatedly pointed out that tax concessions on income and relief on items which affected the average citizen should be given serious thought.

During the Budget debate groups of members had called on President Zia-ul-Haq and informed him that the Finance Minister should find ways and means of giving relief to the common man.

Maulana Samiul Huq of Peshawar said: "The Finance Minister in his winding up speech gave us a long lecture on Islamic concept of social and economic justice. Preaching is not his job. He should have spoken on the possibilities of giving tax relief to the common man. "Some other members took exception to Mr Ghulam Ishaq Khan's introductory remarks that some of the speeches in the Shoora were reminescent of "Mochi Gate and Chawk Yasdgar." One member said that his remarks typified the contemptuous tone of a bureaucrat, who had no links with the people. "Another member said: "It was a typical remark of a secretariat man".

The scene outside the Press Information Department room in the Federal Council was not a very peaceful one either. When correspondents — most of whom were fasting due to Ramazan — rushed to get the 57-page speech of Mr Ishaq Khan, they were told that the Finance Ministry had given only one copy which would be cyclo-

styled and circulated two hours later. Many of the Pressmen went away grumbling without a copy of the Finance Minister's winding up speech.

The response to the setting up of a 5-member Shoora Ushr Committee was equally noisy. The Ushr Committee proposed by Brig. (Retd) Mohammad Asgar was generally well received. However, Sardar Balakh Sher Mazari, a well-to-do landowner from Dera Ghazi Khan, wanted the number of members on the committee to be increased. A sharp warning came from Faisalabad's M. Hamza who said in a loud voice: Don't keep too many big Zamindars on the Ushr Committee. They talk a out Islamic social justice but when it comes to the implementation of that justice they raise a chorus of protests, and create delays and hurdles".

In his 100-minute winding up speech on the conclusion of the general de ate on the 1982-83 Budget, Finance Minister Ghulam Ishaq at the very outset pointed out that a yearly national Budget for eight crores of Pakistanis, could not be expected to satisfy all sections of the population.

In an address, marked by spells of Urdu and Persian verses, the Finance Minister said he was appreciative of the suggestions made by the members and in future planning the Government would keep them in mind.

Pointing to the absence of logic in some of the propositions put forward, the Finance Minister said while the members had urged for greater defence expenditure they had simultaneously pressed for a cut in taxes. Others had talked of a revolutionary Budget but had not spelled out whether they wanted a green or red revolution.

Referring to Mr Ghulam Farooq's observations that the Budget should have been "more courageous", Mr Ghulam Ishaq said it obviously meant that 100 crores of new taxes should be imposed." I agree in principle "Mr Ghulam Ishaq said "but taking into account the realities, the fact is that the nation is in no position to go through the agony of more taxes."

Referring to the criticism about dependence on foreign aid the Finance Minister said even those countries which took pride in being self-sufficient, were in search today of loans from abroad. Calling corruption a national malaise, the Finance Minister said it was not confined to the services alone but was prevalent in all walks of life.

The Finance Minister said Pakistan's economic progress was generally recognised and by and large the country had in five years come out of the difficulties of the seventies. He admitted savings were low and argued that the textile industry crisis was the result of internal and external factors.

During the 15-day Budget debate Mr Ghulam Ishaq had been taking profuse notes. His lengthy speech in rather ponderous Urdu tinged by a Pushto accent, was a point-by-point reply to the reflections, arguments, criticism and suggestions made by no less than 181 members of the Majlis-i-Shoora.

Chairman Khwaja Safdar before announcing the prorogation of the Shoora, thanked the members, the Ministers, the Shoora Secretariat staff and the Press for their co-operation and interest.

CSO: 4220/212

FRUIT PROCESSING TECHNOLOGY STUDIES UNDERWAY

Karachi DAWN in English 2 Jul 82 p 13

[Text] The Pakistan Council for Scientific and Industrial Research (PCSIR) is studying the prospects of gainful utilisation of its technologies in Baluchistan in the field of fruit processing and rural development.

With this objective, farmers are being interviewed and presented with samples of products of fruit processing technologies of the PCSIR to give them an idea of their quality.

PCSIR has entered into a working arrangement with the Baluchistan Development Agency (BDA) for the purpose.

The PCSIR has opened its camp office at Quetta and appointed a Liaison Officer there.

PPI adds:

Meanwhile, the PCSIR has decided to extend its project of providing clean drinking water to the rural population all over the country.

The project which was initially launched in Sind province in June last year has achieved encoura ing results.

The Chairman PCSIR, Dr M. Aslam said that under the new annual development programme (ADP) of the Council Rs 18.50 lakh have been allocated for the project for the next two years.

He said a high level meeting was held at the Council's Office, Karachi, on Thursday to review the progress of work on the project being carried out jointly by the PCSIR and the Appropriate Technology Development Organisation (ATDO).

The meeting was chaired by Dr M.A. Kazi, Adviser to the President on Science and Technology.

CSO: 4220/212

KARACHI UNIVERSITY CAMPUS CLASH REPORTED

Karachi DAWN in English 2 Jul 82 pp 1, 14

[Text]

A student of Karachi University was shot dead and seven others were injured, three of them seriously, in a clash between two rival groups at the Campus on Thursday afternoon.

The deceased was identified as Qadeer Abid Javed, a Third Year (Hons) student of the Department of International Relations.

The others who received injuries were: Hasil Khan Baluch, President of the United Students' Movement, Mehboob Patel, Munir Baluch, Nisar Ali Abbasi, Abdul Rauf, Iftekhar Ahmed and Tariq — all members of the United Students Movement.

No one was reported injured from the other group, the Islami Jamiat-i-Tulaba, official sources told 'DAWN'.

Hasil Khan Baluch and Abdul Rauf received grievous bullet wounds. A bullet passed through Mr Hasil Khan's right foot while the other slipped through his left leg. Abdul Rauf received a bullet wound on his left leg.

Mehboob Patel was hit on his head by some 'hard and blunt objects' and he was unconscious till late last night.

Qadeer received two bullet wounds on his head and was removed first to the Abbasi Shaheed Hospital and later to the Neuro-Surgery Department of the Jinnah Post-Graduate Medical Centre where he died around 3 p.m.

Abdul Rauf and Mehboob Patel were admitted in the JPMC and others were discharged from Civil and Abbasi Shaheed Hospitals after necessary treatment.

The Police registered a case on the complaint of the Station House Officer, Gulshan-i-Iqbal Police Station, against 'unknown accused persons' and arrested one Imtiaz, alias Guddu, on murder charge.

Soon after the clash the police carried out raids and searches at the Aiwan-i-Quaid-i-Azam and other Karachi University and NED University hostels. One Azeem was rounded up by the police for allegedly possessing a revolver with three live rounds. He tried to pull out his loaded revolver when DSP Waseem Ahmed Siddiqui boarded a passenger bus to carry out a search. But he was overpowered, placed under arrest, and booked under Section 13-D, Arms Ordinance.

Hasil Khan Baluch has named ten accused persons and alleged that Saifuddin, Irshad, Salim Aighani, Imtiaz (already arrested by the police on murder charge), Gulzar, Akhtar, Ahmed Ali, Zarar and Usman Mohazzam were responsible for the clash.

FUNERAL

The funeral procession of the late Qadeer Abid Javed was taken out from his Burns Road residence. A large number of students belonging to the USM and members of the University teaching staff participated in the procession.

According to a late night report, the Gulshan Police also arrested one Sher Azal, a student of Philosophy Department and an active member of the USM, for his alleged involvement in the clash.

The police continued searching vehicles and raiding other suspected places for weapons.

It was the second armed clash between the two rival student groups at the University Campus during the past one week. In

the previous clash also Hasil Khan had received injuries.

The trouble started yesterday when two students of the rival groups quarrelled over some petty matter. As tension was mounting at the Campus following the last week's clash, the scared students at the Arts Faculty became panicky and started running away. Suddenly the opponents of the USM reportedly opened fire indiscriminately.

Two students, including Qadeer received bullet wounds from point blank range. The firing continued for several minutes. During the clash, the students freely used hockey sticks and other hard and blunt objects.

The injured persons said that the attack on them was allegedly 'pre-planned' and with an ulterior motive'.

A group of students belonging to the USM hurriedly called a Press conference in which they accused the Islami Jamiat-i-Tulaba of attacking their friends.

They accused Saifuddin, Usman Mohazzam, Zarar, Altaf Shakoor and Gulzar of organising the "armed attack."

The Press conference was jointly addressed by Malik Mohammad Aslam, Miss Sabra Bano, Aleem Adil, Khwaja Ghulam Husain and Latif Baluch.

They blamed the University administration and the law enforcing agencies for showing "partiality" in dealing with the situation.

JAMIAT'S STATEMENT

Mr Mehmoud Ghaznavi, former President of the Karachi University Students Union and an active member of the Islami Jamiat-i-Tulaba, has expressed a sense of profound shock over the death of Qadeer Abid Javed.

He accused the 'Communist terrorists' of being responsible for his death and demanded expulsion of "Zaher Afzal and his associates" from the University.

He also demanded an inquiry into the death of Qadeer.

DSF STATEMENT

The Democratic Students Federation has condemned the attack.

A statement signed by the Press Secretary of DSF called upon the authorities to take action against those responsible for the attack.

TEACHERS SOCIETY

The President and General Secretary of the Karachi University Teachers' Society, Mr Ronaq Raza and Mr Nihal Rizvi, also condemned the attack and demanded immediate action against the "culprits".

Mr Fasihuddin Salar, Information Secretary and Mr B. M. Kutty, member of the Central Working Committee of the defunct Pakistan National Party, have condemned the armed attack on USM members and asked the Government to punish the miscreants.

They visited the hospitals and inquired about the welfare of the injured persons.

PRESS NOTE

The following Press note was issued by the Deputy Commissioner, East Karachi, in connection with the disturbance in the Karachi University campus.

"This morning (Thursday) at about 11.00 hours a clash took place between two groups of students at the Karachi University campus in which firearms were used. Four students were injured. Out of which one succumbed to his injuries at the Jinnah Post-Graduate Medical Centre where he was taken for medical treatment.

"The law enforcing agencies reached the place of occurrence soon after the incident and the situation was soon brought under control. Further investigations are in progress.

"Two persons have ban arrested."

CSO: 4220/212

BUDGET DEBATE WOUND UP; SOME IMPORT DUTIES WITHDRAWN

Karachi DAWN in English 2 Jul 82 pp 1, 14

[Article by Hasan Akhtar]

[Text] ISLAMABAD, July 1. Winding up a marathon discussion today on the Federal Budget in the Majlis-e-Shoora, Mr Ghulam Ishaq Khan, Finance Minister, made some small concessions when he withdrew the import surcharge of five per cent on books, medicines and drugs, although he raised the duty from 25 paisa to 30 paisa per bottle on imported beverages, which he said, would partly go to meet the shortfall as a result of the concession he had made.

The Finance Minister took an hour-and-40 minutes to reply to the criticism and suggestions made by members in the course of the debate spread over 13 days. He said he would like to allay the members' fears that the Government would introduce any "mini-budgets" in course of the current fiscal year. He clearly indicated the possibility of price adjustments, if necessary, due to unavoidable and international major economic changes, but said, it would not amount to presentation of new or mini budgets.

Mr Ishaq's announcement towards the close of his speech to allow free of cost railway tickets to each member of the Majlis to enable him to travel anywhere twice in a year to establish public contact, seemed to have come as an embarrassment to several Majlis members. One of the members stood up to say that the Finance Minister might have avoided making the announcement at this stage since the members would find it difficult to face public on this account in view of the demand for cutting down Government expenditure. However, the concession remained unwithdrawn as many members appeared to realise its utility.

Mr Ishaq emphasised that the nation would have to foot the bill if it sought "to travel first class as it should". He pointed out the requirements for national defence and development of the country and said Majlis members were insistent that these two sectors should be given maximum attention. It was, therefore, logical that the nation should be prepared to make sacrifices in order to raise additional necessary resources for these two important national tasks, he said.

The Minister defended Government's taxation policy, and claimed that rate of taxation was lower in Pakistan than in many other developing countries including "our neighbour," apparently referring to India.

He said the additional taxes of Rs. 500 crore, sought to be raised during 1982-83, would go half and half towards meeting additional burden on exchequer due to increased additional dearness allowances for public servants to give them some relief against price-rise and to defray the additional Rs 500 million defence expenditure so very necessary to maintain the country's national independence.

The Finance Minister, at the outset, said that the current Budget sought to maintain continu-

ity in Government's endeavours to bring the country back from brink of economic collapse at which it stood in 1977 due to previous Government's economic mismanagements, and lead it to stability wherein investment climate should improve and production increase.

He reiterated the objectives of Government economic policies which aimed at overall development of the country, with special emphasis to improve the conditions in the underdeveloped pockets, and leading the country finally to Islamic social and economic order based on "Adl" and "Ehsan". He assured the House that the Government was seriously pursuing dismantlement of economy and reminded that it needed to be done after very careful deliberations and with good deal of caution, because a wrong step could lead to results which might be counter-productive to the ultimate aim.

He claimed Pakistan was reducing its dependence on foreign assistance for its development. Out of a total estimated foreign aid of Rs 1565 crore, Rs 787 crore would go towards repayment of outstanding foreign debts and out of the balance nearly half would be spent on payment of additional interest amount leaving a net amount of Rs 342 crore for utilisation. He said, in fact, Pakistan would contribute about 80 per cent from its own resources and avail itself of only 11 per cent foreign assistance for its development.

[illegible] Referring to demand for raising the limit of taxable income from the present Rs. 12,000 to Rs. 15,000-18,000 the Minister said many categories of income in Pakistan were already exempted from income tax. These included agricultural income, concessions to salaried persons, exemption of dividend income up to limit of Rs 15,000, dividends of companies set up between 1977 and June 1983, income from newly constructed residential property, many savings schemes and income from bonds.

He said if these exemptions were added up, most of which was taxable in our neighbouring country, the net taxable limit in Pakistan would be more than Rs. 15,000.

He repudiated contention that the rate of income tax in Pakistan was so high that in certain cases the combined income tax and super tax totalled about 99 per cent of the income. He said the maximum rate of tax on personal income was 60 per cent while rate of surcharge on income above Rs. one lakh was 10 per cent. On commercial companies the tax rate was 50 per cent with five per cent surcharge.

He said in the decade of 50s, rate of tax on personal income ranged up to 97 per cent and in the 60s up to 85 per cent. However, this rate did not fully reflect the actual position because effective rate was much less. The salaried persons, with gross income up to Rs 30,000, paid an average of 2.9 per cent and those up to Rs. one lakh 33.1 per cent.

Regarding demand for reverting to the procedure of directly deducting the investment allowance, the Minister said the present procedure saved the small tax payers from paying heavy tax because they were unable to save. In the direct deduction system, people in higher income group benefited more which was not equitable.

About the demand for a concessional rate of 15 to 20 per cent of tax on those who would declare black money, or for allowing them the facility of bearer bonds, the Minister said this proposal had been thoroughly examined many times but the Government arrived at the conclusion that the present procedure should be continued because by condoning tax evasion it would be tantamount to promoting dishonesty and discouraging honest tax payers.

He said it the past, people having black money, were thrice given chance to pay taxes in 1958, 1969 and 1976 but every time the declaration were far below expectations and the tax realised was very small.

The Finance Minister said if tax evaders now declared their black money, paid due taxes and promised to refrain from manipulating, then there would not be further probe.

On the demand for enhancing taxation on luxury items, the Finance Minister said total imports of luxury items and comforts did not exceed three to four per cent of the entire import list. Already, the rate of import duty on these items was very high as in the case of big cars which was 485 per cent and airconditioners which was 290 per cent.

He said these items were not part of import policy and came under Gift Scheme. Any enhancement of duty in this case would not add much to revenue but would encourage smuggling, instead.

Defending the 15 per cent excise duty on hotels, he said it

was imposed on hotels which served well-to-do sections of society and could be considered as a tax on Luxury item. It was not possible for him to withdraw this tax.

Explaining the reduction of duty on soda ash, Mr Ishaq said it would benefit those industries which used soda ash as raw material. He did not agree with the suggestion that 70 per cent tax on bus body building be withdrawn and, instead, imposed on chassis.

The Minister defended wealth tax and gift tax which, he said, was essential to run the taxation system effectively.

The Minister said the revision of prices of petroleum products was unavoidable because of international developments, and because of the delinking of the Pak rupee from the dollar. The Government had not increased price of kerosene oil which was used by the poor. The effect of rise in the price of diesel had been exaggerated and should not be more than 10 to 13 paisa per mile on a truck. The net increase on transportation of commodities should not be more than one to two per cent.

Regarding the five per cent surcharge on imports, the Minister said it was imperative to mobilise additional resources for defence and development.

About the deficit financing, he said the balance between the monetary expansion and the real GNP was essential otherwise inflation or recession could take place. He said the limit of the monetary expansion was decided by the National Credit Consultative Council and within those limits the public and private sectors fixed the limits of their advances.

He said dependence on deficit financing, when this Government took over in 1977, was very big. In 1976-77 deficit financing was five per cent of the GNP.

He said the present Government reduced the deficit financing which was 1.4 per cent of the GNP in 1981-82 and in 1982-83 it was only Rs. 570 crore as compared to last year's Rs. 545 crore.

He said the current account deficit in the country's balance of payments positon averaged in the last three years to about dollars 1100 million per annum. Though there was a hike in the oil prices, the deficit had not gone up.

He said in 1975, the deficit in the balance of payments was 10 per cent of the GNP which was three per cent of the GNP in 1980-81 and would be three and half per cent during the current year. He said the deficits of some oil importing countries had gone up three times but Pakistan's position improved instead.

CSO: 4220/212

NEW DIVISIONS AND DISTRICTS COME INTO BEING

Karachi DAWN in English 2 Jul 82 p 1

[Text]

LAHORE, July 1: With the inauguration of three new Divisions and six new Districts in the Punjab today, the province now comprises eight divisions and 27 districts which marks a change of far-reaching effect in the demarcation of revenue limits and administrative setup.

The new Division of Gujranwala consists of Gujranwala and Sialkot districts of old Lahore Division and Gujrat District of old Rawalpindi Division.

Faisalabad Division, sliced from Sargodha Division, comprises the districts of Faisalabad, Jhang and the newly created district of Toba Tek Singh, which was hitherto a sub-division of the Faisalabad District.

The Dera Ghazi Khan Division, carved out of Multan Division, comprises the districts of Dera Ghazi Khan, Muzaffargarh and the newly created districts of Rajanpur and Leiah which were previously tehsils of D.G. Khan and Muzaffargarh districts respectively.

The newly established district of Okara, carved out of Multan Division, has now been included in Lahore Division.

Tehsil-wise break-up of the new districts is as follows:

Okara District: Okara and Depalpur; Toba Tek Singh District: Gojra, Kamalia and Toba Tek Singh: Leiah District: Leiah, Karorlal, Esan and Chubara; Bhakkar District: Bhakkar, Mankera and Kalurkot; Khushab District: Khushab and Nurpur; Rajanpur District: Rajanpur, Rojhan and Jampur.

Necessary arrangements for fresh elections during this month of chairmen and vice-chairmen of 12 new and bifurcated District Councils, according to official sources here, have been completed

CSO: 4220/212

ORANGI NOW WITHIN KARACHI LIMITS

Karachi DAWN in English 2 Jul 82 p 10

[Text]

The Chief Secretary, Sind, Mr Masud Zaman, said here on Thursday that the Government had issued a regular notification for inclusion of Orangi Township into the limits of Karachi Metropolitan Corporation.

Speaking as the chief guest at the "Qashn-i-Orangi" Township, Mr Masud Zaman said that this step of the Government would yield hopeful and far-reaching results with regard to the development of this areas.

He expressed the hope that KMC would utilise its all resources for the development of the area and the welfare of is people.

He said the Government was pursing a balanced policy with regard to the development activity in the province. He said the Government's desire was to pay special attention to less developed areas so that the entire population of the province could equally benefit from the fruits of development.

He pointed out that the Government's interest in the development of Orangi Township was evident from the fact that in 1979 the President of Pakistan gove an amount of Rs 30 million as a Federal grant for the laying of pipeline and sanctioned another Rs 10 million for supply of drinking water to the area.

He said that the provincial Government and the KDA were also engaged in providing the basic amenities of life and carrying out development works from their own resources. As a result of these co-ordinated efforts the development activity had taken a start.

The Chief Secretary said that the Orangi Township Development Board has already been constituted and distribution of lease had also been undertaken.

He said the development work was being executed in a planned manner for which besides land survey the Government had also carried out an aerial survey of the area to ward off any deficiency in the planning.

He said that to ensure effective development of the area, the Government had brought an important change in its policy under which the amount recovered from distribution of lease and other development charges will not be deposited in the KMC's general collections, but would be spent exclusively on the Orangi's development.

Speaking on the occasion, the Sind Secretary for Local Government, Mr Salman Faruqi, said that a Martial Law ordinance will shortly be issued for streamlining procedures for regularisation and development of Katchi Abadis in the province.

He said that the Katchi Abadis development will be responsibility of Local Bodies and a board will be estaboush for bigger settlement.

Mayor Karachi Mr Abdul Sattar Afghani assured the Orangi people that all efforts will be made by KMC for the development of area.

Mr S. M. Akhtar, Councillor, demanded that the Development board should be properly organised and given more powers for increasing pace of development in Orangi Township.—

CSO: 4220/212

BRIEFS

IRATE DRIVERS BLOCK HIGHWAY--The RCD Highway at Hub Chowki was blocked for three hours yesterday by trucks, buses and other vehicles as a protest against the increase in the toll tax. The Highway, linking Karachi with Quetta, remained blocked for over three hours and the drivers parked their vehicles in a zigzag manner to obstruct vehicular traffic. Later, the Provincial Government clarified that the increased toll tax at Hub Chowki was ment for the vehicles plying on major parts of the Highway. This was not applicable to vehicles plying between Hub Chowki and Gaddani and other shorter distances. Following the clarification the drivers ended their protest and opened the road for traffic and dispersed peacefully. [Siddiq Baluch] [Text] [Karachi DAWN in English 2 July 82 p 1]

SHOORA PANEL ON CORRUPTION--ISLAMABAD, July 1--In view of the widespread corruption in society, Mr Ghulam Ishaq Khan, Federal Finance Minister, suggested today that the Majlis-i-Shoora should set up a small but dynamic committee to look into this problem and suggest ways and means to combat it. The Finance Minister helplessly admitted the existence of corruption in all segments of society. He particularly mentioned the evil of adulteration of foodstuffs by traders and named several food items including salt, tea, maida which contained harmful mixture of foreigh mate ial. He also admitted largescale smuggling of so-called luxury goods, and besides blaming the Customs for its failure to check it, asserted that society, as a whole, would have to combat such widespread evil. Mr Ishaq suggested to the Majlis Chairman to consider his proposal to deal with these anti-social problems and come up with tangible recommendations to eradicate them. [Text] [Karachi DAWN in English 2 Jul 82 p 1]

SHOORA PROROGUED--ISLAMABAD, July 1--The President, Gen. Mohammed Zia-ul-Haq today prorogued the Majlis-iShoora sine die. [Text] [Karachi DAWN in English 2 Jul 82 p 1]

PRESS WORKERS DEMAND ALLOWANCES--RAWALPINDI, July 1--The PPL Workers, Rawalpindi Unit, at a meeting, held here on Wednesday, appealed to the Government to grant special dearness allowance to the Press workers also, at the rate of 50 per cent of the basic salary, as was announced by the Finance Minister. for the Government and semi-Government employees in his Budget speech. The meeting was held in response to a call made by Mr. Rashid Siddiqui, President, Pakistan Federal Union of Journalists, and was chaired by Mr. Gul Sher Khan,

President, PPI Workers, Rawalpindi Unit, Prominent speakers included Chaudhry Mohammad Hanif, Syed Mushtaq Hussain Shah and Mirza Mehbocb Elahi. A meeting of the APP Unit of KUJ (Rashid Siddiqi Group_ held on Wednesday in Karachi also endorsed the demand of PFUJ to give 50 per cent dearness allowance to the Press workers. The meeting passed a resolution unanimously urging the Government to take necessary steps in this regard. The PPL Imroze Workers' Union Multan on Wednesday also demanded dearness allowance of 50 per cent for newspaper employees in view of escalation in prices. The union in a resolution regretted that newspaper employees have not been provided any financial relief in the new Federal Budget, as allowed to the Government employees. [Text] [Karachi DAWN in English 13 Jul 82 p 13]

KASURI TO MOSCOW--LAHORE, June 24--Mian Mahmud Ali Kasuri, acting Chief of the defunct Tehrik-i-Istiqlal, is leaving for Moscow for medical treatment in the first week of July. Mian Kasuri who has been suffering from knee trouble for quite some time will stay in a Moscow hospital for about a month. In his absence Mr Munir Shah of the NWFP will act as the Tehrik chief. [Karachi DAWN in English 25 Jun 82 p 1]

ELECTION ALLOCATION CALLED 'FARCE'--MUZAFFARGARH, June 24--The chief of the defunct PML Pir Sahib Pagaro has said that the allocation for general elections in the Federal Budget was a mere "Dikhawa" (farce). Talking to the members of his party at the residence of Dr Abdul Rasheed at Kotadu after completing his NWFP tour he said elections on a non-party basis would be meaningless. However, PML would contest such elections under protest, he added e rulted out the apprehension that the Russian invasion in Afghanistan and Israeli aggression in Lebanon can disrupt the election. He said such developments did not put hurdles in the way of democracy as only elected government could meet the external threat and internal subversion. Pir Sahib said Islam allowed one man government (Shakshi Hakoomat- but the rule should be liked by every one. [Karachi DAWN in English 25 Jun 82 p 1]

SIND CROP TARGETS EXCEEDED--KARACHI, June 28--Production of all major crops in Sind during the current fiscal year has exceeded the targets fixed at the gebinning of 1982-83. According to the official figures the production target fixed for wheat was 2,060 million metric tons. The initial estimate for wheat crop output indicates a total yield of 2.00 million metric tons of wheat. Similarly in case of rice the production target was fixed at 1.575 million metric tons but actual production was 1.504 million metric tons. Cotton production also showed a slight rise over the target and was finally estimated at 1.551 million bales as against target of 1.550 million bales. The most sharp and pronounced increase was seen in case of sugarcane production which was targeted at 4.950 million tons but was found to be 5.883 million tons in final estimates. [Islamabad THE MUSLIM in English 29 Mun 82 p 7]

BREAKING UP IMPORT MONOPOLY--ISLAMABAD, June 28--The government has decided to greak the monopoly of existing importers of 22 consumer goods and allowe new importers, under the import policy for 1982-83, announced here today. In order to do so, licencing to existing importers will be made at the same rate on which they have been licensed during 1981-82. Allocation--equivalent to 25 per cent of value licensed during the currently fiscal year--will be earmarked for new comers. Licences will the minimum value of Rs. 10,000 will be issued to new parties on pro-rata basis. However, if applications received are in excess of earmarked funds lots will be drawn for the purpose of licensing. [Karachi BUSINESS RECORDER in English 29 Jun 82 p 1]

CAMPAIGN AGAINST BRIBERY--Editorial: "Systematic Campaign Against Bribery"--According to news reports a federal investigating agency has started a campaign against some officials who possess assets beyond their means. Bribery, corruption and abuse of power have become so rampant in our society that even the president has repeatedly expressed concern. This malady is so widespread and its roots have become so strong that legal procedures or occasional punitive measures cannot remedy the situation. This problem can only be solved by starting an effective campaign on a broad scale with the extensive cooperation of the government and the peopoe. The Campaign should be initiated by the government. If the martial law authorities were to form a committee having special powers and composed mainly of military officers and entrust it with the services of the investigating institutions concerned, the campaign could be operated in the following stages. At the outset, only federal officers between grades 19-22, without any distinction, would be called on the declare their assets and their sources of income. These declarations would then be publicly announced and people would be asked to furnish information. Convincing charges should be investigated by government sources. Those found to be making false statements should be severely punished. Such campaigns, carried out with the active support and cooperation of the government and the people, can be helpful in eradicating the age-old malady of bribery, corruption and misuse of power. [Text] [Karachi JANG in Urdu 27 May 82 p 3] 9315

NASRULLAH KHAN TRANSFERRED--Multan, 16 Jun (Correspondent)--Nawabzada Nasrullah Khan has been transferred from the Chowk Azam rest house to another rest house. It was said that when Nawabzada Nasrullah Khan would come out of the rest house for a walk in the evening people would gather around him. Because of this he had to be sent to another rest house which is 6 or 7 miles away and secluded. [Text] [Rawalpindi TAMEER in Urdu 17 Jun 82 p 4]

NASRULLAH PERMANENT MRD CHAIRMAN--Dichkot, 23 Jun (Correspondent)--According to MRD's (Movement for the Restoration of Democracy) intimate sources Nawabzada Nasrullah Khan will be nominated the permanent chairman of MRD in its next meeting. This is being done because now after every month the MRD has to appoint a new secretary and a new chairman. By now people from almost all the parties have been nominated to those posts and, as it stands, no one person can hold the post of the chairman for more than a certain length of time. In addition every change among officials tended to slow the work down to a degree. Until now only the defunct Tehrik Istiqlal's are not in support of nominating Nawabzada Nasrullah Khan as the permanent chairman; all the other parties are supportive of his leadership. [Text] [Karachi JANG in Urdu 24 Jun 82 p 12]

PARALLEL GOVERNMENT THREAT--Kotli, 11 Jun (TAMEER Correspondent)--If the demand for elections is not met by July 5 an announcement will be made to form a parallel government in Azad Kashmir after consultations with Sardar Abdul Qayyum and other leaders. This statement was made today by a leader of the 4 party alliance and Azad Kashmir's former president Sardar Ibrahim Khan in a public meeting held under the auspices of the 4 party alliance. G.M. Mir secretary general of the Plebiscite Front said that the people of Kashmir will continue their struggle until their rights are granted to them. [Text] [Rawalpindi TAMEER in Urdu 12 Jun 82 p 4]

CSO: 4203/152

SOMARE SEEKS INDEPENDENT MPS' SUPPORT

BK051037 Hong Kong AFP in English 0918 GMT 5 Jul 82

[Text] Port Moresby, 5 Jul (AFP)--Former Papua New Guinean Prime Minister Michael Somare, who is virtually certain to return to power following his Pangu Party's victory in the June 28 general elections, is apparently planning to govern with the support of independent MPS.

Mr Somare, whose party won twice as many parliamentary seats as any other political grouping, said at the weekend he had the support of at least 60 of the 108 members of the new parliament.

He published the names of the 60 following a meeting of his Pangu Party at Goroka, where no effort was spared to lure previously independent candidates. Helicopters were even sent to the home villages of the independents to fetch them.

Meanwhile former defence force commander Brigadier General Ted Diro, an independent candidate from Papua, has suffered a backlash since accepting the leadership of the highlands-based National Party last week following the defeat of the party's leader and outgoing deputy prime minister Iambakey Okuk.

The backlash came mainly from his own Papuan constituents, suspicious of a highlands-based party.

Mr Diro claimed that the newly-elected parliamentary members were "virtually imprisoned" at the Pangu Party meeting at Goroka. He said people were referring to the Hotel Venus as the "Haus Kalabus" or prison.

Analysts here said talks had been progressing between Pangu and the Melanesian Alliance grouping, until former judge Bernard Narakbee Narakobi, who fought Mr Somare in his own east Sepik constituency, released a press statement fiercely condemning Pangu for unscrupulousness.

Soon after the elections late last month, Mr Somare, who had led Papua New Guinea [PNG] to independence in 1975, indicated he would either govern in coalition with independent MPS or would invite another party to join in a coalition government. He now appears to have opted for the first option.

Although it remains virtually certain that Mr Somare will regain the premiership after two years in the wilderness, the size of his bloc will not become clear until the election of a new prime minister at the first sitting of parliament on August 3. He is expected to take over from outgoing Prime Minister Sir Julius Chan.

Before then, there are expected to be numerous legal challenges of disputed election returns. After the last election in 1977, there were nine challenges, leading to five by-elections.

This year, as many as 30 challenges are anticipated following widespread claims of misconduct by electoral officers.

CSO: 4220/229

BRIEFS

TRIBAL WARFARE RAGES IN PAPUA NEW GUINEA--Mount Hagen, Papua New Guinea, Friday. Tribal battles involving thousands of warriors armed with spears, axes and bows and arrows have broken out in Papua New Guinea's highlands in the wake of the country's general election, police sources said today. They said six separate battles had been confirmed in Enga province northwest of Mount Hagen since yesterday. Two of them involved disputes over pigs and land, two traditional causes of tribal fighting. But the others were believed to be based on rivalry between warrior clans who supported different candidates in the election, the sources said. Papua New Guinea voted last month in its second election since independence from Australia in 1975. No party won a majority in the 109-seat parliament and politicians are still haggling over the formation of a coalition. (Reuter) [Text] [Columbo DAILY NEWS in English 3 Jul 82 p 12]

CSO: 4220/236

MINDANAO REBELS HOLD UP ROAD PROJECT

HK070309 Davao PEOPLE'S FORUM in English 27-28 Jun 82 pp 1, 10

[Report: "Rebels Delay SPDA 2.6 Million Peso Project"]

[Text] The P2.6 million appropriated for the construction of an access road to the Kapatiran project of the SPDA in Lanao Del Sur is still intact but the presence of commander Narra in the area is delaying the road project implementation. This was the reply of SPDA deputy administrator Blo Umpar Adiong to charges made by IBP assemblyman Adhel S. T. Pangandaman that SPDA has not prosecuted the road project while insinuating that funds for it have already been consumed.

Project Kapatiran is the development of some 25,000 hectares of agricultural land for displaced farmers in the area. It is situated between Wao and Malonso. The project site is still a dense woodland and surrounded by an area under temporary timber license grant to loggers.

Attorney Adiong said that the road being constructed is to shorten the route from both points of entry to the area by more than 50 percent of the distance of the present route. The road being constructed will traverse through a jungle where Commander Narra and about 5,000 of his followers are being quartered. Two battalions of the AFP Engineering Brigade are presently undertaking the project starting from opposite points at Bumbaran and Malonso, Adiong said.

When the road is completed it will also open the development of a plateau with an area of about 5,000 hectares for agricultural purposes, Adiong bared.

Both the 512nd and 544th Engineering Battalions are doing their fine jobs in the area and assemblyman Pangandaman can help a lot if he is only sincere, Adiong said.

The SPDA deputy administrator was obviously referring to rumors that Commander Narra is related to assemblyman Adhel S. T. Pangandaman in a close degree.

SPDA deputy administrator Blo Umpar Adiong is concurrently the manager of the SPDA Kapatiran project in Lanao Del Sur.

CSO: 4220/229

EDITORIAL EXAMINES REBEL PRIEST PROBLEM

Manila BULLETIN TODAY in English 11 Jul 82 p 6

[Text] The first thing that comes to mind, as one reads the report that seven priests in Northern Samar have joined the dissidents, is the suggestion that the priests should be asked their side of the story.

Usually the members of the clergy are well-educated and broadminded. But there are cases where having stayed in remote areas for quite some time they are deeply influenced by their immediate environment and lose sight of the broader picture.

Undoubtedly if priests join the dissidents they have strong personal reasons. What are those reasons?

It is submitted that no reason can be so powerful as to foreclose dialogue among Filipinos.

To be sure the government has weaknesses. In the remote areas some government authorities can be abusive or absolutely negligent. On the other hand it cannot be denied that once those weaknesses are made known to higher authorities no time is lost in applying the necessary remedies. For those authorities know that failure to act represents a diminution of their power, and they do not wish to lose popularity.

It is obvious that some effort should be made either by friends or by the government to reach the priests in order that their grievances can be heard and differences are settled amicably.

It will be for the good of all if that is done on time.

CSO: 4220/234

CPP LEADER IN VISAYAS CAPTURED

Manila PHILIPPINES DAILY EXPRESS in English 10 Jul 82 p 2

[Text] The head of the educational department of the Communist Party of the Philippines, Cebu District II, was captured July 7 by PC commando teams in a clash with armed dissidents at barangay Tula-Tula, Sipocot, Camarines Sur. Seven other dissidents were killed in the firefight, reports to the defense ministry in Camp Aguinaldo said yesterday. Their identities have not yet been established.

Captured was Edgardo Caballero alias Ka Roy, chairman of the Committee sa Edukasyon ng Partidong Masa, Cebu District II which the military said, is an educational propaganda outfit of the CPP in Central Philippines.

Defense ministry officials said Caballero was hiding in the Bicol region after a renewed drive launched by the military against subversives in the Visayas.

His group was reportedly led by a certain Commander Ka Leo who operates in Camarines Sur and in the Quezon-Bicol zone.

At 9 a. m. Wednesday, two commando teams of the 601st PC Company, 60th PC battalion, engaged the group in a firefight that led to the killing of seven dissidents and the capture of Caballero.

A member of the Civilian Home Defense Force was hacked and wounded during the skirmish at barangay Tula-Tula.

Recovered from the scene of the encounter were a .22 caliber long rifle, a .22 caliber German Lugger, one homemade shotgun, several dismantled parts of .38 and .22 caliber revolvers, live bullets for assorted firearms, three gungle bolos, assorted clothings, a small blackboard and subversive documents.

On July 4, the same PC teams killed three suspected terrorists in an encounter at barangay Saransanan, also in Sipocot, Camarines Sur.

A house in Nueva Vizcaya raided by government agents where top communist leaders were meeting last July 6 was the nerve center and command post of the anti-government movement for call of Northern Luzon.

Investigation, uncovered yesterday the magnitude of the rebel operation in the region after decoding documents seized in the raid.

The documents also revealed names of prominent persons--both in the government and private sector--marked for liquidation and also listed sabotage assignments.

Also seized from the lair were assorted guns, ammunition for armalite rifles, medical supplies, and propaganda materials.

An analysis of confiscated documents showed that medical prescription pads were used by rebels to pass on information to other rebel command posts.

One of the 12 captured in the raid conducted simultaneously by three PC teams was Dr. Aurora Parong alias Ka Au-Au/Cora whose medical clinic, in Bayombong, the raiders said, also doubled as circulation distribution point for subversive publications.

Other rebel leaders captured were identified as Sabino Q. Padilla alias Ka Ching; Francis Divinagracia y Javier alias Ka Romy; Norberto Portuguese alias Ka Tonying; Remegilda Reyes alias Ka Linda or Remy; Benjamin Pineda y Sahagaw, Mariano Soriano y Quelnermo, Letty Ballogang, Tito Tangiling, Eufornio Ortiz Jr., Juanito Granda, Imelda delos Santos, and Bienvenida Garcia alias Ka Nida.

CSO: 4220/237

HIGHER SUGAR OUTPUT SOUGHT

Manila BULLETIN TODAY in English 12 Jul 82 pp 1, 18

[Text] President Marcos prodded the sugar industry last night to increase production and raise its export income to meet the country's needs.

In a speech during the fifth anniversary celebration of the Philippine Sugar Commission, the President said: "It is of importance for the industry to exert every effort to raise the level of production to enable us to maximize our export income from sugar in order to meet our needs."

During the Philsucom program at the Philippine International Convention Center, the President said he is aware of the commission's programs to raise productivity by using the right fertilizers and adopting appropriate farming techniques.

But, he pointed out, "in the ultimate analysis, it is the right effort and personal attention to details that the individual planter gives to his farm that will in the end determine the outcome of his operation."

The President called on the sugar planters to take advantage of the fairly remunerative price of sugar in the next two years.

This can be achieved, he said, by increasing production which has dropped from three to 2.35 million tons due to the low world price of sugar.

He explained that the country now enjoys export prices averaging more than double world prices as a result of long-term sales contracts signed by the commission. This will continue up to 1984, he said.

The President said that because of the sales contracts, the higher prices and larger volume of exports in 1980, sugar export earnings in 1980 and 1981 amounted to twice or thrice the earnings of the preceding two years.

"We can look forward to growth within the industry and the country well beyond the next two years because of the work being done by agencies like the commission and the undiminished resiliency and vigor of the national economy in times of stress," the President said.

"However," he added, "if the future of the industry is to be truly bright, there is great need for continued dedication from the men guiding the Philippine Sugar Commission, fresh productive efforts by members of the industry, and continued leadership and support from those in government."

The President gave assurances that his office will always strive to strengthen the position of the national sugar industry and to insure the support of the government.

The Chief Executive reviewed the work of the commission since its founding five years ago and congratulated Chairman Roberto Benedicto and the other officers and members of the commission for their service to the industry and country.

He said that although the commission is relatively new, "it is already quite long in achievement and its service has proven to be indispensable to the health of one of our country's most important industries."

CSO: 4220/234

MUSLIM LEADERS ASK FOR MORE ACTIVE ROLE

Manila BULLETIN TODAY in English 10 Jul 82 p 9

[Article by Nelly Sindayen]

[Text] Muslim ulamas or religious leaders from Mindanao want more active participation in government, instead of the usual low-key role.

The ulama group, from Mindanao's Region 9, urged President Marcos to appoint a Muslim religious leader to either the executive committee or the legislative assembly of the autonomous government.

"The time is right for us to be involved in government," said the ulamas' petition which named Ustadz Samsuddin Yacob as their candidate for the post.

The petition was signed by Ustadz Abdulgani Yusup of Zamboanga del Sur, Ustadz Ibrahim Ghazali of Sulu, Ustadz Yahcob Ismi of Tawi-Tawi and Palawan, Ustadz Abdulcuddus Hussein of Basilan and Sharif Muksin Julabbi of Zamboanga del Norte.

The petitioning religious leaders all belong to the Ulama Council of the Philippines which is headed by Sheik Ahmad Basher and co-chaired by Amin Al Ampaso.

The ulamas also stated that we could be of help in our government effort toward peace and stability, since Islam has been and will always be a unifying factor among our people."

When asked to comment, Ustadz Abdulgani Yusop said there is a need to involve the Muslim religious leaders in the government's quest for peace in the war-torn south.

The Mindanao conflict, now on its tenth year, has registered a death toll of 60,000, apart from displacing several millions.

CSO: 4220/234

KKK TO BALANCE REGIONAL DEVELOPMENT

Manila BULLETIN TODAY in English 12 Jul 82 p 24

[Text] The Kilusang Kabuhayan at Kaunlaran (KKK) or national livelihood program, drummed up as the centerpiece strategy of the New Republic, may yet offset the imbalance in development among the country's 13 regions.

Research data released by the Private Development Corp. of the Philippines (PDCP) showed that the KKK has proved a viable instrument in shifting capital and technology from Metro Manila to the other regions in the countryside.

As of April 2 this year, the rural regions had been a recipient of ₱78.8 million in KKK disbursements while the country's premier metropolis has none as yet.

The disparity was seen as part of the government's overall policies to disperse industries to other regions and to decongest Metro Manila of heavy concentration of investments.

Even in the total KKK loan applications approved, the 12 other regions of the country accounted for ₱469.5 million compared to a measly ₱1.8 million for Metro Manila.

In the number of KKK projects, which got the nod of the Ministry of Human Settlements, the rural regions had an average of 19 as against 10 of Metro Manila, the country's seat of power.

Another indicator of the KKK's rural orientation is in the number of beneficiaries.

PDCP figures, culled from reports of the human settlements ministry, showed that the KKK-approved projects in Metro Manila intend to benefit only 1,500 people while each of the 12 other regions had an average of 13,216 beneficiaries.

"The Metro Manila figures appear to indicate strong private investment financing within the area such that entrepreneurs have no need to resort to KKK fund sources," PDCP noted.

However, it said, there had been an increasing number of small ventures in the national capital region taking advantage of the KKK's technical and marketing service.

By project prototype, the bulk of KKK assistance falls under the agro-livestock and aquamarine ventures.

The agro-livestock prototype, which covers food crops, cattle, swine, goats and poultry, has been extended ₱305.2 million in loans or 65 per cent of the total amount of ₱469.5 million approved.

PDCP said "the launching of the KKK reveals that the country's dependence upon primary economic activities, especially agricultural and aquamarine production, presents tremendous opportunity for development.

It added: "Through the KKK, these enormous agricultural and agricultural resources could be fully utilized, to increase investments, employment and overall production for the country."

But the KKK is only one of the mechanisms set in motion by the government in bridging the yawning economic gap between Metro Manila and the other regions of the country.

CSO: 4220/234

COMMENTATOR QUESTIONS NATIONAL LIVELIHOOD PROGRAM

HK070313 Davao PEOPLE'S FORUM in English 24-26 Jun 82 p 5

["Feedback" weekly syndicated column by Bubby P. Dacer: "Make KKK Fool-Proof and Politics-Free"]

[Text] As historians themselves observe, history has a way of repeating itself and, in the process, afford men and nations lasting lessons on results of endeavors and consequences of events so indispensable in charting the national course.

When Franklin D. Roosevelt took over the American presidency in 1933, an alarming number of Americans were jobless and, consequently, were starving, suffering from malnutrition and in despair. Banks had closed and the breadlines were getting longer. The homeless had to content themselves with Hooversville shanties (named as obviously in derision to Roosevelt's predecessor, Herbert Hoover, who got the blame for the great depression).

To enable the prostrate nation to stand on its feet anew, the New Deal administration launched, among other things, the Civil Works Administration (CWA). In two months, the CWA had given jobs to four million--the target--out of a $440 million appropriation. The work? Refurbishing roads, bridges, schools and other public buildings, digging canals, and the like. The CWA 'even paid researchers to study the history of the safety pin and hired 100 Washington workers to patrol the streets with balloons to frighten starlings away from public buildings.'

In the Philippines, some 30 years later, newly-installed President Diosdado Macapagal also created the Emergency Employment Administration (EEA) ostensibly to redeem a campaign pledge to give jobs to the jobless and in general, to enable the nation to march forward. Congress immediately appropriated P100 million for the EEA. There was no doubt that the EEA was for a noble purpose. But, alas, politicians just transformed it into one huge pork barrel which, in the old pre-1981 days, was utilized for vote-baiting purposes.

To make matters worse, the purchased equipment for road building and canal digging, the hiring of workers on the basis of partisan affiliation, payroll padding and similar shenanigans created scandals that rocked the nation. Today, or two decades later, there is no trace whatsoever of any productive EEA legacy to this generation.

Comparison, it has been noted, is odious, and the Kilusang Kabuhayan at Kaunlaran (KKK), which emerged at another time and clime, should not be paralleled to the CWA of the 30's and the EEA of the 60's. Besides, it is clear that the KKK is not merely a temporary measure for a palliative whose effects wear off shortly after the initial application.

To be sure, the KKK is meant for all time. According to its principal architect, President Marcos, the KKK will serve as the basis of the emerging Filipino ideology. It will train Filipinos to be self-reliant, and will even guide them to maintain their own ways, languages, thinkings and system of government. No wonder some P5 billion has been initially appropriated to pave the ground for the KKK's take-off, with no less than the first lady, Imelda Romualdez Marcos, as the nationwide project's secretary-general.

Reams upon reams of brochures had been distributed, different series of seminars and workshops had been held and a massive and sustained publicity had been given--all about the KKK. And the gist of these to-do's is that it is a continuing movement and, therefore, meant to benefit all Filipinos irrespective of social rank, political and religious creed.

Will the coordinators and implementors from the national, regional, provincial, municipal and baranggay levels keep faith with the spirit and intent of the KKK? Already, rumblings emanating from sensitive sectors are to the effect that the KKK has taken a partisan turn, that only known KBL areas and personalities are given preference, that only known party protegees are appointed to pivotal or key positions to the prejudice of the competent, the diligent, the honest, and the dedicated whose only fault, if fault it is, is that they are on the other side of the political fence, and that the KKK is being utilized for the development of a personality cult.

When there's smoke, there's fire. The national leadership should lose no time in looking into these complaints and make the KKK fool-proof and politics-free as much as possible if it expects to keep its rendezvous with destiny.

CSO: 4220/229

COMMENTATOR ON 'PNA' CONTROVERSIES

HK070305 Davao PEOPLE'S FORUM in English 27-28 Jun 82 p 3

["Window Shopping" by Aurelio A. Pena: "There's a Move To Reorganize the PNA (?)"]

[Text] Demobilization has crept into the ranks of the Philippines News Agency organization at its main offices at Solana Street, Intramuros, Manila.

It seems the impending re-organization of the PNA has not pushed through because they still could not make up their minds who should really run the show at the country's premier news agency which feeds wire stories to the nation's biggest newspapers.

The plan was to make PNA an 'independent' government corporation to be run by professionals who really know the business of news production. Although the proposals and the budget are now in the hands of Information Minister Gregorio Cendana, some people in the bureau of National and Foreign Information Department are blocking the moves to make PNA independent from the ministry.

There are some suspicions now that Malacanang may have a hand directly in blocking the move to separate PNA from the Ministry of Information.

In the midst of this controversy are people like Jose Macaspac, Jr., acting director of the BNFI who takes care of administration and finance for the entire PNA news gathering operations, Vieente Maliwanag, general manager for PNA operations (who is rumored to be close to Cendana) and Alberto Corvera, managing editor of PNA (who is said to be on-loan from the Philippines DAILY EXPRESS on a contractual basis).

Sources from Manila are saying that all these three PNA officials cannot see each other eye to eye, not necessarily because they dislike each other but because each seems to have a good leverage against each other, as far as getting the 'top post' in the PNA hierarchy is concerned, that is, if the plan to incorporate the PNA is pushed through.

The PNA has managed to get the very best writers in the news business, but they could not pin them down on measly government salaries. Consequently, newsmen (or news executives) like Vicente Liwanag and Alberto Corvera are all holding on to their posts on 'contractual basis' which, we were informed, are renewable every year. Since they are on contract, they naturally have fat fees (or fat salaries, if you may) but they perform more like "news consultants' than employee-executives of PNA.

No matter how much Bert Corvera wanted to run the PNA on a very professional level, he is not getting the necessary support from the acting director of the BNFI who approves every purchases, salaries, reporters allowances, stringers fees and equipment.

Macaspac actually took over as 'editor' sometime in 1980 and ran the PNA, giving himself a better edge over the two 'contractual' news executives. Basically a government official, Macwwaac, it seems, might just be considered by Cendana, with proddings from Malacanang, to take over the 'incorporated' PNA.

But PNA staffers, from technical to reporter level, are very frustrated the way their needs are being neglected by Macaspac and they could not pin the blame on either Maliwanag or Corvera because there's really nothing they could do.

Well-known writers like Romeo Espina, bureau chief of Bacolod, abandoned their news desks in Manila and returned home to their families.

As PNA stringers, now we know why the Manila office could not spell out their paying policies for special news coverages and news photographs--or if they have, they just refuse to reveal them to us.

Those editors in Manila, we feel, are honestly helpless about their own situations there. Malacanang wants to use the PNA as its mouthpiece, so there's nothing they could do.

When I mentioned to Corvera about the impending plan to pull PNA out of the ministry, he just shook his head like 'it can't be done.'

It's understandable now the frustration felt by news stringers of bureaus all over the country, but if they know the overall picture of what's happening, it will be easier to understand.

CSO: 4220/229

IMPROVED BANK SECURITY MEASURES ADOPTED

Manila BULLETIN TODAY in English 10 Jul 82 p 32

[Text] Lt. Gen. Fidel V. Ramos, Constabulary chief and director general of the integrated national police, prescribed yesterday measures designed to improve bank security and stop bank robberies.

Col. Luis San Andres, PC public information officer, said Ramos, who is also Armed Forces vice chief of staff, came up with the measures after a series of meetings with bank officials and managers of security agencies.

The meetings San Andres explained, were held because of increasing boldness of criminals to hold up banks even in broad daylight.

The most recent of such bank robbery was the robbery-holdup of the Family Savings Bank branch on Vito Cruz, Malate last June 9 where the security guard was taken by surprise, and disarmed by the robbers.

Similar disarming incidents occurred in the robberies committed in Cubao and Tomas Morato branches in Quezon city of the Bank of the Philippine Islands, the bank at the Broadway Centrum and the Philbank, the PC said.

Ramos, in coordination with banks management and security agencies, ordered special training courses on bank security survey, counter-surveillance, planning and prevention of and reaction to bank robberies, bomb threats and hostage situations.

This training, he said, should be conducted at regional and provincial levels for key and selected personnel performing security duties with the bank.

Ramos also directed that PC/INP personnel of line units be trained on proper police response and countermeasures to bank robbery, hostage-taking and allied crimes.

The PC/INP chief directed that plans be developed by each bank against contingent threats to bank security such as bank robberies, bomb threats and hostage situations with the assistance of PC/INP authorities in the area.

Once developed and approved by the bank managements, Ramos said rehearsals shall be conducted regularly by the bank authorities with PC/INP officers as observers to orient bank security guards and personnel in its execution.

Ramos also disclosed that a coordination network with PC/INP authorities shall be established with the banks, particularly in places where many of them are located in a contiguous or compact area.

CSO: 4220/234

MAJOR INDUSTRIAL PROJECTS REVIEWED

Manila BULLETIN TODAY in English 10 Jul 82 p 20

[Text] Four of the 11 industrial projects being undertaken by the government are currently under review and a decision to go ahead on these projects will depend on the review's findings on viability.

The four are the aluminum smelter project, the alcogas program, the petrochemical complex and the higher category diesel engine manufacturing program which was supposed to be implemented with the manufacture of the lower category diesel engine project of Isuzu Motors of Japan.

All the rest are now under construction and implemented.

This was based on a situationer report on the status of the projects prepared by the Ministry of Trade and Industry.

The aluminum project's economic viability is being reviewed in view of the refusal by the National Power Corporation to grant a special low price for its power requirements. The proponent--Reynolds Aluminum--was also proposing to put up a scaled-down project with half the capacity of its original proposal.

On the other hand, the alcogas program, which had intended a number of alcohol distilleries to produce 234 million liters of alcohol a year for mixture with gasoline, is being reevaluated for its timing.

With the softening of crude prices and the emergence of oil glut, the necessity for putting up with the project is now doubtful.

The establishment of two downstream petrochemical plants and an upstream naphtha cracker plant which would form the initial core of the petrochemical complex in the Philippines is likewise under review because of the uncertain market for its products and the lack of a strong foreign partner that could guarantee long-term supplies of raw materials.

In the case of the high horsepower diesel project, the industry said that market projections for its products may have something to do with the on-going review.

Seven of the projects are proceeding on schedule.

The copper smelter will be operational in mid-1983. Now under construction in Isabel, Leyte, the project will produce 138,000 metric tons per year of copper cathodes and 442,000 metric tons per year of sulfuric acid.

Costing $848 million, the phosphatic fertilizer plant is also under construction in the same locality as the copper smelter. It will be operational middle of 1984.

The integrated steel mill in Iligan city is being implemented in two stages. The first one, for a capacity of 1.2 million metric tons per year of slabs and 300,000 metric tons per year of blooms, will be operational between 1984-1985. This will later on be expanded to include rolling facilities with a capacity of 2.0 million metric tons slabs. Cost of the first phase is $765 million.

The heavy engineering industries will be put up in Bataan and scheduled to be in operation middle of next year.

CSO: 4220/234

PRESIDENT PETITIONED FOR RADIOMEN'S RELEASE

Manila BULLETIN TODAY in English 11 Jul 82 p 22

[Text] Lawyer Rey L. Bagatsing, a radio commentator and president of the newly-formed Association of Radio Commentators of the Philippines, for the national capital region, appealed to President Marcos for the immediate release from military custody of Pabling Mangulabnan, the editor-publisher of Cotabato Recorder and president of the Mindanao Press club.

BAGATSING

Bagatsing expressed shock over the complaint filed by the CIS against Pabling Mangulabnan for the latter's alleged involvement in the kidnapping of Deborah Simon last March.

Bagatsing added that Pabling Mangulabnan, instead of being detained on the basis of a presidential commitment order issued by President Marcos last June 29, should be commended for providing a lead that led to the solution of the Deborah Simon kidnapping. Information obtained from reliable sources in Cotabato city revealed that it was Mangulabnan who convinced the suspected kidnappers led by a certain Commander Arsad to surrender to the military authorities and to return Deborah to her parents.

Bagatsing expressed optimism that the criminal case filed against Pabling Mangulabnan with the provincial fiscal of Cotabato city will be dismissed for insufficiency of evidence.

Bagatsing added that in the meantime, Mangulabnan should be released from military custody to enable him to prepare for his defense consistent with his right to presumption of innocence and to post bail in any event that a case of kidnapping shall be filed against him in court.

CSO: 4220/234

BRIEFS

SAMAR PRIEST PROBE--Defense Minister Juan Ponce Enrile wants a probe of religious elements reported to be aiding or working with rebels in Samar. He directed military authorities today to conduct an investigation of the reported activities of religious radicals who are actively working with dissidents in Samar. Enrile issued the directive in a memorandum to armed forces chief of staff General Fabian Ver in the wake of the reported admission of northern Samar Bishop (Daniel Jubayan) during an interview with an Australian journalist that of the 27 priests in his diocese, he had lost 8, apparently to the dissident camp. Enrile directed the military to investigate the revelations of Bishop (Jubayan) concerning the eight radical priests on the agenda who were reported [words indistinct] among radical priests, a copy of which (Jubayan) reportedly furnished the Australian journalist. Enrile called for an enquiry into Bishop (Jubayan's) statement to the Australian journalist which, according to the defense chief, implied direct knowledge of the activities of religious radicals in his diocese. The defense chief has furnished Jaime Cardinal Sin, (Jolo) Cardinal (Rozales) and the Papal Nuncio with copies of his memorandum to General Ver and related documents on the revelations made by (Jubayan) during the interview. The revelations were contained in an article bylined by Peter Hastings in the June 29 issue of the SYDNEY MORNING HERALD, and the headline on the front page described "Guerrillas Plot Violent Revolution," about the new theology in the Philippines which proclaims that salvation lies in revolution [sentence as heard]. The new theology, according to the article, advocates the Marxist line of violence and the seizure of state power. [Text] [HK100101 Manila Domestic Service in English 2300 GMT 9 Jul 82]

SAMAR MASSACRE--Defense Minister Juan Ponce Enrile denied today reports of the massacre of over 200 civilians in a barangay in northern Samar in April. The defense minister said the reports were pure fabrication and formed part of the pattern of deception waged by the propaganda arm of the New People's Army. The reported massacre was supposed to have happened in barangay (Ziroy). Enrile said armed forces chief of staff General Fabian Ver had earlier issued the denial that such a massacre had happened. At the same time the ministry has conducted an extensive investigation on the report, and found it to be false. [Text] [HK100825 Manila Domestic Service in English 0800 GMT 10 Jul 82]

GOVERNMENT DEVELOPMENT PLANS--Prime Minister Cesar Virata announced recently that the government is at work on a concept of physical planning in its overall development strategy. Virata told members of the Philippine Association of Management Accountants at a meeting last Thursday that physical planning includes an accounting of land resources that will go hand in hand with population growth. We can no longer say that we will have more agricultural land, because the people are biting into forest land and creating new land for agricultural land, Virata said [sentence as heard]. He also expressed alarm over the increasing rate of population, which he said would be among the primary targets in its medium-term development plans. He said a population of about 115 million would be a viable number for government to support in the year 2050. [Text] [HK100143 Manila Far East Broadcasting Company in English 2330 GMT 9 Jul 82]

ANTICOMMUNIST DRIVE--In Cagayan, the military has uncovered a circulation and distribution point of the communist propaganda machinery in the Cagayan Valley region. This was disclosed by reports reaching the Defense Ministry today. The propaganda center was the clinic of a woman physician. Her name is Doctor (Aurora Paron), alias (Alaw) or (Cora). The clinic is in Bayombong, Nueva Viscaya, according to a report from Brigadier-General Vicente Custodio, Philippine constabulary region 2 commander. Doctor (Paron) was arrested on July 6, along with eight other top Communist Party of the Philippines personalities. After the arrests, military elements found in Doctor (Paron's) clinic 15 individually-packed syringes, needles, prescription packs, and documents. The documents showed that her clinic served as a communications post and supply point for the communist party's northern Luzon Revolution Committee. In another setback for the dissidents, the head of the educational department of the Communist Party of the Philippines, or CPP, in Cebu was captured last Wednesday. The capture occurred in a clash with armed dissidents at barangay (Tula Tula) in Sipocot, Camarines Sur, the Defense Ministry reported today. Seven unidentified dissidents were killed in that clash. Captured was (Eduardo Caballero), alias (Caroy), chairman of the Committee on Educating Partido Marxas, or EPM, Cebu District 2. This is an educational propaganda outfit of the Communist Party of the Philippines, operating in the central Philippines. [Text] [HK100125 Manila Far East Broadcasting Company in English 2330 GMT 9 Jul 82]

MNLF MEMBERS KILLED--Ten more members of the Moro National Liberation Front have been killed in two separate encounters in Palawan and Lanao Del Sur. Reports reaching Camp Aguinaldo said 8 of the terrorists were killed by marine troopers in a 3-hour gun battle near Puert Princesa, Palawan. In Lumbayanague, Lanao Del Sur, government troopers also clashed with a group of rebels, resulting in the death of two MNLF members. Two civilians were also killed in the crossfire. [Text] [HK090053 Manila Far East Broadcasting Company in English 2330 GMT 8 Jul 82]

SQUATTER SHANTIES TO GO--Armed Force Chief of Staff General Fabian Ver has ordered the demolition of all squatter shanties inside military reservations throughout the country. Demolition teams were ordered formed to enforce the chief of staff's order on Thursday, that's tomorrow. The squatters will be relocated to areas reserved for them by the government. First to be demolished are squatter shanties found near Clark Air Base in Pampanga and Tarlac, Subic Naval Base in Zambales, and those near Cap John Hay in Baguio City. It was not immediately know how many squatter families are at military reservations. [Text] [HK070057 Manila Far East Broadcasting Company in English 2330 GMT 6 Jul 82]

EXPLOSIVES PLANT--Manila, June 18--A 125 million dollar explosives plant, a joint venture between the Swedish Mitro Nobel Compony and Filipino businessmen, will start commercial operations next year, board of investments (BOI) sources said yesterday, reports AFP. The project will be located in the central Philippine island of Negros Oriental and will produce ammonium nitrate explosives for the mining and construction industries at the rate of 40,000 tons a year. The Swedish company owns 40 per cent of the venture and is Mitro Noble's first venture in Southeast Asia and the largest Swedish investmnet in the Philippines. Philippine BOI official hope the plant will fill the country's domestic explosives demand of 30,000 tons a year and save the country at yeast 15 million dollars a year in foreign exchange. [Text] [Kahtmandu THE RISING NEPAL in English 19 June 82 p 5]

PUBLISHER'S RELEASE SOUGHT--The Association of Radio Commentators of the Philippines, Metro Manila chapter, has appealed to President Marcos to order the immediate release from military custody of Pabling Mangulabnan, editor-publisher of the defunct Cotabato Recorder and president of the Federation of Mandanao Press Clubs. Appealing through lawyer Rey L. Bagatsing, radio commentator and NCR chapter president, the association said the release of Mangulabnan consistent with his constitutional right to be presumed innocent, will enable him (Mangulabnan) to prepare for his defense in the criminal case allegedly pending before the Cotabato city fiscal's office. Mangulaban, editor-publisher of Cotabato Recorder that won a journalism award in 1965 as "best edited provincial newspaper" from the National Press Club and ESSO Philippines, is reportedly being detained in connection with the alleged kidnapping of Deborah Simon last March. Bagatsing said he is scheduled to fly to Cotabato on Wednesday with Ben Llaneza and Raul Gonzales of the Integrated Bar of the Philippines to look into report that it was Mangulabnan who provided the lead that led to the solution of the kidnaping and that it was Mangulabnan who convinced the suspected kisnapers led by a certain "Commander Arsad" to surrender and return Simon to her parents.(E.I.) [Text] [Manila BULLETIN TODAY in English 11 Jul 82 p 36]

SQUATTER RESETTLEMENT RECORD CITED--More than 95 per cent of former Metro Manila squatters have resettled for good and now lead a new, more productive life in the National Housing Authority's three relocation projects. The NHA said this in refuting reports that 90 per cent of the original beneficiaries of the NHA's resettlement program "may be in Metro Manila again, squatting." The statement said only 3.98 per cent of the squatters abandoned the sites granted them at Dasmarinas, about 4 per cent in Carmona, and less than 6 per cent in Sapang Palay. The NHA emphasized that the resettlement program was so successful that there exists a tremendous demand from groups of Metro Manila squatters and elsewhere to be moved to NHA's resettlement projects which have grown into well developed human settlements. [Text] [Manila BULLETIN TODAY in English 10 Jul 82 p 1, 11]

CSO: 4220/234

EDITORIAL APPLAUDS RECOGNITION OF JVP

Colombo THE ISLAND in English 3 Jul 82 p 6

[Text]

OVERSHADOWED by the exultant headlines about the histrionics of the Sri Lankan highjacker in Bangkok was a small item of news in Thursday's newspapers which is sure to spell much more for Sri Lanka in the years to come than the passing heroics of Sepala Ekanayake The Janatha Vimukthi Peramuna had received recognition as a political party from the Commissioner of Elections along with two other parties, the political wing of the Democratic Workers' Congress and the Nawa Samasamaja Party.

This decision of the Elections Commissioner signals the total integration of the JVP into the parliamentary-political process of our times. It is perhaps unique in the annals of Political history in any country that a party which took up arms against the state barely 11 years ago should be ready to contest the next General Election as a recognised political party. Thus are the rebels of yesteryear transmogrified into the respectable constitutional politicians of today.

The pet theory of the political commentator and the Sri Lanka watcher, the sociologist and the student of politics was that Sri Lanka in the post-independence era had been insulated from revolution and upheaval by the ramparts of welfarism which a far-sighted state had build.

Free education and free medicine, the subsidies and free rice were the collective bulwark holding back the tide of mass discontent and diverting the attention of the people from their immediate problems, the Marxist theoreticians argued. Infact it was no less a person than Dr. Colvin R. de Silva who looking back on fifty years in politics. told a felicitation meeting called by his admirers recently that Welfarism had effectively stymied the Revolution in the country

It was only the JVP which dared to defy not only the state but also these cosy theories of the political pundits. The irony was that the JVP itself was the product of the Welfare State. It was drawn from the rural and urban lower middle classes who had been spawned by the free education system but by the time they entered society they dicovered to their bitter disenchantment that the white collar dreams that the educational system had instilled into them had withered and died. There were no jobs and since white collar employment had become the main method of mobility in post-independence society the youth felt that society had cheated them.

So the sons and daughters of the Welfare State rose against their creator. Social envy, frustration, disillusionment against the Marxist establishment, socialist demagogy, unbridled populism and idealism of the first order were mixed together in the heady brew which was the April Insurrection.

But now 11 years later the JVP has come a long way. The party has openly accepted parliamentary politics and the only legitimate method of capturing power and as if to offer tangible proof of his conversion to political legitimacy Comrade Rohana Wijeweera has begun travelling in a 12 Sri limousine, one of the perennial totem poles of urban elitism. Now recognition by the Elections Commissioner has completed the process of acceptence into the mainstream of politics.

In retrospect then Dr. Colvin R. de Silva's theory does not appear far wrong. The Welfare State works in mysterious ways its wonders to perform. Once upon a time it was on the young Turks, of the LSSP that the Welfare State cast its spell. Disgusted by what they perceived to be the betrayals of the traditional left the new left rose in revolt against the old gurus. But now the hot heads have been cooled, the rebels tamed.

So the wheel comes full circle and the JVP will take its place among the other parties as legitimate contenders for the vote at the next General Election.

The entry of three new political parties is bound to expand the scope of the choice available to the electorate and from the point of view of democracy this is a healthy feature. It is now up to the new political parties to re-examine their politics in keeping with this newly-gained stature and conduct themselves accordingly. The people of Sri Lanka have opted for a democratic way of life and an open society and a multi-party system and a wide political choice are hallmarks of this way of life. It is upto all political parties to preserve and advance this social order even as they take their place in the political process as legitimate and accepted partners.

CSO: 4220/235

REWARD OFFERED FOR COP KILLERS

Colombo THE ISLAND in English 4 Jul 82 p 1

[Article by D. B. S. Jeyaraj]

[Text] A massive man hunt for the killers of the four police constables shot dead on Friday night was on yesterday. Nelliadi, the area where the shooting took place has been cordoned off to facilitate the combined Army-Police dragnet.

Police sources told "The Island" that the jeep carrying the policemen from Point Pedro police station had stopped at Nelliadi junction on seeing two "policemen" in khaki hailing them. They had stopped and were engaged in conversation with the "khakhied men" when the jeep had been fired at. Police said that the assailants had been masquerading as policemen as a ruse to stop the police vehicle.

A car belonging to a businessmen of Nelliadi had been hijacked earlier on the Jaffna-Point Pedro road on Friday. The driver of the vehicle had been dropped at a place called Puraporukki. This car is supposed to have been used by the killers for their Friday operation.

Although the shooting had taken place at the Nelliadi bazaar area, most shops were closed at that time because Friday was the normal closing day at Nelliadi.

Police sources said that the entire Nelliadi area was cordoned off on Friday night itself. Students attending tutories and people at Theatres were kept in the tutories and theatres all-night and released on Saturday morning after questioning. Nelliaddi junction remained deserted on Saturday as a result of the security cordon. A house-to-house search is also being done. Also no buses were plying on the Point Pedro-Jaffna route.

CSO: 4220/235

MASSIVE MANHUNT ON FOR COP KILLERS

Colombo THE ISLAND in English 4 Jul 82 pp 1, 4

[Article by Norman Palihawadana]

[Text] The Commander of the Army, Major General Tissa Weeratunge and the Inspector-General of Police Mr. Rudra Rajasingham left early yesterday morning for Jaffna as terrorists struck again in the North gunning down four police constables at Nelliaddy.

Police headquarters announced yesterday that a reward of Rs.5 lakhs would be offered to anyone giving information leading to the arrest of the killers. Investigations carried out so far have revealed that Friday night's attack is the work of the remaining hardcore terrorists and may have been carried out to show that the back of northern terrorism had by no means been broken with the arrest of Uma Maheswaran and Prabhakaran in Madras.

The four dead constables are Mallawarachchi of Matale, Arundevarajah of Point Pedro, Ariyaratne of Yatiyantota and Gunapala of Maha Oya. The OIC, Point Pedro, Police Inspector Tiruchittampalam and Constables Sivaraja and Ananda are among the injured.

Point Pedro Magistrate Mr. K.S. Mahesan yesterday visited the spot and carried out a magisterial inquiry. Arrangements were subsequently made to send the bodies of the murdered constables to their respective home towns.

Police say the finger-prints on the jeep have helped in their investigations. The assailants had surrounded the Police jeep in which the men had been on a routine night patrol. 'They just shot blind since it was dark and visibility was poor', a police source said.

After the attack, they had grabbed the four guns in the jeep, fired into the air and fled in a passing car which they are said to have hijacked. A large number of empty shells were found at the scene of the attack

The condition of the jeep showed that the killers had poured a stream of fire into it', a police spokesman said. Four men died in the hail of bullets and three survived. The three who lived to tell the tale are helping the Police with the investigations. There had been eye-witnesses but no one was coming forward with any information, according to the police.

With the exit of Uma Maheswaran and Prabhakaran, about 20 terrorists were left in the North and this was their work, police said.

CSO: 4220/235

EDITORIAL DEPLORES NORTHERN TERRORISM

Colombo THE ISLAND in English 5 Jul 82 p 6

[Text] It must, indeed, appear as a happy coincidence to the Government of the United States of America that the prophets and the oracles of Tamil Eelam should have chosen the day before its Independence Day to begin their Eelam Convention in New York, thus, paying the ultimate tribute to the right of free speech in the US.

In a farewell salute, out-going Secretary of State Alexander Haig had been quick to exploit the point and tell Foreign Minister Hameed that the US Government was dissociating itself from the affair and that the Eelamists were only making use of the right of free speech to gather in New York.

While the pundits were gathering in New York, terrorism struck again in the North, this time, taking four lives. According to all reports, this latest outburst of violence had been as senseless and brutal as all other earlier manifestations of terrorism in the North. Some unknown assailants had surrounded a jeep in which a seven-strong police party had been travelling on a routine patrol and spattered the vehicle with bullets in the dark, killing four men - three Sinhalese and a Tamil. The killings are believed to be the work of terrorists who are determined to show that the back of the terrorist movement had not been broken with the arrest of Uma Maheswaran and Prabhakaran in Madras.

The killings have been promptly condemned by the Tamil United Liberation Front and this is a welcome sign. It is all the more creditable since it comes at a time when the two principal leaders of the party are out of the country. In a statement issued in the absence of Messrs Amirthalingam and Sivasithamparam, Chavakachcheri MP V.N.Navaratnam and Jaffna MP V.Yogeswaran have denounced the killings and extended their sympathies to the members of the bereaved families.

These latest killings demonstrate again that the Police and the other security forces cannot afford the luxury of complacency by any stretch of imagination. The terrorist operation has lost its earlier coherence and organisation, but the venom and the sureness of touch are still very much there. Thus, the Police and the security forces come up against two problems.

The first is the long-term one of totally breaking the back of the terrorist movement, a possibility which has been brought several steps closer by the arrests of the two king-pins, and the second is the problem of safe-guarding themselves from terrorist attack in the short-term while the long-term operation is being accomplished.

It is in this context that the Police have to be extra vigilant in order to ensure that their members will not fall unnecessary victims to the machinations of the terror gangs.

This aspect of the question cannot be overstressed. The Police, when they set out on such routine patrols as on Friday night's, should take every precaution to see that they are not caught on the wrong foot. Shouldn't they be more careful when they go out on patrols?. Shouldn't they go in a convoy rather than in a lone vehicle, thus offering themselves as ready targets?.

But in the ultimate analysis, it is not guns but people who solve problems, and therefore the case for a political solution to the problem cannot be overstressed. It is, perhaps, the proper time for the TULF to begin a concerted campaign at all levels to win the radical youth over to their way of thinking. This is a necessary prerequisite for any political solution to the problem, since, as long as the spate of killings continues, it will not be possible for the Government to approach the problem in the proper frame of mind. The killings will continue to sour the minds of the Sinhala people so that the Government, which after all, derives its support from a section of the Sinhala people, will find it difficult to persuade their people that a humane solution has to be offered.

It is, therefore, up to the TULF to defeat terrorism on a political level.

CSO: 4220/235

ESTABLISHMENT OF TAMIL EELAM LIBERATION COUNCIL URGED

Colombo THE ISLAND in English 6 Jul 82 pp 1, 3

[Article by D. B. S. Jeyaraj]

[Text] The first World Eelam Convention held in New York, USA has passed a resolution stating that a Tamil Eelam Liberation Council be established with immediate effect.

The objectives of the intended Council, according to the resolution would be "to lobby the International Community, to co-ordinate the activities of all groups committed to the idea of Tamil Eelam and to usher in the birth of a new nation."

The resolution which was proposed by Dr. Edward Benedict of New York and seconded by MR. S. C. Chandrahasan of Sri Lanka was passed by 103 votes to two.

All delegates from Sri Lanka including Messrs. Amirthalingam and Sivasithamparam voted for the resolution.

Another resolution to the effect that a government-in-exile of Eelam should be established was referred to the consideration of the intended Liberation Council on the request of the TULF duo.

The resolution was moved by Mr. Krishna Vaikuntavasan of London and seconded by Mr. Kovai Mahesan of Sri Lanka.

Another resolution moved by Mr. Amirthalingam of the TULF and seconded by Mr. Eelaventhan of the TELF nominated a preparatory committee to take the necessary steps towards the setting up of an Eelam Liberation Council.

The members of the committee are Messrs. V. W. Panchatcharan, Edward Benedict, Jegathesan, Sritharan and Vijayanathan of the USA and Dr. S. Navaratnam, Mrs. Padma Perinpanayagam and K. Vaikunthavasan of the U. K.

According to reports reaching here the Convention had been devoid of resolutions smacking of an extremist flavour as care had ben taken to modify and tone down the nature of the proceedings.

The chief resolution of the conference relating to the setting up of an International Tamil Eelam Liberation Council had found preamble outlining the factors necessitating the establishment of Eelam.

The resoluton which called upon the Tamils of the world to unite in the struggle to secure Justice, Security and place to the Tamil people requested the nations of the world to ensure that the Tamils were not denied their fundamental human rights including their right of self-determination.

Among other things the resolution noted with concern the pogroms against the Tamil people since 1956", the state of emergency in Jaffna in 1979, the Prevention of Terrorism Act, "arbitrary arrests, prolonged detention, torture and killings of Tamil Youth," the burning of the Jaffna Public Library, the Pogrom of 1981 against plantation Tamil", the arrest of Tamil leaders by security forces etc.

CSO: 4220/235

SECURITY AT AIRPORT TO BE INCREASED

Colombo DAILY NEWS in English 22 Jun 82 p 1

[Text] Security at the Katunayake airport will be re-vamped shortly the board of directors of Airport and Aviation Services Ltd., the company that will run the airport decided on Sunday.

The board, chaired by General D.S. Attygalle, visited Katunayake on Sunday and decided among other things to build an enclosure there that could accommodate at least a 1,000 people to serve Middle East-bound passengers and their families coming to see them off.

A police station will be set up at the terminal for added security. The feasibility of closed circuit television covering the airport will also be explored. This could ensure tight monitoring of the entire area for irregularities, dishonesty etc.

The DIG (Metropolitan) Mr. Edward Gunawardene, will report to the IGP whether such an investment is worthwhile.

The directors of the new company are: General Attygalle, Col. H. B. Wijekoon, Chairman of the Airports Authority, IGP Rudra Rajasingham, Air Lanka Chairman Rakhitha Wikramanayake, Mr. K. Satchihanandan, Chartered Accountant, Mr. H. A. Abeywardene head of the budget division of the Treasury and Mr. D. H. S. Athulathmudali, Additional Director of Civil Aviation.

CSO: 4220/202

TULF-COMMUNIST UNION UNLIKELY

Colombo DAILY NEWS in English 19 Jun 82 p 6

[Text]

The Communist Party, which so long played a spectator role to the pre-election activity of political parties, has now stepped into the election arena.

It has sounded a call to all opposition parties to unite against the UNP. Already such moves were afoot, but the CP stayed clear of such a United Front when the unsplintered LSSP suggested it.

While an uneasy truce between most opposition parties is predictable on the basis of adversity making strange bedfellows, it is the reaction of the TULF to the CP unity call that is most awaited.

Unlike the SLFP and the LSSP, the TULF stands united. Its inclusion in the opposition move will certainly give a United Front considerable and much needed muscle. But from the looks of it the TULF is expected to say a firm but polite "no thank you" to the CP call.

The CP statement — it is not an invitation — has been sent officially to the TULF, which is expected to give it thought over the week-end.

However, the dice are loaded against unity, according to TULF sources. For one thing, no reference is made to the Tamil problem which the TULF is fighting to solve. For another, the CP and its allies are against District Development Councils, which the TULF has not only accepted but is working enthusiastically on.

The TULF has two areas in the DDC which it is still fighting for - devolution of power to the Central Committee and more finances. It is determined to push the move through and, judging from the UNP's current tie-up with the TULF, those hurdles will be soon cleared.

With the UNP beifg so co-operative, the chances of the TULF doing an about-turn to the Opposition are definitely remote, even impossible.

CSO: 4220/202

TULF LEADER URGES TAMIL UNITY

Colombo THE ISLAND in English 25 Jun 82 p 2

[Text]

GUNS and other weapons are futile, most essential armament to win freedom is unity said, Mrs. Mangayakarasi Amirthalingam addressing a very large crowd at a public meeting held at Batticaloa by the T.U.L.F. She added that unity was a much more powerful weapon than battalions of heavily armed armies in the quest to achieve freedom.

Mr. A. Amirthalingam Leader of the Opposition and the T.U.L.F. leader said some Tamils opposed to the T.U.L.F. had been constantly asking that Parliament should be boycotted by the Tamils. He recalled how in 1931 certain sections of the Tamils had advocated a boycott of the elections and one of them had been professor K. Nesiah, but on hearing of certain groups advocating a boycott of the elections, the same Professor Nesiah had written to him asking him not to repeat the error they committed by boycotting elections in 1931.

Mr. Amirthalingam said that hasty and premature action by certain youths had resulted in murders and the shedding of blood and this was not desirable.

Mr. Kasi Anandan who presided declared that while Tamils loved the Sinhalese, their language and culture, their enemy was only those racist caucus of Sinhalese among the Sinhala community whose greatest desire was to trample the Tamil community.

He said that there was hardly anything to choose between the U.N.P. and the S.L.F.P. for both were parties which truly did not have the welfare of the Tamils at heart. Both parties had during their terms of government eroded the rights of the Tamils who faced citizenship problems, language problems, colonisation problems and employment problems.

In regard to the language problem it should be remembered that both parties were culpable for it was the U.N.P. which at the Kelaniya conference first mooted making Sinhala the official language, while the S.L.F.P. under Bandaranaike with the promise of making Sinhala the official langauge in twenty four hours.

In regard to the colonisation problem it was the U.N.P. which colonised the Amparai area with Sinhala colonists, while the S.L.F.P. did the same at Padavaiya he said.

Anandan spotlighted discrimination at the Fisheries Complex Batticaloa Town, where Sinhalese employees were allegedly hired while Batticaloa's unemployed Tamil s were kept out, during the S.L.F.P. regime.

During the present regime he alleged that a similar injustice was perpetrated at Prima Flour mill at Trincomalee.

He added that he would not call certain members like Kova Maheshan and Elavandan who opposed the T.U.L.F. today traitors.

he would only call them political Fools, who were advocating faster and drastic methods though they too may be labelled freedom fighters.

CSO: 4220/202

SUBVERSIVE GROUPS ACTIVE IN MATALE SCHOOLS

Colombo THE ISLAND in English 24 Jun 82 p 2

[Article by Wilfred Amunugama Matale Prov. Corr.]

[Text]

A revolutionary organisation which has infiltrated into schools is gathering momentum in its recruiting campaign amongst boys and girls in the senior and post-senior classes in the Maha Vidyalayas in this District especially in the rural areas.

The recruitment strategy is to enrol the more intelligent students in schools, and some teachers who are active members of this organisation have been found to be openly engaged in spreading revolutionary ideas in their schools and Principals can do very little other than warn them.

It is reliably learntl that some temples in the rural areas have become centres where clandestine classes are being held to teach this dogma, and instructions are being given by 'mod' priests who sport crew-cut hair styles and are proficient in the art of Karate.

As ll occured for the April uprising of 1971, it is quite easy for a student to attend these classes as absence from school is endemic in these areas.

Recently a teacher in a school in a premier Maha Vidyalaya in the Rattota Electorate was transferred to a school in Lagaala as he was openly bringing politics to the senior students even though he did not teach in any of their classes.

The inquiry also revealed that having shown a letter purporting to be form the Circuit Education Officer, some senior students had collected money and gone to Colombo for the May Day Celebrations, and when questioned had claimed that they alone were responsible for the letter they had forged, and that they had gone to Colombo to hear film actress Nutan sing.

The teacher concerned had also pursuaded some teachers on the staff to apply for railway warrants and hand the warrants over to him which the teachers had subsequently cancelled follwing a warning by the Deputy Principal.

The few officers at the Matale Police Station entrusted with intelligence work are far from equipped to carry out investigations into political developments in the area as their time is taken up by routinee security arrangements and keeping tabs on political meetings.

Though the District Transfer Scheme may solve the personal problems of teachers, from the point of view of security these transfers could proliferate the security risk, a police spokesman said.

CSO: 4220/202

NEW POLITICAL PARTY PLANNED FOR NORTH

Colombo THE ISLAND in English 21 Jun 82 p 1

[Text]

A powerful Northern Parliamentarian of the minority community now intent on setting up a new political party in the North, informed sources say.

The MP is now making the initial moves and minority Tamil organisations are said to be solidly behind his move.

The MP's strategy seems to be the formation of a social and cultural organisation of his community first and the transformation of it into a political party in time for the next hustings.

He has been touring the peninsula arguing for the imperative need of an organisation on such lines.

At a recent sports meet, he is reported to have stated that he was being accused of having an inferiority complex when he spoke up for his community whereas a person who spoke up for the entire Tamil community was considered a "patriot" and a "nationalist".

The High Command of the MP's present party is not satisfied with his performance and objectives sources say.

A Development Councillor, a Corporation Chairman and a young lawyer are all lobbying for the MP's place on the grounds of his community.

The so-called Minority Tamils comprise of 30 per cent of Jaffna District and have considerable electoral strength in view of Proportionate Representation.

CSO: 4220/202

NEW TERRORIST BOSS TAKES OVER IN NORTH

Colombo THE ISLAND in English 24 Jun 82 p 1

[Article by D.B.S. Jeyaraj]

[Text]

Investigations into recent terrorist activities have revealed the emergence of a new claimant to the mantle of terrorist leadership in the North.

While the kingpins of terrorism Umamaheswaran and Prabhakaran are behind bars in Madras, the new aspirant intends to reorganise the movement with the remnants of the older group, and re-inforced with an infusion of new blood, informed sources say.

Security forces have intensified their efforts to trace this person who has been reported "missing" for over three years now.

Informed sources told 'The Island' that the new claimant was a person who had been on trial for his alleged involvement in the assassination of a prominent Northern politician some years ago. He has also participated in youth politics of the North and is said to have considerable influence among Tamil youth.

His whereabouts became a 'mystery' after the 1979 emergency when he is supposed to have gone underground. He is said to have emerged after Umamaheswaran and Prabhakaran were captured in Madras.

Informed sources told 'The Island' that the recent arrests of "Indran" and "Arafat Deva" had revealed information regarding the formation of the new group. These sources said that the killings of two youths Iraikumaran and Umaikumaran at Alaveddy recently had connections with this new phenomenon.

Police sources now believe that these killings had not been spanked off by rivalry between Umamaheswarans and Prabhakaran's group but by this new group.

The killings were part of a plan of systematic elimination of those who might have opposed the new leader, Police say. After this killing, several members of the Uma Prabha groups had gone into hiding for fear of their lives.

The new leader is said to be originally a member of the Liberation Tigers Organisation. He is said to have dropped out of the movement due to certain differences. He had been biding his time and has struck at a seemingly opportune movement after the Madras arrests. He is also said to have the backing of expatriate groups in London.

Security sources told 'The Island' that they had been wanting to question this person for some time now but had been unable to lay their hands on him. They said that in the light of recent information, they would be making determined efforts to trace him.

CSO: 4220/202

TELF BID FOR RECOGNITION

Colombo THE ISLAND in English 25 Jun 82 pp 1, 3

[Article by D.B.S. Jeyaraj]

[Text]

Sparks are expected to fly at the World Eelam convention in New York when the newly-formed Tamil Eelam Liberation Front stakes its claim for recognition from the International Tamil Community as the legitimate freedom movement.

Representatives from 22 countries are expected to attend the conference scheduled to be held on July 3 and 4 next month.

Six persons from Sri Lanka, the leader of the Opposition Mr. A. Amirthalingam, TULF President Mr. M. Sivasithamparam, Jaffna MP Mr. V. Yogeswaran, Mr. S.C. Chandrahasan and Mr. Eelaventhan and Kovai Mahesan of the TELF have been invited for the convention

Although, the primary objective of the Eelam Convention is to formulate a world-wide strategy in regard to "Eelam", observers predict that it would become a forum where the TULF and the TELF would be espousing there points of view about the Eelam demand in the present political context of Sri Lanka.

The contending issue would be as to whether the concept of "freedom first development next" should be the approach adopted by the Tamil people in Sri Lanka.

The TULF is expected to defend its present position as regards the on-going dialogue with the Government, the position of the 5 point demand, its stand on the New Parliament opening, UDI move etc.

Mr. Amirthalingam and Sivasithamparam who, on more than one occasion, have stated that the expatriates who are in no position to bear "responsibility" for happenings in Sri Lanka cannot arrogate to themselves the 'power' to decide for the Sri Lankan Tamils are expected to re-iterate their stand at the convention. They would also try to convert the expatriates to their way of thinking.

Political observers are also intrigued about the role of Mr. Chandrahasan at the convention. What stand would he take, speculate observers.

The organising Secretary of the TELF Mr. M.K. Eelaventhan however told 'The Island' that Mr. Chandrahasan was with them and would be with them at New York.

He said that the majority of the expatriate Tamils were with the TELF as a matter of principle.

He also said that they would try to enlist the support of the World Tamil Community to pressurise the TULF into boycotting the next elections.

CSO: 4220/202

BRIEFS

STOLEN MONEY FOR TERRORISTS--Millions of rupees robbed by terrorists in the North are being used to secure the release of Umma Maheswaran, Prabhakaran and several other alleged terrorists now remanded in Madras, according to latest intelligency reports received by the Sir Lanka Police. Monies are being spent to create a public outcry against the entradition of these terrorists by organising street demonstrations, clandestine posters etc. [Norman Palihawadene] [Text] [Colombo THE ISLAND in English 21 Jun 82 p 1]

CLOSING OF NATIONAL NEWS AGENCY--The Minister of State, Mr. Anandatissa de Alwis told The Island yesterday that he will recommend to the Government to close down the national news agency "Lankapuwath" "because it is serving no useful purpose". The Minister pointed out that the coverage given by it was unsatisfactory. "Instead of paying Lankapuwath, the SLBC, Government-owned newspapers, etc., can get their news direct instead of the news that is supplied by Lankapuwath". He said, he hardly saw any material from this news agency used in the local press, radio, etc. Its service to the foreign missions, the Minister said, was also not satisfactory. The Government, Mr. de Alwis said, was paying the keep of this service, which he said could easily be dispensed with. Mr. de Alwis' recommendation would go to the Government shortly. [Text] [Colombo THE ISLAND in English 23 Jun 82 p 1]

TERRORISTS BREAK INTO JAFFNA SCHOOL--A group of terrorists had broken into the Vishwaneshwara Vidyalaya at Alavetti, Jaffna yesterday and had removed chemicals, from the laboratory, a ronio machine and a typewriter, according to Jaffna police. The police believe that the chemicals which had been stolen can be used in the manufacture of bombs. The finger-print experts were summoned to the scene and they had obtained the finger prints left in the laboratory by the terrorists. The suspects have not yet been arrested but the police have recorded statements of several persons regarding this incident. The police in the Jaffna area will guard all school laboratories to prevent chemicals being stolen. [Text] [Colombo THE ISLAND in English 24 Jun 82 p 1]

'BOMB FACTORY' RAIDED--Three persons, who are alleged to be members of a radical political party, have been arrested and material used for the manufacture of hand bombs seized by the Hambantota police. The bomb-making materials which were seized from a house near the Embilipitiya Paper Factory included gun powder, nails and finely ground glass. The police have questioned several members of the trade union branch of this political party. [Text] Colombo THE ISLAND in English 25 Jun 82 p 1]

EMERGENCY COIR CARGO TO USSR--Thirty-eight tons of coir fibre was airlifted to the Soviet Union last week, to meet a sudden shortage in that country said Mr. H. Claude Wickramaratne, director of the firm Jafferjee Brothers. He said his company supplied about 200 metric tons of coir fibre to the Soviet Union every month, by ship. "But the Soviet Embassy wanted us to airlift 38 tons as an emergency measure. It was moved by passenger airliner. No additional freight was involved," he said. Coir fibre beins light and bulky causes transport problems. With world fibre prices showing a downward trend, shippers are fighting to get a reduction on sea freight. "There have been instances where bulky cargo was airlifted in small quantities, but this is the first time a large quantity was sent by air," Mr. Wickramaratne said. Some time ago, Sri Lanka tea was airlifted to Australia in cargo aircraft flying back empty after delivering meat to the Middle East. [Text] [Colombo DAILY NEWS in English 6 Jul 82 p 1]

RECONCILIATION OF SLFP URGED--Mr. Maitripala Senanayake leader of the SLFP(M) addressing the delegates conference of the All Island Women's Organisation of his Party said that he was always ready for unity of the two factions of the SLFP but it should be achieved with honour. Even in the future the doors of his party would be open for such talks. The conference which was held at SLFP headquarters at Darley Road, Colombo yesterday was attended by nearly 200 delegates. Mr. Senanayake said that the main reason for his breakaway was Mrs. Bandaranaike's attempt to change the Party constitution according to her whims and fancies. Even before the two factions started any unity talks Mrs. Bandaranaike had laid down conditions and she had wanted him to first apply for membership with Rs. 3.25 as membership fee. With such absurd conditions a self-respecting person could not join her, he said. [Excerpt] [Colombo THE ISLAND in English 3 Jul 82 p 1]

CSO: 4220/235

ATHIT POLITICAL AMBITIONS DISCUSSED

Islamabad THE MULSIM in English 12 Jun 82 p 5

[Article by Wirasak Salayakanond]

[Text]

BANGKOK: The man widely tipped as Prime Minister Prem Tinsulanonda's successor is a workaholic, honest and royalty's "favourite general."

Gen. Arthit Kamlang-ek, Army assistant commander-in-chief and concurrently chief of the powerful First Army Region and director of the Bangkok Peace-Keeping Command, denies any ambition to the premiership. However, unexpected developments in recent months might have already pushed him closer to the country's top leadership than anybody else except General Prem.

A loyal supporter of his former commanding officer in the Second Army Division, now Prime Minister, General Arthit is a creation of events. He was the first high-ranking military officer to rally behind Premier Prem in the April 1-3 abortive coup last year. This decision made him a favourite of the Prime Minister, the Royal Family and the pro-monarchy segment of Thailand.

Although he is only the assistant Army commander, General Arthit is touted to be more powerful than his immediate superiors, General Prayuth Charumanee, the Army commander-in-chief and General Saiyud Kerdphol, chief of the Armed Forces Supreme Command.

General Arthit was with the Royal Family in the northeastern province of Nakhon Ratchasima, the headquarters of the Second Army Region, when Army "Young Turks" pulled the coup in April last year.

When the coup failed, General Arthit, whose first and last names mean "the sun" and "powerful force," was promoted to lieutenant general and commander of the First Army Region and director of the Bangkok Peace-Keeping Command.

Seven months later, he was extended another promotion, this time to general and he was named assistant commander-in-chief of the Thai Royal Army.

As one of two assistant commanders-in-chief, General Arthit is the odds on favourite to succeed General Prayuth as Army commander-in-chief. "Unless something happens to him between now and October (which marks the annual Army reshuffle) like serious illness, General Arthit should get the job," an observer told Depthnews.

Speculations on General Arthit's plans have already spawned rumours, including one that he was planning a coup of his own. The rumours have been fanned by the unresolved problems in Parliament, unabated political bickerings, labour unrest, skyrocketing prices of prime commodities and corruption in Government.

The rumours had reached hysterical proportions that an aide of the general was forced to roundly deny the reports. "Why should General Arthit have anything to do with such a stupid thing? He is already powerful and is trusted by their Majesties, King Bhumibol and Queen Sirikit, and Prime Minister Prem to even think of a power grab," the aide said angrily.

The general's aide attributed the rumours to his enemies in the failed coup. The coup leaders were arrested, dismissed from the service and jailed for seven months before the Prem Government ordered their release in an amnesty.

The coup leaders have been trying unsuccessfully to get back to the Army, and General Arthit has been blamed for their failure to regain their positions.

As director of the Bangkok Peace-Keeping Command, it was General Arthit who ordered a full alert among the military units when rumours of an impending coup spread. He also sent military policemen to search the houses of the suspected coup plotters.

Born in Bangkok to a poor family, General Arthit has established a reputation of being hard-working and honest. Until the April coup attempt, nothing in his military career showed that he was headed for exceptional success.

At the time of the coup, he was a major general while many of his classmates from the Chulachomklao Cadet Academy had become lieutenant generals or full generals.

His meteoric rise in the military after the April events has sparked criticisms which he deeply resents. Said General Arthit: "I was a major general for four years and during all that time I did not receive any increase in salary. Before that, I was a lieutenant colonel for eight years, fighting the communist terrorists in the jungles without a promotion. But my critics conveniently omit these facts in their attempt to discredit me."

Like Premier Prem, General Arthit is considered as an intellectual and professional soldier steeped in the rigid discipline of his profession. A good follower, he is know to have followed General Prem's strategy of suppressing the communist movement when the Prime Minister was commander of the Second Army Region in the northeast in the 1970s.

The Prem strategy emphasised "political tactics" before "military operations" in dealing with the communist insurgents.

When General Prem was the commanding general of the Second Army Region, Arthit served under him as battalion leader. He was later named commander of the Third Division attached to the Second Army Region when General Prem became Army commander-in-chief in 1978.

In addition to his duties as commander of the Third Division, General Arthit, then still a major general, also served as director of the combined civilian, police and military operation centre 1718. The centre's main task was to wage a psychological campaign in the three communist-infested northeastern provinces of Loei, Nongkhai and Udorn Thani.

General Arthit mobilised the support of local villagers and succeeded in blunting the insurgents' influence in the area. He was voted as a "model Thai citizen" by a noted Thai foundation in 1978 for his leadership in the anti-insurgency campaign.

In 1980, he was named commander of the First Division in Bangkok attached to the First Army Region. The First Division's main task was to provide security to the Royal Family. In early 1981, he was appointed deputy commander of the Second Army Region and was posted in Nakhon Ratchasima province (Korat). He was in Nakhon Ratchasima province when the April coup was staged.

Besides being the favourite of the Royal Family, General Arthit also finds strong support from General Prem and his former classmates at the military academy. They include: Lt. Gen. Harn Leelanond, commander of the Fourth Army Region; Lt. Gen. Pak Meekanit, commander of the Second Army Region; Lt. Gen. Som Khattaphan, director of the Information Department of the Supreme Command, and a number of other ranking officers.

Despite his firm disavowals of political ambitions, General Arthit is already enmeshed in politics. Many interest groups and political parties have tried to woe him for his support. "To many people, the Arthit era has arrived. Interest groups and politicians are stumbling all over him. This is not good," said one of the general's aides.

It remains to be seen whether General Arthit would become Army commander-in-chief when the annual military reshuffle takes place in October. The betting is that a promotion to the top of the military hierarchy would almost inevitably push him on the road to the premiership.

"In Thai politics, the positions of Prime Minister and Army commander-in-chief are almost identical," a political science professor told Depthnews. He added: "The problem is that he might get too impatient with the slow-turning democratic process and resort to more drastic actions," obviously meaning a coup.- *Depthnews Asia*

CSO: 4220/230

EX-DEPUTY FOREIGN MINISTER HITS THAI ASSISTANCE TO KHMER COALITION

Bangkok BANGKOK POST in English 25 Jun 82 p 1

[Text]

FORMER deputy foreign minister Wong Polnikorn yesterday criticised the Government for having declared its open support for the new government of Democratic Kampuchea.

Mr Wong, who stressed that he was speaking personally, said that the Government was involving itself too much in Kampuchean affairs.

He warned against Thailand's involvement in a conflict, particularly that involving neighbouring countries — either because it was drawn or pushed into it. Such a move meant that Thailand was unnecessarily risking involvement in a possible armed confrontation with a party to the conflict.

The opposition MP (Nong Khai Province) cited as an example the war in Lebanon which the United Nations had so far been unable to stop. "So do not hope for the UN to solve a problem," he said.

Mr Wong said that the Government's involvement in the Kampuchean problem was like playing with fire and suggested that the Government change its position.

He called on the Government to instead concentrate of tackling problems involving the livelihood of the people and the drop in the price of farm products.

He also criticised the Government for wasting time and energy on miscellaneous affairs and referred to Phitsanuloke House, the Prime Minister's new official residence.

CSO: 4220/205

POLICE DEPARTMENT BANS KHOMEINI BOOKS

Bangkok THE NATION REVIEW in English 12 Jun 82 p 6

[Text]

THE Police Department has banned the distribution of eight English-language publications on Iran leader Ayatollah Khomeini and other Islamic activists, an informed source in the Special Branch Division said yesterday.

The source said the Special Branch Division found that the publications, smuggled into the country, were against the belief of Muslims in Thailand.

Police Director General Pol Gen Suraphol Chullapram signed an order No. 678/25 recently to completely ban the import or distributions of the eight publications.

His reason given in the order was that the publications consist of contents that are against the good morale and peacfulness of Thai people.

The police director general said he exercised his power under Article 8 of the Printing Act 1941 and that the order would be officially enforced when it is published in the Royal Gazette.

The title of the eight controversial books are: Mahjubah, Imam Khomeini's Message for Black Friday, Iman Khomeini's message for the 5th of June, Imam Khomeini's Views and Particularities of Divine Religions, Imam Khomeini's Message for February 11th, A Biography of Martyr Ayatollah Beheshti and A Biography of President Martyr Rajai.

The source in the Special Branch Division said some of the books had been taken into the country by mail and some were smuggled in by people here..

Special Branch Commander Pol Maj Gen Opas Rattanasin issued another order banning the distribution of all the eight publications. He also ordered the seizure of all the books in the market.

CSO: 4220/205

GENERALS DON'T CLAIM VICTORY OVER CPT; CITE LAO-SRV TROOP STRENGTH ON BORDER

Bangkok BAN MUANG in Thai 21 Jun 82 pp 1, 16

[Article: "High-Ranking Officers [Try] to Eliminate Black-Power Dictators In Order to Defeat the Communist Terrorists"]

Excerpts] At 1400 hours yesterday (the 20th) at the Sisaothewet Army Club, the Thai Border Defense Foundation, the president of which is Mrs Chongkon Sikanchana, organized a debate on the topic "From Doi Pha Chi to Chong Chang Mountain." Those taking part in the debate included Mom Chao Chakraphanphensiri Chakraphan, Lieutenant General Han Linanon, the commanding general of the Fourth Army Area and Major General Prayat Rotphothong, the deputy commanding general of the Third Army Area. Approximately 1,000 people attended the debate.

The commanding general of the Fourth Army Area talked about the problem of the southern CPT. He said that, at present, their secure bases have been destroyed. The communist terrorists have been dispersed and have gone to fight like guerrillas in the cities in order to tempt us to leave so that they can rebuild their secure bases. If we "fall for" this trick, we will be following their plan and they will grow stronger again. The destruction of the bases of the communist terrorists has weakened the communist terrorists. At present, only the conditions of war remain and these must be eliminated quickly. The conditions of war stem from people among us, including the investors, the people with dark influence and the black powers. These people must be eliminated.

"At present, our military operations have definitely succeeded.But our political operations have not yet won. Thus, we must quickly launch a political offensive. When we launch a serious offensive, we will quickly achieve a complete victory. The problem at Chong Chang has existed since 1965. We ignored it for a long time. But we have now completed things there, including the various zones in the south. But concerning the things I am doing, politicians have told me that I am acting too harshly. Such talk shows that they know very little about what is happening; they have only a superficial knowledge. I have taken action, and I have seen that such an area must be hit hard," said Lieutenant General Han. He also said that, at present, only guerrillas who hope to seize state power are left but this is impossible for them since we are aware of things and will not let this happen. He affirmed that there are no CPT bases in the area of the Fourth Army Area.

Major General Prayat Rotphothong, the deputy commanding general of teh Third Army Area, discussed the successes in the military and political activities in the zone of the Third Army Area. He said they had been able to destroy bases and seize many weapons. In particular, more than 7,000 members of the CPT have surrendered this year. The problems of the Third Army Area are very interesting. That is, in the east, there are 15 battalions of Lao forces and two Vietnamese regiments. Also, the CPT forces in the Shan State number 25,000 men, who are receiving help from China. And the ethnic minorities are still causing trouble. This is because, the CPT in Burma is receiving support from China. There are problems from enemies on many fronts. It can be seen that, at present, the Chinese-faction CPT has conflicts with the CPT in Laos, which is receiving help from the Soviet Union. Thus, they have turned to playing an increasingly important role in the west in Burma. Thus, strong military action must be taken quickly and resolutely. What must be done in the Third Army Area is to create understanding, make things safe and provide [the people] with the necessities of life. The people must really cooperate. Swift action must be taken in praising the good people and criticizing the bad people. Immediate action must be taken against the merchants who squeeze others, against the politicians who seek only profits and against the bad government officials.

Lieutenant General Han later stressed that once the communist terrorists are eliminated, the remaining problem is the problem along the Thai-Malaysian border. Thus, it is necessary to raise the standards of the Muslims so that they have a chance to receive an education and can take part in solving the country's problems just like Thai Buddhists. Lieutenant General Han said that, concerning the Muslim problem in general, even those in the Middle East have begun to understand Thailand's policy.The Muslims understand and are cooperating and helping the country solve the problems. To solve the rural problems, the "3S" principle, that is, education, economics and public health, must be adhered to. If progress is made in these three spheres, we will have the support of the people and the problems wil finally disapppear.

During the debate, people in the audience asked questions about various problems. For example, they asked whether the communist terrorist problem in the south has really been solved and what the reasons are for believing that it has been solved. Lieutenant General Han replied that "I did not say that. I have to deny that. I have constantly said that we have still not won. They are still carrying out acts of terror. If we act as if we do not know anything, this will expand into a guerrilla war again and later become a regular war. At present, the problem is that there are still war factors that we must eliminate.

11943
CSO: 4207/116

RTAF FACES PERSONNEL SHORTAGE, RESERVES TO BE CALLED UP

Bangkok SIAM RAT in Thai 18 Jun 82 pp 1, 12

[Article: "There Is a Shortage of Air Force Personnel; Reserves Will Be Called Up"]

[Text] The RTAF has enough active personnel to defend the country for only a limited time. Reserve officers and commissioned officers must be called up in order to make preparations. They will be called up on 25 June. It is expected that there will be only 550 such officers.

Yesterday, Group Captain Wiphat Krasaetanon, an air force spokesman, announced that, at present, Thailand still faces both internal and external threats. "The number of air force personnel on active duty is sufficient for defending the country for a limited time only." Because of this, Group Captain Wiphat stated that the air force must make preparations to mobilize men in order to have enough men when the country needs them. This call up will take place on 25 June only.

Concerning this call up of personnel, only reserve officers and commissioned officers with the rank of pilot officer to wing commander will be called up.

Group Captain Wiphat stated in conclusion that those officers who receive mobilization orders should report to the Personnel Mobilization Division at the Air Force Academy at Don Muang. If anyone shirks his duty or disobeys, he may be in violation of the Military Criminal Code.

As for the present number of reserve air force officers, Group Captain Pracha Mungthanya, the security-general of the air force, told SIAM RAT that there are approximately 550 officers. The purpose of this call up of personnel is just to check this number. Nothing much is involved as in the army.

11943
CSO: 4207/116

EDITORIAL CITES ISRAEL AS AGGRESSOR IN LEBANON

Bangkok THE NATION REVIEW in English 11 Jun 82 p 4

[Editorial]

[Text]

ISRAELI DEFENCE MINISTER Ariel Sharon announced yesterday that the PLO guerrillas' bases in southern Lebanon have all been captured and destroyed. The official goal of the Israeli invasion of Lebanon has, therefore, be achieved. Yet, all reports from Lebanon yesterday indicated that Israeli forces intended to capture Beirut as well. This confirms the earlier impression of Middle East observers that Israel may try to install a friendly Christian regime in Beirut and turn Lebanon into a close ally of Israel. We completely agree with Belgian Foreign Minister Leo Tindemans, speaking as the spokesman for the European Community, that what is happening there cannot be justified.

Failures of Lebanon and Syria to restrain the PLO, coupled with the impotency of the UN Interim Forces in Lebanon (UNIFIL), and the assassination attempt on the Israeli Ambassador to Great Britain precipitated the current crisis. But failure of Israel to know its limit is deepening the crisis and threatening to escalate the crisis into another full scale Middle East war.

The Israeli defence minister said Israeli forces had "no intention" of attacking Syrian positions; Syrian forces were thus advised to leave Beirut as Israeli forces prepared an all-out attack on the Lebanese capital. In spite of this disclaimer, Israeli war planes attacked Syrian anti-aircraft units in the Bekaa Valley in eastern Lebanon bordering on Syria. Some of the anti-aircraft units, considered to be vital to Syrian security, were destroyed. At least 16 Syrian planes were also shot down in one of the biggest air battles in the Middle East history with Israeli planes over eastern Lebanon.

Understandably, other Arab countries could not remain aloof to such an Israeli power move. Iran has announced its intention to go to war against Israel. Saudi Arabia and Algeria have pledged their full support for Syria. And the Arab League is calling for an urgent meeting on the Israeli invasion of Lebanon. We are afraid, however, that escalation of the crisis will not serve any reasonable purpose. The Israeli unrestrainted and arrogant actions in Lebanon already proved this point.

The PLO terrorism against Israeli settlements does not warrant such an Israeli invasion of Lebanon, much less a conquest of the weak country. By what right, then, can Israel claim to justify what it is doing in Lebanon? Israeli arrogance of power could only blow up the Middle East and destroy all hopes of a peaceful solution to chronic problems in the troubled region.

We, therefore, join the EC 10 in condemning Israel for the iniquitous act against the territorial integrity and sovereignty of Lebanon. The Israeli aggression must stop and all Israeli forces withdrawn from Lebanon so that all parties concerned could examine their failures and learn something. It may be too late if Israel refuses to stop now.

CSO: 4220/205

EDITORIAL BLASTS PLO, ISRAELIS ON LEBANON WAR

Bangkok BANGKOK POST in English 12 Jun 82 p 4

[Editorial]

[Text] IT seems clear by now that the Israelis cannot be restrained either by word or deed and will continue their invasion of Lebanon until they are satisfied that their objectives have been achieved. These objectives are at least the elimination of the Palestinian guerrilla bases, and probably also the seizure of control over Beirut with the intention of influencing next month's Lebanese national elections. Pleas for moderation from US President Reagan have had about as much effect as ritual UN Security Council condemnations — but then there is widespread, and understandable, suspicion that the United States, whatever pious platitudes it murmurs in public, has given its blessing to the Israeli action.

It did not take a crystal ballgazer to predict that this invasion would occur. It has been apparent for some time that the Israelis were preparing for offensive military action and were only awaiting an excuse. The shooting of the Israeli diplomat in London provided that excuse.

While the Palestinians are suffering a military defeat they can still claim a propaganda victory, as most non-US reaction to the Israeli invasion has been highly critical, with even the relatively restrained statement issued in Bangkok and the other ASEAN capitals yesterday calling for Israel to withdraw forthwith. But given the appalling bloodshed, that propaganda victory can be little consolation. The question now is, how can the Palestinians respond? Must the next stage be a widening and intensifying of the military conflict, or is there any hope at all for a change of heart and moves towards a negotiated, durable peace?

Already some Palestinians are asking themselves where war and carnage has got them. Are they raising their children to be nothing more than intrepid warriors and killers? Is that their sole aim in life? Or is it simply that they are so mesmerised by the slogan-chanting leaders like Arafat, Nayef Hawatmeh, Abu Iyad and the rest of the PLO clique that they see a group of heroic liberation fighters when in truth they are led by no more than ordinary politicians sacrificing their people to keep themselves in power?

Not since the Arab-Israeli problem first surfaced in international relations in 1923 has the Palestinian view looked so bleak. In the beginning, there was some sympathy for a homeless people. That ebbed when the wars and terrorism began. Seeing that was not doing them any good, the Palestinians stopped hijacking planes and, with the help of Saudi clout, began winning themselves recognition in various world capitals.

But that sympathy has not always been easy to retain, partly because of a perceived preference for war rather than negotiation, partly because of

sporadic terrorist acts inside Israel which provided the Israelis with all the excuse they needed to shatter a fragile ceasefire.

Perhaps it is time for the Palestinians to consider an alternative, if they can swallow their pride with the same guts with which they wage war. Perhaps they ought to question whether they can ever regain their land through more hostilities, and whether the long term interests of their own people and all the rest of the Middle East might not be better served by following the path blazed by Anwar Sadat and attempting to negotiate a peaceful settlement, one that would have to acknowledge the right to exist of the Jewish state.

Or perhaps it is too late for that. All across Lebanon now there are people who have lost fathers, mothers and children in Israel's latest assault, people who had never played any active role in Palestinian combat who have now been dragged into a conflict they had hoped would leave them alone. The sheer scale of the Israeli bombardment of Lebanon and its people may preclude for ever their being able to see Israel as anything other than a ruthless, expansionist state with which civilised co-existence is impossible.

CSO: 4220/205

EDITORIAL VOICES CONCERN OVER UNEMPLOYMENT

[Editorial: "The Unemployment Situation"]

[Text] Besides inflation, another important danger in the disheartening economic sphere that is occurring throughout the world is high unemployment.

Thailand, which is a developing country, is affected by the world economy and cannot avoid the effects of these two factors. While the industrialized great powers are complaining about the fact that unemployment is rising rapidly, the latest figures available from the Public Welfare Department show that 2 million of Thailand's 48 million people are unemployed.

However, we have some doubts about the accuracy of these government figures on unemployment and feel that shocking figures may have been concelaed. Thailand is a developing country and the lives of the people depend on what they do to help themselves. There is no state welfare system as there is in the developed countries. The unemployment rate in the developed countries is fairly accurate because those who are unemployed must rely on welfare benefits and to obtain them they must go register. But this is not the case in Thailand. The number of unemployed people who are looking for work is certainly higher than this [2 million].

How much higher unemployment is among Thais is not the important thing. What is important is that the unemployment rate seems to be rising. Since the farmers, who comprise the majority in the country, are experiencing difficulties in carrying on their occupation since crop prices have fallen and they cannot recover their costs, this agricultural season, even though this is the time of greatest employment in the country, there will certainly be a large number of people who abandon farming and go to earn a living by using their labor. This will result in the overcrowded labor market becoming even more overcrowded.

Since Thailand's political and economic situation is like this, it will take time to solve the problems and find work for Thais in the country because of the many conditions, including investments, which have not improved very much. This is likely to cause people to seriously consider encouraging greater numbers of Thais to go abroad to work. Such things have been talked about many times before. But the government has only taken action to save face, that is, it has taken action to solve problems only after they have arisen. Thus,

concerning the various targets aimed at gaining great profits from Thai labor in this field, fewer results have been achieved than should have been.

We do not know how interested the National Economic and Social Development Board is in the development of Thai labor abroad. But from the standpoint of earning foreign currency for the country, this is necessary. And among the developing countries, it is difficult to find others who have the same chance as Thai laborers. The inclusion of such a plan in the National Development Plan should not result in any losses.

11943
CSO: 4207/116

FOREIGN INTERFERENCE IN LABOR MOVEMENT REPORTED

Bangkok SIAM RAT in Thai 14 Jun 82 pp 1, 12

[Article: "Foreign Labor Groups Are Supporting Thai Laborers"]

[Text] Approximately 20 foreign labor organizations are competing to become involved with and provide help to Thai laborers. These organizations, both from the free world and from the socialist camp, are providing both financial help and equipment. The Labor Department says that it cannot control this. The godfather of the Red Gaurs has said that he feels this is all right if it is not a trick since Thai laborers must increase their knowledge.

A news source in labor circles has told SIAM RAT that, at present, many international labor organizations, including organizations from both the free world and from the socialist camp, are playing a great role among our laborers. Examples are the International Confederation of Free Trade Unions (ICFTU), which is an organization of the free world, the Asian-American Free Laborers Institute (AAFLI), which is an American organization, a branch of the AFL-CIO, which is a national labor organization, the International Hotel and Food Federation, the International Telecommunications Union, the Frederick Abrett Foundation and the World Federation of Trade Unions (WFTU).

The same news source stated that the role played by these international labor organizations is usually one of providing money to Thai labor groups so that they can hold seminars or they provide office equipment to the various labor unions. Sometimes, they provide funds for labor leaders to go take part in seminars held abroad.

"As for examples of an international labor organization providing help, the news source stated that the Labor Council, which is headed by Mr Phaisan Thawatchainan, had received help from the ICFTU. And the council of Mr Sanan Wongsuthi has received help from the BATU. Both of these unions are members of these international organizations.

Concerning this, the Labor Department has stated that it is true that international labor organizations are now playing a role in Thailand and that "approximately 20 organizations are involved here." The same official stated that the "Labor

Department cannot supervise everything." The only thing the Labor Department can do is send officials to observe things at the seminars or monitor things on occasion. The other thing it does is to inform the government of such matters in order to find ways to supervise these organizations as closly as possible in the future.

Major General Sutsai Hatsadin, the former minister attached to the Office of the Prime Minister, said that the fact that international labor organizations have organized seminars is very beneficial because the laborers need to increase their knowledge in order to improve their occupations. "It depends on whether those who are getting involved here have good intentions or not. If they are trying to play a trick, this is not correct."

Mr Sawat Lukdot, the secretary-general of the Labor Council, said that, as far as he knows, these international labor organizations "have organized seminars every week. I feel they are playing a great role." But he has no objections to this. The only thing is that he does not agree with those who have received help from these organizations "since some people may create conflicts among the laborers." An example is the "labor trade union, which once experienced problems," stated Mr Sawat.

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CSO: 4207/116

CAR ASSEMBLY PLANT CALLED 'FIASCO'

Bangkok THE NATION REVIEW in English 11 Jun 82 p 4

[Article by Trent Bertrand and Pawadee Tongudai]

[Text] BAD economic policy can be costly to both consumers and the country, but, since these costs are not immediately evident, policies which are in fact worthless to the Thai economy are kept on in the belief that they are contributing to the economic development of the country.

Just how costly this bad economic policy is can be seen when it is realised that heavy protection from import competition has diverted entrepreneurial abilities, labour resources, and both domestic and foreign investment into high cost industries that may be profitable for their owners but raise costs for consumers or imply losses to government revenue to such an extent that many are basically worthless for the economy.

These costs are not immediately evident to the many Thai consumers who, for example, feel that the only reason they cannot afford an automobile or must pay almost three times the cost of importing a car is that the Government is collecting the difference as tax. Nor do the revenue losses appear explicitly in the government budget. If they did, it is doubtful whether these policies would be allowed to continue. Since they don't, the Government officials who design the policies and the businessmen who benefit from them can pretend, or perhaps even believe, that they are contributing to the economic development of the country.

In the case of the motor vehicle industry in Thailand, to roughly quantify the hidden costs, we will consider what happens to government revenue when an imported CBU (completely built up) car is replaced by a domestically assembled CKD (completely knocked down) using some domestic parts. The imported and locally assembled vehicle in our example are assumed to sell at the same price, reflecting the consumer's judgment that they are of equivalent value. (Since consumers generally prefer a car assembled abroad because some components and assembly work are of higher quality, this effect has been accounted for in our example in the choice of the models to be compared).

If CBU imports were not banned, the Government could obtain about 75,000 baht in business tax and about 75,000 baht in import duties on the imported car (the total of 150,000 baht is about 60% of the consumers' price of 250,000 baht). If a car of equivalent value were assembled locally, the Government would obtain about 65,000 baht in business taxes and about 40,000 baht in import duties on the CKD unit (the total of 105,000 baht is about 40% of the consumer's price).

The direct loss of 45,000 baht in import duties and business taxes with local assembly is partially offset by taxes obtained from import duties on components for locally manufactured parts and from business and other taxes leveled on these firms. If these are accounted for, the net loss in revenue is reduced to about 30,000 baht.

Passenger car sales over the past few years have been about 25,000 units a year. Therefore, the lost revenue from passenger car assembly alone would be about three quarters of a billion baht.

This estimate of per unit revenue loss from passenger car assembly is conservative. The complete ban on imported cars means that the official

import duty of 150% is not necessarily meaningful. The 135% duty used in our calculations, in combination with the lower business tax rate on local assembly, is what we estimate would be required to allow local assembly of this type of vehicle to continue if the ban on imported cars were removed. If, on the other hand, local assembly required the full 150% duty to survive, actual losses in government revenue would be substantially higher. We have also dealt with a relatively low cost passenger car. The lost revenue on the more expensive cars that are assembled in even smaller volumes would again be higher. While the per vehicle loss in revenue is somewhat lower on commercial vehicles, many more of these are assembled in Thailand. When account is taken of the 65,000 commercial vehicles per year and of motorcycles assembled in Thailand, we are dealing with a total cost that is in the area of two billion baht a year.

Let's put this in some perspective. It means that for the fiscal year 1982, this revenue could have financed 45% of budget expenditures for all state universities, almost a third of budget expenditures for public health, about two thirds budget expenditures in support of all state enterprises, and is almost three times the total budget for the Ministry of Industry. If it were divided equally between the 25% of Thai households officially classified as being below the poverty line, the lost revenue would have amounted to almost one thousand baht per household.

Losses

Why do such losses result just because vehicles are assembled in Thailand? The answer lies in the economies of scale in mass production. The per unit cost of a car is much lower on high volume production lines. Even if there were no restriction on local content, cars could not be assembled efficiently in Thailand. It is more costly to pull components out of highly automated assembly lines producing hundreds of thousands of vehicles a year in Japan, pack, and ship those components to Thailand than to finish the assembly in Japan and ship a completed car. The CKD unit would cost more than the CBU unit if all components were included. Therefore, even if the labour, capital, and managerial costs of assembly in Thailand were zero, it would still not be efficient to do it here. The staggering losses resulting from an incentive and tariff system that makes it profitable for firms to carry out local assembly in spite of this fact are compounded by forcing firms to use local parts, many of which are also produced very inefficiently in Thailand behind barriers to import competition.

How could such errors in economic policy have been made? One might be tempted to think that it is only because influential groups, no matter how small, can distort policy in their favour. While there is some truth in this, a much more basic failure in economic policy is involved.

The efficiency of a free market with tax receipts equalised between alternative ways of obtaining goods (by imports or local assembly or production in this case) has not been understood by policy makers. The search for profits by businessmen using information and skills developed after years of experience in particular industries would direct resources to areas where the value of goods produced exceeds the costs of all resources used in their production. Errors might be made but they would be shortlived as firms, paying for the consequences of their own mistakes, would quickly withdraw from unprofitable ventures. It is far different when vastly divergent incentives and disincentives are applied to different activities by policy makers with a superficial understanding of the myriad of activities affected by their policies. Decisions are made in the name of stimulating industrialisation, providing jobs, saving foreign exchange, or encouraging foreign investment. Generally, policies turn out to be counterproductive, any benefits being more than offset by harmful effects elsewhere. This results as resources are drawn from more productive sectors as disincentives are created by the taxes required to offset the revenue losses of the type defined above, or as the high prices of goods produced in highly protected industries raise costs of inputs and undermine profitability for other firms.

Even if we neglect these indirect effects, the two billion losses make any of the direct gains excessively costly. The vehicle assembly industry employs less than 5,000 workers and if account is taken of workers in local parts industry, the total might rise to at the very most 10,000. Some of these workers do pick up useful

	Local assembly (thousand baht)	Imported (thousand baht)
Import (CIF) price of	(CKD) 50	(CBU) 60
Import duty	(80%) 40	(135%) 75
Local parts	40	—
Assembly costs	10	—
Business costs and profits	55	45
Business and municipal taxes	(33%) 65	(44%) 75
Consumer's price	260	255

training, although the benefits are easily exaggerated since the skills used on an assembly line are often less complex than those acquired by the local car repairman operating out of a small shophouse. But just ask yourself if such benefits are worth 200,000 baht a year per job. This is the cost if the two billion baht revenue loss is distributed over the maximum 10,000 employees in assembly and parts manufacturing and it is a cost that must be incurred year after year indefinitely. This level of expenditures for a much shorter period would be sufficient to finance education in the most sophisticated subjects at the best universities in the world for an equivalent number of people.

Are the local and foreign businessmen in assembly operation to be blamed for this waste? Virtually all businessmen, local or foreign, respond to the potential for profit. For the success of the business, it doesn't matter if they are found by developing new products or production methods to be introduced in competitive markets or whether they are found by taking advantage of, or by lobbying for, favourable government policies that generate profits in highly protected and restricted markets. For the well being of the rest of the society, it makes a great deal of difference. We get the benefits from better products or lower prices in the first case but directly or indirectly must pay all the costs through higher prices or heavier tax burdens for the inefficiencies inherent in the second case. It is the Government's fault for distorting market so excessively.

Can anything be done to stop this fiasco? The tragedy of poor economic policy is not only that it can be so costly but that it becomes so difficult to change. Foreign firms — who know how ridiculous it is to carry out local low volume assembly and who would have preferred at the beginning to operate in an environment with equal taxes levied on imported and assembled cars — have now sunk large amounts of capital into costly facilities designed to capture their share of the profits generated in the two billion baht fiasco. Local investors and local parts manufacturers stand to lose even more since they have no hope of offsetting business losses that would be incurred if the hidden subsidies were stopped with improved export business from plants located abroad. Workers would also vehemently oppose any change in industrial policy that would cost them their present jobs although each one of them would happily walk out of the plant and find another job if offered a small part of just one year's share of the hidden subsidies per job — the 200,000 baht we have calculated earlier.

Most importantly, government officials connected with these past policies would fight against any change that would be an admission of the billions and billions of baht that they have cost the people of Thailand over the years. In such an environment, no one should have any illusion that economic common sense can easily prevail.

Problem

What should be done about the motor

vehicle assembly industry? One could approach this problem by recognising the obstacles to reform and simply try to prevent things from getting worse. This is certainly a worthwhile objective. As the market grows and the local content requirement goes up, we might soon be talking about a three or four billion baht a year fiasco. Policy authorities who successfully block increases in these costs will be providing great benefits to Thailand. The key policy move would be to lift the ban on CBU imports so that the growth of the local assembly industry could be stopped. It would also be wise to reduce the local parts content requirement (which has been increased from 30% in 1980 to 45% at present for cars and from 25% to 35% for commercial vehicles). This rule is aimed solely at protecting inefficient local parts producers and is often based on arbitrary decisions with little connection to reality (e.g. simple splash guards are treated as 1% of the car). If these requirements could be reduced to 25%, this would decrease the present losses since there are enough parts, such as batteries and tires, that are competitively priced in Thailand to allow the rule to be satisfied without raising assembly costs.

Of course, it would be better to simply eliminate the local contents rule and allow firms to find the cheapest source of parts while correspondingly reducing the implicit subsidies to such firms.

The second approach is sounder economically but much more difficult politically. A more fundamental change in policy should be part of a broader reform aimed at eliminating the protection to import substituting industry that has been so costly to consumers, taxpayers, and workers in Thailand. (The protection is harmful to workers because it has favoured capital intensive industries that use little labour and has been biased against industries using a lot of labour). If the extremely high tariffs and taxes on imported CBU cars are maintained, they should be matched by tariffs on CKD components and parts and by excise taxes on local production designed to equalise government revenue per vehicle. No doubt, this would destroy the motor vehicle assembly industry in Thailand, but it will release these resources for more productive use elsewhere and will leave the economy much better off even if all these factories were left to rot and all the workers were left unemployed (neither of which, of course, would occur).

While this option would generate the two billion baht a year in revenue which present policies are wasting, it really doesn't make sense to have all this revenue descend on the Government. After all, such revenue partly pays the salaries of bureaucrats who sit around creating other billion baht fiascos. Tariffs should be greatly reduced not only on cars but across the board. Bangkokians who already have cars or who own protected factories (or in other ways benefit from present industrial policies) may shudder at the thought of freer trade in general or of cheap cars in particular. But Bangkok is not all of Thailand, nor even its most important part.

While there are severe adjustments to be made, the other great cities of Southeast Asia have done much better than Bangkok under free trade without advantages based on access to low cost labour and raw materials and without drawing large subsidies from lower income groups in the rural economy through heavy export taxation on agriculture and heavy protection to industry. One of these, Singapore, has done it to the benefit of the vast majority of its citizens at the cost of its own vehicle assembly industry that collapsed in its move towards free trade. The other, Hong Kong, never made the mistake of protecting such an activity to begin with.

The price of the 250,000 baht car, even maintaining a government tax of around 10%, could be reduced by two thirds. Farm income from such products as rice, rubber, and maize, if the recent agricultural policy changes could be extended and maintained as markets recover from the present slump, would increase rapidly. It might not be long before many more Toyotas are parked outside the farmhouses whose owners have generated much of the wealth of Thailand. Such a shift in economic policy is long overdue, even in the unlikely event that it might imply fewer BMW's and Mercedes Benz's in the streets of Bangkok.

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CSO: 4220/205

BRIEFS

PIRACY SUPPRESSION UNIT--The Royal Thai Navy is scheduled to officially open its pirate prevention and suppression unit in the southern province of Songkhla next Tuesday [20 July]. Presiding over the ceremony will be supreme commander Gen Saiyut Koetphon. The pirate prevention and suppression unit has been set up with the grant aid of $3.6 million contributed by 12 donar countries through the UN High Commissioner for Refugees. Part of the money was used for the procurement of modern equipment in order to increase the efficiency of pirate suppression operations in the Gulf of Thailand. The rest will finance the 1-year suppression operations of the Royal Thai Navy, the marine police division and the harbor department. [Text] [BK140547 Bangkok Domestic Service in English 0000 GMT 14 Jul 82]

NATURAL GAS EXPORTS--At its weekly session last Tuesday [13 July], the cabinet resolved to permit the export of Thai natural gas. The amount of gas to be exported will not affect domestic consumption and national reserves. The cabinet will also set up an agency to produce and export the gas in cooperation with local or foreign investors. In an announcement issued last Tuesday, the cabinet says that the government has an aim to develop natural gas resources to the extent that it gives highest benefits to the people. Exporting it is one way to benefit the country because it means more foreign exchange for the country. Furthermore, the government would also earn more income from sales tax. The export would also help create more jobs for Thai workers and boost investment atmosphere in the country. [Text] [BK150332 Bangkok Domestic Service in English 0000 GMT 15 Jul 82]

CAMPAIGN AGAINST CPM--Three additional battalions have been sent to join six other battalions of the 4th Army Region in an attempt to step up campaign against the Communist Party of Malaya or the CPM in southern Thailand. Chief of staff of the 4th Army Region Maj Gen Wanchai Chitchamnong says that the major goal of the operation is to weaken the party by uprooting them and keeping them on the run. Major General Wanchai says that the operation has been expanded to all target areas along the Thai-Malaysian border. At the same time, the Thai Government also intensified its psychological warfare efforts to persuade the CPM guerrillas to give up fighting and surrender. [Text] [BK120344 Bangkok Domestic Service in English 0000 GMT 12 Jul 82]

CHINA BUYS RICE--It has been reported that China has placed an order for 10,000 tons of Thai rice worth about 40.5 million baht, bringing its total purchases within 1 week to 110,000 tons worth about 580 million baht. [BK131215 Bangkok Voice of Free Asia in English 1100 GMT 9 Jul 82 BK]

UNICEF AID FUND--Self-defense villages in seven provinces near the Thai-Kampuchean border will be provided with improved sanitation system under a project which will be implemented by various government agencies. The project will also concentrate on finding water sources and be launched with a 14-million baht fund provided by UNICEF. [Bangkok Voice of Free Asia in English 1100 GMT 9 Jul 82 BK]

FOREIGN TRADE DEFICIT--The director general of the business economics department has revealed that Thailand has improved its international trade position with preliminary figures showing a trade deficit of about 6.16 billion baht for the first half of this year. The department has estimated this deficit by using statistics from the foreign trade department. It represents a decrease of about 80 percent from last year's deficit during the corresponding period which is around 23 billion baht. [Bangkok Voice of Free Asia in English 1100 GMT 12 Jul 82 BK]

EEC TEXTILE ACCORD--The director general of the Foreign Trade Department of Thailand has disclosed that Thai textile industries will benefit from the bilateral agreement Thailand had signed with the European Economic Community as negative measures have been solved and the negotiated terms are acceptable under the current circumstances. The package deal is for some 144 categories of textile products of which Thailand has 14 categories to be subjected to quota controls because their exported quantities have reached the ceiling amounts which trigger quota negotiations. The private sectors concerned in textile industries had also attended the talks in Brussels with the government officials and they approved the signing of the 4-year pact. Thailand is the first ASEAN member to reach agreement with the EEC under the guidelines of the multifibre arrangement, and the seventh among the 28 developing countries that the EEC is negotiating new textile agreements. According to the director general, ASEAN's common position is for increased quota in textile talks with the EEC but the production circumstances and quota preferences are different for each ASEAN member. Thailand has included a package deal that includes some cuts and some quota increases which overall are quite acceptable and would benefit the domestic textile industries during the next 4 years. [Text] [BK141143 Bangkok Voice of Free Asia in English 1100 GMT 13 Jul 82]

HUNGARY BUYS RUBBER SHEETS--Hungary has agreed to buy 200 tons of Thai third grade smoked rubber sheets worth about 3 million baht for immediate delivery from Asok International Company Limited. [BK100923 Bangkok Voice of Free Asia in English 1100 GMT 8 Jul 82 BK]

CORN EXPORT FIGURES--Thailand's maize exports during the first half of this year totalled about 1.5 million tons valued over 4.6 billion baht, an increase of 73 percent in volume and 49 percent in value, compared to the corresponding period of last year. [Bangkok Voice of Free Asia in English 1100 GMT 7 Jul 82 BK]

TOBACCO EXPORT--According to the Bank of Thailand, during the first 3 months of this year Thailand exported about 7,000 metric tons of tobacco leaves worth about 412 million baht, or an increase of 18 percent in volume and 74 percent in value from the amount exported during the same period last year. In May exporters had also sought permission from the excise department to export another 5,000 tons of tobacco leaves to new markets which include China, Britain, Japan and West Germany. The United States also in May ordered a considerable amount of Turkish leaves from Thailand. [Bangkok Voice of Free Asia in English 1100 GMT 8 Jul 82 BK]

RICE TO PRC, INDONESIA--China and Indonesia have signed agreements with Commerce Ministry to buy altogether over 200,000 tons of Thai rice worth nearly 1.2 billion baht. The rice shipments are for delivery between July and December. [BK080515 Bangkok Voice of Free Asia in English 1100 GMT 6 Jul 82 BK]

NEW UNHCR HEAD--The new head of the United Nations High Commission for Refugees (UNHCR) for Southeast Asia, Ian Simington, arrived in Bangkok last night to take up his post. Simington succeeds Mr Zia Rizvi who has been appointed the high commissioner's regional representative to the United Nations Headquarters in New York. Simington, 43, has served in the Australian civil service for more than 20 years in various positions in the departments of external affairs, defence and the department of the prime minister and the cabinet. He also held positions in Burma and Indonesia, and participated in a number of international conferences concerned with humanitarian affairs. Prior to this new appointment. Simington was assistant secretary in the department of immigration and ethnic affairs of the Australian Government. [Text] [BK080421 Bangkok POST in English 6 Jul 82 p 3 BK]

NEW POLITICAL GROUPING--A new political grouping, comprising businessmen, bankers, technocrats, veteran politicians and labour leaders, is being formed and is to be registered as a political party. Ex-deputy Bangkok governor Mongkhon Simarot, one of the group's cofounders, told the BANGKOK POST over the weekend that the "Ratchapruek" group, after its registration as a party with the local administration department, would field candidates in the general elections next April. [Excerpt] [Bangkok POST in English 6 Jul 82 p 1 BK]

U.S. INVESTORS GROUP--The Thai Government will cooperate closely with investors to overcome obstacles to local investment. This was assured by Prime Minister Prem Tinsulanon to visiting delegates of the Overseas Private Investment Corporation of the United States. The prime minister told the 16-member delegation that Thailand welcomes American investors and will make provisions to boost their confidence in this country. He also urged those investors to seek as many opportunities as possible to meet with the Thai private sector. The U.S. delegation is sent here in response to the call of Prime Minister Prem who visited the United States late last year and urged the American investors to come to Thailand. This delegation is the first group on this call to consult the Thai private sector for the expansion of investment in this country. The delegation, led by the Overseas Private Investment Corporation President Mr Craig Nalen will stay in Bangkok until Friday. [Text] [BK140627 Bangkok Domestic Service in English 0000 GMT 14 Jul 82]

JAPANESE LDP ECONOMIC MISSION--Bangkok, 15 Jul (KYODO)--A Japanese economic mission has promised Thailand that a study would be made on Japanese technical assistance in development of natural gas reserves in northeastern Thailand, and the transportation of gas thus developed. The ruling Liberal-Democratic Party (LDP) mission made the promise at a meeting with Thai Prime Minister Prem Tinsulanon Tuesday, the mission's leader has told reporters. The mission, led by Masumi Esaki, chairman of the LDP's special committee on international economic relations, also met Chatchai Chunhawan, minister of industry, and other ministers concerned on Tuesday and Wednesday to discuss trade and other matters. Esaki said he obtained the impression that the Thai Government was highly assessing the Japanese Government's recent tariff cut and other measures for opening the market wider. The mission arrived here Monday on the first leg of its 12-day tour of Southeast Asia. Later, the mission is expected to visit the Philippines, Hong Kong and Taiwan. [Text] [OW150549 Tokyo KYODO in English 0511 GMT 15 Jul 82]

OPERATION IN SOUTH--Betong--The military is considering changing the tactics in its massive suppression operation against communist insurgents and separatist gangs in this southern border town because the results of the operation so far have been unfavourable, a military source said. Since the operation, codenamed "Tai Rom Yen 2," began one week ago, more than 40 government forces have been killed or wounded, while only three bodies of bandits and insurgents had been recovered, he said. The source said the results of the operation were unfavourable for the government. He declined to reveal what would be the new tactical operations against the insurgents. An officer of the Internal Security Operations Command (ISOC) attached to the fourth army region, Lt-Col Wichai Charuwat, last night thanked about 5,000 people who attended a military band concert in Betong for their cooperation with the government in the suppression operation. The present campaign against insurgents includes the dropping of leaflets from the air. The government also provided free music to the public to boost their morale. One of the best methods to reach the people is to contact villagers' leaders to make the government's policy known to them, a military source said. [Text] [BK081333 Bangkok WORLD in English 8 Jul 82 p 3]

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END

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No. 1173

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FINANCE MINISTER SPEAKS AT GENEVA MEETING

Dacca THE BANGLADESH TIMES in English 13 Jun 82 p 3

[Text] Mr A M A Muhith, Minister for Finance and Planning expressed concern over the grave situation facing the UNDP and suggested for holding a global roundtable meeting of the donors for UNDP for raising adequate resources, says a PID hand out.

The Minister who attended the 29th session of the UNDP Governing Council in Geneva last week on an special invitation from the Council President pointed out the serious implications of resource cut in UNDP in the development of many developing countries including Bangladesh. The first four days of the three week-long Council meeting were earmarked for discussion on the most critical issue of resource mobilization.

The Minister expressed alarm at the shortfall of resources by 47 per cent in 1982 when resources was only 550 million dollars compared to a target of 850 million dollars. The cut will severely jeopardize the planned efforts in development of the recipient developing countries in general and the least developed countries in particular. The fall in UNDP resource mobilisation is difficult to understand at this moment of the organisation's orientation to provide vastly increased proportion of resources to the relatively less fortunate developing countries. He referred to the historic Decision 80/30 whereby the Governing Council decided in its 27th Session in 1980 to allocate 80 per cent of the UNDP indicative Planning Figures (IPFs) to the countries with per capita income of 500 dollars or less. The six per cent negative growth in resources in 1982, the first year of the Third Cycle will not only dash the hopes of increasing resources in these countries but will also threaten the successful implementation of the development plans of these including SFYP of Bangladesh This cannot be allowed particularly in view of the 14 per cent annual growth rate in UNDP resources in the decade of 70s.

Mr Muhith pleaded for additional resource for UNDP from the donor community so that it can continue to play the useful catalytic role in the process of development of the developing world. As an interim measure, particularly for the Least Developed Countries compensating resources should be flowed through the LDC Special Measures Fund of UNDP Bangladesh was thinking of moving a resolution urging the contributors in this behalf to increase resources to the LDC Special Resource Fund.

Replenishment

The FInance and Planning Minister of Bangladesh also dealt at length on the various alternative methods of financing the UNDP programme in future. It has now been observed that annual pledges for voluntary contributions to fund UNDP Country Programmes of five year duration creates serious uncertainty Some contributors have genuine legal and administrative difficulties in making multi year pledges. As an additional method of safeguarding the integrity and usefulness of the UNDP Programme in the developing countries, the Minister recommended for future the replenishment method. All the other LDCs supported Bangladesh Amongst the major contributors to the UNDP Programme, Canada and the Scandinavian countries lent support to the replenishment idea recommended by Bangladesh.

For getting over the immediate crisis caused by the dwindling UNDP resources Mr Muhith suggested a round table meeting of the donors. It received wide support amongs the Council members. Administrator of UNDP Mr Bradford Morse was reported to be considering such a round table meeting for August/September this year.

Permanent Representative of Bangladesh in Geneva and the first Secretary of that Mission are now attending the Governing Council meeting as Observers. The Council is expected to conclude its work by June 21, 1982.

Earlier, Mr A M A Muhith Minister in-charge of Finance and Planning visited Rome on his way from Istanbul to Geneva.

CSO: 4220/7501

ERSHAD MEETS PRESS BEFORE LEAVING FOR NEW YORK

Dacca THE BANGLADESH OBSERVER in English 15 Jun 82 p 1

[Text] Chief Martial Law Administrator Lt. Gen. H.M. Ershad left the capital on Monday for New York to attend and address the second special session of the UN General Assembly on Disarmament.

On his way to New York the CMLA will make a brief in stop-over in London and meet the British Prime Minister Mrs. Margaret Thatcher and discuss with her the latest global situation and matters of bilateral interests

Talking to newsmen at Zia International Airport prior to his departure by a scheduled Biman flight the CMLA said that in his address to theUN General Assembly session he would reiterate the Bangladesh policy on disarmament. He observed that Bangladesh had always played important role on disarmament. He said that the developed countries had been spending 600 billion US dollars annually for arms buildup. If only a portion of this huge amount he added could be saved and diverted the poor nations would have been benefited He was of the opinion that the money now being spent on arms race could save millions of poor people and children from abject poverty and hunger.

During his stay at the UN headquarters the CMLA is expected to meet different leaders who are attending the UN special session.

Replying to a question the CMLA said that there was a possibility of a meeting with the US President Reagan who will also address the UN session. But he added that it would be better for him to meet the US President in a separate visit. The United States gives us the biggest aid and it is necessary for me to apprise the US President about our development efforts. He told newsmen that during his current visit to New York he had no programme to visit Washington.

The CMLA said that during his brief stopover in London he would meet the Bangladeshis residing in UK "I shall inform them about the Martial Law and the latest situation in Bangladesh" he added.

Asked to comment on the latest Israeli aggression on Lebanon the CMLA said that Bangladesh had always extended her support to the Arab world. He reiterated the declared policy of Bangladesh for the establishment of a Palestinian state and peace in Middle East.

BSS Adds: The CMLA told another questioner that he had no plan to expand the existing number of Ministries which had been reduced to only 17 from earlier 42. He said that he would appoint one more Minister for Information and himself retain the Defence and Home Ministries.

General Ershad said that he was thinking about reorganising the existing Information Ministry and rename it as the Ministry of Mass Communication.

Replying to another question General Ershad reiterated his earlier statements and said that he would not become President so long he was in uniform.

The CMLA said that he has likely to return to Dacca on June 21 or 22.

The CMLA was seen off at the airport by Rear Admiral M.A. Khan DCMLA in-charge of Communications Ministry, Air Vice-Marshal Sultan Mah. mud DCMLA in-charge of Energy Ministry members of the Council of Ministers and high civil and Military officials.

The US Ambassador Mrs Jane A. Coon, British High Commissioner Sir Michael Scott Saudi Arabian Ambassador Sheikh Fuad Abdul Hameed Al.Khatib and Dean of the Diplomatic Corp Josif Chivu of Romania were also present at the airport.

CSO: 4220/7503

ERSHAD SENDS MESSAGE TO NEW SAUDI KING

Dacca THE NEW NATION in English 15 Jun 82 pp 1, 8

[Text] The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad yesterday felicitated King Fahd Bin Abdul Aziz of Saudi Arabia expressing his confidence that the kingdom would continue to act as the moving spirit in the Islamic world to further the cherished cause of islam and the Muslim Urmnah, reports BSS.

In his message on the occasion succession of King Fahd as the monarch of the kingdom of Saudi Arabia, the GMLA extended warmest greetings and best wishes for the long life, personal health and happiness of the King Fahd and wellbeing and progress for the fraternal people of Saudi Arabia.

In the message the CMLA said, 'on the solemn occasion of your succession as the monarch of the kingdom of Saudi Arabia, we extend our sincerest felicitations to you. We have every confidence that under your wise and dynamic leadership, the kingdom and the brotherly people of Saudi Arabia will continue their march towards progress and prosperity.

We are also certain that the kingdom will continue to act as the moving spirit in the Islamic worl to further the cherished cause of Islam and the Muslim Ummah.

On behalf of the people and Government of Bangladesh and on my own behalf, I convey to Your Majesty our warmest greetings and best wishes for your long life, personal health and happiness and for the fraternal people of Saudi Arabia, wellbeing and progress.'

Signs Condolence Book

Lt. Gen. Ershad yesterday afternoon signed the condolence book opened at the residence of the Saudi Ambassador to record his grief at the death of King Khalid of Saudi Arabia.

In his condolence, Gen. Ershad said, "We deeply mourn the sudden passing away of respected King Khalid, the leader of the Muslim world.

May Allah grant his soul eternal peace".

CSO: 4220/7495

'DEVIOUS' ACTIVITIES OF FOREIGN GROUPS REPORTED

Dacca THE NEW NATION in English 15 Jun 82 pp 1, 8

[Article by Kazi Montu]

[Text] Many voluntary organisations operating in Bangladesh depending on foreign assistance have been making efforts to convert Muslims into Christians under the cover of development and relief activities.

This was discussed at a recent meeting of the Council of Ministers which viewed the situation with cencern and decided to take measures to halt it, a highly-placed source disclosed.

It is learnt that the government will shortly amend the relevant ordinance prohibiting the foreign agencies and embassies from providing assistance to any voluntary organisations operating in Bangladesh without prior permission of the Government.

It was pointed out in the meeting that the number of the voluntary organisations had kept on increasing since 1972. Some of them have been carrying on the conversion process in the calamity-affected areas in the name of relief operations.

Instead of direct conversion they cleverly try to pass off the Christian religions as "Issahi Muslims' religion. They call Bible holy Ingil Sharif and churches 'prayer houses' in an attempt to befool the innocent and ignorant Muslims.

These voluntary organisations initially get assistance from the local influential persons to launch their opearations in Bangladesh, it was mentioned.

It was also said that the growth rate of population in Bangladesh from 1951 to 1961 had been 21 percent. But the Christian polulation increased by 40 percent.

After a prolonged session the Council of ministers adopted a series of resolutions. One resolution asked the Religious Affairs Ministry to enlist the names of those religious bodies which are receiving foreign assistance and submit a proponal to the Council of ministers as to how the Islamic institutions can be strengthened.

Another resolution said the Foreign Aid Control Ordinance of 1978 would be amended appropriately so that the receipt of money or any other foreign assistance by voluntary organisations without government permission would be liable to punishment.

The control of the voluntary organisations will remain vested with the Home Ministry according to the Foreign Aid Control Ordinance of 1978 and it was also decided that conversion of religion in a dishonest way would not be allowed.

The Home Minister was asked to submit a lelf-sufficient proposal after reviewing the activities of the voluntary organisations in the light of its resolutions within a given time.

The organisations which are operating in Bangladesh running on foreign assistance are divided into two categories--one includes voluntary bodies involved in developmental works or both developmental and religious activities within the framework of Foreign Aid Control Ordinance of 1978 and the other is concerned with the churches only. The churches include both Catholic and Baptist missions which are permanent institutions and hence not covered by the provisions of the Ordinance.

According to the report of the Home Ministry about 128 voluntary organisations are operating in Bangladesh. Of them, 120 are registered with the relevant government department while the registration of the remaining ones is still under consideration of the government.

Ninetyfive out of 120 voluntary organisations are exclusively involved in the developmental works and the other 25 bodies are carrying out both developmental and religious activities.

These bodies spent about Tk 21.3 million US dollars in fiscal 1980-81. Foreign nationals membering 540 are now serving under these organisations, some of which have employed more than 50 employees each.

The Director of the Social Welfare Directorate registered the voluntary organisations upon recommendation of the concerned standing committee which is represented by the Home Ministry, Planning Ministry, Finance Division, relevant administrative ministry Relief and Rehabilitation division, Social Welfare Directorate and National board revenue. The committee is headed by the Joint Secretary of the External Resources Division.

There are boards in each district established by Home Ministry to keep vigil on the activities of these organisation. The boards are constituted with the Superintendent of polic of Special Branch, officers of National Security Intelligence and Director General Field Intelligence, Additional Director of the Directorate of Social Welfare and Resident Director of Islamic Foundation. The boards are headed by the Deputy Commissioners.

CSO: 4220/7595

CASE AGAINST FORMER COMMERCE MINISTER TOLD

Dacca THE NEW NATION in English 12 Jun 82 p 3

[Text] The five-member Special Martial Law Tribunal No 2 headed by Colonel A B M Elias on Thursday began trial of the second case against Chowdhury Tanbir Ahmed Siddiky, former State minister for Commerce, on charges of corruption and abuse of official position under Regulation 11 of MLR I of 1982, reports BSS.

The Chairman of the Tribunal read out the charges against Chowdhury Tanbir Ahmed Siddiky who pleaded not guilty.

In this case Mr. Tanbir Siddiky has been charged with attempting to obtain through corrup and illegal means and abuse of official position, pecuniary advantages either for himself or for others to the tune of 1,06,74,650 US dollars equivalent to Tk. 19,95,78,950.50.

According to the prosecution case, during his tenure of office as the State Minister in charge of the Ministry of Commerc accused Mr. Tanbir Siddiky passed arbitrary orders on 5-11-81 for the conclusion of a psecial trading agreement (STA) between the Trading Corporatioon of Bangladesh (TCB) and a foreign firm for 10 million US dollar for 3 years despite objection by the Ministry to such an agreement. As the firm was a new entrant in the field of STA in Bangladesh and its financial position and business reputation were under inquiry and as there was strong public criticism against it, the signing of the STA could finally be stopped at the intervention of the higher ruthority. He thus dishonestly, arbitrarily and illegaily attempted to obtain pecuniary advantage to the tune of 10 million US dollars equivalent to TK 18,84,00,000/--either for himself or for the said foreign firm or others.

Secondly, accused Mr Tanbir Siddiky dishonestly ettempted to obtain pecuniary advantage of 6,74,650 US dollars by ordering for the acceptance of an international tender of a foreign firm for the import of cement by TCB at a high rate of 78 US dollar per metric ton ignoring objection of the tender committee.

Earlier, he rejected a tender submitted by a firm for supply of the same at a lower rate of 74,75 US dollars per metric ton although recommended for acceptance by the tender committee, Mr. Tanbir Siddiky also refused to import the cement from Indonesia according to the suggestion of the Islamic Development

Bank which was providing credit for its import. As a result, the Islamic Development Bank was about to cancel the credit when External Resaurces Division took up the matter. Later, 1,63,000 tons of cement were procured from Indonesia at a reduced price of 73.70 US dollars per metric ton by way of negotiations resulting in a saying of 6 74,650 US dollars.

The prosecution case is being conducted by Special Public Prosecutor Mr. Ashrafuddin Ahmed and Asistant Special Public Prosecutor Mr. A. S. M. Obaidul Haq. A team of lawyers, including Mr. Serajul Haq senior advocate appeared on behalf of the defense.

The triounal will start hearing the case on Monday (14th June).

CSO: 4220/7498

AGRICULTURE MINISTER SPEAKS AT JAKARTA MEETING

Dacca THE BANGLADESH OBSERVER in English 13 Jun 82 pp 1, 12

[Text] JAKARTA, June 12--Bangladesh has proposed the establishment of Sub-regional food security reserve with the ultimate objective of linking it with a regional network for food security in Asia and the Pacific region reports BSS.

The proposal was made by Mr. A. Z M. Obaidullah Khan Minister for Agriculture on June 7 at the 12-day FAO Regional Conference for Asia and the Pacific which ended here today

Mr. Khan who led the Bangladesh delegation to the conference pointed out that while international food security or buffer stocks had remained in the embryonic stage ASEAN Food Security Reserve (AFSR) had been established with 50,000 tons of rice which was the first of its kind as a regional reserve.

Describing AFSR as a pioneering example of regional co-operation Mr. Khan said "It augurs well that the member countries of Asia and the Pacific region have also taken new initiatives in this regard".

Mr. Obaidullah Khan referred to the strategy for regional development and said "We had proposed at the last Regional Conference taht FAO programme of work may be reoriented in order to highlight the issues and priorities that have emerged'. First we must work out a series of regionwide projects that strongly support and mutually reinforce the national efforts for a vastly expanded intensive irrigated agriculture he said.

Second water conservation programme envisaged as a mass mobilisation programme consisting of millions of small-scale allout intensive efforts in building up infrastructure has the potential in the short run to generate massive employment opportunities through a decentralised strategy of development.

"Third linking agriculture and industry will create employment opportunities in the countryside and build up growth centres" Mr. Khan said.

Mr. Khan said "Realisation of all these concepts will need heavy investment We must underscore that the development matrix is bound to grow more complex with the completion of small and immediate projects which will bring into high relief the long term goals and then the long term projects will require even more massive capital investment"

The Agriculture Minister pointed out "this is particularly relevant to the improvement of irrigated cropping system. It will further require awareness of developing world's needs on the part of the developed countries and their commitment to provide capital for the complex and arduous tasks to be completed This will also ensure realisation of the food security goals of the developing countries even if partially".

Feferring to the agriculture in Bangladesh Mr. Khan said, "agriculture in Bangladesh in recent years has had a steady development" sustained on a water-seed fertilizer technology Intensive irrigation more than anything else is the spearhead of our growth strategy for ensuring a minimum four per cent growth rate in cereals production per annum"

The Bangladesh leader said "by developing agriculture we may support industry in a complementary manner Agri-support industries from simple hand tools and repair works to equipment for irrigation drilling harvesting drying or thresh ing could become a technology tree with mutual linkages. Simple packaging and preservation could add value to agricultural produce while the by-products could be further processed."

CSO: 4220/7499

FEW PRIVATE BANKS REPORTED STARTING OPERATIONS

Dacca THE NEW NATION in English 14 Jun 82 pp 1, 8

[Text] One out of nine private banks which obtained permission from the Government has gone into operation from the last month with its lone branch in the metropolis and made a profit of about Tk 9 lakhs in this short span of time.

It is learnt that some of them have not yet been able to collect required amounts of capital while the remaining ones are still faltering for various reasons.

Among them the Progressive Bank was due to launch its banking services in the meantime. It has mobilized the bulk of its capital and hired a house on the side of the Mirpur Road for opening its first branch. A large signboard bearing the name of the bank has also been hung there.

But it has run into snag with the arrest of a former minister belonging to Sylhet district on various charges following the proclamation of Martial Law. It is learnt from a reliable source that the former minister was unofficially associated with the bank.

The sponsors of the bank, who are mostly from Sylhet district and now living in London will soon meet to take final decision on its fate, it is gathered.

The Arab-Bangladesh Bank which initiated banking services on April 12 has already received a substantital sum of deposits in a month of its operation. The bank will be formally inaugurated on June 18.

According to a bank source, it will open nine more branches in the country. There will be total four branches in Dacca, four in Chittagong, one in Rajshahi and one in Khulna shortly.

This bank has been undertaken in collaboration with the Dubai Bank. The Board of Directors includes four members from Bangladesh who are leading industrialists of the country and two from the foreign bank. Currently the Dubai Bank holds 75 percent share of the bank and the rest is held by the Bangladeshi directors.

A source in the bank said that the share held by the Dubai Bank would be reduced to 65 percent finally.

It is gathered that there is an understanding between the Bangladeshi sponsors of the bank and the Dubai Bank authorities regarding employment of personnel of the Arab-Bangladesh Bank in the Dubai Bank and imparting of higher training in banking management by it to the employees and cfficers of the local bank.

The bank has introduced tellers system instead of token system for encashing its cheques at the counters to ensure quick services. Talking to The New Nation an official of the bank said that the operation of local banks in the private sector will give rise to a healthy competition between the private banks and the nationalised banks for improvement of overall banking services in the country.

The official further said the physical participation of the Arab Bank in the operation of a local bank of Bangladesh has enlarged the scope for the Arab banks to make investments in the industrial sector of the country.

It is learnt that the Arab bank has invested Tk 6 crore to purchase 75 percent share of the bank while the local sponsors contributed Tk 2 croroe.

CSO: 4220/7502

BRIEFS

ENVOY TO UK--LONDON, June 12--Bangladesh High Commissioner to the United Kingdom Mr. Fakh ruddin Ahmed presented his credentials to her Majesty Queen Elizabeth on Friday at Buckingham Palace here, says BSS. The High Commissioner conveyed the good wishes of the people and the Government of Bangladesh to her Majesty which was deeply appreciated. The Queen expressed the hope that the people of Bangladesh would continue to prosper and wished them peace and progress. [Text] [Dacca THE BANGLADESH OBSERVER in English 13 Jun 82 p 12]

CSO: 4220/7500

DEFENSE MINISTER SPEAKS WITH CALCUTTA NEWSMEN

Calcutta THE STATESMAN in English 14 Jun 82 pp 1, 9

[Text] The first batch of Mirage fighters is expected to arrive by 1984 Mr R. Venkataraman, Defence Minister, said in Calcutta on Sunday. He said the deal with France had been completed. The Defence Minister was, however, reluctant to elaborate.

Mr Venkataraman returned to Calcutta on Sunday after a three-day tour of the north-eastern region. Speaking on the situation there, the Minister said that except for a few "sporadic clashes with Mizo rebels, the region is peaceful". No large-scale trouble was feared, he added.

Regarding Kashmir, the Minister said he did not agree with the Pakistani President, who, in a recent interview was said to have described it as a "disputed area". Mr Venkataraman said it should be made clear that Kashmir was an "integral part"of India and there was nothing "disputed" about it.

He said that this had always been India's argument and there had been no change. The Minister, however, said that India was closely going through the "no-war pact" forwarded by the Pakistani President and had not rejected it. India always wanted peace in the sub-continment, he added.

Reporters at the airport reminded the Minister about "rumours" stating that he might be the next President. With a smile on his face, he said: "I do not know about it. Who says so?" He was asked how he would feel to become the President. Without directly answering the question he said with a smile, "such questions should be asked to immature politicians".

Our Staff Correspondent in Bhubaneswar adds: Admiral O. S. Dawson, Chief of the Naval Staff, said here yesterday that programme to strengthen and modernize the Indian Navy was being implemented to make the country stronger in naval defence.

He said India had a rather small but effective Navy. "The Navy is confident and vigilant. We are patrolling our vast sea front adequately", he added. Under a programme to acquire sophisticated submarines a few submarines were being built in West Germany and Bombay with West German collaboration. Several old warships had been replaced by new ones. Modernization programme covered

aspects like sophistication in weaponry, propulsion, mobility and the control system.

Regarding manufacture of naval epuipment, he said several naval ships had been built in the country. The country had become self-reliant in radar assistance and turbines and several other items.

Admiral Dawson said that the location of the Andaman and Nicobar Islands was strategically important from the defence point of view and that was why the headquarters of the Fortress Commander had been located in the Andamans. Apart from its job of generally guarding the sea, the Navy was responsible for protecting the territorial waters, spread over two million square kilometres.

He said the first phase of construction of the Naval Boys Training Institute at Dhilka, in Orissa, had recently been completed at a cost of Rs 6.2 crores. At present sailors' training was being imparted to 600 boys every year. The number of recruits would be doubled after completing the second phase of construction, with an expenditure of more than 2 crores, in about three years, he added.

CSO: 4220/7489

FINANCE MINISTRY ASSESSES PUBLIC SECTOR OPERATION

Bombay THE TIMES OF INDIA in English 11 Jun 82 p 13

[Text] NEW DELHI, June 10--A quick assessment by the bureau of public enterprises of the Union finance ministry shows a dramatic improvement in the performance of the country's 166 operational public enterprises in 1981-82. In terms of both profitability and physical output in key sectors, the public sector improved substantially on its previous best performance in 1976-77.

The 166 enterprises together recorded a gross profit (before deduction of interest and taxes) of Rs. 2,483.7 crores, on a total capital of Rs. 21,208.6 crores. This amounts to a return on capital of 11.71 per cent which is over 50 per cent higher than the 7.8 per cent recorded in 1980-81. The previous best figure was 9.44 per cent in 1976.77.

In terms of the net profit the turnaround has been even more impressive. While the public sector recorded losses of Rs. 91 crores in 1977-78, Rs.40 crores in 1978-79, Rs. 74 crores in 1979-80 and Rs. 182 crores in 1980-81, it has shown a net profit of Rs. 413 crores in 1981-82. A large part of this turnabout is the result of the increase in the price of crude petroleum in July last year from Rs. 397 per tonne to Rs. 1182 per tonne.

On the 9.7 million tonnes produced between July 11, and March 31 this year, the ONGC increased its gross revenue by Rs. 700 crores. However, since its costs also rose mainly because of increased production) the organisation recorded an increase in gross profits of only Rs. 328 crores. Another Rs. 71 crores were contributed by Oil India which was not in the public sector in 1980-81.

However, even excluding the oil sector, the public sector has done well. The rest of the public enterprises have shown an increase in their gross profits of Rs. 257.44 crores. This has resulted mainly from substantial increases in output of 21 per cent in steel, 9 per cent in coal, 22 per cent in lignite, 47 per cent in nitrogenous fertilisers, 78 per cent in cement and 16 to 66 per cent in capital goods. The output of oil also rose by 43 per cent while the throughout of the refineries rose by 17 per cent.

Two enterprises, whose financial results do not seem to have been included in the quick assessment are eastern coalfields and Bharat Coking Coals. Both were heavy loss-makers in previous years.

The profits of the public sector would have been a good deal higher had 12 companies (excluding the coal sector) not recorded a total loss of Rs. 455 crores against Rs. 277 crores in 1980-81. Three fertiliser companies, the Fertiliser Corporation, Hindustan Fertilisers and Fertilisers and Chemicals, Travancore, accounted for Rs. 180 crores of these losses, despite the 40 per cent hike in June 1980 and the further 20 per cent increase in July 1981.

Loss-Making Concerns

The other major loss-makers were the Delhi Transport Corporation (849.9 crores), Hindustan Copper (46.3 crores), Kudremukh Iron Ore (36.5 crores) Indian Iron and Steel Co. (33.9 crores), the National Textile Corporation (586 crores) Indian Drugs and Pharmaceuticals (18.2 crores), the Cotton Corporation of India (117 crores), Engineering Projects India (15.5 crores) and Hindustan Shipyards (11.5 crores).

The quick assessment was presented to the cabinet barely a month after the end of the financial year. This has been made possible by the major changes that have been introduced in the reporting system by the director-general of the bureau of public enterprises, Mr. P. K. Basu.

Until three years ago, the BPE had never produced its annual report less than 12 to 16 months after the close of the financial year, that is to say, long after it had ceased to be of anything more than academic interest. For instance, the report for 1977-78 was released only in April 1979.

CSO: 4220/7480

FOREIGN MINISTER MEETS REPORTERS IN NEW YORK

New Delhi PATRIOT in English 14 Jun 82 p 1

[Text]

NEW YORK, June 13 (UNI) — Prime Minister Indira Gandhi's forthcoming visit to the United States is aimed at "greater mutual understanding" between New Delhi and Washington.

But, External Affairs Minister P V Narasimha Rao said yesterday, it does not reflect a softening of positions.

A visit does not by itself affect adherence to opinions They are two different things Mr Rao, here for a United Nations disarmament session, told a conference attended by Indian journalists.

Asked if India planned to terminate the Tarapur agreement since the US had failed to abide by it, Mr Rao said his Government was considering various options, including termination of the pact.

Asked to comment on the remarkable increase of late in the two countries economic cooperation, he said such a scope had always existed. The US already 'happens to be' India's largest trading partner.

On Afghanistan, Mr Rao who met the UN Secretary General on Friday evening, said Mr Javier Perez de Cuellar was hopeful about the forthcoming Geneva talks which will be attended by the Foreign Ministers of Afghanistan and Pakistan and a representative of Iran.

He said the Secretary General seemed to believe the talks could ultimately lead to a political solution on the two-year-old problem. He said India was glad the talks were at last being held.

The Geneva meeting, beginning on Wednesday, follows diplomatic efforts by Mr Perez's negotiator on Afghanistan, Ecuadorian Diego Cordovez, who will mediate there as well.

Mr Rao, who arrived late on Wednesday from Ohio, where he was on a brief private visit, on Friday addressed the disarmament session where he also read out a message from Prime Minister Indira Gandhi.

When asked about his country's relations with neighbours he said India had always sought better relations with them.

He said he happened to meet the Pakistan Foreign Minister Sahabzada Yaqub-Khan and Chinese Foreign Minister Huang Hua at a luncheon Mr Perez hosted for Yugoslav President Petar Stambolic, but there had been no significant exchange with either of them.

CSO: 4220/7492

MECHANISM OF PRESIDENTIAL ELECTION DISCUSSED

Madras THE HINDU in English 7 Jun 82 p 8

[Article by K. K. Katyal]

[Text] Some years ago when an Opposition delegation came out of Rashtrapati Bahvan after a call on the President, one of them, Mr. Piloo Mody, then the Swatantra stalwart, cast an intent look at the stately mansion. Are you examining its architectural features, asked a party colleague. "No, I am wondering whether I will be its future tenant", replied Mr. Mody. That was some time before the Emergency when Rashtrapati Bhavan was adorned by Mr. Fakhruddin Ali Ahmed.

Mr. Ahmed had been elected with an overwhelming majority and the thought of a non-Congress occupant seemed fantastic. Mr. Mody's remark was, therefore, lost in the derisive laughter of the delegation members. But there came a time some two years later when it was possible for a non-Congress nominee to be in Rashtrapati Bhavan, for Mr. Sanjiva Reddi, though a consensus candidate, was initially sponsored by the Janata party.

Now, once again, when the presidential election is upon us, it is difficult to imagine that the new incumbent could be some one other than the nominee of the Congress (I) or Mrs. Gandhi.

Unassailable Position

The manner of a President's election in the past has always reflected the political realities of the time, and it could not be otherwise now. And what is the political reality? The Congress (I) has an overwhelming majority in the electoral college, comprosed of the elected members of the two Houses of Parliament and of State legislatures.

The election of the President is not a one-person-one-vote affair, but under the peculiar process, the value of vote differs as between MPs and MLAs and also between the members of the Assembly of one State and of another. The value of an MP's vote is 702 and of an MLA varies from 208 in U.P. to seven in Sikkim.

The overwhelming Congress (I) majority in the Lok Sabha and high-value States like U.P., Bihar, Maharashtra, Andhra Pradesh, Orissa, Rajasthan, Madhya Pradesh, Gujarat and Karnataka and its slight margin in the Rajya Sabha place it in an unassailable position in the electoral college.

Mrs. Gandhi will thus have no problem in seeing her nominee to victory. This will be so even if one were to make allowance for cross-voting in the Congress (I) ranks, not an unknown phenomenon, given the past experience of presidential and other contests. A possible loss on this count could be offset by support to the Congress (I) from the Opposition.

True, nine Opposition parties, Lok Dal, CPI (M), BJP, CPI, Janata, Congress (S), DSP, Congress (J) and the Karnataka Kranti Ranga of Mr. Devaraj Urs, have jointly moved for a consensus but does it mean that in the case of a contest none from among their ranks would depart from their line? The Congress (I), on several occasions, was supported by the DMK, AIADMK and some other Opposition elements which have not associated themselves with the nine-party move. Some of them could go with the Congress (I) in the choice of a new President.

Opposition Initiative

There is a hollowness about the Opposition initiative. At one stage, some of them thought of confronting Mrs. Gandhi with their consensus candidate in the hope that she would be on the defensive and hard put to it in rejecting it without appearing unreasonable and unresponsive to the unanimity plea. Later, they decided merely to ask the Prime Minister to take the initiative for a consensus and call them for consultations.

Simultaneously, some of the Opposition mooted the idea of a second term for Mr. Sanjiva Reddi. Whether the former Prime Minister, Mr. Charan Singh, sounded the President when they met last week was not clear, but Mr. Reddi declared two days later at a Srinagar function that he had no desire to seek "any more office" on completion of his term. Among those the Opposition has in mind is the Vice-President, Mr. Hidayatullah.

The opposition exposed itself to the charge that its move was part of a tactical game and Mrs. Gandhi might counter it by superior tactics. And that would push the issue back to where it was before the consensus talks began, with the difference that a lot of heat and acrimony would have been generated in the process. It would be a major surprise if, somehow, contacts between the ruling party and the Opposition result in an agreement and a contest is averted. A contest is part of democracy and one has not to take a tragic view of it. To say this is not to deny the merit of an agreed choice which could apply a much-needed healing touch to the troubled polity.

Consensus

Mr. Reddi was the first President to be chosen by consensus. This was due to the sagacity of the leaders who mattered in 1977, though the agreement was preceded by an unseemly controversy in both the ruling Janata party and the

Congress opposition over the initial choice of Smt. Rukmini Devi. Essentially, the consensus was possible because of the political reality of the time.

Although the Janata party had a big majority in the Lok Sabha and in most of the States where new assemblies were elected after the change of government at the Centre, it did not have a safe lead for the purposes of the President's election. In the Rajya Sabha, the ruling party was vastly outnumbered and the Congress controlled two southern States, Andhra Pradesh and Karnataka.

In the Lok Sabha, the Congress, despite its rout, had 152 seats (while in the present House, the combined strength of the nine Opposition parties is nowhere near it). As a result, none of the two parties, the Janata and the Congress, had a majority in the electoral college.

Of the total vote value of 10.87 lakhs, the Janata party commanded slightly less than five lakhs and the Congress less than four lakhs, with the CPI(M) and the AIADMK having lesser but sizeable support. The Janata party was no doubt, better placed (especially along with its allies), but there was the risk of its being outmanoeuvred. Therefore, it welcomed the consensus the moment it was mooted by the Congress Parliamentary Party leader, Mr. Y. B. Chavan.

Mr. Reddi was not in the first panel, conveyed by the then Prime Minister, Mr. Morarji Desai to Mr. Chavan, its three names being Smt. Rukmini Devi, Mr. K. S. Hegde, who later became Speaker of the Lok Sabha, and Mr. M. C. Chagla, former External Affairs Minister. Mr. Chavan expressed preference for Smt. Rukmini Devi to "see the fun in" the Janata which was sharply divided over her, despite Mr. Desai's strong support. The second Janata panel had two names, Mr. Reddi and Mr. Hegde and the Congress wanted the former. That along with the backing of the other Opposition parties for Mr. Reddi settled the issue.

The 1969 Election

Who would say that the presidential election of 1969 did not reflect the political situation of the time? The turmoil and confusion that marked the ruling party's affairs found full play in the contest in which the official Congress candidate lost to V. V. Giri, who was backed by Mrs. Gandhi. The post-contest events split the Congress and changed the course of politics.

The story of those days need not be recalled except to mention how Giri won. The cross-voting in the Congress, 40 per cent at the Centre and 20 per cent in the States, coupled with the second preferences (under the system of proportional representation) of the PSP and BKD defectors tilted the balance in Giri's favour. Between 175 and 190 Congress MPs responded to the "free vote" call and supported Giri and not the party's official candidate.

In the States, the extent of cross-voting varied, from nil in Maharashtra to 32 per cent in U.P. The value of votes secured by Mr. Reddi was 154,368 at the Centre in the first count, against 249,408, commanded by the Congress.

In the States, his tally was 159,180, out of the Congress vote value of 202,000. The scale of the cross-vote was actually higher because Mr. Reddi was backed by small non-Congress groups as well.

The contest in 1974, between Ahmed, the Congress nominee, and the combined Opposition candidate, Mr. Tridib Chowdhury, was less dramatic. It was an easy win for Ahmed who got 80 per cent of the votes cast, more than the Congress strength. Despite erosion in their ranks, this was an exercise in unity for the Opposition, which paid them good dividends later, though for a short while.

As in the past, so now it would not be possible to divorce the election of President from the current reality. Its two main elements are the numerical superiority of the Congress (I) in the electoral college and Mrs. Gandhi's suspicion that the Opposition would like someone who could create problems for her from Rashtrapati Bhavan.

Manner of Election

A few words about the manner of election, which under the Constituion, is intended to secure "uniformity among the States inter se as well as parity between the States as a whole and the Union". For this purpose, the value of the vote of an MLA is determined by dividing the population of the State by the number of the elected members of its Assembly, and further dividing the quotient by 1,000. The value of the vote of an MP is worked out by dividing the sum-total of the value of the votes of the MLAs divided by the number of the elected members of the two Houses.

According to this formula, the value of an MP's vote is 702, while that of the MLA's varies as follows: Andhra Pradesh (152), Assam (128), Bihar (177), Gujarat (147), Haryana (124), Himachal Pradesh (51), Jammu and Kashmir (83), Karnataka (136), Kerala (152), Madhya Pradesh (141), Maharashtra (187), Manipur (18), Meghalaya (17), Nagaland (nine), Orissa (149), Punjab (130), Rajasthan (140), Sikkim (seven), Tamil Nadu (176), Tripura (26), U.P. (208),and West Bengal (158).

Because of the clear line-up in the electoral college, the peculiar voting pattern will have the only effect of magnifying the Congress (I) lead in the event of a contest.

CSO: 4220/7474

UTTAR PRADESH CHIEF MINISTER REALLOCATES PORTFOLIOS

New Delhi PATRIOT in English 10 Jun 82 p 4

[Text] LUCKNOW, June 9 (PTI)--Uttar Pradesh Chief Minister V P Singh has in a reallocation of portfolios of his ministerial colleagues divested the department of Home from the Minister of State Rajendra Tripathi and allocated the department of Irrigation to him.

An official press release issued here today said that other departments held by Mr Tripathi besides Home portfolio would continue to remain under his charge in the new arrangement.

The Chief Minister made the change as Mr Tripathi had been requesting for this for quite some time, the press release added.

Minister of State for Parliamentary Affairs Ram Rattan Singh would also henceforth hold the charge of Rural Development while Minister of State for PWD Ranjit Singh would look after the affairs of government Estates Department, the press release added.

Procurement Price

At Meerut, Mr Singh today announced the increase in procurement price of wheat from Rs 132 per quintal to Rs 138 in the case of varieties damaged to the extent of eight per cent in the recent unseasonal rains and hailstorms, adds UNI.

He was addressing a public meeting here. The Chief Minister ordered suspension of the recovery of land revenue, co-operative loans and land development bank dues in the affected areas.

He said the Government would also convert all the short term loans into mid-term ones to provide relief to the farmers in the affected areas.

Today was the second anniversary of Mr Singh's tenure as Chief Minister. He spent the day in surprise-checks of the wheat procurement centres in Western Uttar Pradesh. He visited Muzaffarnagar and Saharanpur also.

The Chief Minister said that such "surprise checks" would be held often.

Suspended

Mr Singh suspended on the spot the entire staff at a procurement centre of the UP State Food Corporation in Jhinjhanana village of Muzaffarnagar district for charging Rs 2 to Rs 5 extra per bag for the procured wheat.

At another centre, run by the Regional Food Controller, the Chief Minister found that the staff had preferred the inferior quality wheat to the better quality available there. He ordered an on-the-spot inquiry into the matter.

The Chief Minister covered an area of about 500 km by helicopter. He was accompanied by Food Minister Basu Dev Singh, Minister of State for General Administration Zafar Ali Naqvi and Tourism Minister Vidya Bhushan.

CSO: 4220/7478

BUSINESS GROUP RELEASES STUDY ON EXPORT PROSPECTS

New Delhi PATRIOT in English 10 Jun 82 p 7

[Text] Federation of Indian Chambers of Commerce and Industry (FICCI) president G K Devarajulu has asked the Government to enact anti-dumping legislation to prevent cheap imports from recession-hit nations invading Indian industry in view of the recent import liberalisation.

In a study on "international economic trends—lessons for India" prepared by the FICCI and released by Mr Devarajulu, fear has been expressed that exporting countries, which were under the spell of recession, might take advantage of the recent liberalised import policy to dispose of their excessive stocks.

There have been complaints that many of the imports have been hurting our domestic industries precisely because these imports have been at prices which are even below the cost of production, the study adds.

It points out that India does not have anti-dumping law at present and suggests the Government to consider having such legislation.

The study predicts that the demand for Indian exports by USA and other developed countries might pick up on a small scale but the rate of growth might be low in case of East European countries in order to meet the balance of trade problems, ths weakening India's export trade.

The study says in the OPEC countries, the later half of 1982 may witness a better balance of trade position for India. The oil glut which had taken place in 1981 and the first half of 1982 has disappeared and the OPEC, as an organisation, may once again be in a position to have its say in the price of oil.

On the whole, the revival of exports in 1982-83 may be only small unless there is an effort on the part of Indian Government, industry and the exporters to overcome the shortcomings which have reduced our competitiveness in the international markets. This would mean a dynamic infrastructure, modernisation of industries and improvement in quality of goods as long term measures and strengthening of the cash compensatory support or fiscal incentives on export earnings as immediate steps.

CSO: 4220/7478

G. K. REDDY TELLS EFFECTS OF FOREIGN EVENTS ON INDIA

Mauritius Elections

Madras THE HINDU in English 14 Jun 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, June 13. The shattering defeat of Sir Seewoosagur Ramgoolam's Labour Party in the Mauritian elections has come as a rude shock to India, although it was not unexpected in the sense that it was widely known that he was fighting a losing battle.

What has really surprised littoral countries like India is that the leader of the Mauritian Militant Movement (MMM), Mr. Paul Berenger, has romped home with a landside victory ending Sir Seewoosagur's long rule since the island's independence.

(Mr. Berenger's party and its ally have won all the 62 contested seats in the elections on Friday).

This is perhaps the first time ever that a militant white man with a radical background has swept the polls in any country with the support of an overwhelmingly non-white population. He has succeeded in splitting the Indian and Creole communities, through a skilful combination of radicalism and nationalism, to inspire the confidence of the local population.

Arthitect of victory: Mr. Berenger's nominee for the Prime Ministership, Mr. Aneeroodha Jugnauth, who is of Indian origin, has been chosen to give the Indian community a feeling of continuity and effective voice in the administraation. But the effective power in the new Government will be wielded by him in his capacity as the secretary-general of MMM and architect of its spectacular victory in these hard fought elections.

The Government of India had followed a policy of strict non-interference in these elections, so much so that the Prime Minister did not want even the Minister of Tourism to go to Mauritius to participate in the independence day celebrations. The joint commission meeting was also postponed, since it was felt that a visit by the External Affairs Minister might be misconstrued as indirectly lending support to Sir Seewoosagur's Government.

Those who are well acquainted in India with the politics of this volatile Indian Ocean island are relieved that MMM has been voted to power with big majority, so that it need not indulge in any excessive radicalism to justify its rule. The new Government is expected to move forward cautiously in implementing its electoral programme, without rocking the boat too hard and plunging Mauritius in deep turmoil through hasty nationalisation.

In the final stages of the campaign, there had been a change in Mr. Berenger's election rhetoric and he had significantly toned down some of his extravagant pressures to avoid becoming a prisoner of his own pledges. The general expectation is that, after the dust has settled, the new Government will pay greater attention to consolidation of its political base than creating serious problems for itself through reckless nationalisation.

The demand for dismantling Diego Garcia will bring him close to the rest of the Indian Ocean community without creating any serious political problems at home for his Government. It remains to be seen how fast, or how slowly, he will move in carrying out his other pledges to break with South Africa, terminate the security arrangements with Britian and follow a policy of even handedness in dealing with the U.S. and the Soviet Union.

Ramgoolam for President? But, as a starting point for the promised changes, Mr. Bereger and his colleagues propose to give up dominion status and make Mauritius a Republic within the Commonwealth while continuing to take an active interest in Afro-Asian affairs as a member of the non-aligned community and the Organisation of African States. In a well-calculated move to placate local Indian sentiment, they propose to make Sir Seewoosagur the first President of the Republic, if he is prepared to accept it, in recognition of his role during the island's struggle for independence.

King Khalid's Death

Madras THE HINDU in English 14 Jun 82 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, June 13. The death of King Khaled of Saudi Arabia today is seen as an end of an epoch in the history of Saudi Arabia, the starting point for a smooth transition from the days of absolute monarchy to a more modern-minded approach to the transformation of this oil-rich desert kingdom into a welfare state, subject to the imperatives of Islam.

The new King Fahd, who has been functioning virtually as Prime Minister in his capacity as Crown prince, is known to be a man of great dynamism, who has streamlined the power structure and introduced a system of collective leadership, giving all the leading Princes of the Saudi family, an effective voice in the administration.

The Prime Minister, Mrs. Indira Gandhi, returned from her recent visit to Saudi Arabia, greatly impressed by Fahd's modern outlook and sense of dedication to the welfare of his people. He has gathered around him a set of well-educated

cousins and promising technocrats to spearhead the development of Saudi Arabia with a judicious blend of modernity and tradition.

Imaginative monarch: A country like India will find it much easier to deal with Saudi Arabia hereafter with an imaginative monarch like King Fahd at the helm. One of his first tasks will be to make a refreshing break from the excessive orthodoxy of Islamic rule and usher in a new era of social dispensation to give the people at least a sense of identification with the country's governance.

It will be in India's own interest to cooperate fully with the new King in giving Saudi Arabia a new ethos and a new sense of direction in playing its rightful role in the regime. The one great ambition of King Fahd has been to transform his country into a bastion of political stability and orderly economic development in the Arab world by utilising its phenomenal oil wealth for the welfare of its people.

As Crown Prince, he accepted Mrs. Gandhi's invitation to visit India later this year. Now, as the new King, he will be able to invest his visit with much deeper significance, giving a greater dimension to Indo-Saudi relations.

The real power: In the field of foreign policy, the new King had initiated early, this year, as the real power behind the Saudi throne, the controversial eight-point plan for a permanent settlement in West Asia on the basis of an Israeli withdrawal from all occupied territories followed by an unconditional Arab recognition of it. Though the plan failed to make much impact because of Israeli intransigence, it has at least held out the hope of an ultimate acceptance of Israel by the neighbouring Arab states.

The new style of functioning evolved by Fahd during the last few years as Crown prince is to maintain close personal contacts with the heads of Government of all important countries through an elite group of well-educated Princes, carefully chosen to handle the complex tasks of politco-economic diplomacy with necessary competence. Each one of them, assigned to different countries, had to specialise in their politics, acquire enough knowledge of their economic compulsions and establish high-level personal contacts with the people in pivotal positions in their Governments.

New type of diplomacy: The way Prince Saud, the new King's first cousin and Foreign Minister, was able to establish contacts with the U.S. President, Mr. Ronald Reagan, the French President, Mr. Mitterrand, the British Prime Minister, Mrs. Margaret Thatcher, and the West German Chancellor, Mr. Schmidt, during the Paris summit and exert enough pressure through them to make Israel announce a ceasefire spoke eloquently of this new style of Saudi diplomacy. The new King has also built up a close relationship with the Arab radicals led by the PLO chief, Mr. Yasser Arafat, who wants Saudi Arabia to break away from its traditional mould and play a more dynamic role in the Arab world.

Ties with Soviet Union: The new King has also been quietly working for the establishment of diplomatic relations with the Soviet Union, without prejudice to Saudi Arabia's close links with the United States. As a devout Muslim, he remains a defender of the Islamic cause, which he believes, would be served better by building a mutually beneficial relationship with non-Islamic countries like India in the region.

CSO: 4220/7491

G. K. REDDY DISCUSSES PROBLEMS OF GOVERNORS

Madras THE HINDU in English 30 May 82 p 2

[Text] AN unenviable and thankless job today is the Governorship of a State. The Tapase episode has revived the controversy over the role and relevance of a Governor in the present-day political situation. The office has been progressively down-graded to the point of becoming increasingly redundant, despite its regulatory powers and responsibilities under the Constitution.

What happened in Haryana has not come as a startling revelation that there is precious little a Governor can do to uphold the spirit of the Constitution, if those in authority are bent on violating it. But this unfortunate event at least has drawn attention to the damage that a pliable Governor can do, as Mr. Tapase has done, by acting in a thoughtless manner with indecent haste and unmindful of the consequences. The irresistible impression left by his ill-advised action is that he had misused his constitutional discretion either in anticipation or on receipt of instructions from Delhi.

It has become extremely difficult even for a high-minded Governor, who has the courage of his convictions and is not personally beholden to anybody for his appointment, to keep up a credible distinction between his overlapping functions as an agent of the President, a pro-consul of the Union Government and a constitutional head of his State.

After independence, the office quite rightly was stripped of its trappings of power, but was left with all the pretences of propriety in ensuring the smooth functioning of the State Government in accordance with the provisions of the Constitution. The Governors who acted firmly, without fear or favour in accordance with their best judgment, invariably came to grief, while others who were prepared to subserve the political interests of those in power got away with their indiscretions.

Undefined powers

The framers of the Constitution at one stage had thought in terms of an instrument of instructions to enable Governors to function properly without political pressures. But they finally chose to leave the powers and responsibilities of Governors undefined except in very general terms, which unfortunately were open to differing interpretations. It is in this grey zone of ambiguity that most violations take place in the absence of any accountability for such actions.

As a result, the office of Governor has become a major casualty of the declining standards of political conduct, since some of those in power have no qualms in compelling the incumbent to uphold their interests while exercising his constitutional discretion.

The Governorship of a State was initially intended to be an office of great prestige and only men of high integrity and eminence were to be considered for it. The senior politicians who were appointed Governors were supposed to give up party politics for good and function only as elder statesmen after their retirement.

Unfortunately the ruling parties have reduced governorships over the years to grace and favour appointments, pure and simple patronage posts for providing unwanted politicians with sinecures, if they could not be accommodated elsewhere. As political appointments, the governorships became quasi-party posts and an integral part of the ruling establishment.

The President, who is elected, cannot be removed except through impeachment by Parliament, an extreme step that cannot be taken by a ruling party even if it has the requisite majority in both the Houses, except in case of gross violation of the Constitution. A Governor who is appointed by the Centre in the name of the President for five years can be sacked any time by withdrawing the President's pleasure. But in the earlier years, the Governors were shown a lot of deference and rarely, if ever, made to resign before the expiry of their terms, although a few did step down either for personal reasons or in sheer disgust over the ineffectiveness of this ornamental office.

The real rot started setting in when the Centre itself began throwing all conventions to the winds and allowing some of the ambitious Governors to get back into active politics and aspire for ministerial positions.

The strategy of transfers was used later

to shift the unwanted Governors from bigger to smaller States and make them feel that it would be better to quit with good grace rather than put up with this humiliation. But there were some who meekly submitted to this embarrassment rather than give up the glitter and glamour of Raj Bhavans.

The displeasure of the President was invoked for the first time only last year to dismiss the then Governors of Tamil Nadu and Rajasthan. The Centre is able to use the threat of dismissal effectively to make the Governors comply with its wishes in exercising their discretionary powers, so long as they are not prepared to resign in protest.

Party functionaries

But then it is not just the Congress in its different variations that has been treating Governors as no more than glorified party functionaries or beneficiaries of its patronage. The Janata party during its brief spell behaved no better in compelling them to comply with its extraordinary and totally unconstitutional decision to dismiss Congress Governments in eight or nine States on the specious theory that they had forfeited the confidence of the people who had voted the party out at the Centre. Congress (I) was no less ham-handed in doing exactly the same thing after the 1980 elections.

After the present Constitution came into effect in 1950, the Centre has imposed President's rule in States on 67 occasions.But the move for Central intervention was initiated by the respective Governors in not more than 20 cases at the most on the basis of their own satisfaction.

In all other cases the Governors were advised and even pressured to recommend this action on purely extraneous political considerations. There were a few occasions when even the reports of the Governors proposing President's rule were drafted in Delhi and transmitted to the State capitals concerned for obtaining their signatures on the dotted lines.

There could be no worse violation of both the letter and spirit of the Constitution than making the office of Governor such a mockery in practice. But the near paralysis of this institution is only a reflection of the progressive decline of the country's political system in several spheres.

It was during the halcyon days of Nehru himself that the then Governor of the old Madras State was asked to invite C. Rajagopalachari to form a government after the defeat of the Congress in the first general election. The great Rajaji had by then served first as Governor of Bengal and then as Governor-General, before rejoining the Union Cabinet as Home Minister and then quitting when he could not get along with Nehru in the new political atmosphere.

The same sort of thing was done, perhaps in a worse form, when Mr. Morarji Desai, who was defeated during the second general election was permitted to head the Government of the old Bombay State. A further slide down from all standards of constitutional propriety occurred in West Bengal after the third general election when B. C. Roy was allowed to form an eleven-member Cabinet with as many as six defeated Ministers.

The subsequent combination of complaisant Governors and nominated Chief Ministers had a deadening impact on the whole concept of Centre-State relations. The all-powerful Centre started interfering with the functioning of the Congress-run State Governments to such an extent that it became both politically and psychologically difficult for those in positions of power in Delhi to evolve a correct working relationship with the few non-Congress Governments functioning outside the Congress mainstream. The Centre's relationship was no less difficult with the two southern States of Andhra and Karnataka outside the Janata fold during the Morarji-Charan Singh interregnum.

It is, therefore, not at all surprising that the poor Mr. Tapase, who already has had a taste of Mrs. Gandhi's displeasure, when he was relegated from Uttar Pradesh to Haryana, decided to play safe even at the risk of exposing himself to utter ridicule.

The Governor of neighbouring Himachal Pradesh, Mr. A. N. Banerjee, acted with greater sophistication being a retired civil servant, although he was no less beholden to the Prime Minister for his present appointment. The point is that his decision could not have been substantially different from that of Mr. Tapase, if BJP had contested the Congress (I) claim to form a Government.

Symbol of decadence

The institution of Governor, which is a linchpin of State autonomy in the country's federal set up, has to be strengthened to make Indian democracy work better in different political situations. The country is faced with the two extremes of a powerful Centre riding roughshod over the Governors to make them function as the emissaries of the ruling party in the States, and some of the Governors considering themselves as active Congressmen in a different garb ready to do all that was possible to protect the party's interests.

.The Governors should be discouraged from dabbling in party politics, interfering in the selection of candidates, influencing electoral alliances and even associating themselves with fund collections for the ruling party during the elections.

The tragedy of Haryana is only an ugly symptom of a deeper malaise afflicting the country's political systems. The Bansi Lals, Bhajan Lals and Devi Lals of this faction-ridden State are not just individuals but prototypes of a new generation of political operators with no fixed loyalties or principles. It is sad that the country's top politicians including the Prime Minister should allow themselves to be taken for a ride by this new breed of politicians that has become a symbol of decadence.

As an essential first step towards the removal of such distortions that have been allowed to pollute the Indian political system, the Centre should make a conscious effort to improve the quality of Governors by appointing more competent persons and encouraging them to function without fear or favour to the best of their ability and honest judgment. The mere condemnation of Mr. Tapase will not serve any purpose, since he is no freak phenomenon.

The clean up process must begin at the top and then percolate down the line to have the desired impact. It must commence with an honest heart-searching to identify the causes of failure that have led to the progressive abandonment of all principles and reduction of party politics into a mug's game.

CSO: 4220/7466

CPI URGES GOVERNMENT TO PROTEST REAGAN ACTION

New Delhi PATRIOT in English 5 Jun 82 p 7

[Text] The CPI, has urged the Government of India to convey to the Reagan Administration its unequivocal protest against the US President's decision to openly finance political parties, newspapers and trade union organisations in Third World countries in the form of "political aid' to 'democratice forces' in those States.

In a statement on Friday, CPI National Council Secretary N K Krishnan denounced this US decision as a "shameless interference in the internal affairs of the developing countries" and felt that a mass campaign against it had become the urgent need of the hour.

Calling upon all patriotic forces to come out in condemnation of this plan, he said: "While the imperialist threat against India's national sovereignty and integrity has intensified in the recent period, still another political dimension is now sought to be added to it by Reagan's latest move."

Mr Krishnan pointed out that such aid had been pouring into developing states all along through CIA and allied outfits, and it was well known that the US Government was conducting destabilising operations in these countries using both political and military means helping to overthrow progressive regimes in order to install pliable governments. He referred to such examples as Guatemala, Chile, Portugal, El Salvador, Nicaragua, Iran, Afghanistan, Pakistan and added: "But despite all this, national liberation movements have surged forward to new victories and the Pentagon strategy has received setback after setback."

Nevertheless, the danger this time was that "in desperate frenzied attempt to roll back history, President Reagan proposes to put an official seal on the policy of neo-colonialist intervention and aggression."

CSO: 4220/7470

G. K. REDDY WRITES ON PLAN TO SET UP SECRET SERVICE

Madras THE HINDU in English 6 Jun 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, June 5--The Government is thinking of setting up a Central Secret Service on the American model to protect the President and the Prime Minister, besides providing security for visiting foreign dignitaries and other important persons.

At present a senior Joint Director of the Intelligence Bureau looks after the security arrangements in the national capital with the help of specially trained personnel of the Delhi police. But he has to rely largely on the local police during the visits of the President and the Prime Minister to the States.

A special security district has been created to intensify the vigilance in and around the area where the President, the Prime Minister and other senior personalities live and work in New Delhi. The number of armed police and plainclothes gunmen guarding the top leaders, especially the Prime Minister, has been trebled in recent times.

Security cadre: But the mere increase in numbers has not led to the creation of a near fool-proof security system. So the accent now is on establishing a new security cadre manned by hand-picked officers and men, either recruited directly or seconded from the other Central police services.

One of the big hazards of guarding the Prime Minister in a country like India is frequent exposure to large and often unruly crowds which is an integral part of Indian political life. Nowhere else in the world does a head of Government visit so many places in the country and participate in so many public functions.

Those entrusted with Mrs. Gandhi's security tend to overreach themselves in trying to be thorough to the point of rendering her public exposure quite counter-productive at times. But they cannot be blamed for not taking any chances in these days of worldwide violence, since any security screen can be breached by determined men prepared to risk their own lives.

Compact service: It is for this reason that the top security advisers of the Government have been veering round to the view that it is better to have a compact and well-trained secret service manned by 300 or 400 men to do this job with the necessary professional skill than keep adding haphazardly to the existing police personnel engaged in this work in New Delhi.

But before setting up the proposed secret service, the Government wants to study how the security agencies function in other societies with similar compulsions for populism.

The big danger in dealing with a sensitive problem like the security of the country's top leaders is that, if those in authority are not firm enough in keeping the agencies entrusted with this task under strict control and constant supervision, they can become a major source of embarrassment by exceeding their authority and arrogating to themselves a much wider role than initially envisaged by the Government.

This aspect also has been receiving due consideration at the higher levels to make doubly certain that security does not become an employment-oriented industry out of all proportion to the required degree of protection.

As a result of growing social discontent in the wake of the population explosion, there has been a sharp increase in crime rate in recent years in all urban centres. It is much more difficult to police effectively a hinterland capital region like Delhi surrounded by so many States.

But violent incidents of a political nature involving attacks on important individuals are fortunately few and far between with the result that there is a big outcry against alleged police laxity every time something untoward happens in Delhi.

And apart from the worldwide climate of violence, which poses serious security problems for all open societies that cannot be totally insulated, a developing country like India has to cope with the explosive interactions of unkept promises and rising expectations.

CSO: 4220/7472

SHEIKH ABDULLAH IMPATIENT OVER RESETTLEMENT BILL

Madras THE HINDU in English 9 Jun 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, June 8--The Centre has been placed in a rather difficult position by Sheikh Abudllah's threat to go in for dissolution of the Jammu and Kashmir Assembly and fight the elections on the question of the controversial Resettlement Bill permitting Kashmiri Muslims who migrated to Pakistan to return to the State.

The Sheikh is incensed that the Governor, Mr. B. K. Nehru, has not only been withholding consent to the Bill but also delaying its return to the Assembly for reconsideration.

If the consent is refused and the Bill returned, Sheikh Abdullah has already made known his intention to get the Bill passed by the Assembly a second time, making it binding on the part of the Governor to give his assent under the Jammu and Kashmir Constitution.

The way open to Governor: The only course open to the Governor in such a situation is to dismiss the Government and place the State under his rule with the approval of the Centre, which can be done for a maximum of six months under its Constitution. The only occasion when the Governor invoked these powers was in 1977 for a short duration.

The Centre maintains that under Article 356 of the Indian Constitution, it is open to the President to bring any State, including Jammu and Kashmir, under his rule. If this has not been done in the past, it was because there was a parallel provision in the State Constitution empowering the Governor to take similar action with the approval of the Centre.

The Sheikh knows that there will have to be fresh elections sooner or later, whether through an early dissolution of the Assembly on his recommendation or as a natural follow-up of the imposition of President's rule. The poll cannot be delayed beyond the middle of 1983 in any case. As Jammu and Kashmir is the only State that has not chosen to revert to the five-year rule after the switchover to a six-year term was rescinded by the Janata Government, the Assembly can be technically kept alive till next year.

Legality of Bill can be tested by reference to court: Sheikh Abdullah claims that the legislation had been enacted under the powers delegated to the State in Nehru's time to deal with the resettlement problem. The right course open to the Governor is either to give his assent or return the Bill with his objections. The legality of the legislation, whether the Assembly is competent to enact it, could then be tested through a reference to the Supreme Court.

He maintains that the Governor is violating the State Constitution by withholding consent and not returning the Bill at the behest of the Centre. In this situation, the only course open to him is to ask for dissolution of the Assembly and go in for fresh elections to let the people give their verdict on it.

All these aspects are being carefully considered by the Centre in consultation with the Governor, before deciding how to deal with the Sheikh who is apparently bent on a showdown.

CSO: 4220/7477

EDUCATION NEEDS OF TRIBALS, SCHEDULED CASTES STUDIED

New Delhi PATRIOT in English 8 Jun 82 p 8

[Text] It would take a long time, even more than 50 years in some States, to bring the Scheduled Castes and Scheduled Tribes on a par with other communities in various stages of education according to a study by the Planning Commission, reports UNI.

The study carried out in the perspective division of the commission indicates state-wise the period needed to remove the disparities these communities suffer at the primary, middle, higher secondary and general higher stages of education.

At the primary stage Andhra Pradesh, Manipur, Meghalaya, Orissa, Tamilnadu, Andhra Pradesh, Dadra and Nagar Haveli and Delhi would be able to bring the Scheduled Castes on a par with the rest of the population in less than 10 years.

Haryana, Himachal Pradesh, Jammu and Kashmir, Kerala and Punjab would need 10 to 20 years to achieve this.

While Madhya Pradesh, Rajasthan and Sikkim would require 20 to 50 years, the remaining states would need more than 50 years.

In the case of Scheduled Tribes, Karnataka, Manipur Meghalaya and Arunachal Pradesh would need less than 10 years to bring them at par with the rest of the population.

The time needed by other states: Gujarat, Himachal Pradesh, Kerala and Uttar Pradesh--10 to 20 years; Orissa, Tripura, Dadra and Nagar Haveli, Goa, Daman and Diu and Mizoram--20 to 50 years; the remaining states--more than 50 years.

The analysis of middle stage education for Scheduled Castes indicates that Kerala would need less than 10 years to bring them to the level of the rest of the population.

The time needed by Gujarat, Jammu and Kashmir, Manipur, Meghalaya and Delhi to be at par with rest of the population is 10 to 20 years; Haryana Orissa, Punjab, Sikkim, Tripura, Uttar Pradesh, Arunachal Pradesh and Dadra and Nagar Haveli--20 to 50 years and the remaining states--more than 50 years

For raising the level of the Scheduled Trives to that of the other communities in the middle stage of education Meghalaya, Arunachal Pradesh and Lakhshadweep would need less than 10 years; Karnataka, Manipur and Uttar Pradesh--10 to 20 years; Himachal Pradesh, Kerala, Tripura, Dadra and Nagar Haveli and Mizoram--20 to 50 years and the remaining states more than 50 years.

Manipur needs less than 10 years to bring the Scheduled Castes on par with the rest of population in higher secondary education. While Gujarat, Jammu and Kashmir, Meghalaya, Sikkim and Delhi would take 10 to 20 years, Andhra Pradesh, Haryana, Orissa, Punjab, Uttar Pradesh and Dadra and Nagar Haveli would need 20 to 50 years and the remaining states more than 50 years.

In the case of Scheduled Tribes Karnataka Meghalaya and Arunachal Pradesh would need less than 10 years; Kerala and Uttar Pradesh--10 to 20 years Assam, Bihar Gujarat, Himachl Pradesh, Orissa, Dadra and Nagar Haveli and Mizoram--20 to 50 years and the others more than 50 years.

CSO: 4220/7475

VIEWS ON JOINT INDO-BANGLADESH ECONOMIC GROUP NOTED

Bombay THE TIMES OF INDIA in English 11 Jun 82 p 9

[Article by Kirit Bhaumik]

[Text] NEW DELHI, June 10--The government of India will communicate to Bangladesh towards the end of this month its views as to what should be the structure of the joint economic commission which was decided to be set up during the recent visit of the external affairs minister to Dacca.

New Delhi hopes that a workable institutional framework for promoting interactions between the two neighbouring countries in different spheres will emerge by the end of the year, despite its frustrating experience in the past.

The hope is presumably based on the fact that the decision has nothing to do with the political attitudes of the new regime in Dacca whose character, in any case, is not yet clear. It has been dictated by emerging economic realities.

Stringent conditions which are now being attached by Western donors in providing economic assistance to the third world is perhaps the dominant factor which is forcing governments of these countries to look for other avenues of economic sustenance. A parallel can be found in Sri Lanka now showing increased interest in Indian economic assistance, although the two countries have basic differences on various political issues.

Both Sri Lanka and Bangladesh are recipients of massive IMF loans and both are having to grapple with the conditionalities which are now sought to be strictly enforced. Bangladesh's situation is somewhat more difficult because of its greater dependence on foreign aid. The situation looks unreal: 60 per cent of its investments, 83 per cent of its of its development budget and 63 per cent of its commodity imports are supported by Western aid.

Unreal Situation

More than in Bangladesh, there is a growing realisation among the donor countries that this unreal situation cannot be sustained for long and a basis has to be found for greater economic self-reliance for these countries. There is now emphasis on greater regional economic co-operation.

The realities of the situation were brought out forcefully when Bangladesh was in dire need of foodgrains last year. On the advice of the world food organisation, Dacca had asked India to divert a food ship to its ports since that was the only way of getting quick deliveries of the required foodgrains.

Under similar advice, the new government in Dacca sought and obtained a loan of one lakh tonnes of wheat from India only a few days ago.

Unde r the fear of shrinking aid from the West, Bangladesh is having to look for a viable basis for sustaining itself economically. The slogan of self-reliance has gained respectively in Dacca. Some economic co-operation proposals with India, which were long forgotten, are being revived.

One such proposal was that Bangladesh should supply its surplus power in the eastern region to the north-eastern Indian states and thereby create a basis for obtaining goods and services from this country in exchange.

The joint economic commission might provide a forum for sorting out such problems. As far as New Delhi is concerned, it wants to make the commission a meaningful agency for co-operation. In view of the complexity of the relationship between the two countries, India is likely to propose the setting up of a number of sub-commissions under the umbrella of the joint commission to deal with different aspects of bilateral relations like trade, scientific and technological co-operation, communications and transport and so on.

CSO: 4220/7480

EXPECTATIONS FROM GANDHI WASHINGTON VISIT TOLD

Madras THE HINDU in English 13 Jun 82 p 2

[Article by G. K. Reddy]

[Text] AMIDST her preoccupation with the politics of the presidential election, the Prime Minister, Mrs. Indira Gandhi, has already set in motion the preparatory work for her visits to the United States and the Soviet Union. The U.S. trip is receiving prior attention because it will be taking place first, before she goes to Moscow a few weeks later to carry forward the process of insulating India from the growing superpower rivalries in the region.

A conscious effort is being made to maintain a delicate balance between India's enlightened self-interest and the potential consequences of the U.S.-Soviet antagonisms on its own geopolitical role in an area that is assuming great strategic importance.

The primary emphasis is no longer on passing value judgments on the relative merits and demerits of American and Soviet actions, but on weighing carefully the pros and cons of the positive and negative aspects of their power pursuits in the region.

The main thrust of India's foreign policy is not on moralising to other nations, but preventing the creation of conditions that are adverse to its national interests. The art of diplomacy calls for an unfailing capacity to exploit opportunities that are open to advance the country's cause rather than attempt to operate through a master plan aimed at achieving the same results. It also requires an ability to draw the right lessons from the mistakes made by other nations, besides benefiting from their failures. A country cannot exude a spectacle of greatness, or present an image of stability, if its leadership cannot grasp and absorb these essential ingredients of success in promoting its interests.

Complex Country

In dealing with a global power like the U.S. with all its irrationalities and inflamed emotions, one should be able to distinguish a palpable threat posed by its ill-conceived policies from the intrinisic inconsistencies of some of its actions. It is too complex a country to be seen only in black

and white terms without the essential half-tones that are a source of its strength as well as weakness in responding to different situations. The U.S. has yet to learn the hard way that history cannot be split into tidy four-year segments to suit the proclivities and predilections of changing administrations.

It is no use harping on the differing perceptions of India and the U.S. over various issues to explain away their inability or incompatibility to work together even in pursuit of their shared ideals and objectives. The two countries should be able to distinguish between the absence of an identity of interest and a clash of purpose in charting out the areas in which they could work together in mutual interest, while continuing to disagree on other issues involving conflicts of opinion.

Once again the U.S. is going through the agonising experience of realising the limits of its power and the consequent diminution of its influence, which is a good time for India to make a renewed attempt to establish a better understanding with it.

The Prime Minister is going to the U.S. at a politically and psychologically opportune moment, when President Reagan and his advisers have started shedding some of their grand illusions that they can reassert American authority by simply talking tough to countries like India that are not prepared to line up with other supplicants or client States to qualify for their benevolence.

The visit will also enable Mrs. Gandhi to dispel the many misconceptions of those in pivotal positions in Washington of India's own role as a stabilising factor in South Asia and its intrinsic importance as the largest and strongest country in the region. It is for this reason that a lot of painstaking preparatory work is being put in to ensure the success of this visit.

Unfortunately, almost all the visits of Indian Prime Ministers to the U.S. failed to make much impact, partly because the Americans could not comprehend its sensitivities or understand its aspirations. But India also contributed to this lamentable failure by misjudging the American mood or ignoring its legitimate concerns at times.

The communication gap that developed over the years between Delhi and Washington cast the two countries more often in adversary roles rather than bring them closer in defence of their common commitments to freedom. The running sores of past irritations impose a heavy responsibility on Mrs. Gandhi to make a refreshing start in opening a happier chapter in Indo-American relations.

A man who has been working silently behind the scenes to make this a promising visit is the U.S. Ambassador, Mr. Harry Barnes, a dedicated career diplomat who has brought in a high degree of professional competence to his challenging assignment in Delhi. He has been working in harmony with Mrs. Gandhi's top advisers like Mr. G. Parthasarathy and Dr. P. C. Alexander in restoring the missing element of mutual confidence in striving for better relations. The previous and present Foreign Secretaries, Mr. R. D. Sathe and Mr. M. K. Rasgotra, also played their part in helping to shed some of the hang-overs of the past.

Shared Desire

But the basic framework for giving a new orientation of India's foreign policy has been evolved at the higher political level by Mrs. Gandhi herself in consultation with her senior Cabinet colleagues like Mr. P. V. Narasimha Rao. One cannot jump to the conclusion that, as a result of this shared desire for better relations, all the old animosities have been dispelled and that India is no longer apprehensive of American attitudes.

Nobody in the government is foolhardy enough to imagine that the Reagan administration has suddenly become an admirer of India's tryst with destiny, as it were, and started developing an abiding faith in its stabilising influence in the region. It is still a rather dicey state of relationship and the two countries could easily lurch back at the slightest provocation.

However, what really matters is that neither side is pillorying the other as one of the prime villains contributing to the present instability in South Asia, either by soft-pedalling the Soviet intervention in Afghanistan or overreacting to it.

The policy-makers in Delhi remain fearful of the CIA's destabilising role in the Third World, but they are no longer making a bogey of it to explain away their own political misconceptions. It has begun to dawn on both countries that as free societies they should develop a thicker skin and learn to take criticism in their stride, without resorting to righteous indignation to cover up their own lapses.

The irony of it all is that India and the U.S. do not miss any opportunity to misunderstand and deepen their differeces. They have remained sharply divided during the last three decades by their own shared values, despite their common commitment to democracy and freedom.

The U.S. has tended to annoy its friends as much as its enemies by its arrogance of power and affluence, expecting one and all to comply with its policies and conform with its perceptions. The revival of the cold war has made Washington quite intolerant of even well-meaning criticism, since dissent is mistaken for defiance.

American Fixations

It is impossible to reverse this state of mind even with the best of intentions, without going through an agonising process of self-criticism to pinpoint both the political and psychological causes of American fixations. But there are signs that the country is just about to embark on such a process at least to take a critical look at its own emotional inadequacies, which make successive governments react to developments in an unpredictable manner regardless of consequences. The Indo-American relationship is replete with examples of avoidable frictions provoked by attitudes that have no relevance to the realities of their disagreements.

A fact often overlooked in airing Indo-American differences is that India essentially is a pro-American country, but its criticism of U.S. policies is mistaken for anti-Americanism. It is not realised by Washington that India has been compelled to turn to the Soviet Union for both economic assistance and defence equipment in the face of U.S. refusal to meet its requirements or impose unacceptable conditions. The U.S. has to thank itself if this country is obliged to go in for Soviet military equipment when it was making a conscious attempt to diversify its sources by buying aircraft from Britain and France.

Major Irritant

The U.S. policy of arming Pakistan is the single major irritant in Indo-American relations. The Tarapur question can be settled by calling off the agreement without leaving a trail of bitterness so long as it is not done as an inevitable consequence of the strained relationship created by the arms supplies to Pakistan. The Prime Minister's visit can help focus attention on this discordant factor, but it is essentially a matter for President Reagan and his advisers to take a fresh look at the subcontinental situation.

No one in India in his senses expects the U.S. to dismantle Diego Garcia and withdrawn its naval power from the Indian Ocean, abandon its friends in the Gulf region or forsake its virtual alliance with Pakistan to please India or placate the Soviet Union.

But India which has no basic conflicts with the U.S. has a right to expect it at least to make a periodical reappraisal of its policies which have created difficulties in the region. As a country, with all its faults, the U.S: has infinitely more to its credit than discredit and it need not shirk admitting mistakes or conceding the superiority of informed opinion.

CSO: 4220/7487

REPORT ON GANDHI MESSAGE TO UN DISARMAMENT SESSION

Bombay THE TIMES OF INDIA in English 12 Jun 82 p 1

[Text] UNITED NATIONS, June 11 (PTI)--INDIA today proposed a five-point concrete" programme of action for disarmament which calls for a freeze on nuclear weapons, immediate suspension of their tests and a binding convention on the non-use of such weapons.

The prime minister, Mrs. Indira Gandhi, told the UN second special session on disarmament in a message that all nuclear weapon powers and their allies must help the world back from the precipice of a nuclear war.

Mrs. Gandhi's message which contained the five-point programme, was delivered by the external affairs minister, Mr. P. V. Narasimha Rao. It urged the big powers to start negotiations with a determination to reach agreement on disarmament.

Stating that her voice was "raised in the cause of peace," Mrs. Gandhi noted that never before has humankind as a whole faced the possibility of its destruction by the weapons that some states claimed to need for their security.

The prime minister is likely to go to New York during her visit to the United States towards the end of July, but the disarmament session would be over by that time. Earlier, it was envisaged that she might address the session.

Mrs. Gandhi suggested that disarmament negotiations must again revert to the task of achieving a treaty on general and complete disarmament, within an agreed timeframe, as was discussed between the United States and the Soviet Union in the agreed principles and draft treaties of the early sixties.

The United Nations and its specialised agencies should ttake he lead in educating the public on the dangers of nuclear war, on the harmful effects of the arms race on the world economy as well as the positive aspects of disarmament and its link with development, she said in her "programme of action."

Mrs. Gandhi said hat the conference "might also consider issuing a call to devise legally binding restrictions on various types of scientific and technological research for purposes that are inconsistent with humanitarian laws and principles."

The U.N. secretary-general could undertake an independent expert study to this end, she suggested.

Call for Negotiations

Mrs. Gandhi urged the big powers to start negotiations with determination to reach agreement.

"The prospects of an early accord may seem discouraging from the particular point of view of one side or the other. But the path to peace and security cannot and does not lie through an arms race or theories of deterrence", she said.

The prime minister expressed the view that intricate calculations of security and insecurity "merely generate irrational fear and suspeicion in policy-makers and in the pbulic at large."

"On behalf of the growing world community which is calling for peace," Mrs. Gandhi appealed to leaders of all nuclear weapon powers and their allies to help pull the "world back from the precipice."

UNI adds: The external affairs minister, Mr. P. V. Narasimha Rao, today voiced India's convirction that the idea of nuclear free zones was unrealistic and called for immediate suspension of all nuclear tests.

Addressing the United Nations second special session on disarmament, Mr. Rao said nuclear free zones had no relevance when several countries were clandestinely developing nuclear capability.

CSO: 4220/7482

MANEKA GANDHI ADDRESSES LARGE RALLY IN PATNA

Calcutta THE STATESMAN in English 12 Jun 82 p 16

[Text] PATNA, June 11--The pro-Maneka show here got off to a dull start today with only about 500 people welcoming the widow of the late Sanjay Gandhi at the airport. The slogans shouted by volunteers of the Sanjay Vichar Manch include: "Maneke Gandhi ayee hai, nai roshni lai pai". (Maneka has brought a wave of new light along with her), and "The leaders of the nation should be like Maneka Gandhi".

Mrs Maneka Gandhi drove to Jayaprakash Narayana's Kadamkuan straight from the airport. She visited all the rooms in the house and posed for a photograph before a portrait of J.P. From there she went to the Takht Sriharimandir, birth place of Guru Gobind Singh. Next she stopped at Martyr's Memorial on the eastern gate of the secretariat complex to pay tribute.

Mrs. Maneka Gandhi received greetings with folded hands and an ever-present smile.

The ruling party leaders, including the Chief Minister, Mr Jagannath Mishra, Mr Gyan Ranjan, MLA, and Mr Chandan Bagchi, president of the Bihar Youth Congress (I), stayed indoors. But they were all active behind the scenes which is why the Sikh community here, which had originally planned to give a big welcome to the widow of the late Sanjay Gandhi, did not come out to support her.

The public meeting addressed by Mrs Maneka Gandhi at Daltanganj Maidan was, however, big. In her speech Mrs Maneka Gandhi said that she was not raising an army against anybody. "But I would certainly caution the people against power-hungry politicians", she said.

She said that she was visiting different places in the country to reunite the pro-Sanjay forces to work for the progress of the country. "I have been driven out of my house, my telephone is being tapped and the administration is bent upon harassing me but all this would fail to put me out of my path", she said. The five-point programme of her husband must be implemented in the interests of the nation, she said.

Mr Sudhir Kumar Mishra, secretary of the Bihar Pradesh Congress committee and nephew of the Chief Minister defected to the Sanjay Vichar Manch. He announced his decision to join hands with Mrs Maneka Gandhi and Mr Akbar Ahmad at the public meeting.

CSO: 4220/7484

GANDHI SPEAKS AT RELIGIOUS CEREMONY

New Delhi PATRIOT in English 5 Jun 82 p 10

[Text] Prime Minister Indira Gandhi on Friday stressed that it was not her Government's policy to either restrict or give a fillip to any particular religion in the country.

Launching the Jamboo Dweep Gyan Jyoti at a ceremony in the Capital, Mrs Gandhi noted that though equal respect was given to all religions in the country, some persons were trying to spread tension among communities and weakening the country.

The Prime Minister urged the people not to take notice of the rumours which these handful of people were circulating. She asked the people to follow the path of non-violence, adding that all religions aimed at giving man the strength to face his hardships

It was the government's desire to fulfil the needs of the people to the maximum extent possible, she said. While efforts to raise the standard of living must be made, it was necessary that along with economic progress India's cultural outlook must also be improved, observed the Prime Minister.

The Prime Minister said Jainism preached high ideals and hoped the Jyoti, which will be taken around the country, would help develop a religious feeling and promote national integration.

A model of the Jyoti was presented to the Prime Minister by Railway Minister P C Sethi.

Immediately after the launching, the Jyoti was taken in a procession through Chandni Chowk, Khari Baoli and other localities to the Digambar Jain Mandir in Karol Bagh.

CSO: 4220/7470

ANALYST ON GANDHI PROBLEMS IN GOVERNING

Madras THE HINDU in English 6 Jun 82 p 18

[Article by G. K. Reddy]

[Text] In the merry-go-round of Indian politics, a painful prologue to a distressing event becomes in no time a balmy epilogue to an unhappy episode. It is not customary in India to carry on a controversy to the bitter end, since there is no compulsion of any kind to fight for a cause to its logical conclusion. It is this fatalistic mentality that enables the dissolute to get away with the minimum of disgrace, to lie low for some time and stage a return to public life.

The gentle art of compromise, which is an essential ingredient of coexistence, is mistaken often for an instinctive readiness to put up meekly even with an infuriating affront or an inexcusable infraction, if only to avoid further embarrassment or humiliation.

In the absence of a proper tradition of public outrage over political misconduct or personal betrayal of a principle, a politician with a flexible conscience sees nothing immoral in trading one's loyalty for a consideration. The synthetic fury generated by such misdeeds is overshadowed by a cynical acceptance of defections as a fact of life.

Extinct Volcanoes

So the kaleidoscopic drama goes on remorselessly with the tragic spectacle of a great polity in decline, if not disintegration. A relieving feature of this psychic down-turn, however, is that no lasting scars are left other than a few shattered reputations. Few could have vouched that a highly ambitious and resourceful politican like Mr. Antulay would be reduced in a matter of months to a mere footnote to history, but them many mightier men had also sunk into oblivion without facing their full share of retribution.

The old war horses of the Janata era, who were suddenly catapulted into power but squandered away their massive mandate through factional fights and personal squabbles, have become extinct volcanoes with nothing much left to do other then bemoaning the cruel fate that has befallen them. It is only Mrs. Gandhi who continues to maintain her supremacy, despite her diminished power and some degree of diminution.

After cracking the whip and threatening stern disciplinary action, Mrs. Gandhi also had to pocket her pride and allow a Congress (I) Government to be formed in Haryana with an unwanted Chief Minister, whom she is known to detest strongly as an odious character, all because he had a dozen party rebels in his pocket to give him a bare margin.

No less astonishing was the disingenuous apologia put forward by one of the general secretaries of the party that there was no harm in taking back the rebels since the people had voted for them in full awareness that they would be returning to Congress (I) after the elections. What has happened in Haryana would be quickly forgotten, since public memory is proverbially short and, what is worse, the very fact of success generates its own standards of morality for justifying such indefensible actions.

Dramatic Steps

But the politicians in power, much more than those in the Opposition, have to face all the time the hazards of misjudging the mood of the people and lamentably failing them. The Prime Minister has certainly been shaken by the recent election results, although the ruling party continues to put a gloss on them. She has already started thinking of some dramatic steps, like another Kamaraj plan, to enliven the political atmosphere, recapture the imagination of the people and create a new climate of expectation.

As she has already reached the half-way point of her present term, she is apparently feeling the compulsive need for shedding the deadwood and easing out some of the controversial personalities who have become a liability to her.

It is too early to foresee what shape the proposed shake up might take in the present-day circumstances when party discipline is poor and fear of Mrs. Gandhi's displeasure is partly gone. Unfortunately there is not a single senior colleague, whether in the party heirarchy or in the Government, who is somebody in his own right.

The few that are close to Mrs. Gandhi derive their strength from her rather than lend any weight to her personality or politics, which is one of the great weaknesses of the present dispensation. The paucity of talent in the party has made it difficult for her to go in for any far-reaching changes other than dropping a few who have failed to come up to her expectations.

Absence of Men of Stature

It is not surprising, therefore, that she has been leaning lately more and more on her son, Rajiv, for advice on various matters and he, in turn, has become increasingly dependent on his own Camelot, the small group of confidants operating in his name. The result is that with the best of intentions he cannot escape the criticism, even if it is totally unjustified, that his advisers are functioning as an extra constitutional authority interfering in the affairs of the party or the Government.

It is easy to dismiss such criticism as baseless or motivated and basically intended to denigrate him. But in his own interest he has to take steps to dispel it, since allegations of this kind tend to stick in the absence of conclusive evidence to the contrary, as it happened before in similar situations.

But the more fundamental dilemma facing Mrs. Gandhi is where to find men of competence and stature for high positions, who can command respect and confidence. It is sad to see that the Prime Minister of the country cannot find an eminent party colleague or public figure who can fill the office of President with dignity and decorum, without being dubbed as a non-entity or yesman. The same sort of predicament confronts her every time an important post has to be filled, whether it is a Governor, Chief Minister, Union Minister, Chief Election Commissioner, a senior Ambassador or a Judge.

Use of Talent

The habit of placing undue emphasis on personal loyalty, to the point of looking minutely into the antecedents of each aspirant to ascertain how one behaved during the three years that Mrs. Gandhi was out of office, has drastically narrowed down her choice. Such subjective considerations prevail to some extent in all political systems, since those chosen for key positions have to be personally acceptable to the head of Government. But a credible distinction has to be maintained between ability and acceptability for making better use of the available talent.

It cannot be argued with any measure of convicton that in a nation of nearly 700 million people there are not even half a dozen persons eminently qualified to fill the office of President with distinction. The Prime Minister has, no doubt, the right to choose a President with whom one can work in harmony, but his advice will be worthless if the accent is on acquiescence with everything that is done by the Government. The same difficulty will arise if those chosen for other top positions are expected to function as yesmen.

The real strength of the Prime Minister will lie in surrounding herself with competent colleagues and reactivating the various institutions of the State to derive the benefits of the best possible advice. It is impossible to curb corruption and check other malpractices that have crept into the political system, if those at the helm of affairs are not sure of themselves.

The higher direction of Government calls for a proper devolution of authority with a well conceived chain of command for carrying out the decisions. A country of the size of India cannot be run in a personalised manner with a small coterie of confidants even with the best of intentions. It can be governed effectively by giving the rank and file a fuller sense of participation.

Profession

Nobody enters or remains in politics these days simply to serve the people. The increasing professionalisation of party politics has led to dispensing with the old Gandhian ideas of service through sacrifice. The new breed of politicans

feel that they are entitled to their legitmate share of power with all the spoils of office.

There can be no internal party discipline, let alone a sense of commitment, if one set of persons who are not better qualified are allowed more than their due share of power and others who are no less loyal and no less qualified are denied their rightful opportunity and kept at a distance for whatever reason.

The Prime Minister should take some time off from the humdrum routine of her official chores and ponder over this extraordinary situation. She has to do some introspection to see for herself how these distortions have been allowed to creep into the system before anything else can be done to rekindle the old spirit. She cannot afford to let her detractors get away with the feeling that half way through her term she has already reached the stage of diminishing returns. The ruling party cannot regain its elan if money collection for whatever purpose remains the main preoccupation.

Easy Promise

Experience has shown that a party in power cannot cover up its inadequacies by simply adopting radical postures. It is not without significance that Mrs. Gandhi has stopped talking of socialism, since she has learnt the hard way the limitations of slogans. But some of her colleagues continue to cry wolf to conjure conspiracies to divert attention from their own imperfections. The easy promise has its place in the heat of a campaign, but once a party is in power it cannot afford to rely unduly on the slick trick to create an illusion of induced progress or blame others for one's own failures.

There is no such thing as an enduring majority in Parliament. The numbers may be there, but the members are tormented by gnawing doubts when the people's faith in the Government begins to sag creating a clash between power and purpose. And the country now is passing through one of these agonising moments, when the people feel they have a right to expect better standards of dedication and rectitude from those governing them.

CSO: 4220/7472

GANDHI, OPPOSITION STANCES ON NEW PRESIDENT TOLD

G, K. Reddy Report

Madras THE HINDU in English 4 Jun 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, June 3.

The Prime Minister, Mrs. Indira Gandhi, has agreed to meet the leaders of the Opposition parties to explore the possibilities of a consensus over the choice of a mutually acceptable candidate for election of the next President.

The meeting is expected to take place in the next two or three days to discuss the procedure for evolving a consensus — whether the principles that should be applied for selecting the candidate should be settled before discussing the names of persons who could evoke the confidence of both the ruling Congress (I) and the Opposition.

But there is little hope that they would be able to arrive at an understanding since the two sides seem to view the prospects for a consensus from diametrically opposite directions. The Prime Minister is quite suspicious of the plea for consensus because she considers it as no more than an insidious attempt to embarrass her, while the Opposition parties are no less apprehensive that she might outwit them in the end and impose her own nominee on the nation.

P.M.'s idea

The Prime Minister's idea is to start the process by selecting an eminent person who could fill this office with distinction and then try to build a consensus round this name to avoid a contest as far as possible. The Opposition parties, on the other hand, want to pin her down first to the principle of a consensus, before exchanging views on the suitability or acceptability of different persons and then narrowing down the choice step by step to a single name.

There is every likelihood of these initial moves getting bogged down into a stalemate, leaving the two sides free to break off the talks and put up their own candidates. The advocates of a consensus who are relying on the 1977 precedent do not realise that there is a qualitative difference between the two situations.

The then Prime Minister, Mr. Morarji Desai, was personally opposed to the candidature of Mr. N. Sanjiva Reddi, but the rest of the Janata leaders backed him with complete unanimity which left the Congress party with no alternative except to go along with the consensus idea to avoid further embarrassment to itself in the wake of its shattering defeat in the post-emergency parliamentary elections.

The present Prime Minister, Mrs. Indira Gandhi, who is in full command of her party with its decisive majority in the electoral college, is under no such compulsion either from within the Congress (I) or the opposition parties to agree to such a compromise.

If she cannot have her way in evolving the necessary consensus over the choice of her nominee, Mrs. Gandhi would rather call off the talks and go in for a contest than let the opposition have any important voice in the selection of the candidate. But at the same time she sees no harm in going through the motions of this effort if only to demonstrate that, despite her clear majority in the electoral college, she is prepared to engage in a dialogue with the opposition to avoid a contest and keep the office of President above controversy if possible.

The Prime Minister continues to draw a distinction between the politics of the presidential election and the appointment of the next Chief Election Commissioner which in her view falls within the executive jurisdiction of the Government. She sees no justification at all for the Opposition demand that not only Mr. Sanjiva Reddi's successor but also Mr. S. L. Shakdher's successor should be chosen by consensus in consultation with it.

The plea for extending the consensus principle from the choice of next President to the appointment of the Chief Election Commissioner has made her rather wary of the whole exercise. There have been some hints

from the Government side that one of the names under consideration was that of the Central Vigilance Commissioner, Mr. R. K. Trivedi, which cannot be legitimately objected to by the Opposition.

Our Special Correspondent reports:

The Congress (I) Parliamentary Board and Working Committee will meet here to approve the party's nominee for presidentship soon after a notification regarding the election is issued by the middle of this month. And in case, there is no agreement between the ruling party and the opposition on the choice of a candidate, the two bodies would work out plans for mobilising support for the party candidate in the electoral college.

The Election Commission is yet to finalise the time-table of the presidential election but polling, if necessary, will be held in the third week of July. The result will be formally known on July 22 but earlier if there is only one candidate.

Lok Dal Secretary General

Calcutta THE SUNDAY STATESMAN in English 6 Jun 82 p 1

[Text] NEW DELHI, June 5--The Opposition parties are against the idea of the next President being "only a Prime Ministerial nominee" and are waiting for a response from Mrs Gandhi to their letter to her suggesting that Mr Sanjiva Reddy's successor should also be chosen by consensus, as Mr Reddy was, Mr Madhu Limaye, Lok Dal general secretary, said today. The new President should not be a "dummy", he said, quoting from the remarks that Jawaharlal Nehru had made at the time of the framing of the Constitution.

Mr Limaye described as "fantastic" the theory that was being advanced by some, posing as the Prime Minister's advisers and supportesr, that the President to be elected must be the Prime Minister's nominee.

He said that "the founding fathers of the Constitution, including Jawaharlal Nehru never thought in terms of a party nominee for presidency--leave alone his being a Prime Ministerial nominee".

Mr Limaye in this connexion quoted from what Jawaharlal Nehru had stated in the Constituent Assembly when he spoke on the Article relating to the President and his powers. During the discussion, a suggestion was that since the President was not to be directly elected, he should be elected by Parliament. To this Nehru had stated that Parliament would probably be dominated by one party or group which would form the Ministry or Government and if that party or group elected the President as well, it would choose its own nominee. 'He would then be more a dummy than otherwise" Nehru had remarked.

Mr Limaye said that Nehru had commended the proposal of a larger electoral college, that included the State Assembly members as "the right method to choose a good man who will have authority and dignity in India and abroad"

He recalled that in 1952 Nehru wanted Mr C. Rajagopalachari as President, but his parliamentary party overruled him, and opted for Rajendra Prasad. Nehru

did not make it an issue of confidence and prestige. Again, in 1957, Nehru's preference was for Radhakrishnan, who was then Vice-President, but again he was overruled. Even then he did not turn it into a question of confidence in his leadership.

"Now, here we are suggesting a consensus President who would be acceptable by both the ruling party and the parties of the Opposition, and they have unanimously urged Mrs Gandhi to call a meeting and try to evolve an agreed candidate for the office, and there is no positive response as yet. This is most deplorable', Mr Limaye said.

CSO: 4220/7493

BHARATIYA JANATA NATIONAL COUNCIL HOLDS CONFERENCE

National Executive Meets

Bombay THE TIMES OF INDIA in English 4 Jun 82 p 1

[Text] SURAT, June 3--The national executive of the Bharatiya Janata Party has left it to the national council of the party to decide on the formulation of electoral and organisational strategy for future elections. The council begins a three-day conference here tomorrow.

The party general secretary, Mr. L.K. Advani's report on the performance of the BJP in the recent "mini-general elections" and a summary of the views expressed by members of the executive will be placed before the council to enable it to formulate future poll strategy. The BJP has set for itself a target of enrolling five million members by the end of July, and completing organisational elections, including election of the party president, by December 20.

No clear trends emerged in the deliberations of the executive, which concluded its two-day session here today, on poll adjustments with the Lok Dal and relations with the Janata Party. Members differed on the efficacy and utility of forming an alliance with the Lok Dal in Haryana. While some complained that the Janata deliberately put up a large number of candidates in Himachal Pradesh merely to thwart the BJP, others contended that the BJP had ruined the Janata's chances in the Mangrol assembly election in Gujarat by fielding its nominee.

Members of the executive disapproved of taking any action against Mr. Ram Jethmalani, whose statement regarding support to the front led by the Marxists had allegedly botched the party's prospects in Kerala. The general feeling was that Mr. Raman Pillai, an official of the Kerala unit, should not have rushed to the press with a charge against the senior leader.

In the Kerala election, the BJP drew a blank despite polling 2.8 per cent of the total votes cast.

The national council will discuss a resolution on ecology and environment. Its adoption may be timed for the World Environment Day.

There is little likelihood of economic and political situation resolutions being taken up separately. At least one senior leader is said to have expressed his inability to draft an economic resolution at short notice.

The BJP's stand on the choice of a nominee to succeed President Reddy would be decided by the national executive and the central election committee of the party, according to Dr. Murali Manohar Joshi, treasurer.

Khalistan Issue

In a resolution adopted earlier in the day, the national executive demanded the imposition of President's rule in Punjab, the removal of Mr. Zail Singh from the union home ministry and the publication of a white paper on the threat posed by the "Khalistan" movement and the sources of its strength.

Nothing short of these measures would restore the people's faith in the government's earnestness in fulfilling its obligations, it noted.

The demand that the United States and Canada should not allow their territories to serve as a haven for people indulging in violent activities aimed at undermining the territorial integrity of India and the Pakistan government's hospitality for hijackers figured in the deliberations but were not mentioned in the seven-page resolution.

The executive accused the Prime Minister, Mrs. Indira Gandhi, of nursing greater concern for her party's prospects than for the country's integrity. It claimed that when she held a dialogue with the Akalis, she merely tried to achieve a political understanding with them, but did not object to the "blatantly secessionist content" of the Anandpursahib resolution.

Vajpayee Opens Council Session

Bombay THE TIMES OF INDIA in English 5 Jun 82 pp 1, 9

[Text] SURAT, June 4 (PTI)--The president of the Bharatiya Janata party, Mr. Atal Bihari Vajpayee, today expressed his serious concern over a "sharp deterioration" in the internal situation on economic and political fronts, and asserted the party was committed to restoration of value-based politics.

Delivering the presidential address at the commencement of a three-day session of the national council of the party, Mr. Vajpayee expressed the apprehension that that Prime Minister Indira Gandhi might resort to some drastic steps in view of "reverse" suffered by the Congress (I) in the recent state assembly and by-elections.

It was likely, he said, that she might try to change the form of the government from the parliamentary to presidential system.

In the condition prevailing at present, the presidential system would would be only another name for dictatorship of one individual, the BJP chief said and called upon all democratic parties to strive unitedly to defeat such "designs".

In a prepared speech in Hindi, running into 30 cyclostyled pages, Mr Vajpayee reviewed the national and internal scene, expressed concern at what he described as a sharp deterioration in the internal situation on political as well as economic fronts in the past one year.

Mr. Vajpayee said that while the north-eastern region had been be-devilled for quite some time by the problem of insurgency, secessionist elements had raised their head now in the border state of Punjab also.

The recent clashes between the Hindus and Christians at Kanyakumari, rise in the incidence of violence between caste Hindus and Harijans, growing popular discontent in J and K manifesting itself in violent incidents in Ladakh and Kishtwar were all pointers of this deterioration in the situation that could be ignored only at the nation's peril, he said.

Roundly charging the Congress party with encouraging casteism and communalism all these three decades since independence for sake of vote-catching, the BJP chief said it would not be possible to consolidate Indian unity as long as the politics of appeasement was pursued and elections and administration were influenced by considerations of caste or creed instead of merits of the issues.

The administration in Punjab had become an object [illegible]icule because of its helplessness in dealing with criminals, who were [illegible]ng shelter in places of worhsip and the police was unable to do anything, he said.

He urged religious leaders to come forward and openly condemn the use of religious places as a shelter for criminals. He was sure it could not be the purpose or intent of any religion that such places should be so used.

Mr. Vajpayee said a successful fight against a mixing up of religion and politics, and against secessionist tendencies based on feelings of religious separatness, could not be waged by a government alone. A strong and vocal public opinion must be created which may counter the propaganda launched by the secessionist and anti-national elements.

Speaking on Assam issue, he demanded of the government to sort out the foreign nationals problem without any furthe delay specially because assembly elecotins there were round the corner. He said this problem, too, had arisen fromt he Congress party's unprincipled pursuit of power all these years.

Foreign Nationals Issue

"The Congress not only allowed but even encouraged ofreign nationals to come to Assam and get themselves enrolled as voters" he said. The talks with leaders of the Assam agitation should be renewed immediately. The issues already agreed to at the tripartite talks (be-between government, opposition leaders and Assam-agitation leaders) should be implemented).

Mr. Vajpayee said that on government's own admission, foreign nationals had now started infiltrating into West Bengal and Bihar also. He demanded stern measures to check this inflow or else Assam-like situation was bound to arise in these two states, too.

He described the continuing atrocities on Harijans and their social and economic exploitation as a blot on the nation, far more reprehensible than the colour discrimination in the Western countries.

He said the accused in the killings of Harijans at Sarhupur and Deoli in UP, Mesthara in Madhya Pradesh and Bellabira in Bihar were still moving about freely.

Mr. Vajpayee called upon the Indian youth to become a torch-bearer of the message of social equality, going from village to village and eradicating the curse of untouchability.

He also declared that the RJP worker at every level would be a soldier in the cause of social equality and would formulate and implement approrpiate action programmes aimed at securing a fair deal including a place as equals for these sections of the people. The BJP would make the necessary sacrifices, he asserted.

Mr. Vajpayee also appealed to the oppressed sections of the people, specially to the younger generation among them, not to resort to any steps which may have even more problematic consequences.

The recent attempts at mass conversation had left a great deal of rankle in its wake. From his 'padyatras' to Sarhupur and Deoli some months back, when he said the occasion to talk to both so called case Hindus and the Harijans, he was convinced that a large fund of goodwill still existed between them.

Election Performance Discussed

Bombay THE TIMES OF INDIA in English 5 Jun 82 p 9

[Text] SURAT, June 4 (UNI)--The rank and file of the Bharatiya Janata party today mounted pressure on its leadership to give up its "opportunistic" poll strategy of alliances in favour of the party's traditional line of "going it alone" in the elections.

Participating in the inconclusive discussion on the party's performance in the recent assembly elections as its national council meeting, which began its three day session here this morning, almost all the delegates who spoke criticised top party leaders for pursuing this line at the cost of its credibility vis-a-vis people.

Mr. Thakur Prasad Singh and Mr. Rudra Pratap Sarangi, MP, (both from Bihar) were the only excpetions They favoured a "fisxible policy" of allowing scope for loca aodjustments wherever necessary.

All others were critical of the alliance with the Lok Dal, which they said was responsible for the party's debacle in Haryana. "Our party chief A. B. Vajpayee sharing platform with notorious defectors like Mr. Charan Singh, Mr. Jagjivan Ram and Mr. Biju Patnaik is a mockery of the BJP's claim of pursuing value-based politics," an angry delegate remarked.

Haryana Performance

In a free and frank four-hour discussion, there was a general opinion that "Congress defectors like Mr. Charan Singh only caused erosion in the opposition's area of influence."

Former Haryana chief minister, Mr. Shanta Kumar, was among those who led the attack on the present strategy. The BJP had done well in his state only because its alliance with Mr. Charan Singh's party broke down at the last moment, he added.

Two Kerala delegates--Prof. K. R. Raghavan and Dr. D. N. Ramachandran--uphld the poll strategy, independent of the rival allionces in the state.

While Prof Raghavan blamed party vice president, Mr. Ram Jethmlani's pro-Marxist utterances for its debacle in Kerala, Mr. Ramachandran attributed it to the BJP's pro-land lord image in the state.

Dr. Arvind Lel (Maharashtra) was critical of the growing "personality" cult in the party. The BJP had begun to be identified as "Mr. Vajpayee's party", he said, adding that this "undemocratic trend" had to be resisted in the overall interest of the organisation.

What Dr. Lele particularly disliked was the "unbriddled populism" pursued by the leadership. Instead, the BJP should have a definite policies based on hard realities of the situation to enable it emerge as a much-talked about alternative to the Congress (I), he felt.

Party general secretary, Mr. L. K. Advani, initiated the discussion on the poll outcome and also presented before the council his report on the subject which too came in for criticism. Dr. Lele dismissed the document as "one sided".

The discussion, will be resumed tomorrow at the end of which the leadership proposes to introduce aformal resolution incorporating consensus on the issue.

The session began with the address of party president, Mr. A. B. Vajpayee, in which he warned against the emergence of dictatorial tendencies in the country. He pleaded for the unity of "democratic parties and elements" to meet the situation.

Party Resolution Reported

Bombay THE TIMES OF INDIA in English 7 Jun 82 pp 1, 9

[Text] SURAT, June 6--The Congress (I) government was allegedly steering the nation towards disaster and had surrendered to economic imperialism by letting foreign creditors dictate policy, the national council of the Bharatiya Janata Party said in a resolution today on the economic situation. The resolution was adopted unanimously.

A para incorporated at the instance of a dozen members, including the party chief, Mr. A. B. Vajpayee, who all felt there ought to have been some references to agriculture, advocated a proper amalgam of remunerative prices and input subsidies for narrowing down disparities between urban and rural sectors which were aggravated because of an unequal race between the prices of agriculture produce and industrial goods.

The resolution noted that poverty in the countryside resulted in a weak market which amounted to a low incentive for increase in industrial production. It said that, on the other hand, irrigation potential of four million hectares created at a cost of about Rs. 3,000 per hectare remained unutilised resulting in paradoxes like wheat imports alongside record production.

Dr. Bhai Mahavir, who had moved the resolution, announced the incorporation of amendments relating to the undermining of the concept of import substitution through concessions. But he took no notice of the criticism of the Maharashtra legislator, Mr. Anna Joshi, who took exception to one of the references to the textile strike in Bombay.

Mr. Joshi said the brief reference to the long duration of the strike and the inability of the managements to take delivery of machinery worth Rs. 35 crores were not in consonance with the fine record of the BJP legislators who outdid even leftists in the assembly in championing the cause of the 2.5 lakh affected workers.

Mr. Joshi wanted the party to voice a plea that issues like the choice of the people who should be invited for talks ought not to be linked with anyone's prestige.

Dr. Mahavir said the International Monetary Fund had stopped loan disbursements to 15 countries, including Rumania and Bangladesh, this year because of dissatisfaction with their policies. He warned the government of the IMF tendency to maintain a firm grip over domestic policies of borrowing nations.

The resolution alleged that devaluation of the rupee vis-a-vis dollar, which aggravated the burden of foreign loans, and relaxations to large houses and watering down of reservation for small units, were measures carried out at the behest of the creditors abroad.

Productivity Year

The resolution observed that though the government had declared observance of productivity year, public undertakings such as the railways and electricity boards had contributed to industrial recession among engineering units by cutting down their orders. And there were numerous other signs of disaster such as mounting of trade deficit which could even surpass the quantum of the IMF loan, increase in inflation at the rate of 30 per cent a year going by the index of 2.5 per cent for May and the growing signs of industrial sickness and labour unrest.

The resolution demanded free education for women at all levels, investigation of any girl's death under suspicious circumstances within two years of marriage, increase in the upper age limit for women entering government service from 25 years to 35 years and a ban on obscent posters.

The resolution entitled "blueprint for emancipation of women" noted that reprehensive instances like those of Maya Tyagi, Balvinder Kaur, Shanta Devi and Chhabilrani were being repeated frequently and said the law of the jungle seemed to prevail in Delhi where women enjoyed little security.

It also demanded the appointment of women doctors in rural areas, women officials for verifying complaints of rape, free functional education for all rural girls, special employment agencies and facilities for technical education as well as training in arts and crafts and mandatory creches.

Mr. Vajpayee said the Jammu and Kashmir chief minister, Shaikh Abdullah, might have complaints against the Prime Minister, Mrs. Indira Gandhi, but he should resist the temptation to seek a confrontation with the Centre.

Referring to the resettlement bill in the course of his valedictory address to the national council and in a chat with reporters, Mr. Vajpayee said the BJP would challenge the act in courts and also launch a mass movement to resist the legislation. He, however, hoped that the governor would not give his consent to the "mischievous piece of legislation."

The enactment would short circuit control of the Central government over immigration and so its constitutional validity was doubtful, he said. He wondered what would happen to the enactment if the Centre, which has to grant visas, refused to do so.

Decisions Explained, Closing Speech

Calcutta THE STATESMAN in English 7 Jun 82 p 1

[Text] SURAT, June 6--The president of the Bharatiya Janata Party, Mr Atal Bihari Vajpayee said here today that his party would strive to avoid a split in Opposition votes to ensure the defeat of the Congress (I) in future elections, report UNI and PTI.

Explaining his party's decisions, at the end of the three-day meeting of the BJP national council, Mr Vajpayee said the State units would have "electoral adjustments" with other non-Communist bodies to consolidate the party's objective.

He appealed to the Janata Party to abandon the "negative approach" it had adopted with regard to the BJP in the recent elections.

Mr Vajpayee also made it clear that he had no intention of seeking re-election as party president, on the expiry of his present term in Decmeber.

The party will meet for a plenary session in Madhya Pradesh at the end of December to elect a new president.

The BJP president directed the Party's Jammu and Kashmir unit to be ready to begin a "mass agitation" against the State's proposed Bill allowing citizenship to those who went over to Pakistan in 1947.

Mr Vajpayee hoped, however, that State Governor, Mr B. K. Nehru, would not give his assent to the legislation.

A party spokesman said that the date and nature of the proposed agitation in Jammu and Kashmir would be fixed later, in consultation with State leaders.

Kashmir Bill

Mr Vajpayee explained that opposition to the "Jammu and Kashmir Grant of Permit for Resettlement in or Permanent Return to the State Act, 1982" had nothing to do with Hindu communalism, as alleged by the State's Chief Minister Sheikh Abdullah. It was a question of national interest and security, he said, and demanded that the Sheikh 'change his ways" of trying to turn Ladakh and Jammu into Muslim majority areas.

He demanded to know, however, whether the Union Law Ministry had cleared the J and K Resettlement Bill before it was introduced in the State Assembly.

If it had, it was a very disturbing thing indeed, he said, because it was "a mischievous piece of legislation" which short-circuited the control of the Centre over the influx of aliens into India.

Nuclear Plans

The Prime Minister, he alleged, was "toying" with the idea of exploding another nuclear device, preparations for the device were already afoot, he added.

If India kept its options open to go nuclear, it would not be able to prevent other countries, especially Pakistan, from acquiring a deterrent. He criticized the Government for "dragging its feet" in initiating talks on the "no-war pact" offer made by Pakistan.

The council adopted a comprehensive resolution on emancipation of women through providing educational opportunities, economic self reliance, social security and legal protection.

The resolution, tabled by Mrs Jayvati Mehta and supported by Mrs Mridula Sinha (Bihar), expressed the party's grave concern at the growing instances of atrocities on women following deterioration in the law and order situation.

In his 35-minute closing address, Mr Vajpayee surveyed the danger spots emerging on the national scene, asked the party to prepare itself for the bigger role that the developing situation called for, and declared that for the BJP, politics was and would always be a sacred instrument for serving the best interests of the nation.

CSO: 4220/7494

GOVERNMENT SPOKESMAN WELCOMES MITTERAND PROPOSAL

Calcutta THE STATESMAN in English 7 Jun 82 pp 1, 9

[Text] NEW DELHI, June 6--India today asked for immediate resumption of global negotiations to bring about a new international economic order, which in India's opinion is the paramount need of the hour.

In a statement, the official spokesman of the External Affairs Ministry welcomed the plan for a new world order based on rapid spread of new technologies as enunciated by the French President, Mr Francois Mitterand, while addressing the world's seven major industrial nations in Versailles yesterday.

The Government of India said that the problems of societies in different parts of the globe were interlinked and must be viewed and resolved in their global perspective. The Group of 77 in the United Nations had recently made a significant proposal in this regard which should be considered, the statement said.

The spokesman noted that a new international information and communications order was of equal importance to mankind's future and "the French suggestion for a possible charter of communications merits respect and attention".

India had constantly supported in UNESCO and elsewhere all endeavours to bring about a new international information and communications order, the spokesman said in his statement.

President Mitterand had put forward several ideas and proposals of far-reaching consequence to the world as a whole. "Note with deep satisfaction his sensitive perception and his humanistic approach to the world community's economic and other problems", the statement said.

"Of special interest to us in India is the President's marked emphasis on the accelerated transfer of the latest technologies to developing countries for their industrialization, and for vastly enhanced production of energy and food", he said.

During Mrs Gandhi's visit to France last November, Mr Mitterand and the Prime Minister had decided to set up an Indo-French institute of higher scientific learning in India.

"We share President Mitterand's desire to ensure the fair distribution of the resources of the seabed among the nations of the world", the statement said and welcomed equally his proposal for the increased availability of the resources of multi-lateral agencies for the socio-economic, technological and industrial advancement of the countries of the South.

India expressed the hope that President Mitterand's call for cooperation among nations to halt the spread of economic isolationism and for guarantees that protectionism would not triumph "receive the most serious attention of industrially-advanced nations".

These unfortunate trends had disastrous effects on the major exports and economic activity of the developing countries, the statement said.

CSO: 4220/7496

REPORTAGE ON JANATA NATIONAL EXECUTIVE MEETING

Shekhar Remains Chief

New Delhi PATRIOT in English 9 Jun 82 p 7

[Text] The national executive of the Janata Party on Friday unanimously reaffirmed its confidence in party president Chandra Shekhar and urged him to continue to lead the party.

There was a chorus of 'No No' when Mr Chandra Shekhar told the party's supreme body that as its head he owned full responsibility for the Chandigarh convention fiasco and the party's poor showing in Himachal Pradesh and Haryana and said 'my resignation is before you'.

He said he would like the executive to select a person who could do better and build up the party in a more effective manner. As soon as he said 'I withdraw from this meeting so that the executive may discuss the matter', the members urged him not to do so.

There was no need to withdraw because no party leader had blamed him or said any adverse thing against him the members pleaded to him.

Former Prime Minister Moraji Desai speaking in the same vein said no single person could be blamed and every partymen was responsible for it. 'We fared badly because all of us have not functioned as well as we should have', Mr Desai said.

He deprecated the practice of some people airing their grievances in public instead of discussing them in closed-door meetings, 'We must speak with one voice', Mr Desai told his colleagues.

Mr Chandra Shekhar then agreed to stay on and informed the executive about the discussion he had early this week with Prime Minister Indira Gandhi on the general political situation in the country.

During the discussion on the elections, State party presidents Mrs Sushma Swaraj (Haryana), Mr Ranjit Singh (Himachal) Mr A Sreedhar (Kerala) and West Bengal vice president A K Dutta informed the executive about the situation on their respective areas.

Janata Party general secretary Ramakrishna Hegde, in his report on the party's poll performance, said the party lacked 'cohesive thinking and planning' he added.

Early Part of Session

Bombay THE TIMES OF INDIA in English 13 Jun 82 p 13

[Text] NEW DELHI, June 12--The Janata party wants opposition groups "to go ahead with the selection of a common candidate for the Presidential election.'

The party leadership is prompted to make this appeal by "clear indications" that the ruling party is not keen on an unanimous choice.

It has asked the party president, Mr. Chandra Shekhar, to contact other opposition parties on the subject.

The Janata national executive which began a two-day session yesterday adopted a resolution on these lines.

The early part of the proceedings was highlighted by the offer of Mr. Chandra Shekhar to resign as president, assuming personal responsibility for the party's debacle in the recent elections and the near-unanimity with which the executive persuaded him to stay in office.

The executive received powerful support from Mr. Moraji Desai who though that no single individual could be blamed for the electoral misfortunes of the party since "all of us have not functioned as we should have".

The executive heard a special report on the recent elections from one of the general secretaries, Mr. Ramakrishna Hegde. According to the report, the electors have punished every political party and the verdict" marks a new trend in the behaviour of the voters."

The report noted that it "has not provided a clear mandate except in West Bengal; it has repudiated the claim of charismatic leadership; it has punctured the ego of many political leaders."

Explaining the limitations of the party, the report said: "The Janata party is not a cadre-based like the CPM and the CPI and the BJP. Nor is it an individual-based party like the Congress (I) or the Lok Dal. It does not have the exclusive support of either certain castes or sections or regions as some other parties have. The party lacks in cohesive thinking and planning. It has not been able to mobilise resources and it has been a victim of inertia and a prisoner of inaction at various levels."

The report hoped "experience would set partymen to seriously think and devise ways and means of recovering the lost ground and image if they do not want to be reduced to a position of breathing for survival."

It went on "Eleections are due in four states early next year. In three out of these four states the Janata is the main opposition party. It can give a better fight to the Congress (I) in these states than what the BJP and the Lok Dal gave in Himachal and Haryana if strategies and programmes are worked out carefully in advance."

Pointing out that only 135 of the 441 candidates set up by the ruling party for the assembly seats at stake had won, the report held that the "severest loss" was suffered by that in spite of the unlimited resources at its disposal and Mrs. Gandhi's vigorous and painstaking campaigning."

More on Session, Resolutions

Calcutta THE SUNDAY STATESMAN in English 13 Jun 82 p 1

[Text] NEW DELHI, June 12--The Janata Party wants Opposition unity but will try to achieve it on the basis of "principles". This is expected to be reflected in its political resolution discussed by the National Executive today. The resolution will be released on Monday.

The discussion revolved around Mr Morarji Desai's feeling expressed today that "unprincipled unity is meaningless and if it is tried, it will not last".

Mr Desai said party unity and constructive work should be the main aims of the members. He also felt that mass agitations would not be of any use if confined to one-day fasts and said these should be on a continuous basis.

The political resolution may reflect Janata's view that the Congress (I) policies endangered the integrity of the country because they encouraged fissiparous elements.

At today's meeting of the two-day session of the National Executive, it was decided that a three-member committee would be approinted to formulate the party's approach and strategy to elections, particularly those due in the next few months.

A member of the executive will be put in charge of every State and he will submit monthly reports to the party president on the progress of efforts to organize the party.

Another committee will be formed by the president to recommend steps to identity issues affecting the people in various States so that the basis for mass action could be laid.

Various other ways were discussed to strengthen the organization of the party, including raising of funds by members of the National Executive.

UNI adds: The National Executive of the Janata Party today condemned the Israeli aggression on Lebanon and deplored that it was continuing even after the declaration of cease-fire.

While no resolution was formally passed, the party general secretary, Mr R. K. Hegde said the executive disapproved of this aggression as well as politics of individual terrorism as a means of solving international disputes.

Mr Hegde said the party wanted the United Nations to take urgent steps to restore normality in the region.

'HINDU' Correspondent's Report

Madras THE HINDU in English 15 Jun 82 p 9

[Text] NEW DELHI, June 14--The Janata Party's enthusiasm for Opposition unity has waned, although it remains committed to it as a concept. This is clear from the resolution on the political situation adopted by the party's National Council over the week-end and released today.

While reiterating the Ahmedabad decision on Opposition unity, the National Council said it "wishes to make it explicitly clear that the success of the unity efforts depends also on the response of other Opposition parties."

This clarification became necessary obviously because it did not see sufficient zest in other Opposition parties for unity. In particular, it felt humiliated by the way the Lok Dal leader, Mr. Devi Lal, backed out of the unity move after associating himself with it at the Chandigarh convention in April.

Division of opposition votes: The party, however, resolved to ensure that Opposition votes were not divided in elections. "On the electoral front," the resolution said, the party "will cooperate with the Opposition parties to ensure that the Congress (I) does not benefit from the division of voters opposed to it".

The results of the recent elections, the party said, reflected "an unmistakable verdict against the ruling party. They provide clear evidence of the widespread discontent in the country and severe disillusionment with the record of the ruling party."

"The Prime Minister and the Congress (I) made a massive effort to win an endorsement of their policies and a renewal of their mandate. They sought to advance the electoral interests of their party through gross and unabashed abuse of the resources and machinery of the Government, partisan use of the mass media under Government control, pressure on public servants, mobilisation of the support and intervention of anti-social elements, blandishments and massive use of money and muscle power to corrupt and intimidate the electorate.

"In its anxiety to hide its failures and the severe infighting and indiscipline in its own ranks, the ruling party launched a campaign of calumny against the Opposition, sometimes terming the Opposition as anti-national, sometimes suggesting that the Opposition is financed by foreign powers, based on a tissue of lies to deny the glorious record of achievements that stand to the credit of the Janata Government."

Threat to democracy: Recounting the Congress (I)'s performance in the Assembly elections and by-elections and its bid to form governments in Haryana and Himachal Pradesh with the help of defectors, the resolution said:

"The developments that have followed the elections have only given further evidence of the desire of the Congress (I) to cling to power, even by outmanoeuvring the electorate through defections and by the patently partisan abuse of the powers and prerogatives of the Governor and the Central Government.

"These abuses and improprieties and the cynical dependence on defections underline the danger that the ruling party's policies pose to the basic norms of democracy and federalism, and vindicate the charge that it is set on the path of authoritarianism."

CSO: 4220/7485

ADDITIONAL POWER GENERATION EXPECTED IN 1982-83

Calcutta THE SUNDAY STATESMAN in English 13 Jun 82 p 7

[Text] NEW DELHI, June 12--After examining the status of power generating projects, the Ministry of Energy expects an additional 3,482 MW to be available in 1982-83, from the thermal and hydel stations and another 235 MW from the first unit of the Kalpakkam nuclear power station, if heavy water is available.

This is expected in addition to the 2,175 MW that became available in 1981-82, nearly 1,000 MW short of the expected additional 3,212 MW, from thermal, hydel and nuclear stations during the year.

Of the additional capacity, expected to be commissioned this year, 552 MW is earmarked for the northern region, 1,590 MW for the western region, 695 MW for the southern region, 498 MW for the eastern region and 147 MW for the north-eastern region.

For the northern region, 232 MW of additional power is expected from hydel projects like the Pong unit, Jamuna, Mukerlan and Anandpur Sahib projects, and thermal from the Kota and Singrauli.

For the eastern region, additional generation is expected from Jalkhadi, Bandel, Titagarh, Barauni and Talcher.

This is subject to plans being implemented as scheduled, something that did not happen last year for various reasons. For instance, in West Bengal, the Bandel unit was delayed because of late completion of the boiler and the delay in the supply of inputs needed by the project authorities.

Similar delay was noted in the Wanakburi project in Gujarat, and the Namrup waste-heat plant, in Assam. In hydel generation, the projects that suffered on account of delay in the supply of equipment were Nagarjanasagar, Srisailam and Donkarayi while the Lakwa gas turbine project, in Assam, either received damaged parts from the suppliers, or did not recieve them at all. The Kalpakkam nuclear power station, in Tamil Nadu, faced heavy water shortages and this difficulty still remains.

To remove the bottlenecks, the Ministry of Energy has improved the monitoring of the projects. Construction monitoring directorates have been set up in the

Central Electricity Authority, which regularly holds coordination and review meetings with the project authorities, equipment suppliers and manufacturers and construction agencies.

A close watch is being kept on all constraints for corrective action by the CEA officers, who are being asked to visit the project sites for inspection of the work. It is hoped that the slippages of last year will not recur this year.

CSO: 4220/7486

TEAM STUDIES IMPACT OF PERSONAL INCOME TAX

Bombay THE TIMES OF INDIA in English 5 Jun 82 p 5

[Text]

AN expert study on the impact of the personal income-tax says that inflation has increased the tax burden all along the line, more especially at the lower-income levels.

Secondly, an analysis of data shows that there has been large-scale tax evasion and avoidance, inasmuch as the total of assessed income has not kept pace with the growth of net national products. Whatever the growth in assessed income is more due to the increase in the number of assessees, again as a result of inflation.

The evidence of evasion and avoidance is found in the fact that the expected faster increase from business in relation to other incomes in the upper-income brackets during periods of inflation, did not materialise. The elasticity of the personal income-tax would be stable and, at the same time, higher if the scope of tax evasion and tax avoidance is greatly reduced, the study adds.

The study was undertaken by economists Anupam Gupta and Pawan Aggarwal and has just been published by the National Institute of Public Finance and Policy (NIPFP). It is the first of its kind in India insofar as it makes an attempt to examine empirically how personal income-tax affects the distribution of income and spreads the tax burden, according to the NIPFP.

DEFICIENCIES NOTED

The project to measure the impact of income-tax, its elasticity, distribution and progressivity was based on all-India income-tax revenue statistics for the period 1960-61 to 1975-76. The study points out "deficiencies" in tax statistics, now compiled by the directorate of inspection (research, statistics and publication), income-tax department, and makes recommendations for improvement in their collection and presentation.

Giving examples of effective rates of tax at comparable real income levels both under the 1960-61 tax structure and the effective rates in 1969-70 and 1974-75, the study says the combined effect of inflation and increases in the marginal rates of tax resulted in substantial increases in the effective rates of tax (tax burden) at comparable real income levels between 1961-62 and 1974-75.

The analysis of data reveals that inflation increased the incidence of income-tax mainly at the lower-income levels. "Due to inflation not only more persons and institutions with lower real incomes than the exempt real income in the base year are brought under the tax, but also the assessees in the lower-and middle-income brackets are subjected to proportionately higher increases in the effective rates of tax than those in the upper-income brackets."

The NIPFP has also made a quick estimation of the income levels at 1972-73 prices and the effective tax rate for both salary and non-salary earners under the tax structures for 1973-74 and 1983-84 (assessment years). This shows that between 1973-74 and 1983-84 the effective tax rate for salary earners has gone up by more than 100 per cent for the income slabs ranging up to Rs. 20,000 and Rs. 30,000. It is only in the case of income slabs above Rs. 1 lakh and up to Rs. 10 lakhs, there is a decrease in the effective tax rate as between the two periods. For non-salary earners the comparative rate of increase is generally more favourable.

The study says the relative importance of the personal income-tax as a source of revenue has gradually diminished over the years. To a large extent, this has happened because of the extension and multiplication of indirect taxes. Although the average annual rate of increase of personal income-tax revenue was as high as 14.1 per cent over the period 1960-61 to 1975-76, its share in the total tax revenue of the Union government had decreased from 18.4 per cent in 1960-61 to 16.0 per cent in 1975-76.

The size of the total gross income of income-tax assessees increased from Rs. 1,024 crores in 1961-62 to Rs. 3,439 crores in 1976-77, indicating an average annual rate of increase of 8.4 per cent. The total number of assessees under the personal income-tax

increased from 1.04 million in 1960-62 to 2.15 million in 1976-77. In 1971 the total number of assessees constituted slightly more than one per cent of the total working population, and less than four per cent of the working population in the non-agricultural sector.

IMPACT OF DEDUCTION

Personal income-tax assessees comprise individuals, Hindu undivided families and unregistered firms or other associations of persons. Individuals account for more than 90 per cent of the total assessments under the tax. Their share in total assessed income increased from 8 per cent in 1953-54 to 92 per cent in 1975-76. The share of Hindu undivided families decreased from 11 per cent to six per cent and that of unregistered firms and other associations of persons decreased from five per cent to two per cent during the same period.

As of 1976-77, individual assessees, who accounted for 92 per cent of the assessed income, paid 87 per cent of the personal income-tax assessed. The personal income-tax is, therefore, largely a tax on individual assessees.

The salary income had risen from 32 per cent of total gross income in 1960-61 to more than 44 per cent in 1974-75. This significant rise in the share of salary income is attributed to the phenomenal increase in the number of assessees with salary income between 1971-72 and 1974-75. These assessees constituted 54 per cent of the total number of assessees in 1974-75.

Subsequently, with the introduction of standard deduction, the share of salary income dropped in 1975-76 but again rose to 41.2 per cent in 1976-77. Salaries constituted more than half of the gross income of the lower 70 to 80 per cent of individual assessees.

On the other hand, the share of business and professions and "other sources" in total gross income, which accounted for more than 60 per cent of gross income in the top ten per cent of individuals in any assessment year, decreased from 60.2 per cent in 1959-60 to 58.1 per cent in 1975-76. The share of these two sources further decreased to 54.6 per cent in 1976-77.

The study, however, points out that changes in the distribution of gross income of the assessees do not provide any idea about changes in the distribution of income as such because with inflation new assessees come under taxation and, with an upward revision of the exemption limit, a certain number of people go out of the tax-paying group.

While deductions should normally benefit assessees at the lower levels of income groups more than upper levels, the empirical exercises carried out by the economists show that all along, the deductions were largely neutral with respect to the distribution of income.

INCOME IN ASSESSEE

The study says that contrary to general expectation, the share of salary income increased particularly during the period of high inflation. If this is taken to indicate an increase in tax avoidance and tax evasion during inflation by non-salary earners, the appropriate policy measure, for increasing the elasticity would be the plugging of loopholes in the tax administration rather than a change in the degree of progressivity.

As a result of inflation raising the income level in nominal terms, the assessees are shifted to higher rates of tax. The incomes of a large number of income earners cross the exemption limit and become taxable, leading to an increase in the total number of assessees.

An analysis of change in finance acts since 1961 show that the upward revisions of the exemption limit and the deductions did not fully neutralise the effect of inflation on taxable income. A significant proportion of the total number of assessees came under the tax as a result of inflation.

Since there is an upper limit to the marginal rate of tax, incomes in the uppermost slab cannot become subject to further higher rates of tax owing to inflation, only incomes in the lower tax brackets move up to higher brackets and come under higher tax rates.

"Inflation thus increases the incidence of tax on the existing assessees in the lower income ranges, and the income range immediately above the exemption limit is filled up by new assessees. The distribution of tax liability may not be affected as a result. The progressivity in the tax structure depends upon the distribution of tax liability among the whole set of taxable income ranges extending from the lowermost to the uppermost ones. As such, the estimate of progressivity is not essentially affected by inflation."

The study does not take a definite view on whether inflation indexing should be introduced because of its "limitations," including its reduction of the stabilising effect of the income-tax structure. There is also the argument that in a country in which one per cent of the total working population pay income-tax, the exemption limit should not be raised any further, the study points out.

CSO: 4220/7468

WORLD BANK TO AID RURAL ELECTRIFICATION

Bombay THE TIMES OF INDIA in English 4 Jun 82 p 9

[Text]

NEW DELHI, June 3: The World Bank has agreed to lend $ 304.5 million to India for rural electrification facilities. The loan is for 20 years, including five years grace, at 11.6 per cent interest per annum. This also carries an annual commitment charge of 0.75 per cent on undisbursed balances, and includes a front-end fee of 1.5 per cent on the amount of the loan.

About 500,000 households and 100,000 commercial consumers are to benefit from the project. The widespread improvements will enable 25,000 small industrial enterprises to be connected to the distribution network and 18,000 villages to have access to the grid. Over half a million irrigation pumps will be electrified, greatly easing irrigation procedures for farmers.

Implementation of the project will be the responsibility of the state electricity boards under the direction of the rural electrification corporation. The state boards will present proposals for new power distribution schemes to the corporation for appraisal of technical, financial, and economic aspects.

Equipment and materials for some 2,500 rural electrification schemes, which meet eligibility criteria, will be financed under the project. About 100 distribution system improvement schemes will also be assisted.

The project, which is part of the country's latest five-year development plan for the power sector, is the third rural electrification project to be assisted by the bank. Funding of $ 175 million for the second part of the project was approved in 1979.

CSO: 4220/7467

INSURGENT FORCES REPORTEDLY SUFFER SETBACK

Calcutta THE STATESMAN in English 5 Jun 82 p 9

[Article by S. Guru Dev]

[Text]

IMPHAL, June 4.—The Meitel insurgents have suffered setbacks, particularly with the capture of Bisheswar at Tekcham on July 6 last year and the death of Kunjbihari on April 13 this year. The PLA dead at Tekcham included four of the original 16 trained at Lhasa, namely K. Biramangal Singh, L. Inderjit Singh, Kabichandra Singh, A. Rajen Macha Singh, and three others.

The Kodompokpi operation in which 13 top insurgents, including Kunjbihari, were either killed, wounded or captured, was, in some respect, a greater disaster. The last of the Mohicans or Lhasa-trained is Temba who, according to some sources, was killed by the Burmese forces across the international border. And that leaves Manikanta alias Laiba and a few other claimants to the leadership. Maniktanta apperently is not cast in the ascetic mould like the "Lhasa" group and the original "Ojhas" or gurus who abstained from liquor and tobacco and led a celibate life (Bisheswar, however, was married). But in the shadowy world of the guerrilla, truth and fiction are relative; the moment of realization is often bitter and tragic.

A CRISIS OF LEADERSHIP

The PLA and the others like PREPAK are facing a crisis of leadership, morale and ideological which, even in Bisheswar's time was not properly digested. The PLA texts like Bisheswar's "Dawn" series emphasized the teachings of the supreme mentor, Mao, and guerrilla tactics, stressing the need to operate in small mobile packs and attrition. The rebels rarely stayed at a place or village for more than two nights. The Lhasa mentors evidently gave them no weapons but instilled in them a revolutionary zeal and self-reliance. Hence the rash of hold-ups and attacks on police and paramilitary outposts to get at their weapons. The insurgents became more daring with success, eliminating informers ruthlessly; their charisma grew.

At present the PLA's strength is estimated at 40 to 60 hardcore, including the Ojhas and active members of the various units (of which there are 18) and 400 to 500 active sympathizers. Insurgency rests on the people's support, covert or overt, and a sure indication of "losing grip" would stem from the insurgent ability to attract more recruits despite heavy losses in men and material. Fortunately, that is not so.

In fact, Bisheswar's capture led to in-fighting, or when there is conclusive evidence. The late Kunjbihari took over since there were no other leaders capable of the task. Intelligence monitored reports about splinter groups challeging the leadership and discontent in the ranks.

PREPAK went through a murderous phase, largely factional, after Tulachandra's capture. The blood feuds and killings brought counter-insurgency to Imphal and Greater Imphal, jeopardizing the PLA's survival.

The guerrilla has still the choice of terrain and surprise—two elements that were exploited when 21 jawans were ambushed and killed at Namtilok on the Ukhrul road, 25 km from Imphal, by Muivah's NSCN hostiles. Not since the killing of 23 CRP men by Kukis in Tamenglong in the mid-sixties has there been such a carnage.

It is not uncommon for critics to be wiser after the tragedy. A rumour in Civvy Street is that the army authorities were told about new faces having been seen in the surrounding villages a day or two

before the ambush. Such intelligence is too ambiguous to help tactical development. A pity nevertheless since interrogation of the villagers established that the ambushers, largely Tanghuls had filtered into the villages in batches and had even dug trenches to site their LMGs. The fall-out, including allegations of the jawans having raped two tribal girls travelling by bus to Ukhrul and other crimes need to be verified. Such allegations not only besmirch the security forces but encourage young men to join the underground.

A young doctor at Litan on the Imphal-Ukhrul road told me that no cases of rape had been brought to him.

FRATERNIZATION

In Manipur, fraternization has been carried a stage further as a part of psychological warfare or "psy ops" in army jargon. Take for example the concept of satisfying the "felt needs" of the people. This aims at identifying the "critical" needs in terms of essential supplies, medical cover, construction work etc., and to ensure prompt response within certain constraints. Involving the locals and their institutions is another.

Civic action is channelized through pradhans, elected members Nupi (women) leaders and youth organizations to increase their credibility and win them over. The insurgents are particularly allergic to this scheme. The "person-to-person" contact is to break down what is described as the Meitei-Mayang (outsider) syndrome.

The message that is put across is that "we are a part of you, working to re-establish peace and security". This approach has paid dividends which goes to show that sincerity is nobody's monopoly.

A major component of the package is self-help. The army provides the hardware like transport, bull-dozers or expertise technical and organizational, but the labour, skilled or unskilled, is local. Organizing village self-defence groups is a pioneering venture but different to the VG (village guards) or VVF (Village Volunteer Force) in concept.

Counter-insurgency, as the Brigadier puts it, is a constant battle to win the hearts and minds of the people and deny the insurgents active local support. It goes without saying that propagandas is an integral part of "psy ops". The PLA is adept at it but the authorities and the security forces are learning fast. The murder of a Meitei girl, Sarojbala Devi, on March 6 this year after she had been kidnapped and tortured by a PLA group seemed tailor made for propaganda. But the PLA headquarters hit the city first in the pamphlet war, making it known that the killer was "executed" for anti-party activities and tarnishing the image of the PLA which, observers, say is a scrupulous respecter of women.

The average Meitei or the man in the street has his own contribution is this business of psychological warfare. He understands neither Hindi nor English; even "sign language" is a casualty. As a wag remarked, visitors to Imphal will have to be provided interpreters but what will happen if the interpreter has a bout of amnesia.

Coming back to insurgency, a radical Meitei writer and intellect poses the questions which the PLA will have to ponder urgently if the Red Star is to twinkle over Manipur. He says: That the death or incapacitation of the original nucleus will be sorely felt by the PLA is an understatement. While a casualty rate of 45 in four years is not exactly on the high side no liberation movement in recent history has had the misfortune of losing 19 of its top-ranking leaders material in four years. Can the PLA absorb such losses. One agrees readily with the writer when he says that there is no dearth of idealistic or misguided (depends upon which side of the fence one is) young Meiteis ready to fill the breach.

Unlike the Naga and Mizo insurgencies, the Meitei has had to depend increasingly on urban and semi-urban pockets for shelter. There are no trans-border shelters for him unless he weighs in with the NSCN or the MNF. Bisheswar had his reservations about such links. There are indications, however, that the new PREPAK or what is left of the old one may welcome a working relationship with the other ethnic rebels. The crux of the problem is that both PLA and PREPAK now confined to the second rung for leadership, has to recoup physicaly, revitalize their spirit or morale and dramatize their presence with a punch against an army conversant with the terrain and psychologically equipped.

The security forces, moreover, have no illusions about the movement. The PLA, they know, is not defunct. The present dormant phase may not last long—it could be a breather before the insurgents strike, abetted by monsoon conditions, when the authority is overconfident and inclined to rest on its oars. The PLA has the will and the capability to carry on terrorist acts.

CSO: 4220/7469

DISTRIBUTION OF INDIANS ABROAD REPORTED

Calcutta THE STATESMAN in English 14 Jun 82 p 9

[Text] NEW DELHI, June 13--According to the last count of Indians abroad, made in the middle of 1980, the largest concentration of persons of Indian origin is to be found as much in the neighbouring countries such as Nepal, Burma, Sri Lanka, Malaysia and Singapore, as in far-flung ones like the U.K., the USA, Canada, Guyana, Trinidad and Tobago, Surinam, Mauritius and Fiji.

Nepal, however, leads the list with 3,800,000 people of Indian origin. Of these, about 388,000 have accepted Nepalese citizenship.

In all these countries except Burma there is similar absorption of a sizeable number of Indians as citizens.

The following are the figures of residents of Indian origin and of those who have taken local citizenship, relating to 12 countries with a substantial number of Indians:

Sri Lanka 1,350,000 (of whom 433 000 have become its nationals), Malaysia 1,208,500 (1,009,500), Mauritius 623,500 (612,500), the U.K. 500,000 (250,000), Guyana 424,400 (424,100), Trinidad and Tobago 421,000 (420,000), Burma over 300,000 (7,200), Fiji 300,697 (300,650), the USA 300,000 (35,000), Canada 175,000 (95,000), Singapore 159,500 (122,000), and Surinam 124,900 (124,750).

Among other neighbouring countries, Bhutan has an Indian population of 40,000. Only 20 of them have acquired its citizenship.

Some others: Afghanistan 30,000 (25,000 of them nationals) Bangladesh 450, Seychelles 500 (350), and Indonesia 20,000 (5,000).

As regards Pakistan, no figures are available.

Russia has 750 people of Indian origin, just two of them are its citizens. Australia 18,599 (15,985), New Zealand 10 000 (9,200), China 8, Hong Kong 12,600 (14,000) and Japan 1,858 (110).

The figures for African countries (with the number of citizens in brackets) are:

Algeria 1,500 (40), Botswana 820 (500), Burundi 120 Cameroun 150, Central African Republic 40, Chad 6, Congo 25, Egypt 600 (1), Ethiopia 2,350 (450), Gabon 20 (15), Gambia 78 (10), Ghana 1,250 (44), Guinea 7, Ivory Coast 15, Kenya 79,000 (72,500), Lesotho 1,020 (800), Liberia 1,000, Llbya 10,000, Madagascar 20,000 (15,500), Malawi 4,900 (3,640), Mali 10, Morocco 500 (125), Mozambique 22,043 (21,792), Nigeria 15,000 (3), Rwanda 58, Senegal 80 (50) Sierra Leone 612 (12), Somalia 1,072 (172), Sudan 1,800 (98), Swaziland 41 (12), Tanzania 59,000 (55,000), Togo 75, Tunisia 25, Uganda 430 (300), Upper Volta 15; Zaire 700 (200), Zambia 22,600 (9,000) and Zimbabwe (293).

The distribution of persons of Indian origin in West Asia, the Gulf countries and Turkey is:

Bahrain 40,000 (200), Iran 20,800 (920), Iraq 20,250 (10,000), Jordan 3,515, Kuwait 65,000 (100), Lebanon 600 (7), Oman 60,000 (5), Qatar 30,000 (125), Saudi Arabia 120,00 (2,000). Syria 203, Turkey 10, United Arab Emirates 152,000 (2.000), Yemen Arab Republic 3.500 (300), Yemen People's Democratic Republic 100,000 (99,500).

In east, south and south-east Asia (other than the countries already mentioned), the Indian population is: South Korea 104 (18), Laos 60, Vietnam 200, and Philippines 3,000 (500).

In Europe, the distribution of Indians is: Austria 80 (23), Belgium 400 (5), Czechoslovakia 11 (11), Denmark 637 (65), Finland 100 (20), France 500 (6), West Germany 13,082 (1,521), East Germany 100, Greece 300, Hungary 2, Iceland 6 (6), Ireland 6 (6), Italy 900, the Netherlands 101,500 (100,000), Norway 1,450 (75), Poland 49, Portugal 6,000 (5,939), Spain 4,000 (37), Sweden 1,899 (1,172) Switzerland 2,434 (449) and Yugoslavia 50.

Indians, according to the report prepared by the Consular Division of the External Affairs Ministry, are to be found in every part of the world, including the islands in the Caribbean and those in the South Pacific. In Grenada for instance, there are 3,900-3,700 of them citizens of that land. In Jamaica 50,318 (50,000). In tiny Nauru in the South Pacific there are 40 Indians.

CSO: 4220/7489

PRO-AUTONOMY KASHMIR LEADERS FILE PETITION

New Delhi PATRIOT in English 13 Jun 82 pp 1, 7

[Text] SRINAGAR, June 12--Two leaders of the pro-autonomy Kashmir Peoples Conference have filed a joint writ petition in Jammu and Kashmir High Court seeking expeditious consent of the State Governor to controversial Resettlement Bill and also annulment of constitutional provision under which offices of 'Sadar-i-Riyasat' and 'Prime Minister' (of Jammu and Kashmir) were abolished and replaced by existing institutions of Governor and Chief Minister 17 years ago.

Chairman of the Peoples Conference Abdul Ghani Lone, MLA and Vice-Chairman Muzaffar Husain Beg have filed the petition yesterday under Article 226 of Constitution of India read with Section 103 of Constitution of Jammu and Kashmir.

Petitioners have sought a writ of mandamus directing Governor B K Nehru to 'deal with Resettlement Bill' in accordance with provisions of State constitution'. It also sought a writ of certiorari quashing sixth amendment to State constitution' for restoration of nomenclature and powers of 'Sadar-i-Riyasat' on ground that existing proviso was violative of constitutional guarantee regarding special status of Jammu and Kashmir.

Besides Governor Nehru, respondents cited in the petition are President of India, Prime Minister Indira Gandhi, State Chief Minister Sheikh Abdullah and the State Government.

The petition alleged that the Governor had acted 'with extraneous consideration including political motivation' in dealing with the bill. It contended that Governor's action in referring the bill to Attorney General of India for his legal opinion as also 'questioning its political desirability with the Central Government' by consulting Prime Minister and other Central leaders in this connection was inconsistent with and violative of provisions of the State constitution. Petition argued that all these persons and institutions were 'exterior to State constitution' in this matter.

Petitioners have prayed for court direction to Prime Minister and President 'to allow Governor Nehru to procede in dealing with resettlement bill in accordance with the State constitution and to refrain from exerting any pressure on him.'

They have also sought another court direction to Chief Minister 'to move for enactment through legislature the Jammu and Kashmir constitution (Amendment) Act' moved by Abdul Ghani Lone in the State Assembly and rejected by House seeking to rescind sixth amendment to the State constitution the petition alleged that Governor Nehru had 'violated his oath of office to defend and protect the constituiton of the State.'

It asserted that the Governor was not empowered to refer the Resettlement Bill to 'authorities exterior to State Constitution or to seek their consultation prior to fulfilling his own constitutional obligation to give consent to legislation in terms of State constitution under which he had no other option.'

CSO: 4220/7488

RADIO SPYING BY FOREIGN MISSIONS IN DELHI REPORTED

New Delhi PATRIOT in English 8 Jun 82 p 1

[Text] There is a merry game of "I spy" going on in the ether waves between intelligence agencies and the foreign missions in the Capital.

And the sleuths are sore that the diplomats are not sticking to the rules of the game.

Almost all embassies and high commissions in the Capital have high powered transmitters--as also recievers--for communicating with their respective Capitals. As part of the international protocol on the subject, each one of them has been allocated a specific frequency on the radio spectrum for the purpose.

For many years now, Indian intelligence agencies who routinely monitor these broadcasts have discovered that the foreign missions are not sticking to the frequency allocated to them, but are transmitting their messages on various other frequencies.

Monitoring agencies keeping watch on this have discovered that the missions frequently change the clandestine frequencies to prevent the messages from being understood either by the host country or by other missions.

Considerable sophistication has been reached in this game by all the parties concerned. Some of the technologically advanced countries use computerised coding systems as also electronic codification of the 'message' which after coding can be beamed in a super fast 'pulse' instead of the normal voice or morse-code transmissions. The 'pulse' instead of the normal voice or morse-code tranmissions. The 'pulse' can be recorded only by the receiving country and deciphered.

Experts rate the Indian surveillance to be of a very high order. The maintenance of the equipment as well as the training of the personnel is said to be the main reason for the Indian excellence.

While a random check is kept on all the frequencies allotted for diplomatic transmissions, a special check is made on countries in which India has a strategic interest, including the neighbouring countries. So good had the Indian systems become that during the 1971 incidents, complete tapes were available of the then Pakistani president Yahya Khan's talks with his officials and army commanders in the erstwhile East Pakistan.

CSO: 4220/7475

NEW HARYANA COUNCIL OF MINISTERS SWORN IN

New Delhi PATRIOT in English 8 Jun 82 pp 1, 8

[Text] CHANDIGARH, June 7--The 21-member Haryana Council of Ministers was expanded today with the inclusion of Mr Surinder Singh, son of former Defence Minister Bansi Lal. He was later allocated the Agriculture and Wild Life portfolios.

Immediately after the administration of oath by Governor G D Tapase, his numerous supporters including Mr S K Bhola who was expelled by the HPCC-I for six years some time back congratulated him.

Atmosphere at the swearing-in was surcharged. Among those present at the swearing-in besides numerous Bansi Lal supporters and Ministers from both Haryana and Punjab were Mrs Bansi Lal and Mrs Surinder Singh. Mr Bansi Lal, did not attend the function.

Chief Minister Bhajan Lal announced a minor reshuftle of portfolios to adjust Mr Surinder Singh. Mr Birender Singh who headed Agriculture was shifted to Cooperatives and Dairy Development, presently held by Mr Harpal Singh. Mr Harpal Singh will now have Rural Planning Urban Estates, Colonisation and Animal Husbandry. The first three portfolios were earlier held by Mr Bhajan Lal himself.

The Bhajan Lal Ministry has 13 Cabinet Ministers and eight Ministers of State besides the Chief Minister.

Later talking to newsmen, Mr Bhajan Lal said there were no differences between him and Mr Bansi Lal. The party was united, he added.

Mr Bhajan Lal claimed that there were over 50 MLAs on his side and he would prove his majority on the floor of the House.

Mr Bhajan Lal said he had received complaints from the relatives of three Lok Dal legislators that they (legislators) were being kept as captives by Lok Dal leader Devi Lal.

He said the Government was deliberately not taking any action on the complaints and was appealing to the Lok Dal leadership to free the legislators.

The crucial Assembly session is likely to be summoned on 28 June.

A hint to this effect was given by the Chief Minister himself.

Asked whether any date had been fixed for the Assembly session, Mr Bhajan Lal said since 10 days' notice was required so even if a notice was given on 18 June, the session could be held only on 28 June. Asked whether, he was spelling out the date, the Chief Minister said: 'you may say so.'

CSO: 4220/7475

REVISION OF PUBLIC SECTOR PLAN SEEN INEVITABLE

Madras THE HINDU in English 7 Jun 82 p 9

[Text] NEW DELHI, June 6--An upward revision of the public sector outlay for the 1980 85 Sixth Plan from the projected level of Rs. 97,500 crores is considered inevitable by the Planning Commission for fulfilling the physical targets of the plan corresponding to this financial outlay based on the 1979-80 price level.

The Commission which has initiated exercises for completing a mid-term review of the Sixth Plan in the next two months is currently scrutinsing the reports received from the several field agencies implementing the Plan programmes. The reports indicate that substantial cost escalations have taken place and unless the financial allocations are substantially revised upwards, it will not be possible to achieve the projected physical targets.

Slippages

The Commission has also received reports that there have also been slippages in the implementation of the plan programmes during the last two years of the Plan in some of the sectors.

The Commission is firmly committed to the implementation of the physical targets projected for the Sixth Plan. Right now there is no indication of the step-up in the financial outlay which will be required to ensure that the plan targets in real terms are achieved. It will however, be difficult to avoid a minimum 10 per cent increase in the outlay.

The Commission is distressed by the poor performance of the State Governments in the mobilisation of additional resources for the financing of the plan outlays. There have, however, been exceptions like Tamil Nadu whose record in resources mobilisation during the last two years of the plan has been received with a great deal of satisfaction by the Commission.

The Commission hopes that Tamil Nadu will maintain this pace though it is rather perturbed by some recent trends, as for instance, the ambitious mid-day meals scheme. The Commission is not at all sure that Tamil Nadu would be able to mobilise enough resources to finance this scheme estimated at Rs. 100 crores and also fulfil the other Plan targets.

The mid-Plan review will take stock on the progress achieved during 1980-81 and 1981-82 and also the prospect for fulfilling the targets set for 1982-83. While stepping up the public sector plan outlays, it will be necessary to redraw some of the priorities. The redrawn priorities will provide for a big step-up in the outlay for oil exploration and production from the level of Rs. 3000 crores though it is very doubtful whether it will be able to meet in a full measure the demands from the Oil and Natural Gas Commission.

The Commission does not believe that the country is going to reap any advantage worth mentioning from the softening of the international oil situation resulting from surplus availability. Since India is buying oil mostly under contractual arrangements and not in the spot markets, it will have to pay the contracted official prices. The only favourable factor here is that the prices will not rise for the time being. This situation hardly minimises the rigours of the task of producing more oil within the country.

Rlys' Plea

The Commission also seems to have been persuaded by the pleas of the Railway Ministry for the allocation of additional funds for meeting the huge demands for more rolling stock and the strengthening of track.

The Commission expects that the substantial assistance by way of balance of payments support from the International Monetary fund to the tune of Rs. 5,000 crores could be fully drawn by November 1984. It does not see any difficulties about the country being able to raise short-term commercial loans from the international capital markets.

The present strains on the capital markets arising from the changed oil situation and the decline in petro-dollar inflows are not expected to affect the availability of funds for India since its borrowing is on a much too smaller scale than several other developing countries. Nevertheless, the Commission is not in favour of India making a big draft on the international markets since this will raise the external debt burden on the country steeply.

CSO: 4220/7474

G. K. REDDY: U.S. NEGLECT OF INDIA MAY BE OVER

Madras THE HINDU in English 7 Jun 82 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, June 6. After finalisation of the dates for her U.S. visit, the U.S. President, Mr. Reagan, has written a very warm letter to the Prime Minister, Mrs. Indira Gandhi, saying that he was keenly looking forward to their talks in Washington.

The amiable and solicitous tone of the letter is being interpreted as a reflection of the new American inclination to pay a little more attention to India's sensitivities, despite the persisting differences between the two countries over many issues.

The latest letter from Mr. Reagan is in the nature of a reply to Mrs. Gandhi's recent communication confirming the dates of her Washington visit in response to his earlier invitation.

But these personal communications, which form part of an on-going correspondence between the two heads of Government, are intended to set the right tone for their forthcoming discussions.

As India sees it, the period of benign neglect in the U.S. attitude towards this country is now over and the Reagan administration is no longer giving the impression of ignoring it.

Impact on U.S. Thinking

The way the more important West European nations like Britain, France and West Germany, not to speak of Austria, Italy, the Benelux and Nordic States, have been making a concerted attempt to establish closer links with India, has evidently made some impact on U.S. thinking on South Asian developments.

There can be no worthwhile Indo-American dialogue without some candid exchanges on their respective approaches to problems of peace and stability in South Asia. This will inevitably bring in the question of Indo-Pak relations. But neither Mrs. Gandhi nor Mr. Reagan will let the Pakistan issue dominte their discussions, since there are other equally important developments relating to super power rivalries in the region, besides their own bilateral relations.

It appears that Pakistan is trying to step up the pace of its no-war diplomacy by pressing for a resumption of the stalled talks with India before Mrs. Gandhi goes to Washington.

The Indian preference is to have the next meeting at the foreign secretaries level in Islamabad some time in August, since Mr. M. K. Rasgotra and other senior officials would be preoccupied during the earlier period with the preparatory work for her U.S. visit.

During his visit to Islamabad last week, Mr. Natwar Singh was given a copy of the Pakistani draft of the proposed no-war pact. The former Foreign Minister of Pakistan, Mr. Agha Shahi, had brought a draft with him when he came to Delhi at the end of January last to start the no-war discussions. The Indian side also had a draft ready just in case Mr. Shahi presented his draft during the discussions.

But it was agreed at that time not to put forward these drafts, since the two sides were still engaged in settling the basic elements that should be embodied in a no-war pact.

Nothing has happened in the meanwhile to justify the Pakistani decision to submit a draft and then publicise the fact that it has been sent to Delhi, unless it is intended to justify the plea for an early resumption of talks before Mrs. Gandhi's Washington visit.

CSO: 4220/7474

GROWTH OF INFLATION SINCE 1960 TRACED

Madras THE HINDU in English 6 Jun 82 p 18

[Article by N. J. Yasaswy]

[Text] INTELLIGENT investors make efforts to protect their investment during times of inflation. The degree of decline of the purchasing power depends on the intensity and time span of inflation. Chart I gives the trend of decline in purchasing power of the rupee since 1960. As of May 21, 1982 the purchasing power of the rupee of 1960 came down to 23 paise. It is interesting to note from Chart I the following points:

(a) Loss of the first 20 paise occurred in the first 4 years; the next 20 paise were lost in 2.5 years. The loss of the third 20 paise took 7 years and the loss of the next 20 paise is taking more than 8 years.

(b) In other words in the first 4 years the rupee lost 20 paise, in the next 4 years it lost another 23.5 paise. During third and fourth periods of 4 years it lost 7 and 15.7 paise respectively. During the last 4 year period the loss was 8.2 paise.

(c) During 1960-69 the loss was 43 paise, whereas during 1970-79 the loss was 28.5 paise. Inflation during the 1960's was more intensive than the inflation in thn 1970 in spite of four-fold oil price hike.

(d) The worst period of inflation during the last 20 years was the 4 year period between 1964-68. The best period was between 1968-72.

Recent trend

Let us now look at the more recent trend. Chart II gives the wholesale price Index since 1976 till 1982 (April), month-wise. It may be noted from this Chart that

(a) There is a perceptible trend of seasonality in prices. Prices usually go up between March and August and decline between September and February (give or take one month either way).

(b) For the first time in the past five years, the 1982 price line has intersected the 1981 price line indicating the zero inflation rate over a period of 12 months.

The decline in inflation rate may be attributed to several reasons: decline in money supply, bank credit squeeze, decline in crude prices, encouraging output of foodgrains etc.

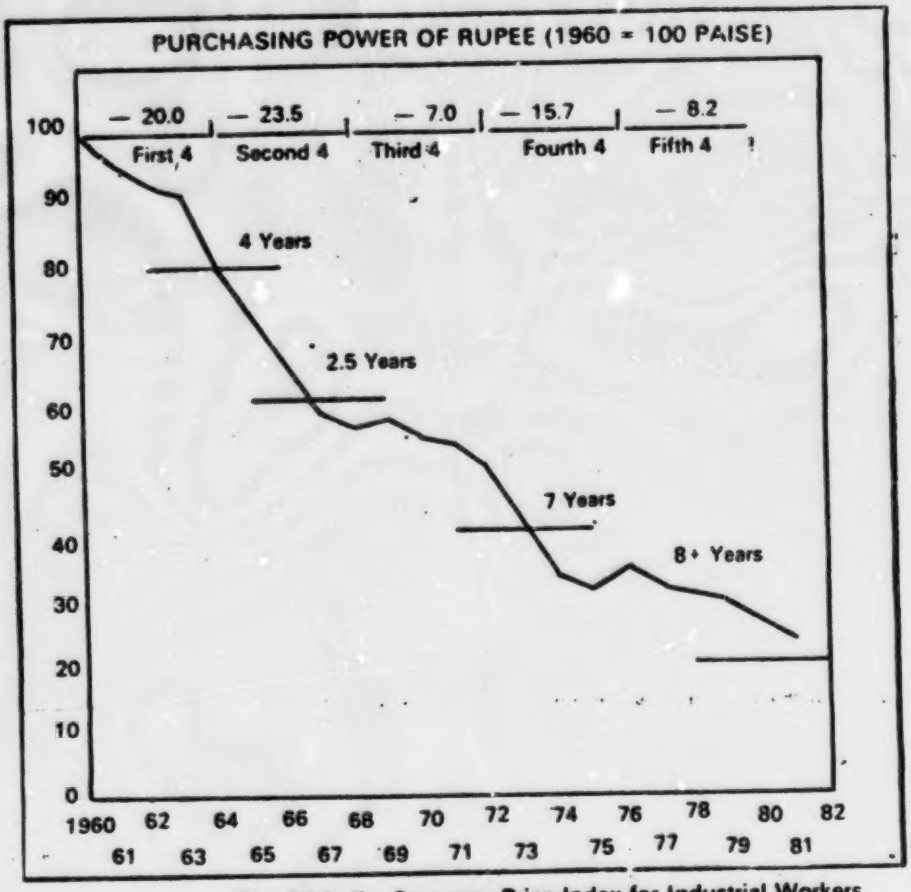
The investors should keep track of inflationary tendencies. During times of inflation the 'real' value of capital goes down. For example, Unit Trust of India issued Units for the first time in 1964-65 at face value of Rs. 10, when the purchasing power of a rupee was 80 paise. Now that the purchasing power of rupee has gone down to 23 paise, the current market value of Units (Par value: Rs. 10) should be, at least, Rs. 35 just to protect the purchasing power. But the market price of units as on April 30, 1982 was Rs. 13.40 only.

Units should not be taken as an isolated example. All fixed income investments like bank deposits, post office deposits, national savings certificates, company deposits, preference shares, debentures etc fail to protect the investors against the ravages of inflation.

The three investment opportunities which can partially, if not, fully protect investors against inflation are bullion (ie gold and silver), real estate and equity shares.

Bullion: Gold was available for Rs. 115 for 10 grams in 1960-61 when the purchasing power of the rupee was 100 paise. To protect the 'real' value the price of gold should be Rs. 500 now. But as it is well known, it is hovering around Rs. 1,750 per 10 grams. Similarly the price of silver in 1960-61 was Rs. 194 per kg. To take care of inflation it should now be Rs. 843. But the price of silver is now hovering around Rs. 2,675. The current markets are very much depressed compared to the prices in 1980. Even then investments in gold and silver are more than protected against inflation.

Real estate: Real estate values have gone up more than 10 times during the 10 years.



(The All India Consumer Price Index for Industrial Workers 1960 = 100 is used as the deflator)

CHART I

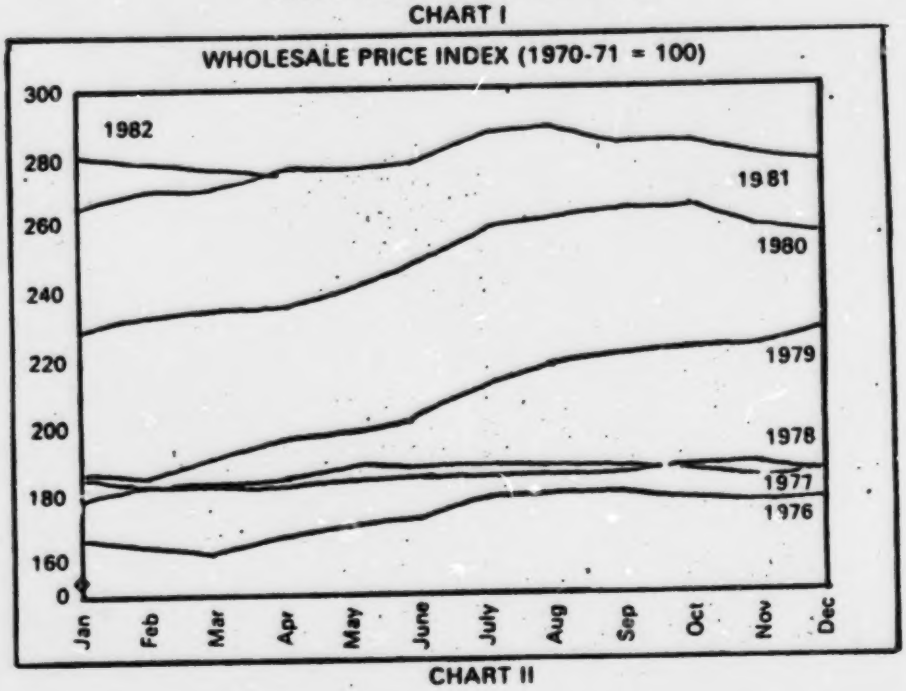


CHART II

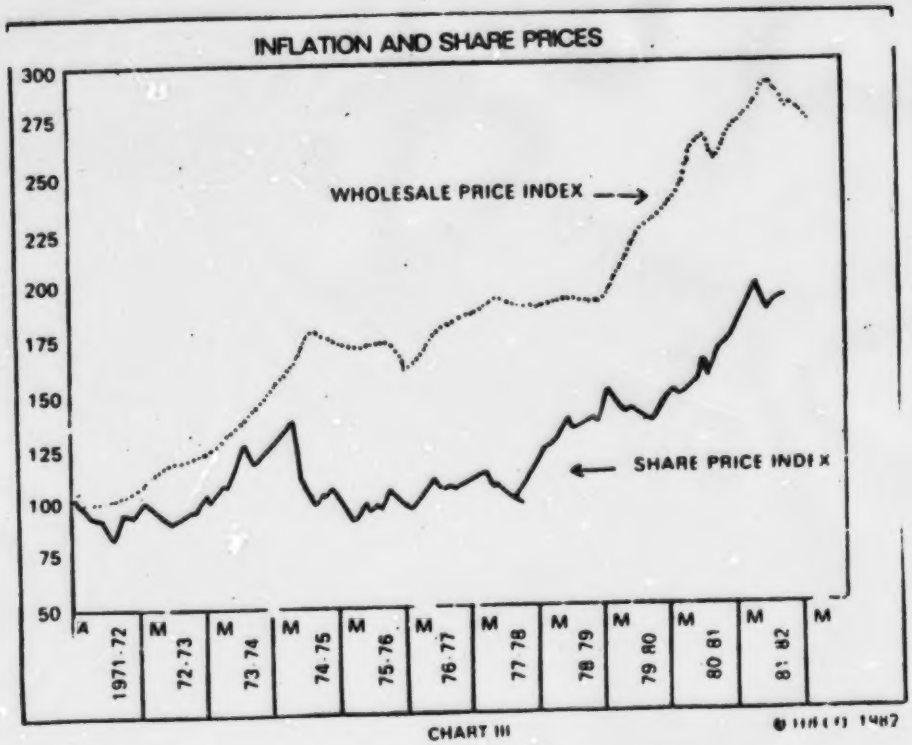


CHART III

without exception. The urban land ceiling legislation has done more harm than good. With increasing pressure of population land values are bound to go up in future also. People have found ways and means to overcome the hurdles of land ceilings.

Equity shares: While investment in certain equity shares like Century, JK Synthetics, Reliance, Telco, Century Enka, Bajaj Auto etc appreciated faster than inflation, as a class equity shares provide only a partial hedge against inflation as may be seen from Chart III. The wholesale Price Index (1970 = 100) line was always at a higher plane compared to the RBI Index for Share Prices (1970-71 = 100). Though both the lines indicate a sympathetic movement, the wide gap should be noted. Chart III drives home the points: All shares are not alike. There are more laggards than blue chips. To succeed in equity shares investors should seek experts' advice and guidance.

CSO: 4220/7472

GOVERNMENT APPROVES PARADIP STEEL PLANT

Calcutta THE STATESMAN in English 5 Jun 82 p 9

[Text]

NEW DELHI, June 4.—The Centre has given the green signal for launching the Paradip steel plant—which will now be located at Daitari, miles away from Paradip port in interior Orissa. This is to keep it safe against cyclones which lash Orissa's coastal areas very often. It will now be built by Mecon as the prime consultant and contractor.

Mr J. B. Patnaik Orissa's Chief Minister, said yesterday that the Union Cabinet had made the decision a few days ago—after the negotiations with the British firm, Davy McKee, to build the steel plant which had broken down.

The decision now was that India's public sector consultancy company, MECON, would undertake the project and execute the bulk of work with "limited international bidding" for certain jobs that cannot be done here.

Mr Patnaik said that the contract with Davy McKee could not be concluded because the British firm pushed up its quotation from $2.8 billion to $4 billion to execute the project on a turnkey basis. It was expected that the project would be completed by MECON for far less than $4 billion. The project would also completed in 45 months or so, as avy McKee had promised to do.

During his four-day stay in New Delhi, Mr Patnaik discussed the Daitari project with the Prime Minister, the Minister of State for Steel and the secretary to the Steel Ministry and "we have been assured at all levels that the steel plant is a certainty and there would be no delay whatsoever in implementing the project".

The Government of India has accepted the recommendation of the Site Selection Committee. A patch of 6,000 hectares near Daitari has been selected between the Express highway and the Jakhpura—Daitari railway line On the request of the Government of India, the State Government has already taken steps for land acquisition through an Additional District Magistrate at Cuttack, specially appointed for this purpose.

Work on soil testing has already begun. Site levelling and site development will follow as soon as the possession of land is acquired.

CSO: 4220/7469

BRIEFS

INDIAN UN DELEGATE--UNITED NATIONS, June 4 (UNI)--Lok Sabha Deputy Speaker G Lakshmanan has advised major nuclear weapon States against giving sophisticated arms to unstable nations, who can well do without them. Addressing the second United Nations Parliamentary Forum yesterday on the eve of the special disarmament session opening on Monday, Mr Lakshmanan said the 'prevailing dangerous global power situation' was 'further compounded by the pumping of arms into various sensitive regions, leading to regional confrontations which overtly or covertly, attract the involvement of the big power'. The Indian Parliamentarian, who chaired the opening session of the forum, told the gathering that the 'prospects of war and world peace are thus delicately poised'. He said 'a good beginning towards a de-escalation of tension would be for the major nuclear weapon states to resist the temptation of doling out arms and sophisticated war machines, on grounds of a so-called strategic concern, to unstable nations, who can well do without them.' He said the special session being organised had, once again, impelled world leaders and statesmen to take stock of the situation and come forward with meaningful contributions. [New Delhi PATRIOT in English 5 Jun 82 p 3]

BOMBAY HIGH PRODUCTION--NEW DELHI, June 5--Oil production in the Bombay High offshore oilfields hit today a record level of 251,000 barrels--a daily rate of production corresponding to about 12.5 million tonnes a year. (About seven barrels make a tonne). At this rate of production, the Oil and Natural Gas Commission (ONGC) hopes to exceed the 1982-83 production target of 12.11 million tonnes by at least a million tonnes. The Planning Commission which is giving the highest priority to accelerated oil production is expected to give its approval for a sizable step-up in the allocations for oil exploration when it completes a mid-term review of the Sixth Plan by September this year. Even at present, the Finance Ministry is meeting in a large measure the demands for funds from ONGC. [Madras THE HINDU in English 6 Jun 82 p 1]

SOVIET-AIDED RUBBER PLANT--India will set up a plant for the manufacture of synthetic rubber--butyl--with Soviet expertise and technology, reports UNI. The plant will be located at the Indian Petrochemical Limited (IPCL) complex in Baroda, Petroleum and Chemicals Minister P Shiv Shanker told newsmen in Delhi on Monday on his arrival from the Soviet Union. He said the Soviet Union had agreed to extend assistance for the manufacture of rubber. An agreement to this effect is expected to be signed soon between the two countries. [New Delhi PATRIOT in English 8 Jun 82 p 5]

LEBANON SITUATION PROTESTED--The All-India Peace and Solidarity Organisation has condemned the Israeli invasion of Southern Leganon and said the attack had the blessings of the Reagan Administration which support and strengthen the Israeli policy of aggression, illegal occupation and colonisation of Arabs land. Expressing solidarity with PLO Chief Yasser Arafat, AIPSO in a statement on Monday said the brave people of Lebanon were fighting Israeli military might and terror. The Israeli Government, it said had condemned itself before all people and governments, who stands for freedom and peace. AIPSO said that the demand at the UN for diplomatic sanctions against Israel which was vetoed by US must be enforced to bridle the Israeli agression. It had also urged the Indian Government to carry forward its 'widely appreciated' policy of all out support to the PLO, by closing Israeli consulate in Bombay. The statement appealed to all peace-loving organisations to express solidarity with the PLO and to demand sanctions against Israel until it unconditionally withdraws from the illegally occupied Arabs lands. [New Delhi PATRIOT in English 8 Jun 82 p 10]

INDIA-EEC MEETING--The Indo-EEC Joint Commission has decided to hold an 'investment, promotion and technology transfer conference' in New Delhi in January, 1983. The conference and three seminars preceding it in Dusseldorf, Paris and Birmingham in the month of November will be oriented towards promoting investment in and technology transfer to India in the sphere of medium and small-scale industries in such areas of technology as electronics, plastics, communications and automobiles. These are being held within the framework of the new EEC-India Economic Cooperation Agreement, and will be organised by SDR Associated of Brussels, Belgium, according to project manager J D P Whiles MacCon Namara of the Industrial and Export Development Associates, UK. Mr Whiles MacCon Namara informed newsmen on Wednesday that the conference and seminars had not objective of helping multinationals. [Text] [New Delhi PATRIOT in English 10 Jun 82 p 10]

REPRESENTATIVE IN GENEVA--NEW DELHI, June 10--Mr. Muchkund Dubey is being appointed India's permanent representative to the United Nations agencies in Geneva. Mr. Dubey is due to complete his term as India's High commissioner in Bangladesh. Mr. Dubey served with distinction in Dacca where during his tenure there were two military coups and the assassination of a President. One of his important achievements was to arrange negotiations between India and Bangladesh to settle the controversy over the New Moore Island. The two foreign ministers met here in September at a time when the relations were fouled up over the issue. An understanding was reached when there was only an interim government in office in Dacca. Mr. Dubey has considerable experience in the working of the U.N. Agencies. He served for a few years as the chairman of the committee on new economic order. He will be succeeded in Dacca by a senior foreign service official, Mr. I. P. Khosla. Mr. Deb Mukherjee, who is now a joint secretary dealing with Bangladesh and Sri Lanka, is being appointed as India's consul-General in San Francisco. [Bombay THE TIMES OF INDIA in English 11 Jun 82 p 1]

MIRZA BEG DIES--SRINAGAR, June 11--MIRZA Mohammad Afzal Beg, a former close associate of Sheikh Abudllah, died at his Rajbagh residence here today. He was 74. Mr. Beg had been ailing ever since his ouster from the cabinet and the ruling National Conference in 1978. During the past two years he was

bedridden. The end came at 4.45 p.m. He is survived by his wife, three sons and three daughters. Born in 1908 in Anantnag district in a family of modest means, Mr. Beg came up in life through sheer intellectual brilliance. During his school days he was known for his academic achievements and powerful oratory. [Text] [Bombay THE TIMES OF INDIA in English 12 Jun 82 p 1]

EXPECTED EEC AID--BRUSSELS, June 11 (PTI)--The European Economic Community (EEC) is likely to give $50 million as aid to India this year, $ seven million more than the 1981 level, informed sources told PTI. Agreements covering the 1981 pledge of $43 million were signed here yesterday between the Indian ambassador to the EEC, Mr. Surjit Singh Puri, and the EEC commissioner, Mr. Edgard Pisani. Aid to India by the EEC amounted to about 29 per cent of the total 150 million ECU (European currency unit roughly equivalent to one dollar an ECU) allocated to non-associate countries. [Text] [Bombay THE TIMES OF INDIA in English 12 Jun 82 p 9]

INDIA BHUTAN BORDER TALKS--JALPAIGURI, June 13--In a three-day meeting of the Indo-Bhutan officials, held at Thimphu, the capital of Bhutan, which ended on June 10, the demarcation of border-pillars and their repair and maintenance, illegal trade and crimes along the Indo-Bhutan border were discussed. Mr G. Balagopal, Deputy Commissioner, and Mr J. J. Tharayil, Superintendent of Police, Jalpaiguri, represented the Indian side, while Mr Dungdha, Chief of Royal Bhutan Police, and Mr C. Narbu, Director, Ministry of Home Affairs, Bhutan, represented the Bhutanese side. The meeting decided among other things, joint inspection of the two countries' boundary pillars and necessary measures, as per the Indo-Bhutan agreement of 1974, to curb border crimes and illegal trade in the border areas. On the problem of loss of Indian revenue on account of illegal sale of liquor, Bhutanese officials assured that since the Bhutanese military authorities have taken over the liquor manufacture and trade, this problem would be controlled very soon. Indian officials also suggested that free movement of Indian cattle for consumption in Bhutan be regulated, in order to protect the Indian cattle wealth and that large-scale purchase of Indian cattle, by various intermediaries be also regulated. [Text] [Calcutta THE STATESMAN in English 14 Jun 82 p 9]

MAHARASHTRA CABINET CHANGES--BOMBAY, June 4--The finance and planning portfolios have been taken away from Dr. Shrikant Jichkar, minister of state, and given to Mr. Ravindra Raut, another minister of state. In turn, the portfolios of information and public relations, held by Mr. Raut, have been transferred to Dr. Jichkar, it was announced today. Dr. Jichkar, however, will continue to hold two other important portfolios, home and revenue. It was apparently a heavy burden of him to hold charge of so many important departments. Dr. Jichkar is considered very close to the chief minister, Mr. Babasaheb Bhosale, Mr. Raut on the other hand is close to Mr. A. R. Antulay. Both hail from Raigad district. Mr. Raut had vacated his assembly seat of Srivardhan in 1980 to enable Mr. Antulay to contest the election. Mr. Raut will continue to be in charge of some other departments like dairy development, energy and fisheries. [Text] [Bombay THE TIMES OF INDIA in English 5 Jun 82 p 1]

CSO: 4220/7497

JAPAN PROVIDES AID FOR TEACHING HOSPITAL

Kathmandu THE RISING NEPAL in English 7 Jul 82 p 1

[Text]

Kathmandu, July 6:

Nepal and Japan today signed an agreement under which the latter is to provide grant assistance of 97 million rupees for the second phase of the Teaching Hospital project being implemented under the grant assistance programme of Japan.

The first phase of the project has already been implemented in Maharajgunj under an agreement concluded between the two governments in September last year.

Under the first phase of the project construction of an Out Patient Department and administrative buildings of the hospital was initiated under the Institute of Medicine of the Tribhuvan University. The project is reported to have recorded good progress and is expected to be complete in March next year.

The agreement for the second phase concluded today encompasses the construction of an operation building, a ward and supplementary facilities of the hospital.

The amount of assistance is also to be spent on the procurement of necessary equipment including their transportation and installation in the hospital premises.

His Majesty's Government's share in the project includes the provision of necessary land and other facilities for the completion and operation of the hospital.

According to well informed Japanese sources, the Teaching Hospital project is the single piggest project Japan is undertaking in Nepal.

Work on the second phase is expecied to be

complete in March 1984.

The agreement was signed today by the Finance Secretary Mr. Karna Dhoj Adhikary on behalf of His Majesty's Government and by the Japanese Ambassador to Nepal Mr. Menichiro Nishizawa on behalf of his government.

Speaking after the signing ceremony, Secretary Adhikary noted that completion of the hospital project would provide Nepal facilities for efficient medical services to people.

He also pointed out that the amount of assistance, would greatly help Nepal finance its development projects.

He said that apart from financial assistance, the technical assistance provided to it by Japan had significantly contributed towards building the Kingdom's own manpower in different fields.

Ambassador Nishizawa expressed satisfaction over the progress recorded by the first phase of the project and hoped that similar cooperation would be forthcomming in the second phase too.

He said that the hospital project would greatly contribute to provide better medical services to the people in addition to proving educational opportunities to students.

CSO: 4220/238

MPS QUESTION WISDOM OF THAI INVOLVEMENT IN KHMER COALITION

Democrat Leader From Udorn Thani

Bangkok SIAM RAT in THai 23 Jun 82 pp 1, 12

[Article: "MPs Join Together In Asking Government to Explain Involvement In the Formation of the Khmer Coalition"]

[Text] MPs have begun to take action. They may sign a petition asking the government to quickly explain why it has carried on an international diplomatic policy that has resulted in the country facing a military confrontation with foreign countries.They have pointed out that "we do not want the country to be put in a position where it might have to go to war."

Yesterday, in his capacity as a member of the executive committee of the National Democracy Party, Mr Prayun Suraniwong, an MP from Udorn Thani, granted an interview to SIAM RAT. He said that, concerning the matter of the Thai government carrying on an international diplomatic policy that has resulted in Thailand facing a military confrontation with foreign countries, which has resulted from the attempt to unite the three Khmergroups that oppose Vietnam, he wants the government to quickly explain this matter to parliament.

This member of the executive committee of the National Democracy Party said in the interview that the senators and MPs must share responsibility for the decisions of the government "because this decision could risk getting the country into a war, which would directly affect the country."

Mr Prayun said that, based on his analysis of matters, the fact that Thailand has progressed to this stage "means that the Thai government is ready for a military confrontation." He emphasized that the government must quickly explain things "because this is a matter of life and death for the country."

This member of the National Democracy Party's executive committee also said that, concerning the "open letter" that SIAM RAT printed last Monday protesting the government's diplomatic role in this, "I read this 'letter' and the ideas expressed in it are of great value to the country."

The MP from Udorn Thani said that he had listened to what the foreign ministers of the Philippines and Indonesia had said. "What they have said clearly shows that they were not involved in exerting pressure." And Malaysia "does not support the weapons matter." If the Thai government gets involved in this, it will "mean that we will have to take full responsibility for increasing the strength of the Khmer coalition government." And they may sign a petition requesting the government to quickly explain this matter during this week's meeting of parliament.

Foreign Affairs Committee Opposition MP

Bangkok MATICHON in Thai 9 Jun 82 p 3

[Article: "Opposition Questions Sitthi's Actions On Khmer Problem"]

[Text] Anan Buranawanit revealed his opposition to Sitthi Sawetsila's role in the Kampuchean affair, saying that this was like putting a rope around the neck of a cat.

Mr Anan Buranawanit, an Mp from Saraburi who is a member of the Santitham Party and who is the secretary of the Foreign Affairs Committee, discussed the matter of Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, attending the Asean ministers' conference in Singapore on 15 June. He said that he is concerned about the foreign policy of Air Chief Marshal Sitthi, particularly concerning the situation in Kampuchea. That is, nothing will be gained by bringing this matter up again. Some of the Asean countries may oppose this because, actually, Asean was originally formed to cooperate on the food and energy fronts and not on the political or military fronts. Thus, caaution should be exercised in this matter.

"Our foreign policy is beginning to drift off course. This will cause other countries to think that Thailand is interfering in the affairs of other countries. For example, Air Chief Marshal Sitthi going to meet with Prince Norodom Sihanouk in order to unite the three Khmer factions is like putting a rope around the neck of a cat. And the three Khmer groups cannot unite. Things will be difficult if a war breaks out because it will be charged that this happened because Thailand secretly provided help," said Mr Anan. He said that the way to solve this problem is to let the Khmer Rouge government, which is recognized by the United Nations, inform the United Nations. The Asean countries should exert pressure on the United Nations to act accordingly.

Mr Anan also said that, recently, the opposition parties discussed matters, and they feel that the policy of the Ministry of Foreign Affairs should be discussed in parliament in the form of submitting a special motion.

11943
CSO: 4207/120

DRAFT EVASION, DESERTION WIDESPREAD; MP URGES AMNESTY

Bangkok SAO SIAM in Thai 5 Jun 82 pp 3, 10

[Article: "Pardon the More Than 100,000 Deserters"]

[Text] Police Lieutenant Chaowarin Latthasaksiri, an MP from Ratchaburi, revealed that he has drafted an act to grant amnesty to and pardon deserters on the occasion of the 200th Rattanakosin celebrations. His reason is that, at present, many Thai men must become soldiers every year in accord with the draft stipulations and once they have become soldiers, they desert. This may be because they do not want to be soldiers or they may have family problems.

The MP from Ratchaburi stated that there are probably at least 100,000 Thai men in this category throughout the country. He feels that since the government has already pardoned many suspects in various cases on the occasion of the 200th Rattanakosin celebrations, it should also grant amnesty to these draftees who have deserted.

As for this draft act, it was submitted to Mr Marut Bunnak, the minister of justice, on 13 January 1982. The government feels that this is good but it should be kept concealed for now since it is feared that if this is implemented, more of the Thai men who must enter the military this year will evade the draft.

The MP from Ratchaburi stated that the draft act to grant amnesty to the draftees was to have been considered by the House of Representatives, but there will be a no-confidence debate on ministers and so it is understood that the decision on this draft act will be postponed until the next session of parliament.

11943
CSO: 4207/120

GEN HAN CITES NEED FOR MILITARY INVOLVEMENT IN POLITICS

Bangkok DAO SIAM in Thai 8 Jun 82 pp 3, 12

[Article: Politicians Like to Become Alarmed"]

[Text] Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, talked about why the Thai army must study and involve itself in politics. He said that this is because the army cannot allow the politicians to play games, acting as if they are afraid of the changes in society, in ways that the people do not like. In the end, the army must step in and solve the nations's problems before the country collapses.

This is an excerpt from the writings of Lieutenant General Han Linanon concernin the Thai army. He has also said that the fact that the army must become involved in politics is a weakness because if it acts incorrectly, this will destroy the army and destroy the army's image. The army is composed of armed men and they are frequently accused of being the ones who have destroyed democracy and torn up the constitution and of being dictators.This is unfair to the soldiers and army because, in the past, some of those civilians who have headed the government have governed the country in a more dictatorial way than the military has ever done. Thus, it is incorrect to say that a government headed by a military man must be a dictatorship.

The commanding general of the Fourth Army Area also said that, at present, the administrative system is not a perfect democracy and there is the CPT situation. Thus, it is the army's duty to solve the problems and prevent the institutions of the nation from being destroyed. He said that the communist revolutionary war started because of the political, economic and social degeneration. If the government cannot solve these problems, the communists will be the ones to solve them. At present, the communists are competing with the government in solving the problems. The side that solves the problems first will be the side that wins. It is this situation that has made it necessary for the military to get involved in politics. Those who appeal for the military to stay out of politics have probably overlooked this.

However, concerning the fact that the army has involved itself in politics, care must be taken that it does not become the tool of the politicians. Otherwise, there will be splits in the army, there will be a lack of discipline and a system will arise in which junior officers have higher political positions

than the senior officers. If this happens, the army will not be an army. Thus, if the army involves itself in politics in a systematic way and there is unity in the army, the fight to defeat the communists will end quickly and the problems of the nation in general will be solved too.

In his article, the commanding general of the Fourth Army Area summarized things by saying that, in practice, the army has stood side by side with the people in the rural areas to help solve the problems, relieve the suffering and serve the people for many years now. They are really soldiers of the people. In 1975, the soldiers in the army developed their thinking along democratic lines in order to guard the interests of the people in general. At presnet, this thinking has grown stronger. And it is felt that since the army has correct thinking along democratic lines, it can increase the stability of the government in a democratic system and make it permanently secure.

11943
CSO: 4207/120

EX-SOCIALIST MP ASSESSES PARTY'S FUTURE PROSPECTS

Bangkok PHYA KHRUT in Thai 23 Jun 82 p 3

["Six October" column: "The Image of the Political Parties"]

[Text] What has become of the Socialist Party of Thailand?

If this question is asked, many people will probably answer that Thailand's socialist party that called itself the Socialist Party of Thailand has not disappeared but has dissolved itself and become the Social Democracy Party of today.

The leader of the Social Democracy Party, Colonel Somkhit Sirisangkhom, was the leader of the Socialist Party of Thailand.

Some people may reply that the Socialist Party of Thailand disappeared into the jungle.After the events of 6 October 1976, almost all of the members of the executive committee fled into the jungle and announced that they were establishing a party in the jungle that was part of the united front of the CPT. But a short time later, the members of the Socialist Party returned from the jungle and announced that they were no longer part of the communist united front.

"The reason that we had the Socialist Party of Thailand become a part of the CPT's united front at that time was that 25 of the 30 members of the party's executive committee fled into the jungle," said Mr Chamni Sakset, a former member of the executive committee of the Socialist Party of Thailand and a former MP from Nakon Sithammarat Province.

"But when we left the jungle, we announced that we had ceased being a part of the CPT's united front," added Mr Chamni.

And does the Socialist Party still exist?

"Yes. The original socialist group is still intact. But we will not play a very large role since the present political situation is not very favorable. The present parliamentary system in Thailand is not open enough to allow such parties to play politics fully," said Mr Chamni.

This former member of the executive committee ofthe Socialist Party of Thailand discussed the party's mistakes in that former period. He said that "previously, we talked about socialism based on a love for justice.For example, we felt that the problems of the farmers and laborers had to be solved, but we did not talk about how socialism was to solve the long-term social problems."

Mr Chamni admitted that "this was our weakness in the past. After we made this start, we could not set a definite course in the fight."

Mr Chamni, who plans to run for election again, although not in the name of the original socialist party, also admitted that the original socialist party was established by young men who were shaped by the political changes of 14 October 1973.

"We must admit that we were very naive as far as political tactics were concerned, even though we had good political ideas," said Mr Chamni.

Mr Chamni also said that, this July, he will go observe the election in Sweden, where they have a socialist system of government. He will probably meet with socialist leaders from all over the world.

During his trip, Mr Chamni hopes to learn about concrete methods and see the new changes in socialist circles in order to improve methods in Thailand.

Mr Chamni confirmed that "in the next election, we will probably not run for election.But we must certainly do something to show that we have a part to play in building democracy."

We would like to see socialism develop and become more secure, even if this takes time. And people should understand that socialism in not communism.

11943
CSO" 4207/120

MON INSURGENT INFRASTRUCTURE ALONG BURMA BORDER DESCRIBED

Bangkok MATICHON in Thai 6-12 Jun 82 pp 14-17

[Article by Rungruong Prichakun: "Mons Quietly Take Over Thung Kang Yang. They Are an Independent State"]

[Text] At the end of last January, the government of General Prem Tinsulanon decided to use resolute and top secret measures to eliminate the forces of Khun Sa and drive them out of the Ban Hin Taek (Thoetthai) area in Mae Chan District, Chiang Rai Province.

Not only did this sweep operation reduce the influence of Khun sa, it also resulted in appeals being made for a review of the policies of several past governments, which hoped to use the minority forces living along the border as buffer states.

Finally, General Saiyut Keotphon, the supreme commander, had to announce that Thailand would not use the minority groups, or others, as buffers.

Even so, there are still minority group forces here, especially along the Thai-Burmese border.

The Mons Are Not Homeless Because They Are Living In Thailand

Of these various minority groups, it seems that the Mons are going to be the ones that will create the greatest problem and that the government will have to give urgent attention to.

At present, more than 30,000 Mons are living in Thailand near the Thai-Burmese border. They are living in the western part of Kanchanaburi Province in three of this province's districts -- Sangkhala Buri, Thong Pha Phum and Sai Yok.

Who Is Who Among the Mons?

Of these 30,000 Mons, almost 2,000 are under arms.

Of these, one group is directly under the command of Mr Nola, or Chinu, who has a large camp at "Nam Kroek." This is almost 20 kilometers northwest of Songkhala Buri District.

Another group is under the command of Mr Suaichin, who has established a camp in Thailand behind Wat Wang Wiwekaram of Abbot Uttama. It is well known that these armed forces of Mr Suaichin are under the leadership, or administration, of Abbot Uttama.

"Originally, the groups of Mr Suaichin and Mr Nola formed one group," said an ISOC official in Kanchanaburi.

He also said that "later on, the profits from collecting illegal taxes grew greatly and each group grew suspicious of the other. Finally, they split apart in June 1980. Nola carried out a coup and seized power from Suaichin. Suaichin had to flee and so he set up a camp behind the temple of Abbot Uttama.

Where Did the Mons Come From and What Are They Doing?

"Most of the Mons living in Sangkhala Buri and Thong Pha Phum districts migrated here from Burma 30-40 years ago. Their children are like Thais," said a Sangkhala Buri administrative official to MATICHON.

"Some of these people work as farmers, some are like coolies and some work in the mines. But most are farmers."

Concerning the Mons who live in these three districts, few of the unarmed Mons who live in Sangkhala Buri and Thong Pha Phum districts pose a problem and few of them have created problems for the Thais or government officials there.

The Mons who pose a problem and who are talked about most often are those who live in Sai Yok District in the "Thung Kang Yang" area. There are more than 5,000 Mons there. Recently, a major daily newspaper printed a story about this problem. The headline said:

"Burma has launched a quiet invasion and occupied Thai territory. It has set up an independent state in the Kanchanaburi border area."

This is because of the fact that the Mons who live here have state power and their own administration. These Mons who do something wrong are punished in accord with their laws. Thai laws have no effect there.

Thung Kang Yang In 1955

Thung Kang Yang is located almost 100 kilometers from Kanchanaburi or almost 400 kilometers from Bangkok.

Before the Mons moved here, the area was a mixed forest in a military reserve, in accord with a royal decree that had designated this as a closed area.

In 1955, Mr Wichai Lochaya, a former MP from Lampang Province took possession of this area in order to make a living from such activities as growing coconut, raising livestock and so on.

Some news reports observed that the real agricultural activity engaged in by Mr Wichai Lochaya was the cultivation of poppies. He received support from Phao Siyanon, the then director-general of the Police Department and the person who once said that "there is nothing in Thailand that the Thai police cannot do."

From Wichai Lochaya to Phayap Pinsukanchana

In 1957, Mr Wichai Lochaya transferred ownership of this land to Mr Chaiyot, or Mr Phayap, Pinsukanchana, who continued to carry on these activities. Mr Chaiyot carried on these activities in the form of the Phra Chedi Farm Company and the P. and T. Import-Export Company Ltd.

A news source from the Ministry of Interior said that this Mr Chaiyot was once an officer in the 93rd KMT Division. His name was Major To Lao. Later on, he took Thai citizenship.

At present, in addition to the agricultural activities carried on at Thung Kang Yang, he is also engaged in many other major business activities, for example, the Sam Chai Company in the Wang Burapha area, which is a company that sells radio equipment.

Profuse Agricultural Activities

When Mr Chaiyot first took over from Mr Wichai, only about 1,000 rai of this land had been reclaimed. When Mr Chaiyot took over, he started planting all types of vegetables and fruits. Now, the area under cultivation has expanded to 46,250 rai.

The number of Mons working here has increased from 200 to 5,000.

He later shifted from growing fruit to growing ginger for pickling and export. Instead of using pickaxes and spades, he introduced modern hoes. And he hired specialists from Taiwan to come serve as advisors.

Customs Department statistics for 1978 show that Mr Chaiyot exported more than 6,000 tons of pickled ginger to Japan, the value of which was several hundred million baht.

Great Profits; the Mon Community Has Expanded

Mr Chaiyot has alloted each Mon 10 rai for their personal use. When they sell their farm produce, they must give Mr Chaiyot 20 percent. Usually, they sell their produce to Mr Chaiyot. If they don't sell, they are pressured to do so. Those who are stubborn cannot live at Thung Kang Yang.

Mons who have much money usually deposit it at the Thung Kang Yang Religious Office, which has Monk [Words missing]. Actually, the Mons who live in this area have created both local and national problems.

At the local level, their activities have resulted in the Thais who are trying to make a living there lacking land since the Mons have occupied most of the land.

A Mon is the abbot of the wat and at the wat is a school, which is under the control of the provincial primary school office. And the head doctor at the Thung Kang Yang hospital is a Mon.

An official from Kanchanaburi said that Mr Chaiyot began paying local improvement taxes to the government in 1966. That year, he paid approximately 1,000 baht. During the period 1974 to 1978, he paid 6,900 baht a year. Since 1979, Mr Chaiot has not paid any taxes, claiming that he has been losing money on his activities and that he has had to close down his pickled ginger factory.

Mons Govern Mons. What Do They Do?

All the Mons living in Thung Kang Yang are governed by a village committee composed of nine Mons. Mr Yen Rochaya is the person who oversees activities and maintains order. Mr Bayu Suwannaphum is the economic administrator.

This nine-member committee is responsible for issuing village regulations and orders. If someone violates the regulations, he is punished in accord with the seriousness of the violation. For example, if someone violates the order prohibiting the use of drugs, he is kept in the railroad car, which serves as a prison, for 24 hours. People who gamble are locked up for 48 hours. Those who have more than one wife or who have an illegitimate child are [words missing].

If a person tries to reclaim land in the farming area of Mr Chaiyot, he will be persecuted in various ways and obstructed to the point where he cannot get into that area.

The Great Power of the Mons

One administrative officials said that "when they encountered this, the villagers appealed to the officials to find land for them to work. When Mr Yen Rochaya learned about this and after the government officials left, he brought in Mon policemen under his control and Mon farm workers and gave them rifles to threaten [the people]. Sometimes, he had tractors driven over the crops of those villagers, which ruined their crops."

This official also said that instead of restraining his men, he actually encouraged them, claiming that these villagers had encroached on his property. They were driven out of the village. The thieves were driven out of Sai Yok District. The greater the crime, the greater the penalty. And some have even been killed.

Mon Policemen Have Forbidden Outsiders From Coming In

"Since I started working here as a government official, I have seen many Mons die in the railroad car jail," said a Kanchanaburi provincial official. "Even though I saw this, I didn't know what to do to help them because they were acting in accord with their laws.Thai laws are not in effect here."

Thung Kang Yang has its own Mon policemen who keep outsiders from entering at night.

In addition to the nine-man administrative committee, administrative power is further decentralized. For every three families, there is one leader. And at the next higher level, which is composed of nine families, there is another administrative leader. It is this leader who is directly responsible to the nine-man village administrative committee.

When the Mons Encroach, the Thais Disperse

If we take a superficial look at this situation, it seems nice that they govern and look after themselves since this will enable the Thais in that area to earn a living and live there contentedly. [Words illegible], which they must rent from the National Security Command Headquarters.

"When we, who are officials, encounter such a claim, we do not know how to help because such encroachment on the land is illegal," he said in a discouraged way.

Thung Kang Yang, the Mon Rear Area

As for the national level problems, these affect Thailand's security in general, and the government should show a special interest in them. At present, Thung Kang Yang is like a rear area that the Mons use to stockpile supplies. They also carry on weapons training in order to send the men to reinforce the forces that are carrying on a war of liberation in Burma.

The ISOC official in Kanchanaburi Province said that besides using Thung Kang Yang as a rear area, the Mons are also using the area as a center to coordinate their various activities. For example, they use it as a meeting place for the leaders of various national liberation forces. It is a rest stop in transporting opium and war weapons.It is believed that the command center is located at a wat in the Yanawa area in Bangkok.

"During the period when Nola and Suaichin fought each other, Colonel Suaichai, the commander of the 7th Division of the Free Karen Army of General Bomia, used Thung Kang Yang to hold negotiations for an armistice," said this same official. "The thing that we are worried about is that the armed forces of Nola will coordinate things with the communist terrorists in Sangkhala Buri District. Mr Yuphe, a Karen, is their leader. If these Mons seize Thung Kang Yang, it is not certain what will happen since it is less than 400 kilometers from Thung Kang Yang to Bangkok.

Expelling the Mons, What Is the Problem?

A high-ranking official in Kanchanaburi Province told MATICHON that, concerning these problems, officials at both the local and policy-making levels are well aware of the fact that the only way to solve the problems is to expel the Mons from Thailand.

"But the problem is, if we expel them, where will we send them to," said this official. "When the officials turn their backs, they will just sneak back in since both the land and the economic situation hereare better than in Burma. And the Burmese government cannot control the area across the border from Thailand."

He also said that another reason why the officials cannot expel the Mons is that whenever the officials try to take action, Mr Chaiyot Pinsukanchana asks that things be eased since his company lacks Thai laborers and his company makes profits for Thailand by exporting agricultural products, which helps reduce the trade deficit by several million baht each year.

"Actually, if Mr Chaiyot was someone else, the officials would not put up with this," said one villager. "But they do so because Mr Chaiyot has many high-ranking people supporting him. People say that General Kriangsak Chamanan, Air Chief Marshal Thawee Chunlasap, General Chaweng Yangcharoen and three or four others have quietly invested money with Mr Chaiyot. Thus, the officials do not dare do anything."

How Are Government Officials Involved?

Another cause of these problems that is not often mentioned is that both administrative and police officials have been negligent in their duties. Checkpoints have been set up at various points all the way from Sangkhala Buri to Sai Yok.

These officials have not been very strict. Rather, they have used the power invested in them by the law to make illegal profits by collecting transit fees from the Mons. They collect 30-100 baht per person.

This is the reason that Mons can easily enter Thailand if they have the money to pay the officials.

The Way to Set Up Camps to Expel the Mon Refugees.

At this stage, if the government cannot find a way to solve this problem or expel the Mons from Thailand, wouldn't it be a good idea to find a spot to build a camp for them just like those for the Khmer refugees along the Thai-Kampuchean border in Prachinburi?

If this is done, not only will it be possible to limit the zone for the Mons but it should also be possible to ask for money from foreign countires or various charitable organizations to provide support.

If nothing is done, I do not know what will hpapen. But I am just afraid that when Bangkok is 250 years old, it will be the capital of the Mons.

11943
CSO: 4207/119

SPECIAL BRANCH CHIEF CLAIMS EVIDENCE OF MERCENARY RECRUITMENT FOR IRAQ

Bangkok MATICHON in Thai 4 Jun 82 pp 1, 12

[Article: "Police Obtain Evidence of Mercenary Recruitment"]

[Text] The commander of the Special Branch Division has obtained evidence that employment agencies that find foreign employment for people are sending Thai workers to serve as mercenaries in Iraq. Most are in the northeast and north. An MP from Chiang Rai has disclosed that a large company in the middle of the city will send a new group on 12 July.

Police Major General Ophat Rattanasin, the commander of the Special Branch Division, talked about the matter of private companies recruiting Thai workers to go serve as mercenaries in the Middle East. He said that this is presently under investigation and he asked for 2 more weeks. The investigation so far has revealed that mercenaries really have been recruited. But these companies are located in the provinces; there are none in Bangkok. Most of those that have been discovered are in the northeast and the north.

"There are approximately two to three companies. I cannot reveal their names since this would alert them. But it is understood that they do not recruit people to serve as mercenaries directly. They recruit them to work in combat areas such as at airports or at oil storage dumps. When fighting breaks out, these workers must all take up arms and implicitely serve as soldiers," said Polikce Major General Ophat.

A reporter asked whether these companies that recruit such people are in violation of the law. Police Major General Ophat said that this is not good from the standpoint of international relations since Thai workers can still go work elsewhere. In particular, it is expected that more than 300,000 Thai workers will be working in Saudi Arabia in 1982.

"Those who go to Saudia Arabia have little to worry about.But those who go to Iraq or Iran must be careful. However, at present, very few poeple are applying to go work in Iraq. More than 95 percent are going to Saudia Arabia. As for closing these employment agencies, that is a matter for the Labor Department to decide," said police Major General Ophat.

Police Major General Ophat said that, concerning investigating the backgrounds of those workers who want to go work in the Middle East, at present, approximately 800-1,000 people can be processed each day. At least 20 companies can be handled each day. The forms are not processed on the basis of which company submitted them but on the basis of order of submission.

"If anyone has proof that people must pay officials in order to have their case processed first, they should inform [my office]. People shouldn't talk like this idly since this is damaging to both the officials and the companies," said Police Major General Ophat.

Master Sergeant Songtham Panyadi, an MP from Chiang Rai and a member of the National Democracy Party, took leaflets and distributed them in parliament on the morning of 3 June. The leaflets mentioned the Itthiphon and Friends Company, which has recruited Thai workers to go fight in Iraq. It also mentioned the interview given by Seri Pramot, an advisor to the company, who told MATICHON that there are questions about why MPs have brought up this matter.

"Before I left to attend the conference in parliament, many young villagers approximately 25-30 years old came and asked me about volunteering to go fight in Iraq and the head of the veterans in Chiang Rai telephoned me and said that many reservists and veterans had asked about this," said Master Sergeant Songtham.

Master Sergeant Songtham said that he had asked the Chiang Rai provincial police superintendent about this and had learned that the companies had only recruited workers to go work as guards at airports and oil storage dumps. Now, the company has sent the documents of the 200 applicants, including their house registrations, reservist papers and other documents, to a company in Bangkok. The name of the company is the Thai Service Company. It is located at 1/23 Sukhumwit, Soi 30. Mr Chaichana, whose last name is not known, is the manager.

"I learned that the company will send a group from Thailand on 12 July. I have disclosed this becasue I am an MP. If they are really recruiting people to go work, I have nothing against this. But if they are recruiting them to go fight, this will affect international relations and so it is my duty to follow this matter," said Master Sergeant Songtham.

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CSO: 4207/119

STAGNANT PADDY PRODUCTIVITY CAUSES CONCERN

Bangkok MATICHON in Thai 8 Jun 82 p 3

[Article: "New Rice Varieties Readied to Guard Against Reduced Yields"]

[Text] The Department of Agricultural Techniques is readying new rice varieties to keep the yields per rai from declining.

Mr Phadoem Thitathan, the director-general of the Department of Agricultural Techniques, talked about Thailand's production of rice from former times to the present. He said that rice yields per rai have not increased. Concerning this, the Department of Agricultural Techniques has not sat by idly but has prepared 19 varieties of rice for introduction and distribution to the farmers. Along with this, it has introduced techniques to solve the problems in order to keep yields from falling. Matters will be submitted to the minister of agriculture and cooperatives for presentation to the government.

Mr Phadoem stated that, in 1953, throughout the country, a total of 46 million rai were planted in rice. There were 28 million rai in the northern, central and southern regions. There were 14 million rai in the northeast, which was one-third of the total area planted in rice. But later on the area planted in rice increased to 58 million rai, with the area in the northeast increasing to 29 million rai, which was half of the total area.

Mr Phadoem stated that because the soil in the northeast is sandy soil, the yields per rai are low, averaging 8-9 tang [1 tang equals 20 liters] per rai. Even when fertilizer is used, the yields do not reach 20 tang per rai.

"This is a very distrubing matter. Even though modern technology has been used to provide help, the yields have not increased. The government must give attention to this and have the farmers grow other types of crops instead.As for the central region, the soil is fertile and the area under cultivation must not be reduced," stated Mr Phadoem. He also said that in the central region, yields reach 50-60 tang per rai. At present, the area under cultivation here is decreasing every year. There is only 5.3 million rai left now.

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CSO: 4207/119

LEGAL STATUS OF THAI-VIETNAMESE REFUGEES QUESTIONED

Children of Thai-Vietnamese Parents

Bangkok MATICHON in Thai 7 Jun 82 pp 1, 12

[Article: "Loopholes In the Vietnamese Control Law Pointed Out. There Are Fears That This Will Lead to Protests"]

[Text] It has been revealed that the new Vietnamese refugee control law that prohibits marriages and that denies citizenship to the children of Vietnamese fathers has loopholes that those responsible do not dare correct since they fear that this will give rise to protests.

A news source has talked to MATICHON about the draft law that contorls marriages and that denies citizenship to Vietnamese children whose mothers are Thai. This draft law is presnetly being considered by a committee of the National Security Council. The news source stated that this draft law has loopholes that will result in the controls being totally ineffective. This is because this committee does not dare enact a clear law that would deny citizenship to the children of Thai women who are married to Vietnamese men. This is because of the fear that this would also affect people of other nationalities and it might lead to protests.

The news source said that, concerning this matter, lawyers from the Ministry of Justice had once objected and asked that a clear law be enacted in order to prevent problems from arising later on, such as people filing suit to obtain Thai citizenship. The courts must rule that children who were born in Thailand, who have Thai mothers and who do not have a father must be granted Thai citizenship just like their mother. But the military does not agree.

"If those are the results that are desired, a law to that effect must be enacted.They have said that this would violate many legal principles. We have said that if such a law cannot be enacted, other measures must be found. The courts cannot be forced to make such a ruling. They have filed many such suits and the courts have had to rule that they are Thais," said one news source. And he said that the military becomes angry when it is given such counteropinions. In the end, it has submitted the problem to the Legislative Committee for discussion in order to see if the results will be in line with

what the court ordered. And it has been very disappointed when the Legislative Committee ruled exactly as the court had done.

"This has happened many times in many civil courts," said the news source, adding that consideration was once given to enacting a law forbidding Vietnamese from marrying Thais. But in the end, no such law was enacted because it was feared that this would violate the Declaration of Human Rights.

"The Ministry of Foreign Affairs did not dare do this and since it did not dare do this, how can we make a 'fuss' about this. Since it has not dared do this, the courts cannot be forced to make the rulings they want.This is a difficult matter. Some poeple just talk; they don't dare take action," said this news source.

Furthermore, concerning this law, what will happen in the end is that it will be promulgated in such a form that will allow the officials concerned to drag out the inspection of the various documents in giving permission to obtain a marriage license or in granting citizenship to children.

"This has been under consideration for almost 6 months now and nothing has been accomplished. Once things are concluded here, it must be submitted to the cabinet and then pass the Legislative [Committee]. Before it can be enacted, the term of the present parliament will expire. There will be another meeting this week but nothing will be accomplished. During this period, the courts must rule in accord with juridical precedents," stated this news source in conclusion.

Prasong Discourages Marriages, Threatens Deportation

Bangkok MATICHON in Thai 3 Jun 82 pp 1, 12

[Article: "Thai Men Warned That Those With Vietnamese Wives Face Separation"]

[Text] The secretary-general of the National Security Council has warned those men who want to marry a Vietnamese woman. They will have trouble later on because the woman will be deported and their children will not have the right to become Thai citizens. Preparations are being made to propose a law that will close the various loopholes.

Lieutenant-Commander Prasong Sunsiri, the secretary-general of the National Security Council, was interviewed by reporters at parliament on 2 June concerning the matter of Vietnamese refugees filing suit in court to be allowed to obtain a marriange license to marry Thais, a matter that has been in the news. He said that he would first like to make it understood tht concerning those who come to live in Thailand illegally, we have allowed them to live here only temporarily and they will have to leave some day. This includes both those Vietnamese refugees who arrived a long time ago and those who arrived more recently. But because they have lived here for a long time, the Vietnamese refugees think that they have the same rights as Thais.

"I would like to warn those who marry Vietnamese refugees that they will someday face hardships because their spouse will be deported in the future. Marriages conducted in accord with the civil laws will not affect nationality and the children will not have the right to have Thai citizenship. This is because Revolutionary Council Announcement No 337 states that the children of people who enter the country illegally do not have the right to obtain Thai citizenship," said Lieutenatn-Commander Prasong.

Lieutenant-Commander Prasong pointed out that the National Security Council has studied the Vietnamese refugee problem for a long time and has made preparations to draft a control law suited to the present situation and close the loopholes in the old law, which was implemented during a period in which there was no refugee problem or illegal entry into the country. Matters concerning control zones, the people involved with travel and property ownership have been stipulated. This draft law will soon be submitted to the cabinet and then sent to parliament for consideration.

As for there being Vietnamese in government service, Lieutenant-Commander Prasong stated that there are Vietnamese in government service since there are Vietnamese living here who entered the country legally. However, this problem must be solved since there are legal standards.

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CSO: 4207/119

INFANT MORTALITY RATE HIGH

Bagnkok DAO SIAM in Thai 11 Jun 82 pp 3, 12

[Article: "Quick Action Must Be Taken to Lower Morality Rate For Thai Infants"]

[Text] The Ministry of Public Health has stated that Thailand's health activities for mothers and infants are very backward as compared with other countries in Asia. The mortality rate for mothers and infants is still rather high. Thus, the Ministry of Public Health has joined with the Faculty of Medicine and the Institute of Health Research, Chulalongkorn University, in holding a seminar on "Developing Mother and Infant Health Activities In Order to Lower the Population Growth Rate." The seminar will continue from today through 11 June 1982 at the Railway Hotel in Hua Hin, Prachuap Khirikhan.

The Ministry of Public Health has stated that this seminar is being held because it is felt that the important task that must be done along with family planning is mother and infant health work. But while the family planning activities have been proceeding well, Thailand's mother and infant health activities are still very backward. A survey conducted by the National Statistics Office has shown that in 1980, the infant mortality rate reached 69.9 per thousand live births. The mortality rate for children under 5 years old was 7.8 per 1,000 children in that age group. As compared with other developing countries, or other countries in Asia, these rates are rather high. The high infant mortality rate is one reason that the people in the rural areas do not want to use birth contorl.

Thus, if the government can improve and expand mother-infant health activities so that they are carried out more widespreadly and more efficiently, the infant mortality rate will decline and the number of children who survive and who have good health will increase. This in turn will give the people greater confidence about using birth control.

This seminar is being held in order to exchange ideas, to analyze the problems and obstacles in carrying on mother-infant health activities and to find a way to develop mother-infant health activities and combine them with primary health care activities so that the scope of the activities fully encompasses the targeted population and so that the activities are carried on with certainity and with efficiency.

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BRIEFS

NORTHEAST SEPARTIST PARTY--The director of the Directorate of Operations has revealed that the Northeast Liberation Party has changed its name to the Northeast Independence Party. This party is a member of the Indochina State Federation. He said that the party will not survive. Major General Chaowalit Yongchaiyut, the director of the Directorate of Operations was interviewed by MATICHON on 22 June. He stated that, the Northeast Thai Liberation Party has now changed its name to the Northeast Independence Party, which is a member of the Indochina State Federation. The leader is Mr Bunyen Wothong. This party is trying to play an important role but it will probably not survive since its reliance on foreign countries in the revolution, especially for forces, is not correct. The director of the Directorate of Operations added that, to date, this party has not stipulated a definite policy. When the Thai army attacked the communist terrorists at Phu Miang and Phu Khat in Loei Province recently, the Northeast Independence Party came and took people and dispersed CPT soldiers into Laos. A news report has stated that, at present, a Lao major general is serving as the leader of this party together with Mr Bunyen. [Text] [Bangkok MATICHON in Thai 25 Jun 82 p 3] 11943

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END

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INDIA, PAKISTAN SIGN NEW INDUS WATERS PACT

Calcutta THE SUNDAY STATESMAN in English 20 Jun 82 p 12

[Text]

JAMMU, June 19.—The Governments of India and Pakistan have recently signed a fresh agreement, under which suitable amendments have been made on the Indus Water Treaty, to enable India, especially Jammu and Kashmir, to have additional water supply from all those rivers which come under this treaty.

Announcing this in an interview here yesterday, the Union Irrigation Minister, Mr Kedar Pandey, said that the availability of additional water under the amended treaty, from rivers which were covered by it, would considerably help India to achieve the target to irrigation potential of 14 million hectares, fixed during the Sixth Plan.

Mr Pandey said that India had created irrigation potential of 67 million hectares, till the end of 1981. He said that the national plan on irrigation envisaged the creation of 148 million hectares of irrigation potential by the end of the year 2000. This, he said, was estimated to cost Rs 15,000 crores, and would enable us to double our present food production of 132 million tons, which would make India a major foodgrain exporter in the world.

Speaking about the irrigation potential of the Jammu region, he said that it was 200,000 hectares, out of which 150,000 had already been tapped.

Mr Pandey said that the target for the Sixth Plan in the Jammu region was 42,000 hectares, out of which about 14,000 hectares had already been tapped, and the rest of the target could be easily achieved with the availability of more water from the Ravitawi, Chenab and Ujj rivers, which were also within the ambit of the amended treaty between India and Pakistan.

Mr Pandey said that Jammu and Kashmir State would considerably benefit by the amendment of the treaty.

It may be recalled here that it was the Power Minister of Jammu and Kashmir, Mr Ghulam Mohammad, who had repeatedly demanded, that the Indus Water Treaty be amended, so that the State Government could have additional irrigation potential along with sufficient water to set up more hydel power generation units in different parts of the State. A survey team of Pakistani irrigation and power engineers had visited the State, in May, on an invitation by the Indian Government.

CSO: 4220/7521

POOR PERFORMANCE OF ECONOMY REPORTED FOR 1981-82

Dacca HOLIDAY in English 27 Jun 82 pp 1, 8

[Text] The fiscal year, 1981-82, comes to a close now with a growth rate of the country's gross domestic product at less than one percent as against 6.03 percent in 1980-81.

The inflationary rate within the economy during the year under review would be around 18 percent, six percent more than last year's.

The setbacks on the economic front have mainly been caused by a faltering performance in the agricultural sector.

Since there has not been any significant structural change in the economy over the past one decade despite spending of billions of takas mainly through borrowed means in the name of "development expenditure," roughly about fifty-five percent of the CGP comes as of now from the agricultural sector.

While usually in a growing economy, the share of agriculture tends to decline and that of manufacturing increases, this has not happened in the case of Bangladesh.

As such, the performance in the agricultural sector which is essentially dependent on weather conditions due to utter lack of a stable base for supporting the production in this sector on a sustained basis has its vital bearing upon the GDP growth rate.

And in the agricultural sector, the discomfiture in 1981-82 has been more pronounced in the case of production of foodgrains, i.e., rice and wheat which now constitute 29 percent of the GDP.

According to available official estimates, the production of foodgrains would total 141 lakh tons during the year under report as against 148 lakh tons in 1980-81.

The fall in food production had thus its adverse effect on the overall performance of the economy during the year under review.

The performance in the industrial sector, according to available indications, has not been encouraging in 1981-82.

While progress in industrial sector has been slowing down over the years due to decrease in actual production capacity upon which expansion of current output is dependent, funding problems in the import trade sector have been responsible for disruptions in the supply of imported raw materials and spares for the manufacturing sector in particular in 1981-82.

Marketing constraints, fiscal anomalics, power failures, etc, have further caused the industrial units to suffer. Total industrial output expanded by 8.80 percent in 1980-81 and the growth in this sector during 1981-82 would be very modest.

What has been very disconcerting about the overall performance of the economy during the first two years of the current five year plan (1980-85) is the worsening price situation.

The overall price situation is explained by the fact that between 1980 and 1982 (till mid-May, '82, to be more precise) prices increased by about 28.7 percent while the GDP (at 1972-73 factor cost) grew by less than eight percent.

The resultant effect of this imbalance between aggregate demand (as measured by total money supply) and aggregate supply (as measured by the overall size of the GDP) has been an eighteen percent inflationary rate in 1981-82, preceded by an average inflationary rate of twelve percent in 1980-81.

The inflationary price upswing operating as it does like a sort of forced taxation has led to a steady deterioration in the conditions of living for the common people.

The continuing unabated price-spiralling has thus perforce led to an automatic belt-tightening on the part of the fixed income groups and the bread masses of people.

Falling Wages

While inflation plus short supplies of essential consumer goods continue to adversely affect the standard of living of the masses, both industrial and agricultural wages as much as the earnings of the bulk of the fixed-salaried people have been failing to keep pace with inflation.

Even in the absence of relevant up-to-date statistics, it can thus be said that real wages and earnings for the vast majority of the country's population have registered a further decline over the recent years.

The skewed nature of income distribution has persisted in the process of such a decline in the position of the common men in the face of even a modest increase in real terms in the country's GDP over the last two years.

And thus again, the number of people at par or under the officially-defined poverty-line continues to swell despite so much of stress in the so-called development strategy to improve the conditions of those under this line.

Meanwhile, a worsening unemployment situation in the face of reduced real wages and earnings for the bulk of the country's population has revealed one of the major weaknesses of the economy.

Against this backdrop, it would be interesting to see how the coming budget, likely to be announced on June 30, comes to grips with the concrete economic situation to give effect to the administration's "stern austerity measures" to handle the contradiction between what, Finance and Planning Minister Muhith says, ambition and objective reality.

The finance and planning minister in his recent television interview has presented a grim economic scenario in the country, characterized by low productivity, limited employment opportunity, inflation and inadequate and misdirected investment.

He has stated that past failures to implement the programs envisaged in otherwise "good plan documents," were due to the action course of the establishment along the "soft options" in preference to the difficult ones.

What the finance minister has much sought to impress upon the people through his television interview is the urgent need for "a stern austerity measure" to contain inflation, expand and mobilize domestic resources, effect qualitative change in investment with a view to reflecting the much-needed concern in the government's action program on the economic front for the concrete realities which would cover "all the 90 million people and not ten million of the privileged class."

The minister has not however spelled out the program in concrete terms to indicate how the administration would like to proceed to break the institutional and structural rigidities within the economy which have been acting as the basic constraints to its growth and development along viable and sustained lines.

The indications given by the minister in his television interview tend to suggest that the government would give more stress on its financial operations through improved budgetary performance reflecting the needs for a "stern austerity program."

It is to be noted in this context that spiralling losses of the public enterprises which would amount to five hundred crore takas have since long been a drag on the national exchequer.

And again, the subsidies to consumptions and on agricultural inputs like irrigation water, fertilizers, etc, have been entailing a public expenditure of a clossal sum of money.

According to Mr Muhith, subsidy is given at present at the rate of 35 takas per maund to fertilizer, 70 takas per maund to fertilizer, 70 takas per maund to rice, and 35 takas maund to wheat.

Petroleum products which are being imported entirely are sold at half the price which entails a loss of 50 percent per gallon. "Similarly, the loss per unit of electricity is now about 50 to 60 poisha. In addition, the road transport, railways, jute and textile corporations are all suffering losses and in fact, only limited items of public enterprises are making profits and breaking even" the minister said.

Against this backdrop, it is clear that the resource availability within the economy can largely be increased by eliminating losses on account of public enterprises or reducing expenditures on subsidies.

But such an action course, if followed in an unimaginative fashion, may have undesirable effects on welfare and output objectives.

And here, how the establishment proceeds to make careful use of the fiscal options will be made clear when the new budget is announced.

CSO: 4220/7609

BANGLADESH TRADE WITH ASEAN COUNTRIES UNBALANCED

Dacca THE NEW NATION in English 27 Jun 82 pp 1, 8

[Text] Bangladesh's bilateral trade with the ASEAN countries remains highly imbalanced as her import bills exceeded export earnings in last one decade beginning from 1973.

The trend remains unfavourable for Bangladesh also during the current fiscal year in her bilateral trade with the four South-East Asian nations except Singapore with which the trade has mostly carried under Wage Farmers' Scheme for a third country through the free city state.

Bangladesh, in last one decade since 1973, imported commodities from the ASEAN countries worth about Taka 867 crore against her export of total Taka 269 crore having an imbalance of Taka 598 crore.

The bilateral trade individually with the ASEAN countries--Indonesia, Malaysia, Phillippines, Singapore and Thailand--showed much increase, though not favourable for Bangladesh, in the late 70s over the initial morbid stage.

In early 70s, the bilateral trade with the ASEAN countries was, more or less, insignificant as the total turn-out from Bangladesh's export was only about Taka four crore in 1973-74 against her import bills of about Taka 9 crore.

The export earnings from the ASEAN countries increased to a total of Taka 116 crore and the import bills shot up to Taka 251 crore in 1980-81.

According to the latest available figures, Bangladesh imported commodities worth about Taka 234 crore in the first six months of the current fiscal year till December while her export earning during the last nine months till March has been estimated at about Taka 170 crore in her bilateral trade with the ASEAN countries.

The bilateral trade, no doubt, showed much increase in its volume both ways, though widely unfavourable for Bangladesh, but there was no concerted effort so far to make a balanced trade with the ASEAN countries.

According to a high government official, the scope is "immense" for balanced trade with the ASEAN countries. The traders could have explored a better

export market for Bangladesh commodities in these countries particularly when the political climate is "very favourable and congenial."

The ASEAN countries have come closer to Bangladesh when late President Ziaur Rahman visited all the member countries giving assurances of fullest cooperation for promoting trade and commerce.

But there were no follow-ups and persuasion later despite favourable responses from the business circles and traders of the ASEAN countries, one diplomat regretted.

The Bangladesh embassies or trade missions assigned with the task are learnt to have not adequately staffed or equipped with trade informations.

Even the Ministry of Foreign Affairs or Foreign Trade could not furnish the update information on any bilateral trade as was experienced by this correspondent.

It is learnt that the Bangladesh missions do not have necessarily staff to look after the trade side. Earlier, officials usually drawn from erstwhile specialised cadre service of Pakistan were posted in embassies or trade missions abroad to look after the trade.

Because of lack of initiative in the embassies and trade missions neither the foreign buyers nor the local sellers get any official cooperation, said a local businessman. He said that he himself had tried to export some of the commodities to some South East Asian countries but he did not get any cooperation from either Export Promotion Bureau or from the Ministry of Foreign Trade.

"What is happening to our valuable products in the public sector, like paper and newsprint, is that the products are rotting in huge stockpile in the mills and we are not getting market though they have demand abroad," he said.

So far ASEAN countries are concerned, Bangladesh has still good prospect of marketing number of her products like G.I. pipes, electric products, paper and newsprint, carpets, jute products, and other finished products.

CSO: 4220/7608

REVENUE COLLECTION EXPECTED TO BE SHORT OF TARGET

Dacca HOLIDAY in English 27 Jun 82 p 3

[Text] The collection of revenue from different major sources may well fall short of target announced by the government in the current fiscal year of 1981-82.

The total annual revenue collection from direct and indirect taxes this year was targeted at Tk 2184.19 crore. But the present trend of revenue collection indicates that there will be a shortfall of about 300 crore taka.

It is learnt that in the last eleven months ending on May 31, 1982 the total collection stood at Tk 1662 crore. In the month of May the collection of revenue was Tk 180 crore. But according to a reliable source, the collection was very poor in the last 15 days of the current month of June. It stood at Tk 50 crore only.

A reliable source says that shortfall in revenue collection was due to poor realization of customs duty and sales tax.

It may be mentioned here that customs duty which is the major source of revenue receipt was hard hit by sluggish import trade during the first half of the current financial year due to non-availability of adequate fund.

The revenue collection by way of direct and indirect taxes which include customs duty, excise duty, sales tax, income and corporate tax amounted to more than Tk 1700 crore up to June 15 this year. The target of receipts from the taxes projected in the annual budget of 1981-82 was 2078 crore taka which excludes estate duty, nonjudicial stamp tax, etc.

Sluggish Import

Customs duty earning during the period was Tk 710 crore against the target of Tk 950 crore. Receipts from excise duty during the period were Tk 370 crore, from sales Tax Tk 305 crore and Tk 230 crore from income and corporate tax.

It may be mentioned here that the revenue earning in the first half of the current fiscal year from customs duty was Tk 375 crore, while from excise duty it was about Tk 200 crore. Earning from sales tax and income tax stood at about Tk 170 crore and Tk 75 crore respectively.

The collection from export duty this year is also likely to fall short of the target as the export performance was very poor when goods about Tk 1121 crore had been exported till May this year. But the target was fixed at Tk 1500 crore this year.

Last Year

It may be recalled here that the collection of revenue exceeded the target in the last fiscal year when the collection of revenue was Tk 1730.84 crore while the estimated target was Tk 1726-98 crore. There has been gradual escalation of revenue earnings over the years.

In 1972-73 the revenue collection stood at only Tk 166.30 crore.

CSO: 4220/7609

ASIAN BANK APPROVES LOAN FOR WATER SUPPLY

Dacca THE BANGLADESH OBSERVER in English 27 Jun 82 p 1

[Text] The Asian Development Bank has approved a 14.4 million dollar loan for expansion and improvement of water supply and sanitation facilities in five major district towns of Bangladesh, reports BSS.

According to a Press release of the Bank the upgraded facilities are expected to serve 79 per cent of the population by 1990, or an estimated 842,000 persons.

The towns to be assisted are among the major centers of economic activity in Bangladesh--Barisal, Bogra, Comilla, Jessore and Mymensingh.

The loan approved on June 17 will finance a district town water supply project comprising these components:

(i) Provision of a 24-hour supply of safe water at affordable cost, by pumping ground water to elevated reservoirs for piped distribution, to meet domestic and other demands for water in the five towns until 1990.

(ii) A limited sanitation programme under which about 23,000 low-cost household sanitation units will be installed provide a basis for formulating larger programmes.

(iii) Fellowships, training programmes and engineering and management advisory services to build institutional capability to operate and maintain the water supply systems as financially and technically sound public utilities utilities.

The Bank is also providing a technical assistance grant for a study of sanitary drainage in the five towns as preparation for a possible future project to combat the health hazard posed by stagnation of polluted water in densely-populated areas of the towns.

The project for which funding was approved today resulted from a technical assistance grant approved by the Bank in December 1978.

The executing agency for the project--the Bank's first in the water supply and sanitation sector in Bangladesh--will be the government's department of public health engineering, under the Ministry of Local Government, Rural Development, and Cooperatives.

Work is scheduled to begin on January, 1982, and be completed in December, 1986.

The loan covers the entire foreign exchange cost of the 21.4 million U.S. dollar project and 60 per cent of the local-currency cost, the balance of which will be provided by the government of Bangladesh.

Drawn from the Bank's special funds resources, the loan is repayable in 40 years with a grace period of 10 years, at an annual service charge of 1 per cent.

CSO: 4220/7607

COMMITTEE RECOMMENDS TRIMMING OF DEVELOPMENT PLAN

Dacca THE BANGLADESH TIMES in English 26 Jun 82 p 1

[Text] The Committee on rationalisation of Annual Development Programme for 1982-83 submitted its recommendations to the Chief Martial Law Administrator, Lt Gen H. M. Ershad in Dacca on Friday, reports BSS.

The committee had recommended a saving of over Taka 587 crore from its original estimate of Taka 3,300 crore.

Presenting the recommendations, the Chairman of the committee, Maj Gen Shamsuzzaman said tnat the savings would be possible by dropping, pruning and deferring a number of projects which were not found to be either economically viable or of immediate nature.

The number of projects to be covered by the ADP now stands at 1,128 as against 1,580 and the estimated expenditure on the projects will be about Taka 2,713 crore.

DCMLSAs, Ministers, ZMLAs and other high civil and military officials were present on the occasion.

CSO: 4220/7606

NOTES ON RICE, GRANT ASSISTANCE SIGNED WITH JAPAN

Dacca THE BANGLADESH TIMES in English 26 Jun 82 pp 1, 8

[Text] A memorandum of agreement concerning the supply of one lakh tons of Japanese white rice to Bangladesh on longterm deferred payment basis was signed in Tokyo on June 18, between the food agency of the Government of Japan and the Bangladesh Embassy in Tokyo, reports BSS.

The rice will be supplied on deferred payment basis payable within 30 years including a grace period of ten years.

Loading of the rice from the Japanese ports will start in the middle of July and end in October this year. According to the schedule the rice is expected to arrive at the Bangladesh ports from the Middle of August 1982.

Air Vice-Marshal (retd) A.G. Mahmood, Minister for Food, recently visited Japan as the special envoy of the government of Bangladesh and held discussions with concerned authorities of the government of Japan.

As an outcome of the visit and in view of the friendly and cooperative relations existing between Japan and Bangladesh, the government of Japan agreed to provide Bangladesh with one takh tons of Japanese white rice to meet the current food requirements in the country.

Ambulance

Another report adds: Japan will provide Bangladesh with two grants amounting over Taka three crore (yen 370 million) to finance procurement of ambulance vehicles, ambulance speedboats and construction of dormitories for agri research institute under two separate exchange of notes signed in Dacca on Friday between the two governments.

Under the first exchange of notes, the country will receive about Taka 2.08 crore which will be used by Bangladesh Fire Brigade to procure 40 ambulance vehicles and 10 ambulance speedboats for the expansion of its ambulance services. The grant assistance for the Japanese fiscal year 1982 have to be utilised before the end of March 1983, as stipulated in the agreement.

The second exchange of notes provide Taka one crore to be utilised by the Ministry of Agriculture for the construction of two dormitories in the Central Extension Resource Development Institute (CERDI). The CERDI located at Joydevpur was established with Japanese grant assistance of 700 million yen.

Mr Kazi Fazlur Rahman, Secretary, External Resources Division and Mr Hirohiko Otsuka, Japanese Ambassador in Bankladesh signed the notes on behalf of their respective governments.

CSO: 4220/7606

BRIEFS

AMBASSADOR TO INDONESIA--The Government has decided to appoint Major General Moinvl Hossain Choudhury Bir Bikram at present Bangladesh Ambassador to the Philippines, as Ambassador to the Republic of Indonesia says a PID handout. [Text] [Dacca THE BANGLADESH OBSERVER in English 26 Jun 82 p 1]

CSO: 4220/7605

POLITICAL PARTY MAKEUP OF ELECTORAL COLLEGE TOLD

New Delhi PATRIOT in English 17 Jun 82 p 4

[Text]

THE Congress-I and its allies have a clear margin of about 3,08,161 votes in their favour in the electoral college comprising elected members of Parliament and Legislative Assemblies in the election to choose the country's seventh President, reports PTI.

Out of total of about 10,90,479 votes in the electoral college, the Congress-I group, which includes the ruling United Democratic Front in Kerala and the combined opposition in West Bengal, account for nearly 6,77,170 votes.

As against this, the opposition commands 3,69009 votes and the independents wield 24504 votes.

Approximately 35,244 votes would go unrepresented due to President's rule in Assam which has a vote value 14,516 and vacancies in the two Houses of Parliament and State Assemblies.

The elected members of legislative assemblies of Union territories are not eligible to be included in the electoral college. Similarly nominated members of the Rajya Sabha, the Lok Sabha and the legislative assemblies of States are also not entitled to vote in the presidential poll.

Out of 774 MPs in both the Houses of Parliament, the Congress-I has in its fold 473 MPs accounting 3,40,580 votes. The combined votes of opposition MPs is 1,96,480 while independents numbering 23 have 16,980 votes. Twenty-seven seats are lying vacant which have total votes value of 19,440.

In the 21 State assemblies out of 5,28,439 votes, Cong-I has 3,36,610 votes compared to combined opposition's 1,82,329 votes. Independents have 7,944 votes.

UP TOPS IN VOTE VALUE

According to value of votes in 21 assemblies Uttar Pradesh tops the list with a total value of 88,400 while Sikkim has the lowest value —234.

In UP two members of the Legislative Assembly, one each of Congress-I and Lok Dal had been disqualified from the membership of the House. They have no right to vote in the presidential poll. Their appeals are pending in the Supreme Court.

The overwhelming Congress-I majority in the Lok Sabha and in high-value States like UP, Bihar, Maharashtra, Andhra Pradesh, Orissa Rajasthan, Madhya Pradesh, Gujarat and Karnataka and its slight margin in the Rajya Sabha place it in an unassailable position in the electoral college.

In Haryana which has total 18,080 votes, the situation is fluid with defection still on and both the ruling Cong-I and the Lok Dal claiming majority in the Legislative Assembly.

In the Left Front ruled State of Tripura, which has 1560 votes, the Congress-I does not have a single representative.

Under the process of election of the President, the value of vote differs as between MPs and MLAs and also between the members of the assembly of one State and of another. The value of an MP's vote is 702 and of an MLA varies from 208 in UP to seven in Sikkim.

The value of vote of an MLA is determined by dividing the population of the State by the number of the elected members of its assembly and further dividing the quotient by 1,000. The value of the vote of an MP is worked out by dividing the sum total of the value of the votes of the MLAs divided by the number of the elected members of the two Houses.

CSO: 4220/7511

PAPER REPORTS CONCERNS OVER ELECTION COMMISSION

MPs' Joint Statement

Calcutta THE STATESMAN in English 18 Jun 82 p 9

[Text]

NEW DELHI, June 17.—Mr Charan Singh (Lok Dal), Mr Atal Bihari Vajpayee (BJP), Mr E. M. S. Namboodiripad (CPI-M), Mrs Sarojini Mahishi (Janata) and Mr Indradeep Sinha (CPI) in a joint statement today urged that priority be given to enacting legislation prescribing the conditions of service and tenure of office of the Chief Election Commissioner at the next Parliament session. They also wanted legislation on electoral reforms.

The statement recalled that three weeks ago, the Opposition had demanded, in a joint statement, that the Government consult it on appointing a successor Commissioner, Mr S. L. Shakdher, who is to retire tomorrow.

These parties had also urged that Mr Shakdher be allowed to continue in office pending a parliamentary debate on poll reforms proposed by the commission and pending legislation on the tenure of the CEC's office and the terms and conditions of his service.

The parties regretted that their demand had been ignored and the Government had set about appointing a new CEC. They resented that the official comments on this had evaded the main point and sought to confuse the issue by arguing that "poll reforms and the tenure of the Chief Election Commissioner are not interlinked".

The statement says: "We had demanded an extension to the present CEC only to end the disregard of constitutional intentions in this regard. The founding fathers of the Constitution wanted Parliament to enact legislation on the conditions of service and tenure of office of the Chief Election Commissioner. Article 324 (5) of the Constitution says: "Subject to the provisions of any law made by Parliament, the conditions of service and tenure of office of the Election Commissioners and the Regional Commissioners shall be such as the President may by rule determine".

"No law has been enacted all these years and the conditions of service and tenure of office of the Chief Election Commissioner continue to be determined by a rule framed by the Government, ignoring both the letter and the spirit of the Constitution. Prima facie, there may appear little difference between executive rules framed by the Government and a law brought forward by the Government. But there is a basic qualitative difference, underlined in the Constitution itself, providing for Parliament to enact a law and not to leave the matter to the whims and fancies of the Government of the day.

"The founding fathers were keen to ensure the independence of the Chief Election Commissioner. They, therefore, made another significant provision in Section 5 of Article 324 of the Constitution. This says: 'The Chief Election Commissioner shall not be removed from his office except in like manner and on the like grounds as a judge of the Supreme Court and the conditions of service of the Chief Election Commissioner shall not be varied to his disadvantage after his appointment'.

"Parliament is to meet on July 8. We proposed that the required legislation be given top-most priority and be enacted in the next session. If necessary, the session be extended by a week for passing the required legislation and holding a debate on the electoral reforms proposed by the Election Commission over the years. Many excellent proposals have not been taken note of. But these proposals would help us strengthen our democracy and deal with electoral evils, including defections.

Weakness of Commission

Calcutta THE STATESMAN in English 18 Jun 82 p 8

[Text]

OF the four pillars of Indian democracy, namely the Supreme Court, the Public Service Commission, the Comptroller and Auditor-General of India, and the Election Commission, the last is the weakest, both in conception and in practice. On closer scrutiny, it should be obvious that the strength of all these institutions, nay, of the constitutional system itself, depends ultimately upon the integrity and independence of the electoral administration of the land.

The framers of the Indian Constitution articulated the desirability and the imperative need of an impartial and independent machinery for the conduct of elections. Dr Rajendra Prasad, the President of the Constituent Assembly, observed, "One of the dangers which we have to face arises out of any corruption which (political) parties, candidates or the government in power may practise. We have had no experience of democratic elections for a long time except during the last few years, and now that we have got real power, the danger of corruption is not merely imaginary. It is therefore as well that our Constitution guards against this danger and makes provision for an honest and straight-forward election by the voters".

PROPHETIC

Dr H. N. Kunzru made what may be considered to be a prophetic statement: "If the electoral machinery is defective or is not efficient or is worked by people whose integrity cannot be depended upon, democracy will be poisoned at the source; nay, people, instead of learning from elections how they should exercise their vote, how by a judicious exercise of their vote they can bring about changes in the Constitution and reforms in the administration, will learn only how parties based on intrigues can be formed and what unfair methods they can adopt to secure what they want."

These quotations underline the need the Constitution-makers felt for a strong and independent election machinery. At one time, they even considered inserting provisions relating to election and electoral administration in the chapter on Fundamental Rights. But they failed to translate these intentions into appropriate constitutional provisions.

The upshot of the Constitution-makers' concern was part XV of the Constitution of India covering Articles 324 to 329. These articles provide, among others, for a single centralized Election Commission which is empowered to superintendent, direct and control all Union and State elections, to prepare one general electoral roll, and to conduct and direct elections on the basis of universal adult franchise.

The constitutional provisions relating to electoral administration are in the nature of a damp squib. While the Constitution elaborately articulates its concern for the integrity, impartiality and independence of the Supreme Court, the Comptroller and Auditor-General, and the Public Service Commission, it has done precious little in the case of the Chief Election Commissioner—the permanent nucleus of the electoral administration. It merely says that the Election Commission, the body to superintend, direct and control the preparation of the electoral rolls for, and the conduct of all elections to, Parliament and the State legislatures, and of elections to the offices of the President and the Vice-President, is to consist of the Chief Election Commissioner and other Election Commissioners, if any, as the President may from time to time fix, and that the appointment of the Chief Election Commissioner and other Election Commissioners shall be made by the President, subject to the provisions of any law made in that behalf by Parliament.

QUALIFICATIONS

The Constitution is absolutely silent on the required qualifications—administrative, legal or judicial—for the appointment of the Chief Election Commissioner, other Election Commissioners, or the Regional Election Commissioners. It is also silent on the specific number of Commissioners to be appointed or even the exact procedure for their appointment. These matters have been left to be determined by the rules formulated by the President, subject to relevant statutory regulations.

In practice, everything is determined by the Executive at its sole discretion. In the case of no other institution has the

Constitution left so much in the hands of the Executive of the day. It would not be incorrect to say that the Election Commissioner, though identified by and located in the Constitution, are for all intents and purposes the creation of the Executive.

These weakness have been compounded by the Executive decisions concerning the Election Commission since the inauguration of the Constitution. Unlike the Supreme Court Judge who holds office till the age of 65, the Chief Election Commissioner is appointed for five years, and the term may or may not be extended. Two Chief Election Commissioners—Mr Sukumar Sen and Mr K. V. K. Sundaram—were given extension and they remained in office for eight years, though each of them was initially appointed for a five-year term. There have even been "acting appointments": Mr K. V. K. Sundaram first "acted" as Chief Election Commissioner for some time before his confirmation in that post.

There is even no bar to further employment of the Chief Election Commissioner. After his retirement, Mr Sen was appointed Vice-Chancellor of Burdwan University and, later, Chairman of the Dandakaranya Development Authority. Similarly, Mr Sundaram was appointed Chairman of the Law Commission.

The provision regarding the appointment of the Election Commissioners has remained a dead letter. Instead, the Regional Election Commissioners were appointed for a while at the time of the first general election, but the arrangement was discontinued thereafter. In 1958, Deputy Commissioners were appointed.

SILENT MESSAGE

So the Executive has not evolved very sound conventions in regard to the office of Chief Election Commissioner. Instead, its behaviour has been open-ended which may have the effect of tempting the incumbent away from the straight and narrow path of rectitude. It has over the years accumulated a volume of precedents of dubious nature, and these precedents have the possible effect of eroding, not reinforcing, his independence and integrity. That he is treated as an officer of the Executive is recognised by the Government in that his salary and other conditions of service have so far been the same as those of a Secretary to the Government of India. And this message is intended to be conveyed, though silently, to the Chief Election Commissioner also.

Electoral politics is becoming increasingly ruthless and normless in India, and one does not see any signs of abatement of this trend, at least in the foreseeable future. This means that the office of the Chief Election Commissioner will be subjected to even greater stress in times to come. So far, it has not received the care and attention it deserves, and the nation would be well advised to so design it that the country's chief counter of voters is enabled to function fearlessly and independently, and that he neither wilts or tilts no matter how heavy the pressure.

His method of appointment should win nationwide acceptance. His appointment may, for instance, be made by the President, in consultation with the Chief Justice of India and the leader of the Opposition in the Lok Sabha. The qualifications and terms and conditions of service should preferably be prescribed by a parliamentary enactment.

CSO: 4220/7513

CPI LEADER COMMENTS ON MEETING WITH CPI-M

New Delhi PATRIOT in English 18 Jun 82 p 7

[Text]

CPI National Council Secretary N K Krishnan has welcomed the joint State-level political convention held by the Karnataka units of the CPI and the CPI-M.

In a statement Mr Krishnan said that the task of projecting the Left and democratic national alternative had become urgent in a situation in which the Congress-I influence was waning and reactionary forces spearheaded by the BJP were trying to pose as an alternative to the ruling party.

In this context, strengthening cooperation and joint action among Left forces in the country, in particular, the CPI and the CPI-M had acquired exceptional importance. Conditions were also becoming favourable for this.

The Bangalore convention had set a very good example before the Left and democratic forces in the country. The CPI welcomed the initiative taken by the State units of the two parties in arriving on a common platform of political and mass action. This would help draw secular democratic forces in the State towards the Left and would have a good nationwide impact, the statement added.

CSO: 4220/7515

GONSALVES TELLS BASIS FOR GOOD INDO-U.S. RELATIONS

Bombay THE TIMES OF INDIA in English 19 Jun 82 p 3

[Text]

THE United States should give a little more importance to India's role and opinions on the issue of "regional stability" and this would help in narrowing down the "communication gap" or differences of opinions existing between the two countries, Mr. Eric Gonsalves, secretary to the ministry of external affairs, said today.

If the U.S. extended a "certain degree of equality and respect" and tried to understand Indian points of view, it would provide the basis for a good dialogue on Indo-U.S. relations, Mr. Gonsalves felt.

Speaking at a meeting of the Rotary Club of Bombay Central, here, Mr. Gonsalves described the forthcoming visit of the Prime Minister, Mrs. Indira Gandhi, to the U.S. as a "high point at which this relationship will be put to test." The Prime Minister's visit would also put some kind of a "seal of approval" on the Indo-U.S. ties which was in the interest of both the countries and which could be enhanced.

While India would not like to gloss over the persisting differences of opinion between the two countries, only the points of discord got big publicity and many other important things were ignored, Mr. Gonsalves said.

NON-ALIGNED POLITY

The non-aligned polity and India's contribution to its success had not been given the due credit just as the credit for detente went to the great powers.

The realisation that the new world comprised of national sovereign states and that it was more complex did not easily dawn on the countries where power dwelt, he remarked.

The substantiate the varying sense of perceptions by India and the U.S. on some issues. Mr. Gonsalves referred to the admission of China into the U.N. which was first supported by India but opposed by the U.S. and several years later, the U.S. veered round to the Indian stand, thus proving our decision to be right. Similarly, India's support to decolonisation was later proved to be a right decision.

Turning to the current problems, Mr. Gonsalves said India sought the removal of foreign forces from Kampuchea and Afghanistan and called for a political solution but the U.S. disagreed with this view. Its standards seemed to be different because the U.S. had a similar approach towards West Asian and Namibian crises.

The liberation of Goa, Bangladesh and Kashmir were matters of vital interest to India yet the U.S. went against our interests. Its arms supply to Pakistan would lead to destabilisation in the region but for a variety of reasons the U.S. took a stand totally opposed to India, Mr. Gonsalves recalled.

India's good relations with the Soviet Union itself posed a problem. Though Indo-Soviet friendship would grow further in future and benefit both the countries, it did not mean automatic exclusion of the U.S. and this approach was unnecessary, Mr. Gonsalves said.

Since both India and the U.S. believed in democratic rights, the press and the public could not be controlled and if they sometimes indulged in criticism of either of the countries, it should not be taken as anti-U.S. stand by India or vice versa.

In reply to a question, Mr. Gonsalves said Mrs. Gandhi's talks with Mr. Reagan would provide a scope for continuing the threads left at the Cancun summit on the U.S. contribution to the multilateral aid institutions. It was not as if rich countries should feed the begging bowls of the poor countries but that in the interest of the international economic system, they should contribute to it and avoid its collapse.

Earlier, Mr. Bruce Armstuz, the U.S. consul-general in Bombay, described India as one of the "great countries of the world, commanding the respect and attention of America". The common interests of both the countries were often obscured by differences. The strongest of all ties between India and the U.S. was the practices of democratic freedom denied by many governments to their people, Mr. Armstuz said.

Among those present at the meeting were diplomatic corps from the U.S.S.R. the U.K., Poland, Belgium, Indonesia and Malaysia. The meeting was presided by Mr. Ramesh Khanna, president of the Rotary Club of Bombay Central.

CSO: 4220/7516

RAJYA SABHA QUESTIONS GANDHI ON ANTARCTIC TREATY

Calcutta THE STATESMAN in English 9 Jul 82 p 9

[Text] Mrs Gandhi told the Rajya Sabha today that India had to consider if by being a member of the Antarctica treaty it would "jeopardize" either the country's interests or those of other developing and smaller countries. It was a complex matter, the Prime Minister added.

The Government was in touch with other countries. She promised to inform the House as soon as any decision was taken. India did not accept the contention of a few countries to carve out any part of the world beyond their own territories for their purpose, leaving out the rest, Mrs Gandhi said during question hour. She explained that India's stand had been made clear repeatedly and that was one of the reasons why India organized its own expedition to Antarctica. The Government had refused to sign the treaty "on the very ground that we should not be a party to such a treaty."

An interesting situation arose when a BJP member, Mr Jaswant Singh, wanted to know from the Government whether it was aware of the June 14 meeting in Wellington, New Zealand, which discussed a draft convention for sharing mineral resources of Antarctica. The meeting, according to him, was attended by Argentina, Britain and 12 other countries, including the Soviet Union and the U.S.A. Mr Jaswant Singh also wanted to know if the sacrosanct line of 60 degrees south was no longer as such for fishing rights which were now being shared by these countries as far as 50 degrees south. If that was so, what was the purpose of the expedition?

The Minister of State for Science and Technology, Mr C. P. N. Singh, in his reply said that the Government was not aware of the June 14 meeting reportedly held in Wellington. The Chairman, Mr M Hidayatullah, asked Mr Jaswant Singh the source of his information. The BJP member claimed that he had his source in his briefcase and said that he would pass it on to the Government.

Later, he gave a printed document to Mr C. P. N. Singh. The document was passed on to Mrs Gandhi, who had a few words with Mr Jaswant Singh. Earlier, Mr C. P. N. Singh in his reply to the original question, said that the Government was "examining the various details of the Antarctica treaty but at present there is no proposal to join it."

CSO: 4220/7597

PAPER GIVES DETAILS ON ISRAELI CONSUL'S EXPULSION

Bombay THE TIMES OF INDIA in English 9 Jul 82 p 1

[Text] The Israeli consul in Bombay has been declared persona non grata and asked to leave the country within 48 hours.

The government's decision was conveyed to the Israeli-consul, Mr Yosef Hasseen, by the chief secretary to the Maharashtra government, Mr P. G. Gavai, in Bombay today.

The decision followed some objectionable statements by Mr Hasseen in a newspaper interview. According to an official spokesman, these statements were highly objectionable and not in consonance with Mr Hasseen's diplomatic functions. These statements also amounted to an unacceptable interference in the domestic affairs of India, he said.

Mr Hasseen has been declared persona non grata on specific grounds but there is no decision on the demand for the closure of Israel's consular office in Bombay. This demand has been raised by some members of parliament. Mr Hasseen was posted to Indian in December 1979.

No Diplomatic Ties

India has no diplomatic relations with Israel. It has been permitted to maintain a consular mission in Bombay to facilitate Indian Jews' visits to Israel.

Mr Hasseen, in his interview with a Bombay-based Sunday newspaper, said that there was a strong Muslim-Arab lobby in New Delhi and that Arab ambassadors were making use of Indian Muslims to put pressures on the government.

In reply to another question, he said that Israel was getting a bad press in India because the press was following the official line. According to him, the press was intentionally and purposefully trying to divert the sympathies that the Indian people have for Israel.

He also said that Israel did not agree with India's policy vis-a-vis Pakistan, Sikkim and Goa. "You are competing with Pakistan to impress the Arabs," was another comment.

Mr Hasseen commented: "Your politicians are afraid of the Arabs. They are afraid that Iraq would cancel their contracts and Saudi Arabia would stop importing Indian labour.

CSO: 4220/7598

YOUTH FRONT ORGANIZED TO 'PROTECT' AIADMK LEADER

Bombay THE TIMES OF INDIA in English 9 Jul 82 p 9

[Text] The chief minister of Tamil Nadu, Mr M. G. Ramachandran, the undisputed founder-leader of the ruling All-India Anna DMK who draws support from 27,000 MGR Film Fans & Associations claiming a membership of 1.5 million throughout the state, has now one more organisation aimed at strengthening his hands.

The new body, the MGR Youth Front, launched yesterday by the finance minister, Mr V. R. Nedunchezhian, will aim at developing second and third-level leadership to be used by the AIADMK whenever necessary, according to Mr P Musiriputhan, MLA-president of the "All-World MGR Film Fans Association" and the moving spirit behind the front.

The front aims at enrolling 500,000 men and women in the age group of 15 to 30. These members, according to Mr Musiriputhan, will give unquestioning obedience to Mr Ramachandran's orders. "There will be no working committee, executive committee or any argument over decisions taken by MGR. We will obey his orders without question," says Mr Musiriputhan.

A new generation of MGR followers from among the youth is to be built up. They will be trained in martial arts like karate and "silamba attam" (fighting with slaves), not only to protect themselves against attack but "to protect the party, the government and our leader, MGR."

Mr Musiriputhan said 500 training centres would be set up all over the state and members would be required to pay an annual subscription of one rupee each.

Drawing a distinction between the MGR Fans Associations and the Youth Front, Mr Musiriputhan said the former would concentrate on political work, including propaganda for the party and the government. However, MGR fans in the 15-30 age group could become members of the Youth Front also. Three city colleges had already established MGR Youth Front units.

The inaugural function at the Kalaivanar Arangam included oratorical competitions on subjects like "Our view of puratchi thalaivar (MGR)," "Why is puratchi thalaivar ever popular--due to his work in the field of art or politics?"

CSO: 4220/7598

KASHMIR YOUTH FEDERATION, NATIONAL CONFERENCE MERGE

Bombay THE TIMES OF INDIA in English 9 Jul 82 p 23

[Text] The Prime Minister, Mrs Indira Gandhi, told the Rajya Sabha during question hour today that her government was currently examining the benefits that might accrue to India and other developing countries if it finally agreed to sign the Antarctica treaty.

In reply to a supplementary by Mr Manubhai Patel, Mrs Gandhi said the government had of late been in touch with other developing countries.

The Prime Minister made this observation after the minister of state for science and technology, Mr C. P. N. Singh's reply to the main question that "at present" there was no proposal to join the treaty.

Mrs Gandhi said India would take any step in this regard only after detailed consultations with other developing countries.

Mrs Gandhi said India had always held the view that no country could carve out any region outside its own territory for its exclusive use and it would pursue this line further. This was precisely the reason for his government not signing the treaty, she added. She said India's expedition to Antarctica was successful.

Heavy water plant: India does not subscribe to the view that its atomic energy programme is being sought to be systematically sabotaged in several senstitive sectors, Mr C. P. N. Singh told Mr Ramachandra Bhardwaj and five others in a written reply.

The shut-down of the heavy water fabricating plant at Baroda recently was due to continued labour unrest.

Normal maintenance work has commenced in the plant, which is expected to resume production by the end of this month. The loss of production due to the shot down would however marginally affect the commissioning of the Madras atomic power plant unit one, he added.

Mr Singh told Mr Ramanand Yadav and Mrs Amarjit Kaur in a separate reply that heavy water plants at Nangal and Tuticorin were also operational.

Regular production is expected to start in the heavy water plants at Talcher and Kota towards the year end, he said.

The minister told Mrs Monaka Das that simultaneously the government had on hand a programme to accelerate sub-survey examination of uranium occurrences.

CSO: 4220/7598

EDITORIAL SCORES CONDUCT OF ISRAELI CONSUL

Bombay THE TIMES OF INDIA in English 10 Jul 82 p 8

[Text]

The Israeli consul in Bombay, Mr. Yosef Hasseen, has only himself to blame for his expulsion from this country at 48 hours' notice. There have been occasions in the recent past when foreign diplomats, including an Arab ambassador, have had to be asked to leave India because of their indiscreet or unbecoming behaviour. But never before has anyone done anything even remotely comparable to the vile and vicious conduct of the Israeli consul. New Delhi's declaration that his remarks in the course of a newspaper interview were "highly objectionable" and amounted to an "unacceptable interference" in India's domestic affairs must be reckoned to be the understatement of the year. Mr. Hasseen — belying his name which, ironically, means beautiful — has been guilty of gross abuse of Indian hospitality. At a time when the whole world is appalled by the unspeakable Israeli atrocities in Lebanon, he has had the intolerable impertinence to use Indian soil to insult this country's government, the ruling party and the press — all because they refuse to go along with him in applauding the nauseating Israeli genocide and condemn it instead. To make matters worse, he has tried to sow communal discord in this country. There can be no other meaning of his infamous attempt to make out that while the Hindus are sympathetic to Israel the Arab ambassadors are using Indian Muslims to bring pressure to bear on the government.

Since this country and Israel do not have normal diplomatic relations and Israel's outpost in Bombay is expected to confine itself to consular work, the Israeli consul, whoever he may be, does function under some constraint. But neither this fact nor anything else can be cited as an extenuating circumstance for Mr. Hasseen's egregious misconduct, to put it no more strongly than that. Some of his predecessors, operating under the same conditions as he, in fact managed to be effective enough largely because they had the good sense to recognise both the depth and the sincerity of this country's traditional support to the cause of the Arabs in general and the Palestinians in particular. But being an evidently nasty piece of work, Mr. Hasseen chose to fly in the face of facts. He must have known that feelings are running high in this country over the Israeli efforts to annihilate the PLO in Lebanon and the demand for a closure of the Israeli consulate in Bombay is gaining momentum. But rather than take

steps to mitigate this feeling he has chosen to exacerbate it by his stupidity and effrontery. Mr. Narasimha Rao has said in Parliament that the closure of the Israeli consulate is under active consideration. If this does eventually come about, the primary responsibility for it would be that of the Israeli consul who has quite rightly been thrown out.

CSO: 4220/7599A

REPORTAGE ON GANDHI 9 JUL STATEMENT ON MIDEAST

Statements in Both Houses

New Delhi PATRIOT in English 10 Jul 82 pp 1, 7

[Text] Prime Minister Indira Gandhi has blamed the U.S. for emboldening Israel to invade Lebanon to wipe out the PLO.

To a unanimous accolade, she told Parliament on Friday that India stood by the PLO--not because of pressure from the Arab countries or its own Muslims but because it believed in the justness of their cause and their right to an independent homeland.

Making identical statements in both Houses, Mrs Gandhi called on nations in a position to influence Israel to take immediate steps to lift the siege of Beirut and to ensure the withdrawal of Israeli troops to their own territory so that negotiations could begin for a just, comprehensive and solution acceptable to all.

Such a solution, she said amidst cheers, must ensure the sovereignty, independence and territorial integrity of Lebanon and the inalienable rights of the Palestinian people, including their right to an independent nation-state.

Mrs Gandhi disclosed that she had written to the Presidents of the Soviet Union, France and the U.S. to take initiatives to restore peace in West Asia.

There was a flutter in the Lok Sabha when a vociferous Opposition demand for the closure of the Israeli consulate at Bombay was contested by one of their own front benchers--BJP's Mr Ram Jethmalani--to the chagrin of his party leader Atal Behari Vajpayee.

Several Opposition members, and many from the ruling party, pounced on Mr Jethmalani when he further elaborated his support for Israel even as the Chair was remonstrating with the members for speaking against his directions.

This was in sharp contrast to the BJP response in the Rajya Sabha when Mr J.P. Mathur welcomed the Prime Minister's statement while seeking clarifications on some points.

In the Rajya Sabha, Mrs Gandhi denied she was reluctant to name the power behind the Israeli invasion of Lebanon.

She said Israel was powerful enough to launch the attack. "But it (Israel) is emboldened by the powerful support it has from outside. United States is one." she added.

Mrs Gandhi said the Congress Party had genuinely sympathised with the Jews when they were harassed in Europe. "But we did not support the Jewish homeland at the displacement of Palestinians."

> She regretted that both the United Nations and the nonaligned movement were not as effective as they should have [been] against the Israeli invasion.

Mrs Gandhi said she was sad that India was not much powerful to do anything to stop the Israeli aggression, except sending medicines and relief.

> Responding to a specific question from a member, she said the socialist countries were much powerful militarily and technologically. "If they do some thing, we will support them," she added.

She told the House that a ministerial level meeting of the nonaligned is proposed to be convened to discuss the unprovoked Israeli action against Lebanon in consultation with other non-aligned member-countries.

Statement

In her statement Mrs Gandhi said the unprovoked Israeli invasion of Lebanon and the brutal killing of thousands of Lebanese and Palestinian civilians had aroused deep anguish and revulsion in the entire world community.

This Israeli action was a flagrant violation of all canons of international law and behaviour. It was indicative of an arrogance which had shown callous disregard for the rights of other nations and peoples, she added.

The Prime Minister said history was replete with instances of the failure of military force to crush popular movements. This equally applied to the Palestinian movement based on the legitimate aspirations of Palestinians.

"Israel will be well-advised to pay heed to the growing worldwide vocal concern, including the voices of thousands of its own people who have demonstrated against this invasion," she said.

Mrs Gandhi deplored that at a time when there were hopes for some progress in the resolution of the Palestinian problem, Israel had chosen to exaccerbate

it. It had thus imperilled the possibilities of long-term stability in the sensitive and strategic West Asian region.

The unprovoked Israeli invasion of Lebanon and the brutal killings of thousands of Lebanese and Palestinian civilians has aroused deep anguish and revulsion in the entire world community. This Israeli action is a flagrant violation of all canons of international law and behaviour. It is indicative of an arrogance which has shown callous disregard for the rights of other nations and peoples.

Since the invasion on 6 June, the efforts of the international community to secure vacation of aggression have made no progress, as Israel continues to defy counsels of restraint. It has callously ignored the unanimous resolutions adopted by the Security Council and the resolution adopted by the special session of the United Nations General Assembly.

The Israeli blockade of West Beirut is now being further tightened. Many hundred thousand residents are totally deprived of essential supplies of water, electricity, food and medical assistance; the entire civilian population is being starved out. The cease-fire such as it is fragile and precarious. Beirut could well be totally destroyed and its population annihilated. This unabashed use of force is totally contrary to all norms and tenets of international behaviour. Israel's cynical and contemptuous disregard of international opinion, its continuing aggression and its use of military means to seek political objectives provide a very sad precedent for the future, Mrs Gandhi said.

At a time when there were hopes for some progress in the resolution of the Palestinian problem, Israel has chosen to exacerbate it thus imperilling the possibilities of long-term stability in the sensitive and strategic Asian region, she added.

Israeli attempts to wipe out the Palestinian movement cannot succeed in the long run. A popular movement based on the legitimate aspirations of the Palestinian people cannot be put down by use of arms. History is replete with instances of the failure of military force to crush popular movements. Israel will be well advised to pay heed to the growing worldwide vocal concern, including the voices of thousands of its own people who have demonstrated against this invasion of Lebanon, she said.

'On behalf of my Government I should like to call upon nations who are in a position "to influence" Israel to take immediate steps to lift the siege of West Beirut and withdraw its troops to its own territory. After this immediate objective is achieved, negotiations must begin for a just, comprehensive and durable solution acceptable to all concerned. Such a solution must ensure the sovereignty, independence and territorial integrity of Lebanon and the inalienable rights of the Palestinian people including their right to an independent nation-State, the statement said.

In the Rajya Sabha, Opposition members who spoke immediately after Mrs Gandhi's statement, were critical of the ineffective role of the UN and the nonaligned movement in resolving the crisis.

Mr Nirmal Chatterjee (CPI-M) saw the hand of the International Monetary Fund (IMF) in Mrs Gandhi's silence on the role of the U.S. in Israeli campaign against the PLO.

Mr M. Kalayanasundernam (CPI) wanted to know from Mrs Gandhi as to why her government was hesitant to call "a spade a spade."

Mr Shahabuddin (Janata) he hoped that Mrs Gandhi, during her forthcoming visit to U.S. would pressurise U.S. leaders and ensure Israeli withdrawal.

What surprised Mrs Margaret Alva (Cong-S) most was the "passive role" of the socialist countries in this crisis. International humanitarian agencies should be mobilised to help the Palestinians she said.

Mr Ghulam Rasool Matto (NC) said India should send its troops in aid of the PLO.

Medical Team

In her reply, Mrs Gandhi recalled, India was the first country to send a medical team to Beirut to render help to the war victims.

But the Indian team could not reach the centre of the Lebanese capital, but was rendering medical aid on the outskirts, she added.

She said while the International Red Cross was not allowed to go into Beirut, the Indian Red Cross did send some medical supplies to the victims through the Lebanon and Palestinian Red Cross. India had also despatched blankets, she said.

In the Lok Sabha CPM, CPI, Congress-S and some other Opposition members demanded closure of Israel consulate in Bombay stating that the Government should not allow the use of Indian soil for anti-Palestinian propaganda.

Mr S. S. Chakravarty (CPM), Mr Indrajit Gupta (CPI), Mr K.P. Unnikrishnan (Congress-S) and others sought clarifications on the statement but Speaker Balram Jakhar did not allow them saying that he would allow a separate discussion on Mrs Gandhi's statement.

Report from G. K. Reddy

Madras THE HINDU in English 10 Jul 82 p 1

[Text] The Prime Minister, Mrs Indira Gandhi, made a fervent appeal today to countries that are in a position to influence Israel to take urgent steps to get this militant nation [to] lift its siege of West Beirut and withdraw its troops from Lebanon.

In a statement she made in Parliament this afternoon, Mrs Gandhi said that, after this immediate objective had been achieved, negotiations should begin for a "just comprehensive and durable solution acceptable to all concerned."

Though the use of the words "all concerned" seemed to imply that India was not averse to the idea of a settlement that would be equally acceptable to Israel, the Prime Minister was quite categorical in reaffirming the Indian position that any such solution "must ensure the sovereignty, independence and territorial integrity of Lebanon and the inalienable rights of the Palestinian people, including their right to an independent nation-State."

She said: "The unprovoked Israeli Invasion of Lebanon and the brutal killings of thousands of Lebanese and Palestinian civilians has aroused deep anguish and revulsion in the entire world community. This Israeli action is a flagrant violation of all canons of international law and behaviour. It is indicative of an arrogance which has shown callous disregard for the rights of other nations and peoples."

The Prime Minister deplored that at a time when there were hopes for some progress in the settlement of the Palestinian problem, Israel had chosen to exacerbate it and imperil the possibilities of long-term stability in the sensitive and strategic West Asian region.

She said that history was replete with instances of failure of such attempts to crush popular movements with military force. The Israelis would be well advised, she added, to pay heed to the world-wide indignation, including the voices of thousands of their own people who have been opposing this invasion.

Mrs Gandhi strongly condemned the way Israel had been flouting international opinion, defying counsels of restraint and ignoring the U.N. resolutions. She warned, a popular movement like the Palestinian Liberation Organisation based on the legitimate aspirations of its people could not be wiped out with brute force.

Letters to World Leaders

The Prime Minister's statement was intended to be a follow up of the letters she had written in the last few days to prominent world leaders like the U.S. President, Mr Reagan, the Soviet President, Mr Brezhnev, and the French President, Mr Mitterrand, on the subject.

She had also been exchanging communications with the Cuban President, Mr Castro, in his capacity as current chairman of the nonaligned movement, on what the community could do to mobilise world opinion against the Israeli action.

It had been decided, after intensive consultations among representatives of the nonaligned countries at the United Nations, that the coordination bureau should hold an "emergency special session" to discuss the Israeli action.

It was initially agreed that the bureau members should meet in Nicosia close to the scene of conflict, but Algeria had been urging that the meeting should be held in Algiers which was an Arab capital besides being one of the major centers of the non-aligned movement.

Meanwhile, the External Affairs Minister, Mr P. V. Narasimha Rao, told Parliament today that the Government was in constant touch with the PLO through its ambassador in Delhi and was extending all possible assistance. But, at the same time, the Government was not taking any hasty step like ordering the closure of the Israeli Consulate-General in Bombay following the expulsion of the consul for his objectionable utterances. (Mr Yosef Hassen, the Israel consul, under expulsion orders, would leave Bombay on Sunday, police sources in Bombay said, according to a PTI report).

It was not without significance that, in view of the Prime Minister's forthcoming visit to Washington, both Mrs Gandhi and Mr Narasimha Rao refrained from any direct criticism of the U.S. support for Israel or the refusal of the Reagan Administration to exert enough pressure on it to withdraw from Lebanon.

The farthest Mr Narasimha Rao went today was in remarking, in reply to some pointed questions in the Rajya Sabha, that the U.S. had given "sufficient backing to Israel including the vetoing of the French resolution in the Security Council."

G. K. Reddy on Opposition Stance

Madras THE HINDU in English 10 Jul 82 p 1

[Text] The two Houses of Parliament witnessed today the sharp ideological divisions that divide the Opposition parties on international issues and attitudes, after the Prime Minister. Mrs Indira Gandhi, made a statement on the Israeli aggression on Lebanon.

The two communist parties were quite criticial of her reluctance to name the U.S. as the prime supporter of the Israel while the BJP and the Congress (S) were no less vehement in their disapproval of the passive attitude of the Soviet Union.

The leftist parties felt that mere condemnation of the Israeli attack was not enough without identifying the sources of instigation. The BJP leader, Mr Ram Jethmalani, provoked their bitter resentment when he implied that due note should be taken of the Israeli point of view as well in assessing the tragic situation in Lebanon.

PLO's grievance: An independent member, Mr Dinesh Goswami, tried to steer a middle course in the Pajya Sabha by drawing attention to the Palestinian Liberation Organisation's grievance that it was being let down by its own Arab friends, not to speak of the Socialist bloc which was also accused by other members of a passive role.

The Prime Minister denied the Opposition charge that she was reluctant to name the power behind the Israeli aggression, maintaining that Israel was powerful enough to launch the attack on its own. But she conceded that Israel was emboldened by its powerful support from outside including the U.S.

She said the U.N. and the non-aligned community were not as effective as they should be in dealing with such a situation. India itself could not do much to stop the Israeli attack other than extending strong political and moral support to the victims of this invasion. If other powerful countries like the Socialist bloc did something to stop such aggression, India would certainly support them.

It is not customary in the Lok Sabha to have a debate immediately after a statement has been made by the Government. But in Rajya Sabha the procedures are different and members are entitled to express their views on such statements.

The Opposition parties availed themselves of this opportunity to question why the Prime Minister did not herself name the United States. And in trying to explain why she was not going out of her way to blame only the U.S. for this highly distressing situation, she did not let go the opportunity to indirectly draw attention to the fact that the Socialist countries were doing nothing about it.

No Indians involved: At the end Mrs Indira Gandhi reiterated that there was no Indian soldier fighting with the PLO forces against Israelis in the war-torn Lebanon.

CSO: 4220/7662

MALHOTRA NOMINATED INDIAN REPRESENTATIVE TO IMF

Bombay THE TIMES OF INDIA in English 17 Jun 82 p 9

[Text]

NEW DELHI, June 16: Mr. R. N. Malhotra was nominated today as India's representative on the executive board of the International Monetary Fund.

Mr. M. Narasimhan, who is now on the IMF executive board, will succeed Mr. Malhotra as the economic affairs secretary in the finance ministry.

Mr. Malhotra, during the recent Indo-British negotiations on economic co-operation and earlier while negotiating the massive IMF loan, as distinguished himself through his grasp over the details and knowledge of international finance.

The appointment of Dr. Manmohan Singh as the next governor of the Reserve Bank to succeed Dr. I. G. Patel will be announced soon. Dr. Patel is joining as director of the Indian Institute of Management in Ahmedabad.

Mr. P. P. Nayyar, who is now the chief secretary to the Bihar government, is being appointed as a special secretary to the home ministry. This new post in the ministry is being created to deal exclusively with the special problems of the eastern states.

Mr. Bastle Karim, who is now working for an international development agency in Yugoslavia, is being appointed as the director-general of bureau of public enterprises in the rank of a secretary.

Mr. S. Ramanathan, special commissioner for the government of Karnataka here, will be the new secretary in the department of chemicals and fertilisers.

Mr. K. V. Ramanathan, at present secretary in the department of chemicals and fertilisers, will move to the planning commission as officer on special duty in the same rank.

It is understood that this appointment is related to the impending change in the planning commission, when Dr. Manmohan Singh, member-secretary, takes up a new assignment as governor of the Reserve Bank of India.

CSO: 4220/7510

MALHOTRA MEETS WITH PRESS ON RETURN FROM PARIS

IDA Credit Uncertain

Bombay THE TIMES OF INDIA in English 19 Jun 82 p 1

[Text] THERE is a great deal of uncertainty regarding the flow of IDA credit, which is of critical importance in maintaining the concessional flow of aid, next year.

Indicating this at a press conference here today, the secretary of economic affairs, Mr. R. N. Malhotra, expressed satisfaction over the aid commitment for the current year.

Mr. Malhotra, who has returned after the Aid India Consortium meeting in Paris, told newsmen that the development assistance totalling $ 3.6 million pledged represented an increase in dollar terms of 5.7 per cent over the last year's commitment of $ 3.4 million in terms of special drawing rights, (SDR), the assistance pledged amounted to $ 3.3 million as against $2.8 billion last year. The increase in SDR terms thus worked out to 17 per cent.

Elaborating on the uncertain aid outlook for the next year, the secretary said though some of the countries had indicated that they would increase the flow of assistance, there were several others who had yet to make up their mind. He said Norway had declared that it would raise the level of aid from the current level of 0.7 per cent of GNP to 0.76 per cent next year.

Answering a question, Mr. Malhotra dispelled the apprehension that the rate of utilisation of foreign assistance was low. Giving statistics, he claimed that in fact in some cases India had even exceeded the limit.

Asked whether the consortium pledges included credit for the Paradip steel plant and super thermal plant, Mr. Malhotra said these were outside the aid commitment. Answering a question as to how the government proposed to resolve the balance of payment problem, Mr. Malhotra said this would require larger commercial borrowings and a major thrust in the field of import substitution. During 1980-81 the commercial borrowing amounted to Rs. 800 crores, and in the preceding year it had come up to Rs. 900 crores.

Mr. Malhotra expected a great deal of saving on imports because of increase in the indigenous production of oil and other essential commodities.

Fears of Recession Discounted

Calcutta THE STATESMAN in English 19 Jun 82 p 1

[Text] Fears of general recession in the country were discounted today by Mr B. N. Malhotra, Secretary in the Department of Economic Affairs. He said that all that was happening was an adjustment of the demand and supply position in some sectors of industry.

Among the sectors he identified in a chat with reporters were commercial vehicles and tractors where bookings had been made in advance by people who found themselves without funds to make the purchases.

Mr Malhotra said there was a tendency to blame money supply and the credit restrictions for the so-called recession, but this was not the case. He agreed, however, that some demand would inevitably remain unsatisfied when credit restraints were imposed.

Referring to fertilisers--imports of which have now been curtailed--Mr Malhotra said farmers were not making immediate purchases simply because stocks were available in depots and they saw no need to buy in advance of their needs.

He said prices were "very much in control and we hope to keep it under control". The slight rise in the wholesale index since May would need to be watched. He attributed this to the fact that the comparison was with May 1981, when prices were declining.

Consortium Pledge

Mr Malhotra, who led the Indian delegation of the Aid-India Consortium meeting in Paris earlier this week, said the $3.66 billion pledge represented an increase of 5.7% over last year in terms of the U.S. dollar, but was as much as 17% in Special Drawing Rights, the unit of account of the International Monetary Fund.

He hoped for a better mix of the World Bank International Development Fund aid this year and thought that the small amount of $900 million disbursed by IDA last year would not be repeated. (IDA gives virtual grants, unlike the World Bank which charges about 12.5% interest a year).

Mr Malhotra said that aid utilization had been good and had improved recently and cases of commitments lapsing were now rare. Since most of the aid was tied to projects that took four or five years to implement, the average rate of 23% of utilization last year was thought to be good. In the meantime, aid in the pipeline continued to grow.

Mr Malhotra felt that the solution to the balance of payments problems lay in import substitution, especially in such vital and strategic areas as oil. This year, India would produce 21 million tons of oil, compared to just 10 million tons a couple of years ago. The actual rate of increase of imports had started declining.

The position was also expected to improve in the next three or four years when the inflow of commercial loans--totalling Rs 1,700 crores in the last two years--started with the implementation of projects they were taken for.

CSO: 4220/7518

SHEIKH'S SON URGES ADOPTION OF RESETTLEMENT BILL

New Delhi PATRIOT in English 19 Jun 82 pp 1, 7

[Text] State Works Minister Ghulam Mohammad Shah, son-in-law of Chief Minister Sheikh Abdullah, has given an ultimatum to State Governor B K Nehru to "either give assent to the Resettlement Bill or quit your post."

Significantly, articulation of the hardened attitude of the ruling National Conference by Mr Shah comes in the wake of persistent reports that the unstable state of the Sheikh's health was causing concern in his family and that it had led to accentuation of the race for succession between Mr Shah and his brother-in-law, Dr. Farooq Abdullah. Mr Shah had so far been maintaining a relatively low profile over this contentious issue. Sudden shift in Mr Shah's stand followed reports that the Sheikh was down with yet another stroke of his chronic ailment.

Earlier, reports had placed Mr Shah in the doves camp who were said to be trying to persuade the Sheikh against the escalating crisis over the controversial 'Resettlement Bill.'

Addressing a public meeting at Kanaspora in Baramulla district yesterday, Mr Shah asserted that if the Governor did not give assent to the Bill, 'then he has no constitutional justification to continue in his office. The Governor of this State was bound by loyalty to the constitution of the State and all his functions had to be in accordance with this allegiance,' Mr Shah added.

He said that 'We are watching as to how Governor Nehru fulfills his constitutional obligation. If he feels the Bill needs some modifications, he should refer it back to the legislature for reconsideration and not detain it unduly as he has been doing.'

According to section 78 of the State constitution, if the Bill is referred back by the Governor and it is again adopted by the legislature 'with or without modification suggested by the Governor' it automatically becomes law irrespective of whether the Governor gives his assent to it or not.

Mr Shah claimed that the state's accession with the Indian Union was 'limited to three subjects only, namely defence, foreign affairs and communications. The State enjoys full internal autonomy in all other matters.'

The National Conference leader charged that the State Government was 'being pressurised by the Centre. But we cannot be cowed down by these tactics', he said.

He alleged that 'it looks as if India wants to rekindle the flames in Kashmir. If they are out to do that then let it be known that we are also ready to jump into the field of action. We will leave no stone unturned in 'defending our rights,' Mr Shah said.

Mr Shah explained that while there had been no objection to giving 'shelter' to 60,000 (non-Muslim) refugees from West Pakistan who were not state subjects a lot of noise was being made when we are now trying to resettle genuine residents of the State. Mr Shah claimed that the Sheikh had consented to return to power in 1975 only because 'Indira Gandhi had pleaded with him to come forward and save the sinking boat of the State. We sincerely wanted to open a new chapter. But they seem to be out to rekindle old flames.'

The Minister charged that Centre had been discriminating against the State in matter of allocation of central funds for development.

The ruling party hardened stance on the Resettlement Bill with strong anti-Centre bias on one hand indicates depending political crisis in the State while on the other it seems to be fuelling the race for succession within the Sheikh family.

CSO: 4220/7519

RAO ADDRESSES INDIA-ARAB FRIENDSHIP MEETING

Bombay THE TIMES OF INDIA in English 20 Jun 82 p 1

[Text] India is in touch with other non-aligned countries for a discussion on the Israeli aggression against Lebanon. Addressing a meeting organised here by the All-India Indo-Arab friendship association, the minister for external affairs, Mr. P.V. Narasimha Rao, today said India was also in touch with the countries immediately concerned.

Referring to a suggestion made by some speakers at the meeting for a conference of non-aligned countries on the issue, Mr. Rao, however, said nothing should be done without prior consultation with the countries immediately concerned.

Deviating from the written text of his speech circulated earlier, Mr Rao said that at the recent Havana meet of non-aligned bureau, when the news of Israeli aggression broke "everything else paled into insignificance".

He said that is the U.S. he had occasion to discuss the matter with foreign ministers of some Western democracies and they were equally shocked. They, however, confessed that there was very little pressure they could build upon Israel.

Mr. Rao said the real question in West Asia was that of "total lawlessness" in the world affairs by a small country armed to the teeth.

This had a destabilising influence on the whole region, he added.

Condemning the Israeli aggression, Mr. Rao said India would stand firm in its support for freedom and statehood for the Palestinians, under the leadership of the PLO.

"Their losses are our losses, their victories are our victories," he said.

Mr. Rao said this war carried within itself the threat of escalation into a "much larger conflagration". Israel had to stop and vacate aggression. It had to be restrained and made to see reason by those who were in a position to do so he said.

Mr. Rao said this "naked agression" added yet another "sordid chapter" to Israel's "already infamous history of misdeeds". It was obvious that Israel's aggression on Lebanon was "premeditated and carried out with cold-blooded precision", he added.

KASHMIR GOVERNMENT'S ANTI-PALESTINE STANCE SCORED

New Delhi PATRIOT in English 20 Jun 82 p 7

[Text] The Kashmir Council of the All India Peace and Solidarity Organisation yesterday condemned the State Government in disallowing pro-Palestine demonstration in the city last week and arresting about 20 activists and supporters of the organisation.

Addressing a press conference here, Farooq Niazi, convener of the joint relief committee formed by AIPSO and General Union of Palestinian students in Kashmir, alleged that the attitude of the State Government towards the Palestine question ran counter to the policy of Government of India. He said that while the State authorities had harshly acted against pro-Palestine demonstrators, certain other elements known for their extra-territorial loyalty and rank communalism (Jammati-Islami and its militant youth body Jamiati-Tullaba) were being given free hand to promote their activities, including holding of demonstrations whenever they chose to. Mr Niazi said that they had given advance notice to the district authorities for holding the pro-Palestine demonstration in the city on 12 June. But instead of allowing the demonstration to be held, the police swooped on the activists and sympathisers of the AIPSO at night arresting more than 20 persons. Next day when a group of demonstrators tried to take out a procession and hold a public meeting they were forcibly dispersed by the police. Mr Niazi was whisked away and released later in the evening.

Mr Niazi disclosed that most of the 50 Palestinian students studying in Kashmir had left for the battle front in Lebanon. The joint relief committee was collecting funds, blood plasma and other items for being despatched to the Palestinian fighters through the External Affairs Ministry.

CSO: 4220/7522

GANDHI TO HEAD PANEL TO IMPLEMENT 20-POINT PROGRAM

Bombay THE TIMES OF INDIA in English 17 Jun 82 p 9

[Text]

NEW DELHI, June 16 (PTI). THE Prime Minister, Mrs. Indira Gandhi, will head a new cabinet sub-committee which will oversee the implementation of the revised 20-point socio-economic programme, it is learnt.

The sub-committee will comprise senior cabinet ministers, especially those dealing with economic ministries.

The Prime Minister has emphasised the need to give a new thrust to the 20-point programme and the chief ministers are being urged to set up similar committees at the state level.

While the responsibility for the implementation of the individual programmes will be that of state governments and the Union ministries concerned, Mrs. Gandhi is understood to be taking personal charge of the work of directing and monitoring the programme.

The secretary (co-ordination) in the cabinet secretariat will be placed in additional charge of co-ordination in relation to the 20-point programme implementation.

The Prime Minister's secretariat is receiving monthly reports of the implementation of the sectoral programmes on the basis of which action is being initiated, wherever necessary, to ensure that all the targets set are fulfilled.

Directions have been given to all agencies of the government to do their utmost to ensure that the targets are fulfilled.

The enforcement agencies have also been assured that there would be no shortage of funds for the programme and that no activity would be allowed to suffer for lack of finance.

Mrs. Gandhi has been reviewing the progress of implementation in many areas in a series of meetings she has had with senior officials and teams of scientists and other experts.

The power irrigation dryland farming, rural employment afforestation and social forestry programmes, fixation of land ceilings and distribution of surplus land to the landless and other rural families have been discussed at such meetings.

Reports from the states, according to official sources, show that there has been good progress in the family planning programme in many states during 1981-82.

The target for 1982-83 is 4,400,000 sterilisations but family planning is part of a wider maternal and child health programme, all aspects of which are being given attention, the sources said.

CSO: 4220/7510

REPORT ON UN ENVOY'S 10 JUL SPEECH AT SPECIAL SESSION

Madras THE HINDU in English 11 Jul 82 p 12

[Text] India today expressed its disappointment at the outcome of the second U.N. special session on disarmament by dissociating itself from the conclusions adopted by consensus by the plenary meeting.

In a strongly worded statement, Mr. N. Krishnan, India's permanent representative at the U.N. told the conference: "We were convinced that we could not in good conscience go to our own people and claim that by accepting such a consensus text, we had in fact either served their genuine interests or responded to their urgent concerns".

"India's commitment to the cause of peace and disarmament remains unshaken but we believe that in these difficult and dangerous times, conviction and principle are more important than consensus".

The Indian delegate minced no words in calling the conference a "complete failure". He conveyed India's sorrow and anguish that the conclusions of the conference failed to do even minimal justice to the depth of concern and anxiety felt by people all over the world at the prospect of nuclear war.

"Exercise in futility": "The tragedy of this exercise in futility is that having fooled ourselves, we are now trying to fool the world. But the cosmetics cannot hide the reality which lies behind".

Observers said the Indian decision to dissociate itself from the conclusions of the conference could be regarded as non-participation. The Indian delegation apparently decided that as nobody wanted to force a vote, it should register its protest in this manner.

The conference, which was originally scheduled to end last night was extended to a final sitting this morning. At the ad hoc committee's session which formally adopted the conference document by consensus, India's permanent representative at the U.N. in Geneva, Mr. A. P. Venkateswaran, announced his delegation's decision to dissociate itself with the final report.

Mr. Venkateswaran said India had hoped that narrow security concerns of individual States, major powers in particular, would not be allowed to stand in the way of adopting certain urgent and necessary measures for the survival of mankind.

Issues overlooked: The conference had abdicated its responsibility to the U.N. and the international community as a whole, he said.

"We have clearly failed to address ourselves to most important issues in failing to provide any answer to the dilemma which bedevils the governments and peoples, namely, the contradiction between arms race and development," Mr. Venkateswaran said.

Mr. Venkateswaran said the report of the second special session would only serve further to promote the growing cynicism towards, and lack of credibility in the United Nations system.

In his statement before the plenary today Mr. Krishnan said India had hoped that the United Nations would become the vehicle for fulfilling the hope of mankind that the threat of a nuclear holocaust would be removed.

"It is, therefore, with a sense of sorrow and anguish that we have witnessed the complete failure of the session to fulfil any of the substantive tasks on its agenda".

Mr. Krishnan said the report gave no indication that the session had taken seriously the hopes of the vast majority of countries and peoples of the world. "On the contrary, it had merely provided a fig leaf to cover its failure to address the real issues facing the world in a sober and forward looking manner".

"We have failed because even that highest of priorities, the survival of mankind, has been a casualty in the interplay of the narrow approach adopted by the powerful nations amongst us," Mr. Krishnan said.

A draft group chaired by India was asked to prepare a document that would list urgent measures including proposals for a convention on the prohibition of the use of nuclear weapons, a freeze on the production, development and deployment of nuclear weapons and a complete test ban treaty. The document attracted wide support but no consensus could be attained within the non-aligned group. — PTI.

CSO: 4220/7604

INDIA URGES PRC TO MAKE PRICING AGREEMENT

Calcutta THE SUNDAY STATESMAN in English 11 Jul 82 p 1

[Text] An advance party of high-ranking officials led by the Foreign Secretary, Mr M. K. Rasgotra, will leave for Washington next week to prepare for Mrs Gandhi's eight-day visit to the USA from July 27, reports PTI.

The other members of the party are Mr K Natwar Singh, Secretary in the External Affairs Ministry, and Mr Arjun Sengupta. Additional Secretary in the Prime Minister's secretariat.

The Prime Minister will have a two-hour meeting with President Reagan on July 29, according to the tentative schedule of her programme. No agenda has been worked out for the talks and it is not customary to do so at this high level.

It is expected here, however, that the White House meeting will be confined to broad exchange of views on major problems of general concern. The Prime Minister herself does not intend, it is believed, to raise any bilateral questions, which she would leave to officials and others accompanying her to deal with.

Authoritative circles here recognize that differences exist in the assessments of the international situation by the two countries. The efforts of the Indian side will be to provide an analysis of the concerns, the interests and the values influencing India's perceptions.

According to sources, India believes that many things that the U.S. Administration is doing is not in this country's interests, as for example, the supply of sophisticated F-16 fighter aircraft to Pakistan, which had attacked India before and which faces no special threats requiring use of such weapons.

The military assistance to Pakistan as such is unlikely to be in the focus of the discussion as India has had the occasion at the official level to explain its stand.

The Prime Minister, who had her first meeting with Mr Reagan in Cancun last year, will, however, put across India's point of view once again if the American President wishes to know. In any review of the south Asian situation, Afghanistan is bound to come up for discussion. India's position on this remains unchanged, namely, that while the presence of the Soviet troops in Afghanistan did not directly pose any threat to India it was against interference by troops or any other form.

CSO: 4220/7603

WORLD BANK STUDIES INDIAN ECONOMY, PLEDGES AID

New Delhi PATRIOT in English 16 Jun 82 pp 1, 7

[Text]

PARIS, June 15 (PTI)—The World Bank Consortium today decided to extend development assistance to India totalling 3.66 billion dollars for the year 1982-83.

The decision came at the end of a two-day scrutiny by the Consortium, of the performance of the Indian economy during which there was all round appreciation of the significant progress the economy had made in the last year.

The level aid pledged by the Consortium represents an increase in dollar terms of 5.7 per cent over last year's commitment of the order of 3.4 billion dollars.

In terms of Special Drawing Rights (SDR), the assistance pledged this year amounts to 3.3 billion as against 2.8 billion last year. The increase in SDR terms amounts to 17 per cent.

Leader of the Indian team R N Malhotra, secretary, Economic Affairs, expressed satisfaction at the outcome of the Consortium meeting and said there was a highly appreciative endorsement of the strategy which India was following for increasing production and raising the standard of living of its people.

It was the 25th meeting of the Consortium. Chairman of the meeting David Hopper, vice president of the World Bank, in an apparent compliment of India's progress expressed the hope that there would be no need for a golden jubilee.

Of the aid of 3.66 billion dollars, the World Bank's group share will be 2.2 billion dollars and the rest is made up of pledges from 13 member countries. Many of them including Britain, West Germany, Canada and Japan offered marginal increases in their level of aid. The American contribution remained static at 210 million dollars.

The Indian delegation had reason to be satisfied with the total aid commitment of the Consortium this year taking into account the recession in many of the industrialised countries and the consequent, "aid weariness" on their part.

Mr Malhotra said the Consortium took note of the fact that the inflow of concessional assistance to India had declined during 1981-82. Most members expressed concern on this development and strongly urged that there should be increased flow of concessional resources to India in support of its development programmes.

In particular, they regretted that there had been a steep decline in the IDA assistance to India in the last year and urged that India must continue to receive substantial assistance from IDA if the objective of the inflow of concessional resources was to be achieved.

Many countries in the Consortium had urged that India's share of 40 per cent of IDA assistance must be maintained.

It was understood that the United States skipped the issue of IDA assistance but nevertheless appreciated the need to maintain the flow of concessional resources to India.

Mr Malhotra said there was appreciation at the meeting of the programme India had adopted for development as well as adjustment to a very difficult balance of payments position, the increases in production in agriculture, industry and improvements in the functioning of the infrastructure which had resulted in substantial increase in agricultural industrial output.

The Consortium shared the view of the Indian Government that while it had made a major success of its short-term management of the economy and had brought down the rate of inflation notably to very low levels while maintaining growth, the balance of payments situation had deteriorated further mainly because of exogenous reasons.

The main reason was the steep increase in the price of energy imports as well as steep increase in the price of many other imports. On the other hand the price available to India's exports had declined giving a major setback to India's terms of trade.

Mr Malhotra said the level of debate in the Consortium was of a high professional order and manifested the great interest Consortium members continued to take in India's massive developmental efforts.

Answering questions on IDA assistance, Mr Malhotra said last year an indication was given that an amount of 1.6 billion dollars would be committed to India for the 1982 fiscal year. Because of disruption of IDA six which reduced the overall flow of availability of IDA funds and also because of disproportionate reduction in India's share, IDA could commit resources of only 900 million dollars.

There was even a steep reduction of IDA resources. The shortfall in IDA resources was made up by providing more resources from the bank window where interest rates were commercial. This implied an adverse mix of IDA-bank resources. Whereas orginally a mix of 80 per cent IDA resources and about 20 per cent bank resources was contemplated, in the event, the mix became about 60 per cent bank money and 40 per cent IDA resources. In terms of interest alone it cost in the initial stages about 100 million dollars per annum.

Mr Malhotra said India hoped this 60-40 per cent ratio could be corrected but there were still some uncertainties about IDA.

During the discussions two or three areas of concern were mentioned. One was that while generation of electricity in the last year had shown healthy growth some lags had developed in the commissioning of new power projects. It was noted in this connection that some of the lags would be made up in the next one or two years.

The other area on which some comments were made was the need to provide larger funds to the railway sector. Here again it was noted that the Government of India had already decided to supplement the allocations to the railway sector substantially.

CSO: 4220/7509

BUSINESSMEN'S GROUP MAKES EXPORT RECOMMENDATIONS

Bombay THE TIMES OF INDIA in English 16 Jun 82 p 7

[Text]

AN export target of Rs. 8,500 to Rs. 8,700 crores for 1982-83 has been projected by the Federation of Indian Chambers of Commerce and Industry (FICCI) in its annual export plan presented to government.

The document, submitted to the Union commerce minister, Mr. Shivraj Patil, by the chairman of the foreign trade sub-committee of the FICCI, Mr. Govind Hari Singania, on Monday, projects a growth rate between 11.84 per cent and 14.47 per cent.

Releasing the plan at a press conference here, Mr. Singhania said the estimated provisional figure of exports for 1981-82 would be Rs. 7,600 crores.

Referring to the imperatives of growth rate, the document underlines the need for taking concerted measures in restoring viability of external account through efficient import replacement measures and result-oriented export facilities.

Mr. Singhania said in the current year, due to liberalisation, coupled with dumping of goods by overseas suppliers because of the prevailing recession abroad, there might be some increase in imports.

To make up the trade gap, the plan lays emphasis on augmenting export production, strengthening infrastructure and adopting appropriate marketing strategy.

Mr. Singhania said the achievement of the target would very much depend on the growth items like engineering goods, gems and jewellery, chemicals and wool besides sugar, which in the present situation offers good scope for exports.

In a letter addressed to the commerce minister Mr. Singhania said, an endeavour had been made in the plan to indicate the imperatives of export growth and the urgency of improving, on a continuing basis, the domestic environment for production and exports.

The need for a consultative council to review the problems and find solutions to them has also been stressed in the plan.

The FICCI has suggested that the council should make a quarterly review of achievements and shortcomings in different items and promote better coordination of export services.

According to the chamber, during 1982-83, export credit of the order of Rs. 2,300 crores has to be made available.

Of the total export projections for 1982-83 a target of over Rs. 1300 crores has been fixed for engineering goods, Rs. 900 crores for gems and jewellery and over Rs. 630 crores for readymade garments, including those made of handlooms.

The plan stresses the need to create a congenial production and export environment, it was vital to maintain industrial harmony, adequate infrastructure like power, port facilities, and railway transport.

It underlines the importance of selectivity in trading, improvement of quality and packaging of goods and an effective information system.

The document also emphasises the need for stability in export policy and making the scheme for 100 per cent export units more practical.

The FICCI has said the export-oriented units should be allowed to sell 25 per cent production in the domestic market and urged the present cash compensatory support scheme should be made more scientific.

The plan suggests that the rate of interest charged by banks on export credit should be brought down and the period of credit extended from 90 days to 100 days in most cases.

The chamber has suggested that direct tax relief on export earnings should be directly related to the increase in export turn-over, if this exceeded ten per cent, or to reintroduce the tax credit certificates scheme.

The simplicity of calculation and the availability of relief in situations in which exports are profitable or not would provide a stimulus to export performance, according to the plan.

The document points out that India's exports had not grown in the same proportion as world exports since the country's overall effort had not been responsive enough to the changing world environment.

It emphasises that for encouraging export-oriented production, it was necessary that production for exports was commercially viable and that export policies were reasonably stable.

The plan has pointed out that frequent changes in export policy had to be avoided to enable manufacturers and exporters to make efforts for a sustained export drive.

It was imperative that export policy in respect of agricultural products should be announced as early as possible, in other cases, the policy formulation should be of a longer duration and announcements made atleast six months before the expiry of the current policy.

The document expressed the hope that the newly set up Exim Bank, would devise constructive packages and would also enter into financing arrangements with the banks in the Middle East so that project authorities accept guarantees by Indian banks without the need for local counter guarantees.

The document felt it might be relevant in the context of the existing scheme of duty drawback, to explore the possibility of introducing the value added tax system in India.

CSO: 4220/7508

BUSINESSMEN MEET PRESS ON RETURN FROM PRC

New Delhi PATRIOT in English 20 Jun 82 p 7

[Text] The political climate in China is very favourable to India and the Indo-Chinese trade has a very bright future, reports PTI.

This is the impression gained by a three-member delegation of the India-China Chamber of Commerce and Industry (ICCCI) which visited that country on the invitation of the China Council for the Promotion of International Trade (COPIT) during May-June this year.

Addressing a press conference in Delhi on Saturday the members of the delegation said the trade between the two countries had already exceeded the 100 million dollar mark excluding indirect trade. This was, however, just "chicken feed" compared to over 10 billion dollar Chinese trade with Japan but it was on the increase.

They said China was interested in buying among other things refined sugar, cotton and pig iron from India. Besides China was likely to throw its doors open for import of consumer items.

The delegation members said they suggested to the Chinese that in having joint ventures with other developing countries, they should not insist on purchasing technology "first hand" or on closure of home market for sale of items produced under joint ventures.

One of the delegation members offered them collaboration for the manufacture of moped and scooters, the western technology for which was imported in India 22 years ago. India had in the meantime become world number two in this line and was in a position to export the technology on its own. This should not be considered by China as second hand. Since the offer did not involve use of foreign exchange by China it should agree to sale of part of the production in internal market, the delegation told the Chinese.

They said the proposal would receive serious consideration, the delegation members said.

The Chinese side invited the Indians to submit a detailed project report in regard to manufacture of "mopeds and scooters."

Representatives of the Ministry of Foreign Trade in China assured the Indian delegation that its proposal for exchange of handicrafts and handlooms on product exchange basis would receive serious consideration.

The Chinese side also agreed to consider the possibility of setting up permanent display centres for Indian products in China and for Chinese products in India.

CSO: 4220/7522

CPI SECRETARIAT MEMBER TALKS TO NEWSMEN

New Delhi PATRIOT in English 20 Jun 82 p 4

[Text] CPI leader M N Govindan Nair has said his party attaches prime importance to work up a secular and democratic consensus in support of two major issues--ministry formation through elections only and not be defections and, consolidation of class forces against caste and communal policies.

Talking to newsmen here today the CPI central secretariat member said it was time to call a halt 'once and for all' to the politics of defection by amending the People's Representation Act.

Mr Nair pledged unreserved support to the recommendation of former Election Commissioner S L Shakdher to counter defections by law. In this regard he said the CPI and other Opposition parties of the Left Democratic Front in Kerala would support any legislative measure the United Democratic Front Government might introduce in the State Assembly.

Mr Shakdher had suggested amendment of the election law for automatic disqualification of an elected member, should he defect to any other party.

Mr Nair said defection had become a scourge of public life and the question before the country today was whether the Parliamentary system would survive with defections plaguing it.

He said the State legislatures should honour the mandate at the hustings and see to it that governments are not formed by defections.

He said the present Karunakaran Ministry in Kerala should remain assured that the Opposition LDF would not try to unseat it by encouraging defection. It could run its full term of five years in office unless it dug its own grave, he added.

Referring to the communal tension prevailing in some areas of neighbouring Tamilnadu from where he had just returned after an on-the-spot study, the CPI leader said the disturbances there followed a set pattern of caste conflict and communal viulence witnessed earlier in the Meenakshipuram and

Kanyakumari. He said the division among ordinary people on caste and religious lines proved much stronger than the political, secular and class cohesion among them.

Mr Nair, who had visited the riot-torn areas in Tirunelveli for two days, accused the Tamilnadu Government of resorting to 'repressive measures' to contain violence. 'This will not work,' he added.

The CPI leader said repressive measures alone would not help defuse the explosive situation.

CSO: 4220/7522

GANDHI INVITED BY NEW MAURITIAN GOVERNMENT

New Delhi PATRIOT in English 20 Jun 82 p 1

[Text] The new Leftist Government of Mauritius has invited Prime Minister Indira Gandhi to visit the island and also declared its desire to further strengthen the ties of friendship between the two countries, according to Government sources.

Mrs Indira Gandhi is the first foreign dignitary to whom the newly-installed Government has extended an invitation, through the Indian diplomatic mission here.

The Leftist alliance (MMMPSM) Government headed by Mr Aneeruda Jugnauth, has received a message of congratulation from Mrs Gandhi after its landslide victory in last week's poll.

The invitation to the Indian leader reflects the new Government's keen interest in not only improving economic links as in trade and industry, but also to discuss issues of common interest particularly the demilitarisation of the Indian Ocean.

It is not known whether Mrs Indira Gandhi would accept the invitation for an early visit in view of her planned trips abroad including US in the last week of July. Government sources here project the visit for mid-July and say it would go a long way clearing up any misunderstanding due to the 'ambiguous stand' on the Indian Ocean issue on the part of the predeccessor Government headed by Sir Seewoosagar Ramgoolam. As and when Mrs Gandhi comes it will be her third visit here. The two earlier visits were in 1970 and 1976.

The new Mauritian Government appears to count much on Mrs Gandhi's support when it is to press the United States for the return of Diego Garcia where the US has built a military base.

The Government considers launching a diplomatic offensive aimed at rallying international support behind it in its struggle to get back all its detached

territories such as, Diego Garcia, Agalega, Tromlin and Chagos archigelago. In this operation, the Mauritian Government deems it important to enlist India's support.

The invitation of the Mauritian Government to Mrs Gandhi fits in with its foreign policy having much in common with Indian Government's non-alignment.

CSO: 4220/7522

SECURITY FORCE PLANNED TO PROTECT HARIJANS

Calcutta THE STATESMAN in English 9 Jul 82 p 1

[Text] The Centre has issued necessary instructions for the setting up of village security force to protect the life and property of Harijans, Mr R. Venkataraman, Home Minister announced in the Lok Sabha tonight, report PTI and UNI.

People belonging to Scheduled Castes should be appointed to one of the key posts concerned with law enforcement, he said replying to a five-hour special discussion on atrocities on Scheduled Castes.

The recurring atrocities on the Harijans engaged the attention of the Rajya Sabha where the Minister of State for Home Affairs, Mr N. R. Laskar said the Government did not think that the grant of free arms licences to Harijans in vulnerable areas would help prevent the attacks on them.

In the Lok Sabha, Mr Venkataraman announced a three-point plan of action to enable Harijans to get payment of minimum wages, tenancy rights and allotment of surplus lands.

The motion for the special discussion was tabled by Mr Ram Vilas Paswan and Mr B. V. Desal.

Sharing the concern of members on the atrocities on Harijans, Mr Venkataraman rebutted the Opposition charge that the Government had not paid adequate attention to the welfare of the Scheduled Castes and Scheduled Tribes.

In fact, he asserted, that more allocation had been made for their wellbeing and all steps were being taken to ensure their economic betterment.

CSO: 4220/7597

'ENORMOUS' SECURITY OPERATION PLANNED FOR ASIAD

Bombay THE TIMES OF INDIA in English 16 Jun 82 p 9

[Text]

THE massacre of Israeli sportsmen at the Munich olympics of 1972, the spate of bomb scares triggered by the discovery of dynamite sticks at Palika Bazar, the growing West Asian conflicts and the global escalation of terrorism have made the special organising committee of the Asian games highly conscious about the need for security for the 5,000 athletes and the host of vips who will descend on the capital in November.

The security operation for the games are getting as much attention as to the building of stadia and the arrangements for staging the 21 events. Officials of the special organising committee are reluctant to talk about the enormous security operation that has been set in motion. The hush hush is for good reason.

The intelligence bureau (IB) has begun collection, collation and dissemination of intelligence for the Asiad both within and outside the country. An interim report has been prepared.

The delhi police will work closely with the IB. About 9,000 policemen will be deployed specially for the Asiad. Additional police forces from outside Delhi are being requisitioned. The services of 1,500 home guards and NCC cadets will be utilised for the opening and closing ceremonies and for guarding vital installations at the venues of the games.

Largely for security reasons, Israel and Kampuchea have not been invited to the games. Ever since the Munich outrage, the organising countries have been reluctant to take the risk of inviting Israel. A meeting of the Asian Games Federation in Bangkok in 1978 even requested the international committee to transfer Israel to the European zone where it has fewer enemies. So exclusion of Israel from the list of 31 countries invited for the games has raised no eyebrows.

VISA SYSTEM

The system of visas for tourists, revoked in 1967 to mark the UN world tourism year, is being reintroduced from September 1 so that a strict watch can be kept on tourists coming to India for the games. The differences between Iraq and Iran, North and South Korea and Pakistan and Afghanistan have made it necessary to keep participants from these countries separate, happy and, above all, secure. All this will have to be accomplished without much of regimentation or show of arms so as not to dampen the spirit of the games.

The work on a new international departure lounge at Palam is being speeded up so that traffic for the games can be routed through it alone. The building with a separate parking lot is expected to be ready by October 2. Till the end of the games it will serve as the entry and exit point for all participants.

It will have 16 counters for customs and 12 for immigration. While most of the participants are expected to arrive by commercial flights, countries like Japan with 500 participants are expected to use chartered flights.

Some 200 buses with armed guards inside will rush the participants straight from the airport to the games village at Siri Fort. The 126 golden passholders, the VIPs of the Olympic and Asian games, will also have special security though they will be accommodated in five-star hotels.

Entry to the Asian games village will be strictly regulated. Those staying in the villages and their visitors will enter only through the reception centre. For the service personnel, however, a separate service entry through Shahpurjat village has been provided.

Every one staying or serving in the village will have an identity card. But this will not prevent his being screened before entry to the village.

Two X-ray baggage scanning machines are being installed at the reception centre of the village. Air-India

is importing these machines and gifting them for the games. Two special rooms are being constructed for installation of the machines. An array of sophisticated electronic equipment, ranging from metal detectors to letter bomb detectors, is to be used.

A controller of security will look after security at the village. Assisted by three deputy controllers he will ensure peace and harmony at the village. Just outside the village a police station is being established and the village fenced off from prying members of the public. Uniformed deployment will, however, be kept to the minimum.

The Delhi police have prepared stadia-wise plans for law and order and security at the 17 stadia, the main being the Jawaharlal Nehru Stadium. For security purposes the Indraprastha indoor stadium, the Ambedkar stadium and cycle velodrome will be treated as one complex.

Special security arrangements will have to be made for the railway stadium, the Shivaji stadium and the national stadium in the heart of the city. An IAF helicopter will be assigned to aerial patrolling and overseeing traffic management.

In collaboration with the Delhi police, the National Rifle Association of India has worked out in detail the security plans for arms and ammunition being imported for the shooting events. The security arrangements for shooting and equestrian events will be in the hands of the army as these events are being held at venues under its control.

The traffic and security arrangements for the 40-km. marathon, the 50-km. walk and 185 km. cycling race are proving a difficult problem because the route in all cases passes through crowded areas in the city and the outskirts.

The Indian continental and Chinese food being prepared for players and VIPs will be tasted and sampled by both the ITDC as well as the security police.

CSO: 4220/7508

RAO ANSWERS LEGISLATORS' QUESTIONS ON PAKISTAN

Calcutta THE STATESMAN in English 9 Jul 82 p 1

[Text] The Government is considering "in all its implications" the draft no-war pact which Pakistan has sent this country, according to the External Affairs Minister, Mr P. V. Narasimha Rao. He told the Lok Sabha during question hour today that the talks to follow on the draft pact would cover every relevant subject, including Kashmir.

Till now, he said, there had been no discussion. All that had happened was that Pakistan had sent the draft pact. All issues mentioned by members "will arise only when the discussion takes place.

Answering Mr Virdhi Chander Jain (Congress-I), Mr Rao said: "On every point we shall talk with Pakistan." Would such a no-war pact conflict with other bilateral agreements, specifically the Indo-Soviet treaty, Mr Subramaniam Swamy asked. "I see no conflict," Mr Rao told him.

He told Mr Chandrajit Yadav (Lok Dal) that the treaty of friendship and cooperation India had proposed to Pakistan "is a wider thing," with the no-war pact as a part of it. What shape the larger treaty would take "remains to be seen" he added.

Mr Rao also told Mr Yadav that India's proposal for a joint commission had been readily accepted by Pakistan, "and we have sent them for consideration a draft on the establishment of such a joint commission."

Answering another member's point on whether the Simla agreement itself was not enough, Mr Rao said that India had raised that question when, after saying that the Simla agreement was in itself a no-war pact, Pakistan offered another non'aggression pact. "We asked them whether they had changed their opinion," he said.

Pakistan was "not going against the Simla agreement," and the Pakistani Government "thought the agreement would be fortified by a no-war pact." This particular aspect also would be further discussed, Mr Rao added.

He told Mr Karan Singh that the legal and constitutional position of the territories under Pakistan's occupation would also be discussed. "Our stand

is clear and firm," he added. Answering Mr Biju Patnaik (LD), Mr Rao suggested that the question of mutual reduction of armaments would follow a no-war pact, and not precede it.

The main question was whether Pakistan had proposed a new no-war pact between India and Pakistan and what the Government of India's reaction to it was. Mr Rao said: "Pakistan has given us a draft of an agreement on non-aggression on June 1, 1982. We are examining Pakistan's draft and will convey our reaction in due course. Discussions will continue during the Foreign Secretary's visit to Pakistan in August."

Some recent statements by Pakistani leaders about Kashmir do not seem to be in conformity with the letter and spirit of the Simla accord, Mr Rao said, add UNI and PTI.

There has been no positive response from the Pakistani Government to India's repeated requests to reopen the Khokrapar-Munabad checkposts on the land border, Mr Rao said.

CSO: 4220/7597

INDIAN REACTION TO CONFERENCE PROPOSAL 'POSITIVE'

Madras THE HINDU in English 10 Jul 82 p 9

[Text] India has reacted positively to the proposal of the three Indo-Chinese Foreign Ministers (Vietnam, Laos and Kampuchea) for a major international conference on South-East Asia, according to the Vietnamese Ambassador in India, Mr Nguyen Quang Tao.

The Ambassador called at the External Affairs Ministry to acquaint the Indian side with the conclusions of the Foreign Ministers conference, particularly the offer of a unilateral partial withdrawal of Vietnamese troops from Kampuchea and the suggestion for an international conference.

He said today that New Delhi's reaction to the idea of a conference, to which India was proposed to be one of the invitees, was positive. This, according to him, was in keeping with India's policy of contributing to the maintenance of peace and stability in South-East Asia.

The three Foreign Ministers who proposed the international conference commended India's participation because it was a "neighbouring country which for a very long time has kept relations of friendship with the South-East Asian countries and greatly contributed to the safeguarding of peace in Indo-China and in the region for the past 20 years."

The participants proposed were: ASEAN members (Thailand, Singapore, Indonesia, Malaysia and the Philippines), Burma and the five big powers, the Soviet Union, U.S., U.K., France and China.

The Ambassador said the Foreign Ministers' decisions were prompted by a desire to strengthen trends towards dialogue and discussions rather than confrontation, and in particular to promote contacts among South-East Asian countries, and to maintain the rapid improvement in the situation in the region, "in spite of the efforts of Beijing."

He did not attach any significance to the "return" of Prince Sihanouk to Kampuchea and asked: "Return where? Which is the territory held by the reactionaries in Kampuchea? They are only on the borders. Sihanouk cannot play any role in the present situation."
CSO: 4220/7601

IMPROVEMENT IN PUBLIC SECTOR PERFORMANCE NOTED

Madras THE HINDU in English 10 Jul 82 p 9

[Text] Public sector undertakings controlled by the Department of Industrial Development achieved 81.58 per cent of the target set for them for April and May, it was announced here today.

Their aggregate output in these two months amounted to Rs 52.91 crores against a target higher than their combined output during the corresponding months in 1981. Some units performed outstandingly well exceeding the target set for them.

Among these is the Cycle Corporation of India Ltd, with an output of Rs. 3.02 crores in April-May, 106.71 per cent of the target of Rs 2.83 crores. But this was marginally below the output of Rs 3.04 crores in the same months in 1981.

The Kota and Paighat units of instrumentation Ltd, achieved a cumulative output of Rs 51.25 lakhs in April-May against a target of Rs 55.79 lakhs. The performance was 44 per cent higher than the output of Rs 35.57 lakhs during the corresponding months last year.

84 per cent above last year: The Cement Corporation of India Ltd, during the first two months of the current financial year, achieved production worth Rs 12.77 crores. This represents over 77 per cent of the target for the period and is nearly 84 per cent higher than the Rs 6.67 crores worth of production in the corresponding period last year.

Andrew Yule and Co Ltd, achieved an output of Rs 3.59 crores in April-May which was nearly 92 per cent of the target of Rs 3.87 crores and 66.71 per cent more than the company's production of Rs 2.13 crores in the same months in 1981.

National Newsprint and Paper Mills Ltd, achieved a production level of Rs 4.23 crores in April-May respresenting nearly 89 per cent of the target of Rs 4.76 crores. But it was 5.54 per cent less than the production of Rs 4.48 crores in the corresponding period in 1981.

CSO: 4220/7601

LANDING PERMITS FOR FOREIGNERS TO CONTINUE

Madras THE HINDU in English 10 Jul 82 p 9

[Article by G. K. Reddy]

[Text] The Government has decided to let the status quo continue for the time being in the grant of landing permits to foreign tourists, despite the denial of reciprocal facilities to Indian nationals in other countries, which have been tightening up the visa regulations.

There was a move at a fairly high level in the Government to introduce visa regulations for all categories of foreign visitors including toursits. But the Prime Minister has intervened to let the existing facilities continue for the present, in view of the Government's policy of developing tourism.

The various tourist organisations and hotel associations had made representations to the Government against the proposed move to introduce a visa system. They felt that the Indian bureaucracy being what it is would be a serious impediment to the development of tourism, even if casual visitors are required to obtain visas from the Indian missions abroad.

At present the foreign tourist get visas at the airport itself for a period of 30 days on their arrival cutting across a lot of avoidable delay and cumbersome procedures. But strangely enough no such facilities are available for tourists from neighbouring countries other than Nepal and Bhutan, whose nationals enjoy unrestricted entry into India.

CSO: 4220/7601

PLANS TO ABOLISH TOURIST VISAS PROCEED

Bombay THE TIMES OF INDIA in English 15 Jun 82 pp 1, 4

[Text] Overruling objections from the external affairs ministry and ignoring protests from hotel and travel trade, the government is going ahead with its proposal to abolish tourist visas.

The Federation of Indian Chambers of Commerce and Industry standing committee on tourism had appealed to the government not to withdraw this tourist facility as it would have adverse effects on foreign tourism in India.

The government has, however, decided to postpone the date of withdrawal of this facility from July 1 to September 1. This has been done mainly because the external affairs ministry has expressed its inability in positioning the required number of personnel to process visas in its 170 missions abroad.

The government wants the external affairs ministry to finalise the necessary arrangements at least a month before the commencement of Asian Games in mid-November.

Tourists were exempted from visas in 1967 to mark the United Nations world tourism year. Since then the facility has been renewed every year by a government order.

The purpose of exempting tourists from visas was mainly to boost tourism. It was felt that counsellor staff of Indian missions abroad was inadequate to meet demands for visas from visitors in early 1960s when the number was less than one lakh - now it is more than eight lakhs. Visa applications were pending for a period ranging from a week to 30 days.

The idea to withdraw the facility has been mooted mainly for three reasons: first, some countries like Canada and West Germany which allowed Indians to enter those countries without visas withdrew the facility from Indian nationals. Secondly, it fears violence by Iraqis and Iranis - the two nations which are engaged in a prolonged war. Thirdly, it fears entry of protagonists of "Khalistan", many of whom are settled in Canada and U.K. The government does not want to face the unhappy situation created by some Arab extremists who killed a dozen Israeli sportsmen at the Munich Olympics.

In last March, a high-level meeting was convened under the chairmanship of the cabinet secretary and the decision was taken to withdraw the system of tourist visas from July 1.

At this meeting, the secretary, department of tourism, first put up a weak resistance to the idea and then accepted the proposal. The ministry of external affairs did express its opposition to the proposal. Later, when the new secretary, foreign affairs, Mr. M.K. Rasgotra, took over, senior representatives of hotel and travel trade met him and explained the adverse effects the proposal would have on foreign tourist receipts.

They explained that tourism had slumped already and for the first time negative growth rate is likely to be registered during the current year. They explained also how tourism was hampered in India because of tortuous health and immigration procedures, inadequate air terminals, hostile customs, non-availability of concessional fares and inadequate surface and air transportation. They also explained that tourism being one of the top foreign exchange earning industries, tourists from certain countries with high tourism potential should continue to be exempt from visas. They had no objection to introducing visas for visitors coming from other countries.

The foreign secretary, Mr. M.K. Rasgotra, wrote to the ministry of home affairs detailing reasons why tourist visas should not be withdrawn. One of the reasons given was that due to financial constraints not more than 150 additional counsellor staff could be sanctioned, which would mean not even one additional staff per Indian mission abroad. The government has obviously overruled him.

CSO: 4220/7504

REGIONAL HILL PARTIES FORUM MEETS IN SHILLONG

Calcutta THE STATESMAN in English 15 Jun 82 p 9

[Text] Leaders of regional parties in the North-east, particularly from the hill areas, have made it clear that the North-Eastern Council, as structured, is not acceptable to them, since it is no longer an advisory body; it is gradually eording the autonomy of the constituent States and Union Territories of the region.

Leaders of national parties in the region share such apprehensions. The forum of regional hill parties, at its recent session in Shillong, severely criticized the role and functioning of the council. It formed a committee to examine the affairs of the council and submit its report, with "definite proposals", at its three-day meeting at Kohima from August 18.

The committee significantly includes Mr B.B. Lyngdoh, former Chief Minister of Meghalaya, who made parliamentary history by stepping down voluntarily to accommodate Captain Sangma under a solemn agreement and who now appears set to create more history. He is currently building up an image as a "defender" of regional autonomy and an implacable critic of what he calls the "imposition" of Chief Ministers, wherever feasible, by the Congress (I) high command.

Mr Lyngdoh is the leader of the dominant faction of the APHLC, one of the three partners of the ruling forum or coalition in Meghalaya, with a Congress (I) Chief Minister in Capt. Sangma.

The coalition was the brainchild of Mr Lyngdoh, who is now campaigning on a regional tack in this pre-election year. The forum could be, and perhaps will be, kept alive for some more months, but it is coming apart at the seams.

The Chief Minister of Mizoram, Brigadier Sailo, a key member of the hill forum, also is critical of the tendency among some leaders at the all-India level to mistake uniformity for unity, without trying to understand the "diverse cultural and traditional heritages".

They recall the federal character of the Constitution to preserve the cultural diversity. Brig. Sailo believes that the regional parties can play a positive role and States should get back their autonomy, as engisaged under the Constitution.

The Brigadier is especially sore about Mizoram not being made a State, since Statehood was a part of the package which the Centre sepcifically offered Mr Laldenga during the peace negotiations. His views on the NEC are implicit in the feeling among Mizos - that the Union Territory is treated as a junior partner.

External Pressures

Arunachal's moving spirit in the hill forum is Mr Tomo Riba, leader of the Opposition. He is among the few to understand the developing pressures in Arunachal and has the patience to wait for a public mandate. Mr Riba holds that the discussions at the NEC are not fully representative. He would prefer co-opting with chosen Opposition leaders in the Arunachal delegation for the NEC meetings. This would ensure that the electorate in general, and not merely the ruling party, help shape the discussions.

He cites the example of Arunachal's big hydel project being given a lower priority because of alleged political pressure and lobbying by leaders of the bigger constituents. According to him, the Arunachal project was to be taken up before the Kopli and Garo Hills thermal project but the priority was changed in subsequent NEC discussions.

Apart from political moves to refashion the NEC, the Centre has contributed its bit by failing to name a chairman as a successor to Mr L.P. Singh or, since there are two Governors in the region, deciding on whether the post will be held by rotation or not.

Regional parties have helped enlarge the field of aspirants by staking the claims of the Chief Minister.

CSO: 4220/7506

INDIA SEEN UNABLE TO FULFILL 1982 TEXTILE CONTRACTS

Bombay THE TIMES OF INDIA in English 17 Jun 82 p 1

[Text]

IT is now almost certain that India will not be able to honour its textiles export commitments during the current year. Because of the textile workers strike in Bombay, the country has lost opportunities of larger textiles exports.

According to official sources, the Soviet Union had offered to import 200 million metres of textiles from India this year. But keeping in view the serious production constraint, the latest estimate shows that, at best, it would be possible to export about 140 million metres only.

The government had received offer of textile imports from a number of other countries as well, which could not be accepted because of the erosion in production capacity.

Official circles concede that the future outlook for textiles export looks grim. The strike in Bombay which commenced on January 18 this year has not only inflicted a crippling blow to exports this year, but has also affected India's credibility as a reliable source of supply.

OPPORTUNITY LOST

Apart from the textile workers strike, the other factor which adversely affected textile export prospects include the new multi-fibre agreement concluded last year. This agreement contains a number of prohibitive measures. The industry sources point out that even though India has not been able to fulfil its quota for textiles to a number of countries, the blame cannot be put entirely on the Indian exporters.

A number of countries, such as Hong Kong, Taiwan and Korea have been able to surpass their quota limit while India has lagged behind. Owing to historical reasons and an understanding between the exporters and importers, some countries have been able to take full advantage of the quota allocation.

Textiles exports have been growing up, though not rapidly during the past few years. From Rs. 292.83 crores in 1980-81, textile exports during 1980-82 had gone up to Rs. 300 crores. During the current year, the exports could have easily gone up by another Rs. 75 crores at least. But because of the sharp decline in production, the target has been fixed at Rs. 240 crores.

According to the export plan for 1982-83 recently submitted to the government by the federation of Indian Chambers of Commerce and Industry, India is well equipped to become a top exporter of textiles, endowed as it is with home-grown cotton, manufacture of inputs such as man-made fibres and yarns, and a well developed textile machinery industry combined with availability of skilled manpower and top managerial skills.

But in spite of these favourable factors, countries like Hong Kong, Taiwan, Korea, Japan and Italy, which import cotton and process it for export, have emerged as leading exporters while India has been lagging behind.

The FICCI study has revealed that two important factors affecting the growth of cotton textile exports of this country are a freeze on weaving capacity of the mill sector and the cascading tax system.

CSO: 4220/7510

POWER-GENERATING CAPACITY TO BE RAISED SOON

Bombay THE STATESMAN in English 21 Jun 82 p 9

[Text] To meet the current power shortage in the country as soon as possible, the Ministry of Energy has decided to augment the generating capacity. During the current financial year, generation of 3,500 MW of additional power is proposed, against 2,175 MW last year, marking an increase of 61%. In 1980-81, 1,823 MW of additional capacity had been added.

Apart from augmenting the power generating capacity, the possibility of increasing the capacity of existing units is also being examined by a committee set up by the Ministry. The programme includes uprating the capacity of Bhakara by 150 MW over the existing capacity of 1050 MW, an increase of nearly 15%. Work on uprating of some of the units has been implemented. Uprating of thermal units at Indraprastha in Delhi, Talcher in Orissa and Obra in Uttar Pradesh is under consideration.

The Ministry of Energy has also taken a series of measures to maximize power generation from the existing thermal units. The measures include setting up of task forces to help State electricity boards draw up plant improvement programmes in a time-bound schedule. The Ministry has been holding regular dialogues with the States about measures for the improvement of power stations, and guidelines for improved performance have been issued from time to time. As a result of these measures, the capacity utilization of thermal power stations has increased from nearly 45% in 1980-81 to 47% in 1981-82. The utilization factor is expected to go up further to nearly 50% during the current financial year.

An official release claimed today that power generation increased significantly over the past two years. In 1979-80, 105.5 billion units of power were produced. The generation figure for 1981-82 was nearly 123 billion units marking an increase of over 16% during the two years. The generation target in 1981-82 was also exceeded by nearly one billion units. For the current financial year a target of 132 units has been fixed which would mean an increase of 25% over the 1979-80 figure of 105.5 billion units.

During the first 2 1/2 months of the current financial years, the power output has recorded an increase of 1.4 billion units over the corresponding period last year. This year 26.5 billion units of power was produced from

April onward, against 25.1 billion units produced during the same period last year.

UNI adds: India and the Soviet Union will sign an agreement tomorrow on the supply of power generating sets for the first stage of the 1260 MW Vindhyachal thermal power station at Vaidhan.

India will be represented by the National Thermal Power Corporation chairman, Mr A. K. Shah, and the Soviet side by an official of the "Texnopromiexport", a Soviet organization dealing in the supply of technical and industrial equipment to foreign countries.

CSO: 4220/7525

CRUDE OIL PRODUCTION REPORTED TO RISE 30 PERCENT

New Delhi PATRIOT in English 17 Jun 82 p 5

[Text]

Production of petroleum crude in the country during the first two months of the current financial year showed a 30 per cent increase over the production during the same period last year, reports PTI.

During April-May 1982, oil production from onshore and offshore together produced 3.208 million tonnes of crude compared to 2.47 million tonnes in April-May last year. Out of the 3.202 million tonnes, the contribution from Bombay High offshore was 1.856 million tonnes, nearly 75 per cent more than last year's 1.082 million tonnes for the two month period according to an official press release on Wednesday.

ONGC's production coming from Bombay High and the Gujarat and Assam fields totalled to 2.706 million tonnes during April-May compared to 1.962 million tonnes of the same period last year, showing an increase of nearly 38 per cent.

Oil India's fields in Assam produced 0.486 million tonnes of crude which is 2.4 per cent lower than the April-May production of 1981-82.

The production from the 13 refineries in the country in terms of crude throughout was 4.834 million tonnes during the first two months of the current financial year. Last year's figure for the two month period was 4.802 million tonnes.

CSO: 4220/7511

WHOLESALE PRICES REPORTED RISING AGAIN

Calcutta THE STATESMAN in English 10 Jul 82 p 9

[Text]

NEW DELHI, July 9.—After a continuous decline for nearly nine months, prices have started rising again. The wholesale price index—the official measure of inflation—has risen by just over 4% in May and June, thereby reversing the earlier declining trend.

The rise is persisting and has caused concern because of the steady upward trend of the index for nine continuous weeks, during at least two of which it rose by a heavy 0.9%. The negative annual inflation rate recorded in April has now been replaced by a 3.5% rise.

Officials are concerned at the rise because seasonal prices normally fall after a harvest. The price rise has come at a time when stringent anti-inflationary policies like restrictions on credit and money supply are in force and the supply situation is satisfactory.

The current assessment is that the rise started when there was speculation that the rabi harvest would be below normal because of damage caused by the unseasonal rain and hail in northern States last Winter. The damage is now thought to have been much less than feared.

Procurement of wheat has, in fact, reached the record level of nearly 7.5 million tons although this is partly due to the lowering of standards by official purchasing agencies which have bought discoloured and slightly damaged wheat that would normaly have been rejected.

Nevertheless, this has meant that the present grain stocks have risen to around 15 million tons, which is just above the 12 million tons considered a safe level for buffer stock purposes.

The speculation that is thought to have triggered the current price rise has been again fueled by the possibility that 1982 will be a poor monsoon year and thus lead to a further drop in agricultural production. The monsoon has been delayed but it is still early to forecast a failure. The psychological impact of the delay has, however, been felt on prices.

If the monsoon does prove to be below normal, fears are that inflationary forces will gain strength and the rise in prices will persist. Contingency plans to deal with this situation are being formulated. At present, food imports are not planned yet but these may become unavoidable if the monsoon continues to play truant.

The main reason for the rise in the wholesale index is the upward trend of the "food articles" and several items like fruit, vegetables and eggs. Even in the manufactured products group, the index for the "food products" sub-group has moved up.

CSO: 4220/7600

BRIEFS

GUJARAT CABINET CHANGE--In a surprise move, the chief minister, Mr. Madhavsinh Solanki, has changed the portfolio of the deputy minister, Mr. Kiritsinh Gohil, from home to irrigation. A notification regarding the change of portfolio of Mr. Gohil was today circulated among the ministers and the concerned departments. Mr. Gohil was camping in his home town in Bhavnagar. The chief minister, who was present in the Sachivalaya, did not meet the press to explain the sudden change in Mr. Gohil's portfolio. A spokesman for the government, however, clarified that Mr. Gohil's portfolio has been changed to facilitate an "independent" and "impartial" inquiry against the deputy minister, who was alleged to have been involved in a rape case and was also facing some corruption charges. [Text] [Bombay THE TIMES OF INDIA in English 15 Jun 82 p 1]

FRENCH LOAN--A loan agreement in the amount of US $16.50 crores was signed in Paris by Banque Nationale De Paris acting as lead manager together with Banque Francaise du Commerce Exterieur, the official French long term export credit financing agency, on the one hand and Oil and Natural Gas Commission on the other hand last month. This loan finances by means of a buyer's credit the works and services being carried out by the French company entrepose GTM Pour Les Travaux Petroliers Maritimes (E.T.P.M.) under a contract signed in January last with O.N.G.C. by which E.T.P.M. is to supply and install an off shore oil production complex in the Ratnagiri off shore oil field. This is the first French export credit to be extended directly to O.N.G.C. and marks a further stage in the continued involvement of both E.T.P.M. and B.N.P. in the field of oil production and the expliotation of India's oil resources. The loan agreement was signed in Paris by M. Ramanujachari, member of the board of O.N.G.C. in charge of finance, while M. Bahadur, director at the department of economic affairs of the ministry of finance, signed the guarantee for and on behalf of the President of India. [Text] [Bombay THE TIMES OF INDIA in English 15 Jun 82 p 10]

PALESTINIAN STUDENTS--Seventy Palestinian students left here for Damascus today by a Syrian Arab Airlines flight to join the Palestinian forces in Lebanon. Another 100 to 200 students are expected to leave for Damascus in the next few day "depending on how many of them will be able to come to Delhi from Bangalore, Madras, Hyderabad and other places," according to a spokesman for the students. There are an estimated 800 Palestinian students in India. Meanwhile, about 20 to 30 Palestinian students are still occupying

the Arab Cultural Centre at Chanakyapuri to protect against the lack of adequate support for the Palestinians fighting against Israeli forces in Lebanon from some Arab quarter. They had moved in there on Saturday. The students have stuck posters on the glass doors of the centre and put up placards, one of which said, "Ronald Reagan is no good, send him back to Hollywood." A police posse kept guard outside the compound. The spokesman said that no airline was willing to issue them tickets. When one of the students angrily butted in to say that even the Syrian Arab Airlines had initially refused to give them tickets, the spokesman asked him not to say so in Arabic. The spokesman said that India was co-operating more with them than most of the Arab countries. Asked about their families, he said that they were scattered in all the arab countries, especially in Jordan and Kuwait. But they would not be allowed to leave those countries for Lebanon. [Text] [Bombay THE TIMES OF INDIA in English 15 Jun 82 p 9]

SOVIET EXPERTS TEAM--A team of visiting Soviet experts recently completed, on behalf of the U.N. Industrial Development Corporation, the First stage of evaluation for construction of silicon-aluminium alloys plant at Chatrapur in Ganjam district Orissa, according Indian Rare Earths Press release. The evaluation is expected to be completed by October. The quantum of sillimanite concentrate to be produced by Indian Rare Earths, a subsidiary of the Department of Atomic Energy, will be sufficient to feed a plant with capacity to produce 150,000 tonnes of silicon-aluminium alloys a year, it added. [Text] [Calcutta THE STATESMAN in English 15 Jun 82 p 13]

NEW ELECTION COMMISSIONER--Mr. R. K. Trivedi, chief vigilance commissioner, will take over as the next chief election commissioner of India on June 18. He succeeds Mr. S. L. Shakdher, who is retiring tomorrow. Mr. Trivedi, 61, retired IAS officer of U.P. cadre, will remain in office for five years or till he attained the age of 65, whichever is earlier. His appointment has been made by the president under article 324 of the constitution for "the superintendence, direction and control of the preparation of the electoral rolls for, and the conduct of, all elections to parliament and to the legislature of every state and of the elections to the offices of president and vice president." Mr. Trivedi, who joined the U.P. civil service on July 14, 1943, was selected for the IAS under the special emergency recruitment scheme in 1949. [Text] [Bombay THE TIMES OF INDIA in English 17 Jun 82 p 1]

CONTRACT WITH ROK--South Korea has entered India's sprawling offshore oil industry after winning a lucrative $250 million contract for an off shore platform project, it was announced here, reports PTI. Under the contract, yet to be signed, Seoul provides a chemical water-treatment plant to inject into the drilling, meant to increase the pressure in the well, the supplier said. The Oil and Natural Gas Commission has signed a letter of intent with South Korea, and the contract will be signed soon, the supplier said. In an effort to upgrade the offshore technology, ONGC officials visited leading offshore equipment yards, and approved the deal with a South Korean yard, claimed to be the world's biggest. Seoul offered an unequalled price, and beat Japan and others, in an effort to join India in the search for self-sufficiency in oil. To explore what has come to be known as an "underwater oil pool", ONGC is shopping around for modern offshore equipment such as dredging plants, supply vessels and water-treatment plants. South Korea

will supply the platform by March '84, the announcement said. Before the conclusion, a financial package has to be assembled, according to sources, and the ONGC will soon discuss the credit terms. The plant will be constructed in a South Korean yard, the supplier said. [Text] [Calcutta THE STATESMAN in English 18 Jun 82 p 9]

NEW EXTREMIST ORGANIZATIONS--Among the extremists organisations in Manipur, there are two new ones--"Young People's Army" and "Free Guard"--according to the coduments seized recently by police during a raid at Khundrakpam, about 19 km from here. Police here said today that though the movements of leaders of these organisations were known, no arrests had been made so far. The ourlawed People's Liberation Army (PLA) has suffered yet another setback, they said, following the arrest of its leaders, Senjam Budha Singh and Thockchom Robin Singh, at Taretkhul, about 18 km from here on June nine last. [Text] [Bombay THE TIMES OF INDIA in English 19 Jun 82 p 7]

TEAM TO PRC--An official delegation led by Col S P Wahi, chairman, Oil and Natural Gas Commission (ONGC) is leaving for China on Sunday to explore possibilities of mutual cooperation in the field of oil exploration between the two countries, reports UNI. The other members of the delegation are Mr K Krishnamurthy, Director, (Refineries), Hindustan Petroleum Corporation, Mr K L Goel, Joint Director (Reservoir), INGC, Mr J S Mishra, Joint Advisor (Petroleum), Planning Commission and M P Modi Joint Secretary, Petroleum Ministry. [Text] [New Delhi PATRIOT in English 20 Jun 82 p 5]

RETURN FROM PRC--The Chinese leadership is not in a hurry to solve the country's border problem with India but is more interested in developing trade and cultural relations with it, according to the Hind Mazdoor Sabha secretary, Mr. Brij Mohan Toofan, who visited China recently with an HMS delegation. "India-China problem is not considered a burning issue as the Chinese leadership desires to develop relations first in trade and culture", Mr. Toofan said in a statement here today. The other members of the delegation which met the Chinese Prime Minister, Mr. Zhao Ziyang, were the HMS general secretary, Mr. D. D. Vashisht, Dr. Shanti Patel, MP, and Mr. Thampan Thomas. [Text] [Bombay THE TIMES OF INDIA in English 21 Jun 82 p 5]

'HEADLESS' MISSIONS--New Delhi, July 9: Ten indian missions abroad are "headless" at present, according to information given in parliament today. The mission at Paramaribo in Surinam has been without an ambassador since November 1980. The other missions without an ambassador are--at Brussels, Seoul, Pyongyang and Panama (all since July 1), Berne (since March), Lisson (since April), Mexico (since June), Amman (since November 1981) and Vientiane (since May). [Text] [Bombay THE TIMES OF INDIA in English 10 Jul 82 p 5]

ENVOY TO BANGLADESH--New Delhi, July 9 (PTI): Mr Inder Pal Khosla, joint secretary in the ministry of external affairs, has been appointed high commissioner for India to Bangladesh in succession to Mr Muchkund Dubey. Mr Khosla is presently on deputation to the National Defence College as senior directing staff. [Text] [Bombay THE TIMES OF INDIA in English 10 Jul 82 p 5]

ABRAMOWITZ NOMINATION PROCEDURE QUESTIONED

Jakarta SINAR HARAPAN in Indonesian 7 Jun 82 p 8

[Article by Annie Bertha Simamora, SINAR HARAPAN reporter: "Reconstruction of the Background to the Nomination of Morton Abramowitz as U.S. Ambassador to Indonesia"]

[Excerpts] What can it be than must be settled between Indonesia and the United States? The post of the U.S. ambassador to Jakarta that has been vacant for 7 months since Edward E. Masters left this country for retirement.

The continued vacancy astonishes people. Queries are raised about it frequently at diplomatic receptions and parties in Jakarta, and it has even reached the point where wives of ambassadors are asking about it. Perhaps for them it is not the political implications of the vacancy which are of interest but rather knowing who might be appointed and what the wife of the new U.S. ambassador might be like.

Early in October 1981 the name of an ambassadorial nominee was bruted about in Jakarta although it had not been submitted officially by the State Department to the RI Department of Foreign Affairs. That name vanished in thin air. In a conversation with two U.S. diplomats at a dinner party in Jakarta during the first week of January, one of them regretted there was no ambassador in Jakarta although, he said, a nominee to that position had been studying the Indonesian language for 6 months. Michael H. Armacost is U.S. ambassador to the Philippines now.

The following month another name surfaced, and during the subsequent months that name was associated with news of his rejection as ambassador to the Republic of Indonesia.

Reports about that public figure, Morton I. Ambramowitz, reached a peak when two big daily newspapers in America, THE WASHINGTON POST and THE NEW YORK TIMES, carried articles on the controversial nomination of Abramowitz together with a statement of the State Department read by its spokesman, Dean Fischer, for Secretary Alexander Haig, who blamed Indonesia for denying Abramowitz the post of ambassador to Jakarta. Foreign Minister Mochtar Kusumaatmadja's statement the next day noted that the U.S. government had withdrawn the name of this ambassadorial nominee.

Customary procedure dictates that prior to the time an ambassador is posted abroad, the government of the country to which he will be posted expresses what in diplomatic language is called "agreement" or approval. Without this approval, the individual will not be posted to the nation in question.

If, in ascertaining the attitude of the nation in question, it becomes clear that there is lack of agreement, no further mention will be made of the nominee. His name will never be announced as a nominee who has been rejected or even that he was considered for nomination by his government. The good name and career of the diplomat are protected.

The government of the nation in question, in accordance with diplomatic courtesy, usually gives some indication that it rejects or acquiesces to the nomination. If the feeling of that government toward the nominee is negative, the government putting forth the nominee will not submit his name as a nominee officially in correspondence between the foreign affairs departments of the two nations.

Let us return to Morton Abramowitz who was nominated by the U.S. government as ambassador to Indonesia. At the end of April, long before the name was mentioned officially in correspondence with the Indonesian Department of Foreign Affairs, Indonesian diplomats, in accordance with diplomatic courtesy, had informed top diplomatic officials at the American Embassy in Jakarta that there were indications from the Palace, in this respect read the president, that the nomination of Abramowitz would be rejected. In diplomatic practice, such information, if fact, means that it is no use to continue with this nomination.

The RI Department of Foreign Affairs was even astonished that Abramowitz's name was submitted as a nominee in State Department correspondence with the Indonesian Foreign Affairs Department at the end of April. In the meantime State Department spokesman Dean Fischer issued Secretary Haig's statement.

The statement which Dean Fischer read in the afternoon briefing at the State Department in Washington on 20 May was read by USICA Chief Frank Coffey to reporters in Jakarta on Saturday morning, 22 May, and was said to be an official State Department statement.

On the evening of the 21st, John Monjo, charge d'affaires ad interim at the American Embassy in Jakarta, paid a visit to the official residence of Foreign Minister Mochtar without first making the customary appointment through the minister's secretary at the Department of Foreign Affairs. He telephoned earlier on Thursday, 20 May, and was told by a servant at the minister's residence that Foreign Minister Mochtar was in Bandung and would return to Jakarta on Friday, 21 May. On that afternoon Monjo telephoned again before going to the Minister's complex on Gatot Subroto Street. When he arrived on Friday evening, Monjo informed Minister Mochtar that his government was withdrawing Abramowitz's name as nominee for the post of his country's ambassador to Indonesia. He conveyed the promise of his government to submit a new name quickly.

On Saturday, 22 May, Minister Mochtar disclosed to the press at the Bina Graha that the U.S. government had withdrawn the nomination of Abramowitz before the Indonesian government had had an opportunity to respond to it.

Many things astonished people about this matter including the steps taken and the way the American government handled this nomination. When Haig's statement was read by Dean Fischer at the State Department press briefing on the afternoon of 20 May, it was early morning on Friday, 21 May, in Jakarta. Whereas U.S. charge d'affaires a.i. Monjo tried to meet with the Indonesian foreign minister on Thursday to withdraw Abramowitz's name from consideration. Even more surprising is USICA Chief Coffey's remark on Saturday, 22 May, that Dean Fischer had read on official State Department statement.

At first glance it appears that there was no coordination between Monjo and Coffey although the latter was ill in bed at his home in Kebayoran Baru when he read the statement to reporters. Regardless, whatever was done by the two high officials of the U.S. Embassy in Jakarta was done in accordance with instructions they had received from Washington.

Some things ordinarily are not done in diplomatic practice in relations between two nations. One, a nation has never disclosed that another nation has rejected an ambassadorial nominee. Moreover, Secretary Haig's statement, as read by Dean Fischer, was said to be a commentary on a news release which said Indonesia had rejected the nomination. Hence, they did not obtain the news in an official statement. And if Indonesia had already rejected the nomination, why did the State Department feel it necessary to charge Monjo with withdrawing Abramowitz's name?

When the Indonesian foreign minister spoke to newsmen at the Bina Graha on Saturday, 22 May, he began by saying, "Friends, you know I never lie, don't you?" The political implications of that sentence as quoted above are clear. It was not Indonesia who lied!

The way the State Department handled the situation also was unpleasant according to several diplomats knowledgeable about the matter. Months before the Foreign Affairs Department received word of the Abramowitz nomination, Indonesia had forwarded the name of an Indonesian nominee for ambassador to the United States to replace D. Ashari. The State Department offered its "agreement" to the Indonesian nominee. However it seemed as thought the State Department was threatening Indonesia for the same letter requested agreement on Abramowitz. Once again, this is not diplomatic practice.

Actually Michael Armacost, now in Manila, was nominated as ambassador to Indonesia and Abramowitz, then in Thailand, was to be given the post in Manila. Yet Haig was thinking about appointing the 49-year old career diplomat, of course an experienced hand, to the post of assistant secretary for Asian affairs. The individual holding that post, John H. Holdridge, would be given the post of ambassador to Manila. As quoted by Don Oderdofer in THE WASHINGTON POST, according to well informed sources in the State Department,

"Abramowitz will rise to the top rung of the ladder for Asian affairs positions where the combination of experience and integrity is the foremost requisite for a state official, in Haig's estimation."

Apparently Abramowitz, as stated in the two big U.S. papers mentioned above, had many enemies in the State Department and in the Pentagon. Initially Holdridge, whose wife was ill, refused the post far away in Manila and threatened to resign from the State Department if sent there. With this threat he eventually was able to hang on to his post.

Those who were unhappy with Abramowitz, as stated in the two daily papers, wrote a memorandum on their concern over Abramowitz to the effect that he was very close to Richard Holbrooke, who had been replaced by Holdridge, and who was disliked by the conservatives now in power and also by persons who liked Holdridge; that Abramowitz held the same political philosophy as McGovern, Muskie, and Mondale; and that his wife had worked on the staffs of Muskie, McGovern, and Carter. The memorandum also said Abramowitz was the architect of the plan for U.S. troop withdrawal from South Korea.

Several persons were said to be the main enemies of Abramowitz. They deliberately published secret information to keep him from obtaining a good position or rising on the career ladder. The enemies included Gen (ret) Richard G. Stilwell who had been U.S. troop commander in South Korea; Daniel G. Arnold, CIA station chief under Abramowitz in Bangkok and considered close to former Thai Prime Minister Kriangsak who stepped down recently allegedly because of lack of support from the United States. Arnold admitted he had quarreled with Abramowitz because after he came back to the United States and retired from the CIA, he returned to Bangkok as a consultant but was registered at the Justice Department as a paid agent of the Thai Government with a beginning salary of $50,000.

The intrique toppled another person, an affair which was headlined in European papers as a U.S. domestic matter. "But the burden of responsibility for this matter should not be placed on Indonesia," as two Indonesian reporters in Paris quoted Foreign Minister Mochtar.

As mentioned above, the rejection has not yet been forwarded officially by the Indonesian Government. Several foreign newspapers said Indonesia's reasons for rejecting him included Abramowitz's liberal views, that he was Jewish, or that he was the architect of the plan for U.S. troop withdrawal from South Korea. These reasons were rejected as false by officials in various Indonesian groups. Whatever the reasons might have been, the rejection is certainly the sovereign right of Indonesia. As stated by a top Indonesian official, "Though he has been rejected, they still persist."

President Suharto, who was invited by President Reagan to visit the United States a long time ago apparently is arranging to accept the invitation at the end of this year. It would be good if the U.S. Government quickly repaired its relations with Indonesia, which at present are less than

harmonious because of the matter discussed above. To say that the Abramowitz case has disrupted relations between the two nations perhaps is going too far. But sometimes people's feelings can be hurt as stated by a top official of the Foreign Affairs Department, "Anyone treated this way would definitely feel uncomfortable."

6804
CSO: 4213/63

REVIEW OF COMMITMENTS MADE AT 25TH IGGI MEETING

Jakarta SINAR HARAPAN in Indonesian 10 Jun 82 pp 1, 4

[Article: "$1.85 Billion IGGI Loan"]

[Excerpts] The 25th session of the IGGI [Intergovernmental Group on Indonesia] held in Amsterdam on Wednesday afternoon [9 June] local time closed with commitments of $1.85 billion in loans to Indonesia for development projects for 1983-83.

Prof Wijoyo Nitisastro, compartmental minister for economic, financial and industrial affairs, and Rachmat Saleh, Bank Sentral governor, informed Indonesian reporters at the close of the session that this amount had been recommended, based on an analysis made by the World Bank. However, in bilateral negotiations with nations that participated in the IGGI session, the total commitment appeared to be far greater, totaling $1.925 billion.

This sum is broken down into $566.9 million from bilateral arrangements and $1,359.1 million from multilateral international bodies. Commitments have been received from Australia for A$38 million (A$35 million last year), Belgium 350 million francs (same as last year), Canada Can$33 million (Can$30 million last year), France 340 million francs (300 million francs last year), Japan 63.17 billion yen (58 billion yen last year), the Netherlands 160 million guilders (158 million guilders last year), United States $95 million ($105 million last year), West Germany's commitment not given (estimated to be the same as last year, DM 156 million) but to be negotiated in September, Italy $25 million (only $5 million last year).

Multilateral sources totaled $1,359.1 million consisting of World Bank $925 million (only $750 million last year), Asian Development Bank $45 million (only $337 million last year [as published]), UN Development Fund (UNDP) $39 million ($33 million last year), European Community $12 million ($14 million last year), UNICEF $13 million ($17 million last year), International Fund for Agricultural Development (IFAD) $25 million (same as last year).

At this meeting Minister Wijoyo said actually the total will be even bigger because a number of countries have not yet stated how much they would commit.

Nations which have not yet made a commitment include Switzerland, Britain, and the Scandinavian countries.

It was pointed out in a press release issued at the end of the meeting that the advancement made by the Indonesian Government in the economic and development sectors to date, despite the decline in total oil production and the world recession, was well received by nations participating in the IGGI session.

Wide ranging discussions were also held on trade policy particularly on stimulating Indonesian non-oil exports and problems tied to energy. Measures taken by the Indonesian Government, particularly those concerning structural changes in the export field, were well received. Additionally the participants noted the need to increase efforts toward mobilizing financial resources in both the private as well as public sectors.

Participants in the session agreed that the Indonesian government's social policy which gives high priority to education, training and human resource development in the 1980's provides a good basis for advancement in subsequent years.

In this connection the session agreed to hold a seminar on human resource development to be held in Jakarta near the time the 26th IGGI session will be held which is planned for May 1983.

The session stressed the importance of trade and opening up markets for Indonesian exports in industrial nations to improve economic growth. Several delegations reacted well to this and said they would help promote Indonesian exports in general.

Wijoyo further indicated that development projects to be undertaken with IGGI aid in 1982-83 included a flood prevention project for West Jakarta, drinking water supply for Jakarta, expansion of the JABOTABEK [Jararta-Bogor-Tangerang-Bekasi] railway project, particularly the Manggarai-City portion, sewers for sewage which overflows in the Special Capital Region, the Riam Kiwa PLTA [steam-powered electric power station] project (South Kalimantan), core estate project in Tanah Laut (South Kalimantan), Syamsudin Noor Airfield project in Banjarmasin, rural electrification projects and clean water supply in various areas, Komering Ulu irrigation project for South Sumatra, coal exploration project for electric power use in South Sumatra, a study for the expansion of Palembang Port and a transmigration project, extension of telecommunications in South Sumatra, and various projects in a number of areas.

In addition the IGGI aid will finance a PLTA project in South Sulawesi, expansion of the Asahan project in North Sumatra, mini-electric power projects in various areas, projects to upgrade roads and build bridges, shipyards, and docks, expansion of the telecommunications network in various areas, projects to improve kampungs in urban areas, public housing projects, development of traditional fishermen, education and health projects in various provinces, nutrition programs, centers for technical and vocational training, including polytechnical training (augmenting equipment for 48 vocational schools), and projects for upgrading and dredging seaports.

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SHIP CONSTRUCTION CAPABILITY GROWING

Jakarta SINAR HARAPAN in Indonesian 5 Jun 82 p 11

[Article: "Investments in Shipbuilding Industry Is Estimated at 180 Billion Rupiah for the Next 3 Years"]

[Text] Sularto Hadisumarto, executive chairman of IPERINDO (Federation of Indonesian Shipbuilding Companies), accompanied by his secretary general, Wasono, said that 1982 was a "year of surprises."

Speaking to the press on Friday [4 June], Sularto stated domestic orders for shipbuilding were valued at 77 billion rupiah, a huge total compared with the far smaller values of previous years.

In early 1982, he said, four drydocks obtained orders valued at 22 billion rupiah from PT Timah to build dredgers. These ships are to be built by a consortium consisting of PT Pelita Bahari, PT Koja, PT Dock Priok, and PT Ineko. Construction of these ships has begun. Weight: 11,000 deadweight tons.

In addition Pertamina has signed a contract for five tankers to be constructed by domestic drydocks. One tanker costs 5 billion rupiahs and weighs 5 tons. Twenty months are needed for construction.

The Sea Communications Directorate General also ordered two dredgers to be built domestically at a cost of 7 billion rupiah each. Two other dredgers are being built in the Netherlands because a loan to build four of them was obtained from that country.

Further, domestic drydocks have received orders for 10 oil rigs for offshore oil production which are to be built by PT Adiguna. The cost of one rig is about 1.6 billion rupiah.

"This is the first time domestic drydocks will be building offshore rigs," Sularto revealed.

Sularto clarified that it is important that domestic drydocks build ship components aside from obtaining these orders.

At present about 20 percent of the ship components are produced in this country. The remainder, such as engines and steel plates, must still be imported. Paint, timber, lifeboats and life jackets as well as manpower, among other things, can be obtained domestically.

Sularto said construction of new ships by domestic drydocks rose by 22 percent in 1981 over the previous year, namely from 18,000 DWT to 22,000 DWT. Ship repair by domestic drydocks rose 8 percent from 786,000 British registered tons for 1980 to 849,000 British registered tons in 1981.

Several foreign companies, Sularto said, are now interested in cooperating with domestic drydocks, including companies from Belgium and the Netherlands. At this time only Japan has invested in domestic drydocks.

In the coming 3 years, it is planned that investment in domestic ship construction will reach about 180.5 billion rupiah for the construction and repair of about 150 ships.

This investment is earmarked for the construction and repair of 200- to 3,500-DWT ships of various types such as dredgers, coastal sailing vessels, ships for transporting asphalt, tankers, passenger ships, and cargo ships. Sixteen domestic drydocks for ship construction and repair are planned.

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BRIEFS

NEW RECONNAISSANCE AIRCRAFT--A Boeing 737 reconnaissance aircraft ordered by the Indonesian Air Force arrived at Lanuma Halim Perdanakusuma Airfield in Jakarta from the manufacturer on Tuesday [1 June]. The aircraft which is built like a commercial passenger plane is the first of three such aircraft ordered by Indonesia to arrive. The Air Force will use it as a reconnaissance plane as well as a transport plane. No electronic equipment including radar was installed so the interior is still fitted with seats for 104 passengers. According to Marshal Ashadi Tjahjadi, Air Force chief of staff, the electronic equipment was purchased from another company and is not yet ready to be installed. Construction of the plane was completed so the aircraft was brought to Indonesia. It will be used temporarily to transport personnel. When reconnaissance equipment has been installed in the other two aircraft on order, this first aircraft will be returned to the United States to be equipped for reconnaissance use. The Boeing 737 aircraft was allocated registration number A1-7301 and will be assigned to Squadron 5, Wing 002 of the Indonesian Air Force. [Excerpt] [Jakarta MERDEKA in Indonesian 4 Jun 82 p 8] 6804

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CONDITIONS IN EAST TIMOR DESCRIBED

Paris LE FIGARO in French 29 Jul 82 p 4

[Text] East Timor is slowly emerging from its nightmare. After 7 years of civil war, of armed struggle for independence and of guerrilla war, of famine, malnutrition and devastating epidemics, the people finally seem to be on their way to finding peace. Life is slowly regaining its rights and an apparent tranquillity is settling over the island. Of course, not all problems have been suddenly solved, but they now stem more from underdevelopment than from political and military confrontation.

The FRETILIN--the liberation front—now only leave their mountains in search of food. Over the entire territory--some 15,000 square kms--there are reportedly no more than 150 to 250 armed rebels if one is to believe the military authorities. They are divided into small groups of about a dozen individuals, who are often accompanied by their families. Integration into the Indonesian Republic is inexorably following its course and seems practically irreversible.

The island of Timor, located about one hour's flight from the Australian coast, has been, ever since the 17th century, a stake in Portuguese-Dutch rivalry. Following 200 years of sporadic confrontation, the colonizers agreed to divide the spoils: the western part remained under Dutch control, with Portugal keeping the eastern sector. Thus it was that Indonesia naturally extended its sovereignty over West Timor when it freed itself from the Dutch crown in 1945. For its part, Lisbon jealously preserved its zone, occasionally putting down successive attempts at revolution. With the 1974 "carnation revolution," a new situation evolved. The new Portuguese government under Gen Spinola accepted the principle of decolonization. In Timor, it was the point of departure for a race to power between the various political formations advocating diametrically opposed solutions. Very soon the FRETILIN--with a Marxist bent--was the winner in the field. Bolstered by its military victory, it unilaterally proclaimed independence. This was not to the liking of the Indonesians, who, in response, landed their troops with a view to annexing the territory. The struggle was intense and the guerrilla war was extended over the entire island.

A new tragedy began. Thousands, tens of thousands of people--some say even more--soon died of hunger, disease and exhaustion. The very primitive population was terrorized both by the rebels and the Indonesian army. There were untold

victims. It is said that one-fourth of the inhabitants of East Timor--200,000 to 250,000--perished. No one knows for sure. However, one thing is certain: the massacre would have been greater were it not for the gigantic rescue operation mounted by the International Red Cross, which established shelters and regrouping villages all over the island.

Today the situation has profoundly changed. Security appears to be total. The country can be crisscrossed without escort and peasant life has started again. Agricultural production has been developed to the point that it can satisfy the needs of the approximately 555,000 inhabitants. In 1981 the rice harvest exceeded 110,000 tons, while only 90,000 tons can feed the population. Stocks have been formed. International aid is still being accepted so as to secure the rear guard. Undeniably, Indonesian authorities--so vehemently criticized--took it to heart to achieve impressive efforts. If in 1976 investments amounted to 12 billin rupies, the budget increased to 34 billion in 1981, or 84 million dollars. While illiteracy was almost generalized--up to 95 percent--today every other child goes to school.

Incontestably, life has changed radically; it seems resolutely engaged in the struggle against underdevelopment. About 3,500 soldiers ensure security. Even though military operations are kept under a discreet silence, it seems that there have been no clashes in the past few months. The military command has abandoned the idea of conducting large-scale operations to force the rebels to leave their hiding places. The tendency is rather to isolate them and cut them off from all contact with the people. It was obvious that the FRETILIN soldiers came to the villages in search of the food and medicines they lacked. Willingly or not, peasants responded favorably to their requests.

To end this support, authorities did not hesitate to transfer 826 families--altogether 3,352 people--from Timor to Autoro. This is another island located at a distance of a 15-minute helicopter ride off Dili, the capital. The Indonesians have built a large village there, setting up health centers and giving peasants land for tilling.

The displaced people have lost their freedom. I visited Autoro together with the International Red Cross delegate. Indeed, the Red Cross immediately asked to be allowed there. It proposed to the Indonesians to provide assistance, which was accepted. Some time in the future, some of the displaced people may be allowed to return to their villages of origin. That is why the Indonesians speak of a temporary displacement. But that day has not arrived yet, and no one knows when the situation will permit it.

CSO: 4200/52

COLUMNIST SCORES DK LEADERSHIP, SIHANOUK

Paris MOUL KHMER in Cambodian May 82 pp 11, 12

[Text] In March 1982, LE MONDE published an appeal by a notorious murderer, Khieu Samphan: "Let Khmers Think of Their National Interest." We would like to address the following questions to this murderer: What is the national interest? This irreligious murderer himself has a doctorate degree.

As everyone knows very well that "national" means 3 million Khmer people killed with Khieu Samphan, Pol Pot, Ieng Sary, and Son Sen as the killers. If all these notorious murderers completely killed the nation, to whom, then, are they making an appeal to join them? Even if they exhume bodies of their mothers, nobody is going to be pursuaded to join them save a certain inferior person who still keeps imagining that Pol Pot might make him king again. Are there any Khmers who did not fall victim to that wretch Khieu Samphan and his clique? Even Prince Sihanouk who made great efforts to help the clique in order to ascend to the throne in order to kill Khmers, was also made to suffer with 10 of his children and grandchildren killed. Now he joins with the clique again. Joining with the Khmer Rouge in a business venture requires no capital to invest. It is easy to make a living. Don't plan on cheating the Khmer Rouge, because this time around, Dear Prince if they regain power, you will surely not get any more (foie gras or champagne) as before. Perhaps you will likely get struck with the handle of a shovel.

Recently, the irreligious Khmer Rouge invited a Buddhist monk--the Venerable Bel Long to pray at a housewarming in the jungle. This Buddhist monk from India has never tasted the soup of the irreligious Khmer Rouge. If he had, he probably would not have dared to come near them.

For Khieu Samphan and his clique, even if the Buddha was still alive, he could not save them from sin because there is not enough room in hell in which to put him and his clique. It is ridiculous to see in the picture the murderous Khieu Samphan and Ieng Sary sitting cross-legged in front of the Buddhist monk as if they were devout Buddhists.

I would like to inform Venerable Bel Long that I knew Khieu Samphan's family very well. His mother's name is Mrs Kong and his uncle is Mr Chuok, a house builder. His other uncle is a teacher. His name is Mr Var. They all used to live in the province of Kompong Cham. His mother and his two uncles were real Buddhists. I used to live in the Thmar Kol and the Beng Kok temples. I also

used to pick up food for the monks from his house. When he accompanied his mother to the temple Khieu Samphan always sat cross-legged in front of the Buddhist monk the way he sat with legs crossed in front of you. Therefore, you should be aware that this person is a "hypocrite." If he regains power, you really won't have enough time to put on your yellow robe to run to your plane. He even dared to kill the patriarch Huot Tat who was 80 years old. He also used ropes to pull down Buddha's images from the temples, destroyed almost all the temples, disrobed all the monks and asked them to get married. Any monk who refused the order was beheaded.

Please beware of them all if you deal with them. They would kill you in the first opportunity. I know them very well because I did farm work with them for 4 years. I would like to end now and will let you know more about him next time.

Chut Kher

CSO: 4212/22

ATTITUDE TOWARD KING EXPLAINED

BK021542 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 30 Jun 82

[Article by the information service of the Malay Nationalist Revolutionary Party of Malaya dated 2 November 1981, entitled: "The Attitude to the MNRPM Toward the Position of the Raja"]

[Summary from poor reception] Lately there has been sharp friction between the United Malays National Organization [UMNO] ruling clique and the Raja, and the press has commented on the position of the Raja. Although the friction occurred quite some time ago, the ruling UMNO leaders have been reluctant to discuss it in public because issues involving sultans are regarded as sensitive. They began to speak up only after Tunku Abdul Rahman said in his article on 5 October that in the interest of maintaining parliamentary democracy and the people's sovereignty, sultans should not involve themselves in politics nor reject any government decision. He even warned that if a sultan rejected a government decision, the government could declare a state of emergency and (?amend) the constitution to change the position of the Raja.

Everyone knows that the position of the sultans in the modern era is a historical legacy. Regarding this position the Malay Nationalist Revolutionary Party of Malaya [MNRPM] in its 24 May founding manifesto said: "Ever since the Malaka Sultanate, there have been sultans and aristocrats who have sided with the people in their struggle against the invasion and domination of the Portuguese, Dutch and British. There have been others who became tools of the colonialists.

"The MNRPM calls on the sultans and aristocrats to inherit and promote the patriotic tradition of our forefathers in fighting colonialism and siding with the people and in sympathizing with and supporting their patriotic struggle. Only by doing this can the sultans and aristocrats win the people's respect and support. If they betray the fathèrland and the people, they are bound to be opposed by the people.

"Our basic position is a matter of principle which is straightforward and in accordance with the historical facts and the current demand of our time. It is entirely different from the opportunist position of the ruling UMNO clique, which is aimed solely at exploiting the sultans for its own interest. Since our position can properly solve problems related to the position of the Raja in our country, it has been warmly endorsed by the masses of all strata of the various groups in our country."

The public knows that the MNRPM is the continuation of the Malay Nationalist Party of Malaya [MNPM] in the new historical period. "The main objective of the MNRPM is to rouse all the Malayan people, particularly to unite the various strata and groups of all Malay patriotic forces in order to establish a nationalist united front and a democratic national coalition government comprising all patriotic parties, organizations and individuals from various strata of all nationalities in order to safeguard the people's interest and to defend the independence and well-being of our fatherland."

The national front government in Kuala Lumpur, with UMNO as its core, and the People's Action Party government in Singapore are not democratic and patriotic governments. Various revolutionary and patriotic forces, including the MNRPM, have waged various struggles, particularly armed struggle, shed their blood and sacrificed body and soul for the sake of our independence. But it was UMNO leaders who betrayed our struggle. They prostrated to the British and accepted all the colonialist conditions. As a result our independence was not complete--Singapore was detached from the Peninsula and our country continued to be dominated by the imperialists in the form of neocolonialism. Our abundant natural resources were turned over to foreign monopoly capitalists, bureaucrat capitalists, comprador capitalists and big local landowners who arbitrarily exploited the people. They legislated all kinds of harsh laws, suppressed the just mass struggle, seized the people's democratic rights, arrested and jailed political opponents and so forth. These facts prove that under these two governments our country has become a paradise for the wealthy class but on the other hand it has become hell for the poor Malays and other nationalities.

The MNRPM believes that only a democratic national coalition government--as stated earlier--can replace the two governments in order to safeguard the fatherland and the people from destruction and misery. In this regard, the MNRPM has already presented a 12-point program which incorporates the main interests of the Malay nation while taking into consideration the basic interests of the broad masses. The manifesto on the founding of our party also said that the interest of progressive sultans and aristocrats is also taken into consideration.

"A cooperative relationship between the revolutionary and patriotic forces and progressive sultans and aristocrats is not new. Our history since World War II shows that some sultans and aristocrats were sympathetic to the patriotic people's struggle against the Japanese fascists. When the Japanese fascists and the British colonialists committed wholesale massacres of various nationalities before and after the end of the war, a number of sultans, such as the sultans of Perak, Trengganu and Pahang cooperated and worked to end the disturbances among the nationalities. There existed mutual understanding and cooperation between various sultans and the MNPM, which at that time was doing its utmost to ease the tense relationship between the nationalities and to restore understanding among them. In addition, during the anti-Japanese resistance war, [words indistinct] of Negri Sembilan gave invaluable contribution to the anti-Japanese Malayan People's Army--an anti-Japanese people's army."

Both the MNRPM and the MNPM have a firm foundation. "Our attitude toward the sultans is decided by the attitude and position of the individual sultan toward the people's democratic and patriotic struggle." Since the aggression by foreign powers against our country, particularly since the British imperialist colonial rule, the sultans have been deprived of their power by the colonialists. The present ruling clique also continues this situation under which sultans are merely symbols and tools of the ruling clique. The ruling clique's increasing abritrary acts both at the national and state levels have not only aggravated its conflict with the masses, but have also sharpened its conflicts with various sultans.

"In Pahang, in its attempts to control the state and plunder its natural resources, in recent years the UMNO ruling clique has installed its trusted man as chief minister despite the fact that he was not liked and was even opposed by the people and the sultan. Although in the end this chief minister was forced to resign, nevertheless the UMNO ruling clique again ignored the sultan's wishes when it installed his successor, thereby continuing the conflict.

"In Johor, bribery irregularities and immoral acts were rife and chief minister Othman Saat was one of the major corruptors. This became so conspicuous that the sultan in his Friday sermons and on other occasions resolutely pointed out these misdeeds. In the end, His Majesty issued a drastic directive ordering the chief minister to vacate his post within 24 hours.

"In Selangor, His Majesty the Sultan was not only dissatisfied with the central government's compensation for the taking over of Kuala Lumpur, but was also fed up with the empty promises of the central government which, after 20 years, has yet to build the badly needed hospital in Klang. As a result, His Majesty has offered to turn his palace into a people's hospital.

"The ruling clique, who cannot tolerate any criticism, responded negatively to the criticism. It angrily demanded that the sultans shut their mouths and not interfere in government affairs."

On 6 October, 13 chief ministers issued a joint statement endorsing Tunku Abdul Rahman's attitude toward the sultans. On 7 October the NEW STRAITS TIMES, which represents the ruling clique, warned of a dangerous trend with the sultans interfering in political affairs.

It has become evident from these developments that the ruling clique regards the sultans as mere symbols to be exploited for the sake of its authority. What is meant by safeguarding parliamentary democracy and the people's sovereignty is in fact the continuation of its own authority. The ruling clique, pursuing its own interests, abritrarily passed a sedition act prohibiting anyone from making an issue of the position of the Raja. The so-called state philosophy calls for loyalty to the Raja. But the real intention of the ruling clique is to seek loyalty to its government without any challenge to its position. Therefore, when a sultan expressed his opposition to this arbitrary sedition act, he was also arrogantly challenging the Raja in disregard of the act and principle it had laid down.

"The internal and external situation is now increasingly tense. The ruling clique headed by Mahathir and Musa has continued to wield its iron fists and harshly warned that it could not tolerate opposition and threatened to take action against anyone who opposed the regime. In the meantime, although the Soviet-Vietnamese threat is increasing, the Kuala Lumpur ruling clique has continued to pursue reconciliation toward the aggressors and has spread the word that the Soviets and Vietnamese would not subjugate the ASEAN countries."

This posture has betrayed the people and will slacken the vigilance and preparedness of the people and an invitation to the aggressors to subjugate our country. In view of this fact, the broad masses should intensify their struggle against the policies of the ruling clique and resist enemies from abroad.

"Under these grave circumstances, it is the hope of the masses that the sultans and aristocrats are aware of the turbulent situation; will sincerely inherit and promote the patriotic tradition of our forefathers in fighting foreign aggressors; and will unite with the broad masses and all patriotic forces of our fatherland to oppose the arbitrary acts and injustices of the ruling clique and to resist the Soviet-Vietnamese aggression for the defense of the nation and the state. By doing this, sultans and aristocrats will be assured a proper place in history and society and will win the respect of the people."

CSO: 4213/4

BRIEFS

AMBASSADOR TO AUSTRIA--Katmandu, 4 Jul--Royal Nepalese Ambassador Ramhari Sharma presented his credentials to the president of the Republic of Austria, Mr. Rudolf Kirchschlaeger in Vienna on July 2, it is learnt from the Foreign Ministry today, reports RSS. Mr Ramhari Sharma is the resident Royal Nepalese ambassador in Bonn, concurrently accredited to the Republic of Austria. [Text] [BK110943 Katmandu RISING NEPAL in English 5 Jul 82 p 1 BK]

HIGHWAY LINK WITH TIBET--Katmandu, 26 Jun (AFP)--An agreement on the reconstruction with Chinese assistance of the 26.5 kilometres Barabesi-Kodari highway linking Nepal with Lhasa in Tibet was signed here on Friday [25 June]. The signatories were Nepal's chief engineer Shiva Bahadur Pradhanang and economic counsellor Liu Xi Hui for China. Under the agreement two large and one medium bridges will also be built on the section of the highway which was damaged by flash floods last July. Construction of the road is expected to start at the end of the current monsoon season and is due for completion in about three years. The capital cost is estimated to be about 34 million U.S. dollars. Forty-five Chinese and four Nepalese technicians have already completed the survey work. Trade between Nepal and Tibet has decreased substantially since use of the highway was disrupted. It was built by China in 1966. [Text] [BK020425 Hong Kong AFP in English 0809 GMT 26 Jun 82 BK]

CSO: 4220/250

U.S. CRITICIZED FOR SUPPORTING ISRAEL AGAINST MUSLIM COUNTRIES

Rawalpindi TAMEER in Urdu 11 Jun 82 p 2

[Editorial: "America's 'Friendship For Muslims'!"]

[Text] Israel's aggression against Lebanon has become a large scale war, and now there have also been battles between the Syrian army and the Israeli army and air force in several places. The war in the Biga' valley between the planes of Syria and Israel in which 100 Israeli planes and more than 60 Syrian planes took part can be called the largest air battle in the Middle East. The situation is such that it could at any moment become a danger for world peace. But even if there were no danger for world peace, when a country's freedom and existence are in danger, it is a matter which makes it a duty for the United Nations to intervene with all its resources. However, the events of the past few days in the Security Council, and the impudence with which America vetoed the resolution put forward by Spain, have proved once more (if any proof was needed) that America and Israel are one. America's appeals to Israel to remain peaceful are nothing but an attempt to deceive the world. What Israel has done and what it is doing now are not only with the full knowledge of America but with its blessings as well. The past day the Security Council advised all three, Lebanon, the PLO, and Israel, to stop the war, and this resolution was agreed upon by all members. Only Israel refused to accept it, and continued the war in direct contradiction to it. In this situation the sole path open to the Security Council was for it to condemn the party not complying with its order and to urge it once more to stop the war. If this too should produce no result, it should decide to institute censureship proceedings. Spain's resolution had been presented with this objective in mind. It had the support of all the members of the Security Council, with the exception of America. America rejected it by veto, thus rejecting the opinions of all the Islamic countries, all the nations of the Third World, and all the countries of Western Europe and Asia. This incident has completely laid bare several realities. One is that America is not only the friend, patron and protector of Israel, it is also the enemy of the freedom of the Muslim countries. It has resolved to use Israel to destroy all those Muslim countries which do not obey it and which have the temerity to call themselves free. It has also become obvious that the Arab and Muslim countries which hope for a peaceful understanding and just settlement with Israel by means of America are living in a fools' paradise, and if they do not open their eyes even now, it can only mean that they do not wish to open them.

This aggression by Israel has also exposed the hoax of the United Nations peacekeeping force. The United Nations army posted to Lebanon did not make even the slightest attempt to stop the Israeli invaders. In fact, according to the PLO, it even helped the invaders.

The words with which President Zia-ul Haq has condemned this manifestation of barbarity express the sentiments of not just the people of Pakistan but all Muslims and all those who love justice throughout the world. But the question is, can these verbal protests from Muslim countries actually do any harm to Israel or provide any protection for the freedom loving Palestinians who are being martyred at every moment? Can the freedom and existence of Lebanon be saved this way? If the amount of degradation the Islamic countries and the Arab brotherhood have already undergone is enough, then it is time for them to decide to manfully face the truth. They should understand that the meaning of supporting the cause of the Palestinians and Jerusalem is that they will have to draw decisive battle lines not just with the international Zionists but with their patron America as well. The countries which lack the courage to do so should no longer claim to support Jerusalem or the Palestinians or even Islamic unity.

9914
CSO: 4203/147

ISLAMIC COUNTRIES CALLED ON TO PUNISH U.S. FOR SUPPORTING ISRAEL

Rawalpindi TAMEER in Urdu 19 Jun p 2

[Editorial: "When Will the Islamic Countries Take Action?"]

[Text] The Government of Pakistan has taken the right step in expressing its anxiety over the situation in Lebanon to the American government. America is just as responsible for what has happened in Lebanon, and what is still happening there, as is Israel. America hasn't ever even tried to hide the fact that despite all of Israel's lawlessness and terrorism it will not only continue to give it aid but will also supply it with protection against world opinion and the reaction of the Arabs it has victimized. The Pakistan government has also given practical expression to its sympathy by sending 15 million rupees to supply the immediate needs of the freedom loving Palestinians. However, Israel has spread destruction on such a wide scale that it demands that Pakistan and all Islamic countries arrange for a supply of aid on a wide scale in order to compensate for this destruction to the extent possible. For this they should coordinate their efforts as much as possible. The need at the present time is for medical aid for the wounded, and housing and food for the homeless. But this is just one aspect of the problem. The other aspect is that urgent efforts should be made on an international level to get the Israeli army out of Lebanon. The total political and economic power of the Islamic countries should be used in every way for this purpose so that Israel will not stay permanently in Lebanon too, as it has in other occupied territories. The third and most important necessity is to answer Israel with strength with the aid of the arms and armies of Lebanon, Syria and the Palestin Palestinian freedom lovers. It is a fact that Israel's attack on Lebanon had been expected for a long time. If the Islamic countries had prepared to meet this situation beforehand the conditions today would not be so tragic. But it is no use lamenting what has already happened. Now, due to pressure from the Soviet Union and other conditions, there is a makeshift ceasefire. The Islamic countries should take advantage of the respite this allows to take steps to make a coordinated response on all fronts. The Libyan leader Colonel Qadhdhafi has said that his country intends to send troops to Lebanon, but nothing will happen from Libya's decision. Iran and South Yemen have also sent some volunteers to fight shoulder to shoulder with the freedom fighters, but their number too is very small, while the Israeli army is not only greater in number but also superior in arms. The greatest benefit of a joint plan will be that in the future not only Israel, but America too, will have to seriously

consider the results of challenging the collective power of the Islamic countries. It is necessary to use all available weapons on the economic front as well, including a restriction on the supply of oil. Although in their meeting the oil exporting Arab countries rejected Libya's proposal to shut off the supply of oil for the Western countries, this decision was taken for technical reasons. If such a decision were made on the part of the Arab leaders its necessarily good results would be apparent. It is not necessary that this restriction be applied against all Western countries. The majority of the Western countries condemned the Israeli aggression, and they all also supported the resolution of condemnation in the Security Council. For this reason, it will be sufficient in the beginning to apply restrictions only to America, which helped Israel tighten its grasp on Lebanon by means of its veto. If America considers the feelings of the Muslim countries so little worthy of respect, and the blood of hundreds of thousands of Arabs and the freedom of Arab countries of so little worth, what are the Islamic countries thinking of? Why are they silent?

9914
CSO: 4203/147

PLANNED 1982 FOOD AID FOR REFUGEES

GF181035 Islamabad THE MUSLIM in English 7 Jul 82 p 8

[Text] Islamabad, 6 Jul (APP)--Himalaya A. Rana, the United Nations resident co-ordinator for U.N. system's development activities, who also represented the World Food Programme (WFP) in Pakistan, told the World Bank consortium for Pakistan, at its recent meeting in Paris, that WFP would provide a massive humanitarian food aid worth $95 million for the Afghan refugees in Pakistan during 1982.

Making a strong plea for additional food aid for the Afghan refugees, Mr Rana said, there would be a need for 1983 a minimum of 360,000 tons of wheat, 20,000 tons of milk powder and 15,000 tons of oil. These, he said would be in addition to 770,000 tons of wheat, 39,000 tons of oil and 29,000 tons of milk already pledged.

The pledges over the last two years, Mr Rana said, would cover the food needs up to 15 January 1983 for wheat, January 31 1983 for milk and 30 April 1983 for oil.

Paying tributes to the donor countries for their generous contributions, Mr Rana said, so far the United States had provided more than half the resources, followed by EEC, Australia, Japan, the Federal Republic of Germany, Canada, France, the United Kingdom, Belgium, Saudi Arabia, Turkey and other countries.

Concluding, Mr Rana expressed the hope that more resources would be forthcoming for 1983. He also stressed the need for extending support to the refugees administration of the government of Pakistan, which, he said, "shoulders, with commendable efficiency, an enormous and costly task."

CSO: 4220/249

WHY ISLAMISATION IS FALTERING

London ARABIA in English No 10, Jun 82 pp 14-16

[Article by Javed Ansari]

[Text] In June 1977, when General Muhammad Zia ul Haq assumed power as Pakistan's head of state, the movement for Islamisation had won popular support in all of Pakistan's major cities. The strength of this movement did not abate with the military's seizure of power. In the early days of military rule the Islamic forces succeeded in retaining massive support in Pakistan. The political strategists of the new administration had no alternative but to seek accommodation with the popular Islamic parties.

This accommodation was worked out by committing the government to a policy of 'gradual Islamisation reforms' in line with some of the proposals of the Islamic parties. As political estrangement between the military government and Bhutto's People's Party increased, the emphasis on Islamisation became more pronounced. From 1979 onwards the Islamisation programme has been presented as a vehicle for preparing the country for the transition to democracy. This programme has also sometimes become a means for undermining the political legitimacy of the Islamic parties of Pakistan.

President Zia, a man of deep religious convictions, has put his heart and soul behind the Islamisation initiatives. In almost every speech since June 1977, Zia has reiterated his commitment to Islamic ideology and exhorted the people to remould their lives in accordance with Islamic teachings. During a recent trip to Pakistan I gained the impression that Zia's enthusiasm was not shared by all the top brass within the country's bureaucratic establishment.

Since 1978 the Islamisation programme has proceeded at three levels. Priority has been given to the task of Islamising the legal system. In December 1978 a presidential ordinance established five shariah benches attached to the four provincial courts and to the Supreme Court of Pakistan. In May 1980 the four provincial benches and the appellate shariah bench at the Supreme Court were replaced by a federal shariah court composed of five 'secular' judges and three ulema. This court can, on the petition of a citizen of Pakistan or of the government, give judgement as to whether a law is repugnant to Islam and to suggest appropriate amendments. The federal shariah court does not have the authority to give judgement on the status of Muslim personal law, the law of procedure and tribunals, the constitution of the republic, fiscal laws, or laws relating to banking and insurance.

Relatively greater progress has been made in the Islamisation of the Pakistan penal code. In 1979, a series of ordinances was promulgated amending existing laws relating to the offences of theft, adultery, false accusation of adultery and alcoholic consumption. The Council on Islamic Ideology (CII) has put forward recommendations for promulgating a law of pre-emption, a law of gusas (the acceptance of blood money) and a law of evidence (shahadat). The government has yet to act on these recommendations.

The government has also sponsored a series of initiatives to Islamise the economic life of the country. In 1980 the laws relating to wealth tax, income tax and land revenue were amended to provide for the collection of zakat. The government has been empowered to make deductions at source at the rate of 2½ per cent from bank deposits, company shares, insurance policies and so on held by Sunni Muslim citizens of Pakistan. An elaborate administrative structure for the collection and disbursement of zakat, with federal, provincial and local zakat committees (these latter number-

ing 32,000) has been established. The same law also provided for the collection of al-ushr, but the implementation of this section of the law has been indefinitely postponed.

Measures have also been taken to create an 'interest free' sphere within the national economy. From July 1979 house-building loans were exempted from interest charges. Some public sector investment institutions – such as the National Investment Trust and the Investment Corporation of Pakistan – have switched over to operating on a 'profit and loss sharing' basis. During 1980 profit and loss sharing counters were opened at all the 7,000 branches of domestic Pakistani banks. Interest based operations were maintained and there was no public commitment to their eventual elimination.

Finally, the government has made an attempt at reformulating the national educational policy. An extensive review of textbooks at all levels has been undertaken to remove material repugnant to the teachings of Islam. Islamic studies have been prescribed as a compulsory subject up to graduation level and are included in examinations for appointment to the senior civil and administrative services of Pakistan. The emphasis on Islamic teachings has also increased at the various military academies and there has been an upgrading in the salary and status of khateebs (religious teachers) on service with the Pakistan army. The degree granted by religious educational establishments has been recognised as equivalent to a masters degree of a Pakistani university.

Arrangements are being made for extension of training in Islamic jurisprudence. In October 1979 a shariah faculty was established at the country's leading research university at Islamabad. It emphasises the training of specialists in shariah law and operates a masters course in the subject. In November 1980 the shariah faculty was transformed into an Islamic university thanks to substantial assistance from the King Abdul Aziz University of Saudi Arabia. The rector of the new university, A K Brohi, a well-known international lawyer, has ambitious plans for its extension and consolidation. Special emphasis is placed on the role of the fledgling dawa (Islamic promulgation) department which aims at making the resources of the university accessible to a large cross section of urban and rural communities.

The impact of these Islamisation measures on Pakistani society can at best be described as modest. The legal reforms appear contrived and artificial to a judicial establishment schooled in the British tradition. It instinctively flights shy of these reforms and consciously seeks a reinterpretation of Islamic law to legitimise existing practices and norms. References to the shariah courts have been relatively rare and its recommendations – as well as the recommendations of the Council on Islamic Ideology (CII) – have been implemented in a diluted form. Thus the legal establishment has resisted imposing the code of Islamic punishment on criminal offenders and a controversy about the role of sunnah as basis for Islamic legislation has been institutionally sustained. This controversy was most in evidence in the debates relating to the interpretation of the Islamic punishment for rape and illicit sex offences (qazf) but challenges to the use of sunnah as a basis for determining punishment have also surfaced in connection with the punishment of theft and banditry.

The lack of imposition of the Islamic penal code has meant that there has been no noticeable improvement in law and order in the country. Zia referred to "cases of intimidation and brigandage" in his speech on December 24, 1981. The government itself has recognized that "the change brought about by (these) hadood laws, though fundamental, has not created the kind of immediate impact that many well-meaning and knowledgeable persons had been expecting." A state of general disillusionment has set in and many people feel that government – sponsored Islamisation has not created a dent in Pakistan's legal system which is dominated by an establishment with little comprehension of Islamic jurisprudence.

The economic reforms have been even more ineffectual. The inability to levy ushr has meant that the government has no access to agricultural income for purposes of welfare taxation. Options available to the landlords for evading levies remain large as long as the government allows a "non-organised" money market (with the traditional banya firmly in control) to flourish. Even the urban saving groups have availed themselves of these options, as well as of opportunities provided by the existence of a thriving group of foreign banks, to avoid payment of zakat. Zakat collection during 1980-81 has been pitiably small, amounting to Rs800m, representing less than two per cent of federal revenue and quite insufficient to meet the needs of the mostadfeen, who constitute a large proportion of Pakistan's population.

Equally insignificant is the impact of the experiment with interest-free banking. As noted elsewhere, the amount deposited in profit and loss sharing accounts represents about 35 per cent of the total bank deposits in the country. This proportion shows no sign of increasing substantially. No effective mechan-

ism has been evolved for deployment of these funds. Most branches simply do not have facilities to undertake realistic feasibility studies and savings mobilised through profit and loss schemes are invested according to government directives.

The educational reforms have produced a climate of change in the ranks and junior officer corps of the military establishment. There is an increasing influence, sometimes officially encouraged, of the jamaat tabligh in these circles. In civilian life the educational initiatives have borne little fruit. Many ulema view these initiatives with deep suspicion. One of Karachi's leading alims (who has asked to remain unnamed) told me that he regarded the building of the Islamic University and the growth of the dawa department as the first step taken by the Zia administration to impose regimentation on the Pakistani ulema on the lines of the Turkish and Malaysian government. He said that the ulema should resist any attempt at standardising madrassah syllabuses and the provision of official (or semi-official) patronage. These views were echoed by a wide range of religious opinion in Pakistan.

Religious circles in Pakistan are very worried about the ineffectiveness of Zia ul Haq's Islamisation programme. Many members of the CII blame organised groups within the federal ministry officials who act as intermediaries between the CII and the president. A member of the CII told me that Zia is often frustrated in his attempts to accelerate Islamisation. He and two other members of the CII alleged that a well-knit group of senior government officials had now been formed under the leadership of Ghulam Ishak Khan, the federal finance and planning minister, to slow down methodically the pace of Islamisation. Ghulam Ishak Khan had successfully frustrated the initiatives of the CII on the question of the implementation of zakat and the abolition of interest. He had seen to it that zakat was collected only from one section of the community and that the commitment to interest-based banking was not reduced by the opening of the profit and loss counters. This had ensured that both schemes were stillborn, the CII member said. Ghulam Ishak Khan has emerged as an increasingly powerful figure. He has been in office since 1977. It is said that he now endorses many changes in economic policy without bothering to consult Zia, who is not particularly interested in economic affairs.

It is clear that, since the 1979 estrangement between Zia and the political parties, the civil bureaucracy has consolidated its position and now plays a very important part in political decision-making. It has succeeded in inducing the president to forbid the CII from publishing its recommendations. The bureaucracy has thus in effect become the sole determinant of the pace of Islamisation within the country. Moreover, the political power of the bureaucracy has increased due to the role it has been allowed to play in the selection of the Federal Council – the majlis e shura. It is said that although suggestions for nomination to the Council were invited from a wide range of interests, ultimately it was the Deputy Commissioner and provincial level civil administrators who determined the government's choice of representatives in the majlis.

In his inaugural address to the Federal Council, Zia said that its primary task was "to help the government accelerate the process of the enforcement of Islam." But such an acceleration calls for the mobilisation of popular support and the building of a new set of institutions which could ensure that those committed to Islam became capable of exercising social and political authority. The administration has resisted all attempts at building this institutional base for Islamising Pakistan.

Pakistani bureaucrats ensured that the politicians within the Republican Party of the 1950s and within the Convention Muslim League of the 1960s played just such a role. Today the Pakistani bureaucracy seeks to transform the majlis e shura into a new, rejuvenated Convention Muslim League. The majlis is thus entrusted with the task of invoking the name of Islam to legitimise continued domination of new colonial structures of suppression.

In the eyes of the bureaucracy those who challenge the legitimacy of these institutions represent the greatest threat to the "security of Pakistan." It is therefore natural that it should seek to isolate and politically ostracise the Jamaat Islami, a party committed to Islamic revolution, and capable of challenging the social and political hegemony of the bureaucracy and of its supporters.

During the period March to June 1977 the organisational adaptability of the Jamaat enabled the Pakistan National Alliance to destroy civilian authority at neighbourhood level and constitute a revolutionary basis of Islamic power. This period of Islamic hegemony is a nightmare to all of Pakistan's top mandarins. They thus put emphasis on the need to suppress attempts at building powerful institutions at the base of the Pakistani polity.

But the strategy of consolidating the existing political structure while paying lip service to Islam is full of danger for President Zia. Zia enjoys political support much as Ayub Khan did, due to favourable economic conditions, generous military and economic assistance and the expectation that, as time goes on, fun-

damental change in social conditions and in ideological orientation will occur. A worsening of the economic climate, a reduction in aid and a persistent inability to deal with corruption and nepotism may have as serious consequences for Zia as they did for Ayub. Already the government has had to put up the price of essential commodities; there has been a bad wheat harvest; the rupee has been devalued; violence at universities is rising; inter-communal rioting persists. The foreign scene remains confused. If the economic situation worsens and a crisis ensues the bureaucracy will feel few qualms about ditching Zia. His supporters will find themselves as helpless and vulnerable as did Ayub Khan's supporters in 1968. The bureaucracy will then patch up its differences with the People's Party which is waiting in the wings.

Such an outcome can be avoided and the process of Islamisation accelerated by reducing the power of the bureaucracy, imposing a social isolation upon its leadership and building grass roots political institutions capable of transforming Pakistani society by transferring power from the corrupt policeman and civil servant to dedicated Islamic workers (at the Mohallu and village level) who have demonstrated a capacity for sacrifice and struggle. This is the challenge which confronts General Zia.

CSO: 4220/242

ANTI-PUNJAB FEELINGS IN PAKISTAN

London ARABIA in English No 10, Jun 82 pp 16-17

[Text] Ever since independence Pakistan's unity has been fractured by disparate political movements. The provinces that constitute Pakistan today have no tradition of political cohesion or ideological homogeneity. They were integrated within the Indian political system for relatively brief periods – under the Mughal emperor Aurangzeb and under the British – but even during these periods they managed to retain a surprisingly high degree of political autonomy.

It was therefore inevitable that the khalafat movement of the 1920s and the Pakistan movement of the 1940s evoked little response in the provinces that are currently included in Pakistan. In the North West Frontier Province Khan Abdul Ghaffar Khan's Red Shirt Movement was a staunch ally of the Indian National Congress. In the Punjab the Unionist Party led by Khizr Hayat Tarvana commanded the support of the rural masses and was strongly opposed to the Muslim League. In Sind, Zulfikar Ali Bhutto's father, Sir Shahnawaz Bhutto and G M Syed were Jinnah's sworn adversaries. In Baluchistan the Pakistan movement was virtually unknown.

East Bengal was the only province of undivided India in which the pro-Pakistan sentiment of the Muslim masses was never in doubt. In the western provinces the Muslim League succeeded in eroding the mass base of the establishment parties, but the Pakistan movement was too short-lived to create a new political identity. This was reflected most clearly in the fact that the Muslim League could not produce any new leadership in Sind, Punjab and the Frontier provinces. Its leadership in these areas consisted almost entirely of top level defectors from the establishment parties.

The rapid disintegration of the Muslim League during the 1950s provided fresh opportunities for the advocates of provincial autonomy. The most successful of these was Sheikh Mujib Rahman, the charismatic Bengali leader whose political career culminated in the secession of Pakistan's eastern wing and in the establishment of the People's Republic of Bangladesh.

The Sheikh's political rhetoric continues to find echoes in the speeches of the autonomy-seeking provincial politicians of West Pakistan. He had argued that the Pakistani political structure permitted the Punjab to exploit East Bengal. Today Khattak Mari and G M Syed level the same accusation against General Zia's administration.

The Bangladesh episode has had both positive and negative effects as far as the autonomy seekers of West Pakistan are concerned. The Sheikh's argument that Bengali poverty was caused by Punjabi exploitation has backfired. Bengal remains desperately poor despite 11 years of independence. Mujib was assassinated in 1975 and his party has lost a lot of political credibility. Its adversaries have accused it of being the instrument of Indian domination. Bangladesh's inability to solve the Ganges Water dispute and India's policing of the Bay of Bengal has convinced many that secession from Pakistan amounts not to national independence but to the acceptance of Indian hegemony.

The fear of foreign domination has proved to be an effective check to the growth of secessionist tendencies in the North West Frontier Province of West Pakistan. The Soviet invasion of Afghanistan has resulted in a virtual dismemberment of the autonomy-seeking section of Wali Khan's National Awami Party – until recently the strongest political grouping in that province. The "Pakhtunistan" issue, once capable of arousing considerable emotion, is clearly dead. Islamic forces have staged a spectacular political comeback, evident in the Islami Jamiat Taiaba's (Islamic

Student Organisation) clean sweep of all elections in the colleges of Peshawar in 1981.

The Soviet presence in Afghanistan, while posing a threat to Pakistan as a whole, nevertheless effectively reduces the political clout of secessionist factions in Baluchistan. Although in private Mengal, Bizenjo and Mari have expressed discomfort at the prospect of Soviet tutelage, they realise that Soviet support remains crucial for sustaining the efforts of the Baluchistan "liberation" army now encamped in southern Afghanistan, as well as political initiatives within Pakistan.

Secessionist sentiment is stronger within Baluchistan than anywhere else. The Baluchis suffered mass victimisation at the hands of Bhutto's socialist regime which launched a full-scale war on the province during the 1970s. Thousands of Baluchis died and entire encampments were wiped out. Colonisation policies turned the Baluchis into a minority within their own area. Baluchi nationalism has grown in response to the aggression of the Bhutto administration.

In Sind, political expression of secessionist sentiment remains muted. Except for a handful of extremists grouped around Ayaz and Syed, the main body of the Jiya Sindh movement is associated with the People's Party. The Jiya Sindh movement is heterogeneous and amorphous: it has a 'left' wing of Hindu proto-Communists who advocate unity with India, and a 'right' wing of nationalist Waderas preaching regional autonomy. It has produced a sizeable nationalist and secular literature in Sindhi. The movement was most prominent in 1972–73 when "language riots" took place throughout the province. Karachi and Hyderabad – Sind's largest cities – contain organisations promoting "Muhajir chauvinism". The Pakistani Muhajirs consist of two groups: those Muslims who migrated from India after 1947 and those Muslims (known as Biharis) who migrated from Bangladesh. The "Muhajir Chauvinist" organisations are mainly Bihari-based and assert the superiority of central Indian culture. They are accused of preaching hatred of Sindhis. The authors of most of the "progressive" Urdu literature based in Sind are the leaders of such organisations.

Secessionist forces retain strong political bases in Pakistan. They have suffered a temporary setback from the Soviet Union's misadventure in Afghanistan; but an accommodation between the Zia government and the Soviet Union would quickly restore their health. Similarly, an all-party "restoration of democracy" movement would provide fertile ground for these forces. The People's Party is their natural political ally: in concert with the Soviet Union it could quickly create conditions conducive to the triumph of secessionism in either Baluchistan or Sind.

The Zia government remains committed to checking breakaway movements but its policies have had little effect. Islamisation measures have had no impact on the political life of rural communities. This is in sharp contrast to the Iranian experience, where secessionist tendencies have been effectively countered. Thus, in Iranian Baluchistan Maulana Abdulaziz Mollahzadeh's Islamic party has routed its secessionist rivals and rendered substantial assistance to Teheran.

The Islamic parties of Pakistan have had some success in building a new political basis in the North West Frontier Province. In Sind and Baluchistan, Islamic forces remain divided and relatively ineffective. There is a need to strengthen local religious institutions, enhance their political character and establish firm and enduring relationships between the different segments of the Islamic movement throughout Pakistan.

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ZIA'S LACK OF CHARISMA EXAMINED

London ARABIA in English No 10, Jun 82 pp 17-18

[Article by Anjum Matin]

[Text] Zia ul Haq was born in 1924, the son of Akbar Ali, an army clerical officer from Jullundar. Zia joined the British army and was commissioned in 1945. During the second world war he saw service in Burma, Malaya and Indonesia. In 1947 he decided to join the army of the newly created state of Pakistan.

He made steady progress in the Pakistan army. In the early 1960s he was sent to the US for 'advanced training,' a sure sign that the army high command expected him to play a key role in the future. He served during the 1965 war with India as a lieutenant colonel though without any particular distinction. In the early 1970s he went to Jordan and was decorated with the Al Kaukab and the Al Istiqbal medals for services rendered during the 1970 civil war. He also served in the 1971 war with India. In 1972 he was appointed to the post of major general and given the command of an armoured division. In 1975 he became a lieutenant general and a corps commander and in 1976 Zulfikar Ali Bhutto appointed him as army chief of staff, ignoring several more senior officers. A year later Zia toppled Bhutto and seized power in a bloodless coup. He has ruled Pakistan ever since.

Zia has been described as a modest man reluctant to foster a fullblooded dictatorship or institute a personality cult like that built around Ayub Khan. He has clung to power because the political leadership of Pakistan has been judged incapable – by the army and its experts – of maintaining national unity. His repeated postponement of elections have led him to take a series of steps which have consolidated the hold of the army within Pakistan politics.

In March 1977 he announced that elections would be held in 90 days but these were postponed to permit the completion of judicial proceedings against Bhutto. The political parties within the Pakistan National Alliance collaborated with Zia during this period and a government of national unity was formed. This collapsed after Bhutto's execution in April 1979 and elections were promised for the winter of that year. Procedural wrangles between the parties and the government over the conduct of these elections led to their cancellation. Zia, however, went ahead with local elections. In the Punjab, a majority of those elected were partisans of Bhutto's People's Party: this confirmed Zia in the view that the "time was not ripe for holding elections in the country."

Events during 1980 and 1981 showed that Pakistan's most popular political group, the People's Party, was developing strong links with Pakistan's worst enemy – the Karmal regime in Kabul. The People's Party has systematically whipped up hatred against the Afghan refugees in Pakistan. Its leaders developed close links with the USSR and echoed Soviet policy on the Afghan question. It started negotiations with Baluch secessionist movements and made far-reaching political promises. In March 1981 Bhutto's son, Murtuza, launched a successful attack on a Pakistani aircraft which was hijacked to Kabul where the authorities supplied it with arms and fuel.

Zia's response has been to attempt to create his own political party. He took an important step in this direction in January 1982 when he selected 300 politicians to constitute a Federal Advisory Council. It was hoped that government patronage would permit these politicians to acquire status and influence and enable them to destroy the political hold of the Bhutto family. This strategy is not likely to be

particularly successful, however. The political impact of the Federal Council is unlikely to be greater than that of Ayub Khan's Convention Muslim League.

Zia has proved to be an adroit political manager. He has successfully dealt with the civilian politicians and also foiled army coups – the most serious of which was one led by General Chisti in March 1981 with, it has been alleged, the backing of the US State Department. Zia has not developed into a charismatic national leader, however.

This is partly explained by Zia's inability to present a coherent Islamisation policy. Zia's commitment to Islam is not in doubt. He comes from a deeply religious family and leads a pious life. He is strongly influenced by Maulana Muhammad Ilya's reform movement, the Tablighi Jammaat. The Tablighi Jammaat now enjoys a privileged position in the Pakistan army and almost all the khatibs within the army are recruited from its ranks. Maulana Muhammad Abdul Hai is General Zia's guide and religious mentor.

Zia, however, does not have a clear conception of the processes of Islamisation of society and state. He has placed emphasis on the institution of Islamic laws and a gradual adoption of Islamic economic policies. He has used the existing bureaucratic structures as the main instrument for the implementation of his Islamisation policies. No new popular institutions have been created at the popular level. The mosque has, for example, not been transformed into an institution for mobilising local administration as in Iran. The lives of the ordinary people of Pakistan have not been touched by General Zia's Islamisation initiatives: they regard him as not very different from his oppressive predecessors.

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PAKISTAN TIES WITH MUSLIM WORLD

London ARABIA in English No 10, Jun 82 pp 18-19

[Article by Aslam Abdullah]

[Text] Ever since its creation Pakistan has recognised in principle the need for strong material and spiritual ties with the Muslim countries. The events of the last 34 years, however, suggest that the government of Pakistan has been more concerned with material relations and has left the responsibility of maintaining spiritual ties to the people.

In 1948 Muhammad Ali Jinnah, the founder of Pakistan, stressed the need for a united front of Muslim countries to make their voice felt in the world.

The Islamic fraternity still remains a dream and relations among the Muslim states are governed by the laws of international diplomacy and economic interests. A momentary phase of Islamic brotherhood was seen when the late King Faisal of Saudi Arabia, in his efforts to revive unity amongst the ummah, brought an isolated Bangladesh into the Muslim community.

A meeting between Mujibur Rahman and Ali Bhutto during the 2nd Islamic Summit in Lahore in 1974 demonstrated that Islam, if applied, could be more powerful than the alien ideas prevalent in the Muslim world.

Irrespective of what governments do, Islamicists have shown an eagerness to achieve real Islamic fraternity. In Pakistan, large numbers of people, given an opportunity, would be prepared to fight with their Palestinian brothers.

The assassination of Shaheed Hassan al Banna of the Muslim Brotherhood in 1948 and the hanging of Syed Qutub in Egypt shocked the Pakistani Islamicists. When the Pakistan government passed the death sentence on Maulana Maudoodi, the founder of the Jamaat i Islami, Muslims all over the world protested and were instrumental in influencing the government to withdraw the decision.

A policy of Islamic fraternity and unity could have brought rich political and economic dividends to Pakistan. The practice of Muslim nationalism and mutual material interest has proved useful, however.

During Bhutto's regime Pakistan followed a careful nationalist policy in maintaining friendly ties with the Muslim world. The emphasis was on impartiality and bilateralism. He believed that nationalism in any Muslim state is not antithetical to Islamic solidarity. Such a policy was useful to the extent of evolving a nuclear programme and technical and military cooperation.

President Zia is emphatic about the common platform and common destiny of Muslim countries, but what he means by the common destiny is not clear. If it means material cooperation, then the trend has already been set. Pakistan is now a leading country in the provision of technical assistance and skilled manpower to most of the 45 Muslim states. Nearly 1.5 million Pakistanis are employed abroad in the Muslim world, most of them skilled labourers and professional people.

Trade between Pakistan and the Muslim world is also on the increase. In 1980 the total value of Pakistan's exports to the Muslim world was over $900m, representing 57 per cent of its total exports. Imports were equivalent to over $1,000m.

Pakistan has also received generous grants from Muslim countries for economic and relief projects. Over the last decade more than $3,000m in grants came from the Arab Muslim countries. Recently, the Saudi Oil Minister Sheikh Ahmed Zaki Yamani, showed great enthusiasm in helping Pakistan develop energy resources. Kuwait has already promised to assist Pakistan in exploring 10 known oil-bearing regions.

Protocols for cooperation with many Muslim countries also exist. The possibility of manufacturing arms and military equipment in cooperation with Turkey was recently discussed by General Zia and the Turkish head of state General Evren. Saudi Arabia has offered $500m to help pay for US arms.

In the technical field Pakistan has been helping Muslim states on a number of manufacturing and construction projects. For example, it is helping Saudi Arabia construct a new railway line from Hofuf to Dammam.

Some people believe that material needs and cooperation alone should not be the basis for friendly relations between the Muslim states. It may help Muslim states to strengthen their economic bases, but without establishing spiritual ties their all-round development may lack stability and unity.

Pakistan, so far, has given priority to economic ties, and despite tough competition its cultural relationship with other Muslim states has given it an edge. In the view of many, however, economic ties are not enough.

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SHAHI'S FALL SIGNALS MAJOR POLICY SHIFT

London ARABIA in English No 10, Jun 82 pp 19-20

[Article by Inbisat Ahmad Alvi]

[Text] The recent resignation of Agha Shahi, Pakistan's external affairs minister, signifies a major shift in the country's foreign policy. Shahi was undoubtedly a sick man – the stated reason for his resignation – but his illness was not the main reason for his departure.

The diary writer of *The Times* of London was not far off the mark when he predicted well before the event Shahi's fall over serious policy differences with General Muhammad Zia ul Haq. Shahi had long favoured and pursued an entente cordiale with India and the Soviet Union. While the need to normalise relations with the two giant neighbours is widely felt in Pakistan, few wish to continue to proffer the olive branch in the absence of a positive response from New Delhi and Moscow. Shahi, his critics say, was incurably optimistic about the prospects for rapprochement.

In the foreign ministry and the armed forces many disagreed with what they regarded as a policy of "appeasement." Nevertheless, Shahi continued to be the prime mover of Pakistani diplomacy and his continued influence on General Zia had begun to rattle the hardliners. It was under pressure from them that Zia agreed to relieve Shahi of his post.

Shahi has, however, been spared the disgrace a man of his stature would normally face in the event of a fall. The regime has not disputed the "ill health" theory of his departure for two reasons. First, whatever views Shahi held of relations with India and the Soviet Union, he was a respected figure in the bureaucracy and diplomatic circles of the country: his graceful fall is a tribute to the services rendered by him as a civil servant for more than four decades. The second reason is more political – to make the changes in foreign policy that will follow look less obvious.

Shahi's years in office saw the decline of Pakistan as a regional power following its decisive defeat in the Bangladesh war with India in 1971. One can still recall the Ayub Khan years when as far back as 1964 Pakistan received military assistance from both the US and the USSR, surpassed the much bigger armed forces of India in fire power, maintained a steady level of economic growth, and stood almost on a par with India in prestige at world forums, despite Pakistan's membership of Seato and Cento.

Pakistan is now non-aligned and yet despised by the Russians and often also mistrusted by its erstwhile western allies. For the Russians, some observers believe, it is the last domino of Islam that must fall if they are to ensure Soviet hegemony in the area, leading to supremacy over the Gulf and the Middle East. Washington is apprehensive of Pakistan because of its nuclear capability. The powerful Israeli lobby in the US anticipates danger in this for the safety of Israel. A side effect of this interplay of forces has been the growth of Indo-Israeli collaboration in nuclear technology. Since India also has the advantage of the military and economic support conferred by its friendship treaty with the USSR, it has finally emerged as the sole guarantor of the regional balance of power in South Asia.

Shahi belonged to the small but influential group of ideologues at the Pakistani foreign office who acknowledged this pre-eminent position of India and favoured a policy of adjustment with the "new South Asian realities." This tacit surrender to Indian hegemony also meant a docile attitude towards the Soviet Union.

The decline of Pakistan in regional and world affairs was no accident of history.

Zulfikar Ali Bhutto, the last elected ruler of Pakistan, may well have been an important factor in this respect from the time he became foreign minister of Pakistan under Ayub Khan. Bhutto, who was inspired by the idea of abandoning the regional status of Pakistan, should bear high responsibility for the involvement of his country in two wars with India, first under Ayub Khan and then under Yahya Khan, believing that the Chinese were ready to support Pakistan.

In 1965 Lyndon Johnson, then Democratic president of the US, coerced Pakistan into negotiating an armistice in the first war. A shaken Ayub Khan went to Tashkent in the Soviet Union to conclude a peace treaty with Indian Prime Minister Lal Bahadur Shastri. The agreement was widely unpopular in Pakistan and in 1969 Ayub Khan resigned after a wave of discontent whipped up by Bhutto, who had earlier dissociated himself from Ayub.

In 1971 India could chop off Pakistan's eastern wing and convert it into Bangladesh. Yahya Khan stepped down in the aftermath of the debacle. After six years of trial, tribulation and ceaseless opportunism, Bhutto became president of Pakistan. Under him a new equation was struck with India at the Simla conference with Mrs Indira Gandhi.

This perhaps explains New Delhi's lingering nostalgia for Bhutto. *Blitz*, a pro-establishment Indian newsweekly known for its pro-Soviet views, once described him as "the most potent ally that India can have in the world." His death by hanging was a widely mourned loss in New Delhi.

General Zia has sought a departure from Bhutto's foreign policy paradigms. After the Soviet invasion of Afghanistan Zia has resolutely identified with the interests of the Muslim Afghan people. More than two million refugees now shelter in Pakistan. Support for the Afghan cause has been solicited from Muslim countries as well as from the US which has promised a $3bn loan to buy arms.

The increased availability of military assistance has served to estrange India which has attempted to counter Pakistani arms acquisition by striking a similar deal with the Soviet Union. Considerable progress was made on this question during the recent visit of the Soviet Defence Minister Dimitri Ustinov and the Soviet army and navy chiefs to New Delhi.

Despite increasing Indo-Soviet military collaboration Mrs Gandhi has sought to distance herself from the Soviet Union's Afghanistan policy. She has cautiously welcomed General Zia's 1981 proposal for a "no war" pact between India and Pakistan. After Agha Shahi's departure from office, enthusiasm for the no war initiative waned in both New Delhi and Islamabad.

In 1982 Pakistan moved closer to the Iranian position on the Afghan question. Iran's Afghanistan plan presented in November 1981 calls for the withdrawal of Soviet troops, the deployment of an Islamic peace-keeping force and the establishment of an international council of ulema charged with the establishment of a provisional Islamic government. Elements within this plan have been endorsed in joint communiques in both Islamabad and New Delhi during visits of the Iranian foreign minister in 1982.

The notion of a rapprochement with Pakistan is widely popular in India. Pakistan's stand on Afghanistan has found support from unexpected quarters in India. Those who favour Pakistan against Mrs Indira Gandhi include sections of the militant Bhartiya Janata Party and the main opposition that it is only Mrs Gandhi's personal dislike of Zia, a vested interest in keeping the Indo-Pakistani hostilities alive, and Russia's strong hold over Indian affairs gained in 1970 that is preventing the normalisation of relations.

Such a normalisation will almost certainly lead to a reduction of superpower influence in the subcontinent and therefore will be strongly resisted by the USSR which has most at stake in this part of the world. Further, normalisation will also require a just and long-term solution of the Kashmir dispute which has soured Indo-Pakistani relations since independence in 1947.

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DANGERS SEEN IN PAKISTAN'S ECONOMY

London ARABIA in English No 10, Jun 82 pp 20-21

[Text] The Zia government prides itself on its economic performance. It claims that the Pakistani economy is in the process of fundamental restructuring. As against the "dark days" of Bhutto's mismanagement a new, rational, pragmatic approach has been adopted and, it is claimed, this is already bearing fruit. Whereas during the period 1971-77 real Gross National Product increased at an annual rate of 4.88 per cent, the rate of growth of real GNP during 1977-1981 has been as high as 6.76 per cent. Significant improvement has been recorded in both agricultural and industrial production.

However, an impartial reading of official statistics (see box) does not give evidence of fundamental restructuring. The Pakistan economy remains agrarian-based with an inordinately bloated service and public administration sector. Its international vulnerabilities are perhaps more evident today than ever before. The country continues to live well beyond its means. External indebtedness continues to mount. Dependence on foreign aid and on the continuing flow of foreign remittances remains pronounced. The ratio of savings to GNP remains modest – although significant gains have been made in this respect during the past 4½ years. Inflation remains an acute reality. The volume of monetary assets increased from Rs22,059m in 1972 to 1973, to Rs51,773m in 1977 and to Rs103,997m in 1981.

It is claimed that the main difference in the economic performance of the People's Party and the military administration lies in the latter's ability to restore economic stability and infuse a feeling of confidence among private sector investors. The economic philosophy of the Zia administration may be summed up in the phrase "back to the golden sixties" when Ayub Khan's "growthmanship" brought about an economic "miracle" hailed by Harvard developmentalists as conclusive proof of the superiority of the doctrines of laissez-faire and market rationality.

The economic policy of the Zia administration places emphasis on revitalising the private sector and making it the main motive force behind the nation's economic expansion. Much attention has been paid to the task of fostering a favourable socio-economic environment and on encouraging the growth of both domestic and foreign private sector investment. Liberal tax concessions have been extended to private enterprise and despite a generally tight monetary policy the banks have been encouraged to be generous as far as their lending policies to the private sector industrial enterprises are concerned.

The difference between private corporate sector investment and saving has continued to grow throughout the past 4½ years. Despite this the performance of the private sector has been disappointing – particularly in terms of its contribution to domestic capital formation. Under the Zia government public sector savings as a proportion of GNP have increased from 1.71 per cent in 1977 to 4.07 in 1981. Against this, private sector savings have fallen from 11.21 per cent of GNP in 1977 to 8.79 per cent in 1981. The average private sector saving to GNP ratio was 8.51 per cent in the Bhutto period and 9.84 per cent under General Zia. On the other hand, the private investment to GNP ratio was 4.8 per cent in the Bhutto era and 4.7 per cent during the military administration.

Thus, despite a marginal improvement in terms of saving, the private sector remains as unwilling to invest its resources today as it was during the days of Bhutto. As a senior official of the prestigious National Bank of Pakistan told me: "The private sector investment boom seems to have effectively petered out. Although desirous of extracting the last ounce of concession from the government, the private sector is becoming increasingly reluctant to risk its money in Pakistan." It prefers to

transfer resources to lucrative Middle Eastern markets, and to numbered Swiss accounts or to indulge in conspicuous consumption.

This is, after all, a reversion to the policies of the "good old days" of Ayub Khan when capitalist "robber barons" reaped the benefits of government patronage without exposing their own funds to risks of loss and mismanagement. Then, as now, deficit financing and the expansion of bank credit were the main sustainers of industrial growth. The reluctance of the private sector to finance economic expansion is graphically illustrated by the fact that the rate of growth of time deposits at the scheduled banks has been falling since 1977. In 1980-81, whereas real GNP grew by 5.5 per cent, time deposits increased by ony 3.12 per cent.

It is clear, therefore, that government initiatives to stimulate private sector expansion cannot be described as very effective. A return to the economic policies of Ayub Khan has ensured that the chaos and confusion characteristic of the last days of the Bhutto regime are no longer a feature of Pakistan's economic life. The economy, however, remains exposed to all the dangers that beset – and ultimately destroyed – Ayub Khan's economic strategy. Chief among these is the gradual erosion of the real income of the urban poor and the fixed income groups.

It was expected that the Islamisation programme of the government would make a contribution to income redistribution The measure likely to have the most pronounced impact on the pattern of income distribution is the introduction of zakat. But total zakat collections have been trivial – they represented 2.17 per cent of total government revenue for the fiscal year 1980-81. It has been estimated that zakat collections can enable the government to increase the transfer of resources to those living below the poverty line by just Rs45 a year – less than 1.5 per cent of the national per capita income. Thus, the implementation of the zakat ordinance has proved to be ineffective as a means of reducing income disparities.

Interest-free loans provided to students, small farmers and fishermen and first-time house buyers are also insignificant – as is the entire profit and loss sharing experiment, whereby people are encouraged to put money into new profit and loss deposit and savings accounts and to invest in participation term-certificates and modaraba certificates. Funds mobilised under the profit and loss sharing scheme represented about 3.5 per cent of the total bank deposits in the country.

Islamisation is thus ineffective as a means for alleviating poverty deprivation. It was originally hoped that Islamisation would be a means for "disciplining the masses." In August 1978 when the Pakistan National Alliance was taken into government, Dr Meenai, an ex-deputy governor of the Pakistan Central Bank and a close confidant of Ghulam Ishak Khan, the federal finance minister, told me: "The politicians should prepare the people for material sacrifices. This is essential for our economic recovery." But ordinary people cannot be persuaded to tighten their belts when the military and bureaucratic top brass live in luxury in palatial residences, surrounded by hosts of servants and free to accumulate money outside the country. The Alliance politicians fell from favour because they demanded restrictions on the corrupt bureaucratic and military administrators and advocated changes that would have benefited the poor. Today the role of "disciplining the masses" has been assigned to the president's hand-picked Federal Council. These men owe their political eminence to the bureaucracy and they can be expected to be loyal and complacent.

It is evident that the poor people of Pakistan can put little faith in this current bunch of yes-men, and as their economic conditions deteriorate resentment and frustration will mount. A crucial factor is the favourable weather conditions that have sustained high levels of agricultural production during the last three years. Bad weather and crop failures can swiftly destroy the air of relative stability that prevails in the economy and create pressures similar to those experienced during the last days of Ayub Khan.

The economic establishment in Pakistan remains largely unconcerned. Perhaps the most significant aspect of the "back to Ayub Khan" movement is the rapidity with which a second generation of Harvard-trained developmentalists has emerged to seize control of the levers of economic decision-making. This is reflected in the rise of Dr Mahbub al Haq, who is back from the World Bank as the new deputy chairman at the planning ministry and the re-establishment of Dr Navab Haider Naqui, now director of the Pakistan Institute of Development Economics (PIDE).

In Ayub Khan's day PIDE occupied pride of place within the economic bureaucracy. Today it is well on the way to regaining its former eminence. All its eight senior economists are American trained. Its research programme centres on building macro-economic models and input-output tables popular in Pakistan during the early 1960s. Its publications are replete with the themes and cliches currently fashionable in American academia. It is thus natural that PIDE is not concerned with

questions of institutional change or the restructuring of economic relationships within the country.

It is thus clear that a reassuring chorus of applauding professionals has quickly gathered to provide encouragement to economic policy-makers bent on reviving Ayub Khan's teachings. The events of the late 1960s have shown how ineffective these "model builders" prove to be when foreign support is withdrawn and domestic economic conditions deteriorate. Ayub Khan's political inheritors feel that they can rely on rising levels of economic assistance – particularly from the Arab countries. But if these Arab donors realise that the economic policies of the Zia government are as vulnerable as those of Ayub Khan, they may feel compelled to re-examine their attitude towards the present rulers of Pakistan.

Figures Behind the Economic Facts

During the Bhutto administration the share of agriculture in the Gross Domestic Production fell from 34.76 per cent to 31.57 per cent. This trend was maintained during the last four years when the share of agriculture in GDP fell to 29.96 per cent. The share of manufacturing in GDP remained constant at about 16.6 per cent throughout the period 1972-81. Services and public administration and defence constituted 14.08 per cent of GDP in 1971. By 1977 this had increased ot 16.12 per cent, and by 1981 to 16.10 per cent.

The deficit on the current account of the balance of payments continued to deteriorate throughout the period of the Bhutto and Zia governments. In 1972 this deficit amounted to Rs33,600m. By 1977 the deficit had increased to Rs89,350m. By 1980 the current account deficit was of the order of Rs86.350m. The worsening current account deficit has led to the decision to sever the link between the rupee and the US dollar. This move is likely to lead to a significant devaluation of the Pakistani currency against the dollar.

Foreign remittances, however, increased significantly in the last decade. In 1972 net factor income from abroad was less than one per cent of the country's export receipts. By 1981 net factor income from abroad had increased to the equivalent of 48 per cent of Pakistan's export earnings. During Bhutto's administration foreign remittances increased tenfold. In the past four years net factor income from abroad has increased by a factor of 3.7. The country's terms of trade have worsened under both governments. Prices have increased: The wholesale price index increased from 128.63 in 1972 to 255.27 in 1977 and to 355.02 in 1981. Government development expenditure increased by a factor of 5.8 under Bhutto and by 0.5 under General Zia. Foreign governmental aid has been high under both regimes. This is reflected in the fact that the net external resource inflow increased from Rs1,495m in 1972-73 to Rs5,050m in 1977 and to Rs9,570m in 1980-81.

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IMPACT OF AGRICULTURAL POLICY FAILURE

Karachi JANG in Urdu 24 May 82 p 34

[Text] According to a front page report in a daily on 1 May, 1982, Mr Ishrat Ali, presidential adviser on domestic trade, while talking to newsmen in Lahore, said that there will be a decrease of 30 to 35 percent in the spring crop (as compared to government estimates done earlier). Mr Ishrat Ali attributed it to the lack of rain on time and inclement weather. He further added that the crops have been poor in the areas of Mianwali and Sargodha. He assured that there would not be a need for importing grains except for some lentils.

Our benefactors and respected rulers, and our bigger benefactors, the U.S., the World Bank, et al, exhort us to remain an agricultural country and not try to be industrialized.

The state of affairs of our rural areas is such that there are 1 million non-landholding families. Families holding 3-4 acres are 2,750,000 and they own 30 percent of the total arable land. Two million and two hundred thousand are sharecropping families, who work on the lands of large landholders. The large landholders, whose number is not more than 3,000 or 4,000, own 50 percent of the total arable land.

First of all, farming is not feasible on small plots of land, and secondly, small farmers, because of their limited resources, cannot use fertilizers. Ironically, they farm fodder during spring and plant an acre or so with wheat for their own family. They try to eke out a living by raising a couple cattle and some chickens, and selling milk, butter, eggs, etc. For this state of affairs, the 30 percent arable land of the country contributes zero to the total national agricultural output.

The large landowners own about 50 percent of the nation's arable land. Among them are also civil servants and army officers. Many landowners except for some civil servants and army officers, get their land cultivated by the sharecroppers actually living on the land. These sharecroppers, because of their limited resources and techniques, do not receive the optimum yield from these lands.

Now, the remaining total acreage of 18 to 20 percent, is owned by landholders holding 25 to 30 acres who are relatively well off. Since they do the farming

themselves, their yield of wheat is 50 to 60 maunds per acre instead of the usual 20 to 25.

This brief summary indicates that the land ownership structure is the biggest hurdle in the optimum yield. The land owned by 2,750,000 families cannot yield good crops because of the small size of the plots. And the yield on the land of large landowners could not be good because they are too busy in their lives of luxury. This is why many farsighted and patriotic elements have been asking for revolutionary land reforms, but to no avail since many large landowners are the ones who hold positions in the ministries, embassies and other important offices.

Besides the ownership structure problem, one of the biggest problems is waterlogging and salinity, which has enveloped a large acreage of our arable land. This can be controlled cheaply by digging small ditches and pooling water in them, but the present system of landownership prohibits any such steps. This problem may overtake a considerable part of our land in the next 10 or 20 years and it points to the need for reform in the ownership structure.

The third important issue is irrigation. In Punjab, where the water table is fairly high, this problem can be solved by drilling the wells. But, again, the cost of drilling the wells is prohibitive. An individual family cannot afford to engage in that venture. It should come under the domain of the public sector. But it would not be possible until, once again, the land ownership structure is reformed.

Large landowners acquire water through their influence but the small farmers remain deprived of needed water, which results in poor crops. Another problem is the flooding of the land with salt water, especially in Sind, resulting in spoiling the land. This is attributed to the rivers not falling in the ocean with enough force and resulting in the seepage of salt water inland, especially near Ghulam Mohammed Barrage.

Because of this structure of ownership, there is poverty in our country, and because of poverty there is a lack of demand for consumer goods like shoes and cloth. For instance, there are only 3 and 1/2 million spindles (spinning wheels) but, as is well-known, half of the textile mills are closed.

In good times we used to manufacture 14 yards of cloth per head and exported a major portion of it and yet it was hard to sell the rest in the domestic market. Its main cause was the lack of purchasing power among the masses, which is the result of the ownership structure.

There is only one way for the development of the country and the well-being of the people of Pakistan: basic reforms in the ownership structure, which will lead to the desired goals of progress.

9859
CSO: 4203/139

BRIEFS

MURTAZA BHUTTO TOUR--Peshawar, 5 Jul (PPI)--Murtaza Bhutto, the leader of the so-called al-Zulfiqar, has recently toured several countries of Europe and Africa. Reliable reports indicate that Murtaza Bhutto, who last year married the daughter of an Afghan foreign service official in Kabul and has had a child from the marriage toured several countries recently. His wife, in order to join her husband during the tour, had left Afghanistan 2 months earlier. However, when she returned to Kabul she was accompanied by a child she had borne during the tour. It is interesting to note that following the example of his elder brother, the younger Shahnawaz Bhutto also married, probably into the same family into which Murtaza Bhutto married. It seems that either the two girls are closely related or they come from the same family. The girls seem to be close friends. According to the reports, Murtaza Bhutto first visited Libya where he met with terrorist groups and also held secret talks with Libyan officials. It is worth noting that, after security measures taken by the Pakistani Government following the assassination of Choudhury Zahoor Elahi, terrorist activities in Pakistan have become almost nil. [Text] [GF121859 Karachi JASARAT in Urdu 6 Jul 82 p 1]

HAQ LETTER ON LEBANON--President Gen Mohammad Ziaul Haq has said that President Reagan has assured him that the United States is taking all necessary measures to restore peace in Lebanon. He was replying to a question by journalists at a Ramadan fast-breaking party in Rawalpindi last evening concerning the response to his letter to the heads of state and government of the five permanent member countries of the UN Security Council. The president, in identical letters sent on 7 July, urged these leaders to use their power and influence to stop Israel from pursuing its genocidal war in Lebanon and withdraw from that country. General Mohammad Ziaul Haq said he received a prompt response from President Reagan on 9 July in reply to his letter. Concerning the report submitted by the Council of Islamic Ideology concerning the future political structure of the country, the president said it was being referred back to the council for the submission of concrete proposals that could be implemented. He said the report had enunciated certain principles but not proposed any specific mechanism. [Text] [BK160716 Karachi Domestic Service in Urdu 0200 GMT 16 Jul 82]

MUSLIM JOINT DEFENSE PLAN--Federal Minister for Information and Broadcasting Raja Mohammad Zafarul Haq has said that Pakistan must strengthen and consolidate its defense and economic potential not only to safeguard its own territorial and ideological frontiers, but also to prove itself to be a strong fortress of Islam in a real sense. He was speaking at a meeting organized in Lahore to protest the naked Israeli aggression in Lebanon. The information minister repeated the proposal discussed by President Mohammad Ziaul Haq for the joint defense of the Islamic block and said this is the only way to face threats posed by the expansionist neo-imperialism of Israel to the Muslim world. He said the past experience has proved that we have to strengthen our defense capability, keeping in mind that nobody from the outside will come to our aid to defend the independence which we achieved through the sincere efforts and sacrifices of Mohammad Ali Jinnah. [Text] [BK200745 Karachi Domestic Service in Urdu 0200 GMT 20 Jul 82]

PLEA FOR LIFTING RESTRICTIONS--The former Minister of Information and Broadcasting Mahmuc Azam Faruqi has condemned the restriction on Khan Abdul Wali Khan and his wife's entering Sind. He said it is a strange thing that on the one hand the federal government provides him with every facility and does not hinder Khan Abdul Wali Khan's going to Kabul, and even welcomes him despite his having had behind-the-scenes talks and discussions on internal matters with the puppet government there, and on the other hand the provincial government of Sind does not even want Khan Abdul Wali Khan to enter the province. In another statement he added that Pakistan is one country, and it is the Islamic and fundamental right of every citizen here that he be able to go without hindrance from one part to another. Not to grant this right of the citizens is to violate the fundamental principles of Islam, the hollow slogans of which are continually raised in the halls of government night and day. He said that if the character and freedom of Wali Khan or any other citizen is contrary to the interest of the country, then without doubt it is the duty of the government to start a case against him, prove the accusations, and give punishment. But no civilized government has the right to deprive any citizen of his fundamental rights and deny his freedom to come and go within the country, unless it fulfills the obligations of the law, morality and Islam. He asked that the Government of Sind rescind this order and display justice and magnanimity. [Text] [Rawalpindi TAMEER in Urdu 14 Jun 82 p 4]

IRAQ, ALGERIA, PLO AMBASSADORS--The outgoing ambassadors of Iraq, Algeria and the Palestine Liberation Organization paid farewell calls on President Gen Mohammad Ziaul Haq in Rawalpindi on 13 July. They discussed with the president matters of mutual interest. Foreign Secretary Niaz A. Naik was also present at the meetings. [Text] [BK141445 Karachi Domestic Service in English 1700 GMT 13 Jul 82 BK]

PACT WITH INDIA--Federal Minister for Information and Broadcasting Raja Mohammad Zafarul Haq has said that the efforts being made by the government for a no-war pact between Pakistan and India are based on its desire to preserve its national interest through diplomatic channels. Addressing a meeting in Karachi this morning organized by the Istehkam-i-Pakistan Council, he said the agreement will be beneficial to and in the interest of both countries. Raja Mohammad Zafarul Haq said a section of the people in India also realizes the importance of friendly relations between the two countries due to the changed geopolitical situation. The minister declared that the government has not and will never compromise on its principles in reaching any agreement. [Text] [BK191343 Karachi Domestic Service in English 1005 GMT 19 Jul 82]

CSO: 4203/153

MOVE TO ARM CIVILIANS HIT

Cebu City VISAYAN HERALD in English 29 Jun 82 pp 1, 2

[Article by Mike Ynclino]

[Text] The formation of the Civilian Home Defense Force (CHDF) in Cebu province met stiff disapproval from the opposition Pilipino Democratic Party (PDP).

The PDP thru Ribomapil Holganza, Deputy General Secretary for the group, assailed yesterday the formation of the CHDF as allegedly an opportunity for political warlords here to justify the presence of their para-military units. Holganza glaimed that the said paramilitary units or "private armies" of the same political lords in the Province were never disbanded even after the imposition of Martial Law.

According to Holganza, despite the protestations by the authorities for the disbandment of the said para-military groups upon the declaration of martial rule, they were merely made to lie low and called upon by their masters to function as their goons during elections.

Holganza expressed fear that the said private armies of these politicians would be inducted as CHDF's. The opposition leader said that the military would be courting more complexities and would compound the problem in the mountain barangays if it pursues the plan of arming civilians or authorizing private armies of their friends and patrons, to carry firearms. He also said that it will only widen the chasm between the government and our mountain folks and would be a burden to the residents in the affected areas of the province.

At the same time, the opposition stalwart criticized the civilian government here for its alleged apathy and neglect to the simple demands of the people. He also expressed surprise that the government machinery under the administration would only act after a major crisis has occurred. "From the experience we have had with the present regime, we have learned that our people have to assert, struggle and fight in order that the wheels of justice, equity, and fairness would move, Holganza concluded.

CSO: 4220/240

TACLOBAN LEADER ATTACKS GOVERNMENT

Cebu City VISAYAN HERALD in English 29 Jun 82 pp 1, 4

[Text] An opposition leader from Tacloban City has revealed the hardship of airing criticisms against the government in the province of Leyte.

Tente Quintero who is former vice mayor of the City of Tacloban and who is now leading the political opposition in that city revealed to Visayan Herald that the atmosphere in Leyte is still very oppressive.

Quintero, however, praised the people of Leyte for knowing the bad things in the government.

The Leyte opposition leader pointed out that in the last barangay election, more new barangay officials were elected. They replaced old ones who belonged to the circle of the party in power. Quintero said 65% composed the new barangay officials in Leyte who go elected. Most of them, he said, were independents and opposition men.

But in Leyte-Samar, about 85% were new barrio officials, Quintero revealed.

This proves, Quintero said, that the people are not sleeping.

CSO: 4220/240

EDITORIAL OPPOSES ARMING CIVILIANS

Cebu City VISAYAN HERALD in English 29 Jun 82 p 4

[Editorial]

[Text] Despite reports of NPA presence in the mountain areas of Cebu, the mention of arming civilians through the CHDF brings fear and uncertainty to one's mind.

If we trace the present attitude of government, government believes that it is not through armalites that the mounting problems of our people can be solved. When martial law was imposed, all guns were decreed for surrender and the government saw to it that all military hardware in the hands of civilians were duly collected by the military.

The CHDF concept operates through the distribution of guns so the civilians can protect themselves. Guns will be in the possession of civilians, or barangay officials such as the tanods, after being furnished basic training by the military. Despite this little training, some uncertainty can not be prevented from creeping into the minds of those who believe that there could be better ways of solving the NPA threat than the use of arms through the CHDF concept.

Arms in the hands of civilians might become a monster harder to control later on. The suggestion for the military to put up detachments where they are most-needed should be tried. Professionally-trained military men are better prepared to face rebellion than plain civilians under the guise of untested barangay tanods.

CSO: 4220/240

SIGNS OF WEAKENING ECONOMY EXAMINED

Cebu City VISAYAN HERALD in English 30 Jun, 1 Jul 82

[Article by Eddie R. Gandionco]

[30 Jun 82 p 7]

[Text] The Administration's economic forecasts for this year is on the firing line. No one in business and industry really takes the bright and rosy forecast pictured by key members of the Administration seriously. After all, the economy failed to improve in the first half, instead interest rates rocketed into the stratosphere.

Bad spots in the economy are becoming more apparent, and more plentiful. A strong drop in retail sales and lower-than-normal construction activity helped to push sales down. Even more important, business and industry reports indicate a further decline of real growth in the second or third quarter, and possibly both.

Vehicle sales has dropped considerably; unemployment has kept rising; retail sales and income ost momentum; most manufacturers production actually fell. All in all, the real Gross National Product (GNP) is down from the 1981 level.

At this writing, very little is known of our traditional exports performance. The price of copper, value-wise, is the lowest ever experienced by us since 1932. And there are indications that copper prices will not go up until the last quarter of 1983 unless a major war will break-out this year. The same signs goes with our other traditional exports such as coco oil, sugar, lumber or logs, etc. In addition, we are incurring huge deficits monthly, not to mention, our burgeoning external debt of $18 billion US dollars, excluding interests.

Since those signs are widely known, disbelief has to be ruled out. The most plausible explanation of our economic situation today is that the propsect of continued high inflation is even more alarming than the prospect of weak growth. In short, the inflation picture has hardly improved. And I hope that the key members of the Administration will be frank enough to accept this and to tell the truth. Such candor will be greatly appreciated by the citizenry that they will be ready to pay the price for any government move that will improve the economy.

The prospect of a price acceleration is understandable, considering that inflation has trended up for a decade now. And this fact persisted in the face of President Marcos when he directed all government officials to cutdown on all unnecessary government spending, including out-of-town travels, and only broken by so many Administration officials.

I have observed that the Administration's economic experts and technocrats are more concerned with real growth than inflation. They believe that giving short-run priority to cut inflation will serve to bolster real ec nomic growth in the long run. I am not an economist, however, I believe that bolstering short-run growth i favor of attacking first inflation will doom to fail, as the record of the recent past proves. When will our government economists and technocrats ever learn of their past mistakes? If our policymakers follow the logic of these technocrats, then Heaven help us from continued high inflation.

[1 Jul 82 p 7]

[Text] Inflation should be the number one worry of the Administration. Success in curbing inflation will be furthered by the current state of the economy. Given the margin of slack, inflationary pressures should not heat up significantly even as the process of economic recovery continues. This gives the Administration and the Batasang Pambansa the courage and guts to do everything within their power to lower inflation, even if government policies take a toll in terms of slower growth.

Over the past few months, the stocks market have fallen. This is an important sign to how investors feel about the economic outlook. One reading says that the stocks market is cowed by the size of government deficits and by the Administration's policies, that it expects to be hit from two sides. The stocks market shock has begin to show up elsewhere in the economy. The way the stocks market is behaving has caused great concern to business and industry. However, if the market will see signs that monetary policy will stabilize for a long time to come, expect the stocks market situation to change abruptly. The next few months are particularly crucial in this regard. The imponderable is whether the market will get back on its feet merrily or stay as is now.

The Administration has put forward a comprehensive plan for solving the problem that plague our economy--the Kilusang Kabuhayan at Kaunlaran (KKK). The program is so deceptively simple in approach that it seems to have left most economic analysts hopelessly confused. Stripped down to its bare bones, the KKK will create as many livelihood centers in all barangays and thus prime pumping more money into the rural areas. Critics of the KKK have focused largely on the portion of ever-increasing money supply which will produce more inflation. In its most basic form, the argument is that higher government spending causes higher prices. If the govenment does not have enough money to spend for essential services, where does it hope to get money to finance KKK in all barangays?

Ruling out pennies from heaven, there are only two possibilities. Either the government prints more money or increase taxes. In the first possibility, the government will merely substitute an implicit tax for an explicit one,

with individuals who hold money now bearing the burden. In the second, it will cut down inflation. The monetary alternative is inflationary; the tax increase alternative is not. The second, therefore, is the key to finance the KKK program.

As President Marcos stressed time and again, that the criticial nature of the KKK cannot be overemphasized. What is at stake is not only increase in national productivity but also generation of jobs and income for all Filipinos. That the country and the people will stand to gain unprecedented benefits in the years to come because of KKK.

CSO: 4220/240

OPPOSITION GOVERNOR FAVORS PARLIAMENTARY STRUGGLE

Cebu City VISAYAN HERALD in English 5 Jul 82 pp 1, 2

[Article by Al Alinsug]

[Text] Misamis Or. Governor Homobono Adaza still believes in parliamentary struggle in order to liberate this country from the clutches of the Marcos regime.

Gov. Adaza expressed this sentiment during an interview over the weekend with the members of the Cebu Tri-Media Association (CTMA) at an uptown restaurant.

"If I don't believe any more in parliamentary struggle, you can be sure I'll be too honest by resigning as governor of Mis. Or," he said.

Adaza said he does not foresee it coming. "I don't think I should involve the people of my province in a fratricidal fight if I decide to fight in some other level," he said.

Among other things, the outspoken Misamis Or. provincial executive and leader of the Mindanao Alliance debunked the promise of former Sen. Benigno Aquino who pledged recently to come back to the Philippines through the backdoor.

(Aquino was reported planning to come home through the backdoor when former Cong. Antonio Cuenco saw Aquino in the U.S., Visayan Herald, June 28, 1982)

On the Aquino promise, Adaza said he "does not believe in promises, especially political promises."

Explaining the role of Ninoy Aquino in the opposition, Adaza expressed the observation that it is doubtful if Aquino will have the necessary following in case he comes through the backdoor.

Adaza reasoned out that Ninoy is not the only opposition leader or group in the struggle against Marcos. "The people have struggled against Marcos," Adaza said.

In the differences that opposition leaders have at present, Adaza opined that there is the necessity of sitting down together, including Aquino, to formulate a "grand strategy, and it's about time."

"But I don't think promises of that kind (referring to Aquino's promise) will go far," the articulate Mindanao opposition leader said.

Although Adaza was critical of the other opposition groups in Mindanao, he has not discounted the possibility of burying personal differences in the greater interest of the Filipino people.

"The transcendental inter-

est of the people is our goal," Adaza declared.

However, Adaza did not think much of the leadership of Cagayan de Oro City Mayor Aquilino Pimentel or that of Assemblyman Reuben Canoy with whom he admitted to have personal differences "because they have none, or are still vague since they are still in the process of organizing themselves," Adaza stated.

Adaza has accused Canoy of making arrangements with the party in power in order to reach recognition as second to KBL, but "one can not achieve to be a genuine opposition through this means," Adaza pointed out.

CSO: 4220/240

MILITARY-OPPOSITION COOPERATION FORGED

Cebu City VISAYAN HERALD in English 5 Jul 82 pp 1, 4

[Article by Mike Ynclino]

[Text] The unity and cooperation between the military establishment and some members of the opposition is seen after RECOM 7 PC-INP Commander, Brig. General Alfredo Olano reportedly exerted efforts for the purpose. The RECOM 7 chief has been reportedly with members of the opposition here and has been heard saying that he is open to cooperation by oppositionists for the common good of the people in this region.

This move of the Regional Commander has been noted by some observers as a brilliant political maneuver to cushion the impact on some criticisms against members of ists for the common good of the military as well as of the administration.

One such meeting which happened yesterday afternoon between members of Cebu's mass media and an opposition leader at one of the restaurants here seems to give credence to the said theory. The meeting between Olano, the media men and Andy Corominas, an oppositionist, was both cordial and friendly. It touched on the burning issues of the day even as Lawyer Migs Enriquez, radio-commentator Vic Abangan, this writer and the ladies of the two radiomen were also on hand to give suggestions and additions to the topics discussed.

The RECOM 7 Commander reiterated his pledge to open the door of cooperation to all citizens of Central Visayas for the common weal of the country and our people. Olano is apparently out to ask oppositionists for a joint thrust for the development of the Region in all aspects of life.

Gen. Olano said that he, being a former shoe shine boy, is concerned for the people in the mountains. He said he will press the issue with Mayors and the Provincial Governor to ask them in today's meeting with him at the Governor's office what they have done for their constituents especially those in far flung barangays. The military brass was reacting to a question raised during the meeting if the military is not going to pressure the civilian governments concerned to start real viable livelihood projects for the area including the repair and or construction of roads in the same area.

He said that he will discuss with the mayors and other civil servants what could be done to solve the problem here believed to be mainly economic.

According to Olano, as Filipinos, whether we belong to the KBL or the oppositionists or the dissidents, we should all cooperate with each other to bring about the same objective we have for the benefit of the people. Olano urged a dignified relationship with leaders and members of the opposition and members of the mass media with the military to realize the same objectives sought for.

CSO: 4220/240

CABINET APPROVES CONSTITUTIONAL AMENDMENTS

Colombo THE ISLAND in English 8 Jul 82 p 1

[Article by Prasad Gunewardene]

[Text] An amendment to the Constitution approved by the Cabinet yesterday, indicates that the Presidential Election will be held before the General Election.

Among seven major changes in legislation approved yesterday, the restriction on the President seeking a mandate before the expiry of the term of his office was very significant. Under the proposed amendment, provision will be made to enable the President to call for Presidential elections in time after four years of his assumption of office, but the new President will assume office only on February 4, after the election.

President Jayewardene was sworn in as President on February 4 1978. When the amendment is incorporated in the Constitution, President Jayewardene will have powers to hold a Presidential election immediately, if necessary.

Another major change in legislation is that the time between the proclamation of an election and nomination day to be one week and between nomination day and election day to be between 2 to 4 weeks. With most opposition parties in disarray, this amendment will leave little room for manouevre in case of a snap election being called.

Other major recommendations approved by the Cabinet for the preparation of legislation are:

1) A person who has been deprived of civic rights by a Special Presidential Commission to be subject to no further disqualification. Any person making use of a person who had lost civic rights during an election to be deemed to have committed a corrupt practice. On an injunction being applied for in the Court of Appeal in this regard during the course of an election, votes for that party in respect of that district will not be counted in respect of that district.

   On an election petition on this ground, the candidates of the party so elected will be able to sit in Parliament pending a determination of that election petition. Election petitions should be determined within two months of filing.

2) The present provisions regarding making available TV time and broadcasting time as between political parties which is mandatory to be determined by administrative means after consultation with the Opposition.

3) Provision to be made for Members of Parliament of all Parties to participate in the formation of a Government for the purpose of assuring a stable Government.

4) The present restriction on the President in dissolving Parliament in the first year would be be removed. Provision to be made for the President to dissolve Parliament in the first year on not more than two occasions: and

5) Under the Proportional Representation system, the ballot paper will only contain the names of the Parties and their symbols. Each Party will have the right to choose their Members of Parliament from the list made public before the election. Each Party will submit its list of candidates according to its own rules. In the list submitted to the Commissioner of Elections, there will be no reserve candidates.

CSO: 4220/241

OPPOSITION CONDEMNS CONSTITUTIONAL CHANGES

Colombo THE ISLAND in English 9 Jul 82 p 1

[Text]

Opposition parties have vehemently opposed the proposed amendments to the Constitution announced on Wednesday by the Cabinet.

While the SLFP(S) leaders with Mrs.Sirima Bandaranaike were consulting legal advisers, the LSSP and the SLFP(M) came out very strongly against these amendments.

The LSSP's constitutional authority and architect of the 1972 Constitution, Dr.Colvin R.de Silva issued a statement calling for a four-party Conference consisting of the SLFP(S), SLFP(M), TULF and the CP(Moscow Wing) on 'the abolition of the Executive Powers of the President and restoration of the Supremacy of Parliament'.

The LSSP is seeking similar discussions with other parties, too, on the same Party-to-Party basis, Dr.de Silva's letter said.

In another statement issued by Dr.de Silva, the proposed amendments to the Constitution were described as a 'crime against Parliamentary Democracy'.

Dr.de Silva's statement says that the proposed changes embody the legislative part of the UNP government's last-minute effort to stave off defeat to which they now stand doomed at both the Parliamentary general election and the Presidential election.

On the provisions regarding those who have any dealings with those who have lost their civic rights under the Special Presidential Commissions's decision, he observes that the manifest aim is to make Mrs.Bandaranaike an electoral leper.

The means adopted is to monkey with the processes of the law to the point of holding the Courts up to ridicule. To traffic with her during elections is considered a corrupt practice and on an injunction being applied in this regard during the course of an election, votes for that party will not be counted in respect of that district, he says. This, Dr.de Silva says is on mere application and not on determination of the truth or otherwise of the allegation in the application.

An election which, under another provision, can be as short as only two weeks, no doubt precludes the possibility of bringing such an application to determination before the conclusion of the election. In other words, any lying application will do to cut a party out of the count, that is to say the election. The proposal is monstrous he states.

CSO: 4220/241

CHANGES IN ELECTION LAWS OPPOSED

BK090953 Hong Kong AFP in English 0806 GMT 9 Jul 82

[Text] Colombo, 9 Jul (AFP)--Opposition political parties in Sri Lanka have condemned as a "crime against parliamentary democracy" proposed amendments to the constitution and election law announced Wednesday [7 July] by the cabinet.

They said that the amendments were little more than a desperate bid by the ruling United National Party to stay in power.

The intended changes would permit a presidential election to be held before a general election and also allow the president to dissolve parliament at least twice in the first year after a legislative poll.

Another major change is that the time lag between the announcement of an election and nomination day would be 1 week and between nomination day and the election 2 to 4 weeks.

Moreover, any politician receiving campaign help from a person deprived of civic rights by a special presidential commission will not only put himself in jeopardy but also his party in that particular district. Former Prime Minister Sirimavo Bandaranaike has already been disenfranchised.

The pro-Trotskyist Lanka Sama Samaja Party (LSSP) issued a statement describing the amendments as a "crime against parliamentary democracy."

LSSP leader Colvin de Silva said that the proposed changes were part of the ruling United National Party government's last-minute efforts to stave off defeat in both the parliamentary and presidential elections.

The pro-Moscow Communist Party said that the intended amendments showed that President Junius Jayewardene and his government were far from confident of their stability.

The amendments are "yet another attempt by this government to abuse the processes of democracy, rig the elections in their favor and deny the people a real free choice about who should govern them," the communist party said.

Meanwhile, former Prime Minister Bandaranaike challenged the government yesterday to hold elections without further amendments to the constitution.

Mrs Bandaranaike was disenfranchised for 7 years over 20 months ago, losing her civic rights, including the right to participate in an election during this period.

Cabinet minister Gamini Dissanayake yesterday dismissed opposition charges that the proposed amendments were an attempt to save the government from inevitable defeat.

"If the opposition parties think that they can defeat us, let them try, because we shall not deny their right to do so," Mr Dissanayake was quoted as saying by the island newspaper.

Political observers said that the government was trying to exploit major differences in the opposition and disarray in Mrs Bandaranaike's Freedom Party, the chief contender for power.

Meanwhile, the SUN newspaper, quoting well-informed political sources, said that the country's first presidential poll is likely to be held in December. Under existing law the presidential election is due at the beginning of 1984 and the general election sometime before that.

CSO: 4220/250

EDITORIAL EXAMINES CONSTITUTIONAL CHANGES

Colombo THE ISLAND in English 9 Jul 82 p 6

[Editorial]

[Text]

Political developments have begun moving with a swiftness which can leave the uninitiated baffled and even a bit breathless. Yesterday all the newspapers reported the proposed revision of the Constitution announced by the Cabinet on Wednesday and as our lead story noted yesterday the most significant of these changes will be the one that will empower the President to call a Presidential election even immediately. The signs are pretty clear. There will be a Presidential Election before the Parliamentary election.

Observers will also note the swiftness with which the Government has taken note of an anomaly pointed out by the "Far Eastern Economic Review" in its recent cover story on Sri Lanka, which was reprinted in "The Island" on June 22. The Review said that according to the Constitution as it stood now the President could not go in for a fresh Presidential election before his term of office was over. Now the Government has decided to make it possible for the President to seek re-election any time after the end of the second year

What is significant about this change is that it removes the uncertainty which existed in the public mind about the stability of the political system under the new Executive Presidency promulgated by the present Constitution. As the Constitution stands now the Presidential election will have to follow the Parliamentary election.

What happens then if a UNP President is faced with a hostile Parliament? This question had been troubling the political commentator and even the intelligent layman. Would the President be in a position to control Parliament or would conditions of near anarchy be the result? This new situation however will put the public mind at rest since the changes make it possible for the Presidential election to precede the Parliamentary election.

From the point of view of the Government's interests too the changes come at an opportune time. If the President is re-elected at the polls it will equip him with the necessary confidence to cleanse his party before he leads it to face the

Parliamentary election. No longer will the President be dependent on the Government MPs to campaign on his behalf thus making him reluctant to take strict action against the corrupt and the wayward in his ranks. It will make it possible for him to crack the whip over the heads of those who have gone astray and to infuse new blood into the party.

The proposed changes relating to the system of Proportional Representation however appear partial and incomplete, particularly in the light of the much trumpeted move by the Government to give PR a human face. It appears as if the Government has left it to each party to make its own arrangements in this connection.

The Cabinet press release announcing the changes merely says "Each party will have the right to choose their members of Parliament from the list made public before the election. Each party will submit its list of candidates according to its own rules."

It is not immediately clear how this will make it possible for votes to be cast for the candidate as well as the party as the Government was planning to do. It would have been better if the procedure had been incorporated into the law rather than left to each party to formulate.

Observers of the politically piquant will also note the change in the wording of the provision preventing those who had forfeited their civic rights from campaigning at the elections. The prohibition this time applies to "persons" making use of them while earlier it said "parties".

This too shows that the Government has been quick to note the possibility also spotlighted by the Far Eastern Economic Review of Mrs. Sirima Bandaranaike campaigning for the UNP! All these show even in a negative sense that the Government is alert to developments in the country.

Anyway the fact that the Government has decided to drop the further restrictions on persons without civic rights campaigning at elections which they had earlier envisaged is to be welcomed.

CSO: 4220/241

MEASURES TAKEN TO PREVENT CLASHES IN JAFFNA

Colombo THE ISLAND in English 8 Jul 82 p 2

[Article by D.B.S. Jeyarai]

[Text]

Special care is being taken to prevent Police and Armed Services personnel from getting involved in incidents of friction with the general public in the North.

Senior Officers stationed in the North have been advised to take extra precautions and maintain vigilance so as to curb the rank and file from harassing the public in view of the tense situation prevailing in Jaffna following Friday's shooting at Nelliaddy, where four Policemen were killed.

These instructions come in the wake of a reported skirmish between Police Personnel and the Public last Sunday in Nelliaddy at the very junction where Friday's shooting took place. The incident had occurred when a police jeep had stalled at the Nelliaddy junction. Policemen had asked members of the public to push the Jeep and they had done so. However, a few policemen are alleged to have assaulted some people and smashed the showcases of two shops after the jeep started. This had caused panic in Nelliaddi for some time.

An Intelligence sleuth told 'The Island' that they had been getting unexpected public co-operation while investigating Friday's shooting. Information was readily forthcoming and a genuine feeling of horror and indignation over Friday's killings were perceptible. We are keen that this atmosphere should continue to prevail as it is very necessary for fruitful investigations, he said.

Another top Police officer was of the view that Friday's shooting had been intended to provoke Police and Service Personnel on venting their fury over the killings on the Public.. 'This had been a normal terrorist tactic and had succeeded in the past', he said.

'But this time, we are taking care that the men do not get out of hand', he said.

Police sources also said that during the last few months, a climate of goodwill and cordiality between Police and Public was slowly building up in Jaffna. Friday's killing was intended to put a stop to this situation, these sources said.

A Government spokesman also viewed Friday's killing as an incident calculated to disrupt the climate created by the high-level Committee and the TULF. The spokesman saw a parallel between the Nachimar Kovilady shooting which took place a year ago and the Nelliaddy shooting. 'After the Nachimar Koviladdy shooting, some policemen went on the rampage in Jaffna', the Government spokesman said.

'As a result', he said all the good work done by the Government for building up better relations with the Tamils was undone in a day'.

'In the present situation, too, the Government has once again steadily built up better relations with the North, and the Nelliaddi shooting was intended to put the clock back once again, he said.

Intelligence sources also said that the terrorist elements were intent on evoking another clash soon. The bombs-by-mail campaign and the Nelliaddi shooting were inter-related they said.

CSO: 4220/241

GOVERNMENT RECOMMENDS EXEMPTION FOR FOREIGN EARNINGS OF COMPANIES

Colombo THE ISLAND in English 7 Jul 82 p 3

[Article by Richard de Silva and Ravindran Casinader]

[Text]

FOREIGN currency earnings of professional companies and firms would be exempted from income tax, if such earnings are brought back to Sri Lanka.

This was said by the Acting Minister of Finance and Planning, Mr. M. H. M. Naina Marikar explaining the legal effect of the Inland Revenue (Amendment) Bill, in Parliament yesterday.

He said that the amendments were related to some of the tax proposals mentioned by the Finance Minister in his budget speech of 1981.

Explaining various other measures taken by the government to revamp the economy, the acting Minister said the interest accruing to any person from moneys deposited in a foreign currency account, for the period such person was non-resident and three years after he became a resident would be exempted from income tax.

He also read out various provisions of the Bill which would give legal effect to certain budget proposals of 1981.

The TULF MP for Mannar, P. S. Soosaithasan while welcoming the tax proposals observed that administrative concessions or discretions were not given adequate publicity and as a result the public were not aware of some of the concessions.

The concessions should be embodied in the law "and should not be left to the whims and fancies of officials", the Member said.

Where the Bill did not take effect on the date of the Speaker's assent the date when the law would take effect should be mentioned in the Bill, Mr. Soosaithasan added.

The TULF Member also asked the Deputy Minister to consider extending concessions now given to Sri Lankans earning foreign exchange abroad to those working for foreign organisations here and are receiving payment in foreign exchange.

The Bill was passed with some amendments.

CSO: 4220/241

POLICE EFFECT MAJOR CHANGE IN NORTH

Colombo SUN in English 9 Jul 82 p 1

[Article by Ranil Weerasinghe]

[Text] Policemen in the Jaffna peninsula will be required in future to serve only a one-year term, it was decided yesterday.

This means that it will become mandatory for personnel in all ranks of the Police service to serve for a period in the north.

The decision was taken at a conference held yesterday morning at the Defense Ministry, presided over by the Deputy Defence Minister T. B. Werapitiya.

It comes in the wake of last week's ambush of a Police party, resulting in the deaths of four policemen.

Defence Ministry sources told 'SUN' the new scheme would help overcome the present problem in appointing officers and men to the north, which is now considered a 'danger station'. It was also pointed out that officers could give of their best while serving there, secure in the knowledge that they would be entitled to a transfer before they became targets.

With this move, the Ministry decided to effect a series of transfers of personnel, Deputy Inspector-General (Northern Range) A. Navaratnam is to return and he will be replaced by DIG W. Rajagune, while Superintendent A. A. Anandarajah takes over as SP, Jaffna from SP Richard Wijesekera.

The following appointments were also made: D. Mahendran (DIG, Batticaloa), Ernest Perera (Personnel, Training and Traffic), L. M. P. De Silva (DIG, Greater Colombo), A. Ariyasinghe (DIG, North-Central Range).

Meanwhile the Police have rushed squads of their para-military units, the task force and the special combat unit to the north. They are to seek Army assistance to train several more squads to take up posts in areas in the north and provide back-up cover for the regular officers.

CSO: 4220/240

BRIEFS

HOLD FREE, FAIR ELECTIONS--Mrs. Sirima Bandaranike has challenged the UNP to face an election without further amending the Constitution. At a joint rally of the SLFP(S), the MEP and the Democratic National Front held at Hyde Park yesterday, she said that today there is fear in many quarters that an election will be held. She said that every election held since 1947 had been peaceful and no one had ever said that elections were not fair. There have been some incidents at elections which were caused by thugs but the Election Commissioner had never been accused of being unfair. But the incidents in Jaffna during the DDC elections when some ballot boxes disappeared has caused much concern about future elections. Messrs T.B. Illangaratne, Dinesh Gunewardene, Anil Moonesinghe, Kulasiri Kumarage, G.I.D.Dharmasekera were among those who spoke. [Norman Palihawadana] [Text] [Colombo THE ISLAND in English 9 Jul 82 p 2]

JOBS ON ETHNIC BASIS--Admissions to universities as well as employment in the state sector are to be restricted by a quota system that is to be worked out on an ethnic basis. Cabinet yesterday approved the establishment of a committee to work out this new quota system. Cabinet spokesman Anandatissa de Alwis said that under this system the majority community will have the assurance that opportunities in these fields to members of other communities are subject to a ceiling so that there will be no undue erosion of their legitimate share. At the same time, he said, the minority community will have a sense of relief that they are guaranteed their quota in these fields. This, he said would go a long way towards the creation of an atmosphere of confidence and harmony among the members of all communities. The committee appointed to work out this system includes the Secretaries of the Ministries of Public Administration, Higher Education, Trade and Shipping, Local Government, Housing and Construction, Additional Secretary to the President and an officer nominated by Minister S. Thondaman. [Text] [Colombo SUN in English 8 Jul 82 p 1]

ARMY, POLICE PATROLS JAFFNA--Combined patrolling by the Police and the Army has been resumed in the Jaffna district following last Friday's shooting at Nelliaddy in which four policemen died. Earlier, they were engaged in joint patrolling after the attack on Anaicottai police station last year. Combined patrolling however, was suspended some time ago. The investigation into the Nelliaddy shooting has now been taken over by a special team of CID operatives. An intensive search is being conducted in the peninsula for the weapons used by the killers. The inquest into the Nelliaddy deaths will be held by the acting Magistrate of Jaffna, Mr V. P. Sundaralingam, following the death of the Point Pedro Magistrate Mr K. S. Mahesan. [Text] [Colombo THE ISLAND in English 9 Jul 82 p 2]

TULF OPPOSES CONSTITUTIONAL CHANGE--TULF Vice-President V. N. Navaratnam, who is acting for his party leaders Mr Appapillai Amirthalingham and Mr M. Sivasithamparam who have not yet returned from New York, referring to the propsoed amendments said yesterday that his party "was opposed to any changes being made in the Constitution to serve ad hoc purposes". Mr Navaratnam said: "We are certainly opposed to MPs being given the right to change their party affiliations aftey they enter Parliament, particularly when elections are to be in future held under the proportional representation system which places emphasis on the party". The TULF Vice-President also said that it would be a restriction on the franchise if the voter is expected to vote only for the party and not for the individual candidate of his choice. [Text] [Colombo THE ISLAND in English 2 Jul 82 p 2]

BANDARANAIKE SEES VICTORY--"Now we are deprived of our party headquarters as the government wants to give it to Mr Maithripala Senanayaka, who did not even assist us in building it. Furthermore we may not even get the hand symbol for the coming elections. However, the S.L.F.P. depends only on the principles of its late founder, and it doesn't need a headquarters or the hand symbol to win a election. If Mrs Indira Gandhi could win under a new symbol in a country where the rate of illiteracy is as high as 60%, the loss of the hand symbol would not be a problem in our country which has a high literacy rate" said Mrs Sirima Bandaranaike, leader of the S.L.F.P. (S). speaking at a public rally held in Devinuwara on July 3. Mr Mahinda Wijesekara, Chief Organizer of the S.L.F.P. (S) for Devinuwara, presided at the meeting. Mrs Bandaranaike said that a lot of money was wanted on the "Udagama" project. Four houses could easily be built with the money that is spent to build one house under the Udagama programme. [Text] [Colombo THE ISLAND in English 9 Jul 82 p 2]

CSO: 4220/241

SURAT THANI REPORT OF CPT OPERATIONS CHALLENGES RTG CLAIMS OF SUCCESS

Bangkok SIAM MAI in Thai 19 Jun 82 pp 19-21

[Article: "Chaiburi Subdistrict, the Effects of the 'Tai Rom Yen' Policy"]

[Text] This report, entitled "Chaiburi Subdistrict, the Effects of the 'Tai Rom Yen' policy," was written by a student who lives in Surat Thani. He sent it to SIAM MAI by mail. It details the case of communist terrorists attacking the Chaiburi Subdistrict administrative office and the events that took place following this attack. We feel that it is an interesting report and so we are presenting it for consideration by readers.

The government has announced that the CPT has been defeated and that the four military services have foiled [the CPT's] plans. Prem has spread this news throughout the world and MATUPHUM headlined this news in its Friday, 14 May 1982, edition. But at 0020 hours that same day, at least 100 Thai People's Liberation Armed Forces, Surat Thani Zone, came from the Khao Na Daeng Camp near Ban Khuan Ngai in Song Phraek Commune, Chaiburi Subdistrict, and from nearby zones and surrounded and seized the Chaiburi Subdistrict [administrative office]. They "withdrew at daybreak" said a villager there.

Chaiburi Subdistrict was recently spearated from Phra Saeng District. Some people in Surat Thani are still confused. They wonder how long this subdistrict has been in existence and they do not know where they are living. This area has become well-known throughout the world because of the actions of the TPLAF. Chaiburi Subdistrict is located away from Muang District, Surat Thani Province. You travel 96 kilometers along the Surat Thani-Krabi highway (past Ban Na San, Ban Song and Phra Saeng districts; the bus fare is 25 baht); you then turn left onto a road that is presently under construction and go another 7 kilometers (there are motorcycles that charge 15 baht for the ride). This subdistrict is located next to Plai Phra Ya District in Krabi Province. Mr Wisut Tansutthiwanit is the head of the subdistrict. The subdistrict is still mostly rural in nature. There is not even a public health clinic here. There is electricity, however.

Approximately 1 month before this took place, the 403rd Company of Thahan Phran Irregulars, most of whom are local people who are experts in the terrain and who are good fighters, that was stationed there withdrew and set up its operations base at Chong Chang in Ban Na San District. While the 403rd Company of irregulars was stationed here, the TPLAF attacked their camp many times but they never destroyed it. Once before this, the TPLAF attacked and overran a police station. They burned down the Chaiburi Commune police station and only the cement pillars remain now. The station has not been rebuilt. As for the police barracks, the TPLAF did not burn it that time nor did they do so this time. A villager there said that the "communists were afraid that this would catch the houses of the villagers [on fire]."

With a southern accent, a villager there said that government officials said that they had destroyed the communist camp at Khao Na Daeng. At that time, Mr Thanwa shot and killed Mr Mana and Mr Prasoet (TPLAF leaders). Mr Thanwa left the camp and became a Than Phran Irregular. Later on, he took a force of irregulars from Camp 403 to attack the communist camp at Khao Na Daeng and destroyed it. But when the irregulars left, the communists returned. At present, Mr Thanwa is still working as a Thahan Phran Irregular.

It is well known in that area that Chaiburi Subdistrict was formed because the monk Suwannaophat at Wat Samai Suwan sent a letter asking that Chaiburi Subdistrict be established. This subdistrict was established and the road that comes here was built because of this monk. It is for this reason that the TPLAF do not like this monk.

"The TPLAF have come." Concerning the events that day, the villagers said that the "communists called out as they came. There were a lot of them. Look, there were so many that they surrounded the subdistrict administrative office, Wat Samai Suwan and the police barracks and others, we don't know how many, hid in ambush along the road that officials would use to send in reinforcements."

Concerning what happened that day, the TPLAF surrounded the area and fired on two places, the police barracks and Wat Samai Suwan. Suwannaophat said that they did this because he had allowed the monks' dining hall to be used as the subdistrict administrative office. Weapons and various items were stored in his quarters and so the wat was fired on. As for why the TPLAF wanted to shoot him, he said that the communists felt that he was conspiring with the enemy. Suwannaophat told them that they "should not blame anyone. Even a dog should be given a place to sleep." When the communists came to his quarters, Suwannaophat told them to go ahead and take his belongings. He told the communists not to come around his quarters with guns since there were no police there. But the TPLAF fired anyway. There are bullet holes the size of pens there and one hole where a grenade was exploded.

During that night when the TPLAF attacked Chaiburi Subdistrict, the name of Mr Samat was called out very often. Was this because the commander of the TPLAF was Mr Samat? We asked a news source to take us to meet the TPLAF in order to get information since the TPLAF camp is only about 6 kilometers from there, that is, it is in the green hills ahead. This news source told us in a

fatherly way that we shouldn't go. He said that it was dangerous and that we should wait for the next chance. He also said that it was impossible to see the faces of the communists that night because the communists used their flashlights from waist level. Thus, it was impossible to see them clearly. But they were in full uniform.

The news source stated that the commander [of the Thai force] is not a good person. He demands protection money and does not carry out his duties. He shows up for work infrequently. But his subordinates do not dare say anything.

The villagers said that when the communists siezed government property at the police barracks, they took the policemen's trousers too. One police official said that he had 100 baht in his pants pocket. "I didn't have any money." The communists took the money from his pants pocket and sent it back to him. "The communists spoke nicely" to the villagers, but the villagers like the Thahan Phran Irregulars from Camp 403. They have appealed for the return of this group and its leader, Mr Yothin. The reason for this is that these irregulars are all people from that village.

The communists seized weapons, ammunition, police clothing (especially uniforms), typewriters, medicines from the health center and other items. Two policemen were wounded. The wife of one policeman was killed; she was shot while sleeping. The villagers say that one H.K. rifle was saved because one policeman escaped in time and he took the rifle with him. And it is this rifle that has given rise to a question about what happened after these events.

The next evening after this occurred, four policemen there were sitting around drinking in the evening as they usually did. But that day, they were probably very angry. At any rate, "around 2200 hours these four men went out and started shooting in the village. That night, no one in the two or three villages here got any sleep. They also entered the wat and shot almost 100 rounds there." "What do you think such action means?" "But the previous night, none of them dared do anything; none of them fought for even 1 minute. But when the communists left, they started threatening the villagers."

On the morning of the 16th, a higher unit ordered a special force composed of Regional Security Volunteers, Mobile Development Unit forces and border patrol police to go join together at Thahan Phran Irregular Camp 403, which had been deserted but which is now in use again (this camp is next to the subdistrict administrative office and Wat Samai Suwan). The commander of the company is Police Sub-Lieutenant Chingchai Amornrat.

The two policemen who were wounded are recuperating at the Surat Thani Hospital. Thus, we can ask directly about the villagers statement that the "police did not fight the communists at all." These policemen said weakly that "some policemen did not have weapons. The villagers talk like this becasue they do not support us." (Oh! That is what they think.) They also said that "we had received the radio only 2-3 days before. A Thahan Phran Irregular added that "that night, my unit moved quickly (using 20 motorcycles). Our Thahan Phran Irregulars were armed with heavy weapons such as RPGs. We were stationed in Khlong Prap

Commune, Ban Na San District. We quickly hurried to provide help but when we reached Khlong Ta Bi, we lost contact with the subdistrict radio. My group then retreated because we were afraid that we would clash with our own side.

The war is thus full of blood and tears. At present in Surat Thani (a place with good people whose name was given by the king), there is war every day and the war smolders constantly everwhere -- in Chong Chang, Kanchanadit, Wiang Sara, Khia Na Sa and Phra Saeng in Chaiburi Subdistirct. Yes, those who are dying are soldiers who were born in the villages here. The "jungle" soldiers were not born in the jungle; they are from the villages. Thus, at the bus stop to go to Ban Na San, I could not refrain from saying: "Don't make me say it. The state recruits soldiers from the villages. The soldiers are the defenders of the country. But why are they fighting at Chong Chang for Mr Phe? The dead are the sons of everyone." But regardless, it is the mothers in the countryside who will suffer.

The people's war in Surat Thani, a place of good people, continues.

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CSO: 6133/0021

EDITORIAL DISCUSSES CPT ELECTORAL CONTINGENCY

Bangkok PATINYA in Thai 14 Jun 82 pp 1, 2

[Editorial: "The CPT, Into Parliament"]

[Text] The most recent policy on fighting the communists includes Order No 66/1981, which was promulgated on 23 April 1981. The essence of this order is that politics must lead the military. That is, political fighting is considered to be most important followed by military fighting. But in actual practice, in some areas, large forces may have to be used to destroy the CPT's important bases first. And once the CPT has lost influence in these areas, this can be followed by continuous development. The effect of this order has been to generate large-scale operations in all the regions. For example, there has been the "Wannarat" operation to eradicate the enemy, the "Tai Rom Yen" plan, the "Suriyaphong" plan, the "Nan Krieng Krai" plan and the "Pha Muong Phadetsuk" plan. The government has succeeded in destroying several of the CPT's bases. And in an announcement on 26 October 1981 concerning an evaluation of the results of implementing the policy according to Order No 66, it was stated tha the "CPT has been eradicated." The CPT responded to this statement militarily by mobilizing forces and attacking government officials in some places and bombing several government buildings. At the same time, the CPT has avoided being wiped out by dispersing its forces and dividing them into small units, which fight using guerrilla tactics. Also, they have infiltrated the villages and cities in accord with the "3 zones, 2 battlefields" policy. Even the government has admitted that there are armed units in the cities.

Because the CPT is using such tactics, the government feels that the CPT has been defeated by force on the military front. The government now wants to concentrate on fighting in the cities during the next 6 months, as was announced by military officials on 12 May 1982. At the same time, a government official said that allowing the CPT to play politics legally in a parliamentary way is being considered. This was criticized by many people, who asked how great an effect this would have in practice and how much this would affect national security.

This idea of allowing the CPT to become a legal political party has been put forward several times before.But it has never been put into practice because of the lack of response by both the government and the CPT. This has never been done even though allowing the CPT to fight using political methods is

something that the Thai people in general want since this would put an end to the killing of each other. And this would allow the government to launch a real political offensive at the strategic level using democracy as the tool. This would enable the government, which is democratic, to defeat the communists in the end. But the CPT well knows that if the government really allows it to come fight in parliament, the CPT will lose the conditions that enable it to fight militarily and it will probably not have a chance to win in a parliamentary system. This can be seen from the fact that the CPT has never made appeals to be allowed to fight in parliament. It has only asked for the repeal of the Communist [Suppression] Act so that its activities are not interfered with. And it has acted like a good "relative" of the government and Thai army in order to have the government take part in fighting a war against the Vietnamese, who are just communists of another camp. Furthermore, the CPT has attacked the idea of having the CPT fight in a parliamentary way as being a revisionist idea.

Thus, if the CPT is given an opportunity to operate as a legal party, the real CPT would not come out to fight [in parliament]. Instead, some other party that is part of the CPT's united front would enter parliament and serve as a tool to learn the government's secrets or to prevent the government from carrying out various operations. This would be done to benefit the CPT rather than to help build democracy or to build real security for the country. In the government's present situation in which there are conflicts and democracy is fragil allowing the CPT or the united front of the CPT to play a political role legally would create a weak spot for the government and the coummunists could use this democracy to destroy the government.

It is a general principle that, before implementing a strategy in such a way, plans must be made first concerning all aspects. This will enable the strategy to achieve results in accord with the targets. Thus, the government must make preparations for this strategy's offensive. The government must eliminate its own weaknesses by building a complete democracy. At the same time, this will build up the government's security by separating legilative and executive power. Once we have a secure democracy, we will be able to develop the economy and society so that they become stronger. Then, when the CPT is given a chance to fight in accord with the ways of a real democracy, the CPT will not be able to fool the people into thinking that its thinking is more democratic than that of the government. Even if it uses the words "The New Democracy" or "The People's Democracy," it will not be able to fool the people since the government will have already instituted the type of democracy desired by the people.

Concerning opening the door to allow the CPT to use parliament, some people may become alarmed that the CPT will take this opportunity to form a government and then take away democracy from the people. PATINYA does not feel that this is any cause for concern. Various studies and indications by various groups of people show that the Thai people do not like communism. A political example of this dislike for communism is that, in several past election, the political parties that were said to have received support from the communists failed to win the votes of the people and these parties have grown smaller and smaller.

PATINYA supports the idea of allowing the CPT to come compete in a parliamentary way, which is a peaceful way. But before allowing this, the government must first establish a secure democratic system of government. It can then step into the fighting arena.

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CSO: 6133/0021

CPT SPLIT NOTED IN CAPTURED DOCUMENTS

Bangkok THE NATION REVIEW in English 29 May 82 p 14

[Text] THE PRO-PEKING leadership of the Communist Party of Thailand (CPT) is believed to have proposed a compromise line of thinking in the wake of escalating ideological wrangle seriously hurting the outlawed party.

An informed source monitoring the CPT said recently that a "significant" document seized from Camp 508 early this year indicated that the CPT leadership might have been trying to patch up the ideological differences between the pro-Chinese elements and the more independent factions in the party.

The paper which was seized during the large-scale military offensive against the strongest communist stronghold in the South in May was believed to have been the first clear-cut directive from the leadership to its operatives over the ideological disputes, according to analysts.

"We believe that the directive, fully packed with statistics, was an attempt of the leadership core to drum up support from its rank and file for a new neutral line of thinking," the source said.

The directive was released after the communist cadres in at least two of the four regional operational zones of CPT had proposed a new line of thinking which centres on the analysis of the stage of the evolution of the Thai society and a shift in the CPT strategy from the Maoist line.

An informed analyst quoted intelligence reports as confirming that communist operatives in the southern part of the Northeastern Operational Zone had submitted their views on these questions to the leadership early this year.

The CPT ranks in another operational zone covering the northern part of the Northeast have also reportedly aired their new line of thinking to the party central committee, according to the analyst.

He added that communist operatives in the South are also divided over the issue which communists hold the vital key to the success of their revolution.

The directive which would have predictably touched off another round of serious ideological debates within the trouble-plagued outlawed party has apparently recognized, to a certain degree, the divergent lines of thinking, particularly on the question of the importance the party should attach to its urban operations.

For the first time ever, the leadership admitted in the captured document the "strategic importance" of its urban front and the previous failure to concentrate almost all its efforts in the creation of "liberated areas" in the rural areas.

"Judging from the lessons drawn by the revolutionary forces within and without the country, the importance of the urban operations should not be restricted to coordinating with and supporting the armed struggle in the rural areas only, but should also cover another strategic front...," the document said.

The paper also said that the controversial CPT directive of "Emphasizing the work to expand rural strongholds" might require a new definition which is in line with the reality of the country.

CPT obviously welcomed left-wing student and labour activists from the urban areas to the jungle with little limitations and screening in the wake of the October 6, 1976

incident.

The policy later proved to be a serious miscalculation when most of the activists defected from the outlawed party being disillutioned with, among other things, the misuse of their competence and the hardships in the jungle.

According to the document, the strengthening of the so-called "liberated zones" in such a small country with sound infrastructure as Thailand would be possible only if and when the outlawed party has built up a strong army.

"The possible format in the present situation is for us to set up military bastions in the jungle and rugged areas and at the same time to expand zones for guerrilla warfares propped up by underground authorities," the document said.

The paper also called for more efforts to set up small guerrilla and military units to pave way for the building of a large-scale army in the future.

In another apparent concession to the CPT low-level operatives, the document recognized the increasing importance of the working class to its cause.

"The party has to pay special attention to the working class which will serve as a solid bastion for its urban operations, once it is organized under the leadership of the party," the document said.

It added that most of the workers were still lacking in "political consciousness" and had yet to be organized.

However, the document made reservations over the proposals from its rank and file in the Northeast to take "military measures" in the urban areas to rock the government.

OPERATIVES

According to another document submitted by operatives in the southern part of the Northeast Operational Zone to the leadership, the cadres had proposed that armed struggle in the urban areas should not be denied, although the political campaigns would still take precedence.

"Preparations should be made for the armed struggle, but political repercussions must be taken into account before a military action will be mounted in the urban areas," the report said.

Touching on its much-criticized relations with Peking, the leadership said in the four-page paper that the party had to be mainly self-reliant following the drastic cut-back in aid from China.

"But we will have to seriously review our external and internal policies to drum up as much as international support for our revolution as possible, lest the party would not be isolated," the paper said.

The statement obviously admitted that the party had been severely criticized for "our following closely behind others."

Despite concessions, the document obviously avoided from being specific whether its proposed strategy is still within the Maoist strategy of using the rural areas to strangle the urban areas of a new strategy proposed by the more nationalist factions.

Nontheless, its purpose to build up a strong army based in the rural areas implies that the pro-Peking leadership core still adheres to the Maoist line of overthrowing the government from its jungle bastions in the final stage of the armed showdown as anticipated by the communist party.

"For the CPT leadership, the strategic shifts proposed by the more nationalists is only a tactical adjustment," the source said.

He added that the leadership had earlier told certain operational zones that it would not mind if they would resort to the proposed strategic changes.

The document also discussed on the nature of the Thai society which is the other major area of difference.

The leadership has ostensibly softened its position over the issue, but it still concluded in the paper that the Thai society is still what Maoists call "Semi-colonial, Semi-feudal."

According to the document, the leadership still holds the "US and Japanese imperialists" as the party's No. One enemies. The northern part of the Northeastern Operational Zone had earlier proposed a new theory which played down the "imperialist influence" to the extent that the country is only "dependent" on the imperialists in economic terms.

"The regional operational zone has set forth the most radical change in the analysis of the society.

For operatives in the zone, the Thai society is not a semi-colonial

one, but a capitalist country which remains dependent on imperialists in terms of its exports," the source said.

The analysis on the No. One enemy in the paper, however, is fundamentally in line with that proposed by the communist cadres in the southern part of the Northeastern Operational Zone which has admitted the same "most formidable enemy."

Nevertheless, the document debated against the theory proposed by the operational zone which has proposed that the No. 2 enemy of the country was the so-called "big capitalist class," and not the so-called "feudal class" as was formerly believed.

Interestingly enough, the party's leadership admitted for the first time in the document that the influence of the "big capitalists" has now been on the same par with that of feudalists.

"In the past 20 years, the imperialists have encouraged the ruling class to promote investment in the country, prompting a steep increase in the influence of the capitalists in the economic structure. But this is still short of a fundamental change in the nature of the Thai society," the paper said.

It also said the feudal "form of exploitation" is still prevalent in the rural areas which remain the base of the Thai economy.

The paper also said that the party must attach priority to its campaigns against the internal enemies rather than the external enemy, namely the United States.

"Because the conflicts between the people and the ruling class are more bitter, more obvious, then we must focus our attacks against the revolutionary government," the captured document said.

Referring to the United States, the paper said that although the country's influence over Thailand has substantially diminished following the withdrawal of its forces from Thailand, no other imperialists have so far replaced its dominance here.

However, the paper said that the party must at the same time brace itself for an aggression of the Soviet Union against the country.

The document, whether it was issued from the leadership core or not, clearly represents the views of the pro-Chinese faction in the party and would have predictably cause a certain degree of repercussions.

Cynics in the rank and file of the CPT might have described the proposal as only "a cosmetic change" while the more loyal followers could welcome it.

Touching on the impact, officials believed that the ongoing ideological debate would not be over too soon and the CPT would still be in disarray until the differences are patched up.

The results of the continuing debate would also decide as to whether the CPT leadership would be able to hold the long-awaiting fourth party congress.

"If not, the party could be even more seriously split," an official said.

CSO: 6133/0020

RTG ANTI-CPT OFFENSIVE STALLS

Bangkok THE NATION REVIEW in English 22 Jun 82 p 6

[Text] THE Second Army Region is still unable to wipe out about 1,400 armed communist insurgents in the jungles of the Northeast because of certain weaknesses of government officials, a military officer said over the weekend.

Information officer of the Second Army Region Col Sa-ngiam Ratanasimakorn told *The Nation* that communist insurgents are still viable because they have made use of "loopholes" on the government's side to gain political ground.

However, he said communist insurgents in Isarn are now in disarray following government offensives against them, judging from a document, entitled "Proposals on Military Adjustment" from Isarn communist insurgents to the leadership of the Communist Party of Thailand (CPT).

He said the document seized in a communist-infested area between Sakhon Nakhon and Kalasin last month was another attempt of communist insurgents to bring about ideological unity in the rank and file of CPT.

The Second Army Region places top priority to its "political offensive" to win the support of the people from communist insurgents, said Col Sa-ngiam who added the Second Army Region recently distributed about 10,000 leaflets calling on communist sympathizers and insurgents to surrender to the government.

However, he admitted that some communist insurgents were instructed by their leaders to feign defectors to infiltrate in "the rear line" of the government.

"These people have been given financial support from their leaders. They won't desert the party, though they would suspend contacts with CPT temporarily," he said.

The seized document calls on the party leadership to "make use of every opportunity possible in extending their operational areas and even infiltrate into government organizations to create divisiveness in the government".

The information officer said communist insurgents in the Northeast tended to develop their guerrilla tactics and increase their efficiency in intelligence gathering for military purposes.

CSO: 6133/0020

END

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6 August 1982

South and East Asia Report

No. 1176

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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SOUTH AND EAST ASIA REPORT

No. 1176

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MELBOURNE ASSESSES FORTHCOMING LABOR PARTY CAUCUS

BK110633 Melbourne Overseas Service in English 1110 GMT 9 Jul 82

[Report from the "Australian Insight" program]

[Excerpts] The battle for the leadership of the opposition Labor Party is well underway. The challenger, Mr Bob Hawke, for the first time, spoke about his reasons for challenging the leader of the party, Mr Bill Hayden. The leadership question will be settled at a special meeting of the parliamentary Labor Party next Friday. Mr Hayden called the special meeting following speculation that a challenge would be mounted against him. (Bill Nicholl) reports from Canberra:

Mr Hawke put his case at the end of a week-long meeting of Labor's national conference, the supreme policy-making body of the party. The conference was dominated by speculation of a leadership challenge by Mr Hawke. But, while the national conference can decide party policy, it has no power to determine who will lead the party. That power rests with the parliamentary Labor Party, the caucus--the group of 79 Labor members of Federal Parliament. Only they can elect their leader; only they can depose him.

The present leader, Mr Bill Hayden, called a special meeting of caucus for next Friday [16 July] to determine the leadership issue. He did so following publication of two opinion polls. The first showed Mr Hawke with more electoral appeal than either he or the prime minister, Mr Fraser. It was this which sparked first talk of a possible challenge to Mr Hayden's leadership. Then, this week, came another poll. This showed Mr Hayden slipping further behind Mr Fraser in voters' opinion of who they preferred as prime minister. Mr Hawke declared it a matter of concern and Mr Hayden responded by formally declaring that the battle for the leadership of the party was on. Mr Hawke then declared himself a candidate and he has given this explanation for doing so:

[Begin Hawke recording] I am terribly concerned about the condition of Australia--not just of its economy, but also of the social condition. I believe that Australia can no longer afford any more years of Fraserism. Neither can the Labor Party afford the danger of any longer being in opposition. Australia needs a change of government and I believe the Labor Party needs to be out of opposition and into government. [End recording]

Mr Hawke's experience may be unique. But many questions remain as to what sort of Labor Party leader he would make. Indeed, what sort of prime minister? Take the issue of foreign policy. Mr Hawke is an outspoken friend of Israel. His party, however, has condemned Israel's invasion of Lebanon. Does he stand by this condemnation?

[Begin Hawke recording] I believe there is ground for (?more substantial) criticism of the action of the Begin government and, indeed, that position has been taken by the counterpart in Israel of the Australian Labor Party. They have condemned much of what has happened. I think the most important part that is involved in the very, very brief discussion on this issue is the way in which elements of the Labor Party who had hitherto refused to recognize the right of Israel to exist has moved. And I--there isn't the opportunity here to go into it at a time like this--I want to put on record that I regard that move as very significant. I welcome it. [End recording]

Whichever man, Hawke or Hayden, wins the leadership contest, he will take charge of a party with a new set of policies described by some observers as coherent and credible, if fairly bland. The policies are the result of this week's meeting of the Labor Party's national conference, as we said, the supreme policy-making body of the party. The theme of the conference was preparing for government and this it set about doing.

It was a conference at which the pragmatists ruled supreme, steering through policies that would, if not positively attract support to Labor at the next federal election, at least not alienate potential Labor voters. Most notable of these policies was that on uranium. Labor's hardline stand against the mining and export of Australian uranium was replaced with a watered-down version, allowing the industry to be phased out over an indefinite period.

There was also a move at the conference to abolish all the Australian Government's intelligence and counterintelligence networks. The move was defeated. Later came a move to withdraw Australia from the Australia-New Zealand-United States military alliance, ANZUS, and also to forbid any new foreign military bases or facilities to be set up in Australia. These moves were also defeated.

Had each of these issues been treated differently, the Australian Labor Party could well have found itself with a package of policies extremely hard to sell to the average Australian--to what is known as the middle ground of Australian politics where elections are won or lost. But that difficulty has now, for the most part, been overcome. Those who want Labor to win office and not simply remain in opposition as a party of conscience--the so-called pragmatists--they have shown themselves to be in the ascendency in the party. The question yet to be answered is this: Will the pragmatists continue to hold sway when the party decides next week who should be its new leader? Who should be the one to sell party's the new policies to the Australian electorate?

CSO: 4220/246

BRIEFS

BUFFALO SUPPLY TO INDONESIA--The Indonesian Government is to be supplied with 3,000 buffalo from the northern territory over the next 2 years. A Radio Australia report says that by the time they are landed in Indonesia, the buffalo will be worth about $2 million. The deal was announced at the end of a visit to the northern territory by senior Indonesian Government officials. The buffalo will be used in plans by Indonesia's President Suharto to encourage his people to populate and farm in more isolated areas. [Text] [Melbourne Overseas Service in English 0500 GMT 12 Jul 82]

DOUBLE TAXATION AGREEMENT WITH ROK--South Korea has joined a large number of other countries and signed a double taxation agreement with the Australian Government. The agreement ensured that all forms of income flowing between the two countries are taxed once only. Legislation to give the agreement legal status will be introduced into Parliament early in the August budget session. [Text] [Melbourne Overseas Service in English 0500 GMT 12 Jul 82]

BALANCE OF PAYMENT SURPLUS--Despite the world recession and a record trade deficit Australia has finished with an overall balance of payment surplus in the financial year just ended. Figures from the Bureau of Statistics show that Australia had an overall surplus of $1,361 million--about the same as in the previous financial year. The Australian dollar is worth about the same as the American dollar. Australia ran up a record trade deficit almost double the figure of the previous year, with the value of imports exceeding exports by $3,400 million. The deficit was more than offset, however, by a record inflow of overseas money amounting to almost $10,500 million. [Text] [Melbourne Overseas Service in English 0500 GMT 12 Jul 82]

RAIN SHORTAGE THREATENS CROPS--The Australian Wheat Board says that this year's wheat crop will be seriously reduced unless good rains fall in the next 2 weeks. The board's general manager, Mr Max Moore-Wilson, says that unless there is rain throughout the wheat belt, this year's crop will be well below last year's near record crop of almost 16.5 million tons. Mr Moore-Wilton says that an unusually long dry spell has caused many farmers to be hesitant in planting their wheat. [Text] [Melbourne Overseas Service in English 0830 GMT 13 Jul 82]

GOVERNMENT ECONOMIC MISMANAGEMENT RAPPED--The federal opposition leader, Mr Hayden, has renewed his attack on the government's handling of the economy particularly in the areas of taxation and unemployment. Mr Hayden also said that a Labor government would have great difficulty in undoing the damage that the Fraser government had done to employment prospects in Australia. Addressing the national conference of the Federated Iron Workers Association in Sydney, Mr Hayden said that labor would not be able to reduce unemployment unless it could increase sustained economic growth of at least 5 percent a year without aggravating inflation. Even then it would take the best part of 10 years to bring unemployment down to around 2 percent of the work force compared with the present rate of about 6 percent. On taxation, Mr Hayden said that in the 6 and 1/2 years the Fraser government had been in power it had distorted collection and redistribution of tax revenue. He said the government had collected more tax in 6 years than the Australian people had paid in the previous 20 years. [Text] [BK121107 Melbourne Overseas Service in English 0830 GMT 12 Jul 82]

FISHERMEN TO WATCH FOR FOREIGN VESSELS--Canberra, 12 Jul (AFP)--Australian fishermen will be paid by the Australian Government to act as spies watching for illegal foreign operations in Australian waters, the Department of Primary Industry and the Australian Coastal Surveillance Centre announced today. A "realistic daily rate" is being calculated in consultation with fishermens' organisations, the sources added. In an official brochure issued by the Australian Government, the fishermen are warned to make no attempt to apprehend foreign vessels but to alert coastal surveillance and if thought necessary the Royal Australian Navy. The Australian Government is concerned about the growing number of foreign vessels fishing illegally around the coast, with possible involvement in smuggling. The fishermen will not be allowed to use firearms. The fishermen are being warned that there are many Japanese operating legally under Australian licence and they must not be offended. As soon as this system begins to operate, every captain will be an Australian watching eye with electronic communication equipment financed by the Australian Government for instant contact with the Australian naval patrol, the sources said. [Text] [BK121353 Hong Kong AFP in English 0713 GMT 12 Jul 82]

DEMOCRATS OPPOSE NUCLEAR POWER INDUSTRY--Canberra, 12 Jul (AFP)--The Australian Democrats will prevent the establishment of a nuclear power industry in Australia by using its control of the Australian Federal Parliament's upper house, the Senate. The leader of the Australian Democrats, Senator Don Chipp, warned the Fraser government today that whatever the Labor opposition might do, the Australian Democrats would not support any legislation to help establish a nuclear fuel enrichment industry, especially one under control of any of the states of Australia. Labor and the Australian Democrats, voting together, can block any such government proposal. "The nuclear power industry is widely recognised as being on the way out. It is burdened by excessive capital costs, safety concerns and waste storage problems. Its economic benefits to Australia are dubious. It would be a folly for Australia to embark on what is redundant and discredited," Sen Chipp said. "It would be particularly disastrous if some of the obsessive pro-nuclear premiers were able to control and regulate the nuclear

industry themselves," Senator Chipp added. He said it was horrifying enough to imagine a nuclear-power industry controlled by the Fraser Liberal government, "but it was a nightmare to imagine each of the six states under premiers of differing political persuasions jealously presiding over their own nuclear kingdoms." [Text] [BK121255 Hong Kong AFP in English 0730 GMT 12 Jul 82]

BRITAIN TO KEEP CARRIER--Britain is to keep the aircraft carrier, Invincible, which it had earlier agreed to sell to Australia. Australia had contracted to buy the Invincible next year but the Falklands war forced Britain to review its defense requirements and it has decided to keep the carrier. Australia's Defense Minister Mr Sinclair, who has had talks on the subject in London this week, says Australia is not likely to accept a British offer to lease or buy a much older aircraft carrier, the Hermes. He said another option was to order a new carrier from Britain but this would take some years to build and would cost twice as much as the Invincible. Mr Sinclair said the British decision would mean a major naval defense appraisal for Australia. The prime minister, Mr Fraser, says Britain's decision is a great misfortune for Australia's defense forces. But Australia could not hold Britain to any moral obligation to go ahead with the sale. A Defense Department spokesman [said] it's most unlikely that the aircraft carrier Melbourne will be recommissioned to fill the gap. The Melbourne was taken out of service earlier this year after being the navy's flagship for quarter of a century. The federal opposition leader, Mr Hayden, says Australia should be celebrating the loss of the Invincible. Mr Hayden said Australis should now be carrying out a major reassessment of how to spend the money available for defense. He said Australia should consider buying more small and fast surface vessels, such as new Corvettes of about 1,500 to 2,000 tons. They had enormous firepower and provided an effective platform for missile fire. Mr Hayden said Australia needed more submarines, more patrol vessels and a review of army functions. The air force needed more missile capacity. [Text] [BK140913 Melbourne Overseas Service in English 0830 GMT 14 Jul 82]

LABOR PARTY CONFERENCE ENDS--The Australian Labor Party has strongly condemned what it called Israel's brutal invasion and occupation of Lebanon. The party's national conference in Canberra said it deplored the reckless disregard by Israel for civilian lives in Lebanon, the indiscriminate bombing of Palestinian refugee camps and the blockade of west Beirut. The conference also decided that the Labor government should regenerate the housing industry by encouraging investment in housing bonds by introducing new mortgage schemes and by providing extra funds to the states. With the conference now over, lobbying is on in earnest for the leadership of the party to be decided at a caucus meeting next Friday [16 July]. The former trade union leader, Mr Bob Hawke, has said he has the experience and knowledge to lead the party to victory at the next federal election. Speaking to newsmen at the end of the conference, Mr Hawke said Australia could not afford any more years of Fraserism and the Labor Party must get into government. He said he intended no personal hurt or vindictiveness to the present opposition leader, Mr Hayden, and would like to use his talents if he replaced him. [Text] [BK091020 Melbourne Overseas Service in English 0830 GMT 9 Jul 82]

TU LEADERS RAP ECONOMIC ACCORD--Australian and New Zealand union leaders say not enough thought has been given to the proposed closer economic relations agreement between their countries. In a joint statement in Wellington, they said there had been inadequate discussion between the parties involved, important issues were being left outside the terms of the agreement and its duration was open-ended, while the possible effects were not known. The statement was issued after a meeting between the president of the Australian Council of Trade Unions, Mr Dolan, and the president of the New Zealand Federation of Labor, Mr (Knox), and other senior union officials. Mr Dolan said important factors not incorporated in the draft agreement included the Australian-New Zealand currency exchange rate, New Zealand's lower wage rate and protective trade structures with the rest of the world, particularly in relation to the South Pacific. He said labor market issues, such as the training or retraining of workers affected by structural adjustments arising from the agreement should also be covered. [Text] [BK181209 Melbourne Overseas Service in English 1130 GMT 18 Jul 82]

BUDGET DEFICIT RECORDED--The federal government had a budget deficit in the financial year to the end of June of more than $600 million--that's more than four times the original budget estimate. The Australian dollar is worth slightly more than the American dollar. Giving the deficit figure, the treasurer, Mr Howard, said the main reasons for the increase had included wage rises for the defense forces and other government workers and increased payments to the unemployment. [Text] [BK110947 Melbourne Overseas Service in English 0830 GMT 8 Jul 82]

CSO: 4220/246

PLA ACTIVITIES IN MANIPUR DECLINING

Calcutta THE STATESMAN in English 28 Jun 82 p 9

[Text]

IMPHAL, June 27.—The activities of outlaws, particularly of the People's Liberation Army, in Manipur, has sharply declined in the past year as a result of the counter-insurgency programme taken up by security personnel two years ago and an "internal crisis," in the extremists' organization, reports PTI.

The PLA has 18 units comprising 50 hardcore members, besided 500 supporters, official sources said here today. The number of major incidents connected with extremists has come down to five or six in the first half of the year against 96 during the same period in 1981. There were 155 incidents of robbery, dacoity and murder during the year against 114 in 1980.

The PLA has suffered a major setback in the arrest and killing of two of its leaders, N. Bisheswar Singh and Th Gunjabihari Singh. This was an "irreparable loss" for them, the sources claimed.

Bisheswar Singh was captured alive, following an encounter between PLA members and Army personnel in which seven hardcore outlaws were killed at Teekcham, 20 km south of here, on July 6 last year.

The "internal crisis" in the organization arose soon after the killing of Gunjabihari Singh, immediate successor to Bisheswar Singh, in an encounter with Army personnel at Kadampokpi, near here, on April 13, the sources said.

Though, Manikanta Singh was reported to be chief of the organization, another hardcore, Temba Singh, announced his leadership on June 8 creating a "crisis" in the organization. Sanaba Singh and Madhuchandra Singh, Bisheswar's brother, were also struggling for the "topmost post".

Temba Singh is reported to be in the valley area now trying to collect "scattered members" who have infiltrated into the State from Burma.

With 114 PLA members put away behind bars this year, the State Government was doing its best to counter extremist propaganda and had tightened security measures at all vulnerable points.

The Government departments and offices have been instructed, the sources said, to utilize security personnel while transacting money as a measure of preventing snatching by extremists.

The State Government has renewed its appeal to underground youths to lay down arms and participate in the development programmes being taken up in the State, they added.

Official sources believe that the PLA had joined hands with the outlawed Mizo National Front. The sources said large number of MNF members had infiltrated into the Manipur South district and were collecting money from the residents of the border villages.

CSO: 4220/252

POLITICAL DIFFERENCES WITH U.S. DETAILED

BK081434 Hong Kong AFP in English 1258 GMT 8 Jul 82

[Report by Gilles Bertin]

[Text] Jakarta, 8 Jul (AFP)--Criticism of U.S. Middle East policy in the press and even more some official quarters in this predominantly Moslem country has highlighted the growing differences between Jakarta and Washington on foreign policy issues.

In recent days the U.S. Embassy here has been besieged with petitions from various Indonesian groups composed of Moslem personalities, lawyers, intellectuals and a parliamentarian calling on Washington to reassess its Middle East policy. They also demanded "human rights for the Palestinians in Lebanon," their right to sovereignty and the withdrawal of Israeli troops from Lebanon.

In Jakarta, clandestine petitions are often used by the extra-parliamentary opposition to publicise what the government-controlled local press does not carry. In a country where criticism is muted, these petitions and the fact that the local press and the official news agency ANTARA have both given them full coverage, probably mirror government discontent with the United States, observers here say.

Indonesia's population is 90 percent Moslem and feels very close to the Arab world although it is also pro-Western.

The disagreement between Jakarta and Washington is not confined to the Middle East. Washington would like to see Indonesia recognise China and there are difficulties, too, over more general issues such as the law of the sea treaty, the international tin market and the North-South dialogue between rich and poor nations.

Indonesia is also trying to play a more assertive role in the nonaligned movement and is therefore moving to distance itself from Washington. The United States has been without an ambassador here for 8 months. In May the U.S. State Department withdrew the candidature of Morton Abramowitz after hearing no word from Indonesia on his accreditation. Washington had reportedly made public the fact that Indonesia had turned down Mr Abramowitz and such a disclosure was against diplomatic practice.

Indonesian officials privately say U.S. President Ronald Reagan's administration shows little understanding for Indonesia and at times behaves in an "arrogant" fashion.

Indonesia has eyed with suspicion the Sino-U.S. rapprochement and holds the view that Beijing is in fact more of a threat to the region than Soviet-backed Vietnam.

General Suharto's government has been guarded in its reaction to the recent formation of a Cambodian coalition of anti-Vietnamese groups and maintains discreet relations with Hanoi. Washington has welcomed the formation of the anti-Vietnamese coalition.

Economically, as one of the world's leading producers of oil and tin, Indonesia also has conflicts of interests with Washington.

On 29 June Indonesia and two other members of the Association of Southeast Asian Nations [ASEAN]--Tahiland and Malaysia--which together produce 65 percent of the world's tin, agreed to form a tin association to protect producers' interests. The move came in reaction to the release by the United States of tin from its strategic stockpile on an already depressed world market.

CSO: 4220/246

OFFICIAL REVIEWS TRADE WITH MIDDLE EAST

BK191256 Jakarta ANTARA in English 1108 GMT 19 Jul 82

[Text] Jakarta, 19 Jul (ANTARA)--The trade balance between Indonesia and the Middle East countries is still in disfavour of Indonesia due to the abundant import of crude oil from Saudi Arabia. This was stated by chairman of the team for Middle East export coordination, Dr Zainul Yasni in a talk to ANTARA here Monday.

Indonesian exports to the Middle East countries in 1981 totalled only U.S.$129 million against the Indonesian imports of U.S.$757 million which meant a deficit of U.S.$628 million on the part of Indonesia.

The Indonesian exports to the Middle East countries covered such commodities as oil palm, cement, plywood, textile, coffee, tea and garmets whereas imports from those countries comprised oil, phosphate rocks, cotton, dates, fertilizer and spices.

Despite deficit in the bilateral trade relations, the Indonesian exports to the Middle East countries are increasing from year to year, Zainul Yasni said. Yasni pointed out that the Indonesian exports to the Middle East had increased from U.S.$76 million in 1978 to U.S.$79 in 1980, and then to U.S.$129 million in 1981, and was expected to reach some U.S.$200 million in 1982 thanks to the Indomels shipping facilities.

In a bid to promote the Indonesian non-oil exports to the Middle East countries, the Indonesian side has made a series of surveys including and [as received] trade exhibitions introducing Indonesian commodities in the Middle East countries concerned.

Referring to the export of construction services, Zainul Yasni said Indonesia had obtained a foreign exchange reserve of US.$300 million from sales by the Indonesian construction services including manpower to the Middle East countries in 1981.

Among the problems faced by Indonesia in its manpower exports to the Middle East countries are the lack of skill and experience, Zainul Yasni said.

In an effort to cope with the lack of skill and knowledge connected with the Middle East social situation and customs the government has set up the CDME (Construction Development for Middle East) Training Centre.

Some 20 Indonesian contractors in charge of the Middle East development projects have been associated in the Indonesian Consortium of Construction Industries (ICCI).

Indonesian contractors in the Middle East countries deal with, among other things, a sports complex in Iyadh, prison kitchens in Jidda and Mecca, a prison in Sahra, a hotel in Mecca, a road in Iraq, a flat-house complex in Algiers and a hosp ital in Riyadh. The ICCI also deals with the projects of navy, air force and army in Kama.

Meanwhile, Zainul Yasni said that ICCI had appointed South Korean subcontractors to help cope with the possible delay of the project due to the lack of Indonesian manpower and foremen. These projects worth U.S.$205 million are scheduled for completion by next year.

Zainul Yasni also admitted that productivity of Indonesian manpower in the Middle East was below that of South Korean workers. The South Korean workers have been experienced in the Middle East since 1972 whereas the Indonesian since only 1977.

A series of marketing of Indonesian construction service will be made shortly in Algiers, Tunisia, Morocco, the United Arab Emirate, Zainul Yasni said.

CSO: 4220/246

MALIK COMMENTS ON MIDDLE EAST SITUATION

BK191102 Jakarta ANTARA in English 0837 GMT 19 Jul 82

[Text] Jakarta, 19 Jul (ANTARA)--Vice President Adam Malik has called on the United States to pursue a policy which will create peace, in the true sense of the word, and solve the Middle East dispute.

Adam Malik was speaking to news reporters at the Bina Graha presidential office here Monday after meeting with President Suharto. He said that international issues and the follow-up at the recently held coordinative meeting of inspector generals were taken as topics of discussion with the chief executive.

Referring to the situation at home, Vice President Adam Malik said "there is nothing special to comment on and the situation is normal."

He said the solution of the Middle East conflict should satisfy all parties involved, giving Israel and other U.S. sympathizers in the region a sense of security and opening up an opportunity for the Palestinians to regain their homeland.

Commenting on the renewed war between Iraq and Iran, Adam Malik attributed it to Ayatollah Khomeyni's vengeange against Iraq, hoping that the Shi'ite in Iraq will rise arms against the Iraqi Government. He said he believed the revolt by the Shi'ite as expected by Khomeyni simply could not happen due to Iraqi strong nationalism.

With reference to the Israeli invasion of Lebanon and besieged Palestinian independence fighters (PLO) in west Beirut, Adam Malik said the time has come to create peace in the region, otherwise PLO will bring about another problem.

CSO: 4220/246

CONFERENCE WITH FRG OPENS IN BALI

BK060945 Jakarta ANTARA in English 0738 GMT 6 Jul 82

[Text] Denpasar, 6 Jul (ANTARA)--State Minister for Foreign Affairs Dr Hildegard Hamm-Brucher of West Germany has stressed that her country was not pursuing a trade policy of "protectionism."

"This is of great importance to Indonesia," it was stated by Information Minister Ali Murtopo when asked by newsmen at the close of the opening session of the Indonesia-West German conference held at Sanur Beach Hotel here Monday.

The conference was held under the sponsorship of the Center of Strategic and International Studies (CSIS) of Indonesia and the Asian Studies Center of Hamburg.

That Federal Republic of Germany was not following a policy of protectionism in her foreign trade was important, Minister Ali Murtopo said as this meant that Indonesia could use such a policy as best as she could in her overseas trade relations with that country and boost her exports of non-oil products.

The conference between the two countries was held on the basis of the principle that mutual understanding must be promoted between the two countries, that issues between them should be discussed in an intellectual way and that such meetings should be held regularly. By regular meetings he hoped that alternative formulas on these issues could be developed further on the basis of seizing the economic and technological interests of Indonesia. The most serious issue faced between industrialized countries and developing nations was the marketing of their products.

Minister Ali Murtopo also said that issues taken up between the visiting German minister and President Suharto in Jakarta last week were also discussed during the opening session of the conference here. The minister did not elaborate but said that President Suharto had expressed the hope that the cooperation between West Germany and Indonesia would become the "bridge" in regional cooperation with the association of South East Asian Nations (ASEAN) linking Thailand, Malaysia, Singapore, the Philippines and Indonesia and mutual cooperation with other regional groupings.

Meantime CSTIS Economic Director Dr M. Hadi Susastro explained the world situation as a whole would be discussed during the meeting, particularly West Germany's relations with the European Economic Community (EEC). Apart from the world situation the role of specific countries with wide world influence like the Soviet Union, China, Japan, the United States and the economic ties between ASEAN and the EEC and between Germany and Indonesia were also on the agenda of the talks, Dr Hadi Susastro said.

The meeting, he added, would also collect findings from university officials, she government, private enterprise and others attending the conference. He reported that the participants were free to discuss whatever issue they wanted as they came as private citizens.

After hearing these findings from the participants it was hoped that the respective governments would then be able to decide future policies. It was the first Indonesia-German conference held in Indonesia. A meeting held in 1976 in Germany only discussed Southeast Asia, Dr Hadi Susastro said.

During the current Bali conference, Indonesia would like to know more about the Soviet Union, he disclosed, but declined to elaborate.

The conference, to last till 7 July, is being attended by 16 participants from West Germany and 35 from host Indonesia.

CSO: 4220/246

EDITORIAL ON SETTING UP DEFENSE INDUSTRY

BK120721 Jakarta THE INDONESIA TIMES in English 2 Jul 82 p 2

[Editorial: "Setting Up Our Own Defence Industry"]

[Text] In our development drive, we will soon enter the last year of the third pelita. Then the fourth pelita will follow. Due to the progress, we are shifting away from agricultural to industrial development.

So far, when we talk about developing industries of our own, we generally mean industries that support our agriculture, home industries or cottage industries, secondary industries and tertiary industries. When of late we started talking about establishing more and more basic and heavy industries, we never talked of defence industry. Therefore, we welcome the statement made by the minister of research and technology, Prof Dr Habibie, in Tokyo on Tuesday that Indonesia is now ready to set up a "defence industry" which will be directed towards the production of equipment needed by the Indonesian armed forces, including the police force, to safeguard our 13,000 islands in an area almost the same size of West and East Europe from outside infiltration, mainly in the fight against smuggling. We are sure that the minister voiced the feelings of the Indonesian Government.

We recently witnessed that a modern war and sea battles can be fought thousands of miles away from home bases like the Malvinas war and the sea battles around the islands between Great Britain and Argentina. Considering vast expanse of the Indonesian territorial waters, we cannot afford to discount the possibility of sea encounters between our armed forces and foreign intrudcers. Therefore, we must from now start building our defense industry, which will eventually be able to produce our battle ships and their related equipment to make our navy viable and strong. By having a defence industry of our own, eventually we should be able to meet the requirements of our army and air force.

Minister Habibie at the same time made clear that Indonesia could neither indefinitely depend on the outside world nor on "the bamboo spears" to defend our interests as well as those of friendly countries investing in Indonesia.

According to the minister, in setting up the defence industry, there is a possibility of cooperation with Japan, as far as it can be allowed by the Japanese constitution. Indonesia has substantial manpower and rich natural resources while Japan has high technology and expertise. All of them can be harnessed to create peace and security, welfare and well-being for mankind, especially the peoples of Indonesia and Japan.

We must be strong in our defence. The present Israeli invasion of Lebanon is a good lesson for us. Without any defensive strength, Lebanon is at the mercy of the Israeli armed forces. Even other Arab countries cannot help Lebanon. We have to help ourselves by building a strong defence force which relies on our own defence industry.

Of course, it is not possible to produce all our defence requirements at home. But at least we should be able to make a target that eventually a major part of our defence requirements can be produced domestically.

Since the question is urgent and strategic, the government should immediately start planning the project. By the time we enter the fourth pelita this important project should already be well reflected in it. And also the GBHN [Garis-Garis Besar Haluan Negard-Broad state policy guidelines] to be formulated by the new MPR should give ample stress on defence industry. The government team of 11 assigned to complete the GBHN final draft should also take this defence aspect into full consideration.

CSO: 4220/246

GOVERNMENT RELUCTANT TO REDUCE RUBBER SUPPLY

BK141053 Jakarta ANTARA in English 1014 GMT 14 Jul 82

[Excerpt] Jakarta, 14 Jul (ANTARA)—Indonesia is reluctant to reduce its rubber supply to the international market as proposed by the Association of Natural Rubber Producing Countries (ANRPC) for the simple reason that a large portion of the production emanates from smallholders.

At its Kuala Lumpur meeting recently the ANRPC decided to withhold rubber supply to the world market as much as 350,000 tons for the duration of 6 months. This decision was intended to help the International National Rubber Organization (INRO) in keeping a bufferstock in order to be able to maintain price stability.

Sudjai Kartasasmita of the Agriculture Ministerial Staff for State Enterprises commented: Why should we lessen natural rubber supply to the market. We have our own calculations about it and this natural rubber is produced by smallholders. He explained that if the rubber farmers knew that prices would go down they were likely to cease tapping and find livelihood elsewhere. Any reduced supply is tantamount to reducing the income of very large number of rubber farmers, Sudjai said.

Indonesia's dehydrated rubber production in 1980 amounted to 1,013,283 tons and the greater part of it is from smallholders.

ANRPC's members include Malaysia, Singapore, Thailand, Indonesia, Sri Lanka and India. These six natural rubber producing countries are, according to plan, going to hold a meeting in Jakarta to carry out the decision of the Kuala Lumpur meeting. However, so far Indonesia has not reacted to the decision of making Jakarta the venue of the next conference.

Informed sources intimated that Indonesia might not be prepared as yet to host the next ANRPC's meeting due to its being much preoccupied with the coming session of the elected MPR (consultative assembly), a working meeting between the government and DPR (Parliament), while the current Ramadhan fasting month is also a factor to be reckoned with.

CSO: 4220/246

CAPITAL INFUSIONS HIGHER THAN OUTFLOW

Jakarta KOMPAS in Indonesian 4 Jun 82 pp 1, 12

[Article: "Ali Wardhana: Flight of Capital Overseas Still Not Alarming"]

[Text] The flight of capital overseas from Indonesia is not alarming. The fact is, a good deal of capital is still being transferred into this country despite the capital flight occurring.

Prof Ali Wardhana, finance minister, made this statement in a working meeting with parliament's Budgetary Commission. The working meeting was headed by Drs Soegandi and was held in the parliament building on Thursday [3 June].

"It is normal for capital to be transferred overseas because Indonesia has an open foreign exchange system," Ali Wardhana said. The minister then produced data which showed that more capital enters Indonesia than is transferred overseas.

In fiscal 1982 the net capital inflow, the difference between the amount of capital which enters Indonesia and the amount which is transferred overseas, shows that a higher amount of capital entered Indonesia, the difference being $669 million. In the current fiscal year $2.7 billion were transferred overseas to pay for services. Oil transactions are not included in these figures.

In the first 3 months of 1982, Wardhana said, that is from the end of fiscal 1982 into early fiscal 1983, the net capital inflow was higher than the net inflow for the entire 1982 fiscal year. In these first 3 months, the net inflow totaled $860.5 million while for fiscal 1982 it was $669 million.

The minister announced the figures for net capital inflow for the first 3 months of 1982 because there were many rumors during this period about large movements of capital overseas. The minister admitted that this was true, of course, but he explained that much more capital had come into the country.

The flight of capital overseas during the first 3 months of 1982 was due to rumors that there would be a devaluation (a drop in the value of the rupiah in relation to foreign currency) beginning in fiscal 1982. However, the fact is that there was no devaluation, and Minister Wardhana has guaranteed that there will be no devaluation this year.

"We, of course, see that there has been a sudden flareup in the transfer of capital overseas, but this is no cause for concern because much more capital is still flowing into the country," the finance minister said.

Minister Wardhana further stated that Indonesia still has an open foreign exchange system despite the risk of capital moving overseas. With an open foreign exchange system, individuals are free to come and go with foreign exchange. Businessmen, therefore, are not concerned about bringing capital into Indonesia.

The open foreign exchange system has been in effect since 1971. During these past 12 years the open system has proved to be better than the closed system which was in effect during the 20 years, 1950 to 1970.

The closed system apparently had a very great negative influence because prohibiting individuals from holding foreign exchange caused them to do so in secret. Those who wanted to hold foreign exchange rushed to deposit theirs overseas. Consequently Indonesian businessmen had bank accounts in Singapore or Hong Kong. Such deposits caused a shortage at home of foreign exchange gained from exports.

The more people hid their foreign exchange, the tighter became the supervision; and the tighter the supervision, the more people wanted foreign exchange.

Further, under this tighter supervision, several official foreign exchange rates were instituted for imports. The rate varied depending on what goods would be exported later. A black market rate different from the official rate surfaced later. This created a black market trade in foreign exchange. Supervision became increasingly difficult.

This tight foreign exchange system made it more difficult to import commodities and such commodities became scarce, creating shortages in needed goods. Consequently there was a great leap in the inflation rate.

"Everyone has benefited from the open foreign exchange system," Wardhana said. What's more, the government took another step forward in 1982 by dropping the requirement that holders of foreign exchange sell their holdings to the Bank Indonesia. Holders of foreign exchange may now keep their foreign exchange.

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CSO: 4213/66

GROWTH RATE EXCEEDS THAT OF MOST DEVELOPING NATIONS

Jakarta KOMPAS in Indonesian 2 Jun 82 p 2

[Article: "Ali Wardhana: World Economy Little Changed"]

[Excerpts] The world economic situation has not changed much since 1981 but some random improvements are evident.

The world economy generally is still in recession, and this has a wide-ranging effect not only on the Indonesian economy but also on the economies of other countries including countries undergoing development.

Finance Minister Ali Wardhana made these points at the working meeting with parliament's Budgetary Commission, headed by Drs Sugandi as Chairman, held in Jakarta on Tuesday [1 June].

The 1982 economic situation was marked by a very low rate of economic growth, a number of nations even experiencing a drop in their growth rates.

The average growth rate for industrial nations during this period (1981-82) ranged between 0.7 and 0.8 percent. It may rise to 2.5 percent in 1983.

The growth rate was also very low for developing nations which do not have their own oil resources. In 1980 it was 4.4 percent but in 1981 it dropped to 1.9 percent while in 1982 it is expected to rise to 3.4 percent.

In 1981 Indonesia recorded a growth rate of 8.2 percent, far above the average rate of only 1.9 percent for most other developing nations.

Minister Wardhana said the worldwide rate of inflation had dropped recently compared with rates for the past 7 years. The 1980 inflation rate for industrial nations averaged 8.5 percent; in 1981 it dropped to 8 percent, and in 1982 it is expected to drop further to 7.5 percent.

The inflation rate increased far more among OPEC nations. In 1980 it rose an average 24.2 percent; for 1981 it rose to 24.6 percent and in 1982 it is expected to rise to 36.6 percent.

"Compared with other oil-exporting nations, Indonesia's inflation rate put in a rather good performance; it was only 9 percent," the minister said.

"Oil-importing developing nations have the highest inflation rate. In 1980 it averaged 33.3 percent. It dropped in 1981 to 32.5 percent, and in 1982 it is expected to drop further to 28.1 percent," he observed.

The drop is due mainly to the very great interest the developing nations have in investing for their development. Because of their limited funds, they do this through deficit financing. These deficits raise prices.

Wardhana said OPEC nations had a surplus trade balance of $3 billion in 1978; in 1980 it rose to $115 billion.

However, because of worldwide energy conservation measures, the surplus is smaller. In 1981 it amounted to only $71 billion, and it is estimated that it will drop further to $25 billion in 1982. "However, they still have a surplus balance," he said.

The Indonesian trade balance for 1980-81 was rather encouraging, showing a $2,736 billion surplus compared to 1979-80 when the surplus was $1,690 billion.

The growth of Indonesia's foreign exchange reserves compared with those of other nations is still encouraging but admittedly they have dropped.

Indonesia's foreign exchange reserves totaled $7,342 billion at the end of the 1981 fiscal year while for fiscal 1982, the minister said, because of a deficit balance of payments of $828 million, foreign exchange reserves will settle at $5,651.4 billion.

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CSO: 4213/66

LATEST EMPLOYMENT STATISTICS REVIEWED

Jakarta KOMPAS in Indonesian 4 Jun 82 p 12

[Article: "Only 60 Percent of Indonesia's Workers Have a Normal Work Day"]

[Excerpts] Only a little more than 60 percent of the labor force in Indonesia has a normal work day. Thirty-four percent are categorized as "semi-unemployed" workers, less than 2 percent are totally unemployed and 4 percent are unrecorded.

Based on a subsample of the 1980 population census (SP '80), the processing of which has just been completed, the labor force totals 52.1 million or 49.89 percent of the total population 10 years of age and over. The remainder, members of the population 10 years of age and over who are in school, those engaged in keeping house, and so on, are not considered part of the labor force.

The census defines those working a normal work day as workers who work 35 hours or more per week. A worker can be categorized as a normal worker if he works about 6 hours a day every day in the week.

The data show there are 31.6 million normal workers, broken down among the almost 14 million who work 35 to 44 hours a week, the 11.6 million who work between 45 and 59 hours a week, and the 5.99 million who work 60 hours or more a week.

Soegito, deputy statistical compiler for the Central Statistics Bureau (BPS), told KOMPAS that manpower, on the one hand, is a production factor which contributes to the gross domestic product (PDB). On the other hand, these people are human beings who desire spiritual and material development.

According to Soegito, the high percentage of workers categorized as semi-unemployed and the low percentage of totally unemployed are due to how easily individuals can be categorized as workers. The census defines a worker as a person 10 years of age or over who works at least 1 hour per day.

In the traditional sectors such as agriculture, it is difficult to determine who is unemployed. Because of seasonal factors, for instance, a person who

was unemployed in the previous week cannot be entered into the unemployed category if he is working at the time the census is taken.

According to the census semi-unemployed workers, or those who work less than 35 hours a week, comprise 34 percent of the labor force, More than half of the persons in this category work 10 to 24 hours a week.

The figure for totally unemployed workers, that is persons who do not work or who are seeking employment, is 1.76 percent. Figures for total unemployment differ for urban and rural areas. The percentage for total unemployment in urban areas is far higher than that for rural areas. Totally unemployed workers in the rural areas amount to 1.44 percent, for urban areas 3.7 percent of the labor force.

The high percentage for totally unemployed in the urban areas is due to the fact that there are many more formal work fields in the cities, and it is easier to determine who is employed and who is not.

An interesting fact revealed by the 1980 population census is the number of workers who are looking for another job. Of the 51.2 million workers, it appears that 7 percent still seek other employment.

Many reasons are put forward for this: the worker may not have the job he wants, feels his wages are too low or that he is not as well off as he could be, and various other reasons.

Even more interesting is the fact that workers most often seeking other positions are those categorized as normal workers. However, if everything is in proportion in a work situation, for instance, wages increase with seniority, job placement matches the worker's interests or training, and other factors, the job seekers fall more frequently into the semi-unemployed category.

An encouraging sign is also apparent in the data obtained; more than 59 percent of the workers do not feel they need to look for another job. It is doubtful that all are content with their jobs. They also might be well aware of how hard it is to find the position they really want.

A relatively small percentage of workers do not seek other jobs because they have lost hope, are in school, or because they are unable to do so. The percentage of those engaged in housekeeping is still large, more than 11 percent.

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CSO: 4213/66

AUTOMOTIVE WORKERS STRIKE

Jakarta KOMPAS in Indonesian 4 Jun 82 p 2

[Article: "Strike at PT German Motors"]

[Excerpt] Some 1,300 workers at the PT German Motor Manufacturing Company in Wanaherang Village, Gibinong (Bogor Regency), have been on strike for the past 10 days. They felt forced to make their protest against the management of the company which assembles the Mercedes Benz luxury car as it would not accede to the workers' demand for a wage increase.

Some of the striking workers told KOMPAS on Thursday [3 June] that the value of their wages declined as a result of the increase in the BBM (fuel oil) price early in January. Therefore, the workers, through the local labor union, submitted a demand for a 13 percent wage hike.

Apparently the company leadership did not care to accede to this demand. A member of the management merely said, "A wage adjustment to take into account the increase in the recent BBM price will be given consideration at the end of the year, in December."

Because their demand was not met, the workers have been on strike since 24 May. Since that time the PT German Motor management has issued several notices, the core of which is an ultimatum. For instance, Notice No. 022/V/Peng./82 firmly states: "Workers who stopped working as of 24 May 1982 and who rejected the first, second and third appeals to return to work, including the notice of 1 June 1982, are hereby considered to have resigned from PT German Motor."

To fill the vacancies left by the striking workers as of 1 June 1982, the company will take on workers in accordance with the entrance requirement for new personnel, that is, they are to complete a job application.

Workers who have left their jobs but who would like to return to work for PT German Motor may reapply for jobs and will be treated as new applicants in line with requirements set by the company.

The workers' resignations will be handled under the regulatory processes established under the labor law in force.

Striking workers feel that the leadership of the Maintenance, Machinery, and Assembling Labor Union (SB AMP/FBSI) based in the PT German Motor Company are now siding with the company management. They offer as proof the fact that the union leadership signed the management's recent notice without prior consultation with the union's members.

Under Law No. 12 of 1964 PHK (severance) measures may be taken against labor only after the leadership of the company involved has submitted the matter to, and obtained the approval of, P4D or P4P (Regional or Central Committee for the Settlement of Labor Disputes). Prior to obtaining this approval, the company side and the workers involved must carry out their respective duties and responsibilities.

For the past 5 days the PT German Motor complex has been closely guarded by Indonesian police and Army units.

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CSO: 4213/66

BRIEFS

MOKHTAR ON BORDER DISPUTES--Jakarta, 9 Jul (AFP)--Foreign Minister Mokhtar Kusumaatmadja today suggested that the controversy over alleged Indonesian incursions into Papua New Guinea (PNG) be settled by the joint commission specially set up by the two countries. "The commission has been entrusted to settle such problems," Mr Mokhtar told newsmen. He refused to confirm or deny reports that Indonesian troops had recently crossed the border between PNG and the Indonesian province of Irian Jaya in hot pursuit of separatist Irianese rebels who fled to PNG. "I do not want to sharpen such problems," he said. A PNG Foreign Office spokesman had spoken of several forays into Papua New Guinea by Indonesian troops last month, but Indonesia denied the charges. [Text] [BK090951 Hong Kong AFP in English 0924 GMT 9 Jul 82]

PORTUGAL DENIES TIMOR REFUGEES--Jakarta, 9 Jul (AFP)--Portugal has rejected Indonesia's request to accept refugees from its former colony of East Timor, Foreign Minister Mokhtar Kusumaatmadja said today. Indonesia had asked Portugal, through Holland, that Lisbon be willing to take in East Timorese refugees wishing to settle down there, Mr Mokhtar told a press conference. "But Portugal has stated it cannot accept them because it says it has been dealing with refugees from other places such as Mozambique," he said. Mr Mokhtar said he had discussed the Timorese refugees problem with the International Commission for the Red Cross (ICRC) in Geneva on his way home from Romania. "We do not want to mix humanitarian things with politics," he added. Mr Mokhtar refused to go into details but said the Indonesian Government could solve the problem. East Timor was incorporated into Indonesia in 1976 after a civil war which ended as pro-Jakarta forces invaded the colony. [Text] [BK090925 Hong Kong AFP in English 0848 GMT 9 Jul 82]

AIRBORNE EXERCISE REPORTED--Indonesian airborne troops staged a lightning exercise on one of the disputed Natuna Island group in the South China Sea. Part of this is claimed by Vietnam. An Air Force spokesman says the drill involved movements and tactics to capture an island from an enemy. The exercise follows the recent landing of armed Vietnamese refugees on the disputed island. They were detained by Indonesian authorities. [Text] [BK150907 Kuala Lumpur International Service in English 0800 GMT 15 Jul 82]

CSSR'S SUPPORT AT UN--Czechoslovak Ambassador to Indonesia Milan Koudelka said Indonesia could hold out the hope that his country will support Indonesia in future UN voting on the East Timor problem. This is in line with the fact that East Timor is the territory of the Republic of Indonesia, the more so that the people of East Timor took part in the recent 1982 general elections. The Czechoslovak ambassador stated this during an introductory meeting with the minister coordinator for political affairs and security, Maraden Panggabean, in Jakarta yesterday. Czechoslovakia has always abstained in UN voting on East Timor. Commenting on the ambassador's statement, Minister Panggabean welcomed the progress in the Czechoslovak attitude on the problem. Later, he briefed the ambassador on progress in the development of East Timor Province. The minister also welcomed the desire of Ambassador Koudelka to further promote trade and technological relations between Indonesia and Czechoslovakia. After receiving the Czechoslovak ambassador yesterday, Minister Panggabean also received the newly appointed Japanese ambassador to Indonesia, Toshio Yamazaki, who called on Panggabean. [Text] [BK151439 Jakarta Domestic Service in Indonesian 1200 GMT 15 Jul 82]

ANTARA REPORTS ON DROUGHT--Jakarta, 14 Jul (ANTARA)--Agriculture Ministry's Central Bimas [mass guidance for agricultural projects] control unit is currently monitoring the extent of ricefields throughout Indonesia which have run dry due to the long drought and its adverse effects on food production. Sources at the unit at Pasar Minggu told ANTARA Wednesday [14 July] that this situation might cause food production to decrease but still it would not affect the position of national food stock as a result of successful crops a few years ago. The unit is also making efforts to help the farmers overcome the situation, among others, by handling the post-harvest period. Up till now, they said, post-harvest losses of paddy are between 20 and 25 percent. The sources are unable to say yet how vast the dry season had affected the ricefields until the survey has been completed. According to reports received, nearly all arable land throughout Java had turned arid. Central Java Governor Supardjo Rustam has recently reported that in his province some 20,000 hectares of ricefields had suffered from the long drought. In West Java the figure runs about 5,000 hectares. [Text] [BK141223 Jakarta ANTARA in English 1057 GMT 14 Jul 82]

ENVOY TO PAPUA NEW GUINEA DIES--Jakarta, 17 Jul (AFP)--The Indonesian ambassador to Papua New Guinea, Maj Gen Abdul Aziz Bustam, died Friday [16 July] in Manila, the Foreign Ministry announced here. Aziz Bustam, 56, died after undergoing a kidney operation at the Manila Makati Medical Centre on 19 June. [BK181305 Hong Kong AFP in English 1135 GMT 17 Jul 82]

CSO: 4220/246

BRIEFS

AID AGREEMENT WITH SWEDEN--Sweden has signed a 2-year agreement with Laos for aid totaling 55 million kronor per year. The cooperation already begun in the forestry and lumber industry and in the area of transportation will continue. One third of the aid will be used for factory equipment and spare parts for maintenance of equipment used in these areas. About 15 million kronor will be used each year to support the import of building materials and simple farm equipment. SIDA (Swedish International Development Authority) estimates that 30 to 40 percent of the aid to Laos will be returned to Sweden through the purchase of Swedish goods and services. [Text] [Stockholm SVENSKA DAGBLADET in Swedish 30 May 82 p 6] 9336

CSO: 3109/182

PAPER ON SRV PARTIAL PULLOUT OFFER, CONCESSIONS

BK131117 Kuala Lumpur NEW STRAITS TIMES in English 9 Jul 82 p 18

[Editorial: "Heavy Load"]

[Text] "It is a burden for us," said Mr Nguyen Co Thach, Vietnam's foreign minister, in an interview last month, alluding to the costs of maintaining Vietnamese forces in Kampuchea. And the load is getting heavier. Imports have had to be reduced so that Vietnam can pay for the suddenly tripled price of Soviet oil. Vietnam has had to default on virtually all the interest due this year and last on its U.S.$3.5 billion foreign debt, and as of February this year Vietnam's foreign currency reserves stand at zero. When Mr Nguyen Co Thach approached the EEC for economic aid he was told that assistance would be dependent on progress in Kampuchea.

There has been progress on Kampuchea, but not the kind to inspire hoorah speeches in Hanoi. The new coalition government of Democratic Kampuchea may be dismissed by the Vietnamese as of little consequence, and there may be no immediate change on the battlefield, but diplomatically Vietnam remains as isolated as ever, if not more so.

Vietnam's "gesture of good will" in withdrawing some of its troops in Kampuchea ignores the fact that the troops were there in the first place because of Vietnamese aggression. The other concessions all work to the advantage of the Vietnamese. The establishment of a demilitarised zone on the Thai-Kampuchean border is made dependent on the eviction of anti-Vietnamese forces from the area. The agreement to an international conference on peace in Southeast Asia would necessitate the de facto recognition of the Heng Samrin regime. It is the same old bag of goods in slightly new packaging. No sale. When Mr Nguyen Co Thach comes calling on ASEAN later this month there will be no change in ASEAN's response. Not until Vietnam accepts the principle that Kampucheans must decide their own destiny free of gun-point persuasion.

CSO: 4220/246

KUALA LUMPUR ON SRV TROOP WITHDRAWAL OFFER

BK091121 Kuala Lumpur International Service in English 0800 GMT 9 Jul 82

[Unattributed commentary]

[Text] Vietnam's foreign minister, Mr Nguyen Co Thach, announced on Wednesday [7 July] that his country would withdraw a significant number of troops from Kampuchea coupled with the proposal for an international conference on Southeast Asia. On the surface of it, these announcements are most welcome and appear as an unbending of the stiff stand that Vietnam has taken up to now. However, as any follower of the Kampuchean crisis knows well, the promise of a withdrawal of Vietnamese troops has been made many times before. Again, Mr Thach in his announcement indicated that he hoped that Thailand would make a positive response to this first step, the positive response being that Thailand does not allow the Kampuchean guerrillas to use Thai territory to launch hostilities.

ASEAN's response to this will decidedly be cautious, for in his statement, Thach has left many questions unanswered. First of all, what figure does he consider significant. Secondly, how many troops are there in Kampuchea at the moment and has that figure been verified or can they make provisions for the verification of the number of troops in Kampuchea. Thirdly and equally important, they have not mentioned whether they are going to allow the international community to observe this withdrawal.

Thach's announcement for the holding of an international conference on the Kampuchean issue appears to be a shift from its original insistence that the issue should be discussed at a regional conference excluding powers outside Southeast Asia. This is in truth a shift and while it is a welcome shift, a certain measure of caution has to come into play. Vietnam and their Soviet allies boycotted the international conference by the efforts of the ASEAN countries last year [sentence as heard]. Now, she comes up with the same proposal. But, as it stands, this proposal would imply a de facto recognition of the Heng Samrin regime. This is unacceptable as the ASEAN stand on the issue has been based on the principle that the people of Kampuchea should be the ones to decide what the government should be and such a decision can only be reached if all foreign troops are withdrawn from Kampuchea and the people of that unhappy country are permitted under free internationally supervised elections to indicate their choice.

It is interesting to note that this flurry of announcements came out from Hanoi soon after the formation of the coalition agreement arrived at in Kuala Lumpur by Son Sann, Khieu Samphan and Prince Sihanouk.

It is also interesting to consider that another reason for this proposed pact could arise out of the economic problems facing the Vietnamese Government. The costs of upkeeping the troops in Kampuchea have played havoc with Hanoi's economy and their attempts to get only assistance from the EEC has failed.

On the other hand, they are seeing at this point of time the assistance that is being offered the coalition. Vietnam, because of Kampuchea has been isolated and this isolation has brought harm to her economy. The Soviet bloc allies are in no position to offer aid other than in words, because they themselves are facing economic problems.

Vietnam is certainly finding out through the hard way that in her own interest, she cannot afford to tow the hard line and that small countries should not attempt to play big power games.

CSO: 4220/246

GHAZALI ON OUTCOME OF EUROPEAN TOUR

BK161358 Kuala Lumpur Domestic Service in English 1130 GMT 16 Jul 82

[Text] ASEAN has initiated moves to enable Democratic Kampuchea to regain its seat in the nonaligned movement. Its seat was suspended during the last conference in Cuba.

The minister of foreign affairs, Tan Sri Ghazali Shafie, told a news conference in Kuala Lumpur that he held talks with Yugoslav leaders on this subject during his recent visit to Europe. The minister also explained to European leaders that neither China or Pol Pot were involved in the newly established government of Democratic Kampuchea. ASEAN was not interested in the reemergence of Pol Pot and China's involvement was contrary to the role of peace, freedom and neutrality concept.

Tan Sri Ghazali held talks with a number of East European and West German leaders. He also met the British prime minister, Mrs Margaret Thatcher. He explained to them that the establishment of the government reflected the desire to solve a political solution to the Kampuchean issue instead of a military solution. Arms were needed by the government of Democratic Kampuchea to balance the strength of the non-Khmer Rouge groups with the Khmer Rouge faction.

On the visit by the Vietnamese foreign minister, Nguyen Co Thach, to Malaysia from the 25th of this month, the minister said he will listen to what Mr Thach has to offer.

On the reported withdrawal of Vietnamese forces from Kampuchea, Tan Sri Ghazali says nothing short of the complete withdrawal could lead to the full implementation of the resolution of the International Conference on Kampuchea. He also says that it is not necessary to hold another conference as suggested by Vietnam as this will only confuse matters. A neutral and nonaligned Kampuchea can remove whatever threat Vietnam faces from China.

Tan Sri Ghazali left for Bangkok this evening to explain to the Thai foreign minister, Mr Sitthi Sawetsila, on the outcome of his visit. He will also meet the Austrian foreign minister, Mr Willibald Pahr, who is also the chairman of the International Conference on Kampuchea.

CSO: 4220/246

BRIEFS

CALL FOR MUSLIMS TO UNITE--Datuk Sri Dr Mahathir Mohamed has called on Muslims throughout the world to practice the real Islamic way of life. This encourages Muslims to be united and to help each other. He is disappointed that there are Muslims who acknowledge Islam as their way of life but what they act through their practice is not in line with it. The prime minister was speaking to the people in the state of Kedah. He cites the present turmoil in West Asia as a good example of Muslim disarray. When they should be united in facing the common enemy, they are squabbling among themselves. The prime minister regrets the attitude of some Muslim countries for failing to come to the aid of the Palestinians. This is also clearly reflected in the failure of convening the Arab summit meeting of the Organization of Islamic Countries to discuss the situation in Lebanon. Hr reminds Muslims in the country not to depend on the government but to show resilience through their own initiatives. [Text] [BK170855 Kuala Lumpur International Service in English 0600 GMT 17 Jul 82]

'CONSERVATIVE' BUDGET FOR 1983--Kuala Lumpur, 13 Jul (AFP)--The Malaysian Government will adopt a conservative budget for next year, balancing income with expenditure, Prime Minister Mahathir Mohamed said tonight. He said the government felt it was not the time to stimulate the economy with an expansionary budget, with the world economy not expected to recover quickly from the current recession. Dr Mahathir said in a panel interview on television that if the government were to adopt an expansionary budget now, it would have to borrow a lot of money, which would drain its foreign exchange and lead to higher interest rates and reduced investments. The 1983 budget will come before Parliament in October. [Text] [BK131431 Hong Kong AFP in English 1234 GMT 13 Jul 82]

MAHATHIR ON NEW FOREIGN POLICY--The government is considering budgeting for real expenses only. Datuk Sri Dr Mahathir Mohamed says it has been found that in the past there was a tendency to over budget. The result is that they will lead to supplementary budgets. But when the accounting is done at the end of the year, it is found that what it spent is really less than originally budgeted for. The prime minister made the statement in a special interview with newsmen on the occasion of its first anniversary in office, which falls tomorrow. Datuk Sri Dr Mahathir said the shift in the foreign policy emphasis introduced by the government 1 year ago is beginning to show some positive results. Malaysia now knows more people more intimately and converses with them. He feels that the foreign policy mapped out is

good for Malaysia as it is a much more positive policy. Under the new emphasis, relations with other countries are conducted according to the order of priorities, with ASEAN countries being on top of the list. This was followed by the Islamic countries, the nonaligned nations and the commonwealth. In addition, greater emphasis is also being made on establishing bilateral relations with newly independent nations, such as those in the Pacific. [Excerpts] [BK151353 Kuala Lumpur Domestic Service in English 1130 GMT 15 Jul 82]

CSO: 4220/246

STRIKE LOOMS IN NEW CALEDONIA INDEPENDENCE QUARREL

BK211154 Hong Kong AFP in English 1014 GMT 21 Jul 82

[Text] Noumea, New Caledonia, 21 Jul (AFP)--A general strike has been called for tomorrow to demand dissolution of the 36-seat territorial assembly in this French Pacific territory, which has had a majority of pro-independence members since 18 June--and a simmering independence issue since 1979.

The strike has been called by the anti-independence "Committee to Defend the Institutions," which said in a communique the strike would "say no to the social-communist government takeover of our destiny by ruling by decrees." But it has been opposed by a number of political and trade union groups as a veritable war of communiques has erupted.

The independence issue has been simmering since a 1979 statute granted a measure of autonomy to this nickel-rich island, 700 miles east of Australia. It has 160,000 inhabitants, mainly divided between 60,000 Melanesians, or "Canaques," and 50,000 Europeans. State affairs are administered by the High Commissioner, and territorial affairs by a seven-seat Council of Government and the 36-strong territorial assembly.

The High Commissioner's office yesterday warned the "anti-independence" committee that "appeals for a politically-motivated strike tended to put pressure on the assembly and prevent the functioning of the institutions." The Council of Government also issued a statement calling on workers to ignore the strike call.

There are four pro-independence members of the seven-member council, giving them a majority. It urged workers to ignore "extreme-right organizations grouped under the misleading name of 'Committee to Defend the Institutions.'"

But the "Rally for Caledonia in the (French) Republic" (RPCR) has come out in support of the strike, which will include demonstrations here and in the main towns, and has asked its followers to take part in force. RPCR leaders called on party members to "show our presence and our wish to remain French."

The newly formed Caledonian National Party (PNC), a breakaway party formed by former RPCR militants, while agreeing with the RPCR, said that "our participation should not appear to be support for any particular party."

The centrist "Federation for a New Caledonian Society" (FNSC) for its part opposed the strike, and the "New Caledonia Socialist Party" (PSNC) called on workers to ignore the strike call "provoked by agitators."

The "New Caledonian Workers Union" (USOENC) also called on its members to ignore the strike call, which it claimed was organised by "reactionary forces."

Meanwhile Jacques Lafleur, former French National Assembly deputy for Western Noumea, said on his arrival here today that he would take part in Thursday's demonstrations, but stipulated they must remain non-violent.

CSO: 4220/246

BRIEFS

INDEPENDENCE LEADER SEEKS PNG SUPPORT--Port Moresby, 13 Jul (AFP)--New Caledonian independence leader, Yann Celene Uregei is in Port Moresby to seek support from the Papua New Guinea [PNG] Government for the New Caledonian Islands to be placed on the United Nations list of non-self-governing territories. This would force France to report regularly to the United Nations on its programme for decolonisation. Mr Uregei, a member of the newly elected territorial assembly that now leans towards independence, is also seeking the PNG Government's acknowledgment of the independence front as the legitimate representative body of the kanak, or indigenous people. He is also telling the PNG Government that whatever social and economic reforms are planned by the French Government, they will be unable to satisfy the kanaks' ultimate aspiration for independence. He is planning to make these points informally, at a dinner tonight with Foreign Minister Noel Levi. Mr Uregei can expect support, as he has had on previous trips to Port Moresby, from whichever parties are in power when PNG's new Parliament elects its new government on 2 August. Mr Uregei's visit comes only 4 weeks before the annual meeting of the South Pacific forum, this year in New Zealand, when decolonisation of the French Pacific territories, and French nuclear testing in the Pacific, are again expected to top the agenda. [Text] [BK130953 Hong Kong AFP in English 0857 GMT 13 Jul 82]

CSO: 4220/246

DEAL BETWEEN NATIONAL, SOCIAL CREDIT PARTIES

BK131317 Hong Kong AFP in English 1108 GMT 13 Jul 82

[Text] Wellington, 13 Jul (AFP)--A compromise deal between New Zealand's governing national party and an opposition party with only two seats in Parliament will allow a $650 million hydroelectric power project to proceed.

The deal allows the government to continue constructing preliminary works at the project, threatened when one of its own MP's vowed to vote against special legislation for the scheme.

The defection meant the government had lost its one vote majority in the country's Parliament.

But today's proposal from Social Credit Leader Bruce Beetham and his one other MP allowed Prime Minister Robert Muldoon's government to proceed with construction of the dam on the Clutha River on the South Island. Mr Muldoon said the plan needed only New Zealand's auditor-general's approval for the work to go ahead without disruption.

Social Credit Leader Bruce Beetham later said he was surprised the government had accepted his plan. "I hadn't thought our chances of success were that high," he told newsmen after the agreement was reached.

The deal is the first major compromise forced on the Muldoon government since it returned to power with a slim one vote margin in Parliament after last November's election.

Without the deal, the government would have been forced to defer the project and lay off the 600 strong workforce.

Among the concessions won by Social Credit from the Muldoon government was agreement to sell all electric power from the dam at no less than current ruling market prices.

Observers said the move could hinder plans by the government and a consortium (including French aluminium producer Pechiney and Australia's Gove (aluminium)) to build an aluminium smelter using low cost hydroelectric power from the Clutha project.

CSO: 4220/246

DISPARITY AMONG CLASSES BLAMED ON PAKISTAN'S RULERS, ECONOMIC SYSTEM

Karachi JANG in Urdu 28 Jun 82 p 3

[Article by Anis Hashmi: "The Present Economic System"]

[Text] Come, let us talk about our country, that is, about its internal situation. From the time of Muhammad Ali Jinnah and Liaqat Ali Khan down to the present rulers, all those who have sat on the seat of power have used all the available means of communication in the country to glorify the works of their own government. The nature of their statements has been something like, "We have tried to make the country such that, as a poet of the Mughal Emperor Shah Jahan once said, 'If there is a heaven on earth, it is here, it is here, it is here.'" That, my respected friends, has been their claim. Now let us presume to look at the truth.

1. 1,000,000 families in our country are composed of such of God's creatures as have no land whatsoever. Such people are called "menials" in Punjabi.

2. 2,750,000 families in our country have agricultural plots of only 2 to 6 or 7 acres. These agricultural lands are absolutely insufficient for their subsistence.

3. 2,200,000 families in our country are tillers and cultivators who cultivate the land of large landholders on a sharecropping basis. Although by law their share is 1/2 the crop, in fact their share rarely exceeds 1/3 of the crop.

4. There are also 700,000 to 800,000 families of laborers who work in factories. This number includes those who work in such industries as the railways and WAPDA.

5. The urban population in our country has greatly increased. The percentage of people now living in cities is nearly 32 percent, which means there are nearly 25,000,000 people living in our cities. Of this 25,000,000 nearly 10,000,000 pass the days and nights of their lives in substandard housing with neither water nor any arrangement for the disposal of garbage.

6. Because there is no employment available within the country, 3,500,000 souls are forced to become expatriates and try their luck at earning their

bread under very difficult conditions. The helpless state of those seeking work in our brother neighboring Islamic countries is very distressing.

7. Looking at past governments, one of the accomplishments credited to the Yahya Khan government is that he contracted the Pakistan composed of East and West Pakistan to just Pakistan. Now East Pakistan is Bangladesh and only West Pakistan is called Pakistan.

This is one side of the picture. Let us consider the other side as well.

3000 to 4000 families in our country are landlords who hold 50 percent of the arable land. This list includes both those gentlemen who received various privileges during the British era and the civil and military bureaucrats from the period after Independence. These gentlemen fall into the category of those for whom, as Ghalib said, "luxury was invented." There are a few industrial families in our country whose number, according to Dr Mahbul-ul-Haq, is 22.

There are approximately 600,000 to 700,000 souls in our country who pay income tax. As you know, income tax is paid on income which exceeds 12,000 rupees a year.

This, very briefly, is the condition of the masses of people of our beloved country. If for the sake of convenience you add together the 1,000,000 families with no land, the 2,750,000 families who own only a small portion of land, the 2,200,000 families of tillers and cultivators, the 700,000 to 800,000 families who are laborers in factories, and the 10,000,000 souls who live in substandard housing in cities, you will know the number of the lowest level of the deprived class in our country. According to our calculations this number is more than 50,000,000.

Respected brothers, to us, the reason for this dark picture is that after Independence our rulers kept the economic and material order established by the British just as it was, and considered any change in it tantamount to sacrilege. In international trade too, they attached themselves to the Western capitalist countries and declared it to be blasphemy to trade with the non-capitalist countries of the world. We know this much, if there were enough strength in this economic order established by the British to provide food for God's creatures living on this corner of the earth, the brave Englishmen would never have let this "golden sparrow" go free. Thus the best thing we could do for God's creatures in our beloved country would be to fundamentally change the present economic system. We can get an idea of what these changes should be from a neighboring country which is both Arab and Islamic. Let us look at South Yemen. In just 10 years they have freed their population from both ignorance and unemployment. In August, 1982, we will complete 35 years of independence, but we have taught only 18 percent of our population to read and write, and the state of our unemployment is hidden from no one. Despite pushing 3,500,000 workers out of the country, God's truth is God's truth. According to a report from the World Bank, half the population in our country is living on the brink of starvation. Another misfortune afflicting our country is that since Independence, no matter who has sat upon the seat of

power, none of them has ever bestowed freedom to the newspapers nor given the people the right to meet and freely discuss their problems and search for some solution to them. As a result, on the one hand there is usually found a mood of indifference in the populace, and on the other hand (forgive our audacity), there has not yet appeared among the ruling class any defender of the faith with both mature vision and sympathy for God's creatures in his heart. The lifespan of the founder of our nation, Muhammad Ali Jinnah, was too short, and Liaqat Ali Khan fell prey to the conspiracies of government servants. After that, praise be to God, we had one great mischief maker after another. Ghulam Muhammad, Iskander Mirza, who all shall we name, each greater than the last, by God's grace. The cruel irony is that these gentlemen neither understood nor tried to understand the problems of the present world. The entire responsibility for our country, which is a prey to difficulties on every side, is on these gentlemen who have been ruling without any outside interference for 35 years, and on the economic system they maintain. It is the job of the people of Pakistan to decide how they may escape this economic system which is responsible for their helpless condition, and open the doors of progress.

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CSO: 4203/152

WORLD BANK URGES REDUCED GOVERNMENT EXPOSURE IN STATE FIRMS

Manila PHILIPPINES DAILY EXPRESS in English 9 Jul 82 p 9

[Article by Resty Perez]

[Text] The World Bank has asked the Philippine government to reduce its equity exposure in state-owned companies with "low degrees of cost recovery."

Instead, the Bank advised government officials to channel more funds to other sectors such as health, education and the development of the countryside.

The World Bank is one of the country's best sources of cheap funds which the government uses to finance major development projects.

According to WB official Shahid Husain, who chaired the WB consultative group meeting on the Philippines in Tokyo last month, the allocation of more funds to these sectors will help balance the distribution of government funds.

From 1978 to 1981, the government pumped in some P14.3 billion into state-owned corporations.

Last year alone, the National Development Co. (NDC) got P2 billion in fresh equity, an amount equal to the budget of the Ministry of Health this year.

As a result, the government is expected to limit fresh capital infusion only to foreign-assisted projects which require local counterpart financing or to the budgetary needs of the 11 major industrial projects.

It was also noted that government investments in state-owned or controlled enterprises have been rising from the equivalent of three percent of the gross national product in 1978 to five percent of GNP last year.

Partly as a result of the Bank's observations, the government is now trying to trim the number of government-owned or controlled corporations.

The restructuring of the government corporate set-up is now the subject of a study by the Special Presidential Reorganization Commission headed by President Marcos himself.

There are at present about 92 government holding companies and more than a hundred subsidiaries. The plan is to reduce their number by about one half, mostly through mergers of companies with similar or related functions.

CSO: 4220/239

MANILA PAPER ON REPAYMENT OF FOREIGN LOANS

HK190411 Manila BULLETIN TODAY in English 14 Jul 82 p 6

[Editorial: "What's Done With the Loans"]

[Text] In MBS Channel 4's network line Minister Placido Mapa, Jr. was asked about the country's ability to repay its foreign loans. Minister Mapa replied the ability to repay depends on how the loan proceeds are used. If the money is squandered the obligations cannot be met. He said the loan proceeds are being spent on such things as irrigation projects which harness energy and irrigate agricultural lands. Consequently, the additional output created by the projects will enable the country to repay its foreign obligations.

That is the simplest way to answer the question that has been nagging the minds of many people who have showed concern for the large foreign debt, which to date stands at about $15 billion.

The debt service is just one of several considerations. Others are production and employment and raising the "quality of life" of the people.

In a situation where the inadequacy of resources is admitted, foreign borrowing, resorted to not for the purpose of meeting the day-to-day expenses of the government but for the purpose of higher productive capacity, enables the country to steer away from an economic deadend.

We can imagine for instance, what would happen if borrowing were not resorted to in order to lessen dependence on imported energy by pursuing a comprehensive energy program.

It is noted that while government borrowing is put to good use the law sets a ceiling on external obligations. That serves the purpose of a safety net.

CSO: 4220/246

NO NPA THREAT IN CEBU

Manila BULLETIN TODAY in English 13 Jul 82 p 18

[Article by Jen L. Jorvina]

[Text] Camp Sergio Osmena, Cebu City--The regional PC command said here today that the peace and order situation in their areas of responsibility is definitely under control despite the reported sighting of armed band earlier tagged as members of the New People's Army (NPA) in this province.

Brig. Gen. Alfredo S. Olano, PC-INP regional commander for region 7, said he had dispatched a team to verify the presence of armed group which was reportedly seen in barangay Maghan-ay, Balamban, this province.

Olano said that a group led by a certain Regino Laurente, alias "Kumander Manu," was encountered by PC troopers under 1st Lt. Lani-o Neres in barangay Maghan-ay which resulted in the killing of Laurente's assistant, identified as Moises Adong, and the capture of seven members.

He said that Laurente's group did not belong to the NPA's as reported but mere bandits riding under the name of NPA's and harassing people in far-flung barangays.

Olano however said that a certain Kumander "Dexter," with a lady companion, was conducting teach-ins and recruitment activities in the towns of Argao, Asturias, Balamban, Compostela, Dalaguito and Tuburan.

Meanwhile, the Cebu PC command headed by Lt. Col. Leandro Mendoza, Major Pastorfide, P/Col. Burden, P/Col. Tumakay, 1st Lt. Carlito Dimaano and Capt. Gerry Barias, 344th commanding officer, conducted a pulong-pulong sa barangays together with the sangguniang panglunsod and panlalawigan in Toledo city.

CSO: 4220/239

SECESSION DEMAND 'CANNOT SUCCEED'

HK150147 Manila BULLETIN TODAY in English 13 Jul 82 p 8

[Report by Nelly Sindayen: "Why Secession Demand Cannot Succeed"]

[Text] The Moro National Liberation Front's demand for secession will not succeed at this time because of realities in Southeast Asia and the Islamic world. Asiri Abubakar, a professor at the University of the Philippines' Asian and Islamic Studies, said this in a lecture before Asian journalists sponsored by the Press Foundation of Asia.

The realities in the Association of Southeast Asian Nations (ASEAN) and the Arab world make the idea of secession "not very attractive," Abubakar said.

Even neighboring ASEAN Muslim countries like Indonesia and Malaysia will block the MNLF's secession move because these countries have their own unhappy secession experiences, the UP professor said.

If the MNLF insists on its maximum demand which is secession or independence, it will end up having "more enemies than friends" even among Muslims in Indonesia and Malaysia, the Tausug academician pointed out.

Opposition will come not only from the ASEAN or regional grouping but also from the Islamic world, chiefly because the latter is "dominated by conservative leaders," said the UP professor. "You cannot talk to them about revolution. You will not be encouraged, you will not be entertained... Many Arab leaders just look at their wealth--not at Palestine and not at the cause of Islam," said Abubakar.

Abubakar also pointed out that the MNLF's demand for secession has been viewed as a ploy to strengthen its bargaining position. "Maximum demand (of the MNLF) is secession while the minimum demand is autonomy," he said.

The MNLF's struggle, according to Abubakar, stems from an effort to establish "political unity" among the southern Muslim communities, a unity which, Abubakar said, past leaders like even Sultan Kudarat failed to achieve because such efforts had always been blocked.

He said the Mindanao has always been traditionally ruled not just by one sultanate but by several. Apart from the Sulu Sultanate, there were also the Maguindanao Sultanate and the several sultanates of Lanao.

CSO: 4220/246

HUMAN RIGHTS ORGANIZATION IN LEYTE

Manila BULLETIN TODAY in English 13 Jul 82 p 27

[Article by Ruben Oliver Ensoy]

[Text]

People of Leyte are expected to be more vigilant of their civil liberties and human rights with the recent organization of the Leyte chapter of the IBP Human Rights commission.

Lawyer Aurelio D. Menzon, president of the Leyte IBP chapter and chairman of the Human Rights commission, Leyte chapter, said the purpose of the commission is to protect the human rights and the constitutional liberties of the people from the abuses of civil and military officials. The chapter also intends to implement the provisions of the charter of the United Nations on human rights.

The complaints and screening committee is chaired by lawyer Victor Veloso with Lulu Palencia and Menzon as members.

Fr. Noel Gartland is the chairman of the research and study committee, with lawyers Hermogenes Teves and Eduardo Polistico, as members.

Justice J.B.L. Reyes is the national chairman of the Human Rights commission.

Menzon said: "Without asking for help from the national government, we will try to solve our human rights problems by conducting dialogues with chiefs of offices and military commanders."

Teves said that the Leyte chapter of the commission does not expect to solve military and government abuses, but its existence would be a deterrent, more or less, to the excesses of government elements in the province and in Samar. Menzon and Teves are both from Samar.

CSO: 4220/239

DISSIDENTS SLAIN IN NEGROS OCCIDENTAL

Manila BULLETIN TODAY in English 13 Jul 82 p 28

[Text]

Two New People's Army men were slain in an encounter in Negros Occidental while 18 others surrendered Thursday in Quezon, a belated report reaching Camp Aguinaldo disclosed yesterday.

Slain in sitio Bantolinao, barangay Asia, Hinobaan, Negros Occidental, were Diego Aguanta, alias Molly; and Gerry Estoconing, alias Pandak.

The two were part of a 16-man NPA group which fought for an hour two teams of the 711th Constabulary company under First Lieutenant Torreon and a certain Staff Sergeant Melecio.

PC authorities said the group was responsible for the killing of Pat. Graciano Trembevilla of the Hinobaan police last May 10.

Recovered from the slain dissidents were one homemade .38-caliber revolver, a fragmentation grenade, two jungle knives, and ammunition.

Two barangay officials and four civilians were slain in separate incidents in Albay and Sultan Kudarat over the weekend, the Constabulary reported yesterday.

A report reaching Camp Aguinaldo said that in Albay, barangay captain Vicente Balmaceda and ex-barangay captain Moises Relato were kidnaped Tuesday from their houses in barangay Natsan, Libon, by seven unidentified armed men and then slain.

Motive for the kidnap-slaying was not immediately known.

In barangay Tibuhol, Palembang, barangay councilman Alipio Guiera and three members of his family were murdered Monday, inside their house, a PC report said.

The names of the three slain members of Guiera's family were not mentioned in the report.

CSO: 4220/239

BARANGAY CAPTAINS, OTHERS SLAIN

Manila PHILIPPINES DAILY EXPRESS in English 13 Jul 82 pp 1, 7

[Text] **ELEVEN PERSONS**, including two barangay officials and a rebel commander, were killed in separate incidents last week.

The first fatalities were Barangay Councilman Alipio Guira and three members of his family who were massacred Monday inside their house in Sultan Kudarat by armed men identified with the Moro National Liberation Front.

Investigators from the PC Region 12 command found the bodies of the victims riddled with bullets.

* * *

THE FOLLOWING day, Barangay Captain Vicente Balmaceda and former Barangay Captain Moises Relato of Albay were kidnaped by seven armed men from their homes in barangay Natsan, Libon town.

Their bodies were later found with bullet wounds at a nearby sitio.

Investigators said Balmaceda and Relato could be liquidated by dissidents.

Last Thursday, a rebel commander and his aide were killed in an encounter with members of the 711th PC company in sitio Bantolinao at Barangay Asia in Hinobaan, Negros Occidental.

The two were reportedly members of a 16-man rebel band encountered by two PC teams.

They were identified as Diego Aguanta, alias Molly, leader of the rebel group, and Gerry Estoconing, alias Pandak.

Investigators said Aguanta's group was behind the killing of Pat. Graciano Trembevilla of the Hinobaan police last May 10.

Recovered from the slain rebels were a .38 caliber revolver, a grenade, two jungle knives and assorted bullets.

ALSO LAST Thursday, two MNLF men and a suspect in the kidnap of Deborah Simon were killed in separate encounters in Sulu and Cotabato City.

In the Sulu clash, the fatalities were identified as Ladjahasan Ibah and Arased Jailiddi, who were reportedly operating under MNLF leaders Habib Adjabi Dasid, Manahuddin Kalimuddin and Madangan Ayuan.

A government trooper was wounded in the Sulu encounter. He was Mamad Santisan of the Civilian Home Defense Force.

Constabulary troopers killed Esmael Bagulong, alias Commander Mas Bucan, at barangay Katuli. Bagulong, a suspect in the kidnap of Deborah Simon last March, was also linked to the grenade-throwing incident in Pagadian City.

CSO: 4220/239

AUSTRALIA OFFERS TO SUPPLY WHEAT

Manila BULLETIN TODAY in English 13 Jul 82 p 8

[Text]

MANILA INTERNATIONAL AIRPORT, July 12 — Australia announced its willingness to supply the Philippines some of its wheat requirements but expressed disappointment over the current Philippine meat buying procedure.

This was disclosed in a joint communique issued by the Business Cooperation Committees of Australia and the Philippines after their eighth joint meeting in Brisbane last July 6-7.

Twenty delegates, led by Victor A. Lim, chairman of the Philippines-Australia Business Cooperative Committee, and Jose F. Lumban, executive director of Philippine Chamber of Commerce and Industry, attended the meeting along with 36 Australians led by J.H. Holberton, chairman of the Joint Meeting.

The meeting was opened by Queensland Minister for Education, W. A.M. Gunn, MLA.

Philippine Ambassador to Australia Monico R. Vicente welcomed the delegates while Australia's Deputy Prime Minister for Trade and Resources, J.D. Anthony, MP, in his message referred to the importance of business in ensuring the flow of trade between the two countries.

Lim, who arrived with a group last night said the Philippines would be the venue of the ninth PABCC to be held next year.

On wheat exports to the Philippines, Lumban said that the Australian had assured them that the price would be definitely competitive with that of the United States, the country's traditional supplier.

However, Lumban said that under US Public Law 480, competing suppliers have to reckon with the US policy of offering most liberal terms to wheat buyers under reasonable arrangements on long-term basis.

On investments, both delegations agreed to encourage further Australian investment in the Philippines.

Both side also expressed support for the efforts of the interagency committee led by the Philippine Board of Investments to establish a "one-stop facility" for new investments and ongoing business.

Deputy Minister for Industry Edgardo L. Tordesillas is scheduled to visit Australia Aug. 9-12 to discuss investment opportunities with Australian companies. (CCR)

CSO: 4220/239

LOAN SOUGHT FOR RUBBER INDUSTRY

Manila PHILIPPINES DAILY EXPRESS in English 13 Jul 82 p 3

[Text] THE PHILIPPINE government is finalizing negotiations with the World Bank for a $60-million loan to finance its five-year rubber development project.

Director Domingo F. Panganiban of the Bureau of Plant Industry, concurrently assistant secretary for crops of the Ministry of Agriculture, will leave for Washington D.C. tomorrow to finalize talks with World Bank officials.

Panganiban said at least 45,000 hectares will be available for on-farm development of rubber. Small farms having an area of less than 10 hectares are expected to account for about 10,000 hectares of the total project area under 2,700 subloans.

The largest part of the project will be comprised of medium-sized farms of 10-40 hectares covering a total of 21,000 hectares under about 1,400 subloans. Large-size farms of over 40 hectares planted to rubber are expected to cover about 10,000 hectares under about 170 subloans.

The World Bank report said that some 500 farmers already tapping rubber would obtain subloans for on-farm processing equipment, comprising mainly of hand rollers and coagulating tanks for making rubber sheets.

The project would also seek to meet the on-farm credit needs for the establishment of settlers within the project area – EMS

CSO: 4220/239

PHILIPPINES TO IMPORT POLISH COAL

Manila BULLETIN TODAY in English 13 Jul 82 p 12

[Text]

The Polish People's Republic is being eyed by the Philippine government for the supply of imported coal which will be used to meet the shortfall in local production.

The Ministry of Trade and Industry said yesterday that the possible supply of coal from Poland is being negotiated through a barter scheme where the Philippines will, in turn, supply Philippine products.

A source from the National Coal authority, a government entity authorized to deal with coal importations, said yesterday that the arrangement is still being finalized.

The country looks to Australia as its source for coal importations. Canada and China are also being tapped to supply the coal requirements of the power and cement industries.

A three-man mission from the Polish Republic arrived in Manila last June 30 for discussions with Philippine International Trading Corp. (PITC) on possible cooperation for the expansion of trade between the two countries.

The mission, received by Mr. Tadeuz Grzybowski who is the charge d'affaires and commercial counsellor of Poland, was headed by Jerry Mitoraz, director of the ministry of foreign trade, with Zdzislaw Walkowicz, deputy commercial director of Wegloloks Foreign Trade Enterprise, and Jaroslaw Ruozowski, also of Wegloloks.

Wegloloks is Poland's state trading enterprise that deals with hard coal, power gas and coking coal.

The ministry said Poland is one of the world's major producers of coal with an annual output of 160 million metric tons.

CSO: 4220/239

BRIEFS

FIVE MNLF COMMANDERS SURRENDER--Five MNLF commanders surrendered to General Ramos yesterday in Camp (Parang), Maguindanao. The commanders identified themselves as Commanders (Dima Agnagao), (Adbul Kahir Musuakat), (Bara Mascut), (Esmayar Mascut) and (Lori Bagar). They yielded two carbines, one garand rifle, and M-79 grenade launcher and two (?apple) grenades. Also at Camp (Parang) yesterday, General Ramos decorated 10 PC (?RNP) officers and men for outstanding feats in the Mindanao pacification campaign. [Text] [OW161325 Quezon City RPN Television Network in English 1100 GMT 16 Jul 82]

NO COMPROMISE WITH GOVERNMENT CRIMINALITY--President Marcos said yesterday there will be no compromise in the prosecution of crimes and graft and corruption in the government service. He assured the people that there will be no let-up in the prosecution of criminals. He said the government is undertaking an in-depth study of criminality in the government service, with the aim of preventing it. The president made this announcement in an interview with newsmen at Malacanang. He urged the ombudsman and investigators to do their jobs. He added that it was only under his administration that cases involving millions of pesos have been filed in courts. [Text] [HK180046 Manila Far East Broadcasting Company in English 2330 GMT 17 Jul 82]

INDICTMENT ON ANTIGOVERNMENT CONSPIRACY--Former Development Academy Vice President and [word indistinct] Awardee Horacio Morales and 33 others were indicted on subversion charges yesterday for allegedly conspiring to overthrow the government. The charges were filed by the military with the Quezon City Fiscal's Office. The others charged include Catholic priest (Eviscio Delaverre), lawyer (Ephraim Ancopa), (Lucia Amarilla Pesator), (Gilbert Torres), (Christopher Sawyer), (Jaime Bernal) and (Sixto Carlos) Jr. Through their counsels, the accused waived their right to a speedy trial and moved for the dismissal of the case. The motion was denied by fiscal (Amado Gonsales). He said under the law a fiscal's office had only 7 days to decide on the merits of the charges. [Text] [HK200111 Manila Far East Broadcasting Company in English 2330 GMT 19 Jul 82]

CSO: 4220/246

SIRIMA'S LEADERSHIP QUESTIONED

Colombo THE ISLAND in English 16 Jul 82 p 2

[Text2

At the last General Elections, people voted for Mr.J.R.Jayewardene to become the Prime Minister and not Mr.Premadasa, said Mrs. Sirima Bandaranaike, addressing a mass rally of the SLFP(S) at Dematagoda yesterday.

She said that there was corruption in the present Government. Most of the Nationalised ventures and Factories were being given to foreign multi-national companies with tax holidays and other concessions. Because of such actions, the Government was losing revenue. The Finance Minister would not be able to present a budget this year if he did not get more loans from foreign countries or the World Bank.

She said that the biggest wastage of money and material was found in the Ministries which came under the Prime Minister.

Mrs.Bandaranaike said that if the President Mr.J.R.Jayewardene was keen on clean elections, he should restore her civic rights and face the elections like a real man.

She challenged President Jayewardene to contest the Presidential elections in a straight contest with her and without the proposed amendments to the Constitution.

She added that Mr.Amaranaike was indisposed at Nuwara Eliya and was unable to attend the meeting.

Further report of the meeting will be carried tomorrow.

CSO: 4220/252

SIRIMA HURLS ANTIGOVERNMENT ACCUSATIONS

Colombo THE ISLAND in English 16 Jul 82 p 1

[Text]

"ACCORDING to the verdict of the Select Committee of Parliament, Mrs. Sirimavo Bandaranaike has no power over the Sri Lanka Freedom Party any more. From July 8 as the S.L.F.P. exists under my leadership with the party's symbol, hand and the colour, blue , said Mr. Maithripala Senanayake SLFP (M) leader at the first election campaign rally held at Hiriwadunne in Kegalle electorate.

He said that the legality of the S.L.F.P. had been secured only because his group took the right path to save the party at a crucial time.

During the past five years S.L.F.P. supporters underwent many difficulties. They were harassed by U.N.Pers after the elections and barred from securing jobs. Many strikers had not been reinstated and some lost their jobs. So it as our prime duty to ensure that the errors were rectified and relief brought to those people who suffered he added.

Mr. P. B. G. Kalugalle said that Mrs. Bandaranaike, who had lost her civic rights, had no right to lead the party. Therefore they had asked her to retreat from the leadership of the party and let Mr. Maithripala Senanayake lead it and face the general elections in 1983. She had replied "We will come into power in 1989 when I regain my civic rights". That was the way how Mrs. Bandaranaike had thought about the S.L.F.P. and its supporters.

We are going to face the General Elections in 1983 under the leadership of Mr. Senanayake. But we won't allow any of the followers of the Sirima Group to contest the election under the S.L.F.P. ticket with Mrs. Bandaranaike as their leader. If they do so, we would get the court of law to issue a 'Nis Order' to cancel their candidature he said .

Mr. S. K. K. Sooriarachchi said the S.L.F.P. was a rational party under Mr. Senanayake's leadership. Any member was free to rise to the top. even if he was not a member of the Bandaranaike family.

He requested the supporters to rally round the party under the leadership of Mr. Senanayake and help to build a better and prosperous Sri Lanka.

Ven. Wallallwita Saddananda, Harispattuwa, 2nd M.P., R. P. Wijesiri, Colombo Central 3rd M.P. Haleem Ishak, V.T.G. Karunaratna, Ariyananda Samarasinghe and several others also sopke.

CSO: 4220/252

FREE FOOD FOR LOWER INCOME EARNERS

Colombo SUN in English 16 Jul 82 p 1

[Article by Jennifer Henricus]

[Text]

Two million more people are to be included in Government's social welfare programme of Food Stamps.

These persons, a recent survey has revealed, had been excluded due to oversight from the programme to assist those in the lower income groups in 1979.

INCOME LESS THAN RS. 300

Nearly 7.5 million people, with an income of less than Rs. 300 came under the programme in 1979.

The figure, excluded from the programme has been computed by the Ministry of Food and Co-operatives from data collected by the special service officers of the grama sevaka divisions throughout the country.

The figure, however, could be much higher because complete data had not been received from seven districts, including Ratnapura and Jaffna, officials said.

The survey conducted by the special service officers was aimed at ascertaining how many people were eligible for the scheme but were not receiving the stamps, and how many people were ineligible but receiving the stamps.

According to the data, 'SUN' learns that very few stamp holders are ineligible, while the number of those who have to be included in the scheme is very high.

The food stamp scheme came up for discussion at the Government Group meeting last week where MPs voiced their concern at the fact that several deserving people, most of them very poor, were not receiving the stamps.

They were assured that remedial measures would be taken immediately, and that Cabinet had called for an urgent report on the matter from the Food Department.

According to informed sources the report is to be submitted to Cabinet this week, although complete data had not been received.

The floods in Ratnapura made it impossible to collect data there, while the delay in the appointment of special service officers in other areas has also hampered data collection.

Those eligible, 'SUN' learns, are to be included in the scheme from September.

Meanwhile Government's decision to increase the value of the food stamps was shelved because of the additional expenditure incurred as drought relief to those who were affected by the recent drought.

CSO: 4220/252

NEW LAW ON TEA EXPORT ISSUED

Colombo SUN in English 16 Jul 82 p 1

[Text]

The Tea Commissioner has laid down a series of stringent regulations regarding the registration of all overseas tea contracts, the purchasing of exporters' tea requirements and warehousing.

The regulations spelt out in a circular to all registered tea exporters, come in the wake of a series of detections of tea frauds, and several international complaints of price underquoting which are undermining the Sri Lanka market in several countries.

According to the circular, all overseas contracts should be registered with the tea exports branch of the Sri Lanka Tea Board within 48 hours of obtaining confirmation of the prices. Exporters have been instructed to register their contracts even before the establishing of the letters of credit.

They have also been instructed that all applications for registration of contracts should be handed only to the officer handling the subject at the tea exports branch in order to maintain the secrecy of the contracts.

With regard to purchasing, the exporters have been strictly directed not to obtain their requirements of tea for any purpose from licensed tea dealers who are not registered exporters of tea.

The Tea Commissioner has also directed the exporters to store the teas only in warehouses that have been declared to the tea exports branch. He also calls for an up-to-date record of the location of storage of such tea to be made available to the inspecting staff of the Sri Lanka Tea Board.

In the past few months several large scale frauds of blending teas with quantities unfit for human consumption underquoting of freight measurements and subsequent underquoting of tea prices in the international market and poor storage of tea have been detected by the Tea Board.

According to officials all these detections indicate a massive attempt by certain exporters to ruin Sri Lanka's hold on the market in several leading buyer countries.

CSO: 4220/252

FOREIGN JOBS TOP TEA AS FOREIGN EXCHANGE EARNER

Colombo DAILY NEWS in English 16 Jul 82 p 1

[Text]

Foreign employment will soon be the biggest foreign exchange earner, beating tea to the second place. Employment remittances will equal tea earnings this year.

Trade and Shipping Minister Lalith Athulathmudali who addressed the Students' Union of the Law College said that the preliminary estimates showed that foreign remittances this year would top six billion rupees. Tea will earn about the same.

In 1981 foreign remittances totalled Rs 4.4 billion and beat rubber and garments to the third and the fourth places on the hard currency earnings score board.

Mr. Athulathmudali who answered questions from students after detailing the development strategy of the government said that the gap between imports and exports could be bridged by money the country earned by way of services.

"Don't blame our brothers and sisters for going abroad. They are doing their duty by the country" he said.

He also spelt out the new strategy the government was concentrating on. "We are aware that the marketing profits are bigger than her production profits. We are now devising ways and means to reach the marketing profits from tea, rubber and coconut", he said.

The Minister also referred to the proposed constitutional amendment to the proportional representation system to enable picking candidates giving weightage to the wishes of the people. He said that would be done by comparing the percentages of votes polled by each of them.

CSO: 4220/252

STOCKPILED PADDY CAUSING PROBLEM

Colombo THE ISLAND in English 16 Jul 82 pp 1, 3

[Article by Ranjan Joseph]

[Text]

Co-operative Societies in paddy-producing areas are stuck with stocks of paddy amounting to about 1.6 million bushels. These are purchases made from the April Maha harvest.

Co-ops at Amparai, Anuradhapura, Polonnaruwa and Kurunegala are in serious financial difficulties as a result and are unable to settle a sum of Rs. 80 million which they obtained as loans from the People's Bank for the purchase of the paddy.

The Co-ops, which were earlier agents for the Paddy Marketing Board had, this year, decided to purchase paddy from farmers in competition with the Paddy Marketing Board and the private traders.

According to sources in the Department of Co-operative Development, the Co-ops had anticipated that the selling price of paddy this year would go up to Rs. 4 per kilo like last year, and purchased paddy from farmers at Rs.3.20 per kilo. However, the price offered by the PMB to farmers was very much less this year, i.e. Rs.2.84 per kilo, and even the private trader offered only about Rs.3.00 per kilo.

Last year, around July/August, the price of a kilo of paddy went up to about Rs.4.00, but this year, the prices anticipated by the Co-operative Societies were not achieved. At present, the price of a kilo of paddy is about Rs.3.50. Co-operative circles say that the thirty cents difference between the buying price and the selling price is insufficient to cover the expenses incurred by the Co-operatives.

The PMB had fixed their floor price on the basis of market research studies and even in the private sector, there had been no excess buying of paddy this year. The Co-operatives, which had done no market research whatsoever had, however, gone on a massive paddy-buying spree and their rates were often well above the figures quoted by private traders who had also studied the paddy market position.

A spokesman for the Ministry of Food and Co-operatives told 'The Island' that the Minister Mr.S.B.Herat had already been informed of the predicament facing some of the Co-op Societies in the four paddy-producing areas. He added that moves were under way to dispose of 12,000 metric tons of milled rice (about 1.4 million bushels). A total of 1.6 million bushels has accumulated in the Co-operatives.

The Department of Co-operative Development had suggested that the Food Commissioner will have to buy rice at Rs.5.40 per kilo at least for the Co-operatives to avoid losses on the sales.

Departmental sources said they were awaiting a report from the Food Commissioner on the matter.

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END

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No. 1178

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ASEAN TO MARK 15TH ANNIVERSARY IN AUGUST

Kuala Lumpur BUSINESS TIMES in English 19 Jun 82 p 9

[Article by Gerry Aziakou in Singapore]

[Text] THE Association of Southeast Asian Nations (Asean) celebrates its 15th anniversary this year, proud of its achievements but aware of the need to better reconcile at times conflicting interests of its five members to achieve greater cohesion and economic integration.

Founded in Bangkok on Aug. 8, 1967, at the height of the Vietnam war, Asean has emerged as one of the most successful regional groupings.

Now the world's fastest growing region, it boasts a market of more than 250 million people that is larger in terms of population than the US and Canadian markets combined.

Its five members speak with one voice on major international economic and political issues. As a result they have won respect and considerable bargaining power in world forums.

In a demonstration of Asean clout, Singaporean Foreign Minister Suppiah Dhanabalan persuaded Belgian Foreign Minister Leo Tindemans to reverse his earlier decision not to attend scheduled talks this week between Asean Foreign Ministers and a European Economic Community (EEC) delegation.

Mr Tindemans, current chairman of the EEC Council of Ministers, had earlier said he would not be able to lead the EEC team to the talks due to his busy schedule.

Asean was said to have been slighted and suggested that the EEC-Asean session, to follow a current three-day meeting of Asean chief diplomats, be postponed. But a top Asean official said Mr Tindemans had now agreed to come after receiving a cable from Mr Dhanabalan urging him to reconsider.

An important milestone in Asean history was the 1976 summit on the Indonesian island of Bali where a declaration of Asean concord was signed. It identified internal subversion as the main threat to the security of member states and economic development as the best weapon to combat it.

Asean leaders also vowed to "take cooperative action in their national development programmes, utilising as far as possible the resources available in the Asean region to broaden the complementarity of their respective economies."

The Asean record has been impressive. By 1990, the association's collective gross national product will have doubled if the grouping maintains its fast growth rate, which has averaged seven per cent for the past decade.

Explaining some of the reasons for this success, Singapore's Prime Minister Lee Kuan Yew said: "All our economies are market-oriented, encourage free enterprise and (have a) high level of external trade flows with the major industrial countries."

Mr Dhanabalan recently noted that Asean had been particularly successful in "schemes that improve infrastructure, transport, communications not only within one country but also on an Asean-wide basis."

Asean "has created an atmosphere of stability in the region and therefore has won the confidence of international investors as well as international buyers," he added.

"The fact that we are stable, that there is a willingness to cooperate and maintain good relations (among ourselves) means that they (foreign investors and buyers) look upon this area as a safe and stable source of raw materials," he said.

Asean is a leading producer of tin, rubber, palm oil, rice, copra and pineapple. In addition under the Asean preferential agreement (PTA), 3,563 items have been given tariff preferences. Total intra-Asean trade, including non-PTA items, doubled from US$9.848 billion to US$19.800 billion in 1980.

Politically, a catalyst for Asean unity has been Vietnam and its military control of Kampuchea since December 1978.

The perceived threat of some 180,000 Soviet-armed Vietnamese troops on Thailand's border has led Asean to map out a joint strategy aimed at making Hanoi pay a heavy price for its Kampuchean adventure and ultimately at bringing about an internationally recognised settlement.

But on security as on economic and other issues, different perceptions and at times conflicting interest remain.

For example, while Thailand, Malaysia and Singapore view Vietnam as the major threat to regional security, Indonesia feels the long-term menace comes from China.

Singapore, with an annual per capita income of US$4,700, is far more advanced economically than its neighbours, whose economies are essentially agro-based.

At the 1977 Asean summit in Kuala Lumpur, Philippine President Ferdinand Marcos had pleadged to take formal steps to drop his country's claim on Sabah. But since then nothing has been done.

Philippine Foreign Minister Carlos Romulo echoed an earlier call by President Marcos for an Asean summit to give a "political boost" to greater Asean economic integration. But Singapore, Malaysia and Indonesia said there were no new developments warranting such a summit.

Mr Lee also urged fellow Asean members to stand together to face the effects of world recession and mounting protectionism in the West: slower economic growth, trade deficit problems and shrinking foreign reserves.

"To withstand external pressure... Asean must stay together for greater collective strength. Subtle measures will be used to divide Asean to make protectionism less blatant.

"We must make it a practice to act jointly to protect our agricultural and commercial interests," he added. — AFP

CSO: 4220/632

MIGRANT ASIAN WORKERS POUR INTO ARAB GULF STATES

Kuala Lumpur BUSINESS TIMES in English 21 Jun 82 p 21

[Article by Ian Steele in New York]

[Text] POLITICAL rights are restricted, public meetings are prohibited, religious life must be circumspect; workers cannot own property, may not change employers without the permission of their original employer, and can be deported for striking, loafing or insulting the boss.

It sounds like hell, but it's the other side of heaven for thousands of migrant Asian workers who pour into the five Arab Gulf states each year. The trade-off for authoritarianism, social isolation and insecurity is oil money. And the possibility that a modestly skilled worker from India, Pakistan, Bangladesh, Sri Lanka, South Korea or the Philippines might save thousands of dollars a year from wages — an opportunity beyond the wildest of dreams in most of Asia.

Oil and the quest for modern development has created a rather strange Arab-Asian alliance in the Persian Gulf.

The small oil-producing kingdoms of Kuwait, Qatar, Bahrain, United Arab Emirates and Oman have decided to share their wealth with their people but not political power. Thus, they want roads, schools, hospitals, housing and other benefits of modern economic life but they simply don't have the educated and skilled nationals to deliver them. To open their doors to skilled Arab neighbours would be to import pan-Arab and pan-Islamic tensions into basically tranquil enclaves and to slow down the distribution of wealth by sharing it with outsiders.

Literacy

By importing foreign workers without the prospect of permanent settlement or integration, they have created welfare states which deliver free education from the primary level to universities, free health care, water, low-cost quality housing and national per capita incomes ranging from US$14,000 to US$17,000 a year for very little work. Building, staffing and maintaining the modern necessities of life in the Gulf have been left mostly to outsiders.

Although the avowed intention is to transfer the skills and wherewithal to nationals, there is little reason to expect that will happen soon.

Less than half the adult population in the Gulf is literate, the Koran dominates primary and secondary learning and higher education stresses literature. Of equal handicap to the possibility of a predominantly national labour force is the population base which, in 1975, ranged from 60,000 in Qatar to 500,000 in Oman. The total population of the five states in 1975 was only 2.8 million, of whom 1.3 million were foreigners involved in the development of the economies and social infrastructures.

In a current study for the *Population and Development Review* of the New York-based Population Council, Prof Myron Weiner of the Massachusetts Institute of Technology, profiled a world in which Indians and Koreans, working for Indian, British, American, Arab and Cypriot companies manned the construction industry; where doctors from Bangladesh, Pakistan and India and nurses from the Christian communities of Kerala (India) and Sri Lanka staffed the hospitals; and where Indians had become a predominant work factor in the oil companies, banks, hotels, stores, factories and clerical administration of business.

A World Bank study in 1975 showed that migrant workers made up 70.5 per cent of the workforce in Kuwait, 39.2 per cent in Bahrain, 34.8 per cent in the United Arab Emirates, 31.1 per cent in Qatar and 45.1 per cent in Oman. A 1980 study in Qatar and the United Arab Emirates indicated that migrants from South Asia alone outnumbered native Arab workers 3 to 1.

Inextricable

In 1975, there were an estimated 333,000 Indians living in the Persian Gulf region and more than 335,000 Pakistanis. As Prof Weiner put it, they had become "an inextricable part of the economy."

He said that the Gulf monarchies had created a divided social order with a consumer-oriented native population, which had little practical understanding of the linkage between productivity and income on one side, and a productivity-oriented migrant population on the other.

The two were kept in harmony by the knowledge that without the migrants the flow of social services would be severely disrupted. In the same manner, without the political stability of the monarchies the foreign workers, who were able to bank between one-third and two-thirds of their earnings, would probably be thrown out.

As "second class inhabitants," subject to expulsion at any time, South Asian workers, particularly the Indians, have done remarkably well.

Prof Weiner reports that although migrants are not allowed to own property or businesses, Indian entrepreneurs frequently had silent Arab partners who loaned their names for a percentage of the earnings and workers and their families had many of the trappings of home. Indian companies imported food, clothing and films, and sports clubs had sprouted in Kuwait, Bahrain, Dubai, Abu Dhabi and Oman.

Indian schools were under construction and religious festivals and practices were observed discreetly. — Depthnews

CSO: 4220/632

FOREIGN MINISTER DISCUSSES NEW CALEDONIA SITUATION

BK240948 Melbourne Overseas Service in English 1110 GMT 23 Jul 82

[From the "Australian Insight" program]

[Text] Welcome to Australian Insight. I am (Own Cole). In this program, the Australian minister for foreign affairs supports the French Government's land reforms in New Caledonia which sparked riots in the island.

Australia's minister for foreign affairs, Mr Street, supports moves toward independence in New Caledonia, but deplores the violence that has taken place on the Pacific island. He says the violence was caused by people opposing moves toward independence. Radio Australia's political correspondent, (John Lombard), asked Mr Street if the French Government was bringing about reforms in New Caledonia too quickly.

[Begin Street recording] If there is to be a major shift in the political structure of a country, then obviously the pace of change is something that has to be watched very carefully. Our attitude, as you know, is that eventually, the New Caledonian people should, by a free act of self-determination, be able to choose what sort of government they want. We also believe very strongly that should be and can be achieved peacefully--as other South Pacific nations have been able to do. If we are to achieve that goal, then obviously we have to be sensitive to the pace of change.

[Question] Are you confident that the French administration in Noumea can handle the present situation?

[Answer] Well, I think you'd better ask them that. But I think the present direction of developments in New Caledonia, leaving aside yesterday's very regrettable violence, the present trend of direction is the right one and, I think, there is an acknowledgement of that in New Caledonia itself now.

[Question] Well, a year ago, it was the pro-independence movement people who took to the streets to demonstrate. Now, it is largely the right wing anti-independent Europeans who are demonstrating. And we have heard reports that they are well-armed. Do you fear further violence in Noumea?

[Answer] We certainly hope that can be avoided--as I say, questions of detail, I think you would need to go and ask the French Government. But the history of the Pacific has been that many small island states have been able to achieve independence by consensus, by peaceful means. And we hope this will apply also to New Caledonia and I think, carefully handled, it can happen that way.

[Question] You have just seen Mr (Yan Yuragai), an independence front leader. What did he tell you of the situation there?

[Answer] Well, he acknowledges that reforms have been made. He does not believe, as I have mentioned earlier, that they go far enough. They would like to see a commitment from the French Government to give them independence and he believes that this issue will be raised at the South Pacific forum at Rotorua in a few weeks time.

[Question] Did he seek Australian support for the independence movement there?

[Answer] Well, we have already said that we...our approach is to favor a free act of self-determination, and in that sense, we hope our objectives are the same. We also stress the achievement of those objectives by peaceful means and proper processes. He certainly would welcome Australian support for those objectives.

[Question] Would you support Mr (Yuragai's) call for New Caledonia to be placed on the list of non-self governing territories which would require France to report regularly to the United Nations on the progress being made toward independence.

[Answer] I think we need to be pretty careful about this. As I say, reforms have now been instituted. There is government by decree in New Caledonia. And...I think we want to be wary of anything, to take up your earlier point, about pushing things too fast. Whatever we do, we need, I think to have at the back of our minds that the final objective is a peaceful act of self-determination. And, as to whether putting New Caledonia on that list will achieve that, I think is something that we need to give very careful attention to. In other words, I do not think putting it on the list is automatically going to achieve what is sought.

[Question] Does the Australian government recognize the independence front as the legitimate representative body of the Kanak people?

[Answer] One of the legitimate bodies. After all, the independence front, as I mentioned a moment ago, is in coalition in the local government in New Caledonia. They are not the only voice, but they are one voice, and we certainly listen to them as a legitimate spokesman, but not necessarily the sole one.

[Question] As you mentioned, the issue of the situation in New Caledonia seems certain to be raised at next month's South Pacific forum. What will be Australia's attitude?

[Answer] Oh, that will be decided at the forum itself which is, as you know, a meeting of heads of states.

[Question] But do you think there is a danger that there will be some France-bashing at the forum? Although France is not represented at the forum, a lot of countries feel very strongly about France's role in the Pacific.

[Answer] Well, first of all, I would like to say I hope France retains a role in the Pacific. And I think that is important. They have been here a long while and they have made great contribution to the region. Secondly, since the last forum, there has been a recognition that the French Government, the new French Government, has moved a considerable way. So I think there is a rather better atmosphere now than there was. [end recording]

CSO: 4220/263

BRIEFS

EARLY ELECTION--The Liberal Party is preparing for an early federal elections. Radio Australia's Canberra office says a meeting today of the party's federal executives has added to speculation of an early poll. The meeting was attended by the prime minister, Mr Fraser, his deputy, Mr Howard, and the Liberal Party leader in the senate, Sir John Carrick. According to a party spokesman, one issue discussed at the meeting was speculation about an early election. The spokesman said the meeting felt it would be premature to discuss the detail or timing of the early election in depth. However, he said it concluded that because of what it called the current unpredictable political climate, the party should be prepared for an early campaign. The next federal election is not due until next year, but Mr Fraser has the option of calling it early, and that could be as soon as mid-September. [Text] [BK231249 Melbourne Overseas Service in English 1130 GMT 23 Jul 82]

MALTA DIPLOMATIC STATUS--The minister for foreign affairs, Mr Street, has upgraded Australia's diplomatic representation in Malta to the level of high commissioner. Mr (Guy Cottsel), who has been acting high commissioner since September 1981 has been appointed high commissioner. Mr Street said this was an appropriate step in the light of the steadily expanding bilateral relationship. [Text] [BK180955 Melbourne Overseas Service in English 0830 GMT 15 Jul 82 BK]

JAPANESE COAL CUTS REQUESTED--A big Australian coal exporter, Utah Development, has been asked to make way for cuts in shipments to the depressed Japanese steel industry. The request by the steel mills to introduce a new flexibility clause into its coal contract with Utah is expected to be made in future to all suppliers. Radio Australia's Tokyo correspondent, Walter Hamilton, says the Japanese appeal came during negotiations with Utah for the supply of coal from three big Queensland mines after 1984. He sayd the contracts--a total of 10 million tons of coal a year--are the biggest in Australia's trade with the steel mills. The Japanese side reportedly wants the right to reduce its orders from Utah by up to 40 percent depending on steel production. This compares with the usual flexibility of 10 percent. Hamilton says the new contract formula will allow the steel mills to curtail coal shipments the same way they have done with iron ore suppliers from Australia. He says, it is understood Utah has been told not to expect a price rise without this agreement. [Text] [Melbourne Overseas Service in English 0830 GMT 16 Jul 82 BK]

AGRICULTURAL PRODUCTS PRICE DROP--The Bureau of Agricultural Economics says the net value of farm production this financial year will be the lowest since 1977-78. The bureau says farming costs will be up, but in real terms, the net value of rural production will fall by nearly one-third. Worsening seasonal conditions in the eastern states and lower export prices are the main factors. The bureau says returns from major crops will be lower. Worst affected will be wheat and sugar, with wheat falling 17 percent in value and sugar by 18 percent. Wool prices should improve slightly and meat prices should remain stable or improve, thereby offsetting fall in production. The bureau forecasts an 8 percent increase in farm costs. It says total farm income will decline in real terms by 30 percent to just over $12.03 billion. Federal opposition spokesman for primary production, Mr (Kerin), says the main reason for the drop in farmers' income is rising costs and he blames the Fraser government's economic strategy. [Text] [Melbourne Overseas Service in English 0830 GMT 20 Jul 82 BK]

ECONOMICS WITH NEW ZEALAND--The minister for primary industry, Mr Nixon, says he does not believe that closer economic relations with New Zealand will damage the agricultural industries in either country. Opening a meeting of the Australian Agricultural Council in Rotorua, New Zealand, Mr Nixon said he was aware of some concern felt by primary producers. This would be discussed by both governments. Mr Nixon said the federal government would consider a suggestion from the states for the establishment of a steering committee to manage the question of cooperation. The Australian Agricultural Council is a meeting of state and federal agriculture and primary industry ministers. [Text] [BK261036 Melbourne Overseas Service in English 0830 GMT 26 Jul 82]

CSO: 4220/263

COMMUNIST INSURGENTS TRY TO LINK UP WITH THAI COUNTERPARTS

Kuala Lumpur NEW STRAITS TIMES in English 23 Jun 82 p 14

[Article by Zaw Win]

[Text] **RANGOON: After a two-year lull in heavy fighting between the army and communist insurgents in Burma, both sides are now engaged in a new round of hostilities.**

The Rangoon government, concerned about the communists' large-scale infiltration south from their strongholds in the mountainous and relatively isolated eastern Shan state, has moved to stop them linking up with their counterparts in Thailand, informed sources said.

Lightning probes followed by frequent sudden-death encounters on the narrow jungle paths characterise the latest fighting in contrast to the large-scale attacks involving thousands of soldiers both sides launched during the late 1970s.

News that the fighting had resumed came on June 19 when the government announced that 67 communist rebels had surrendered with their weapons in April and May.

The official Burmese news agency NAB said that the insurgents surrendered in groups of 10 or more and included cadres with the ranks of political commissar, company commander and regimental commander.

For two years, Burma's army-dominated government had been mostly silent on its festering war with the Chinese-backed Burmese Communist Party (BCP) forces. Both sides had held back as diplomatic efforts took place to end the conflict which began when Burma won its independence from Britain in 1948.

Secret talks between the two were able to begin as a result of shifting international alignments in Asia caused by China's efforts to strengthen its regional ties and isolate Vietnam, and a policy of conciliation begun by Burma's former president, General Ne Win, before he retired last year.

They broke down last year over what were described by diplomats then as intolerable communist demands. They included virtual autonomy for communist-held areas in Shan state near the Chinese border and the maintenance intact of the party's guerilla army.

About a year ago, before the talks began, China stopped its financial assistance and arms deliveries to the BCP, forcing it to find other funds, informed sources said.

It turned to the lucrative and illegal opium trade which prospers in South-East Asia's infamous Golden Triangle, the common border areas of Thailand, Burma and Laos.

Co-operation

The sources said the communists were now concentrating on long-range infiltration southward from their northern Shan base to the sensitive Thai frontier region around Mae Hong Son to try to link up with Thailand's communist insurgents.

The Thai and Burmese governments, both concerned about the communist shift on the border region, have increased their co-operation against the rebels.

The menace is considered greater now that the Burmese party has become deeply involved in the opium trade.

Faced with this challenge, the Burmese army moved to intercept and destroy guerilla columns making persistent thrusts southward, the sources in Rangoon said.

Despite its new source of wealth, Burma's Communist Party has failed to widen its support beyond its mountainous enclaves. The sources said its 10,000 members are largely simple mountain tribesmen influenced by cash handouts.

Communist Party leaders, including chairman Ba Thein Tin, reside mainly in the Chinese side of the frontier and are said not to have been back to Burma for years. They have lost touch with the Burmese masses, the sources said.

Clandestine BCP radio broadcasts reveal an almost total ignorance of the Burmese people and things Burmese, they said.

Adding to the leadership's problems are their relations with China. Peking supports the party in principle but appears more keen on strengthening its ties with the Burmese government as a neutral state.

The Burmese party's central committee is the same group of men who came out strongly in support of China's ill-fated Maoist cultural revolution and condemned Deng Xiaoping and the present power group in Peking.

"The Chinese do not forget such things easily," a veteran observer of the Burmese communist insurgency said. — Reuter

CSO: 4220/633

BRIEFS

NAXALITES SUFFER SETBACK--Krishnagar, July 13--The arrest of Mr Ramen Saha, the underground leader of the Nisith Bhattachryya-Azizul Haque faction of the CPI (M-L) yesterday has rung down the curtain on the Naxalite movement in the districts, according to senior police officer. He said that after Mr Bhattacharyya and Mr Haque it was Mr Saha who could run the movement independently. He made the Saktinagar area of this town a bastion for the Naxalites. Mr Saha has reportedly told the police that he would not have been arrested had he been in Saktinagar. The police officer said Mr Saha had been evading arrest for the past 10 years. He participated in the Naxalite movement in the seventies though not as a "ranked" leader, and even after the debacle of the party he could not be arrested. Mr Saha reorganized his party men, gathered committed activists and engineered radical programmes to "annihilate class enemies" the police officer said. He worked in the regional bureau of the CPI (M-L), severed his link with the bureau because some of differences and joined the Second Central Committee of the Nisith Bhattacharyya-Azizul Haque faction. He led the resurgence of the Naxalite activities in the south Bengal districts, particularly in Nadia and Murshidabad. [Text] [Calcutta THE STATESMAN in English 14 Jul 82 p 16]

CSO: 4220/273

SOLONS URGE GOVERNMENT TO WITHDRAW FROM OPEC

Kuala Lumpur NEW STRAITS TIMES in English 21 Jun 82 p 17

[Text]

JAKARTA, Sun. — Two Parliament members have urged the government to consider taking Indonesia out of Opec — the first such call by ruling party politicians.

Angry about Opec-mandated production cutbacks, they questioned whether membership in the Organisation of Petroleum Exporting Countries addressed Indonesia's needs.

Indonesia, Opec's third largest producer as well as its poorest, has a production capacity of 1.64 million barrels a day but has been asked by Opec to cut down to 1.3 million barrels.

Its oil exports dropped by US$1 billion (M$2.2 billion) in the first three months of 1982 compared to the same period last year because of Opec-inspired production cuts.

Cutback

Coming at a time of sharp drops in other commodities exports, it was a significant decline for a nation of 150 million which draws nearly 70 per cent of its income from oil revenues and has a per capita income of only US$[illegible].

The resentment caused by the cutback flared in Parliament on Friday.

"Most Opec members are Arab States which have heavily invested their oil business in developed countries, like the United States and Britain," said Parliament member Yan Mokeginta.

"They pay too much attention now to the needs of the industrialised countries. It would be better for the Indonesian government to rethink Indonesia's membership of Opec," he said.

His statement was echoed by Miss Susantini Sukono, who, like Mr Mokeginta, belongs to the ruling Golkar party and serves on the House's Commission on Energy.

"The more we look at Opec, the more we can see that it is an organisation which is losing its teeth," Mr Mokeginta said. "Before being Opec members, we must think of our own interest."

It was the first time Members of Parliament belonging to the pro-government majority openly questioned Indonesia's Opec membership.

But Mines and Energy Minister Subroto assured the House Commission on Energy that "Indonesia will remain a good Opec member."

His comment reflected the official stand that in the long run membership is good for Indonesia, a stable developing country which spurred itself from being 8th in the 13-member oil cartel to its third largest producer. — UPI.

CSO: 4220/634

TREMENDOUS INCREASE IN USE OF COAL ANTICIPATED

Kuala Lumpur BUSINESS TIMES in English 3 Jul 82 p 9

[Article by Warief Djajanto in Jakarta]

Text]

BURIED somewhere beneath the verdant rain forests of East and South Kalimantan is a rich coal reserve which has attracted foreign investors eager to cash in on its potential. Conservative estimates place the reserves at one billion tons.

On Nov. 2, 1981, the state-owned coal corporation, PN Tambang Batubara, signed a joint-venture agreement with American- and European-based firms of PT Arutmin (Arco and Utah), PT Utah Indonesia (Utah Exploration, Incorporated) and PT Agipconcol (Agip SpA and Consolidated Coal of Indonesia Ltd) for the exploration of the coal reserve.

Under the agreement, the foreign companies would explore an area totalling 2.88 million hectares in East and South Kalimantan, known in colonial times as Borneo.

The contractors were given one year within which to undertake their survey of the project and another three years to explore the coal reserves before actual construction and mining operations start.

Indonesia would earn an annual lump sum of US$100,000 in provincial tax (ipeda) from the operation, exclusive of corporate tax and other levies. Another 13.5 per cent of the coal production would be given to Indonesia.

Last April 8, another contract for coal exploration was signed by PN Tambang Batubara and a Western joint venture covering an area of 700,000 hectares in East Kalimantan. The joint venture, called PT Kaltim Prima Coal, is composed of CRA (Rio Tinto) of Australia and British Petroleum.

Two coal mines, the Ombilin in West Sumatra and the Bukit Asam complex in South Sumatra, are operating in Indonesia under the PN Tambang Batubara. Both were established during the colonial era.

Ombilin is being expanded at an estimated cost of US$244.2 million. The programme is expected to boost the mine's production to 1.35 million. The programme is expected to boost the mine's production to 1.35 million tons a year by 1990, from only 241,000 tons last year. Ombilin has a known reserve of 178 million tons.

The frenzied activities in the coal mining sector may just be the beginning. Indonesia, a major oil producer in South-East Asia, plans to accelerate the development of its coal reserves to ease its dependence on oil for its energy needs.

Oil provided 80 per cent of the national energy requirements in 1980, followed by natural gas at 16.28 per cent, hydroelectric power at 2.9 per cent and coal at a marginal 0.81 per cent.

Expansion of the production of all energy sources is underway. In a recent speech, Minister for Mines and Energy Dr Subroto said that by 1990, natural gas would provide 30 per cent of the nation's energy requirements, hydropower, 6.5 per cent; coal, 11.24 per cent; and geothermal, 1.5 per cent.

Dr Subroto said with the shift to non-oil fuel sources, Indonesia's domestic oil consumption would drop to 60 per cent by 1990.

This year, Indonesia's coal production is expected to reach 415,000 tons, 300,000 tons of which would go to the domestic market.

Projections indicate substantial production increases starting in 1985 when coal output is expected to increase to 2.26 million tons. By 1990, Kalimantan would produce 12.49 million tons of coal.

But while Indonesia now exports coal, this situation may not hold for long. By 1990, Indonesia's coal requirements would reach 16.04 million tons, thus outstripping domestic production of the commodity.

The tremendous increase in local coal consumption over the next eight year is due to increase demands by petrochemical and power firms.

In the current Third Five-Year Plan (1979-84), Indonesia has earmarked 2,304 billion rupiahs (US$4 billion) up to the fourth year for mining and energy development. Of this amount, 546.1 billion rupiahs (US$1 billion) would be spent on the mining venture. — Dejthaeve Special

CSO: 4220/634

MILITARY COOPERATION AMONG COALITION MEMBERS IS UNLIKELY

Kuala Lumpur BUSINESS TIMES in English 28 Jun 82 p 19

[Article by Catherine Campbell in Bangkok]

[Text] THE formation recently of a coalition of Kampuchean resistance forces has shed little light on the future of the small, shell-shocked nation of Kampuchea, Western diplomats said here.

The leaders of the three main Kampuchean resistance groups, who signed a joint declaration giving birth to the coalition government of Democratic Kampuchea recently in Kuala Lumpur, hold only a tiny western fringe of Kampuchean territory.

Their hold on the loyalties of five million Kampucheans, ruled since January 1979 by the Hanoi-backed government of President Heng Samrin, is impossible to determine.

Former head of state Prince Norodom Sihanouk, 59, who became president of the coalition, is generally agreed to be its best hope of gaining world support and firing the patriotism of his impoverished countrymen.

Blatant bid

The vice-president of the coalition, Khieu Samphan, is the leader of the ousted Khmer Rouge government, which still legally represents Kampuchea at the United Nations.

The Peking-backed Khmer Rouge are still widely reviled for killing more than a million Kampucheans during their harsh rule from 1975 to 1979.

Fear of a Khmer Rouge return to power, fanned by Vietnamese propaganda, still haunts many Kampucheans, visitors to the country say.

The Vietnamese charge that the coalition is merely a mask for the Khmer Rouge and a blatant bid to gain them respectability and ensure their UN seat by linking them with Prince Sihanouk and former Premier Son Sann.

Clause

"And the Vietnamese may be right," a Western diplomat said.

Son Sann, who heads the three-year-old Khmer People's National Liberation Front (KPNLF), joined the coalition as Prime Minister only because it could mean international aid for the KPNLF, his followers said.

Both Son Sann and Prince Sihanouk have denounced the Khmer Rouge for their excesses, including the killing of the Prince's relatives.

"The coalition is bringing together three leaders who don't like each other and have nothing in common except their desire to drive the Vietnamese out of their country," an Asian diplomat said. "Who can imagine what will happen?"

The joint declaration on the coalition, which emerged after almost a year of fruitless talks, makes clear that each of the three groups maintains its own identity and that all decisions of the coalition would be made by consensus.

"It also provides an escape clause for the Khmer Rouge," a Western diplomat said. "If the coalition reaches an impasse, the legal government of Kampuchea reverts to the Khmer Rouge alone. The Khmer Rouge seem to have everything they wanted."

"Prince Sihanouk has said he is not optimistic about the coalition and it's not hard to understand why," the diplomat went on.

The question of aid to the coalition is one of the main uncertainties in its future, the diplomats said.

"Talk of military aid from the West and South-East Asia was a carrot used to encourage the Kampucheans to unite," one diplomat said.

"But now that it has come to the crunch no country will admit to being willing to provide military aid," the diplomat added.

"Non-communist countries are promising political support and humanitarian assistance, but Kampucheans had more than that in mind," he said.

The Chinese-armed Khmer Rouge, with about 30,000 guerillas, are the major fighting force against an estimated 200,000 Vietnamese troops in Kampuchea.

China has also provided some arms to the approximately 5,000 KPNLF soldiers and Prince Sihanouk's Moulinaka force, which numbers little more than a thousand. Military co-operation among the three groups was extremely unlikely, diplomats said.

The first task for the coalition is to establish a base where the three leaders can meet regularly and where the coalition could be established as a political entity.

Khieu Samphan lives mostly in the Khmer Rouge-controlled western Kampuchean jungle, while Son Sann commutes between France and his KPNLF bases along the Thai-Kampuchean border about 200 km (175 miles) north-east of Bangkok.

Prince Sihanouk has said he too will settle on the volatile border, temporary home for about 200,000 other displaced Kampucheans. — Reuter

CSO: 4220/635

SON SANN EXPECTS TO RECEIVE MILITARY, OTHER AID

Kuala Lumpur NEW STRAITS TIMES in English 24 Jun 82 pp 1, 4

[Article by Zainah Anwar]

[Text] KUALA LUMPUR, Wed. — The new coalition government of Democratic Kampuchea will step up its guerilla activities against the Vietnamese occupying forces "until they can't sleep well", said Prime Minister Son Sann today.

"We have no pretensions that we can fight the Vietnamese out of Kampuchea but we will sabotage them everywhere. We will hit them and run. Hit and run. We will disturb their positions," he told the *New Straits Times* in a special interview.

Explaining why he and Prince Norodom Sihanouk had joined hands with the China-backed Khmer Rouge, Mr Son Sann said this was imperative to increase pressure on the Vietnamese from inside Kampuchea.

Asean, he said, has put political pressure on Vietnam and the Western countries and Japan have put economic pressure, but "after all that, Vietnam is still there."

"I have to accept the coalition to increase guerilla action and to show the world and Hanoi our mutual determination to liberate our country," said this 71-year-old economist who was a Prime Minister under Prince Sihanouk's rule.

This, he added, was also the message he had left for his fighters and supporters before leaving his base inside the Thai Kampuchea border for the signing ceremony here.

Asked if he expects to lose any support, Mr Son Sann said no, not if he can explain and the world Press can help him explain why the coalition was established.

Speaking softly and slowly, the tall, thin Premier pointed out the important clause in the draft agreement which states that each faction shall retain its own organisation, political identity and freedom of action, including the right to receive and dispose of international aid specifically granted it.

He said this means that the Khmer People's National Liberation Front (KPNLF) that he leads remains autonomous.

Only five members will be inside the coalition — he and four others who will be Ministers to jointly head the four co-ordinating committees with representatives of the Khmer Rouge and Prince Sihanouk's Moulinaka group.

The rest of his men, which he said number 9,000 armed and 3,000 unarmed, will remain "in our own organisation, our own nationalist front."

He said if there was no such clause in the agreement and his fighters had to join forces with the Khmer Rouge, "they'll never accept my decision to join the coalition."

"Every one of us had at least one or two or sometimes whole families killed by the Khmer Rouge. To ask us to join forces with the Khmer Rouge as in the call for a United Front in 1980 is impossible."

While the fear and hatred for the genocidal regime of the Khmer Rouge still remains, Mr Son Sann also made it clear that their common enemy is now Vietnam.

Yes, he was pressured to sign the agreement, but the pressure came from Vietnam, he told the Press conference after yesterday's signing.

Fight

Of the next step, he expects to receive more aid from the international community — both humanitarian and military aid.

The KPNLF, he said, has 3,000 soldiers who are ready to fight tomorrow if they have the arms. The group's military school is training commanders who can take charge of 20,000 new soldiers.

"We have the manpower. We have no problems getting recruits. But we're waiting for weapons."

He proudly said that former generals, colonels and marshals living in exile in the US and France are now returning to help lead the fight against Vietnamese forces.

General Sak Sutsakhan, the last Chief of General Staff and head of an interim military government just before the Khmer Rouge takeover of Phnom Penh, has also returned to the border to join the KPNLF, said Mr Son Sann.

CSO: 4220/635

SIHANOUK: ACCEPT KHMER ROUGE OR LOSE KAMPUCHEA

Kuala Lumpur NEW STRAITS TIMES in English 28 Jun 82 p 2

[Article by Hoo Ban Kee]

[Text] PENANG, Sun. — His hair is short-cropped, white but still thick. A smile flashes across his youthful face easily and as he pours out his thoughts on the woes of his people and nation, he is still an animated conversationalist, whether in French or English.

Sixty-year-old Kampuchean statesman, poet and playwright, Prince Sihanouk hardly fits the image of a resistance movement leader.

But when he talks about the fertile soil, the lush padi fields, the rivers, the lakes teeming with fish and the people of Kampuchea, his heart is very obviously with his war-torn beloved motherland and his long-suffering people.

He was explaining the reasons why he must join hands with the Khmer Rouge, who killed two of his children, and the Khmer People's National Liberation Front in forming the coalition government of Democratic Kampuchea and why his people must accept this government.

He said at his hotel suite overlooking the beach here: "I have not changed. But at 60, I am less flamboyant and more realistic now. I have also gained more wisdom.

"As a patriot, I cannot refuse joining the unified nationalist resistance movement so that we will have the support of the whole of Kampuchea and the outside world.

"And I think more and more of people will accept this reality. Because to do otherwise would only play into the hands of the Soviet Union and Vietnam."

Prince Sihanouk said since the signing of the declaration in Kuala Lumpur to form the coalition government, of which he is President, there has been a change of heart and spirit among his people and that even the Khmer Rouge was gaining support in Kampuchea.

More and more people realise that they have to accept the Khmer Rouge or "they will lose Kampuchea to become one of the provinces of Vietnam."

The Prince may be bitter over what happened in his country but he did not show it. He recalled a string of Vietnamese and Kampuchean friends who, he said, are now either still his friends or his deadly foes. But he showed no obvious bitterness.

Recalling how he lost two of his children in 1975, he said: "It was in September in Peking. Chairman Mao and Premier Chou En Lai told the Khmer Rouge in my presence not to kill me, my wife, Princess Monique and our children."

"But they killed my other two children (not by Princess Monique).

"The Khmer Rouge was told not to send me to the co-operatives and that was why I was kept in the palace but under house arrest."

He said he did not want any more disputes with Khieu Samphan or Son Sann because the real enemy now was the Vietnamese.

"I told them once the coalition government is set up, they should be the administrators and I will take on my role as the spokesman and diplomat to gather international support for the movement."

He said there was no overnight solution to the Kampuchean problem as the Vietnamese forces in Kampuchea were still strong and they are "stubborn."

However, he said that with the forming of the coalition government which he will launch in early July, the Vietnamese have been dealt a weakening blow politically and diplomatically and "that is why they are very angry now in condemning us as accomplices of the United States and China."

He predicted that the Vietnamese would launch a serious attack against the Khmer Rouge and other anti-Vietnamese forces in Kampuchea once the current rainy season is over.

The former Head of State said the coalition government would adopt the Vietcong-type guerilla tactics in fighting the Vietnamese and he foresees "many, many difficult days ahead."

Food

He likened the Vietnamese to the Americans during the Vietnam war. They could not operate effectively during the rainy seasons when their heavy military hardware got bogged down and they had to retreat to the towns.

The new coalition government would have no fixed headquarters, no fixed buildings or places so that the Vietnamese would never be able to locate their positions.

He however pointed out that one of the greatest handicaps faced by the resistance forces is shortage of food, particularly by his faction, the Moulinaka.

He said the faction was 5,000 strong and needed military aid and food.

Prince Sihanouk then quoted a French proverb which says that one cannot fight on an empty stomach.

When the interview came to an end, the Prince started commenting on the 1982 World Cup matches which reminded me of what he had said earlier.

"I am not a changing Prince...But there are two Sihanouks now." — Bernama.

CSO: 4220/635

COALITION SHOPPING FOR WEAPONS IN SINGAPORE

Kuala Lumpur NEW STRAITS TIMES in English 29 Jun 82 p 15

[Text]

SINGAPORE, Mon. — Prince Norodom Sihanouk brought the new Kampuchean resistance coalition's "arms shopping mission" today to Prime Minister Lee Kuan Yew and said Singapore is already offering "semi-military" aid.

Singapore government officials declined to specify what types of aid would be supplied, but Prince Sihanouk said that so far it included mine detectors and other non-weapon equipment.

Prince Sihanouk, the flamboyant former Kampuchean leader, said he was optimistic he could clinch a deal with Singapore to buy small arms. The tiny but economically powerful nation manufactures and sells machine guns, mortars and other light weapons.

"I understand that the form of aid will be semi-military," Prince Sihanouk told reporters after talks with top Singaporean officials. "We are looking forward to the supply of mine detectors which we need urgently."

There was no immediate comment on the talks between Prince Sihanouk and Mr Lee.

Prince Sihanouk's resistance group has joined with the factions led by his former Premier, Son Sann, and communist Khmer Rouge leader Khieu Samphan, in a cooperative effort to battle the Vietnamese-backed government — and the 150,000 Vietnamese troops — occupying Kampuchea.

A priority is obtaining weapons for the 40,000 men the coalition will have under arms.

"We want arms and we want humanitarian aid," said Prince Sihanouk's Press adviser, Peng Cheng. "The Prince is at the moment on an arms shopping mission."

Prince Sihanouk is hoping for aid as well from other members of Asean nations. U.S. officials have indicated they might supply some aid to the non-communist elements.

"Apart from this we are also looking for humanitarian aid in the form of rice, sugar, clothing so that we will be able to meet the requirements of a battle well ahead of us," said Peng Cheng. — UPI.

CSO: 4220/635

BRIEFS

CUBAN RAUL ROA DEATH--Phnom Penh, 16 Jul (SPK)--Chea Sim, chairman of the National Assembly, recently sent a message to Flavio Bravo Pardo, chairman of the National Assembly of the Republic of Cuba, and to Raul Roa Garcia's family expressing his most sorrowful condolences on the death of Raul Roa Garcia. Chea Sim emphasized that the death of Raul Roa Garcia is not only the loss of an eminent militant of the party and the state of the Republic of Cuba but is also a loss of a sincere friend of the Kampuchean people. Comrade Raul Roa Garcia dedicated the whole of his life to the revolutionary work of the Cuban people and greatly contributed to the reinforcement of friendship and solidarity between the Cuban and Kampuchean peoples. His death is a loss for the Cuban people as well as for the Kampuchean people. [Text] [BK170805 Phnom Penh SPK in French 1428 GMT 16 Jul 82]

JAPANESE DELEGATION--Phnom Penh, 27 Jul (SPK)--A Japanese delegation led by Tamagawa Gakusho, vice chairman of the Pan-Japanese Young Buddhists Association, arrived in Phnom Penh on Monday, 26 July, for an official visit to Kampuchea. It was greeted on its arrival by Min Khin, deputy secretary general of the KUFNCD National Council; Bonze Um Sum, vice chairman of the Phnom Penh Municipal Front Committee; and other personalities. [Text] [BK270543 Phnom Penh SPK in French 0411 GMT 27 Jul 82]

CZECHOSLOVAK GREETINGS--Phnom Penh, 15 Jul (SPK)--The Central Committee of the Czechoslovak Communist Party has sent a greetings message to the KPRP Central Committee on the 31st founding anniversary of the KPRP (28 June). The message said, among other things: Continuing the glorious tradition of the Indochinese Communist Party, your party led by the Kampuchean people in their difficult struggle for national and social liberation against the oppression of colonialism, imperialism and internal reaction toward victory. It mobilized Kampuchean patriots to overturn the regime of the criminal Pol Pot clique and opened for them a road toward a joyful and free life. The decisions of the Fourth KPRP Congress will be successfully implemented under the leadership of the party and with the close cooperation of countries in the socialist community. We note with satisfaction that the relations of fraternal friendship and close and friendly cooperation between our parties and peoples, based on the principles of Marxism-Leninism and socialist internationalism, have developed incessantly and have deepened in favor of our nations, of the socialist community and of the communist and workers movement. [Text] [BK161154 Phnom Penh SPK in French 1435 GMT 15 Jul 82]

BULGARIAN FILM WEEK--Phnom Penh, 16 Jun (SPK)--A Bulgarian film week to commemorate the centenary of Georgi Dimitrov, sponsored by the Ministry of Information and Culture, opened in Phnom Penh this morning. Documentary films on the life and works of the leader of the Bulgarian revolution were shown. Mat Ly, KPRP Central Committee member, vice chairman of the National Assembly and vice chairman of the KUFNCD National Council; Chheng Phon, minister of information and culture; and Yit Kimseng, minister of health, attended the opening ceremony. Simeon Dimitrov, Bulgarian ambassador to Kampuchea, was also present. [Phnom Penh SPK in French 1434 GMT 16 Jun 82 BK]

MESSAGE TO GANDHI--Phnom Penh, 25 Jun (SPK)--Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the Council of Ministers, today sent a message of sympathy to Indira Gandhi, prime minister of the Republic of India, expressing his heartfelt emotion upon learning about the serious material damage and losses in human lives caused by a storm in the Orissa Region. The Kampuchean leader asked his Indian counterpart to convey his profound condolences to the inhabitants of the affected region. [Text] [BK251456 Phnom Penh SPK in French 1440 GMT 25 Jun 82]

OFFICIALS VISIT SIEM REAP--Phnom Penh, 30 Jun (SPK)--On the occasion of the 31st anniversary of the KPRP, a delegation composed of Say Phuthang, member of the Political Bureau and vice chairman of the Council of State; Bou Thang, member of the Political Bureau, vice chairman of the Council of Ministers and minister of defense; and Chan Seng, member of the KPRP Central Committee and secretary of the Siem Reap-Oddar Meanchey Provincial Party Committee, visited KPRAF units in Siem Reap-Oddar Meanchey Province. Say Phuthang and Bou Thang cordially talked with cadres and combatants of the units. [Text] [BK011155 Phnom Penh SPK in French 0425 GMT 30 Jun 82]

CSO: 4200/54

PARTY CONGRESS PRESIDIUM LISTED, CONGRESS ATTENDEES PROFILED

Vientiane NOUM LAO in Lao 15-30 Apr 82 pp 3, 19

[Article: "News Concerning the Third Party Congress"]

[Excerpts] On the morning of 27 April 1982 the Third Congress of the LPRP was gracefully opened in Vientiane Capital. The people who attended the congress are:

-228 individuals who represented the total of 35,000 party members;
-105 heroes, emulation combatants, scholars, and senior members involved in the party's affairs;
-11 delegates from communist parties, the workers' parties, and national liberation movements.

The congress presidium committee consisted of comrade Kaysone Phomvihan, secretary general of the LPRP central committee; comrades in the party central committee political bureau Nouhak Phoumsavan, Souphanouvong, and Phoumi Vongvichit; Gen Khamtai Siphandoh, Phoun Sipaseut, and Sisomphon Lovansai, along with Comrade Sali Vongkhamsao, secretary of the party secretariat; Gen Sisavat Keo bounphan member of the central party secretariat, Sanan Southichak Trade Union representative; Sounthon Thepasa, Champassak Province representative; Bolang Boualapha, Saravane Province representative; Mrs Khampheng Boupha, Lao Women's Association representative; Nhiavu Lobaliayao, nationalities committee representative; Saignavong, Houa Phan Province representative; Thonglai Kammasit, Youth Ynion representative; Bounma Mithong, Vientiane Capital representative; Souvandi Phommali, Luang Prabang Province representative; Kham-On, representative of Phong Saly; and Khamvong, Louang Namtha Province representative.

Others who joined the presidium committee are the chiefs of the 17 delegates of communist parties, worker's parties, and national liberation movements who attended the congress.

The congress began with the national anthem and the Internationale with all the delegates standing and paying respect. Comrade Souphanouvong representing the presidium committee opened the congress by giving a memorial speech in honor of Ho Chih Minh, chairman and founder of the Indochinese Communist Party, Comrade Sithon Kommadam, Khamphui O-Visai,

Somseun Khamphithoun, all fighters and all countrymen, and the Vietnamese communists and international proletariat fighters who sacrificed their lives for the national and democratic revolution and for the protection and national construction of socialism in Laos.

The congress delegates stood silently for 1 minute.

There were 23 delegates who expressed their opinions in order: 1, Houa Phan Province; 2, Vientiane Province; 3, Phong Saly Province; 4, Louang Nam Tha Province; 5, Ministry of Agriculture, Forestry, and Irrigation; 6, Ministry of Industry and Trade; 7, Song Meuang Canton, Nong Bok District, Khammouan Province; 8, Ministry of Communications, Public Works, and Transportation; 9, representatives of teachers and students all over the country; 10, Oudomsai Province; 11, Hatsaifong District, Vientiane Province; 12, the Lao plywood factory; 13, representative of the national defense and public security forces unit; 14, Champassak Province; 15, Houn District, Phong Saly Province; 16, Xieng Khouang Province; 17, representative of the Lao State Electrification Enterprises; 18, representative of the Lao Federation of Trade Unions; 19, representative of the LPRP Youth Union; 20, representative of the Lao Women's Association; 21, Savannakhet Province; 22, Paksong District, Champassak Province; 23, [the party central committee education].

New LPRP Central Committee

Lao Loum are 79 percent, Lao Theung 15 percent, Lao Soung 6 percent, and the Women's Association was increased by 1 comrade more than the former set by the committee, so now there are 4 comrades on the committee. The average age of the members of the central committee is 55. All of the new central committee are veterans of two wars, and 90 percent of them have had high-level and mid-level Marxist-Leninist theoretical studies.

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CSO: 4206/61

INDOCHINA RESISTANCE GROUPS DENIGRATED

Vientinae NOUM LAO in Lao 15-30 Apr 82 p 20

[Article: "Indochina"]

[Text] They took their youth and ran away into the jungle, living like savages on only a few dollars from Beijing and Washington. These youth are the routed soldiers of Lon Nol, Pol Pot, Ieng Sary, Vang Pao, and Nguyen Van Thieu. At the present time they are wandering about dense jungles in a limited area of the three Indochinese countries. Their daily routines are looting, stealing, and sabotaging the peace and security of the people. The command centers for these people are Beijing, Washington, Bangkok, and other ASEAN capitals.

Because of these savage acts, these looters have been hunted and killed by the people of the three nations so much that their leaders have cried out in pain, "We cannot take it any longer, we will certainly die if this goes on."

The leaders in Beijing believe that "the enemy of my enemy is my friend." Therefore, they have given money to hire these routed and ungrateful youth to resist the power of the people in the three Indochinese countries. The CIA also openly takes part in this dirty plan. The Soviet publication KOMSOMOLSKAYA PRAVDA in its 23 April 82 issue covered an interesting story that nowadays the former mercenaries who once fought in Indochina are active again. It seems that they still want to feel the pain one more time. Not long ago Robert Brown, owner of the magazine SOLDIER OF FORTUNE which is a forum for American mercenaries in Bangkok, met with representatives of Mong exiles in Bangkok.

A training and weapons supply camp for the bandits at the present time is located in Seumow District, Yunnan Province. Here they are trained to throw hand grenades, spy, loot, hijack, and numerous other kinds of espionage. After that they will be sent to carry out their work along the Laos-China and Vietnam-China borders and in Kampuchea. However, they are always defeated and destroyed.

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CSO: 4206/61

YOUTH UNION PROVINCIAL SECRETARIES PROFILED, AIR VIEWS ON CONGRESS

Vientiane NOUM LAO in Lao 15-30 Apr 82 pp 6, 7

[Text] Thongphan, 49, provincial secretary of Oudomsai Province

I attended the Third Congress of the LPRP for the first time.

I am very proud to attend the historic Third Congress of the LPRP, because this congress opened after the country was completely liberated and is progressing in carrying out the 2 strategic duties of our revolution: to defend the country, and to build up socialism. During the congress I listened to a political report of the central committee by Secretary General Kaysone Phomvihan. I also heard the policy and responsibility for economic and social development of the First Five-Year Plan by Comrade Nouhak Phoumsavan of the central committee political bureau, and the amended regulations by Comrade Sisomphon Lovansai, party central committee. We all exercised our democratic right by electing the party congress central committee who are the real representatives of the workers and working people, and who also resolutely promote the solidarity of all parties, armies, and people all over our country.

After listening to many reports in the congress, I felt and realized the attention and concern of the party towards our Youth Union. Following the Second Congress of the LPRP the central committee has planned a policy to build up the Lao People's Revolutionary Youth Union, and has proposed roles for the Youth Union in the party and government, in the policy for constructing the nation, Trade Union Federation, the Women's Association, etc. Since the central committee has such a set plan, our youth have been steeled in the revolutionary fire, and this has made them steadily grow in numbers, strength, and quality.

Under the brilliance of the Third Congress, the work and role of the Youth Union were noted in the political report of the central committee. They determinedly mobilized, studied, organized, and led the Youth Union in the fight against the enemy and in protecting the country, in revolutionizing scientific technology, in production, construction, transportation, culture, arts and literature, sports, gymnastics, sanitation, and in building a new life. They trained the Youth Union members to be the reserve forces of the party.

When I go back to my province I will organize and carry out the following resolutions of the congress:

-to work in order to more widely expand the plenum of the congress over all ranks of dadres, members, and masses of the Youth Union for all tribes all over the province, and to make the congress plenum a part of the emulation in the three solidarities and four offensives among the youth, and to score achievements to greet the up and coming congress of the Lao People's Revolutionary Youth Union;

-to increase the mobilization of the Youth Union for carrying out their work in national defense and national security, and to deeply adhere to the bases;

-to improve the Youth Union in terms of politics, ideology, and a strong organization in order to be the true, active right hand and reserve force of the party.

However, to make this work a success we would like to ask all levels of the party committee and administrative authorities to facilitate things and create conditions for the Youth Union to work progressively.

Bounthan, Champassak Youth Union Secretary

On the occasion of the Third Congress of the LPRP from to [as published, no dates given] NOUM LAO had the opportunity to interview a number of representatives who attended the congress. These are the comrades who are responsible in the Youth Union and some are still young.

The following interview was done while the congress was in session.

Comrade Bounthan Patsaman, provincial secretary of the central committee of the LPRP Youth Union of Champassak Province

[Question] How many times have you attended party congresses?

[Answer] This is my first time.

[Question] We would like you to say something concerning the party.

[Answer] The party is the supreme political organization. The Lao People's Revolutionary Party is a true Marxist-Leninist party which correctly applies Marxist-Leninist theory for use in our country. The party has a clear and just policy. It organizes and leads all victories. The party considers the Youth Union as its reserve and fighting forces for building up the party.

[Question] Based on the political report by Secretary General Kaysone Phomvihan, what is your opinion concerning the party's policy towards the Youth Union (briefly)?

[Answer] There are many issues. One is an emphasis in the policy for the Youth Union to accelerate in building itself up in an allround manner. The Youth Union organization is directly under the party; the party is directly

responsible for the Youth Union and its aim is to expand its numbers and efficiency and to make the Youth Union members a useful tool for the party.

[Question] For the last question, what do you plan to do after you return to your region after the congress?

[Answer] After the congress I will apply the party's policy to the Champassak provincial Youth Union. I will determinedly improve and strengthen the Youth Union organization, and build a strong basis for the Youth Union and continue the three solidarities and 4 offensives more actively.

NOUM LAO: Thank you.

Am-Kha, secretary of the central committee of the LPRP Youth Union of Saravane

[Question] How many congresses have you attended?

[Answer] This is my first time.

[Question] How do you feel now that you are attending the congress?

[Answer] Very excited and most proud.

[Question] After attending and following many reports in the congress, what do you think about it, especially the feeling towards the party leadership and the future of the nation?

[Answer] As we all know, from the Second Party Congress to the Third, the LPRP has led the people through many difficulties. But with its creative, clearsighted, and appropriate ideas it was able to completely liberate the country by taking power into its own hands. Since then, the country has advanced to socialism without passing through capitalism. In the past 6 years the victory of the party's leadership in protecting and constructing our country was confirmed once again. We resolutely believe in the party. The Saravane Youth Union wants to follow the party completely. The future of our beloved country is certainly bright, and it is certain that no enemy will be able to destroy it.

[Question] Very briefly, when you return to your region, what plans do you have?

[Answer] I will put the achievements of the congress into actual practice in the Youth Union in our province. There is a way to organize and train our Youth Union members to promote the party's heritage to stand out more than before. Especially in our three solidarities and 4 offensives emulation, the Saravane Youth Union will actively strengthen the mobilizing movement.

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CSO: 4206/61

EDITORIAL CITIES PARTY MEMBERSHIP FIGURES, HAILS KAYSONE

Vientiane NOUM LAO in Lao 15-30 Apr 82 pp 2, 17

[Editorial]

[Text] Our Third Party Congress has carried out its work in a creative, highly efficient, and unanimous atmosphere over 4 days, and closed on 30 April 1982 with great success and graciousness. The congress selected the new central committee to be the militant staff of the party. The new central committee unanimously selected Comrade Kaysone Phomvihan to be secretary general of the new central committee of the LPRP which consists of revolutionaries who are resolute and more educated than the other 35,000 ranking party members.

A political report was proposed at the congress by Comrade Kaysone Phomvihan, secretary general of the central committee of the LPRP. The next year's economic and social policy was proposed by Comrade Nouhak Phoumsavan of the political bureau of the party central committee, and the amendments to party regulations were read by Comrade Sisomphon Lovansai of the political survey of the party central committee. The party delegates from many provinces, ministries, departments, and factories all over the country listened to the strategic duties, the primary goals in the economic expansion policy for the future, foreign policy, and policy of party building.

The Youth Union members along with all the Lao people are happy to welcome the political report proposed by Secretary General Kaysone Phomvihan, our most respected leader, and the other documents of the Third Congress of the LPRP. These documents are most significant for our nation's purity. Their aim is to provide Lao people of all races a life under conditions of peace and prosperity. The political report reflected our party's prudence and its high willingness to be responsible to our country.

All Youth Union members and all the Lao people have followed the work of the Congress closely. Everyone felt extra happy for its success. The Third Congress has opened a new page in our history. Opinions concerning the congress all confirmed the great success and excellent lessons that the party and the people have scored in all working areas since the time of the Second Congress in February 1972. These victories are made possible by the correct, creative, and prudent leadership of the central committee led by

Secretary General Comrade Kayeone who is a resolute communist. The newly elected central committee represents the knowledge and fighting forces for the party which is truly Marxist-Leninist. The central committee consists of comrades from the second party central committee and new and strong comrades who have been outstanding in fighting for the country and in constructing socialism. This will help to increase the fighting strength of the new central committee even more.

Based on the opinions of fraternal communist delegates who highly assessed the party's role, and the people who praised the results of the work and training, our friends in Asia, Africa, Latin America and Europe all support our party's policy in constructing and protecting our socialist country, in bringing our country which is considered to be underdeveloped forward in the world, and causing it to be a country of peace, independence, and unity. Also, the international organizations affirmed its deep hold among the nations. Young Lao workers and people of all races all over the country will remember and perform their work with great success concerning the political report and socialist economic policy in the coming year. Concerning the party's amended regulations, the secretary general of the central committee said that "the duties of the party, the army, and all the people still weigh heavily. We have to fight against all tricks aimed at invading us and the confusion the enemy has created. We must protect our complete independence, our sovereignty, and our land. We must build our country, and ensure the people of all races in our country a peaceful and happy life. At the same time, we must save for the construction of socialism, our country's permanent growth."

Every youth is the right hand and the front line of the party, and will determinedly and honorably do everything possible to achieve the work assigned by the party and the country.

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CSO: 4206/61

KAYSONE AWARDS HONORS TO UNITS, INDIVIDUALS

BK220700 Vientiane Domestic Service in Lao 0000 GMT 22 Jul 82

[Decree by the prime minister of the LPDR on the awarding of medals and government certificates to units and individuals--dated 13 July 1982]

[Text] In view of the policy of the party and government to commend various units, localities, cadres, combatants, workers and state employees who have contributed to the glorious success and great historic victory of the Third LPRP Congress;

In view of the outstanding achievements of various bases;

In keeping with the suggestions and approval of the chiefs of all subcommittees responsible for serving the 1982 Third Party Congress; and

With the approval of the congress guidance committee and the Standing Committee of the Supreme People's Council, the LPDR prime minister has agreed to:

Article 1: Bestow labor medals and government certificates of commendation on various collective units, cadres, combatants, workers and state employees, as follows:

1. Bestow labor medals on 350 units and 2,351 individuals:

A. 8 individuals attached to the subcommittee responsible for the entertainment of domestic guests;

B. 29 individuals attached to the subcommittee responsible for the entertainment of foreign guests;

C. 166 individuals attached to the service subcommittee;

D. 57 individuals attached to the propaganda and decoration subcommittee;

E. 1,371 individuals attached to the public security subcommittee;

F. 350 units and 715 individuals attached to the national defense subcommittee; and

G. 5 individuals attached to the work content subcommittee.

2. Present government certificates of commendation to 292 units and 2,686 individuals:

A. An individual attached to the subcommittee responsible for the entertainment of domestic guests;

B. 180 individuals attached to the service subcommittee;

C. 25 individuals attached to the subcommittee responsible for the entertainment of foreign guests;

D. 7 units and 48 individuals attached to the propaganda and decoration subcommittee;

E. 285 units and 1,988 individuals attached to the public security subcommittee; and

F. 434 individuals attached to the national defense subcommittee. [numbers of individuals as heard]

Article 2: This decree comes into effect on the date of its signature and the congress guidance committee and the organizations concerned are authorized to organize ceremonies to mark the conferring of medals and the presentation of certificates in an appropriate and timely manner.

[Signed] Kaysone Phomvihan, prime minister of the LPDR

Vientiane, 15 July 1982.

CSO: 4206/66

SOUPHANOUVONG BESTOWS MEDALS ON UNITS, INDIVIDUALS

BK220536 Vientiane Domestic Service in Lao 0000 GMT 22 Jul 82

[Decree by the president of the LPDR on the awarding of medals to collective units and individuals--dated 16 July 1982]

[Text] In view of the policy of the party and government to commend various units, localities, cadres, combatants, workers and state employees who have contributed to the glorious success and great historic victory of the Third LPRP Congress;

In view of the outstanding achievements of various bases;

In keeping with the suggestions and approval of the chiefs of all subcommittees responsible for the service of the 1982 Third Party Congress, unanimously approved by the congress guidance committee; and

Acting on the decision of the subcommittees of the Standing Committees of the Supreme People's Council and the Council of Ministers, the LPDR president has agreed to:

Article 1: Bestow freedom and labor medals on collective units, cadres, combatants, workers and state employees of all subcommittees who have scored outstanding achievements in fulfilling tasks in service of the Third LPRP Congress, as follows:

1. Bestow medals of freedom, first class on 11 units--5 units attached to the public security subcommittee, 5 units attached to the national defense subcommittee and another attached to the work content subcommittee.

2. Bestow medals of freedom, second class on 20 units and 18 individuals--11 units and 16 individuals attached to the public security subcommittee, 9 units attached to the national defense subcommittee and 2 individuals attached to the work content subcommittee.

3. Bestow medals of freedom, third class on 31 units and 241 individuals--14 units and 25 individuals attached to the public security subcommittee, 2 individuals attached to the subcommittee responsible for the entertainment of domestic

guests, 13 individuals attached to the service subcommittee, 3 individuals attached to the subcommittee responsible for the entertainment of foreign guests, 18 units and 190 individuals attached to the national defense subcommittee, and other individuals attached to the work content subcommittee. [all figures as heard]

4. Bestow labor medals, first class on 8 units and 15 individuals--5 units and 15 individuals attached to the public security subcommittee and three other units attached to the national defense subcommittee.

5. Bestow labor medals, second class on 25 units and 180 individuals--3 individuals attached to the organizing subcommittee, 16 units and 164 individuals attached to the public security subcommittee, 9 units and 11 individuals attached to the national defense subcommittee, and 2 other individuals attached to the work content subcommittee.

6. Bestow labor medals, third class on 58 units and 581 individuals--2 individuals attached to the subcommittee responsible for the entertainment of domestic guests, 8 individuals attached to the organizing subcommittee, 17 individuals attached to the service subcommittee, 11 individuals attached to the subcommittee responsible for the entertainment of foreign guests, 10 units and 19 individuals attached to the propaganda and decoration subcommittee, 48 units and 453 individuals attached to the public security subcommittee, 65 individuals attached to the national defense subcommittee and 6 other individuals attached to the work content subcommittee.

Article 2: The decree comes into effect on the date of its signature and the congress guidance committee and the organizations concerned are authorized to organize ceremonies to mark the awarding of the medals in an appropriate and honorary manner.

[Signed] Souphanouvong, president of the LPDR

Vientiane, 16 July 1982.

CSO: 4206/66

NATIONWIDE STATISTICS ON COOPERATIVIZATION REPORTED

Vientiane VIENTIANE MAI in Lao 12 Jun 82 p 2

[Column: "Conversations With the Editor"]

[Excerpts] [Question] I would like to ask you more about agricultural co-ops: 1- How many complete agricultural co-ops are there nationwide? 2- How many farmers have become co-op members? How much cultivated land was there formerly? also, where are the most outstanding co-ops?

[Answer] 1. The outcome for agricultural co-op construction over a 3-year period and the statistics of the 1981 report are that of 103 districts nationwide a total of 1343 co-op units have been set up in 60 districts. These include 37 districts that have advanced to engaging in intensive agriculture, with 1,959 hectares per unit. The area for agricultural co-ops is 429,205 hectares.

2. Based on the 1981 statistics there are a total of 441,497 agricultural co-op members. Provinces having agricultural co-op units set up in the bases where 70-80 percent of the farmers have become co-op members are Xieng Khouang, Phong Saly, and Oudomsai.

The outstanding co-ops are the agricultural co-op unit in Ban Phon Savan, Sayaboury, whose net income per co-op members is 5,800 kg of rice per year, on the average, and the agricultural co-op unit in Ban Don Dou, Vientiane Capital. The income per member is over 1 ton of rice per year on the average.

For other units the total average income per member is only 350 kg of rice per year, which is still considered low. However, some units have their own ploughing tractors, rice mills, water pumps, etc. This indicates the growth and expansion of the conversion to agricultural co-ops.

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CSO: 4206/63

DRIVE TO COLLECTIVIZED AGRICULTURAL PRODUCTION DESCRIBED

Vientiane VIENTIANE MAI in Lao 4, 5 Jun 82

[Conversations With the Editor Column]

[4 Jun 82 p 2]

[Text] [Question] Dear Editor: I have always followed your column in VIENTIANE MAI and have never before written to you, but today I have a question about something which I know, but when I try to put it into practice I am confronted with some difficulties. My questions are as follows.

1. How can we propagandize or guide farmers to convert from their private, small, scattered production to collective production, especially agricultural co-ops? Also, what is the best way to do it?

I hope you can help me. Best wishes to you and your colleagues.

Thank you.

Young Mobilizing Cadre

28 May 82

[Answer] Dear Comrade who uses the pseudonym "Young Mobilizing Cadre": In fact, you are directly and primarily a driving force in mobilization. We propagandize by means of newspapers, and participate in mobilizing on a broad scale. Thus, our answers in the newspaper deal mostly with discussions of general policy. As for other small problems, these are the responsibilities of cadres in each specialized task to change, expand, and use whatever means possible. Although I am not a good mobilizer and lack experience and knowledge, I would like to share with you something we have learned from our research concerning the question you raised. Whatever is useful you should put into practice, bit if there is still something lacking please forgive us.

1. The policy concerning the conversion to agricultural co-ops that our party and government have specified is correct, consistent and appropriate with socialist production and building foundations and socialist agricultural production. Before progressing to the basic agricultural co-ops, the party and government has set a policy for converting small, scattered production to collective production, for example, the labor exchange and gathering together to form collective production. The next step is to set up an agricultural co-op. Now, whenever the requirements are met an agricultural co-op can be set up right away. The next step after agricultural co-op is agricultural settlement, which is high-level production in socialism, because agricultural settlement production is modern, scientific, and progressive.

I have discussed something quite advanced and many people still do not understand this issue. It is necessary that farmers study it seriously, especially the expansion of socialist production that we have been discussing, starting from exchanging labor to a complete agricultural co-op, and the next step of agricultural settlement.

[5 Jun 82 p 2]

[Text] We are a little off the track, so we shall try to stick to the real issue. We want to define the meaning of the term agricultural co-op. An "agricultural co-op" is a complete organization for agricultural production in which farmers voluntarily put in their tools, land, equipment, and labor together in order to carry out collective work.

This is what we found in a Bulgarian text, bit it added the criterion of member acceptance as "one who has a right to become a member of an agricultural co-op must be at least 17 years of age. Farmers must contribute all their cultivating land. However, the co-op still leaves one-half hectare for them to own for family production, along with domestic animals. The co-op will leave some for them, e.g., animals for milk. There can be up to 5 domestic animals in one family, 2 pigs including suckling pigs, and 2 goats or sheep. There is no limit on the number of ducks and chickens. As for horses, it depends on what you want to do. Tools used in production that people put in together have their value assessed by the co-op and after they have put them into the co-op they cannot take them back." What makes if different from us is that tool owners have the right to take back their tools when they withdraw from co-op membership. "When a co-op accepts members it provides training for them within the village. As for the land which previously was scattered, when it is put into the co-op it will become land with no boundary lines except for the amount set aside for members to cultivate for their families." This is different from ours.

The above is a lesson from Bulgaria. Whatever you think is good you can apply to your own situation, but you must be careful [to make sure] it is suitable for the situation in our country, and ignore that which is not suitable for us.

Concerning propaganda for converting farmers to join agricultural co-ops, Professor Bakarov, a Bulgarian agriculturalist, has given an explanation. The Bulgarian people also did not like agricultural co-ops, just like us. In the first mobilization there were a small number of people who applied to join. When they knew it was not going to work out, the mobilizing Bulgarians started using a new propaganda technique by making use of the youth to help in mobilizing. For example, they used young students, the farmers' own sons, to mobilize their own parents. When the parents could no longer withstand their sons' pleas they agreed to become co-op members. However, when the builldozers came to take out the boundaries of their fields the father or mother would lie down in front of the bulldozer to block the way, because they felt regret at losing the land they had inherited. This happened in Bulgaria but not in our country, and in particular in Bulgaira in 1944 after it was newly liberated. I have discussed this because I want you to compare the experience of one country after its liberation and how they were able to set up agricultural co-ops. As I said earlier, what is good we should learn from them, but this does not mean we should copy everything from them.

Another excellent way concerning propaganda to mobilize farmers to join agricultural co-ops is "the truth." What is the truth? The truth is to "actually do it." It means we must set up an example of an efficient agricultural co-op, wuch as the one in Don Dou Island now. When we have a good and progressive agricultural co-op and the farmers see that it can actually work, they will willingly and enthusiastically join it, and at this time those who could not become members would really be upset.

It happened the same way in Bulgaria, based on what Professor Bakarov has told us. He said that before they could attract people to join agricultural co-ops, the government first of all had to set up an example for the farmers to learn and to deeply abosrb, and to see the new production techniaues. This is a good way which I agree with. Regarding the party's policy concerning agricultural co-ops, he said that the change to agricultural co-ops is the party's policy concerning production organization and re-arrangement of the work in order to construct the material and technical base in rural areas, and the help the people to have organization and only agricultural co-ops so these will lead us to achieve the revolution in scientific technology. Moreover, converting to agricultural co-ops is a revolution in idealogy and culture; it is a way to produce new socialist men in rural areas at the same time."

There are many more aspects, but I would like to end for now so you can restudy this and apply it in actual practice. This is the reason I gave you examples both from abroad and from our country that you probably can understand. Therefore, we wish you luck and wholehearted support so that you will be able to succeed in your goal in mobilizing, especially in leading farmers to join agricultural co-ops. Nowadays the Lao people of the whole country are primarily responsible for the "green revolution."

Thank you.

9884
CSO: 4206/62

RICE STRAIN EXPERIMENTATION RESULTS DISCUSSED

Vientiane SIANG PASASON in Lao 12 Jun 82 p 2

[Article: "Successful Rice Strain Experimentation in Salakham"]

[Text] The rice research and experimentation station in Salakham takes part in encouraging and expanding agriculture according to the policy of the party and the government.

Comrade Hatsadong, the chief responsible for rice strain research and experimentation at this station, disclosed to us that in the past 6 years, although confronted with difficulties, they determinedly worked hard to make it possible for the success of the rice strain research and experimentation, which consists of four main working groups for selecting foreign and domestic strains, expanding the strains, and experimenting with different technologies such as cultivating season, amount of fertilizer, planting time, and mixing strains.

After the time mentioned they were able to study and experiment with many rice strains, especially improved rice strains from the Philippines, for example, [IR] 8, 22, 24, 848, 253, 789, 2823, and 63. Meanwhile, they also experimented with local strains, e.g., the Sanpathong, Dokma-li, E-Deng Noi, and Kapmak strains.

Based on the research and experimentation this time, they found that the improved strain from the Philippines, paddy rice IR 848, non-glutinous rice IR 2823, and the local strain Sanpatong gave good results and fairly high quality, yielding 2.2 tons per hectare [or more]. Because these rice strains are suitable for the climate of our country they are now being expanded nationwide. For example, the Naphok seed rice production center has used the rice strains mentioned to expand this year's rice cultivating season by as much as 100 hectares.

Last year the rice experimentation in Salakham also experimented with an Indonesian rice strain, non-glutinous B 1014, whose yield is good. The rice stalk is resistant to worms, aphids, and locusts. It yields up to 4.7 tons per hectare, higher than the world average which is only 4.6 tons per hectare, but this rice strain has not yet been expanded in our country.

As for mixing strains, comrade Hatsadong said it is a new job for us. However, the station mentioned mixed Sanpatong and IR 848 rice which gave rather good results, and they named the mixed strain Salakham rice. However, it will take eight seasons before it becomes a complete strain.

Based on the above we believe that the Salakham rice research and experimentation station will advance its work and its important contribution to steadily raise agricultural production efficiency, and also will forever reinforce and strangthen the obligation between workers and farmers.

9884
CSO: 4206/63

BRIEFS

VIETNAMESE TABLE TENNIS TEAM--Vientiane, July 12 (OANA/KPL)--Phoumi Vongvichit, deputy prime minister and minister of education, sports and religious affairs, this morning received the visiting table tennis delegation from Vietnam. The deputy prime minister, on this occasion, warmly welcomed the delegation led by Nguyen Dac Tho, which has brought with it the spirit of sportsmanship and special solidarity of Vietnamese people to the Lao people. "The matches of friendship," Phoumi Vongvichit said, "will contribute to the strengthening of friendship ties among sportsmen of the two countries." Phoumi Vongvichit, on the occasion, asked the visitors to convey fraternal greetings to the Vietnamese leaders, sportsmen and people. The Vietnamese table tennis team held here the first match of friendship, on July 11, with the Vientiane municipality team. [Text] [BK121121 Vientiane KPL in English 0915 GMT 12 Jul 82]

PHOTO EXHIBITION ON DPRK--Vientiane, 28 Jun (KPL)--A photo exhibition was inaugurated here on June 25 to mark the month of solidarity with the Korean people's struggle against the U.S. imperialist aggression (June 25-July 27). The photo exhibition was jointly organized by the Lao Committee in Support for Peaceful Reunification of Korea and the embassy of the Democratic People's Republic of Korea. Outtama Chounlamani, deputy minister of education, sports and religious affairs and vice chairman of the said committee, and the Korean ambassador to Laos, Yun Chong-sop, delivered speeches at the inaugural ceremony. The militarist policy of the U.S. imperialists in general, and the stationing of troops along with the introduction of most sophisticated weapons jointly implemented by the puppet regime in South Korea were denounced by the speakers. It was also stressed that the U.S. policy poses dangerous threat to peace and stability in the region and the world. The two men also denounced the scheme of the U.S. imperialist and their Korean puppet which (?insists on) dividing Korea. [Text] [BK020745 Vientiane KPL in English 0910 GMT 28 Jun 82 BK]

YOUTH UNION PEACE RALLY--Vientiane, 29 Jun (KPL)--A rally hailing the success of the 19th Congress of the All Union Leninist Young Communists League (Komsomol) and the 11th Congress of the World Democratic Youth Organization was held here, on June 26, by the Central Committee of the Lao People's Revolutionary Youth Union [LPRYU]. Present on this occasion were Thonglai Kommasit, head of the LPRYU CC, and other representatives from various youth organizations. The visiting Soviet delegation of Komsomol led by its foreign relations deputy-head, Yevgeniy Verbitskiy, was also on hand. [Excerpt] [Vientiane KPL in English 0912 GMT 29 Jun 82 BK]

BULGARIAN SONG, DANCE TROUPE--Vientiane, 5 Jul (OANA/KPL)--The visiting song and dance troupe of the Central Council of Bulgarian Trade Union, last night gave its first performance at the National Theatre. This dance troupe which also visits Vietnam and Kampuchea gives performances to mark the 100th anniversary of Georgi Dimitrov's birth. The performance, [which] included lively presentation of folk dances and songs, was warmly welcomed by the audience. [Text] [BK101009 Vientiane KPL in English 0857 GMT 5 Jul 82 BK] Vientiane, 8 Jul (OANA/KPL)--Sanan Soutthichak, member of the Lao People's Revolutionary Party and president of the Lao Federation of Trade Union, yesterday received the visiting song and dance troupe of the Bulgarian Trade Union. The Bulgarian folk troupe headed by Liuben Sapunoziev, had a warm and cordial discussion with the host. The folk troupe left [for] home on the same day after a 5-day visit in Laos. [Text] [Vientiane KPL in English 1002 GMT 8 Jul 82 BK]

CONSTRUCTION ACHIEVEMENTS--Vientiane, 19 Jul (OANA/KPL)--The Lao Front for National Construction, on July 16, held here a ceremony to review the last 6 months of its activities. President of the front, on this occasion, highly appraised the success of the Lao Front for National Construction which contributes to the success of the SRD National Congress of the Party. [Text] [BK191225 Vientiane KPL in English 0949 GMT 19 Jul 82]

REFUGEES RETURN--Vientiane, 17 Jul (OANA/KPL)--A total of 133 Lao refugees deceived by the counterrevolutionary propaganda on July 13 returned home from the refugees' camps in Thailand. They were warmly greeted at the Deua immigration office, Hatsaifong District, Vientiane Province, by local administrative authorities of Lao, Vientiane and Thai Nong Khai provinces and the representatives of the national committee for social security and war veterans, and those from UN High Commissioner for Refugees in Laos and Thailand were also on hand. Earlier this month, 29 refugees were also warmly received in southern Savannakhet and Champassak provinces by local administrative committees. [Text] [BK171057 Vientiane KPL in English 0933 GMT 17 Jul 82] Vientiane, 16 Jul (OANA-KPL)--More Lao refugees recently returned to their native land in the southern Savannakhet and Champassak provinces. The official ceremonies were organized by the local authorities of Lao, Savannakhet, Champassak, Thai Nakhon Phanom and Ubon [provinces]. Representatives of the UN High Commissioner for Refugees were also on hand. [Text] [BK161142 Vientiane KPL in English 0915 GMT 16 Jul 82]

REFUGEES WELCOME--On 2 June 1982, 323 Lao refugees comprising 70 families returned from Thailand to their native land in Houai Sai District of Luang Namtha Province. A ceremony to welcome the refugees was held in Houai Sai District between Thai officials from Chiang Khong District of Chiang Rai Province and the local administration of Houai Sai District, and was witnessed by UNHCR representatives. At present, the refugees are undertaking a course to appreciate the correct policy of our party and state. They will be subsequently sent back to their native land as they wish. [Text] [BK270506 Vientiane Domestic Service in Lao 0000 GMT 26 Jun 82]

VIENTIANE YOUTH UNION MEMBERSHIP FIGURES--On the occasion of the Third Congress of the LPRP along with the competition to score achievements to greet the congress, over 1400 Youth Union members in the ranks of the Lao People's Liberation Army, public security forces, ministries, divisions, equivalent organizations, factories, schools, and hospitals in Vientiane City and Province signed pledges before the party and the nation saying that they resolved to increase and tighten domestic solaridity and unity among the people all over the country, as well as international unity, to determinedly increase national defense and security work and economic, educational, and cultural expansion, and to build new lives and improve and strengthen the Youth Union. Many Youth Union members signed their pledges with their own blood. There is news that nowadays the Youth Union members in many other provincial areas also signed pledges swearing themselves to the party and the country. [Text] [Vientiane NOUM LAO in Lao 15-30 Apr 82 p 2] 9884

NEWSPAPER DISTRIBUTION IN NORTH--To ensure that the propaganda policy as well as the plenums and orders of the party and the government reach all localities on time, last June the propaganda service of Louang Namtha Province opened two additional SIANG PASASON newspaper distribution branches in Namtha and Sing Districts, increasing the number of newspaper distribution branches in this province to 4. Up to the present time the SIANG PASASON newspaper distribution branches have been improved and expanded nationwide. For example, previously [people] in mountainous and hard to reach areas had never received any newspapers, but now that the distribution has been set up the newspaper is being read on a regular basis. [Text] [Vientiane SIANG PASASON in Lao 12 Jun 82 p 1] 9886

SOVIET EXPERTS IN PAKSAN--More than 10 Thai communist terrorists moving along the Thai-Lao border have revealed that there are Soviet experts assembled in Paksan preparing to cut roads through the mountains to build a radar station. A news report from Nongkhai province revealed to MATICHON that this past 27 May at 17:30 officials of Bungkap district were able to catch movements of the People's Republic of Laos. They said a helicopter from Vientiane descended at a military camp in Paktuai village in the town of Paksan, Vientiane prefecture, opposite Hokham village, Bunkap district, and that 12 Thai communist terrorists descended from the helicopter. Lieutenant Bunkong, Deputy Commander 99 of the Lao side gave them clothing, weapons, and ammunition and ordered those communist terrorist forces to join with the original forces there of 6 men at Phungu camp. The news report revealed that there are now at Paktuai village in the town of Paksan 15 Soviet experts and they have started a project to cut roads around Paktuai village into the Krate mountains, 2 kilometers north of the camp at Paktuai village, in order to set up radar stations in the Krate mountains. The report also stated that roads around Paktuai village would be expanded by 4 meters on each side to allow planes to take off and land. At present guard forces are conducting surveillance. [Bangkok MATICHON in Thai 18 Jun 82 p 3] 9937

CSO: 4207/117

TROOPS TO PROTECT TRAVELERS ON HIGHWAY NEAR THAI BORDER

Kuala Lumpur NEW STRAITS TIMES in English 22 Jun 82 p 5

[Text]

KROH, Mon. — Users of the East-West Highway have been assured that the security forces will do their best to safeguard their safety.

The army and police are combining their efforts to maintain security along the route, Deputy Defence Minister Abang Abu Bakar said.

At present more than 2,000 troops have been deployed to look after the area, he said after a visit to the 10th Infantry Brigade here.

The troops are stationed at 61 military posts from Grik in Perak to Jeli in Kelantan, and their camps are no more than 2 km apart.

While no petrol stations have been set up yet, in the event of any vehicle breaking down the army will provide assistance, the Deputy Minister said.

Abang Abu Bakar also gave an assurance that the economic recession and the Government's cutbacks in spending will not have any serious implication on the security factor along the East-West Highway.

He said security along the highway, which is part and parcel of the nation's security, will be classified as "top priority."

The security arrangements along the highway should prove to the terrorists that they would be taking a lot of risks if they were to "harass" the area, Abang Abu Bakar said.

The recent clash between the CPM proper and its breakaway Marxist-Leninist faction (CPM-ML) in the northeast of Betong across the border from here should not affect the security situation along the highway.— Bernama.

CSO: 4220/636

SABAH MINISTERIAL APPOINTMENTS; HARRIS IN LAST TERM

Kuala Lumpur BUSINESS TIMES in English 22 Jun 82 p 22

[Text]

TWO Sabah state ministers, Datuk Yap Pak Leong and Datuk Joseph Pairin Kitingan, have resigned and two assistant ministers have been promoted in a Cabinet reshuffle announced yesterday.

Chief Minister Datuk Harris Salleh told a Press conference in Kota Kinabalu that their resignations were designed by the Berjaya Party to enable second-echelon leaders to take over.

Datuk Yap, Minister of Town and Country Development, and Datuk Pairin, Minister of Resource Development, were reappointed to their second term in the Cabinet after the state elections last year.

The two new ministers appointed are Assistant Minister to the Chief Minister, Mr Stephen Wong, who takes over from Datuk Pairin while the Assistant Financial Planning and Development Minister Datuk Conrad Mojuntin has been appointed the Minister of Culture, Youth and Sports.

Datuk Mojuntin takes over from Encik Ayub Aman who replaces Datuk Yap.

Two new assistant ministers have also been named. They are Mr Marcel Leiking, a political secretary to the Chief Minister, and a lawyer, Mr Chong Kah Kiat.

Mr Leiking takes over as Assistant Minister of Town and Country Development from Mr Mynoor Gingoor, who moves to the Ministry of Financial Planning and Development while Mr Chong is the new Assistant Minister to the Chief Minister.

Datuk Harris said both Datuk Yap and Datuk Pairin would remain as State Assemblymen and vice-presidents of Berjaya.

Asked what he meant by his statement that their resignations were "designed" by the party, the Chief Minister said: "Certain ministers will take turns to resign so that Berjaya will be better prepared to face the next state elections."

Datuk Harris then disclosed that he would step down as Chief Minister after serving his present term which lasts until the next state elections, due in 1986.

"This is definitely my last term as Chief Minister. It is my hope to carry on until the next elections because there are still many things to do, to put things right in Sabah," he added. — Bernama

CSO: 4220/636

MALAYSIA TO STAY IN ITA, JOIN TIN PRODUCERS' ASSOCIATION

Kuala Lumpur BUSINESS TIMES in English 21 Jun 82 pp 1, 24

[Excerpt]

MALAYSIA will be a member of the sixth International Tin Agreement (ITA) despite its initial reluctance because of poor support from the consumer countries.

However, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday that a tin producers' association, first proposed in February, will also be formed.

He said it was necessary for the producers' association to operate simultaneously with the sixth ITA so as to protect producers' interests.

Speaking to reporters after chairing the Umno Supreme Council meeting in Kuala Lumpur, Datuk Seri Dr Mahathir said the sixth ITA would not by itself be effective in safeguarding the interests of the producers and as such a producers' association was needed.

Initially, the Asean tin ministers, who first met in May had agreed in principle to the formation of the producers' association *if* the sixth ITA does not come into force.

But in the light of developments at the last Unctad-sponsored meeting of signatories to the sixth ITA in Geneva the three were understood to have now agreed to its formation even with the agreement in force.

The Asean ministers, Primary Industries Minister Datuk Leong Khee Seong, Thai Industry Minister Tun Chatichai Choonhavan and Indonesian Mines and Energy Minister Dr Subroto, who met in Kuala Lumpur over the weekend, are said to have coordinated their views and stand which will be presented to the resumed Unctad-sponsored meeting in Geneva starting June 23.

It is understood that Malaysia, Thailand and Indonesia are expected to impose certain conditions for their participation in the agreement. It is, however, not immediately clear what these conditions are.

After the last Geneva meeting, Malaysia was reluctant to join the sixth ITA as it felt that in the prevailing circumstances producing countries would be placed at a disadvantage.

The main disincentive is that while membership of the agreement would bring on constraints under its provisions, the major consuming countries who will not join, like the United States, would not be tied down by any restrictions.

It has also been noted that an agreement with fewer participants would put greater financial strain on the members to maintain the buffer stock.

Besides, the small membership will mean that the buffer stock size would be reduced and the question that is uppermost in Malaysia's thinking is whether the buffer stock operation would be effective with the reduction.

Even under the current extended agreement producer countries have been disenchanted with the buffer stock operations because it has not been effective in propping up the metal price which has stayed on the buffer stock floor price of $29.15 a kilogramme.

At this price the buffer stock manager MUST support the metal by buying but he has not been able to as he has reached the limits of current financing approved by the council.

The export quota, which the producers asked for and which the consumers grudgingly conceded at a minimal level has not been effective as the cut is too small to have any impact on the estimated 70,000 tonnes of excess tin overhanging the market.

This lack of effectiveness of the buffer stock operation and the meaningless export quota have prompted Malaysia to decide in favour of a producers' association to run in tandem with the sixth ITA.

THE United States has expressed concern "in a very general sense" about the move to form a council of tin producers in the Association of South-East Asian Nations.

US Deputy Secretary of State Walter Stoessel told a Press conference on Saturday that the question of American sales of surplus tin and the move to form a tin producers' council came up during his talks with the Asean Foreign Ministers.

SINGAPORE, June 20

Asean's concern on American tin sales and their impact on tin prices was brought up by the Asean ministers, particularly by Malaysian Foreign Minister Tan Sri Ghazalie Shafie.

"I will convey their sensitivities on this question to Washington. As far as we are concerned, we are interested in further discussions on this issue and the offer still stands," Mr Stoessel said. — Bernama ES-AFP

CSO: 4220/636

SURVEY FOR HIGH VOLTAGE CABLES BETWEEN EAST, WEST MALAYSIA

Kuala Lumpur BUSINESS TIMES in English 5 Jul 82 p 2

[Text]

A GERMAN research vessel, RV Sonne, will begin a hydrographic survey of the 630 km submarine cable route between Tanjung Datu on the western tip of Sarawak and Tanjung Sedili on the east coast of Johore tomorrow.

The survey, which forms a crucial part of the proposed Sarawak-Peninsula high voltage direct current (HVDC) link, is to determine the optimum route in the South China Sea in terms of security and economy for the four submarine cables which account for 80 per cent of the cost of the proposed $6 billion HVDC system.

A statement by the Sarawak Electricity Supply Corporation (Sesco) in Kuching yesterday said that the feasibility study of the transmission of 1,500 Mw of electrical energy from Sarawak's hydropower resources to Peninsular Malaysia had started at the beginning of last month.

The study was in collaboration with the National Electricity Board and a consortium of German consultants under the German Technical Cooperation Programme extended to the Malaysian government by the Federal Republic of Germany.

The technical programme also covered the hydrographic survey of the submarine cable routes between Tanjung Datu and Tanjung Sedili, Sesco said.

The 23 scientists on board the 2,265-tonne RV Sonne will carry out detailed mappings of the seabed and subsoil profiles, analysis of the marine geological features, temperatures and current measurements, location of obstructive objects against cable installation such as pipes, wrecks and other detailed charting of the proposed cable route.

All irregularities and declivities of the seabed will be recorded and the microscopic activities at the sea bottom checked.

The survey is expected to cover a cable route corridor width of 1,500 metres to be completed within two months.

Eighteen trips have been scheduled and the results of the survey will influence the design, laying and burying method of the cables.

The statement also said the decision on the detailed study of the HDVC scheme was made after it was confirmed in the electricity master plan study for Sarawak that it was a technically viable economically attractive project.

The master plan study completed in April last year was jointly done by the same consortium and Sesco under the same German technical programme. — Bernama

CSO: 4220/636

TRADE INCREASES WITH TIBETAN REGIONS

Kathmandu THE RISING NEPAL in English 19 Jul 82 pp 1, 6

[Text] Kathmandu, July 18--Nepal's trade with the Tibetan Autonomous Region of China has recorded a marked spurt in its favour in the financial year 1980-81.

According to the Trade Promotion Centre (TPC), the Kingdom exported goods worth Rs. 68,279,000 as against an import of Rs. 17,282,000 to Tibet in the FY 1980-81 thus recording a favourable trade balance of 50,997,000.

According to the figures made available by TPC, Nepal has always enjoyed a favourable trade balance with the Tibetan Autonomous Region since the last nine years.

Among the major items exported to Tibet are rice, cloth, carpets, soyabeans, peanuts, cottage industry products, processed leather, woolen goods, jute bags and medicinal herbs. There are about twenty-five other items exported to Tibet.

Similarly, among the fifteen important items imported from that region, the major ones are raw wool, readymade garments, sheep and goats, cloth, kitchen-ware and the like.

The above figures are, however, based on only import-export figures recorded at the Tatopani Customs.

There are seventeen major trade marts spread over fourteen districts through which Nepal-Tibet trade is regularly carried out. The trade points include Olanchungola and Kangladeorali in Taplejung, Kima Thanka, Popatiya and Thudham in Sankhuwasabha, Nangpala in Solukhumbu, Kodari in Sindhupalchowk, Rasuagadhi in Rasua, Larke in Gorkha, Chharkabhot in Dolpa, Yari in Humla, Mugu (Namja) in Mugu, Urelek in Bajhang, Tidar in Darchula, Nimesi in Mustang, Lambagar in Dolkha and Lajung in Manang.

Nepal's trade with the Tibetan Autonomous Region constituted two percent of its total international trade in the financial year 1980-81 while its import from that region accounted for 0.5 percent of its total import from abroad that year, the figures being based on only those available at the Tatopani Customs, the TPC sources added.

Three trade points--Kodari, Rasua and Yari--are mentioned in the trade agreement with China for regular trade with Tibet while traditional trade between Nepal and the Tibetan region continues through other routes as well. Of the three most important routes, Kodari accounts for the largest volume of trade while there is no exact trade figures from the other two routes because "no mechanism has yet been developed" to record the flow of trade in these two routes, TPC sources said.

The Kodari highway was disrupted by heavy rains last year. An agreement has since been signed with the Chinese Government for repair of the damaged section of this important trade route.

CSO: 4220/272

BRIEFS

FOOD SHORTAGE--Katmandu, 17 Jul (AFP)--This year there have been food shortages in 59 of the 75 districts because of maize and wheat crop failures. The inhabitants of poor villages have been forced to eat food substitutes such as wild fruit, bamboo seeds and wild yams. [Excerpt] [BK181237 Hong Kong AFP in English 0800 GMT 17 Jul 82]

CSO: 4220/271

FORMULA PROPOSED FOR CURTAILING NUMBER OF PARTIES IN ELECTION

Karachi JANG in Urdu 23 May 82 p 3

[Editorial: "Proposal To Reduce the Number of Political Parties"]

[Text] Whenever President Gen Mohammad Zia-ul-Haq mentions the obstacles to elections, he also refers to numerous political parties. In this regard, he recently said that there are 78 political parties in the country. How can the elections prove beneficial under these circumstances? Elections are possible if the number of political parties is reduced to two or three. This has prompted various political circles and leaders to express their reactions, and various proposals have come to the forefront. The distinguished law expert and political leader S.M. Zafar's proposal in this regard is very realistic and solid. Even government circles, indeed the president too, have been discussing the proposal, which is to hold elections on the basis of proportional representation. Mr S.M. Zafar has also suggested that political parties obtaining less than 3 percent of the votes should be declared defunct. After consulting political parties in this regard, he has also suggested that the three-percent limit be extended to 5 percent. No doubt this proposal deserves serious consideration. This method, of reducing the number of political parties, is highly democratic and positive. The reaction of the public and political circles to the proposal to hold elections on a nonparty basis has not been encouraging. Democratic circles favor elections based on proportional representation. Holding elections on this basis, therefore, can positively limit the number of political parties by declaring all those parties that receive less than a specific number of votes ineligible for elections.

9779
CSO: 4203/135

PRESIDENT URGED TO POSE POLITICAL CHANGES FOR PUBLIC COMMENT

Karachi JANG in Urdu 21 May 82 p 3

[Editorial: "The Proposed Presidential Address"]

[Text] According to one source, President Gen Mohammad Zia-ul-Haq will address the nation on radio and television on 5 July to mark the fifth anniversary of his rule. Besides outlining the details of the plan that he and his colleagues have in mind for the country's political system, he will also announce a definite plan for future general elections. Earlier, after the president's informal meeting with the editors, a somewhat similar impression had been given. Later, however, it was clarified that the president was not expected to speak on 5 July; instead, he would address the nation at the beginning of Ramadan. Anyway, this change does not make much difference since there are only a few days difference between the two dates. In 5 or 6 weeks, therefore, the president can be expected to outline his views and intentions concerning the future political system and the program for elections. This is good news in the sense that there are plans to clarify something the entire country is anxious to know about--the administration's policies and plans. As we have written in these columns earlier, after 5 years of martial law, at least the lines on which the government wishes to solve the political situation of the country should be clarified and the rules and conditions that it has in mind for holding elections should be made known to all. Once the government's views on these vital issues are clarified, the trend of political demands will change. It is very possible that some elements will disagree with a certain part or parts of the political program announced by the president. They can also express their dissatisfaction at his proposed timing for elections. But at least the demand that the government make an announcement on the holding of elections, and the present tension related to this demand, will end.

President Gen Mohammad Zia-ul-Haq and his colleagues have served the country with their best capabilities and pious intentions for the past 5 years. They have also worked day and night to reform and develop various sectors of national life. In any country, however, especially developing countries, there is a difference and a gap between the public expectations and the functioning of the government on the basis of various historic, economic and social factors. This causes public restlessness and dissatisfaction. If, after every 4-5 years, the people of these countries are given an opportunity

to judge their rulers and elect new ones, their restlessness will not take a wrong path. Instead, during the election campaign, due to the unveiling of various facts, people gain political knowledge and understanding and display a preference and recognition for reality in their expectations. In Pakistan, too, after a lapse of 5 years, various sectors are expressing some restlessness and agitation. If they know that they are going to elect their rulers for the next 4 or 5 years, the present gradually increasing feeling of distrust and dissatisfaction with inflation, law and order, the incapability and corruption of the administration and the anxiety over the functioning of the other departments will all change their course. Public attention will be centered on the elections for future rulers under the proposed new political system. Under these circumstances, therefore, we feel that the government would be wise to announce its political program and electoral system.

We are not yet sure whether President Zia-ul-Haq's government has already completed the formulation of its proposed political structure or if this is still under consideration. We also do not know whether in his expected speech the president will announce his final decisions or will present his proposals for the review of his countrymen. It would be preferred, however, if the president would present the new guidelines he has in mind for political advancement in the form of suggestions and ask individuals and institutions to give their opinions within a specified time. Then, in the light of various proposals and recommendations received, the president could finalize the formation of the future political system. This is essential, since there is mixed reaction to the indications so far made by the administration to change certain features in the proposed political system according to the 1973 constitution. An overwhelming majority of the political circles in general has disagreed with this change. On this basis, therefore, it is essential first to present to the public the new political conceptions in the form of proposals and then, after 2 or 3 months of careful study, it could be finalized. Elections on a nonparty basis, accomodation of the army's permanent political role in the constitution, proportional representation, the method of setting standards for the candidates and differences and distinctions between registered and unregistered parties are all essential problems. Any decisions about them can have far-reaching effects.

Before announcing the final decisions, therefore, these factors should be presented for broad national opinion, so that after carefully studying all the aspects of these problems, a constitution could be formed that would have long-lasting benefits for the country and harmonize with the highest natonal objectives. It is hoped that the president's proposed address will be a source of clearing the political air so that we can clearly discern our goal. The nation's best wishes are with the president.

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CSO: 4203/134

INDIA'S REGIONAL DESIGNS CALL FOR NATIONAL UNITY

Karachi JANG in Urdu 21 May 82 p 3

[Article by Irshad Ahmed Haqqani: "India's Latest Policy and Our Responsibilities"]

[Text] Pakistan's efforts begun last September to end the tension and normalize relations between Pakistan and India met with problems right from the start. For almost 5 months, India maintained a negative attitude towards Pakistan's proposal for a nonaggression pact. After giving all sorts of clarifications and assurances, the first round of discussions at last commenced at the end of January. At the conclusion of the talks, both foreign ministers gave an impression of "considerable progress" and indicated the possibility of fixing a time for the next round in the near future. However, after only a few days, there were obvious signals from India that it was not really interested in pursuing the dialogue further. Therefore, when the Pakistani journalists accompanying Mr Agha Shahi returned to Delhi after touring certain areas of India, they met with Mr Narasimha Rao, who told them that the date for the next round of talks had not yet been fixed, since "we have not yet been able to exchange with your Foreign Ministry the memorandum for the dialogue." He also said that since the matter under discussion was vital, everything should be in writing. This reply from the Indian foreign minister indicated that the chances of proceeding quickly with the talks were dim. Later, it was said that the second round of talks would be held by 15 February in Islamabad. This was then postponed to 22 February. Finally, the date of 1 March was decided, but as we are all well aware, the talks were postponed under the pretext of a speech, rather a hint be Mr Agha Hilali about the Kashmir problem. Since then, Pakistan had been making continuous efforts to reschedule the talks. At times, there were indications that led to the belief that the talks might be resumed. Therefore, 2 hours prior to his departure, the former Indian ambassador to Pakistan, Kanwar Natwar Singh, revealed in an interview with an English journalist that his first priority on his return to Delhi would be to try to resume the suspended talks and, in the capacity of his new assignment, he might personally lead the Indian delegation to Pakistan. During the same period, Mrs Indira Gandhi went to London. At that time, it was also said that the decision to resume the talks had been made and Mrs Gandhi would herself make an annoucement about this. During this time period, Indian official sources never mentioned the proposal for the friendship treaty. They did mention the

Joint Commission, but the impression never was given that India wished to concentrate only on its own proposals during the talks.

On one or two occasions, the President of Pakistan did say that our actual offer was about the nonagression pact and we would like to give it preference. Indian sources never stressed their willingness for a dialogue, although they went on mentioning their own proposal regarding the friendship treaty alone. During the past 10 days, however, or to be more exact, after Mrs Indira Gandhi's visit to Saudi Arabia, Indian sources began to speak out their proposals more vividly. Three or four days ago, All India Radio announced that Pakistan had rejected the proposal for a treaty of friendship. At this, Pakistan's foreign minister, Sahabzada Yaqub Khan, issued a detailed statement and clarified that Pakistan was not against a treaty of friendship. In the first place, however, India has not offered a formal proposal and second, the treaty of friendship should be made after the no-war pact. Soon after that, the Indian foreign minister, Mr Narasimha Rao, clearly announced that since there is mistrust between India and Pakistan, a no-war pact is impossible. This was a decisive announcement, after which it appeared meaningless and useless for us to press for the resumption of talks.

During this time, Mrs Indira Gandhi was busy with her election campaign and everywhere she mentioned the extreme dangers linked with Pakistan's preparations for war. Although one of the underlying factors of her excessive reference to the alleged danger from Pakistan was her election campaign, it did reveal here unconciliatory attitude and efforts to promote the fantasy of war. Recently, during an interview with an American newspaper, THE WASHINGTON POST, she severely criticized the military aid granted to Pakistan. She has gone so far as to say that the Soviet Union can express its anger with Pakistan in many ways. One of them is that it can persuade the Baluchis to create disruption. She said that American aid is not beneficial for Pakistan either. It creates problems for India, too. Furthermore, there is tension concerning Pakistan in neighboring countries also. Mrs Gandhi said that Pakistan could say that it had accepted no obligation during its bargain with America and had not allowed its neutrality to be affected in any way. The outside world, however, cannot accept this fact, and it still feels that Pakistan has moved extremely close to America. This could have the effect of instigating the Soviet Union.

India's refusal to resume talks on a nonaggression pact, Mrs Gandhi's constant criticism of American aid to Pakistan, the accusation that the Simla Agreement is ignored and, during her recent interview, special comments on the Soviet Union and Baluchis are all factors indicating that Pakistan's efforts begun in September 1981 to promote better relations between the two countries have virtually concluded with no signs of success. Not only that, but the tension is being promoted in a new manner. Besides, it must also be kept in mind that Mrs Gandhi is giving extraordinary significance to her proposed visit to America. During her election campaign in West Bengal and Kerala, her severe attacks on the opposing Communist Party were merely part of her campaign rhetoric but, at the same time, Mrs Gandhi did make the communist philosophy and system a target of her criticism. Several times she has been heard to say that America is a great and vital country and we give great

importance to our friendship with it. Against this background, it should not be difficult to determine what lines Mrs Gandhi would pursue during her talks with President Reagan. She has already said that she would protest to Mr Reagan that the United States is creating problems for India by supplying F-16 planes and other equipment to Pakistan. This entire situation invites the Pakistani people in particular to think and deliberate. We need to think over what we should do to combat this on the internal front and what should be our priorities with regard to foreign relations. The disharmony of the regional situation was evident even before. After Mrs Gandhi and Mr Narasimha Rao's recent statements, it has become even more obvious. Besides other factors, it is imperative that we further unite our internal frontier and try to better coordinate our national efforts and strengths. The prime requisite for this is to create harmony and concordance among all the essential segments of national life. In this regard the current situation leaves much to be desired. It is obvious that there is a need for some big political move. Will the authorities fully grasp this fact?

9779
CSO: 4203/134

OFFICIAL SECTOR CRITICIZED FOR FISCAL EXTRAVAGANCE

Karachi JANG in Urdu 23 May 82 p 3

[Article by Irshad Ahmed Haqqani: "Improving the Ratio of Savings Is a National Requisite; In Spite of $3 Billion Remittance From Pakistanis Working Abroad, Our Balance of Payments Is in Jeopardy and We Are Always Begging for Further Loans; The Ratio of Savings Will Not Improve as Long as Government Officials Themselves Fail To Adopt Simplicity"]

[Text] Savings Week is currently being celebrated throughout the country. During its recent inauguration, the president exhorted his countrymen to adopt simplicity and to economize and to save a portion of their earnings to provide resources for the country's construction and development projects.

What Gen Zia-ul-Haq said is obviously beneficial. Nevertheless, if we review the elements of national life, our attitude as a nation is regrettably unsatisfactory. Not only do we ignore what we should do to improve the situation, but our actions are totally contrary to the national interest. Pakistan's economy is crushed under the burden of loans. We are confronted with extreme deficits in trade transactions. In spite of $3 billion in remittances from Pakistanis working abroad, our balance of payments is in jeopardy and we are forever begging for further loans. We are ever ready to obtain loans available from any consortium of banks. Every year, we go to the World Bank and Western countries imploring them for loans. We request extensions in the payment of previous loans and interest and if there is no chance of success, our national honor appears to be in danger. On the one hand we claim to adhere to Islam, which enjoins us to stay within our means. The Holy Koran teaches us to be neither extravagant nor miserly but to follow the middle path. The Holy Prophet (peace be on him), whose teaching we declare as the first pillar of Islam and whom we call our leader and guide, says that "I am honored with the generosity of the heart." Our situation, however, is that we top the list of all those nations of the world that spend the largest ratio of their national resources on extravagance. The minister of finance, Ghulam Ishaq Khan, recently told the Advisory Council that among all the nations of the world, the ratio of extravagance is the highest in our country; with regard to savings, we are behind most developing countries. We ourselves utilize 80 percent of our national output. Instead of being ashamed, we are proud of this fact. Under these circumstances, therefore, nothing can be accomplished by celebrating Savings Week merely as a customary ritual. We need to do much more than that.

Although this is a repetition of what has been said before, there is no recourse unless the ruling sector and the wealthy lead the way to create the atmosphere of saving. The present government has certainly taken steps to manage the economy. But no clear progress has been made to reduce unproductive expenditures and to create an atmosphere of simplicity and economy in the official sector. Instead, annual administrative expenditures have increased to 500 million rupees, setting a record. There is not even a sign of simplicity existing in the personal and family life of the high officials; just the opposite. There is a race to raise the standard of living, which we prefer to call the standard of expenditure. Every person is desirous of acquiring and making use of luxury items. Consequently, we have become an extremely extravagant and spendthrift nation. The very idea of staying within one's means in extinct. Instead, any person or family that practices simplicity becomes the target of criticism in society, although the situation should be just the contrary. Simplicity and economizing should be respected and admired and extravagance should be considered a social evil. Our nation, however, follows such wrong thinking that instead of surpassing in righteousness we strive to compete against each other to acquire worldly goods of luxury and show. There is no one who can stop us from this madness. Surely, do celebrate Savings Week, but you must realize that nothing will be gained from such formal, baseless and exhibitionist talk. This will not change the destructive attitude that has become embedded in our hearts and minds. The official sector will have to modify itself to bring about a change in the national trend. They will have to control their expenses and form a habit of simplicity and saving. Only then will society's general attitude change.

The people's mode of living will change. If the present government had paid full attention to this matter and had created an atmosphere of simplicity in the country, besides other benefits it would not have faced such an enormous and forceful demand for increased compensation from various sectors. In addition, the government would have been, to a great extent, successful in reducing dependence on foreign loans. We suggest that even now the administrative body should set a practical example of simplicity and reduce government expenditures. No one should be given permission to serve more than one or two dishes at a reception. If the host displays extravagance and shows off his wealth, leave the gathering to express your displeasure. This is the only way to end the current craze--demonstrate some expression of sensibility. Although it is an old saying, it is very true that people follow the path and ways of their leader. Our decisive view is that as long as government officials themselves are not determined to adopt simplicity and make it a tradition, the ratio of savings will not improve, no matter how many savings weeks are celebrated or exhortations are made. One ounce of setting an example carries more weight than a ton of exhortations.

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PANEL FOR SICK UNITS--Lahore, July 16--The Federal Government is considering a proposal for the solution of problems confronting the closed down or sick industrial concerns in the country on unit-to-unit basis. In this connection a sub-committee consisting of Government officials and representatives from the private sector would be set up to prepare an in-depth survey report to be submitted to the high-ups. Official sources informed Dawn here today that the Government was keen to remove anomalies regarding loans, availability of raw material, basic infrastructure, etc. According to a survey conducted by the Government and reports submitted by various agencies concerned, a large number of industrial units are lying closed or working partially due to various policy matters. It has been put on record that owing to lack of effective measures by the official agencies, industrial production is suffering and interests on loans to the units are accumulating. In this regard the Government has categorised various industries giving priority to the solution of their problems. In this connection, textile, light engineering and steel melting and rerolling industries have been put on the top of the list. Various steps are underway for the revival of sick and semi-sick industries which include measures such as interim monetary concessions, permission for the import of machinery for modernisation and credit facilities, the sources added. [Text] [Karachi DAWN in English 17 Jul 82 p 3]

PUBLICATIONS FORFEITED--Quetta, July 16--The Baluchistan Government has forfeited the weekly Urdu magazine "Hayat," an organ of Communist party of India and the publication, namely "Jumhiria Pakistan" issue of June 26, 1982 which contain objectionable material under the West Pakistan Press and Publications Ordinance, 1963, says an official handout.--PPI [Text] [Karachi DAWN in English 17 Jul 82 p 3]

PRESS NOTE ON UNRULY CROWD--The following Press Note was issued by the Deputy Commissioner (West) Karachi on Wednesday: "this morning en route to foundation stone laying ceremony of the Aerated Lagoons Treatment Plant in North Karachi a small group of people from amongst those who had lined up wanted to petition the Governor about water shortage in the area. After the motorcade had gone past some rowdy elements indulged in brick-batting. The police had to resort to mild teargassing in order to disperse the crowd. No one was hurt."--APP [Text] [Karachi DAWN in English 22 Jul 82 p 1]

CASE AGAINST STUDENTS--The Gulshan-e-Iqbal police has registered a separate case under Martial Law Regulation No 16 against four students of Karachi University. The students, Ahmed Ali, Imtiaz, alias Guddu, Irshad and Gulzar have been accused of 'polluting the educational atmosphere' of the University campus. Two of them, Ahmed Ali and Imtiaz, are in jail--facing murder charge while the other two students, Irshad and Gulzar, are absconding. [Text] [Karachi DAWN in English 22 Jul 82 p 13]

PPP LEADER DENOUNCES AL-ZULFIKAR--London, July 21--A former Minister and Secretary-General of the defunct PPP, Dr Ghulam Hussain, told a Press conference last night that he was opposed to Al-Zulfikar and denounced it as "it has also been condemned by my party's present Chairman." The Press conference held here in Room 'W4' of the House of Commons was chaired by Labour MP Mr Ron Brown. It was arranged within 24 hours of Mr Ghulam Hussain's release from detention. He was held by the Immigration authorities over the weekend when he had tried to enter Britain from Sweden on a Swedish passport. A group of Pakistani 'dissidents' calling itself 'Campaign for the restoration of human rights in Pakistan,' led by a Pakistani lecturer, Mohammed Arif, had made arrangements for the Press conference. "I never wanted to be exchanged for PIA passenger who were hijacked by pro-Bhutto guerillas last year in March," Dr Hussain said, "That's why I did not go to Kabul when asked by Al-Zulfikar, but preferred to remain in Damascus in virtual incarceration for nearly a year till I was given political asylum by Sweden early this year." Dr Hussain had landed at Felixstowe, a port in the north, on Friday last. He was not allowed to enter Britain on his Swedish passport and was held in custody. (The holders of Swedish passports do not need any visa to come here). "During my stay here," Dr Hussain told an Indian journalist, "after celebrating Eid I would meet all the different factions of PPP now in the UK and try to unite them and hold an election of office-bearers." When asked by a British Pressman whether he was "a Pakistani or a Swedish citizen," he could not give a satisfactory answer. But he said that he was expecting his family to join him in Sweden soon. [Excerpt] [Karachi DAWN in English 22 Jul 82 p 14]

PPP HIGH COMMAND MEETING--Begum Nusrat Bhutto has called a meeting of the high command of the defunct PPP but exact date for this could not be known.--PPI [Text] [Karachi DAWN in English 22 Jul 82 p 16]

PAKISTAN TAKING BACK 5000--Dacca, July 21--Pakistan has agreed to take 5000 non-local residents in Bangladesh who had retained their Pakistani citizenship after Bangladesh broke away from Islamabad rule in 1971, Press reports said here today. The newspaper "New Nation" said that repatriation of the non-locals who are among the estimated three hundred thousand Pakistani citizens stranded in refugee camps in different parts of Bangladesh, will begin from the middle of August. The repatriation to be supervised by the United Nations High Commissioner for Refugees "UNHCR" will be financed by Saudi Arabia according to the Bengali language daily "Dainik Desh."--DPA [Text] [Karachi MORNING NEWS in English 22 Jul 82 p 8]

ACTION ON HIJACKED PLANE DEFENDED--Pakistan authorities declined permission to a hijacked Indian Airlines plane to land at Lahore Airport and took necessary action to send the aircraft back to the Indian air space from Pakistani air space in accordance with the international law against hijacking. The Foreign Ministry in Islamabad immediately informed the Indian Embassy about the incident. The Government of Pakistan is satisfied that its authorities foiled an attempt by the aircraft to land in Pakistan without causing any loss to the hijacked aircraft or to passengers on board. The effective action taken by the Pakistani authorities on this occasion will discourage any such future acts of terrorism. Observers in Islamabad have noted that the exceptional stand taken by Pakistan to deal with this incident reflected Pakistan's earnest desire to keep aloft the recognized international principles of relations among nations. They also said that such positive action will promote mutual confidence between India and Pakistan and further improve their relations. [Text] [BK041605 Karachi Domestic Service in Urdu 1500 GMT 4 Aug 82]

OFFICIAL SUMMARIES UNRELIABLE--According to a newspaper item, President of Pakistan, Gen Mohammad Zia-ul-Haq is studying the Advisory Council's reports and speeches given by members during the council's meetings. The summary of the speeches by the members has been prepared for him by the Federal Council secretariat and the problem begins here. It is the nature of the high officials to provide every ruler, as far as possible, with "everything is fine" reports. If official summaries are relied on to provide the views and proposals of the Advisory Council's members, nothing will be reflected except flattery. During the meetings, several members of the Advisory Council made bold and valuable analyses of national affairs. The essential thing is for the president to benefit from these unprejudiced proposals. If his busy schedule does not allow him to make a detailed study, it would be appropriate to tell the very members concerned to prepare a summary of their own speeches for the president's review. They are more aware of what matters need the president's attention. Otherwise, newspaper reports would prove more suitable than official summaries. [Karichi JANG in Urdu 23 May 82 p 3]

CSO: 4203/135

CANOY CALLS FOR 'MORAL REVOLUTION'

HK300438 Manila BULLETIN TODAY in English 25 Jul 82 pp 1, 9

[Report: "Call for Moral Revolution Urged"]

[Text] An opposition assemblyman asked President and Mrs Marcos yesterday to lead a moral revolution, in the wake of the assassination attempt on assemblyman Emmanuel Pelaez.

Assemblyman Reuben Canoy, one of the prime movers of the Social Democratic Party of the Philippines, said the rash of assassinations and kidnapings, both in isolated areas and in the nation's capital, the upsurge of criminality, the excesses of some civilian and military authorities, the prevalence of graft and corruption in both the government and the private financial sector should be taken as warning signs that the whole country is in trouble.

According to Canoy, more than any kind of revolution, what the country sorely needs today is a moral revolution based on the enduring virtues of honesty, integrity, service, sacrifice and hard work.

He said no better persons are qualified to lead such a revolution than President Marcos and the first lady. With their power and influence, he said, they will be able to effect a change in the personal lifestyle of those in high office, minimize or eliminate graft and corruption in the government, and thus create a healthy moral climate under which the best qualities of the Filipino can be put to work in the service of his fellowmen.

Canoy added: "If there is anything that martial law has taught us, it is that no economic, social or political reform program, especially on a grand scale, can hope to succeed unless it begins in the hearts and minds of those who propose it and those for whom it is intended."

Canoy stressed that if the present trend is left unchecked, it may lead to the destabilization not only of the government but society itself.

"While we are being conditioned to the idea that subversives and terrorists constitute a grave threat to the nation, the more serious and persistent threat is actually to be found in the apparent collapse of the moral will of our people," he said.

"It is at once easy and fashionable to blame and present deplorable state of affairs on the government and the political leadership. But that is being naive and simplistic. For in the final analysis, it is the indifference, the apathy, and the opportunism of the citizen that breeds injustice and corruption, in government and in private enterprise," Canoy said.

He continued: "More and more, it is becoming evident that majority of our people no longer concern themselves with things that they believe do not affect or afflict them personally. We see this in the failure of salvaging or the summary execution of innocent persons to elicit cries of protest or outrage. We see this in the attitude that the elimination of poverty and other social ills, is or ought to be the responsibility of government leaders alone rather than a moral concern to be shared by all members of the community."

CSO: 4220/263

REPORT ON PHILIPPINE 'ECONOMIC DISASTER'

HK300452 Davao City PEOPLE'S FORUM in English 22-24 Jul 82 p 2

[Editorial: "Crisis in the Midst of Plenty"]

[Text] The country's economic situation today has proven itself an enigma to the common man. Despite repeated explanations on the part of the government on the why's and wherefores of economic dislocation both in the country and abroad, the situation has continued to prod Filipinos to look for frank and honest answers.

It may be quite difficult for the country's leaders to confirm the harsh predicament in which the Philippines finds itself today, but the fact remains that all sectors of society--from the lowly farmer to the legitimate bigtime traders--are wallowing in financial insecurity. A big slice of the country's population, particularly in areas that are normally unreached by any form of attention from both the private and government sectors, feels what may rightly be called a real crisis in the midst of plenty.

The deficit spending of many government offices, the rock-bottom price in the sale of copra which occasionally takes on brief palliative pricing schemes to suit political or personal ends, the hike in the prices of corn and rice despite official claims to better and bigger production every year, the high cost of raw and finished products the basic materials or ingredients of which had come from the Philippines itself--all these are unwanted monuments to the growing economic disaster that now gnaws the country.

Being part of the Third World, the Philippines is now an unwilling but helpless victim to the economic manipulations and debauchery by the powerful first world and OPEC nations. To put things bluntly in the proper perspective, the Philippines is giving the most of its best to the bigger powers and get practically nothing in return.

At this point, the people themselves should think of how they can best survive the situation with the least of government support. The dangers are real [words indistinct] as they are, Filipinos should be able to go around and about the existing economic disaster.

CSO: 4220/263

CENTRAL BANK ISSUES MID-YEAR REPORT

HK300448 Manila BULLETIN TODAY in English 26 Jul 82 p 26

[Report: "Monetary Authorities Maintaining Balance in Face of Difficulties"]

[Text] The Monetary Board of the Central Bank maintained during the first half of this year a balance between the longer-term structural adjustment strategy and the shorter-term goals of productivity, price stability and balance of payments harmony.

Central Bank Governor Jaime Laya's mid-year report to the president pointed out that the monetary authorities had to maintain the delicate balance in the face of continuing difficulties during the first semester of the current year.

The government adopted a counter-cyclical policy that on the while required increased expenditures and credits to assist adversely affected industries and push infrastructure development programs, Laya told the president.

He said the general strategy of structural adjustment continued as an integral component of the national development plan that seeks to bring to the economy to a new equilibrium in a world of high energy costs.

Among others, he cited the standing programs for export diversification, energy self-sufficiency and financial systems reforms which had to be mounted as part of the strategy. These have begun to show results, he reported.

The import liberalization program and a reduction in bank reserve requirements were carried through as scheduled. Measures leading to the further development of the capital market and the market for government securities were taken.

The trade liberalization policy continued, he said, allowing greater inflow of foreign goods to encourage Philippine industry to upgrade efficiency in order to become more competitive.

An energy window has been included in the CB rediscounting scheme that would provide preferential credit to qualified energy-generating ventures, particularly mini-hydro systems and similar projects as well as dendro-thermal plants.

Reforms also continued, he stressed, to make the financial system more supportive of the overall structural development effort.

The CB established special financing facilities to provide relief to industries and finance viable new ventures and expansion of existing enterprises. This was balanced by open market operations which saw the increasing use of treasury instruments rather than CB certificates of indebtedness.

Laya reported that more effective use of this policy tool led to the stabilization of interest rates notwithstanding the lifting of ceilings last year, and contributed to greater price stability during the period.

He said the CB adopted a more conservative program of approving foreign credits to lessen the cost of foreign borrowings. For the first time, he pointed out, the CB adopted a quantitative ceiling of 2.4 billion dollars on new foreign borrowing approvals, limiting foreign borrowing approvals only to public and private sector needs of the highest priority. The debt service ratio remained within the statutory ceiling of 20 per cent of the immediately proceeding year's foreign exchange receipts, according to Laya.

Monetary policy, while attending to the objective of maintaining stability, balanced this with the extension of financial support to vital sectors in accordance with the government's determination to sustain production and export earnings.

The new financing programs set up by the CB was designed to provide brigade operating capital and allow the restructuring of loans of distressed industries. These programs were intended to provide relief to adversely affected sectors and maintain their viability during this difficult period.

Notwithstanding the contractionary effect of the BOP deficit, he said domestic liquidity expanded to P87.596 billion as of the end of June, reflecting an increase of 6.7 percent from six months ago and 17.0 percent from a year ago.

CSO: 4220/263

BRIEFS

PAY RAISES SOUGHT--A workers' consultative congress called by the Katipunan Mangagauwan Pilipino called on the government yesterday to order a 3 peso across-the-board increase in daily wages. The congress also asked the government to give the state workers a minimum monthly pay of 920 pesos and a 13th month salary. According to labor leaders who spoke at the congress, a family of 6 needs a daily income of 59.26 pesos in order to afford the basic necessities such as food, clothing and shelter. The congress also urged the government to stop management from resorting to union-busting and unfair labor practices to maintain industrial harmony. [Text] [HK260043 Manila Far East Broadcasting Company in English 2330 GMT 25 Jul 82]

DISGRUNTLED GROUPS--The Communist Party of the Philippines has launched a new drive to unite disgruntled groups with, as it puts it, real or imagined grievances against the government. Defense Minister Juan Ponce Enrile said the campaign calls for the formation of a National Democratic Front [NDF] composed of all disgruntled groups as a source of coalition to rule the country. Enrile said that the blueprint for action is contained in the 10-point program of the NDF. [Text] [OW241323 Quezon City RPN Television Network in English 1100 GMT 24 Jul 82]

NUEVA ECIJA KILLINGS--Government troops killed 5 suspected NPA [New People's Army] terrorists in a 45-minute gunbattle today in San Jose City, Nueva Ecija. The battle began when government troops were ambushed during a military operation against a suspected rebel hideout. Among those killed was a ranking NPA commander in the northern region. [Text] [OW271237 Quezon City RPN Television Network in English 1100 GMT 27 Jul 82]

DAVAO DEL NORTE INCIDENT--Government forces killed 11 NPA [New People's Army] dissidents and captured 2 others in 4 separate incidents around the country in Davao Del Norte. Five dissidents were slain by government forces during an encounter at (Sitio Mabayo) in Barangay (Binansilan), Asuncion town. Recovered from the slain dissidents were a Springfield rifle, 2 shotguns, assorted ammunition and subversive documents. In Ilocos Sur, four NPA rebels were killed in a gunbattle with PC [Philippine constabulary] troopers at Barangay (Kalawan) in Santa Cruz. Two of them were identified as (Federico Magate) and (Dione Hafalias). In Cagayan, members of the (Solana)

town police killed one NPA and wounded another in an encounter at Barangay (Laning). In Calinga Payaao, AFP [Armed Forces of the Philippines] troopers killed an NPA rebel and captured two others at Barangay (Talalan) in (Balbalan) town. Killed was (Renaldo Lunece). His two captured companions were identified as (Willi Bangawan) and (Domingo Bitanga). Meanwhile, six recently captured NPA's told the military authorities they were recruited allegedly by a Catholic priest and nun in Calinga Payaao. The captured NPA's indentified their recruiters as Father (Eddie Balicao), a parish priest, and a certain Sister (Aoria) at (Poplachon), (Tabug). [Text] [OW291425 Quezon City RPN Television Network in English 1100 GMT 29 Jul 82]

SUSPECTED NPA MAN SLAIN--Bayombong, Nueva Vizcaya--A representative of an evangelical mission, reportedly a member of the New People's Army, was killed by PC troopers in Tupax town this province. The victim was identified as Placido Quizano, 40, of Santiago, Isabela, who was killed inside the house of Federico Pascua while he and two others were having breakfast with him and his wife. The reports said Pascua's wife sensed that Quizano and their two other guests were NPAs and tipped off the PC. Quizano and his companions reportedly passed themselves off as insurance agents and also as connected with an evangelical mission stationed in Isabela. Recovered from Quizano were two barangay brigade identification cards, one in his name and the other in the name of Rogelio Ramos. The PC said the second name was fictitious. [Text] [Manila PHILIPPINES SUNDAY EXPRESS in English 25 Jul 82 p 3]

FOREIGN DEBT FIGURES GIVEN--The country's outstanding foreign debt amounted to $15,275 billion as of end-June 1982, the Central Bank reported. The amount included fixed-term external debt worth $11,863 billion as of June 30, 1982, an increase of 4.3 percent or $491 million over the end-1981 level of $11,372 billion. Revolving credits as of end-March 1982 amounted to $3.4 billion, slightly lower than the end-December 1981 level, the CB said. According to the CB, more than one-half of the total fixed term debt or $6.988 billion was accounted for by the public sector. The increase, the CB said, was due to the borrowings of government corporations and financial institutions to finance projects such as food production, power and energy development, communication and transportation development and infrastructure. The national government accounted for 54.4 percent of total public debt, the CB said. The debt of the private sector amounted to $4.875 billion or 41.1 percent of total outstanding fixed term as of end-June 1982. [Text] [Manila PHILIPPINES SUNDAY EXPRESS in English 25 Jul 82 p 10]

BALANCE OF PAYMENTS DEFICIT IS MANAGEABLE--Central Bank Gov Jaime C. Laya has expressed optimism that the staggering $675 million balance of payments (BOP) deficit in the first semester this year is 'manageable' and in line with overall growth and stability objectives for 1982. In his first semester report to President Marcos, Laya said that structural adjustment policies have begun to show results and they will be continued for the rest of the year. Laya said that the general strategy of structural adjustment included standing programs for export diversification, energy self-sufficiency and financial systems reform. He added that credit measures have also been

redesigned specifically to assist adversely affected export industries, particularly the mining, sugar and coconut industries. Likewise, the authorities implemented measures to expand receipts from contract workers' remittances, income from foreign construction activities of contractors and tourism, and to further streamline investment procedures. According to Laya the promotion manufactured exports and the accelerated development and use of alternative energy sources are expected to reduce the country's vulnerability to international price changes. In the first six months, CB data show that the merchandise trade deficit rose to $1.3 billion compared to $889 million in the first half of 1981. Export earnings dropped to $2.7 billion and demand and prices of traditional exports remained weak. On the other hand, imports totalled $4.053 billion. [Text] [Manila PHILIPPINES SUNDAY EXPRESS in English 25 Jul 82 p 10]

INFLATION DECLINE RECORDED FOR FIRST HALF 82--The Central Bank has reported that consumer prices during the first semester increased by a lower 10.6 percent in contrast to 13.3 percent in the same period last year. The CB said that prices of non-food items rose by 12.3 percent during the period while those of food, beverages and tobacco increased by a lower 9.2 percent. The rise in non-food prices, the CB explained, was traced largely to the housing and repairs and services sectors. Meanwhile, the CB said that money supply reached P22.5 billion as of end-June 1982 representing an annual increase of 1.7 percent. It said that with the improvement of real interest rates as a result of deregulation and the slowing down of inflation, the anticipated increase in financial savings occurred. [Text] [Manila PHILIPPINES SUNDAY EXPRESS in English 25 Jul 82 p 10]

NPA SUSPECTS SLAIN IN CAMERINES NORTE--Six New People's Army suspects, including a woman, were slain in an encounter with Army troopers in Labo, Camarines Norte. In a report to Brig Gen Benjamin G. Santos, commanding general, 5th Infantry division, Philippine Army, Col Amando Isidro of the 45th Infantry battalion said the encounter took place in barangay Maligaya when a dozen armed men fired on a platoon patrolling the area under Ceferino Gampoy. Four of the slain NPA suspects were identified as Megardo Yago of barangay Submaken, Nardito Martinez of Labo, Anselmo Gonzales of Manila and one Ka Mercy. The rest withdrew toward Bosicon river along the Maharlika highway carrying one wounded companion. The government side suffered no casualties. Taken from the slain were one AK 47 assault rifle, one M16 Armalite, two carbines, one Thompson submachinegun, one smoke grenade, one radio cassette tape recorder, one typewriter, assorted ammunition, medical supplies and voluminous documents. [Text] [Manila BULLETIN TODAY in English 26 Jul 82 p 40]

CSO: 4220/272

TRANSIT SYSTEM TO BE FINANCED BY SALE OF RECLAIMED LAND

Kuala Lumpur BUSINESS TIMES in English 24 Jun 82 p 19

[Article by Elsie Tan in Singapore]

[Text]

TAKING advantage of the world-wide recession, Singapore will build a mass rapid transit system by the sale of land that did not even exist when the system was first considered.

Estimated to cost about $3.5 billion, the rail system will be the most expensive single project even undertaken on the island. It is scheduled for completion in the 1990s.

The government wants to begin quickly in order to exploit the construction slowdowns in many parts of the world, Communications Minister Ong Teng Cheong said.

He said the government hoped to get lower prices from foreign equipment suppliers and contractors who are suffering from the recession.

Indecision

Speed is also necessary to bear cost escalation, he said. Pegged at a mere $850 million when the idea was first mooted in 1967, cost estimates had shot up to about $5 billion by 1979.

A key factor that finally pushed the government to go ahead after 15 years of indecision was the potential land revenue from a newly reclaimed area near the busy central business district.

This 256 hectares of land reclaimed from the sea, with millions of tons of landfill, is expected to be developed into a new business centre commanding high land prices. Connection to the transit system will make access easier to the spit of land jutting into the harbour, and allow even higher prices to be charged.

With land in the central business district going for as high as about $55,000 a square metre, property sources believe that land sales will more than pay for the system.

Property consultant Trent Prentice, however, warned that oversupply of office space in and around the central business district is expected in 1984 just as the construction on the transit system gets underway.

Some eight million square feet of office space is planned or under construction and will be available in the next few years, compared to the average demand over the last few years of about one million square feet a year, Mr Prentice of Asian Appraisal said.

He said demand and supply of office space should reach an equilibrium in late 1983 or early 1984, after which there will be a surplus.

He said, however, that the problem will not be too serious.

The chairman of the International Chamber of Commerce, Mr R.W. Lutton, was confident that the government would be able to raise enough money from the sale of the reclaimed land.

He said the project was well-timed, fitting in with the coming completion of construction activity on the island.

Singaporeans, who have to accept a five-year wait for government housing, were worried that the transit system would draw resources away from housing construction.

One said, however, that the government hoped to have the housing problem beaten before 1986, just in time for the main construction of the MRT.

The government is also confident that while fare revenue will cover operating costs, fares will not be much higher than bus fares.

Quality

Most Singaporeans use the public bus system which charge fares ranging from 50 to 80 cents.

A cheaper all-bus system recommended by a consultant team from Harvard University was rejected because of the expected congestion and severe restrictions on private car ownership.

Singapore's rail-based MRT will be closely modelled after Hong Kong's system, a Communications Ministry official said.

The MRT will allow Singaporeans to enjoy "not only a higher quality of transport but a whole new dimension in the quality of life in Singapore," Communications Minister Ong said. — UPI

CSO: 4220/637

GOVERNMENT TAKES ACTION ON CORRUPTION CHARGES

Kuala Lumpur BUSINESS TIMES in English 19 Jun 82 p 9

[Article by Mallika Wanigasundara]

[Text] "OILING the palm' is a pithy saying commonly used in Sri Lanka. It means lubricating the bureaucracy with some cash to push through a deal, big or small. This way, it becomes easier for one to obtain a birth certificate or a passport or clinch a multi-million-rupee contract.

In Sri Lanka today, where infrastructure projects and public expenditures are unprecedented, talks of rampant and massive corruption, especially in high places, have reached a crescendo. And the noise has been such that the government has been forced to act.

The biggest head to roll in the renewed anti-corruption drive was Agriculture Minister E.L. Senanayake. He was forced to resign under pressure from the ruling United National Party of President Jayawardene.

In recent months, Mr Senanayake's activities have been put under question and the UNP was faced with the dilemma of protecting a party loyalist while, at the same time, presenting a clean image to the country.

The newspapers first exposed the irregular award of huge contracts by the Agriculture Ministry. These involved the construction of two warehouses for the state-owned Fertiliser Corporation and the award of a contract for a sugar project.

Reinstatement

As the storm gathered, President Jayawardene appointed a high-powered Cabinet subcommittee to investigate the alleged anomaly. The investigation was preceded by a widely-publicised clash between Minister Senanayake and one of his subordinates. The minister blamed his aide for the irregularities.

The ministry became a veritable battleground where Mr Senanayake was locked in a fight with his aide whom he later dismissed. But Mr Jayawardene entered the fray and ordered the aide's reinstatement.

The country watched with uncertainty while there was unconcealed glee in the opposition. Later the Cabinet subcommittee released its findings and said Mr Senanayake had violated certain established procedures and that he had not sought Cabinet sanction which is required in the award of large tenders.

However, the subcommittee held that there was no corruption. The President tried to soften the blow to the man and the party by switching Cabinet portfolios between Mr Senanayake and Health Minister Gamini Jayasuriya.

The move, however, seemed a pointless exercise of "changing pillows to cure a headache," as a famous Sinhala saying goes.

There was a howl of protest from within the party, particularly from UNP "young Turks" led by Education and Youth Affairs Minister Ranil Wickremasinghe. A week later, Mr Senanayake resigned from the Cabinet and reverted to the back benches as a simple Member of Parliament.

This is the first time in the country's modern history that a Cabinet minister had been forced to resign under questionable circumstances. Some observers maintain that Mr Senanayake has enormous influence in the central hill country. Others believe that his name is too tainted and that his influence is negligible. But almost all agree that he has become a liability to the UNP. Thus, he had to go.

Another official involved in a scandal is 22-year-old Anura Daniel, the youngest member of the UNP in Parliament. He resigned as MP after he was found to have smuggled over two million rupees (US$125,000) worth of contraband in wristwatches and ready-made garments. He was fined two million rupees for the offence.

Still another smuggling investigation reportedly involving a Cabinet member is also underway. The contraband worth 500,000 rupees (US$31,200) consisted of 4,000 wristwatches, garments, a TV set and video cassettes which the Cabinet minister allegedly tried to smuggle from Singapore.

Because of these scandals, the UNP gave President Jayawardene, as party leader, the widest possible powers to inquire into allegations of bribery and corruption. The purge includes not only party members but also other public officials like members of local bodies and district development councils, and chairmen and directors of public corporations.

The stance taken by the UNP was tough. Any such person who fails to adhere to established standards and who is found guilty of corruption, will have to resign from office. UNP members who fail to resign will be expelled from the party.

At the same time, there is a move to make declarations under the Assets and Liabilities Law public and to extend the requirement to cover office bearers of all parties and trade unions. — Depthnews Asia

CSO: 4220/638

EDITORIAL BLAMES UNITED STATES FOR ISRAELI INVASION OF LEBANON

Bangkok MATICHON in Thai 17 Jun 82 p 4

[MATICHON Editorial: "Hurry and Get Out of Lebanon"]

[Text] Israel's sending of troops on a large scale to attack Palestine Liberation Organization (PLO) strongholds in Lebanese territory beginning this past Friday, 4 June and setting her sights on continuing to trample on them is a great disaster and tragedy for all humanity, because 9,583 Lebanese and Palestinian citizens have been killed and 16,608 wounded, and over 600,000 people are homeless. These figures are from the Government of Lebanon, a nation that has been cast aside, its sovereignty violated from all sides, and used as a battleground in this conflict that has gone on through history. Israel's using military measures and sending its forces, causing many deaths and homes destroyed, witnessed by people all over the world, can be considered cruel and inhumane.

It seems that the trend toward this kind of destruction and disaster in war is increasing because of Israel's thirst for war. When Israel uses force to solve her problems, she is likely to be responded to with force. Then we will see the various groups of Arabs retaliating with force. For example, Syria is ignoring the threats of Israel if they do not withdraw their troops from Lebanon; and Iran is sending volunteer forces to help the PLO; and Iraq has vowed to assemble forces to oppose Israel.

In addition, one must worry greatly about the role of the superpowers who may be pulled into the situation in Lebanon because of the thirst for war on the part of the Begin government. The Soviets have called on Israel to stop using force in Lebanon immediately, because they consider it a challenge to Soviet interests in the Middle East. This is because in the Middle East several nations are allied with the Soviets as Israel is allied with or is a puppet of the U.S. Israel has come in and trampled that nation with enough force that the Soviets are likely to become involved to protect their allies just as the U.S. must protect its satellites.

The U.S. ought to keep the Jews from raging war, but it appears that the U.S. does not have the medicine to restrain the hawkish Begin government at all. And the image of the U.S. day after day becomes lower in the eyes of Third World nations, who see the Jews receiving full support from the U.S. in the invasion of Lebanon. Israel maintains that it invaded Lebanon in order to sweep out the PLO and asks for sympathy, but when one looks at the effects of the sweeping

out, one can believe that the Begin government is a "warring beast" that causes international relations in the Middle East to degenerate, which could flare up into full-scale war and violence. For now, the solution at hand is for Israel to get out of Lebanon at once.

9937
CSO: 4207/117

COMMUNIST SEES COALITION EFFORT AS INTERFERENCE IN KAMPUCHEAN AFFAIRS

Bangkok PHYA KRUT in Thai 21 Jun 82 p 3

[Column by Angkhi Charoenrat: "Three Cambodian Factions Join Forces"]

[Text] Philosophy for fighting in the new era: Every nation tries as best it can to push conditions of war as far as possible from home.

Churchill, the English statesman, proclaimed at the time of the World War II that Britain would use all her resources to insure that she would not have to become a battleground.

And the current Thai situation.

If we speak of the Thai-Cambodian border, there is a constant danger because the troops of the two nations have come boldly face-to-face.

To sum up the history of the fighting, whenever the two sides have met face-to-face tension has increased.

Then it ends with war.

And so, with Kampuchea's three factions--Sihanouk, Khieu Samphan and Son Sann--joining hands and forming a coalition government, Thailand is relieved again for a time.

Because, at least, the Cambodian liberation has made it a buffer state once again.

Otherwise, Thailand itself would be.

This military strategy enables us to understand well what is on the mind of the Thai government and the security council.

When the three Cambodian factions can unite, it is as if to say Thailand will not become a battleground.

However....

General Siti Sawetsila, Foreign Minister, has had an obvious role in the situation...however great.

We are interfering increasingly in the internal affairs of our neighbor.

It is true that international political methods of any nation seek the greatest benefits to itself.

But that does not necessarily mean that we should follow the foreign policy that the superpowers induce us to follow. Because if we do so, it is as if Thailand is fighting a war in place of the superpowers.

After careful consideration when we have carried out a policy to the point that the three factions in Cambodia are united, that is our best opportunity and one that will not again be found.

That is, Thailand is free to be truly neutral.

From now on, even if the struggle in Cambodia becomes a war that wipes out a whole race, it is up to the Cambodian people to choose.

Thailand might play the role of the humanitarian, continuing to look after war refugees.

Then...if I may go on

May I compliment the important work of General Siti Sawetsila from the beginning of his administration to this real accomplishment.

And I well know how difficult it is to get the goat together with the sheep. But when it has been done, may the Thai Ministry of Foreign Affairs show the world clearly once again that

Thailand truly wants peace in the region!

9937
CSO: 4207/117

U TAPHAO AIRBASE NOW INTERNATIONAL AIRPORT

BK290219 Bangkok NATION REVIEW in English 29 Jul 82 p 6

[Text] The U Taphao military airbase in Sattahip, once used by the Americans during the Vietnam war, was officially declared opened yesterday as a reserve international airport for Don Muang Airport.

Formerly the home of the giant American B-52 bombers, the airbase is meant to reduce some of the burden already carried by the main airport in Bangkok, it is expected that the Don Muang Airport's facilities and capability will be stretched to the limit by the end of next ten years.

Although there is no definite policy to use the airbase as an international airport, it is however, fully installed with advanced modern communications equipment and facilities including a fire brigade, ambulances and life boats units.

It is wider and bigger than the Don Muang Airport. It is capable of receiving any type of aircraft, large and small, commercial and military including B-52 bombers, Boeing 747 and C-5 aircraft.

Militarily, therefore, the new airport may be turned into an airbase in the event of a war.

Presently, the U Taphao Airport is servicing a handful of both commercial and military aircraft, making a brief stop-over for refueling.

The government in 1979 allotted a budget of 167 million baht for the development of the airbase, about 170 kms south of Bangkok in Chonburi Province. The opening ceremony was presided over by Vice Admiral Pricha Sa-nguansin, the chief of staff of the Royal Thai Fleet.

Vice Admiral Pricha is seen in the picture inspecting a parade by naval officers during the opening ceremony of the U Taphao Airport.

CSO: 4220/269

'BANGKOK POST' REPORTS CAPTURE OF CPM STRONGHOLDS

BK260323 Bangkok BANGKOK POST in English 26 Jul 82 p 1

[Text] Government forces seized three major Communist Party of Malaya strongholds in the south during an operation which began early this month, the BANGKOK POST learned at the weekend.

The camps were in Songkhla, Narathiwat and Yala provinces.

Major-General Panya Singsakda, commander of the 43rd civilian-police-military command, said that command headquarters of the outlawed CPM's 8th, 10th and 12th regiments were smashed and the guerrillas dispersed during the operation.

The operation was carried out by the national forces--a fighting force composed of troops, rangers, police and volunteers from throughout Thailand.

The largest and most strongly fortified of the strongholds was that of the 8th Regimental Headquarters on rugged Nam Kang Hill which straddles the borders of Sadao and Na Thawi districts in Songkhla Province.

Major-General Panya said that the stronghold consisted of a [word indistinct] of tunnels--some up to 15 metres deep--which could withstand an artillery shelling and even 227 kilogramme (500-pound) bombs.

Troops were trying to defuse mines and boobytraps which were planted around the command, he added.

About 540 guerrillas had been based at the 10th regimental command, in Ban Sowo, Sikhirin district of Narathiwat Province. The 12th command, which operated in Betong District, was a splinter faction from the CPM which called itself the Communist Party of Malaya Marxist-Leninist.

Major-General Panya said that the guerrillas'morale was low because of a high defection rate and a reduction in its influence. He said the guerrillas had formed small groups which had dispersed throughout the jungle and avoided contact with government forces.

He explained that the campaign's objective was to restore peace and security to the south and to show the CPM that its protracted revolutionary struggle in Malaysia would never be a success.

Defecting CPM guerrillas would receive the same treatment as Thai Communist insurgents who surrender to the government under anti-insurgency strategies announced in orders No 66/2523 and 65/2525, said Maj-Gen Panya.

The government was also considering granting Thai citizenship to defecting CPM guerrillas and members who could prove that they were born in Thailand.

On southern bandit gangs, Maj-Gen Panya said an unprecedented recent incident showed that they were prepared to wage a war of terror against Malaysians as well as Thais.

He was referring to the kidnapping of four Malaysians who were brought to southern Thailand after being seized in Malaysia.

CSO: 4220/269

EDITORIAL VIEWS KHMER COALITION GOVERNMENT

BK091105 Bangkok THAI RAT in Thai 8 Jul 82 p 3

[Editorial: "The Khmer Alliance"]

[Text] Prince Norodom Sihanouk, president of the new coalition government of Kampuchea, is now in Bangkok to hold talks with leaders of the other two Khmer factions. Many people are watching Thailand to see how the merger of the three Khmer factions will benefit it. Meanwhile, many others are still furious about the old Phreah Vihear temple dispute between Thailand and Kampuchea and thus oppose Thailand's involvement in the Kampuchean problem.

Actions relating to international politics sometimes are very complicated and should be treated confidently. However, the foreign minister should be blamed for failing to inform the public or the House of Representatives Commission for Foreign Affairs about Thailand's diplomatic maneuvers in this regard.

According to the deputy army commander and the 1st Army region commander, following the formation of the coalition government fighting in Kampuchea has escalated. Hanoi strongly opposes the formation of the coalition government for which it blames China.

The Thai Government must uphold our national interests and should not allow us to get deeply involved, despite the fact that we want to see peace in Kampuchea and all Kampuchean refugees return home safely.

What should be considered now is whether the three Khmer factions can really unite with each other or not. The new coalition government should be strong enough to force the 200,000 Vietnamese subjugators to leave the country. Otherwise, its formation will only increase the fighting in Kampuchea.

No matter how the ASEAN countries want to solve the problem, the occupation forces in Kampuchea have to follow instructions from the big power that is supporting them. We can only pray for peace, which is what the Kampuchean people want.

CSO: 4207/128

SIHANOUK PRESS CONFERENCE REPORTED

BK121314 Bangkok Voice of Free Asia in Thai 1000 GMT 12 Jul 82

[Text] At about 1000 today, Prince Norodom Sihanouk, president of Democratic Kampuchea, held a news conference at the Erawan Hotel during which he talked about a few issues of interest, as follows:

At the beginning of the conference, Prince Sihanouk announced the successful formation of the government of Democratic Kampuchea [as heard] and expressed his gratitude to the Thai Government and other peace-loving nations for the support they have accorded the government of Democratic Kampuchea.

Asked about future relations between Thailand and Democratic Kampuchea, Prince Sihanouk confirmed on behalf of his government and the Kampuchean people that there will be no change in relations between the two countries. He said Kampuchea will forever remember Thailand's generosity. Thailand is Kampuchea's true friend. Their majesties the King and Queen have done so much for the Kampuchean people and refugees. The Thai Government and people have treated the Kampuchean refugees with sympathy. Democratic Kampuchea will be friendly and stand side by side with Thailand.

Touching on Vietnam's announcement on the partial withdrawal of its troops from Kampuchea, Prince Sihanouk said Vietnamese soldiers in Kampuchea are now suffering from many illnesses and diseases, such as malaria, and from low morale. Vietnam finds it very difficult to keep its troops in Kampuchea, and has withdrawn part of its troops who are not engaging in the fighting. Moreover, there is no guarantee that what has happened to Kampuchea will not happen to other countries. Vietnam used to declare that it would not invade Kampuchea just as it is saying that it will not invade Thailand or other ASEAN countries.

Prince Sihanouk went on to say that since Vietnam is a member of the United Nations it should comply with the UN charter and the international declaration of human rights, as well as the UN resolutions on the Kampuchean issue and the resolutions adopted at the international conference on a solution to the Kampuchean problems. Vietnam should also attend the international conference, which is scheduled to be opened in New York.

Prince Sihanouk said he would invite Vietnam and the Soviet Union to attend the aforementioned conference.

CSO: 4207/128

INTERVIEW WITH GENERAL SAIYUT ON KHMER COALITION

BK240852 Bangkok Domestic Service in Thai 0000 GMT 24 Jun 82

[Interview with Supreme Commander General Saiyut Koetphon--given 23 June; recorded]

[Excerpt] [Saiyut] According to the reports I have received, the situation along the border with Kampuchea has improved. I am very pleased to see them having successfully united in their political efforts. Political and military operations must go together. If politics is stable, the military will be strong. Formerly, the anti-Vietnamese forces were fairly strong, but they could not unite politically. Now, I believe that their morale will be enhanced by the formation of the coalition government.

[Question] Do you have any problem [words indistinct]?

[Answer] We must admit that the budget from the government is limited. What the armed forces will buy depends on the priority list. The budget allocated to the armed forces cannot exceed the amount prescribed in the allotment plan.

CSO: 4207/128

EDITORIALS COMMENT ON KHMER COALITION

BK121026 [Editorial Report] Three Thai-language dailies--THAI RAT, MATICHON and MATUPHUM--on 11 and 12 July carry editorials commenting on Thailand's attitude toward the newly-established coalition government of Democratic Kampuchea [CGDP].

The 11 July THAI RAT editorial, on page 3, entitled: "The Rebirth of Kampuchea," notes that the fall of Phnom Penh was caused by disunity among Kampuchea's former leaders and people and describes the current plight of hundreds of thousands of Kampuchean people, including the young and old, who are now living along the border as refugees.

The editorial stresses that the most urgent task is to repatriate the Kampuchean people so that they can help the new coalition government rebuild Kampuchean society and economy.

The editorial continues: Difficulties and problems will be inevitable if Kampuchean leaders only try to fight for their own interests rather than for those of their country.

The editorial concludes with the statement: "The Kampuchean people throughout the nation must realize that they can only depend on themselves. The task of national reconstruction is a difficult and heavy one, but we believe that the Kampuchean people will continue to work selflessly to rebuild their country....

"We hope that the Kampuchean leaders will not forget the hospitality Thailand has accorded the Kampuchean people during the wartime."

The 11 July MATICHON editorial, on page 3, entitled: "Prince Norodom Sihanouk; When the Enemy Becomes a Friend," says that news reports and pictures of Prince Norodom Sihanouk on the front pages of many local dailies have led the people to completely forget about his antagonistic attitude toward Thailand in the old days.

The editorial says that many Thai people think that Thailand is only provoking Vietnam by giving support to the CGDK. They want the Thai Government to strictly adhere to a neutral policy in dealing with the Kampuchean problem.

"These patriotic people fear that more Thai support for the new coalition government might cause tension along the border that could erupt into a war between Vietnam and Thailand as China and its front organization, the Communist Party of Thailand, have been trying to pit the two countries against each other."

The editorial points out that ASEAN's support for Democratic Kampuchea is in line with UN resolutions, and the Thai Government must "think about the security of the country and its own people in the long run."

The 12 July MATIPHUM editorial, on page 4, entitled: "It Is Vietnam's Business, Not Thailand's," says that Vietnam is now trying to legitimize its military occupation of Kampuchea.

The paper says: No matter how cruelly the Kampuchean leaders treat their people, how efficiently they run the country's affairs nor whether they lead their people to heaven or hell, no country should try to intervene to settle the problems for the Kampuchean people. It is the duty of the Kampuchean people themselves to fight for a good government.

"Our opinion is based on our former attitude against the French and Americans, who used to attempt to arrange the lives of the people in Indochina and other parts of the world."

CSO: 4207/129

PARLIAMENT REJECTS CONSTITUTIONAL AMENDMENT

BK100635 Bangkok BANGKOK POST in English 10 Jul 82 p 1

[Excerpt] The House of Representatives was yesterday dealt yet another humiliating defeat when the constitution amendments draft which aims to introduce a more democratic rule to the country after the next April general elections was killed in parliament.

It was the second failure for the majority of the elected MPs in an attempt to change the existing constitution by "technicality." Over two weeks ago, a government-sponsored draft which advocates multi-constituency and candidate voting system was dropped when most senators abstained in the voting.

Yesterday's secret vote was 235 for the amendments draft and 168 against. The number of the positive votes were 29 short of the minimum 264 needed to pass the draft in the parliament. There were nine abstentions.

The draft which was overwhelmingly approved in its first reading by the House of Representatives last May was endorsed by most party leaders both from the government and opposition camps, including M. R. Khukrit Pramot the social action party who, unfortunately, was absent from the debate yesterday.

Highlights of the proposed amendments in the defeated draft are as follows:

--the prime minister and half of his 29-member cabinet must be elected MPs;

--the house speaker is president of the parliament and the number of senators must not exceed half that of the House of Representatives;

--prior to taking office, the cabinet must state its policy before the parliament and get a vote of confidence from the parliament;

--local governments at all levels, including Bangkok Metropolitan Administration must be elected.

CSO: 4220/269

SAIYUT INTERVIEWED ON SITUATION IN SOUTH

BK170412 Bangkok NATION REVIEW in English 17 Jul 82 p 6

[Text] Supreme Commander Gen Saiyut Koetphon welcomes a proposal by the Fourth Army Region to offer Thai citizenship to members of Muslim separatist movements and the Communist Party of Malaya (CPM) as an incentive for their defection.

In an exclusive interview with the NATION, Gen Saiyut said he agreed in principle to the proposal which could be a solution to terrorism and insurgency in the trouble-plagued south.

He said that the measure would provide separatists and CPM's fighters a chance of turning over a new leaf.

A considerable number of the terrorists and insurgents, and insurgents, particularly in the rank and file of the CPM, would not be welcomed by Malaysian authorities even if they surrender as some of them had been recruited from southern Thailand, he said. They have also joined the outlawed movements for so long that Thailand did not regard them as Thai people, according to the Supreme Commander.

General Saiyut also said that more emphasis must be placed on the areas security, economy and development other than the military actions against CPM and "terrorist bandit movements" to weaken their strength.

The supreme commander listed intelligence gathering, measures to provide protection to local villagers and development projects as the areas of work that needed improvement.

"We have wrongly overemphasized military action against the movements and now it's time our authorities must attentively coordinate various fields of work," he said.

He added that field officials must also improve their services to the Muslim people in the south, citing the inadequate facilities for their pilgrimage to the Middle East as an example.

General Saiyut proposed that the Foreign Ministry should post its officials to the south to enable quick pilgrimage for Muslim people to Mecca.

The Muslim people now have to take a trip to Bangkok en route to their destination which is much more inconvenient than crossing the southern border to Malaysia, according to the Supreme Commander.

He also proposed that Thai officials be sent to Saudi Arabia to look after the Thai pilgrims and ensure that none of them would be stranded in the Middle East country.

CSO: 4220/269

PRASONG NOTES REFUGEES 'BURDEN'

BK160546 Bangkok BANGKOK POST in English 16 Jul 82 p 5

["Full text" of speech by Squad Leader Prasong Sunsiri, secretary general of Thailand's National Security Council, at the annual conference on displaced persons in Bangkok on 15 July]

[Text] I am delighted once again to have this opportunity to address the annual conference on Indochinese displaced persons in Thailand. Throughout the past seven years, since Thailand began to confront the massive influx of Indochinese displaced persons, a number of voluntary agencies and international organisations have untiringly and closely worked with the Thai Government in handling this difficult problem.

This annual conference is now the fifth of its kind which reflects the solidarity of the volunteers and the international authorities in furthering their cooperative effort with the Thai Government. Therefore, I wish to take this occasion to profoundly thank all of you who have devoted much of your physical and spiritual energy and your time toward our humanitarian task in Thailand.

Since 1975, third countries have helped Thailand by granting 390,000 displaced persons resettlement; however, the overall number of displaced persons in Thailand has not satisfactorily decreased because the people in Indochina who face hardship have been migrating to Thailand. At present, we have a total of 184,704 displaced persons; of this number 90,856 are Kampuchean illegal immigrants. In addition, there are about 300,000 Kampucheans staying along Thai-Kampuchean border areas; they are increasing in number as a consequence of the fighting and starvation in their troubled land. Actually, their numbers may not be as high as in the past, but the turbulence in Indochina, especially the continued armed conflict, gives no one confidence that in these circumstances there will be no displaced persons moving into Thailand on a massive scale again. The expected recurrence of the great Indochinese influx keeps us worried; therefore, we desire to see that the problem of displaced persons remaining in Thailand be completely solved at the earliest opportunity.

As the person responsible for refugee policies, I wish to reiterate that the Thai Government continues to uphold humanitarian principles in alleviating the plight of Indochinese displaced persons coupled with the consideration

on our sovereignty and national security, as long as other countries and international organisations concerned continue to honour their commitments and fully share the burdens imposed upon Thailand. We have taken some important steps in administering displaced persons affairs. For instance, the numbers of holding centres will be reduced to four sites in 1982 and the Thai authorities have not allowed subsequent groups of displaced persons to depart for third countries. This plan is partly tactical and aimed at neutralising the Indochinese people's motive for leaving their homeland. In pursuit of the long-term objective, however, the Thai Government relies on the hope that the UNHCR and the third countries shall accelerate the resettlement of more displaced persons from Thailand.

It should be noted that Thailand has the burden of taking care of not only the Indochinese but also the displaced Burmese nationals, the Yunanese and the Vietnamese of an older generation. This burden has been exacerbated by a new wave of massive Indochinese illegal immigration from 1975 on. We hope to receive continued international sympathy and to see other countries urgently granting these unfortunate people their resettlement. Thailand is determined not to allow even one displaced person left on her soil. Thailand has learned the hard lesson that, in committing to the humanitarian tradition too rigidly, the consequence is damaging to her, as in the case of the Vietnamese entrants of the 1950s. Does any country care or can anyone help us to get rid of this problem?

I beg to mention what I expressed on many occasions that the best solution of the problem of displaced persons is to tackle its root cause, that is, how to deter the emigration of the Laotians, Kampucheans and Vietnamese. These countries of origin must be responsible for the plight of their people. They have directly or indirectly encouraged the outflow of their own citizens. The first and foremost task should remain with them, not their neighbours. Otherwise, we cannot put an end to the problem, and the cost of managing it, I believe, will be astronomical.

Now I shall turn to a crucial point. The chaos and the mass migration in Kampuchea was originally caused by the Vietnamese use of brute force to cruelly exterminate the Kampuchean race. The United Nations has accepted this fact. Moreover, the United Nations resolution which calls for the complete Vietnamese withdrawal of troops from Kampuchea was overwhelmingly endorsed by the great majority of nations, but the government of Vietnam is adamant at its wrongdoings in contravention to the UN resolutions. Besides, the Vietnamese find no fault in exploiting and diverting the international assistance to starving Kampucheans for the interest of their own forces. These indecent Vietnamese acts dismay many civilised nations.

I am waiting to see the day when the Vietnamese leaders realise that their course of action is not in the best interests of the people. The Vietnamese troops must pull out from Kampuchea completely. Perhaps they will become enlightened by the rule of Karma that what they have wrongly committed in violation of international peace and in opposing the world conscience can return them as the aggressors with distasteful consequences.

I would like to mention some important facts about the Kampucheans. Most of them staying in the holding centres or camping along Thai-Kampuchean border areas do not want to resettle in an unfamiliar land. They patiently hope and wait to return to their homeland under peaceful circumstances. In realising their true desire, I have tried to work hard on a plan for voluntary repatriation with good cooperation from the UNHCR from the beginning, but it cannot be implemented owing to the impediment caused by the Vietnamese intimidation against the repatriated. In considering the significance of this plan, I call on the UNHCR, international organisations and other countries to support and seriously work for this plan because it responds to the Kampucheans' genuine desire. I wish to express many thanks to the government of Japan which proposed this matter in the recent meeting of ASEAN ministers in Singapore--that the unfortunate Kampucheans should return to their homeland under close supervision of the UNHCR or some other international organisations. I ask every country to seriously help and make this plan successful.

I would like to stress again that the displaced persons have become an unceasing and costly problem for Thailand. We have sacrificed a number of officials to work in holding centres. We have spent our budget to maintain administration and facilities for them. Some of our works cannot be assessed in monetary terms. In 1979 Thai citizens in seven provinces along the Thai-Kampuchean border were badly affected by huge and successive immigration of Kampucheans. Consequently, 80,000 Thais have become uprooted. The Thai Government has tried to help them to return to normal life. At the same time, help and sympathy have come from friendly countries but are inadequate for the magnitude of these Thai villagers' grievances. I hope that the international organisations and friendly countries will continue to give attention to these unfortunate Thais too.

As earlier mentioned, Thailand has received valuable help and good cooperation from many countries. But sometimes, the Thai people feel uneasy due to the accusation made by some countries and some international mass media that Thailand is not responsible for the suppression of piracy. I think that this is a premeditated act to ruin Thailand's good image. I believe a person with good conscience realises that crimes committed by pirates in the Gulf of Thailand can be comparable to those taken place in New York, Paris, London, or any other city in the world. Crime, everyone agrees, is difficult to prevent. The acts of piracy in the Gulf of Thailand and the South China Sea, covering large international waters, can be met effectively only by international cooperation. I want to remind you that 300,000 square kilometres of the Gulf of Thailand belong to many coastal states, not only to Thailand. It is unjust to criticise Thailand and to give her sole responsibility.

Thailand has continued suppressing the pirates according to our capabilities. The pirates, whose nationalities are not known, prey upon not only the Vietnamese boat people but also the Thai fishermen. The UNHCR has already transferred a sum of U.S.$3.67 million donated by 12 countries to the Thai Government to use for the pirate suppression programme within a period of 12 months. I expect that this fund can help make responsible government agencies more capable of handling piracy. However, what we are now

implementing is to tackle the piracy problem at its effect not its cause. If we hope to be successful, we must persuade Vietnam to cooperate with the international community, in order to facilitate an orderly departure of Vietnamese emigrants to the third countries. Vietnam should not push its own citizens away to face risks on high seas as it is now doing.

Last year, there were implementations of new plans concerning displaced persons in order to deter the inflow of Indochinese to Thailand which make some observers doubtful about the consistency of the Thai Government policies in dealing with these people. One year has passed and the Thai Government has proved that it still continues to abide by humanitarian principles.

Unfortunately for Thailand, although the figures of displaced persons of the past year has decreased they have become more unwelcome by the third countries. Within the period of 6 months, January-June 1982, third countries have received only 19,500 for resettlement which is much less compared to 48,000 for the first six months in 1981. This tendency confirms the Thai people's anxiety that eventually Thailand will be left to shoulder the burden alone.

Thailand is a small country confronted by many pressing problems and needs, but with limited resources and capabilities the Thai Government decided to take on these burdens because many countries assured us of their commitment to fully share these burdens. As a result, we opened our door to these devastated people with the understanding that they shall be welcome to resettle in other lands and our burden shall not be prolonged indefinitely. But the present trend has proved otherwise and other countries are beginning to forget the displaced persons in Thailand.

What I am telling you is frank and sincere. I have no desire to review our stance and to take any negative measure in treating the displaced persons because it is against my attitude and personal belief. Nevertheless, if all countries and international organisations fail to honour their commitments and Thailand has to bear these grave burdens alone. I deem it necessary for Thailand to take a new step in order that our interests and security can properly be preserved. It is unavoidable for us to be concerned with the prevailing situation when many third countries have adopted new policies to accept fewer displaced persons for resettlement. They claim that they have done enough; therefore, we can say likewise that we in Thailand have done more than enough.

Speaking sincerely, I still hope for the best and I wish to call on the voluntary agencies, the international organisations and the governments of foreign countries to honour their commitments with a view to lessening Thailand's burdens with the displaced persons.

CSO: 4220/269

ILLEGALLY PURCHASED ARMS DESTINED FOR MIDDLE EAST

BK170557 Bangkok BANGKOK POST in English 17 Jul 82 p 1

[Article by Yuwadi Thunyasiri]

[Text] The 4,000 M-16 assault rifles illegally bought from the United States by gun dealers, including two army officers, were not destined for the Thai market, but for a client in the Middle East, a highly-placed government source told the BANGKOK POST yesterday.

The source said preliminary investigations by a high-level military team showed that Major Wivat Wisanuwimon, one of the two officers implicated in the illegal arms deal, had recently flown to the United States and paid about U.S$2.5 million (57.5 million baht) for the 4,000 M-16 rifles consignment.

The arms were to be sold to a Middle East country for about U.S.$3.5 million (80.5 million baht), said the source, who declined to name the potential buyer of the consignment now impounded in Singapore.

He denied earlier reports that the arms shipment had already been smuggled into the country and dismissed fears that the arms could end up in the wrong hands.

The source said that Major Wivat was formerly a student in Britain and is the son of a businessman in Bangkok. Another officer implicated in the arms deal Maj-Gen Sawong Phinyo, is being held in army custody.

The army last night announced that the investigation so far had unearthed evidence and testimony indicating that the two officers had used the name of a government agency without authorisation to purchase the arms.

The statement said that though the arms were not meant for Thailand, the two can still face criminal charges. It said the probe would continue and the officers would later be charged in the military court.

Colonel Narudon, secretary of the army, said yesterday that the army had set up another committee to consider legal action against Maj-Gen Sawong and Major Wivat who is now abroad.

The colonel disclosed that the government first learned of the arms deal on July 8 when the Thai military attache in Singapore asked the army about a freighter docked in Singapore with a shipment of 4,000 M-16 rifles bought from the United States.

Meanwhile, an arms dealer in Wang Burapha area said yesterday he believed the two officers might have forged an end user certificate authorising them to order the M-16s from the U.S. manufacturer.

The end user certificate is a vital document in an arms deal. It certifies that the purchase is being made by, or on behalf of, the end user, who has to be a sovereign government or a certified representative.

The certificate has no specific form, shape or size, or specific wording. It is a written affirmation from a government or a certified representative that the bearer or the dealer is authorised to apply to the supplier government for permission to purchase and export arms.

The dealer said it is very difficult for a private arms dealer to buy war weapons, such as the M-16 assault rifles, from the supplier government. He added that permission has to be sought from a committee which comprises under-secretaries of defence and interior and representatives from the three armed forces, the national security council, the police and the supreme command.

CSO: 4220/269

HIGH UNDEREMPLOYMENT RATES NOTED

Bangkok DAO SIAM in Thai 18 Jun 82 pp 3, 14

[Article: "Thai Labor Force of 22.7 Million, Under 4.6 Million Working, Severe Problems Result, One Person Supports Three"]

[Text] Results of the recent survey of the labor force show that of the 47.3 million people in the whole kingdom, it appears that 22.7 million or about 48.1 [percent] of the total are in the labor force or are individuals over the age of 11 who have or do not have work.

Those other than the 3.2 million people in the work force living under municipal jurisdiction and the 19.5 million outside municipal jurisdiction are not in the work force or were 11 years old at the time of the survey. These people consist of housewives, students, retirees and those unable to work for various reasons. They account for 8.4 million people or 17.9 percent. The children under 11 account for another 38.0 percent or about 16.1 million people.

The above figures come from the latest survey of the work force by the national statistics bureau of the Office of the Prime Minister, which was carried out between July and September of 1979. Because it took time to analyze the results and print them as in a volume, they have just become available recently.

Of the 22,728,100 people in the work force, 99.1 percent have work; 0.9 percent do not have work. From the survey results it appears that those in the work force in this most recent survey had increased by 1.3 million people over the survey of August, 1979, in which the labor force was 21.4 million. This is largely due to the increase in agriculture and due to the survey's (1979) taking place during the agricultural season.

Analysis of the new figures show that 18.2 million of the 22.7 million in the work force or 80 percent are fully employed; 4.6 million are underemployed; .9 percent of the people have no work at all; 2.3 percent are underemployed in an hourly sense; 16.7 percent are underemployed in the sense of salary, and no more than .1 percent are underemployed in the sense of not fully utilizing their knowledge or abilities.

This shows that of the nation's total population of 47.3 million, only 18.2 million or 38.48 percent are fully employed, or that one person must work to support nearly three people.

9937
CSO: 4207/117

DEADLINE SET TO INCREASE NATURAL GAS SUPPLY

BK270225 Bangkok BANGKOK POST in English 27 Jul 82 pp 1, 3

[Text] The government has set next January as the deadline for Union Oil to increase its supply of natural gas from the Gulf of Thailand to the agreed level.

Since gas began to flow from the Erawan field in the Gulf of Thailand a year ago, the amount has consistently fallen short of the daily supply contracted for by the petroleum authority of Thailand.

Industry Minister Chatchai Chunhawan announced the deadline to the president of Union Oil of California's international oil division, Harold Lian, and William Greenwalt, the company's vice president and resident manager in Thailand, at a recent meeting between the three men.

Major-General Chatchai said the government may be forced to consider other coercive measures if the company fails to fulfill its commitment.

"I informed the executives (Lian and Greenwalt) that if Union Oil could not arrange a sufficient supply of gas there would be other companies qualified to do the job," he said.

According to the terms of the contract with Union Oil, the company may be fined by a reduction of 20 percent of the price for the gas supplied if the agreement is not met.

Union Oil was contracted to supply 200 million cubic feet of gas a day, rising to 250 million cubic feet a day from last September.

Production during the second quarter of this year has averaged only 137 million cubic feet, however.

Union Oil blamed excessive heat in the well which it said had caused damage to equipment, and lately the company has asked for a review of the natural gas reserves in the Erawan gas field, claiming that they were less than estimated.

General Chatchai said yesterday morning that it was impossible for the reserves to be lower than estimated.

"In fact the reserves should be higher because of further deposits found by the company at new wells," he said.

Thailand's development plans are linked to the projected flow of natural gas and projects especially on the eastern seaboard, would be jeopardised if the supply continues to fall short of the amount needed.

The original estimate had been made by Union Oil in cooperation with two neutral [word indistinct] such as de-Goymer and McNaughton.

Asked to comment on the oil deal at Lan Krabue in Kampaengphet Province, the industry minister indicated that the terms of contract entered into with the exploring company were fair. There were no "disadvantages," he said.

Deputy Industry Minister Chirayu Itsarangkun said the government will take 12.5 percent of the value of the oil find in royalties and 50 percent of the developer's net profit.

No talks on further investment to exploit the oil reserves had been held, however, he said.

CSO: 4220/269

BRIEFS

MALAYAN COMMUNIST PRESENCE--We do not believe that there is any Malayan national liberation army stronghold on Thai soil. However, there are small groups of Malayan communist guerrillas operating in the jungle. They kidnap the local people for ransom and sometimes even prey upon the people in Betong town. They can do this because they have been here for many decades. The 4th Army Region has been launching suppression drives against the Malayan communists. We cannot allow any group of individuals to set up a second government to collect illegal taxes from the people in our country. We appeal to the people to cooperate with our national armed forces in implementing the "peaceful south" policy of the 4th Army Region commander in order to restore security along the Thai-Malaysian border areas. I wish to reaffirm that the Malayan communist guerrillas are no longer a political force in Thailand. They are only small groups of bandits. We have not found any of their bases in any area. They are hiding in rubber plantations in groups of 10 to 20 and living on protection fees collected from the local people. The people can have confidence in our national armed forces that we will take every action to strengthen our state power. [Text] [BK061658 Bangkok Domestic Service in Thai 1300 GMT 5 Jul 82]

BURMA RELEASES THAI NATIONALS--The Foreign Ministry has reported that during the first half of this year, the Thai Embassy in Rangoon sent home 133 Thai nationals who had been released after being arrested and imprisoned by Burmese authorities on charges of illegal fishery inside Burmese territorial waters and illegal entry into Burma as wood poachers. [BK100923 Bangkok Voice of Free Asia in Thai 1000 GMT 7 Jul 82 BK]

UNDP ASSISTANCE--The UN Development Program has approved a 5-year program of assistance worth $43 million to Thailand. The approval was made by the UNDP governing council meeting in Geneva recently. This is the third program for Thailand covering 1982-86. UNDP resources will be concentrated on four principal themes. The first will focus on the management of various fields and the improvement of government institutions both in the central and provincial levels. The second theme focuses on rural development and alleviation of poverty particularly in the north and northeastern regions. The third theme is directed at strengthening the economy, particularly industrial development. The last theme centers on energy resources development. [Bangkok Domestic Service in Thai 0530 GMT 9 Jul 82 BK]

TIN EXPORT, REVENUE--According to the board of trade, during the first 4 months of this year Thailand exported 12,485 tons worth 4.104 billion baht. Importers of tin from Thailand included the Netherlands, which imported 7,728 tons; and the United States, which imported 3,159 tons. The f.o.b. price of Thai tin during the first 4 months of 1982 was 328,714 baht per ton, as compared with 284,407 baht per ton during the same period of 1981. [Bangkok Voice of Free Asia in Thai 1000 GMT 8 Jul 82 BK]

KAMPUCHEA BATTLE SITUATION--The Aranyaprathet information center has reported that over the past week, four Vietnamese soldiers fighting in support of the Heng Samrin forces along the Thai-Kampuchean border near Aranyaprathet District defected to the Thai authorities. According to the report, two of them were privates and the other two were noncommissioned officers. From their interrogation, it was learned that most of the Vietnamese deserters were recruited from South Vietnam and they were tired of the protracted war and the hard life in the jungle. Concerning the fighting between the two Kampuchean sides, during the past week the Khmer Rouge forces of Khieu Samphan launched offensives against the Vietnamese-Heng Samrin positions. The Vietnamese-Heng Samrin forces along the border positions near Prachin Buri and Trat provinces have been pulled back for reinforcements. Only the forces at Poipet, opposite Aranyaprathet, were maintained as usual. There was also a report that Vietnam has set up a big radar site inside Kampuchea, about 14 km from the Thai border at Chanthaburi Province, aiming into Thailand. [Text] [BK240933 Bangkok Voice of Free Asia in Thai 1000 GMT 23 Jun 82]

TRADE WITH AUSTRALIA--The Australian information office reports that the value of bilateral trade between Thailand and Australia has increased from Australian $66 million during 1974 and 1975 to $194 million during 1980 and 1981. [BK080515 Bangkok Voice of Free Asia in Thai 1000 GMT 5 Jul 82 BK]

RUBBER EXPORT FIGURE--The board of trade of Thailand has reported that Thailand earned 4.131 billion baht from rubber export during the first 5 months of 1982. During the period, Thailand exported about 234,491 tons of natural rubber. [Bangkok Voice of Free Asia in Thai 1000 GMT 5 Jul 82 BK]

BOAT REFUGEES IN SONGKHLA--The naval station in Songkhla Province has reported that during the past 30 days, a total of 261 Vietnamese boat people--124 men, 69 women and 68 children--landed in the southern region of Thailand. [BK020429 Bangkok Voice of Free Asia in Thai 1000 GMT 24 Jun 82 BK]

JAPANESE AID ACCORD--Thailand and Japan yesterday signed an agreement under which Japan will provide 5.265 billion yen for Thailand to construct a trade training center for the commercial relations department, a radio and TV educational program producing center for Sukhothai Thammathirat University and a central laboratory for the forestry department. [Bangkok Voice of Free Asia in Thai 1000 GMT 25 Jun 82 BK]

SCORPION TANKS--With reference to the report in the "Boem Bangboet" column in the 7-8 July issue of the newspaper MAHACHAI on the purchase of Scorpion tanks, the army public relations center has denied the report as false. The Scorpion tanks purchased by the army are new tanks manufactured under the supervision of the British Defense Department. They are not old and used tanks as the report said. The purchase had been arranged since 1978. The officers accused by the columnist as being responsible for the purchase--Gen Sak Bunthrakun, Gen Prayut Charumani and Gen Prem Tinsulanon--in fact had nothing to do with the purchase of the tanks. The purchase contract had been made before the three officers were appointed deputy army commander, army commander and defense minister respectively. The report has tarnished the reputation of the army and the army will therefore take legal action against MAHACHAI. [Text] [BK081445 Bangkok Domestic Service in Thai 1300 GMT 8 Jul 82]

RICE TO BANGLADESH--According to Commerce Minister Punmi Punnasi, the government has agreed to sell 40,000 tons of 35 percent par boiled rice worth 200 million baht to Bangladesh. Bangladesh will pay 25 percent in cash and the remainder in installments over 3 years. Deliveries will begin this month and will be completed in September. [Bangkok Voice of Free Asia in Thai 1100 GMT 15 Jul 82 BK]

CHEMICAL FERTILIZER NEGOTIATIONS--The government has terminated the negotiations with a Scandinavian complex on the investment in a chemical fertilizer complex. This decision was made yesterday during the meeting of the eastern seaboard development committee chaired by the prime minister. The consortium could not accept the cost price of natural gas of the petroleum authority of Thailand and investment and other conditions required by the government. [Bangkok Domestic Service in Thai 0000 GMT 16 Jul 82 BK]

NINE MONTH REVENUES, EXPENSES --According to the Finance Ministry, the government's revenue during the first 9 months of this fiscal year exceeded expenditure by 10.707 billion baht. Revenue during the period totaled 101.837 billion baht, of which 18.044 billion baht was in the form of borrowings. Total expenditure during the period was 91.129 billion baht, 87.765 billion baht of which were spent for administration and 3.364 billion baht for loan repayments. [Bangkok Domestic Service in Thai 0000 GMT 15 Jul 82 BK]

OUTGOING FRENCH AMBASSADOR--French ambassador to Thailand Jean Soulier met Prime Minister Gen Prem Tinsulanon at Government House on 19 July at 1330. He was accompanied by the director general of the Foreign Ministry's protocol department, Nikon Phraisaengphet. The French ambassador has completed his tour of duty in Thailand and will leave the country shortly. The prime minister and the French ambassador spoke about the good relations existing between the two countries. The French ambassador welcomed the talks between Thailand and France concerning French convicts jailed in Thailand. The prime minister expressed his regrets at the departure of the French ambassador, who knows Thailand very well, can speak Thai and has served in this country for 18 years. During the meeting, the prime minister presented a souvenir to the French ambassador. [Text] [BK210928 Bangkok Voice of Free Asia in Thai 1000 GMT 20 Jul 82]

5000 TROOPS PER YEAR DESERT--Deputy Minister of Defense General O. Phaniang Kantrat revealed that there are now as many as 58,416 deserters from the military who have not yet been dealt with. The Deputy Minister of Defense said that since 1932 there have been five laws to deal with deserters from the military. The most recent was from 1972. Since that time those deserting from military duty have surpassed 5,000 per year. They are still considered to have broken the law. As far as is known, these deserters have familial obligations, so they find a way out, as previously mentioned. To solve this problem the military has tried to train those called up for service in order and discipline and patriotism. At the same time, they have improved living conditions in the military so that more people will consider serving. In this way [they will get] people who do not have familial problems, and General O. Phaniang is convinced that when they enter training and are given their weapons they will all be ready to fight the enemy or the invaders. [Text] [Bangkok DAO SIAM in Thai 19 Jun 82 pp 3, 10] 9937

JAPANESE DAM ASSISTANCE--Thai villagers and Kampuchean refugees living along the Thai-Kampuchean border will soon have better access to water for consumption and cultivation as four new dams for these purposes will be built with 2.4 billion yen assistance from Japan. The assistance was formally extended to the agriculture minister by the Japanese trade mission during its recent visit to Thailand. Three of the four dams will be constructed in the border provinces of Surin, Buriram and Prachin Buri. The fourth will be built in Chon Buri. [BK180905 Bangkok Domestic Service in English 0000 GMT 16 Jul 82 BK]

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END

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GENERAL ERSHAD SPEAKS ON DOMESTIC POLICIES

Dacca THE BANGLADESH TIMES in English 14 Jul 82 pp 1, 8

[Text] Khulna, July 13: The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, said here today that the present Government was giving maximum stress on the development of villages where 90 per cent of the country's population lived, reports BSS.

Addressing a cross-section of people, he said that an amount of Taka 1,400 crore had been allocated to the agriculture sector and rural-based projects in the current fiscal year. The amount, which constituted 48 per cent of the total budget allocation for this year was double the allocation made in any previous year he pointed out.

Gen. Ershad said that the shortfall in food production had to be overcome and "we have to reduce our dependence on foreign assistance to the minimum".

The CMLA said "We must give up the habit of begging from foreign countries and try to depend on our own resources to keep the prestige of the nation high." For this, "we have to make sacrifice and share poverty with all".

Gen. Ershad said that the hardship caused to the people due to a slight rise in the prices of kerosene oil and fertilizer could not be avoided. Despite rise in the prices of these commodities, the government will have to provide subsidies on them, he added.

The annual subsidy on fuel alone amounts to Taka 332 crore which, he said, "is too heavy a burden on our exchequer to bear."

Restructuring

Gen. Ershad said the task of restructuring the country economically, socially and morally is a gigantic one and expressed his firm belief that with the active cooperation of the people and through dedicated work they will be able to attain that goal.

He said the Government has launched a crusade against rampant corruption which has been eating into the vitals of the nation.

The CMLA said High Court benches have been set up at divisional level to bring justice nearer to the people.

He said criminal laws have been suitably amended for quick dispensation of justice and civil laws are being amended with the same end in view he added.

Earlier addressing the troops and officers at Jessore Cantonment, Gen. Ershad said that the main task of the Armed Forces is to defend the country and for this they have to undergo continuous training.

Gen. Ershad said to achieve the objectives of building the country on a strong economic footing they have to work hard with sincerity and dedication to prove themselves worth of the trust reposed on them by the people.

The CMLA went to the training field to see the progress of the training and evinced keen interest in their training. He also went round different units.

At Khulna Gen. Ershad laid the foundation stone of a Jame Mosque at Alia Madrasha premises.

He also visited the local office of the Muktijoddha Sangsad and gave a patient hearing about the problems of the freedom fighters.

The Minister for Education and Religious Affairs, Dr A Majeed Khan, GOC, 9th Division and ZMLA, Zone "A" Maj. Gen. Abdur Rahman and GOC 55th Division and ZMLA, Zone "B" Maj. Gen. K M Abdul Wahed accompanied the CMLA.

CSO: 4220/7656

BANGLADESH, WORLD BANK SIGN CREDIT AGREEMENTS

Dacca THE BANGLADESH OBSERVER in English 7 Jul 82 p 1

[Text] Washington, July 6:—Bangladesh and the World Bank signed here on June 30 two credit agreements for a total of 132 million US dollar worth soft loan for Bangladesh, says a PID handout.

One agreement was for Ashuganj Power Project for 92 million dollar and the other fur Rural Electrification Project for 40 million dollar.

The credit for Ashuganj Power Project will support a 328.4 million dollar project aimed at helping the country to meet the increased demand for power upto 1990 while the Rural Electrification credit will support the second phase of government's Rural Electrification programme and will finance the expansion of distribution networks in seven cooperative areas near Dacca, Faridpur, Noakhali Chittagong Khulna Barisal and Kushtja.

The Bangladesh Power Development Board which is responsible for project implementation will undertake the expansion of the existing steam power plant at Ashuganj through the addition of two steam gasfired units of 150 megawatts each to provide additional base load capacity. The credits are 50 years including 10 years of grace period. They carry no interest but bear a small annual service charge of 0.5 per cent on the undisbursed balances of the credit and 0.75 per cent on the disbursed balances.

It may be recalled here that the World Bank (IDA) commitment of funds for Bangladesh during the last fiscal year ending on June 30 1982 stands at 391 million US dollars.

CSO: 4220/7645

CANADA PROVIDES GRANT FOR WHEAT PURCHASE, SHIPMENT

Dacca THE BANGLADESH OBSERVER in English 7 Jul 82 p 1

[Text] Canada will provide Bangladesh a grant worth about Taka 60 crore for purchase and shipment of wheat reports BSS.

A memorandum of understanding to this effect was signed on Tuesday at the External Resources Division office.

According to a Press release Kazi Fazlur Rahman Secretary External Resources Division Ministry of Finance and Mr. Arthur R. Wright Canadian High Commissioner in Bangladesh signed a memorandum of understanding.

It said under the memorandum the Government of Canada has agreed for the eleventh consecutive year to provide the Government of Bangladesh with a grant for the purchase and shipment of wheat.

This year's grant valued at 30 million Canadian dollars (60 crore Taka) will provide approximately 100,000 metric tons of wheat and will bring Canada's total food allocation to Bangladesh since independence to 420 million Canadian dollars. Shipments are expected to arrive between August and November 1982 and will for the most part be used in the Government of Bangladesh's public distribution system. A portion of the shipment has however been earmarked for the vulnerable group feeding and food for world programmes.

The High Commissioner stated that while Canada was continuing her commitment to the provision of food aid in Bangladesh it was hoped that Bangladesh would shortly achieve its national objective of food self-sufficiency.

CSO: 4220/7645

MISAPPROPRIATION ON RELIEF WHEAT UNCOVERED

Dacca THE BANGLADESH OBSEKVER in English 7 Jul 82 pp 1, 8

[Text] Bangladesh Krishi Bank (BKB) recovered an estimated amount of Taka 170 crore during the fiscal year 1981-82 under its intensive efforts to recover the outstanding loans. The bank recovered Taka 131.08 crore in 1980-81.

The outstanding loan stood at Taka 420.93 crore till March 1982 which indicates an increase of Taka 52.61 crores over the outstanding loans of Taka 368.32 crores in June 1980.

During the period under review the total disbursement of loan is likely to exceed the target. The target was set for disbursing Taka 270 crores during 1981-82 as against which the real disbursement was estimated to be Taka 273 crores. According to economic survey for the year 1981-82 the bank sanctioned loans amounting to Taka 195.60 crores during the first nine months as against Taka 216.02 crores sanctioned in 1980-81. With the expected disbursement of Taka 77 crores during the last three months of the last financial year the total loan sanctioned during last year stands at Taka 273 crore.

The primary functions of BKB is to finance different farm activities, raising of crops and development of horiticulture and fishing. The bank also provides credit for storage, processing and marketing.

The bank dispensed credit through short term, medium term and long term loans. The Krishi Bank has also undertaken normal functions of a commercial bank.

The huge outstanding loan of Taka 420 crores is mainly due to lack of initiative and drive by the field level officers. Besides most of the loans advanced to the farmers were utilised for unproductive purposes due to lack of proper supervision. Till today a big chunk of the BKB loan is being used by the illiterate farmers for unproductive purposes. Therefore, it has been recommended by the experts that Bangladesh Krishi Bank and other commercial banks should introduce supervised credit in the rural areas to augment farm productivity.

CSO: 4220/7645

MISUSE OF AGRICULTURAL LOANS BY FARMERS REPORTED

Dacca THE BANGLADESH OBSERVER in English 7 Jul 82 pp 1, 8

[Text] One of the biggest misappropriation scandals in the country's history in which the state has been defrauded of about 9,62,000 maunds of G. R. (Gratuitous Relief) wheat valued at approximately Tk. eleven crore fifty four lakh and forty thousand only has been unearthed by the Special Martial Law Investigation Cell, appointed recently by the Zonal Martial Law Administrator Zone-A, Major General Mohammad Abdur Rahman, PSC, reports BSS.

About 40 persons ineluding the ADC (Relief), Dacca Mr. ABM Abdul Latif, senior officials of the Relief Department, a Section Officer of the Ministry of Relief and Rehabilitation Chairman and Secretaries of non-locals (Beharis) relief camps in Mirpur, Mohammadpur and Adamjeenagar and others are involved in the case.

Trial of the accused persons including Mr. Abdul Latif, ADC (Relief), Mr. Abdul Khaleque, District Relief and Rehabilitation Officer, Dacca Mr. Najibul Islam Khan, Section Officer Ministry of Relief and Rehabilitation, and others started on Tuesday before the Summary Martial Law Court No. 2, Zone-A at the Sher-e-Banglanagar, Dacca, headed by Lt. Col. M. Ameerul Islam Engineers.

The accused persons were produced before the court on Tuesday. They have been charged under ML/R-11 and 9 of the Martial Law Regulation No. 1 of 1982 for corruption, criminal misconduct and misappropriation and abetment of these offences.

The fact of the case briefly is that a monthly quota of 21,086 maunds of wheat had been allotted for the six relief camps housing non-locals (Beharis) in Dacca city against a total of 2,35,577 units (cardholders). But on spot verification it is now found that only about 75,000 units (genuine card holders) are in existence in these camps.

The quota allocation of G. R. wheat for the camps functioned from 1976 onwards. In January, 1981 the quota was reduced by 20 pc. In May and June 1982, accused Mr. Latif, the ADC (Relief) constituted six teams each headed by a Magistrate ostensibly to screen out false cards of the non locals. But these teams held superficial local enquiries and in order to cover up their misdeeds showed a partly reduced number of cards that is 2,20,033 units in place of the old figure of 2,35,577 units although Mr. Latif knows that this reduced number of 2,20,033 units is also highly inflated as it contained huge number of bogus and fictitious names. Spot verification have now revealed that approximately 75,000 units of genuine card holders are in existence in these camps. A test survey, held by

the Special Martial Law Investigation Cell at Section XII, Mirpur, Block E revealed that 1170 application forms consisting of 6000 units were all fake.

In this way by showing false distribution against non-existent persons the accused in collusion with each other, misappropriated about 9,62,000 maunds of GR wheat valued approximately at Tk. 11,54,40,000.

The case was investigated by the Special Martial Law Investigation Cell, headed by Major Shamsul Haque on a complaint received by the ZMLA Zone-A office against Mr. Mustaq Ahmed Secretary Non-Locals Relief Committee, Section XII, Mirpur, Dacca that the said Mustaq Ahmed had misappropriated G R wheat for non-locals by preparing false master rolls and showing fictitious distribution of G R wheat.

The special cell collected relevant documents from different offices and held spot enquiries to find out the correct number of genuine cards. They found existence of huge number of bogus ration cards in the name of fictitious persons in Mirpur Section X, XI, XII Mohammadpur Geneva Camps A and B and also at Adamjeenagar non-locals relief camps.

One method of producing false and fictitious ration cards for the non-locals resorted to by the accused persons, was that thumb impression of one and the same person were put against a large number of similar or different names in the master rolls. The fingerprint expert found that this practice had been widespread. Besides cards of a large number of persons who had long ago left the camps were found still in existence and used for the accused persons for the purpose of misappropriation of the G. R. wheat.

Investigation has revealed that at one stage the accused ADC (Relief) Mr. A. Latif and accused Section Officer Mr. Najibul Islam Khan received a bribe of Tk. 65,000 only from the Secretaries of the non-locals relief camps for issuing sanction letter and delivery order in respect of four months' suspended quota of wheat weighing about 73,552 maunds for the period September-December, 1980.

It was also found that, among others the accused ADC (Relief) Mr. Latif, accused District Relief and Rehabilitation Officer, Dacca Mr M. A. Khaleque and the accused Chairmen of the ad-hoc committees supervising the distribution of G. R. wheat to the camps (Assistant Commissioners) used to receive Tk. 10,000 each and the Lifting Officer and the Head Clerk of the Relief Section of the Dacca DC's office, Tk 5,000 each as monthly payment.

Investigation in the case was completed on 16-6-82 and charge-sheet submitted on 19-6-82.

Thirty-six accused persons have been taken into custody so far. Three persons are absconding. One accused person has been granted bail on grounds of ill health.

CSO: 4220/7645

STATISTICS ON FOREIGN AID THROUGH JUNE 1982 GIVEN

Dacca THE BANGLADESH OBSERVER in English 7 Jul 82 pp 1, 8

[Text] Foreign aid disbursements to Bangladesh in the post-independence period till June '82 total led 8.91 billion US dollars. The highest amount of such disbursements came in the form of non-project assistance, the share of which stood at 39.9 per cent. Project aid disbursements during the period under review were 2.87 billion US dollars which was 32.2 per cent of the total aid disbursements. Food assistance with its share in the aggregate level of disbursements at 27.9 per cent amounted to 2.48 billion US dollars.

The grant component in the foreign aid disbursements amounted to 52.18 per cent of the total amount. The rest of the disbursements i. e. 47.82 per cent of the total assistance were received in the form of loans.

The disbursement level at 8.91 billion US dollars during the period under report stood at 69.15 per cent of the total external aid commitments at 12.89 billion dollars received by the country from December 17, '71 to June 30 82.

The trends in external aid disbursements show that a higher proportion of aid was received by the country in the initial years after the independence in the form of grants. In 1972-73, the component of grant was 88.22 per cent of the total aid disbursements at 551.4 million US dollars for that particular year. The share of grant over the recent years had varied from 52 per cent to 56 per cent of the total aid disbursements. Thus, out of 1.16 billion US dollars disbursed as foreign aid in 1981-82, the grants amounted to 642.5 million dollars which was 55.39 per cent of the total amount.

Though the share of grant in total aid disbursements had shown a relative decline in percentage terms during the recent years as compared to the situation in the early seven ties, the volume of grants in absolute terms had shown a marked improvement due to the substantial rise in total aid disbursements over the recent years. The external aid disbursements average 1176 million US dollars per year during the period from 1979-80 to 1981-82 as against 638 million US dollars per year during the period from 1972-73 to 1974-75.

As far as the sources of foreign assistance are concerned, Bangladesh had so far received most of the aid from the DAC countries. Total aid disbursed from these

countries till June '81 amounted to 4.29 billion US dollars of which grants totalled 2.51 billion U.S. dollars and loans, 1.77 billion dollars. This total disbursement from the DAC countries also included loans made before liberation and for which the liability has been accepted.

The multi-lateral agencies funnelled 2.18 billion dollars as aid disbursements to Bangladesh till June, '81. This amount included 948 million dollars as grants and the rest as loans.

The total disbursement of foreign economic assistance from OPEC countries stood at the level of 509.6 million US dollars till June, '81. This comprised an amount of 287.3 million as grants and the rest of the amount as loans.

The aid disbursements from the centrally planned countries till June '81 amounted to 326.9 million dollars of which 41.6 million dollars came in the form of grants and 285.3 million dollars as loans.

CSO: 4220/7645

RESTRAINTS HINDER REINVESTMENT OF FOREIGN CAPITAL

Dacca THE NEW NATION in English 12 Jul 82 pp 1, 8

[Text]

The Foreign companies involved in production in Bangladesh have been allegedly facing various constraints across the path of reinvestment of their capital.

Rigid price control, irrational tax rates and bureaucratic tangles are identified by them as main factors hindering the foreign companies' reinvestment for expansion of their factories and setting up of new industrial units in the country.

Despite the Government policy to encourage investment and reinvestment by the foreign entrepreneurs positive response has not yet been received from them. The lack of enthusiasm is attributable to the anachronistic policy of the previous governments in respect of the industrial policy.

Talking to The New Nation the outgoing Managing Director of Bangladesh Tobacco Company (BTC) Mr. R. W. Keast observed "we are left with an amount of profit too inadequate to undertake new projects."

According to him, the poor profit margins have been serving as disincentives for fresh investment by the old and new foreign companies. He said, "our profits are not at a satisfactory level to finance the additional working capital required each year in an inflationary situation."

Last year an investors' forum was sponsored by the Ministry of Industries at Dacca with a view to attracting the foreign entrepreneurs to set up industries in Bangladesh independently or under joint venture. A good number of offers were received, but due to bureaucratic tangles most of them have meanwhile lost interest for the contractory policy of the former governments to provide incentives to them.

According to an accounts report, the BTC earned in 1981 approximately Tk. 220 crore, out of which Tk. 152 crore was excise duty on cigarette and tobacco constituting percent of the total national revenue. After deduction of all other expenditures the company made profit of Tk. 3.86 crore, i. e., the after-tax profits ratio to turnover for 1981 was 1.8 percent while its fixed and current assets amount to Tk. 41 crore.

The British-American Tobacco Company holds 65.9 percent of BTC shares and the balance shares are mostly owned by the Government of Bangladesh.

The dividend of BTC for 1981 was Tk. 1.80 crore. The foreign shareholder after payment of dividend tax of 10 percent got approximate profit of Tk. 1.07 crore.

Mr. Keast stressed the need for rationalizing the cigarette excise structure and withdrawal of rigid price control on cigarette manufacturers.

He said "price control on cigarette does not protect the consumers, if that is its main aim. The traders always take advantage of a short supply situation and premiums on brands will develop. The losers in such a situation are the consumers who pay more for their products and the Government is to lose revenue while the manufacturers' profit margins are squeezed in certain cases."

It may be pointed out that there has been a gradual withdrawal of price control on some of the items over the past years. The appraisal mission of the eleventh import programme credit recently proposed to the Bangladesh Government to lift price controls on bulbs, cigarettes and bicycles by next August.

CSO: 4220/7654

CURRENCY VALUE ERODES OVER 300 PERCENT SINCE 1969

Dacca THE NEW NATION in English 7 Jul 82 pp 1, 8

[Article by Hassan Abul Quashem]

[Text] The Taka value eroded by about 155 per cent since independence and by 330 per cent since 1969-70, according to official statistics.

Consequently, growing import bills and piling debt burden have forced the economy to a state of stupor--not being anymore able to distinguish the real from the unreal.

The exchange rate of Taka in terms of dollar and pount sterling recorded an almost unprecedented depriciation.

Though the Government has been trying to follow a realistic exchange rate policy from long, since interception by International Monetary Fund (IMF) and World Bank, these twin factors forced the Government to undergo vigorous depreciation of taka pursuing the monetary measures as prescribed by the two world organisations.

To make a realistic approach Bangladesh introduced flexible exchange rate policy in April 1976. Due to frequent fluctuation in the exchange rate of some major foreign currencies, Bangladesh shifted towards the basket method which is calculated upon the weighted average of the some major world currencies.

The basket method has been introduced from August 1979, but it has not been proved effective.

Under the flexible exchange rate arrangement the rate of dollar in terms of taka has remained stable and moved from Tk. 15.02 to Tk. 15.61 per dollar during the three years period. But a marked deterioration has been recorded under the basket method, which is partly due to imported inflation.

The rate of taka in terms of dollar fell from TK 16.01 per dollar in September, 1979 to Tk 20.63 per dollar in January, 1982. The rate now stands at more than Tk. 22 manifesting a devaluation of nearly about 35 percent since the introduction of the basket method in September, 1979.

The exchange rate of pound sterling in terms of taka also depreciated at the same rate. It depreciated from Tk. 25.63 in December 1976 to Tk. 38.53 in January 1981. But since January, '82 the rate further has moved up to 38.47.

Due to this continuous devaluation of taka the cost of imports has been multiplied. Though the Government is showing the achievement of target in terms of local currency, the credit, in fact, largely goes to the devaluation. In terms of importable items it would lag far behind as the import price has gone up.

But no visible change was recorded in the export proceeds of the country. Even the physical target of the exports in last two years was not achieved even after the appreciable devaluation of taka value.

Difficulties are also being faced by the investors, who are receiving assistance from Bangladesh Shilpa Bank and Bangladesh Shilpa Rin Sangstha. Due to depreciation the repayment capacity has fallen for which the Government may draw a scheme to provide debt relief.

Besides in the external front the foreign liabilities have increased to the similar extent of depreciation. But no detail statistics are available in this regards.

Following this alarming situation policy makers think that present exchange rate of taka should be revalued otherwise the consequence might be devastating.

CSO: 4220/7647

PAPER REPORTS ACTIVITIES OF WORLD BANK VISITOR

Meetings with Government Officials

Dacca THE BANGLADESH OBSERVER in English 15 Jul 82 p 1

[Text] The World Bank has assured Bangladesh of its continued support as well as of the donor community to the development efforts of Bangladesh Government, reports BSS.

The assurance was given by the visiting Vice-President of South Asian region of the World Bank Mr William David Hopper when he called on the Chief Martial Law Administrator Lt. Gen. H M Ershad in Dacca on Wednesday.

During the discussion, Mr. Hopper indicated that there might be more resources available for the next year than what was available during the current year and naturally he would expect Bangladesh to receive a higher share.

The CMLA apprised Mr Hopper of the priorities of Bangladesh's programme and emphasised the need for a strong decision. He indicated that the balance of payment situation of the country remained difficult. He pointed out that while Bangladesh is making every effort to raise domestic resources and follow pragmatic policy in investment it needs a higher inflow of external resources to match domestic efforts.

The International Development Agency (IDA) an affiliate of the World Bank sanctioned a credit of 391 million dollars to Bangladesh this year which represents 15 per cent of the total IDA resources.

The World Bank Vice President congratulated the Government of Bangladesh on its bold and innovative budget and stated that for making the support of the donors effective it was necessary that domestic measures in the first instance were appropriate and effective.

Mr. Hopper also indicated that the President of the World Bank Mr A. W. Clausen may visit Bangladesh some time next year.

Finance and Planning Minister Mr A. M. Muhith and World Bank Resident Representative in Bangladesh Mr Roger Rowe were present during the meeting.

Calls on M. A. Khan

Meanwhile Mr W. D. Hopper called on Rear Admiral M. A. Khan DCMLA and Minister for Communications at his Secretariat office in Dacca on Wednesday morning.

Mr Hopper remained with the DCMLA for some time and exchanged views on World Bank assistance in the communication sectors.

Meets Obaidullah

Mr David Hopper also called on Agriculture Minister Mr. A. Z. M. Obaidullah Khan on Wednesday.

They discussed medium-term food production programme and small-scale irrigation projects. Agricultural credit and the mechanism to reach it to the farmers also came up for discussions.

They also discussed IDA projects in agricultuwe and water sector and future projects.

Petroleum Institute Planned

Dacca THE BANGLADESH OBSERVER in English 16 Jul 82 p 1

[Text] The visiting Vice President of South Asian region of the World Bank Mr. William David Hopper has assured that his organisation would provide all possible help and Assistance to set up a petroleum institute in Bangladesh, reports BSS.

This assurance was given to DCMLA and Minister in Charge Ministry of Energy and Mineral Resources, Air Vice Marshal Sultan Mahmud while he had a discussion with him on Thursday Morning.

They discussed extensively on possible World Bank cooperation for newer power generation sources, improvement of transmission and distribution line and the reduction of system loss.

The DCMLA also conversed on the subject of continued survey and exploration, drilling new wells to improve upon the existing production of natural gas and possible assistance for the third extension of Ashuganj power station Rooppur nuclear power project, BMR of the oil refinery and extension of gas transmission line to the western zone.

Mr. Hopper also assured the DCMLA to provide possible assistance and co-operation to the ongoing World Bank projects. Particularly in rural electrification programme.

Mr. Hopper indicated that Bangladesh would receive adequate assistance of the World Bank for her present pragmatic policy in all aspects of economic fields.

(Calls on Shafiul Azam)

Mr. William David Hopper visiting Vice President of South Asian Region of the World Bank on Wednesday called on Mr S. M. Shafiul Azam Minister for Industries and Commerce at the latter's Shilpa Bhaban chamber.

Mr. Hopper remained with the Minister for some time and exchanged views on World Bank assistance in the industrial development of Bangladesh.

CSO: 4220/7658

BAHAI ACTIVITIES SAID TO ENDANGER NATION'S SECURITY

Dacca THE NEW NATION in English 15 Jul 82 pp 1, 8

[Article by Kazi Montu]

[Text] Activities of the Bahai Community in Bangladesh have posed a threat to the national security of the country.

Their activities recently came under discussion at a high-level meeting of the Government upon submission of a report by an intelligence agency.

According to the report, the Bahai activities are dangerous particularly in view of their presence in the sensitive areas of the Chittagong and Chittagong Hill Tracts districts.

It was pointed out in the report that the Bahaism had links with the Israeli intelligence service--Mossad and the intelligence services of two powerful western countries.

The Bahais are learnt to have been carrying on their activities in coordination with some of the aid and voluntary organisations operating in Bangladesh.

The headquarters and supreme council of the Bahais are situated in Akka of Haifa in Israel and its biggest temple is in Chicago of the USA. It is learnt that the Bahais for their activities against the poor Muslim countries receive considerable help from one of the major affluent countries of the western world.

Presently, the strategy of the Bahai Community is to reach, apart from other regions, the Pacific and the Indian Ocean islands, the West Indies and the small countries with minority problems.

Regarding the main objectives of the Bahai activities, the report said that like the Qadianis in the sub-continent and Nusairya in Syria the Bahais were working for their faith within the Muslim population in spite of their differences on certain fundamentals of Islam.

It may be mentioned that Qadianis in Pakistan and Bahais in Iran have been declared non-Muslim minorities.

It is gathered that Bahaism claims Bahaullah as new prophet and replaces all Islamic scripture with his "sacred book". It calls for a unified world language and a unified world government.

Bahaism propagates free sex. It is learnt to have influenced many Americans and Europeans through whom the creed has reached some Muslim countries. The Bahais, it is learnt, are trying to dominate certain Muslim countries economically by providing financial assistance to many nationals of these countries.

Bahaism originated in Iran and during the Shah regime the Bahais spread over many countries including Bangladesh. Bad days have fallen on them with the overthrow of the Shah regime as they have lost the patronage of the present Iranian regime.

According to the report mentioned above, like tie Anandmarg and free Fason movements the number of people with allegiance to Bahaism is still very small, but movement has become very strong because of international support and financial resources they are getting.

Some western human rights organisations have been carrying on propaganda about alleged persecution of the Bahais in Iran.

Many Islamic countries have been watching with alarm the activities of the Bahai community and the Muslims of the World have meanwhile been warned of their designs.

A few years ago the Jeddah-based Rabetat Al-Aleem Al-Islami held a conference and in a resolution called upon the Muslim countries to ban the Bahai activities in their countries and take measures against infiltration of their books and all other literatures into the Muslim countries.

Before the Iranian revolution the country was virtually ruled, according to a report, by an oligarchy of powerful Bahais who controlled the armed forces, Savak, Iranian trade unions, commercial, and other organisations of Iran.

In Bangladesh, apart from their activities in Chittagong and Chittagong Hill Tracts, the Bahais have a centre at Naoratan Colony at Santi Nagar in the metropolis where a pretty girl is posted to maintain public relations.

The Bahai students from Iran studying in the Dacca Medical College are reportedly propagating free sex among the Bangladesh students.

Following the downfall of the Shah regime the Bahai students in Dacca were cornered by the Iranian Muslim students and there was a series of clashes between them.

Some of the Bahai students are reported to have married Bangladeshis to avoid their return to Iran where the situation has turned against them.

The law enforcing agencies of Bangladesh Government are learnt to have been asked to keep close watch on the activities of the Bahais.

CSO: 4220/7657

HUMAN RIGHTS SOCIETY OBTAINS PRISONER'S RELEASE

Dacca THE BANGLADESH TIMES in English 7 Jul 82 pp 1, 8

[Article by Muzaffar Hussain]

[Text] "I do not know where and how they are today. I am not also sure whether they will be able to recognise me and accept me."

This is the question that is haunting Nural Islam. He was released from Dacca Central Jail on bail on Tuesday after 10 years.

Nurul Islam, now 35, was talking about his wife Renu Ara, and his two sons Selim and Halim. Renu Ara was 22 and Selim and Halim were seven and five respectively when Nurul Islam was arrested on June 2, 1972.

"All these years, I tried in vain to draw the attention of the authorities concerned about my plight. I sent a number of petitions to the court through the jail authorities. All these petitions went unanswered and I continue to rot behind the bars". Nurul Islam recounted this pathetic story to me when I visited him at the residence of Md Manzur at 135/1, Water Works Road where is is staying now.

The plight of Nurul Islam drew the attention of the Bangladesh Society for the Enforcement of Human Rights. They moved the bail. Nurul Islam was allowed to come out of the Dacca Central Jail at 1.30 p. m. on Tuesday.

Of the 10 years, Nurul Islam was kept at the Dacca Central Jail for nine years from June 1972 to 1977 and from 1979 onwards till his release). For one year he was at the Narayanganj Sub-jail (between 1977 and 1978).

Son of late Moinuddin Hawlader of village Brahmankhola under Sreenagar police station of Dacca district, Nurul Islam was a worker in the Hessian department of the Bangladesh Jute Mills at Kaliganj at the time of his arrest. He was charged with possession of unauthorised arms. A sten gun was recovered from his possession.

Nurul Islam told me that as a freedom fighter he had deposited his arms to the government. But later he found a sten gun while cleaning a pond and he kept it with him "to frighten my enemies".

According to him one Kalu Haji a ration dealer, was his enemy. He alleged that Kalu Haji used to sell rationed goods in black market. One day he and some of his friends chastised the Haji for his misdeeds. Since then the Haji became inimical. Nurul Islam alleged that Kalu Haji managed to influence police to implicate them in a dacoity case.

According to Nurul Islam, police arrested him and five others in connection with two dacoity cases. His associates were bailed out after seven days. They appeared before the court twice and were acquitted of the charges. On no occasion he was produced before the court, he claimed. However, he said that on several occasions he was brought out of the jail and sent to court hajat.

Nurul Islam said that he was the only son of his parents and from her wife's side also there was no adult male member who could move for his release.

He said that although arrested in the same case, his associates managed to get the case separated under Section 512 of the Cr. P. C.

Nurul Islam said that two cases were filed against him under Arms Act. In one of the cases, he was sentenced to suffer three months' rigorous imprisonment while in the other case, he was acquitted. He said that he was ignorant about the fate of the dacoity cases filed against him. There was still the fifth case against him under Section 54 (arrest under suspicion).

Nurul Islam said that his wife used to visit him in the jail for the first three years. But, later, she stopped visiting her and he did not know the whereabout of his wife and sons for the last seven years.

In 1974, Muhammad Manzur, a tea stall owner of Chawkbazar was arrested under Special Powers Act Manzur and Nurul Islam was known to each other and the latter requested Manzur to try to get his release after he was set free.

Mr Manzur told me that he tried to help Nurul Islam. Once in 1975 and again in 1977. But all his efforts proved useless.

The tea stall owner contacted the Society for Enforcement of Human Rights when he [word indistinct] to know that they were trying to secure justice for Nurul Islam.

Advocate M Amzad Ali, a member of the society who played a pioneering role in the release of one Amzad Ali, a member of the society who played a pioneering role in the release of one Ajmat Ali months ago, told the TIMES that the Society was trying to find out how many others were languishing behind the bars like Nurul Islam.

One jail official told the TIMES that they were simply custodian of the convicts and under trial prisoners. "We just carry out orders".

CSO: 4220/7646

COMMISSION EXAMINES ROLE, POLICY, PRACTICES OF PRESS

Dacca THE BANGLADESH OBSERVER in English 15 Jul 82 pp 1, 8

[Text] Mr. Ataur Rahman Khan, Chairman, Bangladesh Press Commission has appealed to all interested quarters to assist the Commission with their appraisal of the present state of the Press and their considered views on issues contained in the terms of reference of the Commission as well as with recommendations to help growth of a free and responsible Press in the country, says a Press release of the Commission.

The terms of reference of the Commission as set out by the Government are to enquire into the present state of the Press in Bangladesh and its growth and role with particular reference to national development and examine and make recommendation on:

1) Growth, ownership, management pattern and financial structure and management of the Press in Bangladesh;

2) Economics of the newspaper industry; printing machinery and spares, proper utilization and allocation of newsprint, other inputs and distribution system;

3) Legal provisions relating to the freedom of the Press; review of the Press laws of ensure freedom coupled with responsibility; the role of Press Council and further powers, if any, to be given to the Council;

4) Professional performance degree of objectivity and sense of responsibility, editorial institution; method of recruitment education and training of journalists;

5) Role of the Press in national development, self-reliance and in building a corruption and exploitation-free austere society;

6) Advertisement in the economics of newspapers and appraisal of advertisement policy;

7) Professional organisations related to the Press and their role;

8) Structure and management of news agencies with special reference to their sources of revenue, reception and transmission capabilities;

9) The imbalance in rural, urban information flow and growth of rural newspapers;

10) Perspectives of newspaper development in Bangladesh.

While the leaders of public opinion, men of scholarship, representatives of professions and heads of institutions are being addressed personally, the Chairman appeals to others interested in the growth of a free, healthy and effective Press for their views in writing on any or all the relevant issues.

The memoranda may be addressed within a fortnight to the Chairman, Bangladesh Press Commission, either in the office at Bangladesh Press Commission, New Parliament Building, Room No. 335, Block-NWEL 48, Shere Banglanagar, Dacca or the Residence at 500/A, Dhanmondi Residential Area, Road No. 7, Dacca.

CSO: 4220/7659

DACCA ABOLISHES GRAM SARKAR SYSTEM, TRANSFER DUTIES

Minister's Announcement

Dacca THE NEW NATION in English 11 Jul 82 pp 1, 8

[Text] The government has decided to abolish the "Swanirvar Gram Sarkar" system, Minister for Local Government Mahbubur Rahman announced last night, reports ENA.

An executive order on abolition of the system will be issued shortly, the Minister said when talking to newsmen at his official residence.

The functions of the Gram-Sarkars have been "reassigned" to the Union Parishads, he said.

The Minister said the action has been taken because the Gram Sarkar was "too small a unit to be viable and effective to work with separate entity and autonomy. He said it has been clear from the public opinion as well as government records and experience that Gram Sarkar failed to carry out the functions assigned to it and its continuation might not deliver the desired result.

He said the tasks which the Gram Sarkars were assigned included augmentation of food production, expansion of mass literacy, control of population growth, maintenance of law and order arbitration for settlement of local disputes.

The Minister said all these functions comes under the purview of Union Parishads under the Local Body Ordinance of 1976. These functions were also allocated to the Gram Sarkar Parishads by the then government in 1982 through an executive decision.

He said this created duplication of functions or a kind of dyarchi in villages and resulted in 'conflicts, confrontation and clashes' between Union Parishads and Gram Sarkar functionaries. He said the government records gave evidences that Gram Sarkars fielded themselves as rivals of Union Parishads instead of working as complementary forces. They could not rise to the expectation of the people.

The Minister told a questioner that Gram Sarkars were set up in about sixty thousand villages covering all districts except Chittagong Hill Tracts and Bandarban. He said according to government records no public money was utilised for forming the Gram Sarkars but he said about 25 to 30 lakh Taka was spent from the public

exchequer for holding the convention of a Gram Sarkar pradhans in April 1280 at Dacca.

The Minister told a questioner an amount of Tk 60 crore was extended as advance to Union Parishads and Gram Sarkars for procurement of rice from the respective areas as a price support measure. He said a substantial amount of the unutilised money from that fund has been refunded by the Gram Sarkar prodhans and Union Parishad members. He said the exact figure of the amount refunded was yet to compiled from various districts districts.

The last date for refunding the unutilised fund for the purpose was June 15, he added.

Press Handout

Dacca THE BANGLADESH OBSERVER in English 14 Jul 82 p 1

[Text] Government has abolished Swanirvar Gram Sarkars constituted under the Swanirvar Gram Sarkars (Constitution and Administration) Rules 1980 says a PID handout.

Government has repealed the Swanirvar Gram Sarkars (Constitution and Administration) Rules, 1980 in exercise of the powers conferred under Section 86 of the Local Government Ordinance 1976 (XC of 1976). The Swanirvar Gram Sarkars thus stand abolished forthwith.

With the abolition of the Swanirvar Gram Sarkars, all the functionaries thereof shall cease to hold offices and the functions of the abolished Swanirvar Gram Sarkars shall stand transferred to the respective Union Parishads.

CSO: 4220/7652

GOVERNMENT CONSIDERS USEFULNESS OF UNION PARISHADS

Local Government Minister's Speech

Dacca THE BANGLADESH OBSERVER in English 8 Jul 82 pp 1, 8

[Text] Mymensingh, July 7:--The Local Government Minister Mr. Mahbubur Rahman declared here today that the existing set-up of the Union Parishads would be allowed to continue till next election, reports BSS.

But if anybody among the existing Chairmen and Members was found to be corrupt and acting against public interest, he would be removed and the mismanaged Union Parishad would be superseded, he added.

Mr. Rahman was addressing a joint meeting of Chairmen and Commissioners of all Pourashavas, Chairmen and Members of all Union Parishads and district unit and thana unit Commanders of Muktijoddha Sangsad at the public hall here.

He said that Local Government institutions were supposed to look after the welfare of the people of their own areas according to needs and "resources under a clear charter of functions."

Mr. Rahman said on expiry of the tenure on the present set-up of the Union Parishad Members and Chairmen and due to wide spread allegation of corruption malpractice abuse and misuse of power and resources and also in some case loss of public confidence, at one stage Government thought of substituting them by locally reputed good people both from outside and existing Union Parishad Members and Chairmen for inspiring and restoring public confidence in these institutions.

With this noble intention exercise was made. But the reports received and published in newspapers indicated desired selection could not be made due to paucity of time various considerations and constraints influence and manipulation and alleged use of other means, he continued.

Apprehension was also expressed that the way the election was being made there might not be any qualitative improvement of nominated Chairmen and Members and greater public interest may not be served better, he added.

Therefore the Minister said it was decided that the existing set-up would be allowed to continue to function till next Union Parishad elections or decided otherwise by the government.

Mr Rahman pointed out the provisions under the existing laws to revitalise the Union Parishads and also to make them corruption-free through purging Martial Law Ordinance may be promulgated if needed: to this effect he added.

He said that the honest and active Union Parishad Chairmen and Members had no fear of losing the office. Those present at the meeting promised their determination to rise up to the expectation of the people and to implement the policies and programmes of the Government.

The Minister pointed out that the leadership of local government institutions was highly significant for rural development in the country. In this connection he added that Union Parishads would be entrusted with more responsibilities for a balanced development and proper utilisation of local resources.

He also pointed out the government decision to decentralise the administration up to thana level for accelerating the development efforts.

He said that each and every step now being taken by the Government was rural based and village-oriented. There were massive development programmes through cooperative and agriculture in the rural areas where 85 per cent of the total population are inhabitating he added.

Mr. Rahman termed the Martial Law Government as the last resort for the country which must not be allowed to fail, he added.

He regretted that during over a decade the national leadership either failed to perform duty or lacked honest endeavour to materialise the coveted goals of hard earned independence.

He urged the people, particularly the leaders of local bodies, to take lesson from the past and to forge a strong unity for achieving victory in the second phase of the national war for economic emancipation.

Featuring the highlights of the second phase of the war, Mr. Rahman said that the Government of General Ershad had already waged Jehad against all forms of corruption exploitation inefficiency and social vices.

The meeting was addressed, among others by the Deputy Commissioner Mr. Ansar Ali Siddiqui, Chairman of Mymensingh Pourashava Mr. Motiur Rahman, Chairman Kashipur Union Parishad, Mr. Karamat Ali and District Muktijoddha Commander Mr. Selim Sadjat.

Later addressing the District and thana level officials the Minister observed that they were not the rulers of the people. In reality they were fellow brothers and citizens of the country engaged in promoting their interest serving them with a sense of dedication he added.

The government officials would guide and help the people in nation-building activities he pointed out.

He further observed that the implementation of the policies and programmes of the Government depended to a great extent on the performances of the government officials.

He said all should forget the past style of "less work or no work." The time of remuneration without work is over and one must work hard and contribute more to get more he added.

He advised the officials to practise honesty sincerity austerity and develop sense of devotion to duties. He said almost every sector inherited by the present Government was in a mess which made the task harder and longer. He asked the officials to endeavour to accomplish the task with determination.

In the afternoon he visited the Zilla Parishad Pourashava IRDP Assistant Registrar Cooperative Societies and Public Health Engineering offices.

He also inaugurated the Mymensingh Football League Tournament at the local stadium.

Checks on Parishads Urged

Dacca THE BANGLADESH TIMES in English 9 Jul 82 p 5

[Editorial: "Local Bodies"]

[Text] The government has given a strong enough hint that it would not tolerate any dishonesty, corruption and undesirable elements in the village level Union Parishads. Local Government Minister Mahbubur Rahman addressing an assemblage of office bearers of local bodies in Mymensingh on Wednesday said that the current set-up in the UPs would continue provided these were functioning in the public interest.

The reasons for the government's taking a very hard attitude towards the local bodies are genuine. There have been complaints in the past about misappropriation of resources, including relief goods, embezzlement of development funds by some chairmen and other functionaries of the local bodies and abuse of power by them. In some instances, Union Parishads became the tools in the hands of prominent individuals for their personal aggrandisement. The worst thing that could happen is that the continuous misuse of power by a section of local body chiefs had gradually eroded public confidence in the institution of Union Parishads itself.

Yet the local bodies can play a vital role in the government's overall programme for decentralisation and for taking the administration nearer the doorsteps of the people. Mr. Rahman has underscored that these institutions would play their allotted part and all such obstacles as inefficiency and graft will be removed, if necessary through rigid legal actions under the Martial Law. The government will do a creditable job by screening out the corrupt elements in the local bodies through vigilance and adequate measures for ensuring accountability from the people who run these bodies. The fact that some people have been found to spend thousands of taka to get elected to an office which carries no regular salary only proves that the local bodies do give a lot of pecuniary advantage to the people who have a genuine inclination towards selfless social service but are elbowed

out by the more moneyed citizens of the union who can muster not only finance but also necessary muscle to make the results of the election favourable to them.

The government's role would be to check such freely spending political aspirants during any future local body election and create grounds for the entry of people genuinely motivated to serve. These would make the Union Parishads more useful and dynamic.

Impervious to Sense

None can definitely say even on the 35th day today of the Israeli invasion of Lebanon how soon the fragile ceasefire there will lead to a peaceful settlement of the issues, old and new, in the war-torn country. There are still intermittent exchanges of fire between the invading troops and the Lebanese-Palestinian defenders and also all sorts of pressure and threat for the withdrawal of entrapped Palestinian guerrillas from Beirut—which the latter have stubbornly defied all these days. And by now it is clear that no amount of Israeli threat or even an assault on the Lebanese capital can achieve the criminal objectives of Tel Aviv. Rather, the naked aggression has further complicated the Middle East problem.

What is very apparent is that rulers in Tel Aviv must be forced to their senses for the cause of peace and for the benefit ofaall. People all over the world, including a good number of Israelis, have been condemning the invasion of Lebanon. Menachem Begin and his clique, however, continue to be belligerent and intransigent in their action and approach, as they perhaps thought that they would find some quarters somewhere. But the shelving of the US veto on last Sunday's UN Security Council resolution repudiating the "acts of violence against populations in Lebanon" might have disillusioned them. And the relinquishing of the office of the US Secretary of State by the Vietnam war veteran, hardliner General Haig must have been a shock for them.

Still, however, the Begin cabinet remains adamant. It has reportedly rejected the American proposal of Wednesday that the PLO may keep a political and military presence in Lebanon when its guerrillas leave Beirut. Anyway, Israel must be told firmly by all concerned that nothing short of a settlement on this line or so can find a solution to the present crisis. Lebanese national movement leader Walid Jumblatt has rightly pointed out that the removal of the Palestinian resistance from Beirut (which Tel Aviv wants) would be tantamount to political suicide, and "it is better for us and the PLO to die honourably in Beirut." On the other hand, the rejection by PLO Chief Yasser Arafat of the US offer for its marines to help evacuate the guerrillas does not negate the inclusion of US troops in a 'multi-national' peacekeeping force for a complete disengagement in Lebanon including the Israeli withdrawal from the country. In any case, Israel must withdraw.

CSO: 4220/7648

'CAPRICIOUSNESS' OF CANAL-DIGGING PROGRAM SCORED

Dacca THE NEW NATION in English 7 Jul 82 p 5

[Editorial: "Canal Digging in Perspective"]

[Text] The canal digging programme has consumed Taka 13 crore from 1979 to 1982. A newspaper report quoting a source discloses that last year Taka 10 crore was allotted for spades, baskets and maintenance of canals under the programme. Obviously, the wheat paid in wages has not been taken into account. But before one goes to evaluate the cost-effectiveness of 13 crore takas plus the thousands of maunds of wheat supplied by care and the administrative and organisational resources that have gone into the programme, there are more fundamental questions to be answered. The cost will also include the acreage permanently lost.

On principle we do recognise the irrigational necessity of canal-digging when it is viewed as a purely economic activity and is carried out under a well thought out plan, that is, when a rational approach is adopted to the programme. But the way canal digging was carried on as a personalised version of revolution by late President Zia and the party festivities that attended it had an element of high drama and, perhaps, capriciousness. That the foodgap widened from 12 lakh tons to 22 lakh tons precisely at a time when canals were being dug is a fact that cannot be missed. As the motive behind many canal digging projects was less agricultural than political, it is alleged that valuable agricultural land has been consumed in many cases. It is also alleged that canal digging was seen not as a means to an end but as an end in itself and, therefore, many canals have been abandoned after digging, no matter water flows through them or not.

We are told that till April 1982, 1269 canals were dug. No one will possibly be able to tell what is the target number because canal digging had not been done under a long-term plan and there had not been any survey. It is also relevant to ask whether any agency is monitoring and evaluating the programme—what happens to the canals some time after they have been dug, how are they maintained, whether local farmers are deriving any benefit. Unfortunately, while canal digging is too frequently linked with reports of alleged corruption and misappropriation of wheat, its positive impact on agriculture is yet to be proved. The number of canals dug has little significance unless the programme is assessed against the over-all agro-economic situation. It is time the canal-digging programme is put in perspective.

Being Nice to Green Life

The extension of XPL to 80 per cent will adversely affect the herbs and medicinal plants of the country, says a news report. The idea of the XPL extension is to allure business houses to export more. Encouraged by the prospect of having a generous cut of the nation's import trade, thsee houses would, along with jute and tea, etc. also naturally export more and more herbal plants. It is feared that unless something is done about it and soon, enthusiasm for earning money on the quick may lead to wholesale plunder of these rare and highly prized plants.

The report also quotes a botanist suggesting a remedy for the possible catastrophe--commercial cultivation of selected plants exclusively earmarked for export. If that means stopping export of flora collected from outside these commercially developed gardens, the idea is a sound one and merits early translation into practice.

But that is talking of future-organised systematic cultivation etc.; what will happen in the meantime? Besides, this kind of arguments have the danger of placing priorities on wrong things and approaches. Indigenous herbs and medicinal plants cannot possibly have only one use, i. e., export. The money earned through their export, a million taka as it is now or even tens of millions, is too paltry a price to pay for irreparable vandalism on such national scale. The first answer to the whole question must be banning altogether export of any plants other than established agricultural ones.

The natural endowments of this enviably fertile geographical wonder of a delta have never registered properly with the men charting the destiny of its people. No serious attempt has yet been made even to catalogue and describe exhaustively the flora and fauna of the land. The idea of preserving them and using the knowledge of them to enrich the life of the Bangladeshi people doesn't simply exist in the quarters that matter. Denudation and defoliation leading dangerously on to aridisation go on unchallenged. Little wonder Salim Ali could not help being sad and hurt by the goings on in this country.

The task plainly should be to organise a brigade of botanists (and then possibly of chemists, biochemists, pharmacists and even agronomists) and get them to collect samples of all the plants and ensure their preservation and propagation. The more useful of these can be passed on for commercial cultivation, primarily with a view to catering to the needs of the nation and not exporting. The basic medicines that we need can possibly all be had of these plants, provided the job of collection is followed vigorously by research and laboratory production.

If Ziaur Rahman's administration had distinguished itself by its cruelty to green life, why doesn't the successor government earn a well-deserved halo by caring for the same? After all, the mainstay of both our state and society is still agriculture or the courtesy extended by the benign green plants. And it will remain so for decades, if not centuries, to come.

CSO: 4220/7647

NEPALESE FOREIGN SECRETARY MEETS NEWSMEN ON DEPARTURE

Dacca THE BANGLADESH OBSERVER in English 14 Jul 82 p 1

[Text] The Nepalese Foreign Secretary Mr. Jagadish Rana, on Tuesday expressed optimism that the third conference of the regional Foreign Secretaries scheduled to be held in Islamabad early next month would bring about "positive elements" so that a concrete shape could be given to the exercise of forming a regional forum for cooperation, reports BSS.

Talking to newsmen before departure for Colombo concluding his three-day visit to Bangladesh, Mr. Rana said that during his stay in Dacca he primarily talked about the ensuing Islamabad conference. He said that his current visit which would take him also to Sri Lanka, Maldives and India was to hold consultation with the participating countries on the progress of work on the regional cooperation forum. The process of consultation will continue, he added.

The Nepalese Foreign Secretary said that he had very useful talks with his Bangladesh counterpart, Mr. Ataul Karim on matters of mutual interest. He said that during his stay in Dacca, he had the honour to pay regards to the Chief Martial Law Administrator, Lt. Gen. H. M. Ershad and the two DCMLAs--Rear Admiral M. A. Khan and Air Vice-Marshal Sultan Mahmud.

Mr. Rana also referred to his meeting with the Foreign Minister, Mr. A. R. Shams-ud-Dohu, and said he had exchanged views with him on bilateral, regional and international issues. "But I had primarily talked about the third meeting of regional Foreign Secretaries scheduled next month," he added.

The Nepalese Secretary expressed satisfaction at the talks between the two delegations yesterday. "We have discussed how best we could develop and re-inforce the bilateral relations between our two countries", he said.

Replying to a question, Mr. Rana referred to the last meeting of the Joint Economic Commission between Bangladesh and Nepal and said that both sides had set up a review group to monitor the progress in relations between the two countries.

Asked if the question of harnessing the waters of the Ganges came up for discussion during the talks, Mr. Rana said that no specific discussions was held on this issue. But he reiterated the policy of the Government of Nepal of fruitful

utilisation of the water resources of the region for the benefit of the people and said "we stand by this policy."

The Nepalese Foreign Secretary was seen off at the airport by the Foreign Secretary, Mr. Ataul Karim senior officials of the Foreign Ministry and the Ambassador of Nepal Mr. Gehendra Bahadur Rajbhandari.

CSO: 4220/7652

BRIEFS

FREEDOM FIGHTERS ORGANIZATION--Bangladesh Muktijoddha Sangsad is the officially recognised organisation of the freedom fighters, a Government handout said in Dacca on Wednesday night, reports BSS. Of late, a few organisations were being called Muktijoddha Sangsad creating confusion among the people as to which was the real Muktijoddha Sangsad. In order to dispel doubts in this regard, the handout clarified that the Bangladesh Muktijoddha Sangsad with Mr. Zaker Khan Chowdhury, as its Chairman and Mr. Giasuddin Ahmed Bir Bikram as Secretary General was the real and only Muktijoddha Sangsad in the country which was recognised by the Government and entitled to use the Monogram of the Sangsad. All other organisations calling themselves Muktijoddha Sangsad will henceforth cease to use the name and Monogram of the Bangladesh Muktijoddha Sangsad. The handout said use of the name and the Monogram of the Sangsad by any organisation other than the real Muktijoddha Sangsad was illegal and liable for prosecution. [Text] [Dacca THE BANGLADESH OBSERVER in English 8 Jul 82 p 1]

ENVOY TO YUGOSLAVIA--Belgrade, July 7:--The new Bangladesh Ambassador to Yugoslavia Mr. Nazrul Islam presented his credentials to Mr. Peter Stambolic, the President of the Presidency of the Socialist Federal Republic of Yugoslavia on Monday, reports BSS. While accepting the credentials the Yugoslav President expressed his warmest greetings and regards for the Chief Martial Law Administrator Lt. General H. M. Ershad and president Mr. Justice A. F. M. Ahsanuddin Chowdhury. Mr. Stambolic wished that the traditionally good and friendly relations between Bangladesh and Yugoslavia would further strengthen for the interest of the people of the two countries and also for asserting the principles and goals of Nonalignment. He said that Yugoslavia attached great significance to the promotion of bilateral relations between the two countries particularly in economic field. [Text] [Dacca THE BANGLADESH OBSERVER in English 8 Jul 82 pp 1, 8]

CHIEF ELECTION COMMISSIONER--The Chief Martial Law Administrator has reappointed Mr Justice A. K. M. Nurul Islam the Chief Election Commissioner for another term with effect from July 8, according to an Election Commission Press release on Wednesday reports BSS. President Mr. Justice Ahsanuddin Chowdhury will administer the oath of office to the Chief Election Commissioner this morning (Thursday) at Bangabhaban at a simple function. [Text] [Dacca THE BANGLADESH OBSERVER in English 8 Jul 82 p 1]

FORMER MINISTER SUMMONED--Mr. K. M. Obaidur Rahman, former Minister for Civil Aviation and Tourism who is an accused in Motijheel P. S. case No. 94 (3) 82 under MLR 11 of MLR 1/82 has been directed by the Chairman of the Special Martial Law Tribunaj No. 2 to appear before the Tribunal at the Nakhalpara M. P. Hostel Tejgaon, Dacca on or before July 20, 1982, reports BSS. If he fails to appear on that date, the case will be heard and decision taken in absentia and his movable and immovable property may be forfeited. It may be recalled that Mr. K. M. Obaidur Rahman was also earlier directed to appear before the Tribunaj on or before July 20 in connection with the trial of another case, Motijheel P. S. Case No. 95 (3) 82. [Text] [Dacca THE BANGLADESH OBSERVER in English 14 Jul 82 p 8]

GAS FIELD DISCOVERED--A new gas deposit has been found at Kamta near Tongi, Deputy Chief Martial Law Administrator and Minister for Energy and Mineral Resources Air Vice-Marshal Sultan Mahmud disclosed on Thursday in Dacca. Talking to "ENA" after a visit to the drilling site at Kamta the deposit was found at about 11,000 feet, below the surface. He said the pressure of gas at the site is reasonably high and added from the drilling and tests conducted so far the best I can inform is that the new gas deposit has the prospects." It will, however, need further drilling and studies to ascertain whether the deposit will be commercially viable. "We shall have to sink more money down the well and burn up morsfer before I can assure you on our hopes," he said. The DCMLA said he has already given instructions to go for drilling at least one more well to ascertain the quantum of the deposit, and its commercial viability. He said the drilling of the well at Kamta was entirely conducted by Bangladesh experts and crew belonging to Petrobangla. The drilling of the well at Kamta began about eight month ago. There were in all six prospective layers but only one of them was finally selected for drilling, he said. Apart from Kamta, there are about a dozen other gas fields in the country. These are Titas, Bakhrabad, Habiganj, Sylhet, Kailashtila, Feni, Begumganj, Kutubdia and Bianibazar. [Text] [Dacca THE BANGLADESH TIMES in English 16 Jul 82 p 1]

DACCA-BANGKOK RICE DEAL--Bangladesh and Thailand signed a rice deal in Bangkok on July 14 says a PID handout. Under the agreement the Government of Thailand agreed to sell 40 (forty) thousand tons of rice to Bangladesh. The agreement was signed by Mr. Mohammad Ali Secretary Ministry of Food (Food Division) and Mr. Bajr Israsena Director General Department of Foreign Trade on behalf of their respective Government. It may be pointed out here that earlier another rice purchase deal had been signed with Burma who agreed to sell 35 thousand tons of rice to Bangladesh. The total 75 thousand tons of rice purchased from Burma and Thailand will reach Bangladesh by September 1982. [Text] [Dacca THE BANGLADESH OBSERVER in English 16 Jul 82 p 1]

ENVOY IN PAKISTAN--Islamabad July 9--Bangladesh Ambassador to Pakistan Major General (Retd) Qazi Golam Dastgir presented his credentials to President Mohammad Ziaul Huq of Pakistan on Wednesday says a PID handout. He conveyed greetings from President Mr Justice A F M Ahasanuddin Chowdhury and the Chief Martial Law Administrator Lt General H. M. Ershad to the President of Pakistan. During discussions the Bangladesh Ambassador emphasised the need for greater economic cooperation between Bangladesh and Pakistan. President Ziaul Huu fully shared the view. [Text] [Dacca THE BANGLADESH OBSERVER in English 10 Jul 82 p 1]

FOREIGN MINISTRY REORGANIZATION--The reorganization of the Ministry of Foreign Affairs and Bangladesh Missions abroad has been completed which will result in a total saving of about Tk. 2 crore and 25 lakh per annum. This is in addition to the saving of Tk. 5 crore already made after the initial reorganization in April this year following the promulgation of Martial Law. The reorganization has been carried out as part of the Government's policy of austerity and streamlining of the administration, says a PID handout. As a result of reoganisation the number of posts of officers at the headquarters has been reduced by 62 from 163 to 101, a reduction of 40%. In other ranks, except for the Class-IV employees, the number of posts has been reduced from 339 to 241, i. e. reduction of 26%. In the Bangladesh Missions abroad, 42 posts out of 117 posts in all ranks have been reduced which is about 25% of the total number. [Text] [Dacca THE BANGLADESH OBSERVER in English 9 Jul 82 p 1]

RICE FROM BURMA--Rangoon, July 11: Bangladesh and Burma signed two separate agreements here on Saturday for sale and purchase of jute goods and rice, reports BSS. The agreement for sale of jute goods relates to the sale of gunny bags valued approximately Taka seven and a half crore. The agreement was signed by Qazi Azher Ali, Chairman, TCB, on behalf of Bangladesh and Lt. Col. Soe Nyunt, Managing Director, Myanma Export-Import Corporation (MEIC), on behalf of the government of Burma. A total of 35,000 tons of rice was purchased against the sale of above mentioned jute goods and partly in cash. The agreement for purchase of rice was signed by Mr. Mohammad Ali, Secretary, Ministry of Food, on behalf of the Government of Bangladesh and Lt. Col. Soe Nyunt, Managing Director, MEIC, on behalf of the Government of Burma. The shipment of goods under these two agreements will be completed within two months. The two-member Bangladesh delegation headed by the Secretary, Ministry of Food arrived in Rangoon on July 8, and was accorded a cordial welcome by the high-ranking officials of the Ministry of Trade and Myanma Export-Import Corporation. They were also received by the Burmese Trade Minister U Khin Maung Gyi, at his office on July 9. [Text] [Dacca THE BANGLADESH TIMES in English 12 Jul 82 p 1]

CSO: 4220/7653

REPORTAGE ON OUTCOME OF PRESIDENTIAL ELECTION

Sweeping Win for Zail

Bombay THE TIMES OF INDIA in English 16 Jul 82 p 1

[Text] New Delhi, July 15. Mr. Zail Singh was today declared elected President of India. He will also be the seventh President of the republic and the first Sikh to hold that post.

Although his election was a foregone conclusion, he nevertheless scored a spectacular victory over his only rival, Mr. H. R. Khanna, nominee of the combined opposition.

Mr. Zail Singh secured 72.7 per cent of the votes against 27.3 per cent by Mr. Khanna. In terms of total value of votes, Mr. Zail Singh won 754,113 against Mr. Khanna's 282,685--a majority of 471,428.

This is the second highest majority in the presidential election ever. The highest recorded so far was Dr. S. Radhakrishnan--546,726--in 1962.

Of the 750 elected members of Parliament who exercised their franchise, Mr. Zail Singh had the support of 528 and Mr. Khanna 210. Twelve votes were declared invalid.

Mr. Singh also won the backing of a majority of the elected members of state legislatures except in Tripura and West Bengal, where Marxist-led governments are in office.

Mahatma Gandhi's wish to elect a Harijan as president is yet to be fulfilled. But the President-elect belongs to the backward Ramgarhia community. He comes from a family of carpenters turned farmers.

At 66, Mr. Zail Singh can look back on a chequered career-freedom fighter, Sikh missionary, Congress volunteer, chief minister of Punjab and home minister of India.

Simple, unassuming, affable, Mr. Zail Singh possesses robust common-sense to make up for lack of high academic qualifications. His penchant for recitation of Urdu poetry helped many a time to defuse a tense situation in Parliament.

Soon after the election result was announced, Mr. Singh told newsmen that as head of state he would be fair to all parties and groups, forgetting the bitterness of the election campaign.

He said he would uphold the constitution and maintain the high traditions of the office like his predecessors.

The election result was announced by the returning officer, Mr. Sudarshan Agarwal, exactly at 4.15 p.m.--less than five hours after counting of votes began at 11.30 a.m.

Mr. Agarwal said that 58 votes (with a total value of 13,986) had been declared invalid. Rajasthan and West Bengal accounted for six invalid votes each, Andhra Pradesh and Tripura five each, Bihar, Tamil Nadu and U.P. three each, Kerala, Meghalaya, Nagaland and Orissa two each, and Madhya Pradesh, Jammu and Kashmir and Sikkim one each.

Preliminary analysis shows that cross-voting was minimal and much of it went in favour of Mr. Zail Singh. Only in Rajasthan, U.P. and Bihar, cross-voting registered double figures.

The chief election commissioner, Mr. R. K. Trivedi, formally conveyed to Mr. Zail Singh the results of the election, Mr. Singh will be sworn in on July 25 for a five-year term.

UNI adds: In Maharashtra, Mr. Zail Singh's score was 239 votes, having a value of 41,825, against Mr. Khanna's tally of 48 with the value of 8,400 votes.

In the 288-member house, the Congress (I) has 238 members.

Only one member in the state belonging to the All-India Communist Party did not vote in the election. All the votes polled were found valid.

Mr. Singh secured an overwhelming majority of votes in Andhra Pradesh, bagging 225 of the 286 valid votes, Mr. H. R. Khanna got only 31.

Mr. Khanna got all the votes committed to him--31 opposition votes with a value of 4,588.

Mr. Khanna could manage just a single vote in Nagaland. Mr. Zail Singh polled 54 of the 57 votes cast. Two votes were declared invalid.

In Jammu and Kashmir, Mr. Singh secured 57 votes while Mr. Khanna could manage only 11 votes.

In the 76-member assembly, the Congress (I) has only ten members. But Mr. Zail Singh had the support of the ruling National Conference, which has a strength of 45.

There were no surprises in Kerala.

The voting pattern was along the expected lines with Mr. Singh getting the support of 76 United Democratic Front MLAs and Mr. H. R. Khanna taking away 61 of the opposition Left Democratic Front votes.

As anticipated, Mr. Khanna swept the polls in opposition rules West Bengal, securing the support of 233 legislators while Mr. Zail Singh could poll only 53 votes.

As in West Bengal, the CPM ruled Tripura solidly voted for Mr. Khanna, giving him 51 votes. Mr. Singh got three votes.

In Himachal Pradesh, the contest was close with Mr. Singh claiming 35 votes and Mr. Khanna 32.

With the ruling AIADMK and the main opposition DMK voting for him, Mr. Singh secured 195 votes in Tamil Nadu against 35 by Mr. Khanna. In the 234-member assembly, the Congress (I) was only 31 members while the AIADMK has 131 and DMK 35 members.

In the Gujarat, Mr. Singh secured the support of 149 members in the 182-member assembly, although the Congress (I) party's strength is 147.

In Meghalaya, Mr. Singh had the support of 37. In the 60-member house, the Congress (I) has 18 members.

Mr. Singh's tally in Uttar Pradesh was 330 votes. The Congress (I) strength in the assembly is 320.

In Madhya Pradesh, the independents appeared to have voted for Mr. Singh. The opposition vote as committed went to Mr. Khanna.

In his home state, Punjab, Mr. Singh secured 99 votes. He had the support of the Akali Dal also. The Congress (I)'s own strength in the 117-member house is only 65.

It was clear from the Haryana results that Mr. Singh, with 54 votes, had secured some opposition votes also. In the 89-member house the Congress (I) has 51 members.

Mr. Singh got 130 in Orissa. The Congress (I) strength is 122.

Bihar gave 210 votec to Mr. Zail Singh. His party's strength in the 324-member assembly is 191 only.

Gandhi, Others Congratulate Zail

Calcutta THE STATESMAN in English 16 Jul 82 pp 1, 9

[Text] New Delhi, July 15.—Mr Zail Singh, the Congress (I) nominee, was declared elected this evening as the President of India—the first Sikh and the first from the backward castes to be chosen for the highest office in the land—by an overwhelming majority of 471,428 value votes over his rival and combined Opposition candidate, Mr H. R. Khanna.

In the straight contest for which the polling was held on Monday, Mr Zail Singh secured 754,113 value votes against Mr Khanna's 282,685.

The new incumbent at Rashtrapati Bhavan will be sworn in by the Chief Justice of India on July 25, a day after Mr N. Sanjiva Reddy retires at the end of his five-year term.

Immediately after the counting of votes was over and the result announced, Mrs Gandhi rang up Mr Zail Singh to congratulate him on his success.

Mr Zail Singh thanked the Prime Minister profusely and said "this is again a measure of your popularity in the whole country". The President too promptly sent a congratulatory message to Mr Zail Singh wishing him success.

At the venue of the counting of results in Parliament House "laddoos" were distributed by supporters of the Congress (I) as the final tally was announced by the returning officer Mr Sudharshan Aggarwal, who declared Mr Zail Singh elected as the seventh President of India, polling 72.7% of the total value votes. Mr Khanna, a former Supreme Court judge, got 27.3%.

The results were somewhere along the expected lines. The tally showed that the polling in favour of Mr Zail Singh had been 10% more than what it would be counting votes of the Congress (I) members and their supporters in the electoral college, belying the Opposition's hopes for "consci[rest of word missing] for the principles of socialism, secularism and democracy.

As far as he was concerned, he was a humble soldier of the freedom struggle, who had joined the battle as a volunteer and satyagrahi, giving him an opportunity to serve the people of the country and the princely States subjects. "We did not then even know whether or not we would be alive to see the nation nor did we expect and hope for rewards for the patriotism, so that when we reach the highest office, we think of the great patriots who gave their lives for the freedom of the country. We salute them all".

He said he was thankful to all members of the electoral college "who thought right to chose me for this high office". He was also thankful to the people of India, and hoped he would live up to the trust reposed on him particularly by the working class, the weaker sections, and socially, economically and politically backward sections, for it was their victory.

Mr Zail Singh interrupted his talk with reporters to receive a congratulatory telephone call from the Prime Minister. "Aap ko bhi mubarak" he replied.

Next was a message from the President, Mr Sanjiva Reddy, which was handed over to him by a presidential aide amid the endless stream of visitors, including the Communications Minister, Mr C. M. Stephen, the Orissa's Chief Minister, Jr J. B. Patnaik, the Himachal Pradesh Chief Minister, Mr Ram Lal, and Central Ministers and Chief Ministers of many States.

A big shamiana had been set up outside Mr Zail Singh's residence on Racecourse Road, and there was a virtual stampede as he came out to greet well-wishers.

He was almost mobbed by photographers as he posed in front of a large-size portrait of Mrs Gandhi kept in the porch. An admirer threaded his way through the crowd to apply perfume on him. Bouquets and flower garlands were heaped in a corner and rosepetals were strewn all over the floor.

Congress (I) M.P.s and their supporters chanted "Indira Gandhi zindabad" as soon as the results were announced in Parliament House by the Returning Officer. They marched to Mr Zail Singh's house to congratulate him.

Felicitating the President-elect, Mrs Gandhi said: "The honour has gone to a veteran solider of the fight for freedom and a man of the people". Mrs Gandhi added. "Being so close to the soil with his amiability, idealism and robush commonsense, Mr Zail Singh can be depended upon to serve the Constitution and the country with earnestness and dignity".

Among the first to congratulate the President was Mr Khanna, his rival. He drove to Mr Zail Singh's house, warmly embraced the winner and wished him success.

The reaction of the Opposition leaders was varied. While the Lok Dal leader, Mr Charan Singh, described Mr Zail Singh's vistory as "a great misfortune for the country" and said "dark days are ahead", Mr Shahabuddin, general secretary of the Janata Party said "it is a victory of quantity over quality".

While the Democratic Socialist Leader, Mr H. N. Bahuguna, wished Mr Zail Singh "a happy stay" in his new office and hoped he would serve the interests of the nation without fear or favour, Mr Jagjivan Ram, president of the Congress (I), extended his congratulations to him.

Biographical Sketch of Zail

Bombay THE TIMES OF INDIA in English 16 Jul 82 p 11

[Text] New Delhim July 15 (PTI). The life of the 66-year-old Mr. Zail Singh, 'Gianiji" to his friends, has been one of struggle, aspiration and success for 46 years.

Though artisan by caste with little to claim for higher education, Mr. Zail Singh has earned a rich, varied and extensive experience as a freedom fighter, politician and administrator.

Born in a humble home in village Sandhwan of erstwhile Faridkot State, now in Punjab, Mr. Zail Singh alias Mr. Jarnail Singh is the first Sikh President and the first person belonging to the backward class to get elected to the august office.

Born on May five, 1916, Mr. Zail Singh, the former Union home minister, shares a birthday with Karl Marx.

Mr. Zail Singh barely managed to get through matriculation before deciding that he would become a 'grathi'--a professional reader of the Holy Granth. His training to become one earned him the title of Giani, meaning the 'learned one.'

However, his brand of politics originated simultaneously with his religion, as a form of militant protest against the erstwhile ruler of the princely state of Faridkot. Ispired by the freedom movement, he challenged the Maharaja of Faridkot by founding the Congress Party in his domain.

In 1938, Mr. Zail Singh was thrown into Faridkot jail, where he spent five years.

From Prison to Power

It was at that early stage that Mr. Zail Singh established his links with Mr. Nehru, founding the Paraja Mandal and later running a parallel government to that of the Maharaja. He was often subjected to humiliation and torture by the police. Once the local police chief ordered that he be dragged through the streets of Faridkot with his hair tied to a jeep but, at the last minute, the drastic order was revoked.

From 1948 to 1952, Mr. Zail Singh served as revenue, then, agriculture minister in the first Patiala and East Punjab States Union (PEPSU) government. Soon after, he became president of the PEPSU pradesh Congress committee and when PEPSU and Punjab state were merged into the single state of Punjab, Mr. Zail Singh found himself in the Rajya Sabha.

In 1962, Mr. Zail Singh fought, and won, an election to the Punjab legislative assembly and was promptly included in Pratap Singh Kairon's cabinet.

Unfortunately, he was forced to quit when the cabinet strength was reduced. Still, he has always cherished his relationship with Mr. Kairon whom he admires and often quotes as an example of a progressive and able chief minister.

Mr. Zail Singh had never in his entire political career switched loyalties or suffered a change of heart. His relationships with top leaders like Sardar Patel, Mr. Pratap Singh Kairon and Mrs. Indira Gandhi had always been smooth. His overflowing affability, good humour and humility helped him to ingratiate himself into the inner sanctums of power, in both Chandigarh and New Delhi.

A veteran freedom fighter, Mr Zail Singh always espoused the cause of common man. He was only 21 when he was arrested for his participation in the Paraja Mandal Movement in 1937 against the erstwhile rulers of Faridkot. The five-year imprisionment did not dampen his spirit and immediately on his release he launched the National Flag Movement in the state in 1946 with the blessing of Mr. Nehru and was arrested again.

Mr. Zail Singh was president of the Patiala State Praja Mandal from 1946 to 1948 and held the office of president of the erstwhile PEPSU pradesh congress committee for two years.

After the state had a spell of Akaliled coalition government, Mr. Zail Singh led his party to a resounding victory in the 1972 Vidhan Sabha elections and became the state chief minister.

Besides Mr. Kairon, he was the only chief minister to have the distinction of completing a full five-year term.

Mr. Zail Singh was the chief minister in 1977 when the congress government in the state dismissed by the Janata government at the Centre.

During the period Mrs. Indira Gandhi was out of power and in her struggle against the Janata government, Mr. Zail Singh gave her unstinted support.

In the 1980 Lok Sabha elections, which saw Mrs. Gandhi return to power with a resounding victory, Mr. Zail Singh was elected from Hoshiarpur parliamentary constituency and later appointed home minister.

During the last two and half years as home minister, Mr. Zail Singh had to tackle the vexed foreigners issue in Assam and the demand for Khalistan by a section of Sikhs in his home state.

Mr. Zail Singh's private life has never impinged upon his public one, according to all accounts. His son still helps to farm the family's 57-acres held jointly by him and his brothers in Faridkot.

The mud hut in which he was born still exists.

His wife, a simple and conservative woman, has seldom stepped out of the village and his three daughters, two of them qualified doctors, rarely visit him though he keeps in constant touch with them.

State-wide Voting Figures

Bombay THE TIMES OF INDIA in English 16 Jul 82 p 11

[Text] New Delhi, July 15 (UNI). Barring West Benegal and Tripura, Mr. Zail Singh led his rival, Mr. H. R. Khanna, in all the states in the presidential election. The following chart shows the performance of the rival candidates in the states and in Parliament:

State	Mr. Zail Singh Votes	Mr. Zail Singh Value	Mr. H. R. Khanna Votes	Mr. H. R. Khanna Value
Andhra Pradesh	255	37,740	31	4,588
Assam	—	—	—	—
Bihar	210	36.540	108	18,792
Gujarat	149	21.903	30	4,410
Haryana	54	6,048	35	3,920
Himachal Pradesh	35	1.785	32	1,632
Jammu and Kashmir	57	4,731	11	913
Karnataka	189	24,759	34	4,454
Kerala	76	11,552	61	9,272
Madhya Pradesh	251	32,630	66	8,580
Maharashtra	239	41,825	48	8,400
Manipur	50	900	10	180
Meghalaya	37	629	18	306
Nagaland	54	486	1	9
Orissa	130	19,370	15	2.235
Punjab	99	11,484	12	1,392
Rajasthan	154	19.866	40	5,160
Sikkim	24	168	7	49
Tamil Nadu	195	34,320	35	6,160
Tripura	3	78	51	1.326
U.P.	330	68.640	88	18.304
West Bengal	53	8,003	233	35.183
Parliament	528	370,656	210	147,420
Total	3172	754,113	1,176	282,685

Invalid votes: States 46, Parliament 12.

CSO: 4220/7630

INDIA REPORTEDLY CONCERNED OVER PRC-USSR RELATIONS

Madras THE HINDU in English 18 Jul 82 p 12

[Article by G. K. Reddy]

[Text] New Delhi, July 17. The Chinese Foreign Minister, Mr. Huang Hua, is reported to have hinted, during his private talks with some Western leaders in the course of a recent visit to Europe, that Sino-Soviet relations which hit the rock bottom during the seventies were slightly better now and bound to improve before the end of this decade.

It is not clear whether this observation attributed to him was only a casual remark made in the course of a routine exchange of views on other inter-related subjects, or a well considered appraisal of a more promising prospect for the future, indicating some degree of flexibility in China's own attitude.

In either case, Mr. Huang Hua's stray thought or pointed assertion has attracted a lot of attention in high Government circles in some of the European capitals in the context of their growing resentment against the U. S. attempts to block the mammoth pipeline deal with the Soviet Union.

Its coincidence with the exit of Mr. Alexander Haig, who strongly disapproved of the hawkishness of the White House establishment over this controversial issue, tended to encourage the European critics of the Reagan Administration to become opposed to the U. S. bid to dictate policy in an arbitrary fashion.

The Indian interest in the reported remark of Mr. Huang Hua centres on the possible Soviet response to the Chinese readiness to have a slightly more relaxed relationship free from recurring tensions and its inter-action on India's own dealings with the two communist giants, China and the Soviet Union.

It is India's own assessment that Moscow, too, is equally interested in moving away from the path of confrontation with China, even if the two countries can never go back to the early days of their fraternalism.

Reversal of roles: Hitherto, it used to be India's turn to keep on reassuring Moscow periodically that its readiness to normalise relations with China would not be at the expense of the existing friendship with the Soviet Union. Now in a strange reversal of roles, it may be Moscow's turn to assure India that it is not going to seek better relations with China at the expense of India's interests.

One of the major talking points during the Prime Minister's forthcoming visit to the Soviet Union will be the kind of relationship that Moscow and Beijing might strive for, without prejudice to their respective positions, to avert the dangers of a conflict or even renewed confrontation with over a million troops massed along the borders on either side.

The current thinking of Indian Sinologists, such as there are in this country, is that if India has to arrive at some understanding with China on the border issue, it should be done in the course of the next few years before Moscow and Beijing begin to move near as a logical culmination of their mutual desire to avoid further tensions, even if an accord was not possible in the foreseeable future.

And starting from this premise, they want the current Sino-Indian dialogue to be carried forward to a more purposeful stage, so that the two countries could come to grips with the substantive aspects of the border problem.

CSO: 4220/7639

ANALYST DETAILS PROGRESS TOWARD TALKS WITH PAKISTAN

Madras THE HINDU in English 19 Jul 82 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, July 18.

The new Pakistan Ambassador to India, Mr. Riaz Piracha, is arriving in Delhi tomorrow to take up his assignment and set the ball rolling for an early resumption of the stalled Indo-Pak. dialogue on a no-war pact, before the Indian Foreign Secretary, Mr. M. K. Rasgotra, goes to Islamabad next month to discuss its modalities.

As one who has been Pakistan's Foreign Secretary till recently, Mr. Piracha comes to Delhi with a deeper insight into the current thinking of the ruling military establishment on Indo-Pak. relations. As such, he will be able to speak with greater knowledge of Islamabad's approach to the resumption of the dialogue.

The last letter of the Prime Minister, Mrs. Indira Gandhi, to the Pakistan President, General Zia-ul Huq, had more or less cleared the decks for resuming the thread of the earlier discussions, but it had also broadened, in the process, the basis for dialogue by dovetailing the no-war concept into a more positive proposition, for a treaty of peace, friendship and cooperation.

Pakistani preference: The initial Pakistani preference was for a simple non-aggression pact, abjuring the use of force for settling Indo-Pak. disputes. But it has subsequently veered round at least half way to the Indian view that there is no harm in putting greater content into the no-war idea by enjoining the two countries to work together for peace and stability in the sub-continent either through a treaty arrangement or a simple agreement.

India's parallel suggestion for establishing a joint commission to provide an institutional framework for discussing the areas of cooperation, like increased trade, travel, transit and telecommunications, poses no difficulty in the sense that it has already been accepted in principle by Pakistan. The delay in setting up the joint commission relates primarily to the timing, whether it should be a starting point for negotiating a treaty of peace, friendship and cooperation, or a logical follow-up of a no-war pact.

Non-aggression pact: When the Secretary in the External Affairs Ministry, Mr. K. Natwar Singh, went to Islamabad last month as the Prime Minister's special emissary to deliver and discuss her letter to General Zia on the subject, Mr. Piracha, then Pakistan Foreign Secretary, handed over a draft of the proposed non-aggression pact.

The draft indirectly sought to derive the no-war relationship more from the mutual commitment of the two countries to the principles of the U.N. charter than the provisions of the Simla agreement. The Government of India did not reject the Pakistani draft, but reserved its right to put forward a counter-draft at an appropriate stage in the resumed discussions.

Joint commission move: Meanwhile, the Indian draft proposal for a joint commission was handed over to the Pakistan Charge d'Affaires in Delhi for transmission to Islamabad to get at least one hurdle out of the way soon, if General Zia was really serious about an early improvement of Indo-Pak. relations. One of the first tasks of Mr. Rasgotra, when he goes to Islamabad next month, is to secure the necessary understanding on the establishment of a joint commission, before the two Governments come to grips with the more substantive aspects of the proposed treaty on peace and cooperation.

The Indian Foreign Secretary will leave for Islamabad on August 8 to attend the next official meeting of the eight South Asian States on economic cooperation. He will stay on for a couple of days at the conclusion of these talks to discuss Indo-Pak. bilateral issues.

No substantive discussions now: But the stage will not be reached for any substantive discussions on the proposed no-war pact or peace treaty for at least another two or three months until the right climate has been created. Though the rumpus over the intemperate Pakistani reference to the Kashmir issue in the

Human Rights Commission at the end of February last is now forgotten, for all practical purposes, the postponement of the former Foreign Secretary's visit to Islamabad in protest in early March to carry forward the no-war dialogue had certainly interrupted the time schedule and delayed the negotiations.

It is highly unlikely that any substantive discussions can take place on the no-war proposition till October at least, because of India's other commitments. The Foreign Secretary has a very heavy schedule for the next two months, since he has to accompany the Prime Minister on her visits to the U.S. and the Soviet Union and to the non-aligned summit, if it is held in Baghdad or elsewhere.

CSO: 4220/7642

G. K. REDDY DISCUSSES WESTERN VIEW OF INDIA

Madras THE HINDU in English 18 Jul 82 p 2

[Article by G. K. Reddy]

[Text] It is not uncommon for any society, dynamic or stagnant, to take a harsher look at its shortcomings under stress in moments of disenchantment with its leadership or disillusionment with its performance. A big polity like India, burdened with a heavy backlog of problems, tends to be rather over-critical of its imperfections, distorting its own image of itself as a developing nation.

In their race with time to make up for the lost opportunities, the people become painfully aware not so much of the great difficulties involved in keeping pace with their rising expectations as the inability of their leaders to live up to their promises. The result is that, in the hear of domestic controversy and confrontation, self-criticism takes the form of self-deprecation, often belittling the achievements and exaggerating the failures. It produces an inward looking attiude blurring the over-all perspective and promoting a feeling of nonfulfillment, even of betrayal at times.

Empty Rhetoric

In the absence of a coherent philosophy of governance, political parties manage to get away with their shortcomings by conjuring visions of success or generating fears of decadence to unite or divide the people to suit their more immediate purposes. Those who have wasted crucial years in empty rhetoric by blaming others for their lapses continue to pose as martyrs who had suffered for refusing to foresake their principles, while others who failed even more lamentably to put their power to any positive use revel in their failures, because they do not consider themselves accountable for their actions.

It is only an informed and assertive public opinion that can distinguish between impropriety and imperfection that can act as an effective check against a steady decline of political or moral standards in public life. The fact that the largely illiterate electorate, guided more by its own horse sense than reasoned appeal, had unseated powerful governments in successive elections has not prevented politicians from stirring up animosities and arousing raw passions for partisan purposes. The power of irritionality is still a decisive factor in Indian politics, since it offers enough scope for passing off any inadequacy as a lofty manifestation of inflexible devotion.

The political scene is so complex that it is possible for a carping critic to decry the country with some telltale facts as a tragic example of a great polity in disintegration. It is equally possible to take a more balanced view and project it as a dynamic society well set to make rapid strides with all its imperfections. It becomes difficult for a perceptive foreign observer to arrive at the right conclusions in the face of fierce internal controversy over the very fundamentals of its public values.

Distance & Detachment

But at the same time distance also can create a feeling of detachment in probing deeper into the Indian psyche and assessing the mood of its people. No student of Indian politics, whether Indian or foreign, can be completely free from some pre-conceived notions based on subjective considerations. What really matters in assessing the progress of a nation or grasping the aspirations of its people is a readiness to look at its problems through its own eyes to the extent possible to understand its thought processes and the rationale behind its attitudes.

It can be a rewarding experience even for an Indian to make a fresh look at the Indian scene from abroad, comparing one's own perceptions of the country's progress with what others think of it. The western world, lost in its pursuit of happiness, has neither the time nor the desire to take a sustained interest in Asia or Africa, but those who matter in shaping governmental policies or influencing public attitudes are reasonably well informed of what goes on there. A credible distinction has to be kept up between ignorance and indifference in assessing western attitudes.

The people by and large are quite sympathetic to the aspirations of the Third World even in countries with a colonial past, although they are only vaguely aware of the staggering dimensions of its poverty and need for rapid development.

In a sense India is seen as a focal point of the Third World representing in itself all the opportunities and challenges for orderly transformation in an atmosphere of freedom. It is no longer decried as a country incapable of governing itself, a society given by self-destructive social contradictions, with an unmanageable population growth rate. It has come to be widely accepted, on the other hand, as an illustrious example of a country benefiting from the mistakes of the past and all set to make rapid progress in the next two decades.

The greatest single event that has changed the image of India abroad has been the green revolution. There is widespread admiration for its success in solving its food problem within a span of just one generation. The progress made on the industrial front continues to inspire confidence, although one comes across criticism of the vagaries of India's restrictive regulations.

The achievements of the Indian scientists, especially in the field of nuclear technology and space exploration are seen as a measure of the country's advance towards the take-off stage, though concern is expressed about a possible diversion of this knowledge for military purposes at a later stage.

Capacity of the Elite

The massive Indian population is viewed as a mammoth human pyramid with some of the finest minds in the world perched at the apex and the bulk of the masses steeped deep in poverty and ignorance at the bottom. The real challenge in India is seen as a test of the capacity of the elite to utilise its skills and knowledge for galvanising the bast human reservoir at the bottom to develop the country's resources for the good of its people.

The personality of its head of government plays an important part in shaping global opinions about a country's performance. As a peerless moral tactician, Gandhiji created a worldwide awareness of the Indian freedom struggle. After Independence, Nehru gave the much needed international dimension to India's political ideals and social aspirations. But as one cast in a more controversial role and consequently caught up in a political maelstrom, Mrs. Gandhi tended to arouse mixed emotions combining a certain degree of concern with admiration.

A section of opinion abroad tended to glamourise her personality by describing her as the empress of India in the wake of the extraordinary skill she displayed in confounding her opponents at almost every stage, until she was overtaken by events. But now there is a more realistic appreciation of her national and international role, as a complex, hardheaded and imperious leader of the world's second most populous nation and, at the same time, an enlightened, dedicated and uncompromising champion of the Third World with a finely honed instinct for articulating their emotions.

The overall western impression of Mrs. Gandhi now is a very agreeable one evoking both respect and approbation. She is widely regarded as one of the world's most forceful personalities who is desinted to play a very important role in at least opening the way for the emergence of a more equitable international dispensation.

Estimate of Mrs. Gandhi

It has not gone unnoticed among people who matter in Europe that she has changed with the changing times and quietly shed the dogma by toning down her politico-economic doctrines by yielding to social compulsions. The Indira watchers in places like London are in no great hurry to jump to hasty conclusions about her place in history, since they would like more in terms of what she achieves on the home front than the imprint she leaves on the international scene.

It will take some more years for her critics and admirers to arrive at a balanced appraisal of her personality and performance. Her increasing involvement in international affairs followed by frequent globe-trotting trips has helped to protect India as a stable society going through orderly development, a country that is no longer stagnant and where things are moving to clear the way for a faster rate of growth through a better utilisation of its natural and human resources.

And the danger is that this new found faith in India abroad is also arousing some false expectations of large-scale liberalisation to open the doors for foreign investment. The Government should take timely steps to explain to all concerned

that what was being contemplated was a selective approach for increased foreign participation in high technology sectors and not all-round liberalisation. Nevertheless, the very talk of these new opportunities for foreign investment in India, whether selective or otherwise, will help improve the country's image and enhance its prestige abroad as an upcoming nation which will rank many of the industrialised countries of the west before the turn of the century.

[G. K. Reddy from New Delhi]

CSO: 4220/7632

WORLD ENERGY MEETING PLANNED FOR DELHI IN SEPTEMBER

New Delhi PATRIOT in English 19 Jul 82 p 8

[Text] Nearly 5,000 energy experts from all over the world are expected to attend the 12th World Energy Conference to be hosted by India in New Delhi in September next year, reports PTI. It is for the first time that the conference will be held in Asia.

Preparations for the conference are being made by a 22-member organising committee under the chairmanship of Mr T R Satish Chandran, Secretary, Ministry of Energy. Other members of the committee include experts in the field of energy from the central and state governments, and public and private enterprises.

The theme of the conference will be 'energy-development quality of life.'

The conference will examine the relationship between the development of energy and its impact on the quality of life. It will analyse the changes in social pattern which energy development or, alternatively, the failure to develop energy can bring, and assess how far the structure of society will be affected by a national energy policy.

The conference will also devote itself to exploring new techniques and technologies for exploitation and development of energy resources, management of energy system, and international collaboration and contribution to a global energy strategy.

The conference will be of special relevance to India in her present efforts to meet the growing needs for energy.

CSO: 4220/7643

PLO ENVOY SPEAKS AT DELHI MEETING ON LEBANON

New Delhi PATRIOT in English 20 Jul 82 p 10

[Text] Ambassador of the Palestine Liberation Organisation in India Faisal Aouidha on Monday described newspaper reports of the PLO waiting for 'mercy evacuation' as 'utter nonsense', and stressed that the Palestinian fighters would not surrender to Israel in Lebanon.

Mr Aouidha said that there were at least 40,000 armed PLO fighters in Lebanon, and they were ready to "lay their lives down for their just cause". Mr Aouidha described the western media reports of smaller numbers of PLO fighters as 'baseless propaganda.'

Speaking at a meeting organised by the Delhi Study Group and the Arab Cultural Centre, the PLO ambassador deplored the lack of solidarity shown to the fighting PLO by some other Arab nations.

However, referring to Syria's reported refusal to provide refuge to Palestinian fighters, Mr Aouidha said that this only reflected the PLO's own thinking. "We do not want to go from one place to another when our avowed aim is to reach our own country", he said.

Speaking about the conditions in war-torn Lebanon, Mr Aouidha accused Israel of capturing every man and woman of military age from the Israeli occupied territories. He claimed that no fighters had been captured.

Drawing attention to the blockade erected by Israeli troops around several areas of Beirut, Mr Aouidha said that almost 30,000 people were living without supplies of any kind.

Condemning the US backing to the Israeli aggression, the ambassador observed that the US was using Israel to liquidate the Palestinians. Israel had landed in different cities from the sea with the help of the US Sixth Fleet, and the F-16s, the cluster bombs. In fact almost everything that Israel was using to fight the war was American.

"We're are fighting the US, not Israel", said Mr Aouidha, 'and we are proud that even after 45 days, we have not surrendered.' Amidst cheers from the gathering, Mr Aouidha added, "no-one can liquidate us. We will fight until we achieve our goal--a Palestinian nation."

Denying the reports of the PLO's readiness to surrender, Mr Aouidha vehemently asserted that this was only another example of the Western media's misrepresentation of the war and developments in Lebanon. He also pointed to the fact that there had been little coverage of the heavy damages that the PLO fighters had been able to inflict on the Israeli invaders.

Lauding India's support to the PLO cause, Mr Aouidha said that not even Arab countries had exhibited as much solidarity as India had, both inside and in international forums.

CSO: 4220/7644

OIL PRODUCTION PROJECTS THROUGH 1990 REPORTED

Madras THE HINDU in English 19 Jul 82 p 9

[Text] NEW DELHI, July 18.

The Oil and Natural Gas Commission (ONGC) has projected that offshore commercial oil production from the east coast continental shelf from the Cauvery and Godavery basins would go up from a million tonnes in 1985-86 to 5.50 million tonnes in 1989-90. This indicates the high hopes ONGC has about these two basins though luck has so far eluded it since it first struck oil in the Cauvery offshore well last year.

According to the exploration programme in ONGC's action plan for 1980-90, the projected onshore oil production from these two basins would be a million tonnes each by 1989-90. In the Cauvery basin, production is expected to increase from 0.30 million tonnes in 1986-87 to 0.50 million tonnes in 1987-88, 0.70 million tonnes in 1988-89 and a million tonnes in 1989-90. For the Krishna-Godavery basin, the respective projections are 0.20 million tonnes, 0.30 million tonnes, 0.50 million tonnes and a million tonnes.

Onshore production: Total onshore oil production as per the action plan will not exceed 7.9 million tonnes in 1984-85. But, during 1989-90 when onshore production will be accelerated, the annual onshore production is likely to go up from 8.7 million tonnes in 1985-86 to 20 million tonnes in 1989-90. The total oil production, both offshore and onshore, by ONGC, would be 27.02 million tonnes in 1984-85 and 80.50 million tonnes in 1989-90.

Prognosticated reserves: ONGC has estimated that the "prognosticated geological reserves" in the onshore part of the Cauvery basin arrived at by the "modified Delphi technique" are 200 million tonnes and it gives the same figure for the Krishna-Godavari onshore basin as well. The offshore reserves in these two basins as well as the Andaman offshore areas, are prognosticated at 3,040 million tonnes. In the offshore part of the Krishna-Godavari and Cauvery basins, prognosticated geological reserves have been estimated at 500 million tonnes and 450 million tonnes respectively in the light of the recent hydrocarbon finds.

"The planned percentage of upgradation in the east-coast offshore areas from prognosticated proved geological reserves by 1990", says the action plan, is 40 per cent. Though the different basins have different confidence factors of prognosticated reserves, the reserves of the whole east coast offshore areas have been pooled together for planning the exploration and exploitation during the plan period.

Early production systems: The action plan has provided for the acquisition of early production systems for each new structure so as to bring a new structure on production within two years after discovery. A platform complex or alternative system would be installed in the third year. It is planned to acquire two early production systems during the Sixth Plan period. In the first variant of the action plan, in any year during 1985-90, the maximum number of new discoveries are five and the total requirement of early production system has been kept at five. In the second variant, the maximum number of structures which are likely to be put on production in any year are seven and, therefore, a maximum of seven early production systems are proposed under this variant.

The action plan, however, says that new discoveries offshore "may not be as prolific as Bombay High and production build-up is expected from relatively small structures ....to exploit about 3.5 million tonnes a year from these fields, three well-cum-process and 15 well platforms have been identified.

Data processing systems: As for the computer data processing systems which ONGC will need, the action plan says that the existing IBM 3706145 system is not able to meet fully the data processing needs. Another computer VAX-11/780 has been commissioned in February 1982 with UNDP aid. In 1983-84, the Cyber-800 system is expected to be added at a cost of Rs. 5 crores and, in 1986-87 another system at a cost of Rs. 4 crores with built-in sophistication is expected to be inducted. Certain peripherals may also have to be added to

the National Information Centre in Delhi to meet on ONGC's needs. Availability of computer processing capacity has to be a head of requirements.

As for the support it will need from engineering and construction units for the supply and delivery of offshore equipment, the action plan says that the capability of the Mazagon Docks Ltd., has been duly considered

The break-up of the production projections from ONGC's different areas of production, onshore and offshore, is as follows:

Basins	1984-85	1989-90
	(in million tonnes)	
ONSHORE		
Cambay	4.10	6.50
Upper Assam	3.80	7.20
Kutch and Saurashtra	—	0.25
Assam Arakan fold belt	—	2.00
Bengal	—	1.50
Krishna-Godavary	—	1.00
Cauvery	—	1.00
Rajasthan	—	0.25
Himalayan foothills and Ganga valley	—	0.30
Total onshore	7.90	20.00
OFFSHORE		
West Coast	19.12	35.00
East Coast	—	5.50
Total offshore	19.12	40.50
Total onshore and offshore	27.02	60.50

CSO: 4220/7642

GANDHI REPORTED TO OFFER AKALI DAL PLACE IN CONGRESS-I

Calcutta THE STATESMAN in English 15 Jul 82 p 1

[Text] New Delhi, July 14--Mrs Gandhi is reported to have offered to the Akali Dal leadership a place for the Dal in the Congress-(I), and has asked them to give up the politics of confrontation and cooperate in not only tackling the separatist tendencies in Punjab, but together to make the State stronger and prosperous.

The suggestion is stated to have been made in the conducive political situation in which the Congress (I) had chosen Mr Zail Singh as its nominee for the Presidency of India, and is evidently calculated to assuage the feelings of the Sikh community and to assure it of its due place in national life.

Soon after the legislators of the two Akali Dals cast their votes in favour of Mr Zail Singh in the Presidential election, Mrs Gandhi was known to have conveyed her thanks to the leaders of the Akali Dal led by Mr H. S. Longowal (She also thanked other parties like the DMK the AIADMK and the Muslim League for their support for of Mr Zail Singh.)

An offer was then made to the Akalis to come in which would enable them to share power and work for the betterment of the State.

It is stated that the Congress-(I) suggestion is not for a coalition with the Akalis, as the ruling party on its own is in a solid position and has a comfortable majority in the Legislature and does not need the help of other parties. But despite its position in the State, cooperation from the Akalis, it is stated, could make things much better. As far as the State Legislature is concerned, the Longowal Akalis have a strength of 33 and the Talwandi group has three in a house of 117.

The Akali Dal's reaction to the Congress (I) suggestion is not yet known. Probably consultations are going on in the inner councils of the party.

CSO: 4220/7627

GANDHI COMMENTS ON PUBLIC SECTOR PERFORMANCE

Bombay THE TIMES OF INDIA in English 15 Jul 82 p 9

[Text]

NEW DELHI, July 14 (PTI).

THE Prime Minister, Mrs. Indira Gandhi, said here today that the public sector in the country must set an example, not only to the private sector, but to all citizens in avoiding waste and making the best and the fullest use of whatever is available.

Releasing a publication on "Public Sector in India" brought out by the Associated Journals Limited, the Prime Minister said: "We are proud of our public sector which, however, does not mean that we are satisfied with it". She said that whenever people had put in their best effort, they had made significant progress."

Mrs. Gandhi hoped that the public sector units would make special efforts during the productivity year—this year—to increase their production, to raise the morale of the workers and to instil the feeling that they are participants in this big endeavour to take India towards economic self-reliance.

Mrs. Gandhi noted that the growth of public sector also helped private sectors as it enabled young entrepreneurs to set up ancillaries particularly in the small scale and village industries sector. The country needed both big industries and medium and small scale units, she added.

She said whatever could be made at the village level or in the small scale sector, should be made there. "Unfortunately people think that in the name of small scale you can lower the quality as we have seen with our matches".

"To my cost, I see that every match that I strike breaks into two and either you risk burning yourself or your house," the Prime Minister stated.

Mrs. Gandhi also emphasised the need for avoiding wastage of anything.

There was water shortage in the country. But we see taps are kept open and people passing by don't bother to close them." She also stressed the need for educating the people with regard to environment.

"We must try not to cut down trees," the Prime Minister said and cited the example how Dr. Homi Bhabha got the design for the Trombay atomic unit changed so that hardly a couple of trees had to be cut instead of all trees as envisaged in the original design.

Referring to industrial relations in public sector, Mrs. Gandhi said the public sector took good care of its workers. There should be far more contact between the management and workers so that crises which arise might be avoided before they got out of control.

She congratulated the "National Herald" which she said had long been the torch bearer of "our ideals and values for which we have stood", not only now but even before independence.

The industries minister, Mr. N. D. Tiwari, said the public sector had now achieved a commanding height. The capital investment in public sector had goal up from Rs. 29 crores in 1951 to Rs. 21,000 crores last year.

Mr. Mohd Fazal, member of the planning commission, said the public sector had played a key role in making the country self-sufficient to some extent. He suggested that individual units of public sector undertakings should be judged on their individual performance and resources generation.

CSO: 4220/7625

ANALYST COMMENTS ON WEST ASIA POLICY, DISSENT

Bombay THE TIMES OF INDIA in English 15 Jul 82 p 8

[Article by Inder Malhotra]

[Text] INDIA's West Asia policy may have been a subject of controversy from time to time, both at home and abroad. But there has never been any scope for doubt or question about its clarity or consistency. This country backs to the hilt the inalienable right of the Palestinians to a state of their own in the land from which they have been driven out so cruelly. It also insists that Israel must vacate all Arab lands occupied by force. At the same time it has never compromised on Israel's right to secure existence, whatever Arab extremists might say.

What India cannot and will not tolerate, however, is the unspeakable arrogance the Israelis have always displayed in their dealings with their Arab neighbours and which has now culminated in the Israeli savaging of Lebanon. Mrs. Gandhi's statement on the subject in both houses of Parliament could not have been more moving or more constructive. The applause that it has since received speaks for itself. But even more eloquent was the brief incident in the Lok Sabha immediately after the Prime Minister sat down and the BJP MP, Mr. Ram Jethmalani, got up to plead Israel's case.

Special Pleading

He was instantly hooted down, as much by opposition members as by the treasury benches. The house also seemed to enjoy the irony underlying Mr. Chandrajit Yadav's appeal to the BJP leader, Mr. Atal Bihari Vajpayee, to either endorse or disown Mr. Jethmalani's special pleading on behalf of the Israeli aggressors in Lebanon as well as the expelled Israeli consul in Bombay whose vile conduct is difficult to discuss within the confines of parliamentary language.

At one stage, Mr. Vajpayee did rise to say something but resumed his seat after the speaker announced that members should speak only after he had fixed the time for a discussion on Lebanon. But since then, Mr. Jethmalani has been using other means to give vent to his misguided enthusiasm for Israel while Mr. Vajpayee has been maintaining an enigmatic silence, creating avoidable misgivings about his party's stand on an almost literally burning issue.

However what Mr. Jethmalani is saying aloud in public is repeated in private by some others. Their number is by no means very large. Even so, it is something of a surprise that on an issue on which even Israel's best friends have been driven to protest — the Chief Rabbi of Britain has lamented that for the first time the Jewish community is divided and nowhere more seriously than in Israel — some seemingly intelligent Indians should deem it their duty to support the indefensible Israeli action.

A great many complex factors have combined to create this bizarre state of affairs. Not least of these is the penchant of some blindly to oppose the government, no matter what the moral rights and wrongs of the issue in question or how high India's stakes in it. But a particularly dangerous element in the situation is the ability of motivated lobbies, both foreign and indigenous, to manipulate the opinion-leaders and opinion-makers in this country. In this, cupidity plays perhaps a much less extensive role than does gullibility.

Not long ago, someone whose affiliations are well known managed to persuade no fewer than 250 M.P.s, of whom as many as 200 belonged to the Congress(I), to send a message of congratulations to Taiwan and that, too, at a time when this country was engaged in serious negotiations with China. After the event, most of the M.P.s concerned said sheepishly that they had signed the congratulatory telegram in the belief it was addressed to Beijing, not Taipei!

Disinformation Drive

It is no secret that many of those busy in this country promoting Taiwanese interests are busy also on behalf of the Israelis. Moreover, promoters of Israel find it easy to prepare a heady cocktail of cold war attitudes and communal prejudices. In their campaign of disinformation they also find it useful to project the image of a tiny country standing up to much bigger neighbours. If, in spite of all that has gone on in West Asia during the last three decades, this nonsense is believed by some it ought not to be a surprise. For the believers are the same ladies and gentlemen who, during the sixties, used to scream against the government's policy of deploring U.S. bombing of Vietnam on the ground that the Americans were, after all, doing a good thing by teaching the Chinese a lesson!

Some of the critics of the government's West Asia policy say, in something of a complaining tone,

rapport with Gamal Abdel Nasser and started pleading with him that the Arabs and the Israelis must live together in peace. Nasser explained his difficulties and the two leaders agreed to continue their discussions later. But the disgraceful Anglo-French-Israeli invasion of Suez in 1956 put paid to that. The rest of the history is too well known to need recounting. In this country at that time the sympathy for the Egyptians and other Arabs was almost as overwhelming as it is today.

By the time of the 1967 war in West Asia, things had changed. Many Indians felt that they had been let down by their Arab friends not only during the Chinese invasion of this country in 1962 but, even more so, during the 1965 Indo-Pakistan war. It also appeared at that time that the West Asian war had been precipitated by some incauticus moves of President Nasser himself. The Israeli pre-emptive strike was short and swift to the point of being surgical, and the Israeli brilliance in battle dazzling.

In New Delhi by then some Arab representatives had started behaving churlishly. On one occasion, for instance, they walked out of an official dinner merely because one of the Indian guests present happened to be a member of the Indo-Israeli Friendship Society. Above all, the strains which were to lead two years later to the first Congress split were telling on the ruling party rather heavily. Thus it was that dissent from the government's policy then was stronger than at any other time before or since. By the time of the 1973 Arab-Israeli war, Indian opinion was once again solidly behind the Arabs.

Consulate Issue

What happened during the Janata regime is also significant for it underscores both the soundness and durability of this country's West Asia policy. On the day he was sworn in as Prime Minister, Mr. Morarji Desai told a press conference that he would consider establishing full diplomatic relations with Israel. Within just two hours, at a public meeting at Ramlila ground, Mr. Atal Bihari Vajpayee repudiated him. And the Janata has yet to live down the subsequent secret visit to Delhi by Gen. Moshe Dayan which, incidentally, was totally unproductive.

So much for the past, what about the future? Israel cannot expect any quarter from this country for as long as it is pursuing the kind of policies it is doing in Lebanon. But even in this intolerable situation the Indian government, quite rightly, is not yielding to the mounting pressure to close down the Israeli consulate in Bombay.

On the other hand, neither India nor the rest of the third world can remain a silent spectator to Israel's execrable butchery in and around Beirut even though the Arab states have made a pathetic display of their importance and the Soviet Union too is incapable of doing anything more than issue frequent verbal threats. That is where the meeting of the non-aligned co-ordination bureau at foreign ministers' level at Nicosia comes in.

that it is influenced by the Arab oil wealth, the geostrategic importance of the Arab countries and the sentiments of this country's principal minority, as if these factors are of no relevance. As it happens, in West Asia, India is on the side which is morally in the right and materially to this country's advantage. However, the roots of India's support to the Arabs in general and the Palestinians in particular are deep and go back to the era when there was no oil in West Asia.

As early as 1920, Mahatma Gandhi spoke out against the Balfour declaration and demanded that the poor Palestinians must not be made to pay for the sins of the anti-Semites of Europe. This was a perfect summing up of the situation and it remains valid to this day. In place of the Israeli diaspora there is now the Palestinian diaspora. And, in Lebanon, the victims of Buchenwald and Auschwitz are out-Hitlering Hitler.

A quick look back on the developments following the independence and partition of India and the creation of Israel — "through the venal votes of Latin America at the U.N.", to use Lord Wavell's telling phrase — would also be instructive.

This country lost no time in recognising Israel but decided, quite properly, to defer the establishment of diplomatic relations with it until such time that the move could be explained to friendly Arab countries. But the first Arab-Israeli war intervened though this did not alter the basic Indian decision.

It was at Bandung in 1955 that Jawaharlal Nehru established

CSO: 4220/7625

FINANCE MINISTER ANNOUNCES APPROVED IMF WITHDRAWALS

Statement in Rajya Sabha

Bombay THE TIMES OF INDIA in English 14 Jul 82 p 1

[Text]

NEW DELHI, July 13.

THE finance minister, Mr. Pranab Kumar Mukherjee, told members of Parliament today: "We should not be worried over our present indebtedness."

But "if we cross the limit then we will be taking too much risk," he said. "We shall have to be careful in future of increased international borrowings."

The finance minister was replying to points raised by Mr. Shiv Chandra Jha (Janata), Mr. Hukum Dev Narain Yadav (Lok Dal), Mr. Kalyan Roy (CPI) and Mr. S. W. Dhabe (Cong.-S) in the Rajya Sabha after he had read out a statement that the International Monetary Fund had approved drawals of 1,800 million SDRs (special drawing rights) by India between now and June 30, 1983.

Mr. Mukherjee said India had agreed to limit the total domestic credit but the government would ensure that "our basic policies are not compromised."

He said the IMF borrowings would be used to generate wealth so that "we are in a position to pay them back." The loans would help in effectively implementing the government's strategy for restoring viability of the balance of payments.

Special attention would be given to increasing domestic production of petroleum and petroleum products, fertilisers, steel, edible oils and non-ferrous metals.

"Thus import substitution continued to be one of the main elements of our strategy for resolving our balance of payments problems. At the same time efforts are being intensified to expand exports."

Mr. Mukherjee said the situation for increased borrowings was not "of our making". In 1976 there was a big surplus on international trade account but it was converted into a huge deficit when the Congress(I) was out of power.

In the statement read out in both houses, the finance minister said the IMF had approved in November, 1981, an extended arrangement covering a period of three years in an amount of five billion SDRs.

The arrangement was in support of the government's external adjustment programme based essentially on the sixth five-year plan.

Under the first year's programme, India had the right to draw until June 30, 1982, up to 500 million SDRs. This had been successfully completed and purchases envisaged in the programme duly made.

The programme for 1982-83 would be based on policies outlined in a statement furnished to the IMF on June 8. The statement reiterated the basic strategies and programmes approved by Parliament from time to time.

Mr. Mukherjee drew the attention of the house to the "performance criteria", which had been agreed upon in regard to the 1982-83 programme. He said: "We have indicated our intention to limit the total domestic credit outstanding at the end of the current fiscal year to a maximum of Rs. 87,679 crores against the outstanding amount of Rs. 73,729 crores at the end of 1981-82.

"This implies expansion of domestic credit of about 18.9 per cent in the course of the year over the amount outstanding on March 26, 1982.

"I am sure that the house will agree that this limit is consistent with the objective of adequately meeting the legitimate credit needs of the economy while restraining inflation."

DOMESTIC CREDIT

The total net credit — outstanding from the banking system as a whole to the Central and state governments at 1982-83-end was proposed to be limited to Rs. 36,453 crores against Rs. 30,903 crores outstanding on March 26.

Thus, the increase in net credit to the government from the banking system in 1982-83 would be Rs. 5,550 crores against the actual increase in net credit of Rs. 5,167 crores in 1981-82.

During 1982-83, Mr. Mukherjee said, the government intended to limit the official contracting and guaranteeing of non-concessional loans with maturity up to 12 years to 1.4 billion SDRs. This limit excluded not only aid credits but also loans, which had maturities exceeding 12 years. Further it would exclude loans for the new steel plant in Orissa and the Singrauli super thermal plant (Stage II).

This limit on external commercial borrowings for 1982-83 took into account the requirements of the country for such resources and was also "in conformity with our policy of prudent management of foreign debt," the finance minister said.

Statement to IMF

Bombay THE TIMES OF INDIA in English 14 Jul 82 p 9

[Text]

NEW DELHI, July 13.

The Government of India has told the International Monetary Fund (IMF) that while "it is likely that an increase in the Sixth Five-Year Plan outlay for some critical sectors during the year 1982-83 may become necessary with the objectives outlined by them, the Government intends to limit Plan expenditure within the available resources including the loans from bank financing.

These and other measures which the Government proposes to take and the economic outlook for 1982-83 have been spelt out in detail in a nine-page "Statement of policies", forwarded to Mr. J. De Larosiere, Managing Director of the IMF, by Mr. Pranab Mukherjee, Union Finance Minister, along with his letter of June 8.

Exchange rate policy: On exchange rate policy, the statement says that with "the rupee linked to a basket of currencies, the Government recognises that the exchange rate policy has an important bearing on export growth. The Government will continue to pursue a realistic policy on exchange rates, keeping in mind, *inter alia*, their objectives in regard to overall balance of payments and export promotion."

Balance of payments: Mr. Mukherjee has written to Mr. Larosiere that despite the strong economic growth achieved and the substantial reduction in inflation, "the balance of payments position continued to be under considerable strain due to factors largely beyond our control.....Nevertheless, as a result of the policies being followed, we expect that the current account deficit in the balance of payments in 1982-83 will amount to the equivalent of 2.1 per cent of the gross domestic product (GDP), some 0.3 per cent of GDP less than in 1981-82. The overall deficit would also be reduced. The Government of India remains firmly committed to resolving the balance of payments problem in line with the adjustment pattern envisaged in the programme."

Review of progress: The Finance Minister has told Mr. Larosiere that "with respect to the programme in 1982-83, the Government will consult with the fund in the adoption of any appropriate measures consistent with the national policies accepted by our Parliament in accordance with the Fund's policies on such consultations. The Government will review with the Fund before January 30, 1983, the progress made in implementing the programmes and, in particular, the policies and measures relating to public savings, imports and exports and reach such understandings with the fund as are necessary for the purpose of achieving the objectives of the programme. Earlier understandings pertaining to consultations with the fund continue to apply during the second year."

External borrowings: The statement of policies annexed to the Finance Minister's letter, mentions, among other things, that in respect of external borrowings, "efforts would continue to increase commercial borrowing with a view to building up an adequate flow of project financing, especially for the years after the expiry of the extended arrangement consistent with maintaining a prudent debt services ratio. Within this policy, private companies are being allowed to raise funds abroad provided that they can borrow on the strength of the viability of their projects and without the Government's guarantee".

The Government has estimated that commitments on commercial borrowing including private loans which provided about 0.9 billion SDRs (about Rs. 900 crores) in 1981-82 will rise further in 1982-83 and 1983-84. With the increase in commercial loans, foreign borrowing is being monitored to ensure effective external debt management.

Further Details

Bombay THE TIMES OF INDIA in English 14 Jul 82 p 7

[Text]

NEW DELHI, July 14.

The statement of policies, annexed to the Finance Minister, Mr. Pranab Mukherjee's letter to the IMF Managing Director (published yesterday), has also made the following major points:

(i) The wholesale price index on a point-to-point basis rose by only 1.9 per cent in 1981-82 as against 15.7 per cent in the previous year. The rate of inflation on an average annual basis declined from 18 per cent in 1980-81 to nine per cent in 1981-82. Strict demand management during 1981-82 also dropped as in the case of price performance.

(ii) The Central Government's overall deficit and bank financing of the deficit were somewhat less than programmed. At the same time, public savings considerably improved from the previous year and were broadly in line with the programme. Credit policies towards the commercial sector were also tightened. As a result, expansion in domestic credit was reduced below that envisaged in the programme. There was a larger than anticipated decline in the foreign assets of the banking system. Despite improved domestic economic performance and prudent demand management, the balance of payments continued to be under strain.

Current account deficit is estimated to be SDR 3.5 billion (Rs. 3,500 crores) (2.4 per cent of GDP), which is SDR 0.5 billion higher than envisaged in the programme. The main factor accounting for this was an unexpected further deterioration in the terms of trade.

(iii) Net capital inflows were less than expected, reflecting these developments, overall deficit reached SDR 2.2 billion (about Rs. 2,200 crores) which is SDR 0.5 billion more than envisaged in the programme. Despite purchases of SDR 0.6 billion under the extended arrangement, International reserves were drawn by SDR 1.6 billion (about Rs. 1,600 crores) to SDR 4.3 billion (about Rs. 4,300 crores) at the end of March 1982.

Consolidation

(iv) Against the background of improved economic performance in 1981-82, the Government's economic policy for 1982-83, the second year of the adjustment programme, has been designed to consolidate and carry forward the progress achieved in the first year and to ensure effective implementation of the Sixth Plan.

(v) To support necessary investments, the public sector plan outlays amounted to Rs. 182.1 billion in 1981-82. Plan expenditures were budgeted to rise to Rs. 211.4 billion in 1982-83. Productive capacity in key sectors is estimated to expand in line with the following schedule:

	(1981-82)	(1982-83)	(1984-85)
Coal Production	125 million tonnes	133 million tonnes	165 million tonnes
Electric Power	35,100 MW	38,600 MW	51,200 MW
Railway Freight	175 million tonnes	184 million tonnes	220 million tonnes
Steel	11.2 M/T	12.4 M/T	14.3 M/T
Cement	29.3 M/T	38.0 M/T	43 M/T
Nitrogenous Fertilizers	4.7 M/T	5.3 M/T	5.9 M/T

(vi) The Government plans to carry out a mid-term review of the physical and financial aspects of the Sixth Plan during 1982-83. The review will identify areas where adjustments may be appropriate during the remainder of the Plan with a view to ensuring adequate investments in key areas of the economy.

Pricing policy changes

(vii) Major changes in pricing policy have been implemented in cement and steel which will encourage investment and stimulate further utilisation of capacity in the case of cement which is mainly in the private sector. The industry has been moved from a system of full price control to partial decontrol. Producers will be subject to a levy amounting to two-thirds of installed capacity to be provided at specific prices which have now been unified and raised by an average of 33 per cent. They will be able to sell the rest of the output in the open market. In order to encourage new investment, the proportion allowed for the open market sale from new created capacity is 50 per cent.

(viii) In the case of steel, the Government has abolished the regime of administered pricing. Prices will, in future, be fixed by the industry. Prices have since been adjusted upwards for a major section of the population.

(ix) Prices of petroleum products were substantially raised in 1981-82 to a level which, taken overall, was fully at par with international prices. The pricing policy in this area is designed to provide incentives for conservation and development and this process will be maintained in 1982-83. The prices for coal in several States for electricity were raised in 1981-82. High priority will be continued to be given to the evolution of energy prices so that they reflect economic costs, encourage economy in energy use and promote substitution of scarce fuels.

(x) A significant feature of the financial policies of the Government is the enhancement of the effectiveness of capital markets in providing investment finance for the corporate sector.

CSO: 4220/7623

STEEL AUTHORITY PLANS TO INCREASE CAPACITY

Madras THE HINDU in English 15 Jul 82 p 12

[Text] Madras, July 14. Mr. S. Samarapungavan, Chairman, Steel Authority of India, today told newsmen that the steel industry was poised for substantial growth during the Eighties. He estimated that the demand for steel would rise to 12.7 million tonnes by 1984-85 and 18.4 million tonnes by 1989-90.

Mr. Samarapungavan, who is here on a short visit, said SAIL had launched a programme for increasing the capacity of crude stell in the integrated steel plants to nearly 20 million tonnes by 1989-90. This was sought to be achieved through modernisation, rehabilitation, renovation and strict adherence to quality standards. These efforts would provide for expansion of the existing units and creation of new capacities at other sites. The major schemes were expansion of both the Bhilai and Bokaro steel plants to the four million-tonne stage and installation of the Visakhapatnam steel plant and a steel plant at Daithri in Orissa.

The soulay for SAIL and its subsidiaries in 1982-83 would be about Rs. 544 crores. The major schemes of expansion were: at Bokaro to four million tonnes at a cost of Rs. 140 crores at Bhilai to four million tonnes (Rs. 170 crores), captive power plants at Bokaro, Durgapur and Rourkela (Rs. 49 crores), the silicon steel plant at Rourkela (Rs. 20 crores) and the Salem Steel Plant (Rs. 10 crores). The expansion at Bokaro was likely to be completed by July next year, and at Bhilai, by December 1982. The Rourkela silicon project was expected to be completed by March 1983.

A target of 6.47 million tonnes of saleable steel had been fixed for the five public sector integrated steel plants for 1982-83. This meant 90 per cent capacity utilisation for SAIL plants.

SAIL had also undertaken to assess the demand for different categories of steel in the coming year. The product-mix of the plants had been designed keeping in view the demand profile. A plan for export-import had been prepared. These efforts would be monitored by a special committee in the Steel department. The objective was to ensure easy availability of iron and steel items.

CSO: 4220/7629

CPI-M LEADERSHIP CONDUCTS ORIENTATION COURSE

Calcutta THE STATESMAN in English 16 Jul 82 p 9

[Text] New Delhi, July 15.--The CPI(M)'s central leadership impressed upon the party's over 100 State-level leaders in a 10-day political-ideological orientation course which concluded here on Monday that the party should support and uphold the Soviet Union and China as Socialist States and would not risk its "friendly relations" with both by siding with either in their ideological differences or hostility to each other.

The seniormost leaders in the CPI(M)'s Politburo criticized the Communist Party of Soviet Union for its enmity with the Communist Party of China.

They also denounced the CPC for its open alliance with "the imperialist USA" against the Soviet Union and also for calling the Soviet Union a "social imperialist State".

The pro-Moscow CPI too was censured for following the "Right reformist" line.

All varieties of the CPI(ML)--considered by the CPI(M) as its enemy No. 1--were repeatedly denounced as "Left adventurists."

The "party school" at the central level was held after three years.

The 10-hour daily sessions were conducted by the four senior members of the party's Politburo--Mr B. T. Ranadive, Mr E. M. S. Namboodiripad (general secretary), Mr M. Basavapunnaiah and Mr Hari Krishan Singh Surjeet.

The subjects for "education" of over 100 State committee members and others were: strategy and tactics, current tactical line and its evolution, ideological difference in the world Communist movement, ideological differences in the Indian Communist movement, Right revisionism and Left adventurism in the international as well as Indian Communist movement, organizational problems of the CPI(M), and its mass organizations.

The "school" was told that in the last 20 years, the CPI(M) had asserted itself in the teeth of fierce Opposition from the Russian and Chinese Communist parties.

And in its struggle to defend its own line, the PCI(M) had refused to slip into either anti-CPSU or anti-CPC positions, despite numerous differences with both.

It was said that the CPSU had dubbed the CPI(M) "splitters", "parallel party", and "sectarian". The Chinese Communists had called the CPI(M) "neo-revisionist". The CPSU supported the CPI and the CPC actively helped the Naxalites.

The "party school" was apparently aimed at keeping the party men away from the move for unity with the CPI. The accent was laid on strengthening the party at the grassroots level.

The CPI(M)'s central leadership has sponsored a quarterly magazine: Journal of Arts and Ideas. The proposed journal will feature writings on visual and plastic arts.

The journal will be run by an organisation named Samvad Trust, which will have a fund of Rs 1 lakh. The party, however, has taken care to see to it that it does not get involved directly in the running of the journal.

CSO: 4220/7630

PAPERS REPORT PLIGHT OF REFUGEES FROM AFGHANISTAN

Arrival from Australia

Madras THE HINDU in English 16 Jul 82 p 1

[Text] Madras, July 15. Forty Afghan nationals, claiming refugee status, returned here early this morning from Singapore on being deported from Sydney by the Australian Immigration authorities. They are now accommodated in the International transit lounge, Madras airport.

The same batch had emplaned from Madras in the early hours of July 12 (Monday) by the Singapore Airlines flight for Sydney via Singapore. At Sydney one of them, it was learnt here, had produced to the Immigration authorities, two passports, one Iranian and the other, Afghan. On interrogation all members of the group were found to be having two passports. The Afghans were then deported to Singapore and from there to Madras, after spending a night in jail in Sydney.

The group consists of 26 men ranging in age between 21 and 40, six women (most of them below 30) including one in an advanced stage of pregnancy and eight children below 15.

Among them are doctors, engineers, lawyers, teachers, accountants, government servants and students.

Immigration sources in Madras said the group produced Iranian passports and had valid visas when emplaning from here on Monday.

The Immigration authorities are in touch with the Union Home Ministry on whether the group should be permitted to enter India or should be sent back.

Pregnant woman: The Airport Health Officer felt the pregnant woman seemed to be having labour pains, and an ambulance was brought. But it was later decided that immediate hospitalisation was not necessary.

Policemen and a few women police personnel are posted at the entrance to the spaciously furnished lounge.

The Singapore Airlines ordered breakfast (sandwiches and coffee) for the party from the Airport restaurant and served it in the lounge around 10-30 a. m.

Press reporters were allowed to talk to the Afghans at about 4 p. m.

A young man, who did not want to be identified, said the forty members left Delhi by train on July 7 and arrived in Madras on July 9. They had reached Delhi in small batches during the past two years, because of the intolerable conditions after Soviet troops entered Afghanistan.

There were about 10,000 Afghan nationals in India who had left their country in the past 30 months. They were all registered with the United Nations High Commissioner for Refugees in Delhi. He and five family members, including a child, aged 18 months, received Rs. 1,450 a month from UNHCR. This was not enough for them.

Bad treatment: They went to Australia to seek political asylum there. They were badly treated in Australia. They wanted to deliver a message to the Australian people about the problems of the Afghan people. But nobody gave them a chance. Afghan residents in Sydney were also not allowed to meet the group.

All the adults, he said, were on hunger strike from their arrival in Australia to their eventual departure. He categorically said they did not want to be deported to go to any country in the Western hemisphere except Cuba or Iran, Pakistan, Bangladesh, Italy, Switzerland, West Germany.

"We do not know what the Government of India's decision would be. We hope we are given a chance to enter this country and start a new life".

A young woman complained at 4 p. m. that they had not got lunch yet, and that the children were hungry. In a short time the lunch was served to them.

G. K. Reddy on Delhi Attitude

Madras THE HINDU in English 18 Jul 82 p 1

[Article by G. K. Reddy]

[Text] The Government of India has no intention of forcibly sending back to Kabul, the 40 Afghan nationals, now stranded at Madras airport, since they are liable to be punished there severely for fleeing the country and seeking political asylum abroad.

Before permitting them to stay on in India until they are accepted by some other country as refugees, the Government has to decide whether these Afghans should be prosecuted for violating Indian laws in obtaining forged travel documents.

It is this aspect that is delaying a decision on allowing them to remain in India for the present, without recognising their refugee status or permitting them to resettle in this country. The issue is being examined both from the political and legal angles by the Home and External Affairs Ministries for arriving at an early decision.

A bad precedent: One view is that a bad precedent would be set if these Afghans, who had first entered India under false pretexts and left the country later with forged Iranian passports, are allowed to get away with these violations, on humanitarian grounds. The nationals of other countries who violate the country's immigration laws are prosecuted for less serious offenses.

What is important in this context is that, no matter what view the Government finally takes, these Afghans are not going to be thrown out of India, much less, sent back to Afghanistan. They will be allowed to stay on along with thousands of other Afghans who are already in this country in similar circumstances.

A few months ago, a number of Afghan nationals arrived in Delhi from Pakistan with forged visas and they were held for several days at the airport. The Government of India was free to send them back to Lahore from there they came to Delhi by plane, but when Pakistan refused to take them, India quietly allowed them to stay on without making an issue of it.

Forged passports: The Afghan nationals now held at Madras airport have been staying in India for varying periods before proceeding to Australia with forged Iranian passports. There is thus no question of throwing them out of the country despite their violation of Indian immigration laws in possessing forged passports.

Indians, who generally sympathise with the plight of thousands of Afghan refugees fleeing from the tyranny of the Soviet-controlled regime in their country, are quite astonished at the hyprocrisy of some of the Western nations, which talk so eloquently of human rights, but decline to accept even a small number of such refugees, raising technical objections.

Third Day at Airport

Madras, July 17. The 40 Afghan refugees, who landed at the Madras airport on Thursday morning on their being deported from Sydney by the Australian Immigration authorities spent their third day today in the International transit lounge here.

The Immigration authorities here are still awaiting instructions from the Union Home Ministry on how to deal with their problem.

They were provided with food by Singapore Airlines.

CSO: 4220/7632

RETURNEES FROM PAKISTANI JAILS IN BAD HEALTH

New Delhi PATRIOT in English 20 Jul 82 pp 1, 7

[Text] The 10 Indians, including a woman, who return home on (Tuesday) after long years in Pakistani jails, are in a bad physical and mental condition.

A Home Ministry spokesman told newsmen on Monday that the Government's information was that the 10 Indians were in a 'bad shape' and would require instant medical attention and care as soon as they arrived.

According to the schedule, the 10 persons arrive at Palam airport at 8 p. m. aboard an Indian Airlines flight from Karachi. Extensive medical arrangements have been made at the airport to attend them. They will be rushed to hospital immediately after disembarcation.

Meanwhile, according to a press release of the Pakistani embassy in New Delhi, the Pakistan Government has offered to prepare and exchange complete list of Indian prisoners in Pakistan on reciprocal basis.

The release also outlined the new Pakistani decision to allow access to Indian consular officials to visit and meet Indian nationals held in Pakistani jails. The Pakistan Government hoped that the Government of India would extend similar facilities on reciprocal basis, the release added.

Among the 10 is Mrs Badami, the wife of Pooran Singh of Turbi village Saow tehsil of Barmer district in Rajasthan. Of the nine men, three are from Kerala, two from UP, two from Rajasthan, one from Maharashtra and one from Gujarat.

The State Governments have already been directed to inform the relatives of the released persons about their arrival.

While the Home Ministry was unable to give further details about the persons, including how long they had been in Pakistani jails and the charges under which they had been arrested, and even their ages, it is understood that the Indians are suffering from extreme privation and the physical and mental torture that it implies.

They will be given a thorough medical checkup in Delhi and will hospitalised till they are fit to go back to their homes. The Health Ministry has been directed to make adequate arrangements and provide an ambulance at the airport.

The Delhi Police Commissioner has also been directed to make arrangements so that the homecoming Indians are not subjected to any hardships.

The following are the names and addresses of the 10 returning home:

Mr Mohammad Chembaksheri s/o Mr Moideen, Mr Hyder s/o Mr Moideen, Mr Shiv Ram s/o Mr Appukuttan (all from Kerala), Mr Harnatho s/o Mr Kaloo Wazir, Mohammad Shafi s/o Mr Mohammad Ali, Mrs Badami w/o Mr Pooran Singh (all from Rajasthan), Mr Bheero s/o Mr Umashankar, Mr Rama s/o Mr Lachman (both from Uttar Pradesh), Mr Baboo Ram s/o Mr Somaram from Maharashtra and Mr Shankroo s/o Mr [words indistinct].

CSO: 4220/7644

REPATRIATES FROM SRI LANKA FACE UNCERTAINTIES

Bombay THE TIMES OF INDIA in English 19 Jul 82 p 7

[Text] Madurai, July 18 (UNI). Eight months after the expiry of the deadline set for repatriation of workers of Indian origin from Sri Lanka, about 1,000 repatriates continued to arrive at the transit camp at Mandapam, about 145 km from here, each week to face an uncertain future.

The India-Sri Lanka agreement of 1965 provided for the repatriation of 6,00,000 persons of Indian origin, mostly unskilled plantation workers, to India by October 31, 1981. However, only about 3,75,000 persons have been repatriated so far and hence the continued influx.

The earliest to arrive were rehabilitated easily, but recent arrivals have been facing difficulties in their quest for a new life in their ancestral land.

Those who have arrived at the Mandapam camp now are faced with the choice of opting for plantation work or absorption in the co-operative spinning mills in the south or seeking financial assistance to set themselves up in self-employment projects.

A repatriate opting for self-employment is entitled to a loan of Rs. 5,000, of which Rs. 3,000 will be advanced immediately and the balance is paid after the authorities have been satisfied about the progress made in the venture. No interest, however, is charged for the first five years. Besides, a repatriate is also eligible for a housing loan of Rs. 4,000 in the rural and Rs. 8,000 in the urban areas.

Inquiries showed that nearly 77 per cent of the repatriates had opted for self-employment and collected the first loan instalment of Rs. 3,000. Very few of them came back to collect the second instalment of Rs. 2,000, underlining the fact that the self-employment ventures they took up had not been successful.

The repatriates at the camp said that they were satisfied with the sympathetic attitude of the officials though their living conditions needed improvement.

CSO: 4220/7640

ANALYST TELLS INDIA'S POSITION ON BAGHDAD SUMMIT

Madras THE HINDU in English 17 Jul 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, July 16. There are renewed doubts whether the next non-aligned summit can be held in Baghdad in early September because of the Iranian bid to intensify the war against Iraq even at the risk of precipitating a fresh crisis in the Gulf.

The preparations for the summit were proceeding briskly on the assumption that the war was practically over following the Iraqi retreat from occupied Iranian territories.

But it is highly unlikely that there would be an early end to this conflict in view of Ayatollah Khomeini's determination to carry the fight into Iraq and topple the Saddam Hussein regime, if possible.

The Iraqi Government has spent an estimated $500 millions (Rs. 450 crores) on arrangements for the summit and was exerting every possible pressure on Iran to agree to at least a temporary ceasefire to enable it to hold the conference. The latest offensive launched by Iran makes it abundantly clear, according to non-aligned circles here, that the Ayatollah is bent on wrecking the summit to make Iraq look small in the eyes of the other members of the non-aligned movement.

War zone: "It is quote unthinkable that, if the fighting continues during the next three or four weeks, the overly security conscious heads of many non-aligned countries, including the neighbouring Arab States, would agree to attend the Baghdad summit if it is going to be held in what would be deemed to be war zone. It is for this reason that Iraq had gone out of its way to declare a unilateral ceasefire, after the retreat of its forces from occupied Iranian territory, in the hope that the non-aligned opinion would be able to assert itself in restraining Iran from continuing the fight even if it was not prepared to agree to a formal cessation of hostilities without the fulfilment of at least some of its conditions.

A number of non-aligned countries are still keen on having even a token summit meeting with minimal attendance if only to avoid a prolongation of Cuba's chairmanship of the movement. There is some talk that, if the summit cannot be shifted elsewhere to have a brief working session.

Tremendous effort: But no country is prepared to accept the responsibility for making the necessary arrangements at such short notice to accommodate in conditions of proper security and comfort as many as 90 delegations, whether they are led by Presidents, Prime Ministers or Foreign Ministers, because of the tremendous effort involved in playing host even if it is going to be a truncated summit.

It is for this reason that the Foreign Ministers of the non-aligned peace group, who are now in Nicosia attending the emergency session of the Coordination Bureau on Lebanon, have urged Iran to halt its latest offensive and refrain from further military action until a fresh effort is made to bring about a ceasefire.

But the Ayatollah continues to insist on both political penance and monetary reparations as a pre-condition for ending the conflict. He is threatening to destroy the oil installation in the Basra area and bomb the oilfields in the interior from where the flow of crude by pipeline to the Mediterranean outlets has already been interrupted by the Syrian Government.

India's predicament: India, which has equally cordial relations with both Iraq and Iran, is finding itself placed in an extremely embarrassing position by the latest escalation of the conflict. It does not want to offend Iraq by suggesting a postponement of the summit in the face of the Iranian refusal to agree even to a temporary ceasefire. Nor can it afford to displease Iran by giving the impression that it was going out of its way to save Iraq's face.

CSO: 4220/7635

THREE EXTREMIST LEADERS KILLED NEAR IMPHAL

Calcutta THE STATESMAN in English 17 Jul 82 p 1

[Text] Imphal, July 16.--Three extremists, later identified as top insurgents who had recently killed R. K. Robindro Singh, Education Secretary to the Manipur Government, were reported to have been killed in a chance encounter with security personnel in the Thangemebano area near here today, reports PTI.

The three--Champ-Singh, Yumanam Nilmani Singh and Kesho Singh--high-ranking members of the outlawed Kangleipak Communist Party, had challenged security personnel when asked to stop during a check of passengers and vehicles which is made in the area to curb infiltration by insurgents.

An exchange of fire ensued in which two of the rebels were killed on the spot. The other later died in hospital.

Official sources said one revolver, one pistol and a large quantity of ammunition were seized from them. Two other extremists were arrested from the area by the security personnel.

Meanwhile, the State Government has decided to post plainclothesmen at the residences of "important" officials, according to informed sources.

A high-level meeting of officials was held yesterday to discuss the situation in the State, the sources added.

Meanwhile in Kohima, the pro-Marxist Nationalist Socialist Council of Nagaland led by the Munivah-Isak faction, suffered a severe jolt last week when five officers of its armed wing, including a "major", surrendered to security forces, according to official sources, adds UNI.

The five, led by "major" Itokhu Rptnitokhuisema, also surrendered one sub-machine gun, one carbine, one pistol and a huge quantity of ammunition.

The rigours of guerrilla life and differences of opinion in the running of the organization's affairs were said to have been among the reasons for the surrender which was the first of its kind since the party's formation in Northern Burma in 1979.

The five guerillas made up their minds to desert after the capture of the NSCN vice-president, S. S. Khaplang, who belonged to the Nami Naga tribe of Burmese origin and the killings of five of his men, including one "lieutenant" by the Burmese security forces recently.

Khaplang, who was the leader of the northern Burmese tribe, was the inspiration behind the Muvivah-Isak faction, the sources added.

CSO: 4220/7634

NEW MINISTRY TAKES OFFICE IN UTTAR PRADESH

New Delhi PATRIOT in English 20 Jul 82 pp 1, 7

[Text] Lucknow, July 19 (UNI). A 26-member, two-tier council of ministers, led by Mr Shripati Mishra was sworn in here this morning.

Mr Mishra, his 13 Cabinet Ministers and 12 Minister of State were administered the oath of office and secrecy by Governor C P N Singh in a 90-minute ceremony held at the Raj Bhawan lawns.

Among the 13 Cabinet Ministers sworn in today, 10 were the same as in the outgoing Vishwanath Pratap Singh Ministry.

The three new faces among the Cabinet Ministers are Mr Baldev Singh Arya, a senior Congress-I man who had been a Minister in the N D Tewari Ministry till the 1977 elections and Mr Yashpal Singh and Mr Abdul Rehman Khan Nashtar, who were dropped earlier by Mr V P Singh from his cabinet.

Among the 12 Ministers of State, as many as 11 were in the Vishwanath Pratap Singh Ministry.

The lone newcomer was State Youth Congress-I chief Sanjay Singh, Mr Sanjay Singh was applauded most when he was administered the oath.

A significant feature of the new cabinet is the dropping of as many as six Cabinet Ministers of the previous Government. These were: Law Minister Jagdish Prasad, Labour Minister J C Dixit, Agriculture Minister Bhanu Pratap Singh, Industry Minister Niaz Hasan, Urban Development Minister Shri Krishna Goyal and Education Minister Naunihal Singh.

As many as 14 Ministers of State in the outgoing ministry could not get berths in the new Government.

Important among the Ministers of State to be dropped were Mr Rajendar Tripathi (Irrigation, Mr Kashinath Mishra (Information) and Mr Praveen Kumar Sharma (General Administration).

No Deputy Ministers were included in today's list of the ministry which is likely to be expanded after the Chief Minister's discussions with the high command in a day or two.

The strength of the outgoing ministry was 49--seventeen Cabinet Ministers, 26 Ministers of State and six Deputy Ministers.

List of Ministers

The Cabinet Ministers are: Mr Shripati Misra (Chief Minister), Mr Veer Bahadur Singh, Mr Brahm Dutt, Mr Balram Singh Yadav, Mr Lokpati Tripathi, Mr Ammar Rizvi, Mr Baijnath Kureel, Mr Ram Singh Khanna, Mr Abdul Rahman Khan Nashtar, Mr Swaroop Kumar Bakshi, Mr Baldev Singh Arya, Mr Yashpal Singh, Mr Vidya Bhushan and Mr Vasudeo Singh.

The Ministers of State were: Mr Sunil Shastri, Mr Sheonath Singh Kushwah, Mr Chandramohan Singh Negi, Mr Bachcha Pathak, Mr Gulab Sehra, Mr Ram Rattan Singh, Mr Sanjay Singh, Mr Amin Ansari, Mr Gopal Ram Das, Mr Ranjit Singh Joodev, Mr Ram Naresh Shukla and Mr Hari Singh Balmiki.

No Pressures

After the swearing-in ceremony Mr Mishra told newsmen that portfolios would be announced in 'a day or two'.

He added: 'I would like to see if the existing portfolios can be regrouped or re-organised in a useful manner.'

On further expansion of the Ministry, he added 'Expansion is due, and it will take place. But it will take some time.'

Asked when he proposed to face the Assembly, Mr Mishra replied 'at the earliest.' He, however, would not say anthing about the election of a new Speaker.

The new Chief Minister declared that he would never allow any communication gap with the people.

'I will see to it irrespective of the extent to which I have to strain myself,' he said adding: 'Communication gap leads to all the troubles.'

He said he had adhered to the yard-tick of 'merit and performance' in packing up his Council of Ministers. 'Nobody has pressurised me in this regard, nor do I like to function under pressures.'

About the 'reappointment' of Mr Abdul Rehman Khan Nashtar and Mr Yashpal Singh--who had been dropped by Mr Vishwanath Pratap Singh--Mr Mishra said 'I know that the two were dropped. But I don't know for what they were dropped.'

'I have chosen my Cabinet from among the party legislators by picking up who several I considered proper,' Mr Mishra added.

He, however, added: 'I am not an independent man I have to act and follow the discipline of the great organisation, of which I am a humble soldier.'

Prominent among those present at the swearing-in were Mr Arun Nehru, Union Minister of State for Supply and Rehabilitation Buta Singh, Mrs Lalita Shastri, Deputy Speaker of the Vidhan Sabha Yadvendra Singh, State Congress-I chief Mohsina Kidwai and her predecessor Bishambhar Nath Pandey.

CSO: 4220/7644

RAO SPEAKS AT NONALIGNED BUREAU MEETING

Madras THE HINDU in English 17 Jul 82 p 9

[Text] Nicosia, July 16. India has called for a complete isolation of Israel by the world community "for defying international opinion and behaving in a lawless manner."

Addressing the plenary session of the extraordinary meeting of the Non-aligned Coordinating Bureau here today, the External Affairs Minister, Mr. P. V. Narasimha Rao said the meeting should work out a programme of action to achieve this.

He said the Bureau should demand the immediate lifting of the siege of West Beirut and cessation of hostilities in Lebanon. The Israeli forces should withdraw from Lebanese territory unconditionally and an interim U. N. peacekeeping force should be stationed to supervise the ceasefire and withdrawal.

Mr. Narasimha Rao said all through these years since 1948 Israel had been on a "spree of aggrandisement" and had been describing its wars of "aggression and conquests" as "defensive acts."

He pointed out that "strangely enough, some of the permanent members of the U. N. Security Council, who voted several resolutions against Israel are now objecting to their implementation."

"Besides, some powerful countries have shown a lack of understanding of the aspirations of the Palestinians. They are supporting Israel militarily and economically and encouraging its arrogance to aggression."

During his 30-minute speech, Mr. Rao briefed the delegates about India's close contacts with the Palestine Liberation Organisation and the Government of Lebanon at the time of the "recent tragedy and travail."

Moderate members of the non-aligned movement resisted an Iranian-led attempt last night to denounce the U. S. for alleged collusion with Israel over its invasion of Lebanon, conference sources said.

The Iranian Foreign Minister, Mr. Ali Akbar Velayati, urged countries attending an emergency meeting of the non-aligned Bureau here to impose an economic blockade and oil embargo on Israel and "its imperialist supporters led by the criminal America."

The conference called to consider how to support Palestinian guerillas trapped in west Beirut by Israeli troops, was considering a draft communique calling on all non-aligned and other States to sever diplomatic, economic and all other relations with Israel.

The draft did not refer to the U. S., but the sources said Iran had proposed that Washington be denounced for its alleged collusion in the Israeli military campaign.

The move was supported by the Palestine Liberation Organisation (PLO) and radical countries like Cuba, Algeria and Syria. But moderates, including Egypt, Morocco, Nigeria and Senegal, opposed it, the sources said.

In a message to the conference, the PLO leader, Mr. Yasser Arafat, who is with the 6,000 guerillas in the Lebanese capital, appealed to the 97-member non-aligned movement to take concrete measures to support the Palestinians and Lebanese and to punish Israel and the U. S.

The draft communique called on the U. N. Security Council to impose comprehensive and mandatory sanctions against Israel urgently.

India elected: India was elected chairman of the editing committee which will prepare the draft resolution.--UNI.

PTI reports:

Mr. Narasimha Rao called on Mr. Spyros Kyprianou. He also met the Foreign Minister Mr. Nicos Rolandis who is the Chairman of the special session.

Mr. Rao had informal discussions with the Cuban Foreign Minister, Mr. Isidoro Malmierca, the Iranian Foreign Minister, Mr. A. A. Velayati, the Pakistani Foreign Minister, Mr. Yaqub Khan and with the Zambian Foreign Minister, Prof. Goma.

CSO: 4220/7635

SOVIET CHARGE, CPI LEADER SPEAK ON DISARMAMENT

New Delhi PATRIOT in English 17 Jul 82 p 10

[Text] THE Soviet Union is prepared to negotiate with other nuclear powers of the world for complete elimination of nuclear weapons, and believes in a gradual movement towards general and complete disarmament, reiterated the charge-d'affaires of the USSR Embassy M Semivales in the Capital on Friday.

Semivales was speaking at a round table discussion on Disarmament, Development and Indo-Soviet cooperation organised by the Indo-Soviet Cultural Society.

Speaking of the USSR's willingness to negotiate with the other Western powers on disarmament, the charge-d'affaires, however, stressed that his country would not tolerate talks being used as a cover for continuing the arms race.

Elaborating on the package of Soviet proposals for disarmament, including those aimed at freeze and reduction of conventional and nuclear weapon stockpiles, and curbs on chemical and biological warfare, Mr Semivales stated that these proposals reflected the Soviet Union's genuine desire 'to do the utmost not to allow the world to pass through the destructions of war.'

While Mr Semivales observed his country was usually 'optimistic,' he said, "but today we have to admit that if the existing global trend is allowed to continue, earth will no longer be a safe place.'

Dwelling on the effect of the arms race on developing countries, Mr Semivales observed that it had a profound impact on the economies of these countries and doomed them to a position of dependency on the developed world.

Member of the Central Executive Committee of the CPI H K Vyas urged the Indian Government to take greater initiative in specific suggestions for disarmament and peace.

Pointing to the ways in which the US military machine was being geared on all fronts, Mr Vyas said that the threats of this phenomenon were now becoming more tangible as new theatres of war erupted in the world Mr Vyas spoke of the conflicts in Lebanon and of the dangers posed to the Indian subcontinent by the massive US programme on Diego Garcia and the rearming of Pakistan.

Noting that development and disarmament were inter-linked imperatives of the Third World, well-known academician Prof K Zuberi, however, observed that economic and military pressures made socio-political change in these countries difficult.

While the US had a vested interest in containing economic development in the Third World, Prof Zuberi pointed to the numerous occasions when the Soviet Union had come to the assistance of India and enabled it to bargain more effectively with western countries.

Dr A S Raman of the CSIR spoke extensively of the US government's attempts to thwart scientific development of Third World countries He pointed to the US administration's recent directives to American universities to regulate employment and research facilities to scientists of developing countries and said this was an impediment to the free flow of information.

On the other hand, Dr Raman noted, the US had no compunction about treating Third World citizen as guinea pigs to develop abhorrent forms of scientific warfare.

CSO: 4220/7637

FOREIGN FUNDS BAN PLACED ON 28 POLITICAL UNITS

Bombay THE TIMES OF INDIA in English 19 Jul 82 p 1

[Text] New Delhi, July 18 (UNI). Altogether 28 organisations of political nature have been barred from accepting foreign contributions without the prior permission of the Centre.

A notification to this effect under section 5(1) of the Foreign Contribution (Regulation) Act, 1976, has been published in the gazette of India extraordinary of May 31.

The organisations include the Afghan Liberation Centre in New Delhi, the Indian Students' Islamic Association, Bangalore, Students' Islamic Movement in India, and Aligath Shiv Sena.

Section 5(1) of the above act provides that "no organisation of a political nature, not being a political party, shall accept any foreign contribution except with the prior permission of the Centre. Any violation in this respect is punishable under the law by imprisonment or fine or both," according to an official press release here today.

The organisations debarred from accepting foreign contribution are: the Afghan Liberation Centre, New Delhi, Iranian Students' Islamic Association, Bangalore, Indian Youth Congress (I), New Delhi, Indian Youth Congress (S), New Delhi, National Students' Union of India (I), New Delhi, National Students Union of India (S), New Delhi, Yuva Janta, New Delhi, Janta Yuva Morcha, New Delhi, Tamire-e-Millat, Hyderabad, Students' Islamic Union, Hyderabad, Halqa Tulaba Islami, Patna, Students' Islamic Movement in India, Aligath, Jai Gurudev and Door Darshi Party, Mathura, Shiv Sena, Bombay, Mass Movement, Bombay, Human Rights Protection Committee, Trivandrum, Akhil Bhartiya Nepal Bhasha Samiti, Darjeeling, Mahase-e-Azadi, Jammu and Kashmir, Jamaat Ahal-e-Hadis, Srinagar, Rashtra Sevika Samiti, Wardha, Vishwa Hindu Parishad, Bombay, Revolutionary Students' Organisation, Kerala, Hindu Mazdoor Sabha, Bombay, Yuva Lok Dal, New Delhi, Dal Khalsa, Chandigath, Jammat Ahle-e-Hadis or all-India, Ahle-e-Hadis, Delhi, Jamaat-e-Islami, Srinagar, and Christian Action Group, Chaibasa.

Dacca (UNI): The Bangladesh council of ministers had decided to frame a law, which will require Bangladesh citizens and organisations to seek the government's approval before accepting foreign contributions.

The council, which met yesterday under the chairmanship of the chief martial law administrator, Lt.-Gen. H. M. Ershad, said the law would apply to "foreign aid or dole," both in cash and kind.

CSO: 4220/7640

ESTIMATE OF PETROLEUM IMPORTS FOR 1982-83 UP

Bombay THE TIMES OF INDIA in English 19 Jul 82 p 9

[Text] New Delhi, July 18 (UNI). India will import 5.8 million tonnes of petroleum products during the current year against the preliminary tentative estimate of four million tonnes, according to the revised estimates.

The increase of 1,8 million tonnes was mainly due to the recent strike in the state-owned Pharat Petroleum Corporation Ltd. (BPCL) in Bombay and the shut-down of its secondary processing units. Anothe reason given was the delay in the commissioning of its Mathura's secondary processing units and Koyali refineries.

Nevertheless, the quantity of imports of products in the current year would be less than the previous year's figure of 7.29 million tonnes. The import figure for petroleum products for 1979-80 was only 4.73 million tonnes.

Output Up

Meanwhile, the indigenous production of petroleum products has gone up from 25.79 million tonnes in 1979-80 to 28.20 in 1981-82.

The total indigenous production of crude oil and petroleum products would be 20.95 million tonnes and 31.8 million tonnes against the total demands of 31.7 million tonnes and 35.71 million tonnes respectively during 1982-83.

This would mean an import of nearly 12 million tonnes of crude oil during 1982-83. This would be less than last year's figure of about 16 million tonnes.

Efforts are on to further reduce the imports and ultimately reach self-sufficiency in oil. With this aim, the government has decided to invite a second round of bids from foreign oil companies for oil exploration and drilling in selected restructured blocks.

It is officially stated that the details have been sent to the cabinet for approval. At the same time, efforts are being made to reduce oil consumption through various conservation measures.

With a view to stepping up production, the Oil and Natural Gas commission has drawn up a scheme to drill 195 new wells--both exploration and development--during 1982-83.

The number of oil wells under production in the country as on June 30 this year was 1,174. The total quantity of oil produced during the last three years was 41.19 million tonnes.

The total oil production this year--January to June--was nearly 9.5 million tonnes against the total production of 13.889 million tonnes in the previous year, the official estimates indicate.

CSO: 4220/7640

COMMERCIAL BANKING REPORTED TO SPREAD OVER COUNTRY

Bombay THE TIMES OF INDIA in English 19 Jul 82 p 7

[Text] Bombay, July 18. Commercial banks opened 2,918 new bank offices during the period July 1981 to March 1982, of which no fewer than 2,275 offices were opened in unbanked centres. Following this the average population per bank office for the country has come down to 18,000 as of March, 1982 (based on mid-year estimate of population) from 19,000 in June, 1981 (based on 1981 census). The average was as high as 65,000 before nationalisation (end of June, 1969).

The total number of new bank offices opened since July, 1969 and upto the end of March, 1982 comes to 31,105--17,902 offices in unbanked centres and 13,203 offices in banked centres. At the end of March 1982 there were 38,614 commercial bank offices (including 4,792 offices of regional rural banks), as against 35,707 offices (3,598 offices of RRBs) in June, 1981.

Of the 2,918 new bank offices opened during the period, 28 public sector banks accounted for 1,558 offices, regional rural banks for 1,201 offices and private sector banks for 159 offices.

The number of rural bank offices at the end of March, 1982 was 19,942 (representing 51.6 per cent of the total number of offices), against 17,650 offices (representing 49.4 per cent of total) in June, 1981. There were barely 1,832 rural bank offices before nationalisation, representing 22.1 per cent of the total 8,262 offices.

The relatively underbanked states continued to have a significant share in branch expansion during the year. With the establishment of a large number of new bank offices in these states, the average population per bank office has gone down in all of them.

New Policy

A new commercial bank branch licensing policy for three years--1982-83 to 1984-85--has been announced by the Reserve Bank. The policy seeks to ensure that bank branches are well spread out in rural areas and that no pockets of unbanked areas are left even in districts which may be relatively well banked on an aggregate population basis. It aims at achieving, by the end of March 1985, a coverage of one bank office on an average for a population of 17,000 in rural and semi-urban areas on the basis of the 1981 census. Opening of offices in districts other than

underbanked centres will be allowed to a limited extent, keeping in view the growth in economic activity, need for banking facilities in the area and special features warranting establishment of additional bank offices. Hilly regions, regions which are sparsely populated and tribal areas will be given special consideration and expansion in such areas will be allowed on a comparatively liberal basis.

Commercial banks continued to ensure an increasing flow of funds to priority sectors, and within these sectors to the weaker and neglected sections of the community. The priority sectors together accounted for loans and advances amounting to Rs. 10,412 crores as at the end of December, 1981 against Rs. 8,017 crores in December, 1980. Their share in total bank credit was 37.1 per cent, against 35.0 per cent.

The working group constituted by the RBI under the chairmanship of Mr. A. Ghosh, deputy governor, to identify the tasks for the banking system for effective implementation of the new 20-point programme has submitted its report, which is under consideration.

CSO: 4220/7640

STATISTICS ON CPI-M PARTY MEMBERSHIP REPORTED

Calcutta THE STATESMAN in English 19 Jul 82 p 1

[Text] New Delhi, July 18--Although the CPI(M)'s membership has risen from 110,000 to 270,000 between 1978 and 1982, the fact remains that the strength of the party is still concentrated in Kerala and West Bengal.

The two States account for 186,000 of the total membership of the CPI(M). What is interesting is that Kerala and not West Bengal has the largest share in the membership--104,035 followed by West Bengal (82,000).

There has been a considerable growth in the party's mass organizations--All-India Kisan Sabha, Students' Federation of India, Democratic Youth Federation of India and All-India Democratic Women's Association.

The political-organizational report of the CPI(M) presented to the 11th party congress in Vijayawada in January this year, but leased now, has disclosed information about the total membership of the class and mass organizations of the party.

The total membership of the class and mass organizations stood around 4.8 million in 1978. It has now reached 10 million. The present strength of the All-India Kisan Sabha is 5.7 million. The membership of the Students Federation of India has risen from 412,700 in 1978 to 714,000 in 1982. The membership of the Democratic Youth Federation of India and the All-India Democratic Women's Federation put together is 2.5 million.

The membership of the trade union organization, CITU, is stagnant at 1.5 million.

The Marxist Communists do not seem to be growing at all in Maharashtra particularly among the working class in Bombay. The party's membership in Maharashtra and Bombay between 1978 and 1982 has risen by merely 600, its total strength being 3,320. The poor standing of the party in Maharashtra and Bombay must cause some uneasiness to the most senior members of the Politburo, Mr Ranadive and the central committee member, Mr S. Y. Kolhathar, as they hail from Bombay.

The party has, of course, grown in Bihar, the rise in membership being of the order of 4,760. But in Delhi, where the party has its central headquarters, its membership in 1982 stands at 730.

The increase in membership over the last four years in West Bengal and Kerala has been quite spectacular. The membershi in Kerala rose from 67,370 in 1978 to 104,085 in 1982 and that in West Bengal from 43,340 to 82,500.

The report shows that the CPI(M) is slowly, but not very significantly, growing in strength in Assam, Orissa, Punjab, Karnataka, Uttar Pradesh, Madhya Pradesh, Rajasthan and Tripura.

CSO: 4220/7641

JOINT CONSULTANCY FIRM TO BE SET UP WITH NIGERIA

Calcutta THE STATESMAN in English 19 Jul 82 p 9

[Text] New Delhi, July 18.--The State-owned Metallurgical and Engineering Consultants will soon launch a new consultancy firm abroad in collaboration with the Government of Nigeria called MECON (Nigeria) to undertake engineering contracts.

The proposal of MECON to have the new engineering and consultancy company has been approved by the Government of India, with the former holding a majority interest in the joint venture.

With the formation of the Indo-Nigerian venture, MECON has evidently achieved a major breakthrough and emerged as one of the world's best technical and engineering consultants. Earlier, having commissioned on schedule an over $1 billion integrated steel plant of one million tons capacity in Warri in Nigeria in January, MECON has undertaken another job for constructing yet another 1.3 million-ton steel project at Ajarkuta in that country. MECON's contract involved over $30 million. The steel plant is based on the conventional blast furnace technology. The Wari plant was based on the direct reduction process.

The firm's annual turnover for the year 1981-82 amounted to Rs 39 crores, with a net profit of Rs 5 crores. In the current year, the MECON management expects to have a turnover of over Rs 50 crores. The firm's subsidiary, Indo-Swiss Engineering Company, floated two years ago to undertake consultancy and detailed engineering work for bauxite and alumina and aluminum industries in third countries, has brought back home earnings of Rs 40 lakhs in foreign exchange.

Bridging the technological gap in the metallurgical industry in the country, MECON has emerged in 20 years of its existence without a competitor in the western countries to match its experience. It has carried out the consultancy, project management and detailed engineering works for six integrated steel plants--four in the country and two abroad.

It has now secured, in the face of global competition, an order from the Visakhapatnam steel plant for the design and supply of light and medium merchant mill. The order is worth Rs. 200 crores. MECON has on hand the work of designing seven metre tall high capacity coke oven batteries and dry coke cooling plants for the Visakhapatnam plant.

CSO: 4220/7641

GSI REPORTS STRATEGIC METALS FOUND IN DARJEELING

New Delhi PATRIOT in English 19 Jul 82 p 4

[Text] Calcutta, July 18 (PTI).—In a determined bid to step up base metal reserves in the country the Geological Survey of India has implemented several projects on investigation.

During exploration work, says a GSI release, strategic minerals were found in Darjeeling district. Aroud Musong area in this district investigation had been taken up for tungsten mineralisation.

According to the GSI test drilling has revealed the presence of significant copper zones over a strike length of about 600 metres near Netra village in Singhbhum district in Bihar.

Promising copper ore zones have also been found at Adash in Sambalpur district of Orissa where copper mineralisation has been established so far over a strike length of 300 metres the release says.

According to the release, investigation conducted in Delingchu and Kharkhola block of Gurubathan in Darjeeling district revealed that four boreholes in the latter block intersected lead-zinc mineralisation over a strike length of 200 metres.

The GSI delineated two strong magnetic zones in village Gondanata and Manushmuria in Singhbhum district of Bihar, it adds.

On investigations for other minerals the release says, two bauxite deposits have been found in Koraput and Kalahandi districts of Orissa. One of them was on Niyan Dongar hills falling both in Koraput and Kalahandi districts.

A tentative reserve of about 81.0 million tonnes of 40 per cent aluminium oxide is estimated here, the release says.

The other deposit at Sijimali in Koraput has bauxite capping extending over 660 metres.

Bauxite deposit also occurs in Amtipani in Ranchi district or Bihar on two parallel plateaux tending approximately north-south. The width of the laterite bauxite caping varies from 100 metres to about one km adds the release.

A bauxite zone varying in thickness from 0.5 metres to six metres has been located in Chhatasaral, Amtipani and Pat Lodha blocks of the same district. Tentative reserve for Chhatasarai and Amtipani blocks is of the order of four million tonnes, the release adds.

CSO: 4220/7643

BRIEFS

SUPPORT FOR MAURITIUS--An official delegation is currently in Mauritius to prepare the ground for the visit of Prime Minister Indira Gandhi to that island next month, Petroleum Minister P Shiv Shanker officiating for the External Affairs Minister said in the Lok Sabha on Thursday, reports UNI. Mr Shiv Shanker told Mr Indrajit Gupta that the official team would work out the areas in which India could strengthen the economic relations with Mauritius and this would be concretised during Mrs Gandhi's visit. He said that the Government of India consistently supported the Mauritius Government's demand for the return of Diego Garcia to them. Indian Government would continue to maintain this stand. Mr Gupta said small islands in the Indian Ocean were sought to be destabilised by the Western powers and the Indian Government should strengthen its relations with these islands. [Text] [New Delhi PATRIOT in English 17 Jul 82 p 3]

TRADE DEFICIT REPORTED--India's trade deficit lastyyear is provisionally estimated to be over Rs 5,700 crores Deputy Commerce Minister P A Sangma informed the Lok Sabha on Friday says PTI. The deficit rose from Rs 2,562 crores in 1979-80 to Rs 5,813 crores in 1980-81, he said in a written reply to Mr R N Rakesh and Mr Daya Ram Shakya. The heavy deficit was attributed by Mr Sangma, to steep increases in prices of major imports to persistent recession and various tarrif barriers imposed by developed countries. [Text] [New Delhi PATRIOT in English 17 Jul 82 p 5]

GANDHI VISIT TO USSR--The dates for Prime Minister Indira Gandhi's visit to the Soviet Union are in the process of finalisation and will be announced in due course, External Affairs Minister P V Narasimha Rao, said in the Rajya Sabha on Friday, reports PTI. [Excerpt] [New Delhi PATRIOT in English 17 Jul 82 p 5]

SIKKIM CABINET CHANGES--Gangtok, July 14.--The Sikkim Chief Minister, Mr Nar Bahadur Bhandari, today announced reshuffling of the Cabinet whereby works of identical nature have been grouped together "to ensure better coordination of activities" in the State, reports PTI. In the reshuffle, the first since Mr Bhandari assumed office, the Department of Establishment was taken over by the Chief Minister himself from the Finance Minister, Mr Sheorab Palden. Mr Palden was given the additional charge of the Department of Health which was under Mr S Limboo, Minister for Industries and Education. [Text] [Calcutta THE STATESMAN in English 15 Jul 82 p 1]

BIHAR CABINET RESHUFFLE--Patna, July 13.--The Bihar Chief Minister, Mr Jagannath Mishra, in a sudden reshuffling of portfolios today allocated the Science and Technology Department to Mr Ramashray Prasad Singh, who is already in charge of Food, Supply and Commerce, Parliamentary Affairs, Information and Publication Relations, reports UNI. The Science and Technology Department was hitherto looked after independently by a Minister of State, Mr Shamail-e-Nabi in addition to the Health Department. According to sources, the change has been caused by Mr Nabi's reported statement regarding the State Government's policy of private technical institutions in which some leading politicians are said to be involved. Mr Nabi would, however, continue to function as Minister of State for Science and Technology under Mr Singh, the sources said. [Text] [Calcutta THE STATESMAN in English 14 Jul 82 p 9]

JAPANESE FOREIGN MINISTER--Tokyo, July 15. The Japanese Foreign Minister, Mr. Yoshio Sakurauchi, will visit India and Pakistan from August 27 after the current long extended regular Diet session ends. A Foreign Ministry official said the Foreign Minister also planned to visit Denmark and Britain after his visits to India and Pakistan before returning to Tokyo on September 6 or 7. Mr. Sakurauchi had originally planned to visit India and Pakistan by August 13 but postponed his o journey because of a minor eye operation. [K. V. Narain] [Text] [Madras THE HINDU in English 16 Jul 82 p 1

IMF INSTALLMENT--New Delhi, July 16. India has added SDR 600 million (approximately Rs. 625 crores) to its foreign exchange reserves as the first instalment of the second year's drawals from the IMF under the extended arrangements. Another instalment of SDR 600 million is expected to be made available in October. The balance out of the total of SDR 1800 million will be drawn by India after a further review of the performance criteria by the Fund towards the end of 1982. India has drawn SDR 900 million (over Rs. 950 crores) in the first year of the extended arrangement ended June 1982. In the first quarter of the current financial year (April-June), the drop in the foreign exchange reserves was only Rs. 200 crores, after taking into account, a part of the IMF drawing in April as compared to a steep decline of Rs. 462 crores in the corresponding quarter of 1981-82. The draw-down of the reserves in 1982-83 is expected to be much less than the Rs. 2,122 crores last year mainly because of the large drawings from IMF in the second year. The foreign exchange reserves at the end of June stood at Rs. 3,384.26 crores as against Rs. 4,295 crores on the same day last year.--PTI. [Text] [Madras THE HINDU in English 17 Jul 82 p 9]

CHINESE LEAFLETS DROPPED--Jaipur, July 15: An unidentified aircraft dropped Chinese literature, garments and biscuits over a three-km. area around Khari Kalan, Khari Khurd and Goliyan villages, about 50 km. off Jodhpur, on Saturday night, according to a delay report received here. The aircraft, which came from the western direction, flew back in the same direction. The villagers carried away the garments, but the Chinese literature and tins of biscuit were handed over to the collector of Jodhpur, Mr. S. D. Srivastava. The additional district magistrate, Mr. Kesar Singh, has since proceeded to the area to make an on-the-spot investigation. The printed literature is being sent to New Delhi for analysis. [Text] [Bombay THE TIMES OF INDIA in English 16 Jul 82 p 18]

CSO: 4220/7631

PHNOM PENH TROOPS BACK FOREIGN MINISTERS' MEETING

BK091425 Phnom Penh Domestic Service in Cambodian 1200 GMT 8 Jul 82

[Text] At 0800 this morning military units of Phnom Penh held a solemn meeting in the presence of Comrade Nhek Huon, member of the Phnom Penh Military Command; Comrade Mok Mareth, vice chairman of the Phnom Penh Municipal People's Revolutionary Committee; Comrade Sam Sundoeun, member of the party committee and chairman of the Youth Association of Phnom Penh City; and many cadres and combatants of the capital's armed forces.

Opening the meeting, Phnom Penh Military Command member Comrade Nhek Huon read out the communique issued by the Kampuchea-Vietnam-Laos foreign ministers conference: [begin recording] Dear comrades from all units, dear members of the Presidium: the foreign ministers of the three Indochinese countries held the sixth ordinary conference in Ho Chi Minh City from 6 to 7 July, 1982, and discussed topics relating to the revolutionary struggle of the three countries, including many questions concerning our country. [end recording]

Afterwards, Comrade (Preap San), chief of the political department of the Phnom Penh garrison, took the floor to expose the Coalition Government of Democratic Kampuchea [CGDK], saying: [begin recording] We would like to stress that the conference regarded the formation of the so-called tripartite coalition government as a shallow joke, as nothing of any substance, a ridiculous farce, a derision of world public opinion. It is like putting up a scarecrow to keep sparrows away. It has no proper character as a government. It is more like a gang of bandits roaming the border in search of prey--our Kampuchean people. It is not a government.

We have seen that under the regimes of the three traitors--Sihanouk, Son Sann and Pol Pot--the Kampuchean people lived in tears. Under these three regimes we were utterly oppressed. Whom does this so-called government represent? How many persons are living in the few square meters they control? How many soldiers do they have in their traitorous army? In fact, they have nothing. This government was established in order to dupe international opinion and a small segment of national opinion. We must be aware that whatever is found inside this government is rotten. [end recording]

To express support for the communique, many representatives of the units took turns exposing the maneuvers of the U.S. imperialists and Beijing expansionists who have put another layer of paint and makeup onto the reactionaries in an attempt to sabotage the Kampuchean revolution and split the Kampuchea-Vietnam-Laos solidarity which is developing steadily.

They voiced support for the communique of the Indochinese foreign ministers conference: [begin recording] In addition to efforts to agitate the masses and imbue in them the correct revolutionary line, all of us are determined to heighten vigilance against the enemy's psychological war and to resolutely frustrate all of their perfidious maneuvers--military and political--as well as to remain combat ready under all circumstances to ensure security for our Kampuchean people. [end recording]

In conclusion, the organizing committee representative read out a support motion of the Phnom Penh garrison to be sent to the KPRP Central Committee, the Council of State, the Council of Ministers and the KUFNCD, which reads:

[begin recording] We fully support, welcome and agree with the proposals put forward at the sixth conference of the three countries' foreign ministers on 6 and 7 July 1982. We most categorically condemn the so-called tripartite coalition government of the reactionary khmers and regard all such endeavors as mere farce and smokescreen that the Beijing expansionists in collusion with the United States and other reactionary forces have staged to cover up the ugly features of the Pol Pot-Ieng Sary-Khieu Samphan gang and to use them in opposition to the rebirth of the Kampuchean people.

Beijing, the United States and other international reactionary forces use the Sihanouk card to mislead public opinion. Our people, however, are very well aware that Sihanouk, in cahoots with Pol Pot, Ieng Sary and Khieu Samphan, is guilty of a serious crime against his fatherland and nation, for he supports the genocidal regime. The collusion between Sihanouk, Son Sann and Pol Pot shows their weakness. The deeper this collusion, the more exposed their antinational and antipopular nature.

We fully support the agreement between the Kampuchean and Vietnamese governments which, to further demonstrate good will in their relations with Thailand, have decided to partially withdraw Vietnamese troops from Kampuchea, and the proposal of the PRK on the establishment of a safety zone on both sides of the Kampuchean-Thai border.

We hold that the above-mentioned decision and proposal clearly reflect our fairness, strength, solidity and good will. At the same time, they also prove the sincerity and noble aspirations of our party government and front. We express gratitude to the fraternal communist party, army and people of Vietnam for providing precious and noble assistance and support to our Kampuchean people. We are elated at the successes of our people during the past 3 years. We have full confidence in the leadership of the party Central Committee, the Council of State, the Council of Ministers and the Front National Council. We pledge to hold aloft the two banners of patriotism and international solidarity.

We firmly believe that the cause of national defense and construction will win victory once and for all. We pledge to increase the solidarity of the people and army as a whole, to enhance international solidarity, particularly with Vietnam, to ceaselessly raise our militant spirit and vigilance, to carry out all national defense and construction tasks, and particularly to frustrate all sabotage maneuvers of the enemies during the current rainy season. We pledge to fulfill the productive labor during this rainy season with the best of results and to defend and build the fatherland to the last drop of our blood. [end recording]

The meeting ended in an atmosphere of solidarity and victory.

CSO: 4212/27

DEGA-FULRO KONTUM BATTLE REPORT FOR APRIL

BK180919 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 17 Jul 82

[Text] Here is a report on the battle activities of the Dega-Fulro guerrillas:

The Kontum battlefield: On 7 and 9 April, the Dega-Fulro guerrillas ambushed the Vietnamese Le Duan enemy troops moving from (Chinh Nge) village to (Kon Long) village and attacked them at (Buon Ple Tinh) plantation west of Kontum, killing three men and wounding three others. The guerrillas seized 2 AK's and a quantity of materiel.

On 11 and 17 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan forces along the (O Iek Len) River west of (Buon Nga). The Vietnamese soldiers suffered from the guerrillas' bows in an area west of Kontum. Two men were killed and three others were wounded. The guerrillas seized 2 AK's and 2 AR-15's.

On 17 and 22 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan enemy's position in (Buon Ple Me) village. Two enemy troops were killed and three others wounded by the guerrillas' bows in a region west of Kontum. The guerrillas seized 2 AK's and 2 AR-15's.

On 22 and 23 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan enemy's position in (Buon Plei Me Tho) village west of Kontum. The Vietnamese were attacked in (Buon Tien Me) plantation. Seven Vietnamese soldiers were killed and nine others wounded. The guerrillas seized 13 AK's, 4 AR-15's and an M-79. Four military barracks and a store house were destroyed.

On 25 and 27 April, the Dega-Fulro attacked the Vietnamese Le Duan enemy forces in (Plei Bre) south of (Klon). The Vietnamese were attacked at (Plei Ha Tinh) north of Plei Ko) and at (Chi Nam). Thirteen Vietnamese soldiers were killed and 9 others wounded. The guerrillas seized 7 AK's, 2 M-79's and 4 handgrenades.

In sum, on the Kontum battlefield, the Dega-Fulro inflicted 54 casualties on the Vietnamese Le Duan enemy. They destroyed 4 military barracks and a store house. They seized 26 AK's, 3 M-79's, 8 AR-15's and a quantity of materiel.

CSO: 4212/27

AGRICULTURAL REPORT FROM 5-11 JULY

BK121027 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 5-11 July:

Kompong Thom: Phnom Penh Domestic Service in Cambodian at 0400 GMT on 4 July reports that by the end of May, Kompong Thom Province had broadcast almost 13,000 hectares of floating rice and planted 915 hectares of early and ordinary rice, about 1,000 hectares of farm rice, as well as 3,000 hectares of secondary crops such as corn, manioc, potato, beans and vegetables. At 1300 GMT on 6 July the radio service adds that in Sandan District, by the end of May, peasants had tilled 2,000 hectares of land and planted hundreds of industrial and secondary crops. Phnom Penh SPK in French at 1438 GMT on 8 July adds that in Santuk District peasants have sown more than 3,700 hectares of floating rice and planted 250 hectares of early rice, 620 hectares of rice on burned-off land and grown 500 hectares of subsidiary crops. Phnom Penh Radio at 0400 GMT on 10 July notes that in Baray District, by mid-June, peasants had broadcast 2,800 hectares of floating rice and grown more than 4,200 hectares of corn, soybeans, manioc and vegetables. The district authorities have provided peasants with rice seed, chemical fertilizer and 11 waterpumps.

Battambang: Phnom Penh radio at 0400 GMT on 4 July reports on agricultural production in Sisophon District, Battambang Province, as follows: by the beginning of June, 5,858 hectares of rice seed had been sown and 1,836 hectares of land reclaimed. The agriculture service has provided peasants with 40 tons of floating rice seed and 310 tons of late rice seed. The service also prepares to barter with peasants 40 tons of urea fertilizer and 42 tons of chemical fertilizer. The radio at 1300 GMT on 11 July adds that in Sangke District, by 17 June, 13,415 hectares of land had been tilled; 3,885 hectares of floating rice planted and 201 hectares of rice transplanted. The district also plans to carry out intensive agriculture on 500 hectares of land. Meanwhile, peasants planted 3,259 hectares of secondary food crops and hundreds of hectares of industrial crops.

Pursat: SPK at 0410 GMT on 5 July reports that in Pursat Province the veterinary service has vaccinated 5,580 buffalo and 820 pigs against contagious diseases.

Kampot: Phnom Penh Radio at 1300 GMT on 6 July notes that in Chhuk District, Kampot Province, in 10 days ending 20 June, peasants tilled 1,075 hectares of land, sowed rice on 964 hectares and transplanted 520 other hectares. The district agriculture service prepares 17 waterpumps to help peasants in case of drought and 60 tons of fertilizer to help in production. The radio at 1100 GMT on 11 July adds that in Banteay Meas District, peasants had sown 365 hectares of early rice and then transplanted them on 3,546 hectares. Peasants also sowed 315 hectares of main season rice and grew 3,151 hectares of various secondary crops, including 1,200 hectares of corn and 394 hectares of industrial crops such as peanut, mulberry, cotton, sugarcane, jute and mungbean.

Kompong Cham: According to the radio at 0400 GMT on 7 July, peasants in Memot District, by the end of June, had planted more than 4,500 hectares of rice and grown more than 7,200 hectares of subsidiary crops. They thus achieved nearly 60 percent of the plan norm.

Preah Vihear: SPK at 0405 GMT on 8 July reports that peasants in the frontier province have planted 1,000 hectares of rice on burned-off land, tilled 240 hectares of land, sown rice on 400 hectares and grown 1,360 hectares of corn, beans, potato and other crops. The people are repairing dikes, barrages and irrigation canals. Last year, Preah Vihear planted 13,130 hectares of rice and sold to the state 20,400 tons of paddy.

Kandal: Phnom Penh Radio at 1100 GMT on 9 July notes that in Ponhea Loe District, Kandal Province, 8 hectares of land have been reclaimed, 350 hectares of ricefields tilled, 40 hectares sown, 30 hectares of floating rice broadcast; 131 hectares of corn, 12 hectares of beans, 51 hectares of manioc and potato and 30 hectares of vegetables grown; 10,176 head of oxen, 1,096 head of buffalo and 4,560 pigs raised.

CSO: 4212/27

AGRICULTURAL REPORT FROM 12-18 JULY

BK190247 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 12-18 July:

National level: Phnom Penh SPK in French at 0412 GMT on 13 July reports that during the last fishing season the nationwide catch amounted to 65,660 tons--4,660 tons above plan. SPK gives the provinces' catches as follows: Kompong Chhnang 11,560 tons, Kandal 11,000 tons, Pursat 8,700 tons, Siem Reap 8,260 tons, Battambang 6,660 tons and Phnom Penh City 6,100 tons. Last year's production was 50,000 tons, the report adds.

Battambang: At 0419 GMT on 12 July SPK reports that the gunny sack factory in Don Teav produced 97,500 sacks in the first 6 months of the year. Last year's production was 50,000 sacks. Phnom Penh Domestic Service in Cambodian at 0400 GMT on 13 July reports that in Mongkolborei District peasants have transplanted 29,205 hectares of rice and broadcast a further 3,250 hectares. At 0400 GMT on 15 July the radio reports that workers of the provincial machinery plant have helped peasants till 32,000 hectares of land in Preah Net Preah, Phnum Srok, Mongkolborei, Battambang, Moung Russei, Sangke and Sisophon districts. At 0400 GMT on 16 July the radio reports that in Preah Net Preah District over 7,500 hectares of land had been tilled by tractors by 18 June while 7,000 hectares had been tilled by buffalo and oxen. Over 5,000 hectares of floating rice has been broadcast, over 4,000 hectares of late rice sown and over 9,000 hectares of farm rice planted. Hundreds of hectares of corn, manioc, beans and other secondary crops have also been planted.

Svay Rieng: The radio reports at 1300 GMT on 13 July that in Svay Rieng District there are more than 10,000 buffalo and more than 2,000 oxen for farm work. By the end of June 3,000 hectares of land had been tilled, more than 200 hectares of early rice had been transplanted and 700 tons of rice seed sown. An SPK report at 0427 GMT on 16 July reports that by the end of June peasants had planted 1,170 hectares of rice. The rainy season target is 115,250 hectares. Romeas Hek District has planted 590 hectares and Svay Rieng District 390 hectares. The province's draft animal herd comprises 59,770 cattle and buffalo.

Takeo: In Prey Kabbas District, according to the radio at 0400 GMT on 12 July, 5,000 hectares of land has been plowed and 3,163 hectares of rice has been broadcast, 464 hectares of early rice transplanted and 798 hectares of subsidiary crops planted.

Kompong Chhnang: The radio reports at 1300 GMT on 15 July that by early July 4,600 of the planned 5,000 hectares of floating rice had been broadcast, 3,085 hectares of rice had been sown and 6,460 hectares of other types of rice planted out of the planned 42,000 hectares of rice acreage. This year over 3,000 hectares of rainy season ricefields, over 2,500 hectares of farm rice fields and over 400 hectares of dry season fields have been restored. The province has over 15,000 head of buffalo. SPK at 0434 GMT on 15 July adds that in the last dry season the province grew 5,500 hectares of rice and 867 hectares of industrial crops.

Kampot: At 1434 GMT on 17 July SPK reports that Kompong Trach District has planted 4,500 hectares of early rice and 3,600 hectares of late rice. The plan calls for 17,500 hectares of rice to be planted in the rainy season. The district has 13,400 oxen and 2,000 buffalo.

Prey Veng: According to SPK at 0426 GMT on 16 July, by the end of June peasants in Kompong Trabek District had planted 2,530 hectares of rice and broadcast 5,890 hectares of floating rice against the plan for 32,000 hectares of rice this rainy season.

CSO: 4212/27

BRIEFS

INDOCHINA MINISTERS CONFERENCE--On the evening of 7 July, cadres, personnel and artists of the Ministry of Information and Culture warmly greeted the communique of the sixth foreign ministers conference held in Ho Chi Minh City on 6 and 7 July. On that occasion, Comrade Chheng Phon, minister of information and culture, expounded on the meaning and importance of the communique to the audience. The comrade minister also denounced the coalition government of the three reactionary groups, which intends to return and sow destruction on the Kampuchean people again. In fact, they obey the orders of the Chinese hegemonist-expansionists and the U.S. imperialists. The comrade minister exposed the despicable characters of Sihanouk, Son Sann and Khieu Samphan, who go round begging for arms to exterminate our people. The comrade minister stressed that our cadres must be aware of our stand in order to defend our country and advance it toward genuine socialism, and must broaden and strengthen national and international solidarity. [Text] [BK101643 Phnom Penh Domestic Service in Cambodian 0400 GMT 10 Jul 82]

SAMRAONG DEVELOPMENTS--In the first half of 1982, inhabitants of Samraong District, Siem Reap Province, actively joined in the defense and construction of their villages. They built 31,131 meters of strategic defense line around their villages and communes, constructed 2 bridges, gathered thousands of Nipa palm bundles for the army and cleared a 21-meter stretch of bushes along Route 68. Those inhabitants whose sons, brothers and husbands were misled by the enemy went into the jungle along the border and persuaded 57 misled persons to turn themselves in to the revolutionary authorities. Currently, the people in Samraong District are tilling land and transplanting rice crops in order to fulfill the 4,000-hectare target for rice growing. [Excerpt] [BK071016 Phnom Penh Domestic Service in Cambodian 1200 GMT 5 Jul 82]

MEMOT DISTRICT OPERATIONS--In close cooperation with the Vietnamese volunteer troops and the commune and village militiamen, in the first half of this year cadres and combatants of Memot District, Kompong Cham Province, launched 37 medium-scale and small-scale operations against the Pol Pot-Ieng Sary-Khieu Samphan remnants hiding in the jungle. This included 12 independently launched operations. During these operations, they killed 45 enemy troops, wounded 32 of them and captured 4 others. At the same time, enemy remnants turned themselves in. They also seized 35 assorted weapons, including 4 AK-57's, 2 60-mm guns, a B-40 and an M-79, a telegraph set and a large quantity of materiel. [Excerpt] [BK071009 Phnom Penh Domestic Service in Cambodian 1200 GMT 5 Jul 82]

CSSR FOREIGN MINISTER TELEGRAM--Bohuslav Chnoupek, CSSR minister of foreign affairs, recently sent a telegram to Hun Sen, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and PRK minister of foreign affairs, to thank him for his congratulatory message on the occasion of the 37th anniversary of the CSSR's liberation. The message said: We are very touched by your high appreciation of our support for the PRK and we firmly believe that the fraternal friendship and the long-standing cooperation between our two countries will continue to develop successfully. [Text] [BK191433 Phnom Penh Domestic Service in Cambodian 0400 GMT 18 Jul 82]

CSSR LEADERS MESSAGE--Comrade Gustav Husak, secretary general of the Communist Party of Czechoslovakia Central Committee and president of the CSSR; and Comrade Lubomir Stougal, premier of the CSSR, recently sent a message to Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State; and Comrade Chan Si, chairman of the PRK Council of Ministers, thanking the latter for their congratulations on the occasion of the 37th anniversary of the CSSR's liberation by the Soviet army. The message reads: We are firmly convinced that the traditional relations of friendship, the bond of solidarity and the fraternal cooperation between our two countries will develop more firmly and increasingly in all aspects for the benefit of our two peoples, in the interests of the victories of the socialist forces and in the interests of peace and progress in the world. [Text] [BK180805 Phnom Penh Domestic Service in Cambodian 1300 GMT 17 Jul 82]

JAPANESE DELEGATION--Following its successful visit to the PRK, the delegation of the Japanese Young Buddhists Association led by its vice chairman, Tamagawa Gakusho, left for home at noon on 29 July. On hand at Pochentong Airport to see the delegation off were Comrade Min Khin, acting secretary general of the KUFNCD National Council; venerable Um Sum, vice chairman of the Phnom Penh Municipal Front Committee; female Comrade Sisowath Sovethivong Monivong, member of the KUFNCD National Council; and many cadres and personnel. [Text] [BK300305 Phnom Penh Domestic Service in Cambodian 1300 GMT 29 Jul 82]

WESTERN REGION BATTLE--Last June, our comrades in arms on the Western Region battlefield killed 10 Vietnamese aggressor troops and wounded 12 others for a total of 22 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 185,000 new punji stakes, dug 300 punji pitfalls and set 270 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Western Region battlefield! [Text] [BK220731 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 Jul 82]

FULRO ACTIVITIES--Here is a report on battle activities of the Dega-Fulro guerrillas: The Pleiku battlefield: On 5 and 9 April Dega-Fulro guerrillas attacked the Le Duan Vietnamese enemy in (Plei Kanh Me Banh) village and ambushed a Vietnamese district chief's jeep on Route 19 at the junction with the road to (Plei Kranh) village. Five enemies were killed and four others wounded. Among those killed were a Vietnamese district chief and his bodyguard.

The guerrillas destroyed the jeep, 2 ammunition depots and a military barracks, and seized a pistol, 6 AK's, 100 rounds of AK ammunition and a briefcase. On 13 and 15 April, Dega-Fulro guerrillas who had hidden among the people killed the chief of (Maong Yang) District, 27 kilometres east of Pleiku. The guerrillas attacked the Vietnamese in (Buon Plei Thlok) village and in an area close to (Plei Mon) village. Eight Vietnamese soldiers were killed and eight wounded. The guerrillas seized three AK's and three AR-15's. In sum, on the Pleiku battlefield, the Dega-Fulro guerrillas inflicted 26 casualties on the Le Duan Vietnamese enemy, including two district chiefs killed. The guerrillas destroyed a jeep, two depots and a military barracks, and seized a pistol, nine AK's, three AR-15's and a quantity of ammunition and materiel. [Text] [BK210952 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 20 Jul 82]

MOUNG-KOAS KRALOR BATTLE--Last June, our comrades in arms on the Moung-Koas Kralor battlefield killed 21 Vietnamese enemy aggressors and wounded 24 others for a total of 45 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 80,000 new spikes, dug 150 new punji pitfalls and set 100 new automatic bows. Long live our valient and courageous army, guerrillas and people on the Moung-Koas Kralor battlefield. [Text] [BK210829 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 20 Jul 82]

BAKAN-PURSAT BATTLE REPORT--Last June our comrades in arms on the Bakan-Pursat battlefield killed 57 Vietnamese aggressors and wounded 13 others for a total of 70 casualties. In the field of primitive arms production, our combatants made and planted 18,000 punji stakes, dug 100 new punji pitfalls and set 150 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the Bakan-Pursat battlefield! [Text] [BK200705 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 19 Jul 82]

BAN ME THUOT ACTIVITIES--Here is a report on the combat activities of the Dega-Fulro guerrillas on the Ban Me Thuot battlefield: On 1 and 7 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan enemy troops east of (Buon Tras) village when they were climbing (Chi Tongvech) hill. The guerrillas killed four enemy soldiers, wounded six others and seized an AR-15. On 15 and 16 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan enemy troops east of (Buon Ea) village and at (Buon Dakkak) hamlet plantation, killing four and seizing an AR-15. On 23 and 25 April, the Dega-Fulro guerrillas attacked the Vietnamese Le Duan enemy troops at (Buon Yak Gardiloc) hamlet near (Yang) hill, killing 5, wounding 11 and seizing an AR-15, 2 AK's and 10 handgrenades. Also on 25 April, the Dega-Fulro guerrillas ambushed a Vietnamese truck coming from Ban Me Thuot, killing five, wounding three and seizing two M-79's, three AK's, two AR-15's and a radio receiver. On 27 April, the Dega-Fulro guerrillas attacked the Vietnamese enemy troops at (Buon Kran) hamlet, killing 5, wounding 12 and seizing an AK and 4 SKS's. In sum, on the Ban Me Thuot battlefield, the Dega-Fulro guerrillas put 55 Vietnamese troops out of action and seized 2 M-79's, 6 AK's, 5 AR-15's, 4 SKS's, 10 handgrenades and a radio receiver. [Text] [BK200721 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 19 Jul 82]

LNLF CLASHES--Here is a combat report from Laos. On 10 and 11 July the guerrillas of the Lao National Liberation Front [LNLF] attacked the Vietnamese enemy groops at (Khlem), killing two and wounding six. On 12 and 13 July, the LNLF guerrillas attacked the Vietnamese at (Khlem) and west of (Khlem), killing 6, wounding 12 and destroying an AK. In sum the LNLF guerrillas put out of action 26 Vietnamese troops and destroyed an AK. [Text] [BK190214 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 18 Jul 82]

SOUTHWEST REGION BATTLEFIELD--Last June our comrades in arms on the Southwest Region battlefield killed 96 Vietnamese aggressor troops and wounded 108 others for a total of 204 enemy casualties. In the field of primitive arms production, our combatants made and planted 188,000 punji stakes, dug 400 new punji pitfalls and set 250 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the Southwest Region battlefield! [Text] [BK190202 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 18 Jul 82]

STUNG TREND-EASTERN REGION--Last June, our comrades in arms on the Stung Treng-Retanakiri-Mondolkiri-Kratie-Eastern Region battlefield killed 21 Vietnamese enemy aggressors and wounded 19 others for a total of 40 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 454,300 new spikes, dug 200 new punji pitfalls and set 200 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Stung Trend-Ratanakiri-Mondolkiri-Kratie-Eastern Region battlefield! [Text] [BK180755 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 17 Jul 82]

CENTRAL REGION BATTLE--Last June, our comrades in arms on the Central Region battlefield killed 8 Vietnamese aggressor troops and wounded 8 others for a total of 16 enemy casualties. Our comrades in arms also made and planted 278,900 new punji stakes, dug 300 punji pitfalls and set 200 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Central Region battlefield! [Text] [BK171321 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Jul 82]

DEGA-FULRO DAC LAC BATTLE--Here is a report on the combat activities of the Dega-Fulro guerrillas: Dac Lac battlefield: On 7 and 14 April, the Vietnamese Le Duan troops ran into the spiked pitfalls and automatic bows set by the Dega-Fulro guerrillas north of (Etom Rev) and in the former (Ea Ngul Buon Trach) suffering six wounded. On 19 and 23 April the Dega-Fulro guerrillas ambushed the Vietnamese Le Duan troops on the road leading from Dac Lac to (Etom Rev) and on the road leading from (Etom Kanil) to (Etom Rev), killing 4 enemy troops and seizing 2 AK's, 2 AR-15's and 460 AK rounds. On 27 and 30 April, the Dega-Fulro attacked the Vietnamese Le Duan troops east of Dac Lac, at an area between (Ho Trang) and (Tu Ngae) near Dac Lac and in an area near (Da Ngoi) hamlet, killing six enemy troops, wounding two others and seizing an AK and a carbine. In summary, the Dega-Fulro guerrillas on the Dac Lac battlefield killed or wounded 18 Vietnamese Le Duan troops and seized 3 AK's, 2 AR-15's, a carbine and 460 AK rounds. [Text] [BK171317 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Jul 82]

GUERRILLA ACTIVITIES--On 7 July our army and guerrillas dug up 11 holes in the road leading from Sisophon to Thmar Puok on the Sisophon north of Route 5 battlefield. Each hole is 1.50 meters deep. Long live our valiant and courageous army, guerrillas and people on the Sisophon north of Route 5 battlefield! [Text] [BK171319 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Jul 82]

CHEEP-THALABARIVAT BATTLEFIELD--Last June, our comrades in arms on the Chhep-Thalabarivat battlefield killed 186 Vietnamese aggressor troops and wounded 224 others for a total of 410 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 795,600 new punji stakes, dug 670 punji pitfalls and set 320 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Chhep-Thalabarivat battlefield! [Text] [BK160212 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 Jul 82]

ROUTE 10-PAILIN BATTLE REPORT--Last June, our comrades in arms on the Route 10-Pailin battlefield killed 241 Vietnamese soldiers and wounded 297 others. In the field of primitive arms production, our combatants made and planted 1,150,000 punji stakes, dug 600 new punji pitfalls and set 100 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the Route 10-Pailin battlefield! [Text] [BK110256 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Jul 82]

SIEM REAP ACTIVITIES--On 3 July, our army and guerrillas cut two bridges of the Vietnamese enemy--at (Prek Luos) and (Khteah)--totaling 15 meters, on Route 6 west of Dam Dek market, Sot Nikom District, Siem Reap battlefield. We killed two Vietnamese soldiers who guarded the bridges and seized two AK's. Long live our valiant and courageous army, guerrillas and people in Sot Nikom District, Siem Reap Province! [Text] [BK080934 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 7 Jul 82]

WESTERN LEACH BATTLE REPORTS--In June our comrades in arms on the Western Leach battlefield killed 164 Vietnamese enemy aggressors and wounded 92 others for a total of 256 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 1.2 million new spikes, dug 150 new punji pitfalls and set 90 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Western Leach battlefield! [Text] [BK080935 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 7 Jul 82]

KOH KONG-KOMPONG SOM BATTLEFIELD--Last June, our comrades in arms on the Koh Kong-Kompong Som battlefield killed 285 Vietnamese enemy aggressors and wounded 259 others for a total of 544 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 1 million [figure as heard] spikes, dug 370 new punji pitfalls and set 120 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield! [Text] [BK070248 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 6 Jul 82]

SAMLOT, BATTAMBANG BATTLES--Last June, our comrades in arms on the Samlot battlefield in Battambang Province killed 104 Vietnamese soldiers and wounded 155 others. In the field of primitive arms production, our combatants made and planted 710,000 punji stakes, dug 180 new punji pitfalls and set 80 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the Samlot battlefield! [Text] [BK110300 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Jul 82]

SISOPHON-BAVEL REPORTS--Last June, our comrades in arms on the Sisophon-south of Route 5-Mongkolborei-Bavel battlefield killed 130 Vietnamese enemy aggressors and wounded 155 others for a total of 285 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 187,000 new spikes, dug 800 new punji pitfalls and set 150 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Sisophon-South of Route 5-Mongkolborei-Bavel battlefield! [Text] [BK110414 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Jul 82]

ROUTE 5 BRIDGE DESTROYED--On 7 July, our army and guerrillas attacked and destroyed a 10-meter bridge on Route 5 between Sisophon and Mongkolborei. This temporarily interrupted the traffic between Sisophon and Battambang. Long live our valiant and courageous army, guerrillas and people on the Sisophon-Mongkolborei battlefield! [Text] [BK110411 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Jul 82]

CHEMICAL WEAPONS DENOUNCED--On 29 June, Samuel Stratton, a U.S. congressman, firmly denounced the use of toxic chemical weapons in Kampuchea, Laos and Afghanistan by the Vietnamese and Soviet aggressors. He was speaking at a meeting of the special committee of the second UN special session on disarmament. He said: The United States has seriously investigated and found evidence that clearly shows the Vietnamese have been using toxic chemical weapons provided by the Soviets in Kampuchea since 1978. The Soviets have used toxic chemical weapons in Afghanistan since 1979. [Text] [BK110408 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Jul 82]

ROUTE 5 ACTION--On 7 July, our army and guerrillas used mines to cut three portions of Route 5 between Sisophon and Nimit near Toek Thla (Bridge) and Daeum Muoy Daeum village, each crater measuring from 3.5 to 4-m wide and 3-m deep. Long live our valiant and courageous army and guerrillas of the Sisophon-South of Route 5 battlefield! [Text] [BK121113 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 11 Jul 82]

LNLF GUERRILLA ATTACKS--Here is a report from Laos: On 4 July, the Lao National Liberation Front [LNLF] guerrillas attacked a platoon of Vietnamese soldiers moving from their post at (Khloem) to (Preal) hamlet, killing five and wounding eight. On 7 July, the LNLF guerrillas attacked Vietnamese soldiers in their position at (Khloem), killing four and wounding six. In sum, during these 2 days the LNLF guerrillas put 23 Vietnamese troops out of action. [Text] [BK130310 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Jul 82]

NORTH SISOPHON BATTLES--Last June our comrades in arms on the North Sisophon-Thmar Puok-Preah Net Preah battlefield killed 177 Vietnamese aggressors and wounded 195 others. In the area of primitive arms production, our combatants made and planted 196,000 punji stakes, dug 890 new punji pitfalls and set 500 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the North Sisophon-Thmar Puok-Preah Net Preah battlefield! [Text] [BK130324 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Jul 82]

CHOAM KHSAN BATTLES--Last June, our comrades in arms on the Choam Khsan, Preah Vihear and Oddar Meanchey battlefields killed 127 Vietnamese soldiers and wounded 136 others. In the field of primitive arms production, our combatants made and planted 598,000 punji stakes, dug 500 new punji pitfalls and set 400 new automatic bows. Long live our valiant and courageous army, guerrillas and people of the Choam Khsan, Preah Vihear and Oddar Meanchey battlefields! [Text] [BK140412 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 13 Jul 82]

LNLF GUERRILLA ATTACK--Here is a combat report from Laos: On 9 July the guerrillas of the Lao National Liberation Front [LNLF] attacked the Vietnamese enemy troops west of (Khlem) hamlet, killing three and wounding two others. The survivors fled and hit landmines set by the LNLF guerrillas, suffering one killed and another wounded. [Text] [BK150303 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Jul 82]

GUERRILLAS TRAIN IN KAMPOT--On 5 July our army and guerrillas ambushed a train carrying Vietnamese troops in an area near the Kompong Smach canal, Prey Nop District, Kampot Province. We set one of the train cars ablaze, killed 15 Vietnamese troops aboard the train, wounded 10 others and destroyed a quantity of materiel. Long live our valiant and courageous army, guerrillas and people in the Prey Nop District of Kampot Province! [Text] [BK150245 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Jul 82]

SIEM REAP-ROUTE 6 REPORT--Last June, our comrades in arms on the Siem Reap-Route 6 battlefield killed 181 Vietnamese aggressor troops and wounded 127 others for a total of 308 enemy casualties. Our comrades in arms also made and planted 128,200 new punji stakes, dug 100 pitfalls and set 150 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Siem Reap-Route 6 battlefield! [Text] [BK150308 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Jul 82]

CSO: 4212/27

KKK PROJECTS FAIL MISERABLY IN MINDORO

Manila BULLETIN TODAY in English 20 Jul 82 p 24

[Article by Robert A. Evora]

[Text]

CALAPAN, Oriental Mindoro — Doubts have begun to set in as the implementation of the KKK, has failed to "make progress" since it was introduced to this island last year.

Not one project from among the 150 KKK loan applications, which include those filed by a corporation and some 40 member-associations in Calapan alone, has been approved by the regional action center of the Ministry of Human Settlements (MHS) for some "reasons," according to highly-placed government official.

It was also gathered that some "Illiterate Mindoreños," who are interested in applying for a small KKK loans, have "no one to turn to" to make the highly-technical project feasibility studies, a pre-requisite in the approval of the loan.

That problem is compounded by the lack of organization and coordination among the participating government agencies.

"While the centerpiece of the KKK implementation nationwide is to effect the total economic and political emancipation of the Filipino from the bondage of poverty, the Mindoro KKK program lacks the necessary force and enthusiasm from among the concerned line agencies," said Fidel C. Cabuena, provincial development officer of the Ministry of Local Government.

Quoting the joint memorandum-circular issued by the First Lady and MHS Minister Imelda R. Marcos, who is also the KKK secretary-general, and Local Government Minister Jose A. Roño, Cabuena said that "all political leaders and appointive government officials have been mandated and responsible for the implementation and monitoring of all KKK projects in the barangay, municipal, and provincial levels."

In a related development, Washington M. Basco, the KKK municipal action officer, blamed "red tape and buckpassing" as the main obstacles to the implementation of the KKK here.

Basco said that so far "a poor and unschooled applicant needs some 29 documents to go through some 13 offices for his papers to be processed and approved."

It was recalled that Jose P. Abaca, the MHS provincial action officer, was quoted as saying that "J. Roberto L. Abling, the MHS regional action officer, pledged to approve, at least, three KKK projects a month starting from the towns of Pinamalayan, Calapan, Gloria, Bansud, Naujan, and Puerto Galera."

Abaca also identified the KKK projects supposed to be approved last May as "ring net, Naujan town, ₱409,594; Juliusm Integrated Agri-livestock project, Roxas town, ₱800,000; and fish cages, in Victoria, ₱91,000, and applied for by 10 proponents."

However, according to sources, the above-enumerated projects were "respectfully returned" from the MHS region in Manila bearing "no stamp of approval."

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END

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17 August 1982

South and East Asia Report

No. 1180

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JUSUF EXPLAINS DRAFT LAWS ON NATIONAL DEFENSE

Jakarta HARIAN UMUM AB in Indonesian 1 Jun 82 pp 1, 7

[Excerpts] Gen TNI M. Jusuf, minister of Defense and security/Indonesian Armed Forces commander, explained that for the Indonesian people war is humane, not in accordance with human dignity and not in keeping with national interests. And war will impede national development.

"Nevertheless, the Indonesian nation realizes that the world's political structure in which various ideologies are in effect is incapable in a definitive way of preventing war from breaking out. At least not for a long time."

The defense minister said this Monday morning in Senayan at the DPR [parliament] plenary session, DPR Vice Chairman Kartidjo presiding, when he was presenting four draft laws. The four draft laws concerned principles of national defense, voluntary military service, compulsory military service and the armed forces reserves.

According to General Jusuf, it is incumbent upon Indonesia to participate in all international efforts to prevent war and preserve peace. And Indonesia should always try to resolve disputes which arise between itself and other nations through peaceful means. But above all of this, the Indonesian nation still loves its independence and sovereignty even more. "For the Indonesian nation war is a last resort, which only will be waged if forced to," he said.

He said we oppose all varieties of colonialism in its various forms, but we profess a free and active foreign policy which sides with truth and justice. For that reason, externally Indonesia's national defense is actively defensive, not aggressive, not expansive, and, as long as its national interests are not threatened, Indonesia will not initiate an attack.

Conversely, internally its national defense is actively preventive. This means taking steps and actions as early as possible to avoid and prevent every possible rise of disturbances domestically in whatever form. "On the basis of this position the Indonesian nation does not allow itself to be tied to or to participate in defense associations with other countries," Jusuf stated firmly.

General Jusuf cautioned that it is unavoidable that Indonesia's interests will collide with the interests of other nations. In such a situation Indonesia places emphasis on settlement through negotiation and diplomacy.

"But because there is not a single power in the world which can guarantee that other nations will not use war as the means of settlement, Indonesia must carry out national defense efforts to defend itself against various forms of war which might be launched by other nations."

The four-star general said concern about the effects of a general war and the possibility of escalating limited wars is causing the increasing development of a new form of war, namely a revolutionary war which is impervious to the influence of the fear that a gereral war will break out.

This war is launched by making use of domestic elements and conditions. It is used by certain parties in the framework of their offensive to control the world or change a country's political system.

Infiltration, subversion, to the point of the turbulence of armed rebellion, he said, constitute the stages of revolutionary war. The form of this war is that it is total in nature, both its objects and subjects as well as its methods, so that not a single aspect of a nation's life is free from involvement in it.

Security against the threat of this war must be conducted not only against physical targets, but also against the people's way of thinking, because it is the people's way of thinking that becomes the chief battlefield.

In order to guarantee a stable, unimpeded national development, Jusuf said, the combat readiness, state of alert and skills of the Indonesian Armed Forces constantly need to be upgraded. At the same time society's awareness and sense of responsibility for security and order constantly need to be developed. In a state of security and peace a relatively small but efficient and effective national defense force is maintained, which in a state of emergency must be able to be developed quickly. The need for the capability to develop this force calls for the formulation of a reserve system which includes field forces and all the facilities and resources needed to support them.

These draft laws concerning the principles of national defense are intended to reform Law No 29/1954 on national defense, which no longer is in accordance with developments in Indonesia. That law was made on the basis of the Provisional Constitution of 1950, and also it is not in line with the growth of the Indonesian Armed Forces and the development of national defense requirements during these 28 years.

According to the defense minister, several of the basic matters which no longer are appropriate are the provisions concerning national defense leadership which are based on liberal democracy, namely an understanding in which the relationship between civilian and military is clearly distinguished. In actuality this is contrary to Pancasila [state ideology] democracy, which is the basis for these proposed draft laws.

It was pointed out that the basic matters concerning these national defense draft laws involve 11 issues, among them the goal and function of national defense, the overall system for people's resistence, the relationship between the armed forces and politics, military reserves and provisions on mobilization and demobilization.

Before ending the introduction to these new draft laws, the minister of defense suggested that prior to the general debate by DPR factions there be an exchange of views between DPR and government parties. "I am prepared to be called for the sake of the totality of thought and the unhampered discussion of the draft laws," said Jusuf.

General Jusuf also promised to participate directly in the sessions with the special committee and would not delegate the responsibility to his officers This was intended to eliminate the psychological barriers for the sake of unhampered discussion.

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REGULATORY POLICY ON PRESS EXPLAINED

Jakarta HARIAN UMUM AB in Indonesian 1 Jun 82 pp 1, 3

[Excerpts] In an effort to neutralize negative effects which might arise if there is a provision to abolish the regulation for press publishing licenses [SIT] (Article 20, paragraph 1 of the Basic Press Code), the government feels it is necessary to create a regulation for authorized press publishing activities, namely the Press Publishing Enterprise License (SIUPP).

Minister of Information Ali Moertopo said this when presenting the government's explanation of the draft law on the "Revision of Law No 11, 1966, concerning the basic press provisions as revised through Law No 4, 1967" to the plenary session of the Indonesian Parliament (DPR) Monday at the DPR building in Senayan, R. Kartidjo, vice chairman of DPR/MPR [People's Deliberative Council], presiding.

Moertopo said that the draft law on the Basic Press Code changes which were presented was the realization of the GBHLN [State Course] mandate. The government's explanation consisted of four parts, namely: the government's evaluation of Law No 11, 1966, concerning the basic press provisions as revised in Law No 4, 1967; the process for review of Law No 11, 1966, regarding basic press provisions; the main changes which are found in the draft law on revision of Law No 11, 1966, concerning the basic press provisions, as revised in Law No 4, 1967; and the fourth part was a conclusion and closing.

Ali Moertopo said that in evaluating Law No 11, 1966, which was revised through Law No 4, 1967, the government said these laws represent one of the first legislative products in the period of the New Order. For that reason, Moertopo said, these laws automatically have been infused with the spirit of the New Order struggle which is grounded on a dedication to implement the Pancasila [state ideology] and the 1945 Constitution. The articles contained in the Basic Press Code essentially have reflected the aspirations of the New Order endeavor to create a national press system.

But it seems there is one chief problem which needs to receive attention, to lend substance to the GBHN, which has mandated that the Basic Press Code be reviewed.

Moertopo said that the chief problem concerns the matter of press publishing permits (SIT), as included in Article 20, paragraph (1) a, which states,

"In transitional periods the requirement to obtain the SIT is still in effect until there is a decision by the government and DPR to revoke it."

This provision constitutes a negation of Article 8 of the Basic Press Code itself, which states, "Every citizen has a press publishing right, which is collective in nature, in accordance with the truth of Pancasila democracy," and paragraph (2). A publishing license is unnecessary for this. And Article 4 states, "Censorship and revocations will not be imposed on the national press."

Thus, in the law which was presented, said Moertopo, the provision in Article 20, paragraph (1) of the Basic Press Code is abolished, so that in the draft law there no longer are articles which contradict each other.

According to Moertopo, [with] the abolishment of the SIT, the press probably will be faced with the threat of being damaged again, especially in facing competition from irresponsible elements which would infiltrate the press sector.

This observation by the government was supported by the Press Council. In order to neutralize negative effects vis-a-vis the abolishment of Article 20, paragraph (1), which eliminates the SIR, after consulting the Press Council, the government felt it necessary to create a regulation for authorized press publishing enterprises that can set requirements for certain activities which might occur in press publishing.

In the draft law which the government presented it was stated further that Article 20 of Law No 11, 1966, concerning the basic press provisions which established the existence of the SIT is abolished and is replaced by adding one paragraph to Article 13 of Law No 11, 1966 (involving press enterprises), which states, "Press enterprises need press publishing activities licenses (SIUPP), which are issued by the government (minister of information), and further provisions regarding SIUPP will be arranged through executory regulations (in this case by the government, after consulting the Press Council)."

"The provision for the press publishing enterprise license is grounded on a determination to provide more constant guidance for the press," said Ali Moertopo, "a guidance which leads to conditions established by Article 13, Law No 11, 1966, which says that press publishing must be conducted by incorporated press enterprises which emphasize the ideal and are jointly organized, based upon the spirit of brotherhood, in accordance with Article 33 of the 1945 Constitution."

Ending the government's explanation, Moertopo said that the draft law is proposed in the conviction that we need to compile press laws which are even more capable than the previous ones. The reason for this is so that the press has a more mature attitude and voice and so that it might be more successful in the management of its business, more evenly developed and more capable in fulfilling the task and function of the Pancasila and the success of national development in the interest of the welfare and prosperity of our people and nation.

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ACCORD WITH SAUDI ARABIA SIGNED

Jakarta KOMPAS in Indonesian 5 Jun 82 p 12

[Text] The Indonesian government and the Kingdom of Saudi Arabia are in accord to promote cooperation for the development of agriculturll, livestock, industrial and technical projects, in addition to an exchange of scientific information, research and technology and increased trade between the two countries.

This accord is contained in a charter of ratification for cooperation in economic and technical fields, science and Islamic education, which was signed by Ali Said, minister of foreign affairs ad interim, and Shakh Bakr Abbas Khomais, the Saudi ambassador, at the Indonesian Department of Foreign Affairs Friday.

The agreement was signed previously in Riyadh on 19 May 1981 [sic] by Minister of Foreign Affairs Mochtar Kusumaatmadja and Prince Sa'ud al-Faysal, Saudi minister of foreign affairs.

In the cooperation agreement, the two governments will try to develop relations in Islamic art, education and science in order to mutually recognize the history and culture of the two countries, namely through atuhoritative Islamic institutions, lectures, science and art exhibitions as well a as student and teacher exchanges.

Ali Said said the agreement is clear proof of the strong desire on the part of the Saudi government and people to help in making development in Indonesia a success, both in the economic, technical and scientific fields and in Islamic education.

Ali Said was certain this cooperation will be very useful for developing education in general and Islamic education in particular in Indonesia and at the same time be a contribution to national development.

Ambassador Khomais, who will soon complete his tour of duty in Indonesia, said that actually this cooperation has been going on for a long time. He pointed out the example of the Arabic Language Center which was established in Indonesia.

Cooperation between the two countries also covers the fields of trade, construction, labor and education. There are now around 35,000 Indonesian workers and hundreds of Indonesian students in Saudi Arabia, said the ambassador.

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TRANSMIGRATION PROGRAM DISCUSSED

Jakarta KOMPAS in Indonesian 31 May 82 p 2

[Excerpts] The provisional transmigration target in the forthcoming Fourth Five-Year Development Plan (1983-1988) is set at between 800.000 and 1 million families. Fimily placements will be directed particularly to central and eastern Indonesian regions whose populations now are still relatively small.

So stated Martono, junior minister for transmigration, at a press conference closing the Department of Manpower and Transmigration's 1982 working meeting in Jakarta this past Saturday afternoon.

The provisional target, he said, is based on the consideration and capability of the areas sending transmigrants and the areas receiving them, the availability of lands which have been and are being cleared, infrastructure capability, transport facilities, and so forth.

Nevertheless, Martono did not touch on the implementation of transmigration placements to the end of the third five-year plan, whose target was set at 500,000 families. He only said, "Definite figures for the transmigration placement target in the Fourth Five-Year Development Plan will be formulated and publicized by the minister of manpower and transmigration."

Based on previous experience, realization of transmigration placements is always smaller than the targets set.

A participant at a transmigration consultative meeting last week also estimated that realization of transmigration placements to the end of the fourth five-year plan will only be about 350,000 families or 75 percent of the target set, because the capability for land preparation is always more slow-moving than the capability for sending/locating transmigrants.

In response to KOMPAS, Martono explained that transmigration policy in the forthcoming fourth five-year plan will not change, even though national development in that period will enter the industrialization stage. The transmigration program will continue to be carried out on the basis of six new residence patterns, namely food crops agriculture, plantation farming, fisheries, animal husbandry, industry/mining and Sapta Marga villages.

The transmigration program does not automatically follow the stages of national development, because the age, capability and condition of transmigration projects which are directly linked to industrial activities, for instance near the Asahan project in North Sumatra. Nevertheless, there are also transmigration projects which are more appropriate for the development of plantations, fishery enterprises and so forth as their main activities.

In any case, at these transmigration projects there will come a time when diversified efforts will arise in addition to the main activities. This is in line with the continuing development of social conditions, which at the same time will prompt the rise of new activities, according to need.

Danang Joedonagoro, director general of Binaguna, explained that the technology transfer process or Indonesianization is continuing to run smoothly. Yet, the number of foreigners working in Indonesia is not decreasing and, on the contrary, is even growing, because development in Indonesia is continuing to increase.

At the present time the number of foreigners working in Indonesia is about 16,000 altogether.

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NEED FOR LABOR COURTS STRESSED

Jakarta KOMPAS in Indonesian 10 Jun 82 p 3

[Excerpts] "Labor courts certainly must be formed immediately in light of the fact that our national development is heading in the direction of industrialization." So stated Soenarto Soerodibroto, SH, chairman of the Workman's Legal Assistance Board (BHTK), to KOMPAS yesterday afternoon.

In a brief interview in his office, the lawyer, who once was chairman of the Indonesian Association of Lawyers (Peradin), Jakarta branch, said that the Committee for the Settlement of Labor Disputes which now exists actually is not yet functioning effectively in a judicial sense, because in order to execute its decisions, it still needs the fiat (permission) of district courts. And if there are parties (generally employers) who do not want to deal with the committee, Soenarto said, the penalty is very light. "There's a fine of only 10,000 rupiahs, so there is an inclination that it is better just to pay the fine."

With the development from an agrarian to an industrial society in Indonesaa, surely later there will be an increase in volume of labor dispute cases, and certainly these cases will become increasingly complex in nature. Soenarto asked, will we simply continue to rely on the labor disputes committee anyway?

The existence of the Committee for the Settlement of Labor Disputes itself, he said, no longer is in line with developments. The committee was formed on the basis of Law No 22/1957. And the foundation for that law was the Provisional Constitution, which was replaced by the 1945 Constitution through the 5 July 1959 Presidential Decree.

Law No 22/1957, according to Soenarto, only regulated disputes between labor unions or labor union federations and (verses) employers or employer federations. But that law along with its labor disputes committee now continues to be maintained merely to fill the legal vacuum, Soenarto said.

The fact is most labor cases which arise today are just [illegible] als or labor groups, not labor organizations versus employers [illegible] dera- tions, as regulated by Law No 22/1957. That is the reason I am [illegible] opinion that labor laws must be renewed and labor courts formed. All of

this is to anticipate labor problems which, it is speculated, will greatly increase and become more complex."

The State Administrative Courts Draft Law is in parliament for deposition. If later state administrative courts are realized, government employers who receive arbitrary treatment from supervisors can take legal action through the administrative court body.

But, asked Soenarto, what about employees of state enterprises or public corporations? Now, if these employees have disputes with their supervisors, they still cannot take the problem to the labor disputes committee. "Later they will not be able to go to the labor disputes committee or to the administrative courts. So where can they go? For this reason also we feel it is so important and urgent to form labor courts which can have jurisdiction over all sorts of labor disputes, from state enterprises, public corporations or private companies."

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OIL PRODUCTION-SHARING CONTRACTS SIGNED

Jakarta HARIAN UMUM AB in Indonesian 10 Jun 82 p 3

[Excerpts] Pertamina [Indonesian State Oil and Natural Gas Co] signed three more production-sharing contracts in Jakarta Wednesday with Amoco (Indonesia) Lombok Petroleum Company, Indonesia Petroleum Ltd and Jackson Kutei Basin Exploration Ltd.

The contracts were signed by Pertamina's chief director, Drs Joedo Sumbono, K. K. Kauffman, Amoco's vice president for finance and administration, J. Takamizawa, president of Indonesian Petroleum Ltd, and Melvin W. Jackson, Jr. president of Jackson Kutei Basin Exploration Ltd. Prof Dr Subroto, minister of mining and energy witnessed the contract signing.

In his remarks Minister Subroto said that with the signing of the three production-sharing contracts, through June, 1982 there are nine oil contracts with foreign companies.

Oil exploration activities in Indonesia have been taking place continuously over the past 4 years, and it is apparent these activities will still go on.

If the rate of these activities can be maintained, the minister hopes that in 1982 the number of contracts signed will be higher than in 1980 and 1981.

This said Subroto, is indicative of the trust of foreign contractors in oil exploration in Indonesia.

Although the short-term outlook indicates Indonesia will decrease production in accordance with OPEC allowances (from 1.6 to 1.3 million barrels per day), the middle and long-term view I think shows the outlook will continue to be bright, he said.

The minister was of the opinion that with the signing of the three production-sharing contracts Indonesian oil exploration activities will now enter an important stage, because offshore from Lombok Amoco is exploring for oil at 650-meter depths and offshore from Aceh at depths of about 1,500 meters.

Amoco (Indonesia) Lombok Petroleum Company is operating in a 26,640 square kilometer area offshore from Lombok.

The contractor is operating in this area on the basis of the provision that it will assume all exploration, investment and production costs.

The contractor will recover all operating costs in the production-sharing venture with Indonesia at a ratio of 85:15 for crude oil and 70:30 for natural gas.

Exploration costs over 6 years will not be less than $68.8 million.

Information bonuses paid by the contractor will be $10 million for production levels of 50,000 BPD, $15 million for 100,000 BPD and $20 million for 200,000 BPD.

Pertamina has the option of selling a portion of the contractor's rightful share of oil, so that the portion of oil Pertamina sells or receives is not less than 50 percent of total production.

It is stipulated that the contractor is to be prepared to surrender 28.57 percent of its share of production for processing in Indonesia and establish oil refineries or petrochemical projects in Indonesia if no processing capacity is available, when its share of oil exceeds 175,000 BPD.

The contractor is required to set aside oil for domestic consumption on a proportionate basis at a rate of $0.20 per barrel after the 5th year of production.

Jackson Kutei Basin Exploration Ltd operates in a 10,140 sq km mainland area in Adang, East Kalimantan.

Exploration costs for 6 years will not be less than $40 million, while production bonuses will be $3 million after commercial production is met, $5 million for production levels of 25,000 BPD and $10 million for 50,000 BPD.

Indonesian Petroleum Ltd operates in a 29,905 sq km area offshore from North Aceh.

Information bonuses paid by the contractor are $1 million, while production bonuses are $2 million at the first boring, $3,818 million after commercial production is reached, $20 million at a production of 50,000 BPD/200 million cubic feet of natural gas, $40 million for oil production at 100,000 BPD/400 mmcf of natural gas, and $60 million for oil production at 150,000 BPD/600 mmcf of natural gas.

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FOREIGN FIRMS VIE FOR COAL CONTRACTS

Jakarta HARIAN UMUM AB in Indonesian 29 May 82 pp 1, 3

[Text] Two more foreign companies, namely Enadimsa from Spain and Conoco from the United States, are interested in mining Indonesian coal.

Now they are ready to negotiate, said A. H. Szzili, public relations chief of PN Tambang Batubara [State Coal Mining Co] to ANTARA in Jakarta Friday af afternoon.

It is speculated that the two companies will begin the negotiation phases with [obvious omission] around next month.

Besides these two companies, a Japanese firm, Nissau Iwai, also has long said [words missing] negotiations to develop Indonesian coal. But until now the negotiations themselves are blocking its realization.

Enadimsa is interested in developing coal near the area which is mined by Sumitomo, in South Kalimantan.

Conoco is interested in mining an area having quite a high coal potential in the north which is now being mined by Utah [sic] (the United States) at the East Kalimantan-Central Kalimantan border.

The Spanish firm once made a study in this area. On the other hand Conoco, in cooperation with AGIP [National Italian Oil Company] also once did a general study at the Indonesian-Sarawak border area.

Waiting for an Answer

Three other foreign companies which have initialed the results of negotiations for a cooperation contract for coal development in East and South Kalimantan are now waiting for governmental approval. The three companies are Tasek Cement Berhad from Malaysia, Siam Cement Company from Thailand and Hanil Cement Company from South Korea.

Tasek Cement Berhard, [sic] and Siam Cement Company will develop coal in South Kalimantan, while Hanil will be in the East Kalimantan coal development area.

Experts estimate that coal reserves total 1 billion tons in South and East Kalimantan.

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BOEING-NURTANIO COOPERATION DISCUSSED

Jakarta HARIAN UMUM AB in Indonesian 29 May 82 pp 1, 11

[Excerpts] W. T. Stamper, president director of Boeing Company, was very impressed with the development of PT Nurtanio's aircraft industry. He said this to reporters after meeting with President Soeharto at Cendana [the president's residence in Jakarta].

Stamper came to Indonesia at the invitation of Minister of Research and Technology Habibie in the framework of exploring possibilities for cooperation between Boeing and Nurtanio.

He said further there no longer was any doubt about Indonesia's capability for producing aircraft components.

He also conveyed to President Soeharto his desire to realize the possibility of implementing a joint program in the framework of technology transfer in manufacturing jet foils (types of ocean-going vessels propelled by jet engines), because Indonesia has very extensive territorial waters. He said he hoped that in the next few months a concrete agreement can be completed. Further, he pointed out that Boeing is going to develop a comprehensive program which will be carried out with Indonesia in the field of technology, like the manufacture of airplanes, spacecraft, communications, energy and computers.

In this regard President Soeharto, according to Stamper, very much wants to see the implementation of this work through cooperation between Indonesia and Boeing.

Meanwhile Minister of Research and Technology Habibie, who was with the president at the meeting, said Boeing believes that Nurtanio can be defined as a company which possesses the qualifications to manufacture aircraft components which would be assembled at Boeing.

As is known, Boeing Company, which has about 100,000 employees, buys its aircraft components from Japan, Italy and Spain. According to Habibie, they do not buy just anything, but the components must fulfill the requirements for quality and economy so that the prices can be competitive.

Because it is a high-level, labor-intensive technology, he said further, it can be implemented in Indonesia. Furthermore, labor costs in Indonesia are lower, so the expenses of aircraft production which utilizes components from Indonesia can be less.

That is why the groundwork is not being laid for the possibility of cooperation between Nurtanio and Boeing. And according to Habibie, that possibility will be carried out in accordance with government policy that in as brief a time as possible we can control the technology, increase job opportunities and increase the value of non-oil exports.

9792
CSO: 4213/64

BRIEFS

INFANT MORTALITY RATE--When compared to crude death rates, the infant mortality rate is a sensitive indicator for measuring society's degree of health. According to the statistics, in 1980 the infant mortality rate in Indonesia dropped, compared to figures recorded for 1961 through 1971 and 1976. The crude death rate, based on the 1980 census and variuus other surveys, indicates a sharp decline. Nevertheless, it must be admitted the figures are still quite high. Dr Suwardjono Suryaningrat, ministers of health, pointed this out at the opening of the fifth Indonesian Congress on Obstetrics and Gynecology Monday at the Merdeka Building, Bandung. According to the minister of health, the maternal death rate, which is linked to pregnancy and childbirth, also is still quite high. According to the statistics, between 1961 and 1971 the infant mortality rate recorded was 137 per 1,000 live births. In 1976 it dropped to 110 per 1,000 and in 1980 it reached 100 per 1,000 live births. It is hoped that with constant implementation of various long-term health programs, by the year 2000 a maximum infant mortality rate of 45 per 1,000 live births can be attained. Mortality of children under age 5 will be at most 15 per 1,000, while there will be a life expectancy of at least 60 years. The number of infants who are born with body weights of 2,500 grams or less will drop to 7 percent at the most. [Excerpt] [Jakarta KOMPAS in Indonesian 9 Jun 82 p 9] 9792

CSO: 4213/65

PACE OF ISLAMIZATION SAID TO BE DISSATISFACTORY

Islamabad THE MUSLIM in English 17 Jul 82 p 8

[Article by Shamsul Islam Naz]

[Text]

FAISALABAD, July 16: The CII Charter for Islamisation of the National Education Policy has not only been put in the cold storage, but has also been defied and negated with impunity. This has been implored by the members of the CII in the course of a review report put up by them to President Gen Muhammad Ziaul Haq.

The Council has envisaged grave concern over incompetence of the implementing authorities and their inability to bring the new education policy in unison with the ideology of Islam.

The review report observed "that the present regime was sincere about the Islamisation process in every walk of life". According to the recommendations of the CII the Government had directed the authorities concerned to abolish the system of co-education and set up separate university for women at regional level but all that has been done so far was to pay a deaf ear to these far-reaching recommendations. The report deemed an apprehension that the element which had been fed on western ideology and inclinations was predominant and had the cheek to overrule these recommendations and create hurdles and impediments in implementation thereof.

The review reporter further observed that it appears that the recommendations for the setting up of separate universites for women had met the same fate as the -" Islamisation of banking system-".

The authors of the review report wondered as to how the name of Islam was being exploited but its dictates were being neglected.

The members of the CII, in their observation said that President Zia was asked as to what unsurmountable hurdle had impeded the implementation of their recommendation, and who are the persons impeding these as such. The report said that the assertion of bureaucrats that it would not be possible to provide requisite teaching and technical facilities in the proposed ulmamaters was just frivolous.

The attitude of the bureaucrats, the report concluded, was likely to breed ultramodern trends of unrestricted intermixing of sexes among the younger generation which was prone with disastrous consequences.

It may be mentioned here that whereas, some funds had been allocated in the lasy year,'s budget for establishment of a Women University no such allocation had been made in the current Federal Budget.-

CSO: 4220/276

'ISLAMICRACY' ADVOCATED OVER DEMOCRACY

Lahore THE PAKISTAN TIMES in English 15 Jul 82 p 4

[Article by M.A.R. Shaheen]

[Text]

It is undoubtedly a historical fact that Pakistan meant and shall continue to mean 'La Illaha Illa Allah' i.e. Rule or Sovereignty of Allah or Nizam-e-Islam. But alongside this it is also a pertinent historical fact that Pakistan was not re achieved through the normal Democratic procedure. For democracy as in vogue throughout the world with its secular basis, could by no stretch of imagination result in the achievement of Pakistan in a polity dominated permanently by three Hindu votes to one Muslim vote. In fact it was on the basis of the two nation theory that the Muslims of the Sub-Continent, through what was essentially a Referendum—rather a Muslim Referendum to be more precise—achieved Pakistan. The clearcut issue before the Muslims of the Sub-Continent was a choice between an undivided India or Pakistan—they chose the later. This can only be called a referendum (notwithstanding the falsely given title of a democratic election given to it at the time or since even afterwards).

It is therefore incorrect if not a patent lie to say that Pakistan was achieved through democracy. The very word comprises of 'Demo' (from Greek Demos) meaning people without distinction of religion etc.) and 'cracy' denoting authority or government Thus democracy means People's Government' in which the majority group legislates On the other hand 'La Illaha Illa Allah' means first the denial of all (Un-godly authority and then submission to one and only Allah's rule.

Again the democratic Party system and the presentation of oneself as candidate for election, are both repugnant to the Quran and the Sunnah. Democracy's basic unit—the Constituency—essentially encourages grouping for localised territorial interests and sows the seeds of disintegration. But referendum on the other hand strengthens national or Milli unity and integration. For this reason the referendum of 1946 for 'La Illaha Illa Allah' created such a unity among the Muslims of the sub-continent that no one considered himself a Punjabi or Sindhi or Hindi or Baluch or Pathan or a Sunni or a Shia Nay every one was a Muslim and proud of being a Muslim only. On the contrary when after the establishment of Pakistan we tried to replace this Muslim Referendum 'the basis of our state with Democratic election the essential result was that territorialism got encouragement One of the unfortunate consequences was the separation of East Pakistan and the other is the shameful cry of four nationalities which tends to open its jaws wider and wider to swallow Pakistan itself (Incidentally this drum-beating of four nationalities is championed by those who did not accept the two nation theory for a Hindu-dominated undivided India but are bent upon harming and disintegrating a Muslim Pakistan.) No

wonder Allama Iqbal had clearly foreseen the destructiveness of democracy and had condemned it lock, stock and barrell. The fact is that democracy has always brought disgrace and destruction to Pakistan. First the democratic elections of 1953 wiped out the Muslim League from East Pakistan reducing the majority of the first central Constituent Assembly to un-representative status and knocking the bottom out of its right to proceed with producing an Islamic Constitution.

Next the democratic elections of 1970 resulted in the country's total disintegration and reduced it to half. And further the democratic turmoil of 1977 is a recent history. As such the patriotic people who love Pakistan are rightly fearful of democracy and feel greatly alergic to it. The honest fact, viewed without the coloured glasses of political interests and propaganda, is that the common man feels more secure under a Martial Law vis-a-vis the democratic holocaust.) Thus the induction or restoration of Democracy in Pakistan would clearly mean knocking the bottom out of its very basis the "La Illaha Illa Allah", as explained above, and would ruin—nay even destroy us.

Therefore Pakistan should have to adopt Islamicracy instead of Democracy. Islamicracy's first pillar is the Sovereignty or rule of Allah as against democracy's prostration to the so-called people's authority. The Second pillar of Islamicracy is the Muslim self-determination and their exclusive responsibility to establish Nizam-e-Islam and promulgate Islamic laws. Thirdly, Islamicracy in clearcut contrast to democracy forbids anyone to aspire for or offer himself/herself as candidate for an office. Fourthly, instead of Party system, there has to be co-operation for goodness and obedience to Allah and not groupings for exploitation or aggression under the high sounding plea of party discipline. Fifthly, the Chief Executive shall be installed by consent and political contract (for adherence and obedience to Allah's orders) between him and the people rather than a vote sold out for empty slogans and/or paltry sum of money. Sixthly, for conducting the state affairs the Majlis-i-Shoora's advice would be sought although the Chief Executive' shall have the prerogative to accept or revise the same on the basis of the Quran and the Sunnah. Seventhly, widest possible arrangements would have to be made for spreading Islamic teachings and that Arabic shall be taught as a compulsory part of Islamiat.

This, in brief, is the structural basis of Islamicracy. The effort, otherwise to usher in secular democracy which clearly cuts at the roots of 'La Illaha Illa Allah' would not only lead us to suicidal self-destruction but history shall also record us as the type of hypocrats who while continuously trying to betray Allah would have perhaps perished in the abortive attempt.

CSO: 4220/275

ROLE OF BUREAUCRACY DEFENDED

Lahore THE PAKISTAN TIMES in English 16 Jul 82 Magazine Supplement pp I, III

[Article by A.B. Awan]

[Text]

BUREAUCRACY is under considerable adverse comment these days. I was recruited and trained as a bureaucrat more than a decade before Independence and as such, claim some knowledge of conditions prevailing then. I continued to serve on in Pakistan for the first twenty-two years of its existence and saw the whole of the first and a little bit of the second Martial Law. After that I went into retirement and have been at the receiving end since then.

The bureaucrat has assumed the unenviable position of the 'whipping boy' and although there would be any number of people ready and happy to have a go at him, there would be few, in fact, none at all, to understand and explain his point of view. He himself has lost all credibility and all confidence in himself and is, therefore, unable and unwilling to defend himself. And yet, he must be having a point of view however flimsy and unconvincing, and somebody must come forward to state it. With thirty-six years' experience, pre and post Partition, of one side and thirteen years of the other, I feel I am wearing two hats simultaneously and should be able to marshal the weak and the strong points of either side. I believe this would be a profitable exercise.

I joined service during British times. I feel I picked up nothing useful during a year's stay in the Training School except how to live with three other English boys. This, by itself, would be neither here nor there. The principal of the institution took remarkably little interest in my existence beyond giving me an occasional growl. But things started taking a more positive and interesting shape once I got into the stream of things. My first Deputy Commissioner was an Indian gentleman of the I.C.S.; keen as mustard, up and about wide awake. We went out village touring together, riding out long distances, living under canvas, in the crisp Punjab winter. When he did his revenue work, he not only kept me by his side but laboriously explained everything. In the brief space of time, in the evenings, we hurriedly went out after sandgrouse or duck or snipe. At night, after dinner, we sat in front of a log fire and read. You picked up things through example; or failed to pick up, if you were unlucky.

Soon afterwards, I got posted under a Hindu superintendent of police. He was a direct competitioner, about 10 years senior to me in service. The first time I saw him, I didn't like his face but he was a diligent, hardworking, keen young man who spent long hours at work. I did'nt like his face because he gave me a bad posting. He posted me as at assistant clerk at a small police station. I didn't like it. Soon tale carriers arrived, backbiters. This was bigotry; this was cussedness. Has anybody ever heard of a man belonging to an all-India Service being posted in a subordinate position? This was done merely to do me down. And so on and so forth. I was considerably peeved. I was pulled out after about a month of this ignominious posting and given another one, once again in the same subordinate position at another police station. I felt more peeved. But then I was sent for and asked to comment on my posting and my work. I said I didn't like it at all. This was not the way to treat me. My boss listened to me patiently Then he explained it like this. He said the department I had joined was a very difficult one. Even its subordinate officers had very extensive powers under the law. These powers were frequently and extensively abused. This resulted in grave injustice on the one hand and illegal gratification on the other. There was little that anybody could do about it. The only person who could set things right was the

Gazetted Officer on top and that only if he knew his job inside out. The robber's den where all the concoctions were cooked was the police station. To learn about all the trickery which went on in this place, you had first to do all the police station work yourself. You had to sit there all the time, see everything with your own eyes, do everything with your own hands. When you had mastered all the tricks of the trade, it was only then that you would know how to prevent the crookery. That was why he was putting me through the mill. It wasn't laid down in any book of instructions. He said he hoped I would rise to a very senior rank. It would be only then that I would appreciate how much I owed to the man who taught me things the way they should have been taught. You don't learn these things by merely counting your beads. I have always believed in inducting officers directly into various ranks but only at the youngest possible age limit and not after a man had left half the number of his teeth in some other profession. This is the most damaging thing that could be done to a service like. That is why I am deadly against lateral entry, but more about it later. An ad hoc induction, even of the best material, cuts right through the very roots of security in the Services, destroys faith and confidence and leads to discontent. Ad hocism in any shape or form, is downright bad.

Another story

I am getting off the point. Please permit me to relate only one more story, hurriedly. When I got my first promotion to the senior scale I was sent for by the head of the department. He was a formidable looking old boy, completely bald and with only one serviceable eye. In this interview he talked about this and that and did not at all make me feel comfortable. When I thought the agony of the interview was over, he turned his one and only serviceable eye at me and abruptly asked, "Do you believe in God?" That must have shaken me a bit, getting God so suddenly into the affairs of an already trembling young man. Yes, I suppose I must have blurted out, fearing, at the same time, he might go further into the matter. "So do I," the old boy said, "perhaps in a slightly different way." "Do you realise", he said, "that in this job you would be dealing, entirely on your own, with the affairs of two thousand three hundred subordinates. You are but only a mortal. Before you sit in judgment on the affairs of man, first pray to your God, that he should guide you on the right path so that you don't do injustice." That was a long time ago.

We were not made to go through text books; we were made to learn by patient, persistent example. The diligence, the hard work, the burning oil midnight oil, the ethics, the scruples, justice, fairplay; rubbing shoulders with your men; trying to understand the other point of view. Then distant rays of hope came filtering through; a new homeland, a homeland of our own, to build to construct, from the foundations upwards. The wonderful teachings of our religion; equality between man and man, without distinction of caste, creed or colour; equality of opportunity, to earn, to worship, to express; justice, fairplay. Yes, the promised land. What an opportunity? An opportunity which comes only to the lucky few, once, perhaps, in a thousand years. What a part we were destined to play. We were enthused; we were thrilled. We felt we were the selected few, trained and equipped specially for this onerous task.

But wait; something was going wrong, right under our very noses. This fabric, this unsteady wobbly fabric. It wasn't stabilising. The refugees. By the thousands, by the hundreds of thousands. Like locusts flying non stop over the expanses of the Indian Ocean from the east coast of Africa all the way to the hungry deserts of Tharparkar; hungry, thirsty, dead beat; keeping their sense of direction through faith alone. The old resigned to the will of God, the frightened, whimpering young, the expectant females; the sick, the wounded, the dying, the dead. They came looking in all directions, looking for shelter, any shelter. Looking for merciful God's mercy. In their own Pakistan. The administration just simply collapsed; it was not equal to the task. I claim that the finest and the best administrative machinery in the world, anywhere, would not have been able to stand up to the strain and this one was neither the finest nor the best; it was badly depleted. The senior administrative posts were the exclusive preserve of the British; they had left. Out of the remaining up to 50% were non-Muslims. They all left. Amongst the remaining two men and a boy, there must have been some who had stout hearts. But that is about all they had. It is all very well to talk of platitudes, but it doesn't work in actual life. Some of us must have had friends and relatives amongst the uprooted. They couldn't remain unaffected, unconcerned, impartial. It was impossible not to be moved.

It would be difficult for me, or for anybody else who was present, to forget the 14th of April 1948. We, I mean the Civil Servants of the Province, had gathered in the Darbar Hall of the Government House, Peshawar, to listen to an address by the Quaid-i-Azam. This is what he said.

"You should not be influenced by any political pressure, by any political party or individual politician. If you want to raise the prestige and greatness of Pakistan, you must not fall a victim to any pressure, but do your duty as servants of the people and the State, fearlessly and honestly . . I also wish to take the opportunity of impressing on your leaders and politicians ... that if they try to interfere with you and bring political pressure to bear upon you, which leads to nothing but corruption, bribery and nepotism .. they are doing nothing but disservice to Pakistan ... You may even be put to trouble not because you are doing anything wrong but because you are doing right .. I appeal to you to come forward to make the sacrifice .. There may be people (among you) who think of immediate advantages. All such things are a hindrance and an obstruction."

Politician's stake

It was a graceful, inspiring and dignified address. We felt we had the backing of the Head of State but having laid down these guidelines, the Quaid-i-Azam died soon after and his advice, in actual practice, turned out to be nothing but a mirage. Some of us tried to stand up; some of us made the necessary sacrifices. It was no use. It was a futile exercise. The politician, or more accurately the man in politics, was inexperienced in the affairs of the administration. All he was interested in was his public image, his votes, his constituency; the rest should look after itself. He always thought of the gallery he had to play back to.

The One Unit was one vast administrative chaos. Take the police for example. There were four integrating provinces and a number of states. Each had its own police, each with its own system of recruitment, training and promotion; different pay scales, different uniforms, different rules and regulations. Imagine lumping together about eighty thousand of such men and then trying to hammer out a logical whole out of this shapeless mass. It was complete bedlam. You got hardly a minute to scratch your head. Add to this the newly created Ministers, Deputy Ministers, Parliamentary Secretaries, members of the Legislature and all their hangers on. Imagine this formidable army of warriors converging on to the secretariat every working day, with applications, petitions, with conflicting orders; arguing here, imploring there, threatening everybody; offering good postings, or bad, promotions or th wrath of the Government. I could quote instances. And every evening this motely crowd would converge on to the Chief Minister's House with requests or complaints. Some officials were taken to task some were even penalised, others rewarded. Touts flourished, so did some of the officials. Most lost heart in sheer disgust. I am not condemning democracy outright on this score alone. These are now the accepted norms of this system. This happens everywhere else, even in the most advanced societies and has become a part of the system. You either accept or reject the system along with its plus and minus and weigh it, as a whole, against the other system or systems. But we were in our early stages of development and extreme attitudes under such circumstances, by either side, were inevitable. The hard boiled bureaucrat was bound to react adversely; he was bound to say, what nonsense is this? There was, unfortunately, nobody to come in between, nobody to mediate, nobody to loosen the stiffness. If a semi-literate Minister, who had undoubtedly been through the grinding mill, jumped into a rickshaw instead of a prestigeous staff car, holding aloft the Pakistan flag in his own two hands, to go and face a howling hostile mob, somebody should have understood and appreciated his point of view, rather than hold him up to bureaucrat ridicule. But each went his own way, each lost his bearings, each took the wrong turning, each got lost. This is a merciless world; it has no place for lost souls.

In a fast developing economy where one bureaucratic hand dispenses unlimited patronage, the hand which was dispensing to others instead started grabbing itself. Why not? It looked like a free for all and there was no accountability and even if there was, it was deliberately wrapped up in such a confusion of cobwebs that nobody could or would make out the chaff from the straw.

My venerable friend, Pir Ali Mohammad Rashidi, has written some excellent articles in the Press about the innocence of the poor politicians and the way they were victimised by the unscrupulous avaricious bureaucrats, the bureaucrats according to Pir Sahib, were in a deeply laid out conspiracy to cheat the politicians of the fruit of their struggle for Independence and to make sure that democracy does not succeed. I presume he is referring only to the period between 1947 and 1958, because this was the decade of the struggle for ascendency between bureaucracy and democracy. After that there was a decade of Martial Law and then a dictatorial democracy in which the bureaucrat was constantly on the run and Pir Sahib himself was the beneficiary Or was he not? So, the condemnatory period would be limited to about a decade only, out of three of the total existence of Pakistan as an independent entity. Or about one-third of the total It is all very well to talk of the deeply laid conspiracy on the part of the wicked bureaucrat against the poor innocent politician. I suppose this refers to what Ghulam Muhammad did and how Sikandar Mirza came into power. I may perhaps concede the point, presuming at the same time, with a long stretch of imagination that Munir belonged to the executive arm of the administration and not its judicial. Leaning heavily on this edifice of presumptions, how does all this become a conspiracy on the part of the bureaucracy as a whole, as a class? Let us not forget one or two things The senior bureaucrats of the time are all dead now and may God bless their souls; Ch. Mohammed Ali, Mumtaz Hassan, Said Hassan, G Ahmad, Shujaat Ali Hasnie, Pir Ahsan-ud Din, Col Shah Ikram Ullah, Col. Rahim and many others. At the time of the Pakistan Movement particularly between 1946 and 1947, most of these gentlemen were serving in the Government of India in New Delhi, were constantly in touch with the Muslim League leadership and gave it valuable help and advice. Who denies this?

Was that a conspiracy against the interests of Pakistan? Was Ch. Mohammed Ali's book a conspiracy against Pakistan? Did Ch. Mohammed Ali gain, individually, or lose by throwing away an absolutely brilliant civil service career for a political headache? Well may one ask what were the politicians doing during this very decade? Why were they playing marbles in the Constituent Assembly instead of producing a Constitution? Did they have well-defined, clear-cut party programmes which they took to the people? What were they doing crossing the floor of the House every day and for what consideration? What didn't they do in the few elections which were held? Does anybody want instances? Was this also a conspiracy on the part of the bureaucrats? Does anybody know what part was Qaiyum Khan playing in this and how the secret letters of his right-hand man, Shams ul Haq, in Urdu and in his own handwritting, under the code name Nasreen, were intercepted by the Peshawar C. I. D., how

the handwriting was laboriously checked and rechecked by handwriting experts and how the Government was kept informed from day to day how things were developing. I hope Mushtaq Ali Shah, at that time in charge o. this operation on behalf of the Peshawar C. L. D., is still alive to bear me out. But Ghulam Mohammad struck first. Then who was conspiring against whom? I could develop this further, but since I am not joining issues, I will leave it here. Well, then the bureaucrats conspired against the politicians. I am not backing the bureaucrat; what I am trying to say is that bureaucracy, as a class, failed to withstand the political and administrative pressures, generated by the politician at this stage, and either got disheartened and lost interest in public service or, worse, decided to make hay while the sun was shining. Result. The tone of administration went down. It is so very easy to splash mud, but then it smears everybody the guilty as well as the innocent, alike. This article has not been written to splash mud; in fact, its purpose is exactly the opposite.

Well, then at this stage Ayub Khan's Martial Law arrived and inspired awe. Many people were preparing to see a lot of other people being dragged to the gallows. Nothing of the kind happened though. All that it did was to start a process of screening of civil servants. A lot of them were roped in, not on an ad hoc basis, not because the noose conveniently fitted their necks, but as the result of very careful and laborious investigations spreading over many months. The reasons for this exercise were obvious. First and foremost is the fact that a Martial Law is a negation of all normal laws; it is revolutionary, and, therefore, in its own justification, it must produce, revolutionary results, through revolutionary procedures. Second, the machinery of accountability so far had been in the hands of the bureaucrats themselves and, by and large, it had failed to produce results. Third. The bureaucrat is an unpopular creature at the best of times, because of the very nature of his job, and, therefore, to give him a whipping is always a popular pastime. Therefore, the Martial Law regime had to resort to something sensational and that was this screening process through high-powered screening committees. First there were detailed investigations through civilian investigating teams, then charge sheets were served and the accused were given full opportunity to defend themselves. Those who were screened out were given the full benefits of leave, pension, etc. I am defending neither the philosophy nor the procedures; I am merely giving details of what happened. Many of the affected officers were provided with, or at least offered, alternative jobs, many were accommodated outside the bureaucratic structure and each, or at least the senior ones, got a personal letter from the President. The politicians were put through a somewhat similar process of screening. I was concerned with the cases of some of them, but let me relate something about two of them with whom I had nothing to do. One was the late Mr. Khuhro. He was personally disliked by Ayub Khan, for whatever reasons, and I do not know who prepared the case against him and on whose orders. But one day the President gave Khuhro's file to me and asked me for my personal opinion. I found really nothing in the case and this is exactly what I told the President. He accepted my advice and dropped the proceedings. The same thing happened about Qaiyum Khan. Some provincial organisation had prepared the case against him. The President gave me the file for my advice. I found the evidence biased and exaggerated and said so. Ayub Khan did not like it but certainly dropped the proceedings, at least on this score. And what about Pir Sahib himself? I know as much about his EBDO proceedings as he does, possibly more. But this exercise is not in defence of any one particular sector. The purpose is not to apportion blame or to find fault; the purpose is to find a remedy. I claim some background knowledge and some experience of what happened up to this stage. So, let me say one or two things. There was no witch hunt against individuals or a class of individuals. Full opportunity was given to everybody to defend himself. Zafar-ul-Ansar defended himself over a period of weeks before a committee consisting of Manzur Qadir, Khalid Sheikh, Shoaib and Ibrahim. Suhrawardy defended himself before a judge of the High Court, in public, item by item, from day to day, and full, absolutely full, coverage was permitted in the Press. And so on and so forth. But I will go beyond this. I am now a quarter of a century older and, in retrospect, I would say that the regime had over-reacted, both in the case of the politician as well as in the case of the civil servant. All this was not quite necessary, certainly not in this way. The long-range results did not justify the means.

Yahya regime

What followed was worse. The next regime, Yahya Khan's Martial Law, under the cover of screening, started settling old scores. Such witch hunts have a snowballing effect. The lesser dignitories start raking up their private enmities. I speak with some knowledge and confidence and am prepared to back up every word I say. This regime decided to start criminal proceedings against some senior civil servants. The punishment was imprisonment and fine. The list, I think contained ten names, but they started off with three. One of them, the former Governor of the State Bank, used to be put into an open jeep, handcuffed and surrounded by an armed guard, and was driven up and down th crowded road on which the main State Bank building was located. Having gone thus far, the trials were suddenly given up. One of the accused claimed he asked for a witness who had to testify whether it was true that a list had been prepared of about a dozen civil servants who had to be prosecuted, no matter. Out of the three civil servants being prosecuted, two rehabilitated themselves in a manner unachievable in the wildest dreams of their tormentors. What does it prove? It is a long story and a painful one. One day somebody may be in a position to relate it, at least in part.

The net result was that hundreds of civil servants were

thrown out without knowing why and without getting an opportunity to defend themselves. What would you expect under the circumstances? More rot set in. Later exercises when Bhutto took over did away even with these formalities. Mere lists were prepared and announced in the Press. It was as simple as that: How was Qamar-ul-Islam thrown out? And why was he rehabilitated soon afterwards? He was amongst the most brilliant of the old I.C.S. officers. The whole thing is sickening.

But two even more remarkable things happened. Being thrown out of service was by now an accepted procedure. A new revolutionary scheme was evolved for intake into the Services. This was called the lateral system of entry. Somebody, in his individual wisdom, decided that there was considerable hidden talent in the country which was not finding a place into the civil services through the normal procedures. This talent should, therefore, be inducted direct on an ad hoc basis. So, the search for talent started and, understandably, led to the homes of the relatives, friends and protegés of the party in power. Thus hidden talent was unearthed and inducted direct, in many cases short circuiting all procedures, even competitive examinations. An official living abroad was thus inducted into the Foreign Service. I asked him how? He said he was merely asked to make out a precis of a long rigmarole speech of a politician and this brought out all the hidden but recognisable talent in him.

The other thing was the break-up of the Service structures. Instead, three or more services, more or less similar, were grouped together and officers became interchangeable. In other words as I understand it, officers would be changing jobs frequently, hopping from one into another. How would you fix inter se seniority then? If seniority and therefore promotion, remains in a constant state of flux all the time, how would you expect the officers to get into a settled frame of mind. When the scheme was in a nebulous state many years ago, I asked a senior civil servant, how would it work? He said it was like handing over a watch to a little boy, asking him to rip it up into all its small component parts, and then finally to put it back again with the additional proviso that it should work better. You might as well be asking for the moon.

Vilification

Simultaneously, to bulldoze public opinion a vast campaign of vilification was launched against public servants and ingeneous ways were devised to maltreat, insult and intimidate them. All constitutional safeguards were withdrawn; the few administrative safeguards had already lost their meaning. At this stage the so-called revolutionary land reforms were brought in under the cover of a civilian Martial Law. These reforms set aside the civil servants, serving as well as retired, for an absolutely unheard of discriminatory treatment as a class of citizens entirely different from all others and protection was given to this law under the Constitution. Did any gentleman who had anything to do with this Constitution say a word about this for or against or understand its implications? The same set of gentlemen now shout from the nearest housetops against the corrupt and inefficient bureaucracy. It is a callous and a vindictive law which will not stand on the statute book of any civilised society for a single day. At the same time all civilian awards for long and meritorious service were cancelled with retrospective effect. While this vast campaign of vilification and victimisation was in full swing, not one word was said by anybody—legislators, intelligentia or the common man—in defence of public servants or public service. Which public service in which country of the world will be able to stand up to such blows? The result is before everybody. I am at the receiving end and could recount innumerable details which will make the reader sick. With all this happening the bureaucrat,

inevitably, retained full powers of patronage One little movement of his pen could confer or deny a fortune. What would you expect under these circumstances

This is where we stand at present. But wait a minute. This is not all. There are other things we must take notice of. On the socio-economic front, two revolutionary things have happened. First the administrators of today, those in the age group of thirty to fifty, or more accurately almost everybody are the product of an enormous socio-economic upheaval. They saw the light of day in circumstances of extreme destability'. It certainly wasn't their fault: it just happened to be like that. They may be the children of disappointment, bitterness, grief, anger. I hope they are not, but who can say? Their orientation into a balanced, sober, correct leadership in the domain of administration may be an awkward a difficult process. Who is going to ease them into it?

The second thing which has happened, and continues to happen right in front of our eyes even now is that a lot of people have earned a lot of money abroad, something unthinkable in the home market If not the whole at least a part of this earning is being sent back home, in one shape or another Now money is a very powerful factor in regulating human affairs.

But here other human qualities have failed to keep pace, for example, education, culture, ethics, good conduct, decency. These are things which you just cannot go and buy in the market. The result is that one wheel of the cart is moving at a speed which is different from the speed at which the other wheel is moving. This creates an imbalance in mental attitudes, in social behaviour, and this lack of balance will ultimately rebound on the administration and on the administrators. There is nothing one can do about it. These are the unavitable evolutionary processes and one has to accept them as they come. I am merely drawing attention towards this.

Bureaucracy in Pakistan has been through a very difficult process of evolution and the process continues In fact, I see more difficult times ahead. I haven't said a word about what may happen if the Afghan freedom fighters in our midst suddenly get 'destablised', or there is an outbreak of insurgency, or there is an upheaval in the Indian Ocean-Persian Gulf area or sparks start flying about from the global interests of the Super-Powers in this area. The dark clouds are nearer than the clear blue sky Our bureaucracy is in a mess It can lean back no further Its resilience is nil. How do we put the house in order?

I make the following suggestions:-

1. All injustice done to bureaucracy, as a class, in the last Constitution should be rectified.
2. Adequate and meaningful safeguards should be provided in the Law
3. The Public Service Commission should be strengthened to make it the effective custodian of the rights and privileges of the Services.
4. The Service cadres should be recreated.
5. Lateral entry should be abolished.
6. Age of retirement should be refixed at fifty-five.
7. Extension in service should be abolished
8. Pay scales should be revised and 'hidden benefits' abolished.
9. Pensionary benefits should be revised.

I have deliberately refrained from commenting on the proposed institution of "Ombudsman" and the philosophy of accountability, and end this essay in the hope that it will generate some healthy discussion.

CSO: 4220/275

BAR COUNCIL AMENDMENT CRITICIZED

Islamabad THE MUSLIM in English 19 Jul 82 pp 1, 8

[Article by Murtaza Malik]

[Text]

PESHAWAR, July 18: The Peshawar High Court Bar Association which met here today in an emergency session, with its President Ismail Qureshi in the Chair, strongly condemned the latest amendment in the Bar Council Act and demanded its immediate withdrawal.

The meeting which discussed at length the consequences of the amendment was addressed among others by Syed Iftikhar Gilani, Syed Sibtul Hassan, Latif Afridi and Masood Kausar. They described the step as negation of the basic concept of Pakistan and observed that it was an attempt to to demolish an, institution which had always been the torch-bearer of the people's rights and which firmly stood for the rule of law.

While condemning the amendment the meeting resolved that in case it was not withdrawn, the lawyers whould have no alternative but launch a movement. It was further resolved that all those including Attorney General Pirzada who were associated with amendment should quit their offices as they had failed to protect the dignity of the profession.

Meanwhile, Bar Council member Khan Bahadur Khan has also strongly condemned the recent amendment in the Bar Council Act and said it was unacceptable to the lawyers as a whole and therefore demanded its immediate withdrawal.

In a statement he said the Bar Councils and the Bar Associations had always been struggling for a constitutional and legal government and the rule of law which was the basic purpose of the creation of Pakistan and was in the interest of the country. People participation in the affairs of the country he said was as important as a strong defence.

The lawyers being an intellectual section of the society could not remains aloof from the national affairs. They had played an important role in the Pakistan Movement and had also been in the forefront to safeguard the integrity and solidarity of the country and the people rights but it was a pity that through this amendment they had been debarred from taking part in the national politics.

The member has also appealed to all the Bar Associations in the country to hold their meetings immediately and convey their reactions on the adjustment to the High Court Bar Associations so that a joint meeting of the all the High Court Bar Associations and other representatives of the lawyers community could be held after Eid to decide the course of action. He has also written to the NWFP Bar Council Chairman to convene an early meeting.

Khan Bahadur Khan said instead of indulging in such an exercise within the country, the government should concentrate on helping the Palestinians who were engaged in Jehad against Zionism. Pakistan being the citadel of Islam was duty bound to take part in the Jehad he said.

SHAMSUL ISLAM NAZ
Add from Faisalabad:

As a sequel to the recent amendments made in the legal Practitioners and Bar Council Act an emergent session of the District Bar Association Faisalabad, expressed grave concern and indignation in a resolution of condemnation. The resolution styled the amendments as 'interference in the working of the bar associations and bar councils, and a hurdle in the path of freedom of opinion and deemed it as a ghastly, and organised "conspiracy" to the curb the last "remnements" of democracy in the country.

The resolution demanded from government in unequivocal terms the withdrawal of the said amendments, failing which black flag would be hoisted over the building of the District Bar Association, till such time as the with drawal is not effected.

The resolution further pledged a one hour boycott of local courts daily as a mark of protest.

CSO: 4220/276

BAR ASSOCIATION CRITICIZES AMENDMENTS

Islamabad THE MUSLIM in English 20 Jul 82 p 1

[Text]

LAHORE, July 19: The General House of the Lahore High Court Bar Association, in an emergency meeting here today has decided to hoist black flag on its premises and a full day boycott of the courts on July 21, protesting against the current amendments enacted into Legal Practitioners and Bar Council Act.

The resolution stated these amendments as extremely unwise.

The meeting also suggested to put these unjust amendments into the All Pakistan Lawyers Convention, likely to be held in the last week of September this year. The House appealed to the lawyers to accelerate their struggle for the people's rights.

The resolution called for the immediate withdrawal of the amendments, which according to them, permitted non-members of the Bar to have a right of legal practice and restriction of Bar Associations to indulge in politics.

PESHAWAR BUREAU ADDS: The defunct PML (Pagara Group) Vice President Syed Sibtul Hassan has condemned the amendments in the Legal Practitioners Act and the Bar Council Act whereby the government, he said, had tried to cripple the Bar as a whole.

The lawyers, he said, in a statement firmly believed in the rule of law and the restoration of democratic norms in the country without having any ambition for power. Every lawyer whether he was member of the Federal Shoora or not, he added, was political minded and no statute could deprive him of this right.

The amendment, he remarked, aimed at saving the members of the Bar who had been nominated to the Shoora and had been ousted from the Bar Association on that account and were hence not in a position to practice. He appealed to the lawyers community to stand like a rock against such tendencies and protect their autonomy and dignity. (Another story on Page 6).

CSO: 4220/276

REACTIONS TO BAR ACT AMENDMENT REPORTED

Islamabad THE MUSLIM in English 22 Jul 82 p 8

[Text]

LAHORE, July 21: Eminent Jurist and former Attorney General of Pakistan, Sh. Ghiaz Muhammad has said mere expression of opinion by Bar Association on political issue bearing a legal and constitutional aspect, will not be hit by the prohibitive provision of section 59 which has been added in the Legal Practitioners and Bar Council Act, 1973.

In a statement issued to the Press analyzing the amendments made through an Ordinance in the Legal Practitioners and Bar Council Act, he said "In fact the newly added section, 59-A may well serve to avoid disunity in bar" "by preventing political activity, understood in the restricted sense, organising or canvassing in favour of a political party".

He, however, suggested that the expression 'political activity' may be defined in the legal Practitioners and Bar Councils Act, in order to place the matter beyond the sweep and to set at rest misgivings.

He reminded that there is no precedent or practice in any other country permitting political activity in a Bar Association. About other amendments, He said, the same have not evoked any mentionable reaction in bar. He, however, proposed 'a dialogue between the Government and the accredited representatives of the bar may help in sorting out matters.

He said in the statement: A question that is agitating the minds of members of the Bar is whether the newly-added clause will prohibit "the expression of views, by a bar association through a resolution on political issues bearing a legal or constitutional aspect".

The comments that have appeared in Press on the subject do not reveal a uniform conception as to the meaning of the said section 59-A. A critical examination of the section seems necessary to restore the perspective. The expression 'political activity' is not defined in the said Ordinance. The expression, however, finds mention in M.L.R. 24 which prohibits 'political activity' as a general law of the country". He said.

The explanation appended to para 2, therefore, defines 'political activity' as organising a political party or canvassing or campaigning in respect thereof, etc. According to para 40F M.L.R. 24 a Press conference an interview to the Press or a Press statement are not included in the expression political activity, made punishable views does not fall within the purview of political activity. Considering that M.L.R. 24 and the said section 59A are in pari materia it is permissible, according to established canons of interpretation of statutes, to understand the expression 'political activity' as used in section 59/A in the same sense as is assigned to it in M.R.L. 24. That being so it readily maintainable that mere expression of opinion of Bar Association on political issues bearing a legal and constitutional aspect will not be hit by the prohibitive provision of section 59A.

In fact the newly added section 59-A may well serve to avoid disunity in bar by preventing 'political activity' (understood in the restricted sense of organising and lobbying) as may be intended to cater to the interests of political party or other. For membership of a Bar association is likely to represent different heads of political opinion and affiliation to different political parties and to allow therein political activity understood in the above mentioned sense is bound to spell disturbance of unity of Bar.—AFP

CSC: 4220/277

SENIOR OFFICERS GROUP STRUCTURE TO CHANGE

Islamabad THE MUSLIM in English 19 Jul 82 p 8

[Article by Saeed Qureshi]

[Text]

ISLAMABAD, July 18: The new structure of the Superior Services now in the offing, offers a different setup for the Office Management Group (OMG) and the Pakistan Information Service, it was learned here today.

According to sources reliable the OMG would be disbanded and its officers dispersed to other groups, the Pakistan Information Group will be remodelled and the selection of the officers to be inducted into the service done on a different pattern.

While the prevailing method of selecting officers through an examination will be done away with, new staff will be taken from among the CSP officers as well as the professionals drawn from media and the Press.

The OMG is likely to be replaced with the former system of Under-Secretaries and Deputy Secretaries. The number of those to be affected in the OMG group is reported to be a few hundred.

It has not known as to how their seniority and other terms of service will be decided after they take up their new assignments with new establishments.

The new changes are being termed as 'radical' and according to competent observers, will give ascendancy to the District Management Group (formerly the CSP) over officers of other services.

These Journalist Officers will be able to make horizontal movements from one service to another, and will be linked with a special pool which will be created to facilitate their mobility.

A few meetings at the level of Secretaries have already been held to consider the dissolution of the OMG group.

These sources say that the Information Group's fate was also being considered and the decisions about both the groups will be announced simultaneously.

The committee to evolve a viable mechanism to enact the changes is reportedly faced with certain procedural bottlenecks, which it is trying to overcome.

CSO: 4220/276

CIVIL SERVICE BUREAUCRACY DISCUSSED

Islamabad THE MUSLIM Magazine in English 22 Jul 82 pp A, B

[Article by M. Bashir]

[Text]

THE Civil Service in Pakistan has been a much misunderstood and at times a much maligned institution. There are many questions which agitate the public mind about this institution some of which have even been the subject of dissertations by well known personalities. The aim of this article is to analyse some of the most common notions amongst a host of others about bureaucracy, as distinct from the Civil Service of Pakistan (CSP), which have troubled the public mind during the last three decades.

These notions include its homogenity and power-oriented attitude, its passion for secrecy methods of working, its self professed morality accountability, its rather doubtful self-acclaimed general managerial expertise and ability, its arrogance, its aloofness from society and its ability to survive.

To an outsider the civil service may appear to be a homogeneous organisation, but in fact it is not so. The foundation stone of the indigenous civil service cadre was laid in continuation of the old Indian Civil Service (ICS) through the creation of the Civil Service of Pakistan (CSP) in 1950. Although many of the civil servants who were inducted into the CSP during the fifties believed that they were the progeny of the ICS, but this was not true as the old ICS officers considered themselves more blue blooded than their successors. A major reason was that while entry into the Indian Civil Service (ICS) was partly through an All India competitive examination and partly through nominations of the scions of the landed aristocracy and urban notables, the entry to the Civil Service of Pakistan was open for everybody. The examination, however, had a tucked in high marks carrying viva voce which offered an area of manipulation and was also regulated through the provincial quota system. Those who were at the top in the examination got into the Civil or Foreign Service whereas the remainder went off into such cadres as taxation, postal etc, which were considered to be inferior. There is no doubt that upto the mid sixties it was the ambition of every young educated Pakistani to qualify the competitive examination and to head for the elite services. However the withdrawal of the constitutional protection of service security and the first screening carried out by Ayub Khan soon after his takeover of 1958 served as the beginning of many jolts that the bureaucracy was to suffer. The disdainful attitude of the CSPs towards colleagues of other services resulted in an environment of bitterness within the service structure and later on towards the polarisation of hostility towards them. The situation was made worse through their manipulation because of which all prize posts went to their own members and their future promotions were safeguarded. This resulted in street demonstrations against the Civil Service at a time when the political agitation which toppled Ayub Khan was also in full swing. A few years later Yahya Khan sent home some 303 senior Government officials including some CSPs on charges of inefficiency and corruption. This was the second jolt which bureaucracy was to suffer and

which lowered its former image of being an attractive and prestigious occupation. The final was provided by Bhutto's sacking of 1300 officers on an all Pakistan basis and the implementation of the Administrative Reforms of 1973.

These Reforms although well conceived and based on earliar impartial studies conducted by local and foreign experts, including Justice Cornelieus, were poorly implemented and tended to convey the impression and may in fact have been politically motivated. An essential element of these reforms was to break the hegemony of the superior genralist service viz the CSP by such means as having a unified cadre on All Pakistan basis. The Reforms provided for the infusion of fresh blood into an otherwise stagnant bureaucracy by induction of professionals from whichever quarter available. The net result was that the period 1973-77 saw accelerated promotions of existing Government servants of cadres other than CSP who qualified through the lateral entry scheme and the induction of a few highly qualified professionals who entered the corridors of power carrying the erroneous impression of serving the nation and enjoying the power and prestige which the services carried earlier. The overall image of the lateral entrant became synonymous with a political appointee, who in many cases was sandwiched between a superior belonging to a constituted service and a subordinate who felt that his promotion had been robbed from him. Another upshot of this period was that the former Civil Service of Pakistan (CSP) was temporarily successful in restoring itself to the exercise of power. Virtually every Ministry, department and autonomous corporation is today manned by a member of this service.

It is obvious that the only real way for any kind of a Government of come closer to the people lies in the elimination of any organised group which performs the job of acting as a go between for the regime in power and which laces its advice wholly with the intent of furthering its own longevity and interest. Again if the history of three decades of Pakistan can be taken as a guide for the future, no amount of security that a group may create for itself can shield it from the effects of the country's turbulent future.

One of the ways of bringing the Government closer to the people lies in the introduction of the corporate concept to the public services. No civil servant regardless of his ability, knowledge, wisdom or expertise should be permitted to hold a public office for more than 25 years and should be retired honourably if other things are right after this tenure. Such a system would assure fresh blood and ideas to come into the main stream from within bureaucracy itself, and would automatically arrange removal of dead wood and provide hope for the younger generation in the Government. A public office should mean all commissions, group, or any other temporary body which is set up with Government interest as retired bureaucrats have a way of weaving their way into such organisations. At the same time there should be complete freedom to retired Government servants to engage in business or seek employment in the private sector, except in foreign missions.

Despite the passage of time and the general change in the situation all around what has kept the CSP together? The answer probably lies somewhere between their self opinionation of being an elite group and an identification with bureaucrats of the bygone days when the British raj was all supreme, and the association with their alma mater the "CSP Academy" where probably a batch rode their horses and spent a couple of years of their early youth together. To a CSP the Academy is the cornerstone on which the whole edifice of his character has been built. The espirit de corps for those who passed through the portals of the CSP Academy means virtually in to co-operation with a batch mate and a junior and blind obedience to an unwritten code of respect, for the superior.

As regards power orientation there are valid reasons for this outlook considering that a freshman started his career in a district where the basic power in public administration lies. As an Assistant or Deputy Commissioner and thereafter as Commissioner the public in the district or division is virtually at the mercy of these officials and their counter parts in the police. It is not very difficult therefore to develop contacts for the future through dispensation of favours which they could repay in later years when they enter public life. This contact base provides the security of the individual during the rest of his working life.

It is not fair to accuse the bureaucracy of power orientation for it cannot be blamed for the powers with which they have been invested. Furthermore there is no system of public or internal accountability, the latter because the superiors themselves are usually the protectors, prepared to overlook its misdemeanours just as theirs were overlooked years back by their seniors. The initial power orientation remains with a bureaucrat for most of his life even though he may move into different kinds of jobs in the corridors of power. A field officer (a privilege formerly reserved for CSP officers alone) carries on in the trauma of being a divisional or district head until such time as he is jolted into the realities of the situation of being exposed to do file work or preparing summaries, all of which require a clerical bent of mind rather than that for which the famous CSP Academy had trained them.

For reforming bureaucracy it is therefore necessary to change the traditional pattern of division of real power. Obviously no commission or committee comprising of new or old bureaucrats will ever divest itself of power voluntarily. Changes can only be brought about through a two dimensional process involving a major shifting of powers vested in the field officers to local bodies, and through the streamlining and simplification of procedures to ensure least possible contact between the bureaucracy and the public. This would require reduction in the massive amount of paper work and by making the Government working revenue oriented, with papers being routed through banks and post offices against certain fees. Only an outside agency such as an international consultant can be expected to give an impartial opinion as to how the system can be reformed, provided its report is implemented and not put into cold storage as in the past.

The Civil Service of Pakistan (CSP) has traditionally considered itself to comprise of the best brains in the country. This may have been partially true some decades ago, but from the late sixties to the present time and in the future only second rate material can be expected to enter Government service. Firstly because the salaries and requisites offered, except for the top three tiers, are incomparable with relatively minor jobs in the private or public sectors or in comparison to a low level job in the oil rich countries. Secondly Government service today offers niether security nor the prestige of the past and unless one has outright intentions of misusing the office even a hand to mouth existence is virtually impossible. The

brilliance of the CSP stands exposed as the country today faces the wisdom of their economic foresight and planning. The brilliant young men inducted in the early years, with the usual exceptions, appear in retrospect to have been of average intelligence, who had the knack of doing well in examinations. Today they appear to be unimaginative souls incapable of being classified as progressive managers no matter what criteria is used. The top level bureaucracy's statements on the national economy indicate that this institution is detached from the actual state of affairs, and a Pakistani feels the truthfulness of the statement "that the brown sahib" when partition took place.

The Civil Service of Pakistan (CSP) had prided itself on its moral and material integrity. The actual situation is that with the exception of perhaps a handful, it is difficult to find anybody who is not looking for an opportunity to be obliged. The vast tracts of agricultural lands and plots in the choicest urban areas of Pakistan and the beautiful houses belonging to these bureaucrats bear testimony to the integrity of the civil service. Islamabad, the habitat of bureaucrats in which plots were provided by CDA alongwith soft term loans for development is another example of bureaucratic honesty and the property thus built rented out at fantastic rates to Government owned corporations and autonomous bodies. If the family tree of the CSP is drawn up, many linkages particularly through marriage while be found. This system is necessary for keeping the Mafia restricted, as it provides the requisite backing for career as well as other benefits such as loans, land, foreign trips etc. readily. One way of establishing the accountability of bureaucracy could be by the publication on yearly basis of the declared assets of Government officers. This year book would let the public know how honest the bureaucracy that serves them is supposed to be.

It is claimed that the CSPs have general all round exceptional managerial ability. In fact the only management training the CSP officers have is in the control of law and order situation such as ordering lathi charges, imposing Section 144 etc. The CSP considers this management training far superior to any other kind of training and experience such as that in the field of business or industry. The CSP hard core has tried very hard to acquire managerial experience in other fields by sending its younger generation abroad for continuous exposure and training. As a matter of fact career planning in the Government is restricted to those belonging to the CSP only while the remaining services are expected to fend for themselves.

The reasons for the propogation and survival of the CSP lie in their ability for adjustment to a change in the situation, and being able to be on the right side of people who matter. This is further established through personal loyalty and service to the chair. Those who do not or cannot follow this policy guideline find themselves either under fire from the top or as Officers on Special Duty with the Establishment Division. The toll this type of service takes out of an individual would be reflected in the bulk of officers being unable to clear a standard psychiatric test today. It is suggested that at least the top three or four levels of the civilian bureaucracy be subjected to an annual psychiatric examination, since decision making at this level effects the entire country. The main reason for supposing these psychiatric disorders lie in power orientation which leads to alienation from even close family members and obliviousness to the total environment except colleagues, superiors, files and subordinates. The only disturbing factors to this otherwise steady state of a bureaucrat's life are premature retirement or dismissal when all the privileges of position evaporate rather suddenly. When this happens the individual comes face to face with the realities of life such as standing in a long queue to fulfil the bureaucratic requirements of existence. Being without the paraphernalia such as a peon, a desk and people hankering around him and shorn of power and glitter the bureaucrat becomes a victim of the same treatment he had given to the public when he was in the chair. At the same time his family members undergo a trauma for having got used to leading a protected life in Islamabad or the GOR's of the major cities adjustment to the real Pakistani environment becomes impossible. This "status shock causes deterioration in physical and mental health and this last period passes in reminescing about the past which can come no more. This is the main reason why bureaucrats who have honourably retired from service never call it a day but hang around power holders hankering for any kind of an office which may even remotely bring back a phantasy of the past.

To conclude it can be said that no matter how much any organised group in bureaucracy may try to propogate itself, its numbers must deplete with the passage of time, and such a future existence is only possible if it is prepared to shed its inhibitions and integrate people belonging to other services or groups with it. Furthermore the shape and attitudes of bureaucracy will also change with time as the public becomes more aware of its rights. To achieve this every Government in power will perforce have to bring about structural changes within itself through administrative reforms. The temporary resurgence of the CSP is therefore likely to be the last flicker before the Mafia quis the national scene in Pakistan at least in the form in which it has so far been known to exist.

CSO: 4220/277

PAKISTAN AMONG BIGGEST WORLD BANK BORROWERS

Karachi DAWN in English 28 Jul 82 p 12

[Text]

WASHINGTON, July 27: Pakistan and Bangladesh were the biggest borrowers after India of loans that are almost grants from the World Bank in the 12 months ending June 30, this year.

The total amount of loans under this category, worth 2,686,000,000 dollars went to 43 countries, including Pakistan, where the average income was 730 dollars and below. They run for 50 years and pay virtually no interest.

These loans are made by the International Development Association (IDA) also known as the Bank's "soft loan window".

Last year, loans of this type reached 3,482,000,000 dollars and went to 50 countries. This lending comes from contributions by 33 countries. It was cut sharply because the US Congress refused to appropriate the contribution promised by former President Jimmy Carter. Some of the other donors followed suit.

RECORD LENDING

Meanwhile, the World Bank, which is the biggest source of international aid for raising living standards, lent a record 13,016,000,000 dollars to 85 poor countries during the 12 months ending June 30 this year.

This was 725 million dollars more than the year before. But the increase was considerably smaller than the US inflation for the period, so that in real terms there was an actual decline in lending.

Interest on the Bank's new loans rose to 11.6 per cent annually at the end of the period, considerably less than such countreies could get from private banks.

Upt to the end of June, the interest rate to be paid during the life of the long-term World Bank loan was fixed in advance. Now, new loans will have variable rates, readjusted every six months and beginning at 11.4 per cent.

Borrowing by the Bank itself amounted to 8,521,000,000 dollars for the 12 months. It borrows in the United States, West Germany, Japan, and other more prosperous countries — as well as in Switzerland, which is not one of the 143 members.PPI.

CSO: 4220/274

PHASING OUT DEPENDENCE ON FOREIGN LOANS

Islamabad THE MUSLIM in English 21 Jul 82 pp 4, 5

[Article by Jawaid Bokhari]

[Text]

The surging tide of economic self-reliance rooted in the historical currents that brought about the rapid decline of the colonial era after the Second World War, is now prompting economic planners in Pakistan to abandon their policy of heavy reliance on external borrowings.

External credit and loans which helped stimulate economic activity are beginning to be counter-productive.

Despite the fact that Pakistan has been selected by Washington as one of the ten developing states for quickening the pace of economic development through private investment and bilateral economic assistance influencing IBRD, IMF and other Western nations to follow suit, Islamabad is faced with a growing and critical problem of finding foreign exchange to service its debts.

To quote the deputy chairman of the planning commission Dr. Mahbubul Haq, 1.2 billion dollars out of 1.5 billion dollars gross 'aid' expected in 1982-83 would be spent on repayments and debt servicing. Net flow of external assistance would further decline sharply in next two to three years if the consortium members do not provide long term debt relief.

Pakistan's repayment and debt liabilities of 1.2 billion dollars constitute 50 per cent of export earnings of 2.4 billion attained in 1981-82, an abnormally high ratio much beyond the prescribed safe limit.

Neither the heavy subsidies nor the creeping depreciation of the rupee by some 20 per cent against the US dollar since January delinking decision, are expected to restore the export earnings to the level of 2.93 billion dollars achieved in 1980-81. The current year's target has been fixed at 2.8 billion dollars.

The sharp decline in the net flow of external assistance caused by high debt servicing liability, rampant international inflation and abnormal interest rates is limiting the capacity of the recipient country to borrow and dampening the enthusiasm of the donors to risk their capital with countries already heavily mortgaged.

The policy of donor states based on immediate temporary and transitional interests run counter to those of recipient countries evoking strong resistance of the South against the North and spur the Third World to adopt measures aimed at self-reliance. Immediate losses are helping develop a framework of policies for protection of long term interests of newly independent nations.

Recession and the accompanying protectionism in industrially advanced countries tend to restrict export from developing states and thus their capacity to service their debts and buy foreign plants and machinery. International inflation hinders imports from affluent markets of the West into the developing countries. Imports are increasing value-wise, though not quantity-wise in the same proportion. The great instability of the international monetary markets affects adversely the growth in world trade that slumped in 1980, for the first time in several years.

By restricting imports of the products of the third world, recession and protectionism in the affluent West are forcing the developing countries to rely increasingly on their own national markets. Protectionism cannot stem the surging tide of economic self-reliance

Despite the three times increase since 1977, exports have stagnated around 50 per cent of the annual import bill. Export earnings have primarily created congenial climate for external borrowings rather than move the country towards self-reliance. As stated by Finance Minister, Mr. Ghulam Ishaq Khan at a recent meeting of the Asian Development Bank at Manila export-led growth has ceased to be a realistic option.

Exports are supposed to finance imports of foreign technology, raw materials, skills and service external debts. The restriction on imports of manufactured goods into affluent markets from developing states reduce export earnings of the third world and also its capacity to buy foreign goods and services. And hence avenues are opened up for development of local technology, raw materials and expertise and indigenous capital accumulation.

Protectionism in affluent markets of the West is therefore a mixed blessing. It restricts exports and expansion of domestic manufacturing capacity based on foreign technology and in the process stimulates development of national capital goods industry. So is the case of devaluation which serves as a double-edged weapon in international environment specially marked by inflation.

Devaluation makes goods cheaper for the foreign buyer and imports costlier for the domestic purchaser and causes a greater outflow of net resources from a country whose currency has been devalued to a country which has maintained a stable exchange rate.

Though devaluation may cause a temporary set back through loss of net resources in foreign trade, it spurs the development of import substitutes. In a country like Pakistan where 85 per cent of the total imports are on account of capital goods and raw materials, devaluation inflates cost of production and restricts exports badly needed to finance imports, that could help fight recession in developed states.

The industrially advanced states which persuade developing states through IMF, IBRD and other lending institutions to devalue their currencies are able to make short term gains at the cost of long term interests.

Perhaps, in case of Pakistan, the greatest impetus to the development of the local technology was provided by the 1965 and 1971 wars when external assistance from the West was suspended. Pakistan today boasts of engineering goods industry capable of fabricating 70 per cent of the country's requirements of plants and machinery. The scarcity of the foreign exchange and the chronic balance of payments problem have forced it to abandon the concept of turn-key projects in favour of increasing patronage to domestically fabricated machinery.

External credits help donor states finance costly exports made expensive through high interest rates, tied nature of loans and mounting inflation. Maximization of profits by donors restricts the capacity of the borrowing countries to service their debts.

All devices of the developed world to exploit the markets of the developing countries are of temporary and transitional nature, which because of thier ill-affects, are compelling the developing states to take to the path of economic self-reliance.

The crisis-ridden developed world has ceased to be a model of economic growth for the developing states. Stagflation, a phenomenon, unknown to the 'free world till the early 1970s which combined inflation with recession, has shaken the economic foundations of the industrially advanced countries. And exchange rate upheavals with volatile behaviour of the dollar, whose exchange rate have been propped up much above its intrinsic worth, have liberated most of the currencies of the developing states from the hegemoney of the once mighty and stable U.S. currency.

Countries like Pakistan have been forced to delink the rupee's fortune from the fluctuating dollar and fix its exchange rate according to the dictates of their own foreign trade. The illusion of stability apparent in the rupee enjoying a fixed parity with the U.S dollar, has been shaken off. The unstable international monetary order, though hurting the interests of the developing countries, is illuminating the path of self-reliance.

Whereas liberalised imports at the instance of IMF have raised Pakistan's import bill, they have helped to increase the production of an imported-oriented industrial complex and farms fed on imported inputs like fertilizer. The average 6 per cent growth rate achieved for the past five years has made the country self-sufficient in major crops like wheat, rice, cotton and sugarcane. Pakistan has in fact emerged as a net exporter of foodgrain. Rice and cotton are substantial foreign exchange earners. And steps are now being taken to initiate sales of sugar in foreign markets. self-sufficiency in cement and fertiliser is round the corner.

Whatever steps the developed world takes to promote its self-interest counter to the interests of the developing states, brings temporary and transitional gains at the cost of their long-term benefits. The historical currents are against them. Political Independence of the third world has paved the way for the economic self-reliance.

And the dictates of self-reliance are expressed in many ways and specially through the high indebtedness of the borrowing states causing the net flow of external assistance to fall rapidly on the one hand and the limited capacity of the crisisridden donor states to extend credit to an increased number of countries at a much higher risk. And if the inflation continues unabated, the rich dividend yielding credit may be repaid at a much debased amount in real terms. Erosion of capital caused by galloping inflation, is also undermining, the hegemony of the affluent states over the developing countries specially in the field of economic planning and development.

Faced with an unfavourable international environment, Pakistan is laying stress on development of engineering goods industry, facilitated by the coming into operation of the Karachi Steel Mill. Increased domestic fabrication of machinery and plants would help undertake mechanisation and modernisation of agriculture and provide fillip to further industrialisation at less cost than a foreign assisted programme. Emphasis on development agriculture would also increase reliance on domestic efforts and resources.

Economic planners are now more conscious of the need to encourage labour-intensive small scale industries financed invariably by indigenous capital and based on local technology, materials and expertise.

Besides, regional district-wise planning is now being developed to foster economic growth based on specific features and characteristics of various areas and their requirements instead of just transplanting foreign technology on domestic soil that had led to the development of an imported oriented industrial complex based on foreign technology, raw materials and skills.

Officials of the Sind Government led by the Additional Chief Secretary Mr. R.A. Akhund are now supervising and guiding a team of experts to collect relevant economic date on each district which would be needed in formulation of regional development plans.

District-wise industrial development plans are also being formulated so as to initiate small scale

industries based on local technology and raw materials followed later by medium and big-sized industries in which foreign technology may be required.

Recently, the federal government has also undertaken a series of steps to induce self-financing at various levels. With the exception of the Karachi Steel Mills, state industrial enterprises can no longer depend upon the national exchequer for the finances needed for expansion of existing industries or creation of new capacity. Provincial governments have been persuaded to find a greater proportion of funds from their own resources to finance their annual development plans. Cost of utility services are being raised to generate funds for financing new projects and repay external credits. Subsidies on consumer goods and production are being phased out whereas they are being retained on exports. Measures for self-reliance is thus initiated at various levels.

Notwithstanding the fact that the volume of imports have stabilised for the past three years, a five per cent surcharge has been imposed to restrict imports. In the current year's budget tariff protection has been extended to a number of domestic industries.

The liberal import policy is restricted within the framework of an import regime heavily oriented towards capital goods and industrial raw materials.

What Pakistan needs is to raise the yield per acre in agriculture which can be doubled or trebled without much difficulty if the small farmers or tenants find official policies do not tend to encourage monopolisation of the benefits of the increased production by the landed aristocracy or the privileged.

With no major dam or projects except the Chasma barrage proposed to be undertaken in the field of agriculture, Pakistan might as well turn its attention to the exploitation of mineral resources so far neglected because of the high cost and sophisticated technology involved. With the industrialisation programme almost entirely entrusted to the private sector, the government should be able to find resources to undertake such projects as the Saindak copper mines or processing of the Kalabagh iron ore.

CSO: 4220/277

FOREIGN GOVERNMENTS ASKED FOR MOBILE MEDICAL UNITS FCR REFUGEES

Islamabad THE MUSLIM in English 22 Jul 82 p 8

[Article by Saeed Qureshi]

[Text]

ISLAMABAD, July 21: Pakistan has approached the Governments of Japan, South Korea, Norway and France as well as Rotary International, for 210 mobile medical units for Afghan refugees, whose number according to latest available figures has swelled to 27,17,727, it was reliably learnt here today.

While a fleet of 64 Mercedez Benz trucks purchased with West German Grant of five million marks, has arrived at Karachi Port another shipment of 240 trucks is due to reach Pakistan some time in September, which according to concerned quarters will help facilitate movement of foodgrains and other commodity aid from Karachi to the Refugee camps.

The government was reported to be seriously handicapped due to inadequate logistic arrangements to carry donated commodities to the camps and the latest measures statedly form part of government's efforts to overcome the problem. While according to reliable sources more financial and commodity aid was pouring into Pakistan, the consortium countries have announced assistance of Rs. 230 crore for the year 1982-83 for the welfare of the Afghan refugees.

This is said to be in addition to 190690650 dollars given by the World Food Programme so far. The aid is equivalent to 522,366 tonnes of wheat, 36216 tonnes of edible oil, 22,613 tonnes of D.S.M. and 3,000 tonnes of dates.

Meanwhile, it is learned that the government has declined to accept a commodity assistance worth five million from the U.S. Government and has instead suggested for the cash grant.

The Government it is further learned has approached the German Government to convert the loans given for drinking water supply schemes for refugees in the NWFP, into grants.

Meanwhile, the government has accepted a French Government offer of 12,000 tons of wheat for the Afghan refugees.

The French Government will reportedly also bear the cost of transportation from the Karachi port to the camps.

To beef-up the package of measures aimed at improving transportation of relief goods to the Afghan refugee camps, the President is said to have directed to place all the donated trucks under the control of the National Logistic Cell (NLC).

As for the operational control, the Commissioner Afghan refugees would maintain a close liaison with the NLC. According to a competent source funds will be placed at the disposal of the Commissioners Afghan refugees of Baluchistan and NWFP who will make payments to the NLC.

It is also learned that the tankers for moving kerosene oil to the camps will too be handed over by the Afghan Refugee Commissioner to the NLC.

An NLC source disclosed that they would be able to finalise the administrative arrangements latest by Sept. 15 provided they are not faced with funds' constraints.

CSO: 4220/277

NDP LEADER WELCOMES ROUND TABLE CONFERENCE MOVE

Karachi DAWN in English 28 Jul 82 pp 1, 12

[Text] Sardar Sherbaz Mazari, President of the defunct NDP, yesterday welcomed Maulana Shah Ahmad Noorani's move to convene a round table conference of all parties, but cautioned the people against having high hopes about its outcome.

During an informal talk with newsmen at his residence, he said the Maulana's approach seemed "quite flexible," and he (Mr Mazari) was "impressed by the genuineness of the offer."

Mr Mazari said if and when an invitation for the RTC was received by the MRD it would be duly considered. However, it would be ascertained there had been a "perceptible change" in the attitude of some parties, one of whose leaders talked repeatedly of his "link with the GHq," while the leaders of another party sought to "create confusion by harping on extra-constitutional subterfuges in league with the Government."

He said the MRD would not accept any deviation from the basic provisions of the 1973 Constitution.

Asked about the agenda of the proposed RTC, he said it could not be other than holding of elections expeditiously on the basis of the 1973 Constitution--a moot point on which there was agreement among all parties.

Mr Mazari did not seem hopeful about elections but he said that the situation was such that only a popularly elected government could tackle it effectively.

Mr Maifaj Mohammad Khan, chief of the defunct Qaumi Mahaz-i-Azadi, answering the newsmen's questions, said the MRD had established itself as a "people's movement," because it reflected their urge for a return to democratic rule. Parties outside the MRD's fold were welcome to join or cooperate with it on the basis of the latter's four-point programme, foremost being the holding of nationwide polls under the 1973 Constitution, he added.

Present at the informal Press talk were other MRD leaders including Mr Ghulam Mustafa Jatoi, Khwaja Khairuddin, Mr Zainul Abedin, Mr Fatehyab Ali Khan, Mr Abid Zuberi and Mr Iqal Haider.

The leaders and the journalists were invited by Mr Mazari to see a BBC television film shot in Lebanon. The film, showing moving scenes of Israeli atrocities in west Lebanon carried interviews with Mr Yasser Arafat, Mr George Habbash, Mr Saib Salam, an Israeli commander as well as Lebanese, PLO and Phalangist representatives.

CSO: 4220/274

PLAN TO SET UP WORLD MUSLIM WOMEN'S BODY

Karachi DAWN in English 28 Jul 82 p 8

[Text]

A move was afoot to form an international Muslim Women's organisation on the pattern of Christian Women's Association, Begum Salima Ahmad, Secretary, Women's Division, Government of Pakistan, said in Karachi yesterday.

At a radio news conference, she said that working papers for the proposed organisation had been prepared and sent to President Mohammad Zia-ul-Haq as well as the Foreign Office.

Need for formation of such an organisation was being felt for a long time to solve various problems faced by women in a concerted way. Pakistan, Begum Salima said, had been made the convenor of the organisation.

The project would, however, take some time to materialise, she added.

Emancipation programmes

Listing the women's emancipation programmes, she said about 5,000 adult literacy centres and a large number of training centres had been set up across the country, and up to Rs 70 million were earned by the women folk who had received training in sericulture, wood works, interior decorations, tailoring etc.

Five women's polytechnics had been sanctioned and work on some was underway. Hostels for working women were also being set up and there was a programme to set up model villages on self-help basis.

About the Family Laws Ordinance, she said that President Zia-ul-Haq had held out an assurance that it had constitutional protection.

To another question, she said that the Women's Division was preparing a programme for cooperative marketing. Its object is that the women folk could sell the products prepared by them at a proper price —APP

CSO: 4220/274

CABINET TO REVIEW SAINDAK PROJECT

Islamabad THE MUSLIM in English 20 Jul 82 p 8

[Article by Jawaid Bokhari]

[Text]

KARACHI, July 19: Pakistan is likely to seek financial assistance from lending institutions in Muslim States for 400 million dollar Saindak Copper Mining Project following its disappointment with the consortium of French-Canadian and Yugoslav firms, it was learnt here today.

The Islamic, Development Bank based in Saudi Arabia and some Arab financing agencies are believed to have been founded on the need for finances for Baluchistan's for finances for Baluchistan's most important project. Initial reponse is reported to have been positive.

The spade work in this connection is being done by the Bankers Equity chief D.M.Qureshi. Incidently BEL is the leading investment bank which has already lined up the required local resources of Rs. 150 crore through a syndicate of credit institutions.

The Saindak project would be financed to the extent of some 250 million dollars from external sources.

The final proposal of the French-Canadian and Yugoslav firms which were to supply plant and equipments and provide foreign exhange component of the project to the tune of 235 million dollars is not finding favour with the concerned officials because of the reluctance of the these companies to provide funds for token equity participation. Pakistan wants these companies to have stakes in the mining project to ensure smooth operations.

Officials concerned with the project financing feel that they would not face any difficulty in mobilisation of external resources once the government gives a go-ahead signal for mobilisation of required funds. The Federal Cabinet is expected to take up the consideration of the Saindak Project soon.

Apart from the French-Canadian-Yugoslav Consortium, Rumanians and Norwegians have evinced keen interest in the project. The Norwegians are reported to have offered machinery and equipment under a credit whose terms and conditions are relatively more favourable.

The Rumanians are understood to have offered credits ranging between 100 to 150 million dollars.

Saindak in Chagai district of Baluchistan is estimated to have 412 million tons of minerals mainly copper and including gold, silver, steel etc.

Charter-CBJ-Services Ltd of the U.K. who were engaged by Bankers Equity and the Pakistan Banking Council to have a fresh look at the feasibility and suggest locations for the metallurgical complex and transport facilities have submitted their report. These recommendations are expected to be placed before the Cabinet shortly.

CSO: 4220/276

PAKISTAN RAILWAYS' INTERNATIONAL COLLABORATION SAID TO BE POSITIVE

Karachi DAWN in English 28 Jul 82 p 8

[Text]

Pakistan Railways' entry in the field of international collaboration has yielded positive results and plans are afoot for increased cooperation with a number of countries including Saudi Arabia, Iran, Bangladesh, and Zimbabwe, an official spokesman said here.

Contract worth 104 million dollars was currently being executed in Saudi Arabia. It pertained to laying of 100 km track. Pakistan was also assisting Saudi Railways engineers.

With Iran, the spokesman said, Pakistan Railways would collaborate in the field of operation and maintenance of diesel electric locomotives. Discussions in this regard were held during the visit of Mr Ghulam Ishaq Khan, Federal Finance Minister, to Tehran recently.

He said there would be large scale movement of goods to Iran in the coming months by rail route. For this purpose operation on the Quetta-Zahidan section is being augmented.

The spokesman said 50,000 tonnes of wheat and the same quantity of fertiliser exported soon from Quetta to Zahidan. Besides sizeable quantity of coke and barley will be sent. Pakistan Railways moved 20,000 tonnes of fertiliser from Karachi to Zahidan via Quetta last month.

He said a delegation will shortly visit Bangladesh to identify more areas of collaboration, as Pakistan Railways has already manufactured passenger coaches for Bangladesh and could sell more coaches and wagons to that country.

He said a team of railway officials left for Dacca on July 24 to participate in an international prequalification tender for the setting up of a diesel electric repair and maintenance workshop.

On the other hand, a team of technicians of Pakistan Railways was already in Zimbabwe to assist in the repairs and maintenance of diesel locomotives there.—PPI.

CSO: 4220/274

TARBELA POWER PLANT TO START BEFORE SCHEDULE

Islamabad THE MUSLIM in English 19 Jul 82 p 8

[Article by Asaf Sheikh]

[Text]

LAHORE, July 18: Units No. 5 to 8 of Tarbela Hydropower extension project will be commissioned ahead of schedule, an authoritative source told The Muslim here yesterday.

According to the previous schedule these units were due to be commissioned between October 1982 to March 1983 but according to the revised programme these would be put into operation between August-December this year.

The project was approved in 1975 by the Government of Pakistan to raise the existing electrical power supply at Tarbela from 700 MW units on Tunnel No2. The construction activity at the site commenced with the award of civil works in June 1978.

The project is being managed by WAPDA and the consultancy services are being provided by NESPAK in association with Acres International of Canada. The civil works costs are estimated at Rs.650 million.

The source said early commissioning of these units would not only reduce pressure on the existing power system in the country but would also make considerable savings in thermal generation.

In June 1981 WAPDA had cided to add two more units No.9 and 10 to the present extension project, thus increasing the total installed capacity to 1750 M.W. The two units are scheduled for completion in December 1981 and April 30, 1985. Construction of civil works for this second extension has already commenced.

CONTRACT

Messrs National Engineering Services of Pakistan (NESPAK) have won a prestigious contract in the Kingdom of Saudi Arabia valuing 70 million dollars.

The project envisages construction management services of Al-Jawf Irrigation Improvement and Drainage Project in the Saudi Kingdom, about 200 Km south-east of tthe Jordanian border.

The scope of NESPAK services includes review of design of the project, construction and contract management and overall cost control.

The project comprises of a system of tube-well with water storage reservoirs, pumping stations for supply of irrigation water through a network of pipelines, and a network of sub-surface drains and ditches for efficient drainage of the irrigated area. The irrigation is proposed to be eventually based on the latest technology – the Drip Irrigation System. It is likely to take 24 months for completion.

CSO: 4220/276

VIABILITY OF SOLAR WATER PUMPS DISCUSSED

Lahore THE PAKISTAN TIMES in English 17 Jul 82 p 7

[Article by Ejaz Naqvi]

[Text] The solar water pump provides an alternative source of irrigation in areas served by non-perennial canals and where water level is from 10 to 15 feet deep. It can produce water at a much lesser recurring cost than other mechanical devices as it harnesses the free inexhaustible energy of the sun through photovoltaic cells requiring little maintenance and no fuel at all. It functions automatically and fluently in dazzling sunshine. It has already been introduced successfully in several countries.

The sun's radiant energy is estimated at 1 353 kw per square mile in space at the mean distance of Earth from the sun. The absorption and scattering process in the atmosphere reduces it to 1 kw per sq M when it reaches the Earth. Pakistan's total share is about 1,000 times more than its current rate of energy consumption. The solar power may be transformed into heat and electricity by specific interactions with matter like photovoltaic cells. The mechanisation of agriculture has not made much impact on farms below 25 acres in spite of the fact that they constitute 59 percent of the cultivated land in the country. Over 30 percent of 3.8 million farmers in the country are holding farms up to 12.50 acres fed only by non-perennial canals. They need a permanent supply of irrigation water to optimise crop production. Under the 2 million acres cultivated by these farmers fresh ground water exists at a depth of 10 feet or less.

In late 1980 Intermediate Technology Industrial Services (ITIS) of the U.K. provided 14 solar energy pumps made by Solar Electric International (SEI) to the Agricultural Development Bank of Pakistan for demonstration, testing and evaluation at small farms under different field conditions in the country. These were installed at ADBP loanees' selected small farms in 13 regions during March 1981. But later in May 1981, the pumps were shifted to the places where the water table did not exceed 15 feet. The areas where the pumps are now proposed to be concentrated are Sukkur, Muzaffargarh, Gujranwala and Swabi.

The SEI units which were tested consisted of a photovoltaic array rated at 250 peak watts connected through an electronic maximum power controller with a submersible motor directly attached to a single stage pump. The output

measured at various sites was 2 to 2.5 litres per sec. from water table depth of 8 to 12 ft. at peak hours of sunshine. The area being irrigated was 1/4 to 1/2 of an acre per day. Depending on the system of irrigation and nature of crops, it was found that 2.5 to 4 acres could be commanded with these solar pumps provided: (i) the total lift was less than 3.5 metre (about 11 ft); (ii) the well was centrally placed to the land requiring water; (iii) field distribution channels were of reasonable size and in good condition; (iv) a mixed cropping was carried out so that the peak water requirement of crops grown do not coincide, and; (v) full use was made of the solar pump, i.e. it was used for 10 hours a day.

Out of 15 solar energy pumps installed by the ADBP, 7 units went out of order owing to faults in pump sets which had to be replaced. In two sets defects occurred in the electrical connectors and these were repaired. Defects also occurred in maximum power controllers which were also replaced.

The capacity of 2.5 litres per second at 4 metres lift of the SEI pumps already tested is too low. To be acceptable to our farmers a solar pump should discharge 4 to 5 litres per second at 4 to 5 metres lift, giving a total output of not less than 80 cubic metres per day.

The ADBP therefore, proposes to import higher-capacity units for distribution to farmers to demonstrate the economic and technical viability of this technology. The pilot project is aimed at stimulating the widespread adoption of the technology and laying the basis for the establishment of a local licensed manufacturing capability.

But the current price of the pump is too heavy for the small farmer to bear. It comes to about Rs. 42,000. But according to the Bank, the price is falling at the international level and will come down to Rs. 17,500 in 1985-86. The farmer will have to pay Rs. 20,000 out of which he could make a down payment of Rs. 4,000. The Bank can lend to him the remaining Rs. 16,000 repayable in seven years.

The Federal Government has agreed to a short-term subsidy programme drawn up by the Bank. But the shortage of available funds does not allow a full-fledged dissemination of the technology. There is however, a possibility of the provision of sizable funds by some Canadian sources.

CSO: 4220/275

CRISIS IN CARPET INDUSTRY DISCUSSED

Lahore THE PAKISTAN TIMES in English 17 Jul 82 p 17

[Editorial: "The Carpet Crisis"]

[Text]

Carpet manufacture, occupying third place as a foreign exchange earner, was first hit by recession in the importing countries; now it is threatened with large-scale insolvency and closure in the wake of the banks' drive for recovery of loans in the industry. It is estimated that about half a million workers all over Pakistan will face unemployment as export closes down and the loans have to be repaid in respect of goods not sold. Contracts worth Rs. 25 crore have not fructified and enterprising exporters still willing to run the gauntlet of a fast-shrinking foreign market are faced with new difficulties because of the rupee's eroding value vis-a-vis the dollar. Pakistan's income from carpets during 1980-81 was Rs. 225 crore; during 1981-82, it has already come down to about Rs. 160 crore. When the banks foreclose on their loans, the weaving units may be forced to close down.

The method of doing business on loans was devised by the entrepreneur who did not own his own factory. He relied on the output of the cottage industry scattered all over the country, mainly in the districts. The carpet boom in the West bestowed sudden prosperity on the carpet-makers, gave sustenance to the workers engaged on looms in the countryside and buttressed the balance of payments. But the base of this nascent industry was flimsy. Carpet-making was not concentrated in factories where quality could be standardised and maintained. When the buyer in the West became niggardly with his money he began to dictate terms and pattern and quality instead of picking and choosing from stocks accumulated by the manufacturers in Pakistan. As no factories exist, bulk orders for quick delivery cannot be executed; hence, the competitive edge of India and China. Business has shied away from setting up factories as they attract the income tax and labour laws. One way to promote the troubled industry is to allow it to set up factories waiving income tax at the production level and clamping it only on export income. Immediately, the banks must sympathise with the plight of the exporters and relax their conditions of recovery of loans. Unless these concessions are made, the carpet industry cannot remain a leading foreign exchange earner it has developed into over the last few years.

CSO: 4220/275

BRIEFS

EXPORTS TO RCD COUNTRIES--Karachi, July 16--Pakistan's exports to RCD countries totalled Rs. 825.4 million during the first 11 months of the fiscal 1981-82 forming 3.8 percent of the country's total exports which aggregated 21,837.7 million. According to State Bank of Pakistan sources export to RCD countries during the same period last year amounted to Rs. 1,894.1 million. The main items of exports to RCD countries during the period were articles of textile materials (Rs. 173.9 million), rice (Rs. 171.6 m), cotton fabrics (Rs. 144.6m), non-cotton woven textiles (Rs. 83.1 m), untiled Barley (Rs. 53.5 m), leathers (Rs. 35.7 m), paper and paper boards (Rs. 19.4 m), wool and animal hair (Rs. 18.4 m), textile yarn and thread (Rs. 16 m), other organic chemicals (Rs. 14.6 m), ships and boats (Rs. 12.3 m), and medicinal and pharmaceutical products (Rs. 12.3 m). Under the commodity exchange agreements, Pakistan's exports stood at Rs. 852.6 million or 3.9 percent of the total export proceeds during the first 11 months of 1981-82. Barter exports decreased to Rs. 73 million from Rs. 92 million in April. The principal trading partners during the month were Sweden, Rs. 24.7 million, USSR Rs. 20.9 m, People's Republic of China Rs. 13.9 m, Hungary Rs. 7.9 m, Czechoslovakia Rs. 2.1 m, North Korea Rs. 1.6 m, Poland Rs. 1.6m and Bulgaria Rs. 0.3 million.--APP [Text] [Islamabad THE MUSLIM in English 17 Jul 82 p 8]

TUFAIL CRITICAL OF AMENDMENT--Lahore, July 18--Mian Tufail Mohammed, Amir of the defunct Jamaat-i-Islami has criticised the recent restrictions imposed on Bar Councils and Bar Associations. In a Press statement issued here today the Jamaat leader appealed that instead of imposing restriction the government should take steps to generate self-confidence and sense of responsibility in the nation. Mian Tufail Mohammad said after more than five years of Martial Law it was expected that these restrictions would be gradually removed but all the nationalists and well-wishers of Pakistan were surprised to see that Bar Councils and Bar Associations were debarred from taking part in political activities. He said by doing so the government had opened a vast venue for self-seekers and opportunists in those bodies. Interest-Free Loans: Punjab Co-operative Department has so far distributed a sum of over Rs. 100.8 million as interest-free loan among farmers of the Province through Agricultural Co-operative Societies to grow rice, sugarcane, cotton and gram during the current kharif season. Meanwhile, the Co-operative Department has recovered a sum of Rs. 77 million from farmers. Grant: The Provincial Irrigation Department will grant a sum of Rs. 11 million to

WAPDA for the maintenance and operation of over 300 tube-wells functioning under the Mona Experimental Project during the current fiscal year. These tubewells will irrigate over 1.7 acres of land in the Sargodha Division. Another sum of about Rs. 4.9 million was earmarked as a grant to Mona Reclamation Project under which about 140 tubewells are functioning. This sum will be utilised for the maintenance and operation of the tubewells during the current fiscal year.--PPI [Text] [Islamabad THE MUSLIM in English 19 Jul 82 p 8]

MRD CONDEMNS AMENDMENT--Lahore, July 18--MRD Punjab condemned the amendment enacted into Legal Practitioners Act, barring the Bar Associations from politics. The Provincial Committee of the MRD in its meeting demanded release of all political prisoners and detenues before Eid and praised Air Marshal (Retd) Asghar Khan, Miss Benazir Bhutto, Nawabzadah Nasarullah Khan and Sheikh Mohammed Rashid for sticking to their principles despite their continuous detentions. The MRD felt that the amendment in BAR laws would not affect the just struggle of the lawyers, aiming at supremacy of law and restoration of democracy in the country. The meeting was chaired by Malik Hamid Sarfraz, the current MRD Convener, whereas other participants were Sh. Rafiq Ahmad, Mansoor Malik, (PPP), Rao Mehroz Akhtar, (NDP), Riaz Loan, (QMA), Maj. (Retd) Ijaz Ahmad, Sheikh Rashid, (Muslim League) Sulaman Khokhar, Zafar Gondal, Mian Arshad Waheed, (Tehrik-e-Istiqlal), and representatives of the local MRD Committee. [Text] [Islamabad THE MUSLIM in English 19 Jul 82 p 8]

CONCRETE POLITICAL STRUCTURE PROPOSALS--Rawalpindi, July 15--President Zia-ul-Haq said here today that the report of the Council of Islamic Ideology was being referred back to the Council with the advice to make concrete practicable suggestions regarding future political structure. He was talking to journalists at an Iftar party hosted by him at the State Guest House. The President said the report had enunciated certain principles but not proposed any mechanism.--APP [Text] [Lahore THE PAKISTAN TIMES in English 16 Jul 82 p 1]

'P.T. POINT' INFORMATION COMPLEX--July 15--The Zero Point, the gateway to Islamabad would come to be known as P.T. Point when 'The Pakistan Times' shifts to its new premises there. This was dicslosed by President Mohammad Zia-ul-Haq on Thursday evening while talking to this reporter at an Iftar party hosted by him at the President's Guest House, Rawalpindi. The President said it is going to be a prestigious building. The Federal Information and Broadcasting Secretary, Lt-Gen Mujib-ur-Rehmen, who was standing close by said that the Press Information offices and Information Ministry would also be located in its vicinity. The site would thus be turned into "Information Complex." The PID is at present housed in rented buildings. [Text] [Lahore THE PAKISTAN TIMES in English 16 Jul 82 p 1]

REAGAN'S GREETINGS TO ZIA--Islamabad, July 27--President Gen Mohammad Zia-ul-Haq received a message of greetings from U.S. President Ronald Reagan on the occasion of Eid-ul-Fitr. In his message, President Reagan conveyed his best wishes to the President, the members of his family and the people of Pakistan. The U.S. President also stated that the thoughts of the people of the United States, on this holy occasion, were with those Afghans who were struggling to regain their freedom and those who have sought refuge in Pakistan. [Text] [Karachi DAWN in English 28 Jul 82 p 1]

DOCTORS' SERVICE STRUCTURE REPORT SOON--Islamabad, July 27--A comprehensive report regarding the young doctors' service structure will be formulated shortly. Informed sources told Dawn the report will be based on fresh recommendations given recently by the provincial Governments. It may be recalled that the recommendations made earlier by a high-powered committee headed by the Deputy Chairman Planning Commission, Dr Mahboobul Haq were rejected by the doctors. The committee after re-examining the nature and magnitude of the doctors' demands had reportedly invited fresh comments from all the provincial Governments. The committee which has received a number of recommendations from the provinces is reviewing the financial implications of the recommendations. The revised report would be examined by Dr Haq on his return from abroad. Dr Haq on his return to Pakistan, it is reported, would submit the final report to President Zia-ul-Haq. [Text] [Karachi DAWN in English 28 Jul 82 p 1]

QUOTA SYSTEM DEMANDED--Rawalpindi, July 21--The Pakistan Minorities Welfare Council has appealed to the Government for the restoration of the quota system for the minorities and its earliest implementation in all professions and at all levels. [Text] [Islamabad THE MUSLIM in English 22 Jul 82 p 3]

BAR COUNCIL RESTRICTIONS CRITICIZED--Islamabad, July 21--An emergency meeting of Islamabad Bar Association was held here today under the presidentship of Raja Zahoor Ahmed, Advocate. A resolution condemning the recent amendment in the Bar Councils Act was moved by S.P. Raza. The meeting deplored the restrictions imposed on the lawyers and termed them as 'uncivilised' and 'unsocial.' The meeting demanded the restoration of political rights and approved the resolution by a vast majority. S.P. Raza advised all the advocates serving with Majlis-e-Shoora and Ministries to resign from their jobs and join hands with the lawyers and legal practitioners protect the rights of the lawyers. Meanwhile, an emergency meeting of the Rawalpindi District Bar Association was called on the requisition of Mohammad Akram Choudhry, advocate, signed by 108 lawyers on July 20. A resolution was passed unanimously wherein the lawyers community condemned the recent amendment incorporated in the Legal Practitioners and Bar Councils Act. It was asserted in the resolution that the lawyers all over the world act as guardian of the civil rights of people and are most competent to speak as a body and also participate in political activities. It further said that in Pakistan when there is a complete ban on all political parties this was the only forum available for the protection of liberties and civil rights of the masses. The amendments have demanded to be withdrawn immediately. [Text] [Islamabad THE MUSLIM in English 22 Jul 82 p 3]

PLANTING 27 MILLION SAPLINGS--Islamabad, July 21--During the monsoon tree plantation campaign, beginning throughout the country on August 4, 27 million saplings will be planted, official sources said here today. These sources further said that the government has decided to launch massive efforts this year instead of holding normal ceremonial plantations done in the past with a view to motivating the people for participation on larger scale. In the Federal Capital, Horticultural Directorate of the Capital Development Authority will plant about two lakh saplings during the coming season. Special programmes are being finalised for the participation in the campaign by government servants and people. Special areas will be earmarked for the ministries in Islamabad. Sales centres for the convenience

of public will be set up by the C.D.A. and Forest Department. The President has ordered institution of a prize of Rs. 1,00,000 to the University in the country for the best plantation while Rs. 20,000 would be awarded to the best college or school in each division.--PPI

COMMERCE BODY OPPOSES PROPOSAL--The Managing Committee of the Federation of Pakistan Chambers of Commerce and Industry in an informal meeting held here on Monday opposed the proposal of the Government for appointment of an Administrator to run the affairs of the Federation. The Vice President of the Federation, Umar Haji Karim, presided. In a reply sent to the Ministry of Commerce, the Managing Committee pointed out that they were running the affairs of the Federation to the best of their ability and there is no justification to take over the Federation under the Trade Organisations Ordinance of 1961. The term of the Managing Committee has expired on June 30 last. The President of the Federation was unseated by the Supreme Court orders on Jan 27 last and since then no elections were held.--APP [Text] [Karachi DAWN in English 28 Jul 82 p 8]

US INVESTORS DUE--An investment mission of the Overseas Private Investment Corporation of the United States will visit Pakistan in November next. Local investors have been advised to keep ready the feasibility reports of the projects so that these could be placed before the US investors. The fields selected by US investors so far are: agricultural implements manufacturing, meat processing, dairy products, sports goods, medical instruments, vegetable oil seed growing, mining exploration, telecommunications, railways (modernisation) and electrification, downstream projects of the steel mill products, fertilisers, and shrimping. In addition, more projects may be placed before the mission.--APP [Text] [Karachi DAWN in English 28 Jul 82 p 10]

CSO: 4220/274

DETAILS ON DISSIDENT PRIESTS SOUGHT

Manila BULLETIN TODAY in English 28 Jul 82 pp 1, 12

[Text]

Defense Minister Juan Ponce Enrile said yesterday that he has ordered investigators to ask Northern Samar Bishop Angel Hobayan for particulars on eight priests reported to have joined the New People's Army (NPA).

Interviewed over Channel 4's "Network Line" program, Enrile took exception to a reported statement of Jaime Cardinal Sin disputing allegations about the priests and nuns.

Commenting on the cardinal's reported comment on the priests that "we all make mistakes," Enrile said the priests are "supposed to be well-trained intellectually and morally, yet they opted to embrace or support Marxism which is antithetical to the tenets of the Christian church."

The revelations were reportedly made by Bishop Hobayan to foreign editor Peter Hastings of the Sydney Morning Herald in Catarman last June. Hobayan was quoted as saying that he had lost eight of the 27 priests of his diocese apparently to the dissidents.

The interview appeared in the Australian newspaper's issue of June 29, entitled "Christ's Guerillas Plot Violent Revolution."

The defense chief also said Bishop Hobayan provided Hastings a copy of the agenda for a meeting in Calbayog city among radical priests and nuns.

"In the meeting, the priests wore batik-type shirts but not the small cross on the collar and the sisters were informally dressed, with one nun wearing jeans, a tee shirt, no bra and wrap-around dark glasses, according to Hastings," Enrile recalled.

The article, added Enrile, also quoted the priests and nuns as saying that they want to destroy our society because it is an anti-Christ society and that even the church itself must be destroyed because it is part of the society. They were not talking of reformation but of nihilistic destruction, he stressed.

"Now if this is a mistake," Enrile said, "this is a mistake no one of us should commit because it is a very destructive mistake."

Enrile also disclosed that he had sent two teams recently to barangay Somoroy, Lope de Vega, Northern Samar, to investigate rumors that 210 persons were massacred by the military and the teams confirmed earlier findings that no such massacre took place.

Enrile said the teams were sent separately, each not knowing about the other's mission. Both had the same findings, according to the defense chief.

CSO: 4220/280

COLUMNIST EXPLAINS DEFECTION OF PRIESTS

Manila BULLETIN TODAY in English 28 Jul 82 p 6

[Text]

A priest who signs his name as Father Bel San Luis, S.V.D. and who gives his address as the Divine Word College at Urdaneta, Pangasinan, expresses deep concern over the "'mass defection" of eight priests of the Diocese of Calbayog (Samar) to the New People's Army. His letter is reproduced here without comment:

"Ordinarily, men of the cloth do not jump on the gun. Could it be that they have despaired of all peaceful means in solving prevailing social maladies, thus opted for armed struggle? Is it to dramatize the sad state of socio-economic and political affairs in their place?

* * *

"What ever the reason is, the government should exert efforts to attract these churchmen back and have a dialog over their complaints and grievances, thus finding the deeper roots of the problem. A "cat-and-mouse" approach will only drive them farther away or harden their resolve to rebel.

* * *

"It must be noted that where there is acute poverty, government neglect and apathy, social injustice and unabated graft and corruption, there is discontent. Discontent breeds unrest and eventually, rebellion. That is why President Marcos once rightly put it: 'The real fight in this country is the fight against poverty, disease, ignorance and injustice. Security is not the only concern, but development."

CSO: 4220/280

NPA RECRUITMENT BY PRIESTS, NUNS

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 82 pp 1, 2

[Text] Six rebels captured recently in Kalinga-Apayao said they were recruited for the New People's Army by a Catholic priest and a nun, reports reaching Camp Aguinaldo said yesterday.

The dissidents were identified as Miguel Lazaro, Francisco Licudo, Pedro Torres and a certain Ka Pedro and another known only as De los Reyes.

They were captured July 20 by three composite PC and police teams at barangay Dilag, Tabuk, Kalinga-Apayao.

The six told investigators they were recruited on the night of May 16 by a certain Fr. Eddie Balicao, a parish priest in the area and a nun identified as Sister Aurea at Poblacion Tabuk.

They also said Balicao and Aurea were accompanied by a certain Commander Ringma and one Doming Buscay, said to be affiliated with the NPA.

Last Monday Defense Minister Juan Ponce Enrile took exception to the statement of Jaime Cardinal Sin on the involvement of some priests and nuns with the NPA.

Sin was earlier quoted by a foreign news agency as saying that he cannot say there are no priests who have joined the NPA "because we all make mistakes."

Enrile described Sin's reaction as "too naive."

"These priests," Enrile said, "are supposed to be well-trained intellectually and morally and yet they have opted to embrace or support Marxism which is contrary to the tenets of the Christian Church."

Julio Cardinal Rosales denied yesterday that eight of their parish priests in Samar had defected to the New People's Army, the Agence France-Presse reported yesterday.

Cardinal Rosales was reacting to a reported order by Minister Enrile for an investigation into reports that eight priests had joined the NPA and were now actively espousing revolution.

The cardinal told reporters in his home archdiocese in Cebu City that some time ago Samar Bishop Angel Hobayan called a meeting of 27 provincial priests regarding a plan to reshuffle their posts and eight priests walked out of the meeting in protest.

"They did not walk out to join the NPA or for other political or ideological reasons, but merely to protest the internal reshuffle," the Cardinal said. He added that five of the eight priests have since abandoned their boycott and taken up their new diocese posts.

CSO: 4220/279

NPA PLANS TO FREE DETAINEES

Manila BULLETIN TODAY in English 29 Jul 82 p 32

[Text]

Military authorities of Region II comprising Cagayan Valley have tightened their security on 13 subversion suspects detained in their stockade early this month, it was reported yesterday.

Col. Thomas Manglongat, deputy commander of Region II, said that guards had to be doubled in the wake of intelligence reports that a "suicide squad" of the New People's Army had plans to spring the detainees from the stockade.

The detainees included a woman doctor in Bayombong, Nueva Vizcaya, a professor and three students of the Nueva Vizcaya Institute of Technology (NVIT) in Bayombong, and nine others described by the military as "officers" of the group.

The 13 detainees were identified as Dr. Aurora Parong, alleged head of the organization's communication center in Region II; Prof. Eufronio Ortiz, Jr., of the NVIT; Tito Tanguiling, Juanito Gravado, and Bienvenido Garcia, all students of NVIT.

Sabino Padilla, Norberto Portuguese, Francis Divinagracia, Benjamin Pineda, Mariano Soriano, Rosalina Reyes, Letty Ballogan, and Imelda Santos, described by the military as officers of the group.

The arrest of the 13 came last July 6 when the clinic of Dr. Parong was raided.

CSO: 4220/280

DISSIDENTS SLAIN IN DAVAO

Manila BULLETIN TODAY in English 29 Jul 82 p 32

[Text]

DIGOS, Davao del Sur, July 28—Eight guerrillas, two of them believed to be responsible for the fatal shooting of Mayor Nonito Llanos, Jr. of this town, were killed in a six-hour gunbattle with Constabulary and police patrol in barangay Ihan, Kidlawan, yesterday.

Brig. Gen. Pedrito de Guzman, 11th PC regional commander, said that witnesses identified two of the slain rebels as a certain Kumander Ben Hur and Ka Victor.

The two were reported to have participated in the killing of Mayor Llanos and barangay captain Kasuki Mamac of barangay Aplaya, Digos, last June 26.

De Guzman said that nine firearms, including a Browning automatic rifle, one Armalite, one Belgium-made FAL rifle, one carbine, and assorted ammunition were recovered from the slain guerrillas.

The guerrillas retreated to a more strategic point when two of their companions were felled in the initial encounter started at 9 a.m.

Six hours later, six more rebels fell as more PC soldiers were moved by helicopter to the area. No casualty was reported on the government side.

The family of Mayor Llanos sent congratulatory message to De Guzman for having accounted two of the suspected killers of the mayor.

Llanos, 45, was fatally shot while attending the coronation of a beauty queen in barangay Aplaya. His wife Gavina was hit in the thigh and is still recuperating in the hospital. (RCC)

CSO: 4220/280

COLUMNIST QUESTIONS TIES WITH USA

Manila PHILIPPINES DAILY EXPRESS in English 27 Jul 82 p 4

[Article by Teodoro F. Valencia]

[Text] President Marcos told his KBL top men the other day that the United States wants to impose its will on the Phillipines by restricting Philippine exports unless the Philippines relented and gave Americans something like the parity rights that they used to enjoy here. Prime Minister Virata confirmed this by saying that the United States has not even implemented agreements in the "Tokyo Round" where the Americans promised to treat ASEAN exporters more fairly.

The way it sounded, the President was hinting to KBL leaders that unless something of a better trade and financial arrangement between the Philippines and the United States is reached soon, his trip to Washington in September had better not happen. If he were to go on this trip, he would be ridiculed by the local opposition and the US-based opposition could take credit for preventing a better treatment for the Philippines by the US. What for should he go?

Notes: Prime Minister Virata told the KBL caucus that some countries other than the United States would be willing to lend us $1.3 billion to finance our development projects. The United States has liberalized its policy on the general system of preference vis-a-vis other countries but not insofar a as the Philippines is concerned. This will have implications in ASEAN. Other ASEAN nations are watching how the US treats an "ally" and "friend"... It is neither fair nor just to impound a public utility vehicle that just happened to carry marijuana or other prohibited drugs. Supposing the buses and jeepneys used did not know of the presence of the cargo? That would be undemocratic and extremely cruel.

CSO: 4220/279

SUPREME COURT OPENS TORTURE HEARINGS

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 82 pp 1, 2

[Text] The Supreme Court has for the first time taken a direct hand in the controversy over the alleged torture of subversion suspects by appointing a special commissioner to investigate the charges.

The move came amid complaints by opposition lawyers that the court's former hands-off policy encouraged the alleged abuses by the Philippines' military authorities.

It was the first time the Supreme Court had responded to a novel defense motion to make the right to counsel "unwaivable" because of the alleged torture. The justices had previously ruled this a matter for lower courts.

Quezon City's prosecuting fiscal, Sergio Apostol, was appointed special commissioner and given 30 days to look over evidence on the alleged torture of former government technocrat Horacio Morales Jr.

Morales was arrested in April, almost five years after he publicly announced that he was defecting to the underground.

In a habeas corpus hearing before the Supreme Court last week, 73-year-old opposition lawyer Lorenzo Tanada charged that the justices' refusal to deal with the torture charges had resulted in "worsening of human rights violations in the country."

Morales, 38, former executive vice president of the Development Academy of the Philippines (DAP), had charged that he was electrocuted in various parts of his body and given the "water cure" while undergoing questioning.

He said a subsequent statement which bears his signature was taken under duress although he said he bore no physical signs of torture.

On the other hand, Solicitor General Estelito Mendoza said that the charge of maltreatment was "Standard Operating Procedure" among communist-linked prisoners "because they know they can get attention and publicity."

Mendoza added that there were indications that prisoners with communist ties "even invite maltreatment." He did not elaborate.

He said opposition charges that the number of human rights violations cases was on the rise simply reflected the increased number of arrests due to successful operations by the government and its eagerness to bring complaints to court. (AFP)

CSO: 4220/279

NATIONAL BUDGET SUBMITTED TO BATASAN

Manila BULLETIN TODAY in English 28 Jul 82 pp 1, 12

[Article by C. Valmoria, Jr.]

[Text]

Prime Minister Cesar E. A. Virata submitted yesterday to the Batasang Pambansa for approval a ₱61.8-billion national budget for 1983.

Although the total expenditure program for 1983 would amount to ₱65 billion, the budget which was presented as Cabinet Bill No. 50 authorized the appropriation of only ₱61.8 billion.

Expenditures not appropriated in the budget, Virata said, are programmed as part of continuing appropriations in existing laws.

In his budget message, President Marcos said that an obligation budget program of ₱65 billion in 1983 is both feasible and imperative—"feasible because it is consistent with expected resources and imperative because we must achieve the goals of the development plan."

The money bill which the President called "A Budget for Productivity and Equity" and "an instrument for effecting economic turnaround," is expected to grow by 8.8 per cent over that of 1982.

"The ratio of the budget to the gross national product (GNP) will decrease from 16.9 per cent in 1982 to 15.9 per cent in 1983," the President added.

As presented, the budget sets aside 26.4 percent for economic services, 32.2 percent for social services, 10.4 percent for defense, 10 percent for general public services, 12.9 percent for debt service, and 8.1 percent multisectoral.

"Because of our aggressive capital investment program in the seventies and the consequent physical build-up, maintenance and operating requirements will necessarily expand," the President said.

According to him, the resource generation policy will aim at further reducing dependence on revenues from foreign trade transactions and on external borrowings.

The economic and social services sectors, consistent with national priorities, will jointly account for ₱38 billion or 58.6 per cent of the total obligation budget for 1983, the President said.

The following amounts were alloted to various ministries, agencies, and services:

Office of the President, ₱1.3 billion; prime minister, ₱122.2 million; executive committee, ₱8 million; Batasang Pambansa, ₱125.4 million; National Economic and Development Authority, ₱547.1 million;

Ministries of Agrarian Reform, ₱369.5 million; Agriculture, ₱1.1 billion; Education, Culture, and Sports, ₱5.4 billion; state colleges and universities, ₱1.7 billion; Energy, ₱1.8 billion; Finance, ₱761.4 million; Foreign Affairs, ₱473.4 million; Health, ₱2.6 billion; Human Settlements, ₱2.5 billion; Justice, ₱442.1 million.

Labor, ₱133.4 million; Local Governments, ₱244.4 million; National Defense, ₱8.8 billion; Natural Resources, ₱1.2 billion; Public Works and Highways, ₱4 billion; Social Services and Development, ₱414.6 million; Tourism, ₱96.3 million; Trade and Industry, ₱1.2 billion; Transportation and Communications, ₱1.2 billion; Judiciary, ₱402.5 million; constitutional offices, ₱517.9 million;

Tanodbayan, ₱11.4 million; autonomous regions, ₱600 million; corporate equity investments fund, ₱2.6 billion; international commitment, ₱700 million; national assistance to local government units, ₱7.6 billion; national priorities support fund, ₱7.9 billion; personnel benéfits fund, ₱1.9 billion; property insurance fund, ₱200 million; social pricing and development adjustment fund, ₱683.6 million; general funds adjustments, ₱600 million.

CSO: 4220/280

CENTRAL BANK GOVERNOR NOT PESSIMISTIC

Manila BULLETIN TODAY in English 27 Jul 82 p 9

[Text]

Governor Jaime C. Laya of the Central Bank said yesterday that despite a huge balance-of-payments deficit of $675 million during the first semester, the prospects of the Philippine economy was not all that bleak.

Blaming the deterioration of the payments position on the worldwide recession, Laya said that measures already in effect should improve the country's balance of payments picture over the long haul.

He referred to the structural adjustment program under which a series of measures are now being undertaken in energy, industry and the financial system which are all intended to improve the country's external accounts.

These measures require huge amount of financing and foreign loans, Laya said, which explains the increase in the external debts and the payments deficit.

Eventually, he said, these measures would help the economy bring down its dependence on imported energy, improve the export competitiveness of domestic industries and increase the amount of savings that are generated internally, thereby correspondingly cutting down the dependence on foreign savings to fund domestic development projects.

Speaking before the Management association of the Philippines, Laya pointed out that the CB will maintain its policy of letting the exchange rate of the peso determined solely by market forces.

This meant that the peso would be allowed to "freely" seek its own value in relation to other foreign currencies, particularly the strong US dollar.

During the first semester, the peso registered a depreciation of 7.5 per cent. Laya attributed this depreciation not so much to the weakness of the Philippine currency as to the strength of the American dollar which gained heavily on the high interest rates in the United States.

Laya said that the bright spots in the economy have been the performance of the non-traditional exports, whose prices were holding on in the face of a general decline in the prices of traditional exports like sugar, coconut oil, mineral and forestry products.

Another bright spot, he said, had been the increase in the flow of invisible receipts, mostly remittances from Filipino workers overseas.

He said that the CB was ready to extend further incentives to Filipino workers abroad. For one, he disclosed, the CB was considering to extend its rediscount window to loans extended by banks to cover the expenses covering the departure of workers abroad.

CSO: 4220/280

GOVERNMENT TO BORROW SOCIAL SECURITY FUNDS

Manila PHILIPPINES DAILY EXPRESS in English 27 Jul 82 p 16

[Article by George T. Nervez]

[Text]

THE national government will borrow P1 billion from the Social Security System (SSS) through a new issue of Treasury Notes.

SSS Administrator Gilberto Teodoro said yesterday that a new series of T-notes worth P1 billion will be issued by the national government to be exclusively subscribed by the SSS.

He said that the SSS already has substantial holdings of the T-notes worth P600 million, but the government decided on a new issue for its exclusive subscription to generate non-inflationary funds.

The new T-notes issue will have a yield of 14.25 percent, he said.

T-NOTES are direct, unconditional nd fully guaranteed obligations of the national government. They have five-year maturities with nine percent coupon payable semi-annually.

Last week, the Central Bank, acting as fiscal agent of the national government, auctioned off P300-million worth of the T-notes. Accepted bids for the notes had an average yield of 14.139 from a high of 14.1 percent.

It was the 12th auction of the new series of T-notes which was initially sold in August 1981. Total sales of the new notes now amount to P2.527 billion.

THE latest auction, according to the CB, was overscribed as total tenders received which reached P483.8 million, P189.8 million more than the authorized issue.

Teodoro said that SSS funds are presently invested in the Philippine National Bank, the Development Bank of the Phils. and the Union Bank of the Phils.

The PNB, he said, has about P3- billion worth of SSS funds, while about P500 million has been committed to the Union Bank, which the SSS jointly owns with the Land Bank of the Phils.

The SSS head also said that SSS collections from members' contributions slowed down last year because of labor strikes and lay-offs.

CSO: 4220/279

NEW TAX MEASURES REVEALED

Manila BULLETIN TODAY in English 30 Jul 82 pp 1, 12

[Article by C. Valmoria, Jr.]

[Text]

The government will tap all possible sources of revenue, including the imposition of five new tax measures, to support the 1983 budget and attain the goal of the development program.

This was revealed by Prime Minister Cesar Virata in his sponsorship speech of the money measure, in which he said the government proposes to:

1. Reduce tax incentives of sectors which failed to expand due to excessive protection and the absence of effective competition.

2. Impose five new tax measures.

Virata said the 1983 revenue program is expected to raise about ₱900 million from the five new tax measures. He said these proposals were formulated with the ability-to-pay principle as the overriding concern.

He said the government has explored areas where new revenue sources will have the lightest effect and in line with the equity consideration.

Among the principal measures being reviewed for the consideration of the Batasang Pambansa, are:

1. Imposition of the value-added tax on the second sale of articles listed under Section 194 (percentage tax on the sale of non-essential articles) and Section 196 (percentage tax on the sale of certain semi-essential articles) of the National Revenue Code.

2. Adoption of a uniform five per cent franchise tax, except for electric utilities.

3. Upward revision of the percentage tax on certain services.

4. Restructuring of the present tax scheme for cigarets, liquors, and petroleum products from fixed rates to ad valorem rates, or a mixture of both.

5. Updating of fees and charges being collected by government agencies.

Virata noted that the proposed adjustment of fees and

charges is one of the measures which would have a substantial impact on revenue collections.

Virata said although the final estimate is still being firmed up, he expected the government to collect as much as ₱400 million from the upgrading of service fees and charges in 1983.

Virata said, the increase in rates will be undertaken to enable government agencies to reflect their current costs so that they can expand and deliver better services to the public.

"We will minimize the increase of existing fees or charges of agencies primarily providing services to the low income group," he said.

In addition to these proposals, the prime minister said, concrete measures are being identified to further rationalize the present fiscal incentive scheme.

The primary objective, he said, is to promote production efficiency by ensuring the most economic allocation of the economy's scarce resources.

He added that the incentive package will be maintained or broadened in areas with high growth potentials and in which the govenment has substantial comparative advantage.

Meanwhile, an opposition assemblyman urged that the Philippines should assert its sovereignty and refuse to accept unreasonable conditions set by International Monetary Fund (IMF).

Assemblyman Jesus Villegas admitted that the IMF has the right to set certain conditions to ensure repayment of loans. However, he stressed, if the IMF condition should erode the country's sovereignty, it should be rejected, no matter how badly the country needs the money.

He reminded the Batasan of the need to preserve the sovereignty and independence that the Philippines as a nation has struggled hard to earn.

Villegas questioned the proposition that the IMF condition was only imposed by the American-controlled financial institution to set the economy right.

CSO: 4220/281

WAGE ISSUE SPLITS LABOR RANKS

Manila BULLETIN TODAY in English 28 Jul 82 pp 1, 11

[Article by Chito Parazo]

[Text]

Labor organizations affiliated with the Pagkakaisa ng Manggagawang Pilipino (PMP) said yesterday that any wage increase, at the moment, must be sought through collective bargaining agreement (CBA) rather than through indiscriminate legislation.

Other labor groups, headed by Pelagio Villegas Jr., national president of the Pangkalahatang Kilusan Ukol Sa Paggawa (Pakiusap) and executive officer of the PLUM Federation of Industrial and Agrarian Workers, also agreed that any unrealistic wage hike would only worsen the country's economy further.

The Employers Confederation of the Philippines (ECOP) urged the Labor Ministry last night to convene soonest a tripartite conference on employment and productivity.

ECOP said that any wage hike at this time is sure to trigger a vicious spiral of costs and wages and cause the closure of more business firms, throwing more people out of work.

The Trade Union Congress of the Philippines (TUCI) had earlier proposed that workers be given a ₱3 across-the-board wage increase to allow them to cope with the increasing cost of living.

The President, however, rejected this demand in his State of the Nation address at the Batasan.

Labor sources said yesterday that the wage issue has apparently split organized labor into two groups.

TUCP has been asking for a substantial wage hike while PMP and other labor federations are in favor of freezing wages for the time being, if only to protect the present employment of workers.

Pakiusap President Villegas said yesterday that instead of asking for an unreasonable and unrealistic wage increase, labor leaders should appeal to Labor Ministry officials to resolve all pending labor disputes to give justice to workers who have been booted out without cause.

He said that his 123 unions lauded the move of the President in rejecting the demand of TUCP, to protect the present employment of hundreds of thousands of workers.

The PMP, which is led by the Kilusang Mayo Uno of Felixberto Olalia and the Trade Unions of the Philippines and Allied Services (TUPAS) headed by Bonifacio Tupaz, said it would abide by the decision of the President in order not to de-stabilize the economy of the country.

Former Deputy Labor Minister Amado "Gat" Inciong, whose Solidarity union is affiliated with KMU, said that an across-the-board-wage increase, no matter how much, would push many companies under and aggravate the country's unemployment problem.

Considering the present economic crisis, Inciong said, the President really had no choice but to reject TUCP's demand for a ₱3 across-the-board wage increase.

Tupaz said that before the government looks into wages, it should first resolve the freedom of workers as defined in their collective bargaining.

He claimed that workers are now being terminated even without justifiable cause.

Inciong proposed the lifting of repressive barriers to the exercise of the right to strike under Batas Pambansa 130 and 227.

He said this would enable unions to demand effectively wage increases against financially able companies without necessarily hurting distressed employers.

Inciong also proposed that the government roll back the prices of rice, sugar, and power which have been jacked up at a time when, based on world market conditions, their prices should have gone down.

The ECOP said it would meet to discuss the implications of President Marcos' pronouncements before the Batasan recently.

ECOP proposed that organized labor and employers place more stress on productivity and cooperate as social partners equally struggling for economic survival in these hard times.

CSO: 4220/280

LABOR DROPS WAGE DEMAND

Manila PHILIPPINES DAILY EXPRESS in English 29 Jul 82 pp 1, 6

[Article by Jaime S. Reyes]

[Text]

THE TRADE Union Congress of the Philippines yesterday had a change of heart on its demand for a wage increase.

It is dropping for the time being its proposal for a P3 daily across-the-board pay increase, but is pressing for the integration of allowances into the worker's basic salary and the lifting of exemptions (from payment of allowances) granted to distressed industries.

TUCP president Democrito T. Mendoza said the labor group is also seeking a freeze in the prices of basic commodities to enable workers to cope with the increasing costs of living.

The new TUCP position is expected to be presented during a national tripartite conference on employment and productivity to be convened by the Ministry of Labor and Employment next month or early September.

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MENDOZA said the change in the TUCP wage increase proposal was made in deference to President Marcos' request. He added that the P3 wage hike "might not be attained for now."

The President had rejected the TUCP's P3 wage hike proposal on the ground that it was "unrealistic"

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TO GIVE the Kilusang Kabuhayan at Kaunlaran and the social forestry programs to identify potential areas for viable resource-based enterprises for kaingineros, the President also declared all remaining unsurveyed and unclassified lands of public domain as forestlands.

He issued another LOI for the sub-classification of lands for various uses. To make sure that they are productively used, the President ordered a resurvey of all special areas such as tourism sites, military and civil reservations and national parks.

On the development of aquatic resources, the President directed the channeling of about P100 million subsidy to the Biyayang Dagat program to help municipal fishermen meet the high cost of fuel.

He also directed the MNR to identify areas that could be proclaimed as communal fishing grounds for the exclusive use of small fishermen.

To promote employment and the forest conservation program, the President also ordered the implementation of decrees requiring all timber leaseholders to own processing plants or have equity in corporations operating wood processing plants.

As another conservation measure, the President ordered the ratification of the Convention of the International Trade in Endangered Species of Flora and Fauna.

considering the present economic situation.

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TUCP figures show that industrial workers in Metro Manila will get a basic minimum daily wage of P29.95 if all allowances are integrated into the basic pay while those outside the area will receive P28.95.

Minus the allowances, non-agricultural workers in Metro Manila now get an P18 minimum daily wage and P17 for those outside the region.

The integration of allowances into the basic salary would mean a higher base for the computation of overtime pay, 13th month pay and other benefits.

Quoting statistics, Mendoza said the earnings of skilled workers increased by 140 percent from 1957 to 1980 while those of unskilled workers rose by 152 percent as compared to the 324-percent increase in the consumer prices for the same period.

He said the share of labor in the total cost of production averages only from 8 to 12 percent. The share of the cost of materials is 27 percent and that of the cost of money is from 24 to 25 percent.

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MENDOZA said the TUCP will decide today whether to push its planned one-day nationwide rally to press its demands as decided on last Sunday by its 2,000 labor leaders and union officials.

Sources said the proposed rally will definitely be pushed by the TUCP and the only remaining problem is the date and the form of mass action the TUCP will hold.

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ANOTHER labor leader, Bonifacio V. Tupaz of the Pagkakaisang ng Manggawang Pilipino, said the labor group is batting for wage increases through collective bargaining negotiations and not through government intervention.

Tupaz branded as "unjustifiable" the P3 wage increase proposal of the TUCP because this may lead to the closure of many small business and service establishments.

CSO: 4220/279

MALNUTRITION, INFECTION THREATEN CHILDREN

Manila PHILIPPINES DAILY EXPRESS in English 27 Jul 82 p 12

[Text]

Toto, an eight-month old baby boy, has been in and out of hospital since he was three-and-a-half months because of chronic coughing and hoarseness.

He and his family live in a congested area in Sta. Cruz, Manila. His parents, both vegetable-vendors, earn 20 pesos a day.

Nene, his two-year old sister, also has had frequent coughs and colds.

While their parents are at work, the two children are left in the care of their grandmother, who herself has had a history of pulmonary tuberculosis.

Toto and Nene are underweight and are suffering from "moderate" malnutrition. Both have probably contracted TB.

Their condition is commonplace, a mute, painful reminder that today, midway through the Decade of the Filipino Child (1977-1987), the fight against malnutrition and disease among Filipino children remains an urgent national concern.

In 1979, speaking before the 16th annual convention of the Philippine Pediatric Society, then Health Minister Clemente S. Gatmaitan pointed out that "from the public health standpoint, infections and malnutrition are the two leading causes of mortality and morbidity of children in our country."

Statistics from the Disease Intelligence Center show that, of the 10 leading causes of death among infants, eight are due to various infections and nutritional deficiencies like avitaminosis (a disease caused by lack of vitamins).

Infant deaths due to avitaminosis and other nutritional deficiencies rose sharply during the first half of the 1970s. From six percent in 1970-1974, infant deaths due to these causes went up to 12.6 percent of all infant deaths in 1975.

These statistics are born out by equally grim findings on the prevalence of malnutrition, particularly among the young.

Surveys made by the Food and Nutrition Research Institute (FNRI) in the mid-1970s showed that the average food intake of Filipinos is seriously deficient in such basic nutrients as calories, protein, vitamin A, thiamine, riboflavin, calcium, iron, and ascorbic acid.

The deficiency among children and pregnant and nursing mothers is even worse, other FNRI studies showed. They are the ones hardest hit by the most widespread forms of malnutrition.

The most serious form of nutritional deficiency in the Philippines is called protein-energy-malnutrition (PEM). It is caused by the deficient intake of protein and calories, resulting in poor growth, loss of weight, low resistance to infection, and in its extreme, *marasmus* (the gradual wasting away of the body) or *kwashiorkor*

(severe malnutrition marked by anemia, potbelly, and loss of hair).

Weight is the most telling single indicator of PEM. According to estimates based on results of the weight survey done under "Operation Timbang" in the mid-1970s, as many as three million (out of 10 million) preschoolers suffer from moderate to severe protein-energy-malnutrition.

Vitamin A deficiency (which leads to eye damage or even blindness) and anemia are other widespread forms of nutritional deficiencies. FNRI dietary surveys show that as many as 40 percent of preschoolers are afflicted by these.

Malnutrition and infection feed on each other, in a manner of speaking. Malnutrition renders its victim vulnerable to infection. Illness, on the other hand, usually restricts the diet of the sick.

"There is therefore a need to break the vicious cycle of malnutrition and infection in childhood," Gatmaitan stressed. Children early in life, he added, should receive a diet that will insure healthy growth and development and effective immune response to infection."

PCF Media Service

CSO: 4220/279

IMPROVED NUTRITION LEVEL REPORTED

Manila PHILIPPINES DAILY EXPRESS in English 28 Jul 82 pp 1, 6

[Text]

THE FIRST LADY, Imelda R Marcos, dismissed yesterday as "ridiculous" claims by some quarters, especially the Western press, that 70 percent of Filipino children are malnourished.

Mrs. Marcos said that some people who wish to denigrate the country were deliberately being "fast and loose" with their statistics

The fact is the Philippines has one of the most organized, efficient and viable nutrition programs in the world, the First Lady said in an interview with newsmen.

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SHE EXPLAINED that a 1978 survey conducted by the Food and Nutrition Research Institute under the National Science and Technology Authority showed that only 1.6 percent of pre-schoolers were suffering from malnutrition,

The 1982 survey currently under way is expected to show an even lower percentage, she said.

"No Filipino dies of starvation," she said, and cited statistics gathered from the 1978 survey that the country has overcome the "protein gap" and is only 11 percent shy of attaining a 100 percent adequacy in energy intake (fats and carbohydrates.)

* * *

THE FIRST LADY said that these statistics show that the people have achieved 88.6 percent adequacy in energy, 102.9 percent in protein, 91.7 percent in iron and 68.6 percent in vitamin A.

She attributed these strides to the integrated nutrition program launched in 1975 and the spread of education and information among the citizens.

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THE FIRST LADY said the Nutrition Center of the Philippines has been affiliated as college of the World University of the United Nations for the last three years.

She added that the Philippines has been cited by the World Bank as one of three countries, along with Brazil and Colombia, that has a model nutrition program.

In the face of these statistics, Mrs. Marcos said, "it is sad that some people were bent on making us look like a nation of malnourished people."

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SOME REPORTS appearing in the Western press lumped the Philippines with Bangladesh, Senegal and countries in the Sahel, as having a similar malnutrition rate.

She said that with the Kilusang Kabuhayan at Kaunlaran (KKK) gaining momentum in both urban and rural areas, the nutrition level among Filipino families would increase further as per capita intake of nutrients increases.

Mrs. Marcos said that "we should look at it (nutrition problem) in a broader perspective," saying that the country has many problems as many other countries do have problems.

She cited the stress on food production to feed the growing population and to ensure that nobody dies of hunger in this country.

She said the emphasis would remain with the children who are most vulnerable to the adverse effects of malnutrition, especially those below six years old.

She also said that malnutrition can also come from low food intake in some pregnant and lactating mothers resulting in lower birth weight in some babies.

But all these, Mrs. Marcos said, are being overcome by an information and educational campaign among children and parents.

CSO: 4220/279

MUSLIM HOUSING PROGRAM TO BE LAUNCHED

Manila BULLETIN TODAY in English 30 Jul 82 pp 1, 13

[Text]

A massive low-cost housing program will soon be launched in the Moslem provinces of Zamboanga, Davao, Cotabato, and Lanao, with the support of Arab funders.

The program, intended to alleviate the acute housing problem of the Muslim population in Mindanao, will make use of wooden pre-fabricated components to be manufactured by the rehabilitated facilities of Sta. Clara Lumber Co.

An initial 3,000 houses will be built under the program, it was learned

The manufacturing and logging facilities of Sta. Clara, which ceased operation last year, are scheduled to be reopened by the Sta. Clara Housing Industries, Inc. (SCHI), a consortium organized with the support of the Development Bank of the Philippines (DBP) and under the leadership of lawyer-businessman Nordy P. Diploma, chairman of Buenavista Timber Corp.

After it ceased operations, Sta. Clara was taken over by the DBP which had ₱180 million in the firm. The DBP and the Diploma group are now starting to settle the unpaid claims of some 3,000 displaced workers and their 15,000 dependents.

Many of the 18,000 workers and their dependents are Muslim Filipinos residing in Zamboanga, Davao, and Sultan Kudarat.

Under the rehabilitation plan for Sta. Clara, according to Diploma, his group is bringing in fresh capital to provide funds for the repair of manufacturing and logging machinery and equipment, and for the eventual payment of all unpaid obligations.

As an initial step, SCHI is selling to Japan $3 million worth of logs from the unutilized log export quota of Sta. Clara.

Proceeds from the log export will be applied against Sta. Clara's debt to DBP and to partially settle the wage claims of its workers. Yesterday, President Marcos approved Sta. Clara's application for extension to use its remaining log export quota on the recommendations of DBP.

Diploma lauded the President for acting immediately to assist the distressed logging firm and to defuse the labor tension in the areas of Davao, Zamboanga, and Sultan Kudarat where Sta. Clara has been operating.

CSO: 4220/281

INCREASED RELIANCE ON DOMESTIC ENERGY SOURCE

Manila BULLETIN TODAY in English 28 Jul 82 p 19

[Text]

Domestic energy sources increased their contribution, from about 24 per cent or one-fourth of total energy consumed to about one-third or 30 per cent for the period January to May.

The bureau of energy utilization said domestic oil production increased by 288 per cent with the entry of Cadiao oil as addition to Nido oilfield production.

Similarly, increased contributions came from geothermal energy and hydropower sources as a result of higher output levels from old and newly-installed power-generation units.

Coal usage on the other hand, remained at last year's level pending the conversion of cement plants from oil to coal use slated later this year.

As a result of higher domestic energy contribution, the usage of imported oil dropped by 9 per cent, from 28.8 million barrels last year to only 26.2 million barrels as of May this year, resulting in foreign exchange savings estimated at $85.8 million.

The utilization of indigenous sources totalling 11.2 million barrels (about 30 per cent of total energy demand) also enabled the country to save foreign exchange estimated at $336 million.

CSO: 4220/280

LEYTE POWER TO BE LINKED TO LUZON GRID

Manila BULLETIN TODAY in English 28 Jul 82 p 19

[Text]

The National Power Corporation (NPC) is reviving its plan to link the vast geothermal reserves of Leyte to the power requirements of the Luzon grid.

Gabriel Y. Itchon, NPC president, disclosed in an interview yesterday that the ₱2.9 billion submarine cable project is being pursued by the government as an alternative to the coal thermal plant in Isabela whose establishment has been eyed earlier.

Initially, Itchon said NPC is asking the Overseas Economic Cooperation Fund (OECF) of Japan for a financial assistance of $2 million to support the cable's final engineering study.

The amount is actually a surplus from the eighth yen credit program provided by OECF for the construction of the first geothermal plant in Tongonan, Leyte.

The submarine cable project has been envisioned owing to Leyte's proven geothermal reserves of which 552.5 megawatts are being tapped by 1986. Moreover, the reserves cannot be fully utilized since there is no large industrial market in the province.

Leyte's resources could not also be linked to the Visayan grid owing to the region's geography.

Itchon said the submarine cable project will include the infrastructures needed in transmitting the power to Sorsogon and Naga through the island of Samar.

Itchon said the project is being placed on the drawing table should a study on the lignite coal reserves of Isabela prove that putting up a coal thermal plant there is not viable.

If, however, the study proves otherwise, Itchon said priority will be given to the establishment of the Isabela coal thermal plant.

Dames and Moore, the British consultant assigned to do a study on the viability of putting up coal thermal plant, has already submitted its findings to NPC. NPC, according to Itchon, is still evaluating the results of the study.

The country's second thermal plant is being eyed in Isabela after PNOC Exploration Corp. confirmed last year the huge reserves of lignite coal in the area.

Lignite coal is suited best for power generating plants.

CSO: 4220/280

MARCOS LIFTS LOG EXPORT BAN

Manila PHILIPPINES DAILY EXPRESS in English 29 Jul 82 pp 1, 6

[Text]

PRESIDENT MARCOS authorized yesterday the continued exportation of logs until the end of this year, but warned that only exporters who follow the guidelines would be granted licenses after that cut-off date.

The guidelines are:

- That the log processing program of exporters must be resumed and continued

- That for every tree cut, three seeds of the same species must be planted for reforestation.

* * *

THE PRESIDENT said that exporters without contracts for machineries to process logs cannot be licensed to export.

He directed the Ministry of Natural Resources to organize inspection teams to make periodic surveys of logging concessions to see that these conditions are met.

Keynoting the eighth anniversary celebration of the MNR at Malacanang, the President also announced that the government would continue its financial support to the copper industry

He said the support was to prevent the lay-off of some 40,000 workers of copper companies.

* * *

IN THIS connection, he appealed to the labor sector not to ask for wage increases "because these are very sensitive times."

"Let us be sober and cautious because these are very sensitive times. There are some investors watching from the sidelines and they keep telling me that they cannot afford to come in if labor becomes restive," he said.

To enhance the right of access of the rural folk to the country's natural resource, the President also signed a Letter of Instruction transforming the Program for Forest Ecosystem Management (PROFEM) into an integrated forestry program to be known as PROFEM II.

The President said that this program is aimed at winning over the kaingineros as effective agents for food production and the rehabilitation of denuded forest

CSO: 4220/279

RESULT OF LOG EXPORT BAN LIFTING

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 82 pp 1, 2

[Text] The Government decision to continue allowing the export of logs until December would prevent a dislocation in the wood industry and the consequent lay-off of roughly 35,000 workers, industry sources said yesterday.

The lifting of the log export ban, ordered by the President the other day, would also help generate more foreign exchange earnings, they added.

For the first half of the year the country's trade deficit reached $1.3 bill billion which the Central Bank traced to the softening in the prices of Philippine exports in the world markets.

With the lifting of the export ban, the local wood industry can still export some 700,000 cubic meters of logs which at the current price of $210 per cubic meter could generate roughly $83.5 million this year.

From January to June the industry shipped 100,000 cubic meters of logs worth $12.5 million.

Last year log export sales totalled $76 million for a volume shipment of 416,673 cubic meters.

Of the 279 logging firms throughout the country, only 21 will be initially allowed to export logs.

These log exporters are: Pagdanan Timber, Kalilid Wood Industries, Surigao Development, Taggat Industries, Western Palawan, San Jose Timber, Paper Industries Corporation of the Philippines, Rustan's, Pamplona Redwood, Veterans' Woodworks, Acme Plywood, Southern Plywood, Southern Agusan Timber, Liberty Forest, Timber Industries, El Salvador, Sierra Madre Wood, Sta Ines Melale Forest, and Cellophil Resources Corp., Dolores Timber and a person named Amelil Malaquoik.

Industry sources said that these exporters will have to "keep their hands clean" if they want to continue exporting logs.

The Ministry of Natural Resources (MNR) has formed a team to see to it that the log exporters follow the guidelines:

1. The exporters must resume their log processing and not engage only in exportation.

2. They must plant three seeds for every tree they cut. Those planted must be of the same species as those cut.

The Ministry has also issued two new measures to curb log smuggling.

The first measure designated 15 ports in the seven regions of the country where log shipment may be loaded.

All loadings in these ports will be made only in the presence of a team composed of representatives from the Bureau of Forest Development, the Bureau of Customs and the ministry.

The exporters also have to show a clearance from the composite team. Failure to show clearance will be a ground for the confiscation of the shipment and impounding of the vessel.

The second MNR regulation allows the export of logs of no less than 5,000 cubic meters per shipment.--RP

CSO: 4220/279

JAPAN FUNDS MINERAL EXPLORATION PROJECT

Manila BULLETIN TODAY in English 27 Jul 82 p 15

[Text]

Japan extended to the Philippines a grant amounting US$9-million (P2,140,000,000) for the off-shore mineral exploration project. The notes were signed by Foreign Minister Carlos P. Romulo and Japanese Ambassador Hideho Tanaka, at the Ministry of Foreign Affairs last week.

The grant includes a gross tonnage (GRT) vessel and equipments necessary for the survey of potential mineral resources in the continental shelf and shallow waters surrounding the Philippines. The survey will be conducted by the Bureau of Mines and Geo-Sciences (BMGS) which is under the Ministry of Natural Resources (MNR).

The natural resources, most especially mineral resources, are vital and indispensable to the industrial growth of all countries.

The objective of this project is to explore rapidly and systematically the off-shore regions of the Philippines in order to locate and delimit the economic mineral-bearing areas and, to acquire up-to-date information on the mineral potential and geology of off-shore areas. This project will also study structures favorable to commercial concentrations of essential minerals. To realize the above objectives, the Bureau of Mines and Geo-Sciences will undertake the marine seismic survey using the air-gun system, marine magnetic survey, core and bottom samples gathering, and data compilation, processing and interpretation.

At present, the export of copper, nickel and other mineral resources serves as a major dollar-earner for the Philippines. Therefore, as a result, this project will generate more sources of foreign currency for the potential development of the Philippines in the industrial field.

CSO: 4220/280

GOVERNMENT SERVICES IN NPA CONTROLLED AREA

Manila BULLETIN TODAY in English 27 Jul 82 p 14

[Article by Ruben C. Guevarra]

[Text] Iloilo City--The Iloilo District Fishery office in this city under OIC Landrico Danas has dispersed some 173,500 tilapia fingerlings from January to July this year to all towns in Iloilo province.

Danas told OIC Hermenegildo Magsuci of the bureau of fisheries and aquatic resources (BFAR) for Western Visayas that it will be easy to produce the target of 850,000 fingerlings for 1982. For 1981, the Iloilo district of BFAR dispersed more than 1.8 million fingerlings.

He said the Western Visayas Demonstration Fish farm (WVDFF), where the fingerlings were produced, was able to service the towns of Cabatuan, Igbaras, Leon, Calinog, Lambunao, Maasin, Passi, Tubungan, Pototan, Dingle and Alimodian, all in Iloilo province.

Most of the towns mentioned are NPA-controlled or threatened areas.

CSO: 4220/280

BRIEFS

PAMPANGA DISSIDENTS SLAIN--Camp Olivas, Pampanga, July 27--Five dissidents, including a commander were killed this morning during an encounter with PC troopers in barangay Villa Foresca, San Jose City, Nueva Ecija. Col Isidoro de Guzman, deputy commander for operations of Recom III and concurrent Cabanatuan (Nueva Ecija) task force chief said that of the five slain dissidents only one had been identified. He was one Commander Pepeng. Another dissident, identified as Ka Amed, escaped during the 45-minute gunbattle, de Guzman said. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 28 Jul 82 p 7]

MNLF MEMBERS SURRENDER--Some 120 members of the Moro National Liberation Front under two commanders in Luuk and Patikul, Sulu, surrendered yesterday in Camp Asturias, Jolo. The mass surrender capped this year's Hari-Raya Puasa (thanksgiving) celebration in Julo. The surrenderers made their pledge of allegiance to the government with the left hands of their commanders placed on top of the Koran, the Muslim bible. The surrenderers were led by their commanders during the rites, identified as Commander Maas Asab of Luuk and Mahajiri Sal of Patikul. Their pledge of loyalty was made before top local and military officials led by Lt Gen Fidel V. Ramos, AFP vice chief of staff and PC chief. [Text] [Manil PHILIPPINES DAILY EXPRESS in English 29 Jul 82 p 2]

VALUE OF MINERAL OUTPUT DIPS--The value of domestic mineral production dropped 11.96 percent during the first half of the year but the bureau of mines predicted copper and gold prices would be at firmer levels at the end of 1982. The bureau's first-half year report said the downtrend was due to high fuel costs and generally depressed market prices in both metallic and non-metallic sectors. Copper production dropped to 143,483 tons or 3.65 percent below the January to June 1981 output with value falling to P1.6 billion from P1.9 billion, it said. Gold output rose to 11,765 kg this year from 11,414 due to slightly higher mill recovery but production value continued lower. Copper and gold prices are expected to end the year at firmer levels, following the anticipated recovery in economic condition worldwide, the bureau said. As a result, a slow development in the local copper industry may be expected to persist until year-end, it added. The bureau said a mild recovery towards the end of 1982 would largely depend on whether world economic conditions ease up. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 29 Jul 82 p 11]

CSO: 4220/279

LARGE INCREASE REPORTED IN OVERSEAS REMITTANCES

Colombo DAILY NEWS in English 21 Jul 82 p 4

[Article by Mallika Waniga Sundara]

[Text] Remittances of Sri Lankan expatriates have become the nation's largest foreign exchange earner next to tea. No wonder then that the Government has decided to take the exodus in stride. And never mind the brawn and brain drain.

It is made of the stuff that the young dream of. For Munchi, the servant girl from Colombo, that dream came true. She went to the Middle East as a housemaid and before long she married her employer, a Swedish engineer.

Munchi doesn't speak English or any other language except Sinhala. But "body language"--as someone put it, not unkindly, and the blessing of the gods--took her on a honeymoon to Kashmir.

Now she is back on a holiday in Sri Lanka looking for land which her husband hopes to buy for her.

But for 19 year - old Seethi Yassin, the prospects are bleak both at home and abroad. She is married and pregnant. A religious court in Abu Dhabi has sentenced her to 100 lashes for fornication. Her lover, a 23 - year - old Indian named Abdul Ahmed Kouti and a much married man, faces an untimely death by stoning according to the court order.

Gomes worked in a Colombo firm as a workshop supervisor. He went to the Middle East, brought back savings to keep his family in comfort. He hopes to buy a house and property. And rather surprisingly, he has taken back his old job in his old firm.

Mallika's mother sold onions at the public market. Mallika went off to the United Arab Emirates as a housemaid. she has now returned and with her savings she bought a minibus. This she plies as a private coach carrying passengers in transport - starved Colombo.

Justin, an artificer in the navy, was borken - heafted when he came from the Middle East. His family went on a spending spree and frittered away all the money he had remitted. Even their house is in a bad state of disrepair.

So the tale goes on -- of men and women who spend their riyals and dinars wisely and profitably. But there are those who spend well but not too wisely. Others come back alive but empty - handed; still others return tragically for the last time to be buried in the land of their birth.

But the figures seem to justify an earlier announcement of President Jayewardene that the country should plan to send 100,000 Sri Lankans to the Middle East. And never mind the brain and brawn drain.

For remittances from Sri Lankans working abroad have become the largest foreign exchange earner next to tea. In 1981, the

country earned Rs.4,400 million (US$219 million) from earnings sent home by expatriates. This improves the 1980 performance at least thrice. In 1980 Sri Lanka earned Rs.1,518 million (US$76 million) from foreign employment.

This dramatic rise in foreign exchange earnings from Sri Lankan expatriates pushes two of Sri Lanka's plantation crops -- coconut and rubber -- further down the line. Next to tea (Rs.6,444 million or US$321 million) came foreing employment, petroleum products (Rs.3,390 million or US$169 million) and tourism (Rs. 2,270 million or US$113 million). Rubber and coconut followed.

No wonder the Government has decided to take the exodus in stride and actually encourage it. Estimates are that between 40,000 and 50,000 Sri Lankans are working abroad, mainly in the Middle East.

High - powered ministerial teams have been sounding out Arab nations on the possibility of employing more Sri Lankans. The responses, so far, have been encouraging. For instance, Saudi Arabia has told Colombo that it is prepared to employ 12,000 Sri Lankans this year.

The Government is even considering advertising to lure the Arabs to employ more Sri Lankans. There is also a plan to use Sri Lankan embassies in the Middle East to keep tab on available jobs there.

The salaries of expatriate workers are very high by Sri Lankan standards. Nevertheless, there have been many instances when employers pay less than the agreed amount once the Sri Lankan arrives in the Middle East. The most common victims are housemaids and nannies.

As a result, the Labour Department now requires employment agencies to make sure that the women are paid a minimum of US$250 a month. A survey by the Sri Lanka Ministry of Plan Implementation has revealed that housemaids and nannies in Saudi Arabia, Bahrain, Qatar and Kuwait receive between Rs.2,000 (US$98) and Rs.5,000 (US$249) a month.

A stenographer, particularly in Saudi Arabia, can earn as much as Rs.13,000 (US$660) a month. The price for typists goes up from Rs.7,000 (US$348), clerks, receptionists and secretaries can draw as mcuh as Rs.20,000 (US$997) a month, the bottom level being Rs.4,000 (US$199).

A doctor gets anything between Rs.26,000 and Rs.35,000 (US$1,295 - US$1,745) while an engineer gets between Rs.15,000 and Rs.28,000 (US$748 - US1,395). Pharmacists, nurses, medical technicians can get as much as Rs. 29,000 (US$1,445) a month, the bottom limit being Rs.4,000.

Transport Minister M.H.Mohamed who recently toured the Middle East, has urged that work contracts should be more systematised to protect new labour recruits. He had suggested that employment contracts should be signed in Sri Lanka and countersigned by the Labour Minister. Without the Labour Minister's signature, no passport would be issued. (Depthnews Asia)

CSO: 4220/281

FOOD STAMP USERS INCREASE

Colombo DAILY NEWS in English 21 Jul 82 p 1

[Text] A government decision on whether the food stamps scheme, now costing the economy over Rs. 1,500 million annually, will continue, must be taken shortly, authoritative official sources said yesterday.

These sources said that a detailed survey had been done countrywide and the figures available up to now indicates that while a large number of ineligible persons are enjoying food stamps, a much larger number of eligible people entitled to the benefit are not getting the stamps.

"We have only got results of the survey from 18 administrative districts of the 24. From the figures compiled by special services officers, cutting off the ineligible and servicing the eligibles will mean adding over half a million names to the food stamp lists, these sources said.

Very preliminary estimates suggest that if the government acts on the basis of the presently available figures, a total of around 8 million people will be entitled to food stamps.

Right now, in addition to regular food stamp issues, special food stamps are being issued as drought relief. According to the social service authorities, drought relief payments must continue because those affected need this assistance until a new crop is in.

According to Food Department figures there were over 13 million rice ration book holders in 1978 when rice was issued on the ration. Following the decision to give the benefit of the rice subsidy only to the neediest sector of the population (computed on the basis of a cut-off point of a family income of Rs. 300 monthly), the number fell to somewhere near 8 million.

The number benefiting from food stamps introduced in 1979 has now grown from the original 7.3 million and the present indications are that the figures will even surpass 8 million if eligibles now not on the lists are accommodated.

The big question is: can the economy carry the burden?

While the recent Aid Consortium meeting in Tokyo stressed that the country must try to mobilise more resources locally, some donors, notably the Scandinavian countries and the Netherlands stressed that social welfare must not take a back seat and that Sri Lanka must continue to give priority to the physical quality of life or its people.

CSO: 4220/281

EDITORIAL CAUTIONS ON GOVERNMENT SPENDING

Colombo DAILY NEWS in English 21 Jul 82 p 4

[Editorial]

[Text]

Criticism, often mistaken for irreverence by minor barons, generally affords a more constructive contribution to the welfare of any society, than vain flattery.

For that reason, it is not surprising that the World Bank and the donor community, while generally appreciative of Sri Lanka's performance, have gone on to point to certain laxities threatening to grow upon the scenes of our economic build - up.

The gains under the present Government are writ large upon the landscape. The progress with the Mahaveli Scheme, the employment generated, the targets achieved in food production, the output of trained men, the preservation of fundamental human rights, the repeated salary adjustments — all speak of a nation on the march.

But we have been clearly told that our expenditure could be running too high; that the Government expenditure must be scaled down to reasonable proportions.

The point ought to be well taken. World inflation is one matter: the costly luxuries of petty potentates quite another. One of the most serious drawbacks to productivity, one of the most tragic reasons for rising costs has been the farming of contracts and jobs, the duplication of staff and the extensions granted to persons with little claim to justify their continuance in a organisation. All this means money down the drain.

This has been particularly true in State projects, and in State - controlled establishments. When a party is returned to power, everyone claims to have supported it. Everyone is a loyalist — even if he once reviled the leader of the UNP himself. Sadly, such pretenders get away with it too often.

That is because one of the weaknesses of democratic rule is that it throws up, into positions of responsibility, a number of mediocrities. The latter then set out to enlarge their own image by building up their own following of unquestioning puppets. Basically, this amounts to no more than the satisfaction of private pleasures at public expense: a luxury we can ill afford.

The breakdown that often results is personal not institutional.

The truth is, that the tendency for idling parasites and henchmen, to harbour old buddies and plain suckers, has grown with time. Collectively, they are a drag on the best of plans; a heavy drain on scarce funds and a threat to national efficiency and morale.

The wastage of petrol in State departments could offer another pointer to the laxity that is

infecting the public sector.

Sadly for the country, all this is laid at the door of the ruling party. Others, in their day, could have done all that and much worse, but the question at issue is different. It is the record of the present Government that will come up for review shortly.

That reality ought to stir the UNP's high command to make some effort to identify quislings, interlopers in its ranks, and its own Judases as well, throughout its far-flung network of operations.

We have heard already of smear campaigns. But there are clearly other intrigues that could be going on under cover of communal and religious labels. Are there not trusted lieutenants signing a separate peace here and there?

When such forces are allowed a free hand, it is not merely laxity but wholesale licence, corruption and anarchy that emerge — all at public expense!

The caution sounded by our donors might, if followed, lead to more — to some timely discovery of a dangerous canker. It is competence and integrity at all levels, not the hollow howls of jackals or jackbooting of double-dealings satraps, that will see the nation through.

It is time the Yellow Card were shown to some fancied players for foul tackles and boorish behaviour.

CSO: 4220/281

BRIEFS

FISH MEAL PLANT PLANNED--The Ministry of Fisheries has decided to set up its first fish-meal plant at Karanaigar. The Rs. 10 million factory will process a variety of small fish not popular among consumers particularly in the Karainagar area. The Secretary to the Ministry Mr Anura Weeraratne finalised arrangements with his officials for constructing and equipping the factory a few days ago. The preliminary work is already in hand. In its initial stages the factory will be able to process 50 tons of silver-belly (Karala) and other small fish. Large quantities of this fish, it is stated, now go to waste daily. The processing factory will buy the raw material it wants from fishermen of the area. [Text] [Colombo DAILY NEWS in English 21 Jul 82 p 11]

CSO: 4220/281

GEN HAN EXPRESSES VIEWS ON ANTI-CPT EFFORT, DICTATORSHIP

Bangkok LAK THAI in Thai 1 Jul 82 pp 18-21

[Speech by Lieutenant General Han Linanon, the Commanding General of the Fourth Army Area, at the Auditorium of the Army Club on 20 June: "The Things That Have Given Rise to Dictators and Black Powers Lie With Us and Not With Others"]

> [Text] Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, attended the debat at the auditorium of the Army Club on 20 June. The debate was sponsored by the Thai Defense Foundation. Many interesting things were said during the discussion. LAK THAI feels that it would be very beneficial for readers to learn about events and the way to defeat the communists. It is thus printing this speech that was tape recorded.

During our meeting today, I will express some opinions of mine in a combative way to help enable our beloved country to maintain its free and democratic system with the king at the head.

I would like to discuss the fact that, at present, the world is divided into two camps, that is, the free world and the socialist world. The socialist world is trying to destroy the free world and transform [the world] into a communist world in the end. Thus, they want to break up the free world and then destroy the free world piece by piece. In brief, that is what things are like.

In order to transform the free world into a socialist world, they must promote internal wars, or people's wars or revolutionary wars as they are called. Here, I want to point out that a revolutionary, an internal or a people's war can break out because of political, economic and social decay. Since there is political, economic and social rot in our country at a time when the government is incapable of reaching the goals, the communists have stepped in to solve the problems for the country. Thus, they are competing with the government.

Thus, at present, the Communist Party of Thailand is trying to solve the national problems in competition with the government. The government has a rival. Whichever side can solve the problems first will win. Thus, the thing that I would like to call to your attention is that, at present, the communists are trying to solve the national problems in competition with the government.

Concerning the matter of internal wars, a country that has lost the internal war and that has become communist will not have a chance to liberate the country because the free nation will have been destroyed. In the history of war, no country that has become communist has ever been able to liberate itself as King Raresuan and King Taksin once liberated our country in ancient times. Things have changed completely because of the policital, economic and social changes. Thus, in our present fight, this is a fight of all the people. In the fight to defeat the communists, by itself, the Thai military, which is composed of the army, the navy and the air force, cannot defeat the communists. I want to stress this.

Because this is a matter of a revolutionary war, or a people's war, this has stimulated thinking about the national army. To fight the communists, we must use the national army in the fight. The national army is composed of a regular military force and paramilitary forces, various volunteer groups and the people. Please remember this. But concerning the various forces that I have mentioned, they msut all have the same ideals.

What are the ideals of the national army? I would like to point out that the ideals of the national army are based on democracy and on protecting the interests of the majority and maintaining and implementing Policy No 66/1980. As for the south, the Tai Rom Yen Policy must be adhered to. These are the ideals of our national army.

The reason that we must have a democratic foundation is that only democracy can defeat the communists. In democratic countries, communists cannot carry on movements. They have no chance. Only in undeveloped countries can communists carry on movements. Please remember this! Only in countries that do not have a perfect democracy or that have a dictatorship can the communists win. This is something that we must understand.

Speaking about democracy again, is Lieutenant General Han a Democratic Soldier? Regardless, we must accept the truth. We must accept the fact that only democracy can defeat the communists. I am not a Democratic Soldier. I have said this before. But the newspapers have printed stories saying that I am a leader of the Democratic Soldiers. Let them print such stories. I want to disclaim this here because I know that this is being broadcast over the radio of the Public Relations Department. Thais throughout the country probably know that we definitely have something to hold fast to and that is the national army. The ideals of the national army are democracy and the preservation of the interests of the majority. This is most important. Whatever forms the interests

of the majority msut be protected. But those things that are in the interest of only certain groups or individuals must be destroyed and eliminated since that is dictatorship.

Any country that is a dictatorship will be defeated by the communists. The communists will take over these countries. You can see this for yourselves. I want to stress this.

As we constantly say, we love the nation, religion and monarchy. We will fight to the death for them. But we do not know what to do to defend the nation. If we die, we will not have a chance to defend [these things]. Thus, what can we do to defend the nation, religion and monarchy and keep them from being changed? As long as Thailand exists, these things will not change.

We do not want Thailand to turn socialist. Since we do not want this, we definitely have defense measures and modes of operation. That is, we must act in accord with Policy No 66/1980. This is our "bible" in our nation's struggle to defeat the communists. The Prem government announced this policy on 23 April 1980.

These are the ideals of the national army. Now, what are the duties of the national army? I will tell you that the first duty of the national army is to eliminate the dictators, influential people and dark powers. Its second duty is to struggle against injustice in order to have justice. Third, it must promote the democratic movement and oppose dictatorship in any form.

You can see that I did not mention using the national army to fight the communists in the jungles and mountains. Why didn't I mention killing their forces and destroying their bases? Because eliminating the influential people and dark powers will in fact destroy their forces. Since 1980, our national army, with the Royal Thai Army at the center, has been fighting against the communist terrorists in the jungles and mountains. Here, I am speaking of major military offensives. The army knew that the communists would make a stand in 1980 as they had announced. Thus, a policy was promulgated and the regional armies were ordered to attack their bases. This has been underway since 1980. And have we defeated the communists? Have we won the people's war? If we have won, why were they recently able to set off bombs at the Chieu Lan Dam? And before that they set off bombs at the Surat Thani provincial civil administration headquarters building. And we say we have won!

But today you must understand how we can defeat the communists. What I will explain to you now is most important.

Why did I mention eliminating the dictators, influential people and dark powers? Because we have gone into the jungle and mountains and sent soldiers to kill and to seize bases. And recently the Fourth Army Area launched the Chong Chang Operation. We have seized and destroyed [bases] and the CPT has lost a great deal. But have they been defeated? The answer is in the hearts of each one of us.

Why haven't the communists given up? Take Sirorap, for example. He is still active and is still burning down police stations and district administrative offices. This is because the factors that cause people to flee into the jungle are still in existence. These are the "war factors." The war factors are the most important factors since they cause pure villagers and students to flee into the jungle and fight the officials. We have destroyed their center and forced them to disperse into small units. At present, they do not have any bases. But the communist terrorists will probably continue to fight by carrying out acts of terrorism. This is the weakest type of fighting. Later, they will build new guerrilla bases.

You probably know that there are three stages in their fighting. If you understand this, you will know at what point we have defeated the communists. Originally, they were in the stage of fighting a guerrilla war against us. But they announced that they were entering the stage of confrontation, which meant the end of the guerrilla war, and that they would move into the stage of a regular war. The army was aware of this and so it ordered that major offensives be launched beginning in 1980. And in 1982, the third, fourth and second army areas have carried on major offensives. In particular, the Fourth Army Area, which I command, has been able to destroy their bases. These were the strongest bases of the Surat Thani provincial committee. Thus, the terrorists have downgraded the level of fighting to the stage of terrorism. Do you see. They are still in the stage of fighting a people's war against us. They are kidnapping important people, demanding protection money, setting off explosions and assassinating people. Such things will happen even though they do not have any bases. If we cannot defeat them completely, they will gradually build new bases. Take Camp 508, for example. It may take them 10 or 20 years to rebuild this base. This is because the aims of the revolution are on a long and winding path.

Because of these war factors, people have been forced to take up arms. The war factors are the dictators, influential people and dark powers, who spring from among us. Administrative, military and police officials, capitalists and hoodlums who use their influence have helped give rise to these things. To explain things fully would take too long. I would like to summarize things by saying that the things that have given rise to dictators, influential people and dark powers lie with us and not with others.

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CSO: 4207/124

GEN SOM DISCUSSES MILITARY EFFORTS, COALITION POTENTIAL

Bangkok MATUPHUM in Thai 23 Jun 82 p 3

[Interview with Lieutenant General Som Khattaphan, the Director of the Information Office, Supreme Command Headquarters; date and place not specified"]

[Text] [Question] During the period in which the tripartite Khmer coalition government was being formed in Kuala Lumpur, did Vietnam do anything unusual or noteworthy?

[Answer] Yes. But they did not do anything in Kampuchea. They took action in Laos instead. The MROU affair was such an action.

They are clever. They did not take any direct action but took indirect action instead.

The mass media warned [people] to be careful after we released the prisoners who were captured when their airplane crashed.

Since you have put the question to me this way, I will say, as for Kampuchea, there has not been any reaction. But concerning Laos, why does something happen almost every time Asean holds discussions? Concerning this hypothesis of mine, can it be true? This is worth noting.

[Question] Concerning the fact that they have initiated this violence, what effect will this have on the discussions between the Asean countries and on the formation of the tripartite Khmer coalition government?

[Answer] If we want to make ourselves the most important figure, we must destroy those who are more important, isn't this true? If our enemy is important, how can we be important? The same thing applies in this case.

For example, if they can succeed in having the [Heng Samrin] government recognized by the United Nations, what will the situation be like for Asean, which recognizes the Khieu Samphan government?

Those who oppose Vietnam will all be like bandits, won't they?

[Question] Since the three Khmer factions have now united, do you think there will be any changes in the political movements or in the military pressure that is being applied?

[Answer] At present, we see that they are spreading public relations propaganda. They say that they want to solve the problems and that if the United States and China do not support our side, or Thailand, in getting involved in Kampuchea, they will withdraw their forces from Kampuchea.

They are spreading such public relations propaganda. You probably understand.

When the Vietnamese minister of foreign affairs went to New york, he said something similar. [He said] they would look at Thailand's attitude first.

Thailand does not have any duties. Our soldiers are only maintaining our sovereignty. At the same time, we are still giving humanitarian aid to large numbers of people.

I want to tell you that, since the fighting started, Thailand has given aid to people who have fled.We have let them pass through Thailand on their way to third countries so they can start a new life.

[Question] Concerning the present fighting between the Heng Samrin and Khmer Rouge forces, there is the feeling that even though the Khmer Rouge can establish bases, it cannot hold them. Why is this?

[Answer] Because they have not joined their armed forces.If they can link their forces at various points, they may be able to score many achievements.

At present, various people are fighting to protect their own economic interests. There is limited time for combat and combat support.

[Question] What military action is Vietnam taking at present in order to wipe out the Khmer Rouge?

[Answer] Recently, there has been little military action because of the geographical and weather conditions. It is the rainy season. The roads are flooded and so it is difficult to send in reinforcements and supplies. More and more soldiers are deserting.

At the end of May, they withdrew their forces 4 kilometers from their former positions along the Thai border. But then in June they sent in North Vietnamese troops to replace those who had been withdrawn. Just as in Battambang, the replacements sent in were North Vietnamese troops.

At the same time, they tried to build up the forces of Heng Samrin but little was achieved.

There was also air activity. They sent in supplies and war materials in order to replace those used since the roads are not convenient during the rainy season.

[Question] Concerning the points where they are conducting heavy military operations, they are still operating along the southern border, aren't they?

[Answer] They are operating all along the border. It is understood that they will have to make changes because more and more soldiers are deserting. Recently, it seems that the mobilization activities of the Khmer Rouge have improved.

The latest reports that I have received show that the villagers are becoming more and more dissatisfied with the Vietnamese and they have begun to fight back more.

This is only natural. They do not look alike or speak the same way and they do not belong to the same race. But they are under the other's control. At first, they may not have felt anything. But for a long time, they have not been treated fairly.

[Question] Some political observers in Indochina have said that now that the tripartite Khmer coalition government has been formed, it will take 10 years to defeat the Vietnamese forces. Is this your view?

[Answer] We cannot comment on this. However, at present, each side is fighting. And sometimes there is fighting between the Khmer Rouge and Khmer Seri forces. They have been able to oppose Vietnam for 3-4 years now.

If they join together, they will be able to reoccupy [territory] because each person and group is trying to win freedom.

I do not want to comment on this but I think that it will be faster than that. Don't forget, in this war, what are Vietnam's reasons for fighting? They constantly claim that they were asked to come fight by the Heng Samrin government.

If the three Khmer factions unite and the Heng Samrin government collapses, what excuse will Vietnam have for fighting?

[Question] Concerning the matter of Prince Norodom Sihanouk saying that he will establish his combat headquarters against Vietnam along the Thai border, where is he likely to do this?

[Answer] That is up to him. Sihanouk is a politician.

At present, the three factions have united and we think this is good. The Asean resolution feels this is good and so do we.

[Question] Later on, won't the fighting affect the Thai border since this combat headquarters will be located near the border?

[Answer] If they are really united, why do they have to come to the Thai border?

The war will spread throughout Kampuchea. In addition to the border area, there are resistance groups in the heart of Kampuchea too in Kracho District, Kampong Thom.

If these forces all rise up together, things will be difficult for Vietnam. But if Vietnam launches heavy attacks, things will be difficult along the border and things will be difficult for us too. Conversely, if the three Khmer groups launch heavy attacks, the difficulties will be in Kampuchea.

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CSO: 4207/124

SAMAK DISCUSSES ELECTORAL STRATEGY, DENIES DICTATORIAL CONTROL OVER PARTY

Bangkok LAK THAI in Thai 1 Jul 82 pp 22-25

[Interview with Samak Sunthonwet, the leader of the Thai Citizens' Party, by Charan Phongchin: "The Samak-Athit Relationship, Why Is There Such an Uproar?"; date and place not specified]

[Text] [Question] What were your standards in establishing and running the party? I have watched the Thai Citizens' Party since it was founded and the party members have very few problems among themselves.

[Answer] I have my own standards. We are like a family. They know how to look for votes. Since we are like a family, there is no grumbling among us. I can say that our Thai Citizens' Party is a democratic party. During conferences, I give everyone the right to propose motions. I have very broad principles, although I do not know how good this is.

[Question] But some people say that the Thai Citizens' Party is rather dictatorial and that only the party leader has power.

[Answer] Who has said this? Tell me. They are just interfering. Did these people ever attend a meeting with me? Tell me. If anyone says that the Thai Citizens' Party is dictatorial, I just say "its none of your business." How could they know anything about our internal affairs. When did they ever attend a meeting with me. I have never acted dictatorial with the party members.

[Question] It seems that everyone in the party has equal rights just as in other political parties.

[Answer] Certainly. There are no problems. I can attest to this. Others meddle in the affairs of our party because we are not as they think.

[Question] Concerning the policy of the Thai Citizens' Party, to date, I have not seen any emphasis placed on solving the economic problems.

[Answer] Who has said this. We do stress this. This is part of our policy. But we are an opposition political party. We cannot show off our policies. Concerning economic and foreign policies, to show off your policies, you have to be in a

position to implement things. You have to be in the government. As the opposition, the only thing we could do would be to engage in various sorts of corruption. We could do this while serving as the opposition. Several elements of our policy, for example, price controls, can be carried out. Proof of this is Thai Citizens' rice and Thai Citizens' fish sauce. We have been able to do some things. But we have not been able to implement our entire policy because we are not in power. We have done some things. I have made several good suggestions. But no one has spread these ideas. Take the police car matter, for example. I suggested that we purchase cars by lifting the tax on such purchases. When the cars are sold, they can be sold at the full price. After using them for 2 years, they can be sold at the full price. For example, if a car cost 300,000 and we purchased it for 80,000, after using it for 2 years, we could sell it for around 200,000. We would make a profit of around 100,000. We could then use this money for something else. We could use it to purchase engine oil. This is what foreign countries do. I have gone and observed this. I suggested that we do this but no one agreed. If we followed my system, we would gain. We would have modern cars. Concerning these ideas of mine, no one has implemetned them. Or take the matter of the government area of the city. If things were done as I have suggested....Like Bang Prachao City, if I were in charge, I would have the largest public park in Thailand. There are 3,000 rai for a residential area and 2,000 rai along the river for a commercial zone. This could be done. This is my idea and the idea of the Thai Citizens' Party.

[Question] And crop price guarantees?

[Answer] Concerning this, I have alrdady said that it is not necessary to guarantee such prices. We can do so in some cases where it is necessary to set prices and purchase things. For example, rice can be purchased for 3,200 or 3,400 baht. The owners do not have to purchase it if they do not want to. We have 3,500 rice mills. They will have a chance to work. Or take cigarettes, for example. The government produces cigarettes and sells them to private merchants. Thus, the same thing can be done with rice. The government must establish a distribution system similar to the system for selling cigarettes. There will be profits and the profits can be returned to the farmers. Profits will reach approximately 6 billion baht a year since 2 million tons must be exported and 9 million tons will be sold on domestic markets. The government can return 300 baht per kwian [1 kwian equals 2,000 liters] to the farmers and there will still be money left over.

Or another thing that can be done concerns seed. By increasing investments by 20 percent and investing 3,100 baht, 1,200 kilograms can be obtained, which will earn about 4,000 baht. Or another thing is to purchase fertilizer and insecticides and to buy and sell shares for the farmers. Nothing will be lost. In purchasing fertilizer, usually 4,000 baht is invested and it is sold for 4,000 baht. Of the production principal of the farmers, 2,600 or 2,500 baht will remain. There will be a profit of 20 percent. This is doing things by oneself. Profits can be made to pay compensation. Or the money can be used to reduce the production principal. There is proof that things would be all right if my system were used.

[Question] Concerning the election in 1983, what steps have you taken so far?

[Answer] I have my own plan. For the 30 to 40 provinces around Bangkok, plans have already been made. According to the law, there must be 161 candidates but we now have approximately 140 people. And we must select convenient communications points such as Udorn Thani, Khon Kaen, Songkhla and Chiang Mai. We will add people and have the necessary 161 people.

[Question] This means that you will field candidates in all regions.

[Answer] Yes!

[Question] How will you select the candidates?

[Answer] The committee will be the group that discusses this. We will keep the names of those who want to run on file. As for how many will be elected, I will say that I will field 161 candidates. We are confident that 50 percent will win but we are unsure about the other 80.

[Question] In Bangkok, do you think you will win all the seats like the last time?

[Answer] I do not know. I cannot say what will happen. This depends on what the people of Bangkok decide. While the votes are being cast, we cannot say anything. It is wrong not to be able to say anything. We cannot tell anyone to vote for the Thai Citizens' Party. The voters must be allowed to decide for themselves. The people in the country are the ones who will decide which party to vote for.

[Question] Do you think there will be greater interest in this election than in previous elections?

[Answer] However much interest politics can generate among people will determine how many people will turn out to vote. The government should give the party leaders a chance to express their views and discuss their policies on radio and television. I have suggested that politicians should give their views over the radio. People will be interested in seeing which politicians do not have a good manner. The people will have a chance to choose. The mass media must be used to advantage so that, when the country has problems, the opposition will have a chance to take responsibility too.

[Question] Recently, Seni Pramot said that if Chinese are allowed to vote, the party of Mr Samak will lose.

[Answer] He should not talk like that. There is no reason to talk like that. At present, some Chinese can vote. Chinese voted in the past two by-elections. In the first by-election, I defeated the Democrat Party candidate by 10,000 votes. The second time, I won by more than 20,000 votes. There is no truth in what he said. Why wouldn't the Chinese support me? What reason would they

have for not supporting me? I am the one who helped revise the law that enabled the Chinese to vote. But people do not know who helped promulgate this law. We helped revise this law and so why wouldn't they vote for me? What he said is not the proper thing to say.

[Question] Concerning the matter of national housing and the issue with Mr Damrong that you brought up in parliament, how will matters proceed?

[Answer] I won't do anything. He can do what he wants. I will ask the minister of interior why he allowed politicians to use government units as campaign tools. And the provincial governor sought votes too. Mr Prem is not embarrassed and neither is Mr Sitthi. They have not done anything. They have only worked to win votes. I do not like this. I am embarrassed for the government. They should be using the time to work for the people. But they have done things in order to gain votes. I do not think that this is proper. If I were prime minister, I would be embarrassed. If I were the minister of interior, I would be embarrassed over the fact that the deputy minister has engaged in such activities. Billions of baht of government money has been used to gain votes so that their party can win. But they are not sorry. The people will be the ones to decide. If the people feel that they have acted properly, they will vote for them. Conversely, if the people think that they have acted improperly and embezzled large sums of money and that they are not sincere, they may not vote for them.

[Question] During the period when the other political parties experienced problems, did MPs from other parties ask to join the Thai Citizens' Party?

[Answer] Yes, many. But I cannot reveal anything now. We must wait until after the law is promulgated. We must wait for the decision. But after the 25th, within 90 days, there will be many. We do not want to say anything. The people would be surprised. But I can say that the people who asked to join are good people and people will not have any objections to them. If we add another 18 people, we will have approximately 50 MPs. If another 20 join, we will have almost 60 people. Based on our discussions, we will have about 60 people but no decision has been made. But based on our decisions, people have been approached. If this law is promulgated, they will probably not want to establish a new party but will join the Thai Citizens' Party.

[Question] If they join, aren't you afraid that there will be problems just as there were in the other parties?

[Answer] Oh! We have selected them carefully. These are people in parliament. From the more than 300 people in parliament, only about 20-30 have joined with us. We have selected only people with good dispositions who have been in parliament more than 3 years. We have selected people who are not troublemakers, who do not need a lot and who do not want to go to the trouble of forming their own party. Some do not want to cause any trouble. Some who join with us do not want to be handicapped. Some who join are given positions in the party but there is no haggling. We have worked together frequently in parliament and so there are no problems.

[Question] Are you sure that the present government will change again?

[Answer] I am not absolutely certain. The prime minister will decide.

[Question] If the Thai Citizens' Party is asked to join, will it do so?

[Answer] Definitely not. There is no reason for me to do that. The election is approaching. Thus, whoever thinks that the Democrat Party will be expelled and the Thai Citizens' Party brought in is stupid. And whoever says that Athit (General Athit Kamlangek) is behind the Thai Citizens' Party and that he is working to have the Democrat Party removed and the Thai Citizens' Party brought in is stupid. That is not proper. Why struggle to do this? The election is approaching. Those who say such things are not politically knowledgeable. Thus, why would I want to join [the government]? I am carrying out my duty as the opposition.

[Question] How strong is the relationship between you and General Athit? There are rumors that it is very strong.

[Answer] We know each other. I am the leader of a political party. He is the assistant commander in chief of the army. Why wouldn't we know each other? Whenever we meet, we have a chat. This is a personal matter. Why should I discuss it. I do not see anything wrong with that. I have talks with others. I have talked for hours with Soem (General Soem Na Nakhon) and with Prime Minister Prem but that never gets into the news. Why is it news when I talk with General Athit? Why isn't it news when I talk with Prime Minister Prem? They want me to deny the truth of this. Why should I have to deny anything? They can think what they want. Why do they think that I have relations with certain people but not with Kukrit or Praman? Why don't they say that? I do have relations with him. But when I meet with Athit, why is there such an uproar!

[Question] Do you think that the military has too great a political role?

[Answer] We have given them the opportunity to get involved. We have given them an opening. I myself do not really care. Let them get involved. If civilians can oversee them, then I think they can play a role. But if the military thinks that it must oversee things, I will not object since I believe that a half glass of water is better than no water at all. I am doing what I have to do. I have instigated three debates of no confidence in the government. I have carried out my duties fully and nothing has been lost.

[Question] Concerning the latest no-confidence debate, there have been sarcastic comments to the effect that you were trying to fool General Kriangsak Chamanan.

[Answer] Who said this? Whoever said that is stupid. How could I fool him? Look. Participating in the debate was not up to me. He is the originator. How could I fool him? When parliament convened, I said that this would be difficult. I said that we should wait until there were 61 votes in parliament. But

when parliament convened, the originator was not Kriangsak. The originators were Piyanat and Pancha, who are opposition members who have dealings with each other. We joined our six groups. Thus, it is not possible that I could have fooled anyone. Did anyone have more rights than anyone else? There were six groups. As for Kriangsak's group and the other groups, we arranged the names. Who fooled who? We agreed that the party leaders could speak for an unlimited amount of time. Kriangsak spoke for as long as he wanted. And so did Chaisiri. Both spoke before I did. Who could fool who? Everyone had the same right as I did to express their views. Everyone showed their abilities. Where did the matter of selling tapes come from? I have been selling my tapes for 3 years. I sell the tapes of the no-confidence debates. I sell tapes of debates on insane matters. Who did I need to fool this time? I joined with them and used my rights just as always. Who could say such a thing? Tell me. There is no reason to talk like that. Politicians work together in parliament. How could we fool each other? For example, Pancha has been an MP since I was a child. How could I fool him or Piyanat? Such talk shows a lack of political knowledge.

[Question] Concerning the revision of the constitution, on the third reading, if a majority do not vote for it, do you think the government should resign?

[Answer] No! That is not necessary. When the matter was in the subcommittee, the vote was 12, or a ratio of almost three-to-five. When it reached parliament, the vote was 147 to 262, or almost three-to-five. If the vote exceeds 264, it will have passed. There is no problem. That day, 190 senators voted the same way as the representatives. Even though the Senate is split, we have many. And the matter is not the affair of all the senators. It is the affair of only three senators, Sanon, Rien and Thammanun. By chance, these people are talkative and they changed the motion. And people went and said that this was a Senate affair. It was not up to Khun Rien. The senators do not have to get involved in everything. The vote was favorable. The numbers prove this.

[Question] I have asked for your views becasue, at present, the administrative system used for 50 years is being changed. Do you think there has been any progress?

[Answer] I would be glad [to give you my views]. Some will say that this is inappropriate but I would be glad to do so. Although [a democratic system] has come into being, it is still like a child. It it is nurtured, it will grow. There are several types of democracy in the world. The type of democracy found in England has been in existence for more than 400 years. Democracy has existed in the United States for 200 years. Here, democracy still exists after 50 years because this form of government fits the Thai character. With half democracy, there is no problem, just as I said that half a glass of water is better than no water at all. If you run about, your get thirsty. If there is only half a glass of water, you will drink it. Isn't that better. It can quench the thirst. As at present, if we are given a little more time, we can improve the constitution. But if by chance we do not succeed in time,

we can discuss it again. We have set course. There is no problem. If it does not reach parliament this time, it can be brought up again. Once it has been revised, things will be up-to-date. There are no problems. We are expressing ideas and those who have been elected can express objections. We explain things to those in power so they understand what is correct in various situations and what should be done. Everything in parliament is a matter of reasons. People can make any criticism they want and they have criticized the constitution. But those who criticized things are now ministers. Aren't those who criticized the constitution but who then became ministers embarrassed? I said that I did not want to play. Mr Uthai (Phimchaichon) tried to persuade me. I said that it was better to protest. I said no. I said I would not play. This is because I am not thirsty. But you have to take it when its there. When I played, I appointed 32 people. I made budgets three times. I solved many problems for the people. Is my thinking right or wrong? Those who do not play do not play any role for the people and they do not do anything to benefit the people. I am satisfied with what I have done. It won't be long. We have established principles.

[Question] Would you comment on the annual promotion of officers?

[Answer] I am not involved in this. Whether things are handled well or not is a military matter. It is not my affair. I do not know, but I don't see any problems. It seems like they have already made the plans. If there are any problems, they can handle them themselves. If an MP is afraid about who is suited to what position, he should go and ask the minister of defense. He should't ask me. I do not have any views. Go ask Prayut. I do not have any knowledge about the various groups and I do not know anything about how people are promoted.

[Question] As for General Prem, do you think the time has come for him to throw himself fully into the game of politics?

[Answer] That is up to him. He is the one who must decide. We cannot decide for him. If he wants to continue playing politics and play like General Kriangsak, he should do like Kriangsak. If the constitution gives him a way, he does not have to play. That is his right. He can use his rights. But if he does what General Kriangsak did, he will win more votes. But if doing so is risky, he doesn't have to do this.

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PAHR QUOTED AS SAYING SIHANOUK, SANN KHMER ROUGE FRONT GROUPS

Bangkok MATICHON in Thai 1 Jul 82 p 9

[News Analysis column: "The Khmer Coalition Government, the Light Is Still Shining Dimly"]

[Excerpts] The fact that the three Khmer groups that oppose Vietnam succeeded in establishing the Coalition Government of Democratic Kampuchea has not immediately given the Khmer coalition government a bright image.

This is because there have been negative criticisms to the effect that the Khmer Seri and the Moulinaka will both be dominated by the Khmer Rouge.

The most important of these criticisms is that by Mr Willibald Pahr, the Austrian minister of foreign affairs and the presiding officer at the United Nations conference on the Kampuchean problem. In an interview on Austrian radio, he said that he does not have a very favorable view of the formation of the Khmer coalition government since the two noncommunist factions in the government, that is, the Khmer Seri and Sihanouk's Moulinaka faction, will just be front groups for the Khmer Rouge.

Since a person of such importance as Willibald Pahr has said that he does not have a good opinion of the formation of this government, the formation of this Khmer coalition government provides only a very dim hope.

However, in the view of Mr Willibald Pahr, the only chance of Vietnam negotiating with the Khmer coalition government is if the noncommunist factions become the leaders in the coalition government.

But from what has been seen so far, it will be difficult for the noncommunist factions to take control. This looks even more hopeless if we look at the forces. The Khmer Rouge has approximately 30,000 combatants. Mr Son Sann claims to have 9,000 men but it is believed that this is just a boast. It has been estimated that the Khmer Seri forces number around 5,000 men at most. As for Sihanouk's Moulinaka faction, it has around 1,000 men.

Mr Pahr, the Austrian minister of foreign affairs, was interviewed after his meeting with Air Chief Marshal Sitthi Sawetsila and Tun Ghazali Shafie, the Malaysian minister of foreign affairs. Mr Pahr's itinery also calls for him to visit Vietnam in order to meet with the leaders of Vietnam and discuss ways to solve the Kampuchean problem.

Looking at the views of Mr Pahr, these reflect the great uneasiness of Asean. This can be seen from the interview given by Prince Sihanouk at the end of his visit to Singapore last Tuesday just prior to his leaving to go visit Indonesia.

At a news conference, Prince Sihanouk revealed that he had agreed to join forces with Son Sann. He said that "it seems that I must help Mr Son Sann in order to create a united front. I am ready to disband the Moulinaka and join the Khmer Seri of Mr Son Sann. But I must first persuade my colleagues and my forces in order to get them to accept the Khmer Seri."

And if the Khmer Seri and the Moulinaka unite, Mr Son Sann, the prime minister of the coalition government, will become the commander of the United Kampuchean Nationalist Forces, which will be composed of the Khmer Seri and Moulinaka forces.

However, Prince Sihanouk gave his assurance that joining the forces of the two groups does not conflict in any way with the principles of the formation of the coalition government, which was formed on 22 June.

It can be said that the Coalition Government of Democratic Kampuchea must prove itself much longer and there is still a long road ahead.

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COMMENTARY CRITICIZES INSTITUTIONAL BIAS TO PARLIAMENTARY ACTIVITIY

Bangkok MATUPHUM in Thai 30 Jun 82 p 4

[An Ordinary Reporter column: "The Political Crisis and the Conclusion"]

[Text] The government's draft act to revise the constitution was rejected by parliament last Friday, 25 June. This has again led to political instability since it is uncertain what the government's reaction will be to this rejection of the draft act.

Will it resign in order to give parliament a chance to choose a new government to administer the country?

Will it dissolve parliament in order to allow the people to exercise their democratic right to elect a new leader?

Or will it view this as an unimportant matter and carry on as usual?

During the past 4 days since that meeting of parliament, this matter has become a political issue that has been argued widespreadly on an unprededented scale in Thai society.

The thing worth noting is that, in these political arguments, different groups have emerged and there is a very clear difference of opinion.

One group is composed of members of the mass media, most of whom are not under the control of the government, and some elected politicians both in and out of the government. This group feels that the government must take responsibility for this political crisis. Most feel that the government should resign in order to give parliament a chance to elect a new group of leaders.

The other group feels the opposite of the first group. It has somewhat of an advantage in that it can rely on the mass media, for example, the radio and television stations which are under the control of the government, in spreading its views. It is also composed of politicians of party-leader rank who have joined the government. This group does not feel that the government has to take any responsibility for the matter of the draft act to revise the constitution being rejected. This group has relied on communications

means in which it does not have to give any attention to the reaction of the listerners and express such views in order to win the public over to its way of thinking.

In this situation in which different groups hold different views, the institution that has been a factor in determining the course of democracy in Thailand for the past 50 years, that is, the military, has clearly shown that it supports the present government.

Concerning this attitude of the military toward this political crisis, it can be said that the clear meaning of this is that the government will continue in office and the present head of the government, General Prem Tinsulanon, will continue on in his position.

It can be said that this is the end of the matter and that it is not necessary to ask any questions. This can be done.

However, concerning this political crisis, there are still some repercussions from these political events in Thailand that can cause some excitement.

This includes the matter of MPs from several parties charging that Mr Thawee Kraikhup, the deputy minister of commerce, bribed some MPs to vote against this draft act.

Another matter is the confusion that has arisen in the Democrat Party, a party that has joined the government. There are frequently stories about the conflicts in this party. These conflicts have at times reached the point where there have been splits and the party has almost been destroyed.

As for the excitement that will result from these two cases, it seems that the events in the Democrat Party will subside in the end after Mr Phichai Rattakun, the new party leader, meets with the head of the government. And the matter will end with the six party members who are ministers in the government probably remaining in the government.

As for the conflicts in the Democrat Party, it is said that Mr Chalimphan Siriwikon played an important role in causing these conflicts. It is entirely conceivable that he will remain in the party in order to create news that will again make the headlines of the newspapers.

As for the excitement in the other case, Kraikhup is a star performer who was entrusted with the role of speaking up in parliament, as has happened. He did this is the past, he is doing this now and he will probably continue to do so in the future. This is probably so exciting that he will certainly contine on in this role until the end.

The final act will bring this political crisis in Thailand to a close and it will show whether this government is able to give some answers to the people.

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EDITORIAL NOTES DP PUBLIC APPEAL, SAYS OTHERS LACK PUBLIC TRUST

Bangkok MATUPHUM in Thai 30 Jun 82 p 4

[Editorial: "The Democrat Party, Only a Shadow of Its Former Self"]

[Text] The Democrat Party has gone a long way and how much farther it must go in order to reach the final goal is not known since the aims of the Democrat Party from the very beginning have concerned putting an end to dictatorship and [working] for the nation, for democracy and for principles that are correct and just.

During those periods when the people have lived under a dictatorship the Democrats have lived as general members of the populous by leaving the [political] stage and engaging in trade to earn a living. Or they have compromised with the dictators in order to survive. But when the time has been right and they have had a chance, the Democrats have used that time and chance to immediately strike at the dictators.

This long history of the Democrat Party is the history of an opposition party that has unfailingly carried out its duties and it should serve as an example for all the opposition parties.

But when the Democrat Party joined the government, it quietly accepted many of the things that it once vigorously opposed.

In addition to the Democrat Party, other parties that have joined the government include the Social Action Party and the Thai Nation Party. As for these latter parties, the party leaders are in charge of the committee for drafting an act to revise the constitution. But no one has demanded that the Social Action Party or the Thai Nation Party show such an attitude or such manners. This is because no one has ever had such hopes for either of these parties, particularly the latter party, in such matters. Hopes have rested with the Democrat Party since it has a long history as has been mentioned. Since the Democrat Party has encountered new data and new facts, it has now changed its attitude. Thus, there should not be a fuss about why people have been abandoning this political party and why people have been criticizing this party, which is a party of the people and a party whose members have followed the path of democracy. This is because the things that the Democrat Party is thinking and doing these days are opposite to those things that the people associate

with the Democrat Party. Stated directly, the things that the Democrat Party is doing now are things that Democrats one vigorously condemned.

The Democrat Party has gone a long way, but it has not reached its goals. But the goals that were formulated in the past have now been changed. From heading toward democracy, the party is now walking blindly. And that means that it is really heading toward its own grave.

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COLUMNIST ASSAILS ELECTORAL PROCESS, CITES CORRUPTION, SENATE

Bangkok MATUPHUM in Thai 30 Jun 82 p 4

[A Stubborn Reporter column]

[Text] We have had joint-zone type elections in the past and there have been separate-zone type elections. But in each election, some of the candidates have belonged to a party while others have not and all have had numbers.

This is different from the election that will be held in 1983 after the present constitution, which has been in use for 4 years, and the temporary provisions expire. This will be a joint-zone type election in which all of the candidates must belong to a party, all of whose candidates will have the same number.

If a province has nine MPs, a political party that fields candidates there must field nine candidates. And the voters who vote for the single number will elect all nine candidates.

The nine candidates used as an example here are people who are chosen by the political party.

Voters cannot elect two from this party, three from that party and four from another party. The constitution does not allow this.

It does not allow this because the people who drafted the constitution felt that, if this was not done, the political parties would not be strong and the election would not result in a clear-cut winner. This would necessitate the formation of a coalition government, which would result in the government being unstable again.

In past elections, no political party has fielded the full number of candidates. There may be a complete number of MPs for only a province. For example, a province may be allowed to have nine MPs. But [a party] may be able to select only six candidates to run in the election and so it fields only six candidates. But according to the [new] constitution, when there is an election, the parties must field a full slate of candidates in accord with the number of MPs allowed for the province. But whether a party can field the full number of candidates in all the provinces depends on the resources of the political party.

As for some political parties that have problems in fielding candidates in some provinces, if nine MPs are to be elected but the party has only four or five qualified candidates whose ideals are in harmony with those of the party, the party will probably have to draft various relatives of the candidates to complete the slate. Since there is only one number, if this number wins, the entire family will be elected.

In some provinces where the older candidates are well known people who are loved by the people, it is not possible to find people to join the party. Whichever way these people turn, there will be others who are trying to use their name and good reputation to get elected. But this is at least better than bringing in strangers from other areas to join the party.

Previously, when money was thrown into an election, such as in Maha Sarakham, Roi Et and Ubon Ratchathani, [a party] may have won three seats or at least one seat. This time, when money is poured into Maha Sarakham, Roi Et, Ubon Ratchathani or some other province, [if the party wins], it will win all the seats.

It is no longer necessary to spend large sums on each person as in the past. Those who could spend large sums had to be very wealthy.

The law stipulated that candidates were to spend approximately 300,000 baht on the election. But in fact, people spent 1 or 2 million baht and some spent as much as 30-40 million. I haven't seen anybody do anything.

Previously, 1 or 2 million was spent to elect one candidate.But this time, by spending another 1 or 2 million, the whole slate can be elected.

Senators, you can think for yourselves what the future of Thai politics will be like.

Let us talk about the political parties.

Are there any political parties that the people can place their hopes in and trust completely?

What does each party or each group have that the people can trust?

Since the political parties were revived after the fall of the Thanom-Praphat dictatorship, we have had the Democrat Party, the Social Action Party, the Thai Nation Party and almost 100 other small parties.

At that time, we said that there were too many political parties. There were so many that [no one] could have any faith in them.

The governments that came to power during that period were coalition governments composed of various parties.

During the Thanin period, dictatorial power was used again. The political parties disappeared and were only reborn when a constitution was promulgated.

In these 3-4 years, have the political parties developed into perfect parties? The answer is no.

This answer is not without reason. Everyone knows that the Social Action Party has internal problems, the Democrat Party has many problems and the Thai Nation Party too has problems, although it may not seem like it. Party members have been allowed to accept 4,000 to 5,000 baht from the "black sheep" minister, Thawee Kraikhup. This is well known throughout the country.

Since this is well known, why are the senators insisting that the people again choose among the political parties?

The answer is that the senators have their own dreams. They have never been involved in elections and they have never been in close contact with the people. They do not know what the people think and feel.

It is not known when the people will be free from the troubles caused by those with power who make the laws. If people wait until 2200 hours, it will be too late.

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LARGE SCALE TURNOVER IN POLICE RANKS EXPECTED

Possible Replacements Profiled

Bangkok LAK THAI in Thai 1 Jul 82 pp 11-14

[Article: "The Thai Police: Major Changes At tha Department Level"]

[Text] On 30 October 1982, at the Police Department, 17 police officials from the rank of police major general to police general will retire. And two others, Police Major General Wichit Traisuwan, the deputy commissioner of the provincial 1, and Police Major General Sombun Ayuyo, the commander of the border patrol police, will resign before the age of retirement. Thus, 19 general's positions will be vacant. This is, therefore a matter concerning which basic data should be analyzed and presented to readers in accord with the duty of LAK THAI.

The Director-General of the Police Department In Accord With the Chain of Command

When Police General Suraphon Chunlaphram retires from the position of director-general of the Police Department this year, the person who, by rank, should step into this position is Police Lieutenant General Narong Mahanon, the deputy director-general of the Police Department for suppression and the most senior of the three deputy directors-general. Police Lieutenant General Charat Phengcharoen, the deputy director-general for administration, will also retire this year and so two director - general positions will be vacant. The problem is who will step into these positions.

Who Will Be the New Deputy Directors-General of the Police Department?

Of the six assistant directors-general of the Police Department, it is well known that the person who will easily step into the position of deputy director-general this year is Police Lieutenant General Prasong Saksupha, the assistant director-general for suppression 1. He graduated form the Police Officer Academy, Class 8, or the Army Academy, Class 4. He is more skilled in administration than in suppression since he once served as the head duty officer for the director-general. It is thought that his chance of replacing Police Lieutenant General Charat Phengcharoen in administration is very good. Police Lieutenant

General Suwan Rattanachun, who is the more senior person and who is more skilled in suppression work, will probably step into the position of deputy director-general for suppression so that he can coordinate things well just as he did when he was with the Metropolitan Police and work with the new director-general of the Police Department. As for the assistant director-general who will become the deputy director-general for special activities, it is the turn of Police Lieutenant General Udom Latphli, the assistant director-general for administration 1. But he is retiring this year too. And so it will be the turn of Police Lieutenant General Suthat Sukhumwat, the assistant director-general for special activities 1. But he probably cannot compete with a fellow member of Class 1 at the Police Academy, or Class 5 at the Army Academcy. This is Police Lieutenant General Banthoeng Kampanatsaenyakon, the assistant director-director for administration 2. It is known that, at present, he is forging unity between the military and the police. He will certainly be promoted to the position of deputy director-general for special activities. Thus, three assistant director-general positions will be vacant since two of the present directors-general will be promoted and one will retire.

Are There Five Or Six Positions Vacant?

There are 12 police commanders with the rank of police lieutenant general and some of them will have to be promoted to the position of assistant director-general of the Police Department. This is a very difficult matter. Concerning seniority, Police Lieutenant General Amphon Chitpatima, the police inspector general who was removed form the position of commissioner of the provincial 4, is the most senior. But the reason for his transfer is still unclear. It is thought that he was transferred because of the surname "Chitpatima." And actually, it was "Inspector General Amphon's" turn to become an assistant director-general last October. This October, it is expected that it will be his turn to rise in position. Another one will probably be Police Lieutenant General Prakop Wiraphan, the commissioner of central investigation. The final person will probably be Police Lieutenant General Wasit Detkunchon, the commander assigned to the Police Department (a temporary position). Concerning these two latter men, there are problems that are being discussed within the Police Department. But as for salary levels, these three commanders are at the level of assistant, deputy and even director-general. As for the reasons for the discussion, it is not known whether the first person has sufficient qualifications to be commissioner of central investigation. As for the second person, he needs to learn more about police activities at the Police Education Bureau. If these two fail to gain the positions, it will probably be the turn of Police Lieutenant General Narong Anphat, the commissioner of the provincial 4, or Police Lieutenant General Chai Suwannason. This is because they are the senior personnel after the three mentioned above. Thus, since these commanders will be promoted, three positions will be vacant. And in addition, Police Lieutenant General Det Khattaphan, the commissioner of the provincial 3, Police Lieutenant General Charoenrit Chamratromaran, the commissioner of the border patrol police, and Police Lieutenant General Soem Yakhasen, the head of the Police Operations Center, are ready to retire this year. Thus, concerning police

commander politions this year, if Police Lieutenant General Wisit Detkunchon is transferred, five position will be open. If he isn't, then there will be six position vacant.

Who Will Be the New Inspector General?

Since Police Lieutenant General Amphon Chitpatima, the inspector general, really has a chance to move up since he is the most senior person at present, there are six deputy inspectors general who are in line to become inspector general. But Police Major General Chan Sirisuk and Police Major General Chat Samutsing, the two most senior men, will retire this year. Then there is Police Major General Chumphon Kanchanaphanang. But his health is not good. He had a heart attack. The other three men all come from combat support units, including the finance and quartermaster divisions. They will probably have to wait awhile longer to step into these positions. Besides these, Police Major General Phon Platraksa, the deputy commissioner of the Metropolitan Police, has a chance to be promoted. But he is not as suitable a replacement as Police Lieutenant General Chai Suwannason, the commissioner of education, who is trying to have himself promoted. It is Police Major General Phao Sarasin who is the most knowledgeable about police work and who is most qualified to be promoted from the position of deputy commissioner of central investigation.

The Chief Medical Doctor of the Police Department, a Long Time Yet

The position of chief medical doctor in the Police Department is equal in rank to a commander's position. Police Lieutenant General Somsak Subsanguan took this position just last October and he does not retire until 1989 since "Dr Somsak" was born on 20 March 1928. Also, this position calls for special qualifications. Thus, it will be a long time yet [before he is promoted].

When the commissioner of education is transferred, who will replace him?

There have been reports that Police Lieutenant General Chai Suwannason, the commissioner of education, will become the commissioner of central investigation. But well informed people in police circles have said that this is probably just a strategm and that "Commissioner Chai" will really be moved to the position of inspector general or even higher. It is time for this. The rivals in the Police Education Bureau are Police Major General Prasop Tangsiriphat, who is a graduate of the Police Academy, Class 6, and who recently changed his date of birth from 30 May 1922 to 30 November 1922 in order to extend his government career 1 last year with the hope of becoming a commissioner and making the rank of "police lieutenant general." His rival is Police Major General Chai Sewikun, a graduate of Thammasat University. He was promoted to deputy commissioner of education on 2 October 1979. He will not retire until October 1986. But the rumors are that both should be careful of a younger man from Class 3 of the Police Academy who has the prestige of having been the commandant of the Police Academy. This is Police Major General Phat Prathipasen, a man who is in the same chain of command.

The Commissioner of the Central Investigation Bureau Will Definitely Be Moved

Police Lieutenant General Prakop Wiraphan, the commissioner of central investigation, has such seniority that he will have to be promoted to the third position. There were reports that Police General Suraphon Chunlaphram, the director-general of the Police Department, once received a recommendation from subordinates stating that "Commissioner Prakop" should be promoted immediately and that "Commissioner Chai" from the Police Education Bureau should replace him at the Central Investigation Bureau. Because of the strictness in this sector, there are several senior men. This is an important position and the person who occupies this position must be well qualified. The man holding this position now will almost certainly be transferred. High-ranking sources in administration say that, if he should be passed over, the person to be promoted to this position will come from the provincial 4 or the Metropolitan Police.

What Are Things Like At the Commissioner's Office of the Metropolitan Police?

Looking at things at the department level, it seems that Police Lieutenant General Chamrat Chanthrakhachon, the man who became commissioner of the Metropolitan Police last October, has a chance to rise higher this coming October. And if he is moved without being promoted, he is more qualified for the position of commissioner of central investigation than anyone else. As for within the Metropolitan Police, the position of commissioner will go to either Police Major General Phichit Mepricha or Police Major General Chalit Bunsuwan. Both are now deputy commissioners of the Metropolitan Police and both graduated from the Police Academy, Class 1, or Class 5 of the Army Academy. They are rivals in this second round from last year. "Deputy Commissioner Phichit" is given a 60-40 or 70-30 chance of getting the position. If this is wrong, this pair have the right to be promoted to some other position this year. The fear is that the son-in-law of the director-general, whose name is Police Major General Phon Platraksa, will be in line first even before October.

The Commissioner's Office of the Provincial 1

Police Lieutenant General Choncharoen Sombatsiri, the commissioner of the provincial 1 who will retire next year, will probably be transferred to another position at the end of this year. As for the five deputy commissioners of the provincial 1, only four will be left since Police Major General Wichit Traisuwan, a senior man, is unhappy and is resigning. Next in line is Police major General Ongat Phutphat, a younger man who will not retire until 1987. He was once a soldier who left the military and joined the police. In addition, he is a member of the Capital Defense Committee, which adds to his qualifications. Having close ties with high-ranking people in the 1st Division is considered a necessity in order to coordinate activities in this position. For these reasons, Police Major General Kiet Tiraphaet, the third deputy commissioner, does not have any chance of stepping into this position.

The Commissioner's Office of the Provincial 2

Police Lieutenant General Rut Kantharat, the man who became the commissioner of the provincial 2 last October, will probably not be promoted at this time. If he is transferred, it will probably be to another position at the same level. There are four deputy commissioners of the provincial 4. This October, someone will be transferred in to replace Police Major General Sitthisak Suphanphesak, a deputy commissioner who is retiring in accord with regulations without problem. The remaining three will probably spar with each other now since each has 1 or 2 years left.

The Commissioner's Office of the Provincial 3

There are four deputy commissioners of the provincial 3. When Police Lieutenant General Det Khattaphan, the commissioner of the provincial 3, retires, the rivals for this position will be Police Major General Charoen Watchanakhup and Police Major General Somwang Phensut. The first graduated from the Police Academy, Class 7. He was born on 9 May 1923 and will retire in 1983. So many rules and regulations! He was in the old metropolitan section known as the administrative section. The second graduated from the Police Academy, Class 3. He was born on 3 June 1925 and will retire in 1985. He once served in an important position as a suppression commander. He is skilled in suppression work, which is known as the combat sector, and has become well known. However, it will be between him and the other person or someone from central intelligence.

The Commissioner's Office of the Provincial 4

There are four deputy commissioners of the provincial 4. Police Lieutenant General Narong Anphat is the commissioner of the provincial 4. Even though he is number four in seniority, his chance of being promoted to a higher position is not very good this year. He is still involved in suppression activities with colleagues from the same class. Maybe he should come work in administration. No one would say anything if he is transferred to this position. There is also Police Major General Chuan Siriprasit, who graduated from Thammasat University and who once served as the chief duty officer, Police Major General Sangat Rotphirom, who came from S.H. and was transferred to the suppression secton, and Police Major General Linphit Satchaphan, who graduated from the Police Academy, Class 3, or the Army Academy, Class 7. He is a former deputy commander of the Special Branch Division who showed sufficient skill at suppression work. Because of his background, "Deputy Chuan" should have the advantage over the others since he has been in line for the position since last year. But this year, his chance of being promoted is 50-50, but it will have to be somewhere else.

The Commissioner's Office of the Border Patrol Police

The Police Department allowed Police Lieutenant General Charoenrit Chamratromaran to be the commissioner of the border patrol police for 1 year and this October he will retire. There are three deputy commissioners. Police Major General Mano

Smitaphinthu is the most senior and he is suited to the position. Last year, he was ordered to wait patiently. He will retire in 1986. Police Major General Prawit Wongwiset and Police Major General Prachong Sitthichai, the two younger deputy commissioners, can afford to wait if they are not promoted this year.

A Special Position

As for who will replace Police Lieutenant General Soem Yakasem, who will retire as head of the Police Operations Center at the end of September, it depends on whom the director-general of the Police Department selects to fill the second highest police position. This is such an important position because this person must handle tasks in place of the director-general and give adivce. Thus, it must be a person whom the director-general has faith in and trusts.

A Temporary Position

Because of the confusion in the promotion of high-ranking personnel in the Police Department at the end of 1981, the cabinet gave permission to establish the position of "commissioner attached to the Police Department." This was done so that Police Lieutenant General Wisit Detkunchon would have a position. It was stipulated that this position would be abolished when Police Lieutenant General Wisit Detkunchon leaves the position.

But this September, the appropriateness of this will again be discussed. The reason for this is that he has not been engaged directly in police work for a long time. When he returns, he should first study the work in other sectors. For example, he could serve as the commissioner of police education or stay in this position in order to study things continually. This would also give another general a chance to be promoted to the level of commissioner. But the criticism has exerted pressure and it is believed that, this September, there will not be enough strength to do this and Police Lieutenant General Wisit will definitely not be promoted. And when he is promoted or transferred from this position, this temporary position will be abolished. As for the hope that there will be six commissioners' spots, there will definitely be only five.

Colonel's Biography

Bangkok LAK THAI in Thai 1 Jul 82 pp 14, 15

[Biography of Police Colonel Phat Duangrit by Suchit Parichattrakan]

[Text] Name: Police Colonel Phat Duangrit.

Original name or nickname: "Sua Tai."

Date of birth: 1 April 1930. Ron Phibun District, Nakhon Sithammarat Province.

Physical features and characteristics: About 6 feet tall. Short hair. Light moustache. Dark complexion. No sense of humor.Seems older than he is. Stresses certain words.

Lifestyle: Constantly alert. Dresses meticulously. Simple eating habits.

Tastes: High. Interested in all fields of learning.

Work position: Deputy Commander, Crime Suppression Division.

Schooling: Graduated from the Zone 8 Police Academy on 1 October 1951. Graduated from the Pathumwan Police Sergeants' Academy, Class 2, in 1953. Received a B.A. in law from Thammasat University in 1961. Attended the International Police College in Washington D.C. in 1968 (took part in the first general competitive examination).

Past positions: Police private at the Muang District police station in Nakhon Sithammarat Province. English interpreter, Border Patrol Police, at the Dararatsami Camp in Mae Rim District, Chiang Mai Province. Instructor with the Region 2 Border Patrol Police, Aranyaprathet. Instructor with the Region 6 Border Patrol Police in Mae Sot District. Served on battlefields, cannot remember where. Police officer stationed at the provincial police headquarters. Commander of the Sirimahapho District Police Station in Prachinburi Province. Commander of the Ban Na San District Police Station in Surat Thani Province. Deputy police superintendent in Surat Thani Province and acting commander of the Ban Na San District Police Station. Police superintendent in Surat Thani Province. Police superintendent in Phatthalung Province. Police superintendent in Surat Thani Province.

Past activities: Hunted down "Sua Son Phalama," one of the three most wanted bandits in the country at that time. Spent 2 years and 4 months tracking him down. Using skill, he succeeded in 1964. He resisted seven attacks by communist terrorists at Ban Na San in Phru Phri Commune in 1970, 1971 and 1972. He creatively trained Village Scouts in Surat Thani Province. In 1975, many communist terrorists gathered in front of the Surat Thani provincial civil administration headquarters building. He was the man who had the Village Scouts oppose them.

Expert in mobilizing people to compete against the communist terrorists. He has fought against the communist terrorists throughout Surat Thani Province.

Weapons carried: Smith .38 2 inches long. Carries an M16 in the jungle.

Feeling toward work: Does his duty as well as possible.

Commissioned: When he was serving in the jungle in 1962 (did not state where).

Received B.A.: Left jungle and received degree in 1961.

Work method: Mentally and physically capable. Skilled in combat.

Special Duty: Once for certain.

Sports: Exercises regularly each day.

Evidence: Communist terrorists have stated that they made little progress in mobilizing the masses in Ban Na San because of this man.

Reason for working in this field: Loves the words "guardian of the peace for the people."

Free Time: Raises peafowls and many other types of birds.

Future: After retirement, will live quietly.

Hope: To return to the provincial 4 before retiring on 30 September 1990.

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CSO: 4207/124

END

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26 August 1982

South and East Asia Report

No. 1182

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SOUTH AND EAST ASIA REPORT

No. 1182

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OFFICIAL WARNS OF GROWING THREAT OF LOCAL TERRORISM

Brisbane THE COURIER-MAIL in English 30 Jun 82 p 27

[Text]

ADELAIDE.— Australia must be prepared for terrorism of the sort that has occurred in other parts of the world, the South Australian Chief Secretary, Mr John Olsen, said yesterday.

Speaking at the opening of a one-day seminar on terrorism here, Mr Olsen said Australia had been largely spared the ravages of terrorism.

The few tragic incidents which had occurred had jolted Australians from any feelings of isolation from terrorism.

"I don't have to remind you of the terrorist acts we have witnessed, but it is sufficient to say what they have lacked in frequency they have adequately compensated in horror, suffering and anguish," he said.

"It is a tragic comment on society to reflect that the names of terrorist groups have become household words."

Mr Olsen said terrorism could be met with firepower, armed guards, chauffeurs wearing flak vests and paramilitary police, as was happening overseas.

"That is fighting the disease, however, not attempting to destroy the factors which cause the disease," he said.

"Solutions will be complex and time-consuming, but it is a step in the right direction to recognise the fact that it is a very real problem." Australia did not have the social injustices that existed in many countries, and its class and religious differences either did not exist or were not as prevalent.

Its people valued the right to disagree and argue freely, according to rules which had been universally accepted because they knew they were workable.

"As a race, Australians have a reputation for being spirited and strong-willed," he said.

"We must show the rest of the world we are too strong to entertain being host to the social malaise which has become a cruel fact of life in many other countries."

CSO: 4220/6013

REORGANIZATION PANEL'S RECOMMENDATIONS TOLD

Chairman's Press Conference

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 pp 1, 12

[Text] Deputy Chief Martial Law Administrator Rear Admiral M.A. Khan, Chairman of the Administrative Reorganisation Committee said that a national level implementation committee headed by Chief Martial Law Administrator will be formed for the implementation of the recommendations of the Reorganisation Committee.

Addressing a Press conference at the CMLA's Secretariat on Saturday the DCMLA told the newsmen that the CMLA had given assurance for the implementation of the recommendations which provide for adequate devolution of administrative, judicial and financial powers at the district and thana levels.

Rear Admiral M.A. Khan said that an amount of Taka 363 crore for creating intrastructural facilities for the conversion of the sub-divisions into districts and upgrading of the 387 thanas would be required. The recommendations would be implementated in three phases and he was hopeful that the implementation could be completed by the end of the Second Five Year Plan. He told a questioner Taka 59 crore would be required for conversion of 30 sub-divisions into districts and Taka 299 crore for the upgradation of the thanas.

In the first phase 116 thanas with a population of over two lakhs have been recommended to be upgraded at a cost of Taka 48 crores, 198 thanas in the second phase at a cost of Taka 152 crore. The average population in each of these 198 thanas would be one to two lakhs. In the third phase 73 thanas will be taken up for upgradation at a cost of 56 crore Taka. These thanas have on an average one lakh population in each police station.

Rear Admiral M.A. Khan said that an amount of Taka 15 crore had been recommended for holding the elections to the district, thana and union parishads. The committee has recommended that the directly elected chairman of the district thana and union parishad would be the chief of administration at the respective levels. The committee further recommended that the elected councils shall have full functional control over the officials working at that level and the elected chairman will be the chief co-ordinator at all levels.

Rear Admiral Khan said that the recommendation further provide for strengthening of village courts in terms of authority and training and development of infrastructure at all levels to make development of adequate athority possible.

Mr. M. M. Zaman, Secretary Cabinet Division and a member of the committee told the Press Conference that the money which has been recommended for upgrading of thanas would be spent phase by phase. But he said, the initial implementation of the recommendations could be possible right now without spending any money on infra-structure. He said that the biggest chunk of the money would be spent for building thana hazat, offices and accommodations.

The DCMLA told a questioner that the functions of sub-divisions will be shifted to the thana and senior officers not below the level of SDO would be posted at thana level.

Thana council headed by a elected chairman and constituted by chairmen of the union parishads would have full control over the thana administration. The officers serving at district or union level would be accountable to the respective council.

Replying to a question Rear Admiral M. A. Khan said the bureaucracy would not create any obstacle in implementing this participatory democracy at the grass root level. He said that the officers would be given rural orientation training.

Rear Admiral M.A. Khan said that although the villages are the lifeline of our country, these remained neglected so far. The present Government had decided to make the thana as the focal point of administration. He said that the committee had recommended an administrative system conducive to fullest utilisation of the rural resources particularly the land. The thana council would plan and execute the local development programmes and the Annual Development Programme (ADP) would be fragmented and a portion of it would go to thanas.

The committee has recommended following functions in broad areas of operations in the thana level: Major part of agriculture, livestock public works health education upto secondary level, cottage industry cooperatives communications and family planning.

The committee has also recommended areas where thana council would be allowed to levy taxation. The areas are tax on annual value of buildings and land transfer of property hearths profession, trades and callings births marriages and feasts, entertainment etc.

Replying to a question the DCMLA said that the recommendations would be scrutinised and then implemented. He said another questioner that the proposal for 51 new districts is not final. New areas might be considered for up gradation as districts he said.

The DCMLA said that the committee visited a number of thanas under different districts to study the Local Government administration and met the local leaders of public opinion as well as officials. The committee also obtained pubilc opinion through written questionnaire.

The committee in course of its examination found that popular participation in administration was lacking. Co ordination of field services was totally absent specially at thana level. He said that it was also found that there were too many levels of administration creating for the common man problems of communication and access to Government services.

Rear Admiral Khan said that the committee is firmly of the view that meaningful and effective devolution of authority is possible only in a frame work of elected Local Government. The DCMLA said that to achieve the ultimate and of eradicating poverty it would need a dedicated sense of public service both on the part of the officials and the corps of elected leaders of Local Government.

He said that the committee further recommended for transfer of administrative functions to the elected Local Government.

Rear Admiral Khan said that the committee also recommended that a policy of non-intervention by the National Government in matters which are within the purview of the elected Government should be adopted. The oft repeated argument that Local Government needs guidance and supervision need to be stretched so far as to impair popular initiative or to dominate decision making process of the elected leaders the committee rcommended the DCMLA said.

He said that a competent implementation machinery combined with popular initiative will set in process of participatory development that may lead to elimination of poverty provided the National Government is committed to this goal. It is through self government that popular leadership can emerge, popular energy is generated sustained and used for national develo ment Rear Admiral Khan said.

Rear Admiral M. A. Khan said that the committee had suggested an administrative system which would help accelerate the pace of development in the country particularly in the rural areas. He said that the administrative inadequacies in the present system had deterred the development work in the rural areas and the benefit of development did not reach the people. He hoped that the implementation of the recommendations of the committee would usher in a new era in our struggle for national development.

The Press conference was attended by the members of the committee Mr. A. Z M. Obaidullah Khan, Mr. M. M. Zaman Dr. Sheikh Maqsud Ali Mr. Obaidul Huq, Mr. S. M. Al Hussainy Mr. M. A. A. Samad and Dr. Shaukat Ali.

Salient Features Listed

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 pp 1, 12

[Text] The Committee for Administrative Reorganization in its report has made a number of recommendations including abolition of subdivisions as a unit and turning thana as the 'focal point' to bridge the yawning gap between the Government and the rural people. The report deals with elimination of 'unnecessary levels' of administration reducing the existing 7-tier structure to five and decentralisation of the administration.

The salient features of the recommendations of the committee are as below:

--directly elected Chairman at Zilla Parishad (ZP), Thana Parishad (TP) and Union Parishad (UP),

--officials to be members of the councils at the respective levels.

--elected Chairman to be the chief coordinator at all levels,

--elected councils to have full functional control over the officials working at that leve,,

--elected Chairman to be provided with full and adequate staff support in the form of a senior officer to be called chief executive officer.

--Chairman of UPs to be the members of TP.

--Chairmen of TPs to be members of ZP,

--adequate devolution of administrative, judicial and financial powers at district and thana levels,

--strengthening of village courts in terms of authority and training,

--development of infrastructure at thana level to make development of adequate authority possible and

--elimination of unnecessary levels such as subdivisions and divisions.

The committee noticed the following major inadequacies in the existing administrative structure :-

--lack of appropriate, consistent and uniform personnel policies with regard to recruitment, promotion and training of public service

--tadbir-based approach to decision-making,

--difficulties of the common man to comprehend the compartmentalised functions and complexity in Governmental decision making,

--absence of a sound and durable political process to give appropriate, consistent and uniform policies with regard to public welfare,

--vertical-functional departmentalism that vitiates area-based coordination.

--weak Local Government system rendered weaker by lack of representative institutions at different levels of administration,

--creation of parallel political and administrative institutions leading to conflict in jurisdiction and

--reluctance on the part of the political authority to devolve power to the representative institutions at the local levels.

Subdivisions To Be Converted

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 p 1

[Text] The Administrative Reorganisation Committee in its report has proposed for transfor mation of 51 sub divisions into districts.

Following is the list of pro posed districts :--Manikganj, Munshiganj Narayanganj in cluding Narsingdi Gopalganj Madaripur including Shariat pur Kishoreganj Netrokona Cox's Bazar Ramgarh including Khagrachari Brahmanbaria Chandpur Feni including Lax mipur Habiganj Maulvibazar Sunamganj, Nawabganj Nator Naogaon Sirajganj Thakurgaon Panchagarh Gaibandha Kuri gram including Lalmonirhat Nilphamari Bhola Pirojpur Jhenaidah Magura inlcuding Narail Bagerhat Satkhira Chuadanga including Meher pur.

Local Taxes Listed

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 p 1

[Text] The Administrative Reorganisation Committee in its report proposed that the Thana Parishad would be empowered to impose taxes on a number of items to undertake development programmes independent lv. Replying to a question Deputy Chief Martial Law Administrator Rear Admiral M.A. Khan said that there would not be double taxation by it.

The list of items for taxation by Thana Parishad includes:-

--Tax on annual value of buildings and lands,

--Tax on hearths;

--Tax on the transfer of immovable property.

--Tax on professions, trades and callings;

--Tax on births, marriages and feasts;

--Tax on advertisements,

--Tax on cinemas, dramatic and theatrical shows and other entertainments;

--Tax on animals;

--Tax on vehicles;

--Lighting rate where applicable.

--Drainage rate where applicable.

--Rate for the execution of any works of public utility.

--Conservancy rate where applicable;

--Rate for the provision of water supply;

--Fees on application for errection and reerection of buildings;

--School fees in respect of a school maintained by Thana Parishad;

--Fees at fair, agricultural shows etc;

--Fees for markets;

--Fees for licences;

Fees for specific services rendered by a local Thana Parishad.

--Fees for slaughtering of animals.

Any other tax which the Government is empowered to levy etc:

Present Weaknesses Noted

Dacca THE NEW NATION in English 19 Jul 82 p 3

[Text] Tadbir-based approach to decision-making is one of the nine major weaknesses that the administrative reorganisation and reform committee found in the existing system in the country, reports BSS.

Other inadequacies of the exising system are:

Lack of appropriate, consistent and uniform personal policies with regard to recruitment promotion and training of public services.

--Difficulties of the common-man to comprehend the compartmentalised functions and complicacies in government decision-making.

Absence of durable political process to give appropriate, consistent and uniform policies with regard to public welfare.

Vertical-functional departmentalism that vitiates area-based coordination,

Weak local government system rendered weaker by lack of appropriate political direction.

--Weakening of traditional administrative and representative institutions at different levels of administration.

--Creation of parallel political and administrative institutions leading to conflict in jurisdiction.

--Reluctance on the part of the political authority to develop power to the representative institutions at the local levels.

CSO: 4220/7681

TEXT OF FOREIGN MINISTER'S SPEECH IN NICOSIA

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 p 5

[Address by Foreign Minister Mr. A.R. Shams-ud-Doha at the plenary session of the ministerial level meeting of the Non-aligned Coordinating Bureau at Nicosia, Cyprus on July 16]

[Text] Mr. Chairman,

All of us have, at one time or another during the last few weeks predicted that Israel would aggress and yet, each one of us have hoped that some measure of common sense and some feeling of humanism would prevail at the very end to avert disaster. We were all proved wrong. Force has prevailed in the face of sincere persuasion. The aggressor has rightly assessed that persuasion represents weakness.

"We are also each aware of the deep divisions which permeate our ranks, and yet we are also somewhat shamefacedly reconciled to the tragic fact that we are incapable of forging unity. This is all for the good because we are atleast honest about it all. This is why I think that all is not lost and that we can, if we have the political will, not only demonstrate our solidarity but mobilise such forces as are necessary to have this aggression vacated.

"The people of Bangladesh have been shocked by the Israeli invasion of Lebanon. The sense of shock goes well beyond a mere expression of words. We are shocked even more that those who are reckoned to possess real power have not exercised it to prevent aggression; rather they may have knowingly or unknowingly contribtued towards it.

"Events in Lebanon have established quite clearly that unless the inalienable rights of the Palestinian people are met and an independent Palestine established, aggression will continue. The events have also proved quite clearly that unless Lebanese sovereignty is recognized and respected, this aggression will increase in geometrical progression. These are not contradictory. On the contrary, it is the reality which all of us must face to find a humanitarian and just solution

"Over decades now, the Palestinian people have been identified with terrorism by a continuous exercise in propaganda, most of it self-deceiving Israel has

been consistently presented in an image of the oppressed and persecuted deserving continuing compassion on the one hand and the means to defend themselves on the other. I believe that history has never before witnessed so great a distortion of facts. It is so great and it has been made to appear so real that the allegedly oppressed are today able to aggress with impudence while the international community have become mere bystanders.

"We firmly believe that the present grave crisis has clearly focused attention on the need to demand universal recognition of the PLO by the international community. In fact, the present mechanism of negotiation already bears all the elements of recognition. We also believe that the immediate vacation of aggression by the Israelis coupled with the recognition of the PLO on the one hand and the respect for Lebanese sovereignty on the other are essential ingredients for a political settlement of the present conflict.

"On behalf of the people of Bangladesh, Mr. Chairman, I express our solidarity with the Palestinian people with their representative organisation PLO and with their great leader Yasser Arafat.

"I also take this opportunity of expressing our sincere grief for the loss of life and property sustained by the Lebanese and the Palestinian peoples.

'We pray that peace is soon restored to enable the people of Lebanon to lead a normal life which will enable them to rebuild their country in complete freedom and without fear of further aggression.

"I conclude, Mr. Chairman by thanking you and the Government of Cyprus for the warm hospitality and kindness extended to my delegation and myself and also thank you for organising this important Conference at such short notice"

CSO: 4220/7682

VISITING WORLD BANK OFFICIAL HOLDS PRESS CONFERENCE

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 pp 1, 12

[Text] Mr. William David Hopper Vice-President of World Bank for South Asian region, commended in Dacca on Saturday the new fiscal and other economic policies of the Government. He termed the country's national budget for 1982-83 as a remarkable and bold document which, he felt would have far-reaching effects for promotion of development activities.

Summing up his impressions about the state of the national economy and the prospects for its growth and development in the light of the new policy moves of the Government, the WB Vice-President told the newsmen at a Press conference at the conference room of the External Resources Division (ERD) that the country was now better poised for steady growth and development of its economy.

Mr. Hopper leaves Dacca today (Sunday) for Calcutta on route to New Delhi at the close of his six-day familiarisation tour of the country. His discussions with the Government leaders including the Chief Martial Law Administrator Lt. General H. M. Ershad during his stay in Dacca covered different aspects of the new national budget, development priorities and choices of the new administration, economic reforms and policy changes initiated after the change in government on March 24 last, prospects for aid-flows new investment policy etc.

Kazi Fazlur Rahman, ERD Secretary, was present at the Press conference, addressed by Mr. Hopper on Saturday.

Mr. Hopper told the newsmen that his visit to Bangladesh this time was aimed at assessing for himself the impact of the recent events on the development scenario of the country. He recalled that he came to Dacca last time almost a year back after the shock that took place on May 30. '81.

Mr Hopper felt that the country has by now succeded in finding a course for her development through the successive changes in her governments.

Referring to his discussions with the CMLA, he observed that he discussed a wide range of development and other issues with General Ershad who he felt, would be able to provide the leadership, recapture the development initiative and reinitiate the growth process for building a viable economy for the well-being of the people of Bangladesh.

Mr. Hopper said that he was much impressed by the priorities in the Annual Development Programme for 1982-83 and stated that the ADP "reflects the availability of the resource and priority development needs of the country." He added that as the Vice-President of the World Bank and also the Chairman of the Air Group, he felt convinced that the community of donors would render assistance to Bangladesh to mee her present as well as future development targets.

Replying to a question, he said that Bangladesh is the second largest recipient of aid from the World Bank's soft-loan agency, IDA. The largest recipient of IDA assistance is India, he noted.

He pointed out that total assistance to Bangladesh in 1981-82 was 14.7 per cent of the IDA funds for the year. He hoped that the same level of assistance from the IDA would be continued in 1982-83 for Bangladesh. But the assistance be more than the previous level if the present state of problems relating to the IDA's sixth replenishment of funds for development assistance can be overcome he added.

Answering another question the WB Vice-President stated the seventh replenishment for IDA's funds is scheduled to begin in July next.

Mr. Hopper termed the prevailing international aid climate as a difficult one with a manifest tendency on the part of some major donors to curtail their aid programmes.

About the prospects for more assistance from the World Bank for Bangladesh in order to enable the latter to overcome the problems on account of shortage of funds for meeting the local costs of the projects, the WB Vice-President said that the World Bank does not discriminate between foreign exchange costs and Tk. cost and it apprises the full cost of the projects at the time of committing funds for the same. "We only want to see that the recipient country funds a part of the project cost in the manner of making some down-payment for the same", he added.

Replying to a question as to whether the Government has reduced the subsidies on account of fertiliser sale and foodgrains distributed under rationing system owing to any pressure from the World Bank or other donor agencies, Mr. Hopper stated that such decisions reflect only the choice and the option of the Government.

CSO: 4220/7682

ERSHAD MESSAGE TELLS CONCERN OVER IRAN-IRAQ CONFLICT

Dacca THE BANGLADESH TIMES in English 17 Jul 82 p 1

[Text] NICOSIA, July 16--The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, today expressed Bangladesh's "grave concern" at the "very serious situation arising out of the Iraq-Iran conflict" and the deep shock at the events in Lebanon reports BSS.

This was conveyed in a message by the CMLA to the President of Cyprus, Mr Spyros Kyprianou, handed over to him by the Bangladesh Foreign Minister Mr A R Shams-ud Doha now attending the emergency session of the Non-aligned Coordinating Bureau here.

The message was also read out during the general debate of the bureau meeting by Foreign Minister Mr Doha who was received by President Kyprianou this morning.

Following is the text of the message:

"Your Excellency,

Kindly convey the grave concern and anxiety of Government and the people of Bangladesh to the Bureau of the Nonaligned countries as result of the very serious situation arising out of the Iraq-Iran conflict and which directly affects our combined efforts to render assistance and support to our Palestinian brethern.

The people of Bangladesh is deeply shocked by this events in Lebanon and we fervently urge the movement whose bureau has assembled under your hospitality and onitiative to appeal our non-aligned brothers Iran & Iraq to cease hostility immediately so that out combined efforts can be directed towards facing the common Israeli threat."

CSO: 4220/7680

PROJECT MONITORING DIRECTOR ON PROBLEMS ENCOUNTERED

Dacca THE BANGLADESH TIMES in English 17, 18 Jul 82

[Article by M. Mokhlesur Rahman, Director, project monitoring bureau, Government of Bangladesh]

[17 Jul 82 pp 5, 7]

[Text] The number of problems and bottlenecks which affect project implementation by way of cost cver-run and time over-run are many. The number of problems which have been identified by the Project Implementation Bureau (now Project Monitoring Bureau) in the course of its work over the last seven years runs to over twenty. However, the major ones are indicated below:

(1) Spreading thin of available investible resources over too many projects;

(2) Shortage of funds (both Taka and Foreign Exchange requirements);

(3) Non-availability of vital inputs (e.g. plant, machinery, etc) in time;

(4) Faulty preparation/formulation of projects;

(5) Delay in approval of projects;

(6) Shortage of skilled manpower;

(7) Injudicious acceptance of foreign aid;

(8) Problem of debt-servicing liabilities and the consequent short release of funds;

(9) Delay in release of funds;

(10) Failure to apply management tools (such as network analysis and critical path analysis technique) project implementation; and

(11) Delay due to donor procedures.

It is very important to note the interrelated nature of many of these problems. Problems of time over-run are frequently accompanied by problem of cost over-run (however cost over-run problem can take place independently also). One

problem can lead to another and therefore a project can be afflicted by more than one problem at the same time. Conversely, the solu ion of one problem will lead to solution of others, and minor problems will largely disappear if major problems can be solved. The government has already taken a number of important decisions to solve or minimise these problems. However, the thing is while some of these problems are amenable to solution, others are not so easy to solve, at least in the short run. We are to remember that time over-run and cost over-run are by no means an uncommon phenomenon. They take place everywhere, irrespective of whether a country is developed or developing. But in the context of a less developed country like Bangaldesh, instances of time over-run and cost over-run take place far more frequently. Then there is also the question of taking of decisions being one thing while their strict observance and implementation being another.

A brief discussion now follows on the above problems. Suggestions are offered along the way, where necessary or possible.

Spreading Thin of Available Investible Resources over Too Many Projects:

This problem can also be phrased as "allocation of funds without reference to physical schedule in Porject Proformas (PP's)" or as "inclusion of too many unapproved projects in the Annual Development Programme (ADP)". In terms of number of projects affected, this has by far been our biggest problem, but fortunately one for which effectual solutions are available. We have too many projects crowded in the ADP, all crying for funds but since investible funds are very limited, they are spread thinly over all the projects, meaning a situation in which there are some allocations for each and every scheme which can somehow find its place in the ADP, but which are hardly adequate for the implementation of the particular portions which are targetted for completion during the financial year in question according to the physical schedule shown in the project proformas. The number of projects falling under this problem category would be too numerous to mention. Nevertheless, Teesta Barrage Project, Habiganj Gas Field Development (Well No. 3 and 4), 110 MW Khulna Power Station, Mechna-Dhonagoda, Irrigation Project, Serajganj IRDP, etc. can be cited as examples.

This problem, because of its enormous magnitude, has already received considerable attention by now. Various exercise have been undertaken in the past to tackle this problem. Mention may be made in this regard of the project pruning exercise, prescription of minimum standards in construction and building, ban on the purchase of cars, preparation of physical programmes of projects for each FY, directive s for acquisition on only tives for acquisition on only minimum necessary land and so on. These exercises are continuing right through this day in which both Planning Commission and PMB are cooperating closely. The latest steps consist of emphasis on directly-productive projects and on the exclusion of unapproved projects as far as possible. All these together should hopefully go a long way in solving this problem.

In this context, we should also actively consider decentralisation in terms of geographical regions. This has become overdue. In this respect, emphasis should be shifted from function-oriented multiplication of agencies (we already have too many of them) to area-oriented consolidation of agencies; and the present Divisional Development Boards should be further strengthened in terms of government financial support and institutional development. The load of planning, programming, monitoring and (in some cases) implementing p ojects may be passed on to these Boards to a considerable extent. To a lesser extent, the same can be done to Zilla Parishads and Thana Councils. A good start has already been made by deciding to hand over substantial portions of feeder roads, minor irrigation, rural electrification, etc. to agencies which implement "food for Works" schemes.

Shortage of Funds (both Taka and foreign exchange requirements):

This is a problem which is not so easy to solve. From that viewpoint, shortage of funds becomes our most difficult problem. The problem of "spreading thin of investible funds over too many projects" also arises as a consequence of this problem. We are not only wholly dependent on various donors for the entire foreign exchange requirements for our projects but are also directly dependent on them for a substantial portion of Taka resources requirements. Indirectly, we are dependent on them for the entire Taka cost financing as well. The donors give us commodity aid which generates counterpart funds. These counterpart funds go entirely into our development budget providing Taka resources. Commodity aid also indirectly brings about considerable increases in our revenue receipts by way of duty and sales tax, which together

comprising the most important source of government taka revenue. The government had already taken and are still taking various steps to tackle this problem by providing various incentives on exports and by effecting rationalisation of tax structure, gradual elimination of subsidies on food and fertiliser, and so on but the problem is so formidable in our context that till date little real progress could be achieved because of, among others, high inflation and deteriorating terms of our trade. One of the easier solutions in such a situation is by resorting to deficit financing which is considered an undesirable things. Among projects which are suffering from this problem (particularly lack of foreign exchange resources), mention may be made of such BMEDC projects as Jaipurhat Limestone Mining and Cement Works, Madhyapara Hard Rock Project, Jamalgonj Coal Mining Project and so on.

Non availability of vital inputs (e.g. plant, machinery etc) in time:

This major problem is caused primarily by suppliers, by their failures to supply vital project inputs in time. Once a tender is accepted and orders placed with a supplier or contractor much can not be done by project management to ensure supply in time except for a continuous follow-up action as primary responsibility for timely supply remains with the supplies. This is particularly more true in situations where vital projects inputs (e.g. proprietary items) are to be procured from foreign suppliers or under tied aid. Of course, in the event of such delay, punitive actions can be initiated against the suppliers and contractors but that does not eliminate the delay already caused. Cancellation of orders of procurement or contracts are not always easy because placing of orders or signing of contract with new firms may by itself, take a lot of time because of procedural formalities. Missing of items consignments which have arrived at the port also falls within this problem category. The detection of certain vital items missing from consignments during the penultimate phase of implementation of the Ashuganj Fertiliser Project caused a lot of difficulties and these missing items had eventually to be airfreighted to Bangladesh. Many projects would fall under this problem category. To name a few, we may mention the Ashuganj Fertiliser Project, Gulfra-Habib Mohini Textile Mills (BMR), 60 MW Chittagong Thermal Power Station, etc.

Faulty Preparation of Projects :

Project preparation is not an easy job. It requires knowledge experience expertise and imagination. It calls for the project formulator to have a clear perspective of the technical, financial, economical organisational and managerial aspects of a project which is proposed for formulation. It also requires a clear perspective of the working of the national economy. All this would call for a high degree of skill and perspective on the part of the people who are responsible for project formulation. Unfortunately, such skill and perspective are very much lacking in the context of Bangladesh. In many cases, the presence of "square pegs in round holes" makes matters worse rendering project formulation exercise full of faults right from the beginning. Even where there are people who have knowledge of project formulation, they lack depth and imagination. Now a days a lot of courses are being offered on project appraisal and project management here and abroad. However, they are mostly short courses of 2-3 months' duration, in which emphasis is laid primarily on the economic aspects at the expense of other aspects, particularly technical and organisational aspects. The knowledge that one acquires in such courses is rather mechanical in nature and can be very inadequate for the job of project formulation. In this respect one should guard against the creation of situations in which little knowledge can become a dangerous thing. All these weaknesses in project formulation are reflected in the frequent revision of the project proforma and in the tendency of underestimating costs, while overestimating benefits. This problem can be tackled in a number of ways such as :

(a) Appointment of the right people for the right jobs and through complete elimination of cases of "square pegs in round holes". Some flexibility can be there only in matters of direct requirement at the lowest level (e.g. in case of Research Officers in the Planning Commission, Project Monitoring Bureau, etc.) but even there jobiarta specialization should be initiated for direct recruits through appropriate training programme.

(b) In-depth training in project formulation, appraisal, and implementation. Short training courses may not always be the right answers as they may give rise to situations in which little knowledge can become a dangerous thing. Besides, the emphasis at present is primarily on economic and management aspects. Equal importance should be recorded to technical (e.g. choice of technical alternatives) and organisatio,

Delay in approval of projects is a major problem but it is one in which a degree of inevitability cannot perhaps be altogether eliminated. The Second Five-Year

Plan was not launched immediately at the end of the First Five-Year Plan (1973-78) and instead, a Two-Year Plan covering the period 1978-80 was launched. This was done specifically with the purpose of ending the "tyranny of ongoing projects", as it was called. This is because at the time the load of too many on-going projects was eating up all the available resources and good new projects in sufficient number could hardly be accommodated in the ADP. Naturally at the end of the Two-Year Plan, when the Second Five-Year Plan was launched, the number of unapproved projects was far in excess of approved ones so much so that the total number of unapproved projects stood at over 1100 in September, 1980 out of a total portfolio of 1,525 projects in the ADP, 1980-81. In spite of the then Presidential directive to get all the unapproved projects approved by December 1980, the number of such projects continued to remain high and even today, out of a total number of 1,679 projects in the Revised ADP, 1981-82 over 600 remain unapproved. The inevitability of this problem which we mentioned arises because approval can take place only after a project is formulated correctly in terms of its various component parts and only after the costs of components and benefits of project output have been estimated on as accurate and realistic a basis as possible. In this sense this particular problem can be seen as directly related to the problem of faulty preparation of projects and the problem of lack of skilled manpower.

Approval can be accorded to a project only after the Project Evaluation Committee (PEC) can first recommend this approval and the PEC can recommend a project for approval only after it is completely satisfied that the project has been prepared properly in all respects in terms of its component parts and on the basis of realistic estimates of costs and benefits. At the risk of repetition, it has to be again said that formulation of a project is not an easy job and that it requires knowledge, experience, expertise and imagination. Naturally, the donor agencies, particularly the World Bank and the Asian Development Bank almost invariably make it obligatory on the part of recipient countries to undertake feasibility studies first before formulation of an aided project. Unfortunately, in our context, many projects are included in the ADP without the benefit of prefeasibility or feasibility studies. Many of such projects are included in the ADP because of pressure from various Ministries and agencies. We can call this pressure as pressure from influential quarters. Notwithstanding these problems and difficulties, first the External Resources Division and now the Planning Commission in consultation with other Ministries and Divisions is trying to bring the approval procedures within a maximum time limit of 150 days from date of formulation of a project in full details (in respect of foreign-aided projects, from the date of completion of appraisal). In this regard, it is felt that only approved and foreign-aided projects (provided firm commitments to them have been made) should be included in the ADP.

If we exclude the unapproved projects from the ADP, this problem of delay in approval can largely be taken care of. This should not pose any problem or create any complications. Since the ADP for a particular FY, under present practice, is prepared at two different periods of time — first, in March-May of the preceding FY and then the revised ADP in December-February of that FY, the exclusion of unapproved projects from the ADP at any point in time should not cause concern to any quarters because after just 6 months or so, candidate unapproved projects, which got approval during that period, can get accommodated in the next ADP, be it Revised ADP for that FY or Original ADP for the next FY. Only a notional reserve allocation in the original ADP should be sufficient to take care of those projects when the revised ADP is prepared. We would, therefore, strongly suggest that the Planning Commission may from now on bring out two documents simultaneously:

(a) An ADP consisting only of approved projects, and also those foreign-aided projects to which GOB's firm commitment has been made, irrespective of whether they are approved or not (Approval in this sense should also include anticipatory approval which is obtained in respect of a few selected important projects;) and (b) Portfolio of Unapproved Candidate Projects for .....(FY).

Shortage of skilled manpower:

Shortage of skilled manpower has been quite a problem ever the last few years, particularly in respect of projects the implementation and operation of which require a high degree of technical expertise.

In Bangladesh, the technical jobs of literally every foreign-aided projects are performed by expatriate consultants or experts, be it a fertilizer factory or a paper mill or a sugar mill or a power plant or a river bridge or a barrage. We seem to depend on foreign experts and consultants for technical jobs of any consequence. But it is not that it is always a reflection of lack of technical skill of our local personnel for the jobs. This is also due to a lack of self-confidence on the part of our technically-qualified personnel or to an attitude to "play it safe"

The construction of 3rd Unit of Karnafully Hydroelectric Project may be cited as an example. Originally, only the consultancy job was to be performed by expatriate perpertormed by expartriate per-

sonnel. Construction part of the job was to be done by our own engineers and technicians. However, at a later stage, the Power Development Board opted for expatriate personnel for both the jobs.

The flight of our considerable technical manpower for better jobs abroad (particularly Middle East) has of late caused another major problem, so much so that our government has now to consider recruitment of foreign teachers for our engineering colleges. It is very difficult to quickly fill this vacuum by our own manpower. Restrictions (in some cases, outright ban) have already been imposed to stem such flight. However, considerable damage has already been done. Training and education is another solution, but this will produce results only after a period to time. Shift of emphasis from general education to vocational education and specialised training in fields of practical importance would hold the key to successful solution of this very important problem. However, we are still a long way off from effecting this change.

Injudicious Acceptance of Foreign Aid:

Decisions to go for foreign aid for part financing of particular projects may automatically inflate the project cost by considerable extent above the original cost estimates that were worked out on the basis of taka financing only. This is particularly evident in the roads sub-sector where one finds that the per mile cost of road construction in respect of foreign aided projects is 4-6 time that for roads which are constructed with taka resources only. Rangamati-Khagrachari Road (41.60 miles) may be cited as a case in point. When the Roads & Highways Department first proposed the construction of this road on the basis of taka financing, the estimated cost was worked out at Tk. 18.00 crore. Subsequently, when part financing of this project was proposed under Australian Aid, the estimated total cost jumped to Tk. 40.57 crore (with a foreign exchange component of Tk. 16.16 crore alone). Out of the total foreign exchange component of Tk. 16.16 crore, Tk. 8.00 crore were to be incurred by way of salaries and facilities of foreign consultants, fuel cost, etc. Khulna-Mongla Road (22 miles) is yet another example. This is an ADB-financed project. The cost of the Project which was initially estimated at Tk. 35.44 crore in 1973 has now jumped to Tk. 50.48 crore. Such examples can be multiplied. It is, therefore, imperative that extreme caution and care are exercised in accepting foreign aid because without so, there is every danger that not only the total costs of the project would go up, but that there may be substantial increases in the taka costs as well. Thoughtless acceptance of foreign aid may also burden the economy with undesirable projects (such as, capital-intensive projects) which are inconsistent with the socio-economic policy objectives of the country. However, that is another matter.

Problems of Debt Servicing Liabilities and the Consequent Short Release of Funds:

This has been a big problem plaguing the development projects under implementation now for a long time. The government is fully aware of this problem, but its effective solution has so far proved rather difficult to achieve. The various commercial corporations and boards are supposed to pay their debt servicing liabilities from their revenue budgets but in actual practice, they have failed to do so so far. Payment of debt servicing liabilities is important for generation of domestic resources because debt servicing receipts is a very important component of Government's non-tax revenue. Government (Finance Division) is, therefore, very reluctant to give relief to the executing agencies in this respect and they (Finance Division), therefore, deduct the due amounts from the allocations of the on-going projects of those agencies in the ADP. If Finance Division does not do so, there will be a corresponding shortfall in the generation of domestic resources for the next year's ADP. Again because of this deduction the executing agencies receive less amount than what are provided for in the ADP, resulting in shortfall in the progress of the projects. This causes the inevitable time over-run and time over-run, in turn, causes cost over-run. We have a vicious circle here. By a recent decision of the NEC, this particular problem is now receiving high level attention of the Ministry of Finance and the Planning Commission.

DELAY IN RELEASE OF FUNDS:

This delay takes place mainly in the Finance Division and the Office of the Accountant General, but these two organisations may not be held fully responsible for this. In fact what happens is that the various formalities are not completed by the executing agencies seeking funds, with the result that their requests are sent back for necessary rectification or further elaboration, and this causes delay. Normally this problem affects unapproved projects more severely than approved projects for the simple reason that procedures for release of funds are of necessity more complex for unapproved projects than for approved ones. This particular problem is also receiving due attention by a high level inter-ministerial committee which has recently finalised its recommendations for simplification and streamlining of the various procedures.

FAILURE TO APPLY MANAGEMENT TOOLS IN PROJECT IMPLEMENTATION:

It is seen that the persons who are actually responsible for, or involved in project implementation lack knowledge of even such simple tools

of management as network analysis and the critical analysis technique. The upshot is that jobs which should be done simultaneously or in their proper sequence are not done so. And this invariably cause delay in implementation. Chittagong Dry Dock and Heavy Steel Engineering Works is a case in point. Here we find that the dry dock itself has been completed but not the supporting workshop, although works on both the jobs could have been undertaken more or less together. Inevitably the implementation of this project has been delayed. This problem can be tackled by imparting training to the project personnel, and in fact the PMB (then PIB) conducted a short training programme specifically for project directors/managers on the critical path techniques some time back. Also by now some 18 short courses on Project Management have been held since September 1978 in which a total of 470 mid-level and young officials have received training. But even here the problem has been that few participants could be drawn from personnel who are actually involved in project implementation in the field. But then this is perhaps a problem of a more general nature and happens with every training programme, particularly in the realm of social sciences. In any case, the appreciably reflected in projects implementation and it may take sometime before its effect is so felt.

DELAY DUE TO DONOR PROCEDURES:

It is not just that only our own government procedures relating to approval of projects, release of funds, and so on delay implementation. Donor procedures may be equally cumbersome and can put such constraints as may eventually result in delay in project implementation. Periodic dialogues with the donors have not been of much held because the donor countries have their own difficulties at simplifying or streamlining their procedures. An example would be with the procedures for reimbursements of Taka costs which are financed by various donors. If places of the present reimburseable basis, a lot of problems on this account would have been solved.

In the ultimate analysis, all of the above-mentioned problems could be described by the single term of "people-related problem". Because it is people who, through their ignorance, failures, inefficiency or attitude, cause these problems; and it is people again who have to find solutions. We have indicated some of the measures which can be undertaken to combat this people-related problem. This has primarily to do with the recruitment and appointment of qualified personnel strictly on the basis of job requirements, and with training. As regards training, short courses may not always be the answer because of the danger that such courses may create situations of little knowledge becoming a dangerous thing.

Meaningful job rotation is yet another important step that should be practised in conjunction with training in this respect. However, every measure stands the danger of dismal failure unless the attitude of the personnel could also be changed at the same time. And this is a far more difficult task than anything else. Because even with all the world's knowledge and experiences and expertise, higly-qualified personnel may not be delivering goods and services to the country, if they are suffering from a mercenary attitude and questionable integrity at the same time. But then this is a problem which holds true not only for the job of project implementation but for every job as well.

CSO: 4220/7685

BANGLADESH, NEPAL PLAN JOINT VENTURE INDUSTRIES

Dacca THE NEW NATION in English 19 Jul 82 pp 1, 8

[Article by Matiur Rahman]

[Text] Bangladesh and Nepal are going to set up a number of industrial plants under joint venture in the Himalayan Kingdom.

The Joint Economic Commission set up by the two friendly countries about four years ago proposed three industrial projects--one jute mill, one pulp mill and one pharmaceutical plant to be set up in Nepal under the bilateral cooperation.

The recent Foreign Secretary level meeting in Dacca during the visit of Nepalese Foreign Secretary Jagdish Shamsher Jang Bahadur Rana, decided to form a "review committee" to monitor the progresss of implementation of the projects under joint venture.

The Review Committee comprising high officials from the External Resources Division of the Bangladesh Government and from the Finance Ministry of the Nepalese Government will start meeting every six month alternatively in Dacca and Kathmandu in order to keep the projects under constant watch.

Mr. Jagdish Rana though visited Dacca during his current tour of four South Asian countries--Bangladesh, Sri Lanka, Maldives and India in connection with the regional forum for cooperation had talks with his Bangladesh counterpart, Mr. Ataul Karim on bilateral matters with particular reference to the recommendations of the Joint Economic Commission.

The Joint Economic Commission set up in 1978 during the state visit of late President Ziaur Rahman had its third Ministerial level meeting in Dacca in January and made a number of recommendations for expanding the areas of bilateral cooperation particularly in the fields of industry and trade and commerce. Nepalese Finance Minister Dr. W. B. Pant led his country's delegation to the Commission's meeting.

Meanwhile, both the governments carried out survey for setting up the proposed jute and pulp mills in Nepal. Feasibility study in this regard is under consideration.

It may be mentioned here that Nepal has two jute mills and the third one will be set up in collaboration with Bangladesh technical know-how and other assistance.

JT Chamber

Both the countries are contemplating to set up a Joint Chamber of Commerce and Industry to boost bilateral trade. The Governments of Nepal and Bangladesh are now in touch with each other to give final shape to the joint chamber.

During the foreign secretaries meeting both the sides expressed their determination to increase volume of bilateral trade by undertaking initiative to encourage the private sectors and traders.

The volume of two way trade between Dacca and Kathmundu came to around two crore taka in 1980-81. Bangladesh exported mainly newsprint, paper and paper products and soaps of all kinds worth about Taka 70 lakh while she imported fruits, vegetables and manufactures of metals worth Taka one crore from Nepal during the period.

The joint Economic Commission, however, listed 21 items for export from Bangladesh and only 7 items for import from Nepal. The export list includes textiles including saree, bicycles, plastic goods, readymade garments, G.I. pipes, crockeries and cutleries, electric wires and telephone cables, packaging materials, jute carpets, telecommunication equipments, coir products, cellophane, dried and salted fish etcetra.

The commodities which can be imported from Nepal include rice, mustard seed/oil, marble chips, boulders, pulses and medicinal herbs.

Both the sides also discussed the transit trade that is being done through India from Chittagong port for both export and import of land-locked Nepal. The railwaywagons that carry goods upto Bangladesh border point Birol can carry back boulders on return way in order to make the transport cost cheaper, it was suggested.

CSO: 4220/7687

MERGER OF COOPS, RURAL DEVELOPMENT PROGRAM PLANNED

Dacca THE NEW NATION in English 17 Jul 82 pp 1, 7

[Text] The Government is going to set up a single new organisation--Bangladesh Rural Development Board--merging the existing traditional cooperatives and the Integrated Rural Development Programme (IRDP).

The decision is being taken to bring uniformity removing confusion and conflict in the co-operative-based development activities.

The Rural Development and Cooperatives Division of the Ministry of LGRD has proposed the new i lea to integrate the two parallel systems with a view to strengthen the overall credid structure.

The proposed organisation, which is expected to get Cabinet approval soon, will perform the promotional and developmental function while the registrar of cooperative societies will look after the regulatory function of the cooperative societies.

After getting Cabinet approval, the IRDP, Thana Central Cooperative Associations, Krishak Sambaya Samity (KSS) and Bangladesh Samabaya Bank Limited (BSBL), Central Cooperative Bank (CCB), Union Cooperative Multi-purpose Societies (UCMPS) will be brought under the new structure.

The status of IRDP is not yet defined although this has been expended in 330 thanas of the country. The remaining 96 thanas will be brought during the remaining period of Second Five Year Plan. The progress of the registration of the cooperative societies including those set up under IRDP shows that upto June 30, 1981, 104472 primary societies, 764 central societies and 13 apex societies at the national level were registered.

The reorganised credit structure also will have four tiers instead of existing three tiers.

In the proposed structure, primary societies will operate at the base of the village level, TCCA banks at the thana level, which will be assigned as the sole cooperative financing agency in a thana; central cooperative which will function exclusively as the federatio of TCCA banks; all primary societies affiliated to CCBs at present whcih is now transfered to the TCCA banks and the Bangladesh Samabaya Bank Limited will operate at the national level.

The standing decision of the Government to establish a cooperative bank in each thana of the country by redesignating the existing TCCAs as thana cooperative association and bank will also remain in force, it is learnt.

Proposal for delinking the IRDP TCCAs from Sonali Bank and linking them with the Bangladesh Samabaya Bank Limited is also under Government consideration. The inter agency meeting earlier reached consensus that the outstanding loans of the TCCAs with Somali Bank will be repaid in lump sum. On the other hand, Bangladesh Bank will provide refinancing facilities to Bangladesh Sambaya Bank Limited to enable TCCAs to square up their loan accounts with Sonali Bank. Bangladesh Bank will provide two types of refinancing facilities in respect of overdue and non-overdue loans.

In relation with this new proposal a new interest rate structure for the co-operative credit is now awaiting Government approval. Ministry of Finance is examining the new interest rate seperately proposed by Bangladesh Bank, Rural Development and Co-operatives Division of the Ministry of LGRD and the Finance and Investment wing.

CSO: 4220/7679

JAPAN TO INCREASE ECONOMIC AID TO BANGLADESH

Dacca THE BANGLADESH OBSERVER in English 22 Jul 82 p 1

[Text] Japan is expected to increase its quantum of economic assistance to Bangladesh by 10 per cent in the current financial year according to diplomatic sources in Dacca on Wednesday reports ENA.

Japan extended an economic assistance to Bangladesh to the tune of 210 million U.S. dollars covering both loans and grants for the year 1981-82:

The sources said that Japan had already indicated its increased loan and hoped that the grant was also likely to be increased.

They described Japan-Bangladesh relation as good and economic ties between the two countries would further develop.

The sources further expressed satisfaction over Government measures to improve the economy of the country and felt that the Government move to "decontrol" industries would be beneficial to the growth of economy.

They however believe that some more measures should be taken to encourate foreign investment in Bangladesh.

It may be recalled that Japan provides economic and technical assistance to Bangladesh particularly in the fields of agriculture and Petrochemicals.

CSO: 4220/7690

IMF AID TO BANGLADESH REDUCED BY 580 MILLION SDR

Dacca THE NEW NATION in English 21 Jul 82 pp 1, 8

[Text] International Monetary Fund (IMF) will not give to Bangladesh 580 million SDR out of 800 million SDR it had committed to Dacca in December 1980.

This was indicated by Planning and Finance Mnister A.M.A. Muhith while talking to members of Overseas Correspondents' Association, Bangladesh in Dacca yesterday. He said, the IMF fund was meant for financing Bangladesh balance of payment deficit for a period of three months. He said, the limited purpose assistance did not operate any longer.

The IMF had approved on December 8, 1980 a total of 800 million SDR for Bangladesh of which 319.30 million SDR was under the extended fund facility. The remaining 480.70 million S D R was for supplementary financing facility.

Under the agreement Bangladesh received 220 million SDR in three instalments. The remaining 580 million SDR was not received by Bangladesh despite several reminders. The Government in the meantime had implemented some of the suggestions made by the IMF as part of its package deal for receiving 560 million SDR.

Minister Muhith, however, brushed aside a broad suggestion made by a newsman that World Bank, IMF and donor countries had influenced the present budget and said, "even without World Bank and IMF I would have presented the same budget."

Mr. Muhith said that the budget provided incentive for investment and equalised benefits for investment for public and private sectors. It also aimed at bringing financial and monetary discipline in public sector, he added.

The Minister expreseed his optimism that there would be substantial growth in agriculture sector during the period resulting in availability of goods. He pointed out that highest ever allocation has been for the agriculture sector in the current budget and expected growth rate in the sector could be achieved, he said.

He said these will result in the upturned in the economy around November this year and greater availability in agricultural goods and manufactures. This trend is expected to reach peak by March next year when the entire nation would benefit from the budgetary measures.

Mr Muhith said that during mansoon there will be rural infrstructural work and food for work programme to generate income in the villages.

The Minister said that the budget estimate had been made keeping, in view the level of disbursement of foreign assistance. He said we have taken a very hard look at the disbursement level and excluded the uncertain commitments. He pointed out that the estimated foreign assistance of 1,305 million dollars for the current fiscal year was work out on the basis of aid in pipeline and also commitment which are fairly certain.

CSO: 4220/7689

OPEC LOAN AGREEMENT SIGNED IN BONN

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 pp 1, 12

[Text] BONN, July 17--An agreement for a loan of $30 million was signed on Thursday between Bangladesh and OPEC Fund for Interational Development according to a PID handout.

The agreement was signed at the Fund's headquarters in Vienna by Mr. A.K.H Morshed Bangladesh Ambassador in FRG and Austria on behalf of Bangladesh and by Dr. Mahsoun Jalal, Chairman of the Governing Board of the Fund.

The Government of Bangladesh will utilize the loan for the finance part of the loans of the Ashugonj Thermal Power Project co-financed by the Kuwait Fund for Arab Economic Development (KFAED) the Internation Development Bank (IDB) and the Kreditanstalt Fuer Wiederaufbau (KFW).

The project involves the extension of the Ashuganj Steam Power Plant and installation of additional units for generation and transmission of increased energy as also to establish a simulator to train the staff of the Bangladesh Power Development Board.

The loan is interest-free with service charge of 0.75 per cent per annum and with 20-year maturity including a grace period of 5 years.

CSO: 4220/7682

FORMER FINANCE MINISTER CONVICTED OF CORRUPTION

Dacca THE BANGLADESH OBSERVER in English 18 Jul 82 pp 1, 12

[Text] The Special Martial Law Tribunal No. 2 on Saturday convicted former Finance Minister M. Saifur Rahman in one or the three charges of the corruption case against him and sentenced him to suffer imprisonment till the rising of the court, reports BSS.

The five-member tribunal headed by Colonel A. B. M Elias also ordered the former Minister to pay a fine of Taka 2 lakh in default, to suffer rigorous imprisonment for two years.

The tribunal did not find Mr. Rahman guilty of the first and second charges in the case involving a total amount of Taka 28.93 lakh. The first charge relates to exemption of stamp duty to the tune of Taka 22.99 lakh to Gulbarg Cooperative Housing Society. The second charge relates to recommending and obtaining a loan of Taka 5 lakh from the Pubali Bank for Hotel Anurag of Sylhet.

In its unanimous judgement the tribunal observed: "After a careful consideration of the evidence, facts and circumstances on record, the tribunal is of the view that the prosecution has failed to prove the first and second counts against the accused".

But the third count (charge) on misuse of transport, has been proved against the accused former Minister beyond any shadow of doubt. The tribunal therefore, found Mr. Rahman guilty on the third count under Regulation 11 of MRL 1 of 1982 and sentenced him to suffer imprisonment till the rising of the court and to pay a fine of Taka two lakh, in default to suffer RI for two years.

The third charge brought by the prosecution against the accused was that the family members of the former Minister used one additional transport of the Jiban Bima Corporation and then of the Janata Bank over and above the official transport given by the government. Through use of the transport illegally and abusing his official position, the accused had caused financial lose of Tk. 1.93 lakh to the two organisations concerned as cost of fuel, maintenance and drivers' salary.

The tribunal during its eight-day hearing of the case examined 25 prosecution witnesses. Some of the witnesses were cross-examined by difence lawyers. The defence produced no witnesses.

The prosecution case was conducted by Special Public Prosecutor Mr. Ashrafuddin Ahmed. He was assisted by Assistant Special Public Prosecutor A.S.M Obaidur Huq.

The accused was defended by a team of lawyers including Mr. Abdul Malek, Senior Advocate, Mr. Jamiruddin Ahmed and Mr. K. Z. Alam.

CSO: 4220/7682

BRIEFS

OFFICIALS ON TRIAL--The five-member Special Martial Law Tribunal No 1 Saturday started hearing the case against former Deputy Prime Minister Mr S A Bari AT former state minister Dr. Aftabuzzaman and 11 other co-accused persons on charge of corruption and abuse of official position under Regulation 11/9 of MLR 1, 1982, reports BSS. The tribunal examined and cross examined one prosecution witness, a former Chairman of the Bangladesh Fisheries Development corporation. A good number of documents and evidencess was also placed on record of the tribunal as exhibits. Earlier when the tribunal resumed, Md Mohmudul Karim, Ex-MP. an accused in the case who was stated to be ill, surrendered and was remanded to custody and sent to hospital for treatment. The tribunal adjourned till July 20, 1982. [Dacca THE NEW NATION in English 19 Jul 82 p 3]

TURKISH MILITARY TEAM--The five-member Turkish military delegation led by Gen. Celal Bulutlar, the Secretary of the Ministry of National Defence left Dacca on Saturday after a three-day goodwill visit, reports BSS. During their stay in Bangladesh, the delegation called on the Foreign Minister, the Chiefs of Staff of the three Services, Defence Secretary and the Foreign Secretary. The delegation also laid floral wreaths at "Shikha Anirban" attended the renaming ceremony of a road at Banani, Dacca after Kamal Ataturk, visited Bangladesh Ordnance Factory, Gazipur the Kamal Ataturk Multi-lateral High School at Dagan Bhulyan, Noakhali and enjoyed a river cruise on the Buriganga. The delegation was seen off at the Zia International Airport by the Defence Secretary the Chief of the General Staff of the Bangladesh Army, the Assistant Chiefs of Staff of the Bangladesh Navy and the Bangladesh Air Force, and other senior civil and military officials. The Turkish Ambassador in Bangladesh was also present at the airport. [Dacca THE BANGLADESH TIMES in English 18 Jul 82 pp 1, 12]

FOREIGN ASSISTANCE PUNISHABLE--The Council of Ministers on Saturday approved certain amendment proposals on Foreign Assistance (voluntary activities) Control Ordinance-1978 and rules framed under it, reports BSS. The Council meeting decided to formulate a law making receipt of any assistance or help in the form of a cash or kind by any Bangladeshi nationals or organisation from any foreign citizen, organisation or government without the approval of the government as a punishable offence. [Dacca THE NEW NATION in English 18 Jul 82 p 1]

FORMER MINISTER SURRENDERS--Former Minister for Civil Aviation Mr K.M. Obaidur Rahman on Tuesday surrendered before the Special Martial Law Tribunal No. 2 in connection with the Motijheej RS. Case No. 843 (82) (ML case No. 4) against him

(Obaidur Rahman) and four others, reports BSS. The four other accused who were produced before the tribunal are former Minister for Establishment Mr Majedul Huq, Mr Abdul Aziz Mohammad Bhai Mr Tanveer Majhar and General Manager (Planning) of Bangladesh Biman Mr Ash raf Ali The five-member tribunal headed by Colonel A.B.M. Elias rejected a bail petition on behalf of Mr Obaidur Rahman who was earlier directed to appear before the Tribunal on or before July 20. He was also sked by the Tribunal in sconnection with the trial of another case No. 95/3(82) under Motijheel P.S. against him. Mr Obaid was remanded to jail custody. The tribunal, however, accepted the bail petition of Mr. Ashraf Ali and allowed him bail on a surety bond for Taka 3 lakh. The three others-Mr Majedul Huq Mr Aziz Mohammad Bhai and Mr Tanveer Majhar--who were arrested after the poclamation of Martial Law continued to be in jail custody. The Tribunal was adjourned till July 26 (Monday) at 10 a.m. [Dacca THE BANGLADESH OBSERVER in English 21 Jul 82 p 1]

ASIAN DEVELOPMENT BANK--Mr Song Chil Lee, Resident Director of the Asian Development Bank's Bangladesh resident office arrived in Dacca on Tuesday to take up his new assignment. Mr Lee has been with the ADB since its establishment and served the bank in different positions. Prior to this assignment, he was Deputy Director of the Bank's Country Department. The Bangladesh resident office of the Asian Development Bank is the first such office in the developing member countries. The resident office will focus on project implementation, programme formulation and co-ordination with the Bangladesh Government and other members of the donor community. The resident office will be initially located at the Sonargoan Hotel and will be transferred to its permanent site at the Steel House Kawran Bazar after a few months says a Press release. [Dacca THE BANGLADESH OBSERVER in English 21 Jul 82 p 1]

CSO: 4220/7688

ABRAMORITZ AMBASSADORIAL NOMINATION REJECTED

Post Remains Vacant

Jakarta HARIAN UMUM AB in Indonesian 24 May 82 pp 1, 3

[Text] The candidacy of Morton Abramovitz as the next American ambassador to replace envoy Edward Masters is considered a closed matter and Indonesia presently is awaiting the nomination of a new ambassadorial candidate.

Foreign Mochtar Kusumaatmadja, after a meeting with President Soeharto at the executive offices where he accompanied various Indonesian ambassadors from Africa, the Middle East and America last Saturday, declared that he had met with U.S. Charge d'Affaires John Monjo the previous evening and that the American envoy had advised him orally that the nomination of Morton Abramovitz as U.S. ambassador to Jakarta had been withdrawn.

Foreign Minister Mochtar drew the conclusion that the United States had withdrawn the ambassadorial nomination of Abramovitz before Indonesia itself could respond whether it agreed to the proposal or not.

The U.S. State Department, through its spokesman Dean Fischer, last Thursday announced that Indonesia would not accept Morton Abramovitz as the new American ambassador to Jakarta.

According to diplomatic sources in Jakarta, there is a strong possibility that Morton Abramovitz, an expert on China and former American ambassador to Thailand, who was to replace U.S. envoy Edward Masters in Jakarta, was rejected by Indonesia because of his Jewish background. Indonesia, as is known, has a society the majority of which is Islamic, and is firmly anti-Jewish.

The last U.S. envoy, Ambassador Edward Masters, departed Jakarta several months ago. In the meantime, the U.S. Embassy in Indonesia has been headed by Charge d'Affaires a. i. John Monjo.

Foreign Minister Mochtar Kusumaatmadja, in his meeting with the press, also declared that the United States had already given its agreement to the nomination of LTG Hasnan Habib, the present ambassador to Thailand, to become Jakarta's new envoy to Washington. LTG Hasnan Habib will replace Ambassador D. Ashari who has completed his tour of duty to the United States.

Domestic Political Considerations

Jakarta MERDEKA in Indonesia 25 May 82 p 7

[Text] Filling the U.S. ambassador vacancy in Jakarta has been a problem since the departure of the last American envoy, Edward E. Masters. The Reagan Administration has submitted the name of Morton Abramovitz as its new ambassador. Indonesia, however, has not yet given its approval to Washington's candidate.

Certain political pundits are saying that Indonesia has refused to accept Abramovitz. However, the matter was never publicized or even raised by the Foreign Ministry. And now, the U.S. State Department in a news report has announced that it was that agency which withdrew Abramovitz's nomination as ambassador because his candidacy had not been acted upon by Indonesia.

This is rather strange. The United States is a government that has a strong influence on the New Order. However, the fact that its ambassadorial post in Jakarta has remained vacant for over a year arouses suspicions that there is something which is troubling bilateral relations between the two countries. This suspicion has raised questions in political and diplomatic circles and among observers of the Indonesian political scene.

A little while ago, there was an incident which nearly gave credence to the suspicion that something was troubling Indonesian American relations. At the beginning of May, it was announced that Gen. Jusuf, the minister of defense and security, was to fly to the United States. Instead, according to accounts, he only went as far as Tokyo where he remained for 3 days and then returned to Jakarta. Western European sources stated that the Jusuf trip to America had not been confirmed, or in other words, had been refused by the United States. This was denied by American sources in Jakarta. According to the U.S. sources, Jusuf was awaited in the United States but never arrived. Whether this story is true or not, only the concerned parties can say for certain. However, at least it gives a certain indication of the state of relations between Indonesia and the U.S.

Jakarta's refusal of Morton Abramovitz, besides demonstrating Indonesian firmness in upholding its sovereignty, also reflects its careful attention to the selection of ambassadorial candidates accredited to Indonesia from large countries. Domestic political considerations, as well as the country's interests on an international level, compel the Indonesian government to sharpen its sense of discretion.

Morton Abramovitz, of course, is an American career diplomat of great talent and capability. However, as in the case of American diplomat Marshall Green, Abramovitz always provokes popular suspicion. During his tour of duty as American ambassador to Thailand, he played a not insignificant role in influencing the development of that country. Indeed, he was alluded to waggishly as the unofficial administrator of Thailand.

As an American of Eastern European descent, Abramovitz has strong anti-Russian sentiments. He is considered one of the factors that caused Thai foreign policy to tilt towards Beijing. He also influenced American policy towards Indochina and the development of Thai antagonism toward Vietnam. In addition, it is possible that domestic development in Thailand in recent years, to include a military coup and a student revolt, were not free of involvement by Mr. Abramovitz.

Normally, American diplomats like Mr Abramovitz arouse certain fears among the governments to which they are accredited. The Indonesian government is no exception. The government decision to reject the Abramovitz candidacy, besides being appropriate, was also a very purposeful act in preserving an Indonesian foreign policy that is free and active. Professional meddlers in a country's domestic affairs, such as Morton Abramovitz, must be rejected so that they do not pose problems for us.

It is obvious that the ambassadorial candidate to replace Abramovitz also must be scrutinized conscientiously. He must not be a person as equally suspect as Abramovitz, but should be an ambassador of high repute who should not only defend his country's interests in Indonesia, but should also refrain from taking advantage of his position to meddle in our domestic affairs.

Habib Denies Rejection

Jakarta MERDEKA in Indonesian 26 May 82 pp 1, 2

[Excerpts] The Indonesian ambassador to Thailand, LTG Hasnan Habib, who shortly will be appointed as Jakarta's envoy to the United States, today denied firmly that he was behind the Indonesian refusal to accept the seasoned American diplomat, Morton Abramovitz, as the U.S. ambassador to Jakarta.

General Hasnan Habib, in a statement read by an Indonesian embassy spokesman in Bangkok, said: "I could scarcely believe my ears when I heard the news from Jakarta alleging that I had been the one to make an unfavorable report concerning Morton Abramovitz."

Hasnan Habib was well acquainted with the American diplomat while the latter was U.S. ambassador to Thailand.

An Indonesian government spokesman said that Ambassador Hasnan Habib returned to Indonesia from May 9-16 to attend a meeting of Indonesian chiefs of mission in Jakarta. Hasnan Habib himself declined further comment on the subject.

9464
CSO: 4213/59

POSSIBILITY OF ASEAN MILITARY COOPERATION DISCUSSED

Hanoi's Aggressive Posture

Jakarta KOMPAS in Indonesian 18 May 82 pp 1, 12

[Excerpts] Foreign Minister Mochtar Kusumaatmadja declared that there was a possibility of military cooperation among the ASEAN countries if Vietnam declined to step back from its aggressive posture that posed a threat to the sovereignty of these countries. The minister said that if Hanoi, on the contrary, mended its ways and directed its attention to its economic problems, then ASEAN would continue to stress its cooperation in that sector.

The above matter was brought up by the minister as he responded to questions Monday evening at Semarang during a press conference concerning ASEAN political activities in response to the Kampuchean crisis.

According to the minister, for the time being ASEAN would continue to give priority to economic activities. "Political activities are only a contingency because of Vietnamese aggression in Kampuchea. If ASEAN were to remain insouciant in the face of Hanoi's bellicosity, it would be considered powerless. Besides, it has become one of our principles to oppose each act of aggression. If cooperation in the political sphere leads to military cooperation as a consequence, it will depend on the future behavior of Vietnam," said the minister.

He declared that Indochina would be a prominent problem for ASEAN throughout the 1980's. "If Vietnam wants to change its aggressive posture, ASEAN efforts to raise the living standards of its own people could be extended to the countries of Indochina, without their being obliged to join ASEAN.

According to the minister, ASEAN efforts to come to grips with the problem of Kampuchea have been relatively successful. Vietnam recognizes that these efforts are supported actively by other nations, or at least have the acquiescence of the non-communist bloc.

On this subject, FM Mochtar further said that "No, it is simply not true to state that our (ASEAN) foreign policy with respect to Kampuchea has not been successful. It is obvious that we can mobilize world opinion to withhold its approbation of Vietnam's actions. But if Vietnam mends its ways, it will

be the recipient of the UN's good offices and there is even talk that it could join ASEAN. Of course, we'll have to see about that first and make sure Vietnam's desire in that respect is not just a pretense, but rather in indication of a reformed attitude."

The foreign minister was in Semarang to give a lecture on Indonesia's foreign policy at a symposium on "ASEAN Perspectives for the 1980's." The symposium was organized jointly by Diponegoro University, the regional government of Central Java and the Secretariat of ASEAN.

Foreign Minister Mochtar said that his appearance outside the capital in various provinces to give lectures on foreign policy was to arouse public consciousness on the subject. It is an activity that the minister has pursued already at several universities and that he will continue at various other institutions of higher learning. "The formulation of foreign policy must take domestic views into account. And when you're in the capital, whatever views you hear on the subject from the provinces are bound to be pretty vague. So, you just have to go out and listen to things for yourself," said the minister.

Mochtar Denies Defense Pact

Jakarta HARIAN UMUM AB in Indonesian 19 May 82 pp 1, 3

[Excerpts] Foreign Minister Mochtar Kusumaatmadja declared firmly that bilateral military cooperation among ASEAN countries simply was a function of those nations' right to provide for their self-defense.

"Let me stress that this military cooperation in no way will lead to a defense pact, because what we want to do is return to ASEAN's true objective as an economic association of nations," said the minister to the press yesterday at the Foreign Ministry in Pejambon.

Bilateral military cooperation among various ASEAN countries began several years ago. For example, there have been exercises between the Indonesian and Royal Thai Air Forces, or between Indonesia and Malaysia where the venue for such exercises has switched successively to each nation's territory.

In his appearance before the media, FM Mochtar denied a news account by a Jakarta daily which reported that he had hinted at the possibility of military cooperation among ASEAN countries if Vietnam maintained an aggressive posture that threatened the sovereignty of the members of the five-nation grouping.

The daily KOMPAS on Tuesday reported that FM Mochtar Kusumaatmadja had hinted at the possibility of military cooperation among ASEAN members if Vietnam displayed no intention of abandoning its aggressive posture which endangered the sovereignty of ASEAN's member nations.

9464
CSO: 4213/59

SIHANOUK KIN HAILS POL POT, OMITS MENTION OF SON SANN

Gentilly KAMPUCHEA in Cambodian 21-27 Jun 82 pp 8-9

[Text] After the people, the Government of Democratic Kampuchea and our national army liberated our motherland from the grasp of foreigners in 1975, we went to make merit for the nation at Preah Keo Monastery of the Royal Palace. We also went to visit Angkor Wat as well as the national museum in Phnom Penh. We, therefore, do not hesitate to firmly state that our fraternal combatant of Kampuchea did preserve our ancient cultural heritage such as scupltures and other properties with great efforts sparing no energy day and night.

It is generally known that under the deceitfully propagandistic slogan: "Collective struggle against colonialism" of Indochinese parties, the Vietnamese strategic goal is to dominate the three Indochinese countries: Kampuchea, Laos and Vietnam. During the period of anti-imperialism and struggle, the Soviet-Vietnamese hegemonists practiced a most criminal policy aimed at crushing the national liberation movements with Democratic Kampuchea as the vanguard and fundamental force so that its party can place its neo-colonial yoke on Kampuchea in place of the U.S.

Later on, under their insane flag of "internationalism-socialism," Hanoi's over-aggression against Kampuchea at the beginning of 1979 suppressed Kampuchean independence and sovereignty, pillaging and plundering to the utmost Kampuchean national resources and materials. As witnessed through television on 22 April 1982: fish in our Tonle Sap are caught by Vietnamese soldiers.

The most significant factor of all which led the Vietnamese to hate Democratic Kampuchea was [Vietnam's] expansionism and Democratic Kampuchea's policy of National independence and sovereignty.

From 1975-1979, Kampuchea saw economic and cultural growth particularly in the field of agricultural production. Every Kampuchean citizen knew very well that the Vietnamese were very fearful if Kampuchea were to evolve toward splendid progress in national construction in all fields. This is especially necessary for spreading influence and positive factors on other nationals, particularly among the Kampuchea kraom in Vietnam who were [are] being suppressed and crushed by Hanoi authorites and who are now struggling for their rights and liberty. Furthermore, for fear that it might have an

impact on their scheme of expansionism, the Soviets and Vietnamese followed a policy of division aimed at preventing the people of Indochina and Southeast Asia from uniting in peace based on the principles of mutual respect of each other's independence.

His Excellency Pol Pot, commander in chief of the national army of Kampuchea said very clearly that Kampuchea possesses enough lands, sea waters and forests. She does not want lands from any other country. By its invasion of Kampuchea, and crushing the economy and starving the people, Vietnam follows aggressive policy violating the Lao people and provoking the invasion of Thai people. Vietnam did this without knowing that the people of the four countries would have common interests and would cooperate closely. Along with this, the Vietnamese clique's policy hurts them in ways in which there is no solution. On the economic and financial crisis of Soviet Union and Vietnam, Minister Thiounn Mumm denounced the Soviet Union for using scientific and technological force to kill weaker countries and people of the world.

The Kampuchean question can be resolved on the basis of the three-point accord as a result of conversations between Prince Norodom Sihanouk and H. E. Khieu Samphan, a political principle which addresses the interests of all strata and classes of our people.

Prince Sihanouk and H. E. Khieu Samphan for a long time used to fight against the great power aggressors. We, therefore, wish these two patriotic heroes a firm and long lasting tie and hope that this tie which transcends politics will become a family bond.

Norodom Narintrapong

7429
CSO: 4212/25

COLUMNIST CRITICIZES U.S. CHEMICAL WARFARE STAND

Phnom Penh KAMPUCHEA in Cambodian 22 Apr 82 p 11

[Article by Khieu Kannarith: "Why Does the U.S. Continue to Fabricate the Question of 'Toxic Chemical'?"]

[Text] Currently, everyone is very surprised at the great efforts by the U.S. in making glamorous noise about what they call "toxic chemicals use in Kampuchea and Afghanistan." And recently, the chief cheaters in American diplomatic suits have submitted a report to the U.S. Congress to dramatize their tasteless novels. Consequently, world public opinion wonders why the U.S. tries its best to prop up that act on stage?

Hitler's fascists always taught each other that "any lie, when told many times to the public, would be perviewed as true." For this reason the U.S. merely recites its original teacher's lessons. But it clearly cannot deceive international public opinion. Taking contemporary history into account, one sees that only the imperialists use toxic chemicals in a large scale during World War I (1914-1918) by Germany victimized 1,300,000 people in which more than one hundred thousand people were horribly killed. Author Maria Remarque, in a book entitled "Nothing New In the West" ["All Quiet on the Western Front"] wrote: "I saw the shocking scene of victims who coughed with collapsed lungs burnt as a result of toxic gas...." At that time mankind resisted very strongly the use of chemical weapons and in 1925, many nations agreed on a protocol in Geneva banning the use of toxic gas or killing with other biological weapons. At that time, the U.S. refused to sign the protocol (the U.S. only signed it in 1975 after its defeat in Vietnam and after it sprayed millions of liters of toxic chemical agents in Indochina).

At the end of World War II, in contrast to the Soviet Army which took steps to destroy Hitler's lethal weapons arsonals, the U.S. transported from Germany to the U.S. more than 100,000 rounds of chemical munitions in order to continue their research and use. Great Britain used for the first time their chemical weapons after World War II in its fighting in Malaysia. In the Korean War, the U.S. began using its chemical weapons, and in between 1967-69, the U.S. sprayed toxins called "Agent Orange" over the demilitarized zone in Korea. In the war on the Indochinese peninsula, the U.S. destroyed millions of hectares of land with toxic agents in Vietnam victimizing more than 2

million Vietnamese. Its side-effects spread to the next generation with grave consequences (babies were born without eyes, without limbs, with two heads or even without heads). This does not take into account the American troops themselves who also fell victims and now are demanding that the U.S. Government pay damages. In 1980, the U.S. refused to consider a Soviet proposal to strictly ban the use of chemical weapons and it was the only country out of 157 members of the United Nations to vote against the General Assembly's resolution calling on all countries to stop producing and deploying new chemical weapons and to prevent the spread of that kind of weapons to states which do not now possess such weapons.

But why is the U.S. more nervous than other nations?

Nobody should have any doubts about U.S. intentions on this point. In every charge made by the U.S., we do not see a single phrase or sentence that the U.S. is demanding a halt in the use of chemical weapons. Instead we see that the U.S. is requesting a bigger budget to begin production of toxic chemical weapons. This is a preparation for war and not a wish for peace at all because one cannot strengthen peace by preparation for war.

This is, in fact, a deceitful campaign of the Reagan administration to legalize the production of toxic chemical weapons for the Washington war mongers. With this strategy the U.S. Congress approved $20 million in 1981 to build a special plant to produce cruelly homocidal weapons at Painblow in the state of Arkansas and earmarked a budget of $705 million for a chemical weapon program in 1983 and $4 billion for 1984 for the research and production of new chemical weapons in addition to 90 types of chemical weapons and 3 million chemical boms on hand. Those war-mongers are very pleased with this progress because they consider these weapons "quiet" in killing human beings without destroying or damaging materials (for those who would be killed would not be worried about the destruction of property) and at the same time the cost is low (a liter of toxic gas called Sarin can kill 1 million people and it costs only $5.

American imperialists must be clear on one question: in this era it can no longer produce rains and thunder. Last year, the U.S. sent a team of experts to gather and collect evidence in Thailand. This year it pushed the United Nations to send another team of experts. And a group of experts which just arrived in Beijing got a very warm reception. The Chinese were quick to show that they welcomed and supported the Americans' deceitful scheme. As pointed out in the communique of the Ministry of Foreign Affairs of the People's Republic of Kampuchea: the Kampuchean people, like any other peace-loving people throughout the world, absolutely condemn the production of this mass killing weapon. And the TASS declaration of 19 February also shed some light on these war-mongering cliques so it is understood clearly that it does not matter whether it is a nuclear, neutraon, chemical or any other weapon which the aggressors use to make a war; they cannot escape severe condemnation.

7429
CSO: 4212/25

AGRICULTURAL SUPPORT INFRASTRUCTURE, 1982 PLANS NOTED

Vientiane SIANG PASASON in Lao 3 Jun 82 pp 2, 3

[Article by Sinpangna: Pride in the Fruitful Outcome of 1981 Agricultural Production- Forestry and Irrigation]

[Excerpts] The transformation and economic and social construction in the new phase of our country's revolution is the construction of economic bases, independence, and socialism having agriculture and forest industry as its foundation. Expansion of this base aims at responding to material and spiritual needs of the people of all races, to steadily raise a solid foundation for the protection of our socialist country.

[In 1981] we were able to rejuvenate and expand 14,000 hectares of cultivating area. Intensive agriculture has steadily expanded. The value of last year's agricultural produce amounted to 4.9 billion kip, which is 1.8 times that of 1977. Food supply production was 1,189,150 tons, which includes over 1,154,000 tons of rice. This amounts to 350 kg of paddy rice per person on the average. Industrial production has increased each year. For example, there was a 13.26 percent increase in coffee, 18.25 percent increase in soy beans, 292 percent increase in cotton, 9.09 percent increase in peanuts, and 14.56 percent increase in tobacco. Meanwhile, there have been many achievements in the material and technical base construction for animal husbandry, primarily the Tha Ngon concentrated animal food factory that has highly efficient production. The factory for producing vaccines for preventing animal diseases has been able to produce 5,000,000 doses per year. The chicken-raising station in Dong Dok was improved and expanded. The Nong Teng fish-raising station has been able to produce millions of baby fish per year [as published]. Fish-raising in Houa Phan, Luang Prabang, Xieng Khouang, Savannakhet, and Campassak Provinces has also been revived and expanded. A veterinary network has been set up in all provinces all over the country. Veterinary cadres are being trained regularly. Preventives and antidotes for diseases and epidemic diseases in animals are always available whenever they are needed. This is the reason for the large decrease in animal deaths caused by epidemic diseases, and for the increase in the people's domestic animals each year. There are 880,600 buffalos, which is a 3 percent increase as compared with 1980; 461,500 oxen, a 3 percent increase; 170,400 pigs, a 5.3 percent increase, 49,700 goats and sheep, a 3.5 percent increase, and 5.5 million poultry, a 21.00 percent increase.

One step was made in the expansion of forestry. There is a state enterprise organization for removing state trees, which amounts to 500,000 cubic meters per year on the average. A total of 695,000 hectares of forest has already been surveyed, and a further 75,000 hectares is expected to be surveyed in 1982.

Irrigation is a primary area whose purpose is to help in making decisions concerning other types of work involving forestry and agricultural production. In 1981, irrigation was carried out very well according to the policy set by the party and government, primarily the people's small irrigation ditches.

Meanwhile, the irrigation service works together with the people to build medium-size irrigation ditches in many places, as well as setting up water pumps. The study, survey, and collection of data for planning and building has received a great deal of attention and has served the construction work very well. This has resulted in 120,000 hectares' receiving sufficient irrigation covering up to 26 percent of the rice cultivating area all over the country.

Nowadays, many co-op units are able to produce well. The average income is 500-700 kg of paddy rice per co-op member. In some special co-op units this figure can be as high as 1000 kg per person.

Although the conversion to agricultural co-ops is a brand new problem, and has been confronted with many difficulties, there was much success in converting farmers to the first state of collective socialist mass production. At the present time 442,000 people have joined co-ops. The total amounts to 63,254 families.

The year 1982 is the second year for carrying out the first Five-Year Plan for economic and social expansion. The Ministry of Agriculture, Forestry, and Irrigation has set its policy towards the collective duty of the 1982 plan and the years following. For example, they are set to determinedly and physically carry out the achievements of the 1982 set figures for rice production, which is 1,183,500 tons, or 340 kg per person on the average for the year.

Wood removal should be able to reach 150,000-200,000 cubic meters, and cultivating areas that receive irrigation should be increased to 135,000 hectares. Our aim is to improve the settlements, make good use of the agricultural settlements and agricultural co-ops that have already been set up, and study and set up more agricultural settlements and agricultural co-ops in place where conditions are suitable.

9884
CSO: 4206/60

'ENEMY' MACHINATIONS SAID TO LIMIT CIRCULATION OF COINS, SPUR INFLATION

Vientiane VIENTIANE MAI in Lao 29 May 82 p 2

[Column: Conversations with the Editor]

[Excerpts] After I graduated from abroad almost a year ago, I have not yet found any of the bank's att coins, even though I am a Lao and use Lao money.

Why does the government disbursing not use this kind of money as an example to lead people so they will use it? State goods in each shop have decimal points for the att coins at the end. I think [the att coins] will be valuable whenever they are brought out to be used. It was said they could not be produced on time, but why aren't they ready by now? Can't they still be made in time, or is it because the government does not want to use them?

If the government does not want to use them, why do they set the prices on the machines with fractions (with the att coins at the end)?

Banks have a sufficient amount of the att coins for circulation and have already been doing that extensively. A great number of us have received the coins and used them widely. Nowadays, however, from my observation I see that many people do not like to use this type of money. Why? I think it depends on what they think. These ideas are based on different reasons, the primary reason being that they have never used them before, and they are too lazy to be bothered with them (they don't want to bother with such small change). Besides, this is a problem with enemies who create confusion in our economy. They have been using all means to sabotage our economy and our monetary system, and to create inflation, raise the prices of goods, etc.

These are only some of the things I want to point out to you. They are not caused by us, but instead they arise from the situation created by enemies who want to create confusion in the monetary system and economy, as we all know.

Thank you.

9884
CSO: 4206/60

ORGANIZATION, ROLE OF VIENTIANE FOODSTUFFS CORPORATION REPORTED

Vientiane VIENTIANE MAI in Lao 29 May 82 p 2

[News Column by S. Chanthavong]

[Excerpt] I interviewed Mr Khamphouk Phommavongsak, assistant chief responsible for the foodstuffs corporation. He is very happy that we continually follow the actual work of his corporation. He agreed to tell us the details of the work and their 1981 achievements. The foodstuffs corporation is subordinate to Vientiane Capital. Its workers serve in distributing foodstuffs to cadres, government employees, and workers, including the people in Vientiane Capital.

There are 266 workers in the corporation, 202 men and 64 women. There are 5 divisions, the central administrative office; vehicles and oil control; the central accounting and budgeting office; statistics, planning and prices; and purchase and exchange. There are three big factories under the foodstuffs corporation: the bread and other sweets factory, the fish sauce and fermented fish factory, and the slaughter house and meat and fish distribution center. There are four vegetable and fruit distribution branches which are directly under the foodstuffs corporation. They are the vegetable and fruit distribution branches 1, 2, 3, and 4. In the foodstuffs corporation we take part in the expansion of three mass organizations, for [words omitted], youth, and women. Among the 107 outstanding people in 1981 who received complimentary certificates from the government there were 84 men and 25 women. On the provincial level, those who received the complimentary certificates included 106 people, 71 men and 35 women. There are 78 people of service level who received complimentary certificates, 48 men and 30 women.

Work and Policy for Cadres and Workers within the Corporation.

For marriage and birth policy, etc. in the past year, our corporation has expanded purchasing in many places and also in other provinces, for example, all over Vientiane City and Province. There are two places for buying fish, Tha Lat and Nam Xouang reservoir. Purchases are also made in Attopeu and Saravane Provinces. In these provinces our organization purchases produce and chicken eggs from organizations and the masses, and encourages cadres' families who do not work to engage in agriculture and animal raising in order to be self-sufficient. It also encourages the conversion of the youth organization of Sikhottabong District to buy produce for selling to cadres,

especially in the market, in order to ensure food supplies. In order to serve the people our foodstuffs corporation has set up five locations: the Sikai market, That Louang, Nong Douang, the morning market, and the Suan Non market. The actual results of the work have been calculated and show that 153,975 tons of bread was produced which is 51.32 percent, 41,366 tons of sweets or 68.95 percent, 808,598 tons of fermented fish, 741,611 liters of vinegar, and 7595.35 liters of fish sauce. Last year, 403 buffalo, 675 oxen, 422 pigs, and 15 goats were slaughtered and consumed with Vientiane Capital, and 691,900 buffalos, 144,700 oxen, and 23,615 pigs were slaughtered by the private sector to supply the markets.

Purchase and exchange involved 761.15 kg of chickens, 288.044 chicken eggs, 16,484 duck eggs, 500 preserved eggs, 15,436 kg of all kinds of vegetables, [42,233,450] kg of all kinds of fish, 198 kg of pickled fish, 3829 kg of [tiny white fish], 55 kg of dried fish, 162, 760 tons of all kinds of meat, 110,171 bags of sweets, 43,677 sandwiches, 1,269,940 bags of candies, and 549,050 loaves of bread. Fermented fish exceeded the plan by 124 percent, 59 percent of the plan was met for vinegar, 33.14 percent for fish sauce, 1.37 percent for meat, and fish exceeded the set plan by 1 percent.

After carrying out the actual work we set our plan to be consistent with the advisory of the party and provincial administrative committee of Vientiane Capital which was issued only for a future plan, as well as for the direction of the first Five-Year Plan from 1981-1982. Our corporation will increase other kinds of food distribution and increase the purchasing of other produce from various regions in order to serve cadres, government employees, workers, and people of all races all over Vientiane Capital. The reason for this is to respond to the needs of consumers and to steadily raise the standard of living of the people.

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BRIEFS

CHAMPASSAK CULTIVATION STATISTICS--The total rice growing area in Champassak Province is 84,300 hectares, with 4 people per hectare on the average. The biggest rice growing area is in Khong District, which has 17,670 hectares; Phontong District has 15,800 hectares, Sanasomboun District has 13,040 hectares, and Champassak District has 10,260 hectares. Mr Thongin, chairman of the provincial administrative committee of Champassak Province, confirmed that in the past few years the people in Champassak have succeeded in good harvesting resulting in a figure of 414 kg of rice per person in 1 year. The outstanding issue is production using intensive agriculture. This way, our farmers are able to apply valuable scientific technology in production. For example, in 1981 production Champassak Province farmers used 13,140 kg of seed rice and 296 tons of chemical fertilizer in their rice fields. Moreover, they made extensive use of manure and other technology. [Excerpts] [Vientiane SIANG PASASON in Lao 10 Jun 82 p 2] 9884

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BRIEFS

AID TO DPRK--Pakistan has assured all possible assistance including technical cooperation to the Democratic People's Republic of Korea [DPRK] in the field of civil aviation. The four-member delegation of the DPRK civil aviation and airlines called on the defense secretary general and chairman of Pakistan International Airlines [PIA], Major Gen (retd) Rahim Khan in Karachi yesterday. The delegation requested training facilities for its personnel in the PIA training center and also technical cooperation in other fields. [Text] [BK080943 Karachi Domestic Service in Urdu 0200 GMT 8 Aug 82]

AFGHAN REFUGEE CAMP SUBVERSIVES--Peshawar, 4 Aug (special correspondent)--Due to the vigilance of the law enforcement officials, an attempt at subversion in the Afghan refugee camps was foiled and two members of a terrorist organization were apprehended. The arrested persons had entered Pakistan illegally after receiving terrorist training in Kabul. The accused are named Mohammed Ali and Kadim Ali and they originally belonged to Kurram agency in Pakistan. They were sent before a local magistrate and after their statements were recorded they were given over to the police custody. Both have recorded confessions saying that they had gone to Kabul sometime back on business. In Kabul they had met a ranking personage who, after taking them into his confidence, suggested that if they agreed to carry out subversive activities within the Afghan refugee camps in Pakistan, they would be richly rewarded. They received 3,000 rupees as initial payment and entered Pakistan to carry out their designs. [Text] [GF112022 Karachi MASHRIQ in Urdu 5 Aug 82 pp 1, 6]

OMANI MILITARY DELEGATION--The eight-member military delegation of Oman, which is on a visit to Pakistan under the leadership of Brig Gen (Hasan Insaan Nasir), called on President Gen Mohammad Ziaul Haq in Rawalpindi yesterday evening. [Text] [BK160248 Karachi Domestic Service in Urdu 0200 GMT 16 Aug 82]

CSO: 4203/169

KHMER IRREDENTISM NOTED, COALITION EFFORT SAID TO HURT THAI INTERESTS

Bangkok PATINYA in Thai 19 Jul 82 pp 29-31

[Article: "Behind Democratic Kampuchea"]

[Text] Concerning the official formation of a coalition government by the leaders of the three Khmer factions on 22 June at Kuala Lumpur, this is considered to be another attempt by the three Khmer factions and Asean to oppose Vietnam's invasion of Kampuchea.

By forming a coalition, the three Khmer groups are in the situation of a government without a country to govern. Prince Norodom Sihanouk is the president of Democratic Kampuchea. Khieu Samphan is serving as vice president for foreign affairs. And Son Sann is the prime minister in this government without a country. The government is composed of a minister of finance and economics, a minister of defense, a minister of culture and education, and a minister of public health and social affairs.

Why Did They Join Together?

Concerning the three Khmer factions uniting in a form that all three factions once rejected, the FAR EASTERN ECONOMIC REVIEW stated that is seems that this is the only way for those countries that are trying to find a way to support the struggle to force the Vietnamese troops out of Kampuchea. But the various countries that support the coalition of the three Khmer factions did not consider whether these Khmer groups were ready to join together. Besides this, a readiness to join together is not enough. There must be sincerity if the goals are to be reached.

Considering the past, it can be seen that both Prince Sihanouk and Son Sann are non-communist leaders while Khieu Samphan, a Khmer Rouge leader, is a Chinese-faction communist. These people were once enemies. And the [Khmer Rouge] used force to drive the others out and controlled Kampuchea from 1975 to 1979.

Thus, concerning the agreement signed in Kuala Lumpur, what this amounts to is that the three groups are pretending to forget their differences and conflicts

and uniting in order to oppose Vietnam, which is the common enemy. At the same time, the various differences of the past have just been hidden admidst this show of unity.

Besides the fact that they united in order to oppose their common enemy, the thing that influenced the three groups to unite quickly is exactly as Son Sann said during a recent interview with the mass media:

"We were forced to unite."

The question that arises from this statement by Son Sann is: Who forced the three Khmer groups to unite? It can certainly be no one else but China and Asean, with the United States providing support from a distance. They were trying to pressure the three Khmer factions to unite. After trying for 9 months, during the past several months, Asean, especially Thailand, Malaysia and Singapore, made a great effort. These three countries will provide financial help and food.

In addition to the Asean countries, it is thought that China had great influence in the formation of this coalition. The FAR EASTERN ECONOMIC REVIEW reported that Mr Huang Hua, the Chinese minister of foreign affairs, recently assured Prince Sihanouk that if the Khmer groups joined together, Peking would provide support. And this s pport from Peking could mean nothing except weapons. At present, Peking has sent at least one shipment of weapons to Son Sann. As for Asean, it has said that it will definitely not provide the Khmer coalition with weapons even though it is weapons that the Khmer coalition needs the most. But, Asean has not denied that weapons from China have been sent to the Khmer groups through Asean. Thus, China is the only country that has constantly and openly provided weapons to the Khmer groups.

How Secure Is the Coalition?

Of the three Khmer groups that have joined together, the Khmer Rouge is considered to be the strongest group. That is, under the leadership of Khieu Samphan, it has approximately 20,000 to 30,000 men and good weapons. It also receives strong support from China. The next most powerful force is the Khmer Seri force of Son Sann, who has about 6,000 to 8,000 men. The Mulinaka faction of Prince Sinhanouk has about 5,000 men. But a diplomatic news source has estimated that it has only about 3,000 men.

From this coalition, it can be seen that the Khmer Rouge is at the greatest disadvantage. It has the greatest number of troops and so it should play the greatest role. But its position [in the coalition] is equal to that of factions whose forces are smaller, that is, the Sihanouk and Son Sann factions. Because of this, this tripartite coalition is probably not very secure. Nevertheless, they have joined together even though nothing favored this. The fact that the Khmer Rouge had to join the coalition shows that the Khmer Rouge knows what the situation is and knows that joining the coalition is best for it.

Prince Sihanouk told reporters that if the Khmer rouge has plans to withdraw from the coalition, it will be the Khmer Rouge that suffers because world opinion will turn and support the government of Heng Samrin in Phnom Penh.

As for Son Sann, he later told the FAR EASTERN ECONOMIC REVIEW that the "Khmer Rouge will not gain at all by withdrawing from the coalition." "Thus, why did they agree to join the coalition (in the first place)?" "Because they know that if they someday try to split away and carry on alone, they will receive less and less support at the United Nations." And a similar reason played a part in exerting pressure on the three Khmer factions to quickly join hands. That is, the three Khmer factions were well aware of the fact that if they did not unite, they would definitely lose their seat in the United Nations to the Heng Samrin group. And if that happens, these three Khmer groups will find themselves in a very bad situation.

The Next Step of Democratic Kampuchea

The efforts of the various groups has resulted in the formation of Democratic Kampuchea. The next step that Asean, China and Democratic Kampuchea will take together in order to reach the long-term goals is to obtain greater support for Democratic Kampuchea at the United Nations and to reduce the reaction by Vietnam so that Vietnam accepts this and withdraws its 200,000 troops from Kampuchea. This will not be easy to do.

Last year, the United Nations passed a resolution on Kampuchea by a vote of 77 to 37, with 31 abstentions. This has been Asean's only success since Vietnam invaded Kampuchea, even though the seat in the United Nations that Asean preserved for the Khmer Rouge will not play a very important role in pressuring the Vietnamese forces to withdraw from Kampuchea.

As for this year, Asean will continue its efforts at the United Nations, where the next session will open in August. Asean will try to persuade the United Nations to issue a resolution calling on Vietnam to withdraw its forces from Kampuchea and allow the people of Kampuchea to decide their own future. But this attempt by Asean will be difficult because many countries may not vote on the issue of Kampuchea's seat in the United Nations. Besides this, seven of the 10 member countries of the European Economic Community may change their vote this year and abstain this year instead of voting for the resolution, even though the three Khmer groups have united.

What Does Thailand Gain From a Khmer Coalition?

Concerning the formation of the Khmer coalition, it can be seen that China is the only country that is giving arms support to the Khmer groups, particularly the Khmer Rouge. And the Khmer groups can accept each group's situation. China is thus the major supporter, particularly concerning weapons. Asean is providing financial support and food. Because Thailand is the only Asean country that shares a border with Kampuchea, the task of forwarding this aid to the Khmer liberations forces has fallen to Thailand. And this is contrary to Thailand's stated policy of remaining neutral. Concerning this matter

of the three Khmer groups, there has been much criticism to the effect that Thailand is taking too great a risk since if it makes such a great effort, it will exhaust itself. And Thailand will not gain anything by helping the Khmer groups build a country. Besides this, Thailand will have to spend money on this without obtaining anything in return.

Looking back in history to the time when things were better and happier in Kampuchea, they were not friends [of Thailand] and they could not be trusted. Also, they secretely struck at Thailand whenever we were careless or when we were experiencing problems. Thus, if the Khmer coalition succeeds in liberating the country, how can we be sure that Kampuchea will remember our help and not secretely strike at us later on?

The thing that must not be forgotten is that by helping the Khmer groups to recover their country, we will be helping to restore the communist party in Thailand too. It must not be forgotten that the three Khmer groups have received great support from China and the CPT is a Chinese-faction party.

As for China, even though its views are identical to those of Thailand and Asean concerning the matter of the Khmer coalition, this does not mean that China will really implement a policy of friendship. At the same time, China will try to spread communist ideals at every opportunity. Thus, China will use the Khmer Rouge as the spearhead in spreading its ideology among the other two Khmer groups. And it will use this Khmer coalition as a tool to spread its influence in this region once again. China successfully used such methods before to spread its ideals in Laos. It did so by infiltrating the Lao coalition government until it reached the point where the Lao government became a communist government. And at present, the Chinese-faction communist party in Burma is infiltrating the various liberation movements in the Shan state.

It is the same in the case of the Khmer coalition. China is trying to use the Khmer coalition as a tool to expand its influence in this region. Thus, it is no surprise at all why China is doing everything possible to see to it that the Khmer coalition succeeds in liberating Kampuchea.

As for the joint support given to the Khmer coalition by the various groups, all of these groups have their own aims. China has the goals discussed above. Asean is doing so because of the fear of invasion by Vietnam. Thailand in particular supports having the Khmer coalition block an invasion by Vietnam outside the country. This appears to contradict what Thai military officials have said. They have repeatedly said that Thailand does not fear Vietnam because Vietnam is not ready to fight Thailand, or it could not defeat Thailand. If Thailand really does not have to fear Vietnam, we should not have to invest money, lose our neutral image or take the risk of serving as a logistics base or rear area for the three Khmer groups so they can oppose Vietnam. And Thailand should not have to increase its forces along the border, which would waste money. Instead, it can use this money to develop the country. This would be better than having a confrontation and increasing the tension in this region. Thailand should really remain neutral and let the Kampuchean

problem resolve itself. Whether they come to terms peacefully or through war is their affair. The fact that Thailand supports the three Khmer groups will not stop the war. Instead, it will expand the war. This is because the propaganda that says that, by uniting the three Khmer factions, it will be possible to exert military or political pressure on Vietnam to withdraw is being spread by dreamers who believe that this will be an easy thing to do.

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CSO: 4207/130

EDITORS HIT KHMER COALITION POLICY IN OPEN LETTER TO PREM

Bangkok PATINYA in Tahi 12 July 82 pp 6, 7

[Editorial: "An Open Letter"]

[Text] Topic: Request that the government review its policy of supporting the Khmer coalition.

To: General Prem Tinsulanon, the prime minister.

Concerning the recent formation of the Khmer coalition government in Kuala Lumpur, even though this action was publicized as having been taken by Asean, or in accord with the resolution of the United Nations, it was the Thai government that played the greatest role and it was unquestionably the prime mover in this. Concerning the fact that Thailand played an important part in this, even though the government expects that this will give [us] a good image in opposing the invasion by Vietnam, or on the strategic front, by halting the enemy outside the country or that, on the international front, we will gain the trust of neighboring countries and even the great powers, on another front Thailand will lose honor. Thailand can be accused of interfering in the internal affairs of another country. This is an inducement for enemies to invade the country. And this is to the benefit of the other Asean countries and the great power countries while it is to Thailand's disadvantage. Even if it is claimed that Thailand will not do anything unilaterally but will only act in accord with the resolution of the United Nations, it must be remembered that if Asean passes a resolution to go to war with the Indochina countries, who will be the first one to suffer? Even if Thailand is not defeated or even if Thailand does not enter the war, Thailand will have to serve as a logistics base for the Khmer coalition so it can wage war in Kampuchea. This will result in our interference in the internal affairs of a neighboring country becoming even more clear. Furthermore, the Khmer coalition will have to rely on Thailand as a secure base, or as a rear area, in order to carry on the war in Kampuchea. Thus, the thing that is very worrisome is that Thailand's situation in the future will become just like that of Lebanon today, which finds itself in this situation because the Lebanese government allowed the PLO to stay there.

Another thing that must be realized is that the present Kampuchean problem has resulted from the conflict between China and Vietnam. If this dispute should die down and China and Vietnam become close friends again, the problem that will arise is that the approximately 30,000 members of the Khmer Rouge, the killers of the Kampuchean people, will have nowhere to go and will have to ask for asylum in Thailand. When that time arrives, the Kampuchean faction supported by Vietnam will rightously send forces to invade Thailand. This will be accepted by the world community and Thais will certainly find themselves in the same situation as the Lebanese.

Another clear example of a disaster is that Iraq had to send in forces to seize land from Iran because the Iranian government was trying to change the government in Iraq.

Considering the people in the Khmer coalition who are supported by the Thai government, especially Sihanouk and Khieu Samphan (Pol Pot's Khmer Rouge), it is clear that in the past when these people were in control and had power in Kampuchea, they never acted in a friendly way or with good intentions toward Thailand. Clear examples, which the Thai people still remember quite well, are the Khao Phra Wihan, the Siem Organization and the Ban Noi Pa Rai cases.

Besides this, the formation of the Khmer coalition will not end the war in Kampuchea. Instead, this will prolong the war. The other members of Asean will not be affected by the war since they are all located far away from the area. But Thailand, which shares a border with Kampuchea, will be directly and seriously affected by the war in the border area. At the very least, this will cost Thailand a large amount of money and cause it to lose many men and large quantities of resources unnecessarily in defending the border. Also, this will damage the investment atmosphere and cause a loss of morale among the people because of the uncertainty of the situation. These great losses cannot be calculated. At the same time, these losses will greatly benefit other countries in Asean. This is certain.

PATINYA has constantly supported having the Thai government implement a truly neutral policy and called for it to stay out of things in Kampuchea and allow the Kampuchean people to solve their own problems. PATINYA is strongly opposed to Vietnam's occupation of Kampuchea. Also, PATINYA is against the government tying the nation's interests to those of the great powers or anyone else, which will improperly place the country in danger. PATINYA has constantly been alarmed by the fact that the attempt to prolong the war in Kampuchea will only harm Thailand even more since there will be constant tension in Thailand because of the threat of war. Also, the country will have to budget money to defend the border, investments here will decline and other countries will use this situation to spread propaganda for their own benefit. Thailand will lose markets because it will not be possible to trade with the Indochina countries. Many types of goods have been designated as war materials. In the present situation in which Thailand is experiencing problems in selling its goods, this will make our economic situation even worse. At the same time,

other Asean countries will take this opportunity to serve as middlemen. They will purchase goods from Thailand and sell them to the Indochina countries. This amounts to openly taking the profits that should go to Thailand.

PATINYA feels that the government's policies and actions have resulted in great losses for Thailand and we face much greater dangers. PATINYA feels that the correct thing is that Thailand does not have to be so fearful of Vietnam that it has to intercept the forward troops as is being done at present. Thailand must really take a neutral position and not become involved in the internal affairs of Kampuchea. The problems in Kampuchea must be allowed to unfold by themselves. Those who finally take state power in Kampuchea can then be recognized. As for the great powers that are trying to profit from Kampuchea, let them go ahead and give help; Thailand does not have to get involved. Thailand should trade directly as usual with the Indochina countries. Besides the fact that this will enable Thailand to obtain the maximum profits, this will also eliminate the border black markets. Besides this, Thailand can use the additional money, resources and income earned from trading with these countries to help solve our problems and strengthen the country. If the Indochina countries think about invading Thailand, Thailand is strong and secure enough to handle this.

PATINYA feels that if the great powers or the Asean countries help Thailand, it should be because they feel that Thailand's policies are good policies, that Thailand is strong, that it holds to what is right and has honor and that it is an important force in this part of the world. They should not support Thailand just because they feel that Thailand can be used or because it is declining, which makes it necessary for them to get involved in order to defend their own country.

PATINYA wants the prime minister to know that what has been said above is an honest look at the problems and we have given suggestions with pure intentions and with the best interests of the nation at heart. PATINYA is not "speaking on behalf of Vietnam," "dancing to the tune" of the great powers or acting in the interests of any particular person or group. Also, we have not expressed these views because of any fear of Vietnam, as some scholars have said. And they have said that whoever holds views that are opposed to the government's policies are serving foreigners or that they do not have good intentions. This is a very narrow view, and it will destroy the government's chance to learn about other consequences of the policies. This may be dangerous for the government and the country in general. Besides this, PATINYA is very fearful that, at a time when the government is experiencing domestic problems on all fronts, if it tries to save itself by trying to turn people's attention to foreign affairs, using the border problem as a tool, the result may be that Thailand will suffer the same fate as Argentina in the Falkland Islands case.

PATINYA thus wants to ask that General Prem Tinsulanon consider things from another point of view and that he consider the above suggestions.
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RICE PRICES SAID TO BE INADEQUATE, BANKRUPTCIES LOOM

Bangkok PATINYA in Thai 19 Jul 82 pp 9-18

[Article: "Farmers' Power: If There Is a Movement Now, the Government Will Not Have a Seat"]

[Text] The Revolution

Farmers from Pathum Thani Province came and held a rally at the Government House on 10 June in order to protest about the fact that the farmers cannot sell their paddy at the guaranteed price even though the government set the price at 3,750 baht per kwian [1 kwian equals 2,000 liters]. The farmers can sell their rice for only 1,500 to 2,000 baht per kwian. The protest ended the next day when a government representative who is involved in rice matters told the farmers that the government has given 5 million baht to the Market Organization for Agriculture to purchase rice in four districts that are experiencing such severe problems that they have had to demonstrate. This is a temporary solution. The cabinet has alloted another 200 million baht to purchase rice from the farmers. This is market intervention in 15 central provinces. The rice will be purchased for 2,800 to 3,000 baht according to the grade of the rice. Even though the farmers who particupated in the rally were not satisfied and not sure about the government's measures, there was no better way out and so they returned to their homes to wait and see what would happen.

The farmers who participated in this protest came from four districts: Khlong Laem, Nong Su, Thanya Buri and Lam Lukka. It has now been 1 month since that day. As for the help that the government promised them, what progress has been made?

Little Money and Slow

Concerning the government's intervention in the market by allowing the Market Organization for Agriculture to purchase rice from the farmers in these four districts, there are still some problems:

1. Concerning the 200 million baht alloted by the cabinet on 16 June, each of these four districts will receive 20 percent, or 40 million baht. But permission to distribute only 7.5 million was given on 29 June. The rest of the money will be distributed later. Added to the 5 million baht that was given the day of the protest, that makes a total of 12.5 million baht. Concerning the remaining 120,000 tons of rice from the second rice crop in the four districts, this money will be sufficient to purchase less than 4 percent of the paddy that the farmers must sell. And if the paddy left over from before is added in, the farmers feel that the government has provided very little money. It seems that the government does not attach any importance to the backbone of the nation or that it does so unwillingly.

2. Concerning distributing the money in installments, the first time, 5 million was given and this was followed by 7.5 million. More will be distributed. Doing things this way has caused the merchants to feel that the government cannot obtain the money necessary to intervene in the market. In the beginning when it was learned that the government had alloted money, the merchants began to take action. But since they have learned that little money has been given, they have not purchased any rice at the government's price. Some families need money now or they have debts and so they have had to sell rice for less than 2,000 baht per kwian. This situation still exists.

"At present, nothing has been done. Since the 10th of last month, nothing has been done. If this was a sick person, he would have died," said a farmer from Khlong 5 Commune compulsively.

3. The reason for the delay is that matters are stalled at the work stage of the officials. The Market Organization for Agriculture purchases rice and turns it over to the rice mills. But the rice mills must first find a bank to put up collateral security. And the mills do not like to get involved in this because there are stipulations concerning what percentage of the paddy must be milled for the Market Organization for Agriculture and how many kilograms must be milled. If the mills purchase rice and do not mill the stipulated amount, the Market Organization for Agriculture will not accept it and the rice mills have to suffer the losses. But if they can avoid this, when the mills purchase rice from the farmers, they can subtract this and that first. It is the farmers who bear the greatest burden as always.

Increased Pricnipal But Still Cheated

At a time when rice prices have fallen and the government cannot provide much help, a government spokesman boldly announced that even god could not help. The farmers will experience increases in production costs, inlcuding increases in the cost of fertilizer, gasoline and wages. Nothing needs to be said about gasoline since the price has increased continually. A member of the Khong 5 Farmers' Group stated that "previously, I remember when rice was 800 to 900 baht per kwian and gasoline was 140 baht per barrel. Now, gasoline is 1,500 baht per barrel. How much is a kwian of rice? Look, what can be done!"

As for the cost of fertilizer, last year it cost 4,600 baht but this year it is 4,800 baht if paid for in cash. If it is purchased on credit, it is 5,300 baht. Wages for working the rice fields have increased to almost 200 baht per rai. Besides this, the cost of insecticides and wages paid for threshing the paddy have increased, like everything else.

In addition to the increased expenses, some farmers who have sold on credit have been cheated by the merchants. The reason that they have sold on credit is because of the falling rice prices. For example, if they sold the paddy as usual, they would receive 2,300 to 2,400 baht per kwian. Merchants have told the farmers that they will pay 2,800 baht but that they do not have the money just now. They have asked the farmers to wait and no contracts have been made. They have taken 10 to 20 kwian from each farmer and then disappeared. The farmers have still not been paid after more than a year. "I was cheated out of 11 kwian last year by a merchant whom I was acquainted with. Even though we are very poor, they still cheat us. New merchants continually come. The government doesn't have detailed knowledge about what is happening," said a village headman in Khlong 7 Commune to PATINYA angrily when talking about the past.

Be Careful of the Farmers' Power

Concerning the protest by the farmers in these four districts last month, even though the protest ended quickly without any trouble, their dissatisfaction is still a danger and it looks as if they are becoming more and more dissatisfied. The rice is piling up at their homes because no one is purchasing any. But the interest on the money they borrowed from private individuals and from state financial institutions will not wait [to be paid] like the [farmers did for] the merchants and it will not decline like rice prices. There is no hope among farmers anywhere and things are ready to explode at any moment if someone ignites the spark. And when that happens, the hidden forces will all unite. The truth that must be accepted is that they eat the farmers rice. We must fight side by side with the farmers. Everyone in the country eats the rice of the farmers.

"At present, they are making contact and they will take action again. But we are worried about the government. If action is taken now, the government will not have a chance to have a seat. I would like the government to wake up as soon as possible before it is too late," said a farm leader to PATINYA in conclusion.

Interview With Kamnan Sanga Wongbangchuat

An important person whom the farmers in Khlong Luang, Thanya Buri, Nong Su and Lam Lukka respect and go to for help and whom even government officials in these four districts go to for help is Kamnan Sanga Wongbangchuat, a former MP in the "Race Track", reform and Kriangsak periods. PATINYA feels that the views of this kamnan, who is a leader of the farmers, should not be overlooked.

[Question] Were things like this in previous years?

[Answer] Never. There has never been such a crisis. Farmers have always received over 3,000 baht per kwian. This is the first year. Don't think that 3,000 is good. We asked for 4,500 but returned with only 1,000 plus. Using animals as an example, it is not a case of horses and mules. It is a case of chickens and buffaloes.There is a great difference between our documents and those of the government. We must receive 4,500 baht in order to be able to exist but the government said it would pay 3,700 first to help. But it has fallen to this level. I do not know what the government is thinking.

[Question] Have rice yields here increased very much over those of last year?

[Answer] Not very much. Yields are normal; they have not increased very much. Only expenses have increased. The weakness of the government is that it cannot export rice abroad. There are no measures for the merchants who have registered to take the rice. The rice mills cannot be supervised. And markets cannot be found. On the average, farmers here produce about 50 tang [1 tang equals 20 liters] per rai.Some years, nothing happens because there is no rice to sell. People suffer and no one is to blame. We all suffer but we can bear it. But then when we have rice to sell, the government says that the world market is not good and that our rice is expensive. We cannot listen.That is, we have made comparisons.It can be seen that paddy sells for about 10 baht per tang while rice is selling for 100 baht per tang.

[Question] In addition to these four districts, are the other three districts [in the province] experiencing problems?

[Answer] In Pathum Thani Province, the other three districts have problems too but they have recieved 22 million. Lat Lum Kaeo District alone has received 16 million. They claim that they had rice to sell first. The government did not try to obtain data first. This may involve political pressure or something. We do not know. I do not want to say anything. They have said that they did not give us any money because they saw that there was rice there 2 months before here and so they gave all the help to them. There is no money here. They were given money because they demonstrated. The rice yields in those three districts are not half of what they are here. The yields here are much larger. But we have not talked about yields. We were not given any of the money because the government did not collect any data. But actually, things in those districts are not any better than they are here. The Market Organization for Agriculture has cut much. But it is still better than having to sell at 1,700 to 1,800 baht. But really nothing has improved. However, this has made the market active.

[Question] How can the problems be solved?

[Answer] There must be a sincere effort. Some money must be found. Rice must be purchased from the farmers. If it cannot be sold, it can be dumped into the sea to end the matter. But the farmers must be given help so they can get

out of this crisis. If we talk like this, the merchants will not be able to sleep either. They have expenses too. The government has said that it will purchase large quantities of rice from Pathum Thani and that it will purchase 500 million baht of rice. But it has actually purchased only 50 million. The merchants cannot remain idle. They must make a living too. They must make purchases quickly.But they do not dare.

[Question] At present, what action are you taking?

[Answer] At present, I am helping the government. I am trying to calm the farmers. I have told them that the government is helping us, although not as much as we want. Whatever we can do to help, we do. We are helping the government as much as possible. I would like to look into the heart of the government to see how honest it is. I do not get anything for this. I just lose money. I have spent much money. I have had to go with the district officer in order to calm down the farmers. We do not want to let the government officials do this. Things would be difficult for the farmers. There is no better way than to do the work oneself.

[Question] The cooperatives here....

[Answer] The cooperatives cannot do anything. Stated simply, they are paper tigers. We know this. Thailand has had cooperatives for a long time now. There was once a ministry but it was demoted to a division. Now there is the Ministry of Agriculture and Cooperatives.

The same thing is true for the technical experts. The various sectors such as the Rice Policy Committee, the departments of foreign trade and internal trade, the Market Organization for Agriculture and the six departments and four ministries that work in this area do little. That is, they have joined together but the people involved in the work do not have any knowledge. They are not doctors but they want to treat the disease. The patient will die for sure. I cannot guarantee that anything will be solved.

[Question] Protest demonstrations may be to the advantage of other groups.

[Answer] No. I won't let them interfere. We will prevent this. First, they won't be allowed to use loudspeakers. And second, those people won't be allowed to get involved. We will contact the government directly. Our representatives will negotiate with the government. The villagers have joined together and asked us to help. We have helped them and told them what to do.

[Question] And the political parties?

[ANswer] I haven't had any contact with them. I contact the Office of the Prime Minister directly. Some of the political parties want to join with us. They even want to send representatives from various places such as Ayuthaya, Saraburi and Sukhothai to submit proposals. But we want to discuss only the matter of the farmers' problems with rice prices. If there are changes, we can discuss them later.

Hired Farmers: Long-Standing Bitterness

When we speak about farmers, many people feel that the farmers are the backbone of the country. They are following in the footsteps of their ancestors as farmers. Some make progress and some totter depending on the talents of each person. The original condition of farming is farming that relies on nature. When the rainy season arrives, the plowing begins and the harvesting is done in accord with the agricultural season. Stated simply, farming is done in partnership with the gods. After the partnership has been formed, the farmers wait for the gods to bring the rains so they can go to work and there must be just the right amount of rain. Otherwise, if there is too much rain, the rice will be runied. This has been the Thai style of farming since the beginning. And the aim of this work has been to produce enough to eat from year to year. People in former times did not have a lot as they do today and so they did not have to worry and fight among themselves. But today, progress has given rise to needs and working just in order to have enough to eat is no longer enough. People must work in order to have a surplus so that they can obtain other types of goods such as tractors, radios and televisions, which can be used to benefit in various ways. The irrigation system that has been installed has helped solve the water shortage problem at present. And the fact that the world has made progress and is using technology to provide help in farming has resulted in the farmers reaping greater yields. Production has higher goals, that is, to produce more in order to sell it. But the use of technology has increased farm production costs too. The thing that everyone hopes for is that they will at least recover their costs once they invest money. But can this dream come true for everyone? As for mistakes, if too little is produced there will be little to sell or if too much is produced, rice prices will be low. Or if there are no markets, sales will be like they are at present. In such cases, people will suffer losses. And when this happens, it will be difficult to repay the money borrowed form the banks, cooperatives or Chinese. Other problems will follow. These problems will link together to form a chain in the lives of the farmers.

The Troubled Farmers: The Degree of Severity Depends On Their Position

Farmers at all levels are experiencing problems. First, I will talk about those who own their own land. Even though these people have land to work, they have been affected in various cases. There is the case of Mr Thongchai Nonthanakhon, a farmer in Khlong 5 Commune, Khlong Luang District, Pathum Thani Province, who is 40 years old. He is married and has four children. He finished Grade 4 and went to work in the fields after he finished Grade 4. It can be said that he has grown up in the fields since he has worked as a farmer [since he was a child]. Mr Thongchai has 80 rai and a 5-rai plot that he was given to work as an experimental agricultural mud-flat plot. "My fields won second place in the competition this year," said Mr Thongchai in response to a question by PATINYA. And he added that "this competition is held on the provincial level. I was defeated by one other person by only one-half tang. He produced 97 tang while I produced 96.5 tang. I planted the K.Kh. ["Rice Department"] variety, a hybrid variety." And PATINYA has learned that,

normally, Mr Thongchai's fileds yield at least 80 tang per rai. "Last year, I got 3,350 baht [per kwian] but this year (at the beginning of the year) I got only 3,100 baht. And at present I cannot sell any at all." Mr Thongchai talked politely with PATINYA at lunchtime after he finished threshing the rice. Another thing that PATINYA learned was that before he was given the test plot, officials from the Ministry of Agriculture and Cooperatives considered his willingness to look after the fields and his willingness to work. The agricultural officials had to be sure that they would not be disappointed after they gave him the test plot. They asked others in the area about his background and they asked him how interested he was. The aim is to have farmers cultivate rice and benefit. "I have encountered many problems this rainy season. I had to hurry to finish the harvesting. If the rice gets wet, it will lose its quality. After I finish threshing it, I have to dry it before selling it." Mr Thongchai added that "those families that do not have a yard or that have only a small yard have other problems because they do not have any place to dry their rice." The rice varieties grown by Mr Thongchai are K.Kh 21, K.Kh 23 (which resists disease well), K.Kh 25 and hybrid K.Kh. Mr Thongchai said that "rice varieties change constantly depending on what the agricultural and district officials recommend." Most of the fields worked by Mr Thongchai are fields on which the paddy is sown without transplanting since these produce better results than fields on which transplanting of seedlings is practiced.

Mr Thongchai siad that "those who rent land are much worse off than I am because the yields are not good and they msut sell it at a low price. If sales are like they are this year, they cannot repay their debts. My situation is better and I do not have so many problems." PATINYA learned that, concerning those who rent land, when they rent land, they must borrow money in order to purchase fertilizer, gasoline and insecticides. And this year, the price of fertilizer has increased to 4,800 baht per ton from 4,600 baht last year. If they buy on time from the cooperative, it costs them about 5,300 baht. Gasoline has increased too. Since investments are great, there are problems since the rice can be sold for only 1,600 to 1,700 baht per kwian. When loan costs are deducted, this is not enough. And what will they do next year? Their debts will increase. Mr Thongchai can produce two crops a year, that is, the annual wet rice crop and the second rice crop. At present, the harvesting is underway and as yet no merchant has made contact. Mr Thongchai said that "last year, many merchants came to this village to make purchases. This year, none have come." He also added that "I sell to those who give me a good price. I am not tied to those merchants. Since I cannot sell my rice this year, I will just hold on to it. Since I am not yet experiencing any great difficulties, I will not sell it yet." Certainly, those who are not experiencing any problems do not have to hurry to sell their rice. But others who are experiencing problems and who have debts hanging over their heads must sell even though prices are low. If they do not sell, things will be even worse. Sometimes, the merchants buy on credit, saying that they will pay later (on faith) but they then disappear along with the rice of the farmers. Those who experience such problems find themselves in difficulty.

While Mr Thongchai is a farmer with a position that is somewhat better than others, he said that he too has problems. As for those who rent land, the government has admitted that in the Central Region, very few people engaged in farming own their own land. Most rent land to farm. Based on inquiries, it has been learned that, in Pathum Thani Province, there are more farmers who rent land than farmers who own their own land. When PATINYA visited Khlong 5, we talked with a farm family from Lat Lumkaeo District in Pathum Thani Province. The whole family came here to find work harvesting rice. The entire family moved here. From questioning them, it was learned that their fields there do not give a good yield. After they finish the harvesting, they have nothing to do and so they go to harvest rice for others wherever they can. When they finish the harvesting in one palce, they go to find work somewhere else until the next agricultural season when they have enough money to return and work there.

Mr Chaloem Khongchin, age 26, is married but does not have any children. He was not a farmer originally but because his wife was a farmer, he too became a farmer. He helps his family too. "I farm in Lat Lumkaeo. At present, I have been employed to harvest rice. The whole family is doing this," said Mr Chaloem in response to a question. PATINYA saw him sitting in a store near Khlong 5 and saw that he had many of his belongings with him like a person who is about to move somewhere. In response to a question by PATINYA, Mr Chaloem said that "for harvesting rice for them, I receive 120 baht per rai. Previously, when rice prices were better, I received 200 baht per rai." His slow response generated sympathy for him. How hard he must work to harvest 1 rai. Does his pay cover his food and labor expenses? Mr Chaloem also said that "I live over there. I rent land, for which I pay 150 baht per rai. Together with my mother-in-law, I work about 90 rai. The fields there do not give very good yields. I have already sold this year's rice." Mr Chaloem openly said that "this year, I harvested 37 kwian and sold it for 1,700 baht per kwian. I lost money. I had to sell it to pay my debts. We have to repay them." Since he mentioned debts, PATINYA had a chance to ask about this. [He said that] "I borrow from the cooperative and from the bank and sometimes from the Chinese. The loan period is 1 year. They charge 5 percent interest but this must be paid on a monthly basis." And when asked about the rice, Mr Chaloem said that "usually, there are problems with rice diseases. And little water. Sometimes, we pump water at night." Those who rent land to farm deserve sympathy. PATINYA learned that Mr Chaloem uses a tractor. He must use fertilizer, gasoline and insecticde like other fields. As for those who rent land, what they cannot seem to escape from are the debts, regardless of whether the debts are with the owners of the fields, the cooperatives or the banks. And a serious problem for those who rent land is the matter of what they can do to get money to pay their debts in accord with the stipulations. After they finish harvesting their own fields and sell the rice, they try to find work in other fields. (Concerning such cases, PATINYA has learned that a new profession, hired farmer, has arisen among the farmers. During the agricultural season, they hire themselves out to sow the fields, and at harvesting time, they are hired to do the harvesting. Regardless of the reason for this, this problem has arisen.) Just before he left to help his relatives put their belongings on the bus to go to fields

elsewhere, Mr Chaloem said that "I would like to see rice prices increase so that we can survive." This is the life of a farmer in the Central Region, where yields are thought to be better than elsewhere. No one knows when such problems began.One day when they cannot pay their debts or the owners of the land stop renting land to them, their situation will be similar to that of the laborers. They will use their physical labor to perform the occupation they inherited from their forefathers. And if such troubles increase, this will be a major problem that we should all help solve.

Hired Farmers: Just Laborers In the Rural Areas

While they were once farmers who owned their own land, they have now become renters. [Technically], they may still be the owners, but they are the owners in name only. But now, there is a new trend. The owners of the land have said that they will annul the contracts in order to use the land for other things such as planting gardens, raising fish or subdividing the land. Or the renters have not had the sense to continue paying the rent. And more and more of the children of the farmers who own plots that are too small to be divided have had to hire themselves out. These farmers do not own their own land. They live off their labor, which they exchange for money. This is the same as the laborers in the cities. But there are still few such hired farmers because usually such people go to work in the industrial factories. This gives the hired farmers much bargaining power. They can choose the employer that will pay them high wages. But in the present situation in which the creation of jobs in the industrial sector has stopped and some sectors have even laid off people and stopped hiring people, which has put 10,000 laborers out of work, many of these laborers [form the rural areas] have returned to the rural areas. This has caused people to compete for work in the rural areas. The hired farmers will no longer have any bargaining power. Furthermore, in the situation in which rice is not bringing a good price, this year, the farmers are not hiring many workers. The wages of the hired farmers have fallen. The various troubles have spread everywhere where there are farming activities. The problems will be difficult to solve unless the structure of our agricultural system is changed in order to cut this circle before a crisis develops.

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3 September 1982

South and East Asia Report

No. 1186

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BRIEFS

AID TO PAPUA NEW GUINEA--Australia has agreed to take an early look at the amount of aid it is giving to Papua New Guinea. Papua New Guinea's prime minister, Mr Somare, spent nearly an hour in talks with the Australian prime minister, Mr Fraser, and the foreign minister, Mr Street, at Federal Parliament in Canberra this afternoon. Sources in the Department of Foreign Affairs say Mr Fraser agreed to tell Mr Somare next month when the Australian Government will review its aid program to Papua New Guinea. The sources say it is likely the review, scheduled to be held early in 1984, will be held early next year. A spokesman for the foreign minister's office in Canberra says Mr Somare told Mr Street he will attend the regional meeting of commonwealth heads of government in Fiji in October. [Text] [BK250915 Melbourne Overseas Service in English 0830 GMT 25 Aug 82]

HIGH COMMISSIONER TO KIRIBATI--The Federal Government has announced the appointment of Mr (John Marney) as Australian high commissioner to Kiribati. Mr (Marney), aged 46, was educated in Canberra and joined the public service in 1955. He has held appointments with the Department of Foreign Affairs in Bangkok, Moscow, Kuala Lumpur, Port Moresby and Tokyo. He will be the first Australian high commissioner to be resident in Tarawa. [Text] [BK141425 Melbourne Overseas Service in English 0830 GMT 8 Aug 82 BK]

DROUGHT WARNING--Prime Minister Fraser has said Australia could be facing the worst drought for many decades. Fraser told Federal Parliament the omens were very bad indeed. The weather pattern is offering no relief over a large part of the nation. The Labor Party spokesman on primary industry, Kerin, described the government's response to the drought as totally inadequate. He said an extra $2 million allocation for drought relief in the federal budget worked out at only about $20 for every drought affected farmer. Meanwhile in Sydney, New South Wales Premier Wran has said it is time the federal government faced up to the fact that the drought is a national disaster. Wran said the drought now in its 4th year was crippling the rural economy. He said that in some parts of New South Wales, crops could not even be sown while rural workers who depended on good harvests and abundant stocks would not be able to feed their families unless urgent arrangements were made for unemployment relief. [Text] [BK191209 Melbourne Overseas Service in English 0830 GMT 19 Aug 82]

OFFICIALS HOLD TALKS--Papua New Guinea's prime minister, Mr Somare, is to hold informal talks in Sydney later this month with the Australian prime minister, Mr Fraser. Mr Somare is expected to ask Mr Fraser for more economic aid for Papua New Guinea which will involve reversing a trend for Australia to provide less help. The newly-elected Papua New Guinea prime minister last week told Papua New Guineans that they would have to live more economically to help the country out of the current economic difficulties. Mr Somare said that with the falling prices for its exports, Papua New Guinea was not able to manage on its own. He said his government would maintain the request made by the previous government of Sir Julius Chan for extra Australian aid which now provides about one-third of Papua New Guinea's budget. [Text] [BK120928 Melbourne Overseas Service in English 0830 GMT 12 Aug 82]

CSO: 4220/303

TECNOMIT SIGNS CONTRACT WITH INDIA

Rome L'HUMANITA in Italian 10 Aug 82 p 2

[Text] Tecnomit, the engineering division of Montedison will provide technology, planning services and technical assistance to the Indian company FACT (Fertilizers and Chemicals Travancore) for an effluent treatment plant to be constructed in Cochin, Kerala State. The ecological unit will reduce to the lowest level the ammoniae and related materials coming from waters discharged by the local urea plant and will recycle the recovered products for productive purposes. FACT is one of the Indian fertilizer producing companies for which Tecnomit has in the past supplied processes, engineering and machinery for the construction of 9 ammoniae production plants and 11 urea production plants. The two FACT units located in Cochin have been in operation since 1973 and produce daily 600 tons of ammoniae and 1,000 tons of urea.

CSO: 4728/7

DEFENSE MINISTER ON OFFICIAL VISIT TO WASHINGTON

Minister Meets President Reagan

Jakarta KOMPAS in Indonesian 28 Jul 82 pp 1, 12

[Excerpts] Washington, KOMPAS--Minister of Defense Gen M Jusuf, during the first meeting of his official visit to the United States, discussed a number of questions in the defense field, both involving general matters as well as those concerning bilateral relations between Indonesia and the United States.

In his meeting with President Ronald Reagan at the White House, he reviewed matters concerning developments in several important areas of the world at the present time. Among those areas discussed were the Middle East, Kampuchea, and Afghanistan.

"We obtained President Reagan's views on several areas of the world, which we will present to President Soeharto after we have returned home," said General Jusuf to Threes Nio, a KOMPAS reporter, in Washington on Monday [27 July]. However, he was not prepared to say precisely what President Reagan had said. He only stated that President Reagan is paying close attention to developments in Southeast Asia and that he was happy that relations between Indonesia and the United States were going along well. At the meeting President Reagan received a personal letter from President Soeharto and also expressed the hope that the president of Indonesia could visit the United States next October.

General Jusuf, who was very satisfied with the meeting, pictured President Reagan as a cordial, sincere, and happy person, with a smiling face, who seemed "younger than his years." Although not in the original plan, the meeting with President Reagan also was attended by Vice President George Bush, Secretary of Defense Caspar W Weinberger, and Presidential Adviser for National Defense William Clark.

On this occasion Vice President George Bush expressed his hope that he would be able to visit Indonesia in the not too distant future. Meanwhile, Secretary of State George Shultz, who on Monday [27 July] was away from Washington, had a separate meeting with the Minister of Defense and Security Jusuf on Tuesday [28 July].

Questions which were discussed with President Reagan were later reviewed more fully in a private meeting with Secretary of Defense Caspar Weinberger and at an official meeting of the delegations of the two countries.

Regarding developments in various parts of the world, General Jusuf emphasized the importance of a resolution of the Kampuchean question for the peace of Southeast Asia. He expressed the view that the United States, because of its relations with the People's Republic of China, the Soviet Union, and Vietnam, still has a great opportunity to play a role in the Kampuchean question.

He said that the United States also had a key role to play in the Middle Eastern question, even though he admitted that the Middle Eastern question was very complicated. General Jusuf and his party were provided with a briefing on the latest developments in Afghanistan. He hoped that the question of Afghanistan would be resolved as well as possible, in order to reduce the sufferings of the Afghani people.

Regarding bilateral relations, there was a discussion about the equipment needed for continuing the consolidation of the Indonesian Armed Forces, including the Army, the Navy, and the Air Force. In this connection General Jusuf felt the United States had many opportunities in this area, and the discussions which were undertaken by an Indonesian team some time ago will be continued.

In the discussion on bilateral relations the question of training of officers of the Indonesian Armed Forces was emphasized. He said that the Indonesian Armed Forces are now busily engaged in making a major change in the military training system, regarding both combat units as well as the creation of reserve units. He thinks that in military training institutions in the United States there are many points of comparison which can be usefully employed in Indonesia. The minister of defense and security obtained a positive impression that the U S side was willing to help. "Indeed, there are many questions which must be discussed in Congress, but we understand the problem," said General Jusuf.

Both the meeting with Secretary of Defense Caspar Weinberger and the meeting between the two delegations took place, according to the minister of defense and security, "in a good atmosphere and successfully." He pictured Secretary Weinberger himself as a "very realistic" person.

The Indonesian delegation at the meeting at the Pentagon consisted of Minister of Defense and Security M Jusuf; Charge d'Affaires Dr S Wiryono; Army Chief of Staff General Poniman; Air Force Chief of Staff Marshal Ashadi Tjahjadi; Commander of the National Strategic Command Air Marshal Sukardi; Ministry of Defense and Security Assistant for Intelligence Lt Gen Benny Moerdani; the assistant for logistics in the Ministry of Defense and Security and assistant for plans in the office of the Army chief of staff, Major General Supardjo; the commander of the Indonesian Fleet, Rear Admiral Kasenda; and the defense attache in the Indonesian Embassy in Washington, Col (Navy) E Tumengkol.

On the U S side in attendance at the meeting were Secretary of Defense Caspar Weinberger; Deputy Secretary of Defense Frank Carlucci; Assistant Secretary of Defense Fred Ikle; Assistant Secretary of State for East Asian and Pacific Affairs John Holdridge; Deputy Assistant Secretary of Defense Dr Wade; Assistant Secretary of Defense West; Deputy Assistant Secretary of Defense for East Asian and Pacific Affairs Richard Armitage; Childress, a member of the National Security Council; the military assistant of the secretary of defense, Major General Smith; and the defense attache at the United States Embassy in Jakarta, Colonel Kizirian.

Apart from the official meeting between the two delegations, members of the Indonesian party also held private meetings. Air Force Chief of Staff Marshal Ashadi Tjahjadi, for example, met with the chief of staff of the U.S. Air Force, General Robert C Mathis. The assistant for intelligence in the Ministry of Defense and Security, Lt Gen Benny Moerdani, met with the director of the Defense Intelligence Agency, Lt Gen James Williams. Rear Admiral Kasenda met with the director of the Navy Oceanographic Office, Vice Admiral John B Mooney, and Vice Admiral Samuel H Packer of the Plans, Policy, and Operations Section of the Pentagon.

The visit of Minister of Defense and Security Jusuf to the Pentagon was accompanied by a major military ceremony, which was held at the River Entrance of the Pentagon. Whereas ordinary Indonesians are known to follow a system of "rubber time" (i e, do not always arrive on time], this time the term had to refer to the hosts. General Jusuf, who arrived precisely on time, had to wait 2 minutes before Secretary Weinberger came down from his office.

Minister of Defense and Security Jusuf told a KOMPAS representative that there had been a major increase in the level of Indonesian-United States cooperation in the defense field. Whereas during the administration of President Carter military assistance from the U.S. seemed to be declining, since last year this assistance reflects a substantial increase.

What is usually called "military assistance" from the U.S. consists of credits for the purchase of military equipment and help in the form of grants. Purchase credits, which are called "Foreign Military Sales" (FMS), are loans on which interest is charged. Although the interest rate is still below commercial bank rates, this kind of credit cannot be called a soft loan. On the other hand, what is called the "Military Assistance Program" (MAP) and "International Military Education and Training" (IMET) is aid in grant form which does not need to be repaid. Whereas MAP (which was abolished in 1978) had the objective of helping the armed forces of a country which was at a rather low stage of development, IMET has the objective of helping the training of members of the armed forces of foreign countries.

In this connection Indonesia has received both FMS, MAP (until 1978), and IMET assistance. From available statistics it appears that the total military aid from the United States during the "New Order" period [since the replacement of President Soekarno] reached a high point in 1978. In that year FMS totaled $40 million; MAP totaled $15.3 million; and IMET, $2 million. However, in the following years (that is, during the period of the Carter administration)

this total declined. In 1979, for example, total aid was only $34 million ($32 million for FMS and $2 for IMET). And in 1980 the aid reached its lowest point, $31.65 million ($30 million for FMS and $1.65 million for IMET).

It was only in 1982 that the aid again showed an increase, with $40 million for FMS and $2.2 million for IMET. According to present plans for 1983, there will be $50 million for FMS and $2.625 million for IMET.

Apart from the increased figures referred to above, cooperation between the two countries seems to be increasing. Two weeks ago, for example, in the course of the visit of Minister of State for Research and Technology Habibie it was agreed that there would be cooperation in the field of defense technology and industry.

General Jusuf believes that this increase in cooperation has resulted from an increase in the number of visits by high-ranking U.S. officials to Indonesia. Besides that, Indonesia has made a greater effort to clarify our problems.

Answering a question whether the increase in the level of relations means that Indonesia is considered important from the point of view of U.S. defense, General Jusuf said that both President Reagan and Secretary of Defense Caspar Weinberger appear to pay close attention to developments in Southeast Asia. "In the interest of world peace, including peace in Southeast Asia in particular and in Asia as a whole, I think that the role of Indonesia, with its very strategic location, has received a great deal of attention, and its usefulness is very great," he said.

Briefing on USSR, China

Jakarta KOMPAS in Indonesian 29 Jul 82 pp 1, 12

[Text] Washington, KOMPAS--The situation in the Middle East and developments in the power of the Soviet Union and the People's Republic of China in Southeast Asia were two major questions which were discussed during the second day of the visit of the minister of defense and commander of the Indonesian Armed Forces, General M Jusuf, to the United States.

Reliable sources state that General Jusuf expressed both to U S Secretary of Defense Caspar Weinberger and to Secretary of State George Shultz Indonesia's concern about the situation in the Middle East. As a country, most of whose population are Muslims, Indonesia cannot let the situation in the Middle East drag on endlessly. Therefore, Indonesia urged the U.S. government to seek a way to resolve the Middle Eastern question as quickly as possible.

General Jusuf himself, in his conversation with KOMPAS correspondent Threes Nio in Washington, admitted that the Middle Eastern question is very complicated. High-ranking American officials told General Jusuf that the U.S. Government is trying very hard to find such a solution, and the special envoy of President Reagan, Philip C. Habib, at present is still actively engaged in the

Middle East, seeking a place of refuge for troops of the PLO, the Palestine Liberation Organization.

The other question which attracted major attention was developments involving the power of the People's Republic of China and the Soviet Union--particularly the Soviet fleet--in the Southeast Asian area. This question was reviewed, both in a meeting with high-ranking officials of the Department of Defense on Monday [27 July] as well as in a meeting with the chairman of the Joint Chiefs of Staff, General John Vessey, on Tuesday [28 July].

Indeed, time was specially set aside for a briefing at the Defense Intelligence Agency and an exchange of views on "the Soviet Union and PRC threat: presence and activity in Southeast Asia."

Discussion of this question will also be continued in Honolulu during the meeting with the commander in chief, Pacific, Admiral Robert Long.

The minister of defense and security emphasized to KOMPAS the importance of Indonesia's continuing to follow closely all developments affecting the forces of the two countries referred to. The minister considers that the threat presented by the Soviet Union and the PRC at present is "of equal importance." "It depends on our own problems and how far they go to consolidate themselves. For both the PRC and the Soviet Union at present are still encountering great economic difficulties," General Jusuf said.

However, General Jusuf also pointed out that, like the U.S., Indonesia must also pay close attention to the growth of the power of the Soviet Union, particularly in terms of the developments of its fleet. "We have an interest in many matters, because we have areas like the Straits of Malacca and the waters to the North of the Natuna Archipelago, through which the Soviet Fleet is always passing," he said.

For that reason General Jusuf regards his meeting with Admiral Robert Long in Honolulu as very important. This is particularly because the area of responsibility on CINCPAC covers all of these important ocean areas, such as the South China Sea and the Indian Ocean.

Apart from the Middle East question the problem of Kampuchea was also reviewed with Secretary of State George Shultz. According to reliable sources, on this occasion General Jusuf urged the U.S. Government to continue its support for ASEAN in its efforts to find a solution in this region. Both countries hope that the next General Assembly of the United Nations will show a positive attitude and that the seat of Democratic Kampuchea can be maintained.

The meeting between the minister of defense and security and the new U.S. secretary of state was not the first time they met. Previously, as minister of industry, General Jusuf had met twice with George Shultz who, as president of the Bechtel Corporation, had visited Jakarta.

The minister of defense and security felt that his half-hour meeting with the new U.S. secretary of state was very important. This was especially the case

in terms of exchanging views and providing information on Indonesia. "In this way we would hear the views of the minister of defense in these terms and the secretary of state in those terms. Thus, we were able to get a complete picture. It was also important for us to provide him with information on Indonesia so that, as secretary of state, he would then be able to understand our situation," General Jusuf said. However, he also stated that the meeting was held at the request of the U.S. side.

Receives the Legion of Merit

Before meeting with Secretary of State George Shultz, Minister of Defense and Security Jusuf was received by the chairman of the Joint Chiefs of Staff, General John Vessey. In this meeting, which was also attended by Indonesian Army Chief of Staff General Poniman and Indonesian Air Force Chief of Staff Marshal Ashadi Tjahjadi, defense problems were discussed from the technical military point of view, both those involving bilateral relations between the two countries and those involving world security in general.

On this occasion General Jusuf received the "Legion of Merit" medal, the highest U.S. decoration [as published]. And as on the first day the program at the Pentagon on Tuesday [28 July] closed with a luncheon given by General John Vessey to the minister of defense and security and the official party.

During his 2-day visit to Washington General Jusuf was also able to hold unofficial meetings with two former U.S. ambassadors who had served in Indonesia, Marshall Green and David Newsom. "These are all old friends. I was only unable to see Ambassador Masters because he wasn't here, since he is in Singapore." said General Jusuf. He was referring to former Ambassador Edward Masters, whose replacement in Jakarta has not yet been appointed.

General Jusuf also had an informal meeting on his last night in Washington with the Indonesian community in Washington and vicinity. On that occasion General Jusuf discussed the situation in Indonesia, particularly in connection with defense and security matters. He also described problems affecting the Ministry of Defense and Security which are presently attracting his attention, as well as plans for improvements and development of the armed forces in the future.

Departs for Hawaii

On Wednesday morning [29 July] the minister of defense and security and his party left Washington. They left from Andrews Air Force Base. From there, in a PELITA [Five-Year Development Program] Boeing 707 aircraft the minister and his party flew to Travis Air Force Base (San Francisco) and then direct to Hickam Air Force Base in Hawaii.

As was the case in Washington, here also the minister of defense and security was welcomed in a military ceremony. For 2 days he was the guest of CINCPAC, Admiral Robert Long. Minister of Defense and Security General Jusuf had a crowded schedule. Apart from his discussions with Admiral Long, the minister

also attended an overall briefing on the security situation in the Pacific, particularly in connection with the activity of the Soviet Fleet in the area. He also visited several places he considered important, such as the First Marine Brigade at Kaneohe, the Pacific Fleet at Pearl Harbor, and the 25th Infantry Division at Schofield Barracks.

On Friday morning [31 July] local time Minister of Defense and Security General M Jusuf and his party will leave Hawaii enroute to Guam and then directly back to Jakarta.

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CSO: 4213/74

MINISTER SIGNS INDUSTRIAL AGREEMENTS

Defense Industry Cooperation

Jakarta MERDEKA in Indonesian 27 Jul 82 p 10

[Excerpt] Washington, Monday [July 27]--In order to promote the independence of the Indonesian economy, Minister of State for Research and Technology B J Habibie recently visited several companies throughout the United States to reach agreement on developing a firmer industrial foundation in Indonesia.

Although the main objective of his visit was directed toward the private sector, he spent 3 days in Washington, talking to officials of the Departments of State, Commerce, and Defense. At the Pentagon he signed three agreements regarding defense industry cooperation with the United States Army, Navy, and Air Force. The agreements, according to officials of the Department of State, "are only in the form of general understandings, without mentioning special technology. Minister Habibie did not intend to purchase any specific quantity of goods."

The principal target of the Habibie visit concerned the technology of flight and oceanography. On 2 July he signed an agreement with the Boeing Company in Seattle to help Indonesia develop its capacity to manufacture hydrofoils and certain kinds of aircraft.

Habibie visited facilities at Northrop, General Dynamics, and Bell Helicopter, but he did not sign any agreements with these companies.

Peter Dakan, a Boeing spokesman, said that since last year Indonesia has been considering using the Boeing jetfoil boat for a number of military and commercial applications. "After Indonesia has bought three or four of the boats, we will begin to turn over to Indonesia, in a phased way, the manufacture of a number of jetfoil components," said Dakan. He added that another consequence of the agreement would be to make it possible for Indonesia to develop its capacity to manufacture certain Boeing components, so that they will be able to establish themselves as subcontractors on the world market.

The Indonesian airline, Garuda, at present is operating six Boeing 747 aircraft, Dakan said. The Indonesian government recently bought three Boeing 737 aircraft for ocean patrol purposes.

Components for Boeing

Jakarta HARIAN UMUM AB in Indonesian 27 Jul 82 p 8

[Text] Jakarta, HARIAN UMUM AB--The P T Nurtanio aircraft factory, beginning in 1987, will have an opportunity to manufacture components for Boeing aircraft, based on a cooperative program signed recently with the American aircraft manufacturer. This was stated in a report received by the Community Relations Section of the BPPT (Technology Development Body) on Monday [27 July].

The cooperation agreement was signed in Seattle in the United States by the minister for research and development, Prof B J Habibie, and the Boeing Company. It provides that, beginning in 1987, P T Nurtanio will be given the right to take part in tenders and to receive orders to manufacture components for Boeing aircraft.

Prof Habibie, who is also president and director of P T Nurtanio, stated that this cooperation is an honor for Nurtanio, which has gained the confidence of a large company like Boeing. The Boeing Company does not produce the entire structure of their aircraft but rather it specializes in the manufacture of the cockpit and wings, while the manufacture of the fuselage, wheels, and so forth is turned over to other aircraft manufacturing companies in the world.

The receipt of an order from Boeing will facilitate P T Nurtanio's efforts to expand its working program in the field of the manufacture of aircraft components, Prof Habibie said.

Another agreement signed by Minister for Research and Technology Prof Habibie which involves cooperation between P T PAL Surabaya [Surabaya Naval Base Company] and the Boeing Marine Division concerns plans for the manufacture of jetfoil ships. This will be of great significance for maritime communications in Indonesia, 70 percent of whose territory consists of sea area.

According to Prof Hababie, at present there is under study the construction of jetfoil ships of 150 tons with a speed of 55 knots. When its production reaches the proper point, P T PAL Surabaya will later be able to build these ships for use in equipping the coastal defense system in Indonesia.

During his visit to the United States in July the minister of state for research and technology and his party undertook extended conversations with the directors of American multinational companies like Boeing, General Dynamics, Northrop, Combustion Engineering, IBM, and a number of oil companies as well as research centers in various places in that country.

In the minister's party, among others, were assistant minister Prof Dr Sukadji Ranuwihardjo; assistant minister Prof M T Zen; former rector of the Bandung Technological Institute, Prof John Sapi'ie; the director of organization and systems analysis of the BPPT, Dr Wardiman Djojonegoro; and the director of development technology, Dr Harsono Pusponegoro. Also members of the party were a number of senior officers of the Indonesian Armed Forces, including the

chief of staff of the Ministry of Defense and Security, Lt Gen Yogi Supardi; the secretary for defense industry of the Ministry of Defense and Security, Rear Admiral Kun Djelani; Major General Suryaputera of PINDAD [Army Industrial Directorate], and a senior director of P T Nurtanio, Air Commodore Yuwono.

Before returning home in the middle of August the minister of state for research and technology will make a visit to the Federal Republic of Germany, according to the Community Relations Section of BPPT.

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SHARP DECLINE RECORDED IN VALUE OF EXPORTS

Commodities Report

Jakarta HARIAN UMUM AB in Indonesian 13 Jul 82 p 3

[Excerpts] Jakarta, HARIAN UMUM AB--The level of Indonesian exports not including oil and Liquified Natural Gas (LNG) during the 5 month period from January to May, 1982, fell by 41.18 percent compared to the previous 5 months (August through December, 1981). Compared with the first 5 months of 1981 (January through May), Indonesian non-oil and gas exports declined around 47.28 percent, according to preliminary data obtained by the NATARA News Agency from the Bank Indonesia.

Indonesian non-oil and gas exports during the last 5 months of 1981 totaled $1.707 billion, whereas in the first 5 months of 1982 they amounted to $1.004 billion, a decline of $703 million (41.18 percent). Non-oil and gas exports during the first 5 months of 1981 totaled $1.905 billion. During the same period of 1982 they amounted to $1.004 billion, a decline of $901 million (47.28 percent).

Indonesian non-oil and gas exports during the first 5 months of 1982 consisted of timber products, including sawn lumber; rubber; coffee; palm oil; tea; tobacco; tapioca; rattan; pepper; copra; handicraft items; cement; and shrimp. There were almost no exports of copper, nickel, fertilizer, and electronic equipment. Among the most significant non-oil and gas commodities exported were timber products, including sawn lumber, worth $249.1 million; tin, valued at $175.73 million; rubber, worth $147.73 million; handicraft items, $133.99 million; and rattan, $80.97 million. The export items of least value included fertilizer, valued at $754,000; palm oil seeds, worth $864,000; cement, worth $2.012 million; and electronic equipment, worth $5.8 million.

Most of these Indonesian export commodities were exported to the countries that are members of the European Economic Community (EEC), the Middle East, Japan, South Korea, and Malaysia.

Oil and Natural Gas

Jakarta MERDEKA in Indonesian 14 Jul 82 p 10

[Text] Jakarta, Tuesday [14 July]--The level of exports of Indonesian crude oil and other oil products in the first 5 months (January through May) of 1982

[Text] Jakarta, Tuesday [14 July]--The level of exports of Indonesian crude oil and other oil products in the first 5 months (January through May) of 1982 fell by 38.36 percent, compared with exports of these commodities in the previous 5 months (August through December, 1981). During the first 5 months of 1981 (January through May) there was also a decline in oil exports of about 36.08 percent, according to provisional data obtained by the NATARA News Agency from the Bank Indonesia.

The level of Indonesian crude oil and other petroleum product exports during the last 5 months of 1981 totaled $6.496 billion, whereas in the first 5 months of 1982 they amounted to $4.004 billion, a decline of $2.492 billion or 38.36 percent.

Exports of crude oil during the first 5 months of 1982 originating from the state-owned oil company, Pertamina, amounted to $2.102 billion, obtained from the production of foreign oil firms, of which $1.412 billion came from contracts of work and $490.928 million came from production sharing contracts.

Indonesian exports of crude oil and other products during the first 5 months of 1981 amounted to $6.264 billion, whereas during the first 5 months of 1982 these exports totaled $4.044 billion, amounting to a decline of $2.260 billion or 36.38 percent.

Meanwhile, exports of Liquified Natural Gas (LNG) from Indonesia in the first 5 months of 1982, according to provisional statistics from the Bank Indonesia, also reflected a decline of about 41.17 percent, compared with the last 5 months of 1981. Compared with the first 5 months of 1981 LNG exports also experienced a decline of about 47.28 percent.

Indonesian LNG exports during the last 5 months of 1981 totaled $1.707 billion compared to $1.004 billion during the first 5 months of 1982, a decline of $703 million or 41.17 percent.

Indonesian LNG exports during the first 5 months of 1982 amounted to $542.657 million from the Badak field and $568.747 million from the Arun field.

Exports of Indonesian LNG during the first 5 months of 1981 amounted to $1.905 billion, while LNG exports during the first 5 months of 1982 totaled $1.004 billion or a decline of $900 million or 47.28 percent.

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CSO: 4213/73

MORE FOLLOWERS OF HASAN TIRO CAPTURED

'Adviser to Governor of Peurelak' Captured

Jakarta KOMPAS in Indonesian 3 Jul 82 p 9

[Excerpts] Medan, ANTARA--The Aceh Special Branch Office has again succeeded in capturing a leader of the Hasan Tiro Movement (GHT), Tengku Salim bin Malik (62 years old), who called himself an "Advisor to the Governor of the Peurelak District," a few days ago in Alur Dua Village, Peurelak District, in Aceh Timur Regency.

On the same day, 28 June 1982, another member of the GHT group, Imam Ali Piah, came in to surrender at a post of Task Group "B" of the Aceh Special Branch Office in the Peurelak District. He identified hismelf as a bodyguard of Yasin Ali, "Commander of Region IV." Yasin Ali was also captured last week. Imam Ali came in wearing the GHT uniform.

The capture of Tengku Salim bin Malik was a success for Task Group "B", the special unit formed by the Aceh Special Branch Office to suppress the GHT remnants in Aceh Timur Regency last April. Prior to this the unit had captured Idris Ahmad, "Governor of the GHT Peurelak District," together with two of his followers. After the capture of Idris Ahmad in May, 1982, Tengku Salim promoted himself to be "Governor of the Peurelak District," replacing Idris Ahmad.

Two Task Groups

Jakarta MERDEKA in Indonesian 9 Jul 82 pp 1, 2

[Excerpts] Banda Aceh, Thursday [9 July]--On Tuesday, 7 July, Tengku Rahman Batee Puteh, who called himself commander of Simpang Ulim region and was also the chief of customary law in the GHT Peurelak District, was captured. The capture of Rahman Batee Puteh was the fourth success registered by Task Group "B", which is led by Maj (Infantry) Jahdi Husin.

Previously, on 21 May 1982 the Task Group succeeded in capturing alive Idris Mahmud (39 years old), who called himself governor of the GHT Peurelak District, together with three of his followers, who were respectively called Jailani (27 years old), Said Hasan (24 years old), and Marzuki (26 years old).

Seized with them were two weapons and 130 round of ammunition, a typewriter, wornout clothing, three blue berets, a number of documents, and medicines.

Later, on 25 June 1982 the Task Group of the Aceh Special Branch Office registered another success, capturing alive Yasin Ali, who admitted he was commander of Region I of the GHT group. Seized with him was one firearm.

The following capture took place on 28 June 1982, involving Tengku Salim, adviser and governor of the GHT Peurelak District.

According to the Aceh Special Branch Office, in order to wipe out the GHT in Aceh completely, two Task Groups were formed. Task Group "A" on 15 April 1982 succeeded in shooting and killing Ilyas Lebee, who called himself minister of justice; Idris Ahmad, governor of the Batee District; and Yacop Piah, a GHT logistics soldier. When they were intitally attacked by the Indonesian Armed Forces unit they were at first able to resist and to run away. In Ilyas Lebee's hiding place were found a number of GHT documents in a dilapidated lean-to, surrounded by two and one-half hectares planted to marijuana.

Four Leaders Sought

Jakarta KOMPAS in Indonesian 12 Jul 82 p 12

[Excerpt] Banda Aceh, KOMPAS--According to information available to the Aceh Special Branch Office, there are four other GHT leaders who are still being sought. They are: Hasan Tiro, who calls himself "Chief of State of Free Aceh;" Dr Husaini Abdullah, "Minister of the Interior of Free Aceh;" Dr Zaini, "Minister of Health;" and Daud Paneuh, "Commander of the Armed Forces of Free Aceh." However, according to the Special Branch Office, these four leaders and their followers are under increasing pressure, since the people of the area are joining in the effort to wipe out the Hasan Tiro Movement.

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CSO: 4213/73

'KOMPAS' VIEWS SOMARE'S COMEBACK IN PNG

BK131425 Jakarta KOMPAS in Indonesian 6 Aug 82 p 4

[Editorial: "The Return of the Somare Government"]

[Text] Michael Somare has returned as prime minister of Papua New Guinea. He replaced Sir Julius Chan following his victory in the general elections held in June.

In this country of 2.6 million people, political life is marked by tribal loyalty and rivalry. Sir Julius Chan, an economist, was deputy prime minister in the first Somare government. He withdrew from the government, joined another party and succeeded in toppling Prime Minister Somare through a no confidence motion in parliament. Julius Chan's coalition parties were defeated by the Pangu Party led by Somare in the June general elections.

Michael Somare is not merely the prime minister but was one of the prominent leaders of Papua New Guinea's independence struggle and his image as a national leader is the strongest among them.

As a newly emerging nation with a tribal background, Papua New Guinea is faced with two basic tasks simultaneously, that is, to develop an integrated nation and identity while building socioeconomic infrastructures.

In view of their background, the Somare-Julius Chan combination could serve as cooperating leaders to meet these requirements, but as in many other countries this ideal combination cannot be realized. Now Julius Chan is on the opposition benches. Nevertheless as the mover for national integration and identity, Somare's image is stronger. The phase for developing national integration and identity also requires special attention.

Indonesia is interested in the stable development of Papua New Guinea which shares a border with Irian Jaya. Prime Minister Somare and the other leaders are aware that a good neighborly relationship with Indonesia is the strategic key for regional stability to create a climate conducive to national development.

The two countries have developed good relations through realization of the charter of cooperation and through an exchange of visits between leaders and officials. The good relationship between the two countries has repeatedly been disturbed by border issues and border traffic. Elements in Irian Jaya who still do not wish to be integrated into the Indonesian nation have sometimes fled to Papua New Guinea.

There is an agreement between the two sides on how to deal with these problems. There have been misunderstandings on several occasions because of press reports, but these have not shaken the foundations of the good relations and good will of the two sides.

Apart from the border issue, Indonesia provides broad opportunities for cooperation with Papua New Guinea in various sectors, such as agriculture and education. Indonesia is the natural mainstay for Papua New Guinea in its efforts to strengthen and foster its place in the Asian region.

Prime Minister Somare probably is more aware and sensitive to these problems. Therefore, he will seek the best solution to any border issue. And should there be another border issue, it is clear that this will not be permitted to affect the growing strength of the relations and cooperation based on good neighborliness.

CSO: 4213/500

ACTIONS IN E. JAVA TO BE STEPPED UP, PROLONGED

BK181223 Hong Kong AFP in English 0811 GMT 18 Aug 82

[Report by Gilles Bertin]

[Text] Jakarta, 18 Aug (AFP)--Indonesian authorities are to step up and prolong order-keeping operations among East Java's 28 million habitants until October following bloody clashes between villagers, backed by plainclothes policemen and soldiers, and gangs of bandits and witchdoctors.

The police have for the first time admitted that order-keeping operations were being carried out since January this year in the Jember and Bondowoso districts where 40 people were reported killed so far.

According to East Javanese police chief General Pamuji, the operations are not against the witchdoctors but are only against the criminal.

The Indonesian press has so far not been allowed to give any detailed accounts of the incident.

The joint army-police operations will continue until October and cover a few more districts in East Java, about 1,000 km (620 miles) from the capital, well-informed sources here said.

Dozens of people have been arrested since the hunt for bandits and criminals started in January following the murder of a policeman by a dozen members of the local "mafia," the sources said.

Plainclothes police, assisted by villagers, have launched "punitive operations" against tukang santet (witchdoctors) practising black magic and bromocorah (bandits), who have created a climate of fear in the Jember and Bondowoso districts with revenge and terror by extortions and robberies.

Local sources said the peasants and villagers supported the punitive expeditions.

Although the mountainous volcanic region is considered to be a stronghold of orthodox Moslems, it is deeply influenced by Javanese or Kebatinan mysticism. inherited from very ancient religions which believe in supernatural powers, inward feelings and black magic.

The anger of the villagers and plainclothes policemen who were believed to have acted without orders from their superiors, was triggered by the murder of a policeman but also by constant lootings of their livestock and criminal acts by witchdoctors, an intellectual from that region said.

The tukang santet, said to possess all kinds of occultic powers and practise black magic rejected by the Kebatinan people, are also fortune-tellers and exorcists.

The witchdoctors, many of whom have been killed during the punitive operations, are sometimes assisted by the bromocorah, men who work for the highest bidder.

The bromocorah, the majority of whom come from Madura Island a few kilometres from the East Javanese coast, are well-known for being hot-blooded. These dangerous fighters always carry a clurit, a traditional sickle-type weapon with a tapering blade, and are said to have close relations with the local "mafia."

They are also hired for vendettas between rival families or villages.

The Moslem opposition in the capital question the real aim of such punitive operations in East Java where the NU [Nahdatul Ulama] faction of orthodox Moslems of the Moslem PPP Party (United Development Party) has a strong support.

NU, which merged with the PPP in 1973, includes the elements most opposed to President Suharto's new order.

Some Moslems believe that the operations are aimed at intimidating supporters of NU and maintaining a substantial military presence in East Java.

It was recalled that 45 people were reported killed in similar incidents in January last year. At that time, an influential PPP parliamentarian (of the NU faction), Yusuf Hasyim, said in addition to witchdoctors and criminals, several ulemas (Moslem priests) were killed for political reasons.

His charges contradicted official statements on the killings published by Indonesian newspapers which are strictly controlled by the authorities.

CSO: 4220/303

TRADE CHIEF REVEALS FOREIGN TRADE FIGURES, INTERNAL POLICIES

Vientiane SIANG PASASON in Lao 14 Jul 82 pp 2, 4

[Interview with Mr Inhom, Trade Chief Concerned with Trade Circles by a Reporter from SIANG POSASON; date and place not given]

[Text] Trading is an important lever in the period for the transformation and construction of socialism in our country.

To obtain clear information concerning that work, our reporter interviewed Mr Inhom Vinit, acting chief of Lao State Trade, who told us that the Lao State Trade is the only company that deals with foreign trade and distributes goods to and buys from many different localities all over the country.

Mr Inhom said that in the first six months of this year the Lao State Trade has carried out the policy of the party and government, and attentively and actively carried out its work. For example, in buying and exchanging the company has sent goods and capital to different localities depending on the ability of each province for use in buying and exchanging the produce from the people. In the past six months they were able to purchase and exchange 2000 tons of coffee, 17,299 tons of gypsum, 76,860 tons of tin, 48,599 rattan sticks, and a quantity of cardamom worth over 43 million [kip].

As for circulation and distribution, Mr Inhom said that the State Trade sells wholesale to each province periodically, and the provinces provide distribution to different localities. In the past six months they sent goods to different localities calculated to be 41.55 percent of the plan, worth 480,376,098 kip. This included supply goods and industrial goods. The difficult problem in carrying out this work was that the goods did not arrive at the time they were needed.

As for foreign trade, Mr Inhom said that we exchanged goods between other socialist countries such as Vietnam, the Soviet Union, Hungary, Bulgaria, and the German Republic based on the agreements signed by both sides. We sent coffee, plywood, logs, lumber, wood, resin, peanuts, Stick lac, rattan, tin, tobacco, and handicraft products in exchange for machines and indispensable goods. Moreover, the Lao State Trade exchanged and ordered goods from capitalist countries.

Mr Inhom said at the end that in order to implement the plan of the Third Congress of the LPRP, from now on the Lao State Trade will improve the prices in order to encourage production, especially the price exchange between industrial and agricultural goods, and will encourage localities to improve, deepen, and spread the trade base throughout the country. Meanwhile, they will do the best they can to ensure that the transportation and distribution of goods is carried out on time. Foreign trade will be pursued most aggressively with socialist countries.

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CSO: 4206/71

SRV AID PROJECTS, REPAIR FACTORY DESCRIBED

Vientiane SIANG PASASON in Lao 13 Jul 82 p 2

[Article from VIETNAM PICTORIAL Magazine: "For the Friendship Route"]

[Text] Factory 250 C under Group 64 is located on the bank of the Ma River, Thanh Hoa Province; it is less than 100 km from the Vietnam-Laos border.

The factory was built only two years ago. Housing and other things are being worked on so that the front part of the factory, in particular, will not only be used to repair 250 vehicles a year based on the plan, but also will advance to double that amount. That is the order which is the state law and is also the goal of the factory, which aims to respond to the need of vehicle and all kinds of machine repairs of Group 64 that regularly goes to construction sites and roads to help the LPDR from the north to the south.

Almost all of the cadres, workers, and state employees of the factory are those who once helped building many different important routes within the country, for example, routes 6, 7, 9, 13, and others. On these routes there are many vehicles continually transporting friendship goods, and contributing in the construction and protection of the Lao allies.

In the ceremony for awarding the independence medal first class of the LPDR government to Group 64, Comrade Sanan Southichak, Minister of Public Works and Transportation, said that they helped Laos build many different routes thousands of kilometer markers long, and also they built tens of bridges. It is a very simple matter to calculate superficially only the numbers of roads and bridges they built, and how many kilometers they did in the land and riverine survey. However, it is not as easy as that. The construction sites they built were all thick jungle full of thorns will tall mountains and steep abysses, in the most remote areas. At these places the cadres and workers endlessly and determinedly cleared the land, dug mountains, and filled water ditches and abysses to build many different roads. In some places it is very cold in winter, and very hot like burning fire in summer. However, they managed to make it, especially during the time they worked against the war of aggression, when the American imperialists fiercely bombed and destroyed different routes by airplanes. These comrades did not think of their own lives. When the enemy destroyed [the routes] in the daytime, they would repair them at night. Many comrades were injured and lost their lives, which was the greatest sacrifice of all.

With this brilliant heritage along with the experience of the cadres and workers, recently they have not only paid attention to repairing many transportation vehicles and tractors from construction sites and communications routes in Laos, but also are hurriedly completing the last portion of the AB Fan Bridge which is 50 meters long. This brigade will be built in Ham along route 6 in the northern region of Laos.

Over a year preceding this the factory received orders from Group 64 to build and finish laying out the hardwood used for columns and secondary components in order to help the barge port in Khoua District, Phong Saly Province. This was to convert from pulling the barges with Kano vessels to pulling them with cables: instead, in order to release many automobiles that were crowded there because of a lot of water, and it is urgent work. However, the materials, especially steel from the factory, is not the right size. If we have to wait for the requisition and approval from the higher echelons it would be delayed. There were many discussions concerning the techniques and there were many opinions expressed. Finally, the factory had to make new plans which involved welding 2 pieces of stainless steel together to make it thick enough to the level marked "Fi" which is outside of the pulley.

In this way the factory managed to make it through its difficulties, and to ensure its production rate. It completed the plan 3 days ahead of schedule. This helped to speed up route 42 B for use while there was a lot of water.

Comrade Nguyen Van Nhuan, director of the factory, added that "in 1980 the factory was confronted with so many difficulties that we thought we would not make it, e.g., the lack of skilled workers, and materials and equipment. Also, they had to produce, continue to expand the factory, and complete many different types of construction. For these reasons they struggled until September only to complete 48 percent of the plan. The guidance committee of the factory met regularly to study and organize the competition with the special friendship between Vietnam and Laos, and score achievements to celebrate the heritage of the fifteenth anniversary of the aid to Laos by Group 64, along with other economic measures. Therefore, when we calculated only the last quarter of the year, the fact is that the factory completed 52 percent of the whole year's plan. Moreover, the factory transferred ten thousand Dong of its profits to its government.

If you have a chance to visit factory C 250 now you will see the new physical labor for serving and steadily improving the communications route construction in the neighboring country.

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CSO: 4206/71

SOUTHERN EX-INSURGENTS DESCRIBE HARD LIFE IN MAQUIS

Vientiane SIANG PASASON in Lao 9 Jul 82 p 2

["Talking Together" Column by S. Phoutsadi: "Fate of the Misled"]

[Text] Being angry, hateful, and tired of the deceptive propaganda of the reactionaries who are the henchmen of the imperialists and Chinese reactionaries, and seeing their own fate that they would not make it, on 27 April and 21 May 1982 a number of misled people decided to return to their homeland in Khong and Sanasomboun Districts, Champassak Province. These people brought their weapons with them and gave them to the local administrative authorities. These included 2 B-40 rocket launchers, 1 B-41, 2 CB, 3 AK's, 1 M-16, 1 [Hanley], and 1 AS, along with a number of bullets. It was a good path that led them to progress. The local administrative authorities and their relatives welcomed and praised them highly. Then it was time for these ex-insurgents to disclose their hard life and the evil deeds of the exile groups to reporters, the masses, and their own relatives. Since they had fled from their homes and families, their situation and standard of living was very poor; the clothes they wore were all torn. Each day all they did was steal and loot the people's property. Food was always short. They did not have cloth and clothing. Each day they went to stop and loot vehicles in order to take things from the people. Whichever house they entered they cleaned out everything. It was an extremely hard life. No matter how far the marsh and mountains were, they went there because they were afraid the liberation soldiers would ambush them. If they did not enter a village they would not have food to eat. Another thing they were afraid of the most were guerrillas. There were many times that they almost were killed when the guerrillas ambushed them. As for money, from the day they left to the day they returned they did not see any kip or bank att. Whenever and wherever they looted any vehicles, all of the money went to the boss. The henchmen did not get any. Most of the money was hidden to give to girls. When sickness occurred there was no medicine and no one to take care of them. From what was happening they could see their own future, and they realized that they and the group had taken the wrong way, and had been deceived by the reactionary traitors and were involved in psychological warfare. If they stayed there any longer they would have committed crimes against the country and the people. Their fate would undoubtedly be sealed. Therefore, the best way was to escape from the undesirable fate that was full of guns of the reactionary traitors, and they decided to return to their homeland and to their children, wives, and parents. The local administrative authorities always welcome and forgive and educate and train them to be good citizens, to raise their standard of living, so that together with their relatives they can build and enrich their new lives.

9884
CSO: 4206/71

'NEW STRAITS TIMES' COMMENTS ON LEE KUAN YEW VISIT

BK240823 Kuala Lumpur NEW STRAITS TIMES in English 23 Aug 82 p 16

[Editorial: "Closer Ties"]

[Text] While it is too early to tell how fulfilling the visit of Mr Lee Kuan Yew will be, the agreements reached and the positive mood that dominated during our prime minister's visit to the republic last December are themselves a strong assurance that both leaders are not likely to allow any let-up in the common effort to strengthen close bilateral cooperation. Indeed the very gesture of Mr Lee's reciprocating the visit is an expression of optimism and faith that another milestone will be reached in firming relations. On the Malaysian side, there could not be any other response but welcome for the effort to continue the fine start made in December. What was significant then was not just the settling of nearly all the outstanding bilateral issues but also the rapidity and spirit of compromise with which it was carried out. These, it can be expected, will prevail as well in the talks here.

Part of the aims of the visit is to establish further working relations between the ministers accompanying Mr Lee and their Malaysian counterparts. This in effect would mean a furtherance of the pledge by both prime ministers that there should be more people-to-people contact, and this not merely on occasions when there are bilateral problems. The establishing of a viable working and social relationship between those in the second echelon of leadership promises not just the swifter resolving of contentious bilateral issues that may crop up in the coming months and years.

During the Singapore premier's brief visit, further proposals put forward are likely to include those which will strengthen economic cooperation. Given the large and varied delegation, it would not be surprising if concrete plans are also made to further joint activities relating to not just political and economic affairs but also cultural and social. Whatever, the climate between the two governments has never been better.

CSO: 4220/303

NO CONSENSUS REACHED ON RUBBER GROUP'S MARKET MOVE

BK191335 Kuala Lumpur Domestic Service in English 1130 GMT 19 Aug 82

[Text] Members of the Association of National Rubber Producing Countries [ANRPC] have not reached a consensus on the implementation of a decision to withhold 350,000 tons of natural rubber from the world markets. The minister of primary industries, Datuk Paul Leong, said this in [words indistinct] today after meeting the menteri besar [chief minister], Datuk Sri Syed Nahar Shahabuddin. The ANRPC countries were to have discussed the question in Jakarta last month, but the meeting was postponed. However, a meeting is expected to be held in Kuala Lumpur on Monday.

Datuk Leong says Malaysia will hold firmly to the decision and is prepared to implement it to ensure the stability of the rubber price. The decision to withhold 350,000 tons of rubber from the world markets was for implementation during the second half of this year.

Datuk Leong says: If the move is implemented it will help to stabilize the natural rubber market, which is now weak. Datuk Leong also disclosed that producing countries will discuss the question of reducing production, because this is important to safeguard the future of the commodity.

He said the government is sympathetic to smallholders, who are affected by the poor price and had taken several early measures to help them. The Malaysian Rubber Development Corporation and Rubber Industries Smallholders Development Authority have been directed to buy latex direct from smallholders, while in the long term the Primary Industries Ministry and the Ministry of Trade and Industry will take steps to encourage more usage of natural rubber locally.

CSO: 4220/303

BRIEFS

SARAWAK SECURITY COMMAND--The Rajang Security Command [Rascom] in Sarawak will not be abolished as long as the communist threats in the 3d, 6th and 7th divisions persist. The chief minister, Datuk Patinggi Haji Abdul Taib Mahmud, says though the security situation is under control, the need to abolish Rascom does not arise for the time being. The chief minister, who is chairman of the State Security Committee, also says there is no question of the government negotiating with communist remnants in the Rascom area since the government does not recognize them. He adds that the government is practicing an open door policy where the terrorists can rejoin society instead of continuing their futile struggle in the jungle. [Text] [BK201011 Kuala Lumpur International Service in English 0800 GMT 20 Aug 82]

TIMBER TRADE WITH PRC--Malaysia wants more direct trade for timber and timber products with China. The visiting Chinese trade mission has shown keen interest in purchasing the commodities. The mission has disclosed its requirements, particularly for logs and plywoods to the Malaysian Timber Industry Board in a preliminary discussion in Kuala Lumpur. In turn, the board has informed the mission of its task and specifications of timber available in the country. [Text] [BK180941 Kuala Lumpur International Service in English 0800 GMT 18 Aug 82]

CSO: 4220/303

POSITIVE, NEGATIVE ASPECTS OF FEDERAL BUDGET DISCUSSED

Cost of Top-Heavy Administration

Karachi JANG in Urdu 25 Jun 82 p 3

[Article by Irshad Ahmad Haqqani: "Positive and Negative Aspects of the Financial Budget for the Fiscal Year 1982-83"]

[Text] It is seldom that the budget presented by the finance minister of a country comes up to the expectations of people from all walks of life. The reason for the mixed reaction to the budget for the coming fiscal year presented by Mr Ghulam Ishaq Khan is that he had to keep in mind mutually opposed demands. If, on the one hand, he was expected to accelerate development programs, then on the other hand there were others who vehemently demanded that relief be provided to the most segments of the population possible, and that inflation and price increases be kept under control. That it is impossible to keep in mind the expectations of both these groups at the same time is self-evident. Among those demanding relief were, first, government employees and other salaried persons and, second, groups of people connected with industry and trade, who were clamoring not only for increasing the limit of taxable income but were also demanding a number of other concessions and benefits. As for the government, it was forced to increase defense spending to a certain extent. It required more funds for the payment of interest and loans and the size of development programs had to be increased, which meant that the government required more resources. The path chosen by the finance minister to overcome these difficulties was, in his opinion, the best under the present conditions. Any other course of action, according to him, would have been still less acceptable and more painful.

If we glance at the finance minister's speech, his difficulties and limitations and also his proposals, it becomes clear that the main reason for our economic difficulties is that as a nation we were no longer adhering to the principle of living within our means. Currently, everybody seems to be engaged in a race to raise the standard of living. Even though every group is contributing to this according to its capacity, the major responsibility for the worsening of the situation rests with the well-to-do and wealthy class. A second and equally important reason is that the administrative structure of the country has become so huge and has grown so out of control that a great part of the country's resources is being spent to maintain this huge

structure. Mr Ghulam Ishaq Khan has announced a 7-percent reduction in all government spending, with few exceptions. But the elephant of administration has become so gigantic that its masters (the people) have to bear the great burden of providing it with huge quantities of food just to keep it alive. Despite tremendous demands by salaried persons and businessmen. the finance minister did not extend the limit of taxable income, even though both these groups had advanced powerful arguments in support of their demand. A salaried individual has to declare the total amount of his salary. He cannot conceal it even if he wished to do so. In these days of inflation and growth in the necessities of life, to demand income tax from a person receiving a salary of 1,000 rupees per month can in no way be said to be fair. Both government and nongovernment employees who receive a monthly salary of 1,000 rupees per month deserve an increase in their remuneration, and rather than be burdened with tax, they should be offered help to pull themselves out of poverty. But the finance minister could not provide any relief to this class of people simply because more than half of the country's income tax is obtained from salaried persons. If the taxable limit were to be increased, the government would be deprived of a significant amount of its revenue, something it is not prepared for under the present circumstances.

Businessmen earning an income of 1,000 rupees a month have to resort to various tactics to escape taxation, and as some observers have stated, by maintaining the present taxable level this class has been shown new ways of cheating the government. Among them, the people who are really honest and do not wish to render inaccurate account at any cost are really in trouble, because they do not know how to pay their taxes, and if they don't pay their taxes they do not know how to appease their pricking conscience. The finance minister has not provided them relief either, because he thinks that they have already concealed quite a lot of their taxable income and if they were given further relief, the government would be deprived of revenue from this sector. The government's position resembles that of a starved person who is never satisfied and is all the time clamoring for more. Therefore, until the government decides to limit its gigantic administrative machinery, people cannot expect to get any relief. The only solution would be to reduce the number of unnecessary personnel as well as the number of offices and prevent the burden of administrative expenses from increasing every year. Remarks by some people to the effect that even though the country is reduced by half, the administrative expenses have multiplied a number of times, are not far from wrong. Government employees must be provided with necessary benefits and remuneration, and whatever increase is incurred in expenses as a result of this action must be borne. But to continue employing more and more people, creating new positions in offices and departments and increasing the number of government employees continuously is not a wise action. Instead, the government should refrain from getting involved in unnecessary official duties. Every effort should be made to get the maximum possible work out of the minimum number of employees. To simplify government procedure, it is not enough to take official measures; revolutionary changes are needed. Alternative sources of employment should be created in industry, trade and agriculture. If the elephant of the administration is allowed to get plumper, then the day is not far off when the government will be forced to use major portion of national resources just to feed it, thus making it still more difficult to provide resources for development projects and social welfare.

Threat of Inflation

Karachi JANG in Urdu 27 Jun 82 p 3

[Article by Irshad Ahmad Haqqani: "Positive and Negative Aspects of the Financial Budget for Fiscal Year 1982-83"]

[Text] The second most important reason for the economic difficulties facing our country is the disproportionate use of our resources. The finance minister himself has acknowledged that the rate of consumption in Pakistan is much higher than that of most other countries in the world and that we consume 80 percent of our national income. In this sad state of affairs, development cannot be accelerated and social and economic justice cannot be administered. The finance minister's information that we waste 1 billion rupees on tea, tobacco and imported drinks is neither a new revelation nor does it give the full picture of our profligacy. There is an abundance of luxury articles in the country. The major portion of the 3 billion rupees coming to Pakistan from abroad is spent on consumer goods and for raising the everyday standard of living. Ever since this new source of income was created, if plans had been carefully devised to utilize the money wisely and sensibly, not only would there have been no inflation, rise in prices and increase in unhealthy competition, but abundant resources would also have been made available for progress and development. Even today, 7-8 years after this new source of income came into being, there is no consolidated official plan for putting it to good use. Even the people who have been receiving this wealth have not been able to save it, nor have they used it successfully for productive purposes. In fact, the plight of our nation just now resembles that of an extravagant and careless person addicted to pleasure, one who is not in the least concerned about the necessities of the future and who believes in the proverb: "Give yourself to pleasure and enjoyment because you will not come back to this world a second time." Every group and every individual, except for those who really have no worldly possession, indulges in spending more than its income and outdoes others in the mad race to raise its standard of living higher and higher. We have been declaring aloud our commitment to Islam, but at the same time we are becoming more materialistic than ever. Wealth, money and material ease and comfort have become the religious faith of this nation and people consider every effort directed at this goal as reasonable. Unfortunately, among vast sections of people in this country, an image of Islam has become popular that though it may not envisage love of wealth as an element of religious conviction, at the same time does not prohibit it, either. People possessing property worth millions of rupees and with incomes in hundreds of thousand of rupees are seen to applaud the virtues of Islam day and night and look on their wealth as a blessing from God; they consider the highest standard of living and most extravagant life style as a benevolence of God. But they do not realize that they are violating the teachings of Islam, which advocates simplicity, frugality and moderation. Neither do they ever think of the requirements and necessities of their less fortunate brothers, sisters and children living in deprivation. There are among them some people who help in the name of God and religion but who nevertheless continue to amass wealth through all possible illegal means and consider spending lavishly on themselves and their family as their inherent right.

The entire elite class is engaged in an illegal race to amass wealth, while the authorities do nothing to change this tendency and create an atmosphere of sense and understanding. The bitter truth is that the government is very popular among these extravagant people, and perhaps this is why the authorities cannot take effective measures to change their ways and manners, their extravagance and wastefulness. Prudent people well versed in the true perceptions of Islam and the Islamic way of life know that Islam prohibits materialism, limitless craving for worldly pleasure, abundance of ease and comfort and imprudent use of resources. There is no place for a show of splendor in Islam. Islam advocates simplicity and teaches that minimum use should be made of resources for personal or family requirements. If these true Islamic traits were to be reflected in our national life, most of our economic difficulties would be solved and, at the same time, demands for progress and development could be met and social justice could be provided with available resources.

The finance minister has declared that the measures to be adopted to make up for the loss due to the deficit in the budget are the most appropriate under the circumstances. But the fact is that by imposing a 5 percent surcharge on all imports, he has provided ample incentive for an increase in prices, as a result of which advantages gained by the government will be far less than the difficulties created for the people. To say that because of this surcharge there will be a very negligible increase in prices is, to say the least, unrealistic. We believe that our guess--that as a result of budgetary proposals there will be an increase of 15-30 percent in the price of goods within a few months--will prove to be correct. As it is, due to disproportionate relationship between the rupee and the dollar, imports are already expensive. Now, with the imposition of the surcharge, these prices will be increased two and threefold. By the time these goods reach the customers, it will not be difficult to predict the dreadful increase in prices. The increase in the price of gasoline is attributed to the increase in the value of the dollar. Even though the price of gasoline in the world market has gone down because of an increase in the value of the dollar, it is said that we are not able to obtain it at reduced rates. In the past prices of gasoline products were increased because of an increase in their rates in the world market. But now it is said that because of the disproportionate relationship between the value of the rupee and the dollar, the value of the rupee has decreased and the cost of oil has increased. Hence, an increase in the price of oil. No matter what the government gains as a result of the surcharge on imports and the increase in the price of gasoline, the man on the street will have to pay much more and hence the loss suffered by the people will be manifold.

Juggling of statistical figures is quite another matter. An economic survey shows that in the first three quarters of this year the increase in the wholesale prices of commodities was 3.6 percent, whereas the finance minister says that up to April this increase was 6.3 percent. It is also asserted that inflation has been kept to a single digit. It is difficult to say how true this claim is, but the experience and observation of the man in the street does not enhance his faith in the authenticity of these claims. People have seen the hike in the prices of consumer goods.

The prices of consumer goods in the evening are different from those in the morning, and, similarly, the prices next morning differ from those of the previous evening. Why there is no conformity between one's observations and experience and official statistics is hard to explain. Official sources may have a clue to this puzzle, but the man in the street does not.

Besides the increased hardships arising as a result of the budget, and more to follow in the weeks ahead, there is another difficulty that looms large over their heads. There are reports that after the holy month of Ramadan, the government will gradually increase the prices of most other goods and services. Some policy decisions have already been made, but in view of certain expediencies, their implementation has been postponed. About 1,000 medical items are being decontrolled, as a result of which a hike of 60 to 125 percent in their prices is expected. Mr Ghulam Ishaq Khan, in his press conference immediately after he presented the budget, gave no assurance that in the coming months there will be no increase in the prices of goods and services in the government sector. This indicates that the predictions of circles expressing fears about a rise in prices of edible oil, wheat, cement, tea, electricity and water were not far from the truth. As a result of all these measures, the graph of prices in the next 4-6 months will rise significantly. For the average person, it will become still more difficult to maintain the balance between body and soul. Regardless of the difficulties and preferences of the government and the finance minister, and however much they may believe that they are steering the country's economy in the most prudent way, people in the middle and lower class cannot applaud the government's efforts. For them, the immediate difficulties are more real and important. People as a rule do not care so much for lofty claims and rosy predictions for the distant future. They are concerned with immediate problems and difficulties. If the finance minister prepared the country's estimates of income and expenditures in such a way that there were no possibility of any increase in prices, then it would not have been difficult to draw applause from the people for his financial capabilities. During the coming fiscal year, the government would like to print more than 5.7 billion rupees in bills. The taxes imposed by the government amount to 50 million rupees, which will be transferred as a burden on the public in the form of taxes totaling 150-200 million rupees. This will further intensify the seriousness of the twofold misfortune already facing the people, namely, inflation and higher prices. If, under such circumstances, the people were told that the gross national product would increase by more than 6 percent, this would sound like a melody sung in the distant hills and hardly audible to their ears.

Benefits provided for government employees in the new budget, though at first glance appearing to be quite sizeable, in reality are not. The salaries of the lower grade employees will be raised by 50 to 100 rupees, which is much less than their requirements, expectations and demands. Therefore, since the presentation of the budget, some of these employees have started expressing dissatisfaction at the relief provided to them. The Ministry of Education has the largest number of government employees, and among them, school teachers constitute the highest proportion. Those receiving the rent allowance for the first time will be satisfied to a certain extent with the increase in

the new cost of living allowance. But the raise the other employees will receive will not be sufficient to cover the hike in prices resulting from the present budget. How they will cope with the rise in prices already in place is hard to say. The only way to help these people is to strengthen the value of the rupee and improve its buying power. Unfortunately, the chances of such measures appear to be remote. The fact is that whatever has been given to the government employees with one hand is being taken back with the other hand. The sense of deprivation will remain unchanged. If, in the coming months, the prices of goods and services were to register a further increase, then the raise given to them will be no more than a joke. The least that the government can do to alleviate their suffering is to freeze the prices of flour, edible oil, tea, sugar, medicine, electricity and water at the present level and maintain them there at least until the next budget.

The Ushr part of the Zakat and Ushr Ordinance has been suspended for 2 years. It has now been decided to bring it back into force with effect from the next spring harvest. Even though, like zakat, imposition of ushr is nominal, it will certainly be described as a very big step in the right direction. It is important that great attention be given to the attainment and disbursement of the amount collected from ushr. The zakat committees that have been entrusted with achieving ushr came into being as a temporary measure and elections held for the committees recently came under extensive criticism. It is necessary to consider ways and means to improve arrangements for achieving and disbursing ushr. It is estimated that in the initial stage, approximately 100 million rupees can be collected through ushr, about 1.5 times the amount that can be collected from zakat. This large sum should be used for purposes strictly in accordance with Islamic law.

Certain circles have criticized another aspect of the budget in particular. They complain that promises for doing away with interest have not been fulfilled even after the appointed time and there are no indications when this will be done. This criticism carries weight and deserves attention. The importance of ending interest in an Islamic economic system is self-evident. The fact is that Islam gives top priority to eradicating the curse of interest as a first step in ending exploitation, to doing away with the amassing of wealth and to providing social justice. Once interest is eradicated, serious social inequities will automatically diminish significantly. In an Islamic economic system, the eradication of interest is more important than the implementation of zakat and ushr, not less. There is no doubt that the eradication of interest requires more effort and more revolutionary thought and action. As some observers have remarked, progress toward an interest-free economy, after years of careful consideration, does not seem to be too difficult. It has now become clear that if agreement could be made to protect the interests of certain privileged classes, then it should not be difficult to make progress in the direction of an interest-free economy. It must be acknowledged that whatever measures have been taken in the matter have been highly unsatisfactory and of a preliminary nature. The need for bold and sincere progress prevails with full force. If we have to move forward toward the establishment of an Islamic system, there is no alternative but to adopt an Islamic system of economy, and the eradication of interest is

the most important factor in this system. Furthermore, it is regrettable that the government spokesmen have not given any reason for not being able to fulfill the promises made concerning interest in January 1979. They have neither apologized nor have they thrown any light on their future aims and objectives in the matter as to how soon progress might be expected. Silence on the subject can only give rise to adverse reations and comments.

9315
CSO: 4203/151

BRIEFS

ENVOY VISITS INDIAN FOREIGN SECRETARY--Pakistan Ambassador to India Riaz Piracha had a meeting with Indian Foreign Secretary M. K. Rasgotra in New Delhi yesterday which lasted for 1 hour. During the meeting they reviewed the recently held secretary-level talks on regional cooperation and the bilateral talks between India and Pakistan in Islamabad. [Text] [BK221525 Karachi Domestic Service in Urdu 1500 GMT 22 Aug 82]

PRESIDENT COMMENTS ON HIJACKING--President Gen Mohammad Ziaul Haq has complimented the Punjab governor, the corps commander and the civil aviation authorities for successfully foiling the attempt of the hijacked Indian Airlines plane to land at the Lahore airport. The president, who had been kept informed of the entire situation, also appreciated the alertness and presence of mind of the authorities concerning for handling the incident under the supervision of the Punjab governor (?which forced) the Indian plane to return to India. Indian Ambassador in Islamabad K. D. Sharma told Radio Pakistan's representative that he was extremely grateful to the Pakistani authorities for their wholehearted cooperation in regard to this very unfortunate episode. He admired the efficiency of the Pakistani authorities in handling the situation. [Text] [BK210558 Karachi Domestic Service in English 1700 GMT 20 Aug 82]

FOUR ARRESTED IN ASSASSINATION--Rawalpindi, 17 Aug--The local police have arrested the four alleged assassins of Malik Shehzada Khan Halimzai, a SHOORA [consultative council] member who was recently assassinated here at Rahmanabad Chowk on Murree Road. The SSP [expansion unknown] Rawalpindi, Malik Sikandar Shaheen, told PPI here that the accused persons who belong to MARDAN were handed over to the local police through the political agent. The alleged persons, Nasim Ahmed, Parvez, Sher Mohammad and Dilawar Khan are under interrogation by the New Town police, who initially registered the case. The SSP added that it has been fully ascertained, the murder was a result of a tribal enmity between the deceased and another Malik.--PPI [Text] [GF211145 Karachi DAWN in English 18 Aug 82 p 12]

MRS BHUTTO VISITS DAUGHTER--Karachi, 6 Aug (AFP)--Begum Nasrat Bhutto, widow of executed former Pakistani President and Prime Minister Zulfiqar Ali Bhutto, was allowed by the martial law authorities yesterday to meet her daughter Benazir, who is held under house arrest in their ancestral home in Larkana, family sources confirmed here today. It was the first meeting

between the two women since Begum Bhutto was hospitalized for treatment of an ulcer in Karachi last month. Begum Bhutto and her daughter are outspoken political opponents of the military regime of President Mohammad Ziaul Haq, which overthrew Prime Minister Bhutto's regime in a bloodless coup in July 1977. They have been in detention since the hijacking in February 1981 of a Pakistani airliner to Kabul by supporters of her father. [Text] [BK070735 Hong Kong AFP in English 0353 GMT 7 Aug 82]

CSO: 4220/293

MINDANAO PAPER URGES PEACE TO PREVENT MARTIAL LAW

HK260313 Davao City PEOPLE'S FORUM in English 10-11 Aug 82 p 2

[Editorial: "Don't Give the President a Chance"]

[Text] When the president lifted martial law, he expressed the hope--which was practically a warning--that we would never have to declare martial law again. From all initial indications, the chief executive appeared bent on his decision not to reimpose military rule unless provoked by circumstances that would justify such reimposition.

This is now the crux of the problem that has been caused by the worsening peace and order situation in some sectors of the Philippines. While opposition is considered necessary in making a nation strong and credible, such opposition should be geared towards peace for all, irrespective of ideological conflicts. One should recognize the fact that the constitution gives the president of the Philippines tremendous powers that can spell the well-being of the country if headed by a compassionate, open-minded leader, but can spell disaster if given to one who considers peace and progress as last priority.

President Marcos has laid down his conditions for reimposition of martial law. Irrespective of one's evaluation of the president as a leader and irrespective of political beliefs, every Filipino should at least agree on one thing: violence must be abhorred in favor of better and more lasting solutions to the country's present-day problems. The president has more than once appealed for sobriety, making it clear at the same time that he cannot--and will not--tolerate loss of lives and loss of national honor through violence; otherwise, redeclaration of martial rule will not be impossible.

It would do well for all at this time to accept the challenge of the president in favor of peace. Filipinos should not give Mr Marcos another chance to declare martial rule. The country has tasted a "smiling" martial law for many years. The smile may no longer be there the next time around. The welfare of the majority should be the common objective of those in power and of those in the legitimate opposition.

CSO: 4220/303

HUMAN RIGHTS GROUP DETAILS ATROCITIES

OW132048 Hong Kong AFP in English 1734 GMT 13 Aug 82

[Report by Mario Baluyot]

[Text] Manila, 13 Aug (AFP)--At least (?157) people were killed in seven [words indistinct] executions by military personnel during the first six months of this year, a Philippine human rights group charged today.

A further 549 civilians were also arrested and detained illegally during the same period while some 217,600 villagers from six provinces were herded off into hamlets as part of the Manila government's anti-insurgency measures, the group, Task Force Detainees of the Philippines (TFDP), said.

The cases were set out in a documented report submitted to the Philippine Council for Human Rights (PCHR) meeting to assess results of fact finding mission that looked into the growing number of atrocities attributed to the military.

TFDP also reported cases of disappearances, strafing of villages and bombings which they claimed were part of the growing militarization of the Philippines since President Ferdinand Marcos declared his eight-year martial law regime in 1972.

The first massacre recorded by TFDP was on January 23, 1982. It cost the lives of five civilians from Labo, Camarines, Norte, some 340 kilometers (215 miles) southeast of Manila.

The second reported massacre had seven women and six suspected communist rebels killed eight days later in Roxas, Zamboanga del Norte in southern Philippines. Twelve people were also reported gunned down February 12 at Dumingan Township in Zamboanga del Sur while 14 more died May 25 from 16 bombs dropped allegedly by four Philippine military aircraft.

Other massacres reported by TFDP had eight civilians as victims in Hinunangan, southern Leyte, and seven children aged between 3-18 years in Ormoc, Leyte, both in central Philippines.

The seventh case placed five victims of a June 21 military raid in Pulo, Bulacan, just north of Manila. Press reports said the victims were communist rebels who engaged the government troopers in a running gunbattle.

TFDP attributed these growing military "atrocities" to "the worsening socio-economic and political crises" in the Philippines where, it said, those who were vocal about the problems "are maimed and made mute" while those who fight for restoration of basic rights "are called subversives."

The TFDP report debunked the government's claims of moving towards political normalization by citing what it called "grim statistics that showed a country under siege."

CSO: 4220/303

PAPER URGES ALL LEVELS APPLY HUMAN RIGHTS POLICY

HK210307 Manila BULLETIN TODAY in English 19 Aug 82 p 4

[Editorial: "The Olalia Precedent"]

[Text] In the sense that the arrest and detention of labor leader Felixberto Olalia, Sr., can be invoked in the future, the case is a precedent. It is an important case because it involves a well-known labor leader and because it moved the president to strongly reiterate that the "constitutional processes and the human rights of every citizen will be protected by the government and by the president."

The human rights record of the government as reflected by official acts at lower levels has not been unquestioned. In recent weeks torture was alleged by a suspected subversive, Horacio Morales, a former government official. His allegations moved the Supreme Court to appoint a fact-finding commissioner.

The cases of prominent figures who have allegedly run afoul of the law merit public attention. No less important in the final analysis are the cases of the "unknowns" in the provinces who may not have batteries of lawyers to defend them and who on account of their low social standing may be susceptible to abuse. The phrase "every citizen" is more meaningful when applied to these least protected members of our society.

For obvious reasons that message should be clearly understood and applied by the law enforcers in the provinces.

There the local civil and military authorities ought to strive to attain the elaborate procedure in compliance with due process as it is applied in metro Manila on the cases of eminent figures. For the rule of law demands nothing less.

If it is true that there were lapses in the past, the Olalia case ought to mark a point of departure, for the case has brought again to the fore the significance of human rights in our country.

It is clear the administration cannot afford to get trapped in the morass of rights violations simply because of irresponsibility at the low levels of the bureaucracy.

CSO: 4220/303

FOREIGN INVESTMENT PROBLEMS DISCUSSED

HK210311 Manila BULLETIN TODAY in English 20 Aug 82 p 12

[Text] Enrique Zobel, president of Ayala Corporation, said yesterday that the hesitance of foreign investment in coming to the Philippines was "a question of confidence."

He told the Cebu Business Club in Cebu City: "Chief executive officers of some big foreign corporations who confide in me tell me that it is a question of confidence."

Zobel told Cebu businessmen further: "Big foreign investors need to be convinced that promises will not be broken and rules will not be constantly changed.

"A credibility gap is created, they say, when one government official says one thing and another government official says something else."

The Ayala boss said three principal reasons cited by foreign consultants in government for the low level of foreign investments in this country were: firstly, "inadequate incentives offered by the Philippine Government," secondly, "the uncoordinated efforts by the too many government organizations involved in attracting foreign investors have proved counter-productive" and, thirdly, "excessive red tape at immigration, customs, banking and investment-regulation agencies."

He said further: "The export processing zone system, designed to have an edge over other modes of attracting foreign investments and encouraging exports, has many discouraging factors, according to the president of the Confederation of Philippine Exporters.

"Apart from echoing the foreign consultants' report of inadequate government incentives, our exporters bewail the dismal state of telecommunications facilities and the bad roads leading to and from the Bataan export processing zone. Zobel proposed before the Cebu businessmen the conversion of Mactan Island into a special economic zone like Hong Kong and the five areas in the People's Republic of China, or a tax haven similar to those in the Bahamas or New Hebrides.

He added that Mactan could have its own customs check similar to the Johore (Singapore) setup, and could even issue its own freely convertible currency.

As a result, he explained, Mactan could be a venue for the physical operations of Philippine-based international banking and finance units, with appropriate infrastructure and independent and adequate international communications facilities.

As an added incentive, Mactan may even provide a business registry of convenience for ocean-going vessels and even aircraft.

Clarf Field Air Base in Angeles, Pampanga, according to Zobel, "is in essence a special economic zone with the consent and a concession from the Philippine Republic."

Even in Manila, he quipped, foreigners lease land owned by Filipinos for lengthy periods of time--25 to 50 years.

CSO: 4220/303

MANILA PAPER CONSIDERS SUCCESSION BILL

HK230156 Manila BULLETIN TODAY in English 22 Aug 82 p 6

[Editorial: "Succession Bill"]

[Text] Incisive minds have evidently been probing into the constitutional provisions regarding the role of the executive committee as temporary caretaker of the presidency in the event of the death, disability, removal or resignation of the president.

They have, with penetrating logic, concluded that in any of those events, the executive committee cannot:

1. Declare martial law or suspend the privilege of the writ of habeas corpus.

2. Remove or replace any member or appoint any additional member of the committee.

3. Grant any reprieve, commutation or pardon, remit fines or forfeiture in cases involving security of the state.

4. Revise, abrogate or in any manner alter or substitute any project, program or policy of government previously approved. Two of the evils sought to be avoided by these limitations are the spectacle of the committee as a debating society and the abuse by the committee of its powers. These evils might lead to anarchy.

There is that danger in a collective leadership which though temporary has no tradition or experience of collegiality. Such peril does not exist in the scheme of succession provided for under the 1935 constitution. That constitution, provided for a vice president to assume the presidency if something untoward happens to the president.

It may, of course, be argued that under the present constitution the Supreme Court may be asked to exercise its power of judicial review to determine if a certain exercise of power by the executive committee or a part thereof is constitutional. However, if we take into account the ways of power politics court power may be inadequate or may come too late. In any case, there is no better alternative to legislative action that leaves no doubt about the powers of the executive committee, acting in its capacity as caretaker.

CSO: 4220/303

RURAL POVERTY REVELATIONS DISCUSSED

HK260121 Manila BULLETIN TODAY in English 25 Aug 82 pp 6, 10

[Article by Arlene Babst: "Businessmen, Journalists and Subversives"]

[Text] The Makati Business Club, composed of the biggest corporations in Makati and organized by one of its biggest businessmen, Enrique Zobel of the Ayala Corporation and the Bank of the Philippine Islands, among others, has compiled what it calls its "issues and prescriptions for 1982," a study of the ills and possible remedies involved in the country's growth and development.

The study grew out of the club's series of round-table conferences with other active groups such as the Philippine Economic Society, the Development Academy of the Philippines, the Asian Institute of Journalism, the National Defense College and the Ministry of Budget and Management.

And the dominant impression that emerged from such meetings, according to the club, is that: The main problem of national development is the growing inability of the Filipino people to participate in the planning of development and to share in its fruits.

The study points out that while the Philippine economy has grown rapidly and continuously for the past three and a half decades--a good performance by world standards, it adds--and while the country has attained middle income status with a national average personal income per household exceeding peso 24,000 per annum or peso 2,000 a month in 1980, the 3.8 per cent growth figure for 1981 and sectoral figures for the same year suffered from comparisons with sectoral growth rates of the 1960s and 70s.

Most importantly, the rising GNP has not reached the mass of the people, almost half of whom live below the poverty line.

In actuality, the families which enjoy the estimated peso 25,000 per capita in 1981 amount to only 30 per cent of all families.

The average income in the top 10 per cent is perhaps 20 times the average income in the bottom 10 per cent.

It is one thing when Jse Diokno recites statistics like these for the world; it is quite another when the biggest capitalists in the country repeat the same thing.

In their discussions on five major areas in Philippine development--poverty, communications, security, political economy and the budgetary process--these businessmen concentrated heavily on rural development.

Again and again in the report, they emphasized that the majority of our people live in the rural areas, and that it is there where the poorest Filipinos (mostly farmers) live, and that it is there where national security is most imperilled, and that therefore it should also be there, and not at the cultural center complex, that the greatest infusion of capital and management training is imperative.

Those familiar with Enrique Zobel's passion for land development and agriculture will wonder if he is not after all just the maverick farmer with the peculiar public image of this big business boss of the Ilustrado family that built Makati, this westernized, capitalist enclave where you find all these multinationals, diplomatic representatives of foreign powers (three of which were former colonizers), as well as that upper 10 per cent that has 20 times the average income of the bottom 10 per cent.

Mr. Zobel seems to have a sizeable chunk of the business community sharing his prejudice for agricultural development after all; who would have thought it of Makati?

Now that we know of the Makati businessmen's intense concern with bringing Makati-like progress to the hinterlands of central Luzon, Mactan and Marawi, it is timely to point out that rural development and a more equal distribution of the country's wealth are the very same demands that many a harassed journalist and a suspected subversive have tried to make, only they didn't have the respectability of a Makati businessmen's club.

The club, by the way, on its report's last page, extends some of its respectability to media, by advocating that: "Within the framework of national security, exercising arbitrary authority over the mass media, issuing or withdrawing permits to operate, banning programmes or suspending publications, confiscating papers, books, films, etc., and punishing journalists who do not conform to directives, should be avoided at all costs."

Amen, amen, I say unto you, Mr. Zobel and Co. should one of us also say, welcome to the club?

CSO: 4220/303

OUTFLOW OF LABOR SKILLS NOTED

HK260125 Manila BULLETIN TODAY in English 25 Aug 82 p 6

[Editorial: "Outflow of Skills"]

[Text] If the rate of exportation of skilled manpower continues and is not matched by the training programs, the country will surely run out of skills.

It should be noted that it is easier to export than to train. For training consists not only in imparting basic knowledge but also in experience. That may take years to accomplish.

Probably overseas demand for Philippine skills will continue in the next few years, for as the oilrich countries in the Middle East completes the construction of their plants they will need people from other countries to man the plants and service equipment.

If the outflow of skills is not restricted, many of our vital plants might run out of highly skilled technicians.

If it is amply shown that such will be the inevitable result, the government can restrict exportation and the legal instrument will be the police power of the state.

It is not difficult to imagine a situation in the near future where the foreign exchange earnings of certain prized technicians will be far outweighed by the losses to the economy caused by their employment abroad.

Probably a dilemma need not arise in particular cases because local employers may be able to approximate the wage scales and the benefits offered overseas.

The gloomy scenario that may give rise to legislation enacted in exercise of the police power may also be forestalled by a more vigorous training program in which the government and private business cooperate.

In any case proposed legislation must be backed up not only by complaints of shortage of skills but also by an authoritative study of supply and demand which in turn depends on local business conditions.

AID ASKED FOR DEPRESSED AREA

HK140217 Manila BULLETIN TODAY in English 13 Aug 82 pp 1, 13

[Text] Political leaders of the Samar and Leyte provinces asked the government yesterday to help their constituents, especially those living in depressed areas, in the wake of reports of a rift between the Communist Party of the Philippines (CPP) and the Social Democrats (SOCDEM).

The leaders urged the Ministry of National Defense to protect the people in the affected areas and help them economically by giving them "soft loans" so they can start their own backyard projects.

They also called on military authorities to do civic action work and construct roads and bridges.

"We fear that our constituents might be caught in the crossfire because of the rift between the CPP and the SOCDEM," said the leaders who asked not to be identified.

The rift reportedly developed over the issue of support for the CPP and the underground Social Democrats.

The religious radicals reportedly split into two factions, one supporting the CPP, the other the SOCDEM. Members of the SOCDEM call themselves Reformists, while some leaders of the Communist movement seek to overthrow the government, intelligence reports reaching the Defense Ministry said.

The report said most of the religious radicals belong to the SOCDEM faction.

The rift between the two factions has become acrimonious, according to lay leaders in the Samar-Leyte area.

The reported defection of eight priests to the dissidents reportedly triggered the rift. The military is now checking the activities of the eight priests.

In his visit the other day to Samar and Leyte, Defense Minister Juan Ponce Enrile directed military authorities in the area to check on the revelations of northern Samar Bishop Angel Hobayan that the bishop had lost eight of the 27 priests in his archdiocese to the dissidents.

Meanwhile, a farmer in Abra was shot to death allegedly by the New People's Army under Fr. Conrado Balweg while the victim was plowing his field.

The victim was identified as Amante Bagas, a resident of San Ramon East in Manabo, Abra.

Balweg, a former parish priest of Sallapandan, Abra, and director of the Father Arnaldo High School in the same place, joined the NPA in Kalinga-Apayao when government authorities started looking for him for recruiting cadres for the CPP in his school and parish.

CSO: 4220/303

MANILA BUSINESS PAPER VIEWS STRIKE BAN ISSUE

HK210329 Manila BUSINESS DAY in English 20 Aug 82 p 3

[Text] While the labor minister's authority to issue strike bans, as provided by Batasang Pambansa bills 130 and 227, was primarily intended as a precautionary measure to ensure that strikes do not disrupt vital sectors of the economy, it has become more of the labor minister's sole means of stopping violence at the picket lines.

For example, Labor Minister Bals F. Ople recently issued another strike ban, at the Zamboanga Wood Products, Inc. in Zamboanga City. While Ople, in his certification of the labor dispute as one involving the national interest, pointed out that the firm is in a vital industry since it is an export-oriented firm with exports since 1979 amounting to $42.1 million, officials of the Ministry of Labor and Employment (MOLE) noted that the incidence of violence as well as the threat of more violence at the picket lines were what really prompted Ople to issue the order.

The fact that the strike dragged on for nearly four months before Ople issued his order lends credence to the MOLE officials' interpretation. Zamboanga City Mayor Cesar Climaco and the firm's management had even wired President Marcos to stop the strike because of the incidence of violence at the picket lines. In his telegram, Climaco claimed that the strike "almost resulted in violence and a massacre when PC [Philippine constabulatory] troopers broke the picket line."

Ople's return-to-work orders in several other cases also indicated that the labor minister has utilized his authority to do so not so much on "vital industry" grounds as for the sake of "public order." The return-to-work order against the Ding Velayo Export Corp. strike which had dragged on for seven months was also prompted by reports to the labor minister that both the union and management had adopted hardline stances against each other which would inevitably lead to picket violence. That against Feltman Brothers Corp. was also prompted by reports to Ople that violence was likely because a rival union was threatening to break the picket lines of the union which called the strike. Ople also prohibited a strike at Pepsi-Cola Bottling Corp. two weeks ago after union members were implicated in the killing of a truck driver carrying Pepsi-Cola products.

Clearance: The labor minister's order to issue strike bans has appeared to be the government's sole means of stopping picket line violence now because, according to some MOLE officials' interpretation, President Marcos' directive to the Justice Ministry issued June requiring fiscals to first get a clearance from the MOLE before they could file charges against workers in a labor dispute has "virtually made police authorities helpless in picket lines." This is because fiscals now generally refuse to file charges against workers arrested by the police for allegedly committing violence in the picket lines.

A Labor Ministry official noted that Mr Marcos' order after top-level discussions with Justice Ministry representatives, has appeared to be so vague that it would require important clarification from the Justice Ministry. The official noted that, for example, while it is obvious that the police would have to arrest a striker flagrantly committing violence against management such as by breaking company cars, the wordings of the president's directive, make it appear that fiscals could not even file charges against the workers until the MOLE gives them clearance.

CSO: 4220/303

RESEARCHER VIEWS ECONOMIC PROSPECTS

HK210319 Manila BUSINESS DAY in English 19 Aug 82 p 3

[Text] The Philippine economy is not expected to recover from its growth slowdown until 1984, according to economist Bernardo M. Villegas, senior vice-president of Center for Research and Communication (CRC), who bases this belief on a forecast that the long-awaited upturn in the United States economic performance will be delayed.

Villegas' view contrasts with that of another leading analyst in CRC, Jesus P. Estanislao, vice-president for Industrial Economics, who has observed (BUSINESS DAY, July 22) a bottoming out of the domestic economic recession as of the second quarter. Saying "the worst is past," Estanislao gives weight to the Philippine economy's own "internal dynamics" which will provide the momentum for the recovery even while international conditions may continue to be adverse.

Speaking before the Philippine Automotive Association yesterday, Villegas said the economic "recovery will be delayed and the Philippine market will be soft for the whole of 1983." Even with a recovery predicted for the national economy by 1984, however, there would not be much of an improvement that the country's leading corporations can look forward to, if Villegas is to be believed.

"Big business in the Philippines," he said, "will be in trouble" for the next five years. He explained that "the very same advantages of big businesses in the '60s and the '70s are now their liabilities" such as big overheads and large workforces.

There is "no way (big businesses) can recapture their market in the '60s and '70s," Villegas said. This is because, he pointed out, "there is no hope for coconut" on which the Philippine economy is at present too dependent and the majority of the Filipinos rely for purchasing power. Pursuing the issue, he said, coconut is a relatively insignificant factor in the vegetable oil world market compared to African palm and soybean and "coconut prices will not improve until we can talk of productivity (in coconut) at four tons per hectare instead of the measly one ton per hectare now." However, Villegas thinks "towards the end of the decade, the Philippine economy may not be dependent on coconut anymore."

The weak purchasing power of the Filipinos does not reflect the last of the troubles of big business. Although Villegas points out "high interest rate need not be a deterrent to business growth if you know how to find opportunities." Big business, like small companies, complain over interest rates. Villegas thinks Philippine interest rates will continue to be above 20 percent until 1990.

CSO: 4220/303

MINDANAO PAPER CALLS FOR PROBE OF BOMB BLASTS

HK260303 Davao City PEOPLE'S FORUM in English 5-7 Aug 82 p 2

[Editorial: "Probe Those Bomb Blasts"]

[Text] The bomb blasts that rocked Davao City and the provinces Tuesday night are now the subject of speculations by the citizenry. Some are characterized by intelligent analysis of the occurrence, others by outright emotional outburst, and the rest by plain speculations. Because of the absence of any official result of the investigation now being made on the explosions, many have expressed the fear that the case might develop into fullblown violence to the detriment of an otherwise peaceful citizenry.

The San Pedro cathedral grenade-throwing incident in Davao City last year is still fresh in the minds of many who now think that the incident was one of the worst that ever happened in the city. For the public to be treated anew to another series of bomb explosions or grenade-throwing can only be interpreted by many as the unofficial start of more violent things to come. This is where a thorough probe of the incident becomes necessary. One should remember that a frightened city can only breed submissive citizens, and a submissive people can easily lose the desire to take active role in the progress or development of their community. If only for this reason the government and the private sectors should be able to work hand in hand towards investigating the rash of violence in Davao lately.

The people responsible for the explosions must be identified and investigated. The clamor for such probe is not only the right of a community that seeks protection from the authorities; it is also the duty of the protecting government to come up with satisfactory and credible explanation on the recent bomb or grenade explosions in Davao.

An investigation into the details of the incidents can help soothe an already tense community.

CSO: 4220/303

BRIEFS

ARMY ATTENTION TO ABUSES--A Batasan minority leader expressed yesterday his support to the military for paying more attention to abuses committed upon the people by some irresponsible members of the armed forces (AFP). This policy is welcome in the face of reports of "massive disenchantment among the people towards the government to the extent that segments of the civilian population have been reported turning to subversive elements for justice," minority floor leader Mariano R. Logarta (Pusyon, Bisaya, Central Visayas) said. Logarta, who filed a resolution seeking Batasan support for the shift in policy, said, "The confidence, faith and support of the people are indispensable factors in the stability of government and are a guarantee for lasting conditions of peace and order in the country." In some areas of the country, he said, some people have started to think that "God in heaven and the authorities in Manila are too distant to reach." Logarta asked the Batasan to express the assembly's confidence and full support for the new policy enunciated by Gen. Fabian C. Ver, AFP [Armed Forces of the Philippines] chief of staff. He said the AFP move "is a clear antithesis to repression and a singular contribution to the cause of democracy in the country, without which no government effort can succeed in regaining the people's confidence, faith and support." [Text] [HK240157 Manila BULLETIN TODAY in English 23 Aug 82 p 1]

GOVERNMENT IN CONTROL--Despite the resurgence of bombings in some areas in Mindanao this week, the government is in control of the situation. This was the assessment Monday of Maj. Gen Delfin Castro, commander of the Unified Southern Command (SOUTHCOM) of the Armed Forces of the Philippines. Castro, who was joined here by Brig. Gen. Jose P. Magno, Jr., commander of the Central Mindanao Command (CEMCOM), was briefed by Brig Gen Pedrito de Guzman, P.C. [Philippine Constabulatory Recom Reconnaisance Command] XI commander, on the peace and order situation in southeastern Mindanao following the grenade bombings in Digos, Davao Del Sur; Tagum, Davao Del Norte, and Davao City on August 3. SOUTHCOM is based in Zamboanga City, while CEMCOM is in Awang, Cotabato City. Castro said the terrorists were apparently out to sow terror on the civilian populace. Perhaps, he added, the forthcoming Islamic conference has something to do with the recurrent bombings "wherein the terrorists seemingly want to impress their Middle East supporters."

He said that many times the military had proven its capability to defend the citizenry against the depredations of terrotists. He said that development and progress in Mindanao can be achieved only in an atmosphere of peace. The SOUTHCOM chief said there are many development plans by the government for Mindanao, but they are hampered by the unstable peace and order situation in some areas, he added. [Text] [HK260301 Davao City THE MINDANAO DAILY MIRROR in English 11 Aug 82 pp 1, 6]

COMMUNIST LEADER BREAKS JAIL--Jose Luneta, the secretary general of the Communist Party of the Philippines, has escaped from detention from Camp Bagundiwa in Metro Manila. He broke jail last Wednesday, but the escape was revealed only when he failed to appear at the hearing of the charges of subversion and gun-running yesterday before the military commission No 2. Luneta was the number two man in the Communist Party hierarchy, next to Jose Maria Sison. Philippine Constabulary authorities at Camp Crame refused to confirm or deny the reported escape of the number two communist in the country. Camp Bagundiwa Commander Brig. Gen. (Edgardo Alpaveto) was not available for comment on the reported escape of Luneta. [Text] [HK210051 Manila Far East Broadcasting Company in English 2330 GMT 20 Aug 82]

HOTEL SECURITY--Hotel security in Metro Manila is being tightened against the threat of an upsurge of urban terrorism next month. Chiefs of hotel security forces met yesterday and drew up stricter measures to protect hotel guests in the metropolis. (Renaldo Dumaz), the president of the Association of Hotel Security Officers of the Philippines, said the safeguards include meticulous searches of guests for guns and explosives, and the setting up of checkpoints at hotel entrances. The measures were drafted at a meeting of hotel security authorities and police officials in Makati yesterday. The police agreed with the move, but cautioned against causing undue panic among hotel guests in case of bomb threats and discoveries of explosives. The security moves were taken following the discovery of a subversive plot to unleash terrorism, assassinations, and nationwide strikes to disrupt the economy and the nation. [Text] [HK240100 Manila Far East Broadcasting Company in English 2330 GMT 23 Aug 82]

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END

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BRIEFS

RUBBER DELEGATION--Hanoi, 2 Aug, VNA--Officials of the rubber production branch of Vietnam and Kampuchea met in Ho Chi Minh City on July 31 to exchange their professional experiences. Present at the meeting, on the Vietnamese side, were Do Van Nguyen, director of the Vietnam Rubber Agency, and experts who are helping Kampuchea in rubber production. The Kampuchean side included Nut Thon, director; Nham Henh, vice-director; and other officials of the Kampuchean Rubber Agency; and representatives of the Kampuchean Planning Ministry. The two delegations informed each other of the rubber production of their own country, and discussed measures to continue promoting their cooperation for higher efficiency in rubber production. In the immediate future, Vietnam will help Kampuchea restore and develop production and train managerial and technical cadres. On this occasion, the Kampuchean delegation visited a number of Vietnamese rubber production establishments. [Text] [OW071921 Hanoi VNA in English 1527 GMT 2 Aug 82]

CSO: 4220/305

BRIEFS

MESSAGE TO MPR ON FLOOD DAMAGE--Vientiane, 13 Aug (KPL)--Kaysone Phomvihan and Souphanouvong, respectively general secretary of the LPRP CC, premier, and president of the republic and of the Supreme People's Assembly, sent a joint telegram of sympathy to the Mongolian leaders. The telegram, addressed to Yumjaagiyn Tsedenbal, general secretary of the MPRP and chairman of the Great People's Hural, and [to the] chairman of the Ministers Council of the Mongolian People's Republic, expressed deep sympathy to the Mongolian leaders and, through them, to the people of the northern part of Ulaanbaatar who were recently affected by flood. The message further says: We are convinced that the heroic fraternal Mongolian people under the leadership of the Mongolian People's Revolutionary Party will overcome the bad consequences of this disaster and will be able to restore normal life soon. [Text] [BK131016 Vientiane KPL in English 0900 GMT 13 Aug 82]

PHOTO EXHIBITION ON CUBAN REVOLUTION--Vientiane, 26 Jul (KPL)--A photo exhibition to mark the 29th anniversary of the attack of Moncada by the Cuban revolutionary force was held here on July 23. Among those present at the opening of the exhibition jointly organised by the Laos-Cuba Friendship Association and the Cuban Embassy were Khamsouk Keola; vice-president and secretary general of the People's Supreme Assembly; Khambou Sounisai, head of the National Committee for Labour and Wages and president of the said association. [BK300603 Vientiane KPL in English 1910 GMT 25 Jul 82]

PHOTO EXHIBITION ON AFGHANISTAN--Vientiane, 6 Aug (OANA/KPL)--The Ministry of Propaganda, Information, Culture and Tourism, on August 4, opened a photo exhibition here on the present situation in the Democratic Republic of Afghanistan. Present on this occasion were Khamsouk Keola, vice-president and secretary general of the People's Supreme Assembly [PSA]; Sisana Sisan, member of the party CC, minister of propaganda, information, culture and tourism; and other members of the PSA, the Council of Ministers, and mass organizations. Diplomatic envoys to Laos were also on hand. [Excerpt] [BK071145 Vientiane KPL in English 0854 GMT 6 Aug 82]

REFUGEES FROM THAILAND--Vientiane, 7 Aug (OANA/KPL)--A total of 103 misled Lao refugees, on August 5, volunteered to return home. The refugees were warmly welcomed at Tha Deua ferry in the Hatsaifong District of Vientiane Municipality by Lao and Thai provincial administrative authorities; and UNHCR

representatives to both countries were also on hand at the welcoming ceremony. With this last batch of returned refugees, the UNHCR has so far sponsored the program 19 times. [Text] [BK071027 Vientiane KPL in English 0913 GMT 7 Aug 82] --Vientiane, 19 Aug (OANA/KPL)--Fifteen misguided refugee families comprising fifty-four persons recently returned to their hometown in southern Champassak Province. A warm welcoming ceremony was organised at Songmek, a border town facing Thai Ubon Province. The ceremony was witnessed by Lao and Thai [officials] along with representatives of UNHCR. So far, 337 Lao refugees have returned to Champassak Province from Thai refugee camps. [Text] [BK191217 Vientiane KPL in English 0914 GMT 19 Aug 82]

CSO: 4200/305

ZIA SAYS NO BILATERAL DISPUTE WITH USSR

Karachi BUSINESS RECORDER in English 18 Aug 82 p 3

[Text]

RAWALPINDI, Aug. 17: President Gen. Mohammad Zia-ul-Haq has said he was keen to develop further the bilateral relations with the Soviet Union in all fields as this country was one of our great neighbours.

In a question answer interview given to the weekly 'Hurmat' Rawalpindi, President Zia-ul-Haq outlined the foreign policy of Pakistan and said that one of the basic objectives of Pakistan's foreign policy was to grow friendly ties with the Soviet Union like other neighbourly countries. The relations between the two countries, the President added, were based on the fact that "we have no bilateral dispute, with the Soviet Union".

The President said it was true that there were some differences on principle with the Soviet Union on the Afghanistan issue. The Soviet intervention in Afghanistan, he said had not only created a number of problems for Afghanistan but it had also resulted in an enormous burden of more than 2.7 million Afghan refugees on Pakistan.

The President said that Pakistan has been striving hard to solve the Afghan problem through peaceful means. For this purpose Pakistan played a positive and constructive role at the recent talks in Geneva. The President expressed the hope that this process would soon provide a satisfactory and complete solution of the Afghan problem with the help of the United Nations.

Explaining the existing relations between Pakistan and Soviet Union, the President said that co-operation already existed in the economic field between the two countries. Concrete efforts were under way in various other fields at different levels. The Pakistan Steel and the electric power project at Guddu reflect the fruitful economic cooperation between Pakistan and the Soviet Union.

He emphasised that Pakistan was very keen to develop further the economic relations with the Soviet Union and would continue to find ways and means to achieve this object to the maximum level.

He said the cultural exchanges between the two countries were increasing day by day.

In his detailed interview, the President replied questions on the circumstances which led to his assumption of power in 1977, the achievements of his government during the last five years, the machinations of the anti-state elements to disrupt national unity and the government's action to foil them, the process of Islamisation in the country, the law and order situation and the genesis of the foreign policy now being followed by his government.—APP.

CSO: 4220/298

INVESTMENT ADVISORY CENTERS IN GULF BEING PLANNED

Karachi BUSINESS RECORDER in English 19 Aug 82 p 1

[Text]

LAHORE, Aug. 18: The Federal Government is actively considering a proposal to set up investment advisory centres in OPEC couptries and other countries where Pakistanis are in large concentration it is learnt here.

The major objective of these centres is to provide guidance and information to the Pakistanis working abroad about the investment opportunities in Pakistan and persuade them to invest a part of their remittances in the projects of national development.

The proposed centres would be supplied with investment literature on feasible industries.

At present there are 1.5 million Pakistanis working in various parts of the world. Of them about 84 per cent are production workers with 43 per cent unskilled and 41 per cent skilled labour.

Provincial break-up of overseas workers is: Punjab 70.4 pe cent, Sind, 14 per cent and NWFO and Baluchistan 11.70 and 3.9 pi cent respectively.

According to official estimates, the potential for continuing immigration is substantial and demand for labour from major labour importing countries has been projected to grow at a rate of 3.7 per cent per annum under a low growth assumption and at 4.6 per cent under a high growth assumption till the year 1985.

According to an official research a migrant consumes 62 per cent of his total income for personal requirements, invests 22 per cent in real estate and devotes the remaining 16 per cent to other forms of investment and saving in agriculture and industries sector.

With the setting up of the proposed investment advisory centres the government hopes that the investment by overseas Pakistanis in the country will get a boost and a major part of their remittances will be diverted to the projects of the national development.—PPI

CSO: 4220/297

MINISTER'S PLEA TO FORM ANTI-CORRUPTION BODIES

Karachi BUSINESS RECORDER in English 19 Aug 82 p 3

[Text]

RAWALPINDI, Aug. 18: Raja Mohammad Zafarul Haq, Federal Minister for Information and Broadcasting today called for mobilising collective efforts to stamp out corruption from society.

"The bribery has permeated the society like a cancer" the Information Minister said," an organised movement should be launched against this social evil lest it is too late".

He was speaking at the certificate/award giving ceremony had under the district council in connection with the Independence Day at Jinnah Hall here.

Raja Zafarul Haq said President Gen. Mohammad Zia-ul-Haq had recently pinpointed bribery as the ugly social evil which is corroding the entire fabric of society. "The government is determined to weild the authority of civil as well martial law to eradicate it," he said.

He called upon the people especially the councilors, lawyers and intellegensia to rise to the occation and wage a crusade to eliminate this menace. He asked them to form vigilance committees to combat this social evil and also motivate and educate the peoples to launch a vigorous and relentless compaign against corrupt elmen's. those people who will be on the vanguard of this movement will be true benefactors of the nation, the minister added.

He expressed his happiness over the massive country wide celebration in connection with the Independence Day which demonstrated the unity and integrity among the entire nation.

He said that Pakistan was providing shelter to over 27 lakh Afghan refugees purely on Islamic and humanitarian grounds, despite international pressures.

Similary, Pakistan always supported the just cause of the Palestinian brotherrs who are subjected to naked aggression by the Zionists.

He said taking into consideration the situation prevailing around Pakistan, the government was taking necessary measures for the defence of the country's frontier, according to the available resources.

ECONOMIC CONDITION

Referring to the economic conditions of the country, the minister said by the grace of Almighty Allah there has been lot of increase in the production of wheat, sugar and vegetable ghee. Besides, the government had constructed large number of roads, hospitals and schools with the collaboration of the elected members in all the four provinces and particularly in Baluchistan.

He said it was also gratifying to note that tht minorities in Pakistan enjoyed equal rights and their honour and property is safe. There has been no communal disturbances as was happening in many other countries including our immediate neighbour.—APP/PPI.

CSO: 4220/297

CORRUPTION IN BUREAUCRACY ATTACKED

Lahore VIEWPOINT in English 22 Jul 82 pp 7, 8

[Text]

FROM time to time, public servants are asked to file declarations about their assets to enable the Government to determine whether they are living beyond their means or not.

Successive governments have played this 'goshwara' game when they begin to receive complaints that their functionaries are living it up like they owned the joint. 'Goshwaras' (declarations) are duly submitted, editorials are duly written and everything is duly filed to gather dust in ill-kept archives. Once a decade people are made to believe that now the corrupt will meet their dessert and now their files will begin to move. When the noise has subsided, the corrupt resume their corrupt ways and the people have to pay that much more for making the wheels of bureaucracy move. If it took two rupees to make a file move from one table to another in the same office in 1952, now it takes two grand. The fall in the value of the rupee has been as dramatic as the decline in moral standards in our public offices.

President Ayub Khan threw out 70-plus senior bureaucrats when he started. Gen. Yahya Khan gave the boot to 303. Zulfikar Ali Bhutto sacked 1,300. These dismissals took place not on the basis of any 'goshwaras' but were quite arbitrary. We have never heard of a bureaucrat ever having been found to be living beyond his means on the basis of the declaration of his assets filed by himself. It would be ridiculous to expect so.

Sufficient proof

The question is: who scrutinises these 'goshwaras'? The bureaucrats themselves. And there is, has always been, honour among thieves. How much does a Grade-23 officer make? You have just to visit his place to see that he is living beyond his means. 'Goshwaras' are just not needed. Physical evidence is proof enough. If you are living within your means, you cannot buy a bicycle, to say nothing of refrigerators, VCRs, colour TVs, carpets and cars and things. That is just not on – not even at four thousand rupees a month. And yet even customs inspectors have all the good things and to spare.

This will go on for as long as we ask bureaucrats to sit in judgment on fellow-bureaucrats. They will continue to protect each other. They will continue to set standards of ostentatious living for others to follow. They will get all the land for house-building and for setting up shops. They will get all agricultural land that remains. For them are car-purchase loans and house-building credit and a 10-kanal house in the GOR. All the rest houses are for them and so are all reservations, allocations and quotas. Left-overs are for relatives and friends and fellow-influentials.

One day a friend suggested that the Bar Association, especially the Income Tax Bar Association be asked to look into the conduct of our bureaucrats. Maybe, the fellow has a point but since the bureaucracy is the only

organised political party that has not been outlawed any attempt by the Bar Councils/Associations to look into affairs bureaucratic might be construed as taking a direct part in politics and thus come within the mischief of the Legal Practitioners (Amendment) Ordinance, 1982.

For no good reason at all, one is reminded here of a passage read just this morning in M. Iqbal's 'The Story of Muslim Politics' Quoting from Shibli Numani's 'Al Farooq', Vol. II, p. 35, it says:

"All officers were required to come to Makkah on the occasion of the Hajj, when people from all over the Islamic world gathered in the Holy City. In public assembly the Caliph invited all who had any grievance against any officer to present the same. Even minor complaints were made on the occasion. Inquiries were made and grievances redressed. Every officer was required to make a promise that he would not ride a Turkish horse, nor wear fine clothes nor eat sifted flour, nor keep a porter at his door and would ever keep his door open for those who had need of him. The terms were often entered in the letter of appointment and announced in public assembly".

The Turkish horse must in those days have been the equivalent of our own airconditioned Mazda. If a letter of appointment today stipulates that an officer will never ever buy a Toyota or Mazda, very soon there will be no takers and we will have to import bureaucrats from India in which country, one is told, the species abounds and at much cheaper rates.

CSO: 4220/296

REFUGEE SITUATION REVIEWED

Peshawar KHYBER MAIL in English 13 Aug 82 p 8

[Text] A high-level meeting here Thursday reviewed the overall situation regarding the refugees administration in the NWFP.

The Commissioner for Afghan Refugees for the NWFP, Mr Abdullah presided over the meeting which also took some important decisions.

The meeting was informed about the provision of drinking water, kerosene oil, distribution of relief assistance, disbursement of maintenance allowance and the provision of certain other facilities to the Afghan refugees in tentage villages.

The Commissioner expressed satisfaction over the performance of district and agency administrations throughout the NWFP and urged them to further streamline their work.

He stressed upon the administrators to vigorously implement the decisions already taken.

He said that by working in this organisation they were not only accountable to the government and people of Pakistan but also to God Almighty Allah, donor countries and international community at large.

The commissioner underlined the need for quick distribution of relief goods and disbursement of maintenance allowance to the refugees.

He warned that there was no room for dishonest workers in this organisation and such people would be sternly dealt with.

The meeting, which lasted for about four hours, was attended by the three Additional Commissioners of Afghan Refugees and all district and agency administrators working in the NWFP.

CSO: 4220/296

TARBELA TO GENERATE 4000 MEGAWATTS in 1990'S

Karachi BUSINESS RECORDER in English 19 Aug 82 p 1

[Text]

LAHORE, Aug. 18: Tarbela will start generating more than four thousand megawatt of electricity power in 1990s with the commissioning of six turbines of 175 megawatt and four turbines of 400 megawatt each, Maj-Gen. Ghulam Safdar Butt, Chairman, WAPDA, told a press conference here today.

He said that for the current year WAPDA had been allocated Rs. eight billions of which Rs. one billion was for the maintenance and modification of Tarbela Dam.

Giving break-up of tthe budget, he said that Rs. 4830 million had been allocated for power and Rs. 2110 million for water. He added that budget for power was meant for the schemes for generation, transmission and grid stations and distribution.

CONSERVATION DRIVE

He said WAPDA is launching a campaign for the conservation of energy by thte existing consumers so that more connections could be given to the deserving ones.

In this respect WAPDA chairman sought press and media could cooperation to educate the people.

He said that WAPDA will consider closing down power supply to the markets, before Maghrib prayers.

He said difficult power situation was faced in the summer and winter when level went down resulting in lesser power generation. That period was not more than six months in a year". In both the seasons WAPDA had to resort to shut downs to meet the demand.

Nearly one third of the total power generated by WAPDA is either stolen or wasted in generation or transmission depriving the Authority of billions of rupees every year, chairman WAPDA said.

He said the Authority had minimised these losses to some extent and that 33.72 per cent loss in 1972-73 had been brought down to 3.03 per cent at the end of June this year.

The Chairman, WAPDA said that four units of 175 megawatts capacity each on Tunnel No. 2 of the Tarbela Dam would be installed at a cost of approximately Rs. 2870 million. The units No. 5 to 8 were expected to be commissioned during the current financial year.

He said that after a review of the potential of the Tarbela Hydel Power Station, a decision was taken to instal two more units on Tunnel No. 2. The scheme was scheduled to be completed by July 1985.

He said that after the consideration of water availability, head losses water hammer, etc. the WAPDA consultants had recommended installation of four units of 406 mw each on Tunnel No. 3. This project would require Rs. 10000 million including Rs. 5000 million as foreign exchange component.—APP/PPI.

CSO: 4220/297

5-YEAR RISE IN SIND AGRICULTURAL PRODUCTION REPORTED

Karachi BUSINESS RECORDER in English 19 Aug 82 p 4

[Text]

Continuous increase has been registered in the production of wheat, rice, cotton and sugarcane in the province of Sind during last five years.

Statistically, wheat production has increased by 44.6 per cent, rice by 20.45 per cent, cotton by 28.4 per cent and sugarcane by 64.32 per cent in the year 1981-82 as compared to the production achieved in 1977-78.

The breakthrough in agriculture production has been made possible by advanced planing, keeping in view the guidelines given by the federal government and working out crop inputs requirements in advance and chalking out action plans upto the level of union council to achieve production targets by the Sind Agriculture Department.

Other factor responsible for encouraging results include timely announcement of support prices, greater fertilizer off take, improved agricultural practices, use of increased quantities of quality seed and timely sowing of crops.

With excellent performance in the field of agriculture, Sind contributes 18 per cent of wheat production, 35 per cent of cotton, 47 per cent of rice and about 50 per cent of sugar, cotton and rice not only full meet the requirements of province but also provide a good export potential.

WHEAT: In the year 1977-78, wheat production in the province stood at 14.27 lakh M. tons which has risen to 20.64 lakh M. tons in 1981-82 showing an increase of 44.6 per cent. This was inter alia due to improvement in yield per acre which was 17 maunds per acre in 1977-78 and increased to 21.6 maunds in 1981-82 registering 20 per cent increase. Self-sufficiency in wheat was attained in the year 1979-80.

The old variety Pak-70 which was susceptible to rust has been replaced. A new high yielding regular variety viz: ZA-77 has been evolved by Agriculture Research Institute, Tandojam. Its certified seed of 25,000 maunds is planned to be distributed to the farmers in Rabi 1982-83.

RICE: The total production of rice in the province was 13.15 lakh m. Tons in year 1977-78 while in 1981-82 it increased to 15.84 lakh M. tons showing 20.45 per cent increase like wheat, there has been persistent increase in per acre yield in case of rice. It was 19.07 maunds in 1977-78 and has improved to 23.61 maunds last year (1981-82) thus showing 23.8 per cent increase.

Our Rice Research Institute at Dokri has evolved a new scented variety (Sind basmati), it will be released for general cultivation shortly.

COTTON: Production of cotton has also increased significantly. In the year 1977-78 it was 12.08 lakh bales while last year it has risen to 15.51 lakh bales showing 28.4 per cent increase which is a new record of the province. Per acre yield of cotton has improved from 12 maunds to 13.46 in last 5 years (an increase of 12.1 per cent).

SUGARCANE: Remarkable progress has been made in case of sugarcane production. Five years back (i.e. in 1977-78) the cane production was 42.60 lakh M. tons. This has gone up to an all time record of over 70 lakh M. tons during the current year (1981-82). Cane yield per acre has also improved from 384 maunds (in 1977-78) to 465 maunds this year (an increase of 21.1 per cent).

Sugar production has been placed at 5.86 lakh M. tons this year (against 3.36 lakh M. tons last year) which too has surpassed all previous record.—APP.

CSO: 4220/297

SIND REFUSED RISE IN SUGAR QUOTA

Karachi BUSINESS RECORDER in English 18 Aug 82 p 1

[Text]

The Federal Government has turned down the suggestion of the Sind Government, to increase the sugar quota by 20 per cent, it is reliably learnt.

The Provincial Government had approached the Federal Government to restore the 20 per cen. cut in quota which was made in 1979-80 owing to sharp sugar shortage in the country, particularly in Punjab.

The Sind Government's proposal had in this regard cited the record sugar production in the province this year, estimated to be about six lakh tons.

According to informed circles, Sind has a net surplus of about 1.80 lakh tons which far exceeds the present storage capacity in the province. So the Provincial Food Department had some time back requested the Federal Governmen. to extend necessary help in hiring more godowns to store the surplus sugar. The federal response is still awaited.

It is said that a huge amount will be needed by the Sind Government to arrange storage of about 1.80 lakh tons of sugar. According to informed circles, generally the Government pays at the rate of Re. one per sq. ft. daily for the godowns.

Government's efforts to export the surplus sugar could not succeed so far due to low international prices and high cost of production in the country.

In view of the serious storage problem and the negative response from the Federal Government, the Provincial Food Department has now approached the Governor to restore the full sugar quota in the province.

In case approval is accorded by the Governor, sugar quota for the urban areas, will be increased to one kilogram per person per month. Similarly, sugar quota for the rural areas of the province, excepting Karachi rural area, will increase to 500 grams per person per month. For the rural areas of Karachi it would be 600 grams per person per month.

It may be mentioned that at present sugar quota for the urban areas is 800 grams per person per month of 480 grams for the rural areas of Karachi and 400 grams for other rural areas.

CSO: 4220/298

MINISTER ON WHEAT PRODUCTION POTENTIAL

Karachi BUSINESS RECORDER in English 18 Aug 82 pp 1, 8

[Text] Islamabad, Aug 17--Minister for Food and Agriculture Vice Admiral Mohammad Fazil Janjua today urged the agricultural scientists, extension workers and growers to raise wheat production and make Pakistan an exporter of the commodity.

The minister was delivering his inaugural address at the 3-day national wheat research and production seminar sponsored by the Pakistan Agricultural Research Council (PARC) at the Planning Division Auditorium. Over 125 delegates are participating in the programme spread over six sessions.

The major topics of discussion at the seminar include breeding and genetics, agronomy, fertiliser and sail chemistry, pathology and weed control and wheat mechanisation.

Recommendations will be made to the government following the panel discussions at the end of the seminar.

Janjua thought the country has the potential to become a wheat exporter. He based his optimism on this score on the observations of wheat scientists.

Several of the reputed scientists feel Pakistan has the potential to triple its wheat production.

According to their projections the attainable target could be 33 million tonnes, up from the present production of 11 million tonnes.

Janjua said despite the damage caused to wheat crop by the untimely rains in late spring this year it is for the first time that Pakistan would export some quantity of wheat, thereby joining the ranks of the wheat exporting countries.

Janjua maintained that the real goal of production was still distant but it would be the effort of the government to achieve it within the shortest possible time. Over the past three years the average increase in the wheat production had been "very much encouraging" and if this performance was maintained" it will be a great achievement and will provide a sound economic basis to the country's economy," he thought. He said in this campaign for

raising production an active cooperation of agricultural scientists, extension workers, various agricultural agencies and growers was imperative.

He said agriculture is now among priority sectors and the government was all the time keen to make available maximum resources to accelerate the productive activity in the field as indicated by the Annual Development Programme (A.D.P.) The government had also allocated sizeable amounts of money for agricultural research. It was now the responsibility of the agricultural scientists to make "a tangible breakthrough towards wheat production," he said.

The minister pointed out that the agricultural scientists had an important role to play in boosting the food production. The government did evolve a production strategy on the basis of their recommendations which were implemented by the agricultural department of the provinces, extension workers and growers themselves.

Very Good Crop

Vice Admiral Janjua said it would be heartening to note that the wheat crop over the past years had been very good. Pakistan now occupied an important place in wheat production among the developing countries, a fact recognised by the World Food and Agriculture Organisation. In 1981-82 wheat production was 11.47 million tonnes. A record increase of 36 percent in wheat production over the last three years had brought self-sufficiency to the country. He said that the wheat crop during the current year was also good although the sudden rains affected the production. However, the self-sufficiency would remain unaffected even this year. An estimated 1.3 to 1.4 million tonnes of wheat will be in government stocks at the end of the year after meeting the requirements. He was confident that the next year's target of 12.2 million tonnes would be met.

He said the government will be considerate to the growers and give them incentives by fixing suitable purchase price and providing facilities of quality seeds, fertiliser and agricultural loans.

The minister said that the seed of two new wheat varieties Pak-81 and Punjab-81 would be available for the growers in a large quantity.

The demarcation zones for sowing new and old disease-free wheat varieties, the growing time needed, seeds, fertiliser and water requirements and other factors would be covered by the recommendations to be compiled by the seminar.

Dr Amir Mohammad, Chairman, Pakistan Agricultural Research Council, welcoming the participants said the PARC was concentrating on training of agricultural scientists in the light of the latest research. He said 48 scientists had been trained so far while six more are undergoing this training at present. He said an announcement of package of technology for the agriculture sector in advance had helped raising production. This year it would also be the effort of the PARC and other research agencies to announce the package for the growers' guidance.

He said in future an emphasis on management of inputs, relationship of the growers with the government agencies and further intensive research would be the priorities to raise farm output.--APP

CSO: 4220/298

CABINET APPROVES PRIVATE UNITS FOR POLYESTER, CEMENT

Karachi BUSINESS RECORDER in English 18 Aug 82 p 1

[Text]

ISLAMABAD, Aug. 17: The Economic Coordination Committee of the Cabinet at a meeting held here today approved proposals for setting up industries in the private sector for the manufacture of polyester yarn and white cement. Ghulam Ishaque Khan, Minister for Finance and Economic Affairs, presided.

The proposal for the manufacture of polyester yarn envisages setting up of a plant in Lasbela district of Baluchistan with a capacity of 2000 tonnes based on chips. The present demand of polyester fabric yarn has been estimated at 60,000 tonnes which has been met largely through imports.

A white cement plant of a 50,000 tonne capacity is proposed to be set up in Dadu district of Sind at a cost of Rs. 305 million.

The ECC also approved a proposal of Messrs Asbestos Cement Industries for the expansion of the existing capacity of their asbestos pipe manufacturing plant at Karachi from 15,000 to 33,000 tonnes at an estimated cost of Rs. 150 million.

A proposal for the expansion of the RCD Ball Bearings Factory at Karachi from 1.3 million to 3.5 million capacity was also approved.

EXPORT OF BREEDING COWS

The ECC meeting was attended for the export of breeding cows, ossein and calcium diphosphate. It is proposed to allow the export of 2000 breeding cows out of a total population of over 4 million cows. The restricted export of breeding cattle is intended to provide incentive to breeders to produce quality cattle to encourage them to enter export market.

The committee noted a gradual decline in the export of calcium diphosphate and directed that the export of crushed bones be discouraged in order to improve prospects of manufactured items in the export market.

GAS SUPPLY

The additional secretary incharge, Ministry of Petroleum and Natural Resources presented to the ECC feasibility studies to increase gas supply in the country. The feasibility studies have been prepared by Messrs Gas Development Corporation of Chicago. The consultants have proposed to increase gas production from the existing and new gas fields viz. Sui, Marri, Kandkot, Dhodak and Pirkoh to the extent of 810 MMCFD by 1984-85 with an investment of Rs. 6375 million with a foreign exchange component of Rs. 3409 million over a period from 1982-85. Even with this investment for production, the supply and demand gap can be bridged only for a 4 years period after the completion of the proposed gas production in 1984-85.

The Finance Minister observed that the energy being the lifeline of economic development and progress, a realistic and practicable energy policy comprising all available resources needs to be prepared on a high priority basis. He directed that the concerned ministries and organisations formulate recommendations on utilisation and production of gas resources within the overall energy policy.

The Communications Secretary presenting a report on the improvement of the working of the Karachi Port Trust brought to the notice of ECC storage and emurrage charges accruing against various public sector agencies amounting to Rs. 40 million. The EEC directed that a deadline be fixed by which the concerned agencies should be asked to clear their dues.

The ECC approved proposals by the federal ministers for food and agriculture and cooperatives, industries and water and power, the Deputy Chairman of the Planning Commission, the Governor, State Bank of Pakistan, the secretaries planning and development, economic affairs, finance, commerce, water and power, statistics, industries, food and agriculture, production, petroleum and natural resources and communications and the additional cabinet secretary.—APP.

CSO: 4220/298

PLIGHT OF LAHORE'S UNREGISTERED LABORERS DISCUSSED

Lahore VIEWPOINT in English 22 Jul 82 pp 9-11

[Article by Mahmood Zaman]

[Text]

A CAR stopped at a big city chowk and was instantly surrounded by dozens of shabbily dressed men whose unshaven chins and sleep-starved eyes told you they had had very little rest last night. A flabby gentleman with an obscene paunch and a contemptuous eye comes out and looks at the creatures around his car with a critical eye. He picks two from among the crowd as if he is giving them a commission in the civil service. The rest melt away, some sulking, some sportingly. The lucky two brought their paraphernelia, spades, buckets and all and were driven away by the sahib.

Who are they, where do they come from and what sort of services do they offer? What do they get for their labour?

Unregistered

Most of them are unregistered workers – masons, carpenters, painters, and unskilled hands who assist the 'raj mazdurs'. The better skilled among them are not so unlucky, really, provided they get a job for the day. For instance, if a mason cost you 50 to 60 rupees a day last year, today he will charge you anything between 60 to 75 rupees. Carpenters and painters come at 10 to 15 rupees higher than masons. A labourer – whether skilled or non-skilled – charges Rs. 30 to 35 per day. Masons and labourers prefer working on daily wages whereas carpenters and painters usually seek longer contracts. All of them, however, have to work eight hours a day.

Not organised

'Casual labour' is not an organised body of men. That is why it is not possible to collect even half-way accurate facts about them. One can only try to be as objective as possible. There are more than twenty central places in Lahore where 'casual labour' gathers in the morning. These centres cannot exactly be classified as big or small. However, Tajpura, Ichhra, Rang Mahal, Chauburji and Lakshmi Chowks are some of the bigger labour markets. In some of these, one could find as many as two thousands workers of a morning. According to a very careful estimate, the total number of workers in all the city chowks is 15,000; of them more than 50 per cent are unskilled. They are generally a peaceful lot and nothing untoward has happened anywhere except at Ichhra, where the shopkeepers do not like them loitering around. Sometimes the job seekers are roughly treated by the police. A few of them are even taken to the police station and harassed.

Most of the unskilled workers come on their own but quite a few of them

have an understanding with masons and other skilled workers, promising them jobs whenever the latter land lucrative contracts. These people are a pressure group in the labour chowks and, therefore, stand a better chance of employment than their 'independent' colleagues. During periods when construction work is at its peak, the skilled workers or 'mistris' become all-important and unattached workers find it difficult to find jobs on their own. So they go begging to group leaders who have an assured supply of labour. If the 'mistri' is in the mood, he is kind enough to give them the odd job plus a lot of four-letter terms of endearment. They have learned therefore to be respectful to the 'mistri' who has a few contracts in his pocket.

Most of the unskilled workers interviewed by this correspondent detest working with contractors, because of the exploitative terms they offer to 'free' labour. Moreover, since most contractors do government jobs, they have considerable clout with official agencies that matter and any worker who tries to be difficult, can get it in the neck.

Not uncommon

It is not uncommon for a worker to get much less than the contractor had originally promised him but there's hardly anything he can do about it. At the end of the day, a worker often gets as much as would enable him to pay for a meal and the bus fare home. This is the best way to ensure that the poor fellow will turn up the next day. Exploitative as he is, the contractor is a necessary evil because during lean periods it is he who gets you the odd job that enables you to keep body and soul together.

Except for the rainy season, work is available almost the year round. The peak labour period is immediately before and after the rains. The workers this correspondent talked to, said they got work 20 to 25 days a month and that was not too bad, but it was the constant uncertainty about the morrow that was so killing.

Khuda Bukhsh who hails from a village in Narowal Tehsil, has been working for the last 42 years. He claims to be in the nineties but he looks much younger. He lives in the Canal Park and must have carried a countless number of bricks on his head at countless construction sites. He is lucky in that he has no dependents, he syas but even so, he, too, is afraid of the morrow. Will he get work or will he not get work? "This uncertainty is infinitely more difficult to bear than all the hundreds of tons of bricks I have carried in my life", he says with despair in his sunken eyes.

Similar is the experience of middle-aged Azeem who comes to Lahore every day from a village near Shahdara. The difference is that Azeem has a large family – seven people – to support. "Even a day without work is a luxury I can't afford and there have been many such days in my life. But one has to make do with such work as comes your way and be grateful for it", says Azeem.

Akbar Ali is another worker who has many mouths to feed – a wife, four children, ageing parents and three children of a widowed sister – eleven in all. He is a retired army jawan from a village near Multan. When his sister came to live with him for the rest of her life, he felt that his monthly pension was not sufficient for a family this size. So he decided to shift to Lahore in search of better prospects. He had his pension commuted, got other dues, rented a house in Ichhra and joined a firm as a peon. But five to six hundred rupees a month in Lahore, he soon found out, was no better than living on his pension in Multan.

One day he ran into a 'well-wisher' who suggested that he go to Ichhra Chowk to try his luck. For the last three years he has been doing just that. He, too, gets about 26 working days every month and is also trying to ba a 'mistri'. Even so much of the money he makes goes into paying rent for the house his family lives in. "I am better off than I was a peon, but you tell me, sahib, is this life worth living?" he asked.

Different views

Opinions differ regarding a permanent job. Some say that they cannot find one while others maintain a permanent job is not a very attractive proposition. There are those who would want nothing better than permanent jobs even for the sake of a few hundred rupees, as they feel that this would save them from the torture of finding a fresh job every morning without fixed holidays, without other benefits. On the other hand, there are those who would rather have more money than fixed holidays and fringe benefits "which you never get anyhow", as one 'free' worker put it.

Ejaz Ahmad is an educated young man but prefers trying his luck every morning. Hailing from Sohdra, he passed the intermediate examination from Sialkot and became a typist. However, he could not get any job with any government or private office. For two years he kept on applying but in vain.

Comes to Lahore

One day he came to Lahore and again tried his luck. This time he succeeded but his typing skill was ignored and he was given a uniform to wear and sit outside the sahib's office. His mother had great expectations of her only son but the son could hardly eke out a living for himself. One day his sahib sent him to fetch a 'mistry' and a worker for some repairs in the office. When he came to know what the two would get for the repair job, Ejaz decided he had been taken for a ride too long. He took off his peon's uniform and went looking for a job at the Bhati Chowk. "The hell with secure employment. I am my own agent now and I am happy". He lives in Bilal Gunj with his mother and younger brother whom he has persuaded not to go in for higher education but to acquire some skill that will increase his worth in the labour market.

Wants a steady job

But Ilma (probably Ilam Din) wants a steady job. But his grey hair stands in the way. He started as a brick-layer, became a 'mistri' but feels he needs some rest now. He comes from Shakargarh and says that he would settle for an office job, even as a peon. Easier said that done, however. All his efforts in this regard have met with failure. "I have not many working days left in me and I want to leave this daily search for bread. There are many jobs even today in the labour market – though not as many as there used to be in the seventies – but I want a steady job now", he says.

'Mistri' Bashir Ahmad is not much satisfied with construction work these days. A skilled mason belonging to Sahiwal, he has some ten years of experience in the field. He cannot forget the days when, after eight in the morning, no 'mistri', no worker was available at the labour 'addas' and he could afford to say 'no' to friend and foe. But the seventies are a story of the past! Those were the days when new shopping plazas were coming up. New roads and bridges were being constructed and the cost of living was comparatively low. Normally, a 'mistri's' wage was 50 rupees then. Yet he was happy. "But it is terrible these days even at Rs. 75 a day". He worked at the Summit Minar. "Those were the days. The construction boom is over and only 'routine work' is left", he says wistfully.

At least 60 per cent of these job-seekers come from villages and they are 'casual' in the real sense of the term. They come to the city at a time when no sowing or harvesting work is required. During this period, Lahore is literally flooded with casual labour from the countryside. But when harvesting starts in the middle of April and when paddy is sown in the

monsoon these villagers again tend to their fields and barter their services for grain and their earnings are certainly higher than the wages they get in the city. Many of the workers whose villages are not very far off, come to the city every day. Their number is not less than 10 per cent of the total labour available. They come from Kamoke, Muridke, Kala Shah Kaku, Shahdara, Bhambhay Jhuggian, Mahmood Booti, Manga Mandi, Raiwind, Lalliani, Kasur, etc. But I have also met a few who come daily from Wazirabad and Gakkhar Mandi. They go back to save some money which could otherwise be spent for a night's board and lodging in Lahore.

Original Lahorites

Of the remaining 30 per cent, original Lahorites constitute only about 5 per cent, while the rest are newcomers. They have brought their families and rented houses here. It can thus be seen that around 90 per cent of the job-seekers in Lahore come from the countryside. Among them are landless peasants as well as those whose holdings have become increasingly uneconomic with the passage of time or whose lands have become unproductive through waterlogging and salinity. Search for the 'good life' may be another, though not very significant factor for the mass exodus of rural labour to Lahore and other urban centres.

A migrant worker told this correspondent that his monthly income was a little more than 900 rupees, out of which he had to pay two hundred for a one-room house with an open verandah and a small store. Eleven people – two ageing parents, a widowed sister and her three children and his own five-member family were living in this one-room 'house' constructed on one-and-a-half 'marlas'. But he considered himself 'lucky'. He had an independent house in Ichhra and that, too, for Rs. 200!

The majority of the workers, however, cannot go back and have to stay the night in Lahore. Their main concern is not where to sleep but the safety of their equipment. So they prefer living in groups with a little store and a store-keeper. Since their main concern is the equipment, they also prefer living near a shop selling construction tools and building material. They also like living in industrial areas among their own class where cheap hotels, 'tandoors' and 'lassi' and milk shops are available. Some live near the labour 'addas'. Under-construction buildings can also be their temporary abodes. At a site where a multi-storey building is under construction, contractors and construction firms usually arrange their lodging and boarding, normally within the same premises. And if a big house is under construction, the owner usually allows workers to live on the premises. The owner obliges them because he wants to ensure not only their daily turn up but also the safety of his construction material. Those who do not get such permission are compelled to sleep on footpaths, on 'tharas' and in public parks.

Baba Kandianwala

As noted earlier, Tajpura is one of the biggest labour chowks where hundreds of job-seekers gather in the morning. Close to the chowk, Baba Kandianwala has a spacious place which he has reserved for storing workers' equipment. The Baba charges every worker five rupees a month for this storage facility and this they happily pay. The Baba, who also manufactures 'kandis' (used for levelling plaster) is not concerned where his 'clients' pass the night. The Baba has at least 250 'clients' most of whom spend the night on the cement slabs placed on the principal drain known as 'Ganda Nala' in Misri Shah. Of course, there are no beds. They put their 'chaddars' on the cement slabs and use their arms for pillows. At night the

place looks like a veritable refugee camp.

Everybody is up with the sun. Breakfast is at the nearby 'lassi' shops. Two 'kulchas' and a glassful of 'lassi' or a 'pao' or so of 'dahi' will do. And now another job for another day.

All for Allah.

Another concentration of these workers is on Sher Shah Road in Shad Bagh, where Baba Aziz has set apart a two-storey house for these workers free of charge because his Pir Sahib once commanded him to serve the poor in the name of Allah. Though no beds are available here, too, workers at least have a roof over their heads. Hundreds of them live at Baba Aziz's place which is the only one of its kind in the city. So the plight of the casual labour can well be imagined particularly when it rains.

Unprotected

Casual labour is not protected by any labour laws. They are covered by no social security and are insured neither against disability nor death. No Government department, no official agency is responsible for them nor has any reliable statistics because they are not an organised labour force. There's just one Baba Aziz for the whole lot. Is it one Baba too many or is it nine hundred and ninety-nine Babas too few?

Your guess is as good as mine.

CSO: 4220/296

INDUSTRIAL PROGRESS IN NWFP REVIEWED

Peshawar KHYBER MAIL in English 14 Aug 82 Supplement p VIII

[Article by Omer Amer]

[Text]

The industrialisation of a country is based on a number of factors which include availability of required raw material, marketing, manpower, proper technology, infrastructure like gas, power, telephone means and communication and transportation. The NWFP is rich in raw material for agro-based and mineral based industries and the Provincial Government had taken concrete measures to set up such industries in both public and private sectors.

SARHAD DEVELOPMENT AUTHORITY

Since private industrial investment was not forthcoming in the desired volume, Government decided to step into the industrial field itself. This has been done through the creation of Sarhad Development Authority in 1973. The organisation is the Provincial Government's Industrial Development Corporation. The performance of this corporation in planning and executing industrial projects has been very encouraging. Within a short period of its creation, the authority prepared nine large and medium sized industrial projects involving a total investment of about Rs. 560 million. These projects consist of a sugar mill (second largest in the country), four cold storages, two vegetable ghee plants (now transferred to Ghee Corporation), a corn complex, and one of the largest and most modern tanneries in the country. It has also established a Rosin and Turpentine Factory and Goitre Control Project.

The Khazana Sugar Mills which has a capacity to process 3000 tons of cane and 2500 tons of beet per day was completed at a cost of Rs. 265 million. The project was completed in 1976 and has been operational since then. It has been recording the highest recove-

ry in the Frontier and secondary to the Sind sugar factories. The factory has earned good reputation and profit during the last 5 years of its operation. About 1200 people are employed in this factory. In addition to successfully operating KSM, the SDA are also operating Haripur Rosin and Turpentine Factory which was rehabilitated at a total cost of Rs. 8.286 million and Goitre Control Project set up in the Industrial Estate, Peshawar, at a total cost of Rs. 4.541 million.

Six factories based on locally available raw material had been established with the technical assistance of Bulgaria. This include a leather tannery at Jehangira established at a total cost of Rs. 91.804 million a corn complex at a cost of Rs 50.50 million and four cold storages at Peshawar, Mardan, Mingora and Haripur which had been completed at a cost of more than Rs. 128 million. A Brick Plant at D.I. Khan is nearing completion while setting up of a Sugar Mill in D.I. Khan is in planning stage.

The Sarhad Development Authority has embarked upon a well planned programme directed towards transferring its industrial units to other organisations which has helped raising funds for planning new industrial ventures in NWFP. Under the programme, the Rosin and Turpentine Factory, Haripur and the Corn Complex at Jehangira have already been disinvested and transferred to other organisations. The Peshawar Cold Storage and Ice Plant is also being transferred to other parties while negotiations to dis-invest other units, including the Jehangira Tannery, are in progress. This policy is expected to help accumulating capital in order to undertake new industrial ventures by the Sarhad Development Authority.

In addition to industrial development, the SDA has also undertaken mineral exploration. A Mineral Development Wing has been created to undertake exploration of various mineral deposits in the province which is potentially very rich, but due to lack of scientific exploitation, bulk of mineral wealth remained untapped. With the British Government assistance Phosphate deposits in Hazara Division are being investigated. As a result of this a scheme for the development of Kakul Deposits and establishment of a Crushing and Grinding Unit at a total cost of Rs. 36.77 million has recently been approved. The Phosphate extracted from Kakul deposit will be utilized by National Fertilizer Corporation factories. SDA has taken over the antimony mines together with the processing plant in Chitral and in order to develop this deposit Government of NWFP has approved a scheme and work on this is in progress.

Geological exploratory work on Nepheline Syenite deposit of Koga near Buner, Swat has been completed and reserves of the mineral has been estimated at 6000 million tons. This mineral can be used in the production of aluminium, white cement, caustic soda and soda ash in a single Alkali Complex. The second important raw material for these products is lime stone which have already been located in the vicinity of the deposit. A team of geologists from SDA is already working in Kohistan area to investigate mineral deposits there. Presently the team is working on Chromite deposit reported near Jijal. This deposit appears to be very extensive and may prove to be the highest after famous Muslim Bagh Chromite deposit.

SMALL INDUSTRIES DEVELOPMENT BOARD

It has been estimated that 80% of the industrial labour force in Pakistan is employed in small sector industrial units. Government of NWFP have set up a Small Industries Development Board, which is responsible for promotion of cottage and small sector industries by imparting skill and training work, by providing facilities which small industries cannot provide for themselves by ensuring small investure access to bank credit and by providing expert advisory services to small industries. The NWFP SIDB has established 16 carpet centres, 6 embroidery and knitting centres, 7 textile and Patti making centres, 3 wood working centres

and 2 wool spinning centres in the province. About 645 persons are imparted professional training in these training centres every year. The passed out trainees have either set up their own project or have been employed in other private units. In order to promote rural uplift and equitable distribution of employment opportunities these centres have been established in less developed areas of the province. Presently there are about 3000 carpet looms in the province in the private sector employing about 10000 to 12000 workers. This has been the achievement of the SIDB in the carpet industry.

The SIDB has established 7 small industrial estates in the province at a total cost of Rs. 15.778 million. These estates are located at Peshawar, Mardan, Abbottabad, Khalabat, D.I. Khan, Bannu and Kohat. The Peshawar and Mardan Estates are fully colonised while Abbottabad, Bannu and D.I. Khan are in the process of colonization. The colonization of Khalabat Estate is nearing completion while preliminary work on the Kohat Estate had already been taken in hand. The Leather Goods Service Centre at Bannu is being established at a total cost of Rs. 15 million with the help of World Bank.

In addition to providing training facilities this centre will also produce quality leather products for local market as well as export. In addition SIDB has established 7 carpet centres in the province for rehabilitation of Afghan refugees. In the field of financial assistance to the private sector the Board has been able to give financial help to 129 parties through commercial banks and IDBP to the tune of more than Rs. 300 million during past 7 years for setting up of new industries. In order to encourage industrial development, the Government has taken several steps through provision of tax holiday in Malakand and Dera Ismail Khan Divisions and in the District of Mansehra and Kohistan of Hazara Division. All the industries establish in Industrial Estates located in the Province and 100 Sq Kilometer area from Nowshera to Jehangira enjoy tax holiday facility. This incentive coupled with availability of reasonably cheap labour and vast power supply from Tarbela and other Hydro-electric Power Stations in the Province would provide adequate opportunities for investment both in the public as well as private sector.

GOVT. TRANSPORT SERVICE

In order to provide people with cheap and reliable transport, 530 buses have been purchased for the Government Transport Service and deployed on various routes in the Province. A new Service was introduced between Dir and Chitral thus linking Chitral with rest of the Provin-

ce by road. This has solved the transportation problems of the people of Chitral who had to spend lot of money in getting a seat in the over-loaded Jeeps running between Dir and Chitral. For the first time in its history the organisation had showed a profit of about Rs. 5 million during 1981-82.

LABOUR

A colony consisting of 240 quarters had already been established for industrial workers at Mardan while 300 quarters completed at a cost of more than Rs. 15 million at Aman-Garh had already been alotted to the workers. It is expected that 300 quarters at Peshawar would be ready for allotment to the industrial workers by the end of this year. In addition to these it is also proposed to construct 646 quarters at Kohat, Mingora, Mardan, Bannu and Amangarh. In addition to this it is also proposed to develop 100 plots each at D.I. Khan, Charsadda and Haripur & 50 plots each at Sakhakot, and Takht-e-Bhai. These projects are extimated to cost Rs. 61.492 million.

The total number of factories installed at various places in the Province now stands at 287, indicating a 200% increase in the velocity of industrial development over the average rate of annual growth registered during the three decades since the inception of Pakistan.

The overall investment made by the private sector in the field of industry over the past four years has been figured out at about Rs. 500 million with a 20% foreign exchange component. Loans to meet a sizeable portion of the finances involved are being advanced liberally by PICIC, IDBP and the Provincial Small Industries Development Board.

It is estimated that for the next five years there will be 80000-90000 additions to the ranks of job seekers every year. These persons will not find jobs in the agricultural sector or in Government. The only sector which would employ a substantial portion of this number is the industry, commerce and mining sector. It costs about Rs. 15,000/- to Rs. one lakh to create an Industrial Job in the large and medium Sector and for every Industrial Job two are created outside the factory in transport, catering, etc. Thus to mitigate the unemployment situation in the NWFP at least 10,000 industrial jobs should be created every year through an Industrial Investment of Rs. 100 crores per annum or Rs. 500 crores over the next five years.

CSO: 4220/296

BRIEFS

MUSLIM LEAGUE LEADERS DETAINED--Sargodha, Aug 17--Khawaja Khairuddin and Malik Mohammad Qasim, President and Secretary-General of the defunct Pakistan Muslim League were detained here today by the police and taken to Lahore. They were picked up when they came out of Sargodha District Bar after addressing the Bar Association.--PPI [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 1]

AMBASSADOR TO UNITED NATIONS--United Nations, Aug 17--Pakistan's new ambassador S. Shah Nawaz today presented his credentials to Secretary-General Javier Perez de Cuellar at a simple but dignified ceremony. Nawaz replaces Niaz A. Naik who relinquished charge in June to take over as the foreign secretary in Islamabad.--APP [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 1]

LOCAL BODY ELECTIONS--Islamabad, Aug 17--The Federal Minister for Local Government and Rural Development, Syed Fakhr Imam said here today that preparations have commenced for local bodies elections scheduled for September next year. Talking to newsmen at the National Centre for Rural Development here this morning he said that the pattern of these elections will be the same as the previous ones. As a first step in this direction the delimitation of the constituencies has been taken up as several new districts have emerged, the Minister said. Replying to a question Syed Fakhr Imam said that the reply to a questionnaire for eliciting public opinion about improvement of the local bodies system has been very encouraging and these proposals will be included in the report of local bodies commission. He said this will be an important document in future planning of the country. The minister added that the scrutiny of the proposals in response to the questionnaire will start soon after they are received. Earlier while addressing the participants of the second training course on district level planning he said that the government is very keen to have people's participation at grass root level. Fakhr Imam emphasised the importance of district level planning and described it as a revolutionary step towards raising the standard of living of the rural masses.--PPI [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 8]

NORTHERN AREAS DEVELOPMENT EXPENDITURE--Gilgit, Aug 17--Martial Law Administrator Zone 'E' Maj-Gen Pirdad Khan has said Federal Government would spend Rs. 2000 million for the development programme of Northern Areas during the current fiscal year. Inaugurating a 200 kilowatt hydel power station in Tahgir Valley of Diamer district here today he said Rs. four million were spent on the completion of Tangir Hydel project which will cater to the needs of the people of Tangir valley. The project was started on the behest of President General Mohammad Zia-ul-Haq who also provided a special grant of Rs. 2.5 million for this project.--PPI [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 8]

BOOKLET FORFEITED--Lahore, Aug 17--The Government of the Punjab has forfeited all the copies of the booklet entitled Dawat-i-Ghauro-Fikr wtitten by Nisar Hussain Faizabadi (Narowal) and published by Idara-e-Dars-e-Amal, Tahir Street, Chowk Nawab Sahib, inside Mochi Gate, Lahore which contained objectionable material.--APP [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 8]

HUMAN RIGHTS CAMPAIGNERS TRAVEL--S.M. Zafar, chief patron of the Human Rights Society of Pakistan left Karachi yesterday on a three-week tour of the United States, London and Geneva. Zafar will meet Ahmed bin Bella, Chairman of Islamic Commission on Human Rights and Commission's Secretary-General Salim Azzam in London. He would meet representatives of international human rights bodies in America and in Geneva and would extend invitations to them to visit Pakistan on the occasion of the Human Rights Day. It will be recalled here that the Human Rights Society of Pakistan is holding an international conference on human rights. The conference would be presided over by Ahmed bin Bella. Haq Nawaz Javinda, Central Vice-President of the Human Rights Society of Pakistan is proceeding on a tour of Saudi Arabia on Aug 19. Haq Nawaz will discuss the problem of thousands of Pakistanis languishing in Saudi prisons with the Governor of Mecca and other Saudi Government officials. It will be recalled here that on the appeal of the Society the Saudi Government has already reduced by half the prison terms of Pakistani captives. Haq Nawaz would be impressing upon the Saudi authorities either to grant full remission to Pakistani prisoners or transfer them to Pakistani jails.--PPI [Text] [Karachi BUSINESS RECORDER in English 18 Aug 82 p 8]

BAR COUNCIL RESTRICTIONS CRITICIZED--The President has promulgated the 1973 Legal Practitioners Act Amendment Ordinance... Through one change, members of bar councils and associations have been barred from taking direct or indirect part in politics... Particularly hit will be those lawyers who are members of the various banned political parties. Apart from this the Government has referred the Islamic Ideology Council's recommendations regarding a new political set-up for the country back to it. All this shows that there is no immediate prospect of a return to democracy and that the status quo will continue whereas circumstances demand a change and the restoration of the people's rights.--MAGHRABI PAKISTAN, July 17 [Text] [Lahore VIEWPOINT in English 22 Jul 82 p 34]

POET BARRED FROM SIND--Habib Jalib has been externed from Sind for a month. The order barring the poet's entry, residence or presence in Sind with immediate effect was issued by the Government of that province on June 21 and was served on him on 13th of this month in Lahore after he had returned from Karachi after a brief stay. The action was taken to prevent the Lahore-based poet from "acting in a manner prejudicial to the maintenance of public order in Sind." [Text] [Lahore VIEWPOINT in English 22 Jul 82 p 14]

EXPORTS TO ROMANIA--Pakistan will export to Romania variety of goods under a memorandum of economic, technical and scientific cooperation concluded between the two countries recently. The Export Promotion Bureau released the list of items which will be exported to Romania. These are: coke, rice, raw cotton, cotton yarn, cotton textile (excluding yarn) woolen textiles, towels, sheets and pillow cases, wool, hand knotted carpets, machine-made woolen/jute carpets, sports goods, leather and leather products, jute manufacturers, canned and preserved fish, chemicals for textile industry, dry fruits and miscellaneous goods such as methanol, spectacle frames, caster seeds, oil cakes, tobacco and other goods, surgical instruments, pig iron, chrome and manganese ore.--APP [Text] [Karachi BUSINESS RECORDER in English 19 Aug 82 p 1]

GHAFFAR KHAN WANTS TALKS--Peshawar, Aug 18--The Red Shirt Leader, Khan Abdul Ghaffar Khan has made a fervent appeal to the Afghan refugees and Mujahideen leaders stationing in Pakistan to sit together with him to work out a way to end the hostilities in Afghanistan. In a press statement issued from Wali Bagh Charsadda where he is staying with his family, Khan Abdul Ghaffar Khan said it has been his wish to meet the leaders of Mujahideen operating inside Afghanistan and to discuss with them ways and means with which this unfortunate fighting could be brought to an end. He said his only aim to meet the Afghan leaders was due to deep sympathy with their cause as brethren in faith and he would do everything possible and within his reach to help them bring to a solution of the Afghan crisis.--PPI [Text] [Karachi BUSINESS RECORDER in English 19 Aug 82 p 1]

CIVIL AVIATION AUTHORITY--The Pakistan Civil Aviation Authority is expected to commence its operations from October 1 this year, it was learnt in Karachi yesterday. The authority which will replace the existing department of Civil Aviation will have its headquarters at Karachi. The chief executive of the authority will be a Director-General. It is understood that the first Director General of the authority will be a senior officer of the Pakistan Air Force. It may be recalled that the federal cabinet had approved the setting up of the Civil Aviation Authority last month.--PPI [Text] [Karachi BUSINESS RECORDER in English 19 Aug 82 p 3]

TARBELA TRANSMISSION WORK PROGRESSING--On the third and last phase of Asia's biggest transmission line connecting Tarbela power station with Jamshoro via Faisalabad, Multan and Guddu is in full progress and 65 percent work of the tower foundations had been completed by July 1982. The third phase accounts for construction of 1,216 towers out of which foundations of 847 have been completed. Besides, 627 steel tower structures for this 439 kilometer long section of the transmission line have been erected accounting for completion of over 52 percent work. First and second phases of this project were completed and energised in 1979 and 1980 respectively linking Tarbela with Faisalabad and onward with Guddu via Multan. The 1,221 kilometers long transmission line is scheduled to be completed in June 1983 and will transfer a substantial quantity of Tarbela as enormous power potential to Hyderabad and Karachi to meet power requirements of these areas and also reducing transmission losses.--APP [Text] [Karachi BUSINESS RECORDER in English 19 Aug 82 p 3]

POLICE DENIES BAN--The Police yesterday denied press reports regarding stoppage of crime reports to newsmen. A spokesman of the Sind Police said in Karachi that for the purpose of streamlining the system a daily bulletin will now be issued by the Public Relations Officer at the Central Police Office for the Press.--APP [Text] [Karachi BUSINESS RECORDER in English 19 Aug 82 p 5]

COURSE FOR AFGHAN TEACHERS--Abboitabad, Aug 12--Alhaj Kifayatullah Khan, Director of Education (FATA), NWFP, has inaugurated here a 10-day orientation course for the Afghan refugees head teachers of primary schools in NWFP. Speaking on the occasion he said that Pakistan Government was, in collaboration with the UNHCR, taking keen interest in the education of Afghan refugee children who had taken temporarily refuge in this country on purely humanitarian groups. Mr Muhammad Mohsin Khan, Additional Commissioner, Afghan Refugee Education Department, said that the number of Afghan school children will reach about one lac by the end of current calendar year. He said that the number of girl students was also rapidly increasing. He said that a number of Afghan refugee students had been given admission into different medical, engineering and other professional colleges and technical schools. He said that the present series of re-orientation courses was designed to educate the Afghan refugees primary school head teachers in modern methods of education, evaluation, discipline and maintenance of school record. [Text] [Peshawar KHYBER MAIL in English 13 Aug 82 p 5]

CSO: 4220/296

GOVERNMENT INTEREST, DEBT REPAYMENT REPORTED

Manila PHILIPPINES DAILY EXPRESS in English 4 Aug 82 pp 10, 9

[Article by George T. Nervez]

[Text]

THE national government paid a total of P2.6 billion in interest and amortization on domestic and foreign debts during the first six months this year.

According to the Bureau of the Treasury, interest payments amounted to P1.7 billion, while amortization on domestic and foreign debts reached P885.6 million.

Close to one-half or P663.7 million of the interest payments during the first semester were those due on foreign loans. The rest were interest on treasury notes and bonds and debt instruments issued by government agencies.

THE BULK of amortization payments amounting to P465.9 million were applied to foreign loans. The largest amortization payment on domestic debts was applied on treasury bonds, the bureau added.

The bureau also reported that subsidies to various government corporations and agencies amounted to P788.55 million at end-June 1982. The biggest amount of subsidy during the first semester went to fertilizer during the first semester worth P405.9 million.

During the period, the government also pumped in a total of P4.76-billion worth of equity in public corporations. The single biggest amount worth P1.03 billion went to the National Power Corp.

Another big recipient of government equity during the first semester was the Development Bank of the Philippines (DBP) which got fresh funds worth P600 million. — *George T. Nervez*

CSO: 4220/301

MANIPUR TERRORISTS WARN OFFICIALS

Calcutta THE STATESMAN in English 31 Jul 82 p 7

[Text] A self-styled underground organization--Terrorist Suicidal Service--has claimed responsibility for killing three people including the Education Secretary of the Manipur Government over the past month. The organization has sent letters to some Government offices in Manipur threatening that it would take action against "corrupt people if they do not correct themselves," according to official sources in Calcutta.

The authorities in Delhi have been apprised of this. It is yet to be ascertained whether the organization has any link with the People's Liberation Army and the Kangleipak Communist Party in Manipur.

The letters, one typed in English and the other writtein Manipuri, have stated that corruption has become rampant among the present Ministers and officials and the organization has pledged to destroy "social evils." It has already executed three people for the benefit of the masses, the letters claimed.

Mr B. Singh, an Executive Engineer, was killed by unknown assailants during the last week of June. Dr M. Sharma was fatally injured on July 5 while Mr R. Singh, Education Secretary, was shot dead by some unidentified young men at his residence in Imphal on July 12 last.

The letters have alleged that many people in Manipur are misusing power and authority for their personal gains, thereby destroying "our motherland."

CSO: 4220/301

LABOR LAYOFFS FOR 1981 REPORTED

Manila BULLETIN TODAY in English 4 Aug 82 p 1

[Article by Chito Parazo]

[Text]

A total of 78,466 workers throughout the country lost their jobs last year because of the apparently critical finances of the business sector.

Statistics compiled by the Labor Statistics Service (LSS) of the Ministry of Labor and Employment show that these workers were dismissed permanently or laid off temporarily by distressed firms.

Out of the 78,466, LSS sources said, 15,023 were dismissed permanently. More than one half of the terminated workers were from Metro Manila.

Labor Ministry sources said only a few of those who were terminated were able to go back to work.

On the basis of first and second quarter data this year, labor sources said, there is basis to believe that the unemployment rate is increasing.

They said the unemployment situation seems to have significantly worsened due to the economic slump.

The industries most affected by termination cases were manufacturing, 63,640; textile, 19,270; and the fabricated metal and equipment, 13,940.

The common reasons cited for terminating their workers are financial losses, lack of raw materials, high cost of production, and lack of market

CSO: 4220/301

CASH DEFICIT REPORTED

Manila BULLETIN TODAY in English 3 Aug 82 p 13

[Text]

The national government incurred a deficit of ₱7,387 million in its cash operations during the six-month period January to June this year, the bureau of treasury reported yesterday.

Government disbursements, excluding loan repayments, reached a total of ₱41,638 during the period, reflecting an increase of ₱10,591 million or 34.12 per cent over the ₱31,047 expenditures recorded for the same period last year.

A major portion was spent for budgetary disbursements which went up by 26.57 per cent from the ₱21,773 million in the comparative period last year.

On the other hand, government receipts from both budgetary and non-budgetary sources reached a total of ₱34,251 million, reflecting an increase of ₱8,134 million or 31.15 per cent over that of the same period in 1981.

Budgetary revenues of ₱19,403 million showed an increase of ₱2,880 million or 17.44 per cent over that of the same period last year.

Collections by the bureau of internal revenue and by the bureau of customs reached ₱10,313 million and ₱5,533 million, respectively, during the six-month period, reflecting an improvement of 14.58 per cent overall.

Non-tax revenue collections amounted to ₱1,958 million or 30.91 per cent more than that collected during the same period last year.

As of the end of the first semester, the national government had a cash balance of ₱16,362 million, up 6.07 per cent than the ending balance of ₱15,426 million during the same period in 1981.

CSO: 4220/301

GENERAL VOWS TO END MILITARY ABUSES

Manila BULLETIN TODAY in English 3 Aug 82 p 18

[Excerpt]

NAGA CITY — Brig. Gen. Rene Cruz, commander of Constabulary and police forces in the Bicol region, vowed here last week that he would countenance abuses committed by any member of his command.

The general gave the assurance before masonic dignitaries from Metro Manila and the Southern Tagalog regions who were gathered here for the constitution and installation of officers of Naga City Lodge No. 257.

He pledged that complaints of abuses committed by his men would be acted upon within 24 hours.

We have even enlisted the help of parish priests and other leading citizens of the community to help us by acting as channels for these complaints, should the complainants feel inhibited to bring their woes directly to us, the general stressed.

Admitting that the New People's Army was giving problems to his command, Gen. Cruz said that his men were not sleeping on the job.

We have launched a massive drive to win the hearts and minds of the people through civic action projects and multi-agency approaches so that they can see for themselves what the government is really doing for them, the general pointed out.

We have opened up our pacification drive in this region with a pledge not to campaign purely through the barrel of a gun but through the compassionate beatings of the human heart, and we are succeeding quite remarkably, he added.

CSO: 4220/301

EDITORIAL COMMENDS CLERGY-MILITARY AGREEMENT

Manila BULLETIN TODAY in English 4 Aug 82 p 4

[Text]

REPRESENTATIVES of the clergy and the military in the Church-Military Liaison Group forged an agreement to the effect that a religious denomination may obtain the release of a clergyman detained by the military by asking for the temporary release through the CMLG. The requesting party and the sponsoring member of the CMLG will guarantee that the detainee will not escape and that he will be made available if his presence is required by the authorities.

The agreement should improve the relations between the religious denominations and the military authorities. It is well known that in some places the relations are racked by misunderstanding.

The initiative was taken by Defense Minister Juan Ponce Enrile probably in representation of the thinking not only in the defense establishment but also in the important levels of the political branches of government that the church as a group is an important factor in national unity.

Since the influence of the religious groups is pervasive and can take many forms, the rule has been administration politics should not offend religious sensibilities but rather should lean over backward to accommodate religious views to the extent permitted by the laws.

It is said that the CMLG has met 92 times. This indicates that there has been a continual dialogue between church

groups and the military for some time. It implies there has been much to talk about.

It has also been reported that the CMLG has regional chapters. This suggests that the group is larger than what we may think.

The group can accomplish much in eliminating whatever adversarial attitudes there may be in some troubled areas.

CSO: 4220/301

MANIPUR INSURGENCY ACTIVITIES REPORTED

Calcutta THE STATESMAN in English 12 Aug 82 p 8

[Article by S. Guru Dev]

[Text]

TEMBA, the surviving "ojha" or guru, is back in Manipur; he was earlier presumed killed by Burmese security forces. His return could revive the PLA's morale; it could also lead to bloodshed. Kunjabehari Singh's succession to the leadership after Bisheswar's capture at Tekcham a year ago was smooth. The same "rigid chain of command" and acceptability of the next man can ensure an orderly transition. Khaidem Manikanta was the man of the hour after Kunjabehari's death at Kodompokpi but Temba's return complicates matters. The PLA's discipline is not what it used to be. Manikanta's dissolute ways could be his undoing. Nevertheless, Temba will have to assert his authority, a process not devoid of violence.

Temba is believed to have trained Meitei recruits in the Kachin area of north Burma. Estimates of his "boys" vary but the number could not be large. If the PLA had had a strong tactical reserve, the disasters at Tekcham and Kodompokpi could have been avoided. Kodompokpi was no place to be trapped in by day (Tekcham had, at least, an outcrop of hills). The PLA leaders and their "suicide" squad were an important mission; they were awaiting a courier when surrounded by the security forces. The late Kunjabehari's presence invests the group with the authority of a Tac HQ in army jargon.

Black Day

Kodompokpi was a black day for the PLA but the situation is not irretrievable with freshly trained recruits, as reported, from an area where Muivah, the leader of the National Socialist Council of Nagaland seems to have set up a school for insurgency and jungle warfare in the Semra Tract. Civil and military intelligence reports confirm that Muivah has recruited about 200 Tangkhuls, including 40 women, with a high percentage of educated young men by underground standards. Assamese extremists are also believed to have been trained in Muivah's "school".

The Namthilok ambush in which 21 jawans were killed on the Imphal-Ukhrul road was carried out by a detachment of Tangkhuls assisted by hardcore Meiteis. The Meiteis were probably given "battle inoculation", as the MNF had done with Tripuri tribals in 1979-80 when the bazars at Amarpur and Kanchanpur where looted, a few traders were killed and panic was created in relatively isolated communities. Observers feel that PREKAP—what is left of it—has a tentative understanding with the NSCN. Others in the queue may include Manipur's latest mushrooms, the Young Peoples Army and the Red Guard. They may share the fate of the Kanglaipak Communist Party which surfaced after an orgy of PREPAK factional killings. The

KCP maintains a low profile after the capture of its "c-in-c", Y. Ibohanbi Meitei, and two others in June last year.

Do the "mushrooms" symbolize the hopes and aspirations of Manipuri youth? Are they the spokesmen for a restless generation yearning for social justice and an equitable economic order? Is the Meitei also facing a crisis of identity? Whatever the answers, barring the PLA, the others are reminders of the God that failed. They are more akin to the Mafia, with blood feuds, murders and extortions. Bisheswar had respect for Tulachandra, the founder of PREPAK who could have been a restraining influence but was captured early. Hell was let loose after his radio appeal for a peaceful solution. His own brother was murdered; thereafter one lost count of the killings.

Maipak Sharma, or the "jackal" as someone called him, found Assam congenial for a while till his "executioners" like Leishabi picked up the trail. Fortunately, Leishabi's criminal instincts betrayed him in Gauhati and he had to run. He was ultimately gunned down by the Nagaland Armed Police at Ghumukudema near Dimapur. PREPAK's decline is more revealing than understood. One should not forget that PREPAK was the "graduate" school of insurgency. Tula Chandra quit studying to organize the thousands of unemployed graduates from Manipur's incredibly numerous colleges (over 100,000 unemployed if matriculates are included). He and others like Sushila Devi, the notorious "judge executioner", also a dropout, rebelled against a system that perpetuated the "bondage of mind and body". Unlike Bijoy Singh who was arrested in Delhi recently (he was staying in a JNU hostel), Tulachandra kept his ideological options open.

The rash of killings in Manipur left former underground leaders in the region aghast. They have never understood the revolutionary urge in Meiteis killing Meiteis. The insurgency in Manipur is at the cross-roads; its credibility is at stake with the other ethnic rebels. The indiscriminate killings in Imphal have eroded public sympathy. The torture and murder of Sarojbala Devi, a Meitei by PLA members shocked the community. Captured documents spoke of pressures within the PLA and indiscipline. Pure disinformation and malicious gossip, exclaim Meitei zealots. Maybe, but that does not account for the rethinking and reevaluation among their intellectuals. Imphal's petty bourgeoisie remains the PLA's sizable and consistent ally but, ironically enough, the "exploited peasantry" which sparked the liberation struggle is lukewarm about Bisheswar's teachings and the New Dawn.

Bisheswar and his ojhas were schooled in Tibet where they were taught to live off the land, sustained by ideology and anything handy as a weapon. Bisheswar's scepticism and distaste for Muivah's technique is understandable when one contrasts their experience and objectives. Muivah believes in an armed insurrection to ensure Naga sovereignty. Phizo is still an attraction for him. His long years in China as the Naga Federal Government's plenipotentiary and the traumatic shock over the Shillong accord led him to further experiments with Maoism.

Initially Muivah fell foul of the church but recovered ground with the slogan "Nagaland for ture, he is the ranking Maoist Christ." With Bisheswar's cap among the north-eastern insurgents. Bisheswar probably would have found him "cluttered up" and dogmatic. Muivah lacked subtlety whereas he (Bisheswar) deserved praise for dealing deftly with Meitei insularity, calling his creation the PLA (Eastern Wing) and implying thereby that other jurisdictional wings were welcome. Although Muivah now accepts the logic of a collective Maoist punch, he is not enthused by Bisheswar's theory of mobilizing tribals in the north-east under one banner to drive the "Delhi bandits" out. And Muivah would not be alone in feeling so. The traditional Meitei revivalists are self-centred; even the progressives among them, a minority, are non-commital. In the thirties, however, the Meitei Marup, for example, was unambiguous about its objectives. It stood for the old Meitei religion, script and culture.

Maj.-Gen. Nayyar, who has had striking successes in a limited period, regards Ukhrul as the key (Ukhrul, the home of the Tangkhul, has given Manipur two Chief Ministers in Yangmasho Shaiza and Rishang Keishing). Rishang faces a smear campaign as a lackey of the Centre and for "toeing" the army line. The army authorities are embarrassed. Maj.-Gen. Nayyar says that "there's no question of Big Brother muscling in; it is teamwork". The daily conferences with the civil authorities in Imphal, he stresses, are cordial and decisions are taken jointly.

Limelight

If the security forces are in the limelight, there are normal and abnormal reasons for it. Counter-insurgency operations were handed over to them when the Manipur authorities lost control of the situation. Even before the Unlawful Activities (Prevention) Act was enforced, several Ministers of the Dorendra Singh Cabinet had resolved in his absence (Dorendra Singh was in Gauhati those days mediating on the Assam issue) that the Manipur valley, particularly Imphal, should be declared a disturbed area. The mandate for the security forces stems from the Armed Forces Special Powers Act, 1958.

Counter-insurgency is a continuing education in the north-east: no two chapters are alike. Constantine says: "In Nagaland it began with rebellion with the people getting gradually disillusioned whereas in Manipur it started with everybody, except the dispossessed royalty and their hangers-on, rejoicing in integration with the Indian Union but later inching away, leading to the present convulsions." There is another factor. Take Namthilok. The suspected villages were cordoned off and searched. People were beaten mercilessly but the word in the army lexicon is "harassment".

Allegations of rape introduced a familiar sequence but that does not rule out an objective inquiry. Nor is it enough to produce statements by the alleged victims disowning molestation, countersigned by police and medical or public representatives. The other side of the picture is that security and morale demand exemplary punishment, a response deemed adequate to prevent recurrence or abatement of another Namthilok. One does not subscribe to the old British concept of a punitive expedition in which whole villages were burnt but it goes without saying that villagers found harbouring or helping the underground are asking for trouble, the more so after a gruesome ambush.

CSO: 4220/301

PM REJECTS COCO-DIESEL PROGRAM

Manila BULLETIN TODAY in English 3 Aug 82 p 11

[Text]

Energy Minister Geronimo Z. Velasco is seeking new guidelines for the implementation of the coco-diesel program after Prime Minister Cesar Virata declined to endorse it to the President in the wake of the plunging price of coconut oil in the world market.

The new guidelines sought by Velasco is with reference to the program's implementing rules requiring an executive order which the Prime Minister did not endorse.

Virata's non-endorsement stemmed from the issue covering the proper reference price of coconut oil as the billing basis to the petroleum industry under the coco-diesel program.

An energy ministry spokesman said yesterday that the Cabinet headed by Virata felt the initial price of 24 cents per pound requested by the United Coconut Oil Mills (UNICOM) is higher than the New York price which had been going down from 21 cents to about 19 cents per pound yesterday.

The spokesman explained that a lower reference price based on export parity will mean lower subsidy requirements from the government.

UNICOM has earlier suggested that the coconut oil price should be at export parity less coconut levy computed on the basis of prevailing New York price and peso-to-dollar exchange rate.

It requested, however, that for the first 40,000 tons to be used this year, a minimum of 24 cents per pound be set which translates to an ex-mill price of ₱3.01 per liter.

With diesel price constant, the petroleum industry can only afford to pay no more than ₱2.82 per liter of coconut oil delivered, provided specific tax and special fund imposts applicable to diesel are not applied to coconut oil used as fuel.

Exemptions from the levy, specific tax and special fund imposts for the coconut oil blended with diesel fuel plus a price support of ₱20.292 per liter of coconut oil will be necessary. Thus, the government has to subsidize ₱19.1 million annually for a program requiring 60,000 metric tons of coconut oil.

However, the Prime Minister was not receptive to the amount of subsidy in view of the coconut oil's prevailing market price quoted at New York.

UNICOM maintains that it cannot supply the coconut oil under today's export parity prices since it argues that it would be selling at a loss.

CSO: 4220/301

GOVERNMENT OIL FUND DEBT RISES TO 4 BILLION BAHT

BK250317 Bangkok BANGKOK POST in English 25 Aug 82 p 17

[Text] The government's oil stabilisation fund has soared to more than 4,000 million baht in the red, with the petroleum authority of Thailand (PTT) as its major creditor.

These figures are part of a "confidential" report on the oil stabilisation fund to be submitted to the National Petroleum Policy Committee, chaired by Prime Minister Prem Tinsulanon, next Monday.

The report shows that the fund's total accrued payable amount is about 4,600 million baht, while the combined accrued receivable is about 600 million baht, resulting in a deficit of about 4,000 million baht.

Of the 4,600 million baht, the fund owes about 3,000 million baht to the PTT and another 800 million baht to oil companies.

It is expected that 214 million baht of income will go into the fund this month.

The fund was established as a buffer against the impact of shifting world oil prices on the domestic retail market.

The fund has been in the red since it was introduced years ago.

The government uses the fund to subsidise a variety of oil products: 1.30 baht per litre of kerosene, 0.38 baht per litre of high speed diesel oil, 0.15 baht per litre of bunker oil and 1.50 baht per kg of LPG [liquid petroleum gas].

Only two oil products--regular and premium gasoline--provide revenue for the fund. A litre of regular benzine earns the fund 1.20 baht, and a litre of premium gasoline 1.89 baht. Diesel oil and LPG are the two main products that upset the fund, with subsidised LPG being used in motor cars.

The fund has shown little sign of recovery, although the government last December increased the price of premium gasoline from 11.90 to 13.45 baht a litre. This increase has boosted the fuel's contribution to the fund from 0.89 baht a litre to 1.89 baht.
CSO: 4220/306

USSR AGREES TO BARTER FERTILIZER FOR CORN

BK300227 Bangkok BANGKOK POST in English 30 Jul 82 p 21

[Text] The Soviet Union has entered into a contract worth some 1,400 million baht to barter its fertilisers for some 500,000 tons of Thai maize. The agreement was reached between the Russian authorities and the Metro Group, a local fertiliser-marketing firm, it was learned yesterday.

News of the agreement immediately resulted in the domestic price of maize increasing, for the first time in three weeks, to 154-155 baht a picul (60 kgs) yesterday from Wednesday's 151-152 baht.

According to reports, some 300,000 tons of maize will be shipped to the Soviet Union by the Metro Group and the remaining 200,000 tons by the Agriculture and Cooperatives Ministry's marketing organisation for farmers.

All the maize is scheduled to be delivered between September and December this year, and reports say some 5,000 tons are now being transported into Bangkok, the country's export outlet, every day.

The Thai product has been priced at U.S.$122 per ton FOB Bangkok.

The deal will possibly make the Soviet Union the largest buyer of Thai maize this year, moving up from the third rank in 1981 when it purchased 270,000 tons.

Malaysia was the largest buyer of Thai maize last year, with some 500,000 tons, while Singapore came second, with some 470,000 tons.

However, despite the deal and other efforts being made to raise the price of maize, informed sources say maize farmers are unlikely to be happy with the price for the 1982-83 crop, the harvesting of which began three weeks ago.

It is believed that the world market price for maize this year will not be as high as what it was in 1981 as the United States, the world's largest producer of maize, is reportedly turning out a bumper crop.

Furthermore, the freight rates for maize from U.S. ports to Japan and Taiwan, the two major maize-importing countries, have been reduced to U.S.$15-16 a ton, the sources noted.

They recommended that the government take action to boost maize exports to the Middle East which is a potentially good market for the Thai product.

Last year Iran bought 250,000 tons of maize, while Iraq and Saudi Arabia bought 210,000 tons each.

It was also learned that Dr Somphop Susangkonkan, president of the Board of Trade [BOT] will lead a delegation to Japan next month to negotiate maize sales with representatives of the Japan Feed Trade Association.

From there, the team will proceed to Taipei to negotiate a similar deal with the Taiwanese authorities.

BOT has set a target to sell Japan and Taiwan 400,000 and 300,000 tons of maize from the new crop respectively.

CSO: 4220/306

'POST' EDITOR COMMENTS ON THACH VISIT

BK020303 Bangkok BANGKOK POST in English 2 Aug 82 p 5

[By the Chongkhadikit]

[Text] When the ASEAN foreign ministers meet in Bangkok on Saturday [7 August] they have to decide not to drive Vietnam into a corner but to leave a way out--which could eventually lead to friendly cooperation between the non-communist and the communist states of Southeast Asia to keep out foreign domination.

This is the attitude of Thais in responsible positions following the recent visit by Vietnamese Foreign Minister Nguyen Co Thach to this so-called "front-line state."

While Thach, in his talks in Thailand as well as in Singapore and Malaysia, our ASEAN allies, kept harping upon the "Chinese threat," he was told in Bangkok in no uncertain terms of the ASEAN fear of the "Soviet threat"--which, he was reminded, had been brought into this region by Hanoi. In supporting the Khmer Rouge in Kampuchea, China is reacting to the Soviet threat.

ASEAN and the Indochina states can work together to rid our region of these threats. The fact that Thach is willing to have further discussions in Hanoi with Foreign Minister Sitthi Sawetsila and National Security Council [NCS] Secretary-General Prasong Sunsiri on peace, stability and regional problems as well as on bilateral issues shows that Vietnam can be receptive.

It is possible that Thach's conciliatory attitude--at least as far as Thailand and Malaysia are concerned--has been dictated by Vietnam's growing economic problems and concern over signs of Soviet expansionism with particular reference to Moscow's attempts to deal separately, rather than through Hanoi, with Laos and Kampuchea.

Thach's bravado about Vietnam having survived three years of suffering from international sanctions and about "keeping the door open" for the Soviets to use bases in Da Nang and Cam Ranh Bay could have been motivated by over-sensitivity on the reality of the problems.

The "sweetness and light" at the official meeting in the Ministry of Foreign Affairs has been described by official observers as a tactic in an unchanged strategy. The strategy is to consolidate a Hanoi-dominated Indochina. Although there have been frequent denials from Hanoi of any plans to set up a federation of Indochina, Thach referred several times at his Bangkok press conference to "Indochina" as if it were an entity.

Thach tried to explain the Ho Chi Minh City proposals: partial withdrawal from Kampuchea, a safety zone along the Thai-Kampuchean border and an international conference on Southeast Asia.

He even expressed agreement with "total withdrawal" but added that it was conditional on the "legitimate interests of all parties." Thailand's concern is with the Vietnamese military presence in Kampuchea and Vietnam's concern is the "Chinese threat." Previously, he had mentioned only the "Chinese threat," but it comes up to the same strategy.

Since he raised the name of Pol Pot to try and prove that the recently formed coalition of Democratic Kampuchea (DK) was an "illusion," he was probably equating this organiser of mass murders of his own countrymen with the "Chinese threat."

Will Hanoi withdraw all its forces from Kampuchea if Pol Pot is not around--at least in Kampuchea--any more?

If, say, Democratic Kampuchea President Prince Norodom Sihanouk, suddenly wanted to deal with Vietnam (which he had aided in the past and with which he has since been disappointed for its lack of gratitude) and negotiate a settlement with Heng Samrin--which, from a study of the history of the mercurial prince, is not unthinkable--the problem of the Khmer Rouge armed force will remain. In fact, it could get worse, becoming like the Palestinian Liberation Organisation (PLO) disrupting Thai-Kampuchean border stability and ASEAN-Indochina cooperation with acts of sabotage, subversion and terrorism.

Perhaps, the ASEAN foreign ministers could try to convince their Vietnamese counterpart that the best way to eliminate Pol Pot from the scene--other than assassination or exile to China--is to let free and open general elections take place in Kampuchea under United Nations supervision. The people who have been abhorred by what Thach himself described as "genocide" are most unlikely to vote for Pol Pot and his gang.

If Vietnam is truly honest about its stated desire for neutrality in Kampuchea--which happens to be ASEAN's objective also--then Vietnam should withdraw its forces to allow the elections to take place. Air Chief Marshal Sitthi has given an assurance that if Heng Samrin, considered by ASEAN as a Vietnamese-installed puppet, is elected Thailand would accept him.

Thach would like neutrality not just for Kampuchea but for the rest of Southeast Asia as well. That is what ASEAN would like to see happen.

Marshal Sitthi has told me that China would also like a neutral Kampuchea. In this respect, it was interesting to hear Thach say that Vietnam would not "gang up" with ASEAN or any other countries against China because "China is a friend." This may appear contradictory to the "Chinese threat" statement but it shows that Vietnam is differentiating the "Chinese threat" in Kampuchea from relations with China itself.

The ASEAN foreign ministers will have to make clear to the Vietnamese that while Hanoi is worried about the "Chinese threat," ASEAN is concerned at the "Soviet threat," which has been brought into this region by Vietnam. In fact, it is believed that China supports the Khmer Rouge in raction to the Soviet presence in Vietnam. It would be advantageous to all countries to Southeast Asia to keep out foreign military and political domination and influence.

Thach may not have taken anything home in his bag, and the ASEAN countries may not have obtained any advantage out of his tour, but the dialogue has opened up options not previously considered likely. For one thing, we can talk more and this may lead to important changes in strategy on both sides--if both are sincere about peace and stability in the region.

Already, Thach who had previously refused to discuss the "Kampuchean problem" has discussed it with ACM Sitthi and Sqn-Ldr Prasong. This could mean that he is no longer adamant about the "irreversibility" of the Vietnamese occupation of Kampuchea.

The fact that Prasong, who had previously turned down Thach's request to meet him, agreed to see him shows that the NSC--and Thailand--is flexible. Thach wanted to see Prasong possibly because the Vietnamese grapevine had informed him of the NSC chief's importance in policymaking with regard to national security and he has spoken up on Kampuchea in a manner which Thach might have found interesting to explore.

At the same time, because of Prasong's tough stance on principles concerning the Indochina states, he wanted to make a personal assessment of the official. The motive may have been to "know thy enemy." Each probably found underneath the other's affable, urbane appearance, a man of steel. Unlike the diplomatic meeting at the Ministry of Foreign Affairs, they reportedly got down to brass tacks.

Thach expressed willingness to negotiate further on refugees, both old and new, and on the repatriation of Kampucheans. When they parted, Thach said he would like to be friends with Prasong and Prasong replied that friends should help each other solve mutual problems. He invited Prasong to Hanoi for further talks and Prasong told him he had to ask the prime minister's permission.

CSO: 4220/306

MALAYSIAN GROUP CALLS ON THAI MUSLIM FOR FUNDS

BK120326 Bangkok NATION REVIEW in English 12 Aug 82 p 6

[Text] Narathiwat--A southern separatist movement has called on Thai Muslim people living inside Malaysia to support its subversive activitiesthrough financial contribution, a senior provincial official said.

Maj Chob Mongkolrat, the deputy director of the communist prevention and suppression office here, quoted an intelligence report as saying that the call was made by separatist leader in Kelantan District of Malaysia late last month.

He did not name the secessionist movement but identified the leader as Abdul Azis Awaeraibai who called a meeting of Thai Muslim people in Kua Musae village, Tambon Kua Musae in the Malaysian state.

He told the NATION that the secessionist leader was a former native of Buro village, Tambon Lojud of Waeng District here.

He was quoted as telling the people at the meeting that the fund raised from their contribution will be used to buy food supplies for the movement's members when they sneak into Thailand to carry out their subversive activities.

Maj Chob said the movement leader personally collected contribution from the villages whenever the separatists were ready to initiate an operation inside Thailand.

It was not known what had been the response of the villagers to the terrorists' appeal. Maj Chob said he had already passed on the intelligence report to all the government agencies concerned.

All of the various secessionist movements which seek to seceded the four southernmost provinces of Thailand have suffered a serious setback following a series of successful military drive by the Fourth Army Region.

CSO: 4220/307

HAN ON MUSLIM SEPARATIST BASES IN MALAYSIA

BK310648 Bangkok NATION REVIEW in English 31 Jul 82 p 4

[Text] Narathiwat--Fourth Army Region Commander Lt Gen Han Linanon yesterday called on Malaysia to show "sincerity" in its cooperation with Thailand to crack down on all the insurgency movements on both sides of the border.

In an interview with the NATION, Lt Gen Han said Thailand had proven its sincerity by launching an all-out offensive against the strongholds of the Communist Party of Malaya (CPM) on Thai soil.

He said Thailand had fulfilled its pledge to repress all the insurgency movements on the Tahi territory, including those which are using Thai territory as the springboard to undermine the stability of the neighbouring country.

"As a result of our all-out offensive, we have successfully destroyed all the major strongholds of CPM which aims to overthrow the Malaysian Government," he said.

He said he hoped the Malaysians would prove their sincerity in the same way.

Lt Gen Han quoted intelligence reports as showing that several southern Muslim separatist movements are taking refuge in Malaysia and even using the Malaysian territory as their bases to support their clandestine operations in Thailand.

Some of the secessionist movements which are trying to establish a buffer state between Thailand and Malaysia have been receiving financial support from some Muslim countries in the Middle East, he said.

Malaysian chairman of the Regional Border Committee Maj Gen Hashim is scheduled to visit Thailand tomorrow for talks with Thai leaders and to get first-hand information about the insurgency situation in southern Thailand, according to Lt Gen Han.

He added that the Malaysian chairman will also visit the biggest stronghold of CPM which was seized during the recent militaryoffensive in Na Thawi District of Songkhla. The Fourth Army Region used about 10 battalions of combined troops in the major offensive which was launched early this month against CPM guerrillas operating along the 576-kms long border.
CSO: 4220/307

COUNTRY TO SET UP FORCE OF RESERVISTS

BK210932 Bangkok BANGKOK POST in English 21 Aug 82 p 3

[By Sonchai Nokeplub]

[Text] A national committee has been set up to form a force of reservists to strengthen the country's defences.

The project, to coincide with the fifth five-year development plan, would not only make use of the skills of discharged soldiers but would also help to improve the living conditions of the reservists through various economic and agricultural training schemes.

Col Wichai Hongsakun, chief of staff of the First Army Region's 11th Division, told the BANGKOK POST yesterday that the setting up of the committee had been approved recently by the cabinet after years of planning.

The committee is to be chaired by the Army Commander-in-Chief Gen Prayut Charumani and will have four sub-committees for political, economic, psychological and military affairs, Col Wichai said.

Sqn-Ldr Prasong Sunsiri, secretary-general of the National Security Council, has been named chairman of the political sub-committee; Dr Thaloeng Thamrongnawasawat, under-secretary of state for agriculture and cooperatives, will be chairman of the economic sub-committee; Dr Bunsom Martin, under-secretary of state for education, will be chairman of the psychological sub-committee; and Gen Sak Bunthrakun, deputy army commander-in-chief; will be chairman of military sub-committee.

Officials from the various ministries and other governmental organisations have been appointed members of the committee, which will first of all organise voluntary reservists into a group called the "reserved military for national security."

The commanding general of each of the four army regions has been named to head the project in his area, Col Wichai said.

The reservists will be given training in politics, and economic and psychological tactics. They will also attend courses to sharpen their skills in their chosen activities following their discharge from the military to help improve their standards of living, Col Vichai said.

The reservists and their relatives will be given the chance to form into co-operative groupings, with financial assistance and credit from the Bank of Agriculture and Cooperatives which will also be a member of the national committee, he said.

Most of the discharged soldiers involved are former conscripts who have served two years in the armed forces, and most of them are poor, Col Wichai said.

Besides getting a chance to better their lot, the reservists would be of great help to the country in times of emergency, he said.

He said the reservists were familiar with military weapons and were used to military discipline, so they would need little training when called into action.

In the first army region alone, there are about 500,000 reservists, Col Wichai said.

Provincial and district working groups have been set up under the chairmanship of governors and district officers to help organise the project, he said.

Work has already started in several provinces and the response from potential reservists has been good, Col Wichai said.

CSO: 4220/306

MOULINAKA LEADERS SAY SRV TROOPS STEP UP ACTIONS

BK250253 Bangkok NATION REVIEW in English 25 Aug 82 pp 1, 2

[By Jacques Bekaert]

[Text] Western Kampuchea--Vietnamese troops have stepped up their military actions against the Khmer resistance force despite the arrival of the rainy season here, Moulinaka's President [title as published] Col Nhem Sophon told the NATION during an exclusive interview here over the weekend.

The interview took place in one of the string of villages controlled by this Sihanoukist faction, some ten kilometres inside Kampuchea.

During the interview, Vietnamese shells landed only a few hundred metres from the camp. No one was hurt, however.

"It has been like this almost every day in the past two to three weeks," Col Nhem Sophon said, as the interview resumed following a brief interruption by the Vietnamese shelling.

This correspondent accompanied one of the Moulinaka's patrol units from the main base to the Sihanoukist frontline of defence to observe the resistance force's actions against the Vietnamese.

"Vietnamese troops are about four to five kilometres from here. Once in a while, we encounter one of their patrols. So far, since the founding of our movement in August, 1979, we have lost more than 200 men in battles with Vietnamese troops," he said.

Col Nhem Sophon said that more than 1,000 of his men had died of malaria.

Moulinaka's political director, Chak Sarik, a former director of protocol under Prince Norodom Sihanouk, told the NATION that the movement was in bad need of food and medical supplies.

Chak Sarik has spent most of his time teaching guerrilla and political warfare to the Moulinaka fighters.

"We must be ready for the new dry season. If we have enough food, we could infiltrate behind the enemy line; we could go deeper inside the country and contact villagers. But we need rice to take with us to survive and to offer to the villagers who have very little themselves. Rice has become a kind of weapon, a political weapon, as important as guns," Nhem Sophon added.

At the time of the interview, Nhem Sophon said he had not met the alleged Khmer Rouge defectors who were said to have fled to join the Sihanoukists.

"I heard there are about 400 of them, including about 100 soldiers. I was not surprised by their defections. In fact, about two years ago, when we were really desperate, I urged some of our people to join the Khmer Rouge so that they would have something to eat to survive. These defectors could be our own people who now want to return to us," Nhem Sophon said.

The Moulinaka president said he had several "big schemes" to accomplish to pursue their anti-Vietnamese goals.

"We now have a good intelligence-gathering system to detect what's happening inside the country. There is a lot we could do in the future. But we have to keep it confidential," he said.

He claimed that his men could get as close as two kilometres from Poi Pet.

Nhem Sophen produced some of the new weapons the Sihanoukists received last March from China.

He also produced a rifle similar to the famous AK-47, captured from Vietnamese soldiers. "The only different characteristic of this new Vietnamese rifle is that several parts are made of plastic," Nhem Sophon explained.

He claimed that Moulinaka's force now stands at 1,600 strong with a few thousand more who have undergone military training.

"These people are ready to go out and fight when we receive more weapons," he said.

Moulinaka is one of the three groups of the national Sihanoukist army under the general command of former Khmer Prime Minister In Tam.

CSO: 4220/308

POLICE WARN OF REMOVAL OF BCP, SUA BY FORCE

BK070157 Bangkok BANGKOK POST in English 7 Aug 82 pp 1, 20

[Text] Border Patrol Police [BPP] have warned guerrillas from two warring Burmese factions to leave Thailand or be forcibly swept out.

The Shan United Army [SUA] and the Burmese Communist Party [BCP] were given until yesterday afternoon to evacuate their armed supporters from Thailand.

Failure to meet the deadline, said police, would result in a harsher suppression campaign against the two forces than that taken against the SUA at Ban Hin Tael (now Ban Thoet Thai) last February.

The ultimatum followed meetings on Thursday between the BPP, led by Pol Col Chamrat Chitcharoenrat, and representatives of the two forces at Ban Huai Sala School in Chiang Rai's Mae Ai District. Thai officials told the two guerrilla armies to get their troops out of Thailand and to limit their fighting, which began last month, to Burmese territory.

An informed source also disclosed that Thai authorities promised to release three of the four Burmese communists who were captured on Wednesday in Mae Ai District and to return their weapons provided that the BCP immediately withdraw its troops. One of the captured BCP men is reported to be in a serious condition in Fang District hospital.

Before the meetings on Thursday, Thai authorities received a letter from BCP guerrillas threatening to burn down two Thai villages in Mae Ai District if their four comrades were not released.

High-ranking police officers met representatives of the Shans 30 minutes after meeting BCP leaders.

Police said that the Shans burned down five Lahu villages at Tambon Tha Ton in Mae Ai District on Wednesday and Thursday, leaving 500 people homeless.

According to police, the attacks occurred because the Lahu hilltribes had been aiding the Burmese communists in their struggle against the Shans.

More than 100 people have been killed and more than 70 wounded since the two guerrillas armies began fighting last month. Both sides have sought treatment for their wounded men at Fang District hospital.

As a result of the clashes, Thai authorities have prohibited tourists from crossing the Ban Tha Ton bridge across the Kok River and have also closed three schools in Mae Ai District.

CSO: 4220/306

HAN ON CRUSHING OF CPM 'LIBERATION ARMY'

BK040231 Bangkok BANGKOK POST in English 4 Aug 82 p 5

[Text] Fourth Army Region Commander Lt-Gen Han Linanon said yesterday that the Communist Party of Malaysia (CPM) had been crushed and its so-called "Liberation Army"reduced to small splinter groups which were no longer capable of threatening the security of either Thailand or Malaysia.

Lt-Gen Han was speaking after meeting with Malaysian Second Army Commander and chairman of the Regional Border Committee Maj-Gen Datuk Hasim Bin Mohamad Ali at the Regional Border Committee Office (RBCO) in Songkhla.

The meeting, attended by RBCO Chief Col Wira Malaiwong reiterates the achievement of the Thai forces in seizing three major CPM camps recently.

Preparations were also made for the 27th meeting of the Thai-Malaysian General Border Committee in Kuala Lumpur on August 26.

Describing the capture of the three bases as a great victory for Thai forces, spearheaded by the Fourth Army, Lt-Gen Han said Malaysia had congratulated Thailand on its success and expressed relief that the CPM Liberation Army had been smashed.

The so-called Liberation Army was reduced to small guerrilla groups that were too weak to affect the security of Malaysia and Thailand, he said.

He said most guerrillas had dispersed and mingled with civilian sympathisers in Thailand or Malaysia.

It was necessary for Thailand and Malaysia to cooperate and coordinate in searching and hunting down CPM remnants in the common border area.

Asked about the loss of the CPM and the remaining camps in Thailand, Lt-Gen Han said that while only four or five bodies were found during the operation which began last month, the CPM lost its three biggest camps.

"What they have left are only small, temporary camps," he said.

Asked about the possibility of developing the captured camps into self-defence and development villages similar to captured Communist Party of Thailand camps in the south, Lt-Gen Han said the army had no intention of doing so as the bases were in dangerous zones.

Lt-Gen Han also strongly denied reports quoting him as saying that the continued presence of Malaysian troops at the border was responsible for the tension there, and predicting the withdrawl of Malaysian troops.

"The news reports affected the good relations and caused misunderstanding between the two countries," he said.

He said that when the CPM was crushed and peace was restored, the war atmosphere had diminished and there was no need for so many troops to be stationed at the border.

However, he said it was up to Malaysia to decide if it wanted to station troops along the border.

CSO: 4220/306

INSURGENTS RAID CONSTRUCTION CAMP, VILLAGES

BK190241 Bangkok NATION REVIEW in English 18 Aug 82 p 1

[Text] Phatthalung--About 150 heavily-armed insurgents yesterday morning raided a camp of construction workers and two villages. A Tambon doctor was shot dead in the presence of villagers after the insurgents overran one of the two villages.

A defence volunteer was critically wounded and four others captured while the insurgents rampaged through the two villages in Si Banphot subdistrict here. The four captives were later released in the afternoon.

The guerrillas, armed with M-16 rifles and M-79 grenade launchers, declared at the seized camp in Si Banphot subdistrict that they would punish the workers who assisted the military build a road linking Khao Bu and Tambon Tapaen.

They delivered the threat to the gathering of about 200 construction workers and the members of their families at the camp in Si Banphot subdistrict.

Surasak Pinmani, manager of the Siam Civil Engineering Company which undertook the construction work, was also among the people gathered at gun-point.

About 90 of the communist insurgents later stormed Thayung village in Tambon Tapaen. The village was seized after about 10 defence volunteers who had put up a resistance retreated from the village.

Yuk Rattana, the Tambon doctor was killed by the communist insurgents who declared to about 45 families of villagers that those who served as the government's informants would face death.

About 40 insurgents of the group later laid siege to Tai Pradu village, about five kms from Thayung village, and clashed with about 30 defence volunteers.

The attackers seized the village after about 15 minutes of fighting. A defence volunteer was critically wounded during the fighting and four others captured.

The communist insurgents later gathered at the camp of the construction company and retreated to their stronghold on Banthat Mountaing range in Khuan Khanun District here.

Deputy Governor Thavat Phothisunthon said that the raids were to capture weapons from the defence volunteers who provide protection to the construction workers and to kill the spies of the government.

CSO: 4220/308

KHMER REFUGEES WANT TO RETURN TO SIHANOUK FOLD

BK250429 Bangkok BANGKOK POST in English 25 Aug 82 p 7

[Text] Eighteen-year-old Reth Ngon, like many of his fellow refugees at the Khao I-Dang holding centre who heard Prince Norodom Sihanouk's call to return home, will be going back to Kampuchea.

He does not know what awaits him and his family of eight when they go back to join Sihanouk's forces. All he knows now is that he wants to go home.

"So many people are going home, so we want to go home too. I don't know what will happen. It's up to them (Royalist leaders in Kampuchea)," he said.

Before Sihanouk came to speak at Khao I-Dang Camp last month, no one at the camp would have believed that the refugees would volunteer, en masse, to go home.

The only place most of the refugees in this Ta Phraya District camp wanted to go, before Sihanouk's dramatised "return" to his people, was a third country to resettle.

But they have realised that their chances of being accepted by a third country are very slim. And their aimless existence as refugees with nothing to do and nowhere to go, have led them to reach for the only acceptable alternative that came their way--Norodom Sihanouk.

Thus the prince's impassioned call for his "sons and daughters" to return and help regain and rebuild the motherland, gave the refugees a new hope in life.

Most of the 44,196 Khmer refugees were peasants who still regard their monarch with a certain degree of awe and reverence.

The educated Khmers, who are inclined to have doubts about Sihanouk, have long been resettled in third countries.

Indeed most of the 13,000 refugees who have signed up to join the Sihanouk faction of the recently former coalition government, profess a faith that Sihanouk is the man who can reclaim their country from the Vietnamese without handing it back to the much hated Pol Pot regime.

One refugee leader at Khao I-Dang, 62-year-old Som Reth, explained: "Before, we only had leaders that we don't trust, but now we have a coalition under Prince Sihanouk, so now we want to go back."

A former farmer, 34-year-old Tat Vang, who escaped to Thailand with his wife and two children in 1979, has the same faith in Sihanouk.

"We should be able to take back our country," he said optimistically "and I'll do anything Prince Sihanouk tells me. I can just be part of the population or I can be a fighter, whatever he tells me."

About 3,000 Khmer refugees have already left Khao I-Dang for the royalist stronghold of Sihanouk Borei (town), formerly O Samach, opposite Chong Chom in Surin Province.

But the flow has been stopped because the Sihanoukist headquarters is not yet ready to receive such an unexpectedly large influx of people. And some reported clashes with the Vietnamese have shown the village's military leaders that the sudden presence of a large body of untrained civilians in their base could prove quite stifling.

However, both the refugees themselves and Khao I-Dang officials say that as much as half of the camp's population now wants to join the Sihanouk faction, and that more will probably come forward to join the homeward-bound exodus.

Now that the refugees are reasonably safe and well-fed, and are no longer the starving skeletons that first crossed into Thailand after the 1979 Vietnamese invasion of Kampuchea, they are beginning to get homesick.

"It's comfortable staying in Thailand, but our hearts are not comfortable. We miss our country, we miss our homes and we miss our relatives," Tat lamented.

But not all who have signed up for repatriation really want to return, because so many want to go back, some simply have to follow the momentum.

Eighteen-year-old Hong Sareth does not want to go back. Both his parents died of starvation in Kampuchea during the Pol Pot era.

But Hong's elder and only brother wants to go back, "so I must go back too. Everything depends on my brother and whatever happens is up to the stars," he said with an uncertain laugh.

Back across the border the Kampucheans have an opportunity to freely make a living. Trade, particularly monetary trade, is forbidden in Khao I-Dang.

Thus, the large majority of refugees has nothing to do if they do not enroll in various occupational courses offered by aid agencies in the camp, or work for one of the agencies.

Out of the 44,000 Kymers at the camp, only about 4,000 work for some agencies, receiving pay in kinds.

Som, the Khmer leader, summed upthe refugees' feeling: "Out there we can be free to do anything, but in here we have to live under many rules. Out there we can make a living. We can fish and sell it to the Thais, and then use the money to buy goods in Thailand and go back to sell it to our own people."

For whatever reasons, be it national aspirations, human needs, or self-interests, the refugees have grabbed a new hope in their uncertain future.

CSO: 4220/307

WARRANTS ISSUED FOR 1,600 VIETNAMESE REFUGEES

BK180315 Bangkok NATION REVIEW in English 18 Aug 82 p 6

[Text] Nakhon Phanom--The number of Vietnamese refugees missing from this northeastern province, registered at about 800 persons in May, has doubled to 1,600 this month and warrants for the arrest of them have been issued, a senior police officer said here yesterday.

Deputy chief of the Vietnamese refugees office here, Pol Lot Col Seri Temiyawet, said these refugees sneaked out of the province to work elsewhere without prior permissions from the provincial authorities.

"When we found out on May 31 that about 800 Vietnamese refugees disappeared from the province, we gave them a chance to return and report themselves to the authorities. Our latest survey, however, found that the number of those leaving the province without legal permission doubled to 1,600 persons," he said.

Pol Lt Col Seri said police were assigned from Nakhon Phanom to search for the fugitive refugees and 28 of them were arrested when they were found working in Bangkok and outlying Nonthaburi Province.

Most of them worked as welders, tailors and watch repairers.

Twenty-five of them were fined 500 baht each before they were sent back to this northeastern province while three others who committed the offence twice were sent to Lat Bua Khao refugee centre in Si Khiu District of neighbouring Nakhon Ratchasima, he said.

The Interior Ministry, meanwhile, requested people to help the government in keeping surveillance for Vietnamese refugees in Thailand.

Interior Minister Gen Sitthi Chirarot said: "We have to be more careful with the entry of Vietnamese into our country." Nakhon Phanom is among the nine provinces where about 40,000-50,000 Vietnamese refugees of the Dien Bien Phu era are confined. There are about 30,000 Vietnamese refugees in Nakhon Phanom alone.

CSO: 4220/308

POLICE ARREST MEMBER OF ANANDA MARGA IN BANGKOK

BK081108 Bangkok BANGKOK POST in English 8 Aug 82 p 1

[Text] An Indian member of the Ananda Marga religious sect was arrested in Bangkok on Friday with a handgun, 95 rounds of ammunition and a coil of electric wire, crime suppression division police reported yesterday.

Police identified the Ananda Marga disciple as Anil Sharan, 29, from India. They said he had visited Thailand a few times and last arrived in Bangkok in June.

Anil told the POST from his CSD cell that he bought the gun and ammunition to take them to India to protect sect members from harassment and attacks by communist elements.

"I am not a thief or a robber. I came here on a mission for humanity," Sharan said.

CSD police said they also found in Sharan's rented room in the Thewes area two human skulls, two knives and a large amount of printed material about the sect.

Sharan said that the skulls and the two knives were used for a ritual every full moon.

A police source said that Deputy Police Chief Narong Mahanon ordered the CSD police on alert several days ago following a report that Ananda Marga members were planning to stage terrorist acts--possibly a plane hijacking--or acquire arms, in Bangkok.

On Friday afternoon, a CSD unit saw Sharan go to the Prinya building in the Ploenchit area, reportedly to buy a gun, police said. They then shadowed him to a rented house in Soi Chuai Puang, Bangkhen District, where an Italian girl, also a member of the Ananda Marga sect, was staying.

The policemen then ordered Sharan to come out and searched the house, where they allegedly found a .38 calibre revolver and 95 cartridges among other items.

Police said the Italian girl, whom they identified as Miss Maria Grazia Minotto, 25, was not at home during the raid. They said they were still looking for her and would like to question her.

Police said that before the arrest, Sharan had phoned an American whose Indian name is Dada Peenak Pani in Ipoh, Malaysia. Dada, whom police suspect to be leader of a fanatical wing of the sect and also a saboteur, reportedly told Sharan that he would be coming to Bangkok with 230,000 baht for him.

Police said Sharan had a 20,000 baht bank account in the Bangkok Bank's Khlongchan branch and had about 20,000 baht in several currencies in his possession at the time of his arrest.

He is being held on a charge of illegally possessing firearms.

The sect--which has been accused of terrorist acts in a number of countries--first attracted attention in Thailand when three members--an American woman, a British girl and an Australian man--were arrested in a Bangkok hotel with 1.25 kilogrammes of high explosives and bomb-making instruments in February 1978.

They were sentenced to six months imprisonment by the Bangkok Military Court after they pleaded guilty to the illegal possession of firearms.

CSO: 4220/306

BRIEFS

HILLTRIBE GROUP SURRENDERS--More than 7,400 left-wing Mong hilltribes people have laid down weapons and surrendered to the joint military-police-civil 33 force. The group of 1,184 Mong families had been supporting communist guerrillas on Hin Long Kla Mountain in a long fight against the government. Led by representatives of the joint force, the Mong marched down the mountain on Sunday to a new settlement provided by the government at Ban Tabbuoek, Lom Kao District of Phetchabun. The military has helped in building houses in the new settlement. More Mong are expected to surrender and join the government's resettlement programme. [Text] [BK240805 Bangkok BANGKOK POST in English 24 Aug 82 p 3]

BORDER POLICE ARREST WA 'REBELS'--Chiang Mai Border Patrol Police (BPP) units arrested another thirteen left-wing Wa hilltribesmen in Mae Ai District on Saturday afternoon. BPP sources said the hilltribesmen were members of the 500-strong Burmese Communist Party guerrilla group who fled across the border into Thailand after it was routed in a battle with the Shan United Army last month. The sources said the arrests, made at Ban Pong Hai, brought to 23 the number of Wa guerrillas held by BPP units along the Thai-Burmese border. Seized from the guerrillas were six M-16 rifles, some pistols, two M-79 grenade launchers, more than 1,500 rounds of ammunition and a radio transmitter. All were taken for interrogation at Mae Ai District police station, the sources said. A district-level border committee met yesterday to consider legal action against the guerrillas, they added. [Text] [BK160209 Bangkok BANGKOK POST in English 16 Aug 82 p 5]

MORE WA GUERRILLAS ARRESTED--Chiang Mai--Ten heavily-armed leftist Wa hilltribesmen were arrested in Mae Ai District yesterday morning as Border Patrol Police (BPP) prepared to flush out hundreds of others refusing to leave Thai territory. The arrest was made by BPP unit near Ban Huai Ton Yang and Doi Laem where about 500 Wa guerrilla members of the Burmese Communist Party (BCP) have sought refuge after losing a battle against Shan United Army (SUA) rebels on Doi Lang. The group was ordered to leave Thai soil by August 10, but has so far shown no intention of crossing back into Burma. The weapons being carried by the Wa hilltribes arrested yesterday included an M-60 light machine-gun, six AK-47 rifles, handgrenades and a large amount of ammunition. They were taken to Mae Ai District police station where they were charged with having entered Thailand illegally and being in possession of dangerous war

weapons. The arrest comes in the wake of mounting tensions along the Thailand's northernmost border districts of Mae Ai and Fang where the SUA and BCP have reportedly sent reinforcements to fight for control of the Doi Lang highlands. The Royal Thai Air Force early yesterday morning sent up two OV-10 planes to observe the situation along the border. Meanwhile, two BPP platoons moved in to Ban Huai Ton Yang and Doi Laem and built a temporary camp and helicopter landing pad in preparation to drive the BCP from the area. There were no reports of fighting in the area yesterday. [Text] [BK150813 Bangkok BANGKOK POST in English 15 Aug 82 p 3]

NEW SRV ENVOY EXPECTED--Vietnam's new ambassador to Thailand will be career diplomat Nguyen Khao Ce [name as published], a expert in European and American affairs, diplomatic sources said yesterday. Ce is expected to arrive in Thailand in about a month, following the departure for home of the current envoy, Hoang Bao Son. Son has served three years in Thailand, the normal Vietnamese diplomatic term. The new ambassador will be coming to Bangkok from his current position as head of the Second European Division of the Foreign Ministry in Hanoi. The section deals with Western European countries. He had served previously as head of the North American desk at the Foreign Ministry, and prior to that was part of Hanoi's negotiating team at the Paris peace talks. Outgoing Ambassador Son is expected to leave Thailand in about four weeks, diplomats said. [Text] [BK010106 Bangkok BANGKOK POST in English 31 Jul 82 p 24]

JAN-JUN RICE EXPORTS--The export price of Thai rice during the first half of this year was over 2,000 baht or 23.54 percent lower than the price of the rice shipped out during January-June 1981, the Board of Trade [BOT] said in its monthly rice report. The report, compiled by Mr Sman Ophatwong, chairman of the BOT's rice committee, noted that Thailand shipped out a total of 1,016,230.45 tons of rice worth 12,524.1 million baht in the first six months of this year. This was an increase of 82,339.36 tons in volume but a decrease of 3,145.5 million baht in earnings from the rice exports made during the same period of 1981. The average export price of Thai rice this year was 6,535.80 baht a ton, down from 8,549.10 baht in the first half of 1981. [Excerpt] [Bangkok BANGKOK POST in English 27 Jul 82 p 17 BK]

JAN-MAR OIL IMPORTS--Though Thailand's oil imports during the first quarter of this year dropped by 11.02 percent in quantity, the import bill increased by 1.77 percent from what it was in the same quarter of 1981. According to the Board of Trade statistics, Thailand imported 1,761.46 million litres of crude oil worth 9,293.5 million baht during January-March 1982, compared to 1,979.57 million litres worth 1,131.6 million baht during the like period of 1981. It also imported 321.97 million litres of semi-refined oil worth 1,618.4 million baht, up 5.79 percent in volume and 23.69 percent in value over the corresponding period last year. Imports of refined oil products during the January-March period were 548.87 million litres worth 3,219.1 million baht, a sharp fall of 42.12 percent in volume and 37.5 percent in volume [as published] from the imports of 948.30 million litres worth 5,150.9 million baht during the same period of 1981. Imports of kerosene and fuel oil dropped sharply by 95.84 percent and 45.32 percent respectively. [Bangkok BANGKOK POST in English 27 Jul 82 p 17 BK]

CSO: 4220/306

MILITARY TALKS WITH U.S.--The Thai supreme commander revealed that the U.S. Government has agreed to supply Thailand a costly but devastating long-range antiship missile known as Harpoon to boost defense capability of the Thai armed forces. He said the United States agreed to the sale of Harpoon after it was assured of Thailand's ability to handle the highly sophisticated missile. The supreme commander already left for the United States with a delegation of high-ranking military officials for a 7-day visit at the invitation of the chairman of the U.S. Joint Chiefs of Staff. He is expected to negotiate with U.S. authorities over the sale of Harpoon, a deadly missile which can be launched from aircraft and surface vessels. While in the United States, the Thai military officers will also discuss with senior U.S. officials over military assistance to Thailand. [Excerpt] [BK301410 Bangkok Voice of Free Asia in English 1100 GMT 30 Jul 82]

ILLEGAL IMMIGRANTS--The Interior Ministry has set up a new body to directly handle issuance of identity cards and control occupations of illegal immigrants living in 10 provinces along the Thai-Burmese border, a senior official said yesterday. Deputy Undersecretary of State for Interior Loet Hongphakdi said there are about 50,000 of these illegal immigrants. About 30,000 of them are Burmese refugees, 10,000 Haw Chinese and 10,000 Chinese who were former members of the Kuomintang Nationalist Army. He said, the illegal immigrants have been residing in Thailand for a long time and were all registered. The body, which was set up during a meeting of an ad hoc committee dealing with illegal immigrants, will coordinate its work with a joint command centre for the 10 provinces on the Thai-Burmese border. The joint command headed by Supreme Commander Gen Saiyut Koetphon is staffed with 62 officials involved in the refugee affairs on the part of the Interior Ministry, according to the deputy interior undersecretary of state. The ad hoc committee yesterday turned down a proposal to set up a college for minority people on grounds that the hilltribesmen have already been provided with educational courses by the government. [Text] [Bangkok NATION REVIEW in English 14 Aug 82 p 3]

AID TO DROUGHT-HIT AREAS--More than 14 million rai of farmlands in the north and northeast are still facing a serious threat from the prevailing drought which has not eased off despite relief efforts and little rain over the past week. Agriculture Minister Chuan Liekphai said the situation in the north where at least 10 provinces were affected was more severe than any other part of the country. He told a press conference that about 7.3 million rai of farmlands in the north were affected by the aridity but actual damage could not be estimated. He said the Agriculture Ministry had so far mobilized 1,023 huge water pumps to all the affected areas and at least 788,000 rai of farmlands were expected to have been saved by the relief measures. In areas where no water resources were available artificial rain was made from the ministry's four rain-making centres in Lopburi, Nakhon Sawan, Lampang and Khon Kaen. The cabinet yesterday authorized the irrigation department to use 51 million baht of its budget to fund a relief programme to provide water to affected farmers. [Bangkok NATION REVIEW in English 4 Aug 82 p 3 BK]

IMPROVED SITUATION IN SOUTH--Commander of the 4th Army Region Lt Gen Han Linanon says that the situation in southern Thailand has markedly improved following the implementation of the Tai Rom Yen [peaceful south] policy in the region. He says that robber and the crime rate have decreased after the

4th Army Region has carried out its 9th and 11th operations. The commander says that, as the result of the Tai Rom Yen operations, the communists have lost most of their major strongholds. Their forces have been dispersed into small units. Lt Gen Han says that the capture of the communist strongholds will help restore peace in the south because this will also lead to the end of the separatist movements in that region. [Text] [BK170353 Bangkok Domestic Service in English 0000 GMT 17 Aug 82]

DIPLOMATIC TIES WITH PANAMA--being desirous of promoting friendly relations and of intensifying cooperation in the political, economic, social and cultural fields between the Kingdom of Thailand and the Republic of Panama, the Government of the Kingdom of Thailand and the Government of the Republic of Panama have agreed to establish diplomatic relations at ambassadorial level as from August 20th, 1982. The accreditation of the respective ambassadors will be mutually agreed between the two governments. [Text] [BK201227 Bangkok Voice of Free Asia in English 1100 GMT 20 Aug 82]

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END

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RADIO AUSTRALIA EXAMINES DEBATE ON TIMOR

BK281048 Melbourne Overseas Service in English 1110 GMT 27 Aug 82

[From the "Australian Insight" Program]

[Text] A Portuguese parliamentary mission is visiting Australia to talk to the federal government about the former Portuguese territory of East Timor, now a province of Indonesia. The three-member delegation is headed by opposition member of parliament, Dr (Manuel Tilman), who is himself a Timorese. Political correspondent (John Lombard) reports on the talks held in Canberra:

[Begin recording] Dr (Tilman) and his colleagues spent about 45 minutes in discussion with the Australian Minister for Foreign Affairs, Tony Street, in his office in Parliament House. The talks were described as friendly. At a news conference, Dr (Tilman) said he had told Mr Street there would be a new Portuguese resolution on East Timor which would be put to the United Nations General Assembly meeting in New York next month. Dr (Tilman) said this would be a more moderate resolution than previous ones which had condemned Indonesia's takeover of East Timor in December 1975. He said he had asked for Australia's support.

But although Dr (Tilman) was unable to give details of the proposed resolution, there will be no change in Australia's policy toward East Timor. Mr Street told me later there was no question of Australia voting for any resolution which would question East Timor being an integral part of Indonesia. Four years ago, Australia gave de facto recognition to the Indonesian annexation of East Timor and there is no intention to change that position.

Dr (Tilman) and his delegation had a busy day in Canberra. Early this morning, they had talks with the chairman of the senate foreign affairs and defense committee inquiring into East Timor, Senator Douglas Scott, and later they met members of the opposition Labor Party.

Coinciding with the Portuguese visit has come news that the Australian Government has refused entry to Australia to a representative of the Fretilin Independence Movement in East Timor who had been invited to appear before a senate committee. Jose Ramos Horta, Fretilin's representative at the United Nations in New York, applied earlier this year for entry to Australia to give

evidence to Senator Scott's committee, but the Minister for Immigration, John Hodges, refused a visa on the advice of the department of foreign affairs. A spokesman told me Mr Horta had been refused a visa for the past 4 years since Australia's recognition of East Timor as part of Indonesia. He said Australia did not recognize Fretilin as an independent Timorese government in exile and therefore Mr Horta would not be given permission to come to Australia. However, the government's decision has raised protests within Australia.

Ken Fry, an opposition Labor Party member of parliament, claimed the Australian Government had bowed to the pressure of Indonesian fears that Mr Horta would give evidence embarrassing to Indonesia. Mr Horta, he said, had long-standing links with Australia. His sister was an Australian citizen and his father had fought with the Australian commando force in Timor against the Japanese in the Second World War.

The Australian Council for Overseas Aid, a strong critic of Indonesia's annexation of East Timor, was equally critical. I spoke to the council's executive director, (Bob Warren).

[Question] Why should the Australian Government give Mr Horta a visa?

[Answer] Well, we believe that the senate committee, which has been set up to examine all the aspects surrounding the position on East Timor, should have available to it the maximum range of information possible, and for that reason, Ramos Horta is a very important person to talk to. He has a historical knowledge of the situation in East Timor. He sees it from a particular point of view which has a great deal of support in East Timor and we think that as the committee itself is unable to go into East Timor, it especially should be able to listen to the views of a person like Ramos Horta. In the interests of having complete information for a serious inquiry by a parliamentary committee, we believe that he should be allowed into Australia.

[Question] But the foreign minister, Mr Street, says he represents a government which is not recognized by the Australian Government.

[Answer] Well, this is true, and the foreign minister takes a position which is totally defensible within the policy of the present government. (?But here) we have a conflict of interests. Does the policy restrict the information available to parliament according to its policy position on the countries (?which the people) recommend? We think that given the circumstances the parliament should be properly informed and on those grounds and those grounds alone we will press the government to allow Ramos Horta to come in to give evidence to this committee.

[Question] Why should the government change now? It hasn't given Mr Horta a visa since it gave de facto recognition to the Indonesian annexation of East Timor?

[Answer] That's quite right, and the government has also informed Mr Horta that they would not give him a visa in the future. But we believe that on this occasion that there is a very fundamental issue at stake here. Does

parliament get proper information, full information and or does it not? Does the government dictate to parliamentary committees their source of information or do they not?

[Question] What is the issue at stake here?

[Answer] We believe that the East Timor question is one that has to be properly investigated from as many points of view as possible and on those grounds we seek Horta's entry to this country.

[Question] No other?

[Answer] No other grounds. They are the only grounds. (Bob Warren) of the Australian Council for Overseas Aid, however, a spokesman told me the government would not change its position.

CSO: 4220/334

BRIEFS

AIRCRAFT CARRIER OPTIONS DISCUSSED--The minister of defense, Mr Sinclair, has criticized the report from a federal parliamentary committee which says there is little justification for buying an aircraft carrier for the Australian Navy. Mr. Sinclair said the committee ignored the problem that in wartime, particularly in a regional conflict, Australia may not have the support of its major allies. He said the government was assessing six options for a vessel to replace the aircraft carrier, Melbourne, which was recently taken out of service. The options are three different types of short-takeoff aircraft carriers, a large conventional carrier, a converted merchant ship and no carrier at all. The defense minister also announced that the federal government would not go ahead with the purchase of two British-made minesweepers but would review Australia's need for minesweepers. Mr. Sinclair said negotiations were underway with a New South Wales firm to build two mine-hunting catamarans at a cost of $212 million. That's about the same in American dollars. [Text] [BK271132 Melbourne Overseas Service in English 0830 GMT 27 Aug 82]

MEAT TRADE AGREEMENT DETAILED--The minister for primary industry, Mr Nixon, says new conditions to be met by export meatworks will ensure the integrity of Australia's meat trade with the United States. Mr Nixon announced details of the new arrangements today. They will mean that the original list of approved establishments able to export meat to America will be replaced by a new list to take effect from the beginning of October. From that time, the minister will be able to take into account the reputation and proven integrity of any meatworks before issuing an export certificate. Certificates may also be withdrawn while criminal charges are dealt with. Mr Nixon said the government expected to have the report of the Royal Commission into the Australian meat industry by late September and this would have an important bearing on the issuing of export certificates. [Text] [BK271037 Melbourne Overseas Service in English 0830 GMT 27 Aug 82]

ABORIGINALS SEND ENVOYS OVERSEAS--Aboriginal land councils in northern and central Australia are to send their own ambassadors overseas. The Federation of Aboriginal Land Councils announced the move in Alice Springs today along with other measures signed to pressure the Australian and Queen Island Governments into granting land rights for Queensland' aborigines. A spokesman for the federation said it would appoint an ambassador to counter the federal government which he claimed was falsely representing aborigines in the

international arena. He also said undertakings have been received from African nations pledging to pull out of the Commonwealth Games in Brisbane if police or security forces intervene in aboriginal protest activities. The spokesman said the only way such actions could be averted was for the Queensland Government to grant its aborigines land rights, self-determination and reparations before the games began. [Text] [BK271043 Melbourne Overseas Service in English 0830 GMT 27 Aug 82]

ELECTION RESULTS CONTESTED--The results of 44 of the 109 seats contested in Papua New Guinea's general election are facing legal challenges. The complaints stemming from the June election ranged from charges of bribery and electoral malpractice to allegations of incorrect counting of votes and stolen ballot boxes. Among the top members of parliament being challenged is the current deputy prime minister, Mr Pius Wingti, who is currently the acting prime minister in Mr Somare's absence from Papua New Guinea. The new finance minister and former police commissioner, Mr Philip Bouraga, is also facing a challenge. The former deputy prime minister in the previous government, Mr Iambakey Okuk, says he is preparing for a challenge in his highlands electorate, Simbu. [Text] [BK300730 Melbourne Overseas Service in English 0500 GMT 30 Aug 82]

CSO: 4220/334

EDITORIAL ISSUES FLOOD WARNING

Rangoon THE WORKING PEOPLE'S DAILY in English 13 Aug 82 p 4

[Editorial]

[Text]

WE came out with a call in these columns nearly two weeks ago for precaution against possible floods. We based our warning on the reports of continuous rainfall in the Northern Burma and hilly regions elsewhere and rapidly rising levels in the big rivers. Heavy rains have persisted since then and our fears have turned into a reality in the Mon State and Karen State. Water levels in the Salween, Sittang and Irrawaddy were also reported the other day to be rising at some places. Pegu is also partly under floods.

According to reports that came out in the local newspapers on Wednesday, more than 22,000 acres of paddy have been submerged in Kyaikmaraw Township, Mon State. A number of villages along Thaton-Pa-an motor road have also been flooded as are crops and homes in Hlaingbwe, Kawkareik and other townships in the Karen State as of 11 July. Tatmadawmen, firemen, Red Cross teams and volunteer groups are engaged in relief and rescue work under the supervision of Party organs and People's Councils. Mon State People's Council Executive Committee members and departmental officials were reported to have taken measures for relief of flood victims and rehabilitation of flood-devastated paddy fields.

Floods can bring extensive loss of private and public property, destruction of crops and damage to roads and rails. We have witnessed such devastation along our river

systems repeatedly in the past. Most notably, floods in August 1974 wreaked havoc in the Upper Chindwin, Upper Irrawaddy, Sittang and Lower Salween areas affecting 68 townships, destroying 90,000 acres of crops and damaging more than 40 dams and embankments. Some 2,000 head of cattle also perished in the disaster.

While some areas are already under floods, the threat in other areas is still very much alive. While relief and rehabilitation measures are under way in the affected areas, precautionary measures in the threatened areas must be stepped up to minimize the loss as far as possible. If natural disasters cannot be prevented, then preparedness can check their devastation and minimize the loss. We believe the natural disaster preparedness committees are doing just that right now.

CSO: 4220/329

ENERGY MINISTER COMMENTS ON RECENT OPEC MEETING

BK270955 Jakarta ANTARA in English 0708 GMT 27 Aug 82

[Text] Jakarta, 27 Aug (ANTARA)--Mines and Energy Minister Subroto Thursday denied that negotiations between the government with Caltex have come to a deadlock over the sharing of production in the renewed contract. Negotiations still are in progress, he told the press here following a meeting with the head of state. The production sharing contract on a 85:15 ratio with Caltex signed in 1971 will terminate in November next year. The government demands a greater share in the renewed contract.

Minister Subroto reported to the head of state the results of the recent meeting in Vienna of the OPEC observation committee on the oil market developments. Subroto predicted that demand for oil will increase with the rising consumption in the coming winter during the fourth quarter of this year. OPEC output this week averaged 16.9 million barrels per day, well below the OPEC ceiling of 17.5 million barrels.

Commenting on the release of oil stocks by industrialised countries, the minister believed the release will diminish in the third quarter of this year and will continue to dwindle in the fourth quarter. According to Subroto, the committee agreed to maintain the OPEC production ceiling at 17.5 million barrels until the end of the third quarter. The ceiling will be reviewed by the fourth quarter. The committee also agreed to maintain the OPEC check price at U.S. dollar 34 per barrel.

Subroto dismissed reports of Pertamina planning to lower its export price as groundless.

When asked whether the government plans to raise oil fuel prices at home this year the minister said no decision is taken on oil fuel prices at home.

CSO: 4220/334

TRADE MINISTER RADIUS PRAWIRO LEAVES FOR BRAZIL

BK201055 Jakarta ANTARA in English 1030 GMT 20 Aug 82

[Excerpts] Jakarta, 20 Aug (ANTARA)--The economic recession now still strongly hitting the world is adversely affecting the economic growth of all countries in the world, particularly poor countries which have no oil resources, Minister of Trade and Cooperatives Radius Prawiro stated in Bandung Wednesday.

The recession, according to the minister, has caused the sharp drop in the volume of industrial products and the price of various commodities, including mining and agricultural products, on the international market. [passage omitted]

Minister Radius Prawiro left for Brazil Thursday to hold talks on bilateral as well as multilateral trade and economic cooperation with key officials of the Brazilian Government.

In the bilateral forum, Indonesia can see the possibility of direct trade with Brazil, involving certain commodities produced by the two countries.

In this connection, Radius mentioned rubber as the main commodity Indonesia could offer to Brazil, and iron, sugar and soybean as the main Brazilian products Indonesia could import.

In the international cooperation, Indonesia and Brazil have common interests, among others in the general agreement on trade and development [as received] (Gatt), the minister stated. He admitted that the volume of trade between the two countries was relatively small.

The Indonesian delegation headed by Minister Radius Prawiro consists of 12 officials of the departments of industry and agriculture as well as leading businessmen associated in the Indonesian Chamber of Commerce and Industry [KADIN].

CSO: 4220/334

DROUGHT DEATHS REPORTED IN INDONESIA

Manila BULLETIN TODAY in English 26 Aug 82 p 3

[Text]

JAKARTA, Aug. 25 (AFP)—A total of 25 people were Tuesday reported to have died as the result of the current drought in Indonesia's province of Irian Jaya, bordering Papua New Guinea, where 10 other deaths have been caused by freak snowfalls.

The famine deaths occurred in the central highland area of Jayawijaya which was being hit by a prolonged drought, the worse in the area for many years, the Eveninger Sinar Harapan (Ray of Hope) reported. It described the situation there as "saddening," saying the men were roaming the jungles in search of edibles.

Some 30 others were admitted to hospital, the paper said.

The paper quoted provincial legislative assembly officials as saying that over 10,000 people were suffering from famine because of the drought, which was affecting six villages.

Another 10 people were also killed as a result of snowfall in the Kuyuwagay district where over 750 hectares plantation crops were damaged, the paper said.

Limited medical and food supplies had been dispatched to the disaster stricken areas. The paper quoted local Christian priest D. Dimara as saying that aid relief had been delayed due to the difficult terrain. The priest expressed fears that the death toll might increase in other villages, the paper said.

The situation could become worse if no immediate measures were taken to overcome the disaster, the paper added.

The paper said local district military commander Lt. Col. Sumaryono had asked the provincial administration to make an immediate survey of the damaged plantations and to plant food-producing trees to feed the people.

CSO: 4220/329

BRIEFS

TRADE BALANCE WITH AUSTRALIA--The trade balance between Indonesia and Australia in 1980-81 showed a surplus of Australian $57.8 million, 84.1 percent of which was supported by oil exports. In 1978-79 Indonesia's trade balance suffered a deficit of $118.3 million while in 1980, $51.4 million. This was disclosed by Amran Adnan, director of the Indonesian Trade Promotion Centre in Sydney at a meeting with the press following the opening of a seminar on Australian tariff preference and quota systems at Ambarukmo Hotel here today. He expressed satisfaction with the increasing exports of various non-oil commodity exports including rubber with a value of $15.6 million (3.7 percent), coffee $19.7 million (4.7 percent), and tea $11.1 million (2.7 percent). In the meantime, garment exports to Australia in th- past three years also increased, namely from U.S.$2.1 million in 1979 to Australian $4.7 million in 1980, then in 1981 the figure reached $12.1 million, 2.7 percent of the total export value. Despite strong competition from People's China, Thailand, the Philippines and India, he said that various handicraft products including wood carvings, leather and rattan items reached a value of $13.3 million. [Excerpt] [BK151205 Jakarta ANTARA in English 1312 GMT 11 Aug 82]

FUEL OIL CONSUMPTION ESTIMATE--Jakarta, 11 Aug (ANTARA)- The estimated consumption of fuel oil at home for the 1982-83 financial year is expected to amount to 26 billion liters instead of 28 billion liters as earlier projected. This estimated reduction of fuel oil consumption was disclosed by Pertamina State Oil Corporation's President Director Dr Yudo Sumbono in reply to reporters' questions following his call on President Suharto at Bina Graha here Wednesday. Sumbono had reported to the president the striking of new oil and gas reserves at Cilamaya, West Java. [Excerpt] [BK151205 Jakarta ANTARA in English 1300 GMT 11 Aug 82]

CSO: 4220/334

COMMENTATOR BLASTS CGDK, SIHANOUK

Vientiane VIENTIANE MAI in Lao 25 Jun 82 p 2

['Talking Together Column' by S. Thipthingchan: "Tricks Used with Old Horses"]

[Text] "The Kampuchea situation now is irreversible." This saying is most correct and true. The establishment of the People's Republic in 1979 was the best choice and most suitable and agreeable for the ideology of the Kampuchean people. It was the only way that could free Kampuchea and its people from the barbaric stone age and the genocide of nation and race from minority groups who were commanded by the expansionists. In the three years when the murderous Ieng Sary Pol Pot group ruled in Kampuchea (1975-1979) they killed over 3 million Kampucheans, their own nationality and lineage. These 3 million innocent Kampucheans were the legacy of the most cruel and barbaric deeds in the history of Kampuchea, and also in the history of the world.

Up to now, even though this regime has completely fallen, in Kampuchea the cruelty which Pol Pot and Ieng Sary had inflicted on the Kampucheans is not finished and will never fade from the world's memory, especially for the Kampucheans themselves. Though these incidents occurred a long time ago the hatred and anger will be doubled in their memories. It is most certain now that whoever still recognizes "Democratic Kampuchea" means he still admires cruel barbarism more than the stone age and more than anything else. These are the people who never accept any truth, no matter how cruel and barbaric, especially the expansionists and Chinese reactionaries of the period who also persuaded the followers of the reactionaries in the ASEAN countries to accept and exalt what they called "Democratic Kampuchea or the [anti-Vietnam alliance]." The creation of these murderous groups as tools for their own advantage is actually a swallowing up of other nations little by little, according to Mao's will.

Norodom Sihanouk is called the exiled king by the capitalists, but the truth is that he is a murderer, a ghoul. He blindly built castles in the air, and now they are trying to set up what they call the "tripartite coalition government," giving the post of national president to Sihanouk, that of the vice president to Khieu Samphan (a hunting dog of the Chinese), and that of

the prime minister to Son San (dog of the U.S.). Sihanouk appears to us to have two golden leashes, both China and the U.S. The truth is that Sihanouk is not himself. Both the U.S. and China lure him to use him only temporarily. The other two groups, Khieu Samphan's and Son Sann's, are known by everyone to be obedient henchmen of China in the first case, and the U.S. in the second.

As for ideology, Beijing and Washington have different viewpoints towards the Kampuchean issue. Their conflict is even greater, especially with the three nations in Indochina. This conflict has existed for a long time. Thus, when they pushed these three old horses together to serve them, the fact is that each side expects some gains in return for themselves, and not at all for the three old horses (in short, Beijing is for Beijing and Washington is for Washington). Both Washington and Beijing are playing a Chinese card game and are looking for each other's weaknesses and are waiting for a chance to wipe each other out completely. There must ultimately be only one side left according to the proverb, "whoever is good will survive." However, neither Beijing nor Washington are aware of how much the three old horses they are pulling to work for them would return their interests, because the old horses are dying of old age. With only a basket and a saddle on their backs they would lay down dead before they have a chance to walk. This is the truth. They are so absolutely frustrated and angry about it that they don't know what to do.

Even though they are putting great efforts into using the reactionaries in powerful groups in some ASEAN nations as the driving force and are especially busy with the problem they call "pushing the Khmer reactionaries to put their heads together as a Vietnam resistance group." If they were the three old horses it would only be for a propaganda campaign by Beijing and Washington, and in order to save Democratic Kampuchea to merely keep their [seat] in the United Nations. At the present time both of them realize that the supporters of the genocidal regime have lost a great deal of influence. In fact, the United Nations no longer needs to save the fact of this murderous regime to mess up its account, because they are the cruelest of this age and they do not represent anyone. This is because it is the People's Republic of Kampuchea, Kampuchean People's Revolutionary Party and the Kampuchean People's Council which are the only true and legitimate representative of the Kampuchean people. It is most certain that the Kampuchean situation is irreversible. The involvement of the Chinese expansionists, the American imperialists, and other powerful reactionaries in the Kampuchean problem this time is considered interference in the internal affairs of the People's Republic of Kampuchea.

9884
CSO: 4206/67

COMPLAINTS RAISED OVER DISCRIMINATION AGAINST NORTHERN PROVINCES, EX-RLG

Vientiane VIENTIANE MAI in Lao 24, 25 Jun p 2

['Conversation with the Editor' Column: "Are Curricula in Different Schools the Same?"]

[Excerpt] [Questions] 1. Are the policies as well as the curricula of upper secondary or secondary classes in Sam Neua, Xieng Khouang, and Vientiane different? (Of course, you must say they are the same).

If they are the same, why is it that someone who graduates from Sam Neua or Xieng Khouang cannot continue abroad? The highest they can go is here. Sometimes people's names were on the list for study abroad, but the fact is that when [it] reached Vientiane it was changed to someone else to go instead. Isn't this favoritism?

2. The Lao people of all races together succeeded in the national democratic revolution and advancing to the transformation and construction of the new Laos. Suppose there is a person whose father was a leader of a canton of the old regime, and whose daughter seriously took part in the revolution. Will there be a problem of distinguishing them? I am completely in the dark. I hope you can clear this up for me. I wish you luck with your column, and I hope you will always continue it.

Sincerely yours, Petnoi Loukmouang Sam.

[Response] 1. In fact you already know the answer yourself. Therefore, it is not necessary to add anything, but I want to say that the Lao people of all races and ages have their right to freedom, unity, and democracy. Every inch in Laos, their motherland, belongs to all Lao people. Nobody has special rights or a privileged monopoly as Bouangeun Saphouvong composed in the song, "Phao Lao Euy," ["Oh You of the Lao Race"]. One part of her song says, "Lao Theung, Lao Soung, and Lao Loum are all the same nationality. Hurry up, let's unite ourselves and fight for independence and peace for our land. We are all Lao, we are no one else...."

In one part there are words that significantly call for solidarity among all Lao races to unite and love each other. As our leader once said, "Whatever you do, the most important thing is to make over three million hearts become one...."

[25 Jun 82 p 2]

[Excerpt] I believe that you will not object to what I said above, and that's why the first question was clearly answered. I strongly believe that the issue you raised will not occur in our society, and it certainly will not happen. Do not be misled by bad propaganda. Could it be that it happened to you? Is it really true? Tell us all the details. Do you have any evidence or witnesses? I believe that this is only an attempt to maliciously slander our new regime in accordance with the enemy's design.

Anyone who talks about it like this, whether you intend it to or not, means to create division among us, and finally it will follow the formula of "psychological warfare for internal division by the enemy."

Thus, anyone who lacks solid principles without the true concept of history will not be able to evaluate problems. One must have solid principles of revolution and a revolutionary outlook to be able to clearly observe, assess, and weigh the actions that might happen or have happened already. The problem you mentioned, that one who finished school in Sam Neua or Xieng Khouang could not continue their studies abroad, is not at all true. It does not matter where one goes to school, if he is qualified it is guaranteed that there will not be any problems.

The requirements for those who want to study abroad as far as I know are:

1. to study well;
2. willingness;
3. clear personal record.

The important problem is that if there are any scholarships given from abroad, how many are there and in which countries? You must know the details better than I do because you are a student and many times more knowledgeable than I.

As for favoritism, it does not exist in our society dear; it exists only in capitalism.

2. We uprooted the stinking old regime on 4 December 1975, and up to now it is almost 7 years. Thus, all Lao regardless of sex and age and race who make their living in our land now are all innocent and patriotic, and have become a new people with clean and cheerful hearts.

9884
CSO: 4206/67

'NEW STRAITS TIMES' ON OUTCOME OF LEE'S VISIT

BK270849 Kuala Lumpur NEW STRAITS TIMES in English 25 Aug 82 p 16

[Editorial: "More Traffic"]

[Text] It would have been achievement enough if, in his brief one-day visit to Malaysia, Singapore prime minister Mr Lee Kuan Yew had just gotten onto the same wavelength with Malaysian leaders with an attendant strengthening of the already considerable ties between both countries. In any event, both prime ministers were able to announce agreement in principle on eight points of bilateral interest. Some, such as the possibility of Malaysia supplying liquefied petroleum gas to Singapore, were a declaration of intention for the end of the decade; Singapore's energy requirements in this instance being dependent on the technical feasibility of piping gas from the gasfields of Trengganu to the Island State. Others, such as the initiation of an air shuttle service by the two national airlines from November, herald an immediate and closer cooperation in the area of tourism.

It makes eminent sense, especially with a world economy that is dragging out its flaccid recovery, for the tourism bodies and airlines of both countries to reduce wasteful competition, particularly when the same area and interests are being promoted. The initial shuttle service between Singapore and Kuala Lumpur contains the possibility of the service being subsequently extended to Penang, Pulau Langkawi and Pulau Tioman. Together with efforts to facilitate travel between the two countries, such as speeding up clearance at customs checkpoints, the prospects are good, not only for revenue flow and generation, but also for a better understanding of each other.

As Prime Minister Datuk Sri Dr Mahathir acknowledged, there was tension after the separation of both countries, but time and the growing confidence of mature nationhood have dispelled much of this. More and more of the peoples of both countries will be tuning in to the same wavelength, both at official and informal levels. There will be an exchange of civil servants for training at Malaysia's INTAN [National Institute of Public Administration] and Singapore's Civil Service Institute. There will be occasions for further economic cooperation, particularly when Singaporean businessmen are encouraged to look beyond Johore for investment opportunities. All these without compromising the individual circumstances and particular sensibilities of both countries, but accepting much that is common and of mutual benefit.

CSO: 4220/334

BRIEFS

CANADIAN ENVOY TO SINGAPORE--The Canadian high commissioner designate, Mr George Seymour, arrived in Singapore yesterday. He will replace Mr Michael Berry as Canada's representative to Singapore. [Excerpt] [BK270519 Singapore STRAITS TIMES in English 20 Aug 82 p 13]

CSO: 4220/334

NEW ARTICLE ADDED TO PROVISIONAL CONSTITUTION

BK311252 Karachi Domestic Service in English 1700 GMT 30 Aug 82

[Text] The chief martial law administrator has promulgated the provisional constitution second amendment order 1982. Under the amendment, a new article has been inserted after article 13. The new article provides that all orders made and actions taken against any person under the removal from services special provision regulation, 1969, shall always be deemed to have been validly made or taken notwithstanding any judgement or order of any court, a high court and a service tribunal, shall have any jurisdiction to entertain any proceedings related to such orders or actions. Any such proceeding pending before any such court or tribunal immediately before the commencement of this promulgation shall abate forthwith.

Every judgement or order of any such court or tribunal given or made at any time before the commencement of this constitutional amendment order, which is repugnant to the provisions of this article, shall be deemed always to have been null and void and of no effect.

It also provides that any person having been dismissed, removed or prematurely retired from service under the removal from service regulations 1969, has at any time before the commencement of the provisional constitution second amendment order been reinstated into service and is holding office immediately before such commencement shall stand retired from service on such commencement. Where any person who was dismissed, removed or prematurely retired from service at any time before the commencement of the provisional constitution second amendment order and was reinstated into service or granted a pension or other monetary benefit, the validity of any action taken or order passed and jurisdiction exercised by him by virtue of the office held by him for the time being will not be effective. Such a person will not be required to refund any salary pension or other monetary benefits drawn by him before such commencement. Such a person will be entitled to have the period between his dismissal, removal or premature retirement from service and subsequent reinstatement into service treated as service for purposes of pension or other retirement benefits.

CSO: 4220/341

MINISTER SAYS NEW LABOR POLICY TO BE ANNOUNCED WITH NEW POLITICAL SYSTEM

Karachi BUSINESS RECORDER in English 21 Aug 82 p 1

[Text]

QUETTA, Aug 20: The Federal Minister for Labour and Manpower, Ghulam Dastgir Khan has said that the blueprint of the new labour policy was ready but it would be announced with the enforcement of the Nizam-e-Islam and Islamic political system so that the workers could carry on their trade union activities unhindered in a free atmosphere.

Speaking at the convention of the National Labour Federation at the Railway Institute soon after his arrival here today from Karachi on a three-day visit the minister assured the workers full protection of their genuine rights, privileges and employment under the new labour policy. "we neither have enemity towards employers nor the employees", he stated and added endeavour was being made to ensure a respecable place for the employers and protection of the genuine rights of workers.

The minister said almost all the problems had been sorted out except the employers demand for hire and fire on which negotiations were in progress

The minister told the workers convention that the government was making sincere efforts and taking bold steps for introduction of Nizam-e-Islam. The government he said was also rooting out corruption and other social evils.

He said that Pakistan was very rich in resources which, if properly explored and exploited could turn the country into a prosperous land Efforts in that direction have been taken in hand by the present government and every section of the society would be extending its fullest cooperation towards achievement of that goal, he stated.

The minister however, invited their attention to the fact that the ills created by the self seeking politicians during past 35 years could not be removed within days. It required sincere and persistent efforts he added. —APP.

CSO: 4220/332

HAQ REITERATES ADHERENCE TO NONALIGNED POLICY

BK010705 Karachi Domestic Service in Urdu 0200 GMT 1 Sep 82

[Text] Nonaligned movement day is being observed in Pakistan and other nonaligned countries today. In a message on the occasion, President Mohammad Ziaul Haq reaffirmed the commitment of the government and the people of Pakistan to the principles which form the cornerstone of our foreign policy. He said Pakistan will continue to play a positive and constructive role as a member state to uphold and promote these principles. President Mohammad Ziaul Haq said in his message that the nonaligned movement must continue to speak courageously and with one voice whenever inalienable rights of the people are trampled upon or when the sovereignty and territorial integrity of a state are violated. He said the movement should continue to exert its moral and political force for the cause of freedom for all people. He said that during the past 21 years, the growth of the movement from the initial membership of 25 to about 100 states amply testifies to the universal acceptance of the principles and objectives of nonalignment.

The president said that besides the threats to international peace and security, the independence, sovereignty and territorial integrity of the nonaligned countries are constantly faced with danger. Under the circumstances, the movement will have to play a vital role in protecting the basic principles of nonaggression, nonintervention and nonuse of force in international law. He said Israel's latest crimes against humanity shocked the conscience of the whole world. Even in our neighborhood, the valiant Afghan people are engaged in a courageous struggle to defend their sovereignty, territorial integrity, political independence and the nonaligned character of their homeland. Kampuchea has also been made a target for foreign military intervention and subjugation. A racist minority in southern Africa is treading on the birthright of the majority. He said the war against poverty, hunger and disease is no less important. The nonaligned movement will have to play an important role in establishing a new international economic order based on justice and equality.

CSO: 4203/185

PLEA MADE FOR REPRESENTATIVE RULE

Lahore VIEWPOINT in English 12 Aug 82 pp 5, 6

[Editorial: "Let the People Decide"]

[Text] WE HOPE the large-scale festivities planned for the anniversary of independence on Saturday, which certainly have a place in a society in proportion to the degree of freedom it enjoys, will not prevent us from devoting some moments to examine what has been achieved in the 35 years of independent statehood and what has been left undone. In most countries national day reviews are confined to a resume of the preceding 12 months or so because they are only concerned with developments on the basis of premises laid down and accepted in the past. In our case it is customary to take the whole independence period together becuase of the unresolved tussle over the motivation behind the formation of the State itself and the recurring attempts to determine the direction it must take. The balance-sheet is far from encouraging. True, the country has come a long way since the troubled days of August 1947. The State has survived, though not without the loss of its bigger half, a series of seemingly insurmountable crises. The administration has flourished, some of its arms to a greater extent than others. There was no industry 35 years ago, today there is a large manufacturing sector. Gross agricultural output has risen: after two decades of endemic food deficits, self-sufficiency in foodgrains has been achieved. More schools, colleges and universities have been opened. And so on and so forth. Some of it does constitute progress, though not all, for growth does not always mean uplift. In almost evey sector time has increased the magnitude of the challenge of progress and not reduced it. The State structure remains a make-shift arrangement. Despite industrial growth dependence on imports continues to rise every year by a wide margin. The increase in agricultural production has been accompanied by an aggravation of social and economic inequalities in the large countryside. And more children every year stay out of school than are admitted. Above all, the fruits of independence have largely been expropriated by a few privileged classes. That some benefits have flowed down to the lowest rungs of the social ladder cannot be denied but the world of the common man – the factory worker, the tenant, the petty shopkeeper, the clerk, the teacher, the widowed housewife – remains dark and uncheerful,

unlighted by the glimmer of hope.

The priorities were messed up soon after independence. Nobody could claim to know them better than the Quaid-i-Azam, the Father of the Nation. He defined Pakistan's ideals in his very first address to the Constituent Assembly. The foremost tasks in the new State were, he declared, eradication of corruption and nepotism, uplift of the poor masses, and the building up of a Pakistani nation – in the accepted sense of the term, free from the claptrap the renegades of the freedom movement were to foist on rootless rulers later on. But his unworthy successors persisted in acting to the contrary with a determination that only betrayed their boundless greed for self-aggrandisement. The institutions they were supposed to build and develop were corrupted and pulled down, one by one. Most of these disappeared and the few that lingered on were distorted beyond recognition, beyond redemption. However, the whole story of those lost years need not be recounted. For one thing, it is too well-known, and for another, the problems of the present are far too pressing and grave to permit any digression. Only the lessons of history need to be remembered.

In fact, there is only one lesson. All our problems – the zig-zag movement in search of a workable polity, the drift in economy, the moment-to-moment improvisations in external relations, the sluggishness in the social sectors, and the regression in culture – have stemmed from the repudiation of the inviolable principle of people's sovereignty, the denial of the right of the masses to be masters in their own house, to choose the government that could be described as theirs and for them, and to receive their due share of nature's gifts and the produce of their labour. The present dilemma cannot be overcome without understanding this lesson and deriving the obvious conclusions from it. The problems Pakistan faces today are no doubt grave. We are living under a system which has always been accepted as a transitional one. The custodians of the State have repeatedly promised a new polity. It is possible that the delay in the fulfilment of these promises has been caused by fears of change or lack of faith in the possible alternatives. These reasons of inhibition have no basis in reality. The common people are not only worthy of trust, their capacity for mature answers to various problems need not be discounted. Any other problems, including those created by unpleasant rumblings at home and uncertainties along the frontiers, should not be exaggerated. In any case, they underline the urgency of putting the house in order and cannot furnish an excuse for pushing the issues under the carpet. There is a widespread feeling among the people that on Independence Day they will receive some tidings regarding resumption of our journey towards normalcy in State structure. We fervently hope that these expectations will be duly fulfilled and the power and logic of expectations and the consequences of their non-realisation will be fully borne in mind. Happily a grand consensus, to which we have often referred, is still available. The opportunities of a return to the path of harmony, stability and progress it offers can be ignored only at grave peril to everything that we prize. Time has on many occasions deprived Pakistan of what could have been gained at the opportune moment. We cannot afford to add another instance. Representative rule is not only the people's due, it is the only way to the greatest happiness of the largest number. Let it be so in the 36th year of independence.

MEASURES FOR ESTABLISHING JOINT ISLAMIC ARMY DISCUSSED

Rawalpindi TAMEER in Urdu 11 Jul 82 p 2

[Editorial: "Concept of a Joint Islamic Army"]

[Text] Pakistan's minister for natural resources, Rao Farman Ali Khan, in the course of a speech in Lahore reiterating the necessity of setting up an army of Muslim countries, said that had such an army been present, Israel would not have dared to invade Lebanon. The concept of setting up a joint army of Muslim countries is a very agreeable one, and as a matter of principle, it has been well received by Muslims in general, regardless of their nationality. On the one hand, Israeli aggression stresses the urgency of implementing the proposal for setting up a joint Islamic army. On the other hand, the lack of desire on the part of Muslim countries for using military force against Israel has dampened the enthusiasm for this concept. It is generally believed that if Muslim countries are incapable of taking joint action on an issue on which the entire Muslim world has strong feelings, and against an enemy whom all Muslim countries consider as their greatest enemy, then how can they agree on the issue of forming a joint Muslim army. There can be only two ways of setting up a joint Islamic army. First, every Muslim country should allocate a contingent of its army for the proposed joint army and place it under a joint command. But such an army is possible only on paper. Differences among the Muslim countries are so great that even under the most critical conditions they cannot be expected to place their armies under a joint command without hesitation. The second effective condition under which a joint army can be set up is that not only should this army be under a separate command but that the orders of their own countries should not be binding on these units. But this is a very difficult task. Where will the headquarters of such an army be located? Where will its garrisons be located? How will its budget be met? And the most important factor is, how will this army be provided with modern weaponry? In the present era, the number of soldiers does not have any significance. If the Muslim countries so desire, they could form the largest army in the world. It is not at all difficult for them to recruit 3-4 million men. But in the modern age, the number of soldiers is of secondary importance. What is really important is the training of any army and the standard of arms and ammunition. And under the present circumstances, furnishing the army with arms meeting modern standards appears to be difficult, because big powers provide arms on cash payment only to those countries who are prepared

to abide by their political aims and objectives. Besides, even if such an army were to be set up, the question of determining the conditions under which it could be used is of equal importance.

In view of such practical difficulties, the only practical solution appears to be that at the outset efforts should be directed at forming a small army whose goal would be to preserve the unity of Jerusalem and wage a holy war for the liberation of Palestine. Different Muslim countries should provide manpower, arms and money according to their means. To make it an effective force, its military command will have to be free from political differences. Such an army, even if it were to be composed of just 2-3 divisions, could play an effective role under critical conditions. But because of the absence of a political determination and a bold and independent policy, which are essential for taking such steps, it seems unlikely at present that this concept will go much beyond discussion.

9315
CSO: 4205/163

NATION SEEN AS GREATEST TARGET OF ANTI-ISLAMIC WORLD POWERS

Karachi JASARAT in Urdu 27 Jul 82 pp 1, 10

[Article by Vaysal Abad: "'Arafat Would Be the Last Person To Recognize Israel; the News of Recognition of the Jewish State Is Doubtful; If This Happens, the Whole Dispute Between Israel and the Islamic World Would End; If MRD [Movement for the Restoration of Democracy] Is Sincere to Muslims, It Should Condemn the Soviet Aggression Too; If Elections Are Held on Nonparty Basis, the Country Would Be Divided Into 68 Provinces"]

[Text] Faisalabad, 26 July (JASARAT Correspondent)--The leader of Tehrik-e Islami of Pakistan, Mian Tufayl Muhammad has expressed his doubt about the accuracy of the reports of PLO's recognition of Israel, saying that this thing is unbelievable. If Yasir 'Arafat recognizes Israel, the dispute between Israel and the Islamic world would end. He said that in his opinion, Yasir 'Arafat would be the last person in the Islamic world to recognize Israel. He said this while addressing the journalists in the evening today at the office of the Majlis-e Dawat-e-Islami. He said that he doubted the accuracy of the sources through which the news of Israel's recognition had come. Responding to a question, he said that MRD's stand on the Lebanese and Palestinian Muslims was inconceivable since the MRD people were silent over the Soviet invasion of Afghanistan. They were against the Afghan refugees entering Pakistan. If those people were so sincere to Muslims, they should condemn the Soviet invasion of Afghanistan and openly support the Afghan freedom-fighters. They should demand to send armed forces to Afghanistan since Afghanistan's Muslims were fighting for Pakistan. Afghanistan's defense is in fact the defense of Pakistan. Replying to a question, he said that the People of other political parties who accused Jamiat-e Islami of supporting the regime had their own representatives in the provincial and central councils, whereas Jamiat-e Islami had no one in these institutions. Opposing elections on nonparty basis, Mian Sahib said that such elections would cause disruption in the country and divide it into 68 provinces instead of 4. Regarding the roundtable conference, he said that he had no information about it. He would think over it if invited. In response to a question, he said that the Muslim League alone had been ruling the country upto the present. Only its names were changed. The Muslim League lost half of Pakistan. Presently, it had several branches with various names, and each one of them regarded itself as the true Muslim League. Miam Tufail said that the greatest target of the anti-Islamic world powers and Israel was Pakistan. Pakistan's government and people should well recognize this fact.

9779
CSO: 4203/167

COUNTRY ADVISED TO AVOID TRAP OF FOREIGN LOANS

Rawalpindi TAMEER in Urdu 5 Jul 82 p 2

[Editorial: "The Curse of Foreign Loan]

[Text] Dr Mahboobul Haq, chairman of the Planning Commission, addressing a news conference the other day, said that the major portion of the foreign aid Pakistan is currently receiving is being spent on the payment of previous debts and the interest incurred on these loans. According to his statement, more than three-fourths of the foreign aid Pakistan is receiving is being used to pay these debts. He is therefore proceeding to the United States to arrange a rescheduling of the payment of these loans. When the decision was made to develop the national economy with the help of foreign loans, some far-sighted people warned the government of the calamity that could befall our country because of such laons. The United States in particular had engineered plans to trap developing countries in the name of such aid, the trap was not so complicated that it could not be detected by others. But knowing everything, we got ourselves trapped. We thus labelled as "aid" the loans borrowed at interest and accepted all the terms and conditions connected with these loans. In other words, we accepted the trusteeship of the Unites States and organizations set up by it, such as the World Bank and International Monetary Fund, and devalued our currency a number of times. Not only at the time of independence but even up to 1960, the rate of exchange of $1.00 was just 4.75 rupees, whereas today circumstances are so changed that the rate of exchange for $1.00 has increased to more than 12 rupees. At first, for 3 Pakistani rupees you could get 4 or 5 Indian rupees. Today, it's just the reverse. The situation today is that Pakistan is head over heels in debt. For payment of this debt, Pakistan has to obtain billions of rupees in additional loans. Hence, the burden of debt is continuously increasing and it appears that the day is not far off when the total amount of the new loans will not be sufficient to pay the principal and interest of the previous debts and Pakistan will be forced to obtain short-term loans of high interest rates from big Western banks in the international market.

We have the immoderation of the past before us. Foreign loans were obtained to solve all problems, whether small or big. In this way, the bureaucracy and a special class of people led extravagant lives. Other countries who used foreign aid even simply to kill insects faced similar problems. But it is no use to enumerate the mistakes of the past or to deplore them. If

serious efforts are made to redress the situation and, at least for the future, a procedure is worked out so that no room is left for foreign loans, and a final unequivocal decision is made not to obtain foreign loans at high interest but on easy terms only, then Pakistan can still be pulled out of the economic misery into which loyal experts of the World Bank and the U.S. capital have dragged it.

If the Government of Pakistan were to stop payments on loans immediately,and were it not to get fresh loans, only about 20% of the so-called aid it is receiving would be affected. This after all is not such a huge amount that it could not be provided by the Pakistanis living overseas and other friends of Pakistan. An increase of 10 or 15 percent in the amount of money being sent by Pakistanis living abroad would suffice to make up for this deficiency. Once a decision is made on this issue, it should not be difficult for the government to reach an agreement with the creditors on the question of paying the loans over a long period. The crux of the matter is that Pakistan should now try to disentangle itself from these loans. Instead of seeking new loans, Pakistan should try other sources for increasing its income. Foreign loans have shattered the economy of a wealthy country like Mexico and of countries rich in natural resources, such as Argentina and Brazil. If Pakistan wants its economy to have a strong foundation and wants the value of its currency to be increased and to free itself from the curse of inflation, and if the self-respect of the people is to be awakened so that they depend on their own ability to solve the problems facing them rather then depend on aid that limits their progress, then above all it will have to free itself from the curse of foreign loans.

9315
CSO: 4203/163

CHANGE IN FOREIGN AID POLICY ADVOCATED

Rawalpindi TAMEER in Urdu 6 Aug 82 p 2

[Editorial: "The Blessings of Foreign 'Aid'"]

[Text] The Deputy Chairman of the Planning Commission said that 80 percent of the foreign aid Pakistan is receiving at this time goes to repay loans and interest. How many of Pakistan's problems will the remaining amount solve, and in what way will it speed the pace of progress? There is no doubt that when one is left with just 300,000,000 to spend, even after obtaining a loan of 1,500,000,000, it is like the proverb: What will the naked woman wear while she washes her only clothers? But who is responsible for this state of affairs? We can put the blame only on those economic experts who have always considered the cure for every ill to be foreign loans, or those politicians and rulers who on the basis of their own maladies have considered it necessary to make the national economy subordinate to Western and especially American institutions. Foreign loans are considered essential for even the smallest project in Pakistan, because this way the work goes forward without any labor, selflessness or mental effort, and the gentlemen involved also gain unlimited financial benefit. But just as those who drink the wine of loans give no thought to the fact that they are cheerfully bringing on drunken starvation, so our leaders too have never given thought to what a great problem for the country these loans, which are not being used to establish the economy on a concrete basis, will become in the future.

How many industries have been established from the many rupees obtained from the America and Western countries? Those countries have not allowed any fundamental industries, including the steel industry, to be established in Pakistan, and this has been their treatment of not just Pakistan but of the whole world. India established its steel industries and other basic industries only with the help of the Soviet Union. Egypt and Iran too received aid only from the Soviet Union to establish these industries. Why this was so despite our extreme friendship with the United States and even more help, and why this "aid" was limited to using up the extra crops and excess production of the Western countries is not too difficult to understand.

At the time when, with the loan of a few million dollars, Pakistan entered the club of those fortunates who receive foreign aid, Pakistan's leaders seemed very happy with those few million dollars. Now even after receiving

thousands of millions of dollars in aid we see them sitting holding their heads in dismay. Out of $1.5 billion of aid, $1.2 billion are going to pay off old debts, but it is being proposed to cure this by means of additional loans, so in a few years even a loan of $5 billion will prove insufficient to pay old dues.

We feel that the only cure for this situation is to rethink our entire policy towards foreign aid. Whatever work can be done by means of our country's individual strength and national resources should be done without taking a single cent from outside the country. The policy of depending entirely on Western countries for the nation's development should stop, and preference should be given to whatever country is willing to provide aid on concrete and easy terms.

9914
CSO: 4203/171

IBRS, IDB TO HELP FINANCE KARACHI WATER SUPPLY

Karachi BUSINESS RECORDER in English 21 Aug 82 p 1

[Article by S.M. Azad]

[Text] The World Bank and the Islamic Development Bank (IDB) have expressed their willingness in financing State-1 of the phase four of Karachi Water Supply Scheme costing Rs 220 million to augment water supply and help meet the critical shortage.

If this proposal is finalised, it will help increase water supply to the extent of 70 million gallons daily (MGD).

The scheme aimed at supplying settled water and chlorinated water fit for human consumption.

Official sources told Morning News that the World Bank was also actively considering financing Rs 346 million Stage-2 filter water supply of Hub Dam Scheme. The Islamic Development Bank has already sanctioned Rs 100 million for this scheme.

The work on the first stage costing Rs 200 million for augmenting water supply by 89 MGD was nearing completion.

The World Bank team, during its last visit to Pakistan held discussions with the officials here on the question of financing the water supply scheme and also showed positive interest in providing funds for it.

With the completion of these projects the water supply position to this sprawling city is expected to ease to a very large extent.

The first stage of Hub Water Supply Scheme which is expected to be commissioned soon will help ease the pressure to some extent but the shortage will persist. Even after completion of this scheme there will be immediate shortfall of 44 million gallons for regular supply and additional 61 million gallons for special supply.

In view of the existing shortage special efforts are being made to conserve the water supply and effect improvement in the present system. Sub-soil wells dug in the bed of the Malir river at Dumlottee which used to supply water to the city are being renovated and an additional supply of 4 MGD is shortly expected.

Water shortage is the most chronic problem facing Karachi. At present the net supply to Karachi is 180 million gallos daily for a population of 6 million.

Water shortage has led to rationing of this critical input to manufacturing establishments.

Not only the present supply is much below the requirements, the distribution system is defective resulting in pipe bursts and inequitous distribution.

CSO: 4220/332

GRASSROOTS DEVELOPMENT EFFORTS FAULTED

Islamabad THE MUSLIM in English 16 Aug 82 p 4

[Article by Nazim: "The Missing Link in Local Government and Grassroots Development Planning"]

[Text] During British rule it was possible to introduce some aspects of local government (then called local self-government) while the central authority remained alien and imperialist. The jurisdiction of local bodies was clearly defined, and locally elected representatives enjoyed considerable freedom of action within the prescribed limits. There was, for instance, a flourishing primary education system, which was entirely in the hands of local bodies, while an arrangement with the provincial government allowed standards to be maintained through a provincial government inspectorate under the control of an elected district education committee. These harsh contradictions were considerably reduced with the introduction of Government of India Act 1935, and the establishment of Provincial autonomy. Local bodies acquired more powers and functions, so much so that it can be said that there was more local government in the Indo-Pakistan sub-continent before Independence than there is in Pakistan today. Indeed the institution of local government was systematically destroyed in Pakistan by the retention of a central, colonial cadre (the ICS/CSP) which established its hegemony over the district in the shape of the deputy commissioner, who has always been a federal agent. Local government and the deputy commissioner do not go together, they are a contradiction in terms. In the same way there can be no local government in isolation from the rest of the institutions in the country. Local bodies are an integral part of the federal and provincial governments in an independent country. Thus with no democratic institutions functioning at the federal and provincial levels, and the continuation of a martial law framework, it is difficult to conceive of a viable and popular local body. Indeed there has been no real attempt to introduce local government in the country – most such efforts have merely aimed at extending the arm of the federal/provincial authority to local areas, and to inducing local bodies to carry out the wishes and directives of that authority. This cannot be described as 'local government'.

The fate of attempts at decentralised planning and development at the grass-roots level has also been more or less similar.

These observations are prompted by recent remarks made by the Federal Minister for Local Government, and the long 100-point questionnaire issued by his Ministry. In a press briefing the Minister is reported to have said that for the "first time" in the history, of the country development planning at village level and district level would be introduced according to the recommendations of the local councillors. Inaugurating, according to him, a 'first-ever' 3-day course on planning strategy, he said that the fundamental fault of 'Basic Democracies' was that their development plans were designed to benefit the feudal lords and the influential people of the local areas, whereas under the present strategy of development planning it was the government's basic concern that the benefits of development plans should reach the general masses.

Now the feudal structure in our rural areas still prevails, the big landlords still lord it over the small farmers and landless peasants. It is the big landlord, the big feudal who continues to dominate the rural scene. In the circumstances it is impossible to visualise any fundamental change, unless a radical democratic order replaces the present feudal structure. During Ayub's time there had been numerous seminars and training courses for boosting the cleverly-designed and sinister Basic Democracies scheme, which was basically authoritarian, and an extension of Ayub's personal rule backed by the civil and military bureaucracy. There was a lot mentioned about decentralised development planning and district plans, and provision was even made for the purpose in the Basic Democracies Order 1959, wherein it was stated that District and Divisional Councils may formulate plans, that Basic Democracies should be associated with the planning and implementation of development schemes, and that all new schemes of various departments relating to a division should be seen and approved by the Basic Democracies Divisional Council. Indeed development schemes were required to be cleared through the District and Divisional Councils. All this, of course, was mere paper rhetoric, for actual decentralised planning never took place. Even Ayub was not the first to talk about local planning. The First Five Year Plan had suggested that rural development plans in particular should originate in the villages and proceed upwards.

The Basic Democracies system as a local government agency, and as a local planning authority

proved to be a colossal failure, as was the previous so-called 'grass-roots' agency, the Village-AID (Agricultural & Industrial Development), which emerged and collapsed during 1952-61, and after 1961 merged with the Basic Democracies programme. A third paper rhetoric about local development and planning also came in 1961 in the shape of the 'rural works programme' under an agreement with the U.S.A. which provided counterpart funds under PL480 to the tune of the rupee equivalent of six hundred million dollars during a 4-year period. Money was poured into the rural areas, and it was said it helped Ayub in his elections held during that period. All these programmes, which were mainly calculated to sustain and prolong a dictatorial regime, certainly did little to develop the rural areas or promote agricultural and industrial development, or nourish democratic local government institutions. First things must come first: Democratic and representative institutions under the 1973 constitution must be restored first.

CSO: 4220/324

KHWAJA SAFDAR LASHES OUT AT WALI, ISRAR AHMAD, CRITICIZES NDP'S ROLE IN PAST

Islamabad THE MUSLIM in English 16 Aug 82 p 7

[Text] LAHORE, Aug. 15: Khwaja Safdar, Chairman, Majlis-e-Shoora, said today Pakistan was the result of consistent struggle of the All India Muslim League under the leadership of Quaid-e-Azam, Mohammad Ali Jinnah and any attempt to distort this historic fact was tendentious.

He was speaking at a reception hosted in his honour here yesterday in connection with the Independence Day. Federal Labour Minister, Ghulam Dastgir Khan, and some members of the Majlis-i-Shoora, also spoke on the occasion.

Castigating the leaders of the defunct National Democratic Party for attributing independence to the so-called sacrifices offered by their elders, Khwaja Safdar said, there could be nothing far from truth. He also deplored a recent statement by Dr. Israr Ahmed, that it was not the Muslim League which had created Pakistan, and said that Doctor Sahib should go through history to know the facts.

The Shoora Chairman said that some leaders of the defunct NDP, while observing Bhabra Day, had claimed that the independence of the nation was the result of the Civil Disobedience and Non-cooperation Movements launched by their elders which compelled the British rulers to quit the Sub-Continent, and that without the efforts of their elders, Pakistan would not have been created.

These elements, Khwaja Sahib said, had so deep rooted hatred for Pakistan that they even did not like to pronounce the name "Pakistan" from their mouth.

No Pakistani, the Shoora Chairman said, could be oblivious of the treacherous role of the NDP leaders in the referendum held in the NWFP only one month prior to the creation of Pakistan. And no one either, he said, could deny the historical fact, that these people not only exercised their right of vote against Pakistan but also attempted to stop others who were going to vote for Pakistan. They attacked the buses of the supporters of Pakistan and did not allow them to reach the polling booths. Their polling agents, he said, raised all sorts of frivolous objections on the votes cast in support of Pakistan.

Khwaja Safdar said had these elements been successful in their attempts, this Muslims State would not have come into existence and crores of Muslims in the Subcontinent would have been completely at the mercy of the Hindu majority and leading a life of misery and slavery like the Indian Muslims today.

Despite these elements strong opposition to Pakistan, Khwaja Safdar said, the Quaid announced complete amnesty for them in the traditions set by the Prophet Yousuf and the Holy Prophet (Peace Be Upon Him). Pakistan he said, was the only country which adopted such a policy towards its adversaries.

In Pakistan, he said, the minorities were living side by side with the Muslims majority but during the last 35 years, there was not even a single instance in which a Muslim ever did any harm to a member of the minorities. This, he said, was due to the golden teachings of Islam and the Quaid-e-Azam and the Muslims and the minorities were living in perfect harmony. Contrary to that, he said, there had been thousands of communal riots in India where the blood of the innocent Muslims was being shed mercilessly and this process did not seem to end.

The Majlis Chairman congratulated the nation for celebrating the independence day in a befitting manner and said this was the symbol of a living nation which always valued and loved its freedom. He said certain elements were critical of the Independence Day celebrations in view of the situation in Afghanistan and Lebanon. He was of the view that the happenings in these countries should deepen our love for freedom.

Speaking on the occasion, Ghulam Dastgir Khan said the Independence Day reminded the nation of the unprecedented sacrifices of life, property and honour offered by the Muslims of the Sub-Continent to achieve this separate homeland.

The Minister said certain elements were raising their voice against the Quaid and the Pakistan Ideology, in a bid to create doubts about the Quaid's integrity of of character and the basis of this country.—APP

CSO: 4220/324

ANTIOBSCENITY LAWS CALLED 'NON-ISSUES'; MORE IMPORTANT PRIORITIES URGED

Islamabad THE MUSLIM in English 16 Aug 82 p 4

[Editorial: "Topsy-Turvy Priorities"]

[Text]

WE seem to be spending more of our time and energy these days on non-issues than on those which are of far greater concern to the nation. A dispatch from our representative in Faisalabad says that the Council of Islamic Ideology and the Law Ministry have been directed to draw up effective laws against obscenity,and that an Ordinance, titled, "Eradication of Pornography and Obscenity Ordinance", drafted for the said purpose, was now receiving final touches before its promulgation. The law is said to be applicable to all media employing verbal or pictorial means to project material likely to titillate amorous or erotic sensations among readers or viewers of such stuff. The object of the exercise is to purify various sectors of art and culture from unethical and un-Islamic manifestations. It is indeed a laudable objective, but it conveys the impression that our stage plays, art galleries, roadside hoarding, T.V. shows and advertisements through the video-box, newspapers and magazines in the country were so bristling with such unedifying contents that the promulgation of a special Ordinance had become unavoidable.

Locally produced films are already subject to clearance by the Film Censor Board which takes extra care to ensure that nothing likely to be morally corrupting escapes its scissors, if the entire film is not banned. Likewise, pre-censorship of the Press is already in operation to guard against publication of sensuous material. Foreign magazines like Playboy and such other publications are held back by the Customs authorities. Writing under the headline 'High price phoney erotica' early last week, one of our regular columnists had pointed out that old copies of Indian film magazines with a semblance of sensuality were smuggled into the country and sold openly at the stands at prohibitive prices in Karachi. Barring this, nothing of that nature has been seen anywhere else. There was a time when strip-tease shows were common in Karachi, but that now lies buried under the debris of past years.

These are times of armed dacoities, thefts, burglaries, and hold ups which have deprived the people of their sense of security. This is a matter that should have engaged immediate and

far greater attention of the authorities to overhaul the law and order machinery of the government. But the casual manner in which it was dealt with by the Federal Minister for Interior in his address to traders in Lahore the other day has left everyone both astonished and despondent. He is reported to have observed that a 1,00,000-strong police force cannot underwrite the security of 8.5 crore people in the country who should make collective efforts to protect themselves. Nothing could have given more of a jolt to undermine people's confidence in the power wielded by the authorities.

Our roads continue to take almost their daily toll of human life, but little is done to rectify this abhorrent situation. Highways in the twin-cities of the Capital are smooth and safe for limousines of the high-ups to drive at full throttle, but by-roads lie profusely pocked with potholes and streets remain frequently inundated with overflowing sewerages or leaks in the underground water pipes. It is high time the government rearranged its list of priorities and gave more thought to the physical discomforts of the citizenry than to the moral uplift of the masses, tormented with multiple problems who are by no means a depraved people.

CSO: 4220/324

SOVIET-PAKISTAN COOPERATION EXPANDING

Islamabad THE MUSLIM in English 16 Aug 82 p 5

[Text]

MOSCOW, Aug. 15: "Thirty-five years ago our country rose from the ashes of communal differences and colonial oppression, and today develops as a free state which unites more than 60 million Muslims of South Asia", said Iftikhar Ali, Ambassador of Pakistan to the USSR, at a function marking Pakistan's national holiday held at the Moscow Friendship House.

The fight for self-determination, the Ambassador continued, was won in a fierce struggle and at the cost of numerous sacrifices. Our history was not an easy one. It was necessary to overcome the aftermath of colonialism: the absence of an industrial base, low level of agricultural development and illiteracy of the population.

Emphasising the role which the Soviet Union has played in strenghthening Pakistan's economic independence, the Ambassador mentioned as outstanding examples of the assistance of Soviet specialists the steel plant in Karachi, the Guddu thermal power station, and the tractor plant currently going up near Lahore. At present a considerable number of Pakistani students are being trained at Soviet higher educational establishment. The trade and cultural co-operation between Pakistan and Soviet Union is also developing successfully.

The Soviet Union, went on the Ambassador, constitutes for us an example of a country which has managed to successfully solve most complicated tasks within an exceptionally short period of time.

In conclusion the Ambassador of Pakistan expressed confidence in the further expansion of Pakistani-Soviet economics, technical and cultural co-operation.

Yuri Gurov, Vice-President of the Soviet-Pakistani Society for Cultural Relations also took the floor at the meeting. He stressed that the Soviet Union welcomed the establishment of the independent Pakistani state and pursued with regard to that country policy of peace, friendship equality, non-interference in domestic affairs, assistance in doing away with the consequences of the colonial yoke and ensuring economic, social and cultural progress.

The speaker declared that the USSR was ready to continue helping Pakistan in building economic projects which constitute the basis of the country's independent development.

Supporting the nations' struggle for national independence, the USSR comes out for the further development of relations with coexistence, mutual trust, respect, and expansion of economic, technical and cultural co-operation, stressed Yuri Gurov in conclusion of his speech.—APP

CSO: 4220/324

POSITION ON SPECIAL FUNDS FOR FORMER RULERS STATED

Karachi DAWN in English 24 Aug 82 p 9

[Text]

ISLAMABAD, Aug 23: The State and Frontier Regions Division has contradicted a report appearing in a section of the Press yesterday alleging that the Nawabs were staging a comeback and some of the ex-rulers were being allocated "special funds" for their subsistence.

Clarifying the position, the Government said: "The factual position is that the privy purse and all other privileges, such as guards of honours, exemption from appearance in courts and being sued without permission of the Central Government, Railway concessions, Customs facilities, diplomatic passports, flying of personal flags etc. of the rulers were abolished under article 4F of the Presidential Order No. 15 of 1972.

"Further recognition of successors to the rulers after the death of recognised rulers also came to an end under article 3(C) of the said order. Hence the institution of Nawabzadgans was abolished.

"However the ex-rulers and their such dependents, who used to be paid some allowance out of their privy purse before coming into force of Presidential Order No. 15 of 1972, have been granted maintenance allowance in lieu of privy purse. Maintenance allowance, under article 5 of the said order for their lifetime only, is on compassionate grounds.

"The rulers of Amb, Kalat, Kharan and Makran died after promulgation of Presidential Order No. 15 of 1972. Their successors have neither been recognised as rulers nor granted any maintenance allowance after their death.

"Only their dependents, who used to receive some allowance out of the privy purse of the rulers, are being paid some maintenance allowance for their lifetime only.

"The Press report is obviously based on the provision made in the Budget for payment of maintenance allowance to some ex-rulers viz Amir of Bahawalpur, Amir of Khairpur, Jam Sahib of Lasbela, Wali of Swat, Nawab of Dir and Mehtar of Chitral and the dependents of the few deceased ex-rulers mentioned above.

"In fact, under Presidential Order No. 15 of 1972 the Nawabi system stands abolished and all privileges stand withdrawn. This is in keeping with the Government's policy. The news item is, therefore, not only incorrect but also misleading."

CSO: 4220/328

MRS BHUTTO MAY HAVE CANCER

Manila BULLETIN TODAY in English 26 Aug 82 p 3

[Text] ISLAMABAD, Pakistan, Aug. 25 (UPI)--The widow of Pakistan's executed Prime Minister Zulfikar Ali Bhutto confirmed Tuesday she has applied to the military government for a passport and permission for treatment abroad of suspected lung cancer.

Mrs. Nusrat Bhuto told reporters she has sent a petition to the Ministry of Interior supported by medical documents.

She said she did not know how long she would be staying abroad and expressed a wish to return to Pakistan after the treatment.

Mrs. Bhutto, 55, took over the leaderhip of the left-leaning Pakistan People's party immediately after the execution of her husband on April 4, 1979 for his involvement in a murder case.

Political observers have said it would not be easy for the current government to allow Mrs. Bhutto to go abroad, but Ghulam Mustafa Jatoi, chairman of the People's party, told reporters she should be permitted to go abroad for treatment.

Since the death of her husband Mrs. Bhutto has been in and out of jail for her political activities.

CSO: 4220/330

ADMINISTRATION CHARGED WITH CORRUPTION, LAWLESSNESS

Karachi JASARAT in Urdu 26 Jul 82 p 3

[Editorial: "When Will the Administration Wake Up?"]

[Text] Tehrik-e Islami's [Islamic Movement] assistant amir Maulana Jan Muhammad Abbasi has said that the administration has failed altogether. Crimes are increasing. Especially, there is no control over dacoity, murders, mugging and robberies. He said that during the past 2 years, approximately 7,000 people have been murdered. The rate of corruption is continuously increasing.

Bad administration is the weakest point of the current martial law government. This very weak aspect may have serious consequences for this government. The increase in crime and the very failure of the administration itself are no less troublesome, but the thing that worries us more is that the government does not seem to be bothered at all about this matter. The people who should pay attention to this situation appear to be quite contented. It seems that they consider it unnecessary to take any steps in this regard. Negligence of these responsibilities is very tormenting for the public.

There are robberies and thefts and citizens are mugged, beaten and killed, but no guardian of their life and wealth is questioned as to why all this is happening.

At least, the superintendent of police, the deputy superintendent of police, police officers and other police authorities of Sind continue to hold their respective posts in spite of all these dreadful incidents as if these police stations and regions are their inheritances. What is the cause of this stupor? The public may not know in fact, but they do have the impression that President Ziaul Haq's government and martial law are totally powerless and inactive in front of the corrupt and rotten administration. In order to alter this impression and bring the current situation under control, the federal and provincial interior ministers, the interior secretary and [Inspector General] IGs of all provinces, especially of Sind, should be relieved of their duties so that there may be a change in the present senselessness shown by the administration.

9779
CSO: 4203/167

HIGH FOOD PRICES RESULT OF EXPORTS

Rawalpindi TAMEER in Urdu 30 Jul 82 p 2

[Editorial: "The Price of Food Goods"]

[Text] The conditions of food production in the country described by Pakistan's Minister of Food and Agricultural, Admiral Janjua, certainly point towards progress, but the country must do much more. Experts, both Pakistani and foreign, say that with only a little effort Pakistan could supply most of the food needs of the Middle East. The Minister of Food has also said that in addition to the slight surplus in wheat production there has also been more sugar produced than needed. Planning to increase the production of milk and meat is being undertaken on a large scale, and foreign countries are also being given permission to start dairy farms. Pakistan's most pressing economic need is to increase its foreign exchange resources. The more local resources are developed for this, the closer will come the day of true freedom for the country, but national needs should also be considered along with exports. For example, certainly we are earning a great deal of necessary foreign exchange from the excessive export of rice, but the price of rice inside the country is still sky-high. The people of Pakistan must pay double the price which people in other countries pay for Pakistani rice. The price of sugar too is higher than in the rest of the world. The price of meat and milk is taking off with the speed of a rocket. The same is true of lentils. Coarse grains, which used to be cheaper than wheat and which were considered food for animals or poor people, are now more expensive than wheat. Food is not a luxury. Every rich and poor man needs it equally. So keeping the price of food moderate is our greatest necessity.

9914
CSO: 4203/171

PROPOSED EMIGRANT ADVISORY CENTERS OPPOSED

Karachi BUSINESS RECORDER in English 21 Aug 82 p 2

[Text]

The Federal Government, says a report, is considering a proposal to set up investment advisory centres in OPEC countries and other parts of the world where Pakistani emigrants are working in large numbers. These centres would provide guidance and relevant information to the Pakistani workers abroad in order to persuade them to invest more of their savings in developments projects at home. The proposal for the establishment of advisory centres pre-supposes that the efforts made so far in this direction have produced no results. This is confirmed by the findings of an official survey that the emigrant workers consume 62 per cent of their income, spend 22 per cent on real estate acquisition and invest what remains in industry and commerce.

It is not only desirable but imperative in their own as well as national interest that the emigrants save more and consume less as far as possible. The statistics may also mislead one to believe that it cannot be difficult to persuade the overseas Pakistanis to reduce consumption from the present level of 62 per cent, and in this belief proceed to establish advisory centres, etc., etc. But the question demands closer examination. The emigrant worker, however adventurous and earning conscious, is not an essentially economic being who only needs to be acquainted with investment opportunities. His habits and choices are determined by a host of phenomena which must be identified for any savings and investment campaign to be fruitful.

In the first place, it must be recognized that the Pakisani worker has not emigrated in pursuit of some mission. He denies himself the comforts of family life and the joys of his native environment in quest of riches to raise the standard of his living as

high as that of his employer or superior in Pakistan. In any event, exposed to a dazzling exhibition of all the articles of life western technology can produce and OPEC wealth can buy to waste, he can never be persuaded not to wear better western-made (and, perhaps, cheaper) clothes, not to acquire a television set and a record player or not to build a new, good house. His urges and aspirations are simply natural which cannot and need not be suppressed. This, however, does not mean that an average Pakistani emigrant worker is invariably inclined to spend every single penny he can earn. Since he is earning and standard conscious, he must be concerned about future also and he does not have to be told that he has to save some of his wealth to secure a good living on return him. But in the matter of securing a good living at home his choice will be influenced not merely by the size of his savings but also by his experience and native environment. Of the 1.5 million Pakistani workers abroad, 43 per cent are unskilled workers who cannot conceive of any future other than return to their lands, better equipped mechanically, or setting up a small grocery or general store in home town. The 41 per cent skilled workers would automatically return to their trades and set up small independent businesses. So these 84 per cent will have their own notions about investment and will be hardly inclined to part with their savings in any Government sponsored projects. The remaining 16 per cent, white collar workers and professionals, should be investment minded. But why are they keeping aloof so far like the investor at home?

This class of Pakistani emigrants not only possesses considerable entrepreneurial enthusiasm but is also capable of making intelligent choices. Obviously, it is inhibited either because its evaluation of available opportunities is negative or it is scared of the bureaucratic controls and the tedium of investment procedures. Investment sentiment, wherever it may be, is almost instinctively aware of its opportunities. It will be absurd to suggest that these Pakistanis who visit their families and friends every six months or annually, need any information and enlightenment on how to employ their savings for productive purposes. The worthwhile thing to do will be to find out why they are not coming forward instead of making more wasteful investment in advisory centres abroad.

CSO: 4220/332

QUAID MEMORIAL FUND ASSETS SHRINKING

Karachi DAWN in English 8 Aug 82 p 1

[Text] Fixed assets of the Quaid-i-Azam Memorial Fund Board have shrunk to a mere six million rupees.

To ensure that the assets do not dwindle further, the Federal Government made a grant of Rs one million this year to the QAMF Board to meet the recurring expenditure on the maintenance and upkeep of the mausoleum.

The mausoleum's annual budget averages about Rs 1.8 million. The Government's one million rupee grant will be supplemented by earnings from Rs six million in bank deposits and securities etc.

This is the first time that a grant has been made in the Federal Budget for the mausoleum.

In the absence of such a provision in previous years, the maintenance expenditure was being met by withdrawals from the fixed deposits etc.

The mausoleum was completed on Jan 15, 1971. However, expenditure on all construction works and supporting items till June 30, 1975 was Rs 16,320,757.

On the other hand total receipts at the close of the fund-raising drive were about Rs 15.2 million--Punjab Rs 3,191,750; Sind Rs 1,241,200; NWFP Rs 1,022,558; Karachi (then Federally administered) Rs 2,068,795; Baluchistan Rs 787,310; former East Pakistan Rs 1,120,708; overseas Pakistanis and foreign countries Rs 247,251; and former princely states Rs 562,136.

By the time the mausoleum project was started on Feb 8, 1960, the Fund amount had swollen to nearly double the original amount.

Besides the Federal Government grant, the Government of Sind has also provided Rs 250,000 in the 1982-83 budget for the landscaping of the peripheral area of the mausoleum.

The other provinces were not asked to contribute towards the capital or recurring budget of the mausoleum, it is learnt.

CSO: 4220/322

PLAN LAUNCHED TO BOOST TRAINED MANPOWER

Karachi DAWN in English 11 Aug 82 p 4

[Text]

ISLAMABAD, Aug 10: The Government has launched a comprehensive plan for the education and training of the emigrants and their families to meet the requirement of trained manpower in the country and abroad, Mr. Ghulam Dastgir Khan, Minister for Labour, Manpower and Overseas Pakistanis, told a convention here on Monday.

The Minister said that educational institutions were being set u abroad for disseminating knowledge and information on Islamic culture among the children of overseas Pakistanis. He further said that the Government plan was to prepare trained manpower in technical trades and crafts to make up the shortage within the country and also to meet the requirements abroad.

The Minister was delivering his inaugural address at the 3-day national convention held at the Allama Iqbal Open University, Islamabad on Monday morning. The convention would explore ways and means of improving the conditions of migrant workers as regards education and Pakistan's cultural identity.

He informed the convention that there were about 15,50,000 Pakistanis in different countries of the world who include doctors, engineers, technicians and unskilled manpower. He said these Pakistanis faced various problems about the education of their children. He said that Pakistan's new generation abroad was unaware of its history, culture and Islamic values.

Mr Ghulam Dastgir Khan said that the Government was making all efforts to resolve the problems of the emigrants. The Government on the one hand had opened Pakistani schools abroad and on the other hand a contact had been established with the Pakistanis' social and cultural associations abroad to supply such material to media for the guidance and information of the Pakistanis on their history and cultural heritage. Such efforts, he said, needed expansion on positive and productive lines.

He expressed the hope that the conference proposals would provide help in this task.

The families of the emigrants faced a problem that there was no individual or institution to look after them in the country, he said. He said that the overseas Pakistanis Foundation and the Ministry of Manpower and Overseas Pakistanis had given a task to the researchers to give their findings on the subject.

He said that the Government effort was to ensure an effective role to these people to contribute towards their weal and the welfare of the country.

The Minister hoped that through these efforts the emigrants on their return home would be motivated and engaged in different productive activities for the uplift of country.

CSO: 4220/322

ULEMA ASKED TO HELP CHECK POPULATION GROWTH

Karachi DAWN in English 11 Aug 82 p 4

[Text]

ISLAMABAD, Aug 10: Federal Labour and Manpower Minister, Ghulam Dastgir Khan said today the present growth rate of population in the country would decline if Ulema and the various Islamic bodies like Council for Islamic Ideology and Islamic Research Institute could explain to people its necessity.

The Minister was speaking at a national convention organised by the Allama Iqbal Open University in connection with "Education and Cultural Identity of Pakistanis Working Abroad."

The Minister said that over 16 lakh Pakistani working abroad would be given all possible help on their return to Pakistan. A number of welfare schemes had already been launched by the Government. Besides, the Immigrants Act had been amended to provide facilities to and raise social status of the Pakistani working class.

The Government, he said, would not allow any Pakistani to work abroad at less than fixed wages. He said efforts were in progress to produce more qualified persons with latest technical knowledge. Six technical institutes at a cost of Rs 6 crore would be set up soon at Quetta, Karachi, Islamabad, Hyderabad, Loralai and Lahore.

The Minister described the functioning of Overseas Pakistani Foundation as not much encouraging but hoped it would improve.

CSO: 4220/322

EROSION OF CONFIDENCE IN POLICE CHARGED

Karachi DAWN in English 12 Aug 82 p 7

[Editorial: "The Police and the People"]

[Text] ONE would understand the compulsion of a senior police officer to vindicate his department at a time when the people feel concerned over what they perceive to be a significant rise in serious crime. But the Radio news conference of the Deputy Inspector-General of Police, Karachi, has thrown up simplistic answers that circumvent the real issues. It is no satisfaction to learn, through statistics that seem dubious, that the rate of crime detection in Karachi in terms of robberies and dacoities was immensely better than in Tokyo, London and New York. Suprisingly, in contrast with this claim we are told that the efficiency portrayed in American crime serials could not be expected from a police that lack the required resources. Irrespective of what hunger for gadgetry the TV serials might generate, the performance of our police has to be assessed in the context of our requirements. It is, also, not a matter entirely of statistics. It is easy to casually brush off, as the DIG did, the "looting of a couple of petrol pumps in a week in a population of 60 to 70 lakh". More crucial is the sense of insecurity that has evidently increased among law-abiding citizens and the apparent failure of the police to inspire confidence in the ordinary citizen. That something is seriously amiss was testified to by a high-level meeting last month on the law and order situation in the province. Chaired by the Governor, the deliberations were prompted by a recent surge in armed hold-ups and highway robberies. That decisions were taken to reorganise the police force in Karachi, Hyderabad and Sukkur showed that new strategies were found necessary to deal with the crime situation.

However, a number of basic issues have been ignored in offical responses that reflect, as we had stated in a recent comment, a purely defensive reaction. Without going into the social and economic factors

contributing to an increase in crime, the specific character of our police force and its relationship with society is to be seriously pondered. It is painful to observe that the colonial mandate of the law-enforcing agencies, meant originally as an instrument of repression, has not wholly changed. After Independence, the police should have developed a harmonious working relationship with the people. What has happened is that the public image of the police has further declined. A law-abiding citizen would normally shudder to go to a police station. Methods of investigation and interrogation are known to be primitive. Logically, the police should not be expected to remain untouched by the spread of corruption in the bureaucracy. The DIG has disclosed that the services of 240 police officials, including 25 inspectors and sub-inspectors, were terminated in the past six months on various charges, including refusal to register complaints. But the standard police behaviour transcends the familiar taint of corruption and inefficiency. It smacks of overlordship and insensitivity to accepted human values. This has eroded the sense of social responsibility of the citizens. Unless measures are taken to erase this equation, an increase in the size of the police force, armed with better weapons, walkie-talkies and faster vehicles, will not meaningfully affect the situation. The police officials repeatedly point to paucity of resources. Technically, the argument is valid. But what return does society get for whatever is spent on the police? As it is, the Sind budget for the current fiscal year has provided more for police administration (Rs. 283 million) than for the administration of health services (Rs. 174 million). Finally, it is not the cost but the return in terms of law enforcement that will make the difference. And for that, the very mandate and the moral purpose of the police will have to be altered.

CSO: 4220/323

ZIA PROMISES BLUEPRINT OF ISLAMIC SET UP IN 1 YEAR

Karachi DAWN in English 16 Aug 82 pp 1, 13

[Text]

RAWALPINDI, Aug 15: President Mohammad Zia-ul-Haq yesterday promised the nation a blueprint of a political system based on Islamic principles, by the next Independence Day.

In an inspiring flag hoisting ceremony on the Independence Day in the Presidency, here, the President, while addressing the nation, said that the country was created in the name of Islam and after a long struggle by the Muslims of the Indo-Pak Subcontinent, and thus it was a gift from the Almighty.

He said that propelled by the Islamic spirit, the Government would evolve a political system becoming of a country created in the name of Islam.

The flag hoisting ceremony was attended by the Chairman of the Majlis-i-Shoora, Khwaja Mohammad Safdar; Chairman, Joint Chiefs of Staff Committee, Gen. Mohammad Iqbal Khan; Vice Chief of the Army Staff, Gen. Sawar Khan; Air Chief Marshal Mohammad Anwar Shamim, Chief of the Air Staff; Federal Ministers, diplomats, Federal Councillors, civil and military officials, Ulema and a large number of school-children.

In his address, the President said that a political structure, based on Islamic tenets, was being evolved in line with the Government policy to take a stride forward in the direction of the purpose for which the country was created.

Achievements

The President said that though he was not for recounting the achievements of his Government, his Government had advanced in the direction of restoring the self-respect of the individual and had given the Pakistani tinge to the society in Pakistan.

He said that during the last five years, the Zakat system had been evolved affording some help for the widows, destitutes, and other deserving people. Respect of the citizens had been restored and the worker today was earning an honest living without fear.

However, he said, he was not the judge of the Government's achievements, and it was for the people to point out the unlit corners in the Government efforts.

He said he was also aware that in spite of its best efforts, the Government, perhaps, could not give complete security of "chadar and chardewari" and, perhaps, might not have fulfilled all the dreams of the masses. But, he said, the effort had certainly been made, resulting in an advance towards the welfare of the nation, according to the tenets of Islam.

The President said he was very hopeful about the governmental efforts even as he knew that weaknesses that developed in years could not be cured overnight. He said the Government realised that the efforts directed towards reforming society should be stepped up, and that was why it was making its best efforts following in the footsteps of the pristine Muslims.

He said the Government was not, in any way, comparing its efforts with those of the Khulfa-i-Rashideen, but it really believed that it would continue to strive to attain the level of social development which was current in their times.

Social reform

The task of social reform, the President said, could not be achieved without concerted efforts of the entire nation. He called upon the nation to dedicate the whole year to social reforms and rid society of evils, and created a polity based on the principles of Faith, Unity and Discipline.

He said the Pakistanis owed it to themselves to create the Islamic atmosphere where the rights of the rich and the poor, the big and the small, were equally protected; where students respected their teachers and the teachers imparted education the way they should; where the Muslims offered their prayers in greater numbers; and where every Pakistani had the great Muslim character.

He said the nation had to launch Jehad against poverty, ignorance, illiteracy, deprivation, narrow mindedness and had to create a society which gave protection to the minorities.

The President also said that today the nation should pledge their determination to reform society.

He said the Government had its own plans which would be made public shortly about how society could be reformed. He said the public should, however, fight during the next one year against bribery and nepotism. On the part of

the Government, it would see to it that the nation got a political system based on Islamic principles within a year, which would provide the people with a judicial system where an ordinary man got justice easily.

He said the economy of the country also had to be rid completely of the interest system, and for that the Ulema, researchers and experts should help the Government.

President Zia-ul-Haq said that the national flag, the national anthem and the national language were the symbols of integrity and solidarity of the country.

He said all of these symbols had a glorious background spread over centuries. The light of Islam gave new life, spirit and determination to all those who came in its fold.

Islam spread over the subcontinent providing hope and determination to the Muslims who were blessed with many qualities, but could not muster their own social and geographical identity.

The President, paying rich tributes to Ulema and religious scholars, said they provided guidance to the Muslims at such a time and held aloft the banner of Islam.

The President said the nation was extremely grateful and saluted the unknown freedom fighters who waged a gigantic struggle for the glory of Islam and creation of Pakistan.

They made the dream of Pakistan come true with their supreme dedication and faith.

The nation saluted and owed its gratitude to the Shuhada, who, by rendering supreme sacrifices, contributed to the honour and glory of the nation with their blood, he said.

National flag

President Zia said: "The national flag is a symbol of our past glory and inspiration for the future, it makes us take pride in our past and beckons us to build a bright future.

He said: "The national flag belongs to all of us and we have to hoist it, keep it fluttering high and ensure its full protection."

He said the respect and love for the national flag, enshrined in our hearts, would strengthen our determination to protect our cherished freedom.

The President said that the creation of Pakistan was a miracle.

Pakistan's goals

The President urged the people to study in depth the objective of Pakistan and try to acquire the spirit essential for achieving the goals of Pakistan.

The people of Pakistan should try to abide by the principles as laid down in the Kalima which was a real definition of Pakistan. Only then could Pakistan become the fortress of Islam and the objective of its creation could be achieved, he added.

The President exhorted the people to ponder over their state of affairs and their contribution to achieve the desired objective which was the creation of an Islamic welfare state.

The people should take a lesson from the past and move ahead towards building a better and bright future.—APP.

CSO: 4220/323

INDEPENDENCE DAY FERVOR--STRONG NATIONAL SENTIMENT REPORTED

Karachi DAWN in English 16 Aug 82 pp 1, 11

[Text]

If the operations of Pakistan Railways over the last three decades are taken as the sole indicator of country's economic performance, it would seem that all this time we have been moving in the reverse direction.

During this period under discussion while the length of railway tracks running around the country has remained almost static at about 1476 miles, their age has made it dangerous for the locomotives to cross 50 MPH limit reducing the pace of commuting by trains to the level of travel by donkey carts.

On the other hand while the population of the country increased by manifolds over the last thirty years the number of passengers travelling by train has declined significantly and it has remained almost stationary at 128 million annually since 1965-66.

The situation in respect of goods transportation is rather more shocking. In 1967-68 PR carried 14.88 million tons of goods while in 1980-81 the tonnage came down to 11.37 million tons. The table depicts the fluctuations in the volume of transportation goods that occurred between 1967—68 and 1980-81. And it can be seen that from 1975-76 when the PR carried 15.31 million tons — the highest ever in the last 14 years — a gradual decline has occurred in goods carriage.

The number of locomotives and passenger as well as goods wagons is also declining with the passing of each year making it impossible for the PR to meet the growing demands of country's passenger and goods transportation needs. In view of the shortage of trains and bogies, it is being contemplated to introduce the system of bookings three months in advance for passengers. And already it has been observed that goods booked by train usually reach their destination after a lag of thirty days on an average.

It is interesting to note that while the operations of PR have contracted considerably over the last several years, the organisation itself has been expanding in respect of its personnel and the expenditure incurring on its maintenance has shot up many times during the last 33 years. In 1949 the PR had a total of 94,099 employees while by 1981 this population of employees had increased to 1,30,536. On the other hand the total financial expenditure on the employees was around Rs. 82.2 million in 1949 which by 1981 had expanded to Rs. 737 million.

According to PR sources while the number of trains increased by a little over 100 per cent in the last 33 years, the number of officers in the organisation increased by about 299 per cent and the number of workers improved by about 38.16 per cent.

The Federal Minister for Railways, Lt-Gen Saeed Qadir while answering a question in the last session of Majlis-i-Shoora gave the following reasons for the deterioration in the operations of PR specifically with respect to decrease in the tonnage carried by the Railways: 1) Structural changes in the pattern of traffic away from the port to internal production points. 2) Deterioration of transport capacity due to increase in the number of overage assets and abandonment of line capacity works. 3) Competition from road for long distance haulage. 4) Introduction of the pipe line for transportation of oil from Keamari to Mahmudkot.

It is also stated that allocation for the PR had continued to decline gradually during the Fourth Plan period. In the Fourth Plan the allocations declined to 17 per cent of the total allocation for transport sector as against 58 per cent in the first Plan.

At the time of independence Pakistan had only one organised mode of long distance transportation and that was Pakistan Railways. Transportation systems by air and by road were developed in later years. But in growth and efficiency these two modes of transportation overtook their older rival very early in the day. And now with the addition of National Logistic Cell in the country's communication system, the Railways appear to have accepted a permanent back seat.

In the opinion of experts, bringing the PR to its top level of operational efficiency and hauling it up to its real place in the communica-

Years	Total Tonnage (in Thousands)
1967-68	14,887
1968-69	14,551
1969-70	12,323
1970-71	12,544
1971-72	12,862
1972-73	12,520
1973-74	11,501
1974-75	14,148
1975-76	15,313
1976-77	14,368
1977-78	13,344
1978-79	11,958
1979-80	11,853
1980-81	11,371

tion scheme of things, would call for the mobilisation of a colossal amount of resources and would require concerted efforts spread over a long period. In view of this a section of officials indifferent to country's long term needs and interested only in dazzling the nation with their short term successes albeit of doubtful value, is reported to be opposing any move that aimed at putting the PR back on its tracks. But there is reported to be another section of officials which is well aware of the magnitude of transportation chaos that would break-out ten years hence, if the PR is allowed to die of neglect.

It is argued that for a poor country like Pakistan there is no alternative to Railways for economical transportation. Air transportation and commuting by road would always remain expensive and costly. And if the Railways is allowed to gradually shrink its operations, it would only add an unnecessary component to the cost of living of an average Pakistani curtailing his mobility and the mobility of goods which serves as an essential catalyst in the economic growth of a country.

Those who view the problem with a degree of sympathy tend to get discouraged by the prospect of raising the huge amount required to repair the Railways. And there appears to be no easy way out of the corner in which the PR has landed itself. Other priorities are so pressing that no diversion of finances from these priorities could even be contemplated.

It is probably for this reason that during the last thirty years a number of ambitious plans were prepared to improve the operations of the PR but abandoned as enough resources were not available to finance these Plans.

A beginning could, however, be made with a humble step, say some Railways experts. In this connection they suggested that commuting time should be reduced as a first step by adding more double tracks and diversions at more regular intervals so that no unnecessary time is wasted in train crossing operations. Secondly the overage parts of the tracks should be replaced at the earliest so that the trains could run at least 75MPH. If these two problems are solved within a reasonable period of time, the eight hundred trains would be able to haul more passengers, more goods and at a faster pace. Meanwhile the Islamabad Carriage Factory could help replace the overage coaches and wagons in an orderly and planned manner.

No amount of improvement in the equipment and machinery would help if the managers managing the Railways run it inefficiently, therefore, it is essential that a system should be evolved which could expose the inefficient manager immediately. There is a tendency in our society to blame the worker for the inefficiency of the officer. It must be kept in mind that the efficiency of the worker and his productivity is directly related to the ability of officer to inspire the former to give his best under the worst possible conditions.

Moreover, inefficiency among the officer class gives rise to corruption. It is the officer class which encourages nepotism, graft and pilferage. And again, the behaviour of the officer class determines the degree of discipline among the workers. So, if the working of about 800 officers is closely monitored, it is argued, the PR's operational efficiency would improve manifold within a short time.

All this will require a relatively smaller amount of finances and could be accomplished within a reasonable period of time. And afterwards, the Railways could look after its own needs, generating its own development finances and grooming an efficient workforce.

CSO: 4220/323

RED CROSS TEAM TO INSPECT AFGHAN JAILS

Karachi DAWN in English 24 Aug 82 p 10

[Text]

LONDON, Aug 23: The International Committee of the Red Cross (ICRC), which returned to Afghanistan after a two-year absence recently, hopes to inspect the country's jails.

Four ICRC delegates, including a doctor are currently in Kabul holding discussions with the Afghan authorities in this regard.

ICRC hopes it would get a list of prisoners held in Afghan jails and permission to visit them.

Although there is no official estimate of the number of Afghan imprisioned since Soviet troops invaded this country in 1979, but Mujahideen Organisation claim there are at least 12,000 of their supporters in jail, many of them on political charges.

Informed sources here said the return of the ICRC's team to Afghanistan follows the release of five Soviet soldiers who were held by the Mujahideen organisations. The five Russians were turned over to the ICRC and are now interned in Switzerland.

The sources said the Afghan Government formally approached the ICRC to return to Kabul last June after a batch of Russian was set free.

Final arrangements for the ICRC's visit to Afghanistan were worked out during Afghan Foreign Minister, Shah Mohammad Dost's visit to Geneva in June at the UN sponsored talks with Pakistan about a peace settlement in Afghanistan.

CSO: 4220/328

CULTURAL DRIVE PLANNED; INTER-PROVINCIAL CONFERENCE HELD

Karachi DAWN in English 24 Aug 82 p 1

[Text]

ISLAMABAD, Aug 23: According to official sources an special inter-provincial conference is being held under the chairmanship of the President Mohammad Zia-ul-Haq on Aug. 25 to discuss the initiation of a national campaign of Islah-i-Muashra as enunciated by him in his address to the nation on Independence Day.

It will consider ways and means to eradicate the curse of bribery and corruption, steps required to provide inexpensive justice to the people, the functioning of Zakat committees at all levels, the introduction of Ushr, the mass literacy programme and the possibilities of utilising talent and experience of members of Majlis-e-Shoora by associating them with various socio-economic activities at different levels.

The meeting will be attended by the provincial Governors, Federal Ministers, Advisers to the President, Provincial Ministers, Chief Secretaries, Deputy Martial Law Administrators, provincial Inspectors General of Police and Divisional Commissioners.

The meeting is likely to continue on Aug. 26.

CSO: 4220/328

PAKISTAN-CHINA COOPERATION STRESSED

Karachi DAWN in English 24 Aug 82 p 7

[Text]

FAISALABAD, Aug 23: Mutual cooperation between Pakistan and the Peoples Republic of China in the field of science and agriculture would develop in the years ahead which would further strengthen the friendship between the two countries.

This was stated by the leader of the nine-member Chinese delegation, Mr Ahmad Ismail during a visit to the University of Agriculture here on Sunday.

He said the members of the delegation were greatly impressed to see the research and academic activities of this university. This university, he remarked, was no doubt the biggest institution in Asia which had played a significant role in the agricultural development of Pakistan.

About his visit to Pakistan, he said they felt that they were in an ocean of friendship. Wherever we went we were enthusiastically welcomed by the great people of Pakistan, he remarked.

He said the people of China too have similar sentiments for the Pakistani nation.

The members of the delegation were taken round various parts of the university, livestock farms and the zoological museum where they evinced keen interest in research activities and made certain searching queries.

Later the Vice-Chancellor of the University hosted a lunch in honour of the distinguished visitors which was attended among others by the Commissioner, Faisalabad Division, Mr Javed Ahmad Qureshi and local members of Majlis-i-Shoora.—

CSO: 4220/328

HUGE BACKLOG IN PHONE CONNECTIONS IN KARACHI REPORTED

Karachi DAWN in English 24 Aug 82 p 8

[Text]

The General Manager of Karachi Telecommunication Region, Syed Irshad Hasan said in Karachi on Monday that a large number of applications are being received for telephone connections from people "who never used telephones in their lifetime."

Speaking on 'Telephones in Pakistan" at the Karachi Rotary Club luncheon meeting, he said, majority of the applicants are those who are employed abroad, mostly in the Middle East.

Such people he said, have all the resources, but the communication gap cannot be filled by them, because of non-availability of telephone connections in their homes in Pakistan.

Mr Hasan said that there are 300,000 telephone subscribers in the country and an equal number of applications are pending for connections.

In Karachi, he said, there are about 100,000 working connections, and about 150,000 pending applications. This number could go further up, but as people are shy of applying, the number is not going up.

The Government, he said, has been giving very low priority to telephones and the planners forget that any development that takes place will have a direct bearing on the economy because of the lack of desired number of telephones.

Communications through telephones is much cheaper and economical than by any other means, he said. It saves lot of money, energy and time of the people.

In Asian countries the percentage of telephones on the basis of population is 1 per cent and in Pakistan it is 0.4 per cent, he said, and to improve the situation, he favoured the transfer of telephones to the private sector.

During the last fiscal year, the Government had provided Rs. 890 million for telephones and this year the amount has been increased to Rs 1450 million for providing 50,000 telephones, out of which 26,000 alone will be provided in the Karachi Region.

Mr Hasan said that 14 of the 28 telephone exchanges have been provided with the facilities for International Subscribers Dialling.

At the International Gateway Exchange, he said, 25 assistants are attending to the calls for overseas booking which is not sufficient. He requested the people not to put the receiver down if the connection is not readily provided. They should hang on, otherwise, they will lose their priority, if each time they call 0102.

For public call offices, he said, his department will provide connections on priority basis if suitable people apply for them. The place should be accessable to the public, he added.

CSO: 4220/328

PAKISTAN RAILWAYS PROGRESS REVIEWED

Karachi DAWN in English 16 Aug 82 Supplement p 1

[Article by M. Ziauddin: "Up and Up on the Down Track"]

[Text]

ISLAMABAD, Aug. 15: In a massive but spontaneous outpouring of sentiments of patriotism, national pride and unflinching faith in the ultimate destiny, the Nation celebrated 36th day of Independence with unprecedented gaiety, gusto and fervour.

The atmosphere of exuberance and festivity witnessed in every nook and corner of the country from Peshawar to Karachi and Gilgit to Khuzdar, was mingled with renewed pledge to work ceaselessly for realisation of the objectives for which Pakistan was created, to guard its independence and make it strong and prosperous.

With a 31-gun salute herlading the day in the Nation's capital and 21-gun boomings in the four provincial capitals, the Independence Day celebrations began throughout the length and breadth of the country. National flag fluttered atop palatial buildings and houses in cities as proudly as on huts and mudhouses in remote villages.

A soul stirring spectacle was presented by millions of Pakistanis when sirens sounded one minute before nine throughout the country and traffic on roads and on trucks came to a standstill and the entire nation joined the President, Gen. Mohammad Zia-ul-Haq in chanting the National anthem.

The President earlier hoisted the National flag in an impressive ceremony at the Presidency in Rawalpindi and later addressed the Nation. The address was telecast and broadcast on TV and Radio network.

The celebrations were marked by colour and festivity as people profusely decorated houses, shops and bazars across the land with flags and buntings.

As the sun went down, cities, towns and villages turned aglow with illuminations of every colour and hue giving a literally fairy landish look to the night skyline. Everything that moved on the roads and streets — buses, cars, taxis, rickshaws, trucks, bicycles, tongas and rehras were carried the National flag, a rare spectacle hardly seen after Independence.

Loudspeakers and amplifiers blared out national songs from hundres of houses, shops and other establishments to add to the patriotic zeal which 80 million Pakistanis celebrated the Day.

People offered prayers in mosques for solidarity and integrity of the country and for the the unity of the Muslim world. Prayers were also offered for the sucess of the freedom fighters in Palestine and Afghanistan.

The portraits of the Founder of Pakistan, Quaid-i-Azam Mohammad Ali Jinnah and the Poet-philosopher who conceived the idea of a separate homeland for Muslims of the Subcontinent, Allama Mohammad Iqbal, adorned key points along the thoroughfares. So did the portraits of the first Prime Minister of Pakistan, Quaid-i-Millat Liaquat Ali Khan, other luminaries of Pakistan Movement, and President Gen. Mohammad Zia-ul-Haq.

A huge portrait of the Quaid-i-Azam donated by the friendly Muslim country, Turkey, stared down on the passerby from a high-rise building on the city's best known thoroughfare, The Mall.

Another Muslim country, neighbouring Iran, shared Pakistan's joyous day by putting up billboards saying "Peace and Prosperity to Brotherly Pakistan".

President Gen. Mohammad Zia-ul-Haq set the tone for unprecedented Independence Day celebrations across the land as he sang the National anthem and unfurled the National flag at the soul-stirring ceremony at the Presidency here.

The President hosted a reception at Aiwan-i-Sadr to mark the Independence Day. It was largely atended.

In Rawalpindi a grand rally participated by some 10,000 children as well as a large number of rickshaws and buses was held in Raja Bazar which was reviewed by the Mayor, Rawalpindi Municipal Corporation, Sheikh Ghulam Hussain.

CSO: 4220/323

RAILWAY FARES NOT TO INCREASE

Karachi DAWN in English 24 Aug 82 p 4

[Text]

LAHORE, Aug 23: Lt-Gen. Saeed Qadir, Federal Minister for Railways, Production and Chairman of the Logistic Cell, has said that the Railways has no intention to increase the fares in the near future.

Talking to PPI at the Lahore Airport this morning, the Minister said that reorganisation of the Railway had been done to increase its earning. The Railway Board was merged with the Federal Railway Ministry and General Manager had been made responsible for the operation of the trains.

The Minister said, he had already directed the General Manager Railways to let him know the actual deficit of the Railway so that it should be met through some means. However, he ruled out the posibility of providing subsidy to the Railway.

The Federal Minister said that it was upto the General Manager to plug the leakage of revenue in the Railway and he had been directed to look into uneconomical services and take steps to boost up the earnings. The final decision would be made in June 1983 after calculating the actual deficit, he added.—

CSO: 4220/328

SICK INDUSTRIAL UNITS BODY GIVEN MORE POWERS

Karachi BUSINESS RECORDER in English 23 Aug 82 p 1

[Text]

LAHORE, Aug 22: The Federal Government has enhanced powers of the technical committee on financial assistance which is entrusted with the task of preparing the recommendations for the revival of the sick textile units, it was reliably learnt here today.

The committee was primarily assigned the task of only examining causes of the industrial units adversely affected by exchange rate fluctuations, a major reason on sickness of the textile industry. But now, its jurisdiction has been enlarged to encompass all such cases which require financial readjustment between the units and their financial problems which arose out of exchange rate fluctuations or some other causes.

The fundamental objective of reviewing these powers is to revitalise the sick units in shortest possible time.

New powers vested in the committee in relation to ailing or closed units are to assist and rehabilitate sick textile units in a manner as deemed fit and proper by it, to affect a revised financial arrangement between a certain unit and its creditors, to order moratorium in respect of recoveries of the dues of undertaking by the creditors or allow reasonable rebate or concessions, to revise liabilitits debt repayable, reschedule its payment to its creditors, including banks, financial institutions, government and statutory corporation and lastly to propose any other action which it may feel necessary for rehabilitation of the undertaking.

It may be mentioned here that headed by the Federal Finance Secretary, this committee has further set up a sub-committee to go into the details of the ailing and sick units. So far, it has recommended measures for the revival of of 31 closed down units.

The committee has examined cases of 95 sick or closed down units and recommended a financial assistance of Rs. 81.45 million. Of them Rs. 58.9 million have already been distributed. Besides, moratorium on government dues and re-scheduling of debts have been allowed in deserving cases.

As a result of these measures, 2.38 lakh spindles have been retored into operation.

At present over 200 mills in industrial fields (other than sick textile mills) are lying closed in the country. Another 100 units are struggling for survival. Their investment is around Rs. 1200 million with 5,000 workers employed therein.

If these mills and the equipment were to be replaced the expenditure involved would be 15 times more than their value. —PPI.

CSO: 4220/330

EXPORT PROCESSING ZONE DEVELOPMENT--FOREIGN CAPITAL INVESTMENT HOPED

Karachi DAWN in English 8 Aug 82 pp 1, 12

[Text] President Mohammad Zia-ul-Haq has said that Export Processing Zone (EPZ) near Karachi is being developed with the specific purpose of attracting foreign capital, investment and modern technology.

Speaking before a gathering of local and foreign investors during an inspection visit of the site of Export Processing Zone near Port Qasim on Saturday morning, President Zia said that all Pakistani entrepreneurs who can bring foreign capital would be allowed to make investment in the zone.

"Whosoever brings the foreign capital would be provided with the facilities and no question would be asked about the source," he declared.

The Government, President Zia said was keen to see Export Processing Zone develop into an active and dynamic body which should exercise all necessary powers and should frame laws and rules which are best suited to industries in the zone.

He made a particular reference to the framing of labour laws for the zone which, he said, should, be "production oriented" and also protect legitimate rights of workers.

He asked the EPZA Chairman to notify the labour laws in three months.

As for the requirements of basic infra-structure facilities, the President said the Government would do all possible to make available water, gas and electricity for the industries in the zone.

Referring to EPZA Chairman, Mr. Mohammad Ziauddin Khan's plea for more land to set up carge generating industries in the zone, he advised him to negotiate with Port Qasim Authority for the acquisition of land.

Referring to the point raised by certain Pakistani investors who sought Government's permission for equity participation in the local currency in industrial projects in the zone, President Zia advised them to explore investment possibilities in backward areas of the country.

He said there were ample opportunities for Pakistani investors in areas like Sukkur, Dera Ghazi Khan and whole of Baluchistan where Government has offered tax holiday and has also ensured provision of basic infra-structure facilities.

Investment in such areas, he said, was no doubt a pioneering work but then, "we need pioneers" he remarked.

PROGRESS OF WORK

Earlier the Chairman of EPZA Mr. Mohammad Ziauddin Khan gave a detailed resume with illustrations through slides of the progress of work on site of Export Processing Zone after the Federal Cabinet had approved it on March 4, 1979.

After approval of EPZ project in 1979, Mr. Ziauddin said, the Government has released total funds amounting to about Rs.146 million of which over Rs.141 million or 97 per cent of funds have been utilised.

The zone, he said, would be completed by June next year within stipulated funds and scheduled time.

So far, he said, the EPZA has sanctioned 25 industrial projects involving total investment of Rs.135.89 million dollars which include one fertiliser, six light chemicals, six readymade garments, three electrical and electronics, two engineering, two ceramics, two printing and packaging and one miscellaneous industry.

Bulk of foreign investment amounting to over 68 million dollars of the sanctioned projects he said, has come from USA followed by investments from Saudi Arabia, U.K., UAE, Japan, West Germany, Kuwait, Singapore, Lesotho, Hong Kong, South Korea and Belgium.

The sanctioned projects, he said, would generate exports to the tune of 277.8 million dollars and would engage labour force of about 5,000.

Apart from these projects Mr. Ziauddin said 12 banks, including four nationalised and eight foreign banks, have been given permission to open their branches in the zone.

During the inspection visit to various parts of the Export Processing Zone President Zia was accompanied by Sind Governor Lt. Gen. S.M. Abbasi, Federal Industries Minister, Mr. Ilahi Bux Soomro, Production Minister, Lt. Gen. Saeed Qadir, Food and Agriculture Minister Rear Admiral Mohammad Fazil Janjua, Petroleum and Natural Resources Minister (Retd.) Maj. Gen. Rao Farman Ali, Finance Minister Mr. Ghulam Ishaq Khan, President's Advisers Mr. Hamid D. Habib and Mr. Muazzam Ali, Sind Cabinet Ministers and other senior officials of Federal and Sind Government.—PPI

CSO: 4220/322

AMBITIOUS OIL EXPLORATION PLANNED--OGDC CHAIRMAN INTERVIEWED

Karachi DAWN in English 8 Aug 82 Supplement p I

[Interview with Mr M.H. Rizvi, OGDC chairman, by Shaheen Sehbai; date and place not specified]

[Text] **PAKISTAN'S oil exploration efforts have swung into top gear. In a couple of weeks international companies will be invited to bid for eight new structures. Negotiations with them will be conducted by the Oil and Gas Development Corporation. It is for the first time that international cooperation in domestic oil exploration is being sought in this manner.**

All necessary technical and other data has been compiled and eight structures of potential interest have already been delineated after extensive geological and geophysical surveys.

Discussing these developments in an exclusive interview with DAWN, the OGDC Chairman Mr M.H. Rizvi expressed the hope that Pakistan will soon be an oil producing country.

In the interview Mr Rizvi covered various aspects of exploration of oil and gas in Pakistan, with special emphasis on the continued drive of the Government to keep on searching. Some excerpts:

Q. What really are the prospects of oil in Pakistan?

A. Pakistan has all the requisites essential for generation and accumulation of oil and gas. All international experts agree that Pakistan should have oil. There is no difference of opinion on this count. We could hit a big discovery any time. The only thing is to continue looking. So many major oil companies are exploring. All the Seven Sisters are working here. This proves their confidence in our potential. No one invests money without being sure.

Q. Why then have we not been successful so far?

A. There are two reasons. The geology of Pakistan is quite complex. Its not simple. It had similar type of deposition as Arab and Iran, but much deeper. The other reason is that very little exploratory work has been done. Since independence only 114 wells have been drilled — about three per year. In the past oil was cheap and governments were not interested. With the energy crisis we started losing huge foreign exchange and exploration started. Seismic work had also not been developed as it is now.

Q. Did the Russians find out major oil reserves in Baluchistan in late 50's?

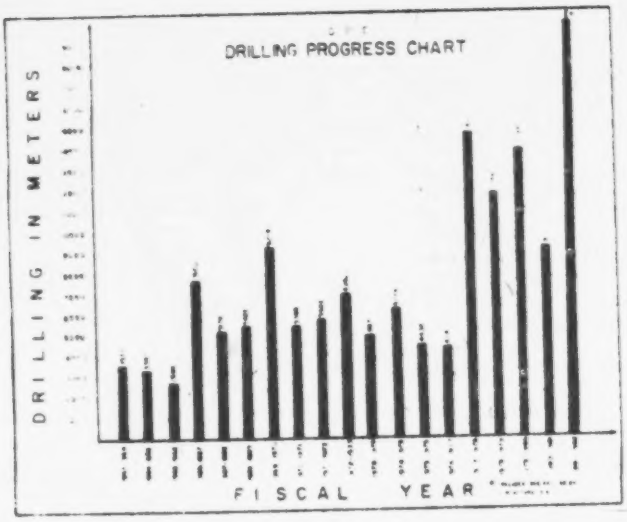
A. Most of the work has been done by the Russians in collaboration with the OGDC. We surveyed all the country including Baluchistan. Pakistan made successes as well, like Sui Gas and the Pirkoh gas. We are starting another drilling between Sui and Pirkoh shortly. For drilling in an area we only have geological considerations in view.

Q. Is OGDC adopting a policy to get rigs on wet lease?

A. We want to intensify our exploration efforts as well as to diversify the sources. Our present rigs are too old and need replacement. We are trying to buy new ones. Four we bought earlier. Now we have committments to complete drilling in time. At Toot, World Bank is financing the project. At Pirkoh the Asian Development Bank has given us aid. Out of the four rigs we have, three are committed at Toot. The other modern rig is being used at Dhakni in Potwar. We are using our old Russian rigs at Dhodak and Pirkoh, where we have to complete six wells in two years. Pirkoh is a sensitive project. So we hired one rig from another company locally. We have not taken any rig on lease. Recently we got one from Adhi where complications had arisen and the well was abandoned. Since we are 50 per cent partners at Adhi, we hired the German rig for two wells and returned it after use.

Q. What other efforts are you making for oil search in Pakistan?

A. We are now going for international bidding to increase



drilling efforts. Aim is to continue exploration, until discovery is made. Some successes have been made like Khaskheli, Pirkoh, etc. We are intensifying our efforts. We will have joint ventures so that quicker pace is achieved. Eight structures are ready for offer to international bidders. Our own efforts will continue besides these new structures. So an all out drive will be made. We are hopeful that very soon we will discover more oil.

Q. Is there any chance of more oil being discovered near the latest find at Khaskheli?

A. Khaskheli is a very interesting development. It is the first time we found oil in the lower Indus basin. There are similar types of structures in that area and they can be oil-bearing. We are exploring areas north of Khaskheli and some structures are being offered to other oil companies. This field has to be greatly developed. All world experts already know about this area.

Q. Is Pakistan running out of gas, natural gas?

A. Gas should be used sparingly. It should not be used to produce power. It is hard to say whether Sui will last 20 or 25 years but we need more discoveries to cover up the present shortage.

Q. Why are we facing shortage of gas when earlier estimates were said to be enough to last a 100 years?

A. Because more development of the gas field has to be made. Pirkoh gas will cater for future needs but we have to find more. You should use gas where it is best utilised. You should not use it for pig iron making or power. Use coal instead or water for power generation.

Q. At the present rate of consumption, do you think we will have a serious shortage of gas in the near future?

A. For me it is difficult to answer this question. But right now there is shortage and measures are being taken to compensate that.

Q. Is this shortage indicative of the fact that the gas reservoirs are nearing the end?

A. It is indicative of the fact that we need more gas. We will supply gas from Pirkoh next year. 40 mcf by end of 1983 and another 32 mcf by 1984. We are working on more gas fields as well. We will soon start drilling at Loti, between Pirkoh and Sui fields.

Q. How would you compare your progress with other Third World countries?

A. We have a large sedimentary area, equal to that of India. It needs a huge investment to go for exploration of it all. We need to drill at least 10 wells per year. We need lot of funds.

Q. Are you using space satellite pictures for prospecting and surveying?

A. Yes they are very useful and every major company is using these pictures. We also have five seismic parties who have carried out surveys for us as well as other foreign companies.

Q. Is it correct that by taking rigs on lease you will have a lot of your staff redundant?

A. Well the situation is just the reverse. Most of our men have gone out to the oil-rich states because they get attractive money. We cannot stop them, its difficult. To meet the shortage we have set up our own institute for training our people.

Q. Why at all do you have to get foreign crews for drilling?

A. Well most of our projects are financed by world agencies. World Bank is providing money for Toot. There we have to accept the terms of the financer. In Pirkoh the terms of the Asian Development Bank say we have to drill three wells and get three wells drilled by foreigners. So they will come and we will have to meet all their expenses from the funds we are getting. Sometimes we have to meet our committments and we do not find local staff available so we have to get foreigners to do the job.

CSO: 4220/322

FALL IN JULY EXPORTS REPORTED

Karachi DAWN in English 12 Aug 82 p 7

[Text]

Exports from Pakistan dropped by 41.2 per cent in July compared to the pervious month, registering a fall of over 1.18 billion rupees, informed sources said.

Quoting official figures, they said from Rs. 2865 million in June, exports had fallen to Rs. 1685.7 million in July, the first month of the new fiscal year.

However, compared to the same month last year, the figures showed an increase of about six per cent.

Raw cotton suffered the heaviest fail, with the total plunging from Rs. 538.7 million in June to Rs. 81.6 million in July.

Another major fall was recorded in the export of rice which fell from Rs. 441 million in June to Rs. 192.7 million in July.

The drop in leather goods was to the extent of Rs. 44.5 million while cotton yarn, fabrics and garments together dropped from Rs. 531.1 million to Rs. 291 million.

Sources said imports showed a better trend in July as compared to June, but against the same month last year an increase of 20.8 per cent was recorded.

Figures show that against imports worth Rs. 4,862.2 million in June, the July figure was Rs. 4,462.2 million, a drop of 8.2 per cent.

The main import item was crude oil which increased from Rs. 856.6 million in June to Rs. 1,067.4 million in July. Likewise, an increase in the import bill of fertilisers and edible oil was registered with Rs. 153.1 million spent more on fertilisers and Rs. 135.6 million more on edible oil. Total fertiliser imports in july were Rs. 267.7 million while those of edible oil totalled Rs. 318 million.

Pakistan imported 83.268 tons of wheat totalling Rs. 193.1 million in July.

Sources said the continued slump in the world cotton and rice markets was the main cause of the poor performance, although steps had been taken to halt the dwindling trend.

CSO: 4220/323

PAKISTAN-TURKEY MARKETING COMPANY PROPOSED

Karachi BUSINESS RECORDER in English 23 Aug 82 p 1

[Article by Anwar Rajani]

[Text]

Establishment of joint Pak-Turkish Marketing Company is in the offing with the purpose to boost the export trade of the two countries, it is learnt.

The proposal to set up the company is in its initial stage. If it goes through, it will be set up in the private sector.

Two groups of industrialists have agreed in principle to set up this company. The Turkish group is known as Enka Group of Companies based at Istanbul. Pakistani Group consists of seven leading businessmen and industrialists namely Mehar H. Alvi, Farooque Dadabhoy Sadruddin Hashwani, Sultan Mauji, Saeed Kushtiwala, Farique Saeed and Tanwir Shaikh.

The Turkish Group of companies is reported to be mainly dealing in construction, textile and other finished goods.

A two-member team of the Turkish Group of Companies is at present on a visit to Pakistan. The team is now busy holding talks with their counterparts in Karachi. They will stay in the City for about a week and explore the possibilities to set up the Joint Marketing Company.

The idea of this company was put forth by a trade delegation from Pakistan which visited Turkey in June last. The delegation sponsored by the Export Promotion Bureau was led by Mehar Hr Alvi.

Mehar told "Business Recorder" yesterday that if all goes well the company will take its final shape soon. It will boost the trade of the two countries with joint efforts of Pakistani and Turkish businessmen he added.

At present, the Turkish group has a construction job in hand worth 10 billion dollars in various countries. Construction material worth 1.3 billion dollars is to be imported by the Turkish Group from outside. If available, this material can be exported from Pakistan, Mehar Alvi said.

Mehar said that the Turkish Group has agreed to import a large quantity of grey cloth from Pakistan. Arrangements have been finalised to import from Pakistan 10 million yards of grey cloth, he said.

CSO: 4220/330

NEW PRICE STRUCTURE FOR RICE VARIETIES

Karachi BUSINESS RECORDER in English 21 Aug 82 p 1

[Text]

A new price structure for all the varieties of rice produced in the country, suggested by the Agriculture Prices Commission, is expected to be finalised by the Federal Cabinet within a week as part of the rice policy for the year 1982-83, it was reliably learnt here yesterday.

The proposed price structure, which will be applicable to the crop expected to come in the market in October/November contains new prices per 40 kg. as under: Head rice—Irri-6 (Faq) Rs. 88.00; Irri-6 (Superior) Rs. 105.00; and Basmati Rs. 220.00; Broken rice—Irri-6 (Faq) and Irri-6 (Superior) Rs. 70.00 and Basmati Rs. 115.00. The existing prices of the same varieties are: Head rice—Irri-6 (Faq) Rs. 78.50; Irri-6 (Superior) Rs. 95.50 and Basmati Rs. 194.75; Broken rice—Irri-6 (Faq) and (Superior) Rs. 64.25 and Basmati Rs. 111.25.

It is said that the Price Commission has prepared its recommendations on the assumption that the milling charges of last year have gone up by ten per cent, following increase in electricity rates and labour wages. Hence, the milling charges for the current year, as agreed by the federal ministries of food and agriculture and commerce, the Prices Commission, and the Rice Export Corporation of Pakistan (RECP) are Rs. 7.25 for Basmati and Rs. 7.00 for both types of Irri-6 per 40 kg.

The milling charges during the last year were fixed at Rs. 6.60 for Basmati and Rs. 6.35 for both types of Irri-6 per 40 kg. These charges were fixed after a detailed exercise conducted by the commission in 1981, in consultation with the rice dealers, RECP, federal food and commerce ministries.

It may be mentioned that the prices of paddy have already been announced, which are: Irri-6 (Faq) Rs. 49.00 per 40 kg., Irri-6 (Superior) Rs. 53.00 and Basmati Rs. 88.00 per 40 kg.

CSO: 4220/332

WHEAT SEMINAR RECOMMENDATIONS REPORTED

Karachi BUSINESS RECORDER in English 23 Aug 82 p 2

[Text]

ISLAMABAD, Aug. 22: Keeping in view Pakistan's wheat exporting potential, the seminar on wheat recommended that efforts be accelerated to develop varieties which can well compete in the world market.

The panels of the seminar (August 17-19) deliberated the damage caused to the wheat production by the unusual weather this year and recommended to the researchers that particular emphasis be given to breed drought, salt, cold and frost tolerant wheat varieties. It was felt that two research stations, one each at Quetta and Swat should undertake specific work on winter habit and cold tolerance.

In view of the increase in the cost of inputs, an effort be made to develop such varieties as have low input requirement.

Contingency programmes be initiated to develop more short duration wheat varieties in the shortest possible time.

The other major recommendations of different panels of the seminar are:

— The joint recommendations made for laying down uniform procedures for release of rust resistant wheat vareities by plant breeders and plant pathologists be implemented.

— The old wheat vareities which have been found resistant against current virulences of stripe and leaf rusts by researchers should be exploited in breeding rust resistant vareities.

— Studies on stress breeding be properly conceived and carried out at appropriate sites.

— Appropriate genetic studies should be conducted to back up the breeding programmes.

— Since during pre-partition days durum wheats were primarily exported from Indo-Pakistan, it is stressed that the high potential, disease resistant, durum wheats be developed and popularised.

COMPUTER FACILITIES

— Computer facilities should be made available to the plant breeders by the Pakistan Agricultural Research Council (PARC) to help accelerate the breeding work.

— It was emphasised that the scientigbbapiaarmation and germplasm generated on national as well as international centres should be made available to all the workers by the PARC.

— Emphasis be increased on combining quality elements with yield productivity.

— The work should be initiated to identify the agronomic problems in various agro-climatic zones and develope pachage of site specific technology for implementation by the farmer. Necessary infrastructure, especially mobility should be provided to undertake this type of work.

— The seminar recognised the need for a strong research programme for weed control to explore, actual losses done by weeds in terms of moisture, nutrient and yield, important weed species and areas of infestation and cultural methods of weed control, and the role of chemical weed killers.

— Satisfactory arrangements should be made to pass on the pachage of technology to the farmers.

FERTILIZER

A panel on fertilizer and soil chemistry, recommends that:

— Research on utilization of poor quality water for wheat, basic studies on salt and sodium tolerance of different wheat varieties needs to be continued.

— Long term soil fertility cor-

ordinated research project should be undertaken under different soils and cropping systems.

— Study on the management of fertilizer, its residual effects on wheat and succeeding crops, especially under barani situations should be undertaken.

— Use of gypsum and other acid forming materials should be investigated for improvement of saline-sodic soils for improved wheat production.

The recommendations on pathology include:

— To start epidemiological studies on wheat leaf rust at micro and macro level.

— To initiate research on partial bunt and for familiarization of techniques used at CIMMYT.

— To exploit durum wheat potential.

On agricultural mechanization, the seminar recommends:

— Coordinated trials for wheat must be conducted to determine the best combination of tillage implements.

— Research on potential of zero-tillage for production of wheat should be carried out especially for barani areas.

— Appropriate technology must be developed to safely store the crop at village or farm level.

— Agricultural economics of various inputs and cultural practices for wheat production should be worked out in different agro-ecological zones of the country.

— Socio-economic studies should be conducted to know the major constraints that affect the yield of the wheat crop.

— Food departments should arrange to pay advances to the farmers, if they need them before harvesting of wheat crop.

CSO: 4220/330

FARM MACHINERY WORKSHOP INAUGURATED

Karachi DAWN in English 24 Aug 82 p 4

[Text]

LAHORE, Aug. 23: Lt.-Gen. Saeed Qadir, Federal Minister for Production and Railways, today stressed the need for promoting small scale technology to ensure benefits of mechanisation were available to small farmers.

He was inaugurating a six-day regional workshop for agricultural machinery manufacturers under Regional Network for Agricultural Machinery (RNAM) and Agricultural Machinery Division, Pakistan Agricultural Research Council at the Pakistan Administrative Staff College, Lahore. Representatives from India, Indonesia, Iran, the Philippines, Sri Lanka and Thailand are participating in the workshop.

The Federal Minister said that it was estimated that about 69 per cent of the total farms in the country commanding 34 per cent of the cultivated area were below 12.5 acres. However, he added, for the effective agricultural development, these farms must also benefit from modern inputs and technology.

Lt.-Gen. Saeed Qadir said that in view of the shortage of the farm energy, Pakistan needed smaller tractors in addition to higher horse power tractors, which should be within the reach of small farmers.

With this objective in view, he said, the Government was encouraging the import and use of power tillers, about 1,000 power tillers of 12 HP had been imported from China which were two-wheel tractors and were becoming popular with small farmers.

The Federal Minister also stressed the need for developing facilities for the manufacture of implements and other agricultural machinery such as paddy transplanters, planters for cotton, sugarcane, maize, groundnut and soyabean; harvesters for sugarcane, groundnut and potato crops and thrashers for paddy and groundnut. Out of these the paddy transplanters perhaps deserved the urgent attention of the manufacturers, he said.

Lt.-Gen. Saeed Qadir said that the Government was aware of the problems the local manufacturing industry was facing, specially those of non-availability of proper material, lack of standards, lack of trained manpower, inadequate research facilities to develop appropriate farm machines and absence of industrial extension facilities.

He said that a solution conforming to the local socio-economic and agro-climatic conditions, would have to be sought to these problems.

He said that the Government attached the highest priority to the development of agricultural sector and its policy aimed at making a breakthrough in the field of exports in foodgrains. Along with rice and cotton Pakistan had made recently a modest beginning in Wheat by starting the export of 50,000 tons of wheat to Iran.

The Federal Minister, later, opened a display of agricultural machinery and implements organised on the premises of the college.-

CSO: 4220/328

STEEL MILL CRITICS REBUFFED; PROJECT SUPPORTED

Karachi BUSINESS RECORDER in English 23 Aug 82 p 2

[Editorial]

[Text] LAHORE, Aug 22--The Federal Interior Minister, Mahmud A. Haroon has said that according to best of his knowledge Salamullah Tippu, who hijacked a Pakistani airliner in March last year, was in Afghanistan. Talking to newsmen he denied that Salamullah Tippu had entered into Pakistan as the official agencies had no such report with them and what was circulating in this connection was just as rumours. According to latest information with him Salamullah was in Afghanistan.

Replying to a question he said that President, Gen Mohammad Zia ul Haq been meeting with the leaders of the political parties directly or indirectly but there was no programme in his knowledge that President was meeting with the political leaders under a schedule to discuss problems facing the country and nation in near future.

ELECTIONS

Mahmud A. Haroon said that the local bodies elections would be held in September 1983, and the new political system for the country would be announced by the next Independence Day, by the President. After which the general elections were possible to be held.

The President had already announced that the next elections would be held on the basis of adult franchise while the Election Commission had started to prepare the lists for holding elections, he added. Replying to yet another question he said that the Federal Minister for Local Bodies had already made it clear that the local bodies institution would not be used for indirect elections.

CSO: 4220/330

BRIEFS

VICE CHIEF OF ARMY STAFF--Vice Chief of Army Staff General Sawar Khan left Rawalpindi for Jidda today on his way to London on an official visit to Britain. [Text] [BK050217 Karachi Domestic Service in Urdu 1500 GMT 4 Sep 82]

SYMPOSIUM ON U.S. RELATIONS--A 2-day symposium on U.S.-Pakistan relations was inaugurated in Islamabad today. It has been organized by the faculty of African and North and South American studies of Qaid-e Azam University. Inaugurating the symposium, former Foreign Minister Agha Shahi said understanding with neighbors, enhanced defense capability and internal political support are imperatives for meeting the threats posed to Pakistan's security. He said all these three things are essential for the security of the country under the present situation. He said Pakistan's proposal of a no-war pact to India and the initiation of a dialogue on Afghanistan under UN supervision have reduced tension in the South Asian region and improved Pakistan's relations with the Soviet Union. He said these negotiations should continue until an agreement is reached which is based on the respect for Pakistan's sovereignty and the restoration of Afghanistan's independent and nonaligned status. [Text] [BK281530 Karachi Domestic Service in Urdu 1500 GMT 28 Aug 82]

NEWS SUPPLY ARRANGEMENTS--Islamabad, Aug 11--The central desk of the Associated Press of Pakistan (APP) will start functioning from Islamabad on the Independence Day (Aug 14), the agency announced today. With the centralisation of the distribution of foreign and domestic news, arrangements have been completed for transmission of news from the central desk, located in the head office of the APP at Islamabad. APP is already receiving REUTERS news through satellite. Arrangements have been completed for the reception of news from international news agencies like AFP, APA, and UPI at Islamabad.--APP [Text] [Karachi DAWN in English 12 Aug 82 p 12]

POLICE OFFICIALS SHUFFLED--Mr Dilshad Damuruddin has been appointed Inspector-General of Sind Police, Mr Saadat Ali Shah, Commander of the Frontier Constabulary, has been appointed Inspector-General of Police, Baluchistan. Mr Diljan Khan has been appointed Commander of the Frontier Constabulary and Mr Yusuf Orakzai, IGP Highways and Safety, has been made Inspector-General of Police, NWFP, in place of Mr Diljan Khan.--Radio Pakistan. [Text] [Karachi DAWN in English 16 Aug 82 p 1]

NWFP CABINET TO EXPAND--Peshawar, Aug 15--The NWFP Governor, Lt-Gen Fazle Haq, has said that the Provincial Cabinet and the Provincial Council will be expanded. Talking to newsmen informally at a public reception hosted by him on the Independence Day at the Governor's House, he said that the expansion work would be completed within a month or two. [Text] [Karachi DAWN in English 16 Aug 82 p 1]

AID-TO-PAKISTAN CONSORTIUM--Islamabad, Aug 22--A meeting of the Aid-to-Pakistan Consortium is likely to be held in April 1983 to consider and finalise Pakistan's request for the increase in net aid flow to Pakistan and relief in connection with the re-payment of old loans, it was officially stated today. The Deputy Chairman of the Planning and Development Division had visited the USA in July this year and held talks with the senior US Treasury officials, the IMF and the World Bank President on the question.--APP [Text] [Karachi MORNING NEWS in English 23 Aug 82 p 1]

CII MEMBERS APPOINTED--Islamabad, Aug 22--President Mohammad Zia-ul-Haq has appointed two whole-time members of the Council of Islamic Ideology for accelerating the process of Islamisation of laws in the country it was officially stated here today. It may be mentioned here that the Council comprised part-time Chairman and 18 part time members. Of the part-time members Maulana Mufti Syed Siahuddin Kakakhel Mohtamim Madrissa Ishaat-i-Uloom Islamia Faisalabad and Mr Abdul Malik Irfani Advocate Gujrat who is author of three books on Islamic Jurisprudence have been appointed whole-time members.--APP [Text] [Karachi MORNING NEWS in English 23 Aug 82 p 1]

UREA EXPORT TO IRAN--Pakistan is to export 50,000 metric tons of urea to Iran under an agreement signed between the two countries. The first shipment of 1,200 metric tons of urea is already on its way to Iran via Zahedan from the Pakistan-Saudi Arabia Fertilizer Factory at Mirpur Mathelo. The total shipment is to be completed under the agreement by December this year. [Text] [BK201319 Karachi Domestic Service in English 1005 GMT 17 Aug 82]

DIPLOMATIC SOURCES OF AFGHAN EXECUTIONS--According to diplomatic sources from Kabul, an Afghan army officer and several soldiers in his units were executed by security forces in the second week of this month for inspiring recruits to defect. The man is believed to have been executed by a firing squad at (Rukha), one of the four positions in the Panjsher Valley. The executions took place amidst reports of mass defection during a 6-week conscription drive to strenghten the Karmal Regime Army. [Text] [BK010753 Karachi Domestic Service in English 1700 GMT 31 Aug 82]

PRESS SPECULATION ON BHUTTO HEALTH--Begum Nusrat Bhutto, through her sources, has made it known that the press sepculation about the state of her health or the outcome of her application to proceed abroad for treatment should be avoided, if possible. Sources said that Begum Sahiba's case is of a personal nature and her application to the federal government has been made purely on medical grounds. No other meaning or implication should be constructed, they emphasised. Meanwhile, Sind government sources denied that her application was received in Karachi. Probably she sent the application direct to the Federal Ministry of Interior. [By staff reporter] [Text] [GF021236 Karachi Dawn in English 30 Aug 82 p 6]

JOURNALIST ARRESTED--Lahore, Aug 13--Journalist affiliated with VIEWPOINT weekly Amin Moghul arrested the local police on Friday. Mr Moghul has reportedly been detained for a period of three months and lodged at the Lahore Fort, which has been declared as sub-jail. He was arrested from his residence in the afternoon. The police has, however, declined to disclose reasons of the arrest and charges against the journalist. [Text] [Islamabad THE MUSLIM in English 16 Aug 82 p 7]

BARI IN "B" CLASS--Multan, 11 August (JASARAT Correspondent)--On the orders of Punjab's secretary of the interior, the former student leader and chairman of the defunct Pakistan Revolutionary Council Dr Ehsan Bari has been given a "B" class cell in the district jail of Multan. Mr Bari was arrested in connection with 2 cases against him in the Multan sub district. [Text] [Karachi JASARAT in Urdu 12 Aug 82 p 8]

OFFICIAL ADVISES MAULANA NOORANI--Quetta, 22 Aug (JANG Correspondent)--A magistrate today held a meeting with Maulana Shah Ahmad Noorani, chief of the World Islamic Mission, in his hotel room. The magistrate advised Maulana Noorani that since there was a ban on political activities, he should not take part in any politicking. According to Noorani, he was not served any written notice. [Text] [Karachi JANG in Urdu 23 Aug 82 p 1]

SHORT DURATION WHEAT VARIETIES--Islamabad, Aug 20--Dr Amir Mohammad, Chairman Pakistan Agriculture Research Council, (PARC) has stressed the need of developing short duration varieties of wheat and also a package of technology responsive to the requirements of farmers. He was speaking at the concluding session of 3-day wheat seminar here last evening. He urged the scientists to keep the peculiar circumstance; and conditions which the farmers have to face while evolving a package of technology for the wheat growers of the country. Dr Amir Mohammad said special attention should be given to overcome the scarcity of water in Baluchistan with emphasis on development of range lands. He said that P.A.R.C. has already set up an arid zone research institute which is busy in research to identify suitable crops for the dry areas. He said the seminar was a great success as it was participated for the first time by the farmers of the four provinces in addition to scientists and wheat experts. He said that work was in progress to train more manpower in the field of agriculture. He asked the scientists to work for better yield and disease resistant varieties in order to increase the production of wheat. Dr Amir Mohammad said that in light of the recommendations of the seminar research programme for the next year will be evolved.--APP [Text] [Karachi BUSINESS RECORDER in English 21 Aug 82 p 1]

ORDERS SECURED THROUGH EXHIBITS--Export orders worth 23 million dollars were obtained through official participation in 12 international trade exhibitions and specialised fairs held in various parts of the world during last fiscal year. According to the official sources spot sales were also made in some of the exhibitions in which Pakistan participated which though not very substantial in terms of hard cash, but proved very fruitful by way of introducing country's goods to the foreign buyers. The most remarkable feature of the fiscal year's programme of participation in exhibition was Pakistan's pavilion in the Indian international trade fair at Delhi in November 1981. Delhi fair, the sources said, provided opportunity to the people of India particularly the Muslims, to get information about development activities taking place in different fields in Pakistan during last 35 years.--PPI [Text] Karachi BUSINESS RECORDER in English 21 Aug 82 p 1]

VARSITY CODE OF ETHICS--The Karachi University Students Union has finalised its code of ethics for promoting academic peace at the Campus. This was announced by the Joint Secretary of KUSU Mr Ayaz Sarwat Farooqi at a press conference yesterday. The code will be submitted to the Students Adviser of the University shortly. The rival body, USM, has already submitted its code to the University authorities. Meanwhile the Working Committee of the United Students Movement has criticised the Vice-Chancellor's suggestion that the teaching of Honours classes be abolished in Karachi University. The students would resist such a move, a USM Press release said. The demand for abolishing the Honours classes appears to be part of "a conspiracy" aimed at limiting the educational facilities to the "privileged class" only, it added. [Text] [Karachi DAWN in English 11 Aug 82 p 8]

CSO: 4220/322

COLUMNIST DISCUSSES DETERIORATED POLITICAL SITUATION

Cebu City VISAYAN HERALD in English 13 Aug 82 p 9

[Article by Eddie R. Gandionco]

[Text] This is the third of articles written in advance because of my absence. Today I will make on the study I have made on what has gone wrong and what I think should be done on the situation we are in. But before looking at the economic aspects, the question that must be asked is this: What kind of wind is now buffeting us? Is it a wind of change, recovery, collapse or worst?

Let us examine the situation. The political climate has deteriorated. There are renewed tension in various parts of the country, especially in the Visayas region, of the rise in NPA activities. Of course, this is denied by the PC/INP. The monetary order is confused, while soaring prices of commodities have become unbearable for the people whose income has remain at a standstill. Unemployment has us in its its grip and is squeezing harder and harder. Inflation is moving at ever faster and more alarming rate, although government statistics will not show. Exchange rate fluctuatons has become one of the major bottleneck of business and industry. Foreign borrowings, balance-of-payments, adn budgetary deficits are now on stratospheric levels and is going up, up, up into space without any hope, at this point of time, of levelling or going down.

The internal economic crisis goes on. The continuing everday problems tempt politicians, both from the opposition groups and the KBL, to indulge in strong words for the people's consumption. The result is that suspicion and mistrust of people in government press releases and programs grow and doubts arise about the real intentions. The "five-pillars of justice" in which the Administration wished to give our underprivileged and poor justice has failed in their duties. Just read the newspapers daily and the radio airlanes of the many injustices committed by those in government.

In the face of all our problems, external and internal which confront us daily I propose that the politicians put behind them their ambitions and personal interests and resolve to work for the improvement of the quality of life of our people; for those in charge of the collection of taxes to honestly and efficiently collect all taxes under existing tax laws and to do away for a

while of keeping part of the taxes in their pockets until better times; for the affluents in society, (business, industry and government), to share with those who have less in life and the millions of their poor Filipino brothers their ill-gotten or cheated wealth; for the military establishment, especially the PC/INP, to try to concentrate in eliminating criminality and other forms of crime which is gripping the country rather than search for scapegoats; and many, many more.

A more constructive approach to our problems and miseries would be for government to try to be more consistent in their policies and ways. To be candid and truthful to the people whom they are supposed to serve with sincerity, honesty, and dedication. But are they?

The Administration is not pleased to see high interest rates, for they are an obstacle to economic recovery and they depress business and industry. However, high interest rates are a means to an end of removing inflation. And the high interest rates in the United States have pushed the Philippines rates above the level we would have wished. And the US interest rates resulted in the fluctuation of the exchange rates of our currencies or the influence of the dollar in the financial markets. What is happening to day in our financial sector and the level of interest rates is a reflection of the international monetary system. If the government understands what is happening to us now, perhaps our experts and technocrats can work to improve ourselves thru monetary stability, greater use of domestic funds instead of foreign funds for development, development of community credit systems managed by banks and remove barriers to invisible trade. And, of course, government spending must be kept within reasonable levels or limits.

CSO: 4220/329

WORLD BANK COMMENTS ON PHILIPPINE ECONOMIC PLANS

HK250259 Manila BUSINESS DAY in English 23 Aug 82 p 2

[Article by Conrado R. Banal III: "World Bank on RP Development Plan"]

[Text] A young man, at this moment, is probably figuring out how to make water heaters out of empty tin cans as part of his vocational training in high school. The heaters are not for actual use, for the project merely aims to teach students like him the mechanical principles of heaters and give them practical experiences.

He needs these, because by the time he will want a job, he has to compete against 700,000 others. The Philippine economy had to provide work for some five million entrants in the labor force from 1980 to 1987, or a rate of 700,000 a year, warned the World Bank in its latest report on the country.

Entitled "Selected Issues for the 1983-1987 Plan Period," the report said it mainly intends to show examples as to how to analyze Philippine economic issues, through the use of figures. Noting that the new five-year development plan generally spells out government strategies, the report bewailed a lack of data helpful for the country's economic planning.

Suggestions: It also gave suggestions about government policies, which if adopted would mean substantial changes in some sensitive areas. For instance, it wants government to trim down its investments, which were pursued aggressively the past years to propel the economy through a worldwide recession. The government should also collect more taxes and avoid giving direct or indirect subsidies in certain programs.

The World Bank provides the country loans that have terms of up to 15 years--longer than those obtained from private banks abroad--and with interest charges substantially lower than those of these banks. As the country pays an average of $2 million daily for interest on its foreign debts, the government may need to heed the World Bank's advice to obtain its continuous support. The World Bank has promised the Philippines some $600 million a year for 1982 and 1983, up from the previous ceiling of $450 million a year.

The report noted that the new five-year plan recognizes the need to provide for a growing population, but to a lesser extent than previous five-year

plans. It said the country has the highest fertility rate and fastest growing labor force in Southeast Asia.

Job creation for an expected flood of workhands during the next five years thus poses the major challenge for the Philippines. Such an influx can stagnate wages and produce a more uneven distribution of wealth, the social implications which are feared by World Bank to result from the economy's failure to provide enough jobs. The report believes that wages have dropped in recent years and the growth disparities among the regions have been corrected only slightly. It noted that in some areas, for instance, an individual's average production of goods and service for consumer use was only about 33 percent of that in Metropolitan Manila.

Formidable: Yet this challenge to government can be formidable due to problems facing the Philippine economy.

Traditionally, the country has relied heavily on a few traditional export commodities such as sugar, coconut oil, or minerals to earn dollars for payment of imports and foreign debts. These exports also comprise a main source of income in the rural areas, so that any drop in their prices often means hardships to local business. The World Bank report noted that if factories fail to provide the needed jobs, as they presently do, the agricultural sector would have to absorb the additional workers; and farms are already overcrowded.

A prime target of government is therefore to develop industries, and steps were indeed taken to diversify into more manufactured goods for export. The World Bank exported more manufactured goods than it imported, if the purchases of equipment for energy generation were not counted.

But the government has also found several industries inefficient, and a main stumbling block to economic maturity which resulted from years of misdirected policies on industries. Reflecting this government view, the World Bank report said that the country's production in factories fared poorly compared to the amount of money poured into them, while many firms had overdue repayments on loans used for these factories.

New setup: The 1983-1987 development plan hopes to change the setup in agriculture and industries, the sectors favored to spearhead the economy's growth. The government's fundamental strategy in eradicating widespread poverty in the country is to expand the economy, so that the larger the wealth, the bigger the share of each who helped create it.

But the economy's growth has slowed down the past years. Its gross national product (GNP), or the total amount of production, grew by only 3.8 percent last year against 4.4 percent in 1980 and 6 percent in 1979. Part of the blame for this slowdown lies on a similar slack in foreign economies which buy products from the Philippines. With less prospects of selling their products abroad, Philippine firms reduced production, sending ripples through the other sectors.

Neither do firms have enough domestic buyers to allow production growth. Since the recession in other countries effected drops in the prices of Philippine commodities, people in rural areas had insufficient income to absorb the production of factories.

Moreover, such price drops weakened the country's overall ability to pay for imports. It earned less dollars for the same volume of exports, while prices of imports have swollen. The World Bank report noted that the buying power of the country's exports dropped by 29 percent during the past two years, or since the 1979 oil crisis hit the world in general. In 1979, $1 earned from abroad could buy the Philippines $1 worth of imports; that same $1 could pay for only $0.71 last year.

In effect, part of its production went abroad without a corresponding return, instead of the people consuming or saving the whole of it. The World Bank report estimated that the Philippine economy lost some 1.6 percentage points in its growth of 3.8 percent last year, due to the imbalance in prices of export and imports. In 1980, the loss was around 2.1 percentage points from a growth of 4.4 percent, compared to a gain of 0.3 percentage points from a 6 percent growth in 1979.

Thus the country's income, or the portion of production available for use by its people, grew by only 2.2 percent last year and by 2.3 percent in 1980. The national income of 6.3 percent in 1979 was higher than the total production, because the country actually gained from somewhat favorable prices of exports.

Tools: Most effective tools for government to accomplish these goals are its revenue generation and their uses, the World Bank said. Present level of government revenue is low because of insufficient tax collection, low incomes of government corporations which have received large portions of the budget, and poor loan repayment in government banks.

Under the present five-year plan, tax collections are projected to reach 14.6 percent of GNP this year. As of last year, however, collections amounted to only around 11 percent of GNP, which was attributed by the World Bank report to a shortfall in internal taxes. It said that the 1978-1982 plan underestimated the need for more tax measures, and those which were planned were implemented only recently. The method of tax collection also failed to improve as planned.

Because the government's funds cannot meet its required spending, it trimmed down on expenditures for maintenance of road and irrigation. It also reduced allocations to health services and education, and to salaries of its employees, the World Bank report said. Although the government concentrated more on investments, its insufficient funds resulted in delays in some projects.

Self-financing: Aside from raising its tax collections, the government should also try to develop its corporations towards self-financing ventures, the report said. Government funds were given to these corporations to augment

their cash shortage, since their own operations can provide less than 10 percent of their funding needs, against 25 percent in Thailand, for instance. The government also extended guarantees to the foreign borrowings of such firms.

The World Bank report said that the more than 100 government corporations are, in effect, financed by the taxpayers who are on the average "poorer" than those using their services. Most government firms charge so low a price for their services that their viability is threatened without additional funding support from the government. Despite such low prices, many firms have also backlogs in their collections, but they nevertheless engaged in expansions, the report said.

The government's budget is further burdened by its support to government banks. The World Bank report noted that the Development Bank of the Philippines (DBP), the Philippine National Bank, and the Land Bank of the Philippines [PNB]--acounting for 36 percent of the total assets of the country's banking sector--have been "insufficiently selective" in their lendings and extension of guarantees. The DBP and Land Bank, as a result, are collecting only 33 percent of the due interest and loan payments. Although the PNB has fared better, its collections are still "unreasonably low," the report said.

Heavy investment: Aside from these, while the government has not yet completed its main functions such as construction of roads in the rural areas or water system, it has invested heavily in industries, real estate, and marketing of farm crops, the World Bank report noted, adding that although some of these ventures are highly justified, these areas previously belonged to the private business.

On real estate and housing business, the report noted that the government has to provide the credit system, because the private sector is reluctant to enter such a low yielding business. Banks generally incur higher costs in lendings for housing, while there are other more profitable loans.

Long-established government programs for housing, or the lendings of the social security system and the government service insurance system, have been extended to a "small number of beneficiaries," the report said. Thus, the need for new programs, such as the PAG-IBIG [expansion unknown] Fund and the Bagong Lipunan Improvement of Sites and Services (BLISS) Program.

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While the government has raised the lending charges of state-owned banks to at least 18 percent, the PAG-IBIG program lends at concessional rates of 9 percent a year. The World Bank report said that because of the low lending rate, only around 5 percent of the PAG-IBIG Fund members can avail of loans, based on any imaginable computation.

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The report thus suggested that the government should look into the financing programs for housing, to align them with the goals in revenue generation and financial sector reforms. It added that the cost recovery and viability of the programs should be reviewed to allow more families to use such funds.

On the Kilusang Kabuhayan at Kaunlaran [KKK], the government's banner program to improve the income in rural and depressed areas in the metropolis, the report said that government policies should also be consistent with reforms in the financial sector. It said the timing of the program's introduction indicates that it is a government plan for countering the domestic economy's slowdown.

Noting that other credit programs for small enterprises already exist, the report said the KKK program should aim to raise the available credit for such ventures, instead of merely rechanneling the funds. It advised government to reserve the KKK program for poverty groups, and those with better financial positions should be asked to tap other programs which follow market rates.

The report nevertheless said the government appropriately divides its spendings among the different sectors. At present, the government spends about 3.4 percent of GNP on energy development, 2.5 percent on transportation, 2.1 percent on education, and 1.8 percent on agriculture. "Any further shift in favor of energy, industry, or housing would unreasonably compress agriculture, nonenergy infrastructure, education, and health," the report said.

The 1983-1987 development plan, in fact, hopes to even up the distribution of the economy's benefits through more public spending in education, health, housing, and rural infrastructure. To allow the economy to absorb the coming deluge of workers, it wants the various regions to develop equally.

Despite the constraints in realizing these goals, the World Bank report noted that the Philippines has a high level of education--a fact which makes its population trainable even for jobs abroad. The report also noted that the country has an "important non-quantifiable asset," that of a "vigorous entrepreneurial class."

The World Bank report on the Philippines' five-year economic development plan, entitled "Selected Issues for the 1983-1987 Plan Period," took note of the government's plan to provide impetus to the economy in two primary sectors: agriculture and industry. In the latter, the government's overall program envisions reforms on all fronts, from government policies on protection and incentives to its methods of dispersing factories to rural areas.

One of the major components of the plan for industries is to provide factories with locally manufactured machines and spare parts, and semiprocessed

raw materials--needs that are hoped to be answered by the 11 major industrial projects.

The World Bank report noted however that nine of these projects involve the processing of raw materials for factories, and only "some" would process primary commodities available in the country. Such projects require huge investments and consume large volumes of energy, the World Bank said. Since the country expects a substantial swelling of the labor force in the coming years and buys energy from abroad, its advantage in the major projects which have to import raw materials is "not obvious," the report said.

Advantage: The Philippines, on the other hand, has a clear advantage over other countries when it comes to small and medium scale industries, since its labor is cheaper. The World Bank report said that such ventures need only 50 percent of the capital in large factories to hire one worker. If a large factory with, for instance, a P1-million investment can hire 10 workers, a small industry with the same capital can employ 20.

The report nevertheless agrees with the five-year plan's thinking that agriculture and industry will be the "key engines of growth" in the country. It is, however, "not highly confident" about the figures projected by the plan on the uses of production.

Firstly, it said, the Philippines cannot be sure of what would happen abroad during the next five years. The countries buying most of Philippine products for exports are themselves uncertain about the behavior of their economies.

Secondly, the changes launched by the Philippine Government in the economic setup can bear results only after several years, with no definite time frame; anything can happen to prevent the economy from reaping the benefits of those changes soonest.

The five-year development plan projects that the economy would grow by a yearly average of 6.5 percent during 1983-1987, with government expenditure rising by 6.5 percent, consumer spending by 5.5 percent, and investment by 7.1 percent. The growth in exports is foreseen at 8.2 percent a year, and imports at 5.5 percent.

The World Bank report said that the plan's projections on imports and exports are "reasonable." It believes that exports of commodities such as farm crops and metals can improve by 5 percent yearly, and manufactured goods by a higher 12 percent a year. Although the report foresees a higher rise in imports of around 7 percent a year, it believes that an expected drop in oil imports can help offset the difference.

Relief: Savings in oil payments, which have drained blood from the economy the past years, are expected to provide relief during the next years. Presently, the country imports oil for about 70 percent of its energy needs, and this is targeted to decline to around 40 percent by 1987. Imports of oil and its byproducts amounted to some $2.3 billion last year, or 29 percent of

the $7.9 billion in total imports and 40 percent of the $5.7 billion in exports.

Veering away from the dependence on imported oil--a main strategy of the new five-year plan--will involve harnessing of domestic sources of energy, such as underground steam, coal, and nuclear power. These projects will also require huge investments, and according to government figures, importation of capital goods for energy has reached $301 million last year, about 16 percent of total imports of capital goods. This and the oil imports accounted for about 7 percent of last year's GNP, or total production, against 5.3 percent in 1978.

Capital imports for the energy program, and for those in industry and agriculture, can be funded completely with the help of foreign borrowings, since the country's savings can provide only a portion of the needed funds. Yet the five-year plan wants a slowdown in its foreign loan availment, with a target outstanding debt of 2.6 percent of GNP by 1987, from 6 percent this year. It hopes to prop up the country's savings, instead.

The World Bank report agreed that the country has to reduce foreign borrowings, because payments of interest charges alone would require more dollar earnings through exports. The country can surely use these earnings to buy goods abroad, with the various industrialization programs being launched.

Banks' support: Also, banks abroad would be willing to lend to the Philippines during the next years, if they believe that the government is taking steps to narrow the gap between its import payments and export earnings. Without the support from those banks, the country's development plans would be derailed, worsening living conditions.

The report, however, disagrees with the five-year plan's expectations that foreign debts can be reduced to 2.6 percent of GNP by 1987. It suggested that a more realistic goal would be 3.5 percent of GNP. The worry is that the country would miss its target growth in savings, as the experience during the past years shows.

The development plan for 1978-1982 targets an increase in savings of about 3 percent of GNP, or a level of around 25 percent of GNP in 1982. Since investments by 1982 are estimated at 28 percent of GNP, foreign loans can account for only 3 percent of GNP to meet the required investments.

Unfortunately, the country's savings fluctuated at about 22.5 percent of GNP during 1978-1982, which is the average level in countries with economic conditions similar to the Philippines. Investments ballooned, meanwhile, so that instead of a slowdown in foreign loan availment to 3 percent of GNP this year, the level may reach about 6 percent of GNP.

Check: To prevent a similar situation during the 1983-1987 plan, the World Bank report proposed that aside from bringing up savings, the country should also check its appetite for investments. This applies to both the private and government sectors.

The government has already introduced measures to raise savings in the private sector, through the floating of interest earnings of time and savings deposits, for instance. Banks are also being encouraged to provide loans payable over a longer period.

The main problem in the country's financial system is that people want to lend money for collection within the shortest possible period, while firms are generally better off if they repay loans after some years.

The World Bank report said that with the reforms in the private financial sector in place, the government should also look closer to the private sector investments which use these savings. It noted that while private investments in the Philippines have been higher than in other developing countries, no similar rise in production resulted. A deeper investigation into the appropriateness of the investments would require data about each sector and region, which the government lacks, the report said.

As for government's role in generating savings and investment, the report said that these are the "most critical issues" in achieving the goals of the five-year plan. It noted that the government has to assist the private sector in dispersing industries to rural areas, by collecting more taxes for investments in the depressed regions. The five-year plan itself aims to bring about a "more equitable distribution of income," and provide social services such as health care and education.

Tools: Most effective tools for government to accomplish these goals are its revenue generation and their uses, the World Bank said. Present level of government revenue is low because of insufficient tax collection, low incomes of government corporations which have received large portions of the budget, and poor loan repayment in government banks.

Under the present five-year plan, tax collections are projected to reach 14.6 percent of GNP this year. As of last year, however, collections amounted to only around 11 percent of GNP, which was attributed by the World Bank report to a shortfall in internal taxes. It said that the 1978-1982 plan underestimated the need for more tax measures, and those which were planned were implemented only recently. The method of tax collection also failed to improve as planned.

Because the government's funds cannot meet its required spending, it trimmed down on expenditures for maintenance of road and irrigation. It also reduced allocations to health services and education, and to salaries of its employees, the World Bank report said. Although the government concentrated more on investments, its insufficient funds resulted in delays in some projects.

Self-financing: Aside from raising its tax collections, the government should also try to develop its corporations towards self-financing ventures, the report said. Government funds were given to these corporations to augment their cash shortage, since their own operations can provide less than 10 percent of their funding needs, against 25 percent in Thailand, for instance.

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CSO: 4220/334

'BUSINESS DAY' LOOKS AT NATIONAL BUDGET

HK310408 Manila BUSINESS DAY in English 30 Aug 82 p 2

[Feature by reporter Gerry N. Zaragoza: "The Budget for 1982"]

[Text] The government will continue to pursue the elusive goal of improving the "quality of life" of every Filipino in the coming year. If economic growth were used as a yardstick for measuring how far this "quality of life" goal has been achieved, then it can be said that in recent years the country reached about half of its target. While the gross national product increase had been targeted at 7.7 percent in 1980 and 8 percent in 1981, official figures show that GNP inched up by only 4.4 percent in 1980 and 3.8 percent in 1981.

Despite such low growth records the government is unfazed, saying that slow growth is shared by most developing countries as a result of the economic slowdown worldwide and the high cost of borrowing to finance the much-awauted economic turnaround.

The 1983 budget of the national government which amounts to P65 billion, has been allotted with a view to the betterment of the life of every Filipino. In the words of President Marcos, this means "providing him with an ever enlarging basket of goods and services."

Five-Year Plan: The budget year 1983 happens to coincide with the first year of the implementation of the new five-year Philippine development plan, during which the government has set an annual target growth rate of 6.8 percent. Although next year's budget is 8.8 percent higher than this year's, the government has conceded it is below "the threshold minimum needed to achieve the goals and target set in our development plan." However, the government added, the country has to "make do with what we have."

What can the 1983 budget then mean to every Filipino?

Most of the government's efforts next year will be directed toward increasing food production and developing the industrial sector. At the same time, it also intends to invest a huge amount for developing human resources.

The social services sector in fact will get the lion's share of next year's budget at 32 percent of P20.9 billion. This investment would go to such services as education, health, nutrition, family planning and housing.

Training: Although Filipinos are already one of the most literate among the people in the developing countries, with 89 percent of the population able to read and write, next year's government program will nclude provisions for a broad general education and training of people who will man the factories.

For training of workers who will fill industries' manpower needs, the government will spend some P58.5 million. The training program is expected to help reduce the unemployment rate, which the Ministry of Labor and Employment places at 5 percent throughout the country and 12 percent in Metro Manila.

Beyond preparing workers for jobs, the effort to shelter more Filipinos in low-cost homes will be intensified. Next year's program includes the construction of 200,000 housing units for low-income and middle-income families. This entails an allocation of P770 million to the National Housing Authority and the Human Settlements Development Corp., which are tasked to carry out the shelter project.

Population: Government's concern also extends to the ballooning population of the country. In recent years, the population has been increasing at 2.6 percent annually, a rate that worries government economic planners since the additional number of people every year reduces the country's per capita economic gains. To address the problem, the government has set a target of 2.4 percent population growth for next year which it hopes to attain through its population control programs.

The government pins its hopes on the development of the economic sector, particularly in agriculture and industry. It is also one area where the private sector could take an active part, particularly in food production and in the establishment of small and medium scale industries.

This sense of priority has prompted the government to allot 26 percent of the budget or P17.2 billion to economic services.

The government strategy is to stir up "dormant" entrepreneurial talents of Filipinos so they will take part in the national livelihood program Kilusang Kabuhayan at Kaunlaran [KKK]. As envisioned by the government, KKK would not only provide employment for more Filipinos, but would also produce goods for both local and world markets.

The government plans to spend P645 million to set up prototype projects, including those in agroforestry, agro-fishing, livestock and cottage enterprises. If pursued as planned, the KKK program could have a far reaching effect on many Filipinos considering that the government wants the involvement of the Barangays in the countryside.

Industries: The same vigor would be applied in the promotion of small and medium scale industries (SMSI's), which would not only produce goods, but also provide employment to Filipinos.

Businessmen and entrepreneurs would be encouraged to go into export-oriented ventures, so as to earn more dollars and close the widening gap between the country's exports and imports.

To spur vigorous activity from SMSI's, credit facilities will be expanded. About P10 million has been allocated to the National Cottage Industries Development Authority (NACIDA) for loans to entrepreneurs. Such credit programs as the industrial guarantee loan fund, the small and medium scale industries lending program, the export guarantee fund and the rediscounting window of the Central Bank would also make available the necessary funding.

The expected growth in the smaller industries would be balanced by the pursuit of the major industrial project (MIP's). The state-owned National Development Co. will get an additional capital of P800 million to help it carry out such projects as the copper smelter, phosphate fertilizer plant, engineering facility and integrated steel mill.

MIP's are linked to the smaller industries in that the former are expected to provide cheap raw materials to the latter. This would reduce importation of some raw materials, thus allowing smaller industries to compete in the world markets.

Food production: Along with industry, food production--a sector in which the country has had impressive strides--would still be high on the priority list for next year. The government has recently announced a bumper harvest in rice, and now wants to extend this self-sufficiency to corn, feedgrains and livestock in the next five years. Such a target would involve an allocation of some P4.5 billion for next year, P1 billion higher than in this year's budget.

Part of the plan for the food production sector is to trim production costs of some crops, including sugar and grains, so as to increase the income of planters. Reducing production cost will involve the use of low-cost fertilizers such as dolomite and azolla.

The private sector could join the government's effort in increasing food production by setting up their own projects. A number of economists, including those from the Center of Research and Communication, have predicted that food production would be one of the most profitable areas for investment not only in the Philippines but in the Asia-Pacific region in the next two decades. These economists premised their prediction on the expected rise in incomes resulting from the slowdown in population growth.

Outside factors: Whether or not the growth target set by the government would be attained will depend largely on outside factors. Industrialized countries' economies have been in a slump for nearly three years, resulting in low demand for Philippine exports, including coconut oil and coconut products, copper

concentrates and sugar. The low demand has naturally depressed the world prices of these exports.

Another heavy burden on the country's economy is the high interest rates it is paying for the funds it borrows. The government now plans to limit foreign borrowings next year to only P5.5 billion, or less than half of the country's borrowings target for this year.

As long as the depressed external economic conditions persist, the country would be pursuing an elusive growth rate needed to significantly improve the quality of life of every Filipino. Prime Minister Cesar Virata however, aired firm hopes that the economy "will be better" next year.

Where the Money Will Go

Sector	1983 Amount (in million pesos)	Distribution (in percent)
Economic Services	17,155	26.4
Agriculture and Agrarian Reform	1.674	2.6
Natural Resources	1,669	2.6
Industry	406	0.6
Trade	299	0.5
Tourism	93	0.1
Power and Energy	3,145	4.8
Water Resource Development and Food Control	2,246	3.5
Transportation and Communication	7,164	11.0
Other Economic Services	459	0.7
Social Services	20,928	32.2
Education, Culture, and Manpower Development	8,649	13.3
Health, Nutrition, and Population Control	4,319	6.6
Social Security, Labor, and Employment	2,057	3.2
Housing and Community Development	5,751	8.9
Other Social Service	152	0.2
Defense	6,771	10.4
General Public Services	6,487	10.0
General Services	2,154	3.3
Public Order and Safety	2,580	4.0
General Research	172	0.3
International Development Aid	247	0.4
General Administration	1,334	2.0
Debt Service	8,382	12.9
Multisectoral	5,277	8.1
TOTAL	65,000	100.0

Source: The President's Budget Message for 1982

Budgetary Provisions for Basic Needs, 1982 and 1983

Particulars	1982 Amount (In Million Pesos)	1982 Distribution (In Percent)	1983 Amount (In Million Pesos)	1983 Distribution (In Percent)
Mobility	5,081	8.5	5,973	9.2
Education, Culture and Manpower Development	7,315	12.2	8,649	13.3
Power	4,287	7.2	3,145	4.8
Economic Base	4,367	7.3	5,264	8.1
Food	3,383	5.7	4,476	6.9
Medical Services	2,383	4.0	4,319	6.7
Shelter	1,695	2.8	2,293	3.5
Ecological Balance	1,672	2.8	2,217	3.4
Water	1,107	1.9	666	1.0
Clothing	88	0.1	152	0.2
Sports and Recreation	37	0.1	41	0.1
Amount Specifically Allotted for Basic Needs	31,419	52.6	37,195	57.2
Amount Not [passage indistinct]				

Source: The President's Budget Message for 1983

CSO: 4220/334

'BUSINESS DAY' LOOKS AT PHILIPPINE UNEMPLOYMENT

HK010318 Manila BUSINESS DAY in English 31 Aug 82 pp 17, 23

[Feature by reporter Wong Chin Wah: "Outlook for Unemployment Bleak"]

[Text] The latest official figures belie what has been described by one government official as an "alarming" unemployment situation. However, recent developments, including last week's interministerial conference on employment--said to be an uncommon event--and announcements of piling lay-offs, all indicate that there's little comfort to be had from the National Census and Statistics Office (NCSO) pronouncement that unemployment in the Philippines was only 5.2 percent in 1981.

"Unemployment has always been serious," says Labor Minister Blas F. Ople. "But during a period of recession, it becomes even more serious."

Just how serious the government perceives the problem to be may be gauged, in part, from frenzied activities such as the initiation of so-called job-generating projects.

But, for all the activity, unemployment may turn out to be part of an even larger problem, as chronic underemployment (said to have affected 19 percent of the labor force in 1980) is not expected to get much better.

Employment Performance

The government reports that the unemployment rate has been held stable for the last five years. The NCSO says, for instance, that the number of unemployed, defined as those who are reported as looking for work on a full-time basis as well as those wanting full-time work but not seeking it in the belief that no work is available, was 5.2 percent of a total labor force of 15 million.

By 1980. the figure was only .3 percent higher--5.4 percent of a larger labor force of 17.6 million.

Fourth quarter figures for 1980 and 1981, however, show an increase in unemployment, from 4.3 percent to 5.2 percent.

During the same period, gross national product (GNP) rose from P77.8 billion in 1977 (at constant 1972 prices) to P96.07 billion in 1981--or an average annual growth rate of 5.4 percent.

So far, GNP growth has been able to handle the 4.5 percent average annual increase in the labor force. However, while the growth of the labor force is not seen to be slowing down significantly, GNP growth has been tapering off in the last few years. From a modest 5.1 percent growth rate in 1979-80, GNP growth dropped to only 3.7 percent in 1980-81, much lower than the 6.0 percent growth projected by the National Economic Development Authority (NEDA).

Given that worldwide recession is not expected to bottom out this year, NEDA may again have to scale down its projections for a 5.8 percent GNP growth rate in 1982.

All this means the economy may not be able to absorb an increasing labor force. A MOLE [Ministry of Labor and Employment] study entitled "Philippine Employment Perspectives in the 80's" notes that for the economy to absorb incoming workers from 1980 to 1985, it has to generate at least 3.2 million jobs plus jobs for those already unemployed.

The same study observes that to maintain a "tolerable" unemployment rate of about 4 percent, net domestic product (NDP) has to grow at an estimated annual rate of about 8 percent during the decade. Such a high growth rate has not been achieved; nor is it likely to be achieved in the next few years.

There is evidence, however, that the harsh effects of recession on employment may be softening this year. Less lay-offs were reported in the first semester of 1982 than the same period last year. This January to June, 30,500 workers were reported to have lost their jobs due to shutdowns and retrenchment. Another 13,300 suffered shortened work hours.

During the same period last year, 46,800 workers were laid off, and 16,000 employees had their work hours reduced.

The number of lay-offs could have been considerably higher, though. An official who preferred not to be identified, says that in the first quarter of 1982 alone, almost 20,000 workers in the mining industry would have been laid off had the government not stepped in to support copper prices.

Metro Manila

There is some disagreement as to the role Metro Manila plays in all this. The NCSO says the national capital region does not significantly affect overall employment, since it accounts for only a small percentage of the national employed work-force (13 percent in 1979).

Other sources, however, point out that Metro Manila is a valid indicator because it absorbs as much as 70 percent to 80 percent of total employment in the industrial sector.

Trends in the industrial or "formal" sector (manufacturing, mining, construction, etc.), says Arturo Sodusta, chief of the labor market information division of MOLE, not only indicate the overall employment situation, but also affect the so-called non-formal sector (agriculture, fishing, etc.).

Unemployment in Metro Manila has consistently been higher than the national average. In third quarter 1980, when the national average rate of unemployment was 5.4 percent, [words indistinct] rate stood at a high 14.6 percent.

In the fourth quarter 1981, unemployment in the national capital region was 12.9 percent--7.7 percentage points higher than the national average.

Like the national average, however, Metro Manila's unemployment rate rose in the last quarter of 1981, as compared to the same period in the previous year. From 7.4 percent in 1980, the unemployment rate of Metro Manila rose to 12.9 percent last year.

Moreover, there are, it seems, additional reasons for concern--at least as far as the industrial sector is concerned.

Accession and separation rates, used by MOLE to determine the ratio of hirings to firings in 12 selected industries in Metro Manila, indicate that more people are being laid off than are being hired.

In the first quarter this year, for every four out of 100 persons hired, five were laid off. The figures for the second quarter are a bit more encouraging, but the difference is still negative--that is, there are still more separations than hirings.

"The overall picture for employment is bleak," Sodusta says. "Employment opportunities here are going down, and that separation has outpaced accession is [as published] a signal of an impending imbalance."

Sodusta attributes the poor employment trend in the industrial sector to worldwide recession. Not only the Philippine labor market is suffering, he said. Dante Santos, president of PHILACOR, agrees. He says, "In fairness to our country, all countries are suffering from high unemployment."

Statistics from the LMID [expansion unknown] office seem to bear this out. From 1977 to 1980, Malaysia and Thailand reported the highest unemployment rates among ASEAN (Association of Southeast Asian Nations) countries. Together with the Philippines, the LMID reports, these two countries posted unemployment rates beyond 5 percent in 1980. It should be noted, however, that the concepts of unemployment rates, as such, are not totally comparable.

Underemployment

A more meaningful question to ask, then, is that of those who are considered "employed"--how many are actually utilized to their fullest capacity? The answer is not too encouraging.

A paper released by MOLE reads: "A growing number of our employed workforce has worked less number of days, earned a very small amount, and produced less from what is normally expected of them. In short, many of them are underutilized to a level amost equivalent to joblessness.'

MOLE cited NCSO statistics for 1977, which showed that a little more than half of the employed workforce worked less than 70 days during a given reporting quarter. This means, the paper explains, that for every two employed workers, one is fully utilized in terms of days worked and the other underutilized.

In 1977, 630,000 worked less than 15 days; 1.2 million, 15 to 29 days; 1.3 million, 30 to 44 days; 1.7 million, 45-59 days; and 2.5 million, 60 to 90 days. The bulk of those underemployed was concentrated in agriculture, which accounted for 4.8 million workers, or 65 percent of the underemployed.

"Underemployment is our biggest problem," Sedusta says. "Workers are not fully utilized in the number of hours they work, in the income earned (and therefore, contribution to GNP), and in the matching of training to jobs."

Rosa Linda P. Tidalgo, associate professor, and Emmanuel F. Esguerra, lecturer, both from the UP [University of the Philippines] School of Economics analyzed Philippine employment during the last decade, and found that underemployment had taken a turn for the worse in the second half of the '70's.

Tidalgo and Esguerra note that visible underemployment, defined as those working less than full-time (based on a 40-hour week) and wanting additional work, rose from an annual average of 5.6 percent of the labor force from 1971-76 to 10.7 percent in 1976-78. In real terms, this meant that on average, 804,000 workers a year were visibly underemployed during the first five years of the '70's. From 1976-78, the average was a higher 1,667 million a year.

In the meantime, invisible underemployment, defined as those working at least full-time but still wanting additional work, also grew, from a yearly average of 5.8 percent of the labor force in 1971-76, to 8.2 percent in 1976-78. This meant 839,000 invisibly underemployed workers a year in 1971-76, and 1,282 million a year in 1976-78.

Total underemployment (visible plus invisible underemployment) rose from 11.4 percent of the labor force a year in 1971-76, to 18.9 percent annually in 1976-78. This meant a total underemployment yearly average of 1,643 million from 1971-76, and 2.95 million annual average in 1976-78.

Considering the labor force was smaller during the first half of the decade, write Tidalgo and Esguerra, the higher underemployment rates for the second half definitely indicate a worse state of underemployment.

They include: "If we adjust our count of labor underutilization to include the unemployed, the underemployed and the potential labor force members (i.e. students, housewives, people not counted in the labor force), then these would

average 5.4 million annually during the first period (of the '70's) and 6.7 million annually in the second period, or 31.7 percent (of the labor force) and 36.4 percent respectively. These estimates are much higher and spell a more serious underutilization problem in the 1970's than the count of unemployment of 5 percent...."

Prospects

The outlook for Philippine employment during the early part of this decade doesn't appear too bright. As the growth of the labor force accelerates, the country's economy will have to strain against recessionary pressures for even higher rates of growth.

Much depends on the effectiveness of government policies toward encouraging job creation.

Also, the overseas labor market, now used as a stopgap measure against local unemployment, could be further developed. There are limits, of course, to this option. Conditions in overseas labor markets, are not under the control of Philippine planners.

Perhaps because of this, government officials are becoming more and more aware that any longterm programs for employment have to be anchored onto a stable local economy.

CSO: 4220/334

FIFTY ONE NPA SUSPECTS KILLED IN NEGROS OCCIDENTAL

OW271429 Hong Kong AFP in English 1346 GMT 27 Aug 82

[Text] Manila, 27 Aug (AFP)--At least 51 suspected communist rebels were killed and 39 others were captured by military authorities in a campaign early this month in Negros Occidental Province in central Philippines, the Philippines News Agency (PNA) said today.

PNA said the provincial constabulary (national guard) commander, Col Francisco Agudon told a conference of government officials in Bacolod City, that nine policemen were killed during encounters with the suspected members of the New People's Army (NPA).

The NPA is the military arm of the communist party of the Philippines.

The PNA report said the suspected NPA members were killed in six different townships in Negros Occidental Province.

Bacolod City is some 480 kilometers (300 milies) southeast of Manila.

CSO: 4220/334

MILITARY, POLICE ON FULL ALERT IN PHILIPPINES

OW011413 Quezon City RPN Television Network in English 1100 GMT 1 Sep 82

[Text] The full alert status of military and police units is now on. With the first day of September, target kick-off month of terror plotters, military and police authorities pressed on with earlier safety measures to thwart any bid by subversives to sow terror and violence. The day went on without any incident as security tightened up at likely targets of bombings, arson and sabotage at government buildings and public utilities. Care was taken to conceal security elements so as not to cause any alarm.

Earlier, the country's more than 1 million reservists were placed on standby alert by the Philippine Army. Another step taken was the setting up of mobile checkpoints in Metro Manila in a bid to stop any movement of subversives as well as criminal elements.

In Battaan, the military increased the troops guarding the nuclear plant, the two explosive plants, and the export processing zone. These, as well as major hotels, were eyed as targets by subversives.

CSO: 4220/334

ECDC COORDINATING COMMITTEE MEETS IN MANILA

OW281135 Tokyo KYODO in English 1117 GMT 28 Aug 82

[Text] Manila, 28 Aug (KYODO)--Proposals for a Global System of Trade Preferences (GSTP) to improve trade among developing countries and a food security reserve scheme were the major achievements of a meeting of senior Third World officials that ended here Saturday.

The first meeting of the Economic Cooperation Among Countries (ECDC) Coordinating Committee was attended by 150 delegates from 44 of the 122 member countries of the "Group of 77," which is trying to improve the position of its members in trade relations with the industrial countries.

"The GSTP is a system of trade liberalization that will cover the trading of food, capital goods, and raw materials among developing countries," said Philippine Budget Minister Manuel Alba, conference chairman.

A proposal for a "south-south" bank to assist developing countries got no support from potential contributors among ECDC members, Alba said.

Ministers of member countries are due to meet in New York next month to discuss the Manila proposals, which include the setting up of a headquarters for the ECDC Common Fund possibly in Manila, developing new and renewable sources of energy, and trading in capital goods among developing countries.

CSO: 4220/334

BRIEFS

CANADIAN ENVOY TO SINGAPORE--The Canadian high commissioner designate, Mr George Seymour, arrived in Singapore yesterday. He will replace Mr Michael Berry as Canada's representative to Singapore. [Excerpt] [BK270519 Singapore STRAITS TIMES in English 20 Aug 82 p 13]

CSO: 4220/334

BILATERAL SHIPPING AGREEMENT SIGNED WITH GDR

Colombo SUN in English 20 Aug 82 p 1

[Article by Jennifer Henricus]

[Text] Sri Lanka has reached accord with the German Democratic Republic for a bilateral shipping agreement.

This agreement, the result of protracted negotiations entails a fifty-fifty cargo sharing arrangement, 'SUN' realiably learns.

Previously talks between Sri Lanka and the G.D.R. were deadlocked after the two countries were unable to reach understanding to share cargo on an equal basis.

Trade and Shipping Minister Lalith Athulathmudali will shortly sign the agreement on behalf of Sri Lanka.

Mr Athulathmudali told 'SUN' that the draft agreement on the lines of the bilateral agreement with Russia, will be signed next month.

Negotiations for this bilaterial agreement began in June 1981 and a delegation visited East Berlin to present Sri Lanka's case. The original agreement proposed by the GDR omitted several key factors favourable to Sri Lanka chief among them being the cargo sharing basis. They refused to allocate the cargo on a fifty-fifty basis and wanted instead a 40: 40: 20 allocation which Sri Lanka did not agree to.

The GDR maintained that they could not agree to Sri Lanka's proposal as it had signed a UN convention that prohibited such agreement. However Sri Lanka pointed out that in the convention, bilateral agreements were not included and that Sri Lanka had entered into such agreements with some other countries.

CSO: 4220/329

TRINCOMOLYEE TO BECOME CONTAINER PORT

Colombo SUN in English 20 Aug 82 p 1

[Article by Chris Dharmakirti]

[Text] The strategic port of Trincomalee will soon be transformed into a container port, Sri Lanka Ports Authority Chairman, Wimal Amarasekera said yesterday.

Feasibility studies for this purpose are now under way and the project will be the Authority's third phase in the development of container facilities, he said.

The first phase, the setting up of a modern transhipment terminal in Colombo, has already got under way. The port of Galle too was being developed. However, in view of their limitations, it has become necessary to develop Trincomalee, he said.

Mr. Amarasekera said the award of the billion rupee tender for the construction of a modern terminal in Colombo will be made this month. Till such time this facility is available, the SLPA has rented a Gantry crane which will be put into operation from this month.

This, he told "SUN" in an interview, has helped the SLPA to earn foreign exchange immediately. This is particuarly in view of a decision by a prestigious container liner service to shift its regional headquarters from India to Sri Lanka. From next month, the Colombo port will handle 1,000 containers for them per month. The installation of two additional Gantry cranes next year will increase this capacity to a further two thousand containers, he said.

Sri Lanka has been losing revenue in the past in transhipment operations since it did not have Gantry cranes. The modern cargo vessels, unlike the old ones, do not have cranes on board. Hence, they visit ports which have Gantry crane facilities, he said.

CSO: 4220/329

BRIEFS

FRENCH FUNDED PROJECT ANNOUNCED--ANOTHER massive development project costing Rs. 1,130 million will take off from the launching pad when President J. R. Jayewardene ceremonially inaugurates the Nilwala Ganga scheme tomorrow at Akuressa. This was announced by Mr. Gamini Dissanayake, Minister of Lands, Land Development and Mahaweli Development at a Press briefing yesterday at the Parliament building at Sri Jayawardhanapura, Kotte. He told the Press that the Nilwala Ganga scheme which would be phased out in three stages would be fully completed by 1986. The first stage would cost Rs. 500 million and it would be completed by 1984 and the second stage by 1985. The necessary money would be funded by the French Government on a request made by Mr. Dissanayake. [Richard de Silva] [Excerpt] [Colombo THE ISLAND in English 20 Aug 82 p 1]

CSO: 4220/329

THIRD ARMY CHIEF DISCUSSES CPT, POLITICAL FUTURE

Bangkok SU ANAKHOT in Thai 18-24 Jul 82 pp 28, 29

[Interview with Lieutenant General Phrom Phiunuan, the commanding general of the Third Army Area and a senator: "I Hope That I Can Continue In My Position As Commanding General; date and place not specified]

[Text] Lieutenant General Phrom Phiunuan, the commanding general of the Third Army Area, age 58, graduated from the Chulachomklao Royal Military Academy, Army Cadet Academy Class 1. An infantryman, he saw much combat in the Korean and Vietnam wars. Concerning his past postions, he was provincial army commander in Chiang Mai, deputy commander of the 4th Division and commander of the 4th Division before becoming the commanding general of the Third Army Area. He will retire from government service in 1983. As commanding general of the Third Army Area, Lieutenant General Phrom Phiunuan is responsible fo the entire northern area, particularly the "red zone" areas in such important provinces as Chiang Rai, Phayao, Nan, Phetchabun and Phitsanulok. He has stipulated new strategies and methods in communist suppression. Instead of emphasing only the military aspect, his new strategy calls for politics to lead the military. That is, politics instills ideals and helps the people to make a living. As for those areas that are under the contorl of the communist terrorists, when such areas are seized, development activities are quickly carried out. Recently, the Third Army Area and the 1st Cavalry Division successfully carried out joint communist suppression operations. They were able to seize many secure bases and large camps of the terrorists, such as those in the Doi Yao, Doi Pha Mon and Doi Pha Chi areas. Thus, the main arteries of the communist terrorists were destroyed since the Voice of the People of Thailand Radio and the large bases in Zone 7 were destroyed. Besides this, the capture of the large communist terrorist camps in the Phu Mieng, Phu Khat and Phu Hin Rong Kla zones weakened the forces of the communist terrorists and forced them to limit their guerrilla

operations. SU ANAKHOT had a chance to interview Lieutenant General Phrom briefly, as time permitted, about some of the results that have been achieved and to get his views about the country and his personal life.

SU ANAKHOT: Why hasn't the Third Army Area ever shown off the results achieved in suppressing the communist terroirsts in the northern region, particularly the capture and destruction of CPT Zone 7, and publicly praised those who have done outstanding things? Everyone recognizes the achievements.

Phrom: Every soldier in the Third Army Area and the Forward 1st Cavalry Division are well aware of their duties. Even though we have accomplished things beneficial to the security of the nation, we know that it is not necessary to show off the results. The people know what has been done. We believe that action is better than words. The good results that have been scored are major accomplishments of the RTA and not me alone. In seizing the zones of the communist party, every soldier in the Third Army Area, the cavalry division, the air force, the prop aircraft wing and the thahan phran units cooperated well and were conscious of their duties as soldiers. I am not a clever person and I do not have any [special] talents.

[Question] In your view, when we seize all the large camps and destroy the bases of the CPT, will the communist terrorists be defeated?

[Answer] Just destroying all their bases does not mean that the terroirsts will have been defeated. But we will not let them grow in power again. In some places, we captured the camps and destroyed the bases, but the terrorists fled. What can we do to get them to surrender their weapons to us? Getting them to surrender and have a change of heart is the main problem. We must implement a political policy, not just a military policy. Concerning carrying out the political policy, the soldiers in the Third Army Area, including those in the 1st Cavalry Division, are very adept. For example, in carrying out political activities, we have been able to get many hill tribesmen to surrender their weapons to us. In some places, we have not had to pursue them; they have come to us of their own accord. And they have led soldiers to where weapons have been hidden. This is one reason why the Third Army Area, the cavalry division and the infantry units have scored achievements and collected many weapons surrendered by the terrorists.

[Question] Why have you been unwilling to grant interviews to the mass media even though the mass media wants to know about the achievements of the Third Army Area and future policy directions in terrorist suppression activities?

[Answer] I am the commanding general and the person who stipulates the policies. Providing information or announcing the results of the activities should be the responsibility of the deputy commanding general, specifically, Major General Prayat Rotphothithong. This deputy commanding general will become the next commanding general. I have served as the commanding general and feel that this is a high position. Next year I will retire. Thus, I have entrusted the tasks to the deputy commanding general. I have entrusted him with both suppression and

development tasks. My deputy commander is an excellent man. He speaks well and is good at public relations. He has scored many achievements.

[Question] Does this mean that Major General Prayat Rotphothithong will succeed you as commanding general after you retire?

[Answer] I hope that he will become the next commanding general. Because I have served as commanding general, I have a sense of accomplishment. I feel that I should help him become the next commanding general.

[Question] As a senator, do you think that the country's administration can become democratic?

[Answer] I think that the trend is for the country to become socialist in a free democracy. It will be very difficult to have a perfect democracy if we continue to have such turmoil as at present.

[Question] Why do soldiers have to interfere in politics?

[Answer] Soldiers do not want to interfere in politics. But politics interfers with the military. I feel that soldiers are citizens too. They have ideas too. Only a few soldiers are involved in politics. Even though I am a senator, I feel that my [military] duties are important. Thus, I have little chance to participate in meetings of parliament. Most of my work is with the army.

[Question] Concerning those who have left the jungle and surrendered to officials and who have been released to live freely, if they want to engage in politics, or fight politically, by establishing a communist party, what is your view on this?

[Answer] I do not think that we can permit this because the Communist Activities Control Law has not been revised. We cannot permit a Communist Party of Thailand. But if they want to fight in a parliamentary way by running for election in the name of some other party, I would gladly welcome this. We can fight in a proper way and allow the people to decide. But they cannot enter in a communist party system. We definitely cannot allow this.

[Question] After you retire, will you play politics? That is, will you stand as a candidate for MP?

[Answer] I will have a farm. As for playing politics, I cannot give you an answer yet. It depends on the situation. But I would rather rest.

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APRIL 81 COUP LEADER REVEALS POLICY STANDS

Bangkok SIAM MAI in Thai 31 Jul 82 pp 27-31

[Article: "Notes On the 1-3 April Coup"]

[Excerpt] Mr Bunchana Atthakon is a person whom the 1 April Revolutionary Council was going to appoint as prime minister if the coup had succeeded. The "Notes on the 1-3 April 1981 Coup and Me" of Mr Bunchana Atthakon are his personal notes concerning this national event. They have been printed and disseminated in the name of the Professor Bunchana Atthakon Foundation. Some of the notes concern the conversations that Mr Bunchana had with high-ranking people such as General Kriangsak Chamanan, General Prem Tinsulanon, Air Chief Marshal Harin Hongsakun and Colonel Manun Rupkhachon. They are of interest and should be given attention. Thus, SIAM MAI is presenting them for readers.

Thoughts Of a Young Soldier

They arranged for me to meet with Colonel Manun Rupkhachon at his home in Bang Su. There was a major general in uniform and three or four others in civilian dress there.

As for the conversation that day, we talked for almost 2 hours, from 1000 hours until noon. The views of Manun can be summarized as follows:

On politics: He feels that if an English or American type of democracy is to be used, it will take a long time to implement. Thus, he feels that a compromise method should be used in which the government has full administrative power, with parliament responsible for legislative matters only. MPs will not have the right to serve as ministers. This will keep MPs from fighting each other to become ministers. This point is the same as during the period of Field Marshal Sarit and Field Marshal Thanon from 1959 to 1971. Thus, the constitution will have to be revised. The government will gradually give more power to the people so that they can govern themselves more and more.

On economics: He feels that foreigners or those of foreign extraction have too great a monoply on trading, banking and industry. He feels that there should be changes so that Thais, or the government, can play a greater role. Serious attention should be given to the laborers, farmers and poor people. [He feels that] improving income distribution should be discussed so that these people receive an adequate and higher income.

The tax system should be revised. Taxes collected with the aim of providing income should be collected strictly. Taxes collected to serve as a tool to control the actions of certain people and taxes collected to serve as a tool in economic development should be collected strictly.

Concerning economic administration, the government should not have placed total confidence in just a single group of businessmen since these businessmen have experience in economic administration only from the standpoint of private [businessmen]. When they began administering the national economy, they gave little, or even no, attention to the interests of the public in general. Since they were merchants before, they are selfish and think only of making profits for themselves and the stockholders.

On military and civilian administration: He feels that there is widespread and large-scale corruption in bureaucratic circles.Even in purchasing weapons for the military, high-ranking officers make great personal profits. In civilian circles, hundreds of millions [of baht] in bribes have been paid both directly and indirectly. This should be suppressed and people should be punished harshly.

Concerning military and civilian officials, there are too many who are "dead wood." There are 500 generals on active duty even though the RTA is not very large. Most of these officers are all older men over the age of 55. They have very little physical strength with which to fight an emeny. If we really had to fight Vietnam, we would be at a great disadvantage. Thus, [he feels that] a military discharge system should be implemented quickly in order to improve the army and make it more efficient. The same is true for civilians. [He feels that] the retirement age should be lowered from 60 to 55, which would be like that in other countries in this region, which is a tropical zone.

On improving the structure of various institutions: He feels that the structure of the government institutions such as the ministries, bureaus and departments should be improved quickly and that the structure of the economic, political and social institutions should be changed so that they all have equal status. This would be a system that would enable the country to make rapid progress.

According to the abridged notes presented above, after listening to him, I had to admit that his views were very much in line with my own and that [if implemented] they would help develop the country and help it make rapid progress. There was no feeling at all that these people intended to destroy the system of democracy with the king at the head. I thus said "amen" to the views of these people and said that, if they wanted me to offer any ideas in building the nation, I would be glad to do so by fulfilling my duty as a professor.

General Kriangsak

Mr Kriangsak invited me to go see him, with the invitation extended by Mr Wong Phonnikon, on the morning of 16 August 1981. I went and visited him at his home in Bangkhen from 2035 to 2235 hours that day. The important matters discussed by General Kriangsak can be summarized as follows:

1. The monarchy: General Kriansak feels that the monarchy must always be preserved as a symbol of Thailand. Some people have intimated that General Kriangsak is not really loyal to the monarchy even though he has always been loyal to the monarchy.

2. Parliament: General Kriangsak does not feel that the government will dare dissolve parliament.Dissolving parliament would greatly harm the government of General Prem. Even if parliament is dissolved, General Kriangsak will run for election and will certainly be re-elected.

3. The government of General Prem Tinsulanon: General Kriangsak feels that in military circles, including soldiers on active duty and those who are no longer on active duty, Prime Minister Prem is no longer respected. The government has not solved the problems to the satisfaction of the people. General Kriangsak is certain that the Prem government is in a very precarious position and that General Kriangsak will take over sooner or later. If the take over comes sooner, it would have to be accomplished by violent means and he does not want to use such means. Using gentle means to effect the take over is better.

4. Military circles: General Kriangsak feels that the military is still very divided and that it is essential to bring about solidarity. He said that when he takes administrative control, he will be able to bring this about because he once served as an instructor at the Armed Forces Staff College. He even taught those in the class of General Thep Kranloet, a ministry undersecretary.

Few soldiers, either among those on active duty or among those who have been discharged, have any respect for General Prem. But General Kriangsak can still get along with all factions.

5. The young turk group: General Kriangsak feels that this group still has great influence and that people must continue to watch them.

6. Banking circles: General Kriangsak said that the nation's economic problems depend very much on the banks and, therefore, people should continue to take an interest in them.

7. Diplomatic circles: General Kriangsak said that he still has good contacts in foreign circles. Concerning Japan in particular, he is still in contact with former prime ministers such as Fukuda and Miki.

General Kriangsak said that former U.S. ambassador Abramowitz, who has now been transferred, did not like him at all toward the end. But General Kriangsak

still has very good relations with other ambassadors, such as the Soviet, Chinese and Japanese ambassadors.

General Prem, the Prime Minister

After attending a conference at the National Defense College on 19 August 1981, at noon, I had lunch with and talked with the prime minister. We talked about several matters, among which were the following:

1. The price of gas purchased form the Union Oil Company, which is drilling in the Gulf of Thailand, is too high. General Prem said that the price paid by the Thai government is too high.We were tricked by the company. He does not want to blame or punish General Kriangsak Chamanan, the prime minister at that time, since this was the first time and Thailand had very little knowledge about such matters. Later on, another company, Texas Pacific, began drilling and asked the Prem government to purchase gas at the same price. But the government would not agree to this, saying that we were tricked by the other company once before and that the new company would have to sell to us at a much lower price.

2. Solving the economic problems by relying on the production of gas and oil discovered in Thailand: General Prem said that we have discovered gas in several places. And it is hoped that oil will be discovered in Khon Kaen and other provinces in the northeast and in the Chao Phraya river basin. Within another 2 years, Thailand's economy will be much better. I remarked that it was noteworthy that England had discovered much oil in the North Sea and that it had exported large quantities during each of the past 2 years. But its economic situation is still very bad. Thus, Dr Sanah Unakun, the secretary-general of the Economic Development Council, should make a serious study of this. General Prem agreed that a study should be made. But Phot Sarasin, who was with us, said that the reason that England cannot solve its economic problems is that the English are lazy. I wanted to dispute this but did not because he is a high-ranking person. He has not followed events in England in detail. He probably spoke like that because he wanted to belittle my ideas.

3. On his trip to New Zealand, Australia and the United States: Prime Minister Prem said that he will visit New Zealand and Australia at the end of August. The purpose of his visit is to expand trade and so on. As for his trip to the United States, he will go in October in order to speak at the United Nations as Thailand's representative. He will be the first prime minister to address the United Nations in New York. Following that, he will meet with U.S. officials in Washington.

Note: Concerning his visit to the United States, there have been rumors that the United States does not want to receive General Prem as a guest of the government and so he must go as an ordinary tourist and stay at a hotel. When this rumor became widespread, a government statement was issued on 28 August 1981. It said that Prime Minister Prem would stay at Blair House as a guest of the U.S. government just as Field Marshal Thanom and General Kriangsak had done.

4. Development of the poor rural areas: General Prem said that it is his government's intention to develop the poverty-stricken localities in the rural areas. To this end, it has alloted a mid-year budget of 622 million baht. This money was "squeezed" from the "original budget" of 3.5 billion baht. The reason that money had to be alloted twice was because of administrative reasons. This latter budget was made several years ago and will no longer be used. People may not understand this.

5. On Red China's policy of supporting the CPT: Concerning the fact that Mr Zhao Ziyang, the Chinese minister of foreign affairs [sic], recently flew from Malaysia through Thailand and the prime minister held a 2-hour talk with him at Don Muang, he [Prem] siad that this was the first time that China said that it would no longer support the CPT, either in China's position as a government or as a communist party. He said that this was the first time that he had heard this from a person with responsibility in the Chinese administration. But I asked him about this in greater detail and asked how strong a commitment he had made. Because when he was in Malaysia, he told Malaysian officials that China would continue to support the Malaysian Communist Party politically and psychologically. General Prem then said that Zhao Ziyang had told him the same thing.

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AIR FORCE GETS AUSTRALIAN PLANES AHEAD OF SCHEDULE

Bangkok BANGKOK POST in English 30 Jul 82 p 2

[Text]

THE Royal Thai Air Force has received the first two Nomad planes ordered from an Australian aviation company — five months ahead of schedule, a RTAF spokesman said.

The planes were delivered to the RTAF last Wednesday.

The RTAF will have a complete fleet of 20 Nomads by 1984, the spokesman said.

The Nomad was designed as a small short-haul airliner which can be modified into a military transport. The RTAF's versions will be mounted with air cannons to be used both in transport and counter-insurgency operations.

The passenger-carrying version of the Nomad has a top speed of 172 miles per hour. Its cruising speed of 165 mph can keep the aircraft airborne for 4½ hours.

Yesterday morning Royal Thai Navy Commander-in-Chief Adm Somboon Chuerphiboon said the RTN and the Australian Government were negotiating free military aid in which Australia had offered to supply a fleet of Nomads to the Navy.

"We are discussing the details now," said Adm Somboon. He added that the Navy expected to receive about 12 Nomads in aid, but that the exact number has yet to be decided.

The agreement by the RTAF for the purchase and delivery of the planes was signed in February between Foreign Minister ACM Siddhi Savetsila and Australian Ambassador Gordon Jockel.

The Nomad is manufactured by the Australian Government Aircraft Factory (GAF) and the fleet will be delivered to the RTAF by the Hawker Pacific Company, the factory's agent in Southeast Asia.

CSO: 4220/304

HIGH RANKING POLICEMEN IMPLICATED IN EXTORTION

Bangkok THE NATION REVIEW in English 31 Jul 82 p 14

[Text] **THE SO-CALLED "Khaki Battle" was kicked off recently when a police lieutenant colonel in the northeastern province of Nong Khai filed a complaint to the Prime Minister's Office, the Interior Ministry and the Police Department, charging his superior – a police lieutenant general – with a frame-up.**

Pol Lt Col Thaveesak Thuvanond, Chief of Nong Khai police station, accused Pol Lt Gen Ruj Kamtharaj, Zone 2 Police Commander who controls police administration in 16 provinces in the Northeast, of accepting 20,000 baht from him and many other policemen in the province.

Pol Lt Col Thaveesak said junior policemen in the province were forced to contribute money from their allowances totalling 10,000 baht to Pol Lt Gen Ruj when the latter took office in Nong Khai to replace Pol Lt Gen Bantherng Kampanart-saenyakorn late last year.

Pol Lt Col Thaveesak claimed that he later had to "present" an additional 10,000 baht to Pol Lt Gen Ruj to "make him happy" and "he received the money in the presence of other senior police officers who could serve as witnesses."

In his complaint to Bangkok, Thaveesak said Ruj accepted the money...an act he described as "illegal and exploitation." He named three witnesses at the "money-taking" scene. They included Pol Maj Gen Suppawat Vathayanond, Zone 6 Police Commander, Pol Maj Varavuth Pukprayoon, Investigation Chief of Nong Khai police station and Pol Maj Apichart Butranond, Suppression Chief of Nong Khai police station.

The "frame-up allegation" prompted Police Director General Pol Gen Suraphol Chullapram to order his deputy, Pol Lt Gen Charas Pengcharoen, to immediately probe into it.

The police director general said allegations against senior police officers by junior policemen had been "a common practice" particularly when the time for annual promotion or reshuffle in the Police Department approached.

Interior Minister Sitthi Chirarochana put it this way: "Attempts to undermine high-ranking police officers always take place around this time of the month which is very close to the annual reshuffle in the Police Department."

Immediately after he filed his complaint to Bangkok, Thaveesak took business leave with two other police officers, Pol Maj Apichart and Pol Maj Varavuth, who were named as witnesses in the frame-up.

The third witness, Pol Maj Gen Suppawat, left for Bangkok with Pol Lt Gen Ruj to attend a meeting discussing the annual reshuffle in the Police Department with other provincial police commanders.

Pol Lt Gen Ruj told reporters that he had nothing to do with the alleged frame-up and "I assure you I'll definitely leave the police service if I'm proved guilty."

The Zone 2 Police Commander said he had been working honestly in the police service for the past 39 years and "this is what I get for that."

Ruj also described Thaveesak, his "challenger," as a police officer of high caliber but "I really don't understand what he wants by making such allegations against me."

"This affects my reputation as a police officer," he complained in a recent interview to reporters.

Some MPs from Nong Khai including Anuwat Buaprommee and Pitak Sitabutr claimed that they themselves had ever received complaints from junior policemen in the province about having to contribute part of their allowance to senior police officers.

Experienced observers, particularly those in the police circle, indicated that Thaveesak was putting his own career and future at stake for he would probably have to bow out of the police service if the investigation committee ruled that the frame-up allegation was groundless

Thaveesak, however, insisted that he would fight the case to the bitter end and "I'll never withdraw my complaint."

The result of the investigation will have to mainly base on the accounts of the three witnessed named by Pol Lt Col Thaveesak.

One of the three, Pol Maj Gen Suppawat, said he had handed over his own testimony to the police director general. He refused to disclose details to the Press.

The two other witnesses are still on leave and they will have to be summoned to give their versions to the investigation committee when they are back to work.

Many described Thaveesak as a policeman with courage in exposing such malpractice in the police circle while many others charged him with attempting to undermine the reputation of his superior.

This, however, is only the first chapter of the "Khaki Battle" and whether the axe will fall on the colonel or the general has yet to be seen.

CSO: 4220/304

CITIZENSHIP URGED FOR CPM DEFECTORS

Bangkok BANGKOK POST in English 11 Aug 82 p 5

[Text]

FOURTH Army Region Commander Lt-Gen Harn Leenanond said yesterday that he will propose to the Army Commander-in-Chief and the National Security Council that defecting members of the Communist Party of Malaya (CPM) who were born in Thailand be granted Thai citizenship.

Lt-Gen Harn said he believed that most of CPM members who defected or were captured, were of Chinese origin but were born in Thailand. He said these people were intelligent and well-educated and should be given the same opportunity as reformed Thai communist insurgents in the North and in other parts of the country.

Lt-Gen Harn said the Chinese in Betong, Yala Province, are a closed-knit community with links to the CPM.

CPM's old timers, as far back as the Chin Peng (secretary-general of the CPM) era, normally sent their jungle-born offsprings to be raised by Chinese families in Betong while a family which had two or more sons would be asked to send one to join the party.

Speaking to reporters at the Army Auditorium after yesterday's meeting between high - ranking Army officials, Lt-Gen Harn said the Army Commander - in - Chief, Gen Prayuth Charumanee, was very "happy" with the recent success of the Fourth Army Region in destroying three major strongholds of the CPM at Khao Nam Kharng in Na Thawee District in Songkhla, in Sukhirin District of Narathiwat and in Betong District of Yala which were headquarters of CPM's 8th, 10th and 12th regiments respectively.

Declaring the overall operations of the "Tai Rom Yen 11" a complete success, he added that Gen Prayuth will inspect the captured tunnel at Khao Nam Kharng and bid farewell to soldiers before his retirement at the end of next month.

The Fourth Army Region Commander blamed the media for misinterpreting Prime Minister Prem Tinsulanonda's statement involving his announcement that military operations were ahead of political strategy. He also dismissed a rumour that, if such were the case, it would lead to military dictatorship.

What Gen Prem meant was that the military was ahead in its political campaign as well as its armed struggle with the communist insurgents, Lt-Gen Harn explained. He added that the new anti-insurgency policy which emphasised political over military strategy was an abstract concept which caused a lot of misunderstanding among government officials and the public.

CSO: 4220/302

CORRESPONDENT DESCRIBES MUSLIM SEPARATIST ACTIVITY

London ARABIA: THE ISLAMIC WORLD REVIEW in English Aug 82 pp 22-24

[Article by John Davis: "A Political Powder Keg"]

[Text] At first glance the little town of Pattani on Thailand's southern coast appears to be a tropical idyll. Brightly-coloured fishing boats ride at anchor in the river estuary. Old-fashioned Chinese merchant houses line the river banks and man-powered trishaws provide the commonest and most convenient means of transport for the town-dwellers. Surrounding Pattani are traditional villages with wooden houses built on stilts amid green and lush scenery.

The peace of Pattani is illusory: southern Thailand is a political powder keg, a countryside for years torn apart by civil strife and insurgency. Hidden in the distant hills, visible from Pattani Town, are Muslim guerillas who demand independence for Thailand's four southernmost provinces; Jala, Narathiwat, Pattani and Satun, where the population is ethnically Malay, not Thai. Assaults on government outposts are frequent and the last year has seen an increase in guerilla attacks on police stations and army camps. This increased activity by the Muslim minority in the predominantly Buddhist Thailand has caused great concern for the government in Bangkok.

In a recent government report, a team which had spent some time examining conditions in the south, stated that "...the situation has developed to the point of crisis and has raised the question of a possible disintegration in unity of the people there. The security of the nation is being threatened..."

The origin of the conflict in southern Thailand and the bloody fighting between government troops and Muslim insurgents is not simply a matter of religion. Thai Buddhists and Muslims, mainly of Chinese and Indian descent, live together peacefully in Bangkok, Chiang Mai and other affluent cities further to the north, and outside the south there is no equivalent to the movement among the Pattani Muslims.

The root of the conflict is that Pattani follows the usual pattern of a remote and neglected border area. Average income in the south is well below the national level, unemployment is high and government projects are few and far between. Government officials, who view their assignment to the south more or less as a punishment, tend to withhold reports of serious developments in the areas under their responsibility from their superiors in Bangkok.

"If they report that the situation is serious, then their superiors would construe the reports as a sign of their inefficiency," one local source told *Arabia* in Pattani. "They definitely don't want this kind of thing to delay their promotion."

Pattani has a long history of rebellion against the central government. Armed conflict has been going on since the late 1940s but the insurgent groups were relatively small and isolated until the mid 1970s. In 1975, a group of protestors rallied outside the Pattani town hall to demand justice from the Thai government. A hitherto unknown group called PULO (the Pattani United Liberation Organisation) claimed responsibility for the demonstration. In a leaflet, distributed a few days later, PULO presented its political programme and said that the organisation was founded in 1968 by Thai Muslim religious leaders, trained in the Middle East.

PULO's first armed attack took place four

months after the demonstration outside Pattani town hall. On April 3, 1976, Muslim insurgents shot up a special duty police base in Yarung district of Pattani province. This attack triggered off a series of assaults on government installations throughout southern Thailand, the most spectacular of which was the planting of bombs in Haadyai railway station on June 29, 1977. PULO has even bombed Bangkok. On June 30, 1980, bombs went off in buses, cinemas and stations in the Thai capital, injuring more than 40 people. The government branded the Muslim insurgents "bandits and terrorists" and exhorted the press not to use the abbreviation PULO but to talk instead about "bandit gangs" and "hit squads."

Since the 1975 town hall protest the militant Pattani movement has developed rapidly and has gained limited support from a number of Muslim countries. Syria was the first Middle East country to recognise PULO and provide it with political and military support. PULO's deputy secretary-general, Hisham Abdullah, a 31-year-old graduate of Cairo's Al Azhar University, has reportedly attended a six-month guerilla training course with the PLO and the organisation now maintains a permanent office in Tripoli, Libya.

The Barisan Nasional Pembebasan Pattani (BNPP), another rebel group operating in southern Thailand, has already submitted appeals for recognition and support to Islamic foreign ministers' conferences on 10 occasions since 1970 but with little success.

In its petitions to the foreign ministers the BNPP alleged that the Muslims in southern Thailand were facing discrimination and were subject to atrocities committed by the Thai army. BNPP also stated its objectives:

- "to liberate the homeland of the Muslim people of Pattani from the Thai colonialists;
- to re-establish as independent and sovereign the Islamic State of Pattani;
- to uphold and protect Islam as well as the Malay-Muslim race, culture, traditions and customs;
- to support and work closely with the other Muslim and Arab countries for advancement of Muslims all over the world and for world peace."

A BNPP representative was eager to stress to *Arabia* that his movement was not a separatist one, since Pattani had once been an independent kingdom, but that the southern Muslims just wanted to regain the independence they lost to the Thais in the early 19th century.

It is difficult to estimate the actual strength of the various liberation movements in Pattani and it is an even harder task to assess the amount of popular support the rebels enjoy. But the movement is growing, despite the fact that the Thai media and the Thai politicians refuse to recognise its existence. Nevertheless, thousands of troops have been sent to the south to suppress the rebellion, a tough policy that has proved disastrous.

One of the most serious mistakes made by the Thai military authorities is to rely on the paramilitary Rangers in the fight against the insurgents in the South. The Rangers are authorised to seek out and kill guerillas, but they have become notorious for terrorising civilians. The Rangers have alienated the people of Pattani, whose support they need to successfully fight the insurgents.

Several years of massive counterinsurgency efforts have proved counterproductive; it has led to an upsurge in Muslim guerilla activity and to an alliance between some of the rebels and the Communist Party of Thailand, which is also active in Thailand's deep south, where it cooperates closely with the Communist Party of Malaysia. In March 1978 the Thai Communists announced the formation of the Thai Muslims People's Liberation Armed Forces (TMPLAF), which reportedly had taken place in August 1977. Little is known about this group and it may exist only in the minds of those who announced its formation.

Another shadowy group operating in the Thai-Malaysian border area is the Persatuan Pemuda Rakyat Islam (the Islamic Brotherhood Party – Paperi). Set up by the Malaysian Communist Party's 12th regiment, Paperi represents an appeal to Malays and Pattani Muslims still reluctant to break with traditional Islam. The group is known to have distributed a number of pamphlets in the Yawi script, purporting to reveal a basic compatibility between Marxist and Islamic ideology.

The exact nature of the relationship between the Pattani Muslim insurgents and the Communists in the area remains obscure. "Sometimes they fight each other, sometimes they help each other. It's difficult to keep up with what's going on," noted one experienced local observer. However, it is reasonable to assume that the Muslims and the Communists have nothing ideologically in common and dummy groups such as TMPLAF and Paperi have limited chances of making inroads into the Muslim community in southern Thailand. The tendency of some Muslim youth to turn to the Communists has other causes – the Com-

munists are seen as a strong group, offering weaponry and training facilities.

A far more serious threat to the stability of southeast Asia than the Communist connection is the possibility of tacit Malaysian support of the Pattani rebels. Lim Kit Siang, the leader of the Chinese-dominated opposition Democratic Action Party last year raised the question in the Malaysian parliament and alleged that the Thai military, police and political leaders were not happy with the Malaysian government's links with the Pattani rebels. A foreign ministry spokesman refuted the allegation. Even in Bangkok, officials are convinced that Malaysian aid to the Pattani rebels is mainly at the local level.

However, the respected weekly *Far Eastern Economic Review* reported in April, 1981 that PULO deputy secretary-general Hisham Abdullah has met the high-ranking Kedah Chief Minister Datuk Syed Nahar to discuss the question of Muslim refugees streaming over the border from Thailand to Malaysia. In addition, with the resurgence of Islam in southeast Asia, it is very likely that the Pattani rebels will get more support from young Muslim militants in Malaysia and possibly also Indonesia. This could prove politically explosive, particularly since both Thailand and Malaysia are members of ASEAN, the unity of which is of utmost importance if Communist expansion in the region is to be countered.

CSO: 4220/302

ECONOMISTS DIFFER ON PROJECTIONS

Bangkok THE NATION REVIEW in English 13 Aug 82 p 13

[Text] A LEADING financial executive and a well-known businessman offered divergent views Wednesday in their economic forecasts for the second half of this year.

Managing Director of Ayudhya Investment and Trust Co Ltd, (AITCO) Mr Sa-ngob Punnarugsa, said he was optimistic that the economic situation would improve, in the next several months.

But Managing Director of S.P. International Co Ltd, Mr Chumpol Phornprapa, was pessimistic enough to predict that some leading companies in the country could go bankrupt by the end of this year.

The two spoke during a seminar on "Problems and Trend of the Marketing in the Second Half of the Year" organized by the Marketing Association of Thailand at Indra Regent Hotel.

Sa-ngob said the US economy has already hit rock bottom with the rate of unemployment at 9.4 per cent, the highest in years and it might be even higher.

He said the US Government will have no choice but to reduce the prime rate which stands currently at 15 per cent as charged by New York bankers – one and a half per cent drop from that of last month.

Sa-ngob predicted that the US prime rate will slide further in the near future and this will lead to worldwide decline of interest rates.

Sa-ngob made the prediction before the announcement of the Bank of Thailand to cut discount rates for commercial banks. The Forecast that the local prime rate would drop from 17.5 to 17 per cent within two weeks.

"Though the official prime rate has not been reduced, you can obtain loans from commercial banks at about half a per cent lower than the prime rate if your credit rating is good," Sa-ngob told about 40 marketing executives at the seminar.

High interest rates, he said, were the major reason for economic stagnation during the whole of 1981 and first half of this year. "But it can't be worse from now on," he added.

"If I were an investor, I would start making investment now because capital goods are very cheap and the economic situation will be improving by the end of this year," he said.

But Chumpol said he disagreed with Sa-ngob, pointing out that Thai economists are too optimistic. "Last year they said the economic situation would improve by the end of 1981, but it did not. Then they said again that it would be better in the first half of this year, they were proved wrong again," Chumpol said.

BANKRUPTCY

"I say now that they would be proved wrong again to have said that the situation would improve during the second half of this year," Chumpol said.

The world market, he said, has shrunk because of diminishing natural resources and rapid technology transfer. "Most countries in the world have been trying to control population growth but such a policy has affected world market demand," he pointed out.

Chumpol said the current oil glut is just temporary and oil prices will jump again. In 1981, he said, manufacturers of various industries reduced their production and inventory, but the situation for this year is worse.

He said manufacturers of motorcycles, for instance, had set their target that they would produce 300,000 units but reduced it to only 250,000 units recently.

He said he was confident that some leading companies in the country would go bankrupt. But Chumpol refused to disclose the names of those firms. "During 40 years of my life, I had never seen interest rate going higher than inflation rate. But I saw it happened this year. If I could sell everything I own, I would do so and deposit all my money in banks," Chumpol said.

CSO: 4220/302

RECORD NUMBERS OF FARMERS FLEE DROUGHT TO BANGKOK

Bangkok THE NATION REVIEW in English 31 Jul 82 p 6

[Text]

HUA Lampong railway station is an always busy place between four and 10 am when hundreds of destitute farmers and their family members arrived from the Northeast to face an uncertain future.

They left behind their dying paddy fields and the possibility of a starvation in hope of finding some jobs that might give them a little income to survive on.

The drought has been particularly bad this year and the trains from the Northeast into Bangkok are still full of weary job-seekers.

The over 17 job placement firms near the railway station – mostly unlicensed ones – are having a hectic time cashing in on the influx of cheap labour. An average of 300 job-seekers from the North are seeking help from the job placement firms daily.

"They come here in endless stream," said the owner of one of the firms who refused to be identified.

Kong Saiparn is only 16 but he decided to leave behind his five young brothers and sisters in Khukhan District in Si Sa Ket last week to try his fortune in Bangkok.

"There was just no rain in my village for months. I never knew before what Bangkok looked like but I am not afraid," he said with a smile.

Kong and a handful of other young Northeasterners he befriended on a train had very little cash left and had been using Hua Lampong as their home for days after their arrival.

They refused to go to any of the job placement firms after they were told of experiences of others who were cheated. They sat at one corner of the railway station with their fingers crossed, hoping that some employers would drop by and offer them a job.

Like most of the poverty-stricken farmers, Kong and his friends had less than 100-150 baht in their pockets the moment they decided to set off for Bangkok. And by the time they bought their train tickets and arrived in Bangkok, they had spent most of their money.

"We are not much different from our people back home where they have nothing to eat like us. They may have some fermented fish left but without rice," Kong said.

Many of the newly-arrived job-seekers are lucky enough to be given shelter and foods by some of the job placement firms who hoped they would be able to find jobs for them soon.

And in one of the firms sat Sam-arng Chanchada with his two girls, 12 and 13, from Suwannakhuha of Udon Thani.

Sam-arng pinned his hope on the girls who he said might find some jobs that would give them some money to send home in this hour of need.

"We have to do it because all of our paddy fields are burning," he said apologetically.

It was the third time for Sam-arng to have set his foot in Bangkok. Every time he came he brought along his relatives and friends who were also desperate for jobs.

"We have only children and old people back home now. Every able body has left and joined in the rush for jobs in Bangkok," said Sam-arng.

He said after he was able to get jobs for all of his family members he himself would become a construction worker – if he was lucky enough to be one.

Sam-arng returned to Udon Thani the same day he arrived, leaving behind his two girls to face their own future here.

CSO: 4220/304

UNION OIL EXECUTIVE EXPLAINS DROP IN PRODUCTION, OTHER PROBLEMS

Bangkok THE NATION REVIEW in English 27 Jul 82 p 5

[Excerpts of interview with William Greenwalt, Union Oil of Thailand vice president and resident manager by THE NATION on 23 July 1982; place not stated]

[Text] The shortfall at Union Oil's Erawan Natural Gas Field in the Gulf of Thailand has caused anxiety among Thai government leaders and Union Oil's executives who last week held the first series of negotiations on how to determine the real causes behind the shortfall.

The call by Union Oil to review the exact gas reserves this field has also sparked off wideranging comments.

On Friday, THE NATION had an hour-long exclusive interview with Union Oil of Thailand's Vice President and Resident Manager William Greenwalt Jr who explained his side of the problems.

Here are excerpts from the question-answer session.

NATION: We understand that a team of top executives from Union Oil Company of California is in town to hold talks with ministers concerned with the petroleum industry and senior officials of the Petroleum Authority of Thailand on your proposal for a review of gas reserve in the Erawan Field in light of the continuing shortfall. Has there been any conclusion?

GREENWALT: Well, we have been discussing with them the reserves during the meeting. But there were no hard and fast conclusions yet. There are many studies to be made and there will be a continuing review of the situation.

NATION: At least, it shows that the Thai government has agreed to talk about a review.

GREENWALT: Well, I think they said that last week about the talks on the review of gas reserve.

NATION: What is the next step now? Are you going to have a neutral consultant firm to do it?

GREENWALT: Not necessarily. We are still having continuing conditions of the field to study which is part of the review and that's still going on. So, we cannot come to any hard and fast conclusion by Monday morning or anything like that. There will be more discussions which will take a couple of months.

NATION: Has any deadline been set for the talks or for the review?

GREENWALT: No.

NATION: What about the difference over the causes for the shortfall? Dr Tongchat said that Union Oil had informed PTT that the shortfall was a force majeure but he thought it was a technical problem. Was this issue cleared between the company and the government?

GREENWALT: Well, I think the past press release which I had made said we believed we had information that part of the shortfall is due to technical reasons. Maybe not 100 per cent or maybe 100 per cent, but that is our part of the review to see what is the total cause for the shortfall. But part of the shortfall was the heat problem. We are now reviewing the productivity of the wells and see whether or not there are some other causes which might have contributed to the

shortfall. That's the studies we are talking about.

NATION: But in your letter to PTT you mentioned force majeure.

GREENWALT: We put it this way: We believe that there are causes of technical reasons.

NATION: Part of it was due to technical reasons, and the other part could be force majeure?

GREENWALT: Yes. We just said that part of the shortfall could be due to technical reasons. It's a subject that's neither white nor black. But it has to be looked at from many different angles and we are in the process of doing that. We are not trying to be dogmatic.

NATION: When did you send the letter to PTT notifying that it was a force majeure?

GREENWALT: No, we did not send any formal letter declaring a force majeure this time or the other. We had a dialogue about the shortfall. We did mention in one of our correspondence, but it was not in the formal letter. But the causes for the shortfall were part of our discussions with PTT. What I am trying to say is that in these conversations we have indicated to PTT that we believe there were some technical reasons which were beyond our control while we have the shortfall rather than all being due to improper practices.

In another word, we believe there are reasons to have caused the shortfall and they are beyond our control. And if they are the causes, of course, that fall on the force majeure. We are discussing this issue with PTT now, and the discussions may go on for several weeks.

NATION: What are your immediate measures to solve the shortfall? We understand that the daily supply has dropped from 200 million cubic feet per day to 117 MMscfd now. You are supposed to boost the supply to 250 MMscfd this month.

GREENWALT: The heat problem is part of the causes for the shortfall, we believe we have solved that and started recompleting some of the effective wells six months ago. The new equipment that we put into the wells seemed to have solved this problem. They are apparently working, and we believe that we have the solution to that. Of all the wells which are effective only three more left to be recompleted.

NATION: When do you expect to recomplete them?

GREENWALT: We hope that they will take us about six weeks.

NATION: When you have completed most of the repair at well packers, why does the supply remain at a level lower than the target?

GREENWALT: The wells did not produce as much as anticipated. What I can say now is that the productivity of the individual wells has not come up to the expectations and consequently will not be up to 250 MMscfd. But it is not that simple, we are studying the problem and try to resolve what the causes are. After we can establish that we can then settle our so-called shortfall and hold talks with PTT.

NATION: You are ready to pay the penalty for the shortfall?

GREENWALT: We have a contract with the government, and it calls for penalty for the shortfall under certain conditions. And if they call for us to pay, after all the analysis, naturally we will pay the penalty. No problem. But we have not come to that point yet because we are still discussing the reasons for the shortfall. We are trying to get data from the wells and so forth so that we can all examine it and we can all come to a conclusion that we can agree upon. When that is made, then we will do whatever mentioned in the contract and see whether we are required to pay the penalty. We will go by the contract.

NATION: But in your earlier press release you said you believed that natural gas reserves in the Erawan Field should be reviewed and they are being reviewed, is that right? So far, have the talks pinpointed any causes apart from the heat?

GREENWALT: No, it has not been determined at all during our talks with the government during the past three days. We also have a lot of field work to do. All the information that we develop in the field will be passed on to the PTT, the Department of Mineral Resources. We have no secrets. We invited their engineers to come over here and talk to our engineers whenever they want to. Copies of the log and daily production from every wells were furnished to them.

NATION: As your review would take about two months, what will happen if the daily production has not increased by then? Will the shortfall affect the five-year plan and industrial projects such as petrochemical, soda ash, fertilizer plants and others?

GREENWALT: That is something entirely beyond our control. But what we are talking about is the productivity of the Erawan Field. We are not talking about Union which has other production areas, but about the wells in the Erawan Fields which have not produced up to our expectations. It is quite natural that we expected it to be at 250 MMscfd. That is logical while we are trying to figure out the exact reasons for that.

At the same time, we will continue with the development of the field. We will continue to drill additional wells, as long as we have locations to drill to increase the productivity. But we don't know how long that's going to be. It might be one year, two years, five years, I don't know. It depends on how many locations we can drill to get more productivity.

We have three rigs in the field now and they are continuing to work.

NATION: Can the shortfall be covered by drilling more wells?

GREENWALT: Naturally, there can be more productivity. But it is not that simple. The problem is that the productivity of the wells continue to be less, which is a natural phenomenon. All oil and gas wells in the world will have reservoirs which contain petroleum deposits at certain levels and as time passes, they will decline until they get to the point that they don't produce anymore.

NATION: Has this kind of problem happened to Union Oil in other areas in the world?

GREENWALT: Not to this magnitude.

NATION: Is this the worst case, so far?

GREENWALT: On the individual wells, there were some where gas was gone after two days. So I cannot say it is the worst. So as the field itself I won't also say it is

the worst. Let's say that it is probably one of the most disappointing field performances that we have ever had.

NATION: Is there any possibility that this situation will occur in your other fields such as Pladaeng, Krapong, Plathong and others.

GREENWALT: Time will tell.

NATION: How about the geological feature of gas reservoirs in the Gulf of Thailand? Is it the same all over?

GREENWALT: From our drilling, we got indications that some general geological features occur all over the Thai basin. The geology is the same. But even in the face of this we still went ahead to drill more wells and signed the second gas sale contract with PTT. We have gone on full development programme. In fact, we have installed a new drilling platform in the new field for the second gas agreement, covering Plathong. We plan to have the second platform here in two weeks and the third platform in two weeks after that. Development drilling the second agreement will start in January. Despite our setback in the Erawan Field, the rest are going on as scheduled. We have a commitment to fulfil. We have to produce under the second agreement beginning 1985.

NATION: In terms of your talks with PTT, who in the end will decide what is technical problem and what is force majeure?

GREENWALT: Under the agreement, there are arbitration clauses. We hope that we would never have to go to that extreme. We will try our best to settle this issue peacefully. In the clause, each party will appoint an arbitrator and then those two will appoint a referee. It's just a standard arbitration clause, but at this stage we do not intend to go that far. We think we can sit down and discuss in harmony and come to a conclusion, but it will take a little time.

NATION: Union Oil of California's President of the International Division, Mr Lian, was here, did he reach any conclusion with the government team?

GREENWALT: He met Minister Sulee, the full staff of PTT. He also had a meeting with Minister Chatichai. But there will be more meetings between Union Oil executives and government officials concerning specific subjects.

So far, we have just discussed the general situation and see what the problem is. And the government officials said they wanted to think about what we have explained to them. They cannot just say what should be done immediately because, after all, this is new to Thailand.

NATION: Until you have completed the reservoir tests do you think the gas supply will have to remain at this level further?

GREENWALT: Well, we hope to build it up by continuing drilling new wells The heat problem has taken the drilling capabilities of new holes from one of our three rigs in the field. But we will have three more rigs to work in the Gulf and we hope that they will help boost the productivity from new wells.

We have some hope that we will boost it up to 160 MMscfd by the end of this year. But we cannot guarantee because everything depends on the performance of the wells. We hope that the daily supply will be going up from new wells.

NATION: Did the Thai side talk about compensation for the shortfall?

GREENWALT: We did not talk about penalty yet. We try to establish the cause for the shortfall first.

NATION: As things stand now with the shortfall, is there any possibility for you to boost the productivity and the supply from other fields?

GREENWALT: No, we are trying to produce gas from the Erawan Field until we run out of locations to drill. That's our contractual obligations. We have a responsibility to fulfil that contract with the government.

Again we thought we would produce from 42 wells we have, but it seems that production from the 42 wells won't do the job and we are prepared to drill additional wells over that 42 to get up to the maximum potential of the field. That's what we are doing. Those three rigs would be brought up for the new drilling in a short period of time now, except for the three wells which still have the heat problem.

Those rigs will be moved around to the new contract areas. We realize that we have to keep drilling in the Erawan Field now and there are a lot more wells to start it out with. So we went out to contract four new drilling rigs to drill the second contract area. That is an entirely separate and different investment and it is a new project. That's why we don't rob the Erawan Field of those three rigs. They have to stay there to do a lot more drilling. The first comes in January, the second in February and the remaining two in March. Three platforms are going up now and the fourth one will be in February.

This demonstrates our intent to keep trying to develop the Erawan Field. With four new rigs coming in, they can take care of the second contract area. We have five rigs in the Erawan Field now.

NATION: This new drilling will cost you much more than your investment projected earlier?

GREENWALT: An awful lot more. But we will not ask for any price adjustments because we got a contract. We try to live up to our agreement. We will not be asking for any price increase for the Erawan Field. When it comes to a point where we cannot afford to drill any more wells then we have come to an economic limit.

THE Petroleum Authority of Thailand and Union Oil Company of Thailand will have to discuss whether the current shortfall in daily gas supply would come under "force majeure" stipulated in their agreement.

The Nation hereby reproduces the Force Majeure Clause of the agreement which Union Oil signed with PTT when the state enterprise was still the Natural Gas Organization of Thailand (NGOT).

FORCE MAJEURE

16.1 THE expression "Force Majeure" means any happening beyond the control of a party acting in accordance with the standards of a reasonable and prudent operator which causes or results in a failure by such party to fulfil any obligation (other than obligations to give a notice or to pay money to another or others of the parties) under this agreement.

16.2 EVENTS which may subject to Clause 16.1 be considered Force Majeure events shall include but not be limited to acts of government, strikes, lock-outs, acts of the public enemy, wars whether declared or undeclared, blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, partial or entire failure of wells, inability to obtain necessary materials or supplies due to changes in laws and regulations inability of any customer or customers of NGOT to take natural gas which it or they would have taken if such inability is caused by a happening which would have constituted Force Majeure under Clause 16.1 if the customer concerned had been a party to this agreement.

16.3 A PARTY claiming relief on account of Force Majeure shall

(1) • AS soon as practicable give notice to the other party or parties of the happening said to constitute Force Majeure such notice to include full information about the circumstances and a statement of the steps and time believed necessary to remedy the failure but neither party shall be obliged to settle or prevent any strike or other industrial action except on terms acceptable to it.

(2) • Subject to Article XVIII and sub-clause 4.9.2 proceed as reasonable and prudent operator at its own expense to remedy the failure as rapidly as possible.

16.4 A party failing to fulfil its obligations (other than the obligations excepted under Clause 16.1) by reason of Force Majeure and fulfilling the requirements of Clause 16.3 shall be relieved of liability as follows:

(a) in the case of Concessionaires to the extent that Force Majeure has prevented it from delivering gas that it should have delivered.

(b) in the case of PTT to the extent that Force Majeure has prevented it from accepting gas which it should have accepted or from disposing of the same.

CSO: 4220/302

OIL BONANZA IN NORTH DIMS

Bangkok THE NATION REVIEW in English 11 Aug 82 p 1

[Text] **THAILAND's hopes of a sizeable crude oil supply from Larn Krabue in the North have dimmed –now that Thai Shell Exploration and Production Co Ltd has informed Minister in charge of petroleum affairs Sulee Mahasandana that the company might be able to tap only 10 to 30 per cent of the field reserves due to unfavourable geological features in its wells in Kampaeng Petch Province in the North.**

A team of Thai Shell executives also informed the minister during a meeting last week that the company still could not exactly determine the field reserves but early estimates showed that "recoverable reserves" would be about 10-30 per cent.

They told the minister that the company had already drilled six wells and three more would be completed by October this year, according to well-informed sources.

Thai Shell spokesman Preecha Pholprasert told *The Nation* yesterday that the structure of the company's concession at Lan Krabue has many "faults" which rendered the crude oil exploration very difficult.

He said the situation is quite "worrisome" and the difficulties prevent the company from reporting the exact field reserves to the government.

"We are afraid that after reporting the reserves, we may be in the same situation as Union Oil," Preecha said, adding that more exploratory drilling would have to be carried out.

Under the Petroleum Act, petroleum concessionaires are required to report to the Department of Mineral Resources their discovery of commercial wells and prior permission must be obtained before they can begin commercial production.

During exploratory drilling the concessionaires are required to submit all the data to the DMR before production.

Thai Shell, the sources said, expects to submit final data in October when it completes drilling. The low amount of recoverable reserves is also worrisome among ministers and senior officials.

Meanwhile, the Cabinet yesterday defined the role and responsibility of a committee on negotiations for joint venture in crude oil and gas to be produced in Larn Krabue and Namphong District of Khon Kaen. The latter belongs to Esso Exploration and Production Khorat Inc.

The committee, headed by Minister Sulee, has been authorized to reach agreement with the two firms on equity participation, purchase and transport of crude oil and gas.

The committee will make arrangements for government agencies concerned to exploit petroleum from both sources for consumption within the schedule. State agencies and their officials will take charge of projects assigned to them by the committee.

It is also authorized to set up sub-committees or working groups for assistance and implementation and invite government officials concerned to provide clarifications and documents as may be necessary.

The Cabinet decided that the Petroleum Authority of Thailand will advance payments for necessary expenses of the committee. The state enterprise can later refund its expenses from government agencies concerned.

The committee, formed by the Cabinet on July 27, comprises Deputy Industry Minister Dr Chirayu Isarangkun Na Ayutthaya, Secretary General of the Juridical Council Dr Amorn Chandrasomboon, Deputy Undersecretary of State for Industry Sivavong Changkasiri, Dr Djakkrit Puranasamridhi of the Industry Ministry, PTT Governor Dr Tongchat Hongladaromp and his deputy Sophon Suphapong.

CSO: 4220/302

BRIEFS

GUNBOATS FROM ITALY--Commander-in-chief of the Royal Thai Navy, Admiral Somboon Chuapiboon, told reporters that the Royal Thai Navy has ordered three gunboats, each of 450 tonnes displacement, from Italy. The three boats have now been completed and will soon join the Thai naval force. The Admiral was expected to leave for Italy soon in order to launch the three gunboats. His trip was also scheduled for an inspection of Spanish and West German naval forces. Admiral Somboon also revealed that the RTN had already proposed to the government to buy a further three corvette-class warships, of 800 to 1,000 tonnes displacement, in an effort to strengthen the Thai navy. He said the RTN now had sufficient funds to purchase one such warship. [Text] [Kuala Lumpur ASIAN DEFENCE JOURNAL in English Aug 82 p 7]

ARMY TO GET M-48 TANKS--The Supreme Commander of the Armed Forces led a team of high-ranking Armed Forces personnel to observe the unloading of five US M-48-A5 tanks newly arrived at the Port Authority of Thailand on May 24, 1982. This shipment is the third delivery of the tanks. The first and second shipments ordered by the Royal Thai Army were undertaken in October 1979 and October 1980 respectively. Thai Supreme Commander, Gen Saiyud Kerdphol, told reporters that this delivery constituted part of the training in joint logistic operations featured in "Joint Exercise 25" which ended on June 3, 1982. Earlier Gen Saiyud witnessed the unloading, also as part of Joint Exercise 25, of a number of 155 mm howitzers which were transported into Bangkok Air Force's base by US C141 aircraft. The general declined to reveal the number of howitzers received, saying only that they have a firing range of 40 kilometres and that Thailand was the first among other ASEAN nations to have such howitzers. Also included in Joint Exercise 25 was a joint logistic drill involving, ammunition and explosives at the naval port in Sattahip. [Text] [Kuala Lumpur ASIAN DEFENCE JOURNAL in English Aug 82 pp 7, 8]

CSO: 4220/302

END

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22 September 1982

South and East Asia Report

No. 1194

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22 September 1982

SOUTH AND EAST ASIA REPORT

No. 1194

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BLAIR ATHOL COAL PROJECT--A group fo 16 major international banks have signed an agreement with 3 Australian companies to provide about $A 450 million to fund the Blair Athol Coal project in Central Queensland. The package borrowed from overseas will cover most of the expected capital expenditure on the project thought to be about $A 500 million. Last year, the joint venture signed sale contracts with the Japanese Electric Power Development Company and the Japan Coal Development Company for the supply of 72 million tons of fuel coal to Japanese power stations over the next 15 years. [BK151055 Melbourne Overseas Service in English 0830 GMT 12 Aug 82]

APPROVAL FOR URANIUM MINE--The final approval was given today for mining of the rich Jabiluka uranium deposit in the northern territory. Jabiluka is one of the richest uranium deposits in the world and since its discovery in 1971, lengthy negotiations have taken place with traditional aboriginal land owners who signed a mining agreement only last month. The mine is expected to earn about $300 million a year in exports of uranium ore. [BK151055 Melbourne Overseas Service in English 0830 GMT 12 Aug 82]

NEW QUEENSLAND GAS DISCOVERY--A natural gas find with a flow rate of nearly 10 million cubic feet of gas a day had been reported from far southwest Queensland. A spokesman for Total Australia Limited, one of the partners in the Karmona East No 1 well, described the flow as encouraging. The latest find is situated in the Cooper Basin, about 60 kilometers northwest of the Jackon oilfield. [BK151055 Melbourne Overseas Service in English 0500 GMT 13 Aug 82]

QUEENSLAND ALUMINUM SMELTER--Australia's first aluminum smelter built specifically to supply the export market has been officially opened at Gladstone on the central Queensland coast. It has been built by a consortium of companies including COMALCO and Japanese and American interests. The smelter's production capacity by early next year will reach 100,000 tons and by early 1984, more than 200,000 tons. [Text] [Melbourne Overseas Service in English 0830 HMT 20 Aug 82 BK]

DROUGHT CONDITIONS WORSEN--The drought throughout eastern Australia continues to worsen. From 1 September, most of New South Wales will be declared drought stricken. As more states report a rapid deterioration in the situation, the prime minister, Mr Fraser, has requested a special conference of state and federal ministers to discuss the drought. The meeting is scheduled to be held

in Melbourne early next week. In Sydney, the New South Wales agriculture minister, Mr Hallam, estimated that the overall loss of the state's economy would be more than $1,500 million; that's about the same in American dollars. [Text] [Melbourne Overseas Service in English 0830 GMT 30 Aug 82 BK]

CROP DAMAGE FROM DROUGHT--The National Farmers Federation estimate that the cost in lost agricultural production of the drought affecting a large area of Australia will amount to more than $2 billion. In its submission to the federal government, the federation says that previous assessments of the effects of the drought are proving conservative. It estimates that a fall of one third in Australia's winter grain production will make up half the total cost of lost production. It says there will be an estimated fall of 5 percent in livestock numbers with the loss of 5.5 million sheep and 1 million cattle over the next 12 months. [Text] [BK041307 Melbourne Overseas Service in English 0830 GMT 2 Spe 82]

WHEAT PRODUCTION ESTIMATE--The Australian Wheat Board has again dropped its estimate of the country's wheat production in the harvest that starts later this year. The latest harvest estimate is between 9 and 10 million tons--down from an estimate released less than 1 month ago between 10 and 11 million tons. The wheat board's general manager, Max Moore-Wilton, says it is a matter of great concern that the continued absence of good rains has severely affected harvest estimates, particularly in the eastern states. He says if the board's latest estimate is correct, great strain will be placed on wehat farmers and the adverse effects will spread throughout the rural communities and the economy. Meanwhile, the board has announced further wheat sales to New Zealand and Japan. The sale of an extra 10,000 tons brings the total sales to New Zealand this year to 70,500 tons. A spokesman for the board said New Zealand usually bought about 60,000 tons of Australian wheat a year, but this could increase by 50,000 tons because of a higher than normal proportion of flood damage and crop disease in New Zealand. Japan's food agency has bought a further 47,500 tons of wheat to bring the total bought from Australia this year to more than 700,000 tons. [Text] [BK041307 Melbourne Overseas Service in English 0830 GMT 2 Sep 82]

INDUSTRIAL, MINING PROJECTS REPORT--Figures just released show that mining and manufacturing projects in Australia worth $117 billion were deferred or abandoned in the 6 months to the end of last June. However, for the same period, the Department of Industry and Commerce identified new projects worth $2.3 billion. The Australian dollar is worth slightly less than the American. The total remaining costs of projects that are committted or in final planning stages fell to $32 billion in June--$800 million below the figure for last December. Acting Minister for Industry and Commerce Fife says that the value of projects at this stage had held up well despite the deterioration in the world economy. He said the major losses in the past 6 months had been the abandonment of the Lochinvar aluminum smelter project in New South Wales and the deferment of the Alcoa aluminum smelter under construction in Victoria. However, there had been the advancement of coal mining projects at Singleton in New South Wales and at Kingston in South Australia, as well as a new silicon metal plant at Geelong in Victoria. [Text] [BK071255 Melbourne Overseas Service in English 0830 GMT 5 Sep 82]

DEFENSE INDUSTRY DEVELOPMENT URGED--The minister for defense support, Mr Viner, says it is now more important than ever that Australia develop its own defense industry capability. Speaking in Melbourne, Mr Viner said there was an obvious need for Australia to reduce its dependence on foreign defense manufacturers. He was speaking at the handing over of the first radio navigation unit to be produced in Australia under an agreement between the federal government and (Rockwell-Collins), the Australian arm of the American electronics firm, Rockwell International. The units will be installed in such aircraft as the (Mackie) trainer, the Mirage, and the air force's new combat plane, the F-18. The project to make the units will be worth about $10 million over the next 10 years. [Text] [BK101044 Melbourne Overseas Service in English 0390 GMT 10 Sep 82]

CSO: 4220/350

BRIEFS

PACIFIC REGIONAL ADVISORY SERVICE--A new regional advisory service for the Pacific has been set up at the headquarters of the South Pacific Bureau for Economic Cooperation in Suva. The new service is designed to help and encourage the exchange of skilled workers between countries in the region. A Radio Australia correspondent in Suva says it will also maintain a systematic register of the range of skills available to island countries from other Pacific nations. The PacificRegional Advisory Service is headed by the former Papua New Guinea High Commissioner to Fiji, Dr (Akotua). The new service is being financed by Australia and London-based Commonwealth Secretariat. [Text] [BK071255 Melbourne Overseas Service in English 0500 GMT 6 Sep 82]

CSO: 4200/350

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

MAJ GEN ABDUL AZIZ BUSTAM--Maj Gen Abdul Aziz Bustam, Indonesian ambassador to Papua New Guinea, died on Friday, 16 July 1982, at 8:50 local time in Manila. The deceased had undergone a kidney operation on 19 June 1982 at Makati Medical center in Manila which was successful, but later on heart and lung complications developed, The remains of the deceased will be returned from Manila on 17 July and are expected to arrive in Jakarta at 9:00 local time. He will be buried in Jakarta on 18 July. The deceased was born on 6 June 1926. He held 14 service medals and decorations. His military training included the Army Staff and Command School, the Army Staff and Command School in the U. S. at Ft Leavenworth, and the Defense Management Course in the United States. He served as commander of Military Region XIV/Hasanuddin, commanding general of the Development and Training Command [KOBANGDIKLAT] in Bandung, assistant for reserve forces to the Army chief of staff, and assistant for reserve forces to the Ministry of Defense and Security. He was a member of the Indonesian Delegation in the boundary negotiations with Malaysia and was a senior adviser of the Indonesian Delegation at the Law of the Sea Conference at the United Nations center in Geneva. [Text] [Jakarta SINAR HARAPAN in Indonesian 17 Jul 82 p 12] 5170

NEW APPOINTMENTS TO VICE PRESIDENT'S STAFF--Minister and State Secretary Dr Soedharmomo on Thursday [6 August] installed H Ferdy Salim as secretary to Vice President Adam Malik, replacing the former incumbent, Alex Alatas. The installation ceremony was based on Presidential Decision Letter No 109/M/1982 dated 30 June. On the same occasion the minister and state secretary also installed in office new officials in the presidential office, based on the same decision letter. The new officials are Dr Siradj as chief of the palace household of the vice president, Dr Soesilo as chief of the Bureau of General Affairs of the Secretariat of the Vice President, Dr Subarna Kartadireja as deputy assistant in the economic and financial section under the assistant to the vice president, Dr Hartanto as chief of the Bureau of General Affairs in the Cabinet Secretariat, Mujahidin Syah as deputy assistant in the evaluation and supervisory cooperation section, Lt Col (Infantry) Rukwan Rivai as deputy assistant minister and state secretary for special research and

development affairs. The previous post of the new secretary to the vice president, Ferdy Salim, was that of Indonesian ambassador to Egypt. He had also previously served as ambassador to a number of Latin American countries. [Text] [Jakarta SINAR HARAPAN in Indonesian 6 Aug 82 p 12] 5170

BRIG GEN (RETIRED) H MUCHLIS SUGIANTO--The remains of Brig Gen (Retired H Muchlis Sugianto, who was 57 when he died, was buried in Surabaya Heroes Cemetery on Sunday afternoon [2 August]. The former chairman of the East Java Provincial Council died Saturday evening [1 August] at "Gatot Soebroto" Army Hospital in Jakarta, after spending some time in the hospital. Until his death he was secretary general of GOLKAR [Functional Group Association], a post he had held since 1977. The deceased leaves a wife and four children. [Excerpt] [Jakarta KOMPAS in Indonesian 3 Aug 82 p 12] 5170

DR BOESYIRI SOERYOWINOTO--The governor of Irian Jaya, Dr Boesyiri Soeryowinoto, died on Wednesday [5 August] at Todai Hospital in Tokyo. Boesyiri left Jakarta on Tuesday evening [4 August] accompanied by his wife, Mrs Enny Boesyiri, a son, and his private secretary, Suryanto, for medical treatment in Tokyo. The deceased suffered from a liver ailment. His departure for Tokyo this time was to undergo surgery on his gall bladder to remove a number of gall stones. The family of the deceased stated that his remains would be brought back to Jakarta on Thursday [6 August] and buried in Kalibata Heroes Cemetery on Friday [7 August]. The deceased leaves a wife, five sons, and four daughters. The youngest son is 16. The eldest son, Harry, is married and lives in Jayapura. One daughter is married and lives in Jakarta. The late Dr Boesyiri Soeryowinoto wss born in Batu Mamar (Madura) on 24 November 1925. Before being installed in office as governor of Irian Jaya on 20 January 1981 he was Indonesian ambassador to Papua Niugini. During his career he was chief of staff of Military Region XV/Pattimura, commander of Military Region XV/Pattimura, director general of transmigration affairs, and secretary general of the ministry of Manpower and Transmigration. [Excerpt] [Jakarta KOMPAS in Indonesian 5 Aug 82 p 1] 5170

CSO: 4213/79

AUTHORITIES CALL FOR NATIONAL EFFORT AGAINST PKI THREAT

Jakarta HARIAN UMUM AB in Indonesian 11 Aug 82 pp 1, 8

[Article: "54,000 Former Communist Detainees Living in Society: Vigilance Against the Subversive Danger Should Not Be considered a 'Nightmare'"]

[Excerpts] Jakarta, HARIAN UMUM AB--The commander of Operation Tertib [Operation Law and Order], Admiral Sudomo, has declared that vigilance against the latent danger of left-wing subversion is not exclusively a matter for the security approach which deliberately looks for it, nor should it be looked on as a "nightmare." Instead, this is really a fact which requires national vigilance.

Speaking before the Seminar on the Development of Communications and Supervision of Former Detainees of the G.30.S/PKI [Abortive Communist coup attempt of 1965] on Tuesday [11 August] at Hotel Kartika Chandra in Jakarta, the commander of Operation Tertib said that what was meant by the latent danger of left-wing subversion was the question of communism, which involves former criminals and detainees of the G.30.S/PKI. They are 544,000 in number who are now spread around the community since they were released between 1975 and 1979.

Admiral Sudomo said that it is an historical fact that the PKI [Indonesian Communist Party] on two occasions has carried out bloody coups d'etat that failed with the loss of many lives. The first coup was the Madiun uprising of 1948, and the second coup took place on 30 September 1965. "We don't want it to happen a third time," he said.

He said that up to the present there are still communist remnants who have not yet been arrested. In his view, in the "underground" communist movement there is a "special bureau" and an "F List." They work in "cells" whose members do not know each other. The Special Bureau tries to infiltrate the Indonesian Armed Forces, while the "F List" is an effort to infiltrate the ranks of state employees.

In addition it is still necessary to continue vigilance toward 544,000 former criminals and detainees of the B.30.S/PKI who are now living in the community. The total number of former convicts is 1,000 people. The number of Group B detainees is 33,000. The Group C category, whose members have already been released, includes 510,000 people.

Former detainees in Group B in particular are spread out throughout Indonesia. In Sumatra there are 4,749 in this group. In Java there are 21,840, among whom the largest number, or 9,000 people, live in Central Java. In Kalimantan there are 2,829; in Sulawesi, 2,187; in Nusatenggara, 435; in Maluku, 1,033; and in Irian Jaya, 28 people

According to Sudomo, at present there are still PKI leaders who are overseas and who do not dare return home. If they return home to Indonesia they will certainly be interrogated and their cases handled through the courts. This is also the case with the remnants of the FRETILIN [East Timor Independence Front] in East Timor, although from the military point of view their movement no longer has any meaning.

He also asked that attention be paid to the underground PKI activity, which may be oriented toward and may be cooperating with foreign groups. This is because the People's Republic of China and Vietnam appear to be continuing to make an effort to help the communist movement in Southeast Asia. He also recalled that there were remnants of communist groups along the frontier of Kalimantan and the state of Sarawak, Malaysia.

Admiral Sudomo recalled that, on the basis of the facts, it was clear that vigilance toward the latent danger of PKI subversion was absolutely required. He said that at present the people were saying that such vigilance was only something which was put on for appearance's sake and was like seeing ghosts at night. However, such people who say they don't know all the facts, and if something happened, then there would be a process of everyone accusing everyone else.

Regarding the subversive threat the government has tried to handle it with the six basic steps taken since 1974, or before the G.30.S/PKI detainees were released. This course of action is known as "Operation Patriotism" [Ksatria].

National stability in all sectors is absolutely required, because subversion from the left or the right, in seeking to reach its goals, always makes use of unstable situations or creates unstable national conditions. Furthermore the establishment of a just and progressive society should be accelerated. For poverty is a fertile field for the development of communism.

The system for developing and maintaining vigilance toward former communist criminals and detainees needs to be continued in an integral way. That is, there should be coordination between the regional governments, the Indonesian Police, the Special Branch, and so forth. It is further necessary to increase the national resiliency of the community in the ideological sphere so that the people can reject communist thinking, through training courses such as the P4 [Pancasila Indoctrination Course] and supplementary national vigilance courses concerning the latent communist danger. The last-mentioned course is necessary so that we can know what the communist modus operandi is in all of their activity. Wiping out PKI remnants both in the government service, the Indonesian Armed Forces, and in the community at large needs to be continued. In addition Admiral Sudomo considers it necessary to form and

develop a center for the study of communist strategic doctrine and its implementation, as well as working with international and regional centers engaged in such study.

However, that may be, the commander of the Security and Order Command [KOPKAMTIB] does not yet see any clear evidence which would indicate that the PKI has again become active. He admitted that there are indications in that direction, in the form of robberies in Central Java to obtain funds, a demonstration of trishaw drivers in Surabaya, and infiltration in the campaign for the last general elections. However, all of that was broken up before they could be any farther. "However, this does not mean that in the present situation we are secure from the PKI," he said again.

The four-star admiral said that the freeing of former communist criminals and detainees means that they are as free as anyone else in society. However, they must be watched in such a way that they know they are watched, even though shadowing them does not show. They must also be handled in such a way as to provide assurance that they will not carry on political activity and advance the cause of communist ideology.

The movements of all groups of former convicts and detainees must be known. They may go from one province to another, provided they obtain a permit stating where they are going and when they are returning. Every sub-district [kelurahan] must have a list of these people, together with a complete biography of each one. Supervision can only be effective if the administrative activity which is its foundation has been put in place.

To those attending the communications seminar, consisting of officials of regional governments, the Indonesian Police, and Special Branch, and the Attorney General's Office, the commander of KOPKAMTIB asked that a list be made of the former detainees who do not have a job as yet. They need to get jobs such as in projects which have a great deal of work, in development companies, and in the professions.

According to Admiral Sudomo, those who have professions, for example as journalists, doctors, lawyers, or teachers, may carry on their professions. However, there are limits in the sense that they cannot continue to spread communist ideology. In the same way contractors shouldn't be afraid to employ them, provided they report them to the authorities so that supervision is easy. The reason for this is that those who have no job will easily be influenced by irresponsible groups.

The commander of KOPKAMTIB also asked that whenever a political development occurs it should immediately be looked into to determine whether there are subversive elements involved. An investigation should also be made as to whether there are any new groups involved, especially from the PKI, and how far their activity has gone.

He said that this was because in theory the return of the PKI to activity will bring out new members. However, these new members have not yet appeared, although the possibility cannot be excluded that they are now overseas.

ANTI-CORRUPTION STAFF SAVES RP 700 BILLION

Jakarta HARIAN UMUM AB in Indonesian 9 Aug 82 pp 1, 7

[Article: "Rp 700 Billion in State Funds Saved; Action Taken Against Thousands of State Employees"]

[Excerpts] Jakarta, HARIAN UMUM AB--Over the past 5 years the central and regional offices of Operation Tertib [Law and Order] have saved about Rp 400 billion in state funds, while similar law and order campaigns in the various government ministries have saved about Rp 300 billion. In addition action has been taken against thousands of state employees who have misused their positions. This was stated by the chairman of the central office of Operation Tertib, Admiral Sudomo, on Saturday [8 August] at a working meeting of Operation Tertib inspectors throughout Indonesia in Jakarta.

The 3-day working meeting was attended by 129 Operation Tertib inspectors, both civilian and military, in government ministries and in regional governments. Beside reviewong the results of their work up to now the meeting also decided on steps to increase their supervisory activity in the future.

According to Admiral Sudomo, seen from the point of view of results, Operation Tertib has been provided with considerable momentum from the efforts of the government, in the framework of the Panca Tertib [Five Principles of the Law and Order Campaign], as evidence of the government's determination to wipe out corruption. He said: "Operation Tertib has become a preventive factor for people who are considering violating the law in a variety of areas." The chairman of Operation Tertib declared that the effort to wipe out illegal tax collection activity (Pungli) will have first priority in the near future. This is because such illegal tax collections directly affect the community as a whole.

Functional law and order activity is carried on by the ministries concerned, while the central Operation Tertib staff only provides technical, operational help and the assistance of Operation Tertib inspectors. Later on the central Operation Tertib staff will carry out operations itself, aimed at strategically vital targets. That is, involving the interests of the people as a whole, directly involving the prestige of the government, and where the size of the case of violation of the law is a factor.

Sudomo went on to declare that there is a difference between corruption and illegal tax collections, which are often equated. Corrupt activity involves violations of the law by government employees to obtain money, social advantages, or the appearance of law in a prohibited way. Social advantages can take the form of money or legality in the form of status. Therefore, in terms of criminal activity corruption contains an element of self-enrichment.

Meanwhile, illegal tax collections involve prohibited collections of money which are not based on an official government regulation or a prohibited payment for the services of an administrative nature by a government employee in serving the people.

5170
CSO: 4213/77

REORGANIZATION IN FOREIGN AFFAIRS DEPARTMENT EXPLAINED

Jakarta KOMPAS in Indonesian 31 Jul 82 p 12

[Excerpts] Minister of Foreign Affairs Mochtar Kusumaatmadja made note of the fact that protection of Indonesian citizens abroad was being stepped up. This is related to the supervision of our citizens abroad so that they do not get "washed away" in the culture of the society in which they are living and that they continue to be oriented to the national culture.

The foreign minister made this statement in a speech given upon the installation of nine consuls general and consuls/chiefs of Indonesian missions abroad. During the ceremony, which took place at the Department of Foreign Affairs office in Jakarta Friday, 10 echelon II-a officials were also installed.

Four of those nine Indonesian missions abroad are new, namely Vancouver, Toronto, Chicago and Marseilles. The other five are missions already in place, namely Los Angeles, New York, Davao, San Francisco and Penang.

The foreign minister said further that in view of the unstable state of international developments, the Department of Foreign Affairs' revised organizational structure has been formed, based on Presidential Executive Order No 15, 1982. The reason for this is that the organizational structure fashioned in 1974 cannot now conform to and support the mission of the Department of Foreign Affairs.

This revision covers the following: First, the ASEAN National Secretariat has been fully integrated with the Department of Foreign Affairs. Second, the Directorate General for Foreign Relations Security has been changed to the Directorate General for Foreign Sociocultural Relations and Information. In this directorate general a new element has been included, namely the section for the supervision of the Indonesian community. The purpose of this is so that Indonesian citizens do not lose their orientation to national interests and culture. Third, a new Directorate for Economic Relations Among Developing Countries has been formed in the Directorate General for Foreign Economic Relations (HEIN). It was created since cooperation among the developing countries is most important in supporting foreign policy. Fourth, one additional bureau has been added in the

province of the Secretariat General, namely the Planning Bureau. Its tasks is to conduct all of the department's planning, with the special responsibility of supporting efforts to recruit foreign service officials. And fifth, an Inspectorate of Supply has been formed. This is an addition in the province of the Inspectorate General.

The officials who were installed as consuls general/heads of mission were as follows: Drs Haringun Hardjotanojo, 47, as consul general in Los Angeles (United States), Drs Rudy Lengkong in New York (United States) and (Inf) Col (Ret) J. W. Damanik in Davao (the Philippines). Those installed as consuls/heads of mission were: Drs Abdul Aziz in Vancouver (Canada), Theofilus Nababan, SH, 54, in Marseilles (France), Drs Soetedja Kartawidjaja, MA, 47, in Toronto (Canada), R. Eddy Soehardi, 51, in Chicago (United States), Chaidir in San Francisco (United States) and (CPM) [Military Police Corps] Col (Ret) Rachmat Prawirasasmita in Penang (Malaysia).

Echelon II-a officials who were installed were: Kasman P. H. Siahaan as secretary of the Directorate General of Foreign Sociocultural Relations and Information, Drs Wisber Loeis as director of the International Organization, Ambiar Tamala as secretary of the Directorate General for Protocol and Consular Affairs, Drs J. B. Sudarmanto Kadarisman as protocol director, A. A. Murtadho as director of diplomatic facilities, Drs Sukarno Hardjosudarno as head of the Planning Bureau, Rusli Djohari, BcKn, as head of the Bureau of Supply, R. A. Hidayat Kusumanegara, MA, as personnel inspector, P. K. T. Parengkuan as supply inspector and Jacob Piay as director of technical cooperation and economic services.

9792
CSO: 4213/75

AIRFIELDS, AIR TRANSPORT IN IRIAN JAYA

Jakarta MERDEKA in Indonesian 20 Jul 82 p 9

[Text] Development activities in Irian Jaya since before the 5-year plans until the 3rd year of the Third Five-Year Development Plan have been carried out continuously in order to achieve the ultimate goal of a just and prosperous society.

The field of communications, particularly the sub-sector of air communications, is playing a very important and decisive role in this province's development, to the remote villages in the interior.

According to M. Panggabean, SH, office chief of Region V, Air Communications Directorate General for the Province of Irian Jaya, during the second 5-year plan, passenger and cargo traffic rose an average of 18 percent per year. The reason for this was development activity and the upgrading of airport facilities and infrastructure.

There now are 4 airports in Irian Jaya for accommodating aircraft having cargo capacities of more than 8 tons. There are 5 airports for capacities under 8 tons plus approximately 200 for aircraft like the Cessna and Twin Otter, including the pioneer airfields spread throughout the 9 districts. Of that total, 18 runways have been upgraded from landing strips for Cessna types of aircraft to runways on which Twin Otters (DHC-6's) can land.

At the beginning of the Second Five-Year Development Plan, this region still had leftover World War II DC-3's (Dakotas). That fleet has been replaced with Fokker (F-27) and Twin Otter aircraft.

Currently the flight path for GIA [Garuda Indonesian Airways] service to and from Irian Jaya is as follows: Sentani-Biak RT [round trip] by F-27, Biak-Ujungpandang RT by DC-9, Sentani-Timika-Ambon by F-27, Sentani-Biak-Sorong-Ambon RT by Fokker-28 (F-28) and Biak-Timika-Sentani by F-28.

Air transport service to the interior is handled by PT MNA's [Merpati Nusantara Airlines] Twin Otters and other light aircraft, including transport undertaken by the government, private concerns or missionaries, and also by Indonesian Air Force Hercules aircraft.

Since the beginning of the Third Five-Year Development Plan, the government has increased the airstrip capability for F-27's and F-28's, including the Merauke airport, which now is in the process of being completed.

Irian Jaya is the province having the most airfields in Indonesia, with 258 altogether. These have been developed by the government, the community and missionaries, who are active in the field of religious training.

Of that number, 33 are owned by the government and 201 by missionaries. Six others, spread throughout the 9 provincial districts, are privately owned by the inhabitants.

F-27 aircraft are able to land at each of the following airfields: Mokmer, Biak, Sentani, Jayapura, Nibire, Fak Fak (Timika), Rendani, Manokwari, Sorong, Merauke and the Wamena airfield in Jayawijaya District.

F-28 aircraft can land at Sentani, Jefman (Sorong) and Timika/Tembagapura. DC-9's, DC-10's and the Airbus A300 can land at the Mokmer-Biak airport.

F-27 aircraft cannot yet land at the Serui airfield in Yapen Waropen District and the Torea airfield in Fak Fak District.

Since 1975-76, F-28 aircraft have been able to land at the Sentani/Jayapura airport. It is now planned to upgrade this facility to accommodate DC-9's

This is very significant for this provincial city's airport, so that it can handle the flow of passengers and goods for domestic and foreign routes.

The Sentani airport also has the function of serving the Port Moresby (Papua New Guinea)-Jayapura air route each week.

The terminal building also needs to be expanded since in its present condition it no longer has the capability for accommodating the flow of passengers. The Sentani terminal building is this province's flight center, and even all of the missions' aircraft are in Sentani.

At the present time there are 50 aircraft in the local air transport fleet in Irian Jaya. These are owned by nine airlines, which conduct operations to connect the cities of the other districts as well as sub-district towns and villages in the interior.

Airline companies which own these aircraft are PT Merpati Nusantara Airlines, PT Airfast, which has six BN-2's, one DC-3 and one F-27, the Associated Mission Aviation (AMA), having six Cessna-185's, and the Missionary Aviation Fellowship (MAF), with four Cessna-185 aircraft, four Cessna-206's, two Aero Commanders and three helicopters. All of these are utilized in helping the regional government transport basic goods and strategic materials to Irian Jaya's interior.

Further, the Seventh Day Adventists (SDA) own two Cessna-185's and one Aero Commander. Bali Air (Bouraq) owns two Cessnas for transport to the interior in Paniai District. PT Indonesian Air Transport (IAT) owns three aircraft, namely one BN-2, a Piper Aztek and a Piper Navajo. PT Dirgantara operates three planes, namely an F-27 and two helicopters.

GIA serves domestic air transport routes while MNA and missions working in Irian Jaya take care of local trasport.

GIA, covering domestic routes, serves Jayapura-Biak-Ambon-Ujungpandang round trip flights every day, Sorong-Ambon-Ujungpandang-Menado round trip flights 7 days a week and Jayapura-Timika (Fak Fak)-Ambon-Denpassar (Bali) flights once a week.

MNA, covering local routes, serves the Jayapura-Biak Districts five times a week with F-27's and DHC-6's, Jayapura-Yapen Waropen (Serui) via Biak three times a week with the DHC-6, Jayapura-Biak-Manokwari-Sorong-Fak Fak with the DHC-6 four times per week, and Jayapura-Wamena (Baliem Valley) with the DHC-6 and F-27 four times per week.

Air transport to the interior is handled by DHC-6's and other small aircraft (Cessnas and Aero Commanders) once a week each for the following routes: Biak-Timika, Biak-Numfor, Biak-Serui, Nabire-Illaga, Nabire-Mulia, Nabire-Enarotali, Nabire-Waghete and Nabire-Moanamani.

The following flights are made once a week with DHC-6's: Manokwari-Bintuni, Manokwari-Kebar, Manokwari-Numfor, Merauke-Bade-Kepi-Merauke-Tanahmerah, Merauke-Okaba, Merauke-Kimaan and Merauke-Mindiptanah.

Twin Otters are used twice a week for Jayapura-Sarmi and Sorong-Fak Fak flights.

This carrier potential in Irian Jaya does not include the air transport capability of the Indonesian Air Force, which performs operations for the Department of Defence and Security and which plays a very large role in overcoming the difficulties in transporting foodstuffs and building materials in the interior of Irian Jaya.

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PROBLEMS ARISE FROM BATAM ACCORD WITH SINGAPORE

Jakarta SINAR HARAPAN in Indonesian 20 Jul 82 pp 1, 5, 7

[Excerpts] On 3 July 1982, for the first time, Solichin G. P., Sesdalopbang (Development Operations Control Secretary), toured the national project for the development of the Batam Island industrial region.

There is a commitment between Indonesia and Singapore through an intergovernmental cooperative agreement to develop Batam Island. The agreement, which was made on 31 October 1980, is 20 months old by now. Singapore's minister of trade and industry who signed the agreement in the name of his government has changed posts again, becoming minister of defense. Although Sudjatmiko, Indonesian ambassador in Singapore who signed in the name of the Indonesian government, still holds his post, certainly there is not much which he can do. On top of that, the Batam Authority representation at the Indonesian embassy in Singapore closed on 22 March.

In a conversation with SINAR HARAPAN, Solichin said, "I came here because Batam has a very large potential, which is hoped can become a national contribution. I want to see developments in the field. Until now, progress has been quite gratifying. There is nothing to prevent the target from being reached in accordance with the time schedule."

He did not mention, for example, the unfinished state of construction of the airport at Batu Besar. Existing landing facilities can only accommodate Skyvan or Cassa [sic] aircraft. With a length of 850 m and a breadth of 30 m, the runway is to be expanded to a length of 2,500 m and a breadth of 45 m. At the time of President Adam Malik's working visit to Batam on 1 September 1981, the airport project, which was being carried out by PT Balfour Beatty Sakti, had to be finished no later than March, 1982, according to the report of the Batam Authority management to the vice president.

When Prof Dr B. J. Habibie, chairman of the Authority for the Development of the Batam Island Industrial Region, who also is state minister for research and technology, observed conditions at the airport project prior to the control secretary's visit, he could not contain his anger seeing the unfinished state of the project. He would not accept the reasons put forward by the project supervisor for the unfinished state of affairs.

"Where did you graduate from?" Habibie asked angrily. "It absolutely must be finished on time," Habibie stated firmly. Sudarsono, chairman of the Batam Island Executive Board, who helped to explain why the project was unfinished, was pushed aside by Habibie. He did not want to hear all the reasons put forward.

One of the reasons suggested was "uncertainty about rainfall." Reports on weather conditions from Singapore weather stations only 20 km from Batam could not be utilized. If it did not rain in Singapore, that did not necessarily mean it would not rain in Batam.

The same reason was suggested to Solichin during his visit to the unfinished airport project. Ibrahim Ajie, former commander of the Siliwangi military region, accompanied the secretary.

With his "PT Kurnia Jaya Alam," Ajie obtained the job of completing the road to the airport, connecting Sei Baloi, Nongsa and Kabil for a distance of 35 km (7 m wide). A portion of the road is already finished.

Solichin and Ajie asked the project supervisor a lot of questions. Solichin's reaction to the answers he received was merely to shake his head.

The Ladi River Bridge (175 m long and 7 m wide) was also left undone. The bridge, which was built by PT Hutama Karya, was broken down in the center.

Evidently Solichin did not want to go into the technical details in the field; his attention was directed more to the administrative and management process for the development of the island. As he pointed out, "I ascertained that to this point, the existing bureaucracy still has had too much weight, so that it did not support the rapid implementation of Batam Island's development. Certainly this is not the bureaucracy on Batam Island, but national bureaucracy."

Offering his conclusions as a result of his observations, Solichin said, "In order to guarantee that the final, desired objective will be reached, my conclusion is that the Batam Authority must obtain a broader competence, a broader authority for fulfilling the basic plan which the central government has laid down."

His explanation of what he meant by a broader competence was to equip the Batam Authority with the necessary rights and powers to be able to complete the licensing of investments for those having interests in the island and to direct attention to investing capital there as quickly and appropriately as possible, lest those foreign capital investors make telling differentiations between the service they receive in Singapore and that which they receive in Batam.

According to Sudarsono, in Singapore the process for the interests of the investors can be completed in a 2-week period, but for Batam it can be months.

For its implementation, he said, "I believe departmental/agency units should be formed which are involved in the development of the Batam industrial region. They should be established on the island and should be able to decide all matters completely."

Batam Island, with an area of 415 square kilometers, directly faces Singapore, which is about 20 km away. From either location one can view the other's shores with unaided eyes, only limited by the Singapore Strait.

According to statistics, total population in 1971 was only about 9,000. It consisted of fishermen, farmers and laborers. Since the beginning of Batam's development, the population has grown quickly.

In 1978 a population of about 16,000 was recorded. The results of the 1981 census showed the total population grew to 22,000. In 1982 it is estimated it will be about 26,000. Through Presidential Executive Order No 41, 1973, the island was upgraded to an industrial region with the Batam Authority as administrator. Then, with the decision of Presidential Executive Order No 41, 1978, the entire territory of the island was specified as a bonded warehouse region.

The master plan for the development of the island itself has passed through two consultants. Pertamina [State Oil and Natural Gas Co] made the first plan in 1972 through the "Pertamina Nissho Iwai Bechtel" consultants. Planning emphasis was directed more to industries which supported offshore oil exploration, oil refineries and Pertamina's logistic base itself.

Only in 1976 did the government become directly involved. Pertamina's master plan was revamped through the Crux consultants from the United States. The new study that Crux made in 1978 was broader in scope, involving physical administration, utilities and facilities, as well as the layout, through the year 2004.

According to the study, by 2004 Batam's total population will be 670,352. Of that total, 283,224 will make up the work force. On the basis of those demographic figures, plans for facilities, utilities and land use were then formulated.

About 4,500 ha were set aside as a site for investment, industrial activity and trade. Cipta Karya [Directorate General for Urban Development], together with the Batam Authority, made the working plan and implemented it. The pattern of priorities was arranged according to primary and secondary functions in three development regions, namely Batu Ampar, Sekupang and Pantai Timur.

At Batu Ampar alone industries which supported oil exploration activities and a steel plate industry have been established. In addition, there also is a permanent port, with a 1,000 m-long pier capable of accommodating ships

displacing 3,000 DWT. This port will be upgraded so that it will be capable of accommodating ships of 10,000 DWT. A temporary dock 150 m long can also accommodate 3,000-DWT ships. Closed storage space totaling 9,000 sq m and open storage of 18,000 sq m has been set aside.

Also under consideration is making Batu Ampar a general cargo port for ships having displacements of about 15,000 DWT, a passenger port and a special port for industry.

Sekupang is for light industry, like small ships and limited industries. Moreover, it also has a port with a pier 60 m long, which is capable of accommodating 3,000-DWT ships. Soon it will be expanded for 6,000-DWT ships and later for ships having displacements of 10,000 DWT. It is also being considered to make it a passenger, oil and general cargo port. Existing closed storage space totals 9,000 sq m; there is 1 hectare of open storage space.

Pantai Timur or Kabil is for heavy oil and related industries, as well as light and intermediate industries. It also has a port for container ships over 15,000 DWT, coal, tankers and a container terminal, and it is an ocean port. The existing dock can accommodate 3,000-DWT ships. The pier is 60 m long. At the present time warehouse space totals 3,000 sq m; open storage space amounts to 10,000 sq m.

To support all of this, there are preparations for housing in each region, electricity, telecommunications, highways and water purification, some of which already exist.

Existing roads extend 200 km. Roads which are called arteries and collector roads are given priority, i.e., the road from Sekupang to Batu Ampar, 20 km long and 7 m wide, has been paved with asphalt. The road from Singai Baloi to the airport, Nongsa and Kabil, 35 km long and 7 m wide, is under construction. Roads in the Sekupang and Batu Ampar regions, 33 km long and 7 m wide, are just about to be paved with asphalt.

When all of this is completed, there is no denying it will compete with Singapore and later certainly decrease Singapore's income, which is generated from its services. If Indonesia becomes capable of making transshipments itself and of exporting directly to consumer countries, that would be a great loss of income to Singapore. Until now, Singapore has obtained hundreds of millions of dollars in income from its service-oriented role.

Perhaps it can be said that for Singapore the agreement which it signed with Indonesia for economic cooperation in Batam's development is nothing more than a diplomatic conventionality.

Article 3 of the joint agreement states, "Both parties agree to take steps to facilitate the supply of funds and banking services needed for Batam's development, in so far as they are in accordance with the regulatory arrangements in force in the respective countries."

It is this third article that presents complications for Singapore. The investment of Singapore funds in Batam means the acceleration of the growth and development rate. The more quickly all the facilities are completed and available on the island, the more rapidly Singapore's status of living from its services sector will be threatened.

Then, Article 1 of the joint agreement also states: "(1) Taking cognizance of the trade arrangements in the respective countries, both parties agree to develop simple and mutually beneficial standing procedures for cargo traffic, payments and their transfer between Batam and Singapore."

"(2) In the framework of a mutually beneficial increase in international trade, both parties will develop procedures for the marketing of goods and trade services, with the possibility of facilitating joint efforts, and, as far as possible, will make use of Batam's transshipment and warehouse facilities."

The heart of that agreement is at odds with Singapore's own interests. How is it possible that Singapore will share its profits when it can implement all of the efforts and activities in that field itself?

The evidence for this almost 2 years after the agreement was signed is that Singapore has not helped develop the island by investing its capital there. Singapore has invested its capital on its own land by expanding its mainland region with reclamations along the coast facing Batam. In addition to the miles and miles of reclamations, Singapore is multiplying and expanding the facilities of its services sector, such as the container port and other maritime transshipment facilities, as well as industry.

Section 3 of Article 13 states: "The agreement can be cancelled by either party by written notice 6 months in advance of said cancellation."

In light of the benefits it will obtain from the 5-year agreement, Singapore clearly will not cancel it unilaterally. This is especially true since Singapore knows very well that Indonesia not only hopes for funds for Batam's development, but also advisers, experts and technicians. That is the reason we must quickly and attentively consider what has occurred, what is taking place and what will happen in the future.

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OIL EXPLORATION WITH SINGAPORE NOT YET READY

Jakarta KOMPAS in Indonesian 4 Aug 82 p 2

[Article: "Cooperation Between Pertamina and Singapore Company Not Yet Ready Ready"]

[Text] Jakarta, KOMPAS--A plan for cooperation in the production of oil and natural gas between Pertamina [National Oil Producing Company] and the Promet Energy Co Limited of Singapore is not yet fully developed up to the present. There have just been a few ideas exchanged and up to now there is no final agreement.

This was stated by Sukastoyo, from the Community Relations Office of the Pertamina Office for Cooperation with Foreign Contractors (BKKA), who was answering questions from a KOMPAS reporter on Monday [3 August]. The statement was made in connection with a report from the daily newspaper, THE ASIAN WALL STREET JOURNAL, published on 29 July.

According to Sukastoyo, Promet Energy Ltd has been in touch with the BKKA in an effort to develop the possibility of cooperation further. However, up to now no concrete steps have been taken and still less has a cooperative agreement, Pertamina would make the agreement public. "It is very regrettable that such a press release was issued by Promet Energy Ltd. That can be damaging to themselves!" Sukastoyo commented.

According to the Community Relations Office of BKKA, areas for possible cooperation have been mentioned. Originally, this area had been turned over to a foreign company, but after a certain length of time had passed and no oil was found, the area was returned to the Indonesian government.

THE ASIAN WALL STREET JOURNAL reported on Thursday [30 July] that the Promet area was a part of the 300,000 square kilometers previously turned over to the Philips Petroleum Co of the U. S. Seismic prospecting work was carried out in the area between 1979 and 1974. The results were exciting, but no further work was carried out in the area.

Promet Energy Ltd is a company established in Hong Kong with branches in Singapore, Malaysia, and Indonesia. In Singapore Promet Energy Ltd is an operational branch. About 80 percent of the shares in the company are held

by Promet Berhad [Limited], a rapidly developing Malaysian company. The remaining shares are held by Gannanoque Ltd of Great Britain. Gannanoque is an affiliate of Gaffney, Cline and Associates, a U. S. international energy consulting company which is acting as a technical adviser to Promet Energy.

The director of operations of Promet Berhad of Malaysia, Brian Chang, reportedly wants to establish an oil management company in Southeast Asia. In the company's annual report for 1981 Principal Director Datuk Ibrahim Mohamed said that Promet Energy will lead the way in developing a petroleum field producing oil and gas in Southeast Asia. Through Promet Pte [Private] Ltd the company group has become one of the five large Singapore oil drilling companies.

Brian Chang has not yet said anything else and will not do so until Pertamina signs the contract. However, a Promet source states that the company has agreed to pay $60 million for the exploration and development of a 18,000 square kilometer concession in the offshore area of the Aru Archipelago, near Irian Jaya.

From another source it is stated that the drilling of the exploratory wells probably will not be undertaken until 1983. An oil industry analyst said that this would be the first time a Southeast Asian energy company completed a production sharing agreement in Indonesia. This is because exploration and production throughout Asia up to now have been dominated by U. S. or European oil companies.

Brian Chang refers to this development as a "major coup." Moreover, the oil concession will have been obtained without any experience in the oil-drilling field and in the face of many other applicants. He says that the concession will be the first one to be won by Promet Energy, which was only established last August. Meanwhile, McGee, who is general manager of the Singapore and Malaysian branches, says that the concession has been obtained one and one-half years ahead of plan.

According to present plans, when the contract is signed, Promet will pay an advance fee and other bonuses if oil and gas are found. Promet will carry out the exploration activity and pay for production and operations costs. If oil or gas is found, Promet will receive all of the production until all costs have been paid back. After that the oil will be divided, with 65 percent for Pertamina and 35 percent for Promet. If gas is found, 35 percent will be turned over to Pertamina and the remaining 65 percent will be for Promet. Beside that it is mentioned in the contract that Promet can claim 10 percent higher costs than those actually incurred.

Particularly with regard to this last-mentioned point, a Pertamina oil expert says that Promet may be mistaken. In addition to the fact that plans have not yet been completed at all, production sharing contracts between Indonesia/-Pertamina and foreign contractors now in effect are for a division of oil on an 85:15 basis and for gas on a 65:35 basis.

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ECONOMIC RELATIONS WITH FRANCE REPORTED

Jakarta MERDEKA in Indonesian 6 Jul 82 p 10

[Text] Michel Jobert, French minister of state for foreign trade, who arrived in Jakarta Sunday for a 48-hour visit, met with President Soeharto and other Indonesian officials Monday.

Their discussion centered on reciprocal trade matters, including quotas for Indonesian textile exports, new policies concerning non-oil products, which require foreign countries to export goods to Indonesia in order to purchase local goods, and those new regulations which require that goods which Indonesia purchases should be transported by Indonesian-flag ships.

It is apparent that Indonesia--the fifth most densely populated country in the world and OPEC's seventh [largest] oil producer--is trying to decrease its dependence on trade with the United States and Japan and is now making approaches to the EEC, especially France and West Germany.

Jobert is the third French minister to visit Indonesia since the socialists came into power in France. Claude Cheysson [minister of external relations] will make a visit in the fall, and a visit by President Francois Mitterrand is also expected, perhaps next February.

French exports to Indonesia, especially automobiles, aircraft, chemicals, electrical equipment, military equipment, including Exocet guided missiles, and other general requirements, have increased from 1,733 million francs ($254 million) in 1980 to 688 million francs [sic] ($686 million) in 1981.

French imports from Indonesia, namely non-oil products like coffee, tapioca, rubber, leather and several kinds of textiles, also increased about 10 percent last year, although total Indonesian exports of these products dropped 37 percent in the same period.

Although the relationship is limited, French companies have obtained various large contracts in Indonesia since 1981. Last year there were contracts for a paper mill, a methanol plant, a cement factory and an artificial fertilizer plant.

This year contracts have been signed for a perfume factory, a generator station and a steel-processing plant. A French company at the present time is building the Cengkareng international airport, located outside the capital.

Approximately 75 percent of Indonesia's budget is based on income from oil and liquified natural gas [LNG].

The French oil company, Total, in cooperation with the Japanese company, Impex, is the second largest oil producer in Indonesia, with a production of 190,000 barrels per day and 130 million cubic feet (about 13 million cubic meters) LNG per day. This company is now making test bores in Kalimantan and Irian Jaya.

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EAST GERMAN EFFORTS TO STEP UP TRADE, COOPERATION

Jakarta SINAR HARAPAN in Indonesian 30 Jul 82 p 11

[Excerpts] Radius Prawiro, minister of trade and cooperatives, received Dr Heinz Warzecha, German Democratic Republic (East German) deputy minister for industry, machinery division, Thursday in Jakarta.

After the meeting, Warzecha said to reporters that the purpose of his visit to Indonesia was to attend the opening of Greater Jakarta Week and at the same time to discuss increased cooperation between the two countries, particularly in the economic and trade sectors.

In order to speed up the development process in Indonesia, East Germany is offering technological assistance, manpower training and technology transfer. East Germany intends to "provide a share in Indonesia's development," he said.

Darry Salim, director of foreign trade relations, said that the balance of trade between Indonesia and East Germany in recent years has favored Indonesia.

Primarily, Indonesia exports rubber to East Germany while it imports fertilizer and chemicals from there.

According to Salim, the East Germans are interested in helping Indonesia in developing the sugar industry.

In the meeting, Minister of Trade and Cooperatives Prawiro invited the East Germans to take part in tenders by cooperating with national private companies. The minister also explained that in the Fourth Five-Year Development Plan Indonesia will develop industry in order to support agriculture and also to create new job opportunities.

Prawiro said that if the East Germans intend to take part in tenders, they should direct their attention to technologies which are labor intensive and which increase production. He also invited the East Germans to study Indonesia's economic development, so that they can participate in the national development.

The East Germans did not have any objections in regard to the Indonesian government's policy of linking imports to exports of Indonesian commodities. In order to step up trade between the two countries, the East German's made an offer to Indonesia to participate in the trade exhibition in Leipzig, to be held in 1983.

According to data from the Department of Trade and Cooperatives' Public Affairs Section, the balance of trade between Indonesia and East Germany in 1981 favored Indonesia. Indonesian exports to East Germany for the first semester in 1981 were recorded as $5.76 million, while Indonesian imports from East Germany were $2.7 million, showing a $3.6 million surplus.

Meanwhile, in a meeting with Minister of Industry Ir A. R. Suhud Thursday, Warzecha obtained information that broad opportunities are still available to industrialized countries, including the Eastern Bloc, for opening up joint ventures in Indonesia.

Dr Warzecha paid a complimentary call on the minister of industry in order to offer East German industrial products. This was in line with efforts to review economic relations between the two countries, which had slowed up for such a long time after 1965.

Prior to the New Order period, East Germany participated in Indonesia's industrial development, among other things in the construction of the Madukismo sugar factory in Yogyakarta and the spinning mill in Palembang. Preparations are now being made for these two plants to be rehabilitated and expanded. The visit of the East German minister has a close relation to this plan, besides being to offer other industrial services.

This Saturday the East German deputy minister for construction of machine tools and processing machinery will leave for the spinning mill in Palembang. In the afternoon he will open the East German pavilion in the Greater Jakarta Week arena and on Sunday he will head for Singapore before returning home.

9792
CSO: 4213/75

ESTIMATED DAMAGES FROM MT GALUNGGUNG ERUPTIONS

Jakarta SINAR HARAPAN in Indonesian 30 Jul 82 pp 1, 12

[Excerpt] Damages as a result of the eruptions of Mt Galunggung from 5 April 1982 until the most recent eruption have totaled 18,345,126,000 rupiahs. Among those areas affected, agriculture was truck the hardest, with losses reaching 10,407,732,000 rupiahs.

Fisheries had losses of 2,811,077,800 rupiahs, animal husbandry 344,308,000 rupiahs, plantations 2,150,280,000 rupiahs, forest enterprises 2,567,817,000 rupiahs, cooperatives 30,247,000 rupiahs and industrial concerns 33,655,000 rupiahs.

Meanwhile structural damages included 1.016 billion rupiahs for roads and bridges and 1,297,636,180 rupiahs for other constructions. Thus, according to Apang Sofyan, BA, public relations chief of the Tasikmalaya regional government, to date approximately 20 billion rupiahs in overall losses have been recorded.

Rice, secondary and garden crops were buried under sand and ashes from Mt Galunggung.

Paddy land totaling 25,311 hectares was affected, with a production loss of 45,916 tons. This equates to a 459.16 million-rupiah loss. Non-irrigated rice fields totaling 259 hectares were affected at a 298-ton production loss, the equivalent of 2.18 million rupiahs.

Other secondary crops affected, like corn and cassava, totaled 20,065 hectares, resulting in a production loss of 67,625.20 tons. This equates to a 323,392,000-rupiah loss altogether. There were 8,408 hectares in garden crops affected (salak fruit, citrus fruit, bananas, vegetables and others), resulting in a 15,576-ton production loss at a value of 255.2 million rupiahs. So stated Apang Sofyan in his explanation to SINAR HARAPAN Thursday.

9792
CSO: 4213/75

INDONESIAN FOREIGN EXCHANGE RESERVES DECLINE

Jakarta KOMPAS in Indonesian 4 Aug 82 p 1

[Article: "Coordinating Minister for Economics, Finance, and Industry Widjojo Nitisastro: Foreign Exchange Reserves Between $5 and $6 Billion; Devaluation Won't Take Place"]

[Excerpts] Jakarta, KOMPAS--Indonesian foreign exchange reserves are currently fluctuating between $5 and $6 billion. The reserves are held by the Bank Indonesia.

Coordinating Minister for Economics, Finance, and Industry and Chairman of BAPPENAS [National Development Planning Body] Widjojo Nitisastro was answering questions from reporters after he gave a forecast of future developments before those attending the Third Plenary Session of HIPMI [Association of Young Indonesian Businessmen], which was formally opened by Vice President Adam Malik in Jakarta on Tuesday [4 August].

He went on to say that foreign exchange reserves in the business world, such as those held by banks, were sufficiently large. What is usually published by the government is the total amount of foreign exchange reserves held by the Bank Indonesia. Foreign exchange reserves held by the business world and by banks in particular are not made public. Widjojo said: "If the foreign exchange reserves held by the Bank Indonesia and those held by the business world were added together on a national basis, the total would be quite large."

He indicated that, according to present estimates, Indonesian foreign exchange reserves held at the beginning of fiscal year 1981/1982 totaled $7.3 billion. As of January, 1982, they totaled $6.5 billion.

According to the minister, the total foreign exchange reserves held by the government were large enough to take care of more than 4 months of imports. "So those who say that the foreign exchange reserve standard is for a period of 6 months of imports are wrong. In general the standard used in the world is for 3 months of imports," Widjojo added.

Asked about the possibility of a devaluation, Widjojo said that the government is continuing to hold to the system of controlled development which has been in effect since the KENOP [First National Economic Conference] in 1978. "Continuous devaluation will not take place again. The system in effect since the KENOP in 1978 will continue to be maintained," Widjojo said.

5170
CSO: 4213/77

INDONESIAN COFFEE EXPORT QUOTA

Jakarta KOMPAS in Indonesian 3 Aug 82 p 2

[Article: "Indonesia to Direct Purchases of Sugar and Soy Beans Away from Brazil"]

[Excerpts] Palembang, KOMPAS--Indonesia, which currently imports sugar and soy beans from Brazil, will direct its imports of these commodities to other countries, unless Brazil assists in obtaining an increased coffee export quota for Indonesia.

The deputy minister for cooperatives, Bustanil Arifin, made this statement on Monday [3 August] at the Office of the Governor in Palembang on the occasion of the signature of a cooperation agreement between the Regional Coffee Affairs Office [KUD-KOPI] and the Association of Indonesian Coffee Exporters (AEKI) of South Sumatra.

He said that a team composed of several cabinet ministers and the director general and representatives of AEKI would go to Brazil to press for an increased coffee export quota. This team had already visited that country before the International Coffee Organization (ICO), meeting in London in September, had already determined coffee export quotas for 1982/1983 for the coffee producing countries. Bustanil Arifin, as deputy minister for cooperatives and chief of the Bureau of Logistical Affairs [BULOG], is planning on traveling with the team. He said that if the Indonesian coffee export quota is increased with Brazilian help, Indonesia will continue to import sugar and soy beans as well as other commodities produced by that country. He said that Indonesia in 1981/1982 had a 138,000 ton coffee export quota from the ICO. This quota was far below its production and export capacity. The quota is for the year ending in September. He asked exporters who were assigned a portion of the quota, who may be awiting for prices to recover, to carry out their export transactions quickly.

According to Bustanil Arifin, a number of Brazilian coffee experts have conducted research on the Indonesian coffee situation. They considered that some of the grades were not good and needed to be improved further. However, some of the Indonesian coffee they examined was praised for its good quality. In connection with improvement in the quality of coffee four coffee producing

areas, Bali, East Java, Lampung [South Sumatra], and Aceh, are eligible for obtaining assistance in obtaining coffee processing equipment valued at almost Rp 2.0 billion. As far as South Sumatra is concerned, it remains to be determined which regency will obtain the processing equipment.

South Sumatran coffee exporters are optimistic that the efforts of the team to obtain an increased Indonesian coffee export quota for 1982/1983 will be successful. According to the deputy chairman of AEKI in South Sumatra, Dr Burma Bur, Brazil, as the largest coffee producer, has been given a quota of 30 percent of the 5.5 million sacks of the world coffee export quota set by the ICO. If this quota is lowered a little, for example 2.5 percent, and assigned to Indonesia, it will not cause much of a loss to Brazil. On the other hand, for Indonesia, which has a coffee surplus of about 130,000 tons, this would mean a great deal in helping coffee farmers.

5170
CSO: 4213/77

COAL PORT DEVELOPMENT PROJECT SIGNED

Jakarta KOMPAS in Indonesian 5 Jul 82 p 2

[Text] A contract for the development of a coal port in Tarahan, South Sumatra, was signed last Thursday in Jakarta by Ch. Situmorang, chief director of PT Taba Bukit Asam, H. R. Williams, vice president of Dominion Bridge from Canada, and W. E. Anstead, director of Balfour Beatty from the United Kingdom. The latter two companies have formed a joint venture for developing the port, which is located 6 km south of Panjang harbor.

Ch. Situmorang said the contract signing was the first to be carried out in the framework of implementing the Bukit Asam Coal Mining and Transport Development Project (P4BA), which is coordinated by the Department of Communications and the Department of Mining and Energy. The purpose of the project is to provide the coal needed as fuel for PLTU Suralaya [Suralaya Steam-powered Electric Generator Project], which is located in Banten, at the western end of Java.

Financing of about 47.5 billion rupiahs is planned for the port construction, consisting of funds of 9.768 billion rupiahs, 47.4 million Canadian dollars and 8.572 million pounds sterling.

According to Situmorang, in the first stage the port's processing capacity will be 2.5 million tons per year, sufficient for meeting PLTU Suralaya's requirements at a level of 400 megawatts for each of two units. But that capacity can be developed to 5.5 million tons per year, to a maximum of 12 million tons per year.

The Tarahan port covers 44 hectares of land located at the edge of the Teluk Betung-Bakahuni highway.

Situmorang disclosed that construction of the port will be completed in 23 months or 700 days after the signing of the contract. After that, there will be a trial period for coal shipments from Tarahan to Suralaya, before being fully directed to PT Taba Bukit Asam.

In order to support the initial shipments of 2.5 million tons per year from Bukit Asam to Tarahan, each day 5 railroad trains approximately 650 m long

and consisting of 40 cars will be used. Unloading of coal for each train will take about 1.5 hours. Special ships having displacements of 9,200 deadweight tons will be used to transport the coal from Tarahan to Suralaya. One ship per day or 272 trips per year will be required.

At the second stage, when the capacity increases to 5.5 million tons per year, 4 railroad trains per day will be used. Each train of 80 cars will be 1,300 m long. It is estimated that the time needed to unload the cargo will be 2 hours, while shipments of coal from Tarahan to Suralaya will be by the 9,200-DWT special ships. The ships will make 2 voyages a day or 600 per year.

The Tarahan port's final capacity of 12 million tons per year will be utilized when PLTU Suralaya, at a capacity of 3,100 Mw (400 Mw for each of four units) [sic], is fully operational.

About 1,500 workers per year will be needed during the construction period. When operations begin, approximately 100 workers will be required.

Other Information

KOMPAS obtained information from another source that the integrated project will cost about $1,335.9 million altogether. Specifically, $51.8 million for PT Bukit Asam's town development, $444.9 million for the mine, $216.3 million for the State Railways, $58.2 million for the Tarahan port, $4 million for the Kertapati port, $23.9 million for ocean transport and $6.6 million in other costs which will be assumed by the government. That is the basic capital. There is a reserve fund of $81.3 million, an escalator provision amounting to $218.3 million, working capital of $50.5 million and interest of $180.1 million.

The chief goal of the Bukit Asam project initially is to produce 3.225 million tons of coal per year, 2.44 million tons per year in particular for PLTU Suralaya's two 400-Mw units.

9792
CSO: 4213/75

SRV TROOPS FORCE KAMPUCHEANS TO ACT AS SHIELDS

BK010346 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 30 Aug 82

[News commentary: "The Vietnamese Enemy in Moung District, Battambang Province, Has Launched a New Trick of Killing Our People by Forcing Them To Walk in Front of Its Troops"]

[Text] In Moung District, Battambang Province, since the beginning of August, the Vietnamese aggressors would force our people to walk in front of their troops whenever they went on operations in the jungle. In this way, landmines, punji stakes, automatic bows or punji pitfalls set by our army and guerrillas are there, these Khmer would be the victims in the place of the Vietnamese troops.

Moreover, they want to hoodwink our people into believing that it is not the Vietnamese aggressors but the Khmer who are attacking their own fellows, thus backing up the deceitful Vietnamese propaganda about a troop withdrawal from Kampuchea. When our army and guerrillas ambush the Vietnamese troops who walk behind the people, the people fled back home. Then the Vietnamese aggressors pursue, arrest and kill all of them and blame the Khmer for killing their own fellows.

This is an extremely criminal, barbarous and cunning trick used by the Vietnamese aggressors to massacre the Kampuchean people and exterminate the Kampuchean race. They have carried out this trick in order to kill two birds with one stone--massacre our Kampuchean people silently at will and put the blame for their crimes on the Democratic Kampuchean army and guerrillas.

However, the Kampuchean people know the Vietnamese well. The Kampuchean people are well aware that the Vietnamese aggressors are the archmurderers who massacre our Kampuchean people of all sexes and ages everywhere and everyday. Our Khmer people will never kill their own fellow Khmer. All of them pledge to unite as one man under the leadership of the Democratic Kampuchean Government and wage all forms of struggle against the Vietnamese aggressors until all of them are driven out of our Kampuchean territory.

CSO: 4219/30

FRENCH BIOLOGIST TEACHES LABORATORY PROCEDURES

BK011700 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 31 Aug 82

[Text] Professor (Michel Tibot), member of the Committee of the Third World Group and the Solidarity Committee With Kampuchea and professor in biology at Nantes, France, visited our Democratic Kampuchea from 3-25 August 1982.

When he arrived in Democratic Kampuchea, our cadres warmly welcomed this friendly guest. On the afternoon of 3 August 1982, Chhorn Hay, former secretary of state of the Ministry of Telecommunications of the Democratic Kampuchean Government; and Mrs (Vanny) sincerely and warmly met and held talks with the friendly guest. Our Democratic Kampuchean cadres were also present during these talks.

During his stay in Democratic Kampuchea for almost a month, Professor (Michel Tibot) instructed laboratory trainees on the analysis of urine, blood and excrement and so forth. He also visited various villages.

The friendly guest came away with the impression that our laboratory trainees are making efforts in their studies and clearly realize their duties at the rear of the battlefield in support of the frontline battlefield. The professor promised that when he returned to his country he would inform the French people about the real situation which he has seen in Democratic Kampuchea. He will make every effort to appeal for aid for the Kampuchean people, who are waging a just struggle against the Vietnamese enemy aggressors, expansionists, swallowers of territory and exterminators of the Kampuchean race. It should be noted that the Committee of the Third World Group and the Solidarity Committee With Kampuchea, through Professor (Michel Tibot), sent 48 crates of medicines and materials for laboratories to Democratic Kampuchea.

On 25 August 1982, the friendly guest successfully ended his visit to Democratic Kampuchea and safely returned to his fatherland.

CSO: 4219/30

AGRICULTURAL REPORTS FOR 30 AUGUST-5 SEPTEMBER

BK061252 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 30 August-5 September:

Battambang: SPK at 1454 GMT on 30 August notes that by mid-August, the peasants of Moung Russei District have planted 18,800 hectares of rice or 53 percent of the plan. Phnom Penh Radio at 0400 GMT on 4 September carries a report made to the Third National Assembly session by a representative from Battambang Province, in which he says that during the first half of 1982, 230,000 hectares of land have been tilled, 189,000 hectares of crops planted, 3,759 tons of rice seed lent to the peasants and 52,920 tons of rice sold to the state.

Kompong Speu: SPK at 1454 GMT on 30 August notes that despite drought the district of Samraong Tong has cultivated 10,520 hectares out of the 16,730 hectares targeted by the plan and planted 1,160 hectares of subsidiary crops. At 1300 GMT on 4 September Phnom Penh Radio reports that in a statement made to the Third National Assembly session by a representative from Kompong Speu it was learned that 5,538 tons of paddy have been sold to the state and that during the rainy season 11,072 hectares of rice were sowed and 28,000 hectares transplanted.

Ratanakiri: SPK at 0410 GMT on 30 August carries a report by Kham Len, representative from Ratanakiri, to the Third National Assembly session in which he said that during the first half of the year more than 13,000 hectares of rice have been planted, including 9,260 hectares of slash-and-burn rice, and more than 1,000 hectares of corn, banana trees, sesame, potatoes, sugar cane, asparagus and cotton have been grown. SPK also reports that he said there are 5,000 head of cattle, 3,470 hogs and 64 domesticated elephants.

Kompong Som City: At 0359 GMT on 31 August SPK notes that in his report to the Third National Assembly session, Yos Por, representative of the port-city, said that by the end of July the peasants have planted 11,100 hectares of rice and other crops. During the previous rainy season, they planted 13,000 hectares of rice, or 2,000 hectares above plan. Exploitation of the sea produced 135 tons of fish, 9 tons of shrimp, 84 tons of steamed fish, 1 ton of dried fish and 25 tons of fish sauce.

Takeo: At 1433 GMT on 3 September SPK reports that according to Mrs Nin Saphon, representative of Takeo, the peasants of Takeo obtained rice yields of 2 to 4 tons per hectare with a total of 32,000 hectares of rice cultivated during the past dry season.

Kampot: Phnom Penh Radio at 1300 GMT on 3 September says that as of 20 August the peasants in Angkor Chey District have sowed more than 1,000 hectares of late rice, transplanted more than 7,000 hectares of ordinary rice and planted more than 890 hectares of subsidiary crops and vegetables. At 1300 GMT on 4 September Phnom Penh Radio reports that as of 25 August Kompong Trach District transplanted more than 12,000 hectares of late rice, planted more than 4,300 hectares of early rice, harvested more than 3,900 hectares of rice and reaped more than 3,900 tons of paddy. SPK at 1427 GMT on 4 September notes that in his report to the Third National Assembly session, Som Chen, representative from Kampot Province, said that despite drought his province has managed to cultivate more than 32,160 hectares of rice during the current rice planting season. SPK reports that he stressed that Kompong Trach District has overfulfilled the 4,000-hectare plan and has also cleared 1,280 hectares of land and cultivated more than 1,100 hectares of rice, or 139 percent of the plan during the dry season. At 0403 GMT on 5 September SPK reports that by the end of August Kompong Trach District had cultivated 12,180 hectares of late rice, or 90 percent of the plan, and has already harvested more than 3,900 hectares of early rice out of the 4,350 hectares under cultivation. At 1430 GMT on the same day, SPK reports that Kampot Province has so far cultivated 48,100 hectares of rice, or twice the amount planted in the same period last year. It also reports that Angkor Chey and Banteay Meas districts overfulfilled the early rice targets by planting 6,600 hectares. SPK then notes that Kampot has planted 2,160 hectares of corn, 4,020 hectares of manioc and 1,930 hectares of subsidiary crops, or 710 hectares above plan and the provincial authorities have supplied the population with 750 tons of chemical fertilizer, 1,870 liters of insecticide, more than 820 kg of rat poison, 150 sprayers and 2,050 plowshares.

Kompong Cham: SPK at 0401 GMT on 5 September says that by mid-August the workers at rubber plantations in the province had produced 14 million liters of latex, including 7 million liters in the Chup, Salang and Ta Pav plantations, exploiting 75 percent of the 12,000 hectares provided for by the plan. At 0415 GMT on 6 September SPK reports that Ponhea Kreko District has transplanted 12,460 hectares of rice out of the 14,500 hectares provided for by the plan and cultivated 3,255 hectares of slash-and-burn rice and has also planted 237 hectares of subsidiary crops.

Prey Veng: SPK at 0403 GMT on 5 September notes that by the beginning of August [as received], Baphnum District had planted 14,800 hectares of rice or 55 percent of the plan.

Kompong Chhnang: At 0400 GMT on 5 September Phnom Penh Radio says that by mid-August Baribo District had transplanted more than 3,300 hectares of rainy-season rice, built more than 148 km of dikes, repaired seven dams, planted more than 300 hectares of subsidiary crops, raised more than 1,300 head of cattle and 22,000 hogs and caught 951 tons of fish.

BRIEFS

MONGOLIAN MESSAGE--On behalf of the MPRP Central Committee, the People's Great Hural Presidium of the MPR, the Mongolian people and in my own name, I would like to express sincere thanks to the comrades of the KPRP Central Committee, the PRK Council of State and the fraternal Kampuchean people for the sympathy shown by the Kampuchean party, government and people during the flooding of certain areas in Ulaanbaatar which caused losses in both lives and property. [Text] [BK091308 Phnom Penh Domestic Service in Cambodian 0400 GMT 8 Sep 82]

DIPLOMATIC COURSE--A ceremony was held at the Ministry of Foreign Affairs at 1430 on 6 September to close the fourth diplomatic course for 102 trainees. This course lasted 2 months. First, Comrade Sok An, chief of the cabinet of the Ministry of Foreign Affairs and representative of the school committee, read a report on the course's activities and its successful outcome, which is responsive to the development of our diplomatic field in accordance with the party guideline. Later, Comrade Hun Sen, minister of foreign affairs, took the floor and praised the trainees for their great efforts, which have brought about a brilliant outcome. The comrade also advised trainees on the world situation and, particularly, on the enemy's perfidious maneuvers to destroy our Kampuchean revolution. Moreover, the comrade spoke on recent events, such as the coalition government of Democratic Kampuchea formed by the three traitorous ringleaders--Sihanouk, Son Sann and Khieu Samphan--under the leadership of Beijing in collusion with the U.S. imperialists in an attempt to conceal the heinous crimes of the Pol Pot corpse and renew the massacre of the Kampuchean people. The comrade exhorted the trainees to strive further to increase their knowledge both in their specialized fields and in the political field in order to contribute to the national construction and defense and to strengthen national unity and proletarian internationalist solidarity, particularly the alliance with Vietnam and Laos, which is the factor for victory of the Kampuchean revolution. In conclusion, representatives of both the male and female trainees took the floor and pledged to successfully apply their knowledge from this course in the service of our Angkor fatherland. [Text] [BK080824 Phnom Penh Domestic Service in Cambodian 0400 GMT 8 Sep 82]

BATTAMBANG TOWN SHELLED--On 30 August our guerrillas shelled Battambang town. Five enemies were killed and 7 others were wounded for a total of 12 casualties. Our guerrillas destroyed a quantity of materiel. Long live our valiant and courageous national army, guerrillas and people in Battambang! [Text] [BK100304 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Sep 82]

KOH KONG-KOMPONG SOM COMBAT--Last August our comrades in arms on the Koh Kong-Kompong Som battlefield killed 285 Vietnamese enemy aggressors and wounded 334 others for a total of 619 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 1 million spikes, dug 390 new punji pitfalls and set 140 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield! [Text] [BK100310 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Sep 82]

TOGOLESE SUPPORT--On the afternoon of 25 August, His Excellency (Djibutmon Amekdo), Togolese minister attached to the presidency in charge of propaganda and telecommunications service, received and had a cordial and fraternal conversation with Hing Un, Democratic Kampuchean ambassador to the Republic of Togo. Our Democratic Kampuchean envoy expressed the profound thanks of the Kampuchean people and Democratic Kampuchean Government to His Excellency General Eyadema, president of the Republic of Togo, and the government and people of friendly Togo for their firm support to the just struggle waged by the Kampuchean people and Democratic Kampuchean Government against the Hanoi aggressors. He particularly thanked them for their support for Democratic Kampuchea's seat in the United Nations and in the nonaligned movement, as well as their successive votes in favour of the resolutions of the UN General Assembly demanding the total withdrawal of the Vietnamese troops from Kampuchea. The Togolese minister reassured our Democratic Kampuchean envoy that the Republic of Togo will always support the just struggle of the Kampuchean people and Democratic Kampuchean Government at the United Nations and the nonaligned movement as well as at all other international forums. On the morning of 25 August, Ambassador Hing Un met separately with His Excellency Boumbera Allassounouma, Togolese minister of national education; and His Excellency (Dramane Damma), chief of cabinet of the Togolese foreign minister. [Text] [BK300457 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 29 Aug 82]

CSO: 4219/30

'KPL' VERSION OF NGUYEN CO THACH'S GREETINGS

BK081119 Vientiane KPL in English 0905 GMT 8 Sep 82

[Quotation marks as received]

[Text] Vientiane, 8 Sep (OANA/KPL)--Acting Foreign Minister Khamphai Boupha yesterday received a message of greetings from Vietnamese Foreign Minister Nguyen Co Thach on the occasion of the 20th anniversary of the establishment of diplomatic ties between the two countries.

"The establishment of diplomatic ties between Laos and Vietnam was a significant event answering the two nations' peoples who have firm determination to improve and safeguard the great friendship relations and the pure combative solidarity existing between them," the message noted.

We are satisfied to observe that during the past 20 years through the long struggle full of sacrifices and courage of the peoples of the two countries, the friendship relations and combative solidarity have been enhanced and developed, emphasized the message.

These expanding diplomatic ties, continued of several factors determining the victories in the past national liberation struggle, and the present national defense and construction." [sentence as received]

In particular, the message stressed, after complete national liberation of the two countries, the special ties have further developed with a new, firm step manifested by the signing of the friendship and cooperation treaty between Laos and Vietnam on August 17, 1977, from which time the peoples of the two countries are being stimulated to spiritually and mutually coordinate and cooperate for new successes in the socialist construction in their respective country."

Nguyen Co Thach also expressed sincere thanks for support and assistance given by the Lao party, government and fraternal people to the Vietnamese side. The Vietnamese foreign minister also pledged to play his part in enhancing and safeguarding these special ties between the two countries, to promote the peaceful, cordial and atmosphere of good neighbours.

Foreign Minister Nguyen Co Thach finally wished the Lao people new and greater successes in the implementation of the third national congress of the party's resolutions which will lead the Lao nation toward socialism [and] actively contribute to the struggle for peace and stability in S.E.A. [Southeast Asia] and in the world

CSO: 4220/358

MESSAGES ON CZECHOSLOVAKIA-LAOS TIES

Khamphai Boupha Message

BK061708 Vientiane KPL in English 0907 GMT 6 Sep 82

[Text] Vientiane, 6 Sep (OANA/KPL)--Khamphai Boupha, acting minister for foreign affairs, on September 4, sent a message to congratulate his counterpart Bonuslav Chnoupek to hail the 20th anniversary of the establishment of the diplomatic relations between the LPDR and the Czechoslovak Socialist Republic.

The message highly appreciated the continual enhancement of the friendship relations and fraternal cooperation between the two countries which, in particular, have been strongly amplified since the visit of General Secretary K. Phomvihan to the CSSR in 1979 and that of G. Husak to the LPDR in 1980.

The telegram further expressed conviction that the fraternal friendship relations and the close cooperation between Laos and Czechoslovakia, according to the terms of friendship and cooperation treaty and basing on Marxism-Leninism and socialist internationalism, will be further consolidated for the interests of Lao and Czechoslovak peoples, for peace and socialism.

The Lao foreign minister further wished the Czechoslovak people to score new successes in implementing the current 5-year plan (1981-1985) as adopted by the 16th Congress of the CPC.

CSSR Message

BK071017 Vientiane KPL in English 0907 GMT 7 Sep 82

[Text] Vientiane, 7 Sep (OANA/KPL)--The Czechoslovak foreign minister, Bohuslav Chnoupek, recently sent a message to his Lao [acting] counterpart, Khamphai Boupha, on the occasion of the 20th anniversary of the establishment of the diplomatic relations between Laos and Czechoslovakia.

The message says the existing warm friendship and fraternal cooperation between the two friendly countries are based on the Laos-Czechoslovakia friendship and cooperation treaty.

"Basing on Marxism-Leninism, and proletarian internationalism the friendship and cooperation between the two countries will be further strengthened and consolidated for the well-being of the two countries' peoples and for progress and world peace," the message says.

CSO: 4220/358

BRIEFS

100-TON TANKER LAUNCHED--The Mechanical and Material Department of the Ministry of Communication, Public Works and Transport, yesterday launched the first 100-ton tanker at the Vientiane river harbour. According to a Lao-Vietnamese economic and technical cooperation agreement, Vietnamese "Bach Dang" state ship building enterprise technically assist Laos to build ten tanker boats of the same tonnage. The building of the first tanker boat, started late last June and the second tanker will be launched on next December 2d to mark the 7th Lao National Day. Present at the ceremony were Khamlouat Silakon, deputy minister of communication, public works and transport and Dan Xuan Dung, economic attache of the Vietnamese Embassy to Laos. [Text] [BK311047 Vientiane KPL in English 0905 GMT 31 Aug 82 BK]

LAOS-POLISH TIES--Vientiane, 9 Sep (OANA/KPL)--Khamphai Boupha, acting minister for foreign affairs, on September 7, sent a message of greetings to Stefan Olszowski, foreign minister of the Polish People's Republic, on the occasion of the 20th anniversary of the establishment of diplomatic ties between Laos and Poland. The establishment of Lao-Polish diplomatic ties represented a historical hallmark in the new Lao-Polish relations of fraternal cooperation, basing on Marxism-Leninism and proletarian internationalism, said the message. "The such state of affairs has genuinely answered the aspirations of the peoples of the two countries," the message emphasized. "It is with a sense of satisfaction and pleasure to observe that the fraternal friendship relations and combative solidarity between the parties, governments and peoples of Laos and Poland are being developed for the interests of peace and socialism," the acting-foreign minister appraised in his greetings telegram. [Text] [BK091321 Vientiane KPL in English 0909 GMT 9 Sep 82]

BULGARIAN NATIONAL DAY--Vientiane, 9 Sep (KPL)--Kaysone Phomvihan, general secretary of the LPRP CC and premier of the LPDR, and Souphanouvong, president of the republic and of the PSA, yesterday sent a joint telegram to the Bulgarian leaders on the 38th Bulgarian National Day. The telegram, which was addressed to Todor Zhivkov, general secretary of the BCP [Bulgarian Communist Party] CC and president of the State Council, Grisha Filipov, president of the Council of Ministers and Stanko Todoroy, president of the National Assembly, says: "Having moved forward on the socialist path, the Bulgarian people under the leadership of the BCP, having enjoyed active support from the Soviet Union

and having close cooperation with the socialist community, have not only overcome difficulties but scored brilliant successes step by step in socialist construction which in effect have uplifted the material and cultural levels of the people and raised the prestige of the PRB [People's Republic of Bulgaria] in the international arena. These successes have contributed to the strengthening of the socialist community and safeguarded peace and security in the Balkan region, Europe and the world." The telegram further expressed conviction that under the able leadership of the BCP headed by Todor Zhivkov, the Bulgarian people will score success in actively implementing resolution of the 12th Congress of the BCP. On the same occasion, Khamphai Boupha, acting-minister for foreign affairs, sent a telegram to his Bulgarian counterpart, Petur Mladenov. [Text] [BK091347 Vientiane KPL in English 0903 GMT 9 Sep 82]

PREMIER'S RESIDENCE BOMBED--Reports from Bangkok say that on the night of 15 August, an unidentified person threw a hand grenade at the residence of Prem Tinsulanon, prime minister of Thailand, causing slight damage to some property. Gen Prem Tinsulanon later told reporters that the cause of the incident was not clear. He instructed that the security measures be beefed up. He went on to say that the bomb thrower must be his enemy. According to the Thai minister of interior, the bomb throwing was intended to cause chaos and to create problems for the government. [Text] [BK180240 Vientiane Domestic Service in Lao 0000 GMT 18 Aug 82]

HEAVY RAINS--Due to heavy rains in the past few days, the water level in the Nam Lik and Nam Ngum Rivers has now risen to 11.5 meters. This water level is an indication that floods may occur because the waterbed of the Nam Lik River is narrow. If torrential rains continue unabated for some time, the water level will rise rapidly. Therefore, residents living along the banks of the two rivers are cautioned that they should make necessary preparations to ensure that their boats, livestock or vehicles will not be swept away by the floodwaters. [Ministry of Agriculture, Forestry and Irrigation announcement--date not given] [Text] [BK190816 Vientiane Domestic Service in Lao 0000 GMT 18 Aug 82]

DELEGATION LEAVES FOR MANILA--On the afternoon of 19 August, a delegation of the LPDR government headed by Soulivong Phasitthidet, staff director of the Foreign Affairs Ministry, left Vientiane for Manila, capital of the Republic of the Phillippines, to attend a conference of group 77 countries on the economic cooperation among various developing countries which will be held from 23 to 28 August. The delegation was seen off at Wattai airport by staff directors of the Foreign Affairs Ministry and chiefs of departments concerned. [Text] [BK200941 Vientiane Domestic Service in Lao 0000 GMT 20 Aug 82]

OUTGOING INDONESIAN ENVOY MET--On the morning of 23 August 1982, acting Foreign Affairs Minister Khamphai Boupha received Pujo Prasetiyo, ambassador extraordinary and plenipotentiary of the Republic of Indonesia to Laos, who bade farewell to him before returning home after the completion of his term of service in Laos. On this occasion, the guest and the host conversed with each other in a cordial and friendly atmosphere. They discussed the consolidation, development and strengthening of relations between the two countries in the interest of the two peoples of Laos and Indonesia and in contribution to maintaining peace and stability in southeast Asia. Khamphai Boupha also wished Pujo Prasetiyo a good trip home and success in his new duties. [Text] [BK250506 Vientiane Domestic Service in Lao 0000 GMT 24 Aug 82]

CSO: 4206/82

BRIEFS

AIR FORCE DAY OBSERVED--The Air Force Day is being celebrated throughout the country today with usual enthusiasm. The day began with special prayers for the solidarity and integrity of the country after morning prayers. Flight cadets from the Pakistan Air Force [PAF] Academy, Risalpur, mounted guard at the tomb of Qaide Azam [Mohammad Ali Jinnah] in Karachi this morning to mark the day. Special parades were held at all the PAF bases at which the chief of the air staff, Air Chief Marshal Mohammad Anwar Shamim, in his order of the day, asked the airmen to renew their pledge that they would give any sacrifice in the effective defense of the country. He said we must bow our heads in gratitude to almighty Allah and also pay homage to heroes who made supreme sacrifices to preserve our freedom and independence. The PAF bases have been opened to the general public. The program for the day included solo and formation air (?battle) display by fighter and trainer aircraft, static display of different PAF aircraft, radar and surface-to-air missiles, exhibition of PAF documentary films and display of historic and war photographs. [Text] [BK071043 Karachi Domestic Service in English 1005 GMT 7 Sep 82]

KHAN AND CLAUSEN MEET--Finance Minister Ghulam Ishaq Khan, now leading a delegation to the joint meeting of the World Bank and the International Monetary Fund at Toronto in Canada, has had detailed talks with the president of World Bank, A. W. Calusen. Wideranging subjects of mutual interest were covered at the talks which mainly centered around Pakistan's economic progress at a time when the country's resources were under extreme pressure, partly due to an extensive multisector development plan and partly due to the increasing number of Afghan refugees in Pakistan on whose well-being huge funds were being spent. The finance minister in his lengthy session of talks with Clausen effectively explained the performance of Pakistan's economy owing to the judicious policy of social reforms, economic recovery, financial consolidation and reordering an investment priority. This performance was achieved despite the unfavourable international economic (?climate). The World Bank president described his meeting with Ghulam Ishaq Khan as extremely beneficial and enlightening and said he greatly appreciated the economic development of Pakistan. He also admired Pakistan's success in improving its balance of payments and restructuring its public investments, programs for the greater role for the private enterprize. The finance minister also held discussions with delegations of the United States and his counterparts from the Middle Eastern countries attending the meeting. He briefed them on the economic recovery and the promising and encouraging prospects of investments in Pakistan. [Text] [BK071047 Karachi Domestic Service in English 1005 GMT 7 Sep 82]

1974 ELECTORAL ROLL ACT--An ordinance was promulgated today by the president to amend the electoral roll act, 1974. Through this amendment it has been made mandatory that 36 copies of the identity cards issued under the national registration act, 1973, should be furnished along with the application for enrollemnt of persons who are eligible to vote but are not included in the electoral rolls at present. The use of the identity card will (?rule out) the possibility of bogus entries. There will be further advantage also because the registration officers will be able to accept the applications of genuine eligible voters. Meanwhile, the chief election commissioner has directed that the work of updating and correcting the electoral rolls should be taken up immediately. The registration officers will start receiving applications from the 9th of this month for enrolling the voters who are eligible and whose names do not appear on the electoral rolls at present as well as for correcting erroneous entries in the existing electoral rolls. The work will be completed by the 15th of December this year. [Text] [BK030626 Karachi Domestic Service in English 1700 GMT 2 Sep 82]

CHINESE DELEGATION ARRIVES--An eight-member Chinese goodwill delegation led by (Abdullah Rahim) has arrived in Gilgit. It was received by federal minister of communications Mohyuddin Baluch and martial law administrator Zone E Major General Pirzad Khan. The Chinese delegation is the first of Xinjiang Province after opening the Khunjerab pass for general traffic between the two countries. The federal communications minister told the radio Pakistan's Gilgit representative that the opening of the pass for general traffic is another major step for strengthening the already existing friendly ties between the two countries. [Text] [BK030618 Karachi Domestic Service in English 1700 GMT 2 Sep 82]

ERADICATION OF WATERLOGGING--China and Pakistan will cooperate with each other in the eradication of waterlogging and salinity in their countries. This has been stated by leader of the visiting three-member Chinese soil scientist delegation Professor (Cheng Fan) during his visit to the University of Agriculture, Faisalabad. [Text] [BK031023 Karachi Domestic Service in English 1005 GMT 3 Sep 82]

SCHOLAR WARNS AGAINST U.S. BASES--Zulfikar Khalid, a Pakistani scholar, has warned military rulers of his country that provision of bases to the United States will lead to a bigger arms race in the region. He said this will also hamper the improvement of Indo-Pakistan relations. Khalid was speaking at a symposium on Pak-U.S. relations in Islamabad. Though the military rulers of Pakistan have said they will not give any bases to America. Khalid feels that Washington may press for such concessions at a later stage. [Text] [BK061107 Delhi Domestic Service in English 0830 GMT 6 Sep 82]

MINISTER RETURNS FROM CAIRO--The federal minister for food and agriculture has said that Pakistan and Egypt can learn a lot from each other's experience in the field of agricultural research and land management. He said this while talking to newsmen on his arrival in Islamabad from Cairo. [Text] [BK041155 Karachi Domestic Service in Urdu 0200 GMT 31 Aug 82]

DELEGATION LEAVES GILGIT FOR XINJIANG--The eight-member Chinese good-will delegation led by (Abdullah Rahim), director of foreign affairs of the autonomous region of Yugur of Xingjiang Province of the people's Republic of China, left Gilgit for Xinjiang today. The delegation was accorded a warm sendoff. Earlier, the Chinese good-will delegation laid [a] wreath at a monument at Gilgit built in comemoration of the Chinese workers who died during the construction of the Karakoram highway. The commissioner of the northern areas, as a genture of good-will, presented traditional Gilgit caps to the members of the Chinese of the Chinese delegation. He expressed the hope that the opening of the Khunjerab pass will help in increasing trade and improvement of the economic condition of people on both sides of the border. [Text] [BK041015 Karachi Domestic Service in Urdu 1500 GMT 3 Sep 82]

SHEIKHH'S DEATH--President of Azad Jammu and Kashmir Brig Mohammad Hayat Khan has sent condolences on the death of Sheikh Mohammad Abdullah. In his condolence message, he referred to the role of Sheikh Mohammad Adbullah in the politics of Kashmir and said that the deceased gained popularity by launching the struggle against the Dogra regime before 1947. However, the Azad Kashmir president said that it would not be appropriate to raise difference and disputed issues on this occasion. He expressed his heartfelt condolences to Mrs Mohammad Abdullah and other members of the bereaved family. [Text] [BK091638 Karachi Domestic Service in Urdu 1500 GMT 9 Sep 82]

THANKS FOR HANDLING HIJACKS--India has thanked Pakistan for the latter's cooperation in foiling the hijacking of Indian airlines aircraft on two occasions recently. Indian External Affairs Minister P. V. Narasimha Rao, in a letter to Foreign Minister Sahabzada Yaqub Khan, said that the wholehearted cooperation rendered by the Pakistan Government in thwarting the recent attempts to hijack two aircraft of the Indian Airlines and to divert them to Pakistan is sincerely appreciated by the Indian Government. The Indian exertnal affairs minister conveyed his thanks to the airport authorities, security personnel and other concerned officials who helped the officials of the Indian Embassy to avert a situation which could have turned extremely serious. The letter was delivered by Indian Ambassador K. D. Sharma to the foreign minister in Islamabad this afternoon. [Text] [BK091628 Karachi Domestic Service in Urdu 1500 GMT 9 Sep 82]

CSO: 4203/186

BRIEFS

AUSTRALIAN AID--A new agreement has been made for Australia to provide more technical aid to Papua New Guinea. Under the agreement, Papua New Guinea can ask Australia to provide people with special knowledge about agriculture, health, industry and accountancy. Australia is already providing assistance in education and training for Papua New Guineans worth about $2.5 million. [Text]. [BK071255 Melbourne Overseas Service in English 1130 GMT 7 Spe 82]

CSO: 4220/350

MANILA COLUMNIST ON U.S. ANTI-MARCOS GROUPS

HK070210 Manila BULLETIN TODAY in English 6 Sep 82 pp 6, 11

[Column by Jesus Bigornia: "Foreign Hand Manipulates U.S. Opposition Men"]

[Excerpt] Following is a special report from our spy in Washington, D.C.:

"Faced by the reality of a warm welcome for President Marcos, opposition groups in the United States--manipulated by an unseen foreign hand--are now attacking frontally the Reagan administration and even the American people for extending an official invitation to the Philippines head of state. Suspected as left-leaning groups have mounted a vicious campaign against the White House because American officialdom has shown increasing affection for Mr Marcos because of his 'adherence to democratic principles and processes.'"

"Knowledgeable diplomatic observers say that thrust of the campaign of vilification launched by Filipino opposition groups appear to be that it is 'more desirable to be a vassal of the Kremlin than to remain "the valued ally of the free world,'" that the Philippines is viewed in American eyes. What is emerging today is an ideological drift carrying the so-called 'steak commando patriots' in the United States: opposition to making America stronger in the international political scene vis-a-vis Russian hegemony. Come to think of it, as Tourism Minister Jose 'Sunshine Joe' Aspiras is wont to say: If opposition elements in the United States brand pro-Marcos countrymen as 'tuta,' the appropriate retort should be, who is holding the leash on their collar?"

CSO: 4220/350

ENRILE APPROVES AWARD FOR SUBVERSIVE'S ARREST

HK080010 Manila Far East Broadcasting Company in English 2330 GMT 7 Sep 82

[Text] Defense Minister Juan Ponce Enrile has approved a reward of 100,000 pesos to any person who can furnish information leading to the arrest of one Noberto Gonzales. Gonzales is the alleged suspected leader of a terrorist group planning to conduct bombings on key selected targets in metrol Manila area. The Defense Ministry said that Noberto Gonzales is the chairman of the Central Committee of the Partido Demokratico Socialista ng Philipinas. He is reportedly now in Luzon together with other terrorist groups to carry out bombing activities.

Intelligence reports also indicated that Gonzales, along with other hard-core members of the MNLF, were responsible for the series of bombing attacks in Mindanao. He was also tagged as the principal suspect in the bombing attacks staged by the April 6 Liberation Movement in metro Manila in 1980.

Government lawyers, led by Solicitor-General Estelito Mendoza, opposed yesterday the grant of bail to persons detained for crimes against national security. Mendoza said their release on bail will frustrate the right of the state to self-preservation. Mendoza and his panel declared this in opposing before the Supreme Court the petition to bail filed by District Customs Collector (Sultan Abdullah Ali Pagasun). (Pagasun) is under detention since arrest last July 14 for alleged rebellion activities. Mendoza said (Pagasun) is a ranking member of the MNLF and was engaged in supplying arms, finances and supplies for the MNLF.

CSO: 4220/350

INTERVIEW WITH FORMER PRESIDENT DIOSDADO MACAPAGAL

Part I

HK280222 Manila BULLETIN TODAY in English 27 Aug 82 pp 7, 14

[Feature: Part I of "An Interview With Former President Diosdado Macapagal"]

[Text] 1. Q. How would you assesss the current state of the legal oppositionists: Do you think the legal opposition can dislodge President Marcos in an election? Do you think the legal opposition is still relevant within the context of present political structure and development?

A. There are two or three kinds of legal oppositionists. The first is the real opposition comprising the parties and groups in the United Democratic Organization, or UNIDO. The second is the false or pseudo opposition whose leaders are for President Marcos and his system, refrain from criticizing the Marcoses, or have served in the Cabinet or other high positions under martial rule, under martial rule, such as the Batasang Pambansa official opposition, the SPD [Social Democratic Party], or the Roy NP [Nacionalista Party]. A third is the dissent of the church on moral considerations alone.

From the viewpoint of dislodging Marcos in an election, only the first warrants consideration and assessment. Even the true opposition cannot, under present circumstances, dislodge the regime because the subsisting apparatus of power built under martial rule includes the Marcos-controlled Comelec [Commission on Elections], which has assumed the role of proclaiming victorious the candidates whom the regime wants to be declared as electoral winners, irrespective of the true will of the voters.

Since the national aspiration is the restoration of democracy, a democratic opposition such as the Unido can never be irrevelant. For one thing, its leadership has adopted civil disobedience on a selective basis as a prime activity. Although used peacefully, this undertaking will help in galvanizing the people's will to assert their rights--a form of mass conditioning that is necessary for the success of any type of opposition to oppressive rule.

2. Q. How about the Liberal Party [LP]? What is its present thrust? How does the LP view the current political situation? Is LP prepared to meet the KBL [Kilusang Bagong Lipunan] in an elections?

A. The LP has adopted a two-fold policy under martial rule: (1) Of it not to participate as a party in the rigged so-called "elections" and other democratic exercises held under the authoritarian regime in order not to recognize

the legitimacy of the regime in any way and (2) instead of participating in the fraudulent democratic exercises which could be construed as recognizing the legitimacy of the regime by operating within its system, the party leaders have performed valuable oppositionist roles in collaboration with other dissenters in order to resist the regime as well as to assist the party supporters in the "elections" without tugging along the party by their individual acts.

3. Q. How about opposition leader and former Senator Benigno Aquino Jr.? Do you consider him relevant to the current political situation? In what way is he relevant/irrelevant in the present situation? Do you consider his political future certain/uncertain? Why?

A. Senator Aquino is not only relevant to the current political situation but remains to date as the top opposition leader who is justifiably feared most by Marcos. This explains why Marcos and his Batasang Pambansa disqualified Aquino from running against the president in the 1981 presidential election.

Aquino is the opposition figure who has the most capability of playing the most effective role in toppling the regime. In the light of the consensus that the regime cannot be toppled by sheer democratic means, it is Aquino, as imputed to him by the government itself, who possesses even from abroad at this stage the talent, capacity, and connections to overcome the problem of wherewithal beyond democratic means.

No one's political future is certain, but it is certain that as long as Aquino is active he will be a threat to the maintenance and perpetuation of the regime because of his resourcefulness and popularity.

4. Q. Reports said LP is not merging with the Nacionalista. What are the reasons? What is the present status of the LP-NP relationship? It is a coalition or not?

A. The LP is not in a position to merge with the NP--merger which will result in a new party--because it is believed that this will mean the dissolution of both the LP and NP, which is what Marcos has wanted all along. The LP is not disposed to play into Marcos' hands.

It is unjustifiable to dissolve the LP through a merger with another party because it is a great party with an eminent tradition. It has contributed vastly to the building of the republic and has in fact reared all those who became president of the republic except one.

In view of the LP two-fold policy under martial rule, the LP leaders have been dealing with the NP in their individual capacity. The party itself has accordingly not joined the NP-formed coalition but a good number of LP leading figures have joined the coalition. The PDP [expansion unknown]-Laban merger as reported is not a repudiation of the Laurel-led Unido coalition since both have ruled out joining the coalition.

The merger may also be a step in the direction of the contemplated grand coalition. Both the PDP and Laban did not join in the formation of the NP-led coalition pending the merger of the two. Their authorized representatives informed that if and when they join the projected grand coalition, it would be on the basis of agreements among the parties and groups concerned which would embrace accords on principles and policy planks, voting arrangements, and other customary stipulations in a coalition.

Vice-president, delegate Sarmiento, who is the coalition secretary general; and Congressman Neptali Gonzales, who is a regional vice-president. [sentence as published] Sarmiento is the LP deputy secretary general who ranks next only to executive Vice-President and acting President Jovito Salonga and Secretary General Aquino. It is said that Aquino has expressed support for the moves of coalition interim President Laurel. As the highest LP official, Salonga has not to my knowledge manifested his attitude towards the coalition. On my part, for reasons of health, I have not joined the coalition.

Part II

HK310231 Manila BULLETIN TODAY in English 28 Aug 82 p 7

[Feature: Part II of "An Interview With Former President Diosdado Macapagal"]

[Text] 5. Q. How would you assess the current United Nationalist Democratic Organization and the merger of the PDP-Laban? What do you think their main thrusts, gains and losses in putting them? Do you think their directions are toward the formation of a grand coalition? Is the PDP-Laban merger a repudiation of the Laurel-led Unido? What is your concept of a grand coalition? Do you think the Laurel led grand coalition can meet effectively the KBL [expansion unknown] of Mr Marcos?

A. The United Nationalist Democratic Organization, sometimes referred to as Unido although most often as Unido, is a coalition between the NP [Nacionalista Party] and largely individual leaders from other parties and groups. There is no information to my knowledge as to which of the parties and groups within the Unido umbrella have joined the coalition as entities. The Unido is a step toward the objective of grand coalition among all real opposition parties and groups or most of them.

As to thrusts, Unido aims at nationalism which is not, however, spelled out specifically in its declaration of principles. Its brief program does not contain particulars by which to fairly assess where it stands ideologically. The PDP believes in pluralism or multiple parties. The Laban upholds the removal of U.S. bases and nculear weapons from the Philippines. On their respective gains and losses in putting themselves up, these being subjective internal affairs, it is for them to evaluate.

As envisaged, a grand coalition would be composed of the parties and groups in the Unido umbrella principally the LP [Liberal Party] and NP, the Laban and PDP. It would be open to all other genuine opposition parties and groups. It would be ruled by an executive committee composed of representatives

representing the coalesced parties agreed upon for purposes of decisions and election of its officers. It would have a single leadership elected by the executive committee as well as single spokesman. As proposed by PDP,the coalesced parties and groups would also previously agree on policies and programs.

Next to the envisaged grand coalition, that formed bythe NP and led by Laurel would be considerably effective in meeting the KBL--more than in previous elections. In terms of maximal effectiveness, the contemplated grad coalition would be more effective than the current Laurel-led one. A reason for this is that the grand coalition would be composed of political parties and groups and not merely of individual leaders from such parties and groups other than the NP. Moreover, there is a move to elect Aquino as grand coalition president with S. Laurel as executive vice-president. An Aquino-led grand coalition would be the most effective in meeting Marcos and his KBL.

7. [As published] Q. What can you say about the PDP political platform and the Unido's 5-point program to dismantle martial law? Do you agree with the Laurel's concept of caretaker government? What is your concept of caretaker government?

A. The PDP program is impressive for its thrust to introduce meaningful reforms in government and the national life, which include: (1) Nationalistic approach against exploitation by "foreign colonizers, transnationals or domestic exploiters"; (2) utilization of natural resources and domestic credit only by Filipinos; (3) compulsory and free public education; (4) abolition of a professional army in favor of a citizen army; (5) stewardship concept of ownership; (6) weakening of big business in favor of small and medium enterprises.

The Laurel-led Unido 5-point program to dismantle martial law contains general objectives and principles to which one cannot disagree.

The Laurel caretaker government being anchored on the premise that "Marcos agrees"to the arrangement may be unrealizable because it is believed that Marcos would not agree to a caretaker government for a peaceful transition from authoritarianism to democracy. In the 1981 constitutional amendments, Marcos has already provided for his own mode of transition which is the 15-member Executive Committee headed by the prime minister, all of whom are his appointees.

Realistically, a caretaker government is only feasible if Marcos is forced out of office. In such event, the caretaker government will be determined by the group or groups instrumental in bringing about the change. In any event, the caretaker government should not last more than a year within which and as soon as possible it must conduct a free, honest, and orderly election for president of the Philippines and other essential officials of a democratic government in accordance with the properly applicable constitution.

Part III

HK310241 Manila BULLETIN TODAY in English 29 Aug 82 p 7

[Feature: Part III of "An Interview With Former President Macapagal"]

[Text] 8. Q. What are your present activities? Are you writing a book, forming a new party, reorganizing an old one? Please tell something about your present activities and state of health.

A. I am recuperating from a heart ailment complicated by a respiratory complaint for which I was treated by the Texas Heart Institute in collaboration with my local physicians. My recovery is being satisfactorily maintained but I have been constrained to limit my activities.

I have accordingly withdrawn from the chairmanship of the Unido Advisory Council, and have adverted the LP leaders that with the setting up of its new Salonga-Aquino leadership following the demise of LP President Roxas I am withdrawing from the active discharge of my party role as titular head.

Within the constraints of my health, it is my intention, however, to continue helping in the liberation struggle in a nonpartisan capacity as former president of the Philippines, president of the 1971 constitutional convention which reconvened last March 31, 1981, and honorary chairman of the Interim National Assembly Association (INAA) which is composed of delegates to the convention and members of the 7th Congress of the Philippines. I am presently writing some notes on the history and labor of the 1971 constitutional convention.

9. Q. The 1971 constitutional convention has drafted a new constitution. Are you at liberty to describe its contents? What are its salient points, features, philosophy, and thrusts? Could you spare us a draft copy?

A. The main task of the reconvened 1971 constitutional convention is the approval of a draft constitution being prepared by a special committee. The draft is being looked over by members of the special committee but until it is ready for submittal to the convention itself, it is regretted that, considering the circumstances under which the convention and the special committee work, the procedure that is being followed, as well as the contents of the draft itself, its contents, features, philosophy, and thrusts cannot yet be publicly disclosed and discussed and copies of it released.

Part IV

HK310246 Manila BULLETIN TODAY in English 30 Aug 82 p 7

[Feature: Part IV of "An Interview With Former President Macapagal"]

[Text] 10. Q. After completing the draft, what will be made to the constitution? How would you prepare the final draft? What will be the procedures? When will the plenary meeting of the delegates be held?

A. The first draft is the responsibility of a subcommittee. After formulation by the subcommittee, the draft goes to the main special committee which will make the final draft. After being refined by the special committee, the draft goes to the convention itself. After the various committees involved are given an opportunity to look over the draft and make suggestions agreeable to the main special committee and the convention leadership believes that the final draft will meet the approval of the convention, it will be submitted to the latter in a plenary meeting for final delinization and approval. The convention will likewise decide what will be done with the approved new constitution.

11. Q. What are the implications of a new constitution to the current political situation? What do you think will be the reaction of Mr Marcos to the drafting of a new constitution?

A. Under the proper circumstances, a new constitution can prevent a violent transition or radically abbreviate its duration. The new constitution may be taken into consideration in determining under what constitution the first free, honest, and orderly election after authoritarian rule will be conducted. One is hard put to surmise the reaction of Mr Marcos to the drafting of a new constitution. Only he can tell what he will do at the time the drafting of a new charter materializes.

The imperative need of the nation is national reconciliation for the avoidance of nationwide fratricidal strife. Such turmoil looms as the unavoidable end of the Marcos regime draws near because the mode of succession he has provided in the 1981 constitutional amendments is not acceptable to the bulk of the people. It is not acceptable because his successor is thereunder chosen by him whereas the people, despairing in their long deprivation of their sovereign right to freely choose their leader, want a successor freely chosen by them in an honest election.

Unless a mode of transition agreeable to the administration and the rest of the people is adopted, a tragic violence will likely erupt on a national scale.

A new constitution can provide such satisfactory mode to avoid a fratricidal strife. The Marcos mode of succession and transition is not satisfactory because the constitutional amendments embodying it were drafted by Marcos himself and the Batasang Pambansa which was created in the questionable "elections" under martial rule while a new constitution will have been drafted by the delegates to the 1971 constitutional convention who were elected by the sovereign people in free elections. [As published]

Except for the convening of the interim National Assembly provided therein, the first constitution formulated by the convention can no longer serve as a basis for transition because the Marcos amendments thereto have mutilated said charter beyond recognition and reason. Still, the convening of the interim National Assembly for the purpose of conducting an election for the members of the regular National Assembly may be resorted to in order to provide constitutional continuity in our political development. All things considered, a new constitution adopted by the convention may be the best solution for a peaceful and orderly transition with the same advantage of constitutional continuity.

12. Q. What are your views on the president's concept of normalization process? Do you think we are having a normalization? Why?

A. The president's concept of normalization process is to normalize and make permanent his authoritarian system. This is not normalization, which requires a return to a true democracy.

Part V

HK010103 Manila BULLETIN TODAY in English 31 Aug 82 p 7

[Feature: Part V of "An Interview With Former President Macapagal"]

[Text] 13. Q. What do you think of the succession mechanism as embodied in the 1981 amendments to the constitution? Do you consider the first lady as his most probable successor? What do you think of the first lady as a person and as a political leader? What is the possibility of the establishment of a political dynasty in the country?

A. The succession mechanism embodied in the 1981 amendments perpetuates the Marcos authoritarian system. It is worse than in many dictatorships where the successor is at least not chosen by the incumbent, whereas in this case the incumbent president effectively selects his successor.

It is a general belief that the president is planning his wife to be the successor. Indicators support such belief. It would not be proper to evaluate Mrs Marcos as a person because that would be personal. As a political leader, since she has derived her power from her husband which in similar situations disintegrates when the husband is done, it may not be reasonable to assume that Mrs Marcos possesses the leadership caliber necessary to steer the nation in the post-Marcos period through the complex national and international problems that will probably be worse than in any other time in the republic's history.

Unless the citizens assert themselves more, the Marcos design to establish dynasty may not be precluded. The design is indicated by the methodical political buildup not only for Mrs Marcos but also for the president's son and elder daughter.

14. Q. How would you describe the current political spectrum? Who are the anti-people? The pro-people? Who are the relevant ones?

A. The main alignments in the political spectrum are those who supported and collaborated with the authoritarian regime on one side and those who resisted and opposed it on the other. While not all the authoritarians and their collaborators and supporters are anti-people, especially those who are not essentially politicians, the political leaders among them may be properly regarded as anti-people.

The politicians and citizen leaders who have opposed and continue to oppose authoritarianism are rightly regarded as pro-people. They undergo sacrifices for the freedom and rights of the people.

All the active leaders are relevant to a varying degree and from a differing standpoint. The collaborators are pushers for continued despotism and the oppositionists are fighters for democracy and freedom. The latter vary in their relevance in the light of the consensus that the regime cannot be brought down by mere democratic means without violence or force. The oppositionists who are disposed to resort when necessary to more than peaceful means have become more relevant to the liberatarian struggle than the pure pacifists.

Part VI

HK020237 Manila BULLETIN TODAY in English 1 Sep 82 pp 7, 12

[Feature: Part VI of "An Interview With Former President Macapagal"]

[Text] 15. Q. What are your views on the violent oppositionists? The CPP/NPA [Communist Party of the Philippines/ New People's Army]? The PKP/HMB [Partido Komunista ng Pilipinas/HMB--expansion unknown]? MNLF? Social Democrats? and others? Do you think they are politically strong and can dislodge the present regime in a matter of time?

A. The violent oppositionists have become more relevant now than the peaceful ones because of the realization that the regime cannot be changed through peaceful means and exercises which are manipulated to ensure the regime's victory. In a survey, the Unido [United Democratic Opposition] has reportedly found that 70 percent of the oppositionists have been radicalized and have joined the NPA, MNLF, urban guerrillas, or have resorted to violent means. In a recent homily, Fr James Reuter, S.J. has asserted, quoting the Bible, that when the courts can no longer give justice, violence is justified. Marcos himself, in his book "Democracy: Today's Revolution," has recognized the right of revolution by the people as "an elemental human right." He wrote that "Democracy recognizes the inherent right of the people to cast out their rulers, change their policy, or effect radical reforms in their system of government or institutions, by force or by general uprising, after the legal and constitutional methods of making such change have proved inadequate or so obstructed as to be unavailable."

By most credible accounts, the CPP/NPA have gained plenty of ground under martial rule and have placed the country within reach of a communist take-over.

The PKP/HMB if still operational may be regarded as acting in collaboration with the authoritarian regime with their erstwhile chairman, Luis Taruc, now a Batasang Pambansa member and a supporter of Marcos and his system. A captured key HMB commander in central Luzon, Silverstre Liwanag alias Linda Bie, was pardoned by Marcos and forthwith ran and won as Barangay captain in Lubao, Pampanga although he lost in his bid to become head of the town's Barangay captains.

The MNLF has gained the sustained support of the Islamic Conference of Nations and has stayed vigorous in its resistance and strikes against the Marcos regime.

The Social Democrats (Socdem) reportedly led by Fr. Intengan and based in Sabah are an illustration of moderate oppositionists who have been driven by a profound sense of injustice to respect to the last recourse of the aggrieved who cannot obtain justice through peaceful means. Other violent dissenters are essentially in the category of the Social Democrats who have opted for violence, if necessary, to achieve redemption from despotism and iniquity.

In the final analysis, it is not any violent organization or a combination of them but the people who can dislodge the regime in the near future. The discontent is accumulating and moving towards a strife national in scope and increasingly involving vital sectors of the nation--the workers, the youth, the military, the church, and others. How the sectors will react will be influenced by how the people will respond to the attraction of violence being spread by the NPA, MNLF and the radicalized political and citizen dissenters. With the economy in a bad shape, with the circus of extravagance and frolic unceasing, with abuses and injustices unabated, the concerted operation of the violent rebels and radicalized moderates, especially in striking a sympathetic cord in a segment of the military, has the capability of arousing the necessary nation-wide mass support to dislodge the regime.

Part VII

HK030251 Manila BULLETIN TODAY in English 2 Sep 82 pp 5, 6

[Feature: Part VII of "An Interview With Former President Macapagal"]

[Text] 17. Q. How would you assess the death of former Senator Gerardo Roxas to the cause of the opposition in the country? How would you describe Roxas as an opposition leader?

A. Senator Roxas was an inestimable loss to the cause of the opposition in the country. He was the indisputable leader of the official opposition party, the LP [Liberal Party]. He played the decisive leadership role in the three stages of an expanding united opposition: the National Union for Democracy and Freedom (NUDF) of which he was co-leader with Senator Tanada; the National Union for Liberation (NUL) of which he was the sole top leader; and the United Democratic Organization (UNIDO) of which he was cochairman with speaker Laurel. He was a presidential alternative who loomed to be the most acceptable in a controlling spectrum of oppositionists and admiration of men if a compromise became imperative for national unity and avoidance of nationwide turmoil.

Roxas had valuable qualities of leadership which included integrity and honesty, impressive intellect, firmness combined with gentleness, grasp of economic problems, steady control of his political organization and personal resources.

18. Q. What are your views on the following martial law policies on:

--heavy external borrowing;
--open-door government policy on multinationals;
--presence of U.S. military bases;
--Bataan nuclear plant;
--present foreign policy.

A. The heavy external borrowing has been a calamity. Not justified by benefits to the economy, it has only placed our country and its economy under the regulation and supervision of foreign financial institutions.

There is nothing to show for the $18 billion external debt except a gloomy economic slump characterized by the lowest rate of growth ever, lengthening list of businesses in distress, employment lay-offs, augmenting unfavorable balance of trade and payments, rising inflation, increasing budgetary deficit, tight credit, lowered credit standing, and other manifestations of a seriously ailing economy.

With the government unable to borrow enough for exceeding its borrowing capacity and lowered credit standing and the economy unable to raise production to cover the amortization payments on the huge loans over and above the needs of normal growth, an inordinate portion of tax revenues will now be allocated for loan payments, thereby gravely reducing funds for essential public services and for invigorating the nation's productive capacity which is in an anemic condition.

The open-door government policy on multinationals, being without adequate and effective safeguards to protect the interests of the country and the people against the dangers posed by the multinationals has been inimical to the national welfare.

Some of the dangers from multinationals have been well pointed out by CC [expansion unknown] delegate Augusto Cesar Espiritu, a former member of the National Economic Council (Froilan Bacungan, Philippine Perspectives on Multinational Corporations, pp 78-80), as follows:

1. Multinational corporations are not panaceas for development; they are at best development facilities and at worst, instruments for domination of the economies of host countries.

2. Multinational corporations are "islands of conscious power (economic and perhaps, political and cultural) in an ocean of unconscious cooperation."

3. Foreign investments and multinationals are not there to help underdeveloped countries in their quest for economic growth but are there in quest of profits in the developing countries.

4. Whatever the net effects of multinational corporations on economic growth, they are not now know to help in the equitable distribution of wealth in society and on the contrary, they tend to accentuate rather than reduce inequalities within host countries in the absence of proper government policies.

5. There may be economic growth in a country in terms of gross domestic product and the increase of industrial establishments, while participation of local management, technologists, engineers and skilled workers may be highly limited. And such limited participation as there exists may often times lead to the alienation of such local multinational management and workers from their own people, with their outlook toward life and their civic consciousness being strongly conditioned by their loyalty to their "multinational family."

In my view, no safeguards against multinationals by a single nation can be adequate and effective for the reason that the bargaining power of the multinationals is decisive as long as there are other nations that are competitively agreeable to the terms desired by the multinationals. Developing nations must adopt common and universally applied safeguards. Until this is achieved, a regime that adopts an open-door policy toward multinationals does a disservice to its people.

It is hardly disputable that the U.S. bases in the Philippines serve American interests and not Philippine external security needs. By the American support for the first authoritarian regime under the Philippine Republic, the bases and the compensatory military and financial aid given to the regime have instead been used to repress the rights and liberties of the Filipino people. Under these circumstances, the continuation of the bases beyond 1991 when the bases treaty ends has utterly lost justification.

Apart from the inflated cost of the Bataan nuclear plant, its construction, particularly at its present site, is detrimental to the safety and well-being of the Filipino people. It will also aggravate the country's dependence on foreign countries for its energy requirements since nuclear energy needs the importation of uranium and of uranium-processing technology which is a foreign monopoly.

The regime's foreign policy and relations may be rated as below par. The policy has opened the country and its economy to exploitation and dominance by foreign countries. The image of the Philippines as an American puppet has been accentuated under martial rule.

The policy has placed the country not only under American but also Japanese and Chinese dominance. In ASEAN, the Philippines has surrendered leadership to Indonesia because of the Mindanao Muslim problem. In the Third World, the policy has subjected the country to humiliation and disdain because of the Filipino ruler posing as the Third World leader and spokesman. In the Arab and Muslim world, because of the regime's inability to handle the MNLF rebellion, which it caused, as a domestic problem, it has invited foreign interference in domestic affairs and made the Philippines politically and economically dependent on the oil-rich Arab countries. In Latin America, the Philippines has lost good will and cooperation because of the regime's abandonment of the use of the Spanish language.

Final Part

HK040159 Manila BULLETIN TODAY in English 3 Sep 82 pp 7, 17

[Feature: Part VIII and last of "An Interview With Former President Macapagal"]

[Text] 16. Q. Do you think there is a basis of unity between the legal and violent oppositionists? If so, in which areas? If not, please explain.

A. Horacio Morales, heretofore mentioned, who ranks high in the Radical National Democratic Front (NDF), a broad alliance of Filipino revolutionaries which includes communists although "the majority are not," has expressed the view that "there are bright prospects for cooperation forces" (FAR EASTERN ECONOMIC REVIEW, August 21, 1981). Such cooperation and unity, he said, can extend into a "civilian junta" that could take over the reins as a caretaker government after the overthrow of the Marcos regime. He maintained that such civilian junta cannot happen without the participation of the armed radicals.

It may be stated in addition that in the 1981 presidential election the legal and violent oppositionists both boycotted the elections.

Q. How would you assess the current Marcos government? Please describe the gains and losses and shortcomings of the present regime. What do you think are the solutions to remedy the current authoritarian regime?

A. After seventeen years the Marcos government has failed to solve the problems of the country. For instance, in metro Manila even the rudimentary problems of a metropolis like light, water, telephone and postal services, and traffic have not been solved and have instead worsened.

Under the overextended regime, the Filipinos have been deprived of democracy and their God-given rights and liberties. The nation has become torn in disunity and strife to the verge of turmoil and territorial dismemberment. The people have retrogressed economically and the masses have sunk deeper in poverty and hardships. The Philippines it today the least developed industrially in the region, the real income of the people is the lowest, and the gap between the rich and the poor the widest.

Moreover, graft and corruption in government has spread like a pestilence, visibly in high places. Peace and order has deteriorated and crime has taken frightful forms. Moral and ethical values have tobogganed, as witness the introduction and proliferation of casions, rise and sophistication of prostitution, nationally syndicated jai-alai and other gambling, criminality and lack of discipline in law-enforcement agencies.

The alleged gains are too insignificant in comparison with the wrongs inflicted. For example, the claim of accomplishment in infrastructure. Actually, on total this constitutes a loss. Too much borrowed capital has been sunk in nonproductive structures to the irretrievable detriment of the economy, moreover, considering the leakage in graft money and wasteful extravagance in the use of the funds allocated to infrastructure, more and beneficial infrastructure could have been built out of the allocated funds without graft, waste, and extravagance.

The main solution to the authoritarian regime is to change it to a democratic government by restoring democracy and free elections in which a democratic leadership sensitive to the public needs and desires can be freely chosen by the people.

Short of changing the regime outright, a solution could be the formulation of a satisfactory process of succession in which the successor will be determined not by the incumbent ruler or his party but by the vote of the people in a genuinely free, honest, and orderly election. In formulating the right method of succession, technical questions of constitutionality should not be a hindrance because the regime has repeatedly demonstrated lack of difficulty in amending the constitution when it wishes.

The key to such an acceptable process of succession is the formation of a new Comelec [Commission on elections] that enjoys the people's confidence in its impartiality and fairness as it used to be before Marcos imposed martial law. It is essential in particular that the Comelec chairman be a person of high repute and prestige that inspires confidence in his probity, justness, and firmness. Other helpful electoral measures should include the following:

There should be no block-voting which is a proven implement for electoral frauds and undue advantage to the administration. Fairness is the name of the game.

If the government party is represented in the electoral committee which will conduct the balloting and canvass the votes cast, the main and genuine opposition party must likewise be represented in the committee.

All restrictions to the right to petition, peaceful assembly, public rallies, as well as the right to freedom of speech and of the press, save the law on libel, should be discarded. These rights should be enforced by deeds in a manner which will promote a clean and fair election.

We venture the conjecture that if a satisfactory process of success is formulated, together with fair election rules that will enable the Comelec to conduct a poll the results of which will reflect the true will of the electorate, the opposition will see its way clear to burying the hatchet in favor of national reconciliation and avoidance of the looming national catastrophe in a violent transition.

CSO: 4220/350

STEEP DROP IN COMPANY PROFITS NOTED

HK100212 Manila BUSINESS DAY in English 9 Sep 82 p 2

[By research head Delia M. Castaneda: "Top 1,000 Corporations' Profits Continue Decline in 1981"]

[Excerpts] Reflective of the worsening economic condition, the country's 1,000 largest corporations (in terms of gross revenue) suffered a huge 58 percent cut in profits last year as against a much lower 15 percent drop in 1980.

According to this year's edition of the BUSINESS DAY 1,000 top corporations in the Philippines (now off the press), aggregate net income of the elite group was pared to peso 2,387 million from the previous year's peso 5,662 million. This was despite a 16 percent increase on gross revenues from P182,676 million to P212,030 million.

The individual financial yearend reports of the top 1,000 revealed several factors which led to this lackluster performance. Foremost was the high cost of borrowed money. Aggravating the situation were lower sales, lower prices ofa number of traditional products in the export market, higher cost of raw materials and higher energy bills.

Heading the list of top losers was the financially strapped Marinduque Mining and Industrial Corp. [MMIC], the country's No 1 producer of nickel. Beset by the soft prices of metals in the world market and high interest payments, the mining firm more than trebled its 1980 loss with P989.75 million deficit last year to displace erstwhile top loser, Philippine Airlines, Inc.

The top 10 in terms of losses suffered an aggregate deficit of P2,387 million, accounting for 56 percent of the combined P4,790-million loss of the 221 firms which landed in the red last year.

Industry losses: In contrast to the previous year where only the services sector incurred a loss, five of the nine major industry groupings recorded negative returns last year.

The biggest loss of P913.59 million was reported by the mining firms, a turnaround from their combined net income of P983.83 million in 1980. MMIC's loss alone came to 98 percent of the industry's total.

The second biggest industry loss was reported by the community, social and personal services sector whose loss expanded by 283 percent last year. From P59.95 million, in 1980, the sector's combined loss almost quadrupled to reach P229.76 million.

Responsible for the industry's loss was the hotel group which reported a combined loss of P245.94 million, 9 percent more than the whole industry's total loss.

Ranking third in terms of industry loss was the transportation, storage and communications sector which reported a combined loss of P116.05 million, in stark contrast to the P132.61 million in profits recorded in 1980.

Although only 23 of the 58 companies in this sector which made it to the top 1,000 roster ended 1981 with losses, the combined net income of the other firms was not enough to put the sector in the black.

Philippine Airlines' loss alone of P595 million was five times the sector's combined net loss last year.

The remaining five sectors, although they were lucky enough to end 1981 on the money side, experienced cuts in profits. Even the moneymaking financial sector was not spared, although it had the small decrease of 12.23 percent.

The biggest profit squeeze of 74 percent was experienced by the construction industry. From P315.32 million in 1980, net earnings plummeted to P80.58 million.

Gross revenues: When BUSINESS DAY first came out with the list of the country's 1,000 leading companies in terms of revenues last year, four oil companies dominated the list. These four retained their positions in the listing for 1981.

Sectoral Share: As in the past, the manufacturing industry, composed of 433 firms, contributed the bulk of the top 1,000's aggregate revenues in 1981. The group grossed P94,589 million, accounting for 45 percent of the top 1,000's revenue pie.

A distant second was the wholesale and retail trade sector, which pitched in 20 percent of the total. The industry, composed of 245 companies, sold P41,737-million worth of goods last year.

In third place was the financing, insurance, real estate and business service group (143 firms) which reported a combined revenue of P34,696 million, contributing 16 percent of the top 1,000's revenues. This marked a hefty 38 percent hike from the previous year's P25,207 million. Largely responsible for this growth was the entry of a number of offshore banks.

The other sectors and their corresponding shares in the top 1,000's total revenues were: transportation, storage and communications--6 percent (P11,810

million--56 firms); construction--5 percent (P10,355 million--45 firms); mining and quarrying--4 percent (P8,903 million--23 firms); electricity, gas and water--2 percent (P5,339 million--seven firms); agriculture, fishery and forestry--1 percent (P2,860 million--28 firms); and the community, social and personal services--1 percent (P1,741 million--20 firms).

Meanwhile, the total resources base of the top 1,000 firms expanded by 20 percent, from P336,098 million in 1980 to P402,562 million last year. The bulk of the increase, however, came from creditors as the [word illegible] saw its total liabilities grow by 23 percent in contrast to the 5 percent additional investments of stockbrokers. From P268,275 million, the total obligations of the group reached P331,299 million by yearend '81. On the other hand, stockholders equity stood at P71,264 million, a little more than the previous year P67,823 million.

CSO: 4220/350

BRIEFS

ANTIGOVERNMENT SUBVERSIVES ARRESTED--Military authorities arrested yesterday two more antigovernment plotters in metro Manila and a Catholic nun and two other subversive suspects in Catbalogan, Samar. Arrested in metro Manila were (Tomas Laurel) and (Roman Lafentes). Their arrest brought to 29 the number of persons now in Philippine Constabulary detention in Manila for the plot to terrorize the country, disrupt the economy and assassinate civilian and military officials and eventually seize the government. Those arrested in Catbalogan, Samar, were identified as Sister (Helena Gutierrez), (Juanita Delamida) and (Antonio Asistio). Eastern Command Chief Brig Gen Salvador Mison said subversive documents and literature and printing paraphernalia were also seized during the raid at the Catholic Social Action Center in Catbalogan. A revolver was also seized from the center. General Mison said six others including two priests and two nuns are being hunted. He said they were also involved in running the social action center and the printing of the subversive materials and possession of the unlicensed revolver. In Manila, the military said some 60 persons linked to the September conspiracy are still at large. [Text] [HK040031 Manila Far East Broadcasting Company in English 2330 GMT 3 Sep 82]

MILITARY TAKEOVER 'RIDICULOUS'--President Marcos told a small group of reporters after his nationally-televised news conference yesterday that the idea of a military takeover in the Philippines is ridiculous, but he said if the National Assembly fails to provide a bill on presidential succession before his departure, he will issue an emergency decree giving presidential powers to a currently 10-member executive committee in the event anything happens to him on his U.S. trip. Meanwhile at the Batasan, the bill on presidential succession was approved on second reading early this morning, with a few changes. The Batasan agreed to hold a marathon session until the bill is approved on third and final reading before the assembly adjourns on Friday. In other developments at the Batasan, the 61.8 billion peso national budget for 1983 was also approved last night on third and final reading. The bill will be sent to Malacanang today for signing into law by the president. Also approved was a bill which would penalize any person falsely accusing another of subversion. [Text] [HK070007 Manila Far East Broadcasting Company in English 2330 GMT 6 Sep 82]

CSO: 4220/350

LABOR LEADER DISCUSSES POLITICAL EVOLUTION

Bangkok PATINYA in Thai 16 Aug 82 pp 16 17

[Interview with Amat Khamthetthong: date and place not specified]

[Text] [Question] What role and structure will the council stipulate?

[ANswer] Concerning the actions of the council, in which I will take part, and the structure or policies, I think that things must be stipulated at the conference of the new committee. However, we feel that we must try to hit the targets that have already been set. The main principle is to try to raise the standard of living of the workers. As for how this will be done, many more things must be done. For example, we must turn the Labor Council into a strong institution that the laborers can really rely on. But having said this, much more needs to be said about this.

[Question] Will political work be stressed?

[Answer] As for political activities, we will stress educating the laborers so they know "what is what." Since laborers do not have political knowledge, they are at a disadvantage and are inferior in everything in society. Thus, we will emphasize education. We will divide this into the following major topics: First, we will stress labor relations, that is, living cooperatively and negotiating and bargaining for labor rights. Second, we will emphasize skill development in order to increase the capabilities of the laborers. Finally, we will provide economic and political education. In short, our activities will stress various matters.

[Question] Concerning the struggle over the labor problems, will the council or the labor unions, in the form a a federation, be the spearhead in the struggle?

[Answer] From now on, the Labor Council will serve as a coordinator.But in coordinating things, there must be a basis, a federation. The problems will then be brought before the council. The council will decide what is correct. The party with the problem will be invited to come discuss the matter. Whenever it is felt that a struggle is necessary, the council will serve as the coordinator, that is, the council will serve as the mentor in the movement with each person, that is, the members, really working. But if we are to carry on a movement at

the national level, we must certainly use the name of the Labor Council. But the real movers are the unions and the federation.

[Question] What will relations between the Democratic Labor Party and the labor unions be like?

[Answer] Concerning this, we have each gone our own way and there is no connection between us. But in educating the laborers, we must make the laborers understand that, as citizens, they must play a political role. As for this party, we must realize what the laborers really want. What they want is a better life and human dignity. Since this is what the laborers want, in promoting the interests of the laborers, matters will involve the employers and the government. We realize that in the struggle of the laborers, we should have an organization and fight in certain ways. Thus, in the struggle of the laborers, we will hold to the labor union movement, or to labor unionism as it is called. But at the same time, we must call for the political system to be corrected so that there is democracy. That means that we must use political measures along with other measures. Thus, even though the council and the labor party have each "gone their own way," we must make the members understand that politics in Thailand concerns all laborers and let each laborer decide for himself whether or not to join the labor party. We will just inform the workers concerning which parties are working in their interests. The council will not tell them which parties they must support.

[Question] How great a role do you think the laborers will play in the political development of Thailand?

[Answer] I think that the laborers have a great role in this. National development requires the cooperation of people from many sectors. All of these sectors must cooperate. But from what I have seen, in countries where the laborers have not joined in, political development has not been completed. Past examples in several countries show that the laborers are the heart in developing a democratic system. I think that Thai laborers should play a greater political role than they have in the past. In the past, the government, or the capitalists, constantly tried to prevent the laborers from taking part because they knew that the laborers were the ones who had been greatly oppressed by the capitalists. Thus, if the laborers gained [power], they would lose [power]. They thus tried to prevent this, saying that the laborers should not become involved in politics. This is clearly dictatorial thinking. But the capitalists are clever. They know that if they themselves say anything, the laborers will not believe them. They are thus relying on some labor leaders to speak for them and so conflicts have arisen.

[Question] Does this mean that the employers or the government have helped foster disagreements in the labor movement?

[Answer] I think that this has happened because they are unaware of the facts. Or it may be due to their policies. Both are possible, but I feel that it is more likely that they are unaware of the facts.

[Question] Concerning the conflicts in the labor movement, do you think that a compromise can be reached?

[Answer] I think that if we employ the same strategy, we should be able to cooperate with each other. But we will probably not be able to cooperate with a faction that has some other vague strategy. However, I am confident that those labor leaders who look to labor unionism only will someday begin to see that it is necessary to act and use political measures too. Concerning labor unionism, actually, the labor unions must be efficient. It depends on the administrative system too. If the system is democratic, the labor unions will be an efficient tool of the laborers. But if the administrative system is dictatorial, the labor unions will not be efficient in carrying out things. This is because, in a dictatorship, the various mechanisms are blocked.

[Question] In the future, what are the chances that the three labor councils will join together?

[Answer] Forming a single council is a long-term project. We have discussed this. During this first period, we will carry out activities jointly. Concerning problems that are common labor problems, we will discuss things together, work together and speak with one voice. In the future, we hope to be able to form a single council.

[Question] Will the labor movement stress forming a relationship with the farmers and students in the movement and will the ties between these three be strengthened?

[Answer] I think that the laborers must cooperate with all groups, including students and farmers. If an organization that will work for the interests of the masses is formed, we will join. I think that this is a policy.

[Question] Does this mean that you will also join together with some military groups?

[Answer] As I have said, our policy is to cooperate with all groups. If something is in the interests of the laborers and of the people [in general], we will associate with these groups and exchange ideas, regardless of wheter it is a military group or some other group. It depends on selecting people, or groups, that think the right way and that support the needs of the laborers and people.

[Question] What is your view of the present political situation in Thailand?

[Answer] As for Thai politics at present, the political situation is dictatorial. The interest groups that have pooled their capital are the ones who play a role and who have power. In particular, economic and political matters are controlled by a few people with economic influence. Thus, these people will expand their economic control throughout the country. As for Thailand's [political] structure, parliament [theoretically] has the greatest power. It holds administrative power and has the power to arbitrate matters. But in reality, all this is just

a trick. That is, they are using a parliamentary dictatorship. As for real power, things depend on those few poeple who have a monopoly on power and who have more power than parliament. Thus, these people have the power to control parliament, the cabinet and even the various organs of the state. This is what the political situation in Thailand is like at present. To correct this, there must be a democratic revolution in order to topple these power [holders] so that real power rests with the people and reflects the interests of the majority of the people. We will certainly have to carry out a revolution. But when I say revolution, what I mean is that we must make changes and move from what is bad to something that is better.

11943
CSO: 4207/142

STUDENT GROUP ASSAILS RTG STAND ON KHMER COALITION

Bagnkok PATINYA in Thai 16 Aug pp 6,7

[Letters column: "A Policy of Disaster"]

[Text] The present foreign policy of the Thai government has been criticized widespreadly by almost all circles, inlcuding students, intellectuals and the people in general. They are critical of the fact that the Thai government, particularly the Minister of Foreign Affairs, has been the prime mover in establishing the Khmer coalition government, that is, the government composed of the Prince Norodom Sihanouk, Khieu Samphan and Son Sann groups with Prince Sihanouk serving as president. The aim of this is to have the Khmer coalition government restore the independence of Kampuchea and free it from Vietnamese influence, in which Heng Samrin is the leader [of the Vietnamese-backed group]. Concerning this support, the government has claimed that it has done this in order to carry out things in accord with the resolutions of the United Nations and Asean in order to improve the image of the Khmer Rouge government and to intercept the enemy (Vietnam) outside the country.

Because some people have criticized this policy, people in general have become confused. They are confused because some groups support this policy while others are against it. Those who support this policy are mainly powerful people in government circles or people who have close ties to the government. Those who oppose the policy include the mass media and people in general.

Before we can say whether Thailand's foreign policy concerning the formation of the Khmer coalition government, which has great importance for the security and safety of Thailand, is right or wrong, the things that we must consider are:

1. Concerning the claim that such action has been taken in order to carry out things in accord with the United Nations' resolution, actually, the United Nations has not really taken a neutral position. That is, it is under the influence of two or three great power countries. And in the past, the resolutions of the United Nations have not had any real effect. If these great powers do not agree unanimously, the United Nations cannot compel any country to do anything. For example, when the United States and Mainland China were "reconciled," Taiwan lost its seat in the United Nations. When Vietnam invaded Kampuchea, when Argentina

seized the Falkland Islands, when Russia invaded Afganistan and, most recently, when Israel crushed Lebanon, the United Nations was not able to do anything besides pass aimless policies. Stated simply, the United Nations is a paper tiger.

2. Since Asean became involved in the Kampuchean problem, Thailand is the only country that has been pushed into the position of being the spearhead in confronting Vietnam and Kampuchea. Some parts of Thailand are in a state of war. Thailand has had to take responsibility for the refugee problem and so on, and the other Asean countries have not had to take responsibility for any of the problems. Just the opposite, some Asean countries such as Singapore and Malaysia have taken this opportunity to make a trade profit with the Indochina countries and spread false propaganda about the war situation along the Thai border in order to make people in the world think that Thailand is not safe for tourists or investors. And after the formation of the Khmer coalition government was announced, the foreign affairs minister of Singapore took the opportunity to spread the news that Nguyen Co Thach had threatened to retaliate against Thailand. This again made the world think that things are not safe in Thailand. As for the ability to provide help if Vietnam should invade Thailand, it can be seen that, concerning resources and military forces, the Asean countries do not have the capabilities to help Thailand. They do not even have the capability to save themselves.

3. As for helping to improve the image of the Khieu Samphan government, the thing that happened in the past was that, during the period when the Pol Pot-Khieu Samphan group had great power in Kampuchea, one-third of the Khmer population was extirminated using cruel and barbaric means. They helped the CPT form the Siem Organization in order to carry out acts of terror in Thailand. Khmer rouge soldiers came and killed Thai citizens, including children and pregnant women, at Ban Noi Pa Rai and at other villages. As for Prince Norodom Sihanouk, when he held power in Kampuchea, he always acted like an enemy of Thailand.

4. As for the claim that [we must] support the Khmer coalition in order to keep the enemy outside the country, actually, Kampuchea and Vietnam alone cannot use force to invade Thailand unless they receive support from a great power. And if Thailand is really neutral, the great power will not have any reason to provide this support. Just the opposite, supporting the Khmer coalition will give the great power a just reason for supporting Vietnam and Kampuchea. Thus, instead of halting the enemy, this will induce the enemy to invade the country and it will not be possible to halt them. Because in waging a war along the Thai-Kampuchean border, they may cross over into Thailand. This will force Thailand to have to increase its military forces and budget unnecessarily because of this.

5. Concerning the formation of the Khmer coalition government, actually, it was China and the United States that wanted this in order to use this as a tool to preserve the Pol Pot faction's seat in the United Nations. This is because, during the past period, the number of votes in support of Heng Samrin has been increasing. If the Heng Samrin faction wins the seat in the United Nations,

the other Khmer groups will be resolutely suppressed and the interests of China and the United States will be lost. Thus, both China and the United States have helped exert pressure on Asean, particularly Thailand, to serve as their agents in carrying this out. The result has been that Thailand has become the servant of these two great powers in the eyes of the people of the world.

It can be seen that this policy is completely wrong. That is, instead of Thailand profiting from this, this has greatly harmed Thailand's interests and may be disastrous for the country. That is:

First, besides the fact that the government will have to increase the budget for border defense, this has damaged Thailand's climate for foreign investment, tourism and international trade, especially trade with the Indochina countries. The profits from these things have gone to the other Asean countries, particularly Singapore and Malaysia.

Second, as long as the war in Kampuchea continues, for Thailand: (a) The number of Khmer refugees will increase. (b) The war may spill over into Thailand. In particular, at present the government is not secure and if a rebellion breaks out in Thailand, this may provide the communists with a chance to interfere. The result may by that Thailand will become communist in the end. (c) If Vietnam receives much pressure from Thailand, it may change its policy and "be reconciled" with China and then "feast on" Thailand, as happened in Lebanon when it allowed the Palistinian guerrillas to use Lebanon to carry out acts of terror outside the country. (d) This will provide Vietnam an opportunity to "swallow" Kampuchea more quickly. When most of the people are Vietnamese, the Khmer coalition government will not have a popular base of support and the Khmer coalition forces will flow into Thailand. Khmer Rouge forces will carry out terrorist activities in Thailand in cooperation with the CPT, just as has happened with the Vietnamese refugees here.

Third, this has placed Thailand at a strategic disadvantage in bargaining with the great powers since we have not carried out a policy of real neutrality.

Because the government has carried out such a policy, we, as students at Ramkhamhaeng University, feel that we should not give attention just to the enemy in the East, that is, Vietnam. We should look at the enemies all around. And if we look around, we will see that the nearest enemy is China. Furthermore, we feel that Thailand will not gain anything by fighting a war as a proxy for the great powers, which will only result in a disaster for the country.

We thus ask that the government review its foreign policy in the matter of uniting the three Khmer factions. The correct thing is for Thailand to implement a policy of real neutrality. That is, it should not be the enemy of any country. The internal affairs of Kampuchea should be left to the Kampuchean people to handle. At the same time, our country should be developed so that it makes progress. -- Two student solidarity groups, Border Struggle Project, Coffee Council, Ramkhamhaeng University.

11943

CSO: 4207/142

EDITORIAL: FEAR OF CONFRONTATION MAY BE INCREASING

Bangkok PATINYA in Thai 16 Aug 82 pp 2, 3

[Editorial: "Beware of a People's War"]

[Text] Air Chief Marshal Sitthi Sawetsila, the Thai minister of foreign affairs, held direct talks with Mr Nguyen Co Thach, the Vietnamese minister of foreign affairs, and Thailand relaxed its attitude of confrontation and held more friendly talks. This may be because of objections by the mass media and various groups that do not want Thailand to become engaged in a war in place of a great power or some other country or because of some other reason of the government. But pressure is still being exerted by those who want Thailand to interfere in the affairs of other countries and who want Thailand to fight a national war against the Indochina countries and this pressure is becoming even stronger.

Even before Nguyen Co Thach came to Thailand, there were reports from Singapore that the Vietnamese minister of foreign affairs had threatened Thailand. But to date, it has not been possible to prove whether it was the Singapore minister of foreign affairs or the Vietnamese minister of foreign affairs who said this. Malaysia's unwillingness to hold any talks with Vietnam almost caused Thailand to make preparations for a confrontation with Vietnam. This would have caused Thailand to miss an opportunity to talk with Vietnam about the problem that has caused tension over the formation of the Khmer coalition.

In Thailand, relying on the government's mistake in supporting the Khmer coalition, some groups are citing the government's policy, the Asean and United Nations resolutions and humanitarian principles, or justice, to further aggravate the conflict between Thailand and Vietnam. For example, they have held seminars for those who support a confrontation with Vietnam in order to exert pressure on various countries to give greater support to the Khmer coalition. This will further increase the tension between Thailand and Vietnam.

Propaganda efforts are being made to have Thailand close the door and not negotiate at all. This propaganda points out that whatever Vietnam says cannot be believed and that it should be remembered that, since Vietnam invaded Indochina, it will also invade Thailand.

This propaganda points out that Thailand's interference in the affairs of other countries is just. At the same time, the people in this group condemn other countries for having sent troops to invade another country, saying that this is not just. But they are making a great effort to have Thailand do just that. Thus, the real intention of these people is to have Thailand jump into the war.

Even though those who do not agree with this and who feel that the war in Kampuchea is a dispute between communists and that free countries such as Thailand will not gain anything from this, they still say that we must become involved. Since capitalist powers once interfered in the affairs of these socialist countries, this means that Thailand, which is a small capitalist country, should follow them. Concerning this view, if it is not slave mentality, it will lead Thailand into a pitfall. The people in this group have constantly attacked the capitalists and imperialists for their terrible deeds and for invanding [other countries]. But now they want Thailand to do something that they have always condemned.

Besides this, we will discuss the polity of "inviting the enemy into the house." It is said that Thailand has done this and that this has led Vietnam to harbor ill feelings toward us. Because of this, it will think about settling accounts with Thailand and this will force Thailand to defend itself by "exerting pressure on Vietnam to withdraw from Kampuchea." They do admit, however, that Vietnam is experiencing great economic problems and cannot invade Thailand. And they are not clear about how "Vietnam is to be expelled." But the result of this is that we have made Vietnam an enemy and this will lead to a war in the future.

We do not know what the people in this group want. But the results are identical to the results desired by China and the CPT, which want to see Thailand become involved in a national war against Vietnam in order to destroy both sides. China would be free of enemies to the south. Both the Thai government, which favors the free world, and the Vietnamese government, which is a soviet-faction communist [government, would be destroyed]. The CPT would no longer have to fear the Thai government. This would enable the two groups [China and the CPT] to turn Southeast Asia into a Chinese-faction communist area without having to invest very much capital.

Concerning solving the problem in Kampuchea, PATINYA feels that the Thai Ministry of Foreign Affairs and the National Security Council should do everything possible to maintain the following image: 1. Thailand must really be neutral. 2. Attention must be given to peace. 3. There must be reasons for things and the data from all factions must be given attention. 4. We must be self-reliant. 5. We must use diplomatic means.

These things will enable us to avoid the national war planned by the great powers.

11943
CSO: 4207/142

THAI PAPER URGES ASEAN TO 'STAND FIRM' ON KAMPUCHEA

BK080924 Bangkok SIAM RAT in Thai 6 Aug 82 p 3

[Editorial: "Asean Ministerial Conference"]

[Text] Asean foreign ministers will meet at the Oriental Hotel on 6 and 7 August for consultations and to review the situation following the establishment of the coalition government of the three Khmer factions and also to adopt a common Asean stand with a veiw to solving the problem.

From our observations, we believe the following issues will be the subjects of consultations:

First, there is the progress made by the Tripartite Khmer coalition government in forging unity within the Kampuchean forces and whether this would constitute political pressure leading to a Vietnamese withdrawal from Kampuchea. As the formation of the coalition government of the three Kampuchean factions came into reality thanks to the support of Asean countries, Asean would look at how this coalition's goals can be achieved without Asean's direct support or involvement except for political and moral support.

Second, the meeting would assess the reaction from Indochina, especially Vietnam which is acting as the leader of the Indochinese group, and especially during the visit to Asean countries and Burma by Vietnamese Foreign Minister Nguyen Co Thach who claimed that the visit was very successful, but did not say in what way.

We do not know the real purpose behind Nguyen Co Thach's claim that a conference between Asean and Indochina will be announced soon. However, we are quite sure that it is unlikely that such a conference will occur especially if it is not held under the framework of the un-sponsored international conference on Kampuchea. The proposed talks between Asean and the Indochinese countries might be a Vietnamese ploy to fulfill its plan to set up an Indochinese federation.

We therefore hope that the Asean foreign ministers will stand firm on their policies and display their solidarity in tackling the problem so that they will have a strong bargaining position in dealing with Vietnam.

Since the formation of the Tripartite coalition government of Kampuchea, Vietnam has become very worried about the Kampuchean seat at the United Nations and is now doing everything in order to oppose and obstruct it.

It is therefore the duty of the Asean foreign ministers to map out a "strategy" to counter any Vietnamese move so as to achieve a just and lasting peace for the region free from the activities of "hooligans."

CSO: 4207/161

ATHIT CRITICIZES BBC REPORT; COMMENTS ON ARMY

BK200754 Bangkok Domestic Service in Thai 0000 GMT 20 Aug 82

[Text] The Bangkok peacekeeping force, which comprises military and police officials, has set up checkpoints in an effort to prevent untoward incidents. Assistant Army Commander Gen Athit Kamlang-ek had this to say to newsmen:

[Begin recording] The Bangkok peacekeeping force has set up several checkpoints in Bangkok to conduct searches in an effort to prevent untoward incidents. People are asked to understand this action and to report to the Bangkok peacekeeping force or the metropolitan police headquarters any information which they believe might be useful to the maintenance of public safety. We must all help to maintain peace to the best of our ability.

[Question] The BBC has commented that the explosion at the prime minister's residence was a result of displeasure in some military circles with your tentative appointment as army commander. Can you comment on this?

[Answer] I do not care what the BBC or anyone else may say. I myself don't even know if I will be appointed to that post--the appointment is up to the considerations of superiors. As for the radio comment, I don't know if it actually occurred or if it was a report on the comment by someone. I believe facts will always be facts. Soldiers who work for the country know what is correct and what are facts. You can ask them about it. I feel that this matter is an internal affair or superiors. I don't think a radio station can comment about this and that acurately. How could a foreign radio commentator know more than Thai radio personalities? The Thai mass media certainly knows more than foreign journalists, who could not possibly have profound knowledge of how Thai people think--their knowledge is only superficial. Moreover, how could they know the minds of the military officials? Not even Thai journalists have commented in this regard. I don't think one should pay attention to the radio comment.

[Question] When will the annual military reshuffle be up for consideration?

[Answer] You must ask the army commander. I think the subject will be considered in late September.

[Question] Has the consideration process begun?

[Answer] I don't know; it is up to superiors. [End recording]

CSO: 4207/161

THAI PAPER VIEWS JAPANESE INVESTMENT POLICY

BK280754 Bangkok THAI RAT in Thai 27 Jul 82 p 3

[Editorial: "Proceed Toward Industrialization"]

[Text] A goal of national economic development is to transform the country from its current agricultural base to an industrialized country. In this process various forms of promotional privileges are provided to investors. A recent report from Japan states that the Japanese industrial council requires that as much as 47 percent of the raw materials used by Japanese industries in Thailand must come from Japan. If this is true, Japan is taking advantage of Thailand to import complete or semicomplete products into Thailand free of import duties under the Thai investment promotion law.

What percentage of locally made parts goes into the assembly of automobiles in Thailand and what percentage is imported? What about electrical appliances with which we come into contact every day? This is tantamount to us importing the goods directly but labeling them made in Thailand.

If this situation persists, it is doubtful whether our balance of trade picture will improve and whether industrial development will be as successful as called for in the national development plan. Although we may have more factories and more people employed, we will have to pay more foreign exchange for the import of products for assembly here.

We must watch Japan closely. In its investment overseas, Japan wants to export its technology, raw materials and as little capital as possible for production costs. It also exploits workers in the host countries, as is evident to many countries already. We are marching toward becoming an industrialized country but we still are unable to correct the trade deficit problem. In the end, we will have factories only for the assembly of products, which are produced abroad, for the consumption of the people here. Hence we will spend more foreign exchange every year.

It is important that we be able to reduce the balance of trade deficit as the result of our economic development program. The problem which we noted above is one of the obstacles to our economic development and we must seek every inoffensive way to rectify our disadvantages.

CSO: 4207/161

BRIEFS

CAPTURE OF CPT CAMP--The current suppression campaign, codenamed: Tai Rom Yen 11, in Ranong and Chumphon has enabled the national forces to capture the communist terrorists to flee the area. Col Thammarak Itsarangkun Na Ayutthaya, the 4th army region intelligence officer, gave the following report today: [Begin recording] The capture of the communist terrorist camp at Khao Phai has forced the communist terrorists to flee to the nearby jungles and the villages where their supporters are located, while some fled to their home villages. We tried to enter satellite camps after the capture of the major camp, where on 30 July we discovered a rifle, 485 rounds of rifle ammunition, 10 tins each containing 40 liters of rice, 3 carts of unhusked rice, 11 rounds of shotgun shells, farm tools, carpentry tools, uniforms, clothes and cooking utensils. Last night an informant told us that about 7 communist terrorists, believed to be those who had fled from the Khao Phai Camp, were seen in Tha Chana District. We dispatched a unit to the area at about 0130 this morning and it clashed with the communist terrorists for about 10 minutes. The communists were able to flee to the surrounding jungle; some dressed in their underwear. Our men could not follow them because the jungle was quite dense and because of darkness. The inspection showed, however, that some of the communist terrorists were wounded. A shotgun, two handgrenades, eight shotgun shells, some clothing, caps, radio sets and citizen identification cards were found in the area. [End recording] [Text] [BK050814 Bangkok Domestic Service in Thai 1300 GMT 4 Aug 82]

OUTGOING FINNISH AMBASSADOR--On 26 July Finnish Ambassador to Thailand Tuure Adam Mentula, who maintains residence in Jakarta, paid a farewell call on Prime Minister Gen Prem Tinsulanon at Government House upon completion of his assignment in Thailand. [BK300553 Bangkok Domestic Service in Thai 1300 GMT 26 Jul 82]

DIPLOMATIC RELATIONS ESTABLISHED--Announcement by the Foreign Ministry on the establishment of diplomatic relations between the Kingdom of Thailand the Republic of Niger: With the desire to promote the friendly relations and cooperation between their two countries, the governments of the kingdom of Thailand and the Republic of Niger have decided to establish diplomatic relations at the ambassadorial level between the two countries as of 30 July 1982. The Foreign Ministry. Announced on 30 July 1982. [Text] [BK300251 Bangkok Domestic Service in Thai 0000 GMT 30 Jul 82]

REPORT ON KING'S HEALTH--The king's health had improved gradually 3-12 August. However, on 13 August he had diarrhea, developed fever and a slightly abnormal rate of heartbeat. The king has now recovered from diarrhea and fever. His heart condition has improved, but a slightly abnormal heartbeat remains. An x-ray by the panel of medical doctors found that the inflamation of his lung had not completely disappeared. [Announcement No 13 of Royal Household Office on 17 August 1982] [Text] [BK180538 Bangkok Domestic Service in Thai 0000 GMT 18 Aug 82]

KING'S HEALTH 'IMPROVED'--The general health of his majesty the king and his heart condition have improved steadily from 18-23 August. His stomach condition and temperature are normal. He has been able to eat and sleep well. [Announcement No 14 of the Royal Household on His Majesty The King's Illness] [Text] [BK241244 Bangkok Domestic Service in Thai 1300 GMT 23 Aug 82]

KING'S HEALTH--From 24-29 August his majesty the king's health has improved steadily. There was an occasional abnormal heartbeat. The x-ray of his lungs showed that the infection has improved. On 30 August the abnormal heartbeat occurred again for a short period. This abnormal heartbeat could take place again due to the fact that his heart muscles are still recovering from the infection. The panel of doctors thus advised that he avoid official duties for some time in the future. [Announcement No 15 of the Royal Household on His Majesty the King's ILlness--dated 1 September] [Text] [BK011620 Bangkok Domestic Service in Thai 1300 GMT 1 Sep 82]

SRV AMBASSADOR LEAVES--Vietnam's first communist ambassador to Thailand, Mr Hoang Bao Son, returned home to Hanoi yesterday for a new assignment after completing his three-year duty here. Son left aboard an Air Vietnam flight. Diplomatic sources said he has not yet received a new assignment and will consult with his Foreign Ministry to determine his new job. He will be replaced soon by the new Hanoi ambassador, career diplomat (Nguyen Khoa Ke), who is at present head of the western European department at the Vietnamese Foreign Ministry. [Excerpt] [BK270523 Bangkok BANGKOK POST in English 21 Aug 82 p 3 BK]

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LARGE-SCALE DEVELOPMENT PLANNED FOR SEMARANG PORT

Jakarta KOMPAS in Indonesian 10 Aug 82 p 2

[Article: "Contract Signed for Semarang Seaport Development"]

[Excerpt] Semarang seaport which heretofore has been considered to be merely an ordinary port will look different by the end of 1985. Ocean-going vessels with a displacement of over 3,500 dwt which now have to anchor outside the dam because of the limited facilities available will be able to tie up with no problems at the pier. The contract for developing the Semarang seaport was signed on Saturday morning [7 August] by Pongky Soepardjo, sea communications director general, and four contractors who formed a consortium. The four contractors are Simizu Ltd, Penta Ocean Ltd, Toyomenka Keisha, and the national contractor PT Bangun Tjipta Sarana.

According to R. Soedibjo, Semarang port administrator, the seaport development is planned to be accomplished in three phases. The first phase will begin at the end of September while the second and third phases will be handled from 1985 through the year 2000. The first development phase, for which the contract was signed on Saturday morning, covers 10 types of activity including the construction of a 5,150-meter long breakwater, a 605-meter long concrete pier, a new 6,000-square meter godown, and a 21,060-square meter outdoor storage area.

The civil work of phase one, R. Soedibjo said, will cost 59.2 billion rupiah. Of this total, 69.7 percent will be obtained through a Japanese loan of 13,979,152,000 yen or 41,242,706,000 rupiah, and 30.3 percent from budgeted funds. Five billion rupiah have been allocated for the fiscal year 1982-83. The sea communications director general noted that the contract signed on Saturday is the biggest contract in the sea communications field and must be completed within 3 years. At least 1.2 million tons or cubic meters of stone and about 2 million tons of sand are needed to build the more than 5-kilometer long breakwater. This must be completed within a period of 1 year as scheduled by the contractor.

If all goes according to schedule, the director general said, an average of 2,000 to 3,000 tons of stone must be hauled to the project site each day. If each truck hauls 6 tons of stone, 500 trucks will be needed each day. This clearly will have no small impact on the traffic flow in Semarang.

6804
CSO: 4213/76

NATUNA GETS FIRST TRANSMIGRANTS

Jakarta KOMPAS in Indonesian 11 Aug 82 pp 1, 12

[Article: "Natuna To Receive 2,000 Transmigrant Families"]

[Excerpts] The Natuna Archipelago will receive 2,000 transmigrant families from Java in the near future. On Monday afternoon [9 August] Murwanto, regent of the Riau Archipelago, explained in Ranai that the 50 families that just arrived are part of the 360 transmigrant families planned to be moved in the first phase of the transmigration program.

Transmigrants will be located in the resettlement area in Sungai Ulu, East Bungur Subdistrict, 23 kilometers west of Ranai.

The transmigrants will be directed to make their living from plantations such as clove and other hard crop planatations. Clove trees prosper in the Natuna Archipelago. Regent Murwanto admitted that though the archipelago has a wet climate very few persons will create wet fields for planting paddy. The majority of the native inhabitants of the archipelago gain their livelihood as fishermen and non-wetfield farmers. It is expected that transmigrants will open up wet ricefields gradually. The population of the West and East Bungur Subdistricts of Natuna Archipelago totals about 20,000. BULOG [Logistics Bureau] maintains several permanent godowns on the island to meet the basic needs of the local people, including rice. Yet it is expected that with the arrival of the transmigrants, the inhabitants will become self-sufficient in meeting their daily needs.

Natuna Island is far more developed now than it was 2 or 3 years ago. Roads are relatively good, and recreation is provided through a TVRI relay transmitting station capable of receiving broadcasts from Jakarta. The concept of moving transmigrants to the Natuna Archipelago was first raised by Lt Gen Soesilo Soedarman, commander of Defense Region Command I, when he visited the area in the middle of this year.

Moving transmigrants to Natuna has a dual purpose, namely to reduce population density on Java Island and to fill up the sparsely populated archipelago area which is viewed as a very strategic area from a defense standpoint. "Prosperity for the people and regional security are the aims of shipping transmigrants to the area," a defense and security officer said.

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CSO: 4213/76

SOCIAL ASSIMILATION DISCUSSED

Jakarta KOMPAS in Indonesian 13 Aug 82 pp 1, 12

[Article: "Sindhunata, BAKOM PKB Chairman, Says Implementation of the Indigenous and Nonindigenous Assimilation Program Is 'Still Poor'"]

[Excerpts] The implementation of the program to assimilate the nonindigenous (read Chinese--editor) and indigenous people in Indonesia was evaluated by K. Sindhunatha, general chairman of the Central Communication Group for Stimulating National Unity (BAKOM PKB), as "still poor."

"I admit that the Main Line of National Policy stated that assimilation must be upgraded, but I feel too little has yet been done about it. This has been a feeble effort to date," Sindhunatha told KOMPAS on Tuesday [10 August].

The reason for the poor implementation, Sindhunatha said, does not rest solely with the nonindigenous or the indigenous people or even with the government but with the three groups as a whole. "As a whole the three groups still deal emotionally with assimilation," he remarked.

The problem of assimilation, he said, cannot be resolved solely in one field but it must be integrated and consistent so that a policy in one field is not cancelled by a policy in another field.

For instance, Sindhunatha said, we want to develop an assimilated young generation in the formal education field by eradicating all sorts of views in society about the differences between "indigenous" and "nonindigenous" people. However, in the economic field some policies explicitly differentiate between "indigenous and "nonindigenous" persons or a special recognition code is noted on the identity cards of "nonindigenous" persons. There is no need to create such obstacles, Sindhunatha said, for though they seem insignificant, they affect the desired assimilation process.

"The government must be able to create an atmosphere of nationhood and nationality which enables the process of assimilation to move along naturally and smoothly. If this is not created by the government, trouble ensues," he added.

Meanwhile the indigenous group generally does not feel or view the nonindigenous group as equals, as brothers in citizenship, in homeland, in nationality, and so on.

The nonindigenous group, Sindhunatha said, in broad outline consists of three categories: first, those already assimilated; second, those in no way assimilated but holding an Indonesian citizenship certificate and whose conduct, language, and life style are still those of an alien. In category three are those who fall between the two groups mentioned above: those who are in the process of becoming assimilated but who are not yet fully assimilated. They still have some doubts about assimilation.

Although these three categories exist, Sindhunatha said, the government and the indigenous society often treat them all alike. If they speak of the nonindigenous group, the picture painted of them is still a foreign one. As a result the policy or regulation which is formulated is based on this alien image, and it ignores the fact that there is a fully assimilated nonindigenous group.

"As a result those who are assimilated give some thought to the difference in treatment again, or those who are still doubtful about assimilation, don't assimilate," he added.

Exclusive

Other than the weaknesses existing in the government and the indigenous group, Sindhunatha added, the primary weakness in the assimilation process is the nonindigenous society itself. "We cannot expect the assimilation process to come about solely through the efforts of the government or the indigenous society, but there must be some reciprocity from the nonindigenous society. This is determined by their attitude and conduct."

The BAKOM PKB general chairman admitted that in truth there were some who were called "nonindigenous" who still were not fully Indonesianized. They still feel they have no rights in or responsibilities toward Indonesia. They as yet have no commitment to their homeland. "This causes trouble because this attitude of itself strengthens society's prejudices toward the nonindigenous group."

Sindhunatha cited the example of last Idul Fitri holiday as celebrated in the Puncak vacation area. He saw many young nonindigenous children playing together in all non-indigenous groups. Such exclusivity, Sindhunatha said, does not encourage assimilation.

Or, he said, the use of the Chinese language by people in public places. This in no way accords with assimilation. "If you want to speak Chinese, please do so at home but do not use Chinese in public places; moreover, where it can be heard by everyone," he added.

Living together in ethnic communities, Sindhunatha said, is also a weakness in itself, although this really is linked to commercial areas or the "wholesaling" of most of the homes in one housing area, for instance, as is done in "real estate."

This, Sindhunatha said, is mainly related to economic capability or the ability to buy a home. But even this is a weakness because it reveals that there is an "economic gap" between the indigenous and nonindigenous groups which in the end makes assimilation more difficult.

Despite the fact that it is generally agreed that the nonindigenous group must be melded into society, we must be aware that "especially good" conduct is expected of them -- attitudes and conduct which are better than those of the other group. "This of course is a sacrifice but a necessary one since it is not enough to be ordinary like the other group. Needed is the capability to make a greater commitment to carry the flag of the Indonesian people." This, Sindhunatha said, must be reflected in daily conduct, in social gatherings, in trade, and in other activities.

BAKOM PKB is an agency that is expected to function as a bridge in the process of assimilating indigenous and nonindigenous people in Indonesia. It consists of public and government figures who participate as individuals and not in their official capacities. Nevertheless, Sindhunatha admitted, this agency is unable at this time to be maximally effective as expected because its managers are also busy with their respective primary occupations.

BAKOM PKB has organized a strategy for this assimilation process for the period 1983-2000. It is broken down into a long-range, middle-range, and a short-range strategy accompanied by the respective programs.

6804
CSO: 4213/76

NEW INSTRUCTION ON POLITICAL EDUCATION OF YOUTH

Jakarta KOMPAS in Indonesian 20 Aug 82 pp 1, 12

[Article: "Presidential Instruction on the Political Indoctrination of the Young Generation"]

[Text] To give the young generation political education, since they provide the continuity for the Indonesian national ideals, President Suharto has issued Instruction No 12 of 1982 concerning, "Political Education for the Young Generation," which con tains a section on patterns of indoctrination and development called, "Patterns of Indoctrination and Development for the Political Education of the Young Generation."

In the INPRES dated 11 August 1982, the chief of state instructed the Coordination Group for the Indoctrination and Development of the Young Generation (BAKOR P3GM) to use the "Patterns of Indoctrination and Development for the Political Education of the Young Generation" as a guide and particularly as political education material for carrying out the task of indoctrination and development of the young generation.

After reporting to President Suharto at the Bina Graha on Thursday [19 August], Dr Abdul Gafur, vice minister for youth affairs, said the "Pattern of Indoctrination and Development for the Political Education of the Young Generation" to be used as a guide consists of six chapters. They include clarification of the basic concept, purpose, and goals needed for political education as well as the basic platform for political education of the young generation.

Regarding the basic concept, among other things, the document explains that political education of the young generation, in principle, is a series of efforts to upgrade and stabilize political and national awareness to support the everlasting Pancasila and 1945 Constitution as the national cultural policies.

Political education also must be part of the process of reforming Indonesian national politics which is being done at this time within the framework of attempts to create a political system that is really stabely democratic, dynamic, effective, and efficient.

The purpose of the training, he said, is basically to provide a guide to the young Indonesian generation to heighten their consciousness of their nationality and statehood in line with the aims and ideals of the Indonesian people.

The goal is to create a young Indonesian generation which is aware of their nationality and statehood based on Pancasila and the 1945 Constitution. It is an attempt to raise sound Indonesians whose nature will be reflected in their identity and personalities.

They will have an identity and a personality that is aware of their rights and obligations as well as their responsibilities to the interests of the people and the country. This principally is to be realized by setting good examples -- by obeying the law and the Constitution, by having a self-, social, and national discipline, by being farsighted as well as being determined to struggle for advancement objectively, based on the people's capabilities.

Conscious of their identity and personality, they will take active part in supporting the national way of life democratically. They will take an active and creative part in the life of the people and the state, particularly in efforts toward national development. They will actively support the union and unity of the people and will have an awareness of the diversity among people.

They will be aware of the need to preserve harmoniously the environment and nature, making adaptations and keeping them in balance. Based on a pattern of reasoning or logic concerning Pancasila and the 1945 Constitution, they will be capable of evaluating concepts, standards as well as threats that arise outside Pancasila and the 1945 Constitution.

It is important in this political education that the young Indonesian generation obtains political education based on the aspirations which are derived from the Indonesian people's identity and which have been agreed upon nationally. Such education should not go so far as to be an individually developed education which, moreover, might conflict with the desired education because it has its roots in various political aspirations.

The basic platform for carrying out political education is one which, in principle, is based on the Indonesian people's national life, that is, Pancasila, the 1945 Constitution, the Main Lines of National Policy, and the Youth Oath of 28 October 1928.

By issuing this instruction, Abdul Gafur said, the president offered guidance so that all students, as young people, will begin to be given political education using methods suitable for their age groups in cooperation with the Republic of Indonesia Teachers Association (PGRI).

University students will follow the P4 [Patterns of Indoctrination and Development for the Political Education of the Young Generation] track and here the chief of state offers guidance so that it is handled as effectively as possible.

For the implementation of political training through the Indonesian National Youth Committee Communication Forum, education is to be simplified for youths. Gafur added that the president judged P4 to be the precise method for educating Indonesian youth politically so that it can acquire leadership elements.

Gafur responded to a question saying this instruction makes it possible for political parties to continue to indoctrinate cadres. "For this purpose also an indoctrination pattern has been issued so that we all speak the same language and provide the same guidance," he added.

The president, he said, also instructed that people be made cadres in the broadest possible sense so they begin to be excited about politics.

6804
CSO: 4213/76

BRIEFS

NEW NAVAL VESSEL--On Thursday [5 August] the Navy fleet was strengthened by the addition of a landing ship, tank (LST). This warship, the KRI Teluk Banten, was built at the Tacoma Marine Industry shipyard in South Korea. Admiral Waloejo Soegito, Navy chief of staff, on that day was accompanied by Fleet Commander Rear Admiral R. Kasenda and other officials, all of whom observed the new ship at the Ujung Pier in Surabaya. The 4,100 nautical miles from South Korea to Surabaya were covered in 11 days at sea with a 4-day layover in Manila Harbor (the Philippines). The crossing was made under the command of Lt Col (P) Kuryono with an all-Indonesian crew. The KRI Teluk Banten is 100 meters long, 15.4 meters wide, and has a displacement of 3,750 tons. Its weaponry system consists of 40 and 50-mm guns, and cruising speed is 14.5 knots per hour. It is equipped with a helicopter deck for three helicopters of the super-Pima type, and it can transport landing troops. The crew consists of 11 officers, 40 noncommissioned officers, and 60 enlisted men. [Text] [Jakarta KOMPAS in Indonesian 7 Aug 82 p 12] 6804

CSO: 4213/76

VOICE OF DEMOCRATIC KAMPUCHEA BATTLEFIELD REPORTS

SRV Trucks Ambushed

BK020256 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 1 Aug 82

[Text] On 25 July, our army and guerrillas ambushed 15 Vietnamese trucks moving from Preah Vihear to Kompong Thom along Route 12 on the Preah Vihear battlefield. We destroyed two of the Vietnamese enemy's trucks on the spot. Seven Vietnamese were killed and five others were wounded for a total of 12 casualties. We destroyed a quantity of materiel. The remaining trucks turned back.

Long live our valiant and courageous army, guerrillas and people on the Preah Vihear battlefield!

July Action in Koh Kong-Kompong Som

BK071016 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 6 Aug 82

[Text] Last July, our comrades in arms on the Koh Kong-Kompong Som battlefield killed 231 Vietnamese aggressor troops and wounded 189 others for a total of 420 enemy casualties.

In the production of the primitive weapons, our comrades in arms made and planted 1 million new punji stakes, dug 380 punji pitfalls and set 130 automatic bows and snares.

Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield!

July Activities in Leach

BK080610 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 7 Aug 82

[Text] Last July, our comrades in arms on the western Leach battlefield killed 184 Vietnamese soldiers and wounded 108 others for a total of 292 casualties.

In the field of primitive arms production, our combatants made and planted 1,580,000 punji stakes, dug 450 new punji pitfalls, and set 180 new automatic bows.

Long live our valiant and courageous army, guerrillas and people of the western Leach battlefield!

July Action on Samlot Battlefield

BK091227 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 8 Aug 82

[Text] Last July, our comrades in arms on the Samlot battlefield killed 181 Vietnamese aggressor troops and wounded 227 others for a total of 408 enemy casualties.

In the production of primitive weapons, our comrades in arms made and planted 1.4 million punji stakes, dug 150 punji pitfalls and set 170 automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Samlot battlefield!

July Report for Pailin

BK100735 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 9 Aug 82

[Text] Last July, our comrades in arms on the Route 10-Pailin battlefield killed 272 Vietnamese aggressor troops and wounded 308 others for a total of 580 enemy casualties.

In the production of primitive weapons, our comrades in arms made and planted 140,000 new punji stakes, dug 400 punji pitfalls and set 80 automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Route 10-Pailin battlefield!

July Action in Sisophon South

BK121310 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 11 Aug 82

[Text] Last July, our comrades in arms on the Sisophon-South of Route 5-Mongkolborei-Bavel battlefield killed 200 Vietnamese enemies and wounded 243 others for a total of 443 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 1,179,000 new spikes, dug 300 new punji pitfalls and set 100 new automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Sisophon-South of Route 5-Mongkolborei-Bavel battlefield!

North Sisophon July Report

BK141250 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 12 Aug 82

[Text] Last July, our comrades in arms on the Sisophon-North of Route 5-Thmar Puok-Preah Net Preah-Phnum Srok battlefield killed 161 Vietnamese enemy aggressors and wounded 165 others for a total of 326 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 196,000 new spikes, dug 420 new punji pitfalls and set 340 new automatic bows.

Long live our courageous and valiant army, guerrillas and people on the Sisophon-North of Route 5-Thmar Puok-Preah Net Preah-Phnum Srok battlefield!

Oddar Meanchey July Statistics

BK140846 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 13 Aug 82

[Text] Last July our comrades in arms in the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield killed 250 Vietnamese soldiers and wounded 244 others for a total of 494 enemy casualties.

In their effort to build a primitive weapons system, our comrades in arms made and planted 698,000 new punji stakes, dug 600 new punji pitfalls and set 500 new automatic bows.

Long live our valiant army, guerrillas and people of the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield!

Siem Reap-Route 6 Battlefield

BK150441 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 14 Aug 82

[Text] Last July, our comrades in arms on the Siem Reap-Route 6 battlefield killed 194 Vietnamese soldiers and wounded 157 others for a total of 351 enemy casualties.

In the field of primitive arms production, our comrades in arms made and planted 275,600 new punji stakes, dug 350 new punji pitfalls and set 170 new automatic bows.

Long live our valiant and courageous army, guerrillas and people of the Siem Reap-Route 6 battlefield!

Chhep-Thalabarivat July Report

BK161412 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 15 Aug 82

[Text] Last July, our comrades in arms on the Chhep-Thalabarivat battlefield killed 180 Vietnamese soldiers and wounded 314 others for a total of 494 enemy casualties.

With regard to primitive weapons production, our comrades in arms made and planted 796,800 new punji stakes, dug 640 new punji pitfalls and set 340 new automatic bows.

Long live our valiant and courageous army, guerrillas and people of the Chhep-Thalabarivat battlefield!

Central Region July Report

BK170300 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 16 Aug 82

[Text] Last July our comrades in arms on the Central Region battlefield killed 15 Vietnamese aggressor troops and wounded 14 others for a total of 29 enemy casualties.

In the production of the primitive weapons, our comrades in arms made and planted 458,800 new punji stakes, dug 450 punji pitfalls and set 250 automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Central Region battlefield!

Eastern Region July Report

BK180553 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 17 Aug 82

[Text] Last July our comrades in arms on the Stung Treng-Ratanakiri-Mondolkiri-Eastern Region battlefield killed 35 Vietnamese enemy aggressors and wounded 15 others for a total of 50 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 1,340,000 new spikes, dug 2,100 new punji pitfalls and set 8,300 new automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Stung Treng-Ratanakiri-Mondolkiri-Eastern Region battlefield!

Southwestern Region Battles

BK190325 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 18 Aug 82

[Text] In July our comrades in arms on the Southwestern Region battlefield killed 114 Vietnamese enemies and wounded 139 others for a total of 253 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 110,000 new spikes, dug 350 new punji pitfalls and set 300 new automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Southwestern Region battlefield!

Bakan-Pursat Battlefield Statistics

BK211307 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 19 Aug 82

[Text] In July, our comrades in arms on the Bakan-Pursat battlefield killed 55 Vietnamese enemy troops and wounded 31 others for a total of 86 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 170,000 new spikes, dug 100 new punji pitfalls and set 80 new automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Bakan-Pursat battlefield!

Moung-Koah Krala July Report

BK210604 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 20 Aug 82

[Text] Last July, our comrades in arms on the Moung-Koah Krala battlefield killed 46 Vietnamese enemy soldiers and wounded 57 others for a total of 103 casualties.

In the field of primitive arms production, our comrades in arms made and planted 180,000 punji stakes, dug 150 new punji pitfalls and set 100 new automatic bows.

Long live our valiant and courageous army, guerrillas and people of the Moung-Koah Krala battlefield!

Western Region July Battles

BK220528 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 21 Aug 82

[Text] Last July our comrades in arms on the Western Region battlefield killed 40 Vietnamese enemy soldiers and wounded 14 others for a total of 54 casualties.

In the field of primitive arms production, our comrades in arms made and planted 990,000 new punji stakes, dug 750 new punji pitfalls and set 540 new automatic bows.

Long live our valiant and courageous army, guerrillas and people of the Western Region battlefield!

CSO: 4212/29

NATIONAL DAY GREETINGS TO BULGARIA

BK090800 Phnom Penh SPK in French 0358 GMT 9 Sep 82

[Text] Phnom Penh, 9 Sep (SPK)--In the name of the KPRP Central Committee, the Council of State, the National Assembly, the Council of Ministers and the entire Kampuchean people, the PRK leaders warmly greeted the Bulgarian Communist Party Central Committee, the Council of State, the National Assembly, the Council of Ministers and the Bulgarian people on the occasion of the 38th anniversary of the national day of the People's Republic of Bulgaria on 9 September.

The message of Heng Samrin, secretary of the KPRP Central Committee and chairman of the Council of State; and Chan Si, chairman of the Council of Ministers, to Todor Zhivkov, general secretary of the Bulgarian Communist Party Central Committee and chairman of the Council of State; and Grisha Filipov, chairman of the Council of Ministers says:

"During these 38 past years, the People's Republic of Bulgaria, led by the Bulgarian Communist Party, fruitfully developed in the construction of developed socialism.

"Its policy of peace, in particular its policy of neighbourliness and understanding in the Balkans region, eloquently contributes to the raising of its international prestige.

"Would you please let us seize this occasion to express our sincere thanks to the Bulgarian Communist Party, government and people for their precious support and aid which they have provided and continue to provide to our people in their task of reconstructing their beloved fatherland, advancing toward socialism and defending their revolutionary gains against the acts of aggression of the Beijing expansionists and hegemonists in collusion with the United States.

"We are pleased that the international socialist relations between our two countries are intensified for the well-being of our two peoples and are in the interest of peace and social progress."

They wished Bulgarian leaders new successes in continuing to achieve the goals determined by the 12th Bulgarian Communist Party Congress.

The message of Chea Sim, chairman of the PRK National Assembly, to Stanko Todorov, chairman of the national assembly of the People's Republic of Bulgaria, says:

"The efforts made by the Bulgarian people during the past 38 years achieved remarkable socialist gains in Bulgaria and have significant scope for peace and the social progress of humanity.

"I have the firm conviction that fraternal friendly relations and cooperation between our two countries are always consolidating for the well-being of our two peoples, for peace and socialism."

On the same occasion, Kampuchean Foreign Minister Hun Sen sent his greetings to his Bulgarian counterpart Petur Mladenov.

CSO: 4200/58

CHEA SOTH SPEAKS AT EDUCATION CONFERENCE

BK021119 Phnom Penh SPK in French 0444 GMT 2 Sep 82

[Text] Phnom Penh, 2 Sep (SPK)--"Our education system, the foundations and (? senses) of which are different from under the old regimes, must actively contribute to building our society on the road to socialism according to the path traced out by the KPRP," declared vice chairman of the council of ministers and member of the KPRP Central Committee Political Bureau Chea Soth.

He said this on Monday at the closing ceremony of the week-long third general meeting on education held in Phnom Penh.

The meeting determined the goals of education for the period 1982-85, and particularly for the 1982-83 school year. In the past school year, 293 education vanguard units received congratulatory certificates and honor flags against 180 in the previous year.

In his closing speech, Vice Chairman Chea Soth said:

Quantitative and qualitative developments in the field of education have without doubt satisfied the urgent and pressing needs of our people--needs they share with the whole of progressive mankind--to demolish the vestiges of the reactionary culture and live in a society of peace, freedom and revolutionary optimism where exploitation, oppression and inequality are banned.

I am firmly convinced that due to their boundless patriotic spirit, the great solidarity around the party and the government, and the union between the authorities and our people on the one hand, and to the support of our socialist friends--in particular our Vietnamese and Soviet friends--on the other part, these goals will be successfully achieved.

In the face of the great victories scored by our revolution in all fields--particularly in the education field--our enemies have become more savage like wounded dogs. They seek all manner of means to slander us and to destroy our revolution. The formation of the so-called "tripartite government" is such a reaction. All their efforts, however, are doomed to failure. Our revolution is growing up and is irreversible. With every passing day it becomes stronger because our entire people are united as one behind the KPRP, the (?three) revolutionary currents and, in particular, the world socialist system in which are the USSR and Vietnam provide firm support for us. At present, our enemies are in agony and cannot in any way block our path.

CSO: 4200/56

HENG SAMRIN ADDRESSES NATIONAL EDUCATION MEETING

BK280430 Phnom Penh SPK in French 1439 GMT 25 Aug 82

[Text] Phnom Penh, 25 Aug (SPK)--The successes achieved by the Ministry of Education and all the people during the past 3 years, particularly during the 1981-82 school year, stand as concrete testimony to the authentic patriotism of our cadres and teaching personnel, Chairman Heng Samrin, general secretary of the KPRP Central Committee, stressed at the third national education meeting which opened in Phnom Penh on Tuesday, 24 August.

The chairman congratulated the teaching personnel for overcoming all obstacles in carrying out the revolutionary task under the clear-sighted leadership of the KPRP.

Education Minister Pen Navouth, several other ministers and representatives of various services and mass organizations were among the personalities present at this meeting, which was held for the purpose of summing up educational work and fixing new targets.

"These successes confirm the progressive and absolute advance of the revolutionary force and the irreversible character of the Kampuchean situation," Chairman Heng Samrin said. He also expressed approval of the directives on education for the 1982-83 school year, whose socialist concepts were depicted by the education minister.

While recalling the massive massacres and the all-out destruction caused by the genocidal POL Pot-ieng Sary-khieu Samphan regime, Chairman Heng Samrin said in essence.

We will always keep alive the good service of the national united front for the salvation of Kampuchea and of the party, government and particularly the fraternal people's army of Vietnam for saving our people from the deadly pit and liberating our magnificent land of Angkor from the genocidal danger of the POL Pot-ieng Sary-khieu Samphan Gang, the ignorable lackeys of Beijing.

Following the historic victory of 7 January 1979, our dearest wish is to live in peace while concentrating our efforts on national defense and reconstruction. During the past 3 years, under the clear-sighted leadership of the KPRP and animated by patriotism, our people have surmounted many obstacles and defeated all the perfidious maneuvers of our enemies.

Our successes in all fields have annoyed the Chinese hegemonists and the U.S. imperialists as well as their lackeys of all stripes, including the exiled reactionary Khmers. These latter have resorted to all sorts of perfidious maneuvers with the single-minded aim of returning and once again dominating our population. In Kuala Lumpur recently they fabricated the so-called "Tripartite government" in order to mask the crimes of the genocidal regime, which is hated and spit upon by the whole world.

The chairman also talked about our successes in the political and diplomatic fields, the third session of the National Assembly and the sixth conference of the Indochinese foreign ministers.

"We have an increasing number of friends, "he said," especially those who make up the three revolutionary currents and, particularly, the world socialist system with the USSR as the true bulwark, and Vietnam, a friend of long-standing with whom we share a common struggle tradition.

"All these factors eloquently show that the situation in Kampuchea is irreversible," Chairman Heng Samrin stressed before adding:

At this time when the enemy seeks to destroy us, when our rehabilitation and reconstruction efforts in all fields urgently call for qualified and truly proletarian leading, technical and scientific cadres and workers, we must develop, in addition to general education, programs of higher education, technical education, vocational training and adult education. Our education system must eliminate all vestiges of the former regimes--which were regimes based on oppression and the exploitation of workers--and create a new culture in the service of the Marxist-Leninist socialist revolutionary cause.

In order to attain these two fundamental objectives, the chairman pointed out that education must, among other things, contribute to increasing labor yield and inculcate in workers--the real masters of the society--a new attitude toward work; responsibility toward the state and collective property; the authentic patriotism associated with socialist internationalism; loyalty, courage and the spirit of solidarity; the collective spirit; and the love of learning.

The chairman gave assurances that the work of the teaching corps will enjoy the constant support of all circles and that "the KPRP and the PRK government will continue to provide firm moral as well as material support for our new education sector because it is a fundamental factor in the definitive achievement of our efforts to build socialism."

CSO: 4200/56

PRK'S CHEY SOPHEA INTERVIEWED IN CZECHOSLOVAKIA

BK050941 Phnom Penh SPK in French 0403 GMT 5 Aug 82

[Text] Phnom Penh, 5 Aug (SPK)--Immediately after the liberation of Kampuchea (7 January 1979), the KPRP and the PRK government have paid special attention to the restoration of culture, said Chey Sophea, deputy minister of information and culture.

In an interview granted to RUDE PRAVO during his stay in Czechoslovakia to attend the 23d International Film Festival at Korlovy Vary, Chey Sophea laid stress on the Kampucheans' love for arts, particularly music and dance, which helped them to "overcome difficulties" and to "score encouraging results."

Chey Sophea said that 4 art troupes had been founded and are performing in Phnom Penh and the provinces; 19 cultural centers have been established with [the] theater and cinema service; a school of fine arts has opened its doors to 500 students assigned to various subjects: music, dance, sculpture, plastic art and circus; and an institute for literary and scientific research will be founded.

We have received material aid from the Soviet Union, Vietnam, Czechoslovakia, the GDR...for the establishment of a system of movie distribution. The documentary film "Scar and Hope" presented at this festival is a Khmer-Czechoslovak joint production. We have received from Czechoslovakia many films which are distributed in our movie halls. We highly appreciate the assistance of the Vietnamese movie makers who have shared every meter of film with us since the beginning.

The radio broadcase network has been expanded. We are making preparations for television broadcasting. We thank Czechoslovakia for its aid in training Kampuchean technicians in this field.

Chey Sophea denounced the POL pot gang for having abolished the Kampuchean people's moral patrimony during their rule. Many monuments were destroyed, artists, authors...were massacred; cultural establishments have been in ruins. We are making immense efforts to preserve for future generations the cultural patrimony of our ancestors. We are undertaking the reconstruction of the Angkor West Temples with the assistance of UNESCO, the Soviet Union, France and India. It is not easy. However, we do our best to maintain the cultural treasures of our nation, Chey Sophea stressed.

CSO: 4200/56

CHAN SI MEETS WITH PLO SPECIAL ENVOY 'ALI FAYAD

BK030228 Phnom Penh SPK in French 1440 GMT 2 Aug 82

[Text] Phnom Penh, 2 Aug (SPK)--Today, Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the council of ministers, held talks with 'Ali Fayad, the PLO special envoy in charge of southeast Asian affairs, who is currently visiting Kampuchea.

Chan Si affirmed the total support of the party, government and people of Kampuchea for the just struggle of the Palestinian people for independence and freedom and against the U.S. imperialists and the Zionist Israelis. He said he was convinced that the Palestinian people's just struggle will win, due to the aid and support of the peace-loving and progressive people of the world.

Chan Si talked about the Kampuchean people's determination to restore and build their country despite the maneuvers of sabotage and division waged by the imperialists, the expansionists and other reactionaries and about the Kampuchean people's steady progress due to the support of fraternal socialist countries and other progressive people of the world.

'Ali Fayad thanked the Kampuchean people for their support of the Palestinian people. He expressed his support for the firm position of the KPRP which has led the Kampuchean people in restoring and building the country and for the initiatives of the three countries--Kampuchea, Vietnam and Laos--which were aimed at reestablishing peace and stability in southeast Asia. The Palestinian people are determined to struggle until final victory, affirmed 'Ali Fayad.

CSO: 4200/56

PLO SPECIAL ENVOY MEETS CHAN VEN; DEPARTS

BK030801 Phnom Penh SPK in French 0434 GMT 3 Aug 82

[Text] Chan Ven, secretary general of the Council of State and vice chairman of the KUF NCD National Council, received 'Ali Fayad, special envoy of the PLO in charge of southeast Asian affairs, in Phnom Penh on Sunday, 1 August.

The two personalities exchanged views on the tension in southeast Asia, the Middle East and the world caused by the interventions of the imperialists, expansionists and other reactionaries.

Chan Ven said that the Kampuchean people closely follow the tension in the Middle East generated by the Israeli Zionists, who, under the protection of U.S. imperialism, are opposing the just struggle of the Palestinian people. He reaffirmed the solidarity of the Kampuchean people with the people of Palestine in their struggle against the Israeli aggressors for independence, freedom and happiness.

'Ali Fayad asserted his support for the just cause of the three Indochinese peoples for independence and peace in the region and the world and he also expressed high appreciation for the progress in every field achieved by the Kampuchean people during the past 3 years.

The PLO special enovy left Phnom Penh on Monday, 2 August, at the end of his 5-day visit to Kampuchea.

He was seen off at the airport by Min Khin, acting secretary general of the KUF NCD National Council.

During his stay in Kampuchea, the PLO special envoy visited the Tuol Sleng school-prison, the mass graves at Cheung Ek, the former royal palace, the National Museum, the "Kolab 2" orphanage and the textile factory at Russei Kev.

CSO: 4200/56

KUFNCD MEETING SUPPORTS PLO IN LEBANON

BK011221 Phnom Penh SPK in French 1436 GMT 31 Jul 82

[Excerpt] Phnom Penh, 31 Jul (SPK)--This morning the KUF NCD Council held a meeting in Phnom Penh in solidarity with the Arab Palestinians and Lebanese peoples--victims of the Zionist Israelis's war of aggression.

Present at Thai meeting among others were: Chan Ven, vice chairman of the KUF NCD Council and general secretary of the council of state; superior Bonze Tep Vong, vice chairman of the KUF NCD Council; and Heng Teav, vice chairman of the Kampuchean Federation of Trade Unions Central Committee.

Ali Fayad, PLO special envoy, was also present.

The diplomatic corps accredited to Kampuchea were also present.

Chan Ven opened the meeting by saying that "the KUF NCD Council convened this meeting in the spirit of internationalist proletarian solidarity, friendship and mutual cooperation between the Kampuchean, Palestinian and Lebanese peoples in their struggle against the U.S. imperialists the Zionists and racism; for independence, peace, democracy and social progress; and to show indignation over the Israeli aggression against independent and sovereign Lebanon and the massacre of the Palestinian people."

The meeting unanimously declared its complete support for the proposals put forward by the chairman of the presidium of the USSR supreme Soviet L. Brezhnev aimed at establishing universal peace in the Middle East and in the world.

In his speech, Ali Fayad talked about the present struggle of the Palestinian people against the cruelest aggression in their history.

He denounced the British and U.S. imperialists who have backed Israel in maintaining its hold on Palestine since 1948 and Zionist attempts to exterminate the Palestinian people.

The meeting unanimously adopted a resolution severely condemning the U.S. imperialists' aggression and interference, the Zionist Israelis' aggression against the Palestinian and Lebanese peoples, which is aimed at putting an end to the PLO revolutionary forces, creating tension in the Far East and

threatening world peace. This meeting insisted that the U.S. imperialists and the Zionist Israelis immediately cease their aggression and promptly and unconditionally withdraw their troops from Lebanon and stop without delay their bombardment of Beirut.

The participants declared their complete support for the just and valiant struggle of the Palestinian people led by the PLO and for the Lebanese people and other Arab countries in the defense of their fundamental rights against the aggression and interference of the U.S. imperialists and the Israelis.

All of the Kampuchean people must do everything possible to reinforce the ties of militant solidarity with the PLO, the Palestinian and Arab peoples in their struggle against the Zionist Israelis and other reactionary powers, says the resolution.

CSO: 4200/57

KONG KORM MEETS WITH PLO SPECIAL ENVOY

BK021014 Phnom Penh SPK in French 0417 GMT 2 Aug 82

[Text] Phnom Penh, 2 Aug (SPK)--On Saturday, 31 July, Kong Korm, deputy minister of foreign affairs, held talks in Phnom Penh with 'Ali Fayad, the PLO special envoy in charge of southeast Asian affairs, who is currently on a visit to Kampuchea.

'Ali Fayad talked about the situation in the Middle East, emphasizing the massacres of the Palestinian and Lebanese peoples perpetrated by the Zionist Israelis. He denounced the barbarous Israeli aggression and described the heroic struggle of the Palestinian people in the defense of their just cause. He expressed their determination to join together with the Kampuchean people in the struggle against their common enemy--U.S. imperialism. He said he was convinced that the protests of the Soviet Union, socialist countries and progressive countries against the Israeli aggression in south Lebanon and their support for the Palestinians and Arabs will lead to an Israeli withdrawal from Lebanon. He highly praised the struggle of the Kampuchean, Vietnamese and Lao peoples against the expansionists and the imperialists.

Kong Korm hailed the heroism with which the Palestinian and Lebanese peoples are fighting against the Zionist Israelis, who are supported by the U.S. imperialists. The Israeli aggression is a barbarous act in violation of international law. Israel must lift the siege of Beirut and unconditionally withdraw its troops from Lebanon, Kong Korm said. He stressed that the Kampuchean people make common cause with the Palestinian people at present and in the future.

Kong Korm denounced the maneuvers of the Tripartite coalition government of Sihanouk, Khieu Samphan and Son Sann, which seeks to massacre the Kampuchean people once again, deceive international opinion and maintain its seat at the United Nations. He informed 'Ali Fayad of the declaration of the sixth conference of the foreign ministers of Kampuchea, Vietnam and Laos.

CSO: 4200/57

VODK ON KHIEU SAMPHAN MESSAGE TO BANGKOK MEETING

BK161203 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 13 Aug 82

["Excerpts" from important speeches by various delegates attending the Asian regional conference in support of the Kampuchean people's struggle held in Bangkok from 31 July to 1 August]

[Excerpt] Following the opening speech by His Excellency Gen Chana Samutwanit, Ieng Thirith, head of the Democratic Kampuchean delegation, read the message of His Excellency Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs.

The message expressed thanks to the Thai Government and people, to the governments and peoples of the ASEAN countries and to the governments and peoples of the world for supporting the just struggle of our Kampuchean people. It stressed that, under the difficult circumstances of the Kampuchean people's history and with the support of friendly countries the world over, the Kampuchean people and the combatants of the army and guerrillas of Democratic Kampuchea, united as one, are determined to fight in all ways to liberate the country and safeguard the nation until final victory.

CSO: 4212/29

VODK REPORTS MAURITANIAN PRESIDENT RECEIVES DK AMBASSADOR

BK170330 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 16 Aug 82

[Text] On 12 August, at his office in Nouakchott, His Excellency Mohamed Khouna Ould Haydala, chairman of the Military Committee for National Salvation and head of state of the Islamic Republic of Mauritania, received and had a cordial conversation with Hing Un, Democratic Kampuchean ambassador to the Islamic Republic of Mauritania.

The Democratic Kampuchean ambassador conveyed the most profound gratitude of the Kampuchean people and the Democratic Kampuchean Government to His Excellency President Haydala and the government and fraternal people of Mauritania for their valuable support and assistance to the struggle waged against the Vietnamese aggressors by the Kampuchean people and Democratic Kampuchean Government. On the same occasion, his excellency the president of Mauritania reiterated his country's support for the just struggle of the Kampuchean people and Democratic Kampuchean Government.

After this meeting, Ambassador Hing Un made a speech over Mauritanian national radio. He thanked the Mauritanian Government for its constant support for the just struggle of the Kampuchean people and the Democratic Kampuchean Government at the United Nations and the nonaligned movement by defending Democratic Kampuchea's seat there and supporting the resolutions demanding the total withdrawal of the Vietnamese troops from Kampuchea and the right to self-determination for the Kampuchean people.

CSO: 4212/29

CONFERENCE ON JUDICIAL WORK CONVENES

BK280745 Phnom Penh Domestic Service in Cambodian 1300 GMT 27 Aug 82

[Summary] "This morning, the Ministry of Justice opened the first conference on judicial work at the School for Administrative and Judicial Cadres to sum up the achievements scored by the ministry during the past 2 years and prepare directives for future implementation.

"Present in the presidium on that occasion were Comrade Chea Soth, vice chairman of the Council of Ministers and minister of planning; Comrade Mat Ly, vice chairman of the National Assembly and deputy minister of agriculture; and Comrade Uk Bunchhoeun, the minister of justice. Many deputy ministers, cadres of various ministries and offices were also present at the ceremony."

After the playing of the national anthem and paying respect to the memory of dead heroes, Comrade Uk Bunchhoeun read a report on judicial work in all fields, including the preparation of draft laws, the propagation of laws, juridical work, opposition to the violation of laws, the training of administrative and judicial cadres, the promotion of justice, and so on.

Later on Comrade Chea Soth took the floor and gave some recommendations to the conference. He praised the achievements scored by the Ministry of Justice over more than 2 years. He also emphasized that although many good results were obtained in the judicial field, the Ministry of Justice has many requirements yet to be fulfilled for the cause of the country, the people and the Kampuchean revolution. He indicated that cooperation from various ministries and departments is needed.

"This ceremony was held in a joyful and sincere atmosphere and ended at 1030."

CSO: 4212/29

AGRICULTURAL REPORTAGE FOR 16-22, 23-29 AUGUST

16-22 August

BK230635 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 16-22 August:

Koh Kong: Phnom Penh Domestic in Cambodian at 0400 GMT on 16 August reports on agricultural production in Kompong Som municipality: So far, more than 4,000 hectares of early, ordinary and late rice have been transplanted and about 200 hectares of corn, sugarcane, potato, manioc, banana and other secondary food crops planted. Phnom Penh SPK in French at 1432 GMT on 17 August adds that fishermen in Kompong Som municipality and Kampot caught 1,900 tons of fish in the first half of this year. They plan to catch 3,000 tons in the second half. Kompong Som fishermen also caught 55 tons of shrimps, 2 tons of cuttlefish and crabs and produced 90 tons of dried fish and 50,000 liters of pickle.

Battambang: Radio Phnom Penh at 1300 GMT on 16 August notes that in Moung Russei District, so far more than 1,600 hectares of floating rice and 13,000 hectares of late rice have been broadcast and 1,000 hectares of late rice sown. In addition, about 900 hectares of late, ordinary and early rice have been transplanted. SPK at 1430 GMT on 17 August adds that as of early August, Mongkolborei District had planted 47,500 hectares of rice, achieving 90 percent of the plan norm. The district people have deepened irrigating canals in two communes totaling 4,000 meters in length and dug a new canal 700 meters long. The district authorities have distributed rice seeds, chemical fertilizer and insecticide to various localities.

Kandal: SPK at 1432 GMT on 16 August says that Koah Thom District, Kandal Province, by mid-August, had planted 4,200 hectares of rice, or 740 hectares above plan. The peasants also harvested 400 hectares of IR-36 rice and (?3,515) hectares of corn. The district authorities have supplied various localities with chemical fertilizer, insecticide and raticide. At 1432 GMT on 17 August the news agency adds that Kandal Province's veterinarians, by early August, had vaccinated about 40,000 pigs against infectious diseases.

Siem Reap-Oddar Meanchey: Phnom Penh Radio at 0400 GMT on 17 August carries a statement by Mrs Khou Chandara, National Assembly member from Siem Reap-Oddar Meanchey Province, to a station correspondent, describing development in all fields in her province. In agriculture, she reports that by the end of July, the province had planted and transplanted 50,450 hectares of rice, or one-third of the plan norm and planted an unspecified amount of secondary food crops. She notes that in the last fishing season, the province caught 8,266 tons of fish. She adds that the peasants also sold to the state more than 10,000 tons of rice and hundreds of tons of mungbean, lotus seed and dried fish.

Kompong Cham: Peasants in Dambe District, Kompong Cham Province, have planted rice on 2,640 hectares, according to SPK at 1432 GMT on 17 August.

Takeo: Radio Phnom Penh at 0400 GMT on 18 August notes that peasants in Samraong District, as of 10 August, had tilled more than 8,600 hectares of land, sown about 2,000 hectares of late, ordinary and early rice, transplanted 580 hectares of late rice, 900 hectares of ordinary rice and 1,200 hectares of early rice, and harvested more than 270 hectares of October rice. In Kirivong District, the radio adds at 0400 GMT on 18 August that so far 14,550 hectares of rice have been transplanted, 3,223 hectares of rice sown and 2,227 hectares of broadcast rice planted. The radio further notes that in Treang District, the peasants have plowed more than 2,800 hectares of land, broadcast 1,500 hectares of floating rice, transplanted 8,000 hectares of all kinds of rice and planted more than 650 hectares of subsidiary crops.

Kompong Thom: Phnom Penh Radio reports at 0400 GMT on 19 August that in Stoung District, peasants have so far sown 381 hectares of ordinary rice, broadcast 4,700 hectares of floating rice, transplanted 179 hectares of ordinary rice, 176 hectares of early rice and planted 481 hectares of slash-and-burn rice as well as about 500 hectares of corn, potato and vegetables. In a later broadcast at 0400 GMT on 22 August, the radio adds that in Baray District, by 28 June, more than 3,600 hectares of rice had been transplanted, 270 hectares of slash-and-burn rice planted, 480 hectares of ordinary rice sown and 1,200 hectares of subsidiary crops planted.

Kompong Chhnang: SPK at 0418 GMT on 19 August reports that by the end of July, farmers in Kompong Chhnang Province had planted 11,630 hectares of rice or 3,200 hectares more than in the corresponding period of last year. The province also planted 4,400 hectares of subsidiary and industrial crops. So far this year, it has opened 17 courses on cultivation techniques for local cadres. Meanwhile, many irrigation systems have been restored. Phnom Penh Radio at 0400 GMT on 21 August adds that in Kompong Leng District, as of mid-July, peasants had broadcast rice on more than 2,400 hectares, sown 130 other hectares, transplanted about 180 hectares and tilled another 800 hectares.

Kampot: At 0400 GMT on 20 August, Phnom Penh Radio notes that in Chhuk District, Kampot Province, as of 10 August, more than 4,100 hectares of early and late rice had been sown, 6,450 hectares of early and late rice

transplanted, 10,100 hectares of land tilled, about 330 hectares of subsidiary crops planted and 240 hectares of rice harvested. There are about 48,480 oxen and buffaloes, more than 12,300 pigs, about 242,000 chickens and 28,000 ducks.

Svay Rieng: The radio in the same broadcast reports on agricultural production in Svay Rieng Province: As of 10 August, peasants in the province had tilled 96,030 hectares of land, sown rice on 10,145 hectares, broadcast and transplanted rice on 22,450 other hectares and planted about 950 hectares of subsidiary crops. In an earlier broadcast, about 1300 GMT on 16 August, the radio notes that in Chantrea District, as of 10 August, 7,833 hectares of riceland had been retilled and 1,217 hectares of various kinds of rice planted. SPK at 0402 GMT on 18 August adds that in Rumduol District, peasants have planted rice on 4,900 hectares and sown 1,160 other hectares. Last year, Rumduol peasants planted 14,830 hectares of rice or 5,000 hectares above plan. In Svay Teap District, Phnom Penh Radio at 1300 GMT on 18 August adds, during the current rainy season, peasants have tilled ricefields on 13,535 hectares, sowed rice on 4,360 hectares, broadcast 2,583 other hectares and planted subsidiary crops on 235 hectares. The district has raised 598 head of cattle, 8,685 pigs, 25,660 chickens and 8,290 ducks. It also has dug 542 fish ponds. SPK at 0414 GMT on 20 August notes that in Romeas Hek District the people have raised 24,100 head of cattle or 5,690 head more than last year and 8,000 pigs or double last year's. In Svay Rieng District, SPK adds at 1429 GMT on 22 August, peasants have planted 7,190 hectares of ordinary rice and 2,500 hectares of early rice. The district counts 18,000 head of draught animals.

23-29 August

BK300905 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 23-29 August:

National level: Phnom Penh SPK in French at 0356 GMT on 24 August reports that by mid-August, Kampuchea's cultivated rice acreage had reached approximately 504,000 hectares, or one-third of the targeted plan.

Prey Veng: SPK at 1431 GMT on the same day notes that by mid-August, Mesang District had planted rice on 6,700 hectares, surpassing the rice cultivation acreage in the corresponding period of last year. Phnom Penh Domestic Service in Cambodian at 0400 GMT on 26 August adds that in Kompong Trabek District, as of early August, peasants had broadcast more than 16,000 hectares of early and ordinary rice, transplanted more than 5,000 hectares of late rice and grown more than 400 hectares of subsidiary crops. At 0400 GMT on 29 August, Phnom Penh Radio carries a report by Cheam Yiep, National Assembly member for Prey Veng Province and chairman of the provincial revolutionary committee, to the third session of the assembly noting that in the last rainy season his province planted 174,796 hectares of rice and that during the first half of this year, it planted 29,408 hectares, including 28,434 hectares of principal rice and 976 hectares of IR-36 rice. By the end of July, the province had planted 23,098 hectares, tilled 34,691 hectares and sown 3,558 hectares.

Pursat: Phnom Penh Radio at 0400 GMT on 25 August says that so far Bakan District has tilled more than 20,000 hectares of land, sown rice on 2,600 hectares, transplanted rice on 6,300 hectares and grown about 700 hectares of subsidiary crops. There are more than 10,000 oxen, 6,300 buffaloes and tens of thousands of chickens and ducks. The radio at 1300 GMT on 29 August adds that by the end of July, peasants in Pursat Province had broadcast more than 13,100 hectares of rice, plowed more than 3,500 hectares and planted more than 440 hectares of slash-and-burn rice.

Kompong Thom: At 0400 GMT on 26 August the radio reports that Kompong Svay District has planted more than 7,800 hectares of rice, sown 122 hectares of early and ordinary rice, grown more than 450 hectares of corn, potato, bean and vegetables and raised thousands of chickens and ducks. SPK at 1438 GMT on 29 August notes that 16,600 head of cattle in the district were vaccinated during the first half of this year. The news agency in the same broadcast at 1448 GMT adds that peasants in Kompong Thom Province have cultivated 54,280 hectares of rice and 5,580 hectares of subsidiary crops.

Battambang: SPK at 1440 GMT on 27 August cites Kong Srun, National Assembly member for Battambang Province, as telling the assembly third session that in this season his province has cultivated rice on 189,580 hectares or 67.70 percent of the plan norm and 3,987 hectares of subsidiary crops, 2,870 hectares of industrial crops and 5,400 hectares of vegetables. It has raised 132,300 head of cattle as well as 407,000 fowls and about 59,000 pigs. The province has caught 3,880 tons of fish. Phnom Penh Radio at 0400 GMT on 29 August carries a similar report but gives some variant crop figures as follows: 230,000 hectares of land tilled, almost 190,000 hectares of rice planted, almost 40,000 hectares of subsidiary crops, 5,300 hectares of vegetables and 2,800 hectares of industrial crops grown. SPK at 1448 GMT on 26 August adds that the veterinary service of Battambang Province since early this year has vaccinated 42,033 head of oxen and 4,024 pigs against contagious diseases. At 1433 GMT on 28 August the news agency adds that Thmar Puok District, by mid-August, had cultivated rice on 2,400 hectares or 36 percent of the plan norm.

Kompong Speu: SPK at 0404 GMT on 26 August notes that the people of Kompong Speu Province, by mid-August, had cultivated 45,000 hectares of rice. In the first 10 days of this month they planted 9,000 hectares. There are 400 motorpumps in Samraong Tong, Thpong, Oudong and Kong Pisei Districts for pumping water into 15,000 hectares of ricefields. The district authorities have supplied the people with 200 tons of IR-36 rice seeds, 500 tons of chemical fertilizers, 1,600 liters of insecticide, 1,850 kilograms of rat poison, 130 sprayers and 600 plows. The district has also grown 6,160 hectares of corn, sugarcane, beans and vegetables.

Kompong Chhnang: Phnom Penh Radio at 1300 GMT on 26 August reports that peasants in Kompong Chhnang Province, by mid-August, had plowed and harrowed almost 19,000 hectares of land, broadcast about 4,600 hectares of floating rice, transplanted 18,600 hectares of various types of rice, 3,000 hectares of secondary food crops and 400 hectares of industrial

crops. The province has so far reclaimed over 8,000 hectares of land out of a total plan of 11,500 hectares. The radio at 1300 GMT on 27 August adds that in Rolea P'ier District, by the end of July, 700 tons of early, ordinary and late rice seeds had been sown on 1,500 hectares of land; over 3,500 hectares of early, ordinary, late, farm and slash-and-burn rice are being transplanted; this is 33.66 percent of the total rice planting plan; over 1,100 hectares of floating rice also broadcast; over 250 hectares of corn, potato, cassava, mungbean and vegetables as well as 34 hectares of industrial crops planted. The radio service at 0400 GMT on 28 August adds that in Baribo District, by the end of July, more than 2,000 hectares had been tilled, 1,000 hectares of different kinds of rice sown using more than 480 tons of rice seeds, about 230 hectares of highland rice sown, 900 other hectares transplanted and more than 390 hectares of subsidiary and industrial crops planted. SPK at 1436 GMT on 27 August says that Kompong Chhnang fishermen have caught 9,000 tons of fish or 500 tons more than planned. Phnom Penh Radio at 0400 GMT on 29 August adds that Toek Phos District, by the end of July, had planted more than 1,700 hectares of rice, 250 hectares of subsidiary crops and 65 hectares of industrial crops.

Kompong Cham: Phnom Penh Radio at 1300 GMT on 28 August notes that Tbong Khmum District, by 15 August, had transplanted more than 9,900 hectares of rainy-season rice and grown 700 hectares of subsidiary crops. The revolutionary state power has provided the people with 23 tons of paddy to poor families, 22 tons of IR-36 rice seeds, 25 tons of corn seeds and more than 260 tons of chemical fertilizers. The district veterinary service has injected more than 5,300 animals against various diseases.

Kampot: At 1300 GMT on 26 August Phnom Penh Radio reports that by 30 July, Angkor Chey District had plowed and harrowed over 5,700 hectares of land, sown 1,000 hectares of late rice, transplanted 1,400 hectares of late rice, planted 35 hectares of slash-and-burn rice, and grown 800 hectares of secondary food crops. The radio at 0400 GMT on 27 August quotes Som Chen, National Assembly member of Kampot Province and chairman of the provincial revolutionary committee, as reporting that by the end of July, his province had transplanted 32,165 hectares of rice and reclaimed 1,280 hectares of land. The same broadcast service at 1300 GMT on 28 August adds that in Banteay Meas District, by 30 July, peasants had tilled more than 16,500 hectares of land, transplanted 3,500 hectares of early rice and 7,400 other hectares of late rice, planted 35 hectares of slash-and-burn rice, 14 hectares of broadcast rice and 7 hectares of floating rice.

CSO: 4212/29

PRK, DK DEFECTORS RALLY TO SIHANOUK

BK010716 Bangkok Voice of Free Asia in English 1100 GMT 31 Aug 82

[Text] According to a Thai military source in Prachin Buri Province, about 78 former members of the Heng Samrin forces left their hideout to join the Moulinaka, a Kampuchean resistance group loyal to Prince Norodom Sihanouk, in their fight to liberate Kampuchea from the Vietnamese occupation.

All the dissident troopers deserted their unit in Battambang last Tuesday. Most of them were armed with assault rifles, RPG launchers and a large number of ammunition.

The defectors were met by an assistant of the leader of the Moulinaka at a place about 6 kilometers from the Thai-Kampuchean border.

All of them were later taken to the Moulinaka's camp on the Kampuchean side opposite to the Thai village of Ban Nongchan in Ta Phraya District of Prachin Buri.

The defectors reportedly said they decided to desert the Heng Samrin forces because they could no longer live under the Vietnamese rule. They also said that they wanted to help the Moulinaka overthrow the Vietnamese-led Heng Samrin regime and liberate Kampuchea.

The Khmer Rouge commander told reporters at a meeting place in Kampuchea about 17 kilometers south of Aranyaprathet that some of the Khmer Rouge fighters were so demoralised that they deserted their units to join the other Kampuchean resistance groups.

CSO: 4220/357

BRIEFS

JAPANESE BUDDHISTS RECEIVED--Phnom Penh, 30 Jul (SPK)--On Thursday, 29 July, Chan Ven, general secretary of the council of state and vice chairman of the Kufncd Council, received in audience in Phnom Penh a Japanese delegation led by Tamagawa Gakusho, vice chairman of the all-Japan Association of Young Buddhists. Chan Ven expressed his thanks to the association and to Japanese Buddhists for their assistance to Kampuchean Buddhists and people. Tamagawa Gakusho highly praised the Kampuchean people's progress and promised to do his best ot consolidate friendly relations between Kampuchean and Japanese Buddhists. On the same day, the delegation left Phnom Penh at the end of its 3-day visit to Kampuchea. It was seen off by Minh Khin, acting general secretary of the Kufncd, and venerable Um Sum, vice chairman of the Phnom Penh front committee. The delegation visited Unnalaom Monastery in Phnom Penh, the Vat Phnum, Orphanage No 1, Pharmaceutical Plant No 1 and various provinces. [Text] [BK311201 Phnom Penh SPK in French 1435 GMT 30 Jul 82]

DELEGATION TO VISIT BULGARIA--Phnom Penh, 15 Aug (SPK)--At the invitation of the National Assembly of the people's Republic of Bulgaria, a delegation of the PRK National Assembly will leave for an official friendship visit to Bulgaria in the second half of August. It will be headed by Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the Kufncd National Council. [Text] [BK161139 Phnom Penh SPK in French 1430 GMT 15 Aug 82]

ANTI-ILLITERACY COMMITTEE MEETING--Phnom Penh, 14 Aug (SPK)--The National Committee for Anti-illiteracy Struggle and Supplementary Education expects to completely eradicate illiteracy by the end of the first half of 1983. The standing committee of the national committee met in Phnom Penh on 8 August in the presence of its Chairman Heng Samrin, chairman of the council of state; Bou Thang, member of the KPRP Central Committee Political Bureau, vice chairman of the council of ministers and vice chairman of the committee; Pen Navouth minister of education and secretary general of the committee; and other personalities. The committee reviewed the successes won during the past 2 years and defined furture tasks. Within the framework of the triennial plan for the eradication of illiteracy, the meeting participants agreed, among the measures taken, to two campaigns, one to begin in October 1982 and end in January 1983 and the other to last from January to June 1983. [Excerpt] [BK140718 Phnom Penh SPK in French 0401 GMT 14 Aug 82]

LEADERS VISIT LOCAL CONSTITUENTS--Phnom Penh, 14 Aug (SPK)--Recently state leaders and the deputies to the National Assembly went to various localities of the country to get firsthand information about the situation for the forthcoming National Assembly session. National Assembly Chairman Chea Sim paid a visit to cadres, personnel and workers of Battambang Province, some 300 km northwest of Phnom Penh. Vice chairman of the council of ministers Hun Sen paid a visit to the population of various districts in his constituency of Kompong Cham, 100 km northeast of Phnom Penh. Keo Chanda, chairman of the Phnom Penh municipal people's revolutionary committee, had meetings with the population of the capital, particularly with the Cham ethnic group in the northern suburbs. The deputies expressed satisfaction with the results of the people in the implementation of party and government directives and learned about the opinion of the inhabitants regarding the improvement of work in various fields of national reconstruction and defense. [Text] [BK150315 Phnom Penh SPK in French 1431 GMT 14 Aug 82]

THAI BORDER VIOLATIONS--Phnom Penh, 8 Aug (SPK)--During the week of 30 July-5 August, Thai reconnaissance aircraft made 5 flights over the border regions of the PRK, penetrating from 3-5 km into Kampuchea, according to military sources. Areas located from 1-6 km from the border were hit 58 times by H-12 rockets and 120-mm and 82-mm mortars based in Thailand, including 9 shellings in areas northwest of Choam Khsan and south and southwest of the border junction in Preah Vihear Province; 20 shellings against Kon Kak, west of Pailin, northwest of Romiet, Thmar Puck, southeast of Poipet and west of Ta Sanh in Siem Reap and Battambang Provinces; 22 against the area west of Smat Deng in Pursat Province; and 7 against hills 343 and 199 in Kch Kong Province. [Text] [BK091152 Phnom Penh SPK in French 1507 GMT 8 Aug 82]

RICE CULTIVATION--Phnom Penh, 24 Aug (SPK)--By mid-August, Kampuchea's cultivated rice acreage has reached approximately 504,000 hectares, or one-third of the targeted plan. During the last few weeks 62,760 more hectares have been cultivated. Despite the rains, Kandal Province has planted 25,280 hectares and Kompong Chhnang 13,480 hectares, an increase of 6,620 and 640 hectares respectively compared with the same period of last year. Koh Kong, Pursat, Takeo and Kompong Speu this year achieve 35 to 75 percent of the plan. Throughout the country, there are also 15,770 hectares of industrial crops and 75,420 hectares of subsidiary crops. [Text] [BK241517 Phnom Penh SPK in French 0356 GMT 24 Aug 82]

HONECKER GREETED ON BIRTHDAY--Phnom Penh, 25 Aug (SPK)--Heng Samrin, general secretary of the KPRP Central Committee and chairman of the council of state, sent his ardent greetings to Erich Honecker, general secretary of the Socialist Unity Party of Germany Central Committee and chairman of the GDR council of state, on the occasion of his 70th birthday. Chairman Heng Samrin said in his message: For half a century, your life has been actively linked to the struggle for the prosperity of the people and workers of the GDR, for the success of the Marxist-Leninist noble ideal and for safeguarding peace on earth. Your efforts deserve admiration from all communists in the world. I am deeply grateful for your consistent activities for the consolidation and development of fraternal friendship and cooperation between our two countries. [Text] [BK250644 Phnom Penh SPK in French 0359 GMT 25 Aug 82]

CONDOLENCES SENT TO MPR LEADER--Phnom Penh, 21 Aug (SPK)--In response to the report of flooding in some sectors of the capital city of Ulaanbaatar, Heng Samrin, general secretary of the KPRP Central Committee and chairman of the council of state, recently sent a message of sympathy to Yumjaagiyn Tsdenbal, general secretary of the MPRP and chairman of the people's great Hural Presidium of the MPR. Heng Samrin asked Y. Tsedenbal to convey his "deep consolences" to the victims. [Text] [BK220251 Phnom Penh SPK in French 1429 GMT 21 Aug 82]

THIOUNN MUMM AT UNESCO CONFERENCE--The world conference on cultural policy, organized by UNESCO, was held in Mexico City, Mexico, from 26 July to 6 August. It was attended by delegations from 129 countries and more than 50 international organizations. The Democratic Kampuchean delegation, led by Thiounn Mumm, chairman of the National Commission in Charge of UNESCO Affairs, also attended this conference. Our Democratic Kampuchean delegation addressed the conference, exposing the crimes of the Le Duan Vietnamese aggressors in their war of aggression to exterminate the Kampuchean race and destroy Kampuchean culture and civilization. Our delegation talked about Democratic Kampuchea's efforts to organize cultural activities in the zones controlled by Democratic Kampuchea. Our delegation also exposed the maneuvers of the Hanoi enemies, who keep talking about peace but whose concrete actions take the form of aggression to annex neighboring countries and destroy peace and stability in Southeast Asia. [Text] [BK220850 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 21 Aug 82]

VIETNAMESE SOLDIERS MUTINY--On 4 August, Vietnamese soldiers posted in Trapeang Svay, Puok District, Siem Reap Province, mutinied and killed their company commander before fleeing back to Vietnam. The reason for this was because this cruel commander kept forcing the soldiers to go out and fight. This kind of mutiny, due to low morale among Vietnamese soldiers fighting in Kampuchea, happens frequently on every battlefield all over Kampuchea. [Text] [BK220805 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 21 Aug 82]

POLAND'S OLSZOWSKI THANKS HUN SEN--[Message of thanks from Stefan Olszowski, foreign minister of the Polish People's Republic, to Hun Sun, foreign minister of the PRK] I would like to express profound thanks to you for your congratulations and best wishes sent to me on my appointment as the foreign minister of the Polish People's Republic. I hope the fraternal relations and cooperation between our two countries will grow more vigorously. I wish you good health and great success in your mission for the well-being of fraternal Kampuchea. [Text] [BK020457 Phnom Penh Domestic Service in Cambodian 0400 GMT 1 Sep 82]

CUBAN DIPLOMAT VISITS--Phnom Penh, 2 Sep (SPK)--The Kampuchean people firmly support the cause of the Cuban and Nicaraguan peoples in the defense of the independence, sovereignty and territorial integrity of their respective countries, declared Kampuchean Foreign Minister Hun Sen to Miguel Puentes Fraga, Cuban charge d'affaires to Kampuchea. In an audience he granted on Monday to the Cuban diplomat, the latter informed him that recently the U.S. Senate bestowed on the U.S. President the power to deploy the armed forces against the Cuban people. Minister Hun Sen strongly condemned the decision, terming it a hostile act flagrantly threatening the Cuban and Nicaraguan peoples as well as other peoples in the region. All perfidious maneuvers of the U.S. imperialists against the peoples in that region are doomed to failure, he emphasized. [Text] [BK031249 Phnom Penh SPK in French 0441 GMT 3 Sep 82]

OUTGOING POLISH AMBASSADOR--Phnom Penh, 29 Aug (SPK)--Polish ambassador to Kampuchea Sergiusz Mikulicz on 28 August called on Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State, before returning home to undertake other functions. Chairman Heng Samrin stressed the bonds of friendship and cooperation between the two parties, governments and peoples which are strengthening with every passing day. He affirmed his support for the just struggle of the Polish Government and people against U.S. imperialism and international reaction which, he said, cannot tear the Polish people from the socialist community and make them stray from Marxism-Leninism. He talked about the successes scored by the Kampuchean people under the just leadership of the KPRP thanks to the disinterested aid of Vietnam, the USSR and other countries of the socialist community, including Poland. The ambassador of Poland deeply thanked the Kampuchean party, government and people for greatly helping him in the accomplishment of his mission. [Text] [BK290726 Phnom Penh SPK in French 0406 GMT 29 Aug 82]

CSO: 4200/58

BRIEFS

HIGHWAY BRIDGES' REBUILDING--Hanoi, VNA, 25 Aug--Vietnam is helping Laos build 13 concrete bridges and 550 culverts along the three highways in the northern provinces of Xiangkhoang and Houaphan also built with Vietnam's assistance. Construction has been greatly hampered by the numerous unexploded bombs and mines planted by the enemy during the last war, as well as by shortage of materials and equipment and wretched weather. So far, 8 concrete bridges and 370 culverts of Highway 7 have been completed. The longest bridge is the Nam Tiem arch bridge, 60 metres long and 9 metres wide. Work continues on the other 5 bridges on Highway 6 and the Phu Lau-Muong Hiem highway. In the first half of this year, the builders achieved 64 percent of the yearly target, 14 percent higher than in the same period last year. [Text] [Hanoi VNA in English 0721 GMT 26 Aug 82 OW]

LNLF ATTACKS ON SRV TROOPS--Here is a combat report from Sithandone District in Laos: On 8 August the guerrillas of the Lao National Liberation Front [LNLF] attacked the Vietnamese enemies at (Nadi) position killing three soldiers and wounding four others. On 10 August the guerrillas ambushed a Vietnamese platoon moving by boat downstream from (Muong Mun). The boat was sunk and five Vietnamese soldiers, including a sub-lieutenant, were killed. The guerrillas also seized a pistol, a B-40 rocket-launcher, 2 AK's, an AR-15, 18 rounds of pistol ammunition, 4 B-40 rockets, 80 rounds of AR-15 ammunition and a quantity of materiel. In sum, during these two days, the LNLF guerrillas killed or wounded 12 enemy soldiers, including the killed sub-lieutenant; destroyed a boat and a quantity of materiel; and seized a pistol, a B-40 rocket-launcher, 2 AK's, an AR-15 and a quantity of ammunition and materiel. [Text] [BK220756 Voice of Democratic Kampuchea (Clandestine) in Cambodian to Kampuchea 2330 GMT 21 Aug 82]

CSO: 4220/357

FOREIGN MINISTER CRITICIZED ON POLICY DIRECTION

Sit Views On PRC, SRV, Khmer Coalition Assailed

Bangkok PATINYA in Thai 23 Aug 82 pp 6-9

[Article: "Foreign Policy, Courting Trouble"]

[Text] After one stage of the implementation of Thailand's foreign policy on supporting the formation of the Khmer coalition government was completed, Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, invited reporters in the country to meet with him so that he could make a statement and discuss the matter with them. The meeting took place at the conference hall of the Ministry of Foreign Affairs on the evening of 10 August.

On this occasion, Air Chief Marshal Sitthi explained the principles of Thailand's foreign policy to the reporters. He said that the policy is based on the principle of preserving [the country's] independence and sovereignty. In practice, it changes depending on the situation. But efforts are being made to always keep it within this framework. Concerning the charge that the Ministry of Foreign Affairs has done things outside [the framework] of the policy announced to parliament, the minister of foreign affairs has informed parliament and parliament understands. Also, Air Chief Marshal Sitthi said that Vietnam is very clever. It was able to defeat th United States because it was able to make use of the people in the United States to the point where the government could not do anything and finally lost the war. This is like a warning to those here who oppose this policy.

Vietnam and the Soviet Union: The Immediate Enemies

Air Chief Marshal Sitthi mentioned that when North Vietnam seized South Vietnam, it also expanded its forces in Laos and Kampuchea, which posed a danger to the security of Thailand, particularly when Vietnam sent troops to occupy Kampuchea. The Thai minister of foreign affairs feels that if Thailand or Asean do not protest, Vietnam's border will extend all the way to the Thai border. And Air Chief Marshal Sitthi does not believe that Vietnam will stop there. As an example, he mentioned the advances of Hitler, who took over countries one by one like this. And based on his own experiences, the foreign minister said that what Vietnam says cannot be believed. For example, Vietnam once said

that Vietnam alone can guarantee the safety of Thailand. But then the Non Mak Mun affair happened. Thus, if Thailand does nothing about Vietnam's invasion of Kampuchea, it will be the next target. And it would be difficult for Vietnam to change this because this is a matter that would have to be considered by the Politbureau.

At the same time, when the reporters asked him whether Vietnam would really invade Thailand, Air Chief Marshal Sitthi replied that, at present, Vietnam's economy is very poor. And, although it has large military forces, they are spread about guarding a wide area in Indochina. The morale and discipline of the troops is poor. Many soldiers have deserted and many are sick. The Heng Samrin forces are not strong, and they have conflicts with the Vietnamese troops. Because of these things, Vietnam cannot fight Thailand directly. The worrisome thing is that Vietnam can use the method of infiltration to destroy us. And something else that is important is that Vietnam has threatened Thailand because of pressure from the Soviet Union, which wants to gain influence in Southeast Asia in order to seize control of the Strait of Malacca, which is a strategic point in the world. Air Chief Marshal Sitthi pointed this out, citing the fact that the Soviet Union has bypassed Vietnam and helped Laos directly.

China: Everything Can Be Believed

Concerning the threat to Thailand, or Southeast Asia, from China, in response to questions by reporters, Air Chief Marshal Sitthi said that he had held frank talks with the Chinese concerning the matter of the Communist Party of Thailand. He said that he asked China to regard this as an internal affair of Thailand which Thailand would handle itself.Chou En-lai and Zhao Chu Yang constantly replied that [China] would not support the CPT and that , if the government provided support, the Chinese people would protest because they do not favor acting "like a prince." At present, China has greatly reduced the support given to the communist parties in the Asean countries. For example, it closed the Voice of the People of Thailand radio station (VOPT) and that of the Malay Communist Party. And the help given to Thailand in the oil matter was Chinese help.

Besides this, the Thai minister of foreign affairs believes that China will not pose a threat to anyone since it still has problems. It must greatly develop the country during this period.

In disputing Vietnam's claim about the Chinese threat, Air Chief Marshal Sitthi mentioned the reply by Tan Si Ghazli, the Malaysian minister of foreign affairs, who said: 1. Concerning the claim that the Chinese threat to Vietnam comes from the Khmer front, where Pol Pot is China's agent, this is not true because Pol Pot came to power because of Vietnamese intervention. 2. As for Chinese intervention and acts of destruction in Kampuchea, Ghazali feels that it is Vietnam that has interfered and carried out acts of destruction in Kampuchea. 3. Concerning China launching a war to teach Vietnam a lesson, Ghazali thinks that this happened because Vietnam let the Soviet Union in. Air Chief Marshal

Sitthi agrees with all of this and he repeated that he went and observed things and did not see one Chinese soldier in Kampuchea. Therefore, how can it be claimed that there is a threat from China?

Besides this, Air Chief Marshal Sitthi said that China had agreed to the proposal concerning forming a Khmer coalition and allowing the Kampucheans to select their own leader and that China was prepared to negotiate with Vietnam if Vietnam would withdraw its troops from Kampuchea. In conclusion, the minister of foreign affairs said that we should not fall into the trap set by Vietnam and believe that the Vietnamese invasion was launched in response to the Chinese threat. China is not as worrisome as Vietnam, which has pulled the Soviet Union into things.

Thailand's Role: Who Is Providing Support?

Concerning the meaning of the words "Thailand's policy of neutrality," Air Chief Marshal Sitthi responded to reporters' questions by saying that, on the political front, we are not neutral between Democratic Kampuchea and Vietnam's methods. We have always opposed this. And because of the belief that Vietnam poses a danger to Thailand and Asean, Thailand exerted pressure on Asean to issue a resolution calling on Vietnam to withdraw all of its troops from Kampuchea and allow the various Khmer factions to decide things for themselves.

Besides this, the view that Vietnam will not be able to use military methods to totally destroy the forces of the opposition Khmer groups and that the formation of a Khmer coalition should be supported in order to oppose Vietnam as a group, Air Chief Marshal Sitthi feels that since Vietnam has already been encircled economically and politically, if a little military pressure is exerted, Vietnam will have to negotiate with Asean.

Air Chief Marshal Sitthi pointed out that the formation of the Khmer coalition was a Kampuchean affair. They united by themselves; Thailand was not the prime mover in this. The only thing is that, when it looked as if the Khmer groups would split apart, we saved the situation and a loose coalition was formed. They made the announcement elsewhere. And when Sihanouk came here, the Ministry of Foreign Affairs did not get involved at all. Thus, we have not provoked Vietnam. And concerning this, no country, not even Vietnam, has complained about anything.

However, the Thai minister of foreign affairs feels that preserving the Khmer coalition's seat in the United Nations is important and that we must help preserve their seat. If the seat is given to the Heng Samrin group, no one will be able to help the Khmer coalition legally. The things done by Thailand and Asean have succeeded and foreign support has continually increased. For example, when Non Mak Mun was attacked, we received weapons from the United States. Air Chief Marshal Sitthi also appealed [for people] to forget the Khmer Rouge's history of killing because this is an internal affair of their country. And he said that the killing of Thai people at Ban Noi Pa Rai affected just the border area. These Kampucheans do not pose the danger to us that the Vietnamese

do. Talking about the history of Pol Pot makes people hate Pol Pot. Besides the fact that this is interference in Kampuchea, it has resulted in some countries not recognizing their seat in the United Nations. If a country starts this, others will also withdraw [their support] and Vietnam will easily occupy Kampuchea.

Thai Policy: Courting Trouble

From these statements of Air Chief Marshal Sitthi Sawetsila, it is clear that Thailand had to become involved in the Kampuchean problem to the point where it is feared that this may pose a danger to the country because of Asean's and Thailand's belief that Vietnam is a threat to the peace of this region and that Vietnam will not stop its invasion at this point because of pressure from the Soviet Union, which wants to gain influence in this region. This has resulted in Thailand defining the word "neutral" incorrectly, that is, making a comparison between Democratic Kampuchea and the Vietnamese invasion. Thus, no matter which way we move, Thailand will constantly interfere in the internal affairs of these two countries, if not Kampuchea, then Vietnam. What the word "neutral" should mean is remaining neutral between the great powers, that is, China and America on one hand and the Soviet Union on the other. Both of these power groups have constantly tried to compel small countries such as Thailand to fight proxy wars. Remaining neutral in this latter sense will enable Thailand to consider matters and decide on a foreign policy by holding to the interests of the country, that is, remaining neutral by not arguing with Vietnam, which would benefit China, and not arguing with China, which would benefit the Soviet Union.

The Enemy of an Enemy Is Not a Friend

If the Thai minister of foreign affairs returns to a position of neutrality in the latter matter but continues to view China and Russia from the point of view of which country is the greater enemy of Thailand, this is not logical. This may stem from outside inducements or from some fear that has led to prejudice. An example is the view that Vietnam is a danger to us even though we know that they cannot invade us. And so we have implmented a policy that will increase the tension with Vietnam. At the same time, we view China as a friend who has good intentions toward Thailand since it provided help with oil and reduced its aid to the CPT. And we believe everything China says. This matter should be given much thought. If we do so, we will see that, historically, both China and Vietnam have always supported the CPT in its attempt to destroy Thailand. Because Vietnam and China split apart, it was not convenient for China to support the CPT and so it had to reduce its support. Another reason is that China feels that Thailand is doing what China wants, that is, opposing Vietnam by supporting the Khmer coalition, which will beneift China in its attempt to surround Vietnam and simultaneously limit Soviet influence. Thus, China has reduced its disagreements with the Thai government. If Thailand someday fails to follow China's policy, it is entirely possible that China will find a way to pressure Thailand by again supporting the CPT. Thus, the fact that China is an enemy of Vietnam does not mean that it is a real friend of Thailand. Because there are many cases in which the enemy of an enemy is an enemy.

Besides this, there is another reason why the CPT has now become weaker and that is that the conflict between China and Vietnam has resulted in Vietnam expelling the CPT, which is a Chinese-faction communist party, from Laos. The CPT does not have a rear base and so it has become weaker. Thus, when the Thai government has launched suppression operations, it has been able to destroy the CPT easily. The thing that the Thai minister of foreign affairs should not forget is what Chou En-lai was really saying when he said that [China] would not support the CPT. Every time Thailand protested about this, the Chinese government said that this was a party-to-party matter and that the government was not involved, even though the Chinese Communist Party is the one who always stipulates the policies of the government. And when Deng Xiaoping announced the "4 moderns" policy, China launched the war to teach Vietnam a lesson because Vietnam had occupied Kampuchea. If China was going to teach Vietnam a lesson for Vietnam having brought in the Soviet Union, it probably would have done so before then. Or it would have announced at that time that Vietnam must separate from the Soviet Union. But there was no report on this. Thus, as for the statement by the Thai minister of foreign affairs, besides concealing the facts, it clearly shows that [we] are protecting China and preserving Chinese interests.

Even though the support provided by the Thai government to the Khmer coalition is limited to political support, the great powers such as China have sent supplies to the Khmer Rouge group.

Concerning being the prime mover [in the formation of] the Khmer coalition, even though Thailand has tried to explain matters by saying that it was not involved very much, the things that have been done, the statements by the Khmer coalition and the Asean countries in praising the Thai minister of foreign affairs as the prime mover and the fact that Sihanouk and Son Sann have been allowed to pass back and forth across the Thai border make it impossible to deny the fact that Thailand has been a busybody in this.

Besides this, concerning the view of the ministers of foreign countries who feel tht the formation of the Khmer coalition will not lead to a national war, these countries can be compared to spectators at a boxing match in which Vietnam and Thailand are the fighters. Thus, the view of the fight is different. Things are fun for the spectators. But as one of the fighters, things are painful for Thailand. Thus, [Sitthi] cannot use their views as criteria, except to cite them in order to reinforce views that support his position.

The Way Out Is With National Interests

Concerning the fact that PATINYA has criticized the policy of supporting the Khmer coalition in order to prolong the war, we have not fallen into a trap set by Vietnam as Air Chief Marshal Sitthi Sawetsila has said over and over. We have criticized the policy because we are afraid that the minister of foreign affairs will fall into the trap set by the great powers that want Thailand to fight a war in their place. And we are afraid that he is looking at the problems in a very superficial way and that this may be very dangerous for the country.

PATINYA feels that Vietnam's invasion was wrong. We call on Vietnam to act in accord with the resolution of the United Nations. We feel that Vietnam may pose a danger to Thailand in the future, but we do not think that Vietnam is now in a position to fight Thailand since there is no way that it can defeat Thailand. Thus, concerning the fact that the CPT and China have been doing everything possible to push Thailand into a war with Vietnam, with the CPT and China constantly announcing that they will support Thailand if Thailand is invaded by Vietnam and with Thailand implementing a policy that has increased the tension, this is simply creating a problem where none existed. Thus, PATINYA feels that Thailand should implement a policy of neutrality and not get involved or serve as the tool of some great power. Instead, Thailand should quickly try to build up its economic, political and social strength during this period when Vietnam is still unprepared. The result will be that no enemy will dare tangle with us, even if we do share a border with Vietnam. Concerning implementing a policy of neutrality that will preserve our interests, we can do this if we do not belittle our own capabilities or become so transfixed by the cheers or the small benefits that the great powers throw our way that we overlook the interests of the nation. An example is Israel. Even though it was condemned by the entire world for its invasion of Lebanon and even though its backer, the United States, opposed this, Israel had to do this in order to maintain its security. Using this as an example does not mean that Thailand has to invade someone like Israel did. It just points out the fact that preserving the national interests is important, regardless of how great the risk is. This is different from our policy on the Khmer coalition, which places us in a risky position without our gaining anything from this.

Students: Great Powers Use Thailand

Bangkok PATINYA in Thai 23 Aug 82 pp 10-12

[Article: "The Students Have Challenged the Minister to Return to School"]

[Text] The present foreign policy of the Thai government has been widely criticized by people in almost all circles, including students, intellectuals and people in general. That is, there has been criticism about the Thai government, particularly the Ministry of Foreign Affairs, being the prime mover in the formation of the Khmer coalition government, a government composed of the Prince Norodom Sihanouk, Khieu Samphan and Son Sann groups with Prince Sihanouk serving as president. The aim is to have the Khmer coalition government restore the independence of Kampuchea and rid itself of Vietnamese influence, in which Heng Samrin is the leader [of the Vietnamese-backed faction]. Concerning this support, the Thai government claims that it is providing support in order to do things in accord with the resolutions of the United Nations and Asean and in order to improve the image of the Khmer Rouge government and halt the enemy, Vietnam, outside the country. Concerning the fact that people have criticized Thailand's foreign policy, this has caused confusion among the people in general. This is because some people, most of whom are powerful people in government circles or people who have close ties to the government, support this policy while others, particularly people in general and the mass media, oppose this policy.

[Concerning this latter group], there was an open letter from SIAM RAT in the 21 June 1982 edition and an open letter form PATINYA to the prime minister. And Mr Prayun Chanyawong wrote [such strong] articles in his column that he has now been silenced. But there is still continued opposition to this policy.

Students Voice Opposition

On 3 July, approximately 30 Ramkhamhaeng University students who are members of the Border Project and Coffee Council groups gathered together at the Government House to submit an open letter to General Prem Tinsulanon. The letter expressed their opposition to the government supporting the Khmer coalition. There were many posters with various slogans. For example: "Peace [with] Vietnam by [Vietnam] withdrawing its troops from Kampuchea and Thailand not supporting the Khmer coalition." "Thailand must not be the tool of the great powers." "Will uniting the Khmer factions halt the enemy outside the house or invite the enemy into the house?" At the same time, they distributed a statement opposing Thailand's foreign policy on the Khmer coalition. The statement said that this policy amounts to inviting the enemy into the house and that it serves the policies of the great powers who want Thailand to fight a war as their proxy and expand their polwer. This would not benefit our country at all. Rather we would suffer losses by doing so. Thailand would have to spend more money to defend the border. Concerning the atmosphere for investment, tourism and trade, instead of profiting, we would lose huge profits. And if we blunder into a war, in the end this may well lead to a disaster.

In this statement, the view of the Ramkhamhaeng University students is that we should not look out for enemies from just one direction, that is, Vietnam. Rather, we should look out for enemies from all directions, particularly China, which already has a proxy, the CPT. Thailand will not benefit at all by fighting a war as a proxy for a great power. At the end of the statement written by the students, they called on the government tc review its foreign policy in the matter of uniting the Khmer factions. They also proposed [what they consider to be] the correct path to take. That is, Thailand should implement a policy of real neutrality. The internal affairs of Kampuchea should be left to the Kampucheans to handle. At the same time, we should turn to developing our country so that it makes progress and so that we can face any enemy by ourself.

With This Policy, We Have Done the Best Thing

Rear Admiral Prakop Wasinon, the deputy secretary-general for political affairs, went and met with the students. He told the students that the "government will solve this problem in accord with the resolution of the United Nations, which is an international organization, and the resolution of Asean. With this policy, we have done the best thing. We do not want to fight with military forces. Rather, we want to handle things politically." The deputy secretary-general also said that "if Vietnam does not stop carrying out such activities, the government will look for a way to solve the problem politically." He said that the government would soon provide a written response concerning this matter.

Sitthi Is Angry: Students Should Return to Their Classrooms

Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, answered reporters' questions concerning the matter of Ramkhamhaeng University students protesting in front of the Government House and calling on the government to review its policy of supporting the formation of a Khmer coalition. He said that "students have no business getting involved in this matter. If they have some question, they can go ask the MPs since the Ministry of Foreign Affaris presented the matter to parliament and parliament passed a resolution approving this." The reporters replied that the "students are afraid that Thailand will end up like Lebanon." Air Chief Marshal Sitthi said that "if the students have such doubts, they shouuld go study things more deeply. How could Thailand be like Lebanon? This is impossible." The minister of foreign affairs also said that "if the situation in Thailand was really like that in Lebanon, Mr Co Thach would already be in Thailand."

The Students Have Challenged the Minister to Return to the Classroom

After Air Chief Marshal Sitthi spoke with reporters about student opposition to the policy of uniting the Khmer factions and said that the students had not studied the Kampuchean problem deeply and should, therefore, return to their classrooms and not interfere in politics, students from the Border Project, Ram-Tabi and Coffee Council groups at Ramkhamhaeng University responded to Minister Sitthi by saying that "we, as students at Ramkhamhaeng University, which is the largest university in the country, have discussed the attitude and interview statements of the deputy secretary-general and minister of foreign affairs.We do not think that this was the proper attitude or that these were proper statements for people holding high-level positions and who have great responsibility for governing the country." The students feel that, even though Air Chief Marshal Sitthi became the minister of foreign affairs without the approval of the people, that is all right. But, he is a "despicable" minister because he has used his power to implement a policy that risks leading Thailand into a disaster. He is unwilling to listen to the opposing views of the people, and he has not responded to the various questions. Instead, he has told [the students] to go ask someone else or said only that "this is a correct policy."

Besides this, the statement issued by the students also said that Air Chief Marshal Sitthi has "insulted" the students by saying that they do not really know anything and should return to their classrooms. The students said that this was a great "insult" to the students and people since these students have at least a high-school education. The minister of foreign affairs has not been willing to speak with them. As for the people in general, who have less education than the students and who are in the majority in the country, he has not been willing to meet with them at all. The students also stressed that "he cannot forbid the students and people from criticizing the government's foreign policy. The only people he can forbid from doing so are government officials and newspapermen, such as in the case of Mr Prayun Chanyawong." In their statement, the students challenged Minister Sitthi by saying that "Air Chief Marshal Sitthi received his degree in engineering and, therefore, he is not capable of formulating

a correct foreign policy. He should return to school in order to study international politics." The end of the statement stressed that "it is not too late for Minister Sitthi to change himself and become a good minister for Thailand."

Conclusion

The government's policy has been widely opposed by the mass media and by the students and people. But the government, particularly Air Chief Marshal Sitthi Sawetsila, has expressed dissatisfaction and said that this is not their business and that they should not interfere. The government has also stressed that what has been done was the right thing to do and the best way to handle the matter. The views of others are, therefore, not important and they are incorrect. PATINYA feels that in order to develop the administrative system and move from today's semi-democracy to a full democracy in accord with Policy No 65/1982, the government should give all people a chance to express their views freely, including views that support and views that oppose the policies of the government. Patriotism should not be restricted to just one group. Otherwise, not only will the minister not have a place to further his studies, he may not even have a country to live in.

Open Letter Refutes Sit Rejoinder

Bangkok PATINYA in Thai 23 Aug 82 pp 11, 12

[Article: "The Minister of Foreign Affairs Should Return to School"]

[Text] Representatives of the "Border Project" and "Coffee Council" student groups at Ramkhamhaeng University sent an open letter to General Prem Tinsulanon, the prime minister, on 3 August 1982. The letter expressed opposition to the government's foreign policy and asked the government to review the policy concerning the matter of the government serving as the prime mover in the formation of the Khmer coalition government. The [students'] view is that the implmentation of the Thai government's foreign policy in the matter of giving full support to the Khmer coalition will result in Thailand having to fight a war on behalf of great power countries. This amounts to inviting the enemy into the house, and Thailand will not profit at all. Just the opposite, Thailand will suffer great losses, including having to increase the money spent on defending the border and damaging the atmosphere for foreign investments. And if Thailand gives much support to the Khmer coalition government, Vietnam will have to eradicate the forces of the Khmer coalition. When the Khmer coalition forces suffer heavy losses, more and more of them will flee into Thailand and Vietnam will have a legitimate excuse to pursue and eradicate the Khmer forces that have fled into Thailand. Thailand will become a "second Lebanon" or, at the very least, a "national war" will break out. Thailand will experience a disaster and may become communist in the end.

When this open letter was submitted, the prime minister did not personally come out to accept the letter. Before someone came out to accept the letter, [the students] had to talk with officials at the Government House for a long

time. In the end, Rear Admiral Prakop Wasinon, the deputy secretary-general of the Office of the Prime Minister for Political Affairs, came out to accept the letter. He told the student representatives that the [government's] foreign policy is a correct policy that was formulated in accord with the resolutions of the United Nations and Asean. At the same time, Air Chief Marshal Sitthi Sawetsila granted an interview to reporters concerning the matter of students submitting this open letter. He said that the foreign policy had been carefully considered by many sectors and that it had been approved by the cabinet and parliament. Thus, if the students have any questions, they should ask MPs. He also said that the students have not studied the Khmer problem seriously and that the students should return to their classrooms. They should not interfere in politics.

We, as students at Ramkhamhaeng University, which is the largest university in the country, have carefully considered the attitude and interview statements of the deputy secretary-general of the Office of the Prime Minister for Political Affairs and of the minister of foreign affairs. We do not feel that this was the proper attitude or that these were proper statements for people holding high-level positions and who have great responsibility for governing the country. Our reasons are as follows:

First, even though Air Chief Marshal Sitthi Sawetsila became the minister of foreign affairs without the approval of the people, that is all right. But when he got power, he used his power to implement a policy that risks leading Thailand into a disaster. He is unwilling to listen to the opposing views of the majority of the people. He is a very "despicable" minister.

Second, in developing the administrative system and changing from the present semi-democracy to a full democracy, an important thing is that the government must give all the people a chance to ask questions about the government's policies at all times. And the ministers who are directly responsible must answer the various questions. They must not tell the people with questions to go ask someone else or just say that "this is a correct policy."

Third, his statement that the students should return to their classrooms and not interfere in politics or administrative matters and that the students do not have any real knowledge is a great "insult" to the students and people. That is, the students have at least a high-school education but the person who serves as the minister of foreign affairs will not talk to them. As for the people in general, who are less educated than the students and who form the majority of the people in the country, he will not meet with them at all.

Based on the attitude and interview statements of people who are directly responsible for the implementation of this foreign policy, we would like to inform Air Chief Marshal Sitthi Sawetsila, the (Thai) minister of foreign affairs that:

1. You can take measures to prohibit the mass media and government officials from criticizing this foreign policy (such as in the case of Mr Prayun Chanyawong). But you cannot prohibit students and people in general from criticizing the policy.

2. Concerning your statement that you will resign from the position of minister of foreign affairs if this foreign policy is wrong, this is a totally irresponsible statement. If it turns out that the policy is wrong, it will mean that the country will have already have experienced a disaster, that is, there will no longer be any government for you to resign from.

3. The person who holds the position of minister of foreign affairs must be a knowledgeable and capable person who is an expert in international politics. Thus, the person holding this position must be a person who has continuously studied and thought deeply about the world situation. Concerning this, the student representatives who have submitted this open letter have studied and followed world events, particularly the situation in Kampuchea, both in the classroom and outside the classroom. As for in school, even though they have not graduated, they are still capable of determining which policies are right and which are wrong. This is different from Air Chief Marshal Sitthi Sawetsila who graduated with a degree in engineering. He is thus incapable of determining which foreign policies are right and which are wrong. Therefore, he should return to school in order to start studying international politics.

4. A minister in a country should maintain the interests of his country. A Thai minister should not be working to maintain the interests of Kampuchea, China, Singapore or the United States.

What has been said here is meant to inform Air Chief Marshal Sitthi Sawetsila that it is not too late for him to change himself so that he becomes a good minister for Thailand. And we would like to remind him of an old proverb that says that a "toad will not realize its own nature until it sees its own liquid." As for Thailand, we hope that Thailand does not have to wait "until the liquid runs out" before it wakes up. -- Border Project, Coffee Council and Ram-Tabi student groups, Ramkhamhaeng University, August 1982.

11943
CSO: 4207/151

OPINION LEADERS GIVE VIEWS ON RTG INVOLVEMENT WITH KHMER COALITION

Bagnkok KHAO CHATURAT in Thai 19 Jul 82 pp 38-43

[Article: "Various Views"]

[Text] The two phrases that are being spoken by many people with regard to the matter of Thailand, in the name of Asean, playing a great role in the formation of the Khmer coalition government are "the farmer and the cobra" and "inviting the enemy into the house." There are many people from various circles in Thai society who do not agree with each other. And the Thai government does not want to express a view that differs from the policy implemented by the minister of foreign affairs. Even a giant daily newspaper like THAI RAT received an official warning from Section 5, Police Precinct 3, Special Branch Division, about its senior cartoonist, Pratun Chanyawong, on Sunday, 4 July. "Mr Suklek," the originator of this cartoon, has thus had his mouth gaged since 11 July.

The weekly magazine CHATURAT, which you are reading and which was recently involved in a case, had to "change" but the editors are the same group as before. Even though on one hand there is a good understaiding of "what is what," on the other hand we cannot ignore our duty as part of the mass media. This special report, "Various Views," was created by gathering the opinions and ideas of people in various circles as time and space permitted.

According to Thai grammar, the phrase "invite the enemy into the house?" must really be read "has the enemy really been invited into the house?"

A Major Mistake

I think that this is a major mistake in carrying out Thailand's foreign policy. I have continually expressed the view that Thailand should not become deeply involved in the Kampuchean problem. We should remain truly neutral. There are various strategic and international political reasons for this, in particular:

1. By tying itself to one faction, Thailand will lack flexibility and international bargaining power. It is true that Vietnam invaded and occupied Kampuchea. The Heng Samrin government is the puppet of Vietnam. But at the same time, Prince Norodom Sihanouk has acted like an enemy of Thailand ever since the Khao Phra Vihan affair. He constantly cheered the Chinese communists and attacked the

Thai government until he was overthrown and fled to China. Pol Pot and Khieu Samphan committed many crimes against their people. Approximately one-third of the people in the country were killed in cruel and barbaric ways. They supported the Communist Party of Thailand in forming the Siem Organization in order to carry out acts of terror in Thailand. Khmer Rouge soldiers came and brutally killed Thai citizens, including pregnant women and children, at Ban Noi Pa Rai. They planted mines and frequently ambushed Thai units on patrol along the border. These Kampucheans are now stateless. They are of no value to Thailand and they have no value in the eyes of the majority of the Kampuchean people since they are the people who destroyed Kampuchea.

2. As for supporting the Khmer coalition in order to prolong the war in Kampuchea, which is in accord with the policies of China, the United States and some Asean countries, particularly Singapore, Thailand will suffer economic losses, the investment atmosphere will be damaged, tourism will be harmed and international trade will suffer. We will continue to have a refugee problem and more and more refugees will be left behind in Thailand since the governments of other countries are experiencing greater problems in helping Khmer refugees leave Thailand. Furthermore, the tension along the border created by the policy of prolonging the war will create at least three other important problems:

First, the war may spread to Thailand at any time as long as the conditions are present. In particular, if there is a rebellion in Thailand and the communists get involved, this will drag in both Vietnamese and Chinese communist forces and Thailand will become the battlefield for the various sides, with the result being a communist Thailand.

Second, prolonging the war may compel Vietnam to change its policy and join hands with China and then invade Thailand. When that happens, the Khmer Rouge of Pol Pot and Khieu Samphan will stream into Thailand and/or cooperate with the CPT in waging a large-scale revolutionary war.

Third, prolonging the war will hasten the extermination of the Khmer race and give Vietnam a chance to swallow Kampuchea more quickly. When the majority of the people in Kampuchea are Vietnamese, the Khmer coalition will no longer have a base of Khmer people to provide support and, in the end, they will enter Thailand. We will thus have Khmer Rouge forces coming in and causing trouble in Thailand.

3. Carrying on a policy of supporting the Khmer coalition will ruin Thailand's chances of using its correct strategic position to bargain with the great powers and the communist countries to keep them from intervening in the internal affairs of Thailand. At the same time, we should implement a policy that will make Thailand a center in creating peace and neutrality in this part of the world. One thing Thailand can do is to weight the balance of power between the Soviet-Vietnamese side and the Chinese side and enable the Indochina countries to become a buffer state between China and Southeast Asia. -- Dr Somchai Rakwichit, an independent scholar.

Support Should Be Given

I think that we have to look at this policy from two angles. First is the effect on Kampuchea itself. Vietnam invaded Kampuchea and there have been problems ever since. People throughout the world have opposed this and since the Thai government recognizes world opinion, there is nothing strange about the fact that we have supported the legal government of Kampuchea. The second point concerns the people of Kampuchea. This country, a neighbor of ours, was invaded. The peoples of Thailand and Kampuchea have been closely involved wih each other historically concerning both border matters and race. The Thai people should help the Kampuchean people fight the invaders. Thailand will benefit directly from this. Vietnam's invasion of Kampuchea has created constant tension along the Thai border and so I agree with the Thai government's decision to play a role in uniting the Khmer factions. But our supportive attitude is still confusing and there is a lack of unity. For example, some government units have used the radio to question this policy. I do not understand why some high-ranking administrators are trying to make the people suspicious of this policy. The government should quickly clarify its position and explain why it has taken the position it has. However, in providing help, careful plans should be made by studying the lessons of the past. I do not want to see us used as a tool by the great powers and then have them come in and settle matters directly using force. Rather, we should help the Kampuchean people gain the right to choose their own rulers. -- Anan Lohaphattanabamrung, president of the Mahidol student council.

There must Be a Show of Decisiveness

I agree. Vietnam is still in Kampuchea. Why shouldn't we help the opposition forces? Don't let them stand alone. We must show decisiveness too. We do not have to act furtively or be shy any more. As for what effect this will have on us, if we do not do anything, we will still be affected. Vietnam is in Kampuchea and is strengthening its position. We have already been affected. Things have been bad for a long time. Thus, regardless of whether we support the opposition forces or not, we will still be affected. But doing things this way may produce better results. -- Hem Siriwattanatham, former [student-body] president, Silapakon University.

Too Many Excuses

I think that Thailand has made too many excuses. Looking at the pluses and minuses, the three Khmer factions have not yet succeeded in uniting. Each of these people was a major leader in his faction. If these groups fail to unite and Vietnam later uses the domino theory, it will be claimed that Thailand interfered greatly. And if Vietnam uses force to pressure the Khmer forces and the Khmer troops stream into Thailand, what will we do? Another thing, Vietnam is trying to compromise with Asean and improve relations with Indonesia. Indonesia is still wavering. Things will be dangerous for us if we act like the spearhead. Is it worth it? CHATURAT probably knows. -- Charun Saengsathon, president of the Sinakharin University student council.

Aseans's Game of Buying Time

Asean is just buying time. Asean certainly knows that the war for Kampuchea will continue for a long time. The immediate problem is Kampuchea's situation in the United Nations. Concerning this situation, even if Thailand has to give up its neutral position, this is necessary. Personally, I do not agree. But by chance we nave had pressure applied by neighboring countries. Mr Prasong Sunsiri, the secretary-general of the National Security Council, is very right-wing. He does not see the problems arising from the real situation or from history. The influence of the Secuirty Council and from the military have caused us to do this. I think that it is just another drama. Nothing much can be done. I think that Thailand will be very disappointed in the future. And when that happens, Mr Prasong and Mr Sitthi (Sawetsila) should have an answer ready for the younger generation [when they ask] "why?" -- Sonthi Limthongkun, the journal CHIWIT DONG SU.

We Must Distinguish Between Our Enemies and Our Friends

I think that what the government is doing is for the survival of the country. Everything that is being done is for the good of the country, for the survival of Thailand. I agree with what is being done. The action taken is one measure. Who said there is something behind this? I do not know. Other countries are secretely involved to the utmost. They have gone into all of Kampuchea. They have stationed 200,000 troops there. I think that we must distinguish between our enemies and our friends. As for what our government has done, I think that this is the correct thing. Thailand does not want some other country to occupy our country and then tell us that it has done so in order to help set up an administrative system and run our economy for us. As for Kampuchea, we know what has happened, don't we? Those who do not agree with what the Thai government has done have a part in this. I would like to ask them whether they agree with what Vietnam has done in Kampuchea. Do they agree with what the Soviet Union has done in Afganistan? Do they agree with what the Jews are doing in Lebanon? If they agree, then all right. But as for me, I do not agree with what has been done in these three cases. These countries have invaded other countries. But we have gotten involved only slightly and people are afraid. What is there to be afraid of? Things may not be good in the short term. There may be fighting. But things will be good in the long term. Do we want them to fight inside our country or outside our country? We want them to carry on the fighting outside our country, right? -- Chumphon Phonprapha, a businessman.

A Defensive Strategy

If something is wrong in the beginning, it will always be wrong. Our strategy is a defensive, not an offensive, strategy. When I say it is a defensive strategy, what I mean is that, since we feel that Vietnam may invade Thailand, we must make various military preparations. In the struggle, if attention is given only to defense from the very beginning, things will be difficult. Why don't we plan an offensive strategy? That is, we must think about how to attack Vietnam and how to attack Kampuchea and Laos. It isn't necessary to send troops to

attack them. We can attack them economically. In such a situation, we have a good opportunity to gain economic influence over Kampuchea and Laos and even Vietnam. This is a new world today. What are we doing? -- Choetchu Sophonphanit, Bangkok Thanathon Company.

Inviting the Enemy Into the House

Whatever the government does it should act with caution. Otherwise, it will be like inviting the enemy into the house. Regardless of whether Asean provides support or not, we are the country that is nearest the problem. There are many enemies, like the Vietnamese refugees, in Thailand. The government may not be aware of this problem. But things should not be done openly. Also, in the hearts of Thais such as myself, there is still much resentment against Sihanouk.— Piya Kangwan, Public Relations, Railroad Union.

The Government Has Done the Wrong Thing

In my view, and I have discussed this with many people, the correct policy for the Thai government is to remain truly neutral. It should not side with any one side. This shows that the government has announced one thing but has done the opposite. The government has done the wrong thing. We say that we are neutral. But, at present, I would like to ask whether we are really neutral as we have claimed? When the Khmer groups formed their government in exile, they had to locate it near the Thai border. Vietnam is aware of this and if it cannot put up with this, it will attack us. We will have to fight back and a border war will break out. Is this good? -- Prathin Thammarongchoi, Railroad Union.

Each Day, We Are Putting Our Hands Further Into the Box

Its very difficult to say. From the standpoint of helping to form the Khmer coalition government, this is good only with respect to the immediate problems. It is all right for the short term from the standpoint of gaining world respect for this government. But I do not agree with this for the long term. For the long term, I think this will be dangerous for us. At present, each day we are putting our hands further into the box. And doing this greatly endangers our image and our security. This is my comment. -- Phichai Rattakun, the leader of the Democrat Party.

I Do Not Want to Say Anything Now

I do not want to say anything now. But I do want to say that I do have my own opinions. I have my own policy. I have an independent foreign policy. You can ask whatever you want. We must not get involved in the fighting in other countries unnecessarily. My foreign policy stresses preserving the interests of the country and holds this above all else. I will believe and listen to anyone if my country is safe and if it is respected and honored. Conversely, I will not listen to anyone who does something that is not in the best interests of our country. As for whether the government is right or wrong in getting involved in this, I do not want to say anything now. I only want to affirm that I have clear ideas. -- General Kriangsak Chamanan, MP from Roi Et.

A Hope For Political Results

Concerning the fact that the Khieu Samphan and Son Sann groups have agreed to form a coalition government with Prince Sihanouk as the head, this is a change that has a greater chance of bringing political results than economic results. The purpose of forming this coalition government is to have just one representative, or just one governmental body, that can be recognized by all countries, particularly the Asean countries and the People's Republic of China. A second aim is to preserve Kampuchea's seat in the United Nations, for which there may be a vote during the next session. Economically, if the formation of the Khmer coalition government is completed and the situation in the western provinces of Kampuchea along the Thai border is quiet enough, the border may be opened for trading and this would benefit the Thai economy. But this will probably depend on the attitude of the Heng Samrin government and of Vietnam. -- Dr Wichit Suraphongchai, Bangkok Bank.

The Chinese Have Beaten Us

I think that this was done without any awareness of the facts and that the timing was completely wrong. As for Sihanouk, if we are going to play with him, we should have done so long ago, not now. This doesn't make any sense. Thailand is thinking of only one thing and that is how to keep the war outside the country. This is not correct. This is not in accord with humanitarian principles. And the important thing is that, concerning this matter, Singapore thinks....Put simply, the Chinese think that they have beaten us, regardless of whether it is the island Chinese or the mainland Chinese. -- Sulak Siwarak, an independent scholar.

It Is We Who Are Close

I don't agree. We should do this openly. The profits will go to neighboring countries. We will gain very little. Our neighbors are far away. It is we who are close to the situation. -- Sangwien Miphaophong, Bangkok Bank.

Inviting the Enemy Into the House

This will not be good for Thailand. It is like inviting the enemy into the house since [this is happening] along the border. If a war breaks out, Thailand will be affected. We should remain totally neutral. -- Thoetphum Chaidi, a former labor leader.

What Will We Do?

This is a method that we like to use. That is, whenever there is a problem, we let the problem solve itself.We just let time pass and "wait and see." We do not know what the results will be. We don't know what we will do if the Khmer Rouge or Sihanouk face a crisis and ask us for weapons. The only result that can be seen is that this will preserve the Khmer Rouge's seat in the United Nations. -- Soemsiri Ekkachai, a senior newspaperman.

A Disaster Is About to Happen

We have involved ourselves in the conflict. Who can guarantee that Thailand will not have a conflict with them? We must hold to a policy of strict neutrality. A policy of neutrality is the correct policy. It has been praised by people throughout the world because it will help create peace in this region. The border situation will become more tnese. As for what we are doing, it can be seen that we are not maintaining our neutrality. As an MP, I am afraid that a disaster is about to happen. As for what I have said here, I am not siding with anyone.

People in all groups are against Thailand getting involved. Even Mr Prayun (Chanyawong) does not agree. Who are the Khmer Rouge and where do they come from? They once killed our people and we filed a protest with the United Nations. Sihanouk once said that he would never again come to Thailand. In the Khao Phra Vihan affair, he returned his honorary academic degrees. This shows that Thais forget easily. However, concerning this matter, we should not forget the great danger to the country. -- Wong Phonnikon, an MP from Nong Khai.

Inviting the Enemy Into the House

This is a very risky matter. Some mistake may be made. We were once neutral in the Khmer war. But since we have taken the lead in uniting the three Khmer factions, we have become the enemy of Vietnam. They may try to "pick an argument" with us. This is like inviting the enemy into the house. We should look for a political solution so they can solve their own problems. -- Sunthon Thasai, an MP from Korat.

A Fire of War

I cannot give you an opinion because foreign affairs is a very delicate matter. It might have an effect on national security in the future. We do not yet have accurate data. But I am going to submit a motion to have parliament discuss this matter. I think that there will definitely be a confrontation between Thailand and Vietnam. And I would like to ask whether this is the only path open to the government. At present, the government is playing with fire. This fire has both benefits and penalities [depending on] whether you know how to use it. But the fire that the government is playing with is not an ordinary fire but the fire of war. -- Piyanat Watraphon, an MP from Sisaket.

Inviting the Enemy Into the House

I don't think that Thailand should have gotten involved in uniting the three Khmer factions. Most of these are exiles who use bases in Thailand. I do not agree because:

First, this is inviting the enemy into the house. I am afraid that the same thing will happen as happened with Israel and Lebanon.

Second, whenever a country has a problem, that country should be the one to solve the problem. We should not get involved. Even though we are a member of Asean, we should remain neutral like other countries. But we rushed to recognize Sihanouk and [he] has used Thai territory to provoke the enemy, who can use this an an excuse to invade us and cause trouble, which may result in a war breaking out. They can claim that Thailand caused the trouble and provided their enemies with rest areas and supplies.

Third, actually, Sihanouk and Son Sann are just paper tigers. The aim is just to preserve the seat in the United Nations. They have no chance of ever regaining state power in Kampuchea. When Sihanouk had power, he could not keep his power. And all three groups have always been enemies of each other. At present, they are like people without hope.

I think that if the government continues to carry out such a policy, this will cause trouble for the people. I intend to submit a motion to parliament this Friday. -- Bunkoet Phimwonmethakhom, an MP from Khon Kaen.

This Is Good

This is good, especially from the standpoint of having been threatened by the imperialists in this area. This decision by the Thai government may help ease the threats of the enemy. At the very least, this will reduce the danger of a direct confrontation resultign from these threats. And if we look at this from the standpoint of the effect of this, the fact that Vietnam is upset with us is no surprise. Because in the past period, we have already been confronting them quietly. -- Komat Chungsathiensap, head of the Administrative Organization, Chulalongkorn Student Association.

A Good Beginning

This is a new stage of development in Asean's attempt to unite the three Khmer groups that oppose Heng Samrin. I do not know how successful the three Khmer groups will be in this attempt to reach the basic goals. But this is a good beginning. Since they have officially united, they can discuss the problems together. The urgent problem is a military problem rather than a political problem. The political problem is not too great. As for the seat in the United Nations, the great powers are providing support. The major problem is the military problem. Each faction has its own troops. There must be a coordination of military operations. Besides this, there is the problem of arms support. -- Dr Chaianan Samutwanit, a professor at Chulalongkorn University.

A Minor Matter

I think that this is just a minor matter. It is not a major problem. Thus, I do not want to give an opinion. Its a minor matter. Concerning this, the thing that I find interesting and that I think is a major problem at present is what is happening in our country. If you want to talk with me, you should ask me about the major problems in our country. But you must follow the same

rules. That is, you must write the questions and I will write my responses. -- Prasoet Sapsuthon, a democratic revolutionary.

Not Interested

I am not interested. Tell your editor that I am not interested. -- Suwanni Sukhonthieng, the journal LALANA.

This Will Lead to Violence

I do not agree with this. The government may have considered things carefully but I personally do not agree. This will lead to violence since:

1. The free Khmer forces will unite and be stronger. Command will improve.

2. The Khmer government supported by Vietnam will request additional forces from Vietnam.

3. The fighting will be fierce. There will be fighting along the Thai border and Thailand will definitely be affected.

4. Who can foretell the results of this war? -- Sihanat Rutcha, an MP from Chaiyaphum.

Raising a Cobra to Kill a Rat

Vietnam has constantly taken a threatening attitude toward Thailand. Thus, I think that it is impossible for us to not get involved. Since they united, we have not given any military support. If Vietnam was in Thailand's position, I think they would do the same thing. If we just remain idle, things will be even worse. Thus, the best thing is for us to get involved. Kampuchea, Laos and Vietnam may unite to form one country. If they do, they will pose a threat to us. Are we sure that there will not be a third world war in the future. Many people have compared Thailand's support for the Khmer groups to a farmer raising a cobra. I would like to remind them that if we do not raise the cobra, mice will overrun the fields and eat all our rice. We must raise the cobra to kill the mice. -- Thiraphan Phetrasuwan, an MP from Chumphon.

Do Not Support Anyone

I don't agree. If we get involved, they will start fighting and killing each other. Vietnam has been fighting for a hundred years. But if we get involved and things improve for them, they should be given support. We shouldn't support anyone for the time being. Don't support those who killed millions of Kampucheans. -- Peter Bunnak, designer.

Thailand Should Not Get Involved

Thailand should not get involved. Since we are not sure what the situation is like in Kampuchea, we should let them handle things themselves. And how

sincere with us are the Khmer groups? There may be a confrontation between Thailand and Vietnam. Vietnam is definitely unhappy about our taking the lead in this. I think that the best thing is for Thailand to stay out of this. -- Dapchai Akkharat, an MP from Sakon Nakhon.

In the Midst of Studies

I would like to put this matter aside for now. I am in the midst of studies. However, I do think this is good. If our neighbor Kampuchea really gets a government and there is peace and order, we will feel better. But if we involve ourselves totally and give full support, this is not good. If they unite and cooperate to achieve national soldiarity, I agree. But if we interfere andallow them to use our territory, I do not agree. We should not do this. -- Thoetphong Chainan, an MP from Tak.

Few Thais Are Knowledgeable

I am greatly against our taking part in this openly like a busybody. This action is very worrisome for the lives of the more than 40 million Thais. Few Thais are knowledgeable about this. In particular, MPs, who are the representatives of all the people, have not had a chance to express views. This has been handled only by the minister of foreign affairs and the secretary-general of the National Security Council. I think that, at the very least, the government should allow the MPs to voice their views. They have acted in a furtive manner and made it seem as if there are influential [people who] have forced them to do this. We welcomed Sihanouk with great fanfare. He met the highest leader of the country at Ban Na Rai Banthomsin. He [Prem] was the first state visitor. This was very different from in other Asean countries. When he visited these other countries, Sihanouk did not receive any tumulutuous welcome. The highest official that he met in these countries, including Indonesia and the Philippines, was the minister of foreign affairs. -- Sanan Wongsuthi, the president of the Employees' Council of the Labor Council of Thailand.

The Government Must Issue a Statement

Resolution 153 allows the government to issue a statement to parliament on any matter without having to pass a motion, and it is not necessary that a motion be made by an MP. I think that the government must issue a statement to parliament since this is not a minor matter. This is a very sensitive matter. If anything happens, everyone may be affected. I think that this is a matter of great importance to the country. The government must take responsibility for this and must clarify this matter for everyone in society. Concerning our involvement with the Khmer coalition government, the [Thai] government has done things with an air of secrecy. I think that it has tried to make an important matter seem like a minor thing. But this is not possbible. -- Prayun Suraniwong, an MP from Khon Kaen.

11943
CSO: 4207/148

RUBBER PRODUCERS' STOCK PROPOSAL REJECTED

BK311534 Bangkok BANGKOK POST in English 31 Aug 82 p 19

[Text] Thailand has rejected a proposal by the rubber producing countries to hold back 350,000 tons of natural rubber from the world market in order to save prices from falling further.

Thailand's objection of the proposal was made at the meeting of six rubber producing countries in Kuala Lumpur last week, Agriculture Minister Chuan Likphai said yesterday. The other five nations represented at the meeting were Malaysia, Indonesia, Singapore, India and Sri Lanka.

Other measures proposed at the meeting and aimed at avoiding a price slump called for:

--A reduction in plantation areas;

--Planters to reduce the use of latex stimulant to speed up rubber production;

--Increasing the level of rubber stocks in all producing countries; and,

--A new variety of rubber tree be promoted to replace old trees.

Minister Chuan said that Thailand could only accept one of the proposed measures; that promoting a new variety of rubber tree.

Thailand found it difficult to accept other measures because it is difficult for the government to control plantations as they are owned by about 800,000 small land holders.

It would also be difficult for the government to hold back large stocks of rubber because they are held by traders and not the government, Mr Chuan said.

The proposal for Thailand to reduce the plantation areas contradicted the government's present policy to diversify areas where tapioca is grown to rubber production, he added.

In order to solve the world's rubber price slump, Thailand will ask the International Natural Rubber Organisation (INRO) to raise the first tier guaranteed price for natural rubber from the prevailing $1.767 to $2 a kilogramme.

Mr Chuan said raising the guaranteed price would result in the responsibility to prop up international rubber price being shared among rubber producing and consuming countries.

All rubber producing countries are expected to hold another ministerial meeting next month to consider this matter in Kuala Lumpur.

CSO: 4220/357

LEFTIST MUSER FACTION POSES GREATER THREAT THAN SUA

BK300453 Bangkok NATION REVIEW in English 30 Aug 82 p 6

[Article by Phiphat Loetkittisak]

[Excerpts] Mae Ai, Chiang Mai--Local Thai authorities here view leftwing Muser group of Ai Bi as posing a greater threat than the Shan rebels led by narcotics kingpin Khun Sa, who has ousted the communist hilltribesmen from Doi Lang and is strengthening his powers at the new base to resume heroin production on the Thai-Burmese border here.

The threat from the Ai Bi's force to Thailand is greater as it is a close ally of the Burmese Communist Party (BCP) while the Shan United Army (SUA) concentrates on producing heroin only, said a high-ranking official here who asked not to be identified.

Security officials in this border district also agreed to the 'theory,' saying Khun Sa's men appeared less hostile to Thai officials than the communist hilltribesmen.

However, Kamnan [Tambon officer] Saeng Sunan told the NATION in Tambon Thaton here that Khun Sa was less hostile to Thai officials because he needed their 'cooperation' for transporting his heroin via Thai soil to foreign markets.

"Unlike Khun Sa who could offer bribery to Thai officials, Ai Bi's group intends to seize power from the central government and is not involved in the production of heroin," said Kamnan Saeng, who has been familiar with various minority groups on the border. Kamnan Saeng is a former commander in the Shan State Progressive Party (SSPP).

Kamnan Saeng also called on the Thai authorities to pay more attention to their campaigns against narcotics production as a threat to human beings as a whole.

"We stand a chance of defeating the communists, but it is almost impossible to defeat drug addiction. Take the Vietnam war as an example, the United States was aware of the fact that up to 70 percent of its soldiers in Vietnam were drug addicts and curable only when the troops were withdrawn from the Indochinese country," he said. [sentence as published]

He said that Ai Bi had rallied about 500 fighters at Muang Sai but his force still could not match with the SUA which commands about 1,000 soldiers. The SUA's influence is prevalent along the Thai-Burmese border from the areas opposite Mae Hong Son to Mae Chan District in Chiang Rai, according to the kamnan.

"So, the prospect of Ai Bi restoring his influence on Doi Lang which is his economic base is very dim," he commented.

However, some Muser hilltribesmen here said that they believed Ai Bi, who was rallying his forces from his strongholds on the Chinese-Burmese border, would have to attack Doi Lang to recapture it as the terrain was a significant economic zone for BCP.

CSO: 4220/357

BRIEFS

KING'S HEALTH--It is evident that false rumors about His Majesty the King's illness originated from abroad, both by individuals and in printed matter, according to Interior Minister Gen Sitthi Chirarot. He said from now on the Interior Ministry might prohibit such ill-intended writers and materials from entering the country. The interior minister said authorities concerned have followed up on and investigated the sources of rumors about the king's health and have discovered that the rumors originated abroad. He said prosecution will be undertaken if there is sufficient evidence, noting that current law permits prosecution of the case. [Excerpt] [BK070916 Bangkok Domestic Service in Thai 0530 GMT 7 Sep 82]

MIDDLE EAST TRADE POSITION--According to the business economics department director general, Thailand's trade deficit with the Middle East countries in 1981 totaled 27 billion baht, or 41 percent of the country's total foreign trade deficit. Thai exports to the Middle East in 1981 totaled 13.5 billion baht, while imports accounted for 40 billion baht. Saudi Arabia had the largest trade surplus with Thailand--26.3 billion baht--while Qatar was next at 7.05 billion baht. [BK071133 Bangkok Domestic Service in Thai 0000 GMT 6 Sep 82 BK]

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ELECTION RUMORS REPORTED CIRCULATING IN DACCA

New Delhi PATRIOT in English 29 Aug 82 p 3

[Text] Reports that general elections may be held in Bangladesh in March-April 1983 have begun circulating in Dacca, even as Chief Martial Law Administrator Lt. Gen. Ershad is said to be planning to declare himself President, reports IPS-Bharati.

'Protocol' considerations have led to high level talks within the administration on providing civilian sounding description for what essentially will remain martial law, reports from Dacca said on Friday.

Lt. Gen Ershad is now being introduced to foreign missions and governments as the 'Chairman of the Council of Ministers', though there is strictly no such council responsible to anyone outside the council of advisers that Ershad had set up as soon as he took over power in the March coup.

This, it is said, is because the post of Chief Martial Law Administrator is not identified abroad as that of a Head of Government.

The nominated council of Advisers was named the Council of Ministers in June this year on 14 August. Its members were authorised to display flags on their vehicles and homes as 'Ministers'.

Consultations are now going on according to the weekly KHABOR, on naming as one of the members of the council as the Prime Minister.

There is also speculation that Lt Gen Ershad may offer the post to a civilian politician. One of them is former Prime Minister under ousted Abdus Sattar Government, Shah Azizur Rahman.

Meanwhile, 'pressure' is reported from countries and institutions that provide economic and other assistance to the Ershad Government, that political activities should be allowed to be resumed soon.

The weekly ITTEHAD says one such institution (thought here to be the World Bank-IMF) and some countries have written to the Ershad Government, saying they will not be able to increase their assistance to Bangladesh unless the 'political process is restarted'.

ITTEHAD says a 'minister has been entrusted with the job of ascertaining how best to get the political process restarted'.

It is not also clear whether the election, if held, will be under the old civilian constitution or after changes are introduced in it to provide the armed forces an integral and supervisory role.

CSO: 4220/7856

REPORTAGE ON GANDHI VISIT TO MOZAMBIQUE

Activities on 25 Aug

New Delhi PATRIOT in English 26 Aug 82 pp 1, 7

[Text] Prime Minister Indira Gandhi today called for frustrating all attempts to sow discord and suspicion in the non-aligned movement and in the Organisation of African Unity (OAU).

Speaking at the official bilateral talks with Mozambique President Samora Machel, Mrs Gandhi said this was necessary while exploring avenues of reinforcing political and economic cooperation among the developing countries in the context of South-South cooperation.

Such cooperation had an important role in strengthening each one of us she said adding that India had helped its friends and shared its technological knowhow with them.

Rousing Welcome

Mrs Gandhi was accorded colourful and rousing reception on her arrival here this afternoon on her three-day first State visit to this frontline African state.

Mrs Gandhi was received at the airport by President Samora Machel, his cabinet colleagues, diplomatic corps, senior civil and military officials.

As she alighted from the special Air India Boeing 707, a large crowd of men, women and children carrying buntings and national flags of both the countries burst into thunderous applause and several colourful cultural groups danced to African folk songs.

Posing the question how could militarily weak nations deal with this challenge, she said history had often revealed the weakness of the strong and strength of the weak.

Similarly, Mrs Gandhi said, the Palestinians today were the victims of Israel's insensate assault but would ultimately be triumphant.

She said the black and coloured majority of South Africa and Namibia would also emerge victorious. This will be sooner than most people think, she added.

Speaking at a banquet in her honour by President S Machel, she minority government for building "a structure of institutionalised terror against its own people, merely on the basis of colour and skin". [as published]

On Namibia, Mrs Gandhi said: "India stands solidly with you. We applaud your courage and determination. We shall continue to support the process of bringing nationhood and freedom to Namibians."

Expressing India's firm opposition to any kind of racial discrimination, Mrs Gandhi recalled how India's first major international initiative in the United Nations (after becoming free) was "a crusade against racial discrimination and apartheid."

In a soul-stirring reference to Nelson Mandela, Mrs Gandhi said: "I salute the gallant freedom fighters of South Africa, whose shining advocate Mandela is."

Sharing the deep agony of the black and coloured people, who were suffering in South Africa, Mrs Gandhi said: "We share their faith in their ultimate victory."

She said India realised the responsibilities of the frontline states.

In a raised voice, she said "Zimbabwe is now free. So shall Namibia be. And in the not too distant future, South Africa too will be free of oppression, opening the doors of opportunity to people of all races."

Warning

Mrs Gandhi hoped that attempts to destabilise the situation in Mozambique and other countries in the region would cease.

The Prime Minister warned of the increasing efforts by the affluent and powerful countries to expand their "sway over the seas" as more and more land areas were becoming free.

Expressing her concern at big power rivalry in the Indian Ocean, Mrs Gandhi said, "How painful it has been to watch how during the last decade or more, the Indian Ocean has become increasingly militarised, generating tension after round."

"While we who live along its shores wish it to be a zone of peace, highly sophisticated weapons systems are being introduced on small, remote islands by those who have no shortage of weaponry in their own arsenals," she remarked.

The Prime Minister also highlighted the common commitment of India and Mozambique to the nonalignment movement and said that "in the coming

years it can and must make its influence felt in favour of disarmament, especially nuclear disarmament and the reduction of economic disparities."

"We share a common approach to problems of world peace. We realise that a new internati whether political or economic, can endure only if based on equality and justice," she said.

Mrs Gandhi pointed out how the erosion in detente had already led to disastrous consequences under which "a country like Israel feels no compunction in taking such brazen military action inside Lebanon against even the Lebanese and Palestinians."

26 Aug Press Conference

Bombay THE TIMES OF INDIA in English 27 Aug 82 p 1

[Text] Maputo, August 26 (PTI).

The Prime Minister, Mrs. Indira Gandhi, today said that no final decision had yet been taken about the venue of the seventh non-aligned countries' summit.

Addressing a press conference here, Mrs. Gandhi said, both Iraq and Iran had approached India for holding this summit but no final decision had as yet been taken.

Mrs. Gandhi explained on her own that some misunderstanding had been created in the Indian press perhaps because of her request to the Mauritius Prime Minister at Port Louis yesterday to attend the non-aligned conference if held in India early next year.

She said that it was not for her to take a final decision about the venue. In fact, the final decision had to be taken by the finance ministers of all the non-aligned countries, she added.

Describing it as a "slip of tongue on her part or some misunderstanding on the part of the press," Mrs. Gandhi said, talks were being held among the non-aligned countries and she hoped a final decision would be taken soon.

In fact, India wanted to host the eighth non-aligned conference but in view of the new political developments India was willing to hold the seventh summit if everybody in the movement wished so.

UNI adds: Answering a question about the non-aligned movement, the Prime Minister said it was as relevant in the present-day world situation as when founded. The movement could help relieve tensions in the world and strive for peace among nations and against apartheid and racialism.

She added that India had been firm and consistent in its stand from the beginning.

About Indo-Mozambique relations, Mrs. Gandhi said a team of experts in industry will soon visit this country while some experts in railways and agriculture had come before.

Other fields in which the two countries could co-operate were being identified by officials.

She assured Mozambicans that India would like to help them to the maximum, but at present "we are facing a very grave economic crisis." Asked whether India, along with other Indian Ocean states, would make concerted efforts to see that the United States was forced to give up its nuclear base in Diego Garcia and the island was restored to Mauritius, Mrs. Gandhi said all littoral states wanted the area to be a zone of peace, but she was doubtful the nations concerned could do nore than raising their voice of opposition to build public opinion.

Call for Unity

In this context Mrs. Gandhi called for unity among the non-aligned and reiterated that despite attempts to disrupt the movement, the countries would continue to be together.

She said India was as poor as Mozambique at the time of independence. Although it had not been able to remove poverty, there was a visible change.

About South Africa, Mrs. Gandhi said India supported the Mozambique stand that the racist regime in Pretoria was a threat to the frontline states as well as the right of the Namibian people to self-determination. Similarly, India supported the cause of the Palestinian people.

In official talks between the Indian and Mozambique sides led by Mrs. Gandhi and President Samora, Mozambique wanted a fresh line of credit to import goods as their foreign trade had been totally wrecked due to military action. It said its production of exportable goods like sugar, timber, tea and prawns had fallen.

Only one-third of an earlier Indian credit for purchasing machinery had been utilised and no new proposals for using the rest had been sent in, an official spokesman said.

A joint statement will be issued tomorrow detailing new areas of economic co-operation between the two countries.

Earlier, the Mozambique President, Mr. Samora Machel, appealed to India to join in a common endeavour to end the military bases in the Indian Ocean which, he said, posed a serious threat to the sovereignty and territorial integrity of his country.

Speaking at a banquet he gave in honour of Mrs. Indira Gandhi last night, Mr. Machel also hit out at the Pretoria regime for neutralising efforts at co-operation among the free states of southern Africa.

"Great tension persisted in southern Africa because of Pretoria's occupation of Namibia and part of the Angolan territory and terrorist actions against Lesotho, Botswana, Zambabwe and Zamibia," he added.

Report on Joint Statement

New Delhi PATRIOT in English 28 Aug 82 pp 1, 7

[Text] Maputo, Aug 27 (PTI, UNI).

India has decided to provide a new line of credit of Rs 50 million to Mozambique for purchase of Indian goods.

This was announced in a joint statement issued at the end of the three-day state visit of Prime Minister Indira Gandhi here today.

The terms of the new credit would be finalised after consultations between officials of both sides.

This is the second credit by India to this front line African State for promotion of its economic development. The bulk of the earlier credit still remains unutilised, but it is understood that the Mozambique Government has assured India that it had prepared plans for its utilisation.

The two leaders--Mrs Gandhi and Mozambique President Samora Machel expressed satisfaction at the implementation of cooperation programmes agreed upon during the latter's visit to India in April last.

Training Facilities

The statement said that the possibilities of further strengthening the economic and cultural relations between the two countries were discussed by the two leaders and it was agreed that India would provide technical training facilities for Mozambican personnel in Indian institutions as well as by deputing Indian experts to Mozambique.

An Indian team of industry experts would be visiting Mozambique in September next, it said.

The statement said that Mrs Gandhi's visit had provided an opportunity to both the leaders to exchange views on important international questions and to review Indo-Mozambique bilateral relations.

S. Africa Condemned

The two leaders also condemned South Africa's military intervention in the internal affairs of Mozambique by conducting an undeclared war against it with the object of obstructing economic and social development and destabilising its government.

They declared that the racist minority regime of South Africa was a remnant of colonial era whose policies of suppressions and exploitation of African people in South Africa and interference in the affairs of frontline states and other neighbouring countries posed a threat to peace and security of the region.

The two sides condemned, in particular, the occupation of part of the territory of the People's Republic of Angola by troops of the racist regime of South Africa and demanded their immediate and unconditional withdrawal.

They felt that the world community as a whole should take cognizance of and deal suitably with this grave and menacing situation.

The President and the Prime Minister condemned South African regime's repugnant policies of racism and apartheid. They demanded immediate release of Nelson Mandela and other political prisoners languishing in South African jails. They expressed their firm support to the African National Congress in its struggle against the racist system of apartheid.

Both the leaders strongly condemned the Pretoria regime for its recalcitrant attitude concerning Namibian question. They reaffirmed their solidarity with the Namibian people and with SWAPO, its sole legitimate representative, in their struggle for independence.

They expressed hope that Nambia would achieve independence by early 1983 according to the UN Security Council resolution 435.

In reviewing the situation in West Asia, the two leaders concemned Israeli invasion of Lebanon and demanded immediate and unconditional withdrawal of Israeli forces from that country.

They expressed their support for the just struggle of the Palestine Liberation Organisation for their inalienable rights, including the right to a sovereign, independent state of their own.

They reaffirmed their commitment to the police of non-aliengment and declared that it was an essential requirement for developing countries in their pursuit of independence, sovereignty, equality and development.

The Prime Minister is understood to have impressed upon heads of Indian missions in the southern African region to ensure projection of India's foreign policy in its correct perspective.

Addressing a meeting of heads of the five Indian missions in Zimbabwe, Zambia, Malawi and Mozambique here Thursday night, she asked them to identify themselves with the larger interests of the countries where they were accredited and to assist them in their developmental efforts within the framework of the Indian foreign policy.

Mrs Gandhi will leave for India on Friday. She will have a technical halt for over an hour at Port Louis, capital of Mauritius on her way back to home.

CSO: 4220/7852

GANDHI TALKS TO NEWSMEN EN ROUTE FROM AFRICA

Bombay THE TIMES OF INDIA in English 29 Aug 82 pp 1, 9

[Text] New Delhi, August 28.

The Prime Minister has said that India's stand on South African apartheid and illegal occupation of Namibia and on Diego Garcia has remained consistent.

Talking to press correspondents on board the special Air-India plane on her return journey from Mauritius and Mozambique, Mrs. Gandhi said India could only help the African countries to strengthen their economic base.

Asked if the African nations were looking for an alternative to South Africa on which they were dependent for trade, Mrs. Gandhi said there was no question of an alternative.

The African countries regarded India as a good friend and they were seeking its help to build up their economies. "Even though our own resources are limited," she said, "we would help them to the extent possible."

When her attention was drawn to her remarks expressing sympathy with the Ilois people who had been pushed out of Diego Garcia in 1965 and dumped in Mauritius, she said: "The Ilois people's is not a new issue."

Useful Visit

The Prime Minister described her visit to Mauritius and Mozambique as "very useful." Personal contacts always helped to create better understanding.

She said the leaders at the helm of affairs in both Mauritius and Mozambique were young and dynamic.

She had met Mr. Aneerood Jugnauth, prime minister of Mauritius, and President Samora Moises Machel of Mozambique during their visits to India. She had now renewed her acquaintance with them and met other members of their government.

Mrs. Gandhi said the Indian communities in African countries were performing a "positive" role. "I have always advised them, even long before independence, that they must make common cause with the local people."

Asked whether and when she would reshuffle her cabinet, Mrs. Gandhi said: "I don't know". She said the question of reshuffle had become a "permanent joke". Whenever she went on a foreign trip or returned from it and before a parliament session began or after it was over, there was always talk of cabinet reshuffle.

In an interview with Mauritius television at Plaisance airport where the Air-India plane had a technical halt on its way from Moputo to New Delhi, Mrs. Gandhi stressed the need for South-South co-operation.

She said her visit to Mauritius was very useful and she met the new government leaders within two months of their assuming office.

Mrs. Gandhi said non-alignment was as relevant today as before. If everybody agreed, she said, India was willing to hold the next non-aligned summit in New Delhi.

To a question on militarisation of the Indian Ocean, the Prime Minister remarked: "We are trying to create an atmosphere for settling disputes through negotiations." Fortunately, she added, the peace movement in the world was growing.

Asked about her recipe for keeping young, Mrs. Gandhi said: "I wish one could remain young. Age catches up. But age is no reason why one should lose energy."

Official sources deny the impressions that India has gone soft on the Diego Garcia issue.

India is studying the legal implication of the agreement between Britain and Mauritius on the future of Diego Garcia before taking the next course of action.

During the Prime Minister's visit to Mauritius, "we told them that we will support whatever action they choose to take."

The issue can be taken to the International Court of Justice only if both sides--Britain and Mauritius--agree. Britain is unlikely to do so. But it is a course which cannot be ruled out altogether.

The alternative is to intensify the agitation over the issue of return of Diego Garcia to Mauritius. Mrs. Gandhi in her speech at Port Louis struck a new note when she underlined the plight of the refugees from the Atoll, now turned into an American military base.

Expert opinion is that the Mauritius-British agreement has a clause about sub-soil rights which, in other words, means that the sovereignty of the Atoll vests in Mauritius.

Official circles feel that Mauritius, Mozambique and other African nations are looking for political and moral support and economic help to minimise their dependence on South Africa.

President Machel of Mozambique was very impressed by the level of industrialisation in India during his visit in April and feels that Indian expertise, experience and assistance could be of great benefit to his country.

Mozambique, like some other African countries, was rich in resources. But these have to be exploited.

According to observers, Mrs. Gandhi's message to the African countries was clear and hopeful. One was: "We have done it: you can do it, too." The second: "Within the severe constraints of our resources, we will render whatever help we can."

CSO: 4220/7851

GANDHI REVIEWING PARTY PERFORMANCE IN STATES

Madras THE HINDU in English 27 Aug 82 p 9

[Article by G. K. Reddy]

[Text] New Delhi, Aug. 26.

After completing the long overdue Cabinet reshuffle at the Centre, the Prime Minister, Mrs. Indira Gandhi, intends to take a hard look at the performance of the Congress (I) Governments in some of the States, according to her confidants here.

The very talk of impending changes in these States is having a destabilising effect, adding to the travails of the hard-pressed Chief Ministers who have become increasingly uncertain about their continuance in office in these circumstances.

The Central agencies concerned have produced a series of reports on the political and administrative situation in various States for the information of the Prime Minister, who is reported to be rather upset over the sagging prestige of the ruling party despite its vast majorities in the respective legislatures. But it is entirely a matter for her judgment and discretion as to what should or could be done to set things right before the simmering discontent in the party boils over into open defiance by some sections of disgruntled Congress (I) legislators in these States.

The Prime Minister returns late tomorrow night from her trip to Mauritius and Mozambique to devote the next three weeks to internal affairs, before she takes off for Moscow on September 20 on a six-day visit to the Soviet Union. If Mrs. Gandhi does not complete the proposed changes during this period, it may be too late later on since she has been thinking of advancing the winter session of Parliament by a month and concluding it before the commencement of the Asian Games.

Punjab situation: The explosive situation in Punjab requires her immediate attention to take some pre-emptive steps against the threatened intensification of the Akali campaign. The Chief Minister, Mr. Darbara Singh, who has a reputation for personal integrity, has unwittingly made himself the main target of the Akali wrath by provoking them.

But in neighbouring Haryana the police defiance is only a disquieting symptom of a deeper political malaise afflicting the state where the Centre has unwittingly allowed itself to be identified with the rough and tough ways of Mr. Bhajan Lal's governanace.

Dissensions: The internal dissensions in Maharashtra, Madhya Pradesh, Uttar Pradesh and Bihar continue to worry the Congress (I) leadership at the Centre, but it is the prospect of a poll in another six months in Andhra Pradesh and Karnataka and possibly Assam as well that has been causing some concern here.

But here again there is no clarity of what exactly Mrs. Gandhi proposes to do to strengthen the ruling party before these elections. She continues to receive conflicting reports about the ability of the Opposition parties, especially Mr. N. T. Rama Rao's Telugu Desam in Andhra Pradesh, to pose a serious threat to the Congress (I)'s predominance.

Jagmohan's transfer: After transferring Mr. Jagmohan abruptly from the Lt. Governorship of Delhi to Goa 16 months ago at the instance of her party colleagues, Mrs. Gandhi has decided to bring him back again on the advice of some local Congress (I) leaders because of the coming Metropolitan Council elections. His undue identification with the ruling party could prove counter-productive in a highly volatile Union Territory like Delhi with a strong Jan Sangh hold on it.

Corruption: The more perceptive observers of the confusing political scene in the country are getting worried over the vaguely negative atmosphere building up in several States. Apart from the smell of violence in the air, the talk of increasing corruption in high places is damaging reputations and undermining the prestige of several State Governments.

The cumulative effect of the smouldering public resentment and sense of grievance is leading to the feeling that something is going wrong all the time, although it is difficult to pinpoint the real cause of the dissonance in each instance. But Congress (I) leaders themselves keep complaining about the party's ability to act decisively with the necessary firmness of purpose.

As one who is quite sensitive to the changing moods of the people, the Prime Minister can ill afford to let the impression prevail that she is doing nothing to set matters right. And it is this feeling that she cannot afford to let this drift continue any longer that has been generating the hope that she would take some strong steps soon.

CSO: 4220/7847

REPORTAGE ON GANDHI VISIT TO MAURITIUS

Arrival, Airport Speeches

Bombay THE TIMES OF INDIA in English 24 Aug 82 pp 1, 9

[Article by J. D. Singh]

[Text] PORT LOUIS, August 23.

THE Prime Minister, Mrs. Indira Gandhi, lost no time after arriving here this afternoon in referring to an issue — the Indian Ocean — which is expected to figure prominently in her talks in Mauritius and Mozambique.

Referring to an affectionate welcome on arrival here on a three-day state visit by her Mauritian counterpart, Mr. Anerood Jugnauth, and a select gathering of citizens at Plaisance airport after a seven-hour non-stop flight from New Delhi, Mrs. Gandhi said that the Indian Ocean was bristling with prolems whose portents threatened the entire world.

The Prime Minister's words found a deep echo in many hearts. Mr. Jugnauth dealt with the issue at a greater length during the course of which he thanked India for its support and "deep understanding."

Mr. Jugnauth reiterated his government's stand on demilitarisation of the Indian Ocean and eliminating hte super power presence from that area.

He said his country was persistent in its effort to get a reduction of the super power military presence in the Indian Ocean. In the long term, it would seek the total withdrawal of these powers from the region.

Mrs. Gandhi was greeted by warm smiles and a bright sunshine. This is the end of the winter in Mauritius and the temperature is somewhat like Delhi's in November.

As the Boeing-707 came to the end of its flight, it looked as if this tiny island was floating on water. Verdant fields, dark green hillocks and azure waters of the Indian Ocean made it a picturesque scene.

IDENTITY OF VIEWS

The speeches by the two Prime Ministers at the airport reflected the close identity of views that exist between India and Mauritius. Both Prime Ministers made it a point to refert o this fact.

Mr. Jugnauth thanked India for its support on the Chagos archipelago, for its assistance in the development of his country and its role in Africa and the world, in general.

He described India as a trusted friend of Africa. Witht he failure of the Organisation of African Unity to hold a summit in Tripoli in May, he condemnedt he efforts of 'outside forces" to destabilise and disunite the African continent.

His strongest comments were reserved for the Chagos archipelago and he expressed his government's firm resolve to regain possession of the archipelago, including Diego Garcia.

On Indo-Mauritian relations, Mr. Jugnauth hoped that Mrs. Gandhi's visit would strengthent he bonds of friendship, which were "deep and cordial." Mauritius on its part looked to an era of even closer co-operation with India.

Mrs. Gandhi, in her response, expressed her delight to be in Mauritius once again. "Our lands are linked by the Indian Ocean and our people keep friendship by ties."

She said there were ties in some of the languages they spoke but more important than words was the language of freedom and equality, freedom and secularism, non-alignment and co-existence, peace and brotherhood.

As felolw members of several international organisations, she said, India and Mauritius shared many concerns. "We are engaged in the same task—that of national construction and development, of providing our people a higher level of material well-being and a deeper sense of pride and personal fulfilment."

The international situation, events near and far, cast their shadows and disturb our endeavours, Mrs. Gandhi said. Conflict and confrontation, disparities and denigration of our earth —all seemed to be escalating.

She told the Mauritian Prime Minister: "You have spoken of many serious matters. In most of these, our two countries have similar views. I hope, in our discussions, we shall work out ways of increasing our co-operation."

Speaking in French towards the closure of her speech, Mrs. Gandhi said shee looked forward to "exchanging views with you and your young, dynamic and forward-looking colelagues."

On her arrival, Mrs. Gandhi was received by Mr. Jugnauth and his ministerial colleagues. A 19-gun salute was fired and she inspected a guard of honour and met diplomats and distinguished citizens before driving to the governor-general's residence, where she will stay for the next two days.

Although Mauritius is a multi-racial society, people of Indian origin constitute a majority of the population and this preponderance was reflected in the crowd that had collected to geet Mrs. Gandhi.

According to her revised programme, Mrs. Gandhi will not visit Seychelles on her return journey in view of the troubled situation there. She decided to cancel the stopover so as not to overburden the already stretched security forces on the island.

PTI adds: This is Mrs. Gandhi's third visit to Mauritius. She had earlier visited in 1970 and 1976.

A large number of men, women and children lined the 40-km. route from the airport to Port Louis and cheered Mrs. Gandhi as she passed by.

STRESS ON FRIENDSHIP

At the airport speech, Mrs. Gandhi pointed out that between the two countries there was, fortunately, a tradition of trust and working together and added that she had come to strengthen them.

Friendship, like other things, she said, must be kept in shape and constantly renewed.

Mrs. Gandhi told Mauritians: "You have now a new government and new policies. Although many of the faces are familiar, it is important to make closer acquaintance with them and their ideas."

The Prime Minister said she brought to the Prime Minister and the warm-hearted people of Mauritius the greetings and good wishes of the government and people of India.

She is one of the few foreign heads of state to have been conferred with the freedom of the city of Port Louis and the degree of doctor of law (honours cause) by Mauritius University.

In his welcome address, Mr. Jugnauth pledges his country's wholehearted commitment to full implementation of the U.N. general assembly resolutions declaring the Indian Ocean a zone of peace.

He asserted that the new government would jealously guard its freedom, he said that his government would strengthen its traditional bonds of friendship with all its friends.

As far as India was concerned, he said, the present visit of Mrs. Gandhi would usher in a new era of increased co-operation in all fields—political, economic and industrial. Its ties with India would be based on mutual respect, he added.

Later, addressing a mass rally at the Champ De Mars — the historic ground where transfer of power to Mauritius from Britain took place in 1968 — the Prime Minister assured that India desired to help Mauritius in all its problems and forge closer economic links.

At least 10,000 Mauritians out of about 30,000 population of this capital town turned up to hear Mrs. Gandhi and gave her a standing ovation as she rose to speak.

They shouted slogans "Long live Indira Gandhi" and "Long live India and Mauritius."

As she ended her speech, the Prime Minister was lustily cheered by the crowd of people who were on a holiday on account Ganesh Chaturthi.

New Delhi (PTI): The Prime Minister left here this morning on a five-day visit to Mauritius and Mozambique.

She said she had no statement to make as she boarded the special Air-India plane for Port Louis.

Mrs. Gandhi was seen off at the airport by her ministerial colleagues, members of the diplomatic corps, MPs and others.

Mr. Rajiv Gandhi, MP, and his wife Sonia were also present at the airport.

Mrs. Gandhi is accompanied on her visit by Mr. M. K. Rasgotra, foreign secretary, Dr. Arjun Sengupta, additional secretary in the Prime Minister's secretariat, and Mr. H. Y. Sharada Prasad, information advisor.

Mr. S. M. S Chadha, joint secretary (economic division), and Mr. N. R. Verma, director (Africa division) in the external affairs ministry, are already in Port Louis and Maputo to join in the official level talks.

The Prime Minister will return to New Delhi on August 28.

Speech to National Assembly

Madras THE HINDU in English 25 Aug 82 p 5

[Text] Port Louis, Aug. 24.

The Prime Minister, Mrs. Indira Gandhi, today expressed India's firm opposition to military interventions and presences and said it favoured political solutions to various crisis.

In her first-ever address to the 70-member National Assembly of Mauritius, she called upon developing countries to forge greater unity and cohesion to effectively resist the threat to world peace posed by the increasing military presence of superpowers in the Indian Ocean as also nuclear proliferation.

Mrs. Gandhi was lustily cheered by the members when she voiced India's unequivocal support to Mauritius in its demand for the return of Diego Garcia and other islands in the Chagos Archipelago, currently leased to the U.S. by Britain.

Wide spectrum: In a hard-hitting speech covering a wide spectrum of international issues, Mrs. Gandhi asked the littoral States to raise their voice in a bid to eliminate power basis from the Indian Ocean and preserve it as a zone of peace.

She regretted that repeated calls made by the littoral countries and the U.N. resolutions in this respect were disregarded.

Referring to the apartheid doctrine pursued by neighbouring South Africa, Mrs. Gandhi said its policies were an "affront to all the values dear to us."

Describing as "pernicious" the doctrines of apartheid and racist domination followed by South Africa, she said the Government and the people of India had consistently and firmly condemned the atrocities on the peoples of South Africa.

Mrs. Gandhi took the opportunity to reiterate India's unequivocal support for the cause of the African National Congress, of SWAPO and other liberation movements in South Africa.

She called for independence of Namibia and underlined the need for common efforts in cooperation with the frontline African States, to end these "abhorrent policies of racialism and colonialism."

Economic disparities: Mrs. Gandhi warned that economic disparities between and within nations created "explosive" situations and called for the establishment of a new economic order which could redress long-standing inequalities.

Recalling India's efforts at U.N. and in various summit and other conferences in this direction, she regretted that industrially advanced countries ignored the worldwide consequences of growing economic disparities between nations.

She also called for the creation of a new "dimension" of cooperation in trade and technology between India and Mauritius.

Invasion of Lebanon: Referring to the Israeli aggression in Lebanon and the massacre of thousands of innocent civilians in total defiance of world opinion, Mrs. Gandhi called for a just and comprehensive settlement of the West Asian crisis ensuring the vacation of aggression by Israel and restoration to the Palestinian people of their right to a homeland.

On the June elections in Mauritius, which had brought a large number of young people to Parliament, Mrs. Gandhi said, amidst applause, in India also, special efforts had been made to give the young their legitimate share of authority and responsibility.

She briefly referred to India's freedom struggle and the progress made since Independence and said India and Mauritius shared many things in common, particularly their allegiance to parliamentary institutions and democratic development.

Distinct personality: Unity in diversity in Mauritius was at its best display when thousands of men, women and children belonging to different communities and cultures turned out on Monday at a rally addressed by Mrs. Gandhi.

After seeing this conglomeration of mixed culture, Mrs. Gandhi was led to remark that she saw in it the emergence of a distinct personality of Mauritius as attained by India long ago.

The rally was held at "Champ de Mars," which is adjacent to the place where Mahatma Gandhi was received during his visit there in 1901.

Mrs. Gandhi told the rally that the size of the country did not matter. Even small countries like Mauritius could make their own contributions to the development of mutual understanding in the world.

In her address, partly in English and party in French and Hindi, she said the main preoccupation of India and Mauritius was to ceaselessly work for the elimination of poverty and creation of a just society.

Paying tribute to the people of Indian origin now constituting 52 per cent of the Mauritian population nearing one million, Mrs. Gandhi said they have succeeded in establishing themselves in Mauritius.

Earlier the Mauritian Prime Minister, Mr. Jugnauth, said India would remain a constant source of inspiration and guidance for Mauritius. His country looked forward to receiving financial and technical assistance from India for its speedy development.--PTI.

Report on Joint Communique

Bombay THE TIMES OF INDIA in English 26 Aug 82 pp 1, 9

[Article by J. D. Singh]

[Text] PORT LOUIS, August 25.

INDIA and Mauritius today expressed grave concern over the "great power" military presence in the Indian Ocean and reiterated the need to intensify efforts for speedy implementation of the U.N. declaration to make it a zone of peace.

A joint communique issued at the end of the three-day visit of the Prime Minister, Mrs. Indira Gandhi, expressed apprehension at the transformation of Diego Garcia into a military base.

Mrs. Gandhi, who came to Mauritius at the invitation of Mr. Aneerood Jugnauth, Prime Minister of what she called "a great little country", reiterated India's full support for Mauritius' sovereignty over the Chagos archipelago, of which Diego Garcia is a part.

The communique, issued after wide-ranging talks between Mrs. Gandhi and Mr. Jugnauth on bilateral, regional and international developments reveals a close identity of views on various issues.

The talks were marked by cordiality and mutual understanding "which have traditionally characterised relations between India and Mauritius", the communique said.

While Diego Garcia undoubtedly received special attention, the two sides deplored the South African government's attitude towards Namibia and its policy of apartheid.

They also expressed their grave concern over the situation in West Asia resulting from the Israeli aggression in Lebanon, and over the continuing conflict between Iran and Iraq.

On Afghanistan, the communique expressed the two leaders' faith in the cardinal principles of non-intervention and non-interference in the internal affairs of states and called for a political settlement on the basis of withdrawal of all foreign forces and strict respect for the independence, sovereignty, territorial integrity and non-aligned status of Afghanistan.

The two Prime Ministers reaffirmed their faith in the policy of non-alignment, described the existence of nuclear weapons and arms race as a grave threat to the very survival of mankind and regretted the continued stalemate in North-South relations and deterioration in the climate of multilateral economic co-operation.

Before leaving for Mozambique today, Mrs. Gandhi visited India House to address the Indian community and held a press conference at the governor-general's residence.

During the official talks, Mrs. Gandhi was assisted by Mr. M. K. Rasgotra, foreign secretary, Mr. H. Y. Sharda Prasad, information adviser to the Prime Minister, Dr. A. K. Sengupta, additional secretary to the Prime Minister, Mr. S. K. Bhatnagar, acting high commissioner in Mauritius, Mr. S. M. S. Chadha, joint secretary, and Mr. Prem Singh, Indian ambassador to Bahrain.

The Prime Minister of Mauritius was accompanied by Mr. Harish Boodhoo, deputy prime minister, Mr. P. R. Berenger, finance minister, Mr. A. K. A. Bhayat, commerce and industry minister, Mr. J. C. L'estrac, minister for external affairs, Mrs. Aumeeruddy-Cziffra, attorney-general and minister for women's rights, and Mr. K. Ruhee, minister for economic planning and development.

At the outset of the talks, Mrs. Gandhi congratulated Mr. Jugnauth on the recent overwhelming electoral victory of his party. Mr. Jugnauth on his

part expressed the conviction that the traditional close ties between India and Mauritius would continue to grow. The hope was also expressed by the two leaders that such relations would be increasingly reflected in the cultural and economic links between the two countries.

According to the communique, the Prime Ministers expressed satisfaction at the progress of bilateral relations. Both agreed there was scope for further expansion of mutually beneficial co-operation, especially in the fields of industry, oil prospecting and refining, scientific research and exploitation of mineral resources and shipping.

Mr. Jugnauth accepted Mrs. Gandhi's invitation to visit India in the near future.

Besides reiterating the need for agreement on launching of the global North-South negotiations, the Prime Ministers urged the developing countries to agree on a charter of action for the development of the full potential of their collective self-reliance.

In view of the dependence of Mauritius on South Africa for trade and tourism, the two paragraphs in the communique on Namibia and apartheid were significant.

On Namibia, the two leaders noted with serious concern the recalcitrant attitude of the South African government. They expressed the hope that Namibia would achieve independence in conformity with the U.N. security council resolution and pledged full support for the struggle of SWAPO and the people of Namibia to achieve their independence.

The Prime Ministers condemned the South African government's policy of repression and subjugation of the Black and Coloured majority of the country. They agreed that dismantling the structure of apartheid was essential for lasting security in the region.

They demanded the immediate release of Mr. Nelson Mandela and other political prisoners languishing in South African jails.

Port Louis Press Conference

Bombay THE TIMES OF INDIA in English 26 Aug 82 p 9

[Text] Port Louis, August 25 (UNI).

India will hold the seventh non-aligned summit early next year in New Delhi, the Prime Minister, Mrs. Indira Gandhi, said here today.

Addressing a press conference shortly before her departure for Mozambique, Mrs. Gandhi said invitations had been sent to leaders of non-aligned countries to attend the summit which she said, would provide an occasion for exchange of views and ideas among the third world leaders on the current international situation.

Replying to questions, she ruled out any military grouping among the Indian Ocean nations, saying "one type of grouping attracts another type of grouping and may well cause tension in this part of the world."

Mrs. Gandhi criticised the military build-up by the United States in Diego Garcia. She said India was "against all military presences" in the Indian Ocean as it would endanger peace in the region.

On the controversy over holding the seventh non-aligned summit, she said she had no doubt that the non-aligned movement would survive the present situation.

She said invitations had been extended to leaders of non-aligned states and she expected the Mauritius Prime Minister, Mr. Aneerood Jugnauth, to participate in the non-aligned summit to be held in Delhi.

Mrs. Gandhi said: "People have prophesised that the non-aligned will collapse. I think this has been propagated at the time of every conference, but somehow we have survived the ups and downs and I have no doubt we will survive the present situation."

India's difficulties started with "the rise in oil prices, high price charged by industrial countries for our imports, high rates of interest and their reluctance to buy goods from us at rumerative rates", Mrs. Gandhi said.

She pleaded for the removal of the disparities between the developed and developing countries for justice, peace and stability in the world.

Mrs. Gandhi said she was impressed by the friendship and warmth of the people on Mauritius and the enthusiasm of the leadership to solve the complex problems the country faced like any other developing nation.

CSO: 4220/7837

CPI-M CENTRAL COMMITTEE ON PUNJAB EXTREMISTS

New Delhi PATRIOT in English 30 Aug 82 p 1

[Text] The CPI-M central committee, now in session in the Capital, has condemned the Punjab Government's action of rounding up Akali activists on the night of 27-28 August as a step "which is bound to worsen the situation and play into the hands of the extremists who are out to create communal tension" in the State and intensify the separatist movement.

In a resolution it adopted on Sunday, the committee urged the Central Government to call an all-party meeting with a view to effectively fight the divisive forces.

The committee pointed out that the State Government of Punjab had by killing many people under the cover of 'encounters' in the past, and not putting them on trial provided grist to the mill of the extremist elements.

It underlined that the CPI-M had sharply opposed the Sikh extremists and exposed their anti-national activities warned the Akali leadership of the need to demarcate from these extremists so as not to allow genuine grievances to be exploited for disruptive and separatist activities. What is more the party had conducted a statewide campaign for communal peace and against the threat to the unity and integrity of the country.

But it also felt that the Government and the ruling party had failed to rouse the people against the extremists' disruptive activities. 'It has not even placed the facts in its possession about the activities of the extremists through a white-paper. Earlier also the statements of the Chief Minister was an indication of the inept handling of the situation'.

In this context, the committee called on the people to be vigilant against the extremists and maintain peace and unity of the Punjabi people.

At the same time, while projecting its demand for an all-party meeting to be called by the Centre, it felt that the latter should not delay the consideration and decision of the demands of Punjab such as inclusion of Chandigarh and the Punjabi-speaking contiguous areas with village as the unit, reference of the canal water dispute to a Supreme Court judge. It further called upon the Government to immediately enact an all-India Sikh

Gurdwara legislation to end all interference in the democratic functioning of the gurdwaras.

'The central committee warns the Government that failure to solve the problems bristles with the danger of disruptionist forces spreading their tentacles in other parts of the country', the resolution read.

CSO: 4220/7851

CPI-M ISSUES STATEMENT ON PUNJAB EXTREMISTS

New Delhi PATRIOT in English 22 Aug 82 p 4

[Text]

THE CPI-M has come out sharply against the Akali Dal leadership for placating the Punjab extremists as manifest in its conspicuous silence amounting to condonation of the latest hijacking incident and the attempt on Chief Minister Darbara Singh's life.

In a statement issued from the Capital on Saturday, the party's politbureau denounced the incitents in unambiguous terms and appealed to the people of Punjab—Hindus, Sikhs and others—to isolate the extremists and communalists in a bid to save the State from catastrophe.

It recalled that when the first hijacking took place, the CPI-M had warned that "any encouragement to extremist elements would create a very dangerous situation in the border state of Punjab", and had called upon the Akali leadership to demarcate itself from the extremists and condemn their "anti-national activities."

"Far from doing that, the Akali leadership to demarcate it-project the common demands of the Punjab people as religious discrimination against Sikhs, thus inciting communal passions and even included some of the demands of the extremists when it launched its 'Dharam Yudh' on 4 August. That this was playing into the hands of the anti-national elements was clear when the extremists, led by Bhindranwale, decided to give up their separate agitation and join the Akali morcha", the statement read.

The PB felt it necessary to once again warn the Akali leadership that its placating of the extremists, "its silence which actually becomes condonation of reprehensible crimes like hijacking, exhortation to killings and actual killings, making gurdwaras refuges for criminals, etc. have led to a situation where it is in the position of playing second fiddle to the extremists, and getting isolated from the democratic forces without whose support neither the demands of the Punjab people nor the demands against religious discrimination of the Sheikhs can be won".

It explained to the Akali leadership that from such a situation, only the extremists and Cong-I rulers would gain, "not the Punjabi people, not the Sikh masses, not even the Akali Dal."

CSO: 4220/7836

PRESS REPORTS VISIT OF JAPANESE FOREIGN MINISTER

G. K. Reddy Report

Madras THE HINDU in English 28 Aug 82 p 9

[Text] New Delhi, Aug. 27.

The Japanese Foreign Minister, Mr. Yoshio Sakurauchi, arrived today on a three-day visit to India accompanied by a 20-member delegation which includes two important members of Parliament besides senior officials dealing with both political and economic relations.

As the scope for increased Indo-Japanese economic cooperation has been discussed at great length in recent months in New Delhi and Tokyo by visiting Ministers, officials and industrialists, the programme drawn up for Mr. Sakurauchi's visit does not provide for any wide-ranging talks on the nature or extent of the proposed Japanese participation in some key sectors of Indian development.

Apart from signing an agreement for extending a yen credit of Rs. 126.7 crores for 1982-83 which was pledged at the last meeting of the Aid India consortium, no economic discussions as such will take place at Mr. Sakurauchi's level during this visit. He will be calling on the Finance Minister, Mr. Pranab Mukherjee, for a general exchange of views on some of the issues that would be coming up for consideration during the annual meetings of the World Bank and IMF in Toronto in the next fortnight.

But the visiting Japanese Foreign Minister will be delivering a major speech on the prospects for increased Indo-Japanese economic cooperation at a dinner to be given in his honour by the Federation of Indian Chambers of Commerce and Industry (FICCI) on Sunday night. It will indicate how far Japan is prepared to go in extending technological cooperation on competitive terms in selective spheres where India is in need of such assistance.

Otherwise the main accent during the talks with Mr. Sakurauchi on this occasion will be on political issues to pave the way for a better understanding of each other's attitudes. Though there are no bilateral problems as such between India and Japan, the two countries hold differing views on many international and regional issues since they tend to view them at times from different angles.

But since these differences of perception have not involved any direct conflicts of interest, the Indian and Japanese leaders have been able to share their concerns without undue reservations. The ministerial level consultative meetings have been utilised by both sides to discuss global or regional developments with a degree of objectivity voicing their apprehensions.

If Japan has made no secret of its unhappiness over India's stand on Kampuchea and Afghanistan, India has not been mincing words in making known its disappointment with the Japanese tendency to line up automatically with the West on almost all major issues. But there is a grey zone in this relationship that enables the two sides to discuss such developments quite freely to have the benefit of their assessments of each situation.

Readiness to talk: It is this readiness to talk to each other candidly that has enabled India and Japan to share their views at these ministerial meetings on the interaction of the policies and pursuits of the Big Powers in various regions.

If the Indian leaders do not let go such opportunities to get the Japanese views on the internal developments in China and its changing attitudes towards neighbouring countries including the Soviet Union, the Japanese Ministers have been equally keen on obtaining India's appraisal of the Soviet policies in Asia especially in relation to the Association of South East Asian Nations (ASEAN) and the Indo-China States.

These periodic exchanges have also helped the two countries to talk about subjects like each other's nuclear policies, particularly the attempts of the suppliers group to impose discriminatory safeguards in the name of non-proliferation. Though Japan has not gone to the extent of challenging the U.S. right to indulge in these double standards because of its special relationship with Washington, it has certainly been following with interest, not unmixed with a degree of admiration, India's stout resistance of these pressures.

During his talks with the External Affairs Minister, Mr. P. V. Narasimha Rao, the visiting Japanese Foreign Minister will try to obtain some clarification of how India proposed to deal with the French move for much more stringent safeguards on the fuel to be supplied for the Tarapur plant. The Japanese have been following this controversy very closely since they are no less opposed to the concept of pursuit and perpetuity clauses.

But the Japanese Government is reported to be very particular that the tone that has already been set through a painstaking effort by both sides for increased cooperation can be sustained only through concrete action in some selective spheres.

Talks in Delhi

Bombay THE TIMES OF INDIA in English 29 Aug 82 p 1

[Excerpts] New Delhi, August 28. The talks with the visiting Japanese foreign minister, Mr. Toshio Sakurauchi, here have given tentative

indications to India that Japan might now be prepared to intensify bilateral relations despite the differing political perceptions of the two countries.

During their 90-minute meeting, Mr. Sakurauchi and the external affairs minister, Mr. P. V. Narasimha Rao, expressed their desire for closer relations between the two countries. They had frank exchange of views over the situation in South-East Asia, Afghanistan, and issues related to the North-South dialogue and disarmament.

The Indian external affairs minister apprised the Japanese leader of the process of normalisation of India's relations with Pakistan and China. He also acquainted the Japanese foreign minister with the latest situation regarding the non-aligned summit. Mr. Sakurauchi said his country respected India's policy of non-alignment.

Economic Ties

The two ministers also emphasised the importance of closer economic relations between the two countries and took note of the recent seminar in Tokyo which discussed joint projects in third countries.

At the talks, India did not discuss the defence posture of Japan nor did it refer to the textbook controversy and Japan's relations with China.

The Japanese side expressed concern over the volatile situation in West Asia. Mr. Rao underlined that the only solution to the West Asian problem was the establishment of a nation state for the Palestinians. The two leaders also discussed the Iran-Iraq war.

The two leaders reaffirmed their determination to strengthen the bonds of friendship between the two countries while pursuing efforts to promote peace and stability in Asia and the world.

Speaking at a dinner he hosted in honour of the visiting foreign minister, Mr. Rao said: "We cannot notice without anguish events taking place close to us.

Mr. Rao appreciated Japanese participation in India's economic development and said that "opportunities for a more extensive co-operation between our two countries were increasing."

Mr. Rao referred to the active role played by Mr. Sakurauchi in developing Indo-Japanese contacts as president of the India-Japan Friendship Association.

Mr. Sakurauchi emphasised that Japan was "feeling the weight of India as a major country of Asia and her role in a new light." In this context he mentioned that with the increase in political stability in the region, India was showing "renewed interest" in east Asian countries.

Recalling a series of high-level contacts between the two countries, including Mrs. Gandhi's recent stopover in Tokyo, Mr. Sakurauchi said: "Japan

and India had rediscovered each other and were about to enter into a new, closer bilateral relations within a broader framework of increased interdependence among nations today. We consider it very significant for the cause of peace and prosperity of Asia and the world."

Japan would do its best to promote political dialogue, economic relations and co-operation between the two countries, he said.

Japan has extended concessional loans amounting to about Rs. 126.77 crores for four projects in India. It has also offered grant aid of about Rs. 17.25 lakhs for cultural activities.

The notes on the concessional loan and grant aid to India were exchanged between the visiting Japanese foreign minister and the finance minister, Mr. Pranab Mukherjee.

The projects for yen credit include the Anpara 'B' thermal power station in U.P., an offshore supply vessel project for the ONGC, the Calcutta metro railways (phase II) and micro-hydro power stations in Tamil Nadu.

The yen credit for these four projects was pledged at the Aid India Consortium meeting in Paris on June 15 this year.

The grant aid for cultural activities is for the supply of audio-visual and photographic equipment to the centre for cultural resources and training.

The power sector is one of the most important sectors covered under the yen credit. Under the Anpara 'B' thermal power station project, two units of 500 MW will be installed.

The Tamil Nadu state micro-hydro power project envisages the setting up of three micro-hydro turbine generators at lower Bhavani, Pykara dam and Vaigai.

The Calcutta metro railway project is for the construction of a rapid transit system from Dum Dum to Tollygunge, a 15-km.-long stretch. This is an ongoing project.

Speech to Businessmen

New Delhi PATRIOT in English 30 Aug 82 pp 1, 7

[Text] Japanese Foreign Minister Yoshio Sakurauchi has lauded the "great significance" of the current liberalised economic policies of the government of India, and observed that "open India offers unlimited possibilities".

His observation came in the context of his reference to the 'new development' witnessed in business collaborations between India and Japan, in which he specifically mentioned "motor car manufacturing".

Mr Sakurauchi was speaking at a dinner in the Capital on Sunday evening hosted by Federation of Indian Chambers of Commerce and Industry (FICCI) president G K Devarajulu.

Later, briefing newsmen on Mr Sakurauchi's discussions in India, Deputy Director-General of the Asian Bureau of the Japanese Foreign Ministry H Fuji informed that the joint venture between Maruti and Suzuki, the accord on which is to be initialled in September, would mark a turning point in Japanese investment in India.

He also added that expansion in items of OGL was seen as dynamism of the Indian economy and was appreciated by Japan as India's willingness to have wider cooperation.

New Pattern

In his speech at the FICCI function, Mr Sakurauchi highlighted the important role of promotion of economic exchanges in the private sector. He said the fields of Indo-Japanese cooperation had of late vastly expanded. "The success of the recent conference on joint tendering and sub-contracting between Japanese and Indian firms in third countries, recently held in Tokyo, would have deep implications, indicating a new pattern of cooperation between the two countries", he added.

He disclosed that Indo-Japan Joint Business Cooperation Committee was studying an idea to expand in the coming five years trade between the two countries from the present level of two billion dollars to five billion dollars.

Earlier, Mr Sakurauchi conceded that although a major part of Japan's economic cooperation was extended to the Asian region and about 20 per cent of its Official Development Assistance was directed to South Asia, it was a fact that the total figures of Japan's trade and investment in the South Asian region in 1980 were less than those for a single member-State of the ASEAN group.

He listed several reasons for such a situation. One was the "complexity of the intra-regional and peripheral relations of the South Asian region" which constrained the Japanese to keep some distance from this area, thereby weakening relations with South Asian states. Additionally, "some of the countries in this (South Asian) region were maintaining a rather inward-looking economic system", the Japanese Foreign Minister averred, and said this eventually built a psychological wall between Japan and these countries

However, he felt, there were some positive signs now. First, the stability of South Asia "is steadily being restored" with serious efforts to improve Indo-Pak and Sino-Indian relations by which India "is strengthening her moderate non-alignment policy and conducting a foreign policy to maintain well-balanced good relations with the US and the Soviet Union".

Secondly, the advance made in promoting regional cooperation among South Asian nations, which Mr Sakurauchi felt was a "grand experiment". Thirdly, moves to enhance external economic ties which were welcomed by Japan which stressed that maintenance of the free trade system and liberalization of economic activities "are essential to revitalization of the world economy".

In these conditions, he was convinced that Japan's exchange with South Asian states could not be kept at current levels.

Problems Admitted

Quoting Japanese Prime Minister Suzuki's words during Mrs Gandhi's recent visit to Japan--"relations between our two countries are not commensurate with the international status currently held by them"--Mr Sakurauchi said: "Cooperative relations between Japan and India, a major power in the region, should be made stronger and closer." He did not wish away the problems, however, noting that in the 1970s there had appeared between Japan and India subjected to severe international circumstances, a "delicate difference in their political and economic interests" and hence Indo-Japanese relations had been left to move on at a level stable but not always satisfactory.

But, in 1980s, there was a "turn of tide" with India trying to improve relations with its neighbours and "new developments" in its ties with superpowers. "The recent visit by Prime Minister Indira Gandhi to the US is seen as an eloquent indication of these developments, and I am very pleased that it achieved significant results," he held. Hence, he declared: "The time has come for our two countries to recognise anew their respective roles and to cooperate, as important countries of the two regions of Asia, for peace and prosperity of these regions and the stability of the world."

To develop Indo-Japanese relations, he said they must cooperate (i) for peace by way of contributing to detente, disarmament, regional stability and promotion of North-South dialogue "regardless of their different positions", and thus must "increase their political dialogue and conduct effective global diplomacy"; (ii) for prosperity enhancing economic cooperation among them; (iii) to promote mutual understanding by increasing studies of each other's country, people, industry, market.

Regarding Japan's foreign policy, he said his country's declaration "never to choose the road to a military power that will threaten others" was rooted in the will of the Japanese people, who had deeply reflected upon the grave mistakes of the past, and on this principle was based its policy towards Asia. "I intend to endeavour to make the multifaceted cooperative relations between Japan and Asian countries a model of North-South relations in the global society of the new age," he underlined.

The FICCI president, in his speech, said there was considerable scope for expansion of two-way trade between India and Japan, as also for transfer of Japanese technology, supported by investment.

Mr Devarajulu said there was considerable scope for large imports from Japan, particularly of textile fibres, fertilisers, machinery, transport equipment and the like. India was also in a position to increase its exports to Japan of marine products, and engineering items like components, castings and forgings and garments.

Referring to Japan as an "excellent source of technology", Mr Devarajulu said India had so far concluded about 7,000 collaboration agreements, about eight per cent of which were with the Japan. [as published]

CSO: 4220/7851

SUPREME COURT ISSUES NOTICE TO ZAIL SINGH

Calcutta THE STATESMAN in English 27 Aug 82 p 1

[Text] New Delhi, Aug. 26.--The Supreme Court today issued notice to Mr Zail Singh and others on a joint petition by 27 members of Parliament challenging his election as the seventh President of India, reports PTI.

The notice was also issued to the Union of India, the Election Commission and Mr Sudershan Agarwal, Secretary-General of the Rajya Sabha, who was the returning officer for the presidential election.

The notice was issued by Mr Justice S. Murtaza Fazal Ali on the petition filed on August 13 by the 27 M.P.s representing four Opposition parties. The petitioners included Mr Charan Singh (Lok Dal), Mr Syed Shahabuddin (Janata), Mr Jagannath Rao Joshi (BJP), Mr Harikesh Banadur (DSP) and 23 other M.P.s from these parties.

The petition which lists nine grounds for challenging the election contends that Mr Zail Singh is "not a suitable candidate" for the office of the President and any limitation on Article 71 of the Constitution relating to the grounds on which election of a President may be questioned is "illegal and unconstitutional".

The petition further contends that the statement issued by Rao Birendra Singh, Union Minister for Agriculture with the "connivance of Mr Zail Singh" and distributed through the Press Information Bureau is an "interference in the free exercise of an electoral right of the members of the electoral college and misuse of Government machinery".

The petition contends that the acceptance of the nomination papers of Mr Zail Singh itself was "illegal" on the ground that he did not subscribe to an oath under Article 84(A) read with article 58(1)(C) of the Constitution.

Article 84(A) says that a person shall not be qualified to be chosen to fill a seat in Parliament unless he is a citizen of India, and makes and subscribes before some person authorized in that behalf by the Election Commission an oath or affirmation according to the form set out for the purpose in the Third Schedule. Article 58(1)(C) says that no person shall be eligible as President unless he is qualified for election as a member of the House of the People.

The petition had alleged that both Mrs Indira Gandhi and Mr Zail Singh misused Government machinery for furthering his election.

The petitioners contend that the participation of Mr Justice M. H. Beg, chairman of the Minorities Commission in the election campaign was "illegal" and had "materially affected the election result".

The petitioners further contend that criminal proceedings were pending against Mr Zail Singh in a Meerut court. But now with his election as the President of India, the petitioner's right to prosecute him would stand prejudiced because of the immunity enjoyed by the President.

CSO: 4220/7846

JAPANESE, INDIAN LEADERS AGREE ON COOPERATION

Calcutta THE STATESMAN in English 6 Aug 82 pp 1, 9

[Excerpt] TOKYO, Aug. 5--The Prime Ministers of India and Japan today agreed on the need to enhance the scope of cooperation between the two countries, reports PTI. In an hour-long discussion, Mrs Gandhi and Mr Zenko Suzuki also covered, in general terms, the international situation.

The talks were held shortly after Mrs Gandhi flew in here for a day's stopover on her way home from a nine-day visit to the USA. Mr Suzuki paid tribute to Mrs Gandhi's leadership, particularly her stewardship of the economy. New trends and policies, he said, were conducive to investments from abroad. He expressed satisfaction at the new turn of Indo-U.S. relations following Mrs Gandhi's successful visit to America.

Mr Suzuki expressed support for India's economic development programmes and said Japan was willing to consider, sympathetically, India's case for increased contributions from developed countries to the International Development Agency.

He hoped that the visit of the Japanese Foreign Minister, Mr Yoshio Sakurauchi, towards the end of this month, woud lay a good basis for a new phase of cooperation between the two countries. Japan was willing to collaborate in the industrial and technological growth of India.

The two leaders met before attending a banquet hosted by Mr Suzuki in Mrs Gandhi's honour. The last time the two leaders met had been in Cancun during the North-South summit in October 1981. Present at the meeting were Mr Sakurauchi, the Japanese Minister for International Trade and Industry, Mr Shintaro Abe, India's Minister for commerce, Mr Shivraj Patil and the Indian Ambassador to Japan, Mr K.P.S. Menon.

At the banquet, Mr Suzuki hailed the results Mrs Gandhi's visit to the USA as a matter of significance not only to India and the USA but to the future of the whole world. The two leaders expressed their keenness to step up and widen economic relations between their two countries.

Mrs Gandhi called for the renewal of ancient ties between India and Japan, making them relevant to contemporary times. She recalled how her father had admired Japanese successes even in his school days. Today the wor d was full

of admiration for the technological progress of Japan and some were even jealous, she said.

"We admire also the fact that along with the spectacular industrial progress, you have made great achievements in art and architecture and in films and designing". She welcomed the reference to friendship and cooperation made by Mr Suzuki and said she fully reciprocated the sentiments. India believed there was great scope for economic cooperation between the two countries.

Mr Suzuki accepted an invitation from Mrs Gandhi to visit India. The invitation was extended during their brief talks. Mr Suzuki said he hoped to undertake the visit at an early date. He will be the first Japanese Premier to visit India since Mr Hayato Ikeda's visit in 1961.

CSO: 4220/7755

GENERAL MEETING OUSTS AKALI DAL-T CHIEF

Bombay THE TIMES OF INDIA in English 30 Aug 82 p 1

[Excerpt] New Delhi, August 29 (UNI).

The general body meeting of the Akali Dal (Tara Singh) today passed a no-confidence motion against its president, Jathedar Rachhpal Singh, and removed him from the presidentship.

The general body meeting, convened by the supporters of late Jathedar Santokh Singh, founder of Akali Dal (Tara Singh), appointed Jathedar Harbans Singh Frontier as its new president.

Talking to newsmen here, Jathedar Frontier said that out of 425 members of the general house, 352 attended the meeting and unanimously accepted him as its new president.

He said Jathedar Rachhpal Singh was expelled from the primary membership of the party for his alleged anti-party activities and for sabotaging the interests of the Dal by supporting a rebel leader in the Delhi gurdwara prabandhak committee elections on August 26.

The meeting also unanimously elected Mr. Autar Singh Autopins, as a leader of the Panthic party.

The new president was authorised by the general house to reconstitute the national executive and the district level committees soon.

The meeting which took place at Gurdwara Sisganj was of the view that Jathedar Rachhpal Singh had failed to implement the policies of its founder Jathedar Santokh Singh, who devoted his life for the cause of the Path.

The new president said the meeting expressed concern over the delay in finding out the facts about the assassination of Jathedar Santokh Singh. The police had failed to arrest the real culprits behind this alleged conspiracy to murder Santokh Singh.

In another resolution, the Akali Dal renewed its 21-point charter of demands. It authorised its new president to start negotiations with the Centre.

If the Centre failed to concede its demands the party authorised Jathedar Frontier to decide about the agitational methods the party should adopt.

The members who participated in the meeting resolved to follow the steps of the founder of the party and fulfil his dream for the welfare of the Sikh community.

CSO: 4220/7858

INDUSTRY MINISTER ADDRESSES CENTRAL ADVISORY COUNCIL

Calcutta THE STATESMAN in English 24 Aug 82 pp 1, 9

[Text] NEW DELHI, Aug. 23.—A major policy announcement that the Government would consider foreign equity participation above the present permissible limit of 40% in priority industries involving import substitution, sophisticated technology or export, was made by the Union Minister for Industry, Mr N. D. Tiwari, while inaugurating the 29th meeting of the Central Advisory Council of Industry here today.

Mr Tiwari also announced that the Government was formulating a new policy for the electronics industry which offered greatest growth potential. The policy on the anvil, which would be contemporary and forward looking, would be announced soon, he declared.

With regard to the policy of preferential location of industries in backward areas the Minister disclosed that the Government was contemplating evolving special licensing procedure for providing initiatives in no-industry districts. A package of incentives was being worked out to define the initiatives and relaxation as a part for backward area development, he said.

The one-day meeting of the council was attended by the representatives of national organizations of industry and trade and central trade union bodies and secretaries of the key economic Ministries and chief executives of financial institutions.

Explaining the recent charges in the MRTP Act, Mr Tiwari told the meeting that the most important feaure of the amendment of the Act was that certain "nationally important and so identified", industries would be exempt rfom the provisions of the law. This was deliberately done to evolve a better pattern of utilization of resources and skill of the large industrial houses on nationally desirable lines.

On the recent changes leading to the enlargement of the Appendix—I, Mr Tiwari said the objective was not only investment stimulation per se but also direct investment in a manner to lead to widest social impact. He also made it clear that the idea had not been to expand per se investment opportunities for the large houses.

The idea basically had been to recognize the facts in terms of investment requirements for particular groups of industries. In the re-definition of Appendix-I adequate care had been taken to ensure that alternative investment initiatives were not in any way hampered.

On the contrary, he said, the precision in the definition of entries in Appendix-I would reduce the grey areas and would therefore, open up, with a degree of clarity, the preferred investment areas. In the same manner, for the first time, the Government made production the criterion for capacity fixation, ensuring that there was no backlash of this on sectors where alternative investment initiatives were taking shape. "We, necessarily, have to extend this to the large houses only in relation to Appendix-I industries because there are the demarcated areas of their growth", he said.

Mr Tiwari told the council that the country's industrial output had reached $100 billion, including the contribution from the small-scale sector. With all this investment, the total volume of imports for capital goods and components had not exceeded 5%. This had happened primarily because of the success of the fundamentals of the policy which had been framed on two principles, self-reliance and diffusion of industrial initiatives.

He said that it had now been recognized all over that India was today able to sustain about 90% of its gigantic development effort on its own. It had also been recognized that while there was either a zero growth or a marginal growth situation in most of the developed industrial world, India had not only recorded a progressive rise from 4.6% in 1980-81 to 8.3% in 1981-82, but continued to maintain a more than 7% rate of growth in the current financial year despite the prolonged textile strike in Bombay and some other inhibiting factors like lesser or late rainfall in some parts of the country.

The Minister said that the Government had also taken specific steps to fill up executive posts in public sector undertakings and redefine responsibilities and powers of the management of such undertakings. More powers had been delegated to them in terms of project management and necessary sanctions. At the same time they had been made accountable for achieving laid-down targets, he said.

CSO: 4220/7838

PRESS NOTE ON FOREIGN EQUITY HOLDINGS ISSUES

Calcutta THE STATESMAN in English 24 Aug 82 p 13

[Text] New Delhi, Aug. 25.--The Central Government announced yesterday that there would be no dilution in the level of foreign equity holdings even if the financial institutions exercised their option to convert their loans into equity under the convertibility clause.

A Union Finance Ministry Press Note said here that the Government had decided to maintain the level of foreign equity holdings in companies--allowed to be retained under the Foreign Exchange Regulation Act, 1973--at a level of 51% or below.

The official announcement said that in the event of the financial institutions exercising the option of the convertibility clause, resulting in the reduction in the level of foreign equity holdings, foreign shareholders would be allowed to bring in the required foreign exchange in cash to acquire the shares at about the market price to enable them to maintain the permitted level of foreign equity holding.

Of course, the Press Note said, the companies, if affected by the convertibility clause of the financial institutions, would be required to pass a special resolution under Section 81 of the Companies Act, to permit the affected foreign shareholders to maintain their original foreign equity holdings.

The Central Government's fresh decision has removed a major irritant against which foreign investors have often complained.

CSO: 4220/7838

AKALI DAL (LONGOWAL) LEADER TELLS PARTY POSITION

Bombay THE TIMES OF INDIA in English 24 Aug 82 p 7

[Article by K. S. Khosla]

[Text] AMRITSAR, August 23.

THE Akali Dal (Longowal) is not in favour of "Khalistan," nor does it support extremism in any form. The party believes in non-violent means to achieve its objective.

Clarifying the position, the party president, Sant Harchand Singh Longowal, told this correspondent that the Anandpur Sahib resolution, which had created so much "unnecessary" controversy, was "secular and democratic" and not secessionist in nature. All that the resolution demanded was political and financial autonomy for the states and there was nothing "anti-national" about this demand. Even the former president, Mr. Sanjiva Reddy, while speaking at a function some months ago, had advocated giving autonomy to states as he believed that ruling from distant Delhi was not always helpful in the speedy development of the far-flung areas of this big country, the Sant added.

Sant Longowal said his party wanted autonomy within the Indian Union and was in favour of national integration and Hindu-Sikh unity. Those who questioned "our patriotism" were either deliberately spreading the lie or showed utter ignorance of the history of the Akali Dal, which was replete with examples of supreme sacrifices for the country. The Dal had been in the forefront of the freedom struggle, the Sant added.

The Sant said the party had launched the present "morcha" out of sheer compulsion as it felt that there was no alternative left for getting its demands accepted. The Sant claimed that the Prime Minister had accepted the demands in the first meeting and even said that they were "sound in principle." But Mrs. Gandhi backed out of the assurance given by her at the last meeting, the Sant regretted.

The Sant said the "morcha" had not failed as was being suggested by the state government and other interested parties. He said that till August 19, as many as 4,331 Akali workers had courted arrest. (The "morcha" was launched on August 4).

The important Akali workers who had gone to jail so far were Mr. Prakash Singh Badal, former chief minister, Mr. Balwinder Singh Bhunder, Mr. Sukhdev Singh Dhindsa and Mr. Narinder Singh, former ministers, Mr. Lehna Singh Tur, MP, half a dozen MLAs and about 100 sarpanches from various districts. The "morcha" would continue till their demands were met. It was going to be a long drawn-out affair and "our past morchas have shown amply that we have a lot of patience," the Sant pointed out.

ACCEPTANCE FIRST

Asked if there was any room for negotiation or compromise on its demands, including that of the Anandpur Sahib resolution, Sant Longowal said, "Let the Prime Minister first accept in principle the demand for provincial autonomy. The modalities and the form of autonomy can be discussed later. We are not rigid and do not say that on provincial autonomy the Anadpur Sahib resolution is the last word."

Asked whether they would resume talks with Mrs. Gandhi, the Sant said, "We are not going to have any talks unless she announces the acceptance of the demands which she had accepted in principle."

An hour-long talk with the Sant however, showed weak chunks in his assertion that the party was not supporting extremism. The Sant said, "We are not supporting extremists, but we are certainly supporting those "Amritdhari" Sikhs who are being harassed and tortured by the police. "The police had no business to humiliate and torture the relative of those arrested by it," the Sant stated, adding, "Let the police prosecute those arrested by it in courts according to the laws of the land."

NOT ON FIRM GROUND

The Sant was again not on firm ground while denying the allegation that his party had adopted Sant Jarnail Singh Bhindranwale's "morcha" for the release of Mr. Amrik Singh, his close associate and president of the all-India Sikh students' federation. The Sant said that his party had not adopted anyone's "morcha". It had only shifted its morcha from Kapoori to Amritsar as there were problems in courting arrest there. The fact, however, remains that Sant Bhindranwale has suspended his "morcha" since August 4 — the day the Akali Dal launched its "morcha."

Whether the "morcha" will fail or be successful will depend largely on the party's attitude towards extremism. Political observers feel that the Akali Dal must give up its ambivalence and come out openly against violence in any form including hijacking. They point out that while the Akali leaders condemned the hijacking on August 4, they remained silent on the earlier hijacking by the Dal Khalsa members who succeed in taking an Indian Airlines plane to Lahore.

Observers feel that the Dal should reach a consensus with the opposition parties on a basic minimum programme as far as the demands concerning the entire state are concerned. Otherwise the "morcha" will be a single party affair.

CSO: 4220/7837

KHOBARAGANDE-LED RPI HOLDS EXECUTIVE MEETING

Bombay THE TIMES OF INDIA in English 30 Aug 82 p 4

[Text] August 29.

Mr. B. D. Khobaragade, president of the RPI (K), today charged Mr. R. S. Gavai, former chairman of the legislative council, with splitting the Republican Party of India by joining hands with the ruling party.

He was referring to Mr. Gavai's reported statement that it was the Congress party which caused factions in the RPI. Mr. Khobaragade said that though Mr. Gavai was critising the Congress (I) now he would not be surprised if the latter joined hands with it if again offered the post of the council chairman.

Mr. Khobaragade said the party executive at its meeting in the last two days had decided to celebrate the party's golden jubilee at Pandhurna in Chhindwara district of Madhya Pradesh in October. All factions of the RPI would be invited for the meeting.

The executive also welcomed the suggestion of the chief election commissioner to hold simultaneous elections to Lok Sabha and state assemblies. It also favoured the introduction of the proportional system of voting and the proposal that the government bear the expenses of elections.

The body supported the textile workers' struggle, demanded renaming of Marathwada university after Dr. B. R. Ambedkar, and urged immediate drought relief steps in the state.

Meanwhile, Mr. R. S. Gavai in a statement today clarified reports of his speech at Manmad on August 18 which mentioned that he aspired to be the chief minister of the state.

Mr. Gavai said what he had stated was that in view of the large scale dissensions in the ruling party any one from the opposition could become the chief minister. Since he was in the opposition, he too could become the head of the government.

He also clarified that there was no question of his giving any offer to Mr. Antulay to join the opposition or advise the opposition to withdraw the cases in the court against Mr. Antulay. However, he was of the view that political disputes should be settled at the political level only.

CSO: 4220/7858

COMMERCE SECRETARY MEETS WITH SOUTH ASIAN DIPLOMATS

New Delhi PATRIOT in English 29 Aug 82 p 7

[Text] Commerce Secretary Abid Hussain held a preliminary meeting with diplomats from South Asian countries in connection with the holding of a two-day seminar on economic cooperation among these countries from 6 October, reports UNI.

The diplomats from Pakistan, Bangladesh, Nepal, Bhutan and Sri Lanka who attended the meeting had agreed to participate in the seminar and also work out the modalities.

The seminar which will be organised by the Federation of Indian Export Organisations will be attended by representatives of leading chambers of commerce, trade associations and Government agencies from these countries besides India and Maldives.

The objectives of the seminar would be:

Increasing trade cooperation among South Asian countries.

Sharing of experience in areas such as renewable sources of energy, technical cooperation, transfer of technology, training.

Identifying the role of small and cottage industries in the industrial development and,

Increasing productivity and creating employment opportunities.

At Saturday's meeting, the Commerce Secretary said that it was essential for South Asian countries to cooperate among themselves in order to take advantage of the potentials available in the region.

During the last few years, they were having trade fairs in each other country. This had created a lot of awareness of their capabilities, he said.

CSO: 4220/7857

SOVIET VISITOR SPEAKS ON TREATY ANNIVERSARY

New Delhi PATRIOT in English 26 Aug 82 p 10

[Text] Soviet Vice-President Sattar Imashaev on Wednesday reiterated his Government's commitment to promote world peace and said both India and Soviet Union had a common approach on various international issues, especially world peace efforts to stall arms race and making Indian Ocean a zone of peace.

Mr Imashaev said the Soviet leaders and people were looking forward to Prime Minister Indira Gandhi's forthcoming visit to the USSR which he hoped would further cement the ties of friendship and cooperation between the two countries.

He was speaking at a public meeting organised by the Indo-Soviet Cultural Society in the Capital to celebrate the 35 anniversary of Indian Independence and 11th anniversary of the signing of the Indo-Soviet Treaty for peace, friendship and cooperation.

The struggle for peace and security, Mr Imashaev noted was a struggle to reserve mankind from destruction by nuclear holocaust. He said India had always played an important role in defusing world tension and voicing concern against the escalating arms race.

Mr Imashaev pointed out that the Soviet people keenly watched the development of India and noted with appreciation its progress in many sophisticated disciplines. He said that during his visit to several parts of the country he found an abundant flow of love and affection from the Indian people.

Presiding over the function, former Foreign Secretary T N Kaul said Indo-Soviet cooperation in various fields and its friendly relation was a vivid example of the two countries' efforts to promote peace, stability and peaceful coexistence.

Referring to the Indo-Soviet treaty as a bullwark of peace, Mr Kaul said the voice of one billion people of India and the Soviet Union for peace could not be ignored. The treaty, he said, was also an effective deterrent for any other country against intervening in the affairs of the two countries.

Other speakers at the function included CPI leader Rajashekhar Reddy, Mr Dinesh Goswami MP and Mrs Ambika Soni.

Earlier, a large number of school children welcomed the Soviet Vice President with songs and flowers. Some of the students delivered a welcome address in the Russian language.

CSO: 4220/7845

ERRORS DISCOVERED IN 1981 CENSUS STATISTICS

New Delhi PATRIOT in English 27 Aug 82 p 5

[Text] A net undercount in the census has been formed in a Post Enumeration Check by the Registrar General of India. The check was conducted soon after the 1981 census to assess the extent of omissions and duplications in the census, according to an official release in the Capital on Thursday, reports PTI.

The PEC has revealed that the net omission rate is 17.95 persons per thousand with a PRSE (Percentage Relative Standard Error) of 4.69. The net omission rate for males and females are 17.10 and 18.85 per thousand respectively, and do not differ significantly.

The rural-urban differences are, however, significant. In the rural areas, the net omission rate is 15.00 per thousand, while in urban areas it is 27.6 per thousand.

The PEC reveals that the omission is highest in the Central Zone (25.50 per thousand) followed by the North Zone (21.81 per thousand). The West Zone rate is closer to the all India rates. In both the South and East Zones, the omission rates are lower than the all India rate.

The omission rates are almost the same as observed in the 1971 census.

The omission rates by age groups have also been derived through the survey. It is noticed that the omission rate in the other age groups 0-4 is higher than the corresponding rate in the other age groups, being 26.98 per thousand.

The omission rates do not differ significantly by literacy, being 17.75 in the case of literates and 18.06 in the case of illiterates per thousand.

Analysis of omission rates by marital status indicates that the widowed/divorced/separated tend to be omitted more. In the case of the widowed/divorced/separated, the omission rate is 23.64 per thousand as against 20.20 per thousand, in the case of the never married and 14.65 per thousand in the case of married.

The omission rates are higher in the case of females among the married and widowed/divorced/separated being 16.65 per thousand and 25.51 per thousand

respectively as against 12.53 per thousand and 17.92 per thousand respectively in the case of males.

In the case of the never married, the omission rates among females and males are very close being 19.85 per thousand and 20.51 per thousand respectively.

The PEC covered 14 major states and the union territory of Delhi, which together accounted for 97 per cent of the censused population.

CSO: 4220/7849

LOK DAL EXECUTIVE RESOLUTION ENDORSES EXPULSIONS

Calcutta THE STATESMAN in English 26 Aug 82 p 9

[Text] New Delhi, Aug. 25.--The National Executive of the Lok Dal, led by Mr Charan Singh, today endorsed the action taken by him in expelling from the party some of the "well-known splitters" who were "engineering a rift among the party leaders with a view to gaining virtual control" of the Lok Dal.

In a lengthy resolution adopted by the executive it named some of the "splitters", and by naming them, broadly hinted that they were none but erstwhile socialists, whom the resolution accused of indulging in "high intrigues inside the party".

It described the exit of such elements from the party as a "good riddance", adding that the departure of "some of our erstwhile colleagues will prove to be a blessing in disguise, as it will end cliquism inside the party and make for greater homegeneity and cohesion".

Mr S. N. Mishra, general secretary, who released the resolution to the Press, said that of the 45 executive members, 25 had turned up for the meeting and another three had sent telegrams to extend their support to Mr Charan Singh.

He also released the list of 15 national executive members, four State Presidents, and 10 MPs--totalling 29 top-ranking leaders, who had been expelled from the party by Mr Charan Singh and who had on August 9 set up a rival Lok Dal with Mr Karpoori Thakur as president.

The 15 executive members expelled are: Mr Madhu Limaye, Mr Rabi Ray, Mr Satyanarayan Reddy, Mr Hukumdeo Narain Yadav, Mr Karpoori Thakur, Mama Baleshwar Dayal, Mr Chandradeo Prasad Verma, Mr Biju Patnaik, Mr Devi Lal, Mr George Fernandes, Mr Sharad Yadav, Mr Laxmi Narain Yadav, Mr Puran Chand, Mr Purushottam Kaushik and Mr Jabir Husain.

The four State presidents expelled are Mr Balbir Singh (Punjab), Mr Dinesh Das Gupta (West Bengal), Mr G. Latchanna (Andhra Pradesh), and Mr Kapildeo Singh (Bihar).

CSO: 4220/7843

FINANCE MINISTRY REPORTS ECONOMY 'IN GOOD SHAPE'

Bombay THE TIMES OF INDIA in English 28 Aug 82 p 9

[Text]

NEW DELHI, August 27 (PTI).

THE economy, on the whole, is in "good shape" though there are strains especially on the industrial side, which are being tackled, according to finance ministry sources.

The anxiety induced by weather uncertainty has been relieved to a considerable extent by revival of the monsoon and the large foodgrains stock, which would be supplemented by the import of 2.5 million tonnes of wheat from the U.S.

This is intended to meet the needs of the public distribution system, especially in the drought-hit parts of the country, and the accumulated stock should subdue inflationary expectations, the sources say.

The bumper sugar production (already around 8.4 million tonnes) and government's policy of releasing larger quantities would also help to keep the prices under control.

Reports have been received of improved prospects for oilseeds in the wake of recent rains. Inventory-wise, it is pointed out, the country is in a better position to influence the market prices of essential commodities, like foodgrains and sugar and, to a certain extent, edible oils.

Fertiliser imports have been reduced largely with increased domestic production and there has been a welcome increase in consumption of 11 per cent in 1981-82 in spite of the revision of fertiliser prices.

On the price front, satisfaction is derived from the still low annual rate of inflation (less than 2 per cent) though there has been some "seasonal increase" and official circles admit more vigilance is called for. The government is, however, in a position to intervene effectively and prevent speculation, it is felt.

On the industrial side, official data available up to May-end show a growth of 6.5 per cent in the first five months (January-May) of 1982 over January-May 1981. But there are problems in industries like commercial vehicles where demand is not catching up with availability.

The credit policy, officials maintain, has already been considerably relaxed by readjustment of the cash reserve ratio (CRR) as well as by selective support to sectors in need of it. Broad directions have been given to the banks and it is for them to react to demands as they arise.

The industrial scene is certainly not as gloomy as made out in some quarters, they say, because there has been increase in generation of power and infrastructure is operating well.

Essential inputs, like coal, steel, cement and fertilisers, are easily available and there is no scarcity in these items.

Official sources also discount fears that the blow-out in Bombay High would have major impact on the oil production programme. The target set for this year might still be realised, they say.

CSO: 4220/7850

FRENCH-INDIAN RELATIONS ENDANGERED BY TARAPUR STAND

Madras THE HINDU in English 24 Aug 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Aug. 23.

The Foreign Secretary, Mr. M. K. Rasgotra, will probably go to Paris for discussions at the political level with the Secretary-General of the French Foreign Ministry, Mr. Francis Guttman, if the French technical team headed by the Director-General of Cogema, Dr. De Wissocq, insists on additional safeguards at the talks in Delhi next week on the nuclear fuel to be provided for the Tarapur plant.

Meanwhile, the External Affairs Ministry will be replying through diplomatic channels to the French note spelling out the new elements that are sought to be included in the proposed fuel supply contract through a parallel agreement bringing the International Atomic Energy Agency (IAEA) into the picture.

There is no reaction yet from Washington to the message verbally communicated through the U.S. Charge d'Affaires in Delhi that India cannot accept the French bid to apply the pursuit and perpetuity clauses to the fuel to be supplied by it.

The original understanding, on the basis of which India approached and obtained the initial assurances from France, was that the new arrangement would simply substitute France for United States in the 1963 agreement with no additional obligations.

Discordant note: The controversy over the nature and extent of Tarapur safeguards has unfortunately introduced a sour note in Indo-French relations which have been particularly close since Mrs. Gandhi's return to power in 1980.

As a prelude to the French President, Mr. Mitterrand's visit to India in November, the French Foreign Trade Minister, Mr. Michel Jobert, the Defence Minister, Mr. Charles Hernu, and the Secretary-General of the Foreign Ministry, Mr. Francis Guttman, are due to come to Delhi in the course of the next two months for wide-ranging discussions on almost every aspect of Indo-French relations.

The Indo-French cooperation in the economic and defence spheres, including the still inconclusive Mirage-2000 deal, involves contracts totalling over $3,000 millions. The two Governments continue to attach considerable importance to the steady growth of this cooperation envisaging increased French participation in many new Indian industrial ventures.

The Government of India does not want this relationship to be diluted in any way on the eve of Mr. Mitterrand's visit. But at the same time it cannot afford to yield on the nuclear safeguards question. If India has refused all these years to sign the non-proliferation treaty as a matter of principle because of its highly discriminatory provisions, it cannot submit now to the French conditions which are no less invidious in their concept as well as application.

French responsibility: So the main responsibility for preserving the spirit of mutuality and sustaining this growing relationship rests on France.

The diplomatic community in Delhi has been following this development with considerable interest because of its wider implications. The foreign envoys here are waiting to see how India is going to handle the Tarapur issue, whether it will eventually yield in one way or the other to this new insistence on extra safeguards, or maintain its stand resolutely even at the risk of a setback to Indo-French relations.

The general feeling of these hard-headed practitioners of the art of the possible is that the French Government would give in when it realises that India will not agree to the new conditions. And in any case there has to be some clarity about the French and U.S. intentions before Mrs. Gandhi goes to the Soviet Union.

CSO: 4220/7839

SIKH NATIONAL PARTY SCORES PUNJAB EXTREMISTS

Calcutta THE STATESMAN in English 25 Aug 82 p 7

[Text] NEW DELHI, Aug. 24.—The All-India Sikh Nationalist Party yesterday condemned extremists' activities in Punjab. In a letter to the Punjab Chief Minister, Mr Darbara Singh, the party general secretary, Mr Mohinder Singh Sawhney, urged him to tackle extremists firmly.

While congratulating Mr Darbara Singh on his hair-breadth escape in the bomb attack, Mr Sawhney appreciated his "undaunted courage" demonstrated by his addressing a mammoth gathering within minutes of the attack.

The Sikh Nationalist Party also asked the Akali leaders to be reasonable. It took exception to the reported statement by the acting president of the Talwandi group of Akalis, Mr Randhir Singh Cheema, justifying the violent action by the extremists.

"It is a pity that a political party wedded to the cause of democracy and secularism, justified violence in redressing grievances", Mr Sawhney said.

The Sikh Nationalist Party also strongly condemned "the violent methods and the pressure tactic adopted by extremists for creating terror among the innocent citizens".

Prominent Punjab leaders yesterday issued statements condemning the attack on the Punjab Chief Minister and calling upon him to firmly deal with the situation in the State.

Mr Harcharan Singh Brar, former Governor of Orissa, expressed sympathies with the Education Minister Mr Harcharan Singh Ajnala, and all those who had sustained injuries in Friday's Rahon bomb attack.

Mr Brar condemned the activities of the "misguided and anti-national elements" involved in the attack on the Chief Minister.

The recent hijacking of a plane too was widely criticized. The immaturity" of the people who indulge in these activities was stressed.

But, the prompt manner in which the civil authorities at Amritsar dealt with the hijacker was commended.

Reacting strongly to the reported statement by the acting president of the Talwandi group of Akalis justifying the attack on the Chief Minister Punjab, and the hijacking of the plane, Mr Ragunandan Lal Bhatia, M.P., urged the Akalis to be reasonable.

It was very strange, he said, that while the Talwandi groups acting president, Mr Randhir Singh Cheema, professed faith in peaceful methods for solving all political problems, he justified violent actions and refused to condemn these incidents.

CSO: 4220/7840

PAKISTAN GIVEN WRITTEN PROTEST ON BORDER PASS

Madras THE HINDU in English 27 Aug 82 p 1

[Text] Islamabad, Aug. 26.

India today lodged a strong written protest with Pakistan over the signing of a protocol with China on the opening of the Khunjerab Pass as the terminus of the Karakoram highway in Pak-occupied Kashmir.

The Indian Ambassador, Mr. K. D. Sharma, handed over a protest note to the Additional Foreign Secretary, Mr. Abdul Sattar, who promised to give a reply after studying it.

Pakistan had yesterday rejected India's oral protest made in New Delhi saying that India had no basis for it in international law.

The Indian note has pointed out that Pakistan and China have no right to sign an international agreement concerning an area which is under Pakistan's illegal occupation.

Will affect security: The proposed opening of the Khunjerab Pass, scheduled for tomorrow, will not only affect India's sovereignty but its security as well, as it will involve the setting up of additional border posts in the area.

The note also points out that India had protested thrice earlier in the past about the Karakoram highway--first when construction began in June 1969, again when it was inaugurated in June 1978 and as recently as February 1982 after the highway was thrown open to foreign visitors and tourists up to Batura Bridge, about 50 km short of the Pass.

Diplomatic observers here have expressed surprise that such irritants, which tend to vitiate the atmosphere, always occur not long after a good and friendly dialogue between the two countries.

Unilateral change: Regarding the Pakistan Foreign Office spokesman's reference to the Simla agreement, they said signing an international agreement with a third country amounted to unilaterally changing India's recognised position on Jammu and Kashmir.

The Pakistani spokesman had himself admitted that "in the Simla agreement, pending a final settlement of this question, both sides maintained their respective recognised positions", they pointed out.

Referring to Islamabad's suggestion that the question of Jammu and Kashmir remained to be resolved in accordance with the relevant resolutions of the United Nations, these observers said the resolutions had become irrelevant after the Simla agreement.

Surprise over choice: They also expressed surprise that Islamabad picked its Minister of Kashmir Affairs and Northern Areas, Maj. Gen. (Retd.) Jamaldar, to sign an international protocol with China.

However, in another development today, it was learnt that Maj. Gen. Jamaldar would not attend tomorrow's opening ceremony as announced earlier. He is said to be "slightly indisposed."

Instead a team of Pakistani officials led by the Communications Minister, Mr. Mohyuddin Baluch and a visiting nine-member Chinese delegation led by the Governor of Sinkiang Uighur region, Mr. Ismail Ehmed, will cross over by road to Kashgar to mark the opening of the Pass.--PTI.

CSO: 4220/7847

BJP RESOLUTION ON PRESS FREEDOM DEMANDS AMENDMENT

Madras THE HINDU in English 29 Aug 82 p 12

[Text] Bangalore, Aug. 28.

The Bharatiya Janata Party today demanded amendment of the Constitution to guarantee explicitly freedom of the press.

A resolution passed by the national executive, which began its three-day deliberations here, said the Bihar Press Bill had only underscored the urgency to provide constitutional protection to press freedom. Today, freedom of the press derived its legal sanction from Article 19 which generally assured freedom of expression to all citizens. Regarding the Bill as a 'vicious assault on democracy", the resolution called upon the President not to give assent to it.

The ruling party was "innately allergic" to the press and the Prime Minister herself had publicly "poured venom on the Indian press". Viewed against this background, the Bihar Bill would be recognised as a calculated move by the ruling party and not just a rash act by a Chief Minister. "The ruling party has not forgotten, nor forgiven, the significant contribution made by the Indian press to the ouster of the emergency forces in the Lok Sabha elections of 1977".

The executive directed the party's Orissa and Tamil Nadu units to mobilise public opinion against the "anti-press laws" in force in those States and agitate for their repeal.

It called upon its units to organise a country-wide press freedom commitment campaign. They would observe Sept. 10 as 'press freedom day' throughout the country.

Mr. L. K. Advani, BJP General Secretary, who released the resolution to the press, said the Centre had denied it was consulted on the Bihar Bill. He had information that Mr. Jagannath Mishra, Bihar Chief Minister, had spoken over telephone to Mr. Vasant Sathe, Union Information and Broadcasting Minister, about the Bill and it was only after this the Bill was introduced.

The duty on newsprint was another instance of ruling party's desire to "curb" press freedom.

There had been evidence of late of the Government's desire to recreate "Samachar" in some form and to eliminate news agencies which the Government thought it could not manage.

CSO: 4220/7854

POOR STATE OF INDUSTRIAL RELATIONS IN SOUTH TOLD

Calcutta THE SUNDAY STATESMAN in English 29 Aug 82 p 13

[Text] Bangalore, Aug. 28.--With mandays increasingly being lost because of mounting labour disputes, the industrial relations scene in the four southern States presents a disturbing trend.

A study made by the All India Organization of Employers for its southern regional conference held here recently says that the state of labour-management relations in the four States was relatively comfortable in the first half of the seventies but there was a sudden spurt in the second half.

Compared to the other States in the last four years, Tamil Nadu lost the highest number of mandays (3.8 million) in 1981 with 258 disputes involving 170,000 workers. Karnataka came second with 2.4 million mandays lost as a result of 102 disputes affecting 102,000 workers. Kerala, where trade union militancy is most noticeable among the four States, reported 450,000 mandays lost as a result of 12,324 workers being on strike. Though the number of workers (14,042) involved in strikes in Andhra Pradesh was more than in Kerala, the mandays lost was very much less--190,000.

As much as 64% of the 25 million mandays lost in the country last year was contributed by the four southern States. Though the production losses for 1981 are not available, the study points out that judging from the number of disputes and workers involved it should be quite substantial. The figures available for 1980 are, however, staggering. Tamil Nadu had the dubious distinction of coming first with a production loss of Rs 37 crores, followed by Rs 20.9 crores in Kerala, Rs 13.8 crores in Karnataka and Rs 6.8 crores in Andhra.

Splintered

The trade union movement is as splintered in the southern States as elsewhere in the country. All the central confederation of unions, according to the study, have vied with each other to have a hold on the workers in the organized sector. "Therefore, all the ills resulting from competitive trade unionism are present everywhere in all the States. The intensity, however, varies from centre to centre."

Andhra Pradesh, Karnataka and Tamil Nadu were, by and large, free from violence and militancy that had become the "common feature of industrial relations in West Bengal and lately in Maharashtra." The study blames the Left Front Ministry in Kerala for encouraging trade union militancy in the State for political reasons.

The situation in Karnataka in the beginning of 1960 when nearly 100,000 workers in all the public sector units in Bangalore went on a 77-day strike demanding wage parity with State-owned BHEL workers was an exception but that created situations of violence, intimidation and coercion. Although gheraos were not much evident in the four States, industrialists in Tamil Nadu reported that they had been subjected to them occasionally.

In Karnataka and Andhra, INTUC is a dominant force among the working class but lately there have been indications of its waning influence and CITU fast catching up. In Kerala, AITUC is trying very hard to capture the hold UTUC has on the working class. In the process, unions have proliferated with the result it is not easy to establish which central union has the largest following.

The situation in Tamil Nadu is no different. But the union patronized by the ruling AIADMK has an edge over INTUC and CITU. However, if the present trend is any indication, CITU will gain strength very soon, according to the study.

Concurrent List

The study expressed employers' concern over the increasing tendency on the part of State Governments to legislate on certain aspects of labour. Kerala, it points out, has made the fullest use of "labour" being in the concurrent list of the Constitution and passed major legislation. Some of its legislation, such as the Gratuity Act and the Head Load Workers Act, has been copied by West Bengal and Tamil Nadu. "In fact, Kerala tinkered with almost all the Central laws and enacted on its own legislation to cover every conceivable sector of employment."

Tamil Nadu has enacted a number of new labour laws. The Industrial Establishments (Conferment of Permanent Status on Workmen) Act, 1981, bestowed permanent status on all workmen who had put in continuous service for 480 days in 24 calendar months. The Payment of Subsistence Act, 1981, permitted payment of allowance varying from 50% to 100% to employees who are suspended pending inquiry.

An amendment to the Industrial Disputes Act is awaiting the President's assent. This has enabled the Tamil Nadu Government to impose certain terms and conditions of service on employers and workmen pending adjudication of their dispute by a tribunal. A similar Act is already in operation in Kerala. Following the footsteps of Kerala, the Tamil Nadu legislature has passed legislation regulating the conditions of work of those engaged in loading and unloading operations.

In contrast, both in Karnataka and Andhra there was hardly any labour legislation which could be considered a deviation from the Central statute. However, there was a proposal before the Karnataka Government to enact legislation on the lines of the Bombay Industrial Relations Act, to provide for the recognition of unions.

ESI Facilities

The study is critical of the Andhra Pradesh Government for using the provisions of the National and Festival Holidays Act to declare holidays indiscriminately on grounds of curfew in any area or elections, either general or local. Prior to the enactment of this Act, there were no paid holidays on such occasions. A matter agitating employers in that State is the requirement under the Factories Rules to employ full-time medical officers for safety purposes. Considering the availability of ESI facilities, employers feel this is an avoidable burden.

Besides the regional ESI and EPF boards, all the four States have labour advisory boards with employers represented on them. The study complains that employers' views on these bodies are heard but seldom taken into account, partly due to the Governments' invariably siding with labour. "Another factor why employers' voice is in the wilderness is due to the fact that there is lack of unanimity among them on various matters".

The study gives instances where on important issues the State Governments have not cared to consult the labour advisory boards and have taken decisions without inviting the views of employers. For instance, the recent steep hike in the minimum wages in Karnataka for different categories of employment was announced without prior consultation with the employing interests. Even if it was there, the consultation was perfunctory.

The employers in all the four States are represented on the regional advisory boards constituted under the Employees' State Insurance and Provident Fund Schemes. But, according to reports, they meet very rarely.

CSO: 4220/7853

ENGINEERING EXPORTS TO SOVIET UNION EXPECTED TO RISE

Calcutta THE SUNDAY STATESMAN in English 29 Aug 82 p 15

[Text] Export of Indian engineering goods to the USSR during the current financial year is likely to increase substantially. It is expected to cross the Rs 150-crores mark against Rs 115 crores last year.

Announcing this in Calcutta on Saturday, Mr C. D. Shah, chairman, Engineering Export Promotion Council, said that total exports of Indian engineering goods during 1981-82 were Rs 1,100 crores. The target for the current year had been fixed at Rs 1,400 crores and indications were there that it would be reached.

He said that representatives of eight large firms had a meeting with the secretary, Union Commerce Ministry, in Delhi early this week at the initiative of the EEPC where problems and prospects of engineering exports were discussed. There was a general feeling among the participating firms that if the infra-structure was improved and that the procedure for duty-free import of raw material simplified, a lot of export potential could be generated. However, many of them had raised their export targets this year, he said.

Referring to the bicycle export, Mr Shah said that the bicycles manufactured in India were now being mainly sent to African countries. But the market would shrink there once their own plants started production. If Indian manufacturers did not go in for newer designs of bicycles, they would suffer a setback.

Regarding the electronics sector, he stressed the need for import of the latest technology and increased production with an eye on the potential of the export market.

CSO: 4220/7853

INDIAN-KUWAITI INVESTMENT COMPANY PLANNED

New Delhi PATRIOT in English 26 Aug 82 p 5

[Text] An Indo-Kuwaiti Joint Investment Company with an authorised initial capital of Rs 80 crore is being set up shortly to facilitate Kuwaiti investments in this country, reports UNI.

External Affairs Ministry sources said on Wednesday discussions between India and Kuwaiti governments in this regard have reached an advanced stage and a formal agreement would be concluded soon to establish the company.

Besides promoting Kuwaiti investments in India, the investment company would also be entrusted with the job of preparing feasibility reports for various projects and evaluate what types of industries could be set up for mutual benefit.

The joint investment company, negotiations for which had started in August last year during the visit of a delegation of Kuwaiti Foreign Trading Contracting and Investment Corporation, will have its headquarters in Bombay.

Besides this Kuwait is now participating in the Indian effort to build some modern hotel complexes for the forthcoming Asian Games beginning mid-November.

The Ministry sources said Kuwait is providing about Rs four crore for the India Tourism Development Corporation (ITDC) hotel Centaur now coming up near the Delhi airport. Kuwait is also holding 40 per cent shares in the new five-star hotel Surya nearing completion in the Capital.

The Amir of Kuwait Sheikh Jabar-al-Sabah had visited India in May 1981 when he had detailed discussions with Prime Minister Indira Gandhi and other leaders for intensification of Indo-Kuwaiti economic and technical cooperation.

He had also discussed the possibilities of Kuwait investments in India and Kuwait experts being trained at the Indian technical institutions.

The Kuwait fund for Arab Economic Development has already granted soft loan of about Rs 40 crore for the multi-crore Thal-Vaishet fertiliser project in Maharashtra last month.

In April this year Kuwait had entered into an agreement with India for avoidance of double taxation in the earnings of their national airlines.

CSO: 4220/7845

INDIAN STAND ON KHUNJERAB PASS ROAD EXPLAINED

Madras THE HINDU in English 26 Aug 82 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, Aug. 25.

The External Affairs Ministry has followed up the protest made to the Pakistan Ambassador yesterday with a similar complaint to the Chinese envoy today against the Sino-Pak. protocol signed on August 22 on the opening of the Khunjerab pass connecting the Karakoram highway built across occupied Kashmir, with the Chinese road network linking Tibet with Xinjiang through Aksai Chin.

These verbal protests are to be followed up with written communications to Islamabad and Beijing on the subject, reiterating the Indian stand that Pakistan and China had no right to build the Karakoram highway and open up the Mintaka and Khunjerab passes in an area that was legally a part of the Indian Union.

An important feature of this dispute is that Pakistan continues to justify the construction of this road in occupied Kashmir and the border agreement it signed with China in 1964, on the basis of its claim to the entire state, while China has been maintaining that the border accord was provisional, subject to a final settlement of the Kashmir issue between India and Pakistan.

Hardly any difference: But from India's point of view, this differing approach hardly makes any difference, since Pakistan and China have built this road system in one of the most strategic areas of the world, ignoring Indian protests and interests.

What is really important in this context is that in lodging these protests, India is not allowing this controversy to escalate into a contentious issue that could cause a serious setback to the current Indo-Pak. dialogue or the Sino-Indian efforts for better relations. The protests are more in the nature of a follow-up action for purposes of record to ensure that the Indian stand would not be compromised through silence.

The agreement to build the Karakoram highway as an adjunct to the Aksai Chin road was concluded as far back as 1964 in the wake of the Sino-Indian conflict. It took China and Pakistan 16 hard years to complete the 650 km road along the Indus valley linking Havalian in the Hazara district of the North-West Frontier Province through Gilgit and Hunza across the Mintaka Pass, with the Xinjiang-Tibet road system.

Now the highway has been extended through a 120-km long feeder road in the north-easterly direction to provide a much shorter access from the Tibetan side instead of relying solely on the north-westerly Mintaka Pass which, being closer to the Soviet border, is relatively more vulnerable.

Forbidding terrain: The upper reaches of this road across the Karakoram range have been built on forbidding terrain with some of the highest mountains in the world and the largest glaciers outside the polar region.

At the peak of the construction during the late Sixties and early Seventies, before the highway was completed in 1978 up to the Mintaka pass, a combined labour force of an estimated 10,000 Chinese and 15,000 Pakistanis worked in various segments moving 30 million metres of earth and rock blasted by 8,000 tons of dynamite.

They built more than a hundred bridges and several hundred culverts over gushing rivulets fed by melting snows that flow down the mountain sides.

Little civilian traffic: The Khunjerab, like the Mintaka, is located on a bare plateau of over 5,000 metres. The Chinese and Pakistanis have military posts on either side of the two passes and, apart from a limited number of army vehicles going through the two passes in either direction, there is very little civil movement of either goods or persons along this route.

Indian and Soviet strategists keep a close eye on the military potentialities of this highway which, according to experts, might take many years to stabilise after the damage done by heavy blasting to the mountain sides.

The road poses no immediate threat to India or the Soviet Union. But it can be a source of potential danger in times of war, despite its high vulnerability to aerial interdiction.

CSO: 4220/7844

SECOND INDIAN EXPEDITION TO ANTARCTICA IN NOVEMBER

New Delhi PATRIOT in English 25 Aug 82 p 5

[Text] Arrangements for the second Indian expedition to Antarctica are almost complete, reports UNI.

The team will leave for Antarctica some time in late November and early December, according to official sources. However the exact date of departure is yet to be finalised.

The sources told UNI in Delhi on Tuesday the Norwegian research vessel "Polar Circle", used in the first successful Indian expedition has been chartered again for nearly two months. The vessel is expected to reach India by November.

The team for the second expedition would include about a dozen scientists, doctors, technicians and other staff. The names of the leader and other members of the team are understood to have been finalised by the Department of Ocean Development and sent to the Prime Minister for approval.

This time the expedition will be for about two months with the scientists likely to spend about three weeks on the continent of ice to follow up the experiments conducted earlier.

The aims of the scientific expedition are deep sea exploration and study of living and non-living resources in the Indian Ocean and the Antarctica region.

The Government ultimately wants to establish a permanent laboratory in the region to gain scientific knowledge on various disciplines.

The first expedition was led by Dr S Z Qasim, secretary for Ocean Development. He is not likely to join the second expedition.

The Government has set up a task force to prepare a project for acquiring a research vessel for use in future expeditions. An expert of Mazagon Dock is one of its members.

It is possible that the Government may build the vessel indigenously and if necessary import sophisticated equipment to be fitted in it.

The task force is expected to submit its report soon, official sources said.

CSO: 4220/7842

INITIATIVE, DRIVE NEEDED TO FULFILL PLAN

Madras THE HINDU in English 25 Aug 82 p 8

[Editorial]

[Text] The Planning Commission has struck a sombre note in its latest review of the implementation of the Plan, pointing out that some scaling down of the targets is inevitable as it will not be possible to finance an outlay of Rs. 97,500 crores in real terms at 1979-80 prices. If along with escalation in costs, the State Governments that have failed to mobilise resources to the required extent emerge as the villains, it is certainly true that the overall performance of the Centre both in terms of resource mobilisation and implementation of the projects has been much better. An additional Rs. 10,000 crores is necessary to keep the core sector targets intact and the Commission calls for hard decisions to secure the funds during the next three years. These include raising the prices of petroleum products and railway fares, reducing food subsidies and increasing the excise duty on electricity generation. In addition, the financial affairs of the States resulting from inadequate resource mobilisation, increased expenditure on pay and dearness allowance, mounting losses of electricity boards and transport corporations will have to be set right on an urgent basis.

With export performance so far none too satisfactory, and with bulk imports of edible oil, fertilizer and other commodities continuing, foreign exchange availability seems likely to emerge as a serious constraint on development after the loan from the International Monetary Fund runs out at the end of 1983-84. Without a much more purposeful effort and steps to eliminate avoidable imports through increased domestic production it will clearly not be possible to bring down the trade deficit to a manageable level. Food-grain production in 1981-82 was not very much higher than the 131 million tonnes mark reached in 1978-79 and with the growth in fertilizer consumption slowing down there is some uncertainty over reaching the Plan target of 153.6 million tonnes in 1984-85. The problem here is compounded by the poor pace of implementation of irrigation projects--particularly command area development--in the States. Both the Union and the State Governments will have to take a closer look at agricultural performance and push ahead with the development of groundwater resources in States like Uttar Pradesh and West Bengal where the pace of utilisation has been slow.

Among the core sectors, oil seems very comfortably placed with internal generation of the Oil and Natural Gas Commission providing a large part of the resources. In coal, the 133 million tonnes target set for this year may be reached but going beyond that would need a more strenuous effort. Performance in power in the first two years of the Plan has been particularly disquieting and in 1981-82, additional generating capacity of only 2175 megawatts was created as against the target of 3212 MW. Here too the performance of the centrally run National Thermal Power Corporation has been much better than that of the State electricity boards which have run up against managerial, technical and financial problems. A rise in power tariffs may be inevitable if the finances of the electricity boards are to be stabilised, but a great deal could be achieved through improved efficiency and achieving a higher capacity utilisation of 50 per cent and more in the thermal units. The plan of the Railways has run into serious trouble and a much higher outlay than anticipated now seems necessary to reach the physical targets. This is due as much to a substantial underestimation of the costs as to the effort needed to make up for past lapses in replacement of track and rolling stock and in electrification. That the Plan should fall way behind targets in such crucial areas as the railways and power reflects poorly on the Planning Commission's monitoring apparatus and initiative. The Commission should examine closely why the physical achievements on the ground are slipping continually even while the Central and State Governments claim to have spent the substantial and increasing financial outlays. Clearly, a much greater measure of political initiative and drive is necessary both at the Central level and in the States if the Sixth Plan is to retain a recognisable shape.

CSO: 4220/7841

ANALYST ON PLANS FOR NONALIGNED SUMMIT

Madras THE HINDU in English 25 Aug 82 p 9

[Article by G. K. Reddy]

[Text] New Delhi, Aug. 24.

The Government of India has set up a high-power committee of senior officials to organise the non-aligned summit in Delhi in early March next year in anticipation of a formal request by the community to host this conference.

The committee is headed by the Secretary in the External Affairs Ministry, Mr. Natwar Singh, a dynamic figure in the Indian Foreign Service, who has been specially posted back to Delhi after a two-year stint as Ambassador to Pakistan, to organise the Commonwealth Heads of Government meeting in September next, when Queen Elizabeth will be paying a visit to India to open this conference.

Biggest Conference

The next non-aligned summit will be the biggest conference of this kind that India will be hosting in Delhi, with the Heads of State or Government of at least 75 of the 93 member countries of the community participating in it along with their Foreign Ministers, senior officials and personal staff totalling an estimated 3000 persons. It will pose tremendous problems of organisation including accommodation, security, transportation, communications, entertainment, interpretation and documentation.

According to present indications, the senior officials of the member countries will assemble in Delhi on February 25 and 26 at an open-ended meeting of the coordination bureau, followed by a three-day meeting of the Foreign Ministers, before the Heads of State and Government start arriving by special planes and scheduled flights from March 1 to begin the four-day summit the following day with an inaugural plenary session. The conference will conclude on March 5 after adopting the proposed Delhi declaration spelling out the role and responsibilities of the non-aligned community in the changing global situation.

As Prime Minister of the host country, it will be the privilege of Mrs. Indira Gandhi to preside over the summit after her formal election She

will be assisted by four vice-chairmen in conducting the proceedings which will go on until late at night on each of the four days of the summit conference. The summit will be taking place in Delhi at a particularly busy time for Mrs. Gandhi, since she will be extremely preoccupied in February with the election campaign in Andhra Pradesh and Karnataka, besides budget preparation in Delhi. The Heads of various member countries will start arriving for the summit the very next day after the presentation of budget to Parliament on February 28, while the Foreign Ministers are still deliberating over the draft resolutions.

The prices of essential commodities have already started going up in expectation of greater consumption during the Asian Games. During the non-aligned summit and the Commonwealth conference, the citizens of Delhi will have to bear the brunt of still higher prices which seldom come down after they have shot up for whatever reason.

Unsettled Controversy

Meanwhile, the member countries of the non-aligned community remain sharply divided over the still unsettled controversy, whether the Foreign Ministers should meet in Havana or Baghdad to formally decide on Delhi as the venue for the next summit conference. As no consensus is possible in the wake of this sharp division, it has been suggested that Cuban and Iraqi representatives should meet privately and settle this matter to their mutual satisfaction.

The two sides have been meeting in Havana and Baghdad in pursuance of this advice. They have been considering the suggestion that the necessary decision about the venue could be taken by the permanent representatives of the member countries at the United Nations without going through the motions of a Foreign Ministers meeting for this purpose.

And the question of the venue of the 1985-86 summit could be left to be decided at the Delhi summit which in all probability would accept the Iraqi offer to host it. After spending nearly $500 millions on the preparations for the 1982 summit, Iraq would have a legitimate claim to host the next one in happier circumstances.

CSO: 4220/7841

CURRENT NEED FOR IMF TO CREATE NEW FACILITIES SEEN

Madras THE HINDU in English 24 Aug 82 p 8

[Editorial]

[Text] As might be expected, the annual report of the International Monetary Fund comes out strongly in favour of conservative monetarism as the cure for the economic ills of not only the industrial nations but of the developing countries as well. The arguments used in support of the mix of stringent demand management, holding down government deficits, currency devaluation and export orientation with which the IMF is closely associated are by now familiar. But the Fund has increasingly begun to rely of empirical support for its line. Thus the latest report argues that countries that have adopted "outwardly oriented policies" have been able to adjust to the worsened international situation without "prolonged impairment of their growth performance". The outward orientation it has in mind calls for maintaining a realistic exchange rate that keeps a country's exports competitive but the concept also takes in its sweep a whole range of policy measures including higher real interest rates, raising the prices of public goods and services, elimination of subsidies and general fiscal tightening. These measures are seen inevitable and the Fund warns, "postponement of appropriate measures, however, can result in an even more difficult adjustment at a later stage".

The industrial countries have achieved a noticeable slowing down of their inflation rate--to an average annual rate of five per cent in the first quarter of 1982--which is a welcome sign. The high rate of unemployment averaging eight per cent, the highest since 1973, and the social and political costs of the current recession are all noted, but the Fund concludes that perseverance in monetary restraint is a prerequisite for success. The weakening of demand in the industrial countries has depressed the prices of primary commodities while the high interest rates in the capital markets have imposed a heavy burden on the developing countries borrowing in them. The question is left largely unanswered as to how without diversifying into manufacture the primary producers could cope with the worsened international environment, for in the situation where the world demand is weak the outward looking policies that the Fund preaches would be of little help.

If even to the people of the industrial world it would seem the Fund is trying to out-Reagan Mr. Reagan, they have been spared the necessity of having to follow its advice. For the industrial countries do not borrow

from it on highly conditional terms as the developing countries have increasingly begun to. For India which has gone in for a five billion SDR loan with conditions and under circumstances the validity of which are certainly not clear at all, the Fund's report carries both notes of hope and warning. The Fund's own review of the performance of the developing countries that had gone in for the conditional upper tranche borrowing between 1971 and 1980 concludes that they performed better in terms of reducing their deficits and inflation rates than the other non-oil LDCs. However, the Fund conditionality does pose serious problems with many of the borrowers under the stand-by and extended arrangements unable to meet the "performance criteria" laid down. At the end of April 1982, arrangements with undrawn balances amounting to a total of four billion SDR were "inoperative" due largely to the non-observance of the conditions. After the oil price shock of 1973, the IMF adopted a fairly liberal stance and 66 per cent of its financing was on non-conditional or low conditionality terms that did not require special adjustment efforts. But after 1979, 80 per cent of its loans have been accompanied by conditionality that requires very difficult adjustment policies. At a time when the developing countries are being squeezed from so many directions, the Fund ought to be adopting a more helpful stance. It should, for instance, refrain from almost sadistically thrusting social and political burdens that are unbearable and from asking for a policy mix whose efficacy is by no means proven. The quotas which determine the borrowing limits of the members were raised by 50 per cent from November 1980, but in the context of the magnitude of the current balance of payments deficits, they have proved inadequate. The next review of the quotas is to be completed in December 1983 and any increase is not likely to be operative before 1984/85. Meanwhile, the Fund must enlarge the unconditional liquidity assistance it provides both by increased SDR allocations and by creating new facilities as it did at the time of the previous round of oil price rise. The developing countries must continue with their struggle--which has by now become somewhat philosophical--to bring about a relaxation of the conditionality attached to the upper credit tranches and extended arrangements.

CSO: 4220/7839

BRIEFS

TAMIL NADU GOVERNOR--Hyderabad, Aug. 26. Mr. S. L. Khurana, Lt. Governor of Delhi, has been appointed Governor of Tamil Nadu in place of Mr. Sadiq Ali, whose term has expired. A communique issued by the camp office of the President, who is now touring Andhra Pradesh, announced the appointment of new Governors. Mr. Jagmohan, Lt. Governor of Goa, Daman and Diu, has been transferred to Delhi to succeed Mr. Khurana. Air Chief Marshal I. H. Latif (retd.), Governor of Maharashtra, is to be the Administrator of the Union Territory of Goa, Daman and Diu, in addition to his duties as Governor of Maharashtra till a successor to Mr. Jagmohan is appointed. [Text] [Madras THE HINDU in English 27 Aug 82 p 9]

COOPERATION WITH GHANA--New Delhi, Aug. 28. India will undertake marketing of diamonds for Ghana and the arrangements for the sale of diamonds will be made in Bombay by the Minerals and Metals Trading Corporation. This decision was taken following a series of discussions between the Union Ministry of Commerce and the Government of Ghana. An Indian delegation headed by Mr. K. Prakash Anand, Joint Secretary, Ministry of Commerce recently visited Accra and discussed collaboration in diamond mining. It was agreed that Ghana mines would purchase inputs from India, which would not only save Ghana foreign exchange but also promote trade between Ghana and India. The Indian Government would provide suitable Indian personnel for Ghanian mines. The Government of Ghana had also requested the Indian Government for setting up a joint venture for the mining of diamonds. [Text] [Madras THE HINDU in English 29 Aug 82 p 6]

CHINESE INFILTRATION REPORTS--Calcutta, Aug 31--Reports of Chinese infiltration have been received from Arunachal Pradesh and Sikkim, according to sources. Sources said as many as 12 Chinese infiltrated into Arunachal Pradesh in the last six months, all of whom were arrested by the Indian security forces. The motive of these infiltrators has not been clear even after close interrogation by the Indian authorities. Among the infiltrators are two women. Similar infiltration has been reported from Sikkim, four Chinese having been held in July and two more in August. When questioned at Gangtok, the Chinese reportedly said they were 'graziers' and had entered Indian territory chasing their flocks of sheep. [Text] [New Delhi PATRIOT in English 1 Sep 82 p 4]

CSO: 4220/7848/7855/7864

EDITORIAL VIEWS 'EMPTY SEAT' AT UN, SIHANOUK CHIEF OF CGDK

Paris MOUL KHMER in French Jul 82 p 2, 3, 4

[Editorial: "Who Should Get Cambodia's Seat at the UN?"]

[Text] We know that this year at the next General Assembly Cambodia's seat at the UN will be disputed more bitterly than in previous years between the Democratic Kampuchea of the Khmer Rouge, which holds it, and the People's Socialist Kampuchea of the pro-Vietnamese, supported by Peking and some heads of free nations in Asia and the West on the one side, and by Moscow and Hanoi at the head of the Soviet bloc on the other. If the Khmer Rouge have succeeded in holding it so far, despite their hateful reputation, they owe this to the support of free nations; for despite their disgust for these perpetrators of genocide, these nations were not able to resolve themselves to accept North Vietnam's "fait accompli" in Cambodia, and this is what explains the success of the supporters of the status quo.

But, this time the Khmer Rouge are no longer so sure of retaining this advantage; for if on the one hand they have not succeeded in "erasing" their hateful image, on the other hand neither have they been able to at all "disrupt" the North Vietnamese hold on the Khmer territory that they had the responsibility to defend to the utmost. Still, it is necessary to know whether, as masters of the regime, if they wanted to wipe out their country by their insane policy of restoring the Khmer race to the advantage of their more numerous neighbors whom they are claiming to fight today, or on the other hand actually to defend it against them. More than ever, this question is worth asking, for since these Khmer "Nazis" have assumed power in Cambodia it seems that all the curses of the heavens have fallen upon our people. In fact, it is their fault that the major communist powers are using our country exclusively as an arena in which to settle their quarrels of hegemony before the amused but concerned indifference of the free nations.

Although a concrete solution to our problem has not yet been found, despite the extremely laudable but futile efforts of the UN, supporters of the "empty" seat who are for neither the Khmer Rouge nor the pro-Vietnamese Khmer, among whom Prince Norodom Sihanouk, who has now become the president of the anti-Vietnamese coalition government, can be mentioned, are ever increasing in number. The leaders of Hanoi themselves, who with the Soviet bloc have always claimed this seat for the Heng Samrin regime which their troops

brought to power in Phnom Penh, have also come foward to argue for this seat's vacancy until they later obtain it entirely for their proteges alone.

It was no doubt in awareness of this danger that, in order to retain this seat at the UN, the Khmer Rouge had insisted so much upon the formation of an anti-Vietnamese coalition government with Prince Norodom Sihanouk and Mr Son Sann whom they could no longer consider as a negligible influence.

Of course, such a government is far from being a threat to Hanoi capable of magically obtaining the withdrawal of its troops from our country. This is so obvious that when news of the formation of this government was announced, Hanoi rushed to publish "its decision" to withdraw some of its troops from our country--as if to make fun of our "farce."

However, whether this withdrawal be real or imaginary, one thing is certain; the leaders in Hanoi are no longer saying that the situation in Cambodia is "irreversible," since they themselves suggested the principle of withdrawing their troops from our country. They are certainly not afraid of this "farce," but they are definitely quite bothered by it.

Having said this, what will the coalition government's position be with regard to this problem of the seat at the UN? The least that can be expected is that this government should agree to claim this seat for itself unanimously again this year. All the more so since legally speaking the Democratic Kampuchea of the Khmer Rouge has already held it since 1975.

And as Democratic Kampuchea no longer belongs to the Khmer Rouge alone, it would be fair to grant it the UN seat for another year, particularly since on the one hand it is led today by moderate nationalist elements, and on the other hand it is not customary to leave the seat of a member nation vacant. In any case, not unless you are intending to play the game of certain predatory nations.

Of course, the personal position of Prince Sihanouk, who has always argued for the vacancy of this Cambodian seat at the UN, has long been known.

But, since he has become president of the anti-Vietnamese coalition government and recently "embraced" perpetrators of genocide "worse than the Nazis" in the Khmer Rouge zone, it is quite possible that he may also agree to embrace the position of the coalition government that he represents at the UN, of course on the condition that he abandons his own.

In any case, the moment of truth will come very soon, allowing each Cambodian to make a final decision between his country's independence and its enslavement.

9693
CSO: 4200/55

PARTY CADRE FAVORITISM, YES-MAN ATTITUDES CRITICIZED

Vientiane VIENTIANE MAI in Lao 5, 6, 7 Aug 82

/"Conversation with the Editor" Column/

/5 Aug 82 p 2/

/Text/ /Question/ To the editor. Today I have a question for you which I think it might be useful for other people and especially myself who do not yet understand party work. For example, in my office (I will not mention its name here) a comrade on our committee likes to do all the work himself. This means he does not want to leave any work for others to do. The work that other people do does not satisfy him. He does not trust others. Is it right that he does this? From my observation those who work like this often cause work delays. Urgent work is not done in time, and non-urgent work is /done/ even later.

I want to ask you whether working this way is useful and proper. I have asked you this because I want to know, and I do not know who else to ask. I do not feel comfortable asking our committee because they are my seniors. Besides, our committee is the one doing this. I hope you can clear this up for me. Thank you. Bounthai, Vientiane Worker, 30 July 1982.

/Answer/ Dear Comrade Bounthai. Thank you for your letter. What you discussed in your letter is actually faced by a minority, or it could be that a majority of the people mentioned are guidance cadres. Why did it happen like this? It was because of their ideology. This ideology is considered a personal weakness but it can have a harmful effect on the government organization as a whole. Thus in the party's documents all was explained, and also lessons were given to cadres and party cadres widely. However, some people often forget and do not stick to it. Behaving like this, even though it will not cause any serious danger, does cause some damage. For example, a leading cadre is narrow-minded; he does not have confidence in anyone. He does not think that what other people do is as good as what he does, and he has to check closely on other people's work. He is afraid to ask people to do some work for him. He is afraid of giving work to other people to do because he does not have confidence in them, etc. If it is like that it will certainly cause some harm, such as work that is not carried out, and delays. Suppose such a person worked with us. We think it would be very good because

we would not have to have a lot of responsibility. Whenever there is an order we would do it. If there is no order, then it would be all right to just sit and wait for one, and then we will never make mistakes. Speaking this way makes us happy, but when we look at it as a whole it is not right. It is wrong and also not consistent with the policy line of the party and government. Thus, as a leader, no matter what kind of work it is, he must be brave to have cadres do some work for him and to give them some work to do. He should not carry the work load alone, otherwise it will damage the work of society.

A leader must try to understand cadres. To understand people is a hard thing to do because to know one's own self is already hard enough. The hardest thing is when we do not know ourselves and we want to know others. Therefore, before we attempt to know others and whether they are right or wrong, we must know ourselves first.

Comrade Bounthai pointed out some problems concerning how to ask cadres to work. The party's document written for cadres to carry out, especially those who have such a disease and must correct and change themselves, is as follows:

/6 Aug 82 p 2/

/Text/ B. Asking comrades to do thing. When asking comrades to do something many people often catch the following diseases.

1. They often ask their brothers, sisters, and close friends whom they know well and consider as better worthy of trust than outsiders.

2. They often use yes-men and hate to ask those who are honest and sincere but do not like to flatter people.

3. They often make use of a person who has the same ideology they like, and avoid those whose ideology is different from theirs, and it does not matter how good they are.

Because of these diseases the ones they like are often protected when they do something wrong. This steadily worsens morale. Those who are honest and sincere, however, they try to make look bad and get revenge on them.

What is the right way to use cadres? We must be open-minded as to ways to make sacrifices of one's own interests for soceity, and with no conflicts with anyone. No cadres must be forgotten, and you must be generous so that you can be close to those whom you do not like. We must be patient in supervising in order to raise up those who are not capable and to have them progress.

We must be intelligent to be able to avoid the undesirable people around us, and separate them from the good cadres.

We should be cheerful and friendly so that other members will be able to be close to us.

The purpose of using cadres is to completely follow the party's and government's policies. If a cadre is anxious, fearful, depressed, and frustrated or the work is not suitable for his capability he might not be successful. Therefore if we want him to be able to work we must make him work securely and happily. If we want it that way we must /act/ as follows.

1. Encourage cadres to speak up and express their point of view. If a leader wants to know exactly what are his strengths and weaknesses, and whether his work is good or bad, there is no better way than to let his cadres give their opinions and criticize him. By doing this not only is the leader's power unaffected but it also shows the democracy and sincerity which are used towards each other in the party. If cadres do not speak up and express their opinions, or criticize, and only praise us and flatter us, this is the worst thing to do because it does not mean they do not have anything to say but that they are afraid to talk; they are fearful. It ruins democracy within the party. The atmosphere within the party is gloomy. Cadres become machine-like, are frustrated, and are afraid to speak up. This will lead to hatred and boredom.

If it turns out that way, how can cadres do their work well?

/7 Aug 82 p 2, 4/

/Text/ 2. Encourage cadres to be responsible and to be brave in their work. Whether the work will turn out to be good or bad will depend partly on whether cadres are capable or not and also partly on whether the leadership is correct or not. A person's capability does not come by itself; it mostly comes from working at it with practice and training. If the leadership is not good a great ability will become a small one.

When we assign some work for them we must guide them very well, set everything out completely, clearly explain its importance, the possible difficulties that might occur, and how to seek ways to work through the problems. When all these matters are decided we then let them work, and guide them so that they will be brave enough to do it. This is true with military units. When strategy and tactics and responsibilities are all decided there is no need for the supreme commander to interfere with the details. He must let different military units exercise their own right to do the work consistent with each situation, so that the abilities of the cadres will be strengthened. However, if the higher echelons interfere in whatever the work is, the cadres will become machine-like and will never know how to be creative; they will not use their brains or their abilities. They will not have self-confidence. Before they do anything they would have to wait for some higher-level person to order them to do it. If the higher-level person does not order them, they will not do it. They will only depend on other people. They themselves do not have creative ideas. They are not responsible people.

Before assigning work for cadres we have to discuss it with them first. If they would not be able to shoulder it, do not be stubborn in assigning that work for them to do. When we assign them the work we must have full trust in them. It should not be that we give out an order in the morning and reverse

the same order in the afternoon. If you do not trust them and fear that they would not be able to do the work, and do all the work with your own hands, the result would be that one person does the work and it will not get finished. The cadres will be frustrated, depressed, and unhappy because there is no work to do and they will believe that the higher-ups [have no] trust in them.

We must train a lot of responsible cadres to be brave in doing their work and to want to do the work. If you can do it that way the party will achieve its work. But if you train fearful cadres who are afraid to do their work and who are not responsible in their work, no matter how many cadres you train it always means being defeated because it is a waste of time and materials. Then there is nothing for the party except [the worry] that the party has to [supervise] and solve the problems that the bad cadres will be creating all the time.

3. You should not think you are high and mighty; you should listen and ask for opinions from the lower levels. If the opinions of the lower comrades are right you should follow up and ask them to give their views often in order to raise their spirits and their creative ideas. If their opinions are not correct we have to clear it up for them in a friendly way. We must not browbeat or curse them. If they criticize us we must accept it. We should not show we are not happy with it. If we do that they will not dare to criticize us the next time.

If some cadres do not feel comfortable with their work we must check the cause of the problem, and explain things to them to make them understand us well. If we see that it is because the work does not suit their abilities we have to look for something that is more suitable for them to work on.

9884
CSO: 4206/76

VIENTIANE AGRICULTURAL, INDUSTRIAL, TRADE STATISTICS REPORTED

Vientiane VIENTIANE MAI in Lao 7 Aug 82 p 2

/"Talking Together" Column by S. Thibthiangchan: "Our Capital, the First Six Months of the Year Summarized"/

/Text/ This year is going to be the second year of the first Five Year Plan. In Vientiane Capital as well as in many other areas nationwide all ideas and energy have been put into the struggle to victoriously achieve the set plan, especially in Vientiane Capital which now has basically completed its plan for the first six months of (1982) and is hurriedly continuing its second six-month plan (1982).

Generally speaking, we all know that Vientiane is the center of political, economic, social and cultural matters for the nation. Vientiane is the proud capital of the Lao people whose fame is known in every corner of the world. The people of Vientiane have a heritage of fighting, bravery, diligence, and of never submitting. They maintained this heritage in the first six months as well as in the period when they were determinedly supporting the content of the Third Party Congress to bring it to reality as well as continuing to carry out the Five Year Plan. In carrying out the second period of the Five Year Plan for Vientiane Capital, Vientiane Capital has proudly scored outstanding achievements. For example, it has well carried out its national defense and public security work at the expected level, it 100 percent ensured and secured the Third Congress of the party, and it eliminated and solved many different social dangers within Vientiane Capital by converting the national defense and public security work to become the duty of the masses.

Agricultural cooperatives and irrigation. The land in Vientiane Capital is suitable for cultivation, vegetable planting, animal husbandry, and irrigation. By following the slogan: "self-reliance and self-sufficiency in the food supply," under the guidance of the party committee and the provincial administrative committee of Vientiane Capital, in the beginning of 1982's wet rice paddy season farmers all over Vientiane Capital engaged in dry season rice farming over 2,013 hectares. Of these, the most outstanding were Hatsaifong and Nasaithong Districts. The produce was over five thousand tons or 2-3 tons of rice per hectare on the average. If this is compared with the plan the figures for dry season rice area exceeded expectations by

600 hectares. The tobacco-growing area of over 500 hectares produced over 2,000 tons per hectare on the average. The produce was as much as 5 tons.

Though this year wet rice growing is faced with severe drought, up to now (the end of the seventh month) farmers all over Vientiane Capital have completed their planting by 80 percent. At the same time as the attentive push in the production season, they also opened up over 800 hectares of new paddies, and revived over 370 hectares of abandoned ricefields.

Irrigation is the core of agriculture. Therefore, in only the first six months of this year the irrigation service completed 95 percent of the installation and construction of a machine pumping station in Dong Bang in the Nasaithong area. This system can serve 200 hectares of cultivated area. Canals and irrigation ditches were improved in the Ban Simano area, Hatsaifong District, irrigation ditches were repaired in the Kaoleui area, Sikhottabang District, and in the Nam Houm area of Nasaithong District. The cultivated areas that can be irrigated are as much as 3,000 hectares.

Along with the work mentioned above, animal husbandry of the people, the government, and in the families of cadres was widely expanded, especially poultry. Pigs, oxen, and buffalo raising is progressing for raising them for sale in cadres' families as well as the people's families. This will become goods to fill the market and keep the food supply normal.

Industry and trade. In the first six months of this year, though this work could not be carried out as well as it should have been, the industrial production was able to be completed to 42 percent of the year's plan, and the standard of living in terms of food was improved. When compared with the plan 65 percent of the rice was able to be purchased. The purchase of forest products, food supplies, and fish responded fairly well expecially in providing the food supply for the Third Party Congress as expected.

Finance and banking plays an important role in keeping the balance of the revenues and expenses. Income in the first six months of 1982 was almost half again that of 1981. Moreover, the granting of credit for production, especially to agricultural co-ops, factories, and state enterprises almost doubled when compared with that of 1981.

Communications and transportation struggled to carry out the plan fairly well; for example, broken roads were repaired, roads in the cities were paved with asphalt, drainage was cleaned out, new roads were cut, and bridges were repaired. Considering the year's plan it was carried out 84 percent on the average. Transportation work was also well ensured; it was 87 percent carried out when compared with the year's plan.

Education has also been expanded. For example, 7 additional kindergartens were built and as many as 380 additional students were accepted when compared with 1981. The number of cadres and the people in each supplementary education class was increased. Moreover, general education has made progress resulting in students in each class passing examinations and graduating at the expected level and more than the expected level.

Public health led the people and facilitated the people to practice the "three clean" sanitary principles, prevented diseases, gave shots to as many as 5,900 people, completed training a group of basic level medical cadres, and is also training two groups of basic-level pharmaceutical cadres.

Social welfare welcomed back 327 misled people to the country, trained and assisted them with consumer products, and then sent them to their hometowns. Moreover, they also helped a number of people who were faced with tragedy and fire.

The discussion above was the outline of the summary of the achievements of the first six months of the year for Vientiane Capital. These beautiful achievements proved the endlessly expanding energy of the people of the capital who always decide to work through all difficult obstacles in order to, as the slogan says, "struggle to build Vientiane to be the center of politics, the economy, and culture, and to be a progressive and strong socialist capital in all aspects.

9884
CSO: 4206/76

NUMBERS OF STUDENTS OVERSEAS, FIELDS OF STUDY, PROBLEMS ON RETURN REPORTED

Vientiena SUKSA MAI in Lao Jul 82 p 7

[Interview with Mr Bountem Santisouk, acting chief of student affairs, Ministry of Education, Sports and Religion, by SUKSA MAI reporter Bounthon Sinnachak; date and place not given]

[Text] Mr Bountem Santisouk, acting chief of student affairs, Ministry of Education, Sports and Religion, gave an interview to our SUKSA MAI reporter concerning sending students to study abroad and assigning work to students who have already finished their study.

[Question] 1. Since the LPDR was established, how many students have the party and govenment sent to study abroad?

[Answer] After the success of the revolution the LPRP set a path for Laos to advance itself into socialism bypassing capitalist expansion. Therefore, to respond to the demand of the new phase of the revolution in the past 5-6 years the party and government has invested in training great numbers of cadres for high- and mid-level specialized technical tasks, more than ever before in the history of Laos. In only 5-6 years 2,884 high-level and 4,003 mid-level students were sent to study and be trained in fraternal socialist countries.

[Question] 2. How many students have already graduated?

[Answer] Not many years ago there were 307 students who had finished their study abroad, especially in fraternal socialist countries.

[Question] 3. For this year only, how many students will be graduated and from what countries? How many are mid-level and how many are high-level students, and in what fields of study?

[Answer] For 1982 only there will be almost 575 students graduating for high-level and mid-level specialized tasks in industrial construction, housing construction, agricultural construction, international affairs, economic planning, teaching of foreign languages and other subjects, and many other mechanics for machinery repairs.

[Question] 4. What is your opinion about assigning students to study abroad and those who finished their study to enter the work of their field of study?

[Answer] The problems in assigning students and cadres to study abroad in the past have been as follows.

--The start of the academic year for higher education secondary schools in different provinces is different. Some start late, and some start early. Mostly they start later than September each year. Thus, final examinations are late, and this leads to a delay in selecting and sending students to the Ministry of Education.

--Students are sent from different provinces mainly by plane. However, there are few airlines in some provinces. This means the provinces cannot send their students to the center [Vientiane] in time, such as Houa Phan, Oudomsai, Louang Namtha, Phong Saly, Saravane, and Attopeu.

--There are few high-level vocational schools in our country. However, each year the number of upper secondary level students is increasing. This leads them to compete with each other to study abroad. However, scholarships from fraternal socialist countries given to our students are limited, and there are many who want to go, so this results in complaint and argument. When they couldn't go as they intended to, they propagandized many bad things and created a lot of trouble.

--For those who graduated from abroad we used to have some problems in assigning work for them. For example, they dod not want to be away from the city, but instead in the city. They objected to being sent to localities. A few of them chose places to work for which they had one field of study, but then wanted to work in another field that did not utilize the specialized task they had studied.

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CSO: 4206/81

VACCINE FACTORY, CADRE LIVING STANDARDS DESCRIBED

Vientiane HENG NGAN in Lao 16-30 Jun 82 p 8

[Article by Philavong: "Vaccine Factory"]

[Text] Over about 10 km northwest of Vientiane Capital, on a beautiful high high, a vaccine factory was built in the midst of the brilliant Lao revolution. This has made the scenery of that area especially impressive, with the sight of many buildings and houses springing up from land that already stands up high to the sky.

On that morning all workers in all the units in the vaccine factory poured out their sweat to enthusiastically do their own work as on each day before. The weather was so beautiful, and my heart was filled with joy. I wanted to meet all the workers in order to learn the excellent lesson of their socialist competition. Comrade Hom Bouthong of the board of directors of the factory reported that "from the time the factory was set up till now it has been primarily responsible for producing medicines for treatment of all kinds of animal diseases. For example, we produce vaccines for anthrax, microorganisms, and also distilled water to steadily support and improve animal husbandry and the taking care of animals that are used in our country for labor and for meat.

In order to expand the work of the sections in the factory our cadres and workers decided to struggle through all difficulties, and are ready to sacrifice their blood and sweat for this factory. It is no exaggeration to say that our cadres and workers are as brilliant and strong as a cut diamond. After the discussion he invited me to look at the place itself. There are many different rooms with different responsibilities. Each room has its own cadres and workers of specialized tasks who are attentively and busily working. Such as rooms for growing vaccines, filling glass tubes, examining, and labeling. As he was walking he said, "actually our factory has been newly set up, and the cadres and workers still have little experience; however, because of their absolute determination and perseverance the more they work the more they learn; the more they produce the better the quality they ensure, and the amount is always expanding, and finally we are able to produce vaccines to serve the public whose quality is no different from those that are imported. In order to prepare to greet the Third Congress of the party we competed with others to score a short-term

"achievement. In 36 days we were able to achieve 100 percent of the emulation point, and produced 308,600 doses of plague vaccine and 700,000 doses of antibiotics. We sterilized 20,000 glass tubes for vaccines, built one shed for chickens and rabbits, and finished 50 percent of the pig shed. The results of the work all came from the brains and strong hands of our cadres and workers."

"To raise the standard of living and the health of our cadres and workers we set up a collective kitchen to serve the cadres and workers with inexpensive prices, quality, and delicious food." That issue increased my interest. I asked him one more question: "What are your policies towards cadres and workers in this factory?"

He answered, "To decrease the food expense for each meal, instead of a cadre spending 20-30 kip per day in the market we asked them to pay only 5 kip and guaranteed enough food to eat and three meals. Meat and vegetables, in particular, are from the factory. We have a collective vegetable garden that provides vegetables for all seasons. We get meat from chickens and pigs that were successfully tested but which have no germs or harmful effects on health. The money paid by the cadres and workers was used to buy other ingredients such as fermented fish, fish sauce, monosodium glutamate, etc.

Because our policy is to take care of all our cadres and workers we all have confidence in the leadership, we know our responsibilities, we are awakening and active for all kinds of work, and together we march forward to build up our nation.

9884
CSO: 4206/81

NAM NGUM GENERATORS BREAK DOWN, DOMESTIC REPAIRS SAVE MILLIONS

Vientiane HENG NGAN in Lao 16-30 Jun 82 p 14

/"Brave Thought and Action" Column: "Three Million Five Hundred Thousand Dollars Saved for Our Government"/

/Text/ What interested me most was the statement that "we saved 3.5 million dollars."

What is the story behind this?

Comrade Viraphon Viravong is on the committee responsible for electricity production at the Nam Ngum hydroelectric dam. He told me that since the day this dam was finished there were two generators, 15,000 kW each, which produced electricity for use within the country, and some electricity was also sent across the river to Thailand. In 1982 these two generators were out of order and could not be used. If we were to buy replacements from Japan we would have needed as much as six million dollars in foreign exchange, and it would have taken a long time for the generators to arrive.

Therefore, the committee responsible for the Lao State Electrification Enterprise unanimously decided to repair them and assigned the heavy and important responsibility to Comrade Viraphon Viravong, the committee, and a number of cadres to be directly responsible for repairing the generators.

This was a brand new development for us. People became resentful, worried, and afraid that we could not achieve what the higher echelons had assigned to us. Another problem was that we did not have a lot of experience for this work. However, this did not lessen our strong determination and ideology that we were ready to make sacrifices in everything and to put all our knowledge into this difficult work. We kept in our minds what Lenin said, "There is no secret in anything, but the secret is what we have not yet discovered," as a morale booster in order to conquer all the difficulties in this work.

We had to order a number of spare parts from abroad, and we also had to repair some ourselves. We actually did our work by recently coordinating with Japanese experts to complete the project which began on 24 September 1981 to

15 March 1982. However, because of the determination of our cadres and workers we were able to carry out the work and complete it on 8 March 1982 before the expected date. The total expenses were calculated to be only 2.5 million dollars. This means we saved 3.5 million dollars for the government, and we have generators that are as good as before. They were able to produce 12,240,000 kWh in 17 days and have added as much as $379,000 to our country.

9884
CSO: 4206/81

BRIEFS

OUDOMSAI RECRUITMENT--K.P.L.--In the first 6 months of this year over 400 youth of all nationalities in Oudomsai Province have voluntarily and actively served the work of the nation. These included 150 persons from Na Mo District, 100 from Pak Tha District, and over 50 from Beng District. A majority of these youth volunteered to serve in the ranks of national defense and public security forces, and as workers in various factories in which they are now seriously and continuously carrying out their duties in order to take part in building the country to be steadily and endlessly strong and prosperous for the wealth and happiness of the people of all races. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 16 Aug p A3] 9884

LOUANG NAM THA YAO RECRUITMENT--K.P.L.--At the end of last July, 9 Yao youth in Meuang Mom Canton, subordinate to Ton Pheung District, Louang Namtha Province, were awakening voluntarily and boldly to serve the country by taking part in the ranks of the LPLA and other words in order to strongly protect their land to let the people feel free to develop the country. From June till now there has been a total of almost 40 young Yao men in the area mentioned who are serving the nation. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 17 Aug 82 p A4] 9884

CHAMPASSAK ELECTRICITY PRODUCTION--In the first six months of 1982 the Electrification Service and the base unit labor union of Champassak Province have determinedly mobilized to encourage labor union members and workers to actively carry out their duty assigned by the Service. This resulted in completing the first six months of the plan as expected. The actual achievements were the completion of 10 km of cutting brushwood from high-voltage power lines from the Se Labam hydroelectric dam to Pakse District, the production of 2,122,760 kWh, installation of electricity in 55 people's homes, putting in 45 power line poles, checking transformers, repairing broken-down machinery, and the successful carrying out of other work. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 6 Aug 82 p A5] 9884

FACTORIES REVIVE PRODUCTION--K.P.L.--The mosquito repellant section including the zinc, mosquito repellant, and sponge factories under the Ministry of Industry and Trade that stopped its operations for 3 full years was revived. As of 23 July 1982 the workers in that factory were able to operate normally and effectively. At the beginning they were able to produce 720 boxes of mosquito repellant to serve the public. Its quality is as good as that of the

imported ones. According to Comrade Khampheng Thebsimeung, director of the zinc, mosquito repellant, and sponge factory, in order to steadily increase production efficiency and carry out the 1982 plan set by the ministry figure of 120,000 boxes in the second 6 months of the year, the factory will struggle to increase its working hours to two shifts, particularly when there are enough raw materials to meet production needs. Comrade Khampheng Thebsimeung added that in order to expand mosquito repellant production the factory has also begun to install an additional grinding machine to mix the mosquita repellant, which will be able to grind 400 kg of bark per day. It is expected to be completed in mid-August 1982. At the present time workers in the entire factory are cheerfully and actively struggling to do their work. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 30 Jul 82 pp A1, 2] 9884

LOUANG NAMTHA CULTIVATION--K.P.L.--Up to the beginning of August farmers in Louang Namtha, Sing, Long, Meung Ton Pheung, Houei Sai, Viang Phou Kha, and Na Le Districts, Louang Namtha Province, are putting all their efforts into finishing the wet rice paddy planting. Up to now about (95) percent of the total of 5,945 hectares of ricefields has been completed. This early achievement came from the solid force of solidarity among the people of all nationalities who put all their minds to work in spite of the weather and used a system of dams for production. At present they are continuing their solidarity in planting to complete the rest of the ricefields. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 13 Aug 82 p 3] 9884

TENDERS SOUGHT FOR AID PROJECT--The Lao Import-Export Company of the Ministry of Industry and Trade in Vientiane in the Lao People's Democratic Republic has the honor of announcing that bids are being requested for the provision of animal feed as part of the assistance from the organization SIDA/FUND. For complete details, interested bidders are requested to obtain the necessary documents, No 04-82/SLIE, from the Lao Import-Export Company, 43-47, AV. Lane Xang, in Vientiane, or from the Embassy of the Lao People's Democratic Republic, 193, Sathorn Tai Road, 193, in Bangkok, during office hours from 23 July 1982 to 10 August 1982 for a non-refundable fee of $50 or 1.150 Thai bahts. Bids received at the Lao Embassy in Bangkok before 15;00 hours on 13 August 1982 or at the Import-Export Company in Vientiane before 11:00 hours on 17 August 1982 will be opened in public at the company's headquarters at 14:00 hours on the same day. [Text] [Vientiane BULLETIN QUOTIDIEN in French 23 Jul 82 p 7] 9693

FAO-AIDED FACTORY--Construction of a pipeline plant and a shop for repairing motor-driven pumps, projects under the direction of the Irrigation Department in the Ministry of Agriculture, Foresty and Irrigation, located at kilometer 14 of National Highway 13, and begun toward the end of 1979, is already basically completed at present. According to the head of the Irrigation Department, Mr Thongvan, these projects are being handled by Irrigation Construction Enterprise No 1, are financed under material and technical assistance granted to Laos by the UNDP and the FAO, and will be finished shortly. Following their first test, the plant and the shop demonstrated a high capacity. The plant will manufacture pipelines 30 cm in diameter and over, and the shop is equipped to repair all types of motor-driven pumps, he noted. [Text] [Vientiane BULLETIN QUOTIDIEN in French 23 Jul 82 p 2] 9693

SOUVANNA PHOUMA IN FRANCE--Prince Souvanna Phouma, former prime minister of Laos and currently an adviser to the Vientiane government, will arrive in France within the next few days for a private visit of several weeks. His last trip to our country dates back to 1977. Mr Claude Cheysson, minister of external relations, has expressed a desire to receive Prince Souvanna during his stay in Paris. (Paris and Ventiane reestablished diplomatic relations on 8 December 1981 which were broken in 1978 after two French diplomats were expelled from Laos. The new French ambassador to Vientiane, Mr J.N. de Bouillane de Lacoste, presented his credentials on 13 July.) [Text] [Paris LE MONDE in French 12 Aug 82 p 8] 9693

CSO: 4200/55

GENERAL CHISHTI INTERVIEWED ON MARTIAL LAW

Rawalpindi HURMAT in Urdu 23 Jul 82 pp 21-23

[Interview with Lt Gen Faiz Ali Chishti (Ret) by Javed Sadiq; date and place not specified]

[Text] Maulana Kausar Niyazi, federal minister in the previous government and secretary of information for the defunct People's Party, discussed several aspects of the proceedings of the night of 4-5 July 1977 in his column "Observations and Impressions" in the daily newspaper JANG of 4 July. There are conflicting versions of several of the events during Operation Fair Play about which Kausar Niyazi, on the basis of his recollections, wrote in his column. For the sake of accuracy of the record of this event, so important in our national history, HURMAT had a lengthy discussion with retired Lt Gen Faiz Ali Chishti, who was in charge of Operation Fair Play. Although the General wanted portions of the talk to be off the record, some relevant quotes are provided to the reader in the form of an interview. This interview was conducted by Javed Sadiq, editor of the weekly magazine and senior member of the editorial board.

HURMAT: General, you will have seen Maulana Kausar Niyazi's column in JANG in which he discusses several aspects of the operation that took place during the night of 4-5 July.

General Chishti: Ye, I saw this column by Mr Niyazi.

HURMAT: Since you were in charge of Operation Fair Play, would you like to say something in this regard?

Chishti: I won't say anything about those matters that come under the heading of state secrets, but I will answer questions about those things that are in the public interest.

HURMAT: Do you feel that it was inevitable that martial law would be imposed in the country, and were you really convinced that the discussions between the defunct People's Party and the National Alliance had been unsuccessful and that there was no recourse but to have martial law?

Chishti: Sir, elections were held on 7 March. Conditions in the country steadily worsened between 7 March and 4 July. Lawlessness, violence and

hooliganism had reached an extreme. We had repeatedly told the former prime minister that conditions in the country were getting bad and that it was necessary to take appropriate steps to correct this state of affairs. We had spoken openly in cabinet meetings and had several times told Bhutto that he should take steps to correct the worsening situation. We were very patient. You remember what happened on 9 April. In a cabinet meeting, I had plainly told the former prime minister that, "The sole solution for the present disorder is that you hold elections again. You can win the elections and again take power." But I was not listened to. Another general also told Bhutto repeatedly that he should hold elections again.

HURMAT: Why did Mr Bhutto ignore this?

Chishti: I think he had some sycophantic ministers who would not let him hold elections again because those ministers knew they could not be successful in the elections. So his ministers and advisors led him astray. Whenever any ruler surrounds himself with sycophants and flattering advisors and ministers, the result is not good. So I think that when a leader chooses his advisors and ministers he should think twice.

HURMAT: Was the entire army high command in agreement on imposing martial law?

Chishti: Look, when there is a coup, the army takes control as an institution. It never happens because of the wish or intention of one individual. When the army takes power as an institution, the orders of the chief of staff or the commander-in-chief are obeyed, and the chief of staff is the leader of the coup. But if some officer or lesser rank than the chief of staff takes such action, then it can be called a rebellion or mutiny because the leader of the army as well as the leader of the government is removed as the result of such an act by a junior officer. But by God's grace, there is no such situation here. Our army, fortunately, is extremely well-ordered and united. The army, as an institution, decided to take over the government on 4 July 1977. The army high command decided that when the situation worsened the army would be forced to take over for the sake of the security of the country, and we had told this to the prime minister and his cabinet. We had made it clear to him that if he could not correct the situation in the country, the army would have to take over the administration, and this would happen whenever the chief of staff considered it appropriate.

This was no surprise to the former prime minister.

HURMAT: So the former prime minister knew that the army would depose him.

Chishti: He knew it. He was an extremely shrewd person. He did not want to give the power to the army himself. Rather, he was waiting for the moment when the army would come and take power from him. He did not want to be accused of giving power to the army.

HURMAT: What do you think the collective attitude of the army was in this regard? That is, were the junior officers also in favor of promulgating martial law?

Chishti: Look, the elected government is the legal government. Law and order is the responsibility of the civilian government and administration. When the civil administration is unsuccessful in maintaining law and order, the army is called in. When the army helps the civilian administration, it has some rules. The first rule is that as little force as possible should be used, but when there is shooting then it should be effective. When someone shoots he does not shoot in the air. Rather, to make it effective, he fires at the leaders so that the use of force will be effective. But you saw that in the 1977 movement our army was not prepared to fire on our people. There were 50 or 60 shots fired in Anarkali, Lahore, but only 4 or 5 people died. Similarly, in Multan, too, there was shooting, in fact more shooting, but few individuals died. This means that they were shooting in the air, which was against the law. Military officers also handed in their resignations.

The question is, why did all this happen? What it meant was that the entire army was not ready to cooperate with this government. In addition, the justification for the promulgation of martial law is proved by the fact that as soon as the army took over and promulgated martial law the entire nation rejoiced and welcomed it. The entire nation wanted a change. This was the necessity of the time. Therefore, the army's action was justified.

HURMAT: Maulana Kausar Niyazi wrote in his column that the army chief of staff, Gen Zia-ul-Haq, took part in the cabinet meeting on 4 July, whereas according to some accounts he was not present at this meeting. Can you offer any clarification in this regard?

Chishti: When I was called to put Operation Fair Play into action on the night of 4 July, Gen Zia-ul-Haq was at home. I don't know whether or not he took part in the cabinet meeting. I was told to launch Operation Fair Play about 10 or 10:30. When I went to the home of General Zia he was there at that time. At any rate, Maulana Kausar Niyazi's information must be correct.

HURMAT: Were you in danger of being opposed in any way in your capacity as head of Operation Fair Play?

Chishti: We expected opposition. The people we had to arrest in this operation included some government officials as well as the leaders of the defunct People's Party and the National Alliance. There was danger of opposition from the FSF [Federal Security Force]. There was also danger of opposition from the prime minister's house because the army high command had warned the prime minister that conditions in the country were so bad that the army could take over at any time. So I thought he might have made some plan in view of the danger of a takeover. But at the time of the operation, there was no opposition at all.

HURMAT: If there had been opposition, what instructions did you have to overcome it?

Chishti: The thing is that anyone can fire in self-defense. At such a time it is impossible to prove whether the firing was in self-defense or not.

when there is a coup, the army has complete freedom to kill anyone they want. This means that the person in charge of Operation Fair Play on 4 July had the authority to shoot anyone he wanted. It is easy to have a coup by shooting people, but the results would be ruinous for the country and people. We have before us the examples of several such countries. I was in charge of the operation. I did not want to spill blood illegitimately because we must also answer to God. So my order was that this operation should be completed without bloodshed. If the planning is good then there is no need for shooting. I told my officers that even if they had to fire in self-defense they were not to fire without my orders. By the grace of God, no one received even a scratch. People say all sorts of things. If we could have shot anyone we wished on 4 July, why would we kill anyone later? In addition to this order, I also gave the order that if anyone disobeyed the orders of the person in charge of the operation, he too would be shot. I am proud that the Pakistani Army carried out this operation with complete discipline, and there was no unfavorable incident.

HURMAT: Do you feel that the planning for Operation Fair Play was easy or difficult?

Chishti: Sir, this is very difficult work, extremely difficult. The army operates on orders. There are two kinds of orders, written and spoken. When one receives the order for a coup and it succeeds, then no one thinks what a difficult job it was. But if it is unsuccessful, the whole world knows who loses his neck. If the person giving the order denies that he gave it, the person who obeyed the order has no proof that he was really given an order. Similarly if the person given the order should meet with the government leader who is to be deprived of power there may be treachery. This is a job for a person of great character. In such a delicate matter, the planning should be 100 percent successful. It can be so only when as few people as possible know about it. Our greatest problem was how to arrest the prime minister. Bhutto was an extremely clever individual. He could have disguised himself and fled from the prime minister's house, and if those who had gone to arrest him had not recognized him, the entire operation would have failed. In addition, he had forcibly purchased the loyalty of the guards who were at the prime minister's house at that time. They had been given land and other rewards. In addition, there was a combined guard of police and army there. Under these conditions, it is proof of the best planning that we were able to enter the prime minister's house, reach the prime minister and arrest him without firing a shot.

HURMAT: When did this planning take place?

Chishti: I think I cannot say this at this time. Perhaps some time later I can tell you.

HURMAT: When did the operation begin?

Chishti: A coup usually begins when the means by which the government can reach the people collapse, so that they cannot give an order that would reach

the people. Since the radio and television are means by which links with the people are established, the operation is done after the radio and TV programs end. Our operation began after the radio and TV closed down and was completed before 6:00 am.

HURMAT: Some people think the conditions in the country did not warrant the promulgation of martial law. What do you think?

Chishti: Yes, some people say conditions were not favorable for martial law. This was just General Chishti's plan. First of all, since you have mentioned Maulana Kausar Niyazi, who was an important minister in the previous government, you know that he himself says that conditions were ruinous and it seemed as though we were warring with nature. Since the previous government was not prepared to correct the situation, the army had to correct it. I have already said that when martial law was promulgated there was rejoicing in the country and people distributed sweets. This shows that conditions were completely favorable. Second, I carried out this operation under the orders of the chief of staff. He can better clarify what conditions forced him to give the order in this regard.

HURMAT: Did you meet with the leaders after the operation was complete?

Chishti: I did not meet with any leader. After arresting the leaders of the defunct People's Party and the National Alliance, we put them in the Chaklala Officers Mess. Here I want to correct Maulana Niyazi. He has written that they were taken to General Chishti's corps headquarters. It was not the corps headquarters but the mess. My order was that both parties should be treated with great respect and honor. If there was any complaint that any leader had been treated badly, the officer concerned was to be court-martialed. I feel that national leaders are worthy of respect. I respected them then and do so now. It was my plan that all the leaders should be taken to Murree on the night of 4 July, but Mr Bhutto expressed a wish to spend that night in Rawalpindi, so according to the wish of Mr Bhutto, he was put in the prime minister's house; similarly, the other leaders were also in Pindi that night and taken to Murree the next day.

HURMAT: There is a great deal of discussion these days about the role of the army in the future affairs of the country. Would you care to express your thoughts in this regard?

Chishti: I would like to answer this question in detail. It cannot be done today. Sometime later I will discuss this subject in detail with you.

HURMAT: Thank you, General.

Chishti: Thank you.

9914
CSO: 4203/173

ELECTORAL ROLLS UPGRADING BEGINS

Karachi DAWN in English 10 Sep 82 p 1

[Text] Islamabad, Sep 9--The Election Commission of Pakistan today launched a comprehensive programme for updating the existing electoral rolls in the country.

The operation will be completed by the middle of December. The existing electoral rolls were put on display at more than 40,000 centres throughout the country. The rolls would remain on display for a month and a half for inspection by people to enable them to apply for the inclusion of their names or deletion or correction of wrong entries therein.

Special teams have been formed to visit these display centres to check that the rolls have actually been displayed at these places.

All the Registration Officers and the Assistant Registration Officers have been given copies of the manual of instructions for updating the electoral rolls.

The process of updating the electoral rolls is being carried out by three devices: by including the fresh names of those who are eligible to become voters, by deleting the names of those who have expired or are held ineligible when objected to and making corrections of particulars relating to a certain name, error about which is pointed out and accepted by the Registration Officer.

For every device, there is a separate application form, separate for the Muslims as well as for the non-Muslims. Through these three methods, the Election Commission aims at increasing the accuracy of the rolls and making them as authentic as possible.

Today Mr Justice S.A. Nusrat, Chief Election Commissioner, visited the display centre set up in the office of Registration and Assistant Registration Officer at Thatta.

Mr Justice Nusrat asked the official concerned to extend full help to the general public.

He expressed full satisfaction on the work of display centre at Thatta.

CSO: 4220/361

CONCERN OVER BANK ROBBERIES EXPRESSED

Karachi DAWN in English 10 Sep 82 p 9

[Text] The spate of robberies and crimes of various kinds which have in recent times shaken this city--although the rest of the country has not been spared either--might well force people to change habits. Some deviations from the usual carefree patterns of the city are already visible, as people have begun to avoid the more deserted areas at nights and generally become more security conscious. However, one change which has been advocated so many times before as being essential has been sadly ignored, and we have had to pay a heavy toll for this neglect. It has been suggested on many occasions that banks for one should adopt modern security measures to guard against hold-ups, which were infrequent some years ago but have become increasingly common in recent times--so much so that they do not cause any particular excitement these days. To banks must be added those organisations which deal regularly in large amounts of cash. In fact, it can even be said of the lax security at financial institutions that it might actually have encouraged the rash of crime with which the country is now faced. If criminals had not found how easy it was to stage holdups, and how easy it also was to avoid subsequent apprehension by the police, boys in their teens or slightly older may not have taken to robberies on a grand scale.

The police certainly deserve to be questioned for its ineffectual performance, but, at the same time, banks and other financial organisations holding or dealing in substantial amounts of cash should also be asked to firm up their security arrangements. There is, of course, no assurance that only large amounts will attract criminals, but they are more likely to, and also more likely to be the cause of violence. Banks at present are 'protected' by an antiquated guard equipped with an even more antiquated weapon, which is usually unfit for use. Organisations in most cases transport very large amounts of money in a very careless manner, on unguarded vehicles which include motorcycles. When this happens on a regular basis, they become obvious targets of robbers.

How exactly a sophisticated security system should operate is a matter for experts to sort out, but a couple of glaring points must be mentioned here. The first of these relates to an efficient alarm system, with the proviso, of course, that there will be an equally efficient response to

it. There must be hidden alarms in financial institutions and other vulnerable organisations, linked to police stations, which in turn should be equipped to respond quickly when an alarm is triggered. This may seem a cumbersome arrangement, but it is followed all over the world and a start must be made here also, and soon. Another obviously vulnerable point is the transport of large amounts of cash. As mentioned earlier, this is highly unsatisfactory and there have been a number of robberies, accompanied by violence, in the last week alone at some stage when money was being transported. Most vulnerable are those organisations whose incoming or outgoing cash forms a regular and easily discernible pattern. It is patently unfair to employees to expose them to the dangers which have now become attendant to such transport of cash. The only solution seems to be the introduction of armoured, or at least heavily guarded, vehicles which, for a fee, will convey cash. There are no private organisations of this kind in the country, which means that financial institutions and other interested parties like insurance companies will have to make a beginning in this area.

CSO: 4220/361

MANPOWER EXPORT MONOPOLY SEEN WEAKENING

Karachi DAWN in English 10 Sep 82 p 16

[Text] Pakistan's monopoly in manpower export to the Middle East is weakening as India, Bangladesh, Thailand and South Korea are competing with it at cheaper labour rates.

This was stated last night by Brig. (retd) M.M.A. (Hesky) Baig, Chairman of the Pakistan Overseas Employment Promoters Association, at a Press conference at Taj Mahal Hotel.

Through official agencies, over 1.5 million Pakistanis have gone out for jobs in the Middle East and they are contributing approximately 3.2 billion dollars annually, he said.

"Unless our Government gives top priority to the problems facing the private sector and the Overseas Employment Promoters Association, this lucrative source of foreign exchange could be eroded substantially", Brig. Hesky Baig said.

Some of the incentive and concessions he asked on behalf of 350 licenced recruiting agencies are:

—The cash security deposit fee of Rs 100,000 be reduced and in the form of savings certificates and other government bonds. At the present rate, the Government is earning from the deposits Rs 35 million, besides adding Rs 1.75 million annually to the deposits in the form of annual licence renewal charges per year;

—The service charges be raised from Rs 1450 to Rs 3000 or equal to one month's salary of the immigrant and tax rebates on the charges;

—The intending immigrants be asked to pay one way ticket instead of asking the employer to pay for it, because in other countries, it is the other way round;

—The Overseas Employees Promoters be allowed to retain the lists of tested and approved workers to avoid wastage of time in case the same categories of workers are wanted by the employers;

—The licences should be renewed automatically or issued for five years;

—No suspension or cancellation of licences be made without a full legal enquiry; and

—Fake "recruiting agencies" should be eliminated by harsh punishments.

CSO: 4220/361

BRIEFS

SUMMONS FOR BHUTTO'S SONS--Lahore, Sep 9--Messrs Murtaza Bhutto, Shahnawaz Bhutto and Sohail Aziz Sethi have been directed to appear before the Summary Military Court No 37, Lahore. According to a Press release issued here today, the accused persons involved in case FIR 216, dated Sept 25 '81, Police Station, Model Town, Lahore, under Sections 302/307/34/109 PPC under 4/5 Explosive Substantive Act, have been directed to appear before the Summary Military Court No 37, Race Course Road, Lahore, on Sept 25, 1982, at 0900 hours. If they failed to appear before the said Summary Military Court No 37, on the above-mentioned date and time, they will be proceeded against according to law, the Press release added. The Particulars of the accused are as follows: Mr Murtaza Bhutto, s/o the late Zulfikar Ali Bhutto, r/o Larkana, Sind, now residing at Kabul, Afghanistan. [Text] [Karachi DAWN in English 10 Sep 82 p 1]

NEW SECTOR 2 DMLA--In exercise of the powers confered by clause (e) of Martial Law Order No 3, issued by Chief Martial Law Administrator, Lt-Gen S.M. Abbasi, Martial Law Administrator Zone 'C' has appointed Brig M.M. Jalal-ud-din to act as and perform the functions of Deputy Martial Law Administrator Sector No 2, Hyderabad Division, from Sept 9, till assumption of duty by Maj-Gen Hakeem Arshad Qureshi. [Text] [Karachi DAWN in English 10 Sep 82 p 10]

PAKISTAN STEEL'S OFFER--Pakistan Steel Mills Corporation has offered the private sector to collaborate in setting up a number of down-stream projects based on the utilization of principal products and by-products of the Steel Mill, it is learnt. The offer has identified half a dozen projects for this purpose viz: (i) Tinfree plate and tin plate manufacturing plant; (ii) Large diameter M.S. steel pipes manufacturing plant; (iii) Blast furnace slag cement manufacturing plant; (iv) Blast furnace slag blocks manufacturing unit; (v) Slag wool manufacturing plant; (vi) Coal tar fractionalisation plant. [Text] [Karachi DAWN in English 10 Sep 82 p 13]

DEMAND FOR LEADERS' RELEASE--Sukkur, Sep 9--Maulana Mohammed Murad, central leader of defunct Jamiate Ulemae Islam, today demanded the release of Maulana Fazlur Rehman, Maulana Mohammed Khan Shehrani, Miss Benazir Bhutto, Air Marshal (Retd) Asghar Khan, Nawabzada Nasrullah Khan, Mr Rasool Bux Paleejo and Jam Sadiq. He maintained that their detention is an un-Islamic

act. In a statement he said that if 1973 Constitution was not restored, the country would face grave crisis. [Text] [Karachi DAWN in English 10 Sep 82 p 14]

IDENTITY CARDS FOR LAWYERS--Every practising lawyer in Sind will have to obtain an Identity Card from the Sind Bar Council, according to an announcement from the Council yesterday. Practising lawyers have to apply within 90 days from July one, 1982 for the issuance of the card. If an advocate fails to obtain his identity card within prescribed time, his name shall be struck off from the roll of advocates after giving him notice u/s 34 of the Bar Council Act, and hearing him. It will be obligatory for every lawyer to quote/print his registration number allowed by the Sind Bar Council, on his letter pad and 'Vakalat Nama', the announcement added. [Text] [Karachi DAWN in English 10 Sep 82 p 16]

KASHMIRI LEADERS' RELEASE URGED--Lahore, 9 Sep--The Lahore High Court Bar Association has demanded the immediate release of Sardar Abdul Qaiyum and Sardar Mohammad Ibrahim former Presidents of Azad Jammu and Kashmir and some other Kashmiri leaders detained a couple of days ago. In a resolution adopted today, the Association noted that the detained leaders were great patriots, who had made great contribution to the Kashmir freedom struggle. The government should not ignore the fact that Kashmir was a very sensitive area. The resolution demanded that representative government should be set up in Azad Kashmir to promote confidence and sense of participation among the people. Through another resolution the Association urged the Government to release Mr Abdur Rashid Qureshi advocate, or the PDP. [Text] [Karachi DAWN in English 10 Sep 82 p 16]

CSO: 4220/361

EDITORIAL URGES FRIENDLY PERSUASION

Manila BULLETIN TODAY in English 5 Sep 82 p 5

[Text] The story said the raid on the Social Action Center in Catbalogan was conducted, resulting in the arrest of a nun and two other persons, after several months of surveillance by military intelligence.

That part of the story shows how government policy can widen rather than close the gulf between the government and certain people who are admittedly anti-government.

What should have been done was as government operatives started noting anti-government activities at the center they or higher authorities should have talked to the people at the center and engaged them in a dialogue.

What the government men did was to note the activities for several months and then without warning raided th place, telling the people therein in effect, "Huli kayo!"

The military cannot be blamed. They were complying with standard operating procedure. But the policy under which they operated suffered from the serious flaw of tolerating strict absence of dialogue that could reconcile Filipinos of conflicting political persuasions.

The policy seems to place more stock in physical and legal powers and less in winning hearts and minds. It seems to have given up hope on the reconcilability of Filipinos with Filipinos.

Such policy is risky if consistently applied in the provinces, because it is possible that arrested people, including members of the clergy, have a sizeable following. Their followers can be alienated from the government.

For a long time, we have been talking about human rights. But even assuming there are no rights violations, scrupulous conduct alone does not solve the problem of dissidence.

Arrests and prosecutions can be minimized by friendly persuasion and open discussion between government representatives and those who have complaints against the government.

CSO: 4220/363

GUARANTEE FOR FOREIGN LOANS EXTENDED

Manila BULLETIN TODAY in English 4 Sep 82 p 12

[Article by Loreto Cabanes]

[Text] The borrowing capacity of the National Development Company (NDC), the government investment firm, from foreign sources has been considerably bolstered by a new decree which expressly extended the guarantee of the national government to secure the obligations of NDC.

Sources said the new decree cleared once and for all the uncertainty raised by foreign bankers about how secure their lendings were to the government firm.

They said it also answered possible doubts by foreign lenders on the issue of whether their loans could be taken up by the government if and when NDC is unable to pay them.

Earlier this year, NDC attempted to raise some $250 million in the Eurodollar markets to finance the requirements for the various big projects that NDC is now undertaking.

The government firm was unsuccessful in getting the credit because foreign bankers were offering it terms which were much stiffer than those being given to other government corporations.

Bankers also expressed reservations about the full backing and credit of the national government to secure the obligations incurred by NDC which, so far, has no tract record yet in the international banking community as a borrower.

This prompted the NDC to secure an opinion from the Minister of Justice which ruled that foreign loans incurred by NDC carry the full backing and credit of the national government, it being a firm owned and controlled by the government.

As the one in charge with the implementation of the 11 major industrial projects and the rehabilitation of a number of private companies, NDC needs substantial foreign loans in the next couple of years to be able to carry out those undertakings.

Under P.D. No. 1846 which was signed June 26, 1982, it was expressly provided that the payment of all loans, credits and other indebtedness contracted by NDC "shall be and are hereby fully and unconditionally guaranteed by the Republic of the Philippines."

It further provided that the "obligations f the Republic of the Philippines as guarantor...shall be absolute and unconditional, and shall not be contingent or conditioned upon the pursuit of any right or remedy against the company or its assets or against any other person or against any collateral security for or other guarantee of the obligations of the company."

CSO: 4220/362

COLUMNIST CONSIDERS COST OF POLITICAL VIOLENCE

Manila BULLETIN TODAY in English 3 Sep 82 p 6

[Article by Apolonio Batalla]

[Text] From the military point of view violent dissidence here cannot be considered significant. It has often been stated that it is under control. Indeed, not one barangay in the country is under rebel control.

But the seriousness of the problem lies partly in the continuing loss of lives and partly in the effects of the killings on the social fabric.

Hardly a day passes that no soldiers, rebels, civilian home defense personnel, suspected informers and innocent civilians are not reported killed in this grim political struggle.

If the deaths are by themselves deplorable, their psychological effects on the population are cause for worry. Somehow, people pray that the conflict does not worsen. The trouble is there has been no development to nurture the hope.

People who have had the opportunity to ponder the problem are tempted to ask why it could have happened in a country that is otherwise blessed with many good things in life.

Filipinos are proud of their high literacy rate, their system of universal education, individual freedoms, religions, cultural heritage, and so on. All those things argue strongly in favor of political integrity.

But in this part of the world, with the notable exception of Kampuchea, this is the only country where people die almost every day as the forces of government and the dissidents fight each other without letup.

We are reminded of the rebel-infested regions of Thailand, Burma, and Malaysia. But the death rates in those remote places do not match the mortality rate in Philippine provinces.

Here it seems the death rate is taken for granted, as if the grim statistics hold no implication for the families of soldiers and rebels slain in combat,

as if there is no chance that the hurt will be engraved in memory and that memory cannot give momentum to a conflict that can destroy the social fabric.

In its capacity as pater familias, the government can formulate any kind of solution to stop the bloodshed.

About the middle of the last decade, the Argentine government decided on a hard line against the dissidents, matching terror for terror. In the years following the advent of military rule, the government of Chile decided on mass liquidation.

A lot of unfavorable things have been said about the Polish government during martial law, but reading the news accounts one cannot help but conclude that while the government has been severe it has opted for mass arrests, rather than for mass liquidation.

That is a totally different policy from Iran's under the present regime, which summarily tries suspected enemies of the state and executes them.

Philippine conditions and the overall policy with regard to armed dissidence are another story. Here the soldiers search for the rebels. Rebels are either arrested or killed in combat. If arrested, they are tried. There are people who have been sentenced to death, but the sentences are not carried out for one reason or another. Death does not occur in the course of the adjudication of the criminal cases, but in ambuscades and combat in the field.

Soldiers get killed just by riding on buses, which shows the seriousness with which the dissidents pursue their mission.

Some men of the cloth have joined the rebel ranks, and this shows the seriousness of the political struggle.

Under the law, those priests are wrong. But from their philosophy of life, they think they are right. In those cases, must death necessarily be the arbiter?

Is there no mode of settlement that transcends the essentially short-sighted logic of political violence?

Since the government is the pater familias, it is up to it to think of a way of eliminating the sources of instability while saving human lives.

And it is not enough to confine our thoughts to the present, which is exacting a heavy toll. Let us also think of future possibilities. If, for example, this killing business drags on for many more years, it is not logical to assume that it will have no adverse effect on the political situation.

CSO: 4220/362

GAS RESERVOIRS FOUND OFF PALAWAN

Manila BULLETIN TODAY in English 2 Sep 82 p 9

[Article by Ray Enano]

[Text] Phillips Petroleum and Pilipinas Shell Petroleum, Inc. struck a relatively "huge" gas reservoir after completing four drill stem tests at the San Martin A-IX well off northwest Palawan island.

A drilling bulletin from the bureau of energy development (BED) stated that the first DST, which was an open hole test recorded the flow of gas at a rate of 20 million cubic feet while the fourth test revealed a rate of nine million cubic feet of gas per day.

The second and third tests, meanwhile, were conducted at the water zone of the well and recovered nothing but formation water.

With the completion of the tests, the Phillips joint venture started plugging the well temporarily for possible re-entry in the future.

The results of the tests are still being evaluated by Phillips in connection with the overall study on the economic feasibility of exploiting the San Martin gas discovery.

Sources in the industry said that the San Martin gas rate is by far the largest recorded in the country.

The same sources explained that if it were oil instead of gas, the well could have been easily commercially exploited. The gas discovery has an equivalent of over 20,000 barrels per day.

Phillips is still studying the possibility of developing the well on a commercial scale since San Martin A-IX was drilled to a depth of 1,100 feet of water before reaching a total depth of 4,282 feet.

According to sources, initial findings show that the discovery is not big enough to commercially develop the well considering the present low price of gas.

Moreover, the sources said developing the well in the deep water area is capital-intensive since it needs an equipment to "refrigerate" the stored gas.

San Martin A-IX is the 16th well drilled by Phillips and Shell and the first discovery to be considered significant. Drilling the San Martin well on a deep water has cost the two parties some $12 million.

CSO: 4220/362

NPA'S SLAIN IN BICOL, QUEZON ENCOUNTERS

Manila BULLETIN TODAY in English 1 Sep 82 p 36

[Text] Camp Nakar, Lucena City, Aug 31--Six New People's Army men were killed and several high powered weapons, including one M-16 armalite rifle, were taken by government troops in an encounter in Quezon province and in Camarines Norte.

Lt Col Recaredo A. Sarmiento II, Quezon PC commander in his report to Brig Gen Andres B. Ramos, PC/INP Recom 4 chief here, said that a group of "Samahang Yunit Pang-propaganda" of the NPA under one "Ka Santiago" reportedly operating in Calauag and Tagkawayan towns were surprised by elements of the 232nd PC company under Major George Alino.

Major Alino informed Col Sarmiento that two of his junior officers, Lts Romeo P. Sebastian and Ed Samuco engaged the group of Ka Santiago in a gunbattle along the national highway in barangay Bantulinao, Calauag, Quezon, killing one NPA identified only as "Ka Minong."

Taken from the dead NPA were one M-16 armalite rifle several magazines and 66 rounds of ammunition of M-16 rifle, binocular and several empty shells of various caliber.

CSO: 4220/362

MAGAT DAM INAUGURATION IN OCTOBER

Manila BULLETIN TODAY in English 3 Sep 82 p 12

[Text] Ramon, Isabela, Sep 2--The National Irrigation Administration (NIA) will be taking giant steps towards the realization of its goals of an envisioned "irrigation age" when it formally inaugurates next month the ₱3.5-billion Magat high dam here.

With the completion of the Magat high dam, resettlement, and reservoir, the multi-purpose project will stand out as the largest water resource development project in Southeast Asia.

Benjamin V. Viola, project manager, said the project of the NIA in Northern Luzon was officially launched on May 7, 1975, when President Marcos signed Presidential Decree No 693.

Engineer Viola said implementation of the Magat river multi-purpose project (MRMP) was based on a preliminary study conducted in 1973 by the National Irrigation Administration (NIA) with the assistance of the United States Bureau of Reclamation (USBR) and the United States Agency for International Development (USAID).

The project was jointly financed by the Philippine government and the World Bank which extended a $150-million loan to meet its foreign exchange requirement.

Engineer Ramon S. Palomares, senior assistant project manager, said technical assistance was provided by a group of engineering consultants known as ESED as required in the loan agreement.

In addition, a specialist international board consultants assisted in the review of project implementation.

Engineer Palomares said the principal features of the MRMP is the construction of the Magat high dam and reservoir of Planas, Ramon, Isabela, six kilometers upstream of the present Maris dam.

It will also have the following features: a main dam standing 114 meters above the Magat stream bed with a crest length of 4,160 meters, a spillway

500 meters long and 164 meters wide with a discharge capacity of 30,600 cubic meters of water per second, making it seven times greater than the Pantabangan flood spillway capacity; and a 45-square-kilometer reservoir capable of storing 1.25 billion cubic meters of water a full supply level.

Engineer Melecio M. Canapi, chief, dam division, said the project is designed to provide a dependable water supply for year-round irrigation to 102,000 hectares of agriclutural lands in Isabela, Quirino and Ifugao provinces; 540 mega-watts of hydroelectric power; domestic and industrial water supply; fish conservation and recreational facilities.

CSO: 4220/362

NPA, MNLF MEN YIELD IN MINDANAO

Manila BULLETIN TODAY in English 3 Sep 82 p 12

[Text] Zamboanga City, Sep 2--More members of the Moro National Liberation Front (MNLF) and the New People's Army (NPA) in Southern Philippines have surrendered to the government as a result of the military's continued campaign to win back to the fold of the government misguided elements in remote areas in the region.

The biggest rebel group surrendered last Friday, Aug. 27, to Brig Gen Cirilo Bueno, Jr., 9th PC-INP regional commander in a ceremony at the PC provincial command headquarters in Dipolog city.

The 1,045 NPAs were presented to General Bueno by Lt Col Ricardo Soguilon, Zamboanga del Norte, PC provincial commander.

Soguilon said the rebels had operated in the hinterlands of the municipalities of Roxas, Katipunan, Manukan, Bunot Siayan and Sitagan, all in Zamboanga del Norte.

They yielded 40 firearms and hundreds of rounds of ammunition.

The Zamboanga del Norte PC provincial command in coordination with municipal and barangay officials negotiated the surrender of the NPAs and their supporters.

Present during the ceremony were Governor Alberto Ubay, Batasang Pambansa Assemblyman Guardson Lood, Regional Assemblyman Mariano Macias, Dipolog City Mayor Roseller Barinaga, and other mayors.

Also present were military officers headed by Col Madrino Munoz, commanding officer of the Army's 4th Infantry (Diamond) Division; and Colonel Augusto Narag, commanding officer of the 1/4 Brigade of the Philippine Army.

CSO: 4220/362

FUNDS FOR MINANAO INFRASTRUCTURE DEVELOPMENT

Manila BULLETIN TODAY in English 3 Sep 82 pp 1, 14

[Text] Marawi City, Sep 2--Minister Jesus H. Hipolito of the Ministry of Public Works and Highways (MPWH) announced yesterday that the government has set aside ₱13.01 billion in the next five years for the development of Mindanao.

Starting next year, the ministry will intensify the infrastructure development of Mindanao with ₱5.89 billion going to Regions 9 and 12, he said.

Hipolito spelled out the government infrastructure program for Mindanao in a speech during the 21st anniversary of the Mindanao State University.

He said that since Sept. 11, 1972, some 11,300 kilometers of new roads have been constructed or improved and 18,800 lineal meters of bridges built in Mandanao.

This has increased the road density in this region from zero to 0.52 kilometer per square kilometer of land area, and from 3.08 to as high as 4.58 kilometers per 1,000 inhabitants.

All this cost the government ₱2.25 billion plus another ₱2.10 billion for road maintenance, Hipolito said.

He added that the government poured billions of pesos more in other projects like flood control, ports and harbors, irrigation, airports, water supply, health centers, hospitals, and school buildings.

During the years 1972 to 1981, infrastructure investments in Mindanao, particularly Regions 9 and 12, totalled ₱1.25 billion.

This year, another ₱795 million has been programmed as capital outlays in the two regions, he said.

Hipolito said that at no other time in history has there been such financial and human resources channelled by the government to the development of Mindanao.

The minister said of the four regions of Mindanao, Regions 9, 11, and 12 have received a total of 2,730 classrooms and 624 school buildings at a cost of ₱89.3 million.

For 1982, Hipolito said, the government hopes to construct about 5,500 school buildings or a total of 16,500 classrooms costing ₱580 million.

Southern Philippines, he said, will get ₱137.5 million, the second biggest allocation in the schoolbuilding program next only to that of Luzon.

Hipolito was conferred an honorary doctorate in engineering by the MSU board of regents. The title was conferred on him by MSU president Ali Dimaporo.

The city of Marawi under mayor Omar Dianalan conferred on Hipolito the royal title of sultan. He was proclaimed as "sultan mangompia" (achiever) and was adopted son of this Islamic city.

CSO: 4220/362

REIGN OF TERROR IN AKLAN PROVINCE

Manila BULLETIN TODAY in English 3 Sep 82 p 36

[Article by Ramon Tulfo]

[Text] Reliable sources say Aklan's provincial governor, vice governor, a senior board member, the mayor of the capital town of Kalibo, and the town's police chief have sought refuge in Manila and elsewhere because of the alleged reign of terror in that province. Sixty goons "imported" from Iloilo and Metro Manila are reportedly lording it over the entire province. The goons were allegedly brought into Aklan to oversee big-time gambling and prostitution in Kalibo. The man who reportedly brought them in has created a monster out of these goons because they would no longer obey him.

At least four killings in recent weeks have been attributed to these goons. Their victims were the assistant PC provincial commander; Antonio Lim, reportedly a member of the group, who was liquidated after he quarreled with gangmates on the sharing of loots; a student from Iloilo who was allegedly mistaken for the slain assistant provincial commander's relative; and a man named Rasco, who fought with a member of the group he suspected of playing around with his wife.

If there is one "good side" about the goons, the sources said, it is that they act as vigilantes. Since they started their activities, PC soldiers and policemen who beat up civilians or fire their guns indiscriminately have mended their ways. These once-abusive policemen and troopers cow in fear at the sight of the goons, the sources said.

CSO: 4220/362

CHDF FORCES BEEFED UP IN CAG AYAN

Manila BULLETIN TODAY in English 4 Sep 82 p 5

[Text] Tuguegarao, Cagayan, Sep 3--More Civilian Home Defense Force (CHDF) men will be fielded in various parts of Cagayan Valley to beef up the government's anti-insurgency drive.

Col Thomas Manlongat, deputy commander for Region II, said the move was taken in response to an appeal by local officials in the wake of a reported buildup of the New People's Army (NPA) in the area.

NPA strongholds are reportedly found in remote barangays of Cagayan, upper Kalinga, eastern Isabela, Nueva Vizcaya, and Ifugao.

In a meeting with military officials in the region, the local leaders agreed on conducting more frequent dialogues with the people "to abort the creeping influence of subversive elements in the area."

The dialogue, they said, should be held even in areas where the residents are "ideologically swayed" by the NPA.

Isabela Gov. Faustino N. Dy, who is also chairman of the Regional Development Council (RDC) and presidential action officer for development (PRAO), noted the increasing "ideological persuasion" by the NPAs and warned against the dangers posed by the rebels' preachings.

He stressed that dialogues "still remain as the keystone that shaped the people's trust and confidence in government." He urged that these must not be carried out as an official responsibility.

Cagayan Gov. Justiniano Cortez said authorities must also contend with various groups in the peace and order campaign, pointing out that "those with ideological orientation and pseudo-dissidents who are plain bandits have been confusing peace negotiators."

The Isabela governor noted that clergy members have lately become active in supporting the government's various development programs. He cited the church sector's involvement in the ex-propriated haciendas in San Antonio, Ilagan, and Sta. Isabel in Reina Mercedes town, both in Isabela.

The two haciendas, through the Ministry of Agrarian Reform (MAR), have been turned over to the tenants.

CSO: 4220/362

MILITARY ARRESTS NUN IN SAMAR RAID

Manila BULLETIN TODAY in English 4 Sep 82 p 1

[Text] Military intelligence men arrested a nun and two other persons in a raid Thursday on the Social Action Center in Catbalogan, Western Samar, the Ministry of Defense announced yesterday.

The arrest of Sr. Helena Gutierrez, Juanito Delamida, and Antonio Asistio, all of SAC, was reported by Brig Gen Salvador Mison, Eastern Command (Eascom) chief, to Defense Minister Juan Ponce Enrile.

The Eascom is also looking for six other church officials, namely, Fr. Edgardo Kangleon, SAC director; Msgr. Norberto Hacbang, parish priest of Catbalogan; Sr. Thelma Lauron, Sr. Ludivina Davantes, Don Mabulay, and Teodoro Reyes, all connected with the center.

The SAC was raided by Eascom operatives led by Lt Col Hernani Figueroa, chief of Eascom intelligence, with a search warrant issued by Judge Wenceslao Polo of the Samar court of first instance.

Mison said documents, propaganda materials, printing paraphernalia, and a .22-caliber Smith and Wesson magnum revolver were seized.

Mison said the search was conducted after several months of surveillance of activities at the center.

He said the center had become a hub of underground activities by known radical priests in the area.

Msgr. Hacbang, Fr. Kangleon, Sisters Thelma and Ludivina, Mabulay, and Reyes eluded arrest as they were not at the center when the raiders came.

Figueroa told the Bulletin the church officials arrested and those being hunted have been charged in court with subversion, inciting to rebellion, and illegal possession of firearm.

He said intelligence findings showed the center served as a propaganda base against the government.

Figueroa, however, would not say whether the radical priests at the center were the ones referred to as "rebel priests" by a Samar bishop.

CSO: 4220/362

MOST FOREIGN EXCHANGE LOANS IN DOLLARS

Manila BULLETIN TODAY in English 4 Sep 82 p 12

[Text] About $9 billion or 78 per cent of the country's outstanding fixed-term foreign borrowings of $11.56 billion at the end of the first quarter are payable in US dollars and some $1.84 billion or 16 per cent are payable in Japanese yen.

The rest are payable in French francs ($177 million or two per cent), deutschemarks ($161 million or one per cent), English pound sterling ($96 million or one per cent).

Some $229 million are payable in other currencies outside of the five above.

Figures released by the Central Bank yesterday showed that $6.91 billion or 60 per cent of the total fixed-term credit went to the public sector and 40 per cent to the private sector.

Of the $6.91 billion public sector borrowings, $3.785 billion went to the government and its agencies and $2.857 billion to government-owned and controlled corporations. The Central Bank got $266 million while local governments received $2 million.

In compliance with CB policy restructuring external borrowings toward long-term maturities, long-term debts increased from 91.4 per cent to 91.6 per cent. The remaining debts have short-term and medium-term maturities.

It was observed that the borrowing costs of the loans are "relatively favorable considering that about 59 per cent of the total fixed-term debt carry fixed interest rates averaging 6.85 per cent." Forty-one per cent of the loans have floating interest rates with an average spread of 1.03 per cent.

The CB reported that transactions during the first quarter of this year resulted in a net outflow of $29 million as total principal and interest payments of ₱395 million exceeded loan availments of $366 million.

CSO: 4220/362

LOAN NEEDED FOR NUCLEAR POWER PLANT

Manila BULLETIN TODAY in English 5 Sep 82 p 18

[Text] Some $450 million additional foreign exchange cost for the nuclear power plant project now under construction in Bataan may have to be raised in a package combining loans and guarantees from the Export-Import Bank of the United States and a new commercial loan from American banks, sources at the National Power Corporation disclosed the other day.

Prime Minister Cesar Virata recently stated that an additional $450 million will be raised next year for the nuclear project.

He confirmed that the Philippines will ask the US Eximbank to help raise the additional amount needed to complete the construction of the 625-megawatt power plant in Bataan whose reactor and other equipment were supplied by the Westinghouse Electric International Corporation.

The cost of the project, which was began in 1977, had gone up considerably from the original estimates due to construction delays, cost overrun and interest charges on the loans contracted so far amounting to almost $1.0 billion.

The additional safety features demanded by the Philippine government from the supplier also jacked up the price of the project.

When completed in 1985, the nuclear project, the country's first, is expected to supply 30 per cent of the electric power requirement for the Luzon grid by that time.

Sources at the NPC added that the Philippines may have to ask the American Export-Import Bank to put up an additional direct loan of $250 million for the nuclear project.

They added that the balance of $200 million may have to be obtained from commercial loans from American banks backed up by a guarantee by either the Philippine government or the Eximbank.

Eximbank originally extended some $250 million in direct loans and $365 million in guarantees for the nuclear power plant project.

CSO: 4220/363

MNLF COMMANDER KILLED

Manila BULLETIN TODAY in English 5 Sep 82 p 40

[Text] Zamboanga City, Sep 4--A high ranking foreign-trained Moro National Liberation Front (MNLF) commander, tagged as the chief of this city's MNLF sabotage group, was killed by still unknown gunmen, according to the Southern command (Southcom) intelligence unit under Col. Rolando Q. de Guzman.

De Guzman identified the slain MNLF commander as Mohamad Arala, 25, alias Commander Wally. Report said that Wally was about to enter his house in barangay Sta. Cruz, near the new city market when gunmen fired at him from behind. He died on the spot.

De Guzman said Wally was shot at around 10:30 p.m. last Sept. 1.

Wally's mother-in-law is the sister of Nur Misuari, self-proclaimed leader of the Southern Philippines Muslim secessionists.

About a month ago, this correspondent was able to interview the victim somewhere in the city.

Wally told Bulletin that there was the MNLF really planned to conduct massive terrorism in Mindanao and in Metro Manila, on the instructions of the MNLF chief of staff Melham Alam. Together with other MNLF and Communist Party of the Philippines (CCP) leaders, Alam is staying in a neighboring Asian country.

He said the MNLF chief of staff convened a conference in Jampiras, Sabah, last April 18.

Discussed, Wally said, were plans to conduct simultaneous raids on principal targets in Basilan, Davao, Cotabato, Iligan, and Cagayan de Oro cities, and in Metro Manila, and stockpile and distribute supplies.

Wally added that the MNLF operation is a test mission to be carried out by MNLF urban guerilla forces, mostly under "Operation Command Zapata."

CSO: 4220/363

CHURCH OFFICIAL DENIES SUBVERSIVE LABEL

Manila BULLETIN TODAY in English 7 Sep 82 p 28

[Text] The vicar general of the diocese of Calbayog, Samar, has disclaimed participation in subversive or rebellious activities in denying reports that he had eluded arrest when military intelligence agents raided the Calbayog Social Action Center and arrested a nun and two lay workers.

Msgr. Nicolas Hacbang, who is also parish priest of Catbalogan, said he was in Manila at the time of the raid, on invitation of the Catbalogan Metro Manila Residents' Association, to say mass to celebrate the feast of Saint Bartholomew, their patron saint.

Hacbang said that his duties as vicar general, parish priest, and chaplain of the Association of Small Fishermen of Samar "take up all of my time and I cannot have any more time to spare for subversion and rebellion."

"I have never made any utterance that would incite people to overthrow the government and I have never taken up nor have I told anyone to do the same. Fishermen all over Samar will attest to this."

Those arrested, and those who reportedly eluded arrest, he said, "are performing functions in the Catholic apostolate and it would be hard to think that they would all involve themselves in a concerted move to overthrow the government."

"To believe otherwise," he declared, "would be to say that subversion and rebellion are tolerated or even encouraged within the three dioceses of Samar and that of Palo, Leyte."

CSO: 4220/363

EXPLOSIVES EXPORTS TO MALAYSIA, THAILAND

Manila PHILIPPINES DAILY EXPRESS in English 2 Sep 82 p 9

[Text] The Philippines will be for the first time, be exporting emulsion explosives beginning this month.

The series of shipments worth around P5 million will be made by Nobel Philippines, initially, to Malaysia and Thailand.

The firm is a pioneer joint venture between the Nitro Nobel Group, the late Alfred Nobel's first company, and local investors headed by Republic Glass Corp.

Before Nobel started producing emulsion explosives at its plant in Balanga, Bataan, the Philippines was importing annually an average of $15-million worth of ammonium nitrate, the main raw material for industrial explosives.

Negotiations for the export of still undetermined volume is now going on with an importer in Indonesia.

The emulsion explosives--made of ammonium nitrate--is being produced by Nobel Philippines at the rate of 4,000 metric tons a year.

The Bataan plant is an adjunct of the multi-million dollar ammonium nitrate project Nobel will commission early next year in Bacong, Negros Oriental. The two plants cost the investors around P300 million.

An official of the company said that emulsion explosives has been accepted in the local market as indicated by the regular orders placed by some 25 customers, 20 of which are mining firms. The other five are construction companies.

CSO: 4220/363

WORKER'S REMITTANCES SHORT OF EXPECTATION

Manila BULLETIN TODAY in English 6 Sep 82 p 26

[Text] Foreign exchange remittances of Filipino contract workers overseas have fallen short of estimates, according to the Private Development Corporation of the Philippines (PDCP).

Comparing data obtained by the Institute of Labor and Manpower Studies (ILMS) from the Central Bank with Labor Statistics Service (LSS) estimates, the PDCP said actual remittances differ considerably.

In its Philippine Business Review for the second quarter of 1982, PDCP pointed out that for the three-year period 1978 to 1980, the country lost a total of $35.5 million in remittance shortfalls.

In 1979 alone, it said, a loss of $70.2 million was observed due to actual remittances of $365 million fell short of the expected $435.2 million.

This deficit could not be compensated for by the $34.7 million total surplus of actual remittances over estimates for 1978 and 1980, it explained.

If data from the Development Academy of the Philippines (DAP) survey would be considered, the cumulative loss from 1978 to 1981 would grow to an astonishing $305.5 million, it said.

Moreover, other data of the ILMS, based this time on expected remittances calculated by the Bureau of Employment Services (BES) of the Ministry of Labor and Employment (MOLE), showed that the country experienced remittance shortfalls of $82.5 million, $321.1 million and $352.6 million in 1978, 1979 and 1980, respectively.

This brought the cumulative loss to an even larger $756.2 million for the three-year period.

Such a leakage of foreign exchange was due to the following factors:

--Many workers mistrust the banking system because the delays in clearing their checks has resulted in severe difficulties for their beneficiaries.

--A thriving dollar black market attracts many workers to bring their dollars through informal channels.

--The lack of control over foreign employers by MOLE cannot ensure adherence to the remittance system.

The PDCP review said it was only in mid-1982 that recruiters of land-based workers were required to forward copies of payroll sheets from their foreign principals to the MOLE.

Unless the trend for 1980 continues, the efficacy of the overseas employment program as a tool to alleviate the country's balance of payments problem would considerably be reduced, the PDCP predicted.

CSO: 4220/363

BONTOC RALLY HITS MILITARY ABUSES

Manila BULLETIN TODAY in English 6 Sep 82 p 40

[Article by I. S. Chammag]

[Text] Bontoc, Mt. Province, Sept 5--More than 1,000 tribespeople from the remote barrios of Kalinga-Apayao denounced abuses allegedly committed by military units in their areas in a rally here last Tuesday.

The demonstrators also called for a pullout of the Philippine Army unit in their area. Some of the placards they carried read "Remove the Military from Mountain Province," "Stop military abuses," "Pay for our Carabaos and other Animals which the Soldiers stole," and "Stop Molesting Us and Disturbing the Peace in the villlages."

The demonstrators converged in front of the municipal building and marched until the Capitol building where they presented their demands to Gov. Alfredo Gayagay Lamen of Kalinga-Apayao.

They then proceeded to the headquarters of the Constabulary provincial command.

The dialogue did not materialize as the newly installed provincial commander, Col. Henry Acmor, and his assistant, Maj. Leon Badival, were still in Baguio city.

A spokesman of the demonstrators said that they held the protect action because Brig. Gen. Romeo Gatan, Northern Command (Northcom) chief, denied their earlier petitions and demands to stop alleged military abuses in the area.

Igorots living along the Chico river earlier petitioned President Marcos and Defense Minister Juan Ponce Enrile to remove the PA unit in the Mountain Province for alleged violation of human rights.

Gatan and Acmor denied the allegation.

Meanwhile, Acmor said that a conference will be held on Sept. 7 to counter New People's Army (NPA) propaganda which, he said, is taking advantage of the depressed situation in the area.

The conference will be attended by directors of the different government ministries in Region I and provincial officials headed by Gov. Lamen.

CSO: 4220/363

NPA LEADER, WIFE SURRENDER

Manila BULLETIN TODAY in English 7 Sep 82 p 8

[Text] Balanga, Bataan, Sept. 6--A top New People's Army commander and his wife surrendered yesterday to Lt. Col. Benjamin O. Feliciano, Bataan PC commander and Bataan Integrated National Police superintendent.

A PC report said the surrender of Anastacio Cerudo, alias Kumander Boyoyoy, and Lolita Quintana, alias Ka Norie, was made through the efforts of barangay Captain Casiano Diaz of Poblacion, Morong, this province.

The report said Cerudo was No 3 man of the NPA hierarchy in Bataan and head of an NPA squad operating in the towns of Hermosa and Orion, while his wife Lolita was secretary of the NPA executive committee.

The PC said that Cerudo was recruited by Celso Magtanong alias Dong and Delia Cortez alias Ka Alma in January, 1978. He was assigned to various key positions before he became a commander.

It was reported that Quintana surrendered to the authorities in December, 1981, but rejoined the NPA when her brother, Fernando Quintana, was killed in an encounter with government troops in barangay Wakas in Pilar last January.

On her return to the NPA camp, she met Cerudo. Their marriage was solemnized by Feliza Timog alias Emma, head of the NPA provincial committee, in a ceremony held at sitio Pasukulan in the town of Abucay, her hometown.

They told Colonel Feliciano that they decided to give up the life of the hunted after the NPA provincial committee allegedly neglected and abandoned them. Their surrender, they said, was bolstered by newpaper reports that surrenderees were not maltreated.

CSO: 4220/363

THIRTY-SEVEN MNLF MEN SURRENDER

Manila BULLETIN TODAY in English 7 Sep 82 p 8

[Text] Jolo, Sept. 6--Brig. Gen. Godofredo Sta. Ana, commanding general of the 3rd Air Division, Philippine Airforce, formally accepted today the surrender of Commander Ra-il Alibbun and 36 hardcore members of the Moro National Liberation Front (MNLF) who had been actively operating in the hills of Luuk, Sulu.

Commander Alibbun's group took advantage of the government's amnesty through the 514th Composite Tactical Squadron headed by its commander, Capt. Salvador Penaflor, after continuous negotiations by Capt. Basaron Kamlong, executive officer of the unit.

During a simple ceremony at the PAF command post in Jolo, Sta. Ana appealed to the rebel returnees to unite as brother Filipinos and uphold and maintain peace and order in the area so that the government's development efforts could be effectively carried out in the Muslim communities of Mindanao.

Sta. Ana said the government under President Marcos is sincerely implementing various reforms as initiated through its development programs. The most recent of which he said, is the Kilusang Kabuhayan at Kaunlaran or KKK livelihood program.

Sta. Ana encouraged the rebel returnees to avail themselves of the KKK loan assistance program so that they can maintain a primary source of income for livelihood.

Commander Alibbun and his followers turned over to the military authorities 2 M-16 Armalite rifles, 20 carbines, 12 garrand rifles all with complete ammunitions.

CSO: 4220/363

REPORT ON REBEL PRIESTS CLARIFIED

Manila BULLETIN TODAY in English 7 Sep 82 p 18

[Text] There seems to be confusion about the reported eight "rebel" priests in the Levte-Samar area. In his report, newsmen Ernie Banawis said that these eight priests were not necessarily against the government. They merely refused to report to the new parishes assigned to them. Because of this defiance, they were branded by their superiors as "rebels" of the church, but this does not mean they have also turned they back against the government.

CSO: 4220/363

MP ELECTION VOTE BUYING SCHEMES DESCRIBED

Bangkok KHAO CHATURAT in Thai 23 Aug 82 pp 26-29

[Article: "A Tear In the Pockets of the MPs"]

[Text] Reports on the general election to be held next year and the election method to be used state that the election will be either a divided zone—arranged number or joint zone--single number type of election. The type of election used is an important factor that determines the tactics used by politicians to win vtes.

But this is not the final factor that will determine who will win.

The saying "money is king" is a saying that all circles still suscribe to, particularly political circles. Those who have money and a good financial machine will be the ones to enter the final round of the election.

From the table showing the occupations of MPs before they were elected to parliament, it can be seen that most of the MPs were businessmen, that is, they were people with economic influence in the localities. After this come government officials and lawyers since these are professions in which a person can easily gain prestige.

The most important means in the localities are the merchants and businessmen, such as the owners of the rice mills and sawmills, middlemen, construction contractors and government officials, such as the administrative officials, policemen, development officials and public health officials. This provides a good answer to the question of why so many businessmen and government officials are MPs.

Another thing that is important in winning votes is "vote getter." This usually includes teachers, kamnans, village headmen, merchants and middlemen. And whether they intend to or not, the monks are excellent vote getters.

A local banker once told CHATURAT that, besides the very well known MPs, of whom there are very few, most MPs have to spend large amounts of money to obtain a political position.

The amount of money spent by candidates to purchase votes can be estimated roughly by considering the votes won in the election. Most win about 30,000 votes. Approximately 20,000 more are paid money but do not vote or they vote for someone else. There is also the money spent by relatives and friends to purchase votes for the candidate that does not come from the candidate. When all of this is added together, it is estimated that MPs in general who receive 30,000 votes must spend money to purchase about 60,000 votes.

[Candidates] usually begin to distribute this money about 2 months before the election. During the initial period, it is not necessary to throw in large sums to gain votes since the other candidates will turn and attack. Votes are purchased within one zone using one's vote getters.

"During the election period, each person is paid about 50 baht," said a former MP from the lower northeast to CHATURAT. "But the vote getters are usually corrupt and take about half."

Thus, the money spent to purchase votes generally totals about 3 million baht.

Concerning the means of disbursing this money, it must be paid out by the vote getters, who usually include teachers, kamnans, village headmen, local merchants and the commune health official. For each election unit, there will be about two vote getters. Thus, each candidate must have about 300 vote getters. Each vote getter receives money periodically from the candidate along with plans of action. The money received is divided into two parts:

First is the money given to compensate the vote getter for his work. Each receives about 2,000 baht.

Second is the money given for distribution to the villagers.

Thus, the money spent to repay the vote getters for their work totals approximately 600,000 baht. This does not inlcude the "inducement money to work" of the vote getters. Most of the candidates give the election unit [vote gettters] a special bonus for enabling them to place first, second or third in the number of votes won since this means that the candidate has a definite chance of being elected. This special bonus is based on a per capita percentage of 5-10 baht per head.

"To win first or second place, they must have at least 80 election units with each unit obtaining approximately 300 votes," said this same former MP. "Altogether, after the election, they have to pay an additional 25,000 baht as "vote getter inducement" money.

Another important group is the group of people who check on the activities of the vote getters. These people are also called "spies." Their main task is to conceal their identities and ask the villagers which candidate is the most well known in the locality. They then report the strengths and weaknesses of their side to their campaign center. If the candidate is weak in a particular locality, no more money is disbursed to the vote getters there.

"We have to convince them that we do not have any more money. The little money left is kept for personal use as a reward,' said a staff officer who had been involved in making election plans three times. "Things are done like this in order to prevent the vote getters from attacking us. We do not disburse any more money until about 10 days before the election, when we go and disburse the money ourselves."

There are four or five spies. They use motorcycles to get around. Each is paid a salary of about 1,500 baht per month and an allowance of 100 baht per day. Also, they are reimbursed for the gasoline purchased. Altogether, the money paid to spies totals around 45,000 baht.

Expenditures for fuel are very great. Two months prior to the election, only one vehicle is used. The candidate uses this vehicle in going out to seek votes. But about 10 days before the election, 10 vehicles must be used. Small pick-up trucks are the most suitable type of vehicle for this work. When this is added to the money spent on gasoline for the motorcycles of the spies and the money spent on engine repairs, the total amount comes to approximately 126,000 baht (each vehicle uses gasoline worth about 600 baht a day).

Another necessary expense is the banquets given for the people and vote getters who drop in at the main campaign centers. Each candidate has about three centers (one center per district). This goes on constantly during the 2 months [prior to the election]. Each candidate must spend about 100,000 baht on dinner parties for those who come just to eat and for those who come on business in the evening each day.

Another large sum of money is spent by the candidate himself. These days, candidates go out to campaign and they must have about 1,000 baht in 10 and 20-baht bills with them in order to give the villagers a little support money and do good deeds as fitting. The person must maintain an appearance of being poor and of helping the poor. In giving money like this, the person's attitude is very important.

Another essential thing for gaining votes is distributing money for public projects such as giving a donation to build a temple pavilion, to dig a water well and to build a road, giving a donation at a funeral and giving offerings to monks. Concerning such expenses, the same former MP from the lower northeast estimated that each candidate must spend about 100,000 baht.

Besides this, there are other expenses during the 2 months prior to the election that the candidate must incur in order to become an MP. These total more than 110,000 baht. Such expenses include money for bodyguards, drivers, cooks and mechanics and money given with affection to certain government officials.

The expenses described above total more than 4 million baht but even this may not be enough to wage a struggle for the Thai parliament. The final movement before the election is the use of various political tactics such as releasing reports that other candidates have been arrested by the police or that they

have been killed. This does not give the other candidates a chance to correct the record since such reports are released the night before the election.

As for other tactics that are used widespreadly in order to win votes, in addition to disbursing money, the candidate must pay money for the following:

First: Buying election units in cases in which the officials assigned to an election unit can "stuff the ballot boxes" for the candidate. The cost of stuffing the ballot boxes is about 100 baht per vote. In general, about five election units can be purchased and the candidate can get about 1,000 "ghost" votes, which cost him about 100,000 baht.

Second: Setting up a stake in order to win over vote getters. The candidate must give someone money to set up a stake in the stronghold of another candidate by giving the candidate who is ahead in the race [odds of] about 2:1. He then uses this trick to get the vote getters of the other candidate to work for him. This is one method used to get vote getters of the other candidate to switch and seek votes for him in order to win the stake. "In my zone last time, (Tat -- headquarters), they had the teachers support them at 2:1. They collected 100,000 baht and played with them. As it turned out, they lost the stake but won the election in that district," said the same former MP to CHATURAT.

Third: For purchasing identity cards. This is often done the night before the election so that the people do not have time to report cards missing. The candidate purchases identity cards in the stronghold of another candidate. The price is about 30-50 baht per card. This is a very frightening way of destroying the opponent's votes.

In spending such large sums of money, it is essential that the candidate have a bank in the province as a base for running the accounts since more than half the money is spent during the last 10 days prior to the election. And almost all of the money used is in the form of 10 and 20-baht bills. Thus, the candidates must have at least one bank to support them.

This top figure calculated for CHATURAT by people in vote-getting circles provides a good picture of the election law, which stipulates that no candidate can spend more than 200,000 baht. This figure in the election law is totally unrealistic in practice.

Another observation is that, concerning the large sums of money that must be spent on the election, in general the candidates from the large political parties will receive only about 100,000 to 200,000 baht from their party. Most of the money is the personal money of the candidate. They also receive financial support from their relatives and friends or supporters. However, the expenditures are enormous. Calculated in economic terms, to make a profit from the principal, in 4 years they must triple the net income before they can say that they have "covered their costs." This is impossible if they are just ordinary MPs who earn around 10,000 baht a month. It may not even be possible for them to recover their expenses even by taking some bribes.

"An MP who is not a minister or secretary to a minister will definitely lose money," said the same news source shaking his head. "[This is true] unless he is involved in certain activities and can use his position as MP as a "lubricant" to help his activities go more smoothly."

Election Expenses (per MP)

Money disbursed to buy votes	3,000,000
Money to employ vote getters	600,000
Vote getter inducement money	25,000
Money for spies	45,000
Gasoline and maintenance	126,000
Leaflets and "ata ao" (in which candidates are running as a three-man team) average per person	40,000
Banquets	90,000
The 10,000 baht per day in cash that the candidate must carry with him	60,000
Public projects	100,000
Other expenses	150,000
Money used to win votes in other ways:	
1. Buying election units	100,000
2. Stake money to create vote getters	200,000
3. Buying identity cards	10,000
Total	4,546,000

Occupation Before Being Elected (Present group of MPs)

Private businessman	140
Government official (regular, retired and state enterprise)	89
Lawyer	36
Farmer	11
Local politician	4
Other (employee, doctor, newspaperman)	11
Not stated	10

Source: RAT SAPHA SAN, Special Issue, September 1981 (plus additional research by CHATURAT.

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CPT CONGRESS DISCUSSED, LOCATION OF LEADERSHIP NOTED

Bangkok KHAO CHATURAT in Thai 23 Aug 82 pp 34-37

[Article: "Communist Affairs"]

[Text] The excitement generated by the news of the Fourth Congress of the CPT cannot be compared with that generated by the announcement of government Order 65/1982 or with that generated by the speech of Major General Chaowalit at the Government House last month. It must be compared with the hard announcement made by Lieutenant General Han Linanon, who "threatened to punish" bankers, at the Army Club on 10 August. Concerning Thailand's basic situation at present, it can be said that the CPT is playing a much smaller role in things than it did before. It is clear that the CPT is losing the propaganda and political wars to the military.

CHATURAT is publishing a political report on the situation of the Central Committee because the party itself has not openly issued an announcement in Morse code. For example, the news release printed here, which is from documents disseminated in the towns under the control of the CPT, has not been evaluated to determine whether it is real or just a fabrication.

As for the news release printed here, it can be seen that some changes in wording have been made. For example:

The phrase "based on Marxism-Leninism" replaces the phrase "Marxism-Leninism and the thoughts of Mao Tse-tung," a phrase that was used for half a century.

And instead of not mentioning the party's weaknesses, these are clearly referred to in the following passage: "The congress evaluated and recognized the party's past activities. It pointed out the strengths and weaknesses, the mistakes and the deviationist tendencies that have arisen during various periods in the past 20 years. Its firm intention is to quickly correct the weaknesses existing in the party and in the revolutionary movement."

As for adjusting the party's strategy and tactics, this is not brought out clearly in this document. The only thing is that the principle of having the "countryside surround the cities and finally seizing the cities" is not emphasized as strongly as before. But neither does it clearly express the "2 battlefields,

3 strategic zones" strategy in accord with the analyses made by various analysts. Concerning this, the CPT is still maintaining a secretive attitude. An example is the following passage: "The party must steadfastly carry on an armed struggle with the rural areas serving as its base. It must also carry on an economic and political struggle and other forms of struggle and cordinate these various forms of struggle both in the countryside and in the cities in order to seize state power in the end. The armed struggle in the countryside that the party and patriotic people who love democracy have waged for 17 years has great value for the development of the revolutionary movement. Thus, we must continue and expand this struggle using various forms and methods. At the same time, the importance of the economic, political and other forms of struggle must be stressed in accord with the real situation. These are indispensible."

In plain language, this means that the CPT still regrets things and will continue to carry on the armed struggle for a long time to come. But is has recognized that these other forms of struggle are very important too. This passage in the statement seems rather strange.

One analyst said to CHATURAT that the CPT's leadership organization is probably still composed of conservative communists only. Thus, it was not able to see what the military's game was when the military launched a political offensive by calling on the CPT to lay down its arms and come fight politically in an open democratic system. But the CPT has stubbornly announced that it will continue the armed struggle. And so the military can now claim that the CPT is not being honest with the nation or people and that it does not dare take up the challenge.

"Look. If the CPT announces that it accepts the military's democratic revolution policy and will support the military and if it gradually shows that it will openly fight in a political way by asking the military to show its sincerity by revoking the Communist Suppression Act and passing an act recognizing the position of the CPT and then announces that it is laying down its weapons, what do you think will happen? The CPT will go on the offensive instead of being on the defensive. As for their weapons, it would be impossible to check to see whether they have really put down their weapons. They could say that those who are still bearing arms are part of another movement," said this analyst.

Actually, a view similar to that of this analyst has arisen among some CPT leaders who hold power. For example, there was the attempt by Mr Damri Ruongsuwham to negotiate with the government. But because Mr Damri was not a leader in the party, his attempt failed and in the end he became a victim of the military.

It is well known that the Udom Sisuwan faction in the CPT holds views that differ greatly from those of the party center. This faction is located in the northeast and they must rely on the "united front." Mr Udom is more experienced and skilled in "united front" activities than any other person in the party. This CPT faction feels that the reason that it has survived and grown in the jungles is that its urban activities were completed before 14 October 1973. Thus, when the military launched its offensive throughout the country, Udom claims that the important people in his group went to carry on united front activities in the cities and that they were involved in united front activities

that resulted in splits in the Thanom-Praphat group. These finally developed into the events of 14 October 1973.

"Concerning the congress, the northeastern committee could not accept things," reported a CHATURAT news source. "The line that resulted was the line of the northern and southern committees."

This is why the reports of "Comrade Yut," Suwit Niemsa, leaving the party are highly likely. Suwit was in charge of activities in the northeast. His views are in accord with those of Udom. He previously set up his base of operations in the cities. He feels that the party should implement the "2 battlefronts, 3 zones" strategy seriously and not follow the Chinese line 100 percent.

The [news] that Suwit has left the party is in accord with the news that his new party has established relations with Vietnam. Actually, this assumption has not been proven. The only thing is that it would be natural for Vietnam to give support "at some level" to a political force that is the enemy of its enemy. Mr Suwit's group will have to be in conflict with the CPT. There will definitely have to be relations "at some level." But this problem will unfold clearly only in the future. The important factors are whether Thailand continues to have a policy of confronting Vietnam and whether Vietnam really changes its attitude toward Thailand as Nguyen Co Thach said it would. Concerning these things, Mr Suwit's group will have to grow through its own efforts.

Even though China has been the "lord" of the CPT for a long time, prior to 1979 it can be said that the Indochina communists gave much support to the CPT since they provided a rear area [for the CPT]. And the Indochina communists had to give support because the CPT was a force that was stabbing the Thai government in the back, which acted like an enemy of itself. But later on, when the Indochina war came to an end and China threatened Indochina, support to the CPT was cut off because the CPT would not separate itself from China. During that period, the Indochina communists indicated that they would strongly support the Thai revolution of a group that was the ideological enemy of the CPT. But nothing happened because the revolutionaries in this group fought among themselves and no one in this group acted like a real revolutionary.

However, Bunyen Wothong is probably still in Laos. A CHATURAT news source has reported that, among Lao and Vietnamese leaders, there are differing opinions about supporting Bunyen since this man is not accepted by the majority of the Thai people. It is likely that, in the future, there will have to be contact between Bunyen and Suwit. At present, it is not possible to say what the results will be.

As for the CPT under the leadership of "Chief Secretary-General" Prasit Taphienthong, alias Pracha Thanyaphaibun, there is little of interest. The only thing is that if Lieutenant General Han eliminates the capitalists as he has announced, the structure of Thailand will immediately collapse and Comrade Pracha might have a chance to do something.
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COLUMNIST HITS MILITARY INVOLVEMENT IN POLITICS

Bangkok PHYA KHRUT in Thai 24 Jul 82 p 3

[Angkhira Charoenrat column: "The Soldiers Have Split Ranks and Are Far From Their 'Barracks'"]

[Text] The role of the military outside the military sector is expanding greatly. And what cannot be separated are soldiers and politics and soldiers and the piling up of profits.

Ever since 1932, when a military clique seized state power and changed the government, the promoters have spoken about a system in which the people will be governed by the people. But, to date, the military has not yet returned state power to the people and will probably continue to use it as a tool of dictatorship.

During the 50 years since the change of administration, one military group after another has come seeking profits like a mosquito waiting to drink the blood of the Thai people. Some of the people and some of the groups have seen the misery but they have not sympathized with the people for very long. Because those who have power have been overwhelmed by it and their eyes have been dimmed.

In the past, we had civilian politicians who served as national leaders. But they did not last long. Concerning these past 50 years that we call a democracy, it has been calculated that there were only 10 years in which civilians played a part in governing the country.

Why has the extra-military role of the soldiers expanded beyond what anyone would have expected? There is probably only one answer and that is that the soldirs are not aware of what their real duty is and they do not know what the real meaning of democracy is.

The soldiers have claimed that it has been necessary for the military to interfere in politics in certain periods because the civilians governing the country were going to lead the nation into a disaster.

While it is true that civilians may govern the country in a dictatorial way, in the sense of soldiers breaking ranks and playing politics, to date, it is the people in uniform who are playing politics.

More and more soldiers are breaking ranks. Besides their political involvement in parliament, soldiers are also interfering directly and indirectly with the economic system. Who can deny that the reason that Thailand cannot engage in trade with Indochina is because of the military's policy that cites national security reasons.

Who can argue against the fact that closing the forests in order to suppress the communist terrorists is the same as "leaving the fish with the cat?"

Reviewing things, if the truth is admitted, at present, for some soldiers and some groups their main occupation is businesss while the military is just a side occupation.

As for the question of whether the soldiers will return to their "barracks," the answer is that this would be very difficult and probably impossible since, at present, the soldiers have gone a long way from their "barracks." And the soldiers are engrossed in the fact that they have grabbed power and are stuffing their pockets with ill-gotten gains.

If it is claimed that this is not true, just look at the high-ranking officers. Almost all of them are unusually wealthy. If it is said that they came from wealthy families, this is true for only a few. Most of them came from farm families.

It cannot be denied that some of them have profited because merchants have fawned over them in order to use their prestige in the future.

But once a person has "tasted the fruits" and accepted things from people, when he is asked to do something evil against the regulations, he must do so. It is said that soldiers will not bow down to anyone who tramples on their honor. But conversely, some soldiers are just slaves of the capitalists.

There are things that are even more serious. Soldiers have been taught not to kill each other. But because their eyes are fogged by the profits, there has been fighting. At a minimum, there is the case of a major general selling war weapons.

And another case that has come into the open is that one group of soldiers wanted to topple another group because the profits had not been divided equally.

Or there is the case of Colonel Wanchai Thammasama who was moved from the position of commander of the Ingkhayuthabarihan Camp to become the chief of staff at the Infantry Center and who then committed suicide at his house.

It appears that this happened because he had interfered with the timber trading interests of a high-ranking officer in the Fourth Army Area.

But why did Colonel Wanchai have to kill himself? His fellow officers know that before this honest soldier died he said that "I will fight this to the end even if I am discharged from government service."

This is a very murky case and so how can the villagers believe that "soldiers do not kill each other?"

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PUBLIC OPINION POLL ON PUNISHMENT OF CORRUPT OFFICIALS REPORTED

Bangkok PATINYA in Thai 30 Aug 82 pp 25-29

[Article: "Corrupt Government Officials: Should They Be Transferred Or Dismissed?"]

[Text] If all the countries in the world are compared to large corporations, it can be said that the government is the management apparatus and the officials are the employees of the corporation. The business of these corporations is to try in all ways possible to enable the people in the country, who are the assets of the corporation, to have a comfortable life. That is, its business is to relieve the suffering and increase the happiness of the people in the country and constantly maintain the security of the "company." The capital to run the company comes in the form of taxes collected from the people in the country. Since the government officials are the employees of the government and are responsible for serving the people, they must obey the orders of the government and carry out things in accord with the government's policies in order to reach the goals set. Whoever disobeys the orders of the boss (the government) must be punished in accord with the regulations of the company. Concerning the policy in carrying out the work that will make the company secure, it must be admitted that a policy of democracy will keep the company from going bankrupt.

Thailand is one "company" in the world. It has definite borders, resources and a population of more than 48 million. Thus, it is one of the large companies in the world. But at present, this company is in the midst of a great crisis. This is because the administrators are not acting as they said they would. There is fighting to see who will be the manager and who will be chairman. Everything is in turmoil. The policies used to manage things are not definite even though most of the people who use the services (the Thai people) want a democratic policy implemented. The income of the company is not enough to cover expenditures. The employees (the government officials) do not carry out their duties well. They disobey orders sometimes and do not always have a correct attitude toward their duties. They sometimes act like they are the masters of the people. But the company is goodhearted. Regardless of whether the employees are good or bad, it supports them until they retire and gives them a pension when they leave government service. Thus, the company's employees are cared for better than other people. As for the people in general, the assets of the

company, they are given little attention. They do not have enough food or consumer goods. Thus, there is turmoil inside the company and there are so many problems that the company is on the verge of bankruptcy.

This is a rough picture of Thailand at present. It is encountering many problems. One chronic problem that has existed for a long time and that has not been solved is the problem of "corruption" among government officials, the employees of the government.

From Order 65/1982

Corruption in government circles is a social sore that Marxists have used to make successful attacks on the government. Thus, in Order 65/1982, a continuation of Order 66/1980, which took the political offensive in order to defeat the communist terrorists, there was a section concerning government officials:

7.2.2.2. Administration concerning regular government officials: The regular government officials play an important role as the means by which the state's policies are implemented, but they still lack awareness and ideals. This has resulted in their being less efficient than they should be in creating democracy for the people and creating respect for the laws. Thus, the following things must be quickly implemented in the democratic system of the regular government officials:

7.2.2.2.1. Government officials, especially high-echelon officials, must study the state's policies so that they clearly understand the policies. There must be a greater sharing of responsibility.

7.2.2.2.2. The reasons for the corruption must be found and ways to solve this problem quickly must be looked for resolutely and sincerely. In the beginning, the target should be the high-ranking government officials, particularly heads of units, in order to set an example. This will affect those at lower echelons. Even if this does not solve the problem completely, this will bring some results. If action is taken continuously, more and more results will be achieved.

7.2.2.2.3. The regulations and orders must be adhered to strictly. Those who disobey must be punished in order to set an example. Besides this, things must be watched to see to it that no requests or orders are issued that would force government officials to take responsibility for things outside their duties or beyond their capabilities.

7.2.2.2.4. High-ranking officials must give help and assurance to those officials who have devoted their lives to government service but who have been oppressed by influential people.

7.2.2.2.5 Things must be watched carefully to see to it that officials do not act like "lords" and take advantage of or oppress the people. Those officials who disobey must be punished severely.

7.2.2.2.6. The abilities of the government officials must be developed and officials must be given training so that officials at all levels develop an awareness of their position and their duties in dealing with the people in a responsible, selfless and honest way.

Disgraceful Events

Shortly after the order was issued, reports of various shameful events came flooding in. A report in the 27 July 1982 edition of THAI RAT was entitled "Judged Dismissed." The story said that "the Judicial Service Commission (JSC) issued a resolution dismissing the chief justice of the Thonburi criminal court from government service. This was because he had acted in a very improper way, ordering officials to confiscate land illegally. The JSC also appointed 19 more judicial officials.

On 26 July, Mr Banyat Suthira, the president of the Supreme Court, chaired a meeting of the JSC to issue a resolution to take disciplinary action against this judicial official, Mr Surin, who had acted improperly. After discussing the case, the commission issued a resolution stating that Mr Surin Matphong had acted in a very improper way, that is, he had ordered officials from the Department of Lands to illegally transfer land ownership during the period before he was appointed to the civil court.

At this JSC meeting, eight members voted to retire Mr Surin Matphong from government service while three voted to dismiss him. Thus, the JSC, by a vote of eight to three, punished Mr Surin by retiring him from government service with a pension.

After the JSC issued the resolution retiring Mr Surin from government service, reporters asked Mr Banyat Suthira, the president of the Supreme Court, what the next steps would be. Mr Banyat, the chairman of the JSC, said that since the JSC had issued this resolution, the next step was to submit this resolution to the minister of justice in order to issue an order in accord with the resolution.

Besides this, there have been other widely-publicized stories about corruption in police, military and government circles. For example:

"Chaiyaphum: Large-Scale Corruption in the Construction of Six Schools"; MATICHON, 2 July 1982.

"Major General Who Is Aide to Prem Involved In Weapons Smuggling"; MATICHON, 13 July 1982.

"Army Purchases 400 Artillery Shells. Navy Seizes Ship Smuggling Arms"; MATICHON, 16 July 1982.

"Bribe of 20,000 Baht Asked Not to Prosecute Gambling Case. Opportunity Used to Take Assets"; MATICHON, 20 July 1982.

"Policeman Arrested For Robbing Model. Says That the Ringleaders Are In Three Suppression Divisions"; THAI RAT , 20 July 1982.

"Never-Ending Case. Child Confesses Everything Done For Mother. Said Was Forced to Pay 1 Million Baht"; THAI RAT, 2 August 1982.

And a story that goes on and on is the story of "Lieutenant Colonel Has Conflict With General. Says That Commander Has Received Stolen Goods"; THAI RAT, 24 July 1982.

These are just the cases that have been reported in the press. How many other cases are there that have not come to the attention of the newspapermen?

A recent poll conducted by the Research Section of the Phithak Pracha Company Ltd studied the views of people [in general] and students concerning "Measures On Punishing Illegal Actions," Article 22 of which concerns "Failure By Government Officials to Carry Out Their Duties Honestly, Such As Engaging In Corruption Or Oppressing the People." People [in general] were polled during the period 17-26 May 1982. A total of 608 people were interviewed. The sampling locations included the Hua Lampong Railroad Station, the Bangkok Noi Railroad Station, the northern and northeastern bus station (Mo Chit), the southern bus station, the eastern bus station and Chatuchak Park. The students were polled during the period 16-23 June 1982. A total of 516 students were polled. The sampling locations included Kasetsat University [KU], Thammasat University [TU], Chulalongkorn University [CU] and Ramkhamhaeng Univeristy [RU]. Both the people and the students were asked to choose from the same set of 26 responses:

1. Give a suspended sentence without promotion.
2. Transfer him.
3. Transfer and reduce pay grade.
4. Dismiss from government service without pension.
5. Imprison for 1 to 5 years.
6. Imprison for 5 t 10 years.
7. Imprison for 10 to 15 years.
8. Imprison for 15 to 20 years.
9. Imprison for life.
10. Fine him for the amount he made from his dishonest actions.
11. No 10 plus up to 1 year in prison.
12. No 10 plus 1 to 5 years in prison.
13. No 10 plus 5 to 10 years in prison.
14. No 10 plus 10 to 15 years in prison.
15. No 10 plus 15 to 20 years in prison.
16. No 10 plus life in prison.
17. Confiscate all his assets.
18. No 17 plus up to 1 year in prison.
19. No 17 plus 1 to 5 years in prison.
20. No 17 plus 5 to 10 years in prison.
21. No 17 plus 10 to 15 years in prison.
22. No 17 plus 15 to 20 years in prison.

23. No 17 plus life in prison.
24. No 17 plus execute him.
25. Execute him.
26. Other, state.

For the students, the research section divided the students by institution, by grade level, that is grades 1-2 and 3-4, by sex and by academic stream, that is, science and arts. But all responded in a similar way. On the average, No 4 was chosen the most frequently, with 49.2 percent choosing "dismiss from government service without a pension." Next, with 7.5 percent, was No 3, "transfer and reduce pay grade."

As for the people, the sample was divided according to sex, education, region, age and occupation. The results were the same. That is, No 4, "dismiss from government service without pension," was selected by 46.9 percent. This was followed by No 3, "transfer and reduce pay grade," which was selected by 7.6 percent. As for the other choices, few people or students selected these other choices. Most people who now work as government officials chose No 4 too. The results of this poll show that most students and people favor stiff punishment for government officials who engage in corruption and who oppress the people. That is, they want such officials to be dismissed from government service without any pension.

The Way Out Is In Sight

Based on reports about the police that are making the headlines these days, one high-ranking person said that "this is ruining the reputation of the Police Department." The minister of interior said that an "investigation is being conducted." However, regardless of the results of the investigation, the minister of interior or the Police Department should quickly clear up things in order to relieve people's suspicions. Or they should periodically issue statements to keep the people informed about the progress of the investigations being conducted by the police. They should not ignor this matter. At a time when the Police Department is trying to create a beautiful new image for itself, it should quickly issue statements about this. Simply ignoring this will further damage the department's reputation. The Police Departemnt has a new director-general who is known to be an upright and honest man. It should quickly clear up this matter in order to welcome this director-general [to the department].

At the same time, the present minister of interior, General Sitthi Chirarot, is considered to be a very courageous and sincere individual in carrying out his duties. He should use this courage, as he did in cleaning up the Department of Public Prosecution, to quickly clean up the Police Department in order to avoid criticism by the people in general. He should study the results of this poll because it is felt that if he punishes officials as mentioned here, the people will definitely support him.

And actually, dishonesty in government circles is not found only among the police. There is corruption in all sectors. Such actions destroy the image and

reputation of the country. Such things make it impossible for the state to carry out things in accord with the targets. Such actions have resulted in people being oppressed to the point where they could not bear it and so they turned against the government and started supporting the enemy. All such actions pose a danger to the security of the nation. In accord with Order 65/1982, the government has measures to supervise officials to ensure that they are honest and disciplined and make sacrifices for the country. But ever since this order was issued, stories about such actions have continued to appear. And so when will Order 65/1982 show results? There is only one way to control the officials and that is to use resolute measures and punish those who do something wrong or engage in corruption. And the only way to punish them resolutely is to "dismiss them from government service without a pension."

Article 6: Measures for punishing illegal actions.

Article 22: Failure by government officials to carry out their duties honestly, such as by engaging in corruption or oppressing the people.

Results of the Poll of Students

Choice	Punishment	University				
		KU	TU	CU	RU	Total
4	Dismiss from government service without pension	43.3	46.2	45.8	58.6	49.2
3	Transfer and reduce pay grade	6.7	6.7	4.2	11.5	7.5

Results of the Poll of Students

Choice	Punishment	Stream		Grade		Sex		Total
		Science	Arts	1-2	3-4	M	F	
4	Dismiss from government service without pension	38.4	55.3	49.5	48.8	52.9	45.6	49.2
3	Transfer and reduce pay grade	7.0	7.9	6.8	8.6	6.7	8.4	7.5

Results of the Poll of People In General

Choice	Punishment	Sex		Profession			
		F	M	Gov Off	Non-Gov Off	Unemployed	Total
4	Dismiss from government service without pension	49.2	45.3	46.2	46.6	50.9	46.9
3	Transfer and reduce pay grade	8.7	6.9	9.2	7.2	7.3	7.6

Results of the Poll of People Divided According to Education

Choice	Punishment	Primary	Secondary	Diploma	BA	Total
4	Dismiss from government service without pension	34.7	47.9	53.7	50.4	46.9
3	Transfer and reduce pay grade	6.8	6.7	13.4	7.0	7.6

Results of the Poll of the People Divided According to Age

Choice	Punishment	1-20	21-30	31-40	41-50	51-60	60+	Total
4	Dismiss from government service without pension	54.7	50.1	33.3	33.3	16.8	--	46.9
3	Transfer and reduce pay grade	6.8	8.6	5.1	9.1	--	--	7.6

Results of the Poll of People Divided According to Region

Choice	Punishment	North	South	Northeast	Central	BK	Total
4	Dismiss from government service iwthout pension	39.7	54.3	50.8	45.2	44.5	46.9
3	Transfer and reduce pay grade	7.7	7.7	7.9	7.5	6.7	7.6

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ACM SIT ATTACKED FOR KHMER COALITION POLICY

Bangkok PATINYA in Thai 30 Aug 82 pp 10, 11

[Article: "The Truth About the Khmer Coalition Government: Is the Thai Minister of Foreign Affairs Serving Kampuchea?"]

[Text] Ever since Vietnam sent troops into Kampuchea and drove the Khmer Rouge (Pol Pot-Khieu Samphan) out of Phnom Penh and the Khmer rouge established a guerrilla force along the Thai border, the Thai government has continually done things that have given rise to the charge that Thaiaind is not neutral in the Kampuchean problem. That is, it has been charged that Thailand really supports the Khmer groups that are enemies of the Heng Samrin group, which is supported by Vietnam and the Soviet Union. In particular, it supports the Khmer faction of Son Sann, which has the backing of the United States, and the Khmer Rouge, which is backed by communist China. The reason that Vietnam and the Heng Samrin groups have not been able to completely suppress the other Khmer groups that are their enemies is that these Khmer groups have Thailand to fall back on. In particular, the Khmer Rouge also receives support from the CPT.

During the recent past, the position of the Khmer Rouge in the international political arena was deteriorating steadily. This was because the Khmer Rouge could not get out of the predicament of being just a guerrilla force. This caused many countries to support the Heng Samrin group in its bid to gain the seat in the United Nations instead of the Khmer Rouge. This would have meant that the Heng Samrin group would have gained world-wide recognition as the legitimate governing authority in Kampuchea.

Red China wants to restore its influence over Indochina to what it was before Vietnam and the Soviet Union took control. This is because, if it is not able to maintain its influence, it means that Red China will be surrounded. And what is important is that the other countries in Southeast Asia will fall under the influence of the Soviet Union.

The United States does not want the Soviet Union to gain contorl of this region either since it was greatly distressed when the Soviet Union established friendly ties with India. Thus, the United States and China are temporarily a united front in expressing their hostility toward Vietnam and the Heng Samrin group.

As for the Khmer Rouge, actually, most Kampucheans repudiate this group because of its great cruelty when it governed Kampuchea. Son Sann, whom the United States supports, lacks ability and does not have an adequate base of support. Thus, both the United States and Red China have had to turn and give support to Sihanouk, who is wandering about abroad. This is because, at least, there are still some Kampucheans who are still tied to the foremr monarchy of Sihanouk. And there seems to be a large number of these people who oppose Vietnam and Heng Samrin.

For these reasons, a plan to form a Khmer coalition government with Sihanouk serving as president was drawn up by China and the United States.

But neither Red China nor the United States dared come forward as the prime mover in the formation of the government since they were afraid that they would not be able to come up with an excuse if they were attacked for interfering in the Kampuchean problem.

Thus, both these great powers have used a representative, Thailand, to carry out this plan. They have given certain benefits to the Thai government in exchange for its help. And this has helped turn people's attention from the domestic problems that are strongly shaking the stability of the government.

But the Thai government is worried about opposition from the majority of the people (who have lost almost all faith in the government's [ability] to govern the country). Thus, it has had to use Asean as a guise to conceal things. And the Asean countries have been happy to do this as long as Thailand takes the lead since this amounts to making Thailand a real enemy of Vietnam and the Heng Samrin group. Thailand will have to immerse itself in making preparations to defend itself from an invasion by Vietnam and will have to abandon its economic interests to these countries.

For these reasons, the formation of the Khmer coalition government was announced, with the Erawan Hotel serving as the temporary Government House.

Thailand has, without a doubt, interfered in the internal affairs of Kampuchea even if it does cite the United Nations' resolution. Other countries have issued resolutions but they have not gotten involved to the same extent that Thailand has.

There was an immediate reactin from Vietnam and the Heng Samrin group. The Asean countries, particularly Malaysia and Singapore, spread rumors throughout the world that Thailand would be invaded by Vietnam. Both Malaysia and Singapore had great economic interests behind this action.

As for Thailand, the minister of foreign affairs has shown such concern for maintaining the interests and image of the Khmer coalition and Sihanouk that people in general are wondering whether he is the minister of foreign affairs in the Prem government or in the Sihanouk government.

A ter the Sihanouk government was formed and ample propaganda was put out, the mass media in Thailand started printing contrary reports that said that more than 15,000 Kampuchean refugees at the Khao I Dang camp had submitted a petition to Thai officials expressing a desire to return to Kampuchea. Thai officials stated that this matter would be handled in accord with the wishes of the Kampucheans.

But then on 10 August, the BANGKOK POST and the NATION REVIEW printed a contrary story to the effect that Sihanouk had sent a telegram to Air Chief Marshal Sitthi Sawetsila, the Thai minister of foreign affairs, asking him to stop the repatriation of the Kampuchean refugees from the Khao I Dang refugee camp who had volunteered to return to Kampuchea. At the same time, Sihanouk sent a telegram to In Tam, his agent. He told him to spread propaganda among the Kampuchean refugees at the Khao I Dang camp and tell them not to return to Kampuchea because there was a food shortage there and because they would be killed by the Heng Samrin group. Stated simply, [he told them that] there was food at the Khao I Dang camp and that there were people there to look after the safety [of the refugees].

The reports did not say whether or not In Tam acted in accord with Sihanouk's telegram.

But it appears that Thai officials of the Ministry of Foreign Affairs have stopped the repatriation of Kampuchean refugees.

Does such news make it possible to decide whether or not the Thai minister of foreign affairs is serving the Kampucheans of Sihanouk?

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THAI ROLE AS PRIME MOVER IN KHMER COALITION DECRIED

Bangkok PATINYA in Thai 30 Aug 82 pp 17-19

[Article: "Repercussions From the Formation of the Khmer Coalition"]

[Trxt] The fact that the Thai government, through the minister of foreign affairs, has openly involved the country in the Kampuchean situation by serving as the prime mover in uniting the three Democratic Kampuchean groups is the same as announcing to the whole world that Thailand is one country in this region that can successfully unite the Khmer groups. But in their pride, people in the cabinet have grievously pierced the hearts of the students, intellectuals, scholars and people in general, the owners of the country. And they have been greatly hurt by the implementation of a policy that will lead to a national disaster without being allowed to express an opinion on this. Even the newspapers, which are the mouthpiece of the people in a democratic system, have been muzzled to the point where they do not dare talk about this matter frankly. However, this harsh look toward the mass media cannot put a stop to the pure thoughts of the students and intellectuals, the "brains" of the country who will someday take responsibility for the nation's future. Student groups at Ramkhamhaeng University have united and shown firm resolve to have the government implement a policy of real neutrality as the government once said it would.

From an Open Letter to an Invitation to the Minister

On 3 August 1982, united students from Ramkhamhaeng University sent representatives to submit an open letter to the prime minister in order to ask the government to review the policy of neutrality. Concerning the matter of Thailand taking part in uniting the Khmer factions, the student representatives confirmed that "in meeting with the government representatives, when we first entered the Government House, the officials there all viewed us as naive children and treated us poorly. They tried to get us to leave and would not accept the letter from the students. We felt great trepidation and anxiety, anxiety from not knowing the regulations here and from being in a grand place. But this could not change our view. We kept trying and finally the officials at the Government House allowed us to meet with the deputy secretary-general of the prime minister, Rear Admiral Prakop Wasin. He accepted our open letter, talked with us and answered our questions." Concerning the responses to the questions, the student

representative pointed out that "his answers were very tight-fisted' as if he did not want to clarify things for the students and people. He just said that this was the best policy possible, giving very few reasons. As for why this is the correct policy, he did not say. He only said that this was a political matter and that he could not say any more about it. This did not hurt us too much. But then he insulted us. He told us to go back to our studies in order to learn more about things." Another student said that "we feel that we have studied the matter carefully and that we have studied things in greater detail than the man [Sitthi] who has a degree in engineering. We can, therefore, look at strategical matters and at the disadvantages and advantages to Thailand in getting involved with the Khmer coalition and following along behind a few great powers.

The remarks by the minister of foreign affairs that have insulted the students and people have hurt all the students. In particular, where there were originally two united student groups, there are now four united groups. They have opened a Hyde Park [area] and issued a statement in response to the actions and statements that insulted the students and people. Also, on 9 August, they sent a letter inviting Air Chief Marshal Sitthi Sawetsila to come to Ramkhamhaeng University to explain things and answer the questions of the students and people. They scheduled this for Monday, 16 August 1982, at the large stage in front of the SWP yard. The hope was that this would provide the students and people in general with information about the implementation of the foreign policy and give the thousands of students and youths studying at Ramkhamhaeng Univerity and the people in general a chance to ask the questions burning in their hearts and relieve their doubts, said one student.

16 August, the Day of the Appointment

After submitting this invitation, what impressed the students was that they received an very unexpected response. That is, a government representative, Mr Chet Suchitkun, the director-general of the Information Department, [indicated] that he would come meet with the students in accord with the invitation. This response was sent through Associate Professor Aphirom Na Nakhon, the rector of Ramkhamhaeng University. He also called by telephone and confirmed that he was definitely coming. But then the joy of the students was destroyed when an urgent letter arrived form the Ministry of Foreign Affairs. The letter, dated 13 August 1982, was sent to the rector of Ramkhamhaeng University. It said: "Concerning my call to you when I said I would be happy to come meet with the three student groups at Ramkhamhaeng University in order to explain the government's policies and the actions of the Ministry of Foreign Affairs in the formation of the Democratic Khmer Government, I would like to [change this] and instead invite 10-15 representatives form each of these student groups to come meet with me at the Information Center...." Immediately after this letter was received, students expressed great disappointment. Mr Surin Sukkua, one of the representatives form the united students, said that "we refuse to go to the Information Center with only 20-30 representatives. This matter does not involve the interests of only a few people but the interests of all the people in the country. If just 20-30 people go, what good would this be? The 30-000-40,000 students all want to listen. We do not want to be selfi h. We

want all students and people in general to listen to the government's responses." This same student also said that "if we were the government, we would dare to come speak and express our views in front of the students and people. If we act honestly, there is nothing to be afraid of. But if things have been done in a dishonest way, this is frightening. Just calling this and that person is not right. The government must explain things. It must be ready to answer the questions of the people at any time and at any place." And "Ramkhamhaeng is always ready to provide a nice place with comfortable chairs. We are always ready to listen to someone. Anyone who is involved in this particular matter can come meet with us," added another student. And another student said that "he is not courageous enough to come meet with the young people at Ramkhamhaeng. Even though students have not graduated, he does not dare come answer our questions. He has insulted us. And so if he could not answer our questions he would be humiliated in front of all the students. Thus, he changed his mind and has asked us to send representatives to meet him in order to soothe us as he has done with reporters. But as a challenge to him, I say that he can muzzle the press and close the universities but he cannot muzzle the thoughts of sincere students."

However, even though the government's representative, Mr Chet Suchitkun, did notmeet with the students at the appointed time, the students from the four united groups -- the Border Project group, the Coffee Council group, the Ram-Tabi group and the Creative Political Science group -- organized a discussion to talk with Ramkhamhaeng students about the problem of uniting the Khmer groups. About 800-1,000 students attended. They listened to the data presented by the student representatives, who talked about the atmosphere when they went to submit their open letter to General Prem Tinsulanon, the prime minister, at the Government House on 3 August. Besides this, they also talked about strategy and the importance of Thailand. They said that the "great powers, particularly the United States, China and the Soviet Union, are resolutely determined to expand their influence in Southeast Asia, including influence over the sea areas and the Strait of Malacca." The student representatives said that "if they can take control of Thailand, they will easily be able to seize other countries in this region. And that means that great influence and profits will go to a single great power." During this discussion, the students discussed the repercussions to Thailand from having united the three Khmer factions. [They said that] "more refugees will enter Thailand since the war in Kampuchea will go on and on. Vietnamese-Heng Samrin soldiers will launch attacks against the Khmer coalition forces that are located along the Thai border and these forces will retreat into Thailand. Vietnam will cross the border in pursuit and, in the end, Thailand's border area will become a battlefield like in Lebanon. And in the end, Thailand will not be able to ask for help from anyone because this is an internal matter that Thailand got involved in by itself."

The discussion that day became very heated. In between speeches there was music played by Ramkhamhaeng students. And before the speeches were concluded, there was a sudden rainstorm. Some of the students were very interested and so they waited for the rain to stop so they could listen to more speeches. Finally the four united groups set up a new stage below the HB building and about

500 students went to listen to the rest of the speeches, which concluded around 1900 hours. The students then went home.

Summary

There have been many cases in which the government has neglected the students and people and then received the painful consequences of having done so. Governments have fallen, as in the case of 14 October and 6 October. And the present matter may be a fuse that will lead to dissatisfaction among the students and people in general. If the government, through the Ministry of Foreign Affairs, maintains its inflexibility and continues to carry on a policy that serves the interests of other countries more than it serves the interests of Thailand and a disaster befalls the country, it will be the duty of the students and people to join together to oppose this. Besides the fact that the government must remain truly neutral and be willing to listen to the criticisms and answer the questions of the people, who are the owners of the country and who have the right to be concerned about their homeland, it is not necessary to select a high class, which means their survival if anything should happen. It is they alone who will receive the consequences, not someone else. They must be ready to get on an airplane and go to a third country.

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EFFECT OF KHMER REPATRIATION IN LIGHT OF COALITION EXAMINED

Bangkok PATINYA in Thai 30 Aug 82 pp 14-16

[Article: Khmer Repatriation: Beware of the War Ahead"]

[Text] Ever since the Khmer coalition government, composed of the Norodom Sihanouk, Son Sann and Khieu Samphan groups, was formed and an agreement to unite was signed in Malaysia on 22 June, the Kampuchean problem has become more and more complex. The movements of this coalition government and the reaction of Vietnam have been watched with great interest by all sides. This is because this may affect the security and safety of all countries in this region, particularly Thailand, which is in a forward position and must confront the Indochina countries directly.

Concerning the formation of the Khmer coalition, one result that cannot be denied is that the coalition government has gone on the political offensive at the international level and gained an advantage over the Heng Samrin group, which is supported by Vietnam. Political analysts all agree that, the formation of the coalition government will enable Democratic Kampuchea to keep its seat in the United Nations for at least 1 more year. But militarily, whether the balance of power will shift back toward Democratic Kampuchea is a matter filled with difficulties. It appears that it would be very difficult for the 30,000 troops of the Khmer Rouge, the 9,000 troops of Son Sann and the 3,000 troops who support Sihanouk to drive the Vietnamese troops, totalling more than 180,000 men, out of Kampuchea.

Concerning this, after the coalition government was formed, Sihanouk and Son Sann immediately announced that if they are given support, including weapons and various war materials, by third countries, they will be able to expand their forces greatly. And it is highly possible that this is true. When Sihanouk went to visit the Kampucheans living in the Khao I Dang refugee camp and those living along the Thai border at the beginning of July, many Kampucheans went to welcome him and many were ready to join with him in driving the Vietnamese troops out of their country. It is certain that, if these Kampucheans join with the Khmer coalition, Vietnam will face much stronger opposition since the number of Kampuchean refugees living in the refugee camps and along the Thai-Kampuchean border totals several hundred thousand. This is indicated by the following statistics on the number of refugees as of 3 August, which does not inlcude the refugees waiting to be sent to a third country:

1. The Khao I Dang refugee camp: 33,136 people.
2. The Sa Kaeo camp: 17,720 people.
3. The Phaya Kamphut camp: 20,206 people.
4. Along the border area: 294,112 people.

Khmer Repatriation...For Whom?

"At just the Khao I Dang refugee camp alone, more than 15,000 refugees expressed their desire by submitting an appeal asking to return to Kampuchea," said Major General Somkhit Chongphayuha, the commander of the division responsible for the border area in Prachinburi, to the mass media on 9 August. Major General Somkhit summarized the things that made these refugees ask to be repatriated. He said that there were two reasons:

1. These refugees have hope in the new government formed by the leaders of the three Khmer factions.

2. At present, within 5-10 kilometers of the border, things are peaceful and so it is possible to earn a living in this area. This has made the Kampucheans want to return to their homeland and so many of them have volunteered to return.

We have been repatriating people frequently. But after Sihanouk visited the refugee camps, there was a wave of patriotism and many more Kampucheans came to volunteer. For most of them, we provide buses to transport them and drop them off at night because we do not want to do this with any fanfare.Otherwise, Vietnam might take action," said one official who is responsible for this to PATINYA. As for the number of refugees who have been repatriated to Kampuchea, in July alone, 2,334 were repatriated. Most were from the Khao I Dang and Sa Kaeo camps. As for the release points, they are released in the Chong Chom area in Surin Province and at Ban Nong Samet and Ban Nong Chan in Prachinburi Province. "Most of these go and join Sihanouk's forces. As for foodstuffs and other supplies, they are provided things by the World Food Program and the International Red Cross," said the same official to PATINYA . Besides this, there are still many more refugees who want to return to their country as Major General Somkhit said.

Concerning the repatriation of these Kampuchean refugees, looked at from another angle, this will greatly benefit several sides:

Democratic Kampuchea: The formation of the Khmer coalition has enabled the forces of these Khmer factions to have greater unity. Refugees who previously refused to fight for national liberation under the leadership of the Khmer Rouge are now willing to join in the struggle against Vietnam under the leadership of Sihanouk, the leader of this coalition government. And the return of these refugees to Kampuchea, who have returned with the aim of joining the army of Democratic Kampuchea, will greatly increase the size of the forces of Democratic Kampuchea. This will make things much more difficult for Vietnam and greatly increase its losses.

Thailand: The refugee problem, which Thailand has constantly had to take responsibility for, has made things very difficult for Thailand. Thus, the repatriation of these refugees will lighten Thailand's burden somewhat. And from the strategic standpoint, the fact that the forces of Democratic Kampuchea will be stronger because of receiving more men and supplies will result in the war in Kampuchea intensifying. This has caused some Thai officials to feel that the danger to Thailand posed by Vietnam will decrease as long as Kampuchea continues to have internal problems and serves as a buffer state between Thailand and Vietnam as at present.

The United Nations and, in particular, the United States, which is responsible for providing money to support the refugees and for admitting many of these refugees into the country: Since more of the Khmer refugees have begun to return to Kampuchea, this will help relieve this burden on the United States. Besides this, since Vietnam will face greater opposition from the Kampucheans, Vietnam will be placed in a much more difficult situation. And in the end, Vietnam will not be able to maintain control of the Kampuchean problem. When that happens the United Nations may be able to play a greater role in bringing about peace or pressuring Vietnam to withdraw from Kampuchea.

China: The increased influence of Vietnam and the Soviet Union in this part of the world has resulted in China being surrounded by these two countries. That is, none of the countries around China, which includes the Soviet Union, Vietnam, India, Laos and Mongolia, has friendly feelings toward China. This has obstructed China's communications, especially its sea communications. In not too long, this will begin to weaken China. Thus, since the course of the struggle in Vietnam has a chance to shift with Democratic Kampuchea gaining an advantage over Vietnam, this will enable China to increase its influence and again play a role in Kampuchea. This will in turn enable China to interfere in Laos and Vietnam by using Kampuchea as a bridge in spreading its influence.

However, concerning the benefits that will accrue to these countries, there is still an important problem and that is Vietnam's attitude of preventing the repatriation of these Kampucheans.

Beware, War Is Ahead

Concerning the repatriation of Khmer refugees, actually, this is not the first time that people have been repatriated. At the beginning of June 1979, the Thai government of General Kriangsak Chamanan repatriated more than 30,000 Kampucheans. This resulted because the aid received from foreign countries to help Thailand look after the refugees decreased so much that Thailand was no longer able to bear this burden. The result was that foreign countries increased the aid given to Thailand. And in June 1980, Thailand repatriated more than 10,000 Kampucheans, most of whom were members of the Khmer Rouge. They joined the forces of Pol Pot and fought against Vietnam. Vietnam strongly protested against this and finally invaded Thailand in the Non Mak Mun area. Both sides suffered heavy losses (for the details of this, please see the 11 July 1981 edition of PATINYA: "Vietnam Invades Thailand: War or Political Trick?")

The Non Mak Mun affair took place because Thailand repatriated Kampuchean refugees in order to increase the military capabilities of the Khmer Rouge, which led to a small war between Thailand and Vietnam. And it is just this that many people are afraid of. They are afraid that Thailand's repatriation of Kampucheans in order to increase the combat strength of the Khmer coalition government will lead to another border clash between Thailand and Vietnam just as happened on 22 June 1980.

"I do not think that Vietnam will dare to attack Thailand this time. At present, our combat forces are on the alert. During the joint combat exercises at the end of May, which were conducted in this area, we put almost all our heavy weapons in place, including the artillery and tanks that we received from the United States, which have greater capabilities that those of Vietnam. Thus, Vietnam will not dare to attack us," said a high-ranking officer to PATINYA.

However, since the three Khmer factions established a loose coalition government, Vietnam has shown a much harder attitude. This can be seen in the statement by Nguyen Co Thach, who said that "Vietnamese troops have been trying to avoid pursuing the Khmer Rouge across the border into Thailand. But from now on, we will no longer worry about this." In addition, Vietnam has moved more men and heavy artillery into the Thai border area. It cannot be denied that this change in the situation could lead to a clash along the Thai-Kampuchean border at any time as long as the two sides continue to challenge each other and risk a disaster. Concerning this, Sihanouk is well aware of the fact that Vietnam may take large-scale military action, which would result in his forces suffering heavy losses. Thus, he sent a telegram from Peking to General In Tam, his right-hand man, and to Air Chief Marshal Sitthi Sawetsila, the Thai minister of foreign affairs, asking them to halt the repatriation of Kampucyean refugees for the time being.

The Conclusion

National security is the most important thing for the country. And anything that makes the country safer and more secure is something that the government should do immediately. But in taking action, things should not be done in such haste that [we] neglect to look at things from all sides.

In principle, the repatriation of the refugees should benefit all sides. The Kampucheans will be able to return to their motherland and Thailand will be able to greatly reduce its responsibility for the refugees. But the thing that Thailand must be well aware of is that such action in a time of crisis may pose a danger to the country and this should be avoided. Besides this, concerning the various things that may happen, the government should always inform the people, the owners of the country, ahead of time. Even if something unexpected occurs, the people, who understand what caused this to happen, will be able to control the situation and not let things go too far. Otherwise, those with bad intentions toward the country may be able to use this and lead the country into a war that would be disastrous for all sides concerned.

This path to war is short and it is easy to reach that point. This is opposite from the path to peace, which is long and which is a great challenge to the abilities of the government. But the result is real peace and security for the country.

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DETAILS OF KING'S ILLNESS REPORTED

Bangkok SU ANAKHOT in Thai 22-28 Aug 82 pp 26-30

[Article: "The King's Illness"]

[Excerpts] When the Bureau of the Royal Household announced that the king was ill, the people became very alarmed. At the same time, there were many rumors concerning the nature of the illness and this caused much suspicion among the people. As a newspaper that is responsible for presenting the facts, SU ANAKHOT has tried to learn the facts about the king's illness and present them to the people. This is because we do not want the people to have any doubts about the nature of the king's illness. Thus, SU ANAKHOT is presenting the facts for readers so that readers will know the facts in detail.

Mycoplasmal Pneumonia

During the past 2 to 3 years, the mycoplasmal pneumonia organism has spread widely in the Khmer refugee camps in Sa Kaeo District, Prachinburi Province. This is a virus-bacteria-like organism that is difficult to obtain a culture on. It is difficult to obtain a definite diagnosis by checking the blood. It usually takes awhile before definite results can be obtained. The spread of mycoplasmal pneumonia at the Khmer refugee camps was reported only recently by Dr Amphon Sukhonthaman, of the Faculty of Medicine, Chulalongkorn University. This report stated that both doctors and nurses working at the camps have come down with pneumonia. One nurse has died form this disease.

The Beginning of the Illness

The king went to visit the people, soldiers, policemen and others working in Sa Kaeo District, Prachinburi Province, on 1 July 1982. After visiting soldiers and policemen, he went and visited the Khmer refugee camps in this area. After returning from Prachinburi, he worked very hard and did not rest at all. He was also in the rain and sun a lot and this weakened him since he had to work so hard. Then on 8 July 1982, the king went to give degrees to approximately

2,000 graduates at Mahidol University. This took 4 hours. While giving the degrees, his nose became congested and he felt discomfort. But he did not tell anyone. On 9 July, he carried on activities as usual.

Then on 10 July 1982, he went to attend the funeral of Siri Sarasin at Wat Thepsirin. Smoke from the royal flame was blown to where he was and he breathed much smoke into his lungs. He had already begun to show signs of being ill and breathing the smoke increased the infection in his lungs.

After returning from the funeral of Lady Siri Sarasin, that night, he had a slight fever and so he asked Dr Danai Sanitwong Na Ayuthaya, his regular physician, to come examine him. The doctor examined him and diasnosed his illness as influenza. This is because the initial symptoms of mycoplasmal pneumonia resemble those of influenza. The Bureau fo the Royal Household thus had to issue a statement to inform the people in order to cancel the king's regular activities.

Symptoms

On the evening of 10 July, the king had a very high fever. The doctor gave him some medicine to lower his fever. But the fever did not go down. On 11 July 1982, even though he still had a fever, he went to work on the second floor of the Amphonsathan radio station. The queen was very worried by the king's fever and so she asked him to return to his room and rest. That night, his temperature rose to 39 degrees centigrade.But his regular doctor did not suspect that he was suffering from some other illness. On 12 July 1982, his fever began to subside somewhat and this made his doctor feel better.

Further Symptoms

On 13 July 1982, the king's fever rose sharply again, reaching 41-42 degrees. He also began to cough a lot and his pulse became irregular. Dr Danai Sanitwong Na Ayuthaya contacted the senior doctor, Lieutenant General Chinda Sanitwong Na Ayuthaya, and asked him to examine the king. Both doctors agreed that it was necessary to assemble a medical team to treat the king since there were cardical symptoms. At that time, the doctors did not yet suspect that he had pneumonia. They still thought he was suffering from influenza and had an ordinary case of bronchitis with caridical complications. During the middle of the night of 13 July, the king's condition worsened. And on the morning of 14 July 1982, the doctor took an x-ray of his lungs. This showed that the king had a severe inflammation of the lungs. Following this, a cardiologist gave him an electrocardiogram and this showed that he had cardical complications, with the indication being cardiopericarditis. The symptoms were very serious. At that time, the king complained of feeling very tired and of a rapid pulse. The doctors gave him an injection but his condition did not improve.

The Formation of a Medical Team

Since the condition of the king had worsened, the prime minister, in his capacity as head of the Bureau of the Royal Household, formed a medical team. Dr Sem

Phringphuangkaeo, the minister of public health, served as the head of the team, which was composed of Dr Kalayanakit Kittiyakon form the Faculty of Medicine, Ramathibodi Hospital, who is a heart surgeon, Dr Songkhram Sapcharoen, a lung specialist and the director of the Chonlaprathan Hospital, Dr Saman Trakunthim, a lung specialist from the Ministry of Public Health, Dr Udomphon Kasemsan, a cardiologist, Dr Chotbun Buranawet, Lieutenant General Chinda Sanitwong, Dr Danai Sanitwong Na Ayuthaya, Dr Choetchai Chiemchaisi, the assistant director of the Pra Monguy Khlao Hospital and Dr Thongchai Wannasiri.

The medical team held a meeting to discuss the king's condition. After discussing his condition, they administered a saline solution intravenously. The medical team felt that his illness was definitely a type of pneumonia. The pneumonia could have been brought on by a bacteria or virus, of which there are various types. Or he may have contacted mycoplasma pneumonia, a disease that he had had before in 1975 at Phuphing Rachaniwet Palace in Chiang Mai Province. But the medical team did not make a definite diagnosis as to which organism was involved since they could not prove for sure which organism had caused the king's illness. They decided to give him antibiotics.After the medical team gave him the medicine, the king said that he could now breathe more easily. His temperature at that time was 41-42 degrees; this greatly alarmed the medical team. But after the medical team gave him the medicine, the fever subsided and his pulse was more regular. On the evening of 14 July 1982, the team of doctors and nurses stayed in his bedroom and monitored his condition closely.

Watched Closely by Family

During the time that the king was sick, the queen and Princess Rattana Ratchasuda stayed near him, never leaving his bedroom. As for the Crown Prince, he had been in Chiang Mai Province practicing flying F5 aircraft since the beginning of July. When he learned of the king's illness, he returned to Bangkok, arriving at 2100 hours on 14 July 1982. The Crown Prince went to see the king. The queen, Crown Prince and princess watched over the king together and discussed matters together like a family in a time of crisis. As for Princess Chulaphon, because she was pregnant, the medical team recommended that she not enter the bedroom of the king. They were afraid that she would contact the disease from the king and that this would endanger her child. The same recommendation was given to Flying Officer Wirayut Ditsayasin. If he entered the bedroom of the king, he could spread the organism to Princess Chulaphon. The medical team thus definitely recommended that he not go into the king's bedroom.

Preparing For a Crisis

On the evening of 14 July 1982, because the king was very sick, several close relatives went to Chitlada Palace in order to wait for news of the king's condition. Also waiting in the auditorium of Chitlada Palace were General Prem Tinsulanon, the prime minister, Air Chief Marshal Harim Hongsakun, the president of parliament, several of the deputy prime ministers, General Athit Kamlangek, the assistant commander in chief of the army, high-ranking officers and royal councilors. They waited all night for news of the king's condition. General Prem Tinsulanon waited all night in the palace auditorium for news of the king's condition,

never leaving the palace until the morning of 15 July when he went straight to the Government House. During the night of 14 July, the king's condition was very alarming. The Supreme Patriarch and Somdet Phra Tan Sangwon frequently contacted the palace. The Supreme Patriarch was so alarmed that he sent the Council of Elders to watch over the king. That same night, the Capital Guards Force was put on alert.

Even Though He Was Seriously Ill, He Maintained His Concentration

On the night of 14 July, the king's condition was very serious. He perspired profusely because of his high fever. His clothing had to be changed and he had to be sponged off every 15-20 minutes. And his bedsheets had to be changed every 15-20 minutes too since they were wet from the perspiration. The king felt very uncomfortable; he tossed and turned constantly during the night of 14 July. The king constantly listened to the tape of a sermon by Somdet Phra Yan Sangwon concerning keeping one's equanimity. He also listened to the tape of a sermon by Somdet Phra Maha Wirawong, who resides at Wat Racha Phatikaram. He would rest for only 10 to 15 minutes and then wake up again. On awaking, he again listened to the tape on equanimity and practiced maintaining concentration when he felt ill. This is why he was always able to remain calm and did not act restless. He cooperated completely with the medical team when they gave him the intravenous saline solution, when he was given injections and when blood samples were taken. He did not complain or cause the medical team any trouble at all.

He Was In a Humorous Mood

On 15 July, his fever began to subside and his pulse was slower. But the other symptoms were still present. On the morning of 16 July, the medical team was pleased by the fact that the king's pulse was again normal and there was no sign of any heart abnormality. His temperature was about normal. During this period, chest x-rays were taken daily, and EKGs were taken regularly. While he was being monitored, or having EKGs taken, it turned out that his heart did not beat "in time" and since the king is a musician, he said that the rhythm of his heartbeat was like a 5/4 beat in music. He said that after he recovered, he would compose a song in 5/4 rhythm entitled "High Fever."

A Rash

On 18 July, after the fever had subsided, another complication arose. He developed a rash all over his body. His entire body was reddish. The medical team brought in a dermatologist from Chulalongkorn Hospital to help treat this. At the same time, the king's white blood count fell and this greatly alarmed the medical team.

As for the rash that developed, neither the dermatologist nor the medical team could determine for certain whether the king had had an allergic reaction to the medicine given to him or whether this was a symptom of mycoplasmal pneumonia. The doctors took blood samples and sent them to the Siriraj Hospital, the Chulalongkorn Hospital, Denmark and the United States for analysis. The U.S. Embassy

in Thailand provided good support and cooperation. It provided a special airplane to take the blood sample for analysis. The medical team sent blood samples abroad for analysis because they wanted to identify the organism for certain since during the first 7 days they had not been able to identify the organism. Thus, they had been treating the illness more or less by guesswork. However, since his condition had improved, with the fever subsiding, the pulse returning to normal and the "phra kansa" declining, the medical team stopped giving him antibiotics and had him take only the medicine for his heart. During this period, blood samples of 50-100 CCs had to be taken almost daily. During his illness, the king constantly maintained a humorous mood. His concentration was good. His mood was bright and he bantered with the medical team when his condition had improved. He kidded by saying that this medical team practiced an ancient type of medicine, saying that they did not give any medicine but only drew blood.

During this period when his condition began to improve, he was very worried about the queen mother. He was afraid that if the queen mother learned about his condition, she would become very worried. He thus asked Somdet Phra Chao Phi Nang Thoe and Chao Fa Kalayaniwattana, who had been watching over him every day for 2-3 hours, to go inform the queen mother, who was then in Switzerland, that there was nothing to worry about.

Rumors

At a time when the people were very worried about the king's condition, some groups with bad intentions toward the well-being and security of the country spread bad rumors about the king and the royal family.

These rumors were spread in a systematic and continuous way. Leaflets and underground documents were sent to the newspapers and various sectors of the mass media and even to important government locations such as parliament, ministries and departments and educational institutions at all levels. Besides this, people were sent to spread rumors at private business institutions and at public places such as commercial banks and private hospitals. Those spreading the rumors claimed to be poeple who were close to events or relatives of those involved depending on how they wanted to "pass themselves off." These rumors spread quickly. Even while the king was still ill, these rumors reached the king himself and he even read at least 20 of these illegal leaflets and underground documents written by these ill-intentioned people. And even though people made an attempt to correct these rumors, the king, reposing in a state of equanimity, said "never mind. Let them go ahead and spread rumors. Nothing needs to be corrected."

More Worried About His Work Than About Himself

The king was very worried about the work that he had left unfinished. Even though the doctors suggested that he rest as much as possible in order to recover his health, he continued to call in people to discuss the various projects that were underway. He considered matters and asked that things be carried out in accord with the decisions. Mom Chao Chakraphan Phensiri Chakraphan,

a councilor, led a group of high-ranking government officials from the Irrigation Department to see him in order to get his opinion about some of the projects of the Irrigation Department that had not been finished. He signed the Royal Act to close parliament and did all the work given to him by his secretary. Even though high-ranking monks told him that he should rest and not engage in any work for the time being and gave him sermons to help relieve his illness, the king continued to be more worried about his work than his health and made preparations to go out into the countryside to carry on activities when he had recovered.

Government Sectors Correct the Rumors

As for the various rumors, SU ANAKHOT asked the Office of the Prime Minister and the Bureau of the Royal Household what action would be taken. High-ranking officials from both the Office of the Prime Minister and the Bureau of the Royal Household replied that, concerning these rumors, many people had become very concerned. They wrote letters and sent telegrams to the Bureau of the Royal Household and to the Office of the Prime Minister asking that these rumors be corrected.

But neither the Office of the Prime Minister nor the Bureau of the Royal Household felt that these rumors were true. They did not feel that any importance should be attached to these rumors by issuing a statement of denial since such an action might benefit these ill-intentioned poeple. They felt that it would be like getting caught in a trap set by these people.

However, as for all the rumors in this period, SU ANAKHOT does not feel that this matter can be turned over to the government alone to handle. All the people are responsible for blocking such rumors by considering the various reports carefully and seriously. People must not fall victim to the rumors and allow the rumors to destroy everything to the point where things cannot be corrected.

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CARTOON DOUBTS SRV MOTIVES FOR ATTACK ON THAILAND

Bangkok MATUPHUM in Thai 24 Jul 82 p 4

[Cartoon]

[Text] [Caption 1]: Calling Hanoi, over. I want to ask you to review the order to invade Thailand. Over.

[Caption 2]: Hanoi to Tong, over. Are there problems? You are definitely to invade Thailand. The original reasons and principles still stand. Over.

[Caption 3]: Concerning the reason that says that Thailand is rich and fertile and a good place to live....

[Caption 4]: I think it would be better to review things.

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ACCUSED TORTURER STATES VIEWS ON CPT ACTIVITY, LOCAL ADMINISTRATION

Bangkok MATUPHUM in Thai 16 Aug 82 p 2

[Interview with Charun Chamrak, the district officer in Sawang Daen Din District and the commander of Forward Operations Headquarters at the Chaloemphon Camp in Sakon Nakhon Province; date not specified]

> [Text] Mr Charun Chamrak, age 44, is married to Mrs Sanong Chamrak and has two children. He received his BA degree in law from Thammasat University. He once worked as a teacher and first served as deputy district officer in Khirimat District, Sukhothai Province. He then served in Na Kae District in Nakhon Phanom Province, Muang District in Kanchanaburi Province, So Phisai and Song Dao districts in Sakon Nakhon Province and Sawang Daen Din District. He was recognized as the outstanding district officer 3 years in a row. Besides this, he is a combat district officer. Two MPs from Sakon Nakhon Province have charged that he has tortured people suspected of engaging in communist activities. MATUPHUM met him when he was being welcomed by a large crowd of villagers at the Chaloemphon Camp in Sakon Nakhon Province.

[Question] Concerning the charges by MPs from Sakon Nakhon Province that you have oppressed and killed people, what is the truth about this?

[Answer] As for the truth about this, the truth is that the villagers in this area, that is, in Sawang Daen Din, Song Dao and Waritchaphum, love me very much because no one has ever given them the help that I have. Regardless of what it is, if it is possible for me to help, I do so.

Since the election is approaching, the MPs are afraid that I will run for election or that I will not support them in their bid for election to parliament. I think that this is what has happened.

Another matter that I have thought about is the matter of interests. I always consider the interests of the majority of the people in making a decision. If somwething does not harm the interests of the people, I try not to get involved But if the interests of the people are affected -- for example, in the past

MPs wanted to build a road already planned in the KSC project and villagers complained -- I must listen to the villagers. [The MPs] cannot expect me to agree with them.

And their attitude is that I must agree with whatever they want to do. But if the people do not agree, I cannot help them.

The most important matter concerns timber. That is, we affirm that the government wants the people to have a good standard of living. If the people are to live comfortably, they must build houses. We ignore the fact that people cut timber to build houses. But some people want to profit by smuggling timber and selling it. We have to arrest such people and prosecute the case.

These are the main reasons why I have been attacked. Other matters should not be a problem.

[Question] As for the government, it seems that things are being done at cross purposes. Do you think that pressure can be exerted to have things carried out cooperatively?

[Answer] Its like this. The administrative system has two forms. The first is called the top-down system. That is, if there is a need, orders are sent down.

The CPT calls this fulfilling one's own wishes.

The other system is known as the bottom-up system, from the bottom to the top in two directions.

We hold to the parliamentary way, that is, moving up from the masses, or people. This is the correct way in a community or nation. In any system, if it is a top-down type system, that system will not last very long. This can be seen in both Fascist and Marxist systems. Any system in which orders come from the top will last only temporarily. Things must come from the bottom.

[Question] As a government official, have you been able to sort out the problems of government officials and determine what they are?

[Answer] As for present problems, we can separate them as follows:

The foremost problem is that government officials are not very serious about their duties. They do the work, but not enthusiastically. That is, they work like bar girls who sit around waiting for time to pass and then collect their salaries.

Another problem is that the bureaucracy is like a person who has been enclosed in a shroud and bound hand and foot. Government officials are afraid of everything. They are afraid that they will be blamed, as I have been blamed. They are so afraid that they do not dare do anything. They are even afraid to criticize

druken officials who work in the district and criticize the people. I cannot work in such a situation. Or take the problem of rice prices being high, [we] have to wait to purchase rice form the storehouse organization.

But why should we have to wait? What can we do to put Kennedy's principle into action. He asked what he could do for the United States, not what the United States could do for him.

These days, I am applying this principle in my work. As a governmetn official who lives off tne taxes paid by the people, I think about how I can help the country. I do not think about getting a salary increase. There is no need for alarm or impatience. Even if I am criticized, I must work hard.

[Question] Since this has happened, what are your feelings about this?

[Anwer] As a person who is responsible for carrying out things, I know that I cannot please everyone. There will be some who hate me. This is only natural since their interests have been affected. But I have stayed calm because I think that this is a common matter in a selfish society that lacks moral principles.

[Question] What principles do you hold to in your work so that you can reach the villagers in order to solve all the problems?

[Answer] My principle is that [before] taking any kind of action, we first have to gather data and get the opinions and feelings of the people.

For example, data are obtained from the kamnans, from the members of the Village Scouts and Volunteer Defense Corps, from the teachers and from the psychological operations teams that go into the villagers.

As for myself, at the office, I have placed my desk in the front area so that when people come to the district office, they meet me first.

But if there are not too many people, I go and visit the villages. This is not usually done in other districts.

As for solving the various problems, such as suppressing gambling, if we know that much gambling goes on in a certain village, I do not send in the police or go there myself to arrest people. We must gather opinions and find out what most of the people in the village think about gambling. We hold a conference to express ideas in a democratic way.

If more than half the people in the village want to have gambling, we allow them to go ahead and gamble. Its up to the local authorities. If their police go make arrests, that is their business.

But if the majority of the people say that gambling is not good, we have to provide help. They msut investigate and see who is gambling and give them a warning. If these people do not heed the warning, they are arrested. But if there is any fear of danger, they can inform us and we will make the arrests.

It is the same in suppressing the communist terrorists. If a village is under the influence of the communist terrorists, we hold a conference and ask the people if they would like to be comunist terrorists. If they do, they can say so. If they want to live in a democracy, they can express their opinion.

In every village where we go, if we finish the work, there will not be any communist terrorists in the area. This is the principle that I use.

[Question] It has been said that our democratic system is continually on the verge of collapse because the military has continually interfered. If this is the case, how can we prevent this from happening?

[Answer] I am really a civilian, but I also serve as the base commander. My personal view is that this is misunderstood. Normally, if we study history so that we understand things clearly, the military is responsible for defending the country. They have always been aware of their duty and have not wanted to interfere in other things.

But as for people intefering and upsetting things. this has happened to us many times in the past because our MPs have caused it to happen by causing trouble in parliament. The reason is that they have wanted to make money in order to make themselves more important. There are very few MPs who hold to the ideal of making sacrifices for the country.

When it reaches this point, there is no unity in parliament and these people try to involve the various institutions and the military.

The country is in a bad situation and the military has to set rules and regulations. But that is not their desire.That is my opinion.

In my view, the real foundation is the people. If the people understand, if they have ideals and if they are familiar with the election process and elect good representatives, problems such as this will not arise.

We can see that, at present, the military itself is tired of being drawn into things. The good MPs are tired of this too. This can be seen from the fact that they have announced that they will not run for election again because they are tired. The intellectuals too are tired of this.

[Question] Based on what you have done in suppressing the communist terrorists can you say whether people have fled into the jungle to join the CPT because there has been a decline in ideals or is it because the government has not implemented democracy and living conditions are not good enough?

[Answer] As for people going into the jungle and joining the CPT, blaming the government or anyone else is not right. State officials should not be blamed because this is too narrowminded.

In my opinion, this concerns the class problem, which exists in all societies. There are classes in all societies -- the wealthy class, the poor class, the laborers, the intellectuals.

In a short summary, [it can be said that] we must close the gap. If we can do so and if we succeed in bringing about mutual understanding and cooperation, I think that we can solve this problem. Concerning what we have done, 300-400 people have surrundered. The thing that I am constantly aware of is that I am not part of any class. I am the district officer and do not belong to anyone. I am the district officer of all the people. I am not the district officer of some higher ranking person or of anyone else.

The words "district officer of the people" mean that when the majority of the people say something or view something a particular way, I must respond to their desires. When we reach a certain point, the merchants....Previously, people said that it was difficult to get along with the merchants here. When I first arrived, I believed this. But now I think that we understand each other.

As for the poor people in Sawang Daen Din, I think they are very wonderful people. As a concrete example, we formed a Volunteer Defense Corp unit. I obtained money for their unit so that money could be disbursed during periods when they were having problems or being persecuted. Whenever I have asked merchants to help, they have helped. This is the role of state power in serving as the link between the various classes. We are the link between the poor and the secure and between the uncultured and the cultured. [If] we can coordinate the activities, ideas and interests, these problems will disappear.

Like the CPT problem. In my view, this is a problem of there being a gap between the classes. If I, as the state power here, can be the link, I guarantee you that this problem will disappear.

[Question] There are people who feel that the people in the jungle did not flee there because of government policies but because of ideological differences. What is your view on this?

[Answer] I do not agree with either position. As for ideological differences, I do not believe that they left because of this since everyone wants to be beautiful, wealthy and powerful.

As for these ideological differences, actually there have been major conflicts. Those who failed to gain power left. There is no other reason.

The government is the same. I do not agree with their leaving and then surrendering. The government does not have a good policy. I feel that, in society, there must be a struggle for power, to gain more power and be richer than other people. This is natural in society.

But then, instead of saying "I" want to have this and that, they said that they would have to do this and that under their leadership in order for the

country to prosper. But what has been recognized is that the members of the CPT who have returned home returned to their homes and are struggling to make a living. The great changes in themselves and their families are correct.

The government must help these people. I am in the middle. I do not agree with Thais killing each other just because they do not have power.

Thais should be friendly with each other because, at present, just look around the country. What are the problems? Those people are ready to suppress us. Thus, as Prime Minister Kriangsak said, we do not have time to argue among ourselves. They [the communists] should return. No one has won or lost. It is not a matter of the government being clever and the CPT not being clever and their having to return. Both sides are composed of Thais. They should return to take part in making their family and personal revolutions strong. In this way, the community will grow.

[Question] When the CPT held its Fourth Party Congress, it affirmed that it would continue the armed struggle in coordination with carrying on a struggle in the cities and that it would not carry on the struggle peacefully as many groups wanted. Since this is the case, what can you do?

[Answer] We think that we can do so. Even though the congress indicated that the CPT will continue to use a policy of violence, that is, that state power comes from the barrel of a gun, we are confident because Thais believe in Buddhism and are religious at heart. When we talk about this, we have to use the strongest tie of the Thai people, that is, blood relations. When someone, Thai or Moslim, goes into the jungle, we have their relatives go talk with them.

These Thais will not kill or betray them because they are relatives.

It is not necessary to give any guarantees.We have to use this strong point to talk together.

As for their indicating that they will have to use violence, I do not think that they can. Because how can a son kill his father. At present, we are using their fathers to go talk with them; I don't go. A son would not dare kill his father. Even if their superiors order them to kill everyone and forbids them from having any contact, if a father goes to visit his son and a mother cries in front of her son, the son will immediately have a change of heart. No son could fail to love his mother. We must study things like this.

As for their indicating that they will use violence, I think they should be allowed to go ahead and say such things. But I do not think they can do so. However, we should not be fooled by them. We must pull them in our direction. We must not allow this congress to pull us in their direction. They must follow our path; we must not follow theirs.

But at present, I will say frankly that the [CPT] members in the jungle knew that this would be the recommendation. About 60-70 percent came out at "Phu Saklak." All said that even though they had planned to come out later on, they couldn't wait. About 30 percent are left.

I have asked them why. They said they had to wait for the congress. I asked them if they were certain that, once the congress was over, they would struggle to seize power. They said they were not certain. But they have continued living like that because they have been there a long time and are afraid of this and that. They have no buffaloes or land to farm. Those who have been in the jungle for a long time have taken their children into the jungle too and many have died. It is hard for them to leave but they will probably do so very soon.

[Question] You don't think that they are still holding to their principles?

[Answer] Some, but not many. Take Zone 555, for example. We can see clearly that Mr Than has not changed his thinking. His world view is still very narrow. He is a Maoist, which means that he follows the book exactly. He does not accept what anyone else says.

In the jungle, they call them single-minded. They follow what Mao said "to the letter." They are not concerned about what other people have to say.

In our area, we call such people dinosaurs. Because those who are narrowminded and have a narrowminded world view will soon become extinct.

[Question] Which things that you have done in your work are you most proud of and excited about?

[Answer] I am excited about many things, the clashes with the terrorists and meeting with them, although not drinking with them. And there is the matter of complaints being lodged. The people gathered together. I was very excited. Over 10,000 people gathered together.

I asked all those who loved me to return home. And all 10,000 went home. Human hearts are very hard; who can be sure of trust. And I am not sure I could do the same thing again.

[Question] Concerning the matter of this complaint, weren't you afraid of their influence?

[Answer] No. I wasn't afraid of their influence. Because I know who I am working for. I am working in the interests of the poeple and my foundation is the people. Thus, there is nothing to be afraid of.

I am satisfied with what I have because the people have arranged everything. This includes us. The people have told us not to worry. If government officials cannot support themselves, they will support them.

As for the threat of someone hiring a gunman to come kill me if I do not move within 24 hours, this is a common matter. This has happened to me so frequently that I ignore it now. Because whom do we act, speak and think for? For ourselves or for the majority?

If [you] do something for the people, do not be afraid after you do it. And if you are afraid, do not do it.

[Question] Have you ever considered getting into politics?

[Answer] Never. Many people have asked me and spoken to me about this. In particular, the villagers have told me that if I were to run for MP, they would support me.

But I said no. I would like to compare being an MP with being a tree that cannot bear fruit. Once elected, to have a chance to form a government, you have to have a majority of the seats. If your party has few seats, you cannot do anything.

But as a district officer, wherever I go to speak, the people stop to listen and they believe me. I have a chance to build democracy and political idealism. This is of more use than being an MP.

This means that I can be of greater use as a district officer than as an MP. Thus, I do not intend to enter politics. I wouldn't do so even if you paid me a lot money. What I want to do most in my life is be a district officer.

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COLUMNIST: THAIS CAN ONLY BLAME SELVES IF KHMER COALITION FLOPS

Bangkok MATUPHUM in Thai 22 July 82 p 5

[Column by Suret Buachat: "It Will Take a Lot Longer to Unite the Kampucheans"]

[Text] It is certain that none of those who exerted pressure on the three Khmer factions, that is the Khmer Seri of Son Sann, the Moulinaka faction of Prince Sihanouk and the Khmer Rouge of Pol Pot, are satisfied with the announced list of those who are in the new Khmer government that has been set up in the jungle near, although not right next to, the Thai border.

Concerning the new Khmer coalition government, which was formed in order to oppose Vietnam, there is nothing to show that any important changes have been made, except the formation of a "loose coalition," which was discussed previously when several members of Asean tried to prod the leaders of the three Khmer factions to sit down at the table together.

Why haven't there been any new changes? A general answer is that the leaders of the three factions still do not get along with each other and they are still trying to preserve the interests of their own faction and gain more than the other factions.

The Khmer Rouge continues to be the only faction that must go out into the jungles to fight the Vietnamese troops and the forces of the Heng Samrin government.

The Khmer Seri will probably continue to engage in both secret and open trading activities along the Thai border.

Sihanouk's Moulinaka faction will probably do very little, just as before. None of its members have ever done much. Most of them are still living abroad and they are not very adept at fighting or anything else except talking and writing.

They were able to unite because of the prestige of Sihanouk in the eyes of many countries. In particular, it was the Asean countries that pushed him into the national political arena again.

Besides the Asean countries, looking closely, it can be seen that no other country, either large or small, really supported Sihanouk's return this time, and this includes the United States and China.

One country that did support this was Thailand. But this was because of "national interests," which we hold above all else. Adn we had lost all hope of finding anyone else to fight Vietnam in the form of a buffer state.

Many countries have been supporting the Khmer Rouge both secretely and openly even though each country recoils from the genocidal behavior of the Khmer Rouge.

The countries that have supported the Khmer Rouge, either through Thailand or directly, include China, Italy, Japan, Sweden and Australia. Besides China, which has given greater support than any of the others and which has given all types of support, including weapons, clothing and food, the other countries have given mostly food and medicines.

Concerning this aid given to the Khmer Rouge, it can be said that this amounted to recognizing the Khmer Rouge in addition to simply showing a humanitarian feeling, which is an ordinary matter.

China has given the Khmer Rouge such full and close support that it can be said that the Kampuchean people in the liberated zones of the Khmer Rouge and even the Khmer Rouge soldiers are in many ways living like Chinese.

The Khmer Rouge leaders who will really endure do not include Pol Pot or Khieu Samphan. This is because Pol Pot was "ruined" by the killings of his fellow countrymen and Khieu Samphan is sick.

The real leaders of the Khmer Rouge at present who are capable men include Son Sen on the military front and Ieng Sary on the economic and foreign affairs fronts.

Of the three Khmer factions, the group in the worst condition is the Khmer Seri of Son Sann, who has constantly received secret support from the United States. This is true even though this fact on has been given its "share" of ministerial positions and Son Sann is the prime minister.

Those at the top, or at the forefront, of the Khmer Seri are people who hold extreme right-wing views. Most once worked as businessmen and traders and many of them are still engaged in such activities.

And there are the Kampucheans who left their homeland a long time ago and went and settled down abroad. There are also the people who went abroad to study for advanced degrees and who have long been out of touch with the events that have taken place in their country.

From what has been shown above, it can be seen that the group best suited to oppose the Vietnamese is the Khmer Rouge.

The weakness of the Khmer Rouge is the matter of their "redness." This is an image that countries that hold right-wing political views and that hate "red" fear greatly, as if it were a disease that they cannot come in contact with.

As for the enormous amount of criticism to the effect that Thailand is getting too involved in this and is inviting the enemy into the house or that Thailand has welcomed Prince Sihanouk with too much fanfare, if we consider things from the standpoint of geography and political histroy, it can be seen that Thailand does not have any other choice. This is the policy that had to be implemented, regardless of whether there are differences of opinion among the leaders of Thailand, particularly in the military and civilian camps.

Thailand has chosen not to have any more friendly dealings with Vietnam. From now on, we will fight with or argue with them and we will do so openly.

This policy was announced unofficially when the Khmer coalition gvoernment that opposes Vietnam and that relies on Thailand convened its last conference and announced that it was at war with Vietnam.

It is true that, for international or regional political circles,the formation of a friendly national representative, or nation that we can talk with, as the country's representative in the United Nations is a legitimate political stratagem and a matter of prestige. But it can be seen that the fact that the Khmer Rouge, which from now on will be known as the Khmer Coalition Government, has held on to its seat in the United Nations will not result in Vietnam withdrawing its forces from Kampuchea or relieve Thailand of having to care for tens of thousands of Kampuchean refugees.

We are entering a path on which it will be difficult to turn back.

As for whether the results will be good or bad, that is a matter for the future. If the results are bad, we cannot blame anyone except ourselves.

This is not a matter of Asean countries taking advantage of each other, or of Sihanouk's insane boldness. It is really a matter concerning Thailand itself.

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NORTHEASTERN LITERARY WORK CAUSES CONTROVERSY OVER SEPARATISM

Bangkok MATICHON in Thai 26 Jul 82 p 7

[Arts and Culture column by Prathip Chumphon: "'Phun Wiang' and the Problem of National Security"]

[Text] "Phun Wiang" is a literary work from the northeast that provides another view of historical events by a person who was oppressed. Such a work is difficult to find in our ancient literary works.

The events discussed, which took place at the beginning of the Rattanakosin period, include corvee labor, a dispute between the provincial town and the center, the Sa Kiet Ngong rebellion, the rebellion by Prince Anuwong of Vientiane and the war between Thailand and Vietnam.

[A picture of] being called up for corvee labor, being oppressed, being separated from what one loves and being moved from one's native region is reflected in moving and simple words.

As for the interesting aspect of the contents, besides its literary flavor, the historical data, particularly those that conflict with central documents, should be discussed.

"Phun Wiang" should be regarded as a very important document for studies dealing with the history of the early Rattanakosin period, particularly the rebellions by various important people, in order to determine what the "facts" are based on.

The reason that Thai scholars have not shown much interest is that they view this literary work as a Lao literary work. Because of this view, various prejudices have arisen.

What is important is that this document has caused a split between the local area and the center. Some people think that the people who have been involved in studying this document are the ones who want to split the 16 northeastern provinces [from Thailand] and return them to Laos.

People even think that the researchers want to return Pra Kaeo Morakot, the symbol of the Thai nation, to Laos since some parts of Phun Wiang refer to Pra Kaeo Morakot being taken from Vientiane during the reign of King Taksin.

This conflict appeared clearly at a seminar on the history of the northeast that was held in 1979 at Mahasarakham Teachers' College. This resulted in the researchers being viewed as communists, terrorists and foreigners even though the researchers were only trying to determine, in all fairness, who the author of this work was and where he had gotten his data.

Besides this, they studied the disputes between the center and the provincial towns. Since there are records of the same event that differ from each other, this is an advance in scholarship without any hidden prejudices or evil intentions.

All the documents have been treated fairly, with the backgrounds and sources of the documents analyzed. This is a correct research method that is in accord with the principles of scholarship. And neither the Thai side nor the Lao side has been maligned. This includes the proposals made at the National Chot Mai Hak Hall and at the seminar on the history of the northeast and in various writings, including Thawat Phunnosa's [book] "Phun Wiang: an Historical and Literary Study" and my "Phun Wiang, a Literary Work On Oppression."

And these things have led to a debate on problems concerning the literary work Phun Wiang, which will be arranged by the Historical Society of Thailand at the Faculty of Arts, Chulalongkorn University.

At this debate, it is hoped that there will be probing analytical research and scholarly arguments. And it is hoped that those who take part in the debate will not get into a violent disagreement, which could create political divisions or lead to problems concerning the security of the state. These things are dangerous to scholarship and, in particular, to scholars.

The various views on Phun Wiang and the histroy of the early Rattanakosin period will have to be disseminated in a detailed and forthright manner in order to learn what scholars in our country now think about this document.

But this will be discussed next time.

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LIMITATION OF TRADE WITH INDOCINA ASSAILED

Bangkok SIAM RAT SAPPADA WICHAN in Thai 22 Aug 82 pp 5, 6

[Article: "Sell Rice to Vietnam; Do Not Just Engage In War"]

[Text] The government has given the green light to selling 48,000 tons of rice to Vietnam. This rice will be sent in four shipments of 12,000 tons each. This information is from a news report from the Ministry of Foreign Affairs.

Security First

In addition to carrying on an international political policy of opposing Vietnam, which invaded a neighboring country in order to become the main power in this region, Thailand is also using economic measures to oppose Vietnam. These measures include not exporting important goods to Vietnam, particularly after the clash along the Thai border in June 1980.

It is common knowledge that this attitude originated from the National Security Council since Squadron Leader Prasong Sursiri, the secretary-general of the National Security Council, has said that Thailand will not sell to Vietnam because it is afraid that [Vietnam] "does not have any money to pay for the goods."

And recently, the secretary-general of the National Security Council reaffirmed his attitude by saying that "concerning the fact that some people are saying that Thailand should sell rice to Vietnam, Thailand will not do this yet. We will wait and watch Vietnam as long as possible."

"Vietnam has said that, before the war to win independence from France, the Vietnamese people ate only one meal a day. But now things are better and they eat two meals a day. We must wait and see what the truth is," said Squadron Leader Prasong.

Rice Won't Be Sold

Rice is an important agricultural product of Thailand, and it is necessary to rely on foreign markets. In the 1981/1982 production season, Thailand experienced a severe export crisis because of the fact that paddy yields here were very

high, reaching approximately 17-18 million tons, and rice yields in some countries that had once purchased rice from us rose greatly. This made it necessary for the government to try to export rice using every means available, including lowering rice reserves and opening export markets in Africa. But the domestic situation has not improved. This can be seen from the fact that the farmers are still selling paddy at prices 1,000 baht below the guaranteed price of 3,750 baht per kwian [1 kwian equals 2,000 liters].

And the fact that the government has a policy of not selling rice to the Indochina countries has just made this problem that much worse.

Statistics of the Department of Business Economics, Ministry of Commerce, show that, in 1982, Thailand sold only 1 metric ton of rice, valued at only 3,000 baht, to Vietnam. In the period 1977-1980, the amounts of rice sold to Vietnam were, respectively, approximately 76,461 metric tons valued at 292.6 million baht; 29,498 metric tons valued at 120.2 million baht; 98,442 metric tons valued at 376 million baht; and approximately 50,314 metric tons valued at 225.6 million baht.

As for Laos, Thailand did not sell any rice to them in 1977, 1979, 1980 or 1981. In 1978 we sold them 7 metric tons valued at 44,000 baht.

As for Kampuchea, in 1981, we sold them approximately 12,700 metric tons valued at 87.7 million baht. And in 1977, 1979 and 1980, the amounts of rice sold were, in order, approximately 1,000 metric tons valued at 3.3 million baht; 15,600 metric tons valued at 79.4 million baht; and approximately 11,685 metric tons valued at 70 million baht. No rice was sold to Kampuchea in 1978.

Thailand Loses Profits

Concerning the fact that Thailand has implemented a security policy that hinders trade with the Indochina countries, actually, this policy has not achieved any results because Singpore, which is a member of Asean too, has taken this opportunity to sell rice to Vietnam.

A report from the Ministry of Foreign Affairs states that during the first 7 months of this year, Singapore bought 50,000 tons of rice from Thailand in order to resell it to Vietnam. At the same time, last year, the Soviet Union purchased 277,000 tons from Thailand in order to send it to Vietnam.

Mr Phichai Rattakun, the leader of the Democrat Party and the former minister of foreign affairs, told SAPPADA WICHAN that "Thailand is not selling goods to them because it wants to use this as a weapon to get them to qucikly withdraw their troops from Kampuchea. But actually, although we have not sold things to them, Singapore and the Soviet Union have purchased goods from Thailand and then turned around and sold them to [Vietnam]. They are making large profits from this."

"This policy of Thailand is worthless. We should separate politics from trade," said Mr Phichai.

For Good Relations

Mr Chet Sucharitkun, the director-general of the Information Department, Ministry of Foreign Affairs, told SAPPADA WICHAN that "concerning rice purchases that have not gone through the Ministry of Foreign Affairs, the fact is that private companies have received orders from the Soviet Union, which then sends it to Vietnam."

"When Nguyen Co Thach came, he did not mention purchasing rice," said the director-general of the Information Department. "Vietnam has very little foreign currency left. The Soviet Union purchases rice for them and immediately pays for it in cash."

Mr Chet gave his personal view on the matter of selling rice for shipment to Vietnam. He said that as for national security, this would probably not have any effect. But this would have a good economic effect and help stimulate exports and push up paddy prices.

"Selling rice to them will help improve relations between Thailand and Vietnam," said the secretary-general of the Information Department. "This will show Thailand's goodwill."

Textiles Are Still Singing In Waiting

Besides this, textiles, which are a type of product that we normally sell to neighboring countries in large quantities, are still being blocked by the political policy, or national security. Many of the small textile factories have had to shut down or cut back production. This has affected employee layoffs and created labor problems.

Concerning this, in his capacity as president of the Textile Association, Major General Praman Adireksan, the deputy prime minister, sent a petition to the prime minister asking him to review this matter since textile activities had been seriously affected.

Mr Komon Tantiwanit, the manager of the Textile Association, told SAPPADA WICHA that "we have not yet received a reply. We do not know whether the government will change its policy and allow border trade."

"At present, we have many problems. We have been seriously affected because textile markets in neighboring countries are [taking] only about 20 percent of our porduction," said Mr Komon. "Since border trading has been closed, some smuggling may be going on but not much."

Merchants Come Forward

The Thai government is allowing rice to be sold to the Soviet Union for later shipment to Vietnam and this rice is sold through Thai merchants. This is proper because the profits will go to Thais. We should not let Singapore serve as the middleman in this trade because this is not wise and it does not benefit our country at all.

However, besides rice, there are textiles and many otehr types of goods that the military has placed in the category of controlled goods along the border. This matter should be reviewed in the interests of the country's trade.

And if the government is afraid of going against its announced principle of not selling goods to Vietnam, it can let the merchants do so. But in practice, trade should be allowed for the common interests of the country.

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NATURAL GAS PROJECT SAID TO HIT SEVERE SNAG

Paris LE MONDE in French 10 Aug 82 p 12

[Article by Jacques de Barrin: "Disappointment for Natural Gas"]

[Text] When underseas natural gas deposits had been opened to development in September 1981, the government had seen in this event the promise of a "bright life" for the Thai people. A serious setabck: on 3 August the American company responsible for the drilling, Union Oil, announced that hydrocarbon reserves in its lease area of Erawan are less than one-third of previous estimates, or 80 billion cubic meters instead of 260 billion.

An underwater gas pipeline (425 km) had begun to pump this natural gas to shore across the Gulf of Thailand. At the outset, this gas was to supply the cement plants and electric power plants in Bangpakong and southern Bangkok which were operating on fuel oil until now. But, Union Oil, which had committed itself to supply 32 million cubic meters per day from the beginning, and then 40 as of July 1982, only succeeded in producing about 10 million cubic meters per day at the beginning of exploration, and barely reached 22.5 million in the second quarter of this year.

For the moment, experts from the Petroleum Authority of Thailand and Union Oil are not capable of giving a clear explanation for this drop in production, or of telling what is due to technical shortcomings, or what to chance. A manager of the American firm limited himself to stating: "Of all of our fields of exploration, this one has been the greatest disappointment."

To compensate for the lack of return, the American company has proposed to the Bangkok authorities to explore new deposits in the Gulf of Thailand and especially to proceed with about 60 additional drilling areas in its Erawan lease area, with the understanding that the company would cover the costs of this investment. Despite everything, were these explorations to prove promising, natural gas production could not reach 32 million cubic meters per day before January 1984 in the opinion of the experts. Will Esso's very encouraging drilling near Khon-Kaen in the northeast of the country provide other guarantees for the future?

Whatever the case, for the moment Thai authorities are refusing to confirm Union Oil's pessimistic conclusions. "This company is not capable of honoring

its commitments; other companies could do the work in its place," threatened Mr Chatichai Choonhavan, minister of industry. If the natural gas reserves finally do prove to be less than the estimates, will the government agree to deal amicable with its leaseholder and renegotiate the terms of the contract as the lessee is requesting? Will Thailand be obliged to decrease the "tremendous investments" that it was intending to make to derive the best advantage from its natural gas? In this way Thailand was hoping to reduce imported petroleum's share of its fuel consumption from 75 percent in 1981 to 52 percent in 1986. Beginning with the treatment of this precious fuel, and with the cooperation of foreign countries--Japan in particular--it was planning to develop a vast industrial complex around Rayong, the length of the country's east coast: a deepwater port, petrochemical plants, etc.

Already, construction of one of the two plants for gas separation, with a treatment capacity of 60 million cubic meters per day, is in the process of being negotiated with an American-Japanese consortium. Construction of a fertilizer plant, jointly financed by public and private funds, is also under study. In the longer term--around the 1990's--Bangkok authorities were planning to export liquefied natural gas, which Japan has already said it would buy. Today, others are wondering whether Thailand will have to give up its dream of entering the club of newly industrialized countries before the end of this decade.

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FUTURE OF COCOS ISLANDS VIEWED

BK181128 Melbourne Overseas Service in English 1110 GMT 17 Sep 82

[Report from the "Australian Insight" program on the future of the Cocos Islands]

[Excerpts] The United Nations has an interest in Cocos because it considers the 300 Malays who have lived there for several generations as an indigenous people. Therefore, under a United Nations resolution they should make an act of self-determination about their future status.

The Australian Government this week sent a minister to find out the wishes of the Cocos Malays. Basically, they have three options: They can seek full independence from Australia or they can opt for integration either as part of an Australian state or part of the Australian capital territory where the capital, Canberra, is situated. The third option is somewhere in between--a form of free association with Australia. This would entail an autonomous state with the islanders managing their own internal affairs and their economy, but with Australia being responsible for the island's foreign affairs and defense.

[Begin recording] There was a definite statement that they do not wish to pursue independence. There was a disposition for integration. [End recording] That's the Australian minister for home affairs and environment, Tom McVeigh, speaking on Cocos after three long sessions with the islanders. He flew there at the request of the foreign minister, Tony Street, who is concerned that Australia should start the process of finding out the islanders' wishes before the United Nations General Assembly begins meeting in New York later this month. In spite of its remoteness, Cocos is important to Australia. Strategically, its airstrip provides a vital link for military and commercial aircraft crossing the Indian Ocean. There's also a $6 million quarantine station where cattle being imported to Australia are held for 90 days to ensure animal diseases are not introduced to Australia. There are two inhabited islands: Home Island where the 300 Malays live along with the shy millionaire Australian, who was born there, called John Clunies Ross. But more about him in a moment. On West Island, live about 250 Australians who work in the territory's administration office or on the quarantine station or the airfield.

In 1974, the United Nations sent a mission from its Decolonization Committee to visit Cocos and the members were not impressed with what they found. The

mission reported that there was no such thing as democracy under the Clunies Ross rule. Primary school education was not compulsory; there was no secondary education at all and there was a primitive manner of paying the Cocos Malays with plastic tokens which were redeemable only at the island store--and that happened to be owned by Clunies Ross. The report on the feudal system operating on Home Island embarassed the Australian Government. In 1978, after much bitter haggling, the Australian Government paid John Clunies Ross $6.25 million to buy back his land. The Australian dollar is worth slightly less than the U.S. dollar. The land was handed over to the Malays to work.

The minister for home affairs, Mr McVeigh, whose department administers the territory, made two trips to Home Island during his visit this week. On his second visit there, he and his advisers spent 90 minutes in the Council Chamber with members of the council and the cooperative. Because the islanders don't speak English, the negotiations had to be conducted through an interpreter, but officials told me later that the atmosphere had been extremely friendly. The Cocos Malays are a cautious, conservative people, but it was clear from talking to them that they wanted a minimum of disruption to their lives on Cocos.

I spoke to Mr (Waheen), the chairman of the council, about his talks with Mr McVeigh. Mr (Waheen) said the islanders were extremely happy that they could meet the minister from Australia and grateful that he had come from Canberra to Cocos to see their situation for himself. He said the members of the council and the cooperative had carefully weighed up the advantages and disadvantages of the three choices before them on their future and there would be further discussions among the rest of the Malays on the island.

On West Island, a few Australians privately expressed their concerns to me about the future of Cocos Island. But significantly, none of them would agree to be interviewed. Life in Cocos has its drawbacks because of its isolation and the fact that supplies are flown from Australia only once a fortnight. But as against that, Australians there are paid tax-free salaries and can buy goods duty free. Some people are concerned that integration with Australia might mean the end of that situation. The minister, Mr McVeigh, would not give an assurance on that score when I questioned him. Just before he flew from Cocos on board his Royal Australian Air Force plane, I asked him whether the islands would be integrated with western Australia or with the Australian capital territory.

[Begin McVeigh recording] We didn't get to the stage of integration for electoral purposes. After all, it is only a very minor part. We hope there would be a great deal of self government here and there would only be a very minor need to be represented at the Australian Parliament. But those things are things that will evolve over a period of time. It is more important to get the guidelines and the parameters right in the early stages.

[Question] Will there be further talks in Canberra when the council sends a delegation to Canberra?

[Answer] I have invited them to send a delegation to Canberra. Similarly, they have invited me to come back.

[Question] How do you see the economic future of a state like Cocos Islands?

[Answer] I think the economic possibilities are there.

[Question] Why didn't you meet Mr Clunies Ross?

[Answer] Well, Mr Clunies Ross has already had a discussion with me in Australia. He came over to Australia, I had a long discussion with him. But I didn't come over here to see Mr Clunies Ross. You must remember, of course, that Mr Clunies Ross is a person living privately on part of Home Island. I came over here for discussions with the Cocos Malays in line with the requirements of the United Nations for them to seek self-determination.

[Question] When do you think it is likely that they will make this act of self-determination?

[Answer] Well, they expressed to me a willingness that there had been a long enough delay up to the present and they hoped that I, as the responsible minister, could move forward now with a certain degree of urgency. But, in the final analysis it is for the mission from the United Nations to come here and observe and see for themselves that the local people have reached a consensus.

CSO: 4200/10

BRIEFS

ENVOYS TO PHILIPPINES, JORDAN--New Australiam ambassadors have been appointed to the Philippines and to Jordan. A senior career officer of the Department of Foreign Affairs, R.R. Fernandez, is to succeed Richard Woolcott as Australia's ambassador to Manila. Fernandez has served as ambassador in Burma and Yugoslavia and held senior positions in Washington and London before taking up his current post as ambassador to Belgium and the European community. Richard Gate, currently ambassador to Burma, is to become Australia's first resident ambassador to Jordan. [Text] [BK240721 Melbourne Overseas Service in English 0830 GMT 23 Sep 82]

FIJI, VANUATU AIR SURVEYS--Australia is carrying out high altitude aerial photographic surveys in Fiji and Vanuatu under the defense cooperation program. Minister for Defense Sinclair said that a six-man Royal Australian Air Force team was using a Lear jet aircraft to undertake air photography of Fiji. At the same time, a four-man army team was using a Beechcraft Queen air to photograph the entire Vanuatu Archipelago. The projects will help Fiji and Vanuatu to update their national maps. [Text] [BK240721 Melbourne Overseas Service in English 0830 GMT 23 Sep 82]

JAPANESE INVESTMENT IN CEMENT--Japan's biggest manufacturer of cement is taking a 10 percent stake in Adelaide Brighton Cement holdings for $9.6 million. Adelaide Brighton Cement said it had issued $5.4 million to the Oneida Cement Company and would place 600,000 more shares with the Japanese company next September. A director of the Adelaide Company said the deal would give Adelaide Brighton Cement continuing access to technical research and development skills for which the Oneida had a worldwide reputation. [Text] [BK240721 Melbourne Overseas Service in English 0830 GMT 23 Sep 82]

WHEAT IMPORT--Australia might soon have to import wheat because of the drought affecting the eastern states. The Australian Wheat Board says it will ask the federal government for permission to import wheat to feed stock in drought-affected areas. In a revised estimate the board says it now expects the national wheat crop this year to be less than 9 million tons, more than half of which will come from western Australia. [BK280402 Melbourne Overseas Service in English 0830 GMT 25 Sep 82]

TV INFORMATION SERVICES--The federal government has cleared the way for instant information services on television using the teletext system. Endorsing the system known as UK teletext as the approved standard for Australian television stations, Communications Minister Brown said one application of the system would be the provision of captions for people with hearing difficulties. Teletext can provide continuosuly updated information ranging from news and weather reports to transport timetables. A special decoder is needed to receive the information on a normal television set. [Text] [BK280402 Melbourne Overseas Service in English 0830 GMT 27 Sep 82]

CSO: 4200/10

BRIEFS

STUDY TEAM TO PRC--A six-member Burmese delegation today left for the People's Republic of China to study production of medicines, consumers goods and foodstuff from honey. The delegation will tour China for 2 weeks to study industries related to honey products. [Rangoon Domestic Service in Burmese 1330 GMT 9 Sep 82 BK]

DELEGATION RETURNS FROM DPRK--The Burmese delegation headed by deputy minister for mines U Win Htein, which toured the DPRK for 2 weeks to study mining and mineral refinery work at the invitation of the DPRK Ministry for External Economic Affairs, returned to Rangoon by air on 15 September. The deputy minister and his delegation were welcomed at Rangoon airpot by minister for mines U T And Tin, deputy minister for mines U Myo Myint, responsible officials of the departments and corporations under the Ministry of Mines, DPRK ambassador Yi Song-hui and staff members of the DPRK Embassy, and commercial counsellor of the PRC Embassy in Burma Yao Jingqing. [Text] [Rangoon Domestic Service in Burmese 1330 GMT 15 Sep 82 BK]

AMBASSADOR TO ARGENTINA--The president of the Socialist Republic of the Union of Burma [SRUB] has appointed U Kyee Myint, ambassador extraordinary and plenipotentiary of the SRUB to the United States of America, concurrently as ambassador extraordinary and plenipotentiary of the SRUB to the Argentine Republic. [Text] [BK290447 Rangoon WORKING PEOPLE'S DAILY in English 20 Sep 82 p 1]

CSO: 4200/10

INDIA TO CUT JAGUAR JET PRODUCTION

Kathmandu THE RISING NEPAL in English 21 Sep 82 p 6

[Text] New Delhi, (AFP):

India has decided to slash by half production of Anglo-French deep penetration Jaguar aircraft with strategic planners suggesting a balance between the strike aircraft and interceptors, like the French Mirage-2000 for which India has already signed an intent to proceed document, defence officials said here Monday.

The confirmation that New Delhi had decided to cut down the production of Jaguar aircraft from the original 65 to 31, came in a dispatch from the London correspondent of the Indian news agency, PTI Monday.

India and Britain signed a 1.2 billion U. S. dollar contract in October 1978 for the import of 40 fully assembled fly-off condition aircraft, assembly of 45 more in India with the option to produce 65 more under licence here.

The agency report, which is considered reliable, said India was now using the option clause and a new agreement will soon be signed between British Aerospace and the state-owned Indian company—Hindustan Aeronautics Limited—where the aircraft is being assembled and will be eventually produced.

The defence officials who asked not to be identified by name said the present strategic conditions here have led to the government's decision with the planners suggesting that India should have a balance between the two—the deep penetration strike aircraft and the interceptors.

India and France signed the intent to proceed document last April for the purchase of 40 Mirage-2000 by 1984 and the manufacture of 110 more under licence here.

French Defense Minister Charles Hernu, is expected here early next month to formalise the document and fix the delivery schedule, informed sources said.

CSO: 4200/13

'INDONESIA TIMES' EDITORIAL WELCOMES PRESS LAW

BK181622 Jakarta INDONESIA TIMES in English 11 Sep 82 p 2

[Editorial: "Welcoming Amended, Revised Press Law"]

[Text] On Tuesday the 7th of September 1982, the DPR [Dewan Perwakilan Rakyat--People's Representation Council] approved an amended and revised law on basic provisions for the press. The bill was submitted by the government to the DPR on 31 May 1982.

By amending the law the government and the DPR have fulfilled the guideline of state policy directive that in order to build information and press in the framework of implementing pancasila democracy and to guaranteea healthy growth of a free and responsible press, the law regarding basic provisions of the press had to be revised.

According to the amended press law, the national press has the duty of perpetuating and popularising pancasila, fighting for truth and justice, stimulating the spirit of dedication for national struggle, consolidating national unity and cohesion, deepening national discipline and responsibility, helping to raise the intelligence of the nation, invigorating people's participation in development, and realising a new international order in the field of information and communication.

On the other hand the press is invested with the rights of control, constructive criticism and correction. In exercising its rights and duties, freedom of the press is guaranteed in accordance with its national responsibility.

In the amended law, SIT [Surat Izin Terbit] (letter of publication permit) has been replaced by SIUPP [Surat Izin Usaha Penerbitan Pers] (letter of permit for press publication enterprise). There was strong opinion that SIT limited the freedom of the press.

The old law did not guarantee the commercial and business position of the press. By introducing SIUPP both aspects of the press are guaranteed. We cannot achieve our ideals without a strong and sound economic background. SIUPP is meant to provide such background and harmony, high productivity and efficiency in the press business since it is based on the principle of equitable participation in the management of business among the press members and their leadership.

Nowadays, the information industry is a strong and decisive power which decides much of the fate of a nation in all fields. Because of its strength and influence the press used to be called the fourth estate in the West. For instance it may create an explosive political and economic situation if it reports in an insinuating way. Therefore, if the press and information industry is not well defined and organised it may create havoc in a country. It is liable to be infiltrated and influenced by foreign capital and interests. By introducing SIUPP in the amended law it is hoped that this will be avoided. And SIUPP will guarantee that a press enterprise will become a collective enterprising legal body based on brotherhood among the management, reporters and other workers. Indeed the amended law has made our press acquire a truly national identity. It has entered a new era where it can advance national interest and cope with the regional and international situation. It can cooperate more effectively with the ASEAN press and other press organisations belonging to the nonaligned countries and the developing countries. With the press freedom invested by the amended press law and the awareness of its national and press responsibility, our national press can now contribute to and participate fully in the development drive we are undertaking to attain a just and prosperous pancasila society. The recent remark made by the minister of religious affairs on the so-called "MPR [Majelis Permusyawaratan Rakyat] Koran" or press congress can be, therefore, understood in the context of the amended law, to mean that the freedom of the press to discuss pancasila as the sole basis of political parties, functional groups and mass organisations should not exceed the limit of press ethics and responsibility and insinuate and set groups against one another. The press is free to discuss, to opine and criticise as long as it is healthy, positive and constructive.

This amended press law should be followed as soon as possible by the issuance of necessary rules and regulations on the implementation of the law so that it may start to function as desired by the consensus of the people.

We welcome the amended press law.

CSO: 4200/10

BRIEFS

BANGLADESH ENVOY PRESENTS CREDENTIALS--Jakarta, 4 Sep (ANTARA)--President Suharto today received credentials of Ambassador Extraordinary and Plenipotentiary Moidul Hossain Choudhury of Bangladesh. [Excerpt] [BK041311 Jakarta ANTARA in English 1118 GMT 4 Sep 82]

DROUGHT IN IRIAN JAYA--Jakarta, 3 Sep (AFP)--A total of 110 people have died and 254 are in hospital following the long drought in the Indonesian province of Irian Jaya bordering Papua New Guinea, it was reported here today. The bupati (district chief) of the Jaya Wijaya mountain range in central Irian Jaya, Albert Dien, was quoted by evening newspaper SINAR HARAPAN (RAY OF HOPE) as saying that most of the dead were from the village of Kurima which was badly hit by severe drought. Food and medical aid was being sent to the drought stricken areas, the bupati said. [Text] [BK041311 Hong Kong AFP in English 0949 GMT 3 Sep 82]

NEW MEXICAN AMBASSADOR--Jakarta, 22 Sep (ANTARA/OANA)--The Indonesian Government has approved the nomination of Guillermo Corona Munoz new ambassador plenipotentiary of Mexico to Indonesia to succeed Juan Manuel Ramirez who has just ended his term of office in the country. [Excerpt] [BK230443 Jakarta OANA in English 0710 GMT 22 Sep 82]

EAST TIMOR GOVERNOR NAMED--Jakarta, 20 Sep (AFP)--The Indonesian Government has named prominent East Timorese leader Mario Viegas Carrascalao as the new governor of East Timor to succeed Guilherme Maria Goncalves who has completed his assignment, a Home Ministry spokesman said today. Mr Carrascalao was sworn in by Home Minister General Amir Makhmud at a ceremony in Dili, East Timor capital, on Saturday, the spokesman said. Mr Carrascalao, an agriculture engineer, was former vice president of the pro-Indonesia UDT Party which fought the leftwing Fretilin Movement with the support of Indonesian troops in a civil war that led to the annexation of the former Portuguese colony to Indonesia in 1976. [Text] [BK210555 Hong Kong AFP in English 0116 GMT 20 Sep 82]

FOOD SUBSIDY FUNDS--Jakarta, 17 Sep (AFP)--The Indonesian Government has decided to do away with food subsidies originally scheduled to amount to over $300 million this fiscal year in an effort to cope with sagging exports and the effects of the world recession. Announcing this yesterday, the head of the National Logistics Agency "Bulog," Bustanil Arifin, said the freed amount would instead be used to help finance government development projects.

Bustanil Arifin, who is also junior minister of cooperatives, said the Indonesian economy was facing a "heavy slump" as a result of the world recession and declining oil and non-oil exports. Quoting Bank of Indonesia figures, he said the Indonesian aggregate export figure for the first semester of this year had dipped to slightly over 3 billion from some U.S.$10.3 billion in the same period last year. Oil and natural gas exports for the corresponding first semesters dropped from 3.56 billion to U.S.$6.62 billion and non-energy exports from 2.26 billion to U.S.$1.413 billion. [Text] [BK191436 Hong Kong AFP in English 0908 GMT 17 Sep 82]

ENVOY TO EEC, LUXEMBOURG--The EEC Commission and Council of Ministers and Luxembourg have approved the appointment of Gusti Rusli Noor as ambassador extraordinary and plenipotentiary of the Republic of Indonesia to the EEC and Luxembourg to succeed Kahono Martohadinegoro. The Foreign Affairs Department in Jakarta announced that Gusti Rusli Noor, director general of foreign economic relations, has earlier been approved by Belgium as Indonesian ambassador extraordinary and plenipotentiary to Belgium. [BK270831 Jakarta Domestic Service in Indonesian 1200 GMT 24 Sep 82]

ASIAN DEVELOPMENT BANK LOANS--Jakarta, 24 Sep (ANTARA/OANA)--The Asian Development Bank has approved a U.S. $77 million loan for an irrigation package project and a U.S. $4.35 million technical assistance loan in Indonesia which are designed to benefit low income farmers and landless poor. The irrigation package project is aimed at improving the economic and social conditions of the rural population in central and east Java by increasing agricultural production, creating additional job opportunities, and raising the incomes of farmers. To achieve these objectives, the project will provide reliable irrigation water supply together with improved flood control and drainage. The U.S. $77 million loan, from the bank's ordinary capital resources, is repayable over a period of 25 years, including a grace period of years, at an interest rate of 11 percent per annum. The U.S. $4.35 million technical assistance loan is also from the bank's ordinary capital resources, and will be payable over 100 [figure as received] years, including a 2-year grace period, at an interest rate of 11 percent per annum. [BK270831 Jakarta OANA in English 0745 GMT 24 Sep 82]

AIRCRAFT SALES REPORTED--The Nurtanio Aircraft Industries Limited has received domestic and foreign orders for a total of 416 aircraft and helicopters for civilian and military use, according to the company's public relations officer, Suripto. The foreign orders have come from Thailand, Bangladesh, Burma, Pakistan and Argentina and a number of foreign airlines, including Iberia, Aviaco and (Transeuropa). [BK191430 Jakarta Domestic Service in Indonesian 1200 GMT 15 Sep 82 BK]

CSO: 4213/500

SRV LEADERS THANK PRK LEADERS FOR MESSAGE

BK240756 Phnom Penh Domestic Service in Camboaian 1300 GMT 23 Sep 82

[Text] Recently Comrade Le Duan, general secretary of the VCP Central Committee; Comrade Truong Chinh, chairman of the Council of State; Comrade Pham Van Dong, chairman of the Council of Ministers; and Comrade Nguyen Huu Tho, chairman of the National Assembly, sent a message of thanks to Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State of the PRK; Comrade Chae Sim, chairman of the National Assembly; and Comrade Chan Si, chairman of the Council of Ministers. The message said in part:

On behalf of the VCP Central Committee and the SRV National Assembly, Council of State and Council of Ministers, as well as the Vietnamese people, we would like to send to you and, through you, to the KPRP Central Committee, National Assembly, Council of State and Council of Ministers of the PRK and to the fraternal Kampuchean people our sincere thanks for the deep feelings and warm greetings on the occasion of the SRV's 37th National Day. Your cordial sentiments of brotherhood and wholehearted assistance have greatly encouraged our Vietnamese people in the cause of building and defending their beloved fatherland.

We take this opportunity to wish the fraternal Kampuchean people under the leadership of the KPRP more and greater successes in building and defending their fatherland, contributing to the strengthening of peace and stability in Southeast Asia and the world. We firmly believe that the great bonds of friendship, close solidarity and special relations of cooperation between Vietnam and Kampuchea, as well as among Vietnam, Kampuchea and Laos, will further develop and improve forever.

CSO: 4212/2

BOU THANG GREETS BULGARIAN ARMY DAY

BK231202 Phnom Penh Domestic Service in Cambodian 1200 GMT 22 Sep 82

[Message from Bou Hang, PRK minister of national defense to Army General Dobri Dzhurov, Bulgarian minister of defense, on the occasion of the 38th founding anniversary of the Bulgarian Army--date not given]

[Text] Dear Comrade, on the occasion of the 38th founding anniversary of the Bulgarian Army, on behalf of the Kampuchean People's Revolutionary Armed Forces and in my own name, I am honored to send to you our warm and most cordial greetings. We are convinced that under the leadership of the Bulgarian Communist Party, the government of the People's Republic of Bulgaria and yourself, the people and the Bulgarian Armed Forces will achieve great successes in building socialism and in struggling to strengthen the country's defense capabilities, thus contributing to defending the firm solidarity in the great socialist community, and expanding the good friendly relations between our peoples and armed forces.

Once again, I would like to take this opportunity to wish you, comrade minister, and cadres of the Bulgarian People's Armed Forces great success in carrying out the enormous tasks of defending and building your glorious socialist fatherland.

CSO: 4212/2

CHEA SIM VISITS MONASTERY IN PHNOM PENH

BK230754 Phnom Penh SPK in French 1431 GMT 22 Sep 82

[Text] Phnom Penh, 22 Sep (SPK)--On 20 September, Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and the KUFNCD Council, visited Unnalaom Monastery in Phnom Penh.

The venerable Tep Vong, vice chairman of the Front Council; Min Khin, acting general secretary of the Front; My Samedi, chairman of the Phnom Penh KUFNCD Committee and dean of the faculty of medicine and pharmacy, accompanied Chairman Chea Sim.
Chea Sim informed the monks about actualities in Kampuchea and emphasized that the successes achieved up to now are due to the efforts of all the people, including monks and intellectuals, and to the disinterested aid of Vietnam and international humanitarian organizations.

He said:

Under the correct leadership of the party and the Front, monks participated in the victorious struggle against the colonialists, the imperialists and the expansionists and are truly participating in the construction of the new life and, with all the people, have made the Kampuchean revolution advance.

Chairman Chea Sim talked about the enemies' maneuvers to sabotage the Kampuchean revolution: forming a political opposition aimed at fooling international opinion, distorting the Kampuchea-Vietnam proletarian internationalist solidarity, creating the so-called "tripartite Coalition Government of Democratic Kampuchea...." Despite their efforts, the enemies will fail in the face of the rock-like union of our people, he affirmed.

The monks of Unnalaom monastery expressed their gratitude to the party and the Front which liberated the nation and returned religious freedom, which was abolished under the genocidal Pol Pot regime, to them. They promised to do everything possible to contribute to the defense and reconstruction of the country in advancing toward socialism.

CSO: 4219/3

HENG SAMRIN GREETS NICARAGUAN CHAIRMAN CASTANO

BK151029 Phnom Penh SPK in French 0406 GMT 15 Sep 82

[Text] Phnom Penh, 15 Sep (SPK)--Heng Samrin, chairman of the Kampuchean Council of State, recently sent his "warmest congratulations" to Bayardo Arrce Castano, chairman of the Nicaraguan Council of State [name and title as received], on the occasion of the 161st anniversary of the Republic of Nicaragua's national independence proclamation.

Chairman Heng Samrin stressed that in the safeguard of national independence and sovereignty and the revolutionary gains, we note with satisfaction that, under the just leadership of the Sandinist Front, the Nicaraguan people have achieved great successes by defeating the perfidious maneuvers of the imperialists and the remnants of Somoza. Faced with threats of aggression from the U.S. imperialists, the Kampuchean people will always be on the side of the fraternal Nicaraguan people to fight against the eventual provocations of the U.S. imperialists and their lackeys.

We are convinced that the fraternal friendship and the militant soladarity between our two countries--wrought from the common struggle against the imperialists, expansionists and international reactionaries--will strengthen further.

On the same occasion, Hun Sen, Kampuchean minister of foreign affairs, also sent congratulations to his Nicaraguan counterpart Miguel D'Escoto.

CSO: 4219/3

KAMPUCHEAN AGRICULTURAL REPORTAGE FOR 6-12 SEPTEMBER

BK130254 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 6-12 September:

Battambang: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 6 September reports that from the beginning of the rainy season to 20 July more than 1,500 hectares of land had been tilled in Ratanamondol District, more than 500 hectares of rice broadcast, 700 hectares of rice transplanted, over 640 hectares of subsidiary crops planted and 30 hectares of corn planted. In Sisophon District, the radio reports at 0400 GMT on 12 September, over 18,000 hectares of rice had been sown by early this month. Phnom Penh SPK in French at 0358 GMT on 8 September reports that by the end of August Phnum Srok District had planted 1,380 hectares of rice--50 percent of the plan. The water reservoir at Trapang Thmar, which can irrigate 3,000 hectares of rice, has been repaired.

Kampot: At 0400 GMT on 8 September the radio reports that by the end of August the province had harvested 6,870 hectares of early rice--50 percent of the area--for an average yield of more than 1 ton per hectare. At 1445 GMT on 8 September SPK notes that Banteay Meas District has planted 18,110 hectares of rice, almost fulfilling the plan. The district has also planted 1,250 hectares of corn, 665 hectares of cassava and 1,800 hectares of other crops. At 1300 GMT on 9 September the radio notes that more than 9,600 hectares of rice had been transplanted in Chhuk District by 24 August.

Kompong Chhnang: At 0400 GMT on 11 September the radio says that in Roles P'ier District by mid-August more than 2,000 hectares of rice had been sown, more than 3,000 hectares of rice transplanted, 2,000 hectares of floating rice broadcast and over 200 hectares of subsidiary crops planted.

Takeo: SPK reports at 1433 GMT on 9 September that by the end of August the province had planted 77,060 hectares of rice--57 percent of the plan. Other crops planted include 2,170 hectares of cassava, 910 hectares of corn and 3,550 hectares of subsidiary crops. At 0401 GMT on 11 September SPK says that Kirivong District has planted 24,900 hectares of rice--90 percent of the plan.

Svay Rieng: At 0400 GMT on 12 September the radio carried a report by an official of the province to the National Assembly session which notes that

from 30 June 12,707 hectares of land had been plowed, 2,568 hectares sowed and 8,047 tons of rice had been bought from the people.

Kandal: At 0400 GMT on 12 September the radio notes that in Ponhea Loe District 3,660 hectares of land have been tilled, 840 hectares of rice sown, 230 hectares of floating rice broadcast, 950 hectares of rice transplanted and 500 hectares of subsidiary crops planted.

Prey Veng: At 0400 GMT on 12 September the radio says that in Peareang District 820 hectares of rice had been sown and almost 4,000 hectares transplanted by the end of August.

Kompong Cham: At 0401 GMT on 8 September SPK notes that a meeting in the province recently reported that during August the province planted 72,620 hectares of rice, 17,230 hectares of corn, 12,240 hectares of cassava, 6,200 hectares of vegetables and 10,900 hectares of industrial crops including cotton and jute.

CSO: 4212/2

KAMPUCHEAN AGRICULTURAL REPORTAGE FOR 13-19 SEPTEMBER

BK200639 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 13-19 September.

National level: Phnom Penh Domestic Service in Cambodian at 0400 GMT on 19 September reports that since mid-March the Agriculture Ministry tractor groups have plowed 68,000 hectares of land, including nearly 40,000 hectares in Battambang Province; 2,000 hectares in Kompong Chhnang; 5,000 hectares in Siem Reap; 2,400 hectares in Pursat; 4,800 hectares in Kompong Thom; 3,300 hectares in Prey Veng; 2,500 hectares in Kandal; 1,100 hectares in Kampot; 160 hectares in Koh Kong; and 5,900 hectares in Takeo Province. The report adds that in 1981, the tractor groups plowed 70,000 hectares of 7,000 hectares more than planned.

Ratanakiri: Phnom Penh Radio at 0400 GMT on 13 September notes that in Ratanakiri Province there are 3,979 hectares of ricefields, 9,259 hectares of farmland, 103 hectares of cassava, 78 hectares of sugarcane, 515 hectares of sesame, 278 hectares of banana, 20 hectares of peanut and 25 hectares of cotton. The radio adds that there are 3,575 buffaloes, 1,366 oxen, 65 elephants, 1,469 pigs, 13,690 chickens and 3,436 ducks.

Kampot: In the same broadcast, the radio reports that from the beginning of the rainy season up to 30 August, peasants in Kampot Province transplanted 13,719 hectares of early rice, 53,264 hectares of late rice, tilled 17,819 hectares of land, sowed 2,386 hectares of early rice, sowed 9,952 hectares of late rice, harvested 11,746 hectares of early rice and planted 7,486 hectares of subsidiary crops. At 1300 GMT on 18 September, the radio adds that in Angkor Chey District, Kampot Province, by 30 August, peasants had harvested 5,900 hectares of late rice and more than 3,000 hectares of early rice, sewn 1,500 hectares of various types of rice and retilled 4,100 hectares of land. The radio further says that Banteay Meas District of the same province, by 30 August, had transplanted 19,000 hectares of late rice and 3,500 hectares of early rice, sown 2,600 hectares of various types of rice, retilled nearly 3,000 additional hectares of land and planted 3,248 hectares of subsidiary crops.

Kompong Chhnang: Phnom Penh Radio at 1300 GMT on 13 September reports on agricultural production in Kompong Chhnang Province as follows: By 30 August, over 4,600 hectares of floating rice had been broadcast, 36,700 hectares of

land tilled, 6,200 hectares of rice sown, 22,400 hectares of rice transplanted, 670 hectares of slash-and-burn rice planted and 2,300 hectares of highland rice sown. In sum, by the end of August, peasants in Kompong Chhnang Province had planted over 30,100 hectares of rice or 71.16 percent of the plant which is to cultivate 42,000 hectares of rice. They also planted 3,100 hectares of secondary food crops and 450 hectares of industrial crops. In addition, they reclaimed 8,400 hectares of land, including 4,300 hectares of ricefield, 3,400 hectares of highland field and 650 hectares of land for planting dry-season rice. The land reclamation plan is 11,500 hectares. Phnom Penh SPK in French at 0041 GMT on 16 September noted that Rolea P'ier District, by mid-August, had planted 5,390 hectares of rice and 260 hectares of subsidiary crops. This year the district has reclaimed 900 hectares of land.

Kompong Speu: Radio Phnom Penh at 1300 GMT on 13 September notes that in the first half of this year Samraong Tong District trade service bought 5,516 tons of rice from peasants. In May and June the office purchased 2,293 tons, including 193 tons of IR-36 seed, and dozens of tons of palm sugar, cinchona seeds and tamarind from peasants. The radio at 0400 GMT on 15 September says that Oudong District has transplanted 4,600 hectares of rice. At 1300 GMT on the same day the radio adds that in Phnum Srouch District, despite a spell of drought, the peasants have so far tilled 4,500 hectares of land, sown 540 hectares of rice and grown 500 hectares of corn, manioc, beans, taro root and vegetables. They have also raised 3,000 hogs, 22,000 chickens and 3,800 ducks. The radio at 1300 GMT on 17 September mentions that in Thpong District peasants have transplanted various types of rice on 2,300 hectares, sown 600 other hectares, retilled 3,300 hectares, grown 583 hectares of corn, manioc, vegetables and raised more than 2,000 hogs and 17,100 fowls. In Kong Pisei District, peasants have transplanted over 25,000 hectares of various types of rice, planted 3,100 hectares of subsidiary crops and raised over 17,800 pigs, about 116,000 chickens and 26,000 ducks, according to the radio at 0400 GMT on 19 September.

Kompong Cham: SPK at 0401 GMT on 14 September reports that Memot District has fulfilled its plan by planting rainy-season rice on 5,860 hectares and slash-and-burn rice on 5,900 hectares. The report adds that the district has planted 1,840 hectares of corn, 850 hectares of potato, 46 hectares of soybean and sesame as well as 1,210 hectares of vegetables. The news agency at 0441 GMT on 16 September adds that by early September, Tbong Khmum District had planted 12,790 hectares of rice or 80 percent of the plan.

Preah Vihear: From May to July peasants in this province transplanted more than 3,100 hectares of rice, broadcast 1,700 other hectares planted 1,600 hectares of other crops and plowed 5,700 hectares of land, according to Phnom Penh Radio at 0400 GMT on 15 September when it also mentions that the veterinary service vaccinated more than 2,600 oxen, buffaloes and pigs. On the following day at 0400 GMT the radio adds that in Chhep District peasants have plowed more than 300 hectares of land and transplanted rice on 220 hectares while the veterinary service has injected 380 oxen, buffaloes and pigs.

Battambang: SPK at 0403 GMT on 13 September reports that by the end of August, Battambang Province had planted 217,000 hectares of rice or 70 percent of the plan norm. The news agency at 0407 GMT on the following day updates the report by saying that in early September, the province planted another 54,850 hectares bringing the percentage of the plan norm to 80. Meanwhile, in Preah Net Preah District, Phnom Penh Radio at 0400 GMT on 13 September notes that by the end of August, peasants had sown rice on more than 20,000 hectares and transplanted another 2,000 hectares. In Mongkolborei District, the radio says at 1300 GMT on 14 September, by mid-August, peasants had tilled more than 52,000 hectares of land; planted about 48,700 hectares of broadcast rice, including floating, late, ordinary and early rice crops; sown 500 hectares of rice, transplanted another 1,800 hectares. The production plan for the district is 55,100 hectares.

Kandal: Phnom Penh Radio at 1300 GMT on 17 September says that peasants in Phnom Penh District by early September had transplanted over 6,000 hectares of rice of all types despite a spell of drought earlier. They harvested 65 hectares of IR-36 rice with an average yield of nearly 4 tons per hectare.

Prey Veng: By the end of August, Prey Veng District had sown 1,700 hectares of various types of rice, tilled 22,000 hectares and transplanted 5,000 hectares of rice, according to the radio at 0400 GMT on 18 September.

CSO: 4212/2

KAMPUCHEAN AGRICULTURAL REPORTAGE FOR 20-26 SEPTEMBER

BK270551 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 20-26 September:

National level: During the past 6 months, people throughout Kampuchea cultivated 1,066,300 hectares of rice, including 6,600 hectares of the IR-36 strain, fulfilling 70 percent of their plan, reports Phnom Penh SPK in French at 0401 GMT on 23 September, citing agricultural sources (BK230849). At 0357 GMT on the next day the news agency adds that by August, peasants throughout the country had received 18,150 tons of chemical fertilizer, 2,640 sprayers, 21,100 mould boards, 42,630 plowshares and hundreds of tons of corn and rice seeds, insecticide and rat poison. In August, the Agriculture Ministry delivered 2,590 tons of chemical fertilizer, 1,730 liters of insecticide and 270 sprayers to various provinces (BK240803).

Pursat Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 21 September notes that despite drought, peasants in the district have strived to transplant the remaining rice crops in order to fulfill the production plan of 27,000 hectares of rice. By the end of August, they had planted 17,200 hectares of rainyOseason rice or 68 percent of the plan. The district has raised 12,650 head of oxen and buffalo. This is 1,000 head more than last year. The radio at 0400 GMT on 25 September adds that in Bakan District, by 22 September, 2,736 hectares of various types of rice had been sown, 5,692 hectares of early rice and 7,920 hectares of late rice transplanted and 4,485 hectares of floating rice broadcast--representing 84 percent of its plan.

Prey Veng: SPK at 1428 GMT on 21 September reports that Kompong Trabek District, by mid-September, had cultivated 31,990 hectares of rice, surpassing the targeted plan, and grown 500 hectares of subsidiary crops such as corn, haricot bean, manioc and tobacco. The provincial authorities recently provided the district with 220 tons of chemical fertilizer and 250 liters of insecticide. Phnom Penh Radio at 0400 GMT on 26 September adds that Peam Chor District, by mid-September, had transplanted 4,000 hectares of rice, planted 1,882 hectares of corn, 613 hectares of beans, 20 hectares of vegetables and 8 hectares of potato. SPK at 1435 GMT on the same day adds that Kanhchriech District had transplanted rice on 4,500 hectares, including 2,400 hectares of early rice, and grown 260 hectares of potato, 100 hectares of beans and 100 hectares of other subsidiary crops. The district plans to cultivate 17,000 hectares of rice during this rainy season.

Kampot: Phnom Penh Radio at 0400 GMT on 22 September notes that Angkor Chey District, by 10 September, had sown more than 2,600 hectares of early and late rice, transplanted 9,500 other hectares, including about 40 hectares of slash-and-burn rice and 30 hectares of floating rice and grown 970 hectares of subsidiary crops. At 1300 GMT on the same day the radio adds that Chhuk District, by 10 September, had transplanted 14,700 hectares of rice.

Kompong Chhnang: Phnom Penh Radio at 1300 GMT on 22 September notes that Kongpong Leng District has transplanted rice on more than 3,000 hectares out of the 7,000 hectares planned. It has reclaimed more than 2,500 hectares of new land, including 2,100 hectares of slash-and-burn land, 200 hectares of dry-season rice land and nearly 200 hectares of rainy-season rice land. The radio at 0400 GMT on 24 September adds that Baribo District has fulfilled its rainy season rice production plan of 7,000 hectares, repaired dams at 7 places, erected almost 15 km of dikes, raised more than 2,800 head of cattle, 3,800 buffaloes, 47 horses, 500 pigs and hundreds of chickens and ducks. The district caught over 950 tons of fish during the last dry season.

Kratie: Radio Phnom Penh at 1300 GMT on 23 September reports that Sambo District has fulfilled its rice production plan of 4,200 hectares. By 15 September, it had transplanted late rice on 4,785 hectares or 585 hectares above the plan, and grown nearly 1,000 hectares of subsidiary crops. The radio at 1300 GMT on 24 September adds that Snoul District has made preparations to fulfill the rainy-season rice production plan of 2,700 hectares. By 15 September, the district had transplanted rice on 2,650 hectares and grown 500 hectares of subsidiary crops.

Takeo: Samraong District, b6 25 August, had tilled more than 11,000 hectares of ricefield, sown 1,800 hectares, transplanted almost 8,300 hectares including 37 hectares of IR-36 rice strain, retilled 2,000 hectares, harvested 273 hectares of ordinary rice with a yield of 48 tons and planted over 200 hectares of subsidiary crops, according to Phnom Penh Radio at 0400 GMT on 25 September.

Kompong Cham: SPK at 0404 GMT on 26 September notes that O Reang Euv District has transplanted 14,930 hectares of rice, planted 5,000 hectares of subsidiary crops including corn, beans, potato and sugar cane. The district has harvested 1,620 hectares of early rice. It has also reclaimed 1,600 hectares of land out of 2,440 hectares planned and repaired 1,000 meters of irrigating canals and 2 barrages.

CSO: 4212/2

KAMPUCHEAN AGRICULTURAL REPORTAGE FOR 27 SEPTEMBER-3 OCTOBER

BK040243 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments for the reporting period 27 September-3 October:

Battambang: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 3 October reports that by 7 September over 5,100 hectares of broadcast rice had been planted, almost 900 hectares of rice sown and over 2,700 hectares of rice transplanted in Thmar Puok District.

Kompong Thom: At 0400 GMT on 27 September the radio reports that by August, peasants in the province had transplanted more than 50,000 hectares of rice, planted more than 3,900 hectares of slash and burn rice and sown more than 5,500 hectares of corn, manioc, sweet potato and vegetables. At 1300 GMT on 1 October the radio reports that the provincial veterinary service vaccinated 13,800 cattle and pigs in July against foot and mouth, septicaemia, rinderpest and epizootic lymphangitis.

Kompong Speu: At 1100 GMT on 27 September the radio carries a correspondent's report on agricultural production in the province. The report says that by the end of August 66,688 hectares of land had been retilled, 13,908 hectares of rice had been sown, 47,147 hectares of various types of rice and 1,526 hectares of IR-36 rice had been transplanted and 6,066 hectares of secondary food crops had been planted. The target for this year's rice planting is 81,000 hectares.

Kompong Cham: In O Reang Euv District, the radio reports at 0430 GMT on 2 October, by 17 September 15,000 hectares of rainy season rice had been planted--which is 85 percent of the plan. Almost 5,000 hectares of corn, beans, sesame, manioc and sugarcane had also been planted.

Kompong Chhnang: At 0400 GMT on 29 September the radio reports that by 15 September peasants had broadcast 4,700 hectares of rice, tilled 28,300 hectares of land, sown 6,300 hectares of rice, transplanted 31,200 hectares of rice, planted 700 hectares of slash and burn rice and broadcast 2,600 hectares of upland rice. Total crop plantings by the middle of September amounted to 39,200 hectares of rice, 3,000 hectares of subsidiary crops and 400 hectares of industrial crops.

Pursat: In Krakor District, the radio reports at 0400 GMT on 29 September, peasants transplanted 3,115 hectares of rice in the rainy season. At 0400 GMT on 30 September the radio reports that peasants in Kandieng District have planted more than 26,000 hectares of broadcast rice and transplanted nearly 25,000 hectares of rice.

Takeo: In Bati District over 15,000 hectares of rainy season rice--46 percent of the plan--had been transplanted by the end of September, according to the radio at 1300 GMT on 29 September. In Treang District, the radio reports at 1300 GMT on 30 September, over 1,600 hectares of rice have been broadcast, 18,700 hectares of rice transplanted, 2,600 hectares of IR-36 rice transplanted and over 3,200 hectares of subsidiary crops planted. At 1300 GMT on 1 October the radio reports that Tram Kak District has sown 3,400 hectares of rice--which will be transplanted on 20,000 hectares of land. Almost 5,500 hectares of various types of rice have been transplanted and 12,1290 hectors of land have been plowed by tractors.

Koh Kong: At 0400 GMT on 30 September the radio reports that by 15 September more than 14,500 hectares of rice had been transplanted in Kompong Som Town.

Prey Veng: The radio reports at 0430 GMT on 1 October that by mid-September peasants in Preah Sdech District had transplanted more than 23,600 hectares of rice, planted 300 hectares of various other crops and harvested 95 percent of the early rice, yielding more than 2,000 tons of paddy.

Kratie: The radio reports at 0430 GMT on 1 October that by mid-September the province had transplanted 14,000 hectares of early and late rice along with 2,138 hectares of corn, 188 hectares of sugarcane, 787 hectares of sesame, 262 hectares, 215 hectares of cassava and sweet potato and 90 hectares of vegetables. The provincial service had vaccinated 12,931 oxen and buffalo and 1,351 pigs.

Siem Reap-Oddar Meanchey: In Puok District, the radio reports at 1300 GMT on 29 September, by 20 September more than 27,200 hectares of all kinds of rice had been transplanted. In Bateay Srei District, the radio reports at 0400 GMT on 30 September, by 20 September 5,600 hectares of rice had been planted and nearly 200 hectares of subsidiary crops grown. At 0430 GMT on 1 October the radio reports that in Chikreng District peasants had planted 39,000 hectares of rice and 180 hectares of subsidiary crops by 20 September. At 1300 GMT on 2 October the radio carries a report on the province's agricultural performance. It says that despite some drought, 146,000 hectares--94 percent of the plan--was under cultivation with various types of rice. In the last fishing season over 8,200 tons were caught. Phnom Penh SPK in French at 0407 GMT on 3 October reports that Kralanh District has planted 17,840 hectares of rice--70 percent of the plan.

CSO: 4212/2

INFANTRY SCHOOL MARKS FOUNDING OF BULGARIAN ARMY

BK250748 Phnom Penh Domestic Service in Cambodian 1200 GMT 24 Sep 82

[Text] On the afternoon of 23 September 1982, the infantry school held a meeting to mark the founding anniversary of the Bulgarian Army on 23 September 1944. The meeting was held in the presence of Comrade Tea Banh, deputy minister of national defense and deputy chief of the KPRAF general staff; Comrade An Sum, chief of the KPRAF Propaganda and Education Department; Comrade Chey Sangyun of the Combat Planning Department; Comrade Peng Pat, director of the infantry school; Comrade Simeon Dimitrov, ambassador extraordinary and plenipotentiary of the People's Republic of Bulgaria to the PRK; and cadres from all departments and offices under the Defense Ministry. Also attending the meeting were all the trainees at the infantry school.

First, Comrade Simeon Dimitrov spoke on the development of the Bulgarian Army, which has surmounted all difficulties and built Bulgaria into a socialist country with an advanced industry and modern agriculture, adding that this has enabled the Bulgarian Army to defend its fatherland and contribute to safeguarding peace and security in Europe and the whole world.

In his speech Comrade Tae Banh, deputy minister of national defense and deputy chief of the general staff, acclaimed the heroic model set forth by the Bulgarian Army in its valiant struggle with the support and close cooperation of the heroic Soviet Army, which toppled the fascist regime and brought about the establishment of the People's Republic of Bulgaria on 9 September 1944. Comrade Tae Banh stressed: Our people and entire army warmly support the initiatives of the Soviet Union and the socialist community, including Bulgaria, for the strengthening of peace and security in Europe and the whole world as proved by Comrade Leonid Brezhnev's statement that the Soviet Union will not use nuclear weapons first, that it supports the struggle of the Arab and Palestinian peoples as well as all other people's struggles throughout the world and that it resolutely opposes the U.S. imperialists and the Israeli aggression in Lebanon. Although the PRK and the People's Republic of Bulgaria are far apart, our two peoples and armies have close relations. On 2 December 1979, a high-ranking delegation of the People's Republic of Bulgaria led by Comrade Todor Zhivkov, first secretary of the Bulgarian Communist Party Central Committee and chairman of the Bulgarian Council of State, paid an official friendship visit to Kampuchea during which the delegation was warmly welcomed by the Kampuchean people of all strata. A high-ranking PRK delegation

led by Comrade Heng Samrin, KPRP general secretary and chairman of the PRK Council of State, visited the People's Republic of Bulgaria from 21-25 November 1980. A high-ranking delegation of the Bulgarian National Assembly recently paid a visit to Kampuchea. Our people and army have the firm conviction that, as in the past, the Bulgarian people and army will always stay by our side. We will strive to learn from the model of heroic struggle, a model full of patriotism and the pure spirit of internationalism set forth by the heroic cadres and combatants of the valiant Bulgarian Army, in fulfilling our national defense and construction tasks in order to turn ourselves into members of a new army loved and trusted by the people.

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WEEKLY ANTI-GUERRILLA ACTIVITIES REPORT

BK011046 Phnom Penh Domestic Service in Cambodian 1200 GMT 30 Sep 82

[Weekly roundup of KPRAF activities]

[Excerpts] [passage omitted] According to reports we received for the third week of September, our valiant border defense forces defeated all the perfidious maneuvers of the Pol Pot bandits and other reactionaries--lackeys of the Beijing expansionists and U.S. imperialists--who kept sneaking in to disrupt the peaceful life of our people with the backing of the Thai authorities.

Recently, the Thais stirred up trouble by sending their L-19 and F-5 aircraft to violate our airspace 10 times over the sectors between Dangkum and Poipet, and Hill 505 west of Pailin. Furthermore, they made reconnaissance flights between 2 and 4 km deep over our territory in the sectors between Smat Deng and Hill 343 western Pursat Province, and flew seven other reconnaissance flights over Hill 505.

At sea, the Thai sent their boats and armed vessels to fish and carry out spying missions 225 times in our waters. On 17 September, they insolently shelled from their ships Hill 237 20 km west of Kach Kong Island.

They also ordered 45 shellings using 120-mm mortars and H-12 rockets on our villages along the border such as Hill 343 and 199 in Koh Kong Province; Kantout, Pailin and Poipet in Battambang Province; west of Smat Deng in Pursat Province; and Trapeang Kol in Preah Vihear.

On 18 September, 500 shells landed on Hill 505 west of Pailin.

With the frequent backing of Thai artillery fire, the Pol Pot bandits and other reactionary Khmers living on Thai soil crossed the border in small groups in foolish attempts to steal food from our people and plant mines on communications lines along the border. None of their attempts escaped the vigilance of our revolutionary armed forces and people who smashed every move the bandits made.

On 18 September, our armed forces ambushed a group of bandits who sneaked in to spy. We killed three of them and seized an M-79. On the same day, in Chikreng District, Siem Reap Province, our vigilant force spotted three bandits who

were spying and attempting to blow up a bridge on Route 6. Our courageous militiamen immediately surrounded them and took all of them prisoner before they even had time to commit their crimes. We seized two B-40 launchers and a mine.

A day earlier, on 17 September, our armed forces ambushed a group of bandits who were preparing to loot the people's rice 4 km west of Ta Sanh. We killed nine of them on the spot and seized four weapons.

A bit earlier, in Amleang area, Kompong Speu Province, a group of bandits--who were attempting to steal our people's rice and cattle--were reported to our armed forces. In this battle we killed five enemy elements, wounded three others and seized eight weapons and five mines. The remaining members of the group fled for their lives in panic and were intercepted by our local militia force which killed another bandit and seized four weapons including a B-40 launcher.

On 20 September, 10 km southwest of Choam Khsan in Preah Vihear Province, a group of bandits crossed over from Thailand in an attempt to plant mines along Route 69 but were intercepted by our forces which took immediate measures to destroy the enemies. The battle only lasted for a short period and we killed five bandits on the spot and seized two weapons and 50 mines. [passage omitted]

In the past week, in Chong Kal and Srei Snam in Siem Reap-Oddar Meanchey Province, 16 families persuaded 16 of their relatives to surrender to our authorities bringing with them many weapons. Also in the same week, we persuaded 88 Pol Pot soldiers to return to the fold. [passage omitted]

CSO: 4212/2

BRIEFS

GREETINGS ON HUNGARIAN ANNIVERSARY--Dear comrade minister, on the occasion of the 34th founding anniversary of the glorious Hungarian People's Army, on behalf of the entire KPRAF and in my own name, I would like to express wholehearted warm greetings to you. On this historic day, I would like to wish all cadres and combatants of the Hungarian People's Army more and greater victories in all fields, particularly in building socialism, consolidating and expanding the national defense capability and contributing to the protection of the strong solidarity within the great socialist community and the development of the excellent bonds of friendship between our two peoples and armies. I take this opportunity to wish you the best of health and long life. [Greetings message from Bou Thang, PRK minister of national defense, to Hungarian Defense Minister Gen Lajos Czinege on 34th founding anniversary of the Hungarian People's Army--date not given] [Text] [BK300935 Phnom Penh Domestic Service in Cambodian 1200 GMT 29 Sep 82]

PAILIN BATTLE RESULTS REPORTED--Last August, our comrades in arms on the Route 10-Pailin battlefield killed 177 Vietnamese enemy aggressors and wounded 231 others for a total of 408 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 185,000 new spikes, dug 35 new punji pitfalls and set 170 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Route 10-Pailin battlefield! [Text] [BK130525 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2300 GMT 12 Sep 82]

SAMLOT VIETNAMESE CASUALTIES REPORTED--Last August, our comrades in arms on the Samlot battlefield killed 228 Vietnamese aggressor troops and wounded 273 others for a total of 501 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 120,000 new punji stakes, dug 280 punji pitfalls and set 160 automatic bows and snares. Long live our valiant and courageous army, guerrillas and people on the Samlot battlefield. [Text] [BK120638 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 11 Sep 82]

LEACH VIETNAMESE CASUALTIES REPORTED--Last August, our comrades in arms on the western Leach battlefield killed 101 Vietnamese aggressor troops and wounded 89 others for a total of 190 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 1,550,000 new punji stakes, dug 470 punji pitfalls and set 190 automatic bows. Long live our valiant and

courageous army, guerrillas and people on the western Leach battlefield! [Text] [BK110711 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2300 GMT 10 Sep 82]

SISOPHON BATTLEFIELD REPORT ISSUED--Last August, our comrades in arms on the Sisophon-south of route 5-Mongkolborei battlefield killed 181 Vietnamese enemy aggressors and wounded 195 others for a total of 376 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 950,000 new spikes, dug 480 new punji pitfalls and set 120 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Sisophon-south of Route 5-Mongkolborei battlefield! [Text] [BK140652 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2300 GMT 13 Sep 82]

SISOPHON FRONT BATTLE RESULTS--In August our comrades in arms on the north Sisophon-Thmar Puok-Phnum Srok-Preah Net Preah battlefield killed 174 Vietnamese aggressor soldiers and wounded 174 others for a total of 348 casualties. In the field of primitive arms production, our comrades in arms made and planted 285,000 new punji stakes, dug 380 new punji pitfalls and set 150 automatic bows and snares. Long live our valiant and courageous army, guerrillas and people of the north Sisophon-Thmar Puok-Phnum Srok-Preah Net Preah battlefield! [Text] [BK150312 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Sep 82]

NORTHERN BATTLEFIELD STATISTICS REPORTED--In August our comrades in arms on the Choam Phsan-Preah Viheasr and Oddar Meanchey battlefields killed 227 Vietnamese enemy soldiers and wounded 301 others for a total of 528 casualties. In the field of primitive weapons production, our comrades made and planted 329,000 new punji stakes, dug 450 new punji pitfalls and set 230 new automatic bows and snares. Long live our valiant and courageous army, guerrillas and people of the Choam Khsan-Preah Vihear and Oddar Meanchey battlefields! [Text] [BK160201 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 Sep 82]

SIEM REAP-ROUTE 6 CASUALTIES--In August our comrades in arms on the Siem Reap-Route 6 battlefield killed 335 Vietnamese enemy soldiers and wounded 230 others for a total of 565 casualties. In the field of primitive arms production, our comrades in arms made and planted 448,000 new punji stakes, dug 250 new punji pitfalls and set 150 automatic bows and snares. Long live our valiant and courageous army, guerrillas and people of the Siem Reap-Route 6 battlefield! [Text] [BK170314 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Sep 82]

RUBBER PLANTATION ADVISERS ATTACKED--On 21 August, our national army and guerrillas ambushed and set ablaze an automobile carrying the Vietnamese advisers at the Prek Kaoh Rubber Plantation north of Phum Meakh, Stoeng Trang District, Kompong Cham Province. We killed a Vietnamese adviser and seven guards. On the same day, our guerrillas set ablaze 10 rubber warehouses of the Vietnamese enemy. Long live our valiant and courageous army, guerrillas and people in Stoeng Trang District of Kompong Cham Province! [Text] [BK020622 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 1 Sep 82]

TRAIN AMBUSHED, COACHES DESTROYED--On 21 August our army and guerrillas ambushed a Vietnamese train at an area between Romeas and Krang Skea Stations near (Chamhien Veal Sbeou) Station, Toek Phos District, Kompong Chhnang Province. They set the locomotive ablaze and destroyed 19 coaches, including 5 packed with 105-mm, 120-mm, 131-mm and 155-mm shells and various other types of ammunition which exploded for almost 2 hours. Of the Vietnamese troops on the train, 30 were killed and 45 others were wounded. Our army and guerrillas also destroyed 2 107-mm guns, a goryunov gun, 15 AK's, 5 B-40's, 3 M-79's, 4 AR-15's and a quantity of materiel; and seized a B-40, an M-79, an AK, a quantity of ammunition, 15 rucksacks and a quantity of materiel. Long live our valiant and courageous army, guerrillas and people in Toek Phos District of Kompong Chhnang Province! [Text] [BK300414 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 29 Aug 82]

U.S. SUPPORT FOR ASEAN CITED--Michael Armacost, U.S. ambassador to the Philippines, said in Manila on 27 August that the United States and the Phili-pines must join forces and cooperate closely in order to counter Soviet activities and meddling in the Indochinese peninsula, defend the air and sea routes in the southern Pacific Ocean and Indian Ocean and ensure stability in the East Asian region. He stressed that in its policy regarding the Kampuchean problem, the United States supports the ASEAN countries in the search for measures to strengthen the Coalition Government of Democratic Kampuchea [CGDK] and pressure the Hanoi Vietnamese to withdraw all of their aggressor troops from Kampuchea. [Text] [BK300635 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 29 Aug 82]

JAPANESE HUMANITARIAN AID TO GEDK--The Japanese Government has decided to give 3,600 million Japanese yen as humanitarian aid to the Coalition Government of Democratic Kampuchea for use in purchasing rice from Japan and Thailand for distribution to the Kampuchean refugees along the Thai border and the Kampuchean people in the zone controlled by Democratic Kampuchea. Representatives of the Japanese Government and the World Food Program Organization signed a protocol in Rome on 20 August for the implementation of this plan. [Text] [BK241510 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Aug 82]

THANKS RECEIVED FROM SRV--Recently, Comrade Nguyen Co Thhach, minister of foreign affairs of the SRV, sent a message of thanks to Comrade Hun Sen, minister of foreign affairs of the PRK, for his greetings on the occasion of the 37th August Revolution anniversary and 2 September National Day of the SRV. The message said in part: May the special relations and multifaceted cooperation between our two countries further strengthen and develop forever. [Text] [BK240758 Phnom Penh Domestic Service in Cambodian 1300 GMT 23 Sep 82]

SYMPATHY MESSAGE TO INDIA--Phnom Penh, 15 Sep (SPK)--Chan Si, chairman of the Council of Ministers, recently sent a message of sympathy to Indian Prime Minister Indira Gandhi on hearing about the loss of life and property caused by floods in India. Chairman Chan Si expressed his "profound condolences" to the victims through the Indian prime minister. [Text] [BK150528 Phnom Penh SPK in French 0358 GMT 15 Sep 82]

KOMPONG THOM PROVINCIAL DELEGATION--Phnom Penh, 7 Sep (SPK)--At the invitation of the VCP Provincial Committee and the People's Committee of the Vietnamese Province of Don Nai in the Mekong Delta region, a delegation from Kompong Thom Province led by Nguon Nhel, chairman of the Provincial People's Committee, arrived recently in Don Nai to celebrate the Vietnamese National Day (2 September). The delegation exchanged views with leaders of Don Nai Province on the reinforcement of friendship and cooperation between the two provinces. It also visited economic and cultural establishments in Don Nai. [Text] [BK120344 Phnom Penh SPK in French 1431 GMT 7 Sep 82]

AGRICULTURAL FIGURES REPORTED--Phnom Penh, 11 Sep (SPK)--By the end of August, 824,720 hectares of rice--representing 53 percent of the plan--were planted in Kampuchea. Battambang and Koh Kong Provinces fulfilled more than 70 percent of their plans. The area cultivated in rice during the last 2 weeks of August was seven times more than that of the first 2. Subsidiary crops were planted on over 95,000 hectares and industrial crops on 21,640 hectares. [Text] [BK120905 Phnom Penh SPK in French 1431 GMT 11 Sep 82]

PROPAGANDA MATERIAL FROM MSZMP--Phnom Penh, 28 Sep (SPK)--The Hungarian Socialist Workers Party [MSZMP] has given communications and propaganda material to the KPRP Central Propaganda and Education Commission. On Saturday, 25 September, Lanos Zagye, acting charge d'affaires of the Hungarian People's Republic, handed over this material in Phnom Penh to Men Saman, member of the KPRP Central Committee and vice chairman of the commission. Men Saman thanked the MSZMP and the Hungarian people for their gifts which, she said, contribute to reinforcing the ties of friendship and close cooperation between the two parties and peoples, particularly in the propaganda field. [Text] [Phnom Penh SPK in French 0420 GMT 29 Sep 82 BK]

RICE DISTRIBUTED TO RETURNEES--Phnom Penh, 1 Oct (SPK)--Recently, the Kampuchean Red Cross distributed 30 tons of rice to 600 repatriated Kampuchean families. These families returned from refugee camps in Thailand and settled in Moung Russei, Sangke and Battambang Districts, Battamban Province, 300 kilometers northwest of Phnom Penh. [Text] [Phnom Penh SPK in French 0400 GMT 1 Oct 82 BK]

CSO: 4212/2

SRV LEADERS REPLY TO GREETINGS MESSAGE

BK031121 Vientiane Domestic Service in Lao 0000 GMT 3 Oct 82

["Recent" joint message of thanks from Le Duan, general secretary of the VCP Central Committee; Truong Chinh, chairman of the Council of State; Pham Van Dong, chairman of the Council of Ministers; and Nguyen Huu Tho, chairman of the National Assembly of the SRV to Kaysone Phomvihan, general secretary of the LPRP Central Committee and chairman of the Council of Ministers; and Souphanouvong, president of the LPDR and chairman of the Supreme People's Council of the LPDR]

[Text] On behalf of the Vietnamese people, the VCP, the Council of State, the Council of Ministers and the National Assembly of the SRV, we would like to thank you, comrades, for extending warm, fraternal and comradely greetings to us on the occasion of the 37th anniversary of the August Revolution and the National Day of the SRV on 2 September.

Your cordial sentiments reflected clearly in the special relationship between the two parties, states and people constitute a great encouragement for the Vietnamese people in the task of building and defendning our beloved country.

On this occasion, the party, state and people of Vietnam express our overwhelming gratitude to the party, state and fraternal people of Laos for your precious assistance to the Vietnamese people over the past years.

The Vietnamese people will, as in the past, do out utmost to continuously strengthen and develop the special relationship between Vietnam and Laos and the militant alliance and fraternal friendship among the three countries--Vietnam, Laos and Kampuchea, thus positively contributing to the struggle for peace, national independence, democracy and social progress of the various nations throughout the world.

May the great friendship, militant solidarity and all-round cooperation between the peoples of Laos and Vietnam blossom and last forever!

May you have good health and win great successes in your lofty tasks!

CSO: 4206/9

BRIEFS

INDONESIAN DAY MARKED--Vientiane, 18 Aug (OANA/KPL)--Indonesian Ambassador to Laos Pujo Prasentiyo held here a reception to mark the Indonesian national day. Among high-ranking officials who attended the function which took place in a warm atmosphere were Sali Vongkhamsao, deputy prime minister, chairman of the State Planning Committee; Sisana Sisan, minister of propaganda, information, culture and tourism; and Khamphai Boupha, acting minister for foreign affairs. [Text] [Vientiane KPL in English 0919 GMT 18 Aug 82 BK] Vientiane, 17 Aug (OANA/KPL--Pujo Praseiyo, Indonesian ambassador to Laos, on 16 August, organized here a film projection to mark the 37th Indonesian independence day. Present on this occasion were Sisana Sisan, minister of propaganda, information, culture and tourism; Khamphai Boupha, acting-minister for foreign affairs, along with diplomatic envoys to Laos. The film screened entitled "November 1828" recapitulated the heroid struggle of the Indonesian patriots against the colonialists, in the beginning of the 19th century. [Text] [Vientiane KPL in English 0916 GMT 17 Aug 82 BK]

PHOUMI ADDRESSES TRAINING COURSE--Vientiane, 31 Aug (KPL)--A total of 86 educational cadres from all over the country, on 28 August, attended the second course for educational management. This second course for educational management will last four months. Phoumi Vongvichit, vice premier and minister of education, sports and religious affairs, at the opening ceremony, gave emphasis on the importance of educational work and appealed to the teachers, school directors and cadres to introduce Marxist-Leninist philosophy and revolutionary elements in the management of educational work. [Text] [BK011459 Vientiane KPL in English 0908 GMT 31 Aug 82]

SOVIET FILM DAY CELEBRATED--Vientiane, 28 Aug (OANA-KPL)--The Soviet Cultural Centre in Vientiane, yesterday, organised a get-together marking the "film day" of the Soviet Union. The representative of the Soviet Cultural Center, on this occasion, addressed the gathering briefly on the history, role and development of the film industry in the Soviet Union. He also hailed the co-operation between the USSR and Lao film industry in which the latter having received assistance from the Soviet side has already produced several documentary films. A Lao documentary film, "The Child Care in Laos" screened at recent international film festival in Taskent, USSR, was well received despite the fact that Laos is a newcomer as far as film making is concerned, said the speaker. Phonphet, representative of the Lao Cinematographic Department and director of "The Child Care in Laos" was among the guests. A Soviet

documentary film depicting the historic role of the Soviet film makers during World War II was screened. [Text] [BK291712 Vientiane KPL in English 0926 GMT 28 Aug 82]

JOURNALIST SEMINAR--Vientiane, 28 Aug (OANA-KPL)--Nineteen Lao journalists left here this morning to attend the journalistic seminar to be held in Budapest. The seminar which will last 3 months is organized for the 19 young Lao journalists by the International Organization of Journalists (IOJ). Earlier Lao journalists attended a similar seminar organized in the beginning of this year in Sofia (Bulgaria) by the Union of the Bulgarian Journalists under the auspicies of the IOJ. In addition, a 3-month course on journalistic field assisted by the GDR journalists' association is expected to be held in the southern part of Laos in the middle of next month. The course is expected to be attended by 35 journalists from the five southern provinces of the country. The GDR journalists' association last year had also opened a 3-month journalistic course in Vientiane for Lao journalists. [Text] [BK291712 Vientiane in English 0933 GMT 28 Aug 82]

HONECKER THANKS LAO LEADERS--Vientiane, 11 Sep (KPL)--Kaysone Phomvihan, general secretary of the LPRP CC and premier of the LPDR, and Souphanouvong, president of the Republic and of the People's Supreme Assembly, recently received a telegram of thanks from Erich Honecker, general secretary of the Socialist Unity Party of Germany CC, president of the State Council, for K. Phomvihan's wishes on the occasion of the latter's 70th birthday. The message reaffirms the conviction that the fraternal friendship relations between the 2 parties, governments and peoples based on Marxism-Leninism and the international proletariat for the interests of the two countries for peace and socialism, will be furthered. The message further pledged that the German Democratic Republic will always stand side by side with the Lao people in their efforts for successful construction of socialist congress of the LPDP. [Text] [BK111309 Vientiane KPL in English 0904 GMT 11 Sep 82]

HUNGARIAN MINISTER GREETS SIPASEUT--Vientiane, 12 Sep (KPL)--The Hungarian foreign minister, Frigyes Puja, today congratulates his Lao counterpart, Phoun Sipaseut for the fruitful cooperation and successful implementations of various cooperation agreements between the two countries. In his message to mark the 20th anniversary of the establishment of diplomatic ties between Laos and Hungary, the Hungarian foreign minister expressed his happiness at witnessing the strengthening of the friendship and cooperation between our two parties, nations and peoples in accordance with various cooperation agreements signed between the two countries. Frigyes Puja also made a note of the fruitful talks and meetings held during his recent visit to your country [Laos] in which he considered as a significant contribution to the reinforcement of the two countries' relations for the interest of the socialist community for peace, international security and social progress. F. Puja finally wishes his Lao counterpart successes in his duty for socialist prosperity and the strengthening of the prestige of Laos in the international arena. [Text] [BK121133 Vientiane KPL in English 0914 GMT 12 Sep 82]

SIPASEUT GREETS HUNGARIAN MINISTER--Vientiane, 12 Sep (KPL)--Lao Foreign Minister Phoun Sipaseut, on 11 September, send a message to his Hungarian

counterpart, Frigyes Puja, congratulating the 20th anniversary of the establishment of the diplomatic relations between Laos and Hungary. In his message, Phoun Sipaseut, on behalf of the Lao government, people and his own behalf, hailed the establishment of the diplomatic ties between the two countries' relations [as received]. Since that event, the relations between Laos and Hungary has largely strengthened and consolidated especially after the visit to Hungary of the top ranking delegation of the Lao People's Democratic Republic headed by Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party CC, and premier of the LPDR. "The relations between our two countries have been strengthened in all fields on the basis of Marxism-Leninism and proletarian internationalism for the interests of peace and socialism," Phoun Sipaseut further notes. P. Sipaseut finally wishes for the strengthening and consolidation of the friendship and fraternal solidarity between Hungary and Laos. [Text] [BK121131 Vientiane KPL in English 0908 GMT 12 Sep 82]

OLYMPIC COMMITTEE IN LAOS--Vientiane, 16 Sep (OANA-KPL)--President of the Republic and of the People's Supreme Assembly, this morning met here the delegation of the International Olympic Committee led by its president, Juan Antonio Samaranch. The Lao president, on this occasion, warmly thanked the IOC for its expression of support given to the Lao athletes in the past and future. Souphanouvong also voiced the opinion of Lao sportsmen by emphasizing that they have always supported activities of their world counterparts which they consider as a contribution to mutual understanding among the peoples as well as a contribution for the safeguarding of world peace. Juan A. Samaranch, in return, briefed the president on his successful visit to Laos. He expressed his satisfaction at seeing sports being played widely among young people in particular. Sports, he agreed with the Lao president, play an important part in maintaining peace in the region and in the world. The president of the IOC presented the president with items of souvenirs to mark the occasion. Juan Antonio Samaranch and his delegation left here after concluding a three-day official visit to Laos. [Text] [BK161142 Vientiane KPL in English 0910 GMT 16 Sep 82]

MONGOLIAN, LAOS TIES GREETED--Vientiane, 14 Sep (KPL)--In his telegram to Lao Foreign Minister Phoun Sipaseut to mark the 20th anniversary of diplomatic establishment between Mongolia and Laos, Mongolian Foreign Minister M. Dugersuren said that fraternal friendship and close cooperation between the parties, government and peoples have, in particular since the founding of the LPDR, blossomed according to the spirit of the friendship and cooperation agreement. "The Mongolian people are sincerely and fraternally happy that the Lao people under the leadership of the vanguard Marxist-Leninist Lao People's Revolutionary Party which enjoys internationalist aid from the Soviet Union and the socialist community have safeguarded revolutionary gains against attacks of imperialists and hegemonists expansionists and have, with success, built socialist foundation in Laos," said the telegram. The telegram further wished the Lao side new successes in the cause of construction of the new society, defense of peace, democracy and socialism in Southeast Asia and the world. [Text] [BK141018 Vientiane KPL in English 0908 GMT 14 Sep 82]

BOUPHA GREETS MPR FOREIGN MINISTER--Vientiane, 11 Sep (OANA-KPL)--Lao Acting Foreign Affairs Minister Khamphai Boupha today sent greetings to the Mongolian People's Republic Foreign Minister Mangalyn Dugersuren on the occasion of the 20th anniversary of the establishment of diplomatic ties between the two countries. In his message in which he observed the ever blossoming of relations of fraternal friendship and militant solidarity between Laos and Mongolia, K. Boupha said: "Since the founding of the LPDR in particular, the friendly relations and close co-operation based on Marxism-Leninism and socialist internationalism have even more been strengthened and have contributed to socialist community forces and the defense of peace in Southeast Asia and in the world." The Lao minister also wishes the Mongolian people greater successes in concretizing the resolutions of the 18th Congress of the party and the Seventh 5-Year Plan of the state. [Text] [BK121139 Vientiane KPL in English 0917 GMT 12 Sep 82]

REFUGEES RETURN FROM THAILAND--Vientiane, 11 Sep (OANA-KPL)--More refugees misled by counterrevolutionary propaganda, on 8 September, volunteered to return home. The ceremony to welcome 142 refugees organized at Hatsaifong District, Vientiane Province was witnessed by Lao Vientiane and Thai Nong Khai Provincial administrative officials. The representative of the High Commission for Refugees of UNO was also on hand. Since the beginning of 1982, 8 batches of refugees have already volunteered to return home from Thai refugee camps. Most of them are now settling in their former home towns. [Text] [BK111225 Vientiane KPL in English 0914 GMT 11 Sep 82]

JOURNALISTS' DAY CELEBRATED--Vientiane, 8 Sep (OANA-KPL)--The Lao Journalists' Association in collaboration with TASS Bureau on 7 September, organized here a get-together to mark the International Journalists' Day. Present on this occasion were Sisana Sisan, member of the Party CC, minister of propaganda, information, culture and tourism, and honorary president of LJA, along with other representatives from various mass media. On this occasion, Chanthi Deuansavan, acting head of KPL News Agency and SIANG PASASON Newspaper Department and general secretary of the LJA, and the representative of Soviet mass media to Laos respectively took the floor to address the get-together. Both sides stressed on the significance of the occasion. They also dealt on the cooperation of the said domain between Laos and the Soviet Union, as well as between Laos and other socialist communities. The get-together ended by the projection of films on the struggle of the humanity for peace and for the reduction of arms race. [Text] [BK120306 Vientiane KPL in English 0919 GMT 8 Sep 82]

LECTURE ON SOVIET TRADE UNIONS--The Federation of the Lao Trade Unions yesterday organised here a lecture on the activities of the Soviet trade unions. A great number of audience attended the lecture given by Prof Kaseynkin from the Soviet trade unions, who is currently visiting Laos since 7 September. Prof Kaseynkin, on this occasion, gave emphasis on the role of the Soviet trade unions which so far has a membership of 130 million. He also briefed the Lao audience on the Soviet trade unions' development since the October Refolution. The organisation of the Soviet trade unions is based on the principle of democratic centralism and its wide influence within the Soviet society and abroad. [Text] [BK130331 Vientiane KPL in English 0912 GMT 12 Sep 82]

FUNCTION MARKS LAOS-CSR TIES--Vientiane, 13 Sep (KPL)--The Laos-Czechoslovakia Friendship Association (LCFA) in collaboration with the Czechoslovak Embassy to Laos, on 10 September, organized here a function to mark the 20th anniversary of the establishment of the diplomatic ties between the two countries. Present on this occasion were Nhiavu Lobaliayao, member of the Party CC, head of the Committee for Nationalities and president of the LCFA, Khamhai Boupha, member of the Party CC and acting minister of foreign affairs, Ounheaun Phounsavat, vice president of the LCFA, and other high-ranking officials. In his address, the Czechoslovak Ambassador to Laos L. Kocsis stressed on the good diplomatic relations during the past 20 years between Laos and Czechoslovakia in which the SRC has provided material and spiritual support to the just cause of the Lao revolution. He also highly evaluated the importance of the visits of Lao General Secretary Kaysone Phomvihan to the SRC in 1976 and of Czechoslovak General Secretary Gustay Husak in 1980 which represented the historic hallmark of the friendship ties between the two countries. At the end of the function, a film showing the success of Czechoslovakia in the field of industry and socialist construction was screened. [Text] [BK190151 Vientiane KPL in English 0906 GMT 13 Sep 82]

KAMPUCHEAN PROVINCIAL DELEGATION--Vientiane, 27 Sep (OANA-KPL)--The Kampuchean delegation of Stung Treng Province led by its party committee secretary and chairman of the administrative power, Thongbai, recently ended its friendship visit to the Lao sister province of Champassak. The delegation during the visit exchanged views with the Lao provincial officials in order to develop the friendship relations, the special solidarity and the all-round cooperation between the two sister provinces. [Text] [Vientiane KPL in English 0927 GMT 27 Sep 82 BK]

AMBASSADOR TO FINLAND--Vientiane, 24 Sep (KPL)--The ambassador extraordinary and plenipotentiary of Laos to Finland, Palatthana Choulamani, on 17 September, presented credentials to Mauno Voivisto, president of the Republic of Finland. The Lao ambassador had a cordial discussion with the president of Finland in an atmosphere of warm friendship. [Text] [BK270815 Vientiane KPL in English 0952 GMT 24 Sep 82]

TU DELEGATION TO PRAGUE--Vientiane, 23 Sep (KPL)--A federation of the Lao trade unions' delegation headed by its president, Sanan Southichak, left here today for Prague to attend the Federation of the World Trade Unions Conference (29 to 30 September). [Text] [BK270815 Vientiane KPL in English 0932 GMT 23 Sep 82]

KAMPUCHEAN PROVINCIAL DELEGATION--Vientiane, 25 Sep (OANA-KPL)--The Kampuchean delegation of Preah Vihear Province recently ended its friendship visit to the southern Lao Champassak Province. The delegation headed by Chook, member of the provincial party committee and the administrative committee, met Thong-in Thammakot, deputy-head of the Champassak Provincial Party Committee and Administrative committee, and exchanged views and experiences with Lao officials. The bilateral cooperation between the two sister provinces was largely discussed. [Text] [BK270815 Vientiane KPL in English 0905 GMT 25 Sep 82]

BELGIAN AMBASSADOR PRESENTS CREDENTIALS--Vientiane, 29 Sep (KPL)--The new ambassador extraordinary and plenipotentiary of Belgium to Laos, Pierre Brancart, yesterday presented credentials to President Souphanouvong at the Presidential Palace. President Souphanouvong, congratulated the new ambassador for his nomination in Laos and wished him to successfully fulfill his mission in view to improve the relationship between Laos and Belgium. P. Brancart, in return, expressed his conviction that the Lao people under the leadership of the party and government are sure to reconstruct their nation. He also pledged to do his best for the interests of both peoples of Laos and Belgium. Accompanying the new ambassador to pay visit to the president was Deputy Foreign Minister Khoun Chandeng. [Text] [BK291328 Vientiane KPL in English 0921 GMT 29 Sep 82]

SIPHANDON GREETS BULGARIAN ARMY DAY--Vientiane, 24 Sep (KPL)--Lao Minister of National Defence General Khamtai Siphandon, recently sent a telegram to greet the 38th anniversary of the Bulgarian People's Army. In the message addressed to his Bulgarian counterpart Dobri Dzhurov, K. Siphandon said: "During the past 38 years, under the leadership of the heroic BCP, the Bulgarian People's Army and people have sacrificed themselves in their struggle against the fascist aggressors for the safeguarding of their nation and socialism. Doing so, the whole Bulgarian people have actively contributed to the consolidating of peace, national independence, democracy and the world socialism." The message highly appreciated the successes gained by the Bulgarian army and peoples under the resolutions of the 12th Congress of the party, new successes in building of the national socialism. K. Siphandon finally wished that the combatant solidarity between the two countries, armies be continually developed. [Text] [BK241150 Vientiane KPL in English 0948 GMT 24 Sep 82]

BRIDGES BUILT IN LAOS--In compliance with the treaty signed on 19 March 1977 between the two governments of Vietnam and Laos and with a protocol signed between the Ministries of Communications and Transportation of Vietnam and Laos, the 75th Bridge-Building Unit and the 572d, 674th and 675th units of our country's 64th Construction Detachment have helped Laos build 13 concrete bridges and more than 350 culverts of various types along Route 7, Route 6 and the Phou Lau-Muong Hiam Road. [Text] [BK191446 Hanoi NHAN DAN in Vietnamese 26 Aug 82, p 4]

LAO GUERRILLA ACTIVITIES REPORTED--Here is a combat report from Laos: On 7 and 9 September, guerrillas of the Lao National Liberation Front attacked the Le Duan Vietnamese soldiers at (Khloem) and (Prael) positions killing 5 and wounding 15. A Vietnamese soldier was killed and another wounded when they stepped on guerrillas' mines. On 11 September, guerrillas attacked Vietnamese soldiers at (Preal) position killing 5 and wounding 9. In sum, the guerrillas of the Lao National Liberation Front killed or wounded 36 Vietnamese enemy soldiers. [Text] [BK160202 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 Sep 82]

CSO: 4212/2

ROYAL JUDICIAL REFORMS COMMISSION FORMED

Kathmandu THE RISING NEPAL in English 18 Sep 82 p 1

[Text] His Majesty the King has constituted a Royal Judicial Reforms Commission headed by Sardar Ishwori Raj Mishra, the Chairman of the Judicial Committee, to study ways and means for enhancing impartiality, simplicity and accessibility of justice throughout the kingdom.

The five-man commission will submit a report of its findings, which will include suggestions on necessary reforms, to His Majesty, according to a notice published Friday by the Principal Press Secretariat of His Majesty the King.

RP member Radheshyam Kamaro, Surendra Bahadur Basnet and Kedarnath Upadhaya, senior advocate, Attorney General's office, are members of the commission while Hari Prasad Sharma, Joint Secretary in the Law and Justice Ministry, is member-secretary.

The commission has been empowered to study the working procedure of the supreme court and the courts under it, the appellate court for the prevention of abuse of Authority, Commission for the Prevention of Abuse of Authority, the Attorney General's office and offices under it, government offices having judicial authority, Special Police Department and the Police Office responsible for conducting government prosecution cases.

The commission can also study the judicial administration rules, regulations and their application. It will adopt its own working procedures and can seek coöperation from government offices in the course of its work.

The tenure of the commission will expire on Baishak 1,2040 B.S. (RSS)

CSO: 4200/14

POLITICAL STABILITY QUESTIONED

Kathmandu THE MOTHERLAND in English 17 Sep 82 p 3

[Editorial: "Political Stability"]

[Text]

Taking stock of the situation prevailing in the country today, we find very little reason to remain complacent. The situation is such that one cannot just say what might happen next. The political stability which the country is claimed to have achieved following the general election only shows that Prime Minister Thapa is keeping his fingers crossed. What one should understand in this context is that the apparent political stability without economic development can prove ultimately ephemeral. In fact it makes no sense to talk about political stability when the economy of the country is sinking with no sign of hope in the foreseeable future. The simmering discontent among the students who have championed the cause of the people who are virtually groaning under pressure of rising prices and non-availability of essential commodity like rice and oil can also be a pointer to coming events. The common man is so badly hit that he has lost the purchasing power. The few depots opened at some of the places of the town have not changed the market trend which is marked by the upward swing. The situation can be exploited by politicians any

time when the opportunity to do so comes their way. In the circumstances, it is useless to talk about the seeming political stablity which can be as fragile as anything among people who are literally living below subsistence level. The foodgrains now being made available by donor countries cannot also solve the problem because wherefrom the people can get money to buy the grains ? Even the peasantry of the country are out of their work because of the drought and they cannot be expected to have money to buy the grains, unless arrangement can be made to lend them interest free money. Moreover, they are not the only people who are suffering because there are others who have neither field to cultivate nor any work to do. Some kind of job opportunities will have to be generated for them if the government means to mitigate their sufferings.

CSO: 4200/14

BRIEFS

ECONOMIC RELATIONS AGREEMENT--New Zealand's prime minister, Mr Muldoon, has warned Australia that New Zealand will not agree to major changes in the closer economic relations draft agreement. But, Mr Muldoon said in Wellington that he was still hopeful a final agreement could be reached in time for legislation to pass through the New Zealand Parliament this year. This would enable the phasing in of the agreement from early next year. The prime minister said Australian industry was objecting to the length of the phase-out period for protection and also to incentives for New Zealand manufacturers. But, Mr Muldoon said that periods were necessary to permit New Zealand industry to adjust to the new economic relations across the Tasman. [Text] [BK210233 Melbourne Overseas Service in English 1130 GMT 20 Sep 82]

CSO: 4200/10

HAQ TO VISIT CHINA, OTHER COUNTRIES

BK141631 Karachi Domestic Service in Urdu 1500 GMT 14 Sep 82

[Excerpts] President Gen Mohammad Ziaul Haq today declared open the 3,950-foot-long Dadu-Moro bridge, which has been built at the cost of 302 million rupees.

Later, talking to newsmen upon his arrival in Karachi, the president said the government is fully aware of its sacred responsibility regarding the protection of life and honor of citizens, and it is determined to discharge this responsibility. He said the people should not be concerned about the present activities of antisocial elements and added that various incidents in Lahore and the murder of [Federal Advisory Council member] Zahurul Hassan Bhopali are part of a series of well-designed misdeeds of a defeated group. He said the people's cooperation is essential in eliminating all such activities.

The president said the administration is setting up local committees in which the people will fully participate. Under special instructions deputy commissioners are issuing licenses for arms to noble citizens in order to create a sense of security and stability.

Answering a question, the president said the local bodies elections will certainly be held next year. However, the president added, general elections will be held at an appropriate time.

The president said he would undertake visits to China and the DPRK beginning the 17th of next month followed by visits to Indonesia and Malaysia in November. The president said Pakistan has very close and friendly relations with China and both countries have been exchanging delegations at every level to further strengthen the existing cordial relations.

CSO: 4656/1

VIOLENCE SEEN POSING CHALLENGE TO ZIA'S RULE

BK231401 Delhi INDIAN EXPRESS in English 18 Sep 82 p 6

[Editorial: "Pakistan Portents"]

[Text] President Ziaul-Haq's response to the rising wave of violence and terrorism in Pakistan may not cool let alone end a dangerous new situation. At least two members of the Majlis-e-Shoora, the country's nominated parliament, have been murdered in recent days: One gunned down at high noon in his party office in the heart of Karachi, and the other fatally injured when a tractor deliberately ploughed into his car on a highway in Sind Province. These telling incidents follow a series of car bomb explosions and a rash of anti-Zia posters in various parts of the country.

The president has termed the killings acts of desperation on the part of the opposition. He could be right though it might be premature to club all his opponents, even the Bhutto family, under a single label. However, his immediate response is likely to prove counterproductive. He has ordered that firearms licences be issued to "law abiding" citizens for self-defence. This is a sure recipe for further violence and bloodshed. For, if the pro-regime elements are indeed armed, it could well mark the beginning of a civil war. In any case, what is happening already has the makings of a bloody backlash against the long suppression of political activity and dissent.

The 5 years General Zia has been in the saddle have witnessed several open expressions of popular protest against the military dispensation. With all political activity banned, non-political groups like students, teachers and lawyers have come to articulate the public mood. In fact, lawyers all over the country have launched a nationwide protest against the Qazi courts ordinance and other inroads into their and the judiciary's functioning, as also against other recent fiats further curbing the rights of government employees and the press. Such protests, whatever their intensity, are within the traditional parameters. Not so the latest incidents of violence and terrorism which represent the rise of a new kind of extremism that could alter the very fabric of Pakistan's political culture and leave behind an ugly legacy for future elected governments.

Far from keeping to his own repeatedly advanced timetable for the restoration of an elected civilian government, General Zia has progressively tightened the screws on political activity. The formation of the Majlis-e-Shoora has not been followed by the announcement of a firm schedule for elections. The president's own reputation for integrity and simplicity has been an asset and, despite mass arrests, curbs, taboos and even reports of torture in jails, his has not been a bloodthirsty regime. The economy is not doing too badly even if not too well. He has been seeking to reorder Pakistan's external relations and an accommodation with India, measures which probably enjoy considerable support. These should give him the strength to unfold a scheme for political advance which would culminate in the restoration of an elected government before too long.

CSO: 4200/1

BRIEFS

CRIME AND POLITICS LINKED--An opposition leader in Pakistan says that the crime rate is increasing in the country because of imposition of political restrictions. Mrs Nasim Wali Khan, wife of Abdul Wali Khan, a leftwing leader of the northwest frontier province, said that the number of crimes will decrease if the ban on political activity is lifted. [Text] [BK200713 Delhi Domestic Service in English 0240 GMT 20 Sep 82]

APP-PTI AGREEMENT APPROVED--The government has approved an agreement between the Associated Press of Pakistan and the Press Trust of India for exchange of news, photographs and features. [Text] [BK190149 Karachi Domestic Service in English 1700 GMT 18 Sep 82]

SCIENTISTS' DELEGATION VISITING CHINA--A three member delegation of the Pakistan Association of Scientists and Scientific Precision left Karachi on 18 September for Beijing on a 2-week tour of the People's Republic of China. The visit of the delegation to China aims at providing opportunity to its members to study promotion and popularization of science among the masses. The visit has been organized by the Ministry of Science and Technology in pursuance of the 4th scientific and technological protocol with China. [Text] [BK190149 Karachi Domestic Service in English 1005 GMT 18 Sep 82]

THAI MILITARY DELEGATION--An 11-member Royal Thai Armed Forces delegation arrived in Islamabad on 17 September on a week-long visit to Pakistan. [Text] [BK190149 Karachi Domestic Service in English 1005 GMT 17 Sep 82]

FOOD GRANT TO NEPAL--The government of Pakistan, in view of the present food problem in Nepal, has agreed to make available to Nepal as grant 5,000 quintals of rice and 1,000 quintals of wheat to be delivered at the Pakistan-India border at Wagah. A press release of the Ministry of Commerce and Supplies says his majesty's government of Nepal appreciates the cooperative gesture shown by the friendly country, Pakistan. [Text] [BK191518 Katmandu External Service in English 1450 GMT 19 Sep 82]

FOREIGN MINISTER MEETS SHULTZ--Foreign Minister Sahabzada Yaqub Khan, in his meeting with the U.S. Secretary of State George Shultz in Washington last evening, discussed regional issues, bilateral relations and the international situation including Afghanistan and the Middle East. He conveyed to his U.S.

counterpart feelings of indignation and anguish in Pakistan over the Beirut massacre and in this connection referred to the strong condemnation of the massacre by President Mohammad Ziaul Haq and the nationwide strike in Pakistan yesterday in sympathy with those killed and special prayers offered for them on Friday. Shultz is understood to have told the foreign minister about the U.S. efforts in constituting the multinational force to protect the civilians in Beirut and President Reagan's warning to Israel to pull out of the Lebanese capital. Later, Sahabzada Yaqub Khan said he was impressed by the constructive attitude of Shultz. On regional issues, he briefed the U.S. secretary of state about Pakistan's attempt for normalization of relations with India and the situation in Afghanistan. The two foreign ministers also reviewed bilateral relations, steadily improving since President Reagan took office in January last year. [Text] [BK231159 Karachi Domestic Service in English 1005 GMT 23 Sep 82]

COUNCIL SESSION SCHEDULED--The president has summoned the next session of the Advisory Council to be held in Islamabad on 9 October. [Text] [BK221612 Karachi Domestic Service in Urdu 1500 GMT 22 Sep 82]

HAQ TO VISIT SINGAPORE--President Gen Mohammad Ziaul Haq will go to Singapore on 10 November on a 3-day visit to that country at the invitation of Singapore President C.V. Devan Nair. He will hold talks with the Singapore president and Prime Minister Lee Kuan Yew on matters of mutual interest, existing international problems as well as on ways to increase bilateral cooperation. [Text] [BK221616 Karachi Domestic Service in Urdu 1500 GMT 22 Sep 82]

YAQUB KHAN COMMENTS ON TALKS WITH PYM--Foreign Minister Sahabzada Yaqub Khan has said he had useful talks with British Foreign Secretary Francis Pym in London on Afghanistan, the Middle East and other matters. He was talking to Pakistani newsmen in London before his departure for New York to lead the Pakistan delegation at the UN General Assembly session. He said he would be having further talks on Afghanistan at the United Nations with the secretary general's special envoy, Cordovez. These talks will be a continuation of the indirect talks on Afghanistan held in Geneva last June. He reiterated that Pakistan's position on Afghanistan remains unchanged and whatever solution was devised for the Afghan problem, it will be based on the resolutions of the UN General Assembly and the Islamic foreign ministers conference. He said Cordovez would also be visiting Islamabad, Kabul and Tehran in next November for continuation of the talks on Afghanistan. Sahabzada Yaqub Khan said he also looked forward to meeting Soviet Foreign Minister Gromyko during his visit to the United Nations. The Pakistan foreign minister emphatically stated that Pakistan had no plan whatsoever to produce nuclear weapons and that Pakistan's nuclear program was only for peaceful purposes. [Text] [BK190737 Karachi Domestic Service in Urdu 0200 GMT 19 Sep 82]

GUNMAN IDENTIFIED AS AL-ZULFIQAR MEMBER--Police sources today told Associated Press of Pakistan that the man killed in a shooting outside the office of the late Zahurul Hassan Bhopali has been identified. He was (Ilyas Siddiqui), an accredited member of the terrorist organization, al-Zulfiqar. This man was sent to Damascus along with 53 other persons whose freedom was demanded by the hijacker of the Pia plane in March 1981. [Text] [BK181604 Karachi Domestic Service in Urdu 1500 GMT 18 Sep 82]

EDITORIAL ON U.S. INVESTMENT IN COUNTRY

HK271652 Manila BULLETIN TODAY in English 27 Sep 82 p 6

[Editorial: "Attracting Investments"]

[Text] One of the ways to tell the success of the president's visit is the amount of new U.S. investments it will generate in the near future. For the visit gave an opportunity for reaffirming friendship and alliance, proving Philippine stability, and citing investment possibilities here.

The president took advantage of his visit to invite U.S. investors and to pledge fair treatment.

Given the facts about this country established during the visit as well as all others directly available here, there is no reason investments in certain industries will unduly be withheld.

There are many cases to prove that U.S. investments located in less hospitable climes with the consequence that they have been either confiscated outright or rendered unprofitable by a turn of the political wheel.

Still the basic needs of investors must be fulfilled by the Philippines. For example, communication facilities must be considerably improved. Not many might want to set up plants in this country if telecommunications are inadequate.

There must likewise be an adequate supply of energy in the place where plants are to be set up.

Such basic needs should be met.

The time for debating the desirability of foreign investments in principle is long past. The immediate concern is to find employment for the growing addition to the work force.

CSO: 4200/10

CPP LEADERS IN SOUTH STRUGGLE FOR POWER

Manila PHILIPPINES DAILY EXPRESS in English 27 Sep 82 pp 1, 6

[Article by Mel Parale]

[Text] MALAGUTAY, Zamboanga City, Sept. 26--President Marcos was today informed by military authorities that an intense power struggle has rocked the Communist Party of the Philippines with the killing last Monday of Edgar Jopson, erstwhile CPP chairman in Mindanao.

Gen. Fabian C. Ver, AFP chief of staff, cut short his address at the 6th anniversary celebration here of the AFP southern support command when the regional command received an overseas call from the President.

The President was verifying the status of certain military officers abroad.

GEN. VER took the opportunity to convey to the President latest information monitored by the intelligence community on the effects of Jopson's killing to the movement.

Jopson, who was sent to link the student and labor sectors in sowing unrest in the country this month, was killed in a shootout with government troopers in his hideout in Davao City.

Ver told the President that the object of the new power play in the movement is the post left vacant by Jopson.

MAIN protagonists are Benjamin de Vera, a CPP leader, who counts on the support of Mindanao CPP members, and Rolly Kintanar, the No. 2 CPP leader in the region who is backed by rebel ranks in the Visayas. Kintanar has a P150,000 price on his head.

De Very used to be the CPP chairman in Mindanao when he was captured. He has escaped and is among top CPP leaders being hunted.

Ver also informed the President that CPP leaders who had converted in Mindanao to plan sabotage operations have apparently gone back to their respective lairs in the Visayas and the Bicol region after the raid of the Davao assembly point.

VER declassified more documents seized in the raid showing that the CPP and its military arm, the New People's Army, were bracing for a massive anti-government propaganda and recruitment offensive.

He also revealed intelligence reports that they have identified the sources of incendiary bombs planted in some big hotels in Metro Manila. The devices had been found and defused by bomb disposal experts.

One of the suppliers, Ver said, was a Filipino holding office at a building housing a Philippine consulate in California.

VER said the intelligence community has also more information on other links of plotters to sow disorder.

Ver said that the government is still in full control of peace and order based on reports of regional military commands.

CSO: 4200/14

REBEL ALLIANCE IN SOUTH BARED

Manila BULLETIN TODAY in English 26 Sep 82 pp 1, 11

[Article by Nelly Sindayen]

[Text]

Maj. Gen. Delfin Castro, chief of the Southern command (Southcom) in Mindanao, revealed yesterday that the military arms of the three major rebel groups have formally organized an alliance.

Speaking before the United Nations Walkers Club, Castro said "definitely, there's an alliance" among the Moro National Liberation Front's (MNLF) Bangsa Moro Army, the Communist Party of the Philippines' New People's Army (NPA), and the Partidong Demokratiko Sosyalista ng Pilipinas' Sandigan Army.

The existence of the BMA-NPA-Sandigan alliance is revealed in documents seized from both the MNLF and the CPP, the Southcom chief told his audience.

Castro stressed that as a result of this new alliance, "you don't hear of any fighting between the MNLF and the CPP and the Sandigan in Mindanao."

The alliance, he said, is possibly headed by a "common leader" whose identity he did not disclose.

Castro also affirmed a common military and government belief that MNLF chairman Nur Misuari is a Communist and has always been one since the 60's.

Castro refused to comment when asked if the Libyan government is giving Muslim rebels any aid. The only kind of support Libya gives the Muslims, he said, is development support through the hospital in Marawi city, Castro said.

He added that Libyan Ambassador Moustafa Dreiza has pledged to establish manpower skills training centers for Muslims as well as Christians in Mindanao.

Castro said the MNLF is now divided into three factions: the Misuari faction, the Hashim Salamat faction, and the Bangsa Moro Liberation Organization faction of former Congressman Rashid Lucman.

Despite the continued suspension of the privilege of the writ of habeas corpus

in Mindanao's Regions 9 and 12, he said, the military authorities hardly take advantage of the situation. He added that the continued suspension of the privilege has been recommended by the Muslim leaders.

Brig. Gen. Pedrito C. de Guzman, commander of Constabulary Region XI based in Davao city, alerted his men yesterday against possible attacks by communist rebels to avenge the loss of their top leader.

De Guzman informed Gen. Fabian C. Ver, Armed Forces chief of staff, that they have received intelligence reports that the New People's Army was planning reprisal actions following the death of Edgar Jopson, 35, No. 1 Communist Party of the Philippines (CPP) leader in Mindanao.

The NPA offensives would be carried out this month or the first few days of next month in line with the CPP/NPA's "Operations Skylark" or "September movement" to stage strikes, bombings, and assassinations nationwide.

Jopson was slain in a shootout with lawmen in his Skylark subdivision hideout in Catalunan Grande, Davao city, last Sept. 20, hours before the NPA's were to launch attacks on several targets coinciding with the anniversary of the imposition of martial law.

De Guzman informed Ver that he has also ordered an intensified hunt for Rolly Kintanar, No. 2 CPP/NPA man in the area who is likely to succeed Jopson. Kintanar has a ₱150,000 price over his head.

CSO: 4200/14

DRIVE AGAINST ANTIGOVERNMENT ELEMENTS STEPPED UP

HK250418 Manila TIMES JOURNAL in English 24 Sep 82 p 2

[Report by Abe Licayan]

[Text] The PC (Philippine Constabulatory) has stepped up its civic-action drive in central Visayas, particularly in the remote Baranggay to thwart the activities of anti-government elements.

Brig Gen Alfredo S. Olano, Region 9 PC commander, said these elements, all believed to be members of the Communist Party of the Philippines, conduct teach-ins among the people and incite them by blowing up the failures of the government. After winning their sentiments, the subversives then start recruiting Baranggay residents into the New People's Army, the military man of the Communist Party.

Olano also has ordered an all-out war against armed groups terrorizing the people in the mountain areas in central Visayas, including Cebu, and against holdup gangs operating in the city.

In Negros Occidental, PC soldiers and policemen captured last week six suspected dissidents in Baranggay Ilaya, Calatrava Town. Only three suspects were identified as Aniceto Villamor, Wilfredo Villamor and Rogelio Carmelotes.

Confiscated from the suspects were a .30 caliber Springfield rifle, three .38 caliber revolvers, a 12 guage shotgun and assorted ammunition, including some M-14 and M-16 armalite rifles.

Villamor admitted he was the "Commander Chito" operating in Baranggay Ilaya, Cruz, Paghumayan Macasilaw and Pantaw of Calatrava.

Another suspected rebel, identified as Juanito Caramihan was captured in Sitio Mailig, Baranggay Winaswasan. Confiscated from him was a .38 revolver.

A composite team also captured Diosinio Caballes who admitted participation in the 5 August ambuscade at Baranggay Agpangi which resulted in the slaying of six Calatrava policemen and four civilians.

CSO: 4200/10

NO PROBLEMS IN ALLIANCE WITH U.S.

HK231430 Manila BULLETIN TODAY in English 23 Sep 82 p 6

[Editorial: "On an Alliance"]

[Text] Before he set off for the state visit and on arrival in the United States, the president told the press he would not bother President Reagan, who already had had to contend with many problems. The message deserves discussion to be appreciated.

First, it should be noted that U.S. foreign policy is weighted down by the domestic problems of many countries, including allies. Those problems affect U.S. interests, and therefore the U.S. Government feels it must do something.

The United States has problems not only with individual countries but also with regional developments. One good example is the Middle East. If the United States has long conceded that it is no longer the world's policeman, it must in certain cases act like a policeman or a fireman. In that role the United States has had to contend with political and economic problems. The foreign policy and the manner it is carried out are so important that sometimes they decide the fate of an American administration.

What is often times forgotten is the Philippines does not give problems to the U.S. administration. Whatever problems it has do not compel the United States to act either as a policeman or a fireman. Those agreements signed in Washington are the usual stuff of a normal bilateral relationship. They are mutually beneficial. Because there are no attempts at imposition either way the direct material benefits are cause neither for excessive jubiliation nor disappointment. Alliances flourish best when there are no serious outstanding problems, for in that case no party is called upon to do something extraordinary for the sake of the other.

The U.S. Government would have much less problems if all its allies were like the Philippines.

CSO: 4200/10

FEWER LABOR STRIKES IN 1982 NOTED

HK010231 Manila BULLETIN TODAY in English 30 Sep 82 pp 1, 15

[Text] Labor Deputy Minister Carmedo C. Noriel clarified yesterday reports attributing the decline in the number of strikes in the first semester of 1982 mainly to Batas Pambansa [BP] 130 and BP 227. These laws allegedly rendered labor unions ineffective in winning higher wages.

Noriel said that while the reported incidence of strikes is lower than in 1981, some strikes this year cover more workers and tended to be of longer duration even after the passage of BP 130 on 17 August 1981, which guarantees the valid exercise of the rights to strike and to lockout.

He recalled that in the first semester of 1981, Presidential Decree 823 was still in effect although the need to replace it with a new law was recognized with the lifting of martial law last January.

He said the first half of 1982 was already governed by BP 130 but the rate of strikes could not have been appreciably affected by BP 227 which was signed into law only last June.

Winning higher wages and securing improved benefits for the workers cannot be accurately measured in proportion to the number of strikes declared, Noriel stressed, adding that a strike is not an end by itself, only a means of last resort.

He noted that 624 new collective bargaining contracts have so far been executed and filed with the MOLE [Ministry of Labor and Employment] this year, reflecting improved workers' benefits even under adverse economic conditions and more safeguards in the strike law.

Most of the CBAS [expansion unknown] were principally the product of collective bargaining or the efforts of trade unions and employers themselves through negotiations and without the need for direct action, Noriel said. Other CBAS were concluded with the assistance of conciliators and arbitrators of the ministry, he added.

He said the two laws have succeeded in minimizing, if not eliminating, spontaneous strikes precipitated by a minority within a union or even by external pressures, thus helping bring about greater stability and industrial peace.

Other factors behind the decline in strikes, Noriel said, is the fact that many collective agreements are negotiated and concluded in the early part of the year so that fewer negotiations take place at the later part of the year.

He said recession has made workers more careful not to lose their jobs in mass lay offs due to business failure.

CSO: 4200/10

PAPER SEES VIETNAMESE THREAT AS REAL

HK010204 Manila TIMES JOURNAL in English 30 Sep 82 p 4

[Editorial: "The Vietnamese Threat Is Real"]

[Text] President Marcos' candid admission before the editorial board of the LOS ANGELES TIMES that Soviet-backed Vietnam is the most serious threat to Asian security today should not be taken lightly.

The president, in fact, was telling the U.S. Government and the American public that greater interest and effort should be exerted by the United States to contain what could be a gradual but accelerated phase in subversive infiltration of areas in Southeast Asia which have always been aligned with the West in life-style and government systems.

Matters have been aggravated recently by an exchange of divergent views between the member-states of the Association of Southeast Asian Nations (ASEAN) to which the Philippines belongs and Vietnam over ASEAN's insistence that Vietnam withdraw its army from Kampuchea and allow its people to select their own government.

It was obvious that the president wanted to stress the point further when he said that neither China, the Soviet Union or Japan were the biggest security threat to Asia but "Vietnam backed by Russia."

For one, Vietnam has the largest standing army in this side of the world. The quick withdrawal of America from South Vietnam in the early 1970's resulted in the stock-piling of millions of dollars worth of military hardware which the conquering Vietnamese troops made good use of. Added to this has been the steady influx of Soviet arms and experts to help speed up the recovery of the country.

No one knows for sure these days how strongly entrenched the Soviets are in Vietnam. Certainly, however, Cam Ranh and Da Nang, American bases fully equipped and prepared for armed conflict, are being utilized by the Vietnamese and their Soviet allies. These two bases present an outright threat to shipping in the South China Sea, especially shipping en route to Japan, another Western ally.

The threat to the Philippines is direct. Vietnam lies immediately to the west of this country and only the South China Sea separates the two countries. At least twice this year, the Philippine Government protested reported intrusions by Soviet planes into Philippine air space. Where the jet patrols came from may never be known but it is certain their landing point would be somewhere in Vietnam.

Perhaps only the belligerent stance of China to the north of Vietnam has kept the Vietnamese military from steam-rolling into Thailand and Malaysia in a move to bring within the communist orbit the rich Southeast Asian nations. If and when this happens, the West stands to lose a vital source of natural resources. This would, in turn, seriously affect its industrial output.

Mr Marcos said the threat was real and imminent. He noted earlier that increased incidence of subversive activities not only in the Philippines but also in other ASEAN member states was an indication of the program being set into motion by the international communist movement.

Soviet-backed Vietnam is the sword-wielding arm that can inflict a mortal wound on Southeast Asia unless, of course, America realizes the peril before it is too late and moves toward off the oncoming blade of the sword.

CSO: 4200/10

BRIEFS

SURRENDER OF LUZON DISSIDENTS EXPECTED--Military authorities in northern Luzon expect more dissidents to surrender shortly. This is due to the reported demoralization in the ranks of the New People's Army [NPA]. The military learned of the demoralization from some dissidents who surrendered to the authorities recently. The same dissidents provided the military with enough information for the capture of notorious NPA commanders. [Text] [HK170029 Manila Far East Broadcasting Company in English 2330 GMT 16 Sep 82]

TOBACCO PRODUCTION--Virginia flue-cured tobacco production soared from 37,962,089.85 kilos valued at P332,572,458.00 in 1981 to 47,421,069.40 kilos amounting to P493,155,785.67 this year, an increase of over 9 million kilos valued at P160,583,327.67. The percentage of exportable-grade Virginia leaf registered a 4.83 percent hike as production of grades A, B, and C climbed from 59.91 percent last year to 64.74 percent in 1982. Justice Federico B. Moreno, PVTA [Philippine Virginia Tobacco Administration] chairman, said 38,583 Virginia tobacco farmers and their families in the provinces of La Union, Ilocos Sur, Ilocos Norte, and Abra received P496,155,785.67 this year. The unusually high rate of increase in the production of Virginia leaf this year can be attributed to the fact that farmers who planted cotton in 1981 returned to tobacco this year, he said. Moreno also reported that burley tobacco production in Pangasinan, Occidental Mindoro, and Tarlac recorded an increase of 16,251.50 kilos or P7,954,027.10. Total production rose from 12,767,251.00 kilos valued at P72,922,767.85 last year to 12,783,772.50 kilos worth P80,876,794.95 in 1982, Moreno added. [Text] [HK200606 Manila BULLETIN TODAY in English 18 Sep 82 p 5]

EIGHT KILLED IN DAVAO DEL NORTE--Manila, 28 Sep (AFP)--The Communist New People's Army (NPA) yesterday killed seven troopers and one civilian in an ambush in Concepcion Town, Davao Del Norte Province in southern Philippines, military authorities said. The authorities said the heavily armed NPA guerrillas immobilized their army truck with an M-29 grenade before peppering its occupants with bullets 590 miles (944 kms) southeast of Manila. The fatalities were members of the crack Delta Company of the Philippine Army's 37th infantry battalion. They were on their way to establish a detachment in nearby Asuncion Town when the NPA team of about 60 guerrillas attacked, the military said. The civilian fatality was a truck helper. Four others aboard the truck were wounded, including a Civilian Home Defense Force (CHDF) team leader, the military added. The NPA ambushers carted away eight armalite rifles and thousands of rounds of ammunition from the dead soldiers. [Text] [OW281241 Hong Kong AFP in English 0758 GMT 28 Sep 82]

SIX KILLED IN ZAMBOANGA DEL SUR--Zamboanga City, Southern Philippines, 28 Sep (AFP)--Communist New People's Army (NPA) guerrillas killed six people including four soldiers when they attacked a detachment in remote Siay Town in Zamboanga Del Sur Province north of here, military sources said today. The attack seemed aimed at capturing firearms, according to the sources. Rifles, ammunition and other combat equipment were taken from the dead soldiers, whose outnumbered companions were driven off by the 50-strong band, sources said. The civilian victims were at the detachment when the 30-minute gun-battle occurred. Meanwhile, in Kabasalan Town also in Zamboanga Del Sur, a nurse was kidnapped by Moslem rebels apparently to attend to their sick and wounded, the same sources said. The rebels, belonging to the Moro National Liberation Front (MNLF), had been fighting a secessionist war since 1972. [Text] [OW281243 Hong Kong AFP in English 1120 GMT 28 Sep 82]

AUSTRALIAN PRIEST ARRESTED--An Australian Roman Catholic priest accused by Philippine military authorities of having explosives and antigovernment documents at his home said today he was a victim of a frameup intended to undermine the work of the Church. Father Brian Gore, originally from Perth, was arrested late last week in his parish near Kabankaln in the central Philippines. He and four Filipinos were questioned for 5 hours about the alleged discovery of the fragmentation grenade, five rounds of ammunition and, what was termed, subversive documents. Military authorities said they were preparing charges of subversion and illegal possession of explosives against Father Gore who was attached to the Columban Order. But he was allowed to return to his parish where he has worked for the past 10 years. [Text] [BK290914 Melbourne Overseas Service in English 0830 GMT 29 Sep 82]

MARCOS TOLD OF COMMUNIST LEADER'S DEATH--In Zamboanga City, AFP [Armed Forces of the Philippines] Chief of Staff Gen Fabian Ver has informed President Marcos that the killing of Communist leader Edgar Jopson has resulted in a power struggle among the communist leaders in Mindanao. Involved in the power struggle are Romulo Kintanar, the No 2 man in the Communist hierarchy in the South and Benjamin de Vera, the former top man. De Vera reportedly wanted to regain power after his escape from government custody. President Marcos made an overseas telephone call to General Ver when the AFP chief of staff was in Zamboanga City yesterday for the sixth anniversary of the Seventh Philippine Logistics Base in (Malagutay). On that occasion, Region 11 Commander Brig Gen Pedrito de Guzman also briefed General Ver on the peace and order situation in Mindanao. [Text] [HK270536 Manila Far East Broadcasting Company in English 2330 GMT 26 Sep 82]

SUSPECTED NPA PRIEST CAPTURED--Manila, 24 Sep (AFP)--The Philippine military has captured one of eight Catholic priests originally assigned to Samar Province who have reportedly joined the Communist New People's Army (NPA), military sources said today. The priest, identified as Father Orlando Tizon, alias Father Land Otisan, former parish priest of Calbayog City in Samar, central Philippines, was captured when army troops killed ranking Communist Party leader Edgar Jopson on Tuesday. Mr Jopson, 35, said to be the Communist Party chairman of Mindanao (southern Philippines), was killed in a shootout in Davao City 590 miles (944 kms) south of Manila when the military discovered his hiding place. Military authorities said Fr Tizon joined the communist underground

after a quarrel with a bishop from Samar, whose northern region is a stronghold of the NPA. Seven other priests were said to have followed his example. The Catholic hierarchy in the Philippines has repeatedly expressed concern over the growing number of young radical priests who either sympathize with or join the NPA. [Text] [OW241053 Hong Kong AFP in English 0931 GMT 24 Sep 82]

CSO: 4200/10

SINO-LANKA CASH TRADE DEAL SIGNED

Colombo SUN in English 22 Sep 82 p 1

[Article by Minoli de Soysa]

[Text] **Sri Lanka and China yesterday concluded for the first time a cash trade agreement to replace the traditional barter trade that has been operating between the two countries.**

"The new agreement, which will provide most-favoured nation treatment for both countries, shows that Sri Lanka and China are able to continue trading despite changing world and domestic circumstances", Trade and Shipping Minister Lalith Athulathmudali said after signing the agreement yesterday

Signing for China was First Vice Minister of the Ministry of Foreign and Economic Relations and Trade, Zheng Tuobin who headed a top-level eight-member delegation to Colombo to negotiate the agreement.

The agreement will come into operation on January 1, 1983 and will enable both countries to purchase from each other 1,600 million rupees worth of goods next year.

Trade agreements between China and Sri Lanka have been negotiated every five years since 1952. The sixth one, negotiated in 1977 provided for a (barter exchange of rubber and rice. Since Sri Lanka no longer requires large quantities of rice, the agreement has been changed to one of cash trade.

"If the Maha and Yala seasons were successful, the country would not need to import rice in 1983", Mr. Athulathmudali said.

Mr Tuobin said his country would continue to be a purchaser of Sri Lanka rubber. China will also purchase several other commodities, he said, according to needs and market conditions.

China will buy rubber, coconut, tea, oils, coffee, manufactured rubber, graphite, ilmenite and other products while Sri Lanka will purchase rice, foodstuff, textiles, chemicals, bicycles, machinery, steel, cement and other products from China.

The agreement also provides for the establishment of a joint trade committee to regularly review the implementation of the agreement and to promote and develop trade between the two countries. It will be automatically extended every five years unless notice of termination is given by either country.

CSO: 4200/13

POSSIBLE GENERAL ELECTIONS IN NOVEMBER

Colombo SUN in English 22 Sep 82 p 1

[Article by Jennifer Henricus]

[Text]

Sri Lankans who will go to the polls on October 20 for the Presidential elections may be called upon to vote once again at a parliamentary general elections in November

A snap parliamentary poll, political observers believe, is a strong likelihood in November. Two senior Cabinet Ministers already heightened speculation in this regard.

State Minister Anandatissa de Alwis last week told a meeting of the Organising Committee of the PATA 1984 conference in Colombo that Sri Lanka would have a general election some time in November.

Yesterday Finance and Planning Minister Ronnie de Mel also gave an indication of parliamentary polls in November when he said that a vote on account to cover expenditure for the first quarter of next year would be presented in November instead of Government's sixth budget which was scheduled for November 10.

However, according to authoritative government sources, the dissolution of Parliament will hinge on the outcome of the Presidential elections.

Mr. de Mel told 'SUN' that it was not feasible to present the budget in November because with the dissolution of Parliament for the general elections it would not be possible to debate the Appropriations Bill for 1983 to a finish.

The budget for the financial year 1982 will be presented in January instead, 'SUN' learns. This budget, political observers say, will be the first of the new government that will be formed after the general elections.

The Vote on Account covers only three months. In moving such a vote for expenditure for this period, the President need not disclose to Parliament his intention. Instead he can authorise the issue of funds from the Consolidated Fund to cover expenditure for this period.

CSO: 4200/13

HECTOR FEARS FOR HIS FUTURE

Colombo THE ISLAND in English 22 Sep 82 p 1

[Article by Richard de Silva]

[Text]

"I wrote my Last Will before I came forward for the Presidential Election as the SLFP candidate because I know that if I lose, I will be either sent to jail or sent 6 feet underground", said Mr. Hector Kobbekaduwe at a rally at Wariapola.

He said that he would bring back the 1972 Constitution with certain amendments so that the sovereignty of the people would be safe-guarded and the supremacy of Parliament maintained.

He said that he didn't want to become President for the sake of the glamour of office, but to save the country from it being a pawn of the foreign powers.

It was the people's duty to safeguard the independence of the country. IN order to do that, the people will have to defeat Mr.J.R.Jayewardene at the Presidential election.

Yesterday, Mr.Kobbekaduwe addressed a series of meetings starting from Mannakulam to Wariapola, to Nattandenya, Pannala and Dambadeniya.

A common feature at these meetings was that a large number of Buddhist Priests attended these meetings.

At Anamaduwa where a meeting was scheduled to be held was cancelled owing to police refusal to hold that meeting on the ground as a UNP meeting was being held at the adjoining premises but no such UNP meeting was held.

CSO: 4200/13

HECTOR WILL DISSOLVE PARLIAMENT IF ELECTED

Colombo DAILY NEWS in English 22 Sep 82 p 11

[Text]

Mr. Hector Kobbekaduwa SLFP nominee for the presidential election told a public meeting held at the Panadura Kataragama Kovil premises on Saturday that he would give back Mrs Sirimavo Bandaranaike her civic rights, restore the rice ration and subsidise the cost of essential goods. He would also dissolve the present parliament to elect a set of new MPs.

Mr Kobbekaduwa was garlanded by Mr. W. D. L Appuhamy Panadura SLFP chief organiser on his arrival at the Kovil premises.

Mr. Kobbekaduwa Said he was the common candidate as all the leftist parties except the LSSP had promised to support him at the forthcoming presidential election.

Mr Kobbekaduwa added he would take back the strikers with full back pay.

Mr Anil Moonesinghe the leader of the breakaway LSSP group said it was the late Dr. N. M. Perera who had safeguarded the rights of the working class. The present leadership of the LSSP would not serve the working class. The duty of the working class of the country was to support the Sri Lanka Freedom Party.

Panadura SLFP Chief Organiser W D. L Appuhamy stated that the poor masses have come forward to support the SLFP as they had under gone severe hardships during the last five years.

Mr. D. M. Jayaratne a former deputy minister Mr Tudor Dayaratne Bandaragma SLFP and several others spoke.

CSO: 4200/13

JVP WOULD RETIRE OVER 50'S

Colombo THE ISLAND in English 22 Sep 82 p 1

[Article by L. B. Wijayasiri]

[Text]

It is as sure as the sun and moon shine that I will be elected President on October 20, and as soon as I am elected, I will retire all those over fifty years of age, declared the JVP candidate at the Presidential election, Mr.Rohana Wijeweera, at a rally at George E. de Silva Park, Kandy.

Mr.Wijeweera said that within 24 hours of his assuming office as President, he will issue directions to nationalise all the private lands, factories, business enterprises. He would also pay compensation and back wages up to the cent to all those who had lost their jobs from 1947 to 1982 and all of them would be reinstated.

Mr.Wijeweera said the time had come for people like President Jayewardene, Dr.Colvin R.de Silva and Mr.Hector Kobbekaduwe, who were in their seventies and Sixties to be retired.

Young people like him should be elected to the office of President As soon as he was elected, all those who had passed 50 years of age would be sent on retirement and replaced by young people. He would usher in a new era.

For the past half a century, the people of this country had been misled and fooled by the UNP. LSSP, SLFP and CP. Power had changed hands from the UNP to the SLFP and back to the UNP again. That cycle should now end. The masses had suffered enough under both the UNP and SLFP. In 1977, Mr.Jayewardene came into power on false promises. After he assumed office, the rice ration was removed and the prices of all essentials were increased by several fold.

Now the SLFP was trying to make capital out of the situation and trying to get the people to jump from the frying pan into the fire.

CSO: 4200/13

SEVERE DROUGHT IN PUTTALAM DISTRICT

Colombo DAILY NEWS in English 22 Sep 82 p 13

[Text]

The entire Puttalam District is in the grip of a severe drought. There has not been a drop of rain for the last six months Farmers are faced with this a problem in cultivating their paddy fields and highland crops.

From the 1980-81 Maha season the cultivation of paddy had dropped to a great extent.

Farmers are kept going by the relief given by the government and also by the grant of subsidies

Some farmers are however not getting these subsidies. Those who possess hand tractors are left out of the scheme as they are expected to earn an income by ploughing others fields. Some of these tractor-owner farmers now intend disposing of their tractors and lands in a bid to survive by other means.

The Puttalam-Tabbowa area has over 3000 acres of paddy land which are irrigated by the Tabbowa tank This has now gone bone dry and the farmers are in a quandary as to how they are going to cultivate for the coming Maha season.

Farmers say that they cannot anticipate rain even in the next two months. Heavy winds during the day and cold weather at night are however experienced. Tabbowa farmers are finding it difficult to obtain water for drinking and bathing purposes as the Mee Oya and Nari Oya which supply them with water are also drying up.

At the requests of the MPs of the district, the government is supplying drinking water through bowsers in some areas

Some farmers told me that if a permanent water scheme through Mee Oya could be constructed the Tabbowa tank could be easily filled with water for cultivation during both seasons.

For a season farmers in the Tabbowa area produce over four lakhs of bushels of paddy if there is sufficient water in the tank. As there was no rain for the last three seasons, two seasons were cultivated on the Bethmay basis giving a farmer only one acre to cultivate the produce of which is hardly sufficient to earn an income other than for his own sustenance.

Farmers stressed that unless a permanent water supply scheme is provided there is no alternative but to give up their lands and seek greener pastures elsewhere.

If the government constructs a chain of windmills in the Tabbowa area, at least a part of the farming could be done they said The windmills could be operated successfully as the velocity of the wind in that area is very high.

Farmers thanked the Government for the relief measures granted to them and hoped that these measures would be given to all farmers irrespective of whether they owned tractors or not.

CSO: 4200/13

SHARP DROP IN TEA CROP REPORTED

Colombo DAILY NEWS in English 23 Sep 82 p 1

[Text] **Sri Lanka's 1982 tea production losses have continued into August when a crop loss of 2.9 million kilos has been recorded bringing the production shortfall during the January — August period upto a depressing 17.1 million kilos.**

Most of this year's crop loss is attributed to a drought-hit first quarter when production took a bad beating.

The Colombo tea trade said that there is a global shortfall in tea production this year with most major producers, including India, suffering substantial crop losses.

Eastern Brokers, the Colombo tea brokers, has reported the global crop loss on available figures (which do not include China's production) to be 40.3 million kilos

Although Sri Lanka's August production is available, most countries, including India which is the world's biggest tea producer, has published production figures only upto July.

Against the cheerless picture on the production front, prices have been attractive with the 1982 gross sale average at the Colombo tea sale [words indistinct] 22.15 per kilo upto now against last year's RS. 18.46.

This has ensured that estates are getting prices ahead of their cost of production, a cause for great satisfaction in the context of last year's results.

Iraq has been the major buyer who had helped keep tea prices buoyant in Colombo, traders said.

Discussing production losses elsewhere, a trader said that South India had lost 5.1 million kilos upto July while North India's crop loss for the same period was 10.2 million kilos.

Meanwhile reports said that China is increasing its tea shipments to London. According to figures compiled by the International Trade Centre (ITC), a Geneva-based UN agency, China's tea exports to London during the first five months of this year was 4,938 m.t. against 1,105 m.t. during the corresponding period the previous year.

Production in China has been rated at about 170 million kilos of which 72 million kilos were exported mainly to the USA, Australia, the UK and the continent during the first seven months of the year.

CSO: 4200/13

TRADE UNIONS SUPPORT KOBBEKADUWA

Colombo THE ISLAND in English 22 Sep 82 p 1

[Article by Prasad Gunewardene]

[Text]

Eight major trade unions have pledged their support to the SLFP Presidential candidate Mr.Hector Kobbekaduwe in the forthcoming Presidential election.

These trade unions are the Ceylon Federation of Trade Unions, Public Services Trade Union Federation, Lanka Kamkaru Samithi Mandalaya, Samastha Lanka Lipikaru Sangamaya, Local Government Lipikaru Sangamaya, Democratic Workers' Congress, Sri Lanka Independent Trade Union Federation and the Sri Lanka Government Trade Union fFederation.

Mr.L.W.Panditha, General Secretary of the CFTU told "The Island" that a joint Conference of these trade unions will be called in the near future to decide on an island wide campaign to defeat the UNP candidate Mr.J.R.Jayewardene.

He said that the trade union movement had suffered under the present government and every possible effort would be made to defeat President Jayewardene at the Presidential election.

CSO: 4200/13

BRIEFS

PRC-AIDED PROJECT--The 400 million rupee Gin Ganga flood protection scheme was commissioned by President Jayewardene on 20 September at a ceremony in Galle in the presence of a Chinese delegation led by vice minister of foreign economic relations and trade Zheng Tuobin. The project, undertaken with the assistance from China, provides flood protection to 12,000 acres of paddy land and about 20,000 people on either side of the river. [BK240653 Colombo International Service in English 1045 GMT 21 Sep 82 BK]

CSO: 4200/11

COMMENTATOR SAYS KAMPUCHEA POLICY MAY BACKFIRE

BK240315 Bangkok BANGKOK POST in English 24 Sep 82 p 2

[Text] The strategy of attrition adopted by Thailand and ASEAN to bring about the withdrawal of Vietnamese troops from Kampuchea and Laos may backfire, foreign policy commentator Dr Thira Nutpiam has warned.

Dr Thira, a lecturer at Sinlapakon University, made the comment in a paper sponsored by the Social Science Association of Thailand, which will be presented tonight during a function at Chulalongkom University.

The paper says that Thailand, ASEAN, the United States and China have adopted a policy which was based on the assumption that Hanoi's intervention in Kampuchea and Laos would jeopardise Vietnam's economy and force it to withdraw its occupying armies from the two countries.

Dr Thira said that the success of such a policy depended on ASEAN's ability to maintain its unity and apply pressure on Hanoi through diplomatic and economic isolation and also on Vietnam's ability to bear economic and military pressure from others.

But he said that the policy seemed to contradict Thailand's interests. This was because the strategy of attrition tended to push Vietnam further into the Soviet camp, which was basically against Thailand's objective of a Vietnam free of external influence.

The conflict in Kampuchea affected Thailand by creating tension along the border and adding to the refugee problem. Prolonging the conflict at a time when Thailand's economic and political situation was deteriorating would unavoidably harm Thailand's national interest, Dr Thira wrote.

The strategy drawn up by Thai leaders was understandable, given Thailand's position as a frontline state. But Dr Thira asked how long Thailand could maintain this strategy, given that the pressures on Vietnam might backfire.

Dr Thira said the success of the strategy would depend on the capability of the Democratic Kampuchean forces, ASEAN unity and the threat of a Chinese lesson--all of which would deter Vietnamese aggression.

He said that while these conditions could not be assured, Thailand's policy towards Vietnam was perhaps the most favourable.

Dr Thira also suggested in the paper that U.S. attitude in the Southeast Asian region may also be a factor endangering the Indochinese situation. U.S. opposition to Hanoi and its tilt towards Beijing has made the situation in the region difficult. The United States has overestimated the importance of the Chinese role and underestimated Chinese potential to pose a threat to stability and security in Asia, he said.

He said the alternative may be a change in the U.S. attitude towards the Vietnam in order to reduce its reliance on Moscow and bring it to the negotiating table with ASEAN.

CSO: 4200/24

JAPAN AID TO CGDK 'POLITICALLY ORIENTED'

BK270205 Bangkok THE NATION REVIEW in English 27 Sep 82 pp 1, 2

[By Suthichai Yun]

[Text] Tokyo--Japan has channelled footstuffs and medicines to the two non-communist factions in the coalition government of Democratic Kampuchea. The Khmer Rouge were specifically singled out as nonrecipients of this new flow of Japanese aid, senior Japanese officials at the Foreign Ministry here told the nation.

"After all, the Chinese have been helping the Khmer Rouge anyway. So, that's a kind of division of albour between China and Japan," said the officials earlier this week.

Despite the "humanitarian" nature of the Japanese assistance to the Khmer Resistance Coalition, the officials admitted that political considerations were very much part of the decision-making process.

Japanese officials said their government has, since the formation of the Kampuchean Coalition government, channelled more humanitarian assistance to the Son Sann's and Sihanouk's groups in response to ASEAN's call to strengthen the two non-communist factions of the tripartite coalition government, the third party being the Khmer Rouge.

Diplomatic observers described the Japanese new assistance pattern as "more selective and more politically-oriented."

As of 1 September, the Japanese Government has signed a contract with the World Food Programme worth 1.8 billion yen for 30,000 tons of Thai rice to be distributed to Kampuchean refugees and affected Thais.

The Japanese Government has also provided 500 million yen of canned tuna fish imported from Japan to be distributed to Khmer refugees under the control of Son Sann and Sihanouk factions. The total amount of canned fish is about 500 tons.

Also, medicines worth 100,000 U.S. dollars, acquired from different sources at the recommendation of the Japanese medical teams and JICA [expansion

unknown] relief mission, have been pledged after the formation of the Kampuchean Coalition Government.

While all these items of humanitarian aid would be distrubuted through the World Food Programme, it is understood that the canned fish and medicines in particular would be handed out only to people under the Son Sann and Sihanouk factions, the Japanese officials said.

The Japanese Foreign Ministry officials, in their briefings to the nation, admitted that they remain "skeptical" over the viability of turning the CGDK into a decisive military force.

A senior official said: "Sihanouk, Son Sann and Khieu Samphan have sought separate meetings with Japanese diplomats in New York (during the UN General Assembly this month) and Tokyo. That only reflects the lack of cohesiveness in the coalition government. If there is one government, only one person should suffice to talk to us."

But the Japanese Government is determined to follow the ASEAN initiatives and policy on the Kampuchean issue.

"There may, at times, be false alarm from certain ASEAN countries in the form of speculations that Tokyo may be considering resuming the frozen aid to Hanoi although we have repeatedly told our ASEAN friends that they could rest assured that nothing of that sort is in the works. Well, we just have to improve on our credibility, that's all," said the Japanese official.

The official said Japan considers the Khmer Coalition Government under Sihanouk's presidency an important part of the "game of patience" to win over Vietnam and to pressure Hanoi to pull its troops out of Kampuchea.

"We must keep the Khmer issue alive in the wake of so many international issues which may overshadow the unacceptable Vietnamese, occupation of Kampuchea. In this connection, the so-called re-emergency of Prince Sihanouk has had great impact," another senior official said.

The Japanese officials also said that they did not believe Hanoi's claim of the "China threat" would justify what Vietnam had done to Kampuchea.

"As to what constitutes a threat, it could be a very subjective and pyschological matter. Certainly, we have always said we would take into consideration Vietnam's legitimate security interests. That's why Japan has offered economic reconstruction aid as an incentive for Hanoi to find a political settlement to the Khmer problem along the ASEAN-proposed United Nations resolutions," the officials said.

Japanese policy-makers, however, admitted that the "economic bait" alone might not be adequate in convincing Vietnam to pull its groops out of Kampuchea.

"The Hanoi leadership realizes that its soft belly, the south, is still far from coming under control and corruption as well as dissidence remain prevalent. Should China regain influence in Kampuchea, Vietnam is afraid its soft belly would really be affected," the Japanese officials said.

Japan believes its "offer of economic reconstruction" is but one leverage to be used. "But the time now is not ripe to consider that as an effective leverage just yet," another senior Japanese official said.

CSO: 4200/24

BID TO EXTEND PARLIAMENT'S TERM DISCUSSED

BK200249 Bangkok BANGKOK POST in English 20 Sep 82 p 2

[Text] A political party leader said on Saturday that he wanted the term of Parliament to be extended for another two years so that Prime Minister Prem Tinsulanon's Government can continue to tackle some of the country's serious economic, social and political problems.

Two veteran politicians, however, opposed any attempt to prolong Parliament's tenure which is scheduled to end next April.

Colonel Phatthana Phayakkhanithi, leader of the "Sahachat" Party, said that he believed next April's elections should be postponed for at least two years so that the government can continue to solve problems such as unemployment, refugees and internal security.

He said that the government had become more stable following the appointment of General Athit Kamlang-ek as army commander-in-chief.

The ex-ambassador to Vietnam maintained that he was not against the elections or against the democratic process. But he said internal and external circumstances meant that a stable government such as Gen Prem's should remain in power.

He also doubted whether a new government would be as stable as the present one, adding that the government fully knew how to extend Parliament's term.

However, Mr Klaeo Norapati, secretary-general of the Social Democratic Party [SDP], dismissed claims that there would be a "quiet coup" to pre-empt the next elections.

Commenting on Dr Chai-anan Samutwantit's forecast that there may be an attempt to prolong the tenure of the Parliament for two more years without elections, Klaeo said he did not think such a move would take place because it would be contrary to what the public wants.

"People are smarter today and they will not just let democracy be taken away from them easily," he argued. He added that coups would never solve the

problems faced by the country, contending that the military alone could not do everything.

"They need popular support as well as advice and assistance from other people, such as scholars who would certainly refuse to cooperate with anyone who tore our constitution to pieces," he said.

The SDP secretary-general claimed that it was too late to amend the provisional clause of the constitution and any move in this direction would draw strong criticism from the public.

Meanwhile, Dr Yupha Udomsak of the Social Action Party said that it was unlikely that the government's or Parliament's terms could be extended because this was against the constitution which stipulates that general elections must be held every four years.

"It can be done if the constitution was amended. But who will do it, if not the Parliament. I don't think the Parliament will do it," she added.

The Phichit MP noted that the government could extend its tenure by staging a coup but she urged both it and Parliament to stick to the rules and allow elections to take place as scheduled. "Four years is enough time to remain in office. The people should be given an opportunity to elect qualified men into office and get rid of the unqualified ones," she stated.

As for her own plans, Dr Yupha said she would temporarily leave politics and would not stand in next year's elections.

CSO: 4200/24

SECRET FUNDS UNDER 'HEAVY FIRE' IN BUDGET DEBATE

BK240555 Bangkok BANGKOK POST in English 24 Sep 82 pp 1, 3

[Excerpt] Secret funds, including one for national security purposes, came under heavy fire when debate on the second and final readings of the budget bill began in Parliament yesterday.

A secret 213 million baht fund for national security, included in Article 4 of the budget bill, was approved by a 218-12 vote.

The Parliament also passed the total budget allocation of 177,000 million baht, outlined under Article 3.

The debate, which began at 9:30 a.m. and was adjourned at 6:15 p.m., was expected to be completed today, although most of the articles are yet to be considered.

Several MPs questioned the need for the secret national security fund, citing the apparent defeat of the communist insurgency.

Budget Scrutiny Committee member Pancha Kesonthong explained that the secret fund was needed to finance the development of areas retaken from the communists.

Although military suppression operations against communist insurgency had been successful, development teams needed to be sent in after soldiers were pulled out, he said.

MNR Pancha said the secret fund had been drawn up in detail and was not "vague" as some MPs claimed.

Apart from development, the secret fund also financed intelligence gathering, special operations and other schemes aimed at boosting national security, he said.

On Clause 7 of Article 4 which also concerned national security, Mr Pancha explained that the 1,565 million baht earmarked in this category would be spent on psychological warfare and strengthening village defence.

MP Sombun Chiramakon (Democrat, Nakhon Ratchasima) demanding a 10 percent cut of the total budget, said he saw no reason to increase the secret fund of the office of the prime minister above last year's allocation.

Even the Mineral Resources Department had a secret budget, he said.

Mr Sombun said that the government would save about 7,000 million baht if it scrapped all the secret funds.

In reply, Mr Pancha said that the budget was drawn up from data supplied by various department agencies and nothing was illegal.

He said that all secret funds for non-military use were included in the allocation to the office of the prime minister and this was why it was larger than last year.

He said that the Mineral Resources Department's secret fund was for intelligence-gathering purposes and operations against ore smugglers. [passage omitted]

CSO: 4200/24

AUGUST UN REPORT ON INDOCHINESE REFUGEES CITED

BK210231 Bangkok BANGKOK POST in English 21 Sep 82 p 6

[Text] More Indochinese left Thailand last month than arrived, but more than 175,000 refugees remained in the country's camps, United Nations officials reported yesterday.

A monthly report by the UN High Commissioner for Refugees (UNHCR) said just two Vietnamese arrived by boat in Thailand in August, along with another 464 Laotians and Kampucheans.

During the month, 136 boat people and 1,704 other Indochinese left Thailand for third countries or a large transit camp in the Philippines, the report said.

Thailand had 175,094 Indochinese refugees at the end of last month, officials said, by far the largest number of refugees in Asia. Hong Kong, with just 12,814 boat people in its camps and jails, has the second greatest number.

Officials said the total included 84,568 Kampucheans, 27,906 Lao, 54,570 Laotian hilltribes and 8,050 Vietnamese.

The UNHCR report said that since 1975, Thailand has provided shelter to 584,594 Indochinese refugees, of whom 401,361 have gone on to third countries.

In another report yesterday, the Geneva-based Intergovernmental Committee for Migration (ICM) said the orderly departure programme of Vietnamese for Ho Chi Minh City slowed by nearly a third last month compared with the previous month.

ICM said that in August just 720 Vietnamese left their country legally. In July more than 1,000 were flown out of South Vietnam.

The programme was instituted in 1978 as part of a plan to cut down on the number of illegal departures by boat.

During August, 3,006 Vietnamese boat people successfully fled their country to first asylum in Asia, compared with the 720 who were given Hanoi's permission to leave.

CSO: 4200/24

SPOKESMAN ON EEC TEXTILE ACCORD; ALBANIA TIES

BK151125 Bangkok Domestic Service in Thai 1300 GMT 14 Sep 82

[Excerpts] Spokesman of the prime minister's office Trairong Suwannakhiri and his deputy, Mrs Wanida Chitman, today reported on the results of the weekly cabinet session which was held at Government House and presided over by Prime Minister Gen Prem Tinsulanon. [passage omitted]

The cabinet approved the new textile trade agreement reached with the EEC. According to a report by the Commerce Industry, the Thai delegation appointed in accordance with the cabinet decision on 22 June held talks with the EEC delegation on Thailand's textile exports to the EEC. As a result of the talks, both sides concluded a new agreement which will take effect from 1 January 1983 to 31 December 1986. The new agreement is beneficial to Thialand as follows:

1. It provides Thailand with a greater quota of textile exports to the EEC.

2. Thailand will also enjoy a better condition on quota use. Under the old agreement, if Thailand failed to meet the quota for a particular year, the EEC would reduce it for the following year. Under the new agreement, Thailand may unilaterally reduce textile export quota for the following year if it cannot fill the agreed quota, and instead send other types of goods to make up for the quota. The cabinet approved the proposal made by the Commerce Ministry. [passage omitted]

The cabinet also approved the proposal by the Foreign Ministry on the establishment of diplomatic relations with the People's Socialist Republic of Albania. The announcement will be made on 30 September this year.

CSO: 4207/6

ANALYST SAYS ARMY MORE DEEPLY SPLIT THAN EVER

BK290413 Bangkok BANGKOK POST in English 29 Sep 82 p 3

[Text] The army is now suffering more from divisiveness and factionalism than at any other time in its recent history and is also attaching too much importance to personality cults.

Those were the claims made yesterday by Dr Chai-anan Samutthawanit, a deputy dean of Chulalongkon University's political science faculty.

Speaking at a seminar at the university, Dr Chai-anan charged that the army's persistent refusal to readmit the "young Turk" officers despite their outstanding record in combatting communist guerrillas, has deepened the split in the army.

He said these officers were treated worse than the disillusioned students who joined the communists after the bloody riot in 1976 and eventually gave themselves up to the government.

Most of the "young Turk" officers were dismissed from the army because of their involvement in the abortive 1 April coup attempt last year.

Dr Chai-anan also claimed that the army appears to attach great importance to personality cults by portraying certain individual officers as heroes. This method was once employed in China, but has now been dumped completely, he said, adding he did not understand why it is now being introduced in this country.

The outspoken academic said that he felt the prevailing attitude regarding personality cults and the treatment of the "young Turks" were the worst mistakes ever made by the army in the history of the Rattanakosin era.

He also claimed that a plan by the army-controlled radio network to broadcast live in the installation ceremony of General Athit Kamlang-ek as the new army commander in chief was an attempt at portraying the general as a folk hero and increasing his influence.

"How will the people react if I do the same thing if I am promoted as the faculty dean?" he asked.

Dr Chai-anan then turned his attack on Prime Minister Prem Tinsulanon. He said that the premier often refused face-to-face meetings with people who came to see him to voice their grievances by claiming that he was engaged in other business.

But when a group of supporters showed up in front of the premier's house after the recent grenade attack, he was all smiles and talked to them for a long time, said the deputy dean.

CSO: 4200/24

PREM SAYS KING'S HEALTH IMPROVING STEADILY

BK160730 Bangkok Domestic Service in Thai 0530 GMT 15 Sep 82

[15 September interview given by Prime Minister Gen Prem Tinsulanon to newsmen at Government House--recorded]

[Excerpt] [Prem] It is public knowledge that his majesty the king has been ill for the past two months. He is now steadily recovering from his illness to the satisfaction of the panel of doctors headed by the minister of public health, who is present here with me today. The king's condition, as could be seen in three recent television film clips, appeared to be satisfactory and this has pleased his people. He is also very concerned about his people. For example, he summoned the Irrigation Department director general to the Palace last night for a briefing on the flooding. He also inquired about the weather forecast. He is quite adept at weather forecasting.

I have brought this topic up so that you newsmen can inform the people, because everyone is concerned about the king's wellbeing. However, undesirable, false rumors in certain places and among certain groups of people still persist. I would like you [to] widely publish the correct information that the king is steadily recovering from his illness to the satisfaction of the panel of doctors treating him. The panel of doctors has advised that he takes sufficient rest, and he has always obeyed the panel.

I wish to inform all that the contents of the rumors are vicious, irreverent and incorrect. [passage omitted]

CSO: 4207/6

THAILAND STILL HAS TO CARRY REFUGEE BURDEN

BK150400 Bangkok THE NATION REVIEW in English 15 Sep 82 p 4

[Editorial: "Refugees Here: Memories Are Quick to Fade"]

[Text] It is very easy to dismiss Thailand's refugee problem as purely geographical--if Thailand was not next door to two Indochinese on whom the Vietnamese and the Soviet Union thrust communism, we would not have had any refugees. We know, and everybody else knows, how the refugees, boat people from Vietnam were treated in such countries like Malaysia, Singapore, Philippines and, even, Hong Kong and Japan. But Thailand has been flooded with refugees and there were two assurances in which this country believed. One was that the UN High Commissioner for Refugees would take care of them and the second was that richer third countries would resettle them.

In both Thailand has been disa-pointed, especially after 1978 when the Vietnamese invaded Kampuchea and the Khmer refugees started a massive inflow into Thailand. Possibly Thailand was quite wrong to have ever believed that the UNHCR could do anything about the refugees. So far as we know the UNHCR has been unable to do anything about refugees in any country. They do get a lot of money from the richer countries, and after milking that sum of the high salaries of the top-heavy commission, there is not all that much left for helping refugees.

One lack of positive thinking, or for the matter negative thinking, is absent in the UNHCR since they approached the Heng Samrin Regime in Phnom Penh to take back the Khmer refugees. Possibly it did not occur to them that it was the Heng Samrin Regime from which the refugees fled. It is possible at the instance of the authorities concerned in UNHCR, Thai Government and the Coalition Government of Kampuchea to enable some repatriation back to their homeland where there is sufficient territory available for doing so.

In this, Pakistan, which harbours the largest number of refugees in the world, and Thailand are not the same. The Afghan refugees in Pakistan do not want to be repatriated into a third country because they consider themselves a national patriotic force, which if given sufficient arms, can harass the Soviet army enough to make them leave their country. But the Indochinese refugees are people without any hope since they fear, and possibly rightly,

that if they are repatriated to their homeland, willy-nilly, they have to live under extreme hardships of communism.

Nobody blames the United States for losing the war in Vietnam, but once Indochina was inevitably sold out to the communists, the U.S. has a greater stake in picking up the refugees who can be described in present-day terminology as "fallout," and this is a responsibility primarily of the U.S. But there are new laws and regulations, we are told, which now govern the U.S. Immigration and Naturalization Service (INS), which has depleted the American intake of refugees.

Some figures, released by the United States by the way, will amplify what we are trying to say. In 1980, the total departure of refugees to the U.S. were 93,614; in 1981 the departures were 82,782; during this year to date the departures have been 10,998. The total departures this year, when it ends, is likely to be about one-seventh of the previous year. A set of regulations governs and emigration of refugees to the U.S. by the INS which starts with the question: "Who is a refugee"?. From then on everything becomes totally murky but outwardly tied up into neat packages by red tape.

Let us make a big concession to the U.S. and the richer countries who can easily take in the refugees--let us say that the Khmers (forgetting the other Indochinese) should stay in Thailand, go back to their homeland with the guerrillas of the coalition government and help them in any way they could. Suppose we accept this argument. Then is any one of the richer countries prepared to answer the question: How much non-military aid they have given to the coalition government? Let us start counting this amount of military aid from $1, shall we?

CSO: 4200/24

BRIEFS

PRC TELEVISION, RADIO DELEGATION--A seven-man team of radio and television authorities from the PRC will pay a fortnight visit to Thailand starting on Friday. The visitors, led by the vice minister of radio and television, will be official guests of the Public Relations Department. While here, the Chinese team is scheduled to meet leading cabinet ministers and exchange views on public relations and radio broadcasting activities with high ranking Public Relations Department officials. [Text] [Bangkok Domestic Service in English 0000 GMT 9 Sep 82 BK]

REFUGEES AGREE TO LEAVE CAMP--It has been reported that after defying authorities for two days about 2,000 Laotian refugees agreed to leave the Don Sawan Camp in the northeastern province of Nong Khai for other camps in nearby Nakhon Phanom and Ubon Ratchathani Provinces. The refugees had refused to agree to vacate the camp, which is being closed in line with an Interior Ministry plan to reduce the number of refugee camps. Don Sawan Camp holds Laotian refugees who illegally entered Thailand before January last year. The Laotians elected representatives to negotiate with the authorities for permission to stay, but their request was rejected. The Nong Khai governor has disclosed that the refugees will be shifted as soon as officials at the Nakhon Phanom and Ubon Ratchathani Camps are ready to admit them. He said this would be before the end of this month. [Text] [BK171641 Bangkok Voice of Free Asia in English 1100 GMT 17 Sep 82]

MUKDAHAN BECOMES 73D PROVINCE--Mukdahan became the country's 73rd province yesterday, as its newly-appointed governor pledged to concentrate on rural development, national security and suppression of crime, smuggling and insurgency. The new province--formerly Mukdahan District of Nakhon Phanom--covers about 3,200 square kilometres and has a population of 240,000. It comprises four districts--Mukdahan, which becomes Muang District, Kham Cha-i, Don Tan and Nikhom Khomsoi--and two subdistricts in Wan Yai and Kong Luang. Governor Chamlong Ratchaprasoet said yesterday that some officials had already travelled to the province to take up their posts, and other appointments are expected soon. [Excerpt] [BK280705 Bangkok BANGKOK POST in English 28 Sep 82 p 3]

MORE RICE EXPORTS EXPECTED--Thailand's rice exports this year are expected to exceed 3.5 million tons, judging from the favourable export trend during the first eight months of this year, chairman of the board of trade's Rice

Committee Mr Sman Ophatwong, said yesterday. For the January-August period, Thailand exported 2,528,030.22 tons of rice worth 15,657.3 million baht, private traders shipped out 1,636,012.05 tons or about 64.7 percent, while the government exported the rest. Mr Sman noted that although many rice and crop plantations were damaged by Typhoon Hope, raising doubts about this season's rice crop, the situation is not all bad as the typhoon didn't last too long and subsequent floodwaters receded quickly. "With the drought over and no other natural disasters expected between now and harvesting time, more rice is expected this year than in 1981," Mr Sman said. [Text] [BK280705 Bangkok BANGKOK POST in English 28 Sep 82 p 21]

TIN PRODUCTION, EXPORTS--Thailand's tin production and exports in the first half of this year dropped considerably from those of the same period in 1981, the Board of Trade [BOT] reported. The major reasons for the sharp decline in both production and exports are the reduced richness of tin ore deposits, the higher production costs and the falling price of tin in the world market, the BOT said. Thailand produced 21,515 tons of tin ores between January and June this year, down a steep 14.99 percent from 24,741 tons in the same period last year, and exported 15,402 tons of tin metal worth about 4,955 million baht, a drop of 17.99 percent in volume and 6.28 percent in value from 18,780 tons valued at 5,287 million baht during January-June 1981. [Text] [BK280705 Bangkok BANGKOK POST in English 28 Sep 82 p 21]

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END

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22 October 1982

South and East Asia Report

No. 1205

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No. 1205

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FOREIGN MINISTRY SPOKESMAN HAILS ARAB PEACE PLAN

Dacca THE BANGLADESH TIMES in English 15 Sep 82 pp 1, 8

[Text] Bangladesh has warmly welcomed the Arab peace plan adopted at the just concluded Arab summit in Fez and hoped that peace and stability would soon prevail in Lebanon, reports BSS.

A spokesman of the Foreign Ministry on Tuesday described the peace plan as an achievement for the 900 million Muslims of the world.

He believed that the initiative taken by the Arab summit would lead to a permanent peace in the Middle East and achieve for the heroic people of Palestine their legitimate rights.

The spokesman said, the Government of Bangladesh had expressed great satisfaction at the highly successful outcome of the summit meeting of the heads of Arab states just concluded in Fez. The solemn display of unity by the Arab leaders has ushered in a new era for the Muslim ummah.

Bangladesh, the spokesman said, warmly welcomed the Arab peace plan adopted in the summit meeting as an achievement for and on behalf of the 900 million Muslims of the world.

Bangladesh believes that this initiative will lead to a permanent peace in the Middle East, and achieve for the heroic people of Palestine their legitimate rights including an independent Palestinian state, with Jerusalem as its capital.

The Government of Bangladesh also expressed its sincere hope that peace and stability would soon prevail in Lebanon, the spokesman added.

CSO: 4220/7929

PUBLIC WORKS PROGRAM UPGRADED TO MINISTERIAL WING

Dacca THE BANGLADESH TIMES in English 15 Sep 82 pp 1, 8

[Text] The Government has upgraded the cell for Works Programme into a full-fledged ministerial wing and allocated larger funds for the programme this year, the Minister for Local Government, Mr Mahbubur Rahman, said on Tuesday, reports BSS.

Of the total Tk 1,000 crore planned to be spent in next eight years in Works Programme, he said, TK 50 crore had been earmarked for the current fiscal year and Tk 120 crore for the following two years to generate increase development activities, particularly in rural areas.

The Minister told officials of the Works Programme wing and its foreign consultants at a meeting that an amount of Tk 450 crore had been linked-up and indications for more funds from abroad were received by the Government.

Unlike in the past, Mr Rahman pointed out, the programme had been organised into a full-fledged wing with provisions for accountability for both use of funds and progress achieved. The accountability in the past was 'poor', he added.

The Minister said that the elevation of the two decade-old cell that ran on 'adhoc' basis into a wing of the Ministry of Local Government indicated the importance the present Government attached to it especially to step up the pace of progress in rural areas.

He said with the increased allocation of Tk 50 crore this year compared to the average annual allocation of Tk 15 crore since independence the Government would concentrate more in building rural infrastructure in backward and distressed areas.

Mr Rahman said the execution of the Works Programme would be made through people's participation. The local bodies like union, thana and zilla parishads would play vital role for execution and the ministerial wing would oversee the functioning.

The Works Programme Wing, he added, would have officials at the thana level and would formulate development programmes and take policy decisions for promoting rural communications and irrigation facilities.

The Works Programme, he said, would be entirely development-oriented in keeping with the policy of the present Government. Part of it would also be directed towards urban areas and for this Tk 40 crore has been earmarked under 2nd Five-Year Plan.

A major objective of setting up the wing, he added, was to reduce "misuse and misappropriation of funds". The projects would be taken up solely on the basis of "merit" uninfluenced by "political or personal considerations", he added.

CSO: 4220/7929

STATUS OF DEPUTY DISTRICT COMMISSIONERS TO BE RAISED

Dacca THE BANGLADESH OBSERVER in English 15 Sep 82 p 1

[Text] The status of the Deputy Commissioners of the Districts will be upgraded to that of the Joint Secretary to the government under the changed administrative set up.

The present status of the Deputy Commissioners is equivalent to the Deputy Secretary of the government. There are six districts where Deputy Commissioners are even below the rank of the Deputy Secretary.

Likewise the status of the Chief Executive of the thanas which will become the hub of the national activities will be that of Additional Deputy Commissioners.

The government has taken in hand 75 thanas for development in the first phase. There are in all 472 thanas throughout the country. There are 130 thanas in Dacca Division, 127 thanas in Chittagong Division, 120 thanas in Rajshahi Division and 95 thanas in Khulna Division.

The government is not abolishing all the subdivisions for the time being.

Since subdivisional officers will be lower in rank and status than the Chief Executive Officer of the developed thanas, the thana chief executive officers will directly deal with the Deputy Commissioners of their respective districts.

The rank and status of the officials of other government agencies working in thanas, which will be taken for development will also be upgraded enabling them to take on the spot decision.

CSO: 4220/7928

BEIJING DINNER FOR FRIENDSHIP DELEGATION REPORTED

Dacca THE BANGLADESH OBSERVER in English 15 Sep 82 p 4

[Article by Abdul Matin]

[Text] Peking, Sept. 13:--"The friendship of Chinese people with the people of Bangladesh is deep-rooted and it will remain everlasting. China will give all round help to the people of Bangladesh in reconstruction of their national economy".

This assurance was given by Mr. Wang Bingnan, President, Chinese People's Association for Friendship with Foreign Countries at a dinner hosted by him on Sunday in honour of the friendship delegation of Bangladesh which is being led by Mr. Ataur Rahman Khan.

Recalling the sweet recollection of his visit to Bangladesh in March last, Mr. Wang Bingnan said that the people of Bangladesh were China's trusted friends.

Praising the role played by the peasants in the rural areas of Bangladesh Mr. Wang Bingnan said the land of that country is very fertile and the farmers are very industrious.

He hoped that Bangladesh will march forward day by day in its national reconstruction.

He termed Mr. Ataur Rahman Khan as a very old friend of China and the Chinese people.

Referring to the recently concluded 12th party Congress Mr. Wang Bingnan said that China gave highest importance to handing over the leadership to the younger generation because they are the future of China.

Mr. Wang Bingnan reiterated that the Chinese will always stand by the people of Bangladesh in time of need.

Mr. Ataur Rahman Khan in his reply said that our relations with China date back to three thousand years. Recalling the visits of Fah Hien and Huen Sang to Bangladesh in the long past, Mr. Khan paid rich tributes to them for building real ties between the two peoples of China and Bangladesh.

Referring to his first visit to China in 1952 Mr Khan said that the country had made tremendous progress in all spheres in the last three decades.

Mr. Ataur Rahman Khan praised the decisions taken at the last party Congress of China. He said that these decisions will give impetus to the peoples of all Third World countries to be self-reliant in all affairs.

Replying to the sentiments expressed by Mr. Wang Bingnan that "Friendship should not be empty" Mr. Khan said we believe in real friendship, friendship in heart.

Mr. Anwar Hashim, Minister and charge d'Affaires Bangla-embassy also spoke on the occasion. He evaluated the development of Sino-Bangladesh friendship and cooperation and expressed optimism about the further strengthening of friendly relations and mutually beneficial cooperation between the two governments as well as between the two peoples in the years to come.

Fakir Alamgir, a renowned folk singer of Dacca, rendered some songs.

Besides Mr. Wang Bingnan the dinner was attended by some of the high officials of the Chinese People's Association for Friendship with Foreign countries.

Mr. Abdul Matin, Secretary of the delegation, also spoke on the occasion.

CSO: 4220/7928

BRIEFS

FOREIGN INVESTMENT CELL--A cell has been set up under the direct control of the Chief Martial Law Administrator to expedite the process of sanctions to foreign investments, reports BSS. According to an official announcement on Tuesday this measure has been taken to attract foreign investment in the country. All proposals for foreign investments will be received in the office of the Minister for Industries and Commerce in the first instance. After necessary appraisal and examination the proposals will be sent to the cell for sanctions by the CMLA. Efforts will be made to give the sanctions within the shortest possible time. All proposals of foreign investment including joint-ventures should be made in fully documented form and complete in all details before submission the announcement said. [Text] [Dacca THE BANGLADESH TIMES in English 15 Sep 82 p 1]

WEEKLY BANNED--Mr Ahmed Mirza Khabir, editor, printer and publisher of WEEKLY JOYJATRA, was taken into custody yesterday by the Detective Branch. Police said he was detained "for publishing a statement of Khandkar Mushtaque Ahmed, President Democratic League Sunday last. All copies of Sunday issue of the weekly which comes out from Dacca city were seized earlier by the Special Branch. The Government has prohibited publication of the JOYJATRA with immediate effect, according to an official announcement last night. The weekly has been prohibited under order Clause (C) of Sub-section (1) of Section 17 of the Special Powers Act 1974. [Text] [Dacca THE NEW NATION in English 15 Sep 82 pp 1, 8]

PRC AGRICULTURAL TEAM--A ten-member Chinese agricultural delegation will be visiting Bangladesh in coming November. The high powered team will be led by Mr. Lin Hujia, Chinese Minister of Agriculture, Animal Husbandry and Fisheries. The team will stay in the country for a week. The team during its stay will discuss possible Chinese help in the agricultural sector. [Text] [Dacca THE BANGLADESH OBSERVER in English 17 Sep 82 p 1]

MORE POLICEMEN DISMISSED--The Government has removed from service another 547 Police personnel including nine senior officers on various charges of corruption, negligence to duty and abuse of official position, says an official announcement. Different categories of the Police personnel removed are: one Additional Inspector General, three DIGs, one Commandant RRF (SP), two ASPs, two Assistant Police Commissioners, one SDPO, nine Inspectors, 101 Sub-Inspectors, 29 Assistant Sub-Inspectors, two Sergeants, 360 Head Constables, 7 Naiks and 29 Constables. [Excerpt] [Dacca THE BANGLADESH TIMES in English 17 Sep 82 p 1]

AMBASSADOR TO IRAQ--Baghdad, Sept. 16: Iraqi President Saddam Hussein received credentials of the new Bangladesh Ambassador Mr M M Rezaul Karim at a ceremony here on Sunday. It was attended, among others, by Iraqi Foreign Minister Saadoun Hammadi, reports BSS. The Ambassador conveyed most cordial and fraternal greetings from President Ahsanuddin Chowdhury and Chief Martial Law Administrator Lt. Gen. H M Ershad as well as from the Government and people of Bangladesh to the President, government and brotherly people of Iraq. The Iraqi President warmly reciprocated the sentiments. [Text] [Dacca THE BANGLADESH TIMES in English 17 Sep 82 p 4]

CSO: 4220/7934

NE WIN SPEAKS ON PROPOSED CITIZENSHIP LAW

BK130126 Rangoon Domestic Service in Burmese 1345 GMT 8 Oct 82

[Speech by U Ne Win, chairman of the Burma Socialist Program Party [BSPP] given 8 October at the seventh meeting of the BSPP Central Committee held in the conference hall of the presidential compound on Ahlone Road, Rangoon--recorded]

[Text] Dear comrade members of the Central Committee: The topic I will discuss today concerns an important law--that is, I will explain the Burmese citizenship law. If I am to explain this law, it will be necessary to explain its background. I have no desire to hurt anyone when explaining the history behind it; however, since I shall be citing actual incidents, there may be instances where some may be affected. My intention, however, is to avoid this and I will try to avoid it in my speech.

First, I wish to discuss the period when Burma was enslaved. Part of Burma was under foreign occupation in 1824, and gradually, after several wars, our whole country was enslaved. As all of you know, we were emancipated from bondage and (?officially) regained our independence on 4 January 1948. Thus, in the transition period from 1824 to 4 January 1948, foreigners or aliens flocked into our country without restraint and resided in Burma. The main reason for their coming was to earn their living.

The first batch of foreigners to come was the British, who ruled our country. Later, multitudes of their attendants and followers followed them. Allow me not to elaborate further. We, the citizens of Burma, were not able to decide the fate of our own country in the period between 1824 and 4 January 1948. We had to put up with whatever others were doing.

At the time of our independence in 1948, there were genuine citizens, resident aliens, and offspring of intermarriages between citizens and aliens, as well as offspring of the foreigners themselves in the country. Thus, when we attained independence, our country had a mixed population of genuine citizens and descendants of citizen-foreigner marriages as well as of the foreigners themselves.

Therefore, after independence, a problem arose, namely, to find a solution for the resident foreigners and the mixed blood [thwe hnaw] people. Our

deliberations to solve the problem resulted in the emergence of a law the Union Citizenship Act, 1948. This act came into force as law No 66 on 4 January 1948. The second law to be enacted was law No (?76)--the Union Citizenship Election Act, 1948--which only came into force on 9 May 1948.

The objective of the first law was to define who were the genuine citizens and what their rights were. The other act was to solve the citizenship problem of those who had come from abroad. These people were already in the country at the time of independence. They were thus given the option to apply for Burmese citizenship. Since there were conditions stipulated in the act, citizenship was, of course, not granted freely when applications were submitted. Let me cite some important points of the acts. Article (?5) of the Union Citizenship Act stated:

The following persons born after the state constitution had come into force shall be citizens of the union:

a. A person born in the union of parents one of whom is a union citizen: when the father of that person is a citizen of a foreign country, should that person fail to declare within 1 year of attaining majority the renunciation of his/her foreign citizenship and the option to continue retaining union citizenship, the union citizenship of that person will cease after the expiration of that 1 year.

b. A person born outside the union whose father is a union citizen, provided he has registered at the union consular office concerned within the period and in accordance with the procedures (?specified in this act).

c. A person born outside the union of parents one of whom is a union citizen serving as a public servant of the union government: When one of the parents of that person is a foreigner, should that person fail to declare within 1 year of attaining majority the renunciation of his/her foreign citizenship and the option to continue retaining union citizenship, the union citizenship of that person will cease after the expiration of that 1 year.

I choose to mention this in particular because [words indistinct]. When a child born of parents one of whom is a union citizen attains majority, he must come forward to state thst he does not wish to be a foreigner, but that he wishes to be a Burmese citizen. In other words, even persons with native blood must follow this procedure. Those who made this law did so perhaps inadvertently, because according to this act, if a person fails to declare his choice of Burmese citizenship and to renounce his foreign citizenship in the presence of authorities when he is 18 years of age, he loses the citizenship after 1 year, or when he is 19. This is one point.

Article 7 of the same act states: A foreigner may apply for a naturalized citizenship certificate from the minister if he meets the following requirements: 1) has reached 18 years of age; 2) has resided in the union or under the sovereignty of the union continuously for at least 5 years before the application was submitted. If the minister accepts and is satisfied with the facts as stated, he may grant a naturalized citizenship certificate to the applicant.

I will cite only what is relevant and omit the rest. A foreigner who has reached 18 years of age and has resided in the union or under the sovereignty of the union continuously for at least 5 years before the application was submitted may apply for naturalized citizenship. You may not have noticed something in the text of the law I just read. It states: If the minister accepts and is satisfied with the facts as stated, he may grant a naturalized citizenship certificate to the applicant. It means that one minister has the authority to do what he pleases. It seems that just one minister is authorized to handle such matters with full authority.

Moreover, there is yet another point in the same act concerning people who came to our country and whom I did not mention earlier to avoid hurting them.

Article 13 of the act states: A person who has faithfully served in the union armed forces either continuously for 3 years or for a total of at least 3 years may apply for naturalized citizenship while in the service or within 6 months after completion of service. With the following exceptions, should that person follow all the other provisions of this act, he may be granted a naturalized citizenship certificate:

1. He/she may not state his/her intention beforehand;

2. He/she may not be required to have resided in the union.

There were many public service personnel serving the British who had come to Burma and emphasis was given to those serving in the armed forces. I shall say only this much concerning this law.

Another act is the Union Citizenship Election Act, 1948. Let me read article 3 of that act:

Any person who has the following qualifications may apply for a naturalized citizenship certificate from the district officer concerned:

a. Born in a territory under the sovereignty of his majesty the king of England.

The implications of this requirement are very extensive. At that time, the sovereignty of Britain was so extensive that there was a saying: The sun never sets on the British empire. So, anybody who resided within the empire was given the chance to come and stay in our country. In other words, we were giving special privileges. Since we are associating on good terms with the whole world, we cannot emphasize our relationship with just one country. We must be fair.

Subarticle b of the same article 3 states: Persons who have resided within the sovereignty of the Union of Burma for 8 years [words indistinct].

Those who were in Burma and who met the above requirements were required to apply for Burmese citizenship, stating that they wished to stay in Burma.

On the Burmese Government side, departments concerned had to scrutinize whether the facts stated were accurate or not before issuing the naturalized citizenship certificate.

Some of the foreigners in Burma were illiterate and some of them did not even know that this law existed. The result was that they did not apply for citizenship. There are many of them even today and if we were to take action against them, it would never end. We would be burdened with extraneous work while they would face difficulties.

Among other things, what was bad and what should never have been done is what we had said all along even before our party was founded, that is, never give an individual authoritarian power.

At that time, with their own way of thinking, they endowed an individual with authoritarian power. Since that person was given that power, whatever he decided was all right. Understandably, there were shortcomings when dealing with people who had come here before independence. But there were also people, despite coming here after 1948--that is, after independence--who were given citizenship certificates. Are there not?

So, we just cannot stand idly by with folded arms while there are individuals who came here after independence but who had been given citizenship. As I have mentioned earlier, after attaining independence in 1948, we were faced with a major problem concerning foreigners who had come here. Therefore these two acts were passed to deal with them. But the acts were not implemented effectively and therefore we still have the problem concerning these people even today.

If we observe the situation, the people are also living in fear. Until today, these people have no stable life. There are many of them. Therefore, for the sake of these people's peace of mind and [words indistinct] we are working systematically. They will be able to live in peace and on our side--the state--we must be magnanimous. We must be magnanimous in practice also. Some of these people, foreigners who are in Burma, are descendants of people who had entered more than 100 years ago. That is, circa 1830, 1835 and 1840. Before independence, these people continued to retain their original citizenship. But after independence, although some of them left, there were people who stayed behind and who were confused as to what their identity was. We must not be indifferent to the plight of these people or have an attitude of letting them fend for themselves. If we assume such an attitude, these people will suffer. They have no place to go to [words indistinct]. These are the people who had come here from ancient times; that is, since the first Anglo-Burmese war.

Later also, before the 1941 war began or before the 1948 independence, people came here. We must draft a new citizenship law to solve these problems as it is impossible to drive these people out after they have been here for so many years. Hence, we need to show good will toward them and allow them to stay in peace.

In our present law, we call them resident citizens [ae naingantha]. This is because, at one time, all we had in the country were genuine citizens. But these people came here as "guests" and either did not go back or circumstances were such that they had to settle here. We must be considerate and magnanimous. Although we must be considerate and magnanimous toward them, we must not be magnanimous to the extent that they will pose a danger to us. By magnanimity, we mean they should be allowed to stay in this country and to have the right to earn a living in a fair manner. However, in matters affecting the destiny of the country, they should be excluded. This is not because we hate them, but in practice, if we were to put them in a place where they could decide the fate of the country, our country would be in trouble if they could not fulfill the responsibilities or if they [words indistinct].

Let me cite an example concerning some people among these resident citizens [words indistinct]. After independence, some of them left Burma, while some of their family members remained behind.

Some people who left this country--for instance, Indians--did not go back to India. Instead they settled in Singapore, Hong Kong or America. Some Chinese also did not go back to China, but went to Singapore, Hong Kong, Australia or America. Say, for example, some relatives or a brother remain here. One brother is working in Hong Kong, another in England. They keep contact with each other and try to smuggle out our goods and engage in blackmarketeering. This is a fact. Since we know their habit--that they would do anything to earn money--would it be feasible for us to put them in organizations which decide the fate of the country? Therefore, we will not be able to give them full citizenship and full rights. They will, however, get their due rights. We will make sure that they earn commensurate with their work and that they will earn enough to meet their food and other requirements. We cannot do more than this.

I have explained the background and now I will explain the Burmese citizenship law which we have prepared. Until a certain time in the future, under the new citizenship law, there will be three categories of citizenship--genuine citizen, resident-citizen and naturalized citizen. Those who are nationals of pure blood will be genuine citizens. There are those who came to Burma before independence from other countries and who cannot go back. Some of these people, who knew about the two acts, applied for citizenship while others who did not know about the law did not. For those who have applied, we will scrutinize whether they meet the requirements under the abovementioned two laws, and if they do meet the requirements, we will grant them resident-citizenship. Those who did not know about the laws will be asked to submit applications and if they do meet the requirements, we will grant them naturalized citizenship. Thus, we will have three categories: genuine citizens, resident citizens and naturalized citizens.

What is the difference between resident citizens and naturalized citizens? Although both categories of people came here before independence, the difference will be those who have and those who have not yet applied for citizenship. Those who have not submitted the applications will, comparatively, be considered to have a bigger problem than those who have.

In the Union Citizenship Act, 1948, those born of parents one of whom is a citizen have to declare at the time of attaining majority the decision to renounce foreign citizenship and take up Burmese citizenship. But in our law, if that person has our blood from either of the parents, he is not required to go and pledge allegiance or take oath within 1 year. He automatically becomes a citizen.

Regarding resident-citizens and naturalized citizens, I have to say that although there will be three categories currently, for some time, ultimately there will be only a single type of citizenship in the future. There will be no more resident-citizens and naturalized citizens. How will this come about? Some people will become resident-citizens when they meet the requirements. We are calling them resident-citizens because we do not have complete trust in them, but it would not be fair to let generation after generation of these people to remain resident-citizens and be denied the rights of genuine citizens. As I said earlier, at the moment we do trust the resident-citizens. To recall the example I cited, one of them stays in Hong Kong, one in Burma and another in England for nefarious purposes. However, such contacts may end in a couple of generations. By that time, the third generation in our country will be given genuine citizenship and will have equal rights with others. The same will apply to naturalized citizens.

Are we to deny all their generations of genuine citizenship? Will they never attain that status? No, the third generation will be given genuine citizenship. That is why I mentioned earlier that although there will be three categories of citizenship today, there will only be one type of citizenship in our country in the third generation from now. Grandchildren of resident-citizens and naturalized citizens will be given genuine citizenship only when the current generation, their offspring and the third generation themselves reside in our country as law-abiding people and if they do not commit detrimental acts. If they break the law, their grandchildren will not become genuine citizens. We shall have to consider what action to take and stipulate it in the law for those people who break the law.

The current law is, therefore, aimed firstly at alleviating the problem of people who came here before independence and who do not now know whose citizens they are. They can now stay in our country if they meet the requirements. Moreover, if they continue to stay as law-abiding people, their third generation will become genuine citizens. It is vital that they know this. I want to advise these people to live as law abiding people, giving due consideration to what we have done for them.

We, the genuine citizens or the Burmese people, should not discriminate against them with the excuse that they have come from other countries. Please understand that one day, we and these people will share weal and woe as fellow travelers in the same boat.

As all of you know, we took quite some time to draft this law, including the process of submitting it to the whole country for advice. I do not know how many times the law was redrafted at the lower levels, but I do know that it has been rewritten about six times since it was first submitted to me.

Even then I now notice we have omitted something--I found out about it only this morning when I was preparing to deliver this address. That point is mentioned in the part concerning acts detrimental to the state committed by a genuine citizen. Nobody can stop a person from being a citizen unless he commits acts detrimental to the state. There is also a part which mentions giving a person some sort of responsibility so as to redeem himself. A particular point is missing here, and I am just mentioning this now so as to avoid any future arguments.

The point to add is: a citizen shall not have the right to divest himself of his citizenship during any war in which the state is engaged. We must add this. This point is mentioned in the parts dealing with resident-citizens and naturalized citizens but we inadvertently omitted this where genuine citizens are concerned.

Therefore, on page 5 after paragraph 13 we must add it as paragraph 14. Paragraph 13 says: A citizen shall not have the right to accept the citizenship of another country. Paragraph 14 will read: A citizen shall not have the right to divest himself of his citizenship during any war in which the state is engaged. If we do not insert this portion, some may come up with the excuse that they no longer want to be citizens during a war period so as to avoid having to fight. That is all I have to say. [applause]

CSO: 4211/3

MAUNG MAUNG KHA ADDRESSES CONGRESS SESSION

BK121549 Hong Kong AFP in English 1416 GMT 12 Oct 82

[Text] Rangoon, 12 Oct (AFP)--Basic consumer goods and medicines in the consumer price index went up 5.2 percent in the year ending in May 1982, and inflation stood at 2.33 percent, Prime Minister Maung Maung Kha told the People's Congress on the opening day of its third session today.

Money in circulation, up until February, totalled 9,030 million kyats (1,231 million dollars), 11.34 percent up from February 1981 while savings reached 2,970 million kyats (405 million dollars) as of February 1982, the prime minister said in a state-of-nation report yesterday.

He told the congress that the increase of money in circulation was due to the implementation of projects aimed at increased production in agriculture and other commodities.

Burma has already achieved exports worth 631 million kyats (86 million dollars) of the 1,658.8 million kyats (226.3 million dollars) contracted. The country aims to export goods to the value of 4,250.8 million kyats (584 million dollars) in 1982-83.

Burma has also changed over to a five-day working week, effective Monday. Now state employees will enjoy two days off weekly.

Office workers are to work 35 hours weekly, seven hours a day, with weekends and holidays off. A 40-hour, five-day work week has been set for factory employees working on a single or two-shift system.

Some 1.5 million state employees will benefit from this change. Previously they worked a 44-hour week.

An announcement by the Council of Ministers said authorities had decided to adopt this work schedule so as to increase productivity and allow government employees more time for rest and recreation.

Another reason for the changeover is to conserve energy, informed sources said.

Burma is currently facing a shortage of energy and may be forced to import crude oil to supplement local production in order to meet the fuel demands of on-going projects. It has not imported crude oil since 1974.

Meanwhile, the People's Congress currently in session, continued into its second day with discussions on the state-of-nation reports submitted Monday by the various power organs. The People's Congress concludes Thursday.

CSO: 4200/33

GANDHI REPORTED TO EXPAND RESHUFFLED CABINET

New Delhi PATRIOT in English 12 Sep 82 pp 1, 7

[Text] Prime Minister Indira Gandhi on Saturday inducted up Congress-I President Mohsina Kidwai into her government as a Minister of State in a surprise move which has sparked speculations that the State's government and party machinery may be refurbished in the wake of the communal tension.

Mrs Gandhi had expanded and reshuffled her Cabinet on 2 September changing the portfolios of a number of senior Ministers. This was followed the same evening with changes in the Congress-I high command.

Mrs Kidwai has been made a Minister of State for Labour and Rehabilitation.

She took her oath of office together with four others who had been inducted into the Government on 2 September but had not been sworn in as they were not in the Capital.

The Cabinet expansion was announced in a Rashtrapati Bhavan communique after Mrs Gandhi returned from Srinagar where she had gone to attend the funeral of Sheikh Abdullah.

At a simple ceremony held at the panel room of the Rashtrapati Bhavan in the morning, President Zail Singh administered the oath of office to Mrs Kidwai and three other Ministers of State and a Deputy Minister.

The other three Ministers of State sworn in were Mr Virbhadra Singh, Mr S S B Pattabhirama Rao and Mr Ramchandra Rath and Deputy Minister Ghulam Nabi Azad.

Vice-President M Hidayatullah, Prime Minister Indira Gandhi, her Cabinet colleagues, including External Affairs Minister P V Narasimha Rao, Home Minister P C Sethi and number of MPs were present on the occasion.

All the five Ministers took their oath of office and secrecy in English.

The Rashtrapati Bhavan communique also announced that the Department of Ecology has been redesignated as Department of Environment.

With this expansion, the Central Council of Ministers will have 18 Cabinet Ministers, including the Prime Minister, 25 Ministers of State and 18 Deputy Ministers.

The portfolios of the new Ministers of State are: Mr Pattabhirama Rao (Finance), Mr Ramachandra Rath (Chemicals), Mr Virbhadra Singh (Industry) and Mrs Mohsina Kidwai (Labour and Rehabilitation) and Deputy Minister Ghulam Nabi Azad (Law).

Ministry List

Following is the list of the new Council of Ministers with portfolios, including the changes made on Saturday:

Cabinet: Mrs Indira Gandhi--Prime Minister, Atomic Energy, Space, Science and Technology; Mr Pranab Mukherjee--Finance; Mr P V Narasimha Rao--External Affairs; Mr R Venkataraman--Defence; Mr P C Sethi--Home; Mr C M Stephen--Transport and Shipping; Mr S B Chavan--Planning; Mr A B A Ghani Kham Chaudhary--Railways; Mr Bhishma Narain Singh--Works, Housing and Parliamentary Affairs; Mr P Shiv Shankar--Energy, Petroleum and Coal; Mr Kedar Pandey--Irrigation; Mr Vasant Sathe--Chemical and Fertilisers; Mr N D Tiwari--Industry, Steel and Mines; Mr A P Sharma--Communications; Mr B Shankaranand--Health and Family Welfare; Mr Veerendra Patil--Labour; Rao Birendra Singh--Agriculture; Mr Jagannath Kaushal--Law, Justice and Company Affairs.

Ministers of State: (independent charge): Mr Shiv Raj Patil--Commerce; Mr Bhagwat Jha Azad--Civil Aviation and Civil Supplies; Mr Buta Singh--Supplies and Sports; Mrs Sheila Kaul--Education and Social Welfare; Mr N K P Salve--Information and Broadcasting; Mr Khursheed Alam Khan--Tourism.

Ministers of State: Mr A A Rahim--External Affairs; Mr Pattabhi Rama Rao--Finance; Mr H K L Bhagat--Works, Housing and Parliamentary Affairs; Mr Veer Bhadra Singh--Industry; Mr Gargi Shankar Mishra--Energy; Mr Ramachandra Rath--Chemicals; Mr R V Swaminathan--Agriculture; Mr Baleshwar Ram--Agriculture; Mr N R Laskar--Home; Mr P Venkatasubbaiah--Home; Mr Yogendra Makwana--Communications; Mr C K Jaffer Sharief--Railways; Mr C P N Singh--Conventional Energy Sources in the Ministry of Energy and Electronics; Mr Sitaram Kesri--Shipping and Transport; Mr Z A Ansari--Irrigation; Mr Vikram Mahajan--Energy; Mrs Ram Dulari Sinha--Steel and Mines; Mrs Mohsina Kidwai--Labour and Rehabilitation; Mr Dalbir Singh--Energy.

Deputy Ministers: Mr Ashok Gehlot--Tourism; Mr Digvijay Singh--Environment; Dr M S Sanjeeve Rao--Electronics; Mr K P Singh Deo--Defence; Mr Janardhan Poojary--Finance; Mr Kalpanath Rai--Parliamentary Affairs, Industry; Mr Arif Mohammad Khan--Information and Broadcasting; Mr Ghulam Nabi Azad--Law; Mr Giridhar Gomango--Labour and Rehabilitation; Mr Dharam Vir--Labour; Mr Mallikarjun--Railways and Parliamentary Affairs; Mr Mohammad Usman Arif--Civil Supplies; Mr Vijay N Patil--Communications; Mr P K Thungon--Education; Mr Brajmohan Mohanty--Works and Housing; Miss Kamla Kumari--Agriculture; Miss Kumud Joshi--Health and Family Welfare; Mr P A Sangma--Commerce.

CSO: 4220/7909

PREPARATIONS FOR GANDHI VISIT TO MOSCOW DESCRIBED

Madras THE HINDU in English 9 Sep 82 p 9

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 8.

The preparations for the Prime Minister's visit to the Soviet Union are proceeding at a brisk pace, paying due attention to the details of her talks with the Soviet leaders on both bilateral and internal issues, so that the trip turns out to be a milestone in Indo-Soviet relations.

An advance party of senior officials drawn from different Ministries will be leaving for Moscow during the week-end to prepare the ground for the meeting of the joint commission before the External Affairs Minister, Mr. P. V. Narasimha Rao, arrives there on September 14 on a week-long visit.

After the conclusion of the two-day session of the joint commission, Mr. Narasimha Rao will stay on for a few more days to await the arrival of Mrs. Indira Gandhi on September 20 and assist her in her talks with the Soviet leaders before she leaves for Kiev and Kalinin. He will then fly back to Delhi and leave a few days later for New York for the U.N. General Assembly session.

It is customary for the Soviet Government to conclude a series of economic protocols and credit agreements during the visits of high foreign dignitaries to consolidate relations. The joint commission will approve a number of Soviet-aided projects and other cooperation programmes for announcement during Mrs. Gandhi's visit.

No return banquets: The Soviet Government has dispensed with the formality of return banquets by visiting foreign dignitaries to avoid unnecessary strain to Mr. Brezhnev and give no excuse to the critics to attribute political motives for his absence due to health reasons. There will be only one round of talks with Mr. Brezhnev, although he will be present at the official banquet and also at the airport at the time of her arrival and departure.

The Prime Minister is visiting the Soviet Union at a time when there are some signs of improvement in Sino-Soviet relations and also a slight

lessening of tensions in Europe after the recent Soviet-American strains. It will be a good occasion for her to urge the Soviet leaders to start at least reducing their military presence in Afghanistan to open the way for a negotiated settlement of the problem.

But it is considered highly doubtful whether the Soviet leadership will respond to any such suggestion even from a friendly country like India which has gone out of its way to give it the benefit of doubt over its undefendable action in Afghanistan.

There is little hope of any reversal of Soviet policy at a time when the Kremlin is preparing for a change over to a new leadership after Mr. Brezhnev's exit from the scene. The present Prime Minister, Mr. Tikonov, also is regarded as part of a stop-gap arrangement pending the emergence of new personalities with new power equations.

The whole accent of India's relationship with the Soviet Union at present is on keeping the continuity of close contacts without undue identification with the Soviet policy pursuits. The relationship has stood the test of time and proved useful to India which sees no justification at all for any dilution in the name of maintaining a better balance in its dealings with Moscow and Washington.

Attitude of communists: But at the same time Mrs. Gandhi has been making no secret of her disappointment with the Soviet leadership for not exerting its influence on Indian communists to desist from adopting a hostile attitude towards her Government. During the recent parliamentary debate on the no-confidence motion, she referred to the two communist parties and their "mentors" which caused quite a flutter among Soviet bloc diplomats here.

The Soviet Union, on the other hand, seems to be proceeding on the assumption that there has been a perceptible change in India's attitude and that the country was now going out of its way to befriend the United States. Anything that Mrs. Gandhi says during the talks in Moscow would be carefully analysed by the Soviet leaders for unmistakable signs of a change in direction.

But otherwise Mrs. Gandhi is assured of a very warm and affectionate welcome as a valued friend of the Soviet Union. She will be heard with respect and without any resentment even on an issue like Afghanistan.

A number of pending matters relating to defence cooperation are likely to figure during these discussions. The Soviet policy on such occasions is to assure the visiting dignitaries of every possible assistance leaving the details to be worked out by experts in due course.

CSO: 4220/7913

MANEKA GANDHI FACTION LEADER COMMENTS ON RESHUFFLE

Calcutta THE STATESMAN in English 9 Sep 82 p 12

[Text]

RANCHI, Sept. 8.—The induction of three youth Congress (I) leaders, known for their loyalities to Sanjay Gandhi, into the Union Council of Ministers is unlikely to have any impact on the new political party to be launched by Mrs Maneka Gandhi next month, Mr Akbar Ahmed, leader of the Sanjay Vichar Manch, told reporters here on Sunday night. A large number of Sanjay followers would join the new party, he added.

Mr Kalpnath Sonkar, a Congress (I) M.P. who recently joined Mrs Maneka Gandhi, Mr Lalit Mohan Singh, president of Bihar Unit of the Sanjay Manch, and Mr Sudhir Kumar Misbra, a nephew of Mr Jagannath Mishra, the Bihar Chief Minister, were among those present at the Press conference.

Mr Ahmed announced that some prominent Congress (I) and youth Congress (I) leaders from Bihar, including some Adivasi Congress (I) leaders from the Chotanagpur belt, would join the new party. Mr Anadi Brahma, the convener of the Ranchi unit, declared that the names of Congress (I) leaders from Chotanagpur joining the party would be announced on October 1 by Mrs Maneka Gandhi when she visits Ranchi. New light is likely to be thrown on the alleged secret connexions of the Bihar Chief Minister with the Sanjay Vichar Manch. According to the leaders of the Manch, Mr Jagannath Mishra's letter to Mrs Maneke Gandhi is in their possession. Photocopies of the letter would be released to the Press very soon, leaders said. In reply to a question whether the Bihar Chief Minister was helping the Sanjay Manch, Mr Lalit Mohan Singh replied in the affirmative and repeated his earlier statements that the Chief Minister was helping it financially.

Mr Singh announced that a rally would be organized in Patna on October 10 to "expose" Congress (I) leaders in Bihar.

When asked if the new party would have any alliance with other political parties, Mr Ahmed said "No". He described Mrs Gandhi's charge that his party was being supported by the RSS and Jana Sangh as "baseless and mischievous". The new party would contest elections, he added.

CSO: 4220/7912

GANDHI TO EXAMINE CONGRESS-I LEADERSHIP IN STATES

Madras THE HINDU in English 13 Sep 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 12.

The Prime Minister, Mrs. Indira Gandhi, today met separately several more Congress (I) leaders from Andhra Pradesh, including the Pradesh Congress Committee (I) President, six Ministers and one zilla parishad chairman, to ascertain their views on the proposed changes in the State.

The Chief Minister, Mr. B. Venkatram, who arrived from Hyderabad this morning, is due to meet her after Mrs. Gandhi's thinking has crystallised into some sort of decision.

But meanwhile almost all the Andhra leaders, who met her yesterday and today, are reported to have told her, with only one or two exceptions, that unless a more dynamic person is installed as Chief Minister and given a free hand in reconstituting the Ministry drastically by dropping some of the incompetent ones from the present Cabinet, the Congress (I) will not be able to face the NTR wave and give a good account of itself in the forthcoming Assembly elections.

Drastic Steps

The Prime Minister, too, seems to be veering round to the view that some drastic steps have to be taken soon to refurbish the party's sagging image with a new Chief Minister at the helm. But she is awaiting the return of the Finance Minister, Mr. Pranab Mukherjee, from Washington late tonight to seek his advice before taking the necessary decision.

The External Affairs Minister, Mr. P. V. Narasimha Rao, is due to leave for Moscow on Tuesday morning and, if no decision is taken tomorrow, it means that the issue will have to be settled in his absence, since he is going to be away from Delhi for ten days. But since his views are fully known to her, she can take the decision even after his departure in the light of her own assessment of the situation.

Those who met Mrs. Gandhi today included the PCC (I) president, Mr. C. Dass, the Deputy Chief Minister, Mr. C. Jagannadha Rao, the Finance Minister, Mr. K. Prabhakara Rao, the Cooperation Minister, Mr. Amarnath Reddi, the Municipal Administration Minister, Mrs. Sarojini Pulla Reddi, the Health Minister, Mr. Madan Mohan, the Public Works Minister, Mr. M. Manik Rao, and the Chairman of the Srikakulam Zilla Parishad, Mr. Sreeramulu Naidu, while a few more were expected to be called later tonight.

The Prime Minister has been listening to their views patiently without indicating her own thinking and giving any inkling of what she proposes to do in the situation. But it was quite evident from the sort of questions she has been putting to them that she has practically made up her mind to go in for a change, if she is satisfied that the new leader would be able to carry the party with him.

As a seasoned politician she knows that whoever is chosen there is bound to be some opposition from one interested group or the other for political or personal reasons. But, if it is established that on balance he would be able to command the support of the majority of members and mobilise the party for fighting the forthcoming elections, Mrs. Gandhi would be prepared to go along with the consensus emerging from the current consultations.

She is seeking the views of as many Andhra Pradesh leaders as possible because she does not want the impression to prevail that the new incumbent has been nominated by her and imposed on the State on the basis of her own preferences.

No Fait Accompli

The Prime Minister is also not allowing any of her confidants to stage manage the choice and confront the party with a fait accompli in her name. The whole accent this time is on listening patiently to the views of the party leaders invited to Delhi without letting any of the Central Ministers to prejudge their predispositions.

After getting the Andhra Pradesh problem out of her way, Mrs. Gandhi proposes to tackle the situation in different States. But what is proposed to be done to set matters right will vary from State to State depending on local compulsions.

If Andhra is being given priority over Maharashtra, it is not because that Mr. Babasaheb Bhosale has been given a reprieve. It is only due to the fact that the urgency in Andhra is much greater because of the forthcoming elections.

CSO: 4220/7924

PRESS REPORTS EVENTS AFTER SHEIKH ABDULLAH'S DEATH

Appeal from Farooq Abdullah

Bombay THE TIMES OF INDIA in English 10 Sep 82 p 1

[Text] Srinagar, September 9.

Dr. Farooq Abdullah, who was sworn in as acting chief minister last night, has made a fervent appeal to the people of the state to uphold and maintain its age-old traditions of communal amity and brotherhood.

In a special broadcast at 6.45 a.m. today, Dr. Farooq Abdullah said people from all over the country would be arriving here for the funeral of the "Baba-i-Kum". The people should conduct themselves in a manner that the fair name of the state was not sullied.

He also warned mischievous elements against trying to exploit the situation. He said the people should not resort to any step which would endanger the peace and tranquility of the state.

Dr. Abdullah appealed to all sections of the people, irrespective of their caste, colour or creed, to extend their co-operation to him in his onerous duties which he assumed last night. He said the people should not display any sign of weakness. Instead, they should try to uphold the traditions for which Sheikh Abdullah had fought and died. He was confident that this support would be forthcoming from the people.

In an emotional seven-minute speech which had been recorded last night, Dr. Abdullah said the light had gone out. It was now up to the people to take guidance from this light and march towards the realisation of the Sheikh's dream of a "Naya Kashmir".

Gandhi on Sheikh

Bombay THE TIMES OF INDIA in English 10 Sep 82 pp 1, 5

[Text] VARANASI, September 9 (UNI).

THE Prime Minister, Mrs. Indira Gandhi, today expressed optimism that Kashmir would continue to be as secular as it had been under the leadership of Sheikh Abdullah.

Talking to reporters at Babatpur airport where she arrived in the course of her tour of the flood-hit areas of Uttar Pradesh and Orissa,

Mrs. Gandhi said she was extremely sorry at the death of the Sheikh. There was a special relationship between her family and that of the Sheikh.

Mrs. Gandhi said Sheikh Abdullah was a great secular leader and had played a special role in the freedom struggle.

When Kashmir was attacked the first time, there were no Indian defence forces there. It was Sheikh Abdullah who mobilised the people to fight the invaders, she said.

Mrs. Gandhi will go to Srinagar tomorrow to attend the Sheikh's funeral.

New Delhi (UNI): Mrs. Indira Gandhi described Sheikh Abdullah as a great stalwart of the nation and the father figure of Jammu and Kashmir.

"A tall Indian has gone," she said in a condolence message.

The President, Mr. Zail Singh, expressed his deep grief over the death of Sheikh Abdullah whom he described as a "great nationalist and patriot with sterling qualities."

In the Sheikh's death, Mr. Zail Singh said, the country had lost a veteran freedom-fighter and champion of democracy and socialism.

In his message to the governor of Kashmir, Mr. B.K. Nehru, the President praised the Sheikh for his "iron determination and breadth of vision."

The vice-president, Mr. M. Hidayatullah, has said that in Sheikh Abdullah's death the country had lost a freedom-fighter of the first rank and a man of great stature and determination.

In a condolence message, Mr. Hidayatullah said the news of the Sheikh's death had left everybody in gloom and the shock was more profound since he was ailing for some time and there had been some hopes of his recovery.

Farooq New National Conference Chief

Bombay THE TIMES OF INDIA in English 12 Sep 82 p 1

[Text] SRINAGAR, September 11.

DR. Farooq Abdullah was today unanimously elected leader of the ruling National Conference legislature party.

His name was proposed by Mr. Ghulam Mohiuddin Shah, general secretary of the party, and seconded by Hakim Habibullah.

Addressing the legislators after his election, Dr. Abdullah appealed to all parties to extend full co-operation to his party and the government in fulfilling the common objectives of public welfare.

He said: "We do not want confrontation but co-operation with all". His government would welcome constructive criticism aimed at rectifying mistakes, if any, in the functioning of the government. But criticism for the sake of criticism alone could weaken our democratic fabric and the country.

He reaffirmed the need for strengthening the bonds of unity between the state and the rest of the country. He said that his father was instrumental in the state's accession to India and nothing should be done which could weaken the link. Dr. Abdullah emphasised the need for strengthening the bonds of communal amity to which "we are dedicated."

UPPER HOUSE

Concluding, he asked the members to take a pledge to work for the ideals of Sher-e-Kashmir and carry forward the mission launched by him.

The party later adopted a resolution mourning Sheikh Abdullah and placing on record his services to the party and the people.

The meeting also decided to extend full co-operation and support to the newly-elected leader of the party.

Dr. Abdullah, who is an MP representing the Srinagar constituency and president of the National Conference, is not a member of either of the two houses of the state legislature. Within six months, he has to become a member of the legislature.

He is likely to contest the election to the upper house. One of the National Conference members of the house will have to resign so that the seat falls vacant. Two senior ministers—Mr. D. D. Thakur, finance minister, and Mr M. K. Tickoo, law minister—are from the upper house.

However, with the fast approaching cold weather, assembly elections this winter are ruled out as many areas will be snowbound.

The government will also have to wait till such reports are submitted before declaring dates for fresh elections. The commission, headed by Mr. Justice (Retd.) J. N. Wazir, is to submit its report by December.

Dr. Abdullah will also have to decide two other vital issues now. One is whether he would like to continue as the party president like his father. The other issue relates to the reconstitution of the present council of ministers.

It is learnt that there was some discussion on this issue at today's meeting of the legislature party as some members raised the point whether the present set of ministers could continue in the absence of a fresh oath of office and secrecy.

It is learnt that legal opinion was in favour of the ministers taking a fresh oath.

Later, in an informal chat with journalists, Dr. Abdullah said that his priorities would be to ensure speedier economic growth, strengthening the bonds of amity among various communities and regions of the state and to further promote Centre-state understanding.

He said the task of building up the socio-economic structure was a stupendous one and this could be done with the unstinted co-operation of all.

Mr. G. M. Shah, former works minister and son-in-law of the Sheikh, also endorsed the choice, but said that "differences existed in the party, which was natural in a democracy."

Farooq's Broadcast Speech Reported

New Delhi PATRIOT in English 12 Sep 82 p 5

[Text] SRINAGAR, Sept 11 (PTI)—Dr Farooq Abdullah tonight called upon the people of the State to redouble their efforts to further strengthen the bonds of communal amity, and secular base of polity in Jammu and Kashmir.

In his first broadcast from Radio Kashmir to the people as new State Chief Minister, he said that his father had always upheld with vigour the ideal of secularism. This was a "priceless legacy" which had to be defended and further strengthened.

Sheikh Mohammad Abdullah, he said, wanted Jammu and Kashmir to be "laboratory of secularism" and truly a crown of the great Indian democracy. "We have to make a common endeavour to further strengthen the Hindu-Muslim-Sikh unity, and turn this ideal into an ever-burning flame", he said.

Dr Farooq who was unanimously elected by the legislative wing of his party as its leader this afternoon, recalled the period of 1947 when Jammu and Kashmir defended its secular traditions with distinction and won praise from all sides.

"Mahatma Gandhi had then seen a ray of hope emanating from Kashmir. Today we have to turn ourselves into a little sun of light for the entire country", he observed.

In the course of his broadcast, Dr Farooq made touching references to the services rendered by Sheikh Mohammad Abdullah to the State and the country.

The spontaneous homage paid to him and the way people mourned his passing away, he said, was a befitting tribute to the Sheikh Abdullah's work for raising high the status of the State and the country, he said.

Farooq Press Conference

Bombay THE TIMES OF INDIA in English 13 Sep 82 p 1

[Text]. SRINAGAR, September 12.

THE Jammu and Kashmir chief minister, Dr. Farooq Abdullah, today announced his decision to re-constitute the council of ministers in a small and compact ministry tomorrow.

Speaking at an all-party meeting held at the Iqbal Park here to pay homage to Sheikh Mohammad Abdullah, the chief minister revealed that his ministry of "new faces" would have 11 members.

He said he had decided upon this step after giving due thought to it: If he had dropped two or three ministers, it would have been misconstrued that these persons had been axed because of charges of corruption against them. He said he had, therefore, decided to drop all members of the erstwhile ministry.

The announcement was greeted with cheers by the huge gathering which was present at the meeting.

Dr. Abdullah said the formation of a small ministry would also reduce the burden on the state exchequer.

Earlier, the swearing-in ceremony of the council of ministers scheduled for today, was suddenly postponed at the last minute.

According to Raj Bhavan sources, the ceremony was fixed for 3.30 p.m. But during the day, a telephone call was received at Raj Bhavan, requesting that the ceremony be postponed. A new date for the swearing-in would be intimated soon.

As reported earlier, there is a dispute whether the ministry headed by the late Sheikh Mohammed Abdullah could continue in the absence of a fresh oath of office and secrecy. Protagonists of two view-points have quoted chapter and verse from the constitution in support of their differing stands. The matter was raised at yesterday's meeting of the National Conference legislature party at which Dr. Abdullah secured the unanimous support of the legislators.

The expert legal opinion was that the old council of ministers would have to take a fresh oath of office and secrecy.

Accordingly, Raj Bhavan was intimated. All arrangements that were completed were scrapped following the telephone call.

The postponement of the ceremony is also being ascribed to the alleged reluctance of Mr. G. M. Shah, former minister, to enter the cabinet excepting on his own terms. He has demanded the second rank according to reports. But Dr. Abdullah is unrelenting in his stand that this position should go to Mr. D. D. Thakur, the finance minister, who had stood by him.

UNI adds: Dr. Abdullah pledged to further strengthen the states' accession to India brought about by his father, the late Sheikh Abdullah, in 1947.

Talking to a group of newsmen here on the policy of his government, Dr. Abdullah stressed the need for cordial relations between Srinagar and New Delhi. "We believe in conciliation. Confrontation is not in the interest of anyone," he said.

Dr. Abdullah said he would welcome the co-operation of the Congress (I) in the state.

He, however, said it was too early to think of any alliance between the National Conference and the Congress (I).

The chief minister called for a "determined effort" to guard India's territorial integrity and strengthen communal harmony.

"Let nobody do anything which would jeopardise India's freedom and territorial integrity," Dr. Abdullah remarked.

He said his government would try its best to stamp out corruption, especially from high places.

He would examine individual complaints, if any, against the members of his council of ministers.

"Anyone found indulging in irregularities will not be found there," he added.

In reply to a question about his brother-in-law, Mr. G. M. Shah, who resigned from Sheikh Abdullah's cabinet last month, Dr. Farooq Abdullah said "Saheb is like my father. He is free to rejoin the cabinet or work in the party."

Mr. Shah who had reportedly staked his claim to the chief ministership earlier, pleaded with the National Conference legislative party yesterday to unanimously elect Dr. Farooq Abdullah as leader.

PTI adds: Shops and business establishments reopened in Srinagar today and vehicular traffic operated normally after a four-day mourning for Sheikh Abdullah.

Normalcy was restored in response to an appeal by the chief minister, Dr. Farooq Abdullah, who urged the people to resume work and reopen shops and business establishments.

In his broadcast from the Srinagar station of All India Radio last night, the chief minister also called upon the people to work hard for the state's progress, a cause that was dear to the departed leader.

Reports from district headquarters said that normal activity was resumed in almost all towns of the valley.

Dr. Karan Singh, MP and former Union minister, extended "full support" to Dr. Farooq Abdullah and expressed the hope that the new chief minister would work for bringing Jammu and Kashmir closer to the national mainstream.

In an informal chat with newsmen, he also welcomed the smooth change over of power and said that his assuming the office of the chief minister was in the "national interest".

Interview with Farooq

Calcutta THE STATESMAN in English 13 Sep 82 pp 1, 9

[Article by M. L. Kotru]

[Text] Srinagar, Sept. 12.--The new Kashmir Chief Minister, Mr Farooq Abdullah, expects understanding from the Centre to place Centre-State relations on a balanced and mature keel. "I do not want misunderstanding between the two on this or that issue and what's in my favour is that the Prime Minister is a friend, a member of the family", he said.

The 45-year-old Chief Minister, father of four and a keen golfer, who had shown little taste for politics even as a member of the Lok Sabha, looked a picture of confidence as he spoke to me at his father's house in an exclusive interview.

Mr Abdullah spoke in a very forthright manner: "I am a total newcomer, call me a toddler in politics, and I have stepped into the shoes of a man who was cut out in the mould of Nehru and Gandhi. I am bound to falter but, Inshaallah, with the support and good wishes of my people, whom my father dearly loved, I shall overcome the teething troubles".

Mr Abdullah said there was so much to do in the State that he might initially have no time for other things such as visits to Delhi. "My first task will be to know my people, to go round every town and village, to establish the kind of bond that existed between my father and his people. Mind you, I know it is impossible for anyone to fill the void created by my father's death but I, having assumed the chair which he held must try if only to be remembered as a son who tried to emulate his great father" Mr Abdullah said.

Mr Abdullah said: "We want to be rid of starvation, industrial and economic. I want more and more industry to come to the State. I want more job opportunities to be created for the youth of the State. I want education to be given high priority, a new direction, so that Fundamentalist tendencies are discarded by minds more enlightened, by young men who are better educated".

One could not help noticing traces of his father's rhetoric as he went on to describe the recrudescence of communal strains throughout the country. "I do not want these clouds to come into our State".

"I want Kashmir to be the model it has always been, of communal amity, proper education," he said.

It was imperative that the Shiekh's message (of communal amity) found an echo in other parts of the country, he said.

What kind of a relationship did he expect to have with the Congress (I)?

"A healthy, friendly relationship".

But he did not want the kind of cooperation which the local Congress had offered his father at the time of his return to power after the Delhi accord, when Syed Mir Oasim had relinquished Chief Ministership in the Sheikh's favour and the Congress had first promised and then backed out of joining his Government.

There would have to be a mature relationship between the two, if there was to be one. Fortunately, because of his closeness to the Prime Minister and her family, he hoped he would be able to solve the problems created by the local Congress leaders. "You know," Mr Abdullah said: "I consider myself lucky that I can seek Mrs Gandhi's advice whenever I reed it. I can turn to her like I could turn to my father".

Mr Abdullah was surprisingly forthcoming on his relations with his brother-in-law, the controversial Mr Ghulam Mohammad Shah, who resigned from the Sheikh's Government only weeks ago over Mr Abdullah's induction into the Cabinet and because of the Sheikh's heavy reliance on his Finance Minister, Mr D. Thakur.

"The trouble with Shah Sahab is that he is over-sensitive given to violent reactions and a certain inability to carry on as a team man", the Chief Minister said of his brother-in-law, who had somehow fancied himself as the Sheikh's natural successor.

Was he inducting Mr Shah into the Cabinet? Mr Abdullah said: "You know, I am considering every single move must and if I do not come to a conclusion I start all over again". He hopes to formulate his Cabinet over the next two days.

Several thousand people had assembled outside the house for the umpteenth time this morning and Mr Abdullah had to leave to talk to them. They were the Sheikh's numerous admirers from all parts of the Valley and had come to assure him of their support. Mr Abdullah returned to request me for "patience, understanding and sympathy".

Srinagar continued to mourn the death of Sheikh Abdullah for the fourth day today. Although some shops opened on repeated requests broadcast over the local radio station by Mr Abdullah, all public entertainment continued to be at a standstill. Bars and cinema houses have been closed from the moment the Sheikh's death was announced.

CSO: 4220/7918

IRRIGATION MINISTER MEETS PRESS ON RETURN FROM MOSCOW

New Delhi PATRIOT in English 14 Sep 82 p 5

[Text] Joint teams of Indo-Soviet experts will work for cooperation in inter-basin transfer of waters, Union Irrigation Minister Kedar Panday told newsmen on Monday, reports UNI.

Mr Panday was speaking at the Delhi airport on his return from Moscow where he signed a protocol on water management, water resources development and land reclamation.

The Minister said inter-basin water transfer was one of the new areas of cooperation identified during his discussions with the Soviet leaders.

This was particularly important in the context of the ambitious Rs 5,000 national perspective plan for water resources development formulated.

The Soviet Union, he said, had the experience in transferring river waters from the northern to southern river basins.

During his seven-day visit to the Soviet Union, Mr Panday was accompanied by Chairman of Central Water Commission M G Padhye and senior officials of the Irrigation Ministry.

The new areas of cooperation envisaged in the protocol include geophysical investigations of dams, studies in water resources development structures, rock mechanics and analysis of ecological impacts of water resources development. Experts of the two countries would also be sharing their experiences in saline land reclamation and silt control measures for extending the life of reservoirs.

Mr Panday said under an earlier protocol, India had shown interest in the Soviet techniques of single directional blasting for construction of dams and precast concrete canal structures.

The Soviet feasibility report for a precast canal structure factory, to be located in Gujarat, was ready.

The Soviet experts had visited Himachal Pradesh and suggested to try the single directional blasting method, a technique entirely new to India, for the construction of a 50-metre high dam Birai Khad river.

The experts had also prepared a project report for the purpose.

The Minister said the Soviet experts were interested in visiting the Central Water Research Station at Pune and the National Institute of Hydrology at Roorkee to study particularly the physical and mathematical modelling techniques for barrages and dams.

CSO: 4220/7927

HIGH COMMISSIONER TO DACCA MEETS WITH PRESS

New Delhi PATRIOT in English 13 Sep 82 p 3

[Text] Dacca, Sept. 12 (PTI)

India's High Commissioner in Bangladesh Muchkund Dubey has expressed his "firm confidence" that the military ruler Lt. Gen H M Ershad's coming visit to Delhi in October and his talks with Prime Minister Indira Gandhi "will give further impetus to our relation".

The two heads of Government, Mr Dubey hoped, "will be able to give specific and concrete guidelines to sort out issues involved in the Indo-Bangla relationship".

The Indian High Commissioner was talking to members of the Overseas Correspondents' Association of Bangladesh here last evening at a posh hotel.

Describing Gen Ershad's impending visit to Delhi as a "significant event", Mr Dubey said "we are happy that India will be the first country to be officially visited by him".

The High Commissioner, who completes his Bangladesh assignment shortly stressed over and again the "imperative" need for greater and expanding cooperation between the two countries in every gamut of socio-economic existence, other than simply dealing with issues and sorting them out.

The "cost of not cooperating will be very high for both the countries", he said.

Asserting that any prolonged period of tension in the relationship would be harmful for the two countries, and much more harmful to India than to Bangladesh, Mr Dubey said that the onus to develop and keep the relations going "is greater on India" because of its being relatively developed status among the developing countries.

He said India had a great stake in the stability of Bangladesh because of her close proximity with this country.

Anything happening adverse in Bangladesh will have its inevitable effect "in our country", he added.

Describing the assignment in Bangladesh as the "most challenging one for any Indian diplomat anywhere in the world", Mr Dubey said "the relationship between the two countries is so sensitive because of the proximity and other socio-economic and cultural affinity that any development anywhere has direct bearing with the peoples of the two countries".

CSO: 4220/7925

COMPOSITION OF DELEGATION TO MOSCOW GIVEN

New Delhi PATRIOT in English 13 Sep 82 p 1

[Text] A 25-member advance party of experts left New Delhi for Moscow on Sunday to prepare the groundwork for the Indo-Soviet Joint Commission meeting starting on 15 September and Prime Minister Indira Gandhi's Soviet visit from 20 September, report agencies.

The advance party includes secretaries of various key ministries and experts from industrial fields.

Some members of the advance team will take part in the joint commission meeting.

External Affairs Minister P V Narasimha Rao, who is co-chairman of the commission, will leave for Moscow on 14 September.

The Indian delegation besides Foreign Ministry officials includes Mr A S Gill of the Steel Ministry, Mr K Misra of the Department of Power, Mr Thoma Cora of Commerce, Mr D V Kapur of Heavy Industry, Mr P N Khanna of Petroleum, Mr T S Jayaraman of Coal.

The Foreign Ministry will be represented by Mr M Rasgotra, Foreign Secretary, Dr J S Teja, Additional Secretary, Mr M K Mangalamurti, Mr Mani Shankar Aiyar, Mr Ramu Damodaran, Mr L D Chaturvedi, Mr K R Pande and Mr M V Oak.

Dr A Sen Gupta from the Prime Minister's Secretariat, a senior Finance Ministry official, and a team from the Indian Embassy here will complete the Indian delegation.

Mr V K Ahuja, the Ambassador, and Mr K P Balakrishnan, Economic Minister, are among members of the Embassy team.

The Soviet will also have a 25-member delegation.

Soviet Deputy Prime Minister I V Arkhipov who heads his delegation will be assisted by Mr I V Litvinenko, deputy chairman of the state committee for Foreign Economic Cooperation.

Two Deputy Chairman of the "Sosplan" (planning commission) are among members of the Soviet delegation.

CSO: 4220/7925

MOSCOW EXPERT REVIEWS INDO-SOVIET COOPERATION

New Delhi PATRIOT in English 14 Sep 82 pp 1, 7

[Text] Moscow, Sept 13 (UNI)--The scope of Indo-Soviet economic cooperation has doubled since the signing of the long-term programme of 1979 and the agreements of 1980.

This was stated in a review of Indo-Soviet cooperation by Dr Koptevsky, an expert on the subject, on the eve of the seventh session of the Indo-Soviet Joint Commission, which opens here tomorrow.

According to Dr Koptevsky, Indo-Soviet projects are making a substantial contribution to India's industrial production. For example, contribution in steel production was 35 per cent, oil 60 per cent, refining 53 per cent, petroleum products 30 per cent, power about 20 per cent and coal about 40 per cent.

Giving projections up to 1990, which is the present perspective of cooperation under the long-term programme, Dr Koptevsky says that out of the 21 million tonnes of steel expected to be produced by then, about 14 million tonnes would be produced by Indo-Soviet projects and it is likely that the percentage may be even higher.

As for oil, out of the present projection of 25 million tonnes by 1985, about 14 million tonnes would be provided by Indo-Soviet projects. Simultaneously, the refinery capacity of Indo-Soviet projects would be raised to over 20 million tonnes.

Coal production in India is expected to be over 170 million tonnes by 1990, of which about 47 million tonnes would come from Indo-Soviet projects. But in terms of growth in coal production of 60 million tonnes in the next few years, the new Indo-Soviet coal projects would provide over 26 million tonnes.

Indo-Soviet projects would offer about 10 lakh tonnes of alumina by 1990, a significant portion of India's expected alumina capacity.

According to Dr Koptevsky, the seventh session of the Indo-Soviet Joint Commission is expected to clear some important new projects which will significantly raise the contribution of Indo-Soviet projects to India's industrial production, particularly in refining, non-ferrous metallurgy, steel and oil etc.

CSO: 4220/7927

BHARATIYA JANATA LEADER PREDICTS MIDTERM ELECTIONS

New Delhi PATRIOT in English 13 Sep 82 p 4

[Text] Jaipur, Sept 12.

The Bharatiya Janata Party has asked all its State units to be prepared for a mid-term poll in the country, party general secretary L K Advani, MP, revealed at a press conference here yesterday.

Mr Advani expressed apprehension that Prime Minister Indira Gandhi might go for a general election before schedule, maybe in 1983. According to him, the increasing disenchantment among the people, the anarchical situation within the ruling party and Mrs Gandhi's loosing grip on the party machinery are the reasons prompting for an early poll.

The BJP leader also mentioned the 'secretive' way the Union Cabinet was reshuffled. This was to suppress a revolt in the party, he asserted.

When a correspondent asked what was wrong if a government went to poll before scheduled, Mr Advani said "I did not say it was wront". The correspondent reminded him that he had been using the word apprehension.

Mr Advani condemned the Bihar Press Bill and said the situation has become more serious after the Prime Minister publicly supported it. He said this was a test balloon and similar laws would be brought in other States also.

CSO: 4220/7925

AGENCY REPORTS THREEFOLD RISE IN INDO-SOVIET TRADE

New Delhi PATRIOT in English 13 Sep 82 p 8

[Text] The trade turnover between India and the Soviet Union has increased more than threefold during the last five years, reports PTI.

The turnover which was 647 million roubles in 1976 has touched 2397.9 million roubles in 1981 (one rouble is equivalent to Rs. 12).

The Soviet Union, which tops the list of India's trading partners, imported goods worth 1333.8 million roubles in 1981 as against its exports worth 1064.1 million roubles to India during the same year.

According to current indications, the Indo-Soviet trade for 1983 is expected to cross the 1982 level by 15 per cent. The protocol setting out targets is to be finalised soon.

Out of India's total exports of Rs 6,709 crores in 1980-81, the Soviet Union accounted for goods worth Rs 1,157 crores--17 per cent. The second largest importer of Indian goods, the US, lagged far behind (Rs 852 crores) accounting for 13 per cent.

The corresponding share of the UK, once the leading trading partner, was only six per cent.

The Soviet Union has been increasing its imports from India steadily, even though some of the items are available elsewhere such as jute bags and textiles, tea, tobacco, black pepper, cashew nuts and coffee.

During the period 1976-80, the Soviet Union bought from India 232,000 tonnes of tea, 100,000 tonnes of coffee, 77,000 tonnes of cashew nuts, 90,000 tonnes of tobacco, 511 million metres of jute cloth and 791 million jute bags.

Sixty per cent of the total Soviet purchases from India are manufactured goods. They include electronic instruments, components, machinery, chemicals, cotton cloth, knitwear, ready-made garments, shoe uppers, paints and dyestuffs, chemical products, handicrafts, carpets and other goods.

Steel

Steel plants built under Indo-Soviet collaboration will be contributing about 68 per cent of total steel being produced in the country, by 1988-89, reports UNI.

The total steel-production capacity in the country by that year is expected to be 20 million tonnes when the capacity of the giant Soviet-aided plant at Visakhapatnam is commissioned.

According to steel experts, the steel sector is a major area of Indo-Soviet collaboration.

This collaboration has helped India attain self-reliance in designing, planning, constructing new steel plants in the country and abroad and undertaking consultancy on them setting up, the experts feel.

The Bhilai steel plant was the first plant to be set up under Indo-Soviet collaboration in 1955. The plant has already reached a capacity of 2.5 million tonnes and the capacity is expected to increase to four million tonnes.

The second Indo-Soviet collaboration project at Bokaro was also set up with a capacity of 2.5 million tonnes and is now being expanded to four million tonnes.

Negotiations are underway among experts of both the countries to expand the capacity of the two plants to seven million tonnes and ten million tonnes respectively.

Meanwhile, preparations are underway to adopt new technological facilities to initially increase the capacity of both the plants to five million tonnes.

CSO: 4220/7925

BUSINESSMEN URGE MODERNIZATION OF MAJOR INDUSTRIES

Bombay THE TIMES OF INDIA in English 8 Sep 82 pp 1, 9

[Text] Five major industries--cotton, textiles, cement, sugar, jute textiles and engineering--require Rs. 3,682 crores for modernisation in the next five to seven years, according to a study made by the Federation of Indian Chamber of Commerce and Industry.

Unless such modernisation is done on an urgent basis, says the study, these traditional industries will become uncompetitive in the world market.

The study suggests that the bulk of the finance--about 80 per cent--must come from the financial institutions, as the industries themselves would not be able to raise more than 20 per cent.

The cotton textiles industry requires the largest amount (Rs. 2,125 crores) for modernisation, followed by cement (Rs. 575 crores), jute textiles (Rs. 439 crores), engineering (Rs. 356 crores) and sugar (Rs. 187 crores).

The FICCI document records that Indian industry performed excellently in the 1950s and 1960s but is now up against some problems. In a large segment of industry, productivity is low, costs are high and quality is poor.

All this means losing out in the world market and cutting into the rate of growth of income. Most of these problems, the study says, flow from one single cause--technological obsolescence.

The pace of modernisation so far has been slow because of paucity of finance resulting from price controls, depreciation based on historical cost and high rate of corporate taxation.

Of the estimated requirements of Rs. 3,682 crores for the five industries over five to seven years, an annual outlay of Rs. 526 crores to Rs. 736 crores would be needed.

The financial institutions would be required to make available between Rs. 421 crores and Rs. 589 crores a year under the soft loan scheme. The balance of Rs 105 crores to Rs. 147 crores per year would be raised by industry itself, mainly from larger retention.

Since the financial institutions are short of funds, says the FICCI report, the Reserve Bank of India may channel through commercial banks the deposits impounded between January 1977 and October 1980 and amounting to Rs. 1,793 crores. This amount may be allowed to be invested in six per cent special modernisation securities to be issued by financial institutions.

To enable the companies to raise funds, the investment allowance may be increased from the present level of 25 per cent to 45 per cent for industries going in for modernisation. In the alternative, an excise rebate on production--up to 20 per cent of the capital outlay on acquisition of machinery for modernisation--should be considered.

For future needs, units may be allowed to set aside a percentage of their profits before depreciation towards modernisation reserves. In computing the cost of production for fixing prices, modernisation requirement should be taken into account. For purpose of taxation, units may be allowed to carry back losses against profits of the previous three years.

The FICCI document concludes: "Modernisation is not a matter of choice. It is a necessity, a means for survival and progress in a competitive world. The government and industry have to work together to complete the programme within five years."

CSO: 4220/7910

OUTCOME OF CPI-M CENTRAL COMMITTEE ANALYZED

Bombay THE TIMES OF INDIA in English 6 Sep 82 p 9

[Text]

CALCUTTA, September 5.

ONLY some subtle shifts in nuances rather than any significant change in the accepted political-tactical line seems to have marked the deliberations of the CPM central committee which ended in Delhi last week.

Not that any major change was expected. But point is that after all, this was the committee's, first full-dress discussion on the major developments on the international and national scene taking place since the party congress seven months ago.

In respect of the national scene, the most interesting shift in nuance seems to be the consensus that henceforth, the party, instead of harping on political slogans, should try and concentrate on developments from time to time and adjust its tactical line accordingly.

On the international plane, the committee is said to have felt it necessary, in view of the imminent congress of the Communist Party of China, to put off any evaluation of developments taking place in that country. Members thought the congress might throw up enough pointers for a really meaningful discussion of the Chinese scene.

In this area, the West Asia developments, particularly Israeli invasion of Lebanon, came up for close examination. While noting PLO's determined resistance, for the first time to come up in that region, and the natural reaction of the Arab countries not unmixed with a fear of the PLO, the CPM central committee took serious note of the growing threat of war, "spearheaded by the U.S." in other areas of the world as well.

THREAT OF WAR

On the other hand, the central committee felt that the Soviet stance throughout the West Asia crisis could not have been more correct, because its active intervention in Lebanon, in the absence of any invitation for doing so from any of the countries involved, might well have led to disastrous complications and consequences. After all, party sources ask, did not the PLO use mostly Soviet arms? Also, the party noted the contradictions developing within the Western bloc over the Siberian gas pipeline issue.

It was in this context, and especially in view of the U.S. arms supply to Pakistan, the party felt the need for stepping up its anti-war campaign nationally, irrespective of the many internal developments of significance and long-term consequence, providing conflicting indications.

The central committee noted the deepening economic crisis and the government's unavoidably growing dependence on external economic assistance, particularly the acceptance of the IMF loan and the very sensitive situations in the two border states of Punjab and Jammu and Kashmir as well as in Assam.

CSO: 4220/7909

INDUSTRY MINISTER TALKS IN GDR REPORTED

Bombay THE TIMES OF INDIA in English 6 Sep 82 p 9

[Text]

LEIPZIG (East Germany), September 5 (PTI): India and the GDR have agreed that there was further scope for increasing trade and economic co-operation between the two countries and decided to sign a protocol in this regard tomorrow.

This was concluded in a meeting between the Union minister for industries, Mr. N. D. Tiwari, and the GDR Prime Minister, Mr. Willi Stoph, here yesterday.

During their talks, Mr. Tiwari and the GDR Prime Minister noted the 30 per cent increase in Indo-GDR trade last year and emphasised the need for further strengthening bilateral relations between the two countries for mutual benefits.

The two ministers also decided that the GDR should import iron-ore, engineering goods and textile machineries from India and felt that both the countries should look into possibilities of joint-ventures in various industrial fields.

Mr. Tiwari and Mr. Stoph also discussed the international situation. The GDR side condemned the Israeli aggression on Lebanon and supported the legitimate rights of the Palestinian people.

Earlier, Mr. Tiwari conveyed the greetings of the Prime Minister, Mrs. Indira Gandhi, to the GDR Prime Minister.

Mr. Tiwari, who arrived here yesterday, will meet several GDR ministers today and will also pay a visit to the international autumn fair.

CSO: 4220/7909

BULGARIA DENIES DUMPING SODA ASH IN INDIA

New Delhi PATRIOT in English 8 Sep 82 p 5

[Text]

Bulgarian Ambassador Tocho Tochev on Tuesday denied the allegation that his country was dumping soda ash into India at a throw away price, report agencies.

He told newsmen that his country was hte biggest producer of soda ash in Europe with the production capacity of 1.5 million tonnes.

Bulgaria exported soda ash to a number of countries at international price. India imported only 50,000 tonnes. Besides, Bulgaria was supplying 1,00,000 tonnes of urea to India.

When the international prices had slumped naturally the same price was charged from India. There was no substance in making an allegation that Bulgaria dumped soda ash into this country to the disadvantage of the local producers.

Mr Tochev said trade between India and Bulgaria stood at 168 million dollars last year. They had some joint ventures as well as in third countries like Libya, Iraq, Iran and Nigeria, he said.

The ambassador said a team from hte Indian Counciler Agricultural Research (ICAR) was now in his country studying the possibilities of collaboration in perfume production, especially rose perfume for which Bulgaria is noted.

Referring to the sixth session of the Indo-Bulgarian oint Commision for economic, scientific and technical cooperation held in Sofia last month, he said it marked in a "concrete manner the future prospects of our bilateral cooperation. We have every reason to believ that our bilateral ties will be further strengthened in the days to come".

CSO: 4220/7909

PRESS REPORTS FINANCIAL MEETINGS IN TORONTO

Mukherjee at IMF Meeting

Bombay THE TIMES OF INDIA in English 6 Sep 82 p 9

[Text] TORONTO, September 4 (PTI).

THE group of ten industrialised countries, at the IMF meeting here today, came to the conclusion that the Fund's financial position was adequate to accommodate the demands on its resources but recognised that it might come under strain in the period before completion of the eighth general review of quotas.

In a communique, the ministers agreed that the financial position of the Fund should be closely monitored and agreed that the fund might have to arrange for additional borrowed resources before quotas were increased.

They reviewed the progress that had been made to date concerning the quotas review and underlined the importance they attached to an early conclusion of the review before the end of the prescribed period.

The ministers re-emphasised the need for the Fund to maintain its character as a monetary institution and source of temporary financing with effective conditionality in support of the balance of payments adjustments. They felt the Fund should place primary reliance on quotas for its resources and that the present review quotas should be brought more in line with members' relative position in the world economy.

DONOR COUNTRIES

The group stressed the increasing role for conditional financing by the Fund to promote adjustments which might be needed in the period ahead. In their view, the recent concerted actions of their governments were aimed at assisting the Fund to support such adjustment programmes.

AP adds: As much as 3.7 billion dollars may be available from the U.S. and other donor countries for interest-free loans to the world's poorest countries in the year beginning next July 1, according to a top World Bank official.

"The United States has indicated... that it intends to meet its full commitment", the senior vice-president, Mr. Qureshi, who chaired a meeting of 33 donor countries, told a news conference on Saturday.

Negotiations may be completed next week. Saturday's session preceded the opening on Monday of the bank's annual meeting with its sister organisation, the International Monetary Fund.

But earlier, Mr. Rainer Offergeld, the West German aid minister, told another group of reporters that there is no guarantee of the U.S. contribution. That will depend on the willingness of the congress to meet the request of President Reagan.

'PARALLEL FUND'

Mr. Qureshi said that some of the money — about $500 million, an aide estimated — would go into a "parallel fund" proposed by France and Canada. It was not yet certain which other donors, if any, will join them.

This sum would be loaned out like the rest to poor countries that need to raise their living standards by building public projects. But orders for the equipment to be used would go only to companies in countries which contribute. The effect would be to cut U.S. firms out of millions of dollars worth of business — possibly hundreds of millions.

This business has been highly profitable for many American companies. Most of it will still be available to them since the restriction would apply only to a small percentage of the total loans.

The Union finance minister, Mr. Pranab Mukherjee, has called on industrial countries to review their policies which, he said, were contributing directly to prolonging the deep-rooted recession in the world economy.

He told the policy making interim committee of the IMF on Saturday that the social and political costs of such policies were proving to be unbearably high. "The process of world development has come to a virtual halt, "Mr. Mukherjee said.

The finance minister also proposed that the resource base of international financial institutions should be strengthened to ease, at least to some extent, the burdens of developing countries. The IMF should be enabled to respond in a flexible manner to the growing requirements of financing adjustment processes.

Mr. Mukherjee took the opportunity of briefly recounting India's successful adjustment efforts and said no matter how hard the developing countries might try to restore stability to their balance of payments, their success would remain severely circumscribed by what the industrial countries did or failed to do.

He warned that adjustment without restoration of the growth process of the world economy would tear apart the whole fabric of international economic and financial co-operation. Meaningful adjustment could proceed only within the framework of interdependence, but events and policy trends in industrial countries were weakening the process of international co-operation, Mr. Mukherjee said.

Stressing the role of the IMF in the eighties, the minister regretted that the Fund's resources had fallen to extremely low levels. They were just about three per cent of world imports. Efforts to increase fund resources were being impeded. In the absence of a sizable increase in Fund resources, the innovating mechanisms evolved by the Fund such as the enlarged access policy to support extended arrangements would suffer.

Mr. Mukherjee urged the committee not to encourage the idea of special arrangements (as proposed by the U.S.) at the cost of an increase in Fund quotas. The integrity of the IMF and its financial structure should in no way be impaired ,nor should anything be done to detract from its authority, he said. It was high time the committee provided a firm lead for a large fund through the straightforward method of a substantial increase in quotas.

Mukherjee at IMF-World Bank Meet

New Delhi PATRIOT in English 8 Sep 72 pp 1, 7

[Text] TORONTO, Sept 7 (UNI).

INDIA today warned that if the present World Bank lending trends continue, developing nations would soon be 'obliged to pay more than what they receive'

Voicing anxiety over the 'failure to expand World Bank lending', Finance Minister Pranab Mukherjee said it posed 'a setback to the process of development'.

Mr Mukherjee told the joint meeting of the Bank and International Monetary Fund Boards of Governors that lending projections for 1982-86 revealed a stagnant level in real terms.

Mr Mukherjee reminded members of the advice of the Group of 24 that action should be taken immediately to provide for a 'substantial annual increase in real terms'.

'The urgency of doing so is highlighted by the fact that net transfers to developing countries are decreasing', he told delegates from over 140 countries.

Mr Mukherjee said that the resource constraints had also hit the prospects of energy lending, where there now seemed no scope for increase despite the flexibility shown by the Bank.

The Minister opposed the proposals for 'differentiation between' recepients of International Development Association assistance.

'It would, indeed, be an odd way of solving the problem of world poverty if countries with large populations below the poverty line are made ineligible for IDA assistance on usual terms and conditions'.

'In plain language, it means that the international community is being asked to disown its responsibilities towards the world's poor. an overwhelming majority of whom live in Asia'.

'What would then remain of IDA's poverty focus', the Indian delegate asked.

DIFFERING IMPACTS

He said adverse developments in world economy had affected different groups differently. The oil importing countries growth rate 'continue to decline, their terms of trade are at a post-war low, and their external deficits have reached almost unsustainable levels'.

Mr Mukherjee noted, 'We in the developing countries have to tackle these problems ourselves. However, in an interdependent world our efforts alone will not bear fruit without an adequate response from the international community'.

Mr Mukherjee underlined three 'critical and mutually reinforcing elements of a world recovery programme:

—Revival of the growth process in industrial countries,

—Removal of protectionist barriers, and

—A rapid step-up in concessional and other flows to developing countries.

The Minister stressed that the role of the fund and the bank in the eighties had to be viewed in the context of this qualitatively new economic and financial environment.

'It is not an environment where problems can be solved by withdrawal from obligations. A crisis demands solutions that go to its root causes'.

Addressing the annual conference U.S. Secretary of Treasury Donald Regan denied that his government had 'de-emphasised' the importance of bank assistance to the poorest countries, but scolded them for spending beyond their means and inviting trouble.

The U.S. official gave no indication that his country would keep its commitment to the International Development Association. Instead he recommended a faith in the 'market mechanism'.

Mr Regan said while governments could sometimes delay the effects of market forces through protectionist measures 'sooner or later the adjustment has to be made'. 'This is the philosophical framework which shapes our attitudes' to the two agencies.

Donors Blamed

Mr Regan's statement came just a few hours after Bank president A W Clausen protested the failure--without blaming it on any quarters--'even to maintain past levels of funding for IDA'.

Citing such successes as the 'Green Revolution' in India, which had been aided by the Bank, Mr Clausen noted that 'IDA is a course, of critical concern to the poorest countries.'

But the World Bank president stressed that 'it ought to be of concern to all the donor nations as well'.

Hinting at the poor nations' vulnerability to social tension Mr Clausen had warned that the consequent civil unrest could 'readily spill over' to the more affluent countries.

Over the past several years, the US has failed to meet its negotiated commitments, and this year some of the other major donors have also threatened to follow suit.

The U.S. contribution for the year ended June 1982 was 700 million dollars--some 400 million dollars less than the 1.1 billion dollars to which it had committed itself.

The IDA on the other hand has no easier job in hand this year. It has to look after a Mexico, reeling under an 80 billion dollar debt and a China joining the ranks of aid seekers.

Uncertain IDA-7

Even as the crisis concerning IDA-6 is being resolved at the current Fund-Bank meetings here, the outlook for any increased level of IDA-7, for which negotiations are due to start by the end of this year, appears not too bright.

The fact is that the U.S. is in no hurry to indicate its potential contribution and the budgetary constraints of many other donor nations are providing a pessimistic setting for the forthcoming discussions.

A senior Canadian official summed up the prospect for IDA-7: "It will be a real triumph of international cooperation if we could have IDA-7 come out at the same level as IDA-6".

The World Bank management had talked of a level of 18 billion dollars for IDA-7 over a three-year period beginning fiscal year 1985, but virtually all donors are believed to feel that it is an ambitious target in the light of the experience in regard to IDA-6.

The Americans had been mentioning a figure of nine billion dollars, with the possibility of going to 12 billion dollars if lending to major prospective borrower--China--is included.

It seems that an amount somewhere between these two figures--15 billion dollars--could be the basis for the coming negotiations.

Japnese Finance Minister Michio Watanabe told a press conference that in spite of serious fiscal difficulties Japan encountered, "we shall try our best so that the amount of IDA-7 in real terms will not be less than IDA-6. (IDA-6 amounted to 12 billion dollars).

There appears to be a growing feeling in some IDA donor countries that India is in a position, and should turn more, to commercial borrowing than going to IDA. This point was recently made during the talks Prime Minister Mrs Gandhi, had in Washington. But she told the Americans that such a stand would mean punishing India for managing its economy well.

Mukherjee Comments to Press

Madras THE HINDU in English 10 Sep 82 p 5

[Article by R. Chakrapani]

[Excerpts]

TORONTO, Sept. 9.

Donors of the World Bank's International Development Association, which disburses concessionary aid to low-income countries, at their meeting yesterday firmed up arrangements for providing IDA fund for the transition year, 1984.

At the meeting, the donor countries other than the U.S. announced they would provide, over and above what they have already paid, resources equivalent to $ 2 billions to enable IDA to continue its programme of assistance without interruption. Including this, a total sum of $ 3.5 billions will be available for disbursement in the fiscal year 1984. The balance of $ 1.5 billions will comprise a sum of $ 1.1 billions, being the backlog of U.S. contribution for IDA-VI, and $ 400 millions representing accruals to IDA from repayments of loans and other cash flows.

Eleven of the donors said they would like to pay directly into the IDA fund, six preferred to pay into a special IDA fund to be designated for 1984 and 14 donors said they would convey their preference in due course. However, the IDA administration was authorised to handle the fund as in the past.

As regards fiscal year 1983, the last year of the sixth replenishment of IDA for all donors except the U.S. which has extended its period of payment to a fourth year, a sum of $ 3.5 billions inclusive of $ 945 millions to be paid by the U.S. will be available for disbursement to the usual IDA claimants including India.

Heavy burden: The heavy financial burden faced by non-oil developing countries in switching from IDA's soft-loan window to the World Bank's commercial loans, was highlighted by the Union Finance Minister, Mr. Pranab Mukherjee, citing India's case.

At a meeting with foreign journalists here, Mr. Mukherjee said India had had to borrow $1.3 billions from the World Bank at the commercial rate of 11.6 per cent during 1982 because it was issued only $900 millions from IDA on soft terms as against an anticipated $1.6 billions. By this switch, he said, India would be required to pay $2.2 billions in interest charges alone by 2,000 A.D.

In the discussions at the open session of the Fund and Bank Governors, several Western countries spoke. Among the western countries which lent strong support to increasing official development assistance to developing countries at the annual meeting were France and the European Economic Community. West Germany called for application of strict conditionality to fund loans but lent support for IDA assistance to them.

IDA-VII: On the IDA-VII replenishment expected to commence only in 1985, the Development Committee of the World Bank has directed the Bank to complete negotiations with the donor countries by September 1983 so that legislative approvals could be got in time.

New co-financing mechanisms: No one is prepared to hazard a guess at this stage about the size of IDA VII

On other matters, the development committee took note of the World Bank's efforts to introduce new mechanisms to make co-financing a more attractive vehicle to draw capital flows in the present difficult situation in the capital markets and to attract such capital on longer maturities. At the same time, the committee cautioned the World Bank to see that these efforts did not in any way alter the development character of the bank. Co-financing with private financial institutions should be regarded as a supplement to increased World Bank lending and not as a substitute for it.

Lending for energy development: The committee stressed the importance of World

Bank lending for energy development and urged the executive directors to work on a suitable mechanism for the purpose.

Elected to IMF board: Mr. R. N. Malhotra, Secretary, Economic Affairs in the Government of India, has been elected to the Executive Board of the International Monetary Fund. He replaces Mr. M. Narasimhan, who is shortly taking over as Finance Secretary in New Delhi. He will represent India, Bangladesh, Sri Lanka and Bhutan on the Board. (reports PTI).

The Pakistani Finance Minister, Mr. Gulam Ishaq Khan has been elected the Chairman of the World Bank's Development Committee for a two-year term.

Reserve Bank Governor

New Delhi PATRIOT in English 12 Sep 82 p 7

[Text] TORONTO, Sept 11 (UNI) — India took more loans from private capital markets this year than before, but its borrowings have been within 'safe limits', Reserve Bank Governor I G Patel says.

The country's top bank official was commenting on Thursday on an observation of the International Development Association that excessive reliance on private loans could hurt India's creditworthiness.

In comparison to past, we have no doubt increased our borrowings from private sources', responded Mr Patel when reached for comment. 'But it is within the safe limits.'

He said in the past, India's loans from private sources had generally been of a few hundred million dollars' order, spent mostly on Air India or shipping, which earn foreign exchange.

This year, the country borrowed about a billion dollar from private sources for 'some major projects', including an aluminium plant in Orissa and some oil exploration work, Mr Patel said.

He explained that India's foreign exchange needs are 'very large, indeed', but the country has confined its private borrowings to only what has been felt essential.

Asked if there are plans to increase such borrowings in the coming years, Mr Patel replied the matter was subject to periodic review of such factors as interest rates and soft loan availability.

The association, in a report on its own activities, had noted India's 'impressive' economic performance in recent years, which made the country creditworthy for private borrowings.

On a point of how much IDA soft loans should India get, the report said, 'there is no easy answer...too great a reliance on private capital markets could undermine the creditworthiness it now enjoys.'

U.S. Estrangement Highlighted

Bombay THE TIMES OF INDIA in English 9 Sep 82 p 4

[Editorial]

[Text] The discussions held at the annual Fund-Bank meeting in Toronto serve to highlight how deeply the U.S. is now estranged from its partners in the OECD on the critical issues of North-South relations, and the maintenance of international liquidity. As the IMF and the World Bank have been at pains to point out, the world as a whole, and the third world in particular, is facing an unprecedented economic crisis. The genesis of this crisis is to be found in the economic recession in the advanced countries and the prohibitively high interest rates that are crushing the developing countries under a mountain of debt. But while the rest of the OECD wants an immediate doubling of the IMF's lending capacity to enable it to prevent the poorer countries from defaulting on their external payments, and to make up for the dwindling flow of private lending to them, the U.S. alone believes that the IMF's present lending capacity is more than sufficient to meet the needs of the international payments system and is willing only to make marginal changes. The gap in perceptions is underlined by the fact that no less than 12 donor countries have refused to go along with the U.S. decision to cut its contribution to IDA's sixth replenishment by one quarter, and have made their full contribution to it. Most of the others are likely to follow suit.

It is tempting to write off the U.S. opposition to enlarging the role of the IMF and the World Bank as sheer obscurantism. The Reagan administration has, after all, opposed all attempts to start global negotiations and to increase official development assistance to the least developed countries. What is more, it has made plain its hostility to the very notion of combating recession by channelling more petrodollar surpluses to the third world to increase its buying power. But the truth is a little more complex. The U.S. sees the need to increase international liquidity as clearly as anyone else, but wishes to exploit the desperate plight of the developing countries to increase its control over them. Its motives were revealed by its proposal to set up a global emergency fund, to be controlled by the rich nations alone, whose lending would be subject to even stricter conditionality clauses than those applied by the IMF on loans from its extended fund facility. The brazen effrontery of this proposal is breathtaking, for it seeks not only to exclude the bulk of the world from the administration of this fund, including the very countries from which it hopes to raise the money, but to undermine the IMF itself. Fortunately good sense has prevailed and the rest of the donor countries have turned a cold shoulder to the proposal, but it is most unlikely that the U.S. will let matters rest here. On the contrary, it is likely to try and trade off its consent to a modest increase in IMF quotas against the others' consent to the establishment of an emergency fund.

CSO: 4220/7908

INDIA SATISFIED WITH TORONTO AGREEMENT ON IDA

Calcutta THE STATESMAN in English 10 Sep 82 p 1

[Text]

NEW DELHI, Sept. 9.—The agreement in Toronto on replenishment of the funds of the International Development Association, the World Bank's soft-loan affiliate, is a source of particular satisfaction for India since nearly 40% of the contributions of around $4 billion come to it.

This means nearly $1.8 billion in the next two years in what are virtual grants since the IDA's terms are so soft that they involve no strain in repayment. The IDA levies a mere 0.75% annual service charge and repayment of loans is spread over a 50-year period, with a grace period of 10 years.

Not only will the continued aid enable the country to carry out vital development projects, but will shore up the falling foreign exchange reserves and give the Government a much-needed respite.

For the past few months, the IDA has been approving funds for projects in India with the rider that funds will be committed when they become available. This was because the world financing agency was totally without funds and there was no certainty about how much would be available. In the event, the agreement on IDA funds will greatly help countries such as India at a critical time.

Projects awaiting approval for IDA assistance are in such key areas as energy, power generation, railways, agriculture and irrigation in addition to a host of smaller projects in health and the like. These would have had to be shelved had the agreement not come.

There is still considerable uncertainty over the next replenishment of the IDA and the Government is of the view that work on this should begin immediately to remove doubts arising out of the attitude of countries such as the USA which caused the present crisis. The outcome of the exercises that will now be initiated will, however, not be known for at least another year and possibly two.

CSO: 4220/7914

NAVY RECEIVES NEW MISSILE-FITTED, SOVIET-BUILT DESTROYER

Bombay THE TIMES OF INDIA in English 13 Sep 82 p 8

[Text]

NEW DELHI, September 12 (UNI).

A NEW missile-fitted destroyer, the most modern and biggest of its kind in the world, has joined the Indian naval fleet.

The "Kashin" class destroyer built by the Soviet Union is second of its type in the navy, the first being the INS Rajput, commissioned in 1980.

The latest acquisition, christened INS Rana and brought from the Soviet dockyards by an entirely Indian naval crew, has joined the navy's western fleet.

Official sources said the Soviet Union has agreed to give three more destroyers of this class. A fleet of five would provide "effective defence" for India's long coastline and give the navy "a new punch."

These warships are the largest vessels in the world to be propelled exclusively by gas turbines.

The INS Rana is understood to be fitted with four gas turbines, each of 23,500 horse power, and can attain a top speed of 36 to 39 knots an hour.

The destroyer carries four single horizon-range SS-N-LL surface-to-surface missile launchers.

To meet the requirements of the Indian navy the Soviets have replaced the six-barrelled anti-submarine mortars by a structure on which four gatling-type anti-aircraft guns are mounted as a defence against missiles.

CSO: 4220/7922

PRODUCTION PLANS OF SOVIET-AIDED STEEL UNITS CITED

Bombay THE TIMES OF INDIA in English 13 Sep 82 p 9

[Text]

NEW DELHI, September 12 (UNI).

STEEL plants built under Indo-Soviet collaboration will be contributing about 68 per cent of the total steel being produced in the country, by 1988-89.

The total steel-production capacity in the country by that year is expected to be 20 million tonnes when the capacity of the giant Soviet-aided plant at Visakhapatnam is commissioned.

According to steel experts, the steel sector is a major area of Indo-Soviet collaboration.

This collaboration has helped India attain self-reliance in designing, planning, constructing new steel plants in the country and abroad and undertaking consultancy on their setting up, the experts feel.

The Bhilai steel plant was the first plant to be set up under the Indo-Soviet collaboration in 1955. The plant has already reached a capacity of 2.5 million tonnes and the capacity is expected to increase to four million tonnes.

BOKARO PLANT

The second Indo-Soviet collaboration project at Bokaro was also set up with a capicity of 2.5 million tonnes and is now being expanded to four million tonnes.

According to an expert estimate, the Bhilai plant since its inception has recorded a sales turnover of over Rs. 600 crores.

Negotiations are also underway among experts of both the countries to expand the capacity of the two plants to seven million tonnes and ten million tonnes, respectively.

Meanwhile, preparations are underway to adopt new technological facilities to initially increase the capacity of both the plants to five million tonnes.

Experts observe that while constructing the Bhilai plant, Indian engineers and technicians attained laboratory knowledge of steel-plant making which they applied while constructing the Bokaro plant.

Though 80 per cent of equipment for Bhilai was imported, the same percentage of equipment was provided by indigenous suppliers while constructing the Bokaro plant.

The latest collaboration in steel production will be a 3.4 million-tonne capacity plant at Visakhapatnam incorporating the most sophisticated steel technology from the Soviet Union.

For the Visakhapatnam plant, the Soviet Union had already committed an assistance of Rs. 2,500 crores.

The division list for equipment and machinery for the first stage of the Visakhapatnam plant has already been finalised between the two countries.

Another contract for the supply of equipment worth Rs. 249.33 crores has also been signed between the Soviet Union and Heavy Engineering Corporation, Ranchi, for fabricating equipment for Visakhapatnam.

CSO: 4220/7922

WATER COOPERATION AGREEMENT SIGNED WITH USSR

Bombay THE TIMES OF INDIA in English 13 Sep 82 p 1

[Text]

MOSCOW, September 12 (UNI).

INDIA and the Soviet Union today signed a protocol on cooperation in irrigation, water conservation, and some other similar fields.

The protocol was signed here by the Union minister for irrigation, Mr. Kedar Pandey, and the Soviet water conversation minister, Mr. Vasilievyev.

The protocol envisages the sharing of Soviet experience in building earthern dams with explosion blast methods and exchange of technical information in land reclamation and water conservation.

Mr. Pandey, who arrived here on September 5, will leave for Delhi tonight. He came here at the invitation of the Soviet minister.

Mr. Pandey said the Soviet method of building dams with one explosive blast was being studied by Indian experts with great interest.

Such a dam might be constructed on the Birari Khad river in Himachal Pradesh. A preliminary report prepared in this connection was being studied, he added.

The minister said if the experiment proved successful, such dams might be constructed at other places also.

The minister also evinced a keen interest in the way the Soviet Union was engaged in linking various rivers. "We also plan to do so in India by linking the Mahanadi with the Kaveri and some of the Himalayan rivers," he said.

Mr. Pandey hoped that the linking of the peninsular and Himalayan rivers would help in solving the perennial problems of drought and floods in India.

Other subjects which the Indian minister discussed with Soviet specialists cover the exchange of information on rock mechanics for building tunnels, elimination of growth of weeds in canals and underground water resources.

Mr. Pandey said a team of Indian experts would soon visit the Soviet Union to study the way weeds are eliminated in Soviet canals. A special type of fish was being widely used in these canals.

PTI adds: A 25-member advance party of experts left here for Moscow today to prepare the groundwork for the Indo-Soviet joint commission meeting starting on September 15 and the Prime Minister, Mrs. Indira Gandhi's Soviet visit from September 20.

The external affairs minister, Mr. P. V. Narasimha Rao, who is co-chairman of the commission, will leave for Moscow on September 14.

CSO: 4220/7919

RECORD TRADE DEFICIT REPORTED DESPITE EXPORT RISE

Calcutta THE STATESMAN in English 13 Sep 82 p 9

[Text]

NEW DELHI, Sept. 12.—With imports in 1981-82 now placed at Rs 13,446.73 crores and exports at Rs 7,560.35 crores, the trade deficit has been a record Rs 5,886.38 crores. The deficit was Rs 5,813 crores the previous year.

The deficit has been registered despite a 13.3% rise in exports over 1980-81 and is mainly because of a hefty 10% rise in imports—a surprising development considering the low quantity and value of the crude and petroleum products imported.

Crude and petroleum imports in 1981-82 were 20.1 million tons (worth Rs 5,161 crores) compared to 23.5 million tons (worth Rs 5,268 crores) in the previous year.

The deficit is partially caused by the higher units value of the imports, which was an average of Rs 2,568 a ton 15% over the previous year's average.

Imports of items like fertilizers, non-ferrous metals, vegetable oil, rough, precious and semi-precious stones declined in 1981-82. The import figures for the year show a substantial commodity-wise variation.

More iron and steel manufactured metals (12%), synthetic and regenerated fibre (79%), paper and paper board (34%) and chemicals (9%) have been imported this year.

Wheat worth Rs 193 crores was imported. Sugar and cement too were imported.

The exports of several primary and manufactured products showed an improvement over the preceding years.

The products whose exports registered a fairly good increase included tobacco unmanufactured (58%), cashew kernels (20%), rice (53%), oil cakes (11%), marine products (24%), iron ore (13%), mica (58%), leather and leather manufactures (excluding footwear) (11%), chemicals and allied product (54%), gems and jewellery (12%), and machinery and transport equipment (15%).

CSO: 4220/7919

FOREIGN OFFERS TO BUILD POWER PROJECTS CONSIDERED

Calcutta THE STATESMAN in English 13 Sep 82 p 9

[Text]

NEW DELHI, Sept. 12.—The Government is considering at least 13 offers by foreign companies in 10 countries to build thermal and hydro-electric stations in India to overcome the acute power shortage in most parts of the country.

The offers are accompanied by financing packages worth roughly Rs 7,000 crores, that contain proposals for raising funds from commercial markets, export credits and aid from the governments of the countries to which the companies belong so that the shortage of internal resources need not be a problem.

So far, the Government has accepted only a British offer to set up a super thermal power station at Rihand by a consortium led by Northern Engineering Industries and indications have been given to Mitsubishi of Japan that it will be awarded a similar contract.

Other offers have come from West Germany, Switzerland, France, Italy, Sweden, Poland, Yugoslavia, Austria and Canada. All are detailed proposals, most of them linked to specific projects, although a few are general and give the option to the Government to choose the site of the proposed plant.

Two offers from the West German firms of Deutsche-Babcock and Aktein-Gesel-Ischaft are for setting up a 2,000 MW thermal station on a turnkey basis and for two 500 MW units at Chandrapura. It has mentioned the possibility of capital aid by the West German and other Governments, buyers and export credits and Eurodollar loans, most of them on easy terms.

Brown Boveri and Company of Switzerland has offered to raise 85% of the financing at low export credit terms for the supply of equipment, erection and commissioning of power projects by using local supply and services.

Two French companies, Alsthom-Atalantigue and Cgre-Alstucm have submitted proposals for a 800 MW thermal plant on a turnkey basis and to build and finance the Naptha-Jhakri project.

Two Italian companies, Ansaldo and Electroconsult have proposed the setting up of a 600 MW power plant with associated coal mines and the implementation of a power project on a turnkey basis, preferably a hydro-electric project. Both have offered to arrange export credits and commercial loans.

Similar terms have been offered by a Swedish firm for a turnkey installation of a pulverized coal-fired 400 MW power station worth around Rs 320 crores.

Long-term credits have been offered for two power stations of 840 MW and 1,800 MW at a total cost of around Rs 690 crores by Elecktrim of Poland. Full financial and technical assistance for development of associated coal mines has also been offered.

Although it has not indicated the price, Ingra of Yugoslavia has offered to supply units for thermal stations up to 300 MW capacity and hydel stations of up to 200 MW capacity. It has said it could arrange 80% of the cost of the equipment imported on credit.

Elin of Austria has offered to build and commission the complete hydel plant at Doyang. Although the price has not been indicated, it says it can arrange 85% of the cost through a long-term loan and the rest through Eurocurrency borrowings.

The Canadian International development agency has identified two hydel projects, the Chamera and the first stage of the Dhauli-Ganga at a total cost of $1,250 million to be financed through soft credits and export credits.

CSO: 4220/7919

REPORT ON FINANCE MINISTER'S WASHINGTON VISIT

Bombay THE TIMES OF INDIA in English 12 Sep 82 p 1

[Text]

WASHINGTON, September 11 (UNI).

THE finance minister, Mr. Pranab Mukherjee, today completed two days of intensive discussions with the U.S. treasury secretary, Mr. Donald Reagan, the commerce secretary, Mr. Baldridge, key state department officials and representatives of the U.S. industry and commerce, and seemed satisfied with the results of the talks.

During his talks with Mr. Baldridge yesterday, he pointed out that Indo-U.S. trade ought to do better. Though the U.S. was India's largest trading partner, the volume of trade was only $3 billion, of which India's exports were $1.25 billion and imports $1.74 billion.

He underlined the fact that India had approved an average of 500 industrial collaborations a year during the last two years and of these, a 100 each year were with the U.S.

Mr. Mukherjee also conveyed to Mr. Baldridge India's complaint about U.S. restrictions on industrial fasteners and castings. Discussions will continue on this at the official level.

IMF QUOTA

Mr. Mukherjee told a press conference after his meeting with Mr. Reagan today that he got the impression that the U.S. would agree to an increase in IMF quota. It was too early to predict how much that would be and what would be the size of IDA, which was also discussed.

The finance minister emphasised to Mr. Reagan that there should be no differentiation between members and objective criteria should be followed.

This was with reference to the proposal to charge different rates of interest from different members. This, however, is only an idea that has been mooted in a World Bank study and is not formally before governments. Nor is the proposal for charging interest for that matter. At present, there is only a service charge of 0.75 per cent.

Addressing the Indo-U.S. business council in Washington, Mr. Mukherjee pointed out that 75 per cent of manufactures in India were produced by private industry. There was a great deal of talk in the U.S. about government regulation of business in India. A developing country like India must have regulation in order to make the best use of limited capital available.

At a time when the rest of the world was going more and more protectionist, India had liberalised its import policy courageously though she could not continue to do so over a period of time without freer access to her exports in the developed countries' markets.

Mr. Mukherjee said India was pursuing more pragmatic policies with regard to foreign investment. In a 100 per cent export industry, foreign investment, even up to a 100 per cent, could be permitted. Indian companies were also being permitted to borrow from abroad.

CSO: 4220/7919

CONCERN OVER FALLING EXCHANGE RESERVES REPORTED

Bombay THE TIMES OF INDIA in English 11 Sep 82 p 9

[Article by J. D. Singh]

[Text]

NEW DELHI, September 10.

A STEEP and steady fall in foreign exchange reserves is causing great concern in the government, faced with declining exports and a rising import bill.

The outlook for exports is far from encouraging in the context of recessionary trends in the Western countries. At the same time, India is obliged to undertake heavier imports and pay more for them because of rising prices abroad.

In the past 17 months, the foreign exchange reserves (excluding gold and special drawing rights) fell by a substantial Rs. 1,166 crores — from Rs. 4,800 crores on April 1, 1981, to Rs. 3,634 crores on August 13, 1982.

If we take into account the drawals from the International Monetary Fund under the special facility totalling five billion SDRs, the fall in reserves becomes even more ominous.

The drawals from the IMF so far total Rs. 1,575 crores — Rs. 950 crores in the first year ended June, 1982, and Rs. 625 crores as the first instalment of the second year in July, 1982. Two further instalments of Rs. 625 crores each will be due in October and December next.

HIGH DRAWDOWN

If we add up the relevant figures, it is clear that the drawdown on the foreign exchange reserves has been as high as Rs. 2,741 crores since April 1, 1981.

This decline in the reserves in the past three years is in sharp contrast with previous experience. From Rs. 438 crores in 1970-71, the reserves rose to Rs. 610 crores in 1974-75 and doubled in each of the following two years to reach a total of Rs. 2,863 crores in 1976-77. In 1978-79, they achieved the record figure of Rs. 5,219 crores.

With a hefty increase in the prices of petroleum and its products and larger imports of industrial raw materials and fertiljsers, India's import bill has touched a new high. Petroleum and its products constitute 50 per cent of the import bill and consume about 75 per cent of our export earnings.

While the value of our imports has gone up, many of our commodities fetch a lower price in the international market today. Our external trade thus continues to be under severe strains, with a mounting trade deficit — Rs. 5,813 crores in 1980-81 and only slightly less in 1981-82.

The adverse trends in the terms of trade have made India's balance of payments position quite precarious.

The likelihood of current account deficits in the coming years, as the World Bank president has cautioned, means that India's investment programme will rely more on external resources than in the 1970s.

With concessional aid flows declining, the task of adjusting India's exchange position has become "at once both more complicated and more pressing."

The fall in the funds available to the International Development Association in 1982 caused a change in the blend of World Bank and IDA funds, with greater reliance having to be put on the costlier World Bank loans. This change has greatly increased the average cost to India of borrowings and will add to its debt-servicing burden.

If India has, in addition, to resort to commercial borrowings at higher rates of interest, its balance of payments position may become even more critical.

The only silver lining in this dark cloud are the invisibles like remittances from Indians abroad, though the future trends even here remain uncertain.

CSO: 4220/7916

INDO-MALAYSIAN VENTURES RAPPED FOR POOR SHOW

Bombay THE TIMES OF INDIA in English 11 Sep 82 p 14

[Article by Dilip Mukerjee]

[Text]

KUALA LUMPUR, September 10.

INDIAN joint ventures here have been rapped on the knuckles before but never as sharply as on Wednesday night by the Malaysian minister for trade and industry, Tengku Ahmed Rithauddeen.

The ventures invited the censure by holding a dinner, the first of its kind, at which the minister was the chief guest. He took the opportunity to present a detailed critique of their performance, highlighting that "an inordinate number" of the 34 ventures in production field "appear to be floundering".

He also spoke of "a crisis of confidence" about Indian entrepreneurial capabilities, the reason why the government's industrial development authority was finding it increasingly difficult to find Malaysian investors to team up with Indian firms wanting to come here.

Tengku Rithauddeen's scathing criticism was in substance no different from what his predecessor Dr. Mahathir Mohamad (now prime minister) had said to the Federation of Indian Chambers of Commerce and Industry at a dinner in his honour in New Delhi almost two years ago.

Tengku Rithauddeen suggested, as his predecessor had done, that the Indian business community should undertake an in-depth study of the problems affecting the ailing Indian enterprises and find remedies for them in consultation with the Indian government.

He noted that such a study had been made by an Indian consultant for the United Asian Bank here, which itself was a joint venture. "Perhaps this report should be revived and resubmitted"; he said.

Although he did not mention it, another study was subsequently undertaken by the Indian Investment Centre in New Delhi at the instance of the ministry of commerce. But there is no information here on what conclusions that ministry or others drew from the findings.

Tengku Rithauddeen argued that Malaysia should be India's show window because the number of Indian joint ventures here was the highest in any country. "I would urge all of you to help so that Malaysia can be a model of successful ventures, an inspiration to the future generation of Malaysians and also to the other countries in this region and the world," he said.

He said he felt confident from all that he had seen and heard that "India has the potential to contribute in greater measure to our industrial development".

The minister took his hosts by surprise as was evident from the speeches made by the two Indian speakers — the high commissioner, Mr. Prakash Shah, and, the managing director of the Tata Truck Assembly plant, Mr. B. T. Mody. Neither made any mention of the problems the minister had raised, with Mr. Shah, in fact, confirming that the bulk of the Indian stake in these ventures would continue to be in the form of plant and equipment from India.

This is where the rub lies. For India which itself needs all the capital it can mobilise from abroad, investment in any other form is not feasible. The Malaysian side argues that this leads to two difficulties, one being lack of adequate finance to tide over teething troubles or to pay for the promotion efforts needed to carve out a niche in an open market subject to fierce competition from suppliers around the world.

Secondly, the equipment from India may not be wholly suitable to meet more demanding consumer requirements. "This precludes projects from seeking more updated machinery and know-how from other sources". Tengku Rithauddeen complained. He asked that the choice of plant and equipment be made by the joint venture partners on the basis of international tenders "to dispel any suspicion among Malaysian investors about the quality and suitability of Indian equipment".

If Indian companies could compete successfully to get Malaysian government contracts in international biddings, he saw no reason why Indian companies could not do the same in a joint venture context.

Obviously, India cannot afford to enter into joint ventures with such open-ended commitments to find its share of foreign financing. A possible alternative is a trilateral venture to bring in a partner from an industrial country as the Tatas have successfully done in the case of a palm oil mill.

Conceptually, the same way out has been adopted by the Tata Truck Assembly operation by adding to its range east European trucks to meet Malaysia's growing demand for bigger vehicles India is not geared to make.

The essential point is that the technology needed to succeed in an open market may not always be available from India as the record of a loss-making textile will brings out. Poorly capitalised and unable to met the challenge of quality from Japanese affiliates, its plight brings out a basic change in Malaysian policies in the past decade.

The textile mill started when the emphasis was on import substitution behind high tariff walls, providing Indian entrepreneurs with a congenial and familiar environment. This is no longer the case, and the thrust now is towards internationalising the economy because of the small size of the domestic market.

One consequence of this situation is the importance of vigorous marketing, a field in which Indian companies are handicapped by their resource constraints.

All this notwithstanding, there are more joint ventures in the pipeline

with 75 approved until April 1982. As Mr. Mody said, the operating ones employed 7,481 persons directly and now had annual sales of 600 million Malaysian Ringgits (Rs. 7 crores). This contributes, he claimed, to saving or earning Rs. 21 crores in foreign exchange.

Judging from Tengku Rithauddeen's comments that the high incidence of failure among these enterprises might have been due to the fact that "we have not been too selective", it would seem that entrants in future would be subject to stricter scrutiny.

CSO: 4220/7916

IDEAS ON PARLIAMENTARY REFORM GAINING GROUND

Madras THE HINDU in English 10 Sep 82 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept. 9.

After the recent remark of the Prime Minister, Mrs. Indira Gandhi, that she was disappointed with the present functioning of Parliament, a number of politicians and constitutional experts with the right connections have started giving serious thought to how best the system could be improved through procedural changes, without going in for any major alterations in the basic structure of the Constitution.

One of the suggestions is that there should be a committee system for discussing legislation in depth before it is debated on the floor of the two Houses. It would enable the Government to curtail both the number and duration of sessions to enable the Ministers to concentrate more on administration.

There are three sessions of Parliament a year at present which last from five to six months, depending on the volume of legislation and the nature of interruption of the daily business through politics of confrontation and excessive preoccupation with exposures of infractions in high places.

The intention is to reduce the total duration of the three sessions to about four months, while the Committees will be sitting for at least eight months in a year for transacting the main parliamentary business without hindrance.

Dignity of Parliament: Another suggestion deals with the desirability of evolving a code of conduct agreed to between the ruling party and the opposition for avoiding noisy scenes that mar the dignity of Parliament and create a free-for-all atmosphere. It is proposed that the party leaders including the Prime Minister should meet once a week in the Speaker's chamber to decide how best the debates should be conducted, giving all parties due opportunity to put forward their viewpoints on various issues without heckling and interruption.

Speaker's role: The Speaker will be requested to take the lead in establishing a convention with the concurrence of the Government and the Opposition that, if any member had some disclosure to make, of any improprieties or had to ventilate a grievance, he should, in the first place write to him. The Speaker's office will refer the complaint to the Minister concerned through the Prime Minister's Secretariat to ascertain facts and communicate them to the member concerned within a prescribed time-limit. If the Minister does not provide a satisfactory explanation and gives the impression of holding back the relevant information, the member would be entitled to raise the issue on the floor of the House with the Speaker's permission.

Dropping Minister: In the event of the Minister concerned still with holding the necessary information, the member will be entitled to demand a reference of the issue to the Privileges Committee. It will be obligatory on the part of the Prime Minister to drop the particular Minister from the Cabinet, if the Committee finds him guilty of denying the relevant information from Parliament.

CSO: 4220/7915

LARGE ORDER OF PROCESSED FOOD FOR SHIPMENT TO USSR

Calcutta THE STATESMAN in English 10 Sep 82 p 9

[Text] New Delhi, Sept. 9.--India will export 50,000 tons of processed food and vegetables to the Soviet Union during the current financial year, reports UNI.

Mr P. S. Srinivasan, secretary of the Processed Foods Export Promotion Council, said here that this was the largest order for processed food from a single foreign market and would fetch the country about Rs 45 crores. He said the exports would include jams, juices, pickles, chutneys and other such items.

Mr Srinivasan said: "We have already exported about 6,000 tons and hope to fill the bill within the allotted time".

He said India was exporting processed food to the USA, the U.K., Switzerland, the Federal Republic of Germany and many African countries. "We are also exporting processed food and fresh mutton to a number of West Asian countries", he added.

During 1980-81, the country exported processed food items worth over Rs 175 crores compared to Rs 163 crores during the previous year, registering an increase of more than 7%, he said.

"But during the current financial year, the export target for processed food items is about Rs 320 crores, of which exports worth Rs 58 crores have already taken place", Mr Srinivasan said.

He, however, regretted that the country was still way behind in the export of these items because of the absence of large-scale economically viable business units in the field, limited domestic demand and inadequate profits.

Mr Srinivasan said once the manufacturers were secure in the domestic market, they could bear the risk of increased production and exports would pick up. To assist the dealers, he said, the council has been conducting research from time to time to assess the changing international demand.

CSO: 4220/7914

BRIEFS

TRADE WITH FRG--Bombay, Sept. 11. After unprecedented growth during 1981, Indo-German trade appears to be stagnating at the high level attained during the previous year, according to a press note issued by the Indo-German Chamber of Commerce. India's exports to Germany increased by 2.6 per cent to Rs. 276 crores in the first six months of 1982, while imports from Germany decreased by 2.5 per cent to Rs. 368.3 crores. The decrease in German imports is mainly due to a major decline in items which make a substantial contribution to the total, namely iron and steel with minus 16 per cent and chemical and pharmaceutical products with minus 25.6 per cent. [Text] [Madras THE HINDU in English 12 Sep 82 p 6]

INDO-SOVIET POWER ENGINEERING GROUP--Bombay, September 12: The Indo-Soviet working group on power engineering, set up in 1981, has prepared a 3-year draft programme for co-operation between the two countries which will be discussed and approved at a meeting of the working group in New Delhi shortly, it is learnt. The main task of the group is to co-operate in the construction of power projects in India, in setting up a single power grid system, to organise a centralised service for the operation and repair of power equipment, improve the specialisation of Indian power engineers and to exchange know-how. It will also arrange investigation of the lake Rihand to use its waters for the thermal power stations of the Singrauli district. According to Mr. Pyotr Neporozhny, the USSR minister of electric power development and electrification, a project has been prepared for a mathematical and hydro-thermal modelling of the lake Rihand reservoir. Giving a review of the progress in the implementation of the December 1980 agreement, Mr. Neporozhny has said the work on the Vindhyachal Thermal power plant was progressing satisfactorily. Similarly, in order to increase reliability, reduce accident rate and to modernise their equipment, the Soviet Union has sent teams of power engineers to Patratu, Neyveli, Obra and Harduaganj thermal power stations. [Text] [Bombay THE TIMES OF INDIA in English 13 Sep 82 p 10]

SOVIET COAL TECHNOLOGY--Bombay, September 12: Mr. Boris Bratchenko, the Soviet minister for Coal Industry, has said that his country was willing to aid India in building fuel and energy complexes. He noted that the pattern of coal development in India needed to be changed from the designing and building of individual coal enterprises to the creation of fuel and energy complexes, including coal mines, opencast pits, and power stations. The Soviet Union's experience would help India in the creation of such complexes,

he said. Soviet organisations were prepared to help technically in sinking the main inclined and two vertical shafts of the Janira mine and in using the Soviet shield system of mining coal beds at the Tipong mine of the Makum deposit, he said. [Text] [Bombay THE TIMES OF INDIA in English 13 Sep 82 p 10]

AID TO NIGERIA--Calcutta, Sept 12 (PIT)--India will provide management and technical know-how to Nigeria for the manufacture of cables there. A five-year contract, with a provision for extension was recently signed between Mr B C Okwo, managing director of Benmax Cables, Nigeria, and Mr Rajive Kaul, managing director of National Insulated Cable Company of India Limited (NICOO). Besides manufacturing of power cables, Benmax would be conducting diversification and marketing research studies in close co-operation with its Indian counterpart. NICOO would also be responsible for drawing up a feasibility report for the new cable project in Nigeria. Plant and machinery worth Rs 30 lakhs was expected to be exported shortly from India to Nigeria for the project, Mr Kaul said. [Text] [New Delhi PATRIOT in English 13 Sep 82 p 7]

INDO-AFGHAN TRADE TALKS--New Delhi, Sept. 7.--Trade and economic relations between India and Afghanistan were discussed here today when a three-member Afghan trade delegation led by Mr G. H. Bayat, president of the Foreign Trade Department, called on Mr Abid Hussain, Commerce Secretary. Mr Hussain urged the Afghan delegation to increase imports from India, particularly non-traditional goods. [Text] [Calcutta THE STATESMAN in English 8 Sep 82 p 9]

AID TO NEPAL--Kathmandu, September 10 (UNI-DPA): India will provide Nepal 10,000 tonnes of rice as urgent foodgrain assistance. The announcement here today said 5,000 tonnes would be made available in October and the rest in November. Nepal, normally a rice-exporting country, is facing a massive food shortage as a result of delayed rains. It exported over five-lakh tonnes of rice to India from the previous harvest. Nepal is expected to receive over 40,000 tonnes of international food aid. It has also asked the United States, West Germany, Britain and France for help. [Text] [Bombay THE TIMES OF INDIA in English 11 Sep 82 p 14]

MANEKA GANDHI PARTY--New Delhi, September 9: Mrs. Maneka Gandhi's new political party will not be formed this year. Indications are that plans for the proposal party may not be ready until early next year. Referring to news reports about her party following her press conference last month, Mrs. Maneka Gandhi said she had been inaccurately reported about the party being formed in mid-October. According to her, scrutiny of enrolment and other matters would begin in mid-October and time would be needed to formulate the party constitution, its manifesto and other details. [Text] [Bombay THE TIMES OF INDIA in English 10 Sep 82 p 5]

CSO: 4220/7911/7917/7920

EXPORTS TO ASEAN DOWN; COMMON MARKET IDEA VIEWED

BK091147 Jakarta OANA in English 0944 GMT 9 Oct 82

["Pool item"]

[Text] Jakarta, 9 Oct (ANTARA/OANA)—Indonesian exports to the four other ASEAN member countries totaled U.S.$2,233 million in 1979, rising to U.S.$2,759 million in 1980, only to drop to U.S.$2,683 million in 1981 because of the world recession.

Data obtained by ANTARA from the Ministry of Trade and Cooperatives showed that of the ASEAN countries, Singapore continued to be Indonesia's chief market, followed by the Philippines, Malaysia and Thailand.

In 1973 and 1974 Thailand used to top the Philippines in terms of Indonesian exports, but increased Indonesian oil exports to the Philippines pushed Thailand down to fourth place in the years 1975 to 1981.

Exports to Singapore in 1979 totaled U.S.$1,964 million, rising to U.S.$2,484 million in 1980, but dropping back to U.S.$2,177 million in 1981.

The exports were composed of oil and natural gas to a large extent, making up some 49.5 percent of exports in 1979, 55.2 percent in 1980 and 55.7 percent in 1981.

The oil and natural gas exports to Singapore amounted to U.S.$1,214 million (55.7 percent) in 1981, with non-energy exports accounting for U.S.$964 million (44.3 percent).

Commodities exported by Indonesia to Singapore outside oil and natural gas included rubber, timber, electronic goods, coffee, rattan and textiles.

Indonesian exports to the Philippines in 1980 totaled U.S.$181 million, rising to U.S.$411 million in 1981, due largely to an increase in oil and natural gas from U.S.$169 million in 1980 to U.S.$379 million in 1981.

Indonesian oil and natural gas exports to the Philippines formed the bulk (90-97 percent) of all exports to that country in the last five years.

Indonesian exports to Malaysia totalled U.S.$66.2 million in 1979, dropping to U.S.$59.9 million in 1980 and U.S.$59.7 million in 1981.

Indonesian exports to Malaysia in 1981 were composed of non-oil and non-gas commodities, including timber, rubber, tin, electronic goods and coffee.

Exports to Thailand stood at U.S.$37.5 million in 1979, going down to U.S.$34.7 million in 1980 and rising slightly to U.S.$35 million in 1981. The chief export commodity to Thailand in 1981 was timber valued at U.S.$26.4 million or 75.5 percent of the value of all exports.

Indonesia's balance of trade with other ASEAN countries as a whole was in favour of Indonesia to the tune of U.S.$980.7 million in 1981, mainly accounted for by Singapore (U.S.$934 million), followed by Malaysia (U.S.$158 million) and the Philippines (U.S.$0.1 million), with Thailand giving a U.S.$111 million deficit for Indonesia.

On the idea of an ASEAN Common Market proposed recently by Philippine Minister of Agriculture Arturo Tanco, the official spokesman of the Ministry of Trade and Cooperatives, Syukri Alimuddin, said Indonesia is now studying the proposal.

He noted that such a common market would be intended to face non-ASEAN countries, because for expanding trade within ASEAN there already is an ASEAN preferential tariff arrangement (PTA).

Indonesia under the PTA has issued tariff concessions amounting to up to 60 percent for various commodities. But on the other hand, Singapore has yet to make concessions from its part, because its tariff rate has kept on standing at zero percent, so that the PTA actually does not affect its trading, Alimuddin said.

CSO: 4200/33

SUBROTO ON NATIONAL GAS EXPORTS, ENERGY SITUATION

BK140915 Jakarta OANA in English 0734 GMT 14 Oct 82

[Pool item"]

[Text] Jakarta, 14 Oct (ANTARA/OANA)--Indonesia will double its LNG (liquefied natural gas) exports to Japan from an annual 7.5 million tons at present to 14 million tons annually starting from 1984, Minister of Mines and Energy Subroto said here Wednesday.

At a meeting with nine ASEAN journalists touring ASEAN countries as winners of Mobil Oil awards, the minister said Indonesia is also set to export LNG to other countries besides Japan, namely South Korea, Hong Kong, Taiwan and Singapore.

The minister said Indonesia has big natural gas reserves estimated at 30 trillion standard cubic feet, excluding gas reserves in the Natuna region.

The reserves are to be found in North Sumatera, South Sumatera, the Java Sea, East Kalimantan and in the Natuna waters.

Under an ASEAN cooperation scheme, Indonesia also plans to export natural gas to Singapore, for which an outline was presented by Singapore Prime Minister Lee Kuan Yew when he visited here recently.

But further details about required quantities and prices still have to be negotiated, the minister said.

Indonesia also plans to supply NGL (natural gas liquid) to the Philippines, which has been buying LPG (liquefied petroleum gas) from Indonesia, while LNG exports to Thailand are expected to be started in 1986.

The minister at the meeting also gave an outline of the energy and mining situation in Indonesia.

He said Indonesia has been established to have 40 hydrocarbon curves containing a total of 100 billion barrels in oil reserves. Besides, there are also geothermal, hydro and non-conventional power resources with large potentials.

But until now the energy consumption pattern in Indonesia is still based for 80 percent on oil, and to reduce this dependence on oil the government has embarked upon an energy diversification program by making increased use of hydro-electricity, geothermal, solar and other power sources.

It is expected that by 1990 the role of oil in the energy picture will be reduced to 60 percent, he said.

The Mobil Oil awardees have been touring ASEAN countries since October, arriving October 12 in Jakarta for a tour of Indonesia until October 16 to end the tour.

While in Indonesia, they will, besides Subroto, meet Minister of Research and Technology Dr B. J. Habibie, Director General of Energy Prof Dr Samaun Samadikun and the director of the ASEAN Confederation of Journalists, Subagyo.

They will also visit the natural gas field and the LNG plant in Arun, Aceh (North Sumatera). Indonesia is represented in the group by A.J. Muaya of ANTARA and Jacob Rebong of the SUARA KARYA newspaper.

CSO: 4200/33

PERTAMINE CHIEF ON OIL CONTRACT WITH CALTEX

BK090939 Jakarta OANA in English 0914 GMT 9 Oct 82

["Pool item"]

[Text] Jakarta, 9 Oct (ANTARA/OANA)--The oil company PT Caltex Pacific Indonesia has to accept a production-sharing contract on modified post-1977 conditions if it still wants to operate in Indonesia, Pertamina President Director Judo Jumbono stated here Friday.

There is no sense in applying pre-1977 conditions when the production-sharing was not yet 85:15. Even if Caltex accepts the 85-15 ratio, it would still have to adhere to the so-called three-tier system, Judo Sumbono told newsmen.

He explained that the 85-15 ratio applies only to Pertamina contractors producing under 150,000 barrels daily. For production levels above 150,000 barrels up to 250,000 barrels daily the ratio shall be 90:10 and for production, levels above 250,000 barrels daily 95:5.

The Pertamina chief said until now no single Pertamina contractor working on production-sharing agreements has reached a production level of 150,000 barrels daily, the highest level having been 110,000 barrels daily so far.

Caltex, which has a production level of over 500,000 barrels daily, until November 1983 will still be subject to the standing working contract.

The three-tier system is a modification of the 1977 conditions and is referred to by Pertamina as post-77.

In reply to press questions, Judo Sumbono said the chief condition on which there is no further bargaining between Caltex and Pertamina is for it to accept the production-sharing contract. Other matters are still open for negotiation, he said.

Judo Sumbono said the Caltex management has in writing stated agreement to the basic conditions put forward by Pertamina.

He said Caltex has further agreed to place Indonesians in high positions at the company, to use home produced components in its activities in Indonesia, and in response to Pertamina appeal, to invest part of its profit in the non-oil sector in Indonesia, Judo Sumbono said.

Also in reply to a question the Pertamina chief said it could be possible for Caltex to feel that it had not yet received notification about the amendments to the 1977 conditions. Such a stance is quite to be expected as in business everybody wants to make the highest possible profit. But Pertamina keeps firm to the existing conditions, he said.

Turning to Caltex oilwells already in existence by the year 1980 Judo Sumbono said these wells are no more eligible for a production-sharing arrangement with Caltex if Caltex wants to continue activities in Indonesia.

He explained by saying the agreement signed with Caltex in 1971 was based on the consideration that Caltex would have to make big investments in trying to raise production beyond 500,000 barrels daily. On the basis of oil prices at that time, it was calculated that the company's investments would not be returned before 1983.

It was for this reason that Caltex then demanded as guarantee that it be allowed to continue operations beyond 1983 to have its investments returned, he said.

But we all know that since 1977 up to 1980 the world oil price rose many times over the price prevailing when the accord was signed in 1971. The price increases have resulted in their investments in the decades of the 1970s having been returned three times over, he said.

CSO: 4200/33

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

VICE ADMIRAL (RET) SYAMSOELBAHRI TJIPTOSUHARDJO--Minister of Trade and Cooperatives Dr Radius Prawiro on Friday [13 August] installed Vice Adm (Retired) Syamsoelbahri Tjiptosuhardjo in office as inspector general of trade and cooperatives. He fills a position left vacant when the former incumbent, R. Sukotjo, died on 29 June. [Excerpts] [Jakarta KOMPAS in Indonesian 14 Aug 82 p 2]

MEDAL TO 15 SENIOR OFFICIALS--At a state ceremony at the palace on Saturday [14 August] President Soeharto awarded the "Bintang Mahaputra Utama" [Supreme Service Star] to 15 Indonesian figures as a sign of appreciation for past services on the occasion of the 37th anniversary of the Indonesian proclamation of independence. Those receiving the decoration were: Dr Haryono Suyono, deputy director of the BKKBN [National Family Planning Coordination Body]; Lt Gen R Soeprapto, secretary general of the Ministry of Internal Affairs; Maj Gen (Retired) H Eddy Sabara, inspector general of the Ministry of Internal Affairs; Lt Gen Supardjo Rustam, governor of Central Java; Dr Ali Alatas, secretary to the vice president; Gen Widjojo Sujono chief of staff of the Security and Order Command [KASKOPKAMTIB]; Lt Gen M Kharis Suhud, chief of staff for civilian functional affairs of the Ministry of Defense and Security [KASKAR HANKAM]; Lt Gen L B Murdani, deputy chief of the Intelligence Coordination Body [BAKIN]; Lt Gen (Retired) Solichin G P, secretary of the Logistical Development Staff [SESDALOBANG]; Air Marshal Kardono, military secretary to the president; Brig Gen Dr Murdiono, secretary to the Cabinet; Brig Gen Dr Samporno, chief of the Household Staff of the Presidency; Maj Gen Dr Suharto, chief of BP-7 [expansion unknown]; Dr Wardoyo, director general of agricultural food crops in the Ministry of Agriculture; and Maj Gen (Retired) Sukriya Atmadja, deputy chief of the Bureau of Logistical Affairs. The first 14 of these senior officials were awarded their decorations on the basis of Presidential Decision Letter No 031/TK/1982, dated 27 July 1982. The award to Maj Gen (Retired) Sukriya Atmadja was based on Presidential Decision Letter No 041/TK/1982, dated 11 August 1982. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 16 Aug 82 pp 1, 7]

5170
CSO: 4213/05

BRIEFS

FINANCIAL COOPERATION WITH FRANCE--Paris, 9 Oct (ANTARA/OANA)--Protocols on financial cooperation between France and Indonesia were signed at the Ministry of Financial Affairs here last Thursday with Ambassador Professor Barli Halim representing the Indonesian Government and M. Jean-Claude Trichet, director for financial affairs, Ministry of Financial Affairs of France for his government. The protocol [singular as received] on financial cooperation involving 570 million French francs will be for the 1982-83 fiscal year and to be used for a coalmining project at Bukitasem, South Sumatra, the Gengkareng international airport near Jakarta and other such development projects. [Except] [BK101315 Jakarta OANA in English 1035 GMT 9 Oct 82 BK]

'NONCOMMERCIAL' OIL WELLS--Jakarta, 9 Oct (ANTARA/OANA)--Pertamina will no longer give permit to its foreign oil contractors to exploit oil wells in Indonesia which it considers "non-commercial." A Pertamina official said Friday the exploitation of such wells would give no benefit at all to Indonesia. An oil well is considered non-commercial if on the basis of Pertamina's calculations it will yield only enough oil to cover the exploitation cost (without profit to share between the foreign contractor and Pertamina). The official pointed out to the Salawati well in Irian Jaya whose production he said had been enough only to pay back the money which had been invested by the contractor without any share of profit for the Government of Indonesia. The same situation applied to the Sembakung well which was discovered by Arco. Pertamina considers it non-commercial and has to be returned by that company to Pertamina after that company has recovered the amount of money it had invested for exploration. [Text] [BK101315 Jakarta OANA in English 0959 GMT 9 Oct 82]

CAPITAL INVESTMENTS INCREASE--Ujungpandang, 12 Oct (ANTARA/OANA)--Domestic and foreign capital investments in Indonesia increased 57.9 percent, despite the world economic recession. This was stated by head of the Investment Board (BKPM) Suhartoyo in his written address at the opening of an investment upgrading course for regional investment board officials of Sulawesi, Maluku ane East Timor here Monday. He said that in order to maintain the present momentum of the national development it would be necessary to further increase business activities, such as through capital investments, both domestic and foreign. The BKPM chief said the efforts of the government have achieved considerable progress, especially in encouraging private capital to play a bigger role in the development of business, boosting production, and other such

activities. He disclosed that domestic investments up to the end of the third quarter of 1982 increased 78.2 percent compared to those in 1981, while foreign investments were also up by 6.7 percent in the same period. The increase in investments, he added, "strengthened our conviction that Indonesia's economy has resilience in face of the world recession." [Excerpt] [BK141319 Jakarta OANA in English 0827 GMT 12 Oct 82]

IMRON HIJACKING TRIALS--Jakarta, 11 Oct (ANTARA/OANAO)--Seven more members of the Imam Imron [Movement], alleged hijackers of the Garuda plane "Wiola" in Bangkok's Don Muang airport last year, will be tried by the district courts of Bandung and Jombang, East Java, shortly. The dossiers of those suspects have been sent by the West Java High Prosecution Office to the Bandung and Jombang district courts concerned for that purpose. The seven members of the Imam Imron Movement are identified as "Tman", "MK", "BR", "NG", "Mea", "Ma" and "Ma" [as received]. Chief of the public relations service of the supreme court, A.A.G. Ngurah said here Monday [phrase as received] Imron Bin Muhammad Zein and one of his aides, Salman Hafids have respectively been sentenced to death by the Jakarta and Bandung district courts for being proved guilty of hijacking a Garuda plane as one of their subversive activities. Meanwhile, the chairman of the West Java Council of Ulemas (Mui), K.H.E.E.Z. Mutaqien, has said that Imron and his men were those who had deviated from the Islamic faith for they were not in good command of the teaching. [Text] [BK110917 Jakarta OANA in English 0848 GMT 11 Oct 82]

YOUTH PRESSURE GROUP--Parliament-People's Consultative Assembly [DPR-MPR] chairman Amir Makhmud has expressed the hope that the Caucus 82 will not become a pressure group but that it will become a venue for consultations to safeguard the unitary Republic of Indonesia based on Pancasila and the 1945 Constitution. The DPR-MPR chairman said this at the parliament building in Jakarta today, when he received a delegation of the Indonesian Youth National Committee [KNPI], which was led by KNPI chairman Aulia Rakhman. The delegation presented to the DPR-MPR chairman a resolution of the 1982 youths which created the Caucus 82. The resolution 1982 was spontaneously adopted by 102 DPR and MPR members of the young generation on 1 October 1982, coinciding with the formal installation of the DPR and MPR. The DPR-MPR chairman further hoped that the Caucus 82 should not confine itself in thinking about today but also become the driving force and vanguard for stability in the future to safeguard the unitary Republic of Indonesia and the continuity of national development. [Text] [BK141433 Jakarta Domestic Service in Indonesian 1200 GMT 14 Oct 82]

CSO: 4213/501

AGRICULTURAL REPORTAGE FOR 4-10 OCTOBER

BK111245 [Editorial Report] Monitored Kampuchean media have reported the following agricultural developments for the reporting period 4-10 October:

Battambang: Phnom Penh SPK in French at 0401 GMT on 5 October reports that 268,490 hectares of rice, or 96 percent of plan, had been cultivated by the province. Phnom Penh Domestic Service in Cambodian at 0430 GMT on 6 October notes that in Battambang Province's Phnum Srok District 13,900 hectares out of the targeted 14,650 hectares of rice had been planted so far.

Kandal: SPK at 0419 GMT on 4 October says Kandal Province expects to grow 17,550 hectares of IR-36 rice, or half of the planned area, during the coming dry season. The provincial authorities had trained 170 cadres in the new rice-growing technique and had made available 375 tons of IR-36 seeds, 1,400 tons of chemical fertilizer and 50 waterpumps. SPK also notes that by mid-September, 39,840 hectares of rice had been planted. Intensive culture had been carried out on 10,090 hectares of land. The area for subsidiary crops is 10,940 hectares and that for industrial crops is 1,440 hectares. The latter will be brought to 10,780 hectares during the coming dry season, the news agency says, adding that Kandal now has 64,820 head of oxen--an increase of 500 head if compared with last year--46,960 pigs and 493,000 fowls.

Kompong Cham: SPK at 0401 GMT 5 October reports that 121,400 head of oxen, 37,000 buffaloes and 14,350 pigs had been vaccinated against contageous diseases. It notes that by October, Cheung Prey District had planted 23,570 hectares of rice, fulfilling 95 percent of its plan. Phnom Penh Radio at 0430 GMT on 5 October reports that Chamka Leu District had by mid-September transplanted nearly 6,400 hectares of rice.

Kompong Chhnang: SPK at 1426 GMT on 8 October notes that by mid-September, 44,260 hectares of rice, or 5 percent above plan, had been grown, including 4,620 hectares of high-yielding local strains and IR-36 variety. The province had also planted 3,220 hectares of subsidiary crops such as corn, soybean and manioc, and 460 hectares of industrial crops. Some 10,240 hectares of fallow land had been reclaimed, the news agency reports. There are 57,520 head of cattle, 10,860 pigs and 141,488 fowls in this province. The provincial veterinary service had vaccinated more than 64,760 head of oxen and 3,800 pigs against contageous maladies. The province hauled 11,560 tons of fish, or 9,000 tons above plan. It repaired 26,550 meters of irrigation ditches and

built 302,000 [figure as received] meters of field embankments. The province expects to plant 6,200 [figure as received] hectares of rice, 5,500 hectares of subsidiary crops and 1,100 hectares of industrial crops, plans to catch 11,000 tons of fish and hopes to produce 2,000 tons of palm sugar during the coming dry season. Phnom Penh Radio at 0430 GMT on 5 October reports that Baribo District had planted 5,400 hectares of rice by mid-September. At 1300 GMT on 7 October the radio reports that the province had reclaimed 11,140 hectares of fallow riceland out of the targeted 11,500 hectares. At 0430 GMT on 9 October the radio adds that Baribo District had planted over 7,200 hectares of various types of rice by the end of the third quarter or 150 hectares more than planned. In Rolea P'ier District, the radio notes at 1100 GMT on 10 October, 11,200 hectares of rice had been transplanted during the rainy season and nearly 300 hectares of subsidiary crops had been planted.

Kompong Som City: SPK at 0401 GMT on 4 October reports that 14,500 hectares of rice--2,000 hectares above plan--had been cultivated, 200 hectares of subsidiary crops had been grown and 2,000 hectares of land had been cleared. There are 2,650 head of oxen, 4,590 hectares of buffaloes, 13,490 pigs and 70,000 fowls. The fishermen of Kompong Som hauled in 300 tons of fish and 45 tons of shrimp.

Takeo: SPK at 0403 GMT on 6 October says this province had cultivated 198,270 hectares of rice, or 80 percent of plan. The area planted with IR-36 rice variety had reached 1,460 hectares. The province had also planted 7,210 hectares of subsidiary crops. The veterinary service had vaccinated 50,000 head of oxen and 2,680 pigs against contageous diseases. Takeo now has 90,900 pigs and 138,000 head of cattle. The provincial agricultural service had provided the population with 520 tons of IR-36 seeds, 490 tons of floating rice seeds, 1,260 tons of chemical fertilizer, 5,120 liters of insecticide, 400 kg of rat poison and 230 sprayers. Thanks to the waterpumps of the Ministry of Agriculture and provincial agricultural service, 2,350 hectares of rice had been saved from drought, according to SPK. Takeo plans to grow 35,000 hectares of rice during the forthcoming dry season, the same SPK report says, adding the province has caught about 500 tons of fish so far.

CSO: 4219/4

BRIEFS

HEALTH DELEGATION TO GDR--At the invitation of the GDR Health Ministry, a PRK health delegation led by Comrade Nut Savoeun, deputy minister of public health, departed for the GDR at 0900 on 6 October in order to pay a visit and draw experience on the training of health cadres. Seeing the delegation off at the airport were many cadres and personnel from the Health Ministry. [Text] [BK090616 Phnom Penh Domestic Service in Cambodian 1300 GMT 8 Oct 82]

BULGARIAN PRESS DELEGATION--A Bulgarian press delegation led by Comrade (Victor Fandorov), chairman of the Bulgarian press [name and title as heard], arrived at 1045 on 7 October on a visit to the PRK at the invitation of the SPK. Welcoming the delegation at the airport were Comrade (Thlang Sarin) chief of the SPK Foreign Relations Department; representatives of the Foreign Ministry; and SPK cadres and employees. Also present at the airport was Orlin Ghiyaurov, representative of the Bulgarian Embassy in Kampuchea. [Text] [BK090638 Phnom Penh Domestic Service in Cambodian 1300 GMT 7 Oct 82]

POLISH ARMY ANNIVERSARY MARKED--The following is a greetings message from Comrade Bou Thang, minister of national defense of the PRK to Gen of Arms Florian Siwicki, minister of national defense of the Polish People's Republic [as heard]. Dear Comrade Minister, on the occasion of the 39th anniversary of the founding of the Polish People's Army, on behalf of the cadres, male combatants and female combatants of the KPRAF and in my own name, I would like to extend cordial greetings and warmest congratulations to you and the cadres and combatants of the entire Polish People's Army. During the past 39 years, under the leadership of the Polish United Workers' Party, the Polish People's Army has actively cooperated with the Warsaw Pact armies in defending peace, security and stability in the region and the world. I take this opportunity to reiterate to you the wishes for your good health and success in your mission. May the bonds of fraternal friendship and solidarity between our two armies and people improve with every passing day. Please, comrade, accept my highest regards. [Text] [BK140654 Phnom Penh Domestic Service in Cambodian 1200 GMT 12 Oct 82]

HENG SAMRIN GREETS TOURE--[October 2 greetings message from Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State, to Ahmed Sekou Toure, general secretary of the Guinean party and president of the presidential domain of the Revolutionary People's Republic of Guinea, on the occasion of Guinea's National Day]--The Kampuchean people closely monitor the revolutionary gains achieved by the Guinea people in their

struggle against imperialism, colonialism, neocolonialism and other reactionary forces in defense of national independence and for national construction. May the existing bonds of solidarity and friendship between our two peoples develop and strengthen with every passing day in the interests of independence, peace, democracy and social progress. [Text] [BK081051 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Oct 82]

ITALIAN FRIENDSHIP GROUP VISIT--Phnom Penh, 12 Oct (SPK)--The delegation of the Italy-Vietnam Friendship Committee led by Pietro Pastorino, general secretary of the General Chamber of Labor and chairman of the Italy-Vietnam Friendship Committee of Genoa Province, left Phnom Penh on Monday 11 October at the end of its 4-day visit to Kampuchea. The delegation was seen off by Min Khin, acting general secretary of the KUFNCD. During its visit, the delegation held talks with Kong Korm, deputy minister of foreign affairs, and Vandy Kaon, deputy secretary general of the Front Council and secretary general of the Kampuchea-Vietnam Friendship Association. It also visited the Tuol Sleng high school-jail, mass graves at Cheung Ek, the agricultural high school at Chamka Dong, the Russei Kev textile factory, the pharmaceutical plant No 2, the "7 January" hospital, the pediatric hospital, the former royal palace, the national museum, orphanage No 1 and a creche in Phnom Penh. [Text] [BK130800 Phnom Penh SPK in French 1426 GMT 12 Oct 82]

NEWSMEN VISIT VIETNAM--Phnom Penh, 2 Oct (SPK)--A group of Kampuchean Revolutionary Army newspaper correspondents led by Prak Sokhon, bureau chief, recently paid a study visit to Vietnam. The Kampuchean journalists discussed professional experiences with the responsible officials of the QUAN DOI NHAN DAN editorial staff. They visited Vietnamese Army units, economic and cultural establishments and sites in Hanoi and the provinces. They were received by Gen Dang Vu Hiep, member of the VCP Central Committee and chief of the general political department of the Vietnamese Army. The journalists returned to Phnom Penh on 30 September. [Text] [BK041053 Phnom Penh SPK in French 1443 GMT 2 Oct 82]

SOVIET DELEGATE'S VISIT--Phnom Penh, 18 Sep (SPK)--I.V. Gorsuev, vice chairman of the Soviet Committee of Support for Vietnam, Laos and Kampuchea and member of the AAPSO delegation, told a meeting held in Phnom Penh in honor of the visiting AAPSO delegation about his 3-day visit to Angkor temple, Tuol Sleg, Cheung Ek, factories in Phnom Penh and other sites, noting that in the eyes of the people, workers and children he met he saw no trace of fear. He said theirs were the eyes of a child fixing on a future that is being built. [BK190200 Phnom Penh SPK in French 0357 GMT 18 Sep 82]

SPK DELEGATION TO GDR--Phnom Penh, 14 Oct (SPK)--A delegation of the Kampuchean Press Agency SPK led by its director general Em Saman left Phnom Penh today for the GDR to attend a conference of socialist countries' press agency director general which will be held in Berlin from 19 to 20 October. [Text] [BK141514 Phnom Penh SPK in French 1438 GMT 14 Oct 82]

NEW POLISH AMBASSADOR--Phnom Penh, 7 Oct (SPK)--Ludwig Klockowski, ambassador extraordinary and plenipotentiary of the Polish People's Republic, presented his credentials to Heng Samrin, chairman of the Council of State, in Phnom Penh today. Ludwig Klockowski was made ambassador of Poland to the PRK replacing Sergiusz Mikulicz, who left to take up other duties. [Text] [BK101253 Phnom Penh SPK in French 1459 GMT 7 Oct 82]

AID TO RETURNEES--Phnom Penh, 9 Oct (SPK)--Recently, the Kampuchean Red Cross distributed 30 tons of rice--gift of the UNHCR--to 600 Kampuchean families. These families returned from refugee camps in Thailand and settled in Thmar Puok District, Battambang Province, about 300 kilometers northwest of Phnom Penh. Twenty-five tons of foodstuffs were distributed to 1,000 families in Chhuk District, Kampot Province, 150 kilometers southwest of Phnom Penh. [Text] [BK101253 Phnom Penh SPK in French 0428 GMT 10 Oct 82]

AID TO RETURNEES--Phnom Penh, 12 Oct (SPK)--Twenty-five tons of rice, mosquito nets, cloth, nylon...were distributed recently by the Kampuchean Red Cross to 1,000 families. These families returned from refugee camps in Thailand and settled in Phnom Kravanh, Bakan and Pursat districts, Pursat Province, 150 kilometers northwest of Phnom Penh. [Text] [BK141040 Phnom Penh SPK in French 0403 GMT 12 Oct 82]

AID DISTRIBUTED IN PREY VENG--Phnom Penh, 12 Oct (SPK)--Recently, the Kampuchean Red Cross distributed humanitarian aid from the United Nations High Commissioner for Refugees to 1,200 families in Kompong Ampil commune, Peareang District, Prey Veng Province, 90 kilometers east of Phnom Penh. The recipients received articles such as cloth, mosquito nets, clothes and tools. [Text] [BK141040 Phnom Penh SPK in French 1429 GMT 12 Oct 82]

RIVER TRANSPORT SERVICE--Phnom Penh, 13 Oct (SPK)--During the past 9 months, 25,300 tons of goods passed through river ports in Kampuchea while passenger traffic was estimated at 32,000 people. In September 12,650 tons of goods and 2,490 passengers were reported passing through Phnom Penh and other provincial river ports. The transport service repaired 14 vessels and undertook other repairs or construction work. The service plans to transport 17,000 tons of goods during the second half of the year. [BK141040 Phnom Penh SPK in French 0403 GMT 13 Oct 82]

ENVOY PRESENTS CREDENTIALS TO JABLONSKI--Phnom Penh, 13 Oct (SPK)--Hor Nam Hong, ambassador extraordinary and plenipotentiary of the PRK to the Polish People's Republic, presented his credentials to Henryk Jablonski, chairman of the State Council of Poland, in Warsaw on 7 October. The Polish State Council chairman held cordial talks with our ambassador. On this occasion, Hor Nam Hong talked about the anxiety of the Kampuchean party, government and people about the events in Poland and wished that the Polish people would triumph over their enemies and restore the situation as soon as possible. [Text] [BK140756 Phnom Penh SPK in French 1439 GMT 13 Oct 82]

ITALIAN AMITY GROUP FETED--Phnom Penh, 11 Oct (SPK)--Kong Korm, deputy foreign minister, today received in Phnom Penh the delegation of the Italy-Vietnam Friendship Committee led by Pietro Pastorino, general secretary of the General Chamber of Labor and chairman of the Italy-Vietnam Friendship

Committee of Genoa Province. After speaking about progress achieved in all fields in Kampuchea since the overthrow of the genocidal Pol Pot regime on 7 January 1979, Kong Korm laid stress on the traditions of struggle of the Kampuchean people who aspire to live independently, peacefully and democratically. He denounced the maneuvers of the Beijing expansionists in collusion with the U.S. imperialists and their reactionary lackeys to undermine the rebirth of the Kampuchean people. The "tripartite coalition government of Democratic Kampuchea," he affirmed, was brought to life by the Chinese expansionists and the U.S. imperialists to dupe public opinion, denigrate the rebirth of Kampuchea and push the Kampuchean people into a new disaster. The situation in Kampuchea is irreversible and the Kampuchean revolution is progressing with every passing day, Kong Korm concluded. Pietro Pastorino expressed his joy to see with his own eyes the progress in Kampuchea and the heroic struggle of its people. He expressed his profound gratitude to the PRK Government which facilitated his visit. [Text] [BK120640 Phnom Penh SPK in French 0421 GMT 12 Oct 82]

DELEGATION TO GDR--Phnom Penh, 11 Oct (SPK)--At the invitation of the Socialist Unity Party of Germany (SED) Central Committee, a Kampuchean delegation led by Chheng Phon, minister of information and culture, left Phnom Penh today to take part in a seminar to be held in Berlin on 14 October in honor of the Great October Revolution and the 60th founding anniversary of the USSR. Werner Plotz, second secretary of the GDR Embassy in Kampuchea, was present at the departure of the delegation. [Text] [BK120707 Phnom Penh SPK in French 0425 GMT 12 Oct 82]

CSO: 4219/4

LEADERS ATTEND GDR NATIONAL DAY RECEPTION

BK091233 Vientiane KPL in English 0907 GMT 9 Oct 82

[Text] Vientiane, 9 Oct (KPL)--The ambassador of the German Democratic Republic of Laos, Dieter Doering, on October 7 gave a reception making the 33d National [Day) of the GDR.

Among those present at the reception were Phoumi Vongvichit, Political Bureau member of the Lao People's Revolutionary Party CC, and vice-chairman of the Council of Ministers; Sali Vongkhamsao, secretary of the LPRP CC, vice-chairman of the Council of Ministers and chairman of the State Planning Committee; Saman Vi-Gnaket, secretary of the LPRP CC and head of the organisational commission of the party CC; and high-ranking military and civilian representatives of the diplomatic corps and international organisations were also on hand. [sentence as received]

A delegation headed by Outtama Choulamani, deputy-minister of education and sport, earlier paid a visit to the ambassador extraordinary and plenipotentiary of the GDR to Laos, Dieter Doering, wishing the GDR National Day. [as received] All the experts of the GDR to Laos were also present at the meeting.

Outtama Chounlamani, seized this occasion to express the gratitude of the Lao people to the party, government and people of the GDR who always support and assist Laos during the national liberation period as well as at the present time.

The ambassador and O. Choulamani jointly wished for the strengthening and consolidation of the relations of friendship [and] solidarity between the GDR and Laos.

CSO: 4200/37

PHOUMI VONGVICHIT ATTENDS PHOTO EXHIBITION ON USSR

BK081612 Vientiane KPL in English 0900 GMT 8 Oct 82

[Text] Vientiane, 8 Oct (KPL)--The Laos-USSR Friendship Association in co-operation with the Soviet Embassy to Laos, on October 7 inaugurated at the exhibition hall of the Ministry of Culture a photo exhibition on the political and economic life of the Soviet Union. The occasion is to mark the 60th founding anniversary of the Soviet Union, the 5th anniversary of the adoption of the new constitution of the USSR and the 22d anniversary of the establishment of diplomatic relations between Laos and the Soviet Union.

Among those present at the opening were Phoumi Vongvichit, member of the Political Bureau of the LPRP CC, vice-chairman of the Council of Ministers, Sisana Sisan, member of the LPRP CC and minister of culture, Khamsouk Vongvichit, vice-president of the Laos-USSR Friendship Association and vice-chairman of the Lao Committee for Defence of the World Peace, other members of the government and high-ranking officials from various ministries.

Vladimir Sobchenko, the Soviet ambassador, other members of the diplomatic corps and representatives of various international organizations to Laos were also on hand.

Addressing the participants, Sisana Sisan recalled that after the success of the October revolution, under the leadership of the Communist Party of the Soviet Union headed by the great Vladimir Il'ich Lenin, the Soviet people have founded the Soviet Union, the first socialist and proletarian state in the world. During the past 60 years of their history, the Soviet people of all nationalities have united firmly for the safeguard of the nation and the construction of the technical bases of socialism and then of communism. On the important initiative of Leonid Brezhnev, general secretary of the CPSU, president of the Presidium of the Supreme Soviet a new constitution was adopted thus enhancing the rights of the Soviet people. He said in conclusion that with the precious assistance of the Soviet Union and other fraternal socialist countries, Laos was now liberated from neocolonialism and engaged in the building of socialism thus joining the socialist community. The speaker stressed that at the recent meeting between Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers and Lenid Brezhnev, the Soviet side had reiterated the unswerving principles of the Soviet party, government and people which will continue to assist the LPDR.

Soviet Ambassador Vladimir Sobchenko pointed to the great successes of the implementation of the new constitution in the Soviet Union, and stressed on the great achievement in socialist construction. He expressed thanks to the party, and government as well as the Laos-USSR Friendship Association over the cooperation in organizing the exhibition. He wished for the further tightening of the great friendship relations, fraternal solidarity and all-round cooperation between the two countries and wished the Lao people brilliant successes in the execution of the resolutions of the 3d party congress for the prosperity of the Lao people of all nationalities.

CSO: 4200/37

TRANSPLANTING, CROP CULTIVATION PROGRESS REPORTED

[The following information is extracted from the Vientiane press as indicated on the dates in the parentheses following the remarks. SP=SIANG PASASON, VM=VIENTIANE MAI, KPL=KHAOSAN PATHET LAO]

LOCATION	REMARKS
Outhoumphon, Sepone Districts, Savannakhet	Farms have transplanted total of 16,924 hectares of paddy fields (SP 26 Aug 82 p 1)
Saisettha, Sisattanak, Chanthabouli, Sikhottabong, Nsaithong, Saithani and Hatsaifong District, Vientiane Capital City	Completed transplanting on 24,496 hectares out of a total crop area of 36,275 hectares. In spite of drought conditions in Vientiane capital city, farmers were able to salvage 2,627 hectares (SP 26 Aug 82 p 1)
Bolikhan District, Vientiane Province	Has 6,341 hectares of paddies and 1,646 hectares of dry fields. Too little land for population. District hard-hit by drought (SP 26 Aug 82 p 2)
Vang Viang, Vientiane Province	100 percent of paddy area is transplanted. 31 agricultural coops have been formed (VM 25 Aug 82 p 1)
Nong Bok District, Khammouan Province	Farmers have transplanted 4,384 hectares of paddy as of mid-Aug. (SP 24 Aug 82 p 1)
Champhon District, Savannakhet	Farmers have completed transplanting 80% of 22,044 hectares of paddy (SP 24 Aug 82 p 1)
Houa Phan Province	Farmers in various districts have completed transplanting more than 2,000 hectares of paddies (SP 21 Aug 82 p 1)

LOCATION	REMARKS
Luang Prabang District, Luang Prabang	Farmers complete transplanting on all 9,000 plus hectares of paddy fields (SP 4 Sep 82 p 1)
Savannakhet Province	Farmers have completed transplanting on 38,300 hectares (SP 3 Sep 82 p 1)
Mahasai District, Khammouan Province	Farmers have completed transplanting on 5,467 hectares of paddy fields (SP 31 Aug 82 p 1)
Louang Namtha Province	Farmers have completed transplanting 6,000 hectares of paddy fields (SP 31 Aug 82 p 1)
Phon Hong District, Vientiane	Farmers have completed transplanting on 9,044.65 hectares in spite of drought (VM 30 Sep 82 p 1)

CSO: 4206/11

BRIEFS

WOMEN DELEGATION TO WARSAW--Vientiane, 14 Oct (OANA/KPL)--A Lao Patriotic Women Association's [LPWA] delegation left here yesterday to attend the annual conference of the socialist countries women associations to be held in Warsaw from October 17 to 19. The Lao delegation was headed by Phetsamon Latsasimma, member of the Lao People's Revolutionary Party CC and vice-president of the LPWA. After attending the Warsaw conference, the delegation will pay a friendship visit to the German Democratic Republic. [Text] [BK141323 Vientiane KPL in English 0905 GMT 14 Oct 82]

MESSAGES FROM ROMANIAN LEADERS--Vientiane, 14 Oct (KPL)--Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers and Souphanouvong, president of the republic and of the People's Supreme Assembly recently received messages of thanks from the Romanian top leaders. The messages were from Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the republic, Prime Minister Constantin Dascalescu and from Nicolae Giosan, president of the Grand National Assembly. Speaking on behalf of the Romanian people, the messages expressed thanks to the Lao leaders, state and people, for the Lao leaders' kind wishes on the occasion of the 38th anniversary of the victory of the Romanian national revolution. The telegrams also expressed conviction that the friendship relations between Romania and Laos will continually be developed basing on the high level agreements between the Romanian and Lao peoples which serve the people's interests and the cause of socialism, peace and international cooperation. Khamphai Boupha, acting minister for foreign affairs, also received a similar telegram from his Romanian counterpart, Stefan Andrei. [Text] [BK141016 Vientiane KPL in English 0901 GMT 14 Oct 82]

POLISH ARMY DAY GREETINGS--Vientiane, 13 Oct (KPL)--General Khamtai Siphandon, minister of defense of the KPDR yesterday greeted his Polish counterpart, General Wojgiech Jaruzelski, on the occasion of the latter's 39th people's army [as received]. Speaking on behalf of the officials and combatants of the Lao People's Army, K. Siphandon conveyed warm congratulations and best wishes to W. Jaruzelski and through him to the Polish combatants of the PPA the sentiment of solidarity and fraternal friendships. The message further hailed the successes scored by the PPA during the period of [as received] national liberation as well as in their present national socialist construction. The telegram also expressed conviction that with the active support of the Soviet Union and the socialist community, the PPA will score new and greater success in their national construction. [Text] [BK131111 Vientiane KPL in English 0905 GMT 13 Oct 82]

NOUHAK PHOUMSAVAN RECEIVES THAI ENVOY--Vientiane, 11 Oct (KPL)--Nouhak Phoumsavan, first vice chairman and also permanent member [as received] of the Council of Ministers, on October 9, received here Sunthon Khongsak, the ambassador of Thailand to Laos, who is near the end of his mission here. The Lao leader, on this occasion, made an appreciative note on the Thai ambassador's contribution to the improvement and development of the relations between the two countries and peoples, for peace and stability in Southeast Asia. N. Phoumsavan also wished S. Khongsak success in his new mission. [Text] [BK111009 Vientiane KPL in English 0904 GMT 11 Oct 82]

WATER PUMPS FROM BURMA--Vientiane, 13 Oct (OANA-KPL)--The Socialist Republic of the Union of Burma in its aid programme to Laos in the field of irrigation, on October 11 presented the latter with 30 water pumps and a quantity of equipment worth 32 thousand dollars. Following the special air cargo deliveries a handing-over ceremony was held at the Vientiane airport on October 11. The charge d'affaires of Burma to Laos, U Sai Thaw Da, on behalf of his government, officially presented the aid to the Lao deputy-minister of agriculture, irrigation and agri-cooperations, Sitheng Latsaphon. The Lao deputy-minister seized the opportunity to thank the Burmese Government and people for their precious aid to the Lao people. He also wished for the strengthening and consolidation of the relations of friendship and good neighbourliness between Laos and Burma.

UNICEF AID--Vientiane, 9 Oct (KPL)--UNICEF's aid, at the cost of 495,000 U.S. dollars was presented, on September [month as received] 7, to the Ministry of Education and Sports. The gifts included photographic and printing equipment. Present on the hand-over ceremony were Kul. C. Guatam [name as received] the UNICEF's representative to Laos, and Phiang Sisoulat, deputy minister of the above ministry, and other officials. [Text] [BK111511 Vientiane KPL in English 0913 GMT 9 Oct 82]

FINANCIAL, BANKING COURSE--Vientiane, 15 Oct (KPL)--The 4th financial and banking course which was technically assisted by the GDR experts was opened here on October 13. This three-year's course is being attended by 22 cadres including 63 women from all over the country. The course is subdivided in two branches namely the financial and banking work. At the opening ceremony, after the address of the course director, Gnao Phonvantha, who is also alternate member of the Lao People's Revolutionary Party CC and minister of finance, stressed the significance of this special training course which aims to meet the demand of the country in the field of banking. [Text] [BK151024 Vientiane KPL in English 0912 GMT 15 Oct 82]

CSO: 4200/37

SALES PROMOTIONS ABROAD TO BE BOOSTED IN 1983

HK071331 Manila BULLETIN TODAY in English 7 Oct 82 p 9

[Text] Trade and Industry Minister Roberto V. Ongpin reported a quadrupling of sales promotions abroad in 1983 to boost the export of products of small Filipino producers.

Ongpin said this is part of the massive campaign he recently ordered launched to look for foreign buyers for products of small Filipino businessmen.

Ongpin said the Ministry of Trade and Industry [MTI] will increase its foreign selling missions and its participation in international trade fairs from 18 to 57 in 1983.

From 14, the number of MTI's participation in international trade fairs will be increased to 37, he said. MTI will also send observation teams to four other international trade fairs.

Of the 57 trade fairs MTI will participate in 1983, 18 are in Europe, 11 in North America and 12 in Asia, Middle East, Africa and Oceania which include Australia, New Zealand and other republics in the Pacific Basin.

The 1983 MTI promotional strategy, Ongpin said, will focus on garments in 10 trade fairs, furniture in five, gifts and houseware in seven, fresh and processed foods in three, footwear and leather goods in eight, and general products lines in eight.

He said MTI will send 16 foreign selling missions in 1983, a jump from four this year. The selling missions will go hand in hand with the participation in international fairs.

Ongpin said five selling missions will be sent to Europe, five to the Americas and six to Asia, Middle East, Oceania and Africa.

Onpin said the Philippines' participation in international trade fairs will be given emphasis next year because they are essential for direct market test and saleability of products.

CSO: 4200/33

VER ANNOUNCES VILLAGE ARMS CACHE CONFISCATION

HK070950 Manila BULLETIN TODAY in English 6 Oct 82 p 1, 11

[Text] Gen Fabian C. Ver, armed forces chief of staff, said yesterday an arms cache containing Garand M1 and AK47 rifles and ammunition was found by government troopers last Saturday in a remote village in Oriental Mindoro.

The cache was found by men of the 269th PC Company, the San Teodoro Integrated National Police, the National Bureau of Investigation, the Military Intelligence Group and member of the Civilian Home Defense Force in Tanac, Lumang Bayan, San Teodor, Oriental Mindoro.

Ver said the teams found 28 long and 13 short magazines for AK47 rifles, four magazines for Thompson sub-machinegun, one grease gun container, one cleaning rod, and 320 carbine bullets.

No one was arrested during the operation but soldiers continued to search for more firearms and ammunition hidden in the area.

The PC was tipped off about the presence of the firearms in the vicinity. A search team was immediately launched.

Philippine marines confiscated nine Garands, one carbine, and one M16 rifle during a search of unlicensed firearms in Basilan last September 30.

Meanwhile, a commander of the Moro National Liberation Front (MNLF) and 22 of his followers surrendered to PC authorities in Barrira, Maguindanao, over the weekend.

Commander Aberin Sorosong alias Commander Eddie turned in seven Garands, seven carbines, one M16 and one FAL rifles, one homemade grenade launcher, and three other homemade firearms.

CSO: 4200/33

ENRILE RELEASES PHILIPPINES CP LEADERS LIST

OW071435 Hong Kong AFP in English 1344 GMT 7 Oct 82

[Text] Manila, 7 Oct (AFP)--A total of 12 top leaders of the Communist Party of the Philippines (CPP) remain active in the field and have some 1.9 million pesos (220,000 U.S. dollars) reward money on their heads, the Defense Ministry said today.

Minister Juan Ponce Enrile declassified and released the rankings list of the CPP showing of the total 18 leaders three are now in custody, two are in China and one had been killed.

Heading the list as chairman of the Central Committee is Rodolfo Salas, who has 250,000 pesos (29,000 U.S. dollars) on his head. He is chairman of the Military Commission, member of the Politburo, and member of the Executive Committee.

Juanito Rivera is the next-in-command in all positions held by Salas and commands prize-money of 200,000 pesos (23,000 dollars).

Secretariat head is Rafael Baylosis (200,000 pesos) followed by Ignacio Capigsan, member of the central and executive committees (175,000 pesos--20,000 dollars).

Killed last month was Edgar Jopson, highest ranking communist on Mindanao Island and carrying a prize of 125,000 pesos (15,000 dollars).

Captured was fifth-ranking Isagani Serrano, member of the central and executive committees (150,000 pesos--18,000 dollars) who was implicated in the alleged conspiracy to take over the government last month. Captured last January was Central Committee member and seventh-ranking Noel Etabag with a reward for his capture of 150,000 pesos.

Also in custody is former development Academy of Philippines vice dean and Registrat Horacio Morales, Jr, once recipient of the prestigious outstanding young man award (100,000 pesos--12,000 dollars). He is ranked number 15.

Two members of the Central Committee, ranked 13th and 14th by the ministry, are now in China--Santiago Sta Romana and Ericson Baculinao. Both carry a 125,000 pesos reward (15,000 dollars) on their heads.

Following are the rest of the rankings as released by Mr Enrile:

Sixth--Benito Tiamzon, Central Committee and eastern central Philippines secretary (150,000 pesos).

Eighth--Sotero Llamas, Central Committee and Bicol region secretary.

Ninth--Romulo Kintanar, Central Committee and deputy secretary for Mindanao (150,000 pesos).

10th--Prudencio Calubid, Executive Committee and National Commission on Education and Propaganda secretary.

12th--Former journalist Antonio Zumel, Central Committee and editor of CPP organ ANG BAYAN (125,000 pesos).

16th--Ola Aguilar, head of so-called middle forces (100,000 pesos--12,000 dollars).

17th--Josefino Corpuz, secretary of Central-Eastern Luzon Committee (100,000 pesos).

18th--Roberto Tacbad, secretary Western-Central Luzon Committee (100,000 pesos).

CSO: 4200/33

BRIEFS

POLICE CASES SHIFTED TO MILITARY COURTS--Cases filed against policemen, firemen and jail guards will now be investigated and tried by military court. This is provided in the presidential decree No 850 issued by President Marcos last Monday but released by Malacanang only yesterday. In the decree President Marcos noted that the law integrated the police units and firemen under the operational control of the constabulary. This places them under the jurisdiction of military court. Only cases involving civilians can be investigated by the (?Tanas Baiyan) and tried by the (?Sandigin Baiyan). The military court takes over if the civilian waives his right to trial by a civilian court. [Text] [HK080459 Manila Far East Broadcasting Company in English 2330 GMT 7 Oct 82]

CSO: 4220/33

'WHITE PAPER' ON NEW CPT SECRETARY GENERAL

BK280241 Bangkok THE NATION REVIEW in English 28 Sep 82 p 5

[Text] Internal Security Operation Command (ISOC) yesterday issued a "white paper" to expose the man who was reported to have been made the secretary general of the Communist Party of Thailand (CPT).

The "white paper," titled "A True Story Behind Prasit Taphianthong: A Man Accused of Being Secretary General of the CPT", was issued during a press conference at the Kittichachon auditorium of the Chunlachomklao Royal Military Academy to report on the government's performance in fighting against communist insurgency over the past six months.

Prasit was reported to have been appointed the secretary general of the CPT during its last congress and up till now his real identity is still a big question mark. Some authorities said "Prasit" is only the name of the collective leadership of the party while others claim he is non-existent.

The white paper of ISOC may shed some light on his identity and his activities in the outlawed party.

Prasit Taphianthong, known by his nom de guerre of "Comrade Hung" of "Uncle Sin", is a native of the central plains but his exact birthplace is still a mystery.

Prasit is said to be dark complected, slightly cross-eyed and now in his 50's. A lean man standing about 155-160 centimetres, Prasit is known for his egoism and a tendency to dominate his colleagues. Despite his high self-esteem, Prasit is said to have good human relations.

Because of his long years in the jungle, Prasit is reportedly suffering from several diseases--one of them an ulcer which has been bothering him for quite sometime. Cholesterol is also another serious disease facing Prasit whose mental instability once landed him in the hospital.

The three diseases have hampered Prasit's work. During the past year, Prasit has been in charge of information and propaganda and was operating the clandestine communist radio station before it closed down.

He is also responsible for all information work within the Communist Party of Thailand (CPT). He censors all articles and reports circulating within the party. Apart from his regular duties, Prasit travels overseas once in a while.

Prasit is inclined to air his views or engage in theoretical discussions on revolution. People who have met Prasit tend to be impressed by his hospitality. But for the past three or four years, Prasit has become rather moody and easily loses his temper even over minor things. The changes in his character are blamed partly on the three illnesses which are troubling him. Besides problems with his health, Prasit also seems to have an unhappy family life. He tends to lord over his wife and is not often on good terms with her.

Normally, Prasit does not stay with his wife. His wife, Mrs Prathum, works outside CPT headquarters and returns only once a year to stay for five or six days with him before leaving again.

Prasit himself is not absolutely loyal to his wife and is said to have tried courting other women. Mrs Prathum is physically weak and Prasit had developed a tendency of being easily impressed by the beauty of women.

Prasit has two daughters, one 14 and the other 13. Both are described as pretty and innocent. They were sent to China when they were around two years old. That is one of the reasons why they can hardly speak Thai.

Because of his romantic relations with women under his supervision, Prasit's credibility in the eye of his colleagues is rather low.

For this reason, Prasit hardly commands any respect from either colleagues or subordinates in the headquarters of the CPT.

As far as his relations with other party leaders is concerned, Prasit has tried to refrain from having any open conflicts with them. Conflicts do exist but Prasit tends to forget them once they have been discussed. Unlike other party leaders, Prasit has avoided being caught in the factionalism that plagues the party.

Prasit has always been a man of action, well known for his eloquence. He often gets into arguments with other party leaders, such as Prasong (Song) Nopphakun. Prasong, also a Politburo member, suffers from a mental disorder too but his condition seems to be more serious than that of Prasit's.

Prasong has no specific responsibility within the party. Generally, nobody takes notice of Prasong because of his mental condition.

To some other CPT leaders, Prasit appears to be humble and at the same time aggressive in his speaking manner. But to his subordinates, Prasit is particularly offensive. There have been times when Prasit has felt humiliated by those subordinates who have been brave enough to respond to his uninvited comments or criticisms.

There were several other weaknesses which have served to undermine his credibility even further. Many believe Prasit is a coward. His cowardice is said to be evident particularly during an emergency. When the headquarters came under attack from government forces, Prasit became hysterical. Shaking, Prasit immediately told his bodyguards to pack up his belongings and find an escape route. Sometimes his cowardice goes to the extreme of being ridiculous.

Compared with Prasit, Prasong is a courageous man.

As far as his contribution to the party is concerned, Prasit has done nothing that could be considered outstanding. But then again, he has done nothing seriously wrong either. He is an easy-going type of man who has no ambitions and is a danger to no one.

Prasit is trusted by the rest of the party officials although he lacks leadership. It was a surprise when Prasit, who has nothing a leader should have, was made secretary general of the CPT.

His promotion can be explained by the fact that Prasit is not ambitious and gets along with everybody. Under the present circumstances, the CPT certainly must find it difficult to completely trust anyone--whether it be Wirat [Angkhathawon], Udom [Sisuwan] or Thong [Chamsi]. These people are comrades in arms who are ready to kill their friends.

Taking everything into account, Prasit was, therefore, the best choice to become the new secretary general. Besides, Prasit is a Thai and that fact suits the present situation in which there is a demand for a more nationalistic revolutionary movement instead of a foreign-dominated one.

With Prasit on top, there is also some optimism that he might be able to reduce the degree of conflicts within the pro-China party.

The choice of Prasit might also be designed to drown criticisms that the party is in the hands of pro-Chinese communist leaders. And since Prasit is not a well-known person, his background would be known only to people close to him. He is comparatively younger than the rest of the party's top men.

Prasit is not an avid reader as most communist leaders are. He reads only when there is something interesting or when he feels like doing so.

Unlike Prasit, Damri Ruangsutham (a former Politburo member now on trial in Bangkok) is addicted to reading. He reads whenever he gets the chance.

But Prasit is known for his impressive choice of words. He knows how to hurt people with his eloquence. Though Damri has read a lot, he often finds it difficult to express himself. Prasit is hardly ever seen with a book, while Damri often is, wherever he goes.

Profile of Prasit

Name: Prasit Taphianthong
Other Name: Chang Sue
Noms de guerre: Kam/Sing/Sin/Takhe/Changsi/Song
Age: Around 59
Nationality: Thai
Native Province: Thonburi [now merged with Bangkok]
Wife: Mrs Prathum Sinthusuwan (or Comrade Nu). She was arrested on August 21, 1970 in Nan. She is living in China with two daughters.
Education: Matthayom 8
Appearance: Cross-eye, dark complexion and wearing glasses
Activities:
1945-1946: Being among the first members of the CPT
1952: Elected member of the Executive Committee of the Saha Achiwa Labour Movement
1953: Studied at the Marx-Lenin Institute in Beijing
1958: Returned to Thailand and was assigned to be responsible for labour organization in Bangkok
1959: Worked for the CPT at high level with Thawin Wongsarot
1961: Travelled to China with his wife where they attended a meeting of the foreign branch of the CPT
1963: Returned to Thailand and was stationed in Na Kae District of Nakhon Phanom
1964: Attended the CPT meeting in Pa Dong Luang in Na Kae District, Nakhon Phanom
1965: Travelled to North Vietnam with his wife
1967: Returned to Thailand and was based in Ubon Ratchathani
1973: Became member of the northeast committee and secretary general of the lower Ubon Ratchathani provincial committee
1975: Appointed secretary general of Bon Ratchathani provincial committee
1975-1976: Appointed member of the lower northeastern committee
1979: Appointed member of the Central Committee and Politburo of the CPT.

CSO: 4200/38

RESERVE MILITIA FORCES TO AUGMENT REGULARS

Bangkok BANGKOK POST in English 29 Aug 82 p 5

[Article by Sonchai Nokeplub]

[Text]

KILLING two birds with one stone. That is what the so-called "Reserve Militia for National Security" project is supposed to yield when it fully takes shape, hopefully within the next five years.

The name may sound unfamiliar, but the project's wheel of action has already started rolling towards the establishment of the force which in effect will give the country powerful military backing in time of emergency and provide a better life for former conscripts discharged after two years in active military service.

The plan, besides reflecting an ingenious idea of making better use of these discharged soldiers, indicates that the Government is moving in the right direction — toward introducing welfare for a group of people who once served as the country's defence force.

As is generally known, the majority of these conscripts are from poor families and are the lowest paid in the Armed Forces. The Reserve Militia project under which various economic and agricultural training programmes are provided, if successfully implemented, will be the most suitable reward the Government can give in exchange for their loyal services.

Col Vichit Harnsakul — chief of taff of the First Army Region's 11th Division, said the reservist force will be formed from the very basics — at the village level — by informing former conscripts of the broad outlines of the project and asking them to become members.

This will be carried out by working groups at district and provincial level, he said.

The project, approved by the Cabinet after years of planning, has been designed to coincide with the Fifth Five-Year Development Plan and it is hoped it will be fully operational within the same period of time.

The Cabinet, in approving the project has appointed a national committee chaired by Army Commander-in-Chief Gen Prayuth Charumanee to oversee the establishment of the force.

National Security Council Secretary General Sqn Ldr Prasong Soonsiri has been named chairman of the political affairs sub-committee; Under-secretary of State for Agriculture and Cooperatives, Dr Thalerng Thamrongnavasavat chairman of the economic sub-committee; Under-secretary of State for Education Dr Boonsom Martin, chairman of the psychological sub-committee; and Deputy Army Commander-in-Chief Gen Sakti Boontharakul, chairman of the military committee.

Programmes

At regional level, the commanding general of each of the four Army regions were assigned to take charge of the project in the provinces in their respective areas.

As explained by Col Vichai, the training courses put into the programmes for the reserve force will not concentrate on weapons, but will stress how to upgrade their post-military professional skills in order to enable them to lead a better life.

This involves economic and agricultural training as well as the provision of the government's bank credit to help form farm cooperatives among the reservists and their relatives.

"It's not only the reservists who are welcome to join the project, but also their relatives who could apply as extraordinary members of the programme," Col Vichai explained.

After being formed, leaders and assistants in political, economic, psychological and military fields at the village level would be appointed to help village headmen of their respective areas.

Leaders from various villages would then be chosen to be the reservists' chief at tambon level with their main job to help kamnan in the four fields. Under the same structure, district and provincial commanders of the reservists and their assistants in the four mentioned fields would also be appointed to help with district officers and provincial governors respectively, Col Vichai explained.

"From this you will see that we are now trying to recruit a group of well-desciplined people to form an axis to lead other people, namely their relatives and friends, to develop the country," he said.

Col Vichai said most of the reservists are poor and many of them are unemployed, but they will represent a big labour force if officials could gather them into an organised group.

On the military front, Col Vichai said in the face of the current tension in Kampuchea it was not known when and to what extent Thailand would come under outside aggression.

This has prompted the need for an establishment of reserve divisions in the four Army regions — for example the 11th Division in case of the First Army Region — to carry out the work in gathering reservists in their respective areas to form army divisions if neccessity calls.

The Reserve Militia for National Security project is a supporting platform for the reserve divisions as it helps organise discharged conscripts — more than 500,000 alone in the First Army Region area — to stay in united groups in their native home towns, according to Col Vichai.

From the number of reservists throughout the country, the Armed Forces would be able to increase their strength by hundreds of divisions in time of emergency, he said.

The Reserve Militia, as explained by Col Vichai, will represent a strong military backing and give bargaining power against any country coming on an aggressive course against Thailand.

"Of course, we have no desire to go into any battle, but to prevent this we must have enough military strength to make our enemy realise the potential outcome if they decide to go to war with us," Col Vichai said.

But how can the Reserve Militia assert its role when there have already been several power groups established by the Government to counter untoward attempts against national security?

Col Vichai explained: "We have village scouts and village volunteers as different forms of power groups. They are capable of demonstrating their united force against internal aggression toward the nation, the religion and the monarchy, but when it comes to aggression of outside forces against the national security they are limited."

Capability

The Reserve Militia has higher capability than the village scouts and village volunteers. They are ready to be organised into an army and have been accustomed to all kind of war weapons when compared to the village volunteers who are equipped with only shotguns.

Col Vichai said the militia force would need little training as they are familiar with the military system.

"Many may laugh if I say that we hope that we could get the Reserve Militia force in combat readiness within three days."

Col Vichai said whether this was possible depends on arms stock and support from allies.

He said Thailand is the front gate of ASEAN. If individual members of the community want to safeguard their own stability, they must support their front gate first.

Col Vichai added that the Reserve Militia for National Security has been projected to be fully in shape by 1986, but its success is still dependent on vital bodies: the working groups at the district and provincial level which are now launching the campaign to persuade ex-conscripts to join the programme.

CSO: 4200/21

CHINA NOW HAS MORE FREEDOM

Bangkok BANGKOK POST in English 15 Sep 82 p 4

[Editorial]

[Text]

CHINA's new constitution abolishes the post of Communist Party chairman and vice chairman, while keeping that of general secretary of the Party. Chinese constitution planner and politburo member Hu Qiaomu says this is to avoid concentrating too much power in the hands of one individual. Mr Hu, who should know, said that a man who was both chairman and secretary general of the Party could be a despot, and what Mr Hu wants is what he calls "a truly collective, democratic leadership."

Just how democratic the Communist Party of China was, is and will be is a matter for debate, much of which would have to be tongue-in-cheek. What Mr Hu means, of course, is that Mao Tse-tung was a despot and the present rulers of China recognise this and are bound not to let another Mao take charge of the Party, government and country. Since the man once known as the great helmsman died in 1976, the Chinese have begun to admit that Mao's contribution to his nation and the world was something less than they once thought.

Mao gathered all-pervasive power for a number of reasons, among which were his personal magnetism and his ego. He gathered most of his grass-roots power by his dynamic leadership of a revolution which succeeded in toppling the nationalist government in 1949. There is more than a little suspicion that his constant urgings to perpetual revolution — the hundred flowers campaign, the Great Leap Forward and other silliness — was specifically to enable him to hold onto the power he had.

The most prominent Chinese Communist in the recent past has been Deng Xiaoping, who has officially retired to the "second line" of leadership. In fact, he holds more power this week than he did before the recent Party congress, with four Party posts and one state position, as head of the united front organisation which Peking calls the Chinese People's Political Consultative Conference.

But Deng is sharing power on both the government and Party sides of Chinese political life. Indeed, China's new rules appear to present less chance of a new Mao, a new tyrant than at any time during the last six years in the world's most populous nation. This can only be considered good news. The one-man dictatorship of Mao's China left the entire nation, and its neighbours, at the whim of a single man.

From that whim came a personality cult, an injurious xenophobia, years of crippling internal strife. In Thailand, it gave us the "people's war" of the Communist Party of Thailand. Such decisions as those will be unlikely to be made in the future, for the spreading of power provides an automatic system of checks and balances.

CSO: 4200/21

BORDER PROBLEMS COULD HURT ASEAN UNITY GMT

Bangkok BANGKOK POST in English 7 Sep 82 p 2

[Article by Kittiphong na-Ranong]

[Text] THE unity and cooperation of ASEAN are now put to the test by a resurrection of the suspicion between Thailand and Malaysia over the problems caused by insurgents along their border.

Although the communist-hunting brought Thailand and Malaysia together, it has simultaneously caused tension along the border because each side suspects its insurgents are supported by the other.

A series of obstacles has arisen since the border agreements first mooted by the British as early as 1949. Border operations which were born of these agreements have long been hampered by Thai restraint over the limiting of "hot pursuit" and the stationing of Malaysian troops in Thailand. This provoked Malaysia into believing that Thailand was not sincere in wishing to crush the Communist Party of Malaya while we suspected Malaysia of being lenient with Muslim separatists in our southern provinces.

It was the fall of the Saigon regime that made us more amenable to forgetting, at least temporarily, our long-held suspicion that some Malaysian politicians were fostering ambitions on our territory by supporting Muslim separatists. As a result, the government of Tanin Kraivixien allowed Malaysian troops to enter Thai territory, and the briefly-suspended border operations were resumed.

Distrust, however, was revived after the Thai-Malaysian General Border Committee meeting in Kuala Lumpur late last month. Lt-Gen Harn Leenanond, commanding general of the Fourth Army Region, bluntly criticised Malaysia for avoiding mention of the terrorist problem in the South which he believed to be related to the problem of the CPM guerrillas. He went as far as to say of the Malaysians: "They have forgotten that some of their people and some parties are backing the terrorist bandits as well."

Supreme Commander Gen Saiyud Kerdphol and Interior Minister Gen Sitthi Jirarote followed suit in both admitting that they were dissatisfied with the outcome of the General Border Committee meeting. Gen Saiyud reiterated that cooperation with Malaysia should not be limited to action against the CPM guerrillas, but should also cover the problems of banditry and crime which plague our southernmost provinces and threaten our peace and security.

This time, the disapproval of border operations is not simply the outcry of patriotic citizens or of student activists as in the past, but it is being voiced by the high-ranking officers and the government minister who have direct responsibility for dealing with the problems of the South. Thus, despite the fact that expressions of dissatisfaction have not officially come from the Government, they represent, to some extent, the country's objections to the course of cooperation with Malaysia. Of course, distrust between our two countries has also contributed to the argument.

ASEAN leaders have generally acknowledged the differences among the five countries but they have somehow managed to control them and avoided talking about them publicly. However, such an attitude can never be the right answer to the problems, which continue to exist, their roots left untouched for fear that the association as a whole might be ruined.

This has, paradoxically, produced another dilemma: a regional organisation cannot function as effectively as it is supposed to if its components do not cooperate on the basis of sincerity and trust. As a result, the achievements of cooperation between the ASEAN countries have generally been lessened by bilateral problems hanging over the five members.

Observers of the workings of ASEAN cannot deny that the organisation achieved very little in terms of cooperation and suffered greatly from public airings of its differences until the sudden changes of regimes in Indochina several years ago. It was these changes which brought the five ASEAN members closer together in political and diplomatic terms: cooperation became necessary to cope with the perceived threat from our communist neighbours. This means that it was — and still is — the anxiety about external forces that hold us together and has forced us to put aside our bilateral differences, at least temporarily.

Although the external threat in the form of the Vietnamese invasion and occupation of Kampuchea has brought ASEAN members closer together than ever before, it has probably not done much to enhance their mutual understanding.

The revival of differences between Thailand and Malaysia is a case in point. It should be considered as a significant warning that ASEAN members should not give less attention to their bilateral problems merely for the sake of maintaining unity in the face of external threats. Should the present circumstances that have glued the ASEAN members together come to an end, the five members might find their organisation being undone by the forces exerted from within by their bilateral long-suspended problems.

In spite of the fact that no one can have a cake and eat it too, ASEAN leaders should at least try their best to work out their differences before any change occurs in external circumstances, which might cost them the regional organisation which they and their predecessors have spent 15 years building.

In the meantime they should bear in mind that the roots of the chronic problems among them have to be dealt with properly and thoroughly so that the sincerity and trust which are the fundamental basis of cooperation can eventually be established.

Without such a regional grouping as ASEAN, who knows what would have happened to the non-communist Southeast Asian countries following the invasion of Kampuchea by the aggressive and powerful Vietnam? So there can be no doubt that ASEAN is worth preserving by every possible means before things get out of hand.

CSO: 4200/21

'MUSER' GROUP SAID BE GREATER THREAT THAN SHANS

Bangkok THE NATION REVIEW in English 30 Aug 82 p 6

[Article by Pipat Lertkittisuk]

[Text]

MAE AI, Chiang Mai – Local Thai authorities here view leftwing Muser group of Ei Bi as posing a greater threat than the Shan rebels led by narcotics kingpin Khun Sa, who has ousted the communist hilltribesmen from Doi Lang and is strengthening his powers at the new base to resume heroin production on the Thai-Burmese border here.

The threat from the Ei Bi's force to Thailand is greater as it is a close ally of the Burmese Communist Party (BCP) while the Shan United Army (SUA) concentrates on producing heroin only, said a high-ranking official here who asked not to be identified.

Security officials in this border district also agreed to the 'theory', saying Khun Sa's men appeared less hostile to Thai officials than the communist hilltribesmen.

However, Kamnan Saeng Sunan told *The Nation* in Tambon Thaton here that Khun Sa was less hostile to Thai officials because he needed their 'cooperation' for transporting his heroin via Thai soil to foreign markets.

"Unlike Khun Sa who could offer bribery to Thai officials, Ei Bi's group intends to seize power from the central government and is not involved in the production of heroin," said Kamnan Saeng, who has been familiar with various minority groups on the border. Kamnan Saeng is a former commander in the Shan State Progressive Party (SSPP).

Kamnan Saeng also called on the Thai authorities to pay more attention to their campaigns against narcotics production as a threat to human beings as a whole.

"We stand a chance of defeating the communists, but it is almost impossible to defeat drug addiction. Take the Vietnam War as an example, the United States was aware of the fact that up to 70 per cent of its soldiers in Vietnam were drug addicts and curable only when the troops were withdrawn from the Indochinese country," he said.

Kamnan Saeng related that Doi Lang was originally occupied by Muser hilltribesmen led by Phya Ja-er and Ei Bi who are cousins.

Phya Ja-er's group, the most influential one which commands about 150 armed fighters on Doi Lang, only about 12 kms north of this border district, had lived at peace with Ei Bi's group, the second biggest, for years until he recently felt that the influence of his cousin had begun to outgrow his, Kamnan Saeng said.

The conflicts between the two hilltribesmen group could be traced back to 1976 when Ei Bi and his followers returned to the rugged terrain after having undergone ideological courses with the BCP for five years, according to the Kamnan.

He said that Phya Ja-er's diminishing influence was based on the protection fees he obtained from drug kingpins who set up heroin refinery plants on the mountain. The

protection fees collected for ten years by Phya Ja-er amounted to hundreds of thousand baht annually, the kamnan said.

However, his influence started to erode when his cousin started to spread the leftwing ideology among the Muser hilltribesmen and attract Phya Ja-er's followers to the other faction.

The two groups began to camp separately about two years ago, according to the kamnan.

In June, Burmese forces attacked the strongholds on Doi Lang, prompting the two groups to desert the mountain. While Ei Bi's group fled northwards to Kok River, Phya Ja-er and his followers escaped the attack southwards to Mae Sao.

When the Burmese troops withdrew from Doi Lang, Phya Ja-er, convinced of his diminishing influence, approached Khun Sa for cooperation to bar the leftwing Muser group from returning to the mountain, Kamnan Saeng said.

"Actually, Khun Sa had earlier wrote letters to Phya Ja-er, offering help to oust Ei Bi's group, but Phya Ja-er decided to take the offer only in June or July," the kamnan said.

He said that Phya Ja-er's force returned to Doi Lang on July 8 and was joined by Khun Sa's fighters from his stronghold on Doi Laem two days later.

The leftwing Muser hilltribesmen thus found that their stronghold had been captured when they arrived there in early this month, the kamnan added.

Ei Bi's force later crossed the border to seek assistance and support from Muser hilltribesmen on Thai soil here in its fight for Doi Lang, prompting Khun Sa's Shan fighters to attack the villages on Thai soil and reduced them to ashes, Kamnan Saeng disclosed.

He said that about 500 Muser villagers were rendered homeless as a result of the Shan assault which concentrated on villages nearby Huay Sala village.

The incident has irked the minority hilltribesmen and significantly weakened Phya Ja-er's popularity among them, said Kamnan Saeng who added that the Muser leader had once denied his involvement in the pillaging of the villages with a local newspaper.

Other minority groups were also dissatisfied with Phya Ja-er as his force had earlier expelled a group of Wa hilltribesmen led by Maha Sang southwards to Doi Pahompok.

"All minority groups here have now no more confidence in Phya Ja-er. He is almost isolated. I have heard that he has also begun to develop conflicts with the SUA of Khun Sa," he related.

Meanwhile, Ei Bi formed alliance with a leftwing Wa group of Chang Ter Wen, who commands a small army of fighters, and rallied his force in attempts to strike back at Khun Sa's force on Doi Lang, according to the kamnan.

He said that Ei Bi had rallied about 500 fighters at Muang Sad but his force still could not match with the SUA which commands about 1,000 soldiers. The SUA's influence is prevalent along the Thai-Burmese border from the areas opposite Mae Hong Son to Mae Chan District in Chiang Rai, according to the kamnan.

"So, the prospect of Ei Bi restoring his influence on Doi Lang which is his economic base is very dim," he commented.

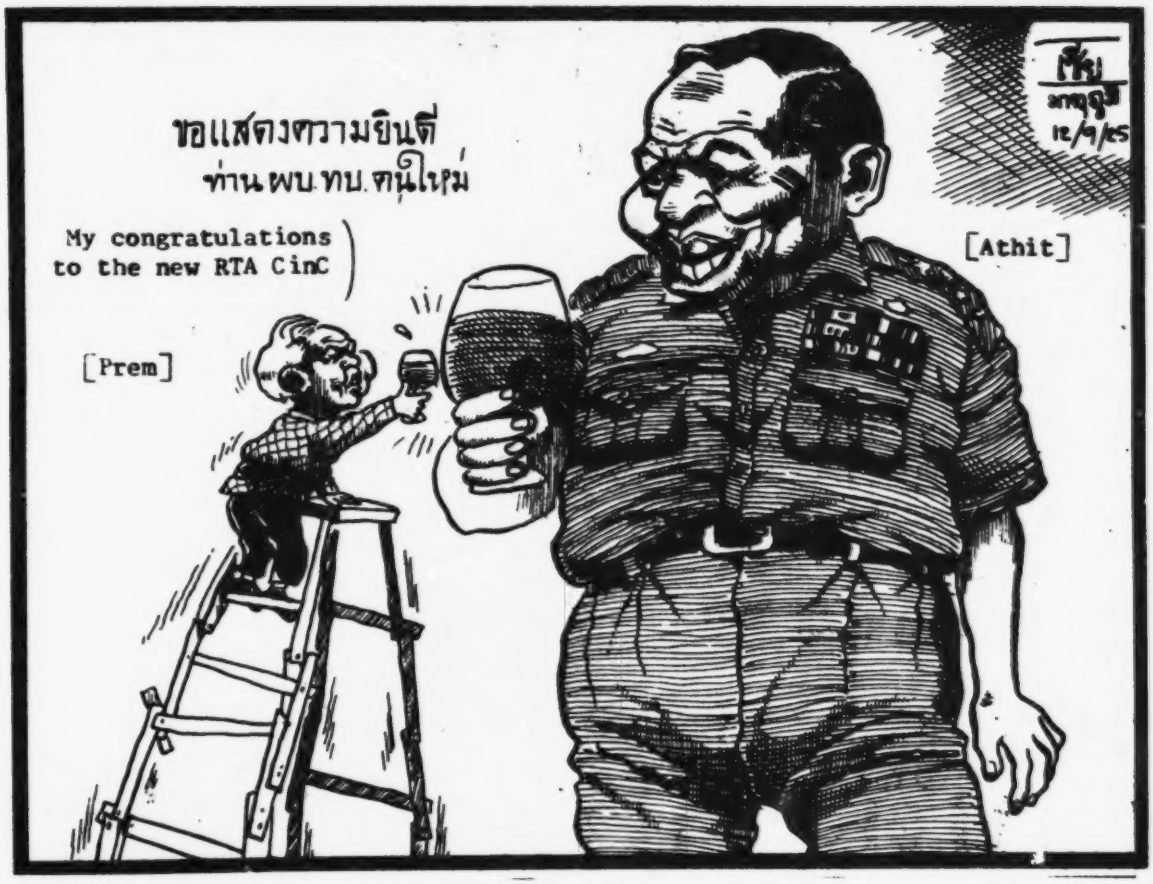
However, some Muser hilltribesmen here said that they believed Ei Bi, who was rallying his forces from his strongholds on the Chinese-Burmese border, would have to attack Doi Lang to recapture it as the terrain was a significant economic zone for BCP.

CSO: 4200/21

CARTOON CONTRASTS PREM, ATHIT POSITIONS

Bangkok MATUPHUM in Thai 13 Sep 82 p 4

[Cartoon]



CSO: 4207/8

'YOUNG TURK' POLICE OFFICERS REINSTATED

Bangkok THE NATION REVIEW in English 15 Sep 82 p 2

[Text]

THREE of the police officers involved in the abortivecoup last year were yesterday reappointed to active posts.

The appointments were made in a second round of annual reshuffle of the Police Department endorsed by the Cabinet yesterday.

The three are Pol Maj Gen Sa-nguan Klongchai who was appointed Commander of the Forestry Police Division, Pol Maj Gen Bancha Netinant as Commander of the Criminal Records Division and Pol Maj Gen Charn Rattanatham as a commander attached to the Police Education Bureau.

An informed source also said that another two police officers involved in the abortive coup are also expected to be given active posts soon. They are Pol Col Thirachai Riencharoen and Pol Col Thawat Saensena who will be made commander of the Marine Police Zone One and a lecturer of Police Cadet School respectively.

Their nominations were agreed during a meeting of the Police Commission chaired by Interior Minister Gen Sitthi Chirarochana yesterday, the source said.

The Police Commission yesterday also reportedly approved the appointment of Pol Col Sutham Savettanant as commander of Metropolitan Police 16. Pol Col Sutham was transferred out of Bangkok in connection with the raid on Hotel 28 where a number of girls were forced into prostitution early this year.

Other appointments of senior policemen approved by the Cabinet yesterday:

- Pol Maj Gen Vathi Sunthornying, commander of Thonburi Metropolitan Police, as commander of Bangkok South Metropolitan Police
- Pol Maj Gen Manas Krutchaiyant, commander attached to the Police Education Bureau, as commander of Provincial Police Zone Three.
- Pol Col Vichien Wattanakul, deputy commander of Bangkok South Metropolitan Police, as commander of Thonburi Metropolitan Police.
- Pol Col Prachum Sathapitanont, deputy commander of Scientific Crime Detection Division, as commander
- Pol Col Thavee Pongprasarn, deputy commander of Police Registration Division, as commander.
- Pol Col Phadej Thongchamni, deputy commander of Crime Suppression Division, as commander of Railway Police Division

CSO: 4200/21

BRIEFS

LAO REFUGEE ACTIVITY NOTED--Nong Khai--Since the beginning of this month about 165 Laotians have crossed the Mekong River into Thailand, provincial authorities said yesterday. Officials said the refugees, who entered Thailand through various points of this northeastern province, have been sent to a camp in Nakhon Phanom Province. Meanwhile, authorities said 30 more refugees in the Nong Khai refugee camp have agreed to move, leaving behind 15 more who refuse to comply with government evacuation orders. Authorities, who earlier set yesterday as the deadline, said the 15 will be allowed to stay but they would not receive any food supplies. [Text] [BK071349 Bangkok BANGKOK POST in English 6 Oct 82 p 1]

CAPITAL SECURITY COMMAND--The Bangkok peacekeeping force will from now on be referred to as the capital security command. This is according to a statement issued by Army Commander in Chief Gen Athit Kamlang-ek. General Athit, who is the commander of the force, will be known as commanding general. The capital security command is a special task force responsible for maintaining peace and order in Bangkok and its satellite provinces of Samut Prakan, Nonthaburi, Pathum Thani and Samut Sakhon. The force has begun operating since 17 August 1981. Its headquarters is situated at Suan Mitsakawan in Bangkok. [Text] [BK141046 Bangkok Domestic Service in English 0000 GMT 11 Oct 82]

INDONESIAN, FRENCH AMBASSADOR CREDENTIALS--At Chitlada Palace at 1655 today his majesty the king received credentials from Andre Arnaud, France's ambassador extraordinary and plenipotentiary to Thailand. At 1700 he received credentials from Air Force Lt Gen Subambang, Indonesia's ambassador extraordinary and plenipotentiary to Thailand. [Text] [BK080540 Bangkok Domestic Service in Thai 1300 GMT 7 Oct 82]

CSO: 4207/12

END

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ERSHAD, OTHERS LAUD NEW BENGALI ISLAMIC ENCYCLOPEDIA

Dacca THE BANGLADESH TIMES in English 18 Sep 82 pp 1, 8

[Excerpts] The Chief Martial Law Administrator Lt. Gen. H. M. Ershad, has emphasised the need for projecting dependable and documentary information about the contributions made by the Muslims in the fields of knowledge and science, reports BSS.

The CMLA said that the remarkable contributions made by the Muslim scholars and scientists for centuries in the fields of politics, social science, economics, arts, culture, literature, architecture and particularly for the revival of moral values were fundamental in the one hand and varied and comprehensive on the other.

In a message on the occasion of the publication ceremony of Shorter Encyclopaedia of Islam in Bengali on Friday General Ershad said that the history of the world civilisation and knowledge was enriched by the Muslim scholars and scientists. Today, time has come when we should project their achievements to the confused human society, he added.

The CMLA described the publication of the encyclopaedia as a bold step and an example of progress in the field of publication in Bangladesh and expressed the confidence that it would encourage the people of the country to dedicate themselves in the pursuit of knowledge.

General Ershad lauded the initiative taken by the Islamic Foundation and the Islamic Solidarity Fund for publishing the encyclopaedia and hoped that they would continue their cooperation to fulfil the demand of the knowledge seekers and to enrich further the treasure of knowledge of the human society.

Launching Ceremony

A Bengali "Shorter Encyclopaedia of Islam", first of its kind for 120 million Bengali speaking Muslims, was formally launched on Friday amid much enthusiasm at the Engineers Institute auditorium.

Education and Religious Affairs Minister Dr. Majeed Khan, who was the chief guest at the launching function, termed the publication of the encyclopaedia as the memorable event for the Muslim-majority Bangladesh. He

said that it was the beginning of a new trend of integration of Islamic tenets and thoughts in the life, culture and education of this country.

Background

The need for compilation of an Islamic encyclopaedia in Bengali had been felt for a long time. The Bangla Academy in 1958 decided to undertake Bengali translation of shorter encyclopaedia of Islam published from Lyden. A nine-member subcommittee was constituted for this purpose with Moulana Abdullahel Kaafi Al-Qurashi as its Chairman. It was reconstituted in 1962 with Dr. Mahmud Hossain, the then Vice-Chancellor of Dacca University as its Chairman. The committee was again reconstituted in 1963 with Dr. Syed Moazzem Hossain, former Vice-Chairman of Dacca University as its Chairman. The reconstituted committee had 16 members including Dr. Serajul Haque, Dr. A. B. M. Habibullah, Dr. Mofizullah Kabir and Syed Ali Ahsan. Dr. Muhammad Shahidullah was the Editor-in-Charge of the Bengali Islamic Encyclopaedia.

691 Articles

After working for eight and a half years the sub-committee completed its task in 1967. The manuscript prepared by it contained 691 articles including Bengali translation of 508 articles of Shorter Encyclopaedia of Islam, revised translation of 111 articles from the same and 37 articles translated from Urdu Encyclopaedia of Islam and 35 original articles.

The Shorter Encyclopaedia of Islam in Bengali was published with the financial assistance from Islamic Solidarity Fund and Government of Bangladesh. A lump sum grant of the Government of Iraq was also provided to the Islamic Foundation for publication of the encyclopaedia.

Complete Book Soon

Dr. Majeed Khan said that in the absence of a Bengali encyclopaedia we had to depend and quote the international scholars most of whom did not belong to our religion, our religious heritage and traditions". He said that the publication of the Bengali Encyclopaedia of Islam would now "help us in knowing ourselves through the eyes of our scholars".

The Education Minister hoped that a complete encyclopaedia in 20 volumes would be completed soon. The Islamic Foundation had already taken up a project of compiling a bigger encyclopaedia of Islam running into 20 volumes which had been included in the Second Five-Year Plan of the country.

CSO: 4600/1034

ERSHAD MESSAGE TO UNITED NATIONS CONDEMNS ISRAEL

Dacca THE BANGLADESH OBSERVER in English 21 Sep 82 p 1

[Text] The Chief Martial Law Administrator Lt. Gen. H. M. Ershad has sent a message to the UN Secretary General Javier Perez de Cuellar conveying Bangladesh's deepest anguish at the latest Israeli savagery in West Beirut reports BSS.

In his message the CMLA said "We in Bangladesh along with the people of all peace-loving nations have been stunned by the appalling act of inhuman massacre of a large number of innocent and unarmed Palestinian men, women and children in shelter in the camps in West Beirut".

This General Ershad said constituted the most monstrous of the continuing acts of atrocities perpetrated against the Palestinian and Lebanese people. "While conveying Bangladesh's deepest anguish at such a savagery we urge Your Excellency to use your good offices in ensuring immediate measures towards ending the Israeli occupation of West Beirut and withdrawal of her forces forthwith from Lebanon in pursuant to the U.N. and Security Council resolutions".

Bangladesh the CMLA said also urged urgent adoption of such other measures as were necessary to ensure the security and safety of the Palestinians and the Lebanese people. "We assure your excellency of our fullest support in your efforts" he added.

CSO: 4600/1040

ERSHAD OPENS REGIONAL HEALTH MINISTERS' MEET

Dacca THE BANGLADESH OBSERVER in English 22 Sep 82 pp 1, 8

[Text] The Chief Martial Law Administrator Lt. Gen. H. M. Ershad inaugurated the second meeting of the Health Ministers of WHO South-East Asia region on Tuesday stressing the need for exchanging information and sharing the experiences to translate the regional cooperation on health into "concrete programmes of activity."

Wishing the success of the meeting the CMLA said that health was an "important investment in human capital" and he hoped that the Dacca conference would be able to identify fruitful areas of cooperation on health among the member states of the South-East Asia region. He observed that health was important not only as a social objective of giving a better quality of life to the people but also as an economic objective of obtaining a productive manpower. He assured the visiting Health Ministers of his government's eagerness and readiness to contribute its utmost to the process of regional cooperation for building a healthy and happy society.

Reiterating his government's firm commitment to the goal of "health for all by the year 2000" the CMLA said that as a preliminary step the Government intended to provide minimum primary health care facilities to everyone especially to those living in the rural areas. He said that the priorities had been realigned accordingly and programmes had been taken to build up a physical infrastructure, train adequate health manpower and develop a system for delivery of essential drugs, equipment and supplies to thana health complexes and family welfare centres. These units he added were designed to play key role in the integrated delivery of curative,preventive and family health needs in the rural areas.

The CMLA appreciated the help and assistance Bangladesh received from the UN agencies including WHO and other international organisations in the health sector. He however said that the available resources fell far short of our needs and emphasised the need for further regional and international cooperation for ensuring minimum primary health care for the majority of the population.

The CMLA said that Bangladesh was now engaged in restructuring its goals and priorities and rationalising the national resources. This had prompted

he added to lay the infrastructure of a society based on equity and fair-play where the goal is to gradually reduce the gap between the rich and the poor. "We cannot allow a situation to continue where the bulk of the population living in villages remains deprived of the basic health needs" he declared.

Overemphasising the need for family planning and population control programme the CMLA said that a high rate of population growth imposed on our resources and existing facilities. He disclosed that a two-year emergency plan for population control and family planning was being formulated by his government.

In his address of welcome Health Minister Major General M. Shamsul Huq who is also the Chairman of the second Health Ministers meeting of WHO South-East Asia Region hoped that the Dacca meeting would be able to take stock of the health situation of the respective countries and be also to formulate policies for effective cooperation and take joint efforts for giving minimum basis health care to all the people.

Addressing the meeting the Regional Director of WHO South-East Asia Region Dr. U Ko Ko thanked the Government of Bangladesh for hosting the second meeting of the Health Ministers of the WHO South-East Asia Region. He believed that the goal of "health for all by the year 2000" could be achieved only if the political leaders perceive and pursue a unity of purpose not only nationally but also regionally and internationally.

The inaugural session of the meeting was attended by six Health Ministers from the six countries out of the 12-member WHO South-East Asia Region and the rest nations are represented by high-level officials. Mr. Siddiqur Rahman, Secretary, Ministry of Health, also addressed the meeting as the Chairman of the Steering Committee of the 35th session of the WHO Region Commit- concluded in Dacca on Monday. [as published]

CSO: 4600/1044

ERSHAD SPEAKS AT SUBMARINE CHASER COMMISSIONING

Dacca THE BANGLADESH OBSERVER in English 11 Sep 82 pp 1, 8

[Text] The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad said in Dacca on Friday that the nation must have a strong navy to ensure free movement within its maritime boundary to maintain the process of economic progress of the people, reports BSS.

Speaking at the commissioning ceremony of a submarine chaser of Bangladesh Navy--BNS Durjoy--the CMLA said in view of the country's long coastal belt and geographic and economic reasons an efficient Navy is a necessity.

General Ershad, who is also Commander-in-Chief of the Armed Forces, said that the addition of this new ship to the Navy would enable the naval force to play yet a stronger role in guarding the maritime boundary and the sovereignty of the country as a whole.

He said that the navy had been protecting the sovereignty of the maritime boundary on one hand and helping the economy to grow on the other. "I am watching with pride that our brave sailors who have been safeguarding our maritime area with strong determination and undaunted courage have earned respect and love from their fellow countrymen," he added.

The CMLA pointed out that the maritime area of the country had great potentials from the economic point of view which he observed was equally precious like that of the main land. We must exploit the marine resources to make the country's overall economy more dynamic, he added.

General Ershad said that the members of the armed forces were determined to perform the responsibilities reposed in them by the people. He said that every citizen--military and civilian--should work shoulder to shoulder for the materialisation of the dream of building a new Bangladesh. "Inshallah, we shall be able to emancipate the people working with patriotism, sincerity, honesty, efficiency, faith and strong determination."

The CMLA expressed the hope that the submarine chaser--BNS Durjoy--would further strengthen the bond of cooperation between Bangladesh and China. He conveyed his sincere thanks to the people and the government of China for extending their hands of cooperation and friendship.

Earlier, speaking on the occasion, the DCMLA and Chief of Naval Staff Rear Admiral M. A. Khan said that the members of the Bangladesh Navy were pledge-bound to make any sacrifices for unity, integrity and progress of the country in the days to come as they had set up example of highest sense of dedication and discipline in discharging their duties in the past.

He called upon the naval personnel to take appropriate care and make best use of the ships and other equipment which were acquired with the hard earned money of the people. Availability of armaments is not the last word for attaining efficiency of an armed force, rather proper utilisation of the resources in hand in right time can bring success.

Admiral Khan urged the members of the Navy to come forward with bold steps and newer zeal along with members of other forces and the people to build a new Bangladesh at the call given by the Chief Martial Law Administrator, Lt. Gen. H. M. Ershad.

The DCMLA recalled the praiseworthy participation of the navy in preserving and exploiting the marine resources and said, our naval officers and personnel have been performing the responsibility reposed in them to take the country on the road to progress and prosperity.

On his arrival at the BIWTA terminal at Sadarghat, the CMLA was received by Rear Admiral M. A. Khan.

General Ershad was then presented a guard of honour by a smart contingent of ship's company.

The Chief of the Naval Staff read out the commissioning "forman" of BNS Durjoy. A prayer followed for the overall development of the country.

The CMLA inspected the ship and went round its different sections.

The commanding officer of the ship presented General Ershad with a crest of the ship.

The CMLA later also presented a crest of Bangladesh Army to the ship's company while the Chief of Naval Staff presented him with a model of the ship.

The ceremony was attended, among others by the members of the Council of Ministers, Ambassador of the People's Republic of China to Bangladesh and high civil and military officials.

CSO: 4600/1025

WRITER EXAMINES SLOW TREND IN FOREIGN TRADE SECTOR

Dacca HOLIDAY in English 12 Sep 82 pp 1, 8

[Article by Jaglul Alam]

[Text] Due to a sluggish trend in the economy, the projected target in import and export during the first two months of the current fiscal year could not be achieved.

Taking into account that 2955 crore takas of import and 1550 crore takas of export are the government's target in 1982-83, the country would have earned an export revenue of 258.33 crore takas and import commodities worth 492.52 crore takas during July-August 1982. The total export during the same time however stood at 181.19 crore takas and total import at only 61.91 crore takas.

The achievement during those two months was 70.12 percent and 12.55 percent in terms of export and import respectively compared to the target set for the period.

It was also expected that during the period 125 crore takas of foreign exchange would be utilized under the wage earners' scheme (WES), but the letters of credit opened during the period on WES amounted to only 61.8 crore takas or less than 50 percent.

Import of both commercial items and industrial raw materials during the first two months of the current fiscal year fell because of acute shortage of foreign exchange components in the government's fund.

It is learnt that during the period no letter of credit was opened on cash license since the government could not provide the importers with foreign exchange against the licenses of traders.

At the same time no trade on barter was initiated by the traders during the period under review since the traders were not assured of foreign exchange to be paid on down payment even at the rate of 10 percent of the total imported consignment as provisioned under the barter system.

During the period under review import on deferred payment system was also negligible. It is learnt that foreign exporters are now demanding over 20

percent interest on trade under deferred payment while the government during the announcement of import policy for the year declared that no traders would be allowed to pay more than 18 percent on interest for their consignments imported on deferred payment.

The quantity of import also fell due to a slow trend in the international markets of the country. It is felt by traders' representatives that a majority of the consumers are now suffering from poor income and they are consequently losing their buying capacity (HOLIDAY, September 5).

According to a source, commodities worth over 60 crore takas imported last year under open general license and WES have been lying in Chittagong port since the importers are reluctant to take delivery of their goods.

Many of those commodities were imported under emergency allotments issued by the previous government, it is gathered.

The bulk of the consignments imported during the first two months of the current fiscal period under wage earner's scheme included commercial items like edible oil, salt, cotton, textiles, cement, transportation vehicles, while only a negligible portion of the total consignment was raw material for the industrial sector.

It may be recalled that last year commodities worth over 600 crore takas were imported under WES and government had set a raised target for WES at 750 crore takas for 1982-83.

Crisis in the export sector is prevailing due to fall in the export price of jute goods. During the first two months of the current fiscal year jute goods of over 50 thousand long tons worth 50.15 crore takas were exported from Bangladesh as against 91.59 crore takas of export earning from jute goods during the corresponding period of the previous year.

In terms of volume however, there has been an increase in jute goods export.

Fall in the export price of jute goods is attributed to the prevailing recession in the global economy.

Last year government set the target of jute goods export at 534 crore takas. But due to different reasons the country earned only 568 crore takas and incurred a loss of over 66 crore takas.

This year the target is to earn 690 crore takas from jute goods export and the expected target for the period under review was 115 crore takas.

Falling Trade

Besides jute products, export of raw jute, leather and tea also deteriorated in terms of money during the first month of the current fiscal year compared to the export of the same items during the corresponding period of the previous year.

In July 1981 raw jute worth 8.12 crore takas was exported from Bangladesh; it came down to 7.70 crore takas during July, 1982. In July '81 leather amounting to 15.02 crore takas was exported; it decreased by 70 percent in July '82 when leather worth 4.65 crore takas was exported.

Similarly during the same period export of tea in terms of money also fell by almost 35 lakh takas.

However, during the same time export of frozen food and naptha registered an improvement. In July 1981 frozen food worth 4.81 crore takas was exported. In July 1982 the earning increased by 9.10 crore takas to 13.91 crore takas.

During July 1982, naptha worth 5.95 crore takas was exported while during the corresponding period of last year not even a single consignment of naptha was exported.

/Last week a meeting between the Ministry of Commerce and controlling authorities of exports and imports was held in which the overall trading situation of the country was discussed.

/In the meeting the vice-chairman of the Export Promotion Bureau pointed out that due to fall in import, the export sector is also being affected.

/He said that the sea-going vessels which bring the imported commodities are generally chartered for exporting items abroad. But since import has considerably decreased crisis is also prevailing in the export sector because the exporters are not getting enough space for exporting their consignments./ [in boldface]

He also said that at one stage the Bangladesh Shipping Corporation, which lends its sea-going vessels to foreign parties on charter, was requested by the export promotion authorities to release its ships for exporting goods from Bangladesh.

But the BSC declined on the ground that during their return voyage the ships would have no consignments since import into the country has fallen.

Instead the BSC suggested that it would allow its ships for export provided the exporters chartered the vessels both ways.

Funds Released

Recently the government released a small amount of foreign exchange for opening letters of credit under cash licenses. It is learnt that another fund will shortly be released for importing goods under the barter system.

A spokesman in the office of the controller of export and import said that after releasing the funds the import sector is likely to get some momentum and it can help the present situation both in the import and export sectors.

A spokesman of the Dacca Chamber of Commerce said that recently an amount of 273 crore takas of untaxed money has been declared in which over 3.70 crore takas were in foreign exchange. He said that even if a portion of this amount is invested in the trading sectors of the country it could bring improvement to the country's economy.

CSO: 4600/1030

'INADEQUATE SUPPORT' TO DISINVESTED INDUSTRIES NOTED

Dacca HOLIDAY in English 12 Sep 82 p 3

[Article by Jaglul Alam]

[Text] Although the government had disinvested about 96 industries some six years back, most of those industries which include tea gardens, drum metal factories, aluminium factories, rubber processing factories, tanneries etc. are facing great problems on account of financial constraints and inadequate support of the government.

Originally it was decided that the buyers of the industries would pay the price of their respective industries in nine years. But later on it was finalized that they should pay the outstanding amounts within three years in the case of developed industries and four years in the case of less developed industries.

However, in each case a period of one year was allowed as grace period for the repayment of outstanding debts.

The buyers of those industries demanded withdrawal of penal interests in case of failure of repayment of debts in time. But the government imposed a penal interest at the rate of seven percent counting from 1976.

Meanwhile many of the owners have already closed the operation of the industries due to acute shortage of running capital. It is learnt that many of the buyers in 1976 were assured that they would receive substantial amounts of bank loans for their industries but later the assurances were broken.

It is learnt that announcement on disinvestment of 10 tea gardens was made in 1976 but due to the lengthy official formalities those tea gardens are yet to be transferred to the buyers. Most of the tea gardens have their problems of litigation, boundary disputes and other constraints for which the handover process could not be done in time.

It is gathered that some days back the ministry of industry requested the district administrators of the respective tea garden areas to expedite the handover process but no action has yet been taken by them in this regard.

Last week the representatives of the buyers of the disinvested industries held a meeting with the minister for industries for the redressal of their long outstanding problems. It is learnt that the meeting did not yield any fruitful result.

A representative of the owners of the disinvested industries said that they would hold their annual general meeting on 17 September at Dacca to find out and determine their next course of action.

CSO: 4600/1030

PAPER REPORTS 99 PERCENT COMMODITY AID UNUSED

Dacca THE NEW NATION in English 21 Sep 82 pp 1, 8

[Article by Alamgir Hossain]

[Text] Precious foreign aid remains stuck up at the External Resources Division (ERD). Every year 99 per cent of the new commodity aid is not being utilized. But it has become a regular phenomenon for top official to make foreign trips almost daily.

Only because of widespread agitation over the rise in food price ninety per cent of food aid given for a year is utilized in the year. Sometimes the utilization of food aid crosses the allocation of a year requiring a portion of future allocation or a portion from other sectors.

On the other hand the project and commodity aid are lying unutilized for years together as the utilization of project and commodity aid is painstaking.

Pending utilisation the remaining portion of the commodity and project aid received in the yester years cannot be utilized totally even in the twelve months of the next year. And hence the question of utilizing the aid received against new commitment hardly arises. Unutilized at all it is one or two per cent in the case of project aid and to 20 to 22 per cent in the case of commodity aid.

Failure of the concerned quarters to intensify the development activities of the country through utilization of the project and commodity aids has compelled them to admit at last that the unusual delay in undertaking a project gives rise to acute problem to the flow of foreign aid.

The projects are not prepared in due time. If prepared it is done so haphazardly, that its consideration quite naturally runs into snags and the process of approving the project becomes unbearably dilatory.

Consequently, when the projects are submitted after preparation the eagerness of the doners to provide aid evaporates. Instead of detecting the reason of this critical situation in the mentality and inability of the officials entrusted with the responsibility of utilizing the foreign aid the ERD has attributed it in a book to the delay in forming the project committee, selecting and appointing people, acquiring land and approving the projects.

It has been admitted in the book that even if slight revision is required for the project it cannot be done instantly. This situation arises as the issues of of budget allocation, appointment of employees and expenditures including their salary are associated with the revision of the pro: ject papers.

Despite identification of these uneasy and acute problems no step is taken in the subsequent budget to solve them.

Thus the unutilised loans in the pipeline in the beginning of July 1981 amounted to 312.51 crore dollars. This include 6 crore dollars food aid, 36 crore dollars commodity aid and 270 crore dollars project aid. In the fiscal year 1980-81 only 25 per cent of the project aid and a mere 2 per cent of the fresh committed project aid was available. The per centage of actual utilisation of the project aid was almost the same every year. The project assistance could not be utilised because of certain problems which are beyond imagination. But the ERD described this rate of utilisation of project aid as most satisfactory.

About 93 per cent of the project aid amounting to 42 crore dollars accumulated in the pipeline by 1980-81 was utilised. Only 23 per cent of the fresh committed amount was utilised. The ERD felt that the entire amount should have been

utilised. Utilisation of the assistance provided by IDA, ADB, West Germany and Netherlands who are the major donors. The commitment of fresh aid is usually based on the performance of utilisation.

In fact utilisation of commodity aid is hampered because of delay in procuring the goods and commodities. Besides, authorities find it difficult to finance the local currency.

All these factors contributed to the accumulation of 328 crore dollars assistance in the pipeline during the current year when there is a fresh commitment of 131 crore dollars The relevant authorities are moving around in search of aid while 459 crore dollars are lying untilised.

CSO: 4600/1043

PAPER GIVES DETAILS OF NEW JAPANESE LOANS

Dacca THE BANGLADESH OBSERVER in English 21 Sep 82 p 1

[Text] Bangladesh will receive approximately Taka 229.17 crore (27.50 billion yen) as commodity and project loan from Japan during the current fiscal year under an exchange of note signed between the two countries in Dacca on Monday says BSS.

The loans will be available for utilisation after signing of formal loan agreements in Tokyo between the Overseas Economic Cooperation Fund (OECF) of Japan and the Government of Bangladesh soon.

Of the total amount Taka 150 crore will be treated as commodity loan and the rest 79.17 crore as project loan.

Both the loans are repayable in 30 years including a grace period of 10 years and bear an interest rate of 1.25 per cent per annum.

The exchange of note was signed by Mr. Shafiul Alam, Additional Secretary of External Resources Division and Mr. Toru Iwanami, Charge D'affaires of Embassy of Japan on behalf of Overseas Economic Cooperation Fund (OECF).

The commodity loan, which is united and has to be disbursed within two years from the date of signing of loan agreement will be utilised for procurement of wide variety of items like industrial raw materials and spares, equipment and machinery, chemical fertilizer, cement and raw cotton.

The major portion of the commodity loan will be allocated to different agencies for procurement of the items under the current import policy and the balance for meeting the foreign exchange requirement of the development projects under the annual development programme.

Of the Taka 79.17 crore project loan, Taka 33.33 crore will be allocated for Kaptai-hydro electric power plant extension project (4th and 5th units), Taka 29.16 crore for Chittagong urea fertilizer project and the remaining Taka 16.66 crore has been earmarked for Bakhrabad Gas System Ltd. for meeting the cost over-run of the gas field development project.

Aid to Power Plant

Another AFP report from Tokyo says: The Japanese Government has decided to extend 27500 million yen (1.4 million dollars) in loans to Bangladesh and 4100 million yen Zimbabwe officials said today.

Bangladesh will use the loan for power plant and other projects while Zimbabwe will use the credit to finance a road expansion project the officials said.

CSO: 4600/1040

MINISTER ANNOUNCES FOUR-TIER NATIONAL EDUCATION POLICY

Dacca THE BANGLADESH OBSERVER in English 24 Sep 82 pp 1, 8

[Text] The Education and Religious Affairs Minister Dr A. Majeed Khan, said in Dacca on Thursday that the New National Educational Policy for 1982-87 was designed to achieve high rate of literacy and ensure employment, reports BSS.

Announcing the new policy at a Press conference the Minister explained the salient features of the New Education Policy and said that the Government had given emphasis on achieving high rate of literacy since it constituted the basic foundation for all development activities. Secondly, the Government was keen to introduce a system of education which could be "immediately cashed in employment" he said adding the present system had failed to sustain the aspirations of our youth.

Dr Khan stated that under the new system there would be four tiers of education namely basic, preparatory, secondary and higher. The first three stages of education would comprise 12 years, the basic being from class one to five, the preparatory from six to eight and secondary from nine to eleven.

The introduction of Arabic as a compulsory subject would start from class one. This had been done "keeping the religious and cultural aspects of life of the people and our international needs in view", he added.

The Education Minister noted that the educational policy had been framed on the basis of review and examinations of almost all the education commission reports prepared since 1947 and more particularly since the liberation. "It has also its antecedent history, success and failures of the past and views of the cross-section of the people", he said.

He said the basic consideration for formulating the new education policy was guided by the fact that the highest percentage of unemployment in the higher educated section had been posing a serious problem to education. In this connection he said that approximately 40 per cent of the youth having education over the stage of 12 years was not unemployed. The nation can not afford to go through an exercise of education without the scope of employment, he said.

Dr Khan said that the second consideration for the new Education Policy was the slow rate of literacy in the country. The average literacy rate had remained more or less static during the last 20 years.

He told the Press conference that the rate of literacy in our country was 18 per cent in 1961 and according to census report of 1981 the rate of literacy now stood at about 22 per cent. Giving statistics, he stated that 30 million people out of total 46 million in our country were illiterate in 1961 and in 1981 only 20 million people out of 90 million are literate. The implications and weight of illiteracy would bring down all efforts for development, he said.

The third consideration was that the content of our education has so far remained aimless and directionless. The very objectives and scope of knowledge at the primary and secondary stages had remained very confusing. Although 4 or 5 years of basic education formed the mainstay for the majority of our people. With that view of realism one has to think about the content of our education, he stressed.

Dr. Khan pointed out that for every two thousand people one primary school would be set up. The preparatory level of three years from class six to eight he said was aimed at developing in the learners civic and other responsibilities.

The Minister said that the drop out at the end of preparatory would be catered through a large number of vocational and trade schools to be established new in addition to the existing 47 vocational schools.

He said one hundred secondary schools were brought under community school projects with provision for training in 20 modular courses covering five trades, two for women and three for men. Three hundred more such schools would be taken under the project by 1985 he pointed out.

Dr. Khan said that fifty technical and at least 20 nurses higher secondary courses would be introduced in the country by 1983.

Dr. Khan told a questioner that Tk. 600 crore would be spent for technical education under the new policy. He said the Government would supply free dress to the children of class II from January next year. This he added would be done to encourage the education at the primary level.

The Minister said the new policy had kept the door open for higher education to those who wanted to have it after acquiring practical experience in their respective lines.

Replying to a question he said that the fundamental difference between the previous education policy and the new one was that in the past direct steps were not taken for implementation of policies even if those were ideal.

CSO: 4600/1046

SAUDI $100 MILLION GRANT REPORTED UNUTILIZED

Dacca THE NEW NATION in English 22 Sep 82 pp 1, 8

[Article by Hassan Abul Quashem]

[Text] Over 100 million dollar Saudi grant lies unutilised for over a year due to local currency shortage.

The Saudi grant was disbursed in September last to 10 government agencies but nearly all of it remains unutilised although government has been making frantic efforts to organise finances for meeting its massive developmental budget shortage.

An economic expert told New Nation the capacity of the economy to absorb foreign aid has considerably declined following the inability of internal resource generation in recent years. The confidence of the donors has been eroded as the recipient country could not even utilize the disbursed amount of foreign currency component along with the local currency.

Due to this local currency shortage different government agencies failed to utilise their shares of foreign aid against the Saudi grant of 100 million dollar which was disbursed in September last year.

A special request was made by the then President of the country to the Saudi government during the last foreign exchange crisis in October just before the Presidential election. The amount was, however, raised to 150 million dollar after the visit of the then President, to Saudi kingdom.

Since then the concerned authority has allocated the disbursed fund among ten government agencies on priority basis. These agencies, even after the elapse of nearly a year, could not marshal the strength to utilise this. Only 14 million dollar of that grant has been utilised by them so far.

The agencies which received allocation are—Bangladesh Shilpa Bank (BSB), Bangladesh Shilpa Rin Sangstha (BSRS), Bangladesh Power Development Board (BPDB), Bangladesh Agricultural Development Corporation (BADC), Bangladesh Food and Sugar Industries Corporation, Bangladesh Steel and Engineering Corporation, Bangladesh Textile Mills Corporation, Bangladesh Krishi Bank, Bangladesh Jute Mills Corporation and Chief Controller of Imports and Exports.

Out of the total allocated fund most of the agencies failed to utilise their past shares and sought extension of time for opening letters of credit.

The BSB and BSRS which were given a total 17 million dollar utilised only half their funds as they are not in a position to provide local currency component of the project cost. Whereas Bangladesh Jute Mills Corporation had surrendered their total allocated foreign exchange to the allocating authority because of absence of avenues to utilise the aid. Rather, according to the BJMC, they requested to keep their funds in the next financial year.

BTMC, which was given an allocation of 3 million dollar that remained unutilised, subsequently requested the authority to extend the date of opening the letters of credit.

Meanwhile, another 50 million dollar of Saudi grant has been disbursed in August last. External Resources Division of the Ministry of Finance and Planning has become worried about the slow pace of the utilisation of the Saudi grant. The Saudi government expressed doubt regarding the gradual erosion of the capacity of utilising foreign aid by Bangladesh.

CSO: 4600/1045

PROCEDURES FOR RETURN OF TEXTILE, JUTE MILLS NOTED

Dacca THE BANGLADESH OBSERVER in English 22 Sep 82 p 1

[Text] The government has finally decided to return the shares of jute and textile mills to the Bangladeshi owners and worked out certain principles for the transfer of shares. A notification asking the Bangladeshi shareholders of jute and textile mills to submit the relevant documents in support of their claims will be issued today.

This was announced by Mr. Shafiul Azam, Minister for Commerce and Industries at a Press conference at Shilpa Bhavan on Tuesday. Elaborating the process of transfer of shares to the Bangladeshi owners, he said that the government will ask the former Bangladeshi shareholders to return the compensation money they received earlier from the government on account of nationalisation.

Bangladeshi owners having more than 51 per cent shares in jute and textile mills will be offered the rest shares to be taken over by them. For the additional shares, the Bangladeshi owners will have to pay the price at the rate to be decided by a competent authority. The price will be revalued according to the market price. To enable the Bangladeshi owners to acquire the additional shares at the revaluated price the government has decided to allow them 10 per cent down payment. The balance shall have to be paid within five years in instalment.

Mr. Shafiul Azam said that in case of Bangladeshi shareholders with less than 51 per cent shares, the government will ask them to acquire at first 51 per cent shares. The additional shares shall have to be purchased at revalued price. In such cases, the shareholders will be asked to pay 51 per cent of cost of additional shares immediately. The Balance shall have to be paid within 12 months from the date of transfer.

All assets and liabilities of the jute and textile mills, the Industries Minister said shall be borne by the new companies. The government, he said, however, made liberal policy in this regard. The government will give them substantial period to repay the liabilities. For the jute mills, the government will allow them a 12-year period with two years' moratorium to repay the liabilities or loans and for the carpet backing mills the period will be 15 years with two years' moratorium.

For the textile mills, the period of repayment of loans will be six to nine years with two years' moratorium.

Replying to a question the Commerce and Industries Minister said that the new companies will not be allowed to terminate the service of the staff within one year of the transfer. He hoped that there will not be any large scale dismissal.

The government will form an interim board of directors for each company to facilitate the return of shares. After the transfer of shares, the government has taken a decision to coordinate sale of jute goods of all the jute mills. In foreign market, a pricing committee he said will be formed to supervise, ensure and monitor the foreign price. Bangladesh Jute Mills Corporation will act as the agents. No owner will be allowed to sell the jute goods below the price fixed by the pricing committee.

CSO: 4600/1044

TEXT OF 1982 ORDINANCE ON EMIGRATION

Dacca THE BANGLADESH TIMES in English 9-11 Sep 82

[9 Sep 82 p 3]

[Text] The following is the text of Emigration Ordinance, 1982 issued by the Ministry of Law and Land Reforms (Law and Parliamentary Affairs Division dated September 6.

The Emigration Ordinance, 1982 Ordinance No. XXIX of 1982.

An Ordinance

To repeal and, with certain amendments, reenact the Emigration Act, 1922.

Whereas it is expedient to repeal and, with certain amendments, re-enact the Emigration Act, 1922 (VII of 1922), for the purposes hereinafter appearing;

Now, therefore, in pursuance of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the Chief Martial Law Administrator is pleased to make and promulgate the following Ordinance:

1. Short title, application and commencement:--(1) This Ordinance may be called the Emigration Ordinance, 1982.

(2) it applies to all citizens of Bangladesh wherever they may be.

(3) it shall come into force on such date as the Government may, by notification in the official Gazette, appoint; and different dates may be appointed for different provisions of this Ordinance.

2. Definition. (1) In this Ordinance, unless there is anything repugnant in the subject or context--

(a) "citizen" means a citizen of the People's Republic of Bangladesh;

(b) "demand" means any requirement or offer for employment of workers by a foreign or Bangladeshi employer, having any project or contract or

establishment abroad, which is supported by visa instructions or work permit from the competent Government authority of the country of employment;

(c) "depart" and "departure" means the departure out of Bangladesh of any person for employment by any foreign or Bangladeshi employer or for self-employment by any means;

(d) "dependent" means any woman or child who is related to an emigrant and any aged or incapacitated relative of an emigrant;

(e) "emigrant" means any person who emigrates or is assisted to emigrate or has emigrated under this ordinance and includes any dependent of an emigrant;

(f) "emigrate" and "emigration" means the departure by sea, air or land out of Bangladesh of any person for the purpose or with the intention of working for wages or engaging in any trade, profession or calling in any country beyond the limits of Bangladesh;

(g) "licence" means a document issued by the Government authorising a person or an entity to operation as recruiting agent for employment abroad;

(h) "Newspaper" shall have the same meaning as defined in the Printing Presses and Publications (Declaration and Registration) Act, 1973 (XXIII of 1973);

(i) "overseas employment" means employment of a citizen outside Bangladesh;

(j) "prescribed" means prescribed by rules made under this Ordinance;

(k) "recruiting agent" means a person licensed under section 10;

(l) "recruit" means issuing a letter of appointment signing contracts for employment abroad by a foreign or Bangladeshi employer, making preliminary arrangements for selecting persons for employment abroad through advertisement, publicity, letter, preparation of panel verbally or in writing, and any other steps towards furtherance of the objectives of the employment of a citizen abroad;

(m) "Registrar" means a Registrar of Emigrants appointed under this Ordinance; and

(n) "rules" means rules made under this ordinance.

(2) In case of any doubt or dispute arising otherwise than in the course of any proceedings as to whether a person is an emigrant within the meaning of this ordinance, the question shall be determined by the Government and such determination shall be final.

[10 Sep 82 p 3]

[Text] The following is the remaining portion of the text of Emigration Ordinance, 1982 issued by the Ministry of Law and Land Reforms on September 6:

3. Appointment of Registrar of Emigrants. (1) the Government may appoint a person to be a Registrar of Emigrants and define the area to which the authority of a Registrar so appointed shall extend.

(2) Every Registrar shall be a public servant within the meaning of section 21 of the Penal Code (Act XLV of 1860).

4. Duties and functions of the Registrar.--Every Registrar shall, in addition to the duties assigned to him by or under this Ordinance, perform such functions as may be assigned to him by the Government.

5. Agents in foreign countries.--The Government may, for the purpose of safeguarding the interest of emigrants and promoting overseas employment, appoint persons to be agents in any place outside Bangladesh and may define their powers and duties.

6. Delegation of certain authority.--The Government may authorise any authority subordinate to it to--

(a) promote emigration of citizens,

(b) contract and regulate such emigration, and

(c) look after the interest and welfare of emigrants at home and abroad.

7. Regulation for emigration. (1) Emigration for overseas employment shall not be lawful from any port or place except from such ports or places as the Government may, by notification in the official Gazette, declare to be ports or places from which such emigration is lawful.

(2) No person shall, unless he possesses a valid demand, recruit or attempt to recruit any citizen for overseas employment except in accordance with the provisions of this Ordinance and the rules made thereunder.

(3) Notwithstanding anything contained in any other law for the time being in force, emigration of a citizen shall be lawful, if he is in possession of valid travel documents with registration endorsement under sub-section (4) of section 11 and--

(a) he is in possession of a letter of appointment or a work permit from a foreign employer, or an employment or emigration visa from a foreign Government, or

(b) he has been selected for emigration by a foreign employer through an organisation or authority or by a recruiting agent, recognised by the Government in this behalf or under an agreement or treaty between the Government and a foreign Government.

8. Power to prohibit emigration of workers.--(1) if the Government, having regard to the occupation, profession, vocation or qualification of any person or class of persons is satisfied that emigration of such person or class of persons is not in the public interest, it may, by order, prohibit the emigration of such person or class of persons and thereupon the departure of such person or class of persons otherwise than in accordance with such order shall not be lawful.

(2) Notwithstanding the provisions of sub-section (1), where the Government has reason to believe that sufficient grounds exist for prohibiting emigration of any person or any class of persons to any country, it may, by notification of the official gazette, declare that emigration of such person or class of persons to that country shall cease to be lawful from a date specified in the notification; and from that date such emigration to that country shall accordingly cease to be lawful.

9. Prohibition of advertisement, etc--(1) No person or organisation shall, except with the prior permission of the Government or any authority designated, recruit or attempt to recruit a citizen for overseas employment or issue an advertisement or publish any material or hold any interview or examination for such recruitment for the purpose of emigration.

(2) No newspaper shall publish any advertisement for employment abroad unless it is satisfied that the same is intended to be issued with the Government approval or clearance.

10. Grant of Licence.--(1) Whoever desires to engage, or to recruit or to assist, any person to emigrate shall apply to the Government, for licence at such time and in such manner, and shall, with his application, furnish such information and documents and pay such security and fee as may be prescribed.

(2) On receiving an application under sub-section (1), the Government may, after such enquiry regarding the character, antecedents and solvency of the applicant as it may consider necessary, grant the licence applied for on such terms and conditions, if any, as may be prescribed, or reject the application for licence.

(3) The decision of the Government under sub-section (2) shall be final and shall not be questioned in any court of law.

(4) A licence under this section may be issued in favour of a citizen or in favour of a corporation, company, partnership firm or any other entity, if--

(a) in the case of corporation or company, at least sixty per cent of the stock of the corporation or the company, and

(b) in the case of a partnership firm or any other entity, at least sixty per cent of the capital or proprietory right of the firm or the entity, is owned or controlled by Bangladeshi citizens.

11. Appearance of emigrants before the Registrar, etc.--(1) Before any person departs from Bangladesh, the person by whom he has been engaged or assisted shall appear in person or by his duly authorised agent before the Registrar and furnish such information regarding terms of his engagement or contract, and such other matters concerning his selection as may be prescribed.

(2) If the person departing from Bangladesh is directly appointed or recruited by a foreign Government or organisation or agency or by other foreign employers, such person shall furnish required information to the Registrar.

(3) If the Registrar is satisfied that the terms of agreement under which a person has been engaged or assisted are in conformity with the terms on the basis of which the licence to recruit was granted, he shall register in a book to be kept for the purpose such particulars concerning the person engaged or assisted and his dependents, if any, and the person engaging or assisting him in such form as may be prescribed.

(4) Registration of persons departing Bangladesh shall be endorsed on their passports by the Registrar.

12. Registration of emigrants residing abroad:--An emigrant residing abroad and who has not been registered under this Ordinance shall get himself registered with such Labour Attache or in his absence with any such other officer as may be specified by the Government in this behalf and such registration shall be reported to the Registrar.

13. Non-transferability of licence or authority--(2) No licence shall be used directly or indirectly by any person other than the person in whose favour it was issued or at any place other than the place mentioned in the licence nor shall the licence be transferred, conveyed or assigned to any person or entity.

(2) No transfer of the business address or designation of any agent or representative mentioned in the licence shall be made without prior approval of the government.

[11 Sep 82 pp 3, 7]

[Text] The following is the remaining part of the text of Emigration Ordinance, 1982 issued by the Ministry of Law and Land Reforms, on September 6:

14. Cancellation, suspension, forfeiture of security, etc.--(1) If, at any time during the pendency of a licence, the Government is satisfied, after making such enquiry as it may deem necessary, that the licencee has been guilty of misconduct or that his conduct or performance as a licencee has been unsatisfactory or that he has violated any of the provisions of this Ordinance or the rules made thereunder or the prescribed Code of Conduct, it may, after giving the licencee an opportunity of being heard,

by order in writing, cancel the licence or suspend it for a period to be specified in the order and may also forfeit the security furnished by him under section 10 in full or in part.

(2) The security money forfeited under sub-section (1) may be--

(a) paid to an affected person, or

(b) utilised for repatriating of any stranded person in foreign country or for such other purpose as the Government may deem appropriate in the public interest.

(3) On expiry of the period for which the licence is granted or on the intimation by the licencee that he does not intend to continue to act as a recruiting agent and on being satisfied that no ground for forfeiting the security in whole or in part exists, the Government may order the refund of the security or part thereof to the person by whom it was furnished or to his authorised representative.

15. Power to withdraw licence.--Notwithstanding anything to the contrary contained in this Ordinance, if, at any time, the Government is satisfied that it is necessary in the public interest to discontinue the practice of granting licence to recruiting agents, it may, by notification in the official Gazette, withdraw all licences granted under section 10.

16. Decision under sections 14 and 15 to be final.--The decisions of the Government under sections 14 and 15 shall be final and shall not be questioned in any court of law.

17. Inspection, etc. to ensure compliance with the provisions of the Ordinance.--The Government may, for the enforcement of the provisions of this Ordinance and the rules made thereunder, appoint such officers as it may deem fit and an officer so appointed may

(a) enter into any office or premise maintained or used by any person or entity in connection with the recruitment of emigrants for overseas employment;

(b) require and enforce the production of any books of accounts and records maintained by such person or entity and inspect such books of accounts and records; and

(c) examine such person or entity and obtain from him or it statement in writing in this behalf.

18. Power to search and detain vessels.--All the powers for the time being conferred by law on officers of customs with regard to the searching and detention of vessels may be exercised for the prevention of offences under this Ordinance by any such officer or by any officer authorised by the Government in this behalf.

19. Power to make rules.--(1) The Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:

(a) powers and duties of officers appointed by the Government under the Ordinance;

(b) the licensing, supervision and control of persons engaged in recruiting persons for overseas employment or causing or assisting persons to emigrate and in the conveyance and accommodation of emigrants, and the prohibition of unlicensed persons from being so engaged;

(c) the establishment, supervision and regulation of any place of accommodation provided for emigrants and for their medical care while resident there;

(d) the forms to be maintained and the returns to be submitted by persons licensed in accordance with the rules made under clause (b);

(e) the manner of inspection of premises, books of accounts and records of any person or entity connected with recruitment of emigrants for overseas employment;

(f) the information to be furnished by recruiting agents to emigrants and the language in which such information is to be furnished;

(g) appearance of emigrants before the Registrar and furnishing information under section 12;

(h) fees to be paid by a recruiting agent to the Registrar for each emigrant departing Bangladesh;

(i) setting up training, orientation and briefing centres to guide and advise intending emigrants and their dependents proceeding abroad;

(j) recall and repatriation, in the public interest, of an emigrant;

(k) measures to be adopted for the welfare of emigrants and their dependents;

(l) disposal of complaints against recruiting agents;

(m) formation of an association of recruiting agents and framing of Code of Conduct to be observed by recruiting agents;

(n) service charge to be paid to a recruiting agent;

(o) depositing of fees and securities by a recruiting agent;

(p) procedure for sending of emigrants by persons possessing secured contract or sub-contract for the purpose;

(q) the security, well-being and protection of emigrants; and

(r) fees receivable from persons recruited and going abroad for employment.

20. Unlawful emigration.--(1) Whoever, except in conformity with the provisions of this Ordinance and the rules made thereunder, emigrates or attempts to emigrate or departs or attempts to depart shall be punishable with imprisonment for a term which may extend to one year simple imprisonment or with fine not exceeding Taka five thousand or with both.

(2) whoever, except in conformity with the provisions of this ordinance or the rules made thereunder:

(a) makes or attempts to make any agreement with any person purporting to bind that person, or any other person to emigrate or

(b) causes or assists or attempts to cause or assist any person to emigrate or depart or to attempt to emigrate or depart or to leave any place for the purpose of emigrating or departing, or

(c) causes any person engaged, assisted or recruited by him after grant of the licence under section 10 to depart without appearing before the Registrar as required under section 11 or

(d) furnishes or publishes information or notice or document in relation to recruitment for employment abroad, or

(e) substitutes or alters any employment contract approved and verified by the Registrar or

(f) withholds or denies travel documents from a prospective emigrant for monetary or financial consideration other than those authorised under this Ordinance, shall be punishable with rigorous imprisonment for a term which may extend to five years, or with fine, or with both.

(3) when in the course of any proceeding in connection with emigration in which a recruiting agent or a person or an organisation is concerned, a branch of the provisions of this Ordinance or the rules made thereunder is committed such agent or, as the case may be person or organisation shall be liable to the punishment provided by sub-section (2), unless he proves that he was not responsible for and could not have prevented the commission of the breach.

(4) A person who recruits a citizen or holds an interview or examination or issues andadvertisement for such recruitment in contravention of the provisions of section 9 shall be liable to the punishment provided by sub-section (2).

21. Fraudulently inducing to emigrate: whoever, by means of intoxication, coercion or fraud, causes or induces or attempts to cause or induce any person to emigrate, or enter into an agreement to emigrate, or leave any place with a view to emigrating, shall be punishable with imprisonment for term which may extend to five years or with fine or with both.

22. False representation of Government authority: Whoever falsely represents that any emigrant is required by the Government or is to be engaged on behalf of the Government, shall be punishable with imprisonment for a term which may extend to five years, or with fine, or with both.

23. Receiving money, etc. for providing foreign employment: Whoever, for providing or securing or on the pretext of providing or securing, to or for any person, employment in any country beyond the limits of Bangladesh:

(a) being a recruiting agent, charges any fee in addition to the prescribed amount;

(b) not being a recruiting agent, demands or receives or attempts to receive, for himself or for any other person any money or other valuable thing shall be punishable with imprisonment for a term which may extend to five years or with fine or with both.

24. Penalty for contravention of agreement: whoever contravenes the terms of the agreement with his foreign employer by abandoning his employment or otherwise shall after the repatriation to Bangladesh be punishable with fine which may extend to five thousand Taka.

25. Recovery of expenditure for repatriation etc: (2) The amount of expenditure, if any incurred by the Government for repatriation to Bangladesh of a person who is convicted of an offence punishable under sub-section (1) of section 20 or section 24, shall be recoverable from such person in accordance with the provisions of the Public Demands Recovery Act, 1913 (Ben. Act III of 1913).

(2) The Government may recover the amount involved in an offence under section 21 in accordance with the provisions of the Public Demands Recovery Act, 1923 (Ben. Act III of 1913) and the amount so recovered shall be paid to the person who had paid it.

26. Special courts--(1) The Government may, by notification in the official Gazette, establish as many special courts as it considers necessary for trial of offences under this Ordinance and, where it establishes more than one special court, shall specify in the notification the headquarters of each special court and the territorial limits within which it shall exercise jurisdiction under this Ordinance.

(2) A special court shall consist of a person who is the Chairman of a labour Court established under the Industrial Relations Ordinance, 1969 (XXIII of 1969).

(3) A special court shall take cognizance of, and have jurisdiction to try, an offence punishable under this Ordinance only upon a complaint in writing made by such person as the Government may, by a general or special order, authorise in this behalf.

(4) A special court trying an offence under this Ordinance shall try such offence summarily and in trying such offences, such special court shall follow the procedure laid down in the Code of Criminal Procedure, 1898 (Act V of 1898), for summary trial.

27. Indemnity.--No suit, prosecution or other legal proceeding shall lie against the Government, Registrar or any person for anything in good faith done or intended to be done under this Ordinance.

28. Ordinance not to apply to certain persons.--This Ordinance shall apply to the departure of a person--

(a) who is not a citizen of Bangladesh, or

(b) who is in the service of the Republic or of a local authority and is proceeding on duty, or on training, or leave, or for employment with any international organisation, with the permission of the Government, or

(c) who is engaged as a member of the crew on board a foreigngoing vessel, or

(d) who is a dependent of a citizen already resident or employed in a foreign country and is on a temporary visit to Bangladesh.

29. Repeal and sayings.--(1) The Emigration Act, 1922 (VII of 1922), shall stand repealed in relation to any provision in respect of which this Ordinance comes into force.

(2) Notwithstanding such repeal.--

(a) anything done or any action taken or any rule made or any notification issued or any proceeding commenced under the provisions of the said Act, shall, in so far as it is not inconsistent with the provisions of this Ordinance, be deemed to have been done, taken, made, issued or commenced, as the case may be, under the corresponding provision of this Ordinance; and

(b) all cases pending before any court immediately before the commencement of this Ordinance shall be tried and disposed of by such court, and all matters in connection with such cases shall be regulated in accordance with the provisions of the said Act, as if the said Act had not been repealed by this Ordinance.

Hussain Muhammad Ershad, ndc, psc
Lieutenant-General,
Chief Martial Law Administrator

CSO: 4600/1027

PRELIMINARY ESTIMATES ON SYLHET WELL REPORTED

Dacca THE BANGLADESH OBSERVER in English 19 Sep 82 p 1

[Text] BEANIBAZAR (Sylhet), Sept. 18:--Gas and petroleum products worth over Taka 70 crore can be harnessed annually at the initial stage from Beanibazar well at Sylhet, according to a preliminary estimate. The final production testing of the well, now being carried out, is expected to be completed within a couple of days.

The Deputy Chief Martial Law Administrator and Minister for Energy, Air Vice-Marshal Sultan Mahmud who visited the site of oil exploration at Beanibazar on Saturday told newsmen that the preliminary seismic study of the drilling site has revealed a reserve of nearly 1.1 trillion cubic feet of gas. The ratio of condensate (oil in crude form) is 20 barrels for each million cubic feet of gas. The DCMLA said that though condensate is extracted in other gas fields also the ratio is quite low in those places and as such not commercially viable for extraction. But the ratio of condensate present in Beanibazar well is comparatively quite high and thus feasible for commercial extraction, the DCMLA addou.

The ratio of exploitation of condensate would be 800 barrels subject to the extraction of 40 million cubic feet of gas a day. Experts at the drilling site told DCMLA that condensate accounts for 80 per cent of petroleum, 15 per cent kerosene and five per cent by product. The net recovery of petroleum as such would be 640 barrels or roughly 28 thousand gallons per day. While the recovery of kerosene from the well will be around 120 barrels a day. The estimated price of the gas, petroleum and kerosene at this rate of exploitation would be around Taka 20 lakh each day.

Of the total estimated reserve at the Beanibazar well the extractable quantity will be around 0.8 trillion cubic feet and under the rated exploitation the reserve would be able to feed the country for 60 years or more.

Talking to newsmen the DCMLA said that the government is determined to exploit untapped natural resources that exist within the high pressure zone where Beanibazar well is also located. The government will seek financial assistance from World Bank and International Monetary Fund (IMF) for further exploration of oil and gas at Sylhet. The potential of oil and gas reserve at Beanibazar is considered very high but the exploration has been suspended due to lack of fund. But soon it would be taken at national level the DCMLA added

The cost for further exploration and commercial extraction of oil and gas would involve over 60 million U.S. dollars, the DCMLA pointed out. At the moment further exploration is not possible in the absence of firm commitment of fund by the donor agencies. More drilling work at potential sites in Sylhet would be carried out as soon as adequate fund is made available.

Addressing the personnel representing various agencies connected with the exploration at Beanibazar well the DCMLA thanked them for their efforts and expressed determination to translate into reality what they have accomplished.

It may be recalled that the work on Beanibazar well under Multi-Well Development Programme (MDP) financed by West German grant began in November 1980 and was completed in May last year. The Beanibazar well has a depth of more than thirteen thousand feet and the oil and gas were found between the upper strata at 10,756 feet and lower strata at 11,354 feet. The pressure at the site was found to be more than four thousand and a temperature of 170 degrees. The total estimated cost of the Beanibazar well is around 13 million U.S. dollars.

CSO: 4600/1035

STEADY RISE IN EXPORTS TO GULF STATES NOTED

Dacca THE NEW NATION in English 19 Sep 82 pp 1, 8

[Article by Matiur Rahman]

[Text] Bangladesh made a steady mark, though lately, in her trade with the six Gulf states bringing the total export earning to the tune of Taka 25 crore in last one decade.

But the import bills mainly for crude and partly for refined oil from the Gulf states cost Bangladesh over Taka 2480 crore during the decade beginning in 1973.

The bilateral trade separately with the six Gulf states--Saudi Arabia, United Arab Emirates (UAE), Kuwait, Qatar, Oman and Bahrain--remained highly imbalanced in all these years because of the crude import. The situation was substantially eased by either loans or grants provided to Bangladesh.

The Gulf states mainly Saudi Arabia, UAE and Kuwait provided the loans and grants amounting to over Taka 541 crore during the decade for the import of crude and refined oil.

There was remarkable improvement in export in 1981-82 when the earning was over Taka 10 crore from the Gulf states over the previous year 1980-81 when the export earning was about Taka four crore only.

The bilateral trade got a boost in the later part of the decade when the export earning started rising from a morbid stage that was prevailing in the early years of Bangladesh's independence.

The total earning from the Gulf states in 1973-74 was about Taka 20 lakh only with no export to Oman and Bahrain. In 1973-74, Saudi Arabia imported Bangladesh commodities worth Taka 5,20,000; Kuwait Taka 8 lakh; UAE Taka 6 lakh 50,000 and Qatar Taka one lakh only.

Though Bangladesh has bright prospect of marketing a number of her commodities in the Gulf states, she exports at present mainly perishable commodities like fish (fresh and salted), shrimps and prawns, vegetables besides some traditional items like jute and jute goods.

Saudi Arabia alone imported shrimps and prawns worth about Taka two crore in 1981-82. Similarly, UAE, Qatar and Oman imported shrimps and prawns, fish, both fresh and salted, as major items from Bangladesh during the year.

While Kuwait imported jute manufactures like hessians as main item besides handicrafts, electrical goods and rubber goods worth Taka 1 crore 78 lakh. Most of the Gulf states import 'atar' and 'agar bati' worth of several lakhs of taka from Bangladesh every year.

Bilateral trade with the Gulf states started increasing both ways from the later part of the seventies and became diversified.

According to official sources, there are tremendous demands of Bangladesh commodities mostly non-traditional items like printed materials and packages, rubber goods, electrical goods, wires and cables, handicrafts, ready-made garments, textiles besides vegetables, fish, shrimps and prawns in the Gulf markets. There is good demand of jute goods like carpets and others, export volume of which can easily be increased.

Despite the prospect of good markets, Bangladesh failed to cope with the demand and the traders, who are "very much keen" to export an increased volume of commodities face a number of problems particularly at home.

The exporters particularly of perishable commodities face serious problems in dispatching their goods to the Gulf states by air due to highly irregular flight of the national airline--Biman. If it can maintain regular schedule, the export volume will go up as Biman flies to a number of spots in the Gulf states like Dubai, Doha, Bahrain, Jeddah etc, an exporter told this correspondent.

"Usually we collect quality products whatever they are after a good search at home to get a good price. But what is the use if we can't send them in time to our buyers because of the delay in flight and the goods get perished in the midway," he lamented.

Similarly, the Shipping Corporation often could not provide required space, some time not at all, for the exportable commodities and the goods remained dumped for days together causing damage to the goods.

According to the exporters, neither the Foreign Trade Division nor the Export Promotion Bureau comes to their help with information and action though they put up spectacular advertisements with a call to boost the export.

Besides Bangladesh, there are other neighbouring countries--Pakistan, India, Sri Lanka who are equally competitors of the markets in the Gulf states. "If we are not conscious and particular, they will come and capture the market," one of the exporters said.

CSO: 4600/1036

LITTLE SUCCESS IN NEW INDUSTRIAL POLICY SEEN

Dacca HOLIDAY in English 19 Sep 82 pp 1, 8

[Article by Musleh A. Tarek]

[Text] The liberal facilities provided by the government under the new industrial policy for the potential private investors particularly in the form of specific time limit for processing, sanctioning, and disbursement of loans by the loan giving agencies have not geared up much till now.

Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Shangstha (BSRS), the two main institutional sources for industrial finance, are suffering from resource constraints making it difficult on their part to undertake new operations on a meaningful scale.

Meanwhile, the number of fresh applications from investors with the loan giving agencies has recorded a sharp decrease. This reflects both the prevailing state of slump in industrial investments as well as the continuing constraints in fresh credit sanctioning capacity of loan giving agencies because of paucity of funds.

It is learnt that the donor countries and agencies have taken a hard attitude to reduce the amount of their loan proportionately. The IDA, the main source of project aid for the two financing institutions has recently slowed down its loan disbursement.

The Asian Development Bank (ADB) is reluctant to disburse its committed fund because of irregularities in the utilization of foreign exchange allocations and anomalies in project appraisal and fund disbursement procedure of financial bodies.

It is learnt that the ADB, which is advancing considerable amount of foreign currency loan for industrial development has asked the BSB and the BSRS to submit list of the projects approved by them against ADB loan.

It has also asked the loan giving institutions of Bangladesh to give specifications of machinery, names of suppliers with price and justification for selection of the machinery along with necessary procurement certificate prior to the actual withdrawal of funds from the Asian Development Bank.

It may be mentioned here that as against 434 applications in 1980-81 only 34 applications were received by BSRS from industrial investors in 1981-82. The BSRS only sanctioned Tk. 10 97 crore as fresh loans in 1981-82 as against Tk. 164.74 crore in 1980-81. [as published] Although loan disbursement by BSRS totalled Tk. 32.87 crore during 1981-82 as against Tk. 58.21 in 1980-81.

But it is learnt that both BSRS and BSB sanctioned loan for a number of industrial projects on a priority basis in the last two months of the current fiscal year and a number of industrial projects just before the beginning of the current fiscal year. But still now none of these have received requisite money because of the financial bodies' exhausted fund position.

According to an official estimate, the two financial institutions alone require Tk. 264 crore to finance their approved projects. The BSRS requires Tk. 154 crore while the requirement of the BSB has been calculated at Tk. 110 crore.

It is learnt that one of the main causes of resource constraints of BSRS and BSB is unsatisfactory recovery of loans. According to a reliable source, a huge amount of loans allocated to different sectors has not yet been recovered.

CSO: 4600/1037

DAMAGES CAUSED BY FLOODS, DROUGHT REVIEWED

Dacca HOLIDAY in English 19 Sep 82 pp 1, 8

[Article by Jaglul Alam]

[Text] A flash flood which claimed 13 human lives, covered over 30 thousand acres of land, made lakhs of people homeless and affected the seasonal crops including broadcast and transplanted aman, aus, sweet potato, jute, winter crops etc. in areas in Rajshahi, Kushtia, Jessore and Pabna is now receding.

On the other hand an unexpected drought which hit a huge area in Khulna, Dinajpur, Rangpur and parts of Jessore and Rajshahi affected aman seedlings and aus plants together with summer pulses, is also showing signs of improvement with the coming of casual and light rainfall throughout the country last week.

Though drought and flood are on their way out, those have already wrought irreparable losses upon both crops and people.

According to an official flood damage report prepared by the Directorate of Agriculture during the latter part of the last week, B. aman in 2020 acres, T. aman in 3000 acres, aus in 600 acres, pulses in 3000 acres and vegetables and jute in over 1000 acres were completely damaged while crops on 3000 acres were damaged partially in five thanas of Rajshahi, two thanas of Kushtia, and three thanas of Pabna alone.

The complete reports on Chapai Nawabganj of Rajshahi, the worst hit area, and seven more thanas of the same district, eight thanas of Jessore and nine thanas of Pabna are yet to reach the authorities.

According to a report published in newspapers, there was an official estimation of the flood control room at Rajshahi stating that crops over 16 thousand acres of land were damaged and seven thousand homes were inundated affecting over 37 thousand people in Chapai Nawabganj alone.

The government's conservative estimate of total damage in Chapai Nawabganj was over two crore takas in terms of money. Unofficial sources claim that eight people in that area were killed and about 75 thousand people were

rendered homeless in the same area and crops and properties worth over seven crore takas were damaged.

According to an expert of the Bangladesh Agriculture Research Council at Dacca, even if the flood and drought affect foodgrains on 30 thousand acres of land, as per the official estimate, these will result in loss of 10 lakh maunds of foodgrain at the rate of 10 maunds of foodgrains per bigha on average.

He also opined that people of the affected areas would again find it difficult to go on supplementary yield because many of them have lost their cattleheads, ploughing instruments, etc.

Obaidullah Khan, Minister for Agriculture, when interviewed by HOLIDAY last week, agreed that drought and floods claimed a number of lives and damaged crops over considerable areas particularly in some northern Bangladesh districts.

He said that the full damage report on flood and drought was yet to be completed and added that the situation was improving gradually.

He remarked that in many cases B. aman which was suffering from inadequate water following drought had benefitted due to the flood water. Further information in this respect will be known as soon as the flood recedes completely, he said.

He added that meanwhile local officers had been asked to prepare a draft rehabilitation program for relief of the affected farmers.

Mr. Khan said that the flood and drought caused damage but it will not be difficult to overcome the effects. In the meantime, 350 tubewells have been installed at Dinajpur, pumps are being distributed free, and about 2500 wells have been excavated by the agricultural field workers to fight the drought, he said.

The Agriculture Minister stated that the impact due to damaged aman crops in some areas could be countered by aus and summer pulses and in the remaining places wheat could be cultivated.

To check the adverse situation the government has already sanctioned a seed grant of 15 lakh takas for the affected farmers and the seeds for winter crops in sufficient quantum have also been distributed to them, he explained.

Food Front

A. G. Mahmood, the Minister for Food, Relief and Rehabilitation, when interviewed by HOLIDAY said that the food problem, a shortage to the tune of over 23 lakh tons, was inherited from the previous regime but the present government was lucky enough in tackling it.

He said that earlier a target was set to produce 155.50 lakh tons of foodgrains during the present fiscal year and after the recent devastation by flood and drought, a revised target of foodgrain production was set at 151 lakh tons.

He said that taking substraction at the rate of 10 percent on seed, feed and handling, about 135.90 lakh tons of foodgrains would be available from internal sources, while the country requires about 148.60 lakh tons of foodgrains for the present year.

It may be pointed out that production and procurement of aus, so far reported, was not satisfactory. In place of the targetted 30 lakh tons of aus 18 lakh tons were produced. As a result, the procurement target set for aus was also unsatisfactory. In place of 30 thousand tons' procurement target for aus 3000 tons have so far been procured by the government.

The Food Minister said that the target for aus procurement could not be achieved because the farmers did not sell their aus paddy apprehending an imaginary foodgrain crisis and also because they received a higher price for their crops in the open market.

Mr Mahmood explained that the farmers are not under compulsion to sell their crops to the government. "We try to give them a price support and they are at liberty to sell their products at any place they like," he explained.

He said that to face the foodgrain shortage of over 12.70 lakh tons, arrangements have already been made to procure about 14.90 lakh tons from external sources.

Out of this, one lakh tons have already been procured on cash purchase and tender has been floated for another two lakh tons, he said.

He added that about 11.30 lakh tons of foodgrains would reach the country by December this year.

"The prospect of the next aman crop, the major one, will come to our knowledge by the latter part of November and we have sufficient food in hand to run to the end of January. In this situation even if the prospect of aman becomes bleak because of drought, flood or similar natural calamities, we shall have enough time to fight the gap collecting foodgrains from external sources," he said.

He said that over 50 percent of foodgrains presently in the government's hand have been stored at thana level warehouses to reach them to the people within the shortest possible time. The administration has been decentralized to keep easy connection with the people's problem, he said.

The Food and Relief Minister said that meanwhile 38 thousand tons of foodgrains have been distributed through test relief program, 76 thousand tons have been sanctioned for open market sale, and 77 thousand tons have so far been distributed under the modified ration scheme.

Another 18000 tons of foodgrains have been distributed to distressed mothers and children in the vulnerable group feeding program. He said that relief on the same scale has again been sanctioned for next month.

To generate income among the village population 95 lakh tons of foodgrains have been sanctioned under the Food for Works scheme in which 77 lakh tons have already been utilized.

He said, "We have decided to run the Food for Works program under the supervision of the local administrative bodies posted at the thana level under the new scheme to eliminate distribution anomalies."

CSO: 4600/1037

FERTILIZER PRODUCTION, USE SINCE 1972 REVIEWED

Dacca THE BANGLADESH OBSERVER in English 20 Sep 82 p 1

[Text] Bangladesh used 62.54 lakh tons of chemical fertilizers during the last 11 years since her independence and the rice production recorded a compound growth rate of 2.82 per cent during this decade.

The sale of fertilizers by BADC increased by 27 times since its inception in 1961-62. The use of fertilizers shot up to 8 29 lakh tons in the last fiscal year from only 31,000 tons in 1961-62. However, the highest sale of fertilizers was 8.75 lakh tons in 1980-81 and the production of rice that year was 136,62,075 tons.

A close study of BADC records shows that the Corporation could never achieve its target of sale of fertilizers. In 1981-82 the BADC target was 9.80 lakh tons but it could sell 8.29 lakh tons during the year achieving 85 per cent of its target.

During the current fiscal year the BADC fixed its target at 10.25 lakh tons of fertilizers but in the first two months (July and August) it had sold 76000 tons (36 per cent less than its monthly target). The sale of fertilizers this year is less than the corresponding two months in 1981-82 (95000 tons) and 1980-81 (one lakh tons).

This sudden fall in the use of fertilizers this year is due to increase in sale price, decline in the purchasing power of consumers, drought, flood and heavy rainfall. In the new Budget the price of urea and DAP was increased to Taka 148 per maund from Taka 132 per maund and the price of TSP has been fixed at Taka 110 per maund from Taka 95.

The requirement of chemical fertilizers this year is estimated at 14 lakh tons. The opening stock of fertilizers of BADC as on 7.7.82 was 4.38 lakh tons and the local production from the four fertilizer factories has been estimated at 7 85 lakh tons and the import target is about 2.75 lakh tons. The production target in Ghorasal factory this year is 2.60 lakh tons, in Zia Fertilizer Factory 2.40 lakh tons, in Fenchuganj Factory 90,000 tons and in TSP factory 95,000 tons.

But the local production fell much below the target due to closures of Zia and Ghorasal factories leading to fertilizers crisis during October and

November last year. The Zia Fertilizer Factory failed to keep its production target in 1981-82, the first year of its production. It produced only 63000 tons against its revised production target of 93000 tons of Urea. This year also the factory remained closed for sometime and in the month of July it supplied only 1600 tons to BADC against its target of 20000 tons.

A target for export of fertilizers set at one lakh tons of urea this year.

CSO: 4600/1038

PAPER REPORTS POOR OUTLOOK FOR FOOD CROPS

Dacca HOLIDAY in English 19 Sep 82 pp 1, 8

[Article by Hossain Khasru]

[Text] Substantial crop damage during the last Aus season and uncertain prospects of the coming Aman may now result in another agricultural setback for the country during the current year.

Unless efforts for recovery are effectively stepped up through elaborate and well-coordinated arrangements for delivery of agri-inputs and credits at the farmers' level in time and also in adequate quantum during the next rabi crop, actual food production will in all probability fall much short of the target, earlier fixed at 155 lakh tons.

The aus production loss this year was recorded at the highest levels in five northern districts--Dinajpur, Rajshahi, Rangpur, Jessore and Kuhstia.

The drought prevailing during the season for transplanting the seedlings has also made the prospects for aman uncertain this year. Following the drought came the flood which also caused extensive damage to the paddy making the natural conditions for aman production more unfavorable this year.

According to the agriculture officials, about 30 percent of the total aman acreage could not be brought under cultivation till the close of the first week of August.

In the wake of the recent flood, the government announced an agricultural rehabilitation program with an initial investment outlay of ten crore takas for distribution of 35,000 maunds of aman seeds and seedlings over an area of three lakh acres to recoup the losses in the seven flood-affected districts of the country.

The actual implementation of this program is yet to be assessed. Experts however feel that the rehabilitation program has been inadequate.

Major Thrust

Quite obviously, a major thrust has to be placed now on boosting farm production during the next rabi crop in order to keep the gap between food production target and actual production performance narrow as far as possible during the current year.

It may be recalled that the mid-term food production strategy covering the year, 1982-83, envisaged the extension of irrigation coverage by 24 percent over the last year's level to 72 lakh acres, distribution of 10.5 lakh tons of fertilizer, and disbursements of about Tk. 800 crore as agricultural credits to the farmers.

Monitoring and review of performance with regard to the implementation of the mid-term food production strategy will now be needed to be made on a regular basis particularly during the course of the rabi season owing to the fact that recent performance for delivery of inputs and credits, as all available information suggests, has not been up to the mark.

As Nature has played foul with production performance during the aus and aman seasons this year, the operational efficiency of human management factors as much as institutional arrangements will have to be improved to a large extent to reach agri-inputs and credits to the farmers well in time in adequate quantum particularly during the next rabi season as the higher input prices under the impact of new policy decisions of the government would otherwise tend to act as a disincentive to sustain an accelerated productive drive at the growers' level.

More often than not, inefficiency and errors in human management factors had caused the nation to drag the burden of an average annual import bill of one thousand crore takas on food account alone as successive programs with all pompous promises for boosting food production and attaining autarky faltered for one reason or other till recent times.

/It is worth mentioning here that the question of raising food production has a critical bearing upon the economy's overall growth process as approximately forty percent of the country's GDP is derived from crops of which three-fourths comes from rice alone.

/Any shortfall in reaching the target this year coming after last year's setback in the agricultural sector is bound to have shocking effects beyond the acceptable limit of absorptive capacity for a poor agrarian economy like that of Bangladesh's./ [in boldface]

CSO: 4600/1037

BRIEFS

PRC FRIENDSHIP TEAM--An eight-member friendship delegation led by Mr. Ataur Rahman Khan left Dacca on Friday evening for Bangkok en route to China on a two-week visit, reports BSS. The delegation during its stay will visit various places of historical importance in China. The other members of the delegation are: Mr. Motahar Hossain Siddiqui, Editor, THE NEW NATION; Mr. Shamsul Huda Advocate; Mr. Abdul Matin; Dr. Fazlul Karim; Mr. Fakir Alamgir; Kazi Shahiduddin Ahmed and Mr. Tofail Ahmed. [Text] [Dacca THE BANGLADESH OBSERVER in English 11 Sep 82 p 1]

RICE COST INCREASE--Price of medium quality rice recorded an increase of over 36 per cent while those of some essentials declined marginally, over the year, according to an official handout yesterday. Kerosene price shot up by 43 per cent and writing paper by 7 per cent while sugar price declined by 15 per cent. It said the government has already taken steps to increase supply of rice. Kerosene price increased by Tk 10 per gallon due to increase in import value and other costs. Giving comparative price of 19 essential items of September 7 of last year and this year the handout said the government has noticed that an impression is being sought to be created that prices of essential items have been going up due to imposition or enhancement of duties and taxes in the recent budget. But the comparative prices will show that prices of most essential items remained stable, within reasonable level of market fluctuation. Prices of a number of items, on the other hand, have come down, the handout added. [Excerpt] [Dacca THE NEW NATION in English 11 Sep 82 pp 1, 8]

AGRICULTURAL LOAN PROCEDURE--The Council of Ministers yesterday decided to simplify further the agriculture loan giving procedure with a view to increasing the agricultural productions, reports BSS. The decision was taken at a meeting of the council held in Dacca with the Chief Martial Law Administrator, Lt. Gen. H. M. Ershad in the chair. The council also decided to frame a two-year plan on emergency basis for controlling the country's population growth. It decided to amend the "Islamic University Act, 1980" and merge the Islamic Education and Research Institute with the Islamic University for making the Islamic education consistent with the trend and methods of modern education and to attune it to the need of the time. The council also decided to give directive to produce identity card by the officials and employees for entering the secretariat. [Text] [Dacca THE NEW NATION in English 12 Sep 82 p 1]

CONSULTANTS INVESTIGATED--Government is learnt to be taking serious note of the involvement of high ranking government officials with consultancy work provided by different national and international agencies. Government maintains that doing consultancy work tantamounts to violation of service conduct. The secretariat of the Chief Martial Law Administrator has recently asked all the ministries, divisions and attached departments and directorates to submit reports regarding government officers who have been working in consultancy agencies since 1977. The reports have to be submitted within October 15. [Text] [Dacca THE NEW NATION in English 13 Sep 82 p 1]

CONDEMNATION OF ISRAEL--Bangladesh on Sunday strongly condemned the heinous and inhuman acts of Israeli massacre of Palestinians in the two camps in West Beirut and demanded immediate end to the vicious designs against the Palestine and Lebanese people reports BSS. A spokesman of the Foreign Office in a statement in Dacca said that Bangladesh also strongly urged immediate and total international measures for ending Israeli occupation of West Beirut and withdrawal of her forces forthwith from Lebanon. The spokesman said Bangladesh has learnt with grave shock the news of brutal massacre of hundreds of innocent and unarmed Palestinian men, women and children in the Bori Al-Brajceh and Shatila camps in West Beirut. This appalling and barbaric act has aroused a great sense of indignation and revulsion in Bangladesh and in all peace loving countries. Bangladesh the spokesman said condemned such heinous and inhuman acts in strongest possible terms and demands an immediate end to the vicious designs against the Palestinians and Lebanese people. Bangladesh strongly urges immediate and total international measures for ending Israeli occupation of West Beirut and withdrawal of her forces forthwith from Lebanon in terms of UN and Security Council resolutions." [Text] [Dacca THE BANGLADESH OBSERVER in English 20 Sep 82 p 1]

RURAL DEVELOPMENT BOARD--The Council of Ministers on Sunday decided to set up Bangladesh Rural Development Board to expedite development of the rural areas through cooperatives reports BSS. It also decided to promulgate an ordinance in this regard under the nomenclature "Bangladesh Rural Development Board Ordinance". The decisions were taken at a meeting of the Council with Chief Martial Law Administrator Lt. Gen. H. M. Ershad in the chair. The Council decided to integrate the existing two-tier and traditional cooperative into production-oriented Comilla type cooperative. It decided to abolish Haor Development Board and Offshore Island Board. The projects under these two Boards will be taken over by the respective Divisional Development Boards. The decision was taken to avoid overlapping and duplication and to streamline development activities in these areas. [Excerpt] [Dacca THE BANGLADESH OBSERVER in English 20 Sep 82 p 1]

AMBASSADOR TO BELGIUM--The Government of the People's Republic of Bangladesh has decided to appoint Mr. Manzoor Ahmed Choudhury, at present Ambassador of Bangladesh to Japan, as Bangladesh Ambassador to Belgium, says a PID handout. Born on September 1, 1932 Mr. Manzoor Ahmed Choudhury did his

Graduation with Honours in Economics in 1951 and Master Degree in International Relations with distinction in 1952 from the University of Dacca. He also obtained a Master Degree from the Fletcher School of Law and Diplomacy, Boston, USA in 1955. Mr. Choudhury joined the diplomatic service of Pakistan on the basis of competitive examination in 1954. He served in various capacities in Diplomatic Missions in Peking, Bonn, Lagos, Rome and Paris. He was Minister in Pakistan Embassy in Paris in August 1971 and also Deputy Permanent Representative for Pakistan to UNESCO. Mr. Choudhury was appointed Additional Secretary, Ministry of Foreign Affairs, Dacca in March 1976 and Secretary, Foreign Affairs from August 1978 to June 1979. He has been the Ambassador of Bangladesh to Japan since July 1979 and concurrently accredited to the Republic of Korea. Mr. Choudhury is married. [Text] [Dacca THE BANGLADESH OBSERVER in English 20 Sep 82 p 1]

IMPRISONED EDITOR RELEASED--Jessore, Sept. 20: Mr. Golam Mazed, Editor and Publisher of DAINIK RUNNER most popular vernacular daily published from Jessore town, was released from Jessore Central Jail recently. It may be mentioned here that Mr. Golam Mazed who is also President of Jessore Press Club and Jessore Sangbadpatra Parishad was sentenced by summary military court on April 26 last for a two years Jail term for publication of an item criticising the Martial Law authorities. Later, the CMLA Lt. Gen. H. M. Ershad during his meeting on August 12 with the Editors of dailies and weeklies published from outside Dacca, exempted rest part of conviction of Mr. Golam Mazed as a gesture to the newsmen. Accordingly he was released. [Text] [Dacca THE BANGLADESH TIMES in English 21 Sep 82 p 2]

UN DELEGATION NAMED--Composition of the Bangladesh delegation to the 37th session of the United Nations General Assembly was announced in Dacca on Friday, reports BSS. The delegation to be divided into two groups for the first and second halves of the session will be led by Permanent Representative to the U.N. Lt Gen (Retd) Khawja Wasiuddin. Delegation members who will attend the first half of the session beginning later this month are: Major General Muzammel Hussain, Mr Justice Chowdhury A. T. M. Masud, High Commissioner to Britain Mr Fakhruddin Ahmed, High Commissioner to Zimbabwe Mr S. R. Karim and Lt. Col. Shah Salahuddin. Three of them--Maj. Gen. Muzammel, Justice Masud and Lt. Col. Salahuddin--left Dacca on Friday night for New York to attend the session. Members of delegation who will represent Bangladesh in the second half of the session are: Foreign Secretary Mr Ataul Karim, Maj. Gen. Nooruddin Khan, High Commissioner to Canada Maj. Gen. (Retd) K. M. Shafiullah, Permanent Representative to United Nations Mission in Geneva Mr A. K. M. Morshed, Director General of Foreign Ministry Mr A. H. Mahmood Ali and Colonel Abu Mayeem Amin Ahmed. [Text] [Dacca THE BANGLADESH OBSERVER in English 15 Sep 82 p 1]

ALGERIAN AMBASSADOR--The Government of Algeria has appointed Mr Mohamed Larbi Demaghlatrous as Ambassador of Algeria to Bangladesh, says a PID handout. From 1971 to 1978 he was Ambassador of Algeria to Yugoslavia, Romania and Albania with residence in Belgrade. He was also Ambassador of Algeria to Indonesia and Kampuchea with residence in Jakarta from 1964 to 1970. Mr Demaghlatrous is a member of the High Islamic Council. He is married and has four children. [Text] [Dacca THE BANGLADESH OBSERVER in English 21 Sep 82 p 8]

AMBASSADOR TO JAPAN--The government of the People's Republic of Bangladesh has decided to appoint Mr M Matiur Rahman, former Secretary, Commerce Division; Ministry of Industries and Commerce; as Ambassador of Bangladesh to Japan says an official announcement. Born on September 1, 1923 Mr. M Matiur Rahman graduated from the Calcutta University and obtained his Master Degree in Political Science and LLB Degree from the University of Dacca. He also completed a Master's Degree Course of Studies in International Relations. He was a Lecturer in Political Science in the Dacca University in 1948-49. During the period between 1949-72, Mr M Matiur Rahman held various important assignments under the erstwhile Government of Pakistan including Under Secretary, Deputy Secretary in the Central Ministry of Finance, Member Finance and Development of IWTA; Finance Director of National Shipping Corporation of Pakistan with the rank and status of Additional Secretary to the Central Government. He served as Secretary in the Ministry of Industries, Government of Bangladesh, from 1974-75. Before his present assignment, Mr. Rahman was serving as Secretary, Commerce Division, Ministry of Industries and Commerce since 1976. He is a widely travelled person and has led his country's delegations in many international conferences. He is married and has eight children. [Text] [Dacca THE BANGLADESH TIMES in English 13 Sep 82 pp 1, 8]

CHITTAGONG MUNICIPAL CORPORATION--The Government has promulgated Chittagong Municipal Corporation Ordinance converting Chittagong Pourashava into Chittagong Municipal Corporation, says a PID handout. Brigadier Mufizur Rahman Chowdhury, Commandant, East Bengal Regimental Centre, Chittagong Cantonment, has been appointed Administrator of the Corporation. He will work in addition to his own duties. Mr. Fazal Karim, ex-Chairman of the erstwhile Chittagong Pourashava has been appointed Deputy Administrator of the Corporation. The Government has appointed Additional Deputy Commissioners (Dev) as chairmen of Pourashavas situated at their respective District Headquarters, Sub-divisional Officers as chairmen of Pourashavas at their Sub-divisional Headquarters and Assistant Commissioners/Circle Officers (Dev) as chairmen of Pourashavas at their Thana Headquarters and other important places. The Government has however, appointed Additional Deputy Commissioner (Rev) Rangpur as Chairman of Saidpur Pourashava and Sub-divisional Officer Gazipur as Chairman of Dongi Pourashava. All the officers will act as chairmen of their Pourashavas in addition to their own duties. They have been directed to take over charge of their respective Pourashavas forthwith. [Text] [Dacca THE BANGLADESH OBSERVER in English 24 Sep 82 p 1]

CANADIAN HIGH COMMISSIONER--The new Canadian High Commissioner to Bangladesh Mr. Christopher William Westdal presented his credentials to President Mr. Justice Ahsanuddin Chowdhury at Bangabhaban on Thursday morning reports BSS. Presenting his credentials the envoy said he would strive to promote further the ties to friendship and cooperation between his country and Bangladesh to the mutual benefit of both the nations. The President reciprocated the sentiment expressed by the envoy and assured all necessary support to him in the discharge of his duties and responsibilities. Earlier on arrival at Bangabhaban the new Canadian High Commissioner took the salute given by a smartly turned out contingent of the President's Guard Regiment and inspected the guards. [Text] [Dacca THE BANGLADESH OBSERVER in English 24 Sep 82 p 8]

EXPORT EARNINGS--The total export from Bangladesh during July-August this year amounted to Tk. 190.02 crore as against Tk. 159.95 crore during the same period last year showing an increase of Tk. 30.07 crore, it was learnt officially. Export earnings in respect of items like frozen food, tea and agricultural products exceeded their average target for July-August this year. There has been an increase in the export earnings of raw jute, leather, frozen food, tea (including packet tea), readymade garments, newsprint, paper and allied products, agricultural products etc. during the first two months of the current financial year in comparison with the export earnings of the corresponding period of the preceding year. Besides, items like naphtha, furnace oil and bitumen, chemical and pharmaceutical products and engineering goods which did not move during July-August, last year were also exported during the first 2 months of the current fiscal year. [Text] [Dacca THE BANGLADESH TIMES in English 24 Sep 82 p 8]

CSO: 4600/1047/1048

BRIEFS

PEOPLE'S ARMY-SSA BATTLE ACTION--On 2 October a small unit of the People's Army attacked the military government's mercenary 8th infantry regiment at (?Na-hwe), (Kyaukgu) region in Central Shan State. The attack killed three enemy soldiers. One G-2, one grenade and more than 500 rounds of ammunition were seized from the enemy. Joint battle report of the People's Army and the Shan State Army [SSA]: On 26 June, a bridge on Lashio-Mong Yai Road, used by the military government mercenary army, was blown up and destroyed. On 5 July, a small combined unit of the People's Army and the SSA attacked the mercenary 1st Shan rifles regiment at (Wan Hpong) in the Mong Nawng area. The attack killed two enemy soldiers and wounded two others. On the same day an attack by the combined unit resulted in two enemy soldiers being killed and two others wounded in Mong Nawng. On 7 July, an ambush by a combined force of the People's Army and the SSA near (?Na-ya) on Lashio-Hsipaw Road resulted in five enemy soldiers, including a police station commander, being killed and four motorcycles destroyed. On the same day mines planted on Lashio-Hsipaw Road killed an enemy soldier from the military government's mercenary 23d infantry regiment and wounded another. Furthermore, a mercenary lance corporal was killed and three others were wounded in the (Paw Tang) village battle in (?Hsawngke) Township. On 12 July, an attack by a small combined force of the People's Army and the SSA at (Wan Hpong) in Mong Nawng Region resulted in two enemy soldiers being wounded. [Text] [BK100814 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 10 Oct 82]

JOINT BATTLE REPORT--Joint battle report of the People's Army and the Shan State Army [SSA]: On 20 June, a combined force of the People's Army and the SSA attacked the military government's 1st Shan rifles regiment near (Linmut) village in (Kong Pang) District, killing almost 20 enemy soldiers, including one mercenary sergeant and two corporals, and wounding five. On the same day, a clash at Lawa killed three enemy soldiers and wounded two others. On 21, 22, 23, 25 and 29 June, attacks carried out by the combined forces of the People's Army and the SSA at (Hanam), (Kyepaung), (Honu), (Banwut), (?Nawng Son) and (Natban) Bank killed over 10 enemy soldiers including four defense volunteers and wounded nine others. On 4, 5, 10, 19, 20 and 24 July, battles were fought in Ke-hsi Region, (Nawng Chun), Namwan, (Mong Kawng), (?Mong Awt), Namsamhu, (Pang Lao) and (Kunle). More than 10 enemy soldiers were killed and eight were wounded during the clashes. On 29 August, a combined force of the People's Army and the SSA attacked the military government's mercenary 104th infantry division on (Tashi) Road in Mong Nawng, killing six enemy soldiers and wounding others. A G-2, a G-4, an M-79 mortar with folding stock, ammunition including 19 mortar shells and military equipment were seized from the enemy. [Text] [BK081410 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 8 Oct 82]

CSO: 4211/40

GANDHI VISIT TO USSR DESCRIBED AS 'FRUITFUL'

BK081710 Delhi INDIAN EXPRESS in English 28 Sep 82 p 6

[Editorial: "Back from Moscow"]

[Text] The prime minister has returned home after a fruitful visit to the Soviet Union. The joint declaration simultaneously released in New Delhi and Moscow adds little to what had been already spelt out earlier in public statements and briefings. However it does emphasise strong and continuing bonds of friendship and a deeper understanding by each country of the other's point of view, despite some differences as on Afghanistan, and a consolidation of economic relations.

Disarmament is a hoary topic which has figured in earlier communiques too. The proposals for general and nuclear disarmament endorsed by the two sides on this occasion specify a freeze on the production and deployment of nuclear weapons, a convention on non-use of nuclear weapons, the prohibition and elimination of chemical weapons, and a prohibition on the development of new weapons of mass destruction. These items have been on the superpowers' agenda and before UN disarmament fora. Mr Brezhnev obviously had in mind India's soon-to-be-assumed role as chairman of the nonaligned conference from next year and was possibly seeking a commitment on a package that the West might however think contentious since the Soviet Union is regarded by it as having a lead in nuclear and conventional weapons in critical areas as presently deployed. India and the nonaligned world generally might also be attracted by the Soviet proposition that funds released by disarmament should be channelled towards augmenting assistance to the developing nations. Welcome as these propositions are, they cannot be delinked from the realities of the global balance of power. The same is true of the proposition that the Indian Ocean should be a zone of peace. How precisely this can be achieved is a task for the proposed UN conference on the Indian Ocean which is to be held next year.

With regard to Indo-Soviet relations, Mrs Gandhi erred in discussing with the Soviet leadership the alleged role of the Communist Party of India against her government in league with "rightist" elements such as the Bharatiya Janata Party. The prime minister has stated on her return to Delhi that there was no question of her "complaining" to anybody in Moscow as this is purely an internal matter and that she merely surveyed the scene in India for the benefit

of her Soviet hosts just as they made a presentation of their perceptions and concerns to her. Be that as it may, the prime minister was ill-advised to have broached the topic. The two sides agreed to work towards a significant increase in mutual trade, even a doubling, over the next 4 years. While this is to be welcomed it would appear necessary to review whether the rupee trade arrangement requires any modification so that the country's balance of payments is not upset for lack of foreign exchange earnings on exports to the Soviet Union or on account of any switch trade by that country. On the whole, however, the visit, as expected, has cemented old ties and opened up new avenues for further cooperation.

CSO: 4600/1088

EDITORIAL NOTES DISTRICT, PROVINCE RESPONSIBILITIES IN ECONOMIC PLANNING

Vientiane SIANG PASASON in Lao 23 Aug 82 p 1

['Editorial': Improve the Relationship between the Central and Local Economy]

[Text] The central and local economies are all part of the same framework. Therefore, improvement in the central and local economies is useful for the expansion of the entire national economic base.

An important problem in correcting the relationships between the central and local economies according to the policy of the party and the government is to concentrate in building the district economy effectively. Each district should focus on its special economic and geographical aspects in order to plan agricultural and forestry production bases to expand occupational akills in handicrafts, small-scale industry, household products, and materials construction industry, and to ensure self-sufficiency in the food supply. Meanwhile, household products production must be encouraged and improved to respond to the needs of the people and to contribute to the government.

The provincial level must become the strategic headquarters in all aspects by setting up agricultural and forestry settlements, machinery and electric power bases construction equipment and household goods production, food supplies, etc. When they succeed in being self-sufficient in terms of food supplies, [they should] fulfill the needs for household goods. Localities exchange [goods] with the center and different provinces, and engage in exporting. Meanwhile, different provinces should have plans to encourage and train different types of management cadres on the district and base levels to improve their ability in production and production control systematically and efficiently.

The central echelon sections are responsible for the management of economic bases which are useful keys for the entire nation. These are new cooperation projects with foreign countries and continue the exporting of strategic goods such as coffee cardamom, wood products, mineral ores, etc. Big cities like Vientiane Capital must effectively increase the construction and management in many aspects in order to make the cities the central symbol of politics, the economy, and the new society, and to steadily strengthen the relationship between the cities and rural areas with workers and farmers.

These are the main aspects of the plan concerning the improvement of the central and local economy of our party and government. The cadres and the people who are responsible for this work should study it thoroughly and implement it correctly in order to correct economic problems in each district and province in our country, to become united, and to have division of work, production plans, and exchange among themselves in order to make our large rural areas plentiful sources for food supplies, household goods, and goods for export. This is to respond appropriately to the needs of the people of all nationalities and to contribute to the government.

9884
CSO: 4206/83

COLUMNIST LINKS MAOISTS, DENG, U.S. LEADERSHIP

Vientiane VIENTIANE MAI in Lao 24 Aug 82 pp 2,4

['Talking Together' Column: "Tricks Cannot Change Political Reality"]

[Text] Last year Chinese leaders carried out a foreign policy of cooperating with the imperialists and the reactionaries to resist the socialist world, and revolutionary and peace-loving forces. These politics have been sharply assailed by communist party leaders, workers, those who are interested in the joyous expansion of the revolutionary world, and those who are interested in strengthening peace and building up friendship among peoples of all nationalities.

The attendees who joined the meeting of communist party delegates and workers of eastern Mediterranean countries and the countries in the east close to the Middle East and the Red Sea in Athens in September 1981 saw the U.S. policy as being aimed at their allies to carry out the reactionary U.S. policy, and to block the easing of tensions. According to the statement that was accepted by the meeting, a special danger arises from Chinese leaders whose policy is anti-Soviet and who support the aggressive, warmongering policy of the Pentagon and NATO. They continue to be enemies of Vietnam and other countries. They have done great damage to the rights and national interests of the Chinese people and Chinese workers, and have weakened the international revolutionary movement. They have also weakened the movement towards peace and social advancement.

Beijing's policy favors imperialism and endangers peace and happiness of people. The speeches of the delegates of the Communist Party in Canada, Ireland and the U.S. Communist Party at the conference in Montreal in November 1981 condemned this. Speaking of the United States' anti-revolutionary strategy in general, Le Duan, the secretary general of the Communist Party of Vietnam's central committee in his speech to the Fifth Congress of the VCP 3 April 1982 said that for this purpose the U.S. has a new ally, the reactionary group of Chinese leaders. The collaboration between the imperialist leaders and the Chinese expansionists has created an international situation with special characteristics. Playing "the China card" by the U.S. leaders and the U.S.-China cooperation is a threat to world peace, security, and stability, and is a particularly strong threat to nations in Asia.

Why are the former anti-imperialists in the communist movement for the victory of the Chinese revolution now standing on the opposite side? Mao Zedong and his followers in the leadership of the Chinese Communist Party, the organizers of the revolutionary regime of the petit-bourgeois, have shown a sudden change following the victories and various set-backs. He favored the leftist, but he did not follow the revolutionary opinions all the way to the right by standing on nationalism and claiming to be a great power. They set a goal to make China a great country and master of the world. [The actions] they carried out to achieve these goals were different depending on the historical era.

Not long after the announcement of the establishment of the People's Republic of China in 1949, the Chinese leaders announced that the Chinese revolutionary lesson was spreading to revolutionary movements in many countries in Asia and Oceania. They asked the communist parties of India, Indonesia, Japan, and other countries to follow the "path of China," and the path of the Chinese military struggle by setting up liberated regions in the rural areas, and encircling the towns, etc. In doing this they did not consider the geographical, historical, economic, social, and political aspects of those countries, which are different from the Chinese situation. They also insulted the special characteristics and revolutionary tradition and the lessons and communist ideology of those countries. At the end of the 50's and the beginning of the 60's Mao Zedong set a path for China not just to control some communist parties but all of the communist movement. In the Communist Party and worker congress in Moscow in 1957 Mao Zedong called for a declaration of nuclear world war. He though that if half of the world's population died, there would be another half left. He included the imperialists among those who would all die. Then there would be only socialist countries left in the world, and within only half a century the number of people would increase by more than half.

Mao hoped that an attack between the two power would occur. The fight between the USSR and the American imperialists would weaken both countries, and as a result China would be able to control the world.

Many other communist leaders refused to accept the Chinese Communist party leader's ambition of leadership in the communist movement, and refused to accept the Chinese slogan. When he realized that communists all over the world were resisting Beijing's expansionst policy, the Chinese leader fought against the international Communist movement. In the mid-sixties the Chinese Communist Party leaders started to set up Chinese political groups, thinking to use these movements to expand Mao's political ideology within the international area which was the anti-Communist movement. However, the idea of hoping to set up "international Maoism" has disappeared.

What was exciting about Beijing's propaganda in foreign policy was its selfishness and many mistakes. Beijing's invasion of Vietnam, and the open collaboration between the Chinese and American imperialists and other reactionaries has made members who once believed in "Mao Thought" give up on Maoism.

Maoist groups outside China today are faced with a great many crises. When Mao Zedong was still alive there were more than 100 groups in many different countries, and now there are only somewhat more than 20 groups left. Moreover, these groups have stopped their movements and have refused to follow Beijing's path. Though it is very clear that there is no future for the "Maoist movement," the Chinese Communist Party leaders still hope for Maoist circles in foreign countries. A strange incident clearly occurred in the beginning of 1979 after the Chinese leader Deng Xiaoping returned from his visit to the U.S. It was not just an accident that after the visit China invaded socialist Vietnam. There was collaboration between Beijing and the U.S. leaders in the "punishment" and in Anti-Sovietism. Assistance was given by Beijing and Washington to the Afghan counterrevolutionary resistance and other reactionaries who are in the imperialists' network. These activities included preparations for the visit, and the visit to China of E. Berlinguer and S. Carrillo in 1980. Finally, there is the relationship between the Chinese Communist Party and the Communist parties of Italy and Spain. The emulation in setting up such an incident has caused a foreign affairs observer to question whether there is a true relationship between the political collaboration with the imperialists by Beijing and the imperialists' goal to use Beijing as a "Trojan horse" in the revolutionary movement. This idea was published in the Spanish newspaper CAMBIO 16 in December 1980. Based on the testimony of L. Wolf, a former U.S. CIA agent, the CIA forced the communist Party in Spain to be pro-Chinese. Therefore, the CIA sent its people to the Communist Party in Spain.

The statement of the agent in Washington made people aware and proved that the U.S. leaders [sabotaged] the revolutionary forces by using China. For example, (Pillsbury), a U.S. senate staff member, said it would be beneficial for the U.S. if China told them who was who in the revolutionary movement in foreign countries.

The imperialist consider the division of work important. For example, their work is to attack the outside revolutionary movement by creating factions and quarrels, and Beijing accepts this role. Moreover, they boast that they are useful to the imperialists. The Chinese newspaper BANYUE TAN said that today the U.S., Western Europe, and Japan need the Chinese forces.

By getting involved with some communist parties, the Communist Party leaders; goals are to ease the conflict between the world communist movement and the pro-imperialist Chinese policy, and to pull the Communist movement together. The hope is to pull some parts of the movement into a group called the "anti-Soviet expansion project," based on the Chinese leaders' goals in this project. The group includes China, the imperialists, reactionary regimes, and some leftists.

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CSO: 4206/84

VIENTIANE GOVERNOR ASSESSES DEVELOPMENTS, BLASTS U.S. ON UPRISING ANNIVERSARY

Vientiane SIANG PASASON in Lao 23 Aug 82 p 2

[Interview with Mr Phao Phimphachan Chairman of the Provincial Administrative Committee of Vientiane Capital on the Occasion of the Seventh Anniversary for the Seizing of Power; date and place not given]

[Excerpts] When 23 August is mentioned I and the people of all nationalities and ages are all very proud of this historic day for Laos, especially in Vientiane Capital.

Continuing the brave heritage of Laos, 23 August 1975 in Vientiane Capital marks the anniversary of the uprising to completely sieze power from the old administration of alien imperalists, reactionary traitors, and the Vientiane puppets to give to our Lao people. August 23 opened a new and most important era. It was a power seizure of the entire country and the announcement of the establishment of the Lao People's Democratic Republic on 2 December 1975. Everyone well knows that Vientiane in the old regime was the last nest of the running dogs, the reactionary henchmen, and the rightists in Laos. Therefore, the seizing of power from the extreme rightist reactionaries in Vientiane was a most difficult, complex, and urgent problem; however, with the intelligent and capable leadership of the LPRP, the overthrow of the old regime and the seizing of the administrative power of Vientiane succeeded without any bloodshed or damage to the people's property. Plainly speaking, there was not a single gunshot. This incident caught the interest of most of the world, and we ourselves are most proud of the important victory for Lao history.

After the nation was completely liberated, Vientiane Capital as well as other places over the entire country established the administration of workers and has been well improved since that time. Extra attention has been paid to national defense and security work to maintain order within the capital, to improve the economy, culture, and society, and to steadily raise the standard of living of the cadres and the people. In national defense and security work, even though the American imperialists were defeated in the war of aggression, they have not yet stopped playing their tricks aimed at destroying our new regime. The American imperialists collude with expansionist China and

have cooperated with the reactionaries in the area. They sent spies and looters in to keep on destroying the peace and happiness of the people. Another thing that they use psychological warfare to sabotage political, economic, social, and cultural aspects. We all along with the people within Vientiane Capital have worked to promptly destroy and suppress all of their tricks. This results in peace and security all over Vientiane Capital. Our Third Party Congress was 100 percent safe, we have limited and corrected social evils within the capital city, and have made the security work become the work of all the people.

Economic aspects. Vientiane Capital is the political, economic, and cultural center. Therefore, the economic problem has been very well paid attention to, for example, the improvement and building up of industrial, handicraft, and agricultural areas. In Vientiane right after the liberation different factories all stopped their production. A number of capitalists, the owners of the factories, fled the country and left their factories broken down and deserted. Thus the party and government controlled and revived them. Up to now many industrial and handicraft factories are operating effectively at their normal levels and send out products to the people. Meanwhile, additional factories are being built, for example, the Vientiane-Hanoi Friendship Brick and Tile Factory, 70 percent of whose foundation has been completed. In agricultural work they attentively set up an experimental area for production. In Hatsaifong District electric pumps were installed in many places, an irrigation system was set up, and the people were encouraged to produce normally. For example, planting and animal raising for the government, collective groups, the people and the cadres have been steadily expanded. Domestic animals have been increased every year. At the present time all over Vientiane Capital there are 37 agricultural co-ops. Meanwhile, trade work such as State trade and collective trade has been steadily improved and expanded. Up to now, Vientiane is considered self-sufficient in food supplies, and the standard of living of the people has been raised one step higher.

On the occasion of the implementation of the Third Party Congress, and the carrying out of the first Five Year Plan of the government and of Vientiane Capital, Vientiane Capital attentively struggled in carrying out its own plan to the expected level, and to make the plenum of the Third Party Congress become reality. For example, it paid good attention to public security work, corrected social evils, had a better control on district regulations than before, limited and wiped out what was left over from the old society, resisted the enemies' psychological warfare, organized and led production and pushed strongly agricultural production, pushed forward industrial and trade production, normalized the standard of living of the people, effectively organized and controlled food supplies for buying and selling, solved the traffic transportation on time, encouraged exports to maintain stability in the market, encouraged education, public health, and culture, and related this work to the base construction work and led them on to endless progress.

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CSO: 4206/83

PUBLIC SECURITY SERVICE REGIMENT DECORATES PERSONNEL FOR PARTY CONGRESS WORK

Vientiane VIENTIANE MAI in Lao 23 Aug 82 pp 1, 4

[Article]

[Text] On the afternoon of 17 August 1982 the Ministry of Interior held a commendation and decoration ceremony for public security service cadres, and combatants, in political work for Public Security Service Regiment 53 and who had outstanding achievements in the work of protection during the Third Congress of the LPRP.

The honored guests who attended the ceremony were Colonel Soutchai Thammasit, cadre organization department chief, and representatives of each regiment subordinate to the Ministry along with hundreds of cadres and combatants of Public Security Service Regiment 53.

Among the cadres and combatants who received medals and commendations this time, one unit of Public Security Service Regiment 53 received the independence medal second class. Five sections received medals and commendations as follows. One comrade received the independence medal second class; 3 comrades received the independence medal third class; 14 cadres received the labor medal second class; 31 comrades received the labor medal third class; 30 comrades received labor medals, 27 comrades received commendations from the government, and 44 comrades received commendations from the Ministry of Interior.

After the medals and commendations, Colonel Soutchai Thammasit gave a speech in which first of all he wholeheartedly congratulated and praised the recent success and victory of the cadres and combatants of the Ministry of Interior. At the same time he pointed out the tricks of our enemies, the Beijing expansionists, the imperialists and their henchmen, and the reactionaries who want to destroy us. He also asked all cadres and combatants to increase their patriotism and their love for socialism, internal and international solidarity, and to be ready always to fight against all the destructive movements of the enemy. He asked everyone to work to emulate in order to successfully and victoriously implement the resolutions of the Third Party Congress in the actual work of individuals.
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CSO: 4206/84

OFFICER COMPLAINS OF UNEQUAL TREATMENT FOR OVERSEAS RETURNEES, RANK STRUCTURE

Vientiane VIENTIANE MAI in Lao 21 Aug 82 p 2

['Conversation with the Editor' Column: They Complete Their Study but [they Are Not Appointed to Ranks Equivalent to Their Educational Level]

[Text] [Question] To the editor. First of all I don't understand one thing. What I agree with is the party and government's plan for sending students to study abroad every year. However, what I do not agree with is that when some students complete their studies at the high and mid-level they are not [given] ranks equivalent to their level. For example, a military academy student went to study in Vietnam as a 1st lieutenant. When he came back he was equivalent to a sergeant or corporal. Why is this so? Will this not hurt his morale?

I hope you can clear it up for me. Please forgive me if there are any grammatical mistakes. Phonsavat, International T.M. [Expansion unknown], Vattay.

[Answer] To Comrade Phonsavat. First of all, forgive be [but] I want to tell you that your written Lao is not correct in spelling and in grammar. Thus, you need to practice and restudy. I could mention quite a lot, e.g., the phrases you wrote (10 ek, 10 tho, san soung, san kang, sap son) and many others. They are all wrong. However, I am able to guess what you wanted to write was (sergeant, corporal, high-level, mid-level, assigned). So that is why I want you to restudy, especially writing the Lao alphabet, to have correct spelling. Your phrases have all been corrected, and I hope you are satisfied with them.

I would like to discuss your question in two parts.

1. At whatever level a student finishes his study abroad as well as within the country he will be given rank at that level. This has been carried out for a long time, and I have not yet seen anything like you mentioned. There might be some cases such as mid-level graduates who have not yet been given rank because they need to have on-the-job experience for a period of time first. It could be like this. It used to be that some high-level graduates could not even do low-level work. In speaking this way I do not mean to

insult the diploma or high-level graduate at all. The examinations on the actual work after students have graduated at any level is possible. The reason for this is to know the quality and ability of that student and whether he really is at the high-level curriculum. This is the examination that has been carried out. However, it has never happened that the Ministry of Education made the rank equivalent right after graduation, as you wrote. That is only an old story that is brought up in a general way without careful thought.

2. You mentioned something about [someone] who graduated as a 1st lieutenant from a military academy. Is this true? I really doubt that for military academies in countries such as Vietnam as well as in other places that I know, that when one graduates from them with good grades he will receive a rank of 2nd lieutenant. Those who graduate with an average grade will be sub-lieutenants and the lower grades will be master sergeants (the former rank) or sergeant as in our country today. You should check it out to be sure, and we can discuss it again, or you were especially good at your study and made 1st lieutenant right after graduation. I really doubt that.

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CSO: 4206/84

POSSIBLE SHIFT OF CAPITAL TO KEO-OUDOM DISCUSSED, DISTRICTS NOTED

Vientiane VIENTIANE MAI in Lao 25 Aug 82 p 2

['Conversation with the Editor' Column: "How Many Cities Are There in Vientiane Capital and in Vientiane Province?"]

[Text] [Question] To the editor. I have an interesting problem that I often used to discuss with my friends, and no one has been able to clear this problem up for me.

1. I have heard that Vientiane Province and Vientiane Capital have divided themselves into two separate sections. Is this true or are they still combined as province-capital as before?

2. If they really were separated, how many districts are there in Vientiane Province and in Vientiane Capital? What are they? Where will the Provincial seat for Vientiane Province be located? I hope you can clear this up for me. Thank you. Viangmani, 13 August 1982.

[Answer] Dear Comrade Viangmani. First of all I would like to thank you for your letter. I would like to discuss it as follows.

1. It should not be just a rumor but it was officially announced that the former province-capital has now been divided into 2 separate divisions which are called

--Vientiane Capital or the Capital of Vientiane
--Vientiane Province.

2. Vientiane Capital consists of 7 towns: 1. Chanthabouli; 2. Sikottabong; 3. Saisettha; 4. Sisattanak; 5. Hatsaifong; 6. Saithani; and 7. Nasaithong. Vientiane Province consists of 9 towns: 1. Phon Hong; 2. Keo-Oudom; 3. Vang Vieng; 4. Kasi; 5. Saisanasomboun; 6. Thoulakom; 7. Hom District; 8. Paksan; and 9. Pheung Branch-District.

As for Vientiane Province's seat, it is now located in Vientiane Capital (in the former Vientiane Trade Section). If you wish you can contact them directly. As for Vientiane Capital, it is located at the same place (Dalasamout School).

As for the future [seat] of Vientiane Province, it might be located in Keo-Oudom District. This [information] is based on the plan only. I myself think Keo-Oudom District is the best location for it. I think if hotels and recreation areas are built there I am sure that the people of the capital will stay over night there regularly. If you don't believe me, just try to build beaches at Nam Ngeum Reservoir with convenient hotels and good roads. I believe Vientiane Province will have a fairly good income from tourists because the Nam Ngeum Reservoir is no different from a small sea.

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CSO: 4206/84

CHAMPASSAK ASSISTS PRK PROVINCE IN REPAIR WORK

Vientiane SIANG PASASON in Lao 26 Aug 82 pp 1, 3

[Article: "Champassak Assists Stung Treng Province in Shop Repairs"]

[Text] On the afternoon of 12 August, in Stung Treng Province in the People's Republic of Kampuchea, a ceremony was held to transfer a trade outlet that was repaired by Champassak Province.

This is a two-story building with 7 rooms, 25.4 meters wide and 26.4 meters long, that Champassak engineers and workers have been repairing from 5 June 1981 until 22 July 1982. A total of 661,146 kip worth of repairs was made.

In the ceremony Mr Thong-In Thammakot, assistant secretary of the provincial party committee and the chairman of the provincial administrative committee of Champassak, and Mr Khamphan Thivong, assistant secretary of the provincial party committee and the chairman of the provincial administrative committee of Stung Treng Province, took turns giving official speeches for giving and accepting this building in the presence of invited guests on both sides. The chairmen of both provinces referred to the brave fighting heritage and the glorious victory which the people of the two nations, Laos and Kampuchea, achieved in the protection and construction of their own countries in the past. They especially pointed out the special and solid friendship, solidarity, and cooperation in all aspects that steadily grows between the people of Champassak and Stung Treng Provinces.

On the visit and transfer of the trade outlet that was completely repaired to Stung Treng Province, representatives of Champassak Province also participated in additional discussions with Stung Treng Province involving cooperation concerning the economy, education, culture, and other aspects in order to steadily and endlessly strengthen the relationship between the two provinces and the people of the two nations Laos and Kampuchea.

9884
CSO: 4206/83

BRIEFS

NEW VIENTIANE DISTRICT POPULATION--Bolikhan District's population is 55,299 persons and 8991 families. This includes 8,191 agricultural families under 15 cantons; 11 cantons primarily engage in wet rice paddy production. This district is subordinate to Vientiane Province and is located in the middle of many [rivers], e.g., the Nam Kading, Nam Son, Nam Ngiab, Houai Thavai, Houai Ching, and Houai Mang. Each river flows to the Megong River all year round. The area is lowland that is easily flooded by water from the Mekong or the other rivers mentioned. The ricefields in all of Bolikhan total 6,341 hectares, and 1,646 hectares of swidden ricefields. Because the ricefield area is smaller than the number of families in the population, each year the district farmers' important responsibility is to expand their ricefield area. [Excerpt] [Vientiane SIANG PASASON in Lao 26 Aug 82 p 2] 9884

GUERRILLA STRENGTH--Along with the attentive work of strong protection of the lives and property of the people within the locality, in the beginning of July a guerilla unit in Laman Canton, Laman District, Saravane Province also organized political studies and training in strategy and fighting tactics. Over 100 cadres and guerilla combatants from many different villages participated. After the political lifestyle campaigns and the military training mentioned, they raised political ideology, strategy, and fighting tactics another step higher in order to strengthen the military forces of the people in the locality, and to ensure and maintain the peace and security of the nation. [Text] [Vientiane SIANG PASASON in Lao 21 Aug 82 p 1] 9884

STUDENTS IN CSSR--Two hundred and twenty Lao students are studying Czech for three months in the Language Center for Foreign Students in Veselicko, South Bohemia. After completing their language study these Lao youth will be trained for three years in economic fields by the Czechoslovak Socialist Republic. [Text] [Vientiane SIANG PASASON in Lao 21 Aug 82 p 4] 9884

PHONG SALY DISTRICT POPULATION, COOPERATIVES--Mai District is subordinate to Phong Saly Province. It adjoins Samphan and Khoua Districts on the north, Luang Prabang Province on the south, and Lai Chau Province (Vietnam) on the east. It is a fertile district that has plentiful natural resources. There are wide ranges of beautiful mountains, cliffs, and forests that alternate with marshes and streams. Presently in all of Mai District there are 11 cantons, 108 villages, 2,589 families, and 2,532 houses. Its total population is 16,189 people, including 8,261 women. There has been a change in rice

farming from privately owned , scattered holdings to cooperative units within their district. All over Mai District, co-ops now total 29 units, 10 units of highland rice farming and wet rice farming, and 28 units of highland rice farming co-ops. Based on the report of the district committee for Mai District, there are 672-13 hectares of completely planted ricefields over the entire district. They harvest almost 2 tons per hectare on the average each year and since the co-ops have been set up none of these co-ops has had a rice shortage. [Excerpts] [Vientiane SIANG PASASON in Lao 23 Aug 82 p 2] 9884

VANG VIENG POPULATION--Nowadays Vang Vieng District has a population of more than 52,000 people. There are 6 cantons and 213 villages. [Excerpt] [Vientiane VIENTIANE MAI in Lao 25 Aug 82 p 1] 9884

CSO: 4206/84

BRIEFS

EGYPTIAN ENVOY LEAVES--Egyptian Ambassador to Nepal Fawzi Mahbub left here Thursday morning after completing his term of office here. [BK210425 Katmandu THE RISING NEPAL in English 15 Oct 82 p 1]

CSO: 4200/51

HAQ INTERVIEWED BY 'XINHUA' CORRESPONDENT

BK161020 Karachi Domestic Service in English 1700 GMT 15 Oct 82

[Text] President Mohammad Ziaul Haq has described Pakistan's relations with China as model relationship. In an interview with XINHUA and Radio Beijing correspondents in Rawalpindi on the eve of his forthcoming visit to China, he said the two countries have the most friendly relations and these are relations which could be the envy of any country.

The president said China is a bigger partner and Pakistan is a smaller partner. China has been able to allow us to maintain a relationship on an equal level of fraternity and freedom.

Speaking highly of the principles of peaceful co-existence, China has followed in the international relations, he said China has set an example for the larger country. The People's Republic of China has never interfered in the internal affairs of any country, especially of the smaller ones. He said we are proud of being China's neighbor.

Referring to Pakistan's stand on Afghanistan issue, the President said that the problem should be solved politically. He pointed out that the UN resolution can form the basis for the solution of this problem and a successful conclusion can be achieved.

Referring to the indirect talks on Afghanistan in Geneva, the President emphasized that he will not compromise on the four principles which we have followed all along. These are: that the foreign troops must withdraw from Afghanistan, Afghanistan's status as a nonaligned Islamic country must be restored, refugees must return with honor and dignity to their homes and it should be left to the people of Afghanistan to choose the type of government they want.

Exactly on the same principles, he said: We support the stand of noninterference in Kampuchea. We believe outside interference is not in the interest of international peace.

On the situation in the Middle East, he said unless the people of Palestine are allowed to have a homeland of their own and UN resolutions are implemented by the withdrawal of the Israeli forces from the occupied homeland, there could be no solution to the Middle East problem.

Referring to the Iran-Iraq crisis, the President said both sides should find a peaceful solution to this problem. We hope that not in the too distant future the ceasefire and solution will be found.

He said Pakistan has followed the five basic principles of peaceful co-existence which China has also advocated. We have followed the principles of non-interference in anybody's internal affairs. We have also followed the principle of cordial relations and relationship on mutual respect and understanding, irrespective of the size and people of the country or the form of government they may have.

Speaking about the achievements in the economic reconstruction, he said the backbone of the country's economy rests on agriculture. The agricultural production has increased by 4 percent while the national economy as a whole registered a growth rate of 6 percent. Such economic improvement has been the result of hard work of the people.

The President said he is looking forward to meeting with the Chinese leaders and exchanging views with them on international issues and bilateral matters during his forthcoming visit to China.

In conclusion, the President conveyed good wishes from the people and government of Pakistan and his own self for the prosperity and progress of the great people of China. He said: We wish and pray that China will continue to progress and play the role that China deserves to play in international field.

CSO: 4200/52

HAQ REAFFIRMS SOLID FRIENDSHIP WITH CHINA

BK180755 Karachi Domestic Service in English 1700 GMT 18 Oct 82

[Text] President Mohammad Ziaul Haq has said that it is the endeavor of both Pakistan and China that all peace-loving forces should be strengthened and there should be such a system in which countries--big or small, powerful or weak--could live in peace according to their way of life. He was speaking at a banquet given in his honor in Beijing this evening by Chinese Prime Minister Zhao Ziyang. He said it is gratifying that Pakistan and China are working shoulder to shoulder for preservation of peace and the elimination of war. Like China, Pakistan has no aggressive designs against any one or to trample the life of others. We only want that the internationally recognized principles should be adhered to and every country should have the right to live in peace with honor and dignity.

The president said we greatly value friendship with China and feel proud that it has grown with the passage of time. Despite changes in the region and at the international level, their friendship had not only withstood the test of time but had become enviable for the entire world. President Mohammad Ziaul Haq said it was imperative to remove all causes of conflict wherever they exist so that peace is strengthened. He said Pakistan looks with admiration about China's efforts to improve its relations with India and itself desires a tension-free relationship with its eastern neighbors. In this connection, Pakistan had taken the initiative and made the offer of a no-war pact to India to promote mutual confidence. We are determined, he said, to take forward this process so that it could lead to the signing of such a pact as well as improvement in bilateral relations.

The president strongly condemned the Israeli aggression against the Palestinians in Lebanon and reiterated Pakistan's stand that lasting peace in the Middle East could only be achieved by respecting the national independence and territorial integrity, the [word indistinct] by Israel of all occupied Arab territories including al-Qods and the right of the Palestinians to set up their own independent state.

The president said Pakistan supports the eight-point program adopted at the third Arab summit for a solution of the Middle East crisis. He said President Reagan's plan has a number of (?aspects) which could help bridge the existing gulf in achieving a settlement of the Middle East problem.

The president said another serious problem in Pakistan's neighborhood was that of Afghanistan which still remains unresolved. As a result of this problem 2.8 million refugees have been forced to seek shelter in Pakistan. The president said Pakistan was looking after the refugees and would continue to do so in accordance with its Islamic obligations and on humanitarian grounds. He said they wanted a solution of the problem whereby these refugees could return to their homes with honor and dignity, foreign troops withdrawn from Afghanistan and the Afghan people allowed to have the government of their own choice in accordance with their own principles.

The president also referred to the Iran-Iraq war and made a spirited appeal to the countries to end the war in view of the sanctity of the month of Muharram and to resolve their disputes peacefully.

General Mohammad Ziaul Haq also referred to Kampuchea. He said, like Afghanistan, in that country also international principles had been trampled. He said Pakistan strongly condemns the military intervention in Kampuchea. He said we want the independence and sovereignty of both Afghanistan and Kampuchea to be restored and the people of these countries allowed to determine their future themselves without any outside pressure.

In his speech, Chinese Premier Zhao Ziyang said the development of Sino-Pakistan friendly relations is conducive not only to the prosperity of the two countries but to the maintenance of peace and stability in Asia and the world at large. He said China and Pakistan are faced with the common task of safeguarding the independence and sovereignty and developing the national economy of their respective countries. We are willing to work together with our Pakistani friends to make up each other's deficiencies, help meet each other's needs and on the basis of equality and mutual benefit further develop the friendly relations and cooperation between the two countries in political, economic, cultural, scientific, technical and other fields.

Zhao Ziyang said relations between the two countries had grown in strength and developed steadily despite the vicissitudes of the international situation. These relations have stood the test of time. The Chinese prime minister said since his last visit to Pakistan a year ago, the international situation has become more turbulent and unstable and the Afghanistan question remains unsolved. As is known, the Afghan question stems from a superpower's military invasion of Afghanistan. Therefore, a genuine settlement of this question can be reached when the superpower withdraws all its troops from that country. He said Pakistan, upholding justice and adhering to peace, has worked tirelessly for a just solution of the Afghanistan problem and provided generous humanitarian aid to the Afghan refugees now in Pakistan. He said the just stand taken by Pakistan has won widespread commendation and support from people the world over as well as the deep admiration of the Chinese people.

He said in foreign relations Pakistan firmly pursues the policy of independence and nonalignment and endeavors to strengthen its unity and cooperation with other Third World and Islamic countries. It works hard to improve relations with other countries in South Asia. He said Pakistan has achieved marked successes in defending national independence and sovereignty and developing national economy. He said to strengthen our unity and cooperation with other Third World countries and develop and consolidate Sino-Pakistan friendship are the set policies of the Chinese Government. He reiterated that China will as always resolutely support the government and interferences from outside and defend national independence and state sovereignty.

CSO: 4200/52

HAQ REITERATES PEACEFUL FOREIGN POLICY

BK091223 Karachi Domestic Service in English 1715 GMT 8 Oct 82

[Commentary by Enamur Rahman]

[Text] President Gen Mohammad Ziaul Haq has said that Pakistan as a peace-loving country had always followed a policy of peaceful coexistence and opposed aggression. Addressing army officers and men at Attock yesterday he said Pakistan had endeavored to foster an atmosphere of trust, confidence, peace and tranquillity among the nations at global level in general and earnestly desired to have fraternal ties with the neighboring countries in particular.

There is no doubt that ever since independence Pakistan had endeavored to promote the cause of peace and goodneighborly relations (?between nations). It had extended total support to any move designed to create international amity and good will and to eliminate causes of friction. As a member of the United Nations dedicated to the principles of its charter, Pakistan had always tried to foster its faith in the international law and morality and had consistently advocated settlement of disputes by peaceful means. In fact, her solemn dedication to principles and a deep aversion to expediency constitute the cornerstone of Pakistan's foreign policy. That is why Pakistan has been able to resist successfully any pressure from outside to deviate from the principled stand on vital international issues.

To begin with, Pakistan had consistently upheld the Arab cause, especially the Palestinian cause because it is just and based on principles. She had cultivated friendly ties with all countries, especially the Muslim states, consistent with its peaceful universally recognized principles. Wherever any [word indistinct] have occurred that is because Pakistan has reacted adversely against a clear violation of these basic principles. One instance is Afghanistan, where the Russian military presence is in utter violation of the principles of international law and constitutes an assault on the sovereignty and independence of Afghanistan. Yet Pakistan has done nothing to provoke or alienate the Soviet Union with which it has tried to cultivate the best of relations. Indeed, bilateral relations between the two countries had been maintained in the practical sense and were reflected in the continuing

growth of economic and commercial cooperation. Pakistan, however, continued to work for a political solution of the Afghan crisis. It had welcomed the EEC initiative for an international conference on the subject and talks with the personal representative of UN Secretary General Perez de Cauller. Pakistan had demonstrated its eagerness for a peaceful solution of the Afghan problem at the Geneva talks, which it hoped will produce some positive result.

With India, Pakistan had always tried to develop friendly ties in order to remove the causes of tension which had bedeviled relations between the two countries for a long time. Under the terms of the Silma agreement both Pakistan and India are committed to a settlement of disputes, including the question of Kashmir, through peaceful means and Pakistan had tried to remain true to the principles of the Simla agreement ever since it was signed in 1972. In order to reinforce these principles Pakistan had offered a no-war pact to India and had made sincere efforts to persuade the Indian leadership that such a pact was in the best interest of the two countries [words indistinct] to ensure peace and tranquillity in the entire region.

Pakistan believes that in the wake of the developments in Afghanistan, both India and Pakistan have the highest stake in strengthening each other and in promoting mutual trust and confidence. Pakistan, as the president has emphasized, wants stability in the region and has no aggressive designs against anyone. Aggression and war lead to chaos and destruction and no country can hope to survive or make any progress unless it sincerely strives to join the quest for international peace and tranquillity.

CSO: 4200/52

MAHBUBUL HAQ INTERVIEWED ON ECONOMY

Karachi DAWN in English Economic and Business Review 26 Sep 82 pp I, IV

[Text]

PAKISTAN's economy is healthier than most economies in the developing world, though it also suffers from major weaknesses. This view was expressed by Dr. Mahbubul Haq, the Deputy Chairman of the Planning Commission who has had the opportunity, as he said, to look at it closely during the last six months.

Dr. Mahbubul Haq, who was Director in the Policy Planning Department of the World Bank before joining his present post, also identified the sources of strength and the elements of weakness in the Pakistan economy and said, "we have to draw on the sources of strength and see how we can cover the weaknesses."

In an hour-long interview with M. Ziauddin of Dawn Economic & Business Review in Islamabad, Dr. Mahbubul Haq responded to about a dozen questions on various aspects of the national economy and spelt out in some detail the governmental policies relating to its different sectors.

Here are excerpts from the interview:

Q. You have observed Pakistan's economy form inside and outside. Would you tell us what exactly is wrong with it, assuming there is something wrong, and what corrective measures you would like to be taken?

A. I have tried to look at this economy from inside for the last six months and I find that there are tremendous sources of strength and also major weaknesses.

The sources of strength are that we have a healthy production base, we have managed a good growth rate of six per cent a year, there has been good financial management through which inflation rate has been kept down below two digits — 8 per cent this years, we have done extremely well in the agricultural sector, the income distribution in respect of the poor classes has improved — the remittances mostly going to the poorer classes — and zakat has put a safety net below the poorer of the poor, the bottom 15 per cent of the population or about 1.5 million families.

Weaknesses

But there are also weaknesses. The social services are badly neglected. On education and health, we have spent about one-fifth of what other developing countries are spending. We do not have adequate coverage of public services — electricity, water, roads — to rural areas. We have not liberated the economy from controls and regulations. We have not looked after the interests of middle income groups, particularly in urban areas, who see a major erosion in their fixed incomes.

So basically, we have to balance our developmental programmes. We have to continue the momentum of increased production, particularly in the agriculture sector, and create more infrastructure.

Q: It is claimed that the country's economy has been growing at an annual average rate of six per cent. Do you feel this is a realistic assessment?

Growth rate

A: Our real growth rate has been much higher than the official estimates. In fact I have been arguing with my colleagues that officially the growth rate is underestimated. For some major crops like wheat, rice, sugar, cotton there are fairly good estimates. But in many other sectors these are rough estimates and very conservative. For example, construction has been booming. You can just look at the figures of cement consumption and know how construction has been going on, which is logical in any period of inflation. Yet the growth rate that is shown in this sector is very small, because there is an old methodology which ties it down to unrealistic indicators, similarly, in minor crops, fruits, vegetables and many other sectors, some time the growth rate is taken at the same rate as the population growth. It has been the historical methodoly. My feeling is that in minor crops, small-scale industries, construction, even in trade, this is underestimated. The real growth in the system has been more, in the neighbourhood of seven to eight per cent.

Q: Would you identify the factors that have contributed to this kind of growth?

A: A number of factors have contributed to it. Better economic management was a major factor. In the case of agriculture, better support prices have meant that farmers made use of fertilisers, seeds and other inputs because now they could get a very good rate of return on their crops. In most cases the prices that farmers receive are either at the level of international prices or even above, like in sugarcane.

Most of the additional growth comes from agriculture. And there it has been a matter of policy changes. Support prices, good subsidy and a good rate of return to farmer. Agriculture is in private hands, they saw the incentives and moved quickly.

There has also been improvement in industry, a nine per cent per annum growth rate. There, it was more a matter of management of public enterprises which improved.

Q: Was this accomplished by changing the objectives of public enterprises from social to commercial?

A: So far as the social objectives of public enterprises are concerned, they could have been only twofold. One is increased production and the second would be better distribution. As such I cannot understand why we say that public industries, without meeting any of these objectives, were meeting some social objectives. But for the first time they are meeting these objectives because we define them as increase in employment, production, distribution and bonuses to the workers. For the first time we are also setting up performance criteria in social terms for each public enterprise. I do not think industries make major contribution to social objectives by either losing money or by raising prices endlessly.

Q: Are there any concrete plans for implementing your suggestion that a balance should be struck between the private and public sector?

A: Let me try to put this issue in perspective. There are two issues involved. One is the total industrial investment we must have for our future development. At the moment the total industrial investment, both private and public, is only one per cent of the GNP. In other industrialising developing countries it is roughly four per cent of the GNP. So, there is enough room for both public and private sectors. Because our total industrial investment is very low compared to what our future needs are. The dialogue unfortunately has been too much on public versus private. Secondly, I strongly believe that public sector should play only a catalyst role and in many cases it shoulf withdraw, if the private sector is willing to come forward with money, initiative and enterprise. This should create the room for it.

Denationalisation

Q: You have said that a number of industries like vegetable ghee and cement should be given back to the private sector. But so far no progress appears to have been made on this score?

A: The denationalisation issue has to move through several stages. One, you open up all the industries, which have been in the public sector, also to the private sector in future. That is what we are doing all along the line whether it is vegetable ghee or cement, except that there will be some industries like the steel mill which we cannot pass on to the private sector.

The second question is what to do with the existing nationalised industry. You cannot denationalise them simultaneously in one year. Supposing today there are 26 ghee industries and you try to sell all of them in one year, there is not enough money to buy them. So there has to be a phased denationalisation, depending on the capacity of the market and for that there must be a conscious policy. In each case there should be a realistic plan of action. Do we want to denationalise? Over what time? What kind of units? And then how are we going to do it?

Thirdly, there is a great limitation at the moment. Probably, there is more desire on the part of the Government to hand over units but there is limited desire on the part of the private sector to buy these units and for obvious reasons, because the private sector has the option to invest in these industries and to take up new units. They can set up their own pattern of investment. Engineering goods industry is going to open up the steel-based industries which have an exciting future. There is agro-industries and other avenues. These are all realistic issues confronting you when you come down to the nitty-gritty of nationalisation issue.

A partnership

Basically, the Government has to spend a lot of resources in the Sixth Plan on both physical and social infrasturcture. No government has enough resources to take care of all these legitimate needs and yet be able to look after public industries and a number of other things. Yet a few limited things the Government will be able to do. As such there will be a great keenness on the part of the Government on pragmatic grounds to make the private sector partners in it. They should buy these units, take shares in it, become partners. Whether there will be similar keenness on the part of the private sector, I am not too sure.

Q: Do you think if there is no option, the private sector would consider buying these units more readily?

A. I do not want to impose a ban It would really be forcing a choice on the private sector, telling them you must take the old units off our hands We should not dump these units if we cannot run them or if they are inefficient. I think it will be unfair to suggest that no new units be given to the private sector. Let them come in, compete. Competition is the best thing that can happen between the public and private sector.

Deregulation

Q: Is it realistic to talk of deregulation in a planned economy, an economy which is also afflicted with limited resources and shortage of infrastructure facilities and is heavily dependent on borrowed resources?

A. There are two issues here. In any planned economy, there are some overall policy regulations that you need to have. But I find that the policy controls are generally weak in this economy. The administrative controls are very strong where discretionary powers come in.

What I mean by policy controls is that we can give guidance to the system. What kind of industrialisation pattern is in the national interest, what kind of concessions and facilities we will give for that, where we will give a tax break and where we will not and then within that policy framework, individual units will come up. There will be a short negative list and some restrictions on capacity in limited consumer item industries. Take for example agriculture. Here we adjusted the support prices of the crop, gave subsidies on various inputs, arranged credits for large and small farmers. In this sector, there has been a major breakthrough.

Now, there is other aspect. There are people who are desperate to get a number of services early because their industry is held up and they are going to suffer a major economic loss if they do not get these services. They are quite willing to pay, under the table, to some people who may have the power to give these services. Here the question is, how far you can use the pricing system to give these services which are in short supply to people who are willing to pay the highest, not to somebody below the table, but directly to the Government above the table. We are doing it, for example in case of tubewells. There is a subsidy of Rs. 1,500 per tubewell but also we brought in a policy parameter that if somebody wants a tubewell immediately there wont be any subsidy but the connection will be given. So the pricing system can be an instrument to replace the discretion.

And, secondly, of course, the only way to overcome these issues is to remove the scarcity itself, to invest in a major fashion in the infrastructure and remove these shortages. Thirdly in order to help, we would like very much to get the private sector in. If the private sector can set up their own generators, their own thermal stations, even airlines. We are considering a second airline in the private sector.

Q: Not banking?

A I am talking about infrastructure at the moment, physical infrastructure.

If I may just digress for a minute, in agriculture also the system of rationing is still there on wheat and sugar. We have lived with wheat rationing, for the last 40 years. But if we get into this surplus economy in wheat that we are trying we could have moved towards derationing. We are in a postion to do that in sugar. So the only real solution for scarcity economy is to remove scarcity. We are trying to see how we can take care of this through more pricing mechanism, rather than through adminstrative controls

Sixth Plan

Q: On what kind of model would you like to base the Sixth Plan?

A: The model of development is something that a country evolves according to its needs over time and it keeps changing because the needs of the economy keep changing. But the sense of direction has to remain the same in terms of development plans which is how best to balance a strong production base with a strong social consiousness. How to marry the ends of production and distribution because one without the other will die and wither away. That balance that you bring between production and distribution is where the typical genius of any country comes in. The model for the Sixth Plan is to bring this balance between improvement in production base and improvement in the lives of the people. That is why we are pursuing two related strategies. We must continue to increase our production by six to seven per cent a year and even more. And at the same time we have to balance it by much greater investment in our social services of education, health, clean water, greater balance between urban and rural areas so that they become full partners in development.

Cost of the Plan

Q: Would you like to tell us how much will it cost to implement such an ambitious Plan?

A: We have very preliminary exercises as to what it is going to cost us to pursue production, infrastructure and social services. The onvestment needs in the Sixth Plan, will be larger compared to the past, for two reasons. One, there has been neglect of infrastructure in the past. There has not been much development in energy, communictions or water supply. Secondly, they have increased because we are going to adjust our expenditures in education, health and low income housing.

Q: How are you planning to boost agricultural production?

A: Through a variery of devices. One, a very good rate of return to the farmer on his production. Two, a major improvement in the availability of services to the farmers like electricity, roads and social services. Three, a major improvement in farm mechanisation, particularly small tractors, because 90 per cent of our farmers are small farmers. Four, by opening up the possibility of exports and by organising the marketing system for it sothat farmers see an incentive not only to produce for the domestic market but a huge international market. We are one of the few developing countries which have comparative advantage to export food. Not many countries are in this business. They are competing in industrial exports.

Food exports

Q: In view of the existing unfavourable terms of trade for primary commodities, do you think it is possible to get a reasonable return on the prop-

osed investment in agriculture by boosting food exports?

A: You are right, on primary produce the developing countries really get exploited. Today all the developing countries together are getting 50 billion dollars for primary goods exports and the consumers in the developed countries pay about 300 billion dollars for these items — banana, tea, coffee, coco —andin between the 250 billion dollars is taken away by the multinationals who process, ship, advertise and distribute them. These are the international services that the developing countries themselves should organise, the Third World multinationals.

The lesson to be learnt is not that we should not be getting into food exports but we should send them in a more processed form. We should handle the processing. That is why I am keen on village electrification so that agro-industry comes up all over the rural areas. Chain of cold storages everywhere. Marketing services should emerge. Because our markets are very close at hand in the Middle East. That requires skill, management and technology. But there is now a whole new class of educated people who have emerged. Many of them are going outside trying to set up international services in banking, insurance and distribution. Why cannot they do it if this field is opened up here.

Q: How crucially is the Sixth Plan dependent on the negotiations you are having with the World Bank for a five-year consolidation of debts?

A. Let me put it the other way. Pakistan in the Sixth Plan is going to offer to the international community one of the most dynamic societies that may be around in the developing world. I cannot think of many developing countries which will be trying to have six to seven per cent growth rate, where there will be a gradual liberation of economy from some of these current administrative controls, and which will offer opportunities and markets both domestically and internationally. I will suggest that it will be in the interest of the international community to take a chance in Pakistan's economic future. It is in their interest to ensure that our net assistance, which has dropped to 20 per cent of gross, scales up in the Sixth Plan period. They should find some means, either of consolidating debts and refinancing. We will pay each and every penny of the debt that we will incur. But the idea is to put them together whatever payments we are going to make in five years and say okay we will pay it over a longer period (20 years with five years grace on easy instalments) and that way we get a certain breathing space in which we can manage our affairs and get the needed resources for major investments that we have to make in infrastructure and social services alongside the production basethat I was just describing to you. So I wont say that the Sixth Plan is dependent on one particular thing, whether foreign loans, domestic efforts, agricultural breakthrough, infrastructural investments. They come together. It is a very delicate mechanism in any economy or Plan.But this is an important issue for us. And I would suggest that it is a far more important issue for the international community. They should rethink their options in the developing world. It is in their interest that they come through with this consolidation and major relief during a key period which is needed for our major economic breakthrough.

Q: If they dont come through?

A: I never speculate on failure. I always like to speculate on success. We are always prepared for the worst but we never speculate on it.

CSO: 4200/27

TAIWAN BUSINESS DELEGATION IN KARACHI--QUESTIONS RAISED ABOUT ENTRY

Karachi DAWN in English Economic and Business Review 26 Sep 82 pp I, IV

[Article by Shaheen Sehbai]

[Text]

A GROUP OF businessmen from Taiwan has just completed a fortnight's visit to Karachi reportedly on the invitation of a private import-export firm though all their efforts to gain official patronage met with a firm refusal.

The group and its Pakistani host, however, succeeded in meeting local exporters and importers to discuss trade prospects, especially import of Taiwan-make goods in Pakistan.

The businessmen last week also met an official of the Export Promotion Bureau but EPB sources later described it as a purely "courtesy call."

According to informed sources a meeting between the Taiwanese and the Karachi Chamber of Commerce officials was arranged on September 20 at the instance of the EPB but it was cancelled shortly before it could materialise.

An EPB official told DAWN: "The meeting had been inadvertantly arranged by the Bureau as a "routine". It is normal practice that when a visiting delegation seeks meetings with trade bodies, the EPB makes the appointments, without referring the matter to higher authorities. This was done in this case as well.

"But when the EPB high-ups came to know that the traders were from Taiwan, they immediately pulled out of the matter and informed the Karachi Chamber to cancel the meeting immediately."

"The EPB did not want itself to be involved with the Taiwanese in any way," a senior official said.

The firm which played host to the delegation is believed to maintain the position that it was "one of the many delegations which come off and on from China."

Officials of the firm would not admit that they belonged to Taiwan, but had no answer to the question as to why the visit was kept so secret.

An EPB official said the firm had persistently tried to enlist EPB patronage and wanted the EPB to entertain the delegation members like a trade delegation from any other country. This was firmly declined.

A market survey shows that goods made in Taiwan have made an increasing appearance in the last few months, although Pakistan has no official trade with Taiwan.

Business circles say many importers get Taiwanese goods through dealers in Hong Kong and Singapore and these goods reach here with "Made in Taiwan" stamps clear and visible.

The 1982-83 Import Policy of Pakistan, however, does not exclude Taiwan as a banned country like Israel and South Africa. Goods originating in these countries cannot be imported here but Taiwan does not appear to fall in this category.

This was probably the first at-

temptt by Taiwanese businessmen to seek a tacit official patronage for boosting Pak-Taiwan trade on a bilateral basis, though on an unofficial level.

The main question that arises however is how these businessmen got into Pakistan because Pakistan does not recognise Taiwan. No travel facilities exist between the two either.

Business sources say the visit was in response to similar visits paid by some Pakistani traders in the past and since Taiwan did not object to the entry of Pakistanis, it was so arranged that the Taiwanese did not face any problem while visiting Pakistan.

One possible explanation available was that since Taiwanese carried passports of "Republic of China", the name Taiwan uses, our immigration people could may not have detected the difference between the "Republic" and the People's Republic and let them in.

The question of how and where they got their visas to visit Pakistan, still remains a mystery. Part of the answer should be known to the Pakistani host firm and also in official circles.

CSO: 4200/27

POLITICAL AGENT SHOT DEAD

Karachi DAWN in English 26 Sep 82 p 1

[Text] PESHAWAR, Sept 25. Political Agent, North Waziristan, Mr. Abdul Hamid, and a Jawan of Tochi Scouts, were reportedly shot dead by a group of apparently tribal miscreants in Karkanrwam, while the deceased were performing official duties, says an official Press Note issued here today.

The Press Note said, on Sept 23 an official jeep while on its way from Janer post near Bichikashakai to Meer Ali in North Waziristan was stopped by the miscreants and the officers travelling in the jeep were deprived of their belongings including a rifle.

On receipt of information that these miscreants have taken refuge in Karkanrwam, North Waziristan, the Political Agent, North Waziristan, Mr. Abdul Hamid Khan, alongwith commandant and a small contingent of Tochi Scouts immediately rushed towards Karkanrwam via Bannu. The miscreants on seeing the party started firing, as a result of which the Political Agent and a Jawan of Tochi Scouts were killed and four others sustained injuries.

The injured were rushed to the nearest hospital for medical treatment.

The Commissioner, D. I. Khan and other officials have arrived in Bannu to supervise the situation.

The provincial Government has paid glowing tributes to late Mr. Abdul Hamid Khan, who sacrificed his life in the discharge of his official duties. The Press Note lauded his devotion, dedication and dutifulness and placed on record the highest appreciation of his dutifulness.

Late Mr. Abdul Hamid Khan was buried in his native graveyard in D. I. Khan, this afternoon.-

CSO: 4200/27

SIND GOVERNOR SAYS KILLERS OF BHOPALI ALMOST IDENTIFIED

Karachi DAWN in English 26 Sep 82 pp 1, 11

[Text]

Lt Gen S.M. Abbasi, Governor of Sind, said in Karachi on Saturday that the alleged killer of late Zahoorul Hassan Bhopali had "almost 90 per cent" been identified.

Talking to newsmen during the tea break at the Sind Provincial Council meeting the Governor said "in our view the killers are still hiding in the city".

He said that the Sind Police through the help and cooperation of a Federal agency, worked out a sketch of the alleged killers with the help of the "identikit". The eye witnesses have borne out the sketch to be that of the alleged killer, he added. He said the administration was considering whether to publicise that sketch and put it on display at public places and also to release it to the media in order to lay the arms of the law on him.

Replying to a question, the Governor said he was fully satisfied with the todate progress made by the police into Mr Bhopali's murder.

He didn't agree with certain Press reports in which it was suggested that a high police official's attitude was blocking the progress of the investigation. "It's not a matter of files only", the Governor said, adding that the police was doing more field work than the file work. He said through the investigative progress, the police had succeeded in identifying the particular terrorist group, to which the alleged killer belonged.

When aked to name that particular terrorist group, Gen Abbasi said the national dailies had already published reports about it. The Governor also said that Mr Bhopali's murder was due to political feud.

Ilyas Siddiqi

He said that the third murdered man, who remained unidentified for a few days after the crime, was Ilyas Siddiqi beyond any shadow of doubt. It may be mentioned here that Ilyas Siddiqi was one of the 54 prisoners, who were flown out to Damascas on the demand of the hijackers of the PIA Boeing in March, last year.

The Governor said that Ilyas Siddiqi's involvement and also the use of foreign weapons in the crime proved well that it was not the work of any local group or people.

To a question whether the alleged killers had fled the city, the Governor said that the administration viewed that they were still present in the city.

Asked for his comments on the failure of the police to check the re-entry of Ilyas Siddiqi in Pakistan, Gen Abbasi said that the police could not be blamed for that. Watch on the movement of individuals in a city of over five and half million population was not possible. Moreover, such persons had been entering Pakistan from Kabul.

TPI adds: A correspondent asked whether Ilyas Siddiqi was trying to seem amnesty through Mr Zahoorul Hassan Bhopali the Governor replied not to my knowledge.

The Governor said detailed investigations are being made and as a result of these a sketch of the culprit has been drawn to arrest him at the earliest.

To another question, Gen Abbasi said a detailed discussion will be held on law and order situation in the province in todays (Sunday) session of the Sind Council. He said the House will be apprised of the measures taken to improve the general law and order situation.

Great patriot

The Governor also made mention of Zahoorul Hassan Bhopali's assassination during his speech, while inaugurating the two-day session of the Council. Late Bhopali, he added, was a victim of a terrorist group. He paid tributes to him and said that thisyoung man was a great patriot and supporter of the ideology of Pakistan.

The Governor remarked that the trends of terrorist activities are currently increasing in several parts of the world.

Gen Abbasi also referred to the tragic death of another Majlis-i-Shoora Member — Jibreel Siddiqi of Hyderabad who died in a road accident recently.

CSO: 4200/27

GRAPHITE FROM AZAD KASHMIR TO BE AVAILABLE FROM NEXT YEAR

Karachi DAWN in English 26 Sep 82 p 4

[Excerpt]

RAWALAKOT, Sept 25: The supply of graphite to Pakistan from the newly discovered deposits in Azad Jammu and Kashmir is likely to commence from the third quarter of 1983.

This was disclosed by President Brig Mohammad Hayat Khan, Azad Jammu and Kashmir while informally talking to newsmen here on Thursday. He said the PCSIR Laboratories at Lahore will provide details of the technology and machinery required for the purpose, most of which will consist of locally manufactured components the whole work will be complete by June 1983 and production start, he added.

On this occasion in Managing Director of AKMIDC (Azad Kashmir Minerals and Industrial Development Corporation) who also present, disclosed that graphite samples, have been duly tested and found to be nearly 95 per cent pure.

According to initial estimates, a total of 1.5 million metric tonnes of graphite deposits a.e present in the discovery area.

The AJK President said very high quality of rubies have also been discovered in the state.

CSO: 4200/27

RIFTS REPORTED IN PPP IN UNITED KINGDOM, EUROPE

Karachi DAWN in English 26 Sep 82 p 14

[Text]

LONDON, Sept 25: The intra-party rift in PPP (overseas) has created some serious problems for the party organisers not only in U.K., but in some West European countries as well.

The party sources in London are deeply worried over the situation which, according to them, is the result of personal differences between the leaders of various groups. Some party workers who belong to Khar group have started a whispering campaign against Dr Ghulam Hussain that he had no authority to call himself secretary general of the party, while the supporter of Ghulam Hussain group disapproved of the feudalistic manner of handling of party affairs by Mr Khar.

Recently some rallies and meetings arranged by the party in U.K. and elsewhere were boycotted by one or the other faction and its leader mainly due to internal feud.

Dr Ghulam Hussain has failed to get any support in the UK. He has also not been able to get a foothold in the West European countries.

A reliable party source has disclosed that in order to strengthen his position Mr Khar has been trying to establish liaison with some foreign countries. Only a couple of months ago he had a long meeting with a senior Russian diplomat in Paris. Khar group is attaching great importance to this meeting.

It is learnt that the different groups are making necessary preparations to present their case when Begum Bhutto visits London and some places in Europe in near future.-

CSO: 4200/27

TEHRIK TO TAKE PART IN MRD MEETINGS

Karachi DAWN in English 26 Sep 82 p 14

[Text]

PESHAWAR, Sept 25: Defunct Tehrik-i-Istiqlal would henceforth participate in the MRD meetings at all levels, but without accepting the offices in its permanent structure.

This was stated today by Syed Munir Shah Acting President of defunct Tehrik-i-Istiqlal, after receiving positive reply from Air Marshal (Retd) M. Asghar Khan from his residence where he is under house arrest.

According to him, Asghar Khan impressed upon him that he is not willing to interfere in party decisions, made on consensus. Syed Munir Shah, who had recently presided the meeting of National Working Committee of the party at Peshawar categorically refuted any signs of division in the said meeting on MRD issue. Instead, he said all decisions that it took were bearing total consent of the entire body.

He said the committee had unanimously decided to remain within the folds of MRD, extending its wholehearted cooperation in the struggle for restoration of democracy in the country. It however, was of the opinion that since the establishment of a permanent secretariat of the MRD was in contravention of four-point declaration of the MRD, Tehrik should not accept any office in the new structure. It further decided to carry on accepting the offices of conveners which come by rotation every month.—PPI

CSO: 4200/27

MRS BHUTTO'S MEDICAL REPORT SUBMITTED TO ZIA

Karachi DAWN in English 26 Sep 82 p 14

[Text]

ISLAMABAD, Sept 25: The medical report of Mrs. Nusrat Bhutto regarding her recent illness has been submitted to President General M. Zia-ul-Haq by the Federal Ministry of Interior, it is reliably learnt.

Mrs. Bhutto, desirous of seeking medical treatment abroad, had asked the Government permission.

A detailed report showing various stages of her illness alongwith a private doctor's recommendation has also been submitted by her along with the request to travel abroad.

Her medical report, after it was carefully reviewed by the Interior Ministry, was moved to the Ministry of Health for technical comments.

The Interior Ministry is learnt to have later sent Mrs. Bhutto's request for medical treatment abroad to President General M. Zia-ul-Haq without comments from the Health Ministry.

Meanwhile, biopsy test of Mrs. Bhutto, performed by a pathologist in Lahore, had reportedly hinted the presence of cancer germs.

CSO: 4200/27

BRIEFS

AFGHAN TALKS--Foreign Minister Sahabzada Yaqub Khan has said indirect talks on Afghanistan are to be resumed by the end of this month or in the second half of next month when the special representative of the UN secretary general on Afghanistan visits the area. His visit is expected to take place after the general assembly's debate on Afghanistan issue which is likely later during the session. The foreign minister was talking to newsmen on his return to Islamabad this morning after attending the first 3 weeks of the current session of the UN General Assembly. In reply to a question about the proposed nonaggression pact with India he said the next round of talks between the foreign secretaries of the two countries are to be resumed in December next. Although these talks could not be expected to achieve a spectacular or quick breakthrough, the two sides would certainly prepare the ground and consolidate the work that has already been done in this regard. Pakistan's endeavor in the normalization of relations with India, he added, was based on step-by-step approach. About the Iran-Iraq war he said Pakistan has made it clear to both the countries that it will be prepared to help bring at any time an end to the conflict. Referring to the Israeli aggression in Lebanon he said it has been of a major concern to Pakistan. About Pakistan's candidature for the Asian seat in the Security Council the foreign minister said they [as heard] had a good case and reasonable expectation of successes. [Text] [BK141149 Karachi Domestic Service in English 1005 GMT 14 Oct 82]

CSO: 4200/52

BRIEFS

UAE ENVOY PRESENTS CREDENTIALS--'Abd al-'Aziz Nasir al-'Uwayti, who has been appointed as first ambassador extraordinary and plenipotentiary of the United Arab Emirates to Sri Lanka with residence in New Delhi, has presented his letter of credence to President J.R. Jayewardene, the Ministry of Foreign Affairs announced on 30 September. [Text] [BK071305 Colombo SUN in English 1 Oct 82 p 3]

CSO: 4200/51

END

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No. 1209

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2 November 1982

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BRIEFS

UNEMPLOYMENT FIGURES--There has been a big jump in Australia's monthly unemployment figures with the number of people looking for full- or part-time work now more than half a million, exceeding the level set in 1933 during the great depression. Radio Australia's Canberra office says recent labor force figures showing that jobs were disappearing at the rate of 2,000 a day prepared the way for a big increase in the official unemployment figures. According to the latest figures, nearly 421,000 people were seeking full-time employment during September while another 84,000 were seeking part-time work. On the full-time unemployment figures, the number of job seekers rose by just over 35,000 between August and September, a percentage rise of .6 of 1 percent. The treasurer, Mr Howard, says much of Australia's unemployment is due to the prolonged international recession although he also pointed to local wage increases as a major factor. In Melbourne, the president of the Council Australian of Trade Unions, Cliff Dolan, has called on the federal government to resign and hold an early election on the issue of unemployment. The economics spokesman for the Australian Democrats, Senator Siddons, says the latest unemployment figures show the country is sliding into a serious depression. [Text] [BK071309 Melbourne Overseas Service in English 0830 GMT 7 Oct 82 BK]

CSO: 4200/57

BRIEFS

EAST KENG TUNG BATTLES--Combat news from eastern Keng Tung area: On 2, 3 and 5 September, guerrilla attacks conducted by small units of the People's Army in (Keng Nam) area, Mong Yawng and (Wan Ho-na) killed five enemy soldiers and wounded four others. On 10 and 13 September, two attacks launched by small units of the People's Army at Yangka and (Theyu) killed two and wounded three enemy soldiers. One carbine and some ammunition were seized from the enemy. On 11, 15 and 25 September, three mine attacks launched by small units of the People's Army in (Nwecho), (Wan Tong) and (Mong Yawng-Hpya Kyin) area killed five and wounded five enemy soldiers. [Text] [BK231016 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 23 Oct 82]

SHAN, KACHIN BATTLES--On 1 October, an attack by a small unit of the People's Army near (Kong Hmok) in (?Namlan) region of Central Shan State wounded two enemy soldiers from the military government's mercenary 18th Infantry Regiment. On 4 October, a small unit of the People's Army attacked the military government's mercenary 99th Infantry Regiment at (Mok Hwe), southeast of Lai-hka. Twelve enemy soldiers were killed and 10 others wounded in the attack. Combat news of the Kachin Independence Army [KIA]: On 11 and 14 October, a KIA unit attacked the military government's mercenary 38th Infantry Regiment at (Bon Tayin) Hill, about 8 miles from Kamaing. Sixteen enemy soldiers, including 2 mercenary captains, were killed and 24 others, including 2 mercenary majors were wounded. The KIA seized 1 G-2, more than 100 rounds of ammunition, a wireless transmitter and other military supplies. Battle report of the Shan State Army [SSA]: On 27 May, small units of the SSA made two attacks on the mercenary army--one at (?Na-kyeng, beside Nampang stream, and another at (Kawngsawng) in (?Namwai) Region. The attacks killed three enemy soldiers and wounded four others. On 5 June, an attack by a small SSA unit at (Loi Hin) new village in (?Keng Lon) Region resulted in one mercenary killed and another wounded. [Text] [BK240920 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 24 Oct 82]

GUERRILLA ATTACKS--On 23 September, a small guerrilla unit of the People's Army launched an attack near Kunhhing Road. The attack resulted in the death of four enemy soldiers, including a mercenary captain, and wounding two others. Combat news of the Shan State Army [SSA]: On 21 September, an attack by a small SSA unit at (On-ma-tet) resulted in the wounding of one enemy soldier from

the military government's mercenary 22d Infantry Regiment. On the same day, another enemy soldier was wounded when an attack was launched at (Kunhok) against the military government's mercenary 23d Infantry Regiment. The following day, 22 September, an attack by a small SSA unit against (Kunhok) Hill resulted in one enemy soldier being wounded. On 30 September, a small SSA unit attacked the military government's mercenary 99th Infantry Regiment at (Loi-hkawk) in (Keng Tawng) Region, Kunlong. One mercenary was killed and another was wounded in the attack. On 2 October, it was learned that two attacks in that same region--one at (Hsibo) and another at (?Loipek)--by small SSA units resulted in eight enemy soldiers being killed and seven others wounded. [Text] [BK170725 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 17 Oct 82]

KUTKAI, MONG NAWNG BATTLES--On 1 October, a People's Army unit attacked (Lawkhon) station near Namhpakka in Kutkai Region, killing 16 of the military government's defense volunteers. Sixteen more were taken prisoner and 4 rifles and over 200 rounds of ammunition were seized from the defense volunteers. Joint battle report from the People's Army and the Shan State Army [SSA]: On 21 July, a small combined unit of the People's Army and the SSA attacked the military government's 102d Light Infantry Division at (Nawng Chint) near (Tasampo) in Mong Nawng Region. The attack killed one enemy soldier and wounded another. On 25 July, a clash occurred with the military government's mercenary 67th Infantry Regiment on the Lashio-mong Yai Road. Three enemy soldiers were killed, some were wounded and one G-2 was seized during the clash. On 27 July, a combined unit of the People's Army and the SSA attacked the military government's mercenary 102d Light Infantry Division in (Pulane) in Mong Sang Region. Four enemy soldiers were killed, seven were wounded and one was taken prisoner. One carbine, one G-2, one G-4, ammunition and military equipment were seized from the enemy. On 8 and 10 August, a combined unit conducted two attacks separately at Wan Li in Mong Sang Region and at (Nalan) which is located east of (Nahpachaung) and near (Haimat) village. The two attacks killed three members of the military government's mercenary 102d Light Infantry Division and wounded three others. During the same period, a clash at (Hui Hoi) village in (Mong Nauk) Region killed an enemy soldier and wounded another. On 7 September, an attack conducted by a combined unit of the People's Army and the SSA near (Loiphantan) in Mong Kawng Region killed two enemy soldiers and wounded five. One G-2 and some ammunition were seized from the enemy. [Text] [BK160949 (Clandestine) Voice of the People of Burma in Burmese to Burma 1200 GMT 15 Oct 82]

CSO: 4211/5

AGRICULTURE MINISTER DISCUSSES FOOD SELF-SUFFICIENCY

BK191159 Jakarta OANA in English 0829 GMT 19 Oct 82

["Pool item"]

[Text] Jakarta, 19 Oct (ANTARA-OANA)--With the current production rate Indonesia has basically achieved self-sufficiency in food, Agriculture Minister Sudarsono Hadisaputro said in a televised interview here Monday night on the occasion of the World Food Day commemoration.

In the last three years Indonesia has succeeded in raising food production especially rice in a spectacular rate, attributed, by the minister, to favourable weather and better productivity of the farmers.

In 1980 the country nothced up a 12.8 per cent increase in the staple food production to 20.1 million tons from only 17.8 million tons in 1979. Last year the production figure rose again to 22.2 million tons which represented an increase of 13.5 per cent. This year the figure is predicted to go up again to 23 million tons.

The annual increases enable the country to raise food procurement from farmers.

In 1979 food procurement totalled only 431,000 tons. In 1981 the figure shot up to 1.9 million tons. By October this year food procurement, which is handled by the Board of Logistics (BULOG), had reached 2.1 million tons.

Consequently, rice imports drop from year to year. In 1979 imports hit an all time high of 2.6 million tons, but the following year in 1980 the figure dwindled sharply to only 1.1 million tons and down again to a mere 430,000 tons last year.

This year the import figure is predicted to fall still further down.

According to the minister, the world food situation looks better in the last few years although production rates still are falling behind the population growth rates in many developing countries.

"Many countries still are plagued by severe food shortages. Hunger casualties are still high in Africa," he pointed out.

CSO: 4200/57

GOLKAR STATEMENT ENDORSES PANCASILA

BK210819 Jakarta OANA in English 0747 GMT 21 Oct 82

["Pool item"]

[Text] Jakarta, 21 Oct (ANTARA/OANA)--The Functional Group, Golkar, stated Wednesday there is a need in ancitipation of the fourth 5-year development plan (Pelita IV--1984-1989), to reorder the basic and principal social-political affairs of the nation.

With this reordering it is hoped that the succeeding younger generation will in future be able to concentrate full attention on national development problems, holding on firmly to Pancasila as the only national ideology and the 1945 Constitution as the state Constitution.

In a political statement issued Wednesday night on the occasion of the 18th anniversary of Golkar, the Functional Group said further that the reordering in the social-political field should be based on the essence of the Indonesian nationhood as a society made up of multicomplex groups all committed to the ideal of Indonesian independence.

Thus for Golkar it is a matter of deep principle that all social-political forces in the country should reassert their respective loyalty to Pancasila as the one and only principle, so that there will no longer be any room for dualistic attitude in their political ideology or for any form of exclusivism in the political field. As the logical consequence of this loyalty, each social-political force should have the characteristic of being open to all Indonesian citizens.

History has proved that each time the existence of the nation was threatened, Pancasila and the 1945 Constitution emerged as the saviour. That is why since the birth of the new order a national consensus was reached to safeguard Pancasila and the 1945 Constitution purely and consistently. The appointment of some members of the People's Consultative Assembly [MPR] would guarantee that Pancasila and the 1945 Constitution could not be changed even in a constitutional way.

With the successes achieved in the national development, there is a need to renew the above consensus so that the safeguarding of Pancasila and the 1945 Constitution could be implemented with full respect to the right of MPR to amend the Constitution as provided in Article 37 of it. As such, the number of appointed members of MPR could be reduced by holding a referendum as a mechanism in exercising the authority of MPR. In other words if MPR desires to amend the 1945 Constitution it had to get the direct approval of the people as the source of sovereignty.

In its political statement Golkar emphasized that cooperative constituted the main vehicle for developing the economy of the people steadily towards realizing a strong national economy. Therefore, cooperative movement should be further intensified and consolidated and that there should not be fear that it might pose as a threat to other sectors.

The concentrating of economic power such as the emergence of monopolistic groups and cartels should never be tolerated.

Foreign investment and other available international funds would still be needed and should be utilized as additional capital for realizing economic independence and self-sufficiency, he added. [pronoun as received--no earlier reference to person].

CSO: 4200/57

YOUTH UNION ORGANIZATION DESCRIBED

Vientiane NOUM LAO in Lao 15-30 Jul 82 pp 3, 5

[Youth Union Feature: "Formation of the Base Level Youth Union Committee"]

[Excerpt] 2. Outline Organization of the Youth Union bases include:

Base level Youth Union Executive Committee, Youth Union units, and Youth Union groups depending on their special emphasis and the movements of each local unit in wards, villages, cantons, co-ops, factories, settlements, offices and organizations, hospitals, schools and base units within the army in order to set up the Youth Union organization in the bases properly aimed at making the Youth Union committee involved with the social movement to achieve the goals the party is struggling for as well as their own administrative authorities to which their units are subordinate.

The organization of the Youth Union in the bases might be one or many units depending on actual conditions. Any units with more than 3 members can be organized into a Youth Union unit. If there are more than 25-30 people it might be broken down into many different units. For units with many Youth Union members and Youth Union units, if it is considered necessary they might be able to form federated subordinate to the Youth Union administrative committee at the base level. The higher level Youth Union will set up and decide on the official age for membership and the responsibilities of the Youth Union federated units.

Youth Union units with at least 3-6 members must elect a secretary. If there are 7-8 members, they must vote for an additional deputy secretary. With at least 9 members they can elect an administrative committee. At the same time, they might be broken down into many groups and then select or specify who is to be chief and assistant chief of the Youth Union group.

The base level Youth Union administrative committee is 45-50 percent women. The Youth Union federated units can elect a secretary and an assistant secretary. If there are more than 9 on the committee they can elect a standing committee.

The base level Youth Union administrative committee, the Youth Union federated units, and the Youth Union units must divide up the work for each committee as follows.

The secretary has overall responsibility and [is in charge of] political and ideological training.

The assistant secretary is responsible for organization and inspection.

The first committee member is responsible for various work movements.

The second committee member is responsible for youth work. Any units and schools without youth [are separate from] the work movement.

If there is another committee it would be responsible for physical work, increasing production, sports, gymnastics, and military [affairs]. If there is no such committee this work must be given to a comrade responsible for the work movement.

II. Duties of the base level Youth Union committee. What are the responsibilities of the base level Youth Union committee?

1. Study and teach party policies, the government's plan, and the duties of the Youth Union committee to cadres, Youth Union members, and the Youth Union masses aiming at cultivating solid revolutionary principles and morality in the Youth Union. Guide and organize study to improve culture, science, military science, etc for the Youth Union, Guide the Youth Union members in general in building up their pure and innocent life style and help them to endlessly advance themselves in all apsects. These are the basic duties they must normally do.

2. Organize, mobilize, and guide the emulation process in the ranks of the Youth Union. [Guide] the youth to carry out the party's political work, the government's plan, and other work assigned by the higher-level Youth Union, e.g., work to increase production, saving [what they had earned], volunteering to serve in the ranks of the military forces, receiving military training to get ready for the brave and resolute struggle and to defeat all the enemies' tricks. These are the main duties.

3. Encourage all forms of organization movement to attract youth of 15-30 years of age who are in their units or localities, including those who are married but less than 30 years old, to join the organization. Divide up and assign Youth Union members of all classes to be in close contact with each level of the Youth Union and as nationalities in order to firmly grasp their ideology, goals, and living situation. Then study and look for ways to educate, train, and mobilize them to participate in physical work, studies, and different movements in society. This is considered [front line work].

4. Work to give the Youth Union organization a firm, solid political ideology, and organization especially the Youth Union units which must have the ability to firmly grasp and to be the driving forces in various kinds of work. Avoid having inert ideas; [instead], be a driving force to properly research, report, and solve all cases and all situations which occur in the Youth Union in their units and localities. These are the primary duties.

5. Be responsible for the youth work, pay attention to, study, and organize movements aimed at building up the [youth units] so that they can become continuing and expanding forces of the Youth Union in all aspects in order to carry on the revolutionary work of the party in the future. These are the immediate duties as well as long-term duties of the Youth Union.

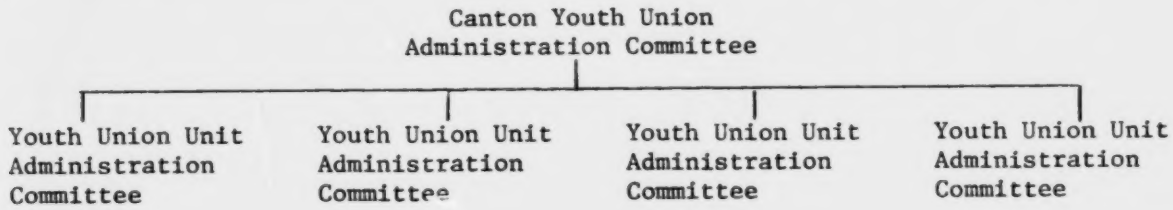
Questions for study:

1. What is the base level Youth Union committee?

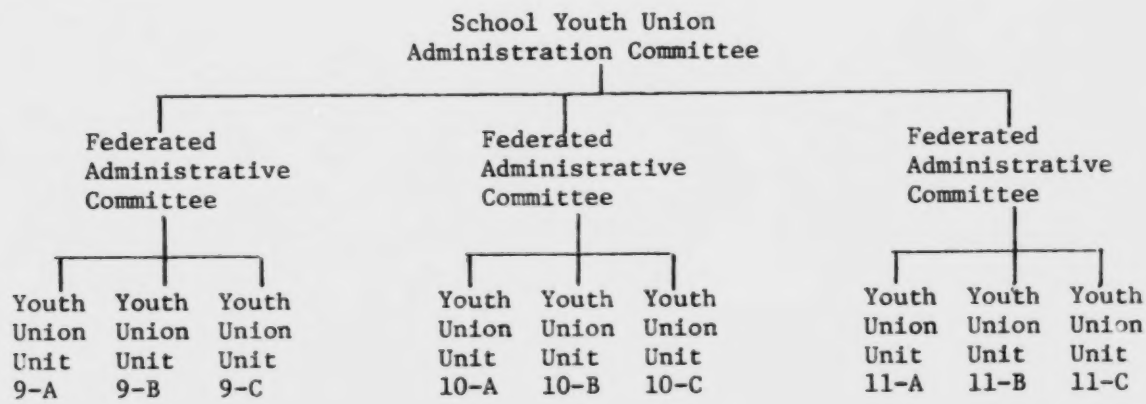
What do they aim at in order to form the base level Youth Union organization? What is the outline of the base level Youth Union organization? How do the base level Youth administrative committee, the Youth Union federated units, and the Youth Union units divide up work for individuals? What are the duties of the base level Youth Union committee?

Organization Plan for the Base Level Youth Union Organization System

1) Cantons



2) Schools



Offices and Regiments Youth
Union Administration

Factory Youth Union
Administrative Committee

- Youth Union Unit Office Administrative Committee
- Administrative Office of Unit Administration [as published]
- Factory Unit Administration
- Factory Unit Administration
- Factory Youth Union Unit Administration

9884
CSO: 4206/4

NOUHAK ORDERS RESTRICTIONS ON FISHING, USE OF CHEMICAL POISONS FORBIDDEN

Vientiane VIENTIANE MAI in Lao 8 Sep 82 p 2

[Feature: "The Resolution Concerning Organization and Control of Fishing in the Nam Ngeum Reservoir Under Vientiane Province"]

[Text] Considering the demand and capability for expanding fishing in the Nam Ngeum reservoir subordinate to Vientiane Province;

Concerning the results of the meeting of the standing committee of the Council of Ministers on 16 August 1982 concerning the organization and control of fishing in Nam Ngeum reservoir;

Considering the report of the Ministers attached to the Office of the Prime Minister;

The Council of Ministers has decided as follows:

Article 1. Nam Ngeum reservoir is a natural resource for the nation, and an important part of Nam Ngeum electrification. Investment, exploitation of, and business concerning this natural resource including fish raising, fishing, and fishing business all have to be under government control. No individuals, organizations, military, or police units have the right to fish or carry on any fishing business in Nam Ngeum reservoir without the approval of the fishing control committee. The government strictly forbids the use of poisons, explosives, other chemicals, and electricity for fishing in the reservoir.

Article 2. The provincial administrative committee of Vientiane Province is an organization assigned by the government with full rights to control all fishing in Nam Ngeum reservoir.

The machinery for controlling the Nam Ngeum reservoir is called the "Nam Ngeum Reservoir Fishing Control Committee." This is the administrative machinery. There are patrol units, an inspection division and light weapons section. All inspection and patrol activities must strongly cooperate with military forces, public security forces, and guerrilla-militia units in the Nam Ngeum reservoir area under the unified guidance of the Vientiane Province administrative committee.

Article 3. The government has set up the Nam Ngeum Fishing Company which is subordinate to the Vientiane Trade Service and grants it a monopoly for fish raising, fishing, fish purchasing, fish manufacturing protection, and fishing business. Meanwhile, it must be responsible for fish production to meet the needs of all central offices and organizations in Vientiane Capital and Vientiane Province (including all military forces of the center, Vientiane Capital, and Vientiane Province).

Outside of the Nam Ngeum Fishing Company, no organizations or individuals have the right to get fish in this reservoir.

Article 4. The organizations and persons who are permitted ot fish in the Nam Ngeum reservoir are:

--the Nam Ngeum Fishing Company;

--the fishing co-ops that are still doing fishing in the Nam Ngeum reservoir, and that have been granted a fishing license in Nam Ngeum reservoir preceding the issue of this resolution;

--workers who normally live around the Nam Ngeum reservoir, and cantons of many different districts subordinate to Vientiane Province who have been fishing preceding the issue of this resolution; no matter how many fish they catch they must sell them only to the fishing company;

--workers who are not engaged in the fishing business who live around the Nam Ngeum reservoir preceding the issue of this resolution will be permitted to fish only for family consumption.

The Nam Ngeum fish control committee must implement this resolution and reorganize registration for all units and individuals who engage in fishing in the Nam Ngeum reservoir so it will be easy to control.

Article 5. Organizations and individuals who are granted licenses for fishing and who engage in the fishing business in the Nam Ngeum reservoir as mentioned in Article 4 above must register for fishing with the Nam Ngeum Reservoir Fishing Control Committee; they will be able to fish only after the Nam Ngeum fish control committee has granted them permits. All fishing boats in Nam Ngeum reservoir must use registration plates made of stainless steel or wooden boards made by the Nam Ngeum Fish Control Committee, and they must be on both ends of the boat near the seat of the person who holds the tiller.

Article 6. All organizations and individuals who engage in fishing in the Nam Ngeum reservoir must pay taxes to the government through the finance organ of Vientiane Province. The finance organ of Vientiane Province must put 50 percent of this tax into the central budget. The provincial administrative committee of Vientiane Province has the right to keep 50 percent of the taxes for the expenses involved in the fish control operation in Nam Ngeum reservoir.

Article 7. The provincial administrative committee of Vientiane is given the right to plan and announce the detailed restrictions concerning fish raising,

fishing, protecting, buying, and distributing fish in the Nam Ngeum reservoir based on the protection of the government's interests and to properly improve benefits for all involved.

Article 8. The Ministers and Deputy Ministers, chairman and assistant chairman of the committee of equivalent ministries, the capital administrative committee chairman, and the chairman of the Vientiane Province administrative committee must be responsible for the implementation of this resolution.

All preceding resolutions that are in conflict with this one are hereby voided.

Vientiane 19 August 1982 signed for the Prime Minister, First Deputy Minister, signature and seal: Nouhak Phoumsavan

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NEW RESTAURANT, ICE FACTORY TO OPEN IN VIENTIANE

Vientiane VIENTIANE MAI in Lao 7 Sep 82 p 1

[Text] This coming November 1982 a restaurant will be opened in Sikottabong District to serve the masses. There will also be international food to serve international guests, as well as performing arts entertainment during the meals. A special item is that in one more month an ice factory will be able to meet the demands of the masses in Vientiane Capital.

Comrade Khampon Sivivat, director of the State Hotel and Restaurant Enterprise of Vientiane Capital, told VIENTIANE MAI on the morning of 6 August 1982 that this November the company will open an additional restaurant to serve international guests and the masses in Sikottabong District, Vientiane Capital. Presently it is under construction and repair. According to Comrade Khampon, the restaurant will be open to serve all the masses and domestic and international guests. Its special characteristic is that it will be a place for amateur performing arts to entertain the guests in the restaurant, i.e., to entertain the masses.

Comrade Khampon added that in terms of food service for the company up to now, if we average it out the response to the needs of masses can be said to be total. This means there are now a total of 15 international and mass restaurants in 5 cities in the Vientiane Capital area. The masses utilize each of them in large numbers.

At the end Comrade Khampon Sivavat repeated and added concerning the ice service for the masses in the Vientiane Capital area that this coming October the ice factory under the company will put in one additional ice-producing machine whose installation is now being started. When the installation is finished it will be able to produce as much as 90 tons of ice a day. The new amount plus that produced by the present system is considered sufficient for the demands of the masses within the capital. However, the ice production of the company today is already considered to meet half of the needs of the masses in the capital, which is 15 tons of ice per day.

9884
CSO: 4206/4

BRIEFS

MONG TRIBAL DISTRICT LABOR UNIT--In order to make the party's resolution concerning solidly and strongly turning all aspects of forces into bases a reality, starting on 24 August to 17 August 1982 (4 full days in all) [as published], the Central echelon of the Lao Trade Union [Federation] along with the provincial labor union including Mr Bouapheng of the Lao Central Federation of Trade Unions committee, Mr Simon, a comrade of the Lao Central Federation of Trade Unions Office along with one follower and Comrade Kong Phannivong, chief of the Vientiane Province Trade Union, and Comrade Sounthavong Southammavong of the Vientiane Province Trade Union together formed a work unit to improve trade union forces all over the province. Along with one representative of Keo-Oudom, the labor union successfully trained members and organized labor unions in Hom District, Vientiane Province. From a place that had nothing it now has both old and new labor union members formed into 1 district base and 2 unit bases. The members and the district labor union organization show the fruit of the party's concern, and the determination and attention of both the central and provincial labor unions. [There was] good cooperation from the district and a quick understanding and voluntary awakening of this district's workers and government employees who want to be leaders in all aspects of the two strategic duties, which are the protection and construction of the nation to become steadily stronger. [Text] [Vientiane VIENTIANE MAI in Lao 7 Sep 82 p 1] 9884

SPORTS TEAMS TO THAILAND--To continue the fraternal friendship between the people of Laos and Thailand, and to respond to the invitation of the governor of Nongkhai and the sports association of Nongkai Province, on the morning of 4 September 1982 the sports teams of Vientiane Province, LPDR, led by Mr Bounseng Phengsouk of the provincial administrative committee of Vientiane Province set off on their trip to join the friendship sports competition in Nongkhai. There were two sports that Vientiane Province participated in this time, badminton and basketball. These two sports competitions created a very cheerful atmosphere for the people in Nongkhai, and they were loudly and endlessly applauded and praised by the people in Nongkhai. The teams returned safely to Vientiane on the evening of the same day. [Text] [Vientiane VIENTIANE MAI in Lao 7 Sep 82 p 1] 9884

SAVANNAKHET INDUSTRIAL PRODUCTION--K. P. L.--In the first 6 months of 1982 workers of several companies and factories in Savannakhet Province all promoted the working class spirit in actively carrying out their work and guaranteed to achieve the first 6 month plan as expected. Several factories exceeded expec-

tations. These included the Lao International Transportation Company which transported goods and other materials for trade companies in Vientiane, Khammouan, Champassak, Saravane, Attopeu, etc, with a total of over 13,000 tons. Soft drink factories produced 10,442 liters of different kinds of soft drinks, 50.85 percent of the plan; 1,616 tons of ice was produced, 172.06 percent of the plan; 29,700 bars of soap were produced, or 41.25 percent of the plan. The Na Tia salt factory produced over 80 tons of salt which exceeded the expected plan by 7.97 percent. The workers in each place are now continuously carrying out the second 6 month plan to score glorious achievements in the spirit of emulation to implement the Third Party Congress fruitfully and victoriously. [Text] [Vientiane VIENTIANE MAI in Lao 28 August 82 p A3] 9884

CSO: 4206/4

'STRONG POSITION' TO BE TAKEN ON KHMER ISSUE

BK121307 Kuala Lumpur NEW STRAITS TIMES in English 11 Oct 82 pp 1-2

[Article by Cheong Mei Sui]

[Text] Malaysia is expected to take a strong position on the Kampuchean issue at next week's commonwealth heads of government regional meeting (Chogrm) in Fiji which Datuk Sri Dr Mahathir Mohamed will attend.

The five-day meeting in Suva begins on 14 October.

Singapore, another ASEAN member attending the meeting, is likely to support Malaysia's view.

Datuk Sri Dr Mahathir, who has just returned from addressing the United Nations General Assembly, has expressed disappointment over India's statement on Kampuchea.

In his speech at the UN, Indian External Affairs Minister Narasimha Rao said: "The advent of an alliance of convenience whose real content is too thinly veiled to need any unravelling should not distract our attention.

"Once the fear of the return of the holocaust is removed and the threat to their territorial integrity and sovereignty is ended, the people of Kampuchea will be willing and eager to get foreign troops to leave their soil."

Foreign Minister Tan Sri Ghazali Shafie too was disappointed with the Indians, who have recognised the puppet regime of Heng Samrin in Kampuchea.

"How can he (Mr Rao) talk of a threat to sovereignty and territorial integrity of Kampuchea when the country has already been debauched by Vietnam?" Tan Sri Ghazali asked.

The Indians are expected to take a low profile at the Chogrm. New Delhi's relations with Suva have been strained since the recent Fiji election.

The Indian High Commissioner accredited to Suva had to leave following allegations of Indian meddling in Fijian politics.

Indian Prime Minister Mrs Indira Gandhi will not be present in Suva for the Chogrm and will be represented by Mr Rao, said diplomatic sources.

Said an ASEAN diplomat: "Malaysia and Singapore may have to take a high profile on the Kampuchean issue and criticise the Indians to get what we want on to the communique."

Mr Rao's statement in the UN is seen to be tantamount to a renegation of the Indian assurance to ASEAN that New Delhi would not do anything that would harm ASEAN's interest on the issue.

At the 1981 non-aligned foreign ministers' meeting in New Delhi, Malaysia, Singapore and Indonesia had to fight hard to get the acceptable wording on the Kampuchean situation.

The original draft put up by New Delhi was unacceptable to ASEAN as it did not mention Kampuchea by name.

At the second Chogrm held in New Delhi in September 1980, Malaysia and Singapore expressed satisfaction over the wording of the communique on the Kampuchean conflict although there was no mention of the Vietnamese.

The communique then underlined the need for a comprehensive political solution in Kampuchea to bring about durable peace and stability in South-East Asia.

The 16 heads of government from the Asia-Pacific region at the talks expressed "grave concern over the persistence of foreign intervention and interference in Kampuchea" which affected the peace and security of the whole region.

The leaders stressed the need for the withdrawal of foreign troops from that country.

Obviously referring to India, Singapore Premier Lee Kuan Yew told a news conference then:

"There were some people who thought that we should not make specific references to particular actions, whether they were armed or unarmed."

In Suva, Malaysia and Singapore expect no less than the position already taken at the New Delhi Chogrm. "In fact, we want more," said an official.

CSO: 4200/57

BRIEFS

TRADE PROTECTIONISM--Datuk Sri Dr Mahathir Mohamed expressed Malaysia's readiness to lend support to developing countries in this region in opposing the Australian trade protectionism policy. The prime minister sayd he understands the needs of the small nations; however, the bigger powerful countries should open their markets and this means they should not practice protectionism. He was speaking to newsmen on arrival in Suva, Fiji, to attend the third commonwealth heads of government regional meeting beginning tomorrow. Datuk Sri Dr Mahathir clarified that Malaysia did not have any trade problems with New Zealand. He reiterated his call to the wealthy nations like Australia to expend the trade opportunities with the developing nations. The prime minister criticized developed nations which still refused to ratify the Law of the Sea convention. He described their action as unfair as they were maximizing the benefit gained for their own countries' interests only. The United States is one of the countries that have not ratified the convention. [Text] [BK121439 Kuala Lumpur Domestic Service in English 1330 GMT Oct 82 [as printed]]

CSO: 4200/57

FOLLOWING GANDHISM TO BRING ABOUT ISLAMIC REVOLUTION RIDICULED

Lahore NAWA-I-WAQT in Urdu 10 Aug 82 p 10

[Article by Abdul Qadir Hasan: "Non-Political Talks; Punjabi Gandhi"]

[Text] At an intersection of Murree Road, Rawalpindi, there was a display of various cloth banners which said that the chief speaker of a television program "Al-Huda", Dr Israr Ahmad would give a lecture from such and such date. The next day, one of the English newspapers of Islamabad gave a report of his first lecture along with his photo in a special pose. This report was so strange that I could not believe what I was reading. I contacted the newspaper and learned that they, too, had published that speech with astonishment and bewilderment. Still, I waited 1 more day before saying something about the speech with the hope that some clarification about it might be published, but nothing happened.

Speaking on the question of true Islamic revolution in Pakistan, Dr Sahib rightfully said that partial solutions would not help to establish an Islamic society. Instead, it required a complete revolution like that in Iran. However, the stage by stage program suggested by Dr Sahib for bringing about this change and Islamic revolution, is worth contemplation for every Muslim. While presenting this program, he declared its first step to be non-violent resistance. He described Gandhi's movement for non-violence as its practical example. He said that they would have to follow the path of non-violence and gentleness like Gandhi in order to bring about an Islamic revolution. After that, he stated the second stage and said that that too, would be like Mahatma Gandhi's movement for salt. During his movement for salt, Mahatma Gandhi opposed the government by resisting its authority. Dr Sahib described the third stage of the program to be a direct armed campaign as practiced in Iran. He said that they could not bring about a true and perfect Islamic revolution without passing through those three stages.

It is feared that due to the impatience and restlessness with which Dr Israr Ahmad is trying to march forward and the manner in which he is handling the disputed matters in order to get more publicity, he would be unable to progress and would continue to stumble. Needlessly and without reason, he first expressed his ridiculous views on the Pakistani flag, the national anthem, vermicelli and embracing each other on the occasion of 'Id. Now he has completely gone off the track to accept Gandhi, an enemy of Islam and

Muslims, as his Imam and is describing his campaign as an example for the Islamic movement. He appears to be so much influenced by the Indian propaganda that in the same lecture, he has also said that Pakistan was not founded by the Muslim League. If it were so, the Muslim League would not have become a "drawing-room" party after Pakistan's establishment. Historically speaking, his viewpoint is so wrong that there is no need to argue about it. One of his revered brothers, the Frontier Gandhi, also shares the same viewpoint and says that Pakistan was founded by the British.

Unfortunately, the great idol he has sought from the idol-house of the Hindus to safeguard the Kaaba for the Islamic revolution would not serve his purpose. In this regard he, supposedly a scholar of religion, will have to study Islamic tradition to find out as to what stages the Holy Prophet had to pass through to bring about the Islamic revolution. The Holy Prophet's nation and revolution are unique in their disposition. It is an atrocity to liken it to others. It contains all those stages through which one will have to pass whenever one tries to establish an Islamic system. Mohammad at Mecca, Mohammad at Medina and the Prophet's armed wars with the non-believers are all different stages of the Islamic revolution. His life at Mecca depicts a stage of patience and silence while faced with oppression and persecution by the non-believers. If Dr Sahib had called this as the first stage of the Islamic revolution, it would have been nearer to truth. Similarly, all other stages too can be found in the life of the Holy Prophet. However, if the matter had been presented like this, how could it have been construed as news? News is something new. The new thing was that our scholar of faith described Gandhi as being ideal for the Islamic revolution and he cut off the Muslim League from the movement for the establishment of Pakistan. Dr Sahib is making a tremendous progress and by the will of God, the number of his followers is also increasing. Columnist like me are also thankful to him for providing us with so much material that inspite of our efforts to ignore him, we are compelled to write a column on him every week, thus enhancing his popularity. Our senior reporters have advised us that if there is no news, "go to the zoo and you will definitely get news from there." Now the columnists also say that if no topic is found from anywhere, go to one of the serial lectures of Dr Sahib or read about it in the newspaper and one is provided with material. Merely for the greed of a topic, however, we cannot request Dr Sahib to go on saying whatever comes to mind, since some of the things he says are such that they really hurt the feelings of the Pakistani Muslims. Gandhi was the greatest political enemy of the Muslims of the sub-continent and the attitude of Gandhi's followers in Pakistan towards their own country is also clear to all of us. However, they are all political people. They do not thrust Gandhism upon us in the name of faith and religion, but whatever Dr Sahib has said in this regard is really hard for us to digest. Even those in Pakistan who are nominally Muslims cannot bear to see that an idol-worshipper and non-believer like Gandhi be regarded as their guide and that his footsteps be followed. If Dr Sahib deems it proper, he should not try to become a Punjabi Gandhi in order to bring about a revolution of God and His Prophet's religion. We shall be grateful to him for that. Baluchi Gandhi has already passed away and the Frontier Gandhi, by the will of God, is still alive. He is more than enough to hurt our feelings. Dr Sahib also claims that hs is not a political person. These followers of Gandhi are political people. For this reason, therefore, it is better to keep away from them. When Dr Israr does enter politics, and this stage does not seem very far, he, just like politicians, may wander in any valley he wants to!

9779
CSO: 4203/184

IRRITATION EXPRESSED OVER PETTY HISTORICAL SQUABBLES

Rawalpindi TAMEER in Urdu 17 Aug 82 p 2

[Editorial: "How Long Will These Arguments Last"]

[Text] Pakistan was founded 35 years ago. This period of time is not lengthy enough for the life of a nation, but it is not that short either for a nation to remain entangled in the arguments about the role played by various political elements during the campaign for freedom and the parts played by various parties and individuals to achieve that freedom.

Pakistan is unfortunate in the sense that less effort has been made to achieve the objectives for which freedom was gained, while, through a discussion of the ideology of Pakistan, there have been more claims made as to who founded it. On one hand there are people who not only declared the demand for creating Pakistan on the basis of political reasons and requisites of wisdom wrong, but also, with the support of the teachings of religion, pronounced the demand to be against Islam. However, after the establishment of Pakistan, they became the sole heirs of the ideology of Pakistan. They started claiming that they alone had the right to decide as to what sort of system should be practiced, what sort of government and fundamental constitution should be established and who should run the government in Pakistan. On the other hand, there are those who, although they opposed the campaign for the foundation of Pakistan and stayed away from the struggle for its establishment, claim that the creation of Pakistan is the outcome of those struggles they and their companions launched to achieve the freedom of their country. Besides these people, there are those who feel that although they were connected with the Pakistan movement and also struggled hard to establish this state, after freedom their task is no more than to receive the reward for the hard work and sacrifices they made during the struggle for freedom, and they should continue to receive compliments by recalling their deeds.

Very few eyes, however, perceive the feelings, wishes and crushed sentiments of those people who aimed at, and with a clear concept in their minds, promoted this movement with their sweat and blood or the silent masses who endured numerous hardships and made sacrifices by playing the key role to establish this state, and after its foundation, gave up their lives to

maintain and safeguard it. By the grace and benevolence of God, Pakistan has lived through enough number years for any nation to be established firmly and to solve its primary problems. Therefore, it does not befit us now to waste time in such discussions. It is essential for the common Pakistanis to know about the circumstances under which this country was founded, what factors were in its favor, what powers were fighting against it and what feats were overcome to establish this state. These things, however, should be presented to the public in an academic manner and as historic facts. Those who wish to present facts should write articles or publish books and read theses in academic gatherings. Those people who disagree with the facts presented by someone should in a similar scholarly manner correct those facts. They should acquaint the people with the correct incidents according to their knowledge. This is the method adopted by serene and responsible nations. It is not wise to make every problem a subject of statements to the press and to create an atmosphere of confrontation in the country by starting a moral and political argument.

Similarly, it is inappropriate to take the ideological discussions to the extent of the citizens' loyalty to the country. Everyone in Pakistan is a patriot. If our work is based on this positive thinking, the consequences would be positive too. Giving a constant impression that the country is full of traitors and its integrity is always in danger can never prove helpful in the healthy growth of a nation. Those who call each other anti-Pakistan, have, by the will of God, at one time or another been in power. No one knows more about the reality of these accusations than those people themselves. What harm was caused to the integrity of the country when they were in power should be left for their opponents to think about. We feel that there is goodness for all in giving up this negative way of thinking and getting rid of immature manner of action.

9779
CSO: 4203/184

GOVERNMENT TO LAUNCH DRIVE AGAINST SUBVERSIVES

OW130333 Quezon City RPN Television Network in English 1100 GMT 12 Oct 82

[Text] The government meanwhile will launch a massive counteraction against subversives. This was one of the things taken up by President Marcos at his meeting today with governors and mayors belonging to the KBL [New Society Movement]. It was the first of a series of meetings the president has scheduled for this week after his Batasan address, during which government projects, including ways to meet the expected economic recovery, were discussed. Jose Carlos was at Malacanang with the KBS news [word indistinct]

[Begin Carlos recording] The president today announced that the government will soon undertake a massive counteraction against subversives and dissidents in critical regions. The president made the announcement in his meeting with governors and city mayors of the country at Malacanang this afternoon. The chief executive said local governments and the military must have better coordination to effectively implement this operation. Within the local government, the president urged an end to petty bickering among local executives belonging to the KBL majority party and present a united front in the program of development. A divided party, he stressed, becomes the object of subversive infiltration and results in the delay of various government projects. [end Carlos recording]

[Begin Marcos recording] The party is becoming so big that I am concerned that it will divide naturally, because of these struggles and factional fights. Let us not commit the same error that has been committed by big and dominant political parties. [end Marcos recording]

[Begin Carlos recording] During the 3-hour meeting, the governors and mayors presented a unanimous resolution to the president congratulating him, the first lady and the official party for a highly successful visit to the United States. The president also told local executives of a periodic meeting between cabinet ministers and governors and mayors, preferably every 3 months. Tomorrow the president will discuss development problems with representatives of the private sector. [end Carlos recording]

CSO: 4200/57

NATIONAL CONCILIATION URGED IN VIEW OF POLITICAL CALM

HK160828 Manila TIMES JOURNAL in English 15 Oct 82 p 4

["Viewpoint" column by Salvador P. Lopez" "Reply to Amnesty International"]

[Text] As President Marcos surveys the political landscape following his return from the United States, he must be considering measures to allay the apprehensions which had been created by the stepped-up military activity and the many arrests that had been made on the eve of his departure. There are two, possibly three ways of interpreting the significance of the situation of relative tranquillity that prevailed in most of the country during the period of his absence.

One, that the precautions he had taken were so effective that the planned disturbances were completely aborted. Two, that no such disturbances were planned at all, and therefore there was nothing to abort. Or, three, the opposition does not have the capability to mount the kind of domestic turbulance that would have competed with the visit for the big, black headlines of the newspapers.

The contrast between the grinding tension of the days prior to the departure and the relaxed atmosphere attending the arrival could not have been more startling. Has the contrast persuaded Mr Marcos that the precautions taken on the eve of the visit were wholly unnecessary? If so, should not care be taken to guard against the contrary error of indulging in excessive euphoria over the success of the visit?

These considerations must weigh on his mind as he reflects on the commitments, tacit or explicit, which he might be thought to have undertaken in the course of the visit. These would include a commitment to strengthen cooperation between the Philippines and the United States in defense of the principles of independence, peace, justice and liberty. Next would be a commitment to maintain the thrust towards an increasing measure of democracy and human rights in the Philippines. And third, a commitment to expand mutually beneficial cooperation in the areas of security, financial assistance, trade and investments.

If he is to gain the momentum of the generous sentiments the visit has produced in President Reagan and his close associates, then President Marcos' first duty would be to moderate rather than exacerbate the political situation in the

Philippines. A policy of aggravated polarization within the national society would severely reduce the capability of his regime to do its share in promoting bilateral cooperation in the areas of most urgent need. Only a policy of national reconciliation and peace honestly and patiently pursued would lead to such a result.

The familiar pro forma invocations to "national unity" will no longer suffice. There must be a credible attempt at negotiating with the opposition the nature and scope of a proposal for the reorganization of the nation's political life. The primary objective of such a proposal should not be an assurance of the continuity of personal power but rather the survival of the national society in conditions of peace and enhanced well-being.

If President Marcos still believes that he can muddle through without any further consideration of the potential benefits of conciliation, then, of course, that is the decision he will make. But since, at this late stage of his political career, he must reach a decision in terms of the country's long future, then he has a clear obligation to make sure that such a decision is taken on those terms alone and not on any other.

The tone of his public statements since his return give warrant for believing that he may be seriously considering a policy of conciliation. Of so, then he must give thought to the best means of dramatizing the significance of this approach. High on the list of possible measures to that end would be a policy of limited amnesty.

Amnesty for political prisoners is normally resorted to by a regime after achieving a certain measure of stability so that it is not longer under serious threat or challenge. By this definition, Mr Marcos would be justified in considering a policy of limited amnesty starting with the labor leaders and others who were suddenly arrested only a few days before he left for America. The amnesty should eventually be extended to other political offenders who have been languishing in jails and detention houses around the country during the past many years. It's high time these forgotten victims of the impersonal rigor of martial law be granted amnesty and released to their suffering families so that they can pick up the pieces of their broken lives.

The amnesty, at first, would be particular and conditional; later, as it is gradually found to be working, it could be made general and absolute. The change would of necessity be correlated to the improvement of the nation's political climate. Forgiveness will beget forgiveness in the same way that hate breeds hate.

Amnesty would provide the most powerful single impetus to a policy of fulfilling President Marcos' assurance of the regime's commitment to human rights. Amnesty would be his most effective and convincing reply to Amnesty International.

CSO: 4200/57

VIRATA DISCUSSES ECONOMIC GROWTH RATE

HK190141 Manila BUSINESS DAY in English 18 Oct 82 p 3

[Text] The government expects a 4 percent growth of the economy in 1983, compared to the 4.1 percent target (originally 5.1 percent) set for this year, Prime Minister Cesar Virata told BUSINESS DAY.

Mr Virata noted there are certain favorable developments abroad, while others go against a full recovery of the world economy. The performance of the world economy, particularly of the leading trade partners of the Philippines, forms a main consideration in the government's economic strategies for next year, he indicated.

With uncertainties still haunting the United States, Japan, Europe, and the Middle East countries, the government wants domestic activities in the meantime to shore up the Philippine economy, he said.

Economists in both government and private sectors partly attribute the slack in domestic business to the slowdown of exports in past three years as recession struck the industrialized countries.

"Three years of recession is enough, and other countries may feel the same way," Mr Virata said.

Commodities: Mr Virate said the copper market has perplexed the government. With supply of copper concentrates going down, prices have remained depressed. Copper producers consequently have needed government help. "Nobody is certain when prices would start to move up," he said.

On textiles, the government is negotiating some agreements with the buyer-countries, hoping to improve on contracts that will expire this year.

In electronic products the government foresees continuous growth, Mr Virata said. But the need is to introduce more software, he added.

On the government intention to move in the domestic front to activate the economy, priority among the sectors is on agriculture, particularly corn production which will provide livestock feed and export earnings from Japan, Mr Virata said. The strategy in agriculture is import substitution--such as for wheat, corn, cotton, and dairy products--and for export production--for potatoes, papaya and rubber.

In industry, the government will continue to introduce reforms by linking the extractive industries such as mining with processing industries, such as smelting. The ultimate goal is to link them with the manufacturing sectors.

The government will also continue to invest heavily in energy development in the next five years, since domestic energy can make factories more competitive against those in other countries with no indigenous energy sources, Mr Virata said.

He said that this year the government expects the country to reduce its dependence on imported energy to 68 percent of total requirement, from 95 percent in 1974 when the energy development program started, and to about 45 percent by 1987.

With government investments in infrastructure, Mr Virata expects that construction can remain strong sector.

Funding: the main problem in achieving these goals is financing. The government has obtained the go-signal of the World Bank to get some $2.3 billion in both commercial loans and official development assistance next year.

Mr Virata said this target for foreign borrowings remains despite the 4 percent growth goal. (The 6.5 per cent yearly target under the 1983-1987 development plan.)

"The loans can be committed next year, but the actual drawdowns can be done in subsequent years," Mr Virata said.

For 1983, the government estimate of a 4 percent growth apparently considers a lower investment program of government as reflected in the budget allocation for 1983.

CSO: 4200/57

MARCOS CREATES PHILIPPINE-U.S. TRADE COUNCIL

HK081429 Manila TIMES JOURNAL in English 8 Oct 82 pp 1, 6

[Article by Veronica T. Velosoyap]

[Text] President Marcos created yesterday an 11-man council to expand trade and investments relations between the Philippines and the United States.

The Philippine-United States Business Development Council, to be headed by Ambassador Benjamin Romualdez, would integrate and coordinate efforts of the private sector and government agencies engaged in trade and investment promotion with those at the Philippine diplomatic posts in the United States.

The executive order places under the council all U.S. consular posts, service attaches, Philippine centers, Philippine promotions house, trading centers and other government corporations and their subsidiaries in the United States.

The council will help establish priorities and eliminate duplication of efforts.

The council's creation is a result of President Marcos' state visit to the United States, which generated among Americans a keen interest in doing business in the Philippines.

Signed September 30 by the president en route home from Honolulu, Executive Order No 831 was described by some local business sector as "long overdue."

"It is in the interest of the Philippines to further expand its participation in the U.S. market and to attract American capital in pioneering and preferred areas of investments," the president said in his order.

With an appropriation of peso 2 million, the council is empowered to:

Review Philippine Government policies affecting exports to and investments from the United States and make necessary recommendations to the president.

Monitor the conditions of access for Philippine products in the United States and making appropriate representations with the U.S. Government for the liberalization of these conditions.

Monitor Philippine quota and GSP [expansion unknown] utilization levels.

Publish product catalogues and buyer's guides as well as maintain an effective trade and investment opportunities referrals' system.

Assist the Philippine Embassy in Washington and the Ministry of Trade and Industry in organizing trade and investment missions and in holding in-store promotions.

Organize trade and investment seminars in the United States.

The council chairman will appoint two vice chairmen, one to coordinate Manila operations and the other to coordinate the council's field activities.

The executive director will be the special trade representative of the Ministry of Trade and Industry now assigned to the Philippine Embassy in Washington. This special representative will implement the council's work program.

The council is thus composed of the Philippine ambassador to the United States; a representative each from the ministries of foreign affairs, trade and industry, finance; a representative each from the National Economic Development Authority, the Central Bank, National Food Authority, Philippine Chamber of Commerce and Industry; the presidential executive assistant or his representative; and two from the private sector to be appointed on a two-year term.

The council will also formulate its policies and prepare the annual work program for the president's approval.

The council's chairman has the power to use the services of technical and administrative personnel of other government agencies.

In addition to the peso 2 million appropriation, the president has set aside another peso 2 million for the council's special trade and investment promotions. It is also authorized to tap other fund sources including donations and grants from local and foreign institutions.

The council will use the same formula that worked in the recent Marcos state visit with Ambassador Romualdez pooling the resources of the counsuls general, namely, ambassadors Rodolfo Sanchez, Chicago; Rodolfo Severino, Texas; Ernesto Pineda, New York; Luis Moreno-Salcedo, UN Mission to New York; Armando Fernandez, Los Angeles; Romeo Arguelles, San Francisco; Trinidad Alconcel, Honolulu, and Ernesto Querubin, Seattle.

CSO: 4200/57

CATHOLIC PRIEST ARRESTED IN CATBALOGAN

OW131737 Quezon City RPN Television Network in English 1100 GMT 13 Oct 82

[Text] Military agents have arrested a priest in Catbalogan, Samar for alleged subversive activities. The Catholic priest was identified as Edgardo Kangleon, director of the social action center of the Pope Paul VI pastoral center in Catbalogan.

Camp (Degalno) was informed by Eastern Command Chief General Salvador Mison that the Catbalogan center was suspected to be a front organization of the Communist Party of the Philippines in league with activist elements in the church.

Earlier, a raid at the center resulted in the arrest of three persons, including a nun and the seizure of Communist Party documents and printing equipment. The nun was identified as Sister Helena Gutierrez, reportedly a member of the (Dixison) pastoral secretariat.

Last week, Defense Minister Juan Ponce Enrile visited Samar and was briefed on the dissident situation. Enrile was told that Father Kangleon was one of several priests, nuns and layworkers linked to the subversives. Two young detainees also told the defense chief of their role and that of the communists with regard to the social action center in Catbalogan.

In Northern Luzon, four rebel priests were given the ultimatum today: Surrender or face the consequences. The four are Kondrado Balweg of (Abra), Nilo Ortega and his brother Bruno and the Father Valerio. All of them are priests who have joined the dissidents and have been leading subversive bands.

The ultimatum was issued following the killing of Zacarias Agatep in (Salsedo), Ilocos Sur, a 45-year-old priest who went underground 2 years ago and led subversive clashes with government forces.

CSO: 4200/57

REPORT ON MARCOS REMARKS TO OFFICIALS

HK131416 Manila BULLETIN TODAY in English 13 Oct 82 pp 1, 11

[Text] President Marcos, warning that dominant political parties often fall because of intra-party struggles, called yesterday for closer cooperation between the cabinet and provincial governors and mayors to implement the development program.

The presidential warning came during a three-hour dialoque with provincial governors and city mayors.

In another meeting at Malacanang, the First Lady and Human Settlements Minister Imelda R. Marcos urged that successful government projects be used to motivate the people to greater efforts.

She spoke at a joint meeting of the cabinet and the executive committee presided by Prime Minister Cesar Virata.

In his meeting with local officials, President Marcos said that petty bickering within the Kilusang Bagang Lipunan had delayed many programs of the government.

He reminded his partymates that under the present system of government, responsibility before the people is the party's responsibility. Whatever happens to a small part of the country is a party responsibility, he added.

The local executives had trooped to the palace to present him with a resolution congratulating him and the First Lady for a highly successful visit to the United States.

In their resolution, the local executives cited the president for presenting the correct state of affairs in the country and for correcting the long-standing international image of the Philippines.

In calling for greater cooperation among the party leaders, the president noted that history was replete with examples of dominant political parties falling under their own weight because of internal struggles and not because of a strong opposition.

Taking the floor during the meeting, the First Lady noted that some cabinet members do not know how to delegate authority to their subordinates. When cabinet members are busy attending the Batasan or other meetings she said, there is no one to attend to the problems of local executives.

CSO: 4200/57

MINDANAO PAPER URGES PUBLISHERS TO UNITE

HK200152 Davao City PEOPLE'S FORUM in English 7-9 Oct 82 p 2

[Editorial: "The Need for Publishers To Unite"]

[Text] Newspaper publishers from Mindanao, more than at any other time, face an urgent need today to unite for a common cause. At a time when those charged with putting out community newspapers are being held at the mercy of one publication "bigwigs" in Manila whose only claim to power is their nearness to the powers from whom they get such power, the organization of a potent and responsible group of publishers becomes a must.

From initial press reports during the week comes a report that the Mindanao publishers have organized themselves into one solid group that would henceforth do everything to enhance the print media business in Mindanao.

The noble objective of the group, however, can be disastrously thwarted by some of its own members who may not be sincere in strengthening the association. It is an admitted fact that even among some publishers, there are those whose mere membership in the association can open the whole group to criticism and question. It is, therefore, imperative for the more responsible ones among the publishers to do either of two things: guide the less irresponsible ones or wipe them out from the organization. If the Mindanao publishers association were to be a potent force of mediamen, then it should do away with those who would be more of a collective liability than assert to the group. This early, its members should be able to convince themselves that they are part of a potentially strong and dignified group. Anyone who cannot convince himself cannot be expected to convince others. The publishers in Mindanao have all the aces up their sleeves. Unless they know how to play their aces, they can all end up being jokers in the organization and in the media community of the region.

Publishers have a definite role to play in raising the standards of the media. They can strengthen their role only through an equally strong organization.

CSO: 4200/57

BRIEFS

RENEGADE PRIESTS--The military has launched all-out operations to capture dead or alive four renegade priests who abandoned their parishes in the Ilocos Region and joined the Communist New People's Army. Regional PC [Philippine Constabulary] Commander Brig. Gen. Victorino Azada identified the wanted priests as Conrado Balweg, Nino Ortega, Bruno Ortega and a certain Father (Balerio). The hunt was intensified after the death of another rebel priest, Zacarias Agatep, in an encounter last Monday with PC troops in Salsedo, Ilocos Sur. Balweg, like Agatep, has a 130,000 peso prize on his head. Meanwhile, military authorities have arrested a priest in Catbalogan, Western Samar, on charges of involvement in subversive activities. The Defense Ministry identified the priest as (Edgardo Palmuleon), director of the social action center of the Pope Paul VI Pastoral Center of Catbalogan. Brig. Gen. Salvador Mison, eastern command chief, said the center was suspected as a front organization of the Communist Party of the Philippines in the church sector. [Text] [HK140057 Manila Far East Broadcasting Company in English 2330 GMT 13 Oct 82]

NPA-MEMBER PRIEST KILLED--Renegade Priest Zacarias Agatep is dead. He was killed with an aide in an encounter reported today by military authorities in Camp Aguinaldo. Based on a report from Brig Gen Victorino Asada, first PC-INP [Philippine Constabulary-Integrated National Police] Recom one commander in Camp (Tangoa Benget), Agatep, 45 years old, former priest of (Cahuayan), (Barayorio) and San Jose in Ilocos Sur, joined the New People's Army [NPA] 2 years ago. Agatep and his companion, identified as (Nono y Espirit), alias (Cardoming), said to be chief procurement officer of the NPA, were killed in a clash with government troopers in Barangay (Baya Bayading), (Salcedo), Ilocos Sur. Leader of the government team was Lt (Daniel Costal) of the Ilocos Sur PC command. The PC team also captured two other dissidents as well as two boys used as couriers. The government team recovered one AK-47 rifle, one armalite, and one carbine from the dissidents at the scene of the clash. Agatep carried a price tag of 130,000 pesos, the same as that for another renegade priest from Abra, Conrado Balweg, who has also joined the dissidents. Three other renegade priests in northern Luzon who also went underground were (Nilo Ortega), (Bruno Ortega) and a certain (Valerio). It was Agatep who reportedly planned a series of attacks in (Salsedo) and other Ilocos Sur towns during the president's birthday last month, the anniversary of martial law, and during the president's state visit to the U.S. [Text] [OW121357 Quezon City RPN Television Network in English 1100 GMT 12 Oct 82]

MISUARI CRITICIZED--A former ranking member of the Moro National Liberation Front yesterday accused the remnants of the MNLF of having misled Islamic conference nations into believing that the Philippine Government has violated the Tripoli agreement. (Abin Abdullah), former Politburo member of the Cotabato Revolutionary Committee of the MNLF, said that the remnants of the rebel group led by Nur Misuari have been giving false information to the Islamic conference nations. (Abdullah) said that the act of deception on the part of the MNLF has promoted the Islamic nations to issue a resolution calling for a genuine implementation of the Tripoli accord. (Abdullah) is an appointed member of the regional legislative council of the autonomous government in Central Mindanao. The former rebel leader also criticized Misuari for his refusal to participate in the effort to end the Mindanao conflict. [Text] [HK110048 Manila Far East Broadcasting Company in English 2330 GMT 10 Oct 82]

PARAMILITARY GROUP--The government yesterday authorized 43 logging firms in Cagayan Valley to form paramilitary strike forces to combat dissidents reportedly mulching them. The regional PC [Philippine Constabulary] Command and Natural Resources Minister Teodoro Pena gave the authority in time for yesterday's resumption of logging operations there. President Marcos ordered the lifting of the two-month-old logging ban to perk up economic activities in the region. "We have the authority to acquire high-powered weapon for the civilian home defense forces you will form for your logging firm," Pena and Col Thomas Manlongat of the PC Regional Command told representatives of the 43 logging firms. The PC said it would furnish the logging firms the names of former military trainees in the region. These trainees may be hired to form the nucleus of the paramilitary units. Logging firms have been complaining that dissidents have been extorting money from them and harassing their camps. The firms also complain that the dissidents have been hampering their cutting and hauling operations, resulting in big losses. The Bureau of Forest Development has also mobilized its forest guards for the anti-dissident campaign. [Text] [HK131446 Manila TIMES JOURNAL in English 13 Oct 82 p 2]

LIBYAN AID--Libya will extend more packages of benefit to the Philippines in the form of technology transfers, more manpower to be recruited, and the possible importation of rice and sugar. Libyan ambassador to the Philippines Mustafa Dreiza disclosed this as he was conferred an honorary doctorate degree in humanities by the Mindanao State University in Bonggaw, Tawi Tawi. Dreiza was cited for his efforts in ending the Mindanao conflict. The Libyan envoy also stated that his country will always be a friend of the Philippines. [Begin Dreiza recording] We will continue to work together for the achievement of a commonly-shared world, despite the titanic hardships created by the imperialists. We want to build, not to destroy. We seek [words indistinct]. We want freedom, not slavery. Libya stands for peace, not war. But above all, human dignity is of supreme importance to us. We are fighting for a dignified life for all Christians and Muslims alike. In the past we have assisted the efforts of reaching a negotiated settlement of the Mindanao issue. In the future, we are prepared for any support which we can extend for the peaceful solution to this problem. [end recording] [Text] [HK150438 Manila Domestic Service in English 0400 GMT 15 Oct 82]

LOG SMUGGLING--PC [Philippine Constabulary] chief Lt Gen Fidel Ramos yesterday directed the PC Investigation Service [CIS] and all PC regional commands to take bold measures to contain log smuggling. His move was spurred by reports that the government has been losing millions of dollars in revenue annually through illegal log exports, particularly to Japan. Records show that in 1981 alone, the volume of logs smuggled to Japan reached 1 million, or about 22 percent more than the legal shipment during the same period. Ramos ordered the CIS and the regional PC commanders to coordinate closely with the other government agencies involved in the anti-log-smuggling campaign. [Text] [HK160052 Manila Far East Broadcasting Company in English 2330 GMT 15 Oct 82]

RURAL DEVELOPMENT COUNCIL--President Marcos today created a national council designed to spearhead the development of the country's rural areas. The body, to be called the National Council on Integrated Area Development, was established through executive order No 935. The newly-created council will be headed by Prime Minister Cesar Virata. It will prepare new policies designed to hasten the development of the barrios throughout the Philippines. Implementation of the policies will be carried out by the line ministries. [Text] [HK160831 Manila Domestic Service in English 0800 GMT 16 Oct 82]

NORTH LUZON RELIEF--The government is recommending two measures for immediate presidential approval designed to bring relief and stability to northern Luzon provinces. The first cabinet recommendation is for the president to declare several provinces hit by typhoon Weling as calamity areas. They include Cagayan, Isabela, Kalinga - Apayao and Ilocos Sur. One of the most destructive typhoons to hit Luzon, Weling left a wide path of destruction, damaging property and crops amounting to more than 300 million pesos and killing more than 50 persons. Prime Minister Cesar Virata said the cabinet's recommendation will be submitted to the president immediately after field reports from government relief agencies are verified. Reporting on the situation, social welfare Minister Sylvia Montes said Kalinga-Apayao is asking for speedy relief in food. The second recommendation being prepared by the cabinet is the rehabilitation of the North-South Railway Line as part of the 5-year development plan for Philippine National Railways. [Text] [HK200043 Manila Far East Broadcasting Company in English 2330 GMT 19 Oct 82]

CSO: 4200/57

HAN RISE LINKED TO PREM, DISSENT IN RTA DISCUSSED

Bangkok SIAM MAI in Thai Sep 82 pp 12-16

[Article: "Keep an Eye On Lieutenant General Han Linanon"]

[Text] Concerning the promotion of high-ranking officers this September, although Lieutenant General Han Linanon is not in the race for the position of RTA CINC, the highest position in the army, it is expected that he will move to a higher position. The achievements scored in the Fourth Army Area this past year have greatly enhanced his reputation. It is believed that his prestige and reputation in the army will increase even more and that this will enable him to play a very important role in the army and enable him to be a prime mover, a lever, a buffer or even the person who "sets" the course of the army and even the course of politics.

On this path in the army, it is worth noting how Lieutenant General Han Linanon will reach this point and by what means.

The 1982 Military Transfers, Who Will Be the RTA CINC?

As of today, people are still unsure about whether it will be General Athit Kamlangek, the assistant commander in chief of the army, or General Pamot Thawonghan, the army chief of staff, who will finanly win the position of RTA CINC. This is the case even though the various reports that have appeared tend to favor General Athit. And those who support General Athit are saying that it will be General Athit for sure. At the same time, the supporters of General Pamot affirm that the army list sent to the supreme commander shows General Pamot as the new RTA CINC and that an agreement has been reached with General Athit.

However, a high-ranking officer in the army spoke about the chances of General Pamot. He said that General Prem Tinsulanon, the prime minister and minister of defense, clearly wants to be prime minister for another term and so he will certainly not allow anyone in the army to have great power since that would be a double-edged sword that might cut General Prem.

"In many periods, one faction has been favored in order to reduce the power of another faction. For example, in the Kriangsak period, General Soem was forced to become the supreme commander and General Prem was made RTA CINC

instead," said this officer. In the military transfers of 1978, General Soem Na Nakhon, the then RTA CINC, was preparing to take the position of supreme commander too. But against all expectations, he was kept from doing this when General Prem was made RTA CINC.

This same officer also pointed out that during the period when General Prem was in full control, during the transfers of 1981, General Prayut Charumni, an unassuming soldier, was promoted from the position of army chief of staff to the position of RTA CINC to eliminate the uneasiness about pressure from the army. At the same time, General Athit, a tough officer who was ready to "do big things," was restrained and not given full control of the forces. Thus, the situation in the army was such that no one could take resolute action like Field Marshal Sarit Thanarat was able to do.

"The same is true this year. It seems likely that General Prem will choose the army chief of staff, who is an unambitious man, rather than a very ambitious person. If this is true, the situation in the army will be the same as that last year. That it, pressure from the army will not be able really to dictate political trends. To head the government another term, General Prem must take this course," said the same officer in conclusion.

Similiarly, a group of high-ranking officers has pointed out that if General Athit becomes RTA CINC this year, the conflicts in the army may reach the breaking point again. This is because General Athit would be RTA CINC for 3 years. Those subordinate officers who are waiting in the wings for their turn would definitely be unhappy. "This is another problem that the high-ranking people must give attention to," said this group.

Will "Athit" Rise? The Balance Is Han

But at the same time, a high-ranking military news source in the First Army Area pointed out that General Athit is suited to this position and is the one most likely to be promoted to the position of RTA CINC this year. "The timing is right for General Athit to step into the position of RTA CINC. During the past period when the country has experienced various problems, General Athit has constantly solved problems in order to prove himself and build up credit for himself," said the news source.

He also said that "it was agreed on long ago that General Athit would support General Prem for the position of prime minister, and General Prem would support General Athit for the position of RTA CINC. Also, General Athit is well aware of the fact that, at present, he does not have the credit necessary to become prime minister. Thus, the problem of General Prem having to fear him should not arise, particularly in the short term. The long term is another matter. General Prem should find a way out of this by allowing General Athit to become RTA CINC but pushing someone else forward to serve as a counterbalance. This is probably the best way to handle the matter. No one will get their feelings hurt and no problems will arise," said the news source firmly.

Many officers believe that this will be the case. In particular, people are watching the promotions at the deputy level. Several people have pointed toward "Lieutenant General Linanon," concerning whom there are reports that he will become the army chief of staff or assistant commander in chief of the army. Also, General Prem and Lieutenant General Han have been very close for a long time. This can be seen from Office of the Prime Minister Order 66/1980, a policy that is now being implemented at the national level. This order originated with Lieutenant General Han and his staff. Thus, it is believed that Lieutenant General Han will be positioned to serve as a counterbalance so that a situation in which power gets out of control does not arise in the army. And at present, no other officer is better qualified to serve as this "counterbalance" than Lieutenant General Han.

Han-Prem, a Reform United Front

When general Prem was a major general and was serving as the deputy commanding general of the Second Army Area, Lieutenant General Han was a staff officer with the Second Army Area. It was Han who formulated a new formula for fighitng the communists in the area. This was called "politics leads the military." Later on, Major General Prem was promoted to lieutenant general and made commanding general of the Second Army Area. Lieutenant General Han was promoted to colonel and made deputy chief of staff of the Second Army Area. The "politics leads the military" path of struggle was used more widespreadly.

Later on, when Lieutenant General Prem became assistant commander in chief of the army and then RTA CINC in 1978, Colonel Han was promoted to major general and appointed chief of staff of the Second Army Area. The following year, he was made the director of the Directorate of Operations. At the same time, the name of the Democratic Soldiers group, of which Major General Han was the mainstay, began to become well known. In April 1980, Policy 66/1980 was put forward with the approval of General Prem and it became a national policy, finally developing into Order 65/1982, which was issued recently.

Besides the closeness between General Prem and Lieutenant Genral Han, the clear achievements, including the destruction of CPT camps in the area using the well-known "Tai Rom Yen" policy, scored by Lieutenant General Han, the person who has pushed forward the idea of a national army, will greatly enhance his personal prestige. It is certain that, in the transfers this year, if Lieutenatn General Han is promoted to full general and put in a high-level command position, there will not be any grumbling from any faction in the army.

And Concerning the timing of his moves these days, Lieutenant General Han is quickly paving the way and widely popularizing the "Democratic Soldiers" ideals in the form of Policy 66/1980 and Order 65/1982 using various methods. Besides the south, where ideals have spread and [the ideals of] the Democratic Soldiers have taken root, in other army areas, these [ideals] are quickly being disseminated throughout the country. And when that happens, the officer who is deeply imbued with these ideals and who has such achievements will

easily be able to step into the highest position in the army, particularly since he has the support of General Prem.

Han-Athit, Two Poles In the Army

If Lieutenant General Han is considered to be the reformist pole in the army, then General Athit is the conservative pole in the army.

Officers who have studied the thinking of the Democratic Soldiers group closely have said that the profound thinking of this group of soldiers is democratic thinking in the style of Korea and Indonesia, where soldiers have played a direct role in politics. This was revealed partly in Policy 66/1980 and in the announcemnt of policies to eliminate oppression of the people by influential groups. The threats against the commercial banks were the latest signal by Lieutenant General Han under the sword of [Order] 65/1982.

Concerning what has taken place, the policy was pushed forward by Lieutenant General Han and the Democratic Soldiers group almost entirely. General Athit and the right-wing element in the army have not played any part in this. Although at a deep level there are serious conflicts with the thinking of the conservative faction in the army, when this was pushed forward and became the national policy with the wholehearted approval of General Prem, the prime minister, the opposition to this policy implicitely died down.

Lieutenant General Han Linanon, with only 2 more years before he retires from government service, is pushing forward with great energy. General Athit, with 3 years left before he retires, has almost reached the position of RTA CINC. Concerning these two ideological poles in the army, if there is no change in course, these two will certainly pose an obstacle to each other.

Keep an Eye On Han, Tomorrow's Morning Star

Concerning this year's military promotions, regardless of whether it is General Athit or General Pamot who becomes the new RTA CINC, the person who will be used as a counterbalance and buffer to prevent the formation of a power center in the army is General Han Linanon.

With his personality and with the support of the national policy and officers who have faith in the "national army," when this is added to the fact that he definitely knows where he is headed, it is certain that Lieutenant General Han has not taken the final step in gaining future leadership in the army in order to make the army a national army in accord with his thinking and the thinking of the Democratic Soldiers.

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SECURITY FOR PREM VIEWED IN WAKE OF ATTACKS

Bangkok SU ANAKHOT in Thai 5-11 Sep 82 pp 12, 13

[Article: "Protecting Prem: Stifling Security"]

[Text] "The tiger went back to his home." This short phrase of a police superintendent in Korat has turned the 63rd birthday celebration of Geneal Prem, the prime minister and "beloved of the people of Korat," into a major affair and made the name of Colonel Chet Rotnson, the chief of staff of the Third Army Circle, well known throughout the country since he was the spokesman who talked with a reporter from a daily newspaper who had travelled from the center to report on the celebration. This does not include the criticisms by people in general who feel that the country's leader is being overly protected.

Actually, General Prem has not recovered from the two successive terrorist attacks on him at Lopburi and at his house at Si Sao Thewet. Thus, the protection given him this time was unusually heavy since the military authorities responsible in this area were afraid that some similar terrorist act would be carried out. Lieutenant General Phak Minakanit, the commanding general of the Second Army Area, who is directly responsible for this area, told reporters that the reason that security was so strong, even though the ceremony took place on a military base, was that "this is our duty. Because things were not strict the last time, someone was able to throw a grenade. In this military camp, if something happened here, I don't know where I could hide my face."

Thus, in mobilizing forces to maintain security at Korat, all the units concerned were used in order to provide protection for General Prem. These forces included forces from the provincial police precinct at Nakhon Ratchasima and a special operations unit that maintained security around the prime minister's house. A news source told SU ANAKHOT that "hundreds were brought in and this does not include the military police from the Third Army Circle, which sent 30 armed soldiers. This unit provided close-range security. There were 23 soldiers from the infantry regiment. And there were reconnaissance soldiers from the remote [patrol] company of the 6th Division. These forces all joined together to form a "guard army" that looked as if it were going to go fight a war rather than just provide protection for General Prem. This does not include the officials from the National Security Center who worked as plainclothesmen to watch for any unusual behavior in the area. Concerning this, besides strictly forbidding

reporters from gathering news, they also resolutely prevented the reporters from taking part in the celebration.

A matter about which there are still questions is whether it was General Prem who ordered this army-style protection or whether it was the soldiers in this area who did this on their own initiative out of fear of some terrorist action. This is because a military news source in the Third Army Circle told a SU ANAKHOT reporter that it was decided to provide such tight protection because the military could not trust anyone. There were reliable reports that about 2 months prior to General Prem's birthday celebration, strangers tried to take photographs in front of General Prem's house in Korat, which is opposite Combat Support Headquarters 2, the unit that is responsible for the safety of General Prem. Thus, the matter of providing protection was made a priority matter, and if things were inconvenient, such problems would be solved later.

"Actually, he did not know beforehand what kind of welcome he would receive. According to the notice, the prime minister was on an inspection tour at Korat. But when he arrived at Korat, his close associates prepared a large celebration and he had to go along with this." There has been constant criticism to the effect that while orders have been issued forbidding others from holding such parties, he held such a party for himself and so what meaning can this have. A person close to Genearl Prem told SU ANAKHOT that "I was blamed by the prime minister too when I went to pay my respects on the morning of 26 August. He told me that just sending a card would be enough." And he added that "he has forbidden government officials from holding such parties. But he could not keep this party from being arranged. He was uncomfortable about this and wanted it held inside without any fanfare. And so he did not want reporters and cameramen to attend the party."

Usually, relations between General Prem and the press are good, even though there are complaints after every interview or news release to the effect that he did not say very much. Concerning this, those close to him have said that this is just the way he is.

However, reports obtained later by SU ANAKHOT state that this unit to provide tight protection was formed at the request of General Prem and that he sent an order to this effect to General Phak. Lieutenant General Chanthonkup Sirisut, the secretary-general of the Prime Minister, has denied this and said that General Prem never contacted anyone about providing such protection. The only thing was that the units in the area were informed as to where the prime minister would be going and when he would be there. "Maintaining security is the duty of the army area. It is up to those who are responsible to decide what action should be taken. And it is quite common for soldiers to be criticized for the action they take. There is no neutral ground," said a high-ranking officer who is responsible for the security of General Prem. And he added that "concerning this protection, the prime minister had to let them take action on their own accord. Normally, he does not ask questions because he feels that this is the duty of these people. It is a subconscious matter of duty...."

In forming units to protect General Prem, normally, this is up to the National Security Center, or NSC, which is subordinate to Supreme COmmand Headquarters. Normally, the NSC sends officials to protect and follow the prime minister like a shadow. These NSC officials take turns guarding him. This is with the exception of the two police officers who are his personal bodyguards and who are very close to General Prem. Both of these men are police captains. They represent the final line of protection. The NSC officials are armed with pistols only. The security unit at his Si Sao Thewet residence is armed with rifles.

Concerning the work of the NSC security unit, besides providing normal protection, another of its important tasks is to carry on counter-intelligence activities. It is a communications intelligence center. It is also responsible for investigating underground activities and opposing and countering enemy espionage, sabotage and acts of destruction in general.

"In maintaining security, there are specific techniques. We have a school to teach these special techniques. We teach everything from driving to giving up one's life to protect others. It goes without saying that whoever is sent much carry out his duties," said a news source at NSC to SU ANAKHOT. He added that, concerning the affair at Korat, the NSC took part in maintaining security. But it carried out things secretely and coordinated things with the police and military units responsible in the area.

As for the matter in Korat, besides the fact that the situation was uncertain, the local officials overreacted. It can be seen that security forces were arranged at three distances. The outer security force was positioned 2 kilometers away. This unit was on the lookout to see if anyting unlawful took place in that area. Concerning this, a news source said that this was partly because of the assassination attempt at Lopburi, which made it necessary to position forces at a distance. "It is difficult to maintain security along the highway. At Lopburi, for example, Prem would have been killed if the round had not missed," added the news source.

As for those forces positioned more closely, things were checked closely. As for the final line of protection, there was a special guard unit. If anything happened, the members of this unit were to place themselves in the line of fire to shield the prime minister and to die if necessary. A military news source who was responsible for protecting General Prem said that "I am responsible for maintaining security here. I took this position only last year and have been responsible for protecting General Prem since the beginning. If anything happens in Korat, I am responsible," said the news source to SU ANAKHOT. He also suggested that the 1974 Office of the Prime Minister Regulation on Maintaining Security be looked at. This regulation states that the security of personnel, offices and documents must be maintained. He said that leaders have been threatened and that there have been disturbances recently because the units responsible have neglected their duties to such an extent that

there have been incidents. "I think that it is time that we become serious about maintaining security," said the news source in conclusion.

Even though the birthday celebration at Korat has passed now, there will probably continue to be criticism of General Prem's "protective army." But in a period in which anyting may happen, every sector must be on the alert. Because if there is still the idea that "it is General Prem who is the problem," everything possible must be done to provide protection.

"I think that after October, after which things will settle down, such things will not happen any more," said the news source to SU ANAKHOT without saying why.

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CARTOON SHOWS PREM DISCOMFORT OVER CINC CHOICE

Bangkok KHAO CHATURAT in Thai 6 Sep 82 p 6

[Cartoon]

[Text] Caption 1: What are you sad about again. You probably need my help again, don't you?

Caption 2: I can't decide whom to appoint to the position of RTA CINC. Both are good men. Its difficult to decide.

We have to look back in history. It's better to use a Thai magazine.

Caption 3: Lets go look at the time of Field Marshal Phibun.

We will observe things from time time of Field Marshal Phibun, Field Marshal Thanom and General Kriansak.

Caption 4: This is from the time of Field Marshal Phibun when General Sarit was RTA CINC.

I never thought about measuring their footsteps.

Caption 5: Oh. This is 14 October during the time of Field Marshal Thanom. General Krit was RTA CINC then.

Caption 6: "I resign."

And this is when General Kriangsak resigned at a meeting of parliament. Who was RTA CINC then? Oh. General Prem!

Caption 7: Let's go gack. I don't want to see any more. Go home.

And whom have you decided to appoint to the position of RTA CINC?

Caption 8: I don't want to think about this. I can't think at all. I...am afraid. I am afraid.

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ATHIT AIDE PROFILED, DESCRIBES ADVISORY ROLE

Bangkok KHAO CHATURAT in Thai 6 Sep 82 pp 26-31

[Interview with Dr Siwawut Thephatsadin Na Ayuthaya: "Behind 'Athit'"; date and place not specified]

[Text] When this tall and smart-looking man of the tall, dark and handsome type entered the room dressed in a light-blue safari suit holding a "walki palki" in his left hand, Chaturat did not think that he would be a scholar with the word "doctor" in front of his name. I thought that he was a soldier or a police official. But after talking together for awhile, I was no longer surprised. This was Dr Siwawut Thephatsadin Na Ayuthaya. This is a scholar who has made a great effort to understand and accept the role of the military and national army. "Everyone knows that I work for General Athit." This young professor is not concerned about revealing his position. "He is a sincere, honest and capable person with definite ideals, ideals that call for maintaining the stability, security and prosperity of the country." The goal of Dr Siwawut is to start working. He is ready to work with anyone whom he feels meets his specifications. As for General Athit Kamlangek, this young professor feels that "what is most important is that he is a person who reveres the monarchy and royal family above all else. This is one of my ideals too." Chaturat interviewed this man because of the many questions by people in many circles who want to know "who is behind Athit," "who is Athit's advisor," "who is Athit's 'Kun Su,' and even "who is playing the part of Luang Wichit Wathakan for General Athit?" "Do a good job but do not become so conspicuous as to pose a danger. No one wants to see us stand out too much. This was the advice of Luang Wichit Wathakan. But as for me, I want to do things even if I risk being criticized. What is important is that I do not have any blemishes. I just have definite ideals. I can't be attacked," said this young professor to Chaturat. But he would not admit that he resembled Luang Wichit Wathakan. "Whatever he was, I was born too late," he teased Chaturat. Dr Siwawut Thephatsadin Na Ayuthaya received his Ph.D. in Finance and Management in 1974 from the Claremont Graduate

School and University Center in California in the United States. His non-political position is associate professor of commerce and accountancy at Chulalongkorn University. As for his present political positions, he is under the ISOC, first region, and is an advisor to the deputy prime minister for economic affairs (Major General Praman Adireksan) assigned to the Office of the Secretary-General of the Prime Minister. He is close to General Athit and is responsible for economic matters. Foreigners who want to meet General Athit must "get by" him first. David Morrel once said of him that "he is a very interesting scholar."

Chaturat: Concerning your position as "advisor to the Capital Guards," what is the background of this position?

Siwawut: The Capital Guards, which is commanded by General Athit Kamlangek, feels that in solving the country's problems, particularly the problems with which the Capital Guards are concerned, there are several forms. By the time the problems reach the Capital Guards, they have been in existence for a long time. To solve these problems, it is necessary to go back to the causes. Getting at the causes requires clear-sighted analysis. To solve these problems correctly, there must be sufficient data showing the causes of the problems. For this reason, a group of advisors was formed to study the problems that have reached the Capital Guards. At the same time, the advisors have also studied the many problems facing the country. Although some problems have not developed or have not yet arisen, since there are tendencies and since some data indicate that certain problems may arise, in some cases it is necessary to study matters ahead of time in order to solve the problems in time.

[Question] Does this mean that the state's organizations, or sectors, have not been able to handle the situation?

[Answer] You must first understand what the role of the Capital Guards is. The main role of the Capital Guards is, as I said, to maintain stability and security and preserve order in Bangkok and the surrounding provinces. The government units do their own work. But sometimes, it is necessary to have the various sectors join together to solve the problems together. At the same time, there must be measures that can be used to preserve order, that is, using the police and military in maintaining order. This does not mean that the various sectors cannot solve the problems by themselves. But in some cases, it is necessary to use the various existing resources simultaneously, with the person responsible for maintaining security being the one who can assemble these resources for use.

It is known that, in Thailand, sometimes, assembling a large group of people to march on the Government House achieves greater results than directly contacting the government sector responsible. In the past, this is how things were. This does not mean that the sectors responsible did not do a good job. As I said, this is at the end point. There are problems with rice, with raising horses, with the race tracks and horse races, with the sugarcane and with 10-wheeled

trucks. Concerning these problems, the sectors concerned cannot hold back all these people. These people hurry to see the prime minister. They hurry to the Government House and to the various departments at the ministries. We have to stop these things. This is the duty of the Capital Guards. This does not mean that the Capital Guards normally interferes in the affairs of th various sectors.

[Question] In the beginning when scholars were first asked to come [work here], there was much criticism, especially against General Athit. Sometimes there was criticism to the effect that he was interfering in things. In the wake of these criticisms, what took place?

[Answer] Oh. (Pauses a moment.) As for interfering, I definitely do not think that this was the case. The Capital Guards have never interfered with, given commands to or meddled in the affairs of the sectors, departemtns or ministries. This is a matter for the heads of the ministries who are responsible. The commander of the Capital Guards does not have the right to give orders to heads of the ministries or their representatives. But sometimes, things occur in the area of responsibility of the Capital Guards.

[Question] Is this the way things are? That is, at present, is it the case that, concerning the problems of the people or the many problems facing the country, the existing political and administrative system, or structure, cannot solve the problems?

[Answer] The situation is such....Many of the problems that have arisen pose a rather great danger to security.

[Question] I would now like to ask, or get your views on the fact that, at present, several of the younger generals feel that while the military has made progress, the political and administrative structure, including the politicians and bureaucrats, is more backward than the military and, therefore, it is necessary to improve this system, or structure. But since things cannot be improved immediately, it is necessary to create a special sector to solve the problems as General Han has done in the national army in the south or in accord with orders 66 and 65. Concerning this, can it be said that this is one way of solving the problems?

[Answer] I do not want to analyze things in that way. I feel that our government units, including the departments, ministries and bureaus, are each responsible for their own work and that they have worked continuously. But sometimes the country's problems must be viewed broadly. A single problem may involve many sectors. In particular, in the present situation, there are people who have bad intentions toward the country and they are trying to make use of this situation for their own benefit. The government sectors do not have the resources or power to deal with such things.

[Question] Are you saying that the various sectors are doing a good job and that they have achieved results in accord with their duties but that,

concerning the strucrture of the system in the present situation, it is sometimes necessary to take resolute and decisive action immediately?

[Anwer] All the resources must be used together. We must understand that the military has other roles than just preparing for war. Even in the present constitution it is clearly written that the military must play a part in development too. Concerning development, I feel that this includes solving the problems at the source. Control and suppression is solving the problems at the end. Thus, if we can "put out the fire" at the beginning, play a part in developing things and solve the problems before they arise, things will be much easier. The forces of the national army are very large. We have military forces, paramilitary forces and mass forces that can be joined together to serve as the nation's strength in solving the problems satisfactorily. And the boundaries of the work, or forces, that I have mentioned are very broad, extending throughout the country.

[Question] Some scholars and politicians feel that the military's only duty is to defend the country. Solving the other problems is the duty of the government.

[Answer] I think that in the present situation, for our country, we should stop thinking about who should have just what [single] role. In a developing country such as Thailand, which is facing both internal and external dangers, it is essential to pool the resources and various forces. As for saying that the military should have this role and that civilians should have that role, I think that such thinking is very outdated.

[Question] Are the scholars of today different from those of a previous age?

[Answer] Yes. Definitely. Because the situation in the country today is very different from what it was in a previous period. Twenty years ago, we did not have any border problems or ethnic minority problems. We did not have a population problem. And we did not have problems with the communist terrorists or the Malaysian communist guerrillas. We did not have any of these problems like we do today. And do not forget that the soldiers are very close to the people and to the various situations. They live in these areas and have contact with the people. They know what the real problems are. Sometimes, the sectors at the center cannot really come in contact with these things.

[Question] But there is still the view that the soldiers are dictators.

[Answer] We must first arrive at an understanding of what dictatorship means.

[Question] Concentration of power.

[Answer] What power?

[Question] POlitical and administrative.

[Answer] Are you saying that at present, the military....

[Question] There are people who feel that the fact that the military is involved with all the problems...that this is characteristic of a dictatorship.

[Answer] I do not think that this is the case. We should look at things fairly and look at the country's situation clearly. We should look to see how we can improve things, develop [the country] and protect ourselves from any danger that might arise.Do not think that someone is trying to make himself important and concentrate all the power in his own hands. I do not think that such thoughts will occur to a person who is looking at the situation fairly.

[Question] Stated simply, at present, many people are saying that everything that General Athit is doing is aimed at increasing his own importance and concentrating power in his own hands. As a person who is close to him at one level, what is your view?

[Answer] I have never seen him do anything that was outside the scope of his duties. That is, everything that he does is within the scope of his responsibilities. I have never seen him play any illegal games. That is, he acts in accord with his position as assistant RTA CINC, commanding general of the First Army Area and commander of the Capital Guards.

[Question] All the power he has is in accord with the laws?

[Answer] He does not have the power to give orders to any department, ministry or sector. If he gave an order and it was not carried out, he does not have the power to force them. This matter is the responsibility of the heads of the ministries and the directors-general.

[Question] This is maintaining the situation?

[Answer] He acts in accord with the powers, and duties, that he has.

[Question] But there are many people who view him in an unfriendly way.

[Answer] I am certain that when a person dares to act and make decisions and dares to solve problems, the interests of others will suffer. These people will oppose [the one who dares to act] and will not be happy with his actions; this is natural. If nothing is done, none of these people will have any problems or lose profits.But we can no longer tolerate such a situation. When there are problems, they must be solved. And when problems are solved, the interests of some people may be adversely affected.

[Question] Or is it because General Athit has the characteristics of a leader in this period, characteristics that are especially prominent, and this has resulted in him being the target of much criticism?

[Answer] We see this in every period. Those who act, those who take any action, will be loved by some and hated by others. Those who take action will always be in the limelight. And those who want to make a name for themselves will try to do so by attacking those who are in the limelight. If they attack someone

who is not well-known, this will not help them to become well known. We see this in every period. For example, if the newspapers print a story about Mr A or Mr B, few people will read the story. But if there are reports or articles about people whom the public is interested in, many people will read the stories. This is only natural.

[Question] Is he very interested in the economic problems?

[Answer] He is interested in all the problems facing the country.

[Question] Does this mean that if some problem arises, his group of advisors prepares a periodic analysis of the situation?

[Answer] The advisors to the Capital Guards can be said to be the hands and feet of the Capital Guards. If the commander needs to be informed about some matter or wants to study some matter, he can have an advisor or a group of advisors make an analysis for him. This is like the hands and feet of an institution, as I have said. But referring to these people as "advisors" may cause confusion. But I don't know what else to call them except "advisors." Because these people are not officials who are under the command of the Capital Guards. They are outsiders.They do not have any regular position in the Capital Guards. Each of these people has good intentions and really wants to work for the good of the country. They have come to help and do not receive any compensation. Since they do not hold any regular position, I do not know what to call them except "advisors."

[Question] What sector do they work with? Or do they work directly for the commander?

[Answer] It depends on the sector. If there is a conference, we contact the chief of staff. If it is an urgent matter or if it is a matter with which an advisor is closely involved in with the commander, he may discuss it with him and inform him directly.

[Question] There aren't the definite, or clear, characteristics of an organization?

[Answer] No. There aren't. And there shouldn't be either.

[Question] As a reporter, people frequently ask me who is General Athit's "Kun Su." If I asked you this, what would your answer be?

[Answer] What is the question?

[Question] Who is General Athit's important advisor, or "kun Su?"

[Answer] Who...(Laughs).

[Question] Isn't there one such person?

[Answer] No. He is a person who makes use of the resources available both in an outside the normal channels in order to hit the target or reach the main goal, which is [to maintain] the stability and security of the country. He uses whatever resources that he can.

[Question] Does he select the people himself?

[Answer] The most important thing is for the people who are going to work together to have the same ideals. As for the people who have come to work with the Capital Guards, if they hope to make profits or gain anything in return, I have never seen anyone profit. People are not even compensated for the gasoline they use. But we all have the same ideals. We are all honest and sincere.

[Question] I would now like to ask you a question in your position as a scholar. Recently, one important high-ranking officer gave a speech at the Government House. He said that, at present, the military must play a greater role in solving the political problems even though this is not the direct duty of the military. [He said that] the reason for this is that the politicians, bureaucrats and scholars cannot solve the problems. The scholars are divided into too many groups and are always arguing among themselves. Actually, he feels that at any one point in time and in any given situation, there is one, and only one, way to solve the country's problems. What is your view of such a statement?

[Answer] Concerning this, it is as I said at the beginning. That is, whenever a problem arises, we must assemble all the existing resources to help solve the problem. The time is past when the politicians and military should do just this or that.

As for the idea that there is only one way to solve the porblems, I think that (pauses a moment) we must look clearly at each problem. We must look at all sides since there are many effects, or causes. A problem may arise for many reasons. One problem may have an effect on many things. Having many offices is good. If we study various theories, political, economic and administrative theories, many of the theories depend on various assumptions. They depend on the past events surrounding the assumptions of each theory and on what situations the theory is appropriate for. Looking at things in a broad way using a theory will enable us to study the problems more clearly. And the fact that the national administrators will be able to make decisions and take action on a certain matter will help clarify the problem or situation and this will further help these people make the correct decisions. This is how I think.

[Question] Isn't it more a matter of making a choice?

[Answer] National administrators, company executives, all administrators must have several choices and they must study these choices. They must study the choices to see what the results will be if this or that course is chosen. They

must then make what they consider to be the best choice. How can we know which is best if we do not study a variety of courses first? This is the correct way to do things.

[Question] Concerning this problem, many people feel that this is a weakness of the military. Many people are apprehensive. Everyone recognizes that in critical situations the military must play an important role. But the military's weakness, which resembles a habit, it that it cannt tolerate showness; it likes immediate decisions. In some situations, this may lead to mistakes. And the military views the other groups as worthless. Will this be a problem?

[Answer] No. No. I feel that this is a good mix. A characteristic feature of the military is its resoluteness. It does not like slowness. It likes quick results from decisions. Once a decision has been made, it wants immediate results. This is an essential characteristic in solving the country's problems. We cannot wait on this and that and allow matters to develop at their own pace. There is an expression, or proverb, in the military that the "remarks of commanders are orders; the orders of commanders are sacred." Such a way of thinking is remote form that in the civil service sector. The orders of a minister or civilian government official may not be obeyed. Or an order issued by a director-general may be held back for many days. But things are not like this in the command line of the military.

Scholars who work...that is, these scholars think and try to find various paths and the advantages and disadvantages of the various paths. They try to discover what the results will be if this or that path is chosen. These scholars can propose things but it is up to the commanders to decide which path to take. It is like a cook cooking food for the commander. There are many foods to choose from depending on what the commander likes and wants. After the food is prepared, if it is not delicious, a new dish can be prepared. I think things are like this. If two elements or two types are brought together, I think the benefits will be very great. Scholars such as myself....I greatly dislike the fact that once we prepare some "food" and serve it, we then think that we have done the best job possible. We do not know whether our proposals are good or not. I want to know whether they are good or not. When a proposal is submitted, if a high-ranking official files it away without looking at it or giving orders, this makes me so discouraged that I don't want to work any more. But if I submit a proposal and the official says that this part is good and that this is not good and must be revised, [this is fine] because I want to know the results of what I have done. I want to know whether the proposal is good or not and whether it can be implemented or not. I want to be told what the problems are. We can make many types. But if proposals are submitted and then forgotten about, no one wants to work. Scholars do not want to work like that. That is, if something is good, tell us. If it is not good, tell us and we can improve it.

[Question] That is, you are ready to accept the consequences?

[Answer] Yes. Yes. But if we do not know, oh! If we do not know whether things are good or not, we will not know what to do. No one can work this way. It is like a cook who prepares food for his boss. If the boss likes the food, the cook knows it was good. If he eats some, he can say if it is too sour or too salty. He can tell [the cook] how he wants it. He can say if the food pleases him or not. But if he doesn't say anything, [the cook] doesn't know if the food was good or not.

[Question] You want [to see] the actual results.

[Answer] Yes.

[Question] Concerning the matter of the banks and the military, based on the statement made by the commanding general of the Fourth Army Area concerning the banks and the financial situation, is this the view of Lieutenant General Han alone or is this the view of the younger officers in general?

[Answer] Oh (Pauses a moment). I think that this is the feelig of the people in general. This is the view that Thais in general have of the commercial banks. My reason for thinking this is that even though the commercial banks are presently playing a much greater role in building and developing society than they did in the past, the image of the banks in the eyes of the people in general still contains many points that can be criticized easily. And the banks are aware of these weaknesses. What is clear is that, concerning the statement by Lieutenant General Han, he mentioned things that have been commented on by the people based on his own feelings. But what is very interesting is the reaction of the commercial banks, or bankers, to this statement. He said very little but there has been a great reaction by the commercial banks to this short statement. This shows that the bankers feel that he touched on a weakness. Its like scratching a sore. If you scratch where there is no sore, it will not hurt. But if you scratch the sore, even if it is just a small sore, it will hurt. If you scratch the skin, it won't hurt but if you scratch the sore it will hurt, even if it is just a tiny sore. And when something hurts, you have to jump about and cry; this is natural. Lieutenant General Han's statement is interesting from the standpoint that there has been a great reaction from the commercial banks. This is very interesting.

[Question] Is this the view of people in general?

[Answer] I think so.

[Question] The next question probably doesn't need to be asked but....Since this is the feeling of people in general, is it also the feeling of General Athit?

[Answer] (Pauses a moment.) I once did a study on some of the commercial banks. It can be said that the commercial banks still have many weaknesses. For example, take the matter of dispersing the shareholdings of the commercial banks. To date, they have not been able to disperse them widely. Concerning

the administration of the commercial banks, it is clear that many of these banks are still being managed like a family operation. And many of the bank executives are also engaged in other activities and have interests in other activities. This is not the characteristic of a good banker. The commercial banks in Thailand are still playing a very broad and dominating role. They are engaged in many activities. No one can deny this. This is different from in countries where the financial system is well developed. They have limited the sphere [of operations] and role of the commercial banks. The role of the bank executives has been greatly limited. Their role should be limited to managing the financial institutions. But here they still dominate everything. The people see the role they are playing. This is a rather open matter. It is well known. We can see this clearly. The bankers cannot eliminate this weakness.

[Question] Do you think that this should be corrected using various laws and regulations?

[Answer] Actually, talking about laws, I can say that there have already been enough revisions. The commercial banking act was revised and improved about 2 years ago. I do not think that our major problem has to do with the laws. Rather, our problems concern implementation. Since we have laws, we should act in accord with the laws. It would be better to preserve these laws. It is easy to revise the laws. But once laws have been revised, things cannot be carried out in accord with the laws. There are laws....Take dispersing the shareholdings, for example. In the revised commercial banking act, it is clearly stated that the shareholdings of the banks must be dispersed. But the commercial banks and financial institutions that have been brought under control by the various laws concerning commercial banks and financial institutions have constantly asked that the time limit be extended. This is a matter of implementation rather than a matter of the laws.

[Question] Does this mean that, from now on, things must be carried on in strict accord with the existing laws?

[Answer] Yes. That is how things should be done. It is a matter of implementation. Laws can be written at any time.

[Question] If General Athit asked you to comment on this, would you answer like this?

[Answer] Yes.

[Question] Before you became an advisor, did you have any previous relations with him?

[Answer] No. I did not know him personally before this. I took this job and then became close to him. Several officers who are close to General Athit introduced me to him and told him about my previous work experience. That is, I would like to say that, as a scholar, I have a strong desire to help the country as much as I can. And I....For a long time, I have had this goal. That

is, I will work for anyone who is sincere and honest and who is a capable person whose ideals are to help the country. If these ideals, that is, if a person has such ideals, I will work with him. Before I started working with General Athit, I served as an advisor to Dr Anat Aphaphirom during the time he was the minister of agriculture. And I once worked with Deputy Prime Minister Praman Adireksan. Regardless of whom I was working for, I maintained my ideal of not having anything to gain or lose personally. I worked for the country honestly. I did not work for any particular person or group. If a high-ranking person feels that I can serve him in order to benefit the country, I am glad to work for him. I do not worry about what group a person belongs to or what the position of the person is. We live.... I believe that we all live in the same society and have the same king. These are the ideals that I constantly hold to.

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POLICY ADVISORS TO MILITARY PROFILED

Bangkok SIAM MAI in Thai 11 Sep 82 pp 18-21

[Article: "Scholars Sell Their Souls to the 'Gold Digging Era'"]

[Text] General Saiyut Keotphon once tried to exert pressure to make security a part of the curriculum in the universities. He proposed a plan to the Internal Security Operations Command (ISOC) in order to have the matter taken up by the government. But high-level professors did not agree with this proposal and so it died. This news was disclosed by high-level officials in the government, and military officers who are involved in security work have confirmed this also.

"When this failed, the military kept on trying and tried to force this on the Faculty of Political Science, Chulalongkorn University, by using Professor Kamon Thongthammachat, an advisor to the prime minister. This proposal was well received by Professor Charun Suphap, the dean of the Faculty of Political Science. I have heard that they want to make this subject a part of this faculty. When this program was first proposed to the cabinet, General Saiyut wanted this to be a separate faculty in the university."

It cannot be denied that the universities are places that produce intellectuals, the brains of the nation, who will later control the important mechanisms of society. In one period, the universities played a very important role concerning the social problems and concerning the problem of democracy in the country. While the role of the students has now been reduced, the role of the professors and scholars has greatly increased.

Some scholars have been called upon to serve as advisors to the government and to high-ranking military officers. For example, General Athit has formed a team of advisors composed of scholars. General Kriangsak Chamanan, the leader of the National Democracy Party, has a team of advisors to map out the course and provide political data.

Besides this, scholars have joined together to form various organizations to conduct scholarly research for society. These include economic and political research groups and social research institutions.

It is this role that has caused the security sectors, including the Special Branch Division, the Central Intelligence Department, the National Security Council and the ISOC, to attach so much importance to the movements in the universities.

Government Advisors, Advisors to Dictators

Many past governments have appointed well-known scholars to the position of government advisor. But the government that did this the most was the first Prem government, which mobilized such able scholars as Sen Chamrik, Khien Thirawit and Chaianan Samutwanit. General San Chitpatima, a soldier-scholar, served as the president of the [Council of] Advisors. In the end, when the government of General Prem could not show that it was a democratic government, these people resigned and things crumbled with the events of 1-3 April 1981.

Following this, there were still some elements who had faith in the half-democracy of General Prem and some of them were appointed to positions. Such people, who are still serving as advisors, include Dr Komon Thongthammachat, Dr Mayun Wisetkun, Sukhum Nuansakun and Wiraphong Ramangkun.

One former advisor to the government said that the "team of advisors that served during the time of General San can be divided into three groups. One group was composed of scholars, whose only duty was to give advice and provide data. A second group was composed of social scientists. Besides giving advice, this group also tried to exert pressure to have their recommendations become policy. The third group was composed of people who played an activist role. When they saw that exerting pressure to have their suggestions become policy would not achieve any results, they began carrying on political activities. It was this group that took part in the coup of 1-3 April 1981.

He also said that the "present team of advisors provides advice only. These people just give their opinions on the events of the day. What is worse, some elements are openly and blatantly serving the dictators."

At the same time, General Athit Kamlangek has quietly formed his own team of advisors. The scholars on this team inlcude Associate Professor Wisanu Khuongngam, a professor from the Faculty of Law, Chulalongkorn University, Dr Siwawut Thephatsadin Na Ayuthaya, a professor from the Faculty of Commerce and Accountancy, Chulalongkorn University, Pricha Phongkrailoet, a member of the Faculty of Political Science, Chulalongkorn University, Dr Pridi Kasemsap and Dr Narong Ruongtnai.

These teams of advisors are playing a very clear role. Together, they put on a "regular Sunday evening television program to discuss the problems facing the country."

Secret Programs, the Target Is the Mass Media

"Since the beginning of last year, some officers from the Information Office, Supreme Command Headquarters, have been meeting with scholars who have been

directly involved in mass activities. For example, they have met with journalism instructors and with scholars at social research institutions. They also drafted a secret project that asked for cooperation from the scholars. But most of the scholars refused," said one university instructor to SIAM MAI.

The phrase "ased for cooperation" refers to providing data and analyses concerning the attitudes and needs of the people.

This professor also said that in the draft of this secret military project, many projects of various types were included, but the thing that was clear and that was important was that concerning the mass media, "particularly the newspapers, they felt that this was a rather free institution that felt bold enough to criticize national administration strongly. In their view, this was not very good."

They thus asked for cooperation from scholars in this field in order to have them collect data and do studies on the press to see what effect [the press] has on the people, what its strengths and weaknesses are and to find out what the people like and dislike about the press. This data was analyzed in order to provide a way for the state apparatus to hammer at and weaken this institution.

Besides this, among scholars, it is well known that the military has shown a great interest in the public's opinion. For example, Colonel Naritdon Detpratiyut, the secretary of the army, has frequently asked for the data from the various public opinion polls conducted by social research institutions. Whevever a poll is completed, he immediately asks for the data.

"At present, the military has three radio and television programs under the supervision of General Athit. At 0645 hours there is a program on stability. In the evening there is a program on our country. And on Sunday nights there is a television program that discusses the country's problems," said a high-ranking officer to SIAM MAI. He also said that "besides serving as a means to spread propaganda and build up the image of the military, these programs are also a tool that they hope will be capable of fully countering [the stories published by] the newspapers."

In particular, concerning the television program on the country's problems, it is essential to have scholars discuss these matters for the viewers. These scholars have played their part at appropriate times, such as when the government was defeated on the draft of the revised constitution and when the baht was devalued.

Besides the scholars on the staff of General Athit, scholars such as Prathumphon Watcharasathien and Sumet Chumsai who have no inkling of what is going on have been persuaded to appear on these programs too.

Interference From Abroad

A high-ranking government official has revealed that during the period of the first Prem government, during which Mr Tamchai Khamto was the minister

of commerce, an attempt was made to use students as tools in the movements of the government. During the period of the sugar shortage when the price of sugar increased greatly, Mr Tamchai proposed at a cabinet meeting that students be mobilized to go check on the small merchants. The result would have been that the image of the students would have been tarnished and the government's [reputation] would have been unblemished.

At the same time, the arrest of Professor Lea Dilokwithayarat on charges of libel cannot be separated from foreign political [influences] coming here and focusing on the movements of the progressive scholars. It is believed that if the scholars had not built a strong "fortress" for themselves, this would certainly have resulted in "a chicken being killed to show the monkey."

Furthermore, foreign foundations that have come to provide help with educational activities have played a major role. At Thammasat University, the Rockefeller Foundation has been active among the professors and students by giving them scholarships to go further their studies abroad. As for those who receive these scholarships, besides their academic qualifications, their ideology is important in being considered for these grants. Only those who are anti-communist are selected so that they can carry on activities after they return. One person who received such a grant is Mr Bunkhong Hanchangsit, the son of Chit Phumsak, a former kamnan who worked as a hired killer in Sawang Daen Din, Sakon Nakhon Province. At present, he is a professor with the Faculty of Economics at Thammasat University.

The important thing is that almost all the scholars from this foundation who are invited to come teach at Thammasat University are probably working for the CIA. This was true of the last person who returned home only last year. Dr York Dilahanty was an important CIA agent who was sent here to keep an eye on the activities of the students and faculty members at Thammasat University during the period that Dr Puai Ungphakon was rector. During that period, the student movement was very active.

The Good People Are Gone; Only the Traitors Are Left

Many scholars who once scored important achievements in doing scholarly work for society have been threatened to the point where they have had to keep quiet or flee the country. Those who remain, who have tried to form a group to do research for society, have been watched very closely.

"It is the universities that are the target of the security work, which must finally succeed after the many past attempts, which all ended in failure," said one officer involved in security work to SIAM MAI. This clearly indicates what the future has in store for the universities.

It can be said that today's scholars who are able to play a role openly are not people bent on doing scholarly research. Rather, they are people who work for the government or for the military in order to analyze the situation and give advice on how to play the political game in different situations. Or they go on television in order to make excuses for the government. 11943 CSO: 4207/168

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COL NARONG REENTERS POLITICS, PROJECTS POPULIST IMAGE

Bangkok KHAO CHATURAT in Thai 30 Aug 82 pp 34-37

[Interview with Colonel Narong Kittikhachon in Sena District, Ayuthaya Province: "'Narong' Rhetoric"; date not specified]

> [Excerpt] The origin of rhetoric: After he made a definite decision to stand as a candidate for MP in Ayuthaya Province, Colonel Narong Kittikhachon immediately began to seek votes without giving any attention to the great tumult following him. Colonel Narong launched his campaign about 2 weeks ago. To visit the people in the [province of the] old capital, his group uses longboats to reach the communities along the river and travels by foot to reach the people in the paddy fields. What follows is a record of a speech given by Colonel Narong at Wat Naksamot in Phai Phra Commune, Bang Sai District, and a record of questions and answers after a speech at a community in Sena District. A Chaturat reporter who went to listen wrote this record.

A villager: I would like to know to which party you belong in your bid for election to the House of Representatives. Do you belong to a party? I would like to know.

Narong: Yes. I am running for election as a member of the Thai Nation Party. I am running in the name of the Thai Nation Party. Professor Prasoet Bunsom, a long-time member of the party, is running with me.

[Question] I would like to know what the policy of the Thai Nation Party is. I don't know much about this. This is the party to which Praman Adireksan belongs, isn't it? I would like to know what the party's policy is.

[Answer] The Thai Nation Party was formed in 1973. Most of the members come from the old United Thai People's Party. The leader of the United Thai People's Party was my father, Field Marshal Thanom Kittikhachon. This party was disbanded in 1973. And when new parties were formed, the Thai Nation Party was one of the parties formed from the United Thai People's Party. At present, Major General Praman Adireksan is the leader of the party. I became a member of

the party only 3 months ago. Actually, I did not want to join any party. I wanted to be an independent. But the new law says that a candidate must belong to a party and so I had to join a party. As for party policy, every party formulates its own wonderful policy. And the Thai Nation Party is no exception. But I'm not sure how much of the policy can actually be carried out. The policy of the Thai Nation Party calls for all-round development. On the social front, it calls for a good standard of living for the people in general. It wants educational development so that the youth of the country have a general education at all levels. And it calls for agricultural development. But to date, the Thai Nation Party has not been able to do much. I think that agriculture is in trouble because, as we can see these days, rice prices are low. This is not progress; this is moving backward. Thus, I think it would be best if you do not ask me about party policy. Every party formulates a wonderful-sounding policy. But whether these policies can be implemented is another matter. This is a new beginning for me too. I have joined the Thai Nation Party. I want to see the party's wonderful policy implemented. And if this turns out to be impossible, I will have to switch parties. Or if I have a chance, I may form my own party. If I form my own party, my policy will contain few clauses. The policy they have written runs to 10 typewritten pages. But I haven't seen them do anything yet. If I had my own party, I would not write more than five points and all five would have to be carried out. If they could not be carried out, I would scrap the policy.

[Question] I would like to ask about....Would you please discuss the events of 14 October 1973? Why did this occur? And concerning blame for this, was it the students or the government that was to blame?

[Answer] Yes. That is a good question. I want to tell you why the events of 14 October 1973 occurred. Based on my knowledge, in 1972 I suppressed various capitalists. I suppressed bankers, dishonest government officials and draftees. In particular, I went and examined the taxes of the bankers and collected taxes from them. Many of these important businessmen had high-ranking government officials serving as the chairman of the board. I went in and put a stop to their activities and collected taxes. In some cases, I collected up to 1 billion baht. This resulted in several groups that had made great profits but that had been opposed by me becoming very dissatisfied. But they could not find a way to harm me because I did everything according to the law. I did not act on whim. Then on 8 October 1973, a group of leftist students began demonstrating and distributing leaflets about a constitution. At that time, there was still no constitution because we had carried out a revolution in 1971. We had suspended the constitution. In 1973, the students made demands. A group of 13 leftist students demonstrated and distributed leaflets calling for a constitution. They demanded that the government promulgate a constitution as quickly as possible. I knew that this was a plan that had been formulated by the capitalists that I had suppressed. They wanted to urge this group on so that I would arrest them. And after I arrested them, there would be an incident. I was aware of the trap they had set. I did not take any action. I would also like to remind you that in 1972, the government appointed me to serve as the head of the unit responsible for suppressing people dangerous to security and as the person responsible for maintaining [the security of] the capital. Thus, I had power

equal to that of General Athit Kamlangek today. I was able to do many things in Bangkok Metropolitan. Police officials came and informed me that 13 students were distributing leaflets opposing the government and calling for a constitution. They asked me what to do. I told them not to interfere with them. Let them go ahead and distribute their leaflets. I then took a trip upcountry. By chance, at that moment a high-ranking police official who belonged to one of the groups of government officials that I had suppressed took this opportunity to order the arrest of the 13 students. When I learned that they had been arrested, I did not know what to do. I could not issue any orders because if I had ordered them released, this would have been against the law. We had to conduct an investigation in accord with the law. I allowed an investigation to be made. But from 9 October on, few of the students understood what had happened. Leftists incited a demonstration against the government and asked that the students be released unconditionally. I said that I could not do this. We had to conduct an investigation first. Then on 13 October 1973, I saw that if we kept pressing this matter, things would only get worse and people might even get hurt. Thus, I asked the cabinet for permission to reach an agreement with the students. If an agreement could be reached, I would release the students without conditions. The government gave persmission and so I went and talked with the 13 students who had been jailed. They told me that they personally did not want anything. They wanted the government to promulgate a constitution as quickly as possible and to allow elections. I agreed and asked for 6 months in which to write a constitution, after which an election would be announced. All 13 students were satisfied. We agreed and most of the student leaders were satisfied. But after I released the 13 students, I don't know where they went. I couldn't find them. A group of capitalists who had lost profits because I had suppressed them got involved. And several groups of high-ranking government officials who wanted to topple me went to meet with students at Thammasat University and told them that they could not stop the protest. They asked them to continue the protest until the three of us [Narong, Praphat and Thanom] had been forced to leave the country. Thus, the matter grew worse. Then on 14 October 1973, General Krit Siwala, who was one of the people who had been piling up profits, in effect proposed that we allow blood to be spilled. He proposed that the government order Thammasat university seized by using sailors, who were to be landed along the Chao Prhaya River, and soldiers, that is, soldiers from the 11th Royal Infantry Regiment, under my command, who were to go in from the Sanam Luang side. At that conference, I said that if we did this, blood might be spilled. I asked to be allowed to make an aerial inspection first. I was given permission to do this. I went to the cavalry division at Sanam Pa and used a helicopter. I flew it myself. I flew over the Thammasat University area to observe things. I saw that there were at least 40,000 students gathered there. They had assembled weapons and erected barriers in preparation for making a stand against the soldiers on both the Chao Prhaya River and Sanam Luang sides. When I saw the situation, I reported matters to the conference and told them to stop the advance on Thammasat University, because if we went ahead, people on both sides would be killed. As the director of suppression operations, my father ordered a halt to the operation to seize Thammasat Universiy. The matter should have stopped then and there. But things did not stop there.

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RELATIONSHIP OF COMMANDERS IN ARMY REGIONS ANALYZED

Bangkok SU ANAKHOT in Thai 5-11 Sep 82 pp 8-11

[Article: "Eleven Generals On a Chessboard"]

[Text] On a chessboard, even though the king is the most important piece, without any supporting pieces such as bishops, rooks, knights and pawns to protect the king from enemy attacks, he will be surrounded and finally checkmated. Similarly, in the army where the various powers are trying to build up their role and play a part in arranging the forces in their favor, this is something that cannot be ignored. Once someone has gained the advantage, such as the position of RTA CINC, which is the highest position in the army, besides the four army area commanders, no less importance should be attached to those who command the divisions. This is the source for positioning the 11 chesspieces in order to see the real power structure in the army at a time when all these people have "their sights" set on the position of regional commander.

Opening the Command Line In the Infantry, Artillery and Armored Cavalry

At the divisional level in the army, there are three main branches that are really combat units: the infantry, the cavalry and the artillery. Each division is composed of two regiments and each regiment is composed of three battalions. This is the minimum criteria. Concerning all three of the branches, it can be said that it is the infantry divisions that are the largest. These divisions are directly subordinate to the army areas, whose forces consist of at least one main division. The army area that is more special than any other is the First Army Area. This army area guards the central region, the capital, where important installations are located, and the area along the eastern border. Thus, this army area has two main divisions, the 1st Division, stationed in Bangkok, and the 2nd Division, which is stationed in Prachinburi. The other army areas have only one division. The Second Army Area has the 3rd Division, which is stationed in Nakhon Ratchasima; the Third Army Area has the 4th Division, which is stationed at Phitsanulok; and the Fourth Army Area has the 5th Division, which is stationed at Nakhon Sithammarat.

Since the strength of the various units has increased together with the [increased] tasks in maintaining the security of the country, the strength of the infantry divisions has been increased in order to handle the present situation. From the five main divisions already in existence, another six have been established

so that there are now a total of 11 divisions. But of these, only the 9th and 6th divisions have a combat strength equal to that of the five main divisions. The other four divisions were established only last year and at present they are only "loose divisions" that are waiting to have their combat strength built up in the near future.

Besides the infantry divisions, cavalry and artillery divisions are combat divisions that are essential too in both times of war and peace. This is because they are combat units that are even more powerful than the infantry divisions, even though they are smaler in terms of manpower. Both of these divisions are directly subordinate to the RTA CINC; they are not under the army areas. Until recently, there was only one artillery and one cavalry division. But a second cavalry division was formed and so now there are the 1st and 2nd cavalry divisions. In 1980, the base was moved from Lom Sak District in Phetchabun Province to Bangkok, just as the AAA Division is located in Bangkok.

Besides this, another special unit that has not been included along with the usual units is the special combat division. There have been reports that this unit will be officially formed in 1982. It will be formed by expanding the Special Warfare Center at the Phra Narai Camp at Lopburi, which was formed from a paratroop division, as it has continued to be called to the present. Actually, this center is already equivalent to a division. It has four regiments and is directly subordinate to the RTA CINC. It has played an important role in several coups in the past.

The commanders of all these divisions have a good chance of eventually being promoted to full general. Most of them were promoted from the rank of colonel and special colonel, which is in the same command line.

Generals In 1982, the Turn of Classes 3 and 4, Chulachomklao Royal Military Academy

As long as the main criterion for transfer to various positions in the army continues to be seniority, branch and class will continue to be the basis for consideration. Because normally, if a person gains seniority in doing his duties, it is based on his class at the Chulachomklao Royal Military Academy [CRMA]. Concerning this, it can be seen that the 11 commanders are all officers from various classes ranging from Class 5 of the Army Academy [AA], which is the same class as General Athit Kamlangek, the assistant commander in chief of the army, to Class 2 of the CRMA, [some of whose members] reached the rank of general only in recent years. But most of these generals were members of Class 7 of the Army Academy.

However, it is well known that, in addition to seniority, there are other criteria that are used to decide who will be transferred to what position. These criteria have to do with knowledge and skills and, of course, "suitability" in the eyes of their immediate superiors. In the past, we have seen that some people have bypassed class and seniority and unexpectedly risen higher than others. They have done so easily by making this claim [suitability]. In some cases, some people have bypassed their chain of command. For example, in

the 1979 transfers, then Major General Athit was transferred from the northeast, where he was the commander of the 3rd Division, and made the commander of the 1st Division.

"Talking about the position of divisional commander, it is difficult to say for sure. There are many factors that depend on fate. If nothing unexpected happens, I expect transfers to be made in accord with the chain. But I do not think there will be many changes this year since there were changes just last year. Usually, a divisional commander stays in the position for at least 2 years," said a news source in the army. At the same time, another important commander pointed out that if divisional commanders are transferred, the next classes in line for these positions are classes 3 and 4 of the CRMA. "But most will probably come from Class 4 because there are very few from Class 3 who are in this chain. As for Class 2, they have already made general," observed this same officer.

Keep an Eye On the Older Generals

Of all the infantry divisions, it is believed that the 1st Division is the best and most modern combat force since it is the main force in defending the important heartland of the country. But the special characteristic of this division is that it is more involved in politics than is any other division. Almost all past coups have had to have the cooperation of this division in carrying out the coup. And the position of commander of the 1st Division was considered to be the first rung of the ladder on the way to the important command positions in the army, including the positions of commanding general of the First Army Area and RTA CINC. This was the case with Field Marshal Sarit Thanarat, Field Marshal Thanom Kittikhachon, Field Marshal Praphat Charusathien and General Krit Sivala.

There was a change in the path to the position of RTA CINC after the time of General Krit. Since the time of General Bunchai Bamrungphong, it appears that the path to power in the army has changed. Neither General Bunchai nor General Soem Na Nakhon were infantrymen and neither commanded the 1st Division or even the First Army Area. And General Prem Tinsulanon gained power after having served as the commander of the cavalry center and as the commanding general of the Second Army Area. However, if, as everyone expects, General Athit Kamlangek becomes the new RTA CINC during the military transfers this October, this will be in line with the old system once again since General Athit served as the commander of the 1st Division. This occurred because pressure was exerted by high-ranking political groups after General Prem became RTA CINC in 1979, or after the "sky changed color" as is said.

As for the present commander of the 1st Division, Major General Phichit Kunlawinit, the man who was transferred here from his position as commander of the 4th Division after the events of 1 April, everyone, including both his subordinates and his superiors, agree that he is a "professional soldier" who is "more a soldier than a politician." It is very likely that, as a person who is trusted, he will be allowed to retain this "sharp" position. Even though there have been

rumors that Major General Phichit will return to his old area and become the deputy comanding general of the Third Army Area, where he achieved good results in fighting the communist terrorists at Khao Kho, he may instead be put in command of the special combat division that is being formed, a job that requires skill, since he was once a special combat instructor at the infantry center.

Several SU ANAKHOT news sources have confirmed that "Commander Phichit" will definitely not be transferred anywhere next year. Because besides the fact that he has served in his present position only 1 year, high-level political groups want him to stay in this position. "Phichit is his own man. He is a very capable person and does not have any 'black marks.' And what is important is that he is a combat soldier who is greatly trusted by several groups. Thus, he will probably not be moved this year," said a news source close to General Prem. Another news source pointed out that if Major General Phichit is transferred to the special combat division, this would be like a demotion since his present position is much more important.

"Phichit is not one to talk in a depressed way or to act as if the job is too much for him. Instead, he will talk about his achievements," said a close friend of Major General Phichit in denying reports to the effect that Major General Phichit is bored with a position that is involved with politics. He also said plainly that "if there are such reports, it shows that such things were not said by Phichit." The thing worth keeping an eye on is the future of Major General Phichit. It is thought that he is the "heir" who will step into the position of RTA CINC in 3 years after General Athit retires. "The person who becomes the commander of the 1st Division must look into the future to see if he will later become the commanding general of the First Army Area and then RTA CINC," said the news source in conclusion.

The 2nd and 6th Divisions, Possible Changes

Concerning the important forces in the First Army Area, besides the 1st Division, there are two other divisions too. One is the 2nd Division, which is presently commanded by Major General Prachum Phibunphanawat, a member of Class 7 of the Army Academy. There are rumors that he will be promoted and become the deputy commanding general of the First Army Area. But others disagree, saying that there are others who are senior to Major General Prachum. One such person is Major General Kasem Sumanan, the commander of the 1st Army Circle who was in the same class as General Athit. And Major General Prachum was just transferred last year. If he is actually transferred, one possible replacement for him is Colonel Sanan Sawetseni, the deputy commander of the 2nd Division who is a member of Class 2 of CRMA. He is the most senior deputy commander.

The 9th Division is another unit that has played a part. It once took part in a coup during the time of General Chalat Hiransiri, who was defeated. Then, after the failure of the 1 April coup, in which this force took part too, rather than being an independent division under the command of the RTA CINC, this division was placed under the direct command of the First Army Area. Major General Somkhit Chongphayuha became the commander of this division last

year, replacing Major General Sinthu Keotsombun, who was transferred to the post of deputy commanding general of the First Army Area. As for this year, it is expected that Major General Somkhit will stay in this position since he was transferred here only recently. At present, the division is playing a role in defending the forward area along the border. It is now stationed in Prachinburi Province, its former base being in Kanchannaburi Province.

Similarly, in the Second Army Area, Major General Bunchin Ditthakun just became the commander of the 3rd Division last year and will probably not be transferred. But in the case of the 6th Division, which is based in Roi Et and which was formed only 2 years ago, Major General Phisit Mabut, the division's first commander, may be transferred to become the deputy commanding general of the Second Army Area. One of the deputy commanders will be moved up to replace him. As for the north, Major General Ruamsak Chaikomin, the commander of the 4th Division who is said to be a very capable person, may be moved to become the deputy commanding general of the Third Army Area. But one news source has stated that this depends on whether or not Lieutenant General Phrom Phiunuan is moved from his position as commanding general of the Third Army Area to become the assistant commander in chief of the army as the rumors say.

"If Ruamsak is transferred, the person most likely to take his place is Colonel Siri Thiwaphan, a member of Class 4, CRMA," commented a news source. In the south in the Fourth Army Area, Major General Panya Singsakda is the commander of the 5th Division. Even though he has scored good results as the commander of the 43rd Civilian-Police-Military Regiment, which controls the border area in the five southern provinces, and recently seized major bases of the communist guerrillas, because he has been here only 1 year and because he works well with Lieutenant General Han Linanon, the commanding general of the Fourth Army Area and the person who formulated the "Tai Rom Yen" policy, he will probably not be transferred to another area but will probably be made the deputy commanding general of this army area. One news source said that the problem is the matter of seniority. There are several deputies, such as the commander of Combat Support Headquarters 4, who have a greater right [to the position].

"The value of a person depends on who supports him." This seems to be a good summary for almost all military appointments. And it will be true this time too. The generals will certainly be appointed by the new RTA CINC, which will undoubtedly be General Athit Kamlangek. "Actually, there should not be any problem. The people who looked at last year's transfer lists were General Prem, General Prayut and General Athit, who will certainly appoint people who are loyal to him. But this year there are only two real positions open for Athit's men," said the same news source to SU ANAKHOT. And he pointed out that it is quite normal that when a person loses power, his subordinates, or loyal followers, will be transferred in accord with regulations. For example, the followers of General San Chitpatima, the leader of the 1 April Revolutionary Council, were all transferred. And the same thing happened to the followers of General Amnat Damrikan and General Soem Na Nakhon. In general, those who were not "sacked" have all "switched" and now support the person with the greatest power in the army.

Tanks Join the Battle, Prem's Line Gets Involved

Political lessons in Thailand have shown that unless a prime minister also has military power, it is difficult for him to maintain his stability. General Prem too is well aware of the things that happened to him. The people involved were the same ones who opposed General Kriangsak Chamanan when he was prime minister. Even though General Prem must now rely on the forces of General Athit for his stability in the future, this does not mean that he has complete trust in him in the situation in which he [Prem] is separated from his real base of support in the army.

Thus, it is not surprising that General Prem has tried to play a role in arranging the various forces this year. Actually, he did this before when he was still the RTA CINC. The new cavalry division that was formed recently is one of the elements that he is using to help maintain a balance of power with the infantry, which is a branch of the army General Prem did not serve in. In addition to the other positions that he has stipulated, "the fact that General Prem has moved the two cavalry divisions and based them in Bangkok has generated greater confidence. Tanks are more powerful than infantrymen," said one officer close to General Prem.

"This is characteristic of every RTA CINC. Take this year, for example. General Prayut came from the engineers. He formed one new regiment of engineers in each region. The only thing is that the engineers do not control forces and so they cannot play a great role," added a news source from another branch.

In cavalry circles, it is expected that Major General Chaichana Tharichat, the commander of the 1st Cavalry Division, will be transferred and made the deputy commanding general of the Third Army Area or put in some other higher position after he has commanded this unit for 2 years. This will give Colonel Sathon Suwannapha, the deputy commander of this division, who is a member of Class 4, CRMA, a chance to step into this position in his place. Major General Wichat Lathomya, the commander of the 2nd Cavalry Division, whom General Prem put in this position last year, will probably remain in this position for another year since he has served in this position only 1 year and since he is "loyal" to General Prem.

Artillery--A Special Combat Force: One Will Remain, One Will Change

As for the AAA Division, which is presently commanded by Major General Prasat Simonsilapin, who was transferred here in 1980, it is believed that this division will stay in the camp of General Prem, who was then the RTA CINC (extended term). A news source said that there will probably not be any changes. "I have heard that he wants to remain in this position," said one officer in the artillery unit. At the same time, concerning the special combat division that will be formed from the Special Warfare Center, which will result in the commander being promoted to a lieutenant general, it is not clear who will become the commander of this new division. A guess is that it will be the present deputy commander of the center. As for the commander of the center, it is not clear whether Major General Enok Bunyathi will be promoted to

lieutenant general and kept in his present position or whether someone will be brought in from the outside to replace him.

As for the new divisions, including the 11th Division of the First Army Area, the 12th Division of the Second Army Area and the 15th and 16th divisions of the Fourth Army Area, a news source said that the present commanders must be kept in the present positions so that they can continue and complete the task of building these combat units in accord with the targets. Because at present, these units have only a name and a loose structure.

Concerning the 11 generals on the army's chessboard, it is believed that they have now been put in place. No one can deny that these are strong power bases of General Athit Kamlangek and that they will begin to make their mark in the next several months and become even tighter in the coming years, unless they make some unbelievable mistake.

Names of Divisional Commanders Who Command Important Forces

Unit Directly Superior	Division	Commander	Class
First Army Area	1st	Major General Phichit Kunlawanit	CRMA 2
	2nd	Major General Prachum Phibunphanuwat	AA 7
	9th	Major General Somkhit Chongphayuha	CRMA 1
	11th*	Major General Bancha Sawatritthiron	AA 7
Second Army Area	3rd	Major General Bunchai Ditthakun	AA 7
	6th	Major General Phisit Mobut	AA 6
	12th*	Major General Arun Siriuthai	AA 6
Third Army Area	4th	Major General Ruamsak Chaikomin	AA 7
Fourth Army Area	5th	Major General Panya Singsakda	CRMA 1
	15th*	Major General Surachai Thanomphichai	AA 7
	16th*	Major General Denchai Bunngam	AA 5
RTA CINC	1st Cav	Major General Chaichana Tharichat	CRMA 1
	2nd Cav	Major General Wichat Laithomya	CRMA 2
	AAA	Major General Prasat Wimonsilapin	AA 4
	Special Warfare Center	Major General Enok Bunyathi	AA 4

* New division formed in 1981.

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REPORT ON ARAB INVESTMENT OPPORTUNITIES IN SOUTH ASIA

London AL-MAJALLAH in Arabic No 134, 4-10 Sep 82 pp 42-43

[Article: "Countries of Southeast Asia Trying To Attract Arab Investments and Arab Capital"]

[Text] Political leaders in southeast Asia have begun expressing their disappointment with the low level of investments in their countries by some Middle Eastern countries, despite the encouraging overtures that were made by some banks in the countries of the Arabian Gulf.

A Malaysian official complained, "Arab investors lack a broad imagination. They are only interested in land and real estate. This is not what we have been hoping for."

What Malaysia's prime minister, (Muntazar) Mohamad and the remaining leaders of the League of Southeast Asian Countries aspire for are major projects that would link together capital coming from Arab countries that are members of OPEC, Korean technology and the natural resources and manpower that are available locally. That is, they are making an effort to achieve the so-called Asian triangle.

This league consists of Indonesia, Malaysia, the Philippines, Singapore and Thailand. All these countries are "moderate" countries, and they have one thing in common: they all fear the People's Republic of China which supports illegal communist parties in those countries. The countries of the Southeast Asia League also fear the largest military power in the area, Vietnam, which is loyal to Moscow.

The five countries that are members of this league are different from each other. Indonesia, whose population is 140 million persons and which consists of a group of islands, is the largest Islamic country in the world as far as its population is concerned. Oil is its principal resource. In 1965 an uprising by communists loyal to Beijing was put down after about 600,000 persons were killed. However, with [annual] per capita income being about 130 dollars, according to the 1980 world census, Indonesia is considered one of the very poor countries.

The Philippines is considered more industrialized than Indonesia. Per capita income in Indonesia is 890 dollars, even though its population is 50 million. The vast majority of the population in the Philippines are Catholics. Also educated people there speak English fluently. [The chief] religion in Thailand, whose

population is 50 million, is Buddhism, and per capita income there is about 670 dollars. As far as oil and gas are concerned, Thailand is self-sufficient, producing both oil and gas locally.

In Malaysia, however, whose population is about 14 million, per capita income is about 2,090 dollars. Malaysia is considered the largest producer in the world of rubber, tin and other metals. It is therefore considered one of the rich countries in the region despite the fact that its population is a mix of Chinese, Indians, Sri Lankans and Bengalis.

With its 2.5 million people--76 percent of whom are Chinese--Singapore is considered the Geneva of Asia with a per capita income that is about 4,430 dollars. This is the highest per capita income in Southeast Asian countries, with the exception of Japan. Like Japan, Singapore is considered a center for high technological industries.

One of the most important salient economic features in Singapore is the Asian currency which is called the Asian dollar. There is a possibility that a trade community may be established in the free commercial zone in order to meet the demands of the unified market which may consist of about 250 million local consumers. However, the ongoing cold war with Vietnam and its two allies, Laos and Cambodia, has shaken consumer confidence. At the present time 19 American companies in Malaysia are producing semi-conductors--transistors and similar objects--thereby making the country the largest foreign supplier of these products to the United States. It is rare for a foreign visitor to go into a hotel, a restaurant or an elevator in a building without seeing a few Japanese businessmen.

Appointment of Jewish Ambassador Rejected

It seems though that the United States has begun losing its influence in Indonesia and Malaysia due to its special relationship with Israel. Both countries have been plagued by a wave of bomb threats against American institutions. Last June [or] July Indonesia declined to accept the appointment of Morton (Ambrose) Moses as U.S. ambassador to Indonesia because he is Jewish.

Recently Malaysia has become involved in an open dispute with Britain which in the past had colonized the country. Britain was denied investment opportunities in Malaysia. Despite the fact that Malaysian and Indonesian officials have been trying to obtain Japanese investments in their country, Japan's occupation of the five Asian countries during World War II has left bitter memories that cannot be easily forgotten. Also as a people, the Japanese do not have sufficient popularity.

"Accordingly, investment possibilities in Southeast Asia for countries of the Middle east appear to be excellent," said the editor of an economics magazine in Kuala Lumpur. The magazine editor added, "We will welcome investments from Middle Eastern countries more than investments from other countries."

The ministers of foreign affairs of Malaysia and Indonesia, Ghazali bin Shafie and Mochtar Kusumaatmadja, [respectively], will visit Islamic countries in the next few weeks to seek their support regarding the new coalition government in

Cambodia, which is headed by Norodom Sihanouk. This government will take Cambodia's seat at the United Nations next September. Both ministers will use this tour to explore the matter of Arab investments in their countries.

Thailand is seeking to broaden the range of its domestic investments. Annual economic growth in Thailand, a country which attracts more than 1 million tourists a year, most of whom are from the countries of the Arabian Gulf, is eight percent.

At the present time Arab investments are concentrated in Malaysia, Indonesia and Singapore. In Malaysia, for example, the government is building an Islamic university by means of the aid that is being offered by Pakistan and the Arab countries. Malaysia and Indonesia, however, are quite apprehensive about the Islamic Iranian wave; they are prohibiting, for example, displays of Khomeyni's pictures and slogans.

Recently, the United States offered Malaysia a loan of 1 billion dollars to help the country improve its economic conditions. This happened after the annual rate of growth fell from 8 to 5 percent this year and after inflation doubled and reached an annual rate of 10 percent. The government of Malaysia borrowed 1.2 billion dollars from Europe. This includes a 250 million dollar loan for building a gas refinery in Sarawak .

Last year Malaysia's oil revenues amounted to 3 billion dollars; it earned 2.6 billion dollars from exporting manufactured goods, especially electronics. As a result of the recent decline in oil prices due to the inflation which world markets are suffering from, the country has had its first deficit in its balance of trade. However, the expected expansion in oil and methane gas production will correct the situation.

Saudi Subsidies

The Kingdom of Saudi Arabia has agreed to help the government of Malaysia by establishing a bank that would operate according to Islamic principles. This bank would become one of the effective means or channels for carrying out investment operations that countries of the Middle East undertake. The Industrial Growth and Development Organization in Malaysia is trying to encourage investments in the area of cultivating rubber, in the wood industry; in the growing electronics industry; in aircraft devices; sensitive engineering equipment; heavy industry like paper, cement, petrochemicals and oil refining; and in defense equipment such as light weapons and other weapons.

The aim of the new economic plan is to invest 940 million dollars in developing energy sources and increasing oil and gas exploration. With its present oil fields Malaysia will become an energy exporting country in the next decade.

As far as the people of Singapore are concerned, trade and business to them are like soccer to the people of Brazil. Every morning the newspaper, BUSINESS TIMES is at the doorstep of every home. This newspaper contains much more business news and analyses than can be found in THE WALL STREET JOURNAL or THE FINANCIAL TIMES of London, for example.

Singapore is considered an important banking center in Southeast Asia. [Officials in Singapore] are even thinking of introducing a system of confidential banking and numbered accounts over the objections of neighboring countries.

The market for the Asian dollar began operating in 1969 by abolishing the tax collected on the accounts of non-resident citizens in an attempt to attract the Arab funds of 25 Arab banks. These funds, which are estimated at about 90 billion dollars, are currently invested in the European market.

Singapore is trying to encourage Arab banks to open branches in Singapore so as to ensure more geographic balance and, accordingly, ensure the necessary funding for Asian contractors, especially Koreans, Japanese, Philipinos and Indonesians.

The 100 banks [in Singapore], including large American banks, are very active in extending different loans. They are also very active in trading gold and various other precious metals. The tax levied on the sale of gold is no more than 1 dollar per ounce.

Although wages for industrial workers have risen recently by 18 percent, easy term loans continue to make investments in Singapore very attractive, especially since rent for office space is very low and does not exceed 3.5 dollars per square foot in the most luxurious commercial and financial district overlooking the Strait of Malacca .

The government allows its citizens to borrow funds from their social security accounts if they are going to use those funds to make a down payment to purchase one of the apartments the government is building for them. In addition, citizens are given the opportunity to borrow money in the form of entering into a mortgage agreement to purchase homes.

8592
CSO: 4704/28

FAREWELL RECEPTION HELD FOR PRC AMBASSADOR

Dacca THE BANGLADESH OBSERVER in English 27 Sep 82 pp 1, 12

[Text] Outgoing Chinese Ambassador in Bangladesh Liu Shuking on Sunday said Bangladesh is a "very close and friendly neighbour" of China and that friendship between the two countries is "very firm and deep-rooted," reports ENA.

He was speaking at a function held simultaneously to celebrate the 33rd anniversary of the founding of People's Republic of China and to accord farewell reception to him at Ramna Restaurant, Dacca on Sunday evening.

Bangladesh-China Friendship Society sponsored the function. Shuking said the peoples of both China and Bangladesh should continue their efforts to further cement and develop the existing friendship between the two countries.

Presided over by President of the association, Mirza Golam Hafiz, the function was addressed by Vice-President of the association Ataur Rahman Khan and Kazi Zafar Ahmed.

Referring to China's commitment to the Third World and developing countries Shuking said his country is pledge-bound to extend all possible support to those struggling against hegemonism, exploitation and oppression.

He outlined the progress achieved by the present leadership of China in all sectors through modernisation programmes. He said objective of his country's modernisation programme includes increase of farm-production four-fold by the turn of the current century. He described the outcome of 12th Congress of the Communist Party of China as "very important and successful".

Mirza Golam Hafiz said friendship and cooperation between Bangladesh and China has been gaining stronger day by day since the establishment of diplomatic relations between the two countries.

He said cultural ties, trade transactions, cooperation in scientific and technical fields developed significantly between the two countries during the past few years.

Mirza Hafiz said China had extended support to Bangladesh in consolidating her national independence and sovereignty and hoped she will always stand by the side of the people of Bangladesh in their just struggle in future.

He said that an Islamic delegation from China will soon visit Bangladesh at the invitation of the government.

Ataur Rahman Khan who led a friendship delegation to China recently narrated the experience of his visit to China.

He said the friendly feelings demonstrated by the people of China during the visit of the friendship delegation clearly shows that the existing ties between the two peoples will be further promoted.

Kazi Zafar said the people of Bangladesh are still continuing their struggle in consolidating their national independence and sovereignty and hoped that China would extend its unflinching support in future.

He lauded the efforts of the outgoing Chinese Ambassador in developing friendship between the peoples of the two countries.

CSO: 4600/1091

'CONFUSING' REPORT ON EXPORT PERFORMANCE NOTED

Dacca HOLIDAY in English 26 Sep 82 pp 1, 8

[Article by Jaglul Alam]

[Text] The export earning of the country during the first two months of the current fiscal year (July-August) indicated a shortfall by over 70 crore takas measured against the projected average target for the period.

During the period 186.12 crore takas were earned by exporting commodities while the target for the same period was 258.16 crore takas taking into account that 1550 crore takas worth of export earning has been fixed for fiscal year 1982-83.

It is gathered that the export situation was to be discussed threadbare by the export promotion authorities with the Martial Law administration on September 22 last. But since CMLA was busy otherwise on that day the meeting could not be held.

Meanwhile, the Export Promotion Bureau has published the export performance report for the month of July and August 1982.

But this performance report about exports during July-August is confusing. It is found that the export figures for July as quoted in the monthly statement of export for the month are not similar to those in the statement prepared for the months of July and August.

In the monthly statement of July it was stated that jute goods (all sorts) worth 36 28 crore takas were exported in July '82 while the statement prepared for August shows that jute goods worth 45 11 crore takas were exported in July '82.

The statement for July showed an export earning of 4 65 crore takas from tanned and semi-tanned leather, while the statement for August shows 4 93 crore takas as export earning for the same commodities for July, '82.

Similarly, export earning from total manufactured commodities during July as quoted in the monthly statement for July was 50.58 crore takas while it was shown in the statement of August that over 55 crore takas were earned from exporting manufactured items in July 1982.

The total export earning during July-August as shown in the statement for August was 190.02 crore takas while totalling the figures of the statements of July and August separately it is found that commodities worth 186.12 crore takas were exported in the same period.

On the other hand, the statement published by the Bangladesh Jute Mills Corporation and Export Promotion Bureau showing export earning from jute goods do not tally.

According to a BJMC source jute goods of about 50 thousand long tons were exported during the first two months of the current fiscal year and about 50.15 crore takas were earned at the rate of about 10,012 takas per ton of jute goods.

But the statement of the Export Promotion Bureau shows that jute goods worth 85.53 crore takas were exported during the same period. However, the latter statement contained neither the volume of jute goods nor its per ton price on the international market.

According to the July '82 statement of export earnings the country incurred a shortfall of over 29 crore takas on export earning compared to the export earning of the previous month. In July '82 commodities worth 76.16 crore takas were exported as against 105.20 crore takas during June 1982.

Export both in terms of volume and takas during July '82 fell due to slow trend in export of jute goods, tanned and semi-tanned leather, handicraft, hosiery and specialized textiles, raw jute, tea, etc.

During June this year raw jute worth 16.88 crore takas was exported. The figure fell by 9.18 crore takas to 7.70 crore takas in July 1982.

Over 2.38 crore takas were earned in June 1982 exporting tea. The earnings decreased to 1.76 crore takas in July, '82.

During June, this year agricultural products worth 104.02 crore takas were exported but in the following month this export decreased by over 17 crore takas to 86 92 crore takas, it is learnt.

Total primary commodities worth 25.57 crore takas were exported from Bangladesh in July this year as against an earning of 31.57 crore takas during the previous month.

The situation indicated some improvement during the month of August '82. In August 109.96 crore takas were earned from export as against 85.51 crore takas export earning during the corresponding period of the previous year.

When contacted, the vice-chairman of Export Promotion Bureau said he could not meet this correspondent because he was 'busy'.

Meanwhile, Export Promotion Bureau has issued a handout clarifying the export performance in July and August, '82 which was also based on the aforesaid anomalous statements.

CSO: 4600/1090

FOOD MINISTER: ARRANGEMENTS FOR FOOD GRAINS ADEQUATE

Dacca THE BANGLADESH OBSERVER in English 26 Sep 82 pp 1, 8

[Text] Daulatpur (Kushtia) Sept. 25:--Food Minister Air Vice-Marshal (Retd.) A. G. Mahmood today said that adequate foodgrains had already been arranged from external sources to meet the additional food shortage caused by recent flood and drought in some districts reports BSS.

Addressing a cross-section of people here this morning the Minister said that 12 lakh tons of foodgrains were scheduled to arrive in the country by December next. He said that over 50 per cent of this quantity had so far arrived.

Air Vice-Marshal Mahmood said that Government was fully aware of the food situation and was keeping a constant watch on the market. Adequate measures have also been taken to intensify supply of foodgrains through open market sale modified rationing and test relief he added.

He said that the foodstock in the Government godowns as well as in the pipeline was satisfactory. He assured that there would be no interruption in the supply of foodgrains through Government distribution system.

The Minister was informed in the meeting that sufficient quantity of foodgrains was being distributed all over the district of Kushtia and it had made salutory effect on the market to stabilize the price of foodgrains.

Explaining the food policy of the present Government the Minister said that the objective of the policy was to strengthen the free movement of the foodgrains to make food available in all the areas of the country.

Referring to the various steps taken by the Government in other fields the Minister said since our resources were limited these should be utilized properly and in a planned way for the benefit of the common man. The Minister said with that aim in view the Government had taken several fundamental policy decisions for the total uplift of the rural people. He called upon the people to come forward to work with the Government to implement these programmes.

The Food Minister also visited the local LSD and OMS centre. He was informed that over 45 thousand maunds of foodgrains were stored in Daulatpur P.S. alone.

Later Air Vice-Marshal Mahmood met a cross-section of people at Gangni and Chuadanga and discussed food situation with them.

Earlier on Friday the Minister addressed two separate meetings at Ishurdi and Sathia in Pabna district.

CSO: 4600/1089

FIRST PHASE OF BAKHRABAD GAS DRILLING COMPLETED

Dacca THE BANGLADESH OBSERVER in English 26 Sep 82 p 1

[Text] Bakhrabad (Comilla) Sept 25:--The first phase of Bakhrabad gas drilling was completed today reports BSS.

The DCMLA and Minister for energy and mineral resources Air Vice-Marshal Sultan Mahmud formally announced the successful completion of the exploration phase of the project when he visited the drilling site in Comilla.

Bakhrabad is one of the largest gas fields of the country, with an estimated reserve of three trillion cft. gas. In addition, there would be available a considerable quantum of condensate which would also reduce the foreign exchange burden on account of oil import.

The drilling in this gas field was started in June 1980 and was designed project to have its producing wells with gas gathering and processing facilities. The estimated cost of the project was Taka 109 crore including a foreign exchange component of Taka 90 crore, financed by OECF of Japan.

All the five wells out of which four are deviation drilling of the project have now been completed with an estimated minimum production capacity of 150 million cft. of gas daily. The gas gathering and processing equipments are expected to be installed and commissioned by June, 1983.

Air Vice-Marshal Sultan Mahmud also visited the gas pipeline link areas at Feni which will be completed by March next year.

This will connect Bakhrabad with Chittagong city gate station and transmit gas through the 110-mile long pipe-line to Chittagong city and industrial areas and six lakh consumers will be benefited. At the same time, the consuming centres at Comilla, Chandpur, Laksham, Feni will also come within the network.

While addressing the personnel of the Bakhrabad gas field Air Vice-Marshal Sultan Mahmud appreciated their endeavour and enthusiasm which helped early completion of the work. He expressed his gratitude to OECF and Japan for providing necessary assistance for successful completion of the drilling project.

He also mentioned that the Government was keen to extract LPG from natural gas and supply it throughout the country.

The DCMLA asked the officials to coordinate with other related agencies for early completion of the pipeline connection.

He said, it is our prime responsibility to meet the growing demand of gas of our own people within the country and urged all concerned to work with dedication to fulfil the task.

Air Vice-Marshal Sultan Mahmud also visited Feni 33 KV power sub-station and expressed his dissatisfaction of the poor standard of electricity distribution there.

He asked the PDB authorities to take up a rehabilitation programme immediately with special emphasis on the maintenance of the scheme to ensure smooth power supply in the area.

CSO: 4600/1089

FINANCING STOPPED IN 16 INDUSTRIAL SECTORS

Dacca HOLIDAY in English 26 Sep 82 p 3

[Article by Badiul Alam]

[Text] Due to acute shortage of funds both in foreign and local currency the government has directed the major lending institutions, Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS) not to entertain for now any projects other than export-oriented and import substituting industries.

In particular the government has advised the lending institutions to stop financing in some 16 subsectors. These are, fish catching and processing, cold storage, biscuit factory, edible and non-edible oils including refinery and hydrogenation, beverage (nonalcoholic), cordage, rope, twine and jute yarn, jute bailing, plywood, packing board, foot wear, steel re-rolling mills (excluding corrugated & plain galvanized sheets), aluminium utensils & enamelware, dry cell batteries and parts thereof, electric fans, bodybuilding of bus, trucks, etc. and acquisition of ships and coasters (ocean going).

It is learnt that this decision of the government has adversely affected a substantial number of private sponsors whose projects had been approved and for which funds had been sanctioned and who were awaiting finalization of machinery procurement.

An official of D. G. Industries Office said that the existing capacity in these sectors appears to be in excess of requirement. Moreover, some of these sectors could not utilize the sanctioned capacity due to paucity of necessary raw materials and marketing problems, he claimed.

He particularly referred to the fish catching and processing plants. As per sanctioned capacity nearly 2 lakh tons of fish can be processed, but up to Dec. '81 it was utilized only to the extent of 94,475 tons.

In cold storage sector sanctioned capacity was nearly 2 and a half lakh tons. But up to the end of last fiscal year capacity utilization was only 1 lakh tons. In footwear sanctioned capacity was 155.18 lakh pairs but utilization was only 118.89 lakh pairs.

As per sanctioned capacity the country can have 3.41 lakhs electric fans by this time. But latest reports revealed that only 2.60 lakhs fans are available.

In drug and pharmaceuticals sector the government advised the banks to give preference to those projects having proposals for manufacturing basic intermediate pharmaceuticals-chemicals, preferably with foreign collaboration and manufacturing of medicine should include 150 essential drugs as mentioned in the new drug policy.

Meanwhile, a highly placed executive of BSB told me that they require foreign currency amounting to 25 to 30 million US dollars and local currency amounting to Tk 40 to 50 crores to meet the demand of the projects lying with the bank.

It is learnt from a reliable source that the management of BSRS has asked the government to arrange some 20 million US dollars urgently.

CSO: 4600/1090

INDIAN INTRUDERS REPORTEDLY STILL IN DAHAGRAM

Dacca THE NEW NATION in English 28 Sep 82 pp 1, 8

[Article by Matiur Rahman]

[Text] The Coochbehar district administration of West Bengal has not yet taken any step to take back the intruders from the two Bangladeshi enclaves—Dahagram and Angorpota.

According to the Rangpur district administration, the Indian side did not even respond to the protest lodged with the District Magistrate of Coochbehar by the Deputy Commissioner of Rangpur against the incident of illegal intrusion.

The Deputy Commissioner of Rangpur had lodged a strong protest with the Coochbehar District Magistrate immediately after the forcible entry into the two Bangladesh enclaves of a number of Indian nationals who tried to settle there. The incident occurred in the early part of this month.

The Indian nationals mainly from the neighbouring Coochbehar district had forced their way into Dahagram and Angorpota and erected houses there defying the protest of the local people.

The Rangpur district administration could not take any action in this regard as the two enclaves remained totally cut off because of the lack of passage or corridor what else we could do when the passage or corridor through Indian teritorry to the enclaves is not open to us and the people living in the two enclaves remained virtually stranded there," one dritrict official told this correspondent.

According to reports reaching Dacca, over ten thousand Bangladesh nationals living in the two enclaves have no touch with the mainstream of the country or any link with the local administration because of the non-availability of the Tin Bigha corridor.

The district administration also confirmed that the two enclaves had turned into 'den' of smugglers and miscreants from both the sides thus causing serious concern to the nationals living there.

Meanwhile, Bangladesh Foreign Secretary Ataul Karim was learnt to have discussed the issue on lease-in-perpetuity of the Tin Bigha corridor to Bangladesh with his Indian counterpart K. S. Bajpai when the latter came to Dacca last week.

Both the Foreign Secretaries discussed the matter as it was envisaged in the 1974 Indo-Bangladesh land boundary agreement along with other issues for the forthcoming summit between Chief Martial Law Administrator Lt. General H. M. Ershad and Indian Premier Mrs. Indira Gandhi in New Delhi.

It may be recalled here that former Foreign Secretary Humayun Rashid Chowdhury and Indian Foreign Secretary Eric Gonsalves had prepared agreed minutes following their talks in Dacca in November last year on the Tin Bigha issue.

The two Foreign Secretaries had elaborate talks on the issue following the joint statement issued after the meeting of Indian Foreign Minister Narashimha Rao and former Foreign Minister Prof. Shamsul Huq in New Delhi in September last year.

Both sides had discussion on the issue again when Indian Foreign Minister Narashimha Rao visited Dacca in May last.

The Tin Bigha corridor issue became ticklish following the non-implementation of the land boundary agreement signed by the late Prime Minister Sheikh Mujibur Rahman and Indian Prime Minister Mrs. Indira Gandhi in 1974 during the former's visit to New Delhi.

Bangladesh immediately after the signing had ratified the agreement by the then parliament but India has not yet ratified it by her parliament.

According to diplomatic circles in Dacca, the Tin Bigha issue might be solved this time when the Bangladesh Chief Martial Law Administrator General Ershad will pay visit to the Indian capital on October 6 and 7.

CSO: 4600/1092

CORRESPONDENT INTERVIEWS KASHMIR CHIEF MINISTER

Madras THE HINDU in English 21 Sep 82 p 7

[Text] Srinagar, Sept. 20.

The balding, handsome Chief Minister of Jammu and Kashmir, Dr. Farooq Abdullah, has made it clear that neither his Government nor the ruling National Conference Party could afford the luxury of a confrontation with the Centre or the Congress (I) within or outside the State.

His sincere and honest endeavour would always be to place the State's relations with the Centre on "a balanced and mature basis on all issues and avoid the type of misunderstandings which used to crop up every now and then in the recent past", Dr. Abdullah said in an interview.

"Our backward State always needs the guidance of Central leaders as well as assistance from the Central Government to rid it of our basic problems", he added.

The 45-year-old Chief Minister said he wanted to give high priority and a new direction to education so that fundamentalist tendencies were discarded by the youth.

No merger: On relations with the Congress (I), he said, he would have no objection to an electoral alliance or understanding between the National Conference, of which he is the president, and the Congress (I) for the coming elections to the 76-member State Assembly. But it was not possible for him or Mrs. Gandhi to have a merger of the two parties, even though both were wedded to the same principles and ideals of secularism, socialism and democracy.

Mrs. Gandhi, he said, was as keen on retaining the separate identity of her party in the State as he was with regard to his own party. The National Conference, Sheikh Abdullah had said in his will, "is the only guarantee of their identity and only legacy". This must be preserved.

Dr. Abdullah said it was for the Congress (I) in the State or Mrs. Gandhi to decide on the type of ties they wanted to have with his party. If the ruling National Conference and the Congress (I) could have mutual

understanding and cooperation, it was bound to weaken communal parties in the State. The State could not afford "communal" parties like the Jamait-i-Islami and its youth wing Jamait-i-Tulba and the RSS to raise their ugly head.

Dr. Abdullah made it clear that he did not have in mind the kind of cooperation from the State unit of the Congress (I) which it had offered to his father, Sheikh Abdullah in February 1975 at the time of his return after finalisation of a new accord between him and Mrs. Gandhi. At that time, the Congress party, though having an absolute majority in both Houses of the State legislature, promised unconditional support to him to take over as Chief Minister but then backed out and finally withdrew support in April 1977. This resulted in the downfall of the Sheikh Government and imposition of Governor's rule in the State. Dr. Abdullah was confident that his continued close relationship with Mrs. Gandhi would enable him to solve any problem that may be created by the local unit of the Congress (I).

"I consider myself lucky that I can seek Mrs. Gandhi's advice whenever I need it as I used to turn to my late father".

Fight against corruption: For an electoral alliance with the Congress (I), his only condition would be that the party should give its ticket for the Assembly elections, only to those who had a "clean record" as he himself would be doing in the case of his party candidates. He said he would not give party nomination to any of the 21 members of the Sheikh's Council of Ministers against whom there were corruption charges.

His Government has, in fact, decided to set up special courts to try corrupt Ministers, former Ministers and officials. He was also setting up a special cell in the Government to receive complaints of corruption against those in public life as well as the bureaucracy. If there was a prima facie case, the complaint would be placed before the special court.

Dr. Farooq Abdullah warned elements which he said, had once again started raising the demand for abrogation of Article 370 of the Constitution. These elements, within and outside the State were doing a great disservice to the country. Abrogation of the Article, which guarantees a special status to Jammu and Kashmir would be resisted by each and every Kashmiri at any cost, he said. If the Article was tampered with, divisive forces in the State might get the upper hand.

Assembly Speaker: The National Conference candidate Mr. A. R. Rather will be elected unopposed Speaker of the Assembly tomorrow, report UNI, PTI. Only Mr. Rather's nomination papers were received by the Assembly Secretariat till noon today, the deadline. The formal announcement will be made tomorrow.

The post had fallen vacant following the induction of Mr. Parmanand into the Council of Ministers.

CSO: 4600/1093

CPI-M POLITBURO PROTESTS ACTION ON TRIPURA

Madras THE HINDU in English 22 Sep 82 p 7

[Text] New Delhi, Sept. 21.

The politburo of the CPI (M) on Tuesday protested against the declaration of certain parts of Tripura as a disturbed area by the Union Government.

In a statement, it said the Tripura Chief Minister, Mr. Nirpen Chakraborty, had declined to endorse the Centre's suggestion that he agreed to the move.

The Chief Minister felt that "this extraordinary step would put serious obstacles in the political mobilisation of the people against the forces of destabilisation."

"Tripura is the only State in the northeastern region where separatist and divisive forces have been kept in check, mainly because of the CPI (M)'s untiring work to maintain the unity of the tribal and non-tribal people."

The politburo said the Centre had, earlier, rejected the State Government's request for a CRP battalion to assist it in maintaining law and order.

"This makes it clear that the Centre is interested in riding roughshod over the State Government rather than preserving law and order through it."

The politburo noted that the Tripura PCC (I) and its allies had been using one pretext or the other to bring the State under Central rule at least before the Assembly elections due in a few months.

"The CPI (M) had warned when the Disturbed Areas Act was passed that it would be used to curtail the powers of State Governments. This is what has been done in Tripura now against the Left Front Government of that State," it said.

CSO: 4600/1094

DELHI STATES POSITION ON STATES' POWERS

Madras THE HINDU in English 22 Sep 82 p 9

[Text] New Delhi, Sept. 21.

The Centre is not prepared to accept the Akali Dal (Longowal) plea for referring the question of States' autonomy to a Commission, because that would "open Pandora's box," as an authoritative source put it.

Through indirect hints, the Akali Dal (L), which had launched an agitation in Punjab, conveyed its willingness to resume discussions, if the Centre agreed to refer the autonomy issue as also the demand for inclusion of Punjab of Punjabi-speaking areas of adjacent States to two commissions. The Centre left the Akalis in no doubt about its negative reaction.

Apart from the fact that the present arrangement was considered satisfactory, the Centre felt that, by re-opening the issue, it would be creating fresh complications for itself, especially in relation to Tamil Nadu, West Bengal and Jammu and Kashmir.

An official note, which spelt out the Government of India's stand on Centre-State relationship said "The States are in no way dependent on the Union for the exercise of their legislative and executive authority in the sphere assigned to them if it does not infringe the sphere of the authority of the Union. The Constitution, while providing maximum possible autonomy to the State, places in the hands of the Centre adequate powers to ensure the unity and integrity of the country. The Constitution thus strikes a fair balance between the claims of the Centre and the States."

The note defended the powers of the Union to ensure compliance with laws made by Parliament, to issue directions to States in regard to maintenance of the means of communications, railways, etc. and other matters like welfare of the Scheduled Castes and instruction in mother tongue, and said: "It is essential that the Union should have the powers to give directions to the States and this cannot be termed as infringement of powers provided to the States under the Constitution. It is also the duty of the Union to protect the State against external aggression and internal disturbances and to ensure that the Government of every State is carried on in accordance with the provisions of the Constitution."

Cordial relations: Dealing with the efforts of the present Government to maintain cordial relations with all the States, it said: "maximum possible assistance to the State Governments, including financial and police personnel, has been provided by the Centre as and when needed. The Central Government has scrupulously refrained from interfering in any way with the legislative and executive authority of the State Governments in spheres assigned to them under the Constitution. The Central Government has never adopted any discriminatory or unsympathetic attitude towards any State Government irrespective of the party in power in that State."

The provisions concerning financial relations between the Centre and the State, it said, were designed with great care and circumspection and had stood the test of time. "They have enough flexibility for reconciling conflicts of interests that may arise from time to time between the Union and the constituent units. The financial jurisdiction of the Centre and the States has been demarcated on sound economic principles."

CSO: 4600/1094

ANALYST NOTES EFFORT TO PROMOTE INDO-U.S. TIES

Madras THE HINDU in English 22 Sep 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 21.

There are various moves afoot for keeping up the tempo of improvement of Indo-American relations in the wake of the Prime Minister's recent visit to Washington.

The U.S. Secretary of State, Mr. George Shultz, will pay a visit early next year to attend the much postponed ministerial level meeting of the Indo-American joint commission.

The U.S. Vice-President, Mr. George Bush, will also be visiting India some time next year to pave the way for a visit by President Reagan himself before the end of his term.

A major Indo-American seminar is being planned for early January in connection with the Roosevelt centenary to recall his sympathy and support for the Indian independence movement. Many distinguished Indian and American scholars, including some leading U.S. senators, are expected to take part in it.

A number of U.S. business delegations are expected to visit India during the next few months to discuss the possibilities of investment and technology transfer in some of the key sectors where India in need of foreign collaboration. The Finance Minister, Mr. Pranab Mukherjee, met several company executives and investment bankers in New York and Washington, on his way back to India from the IMF and World Bank meetings, to spell out the opportunities for more U.S. investment.

The Finance Ministry has already begun the next budget exercise with some broad projections of the steps that have to be taken to carry forward the policy of liberalisation. A lot of emphasis is being laid in official circles on better fiscal management during the next year, when inflationary pressures are expected to build up again.

The Indian and U.S. governments have lately been giving some serious thought to the removal of irksome restrictions on import-export trade by liberalising quotas and tariffs within the limits of their policies and obligations. As India's largest trading partner, the U.S. is in a position to help the country to step up its exports.

The Government of India is appreciative of the attitude adopted by the U.S. at the Toronto conferences on the question of external assistance to developing States. Despite its reservations on the aid question, the U.S. did not go out of its way to embarrass India in any way by questioning the validity of its claims to a larger slice of international assistance.

The nuclear question, no doubt, remains a recurring irritant in Indo-American relations but after passing the buck to France, the U.S. is not involving itself in the current Indo-French parleys on the safeguards issue.

CSO: 4600/1094

SUPREME COURT JUDGES ON WORKERS' RIGHTS, WAGES

Madras THE HINDU in English 23 Sep 82 p 8

[Text] *The following Supreme Court dicta and observations have been culled by our Legal Correspondent from a recent judgment of the court (W.P. No. 8143 of 1981):*

WE (the Supreme Court) may point out with all the emphasis at our command that whenever any fundamental right enacted in Articles 17 (abolition of untouchability) or 23 (prohibition of traffic in human beings and forced labour) or 24 (prohibition of employment of children in factories, etc.) is being violated, it is the constitutional obligation of the State to take the necessary steps for the purpose of interdicting such violation and ensuring observance of the fundamental right by the private individual who is transgressing the same.

Of course, the person whose fundamental right is violated can always approach the Court for the purpose of enforcement of his fundamental right, but that cannot absolve the State from its constitutional obligation to see that there is no violation of the fundamental right of such person, particularly when he belongs to the weaker section of humanity and is unable to wage a legal battle against a strong and powerful opponent who is exploiting him.

* * * * *

The Union of India, the Delhi Administration and the Delhi Development Authority must therefore be held to be under an obligation to ensure observance of the various labour laws by the contractors (in relation to workmen employed in the construction of various projects connected with Asian Games) and if the provisions of any of these labour laws are violated by the contractors, the petitioners vindicating the cause of the workmen are entitled to enforce this obligation against the Union of India, the Delhi Administration and the Delhi Development Authority by filing the present writ petition.

Where a person is suffering from hunger or starvation, when he has no resource at all to fight disease or to feed his wife and children or even to hide their nakedness, where utter grinding poverty has broken his back and reduced him to a state of helplessness and despair and where no other employment is available to alleviate the rigour of his poverty, he would have no choice but to accept any work that comes his way, even if the remuneration offered to him is less than the minimum wage.

He would be in no position to bargain with the employer; he would have to accept what is offered to him. And in doing so he would be acting not as a free agent with a choice between alternatives but under the compulsion of economic circumstances and the labour or service provided by him would be clearly 'forced labour' (prohibited under Article 23 of the Constitution).

* * * * *

There is no reason why the word 'forced' should be read in a narrow and restricted manner so as to be confined only to physical or legal 'force' particularly when the national charter, its fundamental document, the Constitution has promised to build a new socialist republic where there will be socio-economic justice for all and everyone shall have the right to work, to education and to adequate means of livelihood.

The Constitution makers have given us one of the most remarkable documents in history for ushering in a new socio-economic order and the Constitution which they have forged for us has a social purpose and an economic mission and therefore every word or phrase in the Constitution must be interpreted in a manner which would advance the socio-economic objective of the Constitution.

* * * * *

It is not unoften that in a capitalist society, economic circumstances exert

much greater pressure on an individual in driving him to a particular course of action than physical compulsion or force of legislative provision. The word 'force' must therefore be construed to include not only physical or legal force but also force arising from the compulsion of economic circumstances which leaves no choice of alternatives to a person in want and compels him to provide labour or service even though the remuneration received for it is less than the minimum wage.

* * * * *

We (the Supreme Court) are therefore of the view that where a person provides labour or service to another for remuneration which is less than the minimum wage, the labour or service provided by him clearly falls within the scope and ambit of the words "forced labour" prohibited under Article 23. Such a person would be entitled to come to the (Supreme) Court for enforcement of his fundamental right under Article 23 by asking the Court to direct payment of the minimum wage to him so that the labour or service provided by him ceases to be 'forced labour' and the breach of Article 23 is remedied.

It is therefore clear that when the petitioners alleged that minimum wage was not paid to the workmen employed by the contractors, the complaint was really in effect and substance a complaint against violation of the fundamental right of the workmen under Article 23.

* * * * *

The Union of India in its affidavit in reply admitted that there were certain violations committed by the contractors but hastened to add that for these violations prosecutions were initiated against the errant contractors and no violation of any of the labour laws was allowed to go unpunished. The Union of India also conceded in its affidavit in reply that Re. 1/- per worker per day was deducted by the 'jamadars' from the wage payable to the workers with the result that the workers did not get the minimum wage of Rs. 9.25 per day, but stated that proceedings had been taken for the purpose of recovering the amount of the shortfall in the minimum wage from the contractors.

No particulars were however given of such proceedings adopted by the Union of India or the Delhi Administration or the Delhi Development Authority.

It was for this reason that we (the Supreme Court) directed by our order dated May 11, 1982 that whatever is the minimum wage for the time being or if the wage payable is higher than such wage, it shall be paid by the contractors to the workmen directly without the intervention of the jamadars and that the jamadars shall not be entitled to deduct or recover any amount from the minimum wage payable to the workmen as and by way of commission or otherwise.

* * * * *

We (the Supreme Court) would also direct in addition that if the Union of India or the Delhi Administration or the Delhi Development Authority finds — and for this purpose it may hold such inquiry as is possible in the circumstances — that any of the workmen has not received the minimum wage payable to him, it shall take the necessary legal action against the contractors whether by way of prosecution or by way of recovery of the amount of the shortfall.

We (the Supreme Court) would also suggest that hereafter whenever any contracts are given by the Government or any other governmental authority including a public sector corporation, it should be ensured by introducing a suitable provision in the contracts that wage shall be paid by the contractors to the workmen directly without the intervention of any jamadars or thekadars and that the contractors shall ensure that no amount by way of commission or otherwise is deducted or recovered by the jamadars from the wage of the workmen.

* * * * *

Since it would not be possible for this (Supreme) Court to take evidence for the purpose of deciding this factual dispute (on the question of violation of other labour laws by contractors) between the parties and we (Court) also wanted to ensure that in any event the provisions of these various laws enacted for the benefit of the workmen were strictly observed and implemented by the contractors, we by our order dated May 11, 1982 appointed three ombudsmen and requested them to make periodical inspections of the sites of the construction work for the purpose of ascertaining whether the provisions of these labour laws were being carried out and the workers were receiving the benefits and amenities provided for them under these beneficent statutes or whether there were any violations of these provisions being committed by the contractors so that on the basis of the reports of the three ombudsmen, this Court could give further direction in the matter if found necessary.

* * * * *

We (the Supreme Court) may add that whenever any construction work is being carried out either departmentally or through contractors, the Government or any other governmental authority including a public sector corporation which is carrying out such work must take great care to see that the provisions of the labour laws are being strictly observed and they should not wait for any complaint to be received from the workmen in regard to non-observance of any such provision before proceeding to

take action against the erring officers or contractors, but they should institute an effective system of periodic inspections coupled with occasional surprise inspections by the higher officers in order to ensure that there are no violations of the provisions of labour laws and the workmen are not denied the rights and benefits to which they are entitled under such provisions and if any such violations are found, immediate action should be taken against defaulting officers or contractors. That is the least which a government or a governmental authority or a public sector corporation is expected to do in a social welfare State.

CSO: 4600/1095

IMPORTANCE OF DEFENSE COOPERATION WITH U.K. TOLD

Madras THE HINDU in English 23 Sep 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept. 22.

The British Defence Minister, Mr. John Nott, who is now on an official visit to India, has been exploring the prospects for long-term Indo-British cooperation in this highly sophisticated sphere involving the very latest technological advances.

The proposed cooperation relates not only to supply of the latest equipment and its indigenous manufacture under licence, but also research and development of the next generation weaponry involving a major breakthrough in the adaptation of micro-electronics for push-button warfare, revolutionising the very concept of modern defence.

Hitherto, the main accent has been on the acquisition and progressive manufacture of equipment in current use or in the process of being replaced by more advanced weapon systems. None of the big powers which has had a defence supply relationship with India has so far come forward with an offer to associate this country actively with the development of any new weapon.

Long-term cooperation: The British Defence Minister has indicated his country's readiness to embark on joint projects that would take India into the realm of push-button warfare before the turn of the century, if it is prepared to embark on long-term cooperation with Britain.

The implication is that, since any such sharing of scientific skills and pooling of technological resources would inevitably involve security problems, India must choose its friends carefully and put greater faith in them on a long-term basis without deviating from the chosen direction.

The British maintain that, though they are no longer a major military power, they nevertheless retain the ability and experience to keep abreast of other countries like the United States and the Soviet Union in the application of scientific knowledge for defence purposes.

The United Kingdom is no less advanced, it is claimed, in several key sectors that are vital for the development of new weapon systems like designing of new combat aircraft and development of missiles that can detect and destroy in-coming bombers from a distance of several hundred kilometres, high-speed naval boats for electronic warfare and field weapons of revolutionary design for use by land forces.

Vacillation is costly: In these days of rapidly changing strategic concepts and crippling defence burdens, no country can afford the luxury of vacillating over the choice of the options open to it. India has paid dearly by delaying decisions, whatever the reasons for procrastination. The Jaguar deal is a striking example of what some defence experts have described as a good decision that got delayed for years for no valid reason and in the process lost a part of its relevance.

The IAF should have gone in for the Jaguar, so the argument runs, at least five or six years earlier and got its domestic production into stride. Instead of embarking on this deal when Britain and France were already engaged in developing much more advanced and versatile aircraft for interceptory and interdictory roles.

Whither Jaguar programme?: The fact that more advanced air craft were being inducted into the American and Soviet, or British and French, airforces did not make the Indian choice of the Jaguar any less relevant in its particular geostrategic context. So the whole controversy now rests on whether India should be content with the 40 fully assembled and 45 to be locally assembled Jaguars, or embark on a manufacturing programme to gain the necessary skills in the production of modern combat aircraft.

The choice that India has made but not officially announced yet, is to assemble another 31 Jaguars with partly imported and partly locally fabricated components, taking the total acquisition to 116 aircraft. It is difficult to define

at this stage the degree of "indigenisation" in the lingo of the defence production experts, but all the critical components will have to be imported from Britain.

The British Defence Minister, who had wide-ranging discussions in Delhi on the future of Indo-British defence cooperation is leaving for Bangalore tomorrow to have a look at the high level of proficiency displayed by Indian technicians of HAL in organising the Jaguar assembly line with imported equipment. And the British Aerospace engineers feel India can assume the responsibility for producing more and more parts as the assembly of these aircraft progresses to the stage at which it could think in terms of partial manufacture.

CSO: 4600/1095

JAMMU, KASHMIR GOVERNOR COMMENTS ON RESETTLEMENT BILL

Madras THE HINDU in English 24 Sep 82 p 7

[Text]

SRINAGAR, Sept. 23.

The Jammu and Kashmir Governor, Mr. B.K. Nehru has suggested to the State legislature that it amend the controversial Resettlement Bill to make it consistent with the correct constitutional position.

The Speaker, Mr. A.R. Rather read out in the House today the message he had received from the Governor.

While returning the Bill Mr. Nehru suggested that certain "unintended" consequences of some provisions of the Bill be removed.

Legal lacunae

The Governor said the Bill suffered from legal lacunae and was infructuous. The State had no powers to legislate in the matter.

The Law Minister, Mr. P.L. Handoo laid on the table of the House a copy of the Bill as returned by the Governor. The two Houses of the legislature had passed the Bill in their last session at Jammu.

Mr. Nehru said there were no doubt many cases of hardship of former permanent residents who, in their old age or for other family reasons, wish to return permanently to the State, who are not security risks and who had under the existing laws, not been permitted to do so.

He, however, felt it was possible that on further study, it might appear that fresh legislation for the purpose was not necessary.

Mr. Nehru said that all such cases could be dealt with under Section 5(1) (A) of the Indian Citizenship Act, 1955, the procedure under which was simple and expeditious.

"To the persons thus regaining Indian citizenship, or gaining it for the first time (as in the possible cases of wives, widows and descendants), can be restored (or granted for the first time) the rights of a permanent resident, which the State Government was perfectly entitled to do by amendment, if necessary, of the existing laws on the subject," he said.

All such actions of amendment, even if inconsistent with the Fundamental Rights, would be protected by Article 35(A) of the Constitution.

'Unintended consequences'

Referring to the unintended consequences of the Bill, Mr. Nehru said the Bill, as it stood, would entitle any person who had migrated to Pakistan to return to the State (and to India) provided he satisfied four conditions namely.

(1) that he migrated to Pakistan (at any time) after March 1, 1947; (2) that he wished to come back to the State permanently; (3) that he was a State subject before May 14, 1954, or is a descendant, wife or widow of such State subject and (4) that he is willing to swear allegiance to the Constitution of India and of the State.

This simple provision, he said, would have the following consequences which the legislature did not perhaps intend:

1. Persons who may have deliberately and voluntarily migrated to Pakistan, settled there, taken Pakistani citizenship, appropriated evacuee property, served in the Pakistani civil or armed services, fought against India or committed other treasonable acts against the country can, at any time of their choosing, return to India (and to the State) and settle here "as a matter of legal right."

2. Not only the migrant but his wives, widows, or descendants who may have been born, or may hereafter be born in Pakistan and who may never have been Indian citizens (and therefore never been State subjects — for in order to be a State subject, one has first to be an Indian citizen) will have the right for all time to come to settle in the State.

3. As the returnee has only to satisfy the competent authority that he has the "intention" to settle permanently in the State and as there is no method to keep him forcibly here, there is nothing to prevent his return to Pakistan (or migration elsewhere) when he has sold his original property (evacuee property which is being held for him by the custodian of evacuee property) or received such compensation in lieu thereof as he may be entitled to from the State.

4. As the Bill makes no provision for checking the antecedents of an applicant, it makes it possible for spies, saboteurs and

foreign agents to come and settle in the State as a matter of legal right.

5. The provisions of the Bill itself cannot in practice facilitate the return from Pakistan of those desirous of settling in the State as it is the Central Government alone which controls entry into the country.

The Bill was therefore infructuous, the Governor said.

Misunderstanding

He said "the Bill seems to be based on a misunderstanding of the legal and constitutional effects of Section 6 of the Constitution of Jammu and Kashmir and the second proviso to Article 7 of the Constitution of India, from which the powers to enact a measure of this kind are sought to be drawn.

"The subject matter of this Bill is concerned with the following items in List 1 of the Seventh Schedule of the Constitution of India:

"Entry No. 19: Admission into and emigration and expulsion from India, passports and visas.

Entry No. 17: Citizenship naturalisation and aliens.

Entry No. 1: Defence of India and every part thereof including preparation for defence and all such acts as may be conducive in times of war to its prosecution and after its termination to effective demobilisation.

Entry No. 10: Foreign affairs: All matters which bring the Union into relation with any foreign country."

The items lie in the exclusive domain of Parliament. The State has no powers to legislate on these subjects. This position was recognised as early as 1950 in the Constitution (Application to Jammu and Kashmir) Order 1950 and "is now embodied in Section 5 of the State Constitution.

He said Section 6 of the State Constitution did not provide authority for the proposed law, as that Section "prescribes only who shall be the permanent residents of the State. It states clearly that the condition precedent to being a permanent resident of the State is that the person concerned must be a citizen of India or deemed to be a citizen thereof.

Sub-section 2 of Section 6 only confers the right of permanent residence of the State on a certain class of persons who would have lost this right but for this provision.

It does not confer on the legislature any powers to legislate on the citizenship of such subjects, which is even otherwise beyond the domain of the State.

Mr. Nehru said that the second proviso to Article 7 of the Indian Constitution also did not provide authority for the proposed law, as the proviso must be read with the main provision and the first proviso and with the other Article of part second of the Constitution (which applies in toto to Jammu and Kashmir), namely, Article 5 to 7 which together form the corpus of the constitutional provision of citizenship.

The structure of part second is that Article 5 defines who shall be a citizen of India at the commencement of the Constitution. Under the definition in Article 5, even those who migrated to Pakistan would continue to be Indian citizens but Article 7 excludes those who migrated after March 1, 1947, from the benefits of citizenship.

The first and second provisos to that article exclude the exclusion. The effect, consequently, is that those who migrated to Pakistan after March 1, 1947, will be deemed to be Indian citizens under Article 5 at the commencement of the Constitution — January 26, 1950 — provided they return to India under a certificate of permanent return of resettlement.

In the case of the rest of India, the competent authority to grant this certificate is the Central Government. In the case of permanent residents of Jammu and Kashmir, it is the Government of that State.

The Governor has said the grant of this certificate only enables its receiver to be deemed a citizen of India by virtue of Article 5 at the commencement of the Constitution of India.

If, however, he chooses at any time voluntarily to accept foreign nationality (including that of Pakistan), he loses the citizenship of India under Article 5, which was reconferred on him by the provisos to Article 7.

Consequently, a person who has, at any time, accepted Pakistani nationality, and wishes to regain Indian nationality, cannot do so under Article 7, but must do so under a law or laws enacted by Parliament under Article 11.

Mr. Nehru had discussed the Bill with the Chief Minister, Mr. Farooq Abdullah before returning the legislation to the State legislature for reconsideration.

According to Raj Bhavan sources, he had informed the Chief Minister that he was returning it. — UNI.

CSO: 4600/1096

REPORTAGE ON VISIT OF FRENCH FOREIGN TRADE MINISTER

Indo-French Committee Meeting

Madras THE HINDU in English 2 Oct 82 p 9

[Text]

NEW DELHI, Oct. 1.

India has proposed to France to set up units to make components and ancillaries in this country and buy back the production for its use or export to third countries. India has also suggested that France send two or three purcahse missions.

The proposals were made by the Union Commerce Minister, Mr. Shivraj Patil, at the meeting of the Indo-French joint committee on economic, technical and commercial cooperation today.

The French Foreign Trade Minister, Mr. Micheal Jobert, responded by calling for more meaningful and imaginative cooperation between the two countries in the field of trade and setting up of joint ventures both in India and in third countries.

Adverse trade balance: The meeting discussed the whole range of Indo-French economic cooperation. Mr. Patil expressed concern over India's growing adverse trade balance with France. He wanted France to take note of the balance of payments difficulties and purchase more from India.

Mr. Patil informed the French Minister about the special provisions made for units to be set up in the free trade zones and also 100 per cet export-oriented units. He suggested that major French companies might be persuaded to avail of this facility.

Mr. Patil felt that the process of technology-transfer from France to India could be given the necessary impetus and dynamism if there was a permanent machinery for promoting it. This machinery could be provided by any one of the existing organisations or a new one with offices in France and India. It could be provided with technical assistance by any French agency in the task of identifying the micro-sectors and potential partners for such collaborations.

Relations with EEC: Referring to Indo-EEC relations, Mr. Patil said there were differences in the EEC to some of India's suggestions, particularly in regard to the access to European investment bank funds, participation in projects financed by the bank and the level of EEC aid. India expected that with the growing bilateral Indo-French relations, Paris would be able to exercise a positive influence over the EEC in these matters. He urged the French Minister to look into this issue.

Mr. Jobert took note of India's views on various issues and called for a more effective implementation of the agreements entered into earlier.

It was noted at the meeting that January 1980 marked a water-shed in Indo-French relations in many ways, when many protocols were signed including the one for setting up the aluminium complex in Orissa. A number of French firms were active in this country and some major projects were entrusted to some of them even without recourse to global tender and international competition. The bilateral cooperation would begin to have significant impact in the coming two to three years. Mr. Patil said.

The French delegation will visit Bombay tomorrow and have discussions with businessmen and industrialists.

Jobert Addresses Businessmen

Bombay THE TIMES OF INDIA in English 3 Oct 82 p 10

[Text]

BOMBAY, October 2: Mr. Michel Jobert, French foreign trade minister, today assumed Indian businessmen greater economic co-operation by France. Whatever hesitancy had been experienced in the past to participate in India would disappear soon, he stated.

Addressing a luncheon meeting organised by the Indo-French Chamber of Commerce and Industry here today, Mr. Jobert said considerable

changes had taken place in France facilitating more economic co-operation between her and India.

Earlier, Mr. Harish Mahindra chamber president, welcomed the guest and hoped for continued French interest in India. He, however, observed that the French interest in Indian private sector had been rather disappointing.

Various aspects of Indo-French economic co-operation and measures to widen the range of trade participation were discussed at the meeting between leading Indian businessmen and the 20-member French trade delegation consisting of leading businessmen and industrialists in that country. Among the several points that figured in the discussion included a suggestion for more Indo-French efforts for third country projects.

Mr. Sohrab Godrej, chamber vice-president, while conducting the discussion, observed that the advanced, best and sophisticated French technology had not made its sufficient presence felt in India.

CSO: 4600/1098

REPORT ON RAO SPEECH TO 1 OCT UNGA MEETING

New Delhi PATRIOT in English 2 Oct 82 pp 1, 7

[Text] United Nations, Oct 1 (UNI, PTI)--External Affairs Minister P V Narasimha Rao today voiced concern at the 'increased build-up of the military presence of great powers in the Indian Ocean and called for immediate action to check the deteriorating security environment.

In his prepared address to the 37th annual session of the United Nations General Assembly, Mr Rao said that the Colombo conference should be held in 1983 as scheduled and should address itself to this question 'in a forthright manner.'

Mr Rao said theories of balance of power were being advanced to justify the induction of sophisticated arms into the area.

The Colombo conference originally set for 1981 stood postponed at the behest of those who 'are far removed from the area' Mr Rao noted.

India also called the attention of the Assembly to the unprecedented build-up of sophisticated arms in South Asian sub-continent, unrelated either to reasonable needs or threat perceptions and said it pointed to the continuance of strategic consensus situations detrimental to regional independence and harmony.

Mr Rao, however, expressed the hope that the subcontinent would be able to usher in an era of peace which was more comprehensive than the mere absence of war and encompassed relationships of positive friendship and cooperation.

The External Affairs Minister referred at some length to the recent West Asia conflagration resulting in the virtual destruction of Beirut and the 'horrid' genocide of the Lebanese and Palestinian population and squarely placed the blame on Israel.

He told the General Assembly: "It was nothing short of a holocaust, imposed strangely and ironically, by none other than Israel. Ironically again, the withdrawal of the Palestine Liberation Organisation (PLO) from Beirut, to save innocent civilians from further suffering and devastation has itself led to the gruesome massacre of Palestinians in Chatila and Sabra. Israel's responsibility, indeed complicity, is self-evident".

Mr Rao added that those who had undertaken to protect the Palestinian and Lebanese civilians in Beirut in the wake of the withdrawal of the PLO must also share the blame for the criminal bloodshed.

The External Affairs Minister urged that the quest for a comprehensive solution to the West Asia crisis should be pursued relentlessly. Immediate steps should be taken at the UN to devise a suitable mechanism for finding a permanent solution. This was the very minimum that needed to be done in expiation of the rivers of innocent blood that had been allowed to flow in Lebanon.

South East Asia

Mr Rao called for the ending of confrontation in South East Asia which alone, he said, could have a welcome impact on the stability and prosperity of the entire region.

Reiterating India's stand on the Kampuchean question, Mr Rao dismissed the tripartite coalition of Prince Norodom Sihanouk as 'an alliance of convenience whose real content is too thinly veiled to need any unravelling' and said its advent should not detract their attention.

In a brief reference to Afghanistan, Mr Rao said in the prospect of success of the UN Secretary-General's effort, India felt gratified that its own approach of finding a political solution stood vindicated. India commended the commencement of the Geneva talks and hoped they would pick up momentum to enter substantive areas.

Non-alignment

Mr Rao told the Assembly India felt honoured to be called upon to host the next Non-Aligned summit in these difficult times. He promised that India would do all in its power to be worthy of the trust which the movement had reposed in his country.

The External Affairs Minister endorsed the UN Secretary-General's concern about the growing ineffectiveness of the UN and said it was painfully obvious that the Security Council, predicated to discharge its responsibilities stood paralysed and immobile because of the inability of the permanent members to rise above their narrow national objectives to harmonise their positions in the cause of peace.

CSO: 4600/1099

DEFENSE PRODUCTION UNITS EXPANSION PLANS TOLD

Bombay THE TIMES OF INDIA in English 3 Oct 82 p 7

[Text] NEW DELHI, October 2.

THE defence production units, with an excellent performance recorded in the past year, are poised for expansion in the sophisticated field of electronics.

An avionics factory with an investment of Rs. 32.7 crores will be set up in Sultanpur district in U.P. This unit of Hindustan Aeronautics Ltd. (HAL) will meet the electronic requirements of the Jaguars and the light combat aircraft that may be introduced later.

The project report for the advanced avionics units was prepared more than two years ago, and West Bengal was very keen to have this unit located in the Salt Lake area. The site selection took some time and the final choice fell on Korwa village in Sultanpur district.

Bharat Electronics (BEL) will set up two units, including one for tank-related electronics, in Garhwal district in U.P. and the other in Haryana. The two units approved by the government will involve an investment of Rs. 42 crores.

The Kanpur unit of HAL will take up the manufacture of a light transport aircraft for military and civilan uses and an armed helicopter, both with foreign collaboration.

The HAL unit in Bangalore has already assembled the first of the Jaguars and has two more almost ready, according to Mr. M. C. Sarin, secretary, defence production. The air force was satisfied with the performance of Jaguar, he said.

He told newsmen yesterday that there was a marked improvement in the profitability of HAL during 1981-82. In fact, six defence production units increased their profits from Rs. 29.5 crores in 1980-81 to Rs. 87.1 crores.

MAZAGON DOCK PLAN

The three other units, however, made an aggregate loss of Rs. 19.2 crores, most of which was accounted for by the Garden Reach shipyards and the Mishra Dhatu Nigam which has been set up with an investment of Rs. 124 crores and is now going into commercial production.

The nine public-sector undertakings recorded an increase in their production from Rs. 483.5 crores in 1980-81 to Rs. 813 crores, an increase of 68 per cent. Of course, the performance during 1980-81 was affected by industrial unrest in some units, but the unrest continued for a month during the year under review.

Thus, mainly improved productivity and efficient management contributed to the outsanding performance during 1981-82. The exports went up from Rs. 13 crores to Rs. 24.3 crores.

In the current year, the aggregate turnover is estimated to go up further by Rs. 157 crores to Rs. 903 crores, according to Mr. Sarin.

What is significant, a large share of the production of these companies goes to the civilian sector where the competition is tougher. Bharat Earth Movers, which registered a spectacular increase in turnover from Rs. 87.9 crores to Rs. 221.9 crores, supplies very little to the defence forces.

Mazagon Dock Ltd. has diversified and undertaken construction of offshore oil platforms, saving considerable foreign exchange. The Oil and Natural Gas Commission is being supplied these at competitive prices. BEL also has several products for the civilian electronics sector. It has also entered into the space-worthy electronics production for India's space programme.

Mr. Sarin said that the three non-profit-making units were expected to do better this year. The main reason for the Garden Reach shipyard losses has been a 1975 order for three bulk-carriers for the Moghul lines which was secured on unfavourable terms and which ate up the equity. Steps are being taken to restore the company to health.

CSO: 4600/1100

ENVOY NOTES INDIAN READINESS FOR BARTER TRADE

New Delhi PATRIOT in English 3 Oct 82 p 3

[Text] KUALA LUMPUR, Oct 2 (Bernama-Pool) — India has expressed interest in Malaysia's proposal to look into the possibility of engaging in barter trading with interested countries.

Indian High Commissioner to Malaysia Prakash Shah told a press conference here on Friday that India would be happy to explore the possibility of such trading arrangements with Malaysia.

"In principle, we would not have any objection to any request by Malaysia for such a trade. India itself has had similar ventures with other countries, he added.

Mr Shah was responding to an announcement made early this year by Malaysian Deputy Trade and Industry Minister Lew Sip Hon that the Government was prepared to consider countries which were interested in this form of trading with Malaysia.

Mr Lew had said the Ministry was making a careful study of the barter system in its efforts to upgrade its exports to the under-developed or developing countries.

On India's participation in supplying iron ore pellets and lump iron ore to the sponge iron mill in Labuan, the Indian High Commissioner said that India's state-owned Minerals and Metals Trading Corporation (MMTC) had already made a series of negotiations with the sponge iron mill authorities.

He said India was prepared to make an annual supply of 500,000 tonnes of lump iron ore and another 500,000 tonnes of iron ore pellets to the Labuan mill.

Mr Shah added that the mill had shown "interest" in the type of lump iron ore and pellet iron ore that India was keen in supplying.

India is the major supplier of both types of iron ore to Japan.

Mr Shah also said that negotiation to supply the iron ore to the sponge iron project in north-eastern Malaysian state of Terengganu was underway and was 'progressing satisfactorily'.

He said that eight joint ventures between Indian and local manufacturers were in the pipeline.

One of the joint-venture projects was between an Indian pharmaceutical manufacturing concern and the Ked Ahd State Economic Development Corporation in Sungai Petani.

Mr Shah said that a total of 29 Indian manufacturers had started joint-venture with Malaysians here since 1964.

The joint-ventures generated 660 million Rinnggit (278 million Dollars) in annual turnover last year and provided employment to about 7,850 people, he added.

CSO: 4600/1102

GANDHI ADDRESSES CONGRESS-I PARLIAMENTARY GROUP

New Delhi PATRIOT in English 4 Oct 82 pp 1, 7

[Text] Prime Minister Indira Gandhi on Sunday warned as 'dangerous' steps to throw open the doors to all the aspiring immigrants to return to India sought in the Jammu and Kashmir Resettlement Bill.

Individual cases could be examined for granting citizenship she said while questioning the validity of the terms of the Bill.

Addressing the Congress-I Parliamentary Party meeting on the eve of the Parliament's winter session commencing on Monday, Mrs Gandhi supported her arguments by the opinion of eminent jurists, including Mr N A Palkiwala, who had questioned the legal aspects of the impugned Resettlement Bill.

The so-called Kashmir Resettlement Bill which has been returned by Governor B K Nehru, is slated for reintroduction in the State Assembly tomorrow. If it is passed again, the Governor under Kashmir's separate constitution' has no option but to agree to it.

Mrs Gandhi also expressed her deep concern at the recurrence of communal trouble and asserted the government was determined to put them down.

She said politically-motivated forces were trying to create distrust and uncertainty among the people and exhorted the partymen to take initiative to combat them instead of leaving the task entirely on the government.

Mrs Gandhi also criticised the agitations whipped up by vested interests' on every conceivable issue and warned that these would only affect the government's capacity to tackle the enormous problems facing the nation.

She made special mention of the economic challenges. The financial situation at the moment was very difficult Mrs Gandhi said.

Referring to the international situation, the Prime Minister said it was getting worse because several destabilising forces were at work.

In this context, she spoke with anguish about the recent massacre of innocent Palestinians in West Beirut by Israel. She also lashed out at South Africa's armed intervention in Angola and other neighbouring countries.

India, she said had all along exerted itself in arresting these forces of destabilisation.

In an obvious reference to the arms build-up in Pakistan, Mrs Gandhi said that the induction of sophisticated weapons posed a threat to peace.

She however stressed that India's consistent policy was to work for harmony and friendship with all neighbouring countries.

Expressing her satisfaction at the outcome of her recent visit to Soviet Union Mrs Gandhi said that it had resulted in strengthening bilateral relations and enlarging in strengthening the area of economic cooperation. Like India she said the Soviet Union was also keenly interested in promoting peace.

To safeguard peace, it was essential that no country should interfere in the internal affairs of another, India had all along stressed this point at the international forums the Prime Minister said.

She referred to two major international events which India would be hosting in the next few months--the Asiad and the Seventh Non-Aligned Summit.

The holding of Asiad would add honour and prestige to this country, according to Mrs Gandhi.

As for the Non-Aligned Summit, India agreed to host it in response to the desire of most of the member countries.

CSO: 4600/1105

CPI RELEASES STATEMENT ON MEERUT VIOLENCE

New Delhi PATRIOT in English 4 Oct 82 pp 1, 7

[Text] Expressing its grave concern over the renewed outbreak of communal violence in Meerut, the Communist Party of India on Sunday attributed it to the 'utter incompetence and failure' of the district administration.

In a statement, the CPI said the administration had allowed a dispute over the ownership of a building which was neither a temple nor a mazaar to go out of the hand and develop into a communal incident.

The statement said it was evident that the spate of communal violence was the result of the activities of the communal forces, particularly the RSS-BJP and the Jamait-e-Islami, fanned by Congress-I MLAs leaders belonging to both the communities. The BJP, by calling for a bandh in Meerut and surrounding areas stoked the communal fire.

Condemning the 'notorious role' of the PAC, the CPI has reiterated its demand for creation of a composite police force and composite district administration to deal with such a situation specially in areas prone to riots. "The Government has so far failed to live up to its promises and recommendations in this respect", the statement added.

Mr Sarjoo Pande, MLC, secretary, UP State council of CPI and Mr Harish Tiwary, president UP Trade Union Congress who rushed to Meerut for an on the spot study of the latest situation have also demanded "withdrawal of notorious PAC and firm action against the RSS and Jamait-e-Islami leaders to curb communal warfare and restore normal conditions".

In a joint statement they said that the 'communal riot in Meerut was preplanned'.

They said that they will submit a report to the UP Chief Minister. Meerut is burning for the last three weeks. If the communal forces are not curbed and dealt with effectively communal disturbances are likely to spread to the neighbouring districts, they added.

Mr Harish Tiwary promised to invite representatives of CITU, HMS, UTUC, AITUC and other trade union centres and industrial federations to take stock of the situation so that the working people unitedly intervene to oppose and curb communalism.

My Syed Hashmi, MP also urged Prime Minister Indira Gandhi to visit the riot-torn Meerut to help restore normalcy there.

In a letter to Mrs Gandhi, Mr Hashmi condemned the PAC role in handling the situation.

He called for the withdrawal of the PAC force and replacing it with the Border Security Force.

CSO: 4600/1105

OFFICIAL CALLS TRADE GAP WITH FRANCE 'DISTURBING'

New Delhi PATRIOT in English 5 Oct 82 pp 1, 7

[Text] India has conveyed its concern over the continuing stagnation in its exports to France and noted that various project contracts awarded to French companies would result in a steep increase in India's imports from France.

The concern was expressed at the third meeting of the Indo-France Committee on Economic and Technical Cooperation which ended its four-day session in the Capital on Monday.

The minutes of the meeting were signed on Monday by the two co-chairmen--French Minister for External Trade Michel Jobert and Commerce Minister Shivraj Patil.

The Indian side at the talks made it clear that since India's ability to maintain its present level of imports would be largely determined by the extent of its capacity to generate foreign exchange earnings, it was in the mutual interest of France and India that the former should examine how it could assist the latter in increasing India's exports.

In this context it was proposed that French companies, especially those looking for major project contracts in India, should be encouraged to set up production units in India with buy-back arrangement for making ancillaries components.

Later, at a press conference in the presence of the two Ministers, Commerce Secretary Abid Hussain highlighted this as the basic thrust of the discussions at the meeting. The French Minister, he informed, had advised to extend our visions far beyond trade ceilings and figures.

Answering a question if India would have to live with the deficit, Mr Jobert said the trade deficit for India was neither "worrisome" nor "catastrophic". In this context he referred to France's enormous trade deficit with Saudi Arabia as it was importing oil from that country. "But we are not making any fuss. We are not complaining to the Saudi authorities," he remarked. He said India was at an advantageous position in the sense that it would be self-sufficient in oil in the next 10 years, a prospect which was not at all bright in the case of France.

He informed that France would send purchase missions to India to identify and buy Indian products of interest to his country.

The meeting sought to identify specific areas of cooperation in various fields.

Mr Jobert said discussions on assistance by a French firm "Merieux" for setting up a polio vaccine project in India were currently continuing and the prospects of its realisation were good in view of the fact that both French President Francois Mitterrand and Prime Minister Indira Gandhi had evinced keen interest in it.

Of special importance was the light commercial vehicle project according to which leading French auto manufacturer "Renault" would collaborate with an Indian private enterprise to produce trucks which could be exported to India's neighbours after some time as an 'Indian product.'

On civil aviation, he said France was prepared to cooperate with India.

In the context of the coming visit of the French President to India, the committee tried to devise measures for establishing model relationship of North-South cooperation.

Both sides agreed to set up an Indo-French working group to promote mutual cooperation in the fields of chemical and telecommunications.

The French side indicated its interest in transfer of technology in the area of mini-computers.

Mr Shivraj Patil said that the omnibus protocol covered many fields including the transfer of technology.

CSO: 4600/1107

GANDHI MAKES STATEMENT ON RESETTLEMENT BILL

New Delhi PATRIOT in English 5 Oct 82 pp 1, 7

[Text] The Centre on Monday referred to the Supreme Court the controversial J and K bill granting citizenship to people of the State returning from Pakistan--hours after the Bill had been passed a second time by the State Legislature.

In the midst of a near unanimous demand in Parliament that the Government act speedily to check a potential threat to the nation's security and integrity, Prime Minister Indira Gandhi announced in both Houses that the President had referred the Bill to the Supreme Court for opinion on its constitutionality.

Affirming that the Bill had ramifications that went far beyond legal technicalities and immediate political consideration--the Prime Minister declared that she and the Government would never tolerate anything that posed a threat to the nation's integrity and security, 'which is paramount and overrides everything else'.

(In Srinagar, Chief Minister Farooq Abdullah declared in the Assembly that though the Bill had been passed again as it stood after being refused assent by the Governor, the Government would not implement it until the Supreme Court had pronounced opinion on its validity. The Chief Minister said the President had a right under clause (1) of Article 143 to refer the Bill to the Supreme Court. With its second passing in the legislature, the Governor can under law no longer withhold assent).

Referring to the passage of the Bill in the State Assembly, the Prime Minister welcomed the new Chief Minister's statement and his assurances. The nation, she said, was aware of the patriotism of the people of the Kashmir and of their commitment to secularism.

"We do not want to do anything which may weaken their resolve" she said in response to impassioned speeches made by members belonging to the National Conference who defended the Bill and charged that doubt was being cast on the loyalty of the people of the State. There was endeavour to have a confrontation' she said.

But, said the Prime Minister, the Bill had serious consequences which the Government could not ignore. Referring to the threat from the arming of Pakistan by the US--pointed out by many speakers--Mrs Gandhi said the Government had raised the matter with the Pakistan Government and with other Governments and peoples. The Government's concern was with India's unity, security. "We have fought for, are fighting and shall continue to fight for this unity and integrity of India--which is paramount and which overrides everything else".

She rebutted allegations by the National Conference members that the issue was being blown out of all proportions and the Centre was playing into the hands of communalists. She said there was no substance in the argument that the Bill was designed as a humanitarian gesture towards those who had been divided from their families at Partition and wanted to come out.

"You want to stop people who want to come back to their homes to die", National Conference member Sharief-ud-din Shariq had asked.

Advice to Sheikh

Mrs Gandhi said the Centre had told the late Sheikh Abdullah that any individual cases would be considered sympathetically. "We do not doubt the people of the State, but want to warn them of the difficulties that may arise", she added.

As she made her statement, the Prime Minister received spontaneous and wide-ranging support from the Opposition, most of whom demanded instant Government action against the Bill, which they said would destroy Indian security by opening the floodgates to spies and saboteurs.

Members from all parties barring the National Conference assured their support to the Government on the issue which affected national security. The National Conference members, while they callenged both the Congress-I and Opposition parties on their arguments, also assured the Government of support in defence of unity and security of the country.

After she read out her statement, Mrs Gandhi answered many supplementaries from the Opposition in which members wanted to know if the Government had known about this private members Bill, and why it had not taken action well in time.

As the subject was raised during zero hour and in special mentions, members alleged that Government could have avoided a confrontation if it had acted in time. One member said the Governor need not have sent back the Bill, but could have just kept it pending.

In fact, according to Mr Advani, Dr Farook Abdullah had himself given such advice to Governor B K Nehru saying that withholding assent and forcing the National Conference to pass the Bill once again would create political problems for him (Dr Abdullah) at the beginning of his term.

Mrs Gandhi admitted that the Centre had come to know about the Bill some time ago though she did not have the exact dates. She said it came to the Government's knowledge first when the Home Ministry wrote to the then Chief Minister, the late Sheikh Abdullah, on an issue of resettlement. The Sheikh had in his reply referred to the private members' bill. The Home Ministry then referred the matter to the Attorney General whose advice was then conveyed to the State Governor. Mrs Gandhi said the Governor had taken legal advice on his own also.

She said she could not comment on the suggestion if the Governor could have just kept the matter pending. She did not agree that the Bill would have been allowed to lapse as had been mooted by some Opposition members who referred to the impending elections and the political capital that could be made out of the Governor withholding assent and sending the Bill back for reconsideration.

"I do not think that the Bill would have been allowed to lapse", she said.

Mrs Gandhi welcomed assurances of support from Opposition leaders, but said even if such assurances had not been made, she would have gone and fought alone in defence of national unity.

Mrs Gandhi earlier held consultations with Law Minister J N Kaushal, Energy Minister and former Law Minister Shiv Shankar and her Principal Secretary Dr P C Alexander and soon after, made a statement in the Rajya Sabha and then in the Lok Sabha.

In her brief statement she referred to Chief Minister Farooq Abdullah's statement on the floor of the State Assembly that under Article 143 of the Constitution of India, the President could refer the Bill to Supreme Court for advisory opinion and his assurance that the Bill would be implemented only if the Supreme Court approved it.

She said the President had decided to refer the Bill to the Supreme Court for opinion.

Mrs Gandhi said it was the Centre's information that the other legal opinion separately sought by the then Chief Minister had also supported the Attorney-General's opinion.

She did not think that the Bill would have been allowed to lapse if the Governor had not sent it back to the Assembly. Even then the matter would have been kept alive.

The Government would have to take note of statements of Pakistani writers and the fact that large quantities of weapons were being inducted into that country.

"We have been consistently talking in a friendly manner", first with Sheikh Abdullah and then with the present Chief Minister, Dr Farooq Abdullah, she said and added that the Centre had told the Sheikh that individual cases

where injustice had been done would be considered sympathetically and this was possible under the existing laws.

"We do not doubt the intention of the people of Kashmir. But if the Bill is pursued it would give rise to certain difficulties for the people of Kashmir also and not just for those in the rest of the country".

The Government was aware of communal organisation in Kashmir and other parts of the country which had been making provocative statements from time to time. These should be met politically. Such elements were active outside the country also. There were consistent efforts to appeal to individuals and groups of people.

These were questions which should be met together strongly and politically, Mrs Gandhi said.

Mr Sharief-ud-Din Shariq, National Conference member, assured the Rajya Sabha that Kashmir was and would continue to be an integral part of India. There was no reason to doubt the integrity of the people of Kashmir, who had been second to none in making sacrifices for the unity and integrity of the country, he added.

Mr P Ramamurthy (CPI-M) who rose immediately after Mrs Gandhi finished her statement said the enactment by the J and K Government was "extremely regrettable".

This would open the floodgates of India to 'spies and undesirable elements' and endanger the security of the country, Mr Ramamurthy said.

CSO: 4600/1107

INDO-BANGLADESH JOINT COMMISSION TO MEET SOON

Bombay THE TIMES OF INDIA in English 9 Oct 82 p 1

[Text]

NEW DELHI, October 8.

THE India-Bangladesh joint economic commission (JEC) constituted yesterday is expected to meet in New Delhi early next month.

The Indian and Bangladesh leaders during their two days of talks here decide that no time should be lost in the commission launching upon its work to make up for past neglect in this important sphere of bilateral relations.

The commission, at its first meeting, will give directives to the relevant agencies of the two governments to remove the existing bottlenecks in developing trade, especially increasing exports to India from Bangladesh to remove the existing "trade imbalance."

Trade imbalance, however, is hardly the appropriate expression to describe the present state of Indo-Bangladesh trade. In the last few years, flow of goods has been almost entirely in one direction — from India to Bangladesh.

The first task assigned to the JEC is to correct this situation. The leaders of the two countries went to the extent of identifying the commodities whose export from Bangladesh to India can be increased on a long-term basis. Urea, newsprint, bitumen, wet blue leather, special textiles are items Bangladesh can supply to India. India has been importing from distant sources these items all these years when they are available next door.

There is evidence in the joint communique issued yesterday of India's recognition of the fact that the comparatively more developed of the developing countries have a responsibility to help the others to achieve economic advancement.

India has shown keen interest in such ventures by offering to provide credits to Bangladesh to facilitate launching of such projects. It has offered to provide incentives both to private and public sector enterprises to enter into as many of such joint collaborative arrangements as possible.

The units which India has proposed for setting up in Bangladesh are a sponge iron and steel complex, cement and newsprint manufacture, gas-based products, manufacture of carriage, diesel engines for agricultural pumps, textiles and a wide range of small-scale industries products.

A secretary-level meeting of the two countries will be held shortly to review the existing trade relations with the object of expanding trade between the two countries in a more diversified field.

CSO: 4600/1109

MAHARASHTRA MINISTRY ENLARGED, NEW ENTRANTS SWORN IN

New Delhi PATRIOT in English 13 Oct 82 pp 1, 7

[Text] BOMBAY, Oct 12 (PTI, UNI).

All the new entrants — six Ministers, seven Ministers of State and three Deputy Ministers — were sworn in by Maharashtra Governor I H Latif here this evening, expanding the Bhosale Ministry from 19 to 35.

Two other members whose names were announced yesterday — Mr Ramrao Adik and Mr Gulabrao Patil — were not sworn in while Mr Adik will be sworn in tomorrow, Mr Patil has declined to jion the Cabinet as a Minister of State.

The Chief Minister has reallocated portfolios, retaining for himself, home and general administration and temporarily holding charge of finance and irrigation.

Besides Mr Bhosale and his Cabinet colleagues, among others present on the occasion were Chief Justice D J Madon, Sikkim Governor Homi Taleyarkhan, top officials of the State Government and Cong-I leaders.

Mrs Shalinitai, Patil, former Revenue Minister and wife of All India Congress-I Committee general secretary Vasantrao Patil had earlier decided to join the Cabinet after consulting her husband.

Mr Gulabrao Patil, speaking at Sangli said he was firm that he will not join the Bhosale Ministry.

Asked whether he would continue as PCC-I chief, Mr Patil said generally the Chief Minister and the Pradesh Congress president do not come from the same region.

Both Mr Bhosale and Mr Patil hail from western Maharashtra.

He, however, said that he did not want to link up his refusal to join the Ministry with his holding the post of the PCC-I chief. "I will abide by the decision of the party high command", he added.

Besides retaining home and general administration, Mr Bhosale also holds charge of prohibition, excise, urban land ceiling, information and public relations and any other subject not specifically allotted.

In the reshuffling of portfolios, Dr V Subramanian loses finance and Mr Shivajirao Patil-Nilangekar, irrigation. Both the portfolios have remained unallocated.

The allocations for the Ministers of State and Deputy Ministers would be made later.

The following are the allocations:

Mr S M I Aseer — jails, wakf and tourism; Mr B M Gaikwad — agriculture, horticulture, labour; Mr Baliram Hiray — public health, family welfare, medical education and drugs.

Mr Surupsing Naik — tribal welfare, forests and social forestry; Mrs Sharatchandrika Patil — education, cultural affairs, technical education and training; Shivajirao Patil-Nilangekar — law and judiciary, dairy development, animal husbandry, sports, youth welfare and special assistance.

Dr V Subramanian — planning, including employment guarantee scheme, energy, transport; Mrs Pratiba Patil — urban development, housing, slum improvement, social welfare; Mr Shantaram Gholap — revenue, rehabilitation, khar lands, fisheries.

Mr Bauro Kale — cooperation; Mr N M Kamble — rural development, protocol; Mr N M Tidke — industries, legislative affairs; and Mrs Shalinitai Patil — public works employment, food and civil supplies.

CSO: 4600/1116

INDIAN-ROK TRADE TALKS IN SEOUL REPORTED

New Delhi PATRIOT in English 13 Oct 82 p 7

[Text]

SEOUL, Oct 12 (PTI) — South Korea evinced keen interest in importing India-made automobile parts during recent talks between the business leaders of the two countries here.

The talks, which got underway after several delays, focused on consolidating the economic relations and the trade balance, which is running heavily in Seoul's favour..

In a series of meetings here, during which the two delegations worked together to identify export-oriented Indian products, automobile parts and chemicals emerged as some of the new items, it was learnt.

A high-power delegation of Engineering Export Promotion Council of India left Seoul today, after concluding talks with its counterpart.

Later a spokesman of the delegation told PTI that the two sides were exploring the possibility of setting up joint ventures in India to export automobile parts to South Korea and elsewhere.

A number of measures including setting up of some joint ventures are under bilateral consideration and are likely to take concrete shape, when a high-power delegation of the Federation of Indian Chamber of Commerce and Industry arrives here on 17 October.

The talks between the two delegations will be followed by a meeting of the standing committee of the Indo-South Korean Joint Business Council in Seoul on 5 November.

A spate of meetings and Seoul's interest in importing more from India, are intended to balance the trade, according to a member of the Indian delegation.

It is only a tip of the iceberg says the member and would swell when the multi-million swell when the multi million dollar contracted offshore equipment is delivered to India in the next two years.

CSO: 4600/1116

LOK SABHA PASSES IMF AMENDMENT BILL 12 OCT

New Delhi PATRIOT in English 13 Oct 82 p 5

[Text]

THE Lok Sabha on Tuesday passed the International Monetary Fund and Bank (Amendment) Bill, 1982 by voice vote after Finance Minister Pranab Mukherjee assured that the measure in no way compromised the sovereignty of the country.

Replying to three-hour debate, Mr Mukherjee forcefully denied the Opposition charge that the Government had changed its domestic policies at the dictate of the Bank.

During the debate the Opposition members said that the Bill was violative of the Constitution and it was the direct result of the Rs 5,000 crore loan from the IMF.

The Opposition members' main objection to the Bill stemmed from a provision which sought to delete the referennce to certain provisions of the Income Tax Act and thus remove the existing limitation to furnishing information and data about any person (which include banks, companies, industrial units etc.) beyond a certain point to the IMF.

However, Finance Minister said there was no question of the Government compromising on its rights and its domestic policies because of the loan.

At present 90 per cent of our development outlay was from domestic savings, foreign assistance formed only two per cent of the total gross domestic product, he said and added. only 10 to 11 per cent of the total export earnings was for debt servicing.

Mr Mukherjee said information on balance of payment, prices, exchange control and regulations provided to IMF by the Government were there already in published documents.

He said the country had gone in for the IMF' loan of its own volition to tide over a difficult financial situation and we have to accept certain disciplines of the Bank.

Asked whether the country was in a position to repay the loan, Mr Mukherjee said the country had not gone to IMF on 'stretcher' but stood on its own legs and it proposed to do so while repaying the instalments.

Mr Mukherjee also allayed Opposition apprehension that the Government had reduced the food subsidy at the instance of IMF.

He said though the IMF agreement was reached in November last year, the fertiliser subsidy for 1982-83 was Rs 446 crore as against Rs 386 crore in the previous year. But it was the policy of the Government to reduce the subsidy gradually. We cannot go on paying premium for inefficiency, he said.

CSO: 4600/1116

COMMISSION STAND ON TECHNOLOGY IMPORT TOLD

Bombay THE TIMES OF INDIA in English 11 Oct 82 p 1

[Article by L. K. Sharma]

[Text] New Delhi, October 10.

The plea for bringing technology imports under the open general licence (OGL), backed by industry and some senior bureaucrats in the commerce and industry ministries, has not found favour with the government.

It also notes that the restrictive policy on technology imports has not led to any spurt in the use of indigenous technology by Indian industry. "We have only to look at our passenger cars--their cost, their capabilities and their performance to realise that if new technology is not imported, domestic technology does not fill the vacuum."

Exchange Angle

The commission points out that often a ban on the import of technology as such results in the technology being imported on the shape of products.

Thus, a large variety of machinery items gets imported, not because the capacity to fabricate them is lacking, but because the designs, drawings and know-how are not available. This means that the country not only pays for the technology but also the hardware in which it has been absorbed.

The commission favours "a selective liberalisation of present policies and procedures which will result in the technological uplift of Indian industry and eliminate delays in the present case-by-case approach."

The commission examines the imports policy from the foreign exchange angle and says that the fear that through collusion between importer and exporter, larger payments will be made to transfer resources out of India is unfounded. It is so because, with 40 per cent tax to pay, illicit transfer can be made more cheaply through the Bombay blackmarket than through suppliers of technology.

Pleading for liberalisation, the commission says it is a fallacy to believe that a country can become self-reliant by stopping imports. Yet another

factor to be taken into account is that when industry seeks to import technology, it wants not only the fruits of research but the know-how, which is born of actual experience in factory-scale production.

The commission favours free import of drawings, designs and other technical data for producing any capital goods out of the capacity already installed in the country. It notes that much of the machine-building capacity, in the public sector mainly, is under-utilised.

CSO: 4600/1114

INDIANS REPORTEDLY EXPLOITED IN FALKLANDS WAR

Bombay THE TIMES OF INDIA in English 11 Oct 82 p 7

[Text] London, October 10 (PTI).

Britain's task force employed Indian seamen under "poor conditions" unacceptable to their British counterparts during the recent conflict with Argentina, the GUARDIAN reported.

A luxury cruise liner, used as a hospital ship during the South Atlantic war, employed 124 Asians at wages which were 15 per cent of those given to British seamen.

Only British nationals were supposed to crew British ships requisitioned by the defence ministry during the Falklands campaign, but Asians had to be employed because of poor conditions, according to the GUARDIAN.

A spokesman of the commission for racial equality (CRE) told PTI that the commission had heard of such allegations but no formal complaint had been received by it. It could consider whether a case for racial discrimination could be made out.

While the GUARDIAN described the seamen merely as Asians without mentioning their nationality, the CRD spokesman said he believed that most of them were indians. They had been recruited outside Britain and had embarked in Gibraltar.

The Indian high commission said it had not received any formal complaint, in the absence of which it could not take up the matter with the British authorities.

The shipping line, whose ship is stated to have employed the Asians, when approached by PTI refused to comment and added that the matter was under investigation of the CRE and that it was not a party to the case.

According to the GUARDIAN telex messages from the general council of British shipping and the agreement signed by seamen joining the ship for the Falklands campaign explained why some Asians had to be retained.

"The vessel is 30 years old. Accommodation is shared and not up to present-day standards of comfort or space available...in view of above it has been necessary to retain a nucleus of Asian catering on board...".

In the current advertising for the luxury cruise liner, the customer is told, "Cabin stewards, dining saloon waiters, bar stewards, lift attendants--all behave as if the clock were turned back."

Complainants were quoted by the newspaper as having said that the shipping company was offering cruises on the pattern of the last days of the Raj, with Asians living in poor conditions on low wages.

One of complainants is said to be a former member of the executive of the National Union of Seamen (NUS) who resigned after disagreements about allegations of racialism against Asian seamen.

The NUS still collects a levy of 30 pounds per head from non-British seamen, mostly Indians, employed as cheap labour on British ships, the GUARDIAN said.

The NUS is quoted by the newspaper as having said that it would not call what happened on the ship "discriminatory". The shipping company and defence ministry were responsible, according to the NUS.

CSO: 4600/1114

CPI RESOLUTION ACCLAIMS MOSCOW VISIT RESULTS

New Delhi PATRIOT in English 10 Oct 82 pp 1, 7

[Text] The CPI Central Executive Committee has hailed Prime Minister Indira Gandhi's categorical support to Soviet President Leonid Brezhnev's declaration not to use the nuclear weapons first.

The executive in a detailed resolution on Saturday warmly acclaimed the results of the Prime Minister's recent visit to the USSR.

The CEC which concluded its deliberations after a three-day meeting in the Capital held that Mrs Gandhi's support to Brezhnev proposal "fully corresponds with the peace-loving aspirations of the Indian people" as well as other peoples threatened by a thermo-nuclear war 'at the hands of US President Ronald Reagan and his other maniacal-aides, allies and accomplices.'

The resolution noted that India had not only expressed its willingness to cooperate with the USSR in achieving the goal of cessation of the arms race, general and complete disarmament under effective international control, as well as prevention of nuclear war, "but has gone a step further on its own" to welcome the Soviet declaration as mentioned above.

Maintaining that the visit was not only of bilateral but global significance, the resolution said both the visit and the Joint Declaration issued on its conclusion constituted a new milestone in development of "relations of friendly cooperation between the largest country of the socialist community and the largest country of the non-aligned world, which is shortly going to head the non-aligned movement."

Both Mrs Gandhi and Mr Brezhnev's "resolve to continue to develop and strengthen their friendly relations" on the basis of the Indo-Soviet Treaty of Peace, Friendship and Cooperation, as mentioned in the Joint Declaration," has given a fitting rebuff to the mischievous propagands of certain rightwing bourgeois circles that India is trying to gradually 'distance' itself from the Socialist Soviet Union in order to curry favour with the imperialist USA," it added.

"Strengthening of Indo-Soviet friendship and cooperation is not only a big factor for peace in Asia and the world, but also provides a favourable

situation for the development of our internal struggle for a better life," the resolution emphasised.

The resolution was convinced that identification of new forms of commercial relations to which both sides make a fresh commitment 'will be of immense help to the Indian economy in lifting itself out of the morass of worldwide recessionary crisis of capitalism'. Moreover, it felt that this 'simultaneously strengthens our capacity to stand up more firmly to imperialist pressure and blackmail.'

It explained that the Joint Declaration's 'grave concern' over the dangerous situation in the Indian Ocean and united demand for 'dismantling of all foreign military and naval bases in the area,' recognition of 'Mauritian sovereignty over the Chagos Archipelago, including Diego Garcia,' as well as the call for 'early implementation of the UN declaration on the Indian Ocean as a zone of peace' had knocked the bottom out of the 'bourgeois propaganda about the so-called 'super-power rivalry' in the Indian Ocean', the purpose of which is to 'cover up the real expansionist designs and actual aggressive activities of US imperialism by equating it with socialist Soviet Union which is consistently fighting for peace.'

Referring to the Declaration's demand for an end to all forms of colonialism and semi-colonialism as well as restructuring of world economic relations on a just and democratic basis and the establishment of a new economic order, the resolution laid special stress on one sentence of the document: 'Both sides favour the ensuring of fair and equitable prices for exports of developing countries.' This sentence had a particular significance for India, it held, because this country was subjected by imperialist countries to a regime of unequivalent exchange on the international commodity market throughout the second half of the seventies due to which India 'is officially admitted to have suffered a loss of Rs 5,000 to Rs 5,500 crores between 1974-75 and 1978-79' that 'compelled it to seek a loan from the IMF for approximately the same amount.'

'After the IMF loan, the situation has become even more unfavourable, inasmuch as the terms of trade with the Western capitalist countries have declined still further, and India is being pushed into a kind of 'debt-trap' in which the government is compelled to contract more and costlier and new loans in order to pay the old loans,' the resolution pointed out.

But, it said, 'relations of economic cooperation and trade between India and the Soviet Union (as also with other socialist countries) are of a fundamentally different nature.' It explained that 'based on the principles of fraternity, equality and mutual benefit, Soviet aid and trade has made 'significant contribution towards India's efforts to achieve self-reliance in various fields,' as the Joint Declaration states.'

The resolution highlighted the decision by the two sides to examine the possibilities for further expansion of cooperation in such areas as ferrous and nonferrous metallurgy, coal and oil, machine-building and power, as also the Soviet offer to build a 1,000 MW nuclear plant in India which, it noted, was already under the Government of India's consideration along with offers to build a new steel and aluminium plant and modernising and expanding some existing plants.

CSO: 4600/1112

SAUDIS EXTEND CONTRACT FOR STATE-OWNED BHEL

New Delhi PATRIOT in English 10 Oct 82 p 7

[Text]

Saudi Arabia has entrusted for the fourth consecutive year the operation and maintenance of their Jizan electrification scheme to the State owned Bharat Heavy Electricals Limited (BHEL), reports PTI.

The contract for electrification of Jizan region on a turnkey basis was awarded to BHEL in 1977. The Rs 75-crores contract involved construction of 42 MW central power station near Jizan town erection of 180 kms of 33 KV transmission line and 250 kms of 13.8 KV distribution line and a network connecting 8000 consumers.

BHEL has constructed substations at Jizan Sabya, Abu Arish, new hospital and Hudayrah. BHEL was also entrusted the operation and maintenance of two gas turbines of 15 MW each supplied by M[s. General Electric USA, according to a BHEL press release.

As a sequel to this contract, BHEL was further awarded a transmission and distribution extension project of Rs 17.5 crores of electrifying 66 villages around Jizan town. This project is now nearing completion.

The main Jizan power station was put to commercial operation in March 1980. BHEL has been successfully looking after its operation and maintenance since then.

The operation and maintenance contract has been further years was valued at Rs 12.5 crores.

The operation and maintenance contact has been further extended for the fourth year valued at Rs 4 crores. Nearly 200 Indian nationals will be engaged in the operation and maintenance.

The contract was signed recently by engineer Abdullah Ibrahim Al Jrainy, deputy director general on behalf of Saudi consolidated Electric Company and Mr C N Garg, general manager on behalf of BHEL.

Meanwhile, the BHEL has earned a profit of Rs 74 million during 1981-82. Consequent on this, all the three divisions of the BHEL, Bangalore.—control equipment division electro porcelains division and the industrial system group have declared 20 per cent bonus to their employees.

After the takeover of radio and electricals manufacturing company limited (REMCO) and Mysore Porcelains Limited, two sick units of the Karnataka Government in 1976, BHEL established the control equipment division and later in 1980 merged these two units with it. BHEL also took multi-dimensional measures and diversified the product range and successfully led these industries to greater achievements, the press release added.

SUCCESSES IN JOINT VENTURES ABROAD DESCRIBED

New Delhi PATRIOT in English 10 Oct 82 p 7

[Text] India, one of the few Third World countries to have established joint ventures beyond its boundaries, now has about 124 such ventures by the middle of the year with an aggregate equity participation amounting to Rs 30.7 crores (about 43.15 million dollars).

According to a study, most of these ventures are located in Southeast Asia and Africa and the rest rather evenly distributed in Europe, the US, South Asia, Australia and Fiji.

More than 80 additional Indian joint ventures are either planned or being implemented in 28 countries. These will have a total equity contribution by Indian capital of $ 58 million bringing the total Indian equity investment overseas to more than $ 101 million.

The range of products undertaken by Indian companies in joint ventures include the pulp and paper industry, paints, wool and textiles, piping for tin mines, viscose staple fibre manufacture, production of electric pumps and diesel engines and precision tools and electronics.

The partners in the Third World include Malaysia, Thailand, the Philippines, South Korea, Singapore, Fiji, Nigeria, Kenya, Mauritius and Indonesia.

The Birla group of companies, the largest, have an aggregate investment of $ 9.75 million and operates in seven countries with 10 ventures. The Tata group, the second largest, has a stake of $ 6.6 million, with four ventures in these countries.

Nine of the top 20 industrial houses operate in 35 ventures with stake of $ 24.84 million. These comprise 57.4 per cent of Indian overseas capital.

The remaining 89 ventures form the balance of 42.6 per cent.

Of the 83 ventures under consideration, 16 account for 72.33 per cent of total equity participation, each with an average of Rs 10 million ($ 1.06 million). The remaining 67 ventures are much smaller, being 11 times less than the top 16.

According to the study, these ventures have an edge in countries which have labour surpluses and are capital scarce. Where the market is limited and where import-substitution forms the development strategy, these ventures have thrived.

CSO: 4600/1112

STATEMENTS OF CONGRESS-I WORKING COMMITTEE REPORTED

Statement on Elections

New Delhi PATRIOT in English 10 Oct 82 pp 1, 7

[Text]

THE CONGRESS-I WORKING COMMITTEE HAS CALED UPON PARTYMEN TO PREPARE TO FACE THE ELECTORAL BATTLES AHEAD IN SEVERAL STATES.

In a statement issued at the end of a day-long review of the current national and international scene on Saturday, the CWC-I told party workers to rebuff all attempts to weaken their resolve to obtain a thumping victory in the forthcoming Assembly elections.

The Opposition parties, said the committee, had time and again demonstrated "their futility and their irrelevance to the tasks of nation-building and of economic and social development."

The Congress-I was the only party which was formulating and implementing programmes for reducing social and economic inequalities and it was fully confident of resounding victories in all the States going to the polls.

The statement called upon all secular and nationalist forces to join in a common endeavour to fight communal and divisive forces.

Seeking the cooperation of all forward-looking groups in solving national problems, the CWC-I deplored the recent communal riots in Meerut and urged all partymen and like-minded forces to combat resolutely the propaganda of hate indulged in by the RSS and other organisations.

In an obvious reference to the Khalistan movement, and separatist campaigns elsewhere in northeast, the CWC-I said that patriotic citizens irrespective of political persuasions should foil attempts to disrupt hard-won unity of the country. "Solutions of problems is possible only within the framework of a united country," it added.

Recalling the repeated warnings of Pandit Nehru that communalism 'is fascism in the Indian context," the committee called upon 'partymen and other like-minded forces to combat resolutely the propaganda of hate indulged in by the RSS and other organisations,' adding, 'communal harmony is basic to the progress and unity of our great country.'

The CWC-I met in two sessions with Mrs Indira Gandhi presiding at the forenoon meeting. She did not attend the afternoon session as she was indisposed. She opened the forenoon discussion with a review of the national political and economic scene and the recent international developments including her recent visits to different countries.

The CWC-I also initiated a dialogue with the leaders of the States which are scheduled to go to the poll early next year. To begin with, the committee members heard leaders from Karnataka during the day.

Contrary to hopes expressed by an AICC-I spokesman on Friday, the two top dissident Andhra Pradesh leaders, erstwhile Chief Ministers T Anjiah and S Bhavanam, did not turn up during the day. The committee members will hear leaders from Andhra Pradesh on Sunday. Afterwards, leaders from other States like Jammu and Kashmir will meet them.

GAINS OF ECONOMY

The committee noted the splendid performance of the Indian economy and the fresh gains recorded in 1982-83—six per cent rise in industrial production, improved efficiency in public sector and holding in check inflationary trends—but warned that "there is no room for complacency."

The committee noted with concern the adverse weather conditions in several parts of the country which might affect agricultural production. It called for successful implementation of the 20-point programme and for prudent use of scarce resources and efficient management of the economy.

The Committee said. 'Faced with the prospect of inevitable liquidation at the hands of enlightened electorate,' the Opposition had taken recourse to 'blantantly misleading propaganda' about the Congress-I. It treated this 'with the contempt they deserve.'

It said the Congress-I did not fear the campaign of 'calumny' because it had steadfastly served the people. It would continue to do so under the dynamic leadership of Mrs Indira Gandhi.'

It urged all people and groups who might not wish to join the Congress-I to join in the common endeavour of strengthening national unity and to project issues in the larger perspective and to cooperate in solving national problems.

The Committee expressed its profound symoathy for those who suffered because of floods and drought and commended the efforts at relief and rehabilitation.

The Committee pointed out that the Congress-I had to prepare to face the electoral battle in several States. The Opposition parties had demonstrated time and again 'their futility and their irrelevance to the tasks of nation building and of economic and social development.'

It said that the Congress-I 'is the only party that was formulating and implementing programmes for reducing social and economic inequalities. The Committee said it was fully confident of its 'resounding victories' in all the States going to Assembly elections.

A document on the deliberations of the Working Committee released by general secretaries, G. K. Moopanar and Chandulal Chandrakar was almost like a mini election manifesto reiterating the party's commitment to improve the living conditions of the poor, Harijans and Tribals, women and minorities. The commitment had been reflected in the new 20-Point Programme announced by the Prime Minister, it said.

POLL UNLIKELY

Organisational elections in States slated to go to polls early next year are likely to be postponed, adds PTI.

The Congress-I Working Committee at its pre-lunch session on Saturday is understood to have discussed the organisational elections, the process of which has already begun and members felt that the poll be stayed.

Prime Minister Indira Gandhi, who presided over the meeting in her capacity as the party president, is also learnt to have concurred with the view that the party elections be postponed in the States where special circumstances existed.

She may constitute a small committee of party leaders to look into this question.

A suggestion was made at the meeting that the AICC-I session should be held in December or early January.

The working committee meeting began with an address by Mrs Gandhi. She is understood to have called upon the partymen to fight divisive and communal forces, threatening the country's integrity.

The Prime Minister reportedly told the Working Committee that she consulted Opposition parties on all important issues. She talked to them on issues like the Assam problem and communal riots.

But, she added, some Opposition parties did not see eye to eye with each other on these issues.

AICC-I general secretary Satya Narayan Rao said that the CWC-I was reviewing the economic and political situation.

Besides the Working Committee members, those who attended the meting included, Mr Rajiv Gandhi, Mr Ramrao Adik, Mr Bhishma Narain Singh and Mr Bhagwat Jha Azad.

AICC-I general secretary G K Moopanar told newsmen on Friday that he had asked some of the Chief Ministers and PCC-I presidents to be in Delhi so that the CWC-I could have the benefit of their personal assessments of the general situation in their respective States. They would be called to the meeting only when necessary, he clarified.

When his attention was drawn to the presence of a number of Congress-I members from some States, Mr Moopanar said they might have come to apprise Mrs Gandhi of the general political situation in their respective States.

Asked whether there would be a reshuffle of the Vijaya Bhaskara Reddy Ministry in Andhra Pradesh, Mr Moopanar said it was purely the prerogative of the Chief Minister.

Statement on Nonaligned Summit

New Delhi PATRIOT in English 10 Oct 82 p 1

[Text] The Congress-I Working Committee has expressed the hope that the non-aligned summit slated for March next year in New Delhi would give "a positive lead" and formulate a well-designed programme to resolve political tensions and economic maldistribution in the world.

In a statement adopted at the day-long meeting on Saturday, the CWC-I said that the non-aligned movement should be strengthened and re-invigorated to play its role in restoring to tension-ridden areas "a sense of perspective of peace and cooperation in the interest of world prosperity and welfare".

The committee welcomed the positive results of Prime Minister Mrs Indira Gandhi's recent visits to the USSR, the US, Japan, Mauritius and Mozambique. The visits the statement said, had raised India's stature in the international arena.

The visits provided an opportunity to explain the significance of India's foreign policy and its commitment to the non-aligned movement. The exchange of views between Mrs Gandhi and the leaders of these countries had led to a wider awareness of the dangers of arms race, specially, nuclear rearmament. India's forceful advocacy of nuclear disarmament had won widespread appreciation.

The CWC-I hoped that work for strengthening policies and actions towards global peace and stability would be carried out with vigour by the great powers who have the primary responsibility in this regard.

The committee strongly condemned the brutal massacre of innocent Palestinians in West Beirut by the Israelis and reaffirmed its unflinching support to brave Palestinian people in their heroic fight for their homeland without which lasting peace in West Asia was inconceivable.

ECONOMIC SITUATION

The Working Committee also voiced grave concern over the deterioration in the international economic situation, resulting in rising debt burden, large adverse balance of payments, growing protectionist tendencies and shifts in terms of trade to the detriment of the developing countries.

It called for renewed efforts to find solutions to the problems of the developing countries by restructuring without delay the basic economic, financial and trade relationships between the developed and developing countries.

CSO: 4600/1112

RELATIONS WITH LENDING ORGANIZATIONS DISCUSSED

Calcutta THE STATESMAN in English 9 Oct 82 p 9

[Text] New Delhi, Oct. 8.--The Finance Minister, Mr Pranab Mukherjee, told the Lok Sabha that India had expressed its concern over attempts by certain countries to introduce new norms of lending by the World Bank.

In reply to a number of supplementaries during question hour, Mr Mukherjee declined to name the countries exerting pressures on the World Bank for linking the Banks lending to economic returns.

The Finance Minister said the World Bank had not changed the present norms for lending and assured Mr Madhu Dandavate (Janata) that there was no question of India accepting new conditions for lending by the World Bank. He said he was quite hopeful that the World Bank would not yield to the fresh attempts by the countries to impose new norms of lending.

Mr Mukherjee told Mr Niren Ghosh (CPI-M) that 11% of the country's export earnings went into its debt servicing of all foreign loans and not 50% as referred to by the concerned members.

Mr Mukherjee told the house that the Government was selective in recommending projects for loans from the World Bank and assured Mr Satish Agarwal (BJP) that it would be further careful in future borrowings.

The Finance Minister agreed with the BJP members that India's share in credits from the International Development Association declined from 40% to 36%. Originally, India's share in IDA credits was as much as 56%, but it, itself brought it down to 40%, recognizing the needs of other countries, he said. He told Mr Agarwal that India was not opposed to China seeking assistance of the IDA but it wanted its due share. China was not participating in IDA-6 replenishment. But it would do so in IDA-7 replenishment.

Mr Mukherjee assured a CPI (M) member, Mr Amal Dutta that the Government was doing its best to increase exports and reduce imports, the former having registered a rise of 26% so far, in the current year over the last year's performance in the corresponding period.

PTI adds: Mr Mukherjee said that as a result of the anti-inflationary measures, the annual rate of inflation in terms of the wholesale price index

had been brought down 22.5% on January 5, 1980 to 14% on January 3, 1982 and 7.6% on January 2, 1982. The annual rate of inflation was 2% for the week ending September 18, 1982.

Meanwhile, the Deputy Finance Minister, Mr Janardhana Poojary, told the Lok Sabha that the introduction of a two rupee coin and re-introduction of 20 paise coins in aluminium-magnesium alloy are among the steps to be taken by the Government to keep down the cost of manufacture of currency notes and coins. The cost of making a five paise coin is 13 paise and 17 paise for a ten paise coin.

While reducing the dimensions of the 10 paise coin as a measure of economy, the mints would continue to mint five paise coins despite its high manufacturing costs, the Minister added.

CSO: 4600/1110

PURCHASE OF ANTISUBMARINE HELICOPTERS DISCUSSED

New Delhi PATRIOT in English 29 Sep 82 p 5

[Text] THE Defence Ministry is now finalising a deal for the purchase of new anti-submarine warfare (ASW) helicopters for the Indian Navy, reports UNI.

The British firm Westland, has submitted a detailed proposal for the sale of their new version of the Sea King helicopters while the French Aerospatiale have forwarded details of their naval version of the Super Puma helicopter.

The technical rounds of discussions for the purchase of these helicopters with the two firms have been concluded.

Teams of experts from both the countries had recently visited New Delhi and besides submitting their evaluation reports also forwarded their final financial bids to the Defence Ministry.

Defence Ministry sources said before making a final decision which is expected soon, it would take into account the performance of the Sea King helicopters in the recent Falklands war and the experience of other navies of the world with the French Super Puma helicopters.

It is understood British Defence Minister John Nott, who held discussions with the Ministry of Defence and Indian naval experts in Delhi last week had taken up the question of sale of the Sea Kings helicopters.

Westland has offered the Sea King Mark-5 helicopter which is an improvement over the previous mark version which is already with the Indian Navy.

The Sea King Mark-5 which has been ordered by the Royal Navy has an uprated engine with a very advanced radar and a super searcher and is fitted with anti-shipping missiles. The British have offered this as a Sea helicopter with the Automat missile.

The French Aerospatiale have offered the medium-sized as 32 Super Puma helicpoter which is capable of anti-submarine warfare and combat against surface shipping. Both missions require twin-engined helicopters. The Aerospatiale claims these could be performed by the Super Puma which can be embarked on smaller surface vessels or can operate from the shore or from larger vessels.

The Super Puma naval version has all the features of a ship-borne helicopter, compact overall dimensions, mutiple equipment capability — tall pylon and rotor blade foldings facilities, deck harpoon, panoramic radar, sling hoist emergency floatation gear.

DEFENDING SEALANES

Sources said the French have offered the Super Puma with the Exocet missiles, the Argentine air force used the Exocet missile for sinking the British destroyer HMS Sheffield in the Falklands war and Pakistan also has the same missile.

Naval experts said "these factors are very relevant to India".

Experts said the acquisition of these helicopters was not only meant to increase the offensive capability of the navy but also to help it take up its added responsibility of defending the commercial sea lanes of the country.

They said the value of exports by India had exceeded Rs 15,000 crores annually and almost the entire cargo of 70 million tonnes is carried by sea. The navy has to ensure all ports of the country function without any outside interference and that merchant ships are safe and have freedom of movement even during hostilities.

CSO: 4600/1082

GANDHI'S APPROACH TO MOSCOW SUMMIT TALKS TOLD

New Delhi PATRIOT in English 29 Sep 82 p 5

[Text]

INDIA'S approach to world problems as an independent and nonaligned nation was brought to bear on both the summit-level discussions in Moscow and the nine-page joint declaration signed by Prime Minister Indira Gandhi and Soviet President Leonid Brezhnev, according to informed sources in the Capital, says UNI.

While India shared the Soviet concern about the danger of a nuclear war—in the context of a new theory of limited nuclear war propagated in some circles in the United States—it did not endorse the various proposals put forward by the Soviet side because these were made in the context of the arms race between the US and the USSR.

India put forward its own proposals embodying a three-point plan of immediate suspension of all nuclear tests pending their complete prohibition, a freeze on existing levels of nuclear armaments and non-use of nuclear weapons. Mr Brezhnev's offer to be not the first to use nuclear weapons was welcomed as the first step to prevent the use or threat to use nuclear weapons.

In regard to the collapse of detente and the aggravation of international tension, the Soviet side sought to put the entire blame on the United States, China and Pakistan. Mr Brezhnev charged the US with itching for a confrontation with his country, China with colluding with Washington to achieve its hegemonistic ambitions in Asia, and Pakistan with trying to become a conduit of US arms to Afghan rebels and having cost its lot with the American security system, adding that New Delhi should beware of Islamabad's offer of a no-war pact.

Mrs Gandhi avoided any comment, but on China she said India was trying to normalise relations with little progress because of Beijing's stiff attitude on the border issue. But any normalisation would not be at the cost of time-tested Indo-Soviet friendship.

She recalled Mr Brezhnev's own earlier statement during the discussion that Sino-Soviet normalisation would not affect its ties with India, Mongolia and Vietnam. Pursuing the same studied stance, she also reaffirmed her Government's determination to improve relations with Pakistan despite sour experiences in the past since the destinies of the two peoples were bound together.

At least in two public meetings in the USSR, Mrs Gandhi said India wanted to avoid any collision between the two military blocs.

The main reason for India following a mid-course is that it does not envisage for itself any global role. Its basic approach is to nurture and develop further Indo-Soviet relations for mutual benefit and strengthen its efforts along with other nonaligned nations but without getting involved in cold war approach or entanglements.

The sources also drew attention to the greater stress laid in the Moscow declaration on non-interference in one country by another "in whatever form" as an essential pre-condition for co-existence of nations. This is specifically spelt out in the portions relating to South-West Asia and South-East Asia. The wording are such as to cover interference by any power—the Soviets, the Chinese or the Americans.

CSO: 4600/1082

DETAILS OF NEW TEXTILE ACCORD WITH EEC CITED

New Delhi PATRIOT in English 29 Sep 82 p 7

[Text] Brussels, Sept 28 (PTI)--India has signed a new bilateral agreement with the European Economic Community setting quantitative limits for its textiles exports to the 10 EEC countries in a four year period ending with 1986.

The agreement was signed here yesterday.

The EEC, said in a release that the 'conclusion of this agreement with India as a major Asian textile supplier, reflects the good relations based on the India-EEC cooperation agreement, and is considered by both sides as an important achievement which will contribute to the further development of their relations.'

The agreement comprises a number of quantitative limits. It was negotiated on the basis of the multi-fibre arrangement and its protocol of extension of 22 December 1981. For all garment categories, handloom products are now also included in the agreement the European Commission said.

India, along with other major developing country suppliers had been opposing the EEC insistence on retaining unilateral decision making power to regulate the preferential textile imports and talks in June were adjourned specifically because of disagreement on this issue. Apparently, assurances have been given by the EEC that such unilateral action will be taken after due consultations with the Indian authorities. On quotas, India unlike Hong Kong cannot complain because it has woefully fallen short of fulfilling its quotas for many categories under the previous MFA.

Hong Kong, which accounts for nearly 40 per cent of the EEC textile imports from the developing country signatories to the MFA refused to accept the EEC proposals to cut its quotas--up to 12 per cent for what are called sensitive categories and also opposed vesting unilateral powers with the EEC because the MFA does not provide for any such powers. South Korea, Macao, the Philippines, Singapore, Malaysia, Indonesia, Brazil and Argentina joined Hong Kong in the walk-out. The EEC said talks with these countries have been suspended, pending a direction from the Council of Ministers.

CSO: 4600/1082

GANDHI MEETS WITH KASHMIR CHIEF MINISTER 29 SEP

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text]

NEW DELHI, September 29: A candid and confident Dr. Farooq Abdullah, on his first visit to the capital as chief minister of Jammu and Kashmir, described his 45-minute meeting with Mrs. Indira Gandhi as "nice and cordial."

Asked whether he had discussed the resettlement bill with the Prime Minister, Dr. Abdullah said: "The bill is the property of the house. The future of the bill has to be decided by the house. However, there are more pressing problems than the bill which the state is facing. I discussed some of these major issues with Mrs. Gandhi today."

Though all concerned are tight lipped, it is understood that both Dr. Abdullah and the governor of J and K, Mr. B. K. Nehru, discussed the issue of resettlement bill with the Prime Minister.

The Prime Minister also met Mr. D. D. Thakur, former state finance minister, and discussed the bill and the situation in the state, according to sources.

The Centre would like the state to government to go slow on the bill which is to be discussed during the one-day session of the state assembly on October 4. Mr. Nehru had returned the bill recently to the assembly.

Answering a question, Dr. Farooq Abdullah said he had decided to reorganise his party (National Conference) and announce the changes in a few days.

He said he was committed to seeking an early mandate from the people. A decision regarding holding fresh elections would be taken after the assembly session in the first week of October.

Dr. Abdullah also hinted that the parliamentary board of his party would also have to be reconstituted soon.

CSO: 4600/1083

'MINI-GENERAL ELECTION' PLANNED FOR NORTHEAST

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text]

NEW DELHI, September 29 (PTI).

THE country will witness yet another "mini-general election" with an electorate exceeding five crores slated to go to the polls to elect their representatives in five state assemblies within the next six months.

The states to elect fresh assemblies are Nagaland, Tripura, Meghalaya, Andhra Pradesh and Karnataka.

Of the five states, assembly elections in Nagaland will be held on November 10 — 18 days before the expiry of the term of the present assembly.

The present term of the Tripura assembly expires on January 23, of Meghalaya on March 13, Andhra Pradesh on March 14 and Karnataka on March 16.

According to current indications, fresh assembly elections in Andhra Pradesh, Karnataka and Meghalaya are likely to be held towards the end of February. But a snap poll in these states in December — soon after the Asian games in Delhi — is not ruled out.

Agartala: The chief electoral officer, Mr, H. Das said that the state election department was fully prepared to hold the poll at any time and he expected the date to be announced soon.

Meanwhile, the chief minister, Mr, Nripen Chakrabarty, told reporters here last night that his government was waiting for the election commission's decision on the poll date.

The CPI(M)-led left front has a strength of 56 in the 60-member house. Of the four members of the lone opposition party, Tripura Upajati Juba Samity (TUJS), one subsequently joined the newly-formed Tripura tribal areas autonomous district council.

CSO: 4600/1083

PAPER REPORTS GANDHI TALKS WITH THATCHER

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text] NEW DELHI, September 29.

SPECULATION over the recent moves for a new beginning in the Sino-Soviet relations figured prominently in talks between the Indian and the British prime ministers here today.

Mrs. Margaret Thatcher, who made a brief stopover in Delhi after visiting Japan, China and Hong Kong, had a 75-minute meeting with Mrs. Indira Gandhi, who also recalled her experience of the recent visit to the Soviet Union.

Mrs. Thatcher and Mrs. Gandhi discussed bilateral economic cooperation in the context of the recent visits by British business delegations and the official visit by the British defence secretary, Mr. John Nott.

Mrs. Thatcher told newsmen before her departure that she and Mrs. Gandhi had exchanged notes about their respective visits to different countries. "We had a lot of views to exchange about how our respective tours had gone."

Mrs. Thatcher said economic cooperation between the two countries was going "very well". "It is always very good to have talks with Mrs. Gandhi," she added.

Asked about the outcome of her talks in China and the future of Hong Kong, Mrs. Thatcher said a joint communique issued at the end of her visit to Beijing reflected their views. She said: "We had a common aim for the prosperity and stability of Hong Kong."

Mrs. Gandhi's principal secretary, Dr. P. C. Alexander, said the two leaders while discussing major international issues, also touched upon the latest situation in West Asia. They also discussed some important bilateral economic matters.

Mrs. Thatcher expressed satisfaction at the agreement on the Rihand power station, the contract for which was being signed in Britain tomorrow.

The National Thermal Power Corporation and the Northern Engineering Industries of Britain would sign the contract for the 1,000-MW. Rihand super thermal station at Newcastle.

The British offer to construct the power station was agreed in principle during Mrs. Gandhi's visit to Britain in March this year. The cost of the British equipment and services for the power station would be covered partly by British grants and government-guaranteed export credits.

A British consortium is also interested in offering equipment for India's new steel plant in Orissa. An earlier proposal for getting this plant erected by this consortium had been dropped.

Mrs. Thatcher, during her discussion with Mrs. Gandhi, also referred to the agenda before the current session of the United Nations general assembly. The British prime minister suggested to Mrs. Gandhi that the non-aligned countries should not take a confrontationist posture at the world forum.

After the talks which were held over a working breakfast, the two sides described these to be very cordial. Mrs. Gandhi was assisted at the talks by Mr. Pranab Mukherjee, finance minister, and Dr. P. C. Alexander. Mrs. Thatcher was accompanied at the talks by the British high commissioner to India, Mr. Robert Wade-Grey and Mr. Coles, foreign affairs private secretary to Mrs. Thatcher.

Mrs. Thatcher was seen off by Mrs. Gandhi, Mr. Mukherjee, the foreign secretary, Mr. Maharaj K hna Rasgotra and Dr. Alexander.

The British prime minister, who arrived shortly after midnight by a Royal Air Force plane, was received by Mr. Khursheed Alam Khan, minister of state for tourism, and Mr. Rajiv Gandhi, M.P.

CSO: 4600/1083

PLANNING MINISTER REPORTS TO PARLIAMENTARY COMMITTEE

Calcutta THE STATESMAN in English 30 Sep 82 p 1

[Text] New Delhi, Sept. 29.--Shortfalls had been noted in the energy sector and in foodgrain production and construction schedules had not been kept, while costs had been exceeded in certain industrial projects, Mr S. B. Chavan, Minister for Planning, admitted today.

Speaking to members of the Parliamentary Consultative Committee attached to his Ministry, Mr Chavan said that on the whole, the Sixth Plan had conformed to the cost and time framework. The implementing and monitoring machinery, at the Central and State levels, was being activised to ensure full and timely realisation of plan targets.

Referring to the resources position, the Minister said that compared to the original estimates, the financial resources of the Centre were expected to increase. This was mainly from higher contribution of public enterprises (Rs 615 crores), larger market borrowings (Rs 400 crores), improvement in small savings (Rs 40 crores), increased external assistance (Rs 290 crores), yield from additional resource mobilisation measures undertaken during the past two years (Rs 1,953 crores) and fresh measures (Rs 528 crores) announced during the current year.

However, these improvements were likely to be partly offset by lower estimate of receipts from current revenue (Rs 447 crores) and miscellaneous capital receipts (Rs 316 crores). For 1982-83, the budgetary deficit of the Centre was placed lower at Rs 1,371 crores compared to the last annual plan's estimate of Rs 1,539 crores and the revised estimate of Rs 1,700 crores.

In the case of the States, an increase in their resources for the annual plan for 1982-83, compared to the latest estimates for last year, is expected from market loans (Rs 122 crores), small savings (Rs 55 crores), provident fund (Rs 48 crores), term loans from financial institutions (Rs 47 crores) and yield from additional resource mobilization during the past two years (Rs 609 crores).

Against the annual plan target of additional resource mobilization of Rs 676 crores, the yield from the measures already adopted by the States was

estimated at about Rs 513 crores. The Minister hoped that the States would take adequate measures to fulfil the targets fixed under the States annual plan for the current year.

Mr Chavan apprised the members of the sectoral performance. He said that while production of sugarcane, oilseeds and cotton had recorded a substantial increase, the level of foodgrain production was below the target. Efforts would have, therefore, to be intensified to reach the target of 149-154 million tons in 1984-95 by stepping up fertilizer consumption, creating additional irrigation potential and bringing larger areas under irrigation, improving the performance of command areas and improving the flow of credit for agricultural purposes.

CSO: 4600/1084

SUGAR INDUSTRY TOLD TO IMPROVE PRODUCTIVITY

Madras THE HINDU in English 30 Sep 82 p 6

[Text] New Delhi, Sept. 29.

The Union Industry Minister, Mr. N. D. Tiwari, today called upon sugar technologists and sugarcane experts to take steps for improving the productivity of cane and reducing the cost of sugar production.

Mr. Tiwari, inaugurating the annual convention of the Sugar Technologists' Association of India, commended the sugar industry's performance this year in achieving 130 per cent capacity utilisation and making the country the world's largest sugar producer.

According to him, the production of 84.5 lakh tonnes of white sugar in the current year meant 9.27 million tonnes in terms of raw sugar, compared to Brazil's production of 8.4 million tonnes and Cuba's 8.2 million tonnes, which so far had been the first and second in the world.

Capacity to go up: Mr. Tiwari said the installed capacity was expected to go up from 64.8 lakh tonnes to 73 lakh tonnes when the 52 new factories licensed started functioning. During the Sixth Plan period more licences were being issued and the capacity would increase further.

To meet the cane needs of all these factories, he felt that cane productivity should be stepped up. The highest average yield achieved was 56.8 tonnes a hectare with an average sugar content of 12.5 per cent in some States, but the productivity had been much below the average figures in individual fields. There was thus scope for improvement in productivity through introduction of scientific practices.

Mr. Tiwari said that in the sugar factories there was scope for improvement in milling methods to extract the maximum quantity of sugar from the cane crushed.

He commended the efforts of technologists to develop low cost bagasse drier which would help reduce the moisture content of mill wet bagasse from 50 per cent to 35 per cent and increase the calorific value. Saving of bagasse, he said, would help sugar industry generate more steam and produce

surplus power which could be used to meet the power needs of ancillary units or for limited rural electrification. He also suggested greater use of bagasse for paper production.

Mr. Ranjit Puri, association president, recounted the strides taken by the industry in improving operational efficiency at various stages of conversion from cane to sugar and said that in the context of the problems the industry faced in respect of uncertain cane supply, indifferent quality of cane, small holdings of cane growers, inadequate finance, and high rates of interest one could be proud of the technical standards obtained.

The sugar industry was poised to make available raw material--bagasse--for paper industry and surplus power to be fed into the national grid. He regretted there had been reluctance on the part of the State Electricity Boards to exploit this source of power.

CSO: 4600/1085

COMMERCE MINISTER CONCERNED OVER HIGH TRADE DEFICIT

New Delhi PATRIOT in English 1 Oct 82 p 5

[Text]

Union Minister of Commerce Shivraj Patil on Thursday expressed great concern at the country's high trade deficit of Rs 5,778.72 crore in 1981-82 and said every effort should be made to increase exports in order to narrow the trade deficit, reports PTI.

Addressing the 28th annual general meeting of the State Trading Corporation of India Limited in Delhi, Mr Patil said at this critical juncture the state trading organisations in the country in general and STC in particular would have to come forward in promoting exports and utilising foreign exchange on imports in an optimal manner.

Mr Patil asked the board of directors of STC as well as its employees at all levels to pay added attention to export development and develop an export culture in the organisation.

He said STC should lay more emphasis on infrastructural assistance to its associate manufacturers and suppliers as well as on market development overseas. It should consider augmenting the country's export surplus in key areas by promoting export-oriented ventures in the country. "STC should also diversify its product range and markets and evolve a long-term plan to achieve the objective of increased exports", he said and added that it should utilise its buying strength in the international markets to promote exports of agricultural and value-added goods.

Mr Patil also commended the role of STC as a canalising agency in import and distribution of essential products like edible oil, newsprint, cement, chemicals and drugs.

He said it was noteworthy that the year 1981-82 did not witness any serious shortages in those items within the country.

He said he was pleased to note that STC had achieved a record sales turnover of Rs 1,869 crores during 1981-82, which is close to 10 per cent of India's total foreign trade.

Congratulating STC for its performance, Mr Patil hoped that it would continue to maintain its leadership in the foreign trade of the country.

He noted that STC had earned a profit every year since its inception in 1956 and its total profit so far amounted to Rs 304 crores.

CSO: 4600/1086

ANALYST TELLS INDIAN VIEW ON MIDEAST PROBLEMS

Madras THE HINDU in English 21 Sep 82 p 7

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 20.

The non-aligned countries, which are greatly agitated over the behaviour of Israel, are exchanging ideas on what they could do to force the big powers to stop the genocide in Lebanon.

There is sharp criticism in the non-aligned circles here that not only the U.S. but even the Soviet Union had not done much to prevent Israel from dividing and destroying a helpless neighbouring State, already hit by internal strife.

But the Arab countries which had done precious little to use their collective influence and ease the pressure on Lebanon, are in no position to accuse others for their inaction. So they are depending more on India to take the initiative in mobilising the world opinion against the savagery of the Israeli militarism.

The Prime Minister, Mrs. Indira Gandhi, has been requested to take up this issue with Mr. Brezhnev and nudge the Soviet Government to pressure the U.S. to compel Israel to withdraw from Lebanon. As the leader of a country who has been speaking out quite strongly against Israel's barbarous conduct, Mrs. Gandhi requires no prompting from other non-aligned States to voice grave concern over the macabre tragedy that is being enacted by Israel in Lebanon.

But India cannot act in isolation without the active cooperation of the rest of the non-aligned community including the Arab States. The External Affairs Minister, Mr. P. V. Narasimha Rao, will consult the Foreign Ministers of other non-aligned nations when he goes to the U.N. in a few days to attend the General Assembly session.

Indian view: The Indian view is that there is little that the non-aligned community can do in the more immediate context to make Israel behave better, unless the two superpowers are prepared to act in concert to restrain

it. But in the long term a lot could be done to make Israel feel an international outcast that has forfeited its right to be accepted as a civilised and responsible country.

As India will be inheriting the leadership of the non-aligned movement, the Prime Minister has to think from now onwards on what it should do to uphold the legitimate claims of the Palestinian people. Any resolution adopted at the forthcoming summit to assail the Israeli conduct will have to be backed by concrete steps to ensure that there would be no repetition of the same sort of senseless slaughter elsewhere in West Asia.

The Indian officials dealing with West Asia maintain that the non-aligned countries should take advantage of the deep embarrassment of the West over the outright Israeli rejection of the Arab proposals for a settlement, which are quite consistent with the American peace plan, to step up their own campaign for a reasonable solution. It is with this objective in mind that the non-aligned countries are ready to support any joint initiative by the U.S. and the Soviet Union, either through the U.N. or independent of it, to restrain Israel from further provocations.

The Prime Minister expressed her anguish at the senseless massacre of the Palestinian refugees in Lebanon, before she left for Moscow this morning. It was followed up later today with an official statement condemning the cold-blooded slaughter of innocents and calling upon all parties to the evacuation of the PLO from Lebanon to ensure immediate cessation of the renewed Israeli aggression.

CSO: 4600/1093

TEN FOREIGN FIRMS OFFER TO BUILD POWER UNITS

Bombay THE TIMES OF INDIA in English 29 Sep 82 p 6

[Text] New Delhi, September 28 (UNI).

Offers for supply of plants and building new power projects received from as many as ten developed countries and overseas companies are now being examined by the energy ministry.

The offers cover financing through government credits, suppliers credit and commercial loans, according to energy ministry sources. As most of the offers are for setting up power projects on a turn-key basis, the government will have to study them carefully before taking a final decision on a selective basis.

Firms from countries, which have made offers for setting up power projects, are West Germany, Switzerland, France, Italy, Sweden, Poland, Yugoslavia, Japan, Austria and Canada.

The spurt in foreign offers for setting up power projects in India is mainly attributed to the recession faced in the domestic economies of many of these countries. Moreover, many of them are interested in getting a share of the expanding power plant equipment market in India.

The ten offers now being examined are in addition to the two offers already accepted by the government--one from a consortium of British industries for setting up the 1000 MW capacity Rihand super-thermal power station in UP and the other from the Soviet Union for setting up the 1260 MW capacity Vindhyachal thermal power station in Madhya Pradesh.

W. German Offer

A West German firm has offered to set up a 2000 MW thermal power station on turn-key basis at Chandrapur in Maharashtra. It is indicated that 85 per cent of the foreign exchange portion of the cost could be met from export credit, with repayment in 12 years. The local costs could be met by Eurodollar credit at interest rate of 8.5 per cent, repayable in ten years. Two units of 500 MW are suggested in the first stage of the project.

Offers from two Swiss firms contain engineering, supply of equipment, erection and commissioning of a thermal plant with maximum utilisation of local supplies and services. Export credit is to be arranged to cover 85 per cent of the cost of equipment supplies by the Swiss company.

Two French companies have offered to finance and build one large hydro-electric project and another thermal power plant with units of 500 MW each.

It is indicated that loans could be negotiated on a government-to-government basis. In this case, 50 per cent of the foreign exchange portion will be covered by government loan to be repaid in 30 years and the balance 50 per cent would be arranged through export credit to be repaid over a period of ten years after the commissioning of the plant.

It is also indicated that Eurodollar credit could be arranged for meeting the local costs of the project.

Of the two Italian offers, one suggests the setting up of a 600 MW thermal station with development of associated coalmine, supply and installation of mine equipment and power plant. The financing indicated is $320 million suppliers credit at an interest rate of 7.75 per cent.

Further, it is also indicated that $230 million could be arranged as market loan at an interest rate of 14.5 per cent.

The other Italian offer is made for execution of a large hydro-electric project of about 1000 MW on turn-key basis. The financing could be a mix of export credit to meet foreign exchange costs and commercial loans from international banks at prevailing market rates to cover the local costs.

The Swedish company has offered turn-key installation of a coalfired thermal power station of 400 MW. The finance of the project costing about Rs. 320 crores could consist of 25 per cent aid fund, 25 per cent soft loan and 50 per cent commercial loan.

Technical Aid

A Polish offer contains the setting up of a thermal plant of 210 MW or 540 MW on turn-key basis. Full financial and technical assistance for development of associated coal mines is indicated. Necessary agreement can be reached between the two governments about long-term credit arrangement for meeting the project costs.

Yugoslavia wants to supply units for thermal plants up to 300 MW. It is indicated that 80 per cent of the cost plant equipment could be arranged on credit.

A Japanese company has offered a complete package for setting up a 1000 MW power station with two units of 500 MW each. The total project cost is estimated at $900 million. The financial package includes foreign exchange

and local costs to be covered by soft credit from the Japanese government to be repayable in 30 years and export credit to be repayable in ten years.

Austria has offered to supply equipment, erection and commissioning of a complete hydro-electric plant for the proposed Doyang project in Nagaland. Long-term loan on easy terms would cover 85 per cent of the foreign exchange costs and local costs are to be covered by Eurodollar market loan.

Canadian International Development Agency (CIDA) has identified two hydro-electric projects--Chamera 540 MW in Himachal Pradesh and 300 MW Dhauli Ganga in U.P. A mix of soft credit from CIDA and export credit is indicated in the execution of both projects.

CSO: 4600/1080

STATISTICS ON TRADE WITH U.S., USSR COMPARED

Calcutta THE STATESMAN in English 29 Sep 82 p 9

[Text] New Delhi, Sept. 28.--Despite the rise in exports of engineering goods during the past few years, India's two major trading partners, the USA and Russia, continue to use mainly primary and agricultural products from this country, while manufactured items constitute just a token amount in their import list.

Engineering goods now account for about Rs 800-crore-worth of exports, or roughly about 12% of India's total exports. Yet, the top 10 exports, both to the USA and Russia, remain traditional agricultural goods and semi-manufactured items.

In the case of the Soviet Union, the 10 major exports are rice, tea, cashewnuts, leather, cotton textiles, tobacco, woollen knitwear and hosiery, jute bags, coffee, and drugs and pharmaceuticals. Of these, only cotton and woollen textiles, jute bags and drugs come in the category of processed items.

The top 10 export items to the USA are diamonds, ready-made garments, gum, coffee, jute fabrics, peanuts, carpets and rugs, leather and leather products, marine products and precious stones. Of these, only garments and jute fabrics are processed or semi-processed items.

In value terms, total exports to Russia in 1981 were worth Rs 1,601 crores and to the USA $1,202.1 million (roughly Rs 1,200 crores). So together, they account for nearly a third of India's total exports, much of them primary goods.

Import Items

On the other hand, both Russia and the USA export large amounts of sophisticated and manufactured goods to India (with the crucial exception of crude oil and wheat). Russia's main exports to India are crude, petroleum goods, urea, newsprint, non-ferrous metals, sulphur, asbestos, machinery and equipment, machine tools and power generation equipment.

The U.S. list of exports to India includes wheat, fertilizers, aircraft, spacecraft, specialized industrial machinery, cereal preparations,

vegetable oils, miscellaneous industrial machinery, professional and scientific equipment, metallo-ferrous ores and metal scrap and inorganic chemicals and products.

In 1981, India's total imports from Russia were worth Rs 1,277 crores--leaving a balance of Rs 324 crores in favour of India--and from the USA about Rs 2,100 crores, giving a balance of around Rs 500 crores in favour of the USA. Both together account for a third of India's total imports.

All imports from the USA are paid for in convertible currency, while those from the Soviet Union--now India's single-largest trading partner--in goods or rupees. Nearly 80% of the imports from Russia consist of crude and petroleum goods.

CSO: 4600/1081

BRIEFS

HEAVY INDUSTRY PRODUCTION--New Delhi, Oct. 2. The aggregate output of the 17 manufacturing units under the Department of Heavy Industry during the period April to August was valued at Rs. 621.06 crores, which was 22 per cent higher than their production worth Rs. 509.17 crores during the corresponding period last year. There was a striking improvement in the performance of some of the units in August. For instance, Burn Standard Company exceeded the target by 16 per cent, Bharat Heavy Plates and Vessels by 12 per cent, Bharat Pumps and Compressors by three per cent and Richardson and Cruddas by one per cent. In regard to target fulfilment, Bharat Brakes and Valves achieved 98 per cent, Mining and Allied Machinery Corporation 93 per cent, Bharat Heavy Electricals 91 per cent, HMT 90 per cent, Jessop and Company 89 per cent, Tungabhadra Steel Products 86 per cent, Lagan Jute 83 per cent and Scooters India 81 per cent. [Text] [Madras THE HINDU in English 3 Oct 82 p 6]

LOK DAL PROTEST--Calcutta, Oct 3 (UNI)--Lok Dal leader George Fernandes, MP, today protested against the early summoning of the winter session of Parliament. To call the session one and a half months before schedule only to 'accommodate' Asiad in November'is an act of denigrating Parliament', he told newsmen here. There could not be any greater degradation of Parliament, the supreme panchayat of the country, than to subordinate its interests to a mere sports event, he said. "This is part of Prime Minister Indira Gandhi's overall design to make Parliament irrelevant. I lodge my emphatic protest against it," he added. [Text] [New Delhi PATRIOT in English 4 Oct 82 p 1]

SOVIET OFFICIAL'S VISIT--Soviet Deputy Minister for Land Reclamation and Water Management Boris G Shtepa arrived in Delhi on Monday on a 13-day visit to India, reports UNI. Mr Shtepa will attend the session of the executive committee of International Commission on Irrigation and Drainage to be held in Delhi. The session will discuss problems of protection of the environment besides exchanging views on organisation matters. Mr Shtepa said he would get himself acquainted with the irrigation and land reclamation programmes in India. He would also visit Bombay, Hyderabad and Bangalore in this connection during his stay in India, he noted. [Text] [New Delhi PATRIOT in English 5 Oct 82 p 8]

PRC ANNIVERSARY CELEBRATION--A function was held in the Capital to celebrate the 33rd anniversary of the People's Republic of China, reports PTI. Speaking on the occasion, Mr Chen Ruisheng, political Counsellor at the Chinese embassy, stressed on the need for greater cooperation between India and China in different spheres. Mr Ruisheng also outlined the existing cooperation between the two countries and underlined how China had been able to overcome its problems in recent years. The function was organised by the India-China Friendship Association. [Text] [New Delhi PATRIOT in English 1 Oct 82 p 10]

PRISONERS IN PAKISTAN--New Delhi, Oct. 8.--Over 300 Indian nationals are believed to be detained in various jails in Pakistan, the Minister of State for External Affairs, Mr A. A. Rahim, said in the Lok Sabha yesterday, reports PTI. This includes 43 defence personnel missing since the 1971 conflict, he said in a written reply to Mr Atal Behari Vajpayee and Mr Suraj Bhan. [Text] [Calcutta THE STATESMAN in English 9 Oct 82 p 9]

FIJI STAND TOLD--Prime Minister Indira Gandhi has decided not to attend the Commonwealth Heads of Government Regional Meeting (CHOGRM) scheduled to begin in Fiji on 14 October. External Affairs Minister P V Narasimha Rao will head the Indian delegation and he is leaving for Fiji on 12 October, official sources stated on Saturday. Mrs Gandhi's decision not to attend the CHOGRM comes in the wake of strains that have currently developed in relations between India and Fiji with the present Fiji Prime Minister's repeated public utterances against former Indian High Commissioner in Fiji Mrs Soonu Kochar and her husband. The Fiji Premier hurled unsubstantiated allegations against the two to the effect that they were grossly interfering in Fiji's internal affairs. The Government of India promptly lodged a strong protest against such wild accusations by the head of Government of Fiji with which India has all along desired close and friendly relations, and continues to do so. An advance party of officials led by Secretary (East) in the External Affairs Ministry K S Bajpai is leaving on Monday for Tiji in preparation for the meeting. [Text] [New Delhi PATRIOT in English 10 Oct 82 p 1]

JANATA LEADER DIES--Nagpur, Oct 9 (UNI)--Veteran parliamentarian and senior Janata Party leader H V Kamath died here early this morning following a heart attack. He was 75. Mr Kamath, a bachelor, was suffering from tuberculosis besides heart problems. Mr Kamath was admitted to the Central Railway hospital on Wednesday, three days after he arrived here. The end came at 4.40 a.m. He was cremated at Tikekar Ghat this afternoon. His nephew Mr M D Rao, Chief Engineer (Electrical) in South Eastern Railway, lit the pyre. A large number of people from different walks of life attended the funeral. Mr Kamath was a member of the Constituent Assembly from 1946 to 1949 and a member of Parliament for 12 years. [Excerpt] [New Delhi PATRIOT in English 10 Oct 82 pp 1, 7]

SANJAY MANCH PLANS--Allahabad, October 10: Mr. J. N. Mishra, secretary of the Sanjay Vichar Manch, said here yesterday that the Manch would launch a

political party early next year. He said the Manch believed in the Congress (I) ideology and principles. Asked why the Manch wanted to launch a new party, Mr. Mishra stated that Mrs. Indira Gandhi was "surrounded by non-political persons who did not give her the correct advice." He claimed that the Manch had the blessings of senior Congress (I) members. Mr. Mishra said Mrs. Gandhi had lost her grip on the administration, resulting in widespread corruption. He said Mrs. Maneka Gandhi would be presented with a purse of Rs. 50,000 by her supporters when she visits the town in the second week of November. [Text] [Bombay THE TIMES OF INDIA in English 11 Oct 82 p 22]

KRANTI RANGA PRESIDENT--Bangalore, Oct. 1.--With Mr S. Bangarappa and Mr J. H. Patel agreeing to give up presidentship of the rival factions, the steering committee consisting of members from both groups yesterday elected Mr Abdul Nazir Sab, former MLC, president of the Karnataka Kranti Ranga, founded by the late Davaraj Urs. [Text] [Calcutta THE STATESMAN in English 2 Oct 82 p 9]

PRC UNION LEADER--Beijing, October 2 (PTI): The president of the all-China federation of trade unions, Mr. Ni Zhifu, will visit India some time next year at the invitation of the Indian National Trade Union Congress (INTUC). The invitation was also extended to a politburo member by the INTUC President, Mr. Bhatt, during his current visit to China. He is leading a four-member delegation. During their stay in Beijing the delegation members had meetings with Mr. Ni and the vice-chairman, Mr. Zhu Xuefan, of the standing committee of National People's Congress (China's parliament). [Text] [Bombay THE TIMES OF INDIA in English 3 Oct 82 p 1]

CPI-M POLITBURO STATEMENT--The CPI-M polit-bureau has conveyed its concern over the continuing serious communal disturbances in Meerut and the danger of their spreading to other places in UP. In a statement on Saturday the politbureau called upon all secular and democratic forces to intervene in the situation and isolate the communal forces as well as mobilise the people to put an end to the communal riots. Referring to the fact that at least 21 persons had lost their lives and about 675 people were arrested in the wake of the communal disturbances in Meerut, the statement demanded every necessary step on the part of the UP Government "to put down the communal elements and restore normalcy, while at the same time ensuring that the common people are not wantonly victimised." [Text] [New Delhi PATRIOT in English 3 Oct 82 p 7]

CSO: 4600/1111

SRV TROOPS SAID TO FACE SEVERE FOOD, MEDICINE SHORTAGES

Bangkok BAN MUANG in Thai 6 Sep 82 pp 1, 16

[Article: "Vietnamese In Laos Face Great Shortages, Sneak Into Thailand to Purchase Food Here"]

[Text] An investigation showed that 10 million baht was spend to make purchases. The goods were transported across the Mekong River to Ban Huai Sai.

Vietnamese troops in Laos are suffering severe shortages. They have spent 10 million baht to purchase food and medicines in Thailand illegally. The goods were smuggled across the Mekong River. An influential Haw Chinese in the locality gave support while officials tried to arrest them.

A news report from Chiang Rai Province states that the Chiang Rai [office] of the ISOC learned on 25 August that Vietnamese troops stationed in the Lao People's Democratic Republic were suffering great hardships because of the shortage of food and medicines. Thus, they had Mr Thongdi and Mr Thip Sriwilai, who are both Lao, take 10 million baht and sneak across the border to purchase consumer goods and medicines from Thailand.

From a news source, it was also learned that a Haw Chinese named Changfu Laofu helped them purchase goods by arranging to trasnport the goods they wanted to Ban Ton Bung in Chiang Rai Province. From here, the goods were taken by motorboat across the Mekong River to Ban Huai Sai on the Lao side.

The report also said that Region 3 Border Patrol Police have reported this to the Third Army Area. At the same time, they have sent forces to constantly monitor the activities of the Vietnamese troops.

11943
CSO: 4207/4

EDITORIAL DISCUSSES INCREASED REVENUES, FINANCE PROBLEMS

Vientiane SIANG PASASON in Lao 8 Sep 82 p 1
['Editorial': "Be Determined to Fulfill the New Phase of Financial and Banking Obligations"]

[Text] Finance and banking is an indispensible means which we cannot do without in guiding our economic expansion. It is both a lever and a yardstick to measure the quality and efficiency of production in all economic sections.

Since 1976 our government has announced many policies concerning financial control, taxes, credit, cash, foreign currency controls, etc. We have transferred privately owned banks to government ownership. We have set up a financial and banking system from the center to many different localities. We changed Vientiane kip and circulate the Liberation Kip, and reformed the currency at the end of 1979. We have unified the salary system and implemented a new salary system in early 1980, along with a salary subsidy plan in early 1982.

Up to now the finance and banking services nationwide have made a great effort to fulfill their responsibilities. They have set the actual method to guide investment by short-term credit and long-term cash and foreign currency controls, and to widely facilitate payment without using cash in the national economic base, to maintain the normal value of the Bank Kip, and to use it as an important instrument for pushing forward in production. However, the future financial and banking goals are still difficult. The government revenue in 1985 will exceed that of 1980 by as much as 73.5 percent. This includes domestic revenue which will increase 88.2 percent, and 65.5 percent for foreign revenue. This requires that the finance and banking sections increase their role of reinforcing investment management, and to press forward on production, construction, and business for economic efficiency. In one aspect, finance and banking must be linked with production and must go through currency in order to organize and guide production, and to organize and mobilize physical labor because only production will greatly increase capital. In another aspect they must go to currency in rural and factory areas in order to control and return cash back to the bank. This is because the rural areas are a primary base that functions in serving and expanding production in factories and many different agricultural organizations. It is a source of capital from production. The most important matter is direct and regular guidance in the [same direction] along with the party committee and administrative authorities of all levels with respect to finance and banking. Cadres and the party committee must be up to date and have a deep understanding of the significant role of finance and banking. They must consider it an indispensible tool for guiding economic expansion.

To ensure the success of the financial and banking business, we all must pay attention especially to balancing savings and expenses, which is one of our party and government's big plans. Meanwhile, our actual duty is to strongly press forward in production, increase production ability, and to save in production and consumption. In order to accumulate savings [we should] mobilize the use of domestic ally produced goods and limit imparts. All these are primary elements in gloriously advancing and succeeding in the new phase of our finance and banking.

9884
CSO: 4206/2

CHAMPASSAK-STUNG TRENG TWIN PROVINCE RELATIONSHIP DESCRIBED

Vientiane SIANG PASASON in Lao 8 Sep 82 pp 3, 4

[Article: "Champassak-Stung Treng Friendship Store"]

[Text] In the midst of a joyous atmosphere the parties, armies, and the people were all emulating each other to make the plenum of the Third Congress of the LPRP become reality. There was also a brand new achievement to greet the upcoming seventh anniversary of National Day on 2 December. In Champassak Province of the LPDR a new event has occurred concerning the relationship with its twin province, and Champassak Province has made a lofty resolution in carrying out its international duty toward its friend and twin privince of Stung Treng of the PRK. In the past 3 years it has done and is continuing to do all it can to sincerely help its friend in moral support and materials, especially in 1981-1982 when Champassak Province helped in repairing a big store for its twin province Stung Treng at no charge. It was started on 5 June 1981 and finished on 22 July 1982. On the afternoon of 14 August 1982 at the store that had been repaired in the middle of the municipal area of Stung Treng Province there was a ceremony to officially transfer the shop. There were decorations of Lao and Kampuchean flags and slogans written in Lao and Cambodian. In general this rperesents the special solidarity between Laos and Kampuchea, and specifically it represents the solidarity between Champassak and Stung Treng Provinces.

The honored Lao guests at the ceremony were Mr Thongin Thammakot, assistant secretary of the party committee, and chairman of the provincial administration committee of Champassak Province, and those in the Champassak Province delegation who attended the ceremony. As for the Kampuchean delegates, there was Mr Khamphan Thivong, assistant chairman of the provincial administrative committee of Stung Treng Province, along with the party committee, the administrative committee, different service chiefs subordinate to Stung Treng Province, and over 1,000 people from Stung Treng Province.

In the glorious ceremony Mr Khampheuy, committee chief of Champassak construction, read a report on the achievement. He said that the repairs on this store started on 5 June 1981 and were completed on 22 July 1982. The width is 25.40 meters, and the length is 26.40 meters. All together there are 7 rooms, and the repairs totalled 661,146.99 kip.

After that Mr Thongin Thammakot, the party's assistant secretary and also the chairman of the Champassak Province administrative committee, and Mr Khamphan Thivong, assistant chairman of the Stung Treng Province administrative committee, took turns giving speeches to give and accept the store. Both of them pointed out the close solidarity between the people of Laos and Kampuchea as well as between the people of the twin provinces of Champassak and Stung Treng. Mr Thongin Thammakot said that in order to maintain the fine heritage of friendship in the special militant solidarity of the three nations in Indochina in general, and specifically Laos and Kampuchea, and Champassak and Stung Treng, we signed our agreement of friendship and cooperation on 17 March 1980, and the relationship has been improved. The communication and cooperation between the two provinces has borne fruit. Even though our enemies have tried to separate these two nations and provinces, their tricks have always been destroyed by the people of the two provinces of the two nations. Based on the spirit of proletarian internationalism and the special solidarity Champassak Province has made an excellent decision in carrying out its internationalist duty toward our friend Stung Treng Province. The repair of this shop was a fruit of our special solidarity. It was an action to steadily and solidly increase the special solidarity. Meanwhile, Mr Khamphan Thivong on behalf of the party committee, the provincial administrative committee, and the people of Stung Treng made a speech in which he proudly accepted the store to the applause and approval of the masses who attended.

On the evening of the same day a joyous atmosphere was provided by the Champassak performing arts. The rhythm and style of dancing shows the heritage of solidarity and friendship between Champassak and Stung Treng Provinces that has existed since long ago.

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CSO: 4206/2

EDITORIAL NOTES TRAINING OF JUDICIAL PERSONNEL, MENTIONS CONSTITUTION

Vientiane SIANG PASASON in Lao 4 Sep 82 pp 1, 2

[Editorial: "Intensify the People's Democratic Administrative Power"]

[Text] Our administrative power is of the people, from the people, and for the people. It is a tool to bring about the exercising of the right of ownership of the workers in order to carry out the two strategic duties of the party: the protection and construction of the nation. Administrative authorities at all levels should increase and strengthen all of their tools of dictatorship including the improvement and building up of national defense, the public security forces, judicial organizations, etc. This is to carry out measures of dictatorship toward enemies, to guarantee the workers their democracy, and to maintain order in the country.

Meanwhile, administrative authorities of all levels are also obligated to increase the number of organizations responsible for building up and controlling the economy, expanding culture, protecting society, etc, taking no aspect lightly. However, the economic movement is a base for other movements, and should be considered especially important. Besides the work mentioned, in order to reinforce and expand the legitimacy of our revolutionary administrative power we still must move quickly to increase many works, e.g., socialist laws, forming a socialist constitution, and increasing propaganda and training techniques so that cadres, party members, and the people can understand the different kinds of laws they are presently carrying out and seriously carry them out with high awareness.

Another important problem is to build and facilitate schools for training and improving cadres who are involved in administrative power as well as control cadres, such as training and improving cadres who are responsible for important and primary duties in the administrative committees, public prosecutor courts, inspection organizations, and the administrative committee staff office sections. This is to form and improve the inspection organization under many levels of the administrative committee, and to assign duties for all mass organizations, labor union members, youth union, and women in order to perform their roles of inspection, to control and protect the administrative authority, and economic and cultural organizations. This is to give administrative authorities of all levels a strong mechanism and efficient cadres, and also to help the administrative authorities carry out their duties effectively.

However, in order to intensify the people's democratic administrative power while at the same time building up and effectively improving the administrative authorities of all levels, we still have to determinedly resist the disease of privilege of those who abuse their power, are greedy and extravagant, and who also violate the people's rights of collective ownership. This is because these diseases are all against our new regime, and they also serve to distance our administrative authorities from our people. This does not serve the people, and we will not be able to carry out the strategic duties in the transformation and construction of our socialist party and government.

Therefore, the building up and improvement of administrative authorities at all levels to be clear and effective is considered necessary for the new phase of our revolution. We all must strive to protect and encourage our administrative authorities to advance and be strong in all aspects.

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CSO: 4206/2

ELECTRICITY PRODUCTION, EXPORTS, DOMESTIC EXPANSION DESCRIBED

Vientiane SIANG PASASON in Lao 4 Sep 82 p 2

[Article: "Electrification Is Being Expanded to Production Bases"]

[Text] Electricity is an important [source of] energy for production and is also an indispensible demand in society. With this in mind, cadres and workers of the Lao State Electrification Enterprise attentively and actively carry out their work.

Comrade Mouy Maokhamphieu, assistant chief of statistics and planning for the Lao State Electrification Enterprise, told us that in 1982, according to the plan, the Lao State Electrification Enterprise will try to produce 798,585,910 kWh including 89,128,000 kWh for domestic use and 667,617,000 kWh for export.

After actively and creatively doing the actual work in the first 6 months of this year, they were able to produce 402,808,300 kWh of electricity, 40 percent over the plan. Of this, 47,128,000 kWh was used domestically as planned, and 326,699,000 kWh were exported, 19 percent over the expected level.

For the second 6 months of this year, according to the plan they will have to produce 464,461,414 kWh of electricity, including 42,000,000 kWh which will be used domestically and 394,922,850 kWh for export. In only 9 months of carrying out the plan they were able to produce 77,983,800 kWh, 16 percent over the monthly plan. Of this, 9,030,000 kWh was used domestically and 63,798,000 kWh was exported.

At the same time, production cadres and workers of the Lao State Electrification Enterprise also attentively took care of machines to guarantee their normal operation.

As for the expansion of electricity to serve rural areas, Comrade Mouy Mouankhamphieu said that in 1982 they expanded electricity into the Na Phok [rice strains] center of Settlement 23 Veunkham. In the City of Vientiane alone 5 km of high voltage electric network was added. In the rural electricity project they are now extending electricity into Nasaithong and Toulakhom Districts, and in Toulakhom District alone the installation of poles was completed.

Up to now in Vientiane Province and Vientiane Capital alone, electric power has been installed to run approximately 30 water pumping stations which ensure thousands of hectares of agricultural production.

The expansion of electrification is important for economic expansion as well as for increasing the standard of living of society in our country, in order to ceaselessly advance along the path to socialist construction.

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CSO: 4206/2

COMMENTARY URGES URGENT REPLANTING, NOTES MEASURES TO GUARANTEE CROPS

Vientiane VIENTIANE MAI in Lao 27 Aug 82 p 2

['Talking Together' Column by S. Thibthiangchan: "Carefully Look After the Wet Rice Paddies"]

[Text] Up to now farmers in many localities throughout Vientiane Capital have completed much of their wet rice paddy planting. We can almost say that 95 percent of the whole area has been completely planted. Normally our wet rice paddy season does not last to the end of August as it has this year, but because of weather conditions such as the drought which occurred in the middle of the rainy season this situation has dragged on and prolonged the farmers' planting season until now. However, it is not yet considered late, and this month's rains are most useful to our farmers. It is most important that our farmers now must be feverishly and attentively planting. They must hurriedly put all their energy and vehicles into finishing their planting before the end of August. If the situation drags on such as seeds having to be resown they must finish planting by early October. The most important thing is not to leave any areas empty by not putting in any rice plants. For this matter the administrative authorities must attentively inspect ricefields in each place with the people. For example, districts must cooperate with cantons, leading production units in inspecting and guiding, and leading the people to increase their attention to finish their wet rice season planting promptly in line with conditions. The planting must be done over absolutely the entire area. This means that no ricefields will be left empty. Wherever there are empty ricefields [the authorities] must guide and lead the people to replant. Another thing is to seek short-term seed rice such as mixed strains or short-term local strains. Agricultural cadres must be the primary driving force in solving this seed rice problem for the people. As for the [planting], an entire village can form itself into one unit, a labor solidarity unit or a labor exchange unit. Private and scattered techniques should be avoided because the labor does not meet the needs and will lead to delays in planting. One thing we should pay special attention to is the sowing technique to ensure fast planting and healthy and strong young plants. The agricultural service must send its specialized task cadres to guide the people in the localities for which they are responsible. They must use the new advanced scientific production system, otherwise it will not guarantee good crops.

Besides the planting problem, another important problem farmers should pay attention to is to insure that the rice plants are of good quality. First of all they must increase their energy to protect the plants such as by weeding, maintaining the water system, keeping out pests, worms, insects, crabs and livestock. They must pay special attention to applying fertilizer, either chemical or traditional fertilizer. Concerning the use of fertilizer, the agricultural service besides being the ones who provide equipment such as chemical fertilizers to respond to the needs of the farmers must also be the driving force in guiding and leading the people to do it. For example, what kind of traditional fertilizer should be used? What chemical fertilizer should be used? When, and how? This is because most of our farmers are used to engaging in rice farming the natural way which they know best, and are superstitious. They engage in rice farming without any calculation. This is very harmful in delaying the expansion, and contradicts modern advanced technology and science.

The local administrative authorities are obligated to mobilize and lead the people to do the actual work; they must increase their mobilization and propagandize widely and deeply, encourage production forces especially conversion to agricultural co-ops, encourage and improve the existing agricultural co-ops, and make them an example to effectively persuade the people and farmers to join and convert to agricultural co-ops. Based on the set plan, we should especially guarantee the figures set for Vientiane Capital this year, i.e., to make the expected rice production figure of 105,000 tons for all wet rice paddies, dry season rice, and swidden rice.

Reinforce the production forces by paying attention to the season for dry season rice for the people. Especially pay attention to agricultural co-ops and cultivation areas to ensure a production of from 2.5 to 3 tons per hectare. It must be at least 3 tons wherever there is an irrigation system. Conduct emulation within each canton and village. Cadres must attentively contact production bases. They must inspect, and lead seriously in the bases. As for dry season rice, in the coming season for dry season rice they must put all their ability onto farming the entire area and into the efficiency of the irrigation system. In the case of the actual production there must be a calculation of the age of the wet rice paddies, i.e., figure out the time from the day of planting until the harvest day, and replant immediately after the harvest. There must be advance preparation to sowing seeds, and rice must be planted twice a year or three times a year (production seasons).

The administrative authorities must be concerned with the standard of living of the people. They must clearly accept that happy and prosperous people are cadres. Thus, our cadres must be a string driving force. They must convert all work into the production bases, and encourage and lead the people to attentively increase their production, cultivation, and animal husbandry. This time they must pay attention to planting and take care of the plants in order to make the expected figures a reality.

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CSO: 4206/3

DIFFICULTIES WITH COFFEE PRODUCTION NOTED

Vientiane VIENTIANE MAI in Lao 4 Sep 82 pp 1, 4

[Article: "Coffee Factory Starts to Produce Again"]

[Text] Because of some problems with raw materials which at one time did not meet the needs of the factory, the factory temporarily halted its production; however, at the present time it is back to its normal operation.

Comrade Phouthon Nalat, acting chairman of the board of directors of the coffee factory, which is subordinate to the industrial, handicrafts, and forestry section of the capital, told VIENTIANE MAI that now the production of the coffee factory has been back to its normal operation since 1 September 1982. Comrade Phouthon said the reason for the temporary halt was because the raw materials could not meet the needs in time. This caused some difficulties and the production stopped. It does not mean that business stopped completely, but only that a small amount was produced. The primary cause of the problem was the raw materials which the factory bought from the Lao Trade Corporation. The plan for 1982 production is as much as 60 tons. These 60 tons will be ready-made coffee. The purchase plan for the coffee beans was expected to be 86 tons, but now it has not met the needs. Comrade Phouthon continued by saying that now the Lao Trade Corporation attentively rushes to send dry coffee beans to the factory in order to make the expected plan become reality.

As for the distribution of the factory production which is ready-made coffee, previously as well as now it is distributed all over the province and the capital by the trade service. Moreover, it also responds to the needs of offices, organizations, and companies. The present level of production would be 500 kilograms per day if the raw materials met the need.

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CSO: 4206/3

UN ASSISTS IN RICE MILL CONSTRUCTION

Vientiane VIENTIANE MAI in Lao 31 Aug 82 p 2

[News Column by Saban Dongden: "Modern Rice Mill Construction in Sanakham District"]

[Text] Everyone knows that Sanakham District which is subordinate to Vientiane Province with its border adjoining Sayaboury Province is well known as a land of plentiful food. It is not less so than in other areas that are considered plentiful. In terms of rice the Sanakham District people have never heard the word "hunger."

Of course, the flat land surrounded by mountain ranges is indeed plentiful. So when the country was liberated the party and government could see the significance of this district as a complete rice and water granary and a land of rice production. Thus the modern rice mill construction project became reality.

Comrade Silia of the committee responsible for this modern rice mill construction in Sanakham District told us that this modern rice mill was being built in the name of Vientiane Province and Capital with the funding assistance from the United Nations' UNICEF organization in which gave the actual capital in the amount of 160 million kip. This rice mill is completely equipped with modern machinery. It is able to produce a total of 16 tons of rice per day. The entire construction is the responsibility of the Lao Vieng State Enterprise Contractors; it will take 8 months for the construction and 2 more months to install a complete set of machines. This means it will take 10 months for the construction and machine installation to be complete. There were also the party committee, and the district administrative committee along with the contracting committee, and it was especially the party committee and the provincial administrative committee who have given close guidance and encouragement and have helped to make this construction a reality as planned. The Sanakham District administration committee itself fully facilitated the construction such as at the construction site, the construction workers' living conditions, places to stay, and their welfare. Meanwhile, they also assisted in giving lumber, gravel, sand and other construction materials.

At the present time the actual construction has been carried out dealing with surveying, soil testing, digging for reinforced concrete for the poles, and finishing the repair of residences as normal. Construction materials such as

steel, cement, and roof tiles were brought to the construction site, and other equipment will arrive gradually.

The purpose of this rice mill is to mill rice bought directly from the people in Sanakham District. It will get the rice paid as agricultural tax to serve as Sanakham District's food supply and for supply to Vientiane Province and capital. These significant products will create a new face and a new atmosphere for Sanakham District. Under the old regime none of the ruling administrators or any level of reactionary power ever mentioned this district's name. Now the administrative authorities clearly can see the importance of Sanakham, a district of Vientiane Province, that has a plentiful food supply, especially rice. The higher echelons have encouraged and planned this rice mill to make it become reality. When it is finished it will give farmers all over Sanakham District a new step and face; in particular, it will increase production, especially of rice. It will make Sanakham District an example for rice growing, encourage the progress and an increase in the standard of living for the people, and give the people of all nationalities and races all over this district new bright faces and let them step up to be side by side with the Lao people in other areas all over the new Laos.

9884
CSO: 4206/3

VIENTIANE MEAT PRICES POSTED

Vientiane VIENTIANE MAI in Lao 9 Sep 82 p 2

[Circular No 990/VCFC]

[Text] To: All ministries or equivalents, departments, units, hospitals, schools, factories, communal dining rooms, companies, and various state enterprises subordinate to the center and Vientiane Capital.

Subject: Changes in prices of meat, fish, and other kinds of food in two categories, the state administrative price and the state enterpirse price.

Pork:

1.	pork meat	45 kip per kilo
2.	bacon	40 kip per kilo
3.	cutlet	45 kip per kilo
4.	lard	25 kip per kilo
5.	liver, stomach, heart, vermiform appendix	45 kip per kilo
6.	organs (lung, intestine)	30 kip per kilo
7.	bones, heads, feet, ribs	20 kip per kilo

Fish:

1.	pa nang [translation unknown]	25 kip per kilo
2.	carp	22 kip per kilo
3.	small carp	12 kip per kilo

Sell and distribute to corporations and state enterprises and all state enterprise and personal requests (new prices).

Buffalo:

1.	meat in general	75 kip per kilo
2.	organ meats	45 kip per kilo
3.	young bones	30 kip per kilo
4.	big bones	50 kip per buffalo
5.	head	300 kip per head
6.	feet	15 kip per foot
7.	tail	25 kip per tail
8.	bile	15 kip per bile
9.	entrails	10 kip per [coil]
10.	skin	15 kip per kilo

Beef:

1.	meat in general	80 kip per kilo
2.	organ meat	50 kip per kilo
3.	young bones	25 kip per kilo
4.	big bones	40 kip per bone
5.	head	250 kip per head

Based on the agreement of the provincial administrative committee of Vientiane Capital No 4254/VTCP on 7 September 1982 concerning the distribution of meat, fish, and other kinds of food in two price categories, the state administrative price and the state enterprise price.

Thus, the Vientiane Capital Food Corporation hereby notifies all that starting from 14 September 1982 the meat and fish prices will be distributed based on the following:

Sale and distribution to state administrative sections and communal dining requests of the state administrative section (old prices)

Buffalo:

1.	meat in general	35 kip per kilo
2.	organ meat	25 kip per kilo
3.	young bones	10 kip per kilo
4.	big bones	40 kip per bone
5.	head	150 kip per head
6.	feet	10 kip per foot
7.	tail	10 kip per tail
8.	bile	10 kip per bile
9.	entrails	5 kip per coil
10.	skin	10 kip per kilo

Beef:

1.	meat	40 kip per kilo
2.	organ meat	30 kip per kilo
3.	young bones	12 kip per kilo
4.	big bones	30 kip per bone
5.	head	130 kip per head
6.	tail	10 kip per tail
7.	feet	5 kip per foot
8.	bile	10 kip per bile
9.	entrails	5 kip per coil
10.	skin	10 kip per kilo

Pork:

1.	meat	70 kip per kilo
2.	bacon	50 kip per kilo
3.	cutlet	70 kip per kilo

Pork continued:

4.	lard	40 kip per kilo
5.	liver, stomach heart, vermiform appendix	60 kip per kilo
6.	tail	25 kip per tail
7.	feet	10 kip per foot
8.	bile	15 kip per bile
9.	entrails	10 kip per coil
10.	skin	15 kip per kilo
11.	organs (lung, intestines)	50 kip per kilo
12.	bones, heads, feet, ribs	40 kip per kilo

Fish:

1.	pa nang	70 kip per kilo
2.	carp	50 kip per kilo
3.	small carp	20 kip per kilo

The Vientiane Capital Food Corporation hereby informs all.

Vientiane 8 August 1982

CSO: 4206/3

BRIEFS

ATTOPEU ELECTRIFICATION--The installation of a medium-size electrification system in Attopeu Province was the responsibility of the provincial industrial service and was guided by Lao State Electrification Enterprise [experts] from 22 June 1982 to 19 August 1982, when it was successfully completed. This included 2 50 kilovolt transformers, the installation of 169 medium and low voltage poles, and the use of a total of 25,960 meters of electric wire. This will facilitate in providing electricity in the city and some production bases later on. [Text] [Vientiane SIANG PASASON in Lao 1 Sep 82 p 1] 9884

VIENTIANE DISTRICT GUERRILLA UNITS--In the middle of August the military command of Phon Hong District, Vientiane Province, set up 2 companies of stationary and mobile guerrilla units in Phon Soung Canton. This was to expand and strengthen the r tional defense and public security network in localities so as to be able to maintain political security and social order in the masses so that the people could feel free to make their living and gradually develop their country's prosperity. After the official assignment ceremony, cadres and combatants all pledged to strictly carry out the resolutions of the higher echelons in order to protect the rights and interests of the people of all levels. They will resolutely not let any enemy hide and sabotage peace in their cantons. [Text] [Vientiane VIENTIANE MAI in Lao 31 Aug 82 p 1] 9884

CSO: 4206/3

CAUTIOUS OPTIMISM EXPRESSED ON PROSPECTS FOR ELECTIONS

Peshawar MASHRIQ in Urdu 25 Aug 82 p 6

[Editorial: "Necessary Clarifications Regarding Coming Elections"]

[Text] Mr Mahmud Haroon, federal minister of the interior, has made some clarifications regarding the coming elections. First of all, the coming elections will in all probability be held in accordance with the new Islamic political structure. Second new elections will be held after the municipal elections, and preparations are under way for municipal elections in September next year. Third, elections will be held only on the basis of adult franchise, and furthermore "local bodies" will not be used as electoral colleges during the next general elections. Fourth, an election commission has started compiling and revising the electoral lists. Thus, preparations have already begun for holding first the municipal and then general elections at an opportune time.

The minister of the interior made these clarifications on the basis of various statements made by the president, who has time and again asserted that just like other aspects of our life, our political structure should also be based on Islamic principles. This is why the president, in accordance with his mission of introducing Islamic principles, would like to give the country a political structure worthy of an Islamic state and hold elections on the basis of these principles. In all of the constitutions worked out in the past, by introducing resolute objectives, Pakistan has beyond any doubt declared itself to be an Islamic state. But under none of these constitutions has Pakistan ever been given a practical Islamic structure. This may be attributed to the fact that in the past we have followed the Western pattern of politics and Western democracy, as a result of which the country had no leadership that could seriously consider the introduction of an Islamic system in the country.

The present government was the first to introduce the process of Islamic principles inPakistan, and it naturally desires that this process should be continued in the future. This is why it is inclined to change the political and electoral structure of the past into a political system that would guarantee the continuation of the Islamic process in the country. As against this, the secular and socialist elements in the country, who are opposed to the process of introducing an Islamic system, insist on holding elections

according to the old political and electoral structure. Unfortunately, even some of the parties imbued with Islamic ideologies have started demanding that elections be held immediately on the basis of the 1973 constitution, even though many of these parties would like the new elections to be held not on that basis but on the basis of separate deputation and proportional representation. Similarly, they would also like Islamic moral virtues to be made binding on the electoral candidates. In other words, these political parties, while insisting on the sanctity of the 1973 constitution, at the same time repudiate its established principles.

We believe that if these parties are really loyal to Islamic ideologies, they should without any reservation acknowledge that the 1973 constitution, despite being practical and acceptable, is Islamic in name only; keeping intact the democratic and federal structure of the constitution, it is highly essential to work out a new political structure that will be an effective guarantee as for molding our political and governmental institutions into the Islamic way of life. Pakistan has already been declared an Islamic Republic under the 1973 constitution. As such, it goes without saying that democracy in Pakistan should be constituted not on Western but strictly on the basis of Islamic principles, particularly when in the past we have already recognized the shortcomings of Western democracy. This assessment makes it clear why the present government is delaying the coming elections until the formation of an Islamic political system.

The timing of the introduction of the new Islamic system constitutes a major issue. The president in his speech on 14 August indicated that the new Islamic system will have taken shape before the next Independence Day. In this connection, some work has already been done and some work is in the process of being carried out. It is evident that a political system in complete agreement with Islamic principles cannot be obtained ready-made from some place. The work of designing a structure based on the spirit of Islamic teachings and dictates of the present age will have to be achieved by our experts in Islamic, legal and constitutional affairs. It is the president's desire that the new political structure be worked out in accordance with the unanimous approval of the people, so that later on it will not become the subject of contention and debate.

Moreover, the government is right in its decision to hold municipal elections first and the general election later. This conforms with the correct and gradual procedure of restoring democracy. Since preparations for holding municipal elections in September next year are already under way, it is certain that the general election will be held at an opportune time thereafter. These clarifications should suffice to set at rest the anxieties of the political parties, which during the transitional period, instead of wasting their time on unnecessary slogans and pulling each other's legs, should do the homework that could be the basis of their success during the general election. We call on the supporters of the ideologies of Pakistan and Islam in particular to start working now to create unity of throught and action among the rank and file within their party and refrain from joining hands with secular or socialist elements.

9315
CSO: 4203/191

WASTEFUL SPENDING, CONSUMPTION IMPEDE SOCIAL REFORM

Peshawar MASHRIQ in Urdu 27 Aug 82 p 2

["Column Thoughts and Events" by Dr Abdussalam Khursheed: "Wasteful Consumption--A National Plague. What Is the Remedy for This Chronic Disease? Administration Makes Laws But No One Complies With These Laws."]

[Text] Hakeem Mohammad Saeed writes the following in an editorial in the Journal HAMDARD SIHAT:

--Whenever the egotism of a nation declines and its moral ethics weaken, then the turn of events that takes place can be seen in the following:

--The People of Pakistan spend 650 rupees on foreign tea; and

--The People of Pakistan spend 180 million rupees on foreign beverages.

Dr Khalid Farooq, president of public health education, in an earlier interview with DAWN, brought the following facts to light:

--1.2 billion rupees are spent annually on the manufacture of cigarettes in Pakistan;

--Pakistan spends 800 million rupees for health services and diseases connected with the consumption of cigarettes;

--Pakistan earns an annual income of 70 million rupees from cigarette advertising of which Pakistan Television Corporation gets 20.2 million rupees.

Everyone knows that we are dependent on foreign formulas and foreign companies for manufacturing ice cream, cosmetics, soap and toothpaste, and that our inferiority complex has increased to such an extent that we use the TV even to publicize a water cooler, proudly declaring that we have acquired German technology or that we have adopted American technology.

We have established makeshift markets throughout the country; in other words, we have set up centers for smuggling. If a person bringing some goods from abroad is not able to convince customs officials, he is declared a smuggler and action is taken against him. But we have opened centers everywhere for selling illegally imported goods free of customs duty, and there is no restriction on this publicly committed crime.

Our ministers preach about the ideology of Pakistan everyday, but have they ever pointed at the issues we just discussed and have they ever denounced these evil acts? Have they ever said what is being done to do away with these ills. Propagating the ideology of Pakistan means not merely raising slogans, nor is it a tactic for overwhelming adversaries. It has many aspects, one being to inculcate self-respect and self-reliance in the people of Pakistan and to promote efforts to improve public health.

This issue has two aspects. One consists of wasting financial resources on things without which only simple subsistence is possible, but which could also help in improving public health. The other aspect is that if we cannot build planes and tanks or do not have the capability of making high quality electronic equipment, we should at least be able to manufacture toothpaste, soap and cosmetics, which we were making during the British rule. This country was well-known for its cold beverages for centuries. During the British period we make soda, lemonade and other kinds of cold drinks. What is the big calamity facing us now that we have given up old beverages and are not making new ones and are dependent on foreign countries for our beverages, thus wasting the country's valuable financial resources. India with a population of 600 million people on the other side of Wagah manages to live without foreign beverages and has successfully made new kinds of national cold drinks; why can't we do the same?

A third important factor is smuggling. If smuggling is against the law, then full scale action should be taken against it. If it is legal, then announcement should be made to this effect. Let us take VCR as an example. If by any chance a member of the general public tries to smuggle a VCR into the country and thereby earn an income, legal action is taken against him. But it is an open secret that almost all the families in high society own smuggled VCRs, smuggled Indian films and smuggled blue films, which constitute a source of pleasure and enjoyment to congregations held in those households. It is now being demanded that the VCRs already inside the country be legalized.

Now let us take the case of makeshift markets. There is one located in a free tribal area in the vicinity of Peshawar. Their very existence is objecitonable. The propriety of their presence can be explained by the fact that some traditions in the free tribal areas are different from ours and that certain conditions require that no action be taken against them. But the important question is: why are Pakistanis buying goods from makeshift markets convicted as criminals and why are they forced to ask for the assistance of influential officials to buy goods? What could possibly be the basis for establishing makeshift markets in Rawalpindi, Lahore, Quetta and Karachi is not yet clear. It is most surprising that law and order is openly challenged and government regulations are violated and no action is taken. Smuggled goods sold in shops in fashionable and other areas sometimes do attract attention and everyone knows the reason. Despite official raids on these shops, nothing is heard of any subsequent action. In other words, nobody knows the punishment meted out to the smugglers.

The government has taken measures to reform society. Earlier, action was taken against obscenity. What you might call obscenity, i.e., publishing

large photos of women, is not considered abscenity in the eyes of the law. It was said in particular that action would be taken against newspapers found quilty of violating the law of the land. But we believe that newspapers that were acting very cautiously in the matter were doing so voluntarily. (Now this caution is slipping away.) Otherwise, unless legal action is taken against newspapers in accordance with the law of the land for publishing large and colored pictures of actresses and models the desired results will not be achieved. It must be borne in mind that men can be involved in obscenity as much as women. Obscenity is really the perpetration of evil actions, such as bribery and corruption, dishonesty, falsehood, hypocrisy, nudity, smuggling, lack of national self-respect, attachment to foreign products, violation of law and order, looking upon illegally acquired wealth as a sign of honor and pride, vanity and affectation. Here we are reminded of a phrase used by the late Maulana Abul A'la Maudoodi: "When an edifice soars high, moral ethics and character sink lower." Therefore, in order to reform society, an all-out Jihad will have to be declared against obscenity in all its forms, and virtuous deeds will have to be encouraged. As long as we do not learn to respect virtuous people and change our attitude of appreciating evil when it comes before us disguised in the cloak of wealth, any movement designed to reform society is bound to fail.

In connection with the subject of pomp and show and respect for law and order, we have on numerous occasions drawn the attention of the authorities to the fact that the laws passed by the former government about marriages are impractical. For example, how can it be possible in these days of inflation to spend 5,000 rupees on dowry and wedding gifts or to arrange dinner for participants in a marriage procession or marriage feast for 2500 rupees? In the beginning, people were frightened and brought dowry and wedding gifts earlier than scheduled at the appointed places, while some people distributed the participants in marriage processions to nearby houses and served dinner separately. But soon the fear disappeared and people started giving extravagant and sumptuous banquets openly. One famous banquets was attended by 6,000 guests. Most of the wedding dinners are usually given in hotels and everyone knows the huge expenses incurred for these functions, but no action is taken. One of the decrees prohibited illuminations during we-ding ceremonies, but no one complied with this regulation. Illuminations during wedding ceremonies sometimes last for 3-4 days and no action is ever taken against this breach of law.

What is the use of these regulations when no one complies with them? Some time back it was said that the government was reviewing these regulations and wanted to make them practicable. But nothing has been heard on this matter since then. This is a pious wish. A person who loses his way in the morning but returns home at night cannot be said to have gone astray. The best thing would be to do away with all the ineffective restrictions. This does not mean that people will spend lavishly on marriages. The wealth and the rich who have been extravagant will continue to spend extravagantly. People who were previously poor will remain poor and will continue to spend according to their means.

9315
CSO: 4203/191

BRIEFS

PRO BHUTTO SLOGANS--Karachi, 23 Oct (Staff Reporter)--An unpleasant incident took place here today when, at tea time after the defunct PPP leader Mr Ghulam Mustafa Jatoi's address to the members of the Karachi Bar Association, one of the Bar Association members, Mr Mushtaq Ahmad Advocate, was prevented by the chairman of the Association, Mr Hafiz Lakho, and his supporters from asking Mr Jatoi a question. Unable to ask his question, Mr Ahmad remarked: "So this is democracy and these are its champions!", and became quiet. Later Mr Ahmad said that in the lecture hall also during the question hour he was prevented from asking a question. After the proceedings a group of young men accompanied Mr Jatoi to his car and shouted slogans like: "Bhuttoism zindabad" ('Long live Bhuttoism'); "rahbar aur rahnuma--Shahnawaz Murtaza" ('Our leaders: Shahnawaz and Murtaza'); "masail ka ek hi hal--guerilla jang, guerilla jang: ('Only one solution to our problems: guerilla war, guerilla war'); "Pakistan ki taqdir--Benazir, Benazir" ('Pakistan's fate? Only Benazir'). It may be mentioned that Murtaza Bhutto is the leader of the terrorist organization Al-Zulfiqar and Shahnawaz Bhutto is working as his assistant. [Text] [Karachi JASARAT in Urdu 24 Oct 82 p 1]

CSO: 4656/25

SHIFT IN DEFENSE PLANNING STRATEGY, SEPARATION FROM U.S. REPORTED

Bangkok PATINYA in Thai 6 Sep 82 pp 6-8

[Article: "Supreme Commander Tells the United States That Thailand Will Depend On Itself"]

[Text] After the war in Indochina came to an end in 1975 and the painful defeat of the Free World side forced the United States to withdraw from Asia, the high-level military cooperation between Thailand and the United States, which had once been very close, began to dissolve. This growing estrangement resulted in both Thailand and the United States becoming uncertain as to what the other wanted concerning the expansion of communist influence in this region. The United States was not sure how strong Thailand was, and it was not certain about whether Thailand had the will to fight the communists. This greatly affected its decisions on supporting Thailand. At the same time, Thailand was not sure if the United States realized the importance of Thailand or whether it wanted Thailand to remain a part of the Free World. This greatly affected Thailand's strategic planning.

The Supreme Commander's Tour: Improve Understanding

Restoring military relations and building understanding between high-ranking Thai and U.S. military officers began when General Saiyut Koetphon received an invitation from General John W Vessey, the chairman of the U.S. Joint Chiefs of Staff (which is the highest military position in the united States and second to the president), to visit the United States as a guest of the Department of Defense. This invitation given to a high-ranking Thai officer showed that the United States was again interested in Thailand and wanted to find a way to solve the problems in this region. At the same time, the United States wanted to probe Thailand's attitude through conversations with high-ranking Thai officers. This can be seen from the fact that he was accorded great honor on his arrival. When the supreme commander arrived in Hawaii, which is the forward part of the United States, on 29 July, there was an honor guard there to welcome him and an 18-gun salute was fired. There was a welcoming banquet attended by high-ranking officers. And when General Saiyut and his party reached Washington and went to the Pentagon, which is where the offices of the U.S. Department of Defense are located, the United States arranged a large honor guard composed of members of all four armed services. There

was an 18-gun salute and the chairman of the U.S. Joint Chiefs of Staff awarded a high U.S. decoration to the Thai supreme commander without informing him in advance of this. And the United States arranged a schedule that called for the Thai supreme commander to meet with important U.S. security officials such as General John W Vessey, the chairman of the U.S. Joint Chiefs of Staff, Mr Richard Armitage, the deputy secretary of defense for Southeast Asia and the Pacific, General Charles Gabriel, the chief of staff of the U.S. Air Force, Admiral William Small, the deputy chief of naval operations, General John Wickham, the deputy chief of staff of the army, General Robert Barrow, the commandant of the Marine Corps, Admiral Harry Train, the Supreme Allied Commander Atlantic and commander of the Atlantic Command, and many other high-ranking U.S. military officers.

Diplomatic circles who followed his meetings with important U.S. military officers observed that the U.S. officials had given attention to and studied the problems ahead of time. Thus, when the Thai supreme commander stated the Thai point of view, the two sides were able to get to the heart of the matter quickly and understand each other well.

A Necessary Change: Thailand Will Depend On Itself

In the period prior to 1975 when the United States still had great influence in Southeast Asia, Thailand's national defense strategy was greatly influenced by the United States in the direction of having a strategy of depending on the United States. Thus, it was also necessary to follow the path, or interests, of the United States. But when the United States withdrew its troops from Indochina and Southeast Asia, there was much talk, both in Thailand and in the United States, to the effect that Thailand would "go communist," meaning that Thailand would be the next to become communist after Indochina. But Thailand has maintained its independence to the present. This shows Thailand's capabilities in defending the country by itself.

During his visit to the United States, General Saiyut made it clear to the United States that Thailand intends to maintain [the security of] the country and that it is capable of doing so without having to rely on others as before. In pointing this out to high-ranking U.S. military officers, Thailand's supreme commander pointed out that, even though the population of Indochina is greater than that of Thailand, the population of Vietnam by itself is not much greater than that of Thailand. Besides this, Vietnam is still experiencing many domestic problems. Thus, when compared with Thailand, Thailand still has an advantage on several fronts.

Concerning the fact that Thailand will stand on its own feet, the supreme commander pointed out that Thailand has clearly developed its national defense strategy, such as the total strategy.

As for the internal security strategy, the people-civilian-police-military (PCPM) way of thinking is being used. It has been shown that this is capable of maintaining internal security. All of this confirms that Thailand is capable of maintaining [the security of] the country by itself.

U.S. aid: Only Weapons and War Materials; a Binding Treaty Is Not Involved

The supreme commander told everyone that he met that Thailand has sufficient will, resources and manpower to develop security. But it lacks equipment and weapons. And Thailand cannot spend much money to stockpile such items for use when necessary since they are very expensive. Thailand has considered things and decided that, concerning military development, we must not spend so much money that this would affect economic development. The policy of the United States is to help countries maintain their independence, sovereignty and freedom. Thus, the views of the two countries are in harmony because Thailand wants to maintain its independence, sovereignty and freedom by relying on itself. Thus, the United States should give weapons and equipment to Thailand but then allow Thailand to solve the problems itself instead of doing things like it did in the past. In the past, the United States acted "bossy" and stipulated policies for other countries. It signed binding military treaties with various countries and sent troops to some countries. This is outmoded and other countries, even small countries, cannot accept this.

Thus, at a time when the United States does not want to get bogged down in this region like it did during the Vietnamese War and at a time when it is facing a serious situation in Europe, the Middle East and elsewhere, since Thailand wants to stipulate its own policies, it would be good if the United States helps Thailand by just providing various types of aid without making strong military commitments.

In response to Thailand's attitude of self-confidence, the United States tried to bring up the old treaties that had been made with Thailand, such as the Thanat-Rusk Treaty and the Manila Treaty, in order to give assurances to Thailand. Concerning the matter of a treaty, the supreme commander said that this may have meaning just for the United States since it is a matter that the U.S. government can explain to the people of the United States. But the important thing for Thailand is not whether there is a mutual treaty. The important thing is whether [the United States] gives concrete support, meaning weapons and war materials. And we have not asked that these weapons just be given to us. We will pay for them. The Thai supreme commander told the United States that the help to be provided by the United States should consist only of sending items to Thailand in accord with the plan in which Thailand needs the weapons for use in defending the country and in accord with the plan in which it needs weapons for immediate use. On this occasion, the supreme commander presented weapons requirements plans for various periods so that the United States can ready the items in accord with Thailand's needs. All of this requires advance planning so that the two sides are in harmony. These statements [by the supreme commander] gave the United States a better understanding of Thailand's problems. A plan was formulated for sending weapons needed by Thailand in normal times. And in emergencies, the united States must quickly ready additional weapons and send them right away.

Besides the support with weapons and equipment, General Siayut reached an agreement with the United States concerning the matter of credit. This will keep

Thailand from having to pay large sums of money in advance when purchasing weapons since we have to spend much money in other sectors. The United States realizes the situation Thailand is in and so it agreed in principle that Thailand will pay only a small premium in advance. When Thailand receives the weapons, it will gradually pay off the balance. But this will be a long-term loan at a low rate of interest.

Since the principles of weapons support were stipulated like this, Thailand's supreme commander took this opportunity to ask to purchase Bowpipe and Harpoon rockets in advance since it was felt that the United States does not want to release these types of weapons to other countries and the United States itself still has a great need for these types of rockets. It was explained that Thailand quickly needs to stockpile highly-efficient weapons in order to make Thailand's enemies think hard about invading Thailand. This should result in the United States agreeing to send Thailand these two types of rockets at the beginning of next year. This will increase Thailand's strength beginning from the next dry season.

An Historical Change In Strategy

In summary, previously, it was the United States, and not Thailand, that made almost all the plans for defending this region. This was the case from the time Seato was formed until troops were sent to the battlefields in Vietnam. But now, Thailand has clearly told the United States that we will no longer alow others to think for us. Thailand will formulate its own strategies, including foreign affairs and military strategies. This will enable Thailand to stipulate strategies or policies by holding to the interests of the country. Thus, how the United States sets its own strategies is its business. The United States does not want Thailand to become communist but it is not ready to send troops to this region again. At the same time, Thailand wants to stand on its own legs and stipulate its own strategies. These are mutual desires that give Thailand bargaining power and that allow it to ask for support, without any commitments, in order to build up the security of the country.

This trip by General Saiyut Koetphon has resulted in the United States now having to follow the plans made by Thailand rather than our having to stipulate national defense plans in accord with plans made by the United States, which mav not be in line with Thai interests. This has resulted because we have self-confidence and have proven that we can stand on our own feet.

11943
CSO: 4207/1

INDOCHINA TRADE BAN BLAMED ON U.S.

Bangkok SU ANAKHOT in Thai 29 Aug-4 Dep 82 pp 22, 23

[Article: "Thai-Indochinese Relations: Politics Leads the Way, Trade Follows"]

[Text] Ever since Vietnam displayed its power and sent troops into Thailand at Ban Non Mak Mun in Aranyaprathet District in June 1980, relations between Thailand and Vietnam have continually deteriorated. And it is certain that this will affect trade between the two countries, which is already small, and bring all trade [between them] to a halt.

The Thai government at that time announced that it was prohibiting the sale of war materials to Vietnam. There are very few types of goods that Thailand can sell to Vietnam. The things that have taken place have also affected the other Indochina countries that are satellites of Vietnam. Trade between Thailand [and these countries] has gradually declined too.

But suddenly, in the middle of August, there were reports in one foreign-language newspaper in Thailand that Thailand would repeal the ban on sending rice, which is considered to be one type of war material, to Vietnam. It finally reached the point where Mr Arun Phanuphong, the deputy minister of foreign affairs, had to issue a statement denying this.

At the same time, Mr Danai Dulalampha, who became the director-general of the Department of Foreign Trade only recently, confirmed that Thailand definitely does not have a policy of selling rice to Vietnam. And concerning the reports that 40,000 tons of rice will be sent to Vietnam, actually, this rice will be sold to the Soviet Union. If the Soviet Union wants to send this rice to some other country, we cannot stop them from doing so.

This is confirmation that the 40,000 tons of rice that the Soviet Union purchased from one Thai rice trading company, that is, the Thai Fa 2511 company, will definitely be sent to Vietnam.

"Private companies have the right to trade with any country they want. The only exception is South Africa. This is in accord with a U.N. resolution. It is only natural that, when a rice trading company exports rice, there are

no restrictions on which countries the rice can be sold to after it is purchased from Thailand," said Mr Danai. He also said that:

"Last year, the Soviet Union purchased 277,000 tons of rice from Thailand. We don't know whether they gave this rice to Vietnam or not since the Soviet Union purchased the rice FOB, Bangkok, and transported the rice on their own ships. We don't know where they sent the rice."

As for trade between Thailand and the Indochina countries during the past 5-6 years, a recent report issued by the Department of Business Economics said that the value of this trade is very small. It looked as if trade would expand in the period 1977-1979. But after that, trade declined. In 1980, when the Non Mak Mun affair occurred, trade declined 138.4 percent. And trade declined ever further in 1981. Last year, the value of imports and exports between the two countries reached only 18 million baht. Thailand exported to Vietnam goods valued at 9.5 million baht and imported from Vietnam goods valued at 8.5 million baht. This can be compared with 1980 when the value of the goods reached 276 million baht. Thus, the value of the goods declined 258 million baht, or 93.5 percent.

Thai exports to Vietnam during the past 5 years, that is from 1977 through 1981, were as follows: Exports in 1977 were valued at 245.4 million baht; exports for 1978 were valued at 239.1 million baht; exports for 1979 were valued at 448.2 million baht; in 1980, they were valued at 254.1 million baht; and in 1981, they were valued at 9.5 million baht. Concerning the types of goods exported by Thailand to Vietnam, in addition to rice, Thailand exported motorcycles, scooters, butter, paper, cardboard and meat.

As for imports from Vietnam during this 5-year period, Thailand imported more goods from Vietnam every year, with the exception of 1981 when imports declined. In 1977, imports were valued at 2.2 million baht. In 1978, there were valued at 10.1 million baht. Imports for 1979, 1980 and 1981 were valued at 12.5, 21.9 and 8.5 million baht respectively. The main item purchased from Vietnam was coal.

In looking at Thai exports to and imports from Vietnam, it can be seen that Thailand had a very favorable balance of trade with Vietnam every year, with the exception of 1981, when there was little trade and Thailand's favorable balance of trade was only 1 million baht.

As for the other Indochina countries, such as Laos, the value of trade with Thailand is several times greater than that with Vietnam because Laos must depend on Thailand for all types of goods. For the period 1977 to 1981, Thailand exported goods worth 291.2 million baht to Laos [in 1977] and the value of the goods exported reached 910.5 million baht in 1980. But in 1981, the value of the goods exported fell to 586 million baht. Laos purchases mostly yarn, textiles, sweetened condensed milk, glutinous rice, corn and tobacco from Thailand.

The items purchased by Thailand from Laos include various types of timber for construction, such as ormosia, dipterocarpaceae, and lagerstroemia, animal horns, animal bones and hides. But the value of the goods imported from Laos is not very great. In 1977, Thailand imported goods worth 48.3 million baht. In 1978, the value of the goods imported was 56.4 million baht. In 1979, 1980 and 1981, the value of the goods imported was 53.9, 37.2 and 17.5 million baht respectively. Looking at the balance of trade, Thailand has had a favorable balance of trade with Laos for the last 10 years. Looking at the figures, [it can be seen that] the year with the most favorable balance of trade [for Thaialnd] was 1980 when Thai exports exceeded imports by 873.3 million baht.

Another country that has historically been both a friend and an enemy of Thailand is Kampuchea. Kampuchea has been in a turmoil for several years. There was little trade in 1977 and 1978. Trade increased in 1979. Thailand exported goods valued at 170.3 million baht to Kampucha. But Kampuchea did not export anything to Thailand. The best year for trade between Thailand and Kampuchea was 1980. Kampuchea purchased goods valued at 659.1 million baht but Thailand did not purchase any goods from Kampuchea. But in 1981 trade declined to only 101 million baht. Thailand was the exporter. Kampuchea exported to Thailand goods valued at only 200,000 baht.

Looking at the balance of trade between Thailand and the Indochina countries, Thailand had a favorable balance of trade with each of the countries. But it has not been possible to carry on trade fully and this has allowed other countries to snatch these profits. This has resulted because of the ban on selling certain types of Thai goods to Vietnam. The countries that have taken over and carried on trade in place of Thailand are friends of Thailand in Asean. Mr Lee Kuan Yew, the prime minister of Singapore, once said that he was a real enemy of Vietnam. But he has allowed Singaporean merchants to take this opportunity, in which Thailand has implemented a policy of prohibiting tradewith Vietnam, to purchase goods from Thailand and then sell them to Vietnam.

"If Thailand does not trade with Vietnam and allows Singapore to act as a broker in our place, we will be put at a disadvantage. We must change this policy," said a high-ranking official from the Ministry of Commerce about this.

At present, the Ministry of Foreign Affairs has begun to see the disadvantages in this. But this is an international political policy that must be changed by the government."

"It was proper for the government to ban trade with Vietnam after Vietnam invaded Thailand. But now, the situation has changed. The Ministry of Foreign Affairs is ready to open a way. The Ministry of Foreign Affairs has a farsighted view and feels that the economic problems are most important," said the high-level news source from the Ministry of Foreign Affairs.

"This matter may be discussed in detail at this week's conference of the Joint Government-Private Committee for Solving the Economic Problems."

However, this may be a simple problem that is very difficult to solve. Because besides the fact that Thailand has a firm agreement with the other Asean countries, in the bachground there may be strong pressure from the United States. The United States wants to exert pressure on Vietnam to get Vietnam to do what the United States wants. For example, it wants Vietnam to provide information about the American soliders listed as missing in action in the Vietnamese War. And it is known that Thai policies concerning Indochina are stipulated by the United States. The United States is clever and has not played an open role. But it is the one behind the various policies of Thailand.

Since the situation is like this, it is not expected that there will be any changes in the policies concerning trade between Thailand and Indochina. The situation will probably remain as it is.

If nothing can be changed, we will have to continue to let Singapore be the one to make all the profits from trading with Indochina.

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COLUMNIST VOICES DISGRUNTLEMENT OVER RELATIONS WITH MALAYSIA

Bangkok DAO SIAM in Thai 6 Sep 82 p 5

Sunday Criticisms column by Taphaya: "What's Going On Between Thailand and Malaysia? Senior People Are Muttering"]

[Text] It has been 20 years since Thailand and Malaysia agreed to cooperate in eleiminating the terrorists who operate along the border between the two countries.

This has been 20 years of misunderstanding. Twenty years of failure. Twenty years in which Thailand has been taken advantage of. And 20 years of mutual suspicion.

What is behind the misunderstanding? The leaders of the two countries have not talked to each other in an understandable or sensible way. One side has spoken Thai while the other has spoken the language of Malaysia. How srange!

And now Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, has loudly expressed his dissatisfaction over the results of the meeting of the Thai-Malaysian Border Committee, which just concluded its meeting several days ago.

[He is dissatisfied] because Malaysia is not sincere and does not intend to cooperate in the suppression operations.

Malaysia, on the other hand, has charged that Thailand is supporting the Malaysian communist guerrillas. And during this meeting, Malaysia did not mention the bandit terrorists, who have run rampage along Thailand's southern border. The Malaysian communist guerrillas speak the language of Malaysia and they regularly cause trouble in Thailand.

Besides this, the bandit terrorists also receive weapons support from abroad.

But there is more to the disharmony between Thailand and Malaysia than this.

Malaysia has been given permission to send troops across the border several kilometers into Thailand in pursuit of terrorists. But Thailand does not have permission to pursue terrorists into Malaysia. What are the senior people in the Thai government thinking?

But if it is said that the purpose is to show them how honest we are, this hasn't happened. Recently, Genral Saiyut Koetphon, the supreme commander, muttered in response to a reporter's question concerning this matter that "their government is still new. It just came to power and so it doesn't understand."

Yes. Thais always view others in a good light. But Thailand is frequently viewed in a bad light.

We will try to find proof for them so they understand, said Genral Saiyut.

Thais get hurt, but they never remember. And when will we speak to each other so that we understand each other?

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HIGH-RANKING INTERIOR OFFICIAL PROFILED, PREM LINK NOTED

Bangkok SU ANAKHOT in Thai 29 Aug-4 Sep 82 pp 11, 12

[Article: "Keep an Eye On Phisan"]

[Text] Phisan Munlasatsathon, age 53, is the son of Mr Munlasatsathon and Mrs Phaka. He was born in Surin Province. In his youth, he was a boxer. Although he is not too well known, one of his younger brothers is a boxer who is well known to boxing fans as the "Earth Mover of Surin." He graduated from a provincial high school and then continued his education at Thammasat University. He then studied political science at Chulalongkorn University, or Sing Tam, Class 1. He began his government career as the deputy district officer in San Kha District, Surin Province. He served as deputy district officer in several districts before becoming the district officer of Muang District, Surin Province, in 1958. In 1967, he served as the assistant provincial governor of Surin. In 1968, he became the assistant governor of Phetchabun Province. Later, he was transferred to serve as the assistant governor of Nakhon Phanom Province and then made the deputy governor of this province in 1973. In 1974, he served as the governor of Sisaket Province. In 1975, he was the governor of Nakhon Phanom Province. In 1977, he served as the governor of Udorn Ratchathani Province before being moved to the position of director-general of the Department of Local Administration at the end of 1980. After serving in this position for 4 months, he was appointed undersecretary of the Ministry of Interior. But before he could take this position, the coup of 1-3 April 1981 broke out. He was appointed to the position of head of the interior section in the National Peacekeeping Directorate. When things returned to normal, he became the undersecretary of the Ministry of Interior and a senator.

Concerning the matter of Phisan Munlasatsathon changing course from being a minor official of the Ministry of Interior who was hidden in local administration, particularly in the northeast, and taking a central administrative position as the director-geneal of the Department of Local Administration,

and then rising to undersecretary of the Ministry of Interior in just 4 months when the former undersecretary, Damrong Sunthonsarathun was transferred to the Office of the Prime Minister to await the investigation of the local printery case, besides the fact that this is viewed as having occurred because of his closeness to General Prem ever since they served in the northeast together, the political role of Phisan has began to attract attention. He is being viewed as the Political "wheel" of General Prem. In particular, during each crisis, Phisan has played an important part in the mass movements to generate support for the prime minister in the form "anything, but it must be General Prem."

The close relationship between Phisan and General Prem was formed during the time General Prem was the commanding general of the Second Army Area and Phisan was the governor of Nakhon Phanom Province in 1975. In that perio , Phisan implemented the policy of the commanding general and formed the first Thai Village Self-Defense Volunteers unit in Nakhon Phanom Province. Later on, the idea of establishing a people's army in the border areas to counter the Vietnamese, who had begun to invade Kampuchea, grew much stronger in the northeast. Then in 1978 during the time of the first Kriangsak government, an act disbanding the scattered forces was promulgated. The only groups left were the Village Scouts, the Regional Security Volunteers, the People's Volunteeers for Development and Self-Defense and the Volunteer Defense Corps.

Concerning the special qualities of Phisan, in addition to the fact that he is a very personable man, during the time he was governor he got along well with the people because he is a very capable person in carrying on mass activities, encouraging and comforting people and assembling people. As undersecretary of the Ministry of Interior, his role is to go with General Prem into the countryside. Since the middle of last year, there have been periodic reports that General Prem will run for election as a member of the Democrat Party or Social Action Party. And an image of General Prem as the only person fit to be prime minister has been created. In considering these things, an eye must be kept on the role of Phisan. Because concerning the demonstrations that have helped General Prem each time, mass activities have frequently been the method used. Regardless of the mass forces used to welcome him, they usually carry posters supporting General Prem for election. This has been the case in Songkhla, his birthplace, and Korat, where he served as the commanding general of the Second Army Area at the Suranari Camp and in other provinces. There was the postcard affair of the people in Songkhla who support General Prem for another term as prime minister. And there was the matter of extending his term as RTA CINC, when Thawee Kraikhup went out and sent postcards to the MPs.

"Concerning the fact that Undersecretary Phisan often accompanies General Prem, this is because he is a government official and has to act in accord with the policies. When the prime minister calls on him to perform various tasks, these are orders from the prime minister and he cannot refuse to carry out the tasks," explained a younger Sing Dam graduate who is close to Undersecretary Phisan concerning why Phisan has had to work closely with General Prem. He

also talked about why Phisan is thought to be the person who assembles villagers to cheer General Prem. "The charge that whenever Phisan goes on an inspection tour with the prime minister, he must assemble villagers to support the prime minister is an ordinary matter of political scheming by politicians in general. On a visit to some area, if it seemed that the people were indifferent, this would have been unbecoming. General Prem has many "kun Su" [advisors]. He has to let them do such things. Undersecretary Phisan could not do this by himself," said the same person to SU ANAKHOT.

Even though it was a close associate of Phisan who said this, there is the matter of the explosion at Prem's Si Sao house. Tens of thousands of Village Scouts and Volunteer Defense Corps members held parades to show support for General Prem in order to reverse the situation and turn it in his favor. Such demonstrations were held in Surin, Nakhon Phanom, Sisaket, Kalasin and several other provinces. In addition, [there were demonstrations] by the same groups of people in Ratchaburi who had once demonstrated to show support for Thawee Kraikhup, the deputy minister of commerce, during the time parliament questioned him about distributing money to MPs to destroy the constitution. General Prem had to welcome all these people and so he finally had his secretary telephone undersecretary Phisan and tell him that it was not necessary for villagers to come here and that they could simply demonstrate their concern in their own province. As for the problems that followed, besides the fact that it was Phisan who recruited villagers to show support for General Prem, some people have said that he was the one who created the entire situation in order to win votes and sympathy for General Prem.

"Concerning his recruiting villagers, we can see the game he was playing. The members of the Volunteer Defense Corps who came that day were all Prem men. It took only one telephone call to get them to come. The high-ranking officials in the ministry are all aware of this. And concerning the explosion, look at the manner in which the grenade was thrown. A terrorist would have been well aware of the fact that he could not have caused any damage because there are three palm trees blocking the way," said a news source in the Ministry of Interior. However, the reasons for charging that this situation was orchestrated intentionally are rather weak since there was no reason to do such a thing. "Why would Phisan do this? This is just not true. General Prem and Phisan are on the same team. If he did this, General Prem would be the loser. The reason that the Volunteer Defense Corps went to give support was because they wanted to eliminate the troubles of General Prem. It was not necessary to create a situation. Its a life and death matter for the nation," said a news source close to Phisan when SU ANAKHOT asked about the matter of Phisan being charged with having created the situation.

About a year ago when Phisan was serving as the undersecretary of the Ministry of Interior, his skill at mass activities left him with little time to spend at his office. He frequently had to make trips to the provinces in order to carry on psychological operations and security activities. Others had to carry out his other duties for him. Government officials began to complain that there was rarely anything new to do. However, Phisan has never had conflicts

with any group in the ministry. One of his good administrative principles is that he tries to involve other institutions and does not limit things to just the Sing Dam or Sing Daeng. Phisan seems to be very afraid of "playing favorites." The Sing Dam group is unhappy about Phisan limiting their role. Because what has been happening is that the competition between the two institutions has become more intense. It has reached the point where, if the undersecreary belongs to one "sing," he will try to suppress the role of the other "sing."

Even though some people think that Phisan is connected to the various events and feel that he has played a rather great political role recently, in the eyes of the military, Phisan does not have any great role and is not really worth keeping an eye on. The only thing is that his image was tarnished slightly by the events of 1-3 April. Phisan went on television and made an appeal side by side with Colonel Charuai Nimdit, an officer in the psychological operations section of the Second Army Area. One commander who helped suppress the young turks that time said that "he is too much of an actor. He doesn't come across as being sincere."

Another turning point has about been reached. General Prem is moving forward to hold the political reins for another term. That is, [he wants] to be prime minister for another term after the election in 1983. Unless there is a coup beforehand, Phisan will continue to play a vital role for General Prem.

And since there is another person who is the political and military heir apparent, General Athit Kamlangek, who will probably become the RTA CINC, will have to give attention to forming new relationships, even though the RTA CINC has said that he does not like to do such things.

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COLUMNIST NOTES DISSENSION IN SUPREME COMMAND REORGANIZATION

Bangkok BAN MUANG in Thai 16, 17 Sep 82

[Free Thoughts, Cool Breezes and Sunshine column by Nui Bangkhunthien: "The Structure of the Thai Military"]

[16 Sep 82 pp 4, 5]

[Text] Geneal Saiyut Koetphon, the supreme commander, has initiated something of historical importance by having the commanders in chief of the army, navy and air force serve concurrently as deputy sumpreme commanders.

General Prem Tinsulanon agrees. General Athit Kamlangek has reservations. General Kriangsak Chamanan not only disagrees but has proposed that Supreme Command Headquarters be abolished.

The idea of building up the military so there is greater unity has been floating around for many years. Soldiers and scholars once did a study and proposed that the military be improved. But unfortunately, such things always come to a sudden stop everytime there are political changes.

The Thai political system has no standards. None of the popularly elected governments has ever finished its 4-year term. This is just the opposite from those who bear arms, who have gained power without having obtained the approval of the people. These people just stay in power until they are driven out with guns.

The political shifts have made it necessary for the military system to have to rely on itself. And since it relies so much on itself, a rigidity has set in which makes it difficult for [soldiers] to get along with others, regardless of whether it is groups with economic power or the political parties. Thus, the military has also taken on the responsibility of administering the country.

And in the military, it is the army that stipulates everything. The navy and the air force just implement the policies given to them.

This has resulted in the balance in the administrative system tilting toward the army. This is not good for the country as a whole or even for the army. Because, this is not normal.

The experts in the army may be experts in maintaining security, in waging war and in using power to govern the people in the country. But there is more to the country than this.

The growth and progress of the country depends on skill in many fields, for example, the economic and financial system, agricultural development, stratagems in foreign affairs, community development, control of the education system and so on.

To carry out the tasks in each of these sectors specialists in each of these sectors msut be relied on.

If just the professional soldiers try to do everything, the country will not make progress. In the beginning, the Thai military had a top-down structure flowing from the prime minister (or leader of the Revolutionary Council) to the minister of defense, undersecretary of defense and commanders in chief of the army, navy and air force. After the coup in 1958, the United States came and changed the structure. A supreme command was established, which was in imitation of the U.S. military system.

Initially, Supreme Command Headquarters was established for the purpose of controlling the three armed services. But problems arose because the standards of the Thai and American militaries were different. In the U.S. military, everything is done according to the system and according to firm standards. But in the Thai military, things are bent and twisted because we rely on individuals more than the sytem.

In the past, the supreme commander was often the head of the Revolutionary Council, the RTA CINC, the prime minister and the minister of defnese all in one.

Military leaders did not dare disperse power because they would have risked having power seized from them.

Thus, the American principles were beautiful words. But they were useless in practice. The Thai military and political systems have constantly gone through cycles of collapse and regeneration. Everybody is aware of this but no one has dared take action. No one has dared stand up and point out that doing things this way is wrong. General Saiyut Koetphon is the first person to do so.

This action by General Saiyut Koetphon is correct. Every faction should support this so that the development of the Thai military succeeds, so that it is strong and so that it has a system.

When the military has standards, we can begin to hope that politics will follow the standards of another system and that Thailand will make rapid progress. Individuals cannot be more important than the system.

[17 Sep 82 pp 4, 5]

[Text] According to the general structure of the military as pointed out by General Saiyut Koetphon, the chain of command, in decending order, is as follows:

The prime minister, the minister of defense, the undersecretary of defense, the supreme commander, and the commanders in chief of the armed services (army, navy and air force). This is a tight structure.

There will be problems at the level of the undersecretary of defense. As for the old image, which is a very tiresome matter, of sending people to the "graveyard" of defense, there is little hope that an administor at the level of undersecretary will be able to give orders to the supreme commander. The old structure of the military stipulated that the undersecretary of defense was to be a sort of "housewife" responsible for administrative tasks and a link between the minister, who is a politician, and the soldiers in the three armed services, who are government officials.

In the past, the undersecretary of defense was a modest and unassuming individual who played a very small part in things. He just carried out the orders of th minister. How good a job he did is another matter. In such a situation the undersecretary of defense is a bureaucrat who is bound by regulations, laws and orders.

Thus, there is a question of how much flexibility he will have if he is given the task of supervising the supreme commander. The position of supreme commander is a position that has special qualities. The regular activities are combined with politics. Some of the tasks cannot be carried out with regulations or carried out in a normal way.

However, this new structure initiated by General Saiyut is suited to the situation of the military, which is constantly growing larger.

Previously, the activities in the military were very limited. Combat was in the form of sending soldiers to fight abroad. The war materials were limited by the small amount of money available. Security activities, mass psychological operations and military development activities were not carried on widespreadly.

It was the Ministry of Interior that was responsible for everything. It was responsible for everything from maintaining order in the country and developing the communications to digging canals and promoting village occupations.

But now the Ministry of Defense is involved in just as many tasks. The undersecretary of defense should be responsible for the administrative tasks, which must be carried out in accord with the regular work chain. He must supervise all the units to see that the regulations are obeyed.

The supreme commander should be responsible for all staff tasks and military operations.This includes making decisions on some political matters.

If the tasks of the two are clearly divided like this, the supreme commander should be directly responsible to the minister of defense. He should not have to go through the undersecretary of defense, which would only complicate matters. And this would greatly reduce the levels.

In the present period, the commanders in chief of the army, navy and air force have specific duties stipulated by law. A single person must not hold several positions like a god or superman sitting working among his underlings who does not have a chance to get in close touch with the facts.

If the positions can be separated, with the prime minister, minister of defense, supreme commander and RTA CINC each holding just one position, and a single person can be prohibited from wearing several hats, the military and the country will make great progress.

And when those in the military act as examples, people in other professions will definietly have to develop too. This inlcudes the political parties and the groups with economic influence.

Those who go against this and involve themselves in things outside their role will no longer be able to live in society.

This is a wonderful picture and is viewed from a good angle. As for whether it will be possible to actually carry this out, we will just have to wait and see.

Those who govern the country must work as a team under a correct legal system. Everyone must respect the rights and duties of others and obey the rules that have been made.

Maintaining the system of clinging to individuals will quickly destroy the country. The lives of people are short. For the country to make progress, the importance of the system, which will endure longer than an individual, must be stressed.

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LACK OF NEUTRALITY ON KHMER COALITION ASSAILED

Bangkok PATINYA in Thai 6 Sep 82 pp 13, 14

[Article: "Announcement...Announcement: Thailand Must Serve Sihanouk Again!"]

[Text] After Sihanouk received support from the Thai Ministry of Foreign Affairs and a Khmer coalition government was formed, with the Thai government providing great support on all fronts, Sihanouk and his cohorts took what had been accomplished and split away in great glee.

Thailand and the Thai people cannot go anywhere. We must take responsibility for the problem.

The problem concerns the troubles that have followed in the wake of the Kampuchean people fighting for state power. Concerning the Heng Samrin group, Vietnam is supporting it on all fronts, inlcuding helping the Kampucheans to kill each other. Vietnam is trying to eliminate the other Khmer groups that will not surrender. The main [opposition] groups are the Khmer Rouge (that is, the Pol Pot communists), the Moulinaka faction (Sihanouk's group) and the Khmer Seri (Son Sann's group), or Khmer Coalition Government as they are called. These groups are being supported by Red China and the United States.

Said differently, they have sponsors and all are equal.

The Khmer coalition has taken over an area near the Thai-Kampuchean border. They flee here from the attacks of the Khmer-Vietnamese group in order to purchase essential items and weapons that sympathetic Thais smuggle in and sell to them. Besides this, when they are attacked by the Khmer-Vietnamese group, they flee into Thailand. The Khmer-Vietnamese group [supposedly] cannot follow since it does not dare violate [Thai] sovereignty by crossing the border. But this is true only occasionally. Many times, they have pursued them across the border and gone several kilometers [into Thailand]. Sometimes, they withdraw without clashing with Thai soldiers. But many times there have been clashes because we have had to defend our territory. We cannot allow our sovereignty to be violated. As for those who flee here, Thai soldiers push them back across the border.

In addition to the close combat, the Khmer-Vietnamese group often uses support weapons such as artillery and rockets. Sometimes, these land in Thai territory, occasionally causing destruction. This happens frequently and Thais, who are not involved, have frequently experienced losses. As for those who are involved, they do not live along the border and so they do not have to suffer like the villagers.

The fact that the Khmer coalition groups have settled down near the Thai border is a matter of intention. That is, they want the forces of the Khmer-Vietnamese group to clash with Thai soldiers. In many cases, it is thought that clashes resulted because of inducements by the Khmer coalition. Or the Khmer coalition created the situation. The members of the Khmer coalition and the Khmer-Vietnamese group resemble each other physically, unlike Asians and Europenas, and so all they have to do to transform themselves is change clothes.

The Khmer-Vietnamese group frequently charges that, if Thailand had really been neutral and had not given support to the other Khmer groups, the Khmer-Vietnamese group would have been able to suppress the other Khmer groups several years ago. But to date, this charge has not been substantiated since the evidence is too weak.

They have made such charges for a long time in order to point out that the situation has now changed since the Sihanouk group has had the "good fortune" to have Thailand as a propaganda tool. Because this confirms that Thailand has sided with the Khmer coalition and is interfering in the internal affairs of Kampuchea. The entire world knows this.

Thus, if the Khmer-Vietnamese group takes action against Thailand or the Thai people, no one will sympathize with us. Or stated plainly, this is not proper. And the Thai people, including monks, novices, nuns and the common people living along the Thai-Kampuchean border, will continue to have to "keep their heads down" and flee the danger as newspaper photographs have shown. And if their luck is really bad, they may be killed or lose their property at any time because of the intentional and unintentional actions of the various Khmer groups.

Concerning the latest reports of minor troubles experienced by Thai people, who were hit by nine 107-millimeter rockets, 14 K82 rounds and six RPG rounds, which resulted from a battle in Kampuchea on 17-18 August, this shows that the fact that Thailand has [forsaken] real neutrality and gotten involved in the internal affairs of Kampuchea by supporting the formation of the Khmer coalition government has not helped reduce the troubles of the Thai people, troubles that have arisen because of foreigners.We continue to have to shoulder the burden of helping Sihanouk. For example, there were reports that, on 17 August, 272 armed Khmer Rouge soldiers crossed the border into Thailand in the Ban Mai Pa Hong, Ban Khlong Nam Sai and Ban Salong Khrong areas in order to join the Moulinaka gorup under the leadership of Sihanouk. Thai officials disarmed them and let them stay at the Khao I Dang refugee center while waiting for word from the Sihanouk group as to whether or not they would accept them.

Why? Thailand is independent. Sihanouk is the president of the Khmer [coalition government]. Those are Kampucheans. If they want help, let them help each other. Why does Thailand have to get involved?

Concerning these reports, if it is said that we are not helping Sihanouk, what else can it be called?

The previous time, Sihanouk sent a telegram to the Thai minister of foreign affairs asking him to keep Kampucheans from being sent, as was reported by PATINYA.

Such things have never happened before, and it is not known how much longer we will have to be the servant of Sihanouk.

Actually, these 272 Kampucheans may have been fleeing from the intense suppression operations of the Khmer-Vietnamese group.

The correct thing to do (regardless of why these 272 Kampucheans crossed into Thailand) is to expel them from Thailand. We should not continue to take care of them at the refugee center.

But this is probably not possible since, concerning the Kampuchean matter, we have constantly done the wrong thing.

The thing that has become clear is that, concerning the countries that supported the formation of the Khmer coalition government, which includes the members of Asean, Red China and the United States, their soldiers do not have to undergo hardships and their people do not have to experience the fate of the Thai people. And these countries do not have to be the servant of Sihanouk like Thailand does.

Being a Thai in the present period is really painful.

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EDITORIAL URGES SUPPORT FOR PALESTINIAN STATE, CAUTION ON PLO

Bangkok SIAM RAT in Thai 28 Aug 82 p 3

[Editorial: "The PLO: What Is Best?"]

[Text] In his capacity as a foreign affairs official of the PLO, Mr Ali Fayyad, a representative of the PLO, visited Thailand as a guest of the Ministry of Foreign Affairs. He met with Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, and with high-ranking officials of other ministries in order to discuss a still undisclosed matter. But it is known that this PLO representative came in order to make several requests of the Thai government. Otherwise, Mr Asa Sarasin, the director-general of the Political Department of the Ministry of Foreign Affairs, would not have said that requests were made and that we will consider them.

Formerly, Mr Fayyad was the PLO ambassador in Hanoi. His duties concerned activities in Southeast Asia.

Unless we misunderstand, the PLO representative made this trip to Thailand in order to ask for Thailand's support and to get Thailand to recognize this organization as the representative of the Palestinian people, who are presently scattered about the various Arab states, such as Jordan, Syria, Iraq and Tunisia, and along the West Bank of the Jordan River and the Gaza Strip.

Concerning this political struggle by the PLO to get countries to recognize the PLO as the government, or representative, of the Palestinian people even though the Palestinian people do not have a place to establish a country, it is understood that this is in preparation for the next meeting of the U.N. General Assembly, which will take place at the end of next month. And at this meeting, some of the Islamic countries will probably submit another motion demanding an initial U.N. resolution on the formation of a Palestinian state just like Israel. Because from the time Israel was established in 1948, the Palestinians have not been able to form a state. Political and military pressures have constatnly blocked them and this is why the Palestinians still do not have a country of their own.

Even though Israel is presently trying to destroy the political and military structure of the PLO by driving them out of Beirut (which is going on right now), the camps of the PLO are still intact and it is understood that they will join together in order to liberate their country.

Concerning this, we feel that the Thai government should carefully consider whether recognizing the PLO would have a positive or negative effect on the country. Because if the effect is more negative than positive, we should remain passive for now instead of rushing to recognize this organization.

But from a humanitarian standpoint, SIAM RAT, as a part of the mass media, agrees that a Palestinian state should be established. This is because we feel that this is the only way to bring peace to the Middle East.

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COLUMNIST DISCUSSES PLO REPRESENTATION ISSUE

Bangkok SIAM RAT in Thai 30 Aug 82 p 2

[Article by Kasem Atchasai: "Will a PLO Information Office Be Opened?"]

[Text] Several days ago, a representative of the Palestinian Liberation Organization, Mr Ali Fayyad, visited Thailand as a guest of the government. It appears that the government gave him a warm reception in accord with his position.

The fact that the Thai government welcomed a representative of the PLO may make some readers wonder whether Thailand has now accepted a representative of the Palestinian terrorist organization.

The thing worth noting is that there has been little news about the visit by Mr Fayyad and few newspapers have printed any stories about this. Actually, government officials should do something to make the people understand the difference between the PLO and the terrorist organization. And they should clearly explain why the PLO has sent a representative.

I remember that, not too long ago, Mr Yassir Arafat, the leader of the PLO, visited Hanoi in the position of one who had received support form the Soviet Union too and as a national liberator.

Based on this alone, it can be surmised that, in the socialist world, the PLO has received great support.

But in the free world, or Western countries, or the West, the PLO's image is more negative than positive, regardless of how much sympathy they have received.

The reason is that the countries that are pro United States, which inlcudes Thailand, feel unsure about what position to take concerning the PLO's request for cooperation in establishing an information office in Bangkok. From the standpoint of news, this should be beneficial because, at present, Thailand gets information from the West only.

The thing that must be discussed first is: What does the Thai government think the position of the PLO is and if it allows the PLO to set up an information

office here, will this make the United States, Israel's backer, unhappy? Because if the information office is opened and Israel gets upset and protests to the United States, it may use its influence to strike back at us.

Thus, the Thai government must discuss this matter with the United States first.

Second, why do we (that is, the Thai government) have to take an interest in the PLO?

Actually, we do not have to take any interest in this matter if we think that this organization is a representative of the Palestinian terrorist organization that has caused trouble all over the world.

But Thailand does have to "care" because, even though the PLO is not the government of the Palestinian people at present, this organization has the support of the Islamic states, particularly the countries in the Middle East that have great influence among Third-World countries. In particular, [it is supported by] Iraq, which is trying to be the prime mover in arranging the conference of non-aligned countries to be held in Baghdad next month.

The oil-rich Arab countries such as Iraq have great influence in the United Nations and can do what they want because of their great financial power. And they can easily swing 90 Third-World country votes to make political moves.

M.L. Phiraphong Kasemsiri, the Thai ambassador to the United Nations said that it is true that we want to please, or humor, the Arab countries because, when we have asked for their help in submitting motions on the Indochina problem, they have constantly supported us. An example is the matter of preserving the seat of the government of Democratic Kampuchea in the United Nations.

Thus, concerning this visit by Mr Fayyad, it is understood that he has come to ask for repayment of the "capital" (which all the Arab countries have given to Thailand).

Since this is the case, it will be very difficult for the Thai government to refuse the request.

Actually, the United States recently expressed an attitude of wanting to talk with the PLO, which would be tantamount to recognizing the existence of this representative of the Palestinian people.

But it is not known whether the United States has now made changes in this policy since the plan to destroy the PLO structure in Beirut succeeded so well.

There are rumors that the foreign affairs subcommittee of the Thai House of Representatives is afraid that opening a PLO information office in Thailand

will cause turmoil. But it is not understood how this could be the case.

Thus, the government must announce what action it actually intends to take on this matter.

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PROMOTIONS OF SENIOR COMMANDERS, 1981 COUP LINKED IN SHUFFLE

Bangkok MATICHON SUT SAPPADA in Thai 19-25 Sep 82 pp 4-6, 38

[Article by "an Ordinary Reporter": "Chulachomklao Royal Military Academy, Classes 1 and 5: The Future Strength of the Royal Thai Army"]

[Text]"Eighty percent of the soldiers agree with this year's appointments," said General Prayut Charumani, the RTA CINC who will retire in just a few more days, with confidence. "Especially [with the choice] for the position of RTA CINC."

Why did General Athit Kamlangek become RTA CINC relatively easily?

The answer given by General Pathom Soemsin, the assistnat commander in chief of the army, who graduated form the Army Preparatory School, seems to be the one most on target.

"If General Athit has not been on hand during the events of 1 April, I don't know what would have happened. People who do a good job must be praised," said General Pathom. "General Athit does not have any blemishes. He speaks well and is understood by people at all levels. I think he talks like Mr Samak."

The First Problem For the New RTA CINC

"It is said that people do not like him. I do not think he smiles very much and so it seems like people do not like him," said General Pathom to MATICHON. "But I think that the faces of professional soldiers are like this."

In the view of General Prayut Charumnai, the reason that people do not like General Athit stems from the resoluteness of General Athit.

However, one high-ranking army officer told MATICHON that a survey among soldiers showed that General Athit was accepted by the soliders, especially by the combat units. And General Athit has leadership capabilities.

"But things will not be perfect," he said. "There will be a 'cold shoulder' situation. That is, they will give him the cold shoulder."

This officer gave an example and explained that if General Athit gives a party and invites officers to come, those who can avoid going will do so. This is because some officers want to see things done based on seniority.

Pamot-Athit, Love Understands Love

Before this year's appointment of the RTA CINC, there were many rumors and these caused much confusion. A MATICHON news source from the Army Special Operations Center confirmed that lower-ranking soldiers, both those near General Patmot and those near General Athit, gambled a lot of money.

That is, as the time for the announcement approached, they were not sure whether their "man" would win or lose. But the rumors surprisingly caused confidence.

"My father knew 7 days in advance," said the daughter of General Pamot to a reporter. "He said he would stay in his old position."

During an interview, General Prayut made the short comment that General Athit and General Pamot each have their own talents. One is skilled in operations and the use of force. The other is skilled in planning.

"Both men know themselves well. I think that if they both help each other according to their individual talents, things will improve in the army." This means that both General Athit and General Pamot will work jointly for [the good of] the army and the country.

"You can go write the criticisms yourself," said General Pamot. "Competing is useless. He just sat and laughed too."

Army Preparatory School Class 5, a Glow For Several More Years

Concerning the commanding generals of the various armies, with the exception of Major General Phat Urailoet, the commanding general of the First Army Area, all of these men are members of Army Preparatory School Class 5.

In the First Army Area, the two deputy commanders, Major General Sinthu Koetsombun and Major General Kasaem Sumanan, are both members of Class 5. Besides this, Major General Wanchai Ruongtrakun, the chief of staff of the First Army Area, is a member of Class 5 too.

The deputy commanders who are most senior are all members of Army Preparatory School Class 5.

In the First Army Area, the deputy commander who has greatest seniority is Major General Sinthu Koetsombun, the former commander of the 9th Division. The man who is second in seniority is Major General Kasem Sumanan.Both are members of Class 5.

In the Second Army Area, the deputy commander with the most seniority is Major General Loet Kanitthanakha, a member of Class 5.

In the Third Army Area, since Major General Phong Siripho, a member of Army Preparatory School Class 3, has been transferred and attached to the Office of the Undersecretary [of the defnese ministry] with [the pay scale of] a lieutenant general just as was Major General Udom Titthasiri, who was formerly the deputy commander of the Fourth Army Area, the most senior person is Major General Thiep Kromsuriyasak, the former commander of the 9th Division.He has served as the deputy commander of the Third Army Area since 1978.

In the Fourth Army Area, the deputy commander with the most seniority is Major General Pricha Chawiphat, a member of Army Preparatory School Class 5. He can be called a "lion of the south." That is, in 1978 he served as the commander of the Songkhla Military Province. In 1979, he was the commander of the 5th Division, and in 1981 he was the deputy commander of the Fourth Army Area.

While Major Geneal Pricha is the most senior person, another deputy commander is Major General Wanchai Chitchamnong, who graduated first in his class at the Armed Forces Staff College.

In next year's promotions, the position of commanding general of an army area will be the final goal, and it is expected that the figures will turn out as expected. The exception is one able officer from Class 5, who may act like some in Class 5 [sic] such as Lieutenant General Yutthasak Khlongtruatrok. It may be difficult to move to a higher position.

Chulachomklao Royal Military Academy Class 1, the Strength of the Future

Chulachomklao Royal Military Academy [CRMA] Class 1, an important member of which is Major General Chawalit Yongchayut, has few members but at present, they command very important forces and sectors.

This can be seen from the following list: Major General Sunthon Khongsomphong, the commander of the Army Aviation Center, Major General Chaichana Tharichat, the commander of the 1st Cavalry Division and Major General Wanchai Ruongtrakun, the chief of staff of the First Army Area [sic], Major General Somkhit Chongphayuha, the commander of the 9th Division, Major General Charuai Wongsayan, the commander of the Second Army Circle, Major General Saphrang Nutsathit, the director of the Office of Research and Development, and Colonel Ngamphon Nutsathit, the acting director of the Directorate of Intelligence, which is a very important position.

As for Major General Chawalit Yongchaiyut, he has been moved from the position of director of operations to the position of assistant army chief of staff for operations. The path of this general is open and he can either become a commanding general like Lieutenant General Han Linanon or become the chief of staff.

Chulachomklao Royal Military Academy Class 5, the Men Who Will Take Over Later On

In this year's transfers, the first three members of CRMA Class 5 to be promoted to general are Colonel Suchinda Khraprayun, the new director of operations,

Colonel Isaraphong Nunphakdi, the new commander of the 6th Division, and Colonel Wimon Wongwanit, the new commander of the 1st Special Combat Division.

A news source in the army told MATICHON that if nothing changes for Colonel Isaraphong, in the next several years he will return to 1st Division headquarters again.

Thus, it can be said that, after those in Army Preparatory School Class 5, the next class of soldiers who will be promoted will be CRMA Class 1 of Major General Chawalit Yongchaiyut. Those next in line will be the members of CRMA Clas 5.

Looking ahead to what will happen in the next decade, the next RTA CINC after General Athit will probably come from CRMA Class 1. The next one after that should come from CRMA Class 5.

The commanders In Chief of the Three Armed Services Are Deputy Supreme Commanders

Concerning the proposal to have the commanders in chief of the armed services also serve as deputy supreme commanders, a high-ranking news source of MATICHON confirmed that this was not the innovation of General Saiyut Koetphon. Rather, it was the creative idea of an army officer who is making a great leap for an officer of the rank of "major general."

Concerning the reasons and purposes in establishing this position, first, it just happens that all three deputy supreme commanders retired this year. Second, during the past period, General Saiyut Koetphon has tried to bring the power of the commanders in chief of the three armed services under the control of the supreme commander somewhat by holding joint conferences every month. This seems to be a major matter but none of the commanders in chief have been very cooperative.

"It can be said that they have turns," said a news source coldly. "Because this will have no effect on commanding the forces."

This position was proposed in order to give the meetings a more definite shape so that General Saiyut Koetphon, the supreme commander, does not get too upset.

Finally, this was done in order to take this opportunity to arrange the supreme command system in a proper way as was once planned by General Krit Siwala. It is expected that the next supreme commander will come from the air force. After that, it will be the navy's turn, and then finally the army's turn once again.

The Three Armed Services, New Signs

Ever since the events of 14 October 1973, there has been criticism about the fact that military officers play too many roles at one time. For example, General Athit is the president of the Telephone Organization, the commander in chief

of the air force is the president of Thai International and Thai Airways and the commander in chief of the navy is the president of the Port Authority of Thailand.

Another sign is that the new officers who have taken command in the three services have studied at other schools besides the military academies. They have studied military science and other subjects and they have studied abroad.

Their educational backgrounds are different from those who held command positions from the time of the 1974 coup to 14 October 1973. That is, the knowledge of these older officers was limited to domestic matters. They had little chance to observe good examples from abroad. Thus, they preferred to have a dictatorship and to destory democracy.

But most of the officers who hold command in the military today, particularly those at the level of major general and lieutenant general, are professional soldiers who are not involved in business activities involving privilege and influence. At the same time, many of them have earned MA degrees from abroad and some have served as military attaches abroad.

As for the army, this situation provides good soil in which General Athit Kamlangek, the new RTA CINC, can plant the seeds of democracy and develop the army with the goal being to have democracy.

"Deep Cracks" In the Army, the First Task For Him

Ever since the events of 1-3 April and the military promotions in September 1981, the words to the effect that there is great solidarity and unity in the army have been just "mouthwash" in order to give a good appearance. But actually, it can be said that "deep cracks" have arisen in the army.

Concerning these deep cracks, as the person who put down the rebellion and as the person who has risen in rank faster than anyone else, General Athit Kamlangek is closely involved in this.

But by virtue of the duties of the RTA CINC, General Athit must be creative in solving this problem quickly before these cracks cause someone in the army to fall into the crack and get lost in the darkness there.

Toadies Will Hurry to Come All the Time

When General Athit became the commander of the Capital Guards, toadies who follow in the tracks of the soldiers, toadies who had once joined the Thanin government and caused his downfall, tried to ingratiate themselves and become advisors to General Athit Kamlangek.

These people have caused General Athit to be talked about unfavorably and it will take awhile before he can escape the stench of these people.

Because if General Athit relies on these people, his future will not be that of a "small Sarit" but rather that of a "small Thanin."

Regardless of the fact that the paths of RTA CINC and prime minister have been so intertwined in the past, for General Athit, how high he will be able to climb while serving as RTA CINC will decide his future.

Some political advisors are trying to build up General Athit's image to make him appear like Field Marshal Sarit or have him speak like Mr Samak.

The lesson of history is that the advice of others, including politicians and soldiers, should be given attention. But the thing that will build a bright future for him is for him to "be his own man." Knowning how to coordinate interests and knowing how to use the good things from the past and look far into the future are the only things that will enable a leader to move forward.

And to endure, what is very important is to love the people and follow the path of democracy with honor.

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KHAISAENG SUKSAI DISCUSSES UDOM SISUWAN THEORIES, PARTY AFFAIRS

Bangkok MATICHON SUT SAPPADA in Thai 19-25 Sep 82 pp 20, 21

[Interview with Mr Khaisaeng Suksai, the former leader of the Socialist Party of Thailand: "A Person Like Udom Sisuwan Has the Masses"; date and place not specified]

[Text] [Question] Would you give us some detailes about the background of Mr Udom Sisuwan when you joined the KPCP in the jungle? Is there anything of interest that is connected to or in line with his surrender?

[ANswer] Mr Udom has to be studied. He is a writer. He is courteous and modest. And in particular, he has great hopes for the country. He used to travel all over the world to attend peace conferences and writers' conferences. Once when he returned, he was jailed by the Sarit government. We were jailed together in 1958 and spent 7-8 years in prison. At that time, the people in jail inlcuded Mr Udom, Mr Isara Amantakun and Mr Utthon. They charged one, Mr Udom, with being a communist. But looking at the way he conducted himself in prison, he is a man worth studying.

He arranged his prison life very systematically. He read, wrote and played sports and music. He never boasted or got angry with anyone. He spoke very little.

Later on, when Mr Udom got out, he went to work for the Office of the VOICE OF ANG THONG, a newspaper. I got out around the same time and Mr Udom invited me to work there too. He asked me to come manage the VOICE OF ANG THONG printery. I was the manager at that time. He would come and sit with me. He is the one who gave me this job, saying that I would have to find sponsors, wear a necktie, wear clean clothes and wear good shoes. He said that I wuld have to travel about looking for sponsors and that I would have to carry a "James Bond" briefcase since we would be in good society. He gave people good ideas and was a person you could trust. He and his girlfriend were living with me and so I knew how much they loved each other. For their wedding, he asked me to be the best man. Then, 1 day after the wedding, Udom disappeared and I did not see him again.

[Question] What year was that?

[Answer] Around 1965 or 1966. I thought about why Udom had done this. I learned only later that....The person who had fought for independence and democracy and who had been jailed could not stay. I learned that he had gone into the jungle. I thought about why he had gone into the jungle. Did he leave as one who has a chance to help the country make progress? Did he go to join friends in the jungle? We were very happy. We wrote books. We had an office. Things were very comfortable for us. Giving up this life to live on roots and live among the bugs was not an ordinary matter. This shows that he had to have very good intentions toward the country.

I continued on with my life and did not hear anything about Udom. By chance, elections were called in 1968. The constitution had been written in the time of Field Marshal Sarit. When Field Marshal Sarit died, it took Field Marshal Thanom until 1968 to write another one. Elections were then held in 1969. I ran as a candidate and was elected MP. As an MP, I waged many battles. But as we had once discussed, we couldn't do anything. We couldn't defeat them because, at that time, the constitution stated that the only duty of the MPs was to submit motions and ask questions. We could not serve as deputy secretaries secretaries or ministers. I saw that whenever we said anything, the only opposition parties were ourselves and the Democrat Party. But we could never defeat the United Thai People's Party of Field Marshal Praphat and Field Marshal Thanom. I felt discouraged.

After the events of 14 October 1973, I ran for election in Nakhon Phanom. The Socialist Party won 15 seats. Even though they tried three times to appoint me minister, I refused since I wold not have been able to solve the problems. The opposition could not do anything. We could not defeat those with money and power. Also, people were trying to kill me and so I decided to flee into the jungle. Of course, the person I looked for in the jungle was Udom since I knew he was in the jungle and since we had been friends. I looked for Mr Pluong since he had gone into the jungle first.

[Question] What were things like when you first went into the jungle?

[Answer] When I went in, I was warmly welcomed. In the jungle, he was master. Everyone had faith in him. To smoke, he rolled banana leaves. He was quiet. He had no more than 15 baht on him. He earned 15 baht a month. He was very frugal in his habits. Sometimes friends came and gave him some coffee. This is what his life was like. But, at the same time, he was educated. He could write in English, Chinese and Russian. It was then that I learned that he had been a revolutionary for a long time. We were always together. We were friends and trusted each other. His personal life is really worth studying.

[Question] What were Udom and Pluong like when you were in the jungle together? Is there anything that would suggest that he was going to defect too?

[Answer] Concerning things in this world, if there was anything worth uniting for at that time, it was to solve the problems. When I was there, conflicts arose, people became selfish and people took advnatage of others. It is a Buddhist principle that if people take advantage of others and are selfish, there will not be solidarity. Thus, regardless of where it is, everyone will be like this.

Pluong and Udom both felt that their way, which had good hopes for the country, and that of their party, which has a Political Bureau, both had good intentions toward the country. But when the two began to disagree and lost faith in each other, when the students fled there and called for democracy to no avail, when politicians fled there and asked that things be democratic, again to no avail, and since only the old things were held to, he could not put up with this. He had to go along with the majority because no party is bigger than the people. The people are bigger than any element in a party. Thus, his defenction means that it is clear that there were repeated conflicts over the problems. When he lost, he had to leave. And this did not just happen.These conflicts had to have been going on for a long time.

[Question] Did he ever talk with you about this?

[Answer] The communist party is very disciplined. He never told me anything.

[Question] During the time of the united front organization when Mr Udom coordinated activities, Mr Udom never said that he had tried....

[Answer] Coordination. He constantly said that he had tried. He wanted to use the ideas of the united front in order to help our country become independent and have a perfect democracy.

[Question] Did he say that he had failed and had not reached the goals?

[Answer] No No. No. He said that the party was debating matters. There was a Political Bureau and a Central Committee. [He said] it was not a matter over which he alone had power. Thus, both Udom and Pluong were attacked by the students and politicians. Because those people spoke as one; they were all communists. But we were democratic and had various views. If people didn't believe us (laughs) today, never mind. We would try again tomorrow. This is how things were. Whatever their group said was believed. But our group was not like that. We were really democratic. Using slang, it can be said that the "horse was not tied." If the horse is not tied, it will run and run. This is real democracy. We went and joined the communists. And the communists could not put up with our ways either. Because if they had followed us, they would have been unhappy too. This is because their party is very disciplined. Our party was a free party. Really free.

[Question] There were reports that because Udom was responsible for the northeastern zone, in the northeast, students and intellectuals began agitating for greater democracy and for a greater voice in things. But high echelons were not willing

to carry on a movement and so this put pressure on them to hold a conference. And when pressure was applied again, Udom finally had to make the decision to leave.

[Answer] I think this played a part.This was very important, because Udom was involved in the united front with the students and with the politicians from the various parties. When he forwarded proposals to higher echelons, they were rejected. Since they were always rejected, where could he hide is face. The students, politicians, the Socialist Party and the united front parties were all democratic and had an adequate mass base. But their [views] were not followed. They did not agree. This shows that he accepted the truth. If you get involved in shoring up things when things are falling apart and insist on supporting things at a time when the communist party is doing the wrong thing, you will be tainted too. He had to leave. Why. For something better. This is only natural.

[Question] Has the CPT had to make any changes, since this had a great effect?

[Answer] They don't have to. The communist party must rely on the masses. A person like Udom Sisuwan has his own popular support. Mr Khaisaeng has his own followers. And similarly others. Although there are people from all professions, they all have good intentions toward the country. Is there anyone who can unite the people of the country and not look at people as this or that? How serious is Order 66/1980, which was issued by Prime Minister Prem? Prime minister Prem will also have to concretize this order. Previously, we looked at each other and were friends. Now we do not look at each other. This one looks left. That one right. Previously we all loved each other and were united. Where has that previous age of well-being gone to? Now there is only discontent.

There is no other country that is better than Thailand. No Thai has seen a country better than his own. And there is no land anywhere that is as soothing to a Thai in both life and death as is Thailand. There is no climate anywhere that is as refreshing as that in Thailand. Thailand is a final refuge that we must hold more dear than our own life. And when people come back like this, we must hurry to embrace them and give them comfort. There is only one way. He has friends. He is a good man. He is not a drug trafficker, and he does not traffick in weapons. He is a patriot. But to have everyone be patriotic, everyone must be the owner of the coutry and the country must belong to everyone. This is the final word for the patriotism of all Thais. Don't monopolize things. Don't monopolize things. If people monopolize things, [the masses] will spurn them and drive them out. History teaches us not to monopolize things.

[Question] Do you think any more high-ranking people will leave the party?

[Answer] A party will have conflicts. All parties in the world have conflicts, both large and small conflicts. There are now conflicts within the communist party. We don't know whether they will change their attitude or not. But what has been lost is men of the caliber of Mr Udom and Mr Pluong. The communist party must be very sad. Not just slightly, but very sad. I think [the party]

must be very sad at the defection of these two men because these were the only two men in the communist movement who could communicate with the democrats. The others do not speak the same language.

[Question] Will the light begin to go out on the future of the CPT?

[Answer] I did not say that the light was going out. It may get ever brighter. Since these two have defected, I think matters are serious [for the party].

[Question] What is Thong Chaemsiri like?

[Answer] He is a very good man. If he leaves, things will be even worse.

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RTA CINCS, TENURE LISTED

Bangkok SU ANAKHOT in Thai 29 Aug-4 Sep 82 p 17

[List of RTA CINCS]

[Text] Names of RTA CINCS and the Periods They Held This Position (1932-1981)

Rank and Name	Period in which they held position	Length of time position held
1. Colonel Phraya Phahon Phonphayuha Sena	6 Jul 1932 - 18 Jun 1933	11 months, 14 days
2. Major Genral Phraya Phichai Songkhram	19 Jun 1933 - 23 Jun 1937	5 days
3. Colonel Phraya Phahon Phonphayuha Sena	24 Jun 1937 - 3 Jan 1938	4 years, 6 months, 10 days
4. Colonel Luang Phibun Songkhram	4 Jan 1938 - 5 Aug 1944	6 years, 7 months, 3 days
5. Lieutenant Gen Luang Kriangsak Phichit	6 Aug 1944 - 23 Aug 1944	18 days
6. Gen Phraya Phahon Phonphayuha Sena	24 Aug 1944 - 29 Mar 1946	1 year, 7 months, 7 days
7. Gen Luang Adundetcharat	26 Aug 1946 - 8 Nov 1947	1 year, 2 months, 14 days
8. Field Marshal Phibun Songkhram	9 Nov 1947 - 15 May 1948	6 months, 7 days
9. Lt Gen Phin Chunhawan	28 May 1948 - 23 Jun 1954	6 years, ---, 27 days
10 Gen Sarit Thanarat	25 Jun 1954 - 8 Dec 1963	9 years, 5 months, 14 days
11 Gen Thanom Kittikhachon	11 Dec 1954 - 30 Sep 1964	9 months, 21 days
12 Gen Praphat Charusathien	1 Oct 1964 - 30 Sep 1973	9 years
13 Gen Krit Siwala	1 Oct 1973 - 30 Sep 1975	2 years
14 Gen Bunchai Bamrungphong	1 Oct 1975 - 30 Sep 1976	1 year
15 Gen Soem Na Nakhon	1 Oct 1976 - 30 Sep 1979	3 years
16 Gen Prem Tinsulanon	1 Oct 1979 - 25 Aug 1981	1 year, 10 months, 25 days
17 Gen Prayut Charumani	26 Aug 1981 - present	

Note: Field Marshal Phibun was promoted to Field Marshal on 28 July 1941.

Lieutenant General Phin was promoted to Field Marshal on 31 March 1953.

Lieutenant General Sarit was promoted to Field Marshal on 1 January 1956.

General Thanom was promoted to Field Marshal on 10 January 1964.

General Praphat was promoted to field marshal on 18 June 1973.

General Prem extended his term in government service 1 year on 26 August 1980.

Those RTA CINCS who also served as prime minister are Gen Phraya Phahon Phonphayuha Sena, Field Marshal Phibun Songkhram, Field Marshal Phin Chunhawan, Field Marshal Sarit Thanarat, Field Marshal Thanom Kittikhachon and General Prem Tinsulanon.

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CYCLE OF DROUGHT, HARDSHIPS IN NORTHEAST SEEN AS UNENDING

Bangkok MATICHON in **Thai** 3 Sep 82 p 5

[Article by Withayakon Chiangkun: "The Northeast, a Drought In Both Water and Good Will"]

[Text] I received a report of drought in the northeast and some parts of the north from development circles. I think that the data are very interesting and so I would like to report them and also express some of my views.

This report is divided into two parts. The first part is a collection of press reports published during July and August. The second part is data that were obtained from northeastern development officials and villagers.

The Northeast and North, Little Water

The first part can be summarized as follows: There is drought in 22 provinces in the northeast and north. The five northeastern provinces that have been hit the hardest are Surin, Udorn Thani, Loei, Nakhon Ratchasima and Yosothin.

Other provinces affected include Kalasin, Khon Kaen, Sakon Nakhon, Nong Khai and Udorn Thani [sic]. The total area affected is approximatley 7.3 million rai.

As for the north, most of the affected areas are in the lower north. Provinces that have been hard hit include Phichit, Phitsanulok, Nakhon Sawan and Sukhothai. Other provinces affected include Kamphaengphet, Tak, Phetchabun, Phrae, Lampang, Uttaradit, Phayao and Uthai Thani.

In some areas in the northeast where it has not rained for 2 consecutive years, the people are in such a dire situation that they have had to go out and beg and they have had to eat grasshoppers and lizards (Khon Kaen). The people in several northeastern provinces have come to Bangkok seeking work. In Kamphaengphet, more and more people are illegally felling trees and selling the timber to merchants.

No Water, No Sympathy

Besides encountering drought, the people in the northeast have also encountered people of ill will. Not only have these people not provided help, they have even taken advantage of people.

At Ban Phraeng in Dan Khun Thot District, Nakhon Ratchasima Province, local investors have used their influence to take possession of public land, which inlcudes a large swamp that is a source of water for the villagers.

In some areas, people have gone and tricked the people into paying them to make artificial rain, or royal rain, which both have the same meaning.

In some places, officials have alloted money to purchase water tanks but because of the corruption, tanks of the wrong size have been sent.

Those who have come to Bangkok looking for work have been cheated and taken advantage of. It is not known how much they have been underpaid for their labor.

The government has alloted 200 million baht to help solve the drought problem. The money is to be used for such things as purchasing water tanks, providing water pumps and producing artificial rain. But this has not helped much.

As for artificial rain, a report says that there is a shortage of equipment. Thus, only some places can be helped. And the cost of producing artificial rain is 40,000 to 50,000 baht per day.

Farmers Are Not Stupid

As for the second part of the report, these are data that were provided by the villagers.

The villagers to whom the development officials talked with are not stupid as the government seems to think. They know there is drought because the trees have all been cut down. Previously, there were many trees. They helped absorb the moisture. And so, even though there were droughts, they were not as severe as they are today.

"Officials say that the absence of trees has caused the drought. They have encouraged villagers to plant trees and told them not to fell trees. But the officials cut down many trees. Owners cannot fell the trees but those who do not own them can. They have felled many trees."

The villagers said that, previously, there were never droughts this severe. At most, there was drought in the high fields. The lower fields could be worked. Enough rice could be harvested to carry them through the year. Previously, they were able to grow enough for themselves and didn't have to purchase any.

If necessary, they could ask to share things. Food, such as frogs, oysters, crab, fish and forest products, was plentiful. And it didn't require much fertilizer to grow crops.

But now, besides the fact that the droughts are more severe, they have to purchase everything. And if they do't have the money to purchase things, they must borrow money at high rates of interest. To work the fields now, fertilizer must be used and this has increased their troubles.

How Much Has Artificial Rain Helped the Villagers?

The troubles being experienced by the people have made it necessary for them to struggle. There has been more quarreling and theft. Some have given up and tried gambling, which has made things even worse for them.

As for artificial rain, here is what one farmer had to say:

"How can artificial rain help? Since there aren't any clouds, you can't produce artificial rain. This isn't really producing rain. It just helps make it rain faster. Where does it rain? It rains in the cities and 400-500 million baht is wasted. On the radio, I have heard them say that it has rained here and there. But when I have asked poeple from those places about this, they said that it didn't rain. They have been lying."

Conclusion, Capitalism Consums People

Concerning the data from this report, I would like to summarize things and make the following observations:

1. Drought is not a matter of nature entirely. It has occurred because people have destroyed the forests and the environment. And the ones who are most responsible for the destruction of the forests are the capitalists and influential people.

The villagers have felled trees too. But they have done so because of pressure from the expansion of the capitalist economy. This has made it necessary for them to struggle in order to survive.

2. Because Thai agriculture still depends mainly on rain water (80 percent of agricultural area) and because there is insufficient investment in irrigation, during a drought, the farmers suffer serious losses since they cannot obtain water from other sources. Actually, modern agriculture does not need to wait for nature.

3. Government aid is not timely or sufficient. The economic system in which those with the most power take the biggest share has enabled people to take advantage of the farmers and the government has not been able to control matters. Sometimes, government officials are involved in exploiting poeple (for example, the corruption involving the money alloted to help the farmers).

4. The expansion of the capitalist economy has resulted in the destruction of the environment. Subsistance production and the gathering of food found in nature has delcined. Farmers have turned to producing crops to sell. Everything must be purchased. Since more chemical fertilizers and insecticides are used the soil is becoming less and less fertile and more and more strange insects are appearing. This in turn makes it necessary to use even more fertilizer and insecticides.

The farmers must rely on a credit system. They are at a disadvantage in the trade relationship. They are falling deeper and deeper into debt.

5. The drought has thus added to the farmers' problem of being exploited. They have to sell their produce at low prices while capital and interest rates are high. This has put the farmers in a very bad situaiton. There are more and more broken homes. This is not just an economic problem. It is also a social problem.

What is worse than drought is the ill will of those who have constantly exploited the farmers to the present time.

11943
CSO: 4207/4

ACTIVITIES OF FOREIGN PRESS DECRIED

Bangkok DAO SIAM in Thai 29 Aug 82 p 5

[Sunday Criticisms column by Taphaya: "Just Awake?"]

[Text] Since the fall of Phnom Penh, Kampuchea has had a communist system of government. And more and more people with bad intentions toward Thailand have come to make a living in Thailand. They have come in the guise of reporters and photographers.

At present, Thailand is filled with such people. There are countless such people here. Many information offices have been established.

There are so many reporters for foreign newspapers, including both Thais and foreigners, that even those in the same profession can't remember who works where. What are they doing here, particularly the caucasians and other foreigners?

Usually, they are treated with great respect by Thai officials. They are treated with greater respect than are the Thai people!

This can be be seen from the fact that reports that are sent abroad are sent faster and more promptly than are reports in Thailand. These people have even received permission to go to the battlefront along the border.

And what have these people ever done for Thailand? They have just taken since they use Thailand to send their reports, which contain both facts and lies, to their offices abroad. They do not give any thought to Thailand, which has provided them with a place to live and work. They are not interested in nor do they care how much damage they cause the Thai people or the Thai government in the eyes of people abroad.

No action has ever been taken against these people. [Officials] just act as if they are greatly afraid of them. The Thai mass media is given strong warnings. For minor matters,the Thai media is given warnings and closed down.

No Thai reporter would print stories harmful to the country. They too have to have a place to live.

But sometimes it is necessary to print strong articles since it is not possible to put up with the great corruption.

May I speak frankly? How many times have Thais betrayed their country?

But have the foreign reporters shown such good intentions toward Thailand that they deserve to get such great privileges? Our neighbors have erroneous views of our country. Have these reporters ever been called in to set them straight or revise their reports?

Will Thailand continue to allow these people to work and live in Thailand? Besides taking jobs away from Thais, they also cause other losses for Thailand.

As General Athit Kamlangek said, how can foreigners know what is going on in Thailand better than the Thais?

Thailand is not the slave of anyone. No foreign embassy can force us to accept people who will do things harmful to the cuntry.

These people have never shown any appreciation for what we have done for them. All they know how to do is create trouble for the country where they are living.

Thus, I wonder why the Thai government allows them to stay in Thailand. Have they ever done anything that benefited our country? Are these people so important that we have to fear them?

Concerning the damage they have caused Thailand, General Athit said that these people are not our father.

Yes. Hasn't the time come to put a stop to the actions of these people? Or will we allow them to continue harming our country?

Those senior people in Thailand who have constantly said that the foreign newspapers are good and that they are correct will soon be eating foreign dung.

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END

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15 November 1982

South and East Asia Report

No. 1213

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15 November 1982

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No. 1213

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BRIEFS

ENVOY TO EEC, BELGIUM--Canberra, 18 Oct (AFP)--Australian ambassador to the United Nations in New York for the past 4 years has been appointed Australian ambassador to the European Economic Community and to Belgium and Luxembourg. He is David Anderson, 59, one of Australia's most senior diplomats who served Australia as observer to the Vietnam peace negotiations in Paris between 1968 and 1970, and was Australian ambassador to France from 1973-78. The Australian Government in making the announcement today said that Australia's relations with Belgium were long and warm. The visit to Australia next year by the king and queen of the Belgians would be a landmark of this relationship. [Text] [BK190609 Hong Kong AFP in English 0704 GMT 18 Oct 82]

CHANGE OF PARTY NAME--The junior partner in the federal coalition government, the National Country Party of Australia has changed its name. At the party's Federal Council meeting in Canberra, delegates have voted by 27 to 14 in favor of dropping the word country from the party's name. The party's federal leader, Mr Anthony, says the change to the National Party of Australia comes into force immediately. Mr Anthony says it is only fitting that the federal party has followed the lead of its three main state branches which already call themselves the National Party. He says the party will now be seeking the votes of people in provincial cities who previously identify the party only with the rural community. [Excerpt] [BK190609 Melbourne Overseas Service in English 0830 GMT 16 Oct 82]

WHEAT PRODUCTION FORECAST--Australia's forecast for wheat harvest this year is the lowest for a decade and barley and oats are in the same position. The Bureau of Agricultural Economics says hopes for spring rains have failed to break the drought which is affecting grain growing areas in the southeastern states. The bureau says this year's winter cereal production is likely to be around 11.5 million tons--10 million tons less than last year. [Text] [BK141333 Melbourne Overseas Service in English 0830 GMT 13 Oct 82]

WHEAT EXPORT LEVELS--Australia has been able to maintain record levels of wheat exports despite the drought presently affecting much of the country. The Australian Wheat Board says wheat exports for 1981-82 have been second only to the record shipments of 1979-80. By next month, the board expects to have shipped just under 13 million tons of wheat. A spokesman for the board says a record yield for the first 6 months of the year helped to boost the smaller drought affected crop in the last half of the year. However, the board announced

on 19 October that for the first time since 1957 it would import wheat to ensure supplies of stock feed to drought-affected areas. The board said this would allow Australia to continue servicing markets reliant on its wheat and prevent other countries such as the United States and Canada moving into those markets. [Text] [BK211500 Melbourne Overseas Service in English 0830 GMT 20 Oct 82]

ANTIDUMPING TRADE AGREEMENT--Australia will later this month formally come under the provisions of a revised international code against sending surplus goods to foreign markets for sale at low prices. The antidumping code was negotiated in 1980 under the auspices of the General Agreement on Tariffs and Trade and replaces a 1976 antidumping agreement. The minister for trade and resources, Mr Anthony, says the revised code contains a more precise definition of injury to local industry through dumping practices. [Text] [BK111527 Melbourne Overseas Service in English 0830 GMT 9 Oct 82]

JAPANESE SHARES INVITED--An offer has been made to two of Japan's biggest companies to buy 17-percent share in the big northwest shelf natural gas project off western Australia. Managing Director of Woodside Petroleum (Charles Allen)--his company is the main Australian partner in the joint venture--said on 26 October the offer had been made to the Mitsubishi and Mitsui companies. He said they had been offered 17 percent share in the production, shipping and sale of the natural gas. [BK261625 Melbourne Overseas Service in English 0830 GMT 26 Oct 82]

STREET DEFENDS GOVERNMENT'S FOREIGN POLICY--Minister for Foreign Affairs Street has defended Australia's involvement in the Western Alliance. In a speech to the Institute of International Affairs in Brisbane, Street said that through the alliance, Australia was better informed about the issues affecting world peace. He said the challenge was to strike a balance between a policy of alignment and an active, working relationship with the nonaligned world. Street said nonalignment would make it harder, if not impossible, for Australia to make any effective contribution to the thinking of American policymakers establishing priorities for stability and peace. He said a policy of nonalignment would not save Australia from the consequences of any collapse of the existing international order. [Text] [BK211151 Melbourne Overseas Service in English 1130 GMT 21 Oct 82]

CSO: 4200/53

FORMER GOVERNOR DISCUSSES 'NEW POLITICAL GAME' IN BALUCHISTAN

Islamabad THE MUSLIM in English 4 Oct 82 p 8

[Article by Azhar Masood]

[Text] ISLAMABAD, Oct. 3: The former Governor of Baluchistan and the Chief of Bugti Tribe, Nawab Akbar Khan Bugti has said politics and the politicians have become redundant. "A new game is unfolding and the game will have new players and a new playfield", he added. In an interview with 'The Muslim' in Quetta on Sept. 22, Nawab Bugti discussed a number of issues. Some excerpts:

Q: What is the political situation in the country in general and in Baluchistan in particular?

A: There is no political situation because there is no politics. There is a vacuum. Similarly, there is no politics in the province. There are no political trends here. Nobody is interested in anything. People have dissociated themselves from everything. They are looking after their personal matters.

Q: You call it 'dissociation'. This attitude of the people can also be considered as co-operation with the present Government.

A: The administration is at liberty to consider it any way it feels. The administration would like to consider everything in its favour. If it feels happy about it why should we deny this happiness.

Q: What does the Baluch leadership think of the present situation; the situation generally prevailing in the country and in this province?

A: I can't say about others. I can only speak about myself. I have repeatedly said that the politics of Pakistan what you and I and other look at—is that we knew something of. The politics which prevailed in the country is finished. The politics which has been going on in the country for the last 30 years is finished. That is over. The political parties and their so-called leaders are still around—one hears their statement now and then; they are redundant. As I have said a new game, new players and a new play field is unfolding. When you will see it you'll understand what I mean.

Q: Nawab Sahib, what exactly you mean by new game—new players a and new playfield?

A: As the events are rolling, a picture of a new game is clearly emerging. I am not talking of cricket or hockey. The game is of course politics and players, of course, the politicians. The so-called politicians have played their game according to the rules of the old game. They do not know the new game which is unfolding. The new game will be played by new players. New players—people perhaps you do not know—they will come up in the playfield. Had we ever heard about Khomeini or Bani Sadr or the guy just executed Sadegh Qotbzadeh. Perhaps, a little. They are all new players in Iranian politics. When there is a new game the old players vanish. New game brings its own new players.

Q: How are the people of this province reacting to the latest development? There is apparent peace and calm here.

A: There is no action. So there can't be any reaction. You know the game is over. If you react, you would be reacting to the old game which is no more there. The old political game is over. If you react today you'll be reacting to the old game which is finished.

Q: During mid-seventies many people left the province. They left for Afghanistan. Now the administration says that most of the people

are coming back. What are your views on the subject?

A: Well I can't give you any exact number or figures of those who left this province for Afghanistan. But the number can't be less than 10,000. Many of those who left the province are still out.

Q: How do you view the revolution in Iran? How far the Iranian revolution has affected Baluchistan? Or de you think the Marxist revolution in Afghanistan and Islamic Revolution in Iran can spill out into Baluchistan?

A: The eyes of Baluch are focused on North. I mean Afghanistan. The Iranian Revolution has not affected the Baluchs politically. However, about 17.000 Iranian Baluchs have come to Baluchistan.

Q: If elections on non party basis are held in the country what will be the response of this province?

A: After the elections of 1970 which were held free and fair I said at a Press conference that these were the first free and fair elections in the history of Pakistan and probably the last. So from 1970 to 1982, I have not been disproved so far. And I don't hope to be disproved in the future. If partyless elections are held, they will not be elections but a selection. In selection you are free to do whatever you feel like. This regime cannot hold elections, it will only hold selection with 'predetermined' results. Selection can do no good to the country or the province. These selections cannot advance the interests of the country.

Q: How far it is true that certain Sardars are in one way or the other been pacified by the government?

A., Yes it is true. This time the element of carrot was perhaps more effective. But this time some Sardars have gone to the government but they could not take their people with them. Those Sardars who are co-operating with the administration they are doing it in their individual capacity.

Q: Nawab Sahib what you think of MRD?

A: Well, MRD is MRD. We can't prevent people hoping against hope. We wish them best.

Q: You mean they are kicking a stone wall?

A. No. If your blow is stronger you can even knock down the stone wall. But as I have said earlier these people are trying to play the old game which is no more there.

Q: Nawab Sahib how far is it true that Ahmad Nawaz Bugti is serving as a bridge between you and the administration?

A. Ahmad Nawaz Bugti is in PNP. If at all he is bridge—he is a bridge between the administration and the PNP and not a bridge between the administration and myself.

CSO: 4200/58

BRIEFS

CZECHOSLOVAK ENGINEERING MINISTER ARRIVES--A Czechoslovak delegation led by Minister of General Engineering Pavol Bahyl of the Czechoslovak Socialist Republic arrived in Rangoon by air this evening at the invitation of Minister of Industry-II U Maung Cho of the Socialist Republic of the Union of Burma. Minister Pavol Bahyl and his delegation were welcomed at Rangoon Airport by Minister of Industry-II U Maung Cho, Deputy Industry Ministers Dr Mehn Thet San and U Kyaw Za, Deputy Minister of Industry-I U Maung Ohn, Czechsolovak Ambassador to Burma Josef Bozek and embassy staff, the managing director of the Heavy Industries Corporation and responsible officials from the Foreign Ministry. Members of the delegation are: Director General of Foreign Trade (Sadoslav Bukin) of the (Agro Lader) Company, Director General of Foreign Trade (Frenjusev Lanka) of the (Uneford) Company, Secretariat member (Stanislav Husek) of the Ministry of General Engineering and Commerce Director (Stand Hurasak) of the (Motokov) Company. The Czechoslovak delegation will stay in Burma for 6 days. [Text] [BK231409 Rangoon Domestic Service in Burmese 1330 GMT 23 Oct 82]

CSO: 4211/6

CONGRESS-I OFFICIAL CRITICIZES MANEKA GANDHI

BK100824 Delhi INDIAN EXPRESS in English 28 Sep 82 p 5

[Text] New Delhi, 27 Sep--The AICC-I [All-India Congress Committee--Indira] Treasurer, Mr Sitaram Kesari, on Monday hit out at Mrs. Maneka Gandhi for seeking opposition support, and said that with this she had even "forfeited" her right to the surname--Gandhi.

In a frontal attack on Mrs Maneka Gandhi, the bitterest after she walked out of the prime minister's house this year, Mr Kesari said that since she had aligned with her late husband's sworn enemies like Mr H. N. Bahuguna and Mr L. K. Advani, in all fairness, she should now revert to calling herself "Miss Maneka Anand."

The recent firing incident at Gauriganj in Amethi, in which a Sanjay Vichar Manch worker dies, had brought out both the opposition and Mrs. Maneka Gandhi in their "true colours." "It is not the Sanjay Vichar Manch but a Maneka-Akbar Manch," Mr Kesari said.

According to Mr Kesari, Mrs Maneka Gandhi is "so well exposed" that she behaved like a doll in whose mouth all shades of opposition leaders put things as they liked. She had not yet learnt how to talk to decent people.

At a specially called press conference, in which Mr Kesari was present, the AICC (I) general secretary, Mr G. K. Moopanar, said that Mrs Maneka Gandhi was surrounded by the very forces who wanted to crush Sanjay Gandhi when he was alive.

Mr Moopanar, who read out a carefully worded statement, condemned the way Mrs Maneka Gandhi was "abusing" Sanjay Gandhi's memory to further her own political interests. When did Mr Raj Narain, Mr Bahuguna, Mr Advani and Mr Korpoori Thakur become adherents to the five point programme of Sanjay, he asked. The RSS [Rastriya Sayamsevak Sangh] leader, Mr Angre, and the BJP [Bharatiya Janata Party] leader, Mrs Vijaya Raje Scindia, were now posing as dedicated followers of Sanjay Gandhi.

He said the very idea of forming the Sanjay Manch was to destroy the "goodwill and respect" that Sanjay enjoyed. The first act of the manch was to help Mr Raj Narain win the Rajya Sabha election, but they failed in this too, he said.

He said that although he had not commented on the firing incident so far, he was forced to do so now because it was already being given a political colour to malign the Congress (I). Mr Moopanar said Mrs Maneka Gandhi, who had met her workers in jail, did not visit the bereaved family of the dead man. According to him, this showed her true intentions.

9459
CSO: 4600/1165

ERSHAD VISIT YIELDS POSITIVE RESULTS

BK161528 Delhi INDIAN EXPRESS in English 9 Oct 82 p 7

[Editorial: "Statesmanlike Accord"]

[Text] Gen Ershad's visit to Delhi has produced a major and statesmanlike accord for which both sides need to be congratulated. Important as are the individual agreements reached under different heads, transcending them is a wider political understanding which suggests the determination of the two countries to live and work together as good neighbours and to evolve a framework of cooperation. Without such a frame the other accomplishments might never have come about or must remain fragile. There is a wall of mistrust and misunderstanding that has divided India and Bangladesh over the past several years. This is hopefully in the process of being demolished.

India's inability to live up to the 1974 boundary agreement and transfer in perpetual lease to Bangladesh a mere dot of territory, Tin Bigha, had created avoidable bitterness and suspicion. The transfer agreement signed on Thursday amicably resolves this issue and paves the way for implementation of other outstanding boundary issues. Local opposition to the transfer of Tin Bigha had been blown up by certain political elements to extraordinary proportions. The agitation is based on a total misunderstanding since the perpetual lease to Bangladesh of this tiny area of a few hundred square metres will not deny access to local Indian residents. Indeed, a small subway or an overbridge might provide an additional and convenient link. Opposition to the transfer now would be totally unwarranted as there is really nothing that should divide the local residents of the two countries. The establishment of a joint commission at ministerial level should give a boost to trade, transit and other commercial relations while discussions on New Moore Island and the maritime boundary are to be pursued.

The understanding reached on the river water question appears to constitute something of a breakthrough. The 1977 accord on the sharing of the lean flows of the Ganga from January to May has been extended for 18 months, through the dry seasons of 1983 and 1984, with marginal variations in the time distribution of the available flows. Meanwhile, both sides are committed to considering the long-term proposals for augmentation which they had put forward earlier but which were stalemated with neither side being willing to consider the other's proposal. It is now agreed that the Joint

Rivers Commission [JRC] will undertake and complete within 18 months technical and "prefeasibility" studies of both packages. India has proposed monsoon storages on the Brahmaputra (and Meghna) and a transfer of some of the surplus to the Ganga through a link canal. Bangladesh in turn favours storages of the Ganga system in the Nepal Himalaya. Whereas previously India was chary of associating Nepal, since it feared additional complications in a tripartite exercise, the JRC now has a mandate to look at the concept of storages in Nepal bilaterally in techno-economic terms, it being implicitly assumed that Nepal might be consulted at a later stage. This is a rational and practical approach and provides a means of processing the two proposals expeditiously. Joint examination might soon reveal the larger truth that Nepal storages and Brahmaputra storages with a link canal are not really alternatives but complementary, since both countries need both--and more.

A political understanding is of the essence and this is what Gen Ershad and Mrs Gandhi have happily achieved. West Bengal need have no fear that its interests have been sacrificed or will suffer. On the contrary, it should be a major beneficiary from the strengthening of Indo-Bangladesh relations and the unfolding of the latest accord.

9459
CSO: 4600/1165

BRIEFS

ENVOY GO GUYANA--Gajanan Wakankar, a director in the Ministry of External Affairs, has been appointed as high commissioner for India to Guyana in succession to Janki Nath Bhat. [Text] [BK210431 Delhi ISI Diplomatic Information Service in English 1426 GMT 18 Oct 82]

CONTRACT WITH ALGERIA--The public sector Indian Railway Construction Company, Limited, has bagged a railway turnkey project costing 350 million rupees, in Algeria. This is the largest single contract secured by any Indian company in Algeria. [Text] [BK210431 Delhi Domestic Service in English 0830 GMT 20 Oct 82]

9459
CSO: 4600/1166

BRIEFS

MP ON UN VOTE ON KAMPUCHEA SEAT--The chairman of Commission I of Parliament--in charge of defense and security, foreign affairs and information--Ismail Hasan Metareum, has said that the success of the Democratic Kampuchean Government in retaining its seat at the UN General Assembly is reaffirmation of ASEAN's correct stand in rejecting the presence of the Heng Samrin regime, which is actually a mere puppet of a foreign power. In the UN General Assembly voting, the Democratic Kampuchean Government received 90 votes, 13 more votes than in 1981. Answering questions on the Middle East problem, he said that the Arab side is now showing a relatively moderate attitude, thus giving indirect recognition to the existence of the state of Israel in the Middle East. Ismail Hasan Metareum said that it is time for the United States to play its role in realizing a just and lasting peace in the Middle East by settling the Arab-Israeli conflict in a comprehensive way. The United States must convince Israel not to allow such a good opportunity to pass by. [Text] [BK280904 Jakarta Domestic Service in Indonesian 1500 GMT 27 Oct 82]

CSO: 4213/502

AGRICULTURAL REPORTAGE FOR 11-17 OCTOBER

[Editorial Report] BK180649--Monitored Kampuchean media have reported the following agricultural developments for the reporting period 11-17 October:

Kompong Cham: Phnom Penh SPK in French at 0405 GMT on 11 October reports that peasants in this province have planted rice on 129,500 hectares or 86 percent of the plan norm. Memot and Ponhea Krek districts have fulfilled their rice production plans of 11,600 hectares and 28,100 hectares respectively. The province has grown 11,900 hectares of industrial crops including cotton, jute and sugarcane. It has also erected dikes and dug canals for irrigation purposes. More than 600 hectares of ricefield were saved from drought with the aid of the provincial agriculture service which sent water pumps to the farmers in time. In the coming dry season, the province plans to plant 21,000 hectares of rice, 8,000 hectares of corn and 14,000 hectares of subsidiary crops.

Kompong Chhnang: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 11 October notes that Kompong Tralach District has transplanted more than 11,500 hectares of various types of rice and planted 1,000 hectares of subsidiary crops and 233 hectares of industrial crops. The radio at 1300 GMT on 12 October adds that in Rolea P'ier District, from the beginning of this rainy season up to the first week of October, peasants planted rice on 11,247 hectares.

Kompong Thom: SPK at 0400 GMT on 13 October says that by the end of last month, this province had planted 109,860 hectares of rice or 90 percent of the plan and grown 7,000 hectares of subsidiary crops, half of which were corn. Despite floods, Sandan District has fulfilled its rice production plan of 7,390 hectares. The provincial agriculture service has assisted the people in clearing 14,200 hectares of land. The veterinary service has vaccinated 1/5 of the cattle estimated at 242,000 [figure as received] head and 7,600 pigs. In the coming dry season, Kompong Thom plans to grow 6,000 hectares of rice. Phnom Penh Radio at 1300 GMT on 13 October says that by early September, Stoung District had planted more than 15,500 hectares of rice and 560 hectares of subsidiary crops and vegetables. In Santuk District, the radio at 1200 GMT on 14 October adds, by early September, 13,450 hectares of rice had been transplanted and 600 hectares of subsidiary crops planted. Meanwhile, Kompong Svay District

had planted more than 21,130 hectares of various types of rice and grown 790 hectares of subsidiary crops, according to the radio at 0400 GMT on 15 October.

Takeo: At 1435 GMT on 13 October SPK reports that by the end of last month, peasants in this province had planted 112,000 hectares of rice--39,300 hectares more than in the corresponding period of last year--and 6,760 hectares of subsidiary crops and 550 hectares of industrial crops. The province has supplied the people with 920 tons of IR-36 seeds, 500 tons of floating rice seeds, 6,640 tons of chemical fertilizer, 19,900 liters of insecticide, 35 tons of rat poison, 24 sprayers, 3,200 plowshares, 1,750 mould-boards of ploughs and 400 motor pumps. In the next dry season, the province plans to cultivate 133,000 [figure as received] hectares of rice. It has erected dikes 13,080 meters long, dug canals 28,560 meters long and built 2 pumping stations, one near the provincial town and the other in Tram Kak District. Phnom Penh Radio at 0430 GMT on 16 October mentions that in Kirivong District, peasants have completed sowing, planting and transplanting rice on 27,900 hectares. The radio at 1300 GMT on the same day adds Kaoh Andet District, by early October, had transplanted 15,000 hectares of later rice, ordinary rice, early rice and floating rice. This is 68 percent of the plan norm. More than 3,200 hectares of fallow land had been reclaimed and 164 hectares of rice harvested. The district's rice production target for the coming dry season is 3,000 hectares.

Battambang: By early October, Battambang Province had fulfilled its rice production plan of 282,870 hectares, according to SPK at 0400 GMT on 15 October. The news agency adds that in the third quarter of this year, the provincial veterinary service vaccinated more than 9,000 head of cattle and 1,600 pigs against infectious diseases.

Kampot: Radio Phnom Penh at 1300 GMT on 16 October reports that by the end of last month, Angkor Chey District had planted more than 6,900 hectares of rice and 974 hectares of subsidiary crops. The district peasants are striving to fulfill the rice production plan of 10,000 hectares.

Kandal: At 0430 GMT on 17 October, the radio notes that by early this month, Phnom Penh District had planted 8,807 hectares of various types of rice, including 650 hectares of IR-36 rice. The total acreage is 127 hectares above plan.

Prey Veng: SPK at 1430 GMT on 17 October says that by mid-September, Prey Veng Province had transplanted 109,400 hectares of rice compared with 95,600 hectares achieved in the same period of last year. The acreage included 22,300 hectares of IR-36 rice strain. During the first half of this year, the provincial veterinary service vaccinated 47,480 head of cattle against infectious diseases, particularly in Preah Sdech District. The province has cleared 3,600 hectares of land. Meanwhile, peasants have been preparing chemical fertilizer, insecticide, seeds and strengthening hydraulic works for rice cultivation in the coming dry season.

CSO: 4212/7

AGRICULTURAL REPORT FOR 18-24 OCTOBER

[Editorial Report] BK250651--Monitored Kampuchean media have reported the following agricultural developments for the reporting period 18-24 October:

National level: By the end of September, Kampuchea had planted 1,474,480 hectares of rice or 95 percent of the plan, according to Phnom Penh SPK in French at 1432 GMT on 21 October.

Kompong Speu: The news agency at 0402 GMT on 18 October notes that by early October, Kompong Speu had planted 61,570 hectares of rice and 6,650 hectares of subsidiary crops including corn, manioc and haricot bean. With the aid of motor pumps, scoops and chain pumps the provincial people saved 4,740 hectares of rice from drought. They have harvested 1,100 hectares of the 11,200 hectares of early rice. In the forthcoming dry season, the province plans to cultivate 2,800 [figure as received] hectares of rice. Phnom Penh Domestic Service in Cambodian at 1300 GMT on 21 October says that Samraong Tong District, by mid-October, had transplanted nearly 13,200 hectares of various types of rice and harvested 797 hectares of early and IR-36 rice. The district plan for the dry-season rice production is 1,200 hectares. The radio at 1300 GMT on 22 October adds that Oudong District, by early October, had transplanted nearly 10,000 hectares of rainy-season rice, including 228 hectares of the IR-36 strain, grown over 400 hectares of subsidiary crops and raised over 9,000 head of cattle and buffalo. SPK at 0359 GMT on 20 October notes that during the rainy season the people of this district received from the provincial authorities 290 tons of chemical fertilizer, 50 tons of IR-36 rice seed, 200 liters of insecticide, 200 kg of rat poison, 26 moor pumps and agricultural tools. The plan for the dry season is 45,000 [figure as received] hectares of rice.

Battambang: Phnom Penh Radio at 0430 GMT on 18 October reports that by 10 October, the province had cultivated rice on 281,000 hectares or 100.66 percent of the plan. The districts that have overfulfilled the plan include Battambang, Sisophon, Mongkolborei, Preah Net Preah and Sangke; those having fulfilled more than 90 percent are Moung Russei and Phnum Srok, while Ratanamondol and Thmar Puok have lagged behind schedule. The radio at 1300 GMT on 23 October adds that Phnum Srok District, by early October, had planted 15,100 hectares of rainy-season rice, 320 hectares of subsidiary crops and 250 hectares of industrial crops.

Kompong Cham: According to Radio Phnom Penh at 0430 GMT on 18 October, Tbong Knmum District by the end of September had transplanted over 17,500 hectares of various types of rice and grown 5,500 hectares of subsidiary food crops. The radio adds at 0430 GMT on 20 October that Prey Chhor District, by early October, had transplanted 14,300 hectares of early, late and slash-and-burn rice and grown more than 460 hectares of subsidiary crops.

Kompong Chhnang: Phnom Penh Radio at 0430 GMT on 18 October carries a station correspondent's interview with (Chhun Thoeun), permanent member of Kompong Chhnang Provincial People's Revolutionary Committee, on development achieved in all fields of Kompong Chhnang Province. In agriculture, he notes that in 1981-82, 44,208 hectares of various types of rice have been planted, including the transplant of 13,841 hectares of late rice, 12,874 hectares of ordinary rice, 8,394 hectares of early rice, 690 hectares of slash-and-burn rice and 3,092 hectares of highland rice [all figures as heard]; 5,274 hectares of floating rice broadcast; 3,362 hectares of subsidiary crops and 472 hectares of industrial crops planted; and 11,174 hectares of ricefield reclaimed.

Takeo: SPK News Agency at 1503 GMT on 18 October reports that Kirivong District by early October had planted 24,900 hectares of rice or 4,000 hectares more than planned, including 370 hectares of intensive agriculture, especially the IR-36 strain, and grown 400 hectares of subsidiary crops. The district has harvested 4,360 hectares of high-yielding rice of the IR-36 strain and reclaimed 2,700 hectares of wasteland and repaired weirs and canals totaling 9 km. In the coming dry season Kirivong District plans to grow 5,000 hectares of rice including 300 hectares of the IR-36 strain. Phnom Penh Radio at 1300 GMT on 24 October adds that in Prey Kabbas District, by the end of September, peasants had transplanted 10,822 hectares of rice. The local power provided them with 50 tons of IR-36 rice seed, chemical fertilizer and motor pumps, according to SPK at 0408 GMT on 22 October. With the aid of motor pumps supplied by the Ministry of Agriculture, Takeo Province saved 2,076 hectares of rice from drought, the news agency adds at 1430 GMT on 24 October.

Svay Rieng: Phnom Penh Radio at 0430 GMT on 30 October reports that in Rumduol District, by mid-September, the 15,000-hectare plan had been overfulfilled by 792 hectares of rice transplanted; 130 hectares of subsidiary crops had been grown.

Kompong Thom: Radio Phnom Penh at 0430 GMT on 21 October notes that by mid-September, Kompong Thom Province had transplanted almost 110,000 hectares of various types of rice and grown over 7,000 hectares of corn, bean and potato as well as over 1,000 hectares of vegetables. Earlier, at 0430 GMT on 18 October, the radio says that in Baray District, by 27 August [as heard], the 24,600 hectares of floating late, ordinary, early and slash-and-burn rice had been planted and over 2,870 hectares of subsidiary crops planted.

Kandal: SPK at 1430 GMT on 24 October reports that Kaoh Thom District has obtained 760 tons of paddy and 5,580 tons of corn. In this main rice production season, despite floods the district has cultivated 2,480 hectares of rice or 70 percent of the plan and 3,550 hectares of corn.

CSO: 4212/7

BRIEFS

VIETNAMESE BATTALION AMBUSHED--On 17 and 18 October, our national army and guerrillas ambushed a Vietnamese battalion moving from Choam Khsan to Trapeang Toek Ti Muoy and Srae Kang Toap on the Chhep-Thalabarivat battlefield. We killed 15 Vietnamese enemy soldiers and wounded a number of others. Four soldiers were killed and eight others wounded when they stepped on our mines and fell into our punji pitfalls. The Vietnamese suffered a total of 27 casualties, and the remaining soldiers fled to their positions at Trapeang Toek Ti Muoy and Srae Kang Toap. We also seized a quantity of ammunition and materiel. Long live our valiant and courageous national army, guerrillas and people of the Chhep-Thalabarivat battlefield! [Text] [BK250224 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 24 Oct 82]

BAKAN-PURSAT BATTLE RESULTS--In September, our comrades in arms on the Bakan-Pursat battlefield killed 106 Vietnamese enemy aggressors and wounded 38 others for a total of 144 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 85,000 new spikes, dug 200 new punji pitfalls and set 150 new automatic bows. Long live our valiant and courageous national army, guerrillas and people on the Bakan-Pursat battlefield! [Text] [BK241141 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 22 Oct 82]

WESTERN REGION BATTLE STATISTICS--In September our comrades in arms on the western region battlefield killed 108 Vietnamese enemy soldiers and wounded 88 others for a total of 196 casualties. In the field of primitive weapons production, our comrades in arms made and planted 120,000 punji stakes, dug 150 punji pitfalls and set 160 automatic bows. Long live our valiant and courageous army, guerrillas and people of the western region battlefield! [Text] [BK220145 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 Oct 82]

CONVOY ATTACKED--On 6 October our national army and guerrillas ambushed a Vietnamese troop convoy on route 19 in Lomphat District, Ratanakiri Province. A Vietnamese truck was destroyed and 15 soldiers were killed, including a platoon commander. Three other trucks turned back. Long live our valiant and courageous national army, guerrillas and people in Lomphat District, Ratanakiri Province! [Text] [BK220157 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 Oct 82]

SOUTHWEST BATTLEFIELDS CASUALTIES--In September, our comrades in arms on the southwest region battlefields killed 69 Vietnamese enemy soldiers and wounded 72 others for a total of 141 casualties. In the field of primitive weapons production, our comrades in arms made and planted 190,000 punji stakes, dug 600 punji pitfalls and set 270 automatic bows. Long live our valiant and courageous army, guerrillas and people of the southwest region battlefields! [Text] [BK210326 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 20 Oct 82]

EASTERN REGION ACTIVITIES--In September, our comrades in arms on the Ratanakiri, Mondolkiri, Stung Treng, Kratie and eastern region battlefields killed 18 Vietnamese soldiers and wounded 11 others for a total of 29 casualties. In the field of primitive weapons production, our comrades in arms made and planted 1,050,000 punji stakes, dug 750 punji pitfalls and set 900 automatic bows. Long live our valiant and courageous army, guerrillas and people of the Ratanakiri, Mondolkiri, Stung Treng, Kratie and eastern region battlefields! [Text] [BK200140 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 19 Oct 82]

CENTRAL REGION CASUALTIES--In September, our comrades in arms on the central region battlefields killed 10 Vietnamese enemy soldiers and wounded 12 others for a total of 22 casualties. In the field of primitive weapons production, our comrades in arms made and planted 930,000 punji stakes, dug 300 punji pitfalls and set 250 automatic bows. Long live our valiant and courageous army, guerrillas and people of the central region battlefields! [Text] [BK190230 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 18 Oct 82]

AMBUSH IN SIEM REAP--On 8 October, a Vietnamese battalion moving from Moung Village in Kralanh District to force people in Puok District to enroll in the army, was ambushed by our national army and guerrillas at Khlong and Kdei Run villages in Puok District, Siem Reap Province. We killed 17 Vietnamese enemy soldiers, including a battalion and a company commander, and wounded 8 others for a total of 25 casualties. The remaining soldiers fled in panic. We seized a pistol, a B-40 launcher, 2 RPD's, 5 AK's, 6 B-40 rockets and 1,500 rounds of AK ammunition; we also destroyed a C-25 field radio and a quantity of materiel. We completely smashed this Vietnamese intrusion and defended our people from being conscripted by the Vietnamese enemy soldiers. Long live our valiant and courageous national army, guerrillas and people of the Siem Reap battlefield! [Text] [BK180218 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 17 Oct 82]

CHHEP-THALABARIVAT BATTLEFIELD STATISTICS--Last September, our comrades in arms on the Chhep-Thalabarivat battlefield killed 56 Vietnamese enemy soldiers and wounded 65 others for a total of 121 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 1.65 million punji stakes, dug 700 punji pitfalls and set 900 automatic bows. Long live our valiant and courageous army, guerrillas and people

on the Chhep-Thalabarivat battlefield! [Text] [BK170947 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Oct 82]

SIEM REAP-ROUTE 6 BATTLE STATISTICS--Last September our comrades in arms on the Siem Reap-Route 6 battlefield killed 226 Vietnamese enemy soldiers and wounded 144 others for a total of 370 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 185,000 new punji stakes, dug 260 punji pitfalls and set 150 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Siem Reap-Route 6 battlefield! [Text] [BK160830 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 Oct 82]

SEPTEMBER ACTIVITY IN NORTH--Last September, our comrades in arms on the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield killed 151 Vietnamese aggressor soldiers and wounded 151 others for a total of 302 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 330,000 new punji stakes, dug 230 punji pitfalls and set 450 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield! [Text] [BK150439 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Oct 82]

BATTLEFIELD STATISTICS--Last September, our comrades-in-arms on the sisophon north of route 5-Thmar Puok-Phnum Srok-Preah Net Preah battlefield killed 122 Vietnamese enemy soldiers and wounded 130 others for a total of 252 enemy casualties. In the production of primitive weapons, our comrades-in-arms made and planted 286,000 new punji stakes, dug 390 punji pitfalls and set 160 automatic bows. Long live our valiant and courageous army, guerrillas and people on the sisophon north of Route 5-Thmar Puok-Phnum Srok-Preah Net Preah battlefield! [Text] [BK140609 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 13 Oct 82]

BATTAMBANG PROVINCE BATTLE REPORT--In September, our comrades-in-arms on the south Sisophon-Mongkolborei-Bavel battlefield killed 144 Vietnamese enemy soldiers and wounded 194 others for a total of 338 casualties. In the field of primitive weapons production, our comrades-in-arms made and planted 960,000 punji stakes, dug 490 punji pitfalls and set 140 automatic bows. Long live our valiant and courageous army, guerrillas and people of the south Sisophon-Mongkolborei-Bavel battlefield! [Text] [BK130135 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Oct 82]

SOLDIERS JOIN GUERRILLAS--On 4 October, 13 fraternal Khmer soldiers, including a regimental commander, who were forcibly drafted by the Vietnamese aggressors into taking up weapons in their service at the Nimit position of the Sisophon battlefield south of Route 5, Battambang Province, fled to the side of our guerrillas. They brought with them seven assorted weapons: a pistol, a B-40, an M-79 and four AK's. They told our army and guerrillas that they could no longer serve the Vietnamese

aggressors, who continued to indiscriminately arrest and massacre our innocent people in a bid to exterminate our Kampuchean race. They were determined to join with our nation, people and national army and guerrillas of Democratic Kampuchea in the struggle against the Vietnamese aggressors to safeguard our Kampuchean nation. [Text] [BK221228 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Oct 82]

PAILIN BATTLE STATISTICS--In September, our comrades-in-arms on the Route 10-Pailin battlefield killed 223 Vietnamese enemy soldiers and wounded 213 others for a total of 436 enemy casualties. In the field of primitive weapons production, our comrades-in-arms made and planted 185,000 punji stakes, dug 360 punji pitfalls and set 180 automatic bows. Long live our valiant and courageous army, guerrillas and people of the Route 10-Pailin battlefield! [Text] [BK120244 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 11 Oct 82]

SAMLOT BATTLE REPORT--Last September, our comrades in arms on the Samlot battlefield killed 261 Vietnamese enemies and wounded 310 others for a total of 571 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 120,000 new spikes, dug 270 new punji pitfalls and set 170 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Samlot battlefield! [Text] [BK111000 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Oct 82]

WESTERN LEACH COMBAT REPORT--Last September our comrades in arms on the Western Leach battlefield killed 71 Vietnamese enemy troops and wounded 58 others for a total of 129 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 1.2 million punji stakes, dug 480 punji pitfalls and set 200 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Western Leach battlefield! [Text] [BK100442 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Oct 82]

KOH KONG-KOMPONG SOM BATTLE STATISTICS--Last September, our comrades in arms on the Koh Kong-Kompong Som battlefield killed 357 Vietnamese enemy troops and wounded 335 others for a total of 692 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 1.5 million new punji stakes, dug 400 punji pitfalls and set 180 automatic bows and snares. Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield! [Text] [BK091023 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Oct 82]

PHNOM PENH AMBUSH--On 17 September in an area north of the olympic stadium in Phnom Penh, our guerrillas ambushed and killed a Vietnamese platoon commander and a policeman. Our guerrillas also seized an AK with folding stock, 90 AK rounds, a pistol, 40 pistol bullets and a handgrenade. Long live our valiant and courageous guerrillas and people in Phnom Penh. [Text] [BK070538 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 6 Oct 82]

ARTS, WRITERS DELEGATION DEPARTS--At the invitation of the Vietnam Writers Association, a delegation of the Kampuchean Letters, Arts and Writers Association led by Comrade Kong Bunchhoeun, member of the KUFNCD National Council, left Phnom Penh at 1200 on 19 October for the SRV to attend the international conference of the Asian and African Letters and Writers Associations to be held in Ho Chi Minh City from 20 to 22 October. Seeing the delegation off were Comrade Uk Prathna, chief of the propaganda department of the Central Propaganda and Education Commission, Comrade Pao Hamphan, acting chief of cabinet of the Central Propaganda and Education Commission, and other cadres and employees. Comrade Nguyen Hoa, acting charge d'affaires of the SRV to Kampuchea, was also present. [Text] [BK200629 Phnom Penh Domestic Service in Cambodian 0430 GMT 20 Oct 82]

CSO: 4212/7

TRADE UNION MANAGEMENT, LEADERSHIP DESCRIBED

Vientiane HENG NGAN in Lao 16-31 Jul 82 pp 14, 15, 20

['Trade Union Problem Study' Column: "A Number of Problems of Theory and Lessons Learned Concerning Trade Unions in a Socialist Revolution. Part IV"]

[Text] Orgainzational system and working principles for trade unions.

A. Organizational theory. Trade unions are set up based on the principles of democratic centralism. All levles of the trade union administrative committee from the base level up to the Central Federation of Trade Unions are democratically elected, and do their work according to leadership principles as groups and individuals, and are responsible for the trade union resolutions of that level.

The highest office of any level of trade union is the trade union congress of that level. Representatives who attend the congress for all levels must be elected from the lowest levels on up. The election of trade union administrative committees of all levels must be carried out by secret ballot, and to be elected one must receive more than half of the votes. The trade union congress will decide the number of members of the trade union administrative committee for its level.

All government offices, the offices of economic, cultural, science and technology sections, factories, mines, construction sites, agricultural settlements, forestry settlements, government shops, hospitals, schools, ports, transportation vehicles divisions, government-private enterprises factories, and private capitalists' factories have a [base] trade union. (Government factories serving the national defense must be considered equal to other government factories in general, except for a number of special factories that need separate regulations.)

Base trade unions that are organized in production units, business, task, and administration are unified in sections and localities.

Trade unions in production, business, [task] or service expand into a system for specialized tasks and then form a local trade union service or unite themselves under a central trade union commerce trade union, transportation trade union, education trade union, etc.)

Local trade unions organizations include trade union bases in production units and economic services. Local task administration under the area of the provincial committee is unified according to the local trade union organization.

Trade unions at the central schelon, local trade union organizations, and all trade union units are subordinate to and unite themselves into the central labor union organization which is a member of the World Federation of Trade Unions.

B. Leadership principles and working techniques

In the trade union system, all levels must work consistently with the unified regulations that lead people in groups and individuals to be responsible. This principle clearly specifies the rights and powers of the groups which are the highest rights and powers. All actual work will be divided up after the group committee explains, discusses, and unaminously agrees.

It is necessary to firmly grasp the most basic principle of the trade union movement which is the mass movement. The trade union base must determinedly attract workers and government employees to the trade union movement network so it will steadily expand. It is necessary to set up the primary and important mass movement in each base unit.

This is the way to mobilize, organize, train, persuade, and have friendly contact with the masses. The technique of carrying out the mass work starts from the principles for setting up the trade union based on the awakening and voluntarism of the trade union members who must clearly show two characteristics: mass and the trade union class. This technique opposes all use of orders to force the masses, and is against being arrogant, careless, and rude towards the trade union members. It is also against the disease of power, when people work at their desks and do not closely relate with production and the standard of living of the masses. This technique is aimed at training people in many aspects concerning political ideology, acknowledgement of past deeds, production, social movements, and a happy and civilized lifestyle. Trade union cadres of all levels, especially local cadres, must set a great deal of time aside to go to factories to share their lives, to work together with the masses. This is in order to clearly understand production conditions and the standard of living of the masses by going through that work in order to make some changes in different levels of trade union work to make the trade union movement reflect the workers' revolutionary fervor.

C. [Question] Who are qualified to become trade union members? What are the responsibilities and benefits of trade union members?

Trade union organizations must consist of strong forces of those who work with their hands and feet and those who work with their brains in hundreds of different vocational subjects and specialized tasks in the national economy, science, technical sections, education, culture, gymnastics, arts, [task] sections, etc.

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                    Central Trade Union Federation-----Subordinate Trade
                                                        Union Organization
                                 |
                                 |
                    Trade Union Branches
      |--------------Provincial and Big City Trade Unions-------|
      |                          |                              |
      |                          |                              |
Regional Service        Trade Union Base                  Production Division
      |                 (Department)                      Factories
      |                                                         |
      |                                                         |
Trade Union Units       Trade Union Unit                  Political Service
                        (Service)                         Production Division
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Concerning rights and freedom in our country, the trade union has regained this along with the reestablishment of the new government regime by the workers and through their political party which leads all workers who work with their hands and feet and with their brains. All who work and receive a salary qualify to become trade union members. All workers and government employees regardless of their occupations, nationalities, citizenship, sex, and religious beliefs who work regularly in government factories, government and private-owner partnership factories, private capitalist factories, offices, hospitals, production divisions, if they are good at following the rules and regulations of the trade union and voluntarily create movements for trade union organization, are accepted as trade union members. The acceptance of labor union members is decided by the trade union unit committee meetings, which reports to the next higher level of the labor union administrative committee which makes the decision.

Responsibilities of trade union members. Briefly speaking, there are 5 responsibilities for trade union members:

-to carry out their work with honesty, protect national property, and respect government laws;

-to fulfill the obligation of protecting their fatherland;

-to determinedly study and to endlessly improve their political and cultural knowledge, and technological and technical skills;

-to unite and help each other in production, work, living, and fighting against any actions that are dangerous to the revolution and themselves;

-to follow the orders and resolutions of the trade union; determine to live a trade unionist's life, pay the monthly membership fee on the date and time scheduled.

Trade union members have their rights and benefits, as follows:

-to explain and vote concerning various problems in trade union meetings; to run for office; nominate candidates, and elect different levels of the trade union leadership committees;

-comment on different levels of the trade union leading committee or the trade union cadres as individuals in meetings in order to make some changes in their work; comment on the trade union members to help them to advance themselves;

-participate and express their opinions in trade union meetings concerning commendations, disciplinary measures, or observing their own work;

-when their rights and benefits have been violated, and they are protected by the trade union, they have the right to file a complaint to the higher echelons;

-use their rights and benefits concerning public benefits, the cultural activities, literature, sports, vacations, and travel organized by the trade union. If they run into any difficulty or disaster they will be assisted by the trade union.

Standards for trade union cadres

Recently the establishment of the organization, training, and enhancing of trade union cadres has become an important and urgent problem. We have to fully train trade union cadres who have knowledge in culture, technology, and economics to be capable of managing labor. The mass mobilizing techniques must be firmly grasped to ensure a sufficient amount of cadres who are responsible for the existing bases. Prepare the bases that are being built and will be fully built. The trade union is also responsible for supplying cadres for the party and government by selecting from the mass process. The setting up of trade union organizations, expandind the trade union, and forming the trade union forces are three closely related problems in the evolutionary development of the revolutionary struggle, and it is necessary to go through the revolutionary struggle in order to improve. There is no other way. This is extra work for the labor union. It is the overall work of the party and the government, and also of the people, because it is the most primary work, our business, our future, and all the glory of the nation. How soon [are we] to have socialism? Is it good or bad? Who are the laborers who are building up the new regime? How does everything depend upon the conditions for the growth, strength, and encouragement of the rights of ownership of the workers? The growth and strength of the workers is related to the growth and strength of the trade union and the trade union units.

The training of the party and government's cadres and of other organizations' cadres must start from workers and the trade union units that are trained and formed by going through the evolutionary process of the revolutionary struggle

of the workers. This problem has its meaning in terms of opinions and experiences in order to guarantee purity and confidence concerning the firm beliefs and firm political ideology in all work of the party and government organizations and other organizations.

In the present situation the basic standard of the labor union cadres may be set up as follows:

1) they must have firm belief in the workers; above all, they must be able to grasp the party's policies;

2) they must have a high revolutionary spirit towards the work of the workers;

3) they must have certain knowledge concerning the labor union work;

4) they must have a [style] of being close to the masses, and must be trusted by the masses.

9884
CSO: 4206/5

KHAMMOUAN FORESTRY, ROAD CONSTRUCTION, WORK FOR MILITARY NOTED

Vientiane HENG NGAN in Lao 16-31 Jul 82 p 5

['Article': "Tree Cutting Section Workers of Khammouan Province Have Performed Their First Six Months Work with Success"]

[Text] In the first six months of this year workers in the tree cutting section subordinate to the Agriculture, Forestry, and Irrigation Service attentively carried out their specialized task. During that time they cut trees in many different places and sent 1,425,309 cubit meters of wood to lumber mills. This included 168,507 cubic meters of Burmese ebony, 42,080 cubic meters of poles and "si" wood, 182,767 cubic meters of many different kinds of hardwoods, and 1,031,955 cubic meters of softwood. Besides cutting wood to send to lumber mills, they also cut 1,151,111 cubic meters of trees for sale to be used in the construction of different offices and organizations. These included 3,055 cubic meters of Brazilian rosewood, 28,323 cubic meters of Burmese ebony hardwood, 728,984 cubic meters of hardwood, 64,180 cubic meters of poles and "si" wood, and 326,569 cubic meters of softwood.

Along with wood cutting they also built roads into the cutting sites in the Khamhai Forest area in Mahasai District from Pha Yat cliff to Nong Khon, 6 km long and 3 meters wide. In the direction of Gnommalat District from Pak Nam-On to Houai Sot the road is 16 km long and 3 meters wide. They repaired 12 km of road from Na Kok to Ban Se.

Meanwhile they also [signed] a contract to transport and to clear out various construction sites, for example, contracts to transport a total of 49 tons of different materials for the Khammouan Province Irrigation No 2 and the provincial public works, Route 13 Construction Division, clearing 3 hectares of land for tree growing and 4 hectares for a sugar factory construction site, digging a fish pond 2.5 meters deep, 6 meters wide, and 60 meters long for the provincial military command, and 70 percent finished [digging] a 50-square meter and 3-meter deep provincial agricultural fish pond; they dug 5 fish ponds for cadres and the people 7 meters long, 5 meters wide, and 3 meters deep on the overall average.

Today they are vigorously continuing to carry out their work in order to achieve the second six months plan.

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CSO: 4206/5

EXEMPTION FROM MILITARY CONSCRIPTION, NEWSPAPER CIRCULATION DISCUSSED

Vientiane NOUM LAO in Lao 1-15 Jul 92 pp 4, 13

['Friends Ask We Answer' Column]

[Excerpts] [Question] To our readers. In this issue we discuss a letter from Comrade Vieng Savan, a Louang Namatha youth who besides admiring the achievements of NOUM LAO has some questions, as follows.

1) In other countries in the world nearly all youths have an obligation by law to take part in national defense work after they complete their education, except for those who are in poor health. Will this be the same in Laos in the future?

2) NOUM LAO as well as other newspapers are published and distributed in Vientiane Capital, but very few will reach Louang Namtha Province. What can be done to solve this problem?

[Answer] We thank Comrade Vieng Savan, the Louang Namatha youth who sent in these questions.

1. In fraternal socialist countries such as the USSR, Czechoslovakia, Hungary, etc., they all have a law concerning the obligation of youth towards national defense work. All youth must be soldiers for 3 years before they have the right to hold a job, except for thos who are in poor health or other special cases. In our country there have not been any regulations for youth concerning this matter. However, the party and government attentively mobilize all youth to participate in national defense and public security work. In my opinion concerning this problem it is best that all youth should take part in serving in the ranks of the army due to their obligation towards such work.

2. Concerning different newspapers, especially NOUM LAO, that are being delivered to Louang Namtha Province, because of some difficulties in communications they might get lost. However, we will try again to find ways for you to receive the newspapers routinely.

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CSO: 4206/5

FISH FARMING YIELDS RESULTS IN VIENTIANE

Vientiane SIANG PASASON in Lao 15 Sep 82 p 2

[Article by Nang Kongmali; photograph by Ketmeaung: "Progress on the Tha Ngon Fish Farming Construction Project"]

[Excerpts] The 50-hectare fish farming construction project is 25km east of Vientiane in a large flatland under a clear blue sky. This makes the natural geography of the Nam Ngum shore even livelier.

Comrade Pakaiphet of the committee responsible for the project smiled proudly and reported that before 1980 this fish farming station was directly under the Animal Husbandry and Veterinarian Department; however, since 1980 it has been under the vegetable planting project and was nemed "The Vegetable Planting and Fish Farming Settlement of Tha Ngon" in which its administration and organization has been under the settlement. Its production techniques are under the Animal Husbandry and Veterinarian Department. Now, 35 hectares of the fish pond construction project have been completed. It is expected that 50 hectares will be completed in last 1983. Along with the fish pond construction, fish production and [the use of] experimental fish are being done at the same time in order to raise the standard of living for cadres and workers. This includes domestic and foreign fish production, for example, grass-eating fish, Indian fish, Chinese fish, and Chinese carp. Fish production in this fish pond has been conducted with artificial mixed breeds.

It terms of fish and small fresh water fish production recently, we can see that in 1981 they were able to produce 50,000 fry and 1,5 tons of fish meat. Since 1982 they have produced 1 million fry, and over 2 tons of fish meat. The [planning] of this fish farming station has been set in many categories, for example, 16 shark ponds of 35 x 65 meters, 23 fry ponds of 16 x 26 meters, 6 fish breeding ponds of 50 x 70 meters, and 22 market fish ponds of 75 x 215 meters. Up to now many fish ponds have successfully put in a number of fish, for example, 13 market fish ponds were successful and 100,000 fish were put in.

Moreover, at this fish station a school has been opened to teach fresh water fish farming at the medium level in order to improve the specialized task level of cadres and to train youth who will carry on fish farming. Comrade Sengkeo and Comrade Nang Somkhouan of the board of directors and who are also

responsible for administration and teachers in that school told us that the school for vocational fish farming has [taken in] 2 groups of students whose study program is 1 year and 6 months long. The total of 35 trainees are from various parts of the nation.

However, fish farming is still a new occupation in our country. Thus, the fish farming station is still faced with some difficulties, for example, the lack of materials and equipment, and also there are still few cadres and workers. Thus, we have to train [people] and produce fish at the same time in order for the people to be the owners of production and to succeed in the project.

At the end Comrade Pakai along with the committee which is responsible brought us to see the artificial fish breeding and the fish farms [planned for the future]; the 50-hectare fish farming station in Tha Ngon will produce fish to supply the markets and will take its place in solving the food supply problem for the people in Vientiane Capital.

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CSO: 4206/6

VIENTIANE DISTRICT HARD HIT BY DROUGHT, FLOODS

Vientiane SIANG PASASON in Lao 14 Sep 82 p 3

[Article by Litthi Sisuvong: "Victorious Fight Against Drought and Flood"]

[Text] The beginning of the rice growing season this year was hard hit by drought in Vientiane Province, but later on it was flooded so there are dry as well as flooded ricefields. The most serious damage was in Hatsaifong District.

Hatsiafong Districtis located on a plateau along the Mekong shore south of Vientiane. Its ricefields total 6300 hectares. Because of the drought condition threatening this year's rice growing season, all the ricefields mentioned in Hatsaifong were faced with drought except in some places having irrigation systems and where pumps were installed.

In order to fight against the drought without letting the season pass by, besides hurriedly sending workers, vehicles, and machinery, the higher echelons sent cadres whose specialized task is irrigation to solve the irrigation system [problem]and to do everything possible to provide water for farming, for example, by installing water pumps and digging irrigation ditches in Chinaimo, Kengpayang, Hatdokkeow, Nong Hong, Na Hai, Houai Deua, and other places.

The base administrative authorities of that district closely guided the people in the fight against the drought. Some places used irrigation scoops to bring water to the ricefields. In some places the people had to carry water to the seed beds. Some places were replanted. Besides this, they utilized the rain that did come when it was planting time. This helped the people in Hatsaifong District, in particular, to be able to plough a great deal except for only 171 hectares left because of the drought, [where they were] unable to drain water in. When the rains came the young rice plants were too big to be planted.

However, to improve soil conditions in the unplanted ricefields their correct technique was to mobilize the [people] to search for different starchy crops to replace the rice plants; another good technique was that they sought an additional 873 hectares of flooded abandoned ricefields to plough according to the statement of Mr Boundi, who is responsible for

Hatsaifong District's administrative office. The Hatsaifong District people were not only faced with drought but also heavy rains as soon as they had finished ploughing. This caused flooding in the ricefields and damaged 427 hectares of ricefields. Most of the damage was in Ban Hom Canton with 90 hectares, and 89 hectares were damaged in Ban Don Canton.

In Ban Don Canton, for example, ricefields total only 396 hectares, yet as many as 89 hectares were flooded. This was serious damage. Therefore, a good way out was to replant the rice and to replace each damaged rice plant. Meanwhile, they attentively took care of the ricefields, weeded, killed worms and insects, and applied fertilizer to make the rice plants grow beautifully.

In the rice growing season this year, even though facing natural disaster and threatened by drought and flood, our Lao farmers generally speaking and Hatsaifong farmers in particular united themselves persistently, and fought and worked cheerfully in order th respond to the content of the Third Party Congress plan. They have the persistence to discuss how to make this year's rice growing season another successful year.

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CSO: 4206/6

BULGARIAN AID PROJECTS DISCUSSED, VALUE NOTED

Incomplete Projects

Vientiane SIANG PASSASON in Lao 18 Sep 82 p 2

[Article by Ketmeuang]

[Text] From 1976 to 1982 the LPDR and the People's Republic of Bulgaria have signed tens of different agreements, cooperation protocols, records, and documents in order to cooperate in the economy, science, technology, and culture, respectively. For the base area construction, the completed project was the construction of bridge No 5 on route No 9 under the Ministry of Public Works. It was completed and the official transfer ceremony took place on 19 July 1981; its value is 4,564,200 roubles. [According to] the project outline that is being carried out, in the present plan there is a 100-hectare vegetablecultivation project in Tha Ngon, to supply markets in Vientiane, a citronells tree growing project in Tha Ngon, a citronells perfume refinery factory, a complete set of industrial wood projects, making resins, and distilling (colofan).

Meanwhile, there are some plnas that have been signed but not carried out, for example, the small scale 1-3 megawatt hydroelectric dam construction project in Nam Sim (technological assistance), the animal food concentrate factory, and canned fruit factory, and fruit orchards.

In terms of sending material assistance as gifts in 1977, there were food supplies, special goods, 26 tons of medicines, and 30 tons of canned vegetables and fruits, all together worth 300,000 leva; they let us borrow up to 924,000 roubles. [All of this] was successfully carried out in 1979 by sending goods worth 444,600 roubles. The exchange of goods based on the agreement and cooperation protocol of 25 December 1979 and 30 October 1980 has been carried on as usual.

In terms of the cooperation in science and nature studies (short-term training unrelated to the funds approved by the Ministry of Education) that was carried out based on the resolution of the third congress of the Laos-Bulgaria subcommittee for scientific and technical cooperation that was opened in Vientiane, a plan was signed to accept 20-30 Lao cadres each year for high-level training (lasting 1-6 months) from 1982 to 1985.

As for technical expert assistance, in particular, [assistance] based on the agreement of 30 September 1976 between the Lao-Bulgarian [subcommittee] for scientific and technical cooperation, they signed an obligation to accept 7 Bulgarian experts in vegetable cultivation, irrigation, machinery, oil refining and bee keeping to work in Laos in order to collect data and to help Lao technicians to effectively carry out different kinds of work.

Vegetable Farm

Vientiane SIANG PASASON in Lao 13 Sep 82 pp 2,3

[Article and Photo by Ketmeuang]

[Text] A large area of over a hundred hectares in the Tha Ngon plain 25 km northeast of Vientiane is active with an atmosphere of emulation working to prepare the soil for dry season cultivation, to take care of rice plants that are making new beautiful green plants, and to keep different breeds of fish, by over 130 Lao engineers and workers and foreigners. Nowadays vegetable cultivation and fish raising settlements are under the Ministry of Agriculture, Cooperatives, and Irrigation. At this vegetable experimental pproject which is one of many cooperative projects by our Bulgarian friends [work] is being carried out in order to implement the resolution of the [special] congress of the Lao-Bulgarian subcommittee for agricultural, technical, scientific, and technological cooperation especially the sincere assistance in capital, materials, equipment, and the number of engineers involved in order to carry out the work efficiently and quickly.

Comrade Somvang Dalasak, the settlement chief, said that the primary goal of bringing the vegetable cultivation experimental project to this settlement is, first of all, to serve the prople in Vientiane Province and cadres so as to be self-sufficient in fresh vegetables, and later on there will also be a plan to produce vegetables. Besides growing vegetables, they also practice intensive paddy cultivation on 70 hectares of lowland.

The chief of the settlement added that after the last dry season experimentation we can see that the average produce is 12 tons of fresh vegetables per hectare. In order to ensure the expected or to exceed-the-expected results for various kinds of vegetable production such as cabbage, tomatoes, eggplant, large oinions, Lao hot peppers, Bulgarian hot peppers, carrots, sweet melons, etc. in this coming dry season the soil preparation, animal manure accumulation, chemical fertilizer, and insecticide must be paid attention to from the beginning of the year. They expect to use 25 tons of animal manure per hectare, and 2 groups will be planted: 6 hectares for the first group, and 2 hectares for the second group. Now the soil preparation, fertilizer and gross mulching have been carried on in over one hectare.

As of now this project is only 1 year old. Production has only been for one season, and the vegetable planting area has not yet been expanded over all the expected area of 20 hectares. However, this one year has clearly indicated the primary victory that was earned by the sweat, the combined labor, and the cooperation between the pioneers from the land of roses and this land of the frangipani.

The proudest thing that came from the difficult new phase of lack of vehicles and actual experiences was not only to have an almost complete set of machinery but also the cooperative atmosphere between two brothers under the same roof of Marxism-Leninism. It is a most beautiful picture.

Comrade (Harris Tovonsev), a Bulgarian irrigation engineer for the vegetable project, sincerely and confidently said that he came here to respond to the spirit of proletarian internationalism in actual practice. When he looks at the history of his nation and Laos he can say that they are not much different. The struggle in Laos and Bulgaria is similar. Working here is real friendship. Even though this project is new, our fraternal Lao will be able to accept and effectively carry out this work.

Besides the 100 hectares of the vegetable project the Bulgarian experts also helped to survey and do soil testing on an additional 800 hectares of the plain area where now over 600 hectares have been completely surveyed, to participate and to press forward in the vegetable project in Settlement 23 Venukham, the Na Phok seed-producing center; additional research will also be done in the use of irrigation systems, flood prevention techniques, and research concerning the transformation and improvement of large canals to strengthen the current so that it can push the water further into any area.

Also, the settlement chief added that in the long-term plan additional pumping systems will be installed in order to have water for year-round production. The construction of the settlement, places for cadres to stay, and cold storage for 50 tons of vegetables at one time are being studied and designed, and this construction will start in early 1983.

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FURTHER REPORTAGE ON U.S. POW/MIA DELEGATION

Vientiane SIANG PASASON in Lao 18 Sep 82 pp 1, 3

[Article: "Visit of U.S. POW/MIA Family Delegation to Laos"]

[Text] On 13-16 September a delegation led by Mr George Brooks who represented the U.S. mass organization of U.S. POW/MIA families of those who disappeared during the war visited Laos in order to improve good relations between the Lao and Americans.

During the visit, besides visiting Mr Khamphai Boupha, acting Minister of Foreign Affairs, and Mr Meun Somvichit, chief of the National Social Welfare and Veterans Committee, the delegation met and had discussions with representatives of the Lao veterans led by Lieutanant Colonel Khamal Keophithoun, Secretary of the Ministry of Interior. On this occasion the Lao pointed out to the delegation that the direction and foreing policy of the LPDR are peace, independence, friendship, and nonalignment. They emphasized the responsibility of the U.S. government for the harmful effects of the war they had provoked, and talked about the good intentions and humanity of the Lao government and people towards the U.S., which is clearly shown by the returning of all U.S. POWs before the U.S. asked them to do so. Moreover, they gave the remains of 2 U.S. personnel who lost their lives, and they will continue searching for U.S. personnel according to the situation and the ability of the Lao people. The Lao government and its people sympathize with the American people and the American families of those who lost their lives in the war, and share their feelings and sorrow with the Americans who were victims of the war as well as the Lao people as a result of the U.S. government's deeds. Once again, in order to confirm its humanity the Lao government and its people facilitated things for the delegation in every way while visiting Laos; for example, they brought the delegation to see the site of the plane crash in Champassak Province where the U.S. soldiers lost their lives.

The delegation of American families praised the good intentions, friendliness, and humanity of the Lao government and its people toward the delegates as well as towards the people of the U.S. Meanwhile, they promised to bring such feelings and the actual situation in Laos to people in the U.S. so they will learn the facts in order to find ways to make the U.S. government have a correct [attitude] toward the LPDR.

The U.S. Charge d'Affaires in Laos joined all of the activities of the delegation, and also recognized in the same way as the delegation the good intentions and all the conveniences the Lao provided to the delegation.

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CSO: 4206/6

TRIBAL MINORITY EDUCATION PROBLEMS, DEVELOPMENT NOTED

Vientiane SIANG PASASON in Lao 20 Sep 82 p 3

[Article: "Hom District Teacher Training School"]

[Text] Hom is a mountainous district in Vientiane Province. Previously its people were illiterate, and if they were literate there were very few of them because it is a remote district and consists of many minority nationalities who settled along the plateaux and valleys. It is hard for them to go back and forth to see each other. The most important problem is to assign teaching cadres from other localities to teach in this locality.

Therefore, to solve this problem the administrative authorities in cooperation with the district educational service and the people of all nationalities decided to build this school, the first one, in 1979-1980, and named it "Nationalities' Teachers' Training School". This teachers' training school is really as good as its name. It gathers children of the people of all nationalities and races in almost all villages and cantons in this district to receive 2 years of training per group; then they are sent back to teach in their own villages or the localities of their own nationalities and races. This is a good way to solve the village teacher problem. Now there are teachers and schools in almost all the villages in Hom District.

Concerning this problem Comrade Lo Vangteuy, director of the school mentioned, gave his views that this school establishment has the most significant meaning for the lives of our nationalities. It can be compared with bringing the light into the mountainous areas. From the day the school was set up to now, it has produced 131 teachers. This includes 47 teachers in the first group, 46 teachers in the second group, and 38 teachers who have just finished.

This school is located on the bank along the clear and cool Long San [River], a place where the people are diligent in cultivation and animal husbandry, where there is beautiful and healthy green vegetation because of the dark and moist soil, cool weather, and because the new people have diligently built it up with their hands.

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GARMENT FACTORY WAGES, FOREIGN TRADE LINKS REPORTED

Vientiane HENG'NGAN in Lao 1-15 Aug 82 p 6

[News Column by Vatthana Thavisai: "An Interesting Doll House"]

[Excerpts] Many people customarily call it a "doll house," but its official name is "Vientiane Garment Factory." I was determined to find out about this doll house, as it was said that they were all beautiful dolls. There are Lao skirts, blouses, cloth and other goods of many kinds and colors made with our true Lao creativity, impressively decorated for the guests.

[Mrs] Manivan Khaikhamphithoun, the factory director, was sitting on the deck. On seeing me she welcomed me with a friendly smile. She said, "you are here on time, please have a seat." After I told her of my intentions she agreed because both sides had already made the arrangements. She was ready to bring out several outstanding workers for me to interview. While waiting for the interviewees to come she told me that this Vientiane garment factory or the doll house previously belonged to capitalists. After the country was liberated in 1975 it was transferred to government ownership under the Industry and Trade Service of Vientiane capital on 26 December 1976. At first there were approximately only 20 workers, mostly women. As we know, during the old regime the living standard of these factory workers was a hand-to-mouth situation, people just being able to make ends meet. Nowadays, however, there are more than 70 people here, and the best standard of living is guaranteed. Our production section is now divided into 7 work units: dyeing, spinning, research and design, pattern weaving, looms, clipping, and doll sewing. In our factory along with the attentive mobilizing for production, we have determinedly arranged for the welfare of our workers. Now we have doctors to examine their health periodically. We have a nursery, and have set up a food shop serving lunch to the workers that costs only 3 kip, which is a very low price. We have 3 fairly well established mass organizations especially the trade union organization that together set up a treasury and different fund raising activities to support the food store's lunch service. The trade union also mobilizes to set up socialist emulation among workers within the factory.

Nowadays the maximum income of a worker is over 1000 kip; the minimum is over 500 kip. The overall average a person receives is 700-800 kip per month. Besides this, the board of directors also gives the workers some raw materials to weave in their homes. This enables them to increase their income over 400 kip per month. When there is illness or someone gets married we help them as best we can. For production we not only mobilize and guide them to produce based on the plan, but we encourage them to produce above the expected level. Besides producing within the plan they may also have contracts from the outside as they please. On the average they are able to expand their ideas creating 7-8 new clothing pattern designs per month. Mostly they redesign patterns primarily from old fashioned ones, and then express them in new ideas. Some produce half old fashioned, half modern, such as western style shoulder strap handbags, decorating them with a pattern for the edge of a Lao skirt as a symbol of Lao products. If we calculate the total amount of production in only 3 months, it is almost 3 million kip which exceeds the plan by 50 percent. Our products are popular not only among the Lao people but also among foreigners. Many fraternal socialist countries have discussed with us the possibility of buying products from our factory. In early 1981 we signed an agreement with the USSR worth a total of over one million kip. In 1982 we signed an agreement with Hungary worth 4.2 million kip. On the occasion of opening the Third Congress of the LPRP not long ago we put our efforts into night and day production in order to produce gifts for the congress. There were 45 sets of table cloths, 120 cloth bags, 40 Lao skirt edge patterns, 21 Lao skirts, 1 piece of cloth to decorate and praise the congress, and 100 framed pattern designs. They also made some gifts for a number of foreign guests who attended the congress. Mrs Manivan Khaiphithoun added that she was most proud to see the products heavily produced to satisfy the masses in Vientiane Capital as well as foreigners. She said this achievement came from the guidance and leadership of the provincial party committee, especially the Vientiane City and Province Industrial and Trade Service.

Before leading the Vientiane Garment Factory, I ordered a wedding dress with an outstanding pattern from Mrs Manivan Khaikhamphithoun, the factory director.

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CSO: 4206/5

TRADE UNION ROLE IN GOVERNMENT, PLANNING NOTED

Vientiane HENG NGAN in Lao 1-15 Aug 82 p 2

['Study of Trade Union Problem' Column: "Relationship Between Trade Unions and Government Organizations"]

[Text] Part V. After the successful revolution and the establishment of administrative power, the relationship between trade unions and the government administration has been one of cooperation and united struggling together for the same goal. Trade unions are very efficient and the closest colleagues of the government, which they strongly and determinedly support. They are an unshakeable shelter for the socialist government.

The relationship between trade unions and the government is a main principle of socialist revolution. Both the labor unions and the government carry out the same overall tasks, i.e., to victoriously turn industry into socialist industry. Therefore, they must be united and must cooperate closely in all activities. Government organizations directly control the economy and industry, aiming firmly at trade unions, and endlessly reinforce the determination of the masses. In order to effectively manage the trade unions, it must be those who join with the government [who] truly cooperate in economic and industrial management.

In the evolution of socialist construction, trade unions are responsible for the actual work assigned by the government that gradually increases in amount. Government organizations must wholeheartedly assist trade unions so that they can effectively carry out their responsibility. The trade union movements in many aspects of government work must be considered important.

Each type of work involving trade unions and government organizations must be made into laws so that different levels of the administrative authorities as well as the trade unions will strictly carry them out.

Different levels of trade unions represent workers and state employees in the meetings of the same-level administrative organization to discuss the design and implementation of the government plan (e.g., the design and implementation of production projects to be consistent with principles, to participate in setting up and carrying out the labor quota, and to discuss

policies related to the duties, rights, and benefits of workers and government employees, putting some money into the treasury, spending the treasury money for awards and for the rights and public benefits in the factories, for living conditions, social insurance, health, vacations, recreation, day care, work safety, culture problems, mass literature, and sports for cadres, workers, and government employees); to participate in the assignment, promotion, and salary increases, commendations and disciplinary measures, representing workers and government employees in protecting rights and benefits of workers and government employees in case of disaster.

Trade unions represent workers and government employees and take part in managing factories and signing group agreements with the factory directors. The government factory directors must regularly report the production situation and the carrying out of the labor system to all workers and government employees (the meeting of workers and government employees is conducted and hosted by the labor union, and the content of the meeting is a basic agreement signed by the factory director and the trade union).

The relationships between the factory director, the trade union, and trade union cadres respond to what is necessary so that the trade union can move appropriately.

The development and carrying out of the government plan, policies, and laws concerning the central trade union may aim at the needs of the working masses in order to propose that the government revise policies and laws that are already in effect, and declare new policies and laws. Different levels of local trade unions and the central trade union are responsible for discussions with the same level of administrative authorities in order to set out the details and the appropriate ways to carry out the policies and laws of the government within the localities and service areas of responsibility.

9884
CSO: 4206/5

BRIEFS

SAVANNAKHET ELECTRIFICATION--In order to steadily supply electricity for production and light to the people throughout the city areas as well as in rural areas, from the beginning of 1982 until now cadres and workers of the Savannakhet Province Electrification Branch have raised the workers' spirit to actively carry out their work to expand electrification to serve local production. The actual results were the successful wiring of low-voltage electricity into Atsaphangthong District with five 220-380 volt lines and the use of a total of 16,200 meters of electric wire; a total of 72 poles were installed, and they successfully installed 2 generators earlier than expected. Each generator can produce 60 kilowatts of electricity. They wired 22 kilovolts from Ban Pakbo to the Tha Sano water pumping station which is 3,800 meters, installed a 160-kilovolt electrical transformer to bring electricity to the government rice mill in the Ban Nake area. They expanded 22-kilovolt electric wiring, and also succeeded 100 percent in setting up a 160-kilowatt electrical transformer for Ban Nake irrigation, and many other installations. Now the electrification workers in the province are trying to score big achievements a lot more than before, in order to ensure the victorious achievement of the second six-month plan. [Text] [Vientiane SIANG PASASON in Lao 22 Sep 82 pp 1, 4] 9884

UNHCR AID DISTRIBUTION--Last August the Lao Red Cross brought material assistance to give to the National Blood Donation Center, Vientiane Capital Red Cross, and the Champassak Province Red Cross for medical use and to be given to the people who are in need. The material assistance included medicine, 3,000 sacks of blood, 20 tubes of (anti A) serum, 20 rubes of (anti B) serum from the UNHCR, 8 first aid kits from the Indian Red Cross, 1,000 pints of blood from the Japanese Red Cross, and some winter clothing from the Swiss Red Cross. Moreover, from March 1982 to date the Lao Red Cross also gave out powdered milk all over, and gave many tons of powdered milk to many different regional nurseries throughout Vientiane Capital. Meanwhile, they are continuously helping those who faced disastrous fires on 10 occasions. For these they gave out assistance once through the National Social Welfare and Veterans Committee, and 9 times through Vientiane Provincial Welfare. [Text] [Vientiane SIANG PASASON in Lao 16 Oct 82 pp 1, 3] 9884

MARKET PRICES IN SARAVANE--The Saravane market is not a big one but it is full of inexpensive consumer products. We asked the prices of items, and found, for example, 25-30 kip per chicken, 30-35 kip per mandarin duck, 18 kip per kilogram of pork, 1 kip per frog, k kip per chicken egg, 40 kip per wild rabbit, 30 kip for one wild chicken, 1 kip for a cup of balck coffee, 2 kip for a cup of coffee with milk, 6 kip for a bowl of noodle soup, etc. [Excerpts] [Vientiane NOUM LAO in Lao 1-15 Jul 82 pp 4, 5] 9884

UNICEF AIDED PROJECT--Mr Phou Latsaphon of the staff section of the Ministry of Education, Sports, and Religion and the leader of the delegates of this Ministry along with Mr (Kotam), the representative of UNICEF in Laos, inspected the teachers' training school in Ban Keun, Thoulakom District, Vientiane Province on 4 August 1982. This school is a one-storey wood building with zinc roofing and a cement floor. It is 23 meters long, 8 meters wide, and consiste of 4 classrooms. Now 80 percent of the 3 months construction plan which started on 12 May 1982 is completed, and it is expected to be completed at the end of August. Construction has been carried out with funds from the Ministry of Education, and with assistance in a number of construction materials from UNICEF. During the inspection of the actual work Mr Phou Latsaphon and the UNICEF representative also noted detailed conditions and the indispensible needs of the school in order to look for ways to improve it further. Mr PHou Latsaphon and Mr (Kotam) were warmly welcomed by the school's board of directors and by the local administrative authorities. [Text] [Vientiane SUKSA MAI in Lao Aug 82 p 4] 9884

CSO: 4206/5

FINANCE MINISTER SPEAKS ON 1983 BUDGET

BK260246 Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 pp 12, 15

["Text" of Finance Minister Razaleigh Hamzah's budget speech--date and place not given]

[Excerpts] I wish at the very outset for this year's budget speech, to review the international economic performance for 1982 and the prospects for 1983 together, as the international recession is expected to continue for the whole of this year and at least into the early part of next year as well.

As the honorable members are aware, the world continues to be in recession. Indeed, the international recession has worsened much more than the industrial countries themselves expected.

Our present estimates now indicate that the Malaysian economy will expand by about 3.9 percent in real terms for the whole of 1982. This is well below the gross domestic product growth of 7.2 percent that we had estimated, on the basis of the 1982 budget's countercyclical measures.

Consumer prices, on the other hand, are estimated to moderate at a slower rate of about 6.5 percent, which is a creditable achievement considering the high international inflation. We have done much better than in 1974 when the consumer price index rose sharply to 17.4 percent and in 1975 when our economic growth actually declined by 0.8 percent in real terms.

However, the international recession has severely affected our exports in 1982--both in terms of volume and prices. The balance of trade is, therefore, expected to show a large deficit of over $2.4 billion in 1982.

In addition to this, we also have to pay substantially for services rendered by foreign countries, particularly in shipping and travelling. The current account is therefore expected to show a large deficit of $8,649 million.

Since the prices of our major export commodities have continued to remain depressed, our budget revenues have also continued to decline. The government therefore decided to take resolute pre-emptive action to protect the Malaysian economy against the onslaught of the worsening international recession.

True to our traditional style of pragmatism and prudence in fiscal management, we decided to restrain expenditure expansion, so as to weather the adverse recessionary effects on the budget even more effectively.

Thus, the operating and development expenditure allocations in 1982 were reduced by about $3,489 million in the middle of this year. This was done after very careful consideration, in order to ensure that the priority sectors, especially those pertaining to the achievement of the new economic policy objectives, were not adversely affected.

At the same time, the government has undertaken the necessary measures to ensure that government spending is more strictly controlled and maintained at the lowest possible level.

For example, the government has undertaken a review of its manpower needs and decided to freeze the filling of vacancies and the creation of new posts in all categories of the public service, especially those in category d, except for the most essential ones.

The government has also minimised expenditure on transport and travelling and has confined the holding of meetings, seminars and conferences, wherever possible, to government premises.

The use of such utilities as electricity, water supply, telephones, stationery, furniture, equipment and other office supplies in government departments have also been curtailed.

Consequently, the 1982 budget will now turn out to be very different from the original estimates. The budget's operating estimate of $17,319 million is now expected to be reduced to $16,185 million.

Budget revenue is now estimated at about $16,434 million compared to the 1982 budget estimate of $17,683. This will give a small budget surplus on the current account of about $249 million, as compared to the original 1982 budget estimate of $364 million.

Furthermore, we have carried out a careful review of our development expenditure allocation for 1982 according to priority and in such a way that it has been possible to reduce the original allocation from $14,632 million to $12,881 million.

Indeed, the 1982 budget would have recorded large deficits if not for these expenditure restraints.

The honorable members will appreciate that these decisions to reduce budget expenditures were difficult. They had, nevertheless, to be taken, so as to cut our coat according to our cloth.

We will continue to exercise strict financial discipline, especially during these difficult times of international recession.

We would have taken the easy way out by borrowing even more, to maintain higher levels of operating and development expenditures in 1982 but we did not want to do so, as this would have led to more acute financial and monetary strains, not only during this year but for next year as well, and indeed for as long as this recession lasts.

I have indicated earlier that the international economic prospects for 1983 are expected to be better than this year. However, there is still considerable uncertainty.

In any case, any sustained economic recovery will only be gradual and occur in the latter, rather than in the earlier part of next year. A great deal will depend on what the industrial countries will do to improve the international economic situation. We cannot, however, depend on and wait for the industrial countries to take effective initiatives.

We will have to do what needs to be done by ourselves--to ensure that we achieve our socio-economic objectives--within the framework of our limited financial resources.

We would have liked to be strongly expansionary to overcome the adverse effects of the international recession. This we can do if we are absolutely sure that the world economy will recover strongly enough next year. But this is something we cannot really be certain about.

We will therefore have to continue to adopt, as we have always done, a cautious and pragmatic approach in the management of our economy. We have seen recent examples of many industrial, as well as major developing countries, that have been severely shaken to their foundations by the global recession.

We want to be careful not to get anywhere near this kind of precarious situation.

At the same time, we cannot afford to cut back too much on government expenditures, especially on our socio-economic development. We have to continue to provide the basic government facilities and services, especially to the lower income groups, to protect them as far as possible from the economic difficulties brought about by this international recession.

In the circumstance, the government can only incur expenditures consistent with its financial resources.

Since we must and will exercise prudence in our domestic and foreign borrowing, we will have to depend more on the government's own fiscal capacity to finance its services and its socio-economic development programmes, and at the same time safeguard the security and defence of our nation as well, for the benefit of our people.

We will ensure that the private sector will not be denied adequate access to the domestic banking system. This will enable the private sector to play a more dynamic role in complementing the government's efforts to stimulate economic growth.

We will continue to tap the international capital markets, but here again our financial prudence will dictate the limits. This is necessary to maintain the high credit standing that we enjoy and the strong business confidence and favourable investment climate that is our proud tradition.

Having taken all these factors into consideration, the government's overall budget strategy for 1983 will be to:

Consolidate and strengthen the federal government's financial position in line with available resources;
Improve and strengthen the underlying balance of payments situation; and,
Maintain a satisfactory rate of economic gorwth with price stability.

To consolidate and strengthen the federal government's financial position, the 1983 budget expenditures will be generally restrained to strike a proper balance between the need to maintain a strong budget and price stability.

Thus, I propose to appropriate a total of $28,749 million for the 1983 budget. This will comprise $17,079 million or 59.4 percent for operating expenditure and $11,670 million or 40.6 percent for development expenditure.

About 10.7 percent of the operating expenditure or $1,819 million, is provided for economic services and 26.2 percent or $4,472 million is provided for social services.

About 29 percent or about $4,955 million is intended for fixed charges, such as pensions and public debt, while security and defence will be provided with about 17.5 percent of the operating expenditure or about $2,994 million.

The development budget will continue to accord the highest priority to the economic sector, which would include major allocations for agriculture, land development and drainage and irrigation. Thus, more than half of the development expenditure i.e. about 52 percent or $6,086 million, will be provided to the economic sector.

Another important priority sector, the social sector, which includes education and health, will be provided with about $2,522 million or about 21 percent of the total development expenditure. Education and health will, in fact, get increased allocations over the revised 1982 development expenditure.

A sum of about $189 million has been allocated for health programmes.

As a revenue measure, I propose to increase the rate of sales tax from 5 to 10 percent. This tax currently affects only about 25 percent of the goods imported and produced in the country.

The balance of payments is expected to continue to remain under strain in 1983. However, with the coming on stream of liquified natural gas exports next year as well as the increase in crude oil production and exports, the merchandise account is expected to show an improvement over 1982 with a small surplus of $99 million in 1983.

The service account will continue to show a large deficit of $6,691 million, compared to a deficit of $6,093 million in 1982. Consequently, the deficit in the current account is expected to continue to be large in 1983, amounting to $6,670 million.

The overall balance is, however, projected to show a smaller deficit of $237 million compared to this year, due to strong long-term capital inflows.

Thus, net external reserves are projected at a level of about $9,000 million, which will be sufficient to finance about 4 months of retained imports.

Under agricultural development, a sum of about $177 million is proposed to be allocated to implement the various integrated agricultural development projects or IADPS as a concrete measure towards increasing the productivity and incomes of farmers.

The government will continue to provide subsidies in order to restrain price increases for essential foods and commodities and to provide the incentive to increase food production.

Thus, a sum of about $1,237 million is provided in the 1983 budget to cater for subsidies for such items as diesel and petroleum products, purchase price of padi and fertilisers. The largest allocation is for the subsidy of diesel and petroleum products amounting to $750 million.

The subsidy for the purchase price of padi amounts to $180 million. As an effort to reduce the costs for padi planting and to increase its productivity, a sum of $90 million is allocated for the subsidy on fertilisers, which is expected to benefit about 365,000 farm families.

Over the past 2 years in particular, I have observed that businesses and manufacturers who import, have gained considerably from the continuing strength of the ringgit in the face of global inflation.

Yet, such benefits are seldom passed on to the consumers. Since the beginning of 1981, the ringgit has appreciated by 31 percent against the pound sterling, 33 percent over the Japanese yen, 20 percent vis-a-vis the Deutschemark and nearly 13 percent compared with the Swiss franc.

Most glaring have been the prices of goods from Japan and Germany, where inflation has been low for the greater part of this period. Yet, the prices of consumer goods imported directly or based on components from these countries have continued to rise at a time when they should have fallen significantly.

It appears to me that our distributive system has become increasingly more inflation biased. We shall need to change this. And this we shall do if competitive forces in the private markets remain grossly imperfect, to the detriment of our consumers.

In order to maintain and promote economic growth particularly in the private sector, programmes under the transport sector will be given priority with an allocation of $1,973 million.

This includes $823 million for roads and bridges, $555 million for ports and marines, $310 million for railways and $275 million for civil aviation.

A sum of $461 million is provided for communication programmes which include $438 million for the provision of additional telephone lines and telex facilities.

Honorable members will agree that, unless we can protect our national sovereignty and independence which is even now being threatened by internal and external enemies, our economic development and achievements could be seriously jeopardised.

Furthermore, private investment can only expand within a climate of business confidence, which in turn can only be assured through a sustained sense of security. Defence and security will, thus, be allocated a total of $2,483 million or about 21 percent of the development expenditure.

I want, however, to also assure honorable members that the government is conscious of the need to balance government spending on both socioeconomic development and security, and that neither sector will be allowed to get more than its fair share of total government expenditures.

The economic prospects are generally expected to be better next year. With the strong backing and mandate from all sections of our society, we expect the Malaysian economic performance to improve next year. The gross domestic product is estimated to be about 4.9 percent in real terms.

The balance of payments merchandise account is estimated to register a small surplus, after being in deficit for the last 2 years. The budget current account will also continue to remain in surplus, despite the recession.

However, our economic growth could be even higher if the global economy performs better than currently expected.

Further reductions in the international interest rates to more reasonable levels will definitely encourage the private sector to take greater initiative to expand.

The construction industry, in particular, would then be able, with stronger government backing, to grow much faster. These positive developments could then enable the Malaysian economy to recover even more strongly to attain a growth rate of about 6 percent in real terms in 1983.

The 1983 budget strategy has been designed to help strengthen our economic resilence and counter the adverse effects of the international recession. The significant tax efforts that I have proposed, reflect our will and determination as an independent and sovereign nation to draw more upon our own national strength and to rally the support and cooperation of all our people round the banner, to face the present difficulties and, indeed, to face the future more resolutely with greater self-reliance and self-confidence.

The measures embodied in this budget will also contribute to the realisation of our national aspirations to build a more equitable and united nation. Those who can afford will be contributing more towards protecting the interests of the less fortunate through the more equitable sharing of the burden of recession.

In this way, we will all be able to put our shoulders to the wheel to ensure that the Malaysian economy will continue to be strong. The economy will then be able to successfully sail through this rough recession and be better prepared to gather momentum and move ahead, when international economic recovery really takes place.

The government has taken the necessary initiatives and made some hard decisions in keeping with the pragmatic style of the Barisan Nasional [National Front] government in dealing with our problems. As honorable members are aware, we have always strived to do what is best for our country and our people, regardless of considerations of popularity.

When times were better we could afford to be more relaxed and generous. Now, with the difficult times brought upon us by the world recession, we have to do what needs to be done, without flinching.

We are grateful to God for His guidance and protection against greater setbacks that would have befallen our country and our people resulting from the world economic recession.

With the loyal support of all our people, from all walks of life, we shall overcome our present problems. I have great faith in the genius of our people, in our capacity for innovation, inventiveness and higher productivity.

Under the determined leadership of the Barisan Nasional government, I have no doubt that, God willing, these inherent qualities of our people will blossom forth and make their mark in our quest for a greater and more abundant future.

CSO: 4200/53

TOPICS FOR GHAZALI'S ROK VISIT REPORTED

BK271531 Hong Kong AFP in English 1020 GMT 27 Oct 82

[Report by Nug Nair]

[Text] Kuala Lumpur, 27 Oct (AFP)--South Korea's proposal for a Pacific nations summit will be explained at length to the Malaysian foreign minister, Tan Sri Ghazali Shafie, who is leaving for Seoul tonight on a 3-day visit.

President Chon Tu-hwan, who mooted the idea earlier this year, looks forward to getting positive support for the proposal from Malaysia and other Association of Southeast Asian Nations (ASEAN) countries, according to the South Korean ambassador here.

The ambassador, Mr Choe Ho-chung told AFP today that the proposal sought to create a consultative mechanism under which top leaders of the Pacific rim countries could discuss problems of mutual concern and expand cooperation. The first summit could be followed by similar consultations periodically in different capitals.

He said that the president, in making the proposal, felt that the time had come for the leaders to participate jointly in the creation of a "great Pacific age" to promote peace and prosperity in the region. Summit level consultation would be the most effective way to overcome the obstacles and challenges that stood in the way of realizing the "Pacific age."

The ambassador noted Malaysia's stand, expressed by the Prime Minister Dr Mahathir Mohamad, last week that "before anything positive is done, the countries concerned should study the proposal very carefully."

Mr Choe said that the Malaysian foreign minister would have the opportunity of full discussions with his counterpart in Seoul, Mr Yi Pom-sok, during his 3-day stay in the Korean capital. Tan Sri Ghazali will also call on President Chon Tu-hwan.

Mr Choe said that the initial reaction to the proposal of Malaysia, which was similar to that of Indonesia, was satisfactory and as expected.

Malaysian Foreign Ministry sources said that a lot of things were vague about the proposal at present.

The Pacific rim touched a large number of countries, embracing such nations as South and North Korea, the United States, Japan, the Soviet Union, China and small Pacific island nations with differences in political outlook, ideology and levels of development.

The South Korean view appeared to be that the ASEAN countries would have a decisive say in choosing the list of summit participants.

Mr Ghazali's discussions in Seoul would cover regional problems including the latest developments in regard to Cambodia.

He would seek South Korean support and assistance for President Sihanouk, whose Democratic Kampuchean coalition government secured a massive majority in the UN General Assembly for its continued seating in the world body.

The South Korean leaders are expected to explain to Mr Ghazali their proposal on reunification of the divided peninsula.

CSO: 4200/53

BRIEFS

MAHATHIR IN PAPUA NEW GUINEA--Datuk Sri Dr Mahathir Mohamed has arrived in Papua New Guinea [PNG] for a 2-day official visit. On arrival, the prime minister and his wife were received by his counterpart, Mr Michael Somare. The prime minister's visit immediately after the commonwealth regional meeting in Fiji is to reaffirm friendship between the two countries. He said that Malaysia places special interest in PNG because of its observer's status in ASEAN. It is also a special link in developing a meaningful communication between members of the Pacific forum and ASEAN. Malaysia feels the two countries share many similar ideals and aspirations in meeting the challenges of national development. Several areas of bilateral cooperation are expected to be identified during the visit. A Malaysian spokesman says that PNG is seriously considering establishing diplomatic representation in Malaysia. [Text] [BK190926 Kuala Lumpur International Service in English 0800 GMT 19 Oct 82]

CSO: 4200/53

MORE ADB ASSISTANCE PLANNED

Kathmandu THE RISING NEPAL in English 22 Oct 82 p 1

[Text] Mr. Masao Fujioka, the president of the Asian Development Bank, Thursday morning said more financial assistance from the Bank was on the pipeline as it was "very easy to assist" Nepal develop the priority sectors of agriculture and water resources.

He explained at a press conference before leaving for Dhaka, Bangladesh, that this was so because the Bank was in "full agreement" with His Majesty's Government regarding many important policy issues such as the priority accorded to the development of the two sectors.

Mr. Fujioka said that although total quantum of assistance expected from the Bank could be known only after the preparatory designes were completed, irrigation development in the hills, science teaching in the secondary schools and the energy need for the paper industry were some of the projects under consideration.

The Manila based Bank has increased its lending to Nepal providing about 45 million US dollars in 1981 compared to the first year lending of 6 million US dollars in 1969. This brought the total Bank lending to 264.9 million US dollar in 1981.

The large share of the total Bank lending has been provided to the agriculture and rural development sector (46.8 percent), followed by energy (20.9 perecent), transport (15.8 percent), industry (14.9 percent), and social infrastructure (1.6 percent).

In addition, the Bank's technical assistance of 16.83 million US dollars for the 49 technical assistance projects approved to date reflects similar priorities. Eleven of the technical assistance grants have resulted in Bank loans of 114 million US dollars.

"Our task is to help develop the Asian countries which have the strong will, aspiration and determination to develop the national economy but the main role should be of the country itself," said Mr. Fujioka.

He expressed some worries regarding the delay in project implemention but said he was "very encouraged" to learn that policy decisions were taken to speed up the implementation with encouraging results already being experienced.

The ADB president advocated what he called the "promotion of policy dialogue" which basically aimed at finding "constructive solutions" to improve procedures for ensuring effective implementation of the project.

Regarding Hetauda Cement Factory, he said the project was very important and therefore should be implemented as soon as possible. As for the overrun cost, he said trilateral effort including Nepal, the ADB and co-financing agencies was well under way.

The ADB president and his wife left here today for Dhaka, at the completion of three day visit to Nepal. (RSS)

CSO: 4200/72

SETTING UP OF PAKISTAN-CHINA JOINT COMMISSION LAUDED; BRIGHT HOPES EXPRESSED

Karachi BUSINESS RECORDER in English 21 Oct 82 p 2

[Text] With the setting up of a joint commission, cooperation between Pakistan and China in the fields of economy, science, technology and culture has been, as President Zia-ul-Haq said, institutionalised. Though the relations between these two countries have always been very cordial and kept on expanding with the passage of time, cooperation has been taking place on ad hoc basis. As the situation demanded, the two countries made arrangements to meet each other's requirements. As such, even in the absence of any institution, there has never arisen any difficulty in getting things done. On the contrary, things moved at the desired speed and the two sides have never had any complaints. This has been the result of the very cordial and warm relations which have existed between the two all along. Pak-China friendship is now being quoted internationally as a model of cordiality between countries having altogether different political and economic set-up. This difference has never come in the way of expansion of relations in all the fields. It was China whose active cooperation enabled this country to enter the field of heavy mechanical engineering. The huge complex working in Taxila, is a living monument of the type of friendship the two countries have. This complex is the first big step towards achieving self-reliance for which we have been making frantic efforts all along. We are now making big industrial plants in the Heavy Mechanical Complex of Taxila, including cement, sugar, etc. It is by all means a great achievement which has been made possible only because of China's assistance. This has actually resulted in the transfer of technology in which respect our western friends have always been rather miserly besides being expensive. At his press conference in Beijing the other day, President Zia has also acknowledged this fact and thanked the Chinese friends.

It is heartening to see that the joint commission is being assigned ministerial status.

Besides reviewing the progress on the implementation of protocols signed in specific fields, the commission would also assess and propose further expansion of cooperation and draft new protocols which to be signed by the two sides. Institutionalising the existing cooperation would greatly help in meeting the long term requirements, particularly at a time when this country is getting ready to launch its Sixth Five-Year Plan. It would be in the fitness of things to assess what and how much assistance would be needed for the implementation of the plan and to what extent our Chinese friends can help us. Above all, the decisions taken by the commission would be immediately implemented because of the level at which these decisions would be made.

As regards trade, it has been consistently expanding. It was started on the basis of barter, but now with China becoming a member of the IMF, the trade will be conducted on normal basis. In view of the understanding which exists between the two, this change would not have any adverse effect on the expansion of trade relations. On the contrary, it is bound to increase. The prospects of further expansion in the exchange of goods and services between the two countries have, as a matter of fact, brightened with the setting up of the ministerial commission.

There is no denying the fact that as a result of the personal contacts between the leaders of the two countries, which are still in progress in Beijing, they have come still closer. The fast developing economic relations between these two important countries of the region are bound to strengthen the forces of peace and stability. Viewed in this context, the present Chinese tour of President Zia has assumed added significance. It may also contribute in speeding up the process of normalisation of relations with India and in finding a political solution of the Afghanistan issue.

CSO: 4200/61

MAHBUBUL HAQ ON NEW SOCIO-ECONOMIC ORDER

Karachi BUSINESS RECORDER in English 21, 22 Oct 82

[Article by Dr. Mahbubul Haq]

[21 Oct 82 p 2]

[Text]

In a country where honest intellectual debates on the critical issues of national development are a rarity, I take it as a unique opportunity to invite all of you through the forum and the entire nation—to engage in a national debate on the Sixth Five-Year Plan.

A development plan affects the life of all individual—at least, it must—and, therefore, it cannot be regarded as the private property of any government. For once, let there be a free exchange of ideas on the economic and social issues facing this land of ours. And let no one doubt that we are listening—and listening very carefully—and that we have the necessary will to be guided by those who share an honest concern with the future development of this country, so let a clear message go forth that development planning is too important an exercise to be left to national planners alone, the whole nation must participate in it.

The aims of planning and economic policy in most developing countries are not all that dissimilar. Each and every one of us would like to see a plan embody large strides along the paths of economic growth, socio-economic welfare, and self-reliance. Many would also entertain the hope that these paths should not contain any hardships of taxation and inflation, and even the policy makers contrary to the popular belief, do not take a sadistic pleasure in imposing sacrifices on a complaining nation. Development without tears has been a day dream of many nations—but, unfortunately, it has remained just that, a day dream. Development involves choices, tough choices, some cruel alternatives, balancing of many competing claims, and there is no way—no way whatsoever—that these choices can be avoided. It is to a discussion of these critical choices to which I invite you today.

I have often been asked what kind of development strategy we intend to pursue in the Sixth Plan. And I have just as readily replied that our development strategy must combine a strong production base with a strong social conscience.

This is not a mere slogan, this is not a catchword, this is not to evade the real issue. This is, in fact, the essence of the whole development debate. Like other developing countries, the Pakistan pendulum has swung far too violently from growth to distribution and back again, at different stages of its development. As a nation, we simply cannot afford these violent swings of the pendulum. We simply cannot afford the luxury of creating growth in one decade to distribute it in the next. This will not respond to the national aspirations. Nor will this be a very realistic strategy. The real challenge today is to

bring the policies of growth and distribution close together, and they can be brought together only if the general masses participate in production, employment and social services at all levels of society. In the final analysis, economic development will mean little to our people if it does not touch their daily lives.

REAL CHALLENGE

Let me present a concrete example. We are presently exploring the feasibility of a six to seven per cent growth rate in gross domestic production in the Sixth Plan period. If we attain a 6.5 per cent growth rate in GDP, we can provide for the growth in population and still allow for an improvement of Rs. 800 per family per year, or about 20 per cent over the Sixth Plan period.

The real question is not whether such a rate of increase in family income is necessary. It is imperative at our level of poverty. Instead, the real question is how to ensure that all families equally share in such an increase. How to make certain that this increase is not for privileged few? How to enforce policies which will enable each family to obtain their increase of Rs. 4,000 per annum over the next five years? In fact, how to make sure that the poorer families get higher than this average amount and the richer ones get lower than this average amount? This is where the formulation of an incomes policy becomes necessary alongside the production policy.

There can be many elements in this incomes policy: There must be a rapid spread of production and employment opportunities to embrace all sections of the society. There must be greater emphasis on small farms and small industries and workers of small means everywhere. There must be indexation for the incomes of the fixed income groups, particularly urban middle class which is badly squeezed by the inflation. There must be social safety nets available for the poorest and the indigent. There must be a regular monitoring of the distribution of income in the country between various income groups, between rural and urban areas, between various economic sectors, so as to make timely corrections through the fiscal policy and other means.

This confronts us with the first major issue in the national debate on the Sixth Plan. I invite all to give careful consideration to this ever present danger in many developing countries where the total production of a nation increases without a corresponding increase in the economic welfare of its masses. We have witnessed an improvement in income distribution recently, thanks to fast expanding farm incomes, workers' remittances and introduction of Zakat. But we must debate seriously how economic growth is going to be distributed in future and through what policies, and how to manage all this without weakening production incentives. The answers are by no mean simple or facile. This is one of the most stubborn issues in the national economic policy anywhere in the world. I will look forward to your ideas and thoughts on this question.

MAJOR THRUSTS

Let me now take up some of the major thrusts that we envisage for the Sixth Plan, with the caution that my statement is not intended to portray a comprehensive picture of what the plan will contain. Irrespective of the fact that priorities may be assigned to one objective or to one particular sector. It is quite clear that advances have to be made on all fronts in the interest of balanced development. However, each plan makes certain departures from preceding ones in response to changing perceptions and requirements of the economic situation. It is to those new departures, new initiatives, and new perceptions that I would like to invite your attention. I am quite conscious that there will be many complaints that some important sector or policy theme has been ignored or omitted but that is an inevitable risk—and an entirely acceptable one—in any effort to be selective.

One of the principal objectives of the Sixth Plan will be to bring about a real transformation in our rural scene. Despite strong urbanization and industrialization over the last three decades, agriculture and rural areas continue to form the backbone of the economy. They provide one-third of GDP, one-half of total employment and the source of three-fourths of our exports, and over 70 per cent of our population lives in these areas.

It is a major lapse of our past development that so much remains to be done to ensure an even spread of development between rural and urban areas. In many ways, rural areas have slept through three decades of development. Only recently an accelerated increase in agricultural production has brought renewed attention to what is lacking in these areas by way of social services and how much still remains to be done to open them up to economic development and to carry the centres of economic growth back into the heart land of our countryside.

SOCIAL INFRASTRUCTURE

At present, the physical and social infrastructure are hopelessly deficient in our rural areas. About 75 per cent of the 45,000 villages in the country, and numerous small settlements, go without electricity. The rural road network contains less than one-fifth of the prescribed minimum of 0.64 km of roads per sq. km of area. Barely 20 per cent of the rural population is served with safe drinking water. Only a small minority of the rural primary school age children actually go to schools and female literacy hovers around the abysmal rate of five per cent. The outreach of the most elementary form of rural health network misses out 21 per cent of the population. Only 1,000 out of 7,000 doctors in the public sector at present serve in the rural areas.

It is our intention to give the first priority in the Sixth Plan to achieving a decisive break through in the provision of physical infrastructure and social services to the rural areas. Indeed the foundations of the new strategy have already been laid in the annual plan for the current fiscal year wherein special programmes have been launched for rural areas for village electrification, water supply, farm to market roads, primary education and primary health care, small tractors, and other types of farm mechanization on small farms.

It is our intention over the Sixth Plan period to provide electricity to each and every village in the country, to double the network of farm to market roads, to raise the percentage of rural population served with clean drinking water from the present 20 per cent of the population to about 50 per cent, to increase the proportion of the rural primary school age children in rural schools from below 50 per cent to 75 per cent, to introduce a national rural health service (preferably on a voluntary basis, or compulsorily if necessary) and to extend health facilities and basic health care to the entire rural population.

Such a rural transformation will be truly dramatic in its impact. It will be reflected in the daily lives of millions of our people. It will revolutionise our rural life. It will also support and accelerate an agricultural break-through and help

convert this country into a prosperous granary serving its own needs of self-sufficiency and also the export requirements abroad, particularly in the Middle East. Our villages will finally walk into the modern age. But let me be very frank. The rural transformation of this magnitude cannot be engineered by mere technological blueprints or through government actions alone. This must become a national movement. It must involve community participation. It must embrace an active role of elected local bodies, with enhanced development powers. The national debate on such a wholesale rural transformation must take place not only in intellectual forums like this, not only in the national press, but in every village. In every hemlet under the shade of every tree by the village canal, in the confines of every local council. Planners and administrators alone cannot engineer profound social and economic changes.

It is for this reason that I believe that considerable development powers will have to be delegated to the elected local bodies in the next plan period—particularly, for primary schools, primary health care, farm to market roads and rural water supply. We are tentatively planning for ten per cent of the Sixth Plan to be spent directly through the local bodies in addition to the national efforts. Through this forum, I would like to invite all district councils to submit their five-year plans to the planning commission before the end of the year, on the basis of which we shall hold an intensive dialogue with them to determine local needs and priorities and to accommodate them as fully as possible Sixth Plan.

AGRICULTURE

The programmes for the expansion of rural infrastructure will be reinforced with others designed to raise productivity and to encourage diversification in agriculture. One of the major initiatives in the Sixth Plan would be to engineer sizeable exports of food from Pakistan. Pakistan has been exporting about Rs. 50 to 100 crores of food in net terms with the total food exports, principally rice, in the neighbourhood of Rs. 600 crores, while food imports around Rs. 500 crores (principally tea, milk and oilseeds), it is our intention to try to increase these net food exports of around Rs. 50 to Rs. 100 crores at least ten-fold over the Sixth Plan period.

This is not unrealistic. I am not in the business of selling dreams. This can be done. We must replace our oilseed and milk imports gradually through expanded domestic production as well as greatly increase our exports of fruits and vegetables, livestock, poultry, and even flowers, which are presently less than Rs. 30 crores a year. We can readily find markets for these exports in the Gulf states. The real question is whether we can produce sufficient exportable surpluses, maintain quality control, arrange efficient marketing and keep a competitive position in the export markets.

I believe this is one of those national challenges—and, in fact, a natural opportunity—to which all of us must devote very careful thought. Pakistan has, definitely a comparative advantage in the production and export of food. In fact, there is a virgin field here where we can realize tremendous gains in the near future since the export markets are not over-crowded unlike the industrial goods where a protectionist curtain has descended all across the developed countries. But we need to debate many serious issues before we aspire to be a major food exporter. Let me list a few:

—In which commodity should we try to expand our exports? Our present analysis is that our main export potential lies in high value crops like fruits, vegetables, flowers, livestock, poultry, etc., which have been regarded, ironically, as "minor crops" so far and which must now be given the same attention and priority as the major crops received in the past,

—What kind of policies will produce an exportable surplus in food? It is quite clear that we will have to consider the same kind of support prices, research, high-yielding seed varieties and other support services for some of these high value crops which we have so successfully designed for some of our principal crops in the last few years.

—How should the production be organised? Some of this production can take place on small farms with good marketing facilities and even state marketing boards to support them. Some, like livestock, may require corporate farming and corporate management with the introduction of both domestic private sector and some foreign multinationals. This is obviously a sensitive issue which requires a candid national debate.

BALUCHISTAN

Let me also mention another possibility awaiting to be recognised and to be fully utilized in the national interest. I happen to believe that the Baluchistan region, comprising 43 per cent of our land area and containing 15 million acres of cultivable land is one of the richest areas in the country in terms of its agrarian potential. Only about 20 per cent of this cultivable area is actually cultivated now and the yields in many cases are higher than in other provinces. It is time that we focus our national attention on Baluchistan as a new agrarian frontier where a tremendous increase in agricultural production is possible, particularly of fruits, vegetables, and livestock, through bold and imaginative policies of valley development. The missing elements are exploitation of underground water and provision of electricity, roads and other infrastructure. We are analysing this potential in a thoroughly professional manner in the planning commission at present.

If we, as a nation, are to start thinking of Pakistan as a food-exporting rather than as a food-deficit area, a basic structural shift must take place in the national psychology. We will have to get rid of rationing, price controls, control on movements of crops, and many other unnecessary encumbrances which may have been needed in a period of scarcity but which will have no place in our national policies in a period of surplus. More than that, we will have to search carefully for those operational policies and programmes which can realize this latent potential of Pakistan into actual reality in the coming years. ◎

[22 Oct 82 p 2]

[Text]

From agriculture, let me turn now to the programme of industrialization. Despite significant strides, we still have a long way to travel on the road to industrialization. In our view, the Sixth Plan industrial strategy should have three basic elements—import substitution, export-led growth and a genuinely active private sector. Before I elaborate each of these elements, let me make it clear that I am not repeating mere economic jargon but stating something which is pertinent to our current situation, an objective conclusion thrown up by our past wayward industrialization experience.

Our plan is to progressively replace the imports of engineering goods. The present level of the import of these goods is indicative of sufficient domestic demand. The setting up of the steel mill can now lead to the second stage of our industrialization, by emphasising the production and export of engineering goods. A new era of industrialization can start. But let us be aware of the pitfalls. Our raw material costs are high, our labour productivity is low, our skills and technology are missing and our export markets are highly competitive. Our engineering goods sector must be built on realistic plans, not on idle dreams.

In going for engineering goods import substitution, we will be exposing ourselves to the danger of getting even more deeply mired into inefficient production. As we have learnt to our cost, blanket import substitution turns infant industry into sick and old units which become a drain and liability on the economy. To prevent such occurrences, we not only wish to open this area to private sector, but to expose private enterprise to some external competition. Protection will be given but partially, through tariffs, rather than absolutely, through import bans.

EXPORTS, EMPLOYMENT

For exports and employment, we will have to look elsewhere. The engineering industries are capital-intensive and will not absorb much labour directly. With the vigorous mechanization drive envisaged for agriculture to raise productivity, there will be insufficient scope for employment expansion in agriculture either. Under these circumstances, agro-based and small-scale industrial exports, becomes the answer.

The advantages of this approach are more than one. First, being labour-intensive by nature, it will promote employment. Second, the expected productivity gains in agriculture which are likely to emerge through the measures I have indicated earlier and through accelerated mechanization made possible by import substitution in engineering goods, will yield agricultural surplus of no mean size. Export-oriented industrialisation will be the way to utilize these surpluses. Third, and the most obvious, is the acceleration of exports, with relatively smaller domestic resource cost. Fourth, since these industries will be located to a substantial extent in rural areas and proximate towns, especially with the proposed expansion of rural infrastructure, it will be possible to contain rural-urban migration and thus make a decisive dent into the monstrosity of urban sprawl.

Export-led growth through the small scale industry route has these advantages but also confronts some problems. To enter and retain markets abroad, let alone expand sales with time, and to receive a good price requires considerable know-how and up-to-date information of popular designs and changing fashions. Besides, exporters who pay well demand rigorous quality standards, dependable suppliers who meet time schedules and the capability to meet large orders. How should one combine the virtues of small scale production with the demands of importers is a problem but one that can be solved by instituting appropriate designing, efficiently organised marketing through export houses, and adequate lines of credit.

I must re-emphasise the fact that the Sixth Plan will place primary reliance on private sector for the achievement of its industrial objectives. While there is no question of government being in the export expansion industries, the doors will also be open to the private sector in all the import-substituting engineering industries. As far as possible, there will be no discrimination between the public and private sectors. Indeed, the public sector industries have already been taken off the back of the public budget. We do not envisage any significant expansion of public sector industries in the Sixth Plan. The private sector must step forward to make up the

new opportunities.

PUBLIC, PRIVATE SECTORS

Let me take up here a question that has plagued our national economic debates and which must be faced quite realistically. There are advocates of both public and private sector in this country. Each side can come with plausible arguments. And yet the fact remains that this is basically a non-debate and a non-issue. There should be no question of any antagonism between public and private sectors whether in industry or in agriculture, construction, education, health, services, trade or any other field. The two sectors must co-exist within their broadly defined roles. As I see it, public sector has the role of a catalyst. It must create the infrastructure that is needed for private initiative to materialize. Unfortunately both the physical infrastructure of electricity, gas, water, telephones etc. and the social infrastructure are inadequate today. We must give an extremely high priority in the Sixth Plan to removing the present and future physical and social infrastructure bottlenecks. The public sector must also reserve the right to enter where private sector is hesitant to come in because of the large size of the investment, or new technology, or uncertain markets. But in all these cases, the public sector is an investor of last resort when all other avenues of attracting private initiative have been exhausted. Even in these cases, the public sector will welcome and invite the active participation of the private sector.

The truth is that public and private sectors will have to learn to live together in a spirit of co-operation within the framework that we are developing in the Sixth Plan. Each sector can borrow some virtue from the other.

The public sector will do well to learn from the dynamism of the private sector. And the private sector will do well to embrace the social conscience of the public sector. In the economic future towards which most developing countries are heading, it is my own belief that the present sharp distinctions between public and private sectors, will tend to disappear and they will increasingly work in close co-operation and harmony rather than be blocked in a mortal and fruitless struggle.

ECONOMIC CONTROLS

I also believe that it is necessary to keep economic controls and regulations to the minimum necessary for good economic management. We must place our reliance on those policy controls which give appropriate signals and incentives to the economy and gradually eliminate all those detailed administrative controls which leave a large element of discretion with the administrators and which frustrate creative enterprise in the system. Our economic system has tremendous potential if we only let it breathe a little. I have a feeling that we stand today on the threshold of a major liberation of our private initiative and enterprise from unnecessary controls and regulations. But let me also added that private sector, when freed from controls, should not run to the government for rescue each time its enterprises get into trouble. If the private sector would like to be free to live by the logic of the market, it must also be prepared to die by the logic of the market.

Let me turn now to another area of urgent concern which has received limited attention in the past. This is the field of science and technology. I believe that we, as a nation, should feel ashamed of ourselves for having spent only 0.1 to 0.2 per cent of our GNP on research and development when other developing countries have spent about one per cent of GNP or more. It is a national embarrassment today that we have so few scientific research institutions of excellence. We have such a limited number of capable scientists in the country.

We have extended only a tattered financial umbrella over technological advances which were critical for the future of our development. This is not only true of science and technology. It is also true of education and health. In health, we are spending one-fifth as much as other poor developing countries at our stage of development, in education about one-sixth as much. Let me state my own convictions quite frankly. We cannot build our economic future on a largely uneducated, poorly-trained population, which is also in poor physical health. A quantum leap is necessary in all these sectors in the Sixth Plan, for a development structure raised on such weak foundations will neither prosper nor last.

EDUCATION

But this is not merely a question of throwing more resources at these problems. It demands a rethinking on the part of the entire nation. We must decide today what kind of education system we are fostering and whether it is in tune with national priorities. Should we, for instance, devote most of our national resources to primary educatin, down-grading colleges and universities? Should we forget about adult literacy campaigns and try instead to catch the new generation in the primary school age group? Should we denationalize our schools and bring in more private initiative? Should we let the local bodies build primary schools, particularly in the rural areas? Should we spread a network of artisan schools all over the country to train intermediate skills needed within the country and in the Gulf markets? Should we focus on improving existing colleges and universities and put a stop to mushrooming new ones? Should we try to get at least one or two departments of excellence, even privately endowed at each university than try to diffuse our scarce resources and energies in improving every discipline and every department which may prove to be impossible in any case? Should we also set up one or two private universities, privately endowed, with entirely different salary structures and academic standards, to set an example and competition for the public universities? These and many other questions should trouble our collective national mind in the coming debate.

I request you all to focus on them.

There are similar questions in the field of health, which have been articulated in the new national health policy recently announced by the government. Even more urgent questions await us in the field of technology. What kind of scientific research institutions should we support? What concrete programme should be developed, what research priorities adopted, what new initiatives taken? Do we, for example, need more institutions focused on applied research like water-logging and salinity, better on-farm water management, indigenous building research, rural energy and other such issues for which the nation has to find its own answers rather than to keep relying on imported knowledge or foreign consultants?

I believe we are only on the threshold of such a national debate. I am convinced that in all these sectors we may have to increase the level of expenditure by about three to four times over the next plan period. We are fully prepared to accord the necessary

priority to these neglected concerns in the Sixth Plan but the issue I just referred to, along with other organizational and institutional issues, are going to be decisive for the success of any such programme.

PUBLIC SERVICES

Another issue we must debate is the inadequate public services in many fields: for example city bus transport, urban and rural water supply and low income housing. Many of these services are breaking down under the pressure of population growth and influx of people into the urban areas. We need a visible improvement in these services in the Sixth Plan. We have been debating among ourselves in the Planning Commission various technical proposals and programmes to arrange such an improvement but let me mention here one issue which comes back again and again to haunt us in all our internal debates. That is the fundamental question of who is going to pay for expanded and better services. At present, many of our services are running at a tremendous public subsidy.

In education and health, the subsidy is above 95 per cent, in city transport and water supply, there is also a very high subsidy. Since tax resources are always limited and subject to so many competing claims, there cannot be adequate provision for these social services and after sometime they begin to deteriorate. Unless the direct beneficiaries from these services are prepared to pay an increasing share of their maintenance, it is going to be impossible either to expand them or to improve them over time. We believe that a very strong case exists today for the introduction of user charges in all our public services.

In fact, failure to institute cost recovery in these services leads to poor maintenance of assets and denial of funds for future investment to satisfy expanding needs.

If the user does not pay, he or she enjoys an un-merited subsidy, while the society as a whole suffers either by paying taxes that are not recovered from the users or by suffering in the form of deteriorating quality of services. Furthermore, the development programme is increasingly reduced in time to a rehabilitation and reconstruction programme rather than one creating new assets.

SUBSIDIES

We all realise that the introduction or enhancement of user charges to reduce government subsidies over time is a very unpleasant exercise, both economically and politically. But I see no escape from facing up to this national dilemma. Either the users pay, or the whole society pays, or the services are poor and disappear over time. I do hope that in your coming debate you will frankly address this issue and advise us how best we can tackle it during the Sixth Plan period.

There are many other issues that I could have touched upon from national resources to foreign assistance, from dependency to self-reliance, from nutrition to population planning. All these are urgent concerns on which there is an intensive dialogue going on in the context of the Sixth Plan preparation but there is hardly any time to cover every aspect of the debate here. That is why I have been deliberately selective. I am sure that in your deliberations many more issues will come up which I have not even mentioned. I can assure you that we shall look forward to this debate and to its major conclusions. Many of my staff members from the Planning Commission will be participating in your deliberations and learning from it. And I hope that this debate will spread outside these halls, to farms and factories, to schools and streets, to every corner of this country, because without involving the entire nation we cannot have a representative plan.

CONCLUSION

Let me add a final thought. Development has been defined in many ways. Many scholars have spent their lives researching its true meaning and content. To me, the message of development is simple. It is reflected in the happiness of a rural family whose home is suddenly brightened by electricity. It is mirrored in the faces of those children who for once get an opportunity to lead a healthy and educated life. It is expressed in the relief of a simple farmer who no longer has to bend down to drink polluted water from a dirty pond. It is measured by the full reward of an honest day's labour.

I have often been asked, what are my yardsticks to measure economic progress. My yardsticks are not very sophisticated, they are simple. I believe that if even a single child cries in the middle of the night for want of milk or food, then in some personal way our development planning has failed. We all have failed. For a plan must have a soul. It must have a human dimension. It must be rooted in the economic needs and cultural values of a society.

I have talked today, therefore, about national choices, without touching upon GNP growth rates, saving and investment targets, balance of payments projections and many esoteric numbers. They are necessary no doubt. They bring, in fact, real joy and comfort to many planners. But they are essentially means. They are not the end of development. Far too often, we have lost this distinction.

We shall judge the impact of the next plan, therefore, in terms of its impact on family incomes, employment, social services and basic needs. I hope you will not forget this in the heat of your national debate on the new socio-economic order. Your real judges site outside this hall. Not many of them are here. We need to address them, not only ourselves. We need to listen to them, not only to each other.

In the final analysis, a plan must mirror the aspirations of a nation. It may not be possible to accommodate everything that every one desires within a five-year period. But at least the choices must be debated objectively and honestly. When it really matters, development will be judged not by the planning commission or by the government or by the World Bank or by the intellectuals of this country, it will be judged by the people. I am conscious of that responsibility. It is in that spirit that I would like to debate these national issues in all possible national forums in the next six months and I hope that I shall have your full support in this national endeavour.—APP.

CSO: 4200/61

NDP LEADER HOLDS PRESS CONFERENCE

Karmal Government Recognition

Karachi JASARAT in Urdu 21 Sep 82 p 2

[Article: "Haji Bilore Advises: 'The Government Should Recognize the Karmal Government'"]

> [Text] This news item was suppressed on the advice of the police, but was published by a local contemporary on Monday. The item is presented here for the consideration of JASARAT's readers.

Karachi, 20 September (Staff Reporter): Haji Ghulam Ahmed Bilore, the secretary general of the defunct National Democratic Party [NDP], pressed the Government of Pakistan to recognize the present Babrak Karmal government in Afghanistan, and instead of indirect talks, start direct negotiations with the Afghan rulers. "Solutions will be forthcoming only when direct negotiations are held," he said while addressing a press conference the other day at the local press club. He said, "Today the army is not being sent to any area of the country. In the past, when the army was sent to Baluchistan we suffered violence and injustice. Even so, for the sake of the country's interests, we are allied with the People's party." Mr Bilore said, "If instead of a military junta, the country was being run by a political administration, Russia would not have come out of Tashkent and Samarkand and reached Turkhom near our borders. Russia's presence on our borders is the result of our government's mistakes." In answer to a question, he explained, "Changes have occurred in Afghanistan that our government refuses to recognize." He said, "A government that is itself 'de facto' is not taking a correct position when it refuses to recognize another de facto government. In the entire area, from Bangladesh to Afghanistan, only Indira Gandhi's government is an elected democratic government. There would have been some justification if Indira Gandhi's government had adopted this attitude. But Indira Gandhi did not do so. If we had recognized Afghanistan, Russia would not have reached Turkhom." Bilore said, "A great power 10,000 miles away does not want supporters of Russia to stay in power in Afghanistan. This great power has used every means possible to bring about a change in Afghanistan. What this great power is doing and what the Pakistanis are doing is

no secret. We are no longer a buffer state, we are now a sandwich state. The Russians will not tolerate having their friends in Afghanistan suffer a setback while a great power, 10,000 miles away, establishes its hegemony over a country near Russian borders." He said, "There is only one way of dealing with the present situation, namely, the country should be returned to the statesmen. Perhaps then it will be saved, because the course we have chosen at present is headed toward disaster." Bilore, said, "Sindh and Baluchistan are not part of the government; if the present administration stays in office, the people of Sindh and Baluchistan will be forced to conclude that either they will have to live as slaves or look in a certain direction to obtain their rights and freedoms." He said, "Russia's path will not be blocked by invoking the name of Islam. The Russian shortcomings enumerated in this country, exist here as well. There may not be any democratic freedom in Russia, but they have bread, clothing, educational and medical facilities. The people of the frontier areas do not think that Russia's arrival would be bad. It would not give us all the things we are deprived of, but we will get food, clothing and other such items." In answer to a question regarding the Afghan refugees, Mr Bilore said, "It is a historical fact that all those who came here from the Khyber Pass have stayed. Today everyone is giving aid to the refugees from Afghanistan, but tomorrow this aid will stop and these people will become a burden on our economy." He agreed that subversive elements could enter the country in the guise of refugees and said, "If we can create trouble, so can others." He added, "In the past, the people took to the streets to show their opposition to a party and to an individual. Today, the question is, if the people take to the streets, whom will they be opposing?" He said, "We think that under the present conditions, the people are not opposed to Zia-ul Haq, but to the military government. When a nation fights against its own army, then nothing short of divine intervention can save it." He added, " if political activists think this way, then the military also should think along the same lines, before the people take to the streets. It is not enough to set up an advisory council. One hears of Islam day and night, but Zakat [religious tax] is deducted from bank interest." He said, "If these people had brought Islam to the country, our reaction would have been, hail and welcome. But they are not establishing Islam." Haji Bilore said, "Martial law supersedes Islam in this country. Those who sit in the lap of martial law and talk of Islam and Pakistan's objective are the enemies of both. They give Islam a bad name. They should praise martial law and not invoke Islam." He said, "Those who deny God and his prophet have the right to express their views in this country, but the opponents of political views are not allowed the right to life. Every political school of thought should have the freedom to express its views." He added, "A political murder was committed here the other day, and we condemn it. But we are not ready to accept that this was a martyrdom for Islam. We condemn Bhopali's murder, but we do not accept that he was martyred for the sake of Islam. He did not die for Islam but for martial law; for Zia-ul Haq. Under the present system of government, whoever dies to give permanence and supremacy to martial law will be a martyr for the cause of martial law. The matter should not be presented in a false light." Mr Bilore said, "Ever since the creation of Pakistan, we have been fighting for fundamental rights. We do not wish to be separate from Pakistan. Is not Pakistan our country? But we are still accused of treason. Under every administration, there have been complaints of the lack of a free judiciary, of free administration, a free press and free parliament. The time for words

is past; political activity should be allowed in the country because only the opposition can show the correct course to the rulers. No one's life, property, or honor are safe in the country today." In answer to a question, he replied, "The party has taken no decision about allowing the Biharis of Bangladesh to come to Pakistan. However, if everyone is allowed into Pakistan, then the hundred million Muslims of India who are tired of mistreatment by the Hindus should also be allowed to immigrate to Pakistan." In answer to a question referring to a difference between the Biharis of Bangladesh and the Muslims of India, he agreed that there was a difference, but that the party had not given consideration to the matter. He said that ideologically, Pakistan was the country of all the Muslims of the world.

Editorial Criticism

Karachi JASARAT in Urdu 21 Sep 82 p 3

[Editorial: "This Is Open Treason."]

[Text] In a press conference held at the press club the other day, the proceedings of which we were prohibited under government orders from publishing, Mr Ghulam Ahmed Bilore, the acting secretary general of the defunct NDP [National Democratic Party], a member of the Movement for the Restoration of Democracy, openly advocated treason. We are surprised that the officials of the Information Agency thought it necessary to stop the publication of the press conference, but failed to enquire whether whatever laws there are in the country allow individuals to invite foreign powers into their own country. If the law does not allow such an action, what legal measures should then be taken toward an individual who issues such an invitation to foreign occupation? The government has not said yet what it has done toward fulfilling its responsibilities in this regard.

According to reports published by our colleague newspapers, Mr Ghulam Ahmed Bilore claimed in his press conference that the people of the frontier areas hold the view that it would not be a bad thing if Russia took over. They might not gain democratic rights, but they would at least get food to eat and clothes to wear. In the press conference, Bilore also demanded that communism and socialism should be given the freedom of propaganda; that Russia could not be stopped with shouts of Islam. He also proposed that our government should recognize whatever has taken place in Afghanistan; that one should not listen to a country 10,000 miles away.

Consider this first of all. What direct connection is there between Pakistan's policy and what Ghulam Ahmed Bilore has said? Is he a Pakistani politician or a Russian agent? Another noteworthy matter is that the individual who is inviting Russian occupation of Pakistan and who does not consider becoming the slave of Russia such a bad thing is the secretary general of the party whose leaders claim that they fought the war of freedom and drove out the British. These self-made heroes of freedom now want to give the country which is free of the British to the Russians. Is not this open treason? And will silence about open treason be called tolerance and diplomacy or surrender to traitors? In answer to a question regarding the recognition of the

government of Afghanistan, this same party's Begum Naseen Wali Khan said that she did not look beyond her country, that the government had the right to recognize or not any other government; and that her party had not decided yet about the recognition of the Karmal government. This same party's secretary general sees everything beyond the country and, concerning a matter about which Naseem Wali Khan said the party had made no decision, Ghulam Ahmed Bilore demands that all that occurred in Afghanistan should be accepted. How should these contradictory statements be interpreted? Is Naseem Wali Khan right or is the party's secretary general? We ask Sardar Sherbaz Mazari, who is a great patriot, if he supports the traitorous views of this party's secretary general. If he does not, then why does he accept the right of Bilore to be the secretary general and to express such views? Sardar Mazari should answer this question.

Ghulam Ahmed Bilore's statement cannot be explained away. What he said in an open press conference was heard and seen by dozens of open ears and open eyes. We await the reaction of both the government and the party leader Sardar Sherbaz Mazari to Bilore's traitorous views.

This individual who is demanding propaganda freedom for communism and socialism should first demand the freedom of advocacy for Islam in the Soviet Union. Ghulam Ahmed Bilore's reasoning is that what happened in Afghanistan should be recognized, and no attention should be paid to what a country 10,000 miles away wants; as though the problem is not one of Afghanistan's Muslims nor of the 3 million refugees who have come to Pakistan; and that the decision not to recognize the Karmal government was taken only to please the United States. Such reasoning belongs only to a Russian agent, and not to a spokesman for Muslims.

9863
CSO: 4656/4

DISAPPOINTING PERFORMANCE OF SIND IN THE FIFTH PLAN DISCUSSED

Karachi BUSINESS RECORDER in English 14 Oct 82 p 2

[Text] The disclosure that most of the Fifth Five-Year Plan targets for the province of Sind could not be achieved mainly due to lack of funds, is really disappointing. The 10 to 50 per cent achievement of targets in various sectors is surely a dismal performance. This will also create doubts in the minds of the thinking people about the working of the entire planning structure. Couldn't our planners visualise the resource position when the plans were being made? Was it not possible for them to foresee the difficulties which might arise in the implementation of the plan including the price escalation during the plan period? Were the targets too ambitious to be achieved? These are some of the questions which crop up when an assessment of implementation of the plan is made.

Sind is the second largest province of the country population-wise. Economically, it may be termed the most advanced region of the country only because of the fact that Karachi, the only sea-port and the most industrialised city, is a part of Sind. As such the province's contribution to the national revenues as well as to the national income, is the highest. However, the interior of the province is as backward as any backward region of the country. This calls for preferential treatment of the interior of Sind in the overall development strategy of the country. But, on the contrary, only because of the affluence of one city, the interior is discriminated against in the development strategy. A greater share of the province's resources need to be earmarked for improving the social sector, namely, health and education. The achievement in these two sectors has been most disappointing. According to the report published in our yesterday's issue, only 40 per cent of the target fixed for health services could be achieved in the plan period, while the performance in the education sector has been still less

satisfactory. In this sector, the position regarding enrolment at primary level further deteriorated as it was recorded at 10 to 30 per cent in various districts of the province. As a result, additional pressures built up in the colleges and schools in the urban areas. It is, indeed, regrettable, that health and education sectors even in the national development programme, never received the importance they deserved. The planners treated them as non-productive sectors forgetting that the influence of these two non-productive sectors over the productive sectors is immense. For the efficient and speedy performance of the productive sector, the improvement in these two sectors is imperative. No plan, however realistic it may be, can succeed unless education and health sectors make good progress. This is not anything which one should tell the planners to do. It is as obvious as anything. A better educated and healthy person is capable of putting the scarce available resources to maximum use. Hence, for the maximum and better harnessing of these resources, the quality of the human resource in the country has got to be improved. However, it is heartening to see that in the next Five-Year Plan these sectors are being treated on priority basis and larger allocations are being made for their development. It will not be out place to note here that despite financial constraints Sind Health Department is making the best possible use of the resources at its disposal. Some of the measures taken in Sind to enlarge the scope of medical facilities are good examples for other provinces to follow.

According to our report, Sind was allocated a sum of Rs. 900 million for the implementation of 5th Five-Year Plan. As against this, it received only Rs. 4000 million. These allocations were made five years back. During the five years the plan was to be executed, cost escalation has been immense. This means that the actual receipts fell much shorter than the original allocation. How could it, then, be expected to achieve all the targets fixed in the plan? The shortfall was inevitable.

As regards other provinces, we feel, the situation would not be very much different from that of Sind. It is time that a proper assessment of the performance of the 5th Plan was made. The Sixth Plan is to be launched in July next. But before that a survey of the achievements of the Fifth Plan is imperative. It will help in identifying the shortcomings and difficulties which might arise in future and in planning how to overcome them. If the dismal performance of Sind is to be taken as an indicator, we will have to be very cautious in fixing the next plan targets and making allocations. It is to be hoped that the Fifth Five-Year Plan performance would not be repeated during the Sixth Five-Year Plan.

CSO: 4200/59

BETTER TRAINING FOR POLICE, RAPPORT WITH PEOPLE RECOMMENDED

Lahore THE PAKISTAN TIMES in English 14 Oct 82 p 4

[Editorial: "Drive Against Terrorism"]

[Text] Opening the general debate on the recent spate of terrorism in the country in Majlis-i-Shoora, Federal Interior Minister Mahmood A. Haroon assured that the Government was fully awake to the situation and was taking steps for the security of the common citizen. He admitted that because of their superior arms the saboteurs had been able to carry out acts of sabotage initially, but said they had now been contained by employing trained anti-terrorist squads and supplying better equipment to police. The Interior Minister said that to deal with disruptive elements on a firm, long-term basis President Zia-ul-Haq had recently held a high-level meeting, participated in by the four Provincial Governors, Ministers and Inspectors-General of Police, at which some important decisions were taken. One of them was to organise proper training of police personnel in the light of the Mitha Commission recommendations on the subject. The force is also being supplied with better weapons and transport equipment. By now over 150 anti-terrorist personnel have been trained and sent to the Provinces for duty. A number of police officers are also being sent abroad for anti-terrorist training. At the same time special cells have been formed in the Provinces to collect information about disruptionists and their nefarious designs. Mobile and foot police patrols have been ordered to be on 24-hour duty on the highways, and the Provincial Governments have been asked to improve forensic laboratories and maintain dog squads to trace out criminals. Mr. Mahmood Haroon said that Martial Law Regulation No. 53, recently promulgated, showed how determined the Government was in tackling terrorist elements. He disclosed that the actions taken by the Government had already resulted in effective containment of terrorism. Some 650 terrorists had been rounded up, and about 95 cases were lying in various courts of the country. A large amount of deadly arms, including rocket launchers and mines,

have been recovered and many of the saboteurs have already been convicted. The Minister also said that the culprits in the Zahoor Elahi case had been apprehended and the matter was now in the Military Court, while police had made heartening progress in bringing the murderers of Zahurul Hasan Bhopali to book.

Thirty-five members participated in the debate on terrorism, and most of them agreed that the handful of elements engaged in terrorist activities had no support among the masses and were mere tools in the hands of their foreign masters. They were of the view that the principal objective before the disruptionists and saboteurs was not political but the subversion of efforts for Islamisation of society currently under way in the country. The consensus was that the rash of terrorist activities were part of the wider conspiracy hatched by anti-Islamic forces to destabilise Muslim countries and stop their march towards their ideological goal. The disruptive activities were in the nature of a covert war against Pakistan and Islam so that the country, achieved in the name of Islam, could be prevented from fulfilling its ideological promise and made to live under an alien system. But all the speakers who took part in the discussion were unanimous in their opinion that such a conspiracy would never succeed. In this connection they appealed to the people to co-operate with the Government in tackling the enemies of Islam and Pakistan and maintaining peace and order in the country. The point was also raised by the President in his address to the Majlis-i-Shoora and he had rightly observed that if the people provided timely information about the movement and designs of the saboteurs, it would be much easier for the authorities to do their duty. Towards this end it is necessary that local authorities everywhere should be instructed to establish closer rapport with the people in their areas with a view to keeping an eye on subversive elements. Police should also be asked to stop playing the bully and behave properly with the common man in order to gain his confidence. A community in which the citizens and the law enforcing agencies understand each other and work hand in hand leaves little room for illegal and anti-State activities.

CSO: 4200/58

ISSUES IN PROPOSED NEW LABOR POLICY

Lahore THE PAKISTAN TIMES in English 15 Oct 82 p 6

[Editorial: "New Labour Policy"]

[Text] Federal Minister for Labour Ghulam Dastgir Khan has stated that the new labour policy being prepared by his ministry will embody the consensus of the Labour Commission comprising 15 representatives each of employers and workers. This consensus has been obtained from the Commission in the form of recommendations arrived at unanimously by its members. The Commission is agreed over the demand that the new labour policy should be based on the Islamic principles of social justice and should bring about an atmosphere of complete discipline, friendship, co-operation and mutual understanding between the employer and the worker to accelerate production and achieve economic stability and progress. It has also countenanced all the internationally accepted safeguards for the protection of the workers' rights, including the right of collective bargaining and association, and provides for institutional structures that minimise the innate contradictions that exist between the capitalist and the worker. While accepting the irreducible conditions of discipline and productivity in the favour of the former, the Commission insists on the institutionalisation of measures that serve to redress the grievances of the latter, offer him proper security of service and provide him opportunities of better employment on merit after in-service training. That all these recommendations have emanated from a consensus of the two parties concerned is an earnest of the workability of the new labour policy.

Only 15 per cent of Pakistan's total labour force is employed in manufacture. The large-scale industry which contributes up to 15 per cent of the GDP absorbs only 2 per cent of the labour force while the medium and small-scale industry employs the rest of the workers. Up to 70 per cent of the national industry is in the State sector. This complexion of the sector was brought about by the economic doctrine adopted by the previous regime which nationalised 32 large units and 10 major industries

followed by banking, life insurance, shipping, oil distribution and vegetable oil. In the years that followed the country's growth fell from the annual rate of 12 per cent before 1965 to 3 per cent by the mid-seventies. The private sector, the backbone of the free-market and mixed economies, was literally wiped out and today its growth rate is reluctant at 1.3 per cent. The overwhelmingly predominant State sector is welfare-oriented and lacks the private entrepreneur's drive for profits and the pressures of insolvency have to be endured by the workers. Now that the Government is encouraging the private sector to come into its own, the new labour policy must reflect a healthy tension of worker-employer interests. The entrepreneur responds to incentives of profits alone and cannot be persuaded to invest in an enterprise that is excessively skewed in favour of the workers, that is, where workers' rights are not pegged to the profitability of the enterprise. The example of carpet making can be cited to highlight a situation where labour laws have inhibited the setting up of factories and driven the exporter to rely on the cottage industry. As a result, Pakistan has been unable to meet the orders for carpets coming from a discriminating European market. The Government has therefore increased the level of incentives in the private sector by allowing industries requiring investments of up to Rs. 20 million to be set up without formal permission. For units to be set up in backward areas there is a tax holiday and exemption from import duty on the machinery; and interest on industrial loans has been brought down from 12.5 per cent to 11 per cent. Labour-intensive textile mills, most of which have become 'sick' over the past decade, are being helped back into proper functioning and sugar mills are exempted from central excise duty on excess production. All these measures are clearly favourable to the investor requiring the fillip of profits but the underlying assumption is that industries in the private sector will absorb more labour and strengthen the supply side of the labour market. The labour policy has to be weighted in favour of the worker whose rights have been recognised by the march of world civilisation and are enshrined in the charters of such international organisations as the ILO. By its very nature the instinct for profits is without bounds and private enterprise can be economically useful only under certain constraints. The guarantee of the workers' rights provides just such a constraint.

CSO: 4200/58

ASPECTS OF SOCIAL REFORM CAMPAIGN DISCUSSED

Lahore THE PAKISTAN TIMES in English 18 Oct 82 p 4

[Editorial: "Islah-i-Muashra"]

[Text] The report of the Cabinet Committee for Islah-i-Muashra comprises both short and long-term measures for the reform of society. The immediate steps, which are aimed at curbing the trend towards moral degradation, provide an eloquent commentary on the state of our consciousness of the problems that strike at the very root of our social structure. Many of the recommendations are just pleas for applying existing laws to combat the growing evils of ostentation and wastefulness that have lately become a hallmark of our society. Who does not know that the Dowry and Bridal Act restricting individual presents to Rs. 100 and the marriage expenditure to Rs. 2,500 is violated with impunity by the richer sections of the population? Huge amounts are spent on large receptions, 'mehndi' and similarly wasteful ceremonies. The Islah-i-Muashra Committee has strongly pleaded that such thoughtless spending should be stopped with a firm hand and, instead, marriages should be solemnised in mosques in a simple manner. Its suggestion about taxing lavish marriage receptions in hotels is particularly useful. To improve the society's moral tone the Committee has recommended that not only should TV and films be made to adhere strictly to the existing code of ethics, but a campaign should be launched against vulgarity in public fairs, stage plays, the so-called mohalla libraries which purvey prurient literature and the 'bara' markets which act as a channel for the supply of obscene cassettes. The Committee has also advocated a ban on ballroom dancing, night clubs and discos—shabby imitations of the degenerate Western society. It is indeed an index of the rampant indiscipline in our midst that the Committee has had to recommend formation of queues and a ban on smoking in public places. These are simple rules but nobody bothers to observe them.

The Committee's recommendations to end corruption and bribery are unexceptionable. As a way to

combat extravagance, a primary cause of illegal money-making, the Committee has proposed that the import of cars above 1600 c.c. and plots of more than 500 square meters should be banned. The Islah-i-Muashra body has reviewed in detail the working of the bureaucracy and outlined a series of measures to prevent civil servants from misusing their official position for self-aggrandisement These include declaration of assets by officials and their close scrutiny and periodic screening to weed out corrupt elements. A significant proposal made by the Committee relates to the rationalisation and publication of the perquisites enjoyed by the employees of autonomous bodies and nationalised commercial institutions. This would be a safeguard against the callous squandering of public money which is common in government and semi-government corporations. It has been recommended that only persons of proven integrity and honesty should be posted to such revenue-earning departments as Customs and Income Tax where a lot of leakage takes place. The Committee has also come out strongly for simplifying the criminal and civil procedure code and the law of evidence and improving the police department.

Keeping in view the long-term requirements of Islah-i-Muashra the Cabinet Committee has emphasised that the prevailing education system should be so reorientated that there is an increase in its ideological content. It has pointed out that the system as it works now is concerned only with production and pays little attention to character-building and ideological training. To correct the situation the Committee has recommended that knowledge of the basic teachings of the Holy Quran and Sunnah should be made compulsory for admission to the universities and professional colleges. For the implementation of its comprehensive set of recommendations, the Islah-i-Muashra Committee has proposed the formation of social reform bodies at the village, city and district levels, composed of persons of unchallenged probity of character, local notables, ulema, lawyers and public-spirited men. These committees, a body of dedicated social reformers will spearhead the movement for purging society of its myriad ills. The focus will be on the individual and popular participation so that the drive assumes the character of an all-embracing reform movement. Needless to say, in any such effort the role of the leaders, who in this case will be the members of the Islah-i-Muashra Committee, will be all-important and crucial. They must have a spotless personal and public record and only then can they be effective leaders of the campaign they will head. No less important is the fact that in the fight against corruption and social evils, the member of the committees should furnish personal examples for the rest of the community to follow. The success of the social revolution we are all so hopefully looking forward to will ultimately depend upon the personal conduct and practice of the reformers themselves. As we have seen in the past, rhetoric alone cannot bring any change.

ELECTORAL ROLLS UPDATING TO END

Lahore THE PAKISTAN TIMES in English 18 Oct 82 p 10

[Text]

ISLAMABAD, Oct. 17: The Election Commission of Pakistan today issued the following Press note:

A week is left when the proceedings to update the electoral rolls would culminate on October 24, 1982. It is reiterated that all those persons who are eligible to become voters but have not so far been enrolled should apply for the inclusion of their names in the electoral rolls.

The electoral rolls are being complemented by including fresh names of those who are eligible to become voters, by deleting the names of those who have expired or are disqualified to remain on the rolls and by incorporating corrections of particulars relating to certain names error of which is pointed out and accepted by the Registration Officer.

Separate forms — separate for the Muslims and the non-Muslims — are prescribed for inclusion, deletion and correction of entries in the rolls. These forms are available with the Registration Officers/Assistant Registration Officers in large quantities for distribution to the intending applicants free of cost.

Every application for the inclusion of a name in the electoral roll of an electoral area should be filed either in person or through an authorised agent with the Registration Officer or Assistant Registration Officer concerned. Every application for the deletion of an existing entry and an application for the correction of any particulars in the existing rolls should be lodged with the Registration Officer or Assistant Registration Officer concerned by the applicant in person and not through an agent. Applications for additions, deletions or corrections will not be entertained if filed in bulk by an individual. Applications for additions or deletions or corrections can also be sent by registered post to the Registration Officer concerned. In case applications are filed on plain paper, full particulars should be given as in the forms.

The Election Commission earnestly desires that the name of every citizen who is qualified for enrolment as a voter should be entered in the voters' list and that the redundant entries should be deleted and incorrect ones corrected so that the electoral rolls are available in as accurate a form as possible.—

CSO: 4200/58

OFFICIAL VIEWS BALUCHISTAN DEVELOPMENT

GF211535 Karachi DAWN in English 18 Oct 82 p 4

[Excerpts] Quetta, 17 Oct--Doctor Mehbubul Haq, the deputy chairman of planning commission, has said that Baluchistan has tremendous potentials in agriculture and minerals.

Talking to newsmen on arrival here yesterday, Dr Haq said these potentials, if properly exploited, promised rapid development of the province, and they would also assist in the growth of the national economy.

He said the purpose of his and commission's team's visit to Baluchistan was to exchange views with the provincial government on its priorities and thinking on the sixth plan with regard to Baluchistan.

He said the sixth plan would be launched according to schedule in July next. Talks were being held in this respect, and the framework of the plan would be out by January next.

He said the federal government was taking keen interest in increasing the tempo of development in Baluchistan and was giving huge amounts for the province. This year a record amount of Rs 151 crore was being spent on the development activities.

He said the commission's team would make frequent visits to Baluchistan and would hold detailed discussions on various aspects of development, and then draw up realistic plan for the development of the province.

"We have some priorities, basically opening the rural areas, building up agricultural exports, improving infrastructure, expanding social services, development of industries, specially small industries and provision of training facilities," Dr Haq said.

In the past, he said, Baluchistan remained neglected to the extent that there had been one development project for every ten thousand people as against the national level of one project for every 5,001 people.

He said development work carried out at present included electrification of 250 villages, Baluchistan University, Bolan Medical College, completion of RCD highway and Loralai-Dera Ghazi Khan Road and tubewells resulting in three-time increase of fertility. A special programme of Rs. 86 crore had been undertaken, he stated.

Special attention, he said, would be given to the development of agriculture in Baluchistan in the 6th Five-Year Plan.

He said 20 per cent more land could be brought under cultivation, and the commission would hold discussion on ways and means. He hoped that agricultural exports could be built up by increasing the food and fruit crops for which there was market in the Middle East.

Dr Haq said that for the development in the next plan period areas would be identified in which concentrated development would be carried out. The areas are north and north-east of Quetta, Sibi, Pat Feader area, Kalat Valley and Mekran coast.

He said there were tremendous prospects for exploiting the subsoil water resources and due attention would be paid to it.

In the mining sector, he said, there were great potentials in exploration and exploitation of copper, iron ore and coal for which China and Canada have envinced keen interest. He said that economics of the development of copper and iron ore was also being worked out.

He gave an assurance that the private sector would be encouraged to invest in Baluchistan. Incentive would be provided to them by improving the infrastructure.

Replying to another question, he said he could not say at this stage about the size of the amount to be allocated for the development of Baluchistan during the next plan period. He, however, said that besides the country's own resources some of the foreign countries, including Kuwait, Canada, West Germany, Japan and Britain, were extending their assistance in the development of Baluchistan.

He said great attention was also being paid to the production policy, generating income and its distribution. He called for involvement of all the people and provision of greater employment opportunities, encouragement to small farmers and search for markets.

CSO: 4200/56

LOANS FOR FIVE PROJECTS APPROVED

Karachi BUSINESS RECORDER in English 7 Oct 82 p 3

[Text]

Pakistan Industrial Credit and Investment Corporation (PICIC) yesterday approved five industrial projects and sanctioned loans amounting to Rs 162.35 million including a foreign exchange component of Rs. 79.58 million.

Two units were sanctioned for the manufacture of formal dehyde| urea formaldehyde, an important synthetic resin used in the manufacture of plywood and particle chip-board, sport goods, enamel and paints, furniture, paper, leather, textiles etc. Each unit will have the capacity to produce 6,000 tons|year. One of the plants will be located at Hub chowki and the other at Sheikhupura. Total loans to these two projects amount to Rs. 32.52 million, including a foreign exchange of Rs. 22.75 million.

A modern sugar mill will be set up at Sahiwal having crushing capacity of 4,000 tons of sugarcane per day or 57,600 tons of white sugar|year. The mill is being financed through a consortium of PICIC, Bankers Equity, IDBP and ICP. The PICIC share of loan amounts to Rs. 55 million covering 21 per cent of total cost of the plant and machinery. The entire machinery will be locally fabricated.

A loan of Rs. 46.80 million (including Rs. 34.30 million in foreign currency) was sanctioned to an existing jute manufacturing unit at Karachi for balancing and expansion of their present facilities through addition of 2620 spindles and 90 looms together with related preparatory and finishing equipment.

The proposed expansion will increase jute manufacturing capacity from 10,000 tons to 16,000 tons|year.

Another project approved was for setting up a distillery alongside an existing sugar mills in Sargodha. The total loan sanctioned to this project amounts to Rs. 28.02 million of which, Rs. 22.53 million is in foreign exchange. The proposed plant will have the capacity to produce 9.0 million liters of industrial alcohol of 96 gallon per annum. The entire output of industrial alcohol will be exported in view of its increasing uses and rising world consumption.

CSO: 4200/57

TRAINING WORKSHOP ON POPULATION PROGRAMS OPENS

Karachi BUSINESS RECORDER in English 14 Oct 82 p 2

[Text] The Advisor to the President on Population, Dr. Attiya Inayatullah yesterday inaugurated a six-day managerial workshop for senior officers of population programme and said that the course was a vital activity for the success of the current population welfare plan 1981-84.

The workshop has been organised by the Population Welfare Training Institute (PWTI) in collaboration with the National Institute of Public Administration (NIPA).

The President's Advisor said that the course was designed to impart knowledge and skills considered essential for management of the programme in its present form.

Dr. Attiya Inayatullah traced in detail the history and background of population programmes in Pakistan and said that the current population welfare plan had taken due cognizance of the inter-relationship between development and facility dynamics without regarding any of the two as independent variables.

The primary objective of the plan was to inculcate a change in the behaviour of people leading to greater use of contraceptives and said that services from various mechanisms were accessible to every desirous couple in need of family planning, she added.

Referring to the group of participating population welfare officers, Dr. Attiya Inayatullah said that it consisted of qualified and experienced personnel and the activities envisaged in this course were aimed at enhancing their competence in management.

The purpose involving different categories of persons in this course was to develop an integrated approach, not from a purely theoretical stand point, but in terms of its ramifications in augmenting implementaiton capability.

She said that the trainees here will have particularly to play a crucial and pivotal role. As it has generally been stated that the officers of population welfare programme do not have adequate motivation and managerial leadership for the most challenging programme.

She was confident that after this course the commitment and the motivation of the group will find expression in their job performance so that the targets of the programme and larger objectives of the plan were achieved and even exceeded in future.

The workshop will conclude on Oct. 19.

CSO: 4200/59

MISUSE OF FUNDS FOR REFUGEES ALLEGED

Islamabad THE MUSLIM in English 12 Oct 82 p 6

[Text] LAHORE, Oct. 11: The Muslim Students Federation has demanded an inquiry into the funds collected by various parties in the name of Afghan refugees.

Rana Tahir Mehmood, chief organiser of the federation, told 'The Muslim' that a student of Islamia College, Railway Road, had submitted an application to the Punjab Governor alleging that three professors of the college, Abdul Hamid Dar, Rana Abdul Hayee and Mohammad Aslam Opal, collected Rs.9,000 from the students and staff of the college for Afghan refugees which were to be presented to the government through a cheque but were never deposited.

He said the students had appealed to the Governor to hold an inquiry into the incident and to take severe action against the said Professors whom he allegedly had given the amount to a defunct political party..

Rana Tahir said the Governor had sent this application to the Education Secretary, Punjab who sent it to the District of Public Institution Colleges for a report. The DPI forwarded the application to the college principal for investigation.

The principal said in his report that Abdul Hamid Dar and others had collected the amount for Afghan refugees and were asked to deposit the money with the concerned authorities. On inquiry, it emerged that the amount was deposited with Hizb-o-Islami in the name of the college principal.

According to the principal, he had no knowledge of the amount in question . The principal sent this report to the DPI.

Rana Tahir Mehmood alleged that a defunct political party was polluting the peaceful atmosphere in the educational institutions through its students front, and the unarmed students were being tortured.

He said since there was ample proof of misuse of funds by certain elements, a high-level inquiry should be held by the authorities.

CSO: 4200/59

RESTRICTIONS ON FOREIGN TRAVEL CRITICIZED; 'NO OBJECTION CERTIFICATE' CALLED A CURSE

Islamabad THE MUSLIM in English 12 Oct 82 p 4

[Text]

IN a Press statement the Human Rights Society of Pakistan has criticised the authorities for not communicating any decision on its application seeking permission to participate in a three-day Human Rights Conference in New Delhi. The Vice President of the Society, Mrs. Mehnaz Rafi, has stated that the Society had received an invitation to participate in the Conference which it had submitted to the Ministry of Interior on 12th September, for clearance. However, almost a month later, the Society has not received any answer from the Ministry.

It is not for the first time that such complaints have been received from various quarters. In the past several teachers who were invited to participate in international seminars and conferences were subjected to the same treatment by the authorities. In most cases, the persons applying for permission to proceed abroad either do not receive any response from the concerned ministries or else, receive permission after the commencement of the conference. If the individual is lucky and the conference to which he is proceeding is for a duration of a week or more, he can still try to make it in time. However, in most cases such international conferences or seminars do not extend beyond three days. It is, therefore, not possible for the invitee to reach it in time for meaningful participation. Recently, a sports team from Islamabad which was proceeding abroad for participation in an international match was granted permission on the same day that the matches were scheduled to start. Because of this attitude of the authorities, Pakistan's representation at various international events goes by default. While in some cases participation may not be that crucial, in others, it seriously jeopardises our national interest.

Speaking of the present example, one can only say that if permission had been granted in time to the Human Rights Society to participate in the Conference, it would only have been a plus for the authorities since the Society would have been in a position to express Pakistan's point of view on the issues under consideration and also to challenge the allegations made against the government in the field of human rights by international bodies from time to time. Similarly, in the case of teachers who are invited to participate in important confer-

ences, their representation would only lead to a better understanding of Pakistan's problems and position on various issues rather than detracting from its prestige.

In the past, the excuse usually advanced by the authorities for curtailment of foreign trips and refusal to grant NOC is that there are financial constraints. This may well be and while the authorities would be compelled to deny permission in certain instances it does not apply to all cases. Where the individual invited to participate either receives a ticket or is willing to bear their own expense, the rigid and short-sighted attitude of the authorities is not only incomprehensible but also damaging to its own interests. It would appear that the NOC has begun to be used as some kind of a weapon instead of merely streamlining the procedure for foreign trips.

The decision of the Government to liberalise availability of passport is a welcome step but it is only going to be useful for the common man when apart from simply providing him with a passport, the Government also liberalizes the rules and regulations pertaining to international travel. In this rapidly developing modern age an essential pre-requisite of intellectual development and advancement is a free-exchange of ideas and information which can be better facilitated if pointless and strangulating restrictions on external trips are lifted and the citizens of Pakistan are allowed to travel abroad freely. The present rules only serve to damage official interests and impart a needless sense of frustration and confinement to the nation.

CSO: 4200/59

'BUY PAKISTANI' SLOGAN VS. REALITIES DISCUSSED

Peshawar KHYBER MAIL in English 11 Oct 82 p 3

[Text] "Be Pakistani, buy Pakistan", is an attractive slogan though not perfectly original. It is but a stale copy of an Indian slogan: "Be Indian, buy Indian". The Indians have bought Indian for the simple reason that country closed its doors to unnecessary imports of consumer goods long ago. Either one had to buy what was Indian or go without it, especially luxury goods. We have on the other hand official imports which compete with local manufactures, non-official imports which are smuggled through the back-door and other imports which are sheer waste. An example of the latter is the much-criticised casettes of Indian films and music, either of them being much below the standard of the local films as well as music, but searched for and obtained at high prices because there is excess money in pockets and little control over the trade. It is absolutely no use hitting at the Bara markets, or condemning the youth of the country. The imports have already been paid for and the goods brought in. They are liable to simple wastage if they are not sold or used. The only way the rot can be stemmed is to put the embargo in practice at the source: the smuggling rackets. They flourished unchecked because of extensive corruption in the rank and file of those who are charged with the use of the ban on the trade. It is surprising that India has successfully combated the evil while we are still fumbling, and every time we make a move, there is something or the otehr which steps in our way. We read so much of the slogans in the press or hear or see them on the Television that it nauseates us, considering the enormous difference in our theory and practice. It is no use looking at moralising, because it has not effect on the people who indulge in these practices. Laws are made only to be flouted through corrupt means and there is no one who can find exceptions to the general rule. Whatever laws are there can be enough if they are rigidly implemented in matter as well as spirit. The only problem is how to ensure this implementation which is the biggest one for the Government to solve.

The reason why this demand for foreign goods has risen in the country are twofold. Firstly there is a good deal of excess money which goes around, not all of which is properly earned. Secondly, in the case of local goods available, the prices are high and the quality low. The manufacturers and traders complain that in most cases, the excise duties on imported raw material or parts is too high, and quite often the compartive scale of duty on the import of finished products is lower and their quality better. Our industry and

trade is also based on high-profit standards. The result is that the locally manufactured goods are in less demand. Take, for example, electrical goods. The quality of the plugs, joints and wire is so low that many of these do not last very long, as also do the bulbs which are marked at powers which they are not compatible to. The consumer would argue it this way that if he buys imported product costing a little higher but lasting ten times the period of the indigenous goods, he has to make lesser investment and also escape the botheration of always running out to purchase replacements.

In another case, that of plastic goods, the duty on the raw material is of the nature of 250 per cent and if the proper quality goods are made out of it, the end market value with the retailers would be so high that nobody would buy them. As a result, fancy products but with an absolutely minimum of quality are produced, which do not last very long. Many of the products for domestic use, like buckets and so on, are in demand because the iron alternatives are too expensive. Having become a necessity rather than a luxury, it is a wonder why it has not yet been considered to produce our own plastic raw materials, for which, we are sure, the technology is not so complicated. We must be spending colossal sums in importing the plastic raw material which could be manufactured locally if a proper plant is set-up here and the base produced here. This could be done in many other directions where the raw materials are imported and are of a nature of half-manufactured materials. With the coming of the Pakistan Steel Mills on the stream, it may be quite possible for a variety of capital goods to be made for the purpose. A study of the total perspective provides us with a bewildering anarchy prevalent in the trading sector, and we wonder there has been no proper study of the whole gamut of the operations, especially with a view to preserving the largest quota of foreign exchange for the development of consumer goods, without being pressurised into making exceptions for the sake of vested interests which always like to continue in the old patterns of trading rather than getting into manufactures for the sake of indigenous self-sufficiency. If the public is denied certain luxuries for the time being for the sake of better days ahead, we are sure it would not complain.

CSO: 4200/59

ALLOWING PRIVATE COLLEGES RECOMMENDED

Karachi DAWN in English 18 Oct 82 p 9

[Text] THE plea to the Sind Government from some quarters to allow the establishment of private colleges in the province deserves a positive response. Why a decision on this issue is being delayed is not quite clear, especially when the Federal Government has already announced that the Provincial Governments are being directed to allow the private sector to set up colleges and the Sind and Baluchistan Governments are already reported to have taken measures in this respect. It is now quite obvious that the Government is unable to cope with the growing pressure on colleges from the increasing number of matriculates who pass out every year. In 1982, over 40,000 students passed their school leaving examination in Karachi — a rise of 54 per cent over the past five years. But the increase in the number of colleges in the same period has been only 7 per cent. True, the haphazard expansion of college education, especially if it is not related to the employment needs, is not at all desirable. Hence, we have on a number of occasions called upon the educationists and the Government to get down to the task of assessing the employment opportunities available in the city and then drawing up a plan for the diversification and expansion of higher education.

This will take some time. In the meantime it is important that the Government should proceed on the basis of some broad assumptions based on correct data and information. Thus, it needs no profound appraisal to reach the conclusion that colleges, especially institutions for teaching science, technology and commerce, are in great demand. Not only is the pressure for admission greater on these colleges; there is scope for further expansion in them in view of a general shortage of people qualified in these disciplines. Thus, the establishment of some science and commerce colleges and polytechnics can be taken to be urgently needed. Although, to provide education to the citizens is the primary responsibility of the Government, it is also evident that our Government with its low allocations for education is in no position to fulfil its responsibility. The alternative is that some of this responsibility should be shared by the private sector.

The permission to the private sector to open colleges should, however, not be construed as giving the green light to commercialisation of education. Private colleges, when they are allowed to be set up, should be strictly governed by the same rules and guidelines which operate for Government-run institutions, the only exception

being that of finance. To be economically viable, they will either have to be given a grant by the Government or will have to be given permission to charge higher fees. But the fees to be charged as also the salary structure of the teachers must be strictly regulated by the Directorate of College Education. This department will also be expected to carry out periodic inspections to ensure that private colleges maintain the academic standards necessary to impart education at the degree level. It is important that these institutions serve as a means of self-employment for well-meaning people dedicated to the cause of education, so that they can fulfil a crying need of society without becoming instruments of extortion and commercialisation in the process.

CSO: 4200/60

MRD STATES CONDITIONS FOR JOINING ROUNDTABLE

Karachi DAWN in English 18 Oct 82 p 13

[Text]

LAHORE, Oct. 17: The MRD components would attend the round-table conference being arranged by Maulana Shah Ahmad Noorani of the defunct JUP provided each of the eight constituents was invited separately and a copy of the agenda was supplied in advance. This was stated by Rao Abdur Rashid, Coordination Secretary, MRD, Punjab, at a Press conference here this afternoon. Rao Rashid has received a communication to this effect from the Secretary-General, central MRD, Khwaja Khairudding.

He said if even one component was not invited, the entire MRD would boycott the conference.

He maintained that elections whould be acceptable to the MRD only if they were held under the 1973 Constitution and on the basis of one-peron-one-vote. The MRD believed that the present Government had no right to change the mode or rules of the elections. It should and could be left to the elected parliament.

He dispelled the impression that the parties or any party of the MRD had any contact with the Government. The only point on which there could be negotiations with the Government was restoration of democracy. The reports suggesting that there had been some contact with the Government was an attempt to confuse public opinion, he added.

Answering a question, he said the former West Pakistan Governor, Mr. Yusuf Haroon, who had called on a number of political leaders during his recent visit to Karachi had demanded elections and withdrawal of Martial Law.

He said that yesterday's meeting of the Punjab MRD had been attended by Mr. Hamid Sarfraz on behalf of the defunct Tehrik-i-Istiqlal, and Mr. Sarfraz would chair the meetings during his term as the convener.

Rao Rashid said that during his recent visit to Karachi he had met Begum Nusrat Bhutto and Mr. Ghulam Mustafa Jatoi and the latter had categorically denied that there was any move to cooperate with the Government or join any national government under Martial Law. These were just rumours floated by the interested quarters to mislead the public opinion, he added.

He said Begum Bhutto had also told him that the Goverment had taken as many as 52 days to inform her that a board of specialists should be set up to examine her before permission to go abroad for medical treatment could be given.

CSO: 4200/60

WOMEN LAWYERS PROTEST PROPOSED QAZI COURTS

Karachi DAWN in English 18 Oct 82 p 7

[Text]

A meeting of the Executive Council of the Pakistan Women Lawyers Association held under the chairmanship of Mrs Rashida Patel has protested against the poposed ordinance for the Establishment of Courts of Qazis and has strongly objected to the Qazi Courts proposed jurisdiction for deciding cases relating to Family Laws:

It pointed out that the Family Law Courts Act, 1964, had made procedures in Family cases simple and provided for reconciliation. The necessity was to increase the number of Family Courts and ensure that cases are heard from day to day for speedy justice, resolution passed by the association said.

It recommended to the Government of Sind that Section 21 of the Family Law Courts Act be deleted, as it is an unnecessary legal requirement to sent notice of decree of dissolution of marriage by a Family Court to the Chairman Panchayat Committee for proceedings under Section 7 of the Muslim Family Laws Ordinance, 1961.

"The Family Court having attempted reconciliation before and after recording evidence, there is no possibility of reconciliation after the decree is passed.

"Section 21 causes unnecessary harassment and hardship to women and confirmation of divorce is delayed for three to six months after decree for dissolution of marriage by the Family Court."

It recommended to the Government of Pakistan that clause 2 of Section 7 of the Muslim Family Laws Ordinance, 1961, be amended so that the wife to whom Talaq has been pronounced should also be entitled to file notice of Talaq before the Chairman Panchayat Committee. As much women face distress when Talaq pronounced by the husband is not intimated to the Chairman Panchyat Committee."

CSO: 4200/60

OVER ONE DOZEN APPLICATIONS FOR PRIVATE AIRLINE

Karachi DAWN in English 18 Oct 82 p 1

[Article by M. Ziauddin]

[Text] ISLAMABAD, Oct 17: The Government has so far received "over a dozen' applications for setting up an airline in the private sector.

This was disclosed here today by Maj-Gen (Retd) M. Rahim Khan, Secretary-General of Ministry of Defence and Chairman of the Pakistan International Airline Corporation (PIAC).

He, however, made it clear that so far the Government had not taken any firm decision in this regard and was still examining the various possibilities.

Gen Rahim Khan said further that the options before the Government included another airline in the public sector, floating a subsidiary of the PIA and a joint venture of PIA with a private party, besides allowing the establishment of a purely private airline.

He said the Government was also considering the possibility of expanding the existing facilities and operational capabilities of PIA as an alternative to establishing a separate airline.

Explaining the reasons for the delay in taking a firm decision in this regard, Maj-Gen Rahim Khan said that managing an airline was a highly sophisticated operation, and the Government, therefore, would like to examine the matter thoroughly before committing itself to one of the various options under consideration.

He said: "If at all a decision is taken to allow the establishment of an airline in the private sector, the Government would be obliged to grant permission to only those parties or party which have/has the requisite experience and know-how of running a commercial airline."

He once again stressed that the whole idea was still in the formative stage and details about the matter could only be worked out after a policy decision was taken by the Government in this regard.

CSO: 4200/60

CIVIL AVIATION AUTHORITY STARTS FUNCTIONING

Karachi BUSINESS RECORDER in English 21 Oct 82 p 8

[Text]

The proposed Civil Aviation Authority (CAA) has for all intents and purposes started working and its first Director General has also been appointed.

However, the ordinance in respect of setting up of the CAA is now being vetted by the Federal Law Ministry and will be promulgated within a few weeks. Thereafter the authority will formally start working.

This was disclosed in interview in Karachi yesterday by the Secretary General, Defence and Chairman PIAC, Maj.-Gen (retd) Rahim Khan.

He said the CAA will be fully autonomous and have powers to execute work on projects relating to development of airports in the country without going through the normal lengthy procedure.

He said the federal government would support the authority in execution of its development projects. During the current year, the Civil Aviation Department is getting Rs. 27 crore annually for its development projects. He, however, said that between Rs 50-60 crore were needed annually for development projects of airports.

Replying to a question, the Secretary General, Defence, denied that money realised from passengers as airport tax and landing charges realised from aircraft using airports was not being spent on development of airports. He said this was true until few years back." The amount now being provided by the government for the development of airports in the country was more than the revenue earned by the Department of Civil Aviation annually from airport tax and landing charges", he added.—PPI.

CSO: 4200/61

MORE FUNDS FOR AIRPORT DEVELOPMENT AGENCY

Karachi BUSINESS RECORDER in English 21 Oct 82 p 8

[Text]

The Airport Development Agency will get a shot in the arm from the next financial year with allocation for airport development project rising to approximately Rs. 60 crore from the annual allocation of about Rs. 20 crore.

The enhanced allocation will be reflected in the next Annual Development Programme and the level will be maintained over the next five years.

This was disclosed at the end of a high level meeting, held in Karachi yesterday under the chairmanship of Maj. Gen. (retd) M. Rahim Khan, Secretary General Defence, to consider emergency as well as long term measures to alleviate the present difficulties being faced by the air travellers in Pakistan and plan for the future growth in air traffic.

Giving details of the agency's development programme, an ADA spokesman said that major projects included a new airport at Karachi to be completed by 1985-86, new airports at Lahore and Islamabad and additional runway at Karachi, strengthening of existing runway at Faisalabad and extension or runways at Lahore and Islamabad.

Rebuilding of terminal two at Karachi airport with covered area of 1.11 lakh so feet is being taken up as a special project on an emergency basis and will be subsequently incorporated in the new airport project for Karachi.

The new terminal two will be ready for use by the end of next April.

It is learnt that increased availability of cement in the county had encouraged the agency to plan concrete runway in the country instead of the asphalt paved one or which bitumen had to be imported. The switch over to cement to pave runways would bring about considerable saving in foreign exchange as 10 new runways are planned to be laid for feeder air service within the next 5 years.

Later addressing the engineers and officials of ADA, Maj. Gen. (retd) M. Rahim Khan said that the agency should gear itself upto meet the growing competition from other agencies and not to depend on government patronage. It should be able to secure contracts on the basis of proficiency, competitive rates and the ability to complete a project within the target.

He assured the employees that no retrenchment was contemplate, but at the same time the present manpower strength should be fully utilised.

CSO: 4200/61

MANUFACTURE OF SUB-STANDARD ARTICLES BANNED

Karachi BUSINESS RECORDER in English 21 Oct 82 p 1

[Text] The Government of Pakistan has prohibited from Nov. 1, the manufacture and keeping in stock/sales of articles which do not conform to the Pakistan Standards mentioned against each, says a press release issued in Karachi by Pakistan Standard Institution yesterday.

The items are:--

--Asbestos cement corrugated sheets for roofing and clading PS: 430-1964.

--Asbestos flat sheets PS: 579-1966.

--Electric kettles for domestic use PS: 253-1963.

--Ballast for fluorescent lamps PS: 497-1965.

--Electric toaster PS: 661-1967.

--Mild steel oil pressure utility stoves PS: 797-1970.

--Oil pressure stoves brass type PS: 682-1979 (R).

--Non-pressure oil stoves PS: 928-1972.

--Banaspati PS: 221-1981 (R).

--Port-land Cement (ordinery and rapid hardening) PS: 232-1962.

The Pak Standards Institution has advised the manufacturing units of the above articles to obtain PSI-C Certification Marks Licence beforehand to avoid, any inconvenience.

The stock holders and shopkeepers must ensure that the stocks of the above articles kept in their shops for sale must be acquired from a PSI-CM Licence.

After Nov. 1, 1982, PSI staff will make surprise inspections and the units found manufacturing above articles without PSI-CM Licence will be liable to prosecution under the law. Even shopkeepers found keeping the stocks of these articles obtained from a non-Licensee of PSI will be liable to prosecution.

CSO: 4200/61

SEPARATE PLANNING CELL ESTABLISHED TO ENCOURAGE PRIVATE INVESTMENT

Karachi BUSINESS RECORDER in English 21 Oct 82 p 1

[Article by Babar Ayaz]

[Text] A private sector section has been established in the Planning Commission of Pakistan at Islamabad, it was learnt here yesterday.

Informed sources said that the private sector section has been established by the Planning Commission in line with the present Government's policy to encourage private investment.

They said that this section will prepare an indicative plan for the private sector besides the usual investment schedule.

They explained that the private sector indicative plan would be a part of the Sixth-Five-Year Plan. It would help the private sector in the selection of areas of investment.

The purpose of indicative plan the sources clarified, would not be to determine the course of investment and development for the private sector like the plans prepared for the public sector.

Besides indicative planning this section would keep constant liaison with the private sector so that their views could be accommodated while formulating plans concerning them.

The private sector section will conduct studies to identify the problems of and impediments in the way of private sector investments. It will also review the private investment scene periodically besides searching for new directions.

CSO: 4200/61

QUESTION OF WHEAT, SUGAR SURPLUSES DISCUSSED

Karachi BUSINESS RECORDER in English 7 Oct 82 p 2

[Text]

There is no denying the fact that Pakistan has not only become self-sufficient in wheat but has also entered the export market. This is, undoubtedly, an achievement for which the concerned authorities deserve to be complimented. Also, the weather is to be thanked for being clement. Autarky in wheat had eluded the country for quite some time, for which we had to pay a heavy price. Large scale imports of the commodity not only consumed a big chunk of our hard-earned and scarce foreign exchange but also had political repercussions. The need for becoming self-sufficient in respect of this crop which forms the staple diet of the people, was imperative. After assuming office in July 1977, the present regime made concerted efforts in this direction and over a period of two years, we were able to produce enough wheat to meet our requirements. A year later the production exceeded the requirements and this year we have entered the world wheat market.

Another achievement is the bumper production of sugar in which this country had remained deficient for long. The production of this commodity has also gone so high that we have started thinking of entering the export market. But for the production costs being so high, we would have been exporting sugar by now. Bumper sugarcane production supplemented by appropriate taxation policies, the country produced more than 1.2 million tons of sugar this year. After meeting the home demand, we have been left with a surplus of about four to five lakh tons. But our cost being as much as 430 dollars per ton against the international price of 200 dollars per ton, it has become impossible to sell sugar abroad. Now the question is: What would we do with the extra quantity? Plans are there to increase production still further and when a larger surplus may be expected next year, how is the present surplus to be

disposed of? Will it be left in the godowns to deteriorate? Will it be unloaded in the domestic market next year, and all the fresh production exported. What is the guarantee that the costs will be reduced and the world prices would either rise or remain unchanged so as to enable us to sell the surplus in foreign countries. These questions have got to be answered before planning to increase sugar production next year. What incentives will the industry have to enhance production? The present situation has actually been quite disappointing for it. We had proposed export of sugar when the world prices had not depressed so much. Had a decision been taken then, by now we would have sold almost all the surplus stocks at manageable losses and would have been in a better position to plan for the future. Now, of course, we are faced with an almost impossible situation. A sane decision taken at the Cabinet meeting the other day is to keep the prices of sugarcane unchanged. A premium on better sucrose content is allright. The Government has thus linked the prices with the quality of sugarcane, otherwise the sugar problem would have become more difficult. This is sagacious and would not be resented by anyone.

The situation on the wheat front is not very different from that of sugar. Domestic wheat prices are also higher than the world prices. Whatever little has been sold abroad this year, has been done with great difficulty. Our main customer of wheat has been Iran. The support price for the next crop has been further increased by Rs. 15 to Rs. 160 per 100 kg. It may help the growers to increase production. But what shall we do with the surplus produce? As far as the domestic consumers are concerned, 'for the time being' they will not have to pay more. But when the next crop comes into the market the prices are bound to increase. It would be a strange phenomenon if the prices rise with the increase in supplies without any corresponding increase in demand.

It was in this context that we had stressed the need for working out a cost-output ratio of all important crops and then fix the procurement prices. But we regret to say that nothing has so far been heard about any such exercise, while the prices have been further raised. We welcome the measures being taken to increase the per unit yield of all the crops. But at the same time we must try to reduce the costs so that the end-prices do not increase more than the world prices. If at the moment, import of sugar is cheaper, why should one spend foreign exchange on the import of pesticides, fertilisers and costly sugar mill plants to increase domestic production? Domestic consumer is willing to pay even a

little more for the domestic products to encourage domestic industry. But to force him pay just double or more than what he would have to pay for imported goods is rather too much to ask of him. Besides, incentives in the form of increased prices have a chain effect and finally it becomes difficult to break the chain. This country has the potential of increasing production with minimum of costs. What we need is proper guidance and the adoption of scientific ways of cropping. This can be done by making agricultural extension services more efficient and more effective.

CSO: 4200/57

BRIEFS

KARACHI'S JOBLESS NUMBER 1.3 MILLION--ISLAMABAD, Oct. 6--The population of the major cities of Asia and the Pacific will double by the turn of the century, growing by almost 700 million. With Asian cities already under the pressure of recent population growth, such a rapid increase in the next two decades threatens a chaotic degeneration of urban living. According to the fact and findings discussed at the Third Asian and Pacific Population Conference recently concluded in Colombo (Sri Lanka), 20 to 30 per cent of Karachi's 5.3 million people are jobless or underemployed. On average, 37 per cent of Asia's urban population are forced to live in slums and squatter setlements. The proportion is much higher in some cities, the findings say. The projected population increase means that hundreds of million of new housing units will have to be built in Asian cities, and as many as new jobs created. Large-scale expansions and improvements will need to be carried out on roads and public transport systems sanitation and sewerage, schools and hospitals and other civic facilities, most of which are already severely strained in many cities. [Karachi BUSINESS RECORDER in English 7 Oct 82 p 3]

POET BAILED--ISLAMABAD, Oct. 7--Hassan Abbas Reza, a local poet, booked for publishing objectionable material in his magazine 'Khayaban' was bailed out by a local Magistrate here yesterday. He was arrested by Satellite Town police over a couple of weeks back and ceases under MLR 49 and section 56 of Press and Publication Ordinance were registered against him. Yesterday following the withdrawal of case under MLR49, he was released by a local court on cash bail bond of Rs. 10,000. Meanwhile, raids are continuing for the arrest of his co-accused, Mahmooda Ghazia, working with the same magazine. [Islamabad THE MUSLIM in English 8 Oct 82 p 3]

NEW URDU DAILY--LAHORE, Oct. 8--Another Urdu newspaper is going to make its debut from Nov. 1 from Lahore. The daily 'Jurat' will be published under the Chief Editorship of Jamil Athar while Rehmat Ali Razi will be its Executive Editor. [Islamabad THE MUSLIM in English 9 Oct 82 p 10]

GATES AROUND MINAR-I-PAKISTAN--The five gates, with the outer wall to be built around Minar-i-Pakistan, would represent the five units as envisaged under the historic 1940 Resolution. Work on construction of "Bab-e-Punjab", "Bab-e-Sind", "Bab-e-Baluchistan", "Bab-e-Sarhad" and "Bab-e-Muslim Bengal" would start shortly under the Minar-i-Pakistan Development Scheme, being carried out by the Lahore Development Authority. Under the scheme, it is learnt, the

"Bab-e-Muslim Bengal" would remain closed drapped in black, reminding the East Pakistan debacle. [Lahore THE PAKISTAN TIMES in English 12 Oct 82 p 10]

PROFIT LOSS SHARING DEPOSITS--SIALKOT, Oct. 14--Describing the interest-free banking introduced by President General Mohammad Zia-ul-Haq as a solid step towards Islamisation of the banking system in the country, Allied Bank President Khadim Hussain Siddiqui told newsmen that more steps in this direction were being taken and very soon the whole banking system would be moulded according to the true tenets of Islam. He revealed that the Rs. 2000 crore target fixed for PLS occounts for 1982 by the Banking Council of Pakistan would certainly be achieved by the end of December. So far Rs. 850 crore has been deposited, he added. Giving details of defaulters, he added that at present there are 34,000 cases pending in vorious courts against defaulters involving about Rs. 500 crore. Stringent measures, he said are being taken to check the day-to-day increase in cases of embazzelement in banks. All such cases are being referred to the Martial Law authorities, he added, and it was hoped that the banking field would be purged of all bad elements. The ABL President also disclosed that drastic steps are being taken to check the misuse of conveyance provided to bank managements. [Lahore THE PAKISTAN TIMES in English 15 Oct 82 p 8]

OFFICIAL ON DENATIONALIZATION--Dr. Mahbub-ul-Haq, Deputy Chairman, Planning Commission, told PPI in Lahore on Friday, the Government was prepared to denationalise any industry of the public sector, including cement, ghee and fertiliser units, provided reasonable offers were made. [Lahore THE PAKISTAN TIMES in English 16 Oct 82 p 1]

MAGAZINE FORFEITED--The Government of NWFP have fortfeited all copies of the Urdu weekly magazine 'Hayat" under the West Pakistan Press and Publications Ordinance 1963, as they contained venomous materials against Pakistan. [Peshawar KHYBER MAIL in English 15 Oct 82 p 6]

PAKISTAN-ROMANIA ECONOMIC BODY--ISLAMABAD, Oct 18--The Romania-Pakistan Joint Economic Commission will meet here from Nov. 15 to 20 to explore ways and means to promote the bilateral and economic relations between the two countries, it was learnt here today. The Romanian delegation to the Joint Commission meeting will be led by the Minister of Chemical Industry, Mr. Georghe Caranfil. [Karachi MORNING NEWS in English 19 Oct 82 p 10]

OMANI NAVAL COMMANDER VISITS--(J. B. Gani), naval commander of the Sultanate of Oman, arrived in Islamabad today on a week's visit to Pakistan. Later, the Oman naval commander visited the naval headquarters and exchanged views with the acting naval chief on matters of interest to naval forces of both countries and the general naval situation in the region. He was presented with the insignia of the Pakistan Navy. [Text] [BK241600 Karachi Domestic Service in Urdu 1500 GMT 24 Oct 82]

ROCKET PRODUCTION--The Pakistan Space and Upper Atmosphere Research Commission [SUPARCO] has established a rocket production plant in Karachi to manufacture rockets for higher altitude scientific research. The Radio Pakistan's Karachi representative says the [words indistinct] rocket manufactured in the country meets international standards in terms of performance and safety. The special program of the SUPARCO includes the monitoring of the pollution level in the atmosphere and use of satellite for communication purposes. [Text] [BK260441 Karachi Domestic Service in English 1700 GMT 25 Oct 82]

MRS BHUTTO'S CONDITION SERIOUS--The condition of Mrs Nusrat Bhutto, who is suffering from lung cancer is said to be serious. United News of India has quoted (Abid Zubedi), a leader of the Movement for Restoration of Democracy [in Pakistan] as saying that she is having difficulty in walking and is feeling exhausted. Doctors have advised Mrs Bhutto to go to Vienna for treatment. [Text] [BK230702 Delhi Domestic Service in English 0240 GMT 23 Oct 82]

TRADE CARAVAN TO CHINA--A 33-member border-trade caravan of Pakistan has left Gilgit for Xinjiang through Khunjerab. It is led by the additional commissioner of northern areas. During its stay at Kashger, the caravan will exchange articles worth 2.2 million rupees. Exports from Pakistan under border trade include dry fruits, linen cloth, razor blades and medicinal herbs, while those from China include cloth, crockery and hardware. Radio Pakistan Gilgit representative says the Pakistani caravan is the second after the formal opening of the Khunjerab Pass for civilian traffic. [Text] [BK261631 Karachi Domestic Service in English 1005 GMT 25 Oct 82 BK]

BANGLADESH-PAKISTAN SHIPPING ACCORD--Pakistan and Bangladesh have set up a conference line which will be called the Bangladesh-Pakistan West Asia Gulf Conference. An agreement to this effect was signed in Karachi on 21 October. [BK270423 Karachi Domestic Service in Urdu 0200 GMT 22 Oct 82 BK]

ELECTION TO UNSC--The foreign secretary has said that Pakistan's unopposed election to the United Nations Security Council's seat was a great honor for the country and that it reflected the magnitude of trust and confidence Asian nations had in her. Speaking during a television program on the occasion of UN Day, he said this also demonstrated the success of Pakistan's foreign policy, which is based on principles. He added that Pakistan had never sacrificed these principles. He expressed the hope that Pakistan will fully represent not only the Asian nations but also the nonaligned and the Islamic nations at the Security Council. The foreign secretary said that Sri Lanka's withdrawal from the contest in favor of Pakistan reflected Sri Lanka's friendship with Pakistan. Pakistan will represent Asia at the Security Council for the next 2 years, and during this period many important and delicate issues will be presented before the world body. He said that Pakistan's role in this regard will be in line with its foreign policy and added that the Middle East, Palestine and Afghanistan are important issues where Pakistan must play a vital role. [Text] [BK250452 Karachi Domestic Service in Urdu 0200 GMT 25 Oct 82]

CSO: 4656/21

MANILA COLUMNIST WRITES ON POLITICAL CONTINUITY

HK230111 Manila TIMES JOURNAL in English 22 Oct 82 p 4

["Viewpoint" by Salvador P. Lopez: "For Political Continuity"]

[Text] If we are borne on a wave of "continuing revolution" toward which shore we are moving and in what kind of political weather?

I will hazard a guess--and it's only one man's guess: We will be cast upon the shore of a peaceful island. Though there will be dark clouds in the sky and a stiff wind blowing, we will land without mishap because someone will be piloting the boat who can steer it to the safest inlet on the rocky shore.

Who might the pilot be? None other than Ferdinand E. Marcos. Since it was he who brought us out upon the waters of a raging sea, it is he alone can bring us back to the haven he first bade us leave.

By such a device of metaphor, we can better indicate the responsibility resting on President Marcos to bring the nation out of the perilous quandary in which it finds itself. Buffeted by an economic storm of global proportions, faced by a rising clamor for an increasing measure of freedom, democracy and human rights, and burdened with a political system that does not seem to be working too well, the nation is groping for a way out of a grave triple crisis that confronts it.

The truth is that people have a natural preference for the rule of political continuity. This, however, is never an easy rule to observe at any time and the question remains one of the perennial subjects of political philosophy. The system of constitutional monarchy, which has been brought to perfection in England and the Scandinavian countries, is a transparent compromise between the vibrant principle of the sovereign power of the people and the vestigial principle of the divine right of kings. But the result is a reasonably stable and continuous system of political organization.

The risk of discontinuity, on the other hand, explains the universal concern which the question of presidential succession has aroused among Filipinos. Since the present system does not provide for a vice president, the spectre of a sudden break does exist which cannot be exorcised by the device of an appointive executive committee.

This device, in fact, focuses attention on the subliminal danger of a sudden break in the political organization of the state as a consequence of revolution or a coup d'etat which cannot, of course, be entirely excluded. The Philippines has undergone the experience of political discontinuity at least four times during the present century: The revolutionary government, the American colonial rule, the Japanese military occupation, and the regime of martial law.

There is no reason to believe that we have seen the last of them.

Nevertheless, the desire for some kind of measure of political continuity is a natural one. I believe it is true to say that the majority of the people would prefer such continuity to the uncertain hazards of political change brought about by revolution or by a coup d'etat.

True, a revolution will occur anywhere only when the conditions are ripe for it. But violent revolutions as a means of redressing social injustice have had a vicious propensity for creating other, newer forms of injustice, so that they cannot be considered as indisputably the best way of procuring social change, however unavoidable they might really prove to be.

As for a military coup, let no one say that it can never happen in the Philippines. All the essential elements are present and in place, and it only requires the concurrence of circumstances and opportunity to trigger one such coup into existence.

These ever-present alternatives render all the more necessary a determined effort on the part of President Marcos and the leaders of the opposition to find some means of resolving the differences that now divide them. While those differences cannot be minimized, no one can really know their measure until responsible representatives of the two sides sit down together to consider them.

But this can only happen if both sides agree to suspend the continuing battle of press releases and press statements, and begin to explore possibilities of cooperation.

It is not going to be easy. But let no one forget: The issue is between political continuity achieved through the participation of the party in power and the opposition in legitimate political action, political discontinuity brought about by the threat of force or the use of force, in the course of a revolution or a coup d'etat.

Put differently, the issue is between the survival of democracy in the Philippines, and its eclipse for a very long time to come, if not its final death.

CSO: 4200/53

MARCOS INAUGURATES KEY DAM PROJECT 27 OCTOBER

HK280012 Manila Far East Broadcasting Service in English 2330 GMT 27 Oct 82

[Excerpts] President Marcos, before 100,000 cheering Ilocanos, predicted yesterday that the Magat high dam would transform the Cagayan valley and Region II in northern Luzon into the breadbasket of the Philippines. Inaugurating together with the first lady and Human Settlements Minister Imelda Romualdez Marcos the Magat River multipurpose project, the president ordered the cabinet to set aside 1 billion pesos for Region II to accelerate the development of the Cagayan valley, including the Batanes Islands. The president also released another 5 million pesos for the region to repair public works projects destroyed by the last typhoon, on top of the 10 million pesos which Malacanang had released earlier for the region.

The president and the first lady flew to Isabela yesterday to officially start up the 5.5 billion peso Magat dam and the reservoir complex, which includes an unfinished hydroelectric power plant. The finished structure, which stands out as a monumental achievement of the administration, has so far cost 3.3 billion pesos. This figure does not include the electric power phase of the project, which will cost 2.2 billion pesos.

The president underscored the importance of the Magat high dam and the significance of his and the first lady's visit to Isabela, in the heart of the Cagayan valley. The program, held in Barangay Aguinaldo in Ramon, Isabela, was actually a joint affair. First the inauguration of the Magat River multipurpose project, and the commemoration of the 10th anniversary of the tenant emancipation decree. Concerning this anniversary, the president and the first lady distributed yesterday 25,000 land titles to farmers from the country's 12 regions, making them absolute owners of the land they till and occupy in accordance with the government's land reform program.

Stressing the importance of the occasion, the president said land reform is not just a transfer of land from the landlords to the farmers but is a package of economic benefits intended to make farmers self-reliant and productive.

CSO: 4200/53

MEETING NOTES MINDANAO PEACE, ORDER PROBLEMS

HK190144 Manila TIMES JOURNAL in English 18 Oct 82 p 2

[Text] The Regional Peace and Order Council had adopted several measures to counteract possible increase in subversive infiltration and expansion in central Mindanao. Military officials said subversion remains the biggest threat to the security and development of the region.

The council meeting was attended by military officers, regional, provincial and local government officials, the religious and media. It was presided by Chairman Simeon A. Datumanong and Regional Command 12 Chief Col Valerio C. Perez.

The New People's Army [NPA] propaganda machinery is very active and the NPA has already infiltrated various kinds of organizations, Col Raul Urgello, intelligence officer of central Mindanao command told the council.

Col Rodrigo Gutang, Recom 12 deputy commander for operations, said the "threat of subversion in Region 12 should not be taken for granted."

North Cotabato Gov Carlos B. Cajelo said the Communist Party and NPA, which have a mass base in the borders with Bukidnon, Davao and north Cotabato provinces, would like to penetrate and control Arakan valley to be made into their jumpoff point for infiltration into the other provinces of the region. The governor and the military officers underlined the need for greater involvement of local governments and the civilian population in the campaign against dissidence.

The peace council also decided to:

--Initiate more dialogues with the people in the rural areas to ascertain their problems.

--Conduct follow ups on these problems to achieve tangible results in infrastructure projects and government services.

--Use the mass media to the fullest so that people may be well-informed of the real conditions obtaining in their localities and the dangers of communism.

--Assign more extension officers, field-men, social workers and health personnel to rural areas.

--Generate active participation of local governments, down to the Baranggay level, and civilian organizations to make government presence a reality to a greater number of rural folks.

--Impose proper conduct and discipline among soldiers assigned in far-flung areas.

CSO: 4200/53

LAYA REPORTS DETERIORATING ECONOMY

HK270251 Manila BUSINESS DAY in English 26 Oct 82 p 3

[Text] The country's deficit in its international payments in January-September reached $747 million, more than double the $365-million deficit in the same period last year, as export earnings again failed to match import payments.

Exports during the period totaled $4.03 billion, down 8 percent from the yearago $4.39 billion, while import grew 0.8 percent from $6.02 billion to $6.07 billion. The January-September trade deficit thus reached $2.04 billion, up about 25 percent from $1.63 billion.

The slack in demand abroad for Philippine products, particularly minerals and agricultural commodities, also slowed down activities of domestic business because of the resulting fall in the purchasing power of consumers.

To keep the economy active, the government jacked up its expenditures to P41.03 billion, from the yearago P34.13 billion, when its revenues amounted to P29.13 billion (from the yearago P26.62 billion). It thus overshot its targeted budgetary deficit. The banking system was thus tapped to cover most of this budgetary deficit.

Central Bank [CB] Governor Jaime C. Laya reported to President Marcos on the economic and financial developments during the first three quarters, saying the widening gap in the balance-of-payments position "continued to be of primary concern" and the government took measures for both immediate and long-run remedies of the deficit.

Among the immediate remedies were the streamlining of institutional arrangements to improve the inward remittances of earnings of Filipino workers abroad, the approval of the issuance of dollar-denominated treasury bills, and support of metals industries, the report said.

"A major development that could help achieve a more sustainable balance-of-payments position was the increase in the peso-dollar rate. To a large, however, the peso's deterioration was due to the continuing strength of the U.S. dollar," it stated.

"The continued control of external debt was addressed to the same problem and the unprecedented adoption of a quantitative ceiling of $2.4 billion on new foreign borrowing approvals ensures the maintenance of the external debt at manageable levels."

However, the government measures do not seem to affect many businesses, according to businessmen contacted by BUSINESS DAY. They say their main problem is with liquidity--having funds for day-to-day operations since sales have gone down while costs of operations have remained high.

GNP: Laya's report said the country's total output of goods and services--or gross national product--grew 2.4 percent in the first semester from the same period last year, against a 4.3 percent growth in the first half of 1981.

Gross domestic product grew 2.9 percent compared to 4.0 percent in the same period last year. Agriculture recorded a 4.1 percent, led by the 5.1 percent growth in rice production which accounted for about 26 percent of total agricultural output, the report said.

Personal consumption expenditures grew only 2.6 percent, against the yearago rate of 4.3 percent.

Government expenditures grew only 4.2 percent this year, against 5.2 percent last year.

Yet the government in January-September had a budget deficit of P11.9 billion, already exceeding its targeted budgetary deficit of P10 billion for this year.

Laya said: "Efforts to keep budgetary aggregates within the constraints of resource availability...would go a long way towards more effective economic management as the economy prepares itself for the expected upturn in the world economy."

About P10.9 billion of the budgetary deficit was financed by the banking system. Such funding of the deficit will be "closely monitored" in line with the CB task to watch the growth in domestic credit, Laya said. The aim is to regulate the increases in credit and cash, to tune them with the target growth of the economy while maintaining a low inflation rate and narrowing the gap in the international payments, he added.

Despite the huge BPO [balance of payments] deficit in the first three quarters, total domestic liquidity reached P88.8 billion as of last September, up 17.2 percent from December's P82 billion. The CB early this year has set a 17 percent increase in total liquidity for 1982.

Credit: While the bulk of outstanding credit is still used by the private sector, the government's net availment during January-September grew faster than the private sector's. Government net borrowings amounted to P21.72 billion as of last September, or 50 percent more than P14.54 billion at end-1981, while the private sector's net credit reached P109.26 billion, 8 percent more than P101.27 billion end-1981.

Other highlights of Laya's report:

--The country's fixed term foreign debts (those repayable at a specified time as against revolving credit which can be automatically renewed), amounted to $12.6 billion, up 10.8 percent from $11.37 billion at end-1981. The outstanding debt as of September was about 30.8 percent of GNP;

--Revolving credit as of last June amounted to $3.65 billion, or 6 percent more than the $3.45 billion end-1981, for a $199-million net borrowing during the first semester;

--Money market interest rates averaged 14.396 percent per annum during the first three semesters, against the yearago average of 15.45 percent a year;

--CB leadings amounted to P44.25 billion, or an expansion of P6.56 billion during the three semesters. The public sector accounted for P22.8 billion, and the private sector P13.66 billion. CB holdings of government securities amounted to P7.79 billion;

--The pesos's exchange rate against the dollar dropped 7.5 percent during the three quarters, at P8.4199 per $1, from P7.8334 per $1.

--Foreign loans approved during the period amounted to $1.89 billion against a ceiling of $2.4 billion for 1982. Some $728 million of the approved loans were in official development assistance, which carry concessional terms;

--The increase in prices of consumer goods decelerated to 10.5 percent during the period, against 13.2 percent last year.

CSO: 4200/53

CHINESE-FILIPPINOS URGED NOT TO TAKE SIDES

Cebu City VISAYAN HERALD in English 16-17 Oct 82 p 4

[Article by Al Alinsug]

[Text] The way I sized up the toasts to the friendship of the People's Republic of China during a testimonial banquet in honor of the PROC visiting ambassador, Mo Yan zhong, we have to like China mainland because it can help us more. Improvement of socio-economic relations between the Philippines and China's PROC is the desire of our leaders of government, but not their ideology.

I was invited to three activities on the occasion of the Chinese ambassador's visit: the press conference at Mactan in the morning, the Ludo luncheon at the Revolving Restaurant, and the state dinner at Whitegold. I could only attend the state dinner, and it was revealing. The wide floor of Whitegold was full to capacity: about two thousand joined Mr. Yanzhong in the dinner. that's the estimate of OMA regional director Gene Labella with whom I was seated.

I tried to see and remember who were there: among the big names were Frank Benedicto, Mr. Esteban Go Sing King, Ben Chua, Lim Liu, Vicente Sabarre, Ric Ong and many others.

From talks I gathered there is at present a strong dividing wall that separates those who are sympathetic to PROC and those who are pro-nationalist government. lawyer Dito Florido, president of IBP-Cebu, confirmed this antagonism

While the Chinese in Cebu and others elsewhere in the country are mainly concerned with the aggrandizement of their businesses and social contacts, it will be for the enhancement of peace and unity of the Filipino-Chinese relations if this economic interest will not be confused with ideological interest. The Chinese in the Philippines should stay clear from ideological struggle. The moment they get inveigled in ideological issue, the government will surely run after them and they become enemies of the people. Maintaining the status quo will gain for them continued prosperity and peace. Democratic living should be their way of life and they should resist any attempt, should there be any, to make use of them for ideological purposes.

CSO: 4200/63

LOCAL AUTONOMY TO BE WIDENED

Manila PHILIPPINES DAILY EXPRESS in English 22 Oct 82 pp 1, 7

[Text] **THE GOVERNMENT** will continue to give more autonomy to civilian administrations in the provinces.

President Marcos made this assurance yesterday during his talk with Leyte and Samar officials at the People's Center in Tacloban City.

The President noted that in many instances, problems are better solved at the provincial level.

The President, together with the First Lady, and Human Settlements Minister Imelda R. Marcos, conferred with officials of two Eastern Visayas provinces on local problems, including the peace and order situation.

Mr. Marcos, who presided over the commemoration of the landing of the Allied forces 38 years ago last Wednesday, boarded the Presidential yacht *Ang Pangulo* shortly after lunch yesterday for a return trip to Manila. He is expected to be back in Malacanang early this afternoon.

* * *

DURING HIS meeting with Leyte and Samar officials, the President was informed that with the opening of roads and highways, electrification of barrios and the spread of the livelihood program, the New People's Army's activities have dwindled to a few isolated incidents.

Deputy Prime Minister Jose D. Rono told the President that the people of the region have realized that the government is sincere in pursuing the development of the region.

The government has poured in almost P1 billion for the development of Samar alone. The province was once a hotbed of subversion.

The President reiterated to the officials that the government would continue to emphasize socio-economic development in coping with subversion in the country.

The First Lady urged local officials to keep constant communication with their constituents in the barangays.

She proposed that officials keep records of government finances open for the public scrutiny to maintain, she said, public confidence in the government.

She also said processing villages will be set up in every region to help increase the value of local products.

The President reiterated that the country has adopted a strong work ethic as the basis for development and assured it would not find itself in a financial bind which many welfare states have fallen into. He cited the predicament of some welfare states that spend more than half their annual budgets for welfare.

On the livelihood program, the President cautioned against over-concentration of resources on a few products which, he said, may result in excess production and depressed prices. He urged that market studies should accompany KKK projects to ensure their viability.

CSO: 4200/62

BANKS AWASH WITH CASH

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 pp 9, 10

[Article by George T. Nervez]

[Text] **COMMERCIAL** banks are awash in cash with a total of P37.8 billion in cash and due from banks, according to data made public by the Central Bank.

The CB said yesterday that the combined resources of commercial banks amounted to P187.5 billion and end-September, an improvement of P4.2 billion or 2.3 percent from P183.3 billion in August 1982.

The increase in resources was noted in both domestic and foreign banks, but the Philippine National Bank (PNB) and private domestic banks contributed P3.5 billion or 83.3 percent of the P4.2 billion asset expansion.

* * *

ACCORDING to the CB, there was a 'pronounced' increase in cash assets which rose by P2.5 billion or 7.2 percent from August 1982. Cash and due from banks of the commercial banks amounted to P37.8 billion as of end-September 1982, higher by P8.96 billion or 31.1 percent compared to the level a year ago, the CB noted.

The CB report was significant in the wake of pesistent complaints from the private sector that credit remained tight. On the other hand, monetary authorities have pointed out that there is adequate credit in the system.

The CB said that of the P2.5 billion increase in cash assets, a total of P2.1 billion were bank deposits with the Central Bank.

About P1.3 billion of the P4.2 billion increase in assets last month were in loans. As of end-September, outstanding loans stood at P117 billion representing 59.6 percent of resources, the CB pointed out.

CSO: 4200/62

TOP FIRMS SALES RISE AS PROFITS FALL

Manila PHILIPPINES DAILY EXPRESS in English 21 Oct 82 pp 1, 6

[Article by Ray Magallanes]

[Text] **THE COUNTRY's** top corporations did not fare well last year, even if they post an increase in combined sales, because of rising costs of production and reduced consumer purchases.

This was reflected in a report made public yesterday by the Securities and Exchange Commission (SEC), which showed that the top 1,000 corporations made gross sale of some P220.3 billion last year, or 30.3 percent more than the 1980 level of P169 billion.

Net income, however, dropped from P5.6 billion in 1980 to P2.5 billion last year, or a decline of 54 percent, because of the losses incurred by several large corporations, with the mining companies incurring the biggest losses because of the sharp fall in the price of copper and other metals.

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OIL FIRMS still dominated the whole picture in terms of sales with five of them occupying positions in the top 10 listing:

Petrophil Corp., P12.2 billion in sales and P43.2 million in income; Bataan Refining Corp., P11.2 billion and P19.2 million; Caltex Phils., Inc., P7.2 billion and P238 million; Pilipinas Shell Petroleum Corp., P7.1 billion and P40.4 million; 5 Philippine National Bank, P5.6 billion and P230 million; San Miguel Corp., P5.3 billion and P283 million; Mobil Oil Philippines, P5.1 billion and P38.4 million; Manila Electric Company, which posted P5 billion in revenues but reflected total losses of P40.8 million; Philippine Airlines, which made P4.1 billion in sales but incurred losses totalling P959 million; and United Coconut Oil Mills, with total revenues of P4.1 billion and profits of almost P15 million.

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PILIPINAS and Caltex merely changed places in the list, while Unicom displaced financially-strapped Construction and Development Corp. of the Philippines (CDCP) from the "Magic 10" to take the 10th position.

Contributing largely to the revenue-generating capability of the top 1,000 was the manufacturing sector which posted gross sales of P79.4 billion or 36.1 percent of the total volume. Wholesale and retail trade came in second with P65.8 billion or nearly 30 percent of the combined revenues.

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PLACING third to sixth in that order were financing, insurance, real estate and business services, P33.1 billion or 15.1 percent; transportation, storage and communication, P12.2 billion or 5.6 percent; construction, P10 billion or 4.6 percent; and mining, P8.2 billion or 3.8 percent.

While manufacturing took the lion's share in sales, the bulk of net earnings made by the top 1,000 firms was

contributed by the financing, insurance, real estate and business services with P2.5 billion, with banking contributing P1.6 billion or 66.3 percent of the net income.

Manufacturing accounted for the second largest share with a net income of P576.9 million or 22.3 percent of the total income.

Mining, which was the third largest recipient of earnings in 1980's top 1,000 corporations, incurred the biggest loss (about P1 billion) last year.

Because of the severe business difficulties prevailing last year, 215 corporate entities – the biggest in number so far – incurred losses of P4.8 billion as against the 183 firms in 1980 which reported losses of only P2.5 billion.

CSO: 4200/62

CHINESE BUSINESS PRACTICES QUESTIONED

Cebu City VISAYAN HERALD in English 16-17 Oct 82 p 3

[Article by Eddie R. Gandionco]

[Text] The Chinese, it seems, have always had a somewhat greater weakness for money. Usually, a Chinese manager, running his own business, is only concerned about how much money he can squeeze out of it. Some Chinese businessmen have tricks up their sleeves when it comes to prices. They offer good prices. If the price is refused, the Chinese will warily explain that he can lower the price if the quantity is increased. He may even confide that by adulterating the quality a bit he can lower the price yet further.

A few Chinese entrepreneurs that are wise use a far-flung subcontracting network that allows him to produce a greater quantity more cheaply without getting involved in large capital outlays and unwieldy workers. And he may not have much of an establishment to boast of. And his customers and market are those that needs a particular product at a low price at a certain time. These group of Chinese and Chinese-Filipino businessmen are young, dynamic and growing; their approach is much looser and freer. They are more tougher and aggressive (included in this group are the technical smugglers).

However, Chinese unity in the Philippines for the past years has always a rare ingredient. The community is dissected by mutually exclusive and self-perpetuating social organizations and institutions. Many of the Chinese population remain content with their business and wealth. With themselves at the center of the country's economy, their lives have been organized around and within a framework of associations and societies in cozy seclusion from the multi-racial environment. Dealings across race barriers are confined to the top-most levels of government.

The growth of Chinese businesses and industries has created apprehension as well as fear from Filipino businessmen that given the Chinese penchant for family-owned corporations or firms, the Chinese and Chinese-Filipinos may well end up in full control of all businesses and industries in the country and the economy and the government. In the meantime, the Chinese amongst us are still conscious of their origin and culture, even though they have been born in this country and live here for many, many years

Almost daily you read in the newspapers of smuggling thru our ports Smuggling, a profitable if illegal form of private enterprise, is becoming an increasingly big problem for government authorities. Smuggling in and out of the country have mushroomed in the last decade and the trade is now certainly worth many millions. At the center of the smuggling trade are alleged to be Chinese and Chinese-Filipino businessmen and traders who have connections with top government officials and customs collectors and examiners and, the anonymity to make a success of a business of avoiding customs formalities.

It is true and it cannot be denied that many cases of smuggling have been cracked by the authorities, but for every load the customs and government agents stop or confiscate, a dozen shipments probably get through. And this is also true.

CSO: 4200/63

JUDGE DEPLORES FALSE STATISTICS

Cebu City VISAYAN HERALD in English 16-17 Oct 82 pp 1-14

[Article by Mariano M Florido, Former CFI Judge]

[Text] We heard these several times from the mouth of the leadership: Our economy is doing well. The unemployment figure in the Philippines is only 4 per cent; inflation is only 10.5 per cent; domestic savings, 20.2 per cent; real growth rate 2.4 per cent (Virata's figure is 3 per cent), better than developed countries; foreign indebtedness, only $12 billion; foreign investments, $250 million a year; literacy is 100 per cent in Manila. We are a democracy. In our country there is freedom of speech and of the press; there is no violation of human rights.

To a Filipino who has lived in his country since the day independence from america was proclaimed in 1946, these utterances would pass from the sublime to the ridiculous.

There are several factors that come to assist the opinion-maker in these statements. First, the authoritarian juggernaut. In an era when the freedom of speech and of the press is restricted, or even tabooed, the only opinion that counts weight is that of the authority.

Second, the unrestrained resort to statistics to establish a point. For instance, one cannot rely on the accuracy that our unemployment rate is only 4 per cent, specially in the face of the unguarded admission that unemployment is rising everywhere; that because of the depressed labor market here, thousands of Filipinos seek employ- abroad.

Third, like the rich grafters, the truth about our present economic conditions can always manage to escape arrest. Says a Bulletin Today editorial: "There is of course the admission thattheconditions are bad, and that is precisely the reason for pointing out, through official figures, that some fundamental aspects of the economy are surprisingly strong."

When government merely cites statistics, for convenience, to prove economic performance, the people who actually suffer under a dying economy would simply shrug off and say: "Damn the statistics!" For them, no better measure of such performance can match the performance of sufferings.

What about DEMOCRACY? What is DEMOCRACY? President Marcos himself cit-
finition of DEMOCRACY that becaune of the depressed that the most famous de-
was, of course, made by the great Pericles. "Our constitution is named a DEMOCRACY," he said, "because it is in the hands, not of the few, but of the many." If that is so, then his definition is the death-song of DEMOCRACY under our Constitution.

Can DEMOCRACY exist when the gap between the rich and the poor in the Philippines is so wide, it makes the poor the slaves of the rich? The President, again cites in his "Democracy and Revolution", Alexander Hamilton who said "that a power over a man's subsistence amounts to a power over his will."

Can a political society be called democratic when, under its laws, only one party can virtually be accredited to run in an election?

In the Philippines, there is freedom of speech and of the press; there is no violation of human rights. Our economy is great; unemployment rate is only 4 per cent; our inflation is only 10.5 per cent, better than most developed countries.

Let us say that President Marcos, during his 17 years as president, really tried hard to improve our economy. But, did he succeed? The ordinary citizen, the laborers, the students, the teachers, the house holders, the professionals, everybody knows that he failed. And this is not to be regretted because all the previous presidents before him also failed. It's another story if you irritate the people with statistics for they might ask you: "Where did you get your figures?"

I have read a reprint of the editorial of Wall Street Journal of September 24, on FM's state visit to US. I would prefer to limit my citation to its natural focus: "With the massacres in Beirut and the Philippine President's state visit, news coverage has focused on the imperfections of the two leaders (Menachem Begin and Marcos) and their governments. Mr. Marcos's rule in the Philippines certainly does have its imperfections, some of them baroque, and it is a good thing to have a forum in which he is called to account."

CSO: 4200/63

MNLF RECRUITER SURRENDERS

Manila BULLETIN TODAY in English 27 Oct 82 pp 1, 6

[Article by Jose de Vera]

[Text]

GEN. SANTOS CITY, Oct. 26—One of the original framers of the "constitution" of the Moro National Liberation Front, responsible for initial recruitment of 20,000 MNLF rebels, gave up here today to military authorities headed by Maj. Gen. Josephus Q. Ramas, Army commanding general.

The "MNLF constitutionalist" and political commissar, Ben Harin Tan alias Commander Harid Tan, gave up unconditionally with his seven-man staff and many followers in rites held at the home base of the 3rd Infantry brigade, 2nd Infantry division, under Brig. Gen. Cesar Bueno. They yielded high-powered rifles.

They were wearing army fatigues tailored like the uniforms of regular members of the Armed Forces, complete with name patches but with MNLF lettering over the right shirt pockets.

Brig. Gen. Jose P. Magno, Jr., commander of the Central Mindanao command (CEMCOM), South Cotabato Gov. Sergio Morales, and Gen. Santos city Mayor Antonio C. Acharon, along with Muslim datus and sultans were on hand to witness the surrender.

They sworn on the Koran before a Muslim priest that they would now work for the government and convince their remaining 1,000 followers to come down the hills.

Tan promised to convince his brother, a lawyer who also joined the MNLF, to follow him in going back to the government fold.

Tan said the split in the MNLF hierarchy, the unseating of Nur Misuari, and the weakening leadership of Hassim Salamat, compounded by lack of foreign support in military hardware, have caused widespread demoralization among the remaining MNLF commanders and their followers.

Tan said he and his men realized that in their 12 years of fighting the government, they have done more harm than good.

Tan said he joined the MNLF in 1970 when he led a second batch of 300 Muslim

youths who underwent training in Jampira, Sabah.

The first batch of 200 Muslim youths from Lanao del Sur, he said, underwent training in the same camp for 180 days. He trained with this first batch.

He returned as chairman of an organizing group that recruited more 20,000 MNLF men from North and South Cotabato.

In 1978, Tan said he was recalled to Jampira, stayed there for one year as trainer and instructor, and returned with much responsibility that expanded his area of operation to Sulu, Basilan, Davao del Sur, North and South Cotabato.

In 1982, Tan said he was made overall chairman on civil affairs and roving political commissar.

General Magno discribed Tan's position as political commissar and mass organization man as "more deadly" than that of an ordinary MNLF combat leader.

CSO: 4200/63

GOVERNMENT UNABLE TO CUT DEFICIT

Manila BULLETIN TODAY in English 27 Oct 82 p 24

[Text]

The national government's cash budget deficit of ₱11.9 billion during the first nine months of the year, as reported by the Central Bank, was running out of the government's target to keep the deficit at ₱10 billion for the whole year equivalent to 3.0 per cent of GNP.

It also nearly approximated the ₱12 billion deficit recorded in 1981, equivalent to 3.9 per cent of GNP.

Early this year, the government decreed a number of austerity measures intended to check the increase in expenditures so as to rein the budget deficit at the targetted level of ₱10 billion. With still three months to go in the year, updated government estimates place the deficit at between ₱14 billion to ₱15 billion.

At this level of budget deficit, it is now obvious the programmed target of reducing the deficit from 3.9 per cent of GNP to 3.0 per cent of GNP in 1982 would not be met.

The CB said that the "counter-cyclical" measures adopted by the government to counteract the slump in business activity brought about the world recession were responsible for the undue rise in government expenditures during the nine-month period.

Among these measures was the continued implementation of government public work and infrastructure projects which formed part of the ₱18 billion spent for capital outlays during the period, up by ₱5.0 billion over that spent for the same period last year.

Spending for infrastracture rose from ₱5.7 billion to ₱6.12 billion. Allocations for equity in government corporations, which the World Bank earlier recommended to be trimmed down, rose by 45.9 per cent from ₱5.58 billion to ₱8.13 billion.

Current operating expenditures also rose by ₱2.0 billion from ₱21 billion to ₱23 billion.

As a result, total disbursements during the period amounted to ₱41 billion, representing a 20.2 per cent increase over last year's.

In contrast, total revenues increased by only 9.5 per cent to ₱29.1 billion.

As the budget deficit expanded than anticipated, the public sector resorted heavily to borrowings, mostly from domestic sources.

Public sector's borrowings for the first nine months of the year stood at ₱22 billion, ₱7.2 billion or 81.9 per cent more than the comparative period last year.

During the period, the CB lent a total of ₱5.9 billion to the national government to help it finance the deficit.

CSO: 4200/63

REBEL PRIEST SLAIN

Manila PHILIPPINES DAILY EXPRESS in English 13 Oct 82 pp 1, 6

[Article by Mel Parale]

[Text] A REBEL priest with a P130,000 price on his head and tagged as a procurer of guns for dissidents operating in Northern Luzon was killed Monday noon in a clash with government troops.

Fr. Zacarias Agatep, parish priest of Cauayan and San Jose in Ilocos Sur, was slain one day after a recommendation of the PC Region I command raising to P130,000 the reward for his capture, dead or alive, was approved by Defense Minister Juan Ponce Enrile.

Also killed in the encounter that took place in barangay Baybayadeng, Salcedo, in Ilocos Sur was Nonoy Espiritu, alias Commander Doming, an NPA leader wanted for allegedly leading rebel liquidation squads in the ambush killings of soldiers and uncooperative local officials and civilians.

The body of Agatep, 45, was identified by Brig. Gen. Victorino T. Azada, regional PC commander.

* * *

FOUR REBELS acting as Agatep's bodyguards were captured. Their identities were not available.

PC soldiers, led by Lt. Daniel Costales, seized high-caliber guns, including a Soviet-made AK-47 rifle, an armalite and a carbine, after the encounter.

The PC said the armalite was used by Agatep.

Agatep's body was later taken to his relatives in Vigan, Ilocos Sur.

* * *

RECORDS showed that Agatep joined the underground movement two years ago and subsequently figured in armed clashes with government troops.

He was captured Sept. 4, 1980, but was released to the custody of his superiors on Dec. 23 of the same year based on an agreement entered into by a church-military liaison group.

But he took to the hills again weeks later.

He was placed at the top of the wanted list by military authorities after confirmed reports showed he had been active again in clashes with government troops.

* * *

ANOTHER rebel priest in the wanted list is Fr. Conrado Balweg, a parish priest in Abra who also carries a P130,000 price on his head.

Three other rebel priests in the region have been identified and are being hunted by government troops. They are Frs. Nilo Ortega, Bruno Ortega and a certain Fr. Valerio.

The government has approved offers of rewards for anyone who can give information for their capture.

CSO: 4200/62

EDITORIAL DENIES PERSECUTION OF CHURCH

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 4

[Editorial]

[Text] WE HOPE that Jaime Cardinal Sin was misquoted when he reportedly said that it appeared that the government has begun a systematic campaign to discredit the Catholic Church in the Philippines.

To raise that kind of issue is tantamount to promoting a fight between the State and the Church which is frowned upon by every Filipino. Officials of the Catholic Church should be the last ones to even hint about a fight between the State and the Church for the consequences may be most difficult to bear.

The Cardinal's comments may have been brought about by the death of rebel priest Fr. Zacarias Agatep, who was killed in an armed encounter with government forces in Ilocos Sur, and the arrest of Australian Fr. Brian Gore, parish priest of Kabankalan, Negros Occidental, for inciting to rebellion and illegal possession of explosives and ammunition.

It is understandable for Cardinal Sin to react the way he did considering that he is one of two Church princes in the country and he is duty-bound to take up the cudgels for the members of the clergy. But the good Cardinal should have investigated the circumstances first before pronouncing his verdict. Fr. Agatep was a confirmed rebel priest who took up arms against the government. Fr. Gore was duly charged in court for the crimes imputed against him. He filed a motion for bail which was denied by a proper court.

We agree that there are always two sides to a question and, in these cases, the two priests have their own opinions. That is why Fr. Gore is being given his day in court.

Fr. Agatep was long in the wanted list of rebel leaders and he knew it. That was why he had been in hiding until that fatal encounter with government troopers. Fr. Gore was arrested on the basis of evidence in the hands of government authorities. His warrant of arrest was even coursed through Bishop Antonio Fortich of Bacolod City.

If and when priests decide to violate certain laws and the security of a country, they should be prepared to answer the consequences. They should not be given special treatment just because they are priests. In this particular case, a priest who decides to take up arms against a duly constituted government becomes just like any of the rebels and should be treated as such.

When Cardinal Sin talked about the alleged systematic government campaign to discredit the Catholic Church, he should not have lost sight of the fact that a great majority of the Filipinos are Catholics. President and Mrs. Marcos and the leading civilian and military authorities are devout Catholics. They will not allow that to happen.

It is not difficult to understand why priests get deeply involved in social and political issues. As servants of God and preachers of the Gospel, they are duty-bound to expose social injustices and violations of human rights. They are performing their priestly functions. But to go beyond that, to take the law into their own hands to be able to accomplish the reforms they advocate — that is something else.

It is best to call the attention of the Catholic priests to the message of Pope John Paul II at the Baclaran church in February, 1980:

"May I remind you (the clergy) of my words at Puebla, Mexico...'You are priests and religious, you are not social or political leaders or officials of a temporal power. Let us not be under the illusion that we are serving the gospel if we dilute our charisma through an exaggerated interest in the wide field of temporal problems.' It is important to see you as servants of Christ and stewards of the Mystery of God."

CSO: 4200/62

NISSAN TO PRODUCE CARS IN PHILIPPINES

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 9

[Text]

TOKYO, Oct. 26 -- Japan's second largest automaker Nissan Motors is to start production and selling of its cars in the Philippines, company spokesman said today.

Nissan, makers of Datsun, and leading trade firm Marubeni Corp. have formed a P50 million (about $5.45 million) joint venture in the Philippines with a local interest to produce and sell passenger cars there, a Nissan spokesman said.

CALLED the Pilipinas Nissan Inc., the new company is owned 15 percent each by Nissanand Marubeniand 70 percent by the First Manila Management Co.

The joint venture will produce 1,600-1,800 cc passenger cars, probably beginning next June.

The venture follows a retreat of West Germany's Volkswagen, which had entrusted producing and marketing of the two Volkswagen-designed cars to the now defunct DMG Industries Co. he added.

Volkswagen was reportedly pulling out of the Philippines because of the extremely sluggish sales of its cars. (AFP)

CSO: 4200/62

DAVAO MILITARY TERRORIZE POPULACE

Manila BULLETIN TODAY in English 15 Oct 82 p 40

[Police News Roundup column by Ramon Tulfo: "Davao's Night Stalkers"]

[Text]

They come in the middle of the night or wee hours of the morning, these men in fatigue uniforms who carry M-16 Armalites and wear masks. They go from house to house, knocking at doors—they have become known as "night knockers"—demanding money or goods. Some of them force their sexual urges on unmarried female members of the household. If these men, who come in bunches of five to 30, cannot get anything from a house, they strafe the roof of that house. The recipients of these nocturnal visits are residents of Mabini town and its outlying barangays in Davao del Norte. The military has been blaming the New People's Army for such visits. The residents, however, insist that some men under Col. Meliton F. Tiburcio, the provincial commander, are the culprits. An investigation is in order.

During a recent dialogue with Mabini residents, Colonel Tiburcio, reportedly enraged by accusations against his soldiers, rose before the assembly and announced: "All right. If that's what you want, I'll pull out all my men and then see what happens to you without us!" This remark was reportedly met with applause from the crowd, and shouts of "Good" and "Yes, take them out" were heard. Shocked, the colonel allegedly became silent and returned to his seat.

CSO: 4200/55

THOUSANDS PROTEST ARREST OF PRIEST

Colombo DAILY NEWS in English 21 Oct 82 p 8

[Text]

KABANKALAN, PHILIPPINES Wednesday.

Three thousand people, many of them barefoot farmers, demonstrated today outside the police station in this Central Philippine town where an Australian Roman Catholic priest is held.

Father Brian Gore, a 38-year-old Columban Father originally from Perth, was arrested with six others on Monday on charges of possessing explosives and ammunition and incitement to rebellion.

As the crowd gathered in the small town square, he told reuters in an interview in the office of the local police chief.

"If they can get away with this, all priests and religious people will not be safe."

The arrest of Father Gore followed the detention of a Filipino priest running a "social action" centre on the Island of Samar last week and the killing by military forces in the Northern Philippines of a priest alleged to have joined a Communist guerrilla organisation.

Some Catholic clergymen say the authorities are out to silence the voice of the church.

Father Gore, who has spent more than 10 years in his parish at Kabankalan on Negros Island, said of the demonstrators.

Every time there is a human rights violation in our area, we always make a protest and we confront the military.

Earlier in the day he was seen praying on a sleeping mat in the little cell he shares with the six parishioners arrested with him.

Later, wearing a teeshirt and looking relaxed, he said: "They've been after me for a long time."

Asked why the military were after him, he replied: "there is a lot of jealousy because we have credibility and they don't."

Father Gore denied the charges against him which stem from a raid on his residence in kabankalan on the night of September 24. He was detained then, but released after five hours.

"By staying in jail, we can expose this anomaly,' he said, alleging that local officials were circulating a petition aimed at having him deported as an undesirable alien.

Some 6,000 people held a prayer rally in the centre of Kabankalan yesterday, but today's demonstrators said they planned a hunger strike against the authorities.

"Hunger strike for justice" said one of their banners. (Reuter)

CSO: 4200/55

COUNTRY TO REVIEW AGRICULTURAL POLICY

HK251252 Manila BULLETIN TODAY in English 25 Oct 82 p 28

[Text] The government is set to review its agricultural policy particularly those dealing with projects funded by the World Bank, it was learned yesterday. The review, to be done on monthly basis by an inter-agency committee, is one of the government's responses to criticism made by the World Bank that implementation of agricultural projects in the country had been "slow."

In an informal meeting held at the National Food and Agricultural Council (NFAC), Agriculture Minister Arturo R. Tanco, Jr is reportedly organizing the inter-agency committee which will look into the speedy implementation of agricultural projects funded by the World Bank.

The Philippines is a recipient of a $850 million loan from the World Bank for 22 agriculture-related projects. Members of the World Bank mission who arrived here last Monday claimed that the Philippines cannot avail of the loan commitment on time since the country is "slow" in the implementation of the projects.

Agriculture Ministry sources said Prime Minister Cesar Virata has directed the NFAC to plan and coordinate a systematic approach in implementing the country's agricultural projects funded by international financial institutions.

At present, several government agencies can directly borrow from World Bank agricultural developmental loans. With the directive, it was learned, NFAC will decide which projects would be given government priorities for international fundings.

Meanwhile, Agrarian Reform Minister Conrado Estrella told a briefing with newsmen, there is no way, at the moment, to put the country's sugar and coconut landholdings under the government's agrarian reform program because of the prevailing economic difficulties.

Estrella stressed that the agrarian reform program will only cover the landholdings defined under Presidential Decree No 27 as amended which are basically those areas planted to rice and corn.

He said that tenancy in sugar and coconut areas is just "minimal" that the possibility of putting them under agrarian reform is farfetched.

Citing reports of the Philippine coconut authority, Estrella said 95 percent of the landholdings devoted to coconut belongs to 5 hectares and below. This means that the bulk of coconut lands are owned by small farmers and tenancy does not exist.

In sugarlands, he said, there were only few tenants and tenancy exists only in Pampanga and Batangas numbering only about 10,000 people. The rest of the country's sugar workers are migratory workers or the so-called "Sacadas."

CSO: 4200/53

OVER HALF GRADE SCHOOLERS OVERAGE

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 22

[Text]

OVER 50 percent of the country's elementary school pupils are too old for their respective grade levels, says the education ministry. This indicates that the children start school over the age level prescribed by the ministry.

A probable cause of their late enrolment could be poverty which prevents families from sending their children to school upon reaching the prescribed age level, says the ministry.

Under the ministry's prescription, a first grader should be seven years old; second grader, eight; third grader, nine; fourth grader, 10; fifth grader, 11, and sixth grader, 12.

* * *

IN ITS statistical bulletin, the ministry reports that of 7,931,164 pupils enroled in public elementary schools last year, 3,747,356 (or over 50 percent) were found to be overaged for their respective grade levels.

The overagers divided into 2,013,797 males and 1,733,559 females.

Those in Grade One comprised the bulk. The boys numbered 392,090 and the girls 324,014 for a total of 1,403,652.

Ages of the overaged first graders ranged from eight to 19 and above. Of the total 1.4 million overagers, 404,277 were eight years old; 145,900 were nine; 70,437 were 10; 40,772 were 14; 3,811 were 15; 1,934 were 16; 860 were 17; 91 were 18, and 87 were 19 and above.

The sixth grade level, however, had the least number of overaged pupils. Their ages ranged from 13 to 19 and they totalled 474,703, with 247,719 boys and 226,984 girls.

The ministry says that overaged pupils at the Grade Two level counted at 687,548; Grade Three, 675,478; Grade Four, 633,416; and Grade Five, 560,107 — *A.P. Reimando*

CSO: 4200/62

ACTION ON SABAH REFUGEES URGED

Manila BULLETIN TODAY in English 21 Oct 82 p 28

[Article by Nelly Sindayen]

[Text]

The brand of compassion and humanitarian treatment the Philippine government is giving Vietnamese refugees in the country should also be given to the 200,000 Filipino Muslim refugees in Sabah by facilitating their safe and fast return to their respective places of origin.

This view was held by Muslim historian-academic Dr. Alunan Glang in light of a US government report which mentioned that the number of Filipino refugees in Sabah now total about 200,000.

Taking more serious steps to ensure the Muslim refugees' safe return to Mindanao is the least the Philippine government can do for these people, said Dr. Glang.

Dr. Glang, a TOYM awardee and author of a book on Muslim history, said that past attempts by the government to bring the refugees back to their homeland should be revived.

Although they are happy and well taken cared of by the Sabah government, the refugees still want to be reunited with friends and relatives in Mindanao, Glang pointed out.

He added that it is not fair to the Sabah and Malaysian government to be burdened with the presence of these refugees, some of whom have reportedly resorted to petty theft and robbery.

Since the Mindanao war broke out in 1972, Muslims from the south, especially those from Tawi-Tawi, Sulu, Basilan, Zamboanga and nearby places have sought refuge in Sabah.

CSO: 4200/63

AGRICULTURE MINISTER AIMS FOR CORN TARGET

Manila BULLETIN TODAY in English 21 Oct 82 p 12

[Text]

Minister of Agriculture Arturo Tanco Jr. said the Philippines can now look forward to the surplus production of corn pointing out that San Miguel Corporation alone can produce an extra 360,000 tons of the grain, or 20 000 tons more than last year's imports.

San Miguel is a major producer of hybrid corn seeds. It's ₱20 million hybrid seed production center in Polomolok, South Cotabato, can process up to 20 tons of seeds per day.

"That works out to 120,000 hectares that can be supplied from this plant alone," Tanco said. "If we plant 120,000 hectares to hybrid seeds, we will already be an exporter," he added.

San Miguel's "SMC hi-yield seeds" yield over four tons per hectare. With four tons per hectare as the average yield, the 120,000 hectares should yield 480,000 tons of corn. The same area will yield less than 120,000 tons if traditional seeds are used, based on the 1981 national average yield of 0.9 ton per hectare.

SMC hi-yield hybrid corn seeds have been accredited by the government for use in the ongoing Maisagana program. The seeds are specially adapted to Philippine conditions. They possess relatively unmatched resistance to corn borer and downy mildew. They also boast of germination rates of up to 98 per cent, which is markedly superior to the 40 to 60 per cent usually obtained from other seeds.

CSO: 4200/63

FUEL PRICES WON'T CHANGE

Manila BULLETIN TODAY in English 21 Oct 82 p 12

[Text]

No dramatic changes are seen in prices of petroleum products with the forthcoming formulation of a new pricing policy by the Cabinet executive committee.

Energy Minister Geronimo Z. Velasco assured this as he explained that a number of factors are still being considered by the Cabinet in coming up with a new policy restructuring the tax components of each petroleum product.

Velasco said the new pricing policy seeks to define what a true energy cost is, taking into account its effects on various commodities.

He said pricing on every oil product will be structured in such a manner that the energy cost will be balanced against the total production cost of a certain commodity.

At the same time, Velasco said the pricing policy will be based on the "sensitivity" of the increases to the affected products or commodities.

Together with the Cabinet study, Velasco said the consumption pattern is being closely looked into as one of the basis in determining which oil product should bear the burden of having heavier taxes.

Velasco explained that the pricing of petroleum products is actually a tax issue since each of them comes from the same barrel of oil being produced by the refineries.

The varying and unequal tax imposts on each product, according to him, determine the prices.

Based on the present pricing policy, he said taxes are heavily slapped on those products whose consumers are bracketed in the upper income level.

Thus, diesel, liquefied petroleum gas, fuel oil and kerosene carry light taxes since these products are consumed by the mass population and industries.

On the other hand, aviation fuel, regular and petroleum gasoline products are at the other end of the present pricing policy since they are consumed by the high income group.

However, the present pricing policy created an imbalance in the supply and demand of petroleum products, particularly on diesel and gasoline.

The imbalance, brought about by a shift in consumption, resulted in the country importing diesel while at the same time exporting gasoline.

CSO: 4200/63

COLUMNIST ASKS WHAT IS A SUBVERSIVE

Manila BULLETIN TODAY in English 21 Oct 82 pp 6, 9

[Column by Melinda Q. de Jesus: "What is Subversive?"]

[Text] IT'S a bit alarming how the word has taken over our consciousness.

The way it has figured in the more sensational news items, one might conclude that 'subversive' has just about pushed out 'sex' as the most highly charged term these days.

According to these reports, labor leaders do it. Community workers do it. Priests and nuns have been charged with it. Young men and women caught up by the fever try it. And alas, even government officials have been suspected of it.

Not since the dark days of our colonial history and the trials of the Japanese occupation have people taken to the underground in this manner, and we gather from these reports that no place is safe. Parish convents and social centers, research offices and youth clubs are used for secret meetings where people go by aliases and carry on with all the trappings of clandestine activity, the sort that we have come to know in espionage fiction.

With the whole business played up to the hilt, with headlines screaming subversion, people are beginning to wonder what is going on. And the question that begs clarification is how a country so recently paraded as a working, thriving democracy, one that the US can be proud to claim as a friend and ally, can be plagued by so much subversion.

Perhaps there is more to this issue than meets the eye.

What are all these subversive materials, for example, that have a way of cropping up in all sorts of places?

One person who was detained claimed his Playboy collection was seized. Are pulp magazines and the like subversive? Another report had labor union materials taken from someone's house, some of which were published by the Labor Ministry itself? Are official publications on workers' rights not to be trusted? Are the books of Chairman Mao subversive? But surely after the First Lady's many visits to China, there are too many of these around to be still considered suspicious. Are the books on revolution and terrorism forbidden as material for intellectual perusal? — or films on political assassination and government takeovers? Are writings critical of government and specifically of the country's leaders frowned upon?

What about activities? Are mass demonstrations subversive? Are church meetings where people talk and discuss their problems a suspicious activity? Is the concept of the Basic Christian Community held suspect by authorities? Do experiments in community organizations especially in rural areas constitute a danger to the state? Does resistance to government policy or opposition to established political leadership

invite interrogation?

These questions take us into the wild and wooly field of political, ethical, even philosophical judgments. Unfortunately decisions on these questions appear to be entrusted mainly to the military. By their training, the military tend to view such matters only from the narrow considerations of national security, and perhaps, the security of government officials.

But the fundamental concerns of the citizenry, how they live and how they cope, and how they build up their ranks the formulation of a political will and its legitimate expression which is a necessary process in a democracy — these cannot be simplified into an issue of national security.

To do so is to run the risk of undermining the initiatives for grassroots thought and action. Another effect is to sow fear in the hearts and minds of the people, and from that fear, division and disunity in the nation.

CSO: 4200/63

TERROR GRIPS TOWN IN SORSOGON

Manila BULLETIN TODAY in English 13 Oct 82 p 32

[Text]

A reign of terror is gripping the small town of Pilar in Sorsogon following the ambush-killing of ten Constabulary soldiers and eight other civilians aboard a minibus in that town late last month.

An informant, Ceser Salazar, news editor of MBS channel 4, and a native of Pilar, said following the incident armed clashes between PC-police and terrorist groups almost happened daily in far-flung sitios and barangays near the town proper forcing military, education and local authorities to suspend afternoon classes in the elementary and high school levels. Classes, he said, are observed from 9 a.m. to 12 noon daily.

He told BT that early last week, Manuel Lobrigo, municipal secretary of Pilar Mayor Jose Dehitta, was beheaded by armed men believed to be members of the New People's Army (NPA). The victim's head was delivered to his family but his body was nowhere to be found, he said.

He revealed that also last week, a house of a barangay captain was blown by grenades thrown by armed men.

However, he said, the barangay official and his family were out when the incident happened. (Pete Esber)

CSO: 4200/63

BRIEFS

KKK LOAN ANOMALIES RAPPED--It's time First Lady and KKK [Kilusang Kabuhayan at Kaunlaran] Czar Imelda Romualdez Marcos wield an iron hand on provincial officials charged with the implementation of the government's livelihood program, who are enmeshed in various anomalies. There has been quite a number of complaints in cities and municipalities outside metro Manila against local officials fleeing KKK loan applicants, exacting something like P100 fee per thousands pesos released by the government. Deals of this sort are stipulated between the erring local officials and the applicants before the KKK applications for loans are processed. Politics and discriminations cannot be avoided in the processing of KKK loans in the provinces. Clearly, because approval or recommendation for approval of KKK loans are given to the authority of the local chief executives who are, most often than not, dictated by their partisan feelings, to the effect that applicants who are not quite sympathetic to their administration usually get negative results in their applications even if they are much qualified to acquire KKK loans. [Text] [HK270313 Davao City THE MINDANAO DAILY MIRROR in English 17 Oct 82 p 2]

OPEC TO PROVIDE FINANCIAL AID--The Organization of Petroleum Exporting Countries is expected to pour more petrodollars to fill in part of the Philippines' deficit in international payments. This was disclosed by Dr Abdul Amir al-Ambari, official spokesman of the Organization of Arab Exporting Countries. Al-Ambari said OPEC will also finance more development projects in the country in the coming years. He pointed out that the Arab oil-producing countries are channelling less of their investments into Western institutions and more to developing countries hit hard by oil price increases. [Text] [HK220012 Manila Far East Broadcasting Company in English 2330 GMT 21 Oct 82]

UK AIR, RADIO AGREEMENTS--The Philippines and Britain on 22 October signed two agreements which will bolster relations between the two countries. The first agreement amended the current RP-UK air agreement. Under the amended agreement, British Airways may now stop over in Hong Kong on its way to or from Manila. However, British Airways is not allowed to bring in passengers from Hong Kong, nor can the airline load passengers bound from Manila to Hong Kong on the way back to London. The second agreement formalizes the reciprocal radio licensing accord between the two countries. The agreement enables properly licensed Filipino and British radio amateurs to operate their radio equipment in the Philippines, Britain, the Channel Islands and the Isle of Man. [OW270419 Quezon City RPN Television Network in English 1100 GMT 22 Oct 82]

LEYTE TO PUSH INDUSTRIAL DEVELOPMENT--A big push for industrial development is underway in Leyte, which will boost the country's exports. This was announced by President Marcos yesterday on his return to Manila from a visit to Leyte Province. He said the $1 billion industrial estate, including the $400 million copper-smelting and refinery plant, will be the biggest industrial complex in the country by 1984. The president visited the industrial development projects in Leyte together with U.S. Ambassador Michael Armacost and other top officials. The president said the Leyte copper-smelter and refinery plant will be the model for all other major industrial projects. A fertilizer plant is also being established in Leyte. Most of the projects are financed by foreign funds. The president said only $25 million will come from the national budgetary resources. He said industrial development will go hand-in-hand with agricultural development. [Text] [HK250009 Manila Far East Broadcasting Company in English 2330 GMT 24 Oct 82]

MOVE TO LIFE PRICE CONTROLS RAPPED--Organized labor has assailed the move to lift price controls on essential commodities, and warned that the move will aggravate workers' grievances against their employers and the government. The warning was issued by Trade Union Congress President Democrito Mendoza, following reports that the Cabinet Executive Committee will soon review price controls and may lift them. Mendoza said there is no justice in the move, inasmuch as the government and employers have opposed labor's clamor for salary increases. The review of price controls could result in the total lifting of price ceilings on all the nine essential commodities, maintenance of price controls on certain commodities, or keeping the status quo. Trade Minister Roberto Ongpin claimed the price controls could be lifted because the economy has normalized. [Text] [HK260026 Manila Far East Broadcasting Company in English 2330 GMT 25 Oct 82]

SIX NPA SUSPECTS KILLED--Government troops repelled an NPA [New People's Army] rebel attack in Abra Province, killing six dissidents and wounding seven others. A report received by AFP Chief of Staff Gen Fabian Ver indicated no casualty on the government side, except for the wounding of a civilian in a crossfire. The NPA band attacked PC [Philippine Constabulary] troopers camped at (Sitio Sinodal) in (Dayapa) while the soldiers were having breakfast. After a 30-minute firefight, the rebels withdrew upon seeing six of their comrades dead and seven others wounded. PC troopers recovered eight firearms, including an armalite rifle, a grand and a carbine. [Text] [OW251243 Quezon City RPN Television Network in English 1100 GMT 25 Oct 82]

CSO: 4200/53

BRIEFS

NEW JAPANESE AMBASSADOR--The new Japanese ambassador to Singapore, Mr Hiromu Fukada, has presented his credentials to President Devan Nair at the Istana [Palace]. Mr Fukada succeeds Mr Takejiro Nakajima. [Text] [BK260409 Singapore Domestic Service in English 1100 GMT 23 Oct 82]

LEE KUAN YEW LEAVES AUSTRALIA--There is a possibility that the government may invest some of its foreign reserve in Queensland. Speaking to reporters at the end of a 4-day visit to the northeastern Australian state, Mr Lee Kuan Yew said that although there were no specific investment plans at the moment, there were strong indications that Queensland was a good place to put money in. It is one of the fastest growing Australian states with a good government, which meant stability and progress. The unions there were also more realistic and had higher productivity than in the other Australian states. The prime minister, however, said whatever investment Singapore made, it would be gradual and cautious so as not to upset the market. Mr Lee Kuan Yew has now arrived in Port Moresby where he was given a ceremonial welcome, including a 19-gun salute. The prime minister was met by Papua New Guinea Prime Minister Michael Somare. This afternoon, Mr and Mrs Lee paid a courtesy call on Governor General Tore Lokoloko. Later, the prime minister had talks with Mr Somare. Mr Lee also met members of the Singapore trade delegation which is now in Papua New Guinea to explore trade possibilities in textile, shipping, engineering, timber and food. [Text] [BK221527 Singapore Domestic Service in English 1300 GMT 22 Oct 82]

TAMIL NEWSPAPER CLOSED--A militant Tamil newspaper the "Sutantiran" was sealed early this morning under emergency regulations. Reports reaching Colombo said that its current edition contained "highly inflammatory" material which threatened the peace. Some of the copies released for sale too were confiscated. The "Sutanthiran", which is opposed to the TULF, is backed by a militant group which includes S C. Chandrahasan and Kovai Mahesan. Police are today expected to question Mr. Mahesan. Early this morning they were attempting to trace his whereabouts. The "Sutantiran"--the original Federal Party newspaper now managed by Mr. Chandrahasan, Legal Secretary of the TULF, has basically been critical of the TULF policies. The paper, edited by Kovai Mehesan, had been echoing the militant policies of the Tamil Eelam Liberation Front. Mr. Mahesan was questioned by the Army and CID recently in connection with the mining of the Karainagar causeway and the distribution of pamphlets calling for the boycott of the Presidential election. [Colombo SUN in English 21 Oct 82 p 1]

CSO: 4200/55

END

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DEFENSE MINISTER OUTLINES MILITARY IMPROVEMENTS

Jakarta KOMPAS in Indonesian 3 Sep 82 pp 1, 12

[Excerpt] M. Jusuf, minister of defense and security/armed forces commander, said Thursday that ABRI [Indonesian Armed Forces] has now begun to be equipped with various kinds of modern weapons systems. But in line with the latest technological developments, members of ABRI units which handle the "sophisticated" weapons must have the education and skill levels necessary for the job. For that reason each commander must pay close attention to his troops' education and skills. Moreover, commanders must be able to provide the motivation to care for the weapons properly. General Jusuf pointed this out at Biak during the official opening of the "Gunadi" officers' quarters at Manuhua Air Base. Previously, on Wednesday afternoon at Lanuma Juanda, [Jusuf] witnessed a demonstration of an antiaircraft weapons system which consisted of a battery of guided missiles equipped with the "Giraffe" radar system. This weapon is for countering supersonic aircraft attacks.

"All of this is in the context of the continuing development of our armed forces by HANKAM [Department of Defense and Security] leadership. Problems regarding the welfare of troops and their families, the repair and construction of barracks are not problems any longer," said the minister. "That commitment will be continued, including hospital restoration and construction as well."

Jusuf also explained in this connection that a number of new accommodations would be built for ABRI members who often travel in the execution of their duties. Likewise, housing is being planned for ABRI officers who are transferred to Jakarta and other areas, in light of the difficulty these officers have in getting housing.

The defense minister disclosed that by 5 October 1982 at the latest all ABRI units should have standards in the units. Of all the kinds of vehicles, most have begun to be distributed, such as automobiles, motorcycles and the like. The purpose of this policy adopted by the leadership of the Department of Defense and Security and the government is so that ABRI members and their families can work as they should, since the means of communication have now begun to be equipped according to established standards.

Furthermore, beginning in fiscal year 1982/83 at each Kowilhan [Defense Regional Command] a soldiers' center will be built, which is hoped will become a center for ABRI and the community. Likewise at each Kodam [Military Regional Command] a building of that sort, although smaller, will be built. "Besides encouraging regional development, these buildings will at the same time be a means for motivating ABRI and the community to meet together," said Jusuf.

The minister also said that in the near future each Kodam will be outfitted with a music corps which would generate pride. High quality instruments have been ordered from the United Kingdom, the same as the musical instruments used by the music corps at the palace of Queen Elizabeth. And in regard to the many complaints of the ABRI family concerning hearses, soon hearses ordered from the main factory will arrive.

9792
CSO: 4213/06

COOPERATION WITH REPUBLIC OF KOREA IN ENERGY SECTOR

Jakarta HARIAN UMUM AB in Indonesian 10 Sep 82 pp 1, 8

[Article: "Cooperation Between Indonesia and South Korea in Mining Field Is Expanded"]

[Text] Jakarta, HARIAN UMUM AB--On Thursday [9 September] President Soeharto expressed his agreement to the broadening and intensification of cooperation between Indonesia and South Korea in the fields of mining, electricity generation, and petroleum and natural gas.

According to Minister of Mining and Energy Prof Soebroto, in his statement to the press after being received by the president at the Bina Graha offices on Thursday [9 September], cooperation between the two countries was originally limited to the minerals sector. However, at present this cooperation is being expanded to the energy sector. In addition the form of the cooperation, which was originally in the technical field, as been raised to the ministerial level.

In this connection Subroto said that he had reported to the president on preparations for discussions between Indonesia and South Korea regarding cooperation in the mining, electricity generation, and petroleum and natural gas sectors. The discussions will be ended this year in South Korea.

He said that in the mining sector an agreement will be signed covering cooperation between PN Tambang Batubara and the Korean company, PT KIDECO Jaya Agung, which will process coal in East Kalimantan. In addition the Korean company also intends to work the coal mines at Ombilin.

Furthermore, a cooperative program will be carried on by the Indonesian Directorate of Power Resources and the Korean Institute of Energy Resources [KIER] involving the exchange of personnel for training in the mining field.

Regarding cooperation in the electricity generation field, Soebroto said that there will be an exchange of experts who will conduct research on the control of lightning which interrupts the flow of electricity and on the contamination of transmission channels. This cooperative effort will be carried on by the Indonesian State Electrical Company [PLN] and KEPCO (Korean Electric Power Corporation).

Meanwhile, in the petroleum field cooperative activity will be undertaken by the Indonesian Oil and Gas Institute [LEMIGAS] and KIER. There already is a production sharing contract between KODECO [Korean Development Company] and Pertamina to carry out the exploration and exploitation of petroleum deposits on the northern side of Madura island.

The minister declared that at present Indonesian sales of petroleum to South Korea amount to 10,000 barrels per day. This quantity is less than the total amount in the contract, which provides for the sale of 15,000 barrels per day. This is a result of the recession which has caused South Korea to reduce its petroleum purchases.

As a further step in the sale of LNG to South Korea, which was originally set at 1.6 million metric tons per year over a period of 20 years, this target figure has been raised to 2 million metric tons per year.

5170
CSO: 4213/08

ADDITIONAL FOREIGN LOAN SOUGHT

Jakarta MERDEKA in Indonesian 10 Sep 82 pp 1, 11

[Article: "Additional Foreign Loan Again Under Discussion"]

[Text] Jakarta, 9 September--Governor Rachmat Saleh of the Bank Indonesia has held a series of meetings with leaders of leading Western banks in Jakarta in order to discuss the conditions for obtaining a new, multipurpose credit of between $300 and $500 million, according to foreign banking circles.

Rachmat Saleh and Minister of Finance Ali Wardhana held their discussions regarding the loan with bank leaders who were attending the IMF/World Bank conference now being held in Toronto, Canada, these sources said.

A spokesman of the Ministry of Finance could not provide any further information concerning this question because the minister and other senior officials were still in Canada. The senior officials of the Bank Indonesia also could not provide any further information.

If the bank loan is made, Indonesia will have obtained credits of more than $1 billion in the commercial banking market in the space of 12 months. Banking circles are convinced that the additional loan will be immediately needed to make up the deficit in the balance of payments and to increase domestic reserves which have declined very rapidly.

The loan under discussion and also the loans entered into by the Bank Indonesia with foreign countries total about $4 billion. This is still regarded as a healthy situation in view of the Indonesian foreign exchange reserves.

A bank official said: "They (Indonesian officials) are going around the world to find the best and most satisfactory conditions, at a rate of interest connected with the LIBOR (London Inter-Bank Offered Rate), rather than the American prime rate, which is considered too high." The bank official stated: "If Indonesia needs the loan, now is a good time to obtain it, because the difference between income and expenditures is rather small."

The ambitious Indonesian development plan has been affected by the flood of oil on the world market and by the world recession.

President Soeharto, who has been faced with a rapid decline in foreign export earnings, has recently denied the rumors that the Indonesian rupiah will be devalued in an effort to improve trading conditions.

The president has promised that the development budget of $13.76 billion for fiscal year 1982/83 (April, 1982, to March, 1983) will not be reduced despite the recession. (The state budget for 1982/1983 is Rp 15.6 [text does not state the total amount, but it is probably 15.6 trillion]).

The development expenditures in the budget for the present fiscal year are 4.5 percent higher than in the previous year.

However, the country's balance of payments is deteriorating. Indonesian reserves of foreign xchange have declined by almost 38 percent in the past 12 months to a little more than $5 billion. Total imports are still increasing and threaten to produce a deficit in the balance of payments of more than $5 billion for this year, banking sources say.

According to preliminary figures which the Bank Indonesia made public last week, the value of state oil and petroleum exports declined by 36 percent in the first half of this year, compared with the last half of the previous year. The value of non-energy exports, particularly rubber, coffee, timber, tin, and pepper, declined by 43 percent in a comparison of the same two periods.

5170
CSO: 4213/08

FAMILY PLANNING SANCTIONS TO BE IMPOSED

Jakarta MERDEKA in Indonesian 13 Sep 82 p 9

[Article: "Fine Will Be Imposed If Fourth Child Is Born; No Salary Increase for Those Not Participating in Family Planning"]

[Excerpt] Semarang, 12 September--Participants in the national family planning program (KB) in 40 to 60 percent of the villages in the Regency of Sukoharjo who have a fourth, fifth, and additional children will be liable to a special fine. According to the local chief of the coordinating body for the national family planning program (BK-KBN), Warsono, the village regulation in this regency was ordered into effect and agreed to by the village community there in village council meetings, and the results of these village council meeting were approved by the regent of Sukoharjo.

In a conversation with an ANTARA representative Warsono on Friday [10 September] stated that 60 percent of the 167 villages in the regency have accepted and are carrying out the national family planning program, supported by the village councils, including the application of penalties against those who violate the decisions of the village councils.

The money collected by means of this special tax will be channeled into the local village health fund. The money will be used for educational development purposes such as contributing to the successful development of the family planning program, the nutrition program, and the development of the village community health program (PKMD). Each family planning participant who has a fourth child will be fined Rp 1,000, and if he has a fifth child, he will be fined twice the amount of the first time.

In another development the chief of the national family planning program in the Regency of Sukoharjo stated that to ensure the success of the national family planning program among state employees the Sukoharjo office of the Ministry of Religion has approved a regulation under which each employee, at the time he is paid, must display the "red card" showing he is a member of the family planning program. If the employee does not have or does not display his red card, he must find the red card before he is paid.

The office of the Regency of Sukoharjo has approved still another regulation. Maternity leaves for employees who have a fourth child will no longer be valid for 3 months but will only be for 2 months.

5170
CSO: 4213/08

PURCHASE OF PT INDOSAT

Jakarta MERDEKA in Indonesian 7 Sep 82 p 3

[Article: "INDOSAT Takes a Further Step: Rp 17 Billion Surplus First Year"]

[Excerpts] INDOSAT, which is now a state-owned business enterprise (BUMN), in its original form was foreign-owned. The original owners of the company obtained a permit to process international telecommunications by satellite. At that time the shares of PT INDOSAT were owned by ACR/ITT of the United States. The position of the Indonesian government was very weak because, at the time the agreement was signed between Indonesia and ITT in 1967, the Indonesian financial position was not very clear.

Although in 1974 the agreement between the Telecommunications Service [PERUMTEL] and INDOSAT was revised in an effort to improve the Indonesian position, nevertheless as things turned out the government came to the conclusion that the operations of PT INDOSAT, based on the Indonesian agreement with ITT of 1967, were no longer in accordance with government policies and regulations in effect in the telecommunications sector.

In that connection, following the issuance of Presidential Decision No 52/1980, dated 30 August 1980, the president assigned to Minister Sumarlin the task of reviewing all agreements which had been made by the government and PERUMTEL with ITT, ACR [expansion unknown] and PT INDOSAT to ensure that they were brought into conformity with legislation in force in the telecommunications sector and national policy as determined by the president.

After all of the necessary teams had been formed for the purpose, on 19 September 1980 the minister of state for the control of the state apparatus [MENPAN], in the name of the Indonesian government, sent a letter to the president of ACR (the owners of INDOSAT) which communicated the desire of the Indonesian government to buy all the ACR shares in INDOSAT on the basis of a mutually profitable agreement.

After everything was ready, the discussions began on 13 October 1980, but by 5 October 1980 [as published; possibly should read 25 October 1980] no aggrement had been reached on the price of the shares which would be purchased by the Indonesian government. The Indonesian government based its calculation on the book value in effect, with several adjustments. Meanwhile, ACR based its calculation of the value of the shares on the present value, with a discount factor.

Because the discussions were making no progress, the Indonesian government made a statement that, "whatever the case, by 1 January 1981 the government will be in control of PT INDOSAT."

The second phase of the discussions was held between 17 and 20 November 1980. They resulted in an initial agreement on the sale and purchase of the shares, which was contained in the "Share Sales Agreement and Release and Indemnity Agreement." The third phase of the discussions were held between 12 and 16 December 1980, specifically to discuss the purchase price.

In the first phase of the discussions the ACR asked for $93 million for the shares. After discussions in the second phase the price was lowered to $72 million and then later reduced further to $60 million. Meanwhile the Indonesian side in the discussions, following a careful calculation of the value, offered to pay $30 million.

In later discussions the ACR further reduced its asking price to $55 million, while the Indonesian side raised its offer to $40 million. the discussion of the price of the shares lasted for some time and through discussions which became rather difficult. However, finally agreement was reached on a price of $43.6 million or about Rp 27.26 billion (at the rate of $1.00 to Rp 625).

This agreement was reached on 16 December 1980 and was later contained in the sales agreement with an advance payment of Rp 6.5 billion made 1 week after the sales agreement was signed (on 16 December 1980). The remainder of the sales price was settled on 30 December 1980 because on 31 December 1980 the banks were closed.

After completion of the transaction on 30 December 1980 all existing agreements between Indonesia and ITT/ACR from the United States were no longer in effect. Thus, since 31 December 1980 all shares in PT INDOSAT have been the property of the Indonesian government.

Later, with the issuance of Presidential Decision No 52/1980 PT INDOSAT, including the Jatiluhur Ground Station, became the property of the Indonesian government. PT INDOSAT was given the task of carrying on the operation of international telecommunications for the public. At the same time PERUMTEL was given the task of performing domestic telecommunications services for the general public.

During its first year of operations INDOSAT, as a state-owned company, has operated in a very satisfactory way. This can be seen from the receipts and expenditures of the company as contained in the annual report of the postal service for 1981.

Receipts in 1981 totaled Rp 26.678 billion, of which income from telephone services amounted to 96.46 percent; from telegraph services, 1.63 percent; from television services, 0.26 percent; and income from AVD services [Audio-Visual Division], 1.65 percent.

Expenditures during 1981 totaled Rp 8.952 billion, of which personnel expenditures amounted to 3.01 percent; operations costs were 17.94 percent; processing costs were 3.14 percent; current accounts were 8.11 percent; general administrative costs were 1.36 percent. This left a surplus of more than 66.44 percent of income or more than Rp 17 billion.

In addition to servicing its international satellite telecommunications network, PT INDOSAT has also been assigned the task of operating the existing marine cable communications system between Indonesia and Singapore, which is a part of the planned ASEAN marine cable network. Furthermore, INDOSAT has been assigned by the government with the task of taking part in a number of international telecommunications activities, through the INTELSAT system.

In addition to the marine cable between Jakarta and Singapore, which is used for a "teleconference" channel, INDOSAT is also constructing a new marine cable network between Medan and Singapore and is planning for the construction of a marine cable from Medan to Penang. Also under consideration is the possibility of establishing a marine cable between the ASEAN countries and the Middle East and France.

5170
CSO: 4213/08

SOEBROTO REPORTS ON CALTEX NEGOTIATIONS

Jakarta KOMPAS in Indonesian 7 Sep 82 pp 1, 12

[Excerpts] Minister of Mining and Energy Soebroto discolsed that Caltex assets will be reassessed if the foreign oil company shifts the work contract to a production-sharing contract with Pertamina, because in a work contract the contractor retains ownership of all goods while in production-sharing goods which enter Indonesia become Pertamina's property automatically. Soebroto pointed this out in Jakarta Monday.

In the oil work contract Caltex and Pertamina signed it was stipulated that before it depreciated totally equipment would continue to be the property of the contractor. Conversely, in the production-sharing contracts which are now in force for other contractors it is stipulated that equipment will become the property of the state company at the moment it is unloaded in Indonesia, except for equipment which contractors have borrowed.

According to Minister Soebroto, Indonesia and Caltex are still continuing to bargain with each other. "Although Caltex proposed a production-sharing change to 85 (Indonesia) and 15 (Caltex), we still are asking for more than that, in accordance with the conditions in force at the present time," he said.

"Does Indonesia want a 90:10 production-sharing ratio?" asked a reporter. "That is one acceleration which is better than 85:15," he answered. He added that the production-sharing division was just one of our requests among others.

Soebroto explained that in the work contract a 60:40 division was imposed. In the past production-sharing contracts 65:35 division was applied. This developed to 67.5:32.5 at a higher level of production. In 1971 the production-sharing system developed further to 70:30.

With the renegotiations between Pertamina and its contractors in 1977, an 85:15 ratio was applied comprehensively in the production-sharing system.

"Before taxes were imposed, the division was 65:35. After taxes, the con contractor paid another 20 percent, until its share was the remaining 15 percent. This made Indonesia's allotment 85:15," said Minister Soebroto.

In touching on the drop in Caltex's production from about 700,000 barrels per day to the current level of about 500,000 barrels per day, Soebroto said it was done at Indonesia's request, in line with the policy which was applied to support OPEC oil production cuts. As an OPEC member Indonesia was only allowed to produce up to 1.3 million barrels of oil per day.

This policy was also imposed on several other oil companies whose production was quite high, such as Union, Total and Inpex. But Soebroto admitted that the drop in production was also the result, among other, of a marketing problem as well as being a drop in production from several old wells.

Because Pertamina's production is only about 85,000 barrels per day, up till now production cuts have never been imposed on it. Pertamina's drop in oil production was itself due to the unfavorable price in the world market, among other reasons.

9792
CSO: 4213/06

GALUNGGUNG ERUPTIONS AFFECT THOUSANDS

Jakarta KOMPAS in Indonesian 6 Sep 82 pp 1, 9

[Excerpts] About 350,000 residents of Tasikmalaya and Garut Districts are threatened by a food crisis as a result of Mt Galunggung's continuous and prolonged eruptions. Moreover, in several places many of the residents have entered the threshold of a "critical existence." Not only are they experiencing difficulty in finding food, there are other effects on their health because of the environmental pollution.

Meanwhile they face the coming rainy season, which threatens secondary dangers as a result of flooding, lahar flows and landslides of material that has been spewed out of Galunggung until now. Besides 10 to 15 million cubic meters of lahar ready to slide down into areas in Tasikmalaya District, millions of cubic meters of sand and ash are strewn over the surrounding region which is located on the Tasikmalaya-Garut plateau.

Just at the current level, hundreds of hectares of agricultural land and its crops have been destroyed. Total losses in Tasikmalaya District are estimated at more than 30 billion rupiahs. Gartu District is suffering losses of more than 15 billion rupiahs.

In his report the Gartu district chief disclosed that the destruction of agricultural land in Garut resulted in food crisis for 84,000 residents (15,000 families). In Tasikmalaya it is estimated about 250,000 people will experience similar misfortune.

According to Adang Roosman, SH, Tasikmalaya's regional secretary, both the Tasikmalaya and Garut regional governments have said that "clearly it is beyond the limits of our capabilities" to surmount the crisis.

Mt Galunggung (2,168 meters) is at the Tasikmalaya-Garut border.

The residents added that as a result of the Galunggung eruptions, they were threatened with a slow death. Not only were they confronted by an increasingly smaller food supply, even worse they faced breathing difficulties.

One of the villages at the foot of the Talagabodas chain is in an area suffering the most, besides the other villages in Garut District. For 5 months each time Mt Galunggung erupted the area was sprayed with a rain of sand and ash. In this and several other villages in Wanaraja Subdistrict the sand and ash have piled up to a height of about 1/2 meter.

In several other villages in the Wanaraja and Karangpawitan Subdistricts are the accumulation of sand and ash has reached 20-40 cm, while in 12 other subdistricts which are categorized as having moderate damage, the sand and ash has reached 10-20 cm. Only 9 subdistricts are categorized as being lightly damaged, with a layer of ash from 5 to 10 cm.

KOMPAS' source in the West Java regional government added that the processing of evacuees as a result of the Galunggung eruptions will continue over an extended period, even though beginning in October aid will be cut off. At that time evacuees will have to vacate the makeshift quarters they have been occuppying until now.

Besides 2,878 evacuees in Garut District, according to the latest figures 24,170 persons (5,494 families) were evacuated in Tasikmalaya District.

Those figures will increase again in October-November because secondary hazards will threaten 300,000 residents in Tasikmalaya District, where there is the danger of lahar flows in the rainy season. The Garut district chief added that in the rainy season, as a result of sand and ash accumulations in the district, 44 villages in the subdistricts of Wanaraja, Karangpawitan, Sukawening and Banyuresmi will be threatened by flooding and landslides. If that indeed does happen, the amount of destroyed or greatly damaged paddy acerage will be even more extensive.

A further problem the two regions face involves not just the processing of evacuees and residents suffering from food shortages. After this, the Tasikmalaya and Garut district governments will be confronted by the difficult, long-term challenge of regional rehabilitation. "Clearly the regional governments cannot possibly handle it," it was said.

9792
CSO: 4213/06

NATUNA LNG PROJECT PLANNED

Jakarta KOMPAS in Indonesian 4 Sep 82 p 2

[Text] Indonesia will build a liquified natural gas (LNG) project in Natuna, in addition to two existing projects in Arun (North Sumatra) and Badak (East Kalimantan). The project will produce about 8 million tons of LNG after 1990.

This was desclosed by Drs Joedo Sumbono, chief director of Pertamina [State Oil and Natural Gas Co), in a television interview Wednesday evening.

Joedo said that the project will be built on one of the islands in the Natuna group. It will use natural gas which is produced from the extraction fields around that region.

According to KOMPAS' records, the Natuna field is one which is estimated to contain the largest amount of gas ever discovered in the whole world. This is based on past explorations made in the region.

The first study in the area was conducted by an Italian firm, which succeeded in making the gas discovery from the well it bored. Nevertheless, the firm returned the tract to Pertamina because it considered the area unprofitable. The reason was that the carbon dioxide content of the gas was too high, unprofitable if processed further. At the time, it was not yet fully realized that this natural gas would also be able to be used in the manufacture of fertilizers, LPG [liquified petroleum gas], LNG, or as a basic component of methanol.

Some time ago Minister of Mining and Energy Subroto disclosed that the natural gas discovered in Natuna represents only a fraction of the nation's wealth. Indonesia's proved reserves, he said, total about 34.5 trillion cubic feet. Reserves of about 100 trillion cubic feet of natural gas in Natuna are the largest and have the most potential. Unfortunately that natural gas has a carbon dioxide content of about 75 percent.

According to Subroto, about 49 billion cubic feet of the natural gas reserves in Natuna is definitely proved, while the remaining 98 trillion cubic feet constitutes potential reserves.
During the television interview, Pertamina's chief director said that until now Indonesia has exported about one-third of the world's requirements for LNG. In the future Pertamina plans to increase annual LNG exports from the current amount of about 10 million tons to more than 14 million tons in 1990.

9792
CSO: 4213/06

SUPERVISION OF MARITIME TRAFFIC EXPLAINED

Jakarta KOMPAS in Indonesian 3 Sep 82 pp 1, 12

[Excerpts] Although the archipelagic concept has been officially recognized, Indonesia is obliged to open sea lanes for the safe passage of foreign fleets. Of course these international lanes must exist. Nevertheless, foreign vessels should not then use these lanes simply as they please. The principle of requesting permission continues to be in force, for which the Department of Foreign Affairs is the authorized agency.

This, among other things, was pointed out by Roesmin Nurjadin, minister of communications, in response to a reporter's question. The question was in regard to a Thai official's statement in the press that concerned Soviet surveillance of the Sunda and Lombok Straits, the sea lanes of its fleet which replaced the shallow Malacca Strait.

"I am not going to talk about this matter, because it is the Department of Foreign Affairs' right to do so," said Roesmin, when he was asked further about the question of permission for foreign warships which wanted to pass through the two strategic straits.

What is clear, he said, is that in Indonesia there is a principle, namely the principle of requesting permission and of notification. The entire region of Indonesia's territorial waters must be secured, both for the Indonesian national fleet iteslf and for foreign fleets. The understanding of that security, among other things, is in the form of making available the means of navigation, communications, search and rescue, etc., while physical security is the responsibility of the Department of Defense and Security.

Roesmin pointed out further that the Indonesian Air Force had purchased three Boeing 737-200b surveillance aircraft.

These planes are used to conduct surveillance throughout the Indonesian territory. The aircraft, which have the latest electronic equipment, are capable of detecting the means of communication in Indonesia, specifically maritime communications. "The planes can detect up to the exclusive economic zone," he said.

Roesmin used the example of fishing vessels whose number was not in accordance with the number permitted for operations in a certain area. If the government issues operating permits in that area for only 100 fishing boats, but after the Boeing 737 is deployed 500 vessels are detected operating there, then it is clear that there is a violation in the area.

Then the Boeing 737 will report immediately, either to the navy, customs, KPLP [Coast and Seaward Defense Command] or Satpolair [Water Police Unit]. And also, all kinds of foreign ships passing through Indonesia's territorial waters can be detected with these modern aircraft.

9792
CSO: 4213/06

BRIEFS

LABOR STRIKES--Jakarta, HARIAN UMUM AB--About 48 percent of the strikes in Indonesia are over salary questions. The TIT [Annual Bonus] or the THR [Holidays Allowance] and dismissals of workers account for 6 percent of the strikes. During fiscal year 1981/1982 there were 192 strikes in Indonesia. The area most affected by strikes during this year was West Java, which accounted for 81 strikes of 42 percent of the total. Other areas affected by strikes were Jakarta, with 69 strikes or 36 percent; East Java, with 19 strikes or 10 percent; and other areas accounting for less than 5 percent; East Kalimantan, North Sumatra, Maluku, and South Sumatra. The sectors where most strikes occurred were in the textile industry (12 percent), automotive vehicle assembly industry (10 percent), pharmaceutical industry (7 percent), and the timber and ceramics industry (6 percent). According to data from the Ministry of Manpower and Transmigration, strikes often occurred because the workers wish to obtain their demands quickly. Or, the workers resort to strikes to exert pressure on management. Strikes of this kind are called "wildcat" and illegal strikes because they do not follow the procedures of the laws in effect. Strikes also occur because of the attitude of management which at times does not show good will or does not listen to or is not open-handed in its relations with the workers (and the trade unions). The question of strikes also involves the attitude of trade union leaders who do not always fully support preventing strikes. This may be the result of the fact that they feel their position is not strong enough, their organization is not well developed, or they have a mental attitude which places their personal interests ahead of the interests of the organization and the members of the organization. [Text] [Jakarta HARIAN UMUM AB in Indonesian 15 Sep 82 pp 1, 2] 5170

CSO: 4213/08

PRIVATE ORGANIZATION URGES BOYCOTT OF U.S. GOODS

Kuala Lumpur NEW STRAITS TIMES in English 27 Sep 82 pp 1, 3

[Excerpts]

PETALING JAYA, Sun. — A rally was held here today to formally launch the boycott against American goods and companies as a protest against the massacre of Palestinian civilians in Beirut.

The Joint Action Committee for Solidarity with the Palestinians which staged the rally, listed a total of 43 American goods and companies that will face the boycott.

The items listed include baby and fast foods, fruit, soft drinks, petrol and cigarettes. Three oil companies and three banks are also included.

The committee, comprising representatives of 21 voluntary organisations, was formed earlier in the week following Abim's initiative.

The protest is directed at the U.S. Government, which has been held partly responsible for the killing of civilians since the Israelis buy arms and other military replenishments from the Americans.

Present were the Palestine Liberation Organisation (PLO) Envoy to Malaysia, Mr Ahmed al-Farrar, Abim acting president Siddiq Fadil, chairman of the Islamic Scholars' Association Ustaz Ahmad Awang and chairman of the Selangor Chinese Traders' Association Ng Fook Heng.

Encik Siddiq called on the Malaysian Government to take more positive steps to help solve the dispute. He said mere criticism or condemnation and financial assistance were not sufficient since the Israelis were known to ignore world opinion.

Encik Siddiq reiterated that the Government could perhaps initiate the setting up of a buffer force to be stationed in Beirut. The force should comprise men from the non-aligned nations and others who are members of the Organisation of Islamic Conference, of which Malaysia is a member.

During the rally, Ustaz Ahmad donated $4,000 from the Association to the PLO. The PLO Envoy also spoke on the Palestinian issue.

In KUALA TRENGGANU, the Minister in the Prime Minister's Department, Datuk Haji Mohamad Nasir, welcomed the campaign to boycott all American goods. He expressed the hope that the boycott would continue until the problem in Lebanon was resolved.

Meanwhile, Abim leaders will call on Information Minister Encik Mohamad Adib Haji Adam on Wednesday to seek Radio Television Malaysia's co-operation in the boycott campaign.

An Abim spokesman said the movement would ask RTM to announce the goods to be boycotted.

RTM would also be asked not to put on the air American programmes such as Dallas, Buck Rogers, and ABC Wide World of Sports.

The spokesman said that RTM would, on the other hand, be asked to broadcast programmes and films showing the struggle of the Palestinians and the atrocities of the Zionists against them.

In KUALA PILAH, the Congress of Unions of Employees in the Public and Civil Service (Cuepacs) urged the people to join in the boycott.

CSO: 4220/508

BRIEFS

AMBASSADOR TO SWITZERLAND--Ambassador of Nepal Ram Hari Sharma presented his credentials to President of Swiss Confederation Fritz Honegger in Berne on 29 October. Sharma is the resident royal Nepalese ambassador in Bonn, West Germany. [Text] [BK311039 Katmandu External Service in English 1450 GMT 29 Oct 82]

CSO: 4200/89

RACIAL DISTRUST MOUNTING IN NEW CALEDONIA

Canberra THE AUSTRALIAN in English 24 Sep 82 p 12

[Article by Sally Carthew]

[Text]

FRANCE is reported to have moved in a crack CRS force – the equivalent of the Special Air Service – in a large-scale tightening of security measures as a Front Independiste meeting today of Melanesians in the New Caledonian capital, Noumea, threatens to spark a violent reaction from an increasingly volatile anti-independence movement.

Resentment has grown among anti-independence factions since last December when France announced its intention to rule by ordinance to hasten reforms seen as synonymous with movement towards independence.

The Movement for a French Republican New Caledonia (RPCR) coalition, which at the time held the majority in the Territorial Assembly, opposed all reforms, especially one aimed at returning land to its traditional Kanak (Melanesian) owners, and rejected the bill to authorise rule by ordinance. An Act of Parliament in February gave the government authority to issue the ordinances for political, social and economic reform, relegating the Territorial Assembly to a purely advisory role.

The coalition disintegrated in June when the RPCR's partner, the centrist Federation for a New Society (FNSC), crossed the floor to form a new coalition with the Front Independentiste, leaving a government council, elected from the assembly, with a Front Independence majority.

The Territorial Assembly is composed of 15 members of the RPCR, 14 members of the Front Independentiste and seven members of the FNSC who hold the balance of power.

In July, the Assembly formally rejected the land-tenure ordinance and ordinances for the recognition of Melanesian cultural identity and social and economic development of disadvantaged areas. But the four ordinances, with local representative suggestions for amendments, will be submitted to the French Council of State before adoption by the government and ratification by Parliament in February, 1983.

The disruption of the Assembly on July 22 by 30 anti-independentistes, armed with clubs, marked a turning point in the tension over the reforms which are designed to lead to the islands' independence.

The July incident came as the Assembly voted on the controversial ordinance for land tenure reform, entailing the formation of a land board to reclaim land for restitution to the original Kanak owners. Ten thousand demonstrators gathered in the main square and demanded rejection of the ordinance and dissolution of the Assembly. Brawls broke

out between demonstrators and Melanesians.

Since then, as well as the mainstream anti-independence movement composed of supporters of the reactionary RPCR party and Caldoches (descendents of early settlers), a number of extremist right-wing groups, alleged to be armed, have emerged. Their ranks are said to include *Pieds Noirs*, embittered French colonists from Algeria.

According to the leader of the Parti National Caledonien which represents the Caldoches, Mr Georges Chatenay, the *Pieds Noirs*, who number about 1000, are an unknown quantity. "They live in the past and cannot see that the situation is different here.

"I hold the RPCR responsible for the present situation in regard to the Melanesians."

The land-tenure reform has been the main cause of bitterness among the Caldoches whose families have worked on the land for generations.

The board set up by the reform, within areas where it recognises traditional land rights, will be empowered to acquire land through private sales, pre-emption and expropriation.

The Kanaks make up 43 per cent of a population of 140,000. The remainder comprises Europeans (39 per cent), Polynesians (17 per cent) and a large number of Asians. Almost half the population is under 20 years of age.

Until recently, overt racism was rare and in fact, most so-called whites have at least one non-European ancestor. All races attend the same schools and work together. But racial distrust has developed.

"On the 14th of July we used to all dance in the streets, but this is no longer possible. After races in the bush everyone used to take part in a big party on the racecourse, now both blacks and whites hurry home," one Caldoche said.

Requests for a referendum on independence and the reforms have been refused and many New Caledonians consider that the Mitterrand Government is meeting the demands of the Front Independentiste at their expense.

The Front Independentiste envisages total reclamation of land by Melanesians and a Kanak socialist independence — a concept of independence said to be unacceptable to the majority of the population, including 25 per cent of the Melanesians.

A tribal elder from the Isle of Pines, Mr Francois Noere, said a socialist regime would "break down all edifices of traditional culture and isolate New Caledonia", making it vulnerable to manipulation from outside.

Mr Chatenay is urging the Caldoches to lay down their guns. He is negotiating with the Front Independentiste in an attempt to create accord between Kanaks and Caldoches, and his suggestions for a multi-racial independence recognising the Melanesian heritage have been well received by moderates in the Front Independentiste.

But the Caldoches, who produce beef and coffee on large properties, see the land reforms as a grave injustice and betrayal of their loyalty to France.

Mr Stanley Camerlyndk of the FNSC warned that the July events had been "symbolic", setting a precedent for future violence.

"People have been caught up in a kind of psychosis. They are afraid of what the future may hold — when people are frightened they make mistakes," he said.

Mr Camerlynck said he saw the bush and the islands, isolated and difficult to police, as the greatest area of potential problem. "There are extremists among Kanaks and Caldoches," he said.

To the members of the Front Independentiste the July incident was almost an act of sacrilege. "Under our laws, passed on by the elders, we don't do things like that. We consider that this disqualifies these factions from further discussion as to the future of New Caledonia," the leader of the Front Independiste, Mr Jean-Marie Tjibaou, said.

"Our people were enraged by the events, and we had a lot of trouble keeping them calm afterwards.

"The Kanaks have always been a very peaceful people and that is why we were subjected to colonialism.

"Like other Pacific islanders we have a tradition of welcoming strangers — a tradition which was used against us."

Of fears that people would be asked to leave the country with the advent of independence, Mr Tjibaou said: "We are no more savage than anyone else. People will have the option of taking up Kanak citizenship or preserving their own. They are welcome to stay providing that they are prepared to accept the new institutions which we will create. We will need labor and expertise, so no one will be asked to leave.

"For us the main issue is land; the reclamation of land taken from us. France is moving in the right direction with the reforms."

The Front Independentiste have released a program for independence that begins this month with the take-over of non-urban lands, moving towards total control of all land outside Noumea by September, 1983. A provisional date for independence has been set — September 24, 1984.

CSO: 4200/69

SOLUTIONS TO ECONOMIC PROBLEMS EXAMINED

Canberra THE AUSTRALIAN in English 24 Sep 82 p 17

[Text]

GOVERNMENTS in Papua New Guinea have moaned for years about being blamed for economic disasters caused by others.

Now, thanks mostly to the recent election, phrases such as "international commodities market collapse" and "unacceptably-high American interest rates" trip freely from the tongue of any grassroots MP addressing a group of semi-literate constituents.

Of course, PNG has an unusually open economy, more vulnerable than most to market moods. But this easy shrugging off of any real responsibility for the performance of the economy has been compounded by the change in government in early August.

The government of Sir Julius Chan was eager in its last few months to spread the gloomy gospel of international export crop price collapse, and felt after its defeat that the Pangu camp of Mr Michael Somare had slyly blamed it for the poor cash crop returns.

Normally, Bougainville copper contributes about kina 50 million ($35.5 million) annually to the PNG economy. But because of copper prices and also, to a far lesser extent, falling grades, its contribution will be nothing this year and next year.

Prices for the country's non-mineral commodities are expected to average 30 percent less in real terms during this decade than in the late 1970s.

The answer, according to the governing Pangu party's policy document — its little blue book — is to stabilise prices in stores, encourage better prices for crops, work to introduce cheaper and alternate forms of energy, speed up appropriate foreign investment, streamline work permits and National Investment and Development Authority procedures, promote PNG

people into more businesses, change the system of land procedures so that land is quickly available for rural and industrial development, plan resettlement schemes and industrial estates, support trade unions and healthy industrial relations, balance the programme of development in the transport sector and develop more tourism on PNG's terms.

Government spending is to be pruned back even further than this year's 3 per cent. Although revenue shortfalls caused the Chan government to cut its expenditure plans by k9 million following a mid-year review, the lion's share of this money was taken from capital works that had not yet begun.

Development

A result has been indirectly to shift the brunt of the unemployment problem on to the private sector where sub-contractors, in Lae especially, have been going through very trying times.

But now the Somare Government is seriously discussing the possibility or making several thousand public servants redundant. Golden handshakes, determined by salary scale and years of service, will conceal the longer term budgetary benefit initially.

It is also likely to scale down overseas commercial borrowing, debt repayments have risen from K56 million in 1980 to more than K100 million this year, although a large portion of this sum is for the development of the Ok Tedi gold/copper mine due to be flying out its first gold shipment in mid-1984.

The Government has pressed, like its predecessor, for a revision of the current five-year aid agreement with Australia. Reversing its previous proudly-held policy of seeking a 5 per cent annual reduction in aid in real terms, it now wishes to see zero decline until mid-1985, then a 2 per cent decline until the agreement expires in mid-1986.

This would amount to an extra $13 million this year, on top of the $242 million already allocated. And already, because of the contraction of Papua New Guinea's budget and the topping up of the aid figure to keep pace, as agreed, with the Australian inflation rate, the actual proportion of the PNG budget given in untied Australian aid has increased again during the last couple of years, following a sharp decline from about 50 per cent at Independence in 1975 to about 28 per cent in 1980.

The Australian Prime Minister, Mr Fraser, is keeping PNG waiting on his answer on the aid review, perhaps partly to give the new government time to show its true resolve.

The kina, valued at about $1.35, will probably remain strong, or overvalued, depending on your outlook. There continues to be a difference of opinion on this between the finance department and the central bank, the Bank of Papua New Guinea, which is more keen to let the kina fall a little.

These options, now being considered as the budget, to be handed down on Melbourne Cup day, is finalised, are principally those of the bureaucracy, and are considered unexceptional by the private sector.

But the business world does raise its eyebrows at statements like that of the deputy prime minister, former economics student, Mr Paias Wingti, who said: "Although we are seeking to encourage growth, we are still more concerned to see that the resulting benefits are distributed fairly."

For there has been zero growth in the 1980s, a decade which is already seeing the beginning of a pattern of mass urban youth unemployment, with its inevitable result in a crime increase. Most Papua New Guineans in employment are comparatively young.

The chairman of the biggest commercial bank, Mr Henry Klink, took on that post before he was 25. Thus today's graduates, let alone high school leavers, are already queueing up for jobs that won't be vacated for 30 or 40 years.

Red tape

In this context, lack of growth spells big trouble, though there is currently some debate about whether the official economic data have failed in the past to present a positive enough picture.

The commanding heights of the private sector remain in expatriate hands, and this will surely continue until the natural enthusiasm of most Papua New Guineans for business is linked to an insistence on building capital, despite the extensive demands of the extended family.

The Government has promised to cut the cumbersome red tape that surrounds potential investors in PNG, though this has been promised before. The private sector would, on the whole, prefer the Government to back away from the current wide-scale extension of its business activities, and concentrate on improving — or providing — basic services.

More than 20,000 people are now employed by public enterprises, compared with 50,000 public servants. A total of about k450 million of public funds has been injected into these 42 enterprises, of which according to Professor Michael Trebilcock, visiting researcher with the private sector's Institute of National Affairs, only six usually earn a normal commercial return on capital.

CSO: 4200/70

MINERAL INDUSTRY PROSPECTS EXAMINED

Canberra THE AUSTRALIAN in English 24 Sep 82 p 15

[Text]

IF PROOF was needed that the Papua New Guinean economy is in serious trouble, the latest financial report from Bougainville Copper Ltd provided it.

For the first time since establishing its huge copper and gold mine on the PNG island of Bougainville 10 years ago, BCL is losing money. In the first six months of 1982 the company's consolidated net loss was $19.77 million. Further losses are expected.

For PNG, which normally relies on BCL for its single biggest income contribution, this is extremely bad news.

It is also rather embarrassing for BCL, a subsidiary of CRA, which is in turn a subsidiary of the London-based Rio Tinto-Zinc Corporation Limited. In 1969 the chairman of Rio Tinto-Zinc, Sir Val Duncan, described the Bougainville mine as the "jewel in our crown", and until recently BCL has had a reputation as a super profit-maker.

In 1978, for instance, it made $183.8 million — the biggest profit recorded that year by an Australian company.

What has gone wrong? BCL general manager, Mr Paul Quodling, says the explanation is quite simple.

"Metal prices are the lowest they've been since the end of the war — probably in real terms since the 1920s," he said.

Since the price slump is a result of a general decline in international business activity, there is nothing that either BCL or the PNG Government can do to speed up recovery. They have time on their side, since ore reserves indicate the Bougainville mine is good for another 20 years.

Mr Quodling does not expect the recession to last more than three or four years.

"We've always had a highly fluctuating income," he said. "Metal prices, particularly copper, have always been up and down. This is a particularly bad down.

"But once we ride over this period, the prognosis in the longer term is still quite good."

Meanwhile, the mine is not much more than a holding operation, and there are rumors that some of the 4500 employees are in danger of losing their jobs. Mr Quodling denies this, but it is a qualified denial.

"We will be looking at our activities and curtailing some activities not essential to production," he said. "This would result in a decrease in job opportunities, but there's no retrenchments of our own staff."

Despite the discouraging outlook, PNG continues to pin its hopes of economic salvation on mineral production. With the agricultural sector in the doldrums, and with the absence of any secondary industry to relieve the dependence on export income, it has no other option.

The main source of hope at present is the huge new gold and copper project at Ok Tedi, about 18km from the Irian Jaya border in the Star moun-

tains. The story of Ok Tedi is an example of the breathtaking speed at which PNG has been thrust into the twentieth century.

Discovery

Until 1963, when the first Australian government patrol officer fought his way through the dense rain forest and rugged terrain, the people of the Star mountains had never encountered Europeans. Less than 20 years later they are part of one of the most technically challenging mining operations ever undertaken.

The first patrol officer noticed green-tinged pebbles, evidence of copper mineralisation at Mt Ian, 6km north of the mine site at Mt Fubilian. He took samples back to his superiors, but the significance of his discovery was missed.

Five years later, geologists employed by the American Kennecott Copper Corp discovered mineralised float at the Ok Tedi-Ok Menga confluence, and traced it back to its source at Mt Fubilian. Extensive exploration during the next three years confirmed substantial tonnages of copper ore there.

But after unproductive talks with the PNG Government — then on the verge of independence — Kennecott withdrew from the project in 1975. The government decided to investigate further on its own, and to try and interest other major companies in eventual management of the mine.

The investigations revealed mineral wealth beyond the government's, and probably Kennecott's, wildest dreams. Capped with gold and containing a porphry copper core, Fubilian is one of the most valuable mountains in the world.

Ok Tedi Mining Ltd, a public company which plans to invest $1300 million in the project, was formed in February last year. The PNG Government has a 20 per cent holding in the company.

The open-cut mine at Mt Fubilian is expected to have a working life of 25 to 30 years.

The first stage of production will begin in 1984, mining and processing 22,500 tonnes a day of the gold-bearing ore cap. This will provide an early cash flow before stage two starts in 1986, when both gold and copper ore will be mined and treated.

In the third and final stage, scheduled to begin in 1989, 45,000 tonnes of copper will be mined a day.

The potential return from the first stage alone, during which 1200 ounces of gold ore will be processed a day, is substantial.

But it is not as enormous as was envisaged when the decision to go ahead was made. At that time the international gold price was about $US850 an ounce. It is now about $US430.

The company is relying on the income from the first stage to help finance the second and third and to repay some of its debts. Before an ounce of gold is extracted it will have spent about $700 million.

Enthusiasm

The main reason for the huge pre-production expenses, is the mine's inaccessibilty. Faced with building everything from roads to towns to the mine itself, Bechtel-MKI, the prime contractor, was forced to bring in all the nec-

Eager to please both the provincial and national governments, and no doubt wary of creating the sort of resentment the BCL mine has caused at Bougainville, the company stresses locals will be involved in the project as much as possible.

It points out that 80 per cent of the more than 3000 people already employed by Bechtel-MK are Papua New Guineans.

But the number of nationals employed will drop rapidly when construction is over, and a study of the project's social and economic impact found only a small proportion of people in the western province will benefit directly from the mine. Most will receive only indirect advantages, such as the use of facilities built by the company.

The same study found, despite the financial gain to the national government in the form of its 20 per cent equity, taxes and royalties, the project was likely to have only weak links with the country's economy as a whole.

The governor of the Bank of Papua New Guinea, Sir Henry Torobert, disagrees. He says Ok Tedi already is an important factor in the national economy because of the foreign investment it has so far attracted.

Sir Henry believes Ok Tedi is one of the few bright spots on an otherwise gloomy economic horizon. "It's about the only positive sign so far as investment is concerned right now."

CSO: 4200/70

IRIAN JAYA REBEL LEADER ARRESTED IN RABAUL

Melbourne THE AGE in English 21 Sep 82 p 9

[Text]

PORT MORESBY, 20 Sept. — Irian Jayan guerilla leader Seth Rumkorem and nine of his men have been arrested and jailed in Rabaul, Papua New Guinea — after a 1300-kilometre canoe voyage to escape punishment at the hands of the Indonesian Government.

Foreign Affairs and police officials here believe Mr Rumkorem was attempting a desperate voyage across the Pacific to seek political asylum in either the Solomon Islands or Vanuatu.

Rabaul police arrested the refugees and impounded their frail 12-metre outrigger canoe after they called in at Rabaul on Friday for food, fuel and other supplies.

It was not known at what point on the coast Mr Rumkorem's voyage began between Jayapura, Irian Jaya's capital, and the PNG border town of Vanimo.

In Rabaul District Court today, the 10 faced charges of illegally entering PNG. None entered a plea and they were remanded in custody until 28 September.

Mr Rumkorem is one of the "old guard" leaders of the splintered Operasi Merdeka Papua (OPM), which has been waging an intermittent "war" against Indonesia since the former Dutch colony was incorporated into Indonesia in 1963.

Foreign Affairs sources said Mr Rumkorem's OPM faction had been largely inactive over the past few years, unlike "other ratbag OPM factions that believe in a military solution".

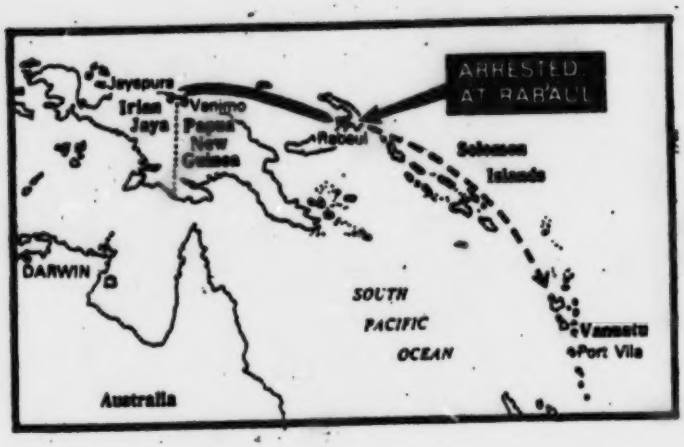
"Nevertheless, the Indonesians would probably like him to be returned to Irian Jaya to settle old charges," said one source.

For this reason, it was thought unlikely that Mr Rumkorem or his followers would be forcibly repatriated to the Indonesian authorities.

However, should the Rabaul District Court convict the group of illegal entry, the PNG Foreign Affairs Department could be faced with difficulties in "disposing" of them.

Both the Governments of the Netherlands and Sweden, once popular destinations for OPM dissidents, have indicated that they are not interested in taking more political refugees. And it is not known if Vanuatu—publicly sympathetic to the OPM separatists—would want a growing colony of political activists.

Yesterday, PNG's new Foreign Affairs and Trade Minister, Mr Namaliu—asked to comment on the Rumkorem arrest — repeated his statement on Thursday that illegal entrants would be "dealt with according to the law". AAP



CSO: 4200/70

PRESIDENT HOLDS POST ELECTION PRESS CONFERENCE

Colombo DAILY NEWS in English 23 Oct 82 p 1

[Text] President J.R. Jayewardene yesterday said that he planned a post-mortem on the presidential election results before deciding when he would call the next parliamentary election.

"In any case I must have it before July 1983. It's a question of a few months," he told foreign correspondents who were here to cover the October 26 election.

How long would it take and how thorough was that post-mortem going to be?

"Depends on the state of the body," laughed the President, who remarked that he had had more fun fighting the 1977 election from the opposition than this week's election from the government.

He categorised last Wednesday's battle as "mathematical" saying: "I was fighting the 50 percent, not my oppopent. It is very difficult to get 50 percent."

He declared that he would not have liked a second count because that would have meant he did not have the absolute majority support of the electorate. Some of the points he made yesterday were:

--The emergency was not going to be kept going for long. "It'll only be a matter of a few days, perhaps."

--He was not planning any review of Mrs Bandaranaike's civic rights. The opposition raised this during the campaign, but the people voted against them. The question of review was one for the President. The election was no reason for review. Was he planning to review it in the near future?--Not now."

--The people of the Jaffna district had voted against Eelam. This was clear if the votes polled by the two anti-Eelam parties that ran there were totalled. He had always argued that the majority in the North and the East did not favour Eelam.

Onions and chillies were a factor on which the SLFP won votes in Jaffna. He would continue his dialogue with the TULF.

--Did he, in his campaigning round the country, find some of his MPs unpopular and were any changes due?

"In any case I'll have to do that. After five years changes are necessary."

Any changes in the cabinet? "Not as a result of the election."

--He never had any doubts he would win. The 1977 figures had almost pre-determined that. "It's a mathematical victory," joked Mr Jayewardene.

--What did Mr Jayewardene feel was the most important factor that gave him this victory? During his campaign round the country what did he consider the people most appreciated about his policies?

"I don't think I went into that very deeply. Most people appreciated freedom. Not only freedom in a political sense, but the freedom to do a job, the freedom to live and eat as you want. The youth especially seemed to like it."

Mr Jayewardene said his strategy for calling an early election was influenced by the fact that the opposition was in hopeless disarray.

"I thought let's take them on when they are not prepared, and before they get together either as the SLFP or around a common candidate."

Asked whether he was concerned about the SLFP gaining votes above their 1977 level, he said: "I must be concerned when my opponent gets stronger. If they were not in disarray, they would have been stronger."

"The timing of the election was governed by the disarray in the opposition. I had no doubt that whenever we called it, we would not be defeated whether the election was this year or next year. But then it might have been harder to fight the 50 percent."

Discussing the World Bank and the IMF, Mr Jayewardene said that he fully endorsed a recent statement by India's Finance Minister that the developing countries could not do without ehse agencies.

"We might not agree with their policies but we need their money," he said, explaining that Sri Lanka's government revenue was swallowed by recurrent expenditure alone, leaving nothing for development.

CSO: 4200/67

MAHAVELI PROJECT SOLVES ENERGY CRISIS

Colombo SUN in English 23 Oct 82 p 4

[Article by Suren Peiris]

[Text] Sri Lanka at present has an installed capacity of 330 M.W. and an energy generation of 1500 Giga watt hours. This gives a generation rate of 74.2 kilowatt hours per capita, which is one of the lowest rates in Asia, compared with 130.0 for India, 315 for Philippines, 479 for Malaysia and 4,325 for Japan.

About 75 percent of the population of Sri Lanka live in rural areas; only a little over 10 percent has an electricity supply. The industrial development plans of the Government, including the establishment of the free trade zone are also dependant on the availability of additional power resources.

Another factor which came into consideration is the very high rate of inflation prevailing throughout the world and this upward trend would continue in the coming years.

The longer the implementation of a project is delayed, the higher the eventual construction cost would be. It was under these circumstances that the Government of President J.R. Jayewardene decided to accelerate the implementation of the Mahaveli programme.

Also it is seen that the hydro-power generation capacity in the next two to three years will be insufficient to meet the requirements. Therefore, action was taken by the Ministry of Power and Energy to meet the short-term requirements by the installation of gas turbine plants with a total installed capacity of 60 M.W. Additional gas turbine plants will also be installed to meet the requirements up to the end of 1983, when the first hydro-power installation under the accelerated Mahaveli programme is scheduled to be commissioned.

Prior to this, two small hydro-power stations of 40 M.W. at Bowatenne and another at 30 M.W. at Canyon would be commissioned. But it has been seen that this too would not be sufficient to meet the nation's power requirements. The Bowatenne project was commissioned in 1981.

The accelerated programme has been designed not only to provide a perennial water supply to the lands for cultivation but also to add 450 M.W. to the national power supply.

Under the Victoria project, hydro-power of 210 M.W. will be installed with a further provision of another about 210 M.W. to be installed later. Further, under the Maduru Oya project which is to be completed this year, there is provision for a small power house with an installed capacity of 9.75 M.W. will be constructed.

Under the Kotmale project, it has been proposed to install two units of 67 M.W. each, at the power plant capable of generating 400 million K.W. hours of firm energy and about 100 million K.W. hours of secondary energy. Under the Randenigala Project which is expected to begin this year, it has been proposed to have an installed capacity of 122 M.W. Also under the construction of the Rantembe reservoir, the power plant to be installed will have an installation of around 49 M.W.

According to the generation expansion planning study of the Ceylon Electricity Board (October 1981) the demand forecast in respect of the power needs has been estimated as:

Year	Maximum demand on M.W.
1981	370
1982	425
1983	500
1984	560
1985	630
1986	700
1987	770

The contribution from the Mahaveli programme towards the generation of power would be as follows:

Bowathenna	40 M.W. x 1 --	40 M.W.
Victoria	70 M.W. x 3 --	210 M.W.
Kotmale	67 M.W. x 2 --	134 M.W.
Randenigala	61 M.W. x 2 --	122 M.W.
Rantembe	24.5 M.W. x 2 --	49 M.W.
Kotmale Extension	67 M.W. x 1 --	69 M.W.
Victoria Extension	210 M.W. x 1 --	210 M.W.
	Total:	834 M.W.

Additionally provision has been made to install another 210 M.W. power plant at the Victoria Project by the construction of another tunnel at a later date. Further, the Canyon Power Project would have a power plant for about 30 M.W.

It has been estimated that the cost of generation of energy by fuel is 20 times more than that of hydro-power. Further, it has been seen that the cost to generate energy by using fuel is about Rs. 2 per K.W. hour and through hydro-power it is only 10 cents.

Therefore, undoubtedly it could be said that the Mahaveli Project would meet the energy requirements of the country.

CSO: 4200/68

FURTHER MODIFICATION ON PROPORTIONAL REPRESENTATION

Colombo SUN in English 25 Oct 82 p 1

[Article by Lalith Allahakoon]

[Text]

The "Proportional" Representation system of voting which is expected to come into operation during the forthcoming General Election is to undergo further modifications.

One major change now being examined by experts is the introduction of a cluster system — a method which will enable political parties contesting General Elections to determine the order in which the candidates should be picked.

According to the proposed system a number of polling booths will be allocated to each candidate of respective parties, and arrangements will also be made to exhibit the names of candidates against the symbol in the ballot paper.

The list of candidates of each party will also be introduced so that the "first" in the list will be elected to the House automatically if the party to which he belongs secures a higher number of votes.

The election officer of each district will subsequently determine the number of seats secured by each party after considering the votes cast, so enable him to elect the MP according to the votes obtained in their respective clusters.

Another system now being considered is to prepare the priority list based on the votes cast in electoral district.

CSO: 4200/68

SLFP ANALYSES DEFEAT

Colombo THE ISLAND in English 26 Oct 82 pp 1, 3

[Text]

THE Secretary of the SLFP in a press statement issued yesterday attributes the defeat of the SLFP to 'delay in solving domestic problems' of the SLFP, the role of LSSP candidate Dr. Colvin R. de Silva and the advantage enjoyed in the Press, Radio and TV to the maximum by the government to 'hoodwink the masses'.

The following is the full text of Mr. Wickremanayake's statement:—

Sri Lanka Freedom Party expresses its gratitude to 2,548,438 voters and all anti-UNP political parties and groups who waged a determined attempt by using their vote to oust the undemocratic administration of Mr. J. R. Jayewardene on 20th October, 1982.

Although it was unsuccessful, the results show that over 700,000 more people than the number voted for the SLFP in 1977 have recorded their disapproval of the policies of the UNP administration. This is indeed a great encouragement to the patriotic forces of this country.

It is true that the differences that existed within our own ranks and the delays in solving the domestic problems of our party have also contributed to some extent to weaken our campaign.

We believe that all anti-UNP forces expected a single common candidate to face the election against President J. R. Jayewardene. Our attempts to achieve this end was not entirely successful due to the views held by the leaders of the LSSP who thought that they had a right to be considered by all anti-UNP forces to be the common candidate who could defeat the UNP. This selfish approach to important national political issues had brought great disaster even in the past as it has done at this time. The legal argument submitted by Dr. Colvin R. de Silva during the election campaign against our candidate to the effect that even if he won, he would be disqualified, which was made use of by Mr. J. R. Jayewardene in his campaign confused the minds of the voters and probably compelled them to refrain from voting for our candidate. We consider this as a great betrayal of the peoples cause.

The Government of President Jayewardene made use of the advantages they enjoyed in the Press, Radio and TV to the maximum to hoodwink the masses and to put across their point of view only. In this situation the contribution made by 'Dinakara' and 'Aththa' papers to protect the peoples cause will be highly appreciated by all patriotic forces.

We were aware at the beginning of the campaign, the tremendous hardships we had to face against the unreasonable attempts of the Government, financial and other difficulties which the Government was not facing due to the fact that they are in power. Yet the courage and determination displayed by the members of the SLFP, as well as the activities of the anti-UNP parties were admirable. The voters of Jaffna who were benefited by the Agricultural policies of our government had shown their solidarity with the other section of the country who voted against the UNP. To them we express our appreciation.

The people's verdict could be used by the Government to continue their undemocratic and dictatorial methods to maintain them in power. We warn the masses that the Government will definitely pass more burdens on the people in the next few weeks. The Government in an economic mess which is unable to present the budget is groping in the dark and playing with the lives of the people. The international money lending institutions are discouraging any relief to the poor in the form of food subsidies and the like.

In this situation we point out the necessity for all anti-UNP forces to get together on a common programme of work to face any situation that will be created by the UNP Government and safeguard the interests of the people.

CSO: 4200/67

TULF CHARGED WITH ISSUING LEAFLET

Colombo THE ISLAND in English 26 Oct 82 pp 1, 3

[Article by D.B.S. Jeyeraj]

[Text]

The General-Secretary of the All-Ceylon Tamil Congress, Mr. Kumar Ponnambalam yesterday charged that the leaflet calling upon Tamils to vote for the Tamil Congress had been issued by the TULF itself. Mr. Ponnambalam, in a statement to "The Island", states that realising the boycott was a failure, the TULF had issued this leaflet to save face.

The text of Mr. Ponnambalam's statement is as follows.

"It's a scream to hear Amirthalingam say that he expected President Jayewardene to win as that was his reading of the situation in the country. With seven TULF MPs including himself being out of the island for the good part of a month before the elections, how he came to such a conclusion with pompous finality beats me. Perhaps, he was only reflecting what he really wished to happen at this election.

"Amirthalingam's saying that the TULF was not concerned about the election and kept out of it and did not carry out a systematic campaign of boycott is absolutely false. For, in the statement that they released to only the Tamil papers on September 19, 1982, they called upon the people to boycott the elections and specifically not to vote for the Tamil candidate. Still, they did not have the guts to hold public meetings and tell the people their stand. Instead, they held some so-called seminars inside private homes and in back gardens. MPs Sivasithamparam, Yogeswaran, Alalasundaram spoke at such seminars and they were subject to a barrage of questions, nearly ending up in the break up of those seminars. Some TULF members, who were sent to Trincomalee for such seminars, held three such seminars which ended up in chaos. These same people, thereafter, refused to go to Batticaloa to hold such seminars. Will the TULF deny this?

"Amirthalingam says that certain sections of the TULF took independent decisions and cites Batticaloa as one instance. The Batticaloa and Amparai districts defied the TULF's decision and publicly announced this at their respective district meetings. M. Sivasithamparam, who hurried to Batticaloa on Friday, October 8, to get the TULF high command in those two districts to reverse their decisions, took the train back the same day with his hopes shattered. Make public the replies Sivasithamparam got from the TULF high command there.

"Amirthalingam refers to a bogus leaflet issued by the TULF calling upon the Tamils to vote for the ACTC and says that this contributed towards the harvest of votes for the ACTC. Will Amirthalingam deny that the TULF distributed these leaflets on the morning of election, day when they realised that their call for a boycott was going to be a total failure, so that they could save face?

"Amirthalingam boasts that the Jaffna district polled only 50 per cent, the Wanni 60 per cent and the Eastern Province 70 per cent and this indicated the success of the TULF call for non-participation. All their life that party has pursued a negative approach in politics. I do not deny there was a drop in the poll in these areas. But, it must not be forgotten that if the vast majority of the Tamil voting population in these areas had gone to the polls it would never have been possible for the UNP candidate to have obtained 52.9 per cent of the total votes polled enabling a victory on the first count. One can now say with certainty that the TULF's call for non-participation of Tamils in this election was a sinister move to help the UNP candidate with an electoral victory on the first count. This is why Amirthalingam, in his observations to the media, confesses that President Jayewardene's victory was envisaged.

I have gone to every village in the North and the East during the last one and a half months. I know the mood of the TULF supporters. If Amirthalingam and his like know what their people are thinking of them, all TULF MPs would be embarking on trips round the world."

CSO: 4200/67

TULF FINISHED, SAYS KUMAR

Colombo THE ISLAND in English 26 Oct 82 pp 1, 3

[Article by D.B.S. Jeyeraj]

[Text]

"The All-Ceylon Tamil Congress will not summon a Constituent Assembly of Tamil Eelam as stated in my manifesto because I did not get the 7 lakhs of votes required for that purpose, said Mr. Kumar Ponnambalam yesterday.

"The Tamil Congress, however, will carry out a programme of action leading to such a measure" he said.

Mr. Ponnambalam said that he was not happy about the number of votes he received. "I expected a minimum of five and a half lakhs" he said.

"But I have finished the TULF politically in Tamil areas."

The Tamil people are thoroughly dissatisfied with the TULF, he said.

Outlining the reasons for this Mr. Ponnambalam said that in the first place, the TULF had not

. The result of the Presidential election was something which the TULF had expected, said Opposition leader Mr.A.Amirthalingam yesterday.

"We were not concerned about the election and kept out of it altogether", he said.

"Since we did not carryout a systematic campaign of boycott, certain sections of our Party took independent decisions and backed certain candidates'", said Mr.Amirthalingam. He cited the case of a large turnout for Mr. Kumar Ponnambalam in Batticaloa as one instance.

Mr.Amirthalingam said that the appearance of a bogus leaflet stating that the TULF had called upon the Tamils to vote for the All-Ceylon Tamil Congress is a contributory factor toward the Tamil Congress harvest of votes.

Referring to the polling in the North and East, Mr.Amirthalingam said that more than half of Jaffna had kept away. In the Wanni and the Eastern Province, too, there was a significant drop in the polling percentage which indicated the success of the non-participation call of the TULF, said Mr.Amirthalingam.

Commenting on the performance of the UNP and the SLFP in Jaffna, he said that the vote for the SLFP had been a protest vote against the Government. "The memories of the 1981, incidents seem to be lingering in the minds of the Jaffna people and the vote against the UNP seems to suggest this", he said.

Mr.Amirthalingam was confident that the TULF would continue to retain the support it enjoyed in the North and East in the event of a general election.

CSO: 4200/67

TAMIL VOTING ANALYSED

Colombo THE ISLAND in English 24 Oct 82 p 6

[Article by D.B.S. Jeyaraj]

[Text]

Sri Lanka's first ever Presidential elections are over and Mr. J. R. Jayewardene has been elected as the President of multi-racial, multi-religious Sri Lanka — A People's President!

The voting pattern of the Sri Lankan heterogenous electorate has again spotlighted the different trend of behaviour of Sri Lankas second largest ethnic group the Sri Lankan Tamils as opposed to the other ethnic groups in the country. Although the Sri Lankan Tamils have once again registered a non-conformist stance there are certain features which may well signify a break with the past in the future.

The influence and impact of the Tamil-speaking voter was felt in different degrees. The Ceylon Workers Congress went along with the UNP while the Democratic Workers Congress was with the SLFP. The imporved performance of the UNP in Nuwara Eliya and Kandy Districts is attributed somewhat to the CWCs support. In the case of the Muslims there is no exclusive organisation which could ensure a bloc vote. However Muslims have basically reflected the voting pattern of the Majority community with perhaps the tilt towards the UNP.

It is the Sri Lankan Tamil who has in his voting created a peculiar pattern.

The impact of the Tamil voter was felt in several instances.

The United National Party won the majority of votes in 21 of the 22 electoral districts. The only district which it lost was Jaffna, a pre-dominantly Tamil area. The All Ceylon Tamil Congress came first there.

The narrowest margin of lead recorded by the UNP was in Batticaloa. In B'caloa the UNP got 40.05 per cent of the votes while the Tamil Congress came second with 39.22 per cent of the votes. Batticaloa is also a predominantly Tamil area.

The only province which was captured by the Sri Lanka Freedom Party was the Northern Province. The North consisting of the Jaffna and Vanni Districts gave the SLFP 100,521 votes while the UNP and Tamil Congress got 80,614 and 98,784 each. The North is predominantly Tamil.

The Jaffna District had the lowest turnout of voters 44.16 per cent apart from giving the UNP its poorest poll 20.54 per cent. Incidentally Batticaloa gave the SLFP its poorest poll 18.06 per cent.

DECREASE

Also all districts which had a significant concentration of Sri Lankan Tamils showed a decrease in the voter turnout as against other areas. Jaffna, Vanni, Batticaloa, Trincomalee,

Digamadulla (Amparai) and Colombo registered a poll of less than 80 per cent. In all other districts the poll percentage was more than 80 per cent. (In Colombo one other possible reason could be the large-scale emigration to foreign countries in that district). The reasons for the Tamil voter behaviour can be attributed to various factors.

The chief political party of the Tamils the TULF took a decision of "neither participating nor voting". Although the decision was tantamount to a "boycott" the TULF never rigidly said so. The Tamil Congress jumped into the fray with the twin cry's of "Referendum for Eelam" and Tamil Solidarity.

The TULF did not give any directives to the Tamil people as to how they should vote. Their official statement however specifically mentioned that the Tamil Congress did not warrant the support of the Tamil people.

But the nature of the Presidential election had to embrace in its scope all sections of the country irrespective of race, religion and region. Regardless of the TULF's attitude all 5 national party candidates visited Tamil areas inclusive of Jaffna and solicited support. Also there was a marked absence of communal politics on the platforms of the major national parties. Economic and certain non-communal political issues proved to be the back-bone of the Presidential election campaign. There ws also a refreshing phenomenon of Sinhala and Tamil speeches on almost all platforms of the national parties. The only campaign that smacked of racism was Mr. Kumar Ponnambalam's who made distinctly communal overtures.

In a hustings sans the TULF and devoid of communal politics the Tamil voter had to make up his own mind and fend for himself to the best of his ability. Fulfilling a basic law of nature various forces set about to fill the political vacuum created by the TULF.

As far as the TULF was concerned it took up a stand of "non-participation" rather than boycott. TULF critics insinuated that this was a calculated move designed to support the UNP. Since the TULF never attempted to make its call an "effective boycott" several people felt that the decision of non-participation was actually a cover-up for indirect UNP support. The end result however seems to be that the UNP has not received the Tamil support it expected.Also the TULF's wisdom in taking up a stand equivalent to a boycott without taking steps to ensure one is something which is questionable in view of later developments.

The TULF call according to Mr. Amirthalingam was a success. More than half of Jaffna had not voted. In other districts like the Vanni, Trincomalee, Batticaloa and Digamadulla the poll percentage was much lower than in 1977. TULF sources also say that among these districts the turnout among Tamil voters was much lower than other communities in those areas.

WILDERNESS

However, the story currently going around Tamil political circles is that sections of the TULF including MPs have tacitly canvassed support for other parties. Some had opted for UNP, some fo SLFP and some for the Tamil Congress. Some hard-liners however tried to campaign for an effective boycott. In the absence of a uniform policy the TULF call became somewhat a "call in the wilderness".

On the basis of percentage the TULF call has certainly had its impact but abstention from voting has not been that successful. The most conspicuous drop in voting was in the Jaffna and Batticaloa districts. But even there statistics indicate that in Jaffna a little less than a half of those who voted for the TULF in 1977 have voted for other parties while a little more than one thirds of those who voted for the TULF in 1977 have voted for other parties in Batticaloa.

In the case of the Tamil Congress the performance of its candidate was certainly much better than expected. Compared to the DDC polls the congress has certainly fared well. The aim of the Congress was to re-capture the power and influence it enjoyed among Tamils prior to 1956. The exercise of the Presidential election was merely to identify possible power bases. The Congress had nothing to lose and everything to gain by its attempt. Although the polemic of a Mandate for Eelam was flaunted by it in actual terms it was the appeal to Tamil solidarity which was fruitful. Mr. Kumar Ponnambalams' appeal was to Tamil emotion on the basis of community consciousness (The only Tamil against five Sihalese etc.) Despite TULF opposition the appeal has been successful particularly in the East. Mr. Ponnambalam also obtained 9,808 votes in the seven provinces other than the North and East. For a party which had no organisation in the East and most parts of the Vanni the Tamil Congress performance is certainly satisfatory. The TC—TULF battle too had its own share of intrigues and in-fighting. There was the mysterious power-cut at the Chunnakam power station which coincided with Mr. Ponnambalams TV performance, thereby causing a complete black-out in the Jaffna area. There was also the appearance of a mysterious leaflet allegedly issued by the TULF leadership which called upon the Tamils to vote for the Tamil Congress. Mr. Amirthalingam and the printing press owner have dissociated themselves from the notice. The Tamil Congress has scored over the TULF by obtaining 35 percent of the votes the TULF received in 1977. But on the other hand the Tamil Congress spoke about a "Referendum." The relatively low poll the Congress received (Mr. Ponnambalam wanted 7 lakhs to form a Constituent Assembly) could also be termed as a negation of the Eelam Mandate of 1977. Also could the Tamil Congress poll the same amount in a confrontation with the TULF?

The upset of the whole election however was the SLFP's performance in the North. Various factors contributed to this there was the economic issue of import substitution; the farmer of cash crops like onions and chillies yearns for SLFP days of import bans as today he is being hard hit by cheaper imports.

(To be continued next week)

CSO: 4200/67

EDITORIAL: EELAM LOSES OUT TO ECONOMICS

Colombo THE ISLAND in English 24 Oct 82 p 6

[Text]

While Mr. Kumar Ponnambalam, carrying the TULF banner temporarily borrowed from Mr. Amirthalingam, came riding, riding upto the front rank of the final Presidential election line-up ahead of even Dr. Colvin R. de Silva, UNP ideologues in the midst of their jubilation have not hidden their disappointment over the party's performance in the North and the East. While Jaffna district was the only one where the defeated SLFP candidate could get ahead of the President, in the Wanni district encompassing Mullaitivu, Vavuniya and Mannar the combined SLFP and All Ceylon Tamil Congress votes surpassed the UNP total while in Batticaloa district it was the same story though the UNP did manage to win both districts finally on the individual breakdown.

While the statistical jugglery and the post-mortems will be carried out with acrobatic and morbid zest a deeper examination of the motivation of the voters in these areas point to what can prove to be a new development in national politics. The call for a boycott by the TULF and TELF was patently a failure and we are happy about this as a newspaper which had consistently called on the Tamil people not to withdraw from this decisive election. Although under the new system of proportional representation the old electoral unit is no longer a valid category old habits die hard and political analysts, who had for long been wedded to the electorate as a category in their calculations, have manage to dig up some of the results at least on an electoral basis. According to these while Jaffna has voted for the ACTC as against the UNP and the SLFP electorates like Kopay had overwhelmingly voted for the SLFP. It is not difficult to discern a trend here. While in the Jaffna town the political war cry of a separate State would have been attractive to the more politically militant townsfolk in outlying areas such as Kopay, which are predominantly agricultural pockets, the old 1970—77 import substitution agricultural policies of the SLFP under which the northern farmer prospered would have been the draw. The same appears to have been true of the East as well.

In this context the question arises whether the hardy, no-nonsense people of the North have chosen to place economics over politics in the electoral pyramid. Accepting the truism that economics is at the heart of any meaningful national development it can certainly be justifiably argued that it was the lack of any economic development in the North which had generated the present mood of discontent among the Tamil people. The bitter truth is that all Sinhala political parties have treated the Tamil parties such as the Federal Party and the ACTC as convenient pawns in their parliamentary power games. While some of the leaders of these parties were as a result perhaps able to get a few crumbs from the tables of the Government the Tamil areas as a whole remained neglected and backward.

The significance of the terrorist movement in the North was that it rose as a challenge to this effete colaborationist politics of the Tamil political establishment. But the gun-toting adventurists are not Jaffna and this is a fact that even responsible leaders sometimes tend to forget. By voting in substantial numbers for a non-separatist political parties such as the UNP and the SLFP the northern people have demonstrated that they are able to view matters from a broader perspective than their leaders.

This is the real challenge to the Government. The question is how best can the Government develop the North and the East and give their predominantly agricultural population better prices for their products. In this context the appeal made by the Minister for Rural Industrial Development Mr. Thondaman is timely and goes to the core of the issue. Mr. Thondaman has cautioned the Government not to treat these votes as "communal votes" and pay special attention to the problems in the North and the East. This indicates the line of thinking which the UNP in victory must follow as regards the Tamil people living outside Sinhala areas. It will be easy to succumb to the temptation of surrendering to a mood of bitter anger about "being let down" by the Tamil people but this is not the approach of statesmen. To the extent that they have voted for Sinhala parties such as the UNP and the SLFP the Tamil people have shown their willingness to get out of the trough of sterile separatist politics and it is upto the Government to convert this into something more meaningful by launching on a systematic economic development of the North and the East.

CSO: 4200/67

JVP APPEALS FOR UNITY WITH SLFP

Colombo THE ISLAND in English 23 Oct 82 p 3

[Text]

The Janatha Vimukthi Peramuna, which came third at the Presidential Election, said in a statement issued through its General Secretary Lionel Bopage yesterday that the election result showed the futility of trying to defeat the UNP through the SLFP which had resulted in a UNP victory. The statement appealed to all left and progressive sections within the SLFP to support the JVP.

The JVP issued two statements yesterday, one by Secretary Bopage and the other by Presidential candidate Rohana Wijeweera. Mr.Wijeweera said that the JVP had registered a definite progress on the basis of the results and that the party had emerged as the only genuine left party.

He said that the JVP alternative programme had suffered a temporary setback but the UNP and the SLFP had proved by their past record their failure to salvage the people from the present crisis.

He said that the people would realise that the JVP is the only alternative from the present crisis of high prices, unemployment and inflation produced by the UNP's open economy.

Mr.Bopage in his statement said that although the UNP had used state power and the mass media to ensure its victory, it would be rendered helpless before the burgeoning economic and political crisis in the months to come.

The results proved that the JVP was the only anti-UNP left force in the country, he said.

CSO: 4200/67

BRIEFS

SLFP LEADER SEES DEFEAT AS TEMPORARY--Even though he was defeated, the swing of votes in the Presidential election was more toward the SLFP than the UNP, Mr Hector Kobbekaduwe, Presidential candidate for the SLFP said in a statement issued yesterday. Taking 1977 as the base, there had been a swing of 9.3 percent toward the SLFP, while there had been only a 2 percent swing in favour of the UNP. "The temporary defeat" thus, would soon be transformed, he has said. Mr Kobbekaduwe claimed that the time given for the SLFP to face the Presidential Election was of extremely short duration. Yet, the masses had taken on his struggle as their own struggle, and by that, given him much courage. He would never forget those who had sincerely joined him in his efforts, he said. Mr Kobbekaduwe has said that anti-imperialists, lovers of democracy and all patriotic forces should unite to face conditions that would definitely result from the deteriorating living conditions. "With my determination and self conviction, I will stand by the people. I will not retreat. Whatever the battle might be, I will not quit the field of battle. That is the promise that I can give at the moment," Mr Kobbekaduwe has said. He has also thanked on behalf of the SLFP, all those who helped him in many ways during the presidential campaigns and specified the Maha Sangha, other religious leaders, all political parties, trade unions, youth organisations and intellectuals. [Text] [Colombo THE ISLAND in English 23 Oct 82 pp 1, 3]

JVP MEMBERS IN QUANDRY--The rank and file of the Janatha Vimukthi Peramuna (JVP) are in a quandary over the party's performance at the Presidential election last week. According to reliable JVP sources, a majority of members, members, including several party high-ups, did not want their leader Rohana Wijeweera to contest the Presidential Election but devote all their energy to the forthcoming General elections. The sources also said that the JVP has distributed one million more membership forms this time expecting that the party, with 800,000 already enrolled, would poll at least 1.5 million votes, but, in fact, they polled only 273,000 votes at the election, which exposed the weakness of the party. Certain influential sections have demanded from the party politbureau the reason for the JVP polling only 273,000 votes, when its membership strength alone was 800,000. [Text] [Colombo THE ISLAND in English 25 Oct 82 p 1]

CSO: 4200/67 END

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17 November 1982

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No. 1215

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ERSHAD INTERVIEW WITH ARAB DAILY SUMMARIZED

Dacca THE BANGLADESH OBSERVER in English 2 Oct 82 pp 1, 8

[Text] Meena, Sept 29:--The Chief Martial Law Administrator Lt. Gen. H. M. Ershad has said Bangladesh will encourage investments from Saudi Arabia and other Arab countries and extend promotional facilities in this regard, reports BSS.

In an interview with an Arabic language daily AL OKAZ at Arafat he said, "Private sector has been given enough opportunities to grow but we have to build a bridge of confidence and understanding between the private and public sectors".

Gen. Ershad told his interviewer, "we are working on priority basis to revitalise our economy and build up economic infrastructures in the rural areas." Such steps would stop influx of rural population to the urban areas, he said adding "now the people need not have to come to the towns and live at the mercy of the urban people sacrificing their honourable identity which they have in their own villages".

Replying to a question the CMLA said, the wrong policies of the past had caused deterioration to the economy of Bangladesh. High rate of population growth and negligence to the rural areas in the past resulted in the influx of rural population to the urban areas.

Gen. Ershad referred to various reforms undertaken by his Government in judicial, administrative and education sectors and said, "we have to stop the rural people leaving from their own places and that is why we are taking administration to the rural areas to ensure quicker service to them. The village will be made centre of all development activities instead of present trend of urban-oriented development programmes.

The CMLA described as "very strong and close" the relations between Bangladesh and Saudi Arabia. He praised the leadership of King Fahd and said the countries of the Muslim world were sure to come closer and have better understanding among themselves for strengthening the unity of Muslim Ummah.

In this context, Gen. Ershad reminded the holy message of Arafat which called for strengthening the Muslim Ummah by consolidating solidarity and fraternity among the Muslims world over.

Gen. Ershad thanked the government of Saudi Arabia for making good arrangements of security, movement and welfare of the pilgrims during the Hajj. It is really a gigantic task which has been performed very well to the satisfaction of all, he was quoted by the paper as saying.

On the Palestine issue, the CMLA told the paper 'our policy is very clear; we are always with our Palestinian brothers in their just struggle to have their own homeland. We should extend all possible help to the Palestine movement to achieve their rights.'

CSO: 4600/1121

ERSHAD TALKS TO PRESS ON RETURN FROM SAUDI ARABIA

Dacca THE BANGLADESH OBSERVER in English 2 Oct 82 pp 1, 8

[Text] The Chief Martial Law Administrator Lt. Gen. H. M. Ershad returned home on Thursday morning from Saudi Arabia where he performed Hajj and had "fruitful talks" with King Fahd on bilateral economic cooperation and other issues reports BSS.

Talking to reporters at the Airport the CMLA said that during his stay in Saudi Arabia he met the Saudi monarch thrice, once formally and apprised him of the economic situation of Bangladesh.

Begum Ershad, the Foreign Minister Mr. A. R. Sham-ud-Doha, Mr Justice Bardrul Haider Chowdhury of the Supreme Court, PSO to the Commander-in-Chief Maj. Gen. Atiqur Rahman, Vice-Chancellor of the Engineering University Dr Wahiduddin Ahmed and the Editor of ITTEFAQ Mr. Anwar Hossain who accompanied the CMLA also returned.

Gen. Ershad said that the Saudi King expressed his keen interest in the economic progress of Bangladesh and had assured all possible assistance in this regard.

The CMLA told a questioner that King Fahd was well acquainted with the problems of Bangladesh. He pointed out that there was a commitment of five hundred million dollar Saudi assistance. The present Government prepared projects worth 120 million dollars for the utilisation of the help.

He said that in the past matching projects were not prepared to utilise the Saudi help and that was why the amount of assistance was not disbursed. More projects are being prepared to utilise the fund.

Gen. Ershad said that he had also discussed with King Fahd the question of balance of payment problems and bank deposit. 'We have also discussed Iran-Iraq conflict' and the Saudi monarch agreed with him on the need for revival of the Islamic peace mission to put an end to the war.

Asked if he had discussed with King Fahd regional issues the CMLA said "We had gene- lems". [as published] The Saudi monarch he added was keen to see our relations with neighbours "friendly".

Gen. Ershad said that he had also apprised King Fahd of his coming visit to New Delhi. The Saudi monarch expressed the hope that problems between Bangladesh and India would be solved bilaterally.

The CMLA said that he had extended invitation to King Fahd to visit Bangladesh which the monarch accepted gladly.

Paying tributes to King Fahd the CMLA expressed his firm belief that the Saudi monarch would be able to lead the Muslim world.

Gen. Ershad said that several Saudi businessmen met him and expressed their eagerness to make investments in Bangladesh where congenial conditions for investment were created.

The CMLA said that during his stay in Saudi Arabia he also met PLO Chairman Yaser Arafat, President of Guinea Ahmed Sekou Toure, Maldives President Maumoon Abdul Gayyoom and invited them to visit Bangladesh. The PLO chief is expected to visit Bangladesh soon he said.

He said 'brother Arafat' narrated to him how 7,000 helpless Palestinian and Lebanese people including children and women were massacred by Israelis in West Beirut.

Gen. Ershad pointed out that he had reiterated to Arafat Bangladesh's total support to the cause of the Palestinians and said Bangladeshi people were fighting shoulder to shoulder with their Arab brothers.

The CMLA said that he came to know from the PLO Chairman that many Bangladeshis were injured while fighting the Zionist forces in Beirut and many others passing their captive days in Israeli prisons.

He assured Arafat that many more in Bangladesh were ready to shed more blood for the cause of the Palestinian people.

Gen. Ershad who looked contented said "Hajj gives one more self-confidence and unbounded happiness." He said during the Hajj he had realised more intimately what the Islamic fraternity is. Two million devotees from various parts of the world assembled at Arafat on this holy occasion he added.

The CMLA said that he had prayed to Allah on behalf of the nine crore people of Bangladesh and sought divine blessings for the welfare of the nation and consolidation of Islamic brotherhood.

Gen Ershad said that he had visited Bangladesh Haji camps in Saudi Arabia to see for himself the condition of the pilgrims. Eight Hajis died of sickness there he added and observed that it was better to check health condition before undertaking the trip for pilgrimage. He said there should be books in Bengali with all information regarding Hajj in them.

DCMLA Rear Admiral M. A. Khan and Air Vice-Marshal Sultan Mahumd, Ministers and high ranking civil and military official were present at the airport to receive Gen. Ershad.

CSO: 4600/1121

TEXT OF ERSHAD SPEECH AT 6 OCT DELHI BANQUET

Dacca THE BANGLADESH OBSERVER in English 7 Oct 82 pp 1, 8

[Text] New Delhi, Oct. 6:--The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad expressed his conviction here tonight that both India and Bangladesh must be good friends and that 'we will find honourable and equitable solutions to our problems' reports BSS.

Speaking at a banquet given in his honour by Indian Prime Minister Mrs Indira Gandhi, the CMLA said that the relationship between the two countries was not dictated solely by the harsh realities of geography, contemporary history and culture. 'Essentially, it is influenced by a compulsive element of humanism and togetherness--the desire to maintain peace and sustain it' he added.

Referring to his last six months in office, General Ershad said during this period he had consistently maintained that 'our relations should be based on goodwill and neighbourliness, on large heartedness and understanding, free from pre-independence and inherited inhibitions and firmly established on the principles of sovereignty'.

'I am convinced that we must be friends--I mean good friends, and it is in this spirit that I have come to Delhi, quite confident that by the grace of God, we will find honourable and equitable solutions to our problems'.

General Ershad stressed that exchange of visits between the two close neighbours 'should not only be encouraged but, given the advantages of our day and age, made spontaneously routine and informal'. It is through such exchanges he said, that we can build up a relationship of trust and cooperation in a truly pragmatic and candid fashion.

The CMLA said that during the last six months his Government had undertaken the process of nation building with a sense of total commitment. This Government, he noted aims to derive the maximum benefit for the people by ensuring their rightful participation in Government whose mechanism he pointed out 'must be capable of responding to the need of rural Bangladesh quickly and effectively.' He said 'we have worked hard, and I would like to believe that we have in fact already made progress'.

General Ershad felicitated Mrs Gandhi and her government for being unanimously nominated to host the seventh Non-aligned conference and recalled India's pioneering role in the Non-aligned Movement. He reiterated Bangladesh's firm commitment to the principles of non-alignment as much as are committed to the Charter of the United Nations. He hoped that India will play a positive and effective role in the years to come towards creating conditions of peace and stability.

Condemning the recent Israeli aggression and barbarism in Lebanon, the CMLA said that his country would continue to lend its strongest support for the Palestine brethren in their demand for independent homeland. In this context he also commended that Arab peace plan announced recently at Fez and fully endorsed Saudi King Fahd's appeal to international community to assist the rehabilitation of both the Palestinian and Lebanese people.

On the Gulf war between Iraq and Iran, the CMLA said that both the good offices committee of the Non-Aligned Movement and the Islamic Conference Peace Commission should jointly continue their search for a peaceful settlement of the conflict.

Text of Speech

Your Excellency, Prime Minister Mrs Indira Gandhi, Excellencies, Ladies and Gentlemen.

My wife and I are greatly honoured by the gracious and hospital welcome accorded to us and the members of our delegation. We thank you for your kind references to our country and our people on whose behalf I convey to you and the people of India our warmest greetings,

Excellency,

Bangladesh is now in her twelfth year of independence. These have not been easy years and, quite honestly, we still have difficult years ahead of us. It is a reality which I would submit, the people of Bangladesh are learning to face with courage, determination and a maturity born out of sacrifice and suffering. During the six months since this government assumed office, we have therefore undertaken the process of nation building with a sense of total commitment. This government aims to derive the maximum benefit for our people by ensuring their rightful participation in government whose mechanism must be capable of responding to the needs of rural Bangladesh quickly and effectively. We have worked hard and I would like to believe that we have, in fact, already made progress. The cornerstone of our policy is to achieve administrative decentralisation--to take the government to the people, and it is to this end that we have decided to transform that famous post-colonial and far flung outpost, the Thana, into the basic unit of administration from where we can directly take our development efforts to the 68,000 villages of Bangladesh.

Excellency,

I would have liked to avail the opportunity of this visit to share with you and the people of India at length the work we have done, and are doing in Bangladesh in the fields of agriculture, industrial and economic development as a whole, judicial reforms, educational and social welfare, health and population control; and towards mobilising both our not insubstantial natural and human resources; towards improving our system of communications in a manner which will open the way for the ninety million people of our country to strive towards greater self-reliance and towards building a society free from hunger and deprivation. I do not have the time to do so, but warmly welcome you and the leaders of India to see for yourselves the enormous problems we face, and the dedicated efforts being made by our people to solve these difficult problems in what are perhaps the most adverse and neglected conditions in the subcontinent. By the Grace of God, we propose to overcome these difficulties and pave the way for a brighter future, hopefully in our own lifetime.

I find it easy to describe our efforts and surroundings to you because you yourselves have set an outstanding example in numerous fields of developmental work and a programme of austerity. India can be justly proud of her highly cumulative experience in becoming a grain surplus economy, one of the largest industrialised nations in the world and a net exporter of technology. Your experience can contribute greatly towards regional cooperation for development in South Asia, and I am pleased to say that the forum in which seven countries of this region have so far participated during the last two years has already progressed to an extent where we may soon be able to meet at the political level to expand even further those areas of understanding and cooperation which we have together identified, and which involve over eight hundred million people. What better way to promote peace? And Excellency, how can we undertake any development effort for our people whatsoever without peace?

I would humbly submit that the relationship between our two countries is not dictated solely by the harsh realities of geography, contemporary history and culture. Essentially, it is influenced by a compulsive element of humanism and togetherness--the desire to maintain peace and sustain it. During our six months in office I have consistently maintained that our relations should be based on goodwill and neighbourliness, on large heartedness and understanding, free from pre-independence and inherited inhibitions, and firmly established on the principles of sovereignty. Excellency I am convinced that we must be friends--I mean, good friends and it is in this spirit that I have come to Delhi quite confident that by the Grace of God, we will find honourable and equitable solutions to our problems.

Excellency,

I take this opportunity of felicitating you and your government on being unanimously nominated to host the Seventh Conference of the Non-aligned Movement. It is only befitting that you should do so in the context of India's pioneering role in the movement and the great contributions which

your late revered father, Pandit Jawaharlal Nehru and later you yourself have made towards maintaining and securing the principles and objectives of Non-alignment. We in Bangladesh are firmly committed to Non-alignment as much as we are committed to the Charter of the United Nations. We believe that this movement is a dynamic force which can effectively stabilise the current dangerous trend of tension areas rapidly proliferating through polarisation at the global level. I have no doubt that India will play a positive and effective role in the years to come towards creating conditions of peace and stability particularly in those areas where war and aggression not only continue to take a heavy toll of life and property but also perpetuate the violation of territorial integrity of Non-aligned states.

The recent events in Lebanon exemplify such a violation in all its aspects and I am sure that the people of India and Bangladesh are one when we say how shocked we are to witness in this day and age naked aggression and barbarism committed by a so-called member state of the United Nations. Not only has Israel flouted all principles of the UN Charter but she is responsible for continuing this aggression in full view of the international community. We commend the Arab Peace Plan recently announced at Fez and fully endorse His Majesty Fahd bin Abdul Aziz's appeal to the international community to assist in the rehabilitation of both the Palestinian and Lebanese people. We will continue to lend our strongest support for our Palestinian brethren in their demand for an independent homeland. Like yourselves, we believe that there can be no lasting peace till the rights of the Palestinian people are recognised and their future guaranteed and secured by the international community.

The Gulf War is a tragedy for all of us. Both the Good Offices Committee of the Non-aligned and the Islamic Conference Peace Commission of which our respective countries are members should in my opinion jointly continue their search for a peaceful settlement of this conflict which has already taken so many lives and has caused so much grief and deprivation to even those who are not directly involved in the war. I am sure that the leaders of both Iran and Iraq want peace and I can only hope that we can together exert all our efforts to bring the way to an end as early as possible.

Excellency, as host designate to both the next Summit Conference of the Non-aligned and of the next Commonwealth Heads of Government you and your government carry a heavy burden arising out of conflicts such as the ones I have referred to; out of injustices such as exist in the wholly unreasonable prolongation of the Namibian crisis; out of unresolved issues such as the Global Round of Negotiations reflecting social and economic anomalies and inequalities affecting mostly the Least Developed Countries I assure you of our maximum cooperation in these and all other issues which confront us.

Excellency in the final analysis we must dare to create a world as it should be--where those who are hungry are fed, where those who are poor escape the degradation of want, where restraint among nations and peaceful settlement of disputes is a pervasive substitute for confrontation and violence and

where the walls of racism and colonialism, dominance and hegemony, mistrust and antagonism are pulled down once and for all in the undoubted recognition of our interdependence and the fact that the future of each of our nations depends upon the cooperation of all of our nations.

It is my firm conviction that visits such as this between two close neighbours should not only be encouraged but given the advantages of our day and age, made spontaneously routine and informal. It is through such exchanges that we can build up a relationship of trust and cooperation in a truly pragmatic and candid fashion. I take this opportunity to renew my invitation to Your Excellency to visit Bangladesh next year and to state that we are eagerly looking forward to the visit and hope that it will take place soon.

Excellencies, Ladies and Gentlemen may I now request you to join me in a toast:

--to the health, happiness and long life of Her Excellency the Prime Minister of India;

--to the continued peace, progress and prosperity for the friendly people of India;

--to the everlasting friendship and cooperation between Bangladesh and India.

CSO: 4600/1129

ERSHAD GREETS PRC LEADER ON ANNIVERSARY

Dacca THE BANGLADESH OBSERVER in English 2 Oct 82 pp 1, 8

[Text] Chief Martial Law Administrator Lt. General H. M. Ershad has sent the following message of greetings and felicitations to Mr. Zhao Zivang, Premier of the State Council of the People's Republic of China on the occasion of the founding anniversary of the People's Republic of China says a PID handout.

"The Government and the people of Bangladesh join me in extending our most cordial greetings and warm felicitations to Your Excellency and the friendly people of China on the auspicious occasion of the 33rd anniversary of the founding of the People's Republic of China.

"Excellency the relations between our two countries have always been imbued with warm spirit of friendship, understanding and cooperation.

"I am confident that with joint efforts the traditional bonds of friendship bewteen China and Bangladesh will continue to be strengthened in the years to come to the mutual benefit of our two peoples and for peace and stability in this region.

"May I take this opportunity to wish Your Excellency good health and happiness and the friendly Chinese people continued progress and prosperity.

"Please accept Excellency the assurances of my highest consideration and personal esteem."

CSO: 4600/1121

ERSHAD TALKS TO BANGLADESHIS IN SINGAPORE

Dacca THE BANGLADESH OBSERVER in English 12 Oct 82 p 1

[Text] Oct. 11:--The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, said here today that a favourable climate had been created for local and foreign investments in Bangladesh, reports BSS.

Addressing Bangladesh community here at a local hotel, the CMLA advised them to make their best efforts to attract foreign entrepreneurs to invest in Bangladesh availing themselves of all the facilities now being extended to them.

Referring to recent worldwide recession, General Ershad said, like many other countries Bangladesh was also adversely affected by this. "However, we hope to overcome the situation with united and sincere efforts by all Bangladeshis living at home and abroad," he said adding, "We are determined to achieve self-sufficiency and reduce our dependence on external aid."

The CMLA explained his audience the situation under which the present Government had to take the responsibility and added the Government had been trying to build a new society based on equity and justice.

He outlined the major reforms being brought about by the Government in different sectors like administration, agriculture, family planning and education and said, if we could successfully implement these reforms, then we should be able to build a new Bangladesh.

Foreign Minister Mr. A. R. Shams-ud-Doha was present on the occasion.

General Ershad who made a stop-over here on his way to Fijian capital Suva to attend the third Commonwealth heads of Government regional meeting for Asia and the Pacific left for Sydney this evening.

CSO: 4600/1137

ERSHAD INTERVIEW WITH ARAB NEWSPAPER REPORTED

Dacca THE NEW NATION in English 5 Oct 82 pp 1, 8

[Text] The Arab Peace Plan is a very significant step toward the dawn of a new era of Muslim unity and solidarity, according to Chief Martial Law Administrator and Commander-in-Chief of the Armed Forces Lt. Gen. Hussain Muhammed Ershad.

In an interview with Arab News during his recent visit to Saudi Arabia Gen. Ershad said that for the first time 20 Arab League countries have signed an agreement, "a thing which never happened before." He congratulated King Fahd on playing a very vital role in bringing these countries together. The significance of the plan was agreement on the Palestine state with Jerusalem as its capital, withdrawal of troops from all occupied territories and the right of all Middle East countries to live in peace.

He criticized the Beirut massacre as coldblooded murder, the like of which had never happened in modern history.

Lt. Gen. Ershad arrived in Saudi Arabia to perform Hajj. He said he got more details about the horrifying events in Beirut after talks with PLO Chairman Yasser Arafat. He said the victims of this inhuman tragedy have crossed 6,000 "and has now touched 7,000-8,000." The Christian militia, in collaboration with the Israelis, are responsible for it. The way the peace forces left in a hurry shows the international conspiracy, he added.

He supported King Fahd's appeal for the rehabilitation of Lebanon and said Israel must pay for the damage and destructions of Lebanon. The cases should be taken to the International Court of Justice as such acts should not go unpunished, he demanded.

He termed the Iran-Iraq war as a tragedy for the Muslim world and said he had discussed it with King Fahd to find an early settlement. In this Holy month, he appealed to both the countries to come to an understanding and stop loss of life and property.

Talking about his visit to India next week, Ershad said it is a very important one and we want to settle all our outstading problems in an atmosphere of friendliness and good neighbourliness."

"The Farakka water is the major issue for discussion and a settlement has to come very soon". The present agreement expires Nov. 4, so not much time is left," he added. He said "I know water is one of the major problems for India but it is also problem for Bangladesh. However, I am quite optimistic about the results of my visit."

Other minor issues like border demarcation can be solved easily. On the disputed island, he said joint surveys are being conducted and data is being collected. Talks will be held after this work is over. "I am quite sure that something tangible will come out of the talks," he added.

His country's relations with Pakistan are normal. We have cultural and trade agreements with that country. The only issue between the two countries relate to nearly 400,000 Biharis in Bangladesh, who have opted for Pakistan citizenship. However, talks are going on and recently Pakistan had agreed to take 7,000 of them of which 4,000 are soon leaving and others will leave after some time. He thanked Saudi Arabian government for providing funds and planes for sending these people to Pakistan. He said he has aleady sent an invitation to Pakistan President to visit Bangladesh.

Similarly, the relations with Burma, Nepal and China were very good. He said "we are engaged in the economic revival of the country and we have to do a lot to improve the condition of people."

Bangladesh will hold elections next year at the village level which will form the basis for democratic process in the country, he said. "At present, we are trying to make administrative changes and we want to decentralize the setup," he added.

CSO: 4600/1125

ERSHAD, CHOWDHURY GREET NATION ON MUSLIM HOLIDAY

Dacca THE BANGLADESH TIMES in English 28 Sep 82 p 1

[Text] The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad has called upon the richer section of the society to come forward to the services of the suffering humanity being inbued with the ideals of sacrifices, reports BSS.

In a message on the eve of Eid-ul-Azha, the CMLA said that the nation had made pledge to build a "new Bangladesh" and added, "we are now engaged in establishing social justice--the achievement of economic emancipation for the people by maintaining austerity and eradicating corruption."

He conveyed "Eid Mubarak" to his countrymen and to the brotherly people of all Muslim countries and said, celebration of Eid-ul-Azha will be a success only when we shall be able to realise the inner message of the example of great sacrifice set by Hazrat Ibrahim (A).

Gen. Ershad said, let us offer munajat on this holy day to Allah so that we can devote all our economic and social activities to the path ordained by Allah. Let us also put in our efforts to bridge up the gap between the rich and the poor on the basis of mutual co-operation and feelings.

The CMLA said, may Allah, the Merciful, give us strength to follow the ideals of Eid-ul-Azha in every field of our national life.

Ahsan

Another message adds: President Ahsanuddin Chowdhury on Monday expressed the hope that the spirit of sacrifice as embodied in the rites of Eid-ul-Azha would "inspire all of us" to rededicate ourselves to the welfare of the people and the country.

In a message to the nation on the eve of the holy festival the President called for keeping oneself free from jealousy and greed following the teachings of the solemn occasion.

He said the Eid-ul-Azha reminded the Muslims as well as the whole of mankind the sacrifice made by Hazrat Ibrahim (A) at the call of Allah, the Merciful.

President Chowdhury said that the practice of the teachings of Eid-ul-Azha in our day-to-day life would lead us to a happy and peaceful life.

The President greeted the brotherly people of the Muslim countries and prayed for consolidation of the unity and solidarity of the Muslim Ummah and world peace.

CSO: 4600/1120

COMMITTEE DECIDES TO UPGRADE THANA ADMINISTRATION

Dacca THE NEW NATION in English 8 Oct 82 pp 1, 8

[Article by Kazi Montu]

[Text] The government officers will be made accountable to the people's representatives at the thana level administration in future.

It was dicided in the meeting of the National Committee for implementation of Administrative Reorganisation held on September 30 at the CMLA Secretariat.

The committee has decided to upgrade the thana administration at the initial stage of the reorganisation of administration deferring constitution of new districts. It considered the division level administration as unnecessary.

The meeting of the committee was presided over by its Chairman DCMLA Rear Admiral Mahabub Ali Khan and attended among others by Finance Minister A.M.A. Muhith, Agriculture, Minister Obaidullah Khan, Home Minister Maj. Gen. Mahabbat Jan Choudhury, five Zonal Martial Law Administrators, Major General Nuruddin, Cabinet Secretary, Home Secretary, Finance Secretary and Establishment Secretary. Originally the committee had eight members.

It was suggested in the meeting that the coordination of inter-district administration by the district-level Martial Law administrators should continue until people's representatives are elected.

But there must be constitutional provision in future to ensure participation of the armed forces in the local bodies after transfer of administration to the elected people's representatives, the committee stressed.

It is learnt that separate charters of duty will be framed for Zilla Parishad, Thana Parishad and Union Parishad to avoid overlapping of their functions as happened in the past.

The committee, however, did not discuss Union Parishad Administration in the meeting.

Revenue collection maintenance of law and order and judiciary will be handled by separate sets of officers.

The chief executive officers of thanas will be designated as thana commissioners instead of deputy commissioners as recommended by the Administrative Reorganisation Committee.

The committee has dropped the proposal for creation of the posts of assistant commissioners (Development).

The BCS (Administrative) officers drawing pay in the scale of Tk 1400-1800 will be appointed thana commissioners. If sufficient number of officers belonging to this pay-scale group is not available the remaining be posts will filled in with the officers drawing pay in the scale of Tk 1400-2225.

According to a decision of the committee, Thana Parishads will be entrusted with the responsibility of setting up and supervising the growth of cottage industries with the assistance of IRDP Currently the Small Industries Corporation (BSIC) is doing the job.

It is learnt that Thana Parishad chairmen are likely to be nominated by the Government to function till election of Thana Parishad is held on the basis of new electoral rolls.

The Committee has fixed the status of Thana Parishad chairmen below the members of Parliament.

Before the constitution of the implementation Committee the Administrative Reorganisation Committee headed by DCMLA Rear Admiral Mahbub Ali Khan had recommended that thanas should be made basic units of administration, subdivisions should be upgraded as districts and elected local government at district, thana and union levels should take over all functions of development administration, and the responsibilities of regulatory and static administration may be transferred to the elected council within a time frame.

CSO: 4600/1131

PLANS TO IMPROVE CHITTAGONG, TRIBAL WELFARE TOLD

Chittagong Committee Meeting

Dacca THE BANGLADESH OBSERVER in English 4 Oct 82 p 1

[Text] A meeting of the Council Committee on Chittagong Hill Tracts was held in Dacca on Sunday with the Chief Martial Law Administrator Lt. Gen. H. M. Ershad in the chair reports BSS.

The meeting decided to draw a comprehensive plan for construction of office and residential buildings in the thana headquarters in Chittagong Hill Tracts districts to be taken up under the administrative reorganisation scheme.

Similar plans will be drawn up for the thana headquarters to be developed under the same scheme in other parts of the country.

The committee meeting which discussed in general the progress of development works in the Hill Tracts districts decided that a separate scheme be drawn up for sinking and resinking of deep tubewells in these districts to meet the requirement of drinking water.

The meeting also decided to create a cell in the Establishment Division to expedite the posting of officers for filling in the vacant posts in the Chittagong Hill Tracts.

It recommended that Cabinet Ministers should visit these districts to see the progress of development work there.

The meeting was informed that work on the construction of seven thana health centres in Hill Tracts districts is in progress. The construction of a 50-bed hospital at Ramgarh is under active consideration of the government.

The meeting was also informed that 1 500 landless Jhumia families will be rehabilitated in the unclassified state forest during the next two years. Of these 178 families have already been rehabilitated and 122 more will be settled this year.

The Forest Department has another scheme for raising pulp in unclassified state forest land under which 840 affected Jhumia families will be rehabilitated.

The meeting was attended among others by the DCMLAs Rear Admiral M. A. Khan and Air Vice-Marshal Sultan Mahmud, Minister for Foreign Affairs Mr. A. R. S. Doha, Minister for Finance and Planning Mr. A. M. A. Muhith, Agriculture Minister Mr. A. Z. M. Obaidullah Khan, Home Affairs Minister Major General Mahabbat Jan Chowdhury, the Chief of General Law Administrator Zone 'B' Major General Abdul Manuddin Khan, Zonal Martial Law Administrator Zone 'E' Major General K. M. Abdul Wahed and Director General BDR Major General R. A. M. Golam Mukhtadir.

Editorial Praises Moves

Dacca THE BANGLADESH OBSERVER in English 5 Oct 82 p 5

[Text] It has been the policy of the government to give as much importance to the tribal areas and to the people living there as possible, and this policy is being pursued consistently and vigorously. This, of course, is a part of the general policy of accelerating development in areas which are relatively backward, and of securing, in particular, the welfare of the disadvantaged. Special groups which have not been given in the past the amount and kind of attention they deserved to have cannot be ignored any longer. Developmental goals this country has been trying to attain are goals for bringing about meaningful changes in the standard of living of all the people, irrespective of their background or the area they inhabit. A committee of the Council of Ministers has been formed to look after the particular problems of the Chittagong Hill Tracts. This Committee met on Sunday last under the chairmanship of Lt. Gen. H.M. Ershad, the Chief Martial Law Administrator. The decisions that were taken in the meeting reflect the government's keen desire to expedite the growth process in the concerned districts and to help the tribal people in their efforts to advance.

Work has been started to rehabilitate landless Jhumia families, and nearly one hundred eighty families have already been rehabilitated. The rehabilitation is taking place in the unclassified state forests and the target this year is rehabilitation of more than one hundred and twenty families. In fact it is expected that a total of fifteen hundred families would be rehabilitated in the course of the next two years. This certainly is a commendable programme. The landless deserve to have particular attention, and when they come from areas in which economic activities, and therefore employment opportunities, have been rather limited for long in comparison to the other areas of the country, this attention should be close and given without fail.

Attempts are also being made to boost economic activities in

these areas. This is evident from the decision of the Council Committee to have a separate scheme drawn up for sinking and re-sinking deep tubewells. This would facilitate activities in the agriculture sector and largely meet the requirement of drinking water. Construction of seven thana health centres is in progress. The question of establishing a fifty bed hospital at Ramgarh is also reportedly under active consideration. The Forest Department has undertaken a project for raising pulp in the unclassified state forest land, and it is expected that this would facilitate rehabilitation of nearly eight hundred and fifty Jhumia families. The point is that serious efforts are being made to develop the area and that the efforts are multi-dimensional.

The Council Committee seems to have particularly considered the question of administrative support that must be given to developmental efforts if these are to succeed. A decision has been taken to draw up a comprehensive plan for construction of office and residential buildings in the headquarters of those thanas in the Chittagong Hill Tracts that would be included in the programme for administrative reorganization. A cell is also being created in the Establishment Division for filling in, expeditiously, posts that are lying vacant in the area. More frequent visits by the Ministers to the tribal areas to see for themselves the progress of development schemes have also been recommended. All familiar with the tribal areas, the tribal people and the special problems they are faced with will appreciate both the measures the government has taken so far and the spirit behind those.

CSO: 4600/1123

FRIENDSHIP TEAM BACK FROM PRC, ACTIVITIES TOLD

Dacca THE BANGLADESH OBSERVER in English 28 Sep 82 p 8

[Text] The members of the Friendship delegation to China returned to Dacca on Sunday noon after a fortnight's visit of the country. They were received at the Zia International Airport by the office-bearers of Bangladesh-China Friendship Association and workers of "Wrishitz" a cultural association of the city.

The leader of the team Mr. Ataur Rahman Khan and Mr. Motahar Hossain Siddiqui, member of the team and Editor, THE NEW NATION, returned to Dacca on September 24.

During their visit to the country the members of the delegation had a meeting with Mr. Ji Pei Feng, State Councillor of China holding the rank and status of a Vice-Premier. He is known to be close associate of Mao Tse-Tung and Chou-En-lai. It was held at the Great Hall of the People.

They visited the Great Hall, Ming Tombs, Memorial Hall to Chairman Mao, Academy of Social Sciences, office of the China Daily in Peking.

They also visited Nanking, Zhenjiang, Wuxi, a paradise of beauty Shanghai, Canton and other important places.

They visited Communes, schools, colleges, kindergartens, Institute for Herbal Medicine in Shanghai, workers' apartments, Young Pioneers' Palace. In Nanking they visited the Mausoleum of Dr. Sunyet-Sen, the former Presidential Palace of China. Everywhere they were greeted by the people.

It may be recalled here that Mr. Shamsul Huda and Mr. Abdul Matin, a senior journalist were the Deputy Leader and Secretary of the delegation respectively.

Other members of the team were: Dr. Fazlul Karim, Mr. Shahiduddin Ahmed, Fakir Alamgir and Tofail Ahmed.

CSO: 4600/1119

SCANDINAVIAN STATES GRANT AID FOR RURAL UPLIFT

Dacca THE BANGLADESH OBSERVER in English 23 Sep 82 p 8

[Text] The Swedish Ambassador Mr. Peder Hammarskjold, the Danish Charge d'Affaires Mr. Jene Ege, head of Norad Mission Mr. Helge Svenson and head of Swedish Development Co-operation Mr. Rolf H. Lickfett on Wednesday met the Minister for Local Government Mr. Mahbubur Rahman at his office chamber in the Secretariat reports BSS.

The heads of the Nordic Embassies and Missions came in connection with the involvement of Nordic countries like Sweden, Denmark and Norway in the implementation of 100-thana Intensive Rural Works Programme sponsored by the Local Government Ministry.

Welcoming the visitors the Minister said that the present government attached topmost priority to the development of rural areas and rural people.

The Nordic countries so far committed Taka 32 crore for an initial period of three years for development of rural infrastructure like roads, small irrigation and drainage facilities, development of rural markets and construction of thana and UP offices and community centres. The programme will involve an expenditure of about Taka 500 crore in 100 thanas within the next eight years.

The Swedish Ambassador stated that his country is thankful to the Government of Bangladesh by being able to participate in the rural development of the country through Intensive Rural Works Programme (IRWP) and his country would find this opportunity to expand the programme in a bigger way. In this context he had mentioned the need for integration and proper cooperation between different agencies involved in the rural works more specifically between food for works and rural works. He then mentioned government's commitment in this respect in the Aid Consortium meeting held in Paris in April 1982. He also emphasised on the proper organisational capability of the rural works programme so that it can handle larger investment in rural works forthcoming through IRWP.

The Minister informed the Ambassador that this Ministry would co-ordinate the local development activities through the local bodies with the participation of local people and as such the food for works and rural works

will be integrated with each other with the food input from the Ministry of Food.

The Minister also informed that a radical re-organisation has been made to the existing ad-hoc temporary establishment of works programme by elevating it to a full fledged works programme wing which will ensure proper implementation of rural works.

He further stated that the works programme wing will ensure proper accountability, define job responsibilities and establish proper chain of command amongst the officers and staff of the wing for efficient implementation of the programme.

Under the changed circumstances works would be taken up solely on its merit and developmental orientation and will not get preference on political consideration. The Minister also assured that the works programme wing would facilitate proper implementation of the works and would help in expanding the programme further.

The representative of the three countries felt very encouraged to know the recent efforts & endeavours made in the government in organising the rural works into sound organisational footing and also having commitment of this Ministry in intensifying the rural development activities at the grass-root level. The representatives also informed the Minister that their respective countries would look forward for greater co-operation and participation in funding the Intensive Rural Works Programme in Bangladesh.

CSO: 4600/1117

ENVOY SPEAKS IN 8 OCT UNGA DEBATE ON LEBANON

Dacca THE BANGLADESH OBSERVER in English 9 Oct 82 p 1

[Text] United Nations, Oct. 8:--Bangladesh told the General Assembly last night that the latest Israeli holocaust in Lebanon had rendered the Middle East more explosive than ever before, reports IINA.

Speaking in the general debate, Permanent Representative Khwaja Wasiuddin expressed his country's abhorrence over the massacre of a large number of innocent Palestinians and said that the situation in the troubled region posed a serious threat to international peace and security.

This was due to Israel's persistent denial of the inalienable rights of the Palestinian people he said. Bangladesh viewed the question of Palestine as the core of the Middle East problem.

There would be no peace unless the Palestinian people exercised their legitimate right to return to their homeland and their right to self-determination and established a state of their own under the leadership of the PLO, their legitimate representative Mr. Wasiuddin said, adding Israel should withdraw completely from all territories occupied since 1967.

Bangladesh chief delegate was distressed at the continuing conflict between Iran and Iraq which Bangladesh as a member of the Islamic Peace Committee had tried to resolve peacefully. He appealed to both countries to stop the armed conflict and resolve the differences through peaceful means.

Equally disheartening were the still unresolved crises in Afghanistan and Kampuchea, he said calling for withdrawal of all foreign troops from those countries, so that the people there could determine their own destiny without outside intervention.

Referring to the Namibia issue, he appreciated the sustained mediatory efforts of the five Western powers in evolving an agreement on Namibia's transition to independence.

CSO: 4600/1132

NEW GUILDELINES FOR FOREIGN EXCHANGE CREDIT ANNOUNCED

Dhaka THE BANGLADESH TIMES in English 15 Oct 82 pp 1, 8

[Text] Bangladesh bank on Thursday announced a set of new guidelines for commercial credit in foreign exchange.

The guidelines, a Bangladesh Bank Press release said, would help interested parties to submit only deserving proposals to Bangladesh Bank with appropriate documentation in a manner that would enable Bangladesh Bank to process these proposals expeditiously.

Proposals for loans on commercial terms would now be received by the Exchange Control Department (Controller of Foreign Exchange) of Bangladesh Bank which would scrutinise these proposals in the light of Government policy and process it further for decision by the Standing Committee on Hard Term Loans.

It may be recalled that this Standing Committee on Hard Term Loans headed by the Finance Minister was set up sometime back to consider and decide proposals for loans on commercial terms keeping in view the overall foreign Exchange debt service burden of the Government and prudent management of debts.

Various issues and matters connected with consideration of such commercial loans by the Government are set out below for information and guidance of all concerned:

Loan proposals on commercial terms can be initiated by any public sector agency or by the private sector. These proposals generally comprise supplier's credit/buyer's credit provided by official export credit agencies of various countries, commercial banks and other financial institutions or private funds. Ordinarily loans with medium term maturity of 1 to 12 years or effective interest rate of 5% and above would be considered as loan on commercial terms. These loans can be used for setting up industries both in public and private sector or could be used for procurement of equipment, ships, etc. or could be general purpose loans provided to the Government. Terms and conditions of loans of official export credit agencts are generally standard and, therefore, proposals for such loans can be processed expeditiously provided the loan proposal is supported by commitment from

the official export credit agency concerned. In case where such export credit agency wants guarantee from the Government of Bangladesh Bank, then such loan has to be routed through one of the two development financial institutions viz BSB/BSRS which will act on behalf of the Government and arrange for necessary local security against the loan.

In case of other institutional loans or loans from private sources normally no guarantee from the Government or Bangladesh Bank will be issued. In such cases the users of the loans should make appropriate arrangement through their banks for providing guarantee to the foreign leaders. Bangladesh Bank can at best assure or guarantee that foreign exchange cover will be provided according to the approved repayment schedule on receipt of local counterpart Taka. In case where Government itself or Bangladesh Bank is the borrower, guarantee by Bangladesh Bank or the Government can be provided through appropriate instrument; but no guarantee from any foreign bank will be provided. The terms and conditions of the loan envisaged above would suggest that the projects/purposes for which the loans would be used should be either foreign exchange earning or import saving or of high national priority, so that the foreign exchange loans can be repaid from the foreign exchange earning or saving of the concerned project. In case of loans from financial institutions or private sources, rate of interest could be either fixed or linked with LIBOR or prime lending rate.

CSO: 4600/1164

DACCA DELEGATE ADDRESSES GROUP OF 77 MEETING

Dacca THE BANGLADESH TIMES in English 11 Oct 82 pp 1, 8

[Text] New York, Oct. 10: Bangladesh has decided to host next year one of the Group-77 expert meetings as a step to back the commitment of the Group, Industries and Commerce Minister Mr Shafiul Azam said here on Thursday, reports BSS.

Addressing a ministerial meeting of the Group, he said, Bangladesh would set up a special inter-ministerial unit on the activities of economic cooperation for developing countries (ECDC). Its work would be periodically reviewed at the highest level.

Mr Azam called for close coordination among the member countries and evolving an effective negotiating strategy to maintain and promote the interests of the Group during the current session of the General Assembly.

Describing the deterioration in the current international economic environment as 'unprecedented and alarming' the Minister observed that for the first time the developing countries had registered a negative growth rate.

He told the meeting that various factors including decline in the export, increasing cost of imports, and soaring inflation had pushed the developing countries, particularly the least developing nations to the 'brink of economic collapse.'

Mr Azam pointed out that the export price of jute and jute goods, which collectively make up 85 per cent of the country's exports, was today in real terms lower than they had been in the past 30 years.

Referring to the recently formed International Jute Organisation (IJO) the Minister expressed the hope that it would help improve conditions for jute exports which was of vital importance for a number of countries including Bangladesh.

The Minister pointed out that the flow of assistance for the least developed countries had failed to reach anywhere near the target envisaged in the programme. 'In reality it has declined resulting in increasing the burden and hardship on our already weak and depressed economies.'

Expressing concern at the food situation in the developing countries, particularly in the least developed countries, the Minister regretted that no progress was made towards establishment of a world food security system. 'Neither have we been able to establish a food security system of our own among the developing countries', he said.

Mr Azam told the meeting that Bangladesh noted with growing concern the steady decline of multilateral institutions and multilateral programmes. 'We are particularly distressed by the erosion of authority and responsibilities of the UN specialised agencies' he pointed out.

The Group 77, he said, must do everything in its power to defend the UN system and reverse this unfortunate decline in multilateral assistance.

CSO: 4600/1136

HIGH COMMISSIONER TO AUSTRALIA PRESENTS CREDENTIALS

Dhaka THE BANGLADESH TIMES in English 15 Oct 82 p 1

[Text] Sir Ninian Stephen, the Governor-General of Australia appreciated the constructive efforts of the present Government of Bangladesh to implement the policies conducive to economic growth and wellbeing, according to an official handout.

Sir Ninian Stephen's appreciation came when the new Bangladesh High Commissioner Mr Harun-ur-Rashid presented his credentials to him at the Government House in Canberra on October 7. The Governor-General had further stated that Australia had been a friend of Bangladesh from time of its independence and relations between the two countries continued to grow in different levels.

Regarding the role of Bangladesh in international forums Sir Stephen said that Bangladesh was an active and respected member of variety of international forums and the efforts of Bangladesh to contribute towards peace and security in the region and the positive approach taken by Bangladesh on so many matters of international concern were praiseworthy.

Presenting his credentials the Bangladesh High Commissioner said that the two countries had many things in common and expressed the hope that he would strive to promote further the ties of friendship and cooperation between Bangladesh and Australia during the term of his office.

The High Commissioner informed the Governor-General of the constructive and corrective measures taken by the present Government to tackle manifold problems confronting Bangladesh. The envoy also appraised the Governor-General of the initiative of Bangladesh in creating a climate of trust and understanding with its neighbouring countries and in this context referred to the concept of South Asian Forum for Cooperation which had made significant progress.

CSO: 4600/1164

REPORT ON REORGANIZATION COMMITTEE MEETING

Dhaka THE BANGLADESH TIMES in English 15 Oct 82 p 1

[Text] A meeting of the National Implementation Committee for Administrative Reorganisation/Reform (NICAR) was held in Dhaka on Thursday. The meeting was presided over by the Chairman of the Committee, Rear-Admiral M. A. Khan psn, DCMLA and CNS and Minister for Communications. All the members of the Committee attended the meeting, says an official announcement.

It may be mentioned that the Government has decided to accord priority to the upgradation of Thanas over the Sub-Divisions in the first phase and has already selected 45 Thanas for the purpose. These Thanas will be functional with the new set up from November 7 this year.

In accordance with the administration re-organisation recommendations the new Thana set up will have a Thana Parishad to be headed by an elected Chairman. There will be a Thana Commissioner (TC) of the level of SDO/ADC under whom there will be 11 functional head officers of different Ministries. Judiciary will remain independent.

Thana Commissioner will have dual functions of regulatory and development duties. Officers of required experience and length of service have been posted to the upgraded thanas to conform to the Government decision to make Thana as the basic unit of administration and development. There will be a Magistrate and eventually also a Munsiff in each Thana for quick disposal of civil and criminal cases.

Upgrading of Thanas will be the first step of implementing the Government's commitment to take administration and justice closer to the people. Necessary fund is also being allocated for construction of different Thana complexes including offices and quarters, plans for which are under process of finalisation.

The following aspects were also discussed in the meeting:

(a) Finalisation of the organisational set up of Thana with the supporting staff.

(b) Identification of the charter of duties of different Thana level officers and their relationship with the Parishad.

(c) Power of taxation of Thana Parishad (TP).

Thanas so far selected for upgrading in the first phase are: Singair, Baidder Bazar and Raypura of Dhaka district; Sadarpur and Pangsha of Faridpur district; Sarishabari and Dewanganj of Jamalpur district; Ishwarganj, Gaffargaon and Kendua of Mymensingh district; Mirzapur of Tangail district; Gournadi, Bakerganj and Mothbaria of Barisal district; Sailakupa of Jessore district; Moralganj, Paikgacha and Shayamnagar of Khulna district; Daulatpur of Kushtia district; Amtali and Kalapara of Patuakhali district; Sariakandi of Bogra district; Ranisankail and Parbatipur of Dinajpur district; Ishwardi and Shajadpur of Pabna district; Putia, Patnitola and Shibganj of Rajshahi district; Ulipur, Saidpur and Gobinadaganj of Rangpur district; Fatikchari, Sandwip and Chokoria of Chittagong district; One Thana of Khagrachari Sub-Division of Chittagong Hill Tracts; One Thana of Bandarban Sub-Division of Bandarban district; Sarail, Matlab and Laksam of Comilla district; Sonagazi and Begumganj of Noakhali district and Chattak, Balaganj and Golopganj of Sylhet district.

CSO: 4600/1164

DEPUTY ADMINISTRATOR DISCUSSES ELECTRIFICATION PLANS

Dhaka THE BANGLADESH OBSERVER in English 13 Oct 82 pp 1, 8

[Text] Sayestaganj (Sylhet) Oct. 12:--The government is determined to implement rural electrification programme throughout the country by 1995, Deputy Chief Martial Law Administrator Air Vice Marshal Sultan Mahmud said here today reports BSS.

He said the initial investment for the execution of the programme at the present money-value will be around Taka 2100 crore with a foreign exchange component of Taka 1400 crore.

The DCMLA who is in charge of the Ministry of Energy and Mineral Resources was speaking at the energisation ceremony of Sylhet Palli Bidyut Samity (PBS)-1. Rural Electrification Board (REB), the executing agency for the programme, has drawn up a 17-year master plan to develop an infrastructure of total electrification of the country in five phases.

Brig. Sabihuddin Ahmed, Chairman, R.E.B. and Syed Mohammad Shahiahan, President of the samity also spoke on the occasion.

Air Vice Marshal Sultah Mahmud said the rural electrification programme has the potentialities for building a strong economic infrastructure of the country adding the government was promise-bound to develop the socio-economic base of rural Bangladesh.

While highlighting the role of rural electrification in the backdrop of total national development the DCMLA said, electrification was not only an important element of infrastructure, but a precondition for development. The government has given priority on rural electrification for accelerating the pace of development the Air Vice Marshal added.

Referring to the administrative reorganization, the DCMLA observed that distribution of power through palli bidyut samity was a significant and far-reaching step in the decentralisation process. He said the programme of the samity was a fine example of self-reliance of self-administration. He hoped the hard and sincere labour of samity members will not be confined alone in the economic development but would bring about a planned peaceful and bountiful change in the whole socio-economic pattern.

On the question of crores of Taka being invested in the various samitys, the energy minister said the main objective of this huge investment was to change the lot of rural people. He called upon the local people to come forward and invest in industry and agriculture as soon as they get electricity.

The DCMLA said the government was aware of the hardship the people are facing because of high cost of diesel and kerosene. He said the programme of rural electrification will continue to get priority to mitigate the sufferings of the commonmen. With people's total support the programme will be executed at the earliest possible time the DCMLA added.

The Minister thanked the people and the Government of the United States for their financial support for implementing the project.

Chairman of the Rural Electrification Board Brig. Sabihuddin Ahmed said in over two years' time after the first samity was energised nearly one lakh houses were electrified. He said Taka 438 crore will be spent in five years ending next year enabling 125 thanas to get electricity. He said till now the Board has erected 3200 miles of distribution line against Power Development Board's distribution line of over 11 thousand miles.

Terming the enthusiasm of the consumers as "very good" Brig. Sabihuddin said we want to bring about a "revolution through rural electrification."

CSO: 4600/1160

INDIAN HIGH COMMISSIONER CLARIFIES POSITION ON RIVERS

Dhaka THE BANGLADESH TIMES in English 13 Oct 82 p 8

[Text] Following is the full text of the Press release issued by Indian High Commission in Dhaka on Tuesday, reports BSS.

"There has been some unnecessary speculation and comment in sections of the Bangladesh media based on an incorrect report in a local newspaper to the effect that India had declared nine rivers, including the Ganga and the Brahmaputra, which are common to India and Bangladesh, as "national rivers".

The correct facts are explained below: "In India, inland water transport comes under the purview of the state governments which normally administer and undertake development schemes relating to routes within their respective territories. This naturally gives rise to problems in undertaking adequate measures for improvement and of co-ordination and standardisation with respect to important inland water transport routes on major rivers which traverse more than one state. There have, therefore, been proposals from time to time to declare such major interstate inland water transport routes as "national waterways" as provided for in the Indian Constitution, similar to the "national highway" system covering important inter-state roads for which the Central Government is directly responsible. On October 6, 1982, a Bill to declare the Allahabad-Haldia stretch of the Ganga-Bhagirathi-Hooghly river as a "national waterway" was unanimously approved in the Indian Lok Sabha. While welcoming the Bill, several members of Parliament suggested that various other major river systems in India like the Narmada, Godavari, Krishna and Tapti also be declared as national waterways. The Indian Minister of State for Shipping and Transport, Mr Sita Ram Kesori, who piloted the Bill, assured the members that the Government would carefully consider the demand.

CSO: 4600/1161

METRIC SYSTEM TO BE IMPLEMENTED BY 1 JAN 1983

Dacca THE BANGLADESH TIMES in English 8 Oct 82 pp 1, 8

[Text] A number of organisations and undertakings including all private trade and commerce are required to introduce the Metric System of weights and measures on January 1 next year according to a Gazette notification issued on September 11 last, reports BSS.

These organisations and undertakings are (1) Directorate of Food, (2) Cable Industries, (3) Bangladesh Biman Corporation, (4) Trading Corporation of Bangladesh, (5) Metrology Department, (6) all research organisations and (7) all private trade and commerce.

According to the provisions of the Standards of Weights and Measures Ordinance 1982, no weight or measure other than those in the Metric System can be used in respect of these organisations and undertakings after the expiry of six months from January 1. Accordingly, this transition period of six months will expire on June 30 next year during which the new system of weights and measures will have to be introduced compulsorily.

There is, however, no bar in introducing the new system in any organisation or undertaking before the date fixed by the government for the purpose. The new system can be introduced beforehand according to the convenience of the organisations and undertakings.

It may also be mentioned here that the Government had earlier fixed July 1, 1982 as the date for introducing the Metric System in the pharmaceutical industries. As such the transition period of six months in respect of the pharmaceutical industries will expire on December 31 next.

The Standards of Weights and Measures Ordinance 1982 provides for penalty for use of non-standard weights or measures after the expiry of the transition period. Whoever uses any weights and measures or makes any numeration other than in accordance with the standards of weights or measures prescribed by the Government shall be punished with imprisonment for terms which may extend to six months or with fine which may extend to one thousand taka, and for the second offence, with imprisonment for a term which may extend to two years and also with fine.

In this connection may be mentioned that enough weights (masses) in Metric system are available with the authorised manufacturers. Such manufacturers are manufacturing and selling weights according to specifications prescribed by the Bangladesh Standards Instituton. Beside, these are also available with the dealers in the local markets and in the Bangladesh Standards Institution, 3 DIT (Extension) Avenue, Motijheel Commercial Area, Dhaka-2.

All traders and others concerned have been advised to acquire Metric weights and measures immediately and contribute to smooth and timely introduction of the new system in the country.

CSO: 4600/1130

BANKS PLAN MOVE TO OFFSET EFFECTS OF RECESSION

Dacca THE BANGLADESH TIMES in English 9 Oct 82 pp 1, 8

[Article by Mostafa Kamal]

[Text] The nationalised commercial banks of the country plan a major thrust to help generate economic activities in the rural and housing sectors. The measure is designed to off-set the adverse effects of economic recession owing to national and global factors, said the Governor of Bangladesh Bank, Mr Nurul Islam, in an interview with the TIMES.

Underlining the effects of recession now prevailing, he said it even restricted positive effects of credit operations by the banks calling for a new shift in this policy.

Elaborating, he said the poor performance of the overall economy during the past fiscal year (1981-82), when the growth rate was almost nil, had aggravated the unemployment situation.

Negative growth in the agriculture sector (2.2 per cent), which contributes 54 per cent towards the national income and employs 75 per cent of the labour force, severely handicapped a vast chain of economic activities that resulted from purchase, sale, processing, and transport of agricultural produces.

The growth in the industries sector was much less than the preceding year, while the trade and transport sectors also recorded negative growth.

In such a situation, the Bangladesh Bank Governor said the banks could do very little for those sectors which could not market their produces due to recession. The banks also cannot generate economic activities by themselves.

Although the rate of inflation came down globally during the past year, international economic growth had not been encouraging. Bangladesh thus continued to face adverse terms of trade, and export earnings did not mark an increase. The demand for our exports was also slack Mr Nurul Islam said.

Anti-inflationary Steps

Some anti-inflationary measures, like opportunities for declaring untaxed income, vigorous drive for collection of taxes, and various government

fees and bills during past one year had a salutary effect and the rate of inflation came down from more than 10 per cent to slightly more than 7 per cent.

The Bangladesh Bank Governor said that the declaration of Taka 273 crore untaxed income had reduced the quantity of floating money. The permission to invest such money in industries could have a favourable impact on production, and would be good for the economy as a whole.

Unemployment

The rate of unemployment was soaring in countries like Bangladesh which now were experiencing about 20 per cent unemployment rate.

The drive against smuggling, corruption, and other undue practices would have positive impact on the economy in the long run. However, for the moment these contributed to the reduction of some activities thus adding more heads in the list of unemployed people.

Rural Credit

Mr Nurul Islam said that against such a backdrop the commercial banks of the country had been instructed to substantially increase rural credit. This was meant for boosting non-agricultural rural economic activities like viable cottage industries, handicrafts etc.

The Bangladesh Bank Governor could not mention the exact quantum of money to be pumped into the rural sector, but said it would be "substantial". The aim was to compensate the slump in growth in other sectors, and also to help raise the production of goods and services which are in good demand to meet our needs, he said.

Housing Sector

In the housing sector which registered 4 per cent growth during the 1981-82 fiscal year, the banks would contribute more than Taka 80 crore to the House Building Finance Corporation to help expand its activities in a bigger way.

The Bangladesh Bank Governor hoped that expansion of activities in the rural and the housing sectors would help to ease the unemployment to some extent.

CSO: 4600/1133

WORLD BANK UNHAPPY WITH BANGLADESH BANK PERFORMANCE

Dhaka THE NEW NATION in English 14 Oct 82 p 1

[Text] The bad performance of the Bangladesh Shilpa Bank (BSB), entrusted with the task of industrialisation with the foreign assistance has generated concern among the donor agencies including the World Bank.

The World Bank is learnt to have registered its dissatisfaction by asking the BSB to refrain from receiving applications for loans against new industrial projects. But it has promised disbursement of credit for the already sanctioned projects.

In an appraisal of the performance of the BSB the World Bank observed that the financial institution was not worth of getting credit, in any way as it had failed to substantially contribute to the growth of a viable private industrial sector.

The organisational flaws, defective policies and irrational procedures were mentioned as reasons for the failure of the BSB to rise up to its task.

Cash flow problems faced by the BSB due to its institutional difficulties have stood in the way of its debt servicing and meeting its commitment to the projects already sanctioned.

It is learnt that many of the BSB approved projects have not sprung up in spite of the disbursement of its loan commitment to them. Consequently, the list of the BSB-approved projects has kept on becoming long, but the growth of industrial sector has remained spectacularly slow.

The International Development Agency (IDA), an affiliate of the World Bank, provides bulk of the credit received by the BSB from different foreign donors.

It was suggested by the World Bank to conduct a thorough-going study of the situation prevailing in the financial institution with a view to working out ways and means to rectify its institutional and procedural defects. But the study should be undertaken by a consultant acceptable to the IDA.

Immediate appointment of a managing director and three general managers has also been suggested by the World Bank. At present the BSB is managed by an acting managing director. Following the withdrawal of the World Bank's financial support for the BSB from this week it is likely that 50 per cent of the appraiser staffs will be transferred to loan recovery section, a source said.

CSO: 4600/1163

JUTE, TEXTILE MILLS BACK TO OWNERS IN DECEMBER

Dacca THE BANGLADESH OBSERVER in English 2 Oct 82 p 1

[Text] A special meeting of the Consultative Committee for Ministry of Industry and Commerce was held in Dacca on Friday with the Chief Martial Law Administrator Lt. Gen. H. M. Ershad in the chair reports BSS.

The meeting which reviewed the country's export import and industrial policies decided that the jute mills and the textile mills belonging to the Bangladeshi nationals be returned to their owners by December 16 next.

It was suggested in the meeting that incentives for export be further augmented to achieve the current year's target of export and the procedures for import of raw materials for export-oriented industries be simplified. Customs rules should have to be rationalised to ensure their easy availability it pointed out.

The meeting suggested that necessary measures be taken to strengthen stock exchange to attract domestic and foreign investments.

Other suggestions included provision for easy and cheap transportation facilities to gear up economic activities and ensuring security and stability of industrial investment through appropriate policy measures.

The CMLA gave a patient hearing to the suggestions made by the members of the committee and disclosed that appropriate action has already been initiated.

He reminded the officials that the decisions taken by the Government should be implemented promptly by the functionaries of the Government organisations and agencies at the field level.

He gave the directive that heads of different government agencies should start consultations with representative group of trade commerce and industry for ensuring effective implementation of policies already adopted by the government on import export industry trade and tariff.

General Ershad informed the meeting that during his stay in Saudi Arabia where he went to perform Hajj he had meetings with Saudi industrialists

and business community. They showed keen interest in undertaking joint ventures in Bangladesh.

He said possibilities of joint ventures in Bangladesh with participation of Saudi investors may be explored particularly in the field of food and fruit processing and canning industries.

The Chairman of the Consultative Committee Industries and Commerce Minister Shafiul Azam, other members of the Committee, leading businessmen and industrialists and top executives of commercial banks were also present at the meeting.

CSO: 4600/1122

RAILWAY EARNINGS INCREASE, SECURITY IMPROVES

Dacca THE BANGLADESH OBSERVER in English 2 Oct 82 pp 1, 8

[Text] The Railway Administration has attained a significant improvement in all branches of operation with the active participation, hard work and dedication of its employees since promulgation of Martial Law according to a Press release in Dacca on Friday night reports BSS.

Refuting an allegation published in a Bengali daily in its September 28 issue the Press release said that the particulars mentioned "give an erroneouse and misleading picture of the existing stage of improved law and order and crime rate in the trains" and at stations of Bangladesh Railway.

The paper in the article had stated that the crime on board the trains has increased during the last eight months as compared to the same period of 1981.

The Railway earnings have increased from Tk 41 crores during the period of April to August 1981 to Tk 57 crores during the same period of 1982 showing a rise of over 40 per cent the Press release said. The punctuality of trains in case of mail and express is 90 per cent as compared to 75 per cent in 1981 and punctuality of passenger trains is now 85 per cent compared to 65 per cent of the previous year. It is expected that the figure for the month of September 1982 will still be better; the number of engine failures has also been less than the corresponding period of 1981.

The number of accidents since imposition of Martial Law has been only 55 as against 67 during the corresponding period of the last year; most of these accidents have occurred due to poor track condition in Rajshahi, Ammura and Bagerhat-Rupsa sections where works for track rehabilitation have already commenced.

The Press release said that there has been no dacoity with murder since imposition of Martial Law in any of the trains either in East or West Zone of the Railway. There has been only one case of killing in the railway premises at Sylhet Railway Station.

In other seven cases dead bodies were found lying on the track after killing by accused so as to suggest these were cases of suicide or run over by trains.

There have been 24 cases of robbery in the past five months of Martial Law as against 18 in the first three months of 1982. There has been an increase in the cases of theft numbering 132 registered with the police as opposed to 123 such cases in the first three months.

The Press release pointed out that the rise presumably is due to better according and detection of cases of pickpocketing and petty theft. It may also be mentioned that there has been no report of poisoning by "Dhutra" on any train in the period since Martial Law. There have been 134 cases of smuggling of which 99 cases have been detected since imposition of Martial Law as opposed to total detection of 94 cases in first eight months of last year registering a rise of about 30 per cent in the detection of smuggling cases. Better detection of smuggling cases shows increased alertness and vigilance. It may also be stated here that in number of cases deterrent actions have been taken against police personnel whenever any negligence or carelessness on their part found. As many as 51 such officials have been either dismissed or suspended. The number of culprits apprehended by the GRP has shown a substantial improvement. Only in the Chittagong Zone as many as 2561 persons has been arrested and sent for trial as against only 866 persons apprehended during corresponding period of last year.

Bangladesh Railway runs every day 350 trains on its system carrying over three lacs passengers per day. Thus in each month over ten thousand trains have been run carrying over nine million passengers so far in 1982. The incidence of dacoity or robbery when compared to number of trains run gives a more realistic picture of the law and order situation. Most of the thefts and burglaries have occurred in the yards and not on trains. The Railway has requisitioned the services of 600 Ansars to augment the strength of the normal Railway Police. In this respect a scheme for strengthening the Railway Police and streamlining the Railway Nirapatta Bahin i have been forwarded to the Cabinet Division for necessary action the Press release added.

Maximum safety and comfort of the passengers is the objective of the present Railway Administration which is striving against accumulated backlog of neglect and inefficiency to provide travelling public with legitimate and rightful facilities the press release observed.

The Govt has adopted firm policy of taking prompt and effective action against incidence of neglect or dereliction in duty. It is hoped that with the cooperation of travelling public Bangladesh Railway will be able to provide still better record of performance in future the press release said.

CSO: 4600/1122

INDIA REPORTED INTERESTED IN LONGTERM GAS IMPORT

Dacca THE NEW NATION in English 6 Oct 82 pp 1, 8

[Article by Hasan Saeed]

[Text] India wants to buy 1.5 trillion cubic feet of natural gas from Bangladesh over a period of 20 years.

Although Bangladesh has not finalised its thinking on the sale it has indicated to New Delhi that upto one trillion cubic feet of gas can be made available for the proposed period.

Bangladesh has proven gas reserve of 10 trillion cubic feet from its 10 active gas fields. It was, however, believed that Bangladesh gas reserve would be much higher than the existing proven estimate.

Chief Martial Law Administrator General Ershad and Indian Prime Minister Mrs Indira Gandhi meeting in New Delhi today is expected to discuss the matter. Officials of the two countries may later finalise the details of the sale.

India had shown its interest in Bangladesh gas in July 1980 when a secretary-level delegation flew into Dacca to initiate the talks for the purchase of the gas.

India needs the gas for meeting chronic energy crisis in West Bengal where a left alliance is running the government.

If the two countries agree to the figure of one tcf and taking the recovery ratio at 0.75 per cent, it would mean gas supply to India at the rate of 100 million cubic feet per day.

Bangladesh will first separate the condensate and higher hydrocarbons and export primary methane.

It will take between two and half years to three years to lay the pipelines from Bangladesh gas fields to the delivery point in India. The time for the commencement of the gas supply to India, if the agreement is reached, will finally depend on availability of funds and time taken for construction of pipelines and other installations and facilities. India has not identified the delivery point.

Bangladesh needs to construct a gas supply grid to improve security of the delivery system. River Jamuna will pose a major problem in lying the pipelines.

It was expected in Dacca that India would bear the cost of the construction of the pipelines, currently the cost of lying a 24-inch pipeline for a 110-mile-long project in Bangladesh is roughly Taka 13 million per mile. India could raise the funds from the World Bank and other international financing agencies.

There appears to be a difference between the two countries over the price of gas to be reached at the delivery point in India. The cost of gas will depend on development of the gas fields, processing and refinement, transportation, storage, domestic consumption as well as effect on enviornmental pollution.

In the last official discussions, Bangladesh delegation suggested that the price of gas should be in terms of thermal equivalent of crude oil, after adjusting the price so obtained with transportation, refining and storage cost necessary for processing crude petroleum, in addition to a premium for the non-polluting enviornmental effect of using gas.

CSO: 4600/1128

PAKISTAN AGREES TO TAKE MORE STRANDED PAKISTANIS

Dacca THE BANGLADESH TIMES in English 6 Oct 82 p 1

[Article by Zainul Abedin]

[Text] Pakistan will take an additional number of 2,336 stranded Pakistanis raising their total to 7,000 a reliable source said.

A number of fresh clearance from Pakistan were received by the nonlocals in the past couple of days.

However, it is not known how these additional number of people will be repatriated.

The source pointed out that Pakistan had agreed to take 25,000 of its citizens at the end of talks between late President Ziaur Rahman and Pakistan President Ziaul Huq.

Of them, about 18,000 were repatriated in 1979 by ship.

When the talks for repatriation were renewed early this year Pakistan had reportedly indicated its willingness to take the remaining 7,000 stranded Pakistanis while the negotiation for total repatriation of the stranded Pakistanis continued.

However, Pakistan provided clearance to only 4,664 to the surprise of the Bangladesh Government officials who however were optimistic that the Pakistan authorities would reverse their decision.

It may be added that there were about seven lakh nonlocals in Bangladesh. Of them, 4,62,000 had enrolled themselves with the International Committee of Red Cross for their repatriation to Pakistan. Only 12,2,000 stranded Pakistanis could be repatriated till 1974 when the biggest ever transshipment of people under repatriation programme was stopped.

Meanwhile, the second batch of 192 stranded Pakistanis, including 16 babies, left Dhaka on Tuesday for Karachi by Bangladesh Biman raising the total to 352 Pakistanis and their 42 babies.

Brotherly Relation

Meanwhile a Press release from Pakistan Embassy in Dhaka on Tuesday said, Federal Minister for Information and Broadcasting Raja Mohammed Zafarul Huq received the first batch of non Bengalis at Karachi Airport on behalf of President Ziaul Huq and the Government of Pakistan.

Expressing gratitude towards UNHER Saudi Arabia and other friendly countries for cooperation in making repatriation arrangement, Raja Mohammed Zafrul Huq said that the relation between Bangladesh and Pakistan was extremely good and brotherly. 'The two nations have been cooperating with each other in almost every sphere of life including international development and economic relations' he said.

CSO: 4600/1127

BANGLADESH DELEGATE TO HEAD GROUP OF 77

Dacca THE BANGLADESH OBSERVER in English 10 Oct 82 p 1

[Text]

UNITED NATIONS, Oct. 9:—Mr. Farooq Sobhan of Bangladesh was elected last night the Chairman of the Group of 77 (developing countries) that makes him the spokesman for the Third World at the U.N. till September next, reports IINA.

The election of Mr. Sobhan, Deputy Permanent Representative of his country to the U.N. was by acclamation. He was a nominee of the Asian group.

"It's great honour for Bangladesh" Mr. Sobhan told IINA correspondent after his election which took place at the concluding session of A G-77 ministerial-level meeting. The group now consists of more than 120 countries of Asia, Africa and Latin America.

"I feel very conscious of the challenge and the complexity of the task ahead", he added.

In the weeks ahead Mr. Sobhan said, his principal concern would be intensification of co-operation among the developing countries, opening of discussion with the western countries for the purpose of launching global negotiations and harmonising positions of the developing countries on priority economic issues before the current session of the U.N. General Assembly.

The North-South dialogue is stalled because of objections by developed countries principally the United States over procedures agenda and time-frame.

CSO: 4600/1134

BRIEFS

BANGLADESHIS IN BEIRUT--Dubai, Oct. 11: About 400 Bangladeshis died in Lebanon while fighting side by side with the Palestinians against the Israelis, Bangladesh's Minister for Manpower Air Vice-Marshal Aminul Islam has been quoted as saying. According to a report in Dubai daily GULF NEWS, Air Vice-Marshal Islam who arrived in Abu Dhabi last Saturday on an office visit, said a number of other Bangladeshis were either missing or were wounded and some had also been taken to prison by the Israelis. But the Minister declined to answer if they had been sponsored by the government to fight alone with the PLO. "The important thing is that they come from our country. It is unimportant who sponsored them," he was quoted as saying. He described Dhaka's relations with Arab countries as "excellent". [Excerpt] [Dacca THE BANGLADESH TIMES in English 12 Oct 82 p 1]

WHEAT FROM UK--Bangladesh will receive 5,000 tons of wheat from the United Kingdom as grant under an agreement signed between the two countries in Dacca yesterday, reports BSS. The quantity of wheat, valued at approximately Taka 1.56 crore, will be used under Food for Works Programme sponsored by the government during 1982-83. The agreement was signed by the Secretary, External Resources Division, Mr Mofizur Rahman, and the British High Commissioner, Mr F. Miles, on behalf of their respective governments. Since liberation the British government has given Bangladesh a total of 176,000 tons of wheat including yesterday's 5,000 tons as grant to Bangladesh. Besides, the British government has also been providing substantial amount of project, commodity and technical assistance to Bangladesh. Speaking on the occasion, the British High Commissioner said the quantity of wheat had been provided to Bangladesh on her request on bilateral basis. Mr. Miles said that Britain contributed 19 per cent total assistance given to Bangladesh by the European community in multilateral frame work. Mr. Mofizur Rahman thanked the British government for providing the grant and said this gesture was symbolic of Britain's concern about our food sector. [Text] [Dacca THE NEW NATION in English 12 Oct 82 p 1]

MARTIAL LAW ORDER NO 36--The Chief Martial Law Administrator has made the following Martial Law Order No 36, says a PID handout. Notwithstanding anything contained in any other law for the time being in force--(a) On the commencement of this Order, all Pourashavas shall stand superseded and persons holding office as Chairmen of Pourashavas shall cease to hold office; (b) All functions of the office of Chairmen of the Pourashavas shall be performed by such persons as the Government may appoint in this behalf and such persons may be called Chairmen; (c) The Government may appoint one Vice-Chairman for every Pourashava who shall perform such functions as the Government may assign to him; (d) The Government may, at any time by order, remove any Commissioner of a Pourashava from his office without assigning any reason; the existing Commissioners shall however continue to hold their office and perform normal functions till decided otherwise by the CMLA. [Text] [Dacca THE BANGLADESH OBSERVER in English 23 Sep 82 p 1]

CANADIAN HIGH COMMISSIONER--The new Canadian High Commissioner to Bangladesh, Mr. Christopher William Westdal, presented his credentials to President Mr. Justice Ahsanuddin Chowdhury at Bangabhaban on Thursday morning, reports BSS. Presenting his credentials the Envoy said he would strive to promote further ties of friendship and co-operation between his country and Bangladesh to the mutual benefit of both the nations. The President reciprocated the sentiment expressed by the Envoy and assured all necessary support to him in the discharge of his duties and responsibilities. Earlier on arrival at Bangabhaban the new Canadian High Commissioner took the salute given by a smartly turned out contingent of the President's Guard Regiment and inspected the guards. [Text] [Dacca THE BANGLADESH TIMES in English 25 Sep 82 p 3]

NEW NORWEGIAN AMBASSADOR--The new Ambassador of Norway to Bangladesh Mr Tancred Ibser presented his credentials to President Mr Justice Ahsanuddin Chowdhury at the Bangabhaban on Tuesday morning reports BSS. Presenting the credentials the Ambassador said that he would strive his best to further strengthen the bonds of friendship and mutual understanding between his country and Bangladesh. The President reciprocated the sentiments expressed by the Ambassador and assured him of all assistance and support in the discharge of his duties and responsibilities. Earlier, on the arrival at the Bangabhaban the Ambassador of Norway was presented with a salute by a smartly turned out contingent of the President's guard regiment. Later, he inspected the guards. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 Oct 82 p 1]

PRC ENVOY'S DEPARTURE--Chinese Ambassador Liu Shuquing left for home on Tuesday evening at the end of his assignment in Dhaka reports ENA. China has not yet named a new Ambassador for Bangladesh. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 Oct 82 p 8]

PRC AGRICULTURAL TEAM--A nine-member Chinese agricultural delegation headed by Chinese Agriculture Minister Bin Huzia will pay a six-day visit to Bangladesh beginning from November 28 at the invitation of Agriculture Minister A. Z. M. Obaidullah Khan reports ENA. China is learnt to have showed special interest in jute production and processing rice production, fresh waterfish production, small irrigation and water management, agricultural cooperatives, vegetable and fruit production and rural development projects. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 Oct 82 p 8]

NEW SUDANESE ENVOY--The Government of Sudan has appointed Mr. Mohd El-Mekki Ibrahim as Ambassador of Sudan to Bangladesh with residence in Islamabad says a PID handout. Born in 1939 Mr. Ibrahim graduated in Law from the University of Khartoum. He joined the Ministry of Foreign Affairs in 1966 and held various important positions. He was appointed Ambassador to Pakistan in 1981. Mr. Ibrahim is an author of a good number of publications in Arabic on arts and culture. He is married and has four children. [Text] [Dacca THE BANGLADESH OBSERVER in English 5 Oct 82 p 1]

AMBASSADOR FROM BURMA--The new Ambassador of Burma to Bangladesh Mr U Thien Han presented his credentials to the President Mr Justice Ahsanuddin Chowdhury at the Bangabhaban in Dacca on Monday morning, reports BSS. Presenting his credentials the Ambassador said that he would strive to strengthen further the existing ties of friendship and understanding between the two neighbourly countries to the mutual benefit of both the nations. The President reciprocated the sentiments expressed by the Ambassador and assured him all assistance and support in the discharge of his duties and responsibilities. Earlier on arrival at the Bangabhaban, the Ambassador took the salute given by a smartly turned out contingent of the President's guard regiment and inspected the guards.

SUMMER DEFENSE EXERCISE--The summer air defence exercise of the Bangaldesh Air Force concluded on Wednesday at all the BAF bases, with much enthusiasm and zeal amongst the BAF personnel an ISPR Press release said, reports BSS. Air Vice-Marshal Sultan Mahmud, Chief of Air Staff and Deputy Chief Martial Law Administrator on the concluding day of the exercise flew a number of air defence missions. The Air Chief expressed his deep satisfaction at the state of morale of the BAF personnel and for their overall performances. During the exercise, the BAF aircraft carried out manoeuvres on ground attack interception, ferrying of personnel and equipment and other ground defence activities. The exercise was rounded off with a mass formation flight of BAF aircraft. The spectacular formation flight was led by the Chief of Air Staff. [Text] [Dhaka THE BANGLADESH OBSERVER in English 14 Oct 82 p 1]

ENVOY TO SRI LANKA--Mr. A. H. F. K. Sadique, Member, Planning Commission has been appointed Bangladesh High Commissioner to Sri Lanka, reports BSS. Born on Mar. 1, '32 Mr. Sadique graduated with Honours in English Literature from the University of Calcutta and obtained Master Degree in Public Administration from Harvard University of USA. He joined Government service as member of erstwhile CSP belonging to 1955 batch and held various important assignments from 1955 to 1976 including Chairman of Bangladesh Small Industries Corporation and Director-General of Project Implementation Bureau Ministry of Planning. Mr. Sadique was Secretary, President's Secretariat, during the year 1976-78. From 1978-82 he was Secretary, Ministry of defence. Currently he is a member (Energy and Industry), Planning Commission, Ministry of Finance and Planning. Mr. Sadique participated in number of international seminars. He is married and has two children. [Text] [Dhaka THE BANGLADESH OBSERVER in English 14 Oct 82 p 1]

CSO: 4600/1162

PAPER REPORTS 11 OCT TALKS WITH FRENCH MINISTER

Calcutta THE STATESMAN in English 12 Oct 82 pp 1, 9

[Text] New Delhi, Oct. 11.--The Indian and French Defence Ministers today reiterated the need for strengthening and expanding defence cooperation between their two countries, in terms of the memorandum of understanding signed by the two, and to help promote such cooperation as an instrument for preserving and promoting the rights of man.

In their talks at the South Block and later at the Hyderabad House banquet, hosted in the French Minister's honour by Mr R. Venkataraman, Indian Defence Minister, the leaders emphasized the need for their two countries to build on the links already established by their Governments during the past year and earlier.

The wide-ranging discussions between Mr Charles Henru, French Defence Minister, and Mr Venkataraman covered a broad spectrum of bilateral defence cooperation. The Mirage deal, the supply of the first batch of 40 and the manufacture within the country of a later lot also figured in the discussions.

But the Mirage deal, according to the Defence Ministry spokesman, came up only in passing, as part of an overall discussion.

Mr Henru, during the discussions, pointed out that with the nationalization of the French arms industry, he saw no difficulty in the sharing and transfer of technology between France and India. France would be willing, he said, to provide technical training to Indian personnel in French arms manufacturing and training institutions.

The two-hour talks between the two Ministers, attended by senior aides on both sides, covered, according to a Defence Ministry Press release, the question of strengthening defence cooperation.

Mr Venkataraman told Mr Henru that India had been using French equipment, like tanks and jet fighters, for a number of years. India has also been manufacturing, under licence, French equipment, like the Alduette helicopter. The two countries had concluded a memorandum of understanding, which covered the acquisition of the Mirage-2000. This, he said, was a

further step towards the establishment of sustained cooperation in the field of defence.

Mr Venkataraman pointed out that since the early days of Indo-French cooperation, India's industrial base had expanded considerably, and the nation was now in a position to take up not only the manufacture, but even research and development activities, in wider and more sophisticated areas than was possible earlier.

Mr Henru, who is accompanied by his wife, was received by Mr K. P. Singh Deo, the Chiefs of Staff of the Army, Navy and the Air Force, the Defence Secretary, Mr P. K. Kaul, and the Secretary, Research and Development, Dr V. S. Arunachalam. Mr Henru is calling on the Prime Minister tomorrow.

At the banquet, Mr Venkataraman described Mr Henru as a man who may appropriately be termed to represent the "spirit of France". In this spirit was embodied the indomitable will of man and his most cherished fundamental values of "liberty, equality, fraternity". The people of India had inscribed in their Constitution the right of the individual to justice, liberty and equality, and the duty of the State to promote amongst the people a feeling of fraternity.

The Defence Forces, he added, served as an instrument for preserving and promoting the rights of man. "I believe that the cooperation we are now engaged upon would help strengthen this instrument, so that we may ensure peace and freedom for our people and enable them to pursue the goals of liberty, equality and fraternity.

"Though this is the first visit to our country by a French Defence Minister, cooperation in the defence sphere between our two countries has been significant. This cooperation has now been recognized in the memorandum of understanding signed between us, which I have no doubt, will contribute significantly to the evergrowing relationship between India and France", Mr Venkataraman added.

CSO: 4600/1158

CPI GENERAL SECRETARY DISCUSSES LEFTIST MOVEMENT

Calcutta THE STATESMAN in English 12 Oct 82 p 9

[Text] Bhubaneswar, Oct. 11.--Mr C. Rajeswara Rao, general-secretary of the Communist Party of India, said here today that six Left and democratic parties proposed to begin a nationwide movement for the introduction of the system of monopoly purchase of foodgrain by the Government instead of the existing procurement system, provision of remunerative prices for farmers' produce and revamping of the public distribution system.

Addressing a Press conference here, he said the shape of the movement would be decided by the parties which had given their consent--the CPI, CPI(M), All-India Forward Bloc, Revolutionary Socialist Party, Democratic Socialist Party and the Workers and Peasants Party. Other Left and democratic parties were being contacted.

Mr Rao said the system of procurement in different States had failed to mop up marketable surplus foodgrain which was essential to meet the shortfall of 20 million tons this year caused by drought, flood and other natural calamities. The Government must introduce a system of monopoly purchase of foodgrain and fix a remunerative price to make the scheme successful. The public distribution system should be streamlined.

Mr Rao demanded that the price of Rs 122 a quintal, fixed for procurement of rice, be enhanced to Rs 140 a quintal and the procurement system be replaced by monopoly purchase by the Government.

Labour-intensive work schemes should begin immediately in affected States.

He felt that a scheme similar to the employment guarantee scheme in Maharashtra should be introduced in other States. Recovery of lands and collection of land revenue must be suspended. Advisory committees consisting of representatives of different political parties should be set up at all levels to help the Government tackle the situation.

Making a special mention of Orissa, Mr Rao said that the State had suffered from cyclones, floods and drought. The Centre must aid the State to save people from famine.

Mr Rao said the spectre of famine was looming large over different parts of the country. He demanded that the Centre make available adequate quantities of foodgrain to meet the situation.

CSO: 4600/1158

WRITER EXAMINES 'DEVELOPING CRISIS' IN CPI

BK100218 Delhi INDIAN EXPRESS in English 30 Sep 82 p 6

[Article by H.K. Dua, "The Developing Crisis in CPI"]

[Text] A fierce debate is raging in the Communist Party of India [CPI], the outcome of which will decide the future of the party, and the leadership of Mr C. Rajeswara Rao, which is being challenged by his critics. Polemics apart, the debate involves the CPI's attitude to Mrs Indira Gandhi's government on the one hand, and the party's relationship with the CPI (M) and the BJP [Baharatiya Janata Party] on the other. As is natural in the affairs of the CPI, the Communist Party of the Soviet Union is known to be taking a deep interest in the debate and has perhaps decided to influence its outcome.

Mrs Gandhi is the focal point of the debate. Whatever the past relationship between Mrs Gandhi and the CPI, lately she has exhibited considerable edginess, almost irritability, on the anti-Indira line which the Left in general and the CPI in particular has adopted. She gave vent to her feelings during her reply to the no-confidence debate in the Lok Sabha last month. Mrs Gandhi accused the leftists in India of "sell-out to Right reactionaries" and then went on to assert that "betrayal" by the Indian leftists was known to their mentors. Reports from Moscow suggest that Mrs Gandhi picked up the theme in her conversation with the Soviet leaders. The not-yet-contradicted reports said that Mrs Gandhi had spoken of "the negative attitude" of the Left forces in India at her talks with Mr Brezhnev. She accused these forces of trying to destabilise her government by ganging up with rightist parties. Such an attitude was destructive, UNI [reports] Mrs Gandhi as having told Mr Brezhnev.

Why at all Mrs Gandhi chose to discuss issues of domestic politics in Moscow is not clear. Apparently she is exercised over the CPI's choosing to share the anti-government platform with the CPI (M) and BJP and she thought it better to take up the issue with the Soviet leadership which could make the CPI give up a confrontationist path and toe her line.

What reply Mr Brezhnev gave to Mrs Gandhi is not known but enough indications are available from within the CPI that Moscow has begun pressing the party to give up the anti-Indira line. Mr Mohit Sen, who is more pro-Moscow than any

other senior functionary in the CPI, is in Moscow these days. CPI's denial notwithstanding, there are reasons to believe that Mr N.K. Krishnan, was summoned to Moscow on 24 September for important consultations on the relationship between the CPI and CPSU on the one hand and between the CPI and Mrs Gandhi's government on the other.

Another CPI leader, Mr Yogendra Sharma--who has emerged as a known critis of Mr Rajeswara Rao in the party--was also in Moscow recently. On return from Moscow Mr Yogendra Sharma wrote a letter to Mr Rajeswara Rao questioning his leadership. Recently he circulated a note to several CPI leaders and the party's sympathisers to stress that Mr Rajeswara Rao's pro-CPI (M) line which is pushing the party to sharing the platform with the BJP is suicidal for it. Mr Yogendra Sharma had talks with Soviet functionaries in Moscow after Mr Rajeswara Rao's recent meeting with Mr Yuriy Andropov, the fastest rising man in Moscow at a time when the Brezhnev era is coming to an end, and Mr Boris Ponomarev, an alternate member of the Soviet Politburo and a party theoretician. Mr Yogendra Sharma in his note has sought to prove that what Mr Rajeswara Rao told the CPI on return about the CPSU's view of Mrs Gandhi is not correct and that there is a sharp divergence between the CPSU and the CPI--which Mr Rajeswara Rao did not care to report to his colleagues--on the Indian situation.

Moscow could be having many faces. But if all the praises Mr Brezhnev sang for Mrs Gandhi during her Moscow visit are any indication, then what Mr Yogendra Sharma is telling his colleagues in the CPI shows that the Soviet Communist Party does not want the CPI to create trouble for Mrs Gandhi. There are reasons for Moscow's fondness for Mrs Gandhi. A leftist government in India is a distant dream and Moscow's best bet in the present situation can be only Mrs Gandhi who in the communist jargon may be a bourgeois leader but who, when the crunch comes, will take an anti-imperialist stand. Mrs Gandhi is to take over as chairman of the non-aligned movement in March next year and this attaches importance to the hypothesis that the Soviet Union would need to be on her side more than ever before. Moscow may genuinely feel that the CPI's current anti-Indira line is wrong; it could also be expecting the CPI--as it has often in the past--to subordinate its domestic politics to the needs of Soviet foreign policy.

If Mr Yogendra Sharma's note is to be believed, the Soviet Communist Party had noted three "positive" features in Mrs Gandhi--her foreign policy, her capacity to maintain national unity and her will to fight Right reaction. The Soviet view is that a bourgeois leader like Mrs Gandhi has to face many problems and pressures, but the CPI should try to grasp Mrs Gandhi's positive features. Also, the CPI should not ignore the large number of "democratic" elements within the Congress (I). There is a section within the CPI which is backing the CPSU position and this section is likely to mount an attack on Mr Rajeswara Rao at the meeting of the party's Central Executive Committee which has been specially summoned to meet here on 6 October. Already his critics are spreading the word that in his zest for joining hands with the Marxists and opposing Mrs Gandhi the CPI general secretary has chosen to defy the Moscow line.

The CPSU has been cited as having particularly opposed the line followed by Mr Rajeswara Rao on the CPI's sharing the platform with the BJP in protest against the induction of the Bhajan Lal government in Haryana, for setting up Mr H.R. Khanna as a joint opposition candidate for the presidency, for participating in last year's farmers' agitation for higher prices which Moscow thinks will only help kulaks, and for joining the rightist trade unions in the prolonged strike in the public sector undertakings in Bangalore.

These issues were discussed by the CPI's National Council in July and Mr Rajeswara Rao's stand in favour of joining a broad antiauthoritarian front along with the CPI (M)--and also with the BJP--was questioned by his critics. Mr Rajeswara Rao survived the challenge when a resolution approving the party's decision on the Haryana question and the presidential election was approved by 76 votes to 20. In a rare exhibition of boldness, Mr Rajeswara Rao said after the National Council meeting that there was no single centre of the world communist movement and the policies of the CPI were decided in India and not outside. This statement certainly pleased the Marxist but could not have been relished in Moscow. How far the Soviet Communist Party goes to step up pressure on the CPI to fall in line remains to be seen. How far Mr Rajeswara Rao will succeed in his apparent attempt to achieve for the CPI some autonomy from the CPSU on India's domestic questions cannot be known at this stage either. The meeting of the CPI's Central Executive Committee and developments within the party during the following weeks are going to be significant in this connection. Mr Krishnan, the most senior leader in the party after Mr Rajeswara Rao, will be back from Moscow before 6 October, and his report to the CEC is being keenly awaited by Mr Rajeswara Rao's friends and foes alike.

The CPI is in an unhappy situation. The party began its career as far back as 1925 but is still riddled with some basic questions, failure to answer which has blocked its growth. After 57 years and numerous vacillations and u-turns, it is threatened with the prospect of losing its identity. It is faced with two difficult choices. One favoured by Mr Rajeswara Rao will take the party into the CPI (M) fold--on the Marxist terms--and entail participation in a broad opposition front against Mrs Gandhi's government. Mr Rajeswara Rao has invoked the resolutions passed by the 1978 Bhatinda congress and this year's Varanasi congress in support of his stand. The second choice, preferred by his critics, will take the party closer to Congress (I) government--on Mrs Gandhi's terms. In any case it is Hobson's choice for the party. Mrs Gandhi too, after her talks with the Soviet leaders, may be assessing whether in order to oblige her Moscow will really jettison its earlier attempts at a communist unity in India or Moscow's open support for her is merely tactical.

9459
CSO: 4600/1195

CPI LEADERS OFFER TO HELP FIGHT COMMUNALISM

New Delhi PATRIOT in English 7 Oct 82 p 1

[Text] CPI leaders in Parliament have offered their full cooperation to Prime Minister Indira Gandhi in efforts to combat the menace of communal riots as manifested in the recent disturbances in Meerut.

Mrs Gandhi called the CPI leaders on Monday for a detailed discussion on the Meerut violence, and in the course of the talks she sought the help of the CPI and all other secular forces to bring about immediate peace as well as a sense of security among the Meerut people in general and the minorities in particular.

The CPI leaders—Mr Indrajit Gupta, Mr Yogendra Sharma, Mr Ramavatar Shastri and Mr Kalyan Roy—offered their cooperation but at the same time put forward certain positive suggestions to effectively meet the situation.

According to Mr Yogendra Sharma, the 45-minute meeting was held in a cordial atmosphere and there was a free and frank exchange of views.

One of the major suggestions of the CPI leaders was that more Central Reserve Police and Border Security Force personnel should be deployed in Meerut since the minorities had lost all faith in the Provincial Armed Constabulary. Mrs Gandhi sought to point out that it would be wrong to suggest that the entire PAC was communal in character, but she conceded that there were communal elements in the PAC.

The CPI leaders raised the issue of the implications and repercussions of an all-party Parliamentary delegation visiting Meerut. While on the face of it there was nothing wrong in sending an all-party delegation of MPs to Meerut, the very fact that the BJP members were included in it could create problems. This view was shared by both sides.

The CPI leaders strongly felt that the Government should take necessary precautions to prevent any untoward incident during Dussehra and Muharram in North India, especially in UP and Bihar. Mrs Gandhi also agreed to the need for appropriate measures during these two festivals.

The CPI leaders were, however, sore that the Government was found somewhat unprepared to meet the disturbances in Meerut. They opined that such developments should have been clearly foreseen since tension was mounting for quite sometime in the area in the recent past.

Mrs Gandhi was put on the defensive on this issue and she candidly admitted that the Government did not have many officers competent to deal with such situations as the one which developed in Meerut.

CSO: 4600/1149

EDITORIAL STRESSES RESPONSIBILITIES AS NONALIGNED HOST

BK161537 Delhi INDIAN EXPRESS in English 9 Oct 82 p 6

[Editorial: "Challenge and Opportunity"]

[Text] While formally announcing the dates of the Seventh Nonaligned Conference to be held in New Delhi next March, the external affairs minister has acknowledged the onerous responsibility developed on India. The physical preparations and infrastructural requirements for hosting a vast gathering with scores of heads of state in attendance can be taken in hand. Of greater consequence will be restoring to the movement a sense of positive purpose in a fast changing world situation in which the grouping has been often seen as a game of numbers. Declarations and resolutions are, no doubt, the most visible aspects of summitry, but the trees could be missed for the wood if the focus is on a package of palatable formulations and the more crucial emphasis on principles is overlooked. The forthcoming New Delhi conference thus offers both a challenge as well as an opportunity for India.

The circumstances in which India has been prevailed upon to host the conference illustrate the identity problem facing the nonaligned. Not only did a shared nonaligned label not come in the way of a meaningless military conflict between Iran and Iraq, but the continuing hostilities also came in handy for Iran and its supporters to blackball Iraq as a conference host, not necessarily for security reasons. Then followed an unseemly scramble between Cuba, the current chairman, and Iraq to stage a preparatory meeting at the foreign ministers' level. That these crises have been tided over does not indicate purposeful functioning. Not having pushed itself forward as a substitute host and having actually insisted on a consensus for moving the venue to New Delhi, India is in a position to lift the movement from the groove into which it has fallen. It can hark back to the values which gave birth to nonalignment.

The challenge lies in being able to rise above mere posturing which sometimes passes for nonalignment. India has to assert itself on a number of issues including the North-South dialogue, the gulf between the OPEC and non-OPEC Third World countries, the renouncing of the use of force in international relations and disengagement in both the nuclear and conventional fields. The prime minister's recent visits to Washington and Moscow have restored balance to India's relations with the superpowers. India's efforts, howsoever modest, for amicable relations with Pakistan and China have enhanced its prestige abroad.

Mrs Gandhi's reiteration of the need for withdrawal of Soviet troops from Afghanistan has put the problem in the larger perspective of violation of the sovereignty of a nonaligned country without making it an East-West issue. India is thus in a position to play a constructive role as chairman of the nonaligned conference if it does not see in the "honour" a need to toe anybody's line. However, much homework will need to be done and greater clarity brought to bear on a number of foreign policy issues on which the Indian position must be constructive and viable if, as chairman of the nonaligned conference, the country is not to suffer distortions in policy on account of rival pulls and pressures from within the nonaligned fold and from the rest of the world which will react to its statements or silence.

9459
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PAPER URGES IMPROVEMENT IN RELATIONS WITH FRANCE

BK271419 Delhi INDIAN EXPRESS in English 22 Oct 82 p 6

[Article by J.D. Sethi: "The French Connection"]

[Text] The French president, Mr Francois Mitterrand, is paying a 4-day state visit to India next month. Will New Delhi treat this visit as just a routine meeting or will it attempt to make a sharp turn in India's foreign policy which has now reached not one but several dead ends?

The balance of payments position is fast deteriorating. Indian goods are being priced out in the world market. Our excessive preoccupation with the superpowers has narrowed options elsewhere. Our nearly neurotic approach to Pakistan is yielding diminishing returns. India's nuclear programme has been exposed as still largely dependent on outside sources. And, above all, we are being pushed into an arms race without having a credible security doctrine or a reliable indigenous weapons base.

Is it possible to make a breakthrough in meeting one or more of these challenges in the context of Indo-French relations since France enjoys a unique position as an independent self-reliant middle power?

In the forthcoming negotiations, it would be far more fruitful for New Delhi to reverse the sequence of discussions. Instead of putting at the top the issue of the supply of nuclear fuel for Tarapur, it would be far better to take up the nuclear issue at the end. France is not a fully free agent in this matter as it is in most others. Some journalists have suggested that India might threaten to cancel some projects with France if that country refuses to become substitute supplier of nuclear fuel. If France has not yielded to American pressures, it will certainly not do so under Indian tactics. France is reported to have offered less stringent conditions at the secretaries' meeting but it will be tragic if the nuclear issue clouds more fundamental issues of Indo-French relations.

Because of the absence of a determined and coherent policy in New Delhi, India's experience with France in respect of cooperation in the nuclear field has not been very happy. France is also involved in the Baroda heavy water plant and in India's fast breeder reactor at Kalpakkam. In both cases the experience has been rather disappointing. The blame lies on both sides. We treat each project

as independent of the overall relationship with a country with which we do not have political relations. India's foreign policy makers blundered in subjecting our relations with middle powers to political relations with superpowers.

There is a sharp contrast between the foreign policy stances of the two countries. France attacks both the superpowers when they impinge on its independence whereas India hesitates to criticise either. Ironically, non-alignment, which was supposed to provide a basis for Indian foreign policy, has made India dependent on both superpowers. France although technically not a nonaligned country is more nonaligned than most.

At the current meeting of the UN General Assembly whereas India was hesitant and squeamish, France was bold and aggressive. In an unusually outspoken criticism of the superpowers, the French prime minister, Mr Pierre Mauroy, said that they had tried to perpetuate "an unfocussed policy of blocs" which no longer corresponded to the situation in the world. He frankly admitted that the countries of the Third World including India, were the first to suffer in the superpower rivalry.

The French prime minister was most vocal in saying that "in the West, one of the superpowers makes sure of throwing into disarray the international monetary system to suit its national interests. It sets its budgetary and monetary policy without taking into account the possible consequences in other states." In the East, the other superpower continues directly or indirectly to make use of military force to oppose people's wishes to determine their own future. "This blindness on the part of the two superpowers is without doubt one of the principal causes of the present disorder. These words should have been spoken by the Indian delegation.

Even in the economic field, India has not comprehended the meaning of relations with a nation which has constantly struggled to have a self-reliant economy. In respect of technology, France is a very aggressive seller but in our list comes after the U.S., the UK, West Germany and Japan. France is very conscious of its independent policies in respect of arms sales and technology. Since no other country takes up this kind of an attitude, France should get the highest priority in India's policies in respect of collaboration during the next decade, particularly in the field of high technology.

The Soviet bloc countries are not in a position to supply any new technology and there is a great rush for going in for whatever is available in the West without bothering about the cost to the domestic economy. We have to distinguish between investment and technology. If we do that we will find that our policy of self-reliance in technology necessitates a very close relationship with France.

Last week the French foreign trade minister, Mr Michel Jobert visited India at the head of a powerful delegation. Mr Shivraj Patil, the Union minister of commerce, was wholly ill-equipped to talk to his French counterpart. All that he was worried about was India's growing adverse trade balance with France. Regarding greater promotional efforts, Mr Patil talked about the communication gap between business and industry on both sides. He did not bother even to ask how many Indian businessmen really spoke French. Is our support for Anglo-Saxonism that big a barrier to developing relations with all the non-English speaking world? In the final analysis of course, Mr Patil begged for more resources and technology. This is hardly the way of dealing with a country which has shown how to remain independent even when being an ally of a superpower.

The Indo-French Committee on Economic and Technical Cooperation agreed further to intensify their cooperation in various fields. Joint oil production, buy-back arrangements, third country projects, areas of new cooperation such as telecommunications, vaccine production, oceanography, etc, were dicussed. However, the basis of cooperation still remains limited.

Besides technology, defence is a crucial area of Indo-French cooperation. The French defence minister, Mr Charles Hernu, has offered defence cooperation to India over a wide field. India is already using or manufacturing French equipment and weapons such as tanks, jet fighters, helicopters, etc. Above all, France has offered to transfer weapons technology and provide technical training to Indian officers.

India and France have signed a final contract for the purchase of 40 Mirage 2000s. It is rumoured that France has offered the transfer of full production technology but India does not seem keen on it. The matter is very simple. Either we should not have bought these planes or in the light of the new realities of our security and foreign policy we must develop deeper cooperation with France in the field of military technology.

The difficulties in Indo-French relations may turn out to be a blessing in disguise if India and France can enter into serious negotiations to arrive at an understanding which bypasses both superpowers. France is known to act independently in defence of its national interests. India also claims to do that. This is an opportunity when Indo-Frnech relationship can be upgraded. Otherwise, we will end up depending on France rather than on the U.S. without much difference in substantive positions.

9459
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FORMER AMBASSADOR TO USSR DISCUSSES GANDHI VISIT

Bombay THE TIMES OF INDIA in English 8 Oct 82 p 8

[Article by I. K. Gujral]

[Text] THE importance of Mrs. Gandhi's recent visit to the Soviet Union needs to be assessed from several angles. I shall deal first with an issue which is not central to Indo-Soviet relations but has attracted a lot of attention in our country, the issue of the Communist Party of India's relations with the Communist Party of the Soviet Union.

According to reports by Indian correspondents emanating from Moscow when the Prime Minister was there, she talked to Soviet leaders about "the communists colluding with the rightists to weaken the country". These reports have not been contradicted. So one can assume that they are reasonably accurate.

This is, of course, not the first time when India's domestic situation has figured in Indo-Soviet talks. During her visit to Moscow in 1976, Mrs. Gandhi had talked of the "danger of rightist takeover . . . that had caused imposition of emergency". In 1977, the then Prime Minister, Mr. Morarjee Desai, had posed to the Soviets the question: 'why should you interfere in out internal affairs'. This was a direct reference to the CPSU's alleged influence on the CPI.

Even so, it is extremely significant that Mrs. Gandhi should have raised the issue. This raises the question whether in fact a change has taken place in the Soviet approach towards India. My assessment would be that it has.

As we know only too well, the Soviets whole-heartedly endorsed the official line on developments in India leading to the emergency in 1975. Since then, their perception has undergone a sea change.

CPSU functionaries dealing with India were distressed when they saw a step-by-step denigration of the CPI during the emergency. The results of the general election in 1977 made them realise that the CPI had paid a very high price for its close co-operation with the Congress. They found that the CPM had reaped rich dividends out of its different approach to the ruling party. Since then Moscow has appreciated the closer co-operation between the two communist parties. It naturally hesitates to advise the CPI to squander its hard earned credibility, particularly when Soviet theoreticians fully understand the "weak and sans-ideology base" of the Congress (I).

Honour For P.M.

I was in Moscow, when Mr. S. A. Dange, former chairman of the CPI, visited the Soviet capital and tried to project his line of thinking favouring co-operation with Mrs. Gandhi and the Congress (I). The reaction of his hosts was to downgrade his status. His residence was changed from the central committee's hotel 'Octoberskya' to the trade union's 'Sputnik' and the prestigious Zil car was replaced by a 'Chaika'. Moscow has not condoned his subsequent "sin of breaking the party".

Without in anyway detracting from the enthusiasm of the reception accorded to Mrs. Gandhi, I would wish to recall that a similar reception was accorded to Mr. Morarjee Desai during his two official visits in 1977 and 1979. Mr. Brezhnev and his senior colleagues have been present at the airport to receive and see off Indian prime ministers during all the visits that I have witnessed during my stay in Moscow. Ever since Mrs. Gandhi's visit in 1976, our prime ministers have been accorded a very high level of consideration. They have been put up in the palatial guest wing of the Kremlin. This honour is normally reserved for heads of state.

Unlike in 1976, this time Mrs. Gandhi did not have a private meeting with Mr. Brezhnev. But that might have been the result of his none too robust health. Mrs. Gandhi's talks with Mr. Tikhinov was significant in that he was meeting a top Indian leader for the first time. During Mr. Desai's visit in 1979, Mr. Kosygin was still the Prime Minister. And although Mr. Desai had a separate meeting with Mr. Brezhnev, substantive matters were settled in the talks wih Mr. Kosygin.

An unusual addition this time was the prime minister's meeting with a group of deputies of the USSR Supreme Soviet headed by an alternate member of the political bureau of the CPSU, secretary of the CPSU's central committee, chairman of the foreign relations commission of the Soviet of Nationalities of the USSR Supreme Soviet, Mr. Boris Ponomaryov.

In the Soviet Union the foreign relations commission is responsible mainly for contacts between parliamentarians of various countries but it has no role in the formulation of foreign policy. Once earlier, at my request, Mr. Ponomaryov and his commission had received the Lok Sabha speaker, Mr. Hegde, and his parliamentary delegation in 1979. Mr. Ponomaryov is one of the important personalities in the CPSU. As secretary of the CPSU he was not dealing with India but, of late, there seems to

have been some change. He recently hosted a visit by Mr. Rajeswara Rao, secretary of the CPI, and he was present at all functions conducted with Mrs. Gandhi's visit.

Nuclear Plant Offer

The meeting of the commission was perhaps timed to enable him to meet our prime minister. Amongst others present at the meeting was the well-known Mr. Georgy Arbatov. He commands a very high position amongst Soviet intellectuals and is head of the Soviet Institute of American-Canadian Studies. His opinions are valued on issues relating to superpower relations. So far as I can recall, he had not met an Indian prime minister ever before. His presence can, perhaps, be understood in the context of the prime minister's recent visit to the U.S.A.

The visit on the whole has been useful. Since it almost coincided with the meeting of the joint commission, the bilateral economic relations have been further reinforced. Though no reference was made to our 'new economic policies', we should view *Pravda's* article of August 15 and Prof. Kumarov's article in this context.

The revival of the offer of a 1,000-megawatt nuclear power station needs study, as indicated by the prime minister. When Mr. Kosygin made the offer to Mr. Desai during his Delhi visit in 1979, the Indian side had some reservations in respect of the safeguards to which the plant would be subject. In the past we have purchased heavy water from the Soviet Union. Its safeguards provisions are the same as of all other members of the London club of suppliers of nuclear materials. We could not persuade the Soviets to modify these in any way. The position is not likely to be different now.

Mr. Kosygin had then told me that the USSR and the Comecon countries had undertaken a massive programme for developing nuclear energy. By the end of the century, they would be meeting 40 per cent of their needs from this source.

The Comecon countries had formulated a comprehensive plan regarding co-operation among them for building the required plants and machinery. While the reactors were being built in the Soviet Union, generators and other ancilliary machinery were being manufactured by the East Europeans. Mr. Kosygin had suggested that the H.E.C. at Ranchi could also be allocated part of the job to keep its order book full. The Indian energy programme could thus benefit from the economy of scale. The Soviets feel that it is uneconomical to pursue the step-by-step path and avoid a frog jump into the 1,000-mwt. technology. The view of our experts has of course been different.

Besides meeting official and party leaders, Mrs. Gandhi visited the star city — named after Gagarin. In 1979, Mr. Brezhnev had made an offer to Mr. Desai for sending an Indian astronaut into space. That was soon after my visit to a cosmodrome in Astarkhan to witness the launching of Bhaskara II. Our space experts were not in favour of the acceptance of the offer since it would generate expectations far ahead of our space-programme. Mr. Atal Bihari Vajpayee, the then minister for external affairs, and I held a different view. I continue to feel that travel of an Indian pilot in space will help generate popular interest in our space programme.

Arms Supply Issue

On the basis of my experience, I can say that India's policy of diversifying its sources of arms supply could not have gone unmentioned in Moscow, even if it was not raised at the summit meeting at which President Brezhnev and Mrs. Gandhi were present. As a sovereign nation, we are fully entitled to shop wherever we like. But the Soviets have often felt hurt when, in the process their equipment is denigrated. I know that they resent our talk of 'not putting all our eggs in one basket'. They treat it as a reflection on their credibility as arms suppliers and friends.

Apart from the bilateral economic and other issues, Pakistan inevitably figured in Mrs. Gandhi's discussions with the Soviet leaders. They are naturally concerned that the "Pakistan army dreams to go beyond Indus valley and the Gulf" as has been highlighted by Mr Fergus Bordewich in an article in *The Asia* magazine. It cannot be comforting for us either to learn that "Pakistani troops or advisory missions are stationed in 22 countries of West Asia": and that "the institute of strategic studies in Islamabad aspires to become the centre for the entire Muslim world".

This concern cannot but be heightened by the U.S. military supplies to Pakistan on the one hand and the statement of the U.S. ambassador to Pakistan, Mr. Spiers, that "work for Islamic bomb is still going on at Kahuta" and that "Pakistan's ongoing nuclear programme could give it basic capability to produce atomic weapons.

And though the joint declaration does not mention Afghanistan, Mrs Gandhi at her press conference reiterated India's known position. "We are against any type of interference but the issue was complicated by the flow of arms from outside the country to the rebels who are fighting the Kabul regime." There is nothing in this formulation to which The Soviet leaders can take exception.

China, too, figured in the talks, this time differently with Mr. Brezhnev trying to assure Mrs. Gandhi that any improvement in Sino-Soviet relations would not mean dilution of the quality of Indo-Soviet relations.

It is also notable that as a result of Mrs. Gandhi's visit, the Indo-Soviet treaty has been restored to its original status. The Janata had down-graded it. During Mr. Desai's visit to the Soviet Union, our experts had presented a new formulation "spirit of the treaty". The Soviet side was unhappy but accepted it.

I have personally witnessed four high-level visits of Indian leaders to Moscow and three similar ones by the Soviet side to New Delhi. One point emerged clearly in all these discussions. The Soviet Union and India have the same perception regarding peace in the region. This remains the bedrock on which Indo-Soviet friendship rests.

CSO: 4600/1150

NEWSPAPER EDITOR IN CHIEF REPORTS VISIT TO PRC

Bombay THE TIMES OF INDIA in English 8 Oct 82 p 9

[Text]

BEIJING, October 7 (PTI).

THE Chinese state councillor, Mr. Ji Pengfei, has said that the Sino-Indian border question should be settled in a "spirit of equality and mutual accommodation."

During an hour-long meeting with the editor-in-chief of *Ananda Bazar Patrika*, Mr. Asoke Kumar Sarkar, yesterday, Mr. Ji said: "If we cannot have a quick solution to the border question, we should put it aside and concentrate on improving relations on other fields."

A former foreign minister and vice-minister, Mr. Ji was quoted as saying: "We must not put border question as an obstacle and the people of the two countries can develop strong relations.

"We can generate positive response in world and it will be conducive to peace and stability in Asia and elsewhere," Mr. Ji said.

A day earlier, Mr. Sarkar had a separate meeting with Mr. Chien Qi Shen, China's deputy foreign minister. Mr. Sarkar, president of board of trustees of the Press Foundation of Asia, is on his way to Tokyo to attend its annual general meeting and executive meeting.

Mr. Sarkar raised the issue of Chinese support to insurgent elements in Nagaland, Manipur and Mizoram during his talks with the two leaders.

Mr. Ji informed Mr. Sarkar that China was no longer giving any assistance to rebel forces in India's north-eastern border. "China has not only stopped shipment of arms to them but also to communist movements in other South-East Asian countries," Mr. Ji was quoted as saying.

Mr. Sarkar also drew Mr. Ji's attention to the Naxalite slogan which said: "Chairman Mao is our chairman." "It is not possible for China to know what is happening everywhere," Mr. Ji said, adding that China would like to disown that it was providing inspiration to "Naxalites." "It is absurd to claim Chairman Mao as chairman of Naxalites," he said.

CSO: 4600/1150

RAO MAKES STATEMENT ON GANDHI VISIT TO USSR

Calcutta THE STATESMAN in English 12 Oct 82 pp 1, 9

[Text] New Delhi, Oct. 11.--India and the Soviet Union "were agreed" that a solution to the Afghanistan problem could, and indeed must, be found only through political negotiations and felt that the initiatives taken by the U.N. representative were useful, the external Affairs Minister, Mr P. V. Narasimha Rao, said in Parliament today.

Making a statement in both Houses on Mrs Gandhi's recent official visit to the Soviet Union, Mr Rao said India and Russia reviewed recent developments in the Indian Ocean, West Asia-South-east Asia, including Afghanistan, and Africa and were shocked and dismayed at Israel's "expansionist and aggressionist" policies in "flagrant" violation of the U.N. charter; its "unprovoked invasion" of Lebanon and "brutal and reprehensible massacre of civilians, especially of refugee women, children, and tortures perpetrated in prisons".

Mr Rao announced that the Soviet Union endorsed India's proposals for a convention on the non-use of nuclear weapon tests as a prelude to a complete test ban treaty. Both sides stressed the special responsibility of nuclear weapons States to take urgent measures towards disarmament, especially nuclear disarmament, and expressed their willingness to give serious consideration to all constructive proposals towards this end. India welcomed the Soviet Union's declaration not to be the first to use nuclear weapons, as an important step towards a complete ban on the threat or use of nuclear weapons.

The Minister said that the Prime Minister, Mrs Gandhi and the President, Mr Brezhnev, reviewed the economic relations between the two countries, which were already extensive and were steadily expanding. Mrs Gandhi's visit to the Soviet Union was preceded by the annual sesson of the Indo-Soviet joint commission on economic, scientific and technological cooperation. The commission reviewed the progress achieved during the last year and set targets for the immediate future.

Trade

Both sides would examine the possibilities of further expansion of cooperation in such areas as ferrous and non-ferrous metallurgy, coal and oil,

machine building and power, and in several fields of fundamental and applied sciences and technology. India reaffirmed its resolve to ensure growth in the trade between the two countries of the order of one and a half to two times in the next four years.

In the course of discussions, Mr Rao said the President, Mr Brezhnev, referred to economic and other developments in his country and Mrs Gandhi availed herself of the opportunity to review developments in the neighbourhood and the situation in India and pointed to the necessity for national unity and strength in order to deal with the many challenges that India faced and how India's stability and adherence to non-alignment contributed to peace in its region and in the world.

The Minister said that the President, Mr Brezhnev and the Premier, Mr Tikhonov, accepted Mrs Gandhi's invitation to them.

India was confident that such high-level exchanges of visits would contribute to further strengthening of the relationship, invested as it was with a popular character on the enduring foundation of friendship, mutual respect and cooperation. India's relations with the Soviet Union had been tested by time and were without detriment to any other nation, Mr Rao said.

Mr Rao said that Mrs Gandhi's talks with Mr Brezhnev, set out in a joint declaration, had brought out the high value that the Soviet Union attaches to relations with India and its readiness to enlarge its cooperation with us in various fields. India reciprocated these sentiments.

Apart from being mutually advantageous, Indo-Soviet relations were an important factor for peace and peaceful co-existence in the world, he said, pointing out that the Soviet President had spoken warmly about India's adherence to non-alignment and work for international peace, cooperation and friendship.

Mr Rao said that Mrs Gandhi had in her public speeches and private discussions, emphasized India's deep concern at the deteriorating world situation and its determination to exert itself to the utmost for peace and disarmament. She had also explained India's consistent efforts to strengthen its economy and achieve technological self-reliance, as also its endeavour to normalize relations with its neighbours and to settle differences through discussions in spite of the increasing militarization of the region.

Both sides reiterated their belief that international relations should be based on the renunciation of the threat or use of force and on the respect for the integrity of States and non-interference in one another's internal affairs. They also called for effective measures towards general and complete disarmament, particularly nuclear disarmament, under effective international control.

In his preface to the statement, Mr Rao said that Mrs Gandhi, who had paid an official visit to the Soviet Union from September 20 to 26 at the invitation of the President, Mr Brezhnev, also visited Tellin and Kiev.

Mrs Gandhi had discussions with the Prime Minister, Mr Nikolai Tikhonov, the Foreign Minister, Mr Andrei Gromyko, and prominent members of the Supreme Soviet in Moscow and with leaders of the Estonian and Ukrainian republics in Tallin and Kiev, respectively.

In Moscow, she addressed a public rally organized by important Soviet organizations. A square in Moscow city was named after Jawaharlal Nehru at a special function. In Kiev, the honorary citizenship of that historic city and a doctorate by the Kiev State University were conferred upon her.

CSO: 4600/1158

GANDHI, LOK SABHA DISCUSS ASSAM POLICY

New Delhi PATRIOT in English 8 Oct 82 pp 1, 7

[Text] Prime Minister Indira Gandhi on Thursday assured that the Centre wanted to accommodate the leaders of the Assam agitation as much as possible, without harming the interests of the minorities and the nation.

Intervening during question hour in the Rajya Sabha Mrs Gandhi, however, bemoaned that the agitation leaders had taken an attitude of 'all or nothing.'

They had not responded to her appeal--made sometime ago after an air dash to Assam--that work could be started on the detection and removal of people who entered after March 1971, which had been agreed to by all, while negotiations went on for an overall settlement of the foreigners' issue in the State.

With the next rounds of talks announced for 6 and 7 November Mrs Gandhi said the government was not taking a rigid stance.

/She herself, she said, would be willing to intervene in the talks if there was some possibility of a solution emerging./ [in boldface]

She did not want to intervene otherwise, 'for where can we go if deadlock continues even after the intervention of the Prime Minister,' Mrs Gandhi asked.

The Prime Minister said the foreigners' issue and the agitation were a 'complex, delicate and emotional matter.' The government could not openly declare its stand on the issue of holding the Assembly elections--a point on which Opposition members repeatedly sought clarifications from her and Home Minister P C Sethi. 'It is my earnest desire to solve the Assam issue,' she added.

Home Minister P C Sethi said talks with the agitation leaders were likely to be resumed after Parliament session was over--perhaps on 6 or 7 November.

Mr Sethi admitted that despite 19 rounds of talks, basic differences persisted between the agitation leaders and the government on the fate of those entered Assam between 1961 and 1971. In effect, the agitation leaders

were rejecting any overall agreement if their demand for the immediate disenfranchisement, and ultimate removal, of the entire immigrant population of 1961-71 was not conceded.

Questioned repeatedly on whether the AASU and the AAGSP wanted disenfranchisement even for those who had valid citizenship certificates, Mr Sethi said the agitationists had repeated their demand many times.

Mr Dinesh Goswami (Ind) contested the Minister's statement, saying that the demand was for the disenfranchisement of those without certificates.

In this main reply, Mr Sethi gave an account of the loss because of the agitation. He said so far 340 persons had lost their lives. The economic loss was also grave. In petroleum and chemicals alone, the loss came to Rs 1,272 crores; the railways suffered a loss of Rs 32 crores in revenue loss and reduction in passengers; and many projects had been delayed and the State exchequer had lost Rs 45 crores in revenue.

Mr Sethi refused to divulge anything on an Opposition question on rumours that government may hold the elections earlier. The Opposition wanted to know what the government views on this, because constitutionally elections in the State had to be held before 18 March 1983 and the electoral process, including revision of rolls, had to start six months before that.

Earlier, he gave a resume of the course of discussions in the past, including the last round of the tripartite meeting in which 'the Opposition participated,' and acted as a catalyst to bring about an agreement between the government and the agitation leaders.

He said the formula given by Janata leader Ravindra Verma had formed the basis for some of these discussions. It was a basis of discussion, and any question of government accepting it or otherwise did not arise, he told Mr Piloo Mody and others.

Mr Sethi said Mr Verma's suggestion was that all those 160,000 people who had entered Assam between 1961 and 1971 and obtained the citizen certificates should be recognised as citizens. The cases of those who had not obtained the certificates should be referred to a tribunal and those who fell in none of these categories should be deported.

Mr Sethi said this was not acceptable to the Assam agitators and the recent tripartite talks had come to a deadlock.

CSO: 4600/1155

GANDHI OPENS SENIOR NAVAL OFFICERS' CONFERENCE

New Delhi PATRIOT in English 6 Oct 82 pp 1, 7

[Text] PRIME Minister Indira Gandhi said on Tuesday that the security environment around the country had become more complex warranting greater vigilance, report agencies.

A realistic policy would be to work for peace but at the same time the country should be ready to face any challenge, she told a conference of senior naval officers.

Opening the conference, Mrs Gandhi asked the naval officers to have both a short-term plan and a long-term perspective plan which would keep in view the development of the navy for the next two decades.

Mrs Gandhi underlined the need to give the highest priority to the indigenisation programme in navy.

While India needed sophisticated equipment for its defence forces, the approach should be to progressively reduce dependence on imports. Complimenting the navy in maintaining ships and other equipment in fit condition all the time, Mrs Gandhi underscored the need to improve cost-effectiveness in all the activities of the navy.

Mrs Gandhi said the land resources were being depleted rapidly and all nations were looking to the oceans for food and minerals. India also now had had the capacity to exploit its ocean resources and it was the only developing country to be accorded a pioneer status in this regard. Strengthening the navy and the coast guard assumed special importance in this context.

SCHEMES

Defence Minister R. Venkataraman said the Government fully recognised the need to give a new momentum for building up the navy. He called on the naval officers to make all efforts to implement their sanctioned schemes expeditiously.

The revised allocation of resources, he said, took into account the increased requirements of the navy for meeting its new responsibilities and provided a much higher outlay for it.

Noting that during the last one year two seaward defence boats, two landing craft utilities and one torpedo recovery vessel, all built within the country, had joined the naval fleet, Mr Venkataraman congratulated the shipyards as well as the concerned officers of the navy for the excellent performance.

Emphasising the need to give high priority to the training of naval personnel, Mr Venkataraman directed that the facilities at all the naval training establishments should be reviewed to take care of expansion in manpower as also updating in the light of latest developments in the techniques of naval warfare. The Government, he said, has decided to relocate the Naval Academy at Erhimala in Kerala.

Mr Venkataraman told the senior naval officers that the Government was alive to the welfare needs of naval personnel. The Government, he said, had sanctioned Rs 21.85 crores for the construction of family accommodation for naval personnel at Cochin, Bombay, Jamnagar and Port Blair.

In his address, the Chief of the Naval Staff, Admiral O. S. Dawson, stated that efforts were being made to consolidate all available resources and maximise the state of readiness of navy.

Admiral Dawson also underlined the various steps being undertaken to modernise the navy. In this regard, he said that stress was being laid on the indigenous production programme, which included the construction of Godavari Class frigates, seaward defence boats, landing craft and patrol vessels.

Admiral Dawson said that the navy kept the geopolitical oceanic and technological development in view while planning for the future.

CSO: 4600/1146

GANDHI DISCUSSES LEBANON POLICY IN LOK SABHA

Bombay THE TIMES OF INDIA in English 6 Oct 82 p 1

[Text] NEW DELHI, October 5 (PTI).

INDIA would take up the Lebanon question at the non-aligned conference here in March.

Stating this, the Prime Minister, Mrs. Indira Gandhi, declined to spell out the steps India would take as it was hosting the conference.

She was replying to members in the Rajya Sabha who wanted to know the step India was going to take at the non-aligned conference to resolve the Palestinian problem.

Earlier, in a statement she appealed for the involvement of all parties, including the super powers and the PLO, in arriving at a solution to the problem.

The "tragedy of Lebanon has been grafted on the tragedy of Palestine. The U.N. peace-keeping forces and others are there. There exist several resolutions of the U.N. Security Council and General Assembly and lately we have also had some noteworthy plans and proposals," she said.

"We have to initiate and encourage trends of conciliation and negotiations. The parties directly involved, which must include the PLO, need to play a major role. These efforts should also have the full involvement and support of the super powers."

About the role of the U.S. in encouraging Israeli aggression in Lebanon, about which members were critical, Mrs. Gandhi said: "We know Israel has received the support and encouragement from the U.S. but the U.S. is now condemning Israeli action. We hope the U.S. will take some initiative in bringing about the withdrawal of Israeli forces from Lebanon."

Mrs. Gandhi said the Indian National Congress had opposed the creation of Israel on the soil of Palestinians and its fears had come true with whatever had happened in Lebanon.

Mrs. Gandhi said she has no information about any Indian MP visiting Israel. If there is any such proposal by any political party to send any of its MPs to Israel, it was for that party to reconsider it, she added.

The Prime Minister made an identical statement in the Lok Sabha also.

Mrs. Gandhi said lands forcibly occupied must be vacated. Peoples who had been uprooted and rendered homeless must be rehabilitated and provided a state of their own.

LOSS OF LIVES

The Prime Minister in her three-page statement said countries in the West Asia region must be assured of their security within internationally-recognised frontiers.

A sense of urgency was essential. A very heavy price had been paid in the form of military destruction, loss of human lives and sufferings of hundreds of thousands of helpless human beings.

The Prime Minister said even today the atmosphere in West Asia was increasingly surcharged with emotions of anger and hatred, revenge and reprisals.

"All this must be ended. The use of force never brought any lasting solution", she said.

Members from all sides welcomed the Prime Minister's statement and shared the sentiments expressed by her in support of the Palestinians.

Among those who spoke after the Prime Minister's statement were Mr. P. Ramamurti (CPM), Mr. Shiva Chandra Jha (JP), Mr. S. W. Dhabe (Cong-S), Mr. Dinesh Goswami (Ind), Mr. Gopalswamy (DMK), Mr. Ram Naresh Kushwaha (Lok Dal), Mr. Ghulam Mohiuddin Shawl (NC), Mrs. Satyawani Muthu (AIADMK) and Mr. Ladli Mohan Nigam (Lok Dal-K).

CSO: 4600/1144

KASHMIR CHIEF MINISTER STRESSES INDIAN UNITY

Bombay THE TIMES OF INDIA in English 12 Oct 82 p 9

[Text] Srinagar, October 11 (PTI): The Jammu and Kashmir chief minister, Dr. Farooq Abdullah said the people of India might be separated by artificial geographical barriers but basically it was one nation.

Inaugurating a cultural evening, organised by the Kashmir Kanadha Sangh here last night, he said many patriots had sacrificed their lives before independence to remove artificial barriers between various regions and states to establish an Indian nation which would be strong physically, mentally, morally and economically.

He said such organisation would prove a stepping stone towards promoting mutual understanding between various states and regions thus bringing into fruition the India of the dreams of Mahatma Gandhi and Jawaharlal Nehru.

Present on the occasion among others was the ambassador of Bulgaria in India. A message of the Karnataka finance minister, Mr. Verappa Mouli, was read out at the function announcing a grant of one lakh rupees for setting up Karnataka information and cultural centre here.

Dr. Farooq Abdullah said India had "very good relations" with the countries now bracketed as "socialist countries".

Our struggle got inspired by their struggle to free themselves from imperialists and those relations have further been strengthened after the independence, he said.

Referring to the event when socialist countries stood by India during the most trying circumstances, he said, Bulgaria was one among those who had always extended their help and cooperation to India on the basis of equality.

The Bulgarian ambassador reciprocating the sentiments of the chief minister, said the people of Bulgaria held in great esteem the people of India.

Relations between the two countries, he said, "were excellent" and "we would work shoulder to shoulder to further enrich the friendship."

CSO: 4600/1157

SHORTCOMINGS, PROBLEMS OF DEFENSE RESEARCH TOLD

Bombay THE TIMES OF INDIA in English 30 Sep, 1 Oct 82

[Article by Jairam Ramesh]

[30 Sep 82 p 8]

[Text] ONE of the paradoxes of scientific research in India is the glaring discrepancy between its achievements in the field of space research and its continued and abject dependence on foreign suppliers, even for armaments of only moderate levels of sophistication. Nowhere is this more apparent than in the country's guided missile acquisition programme, a programme that has become the cornerstone of military strategy all over the world. When Indian scientists can build a satellite launching vehicle for the Rohini satellite or master the problems of guidance and control of a crippled INSAT, how is it that despite two decades of research and development they have not been able to develop a single missile system for use by the armed forces?

The answer for this is to be found in the fits and starts by which defence research has been conducted in this country, which in turn has resulted from a major failure of long-term planning for defence. This has led our defence planners to hunt perpetually for quick answers to immediate and specific threats. A typical example is the way in which the Defence Research and Development Organisation's programme to develop anti-tank missiles, taken up in 1961, was aborted after eight years of intense effort.

The DRO embarks on a mission to develop anti-tank missiles in 1961; by 1969 over a thousand such missiles had been developed and tested. But in 1969, the Army said that it wanted missiles with about twice the range and twice the warhead weight as the ones developed by the DRDO. Hence a collaboration agreement was signed between the newly established Bharat Dynamics and Aerospatiale of France for the indigenous manufacture of SS 11 anti-tank missiles. The SS 11 is a larger and an entirely different class of weapon as compared to the DRDO's anti-tank missile, a fact overlooked by the Public Accounts Committee in its criticism of DRDO in 1982, twelve years after the anti-tank missile project was abruptly terminated.

PAC's Criticism

The PAC bemoaned the fact that the kill probability of DRDO's missile was only 60 per cent, as compared to SS 11's 80 per cent, ignoring that it had taken twenty years of expensive development in France to attain this grade of performance. Had the PAC been a bit more thorough in its homework, it would have found out that a 60 per cent kill probability in the late sixties for a missile of the type developed by the DRDO was not at all unsatisfactory or cost- ineffective. (The British Mosquito missile that was then being offered to India was costlier and had a kill probability of 54 per cent).

Now, after ten years of collaboration with Aerospatiale, Bharat Dynamics is planning to enter into another collaboration agreement for the manufacture of the second generation Milan anti-tank missile. This is unfortunate, to say the least, for it would bypass the indigenous R&D capability that has been built up for this class of missile.

In 1970, the anti-tank missile programme at DRDO was wound up; there was no thought given to the possibility of producing these indigenously developed missiles at least for training purposes. Instead, DRDO was asked to begin work on a surface to air missile (SAM). Seven years later, DRDO succeeded in developing the SAM with the required range and warhead weight. But before this could be put into production, in 1977/78 the Air Force decided that medium range air defence was not a priority for this country; what was needed, the Air Force said, was a smaller missile with a range and warhead weight about half of the SAM developed by the DRDO. The SAM programme was therefore cancelled and all the work abandoned, as was done earlier in the case of the anti-tank missile. The recent acquisition of F-16s by Pakistan however has made the Air Force change its mind. But it is hardly in a position to get the SAMs developed indigenously, since the SAM project of DRDO was terminated three years ago and key people dispersed.

The same tendency to look for quick solutions often leads our scientists and publicists with the opposite error of grossly overestimating the potential military value of some of their scientific achievements.

SLV-3 As Missile

It is now widely assumed that the SLV-3 launch vehicle can be used

as an IRBM with a range of 1500 kms and with a capability to carry a warhead in place of the fourth stage and the Rohini satellite. All that needs to be done, Space Department officials have been quoted as saying, is the provision of special heat shields to protect the warhead during re-entry into the atmosphere. This is because the re-entry will heat up the payload to over 2600 degrees centigrade but the fibre glass honeycomb heat shield used in the SLV-3 can withstand a temperature of only 650 degrees centigrade.

If it will be recalled, the SLV-3 launch was not entirely successful. The satellite was placed in an orbit lower than that planned. This was mainly because of the failure to achieve the burn-out velocity (needed to escape from the earth's atmosphere) with the required precision and because of an orientation misalignment of about one degree. The SLV-3 as launched had a measured error in burn-out velocity of about 3 per cent. The range of a missile is proportional to the square of its velocity. Hence, if the SLV-3 is used as an IRBM now it will have an error of about 135 kms on a range of 1500 kms (an error of 9 per cent, compared to the international standards of 0.05 per cent and below).

The error arises because of some inherent characterisations of the SLV-3 specifically on account of the use of solid propellants in all stages. Perfect chemical consistency of the solid fuel mixture is difficult to achieve and the burning rate of the solid fuel is not controllable precisely. Neither can thrust be precisely cut off. Errors are thus inevitable in the prediction and control of stage propulsion performance, such as thrust and specific impulse in solid propellant motors like the ones used in the SLV-3. The actual rocket motor impulse (thrust multiplied by time) delivered in flight is thus different from the required value. If the SLV-3 has to be used as a missile, it should be done after precisely controlling for errors in the performance of the propulsion system. This may be possible only through the use of liquid propellants (at least in the upper stages). Even the PSLV, the most advanced version of the SLV-3 scheduled for 1986-87 will use solid propellants for the upper stages.

R & D Projects

This, in brief, is the sad story of efforts to develop missiles indigenously. One thing stands out clearly — we just do not know how to match our responses to rapidly changing threat situations with the ready availability of advanced weapons systems from abroad and the dynamics of indigenous development programmes. The country at some specific point of time is confronted with threat A; in response to this the user (the armed forces) lays down a certain set of performance specifications for weapons systems to be developed and manufactured in the country. The indigenous R & D machinery swings into action but in the meantime, a new threat B arises. Does this invalidate threat A? Does it mean that planning is required only for threat B? Does it mean that a R & D project is halted in its penultimate stage without entering the manufacturing stage and without an opportunity being offered to local scientists and engineers to obtain operational feedback on the performance of systems they have designed so that flaws can be removed (if the anti-tank missile project of DRDO had been extended by a year or so in 1969, the kill probability of the missile could have been increased further, for the diagnosis for its not achieving the anticipated levels of kill probability on a sustained basis had been completed and measures to improve reliability through the use of temperature-insensitive propellants had been identified)?

If performance specifications are changed at the very end of a development programme, does it mean that a system designed on the basis of original specifications is a failure and should be discarded. And when the programme is forced to come to a halt, should there not be any mechanism to ensure that the capability developed during the programme life cycle is kept up to date? And should there not be any continuity in R & D projects and gradual upgradation of technological capability instead of quantum leaps? — the anti-tank missile project was worth about Rs. 1 crore, while the SAM project was a Rs. 50 crore programme!

[1 Oct 82 p 8]

[Text] THE first part of this article discussed indigenous efforts to develop anti-tank and surface to air missiles. Although these efforts have not resulted in the deployment of any missile system, a strong infrastructure in many areas vital for the development of any type and class of guided missile system like propulsion, guidance and control and warhead design has been established.

As far as propulsion is concerned there are two alternatives — solid and liquid propellants. Most of the world's short-range missiles use solid propellants, while in the IRBM and ICBM range, the trend is towards the use of liquid propellants. For missiles of ranges between these two, there is almost an equal distribution of solid and liquid propellants, although a trend toward the latter can be discerned over the past few years. But there are differences between countries — even at long-ranges the US believes in the use of solid propellants, while the USSR has concentrated on liquid propellants.

Solid propulsion technology is well advanced in this country and the Vikram Sarabhai Space Centre (VSSC) at Trivandrum has over a decade's worth of research, development and flight testing experience. There should be no problem as far as solid propellants are concerned, except that greater attention has to be paid to the storage aspect. As part of a military programme, solid propellants need to be smoke-free and have a long shelf life of ten to fifteen years; the propellants developed by the VSSC do not as yet have these properties.

Liquid Propulsion

The country has considerable experience with liquid propulsion also. The Defence Research & Development Organisation has flight tested medium thrust liquid propellant engines (30 tonnes) while the VSSC has a licence collaboration for developing a 60 tonne engine. These engines use a liquid propellant combination of nitric acid and unsymmetrical dimethyl hydrazine (UDMH). The VSSC-French process for manufacturing UDMH has now been licensed to IDPL for commercial-scale production; this should help overcome the main hurdle to the development of this process for while it is less carcinogenic and polluting than the process developed at DRDO, it has so far successfully manufactured only batches of a few kilogrammes while the requirement is in tonnes.

Warheads do not pose a formidable problem, at least as far as non-nuclear devices are concerned. However, the country has a long way to go before it acquires the capability to manufacture nuclear warheads. The main constraint here is that India has yet to master miniaturisation technology, and will face difficulties in devising an efficient fusing system (which is now

almost totally electronic and chip-based).

One common misconception regarding the scope of a weapon's destructive power needs to be dispelled here. The area of lethality of a weapon is not proportional to its explosive yield, for a part of the blast is dissipated vertically. This implies that if yield increases eight times, the lethality increases four-fold. The same effect can be had by just doubling the accuracy. There is thus a trade-off between yield and accuracy and an increase in the latter can give one the same result at a lower cost. This is why it is imperative to pour money into electronics for defence.

Basic Expertise

Neither the power supply for the missile, nor the structural sub-systems, pose much of a problem for Indian engineers for there are a number of research, design and engineering organisation in the public sector and at the various institutes of technology which have basic expertise in this area.

It is guidance and control systems that are likely to pose the biggest challenge to Indian scientists and engineers. These are the only parts of a missile for which extensive flight testing is required. What is more, basic high quality electronic components are still not available. The Indian Space Research Organisation has developed inertial guidance systems but their applicability to strategic missile systems may be limited. For tactical missile systems, various technologies are in use all over the western world. There is a strong capability in India in the areas of radio command and wire guidance systems. However, newer and more reliable technologies like terminal guidance based on active radar and thermal imaging have emerged and the country needs to develop expertise in them if it is not to be left far behind.

In sum, an indigenous capability exists for developing almost all missile sub-systems, but in isolated pockets. What is now needed is horizontal integration among the various organisations and a determination to utilise the scientific capability available in the country in a planned and systematic way.

CSO: 4600/1140

DOCUMENTS OF INDO-BANGLADESH TALKS IN DELHI

Text of Joint Communique

Dacca THE BANGLADESH OBSERVER in English 8, 9 Oct 82

[8 Oct 82 pp 1, 8]

[Text] Bangladesh and India on Thursday pledged to develop friendly and good-neighbourly relations for the interest of their peoples, a joint communique issued simultaneously from Dhaka and New Delhi at the end of Chief Martial Law Administrator Lt. Gen. H.M. Ershad's two-day official visit to India said reports BSS.

The CMLA and Indian Prime Minister Indira Gandhi during their talks resolved that such ties were clearly in the larger interest of the people of the two countries and also of peace and stability in the region.

The two leaders also expressed their conviction that increased cooperation among South Asian nations in a climate of mutual respect and equality should contribute to the welfare of the region, the communique said.

They welcomed the progress made towards this direction and noted with satisfaction that a comprehensive program me for cooperation would be launched by the Foreign Ministers of seven countries in near future.

The communique spoke about the talks two heads of government have had on bilateral issues and held out pledges to settle them through peaceful bilateral negotiations and further develop close relationship.

It called for expansion of Indo- Bangladesh economic cooperation in different fields for their mutual benefit.

Two leaders agreed for interim arrangement of sharing waters at Farakka for 18 months after the expiry of the present short-term accord on November 4, this year and directed the Joint Rivers Commission to ensure that a full and final solution is arrived during this period.

About South Talpatty they agreed that early talks should take place at the level of Secretaries to study the additional information exchanged on the basis of indepth examination of all relevant facts and principles.

The Secretaries should report to their Foreign Ministers for further necessary steps to be taken with a view to an early and peaceful solution of the island issue, the communique said.

The two heads of government briefly reviewed the progress on delimitation of the maritime boundary and reiterated that this should be resolved in a spirit of good neighbourliness.

Both sides reaffirmed to take effective steps to ensure that peace and tranquillity is maintained in their common border and that their respective territories are not used for hostile activities directed against the other.

About the trade deficit against Bangladesh two leaders agreed that their experts should examine long-term agreements for increasing exports from Bangladesh and expand bilateral trade. India has agreed to consider extension of credits to Bangladesh the communique said.

Following is the text of Indo Bangladesh Joint Communique:

1. At the invitation of Her Excellency Mrs. Indira Gandhi Prime Minister of the Republic of India, His Excellency Lieutenant General H.M. Ershad, ndc, psc Chief Martial Law Administrator, Government of the People's Republic of Bangladesh paid a two-day official visit to India from 6-7 October 1982.

2. His Excellency Lieutenant General Ershad during his visit called on the Acting President of India, Sri M. Hidayatullah. They had a warm and friendly exchange of views.

3. The Heads of Government of Bangladesh and India held detailed discussions. Formal talks were also held between the delegations of the two countries. The Chief Martial Law Administrator of Bangladesh, Lt. Gen. H.M. Ershad, was assisted by Mr. A.R. Shams ud-Doha Foreign Minister of Bangladesh Mr. A.Z.M. Obaidullah Khan Minister of Agriculture Maj Gen. K M A Wahed psc, and other senior officials. Prime Minister Mrs. Indira Gandhi was assisted by Shri P.V. Narasimha Rao Minister of External Affairs Shri Pranab Mukerjee Finance Minister Shri Kedar Panday; Minister of Irrigation Shri A. A. Rahim Minister of State in the M/o External Affairs Dr.

P.C. Alexander Principal Secretary to Prime Minister Shri K.S. Bajpai Secretary and other senior officials.

4. Discussions were held in an atmosphere of friendship and great cordiality covering international, regional and bilateral issues. The two Heads of Government felt that the talks had contributed to strengthening mutual understanding and had confirmed their common desire to further consolidate the existing friendly relations between the two countries.

5. The two leaders reviewed the international situation and voiced their concern over the dangerous escalation of international tension endangering world peace and security and the continued deterioration of the global economic climate. They emphasised that peace and stability could only be ensured by strict adherence to the purposes and principles of the United Nations Charter and of the Non-Aligned Movement especially respect for sovereign equality and territorial integrity non-interference in the internal affairs of other countries non-use of force and peaceful settlements of disputes

[9 Oct 82 p 3]

[Text] Following is the remaining part of Indo-Bangladesh Joint Communique (partly published in our Friday's issue).

6. The two leaders noted with particular concern the dangerous deterioration in the situation in West Asia which threatened both regional and global peace and security. They expressed their shock and revulsion at the recent wanton messacre of innocent Palestinians in Labanon and the aggressive actions of Israel against the Palestinian people and the territorial integrity and sovereignty of Arab countries. In condemning the Israeli invasion of Lebanon they called for the immediate and unconditional withdrawal of all Israeli forces from Arab territories. They reiterated their support for the just struggle of the Palestinian people under the leadership of the Palestine Liberation Organisation, the sole and legitimate representative of the Arab people of Palestine. They emphasised that a comprehensive, just and durable solution of the West Asian crisis could only be achieved through the exercise by the Palestinian people of their inalienable rights including the right to a sovereign independent state of their own.

7. The two leaders expressed great concern that the escalation of great power rivalry in the Indian Ocean posed a threat to the peace, security and stability of the region. They reviewed the efforts made by the Non-Aligned Countries to convene the International Conference on the Indian Ocean with a view to implementing the 1971 UN Declaration of the Indian Ocean as a Zone of Peace, which included inter alia a call for progressive reduction and evenual alimination of great power military presence including bases and attendant facilities from the Indian Ocean. They expressed their unhappiness that these efforts had not yet succeeded and called for their intensification so that the security of the states in the Indian Ocean could be strengthened.

8. The two leaders reaffirmed their consistent commitment to the policy of Non-Alignment and stressed the critical role of the Non-Aligned countries in safeguarding peace in the worlds in the struggle of peoples for independence and freedom, and for the alimination of all forms of exploitation and subjugation. They emphasised the determination of their Governments to work for the preservation of the principles of the Non-Aligned Movement as an independent global factor for strengthening the solidarity, unity of action and cooperation of the Non-Aligned countries and for promoting peace and understanding among nations. The two leaders recognising that the convening of the Seventh Summit Conference of Heads of State or Government at New Delhi was of exceptional significance in the present unfavourable development of international political and economic relations resolved to exert their maximum concerted efforts to make it a success.

9. The two leaders expressed their regret at the continued stalemate in North South relations and the deterioration in the climate of multilateral economic cooperation. They expressed the conviction that all efforts should be made to reach an agreement on the early launching of global negotiations consistent with the wishes of the vast majority of developing nations. They also urged that simultaneous efforts should be made to achieve progress in dealing with the problems of the least developed countries and in areas of critical importance to developing countries such as food energy financial flows and trade in the forthcoming meetings of the specialized agencies. The two leaders noted with appreciation the efforts made to foster economic cooperation among developing countries and stressed the need for these countries to agree on a charter of action for collective self reliance which would reduce their vlunerability to pressures emanating from the developed countries.

10. The two Heads of Government expressed their conviction that increased cooperation among the countries of South Asia in a climate of mutual respect and equality should contribute to the welfare of the region The two leaders welcomed the progress that had been made in promoting South Asian regional cooperation and noted with satisfaction that necessary preparatory work was well under way to launch a comprehensive programme for cooperation to be launched by the F. Ms. at their meeting.

11. The two Heads of Government recoginsed that friendly and good-neighbourly relations between Bangladesh and India were clearly in the larger interest of the peoples of the two countries and also of peace and stability in the region. They reaffirmed their commitment to promote the well-being of all their peoples and to raise the quality of their lives.

12. The two leaders discussed the actual experience by the two sides of the working of the 1977 Farakka Agreement which would be coming to its end on November 4th, 1982. They agreed that it had not proved suitable to a satisfactory and durable solution and that with its termination fresh efforts were necessary to arrive

at such a solution. They directed the Joint Rivers Commission to ensure that a full and final agreement is arrived at by effective use of the time gained by the interim arrangements that have been worked out for the 18 months following the ending of the 1977 Agreement as incorporated in the Memorandum of Understanding signed by the two Foreign Ministers on October 7, 1982.

13. The two leaders noted with satisfaction the progress achieved at the recently concluded 22nd meeting of the Indo-Banladesh Joint Rivers Commission and the commitment to reach an agreement on an expeditious determination of the formula for sharing the Teesta Waters. They were confident that the Joint Rivers Commission would be able to finalise the sharing formula and arrive at a mutually acceptable permanent solution of the problem within the stipulated periods.

14. The two sides reaffirmed their commitment to complete as early as possible all steps leading towards the implementation of the 1974 Land Boundary Agreement. They agreed that intensified efforts should be made to speed up the process of demarcating the remaining sectors of the land boundary. They noted with satisfaction that the two Governments had signed the terms of the lease in perpetuity of the Tin Bigha corridor in pursuance of Article 1, para 14 of the land Boundary Agreement. The two Governments agreed to take immediate steps of complete the modalities of implementation of the lease terms including verification and marking of the leased area on the round. The Indian side affirmed that the terms of lease would be implemented as soon as possible even prior to the ratification of the Land Boundary Agreement of 1974.

15. The two leaders noted the discussions that had taken place at the official level in January 1982 on the question of New Moore/South Talpatty Island. They agreed that early talks should take place at the level of Secretaries to study the additional information exchanged on the basis of indepth examination of all relevant facts and principles. The Secretaries should report to their Foreign Ministers for further necessary steps to be taken with a view to an early and peaceful resolution of the problem.

16. The two Heads of Government briefly reviewed the progress made on the delimitation of the Maritime Boundary between the officials of the two countries in December, 1980 and January, 1982. They reiterated that this question should be resolved by mutual agreement in a spirit of understanding and good-neighbourliness and decided that the dialogue should continue at a mutually convenient date.

17. Both sides reaffirmed their resolve to take effective measures to ensure that peace and tranquility is maintained on the border and that their respective territories are not used for hostile activities directed against the other.

18. Both sides re-emphasised the need to stop illegal movement of people across the border and reiterated their determination to stop such illegal movement by all possible means including the strengthening of existing arrangements and mutual cooperation in this regard.

19. The two leaders reviewed the question of the extension of Railway transit facilities for Indian goods through Bangladesh territory. They agreed that modalities for such in-transit railway facilities may be worked out under the auspices of the Joint Economic Commission with a view to expidetious implementation.

20. The two leaders expressed satisfaction over the establishment of the Indo-Bangladesh Joint Economic Commission according to the Agreement signed by their respective Foreign Misisters at New Delhi on 7 October 1982 and decided that the Commission should meet in November 1982 at New Delhi to give necessary directives to the concerned agencies of the two Governments to take decisions required for removing existing bottlenecks, if any, and to identify new areas of mutually beneficial cooperation.

21. The two leaders noted the great potential for enlarged cooperation in the scientific, technological technical agricultural transport small scale rural industries and other fields including establishment of joint ventures. While emphasising the need for expanding Bangladesh's exports to India, they stressed that in the long term the best opportunity for reducing the trade gap between the two countries and for forging closer links of economic cooperation could be provided by joint collaboration between India and Bangladesh for establishing industries in Bangladesh the products of many of which could be exported to India. In this connection, they felt that the feasibility of setting up such projects inter alia as a sponge iron and steel complex manufacture of cement and newsprint, gas-based manufacturing units, carriage manufacturing units, diesel engines for agricultural pumps textiles and sugar mills and a wide range of small scale industries etc, should be urgently explored. They also recognised the immense scope of cooperation between the two countries in the field of railway and other transport infrastructure. They agreed that opportunities should be enlarged and incentives provided to both their private and public sector enterprises to enter into as many of such joint collaborative arrangements as possible. In order to facilitate such projects and for various development programmes India agreed to consider the extension of credits to Bangladesh.

The two leaders directed that concrete steps be taken to further promote bilateral cooperation in these fields and that the tasks and responsibilities entrusted to the Joint Economic Commission should be effectively implemented so that the objective of diversified, durable, and mutually advantageous cooperation between the two countries is furthered.

22. The two leaders recognised the need of further expanding the trade between the two countries and directed that the concerned Secretaries of the two Governments meet urgently to review their existing trade relations. In this connection they agreed that their experts should explore the feasibility of entering into long term arrangements for increasing exports from Bangladesh in respect of such commodities as urea, newsprint, bitumen wet blue leather special textiles etc. In the interests of mutually advantageous trade it was agreed that efforts from both sides would be intensified to reduce the existing imbalance in the trade exchanges between the two countries. In this regard the Indian side also emphasised the need for increased export promotion efforts by Bangladesh.

23. In reviewing the scope of their bilateral relations, the two leaders noted with satisfaction the signing of the

Trade Agreement in 1980 the Tele-communication Agreement in 1981, the Memorandum of Understanding on Technical Cooperation in December 1981 and the protocol for Inland Water Transport and Trade in August 1982.

24. The two leaders emphasizing the ties of geography, history common traditions and culture that bound their two countries reiterated the importance of mutual exchange of visits at the highest levels and recognised that such periodic visits were useful in promoting friendly relations between them.

25. Expressing their satisfaction over the results of the visit of His Excellency Lieutenant General H.M. Ershad to New Delhi the two sides noted that their fruitful and constructive discussions had contributed greatly towards increasing mutual trust and friendship between the two countries

26. The Chief Martial Law Administrator of Bangladesh expressed his sincere gratitude to the Prime Minister, the Government and the People of India for the warm welcome and hospitality extended to him and the members of his delegation during their stay in India.

27. The Chief Martial Law Administrato of Bangladesh extended an invitation to the Prime Minister of India to visit Bangladesh. The invitation was accepted with pleasure

Text of Agreement on Joint Commission

Dacca THE BANGLADESH TIMES in English 9 Oct 82 p 5

[Text] The Government of the Republic of India and the Government of the People's Republic of Bangladesh;

Desirous of strengthening economic, trade, scientific and technical cooperation between the two countries on the basis of equality and mutual benefit;

Having decided that this objective can best be secured by the formation of a Joint Economic Commission at Ministerial level;

Have agreed as follows :-

ARTICLE - I

The Government of the Republic of India and the Government of the People's Republic of Bangladesh hereby constitute a Commission for economic and technical cooperation to be commonly known as the India-Bangladesh Joint Economic Commission (hereinafter referred to as "the Commission").

ARTICLE - II

The tasks of the Commission may include the following :-

In the field of commercial and trade cooperation :

(a) to review matters concerning the commercial relations between the two countries for promoting and expanding these relations;

(b) to recommend measures and activities to develop and diversify the two-way trade between the two countries as well as to remove bottlenecks and reduce imbalances in the trade relations between the two countries, consistent with their international obligations;

(c) to identify areas for closer cooperation and to initiate such studies or investigations as may be necessary for the purpose;

(d) to promote close contacts between the business communities of the two countries through measures which may include, inter-alia, the sending of trade promotion missions and trade delegations.

In the field of scientific technological and industrial cooperation :

(a) to promote possibilities of increased investment consistent with the investment policies of the two countries;

(b) to explore the possibilities of establishment of industrial ventures through Joint Collaboration in Bangladesh and India and in third countries;

(c) to explore possibilities of enhanced cooperation between the financial and industrial institutions of the two countries;

(d) to identify and intensify technical coordination between the two Governments, their agencies and other institutions in the two countries.

(e) to identify common scientific and technological problems and formolate and recommend joint research programme which might lead to application of results in industry, agriculture, health and other fields;

(f) to facilitate sharing of scientific and technological information which may be of benefit to industrial and economic development in the two countries.

In the field of transport and telecommunications :

(a) to review the existing transport and communication links between the two countries and to promote further cooperation in this regard;

(b) to review telecommunication facilities between the two countries and to initiate action for their improvement for mutual benefit.

The Commission may also consider matters arising in the course of the implementation of the agreements between the two countries in force from time to time in fields of economic, commercial, scientific, technological and industrial cooperation or with regard to communications, including those which may be signed hereafter, and make recommendations for the successful fulfilment of those agreements.

The Commission shall also be competent to review other problems that might arise in implementation of this Agreement and other related matters that might be brought up by either party.

ARTICLE III

The Commission may also explore other areas of activities, not specifically identified in Article I of this Agreement.

ARTICLE IV

The Commission shall consist of representatives of the two Governments, with the representation of each Government headed by a Minister of Cabinet rank. The leaders of the two sides will

act as Co-Chairmen of the Commission.

The Commission may appoint subcommittees and other bodies as may be necessary to deal with specific issues or fields of cooperation, to monitor progress of implementation of the Commission's decisions and to make appropriate progress reports or recommendations for the consideration of the Commission.

To facilitate the working of the Commission the Government of the Republic of India designates the Ministry of External Affairs to act as the Secretariat of the Commission in the Government of India and the Government of the People's Republic of Bangladesh designates the External Resources Division of the Ministry of Finance & Planning to act as the Secretariat of the Commission in the Government of Bangladesh.

ARTICLE V

The Commission shall hold its meetings not less than once a year. Meetings of the Commission shall be held in each country alternately. The Commission may invite to such meetings, as may be mutually agreed, the required number of experts and advisers. Special meetings of the Commission may be convened by mutual agreement.

Signed at New Delhi on the seventh day of October, Nineteen Eighty Two, in two originals, in English, each of which is equally authentic.

Text of Lease of Tin Bigha Area

Dacca THE BANGLADESH TIMES in English 9 Oct 82 p 5

[Text] "1. The lease in perpetuity of the aforementioned area shall be for the purpose of connecting Dahagram and Angarpota with Panbari Mouza (P.S. Patgram) of Bangladesh to enable the Bangladesh Government to exercise her sovereignty over Dahagram and Angarpota.

2. Sovereignty over the leased area shall continue to vest in India. The rent for the leased area shall be Bangladesh Tk. 1/- (Bangladesh Taka One) only per annum. Bangladesh shall not, however, be required to pay the said rent and the Government of India hereby waives its right to charge such rent in respect of the leased area.

3. For the purposes stated in para I above Bangladesh shall have undisturbed possession and use of the area leased to her in perpetuity.

4. Bangladesh citizens including police, paramilitary and military personnel along with their arms, ammunition, equipment and supplies shall have the right of free and unfettered movement in the leased area and shall not be required to carry passports or travel documents of any kind. Movement of Bangladesh goods through the leased area shall also be free. There shall be no requirement of payment of customs duty, tax or levy of any kind whatsoever or any transit charges.

5. Indian citizens including police, paramilitary and military personnel along with their arms, ammunition, equipment and supplies shall continue to have the right of free and unfettered movement in the leased area in either direction. Movement of Indian goods across the leased area shall also be free. For the purposes of such passage the existing road running across it shall continue to be used. India may also build a road above and/or below the surface of the leased area in an elevated or subway form for her exclusive use in a manner which will not prejudice free and unfettered movement of Bangladesh citizens and goods as defined in paras 1 and 4 above.

6. The two Governments shall cooperate in placing permanent markers along the perimeters of the leased area and put up fences where necessary.

7. Both India and Bangladesh shall have the right to lay cables, electric lines, water and sewerage pipes etc. over or under the leased area without obstructing free movement of citizens or goods of either country as defined in paras 4 and 5 above.

8. The modalities for implementing the terms of the lease will be entrusted to the respective Deputy Commissioners of Rangpur (Bangladesh) and Cooch Behar (India). In case of differences, they will refer the matter to their respective Governments for resolution.

9. In the event of any Bangladesh/Indian national being involved in an incident in the leased area, constituting an offence in law, he shall be dealt with by the respective law enforcing agency of his own country in accordance with its national laws. In the event of an incident in the leased area involving nationals of both countries, the law enforcing agency on the scene of the incident will take necessary steps to restore law and order. At the same time immediate steps will be taken to get in touch with the law enforcing agency of the other country. In such cases, any Indian national apprehended by a Bangladeshi law enforcing agency shall be handed over forthwith to the Indian side and any Bangladeshi national apprehended by an Indian law enforcing agency shall be handed over forthwith to the Bangladesh side. India will retain residual jursidiction in the leased area."

Memorandum on Ganges Waters

Dacca THE NEW NATION in English 9 Oct 82 p 3

[Text] Following is the text of the Memorandum of Understanding on sharing Ganges waters signed on Thursday in New Delhi.

During the visit of his Excellency Lieutenant General H. M. Ershad, ndc, psc, President of the Council of Ministers Government of the People's Republic of Bangladesh and his meetings with Her Excellency Mrs. Indira Gandhi Prime Minister of the Republic of India, the two leaders discussed the actual experience by the two sides of the working of the 1977 Farakka Agreement, which would becoming to its end on the 4th of November 1982. They agreed that it had not proved suitable for finding a satisfactory and durable solution and that with its termination fresh efforts were necessary to arrive at such a solution.

The two leaders recognised that the basic problem of inadequate flow of waters in the Ganga/Ganges available at Farakka imposed sacrifices on both countries and that it was necessary to arrive at an equitable sharing of the waters avall: able at Farakka.

They further agreed that the long term solution lay in augmenting the flow available at Farakka and to this and directed their experts concerned to expedite studies of the economic and technical feasibility of the schemes which had been proposed by either side in order to settle upon the optimum solution for urgent implementation.

It was decided that the Joint Rivers Commission would complete the pre-feasibility study and decide upon the optimum solution within 18 months of the signing of this Memorandum, at the end of which the two governments would immedately implement the augmentation proposal agreed upon by the Joint Rivers Commussion.

Meanwhile, the two leaders agreed that the releases for sharing the flow available at Farakka for the next two dry seasons, and the joint inspection and monitorning arrangements for this purpose, would be as in Annexure 'A'.

It was further agreed that in the case of exceptionally low flows dnring either of the next two dry seasons, the two governments would hold immediate consulations and decide how to minimise the burned to either country.

It was also agreed that a further and final sharing agreement would be reached immediately after the completion of the pre-feasibility study of augmentation, in the light of the decision on the optimum solution for angmentatin that would be implemented following the pre-feasibility study.

Signed at New Delhi on the Seventh day of October nineteen

hundred and eighty two, in two originals in English, each of which is equally authentic.

1. If the actual availability of waters at Farakka during a 10-day period is higher or lower than the quantum shown in column 2 of the Schedule it shall be shared in the proportion applicable to that period.

2. The Joint Inspection and Monitoring of the above sharing arrangement shall be the responsibility of a Joint Committee consisting of an equal number of representatives of each side. The Joint Committee shall be constituted immediately and shall establish teams to be stationed at Farakka and Hardinge Bridge.

These teams shall record at Farakka the daily flows below Farakka Barrage and in the feeder canal and the flows passing daily at Hardinge Bridge.

The Joint Committee which shall decide its own procedures and method of functioning shall submit the data collected by it and its teams and a yearly report to both Governments.

3. The Joint Committee shall be responsible for implementing the sharing arrangement. Any difficulty arising out of the implementation of the above sharing arrengements and of the operation of the Farakka Barrage shall be examined urgently by this Joint Committee and any ofference or disputes is not resolved by the Committee shall be considered by a Panel of an equal number or representatives of the two Governments to whom the Joint Committee shall refer the difference or dispute. If the differance of dispute remains unresolved by the Panel, shall be referred to the two Governments for urgent discussion.

ANNEXURE A

Sharing of waters at Farakka between the 1st January and the 31st May.

Period		Flows reaching Farakka (based on 75% availability from observed data (1948-73)	Withdrawal by India at Farakka	Release Bangladesh
		Cusecs	Cusecs	Cusecs
January	1—10	98,500	40,000	58,500
	11—20	89,750	38,000	51,750
	21—31	82 500	35,500	47,000
February	1—10	79,250	33,000	46,250
	11—20	74,000	31,250	42,750
	21—28/29	70,000	31,000	39,000
March	1—10	65,250	26,500	38,750
	11—20	63,500	25,500	38,000
	21—31	61,000	25,250	35,750
April	1—10	59,000	24,000	35,000
	11—20	55,500	20,750	34,750
	21—30	55,000	20,500	34,500
May	1—10	56,500	21,500	35,000
	11—20	59,250	24,250	—
	21—31	65,500	26,500	39,000

CSO: 4600/1135

SYMPOSIUM ON PERFORMANCE OF MULTINATIONALS REPORTED

Madras THE HINDU in English 8 Oct 82 p 8

[Article by G. Balachandran]

[Text]

ALTHOUGH there is a vast literature on the operations of multinational corporations (MNCs) in the developing countries, almost all of these relate to the performance of these companies in either Latin America or the Far East. Notwithstanding the fact that the presence of MNCs in India is not insignificant, there are very few studies available today that analyse their operations in some depth.

A recent "New Delhi Symposium on Multinational Corporations", organised by the Indo-Dutch Project on Multinational Corporations and sponsored by the Indian Council of Social Science Research, addressed itself to some of the aspects. Although the symposium was primarily concerned with the operation of Dutch multinationals in India, some of the topics discussed related to the field as a whole.

The rationale for MNCs in developing countries comes from their supposed ability to provide the host countries with new products, technology, capital and management skills. In addition, they are expected to act as lead agents in those places where export promotion plays an important role. In India policy makers are supposed to welcome the presence of MNCs not for their ability to bring in capital, but for their technology and ability to contribute to exports of manufactured goods from India.

Dominance

There is an impression that MNCs play only a marginal role in the Indian economy, in contrast to their dominance in other developing countries. Although the number of subsidiaries — defined as a company in which majority equity is held abroad by one share-holder — has been decreasing during the Seventies (from 188 during 1973-74 to 125 during 1978-79), the number of foreign controlled rupee companies (FCRC), defined as one in which 25 per cent or more of the equity capital is held by a foreign company or its nominee, has remained at well over 400 during the same period. Morever, since there are strict controls on the areas in which these FCRCs may operate, their dominance in selected sectors of Indian industry is quite substantial.

In a paper on the role of foreign firms in India, Dr. Ashok Desai quoted the following figures for the market share of foreign firms in 49 industries, classified into consumer goods, chemicals, engineering and electricals. In these groups, the market share of foreign firms were:

Consumer goods-64.0 per cent, chemicals-27.1, engineering 24.0, and electricals-47.8.

Place in daily life

At a more popular level, the place of MNCs in the daily life of an individual belonging to the upper and middle classes has been described thus by a journalist.

"The moment he gets up in the morning, he takes out his Colgate tooth brush over which he spreads Colgate tooth-paste (both products of Colgate-Palmolive (India) Ltd. (subsidiary of a U.S. company of the same name) for his morning brushing of the teeth ceremony which is preceded or followed by a cup of tea packaged and distributed by Lipton (Unilever-controlled) or Brooke-Bond (a subsidiary of a U.K. company).

The tea would have been made on a stove lighted by a match box manufactured by Swedish owned WIMCO. After this, for his morning shave lotion, he uses Palmolive lather shaving cream and after-shave lotion of the same company. The blade he uses is either Erasmic (of Hindustan Lever, a Unilever associate) made under collaboration or from stainless steel supplied by the foreign collaborator. Proceeding to his bath, he uses Lux or Rexona (Hindustan Lever)

soap. He uses for his hair, Vaseline Hair Tonic (product of Ponds)..

For his breakfast, he takes Britannia bread (a product of Britannia Biscuit Company — a subsidiary of U.K. company), which is washed down with his favoured 'Nescafe" cup of coffee from Nestle's of Switzerland. To go to his factory or office, he dresses himself in a terylene suit or a mixed fabric dress consisting certainly of 'terene' manufactured by Chemicals and Fibres of India Ltd., a subsidiary of ICI.

He has to catch a Leyland Bus or in the alternative Tata-Mercedes Benz fitted with tyres manufactured by Goodyear, Dunlop or Firestone. In the office, he does a good deal of writing with Parker Quink or its variant Chelpark. In the office, he gets his facts and figures, through machines hired from IBM, ICL and he gets his material typed on a Remington typewriter. In the evening when he returns home, he has a cup of Bournvita (Cadbury's product.) He takes his children for a walk and they demand Cadbury's chocolate or Amul chocolate (which is manufactured under a licence from a foreign company).

He smokes cigarettes manufactured by the Indian Tobacco Company (a subsidiary of the British-American Tobacco company). But a friend advises him to take Charminar of Vazir Sultan, which has special links with Indian Tobacco. On important occasions, he goes for a lunch arranged by his friends in one of the India Tobacco Company's Hotels (Chola or Maurya) or to Oberai Sheraton..

At night his wife spreads a table for dinner with cutlery manufactured under foreign collaboration and serves him with poori fried in Dalda of Hindustan Lever.He retires to bed on a Dunlopillo (product of Dunlop) after taking, if he is on the wrong side of 45, Digene of Boots or the alternative Gelusil of Warner Hindustan. If he does not sleep, he takes Valium of Roche.

For his wife he, of course, gets the best cosmetic kit consisting of Ponds cold cream (manfactured by Cheseborough-Ponds Inc.USA) and face powder manufactured by the same firm and lipstick of Max Factor. His wife cooks in "Hawkins" or "Killicks" cookers (manufactured under foreign licence). When he is away, his wife sews some cloth pieces with Singer sewing machine or knits his pull-over or cardigan with Singer knitting machine (although these machines are made by Merrit they are marketed by Singer). When tired or bored she tunes on the radio/TV manufactured by Philips/Murphy/GEC.

For washing, of course, 'Surf' of Hindustan Lever or Rin of the same company is used by her.

While shopping, she does not forget to get 'Bata' shoes and chappals for the husband and children. If she has a headache (she often has it), Roches' Saridon is the answer or if the doctor advises differently Crocin is the substitute".

Given the recent liberalisation of entry of MNCs in India, it would be interesting to know how far the MNCs in India have fulfilled the expectation of the host country. It is also necessary to study at the same time some of the criticisms that have been levelled against the MNCs such as the practice of transfer pricing.

Exports

It is commonly believed that MNCs play a marginal role in the country's exports. Given the fact that the Indian Government has limited the sectors in which MNCs are allowed to enter and also the extent of equity participation, it is only natural that their overall participation rate in exports would be correspondingly limited. It is frequently held that the MNCs play a marginal role "not only in India's total exports, but also in product-wise or industry-wise exports from India in which these companies are operating."

More recently, a study by the Indian Institute of Foreign Trade (IIFT) came to the conclusion that they account foronly two per cent of India's manufactured exports. Another study concluded that generally an inverse relationship exists between the degree of foreign collaboration involvement and export performance.

Indeed, until recently, there has been only one qualified exception to the above studies, a survey by the Indo-German Chamber of Commerce, done in 1973, which found that, at least in the case of Indo-German collaboration, "joint ventures are of advantage for Indian export efforts."

At the New Delhi symposium, however, the two papers which dealt with the export performance of MNCs in India concluded that the role of MNCs in exports from India is far more important than commonly assumed. Mr. Sanjaya Lall and Mr. Sharif Mohammed contended that the empirical studies done so far have not been sound because they have been based on restricted samples. Their attempt to analyse econometrically the influence of foreign ownership on the export performance of 24 industries showed that "foreign presence has a positive and significant effect on export propensities."

Further study in depth

The other paper (by this correspondent) dealt only with engineering exports from India and the conclusions were based on the total exports of all engineering exporters and not on a sample study. This paper too found a positive relationship between the level of foreign collaboration and exports.

In addition it found that during the period 1975-76 to 1978-79, the growth rate in engineering exports was positively related to the degree of foreign collaboration. It would seem, therefore, that the question of MNCs and their export performance from India still remains open and needs to be investigated afresh in depth. Especially since

the results of such studies would have definite policy implications, they need to be done rigorously.

One of the major justifications advanced for the participation of MNCs in the Indian economy is the presumed access to high technology as a result of such participation. In discussing technology in relation to MNCs, it is necessary to distinguish between the technology that is introduced in India as a direct result of the involvement of the MNC and the technology that is a by-product of the MNCs' R & D in India.

Technology level

As far as the level of sophistication of the technology introduced into India by MNCs is concerned, there is really no study which has gone into this area in a systematic manner. Moreover, given the fact that technical payments abroad are strictly controlled, any study of the technology level of MNCs (as also other firms with technical collaboration only) must take into account the regulatory controls imposed by the government on royalty rates, technical fees etc.

There seems to be no study pertaining to collaboration in India which has related the age of technology to the technical payments. However, it would be surprising if any study were to show that the age of technology used by MNCs is more than that of technologies used by domestic firms in similar product lines.

In fact the few studies that exist (not relating to India), show that the age of technology transferred by an MNC to its collaborator progressively increases as the degree of collaboration decreases. Regarding R & D, there is again insufficient evidence to show that MNCs have performed worse than purely Indian firms.

It is true that import substitution played a powerful role in inducing the MNCs to locate R & D units in India. But then this has been the major inducement for R & D in Indian industry, whether MNC or Indian.

R & D intensity

Again, it is true that the R & D intensity (measured by the ratio of R & D expenditure to sales) is much lower in the case of MNCs in India compared with the R & D intensity in the parent organisation. Against this we have the fact that (i) the level of R & D intensity in Indian industry is very small, (ii) there is no positive evidence to suggest that the R & D intensity of MNCs is lower than that of purely Indian firms in comparative product lines, and (iii) according to the Department of Science and Technology, of the 29 companies incurring R & D expenditures of more than Rs. 1 crore each during 1980-81, 11 were public sector companies and 12 were MNCs. Of the remaining six, two had multiple technical collaboration, three were in non-engineering fields and one was in steel making.

It would seem, therefore, that in the private sector, there is a bit of evidence to suggest that R & D intensity and level of collaboration have some positive correlation.

One of the major issues relating to operations of the MNC is their impact on the balance-of-payments front. Generally speaking, past studies of MNCs operating in India have produced results unfavourable to the MNCs on this account. The IIFT study, for instance, concluded that "at an overall level, excluding net equity outflow and purchases of imports from the State Trading Corporation and the open market, the operation of all foreign subsidiaries (in the sample study) have a negative impact on the balance of payments."

Balance of payments

A paper presented at the symposium (analysing only the Dutch MNCs) concluded that "a majority of the Dutch companies, operating in India, had negative balance of payments effects." However, there are some methodological issues which need to be clarified before a definite conclusion can be drawn about the operation of the MNCs.

First, the studies assess the balance-of-payments of MNCs as positive, if, as a group, they produce a surplus of foreign exchange in their external transaction, and negative if their operations lead to a deficit. Operationally, the current effect is defined as the sum of (i) f.o.b. value of exports and (ii) other foreign currency receipts less (i) the c.i.f. value of imports of capital goods, raw materials and stores and (ii) transfer payments abroad i.e. dividends, technical fees, etc.

Such an approach is not always a valid one, especially if the MNC concerned is involved in the production of engineering goods for which domestic inputs are not available. In such cases these imports would be a necessity and it would be wrong to view these as causing a "balance of payments problem." This is especially so if the MNCs supply the domestic requirements of these goods as well. For a proper perspective on this issue, therefore, it is necessary that further studies be done employing the so-called "logic of the alternative situation."

Secondly, given the structure of Indian industry, it is necessary to study the balance-of-payments impact of MNCs vis-a-vis that of purely Indian companies in similar product lines. Unfortunately such studies are not available; but a cursory examination of the data does not suggest that MNC performance is that much worse than that of purely domestic firms.

Transfer pricing

Another issue related to the balance-of-payment impact is the question of "transfer pricing." Although it is recognised that most of the motivating factors which lead MNCs to indulge in transfer pricing exist in India, specific studies have been few.

The Monopolies and Restrictive Trade Practices Commission, for example, found that in 1970-71, Philips India, a Dutch subsidiary, had been exporting at a loss of 20 per cent in some cases and more than 50 per cent in other cases. There is an urgent need for more elaborate studies in this area as they have wide ranging policy implications.

Beyond these, the symposium threw up a number of interesting points as well as areas of further research. For example, it is often held that the MRTP Commission, on account of its dilatory and unhelpful functioning, often hinders further expansion and the setting up of new businesses. Yet, as a paper by Mr. Justice Rajindar Sachar pointed out, during the period June 1, 1970 to December 31, 1980, out of 665 applications under Sections 21, 22 and 23 of the MRTP Act, 601 were disposed of by the Government itself without making any reference to the Commission. Even in those cases where reference was made to the Commission, the approval rate was 74 per cent (of the number of applications.)

Another interesting point was the difference between MNCs of different nationalities. The preliminary evidence indicates that while the German MNCs have performed well on the export front, Japanese MNCs' performance has been clearly below par. There is, in short a need to study the operations of different MNCs along the lines of the Indo-Dutch project on MNCs.

CSO: 4600/1153

LOK DAL-K PLANS MOVE TOWARD OPPOSITION UNITY

Calcutta THE STATESMAN in English 7 Oct 82 p 9

[Text]

NEW DELHI, Oct. 6.—Yet another step to foster Opposition unity was announced when the Lok Dal (K) national executive meeting here today decided to initiate steps at the earliest date by holding talks with the Janata Party, Congress (S), the Democratic Socialist Party and other national and regional parties. A five-man committee was set up for the purpose.

Briefing reporters, the party general secretary, Mr George Fernandes, said the deteriorating political, social and economic situation in the country and various other factors had made it imperative for the Lok Dal (K) to reiterate its views that the creation of a viable, effective alternative is the need of the hour.

The members of the committee are Mr Biju Patnaik (Convener), Mr Kumba Ram Arya, Mr Ram Vilas Paswan, Mr Sharad Yadav and Mr George Fernandes.

Mr Fernandes said the Janata Party programme (1979), its draft economic programme (1978) and the manifesto of the Lok Dal (1980) would form the backdrop to any other discussions for Opposition unity.

He, however, ruled out any talks with the Bharatiya Janata Party because of its involvement with the RSS.

The national executive was presided over by Mr Karpoori Thakur, a former Chief Minister of Bihar. Thirty out of 35 members were present which included presidents and general secretaries of Karnataka, Kerala, Tamil Nadu, West Bengal, Orissa, Maharashtr, Haryana, Punjab, Chandigarh and Madhya Pradesh.

The national executive also passed resolution on the Bihar Press Bill, Meerut riots and the Israeli aggression.

The national executive expressed alarm at the attack mounted on the freedom of the Press and on the persons of the Fourth Estate by the Government of Bihar. It said: "There is now enough evidence to conclude that the Bihar Government would not have dared to launch this witch-hunt without the full backing of the Central Government. This conspiracy to strike at the fundamental freedoms of the people must be defeated, and the national executive is pleased that a nationwide campaign on this issue has been launched."

The national executive was distressed at the communal riots that have rocked the city of Meerut during the past one month, claiming at least 60 lives. It said: "No matter what alibis they may have, no matter what scapegoats they may find the fact is that these terrible riots have once again demonstrated the incompetence and irrelevance of the Congress (I) Governments at the Centre and in the States in dealing with the national problems."

CSO: 4600/1147

ROK AMBASSADOR DISCUSSES INDO-KOREAN TIES

Bombay THE TIMES OF INDIA in English 4 Oct 82 p 9

[Text]

NEW DELHI, October 3 (PTI).

THE ambassador of Republic of Korea, Mr. Chung-Tai Kim, said tonight that a new dimension had been added to the relations between India and Korea in recent times through increased bilateral trade and economic co-operation.

The trade volume between India and the Republic of Korea, he said, touched a new high of Rs. 215 crores in 1980-81 as compared to Rs. 25 crores in 1975-76.

There was greater exchange of businessmen between the two countries today raising hopes of expanding economic co-operation, Mr. Chung-Tai Kim said in a broadcast on the occasion of the national foundation day of his country.

ROLE IN BOMBAY HIGH

It was a matter of pride for his country, the ambassador said, that it had been given a chance to be involved in the construction of platforms in Bombay High, which were to facilitate and strengthen India's self-sufficiency in petroleum.

Korea was also happy to be associated with the colour television project which should bring the joy of viewing the Asiad to the millions of Indian viewers, he added.

Stating that the links between the two countries dated back to almost 2,000 years when the teachings of Lord Buddha reached their land, Mr. Chung-Tai Kim said India's valuable contribution to the founding of the Republic of Korea was firmly noted in the mind of the Koreans.

Pointing out that "from a scratch we built up our country and established it as an industrial nation", the ambassador said the per capita GNP rose from a meagre Rs. 826 in 1962 to Rs. 15,000 in 1981. The industry made rapid strides and today their industrial electronic products find markets throughout the world.

"The buoyancy of our economy further encourages us to set our national targets still higher. We strongly feel that in this task a peaceful reunification of Korea could play a crucial role and ensure prosperity for the entire Korean people," he stressed.

In this context, Mr. Chung-Tai Kim referred to a comprehensive unification formula proposed by President Chun Dwoo-Hwan on January 22 this year including the adoption of a constitution for a unified Korea and hoped that dialogue would be resumed in the Korean peninsula.

Mr. Chung-Tai Kim reaffirmed his country's earnest desire to consolidate its relations with India and also reiterated Republic of Korea's determination to achieve the peaceful reunification of Korea through dialogues and exchanges.

CSO: 4600/1142

BRAHMINS DISCUSS UNITY AT NATIONAL LEVEL

Madras THE HINDU in English 4 Oct 82 p 9

[Text] Palghat, Oct. 3.

Leaders of various Brahmin associations in the southern States, who participated in the fourth annual convention of the Brahmana Sabha, Palghat, today expressed their resolve to unite at the State and Central levels so that they could emerge as a strong political force to "safeguard the interests of the community which has been subjected to unwanton repression taking advantage of its silent and peace-loving nature".

Mr. C. M. Sundaram, Kerala's Local Administration Minister, who inaugurated the conference in the absence of the Chief Minister, said it would neither be possible nor desirable for Brahmins to keep out of politics hereafter. He said the peace-loving Brahmin community had suffered neglect and abuses because of its disunity and apathy to politics.

Mr. Sundaram commended the Brahmana sabha's efforts to rehabilitate destitute women and poor girls by providing them with self-employment opportunities.

Muslim support: Mr. G. S. Haneefa Haji, deputising for the Kerala Deputy Chief Minister, Mr. C. H. Mohammed Koya, who could not attend due to indisposition, wondered why members of this "intelligent community" could not achieve what the Muslim minority had achieved by its unity. While advising Brahmins to be united, Mr. Haneefa Haji assured them of Muslims' support for all their welfare measures.

Mr. V. Raghavan, president, Akhila Kerala Brahmana Sabha, said Brahmin organisations in Kerala had gained political recognition by virtue of their strength and peaceful working. Efforts should be taken to retrieve land and properties of Brahmin institutions "which had been appropriated by others taking advantage of the timidity and trouble-allergy of Brahmins."

Mr. N. Kasiraman, president of the Tamil Nadu Brahmins' Association (TAMBRAS), said Brahmins though living in isolation could emerge as a strong political force if they united under a single banner. They had to suffer humiliation, insults and neglect only because they had remained passive all these years. The association had set up about 3,000 branches in Tamil

Nadu with considerable following which resulted in political parties approaching TAMBRAS for its support during the recent Periyakulam parliamentary by-election.

Condemned: Mr. V. Bhanumurthy, Convener of the All India Brahmins Association, New Delhi, condemned "Brahmin-baiting" in Tamil Nadu by the Dravidian parties and called upon the Chief Minister, Mr. M. G. Ramachandran, to put an end to anti-social forces which whipped up communal disharmony. The Chief Minister should not forget that he was common to all.

CSO: 4600/1143

CORRESPONDENT GIVES DETAILS OF IMF AMENDMENT ACT

Madras THE HINDU in English 4 Oct 82 p 9

[Text] New Delhi, Oct. 3.

An intriguing aspect of the International Monetary Fund and Bank Amendment Bill, 1982, is likely to arouse protests and heated discussion during the winter session of Parliament commencing tomorrow. The Bill deletes the specific reference to the relevant sections of the Indian Income-Tax Act of 1922, present in the existing act, legislated as far back as 1945, while empowering the Government to provide information sought by IMF.

Sub-section 3 under Section 4 of the present Act reads as follows:

"No information obtained under this section shall be furnished to the International Fund in such detail as to disclose the affairs of any person and the provisions of sub-sections (1) and (3) of Section 54 of the Indian Income-Tax Act 1922, shall apply in relation to information obtained under this Section as they apply to the particulars referred to in that Section."

Sounds odd: The wording of the amending Bill which sounds odd, simply says "no information obtained under this Section shall be furnished to the International Fund in such detail as to disclose the affairs of any person."

The "Statement of Objects and Reasons" appended to the Bill explains this by saying, "The present opportunity is being availed of to omit the reference in Section 4 of the Act to the Indian Income-Tax Act 1922, and to amend Section 7 of the Act to bring the rule-laying provision in conformity with the latest formula." It does not explain what the "latest formula" is.

Obligations: The preceding sub-section (1) of Section 1 inscribed under the 1945 Act, which details the powers of the Government to call for information says, "Where under Section 5 of Article VIII of the Fund Agreement, the International Fund requires the Central Government to furnish it with any information, the Central Government, or if generally or specially authorised by the Central Government in this behalf, the Reserve Bank, may, by an order in writing require any person to furnish to such officer or other person as may be specified in the order, such detailed information

as the Central Government or the Reserve Bank, as the case may be, may determine to be essential for the purpose of complying with the request of the International Fund and any person so required shall be bound to furnish such information."

The succeeding sub-section in the existing Act referred to the above specifically mentioned the obligations on those giving such information under the provisions of the Indian Income-Tax which have been deleted in the amending Bill.

Need for amending Bill: An Amending Bill to the 1945 Act has become necessary in view of the amendments in the Articles of Agreement of the IMF, first in 1969, when the Special Drawing Rights scheme was introduced to supplement the reserves of member-countries. India participated in the scheme which came into operation from July 28, 1969, by accepting the modifications in the original Articles of the agreement.

Subsequently, on April 30, 1976, the IMF Board of Governors adopted, by a resolution, modifications, resulting in a second set of amendments to the IMF Articles. The main objectives of these amendments which came into force on April 1, 1978, are: achieving greater flexibility in the exchange rate agreements, reduction in the role of gold and enlargement of the Special Drawing Rights, simplification and modernisation of the IMF's financial operations and transactions, etc.

The amended Fund Agreement now has 31 Articles and 11 Schedules as against 32 Articles and nine Schedules in the old agreement. Nomenclatures of certain Articles have also been changed to provide for the amendments introduced in the IMF agreement and the number of clauses in certain Articles have either been increased or reduced.

Amendment to 1945 Act: The existing provisions in the IMF Act of 1945 which is an enabling Act of the Government to implement the provisions of the IMF Agreement needs modifications to provide for complying with the amended articles of the IMF agreement. The present Bill is to amend the 1945 Act to incorporate in it, references to the new or revised Articles and Schedules as also the changes in the nomenclatures in the amended IMF agreement.

CSO: 4600/1143

DROP IN FOREIGN COLLABORATION ARRANGEMENTS REPORTED

Madras THE HINDU in English 4 Oct 82 p 13

[Text] NEW DELHI, Oct. 3.

Approvals for foreign collaboration with Indian enterprises are declining, according to a study made by the Association of Indian Engineering Industries (AIEI). Most of the recent agreements are in high technology areas.

The number of collaboration arrangements approved by the Government was 389 in 1981 as against 526 in 1980, a decline of 26 per cent.

Of the approvals given in 1981, as many as 67 per cent were for technical collaboration, 18 per cent for the supply of drawings and designs and 14.4 per cent with foreign financial participation in equity and only one by a non-resident Indian.

Of the approvals given by the Government 65.3 per cent were with parties from Western Europe, 22 per cent from the U.S. and seven per cent from Asia (mostly Japan).

Though the U.S. replaced the United Kingdom in the list of collaboration approvals since 1980, the U.K. continues to maintain its first position in terms of the total collaboration agreements since 1957.

British firms shared 23 per cent of the total collaborations accounting for 1552 collaborations. This was followed by the U.S. (19.5 per cent) numbering 1304, West Germany 1182 (18 per cent) and Japan 564 (8.4 per cent).

Of the total 6702 collaborations, foreign tie-ups in the engineering field alone accounted for 78 per cent.

Sectorwise the bulk of the collaboration were in the field of electrical equipment (20 per cent), industrial machinery (11 per cent), machine tools and industrial instruments (seven per cent each), and metallurgical industry (four per cent). These five sectors together accounted for 50 per cent of the collaboration agreements in the engineering industry.

CSO: 4600/1143

NAGA REBELS REPORTED UPSET BY PRC ARMS REFUSAL

New Delhi PATRIOT in English 6 Oct 82 p 4

[Text] Imphal, Oct (PTI)

China's refusal of help to outlawed National Socialist Council of Nagaland (NSCN) coupled with surrender of 20 of its members including some prominent leaders, to authorities since 1 June has cast a 'gloom' on the pro-Chinese extremist set up led by Muivah-Issac Swu, army sources said here today.

NSCN leader Muivah felt that he had been let down by 'his Chinese friends' when he received a letter recently from NSCN chairman Issac Swu now in Kachin area of Burma stating that China had refused help including supply of arms to them because of their own internal problems, the sources said.

Muivah is also 'upset' over the shortage of arms in the camps and desertion of NSCN members including a self-styled Lt Col in the past few weeks, they added.

According to the sources a prominent member of NSCN who surrendered to the authorities recently, stated that 'there are a large number of disillusioned Naga hostiles who are planning to desert the underground organisation and lead a peaceful life'.

The outlaw also confessed that a large number of Naga undergrounds were killed by their colleagues when their plan to escape was detected and two extremists were also shot dead before him recently.

"Now, a wide gap exists between officers and members of the organisation as a result of internal clash and acute shortage of food in the camp," sources added.

CSO: 4600/1146

AKALI DAL LEADER ISSUES STATEMENT ON SIKHS

Madras THE HINDU in English 12 Oct 82 p 9

[Text] New Delhi, Oct. 11.

The Akali Dal President, Sant Harchand Singh Longowal, today denied that Sikhs had secessionist designs but reaffirmed his party's stand that the Centre's powers should be confined to four subjects and that the States should be given all residuary authority.

In a strongly-worded statement, released here on his behalf, Sant Longowal said the Sikh problem could be solved in a minute if New Delhi realised "what is India without Sikhs?" just as they realised "what are Sikhs without India?"

Basing his argument on the assumption that the religious freedom of the Sikhs could not be ensured without greater autonomy to the States, he said the "rulers of New Delhi are sadly mistaken if they think that the Sikhs can be denied religious liberty and equality by being dubbed as separatists and extremists".

Rejecting the plea of the Union Home Minister, Mr. P. C. Sethi, for calling off the agitation to pave the way for fresh dialogue, he said: "We have explained our case fully to the Prime Minister. There is no need for re-hearing. We feel that the judgment has been reserved. Let her pronounce the judgment. If we find that due justice has been done we would promptly respond to friendly calls but if nothing comes out to our satisfaction, we will have no alternative to continuing our grim battle for the realisation of our goal". Since, according to him, there was no indication of a positive response from New Delhi, his party abandoned the course of negotiations.

"Forgotten": He regretted that promises made to the Sikhs during the freedom struggle were forgotten and said: "We have been treacherously ignored by Congress bosses. It has become difficult for us to go on trusting these very leaders who had been exploiting us all these years".

Their concept of autonomy for the States, he said, was enshrined in the Anandpur Sahib resolution, adopted on October 16, 1973. As he explained,

the resolution would have the Centre's authority restricted to defence, currency, communications and foreign relations and other powers devolved to the States in the interest of development.

Of the four parts of the resolution, the first related to religious independence, the second to political aspects (federal structure), the third to economic affairs and the fourth to the working classes and their cultural aspirations.

The resolution did not indicate secessionist trends, he said. He justified the claim that the Sikhs were a separate "nation" but said that they had the same "nationality" as other Indians.

CSO: 4600/1158a

INDIA FOR TALKS WITH NEPAL ON RIVER DAMS

Bombay THE TIMES OF INDIA in English 12 Oct 82 p 9

[Text] New Delhi, October 11.

The irrigation minister, Mr. Kedar Pandey, told the Lok Sabha today that India wanted a meeting at a high political level with Nepal for expediting the construction of dams on common rivers, namely the Kosi, the Kamala and the Bagmati.

The minister said the three projects were discussed at an official-level meeting held in New Delhi in February. It was then decided that further discussion on the projects would be held at the next meeting. But in spite of repeated reminders to the Nepalese government, no date for the second meeting had been fixed.

Mr. Pandey said since the projects were beneficial for both countries, a discussion at the political level would help their early implementation.

Replying to a question, Mr. Pandey said an updated feasibility report for the proposed multipurpose project on the Kosi at Barahkshetra was sent to the Nepalese government in August, 1981. During the discussion at the February meeting, the Nepalese delegation had indicated that the feasibility report was under study.

The proposal for building a multipurpose dam on the Bagmati was made by the Nepalese government, while the one on the Kamala was made by the Bihar government. These proposals were also discussed at the February meeting.

According to the feasibility report for the Kosi dam, its maximum height would be 269 metres and gross storage capacity of the reservoir would be 10.9 million acre feet. The command area would serve 5.46 lakh hectares in Nepal and 9.76 lakh hectares in India.

In the power sector, the installed capacity of the dam power house would be 3000 MW and of the canal power house 300 MW. The cost of the entire project would be Rs. 4,074 crores.

Mr. Bhogendra Jha (CPI) said the delay in the implementation of the Kosi project was not due to obstruction from the Nepalese side but due to the opinion held by the government that there was no market for the big chunk of power the project was expected to produce.

CSO: 4600/1157

EXPERT STRESSES NEED FOR 'BOLD' FUNDING OF RESEARCH

Calcutta THE STATESMAN in English 1 Oct 82 p 13

[Text] BANGALORE, Sept. 30.—Professor C. N. R. Rao yesterday warned that the growth of science in the country would be irreparably affected if bold choices were not made now on administering and funding scientific research. This warning came from the professor at a function organized by the Deccan section of the Royal Society of Chemistry (London) at the Indian Institute of Science to felicitate him for receiving the prestigious medal of the British Chemical Society.

Professor Rao who is chairman of the Solid State and Structural Chemistry unit of the Indian Institute of Science, was in Edinburgh last week to receive the medal.

Stating that scientific research in India was at the crossroads, he said the number of bright young scientists in many fields of science had not increased, despite the heavy inputs into science and technology.

The situation, the professor pointed out, caused concern, particularly when one looked into the future when the country may no longer be able to continue to build large scientific institutions or support scientific research in the manner it had done in the past. Professor Rao, who was recently elected Fellow of the Royal Society of London, said there was tremendous disparity in the funding of scintific institutions.

The successive Five-Year-Plan outlays revealed that big scientific institutions continued to become bigger but the scientific effort in the education sector continued to get poor, funds although some of the best scientific research was being done in this sector.

While some of the scientists in the academic departments might get better research funding today than before, it was below par by any standard, he said. Funding of even better institutions, such as the Indian Institute of Science, was so poor that individuals, or the institution itself, could hardly forge plans for work based on institutional funding, he added.

Referring to the new areas of research which often gave rise to technological revolutions, Professor Rao said the funding agencies had to respond to the challenge of helping the growth of talent in areas such as genetic engineering. "We cannot possibly wait for help from outside to develop our research capabilities in emerging areas. Just as it is essential for us to make a judicious choice of what technologies to develop and what to buy from outside, in scientific research we have to make the right decision on which areas we can and should support, and to what extent. This is often difficult, and even enlightened funding agencies do not go through this exercise" he said.

The professor, who is a member of the Science Advisory Committee of the Union Cabinet, mentioned that it was extremely difficult for scientists in India to find proper support to participate even in good international meetings, without going through "indignities". Exposure to research work being carried out in the outside world was essential and funding for it had to be made part of the support for scientific research.

CSO: 4600/1141

HINDUSTAN AERONAUTICS DEMONSTRATES TRAINER PLANE

Madras THE HINDU in English 12 Oct 82 p 7

[Text] Bangalore, Oct. 11.

Hindustan Aeronautics today conducted the inaugural flight of a prototype of its Ajeet trainer aircraft to demonstrate its capability to design and develop sophisticated technology aircraft. Wg. Cdr. M. W. Tilak, HAL's chief test pilot, demonstrated the capabilities of the aircraft.

The Karnataka Chief Minister, Mr. R. Gundu Rao, was the chief guest; the invitees included Dr. V. M. Ghatege, former chief designer and former director of HAL and Mr. Dharam Singh, Minister for Urban Development and Housing.

The Ajeet MK-1 is a two-seat, low profile transonic trainer aircraft designed for dual and solo instructional flying, operational flying in air-to-ground and air-to-air armament training and practice in instrument and night flying. The aircraft is powered by an Orpheus turbojet engine, developing 4500 lbs. static thrust. The engine has been manufactured by HAL.

Besides two 30 mm. Aden guns, various types of armament loads like bombs and rockets can be carried under the wing. The aircraft has a maximum speed of over 1,000 km. an hour and can climb an altitude of 30,000 feet in five minutes. It compares well with the British Aerospace's Hawk and other modern aircraft.

Mr. Gundu Rao described HAL as the pride of the country. He stressed the need for the country to keep abreast of developments in technology.

Wing Commander Tilak gave a commentary of the inaugural flight from the air. Everything was fine, he said on emerging out of the aircraft. The Chairman of HAL, Mr. B. K. Kapur, received the Chief Minister and other invitees.

HAL in a press release said the public sector company had completed the design and development of HPT-32 piston engined trainer, a prototype of which won the second place in the recent air race held in Delhi, and an MK II

version of the Kiran aircraft (which has been developed with the same power plant that has been used on the Ajeet trainer).

HAL has so far designed and developed a number of aircraft like the HT-2 piston engined trainer, the Pushpak flying club trainer, the Krishak air observation aircraft, the Marut twin which was about to be flight-tested.

Further HAL had successfully integrated a next generation inertial navigation and sea weapon delivery system for the Jaguar Aircraft jet fighter bomber, the Marut twin jet trainer, the Basant agricultural aircraft, the Kiran MK-1 jet trainer and the Ajeet ground attack fighter.

HAL had also drawn up a perspective plan for the next 10 to 15 years for the design and development of a number of aircraft, engine avionics and associated accessories. The plan envisaged the design and development of a light combat aircraft, light transport aircraft, agile helicopter, engine for cruise missile, turboprop engine primary trainer and advanced jet operational trainer. If approved by the Government, the programme could provide indigenously designed and developed products on a continuous basis.

HAL undertook the Ajeet trainer aircraft project at the instance of the Air Force which has placed orders for 12 of them. The Navy is also likely to place orders for them. The second prototype would be ready early next year, a spokesman said.

CSO: 4600/1158a

PANELS FORMED TO PREPARE FOR NONALIGNED SUMMIT

New Delhi PATRIOT in English 9 Oct 82 p 1

[Text] THE Government has constituted three main committees to coordinate the preparatory work for the Seventh Nonaligned Summit being held in Delhi in March, report agencies.

Foreign Secretary M K Rasgotra will head the Political Committee and Secretary Romesh Bhandari will look after the work of the Economic Committee.

Mr H Y Sharda Prasad, Information Adviser to the Prime Minister, will coordinate publicity of the summit and will be assisted by Mr K S Bajpai, another Secretary in the External Affairs Ministry, and Mr Mani Shankar Aiyar, joint secretary in charge of the External Publicity Division.

Mr K Natwar Singh, also a Secretary, who has been appointed Secretary-General for the summit, will make all the logistical arrangements for the conference.

Dr J S Teja, additional secretary, who heads the UN Division, will be the nodal point for the summit.

The Government is soon setting up a number of working groups to look after the various activities connected with the summit.

The External Affairs Ministry will also depute several senior officers to visit some nonaligned countries to elicit their views on the subjects to be discussed at the summit.

While the Ministry has started work in right earnest, other ministries will get into action after the Asian Games are over

Preparations have been initiated on an urgent basis and detailed estimates covering various items of work are being drawn up. Normally three years are required to prepare for a summit of this size which will be attended by heads of Government and delegations from nearly 100 countries

CSO: 4600/1156

CPI EXECUTIVE MEETING REVIEWS FOOD SITUATION

New Delhi PATRIOT in English 9 Oct 82 pp 1, 7

[Text] THE CPI has demanded immediate state monopoly purchase of foodgrains to stave off manmade famine in coming months as private hoarding will inevitably make the situation grim at a time of acute shortages caused by floods and drought in different parts of the country.

The central executive committee of the CPI reviewed the food situation at a three-day meeting in New Delhi which concluded on Friday and warned that because of extensive drought and floods, "the country is going to face a most difficult food situation the like of which it did not face in recent times".

The executive put forth a nine-point charter of demands which includes increase in procurement prices for paddy and guarantee of remunerative prices for cotton, jute, sugarcane, oilseeds and potatoes.

An executive resolution on the subject said the CPI would approach other parties and mass organisations for cooperation in launching a campaign to force the government to accept these demands. Briefing newsmen, party general secretary C Rajeswara Rao said that all parties supporting monopoly state purchase of foodgrains could join the campaign.

Asked whether the BJP would be included in the campaign, he said: "You know it has opposed state monopoly purchase scheme ..." To a question whether the Congress-I would be allowed to join the programme, he replied, "The Congress-I also...," "we have no objection to its participation for a good cause but we know that it cannot agree to monopoly purchase."

He explained that first the six Left and democratic parties would be approached together with various mass organisations for joining the campaign. He however made it clear that the CPI would cooperate only with those which support the monopoly purchase scheme.

Referring to the food situation, Mr Rao said that according to his party's estimates, the kharif crop would be 20 million tonnes less than last year, while the rabi prospects were also uncertain.

Mr Rao charged that the government was underplaying the danger and not telling the truth. The Government's claim that the food situation was under control with 15 million tonnes in store and import of 2.5 million tonnes was untenable.

The traders, visualising the coming crunch, were already cornering foodgrains. The procurement price of Rs 122 for rice announced by the

Government was not enough and provided only very little margin to the producers. The CPI, therefore, asked for Rs 140 as procurement price and fixation of such price for other cereals accordingly.

The executive also discussed at length the communal situation in the context of the Meerut riots and noted that the BJP-RSS on the one hand and the Jamat-e-Islami on the other were responsible for causing the riots. A resolution on the subject said that whenever communal riots break out in a place, sections of the local Congress-I get communally divided and join hands with either the Hindu communalists or the Muslim communalists. This happened in Meerut also with two Congress-I MLAs taking different sides and adopting a communal position." In such situation, "the Congress-I as an organisation gets paralysed and incapable of fighting the communal forces", it said.

The party has demanded that the PAC of UP and BMP of Bihar should not be used in communal riots and these forces must be reorganised to include Muslims, scheduled castes and RSS drills in public places and communal propaganda, ban on RSS drills in public places and posting of composite police force and district administration in communally volatile areas.

The executive took note of the fact that the Meerut communal riot took place at a time when united mass actions of the toiling people were taking place all over the country. It held that the vested interests were trying to disrupt these mass movements by organising communal riots.

The executive also reviewed the mass actions against the Bihar Press Bill and decided to continue the agitation in cooperation with other parties and organisations. It had earlier reviewed the peace march and hailed its great success.

CSO: 4600/1156

ADDITIONS TO IAF FLEET INCREASE CAPABILITY

Calcutta THE STATESMAN in English 8 Oct 82 p 16

[Text] THE capabilities of the Indian Air Force have increased substantially in the 1980s with the introduction of three sophisticated aircraft— MIG-25, MIG-23 and the Jaguar. These have not only enhanced the strike power of the Air Force but have also brought about an improvement in aviation and armament technology.

The most prestigious addition to the fleet is no doubt the elusive MIG-25 reconnaissance aircraft, known as Foxbat in North Atlantic Treaty Organization countries. Reputed to be the highest flying and the fastest flying aircraft in the world, it can attain a speed of Mach 3.2, more than three times the speed of sound. The current record of height attained was set by a Soviet pilot who, in August 1977, soared to 37,650 metres in an MIG-25.

MIG-25 R, the basic reconnaissance version of the aircraft which India has acquired will no doubt increase the observation power of the Air Force. Four such aircraft had been deployed by the Soviet Union in Egypt in 1971. Between 1971 and 1972 these aircraft carried out at least four survey missions to the Israeli coastline and the Israeli-occupied Sinai peninsula. The Israeli AirForce despatched Phantom interceptors, but these failed to make contact with the MIGs. The Western world had the first opportunity to examine the aircraft when a Soviet pilot defected and flew to Japan in an MIG-25 in September 1976

DEEP PENETRATION

Two other important additions have been the Jaguar and MIG-23, both of which are suited for deep penetration, interdiction and tactical air support operations. These are expected to supplement the MIG-21, still the backbone of the Indian Air Force, and basically an interceptor.

The typical weapon load of a Jaguar includes in addition to guns, rockets and bombs, Martel anti-radar missiles, Magic Matra missiles and anti-shipping weapons such as Harpoon and Exocet missiles. The total weapon-carrying capacity of the aircraft is more than 4,750 kg. Its internal fuel-carrying capacity of 4,200 litres gives it sufficient capability to remain airborne and maintain an attack radius of 760 nautical miles with external fuel tanks.

MIG-23 BN, codenamed Flogger-F in NATO countries, is the export version of MIG-27, though it contains some features of MIG-23 MF, the primary tactical interceptor of the Soviet Air Force. Suited for interdiction and ground attack, it is well-known for its "swing wing" property and carries an impressive weapon-load. The movable wing enables the aircraft to take off from and land on short stretches. Its internal fuel capacity is substantially more than that of MIG-21 and it carries on board the Atoll air-to-air missiles, though MIG-23 MF is equipped with Kerry radio-guided air-to-surface missiles.

No less spectacular is the sophisticated missile system that these aircraft have ushered in. They have brought with them the air-to-surface missiles whereas MIG-21 has on board air-to-air missiles only. The Martel AS 37 anti-radar missile on board the Jaguar is passive radar homing. There is a receiver antenna on board the missile which locks on to electromagnetic radiation and generates guidance signals to the auto-pilots to direct the missiles on to the target. The Jaguar can also be fitted with the Matra Magic R 550 missile designed for close combat. It can operate in a range of between half a mile and six miles. The guidance is provided by an infra-red homing device. The Atoll air-to-air missiles on board the MIG-21 also depend on an infra-red homing device.

Indigenous production and repair facilities of the aircraft in service are important for an effective air force. Hindusthan Aeronautics is producing MIG-21 and the Atoll missile for a number of years. The Jaguar is being assembled in India. Similar assembly of MIG-23 is expected to start in 1983.

Even these aircraft would, however, look outdated when Mirage 2000, which is being developed as an interceptor and air-superiority fighter in the French Air Force, will reach India. The aircraft, it is promised, will be equally suitable for close support, low-altitude attack and reconnaissance.

The delta-wing of Mirage 2000, as district from the usual swept wing, will offer the aircraft a tight turning capability and a high service ceiling, but also involve a higher landing speed. The aircraft's weapon-carrying capacity is an impressive 6,000 kg, which may include Matra Super 530, Matra Magic 550 or AS 30 Laser air-to-surface missiles. Its speed is more than Mach 2.2 and it has an internal fuel capacity of 3,800 litres.

Matra Super 530 is an interception missile, with either a semi-active radar homing or an infra-red guidance system. The infra-red version can lock on to the enemy aircraft from any direction, relying upon heat trail from either the jet engine or the sports subject to aerodynamic heating during flight. The semi-active radar homing device is for use with a target-illuminating radar. AS 30, which homes on to a laser marked target, is designed for pinpoint attacks.

The capability of the Mirage 2000, is comparable perhaps only to the F-16 Fighting Falcon, which Pakistan may soon acquire from the U.S. Air Force. The strongest point of F-16 is its weapon-carrying capacity the maximum being 9,276 kg. It has on board the T.V.-guided Maverick missile in addition to infra-red and radar-guided missiles. Maverick has a miniature TV-homing system on board. The pilot sees the picture transmitted from the missile seeker, slews the seeker to the target, locks the T.V. tracker on the target and releases the missile. The missile homes on automatically.

CSO: 4600/1152

HOME MINISTER QUESTIONED ON MEERUT EVENTS

Bombay THE TIMES OF INDIA in English 6 Oct 82 p 9

[Text] NEW DELHI, October 5: The finance ministry would be urged to again examine the issue of flow of foreign funds for political purposes, the home minister, Mr. P. C. Sethi, told the Rajya Sabha today in reply to a calling-attention motion on the Meerut riots.

Referring some members' complaint about foreign funds, Mr. Sethi said the finance ministry was trying to control their flow but when such money came in the garb of charity, the task was rendered difficult.

He assured the house that the U.P. government would institute an inquiry into the communal riots in Meerut and the conduct of the Provincial Armed Constabulary (PAC), about which several members complained during the debate.

He said it was not possible to deploy the central forces extensively and the Centre had already deployed 19 companies of CRP and five of BSF in more sensitive parts of the riot-affected areas.

He said he would visit Meerut again and a delegation of the members of the Lok Sabha belonging to different parties was also expected to tour the affected areas. When the opposition members said the members of th eRajya Sabha should also be included in this team, he said a separate peace mission of the elders could visit Meerut later.

The home minister denied the charge that the ruling party was in league with communal parties. His party, he said, was committed to secularism and had always fought the forces of communalism in the country.

Mr. Sethi told the members that all steps were being taken in Meerut to curb communal activities. Searches for illicit arms were continuing and the district administration had been advised to set up peace committees in different localities.

He admitted that rumour-mongering created problems and some local newspapers were carrying inflammatory reports. The Centre had asked the state to take action against such newspapers.

Initiating the debate, Mr. G. C. Bhattacharya (DSP) said the "air of fundamentalism" sweeping the city and the people, irrespective of party affiliations, were divided on communal lines. This was dangerous for the country. He complained that potential miscreants were still at large.

Mr. Ladli Mohan Nigam (LD-S) said the weapons used in the riots were brought from outside. He alleged that the situation had gone out of hand because of government indifference.

Mr. Satpal Malik (LD-C) alleged that the PAC had behaved in a partisan manner and the newspapers had a big hand in the riots.

Mr. P. Ramamurti (CPM) regretted that even after 35 years of independence, the government had not been able to inculcate secularism in the minds of the people.

Mr. A. G. Kulkarni (Cong-S) held the Uttar Pradesh Congress (I) government responsible for its failure to control the situation.

He also wanted to know why a Congress (I) MLA had invited the Imam of Jama Masjid to visit Meerut and instigate the people.

Mr. Indradeep Sinha (CPI) said the riots were organised by select bands and abetted by the police forces, particularly the PAC which is infected with communalism. He demanded its replacement by CRP and BSF, as it had a black record in similar incidents in Agra, Pant Nagar and Moradabad.

Syed Ahmed Hashmi (Janwadi) also criticised the behaviour of the PAC and wondered why it was deployed when a decision had been taken after Moradabad against its use. He warned that a serious situation would arise in Uttar Pradesh and Delhi if remedial measures were not taken immediately.

Mr. J. P. Mathur (BJP) wanted an inquiry into the role of Shahi Imam Abdullah Bukhari who had allegedly instigated the Muslims to break the agreement with the Hindus over the place of worship.

Mr. P. N. Sukul (Congress-I) denied the opposition charge that the PAC was responsible for creating the communal tension. This central force was deployed only after the riots had flared up.

CSO: 4600/1144

FALL IN FOREIGN EXCHANGE RESERVES REPORTED CHECKED

Calcutta THE STATESMAN in English 6 Oct 82 p 1

[Text] NEW DELHI, Oct. 5.—The rate of the fall in foreign exchange reserves has shown an appreciable decline in the current financial year. Until the middle of September, they had dropped by only Rs 789.58 crores compared to Rs 1,093.29 crores in the same peirod last year.

The decline has thus come down to an average of just around Rs 120 crores a month compared to nearly Rs 180 crores last year. The reasons are not yet clear since trade and other balance of payments figures are not available on this period.

But foreign exchange earnings on account of "invisioles" non-export receipts, including remittanees from Indians living and working abroad—had not shown the expected fall in the first quarter of the year. It is possible that these are rising

According to Reserve Bank estimates in April-June, 1982, these earnings amounted to Rs 1,114.52 crores compared with Rs 1,067.36 crores, a small increase that could have been maintained and helped shore up foreign exchange reserves.

Figures for trade are not available for the current year, but it is expected that payments on account of crude and petroleum products will not have risen excessively because of stable world prices. However, during the year, nearly $500 million will be paid for wheat imports adding to the import bill and will inevitably affect the final foreign exchange reserves picture for the year.

Exports are thought to be rising slowly because of the world recession and the marked fall in commodity prices. Aid receipts are around the level of last year, partly because of slow disbursements from the International Development Association.

The foreign exchange reserves have dropped to this level without taking into account the drawings from the International Monetary Fund. If the two drawings of 600 million Special Drawing Rights in April and July are taken into account, the reserves show a rise of Rs 144.2 crores over the same period of last year and, on September 17, stood at Rs 3,498.39 crores, or roughly three months worth of imports—a still critical level.

CSO: 4600/1145

BRIEFS

RETURN FROM ROK--New Delhi, Oct. 7. Small and medium entrepreneurs in South Korea are eager to cooperate with Indian counterparts to manufacture and sell consumer goods, according to Mr. Chakradhari Agrawal, Secretary-General of the National Alliance of Young Entrepreneurs (NAYE). Mr. Agrawal was a member of the nine-member team of medium and small-scale industrialists which has just returned after an 11-day tour of South Korea, Taiwan and Hong Kong. In reply to a question, he said the most important feature of the economies of these three countries was the dominant role played by small and medium-sized enterprises in their respective economies. Small-scale industry in India and Korea were similar and comparable, he added. Mr. Agrawal said India's participation in fairs abroad, as in Korea, should be more meaningful. The Koreans expressed a desire to have trade links with developing countries and a team of Korean businessmen would be visiting India next year. NAYE had decided to set up a joint small business council with Korea, he added.--UNI. [Text] [Madras THE HINDU in English 8 Oct 82 p 16]

CONTRACT WITH IRAQ--New Delhi, Oct. 11.--The Indian Railway Construction Company, a public sector undertaking, has been awarded a contract of 7.5 million Iraqi dinars (Rs 22.5 crores) for the installation and commissioning of automatic railway signalling, tele-communication, outdoor lighting and power supply for two sections of the Mussayeb-Kerbala-Samawa railway project by the new Iraqi Railway Implementation Authority. The work envisages supply and installation of automatic colour light signalling systems and route relay interlocking, laying of 39 kms of main tele-communication underground cables, provision of a 200-line electronic auto exchange, a crystal control central time system and a public address system. The work also involves supply, installation and commissioning of electric sub-station, electric overhead transmission lines, diesel generating sets up to 800 KV a capacity and outdoor lighting of Samawa yard and service building complex including no-break stand-by power supply arrangement. The IRCON is already executing a contract of 91 million Iraqi dinars (Rs 270 crores) for construction of the two sections of Samawa railway project, which includes construction of a big Samawa yard, a crossing station and three major workshops required for maintenance of locomotive and coaches under the new Railway Implementation Authority of Iraq. The work is to be completed by May, 1984 along with the commissioning of the two main sections of the Samawa railway project. [Text] [Calcutta THE STATESMAN in English 12 Oct 82 p 13]

TEAM TO PRC--New Delhi, Oct. 8. A nine-member delegation of the Indian Council of Social Science Research (ICSSR) led by its Chairman, Mr. G. Parthasarathi, will pay a 12-day visit to China beginning October 18. The delegation will visit Beijing, Xian, Shanghai and Guangzhoou and discuss with the Chinese social scientists researches in fields of mutual interest. It is expected that this visit would lead to fruitful exchanges and collaboration between Indian and Chinese social scientists in various disciplines. The Chinese Academy of Social Sciences, which is playing host to the delegation, has arranged visits to academies of social sciences, universities, research institutes, State Planning Commission, State Commission, communes, factories and industrial exhibitions, besides places of historical and cultural interest.--PTI. [Text] [Madras THE HINDU in English 12 Oct 82 p 28]

HARYANA MINISTRY EXPANDED--Chandigarh, Oct. 6. Mr. Amar Singh and Mr. Mohan Lal Pipal were sworn in as Chief Parliamentary and Parliamentary Secretary respectively, taking the total strength of the Bhajan Lal Ministry in Haryana to 25. Mr. Amar Singh who won the Bawani Khera (SC) seat on Lok Dal ticket, defected to the ruling party last month, while Mr. Pipal is the Congress (I) legislator from Pataudi (SC) In a minor reshuffle of portfolios, the Chief Minister took away the Public Relations Department from the Social and Welfare Minister, Mrs. Shakuntla Bhagwaria, and gave it to Mr. Amar Singh who is to be in charge of parliamentary affairs, and printing and stationery also. Mr. Pipal has been attached to the Minister of Public Works (B and R).--UNI. [Text] [Madras THE HINDU in English 7 Oct 82 p 9]

INDO-YUGOSLAV TRADE--Belgrade, October 7 (Tanjung-Pool): The Indo-Yugoslav trade is expected to touch $70 million this year, according to the Yugoslav chamber of economy section. However, this figure is far below the target set for last year, which was three times more than the present estimate, Yugoslav economists said. Over the first eight months this year, Yugoslav exports to India have been more than halved totalling $22 million, compared to the same period last year. Yugoslav imports from India have also dropped $27 million, which is 36 per cent less than last year. In the 1960's the basis of economic cooperation between the two countries was investment projects, and in the 70's shipbuilding. Efforts are again being made to increase the volume of investment projects since shipbuilding holds very little future in the current world situation, the economists concluded. [Text] [Bombay THE TIMES OF INDIA in English 8 Oct 82 p 22]

CSO: 4600/1148/1151

BRIEFS

STEEL-ROD, CEMENT SELF-SUFFICIENCY--Kuala Lumpur, 19 Oct--Housing and Local Government Minister Datuk Dr Neo Yee Pan told Parliament today that Malaysia was capable of making steel rods and cement to fulfil its construction needs for the next eight years. He said the annual capacity of the eight companies making steel rods of 416,000 tonnes would be increased to 570,000 from next year. Five new companies with a capacity to produce 284,000 tonnes a year would begin producing soon, he added. Regarding cement, Datuk Neo said the five cement companies' annual capacity of 3.19 million tonnes would be increased to 10.69 million with the advent of a few more companies in 1985. Datuk Neo said 923,300 houses would be built under the Government's Fourth Malaysian Plan. NAB/AFP [Text] [Rangoon THE WORKING PEOPLE'S DAILY in English 21 Oct 82 p 6]

CSO: 4200/88

BRIEFS

AMBASSADORS PRESENT CREDENTIALS--His majesty the king received credentials from ambassador of Bangladesh Abdul Bari, ambassador of Malaysia Razali Bin Ismail, ambassador of Norway Tancred Ibsen and ambassador of Kuwait 'Isa 'Abd Ar-Rahman Al-'Isa at separate functions at Narayanhity Royal Palace on 15 October afternoon. [BK260329 Katmandu THE RISING NEPAL in English 16 Oct 82 p 1 BK]

CSO: 4200/72

PRIVATE SECTOR'S COMPLAINTS AGAINST BUREAUCRACY EXAMINED

Karachi DAWN in English 31 Oct 82 p III

[Article by Muzaffar Hasan]

[Text]

SOME preliminary ideas about the Sixth Five-year Plan, which the Deputy Chairman of the Planning Commission has given out, lay stress on the growing need for greater private sector participation in industry. The intention is to step up investment in industry to 40% of the GNP, with a considerable share for the private sector.

To facilitate this process it has been indicated that the need for obtaining government sanctions of various types, which at present cause considerable delays, would be done away with except in repect of a small list of industries in which investment may not be allowed. It is also intended that administrative controls would be dismantled and only policy controls would be retained, to provide policy signals to the economy, like the function performed by agricultural prices in farm production.

The private sector in its turn had already been emphasising the need for deregulation and relaxation of various controls. In addition, there are other requirements also for stepping up private sector investment which need to be given serious consideration. These are high rate of taxation, paucity of finance and infrastructure and declining labour productivity. Spokesmen of the private sector have pointed out that unless these issues are attended to, industrial development would be fragile, and in the long run our industrial potential and production and export competitiveness will suffer.

Since the international economic climate has continued to deteriorate during the last two to three years, and the 80's do not offer encouraging prospects relating to aid and trade, it is all the more necessary to concentrate on policies which would increase productivity and impart greater price competitiveness to our produce. All this leads us back to the need for an indepth appraisal of the felt needs of the private sector.

Official view

The Government spokesmen have repeatedly highlighted the progress that has been made, especially during the lat five years. The public has been informed from time to time about the incentives that have been offered (for development of under-developed areas), the industrial sanction that have been accorded in the last five years (Rs.37 billion till the June 1982). The export performance (average annual increase of 25% barring 81-82), the increase in tax collection (34% annual increase during last 5 years), the contribution of public sector corporations to the tax pool and the increase in their industrial production and the advances made in agriculture production especially in wheat, sugarcane, rice and cotton.

The difficulties that have hampered greater advances have, on the other hand, been invariably characterised as exogenous and not implicit in current government policies. The adverse factors, it has been said, have been oil price increase, recession and growing protectionism in developed countries and decline in net aid flows. The public has also been advised to save more for greater investment, as the rate of savings is considered to be low.

There is a great deal of truth in these pronouncements and yet the fact remains that private sector investment in industry has tended to fall behind targets and has, in fact, declined (from 28% to 25%) as a proportion of overall private sector investment during the last five years. This inevitably leads to a growing feeling that considerable changes in the economic policy are needed because its buresucratic bias and approach appears to have imparted structural weakeness to the economy.

Factors Creating Strain

In this context, it may be necessary, to point to some if not all the factors that are creating strains and distortions and which may stymie future efforts at balanced growth and development.

It is essential, in the first instance, to curb the present high rate

of inflation on a priority basis. While it is not acknowledged by the policy makers, it mut be mentioned that our rate of inflation is the highest amongst the 36 low developing countries. The reasons for this may be ascribed to cost-push forces arising out of high taxation and heavy doses of deficit financing (mainly to finance state enterprises and public sector corporations), combined with low productivity and general inefficiency of government corporations, apart from the inflationary impact of imports, especially oil. Home remittances are to blame also.

Instead of paying serious attention to this destabilizing factor, the public is continually informed that our rate of inflation is comparable to that of neighbouring countries and that one has to learn to live with it. Even if the rate of inflation were comparable, whatever that might signify, it has to be shown that our policies are comparably burdensome on private sector, and not more, before any meaningful conclusion can emerge.

Capital erosion

The basic problem of our industrial health is related to capital erosion. A government spokesman mentioned recently that price level had increaed fourfold during the last decade. That gives an annual rate of inflation of 30 per cent. In other words, the rupee has lost 75 per cent of its value during the last 10 years. Since we do not allow depreciation on the basis of replacement cost, government has been adding to its tax pool at the expense of industrial capital. Even reserves have been subjected to tax.

The middle class has been ground down by the high rate of inflation. For imparting political stability and for moving towards the desirable objective of building a mature and democrative social order it is essential to strengthen and enlarge the middle class. If the so-called economic growth is at the expense of causing grievous injury to the middle class then one wonders if it is at all worthwhile.

It is time that the pernicious effect of the current rate of inflation is analysed in depth and corrective action taken. Ostensibly economic development is for increasing economic welfare of the people. We find that a large segment of the people has had to pay a price which by any standards is unconscionable.

The central issue that emerges is whether industrial economic surplus should have been utilised for replacement, expansion and modernisation, or it should have been castigated as unwarranted and socially destablising. Through undeserved name calling the bureaucracy has taken over control of industry resulting in much inefficiency. What is worse, this state of affairs has resulted in inflationary fiscal and monetary policies which has done much harm to the middle class. If the aim during the last decade has been to protect industrial labour and enhance its share in industrial economic surplus the result has not been as intended. The labour and middles class have both suffered. The latter much more.

Rate of savings

Another important issue relates to the rate of savings. Normally, one expects voluntary savings to be utilised for investment. Excessive taxation and deficit financing can only result in reduced savings since investment is chiefly the outcome of corporate savings. Moreover during the last decade the public corporate sector has expanded unabashedly and has failed to generate savings. As such the overall rate of savings has been low. One possible solution would, therefore, be to drastically curtail the public sector.

Savings are also adversely affected by a high rate of inflation as inflationary expectations deter private savings since the rapid fall in the value of money causes the latter to erode away quickly. In the context of the policy of not allowing private sector industry a proper share of economic surplus, in the form of meaningful depreciation and accumulation of reserves, the rate of savings cannot but be low.

The central proposition that emerges is that the bureaucracy should opt out from the field of industrialisation, barring public utilities and large projects like the steel mill. That would result in lowering the need of the government for resources which leads to high taxation and high deficit-financing. It is essential that the private sector is allowed to come into its own without having to share the burden of maintaing inefficient public sector corporations.

CSO: 4200/92

POOR RESPONSE TO EXPORT PROCESSING ZONE AND ITS PROBLEMS DISCUSSED

Karachi DAWN in English 31 Oct 82 pp I, IV

[Article by Rafique Jabir]

[Text]

THERE is little chance that the Export Processing Zone (EPZ) being set up in Karachi will be commissioned fully before 1986. The infrastructure needed will be completed by 1983 and it would take three more years after the building up of the infrastructure for the Zone to go into operation, observed Mr. M. Ziauddin, Chairman, Export Processing Zone Authority.

As regards the slow growth of infrastructure, Mr Ziauddin said that such facilities are to be developed in stages. This will be the case especially for power and water supply. The EPZ will need 30 megawatts of electricity after it starts functioning in full.

While 25 projects have been sanctioned so far, only two industrial units have been commissioned and seven more are in the process of being pressed into service. As soon as these units make the necessary arrangements for finances, they too are expected to go into production.

Mr Ziauddin said that mainly non-resident Pakistanis, several with foreign collaboration, are coming forward to invest in the EPZ. The response from foreign investors as such is very poor, mainly because of lack of the necessary effort. It appears that the relevant authorities have been content with getting sporadic advertisements published in some foreign newspapers, while countries like Sri Lanka — whose experiment in organising EPZ has been a tremendous success — have opened their offices in foreign countries such as the USA to attract foreign capital and know-how. We have left the matter completely at the mercy of Pakistan's trade offices abroad. Only once a delegation went to sell the idea to foreign investors.

So far only garment factories have been set up. Justifying this beginning for the EPZ, Mr Ziauddin said that initially investment in labour-intensive industries, which involve simple technology and low risk, is not unusual. Other countries such as South Korea, Taiwan, the Philippines, Singapore and Sri Lanka had also to start off with the garment industry, he said.

Sophisticated technology and capital-intensive industries are mainly set up by multinationals which prefer to wait and watch and take into consideration the geopolitical situation, the political climate of the country and the investment atmosphere, particularly government policy *vis-a-vis* the private sector. At a time when the world is in the grip of a severe recession, it is hard to attract multinationals.

He, however, hoped that provided necessary effort is made, foreign capital can come in a big way because the cost of production in developed countries has gone very high due to the phenomenal increase in wages and inflationary pressure. He quoted the example of South Korea where Japan made

heavy investment since labour in that country was cheap. But now labour has become costly in South Korea as well, so there can be a shift towards Pakistan where wages are still low.

But once the EPZ is commissioned and it starts functioning in full swing, labour cost here is also bound to spiral up, giving rise to virulent inflationary pressure, Mr Ziauddin said. With the commissioning of 25 units, about 2,500 workers will be employed. The number will be incresed to between 20,000 and 25,000 when the EPZ has all the projected industries fully working.

Mr Ziauddin believed that the garment industry and other simple technology and labour-intensive projects being set up in the EPZ would not offer any competition to the local industry. These industries will be concentrating on the production and export of goods that are outside quota and tariff restrictions. They will not be allowed in any case a share in Pakistan quota for textile exports and will explore export avenues for fashion fabrics and other items outside the framework of the quotas and to countries where no restrictions are imposed.

He said, the products of the EPZ would not face stiff competition from similar zones in other countries of the region. Pakistan would have an edge over them so far as prices are concerned because of low labour-cost.

The setting up of the Export Processing Zone was approved by the Federal Cabinet on March 4, 1979 and the EPZ Authority was constituted on February 6, 1980, to plan, develop and manage the EPZ in Pakistan. The development of the Karachi Zone was marked with the approval of Phase I at a cost of Rs. 317.14 million with foreign exchange component of Rs. 63.056 million.

The EPZ Authority has acquired land measuring 300 acres in the Landhi Industrial Area following the decision of the Economic Coordination Committee (ECC).

The first phase of the project is confined to the development of 200 acres while the remaining 100 acres are earmarked for phase II.

All the 400 plots of 1000 square metres each, for industries as well as areas reserved for commercial enterprises/warehouses, have been fully developed and are ready for the construction of industrial/commercial enterprises/warehouses. Immediate connections of water and electricity can be given for construction of factories.

Sixty per cent of the physical work was completed by June, 1982 and another 30 per cent, making a total of 90 per cent, is projected for completion by June, 1983. The remaining work after June, 1983 will be that of electrical grid station with 132 KV transmission and telecommunication network. The entire physical development of 200 acres of land is expected to be completed by June, 1983.

The total expenditure incurred since the start of the work till June, 1982 is estimated at Rs. 141 million. A sum of Rs. 100 million has been provided in the budget for 1982-83.

The spill-over of expenditure during 1983-84 would be around Rs. 70 million mainly on the grid station, 132KV lines and the telephone network so that the total expenditure on development of 200 acres of land and on acquisition, fencing, levelling and grading of additional 100 acres would be within 10 per cent of escalation in the total cost of the project approved at Rs. 317.14 million.

The process of sanctioning of industries began in April, 1981 when the first six industrial projects were sanctioned. The seventh project, for setting up of an aluminium extrusion plant, was sanctioned in August 1981. Later, 10 projects were sanctioned by December, 1981, and eight others by June, 1982.

The industries which the projects cover are manufacture of readymade garments, ceramic tiles, electric and electronic appliances, structural foam, aluminium extrusion, specialised wood carvings, fibre glass boats, cosmetics, computer forms, printing and packaging, ball bearing, artificial turf, industrial alcohol, DAP fertiliser, soaps and candles, refurbishment of engines, axes, etc.

The total investment in the 25 sanctioned projects would be of the order of US $135.894 million and when these units are in full production, Pakistan is expected to earn annually foreign exchange to the tune of US $115.844 million.

The sponsors of the projects are Pakistanis working abroad, as well as foreigners, from the USA, the UK, Hong Kong, South Korea, West Germany, Singapore, Saudi Arabia, Kuwait, Japan, the UAE, Belgium and Lesotho. Pakistanis working abroad have a share of 48 per cent, and foreigners 40 per cent in the total while 12 per cent are joint ventures between overseas Pakistanis and foreigners. All the investors are non-resident Pakistanis.

The State Bank of Pakistan has accorded approval, in principle, to the operation of 12 banks — 8 foreign and 4 Pakistani — in the EPZ. These banks would operate as offshare branches and would be exempted from the operation of the Foreign Exchange Regulation Act, 1947, State Bank of Pakistan Act, 1956, and Banking Companies Ordinance, 1962.

CSO: 4200/92

MISUSE OF REFUGEE RELIEF DENIED

Karachi MORNING NEWS in English 30 Oct 82 p 8

[Text]

ISLAMABAD Oct 24. A spokesman of the Federal Government has categorically contradicted a report appearing in a section of the press on October 22 which quoting a politician alleged that 50 per cent of the relief goods received for hte Afghan refugees were being misusd by a certain political party.

The spokesman emphatically denied the involvement of any political party with the distribution of relief goods in any forms at any level.

Explaining the detailed system for receipt and distribution of food commodities and other relief goods donated by the U.N agencies he said that all such items were received by the Chief Commissioner Afghan Refugees at Karachi and from where they were despatched to the Provincial Commissioner for Afghan Refugees located at Quetta and Peshawar. The two commissioners distribute all these goods directly to the heads of each refugee family under the strict supervision of district administrators for refugees and in the presence of Israeli Committees consisting of refugee elders.

These arrangements for the distribution of relief goods the spokesman said have worked satisfactorily and every care is taken to see that the relief goods are properly distributed. The system has been appreciated by the representatives of international organizations after having checked the documents in possession of the refugees and the registers maintained by the camp administrator and also after verification from the refugees themselves.—APP.

CSO: 4200/91

USE OF MOSQUES AS EDUCATIONAL INSTITUTIONS LAUDED

Karachi MORNING NEWS in English 28 Oct 82 p 28

[Text] The Government has launched a crash programme for opening 8,000 mosque schools to meet the growing needs of the basic and primary education in the country. The scheme which is to cost Rs 4,00 million is to get top priority both at the Federal as well as Provincial levels. In fact, efforts are underway through which a seven-year-old child would be given 'Nazira' lessons in Quran under the pilot project which has been started for Dars-i-Quran and Arabic education in schools during the Sixth Five-Year Plan. According to the national needs, 5,000 new primary schools are to be opened every year whereas we have been able to open only 2,000 in a year, leaving a clear deficit of 3,000 schools for which hwe have neither the financial resources nor the manpower to cope with the situation. And the problem becomes all the more grim when we consider that the literary ratio during the 36 years of our independence has risen from 17 percent to 25 percent only. But these bare statistics reflect only the materialistic aspect of our education which can hardly be the sole criteria in a state based on an ideological preception. Ours is a religious State and we are to grow and thrive on Islamic precepts.

Seen in this context, the significance of the mosque schools, forming the first tier of educational ladder in the shape of primary schools, can hardly be minimised keeping in view the huge dimensions of mass literacy campaign and the dearth of resources at our command. It is certainly a fruitful idea to utilise the space and facilities of a mosque for holding primary classes at a time when prayers are not being held. In fact it is in consonance with the new architectural concepts considered suitable for the third world in particular. Here, the constructed space is to be used to the maximum. Besides, primary education does not demand specialised teaching methodologies. Even an Imam of a mosque can handle a class of primary standard and can motivate the youngsters to seek higher knowledge.

Mosque as a religious platform is likely to create students with obvious religious outlook which will help us carry out reformation in the society. The first step in education acquired within the religious precincts of the mosque could well be the beginning of a new spiritual regeneration for which we have very recently launched a campaign of Islahe-Muashera. The metamorphosis of our existing society is possible only if we start off on the right foor from the very first step.

CSO: 4200/91

PAKISTAN VISUALIZED AS 'ORCHARD FOR MIDDLE EAST'

Karachi DAWN in English 22 Oct 82 p 14

[Text]

Pakistan should aim at being the "orchard" of the Middle East, rather than its "granary", says a World Bank economist, who has made a special study of the country's export potential. "It should seek to produce and market more of high value crops, like vegetables, fruits and flowers than wheat and rice."

Shahid Javed Burki, however, made it clear that he is not, by any menas, advocating the supplanting of the grain production. Pakistan needs to feed herself, but just the switching of the surplus capacity from cereals to value-added crops.

He gave his rationale for the novel idea in an interview here on Tuesday with our Special Correspondent, Ghani Erabi. Burki, who has just been promoted Director of the World Bank's Department of International Relations, said, Pakistan has begun to produce enough foodgrain for her domestic consumption: She is virtually self-sufficient. He was confident that the country now has infrastructure in place that can ensure and annual increase of three to four per cent in grain output to take care of the rise in population and build up bufer stocks.

Potential

But Pakistan agriculture has more potential than that — it has the capacity to function as "engine of growth" for the country's economy as a whole — it can achieve a growth rate of five to six per cent to illustrate the potential. Burki said our waste water alone equals the entire nile river discharge. Also that we are using our irrigation system to only one-third of its potential.

Arguing why Pakistan should devote its surplus capacity to the production of oilseeds, vegetables and fruits, rather than wheat and rice, the World Bank economist said, the golbal grain trade is highly competitive. The advantage lies with countries that grow their grain in areas fed by free rain-water, rather than expensive artificial irrigation. It further lies with countries that have the capital and technology to mechanise farming, harvesting, and shipping. It is altogether a captial-intensive, highly mechanised bulk-handling operation that enables countries, like United States, Canada, and Australia to sell grain in the world makret at prices below what it would cost Pakistan to produce.

Rice

About rice, he said the market is very thin. Pakistan with just 300,000 tons, is the fourth largest exporter.

If we produce more, we may bring down world prices. Wheat undoubtedly has a large global market,' but Pakistan lacks a competitive edge.

He pointed out that the wheat surplus that the Indian Punjab produces is not exported to sell in the world market. But is consumed in other provinces within the country itself.

The example to emulate was offered by the "Napa Valley" of the, American state of Califorinia. Just as Pakistan has the world's largest artificial irrigiation system, Napa valley has the most elaborate in the United States. But the facility is utilised to grow vegetables, rather than grain. USA finds that more rewarding so will Pakistan.

Labour-intensive

The reward flows from the fact that the growing of vegetables fruits and flowers is more labour-intensive (somet thing well suited to the requirements of population.

The requirements of populous countrises and the growing is followed by elaborate processing, including cleaning. Packaging and marketing, which provides additional employment to indigenous labour and the value-added exports bring the country more foreign exchange.

Shahid Javed Burki said that huge earnings are made by Greece, Isreal and Spain by exporting flowers, fruits and vegetable to Europe. Pakistan, he said, can do even better because of its cheaper labour. He strongly urged her to mount a major effort over the next five years to devote its surplus agricultural capacity to the production of value-added item.

Because of its immense need and proximity, the Middle East offers an excellent market. He concluded: Pakistan is well suited to become the orchard of the Middle East.—PPI.

CSO: 4200/91

FOUNDATION FOR ARTISTS PLANNED

Karachi DAWN in English 22 Oct 82 p 7

[Text] Lahore, Oct 21--Mr Niaz Mohammad Arbab, Federal Minister for Sports, Culture and Tourism on Wednesday disclosed that the Government was examining the feasibility of setting up a foundation for the artists and that the matter would be presented before the next meeting of the Federal Cabinet.

Delivering his inaugural address at an exhibition of paintings and calligraphies by Misbahuddin Gazi at the Punjab Council of the Arts here on Wednesday afternoon, the Minister said the foundation would provide assistance to the artists to alleviate their problems.

The Sports Minister reiterated the Government policy to promote fine arts, especially paintings and added that a magnificent national convention of artists will be held next year like the one held in Islamabad this year.

Later, talking to reporters, Niaz Mohammad Arbab said the Government would reconstitute the Censor Board for Islamabad and the new board comprising 25 to 30 members would be announced within two to four days. Later on, he added, the boards for Lahore and Karachi of similar strength would be revived.

The Culture Minister said all walks of life would be given due representation in the new censor boards.

Replying to a question, the Minister said the Government might recall any picture, even after its being censored if the people raised objections about it and might decertify it if necessary. The purpose of this move, he said, was to discourage pictures loaded with vulgar scenes and instigating crime.

Answering another question, the Minister said the Government was considering to enforce uniform rates for film tickets throughout the country and that this matter would also be discussed by the Federal Cabinet in its next meeting.

Niaz Mohammad Arbab said the Government was in contact with the governments of India and Bangladesh to get historic records and documents about the movement of Pakistan.--PPI

CSO: 4200/91

CANADA OFFERS TRAINING FACILITIES TO STEEL MILL ENGINEERS

Islamabad THE MUSLIM in English 24 Oct 82 p 8

[Text]

KARACHI, Oct.23: The high-level Canadian mission, which recently visited Pakistan, has offered training facilities for the engineers of Pakistan Steel in Canada.

The mission which also visited Pakistan Steel during its stay in the city, had evinced keen interest in the downstream projects of Pakistan Steel, and had acquired detailed information with regard to underconstruction units specially hot-strip mill, cold rolling mill etc.

The delegation also inquired about the experiences and capability of Pakistani engineers in connection with the setting up of downstream projects, and had expressed their appreciation for the role played by the engineers of Pakistan Steel.

The Chairman Pakistan Steel informed the delegation that establishment of the mill was part of the country"s economic strategy, and it was aimed at boosting the engineering industry.

He had informed that due to lack of local availability of steel, big engineering industries were giving a production of just 30 to 40 per cent of their total capacity. But their production capacity will now be fully utilised after completion of Pakistan Steel. The steel making plant will soon be completed and billet mills will also start production shortly, he added.

The steel Mill Chairman added, that hot-strip mill and cold rulling mill of Pakistan Steel will be completed by next year, and by 1984-85 all units of Pakistan Steel will be fully operative.

He said that by that time all the units producing Suzukis, cars, trucks and jeeps etc, would start using 80 per cent of locally manufactured parts. Besides the railway engine manufacturing plant and several plants of tractor manufacturing, would also start functioning in the near future.

He told the delegation memebrs that Pakistan Steel had received encouraging response to its offer, made to the country's and foreign investors for investment in its various units. . . . . .

He also told the Canadians that Pakistan Steel's blast furnace, which was being handled by Pakistani engineers had given a production over its designed capacity and had achieved stability.—APP

CSO: 4200/91

KARACHI BAR ASSOCIATION FORMS BODY FOR TALKS

Karachi DAWN in English 27 Oct 82 p 10

[Text]

The Karachi Bar Association has formed a committee of advocates to hold talks with political leaders for "revival of 1973 Constitution, supremacy of law and holding of general elections at the earliest."

The Committee was formed at a meeting of the Executive Committee of the Karachi Bar Association, presided over by Mr. Khalid Hameed, Acting President of the KBA.

Arrest criticised

Mr. Minhaj Barna and Mr. Ayaz Amir, Chairman and Secretary-General of the APNEC, Mr. Nisar Osmani, President of PFUJ, and Mr. Mahmood Ali Asad, Chairman, Karachi APNEC (Barna Group), in a joint statement, criticised the arrest of senior advocates and demanded their release.

Mr. Mohammad Sharif, President of the Pakistan National Federation of Trade Unions, called for restraint and avoidance of confrontation with the authorities.

In a statement he said, the workers exercised full restraint though they were denied 45 per cent cost of living allowance by the private sector. But, he said, agitation by advocates would encourage workers and "other interested groups" to come on the roads. He demanded release of detained lawyers, a Press release said.

Qari Sher Afzal, a leader of the local MRD, Mr. Abid Zubairi, Information Secretary of the defunct National Democratic Party, Syed Ishrat Ali Nagorwala, of the defunct PML (Khairuddin Group), Mr. Usman Ghani, Secretary-General of the Muslim Commercial Bank Employees Federation, Mr. Mohammad Khan, General Secretary of the MCB Employees Federation (Karachi Branch), Syed Amir Hussain Shah, and Mr. Bahar Ali Baluch, chiefs of Qaumi Mahaz-i-Azadi, Sind and Baluchistan, respectively, have also criticised the arrest of Mr. Hafeez Lakho and Mr. Abdul Malik and demanded their early release.

Raja Haq Nawaz, Member of the Pakistan Bar Council, and Mr. Nizam Ahmed, Member of the Sind Bar Council and former President of the Karachi Bar Association, have also criticised Mr. Lakho's arrest. In a joint statement they also demanded immediate withdrawal of Legal Practitioners' Amendment Ordinance which they said, was promulgated without the recommendations of the Bar Council, says a Press release.

According to a PPI report from Lahore, an emergency meeting of the Lahore High Court Bar Association held today criticised the arrest of Mr. Abdul Hafeez Lakho, President, KBA and Mr. Malik, the General Secretary of the Association.

CSO: 4200/66

NOORANI SAYS DATE, LOCATION OF ROUNDTABLE SOON

Karachi DAWN in English 27 Oct 82 p 10

[Text]

President of the defunct Jamiat Ulema-i-Pakistan (JUP) Maulana Shah Ahmad Noorani yesterday said the date and venue for the proposed round-table conference will be announced shortly.

Talking to newsmen informally in Karachi he said invitations are being sent to the prominent political leaders for the RTC which is being convened to find out ways and means for the restoration of democracy in the country.

Meanwhile, Deputy Secretary-General of the JUP Prof Shah Faridul Haq in a Press statement regretted that a political party in the country is trying to sabotage the RTC. He said the reasons of their negative approach towards the RTC is too well known to the people.

He refuted the charges of the leaders of the defunct Jammat-e-Islami that the RTC is a stunt and added that every one knows why the J.I. is saying so.

However, the JUP leader said in spite of this the Jammat-e-Islami will be invited to the RTC.—PPI.

CSO: 4200/66

QUALITY OIL REPORTED FROM TWO NEW WELLS

Karachi DAWN in English 27 Oct 82 p 4

[Text]

BADIN, Oct 26: Two more oil wells have been successful in Khaskheli.

Spokesman told PPI here today that the new wells are at a distance of about 500 metres from the previous ones and the work on the well has been completed upto 350 feet. He said that the quality of oil from the new wells is similar to that of the wells 6 and 7.

However, the spokesman said that the quantity of the oil in the new wells is less than the previous ones.

The spokesman said that 25,000 barrels of oil in 23 tankers and 160 barrels by sea was being sent to Karachi. The transportation of the oil was not in full-swing due to the non-availability of the oil tankers, he added.

Meanwhile, the work on wells No. 6 and 7 has been finished and the machines and equipment has been taken Behdami Village where Union Taxes Company will start digging a new well from Nov 1, the new well be named as Behdami Well.

The spokesman further said that 20 foreign and 150 Pakistani experts are working on the new and it is expected to yield more of oil.—PPI.

CSO: 4200/66

SUNFLOWER CULTIVATION STEPS OUTLINED

Karachi DAWN in English 27 Oct 82 p 4

[Text] SIALKOT, Oct 26: Dr Mohammad Sharif, Director (Seed), Ghee Corporation of Pakistan, said here on Monday that the Sialkot District region is most suitable for growing sunflower (Surajmukhi) during spring and autumn.

Dr M. Sharif, said that ghee mills were consuming 6 lakh tons of edible oil at present for the production of ghee. Besides this the consumption of cottonseed oil was 130,000 tons in the ghee mills, he added.

The government was also importing Soyabean and palm oil to the tune of Rs 300 crore, he said. According to a rough estimate, he added, the demand of edible oil is increasing by 50,000 tons every year and it would reach 8 lakh tons after 5 years.

Addressing cultivators on Pasrur Road 16 kilometres from here, he said that mostly crops are sown in the rainy season in Sialkot District because there was scarcity of water here. Cultivators of Sialkot District depend on rains so this region is most suitable for growing of sunflower (Surajmukhi), during spring and autumn he said. The Corporation was providing imported seed for the cultivation of sunflower and suggested that in order to save foreign exchange this crop should be given preference.

Moreover, cultivators could earn more profit by getting technical assistance and cooperation from the Agriculture Department, he said.

Ch. Akhtar Ali Chairman, District Council and Agricultural Advisory Committee, urged the farmers to cultivate sunflowers on more area so that they should help the Ghee Corporation in order to make the country self-sufficient in edible oil.

Ch Abdul Sattar, Member, District Advisory Committee; Ch Mohd Mustafa; Mr Asif Ali Chatta, Mr Feroze Din Butt, Ch Nasir Ahmed and Kh Nasir Majid, leading cultivators were also present.

Ch Ghulam Mustafa, a young landlord of Chhacharwali village was awarded first prize of Rs 500 for cultivating Surajmukhi on an area of 200 acres.

CSO: 4200/66

JAPAN WILLING TO FINANCE PROJECTS: DR HAQ

Karachi DAWN in English 27 Oct 82 p 1

[Text]

ISLAMABAD, Oct 26: Japan has indicated its willingness to finance a number of new Pakistani projects, Dr Mahbubul Haq, Deputy Chairman, Planning Commission, said here today.

Talking to APP on return from his week-long visit to Japan, he said he had meetings with the Japanese Foreign Minister, Mr Yashio Sakurauchi, and senior officials of the Ministry of International Trade and Industry.

Dr Haq said these talks had indicated an encouraging response to Pakistani needs for additional economic help and financing of several new projects. Pakistan would receive a total of 150 million dollar economic assistance in fiscal year 1982-83 as already announced, as a result of which Japan was now the biggest aid donor to Islamabad. The amount was expected to increase during fiscal year 1983-84, the talks in Tokyo indicated, he said.

He expected the negotiations for project assistance for the next year to be undertaken "fairly soon."

Dr Haq said Mr Sakurauchi had recalled his meeting with Finance Minister Ghulam Ishaq Khan in last August in Islamabad, and expressed the hope that his country would be able to favourably look on projects on the basis of the priorities laid down by Pakistan. These priorities, as explained by Mr Ishaq last August, were in the field of power, transport and agriculture.

Some of the projects discussed between Dr Haq and the Japanese include:

— Financing of two steam turbines of 250 megawatt capacity each, for Jamshoro.

— Designing and construction of the airport terminal at Karachi to handle the growing passenger and cargo traffic.

— Establishment of small experimental solar energy units for remote villages, especially those in Sind and Baluchistan.

— Construction of the Sibi-Rakhani Road in Baluchistan.

— Supply of road construction machinery for rural roads.

Dr Haq said Tokyo might also agree to provide new loans to enable Pakistan buy Japanese-made barge-mounted power generating stations of 200 megawatt each. Such diesel-fuelled stations could go into production quickly, to solve energy shortage problem of Karachi. The delivery period for the stations was 18 months. Concessional loans were available at a three to four per cent annual interest, with repayment in 30 years, and a grace period of 10 years, Dr Haq added.

In reply to a question, he said he had also discussed the question of long-term Japanese aid commitment for Pakistan's sixth Five-Year Plan, instead of the current year-to-year allocations. Such a longer-term framework for the Japanese, as well as other aid to Pakistan, would enable Islamabad to finance the Plan in a more orderly fashion.

He said that in his meetings with the executives of two big Japanese corporations, Mitsui and Mitsubishi, he had invited a larger equity investment and supply of technology so that Pakistan could expand its industrial production in several important fields. The response of the Japanese businessmen and investors was "very encouraging", he added.

Dr Haq said the Japanese Government officials had assured him that they would take concrete steps to buy more from Pakistan. At present, Pakistan faced an annual trade deficit ranking between 400 and 500 million dollars. Asked about any specific items, which the Japanese might be interested in buying from Pakistan, Dr Haq said, these were fish, and fish preparations, and food, among other things. Food could be a good item for export to Japan, as Pakistan's production surpluses would increase in the years to come.

While in Japan, Dr Haq also chaired the fourth session of the North-South round-table conference.—APP

CSO: 4200/66

SHIA PROCESSION TEARGASSED IN ISLAMABAD

Karachi DAWN in English 27 Oct 82 p 1

[Text]

ISLAMABAD, Oct 26: The District Magistrate, Islamabad, issued the following Press Note here today:

"Today on 26th Oct. 1982, at about 3.30 p.m., a group of Shia mourners (500 to 550), mostly hailing from Rawalpindi and the surrounding areas assembled at the site of an under-construction Shia mosque in sector G-9/2 and despite assurance and commitments given to the administrator ICT, on behalf of the Shia high command, to the contrary, 150 to 200 persons took out an unlicensed procession in violation of MLR 50. Some persons from the procession started pelting stones and bricks on the members of police force, without any provocation, whatsoever, resulting in injuries to a few members of the police force.

"Teargas was used to prevent further mischief under the orders of the Distirct Magistrate, Islamabad. After dispersal a group of persons (100 to 150) re-assembled at another place and formed a procession to march back to the mosque site, after traversing some parts of the surrounding road. Some speeches were made at the mosque before the final dispersal, at 4.45 p.m.

"To eliminate tension and likely reaction from the local residents, appropriate measures were adopted. The peace and order in the area remained under control and no further untoward incident was observed."—APP.

CSO: 4200/66

PACARA CLAIMS ALL PARTIES WILL MERGE IN MUSLIM LEAGUE

Karachi DAWN in English 20 Oct 82 p 4

[Text] SIALKOT, Oct 19: Pakistan Muslim League (Defunct) Chief, Pir of Pagara, emphatically asserted here that all the genuine political parties worth the name would ultimately merge in Pakistan Muslim League as it was the real representative body of the people of Pakistan.

Addressing his party workers, he said that it was the Muslim League, which under the inspiring leadership of Quaid-i-Azam M.A. Jinnah snatched Pakistan from the cruel and gruesome clutches of Hindus and the British rulers and it was the Muslim League which now would save the country from the present state of affairs and bring it to the safe and stable shores of democracy.

The present circumstances showed that Gen Zia-ul-Haq was not going to hand over power to the elected representatives of the masses but the masses shall have to create such an atmosphere which would persuade him to relinquish power in favour of the democratic representatives of the people.

He said that his party would attend the round table conference if convened by Maulana Shah Ahmed Noorani for the reason that it was unmannerly to decline an invitation extended sincerely by a party leader stressing the need for the restoration of democratic process in the country. He said that it was since 1958 onward that this process had been denied to the people of Pakistan.

Replying to a question he said that price hike was not a regional problem but it was an international complication which was challenging the economy of the entire world.

In order to harness this problem we should boost production and increase export for earning more and more foreign exchange.

CSO: 4200/65

JATOI REITERATES DEMAND FOR ELECTIONS

Karachi DAWN in English 20 Oct 82 p 4

[Text]

MULTAN, Oct 19: A leader of the defunct People's Party and former Chief Minister of Sind, Mr Ghulam Mustafa Jatoi, said that the democratic process is the only guarantee of country's integrity and solidarity.

Addressing a Press Conference here he said that the delay in holding of general elections will help increase the unfavourable and complicated situation in the country.

He said that President General Mohammad Zia-ul-Haq should arrange immediate holding of general elections in the country and get rid of this burden of responsibility on his shoulders.

Replying to a question he said that if needed he is prepared to quit politics for ever provided the holding of general elections is announced. He said that if the present Govt will not hold general elections under the 1973 constitution the integrity of Pakistan will be in danger.

He said that we have repeatedly appealed to President Zia-ul-Haq and once again appeal to him to hand over power to the people's elected representatives keeping in view the critical situation in the country in larger interest of Pakistan.

Replying to a question he said that he has no connection with the present Government. He said that he is an ordinary member of the party and cannot take any step without its permission. He said that the people are fed up of the politics of drawing room of the MRD. His party will participate in the round table conference for holding of general elections under the 1973 constitution.

CSO: 4200/65

UNITED KINGDOM LARGEST INVESTOR IN PAKISTAN

Karachi DAWN in English 20 Oct 82 p 10

[Text]

Mr. Peter John Streams, the British Consul General in Karachi, said yesterday that Britain was still the largest single investor in Pakistan.

Speaking at a tea-meeting of the Rotary Club (Karachi East) at Beach Luxury Hotel, he said: "Britain takes a close interest in the development of Pakistan." He said that in recent years "the value of our support for that development has been around £20 million or Rs 400 million." In 1979 Britain waived all repayment and interest of official aid to Pakistan up to then — perhaps about Rs 1,500 million.

Mr Streams said that since then this official support had been on an outright grant basis.

Port Qasim, WAPDA (for salinity control) mineral development, sugar mill, land-levelling in Sind, fertilisers, essential replacements for KESC, irrigation and electrification in Baluchistan are among the projects which are being financed through counterpart funds, he said.

Mr Streams said that in 1980 and 1981 Pakistan's exports to Britain were about £60 million, while its imports from Britain were worth £140 million. "This year's figures on both counts are running well ahead of these: Pakistan has already exported more to Britain in the first eight months of this year than in the whole of 1981.

"One feature of the relationship with our two countries is the number of people who visit in either direction," he said.

There are perhaps 300 people of Pakistani origin now living in Britian out of a total of two million.

CSO: 4200/65

NATIONAL INCOME: OFFICIAL FIGURES DEBATED

Karachi DAWN in English 21 Oct 82 p 7

[Article by Sultan Ahmed]

[Text] **DEVELOPING countries which concentrated on economic growth oblivious of distributive justice have come to grief. If that happened in Pakistan after the much touted Decade of Development of the 1960s when we lost East Pakistan, Iran was overwhelmed by a revolution after the economic leap it took in the 1970s.**

Developing countries hence cannot opt for growth with all the sacrifices it entails for the poor masses by way of heavy taxation at the one end and high prices at the other, heedless of how the fruits of development are distributed. Such major convulsions can be calamitous for young states trying to find their feet politically as well as economically.

Dr. Mahbubul Haq, Deputy Chairman of the Planning Commission, hence says that as in other countries the pendulum in Pakistan has swung violently from growth to distribution and back again at different stages of its development. And he rightly asserts that Pakistan cannot afford the luxury of concentrating on growth in one decade in the hope of distributing its fruits in the next decade.

But Dr. Haq is not overemphasizing social justice at the cost of growth. He says the sixth Five-Year Plan must combine "a strong production base with a strong social conscience." He is not talking directly of distributive justice or social egalitarianism but of social conscience. The agents of production, captains of industry, big businessmen and zamindars have to feel within themselves the need to make the fruits of development available to those who participate in it and the people as a whole, and not be "hijacked by a privileged few," as he puts it. And he wants the benefits of development available not only to the urban millions but also the rural masses who form 70 per cent of Pakistan.

Modest increase

Such conscience is not common in a society where capital receives undue importance and excessive rewards, and where some ultra-rich entrepreneurs oppose even the principle of sharing the industrial profits fairly with the small investors, and conduct a veritable verbal crusade against it.

Dr. Haq does not want to impose or prescribe a pattern of distributive justice of his own. Instead, he seeks a national debate, a debate in which not only the experts and technocrats and bureaucrats will participate but also the masses as a whole. And while he and his experts try to set the targets for the sixth plan — 1983-88 — he suggests that the first round of the debate should concern itself with an Incomes Policy. This undoubtedly is essential to promote growth without setback and convulsions, without violent upheavals and bloody revolutions.

But while Dr. Haq's phraseology may be unnerving to the leaders of industry and trade, the immediate

improvement in incomes that he seeks is not ambitious but modest. Per capita income in Pakistan in 1981-82 was Rs.3,706, or Rs.18,530 for a family of five. He assumes that by the end of this financial year it would rise to Rs.4,000 per head or Rs.20,000 per family per year. And he wants the sixth Five-Year Plan to increase the income of each family by Rs.800/- per year or by Rs.4,000 within the plan period. That means an increase of 20 per cent in the family income in the five-year period, or a rise in per capita income from Rs.4,000 per year, when the plan begins, to Rs.4,800 as it ends. Nobody can contend that this is by any means a very large increase.

He has set a target of 6.5 per cent growth in Gross Domestic Product for the Sixth Plan which is marginally better than the growth rate for the last five years. But if an increase in per capita income of four per cent per year is to be achieved during the plan period the population growth rate has to go down from 2.9 per cent to 2.5 per year. Will that happen when the population planning drive is a very low key one for fear of rousing the mullahs? Checking the population growth is an area which should receive far more practical attention than given hitherto. An excess of gradualism in this regard can be counter-productive or self-defeating.

Real & cash income

When Dr. Haq talks of an increase in per capita income of Rs.800 during the plan period or of Rs.4,000 per family, does he mean it at constant prices or current prices? It cannot be at current prices as per capita income at current prices has shot up by Rs.1.784 during the last five years — from Rs.1,922 in 1976-77 to Rs.3,706 in 1981-82 — while at the constant prices of 1959-60 the increase during the Five-Year period was only Rs.116 — from Rs.586 in 1976-77 to Rs.702 last year. The difference between the real income and the mere cash income in the period was Rs.5. This figure gives away the extent of inflation in our midst — grossly understated official figures.

When Dr. Haq talks of an Incomes Policy the base has to be current prices as per capita income at constant prices in Pakistan has doubled this year after 32 years — from 351 in 1949-50 to Rs.702 in 1981-82 while at current prices it has increased ten times within 22 years. So the real improvement in per capita income in Pakistan has been a slow process — by 3.12 per cent per year. What the plan seeks is to raise this figure to four per cent per year, or 20 per cent for the whole plan period.

The need for an increase in real income instead of the mere cash income has driven him to plead for the indexation of the incomes of the fixed income groups, "particularly the urban middle class which is badly squeezed by inflation." Along with that he has urged social safety nets for the poorest and the indigent. And they are to be accompanied by regular monitoring of income distribution in the country, between various income groups, between rural and urban areas so as to make timely corrections through fiscal policy and other means. These are far-reaching proposals compared to the neglect the fixed income group now suffers and the heavy tax burden on it.

The growth rate of 6.5 per cent that he seeks in the plan period may not seem far higher than what had been obtained during the last five years; but what has been achieved, particularly in the agricultural sector, has been the outcome of sustained excellent weather all through and the rising home remittances which directly and indirectly, have exceeded 3,000 million dollars. Such favourable conditions have to continue if the new plan targets are to be achieved. Whether they will, is hard to predict.

An incomes policy that ensures fair distribution of the fruits of development and protects the fixed income groups and the poor, would demand major changes in the fiscal and monetary policies. Such a policy should ensure real higher income and reduced expenditure which would leave behind larger savings. Dr. Haq protests that 88 per cent of the national income is spent on consumption unlike 67 per cent in other countries. When the income is low and prices are high, and the living style, as projected by a feudal culture, is high, what else can be the outcome? Added to that is the large population as well as a high population growth that increases the claims on the small

cake enormously.

A sound incomes policy has to be based on reasonable profit instead of the high profits charged in Pakistan by the producers, businessmen and retailers, and in the agricultural sector by the middlemen. And reasonable prices have to go hand in hand with low taxes. Dr. Haq says that taxation in Pakistan is not heavy but there is uneven taxation which would have to be rationalised. How he proposes to do that in a country where taxes have only increased and multiplied remains to be seen?

The outlay on the sixth plan would be larger by two-and-half times over the current plan, he says. And the bulk of the resources are to come from within the country. That implies heavier taxation unless the private sector readily agrees to play a far larger role, which is not very likely.

Wrong approach

Real income can increase if the government reduces the rates for its services, like telephones and provides utility services like gas and electricity at fair rates. The approach that makes the government to charge Rs.600 for an urgent passport or make anyone leaving Pakistan by air pay Rs.100 has to give way to a more sensible one.

Income does not mean cash alone. The kind of educational and health facilities provided by the government or through communal efforts, and the cost of transportation are equally important. A good deal of the income in the cities and towns goes out as rent. And rent has been soaring. It has to when cement and wood prices are high, and about 60 per cent of the money spent on house-building goes to the government as taxes. The government has to take positive measures to reduce the cost of house building.

A well fed, educated and healthy citizen is a more productive worker than a sick and illiterate one. And it is not the concept of a welfare state or socialism alone that demand fair treatment to the workers but also the Islamic concept of Insaf and Adal. But a major change in this regard can come only if the financial policy-makers and owning classes change their outlook. If they do not change now, they will be forced to do that soon.

CSO: 4200/65

BRIEFS

SIND ALLOWS PRIVATE COLLEGES--The Sind Education Department has decided not to object to the opening of colleges in the private sector, it was learnt. According to sources, "verbal permission" to this effect has been given to about a dozen educational societies. The permission is being granted provided the educational societies extend assurances to the effect that the teachers will be given the same salaries and terms of condition of service as those in the Government colleges, sources said. The societies which sought permission for opening colleges include Osmania Education Society for a college in Orangi; Toor Education Society for a college in Shah Faisal Colony; New Metropolitan Education Society for a girls college in North Nazimabad and Karachi Education Society for a girls commerce college in PECHS. According to an estimate, about 9,500 students of the city who have passed their matriculation examination this year will not be able to get admissions in the first year classes because of the shortage of colleges in the city. [Text] [Karachi DAWN in English 24 Oct 82 p 8]

PAGARA AND QAYYUM LEAGUES--The question of meeting defunct Muslim League (Qayyum Group) with the defunct Muslim League (Pagara Group) does not arise. This was stated by Senior Vice-President defunct Muslim League (Qayyum Group), Khan Amanullah Khan and Vice-President, Miskeen Khan, on their arrival at Karachi on Friday from Peshawar after participation in the death anniversary of Khan Abdul Qayyum Khan. They said that the workers who had joined Pagaro Group have been debarred from the League and they have no link with them now. They further said that Qayyum Group of the defunct Muslim League will face the persons who are working against Pakistan. They said that defunct Muslim League (Qayyum Group) is a legacy of Khan Abdul Qayyum Khan, who was a patriot and they will follow him up. Referring the position of League in NWFP they said that the workers of the League are united in the province and working for the solidarity of Pakistan.--PPI [Text] [Karachi DAWN in English 30 Oct 82 p 9]

KARACHI'S PER CAPITA WATER CONSUMPTION--The per capita water availability in Karachi is only 36 gallons as against the moderate scale of 50 gallons daily in developing countries. According to KMC's chief engineer the per capita water availability in Karachi after partition was 26 gallons. However, according to Director General KDA the per capita water availability of 36 gallons in Karachi also includes the supply for industrial use and

hence the per capita supply of drinking water was only 22 gallons. According to D-G KDA per capita supply of drinking water in other developing countries was not less than 40 gallons daily and to reach this standard a number of new schemes will have to be launched. He opined that to meet the requirements of increasing population of the city an additional 10 million gallons water would be required every year.--APP [Text] [Karachi MORNING NEWS in English 30 Oct 82 p 3]

ACTING CHIEF JUSTICE--LAHORE, Oct 19--Mr Justice Javed Iqbal was today sworn in as Acting Chief Justice of the Lahore High Court at a simple ceremony. Punjab Governor Lt-Gen Ghulam Jilani Khan administered the oath. The ceremony, held at Governor House, was attended by the High Court Judges, provincial Ministers, members of the Federal and Provincial Councils, lawyers and senior civil and military officers. [Karachi DAWN in English 21 Oct 82 p 1]

ARMS LICENSES FOR VILLAGERS--HYDERABAD, Oct 19--Arms licences are being given to the desirable persons of the big villages along the National Highway in Hyderabad district under the Voluntary Village Self--Defence Chowkidari System. This was stated by SMLA, Hyderabad, while addressing HMC councillors and members of Hyderabad District Council here yesterday. He assured Councillors that arms dealers would not be allowed to charge more than the actual price. [Karachi DAWN in English 20 Oct 82 p 4]

SUMMONS ISSUED FOR HIJACKERS--The hijacker of the PIA boeing, Salamullah alias Tipu and two others namely Nasir Jamal and Arshad Ali Khan have been directed by the Martial Law authorities to appear before the Summary Military Court, MPA Hostel, Karachi, within 15 days. In case they failed to appear before the court they will be tried in absentia for contravention of MLO 6 punishable under MLR 31. Salamullah alias Tipu is wanted in three cases under Hudood Ordinance of police stations New Town and Bahadurabad and under Sections 364, 365, 302, 392, 124-A PPC and MLR 8 and MLO 77 of Police Station FIA. Arshad Ali Khan son of Ather Ali Khan of 49-A, Block-L, North Nazimabad, is wanted in two cases while Nasir Jamal is wanted in the case registered at police station FIA. [Karachi DAWN in English 20 Oct 82 p 12]

NEW RICE VARIETY DEVELOPED--LAHORE, Oct 19--The Punjab Agriculture Department has decided to replace Irri-Six rice variety with a newly developed local variety, known as KS-282 which was early maturing, more yielding and pest resistant as compared to Irri, APP learnt here on Monday. The new variety, developed by the Rice Research Institute, Kala Shah Kaku, near here, was likely to give a big boost to rice production in the country, besides improving crop rotation. [Karachi DAWN in English 21 Oct 82 p 4]

PAKISTANI BASES: MALDIVES DENIAL--COLOMBO, Oct 26--The Maldivian Government has strongly denied that it had sold or leased out two of its islands to Pakistan for the establishment of a naval base. The denial came following reports in newspapers in Sri Lanka and India that Pakistani submarines were

seen in south Indian and Sri Lankan waters. The reports said that the Maldivian Government had leased or sold two of its islands to Pakistan for the setting up of a naval base. The Maldivian Government termed the newspaper reports mischievous fabrications, and added that Maldives was committed to the principles of non-alignment. [Karachi DAWN in English 27 Oct 82 p 10]

CSO: 4200/66

PNG EXAMINES SOVIET OFFER OF CLOSER TIES

Melbourne THE AGE in English 30 Sep 82 p 8

[Text]

PORT MORESBY, 29 Sept. — The Government of Papua New Guinea was considering a Soviet request for closer diplomatic ties, the Foreign Affairs and Trade Minister, Mr Rabbie Namaliu, told Parliament last night.

"We are considering a request from the Government of the Soviet Union to allow it to make relations with us more effective," he said.

"I am conscious of the advantages which might follow from increasing direct contact with one of the most powerful Governments in the world and of issues, including the invasion of Afghanistan, which divide us.

"I have therefore instructed my department to prepare a set of options for me to put before the Government."

Papua New Guinea established full diplomatic relations with China more than two years ago.

Diplomatic links with the USSR are maintained through the Soviet Embassy in Canberra.

Apart from the Afghanistan issue, PNG has traditionally been wary of the Soviet Union — a view which perhaps stems from the Australian administration before independence in 1976.

Mr Namaliu's statement clarified the new Government's attitude to the 1981 White Paper delivered by the previous Government's Foreign Affairs and Trade Minister, Mr Noel Levi.

Mr Namaliu said he supported the broad direction of the old Government's foreign policy.

—AAP.

CSO: 4200/90

OMBUDSMAN ASSAILS CORRUPTION

Perth THE WEST AUSTRALIAN in English 30 Sep 82 p 45

[Text]

PORT MORESBY, Wed: Papua New Guinea's main watchdog body, the Ombudsman Commission, has asked the Government to either amend laws which allow corrupt leadership, or close the commission.

In an embittered and sometimes poetic annual report to Parliament, the three ombudsman commissioners say: "We do not wish to witness your sins while standing by helpless, able to do nothing but cry in the wilderness.

"Nor will we stay in office merely to preside over the daily erosion of the noble ideals upon which this nation was founded while painfully watching the death of their vision for a just society.

"We can only say to the leaders that if executive jets and fancy executive diaries and improvements to ministerial houses are more important than the courts, the prosecutor, the public solicitor and the Ombudsman Commission—and if corruption in government is the desired 'way of life' so that the educated elite can become richer while the ordinary people become poorer—then abolish this commission."

The commission's report was prepared prior to an announcement two days ago by the Prime Minister, Mr Somare, that the ombudsman was to get "more teeth" to deal with Leadership Code breaches.

CSO: 4200/90

PNG URGED TO SEEK TALKS ON IRIAN JAYA

Sydney THE SYDNEY MORNING HERALD in English 30 Sep 82 p 11

[Text]

PORT MORESBY, Wednesday. — Vanuatu's Prime Minister, Father Walter Lini, has urged the Papua New Guinea Government to seek serious talks with Indonesia for a long-term solution of the "West Papua-West Irian" problem — the people of Irian Jaya incorporated into Indonesia in 1969.

Fr Lkni said yesterday that he believed Indonesia and Papua New Guinea's common-boredrr problem with separatist guerillas, known as Operas: Merdeka Papua, would worsen unless both countries sought a peaceful solution.

Father Lini reaffirmed VanuatuS support for "West Irain," New Caledonian and Micronesian self-determination, but he also confimed repots that Vanuatu would not accept any political rf-refugees from these or other regions of the world.

Father Lini flew home this evening after attending an Anglican Church convention at Popondetta, PNG.

At a Port Moresby press conference during his brief stoopover, the Catholic priest and Prime Minister said: "It is important for the decolonisation process to take place in peace."

"In most instances, the colonisers are reluctant to give independence and Vanuatu, for its part, would like to contribute in assisting colonisers in the process of decolonisation," he said.

In the casex of Irian Jaya, he said, it was "important to recognise that these people have been refused the right to self-determination."

"While there are signs that they are dissatisfied with their status, we in the independent Pacific States have to listen more and help organisations like the United Nations and the South Pacific Forum understand their problem."

Father Lini admitted that PNG was in a difficult distuation, since the United Nations and some neighbouring States recognised the "act of free choice" that preceded Irian Jaya's official incorporation into Indonesia in 1969.

"PNG would be really isolated if it begins to say that it disagrees with the United Nations-sponsored status given to West Irian," he said.

"We would very much hope that PNG and Indonesia would sit down together and discuss this matter more seriously so that the question can be resolved," Father Lini said.

"It is important that this is done before things start happening . . . before an issue forces them to act."

Asked what he saw as a long-term settlement, Father Lini said:

"I can say nothing specific. Perhaps the West Irianese hope that they become part of Papua New Guinea. One could also assume they might want to be independent and not part of either Indonesia or PNG.

CSO: 4200/90

SUSPICIONS OF INDONESIA EXAMINED

Sydney THE SYDNEY MORNING HERALD in English 1 Oct 82 p 6

[Article by Peter Hastings]

[Text]

LAST week OPM (Free Papua Movement) rebel leader and one-time Indonesian Army officer, self-styled General Seth Rumkorem, and nine of his Irianese followers, made a 1,300 km trip along Papua New Guinea's north coast from the Indonesian border to Rabaul.

Rumkorem was heading for Vanuatu to claim political asylum and was arrested when he came ashore at Rabaul to buy water, fuel and supplies. A PNG magistrate released him on the curious grounds that he was "invited" ashore by PNG police. The Government regards him as an illegal migrant — he has no passport, no visa, no document of identity — and is appealing the magistrate's decision.

It is also looking for a third country of asylum. Sweden which granted asylum to another OPM leader, Jakob Prai, is reportedly not keen to take Rumkorem nor his colleagues.

Nor is Vanuatu, whose Prime Minister, Father Walter Lini, has already granted one OPM leader political asylum and furnished him an office in Port Vila.

But while cautious on the issue of granting Rumkorem and his followers asylum — 10 look too much like a government in exile — he has paradoxically urged PNG to bring pressure on Indonesia to grant the Irianese an act of self-determination.

The very notion evidences Father Lini's political naivete but it also symbolises the growing mistrust of Indonesia throughout the Melanesian world.

While most of it is misplaced, and based on considerable ignorance of Indonesian interests and motives, it is none the less real. It has not been assuaged in recent years by reports of unauthorised Indonesian military patrols crossing into PNG, either in hot pursuit of OPM rebels, or by accident. Nor has it been reduced by Indonesia's incorporation of East Timor, simplistically viewed by most Melanesians from Port Moresby to Suva as a straight, imperialist grab with no extenuating circumstances.

Vanuatu is the only Melanesian State to vote against Indonesia on the Timor issue. The others like PNG vote for Indonesia or, like the Solomons, abstain. Timor is in fact central to Melanesian fears, more emotive than rational, of Indonesian expansionism.

But if these fears are absurdly misplaced, there is substance of sorts to the growing perceptions of the South Pacific mini-States that Asia begins to encroach on them in the form of Indonesian people and power spilling inexorably eastward through the Malay archipelago.

Historically, those who ruled Indonesia were more concerned to guard the great Javanese heartland than with extending the far reaches of empire, especially the islands stretching east from Timor to the Bird's Head of New Guinea.

With modern communications — Jayapura is a day's jet flight from Jakarta, about the same distance as Sydney to Perth — the demands of security and development and the inevitable eastwards movement of the Malay peoples, all this is changing.

Papua New Guineans have yet to come to grips with the frequently unpleasant realities of Indonesian sovereignty in Irian Jaya, the Republic's seventeenth province. They have yet to perceive how deeply the province impinges on Indonesian nationalist values after a 14 year struggle, more political than anything else, to regain the last piece of territory to which the Republic as successor State to the entire Netherlands East Indies laid claim.

Most Papua New Guineans have been equally unwilling to come to grips with the problems that faced Indonesia after Portugal's complete abdication of its responsibility for its former colony in August 1975. Or to understand the intensity of Indonesian fears, genuine if unreal in many respects, that a Fretilin-governed East Timor could only serve as a rallying point for eastern Indonesia's flickering secessionist movements or, worse, as a sanctuary for former PKI members, from which to conduct subversion against the Republic.

Conditioned by a generation of Australian-inspired anti-Indonesian propaganda, PNG's elites — politi-

cians, bureaucrats, students, police and defence force personnel — have increasingly come to believe that Timor was simply a precursor for future Indonesian annexation of PNG. Invasion is a word that has been thrown around by some in PNG's defence forces, for example, with reckless disregard for commonsense or reason.

Indonesia's invasion of PNG is only plausible under vastly different regional conditions from today or those likely to obtain in the future. Indonesia has enough problems without adding PNG to them. Why would Indonesia attack PNG which is not a colonial remnant like East Timor but a sovereign nation, a member State of the UN, the Commonwealth and South Pacific Forum?

In fact Indonesia has a vested interest in a strong, united Papua New Guinea. It does not want weak States on its borders. But it also wants PNG to understand it has nation-building problems in Timor and Irian Jaya, just as PNG has them in Bougainville and a half dozen other provinces.

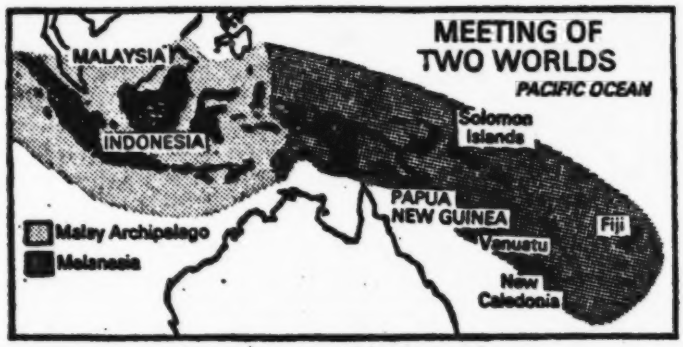
However, it will prove suspicious and hostile over any issue which affects its sovereignty in Irian Jaya.

Evidence of widespread PNG sympathy for the Melanesians in Irian Jaya and attempts to rabble-rouse on the issue of Melanesian brotherhood by politicians like the former Deputy Prime Minister, Mr Iambakey Okuk, quickly arouse those suspicions.

There is little doubt that in the past two years the number of Indonesian border incursions have increased. The frequent official Indonesian excuse of lost compass bearings — even though the country is wild — lack conviction.

As much as anything they have been in response to the failure of PNG patrols to prevent OPM border crossings or, where they have occurred, to locate the guerillas, very few in numbers, and return them. The worst incident occurred this year when, it is clear, that OPM elements held Indonesian citizens hostage on the PNG side of the border for some months without PNG doing anything to clear up the situation.

Indonesia in fact regards PNG's apparent incapacity, or unwillingness, to mount proper border patrols as a breach of Article 8 of the



Border Agreement which enjoins each country to refrain from hostile actions against the other by allowing political activity in the border region.

There is substance to the accusation but it takes little account of the expense for a small country in mounting border patrols — PNG has in fact just conducted one — or of the problems Port Moresby's Government faces in handling a highly volatile electorate on a highly sensitive issue. It has to move with caution where the feelings of Papuan New Guineans for fellow Melanesians in Irian Jaya are concerned.

But the real rub for PNG in its future relations with Indonesia — and for other Melanesian States — will come with the increasing "Javanisation" of Irian Jaya.

There is no doubt that the Indonesian Government is well down the track with plans for Javanising its border areas in Kalimantan (Borneo) and Irian Jaya through resettling poor, landless Javanese peasants. There are two aims — to relieve population pressure in Java and to create a cordon sanitaire against dissidents in both places.

Precise figures are hard to get for Irian Jaya. According to Jakarta sources, there may be about 300,000 non-Irianese settlers in Irian Jaya. The majority are Buginese and other ethnic entrepreneurial types who have settled in and around the main centres.

About 8,000 Javanese families, perhaps 35,000 to 40,000 people, have taken land to farm. Indonesia's Government hopes to settle about one million Javanese in Irian Jaya by the end of the decade. Many thousands will be settled along the PNG border in an effort to create a network of roads, farms and settlers which will contain OPM dissidents and non-traditional border-crossers.

From the Indonesian point of view the policy makes sense. Clearly Jakarta hopes that as the years go by the Melanesians of PNG, and other mini-States, will look west and see in Irian Jaya not Melanesians like themselves but the usual Indonesian ethnic mixture common to other parts of the archipelago.

It is a sound policy. But it must involve the rapid destruction of Irian Jaya's Melanesian culture. The end of the journey will come when Irian Jaya's 1.2 million Melanesians regard themselves as Indonesians, speak Indonesian as a first language, share Indonesian cultural values and uphold Indonesian political institutions.

But the middle of the journey over the next decade will prove extremely difficult, placing enormous demands not only on the capacity of the Irianese to assimilate rapidly into a ruthlessly competitive, more skilled Asian culture but on the capacity also of successive PNG Governments to control the responses of its Melanesian citizens.

CSO: 4200/90

BRIEFS

PNG CRIME WAVE REPORTED--Port Moresby (AAP)--The Royal Papua New Guinea Constabulary has warned the Government that "lawlessness and corruption will continue to increase" unless police funding is boosted. In the constabulary's annual report for 1981 tabled in Parliament, Police Commissioner Henry Tokam said the decline in interest in law and order at government level "is exemplified in the amount of funds made available for development." During the year the Police Mobile Force--which comprised 483 men in 16 riot squads--dealt with 160 major incidents which included 96 tribal fights. "The mobile force attended all incidents which involved some 107,746 people, and 1045 arrests were made," he said. "As a result of tribal fighting there were 55 deaths and 319 injuries reported, while 786 houses, 28,877 coffee trees and 292 food gardens were destroyed--as well as 74 cows and three pigs." The annual report noted that no police recruits were inducted after July 1981 "due to severe financial restrictions." In the National Capital District (Port Moresby and environs) there was an escalation in urban crime. [Text] [Brisbane THE COURIER-MAIL in English 6 Oct 82 p 9]

CSO: 4200/90

OFFICIAL LIES, ARBITRARY POLICE ACTS DEPLORED

Cebu City VISAYAN HERALD in English 22 Oct 82 pp 4, 14

[Article by David Ompoc]

[Text] Columnist Note: (This column took a short vacation for reasons of pressing legal duties. Preparing answers and memorandum on important court cases is a taxing job that somehow had prevented this columnist from performing his usual obligations to his avid fans.)

Silent Rage

Untruthful statements from public officials have become a fad these days. They are no longer ashamed or afraid to tell lies about abundance and luxury allegedly prevailing in the country as if the people listening to them are all dumb fools. Take for instance the statement attributed to President Marcos which claimed that our bootblacks can go to any bank and get a loan with out collateral. We all know that this is not true but the President has made this assertion with loud bravado attendant to all congenital lies.

Deliberate and malicious falsehood do not serve any useful purpose except to incur the silent rage of the populace. Pious protestations that there is no massive graft and corruption, no violation of human rights, no mass poverty among our people, etcetera cannot make us less knowledgeable of what is actually happening in our midst. The great American patriot, Abraham Lincoln once declared: "You can fool some of the people all the time but you cannot fool all the people all the time." I believe the politicians of our time will have to take moral lessons from this message in order to save the country from perdition.

What is tragic and disturbing is that no less than the Chief of State is the one setting a precedent of purveying canard in his desire to give a beautiful scenery of the nation. There is no doubt that subordinate government functionaries will follow suit. The supreme leader has said this and that so all his lapdogs and robots down below cannot say otherwise.

PC-INP authorities have defended its policy of putting up mobile checkpoints under the guise of ferreting criminals. Lawabiding citizens to not interpose objection to this laudable objective. We want the criminals to stay where

they ought to be. But does the end justify the means? Is there no way of fighting criminality without violating human rights and the Constitution?

The PC-INP want our vehicles to be searched without judicial warrant by invoking Gen. Order No. 66. All along we are made to swallow the idea that Martial Rule has been lifted so that all general orders of the Commander-in-Chief had been rescinded and rendered ineffective. It appears that the military have not been able to shake off its Martial Law mentality. They still want to cling to the absolute powers of a despot who makes searches and seizures according to his whims and caprices. If the citizens permit this type of searches without a howl of protest, the next logical thing to happen is that our homes will be invaded and searched by so-called minions of the law under all kinds of pretenses. This column must have to tell the truth for the benefit of Brig. General Olano and Metrodiscom Boss, Col. Zosimo Angan that this policy of mobile checkpoints is definitely fomenting silent rage among all lovers of civil liberties.

CSO: 4200/64

MAYORS MAY BE ALLOWED TO CARRY GUNS

Cebu City VISAYAN HERALD in English 21 Oct 82 pp 1, 14

[Text] A dozen town Mayors from Cebu Province are reportedly asking the Cebu Provincial Command authority to carry firearms. This was revealed in a news report monitored over DYBU which quoted Cebu Provincial Commander Lt. Col Leandro Mendoza as saying that he had already forwarded their requests to the Ministry of National Defense for appropriate action.

Col. Mendoza also revealed some of the towns whose mayors have made the requests to carry and/or possess firearms. He said they are Asturias, Tuburan, Balamban, Pilar, Pinamungahan, Danao and five others.

Lt. Gen. Fidel Ramos, PC Chief was earlier quoted by Cebu newsmen during his brief stopover here over the weekend, that town mayors and government officials may be granted permits for the carrying of firearms on a case to case basis. According to the PC brass, the categories for town mayors or government officials who would be granted authority to carry firearms include: those in areas with NPA or Muslim terrorist threats or those from a widespread criminal syndicate are present; or whenever the town is inaccessible; when there is no stable military or police unit, provided that the official himself is reliable.

Ramos also said that a favorable recommendation to this effect from the provincial commanders is necessary before they would be acted upon by his office.

CSO: 4200/64

MARCOS CHALLENGED ON ELECTION PREREQUISITES

Cebu City VISAYAN HERALD in English 21 Oct 82 pp 1, 2

[Text] MISAMIS OR--Gov. Homobono Adaza, president of the opposition Mindanao Alliance, has reacted to the statement of Pres. Marcos about the lack of an opponent if the presidential election were held in 1984.

Adaza said that an opponent to Pres. Marcos is nothing to be worried about because the people of this country will be able to put up one for as long as Marcos can assure our people that the elections will be fair, honest, clean and orderly.

The Mindanao opposition leader has set nine (9) conditions to be met by Pres. Marcos if he wants an opponent. They are:

*Declare a general amnesty for all political prisoners;

*Legalize the Communist Party, the Moro National Liberation Front, the Socdem parties and declare general amnesty for all their members;

*Free all political prisoners and detainees;

*Reconstitute the membership of the Commission on Elections by appointing members from the existing opposition parties; the legalized CPP, MNLF and Socdems; and impartial individuals with proven integrity;

*Provide unrestricted use of the mass media and the political platforms for the opposition, assuring the opposition of equal opportunity;

*Allow the opposition to campaign freely without being harassed, threatened, molested and intimidated;

*Throw away the old registry list of voters and start with registration of qualified voters only;

*Insure free, honest and orderly voting, canvassing and proclamation;

*Step down and abide by the verdict of the people should he lose the elections.

Unless these conditions are satisfied, Marcos will certainly run alone and repeat the joke that was the 1981 presidential elections," Adaza concluded.

CSO: 4200/64

CARDINAL SIN SUGGESTED FOR ELECTION COMMITTEE

Cebu City VISAYAN HERALD in English 19 Oct 82 pp 1, 2

[Article by Al Alinsug]

[Text] Assemblyman Reuben R Ca noy, a leading member of the Opposition in Mindanao, has called on President Marcos to make the coming electoral process honest, clean and orderly.

Speaking through a spokesman, Canoy has outlined a six-point demand to achieve clean elections. They are:

*Put Cardinal Sin in the Co melec.

*Purge the voter's list of all flying voters and instant registrants.

*Disallow instant registration;

*Make the composition of electoral boards of one school teacher as chairman, one each from the majority party and the minority party;

*Encourage the formation of citizens' quick count;

*Provide equal time and space in media coverage;

At the same time, Canoy has called on all those who do not see eye-to-eye with the regime of President Marcos to unite for the greater interest of the country.

The spokesman also revealed Canoy's plans for the presidency of the Republic saying that the Mindanao stalwart will fight the President in a fair election.

"That is if no one in the UNIDO or other opposition groups will make himself available to be candidate,' the spokesman said.

Asked on the assumption that if Laurel, or some other opposition presidential timber will fight Marcos, the spokesman said Canoy will be content to support him. Canoy will support whoever will be the opposition standard bearer, as all the rest of the opposition should do, he said.

There is no more time for wrangling. All opposition groups and individuals should stand against a common adversary in the coming presidential battle, the spokesman stressed.

CSO: 4200/64

COLUMNIST SEES MARCOS MAKING NO CONCESSIONS

Cebu City VISAYAN HERALD in English 18 Oct 82 p 4

[Article by Al Alinsug]

[Text] It is unusually good of President Marcos to accede to shorten his term from six to four years in order to synchronize the elections and, as reported, in accordance with the wishes of the Opposition. To add to this unusual goodness, he has advised the Opposition to get together and present a solid front. The impression the President creates is that he belittles the Opposition, and that even if he presents himself to an electoral fight, he will still emerge victorious. Handily, for sure, otherwise he would not have dared the Opposition that he is willing to stake his post.

But judging from past experience, the Opposition is not likely to take this at face value. The President is too astute a politician to be taken seriously by such accommodation. There are many possibilities to explain the motive of the President to accommodate the Opposition.

Not to be discounted is the idea of floating the proposition in order to gauge public reaction to the unusual offer, or shall we call it accommodation? The President gains by this magnanimity. Not only will the people welcome such gesture, but the populace will acclaim him for his self-sacrifice and generosity. People would say it's time President Marcos give the Opposition the chance to prove its real worth. Others would say after all we have a President who is magnanimous and a President who has a big heart, in contrast to the ruthlessness that he has been pictured to be.

Secondly, the announcement can create even more dissension in the Opposition ranks. What should not be discounted is the presence of ambition glowing in the hearts of many of them, despite their capabilities. Who can be Marcos' likely opponent even this early? Some observers say there is no one at the moment who can be a strong con tender to Marcos: he has maimed all of them. Aquino is facing charges, Salonga, Kalaw and others are still under house arrest, Diokno is passe, Laurel lacks the punch with his business interests that forces him to look back. There is Canoy, but he is too small for the President. There is Pelaez, but he belongs to the President's men. Who can fight the President in the Opposition?

If no one can fight President Marcos in a presidential election, it is because Marcos himself has seen to it that no one ever can. He has cut all of them

to size. If there is any one, it is Marcos to fight himself. He will have to see to it that his health can endure and outlast his ambition to stay in power. Another that Marcos has to contend with is his age. Actually, the fight for power is only between Marcos and Marcos, or Marcos versus Marcos.

But there is one factor that Marcos can never take for granted: it's the people. If the sovereign people will see to it there is only one way to save the nation from dismemberment as a result of strife and national disaster, then they will vote whoever is Marcos' opponent. If the people will assert their sovereign will, no power on earth can turn back that tide.

CSO: 4200/64

SECOND NATIONAL PARTY PLANNED

Cebu City VISAYAN HERALD in English 18 Oct 82 pp 1, 2

[Text] ZAMBOANGA CITY, Oct. 17--(PNA)--Misamis Oriental Governor Homobono Adaza is spearheading a move to form a second national opposition party based in Mindanao.

Adaza chairman of the opposition Mindanao Alliance (MA), said he is rallying opposition leaders in Mindanao following a second national opposition party.

In an informal meeting with newsmen at a luncheon Friday at city mayor Cesar Climaco's residence, he said the Concerned Citizen Aggrupation (CCA) and the Mindanao Alliance would be the nucleus of the second national opposition party.

Adaza said there are excellent chances for an opposition party to eventually dislodge the present administration from power through the electoral process.

The Misamis Oriental governor said opposition stalwarts in Mindanao will meet in Zamboanga city sometime in December to finalize plans for future participation in political exercises.

CSO: 4200/64

GRAFT, CORRUPTION IN DAUAO DEPLORED

Cebu City VISAYAN HERALD in English 16-17 Oct 82 p 5

[Article by Homobono A. Adaza]

[Text] In Davao, it is a matter of common knowledge that one of the oligarchs of the administration operates a banana plantation that utilizes government equipment and prison labor. While the administration boasts of a land reform program for the poor, it multiplies geometrically the hectares that it gives to its friends. Thousands of hectares for banana and coconut plantations in Davao and Palawan and other areas in the country, for the favored few of the administration.

Dewey Dee, Conrado Pascual, Jr. and others of their kind have run away with the money of the people almost indiscriminately. If a clerk absconds with more than two hundred pesos, he ends up in the Sandigan Bayan and a few years in jail. Those who traffic with the people's money in terms of millions are either vacationing in the watering places of the world or living luxuriously in the plushy subdivisions of Metro Manila.

Graft and corruption in government has reached epidemic proportions. Even some of the holier than thou executives of the opposition in Mindanao have been tainted with the national malaise of graft and corruption to the point of being charged with receiving a Betamax set to using government money in the repair of residential bedrooms in the Tanodbayan.

The rise and fall of governments in many parts of the world have been successfully credited to graft and corruption. In Latin America, Battista of Cuba and Somoza of Nicaragua fell because of graft and corruption. In Asia, Chiang Kai Sek of China, Sygman Rhee of Korea Lon Nol and Sihanouk of Cambodia, Diem and Van Thieu of South Vietnam, Sukarno of Indonesia fell for the same reason. It is a classic of contemporary political development that a corrupt gov't. unless it reverses itself on time, will inevitably be crushed by the people.

Fereydoun Hoveyda in his book, "The Fall of the Shah", describes the extent of corruption that led to the Fall of the Shah of Iran in these terms--

"Corruption ran wild at the heart of the royal family. The Shah's brothers and sisters earned exorbitant commissions on contracts by acting as go-betweens, usually through companies in which they were the majority shareholders.

for the moment it suffices to say that the example of the royal family was a source of contamination which infected every level of society. Collosal fortunes were made in the time it takes to sign a contract. The scandals multiplied remorselessly."

Does this not sound familiar, even if one were to view the present Philippine situation in a very cursory manner? Change "shah" to "president" and you have substituted the Philippines for Iran.

CSO: 4200/64

BRIEFS

AQUINO, CEBU REBELS LINKED--A link between former Senator Benigno Aquino, Jr and slain Cebu rebel leader Regino Laurente was revealed yesterday during the hearing of rebellion charges against some 42 suspected rebels who were rounded up in the hinterland barangays of Asturias, Balamban and Tuburan towns a few months ago. A government witness, one of the Quimbo brothers, said that Regino Laurente personally told him that "Aquino would supply them with firearms when he arrives." Asked if the rebel chief was referring to former Senator Benigno Aquino, Jr. the witness replied he does not know. He also reportedly said in open court that he did not know the date of Aquino's arrival. Earlier, Quimbo told the court that he was a member of the band of Laurente but bolted the same after his friend was allegedly killed by the group without justifiable reasons. He also told the court that the group had successfully recruited at least five barangay captains and some 20 tanods from the mountain barangays of Asturias and Danao City. In yesterday's hearing before CFI Vice Executive Judge Alfredo Marigomen, the witness also reportedly said that a certain Timoteo, who is well-off in the area allegedly supplied the group with 12 sets of fatigue uniforms. [Mike Ynclino] [Text] [Cebu City VISAYAN HERALD in English 22 Oct 82 pp 1, 2]

SAMAR, LEYTE DISSIDENTS SUBDUED--TACLOBAN CITY, Oct. 21--(PNA)--Officials of Leyte and Samar have reported to President Marcos here that dissidents in their areas have been put under control with the rapid development of the region. With the opening of roads and highways, electrification of barangays and the spread of the livelihood program, the New People's Army's activities have dwindled to few isolated incidents, Leyte and Samar officials said. Deputy Prime Minister Jose Rono informed the President during the meeting at the people's center in Tacloban, that the people of the region have realized that the government is sincere in pursuing the development of the region. The government, Rono said, has poured in almost one billion pesos for the development of Samar alone. The province was once the hotbed of subversion. The President reiterated to the governors and mayors of the region that the government would continue to emphasize socio-economic development in coping with subversion. Speaking to the same group, the First Lady and Human Settlements Minister Imelda Romualdez Marcos, urged constant communication between the local officials and their constituents in the barangays [Text] [Cebu City VISAYAN HERALD in English 22 Oct 82 pp 1, 14]

CSO: 4200/64

BRIEFS

IRAN SECOND-LARGEST OIL SUPPLIER--Singapore, 19 Oct--Iran has replaced Kuwait as Singapore's second largest supplier of crude oil after Saudi Arabia, according to figures published by the Department of Statistics here today. Singapore's overall imports from Iran during the first eight months of this year were 1,110 million dollars (509 million US) compared with 600.1 million (275 million US) in the same period last year.--NAB/AFP [Text] [Rangoon THE WORKING PEOPLE'S DAILY in English 21 Oct 82 p 5]

CSO: 4200/87

ATHIT, OTHER STRONGMEN'S PATHS TO CINC COMPARED

Bangkok MATICHON in Thai 27 Sep 82 p 3

["In the Nation" column by "Ordinary Reporter": "General Athit Kamlangek, Fixed Star or Satellite Star?"]

[Text] Dr Chai-anan Samuthawanit, a political scientist interested in the role of the military in politics, exploded a bomb by saying that the political status of General Athit Kamlangek, who will become army commander-in-chief, is not strong enough, and there may be a secret coup.

The bomb resulted in General Athit Kamlangek's angry response that, how could a scholar know more about military than the military?

Major General Phat Urailoet, who will assume General Athit Kamlangek's position of commander of the first army region, guaranteed that General Athit Kamlangek's status in the military is firmer than rock!

Is General Athit's position really firm? This is the question that many people and General Athit himself would like to answer.

Athit's path compared with Sarit

In addition to the ties between Field Marshal Sarit Thanarat and General Athit Kamlangek when Athit was a "captain" in the military, Captain Athit Kamlangek played an important role by joining with Field Marshal Sarit Thanarat.

At the time, students and citizens were not content with Field Marshal P. Phibunsongkhram, who carried out unfair elections in an underhanded way, and started a protest movement.

Field Marshal Sarit Thanarat, as army commander-in-chief, was in the position of protecting the capital.

Captain Athit Kamlangek was assigned to quell the students and citizens. at the time Captain Athit firmly adhered to the principle that "the military is not to harm the people" of Field Marshal Sarit.

He was praised in the newspapaers for being "a heroic Indra."

This relationship put Sarit in the position to be a strong army commander-in-chief, enabling him to solve problems. Later General Athit was compared to him and called "little Sarit."

The Path to Power of Field Marshal Sarit

Joining the coup of 8 November, 1947 made Colonel Sarit Thanarat a prominent member of the young generation in the military because he and his friend Lt Colonel Thanom Kittikhachon from Ch.P.R. Officers Academy actually had all the power in their hands.

All the other officers were outside the government!

After the coup of 1947, Colonel Sarit became chief of division one and was promoted to Major General. Lt Colonel Thanom became commander of Infantry Regiment 11 to Protect the King and was promoted to Colonel.

Later there was a revolt of chiefs of staff and a palace revolt. Major General Sarit and Colonel Thanom were an important force in putting them down. Major General Sarit became Lt General and commander of army region one. Colonel Thanom became Major General Thanom and chief of division one.

Colonel Praphat Charusathian became commander of Infantry Regiment 1 to Protect the King, the original position of Lt Colonel Sarit before the coup.

In 1952, Lt General Sarit became General Sarit and had the post of deputy commander-in-chief of the army. Major General Thanom became Lt General Thanom and commander of army region one; and Major General Praphat Charusathian assumed the post of chief of division one.

In 1954 General Sarit became commander-in-chief of the army. Then, in 1957, General Thanom became deputy commander-in-chief of the army. Lt General Praphet Charusathian then became commander of army region one.

Major General Krit Siwara became chief of Division 1 to Protect the King!

14 October, 1973 destroys this path

The custom in the army that laid the path for Field Marshal Sarit continued with Major General Krit and then Major General Kriangkrai Atthanan, and Major General Prasoet Thamsiri and Major General Yot Thephatsadin of Ayutthaya, for example.

But the events of 14 October, 1973 destroyed this sequence on one level.

At the least, the fact that General Krit Siwara as commander-in-chief of the army was the one to ask Field Marshals Thanom and Praphat to leave the country was in a way staging a silent coup. That brought about discontent among the bloodlines of the two field marshals.

Power within the armed forces was re-arranged.

The last examples of laying a path to power like that of Field Marshal Sarit are the paths of General Amnat Damrikan and General Thep Kranloet.

After General Amnat passed away and General Thep was moved into the deputy's office of the Ministry of Defense within the army, there was a new kind of procession to power in the designation of a man by the name of Prem Tinsulanon from the military in the countryside.

Compare Athit and Sarit--wrong!

Some people have tried to compare the path of accession to power from army commander-in-chief of Field Marshal Sarit Thanarat with General Athit Kamlangek.

The conclusion of Dr Chain-anan Samuthuanit is that if we compare the paths to power, the basis of General Athit's military power is certainly much weaker than that of Field Marshal Sarit.

He is an officer from the countryside who came to be in army region one on his own.

Although he was previously chief of Division 1 to Protect the King, for one year, that was a very short period.

In any case, the role and power of General Athit probably cannot be discussed thoroughly apart from the position of General Prem Thinsulanon. The rise of General Athit couldn't be in the manner of that of Field Marshal Sarit Thanarat if he is to take the announced position alongside General Prem.

This is a point of difference between Field Marshal Sarit Thanarat and General Athit Kamlangek!

Field Marshal Sarit's power has the characteristics of a "fixed star" by itself, but General Athit's is like a "satellite star" that must depend on the light of a "fixed star."

The "fixed star" of General Athit is none other than General Prem.

The road to power of General Athit

General Athit Kamlangek was born in 1925. He was in the fifth class of army officer training. He finished his studies at Ch.P.R. Officers Academy in 1948. An important point in the career of General Athit was his position as commander of Joint Regiment 23 between 1973 and 1977.

In 1978 he became chief of Division 3 and in 1979 chief of Division 1 to Protect the King. In that position between August and September, 1980, he played a great role in the move to extend General Prem's term as army commander-in-chief.

He was transferred that September to become deputy commander of army region two. In April, 1981, the "Young Turks" staged the revolt of 1-3 April. Major Gen. Athit had an important role in putting down the revolt and keeping General Prem in power. Major General Athit became Lt General Athit and immediately was given the position of commander of army division 1.

Major General Suchin Anyakun, commander of division 1, was transferred by Major General Phichit Kunlawanit to another post.

All the Yount Turk officers, who were the students of Ch.P.R. class 7, that held battalion-level posts were removed and replaced mainly with students of class 5.

In 1982 General Athit was named army commander-in-chief!

General Athit's power base

General Athit's accession to military power did not arise out of the aspirations of the students of army training class 5, Ch.P.R., classes 1 and 5.

It is very clear that the positions of army region commander and deputy commander are held solely by students of army training class 5. Even if a member of that class leaves his post, the deputy commander waiting is always a member of class 5.

Certainly this united class, if it were the type of Lt General Yutthasak Khlongtruatrok or General Chamanan Nilawiset, would likely be hung up entirely in army command units or in deputy minister' offices.

In addition to students of military training class 5, a force that is like a base for the new army commander-in-chief is that of Ch.P.R. students of class 1 and class 5, who were given positions and promotions to become the strongest ranks.

Keep an eye on the commander of Infantry Regiment 23

Colonel Athit Kamlangek became commander of Joint Regiment 23 (which later became Infantry Regiment 23) in 1971, following Colonel Pawatwong Hutaswei, who was in charge of the regiment for two years.

Today Major General Pawatwong has been transferred, and in 1982 he was appointed provincial army commander of Lopburi in place of Major General Khanung Simarut, whose "follower" was involved in a criminal scandal.

The commander of Joint Regiment 23 following Colonel Athit Kamlangek was Colonel Phisit Mebut, from 1977-1978. Then, when the command unit of division 6 was chosen in 1979, he was made deputy commander of division 6, and then in 1980 he became commander of division 6. In 1982 he became deputy commander of army region two.

Colonel San Siphon was the commander of Infantry Regiment 23 from 1979-1981. Following the coup of 1-3 April, 1981, he was made commander of Infantry Regiment 1 to Protect the King, the post previously occupied by Field Marshals Sarit and Praphat.

General Athit's base: a mixed base

No matter what moves by the opposition are rumored in the wind to make it more difficult for General Athit to assume the post of army commander-in-chief, in the end no one will be able to block his path.

News sources in the army and high-level political circles maintain that after the appointment of General Athit as assistant army commander-in-chief, the transfer of the person who could have blocked his path meant that General Athit was sure to become commander-in-chief.

The appointment this year does not change anything. If it weren't that people in military circles consider the "status quo" good, no one would want General Athit, and a person who wanted to would move up into a higher position.

Therefore the rise of General Athit is General Prem's wish because General Athit rose from army region two like General Prem, and only General Athit has announced his firm intention to support General Prem's position as prime minister.

The power that supports General Athit, besides the power of General Athit himself, is the power supporting General Prem Tinsulanon.

General Athit alone can seize power

Those who are dissatisfied with or don't like General Athit in the armed forces, like General Prayut Charumni, have announced that 85 percent of those in the armed forces are satisfied with the appointment of General Athit as army commander-in-chief, and that the other 15 percent are worth considering as well.

Of all officers at present it is almost inconceivable that anyone other than General Athit or General Prem could stage a coup to seize power.

Even if these two officers were to try to turn the tables of democracy and stage a coup, it would be very difficult to do by themselves. They would need the approval of other officers with power and those who can't be cut off in any event, that is the support of the other two forces, the navy and the airforce.

Whoever thinks of gaining political opportunity by a Malapate coup again may meet the fate of the revolt of 26 March or 1-3 April.

The future path of General Athit

There have been five people to become prime minsiter after holding the position of army commander-in-chief.

One was Colonel Phrayaphaphon Phonpayusena [?]; the second, Field Marshal P. Phibunsongkhram; third, Field Marshal Sarit Thanarat; fourth, Field Marshal Thanom Kittikhachon; and fifth, General Prem Tinsulanon.

The first seized power; the second first came to power by constitutional means; the third seized power; the fourth succeeded to the power of the third.

The fifth, General Prem, is generally understood to have become prime minister by constitutional means, but it can't be denied that there was a movement inside and outside the armed forces to overthrow General Kraingsak Chamanan, and it is believed that General Prem, in the position of army commander-in-chief, was asked to become prime minister.

General Athit's road to power will not be his to choose. It will depend on the national political situation in the future as well!

Means of Power

Sarit-Thanom-Praphat

Name	Infantry Regiment 1	Division 1	Army Region 1
Sarit Thanarat	1945-1948	1948-1950	1950-1952
Thanom Kittikhachon	(Infantry Regiment 11)	1950-1952	1952-1957
Praphat Charusathian	1948-1951	1954-1957	1957-1960

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CSO: 4207/13

BPP CHIEF MANO SAMITAPHINTHU PROFILED

Bangkok MATICHON SUT SAPPADA in Thai 10-16 Oct 82 p 7

["MATICHON Profile": "Police Major General Mano Samitaphinthu, Chief of the Border Patrol Police"]

[Text] Now 56 years old, he has just been chosen, this past 1 October, 1982, to assume the position of Chief of the Border Patrol Police, having served as deputy chief since January, 1976.

He is an alumnus of the Assumption school, from which he graduated in 1940, completing year 6. From there he went on to a preparatory school for army officers, where he studied in class 4 for two years. Then he entered Ch.B.R. Officers Academy, where his class was ranked Class 8. It consisted of police officer students, and the teachers were all police. He completed his studies in 1945 and began his career as a police sub-lieutenant on 1 September, 1945 as deputy police inspector at the Bupharam Station in the capital.

He was not in the capital a year when he was ordered to move outside the capital and become section head at the police station in the Ubonratchathani district capital in April, 1946. From there he moved to Amnatcharoen district, and then to Warin chamrap district until 1951, when he was given a position in the capital as deputy police inspector at the Lumphini station.

But later he had to leave the capital again on 1 April, 1952, and became head of the special company of unit heads of the fourth zone of Udonthani. He attained the rank of Police Captain that September.

During the time he was head of the police station at Warinchamrap, Police Sub-lieutenant Mano showed his skill in investigation and arrest to important police officers in the department with his investigation and pursuit of a big criminal railroad thief. Even the belongings of Field Marshal Phim Chunhawan, the most important person at the time, had disappeared from a railroad car on the way from the northeast to Bangkok. He used his traveling time, spending nights climbing on and off of railroad cars, traveling on foot, sleeping in train stations, homes of villagers and near the train tracks, and saying he was a hunter to a group that included a police officer and another officer. When he reached Bangkok he still hadn't

caught up with the criminal. But on his way back to Nakhonratchasima he found traces and followed them until he finally caught the criminal.

The "knight's ring" was the reward given for police ability at the time, and Mano Samitaphinthu still wears his today with pride.

In 1958, when a Police Major, he went out on an inspection of districts in the left of the province. His helicopter was in an accident and descended on a treetop, just missing falling into an abyss, and he was able to escape with his life. After being Police Major for 2 years, be became Police Lt Colonel, and then Police Colonel three years later, and in another four years he became Special Police Colonel.

His official career has mostly centered outside the capital, in Ubonratchathani, Udonthani, Nakhonratchasima, both in the police force and border police.

When he was selected to be deputy head of zone four of the police of Udonthani, he took care of supervising the police officers academy as well, and when he became deputy head of zone seven, Nakhonpachom, he was also supervisor of the police officers academy.

He became deputy head of the suppression squad on 31 January, 1974 and then became assistant commander of the Border Patrol Police on 1 June, 1975, and deputy commander on 19 January, 1976.

In a few days he will be promoted to Police Lt General.

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EDITORIAL NOTES GREAT REGIONAL DISPARITIES IN PER CAPITA INCOME

Bangkok BAN MUANG in Thai 27 Sep 82 p 4

[Editorial: "Per Capita Income"]

[Text] We have mentioned our pride in the government's receiving praise from economics journals around the world, saying that the Thai government is capable in money management and is fifth in the world in economic efficiency. We also express our belief that it is increasingly apparent that the economic status of the Thai people has not improved, and this is a contradiction. We believe that it must be pointed out that we are not without evidence in saying this.

The level of the existence of the people in Thailand cannot be measured in any certain way. We must believe the evidence that yearly per capita income as an indicator appears to be proof of great disparities in Thailand's incomes. The highest appear to exceed economic necessity; the lowest are not enough for continued existence in this world. For example, the national income of a worker in Bangkok has now reached 15,357 baht, while the income of a person in the northeast is only 2,215 baht.

We cannot overestimate the disparities in national income of these workers. They are a matter of fact, and show that Thailand is inefficient in distribution of income, an important aspect of its economy, and that economic policies are carried out to benefit the few in the cities and the capital.

There is one other important point that is extremely harmful to the people's economic situation. That is the increase in expenses of the people without comparable economic compensation by the society. Every year the Thai people must spend their incomes on various things called "good works." These works do not bring any economic benefits back to the people, although many groups try to find a way to "scrape" them up for people by claiming charity. This is one very regrettable way in which incomes are lowered.

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EDITORIAL CONDEMNS BREACH OF ASEAN SOLIDARITY ON TRADE MATTERS

Bangkok DAILY NEWS in Thai 1 Oct 82 p 3

[Editorial: "Dont' be Faithful to the Point of Ruin"]

[Text] No matter what age or era, international friendships are extremely important to all nations.

This type of relationship appears in different forms or systems. There are relationships among nations as in the contract to set up the United Nations, and the various agreements arising from the activities of those contracts. In addition, agreements between groups of nations or between two nations or aims of such relationships may take other forms, such as trade, economics, or military.

The important aim is to join together to carry out the objectives of these relationships.

No matter how beautifully written the agreement or contract is, if the nations that are parties to the agreement are not sincere and determined in carrying out the contract or joining together, the agreement is useless or may result in blame of the side that betrayed the sincereity of the agreement.

In affairs of nations, it is important that one must look after his own advantages. Therefore we always find that differences arise between nations who are parties to an agreement.

Some nations are selling Thai products to Vietnam, which we have been trying to prevent, for fear that it will add to their military strength, and we are troubled that our products sell with difficulty in our present economic state of decline, while others are selling Thai products in abundance.

The deputy minister of foreign affairs himself said that some neighboring nations are not uniting in carrying out ASEAN's industrial plan in which it was agreed that Thailand would carry out the manufacture of mineral salts and soda ash. Our ore is secretly taken and sold, and member nations of ASEAN are believed to be engaging in the business of smelting ore, although their nations have no mines or ore products.

Even Thais who travel or conduct business in those nations are treated with contempt.

We won't reveal what nations they are, but the people of integrity are likely to know. But such governments are glad to deceive, knowingly and determined, without thinking of the survival of some of our nations.

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CSO: 4207/13

COLUMNIST: THAI INTERESTS LIE WITH ARAB STATES

Bangkok DAILY NEWS in Thai 7 Oct 82 p 3

["In the World" column by Trairat]

[Text] On the stage of world politics today, one must keep up with the game. One must dare to express opinions, rather than keep them to oneself. If one doesn't say what is on his mind, who is to blame when problems arise? Leaders of nations can be right or wrong. National policies can result from the decision of a few. They can be faulty. In such cases, when there is an opportunity to express oneself on the world stage, one should clearly point out where the faults are. Sometimes the giant nations are good. One must speak accurately, not worrying that they will be angry. Sometimes we will make them think and make changes for the better. We must not think that the foreigners have magic powers. Sometimes we see that they are doing something foolish and, in fact, they are glad to be criticized and to be able to see the truth.

We Thais have long been deficient in this. In dealing with the great nations in Europe or America sometimes we don't understand them well enough, only flattering them or following closely behind them, not realizing that the foreign leaders saw us as children with no interest in facing the strong nations or acting on our own, unable to solve problems. Should we not act like Malaysia of Singapore, former colonies of England, who when it came time to speak of national advantage both attacked England to an extent, with the result that England had to listen. In the world, whether a nation is big or small is unimportant. Conduct oneself correctly, have good principles, and then the giant nations will have to respect you. The hundreds of small nations should get together to benefit ourselves for bargaining power to gain benefits, so they see that we don't always depend on them, that they actually must turn around and depend on us. Certain policies should not be weak. We must try to stand on our own two feet!

Thailand's announcement in the U.N. was just. Whoever does wrong, especially among the allies, should right that wrong. Thailand estimates that the actions of the Jews in the invasion were behind the killings of 1,500 in Beirut. The announcement of support for the P.L.O., which is in a similar situation with Sihanouk's group at this time, calling for the withdrawal of all troops from Lebanon, led Thailand to ask that all nations leave

Kampuchea so that the Khmers can make national political decisions on their own. Thailand has long been tied closely to the U.S., following her in all matters.

It has been said many times that Thailand's advantage lies with the Arabs, but the reason for the ties and limitations were because of Uncle Sam's closeness to the Jews, so that sometimes we seemed to close our ears and eyes. The movement in some areas may come too late ... Everyone understands that in foreign affairs policies are delicate and complex matters, but not all cases are entirely so. In some ordinary cases anyone can say how one should act, as in the incident in which the Jews were an accessory in the killings of thousands of Palestinians. In such a case one can guess immediately that no one would prefer the trouble of putting their money on the Arabs. The Jews and the U.S. demanded support, not allowing an attack. Once again the truth is that the U.S. itself jumped out and pushed the Jews.

Thailand also has the problem of having a great dependence on the Arab nations. Great benefits await us on the shores. The developed nations shouldn't toss away all of our hopes. How much hope have we lost? Should we attend to them or not?

Besides, we ought to be like Japan, selling one thing and talking about other things later. We must oppose tricks we don't like, and seek a few largely better allies.

Stop attaching ourselves to this or that nation. Thailand must be Thailand.

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EMERGENCY MEASURES PLANNED TO BOLSTER ECONOMY

Kuala Lumpur BUSINESS TIMES in English 30 Sep 82 p 19

[Article by Atiqul Alam in Dacca]

[Text] THE Bangladesh government, facing a foreign exchange shortage and a balance of payments crisis, is working on a series of emergency measures to bolster the economy.

Foreign exchange reserves now stand at just US$75 million, the lowest level in the country's 11-year history and hardly enough to pay for one month's imports.

Worse is the balance of payments picture. The deficit stood at US$1.226 billion at the end of the fiscal year in June and economists here believe it will deteriorate by at least another US$100 million in the present fiscal year.

Government officials say the situation will take an encouraging turn in the next couple of months as a result of "new initiatives we are hoping to launch soon."

They declined to give details beyond stating that a substantial credit from abroad, backed by steps to boost farm and industrial output at home, would help stimulate exports and ease pressure on the balance of payments.

A tough budget announced in July removed subsidies on several basic items. Government figures show that rice is now 36 per cent dearer than three months ago and the price of kerosene oil has gone up by 43 per cent.

Blame for the country's present economic predicament is partly attributed here to the International Monetary Fund (IMF) which last month terminated its 864 million special drawing right (SDR) -- about US$1 billion — extended fund facility to Bangladesh because the country was unable to fulfil the pre-conditions for obtaining the credit.

Requirements

The IMF had asked for a devaluation of the Bangladesh currency, a drastic cut in government spending, the ending of subsidies on foodgrains and fertilisers and a total overhaul of the country's credit system.

"We have already gone a long way towards meeting their requirements, but still they are not happy," Finance Minister A.M.A. Muhith told journalists in London on his way back to Bangladesh from an IMF conference in Toronto recently.

He described as a somewhat "anodyne" step a subsequent IMF announcement of a one-off credit of US$78.3 million to help the country buy foodgrains.

He denied that the reservations of the IMF would have repercussions on other financial agencies and among Bangladesh's traditional donors.

"As far as I am concerned, the aid flow will continue as usual," he said.

Independent economists see Bangladesh's economy to be in a desperate situation. "The economy is now worse than the so-called basket case concept," Abu Mahmud, a Harvard-educated economist who is now a senior professor at Dacca University told Reuters.

"No Houdini can save the situation unless those in power try to understand what the economy is all about," he said.

Chief martial law administrator Lieutenant General Hossain Mohammad Ershad has accused some of Bangladesh's politicians of trying to undermine the government's economic strategy.

Conspiracy

"Their conspiracy is bound to fail because we, the armed forces, are with the people and we are determined to see a breakthrough in our economy by working hard in the fields and factories," the general told a Dacca meeting recently.

Officials in the Bangladesh Finance Ministry play down the seriousness of the country's economic situation.

They refer to the recent announcement of the International Development Association, the soft-loan affiliate of the World Bank, that Bangladesh would get a total of US$385 million during the current financial year.

They are expecting another US$170 million from the United States while Japan exchanged notes with Bangladesh earlier this month offering a new credit of US$114 million.

At a meeting of the Bangladesh Aid Group last April in Paris, the country got a commitment of US$1.7 billion of assistance for this year, just half what Bangladesh had asked for.

Officials are worried whether some of the countries which have pledged assistance will come through with the cash.— Reuter

CSO: 4220/506

BANK OF AMERICA REPORT PREDICTS ECONOMIC DECLINE

Kuala Lumpur BUSINESS TIMES in English 27 Sep 82 p 22

[Text]

JAKARTA, Sept. 26

INDONESIA will decline economically next year but will remain politically stable, the Bank of America predicted yesterday.

The bank said in a study of trends until the end of next year that growth would slow to between four and 4.5 per cent this year, compared with 7.6 per cent last year, because of falling exports, lower government spending and reduced private consumption.

It predicted that improved external sector, mining and agricultural performance could push growth to 5.6 per cent next year, but this recovery and faster rupiah depreciation would also boost inflation from an estimated nine per cent this year to 10 per cent next year.

The rupiah, the bank said, would be allowed to depreciate gradually against the dollar from about 670 now to 700 by the end of the year and 770 by the end of 1983. Sudden devaluation was unlikely because of the adverse effect on the political climate.

A trade surplus of only US$1.1 billion this year and US$1.9 billion next year was likely, the report said, a dramatic drop from US$9.1 billion in 1980.

The value of oil exports, which account for 70 per cent of total exports, would continue to decline this year because of Indonesia's observance of Opec production cuts and stagnant prices.

Other exports, which slumped 28.2 per cent in value in 1981, would continue to fall this year but recovery was likely next year, the bank said.

It said cuts in government spending may delay some development projects. — Reuter

CSO: 4220/507

CALL FOR APPOINTMENT OF CHINESE CABINET MINISTER

Kuala Lumpur BUSINESS TIMES in English 24 Sep 82 p 2

[Text]

JAKARTA, Sept. 23

THE chairman of the Indonesian Indigenous Businessmen Association, Mr Probo Sutedjo, has called for the appointment of a Chinese minister in the new Cabinet to enhance the government's assimilation programme, it was reported today.

Mr Probo, President Suharto's half brother, was quoted by the economic daily journal *Ekuinas* telling a Hippi meeting in Surabaya, East Java, last night that the Chinese minister should make sure that the imports of certain goods which had been approved by the State Logistics Board (Bulog) should be handled by indigenous businessmen.

This was the first time that a leading businessman had suggested the inclusion of a minister of Chinese origin in the Cabinet.

President Suharto, who is expected to be reelected for a fourth five-year term in March for the 1983-88 period, will reshuffle the present Cabinet and speculation is rife that more young figures will be included.

The late President Sukarno had named leading Chinese figure Oei Tjoe Tat as a State minister in his Cabinet to help speed up the slow process of assimilation.

Mr Probo, who owns several big enterprises and the monopoly for the million of dollars worth clove imports, said the government could not be blamed for the unsmooth assimilation between Indonesians and Chinese.

The blame was on the part of certain Chinese themselves who were unable to adapt to the changing situation at present, he said.

Mr Probo said certain groups of the Chinese community in Indonesia were too selfish causing the indigenous to envy.

"Many Chinese businessmen only think of making profits without bearing in mind whether or not they harm others or the state," he said.

According to the paper, Mr Probo called for serious efforts on both Indonesian and Chinese groups to step up the assimilation programme for the interest of a sound economy in Indonesia.

On the current economic situation, he said the prices of certain commodities were higher than those of imported goods because of fuel price increases early this year.

"Should this go on, the foreign exchange reserve will eventually run out just for imports," he added. — AFP

CSO: 4220/507

JAKARTA OPPOSED TO MULTILATERAL MILITARY EXERCISES

Kuala Lumpur NEW STRAITS TIMES in English 16 Sep 82 p 1

[Text]

JAKARTA, Thurs. — Vice-President Adam Malik yesterday said that there was no need for Asean to get involved in any multi-lateral military exercises as suggested by Singapore Prime Minister Lee Kuan Yew.

In reply to a news reporter's question on Mr Lee's suggestion here last week, Mr Malik said the already existing bilateral military cooperation between Indonesia-Singapore, Indonesia-Malaysia, Indonesia-Philippines and Indonesia-Thailand would be sufficient for Asean's defence purposes.

Mr Malik made the statement after a meeting with President Suharto.

The most important point is an understanding among the five Asean members, Mr Malik said.

He added that multilateral military exercises could easily invite suspicion from the other side (apparently referring to the communists) on what would be the next step in the exercise.

"It is similar to Asean opening a new front," he added.

He said Mr Lee's proposal could be of good intention, but it creates problems. "What is the use of creating problems, especially if it is only a show-off?" he asked.

Resilience

It would be much better for each of the five Asean members to step up national resilience in order to strengthen regional defence, he said. "If it can be done, there is no need for any multilateral exercises."

Mr Lee said at a Press conference before winding up a three-day visit here last Thursday that joint military exercises by all Asean countries would be an ideal way to expand cooperation in this field.

Indonesian parliamentarians had bluntly rejected Mr Lee's idea on grounds that it could lead to a regional military pact which is against Asean's cooperation on economy, cultural and politics.

The idea was also opposed by Thailand through a statement made by Foreign Minister Siddhi Savetsila earlier this week. — AP

CSO: 4220/507

CORRUPTION A GREATER PROBLEM THAN IN OTHER ASEAN COUNTRIES

Kuala Lumpur BUSINESS TIMES in English 16 Sep 82 p 2

[Text]

INDONESIA has the worst corruption problem among the five Asean countries, a don said here today.

Head of the Malay Studies Department of Singapore National University Professor Syed Hussein Al Atas said corruption was also widespread in Thailand and the Philippines.

He said in an interview that corruption also existed in Malaysia while Singapore was the least affected by the problem.

Prof Syed Hussein, who has spent about 30 years studying the problem, was recently awarded a fellowship by the Woodrow Wilson International Centre to compile a book on corrupt practices in Asia.

According to the professor, the Indonesian government had requested him for his opinions on corruption in Indonesia, and he had discussed the matter with senior officials of several Indonesian ministeries that dealt with the question of finance. He found that there was a group of Indonesian leaders who were really determined to wipe out corruption in the country.

He said one of the causes for the prevalence of corruption in Indonesia was that their civil servants were among the lowest paid in the Asean region.

Another reason was that when a person entered the employment market, he was automatically faced with various type of corrupt practices.

According to Prof Syed Hussein, he would not make any comparison on corruption between the Asean countries in his book.

He would, however, stressed that corruption was not a way of life in Asia as was widely believed.

Rather, corruption was in conflict with their religion and philosophy of life, he added.

Prof Syed Hussein has written 10 books on various aspects of society, includinga book on "The Sociology of Corruption" which was translated into Indonesian last year.

Meanwhile, a Jakarta court yesterday started the trial of five executives of a Japanese-Indonesian joint venture, PT Kalimantan Steel, charged with tax evasion to the tune of more than 887 million rupiahs (about US$1.4 million).

SINGAPORE, Sept. 15

Facing trial are the company's Indonesian president, T. Wibowo, former vice president Mr Murai and three former accounting directors — Mr Fukuda, Mr Fukioka and Mr Taneka — who will be tried "in absentia" as they have returned to Japan.

They are charged with having withheld corporate taxes and levies from the state from June 1974 to December 1980 through the fraudulent use of double bookkeeping, using the correct system to get bank credit and a false artificially slashed income sheet to pay taxes and dues.

The Indonesian Department of Trade is checking a complaint lodged by the Jordanian government phosphate company, Jordan Phosphate Mines Co. Ltd (JPM), that Israeli rock phosphate has entered Indonesia labelled as coming from JPM.

The national daily newspaper, Kompas, said the complaint was lodged at the Indonesian Embassy in Damascus and specified that a shipment of 5,000 tons of of Israeli rock phosphate had been shipped to Indonesia — Bernama, AFP, Reuter.

CSO: 4220/507

TOWN THREATENED BY VOLCANIC DEBRIS

Kuala Lumpur BUSINESS TIMES in English 27 Sep 82 p 21

[Article by Peter Griffiths in Tasikmalaya]

[Text]

THOUSANDS of soldiers and volunteers are racing against time to save this West Java town from an avalanche of volcanic mud.

Tasikmalaya, a picturesque hill town of half a million people, lies just 10 miles (17 km) downstream from Java's Galunggung volcano which rumbled to life last April, spurting rocks and emitting huge clouds of black ash.

Its 35 major eruptions since then have turned the densely-populated fertile region around its slopes into a deserted wasteland. Padi fields, fishponds and villages have become a nightmare landscape of black ash "snowdrifts", buried houses and stark, defoliated trees.

Some 30,000 villagers have already abandoned their homes, most of them going to refugee camps run by the government and International Red Cross. About 30 people have died from inhaling the choking dust.

Vulcanologists from four countries monitoring Galunggung say monsoon rains, expected at the end of next month, will turn at least 30 million cubic metres of unconsolidated ash into raging torrents of black mud called *Lahar*.

The *Lahar* will plunge down valleys radiating from the 7,113-foot (2,168-metre) volcano, sweeping everything in its path, and could well flood Tasikmalaya.

But despite the experts' warnings, the people in some areas are still hopeful that disasters can be averted or minimised. Thousands have been mobilised to pile sandbags on river banks, deepen the river beds and reinforce dykes.

About 300 delegates, experts in fields ranging from earthquake detection to mass evacuation, are meeting in the nearby city of Bandung this week to discuss contingency plans for the impending disaster, following an appeal from President Suharto.

A United Nations Disaster Relief Organisation (Undro) situation report prepared for the meeting stated: "Latest estimates indicate at least 30 million cubic metres of volcanic materials accumulated on the flanks of the volcano are threatening Tasikmalaya city and surrounding areas.

"A total of 250,000 people are expected to be in physical danger if not evacuated."

Geneva-based Undro director Giles Whitcomb told Reuters: "The peculiarity of this situation for us is that the emergency has yet to come — it is an effort to prepare beforehand for what is certainly going to happen."

American vulcanologist Jack Lockwood, 42, from the Hawaii Volcano Observatory, said: "A disaster is certain — only the size of it remains to be seen."

The porous *Lahar*, he said, would become unstable when its water content reached a certain critical point, when it would suddenly let go and rush down the valleys at speed of up to 30 miles (50 km) an hour.

One of the main tasks of this week's conference will be to devise a contingency plan to evacuate Tasikmalaya in the one hour it will take the *Lahar* to reach the town after the first warnings arrive from observation posts upstream.

Bulldozers are carving a path in an effort to divert the *Lahar* down to a less populated valley, away from Tasikmalaya. But the Undro report stated "the construction of check dams and dykes to restrict mud flows is continuing but there is a general lack of confidence in capacities even if the present works are completed on time."

Social Affairs Minister Brigadier-General Saparjo told delegates: "In Tasikmalaya there are no safe place or high ground. We have to determine how the people have to run. It must be in the right direction. They cannot go by car or the roads will be clogged with traffic jams."

The volcano was until a few months ago a main tourist attraction. A sanatorium on its flank, now smashed and buried, was described by a local guidebook thus: "It is said the waters are good for the health, for healing skin disease and rheumatism. Bathrooms, swimming pool and other facilities are available." — Reuter

CSO: 4220/507

BIOGRAPHY OF KAYSONE PHOMVIHAN

East Berlin JUNGE WELT in German 20 Sep 82, pp 1, 2

[Biographic sketch of Kaysone Phomvihan, General Secretary, Lao People's Revolutionary Party Central Committee; Chairman, LPDR Council of Ministers]

[Text] Kaysone Phomvihan was born on 13 December 1920 in Ban Na Seng, Muong Khanthaboury, in Savannakhet Province, the son of a civil servant.

During his studies at the School of Law of Hanoi University he was introduced to the student movement and after 1942 actively participated in the struggle against French colonialism and Japanese militarism.

In August 1945 he was a participant in smashing the Japanese occupation in the provincial capital of Savannakhet and in 1946 became responsible for training Laotian citizens in Vietnam in the struggle against the French oppressor.

In 1947 he was in charge of the resistance movement in the northeastern regions of Laos, where in 1949 he organized the Latsavong forces, the nucleus of what latter became the Laotian People's Liberation Army.

In 1950 Kaysone Phomvihan was appointed defense minister in the newly established Laotian resistance government and in 1955 he became the commander-in-chief of the Laotian People's Liberation Army.

In 1955 he was elected general secretary of the party central committee during the founding party congress of the Lao People's Revolutionary Party.

In 1958 he directed the revolution from headquarters in Vientiane.

In the middle of 1959 when the American imperialists and their helpers violated the Vientiane Agreement of 1957, he returned to the center of the liberated regions, Sam Neua. As deputy chairman of the central committee of the Lao Patriotic Front he took charge of all activities incident to the national battle for liberation.

At the second party congress of the Lao People's Revolutionary Party in February 1972 Kaysone Phomvihan was reelected General Secretary of the party's central committee.

On 2 December 1975 the monarchy was overthrown and the LPDR was founded. On the same day, Kaysone Phomvihan was appointed Chairman of the LPDR Council of Ministers.

The third party congress of the Lao People's Revolutionary Party in April 1982 reconfirmed Kaysone Phomvihan in his function of general secretary of the party's central committee.

9273
CSO: 8120/0184

NOT ENOUGH LAND FOR SINGLE-FAMILY HOUSES

Kuala Lumpur NEW STRAITS TIMES in English 21 Sep 82 p 1

[Text]

PENANG, Mon. Malaysians should change their lifestyle in line with the times and learn to live in flats, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said: "So long as we do not change our lifestyle, will we continue to face a housing problem."

He said housing was a major problem in the country and land was getting more scarce, especially in towns.

"The people should realise and accept this reality. There must be better and more economic use of land," he said.

Datuk Seri Dr Mahathir was speaking at the opening of the Taman Melati and Desa Melati housing schemes at Sungai Nibong here.

Also present were Datin Seri Dr Siti Hasmah, Minister in the Prime Minister's Department Datuk Abdullah Ahmad Badawi, Deputy Minister Dr Goh Cheng Teik and acting Penang Chief Minister Datuk Abdul Rahman Abbas.

The Prime Minister stressed that in areas where land was scarce, the people should be willing to live in flats.

"We must not waste land. One-storey and two-storey houses in town areas are a waste of land. At the very least we must build four-storey houses," he said.

He said many people, and in particular the Malays, wanted to stay in houses with compounds where they could rear poultry, grow fruit trees and other greens.

If this was adhered to, there would never be enough houses to meet the needs of the people.

Datuk Seri Dr Mahathir said one could "blame the Federal Government for the housing problem, and the State Government and the local authorities for placing all manner of regulations and delaying approval of plans."

"However, it must also be realised that in certain cases, even when all governmental and administrative requirements and problems have been solved, houses especially low-cost, cannot be built."

Datuk Seri Dr Mahathir said some people were too demanding and wanted detached, semi-detached or terrace housing.

This, he said, was not possible in land-scarce areas and in the towns.

He also said in order for a better and freer mix among the various races, more Bumiputras should be encouraged to stay in towns.

As Bumiputras could not afford to buy choice land at market prices, some State Governments were alienating land and selling at cheaper prices to them.

He said Negri Sembilan, where plots near the Seremban golf course had been sold to Bumiputras and some non-Bumiputras especially government servants, was a case in point.

He had investigated the matter and found there had been no misuse of power.

Taman Melati is a single-storey terrace housing scheme while Desa Melati is a kampung-type housing scheme.

CSO: 4220/508

DEFENSE MINISTRY'S COMPUTER SYSTEM TO BE UPGRADED

Kuala Lumpur BUSINESS TIMES in English 24 Sep 82 p 3

[Text]

THE computer system in the Ministry of Defence will be upgraded within the next few months to beef up its logistic capabilities, Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said there was a need to upgrade the mini-computer B 800 presently used by the armed forces as the capacity was inadequate to meet the various requirements of the forces including the storage of records and other logistic needs.

"We need bigger computers to keep the records and all the things that make the military move and which enable us to function," said Dr Mahathir who is also the Defence Minister.

He was speaking to reporters after a four-and-a-half hour visit to the central ordnance depot at the Batu cantonment in Kuala Lumpur where he was briefed by its director of the logistics computer system, Lt Kol Mohamed Khir Abdul Razak.

The Prime Minister said the relevant committees in the armed forces were now studying the requirements for the computers in the various divisions and also the number to be purchased and the time necessary for the installation.

Dr Mahathir could not disclose the exact date for the installation of the computers as several processes would have to be carried out including the calling of tenders.

"We hope to upgrade the present mini computers within the next few months but the installation of the main computer will definitely take time," he added.

It is understood that at the closed-door briefing Lt Kol Mohamed Khir told the Prime Minister that the master plan network for the installation of the computers would be carried out in two phases.

The first phase would be from 1982 to 1986 while phase two would be from 1986 to 1992.

Army officials said phase one would entail the installation of three computers — one each for the army, air force and navy.

The upgrading of the central ordnance depot (COD) computer would be implemented by next January and the proposal paper on it was being studied by the Joint Planning and Defence Operation (JPDO).

The officials disclosed that the logistics computer system group — Kumpulan Sistem Komputer Logistic (KSKL) — was applying both Western techniques and the Japanese teamwork style to finish all the jobs set by the target dates.

KSKL was set up about six months ago to coordinate trial services in the computer systems for the three branches of the armed forces, including the storing and buying of computers for logistic support.

A senior official said the whole network of computers in the logistic system was structured into a four-tier hierarchy — policy, control, wholesale and retail.

The network employed is called a stockage support system which advocates a push-supply instead of the present push-demand replenishment system.

Earlier the Prime Minister who was accompanied by the chief of army, Jen Tan Sri Zain Hashim was received by the commanding officer of the depot, Lt Kol Haji Omar Yusoff. — Bernama

CSO: 4220/508

SELF SUFFICIENCY ANSWER TO EXPORT PRICE SLUMP

Canberra THE AUSTRALIAN in English 24 Sep 82 p 17

[Text]

THE main reason Papua New Guinea has been hit so hard by the international recession is its almost total dependence on export income.

After copper, its major exports are coffee, copra and cocoa. In the good times they earn more than enough foreign cash to keep the national economy afloat. But in the last couple of years the prices of all four products have sunk dangerously low.

PNG's dilemma is that despite its greatly reduced national income, it must continue to import the huge range of consumer goods and foodstuffs that are not produced at home.

It is generally accepted that the long-term strategy to ensure the country's economic survival must be to increase its self-sufficiency, thus cushioning it against the effects of wildly fluctuating prices in the international market place.

According to the executive director of the National Investment and Development Authority, Mr Wep Kanawi, the short-term strategy must be to reduce its dependence on the export of copper and other metals by increasing the importance of the agricultural sector.

As PNG has learned the hard way, once metal prices slump they can take several years to recover.

The volatile nature of the world market for agricultural goods means that their prices tend to recover more quickly.

But at the moment this is little consolation, because the plantations on which the coffee, copra and cocoa are grown are badly run down and in many cases no longer capable of efficient production.

Before independence, most of the plantations were owned and operated by expatriates, who sold them to the national Government under the Land Acquisition Scheme. The Government then leased the plantations to Papua New Guineans, preferably to the traditional land owners in each area.

Lacking the experience and financial backing of the expatriate planters, they have found that maintaining production rates is an uphill struggle.

Some of the copra producers have been forced to abandon production altogether. In the March quarter this year, in which the export value of copra reached its lowest value since 1978, the export volume fell by 33 per cent.

One of the big problems is that many of the copra trees are now too old to produce the optimum yield. The quantity and quality of the coconuts harvested is dwindling each year.

"The coconut trees have reached senility," Mr Kanawi said.

"The plantations need to be replanted with the newer hybrid trees. They have a better yield per acre."

Cocoa, coffee and rubber plantations also need replanting. Mr Kanawi believes it should start as soon as possible, so that when the price of agricultural exports recover, the new trees will have reached the production stage.

"This is an opportune time for the run-down plantations to be rekindled," he said.

"I think in the next five or six years it would be well worthwhile for the government to concentrate on developing the agricultural sector while the prices are down.

"It takes between five and six years for plantations to be renovated, and to become totally productive again."

But who will do it? The national and provincial governments are strapped for cash.

Mr Kanawi says the only solution is to lease plantations to large, foreign-owned companies which specialise in plantation management and would be prepared to invest their finance and expertise in return for the use of the land.

"I would like to see private companies that not only know the growing side but the production and marketing," he said.

The hitch is that traditional land-owners have proven reluctant to relinquish their properties for this sort of development.

The attitude of the land-owners is threatening a major new agricultural project at Cape Rodney, in the Central Province.

The Commonwealth Development Corporation is keen to acquire 5000ha for cocoa and rubber production.

"We have signed an agreement but the land is the problem, because all the land required for the project is traditionally owned," he said.

The plan is for the Development Corporation to acquire the land on a 99-year lease, paying the owners an annual rent and providing them with jobs on the estate.

In order to try to persuade the leaders of the clans in the area that they were being offered a good deal, NIDA flew them to Popondetta to see a large oil palm project being run along similar lines to the proposed Cape Rodney project.

The leaders were unconvinced but Mr Kanawi is hoping the project will not be abandoned.

If it is abandoned it will be the second large project to go this year.

The first was a multi-million dollar tuna factory which was to be built at Kavieng in the New Ireland Province.

The investors pulled out because of the depressed tuna market and the high cost of capital funds. As a result of the project falling through, some of the companies operating fishing fleets off the PNG coast closed down.

The loss of jobs added to the already high unemployment statistics. Unemployment is difficult to measure in Papua New Guinea, because so many people live in villages where they are subsistance farmers.

"The majority of the population is not so much unemployed as underemployed," Mr Kanawi said.

"But unemployment is the worst it's been because so many have been laid off jobs."

PNG's biggest agricultural export income earner is coffee, and Mr Kanawi has been looking at the possibility of setting up a soluble coffee elaboration plant.

It seems absurd that almost all the coffee drunk in PNG, one of the world's major coffee producers, is roasted, processed, blended and packaged in other countries before being exported back to its country of origin.

The elaboration plant would go part way towards redressing the situation. It would also be a step towards PNG increasing its income from coffee production by exporting it processed and blended rather than raw.

But much to Mr Kanawi's frustration and regret, the scheme does not have the support of the growers.

"They seem to want to protect the agreement that exists between them and the Australian roasters, and also their marketing outlets," he said.

This year has been a particularly lean one for the coffee growers.

The low export prices alone might have been manageable, but combined with a smaller than usual crop — the result of too much wet weather in the Highlands — the outlook is pretty grim.

The largest coffee factory in PNG, in fact the largest factory of any kind, is run by the wholly nationally-owned Wahgi Mek Plantations Pty Ltd at Banz, in the Western Highlands Province. The factory is capable of processing 35 tonnes of coffee a day.

Towards the end of this year's production season, it was processing only four to five tonnes a day. This was despite the fact that it was being supplied by 14 plantations as well as by individual growers selling their crop at the factory door.

The chairman of the PNG Coffee Industry Board, Mr John Munnull, said production was down 20 to 30 per cent on last year.

He said the effects of this were felt not only by the major coffee producers, but by the thousands of small-scale growers and the hundreds of thousands of others who relied directly or indirectly on the coffee industry for their source of income.

CSO: 4200/70

EXODUS OF SKILLED WORKERS ENDANGERS LOCAL INDUSTRIES

Kuala Lumpur BUSINESS TIMES in English 20 Sep 82 p 19

[Article by Manolo B. Jara in Manila]

[Excerpts] LIKE most of their Third World counterparts, the call of the Mid-East petrodollar has become simply irresistible to many Filipinos — and the government.

The exodus is actively being encouraged by the government which considers manpower export as a way out of the worsening unemployment problem. Official figures indicate that in 1981, unemployment was only 5.2 per cent of the total labour force of 15 million.

Brain drain

But competent observers dispute these figures, claiming that they hide an even greater problem called underemployment. The situation is compounded by the global recession whose dire effects are increasingly being felt in the Philippines.

Thus, the government emphasis on manpower export, especially to the oil-rich Middle East.

Moreover, remittances from expatriate Filipinos now account for a huge chunk of the country's foreign exchange earnings.

Statistics from the Ministry of Labour and Employment (MOLE) support this point. In the past six years, Labour Minister Blas Ople proudly announced, Filipino workers abroad remitted US$3,147.9 million which make them one of the country's top dollar earners.

The seemingly unabated "brawn" and "brain drain," however, is beginning to tell on the performance of vital and essential industries in the country. Such has been the outward flow of skilled Filipino workers, technicians, engineers and the like that many industries are now crying "Ouch" from the severe pinch.

To alleviate their plight, the government has issued a controversial directive to control the exodus of skilled workers overseas. From now on, said the Philippine Overseas Employment Administration (POEA), all recruitment agencies must first obtain clearance from local employers before processing the papers of company workers applying for jobs abroad.

Organised labour immediately pounced on the directive, saying that it was unconstitutional. Vic Padilla, president of the Overseas Workers Association of the Philippinese (OWAP), explained that the directive "restricts freedom of movement."

Under the country's Labour Code, he added, workers are only required to notify their employers 30 days before they resign. "The measure amounts to involuntary servitude for (Filipino) workers looking for the proverbial greener pasture," he moaned.

But POEA administrator Patricia Sto. Tomas stood pat on the order and disputed Mr Padilla's observations. She said the order applies only to workers who have existing contracts with companies.

Ms Sto. Tomas added that the order aims to "protect local industries from serious depletion of their critically-needed employees." The lack of trained and qualified personnel due to the exodus is, indeed, alarming.

In the oil refinery industry alone, officials have loudly complained that the flow of employees has been exceeding the tolerable level of 5 per cent since 1980. Figures submitted by the refineries showed that in 1980, 12 per cent of their skilled workers left the country.

"Blownouts" (temporary power failures) have been traced by officials of the National Power Corporation and the Manila Elecric Company to the mass resignation of skilled technicians who left for more lucrative jobs in the Middle East.

In fact, said Minister Ople, the Manila Electric Company was "nearly crippled four years ago" when its top engineers left for Middle East jobs. And the situation is still considered critical in the two power firms, according to authoritative sources.

There are now 671,000 Filipino contract workers in 112 countries — mostly in the Middle East — compared with only 1,859 in 1970. Their favourite destination appears to be Saudi Arabia with 42,239; Egypt, 6,702; Lebanon, 2,545; Kuwait, 1,894; and the United Arab Emirates, 1,635.

Like most Third World countries, the Philippines is confronted with the dilemma of the uncontrolled flight of skilled workers abroad in the face of warnings about its long-term effects on a nation's development. For one thing, the United Nations Conference on Trade and Development (Unctad) has warned that the "brawn" and "brain drain" poses a serious threat to the industrialisation programmes of developing countries.

But most developing nations, preoccupied as they already are with short-term economic imperatives, are unlikely to heed the Unctad warning. The export of skilled manpower is a major source of foreign exchange, aside from helping ease the growing unemployment problem. And in these hard times, no developing country seems ready to kill the goose as long as it continues to lay the golden egg. — Depthnews Asia.

CSO: 4220/509

CONTROL OF INTERNAL SECURITY SHIFTED TO DEFENSE MINISTRY

Kuala Lumpur NEW STRAITS TIMES in English 17 Sep 82 p 13

[Text]

SINGAPORE, Thurs. — Singapore's powerful intelligence and security networks, now shared by the Home and Defence Ministries, will come under one head in the next few months, official sources said today.

They said that the present chief of the Internal Security Department (ISD), Lim Chye Heng, would give up his post to the director of the Defence Ministry's Security and Intelligence Division, Mr Eddie Teo, later this year.

Mr Lim, 51, who rose from the ranks to become the head of ISD, a division of the Home Ministry with wide powers of arrest and detention, would retire early.

They could give no reason for his decision to quit the ISD, which is empowered under the Internal Security Act (ISA), to detain without trial suspected communists and subversives.

Western diplomatic observers said that the move appeared to be part of a reorganisation to improve the efficiency of the island State's defence and security apparatus.

International human rights organisations like the London-based Amnesty International have criticised the Singapore Government for what they describe as stifling political dissent through ISA detentions.

But the Government maintains that all the political detainees,some held without trial for more than 15 years, are either communists or subversive elements.

The ISD's latest success was in January when it arrested 10 members of a Muslim extremist group which it said was planning to overthrow the Singapore Government by force.

CSO: 4220/510

CONSTRUCTION OF HYDROCRACKER PROJECT POSTPONED

Kuala Lumpur BUSINESS TIMES in English 21 Sep 82 p 2

[Text]

A PLANNED second hydrocracker project for Singapore's refining industry has been delayed, the Straits Times reported, quoting energy industry sources.

The multi-million dollar project involving Singapore Refining Company (RC) in which British Petroleum, Caltex and Singapore Petroleum Company are partners, had been under consideration since early last year.

The earlier indications were that the consortium partners would take a decision by the middle of this year and that construction on the offshore Merlimau Island would begin by early next year.

Both projects — one owned by Shell at the nearby Bukom Island — which are estimated to cost more than S$500 million will produce kerosene, petrol, diesel and aviation turbine.

The drastic changes noted in cost economics in the past 12 months and Indonesia and Malaysia plan to set up their own refineries are believed to be behind the latest re-evaluation by the consortium partners.

The Straits Times said that Shell was now planning to "advance" the starting date for its Bukom Island project in view of Indonesian plans for similar projects.

The chairman of SRC's executive committee, Mr G. Sismondo, said that re-evaluation was not a "second thought" on the proposed plan.

"The project is not cancelled but is delayed," the Straits Times quoted him as saying.

There have been additional discussions because the partners need to agree on the basis of the project as their perceptions of the economic picture and product requirements differ, he told the paper.

"We have lost some time. We would otherwise have been letting out construction contracts about now. But it is not a major delay and certainly the project is not shelved," the spokesman emphasised.

Mr Sismondo said subsequent studies had shown that the initial proposals on the project were not "quite appropriate".

"We think it's going to be less than the original envisaged capacity of 25,000 to 35,000 barrels daily, but this will depend on factors like market and cost of the project. We are looking at the numbers carefully," it quoted him as saying.

Meanwhile, a Dutch oil storage terminal operator, Paktank Europe B.V., is considering establishing a multi-million dollar terminal facility on one of Singapore's small offshore islands, the Singapore Straits Times reported yesterday.

The proposed project was in a preliminary stage but if finalised would be as massive an investment as the Van Ommeren-Singapore government terminal venture being built on the offshore island of Pulau Sebarok, said industry sources, quoted by the newspaper. AFP

CSO: 4220/510

LAND RECLAMATION PROJECTS BEING PLANNED

Kuala Lumpur BUSINESS TIMES in English 24 Sep 82 p 19

[Article by Peter Spence in Singapore]

[Text]

LAND-HUNGRY Singapore may spend more than S$3 billion over the next five to seven years on major deep sea land reclamation and infrastructure development. Land will be reclaimed off the southwest tip of Singapore island and around 10 islets off the southern seaboard.

The reclamation, which will entail the recovery of extra coastland and the joining up of three groups of islets, will be done by the Jurong Town Corporation (JTC). The work is in anticipation of Singapore's rapid growth as a distribution and processing centre for the region as well as for expanding petrochemical industries. It is also to meet increasing demand for waterfront sites for port development and the needs of the shipbuilding and repairing and oil rig building sectors.

The projects, first outlined in the JTC's annual report for 1980-81 published last October, were updated last week by the JTC, which said plans were afoot to join another two offshore islets. A spokesman said reclamation and amalgamation of the islets of Semakau and Sakeng, which together now measure nearly 300 hectares, would create a 600-hectare island at a cost of about S$600 million.

The joining of these two islets, which would not be undertaken for about five years yet, is part of the JTC's plans to transform Singapore's southern offshore islets, many of which are mere coral reefs, into an international oil and petrochemical centre for processing, storage and distribution.

Changing coastline

Two other islets, Sakara and Bakau, which today have a total surface of about 15.5 hectares, are to be joined up to provide some 135 hectares when the project is completed in three years at a cost of S$270 million. These two islets lie immediately south of Ayer Merabau Island, where the S$2,000 million Japan-Singapore Sumitomo petrochemical complex is being built.

In its annual report last year, the JTC announced studies on joining up two other islets much closer to the mainland. But the JTC last week disclosed plans to join up five, not two, islets — Merlimau, Seraya, Mesemut Laut, Mesemut Darat and Meskol.

These islets lie only a few hundred yards offshore, also near the site of the giant petrochem complex, and joined up, at a cost of S$185 million, would provide some 155 hectares of land. Work is also underway to transform the small, 2.5-hectare Busing Island into a 55-hectare island at a cost of S$47 million.

A far larger reclamation job under study by JTC is the recovery of 600 hectares off the southwestern tip of Singapore. Preliminary studies by a Dutch consultant, Haskoning Hydromanics, last year showed the scheme's feasibility but further studies and the actual work will take several years. However, this additional land could be ready for development as valuable waterfront sites before the end of this decade.

Expansion of Sebarok Island is complete. It is the site of a proposed giant oil storage terminal being set up by the government and the Dutch group, Van Ommeren, and involving some S$200 million.

Other southern islets which have already been developed as major oil centres are Bukom by Shell, Ayer Chazan by Esso and Seraya by the Public Utilities Board. The JTC's dream is to make these islets for Asia what Rotterdam, the focal point of distribution, is to Europe.

For the industrial land created, away from Singapore's mainland to avoid pollution and not eat into much needed residential and office space, could also be used to help in the government's plans to make Singapore a distribution and processing centre for raw materials like rubber and cocoa, aluminium and other regional products.

The reclamation is part of the ever changing face of Singapore's coastline. Major land reclamation provided the site for the new Changi Airport on Singapore's eastern tip and the reclaimed southern coast's skyscrapers of the business and banking district today look out over more reclaimed land on which development will soon begin. — AFP

CSO: 4220/510

ASSISTANT CINC PATHOM PROFILED, DISPUTES 'SOLDIER POLITICIAN' LABEL

Bangkok MATICHON in Thai 13 Sep 82 p 4

[Interview with Lieutenant General Pathom Soemsin, the assistant RTA CINC; date and place not specified]

> [Text] Lieutenant General Pathom Soemsin, the assistant commander in chief of the army, was born on 11 October 1924 in Nakhon Pathom Province. He studied at the Kannasut school in Suphanburi Province through lower secondary school. He then completed his high school education at Suan Kulap School. He entered the Army Preparatory School, Class 3, He continued his education at the Chulachomklao Royal Military Academy, graduating in 1945 at the end of the war. He entered government service as a sub-lieutenant in command of a platoon, 41st Battalion, Songkhla Province. He was the commander of a platoon in charge of protecting a checkpoint and keeping it from being seized by Japanese troops. After the end of the war, the 41st Battalion was disbanded and he was transferred to the Kho Hong Camp in Hat Yai District. He was made the commander of a company with the 2nd Infantry Battalion, 5th Infantry Regiment. He served in Hat Yai for 7 years before being promoted to captain. In 1972, he served as the deputy chief of staff of the Second Army Area. In 1975, he served as the chief of staff of the Second Army Area. After that, he served as the deputy commanding general of the Second Army Area and then as the assistant chief of staff for logistics. He was then made deputy army chief of staff.

[Question] Concerning your new position, what will you be responsible for?

[Answer] I am the second assistant army commander in chief. I am replacing General Phaichit Somsuwan. I will be responsible for logistics. Thianchai will be first assistant RTA CINC for personnel in place of General Athit.

[Question] Will there be any problems? Are you unhappy about being appointed to this position?

[Answer] No. Concerning this work, I have much experience in logistics operations. I have been engaged in logistics work since I was with the Second Army Area.

[Question] In general, what is your view of this year's reshuffle? There has been criticism that many members of Army Preparatory School Classes 3 and 5 were promoted.

[Answer] I do not agree. I think that the appointments this year were proper and that it was their turn to be promoted. I think that this was the case because of seniority. Many from my class, for example, were promoted because almost all those in the class before mine retired. The only person left from Army Preparatory School Class 2 is General Chaloei, who is now with Supreme Command Headquarters. Those in Class 3, to which I belong, have 2 more years left. After we retire, it will be the turn of classes 4 and 5. The members of these classes are approximately the same age. After classes 3 and 4, it will be the turn of classes 5 and 6.Class 5 is the class of Athit and Thianchai.

[Question] Looking at things, at present many members of Class 5 have become commanders. Will there be any problems?

[Answer] No. It all depends on us. Class is not important. It depends on the person's work capabilities. The idea that we are from a senior class but that we do not have important jobs or have not had experiences is not the right way to think. If such were the case, the younger men would not have a chance to move up. If we simply wait for one class to retire first, the country will be in trouble. People are not all equally intelligent. Sometimes, those who are younger are more brilliant.

[Question] General Athit has been greatly criticized for rising so rapidly.

[Answer] Has he ever caused losses? He is a capable person. He has done many things and has always succeeded. He has always completed his tasks. I do not think there wil be any problem over class or anything else. It was the same in a previous period.

[Question] Before the royal command was issued, the atmosphere was tense because there were two contenders for the position of RTA CINC. What was the feeling?

[Answer] That is not correct. We already knew. There was no conflict. You people are the ones who wrote all the criticisms about conflicts and competition. But none of this happened. He sat and laughed. Everyone knew already. But here, we must give much praise to General Athit. If he had not been present during the events of 1 April, I do not know what would have happened. People who do a good job must be praised. General Athit is a good man. He has done many good things. He speaks well; he is a very good speaker. I think he speaks like Mr Samak. That is, people of all classes understand what he says. People who are not good speakers may be understood by knowledgeable people but they will not be understood by uneducated people. As for people not liking him, I do not think he smiles very much and so it seems that people don't like him. But I think that this is just a characteristic of professional soldiers.

[Question] But there is the feeling that General Athit's rapid rise has created a tense atmosphere in the army. Isn't this true?

[Answer] No, it isn't. Are you saying that General Athit rose unusually fast? GeneralThianchai comes form the same class but he was promoted to major general before me in 1973. I was still a colonel then. The rise of Class 5 has been rapid.General Athit rose rapidly after the events of 1 April.

[Question] There are people who feel that many soldiers do not like General Athit and that his rise to the top position will only increase the conflicts in the army.

[Answer] I think just the opposite is true. The units feel like those in Korat. Go ask who doesn't like General Athit. Concerning the units in the seocnd and first army areas, I have not seen anyone who does not like him. But he is a person who does not smile very often. That's the way he is. But he is really a good and kindhearted person. As for administration, it seems that he is close to his subordinates. As for saying that soldiers do not really like General Athit, I do not think this is true.

[Question] At Lopburi, the commander of the Army Military District and the commander of the Lopburi Artillery Center were transferred. This resulted because of the attempt on the life of the prime minister, didn't it?

[Answer] I don't know anything about this. The commander of the army district may have been involved. It may have been a case involving influential soldiers who had been oppressing the villagers. The villagers then complained and so action was taken. This is probably what happened. But concerning the commander of the artillery center, he was transferred because next year he will retire; the army often transfers soldiers who will soon retire and moves them to headquarters. There were many soldiers who were transferred to headquarters this year to wait to retire next year.

[Question] Recently, there has been constant competition between the professional soldiers and the political soldiers.

[Answer] We cannot say who is a professional soldier and who is a political soldier.Every soldier considers himself to be a professional soldier since we have all studied at military academies. We must consider the military our profession. As for politics, politics has involved itself with us. It is necessary for soldiers.... As for soldiers liking to stage coups, I think that soldiers have a duty to maintain the security of the country, especially from invasion by outside enemies.

[Question] It seems possible that there will be more coups since when something violent like a bombing takes place, people in general think that the army will seize power, although the parliamentary political sytem is now working well.

[Answer] The present prime minister wants a democratic system just as we do. He is trying.... Concerning these events, I think that some people feel that a situation was created on purpose in order to dissolve parliament. I do not think this is true. I think it was probably troublemakers or people who have been arrested. Or perhaps it was the same people who set off the explosion at Don Muang. Maybe it was the bandit terrorists or the communist terrorists, who are now active in both the cities and the jungles. This may have been their plan. I do not think soldiers needed to create a situation. There is no need to be suspicious of each other.

[Question] From the standpoint of the military, it may seem that, because such events have occurred, the prime minister is too weak and that the government cannot control things or take effective action. Can you confirm whether there will or will not be [a coup]?

[Answer] It is not necessary to stage a coup and bring in a new person. The present government of General Prem is a good government. He is a good man. He is not weak. As for the situation, it is under control. There will not be a coup if the conditions are not present. This is my view. I do not think anyone will attempt to stage a coup. We know that democracy still requires the monarchy. In some periods, [poeple] have wanted to abolish the monarchy in order to have a presidential system. Our country is not suited to this and it would only lead to more power struggles.

[Question] You have been in the military for a long time. How do soldiers feel about democracy?

[Answer] I think our soldiers are very democratic. I wrote my thesis in 1966 at the Army College. I wrote about the problems of Thais in Thailand. My thesis was one of the five best theses. I wrote about politics, particularly about what soldiers thought. I do not think that even the government officials or civilians in the Ministry of Interior thought the same way I did. I wrote about how Thailand should govern itself. I think that what I wrote was too far ahead of its time.

I think that it is essential to have local administration start from local government. Things must begin at the commune and village levels. There must be village committees and commune, district and provincial councils. To have an elected parliament, the people must be allowed to elect people, from the lower levels on up. The commune councils must have real power.

What do soldiers want concerning administration and do they want to form a government themselves? Actually, soldiers cannot form a government. The soldiers bear arms and cannot play politics.

[Question] But ever since 1932, soldiers serving as RTA CINC have used their power to stage coups to become prime minister.

[Answer] At that time, the country was in turmoil because we had just implemented democracy. And democracy was understood by only a few small groups. The people could not keep up. Stated simply, this was something new that they were not familiar with. Some people took advantage of things and created problems for the people in general.

[Question] What is your view on the relationship between the position of RTA CINC and the position of prime minister? Since General Athit has become RTA CINC, some people think that if General Prem leaves the position, General Athit will become the next prime minister.

[Answer] The next prime minister must be elected. If the RTA CINC wants to be prime minister, he must resign his military position and run in the election.

[Question] But what if there is a revolution or coup or parliament continues to give power to the senators using the same election method it did when General Prem was elected?

[Answer] That is a collective matter, not an individual matter. If parliament is silly enough to do that, that is up to parliament. I do not know. But in principle, I do not think that would be correct. Prime minister Prem is a gentleman. I do not think he would do that. General Athit has always supported General Prem. He does not think about such things.

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CSO: 4207/11

DEPUTY CINC SUP INTERVIEWED ON RTA BUSINESS ROLE, BOMBINGS

Bangkok MATICHON in Thai 14 Sep 82 p 3

[Interview with Lieutenant General Sup Aksaranukhro, the deputy commander in chief of the army; date an place not specified]

[Text] [Question] Concerning your new position as deputy commander in chief of the army, do you feel unhappy about anything?

[Answer] Concerning the matter of responsibility, this is a position with a great deal of responsibility. The person who holds this position is second in command after the RTA CINC. He must help carry out all the work and help the RTA CINC. But all this must be within the framework and policies stipulated by th RTA CINC.

[Question] When you take over this position, will there be any discussion about the young turks' -- the soldiers who instigated the 1 April 1981 affair -- request to return to government service?

[Answer] I cannot give you an answer about this for two reasons. First, as of today, I am not yet the deputy RTA CINC. I am still the deputy chief of staff. Second, this is a matter that must be discussed by senior commanders. Concerning this matter, I believe that it has already been discussed. It is not something new; it is an old matter. It happened a long time ago.

[Question] Discussions at what level?

[Answer] I cannot answer that because I have not started carrying out my duties. I do not know; I do not have all the data about what has already been done or at what level.

[Question] What is the military's view of the present situation of the government?

[Answer] Things are very stable. There should not be any problems because the government is carrying out its duties as usual. There are economic problems. The government is trying to solve the security problems. Domestically, we have scored very good results. The first, second third and fourth army areas have all scored very good achievements. During 1982, we have destroyed almost all of the enemy secure bases. As for outside security, we are ready to handle

any situation. Thus, concerning the stability of the government, I do not think there is anything to be worried about.

[Question] The economic situation is not good. How can the military help the government?

[Answer] We are already helping. We are providing help in those areas that we can. The military cannot provide direct help in the economic sphere.But we can do so indirectly. For example, we can develop the areas that are seized. We have made plans to develop these areas. This is help in the form of making these areas safe.The people can make a living in peace without being bothered by the communist terrorists. This will help improve the economy in those areas.

[Question] Concerning the matter of Lieutenant General Han Linanon talking about the banks, what is your view on this matter?

[Answer] Concerning this, I will say frankly that I do not have the knowledge to analyze the matter. Economics, finance and banking are subjects that must be studied. I'm sorry, but I just can't answer you.

[Question] Concerning this year's military transfers, it looks as if Army Preparatory School Class 3 will play a greater role than Class 5. Will the members of Class 5 encounter any problems in stepping into command positions?

[Answer] Concerning the mass media in general, I would like to say that their separation of people by class is not good. It is not good because when considering a person for a position, it is possible that a person from the same class will be selected without our really having intended to choose him. But we must look at qualifications. If we get involved with the matter of class, this will lead the discussions astray. I once served as the director of personnel. I tried to avoid the matter of class. If we look at class too, our consideration of a person [for a position] will not proceed as it should. This is what I think.

As a matter of course, officers graduate every year. Thus, I do not know which class will move up every year. It is as if there is a time for every class to move up. For these reasons, I do not agree with looking at who is in which class.Things are uncertain. Those people who are very intelligent and capable individuals may move up faster than those in other classes.But we admit that they are very capable individuals.

A case in point is that I am a member of Class 3 but a member of Class 5 is my superior. How do I feel? I do not feel anything because every soldier is disciplined. It is not easy for a person to be promoted to a position, particularly as a member of the king's royal commnad. Everyone must accept this. Once we accept this, there is no problem. Everyone must simply carry out his duties. There is no need to sulk over the fact that someone else comes from a younger class.

[Question] This year, it seems that many of the officers who helped put down the 1 April rebellion were promoted.

[Answer] As for suppressing the rebellion, most of those left were promoted because only a few poeple helped put down the rebellion. Those who joined in restoring order were the ones who were left. And you cannot say that many have been promoted. Everyone had to help put down the rebellion.

[Question] What is your view about some future coup d' etat? Whenever something violent occurs such as a bombing, people think that there may be a coup.

[Answer] As for the bombings, I do not think it will reach that point. If there are bombings in many places all at once, they may in fact be planning something. But if there is just a single explosion, this is just someone causing trouble. It is nothing that would require forces to be brought out.

[Question] What was behind the explosion at the Ministry of Defense?

[Answer] We will know the answer to that when we find out who set off the bomb. If we can learn who set off the explosion, we will learn why this was done.

[Question] Concerning the matter of the prime minister being fired at at Lopburi and the matter of a grenade being thrown at his home at Si Sao, is there any indication of who was involved?

[Answer] I do not want to say anything because the results of the investigations of these two cases are not yet clear. But I understand that the officials handling these cases may know the answers.Those in the military [who know] are the security officials. The civilians [who know] are the police.

[Question] Concerning the assassination attempt at Lopburi, the commander of the Artillery Center and the commander of the Army District were both removed.

[Answer] I am uncertain about this. These people were too senior to be involved in this. There are many units at Lopburi. I think there was some other reason for their transfer.But by chance, this took place first. I do not believe this.

[Question] What is your view about the fact that officers are members of the boards of state enterprises?

[Answer] This is a matter for the RTA CINC. Don't think that soldiers know only how to fight. Many of today's soldiers have a Ph.D. Go observe things at the Armed Forces Staff College. Many of those studying there have their Ph.D. Thus, those soldiers with administrative and technical knowledge can monitor things for the government. The position of board member is not a work position but an executive position.

[Question] Will these soldiers have time to administer things and make decisions since they already have regular duties?

[Answer] They must have. If they are ordered to do this, they must have time. It depends.

[Question] As a senator, what is your view on what is being done to revise the constitution?

[Answer] This is now a game. The two motions to revise the constitution have both been rejected. To revise it, there are two ways. That is, the MPs must vote to convene a special meeting [of parliament] in order to discuss this matter.Another way is for the government to make this proposal. Concerning this, I do not know whether the MPs intend to call for a revision. But they have the right to do this.

[Question] How do the senators feel about this?

[Answer] Most of the senators served on the Legislative Council that produced the present constitution and so they approve of it.Since you have asked me, I can say that most of the senators played a role in writing this constitution and, therefore, few want to revise it. It has never been used. We would like it to be used. We would like the governmnt to have a majority in parliament to see how things go. If old-style elections are held in which the zones are divided and numbers are divided, there will be many small parties again. We want to see a government formed by having a political party.

[Question] But this way, the large parties that have large sums of money will win many seats in parliament. The small parties will not have a chance.

[Answer] This has both advantages and disadvantages. We must think about this. We know that by dividing the zones and numbers, there will not be a majority. If we do things this new way, there is the disadvantage that you mentioned. We must see what happens. The best way is to try this and see what the result is.

[Question] People are wondering whether the senators want to implement a "ready-made" democracy without giving the people a chance to learn for themselves or whether the people will be given a chance to elect [candidates] with the party system developing on its own.

[Answer] We are trying to emphasize the importance of the political parties and of choosing a single number. The people will elect a party. The parties will choose people [to run] and the people will determine which parties have good candidates. I cannot answer your question yet. We must wait and see what really happens.

[Question] What is your opinion of Thai newspapers?

[Answer] They are good. But as I have said from the very first, I know that some stories in the newspapers [are not true]. Take the matter of conflicts in the military, for example, There are no conflucts in the military, but the newspapers have printed stories saying that there are conflicts. This is not good. Thus, concerning those things that will help promote national unity and security, I would like the mass media to help. In particular, I would like the media to help with psychological operations. That is, they should not just wait for headline stories so that sales are good. [These stories] must first bring good results before we can say that the mass media here is good.

[Question] What is your view on how the news is presented?

[Answer] It's fine. Some stories are a little too sensational. But I think things have improved. Things are better than they were 5-6 years ago.

[Question] The press has the feeling that if anything happens, if there is a coup, the newspapers will immediately be shut down.

[Answer] Such an event is not normal. In my experience, whenever something happens, the newspapers sell a lot of newspapers. For example, on 1 April, there were three editions, in the morning, afternoon and evening. They made large profits, didn't they? Such events cannot be used as a standard. At present, the government is not watching over [the press] very clsoely. But some things that have been printed have affected certain people and they have complained. I frequently see retractions in the press.

[Question] Concerning the stories that were printed about the appointments of officers of the rank of colonel, the army did not want the press to print these stories. Why doesn't the army want such stories published?

[Answer] It's like this. The transfer orders have been classified as secret.They are classified secret because it is feared that, if people know, they will make a fuss.They will want to be transferred to certain places or they will not go to where they have been assigned. The assignments are kept secret until the transfer orders have been signed. The secret classification is then removed and the matter is revealed.But usually, based on what I have seen, some newspapers have obtained copies of these orders and printed them before the secret calssification has been removed. This is too soon. This has made us uneasy. Why have some of our men released this information to the mass media ahead of time?

[Question] But the list of appointments has been published.

[Answer] Not yet. The Adjutant General Department must first remove the secret classification before this is printed.

[Question] Does this mean that, from now on, when such items are released and the secret classification is removed they can then be printed as news items.

[Answer] Yes. They can be printed. But don't publish such orders just before the orders are signed like this. The ink is not even dry. That is one thing. Another thing is that transfers are a normal event for soldiers and government officials in general. But why are transfers in the military and Police Department reported? The press likes to print such stories. Actually, this is just a normal event.But it may cause readers to think that there is something behind the transfers.

Personally, if I were in the newspaper business, I would print only the important positions. I would not list all the positions. Some positions, such as teachers, do not need to be printed. The important positions can be printed in the social columns. Such things do not have to make the headlines.

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WRITER VOICES FEAR OF RETURN TO SARIT-LIKE RULE

Bangkok MATICHON in Thai 21 Sep 82 p 5

[Article by Chaisiri Samutwanit: "Power, Propriety and Administration"]

[Text] Power, propriety and administration are all deeply connected with each other, particularly in a period in which the transfer of power, or strength of the country, is at a turning point.

Political scientists agree about many things concerning the transfer of power. They agree that it is of great importance for social order and security. But power changes depend on what apparatus is present to support the changes. And this apparatus depends on whether the concentration or dispersal of power is democratic or dictatorial.

It is for this reason that some political strategists have constantly affirmed that state power comes from the barrel of a gun and that administrative power comes from the propriety conferred by the people.

In short, if it is a matter of power, those who have forces will not be able to come to power without violence.They must use their forces to settle matters. Whether the forces are "domestic" or "outside" forces is another matter. But by nature, those who use force have only a single propriety in the activities in which their forces are their foundation in the struggle. For example, protecting the country from foreign enemies does not mean using the power derived from the forces to suppress the people, who are the ones who confer "propriety" in administration.

This is important because, at present, there is a high tide of desire to gain both military power and propriety on the part of those groups that also want to be administrators. This is entagling these two things. This mistake has been perpetuated ever since the military groups in the "trust the military to save you from danger" period held power one after another. And the trend in the perpetuation of this continues unendingly.

For this reason, the appointment of the RTA CINC is something that many groups give special attnetion to. And it has reached the point where people such as Maha Chamlong Srimuong who have reached a certain level of goodness have insinuated that the future of democracy depends on who becomes the RTA CINC. This means

that this position with forces in place will determine the fate of national administration, with the largest body being the masses, or the owners of the country.

If this is assumed to be the case, it will not be possible to escape the vicious circle of political decline. But this does not mean that we cannot escape from this vicious circle of decline.

Machiavelli, a political scientist and the father of [modern] administration, once said that even though military power will determine the rise of administrative power in a country, it must be determined whether this power is "righteous" or not and whether it is oppressive power that causes trouble for the masses. He pointed out that, if it causes trouble and administration is corrupt, the people have the right to help virtuous poeple take up arms to topple this corrupt power and estalbish rightous forces and power.

Who Wants Sarit?

At present, many people are talking about a Sarit-like leader.But no one is interested in how Field Marshal Sarit rose to power. And is it true that Field Marshal Sarit had righteousness and that the people approved of his use of absolute power? The most important question is: What groups, or what type of people, want a person like Field Marshal Sarit?

Field Marshal Sarit rose to power mainly through the use of force.He was able to seize power from the former powerholders without violence.And he gave his word that he would support righteousness so that the country was governed in accord with the wishes of the people. But when he reached the top position [in the army], Field Marshal Sarit felt that he was "bigger" than Field Marshal Phibun and even "bigger" than the people of the country. And so he used this "bigness" to topple the old powerholders.

When Sarit came to power, he constantly used force. He issued Revolutionary Council Order 17, which in practice meant that he could do anything he wanted and he even made his own laws.

Field Marshal Sarit's use of power created a reign of terror. It was a show of power to get the people to bow down quietly. If anyone opposed him, he used the laws that he had made (or jungle law in political science terminology). He controlled everything.

Thus, Field Marshal Sarit governed the country by creating fear among the people. Because this fear was created by an administrator with military power, the people living under this administration had to submit without resisting.

There were people who had no desire to have jungle law or Field Marshal Sarit. There were such people. Those who felt that the country lacked law and order and that the laws were stipulated arbitrarily went and established an organization in the jungle. They challenged the state power and appealed to the people for support. It is certain that many people supported this group. And under

the name of "the Communist Party of Thailand," they were able to build secure bases and create a broad united front that has endured for many years.

A society that is ruled through fear can be compared to a teapot that cannot release the steam when the temperature rises. This is because all the openings are shut tight.But when the jungle laws can no longer suppress the demands for democracy or for the right of self-rule, great numbers of people will gather forces to topple these jungle laws. And we have proof of Machiavelli's [statement] inthe 14 October affair.The student organization was greatly trusted by the masses concerning [the government's] uselessness and greed for state power. As the representatives of "righteousness," they were given great support.

Only a minority want a person like Field Marshal Sarit. If there are many such people, these people are selfish. They see only the immediate problems or think only about solving the immediate problems.For example, they want some resolute person to come control crime and violence or to control the evils. But this is a very minor matter when compared with entrusting all national power to just one person with the strongest military forces. This is the biggest political crime, and it is a very base thing for the soul of freedom and for humanity. And no one can prevent this.

What can people who do not want Sarit do?

In the past, those who did not want Sarit went and established a communist organization and mobilized the masses. They formulated a major plan, or policy, with the intention of assuring 10 freedoms when they came to power.

That period has passed. That group has become a "conservative" force that trusts the ideology of "experience" and that uses dictatorial principles in organization. And it has controlled the various groups so tightly that many people have split away and surrendered. The forces that oppose dictatorship have dwindled since this ideology has consumed itself and made everyone fearful. Things have declined to the point that there are rumors tha unprecedented numbers are repudiating this organization.

This is a very important factor. If the person with forces has the greatest strength at present, this is a factor in his group being able to handle the affairs of the country by putting all organizations under his contorl. He can fully control the lives of the masses by carrying out a coup or revolution. Propriety will not arise and those whom government officials refer to as "communists" will have a new lease on life. They will switch from the "2 lines, 3 tides" strategy to combining forces, and in the end they may build a large "nest."

Besides this, in the present situation the economic problem is a "stubborn" one.Even though the prime minister has openly announced that the rottenness of the outdated apparatus of the bureaucracy so that this is clear to people in general, in practice, this unchanged "stubbornness" is still present. Investors

have turned away from this system and invested elsewhere. Even sugar mill owners, who are considered to be national-level investors, have had to announce that they are selling the mills and investing their money abroad for the sake of greater profits abroad.

The nation's path is to change the political, administrative and military structures. It is a joke to think that the military can play a creative role in building a new structure while the civilian organizations are retreating. They are more interested in building a foundation for their own political parties than they are in [building] a foundation for the people. The Social Action Party, which has said that it will build a mass party, has no chance of defeating the civilian organizations that the military has used for many years.

Those who have no need for Sarit or Sarit-like people must be disciplined. From discipline, they can create a system and from this system they can build an organization to set goals to achieve a perfect democracy. They must link up with the movement to develop political parties. Those who are standing alone must join a political party in order to change the political parties from cliques to parties for protecting the people as much as possible. Because the political parties established in order to administer the country are different from the military's organizations. The military's organizations were established only in order to fight and defend the country. They were not established in order to make it possible for some groups to mobilize [the organizations] in order to turn the country over to someone with forces.

Those who are sad and discouraged can no longer bear only discoragement. Those who love freedom should enthusiastically build up bargaining power and change the administrative system that is encrusted with rust so that it serves the poeple and serves as a bargaining lever against the hidden organizations of the dictators if someone prepares to take power, even if it is 3 months or 6 months from now.

Don't give propriety to the dictators. Don't allow the dictators to take administrative control.

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DEBATE CONTINUES OVER THAI-ASEAN ROLE IN KHMER COALITION

Bangkok PATINYA in Thai 20 Sep 82 pp 23-26

[Article: "The Formation of the Khmer Coalition -- Who Benefited?"]

[Text] At Ramkhamhaeng University on the evening of 25 August, the Ramkhamhaeng University Student Organization held a debate on the topic: "The Formation of the Khmer Coalition -- Who Benefited?" The debate was held on the SWP lawn. The knowledgeable people taking part in the debate included Professor Chaloemchai Phinruongnon, a professor in the Faculty of Political Science at Ramkhamhaeng University, Police Major General Chana Samutwanit, the last Thai ambassador to Kampuchea before Kampuchea fell, Mr Chatchawan Chomphudaeng, a former MP from Roi Et who belonged to the New Force Party, and Mr Somchai Chottikhut, the editor of PATINYA. Mr Wiraphong Numwong, the president of the Ramkhamhaeng University student body, moderated the debate. The debate attracted much interest from students, government officials and the mass media. Before these knowledgeable people began debating, the moderator recited a short poem appropriate to the subject of the debate:

"The custom of beating a snake may bring trouble later on. Regardless of whether a crocodile lives in deep water or a tiger lives in the jungle, they are still fierce. If you capture the enemy commander and do not kill him, later on the enemy will become very powerful."

Erawan: The Khmer Government House

Professor Chaloemchai began the debate by saying that the "Khmer coalition government was formed on 22 June 1982 with the support of several groups." He stressed that "actually, it should not be called the tripartite Khmer coalition. It should be called the 4-group or 5-group Khmer coalition. Even though the fourth and fifth groups are not really Kampucheans, they are 'artificial' Kampucheans who supported the formation of the coalition and made it a reality. These groups are Asean, of which Thailand was the prime mover, China and one other non-communist country. Its deadly enemy is the Heng Samrin group, which is receiving weapons and war materials from Vietnam and which is being managed by the Soviet Union." Professor Chaloemchai also said that "both Thailand and Asean have benefited greatly from the formation of the Khmer coalition. But there are also great disadvantages for Thailand and Asean as the prime movers

in the formation of this coalition. It is probably true, as peole say, that the Erawan Hotel is more the Government House of the Khmer Coalition Government than it is a hotel since it is used to hold the conferences of the cabinet of the coalition government. And Thailand has openly played the part of the prime mover by frequently arranging conferences in Bangkok." "Thailand and Asean have openly revealed their part in the formation of the Khmer coalition and have given strong support even though their policy called for remaining neutral. I think that this poses a great danger for the future." Professor Chaloemchai also said that "if the Khmer coalition continues to exist for any length of time, the Khmer Rouge (Pot Pot) will swallow the other Khmer groups and then establish a communist party. This will benefit China greatly. China was the one that exerted great influence on the formation of the Khmer coalition and it will benefit greatly in the future."

"As for the United States, I think that its policy is similar to that of Asean's. Or it stipulated the policy for Asean. We can see that the United States is giving weapons to Thailand and it has held joint military maneuvers with Thailand. Vietnam is very unhappy about this. Because Vietnam fought a long war against the United States, it knows the real 'nature' of the United States. As for the Soviet Union, it does not stand to gain much here. This is for the short-term . For the long-term, things must be reanalyzed."

Thailand United the Three Khmer Groups: a Bitter Policy

"At present, the forces opposing Vietnam are very strong, which is very bad for Vietnam and the Soviet Union. The Soviet Union must give more and more aid to Vietnam in order to save the Heng Samrin group. I think that it is the Kampuchean people who will benefit or lose the most since the war has broken out in their country and the Kampuchean people have to fight each other. And I think that they will benefit very little from this dispute, just as was the case in Lebanon."

Professor Chaloemchai said in conclusion that "concerning Thailand's policy concerning the Khmer coalition, we now think that it is the best policy and that it will bring great benefits. But in another 4-5 years or even 10 years, this policy may be the most bitter policy ever recorded in the history of Thailand. It is like the time the Nazi Party felt that its policy of invading other countries was the best policy. But later on, Germany learned what a bitter policy it was.

Following this, Police Major General Chana discussed the matter of Vietnam supporting Heng Samrin's invasion of Kampuchea. He said that "this was because Kampuchea is a small country. It has only 7 million people. This small country does not have capabilities. But the reason for their fighting each other concerns the two big powers, that is, Russia and Red China. These two great powers are each backing their own side.

Police Major General Chana: Support the Khmer Coalition

Police Major General Chana said that "concerning the formation of the coalition government as was announced, it is generally thought that they formed this coalition in order to oppose Vietnam. But behind this, Sihanouk has said that the Khmer coalition cannot defeat Vietnam and that these Khmer groups united in order to show the world that the Kampucheans can still unite to fight and that the Kampuchean people have not been annihilated. They are thus waging a guerrilla war and they want the people of the world to use politics and economics in order to compel Vietnam to withdraw its troops from Kampuchea. And I think in all fairness that our playing the role of prime mover in this was proper. Those who like to cover up things should be criticized. For example, Ramkhamhaeng University students went and asked questions but were not given an answer. If it had been me, I would have answered in order to clear up things." In conclusion, Police Major General Chana said that "no conclusions can be made yet. It is the Kampucheans who are benefiting the most at present. Because when the three groups united, each group received support from various countries. I think that the government did the right thing in this matter. The clever people in the United Nations agree. And Thailand will benefit in both the short-term and the long-term. As for Vietnam, I do not think that it has the capabilities to fight Thailand. It has only the capabilities to invade Kampuchea.

The next person to speak was Mr Chachawan, who began by saying that the "United States wants to block the communists, including both Red China and Russia, because it knows that if the communists succeed in invading [us], they will continue on into Malaysia and the Pacific front, where the United States has drawn the line. Another thing is that, concerning Kampuchea's seat in the United Nations, the number of those who are against [Democratic Kampuchea] has constantly increased. Also, Vietnam is the enemy of China and, at present, China has been surrounded by Russia. The United States is unhappy about this. The United States has a good friend and that friend is Thailand. Thus, Thailand has had to follow the policies of the United States and prohibit trade with Indochina. This has resulted in losses for Thailand. Even though this is Asean's policy, implementing such a foreign policy must also depend on the interests of the country.

The Thai Minister of Foreign Affairs: As If Kampuchea Immediately Rose

"Sihanouk was not welcomed by the Kampuchean people. And Sihanouk has said that he is not ready to fight. This is interesting. I think that, regardless of who wins in Kampuchea, Kampuchea will not be free. Another matter of interest is that, if Heng Samrin defeats the Khmer coalition, what attitude will the Heng Samrin group take toward Thailand, which played a prominent role in the formation of the Khmer coalition? And if the Khmer coalition is defeated, the Heng Samrin forces will pursue them across the border into Thailand to crush them and so there will be border clashes. This will be very bad for Thailand. These days, I often look at the face of the minister of foreign affairs and see the face of a Kampuchean. And the more pictures that are taken of him, the more he looks like a Kampuchean," said Mr Chachawan earnestly admidst pounding rain.

What Has Thailand Gained: Go Ask the Minister of Foreign Affairs

"I conclude that Thailand has benefited. Vietnam has certainly benefited because it has scolded Thailand. Asean has benefited. China has benefited because it has been able to spread its influece in Thailand. And Thailand has benefited. But as for the long-term, I am not sure whether the United States will benefit. Before the Khmer colaition was formed, the United States could not deny that it was behind the efforts to form a Khmer coalition as it wanted. As for Russia, at present, it has suffered some losses. But in the future, if the Khmer coalition is driven out, Russia will benefit greatly because it will cooperate with Vietnam in carrying on things. But Kampuchea itself will not benefit by the formation of this coalition. Kampuchea is the unlucky one. It is the battlefiled for the great powers and a bargaining chip for the interests of others. And the most unfortunate ones are the Kampuchean people, whose leaders have all fallen under the influence of the great powers and used the name of the Kampuchean people in order to preserve their own interests and base of power on the inducements of the great powers in the backbround." As for Thailand, Mr Chachawan said that "today, it may benefit. But for the future, go ask the prime minister and the minister of foreign affairs." Concerning this, Mr Chachawan said that "if I say more than this, they will call me a child who does not know anything at all but who just wants to say something. Thus, I will not say anything more than this. If anything needs further clarification, it should be the minister of foreign affairs who points out what the advantages and disadvantages are. He can clarify this and go into greater detail."

Mr Comchai Chottikun, the editor of PATINYA, was the last one to speak. Admidst a steady downpour of rain, before he began his formal presentation, Mr Somchai said that "I would like to express my great joy at seeing our students take an interest in the problems outside the university. These appear to be distant problems and matters that the administrators are involved in. But they are matters that will concern our lives in the near future since they affect the survival of the country and may turn the nation's history in a different direction."

Who Gained By Uniting the Three Khmer Factions?

Concerning the formation of the Khmer coalition, Mr Somchai said that the other speakers had already said almost everything that he had planned to say and that he would emphasize the things that Thailand would gain from this. He said that the "formation of the Khmer coalition does not concern just the small countries like Thailand. It concerns all the great power countries that have made plans to compete for power. We are like a pawn on a chessboard that is used to protect its lord, meaning the great powers." Mr Somchai said that the "target of the great powers is not Thailand alone. They are also looking at the Strait of Malacca, which is the target of those great powers that want to expand their influence in this region in order to strangle their enemies. But at present, none of the great powers can do this and so they are supporting countries and getting them to fight each other in order to sap the will of the other." "Vietnam is the agent of the Soviet Union. Pol Pot, or Khieu Samphan, is the agent of China. The agents of the United States are Thailand and some

of the other Asean countries." Mr Somchai said that the "government views Vietnam as a great enemy that has invaded a neighboring country. At the same time, it views China as a trustworthy friend since China has said that it will help Thailand if Vietnam invades Thailand." Mr Somchai made the criticism that "it isn't known whether they will help the government of General Prem or whether they will help Mr Prasit Taphienthong (CPT). Vietnam is indeed our enemy. But at present, it does not pose a danger to us. The country that can harm us now is China, which is supporting the CPT." Even though Vietnam wants to be our enemy, it is not felt that they can do anything to us. Our military forces are equal to theirs and so we can defend oursleves. But their economy is in shambles. And why should we fear an attack by Vietnam since, even though our economy is in poor shape, it is in much better shape than that of Vietnam.

Thailand Is Humanitarian and Peaceful and It Has a Buffer State

Concerning being humanitarian, Mr Somchai said that "I agree with this point too. But [our priority] must be to preserve the Thai race and not the Khmer race as Thailand is doing these days in citing the resolutions of Asean and the United Nations. Actually, Asean is taking our rice and other goods of ours and selling them. It is Asean that will benefit greatly from the formation of the Khmer coalition. And Asean will get the advantage of us too since we are so absorbed in preserving our honor. And Mr Somchai also said that the United Nations does not have any capabilities. The various countries in the world do not respect its resolutions. The resolutions go against the interests of these countries and so they do not act in accord with the resolutions. An example is Lebanon. Mr Somchai also said that "there is no way to solve the problems peacefully because weapons are being sent to the various groups and so there will be fighting. Kampuchea is like a stick of sugarcane that has entered the mouth of the elephant. There is no way that Vietnam will 'spit out' Kampuchea. Our only task is to keep them from swallowing us too. But we are dreaming if we expect to pry open the mouth using peaceful means." As for using Kampuchea as a buffer state, Mr Somchai said that "that state is on the Thai border. Whenever something happens, they will flee here. And if the Khmer coalition wins, the group that will take power in the end will be the Khmer Rouge. The Khmer Rouge will clash with us again."

Develop and Build Internal Security

Mr Somchai said in conclusion that we must hold to the interests of the country by having our country remain really neutral.We must not get involved in the Indochina problem, regardless of the matter. We do not have to recognize one faction as the representative of Kampuchea. Let them fight among themselves. When the fighting is over and one side has emerged as the leader of the country, we can recognize that group. There are probably many people who feel that Heng Samrin will win. Concerning this, Mr Somchai said that "I don't care who wins. I am not interested in who wins. I want the war to end quickly. By not getting involved, we will not have to go fight them. We can engage in trade with them and use the money to develop the country and the military. Before they can win, we will have strengthened ourself. When the war has ended and things are

quiet, other countries will come invest here. Tourism will increase. We can use the money to develop and increase our internal security. This is better than using the money to support this and that person, thinking that this will bring us a little honor. This will give the advantage to Vietnam and allow it to come to the border. We can act like West Germany. Many East Germans have fled into West Germany." Mr Somchai pointed out that Thailand should do what West Germany has done. Otherwise, we will become their slaves. If we continue to carry out a policy like the present one and continually get involved in the affairs of these countries, if we are invaded, other countries will just feel that we are getting what we deserve. We have implemented this policy and have not gained anything. As for what we have obtained, the Kampucheans are looking for a way to get us to fight in their place. China and the CPT have a chance to restore their position. Vietnam is experiencing some troubles but in the long-term, it may be able to turn the situation around. The United States will benefit from us too, but we will not gain anything in return.

Yes. From this debate, you probably know who has benefited from the formation of the Khmer coalition. Since this is the case, will Thailand continue to carry out a policy of being the slave of the Khmer coalition?

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GEN HAN INTERVIEWED ON BANK CONTROVERSY, FOURTH ARMY MATTERS

Bangkok SIAM MAI in Thai 25 Sep 82 pp 28-32

[Interview with Lieutenant General Han Linanon, the commanding general of the Fourth Army Area; date and place not specified]

[Text] [Question] To date, no high-ranking military officer has ever spoken about banking matters, even though this matter has caused the people much trouble. What do you feel about having brought up this subject?

[Answer] My bringing up this matter stems from my contact with the people in Betong. One evening, I invited a group of Moslems, or religious leaders, to meet with a group of Chinese merchants in Betong. The Chinese are engaged in the rubber purchasing business while the Moslems are the ones who tap the resin. I wanted them to meet each other and get to know each other. I wanted to eliminate the misunderstandings between the Thais of Chinese extraction and the Thai Moslems. These misunderstandings have given rise to a terrorist movement along the border. Disorder has arisen because of these two groups.

When the two groups met, they discussed things in general and gained a better understanding of each other. But then they began discussing economic subjects. The Chinese are the wealthy ones while the Thai Moslems are mostly poor and they are mostly workers on rubber plantations. At one point, they said that during the season for extracting the resin, they collect much resin but they cannot sell it for a very high price. This is because when they try to sell it, prices are kept low. They asked that the Chinese, who are the ones who purchase the resin, pay higher prices for the resin. The Chinese merchants sympathized with the Moslems, but they said that they normally have only a limited amount of cash to make purchases during periods when yields are large. Suppose, for example, that the resin is normally sold for 14 baht per kilogram. But in seasons when yields are high, cash purchase prices are driven downward to only 10 or 12 baht per kilogram. But if they [the Moslems] want them to pay the original price, they can give them a check, which they must wait 3 to 4 months to cash. This is why the Moslems have complained and asked that a way be found to help them.

The Chinese merchants sympathized but they said that they did not know what to do. To pay in cash, they must borrow from the banks and the banks will not give them a loan. This is the reason that I thought about this matter and brought it up. But actually, concerning the banks, we have known about this for a long time. But until then, the time for me to speak up had not come. Thus, when the Betong affair arose, I spoke out about this. I did not think that this was to be a major affair.But after I spoke out, I felt that people throughout the country were interested. No one dared to say anything about this. How could they? Many of our senior people are bank presidents. Everyone knows about this but no one can speak out because the banks have made them bank presidents and all of them have interests in the banks.

Thus, concerning this, they have not thought about the suffering of the people. However, I hold to the government's policy. Policy 66/1980 clearly states that dictatorship and injustice must be eliminated. I hold to government policy 66/1980 in carrying out my duties in the south. Or this [can be considered as] a part of doing things in accord with the Tai Rom yen Policy. And so I had to speak out about this matter. This was in harmony with government policy 66/1980 and it was in accord with the Tai Rom Yen Policy.

But I know that the banks intend to correct things. Or, some people have said that I do not know anything, that I do not know what I am talking about and that I haven't studied this matter. But I gauged things from the feelings of the people before saying what the banks are like. Why aren't our commercial banks like those in other countries? I think that our banks have taken on a role in trade activities. And difficulties have arisen now. Thus, concerning what I said, I want to affirm that I spoke out in accord with the principles of the path of struggle to defeat the communists. But I certainly did not advocate taking over the banks. Nationalizing the banks is what the communists would do. I hold to Policy 66. The interests of the various classes must be coordinated.

I would like the wealthy people to help. But this does not mean helping by solving just the immediate problems. Using military terminology, it does not mean providing tactical help but rather providing strategic help. That is, they must support long-term projects. They must not simply distribute things or take only temporary action. Helping in a strategic way means helping them to be able to stand on their own. The money they earn based on the stipulated daily wage must be sufficient for them to support their families.Everything must be related economically. I think that if the government takes an interest in Policy 66/1980, the problems facing the country will disappear. The economic and social problems facing the country will be solved simultaneously.

[Question] Concerning the matter of the banks, when you said that the problems must be solved strategically, how should things be solved in the long-term?

[Answer] When you ask the question like that, I don't know how to answer. It is a matter of technique and of administration. Experts must be used to help solve the problems. Those directly responsible must think about how to solve the

problems. The Ministry of Finance must take responsibility. Don't make the people have to pay high interest rates when they borrow money to make investments. Don't let the banks get involved in everything. Today, the banks are involved in everything and so they are the ones who make all the profits.

[Question] [Would you say something] about lowering interest rates on savings and loans?

[Answer] They have announced that rates are being lowered 1 percent. But people have cheered just a 1 percent drop. Some investors borrow as much as 20 to 30 million baht and so this is a large reduction for them. I think that the banks should reduce the rates even more, just as banks abroad have done. I have learned from those who have studied this matter. They have said that foreign banks have lowered interests rates more than this, although I do not know how much they have lowered the rates. The rates should really be lowered because it is time that we coordinated the profits of the banks.They must be willing to lower rates for the benefit of our society. They must help so that we can all survive. The commercial banks will then be real servants of the people and not the servants of their own groups.

[Question] Concerning communist suppression operations, at present, are there any operations underway?

[Answer] We recently completed major military operations, that is, operations 9 and 11. As a continuation of these operations, we must eliminate the liberation forces of the CPT throughout the south, from Chumphon and Ranong to the border. And along the border are the Malaysian communist guerrillas and the bandit terrorists. We must eliminate them too. We have scored successes in destroying various secure bases. The liberation army built these bases many years ago but we have now destroyed them.

These are successes that have erased our neighbor's suspicion that we are supporting the Malaysian communist guerrillas. That is, Malaysia has constantly suspected us of supporting the Malaysian communist guerrillas. Actually, we have never supported them, but things took place along the Thai border with Malaysia, the target. And up to now we have never been in a position to take action against them. And what is important is that this group has received support from Malaysian Chinese who came and settled down in Betong. They have provided support. But the Chinese whom I have met in Betong, who are all Thais now, have said that they do not want to provide any support but that they have been forced to do so in order to protect themselves.

But even though the military operations have been concluded, we are not stopping. This is the last month in this fiscal year. September is the last month. But our national army, in which the forces of the Fourth Army Area are the main forces in the struggle, will continue to work. Our forces are beginning to carry on operations in the plains. This is no secret. I can say so openly. We are active. The only thing is that we are selecting the places to carry on operations in accord with the intelligence reports. The target of the operations in the plains is to search for the liberation army forces, who are now operating

like guerrillas. They fled to live among the villagers after we seized their camps. This is true for both the Malaysian communist guerrillas and the bandit terrorists. In general, the communist terrorists have gone to live in the plans and are living in villages that support them. Our goal is to search these villages and search for strangers based on the documents we have. We are also searching for weapons and local gangsters. We are doing everything that we can. This will give the people in the villages greater security. The Tai Rom Yen policy will make things safer in the south. There may still be kidnappings and demands for ransom, but we are solving the problem. We are using military and police forces to provide protection.

I once told civilian-police-military soldiers that when they read about kidnappings and robberies or receive reports about such things, they should not let the police take all responsibility for such things. We must all work together. The military must take the lead because the military can accomplish everything.

[Question] As for the Malaysian communist guerrillas, it is said that we have not suppressed them because they are a help to us in our fight against the bandit terrorists.

[Answer] That is what they think. But I do not agree. I do not think that illegal forces will be able to bear arms in our country. Having illegal forces here, whose target is Malaysia, has caused misunderstandings between Thailand and Malaysia. When the Malaysian communist guerrillas came into being, the bandit terrorists arose also along with the supporting factors. Since people had already instigated the matter of separating the territory, the bandit terrorists came into being. They have operation bases in Malaysia. Things were just right for them. The bandit terrorists who are planning to separate our country are living in Malaysia. The Malaysian communist guerrillas, whose target is Malaysia, live in Thailand. Both the bandit terrorists and the Malaysian communist guerrillas are bad for us. I thus decided to destroy the Malaysian communist guerrillas. The destruction of the Malaysian communist guerrillas shows that we are sincere toward Malaysia. Regardless of what people think, I do not want to criticize anything in retrospect. Since we have attacked the Malaysian communist guerrillas, they are finished. At present, more and more Malaysian communist guerrillas are surrendering.

Concerning our political activities, once we destroy the Malaysian communist guerrillas, the danger of Moslems being harmed by the Malaysian communist guerrillas will disappear. Thus, there will be no reason for the bandit terrorists to expand. There will be no reason for third countries to support the bandit terrorists and so their support will decline. Actually, the bases of the bandit terrorists are located in Malaysia. Since we have taken this action, we can tell them [Malaysia] to take action too. For example, at the latest conference, we did not say anything but we felt hurt. Actually, we can claim that in Tat Bai District we killed 12 armed people who had crossed over from their side. At Ban Ba Rai, during the time Lieutenant Colonel Sarot was working in Narathiwat, people crossed over and we shot them and seized their weapons. They also had Malaysian military uniforms. We did not say anything about this out of politeness. But they

criticized us. Thus, from now on, I will certainly criticize them too. We must tell them where the bandit terrorists have bases. Previously, we did not say anything. But they have criticized us and this is something we never expected.

[Question] Will you give up your position with the Fourth Army Area?

[Answer] Concerning this, if I am transferred somewhere else, someone else will come and continue the work I have done here. This includes continuing to carry out the Tai Rom Yen policy, which is now a policy of the people. As for how things will be carried out, all commanding officers understand this. The young officers understand the problems. Thus there will not be any difficulties if someone takes command here. The present path is the correct one. I think that we will continue to follow this course.

[Question] Concerning the structure of the military, what elements do you think need to be improved, particularly concerning the annual transfers?

[Answer] Concerning the structure of our military, we must have faith in those who carry out things. We must praise and reward those who do a good job. We must not reward seniority. Seniority must only be a factor when several people have done an equally good job. But people who have done nothing have been promoted every year. We are past that age. Doing things that way will destroy the military. These types of people prevent the good officers who have done a good job from gaining higher positions because the dead wood take up all the positions. This is a problem that will determine how efficient the military is. It depends on the appointments. That is, people must be appointed based on their past achievements, not because of close friends or seniority.

[Question] Supreme Command Headquarters has proposed making some changes in Supreme Command Headquarters. That is, they have proposed making the commanders in chief of the armed services deputy supreme commanders. What is your opinion about this?

[Answer] I think that there will be greater unity. That is, there will be greater solidarity, if people don't think too much (laughs).

[Question] And the disadvantages?

[Answer] Those who thought they would be promoted to deputy supreme commander will not be promoted since the positions are already taken.They may become dissatisfied.

[Question] Will this increase the power of the supreme commander?

[Answer] If there is unity, there is power (laughs).

[Question] Is there any chance that the officers with real ideals will establish a political party?

[Answer] How could they do that. Aren't they prohibited from doing so? We are regular soldiers.

[Question] What if the law is changed?

[Answer] Changed in what way? People would probably not approve of soldiers forming a political party. It will be sufficient if there is a democratic spirit in the military. Because if the military is dictatorial, it will support a government that is dictatorial. Thus, we must train our officers to have democratic ideals. If the military is democratic, it will not allow dictators to rule the country. There would be a fight. This is an important principle. Thus, the officers must be persudaded to have a democratic spirit and to cling to the principles of democracy. As for the national army, we have definite ideals an duties.

[Question] Concerning the new way of thinking in the military, such as the idea of the national army, is this being accepted by the military?

[Answer] Much progress has been made. The young officers understand the idea of the national army. Never mind the older officers; they will soon be retiring. Some people have adjusted and accept this but others are stubborn. Most of these people are very right-ring in their thinking. They are not very smart. But they will be retiring soon. But the military can continue to function with the young officers.

[Question] Concerning the present prime minister, do you think he is suited to bringing real democracy to the cuntry?

[Answer] Do I think he is suitable? The fact is that he loves democracy very much. He has seen the suffering of the people. But the various obstacles have not all been overcome because the atmosphere in the recent past has been one of dictatorship. We should give him another opportunity. Whenever he has his own way, his own ideals and ideas and his own independent policy, it is then that he will greatly benefit the country. If he uses the ideas or policies of some political party whose aim is to use him, he will not be able to bring democracy to the country. But if he has his own policies, he will certainly bring democracy to the country.

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METROPOLITAN POLICE CHIEF PROFILED

Bangkok LAK THAI in Thai 16 Sep 82 pp 18, 19

[Opening Police Department Records column by Suchit Parichatkanon: "Police Major General Phichit Mipricha, the Body-Building Police Inspector"]

[Text] This is an introduction to a suppression official who is close to the head of the Police Department. This man is playing a greater role in relieving the suffering of the people of the capital.His only motto is "be kind." His work record, both now and in the past, is excellent.

Name: Police Major General Phichit Mipricha.

Nickname or alias: No nickname. Alias when young: The body-building inspector; Now: The city's beloved.

Characteristics--appearance: Light complexion. Height: 165 centimeters. Weight: 65 kilograms. Agile.

Born: On the evening of 28 June 1923 at Dalat Hua Ro in Krung Kao District, Ayuthaya Province.

Family: Government officials.

Position: Commissioner of the Metropolitan Police.

Began career: 3 October 1947.

Schooling: Wachirawut Withayalai [junior high school], 1938; Amnuaisin Phra Nakhon High School, 1939-1940; Army Preparatory School, Class 5; Police Academy, Class 1.

Additional degrees: Civilian Aviation School, Class 25; Detective Training School, Class 1; Bachelor of Law degree, Thammasat university, 1964; Army Psychological Warfare School, Class 16; National Defense College, Class 20.

Past positions: Deputy inspector at the Bang Su Police Station; inspector at the Phayathai station; inspector at the Bang Khen station; chief inspector

at the Bang Su station; deputy superintendent, Northern Bangkok Metropolitan Police; superintendent, Metropolitan 4 (Minburi); superintendent, Northern Bangkok Metropolitan Police; deputy commander, Northern Bangkok Metropolitan Police; commander, Thonburi Metropolitan Police; assistant commissioner of the Metropolitan Police; deputy commissioner of the Metropolitan Police; commissioner of the Metropolitan Police.

Special Experiences: In 1966 he arrested Mr Bunmi, or Pui, Chieubangyang, a man who robbed several gold shops and killed people. He brought him from Prachuap-khirikhan Province to Bangkok without handcuffs. The man was executed. He was the negotiator who helped reduce mob disturbances at the Lat Yao Prison during the time [General] Prasoet was the director-general of the Police Department.

Skilled at: Suppression operations.

Unskilled at: Can do all jobs.

Results he is proud of: On 6 December 1960, a man tried to bribe him by pretending to forget a box full of cash. He reported this to his superior and the money was returned to its owner. The Police Department issued a commendation for his honesty. He captured Mr Bunmi, or Pui, Chieubangyang, a robber and killer who was sentenced to death by the court; the Police Department issued a letter of commendation. He joined with the then commissioner of the Metropolitan Police (Police Major General Monchai Phankhongchun) in solving a major opium and morphine case involving drugs valued at 18 million baht. He was given a special reward. The Police Department issued a letter of commendation. He captured the man suspected of killing Princess Laksami Lawan.

Plans for Bangkok Metropolitan: To act in accord with Office of the Prime Minister Order 66/1980 and Order 65/1982. To control crime and gambling.

Methods: To show compassion. To look at intentions using good judgment. Be honest in making arrests. Show love for those arrested.

Feeling about the Police Department: Things have improved.

Punishment of subordinates: Once (when he was working at the Phayathai Police Station).

Reason for becoming a police officer: Once arrested for a traffic violation and likes to arrest thieves.

Special jobs: Cannot remember number of times.

Rewards: Two steps, five or six times.

Weapon carried: Four-inch 357 Smith.

Religion: Buddhist. In the Buddhist order for 5 days at Wat Suthat. Did this when his father was very ill in order to repay merit.

Politics: Interested in accord with duties. Doesn't plan to enter politics.

Positions: Not involved in other activities.

Models: Has trust in former superiors and in self.

Animals raised: Likes animals but does not raise any.

Jobs: Grows ornamental plants.

Good friends: Lieutenant General Banthoeng Kampanatsaenyakon.

Work observations: Asian countries and nine northern European countries.

Sports: Junior class gold medal in soccer, Amnuaisin High Schook, 1939. Black belt in judo from the Judo Association of Thailand. Runner-up in the heavy-weight body building competition. Light-weight body building champion of Police Department. Golfer with a 7 handicap (several courses).

Habits and tastes: Good human relations; gentle and polite. High-class, modern tastes.Very charming. Attractive to women. Respects seniors; loves subordinates.

Family: Lives with wife, three sons and two daughters. (All his sons are policemen.)

Honors: Awarded Pathomphon Chang Phuoc sash.

Government service: Will retire on 30 September 1983.

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CSO: 4207/7

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JPRS 82302

23 November 1982

South and East Asia Report

No. 1217

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SOUTH AND EAST ASIA REPORT

No. 1217

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NEPAL'S KING, FINANCE MINISTER MEET WITH EEC'S THORN

BK081511 Hong Kong AFP in English 1445 GMT 8 Nov 82

[Text] Kathmandu, Nov 8 (AFP)--Visiting European Economic Community's (EEC) President Gaston E. Thorn called on Nepalese King Birendra at the Royal Palace here today for talks which centered on Nepal's ties with the EEC.

Earlier Mr Thorn had 40 minutes of formal talks with Nepalese Finance Minister Dr Yadav Prasad Pant during which he announced that the EEC had agreed to "substantially increase" its economic assistance to Nepal.

"In view of the food shortage in Nepal this year, the EEC has agreed in principle to provide an additional 12,000 metric tons of rice. This commitment however is subject to the approval of EEC council members," Dr Pant told the press after the meeting.

The EEC has already granted Nepal 3,400 metric tons of rice a few months ago to meet a food shortage.

On long-term aid to boost of Nepalese farm output, Kathmandu has sought EEC's help to construct godowns and warehouses that would facilitate food storage in food-short districts.

"The EEC's response to other areas of cooperation was quite favourable... More assistance for improving the quality of exportable goods was agreed in principle," said Dr Pant.

He indicated that EEC aid in establishing a medicinal herb plant to boost exports of processed herbs to overseas market was also discussed, adding that a final decision on this project would be studied by experts.

Also discussed was possible cooperation in irrigation, agriculture water supply and training facilities, Dr Pant said.

He noted that the head of the new Delhi-based EEC office was expected to visit Nepal shortly to look into prospects of cooperation in this area, he added.

Mr Thorn arrived here Sunday after an official visit to India. He is scheduled to leave Kathmandu tomorrow.

CSO: 4200/97

CRITIQUE OF STATEMENTS BY BEGUM NASIM WALI KHAN

Karachi JASARAT in Urdu 20 Sep 82 pp 2, 7

[Commentary by Zahid Hussain: "Reporter's Diary: Begum Nasim Wali Khan Is Not Clear on Many Issues; Activity in the City Dies Down After Sunset"]

[Text] Karachi nowadays is the victim of fear, terror and rumors. Zuhur-ul-Hassan Bhopali was assassinated; the body of Elias Siddiqi, the companion of hijacker Tippoo and the student leader of the People's Student Federation, has been identified. The police have not yet succeeded in catching the murderers. Shots were fired at the car of Kuwait's consul general in Bahadurabad; the culprit escaped and the consul general returned home. Iranian and Iraqi students clashed in Karachi university and shots were fired. A telephone call warning of a bomb in the Habib bank plaza building created confusion; the building was searched, but no bomb was found. The number of burglaries is no longer climbing, although reports of burglaries continue to be received from different parts of the city. Newspaper offices receive calls asking why the reports of robberies in various parts of the city are not published. Rumors continue, creating fear and anxiety. The streets are quickly deserted as night falls; traffic decreases and snack bars and late-night restaurants have no c-stomers. Hustle and bustle in the city ends at dusk. Under these donditions, police activity continues. Scooters, motorcycles and cars are searched; papers are examined and police raids in various localities continue. They raided the house of the prominent councilman, Dr Athar Qurayshi, against which the defunct Karachi Jamiat-e Islami's Amir Mahmud Azam Faruqi protested strongly in a crowded emergency press conference. He demanded that action be taken against those responsible and asserted that the police had no justification for this late night action which was nothing less than "police terrorism" and the harassment of honorable individuals without any proof of illegal activity. The authorities continue to maintain silence regarding the raid. They have offered no explanation and no action has been taken against anyone.

Begum Nasim Wali Khan arrived in Karachi a few days ago. She met reporters on the evening of 18 September at Abid Zubairi's residence. When the reporters started to ask questions, Begum Nasim said, "Abid Sahib brought me here to "meet the press,' but this looks like a press conference."

Begum Nasim Wali Khan said that the country was divided into four parts and the residents of one province were prevented from traveling to another province. Whether fortunately or unfortunately, the time also came when travel outside Peshawar was restricted. She said, "There are countless problems ahead about which countless things can be said. But what you will write, what will be censored and how much will be added to the report, I cannot say. We have been tongue tied for so long that we have forgotten how to speak. There are no meetings, no speeches; everything has ended. There is neither politics nor a political course. There are restrictions everywhere." Begum Nasim was asked what she thought about the present conditions and what her prognosis was for the future. She replied, "It is dark, too dark to see anything. In this darkness, anything can happen at any time." After a pause she added, "The country is ruled by a single individual; all decisions revolve around him. There are no democratic organizations, no judiciary, no parliament, no administration and no press. Under such conditions, one cannot make predictions about the future." Begum Nasim Wali Khan was asked if the NDP had any program for remedying the situation. She answered, "The NDP is under a ban; we are a part of the MRD and we will consider the program in the meetings of the MRD." She acknowledged that the harmony and enthusiasm that existed among the members of the different parties comprising the PNA did not exist between the members of the NDP and the People's Party. The leadership got together, but gave no thought for ensuring cooperation among the lower level party members. Begum Wali Khan expressed opposition to the policy of violence in the country and described her party's pro-peace policy. It was brought to her attention that the People's Party was believed to be involved in the violent acts committed in the country. She replied, "We discern no such conndction. An organization outside the country called Al-Zulfiqar is believed to be involved in these acts. That organization has not claimed to be affiliated with the People's Party, nor has the People's Party claimed any connection with Al-Zulfiqar. If the People's Party should openly acknowledge that it was following a policy of violence, we would then either make them abandon the policy or dissociate ourselves from them." At this juncture, a lady reporter suggested that Begum Bhutto had already condemned the activities of Al-Zulfiqar. Begum Nasim Wali Khan said, "When Begum Bhutto has already condemned violence, how can we level these accusations at her?"

Begum Nasim Wali Khan forgot that Al-Zulfiqar's leader is Murtaza Bhutto, the son of Begum Nusrat Bhutto. From outside Pakistan, he has laid the foundation of a policy of violence. Begum Bhutto has never dissociated herself from her sons' subversive activities, nor has she announced that because of their activities, she condemned them and severed all connection with them in the traditional manner. How can anyone believe that Al-Zulfiqar is not connected spiritually and ideologically with the People's Party?

Begum Nasim Wali Khan was very circumspect in her statements about the MRD and said nothing worthy of note about Tahrik-e Istiqlal's attitude. She was similarly careful about her answers regarding the round talbe conference, non party elections and cooperation with Jamiat-e Islami. She said, "Mr Nurani wants to bring national leaders together to think of

ways to rescue the country from the present situation. There is an existing alliance of different parties, namely, the MRD, for this purpose. Parties outside this alliance should come and talk to the alliance. "Regarding the round table conference, she said that MRD would make a decision if it received an invitation. Concerning nonparty elections, Begum Wali Khan said that the matter would be taken under consideration when elections were announced. She said that they had a long-standing friendship with Jamiat-e Islami; if the matter should come up in the future, NDP would not block Jamiat-e Islami's entry into the MRD. When she was asked as to when a movement would be started, she answered, "The people, not leaders, start movements. It is not a matter of minutes, hours or years. The people have to be prepared first, and a relationship established with them."

It seemed as though Begum Nasim Wali Khan was not clear on many issues, nor did she have a program in view other than the official one. This is what our politicians do; they talk endlessly on national issues, but do nothing. When it comes to practical politics and action, politicians have the final word: "Public opinion is not yet ready." At this meeting, Begum Nasim Wali Khan conveyed a similar impression.

9863
CSO: 4656/3

PPP'S CLAIMED DISSOCIATION WITH AL-ZULFIQAR REFUTED

Karachi JASARAT in Urdu 20 Sep 82 p 3

[Editorial: "The Sacrificial Altar of Politics"]

[Text] Begum Nasim Wali Khan has stated that it would be going too far to suggest that the People's Party was guilty of acts of violence. The Qaim-ul Zulfiqar organization claims responsibility for these acts from outside the country. [She said] that the Al-Zulfiqar organization never claimed affiliation with the People's Party nor had the People's Party claimed Al-Zulfiqar as one of its "own" and that Begum Bhutto had also condemned these violent acts.

We are wondering whether to call Begum Nasim's statement a wise oversight or criminal ignorance of the facts. We can only marvel at such innocence that cannot see the open ties between Al-Zulfiqar and the People's Party. At the time Begum Nasim Wali Khan was making this statement, newspapers inside and outside Pakistan were publishing the news that Murtaza Bhutto had called a meeting of People's Party members living outside Pakistan to draw up a plan of action for the People's Party in Pakistan. These reports also said that Murtaza Bhutto wants to take over the leadership of the People's Party. Following the publication of these reports, Begum Nusrat Bhutto did not even feel it necessary to announce that Murtaza Bhutto was in any way affiliated with the People's Party and that the meeting of the People's Party outside Pakistan that he had called was not connected with their People's Party. Begum Bhutto's condemnation of acts of violence is news to us. She must have whispered this statement to Begum Nasim Wali Khan, because the only statement of hers that appeared in the newspapers was the one in which she did not condemn violence but justified it on the grounds that such incidents are bound to happen as long as political freedom is denied.

Al-Zulfiqar's top subversive, Salamat-Ullah, alias Tippoo, gave a statement in Kabul, which was recorded and has been heard on the radio by the citizens of this country several times, in which he mentioned Mrs Nusrat Bhutto. We are surprised that even after this open acknowledgment by the Al-Zulfiqar subversives, Begum Nasim Wali Khan has failed to see any connection between the People's Party and Al-Zulfiqar. Only the other day,

the confessions of three terrorists connected with Al-Zulfiqar, Niaz Ahmad, Fayaz and Mudsar, appeared in the newspapers in which they said that 2 years ago they went to Kabul because, being members of the People's Party, they feared arrest. During their stay in Kabul, they met with the Afghan leader at the time, Nur Mohammad Taraki, and the present leader, Babrak Karmal. They then established contacts with Murtaza Bhutto and joined the Al-Zulfiqar organization. When the Government of Pakistan started recalling Pakistanis from various Libayan camps, these individuals were sent to Libya to join these camps and return to Pakistan. After reaching Pakistan, they waited for an agreed period after which they were to carry out plans of subversion and terrorism; but they were arrested by the police before they could do so. They confessed that there were other members of their group among the Pakistanis brought back from Libya.

This statement acknowledges that these individuals were active members of the People's Party and that they joined Al-Zulfiqar after goint to Kabul. As for the statement that they "went to Kabul out of fear of arrest," it is a lie because if they had gone out of fear of imprisonment, they would not have returned after the establishment of the present government. The arrangement that emerges from this statement is that the People's Party there sends its members to Kabul where they are trained in subversion by Al-Zulfiqar and returned to Pakistan to start subversive activities here. It seems that Al-Zulfiqar is the branch of the People's Party that trains subversives. This is not the first time that these activities have been reported in the press; such reports have continued to surface not only in Pakistani papers but in newspapers all over the world which shows the open connection between the People's Party and Al-Zulfiqar.

Published reports about terrorist Elias Siddiqi, who was slain with Zuhur-ul-Hassan Bhopali, link him with the People's Party. He was the president of Urdu College's People's Student Federation. What is the People's Student Federation? It is a branch of the People's Party that works among students. It seems as though the examination of the background of every terrorist uncovers links with the People's Party. In spite of these facts, Begum Nasim Wali Khan still says that there is no connection between the People's Party and Al-Zulfiqar. She might believe in what she says, but the people cannot swallow such politics wholesale.

The participation in the MRD of Tahrik-e Istiqlal, the Pakistan Democratic Party, Muslim League and National Democratic Party, and the advocacy of the People's Party by the leaders of these parties, Khwaja Khair-Uddin, Malik Qasim and Begum Nasim Wali Khan, has led to great disappointment and suspicion not only among the people but also the members of these parties themselves. Many party members have not accepted the MRD. Begum Nasim Wali Khan herself acknoweldged this when she said, "The time has come to start a movement in the country, but movements cannot be started in minutes, hours or days. Public opinion has to be prepared first, because movements are started by the people, not by the leaders. It is necessary to create harmony among the members of the MRD parties. There is unity among the leaders, but the parties have not prepared their members for cooperation with the People's Party members."

This statement shows clearly that the MRD is an alliance of only the politicians, not of the members of the participating parties. The reason for the aloofness of the members from the alliance is that these individuals work among the people, and tley cannot offer any justification for the alliance with the People's Party of those same parties that began a movement among the people against this same People's Party. The people cannot start a movement at the request of an alliance that contains the People's Party--a party engaged openly in terrorist and traitorous activities. According to this analysis, those leaders who have formed an alliance with the People's Party and joined the MRD, and now insist on remaining in this alliance, are not only preparing for political suicide, but have also created the most serious obstacles in the path of the efforts to restore democracy in the country. They have disappointed the people and engendered repugnance towards politics.

As long as these parties do not acknowledge their mistake, leave the MRD and rescue themselves from this morass, the people will not listen to them and the country will not move toward a political solution. We think that the political leaders who have committed this foolishness, without taking their members into their confidence, lack the moral courage to confess their political error. It would be a better idea if the party members courageously tried to rescue their parties and their leaders from the MRD morass. There would then be some hope of finding a political solution and restoring political activity. The MRD platform is nothing less than a political sacrificial altar. The sacrifice of the country's politics and its democratic future on this alter should be prevented.

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CSO: 4656/3

COMMENTARY ON DIVISIONS WITHIN MRD

Karachi JASARAT in Urdu 21 Sep 82 p 3

[Commentary by Raouf Tahir: "Lahore Diary: Whether for Medical Treatment or for Pleasure, Communist Landlords Always Head for the United States or Europe"]

[Text] From the beginning, Pakistan's experience with socialism has been tragic. When Pakistan was created, the patrons of socialism and socialists were major landowners, like Mian Iftikhar-Uddin. When socialism became a public slogan in 1970, the leader of the movement was another major landowner who held 36,000 acres of land. The average socialist here who gained "class consciousness" through socialism strove to raise himself from the lower class to the middle class and from the middle to the upper class. One could name numerous individuals who acquired progressiveness when they were members of the oppressed class. But gradually, as a result of "class struggle," their fortunes changed and they left the lower class to join the middle class.

A greatcontrast appears between the slogans and the actions of these Pakistani socialists. Whenever communist land owners have needed medical treatment, they have headed for American or Europe; and when they have felt inclined toward sightseeing, they have not gone to their favorite Red paradise but have headed for the so-called oppressive capitalist societies of Europe or the United States. Whenever they found conditions in their own country "unfavorable" they chose as their refuge the United States or a European country. This article was inspired by the news that Shaheen Haneef Ramay, wife of the former progressive chief minister of Punjab, Haneef Ramay, is visiting Lahore. Her daughter has enrolled in Fatima Jinnah medical college and Mrs Ramay will be returning to the United States. Mr Haneef Ramay nowadays resides in his very spacious and magnificent house in California and owns a huge 10-pump gasoline station on Madrid Avenue. In this self-imposed exile, he is also a part-time lecturer at Gerkley. He has abandoned liberalism for Sufism and has written a two-volume work on the subject that he is translating into English. He finds time for his long-time interest in painting and has no intention as yet of returning to his native country.

Dear reader! This is the same Haneef Ramay who, at one time, was a salaried publicity secretary of the late Ayub Khan's Convention League and used to sing the praises of his basic democracy. Then Ramay became a progressive savant and in Bhutto's administration became the minister of the treasury and later the chief minister. During this time, he announced the glad tidings at public gatherings, which in those days were the prerogative of only the People's Party, and in the Punjab assembly that "Asia's brow will be adorned with the vermilion of socialism." But he then left the ministerial office "in great disgrace," as the famous couplet goes. For a time, under the protection of Muslim League landowners, he indulged in opposition politics; later, he formed his own political party (Musawat) [Equality Party] under the slogan of "Dal Roti" ["Bread and Soup"]. Nowadays, having given up the troubles of his "Dal Roti" phase, he is in American contemplating the problems of Sufism.

Regarding the MRD even the leaders who have now given it a permanent structural form have been saying from the beginning that this is not a political alliance but rather a "political declaration," because the political parties appearing on a single political platform under the name of MRD share no common values except the slogan of "restoration of democracy." They have differing points of view and different interests; and most important of all, only a few years ago, the MRD's Tahrik-e Istiqlal, Jumhuri Party, Muslim League (Khair-Uddin group), NDP and Jamiat-e Ulema-e Islam (Maulana Fazl-ur-Rahman group) were part of the Pakistan National Alliance that only a few years ago started a historical movement against the oppressive, cruel and undemocratic power of the People's Party, now a member of the MRD; and to ensure the success of that movement, this country's numerous mothers suffered beatings at the hands of the army. Thousands were imprisoned and many sacrificed their young lives.

This same Asghar Khan repeatedly said in public gatherings: "Let us in; when we come into office, we will hang Bhutto." One of the influential leaders of this same NDP,Wali Khan, said repeatedly after his release from the Hyderbad tribunal case that no one could release Bhutto because his actions had put him under God's arrest. After the end of the Bhutto period, the Muslim League's Khwaja Khair-Uddin would tell stories on the television about the cruelties he had suffered and would cry and try to make others cry.

In view of these facts, the political alliance of these parties with the People's Party would have been a regrettable action that the average member would never have accepted. Hence, all the parties of the MRD adopted the attitude that theirs was not a political allinace but a political declaration.

Then it gradually became clear that the People's Party wanted to turn the MRD into a political alliance and seize its leadership. The Tahrik-e Istiqlal people detected the "plot" a long time ago; ehnce, they remained adamant from the beginning that the MRD should not become a permanent organization, although it Asghar Khan had been free, Tahrik-e Istiqlal

might also have relented somewhat. But Asghar Khan remains under house arrest (for the last 1,000 days). He and his friends understand well that if MRD ever becomes a permanent organization, its leadership in all probability will go to Nusrat Bhutto of the People's Party.

A few days before the announcement regarding MRD's permanent secretariat, Mushir Pesh Imam, with the permission of the government, met Asghar Khan in Abbotabad. According to the reports we have received, it was decided at this meeting that Tahrik-e Istiqlal should remain adamant on its previous position.

According to informed sources at the defunct Jumhuri Party, the catalyst for the move to establish permanent secretariat of the MRD was Nawabzada Nasrullah Khan's letter, which he had written to his party's acting president, Mr Zainul Abidin, who placed the letter before a high-level meeting of the MRD Nawabzada wrote in his letter: "I do not think that the present leadership of the MRD, which is devoid of political insight and lacks decision-making strength, will try to make any decisions aimed at changing the present conditions." Regarding Tahrik-e Istiqlal, Nawabzada wrote, "These people do not want the present situation to change in any way."

He also wrote in his letter: "A strong public movement as well as a vibrant and dynamic leadership is needed to change present conditions. But the situation here is such that even after a year and a half since its creation, MRD has not yet succeeded in establishing a permanent secretariat nor is there any arrangement for mutual contact among the members. During this time, there have been provincial organizations. There is no arrangement even for keeping records of the meetings. In view of such a lack of seriousness, how can a movement be started to change the present military government?"

Informed sources state that Nawabzada's letter prompted the decision to give the MRD a permanent strucure. Nasrullah Khan, who earlier had been slinging barbs at Air Marshall Asghar Khan over the "united fronts' policy," because of which Asghar Khan was allergic to Nawabzada, once again was able to defeat Asghar Khan and have an important decision taken contrary to the latter's views.

Tahrik-e Istiqlal leaders reacted strongly against the complete disregard of their views in the mo-e to establish a permanent secretariat for the MRD Tahrik's acting leader, Sayyed Munir Shah, not only termed the move a deviation from the MRD's basic principles but also announced that Tahrik would choose its own line of action. Sayyed Munir Shah did not stop there, but in his press conference he released to the press the letter Air Marshall Asghar Khan had written to the army during the '77 movement against Bhutto in which he had discussed in detail and with great feeling the injustices of the Bhutto administration. According to Tahrik-e Istiqlal circles, the reason for releasing the letter at this time was to hold up a mirror to the past actions of the People's party and to express the fact that they could sign a "political declaration" with a political party with such a shameful past but could not enter into a permanent alliance with it.

In addition to expressing their opposition through statements to the press, the leaders of Tahrik-e Istiqlal took a practical step to show their opposition to the decision by suspending their activities in the MRD and summoned an emergency meeting of the working committee to prepare a plan of action for the future.

There are strong differences within Tahrik-e Istiqlal over Tahrik's continued relationship with MRD. Like Karachi's Nafees Siddiqi, Etezaz Ahsan here in Lahore enthusiastically supports cooperation with the People's Party, whereas other leaders consider the decision to establish a permanent secretariat for the MRD an insult to the Tahrik-e Istiqlal.

9863
CSO: 4656/5

ELECTION ISSUE, DEVELOPMENTS IN KARACHI EXAMINED

Peshawar MASHRIQ in Urdu 17 Sep 82 Magazine p 8

[Article by Ali Akhtar Rizvi: "On Pir Ali Mohammad Rashdi, Maulana Kausar Niazi and Khwaja Mohammad Safdar"]

[Text] Pir Ali Mohammad Rashdi and Maulana Kausar Niazi's articles and Federal Advisory Council Chairman Khwaja Safdar's statements are read with great concentration and study by political circles in Karachi. We pray to God that the impression these circles are gaining about the future political atmosphere of the country by reading between the lines of the articles and statements by these personalities is true. As far as Khwaja Safdar is concerned, his services regarding the restoration of democracy cannot be overlooked. As a member, and later as the chairman of the Federal Advisory Council, he has been presenting the government's and his personal views regarding the elections and the restoration of democracy, and in light of the election commission's present activities and meetings held to prepare the electoral register, it has to be admitted that, being an intelligent politician, Khwaja Safdar's judgment in accepting membership in the Federal Council were correct. Some circles believe that the problem of restoring the national and provincial assemblies and electing the members through direct public vote is still unresolved, and that the election commission's current activities are merely preparing for local elections. It is possible that these views are correct. However, President Zia-ul-Haq and every minister of his government admits the fact that no government can be called strong and durable unless it has the confidence of the public. As far as the present administration is concerned, undoubtedly, the political circumstances and incidents of the past 5 years clearly indicate that it does have the full support of the Pakistani people. In spite of this, it is necessary that a clear and solid political system be restored in the country, one that not only harmonizes with the ideology of Pakistan but also reflects the Islamic sentiments of the public.

During the reign of Field Marshal Ayub Khan, Pir Ali Mohammad, in his columns, used to draw Ayub Khan's attention through hints and references to Pakistan's situation in light of external developments. He provided opportunities for thinking and understanding to the Pakistani public by refering to the youth revolution in France and the movements initiated in India and other Asian countries in favor of democracy at that time.

After being relieved from advising the former government, Pir Ali Mohammad Rashdi is once again writing thoughtful articles these days. These articles illuminate in great detail the role of the working officials in Pakistan. It is not known, however, shy Pir Sahib avoided mention of the former government's era, in which, through the federal security force and other semi-military institutions, the politicians were driven like sheeps and goats. Pir Ali Mohammad Rashdi's solumns will certainly guide future historians.

Although Maulana Kausar Niazi's columns are not directly connected with politics, the beautiful manner in which he describes the current circumstances facing the country gives the impression that, in view of the present circumstances, Maulana's political concern on 5 July 1977 was totally correct and genuine. Its proof is Mr Ghulam Mustafa Jatoi becoming the leader of the defunct provincial People's Party in place of Mumtaz Bhutto in Sind Province. Mumtaz Bhutto has repeatedly challenged this position. Following the middle path is mutually valued by Ghulam Mustafa Jatoyi and Maulana Kausar Niazi. When Maulana Kausar Niazi and Ghulam Mustafa Jatoi were in power, they were surrounded by sincere workers and companions, but the opportunists also benefited from them a great deal. As far as Maulana Kausar Niazi is concerned, I have been well acquainted with him for almost 17 to 18 years. Thank God, being a minister, Maulana was the same Kausar Niazi to me as he was before he came into power. Since he left office, there still has been no difference in the warmth of his relations with me. Maulana's special quality, which distinguishes him from his other political collegues, is that even if his personal enemy comes to his house and asks for something, Maulana will not turn him down. Nevertheless, these are the people who change with the lapse of time. There are many senior journalists in Karachi today whose current employment is the result of Maulana's personal efforts. However, when these people have had a bit too much to drink, they first of all make their own benefactors the targets of their ego and gossip. Nevertheless, instead of Pir Pagara's predictions for holding elections in the country, the political circles of Karachi are now discussing the vicissitudes of Pir Ali Mohammad Rashdi and Maulana Kausar Niazi's views and Khwaja Safdar's newspaper statements.

Whenever and wherever there is discussion about those who demonstrated bravery and sacrifice for Pakistan's integrity, solidarity and stability, young Rashid Minhas's name tops the list. This pilot trained by the Pakistani Air Force gave up his life during the 1971 war, but he defeated the efforts of a traitor country trying to seize a Pakistani Air Force plane. In view of Rashid Minhas's patriotism, he was awarded the country's highest military honor, Nishan-e-Haidar. Rashid Minhas was a unique youth in the world who, at the very outset of his career, was awarded the highest honor of his military life. The Pakistani Ari Force will certainly be ever proud of this young man.

One of our readers has drawn our attention to the fact that whereas all the newspapers are publishing attractive news about an Indian film actor wounded during a shooting, no special articles and features have been

published in the newspapers to mark the anniversary of martyr Rashid Minhas. Our reader's complint is totally justified and correct. Since we too are the victims of this tardiness, what else can we do except apologise. However, the question here is: do the journalists alone have to fulfill all the national responsibilities? The responsibility lies in the hands of our national figures, as well. Certainly we should have utilized Rashid Minhas's martyrdom day to inspire that sense of sacrifice for the protection of which Rashid Minhas not only offered his life but also set a shining example for us. As far as the question of publishing news about the Indian actor is concerned, besides fulfilling national responsibilities, the newspapers also hold up to view the mental tendencies of the public. We all know the public's attitude about Indian films and actors. All the country's small and big cities are full of Indian film cassettes. In the field of culture, through the VCR, India has acquired all that it could not achieve through Amritsar television.

The present campaign in Pakistan to reform society can also be a source of repulsing this heavy attack. An estimate of the manner in which nudity is advertised and sex is presented in Indian films can easily be made from the sale in shopping centers of Indian cassettes full of immodest songs.

There is hardly a neighborhood in Karachi where at local shopping centers, cassettes of Indian films are not sold or available for rent. Noticing the boldness and indency with which these films are shown without censorship in our homes, the campign to reform society through Pakistani television and radio cannot prove fruitful. The essential thing is that just as the death penalty for drugs and smuggling is under consideration, in the field of culture as well, the death penalty should also be decreed for thos who spread nudity and indencency.

Following the establishment of Pakistan, the example of sacrifices made by the Liaqatabad area of Karachi to safeguard the solidarity, integrity and ideology of the country can hardly be found in the Pak-Indian subcontinent. Up to the present day, no neighborhood or region of any subcontinent city has secured such an honor that during any period of our national life, whenever the people's wishes were violated, the area in question not only protested but made sacrifices in lives to end the system of oppression and looting. Whether it is Ghulam Mohammad's dictatorship, Ayub Khan's dictatorial system or Bhutto's antipublic era, during every age Liaqatabad's people led elements throughout the country in support of democracy to safeguard the public rights. During the past 34 years, there were few rulers whose hands were not stained with the blood of the unarmed but courageous people of Liaqatabad. It is incorrect to think of Liaqatabad as only one neighborhood of the city since its collective population is more than 70 percent of the country's citizens [as published]. An entire continent's civilization and culture lives here under the ideology of a single nation. During every ear, this area's people remained the flag-bearers of the ideology of Pakistan, and in this matter they never agreed to compromise in the face of force, corruption or greed. This way of thinking of Liaqatabad's inhabitants turned every government coming into

power in the country against them. The result was that despite having one of the few big populations and shopping centers in the city, this area was overlooked in every era. The government is not practically involved in those big buildings and markets, instead of huts, that are seen in Liaqatabad today. Rather, they are the result of the personal efforts and struggles of the area's people. Since Liaqatabad was always perceived as an antigovernment area, the local administration as well, fearing the federal government, regarded even planning for this region's progress equal to an invitation for their own punishment. During the former government's era, in the course of the ceremony opening Liaqatabad's supermarket, the former administration, with the cooperation of a few opportunists of the area, tried to give the impression that Liaqatabad's people also acknowledged the leadership of the former administration. Not only did they fail badly in that endeavor, the leader of this effort dared not saty in Liaqatabad more than a few minutes.

During the past 34 years in the history of Liaqatabad, it is the first time that an incident has taken place that practically proves that the current government not only realizes the problems of Liaqatabad's inhabitants but wants to solve the problems of this vast and expanded region. The provincial government of Sind gets an income of millions of rupees from this region. Over the past 34 years, however, the provincial government has never felt the need to establish any health institution in an area of more than 800,000 inhabitants. Nevertheless, the educational institutions established by the private sector were nationalized, thus fulfilling the educational needs to an extent.

While the current government has begun serious efforts to solve the basic problems of Karachi, it has also started to pay attention to the fundamental problems of Liaqatabad's people. Very quietly, therefore, in the heart of Liaqatabad, preparations were under way for the establishment of a Sind government hospital furnished with modern equipment. The people of Karachi received the glad tidings of the establishment of this hospital when the governor of Sind, Lt Gen S.M. Abbasi, reached Liaqatabad to perform the opening ceremony. Undoubtedly, the personal interest of provincial minister of health Mr Ahad Yusaf also played a role in the establishment of this hospital. It could be said that this is the first incident in the history of Sind wherein the provincial government felt the need to establish new health institution in Karachi at its own expense; otherwise, this responsibility was entrusted to Karachi municipality. As a result, even today the local council is under the burden of hundreds of thousands of rupees in debt. The slackness shown in acquainting the public with the provincial government's feat indicates that the selfish elements do not wish for the public to be informed about the efforts being undertaken by the current administration to solve the problems of Liaqatabad's people. In this regard, the bureaucracy is also collaborating with selfish people. In the past, our bureaucracy used to make such loud announcements of their paper schemes that nothing else could be heard. But now it does not feel the need to inform the public about such a worthwhile project in Liaqatabad by the Sind government, the very first accomplishment on government level in this region's history. The bureaucracy's attitude indicates that they do not want the good work done by the government and the administration's achievements to be effectively presented to the public.

9779
CSO: 4656/9

BALUCHISTAN GOVERNOR COMMENTS ON CURRENT SITUATION

Rawalpindi HURMAT in Urdu 6-26 Aug 82 pp 267-271

[Interview with Governor of Baluchistan Lt Gen Rahim on the occasion of Independence Day: "Some Interested Elements Wanted To Take Advantage of Baluchistan's Special Geopolitic Position. No Sardar Will Be Allowed To Stand In the Way of Developmental Process. Law and Order Situation Is Highly Satisfactory."; date and place not specified]

[Text] Baluchistan is Pakistan's most sensitive province. Its geopolitic position in Southwest Asia has placed this province at the focus of attention of the big-power struggle for warm water access. Because of the province's special geopolitic background, the task of administering it is not only difficult but requires delicate handling. Lt Gen Rahim-Uddin Khan, in his capacity as governor of the province, has been entrusted with this delicate task. He has been executing his duties of maintaining law and order with great success. The governor of Baluchistan, in his special interview with HURMAT, deals at length with the socio-economic development to be implemented in the province under the martial law administration, law and order and the political situation. Here we present Governor Lt Gen Rahim Khan's special interview.

[Question] Some opponents of the government say that the law and order situation in the province is not satisfactory, the life and property of the people are not safe, crime is common and the government has failed to bring criminals to justice.

[Answer] The law and order situation in the province has never been better than under the present government, and this is confirmed by the report regarding the reduction in the crime rate in the province in 1980. The crime rate in Baluchistan is the lowest in the country. In Baluchistan, the crime rate is 5.12 percent, whereas in the Punjab it is 56.6 percent, in Sind 24.6 percent and in the Frontier 15.6 percent.

The rapid rate of development in Baluchistan is yet another proof of the fact that conditions in the province are peaceful, and the fact that the

development process in the far and remote areas is proceeding unhindered also point to the same thing. Political leaders representing public opinion have also applauded the present government's policies and have voiced their support. I think you will agree with me that even in the most civilized countries in the world there are reactionary elements who are opposed to the most civilized governments. Baluchistan is a province that had its own tribal system of administration for centuries. Now the province is passing through a transitional period, education is replacing ignorance and a change is taking place in the thinking of the people. Thus, opposition from certain circles may be perceived as a natural reaction.

I can say with confidence that the law and order situation in Baluchistan is perfectly normal. No one's life and property are in danger. The life and property of the people are completely safe, rate of crime has dropped and the government is ready to deal with criminals.

[Question] All of the former governments jailed the sardars [chiefs] of the Mengal, Bizenjo and Murree tribes and other sardars. But these sardars are not taking up arms against the present government. What conclusion can be drawn from this? Are the sardars frightened of the present government or have their political problems been solved? Are there any political prisoners in the jails in this province?

[Answer] First of all I would like to stress that we believe in an honest, selfless and sincere government. The problems facing our government are totally different from those of the previous governments. As far as detention and imprisonment of the sardars during the previous governments are concerned, you are aware of the conditions leading to these arrests. You know that the people of Baluchistan are as patriotic as the people of the Punjab, Sind and Frontier Provinces. In the past they were made victims of repression and the reacted to this repression. They are not terrorists but were forced to take up arms. Today there are no political prisoners in the jails in Baluchistan. To make up for the excesses committed against them it is necessary to work honestly and selflessly in Baluchistan. We respect them as human beings and they respond in kind. All the tribes in Baluchistan are living peacefully. Their cooperation in the field of development is praiseworthy. I am fully satisfied with them and they too, in turn, are content with the government, because the government healed the wounds inflicted by the previous governments. We rehabilitated the people who were left without homes during the disturbances in 1977 and we restored their civil rights. We did not keep them in the dark.

The people of this province believe that its future development depends on a peaceful atmosphere. They believe that they have the same rights as the people in other provinces and have made up their minds that they will not be misled by passionate slogans of self-seeking elements, because such elements raise these slogans for the sake of special interests. They also know that certain interested elements would like to take advantage of the special geopolitical position of Baluchistan for their own particular ends. But the people of Baluchistan have decided not to allow themselves to be deceived anymore. They naturally feel secure and satisfied after having rid

themselves of age old backwardness and economic deprivations. Baluchis are as good Pakistanis as the people living in other provinces and they are satisfied with their overall participation in the affairs of the province. We have no hostility with any sardar, but at the same time we will not allow anyone to stand in the way of development. We are working for the entire population of Baluchistan and not for the privileged few.

[Question] There are Afghan refugees in Baluchistan. What is the provincial government doing for them? Has the influx of Afghan refugees into Baluchistan created any political, social or financial problems?

[Answer] There are 580,000 Afghan refugees in Baluchistan and they are settled in 40 tent cities. We are building 24 more tent settlements to accommodate a further influx of Afghan refugees in the province. We have a complete organization to look after the welfare of Afghan refugees. The federal government is spending 2.2 billion rupees with the participation of international organizations. Out of this, 550 million rupees have been allocated for Baluchistan. In addition to food, housing and medical and health facilities, every Afghan refugee is given a daily allowance of 50 paisa [half a rupee]. Arrangements are being made to provide drinking water, schools and self-help projects. All of the refugees are being brought together and tent townships are being built for them in areas far away from the local population.

Refugees may have internal problems but the influx of Afghan refugees has not created any political, social or financial problems for Baluchistan.

[Question] Afghan planes have violated Pakistan's air space many times in the Baluchistan region. What is the reaction of the people to this?

[Answer] The local population in Baluchistan seriously condemned the violation of Pakistan's airspace. In the Dobandi area the local population opened fire on the Afghan planes. The violation of Pakistan's airspace by the Afghan planes has further strengthened the bonds of unity among the people of Baluchistan and has made them still more cautious about their defense.

[Question] What new development projects were launched during the past 5 years and how many of these have been completed so far? How much aid has been provided by the federal government for these projects?

[Answer] Compared with other provinces, the development projects in Baluchistan present a totally different picture. To understand the various aspects of the development process in Baluchistan it is necessary to understand the special incompatibilities prevailing in this province. In this context, the following points have to be kept in mind:

1. Development projects were started in the Punjab, Frontier and Sind Provinces immediately after the establishment of Pakistan. But during this period there was no idea of any development projects for Baluchistan.

2. Conditions in the Punjab and other provinces were conducive for starting development programs, whereas in Baluchistan many geographical and territorial problems had to be solved. Besides, there is no basic framework for any development projects in the province. Lack of transportation facilities, like an adequate road system, tops the list, and this is the main reason for the tremendous expenses incurred in transporting goods to remote regions in the province.

3. Baluchistan covers a very wide area. It is spread over 134,000 square miles, which constitutes 42 percent of the total area of Pakistan. It is sparsely populated and only 3 percent of the total population of the country lives in Baluchistan. In other words, any development projects carried out in Baluchistan would benefit only 3 percent of the total population in the country.

4. The climate in the upper parts of Baluchistan is extremely cold, whereas the lower parts of the province suffer from high temperature. Due to these weather conditions, the people of the province live a nomadic life, so that the development process cannot be of much help to the people.

5. Because of the tribal way of life, the social structure of this province is quite different from that of other provinces. During past decades, extraordinary conditions prevailed in this province. When the present government came into power an atmosphere of political friction existed that was hindering progress and development.

6. When the present government took over the helm, the people of Baluchistan were skeptical about the aims and objectives of the government. The government therefore had to give top priority to bridging the gulf separating the government from the people. We restored the confidence of the people and we brought ourselves closer to the people. Since this government does not have any political designs, we worked with sincerity and with the help of God the confidence of the people in the government was restored.

The present government got a number of unnecessary projects in its legacy in the province that did not conform to the wishes of the people. We could not discard these projects altogether but neither did we finish them completely. For us there was only one way and that was to go ahead and, starting with these unfinished projects as a basis, improve them or rectify them.

Prevailing backwardness in Baluchistan has made heavy financial expenses necessary to complete short term projects as soon as possible without having to abandon the long-term projects.

The present government, after assuming power and while keeping all the above facts in mind, set to work with full vigor and determination, within its limited resources. With our untiring and sincere efforts, we have succeeded in increasing the provincial budget from 340 million rupees to 650 million. Besides this, 860 million rupees have been obtained for special development projects. In addition, the federal authorities are also spending

1.3 billion rupees. Time does not allow us to give a detailed account of various development projects for the last 5 years, but we can provide a short survey of the development projects scheduled to be completed within the next 5 years.

It is a bitter fact that Baluchistan was not supplied Sui natural gas, even though this gas is produced in the province. The president has promised the people of Baluchistan natural gas within 2 years. According to the president's instructions, 400 million rupees has been allocated to lay a gas pipeline from Shikarpur to Quetta. The work on this project is expected to be completed by December of this year. In addition to the money being spent for installation of the pipeline, another 210 million rupees will be spent on the distribution of gas.

Up to 1976, the total grid load in the province was not more than 30 megawatts; now it is 132 megawatts. Similarly, up to 1976 only 18 villages were supplied with electricity. But now, during the past 5 years, 267 villages have been provided with electricity. We are planning to supply electricity to 300 more villages by the end of 1982.

At this time, with a 200-megawatt grid load in the province, it is not possible to extend the existing electric supply system to remote areas of Baluchistan like Zhobe, Ziarat, Loralai, Khozdar, Dera Bugti, Harnai and Chagh. Therefore, we are planning to increase the present electric power supply by another 220 megawatts. We have supplied electricity to Othal and Bella districts from Karachi. Transmission lines have been extended to Quetta and Muslim Bagh. Similarly, transmission lines have been extended in the east to Fort Saifullah and in the south to Mastung, Mingo Char and Qalat. In the field of communications, much has yet to be done. The federal government has taken over construction of major roads: Karachi-Khazdar; Quetta-Chaman; Jacobabad-Sibi Quetta and Quetta Zhob-Dera Ismail Khan. This has helped reduce provincial expenditures. RCD Highway has been completed and Loralai-Dera Ismail Khan Road is in its final stages of construction. Work on the coastal roads in Makaran is also in progress. Coming now to the livestock sector, since 80 percent of the population in Baluchistan rears cattle, every person in the province has on an average 3 sheep and 1 goat. Government has started two major projects at a cost of 240 million rupees.

In the water supply sector, our government has spent a total of 1.42 billion rupees on 300 different projects. It is our sincere desire to supply drinking water to every nook and corner in Baluchistan. In education we have spent 250 million rupees in the last 5 years. In this context, our main goal has been to improve primary education and along with this to improve the condition of 27 colleges and other educational institutions.

As far as health services are concerned, rural areas were totally neglected in the past. We have established a number of health centers in villages and remote areas and have supplied these centers with adequate quantities of medicine. At present there are about 250 hospitals and dispensaries throughout the province.

[Question] Will you enlighten us on the progress achieved in the industrial sector?

[Answer] We have made sufficient progress in the industrial sector.

Gadani Ship Building industry is the third largest of its kind and employs 10,000 workers. Besides this, work on the Saindak Copper project is expected to start shortly. The copper project is the second most important industrial project in Pakistan after the steel mill.

Due to limited provincial resources, the federal government is willingly providing funds. In 1977-78 the federal government granted 750 million rupees to Baluchistan, whereas in 1982 the expenditure was 1.3 billion rupees. In addition to this, the federal government granted an additional 128.5 million rupees to make up for the deficit in the budget.

The interest the federal government is taking in the development of Baluchistan can be seen from the inauguration of the special development program for the province. Friendly countries will contribute 20 billion rupees, of which 860 million will be spent during the current fiscal year.

[Question] Generally speaking, only privileged people benefit from development programs. In what way has the comman man gained from the development programs in Baluchistan?

[Answer] When a government does not have any political interests, it does not adopt a discriminatory policy. In this connection, we will have to examine the development programs worked out for economic development of Baluchistan.

In the current annual budget, special attention has been devoted to rural development. Plans have been worked out to extend general facilities to rural areas. These include water, electricity and gas. To ensure that the common man gets maximum benefit from the development projects, local councilors have been included in large numbers in the development programs. The federal government has started a special development program for 1982-83. Primary education, health services, roads, providing tractors to farmers and supplying drinking water are some of the items included in this program. As can be seen, all these projects are directed at providing collective benefits.

[Question] Baluchistan is a backward province. What facilities are being provided to the private sector for establishing industries? During the past 5 years, to what extent has the private sector advanced in this field?

[Answer] The federal government has provided a number of incentives for establishing industries in the province. These include exemption of duty on imported industrial machinery, exemption of tax and exemption of 5.5 percent of profit. In addition to these, two industrial estates are being set up, one at Hub and the other at Quetta. I think that the reaction of the industrialists is quite encouraging, because so far we have issued 700

no-objection certificates for setting up different industries in Baluchistan. I am sure you will agree with me that the development of industrial facilities requires a long period of time. Centuries-old discrepancies cannot be rectified overnight. I believe that the measures we have adopted will be conducive to creating suitable conditions that will help accelerate the growth of industries on the basis of local products.

[Question] Baluchistan is rich in minerals. One of the charges being leveled is that the government has been handing over these mines to "waderas" [landlords] and sardars and that the mineworkers are thus being deprived of their benefits. What measures have been taken to rectify this situation?

[Answer] As far as the charges that the mines are being given on contract to the sardars in exchange for paltry sums of money are concerned, these charges are baseless. But it is true that we did not impose restrictions on giving the mines to the sardars. In accordance with the established practice, mines are given on a first come first served basis, irrespective of who that first person turns out to be--a sardar or a common man. So far, 380 prospective licenses and 245 mining licenses have been duly issued. There are not so many sardars in Baluchistan and the number of sardars who have been attracted to mining does not exceed 12. I think that these sardars, instead of depriving the poor of their money, will themselves work and earn their living. Similarly, no restrictions have been placed on allotting mines to people coming from other provinces. They too can take mines on a contract basis provided they are prepared to take local people into partnership in view of the prevailing economic and local conditions. The mining industry was totally neglected in the past. We are now trying to draw the attention of more and more investors to the mining sector.

Mines are located in isolated places and we are prepared to build roads to help investors reach those places. We are also prepared to provide water and electricity on a priority basis.

As far as providing benefits to the workers is concerned, they are given adequate wages for their labor. Coal mine workers receive salaries ranging from 800-2,500 rupees per month. On the other hand, workers engaged in marble and chromite mines receive monthly wages ranging from 600-1,200. I would like to point out that a person receiving a salary of 1,000 rupees does not come under the category of a worker. Despite this, in case of death or an accident of such a person, mine contractors do not refuse suitable compensation because they cannot afford the displeasure of the local workers. Government has also provided miners with housing, transportation and medical facilities.

[Question] It is being said that remote places in Baluchistan do not have good roads, electricity and water and that the people living in these isolated places are facing unemployment, food shortage, and housing difficulties. What is the actual situation?

[Answer] All this is incorrect. Baluchistan today is totally different from what it was in the past. Most of the regions in Baluchistan do have roads, electricity and water, and we are making every effort to provide these facilities to every nook and cranny in the province. It is not easy to provide such facilities to a small number of people scattered over a vast area of land extending over 134,000 square miles. It is natural that these facilities should first of all be provided to cities and towns. We would like to provide basic facilities to rural areas on a priority basis. Special development programs to which I referred earlier have been launched to achieve these objectives. Besides this, under "special project plans", development programs have been extended to include backward areas. As far as the first part of your question is concerned, I would like to state that the population of Baluchistan is 3 percent of the total population of the country and that 80 percent of the people are cattle breeders. This occupation is such that all the members of the family have to be preoccupied with looking after the cattle.

Due to a scarcity of water, agriculture is almost extinct in Baluchistan. The real problem is the shortage of manpower and, because of this, unemployment does not constitute a serious problem in Baluchistan.

9315
CSO: 4203/196

BIZENJO INVITED TO ROUNDTABLE

Karachi DAWN in English 1 Nov 82 p 1, 6

[Article by Siddiq Baluch]

[Text]

Mir Ghous Bakhsh Bizenjo, President of the defunct Pakistan National Party was the first to receive a verbal invitation to attend a round-table conference of all political parties.

Maulana Shah Ahmad Noorani, President of the defunct Jamiatul Ulema-i-Pakistan, accompanied by Prof Shah Faridul Haq and Maulana Mohammad Hassan Haqqani, conveyed the invitation to Mr. Bizenjo at the Musti Khan Lodge late on Sunday night.

Maulana Noorani informed Mr. Bizenjo that the invitation cards and agenda of the round-table conference were being printed.

According to reliable sources, the RTC will be held sometime in November.

PNA criticised

Earlier, talking to newsmen at the Masti Khan Lodge, Mr. Bizenjo said that the component parties of the defunct PNA were responsible for the imposition of Martial Law and it was their responsibility to bring back democracy and restore political rights denied to the people.

He said the present situation was the creation of PNA's component parties and they should take the country out of this mess.

When asked about the usefulness of holding the RTC, Mr. Bizenjo said that a meeting of political leaders was by itself an encouraging sign because whenever they met they discussed the country's political problems and their solutions. At least they sometimes agreed to formulate a strategy for that purpose, he added.

Questioned about the agenda of the RTC, Mr. Bizenjo opined that such a gathering should discuss ways and means of restoring democracy, holding of general elections and peaceful and smooth transfer of power to elected representatives of the people. There could be no other agenda or issue for such a meeting, he insisted.

When his attention was drawn to Mr. Hafeez Pirzada's contention that the holding of such conferences might confuse the issues, he said that no clear-cut strategy could be adopted for the restoration of democracy without discussions among political parties.

Mr. Bizenjo claimed that the 1973 Constitution stood abrogated as the imposition of Martial Law negated constitutional rule. However, certain clauses of the Constitution could be useful in holding elections, he said. He did not agree to a correspondent's suggestion that a Legal Framework Order, like the one issued by Gen. Yahya Khan in 1970, could serve this purpose. When his attention was drawn to Mr. Pirzada's suggestion that the 1973 Constitution needed a fresh enactment, he remarked that an elected parliament was a sovereign body and it could enact or adopt any constitution, with or without any amendments.

Mr. Bizenjo criticised the arrest of Khan Abdul Ghaffar Khan. He said Khan Abdul Ghaffar Khan was a most respected leader and was working for solidarity and integrity of the country. He demanded his immediate and unconditional release.

He denied he had any communication with Sardar Ataullah Khan Mengal and Nawab Khair Bakhsh Marri, the two Baluch leaders now in self-exile in Britain and Afghanistan, respectively.

CSO: 4200/93

MRD'S PLEA FOR CONFIDENCE IN PEOPLE

Karachi DAWN in English 1 Nov 82 p 12

[Text]

Convenor of the Movement for Restoration of Democracy (MRD), Mr Arshad Chaudhri, has called upon the Government to take the people of Pakistan and Kashmir into confidence for seeking any solution to the Kashmir problem.

Announcing the decisions of the MRD meeting which was held in the city on Saturday evening, Mr Arshad Chaudhri told newsmen that any solution to the Kashmir problem which did not recognise the right of the Kashmiri people to self-determination would not be acceptable.

He expressed his satisfaction over the movement launched by the legal community and said it was heartening that the lawyers gave priority to the issues of national importance than their own problems.

He was glad to see that the Lawyers have integrated their demands with those of the MRD — revival of 1973 Constitution, restoration of democracy and fundamental rights of the people, holding of general elections and trasnfer of power. He criticised the recent amendments in the Bar Councils Act and Legal Practitioners Act and arrest of the lawyers.

He said that all lawyer members of political parties in the MRD have been instructed to fully participate in the struggle of the advocates as he considered their struggle as just.

He extended his full cooperation to the legal community and said the MRD was considering some "concrete steps" in support of the lawyers. He did not elaborate his point.

He advised the Government not to take any severe action against the detained lawyers and other political prisoners arrested on different charges.

He also criticised the detention of Khan Abdul Ghaffar Khan and pointed out the double standards of the Government in dealing with different political parties. Elaborating, he said, the Secretary General of a defunct political party was recently allowed to tour the NWFP, and the movements of Khan Abdul Ghaffar Khan were restricted and he was put under house arrest.

A case was registered against him for trying to hold a meeting on the occasion of Independence Day, he claimed.

He also criticised the extension of the period of detention of Nawabzada Nasrullah Khan, continued detention of Mr Asghar Khan, Moulana Fazlur Rehman and Miss Benazir Bhutto and others.

He also criticised the delay in granting permission to Begum Bhutto to go abroad for treatment. He deplored that Sardar Attaullah Khan Mengal was sent abroad for treatment on Government expenses while Begum Bhutto was denied permission.

Mr Abid Zubairi, Central Information Secretary of the defunct National Democratic Party (NDP), said the party branches were holding meetings to chalk out a programme of action against the arrest of Khan Abdul Ghaffar Khan. He said his party chief, Sardar Sherbaz Khan Mazari, was reaching Karachi on Nov. 3 next and he would discuss the issue with his partymen.

Meanwhile, Mr Fatehyab Ali Khan, Acting President of the Mazdoor Kissan Party, will take over as Convenor of MRD for November from today (Monday).

GHAFFAR KHAN CRITICIZES VIOLENCE IN POLITICS

Karachi DAWN in English 1 Nov 82 p 6

[Text]

PESHAWAR, Oct 31: Khan Abdul Ghaffar Khan, founder of Khudai Khidmatgar Tehrik in NWFP, has once again stated that violence in politics was not a solution to any problem and that the Afghanistan problem could not be resolved through bullet and that it requires mutual understanding among the concerned parties.

Before his detention yesterday, the Red Shirt leader addressed various public meetings in different areas of Mardan including Takhtabahi, Takker, Katlang, Kohi Barmol, Mian Eisa and Shergarah during the last two days.

He said he had left Pakistan earlier due to indifference of Pathans of this region adopting self-exile in Afghanistan but he was extremely disappointed by disintegration of Afghan nation which had to see Russian motivated revolution which was taking valuable lives of Pathans unjustifiably.

He reiterated that the battle that was being fought in Afghanistan was neither for Islam nor was beneficial for Afghanistan but it was a direct clash between the interests of two super-powers who were causing massacre of Muslims in the world.

He said revolution was destined for every state in the world and only alive and sensible nations could survive the fatal destruction stemming out of these revolutions while ignorant and lazy nations were flown in the waves of ruthless revolution.

He warned that Pakistan was passing through worst kind of dangers and that he had come out to alert the people about the threats encircling them from all dimensions.

He said it was call of the hour that all petty differences were sunk and complete unity was forged among the ranks and file of the nation of face these dangers as war was knocking at our doors.

He said that if we do not realise the gravity of the situation history would never forgive us. He said he had no political designs and that he was only a Khudai khidmatgar who wanted to serve the interests of the people.

He appealed to the local population to treat the Afghan refugees brotherly because they were our Pukhtoon brethren but certain parties were trying to create misunderstanding between us to serve their ulterior motives which was not a good trend.

He warned the Government that if such activities of creating confusion among the people by certain parties were not checked a dangerous fire of hatred and disruption would break out which would be very difficult to control.—PPI

CSO: 4200/93

CHILDREN'S VILLAGE SET UP IN NWFP

Karachi DAWN in English 1 Nov 82 p 4

[Text]

PESHAWAR, Oct 31: The SOS children's village, second of its kind, inaugurated at Dhodial yesterday by NWFP Governor Lt-Gen. Fazle Haq, will also serve as a summer holiday camp for the children from the Lahore village, thus introducing a unique facility for orphans in Pakistan.

Plans are under way to establish SOS villages at Karachi, Rawalpindi and Faisalabad.

The NWFP Governor donated Rs. 2 lakh for the SOS village.

The distinctive character of SOS children's villages is that they provide a normal family-type environment for the children, with the conditions as similar as possible to the natural homes of which they have been deprived.

The village, which consists of 15-20 family homes, serves the need of multi-purpose community centre, a dispensary, an infirmary, a nursery school, a workshop, a grocery shop and an administration office.

In the SOS village, a child receives care and shelter and learns to live in harmony with friends and neighbours. Ample grounds are provided for sports and games.

The children are encouraged to participate in gardening and other activities related to proper maintenance of premises.

Inaugurating the village, the Governor called upon philanthropists and well-to-do people to come forward to help such organisations as they were running on voluntary basis.

The Governor also donated four acres from the Government lands. The construction of the village, which had started in May this year, was completed last month (September).

Funds for the construction of the village were mainly donated by friends of SOS Children's Village International, Norway.

The function was also addressed by Begum Mehmooda Salim, Chairman of NWFP Committee of the SOS organisation.

She thanked the Governor for his keen interest in the establishment of the village.

MR Thorbjorn Conradi, Vice-President of SOS International, appreciated the efforts of the SOS movement in Pakistan and assured all possible help and cooperation.

The ceremony was also attended by the Federal Minister for Health, Dr Naseeruddin Jogezai; Begum Attiya Inayatullah, Advisor to the President on Population Welfare; Maulana Abdul Baqi, NWFP Minister for Auqaf and Religious Affairs; and members of Federal and Provincial Councils, besides large numbers of social workers.

Speaking on the occasion, the NWFP Governor said children were the valuable segment of society upon whom the future of society depended.

He said that what they could be moulded into today would largely determine the norms, value-structure and orientation of the society tomorrow. In this context the critical role of formal education in the impressionable years for inculcation of ideas was universally acknowledged, he added.

He said that parental love, care and affection was equally vital for this purpose and also the evolution of a harmonious, well-integrated society. This was available in society to the vast majority of children.

He added that society owed a moral obligation to provide an institutional alternate for those children who had been cruelly deprived of home by circumstances. The institution, he said, would work as a filling up of the gap in their lives that marked the importance of this 'village'.

Its success, he said, would not be gauged so much by the physical facilities it provided — no doubt they were also important — but by the extent to which the ideas of love, care and affection were actualised in the lives of the inmates. This was a fairly demanding task requiring high standards of professional aptitude and dedication on the part of the staff, he maintained.

Lt-Gen. Fazle Haq said that with the break-up of the traditional family system under the pressure of ongoing socio-economic change an increase in the extent of social deprivation was to be expected. This would devolve an increasing responsibility on social workers and the community as such to organise themselves, pool their resources and make available all over the province the kind of facilities this village had, he added.

He expressed the hope that social welfare organisations with the cooperation of people would solve such problems voluntarily. He thanked the international organisation of SOS with whose collaboration the village was established.

About forty destitude children would be housed in the village in five homes.—APP

CSO: 4200/93

QUOTAS IN TRADE WITH INDIA LIKELY

Karachi DAWN in English 1 Nov 82 p 6

[Text]

LAHORE, Oct 31: The Federal Government is considering a proposal for the implementation of a formula of "quota system" for local importers, regarding restricted trade in the private sector with India.

Authoritative sources informed "Dawn" that to channelise the flow of imports from India certain limits would be set for the intending traders from Karachi and the up-country areas. Equitable distribution of quota for import items from India would be ensured to avoid overflow of a particular item, which might cause any negative effect on the foreign exchange position on the one hand and the accepted principles of demand and supply on the other.

Meanwhile the tentative list of about 45 items for imports from India has been described officially as under: tea, betel leaves, betal nuts, seeds vegetable, fruits and flowers, vegetable plants for dyeing, cutch and gambier, essential oils, books, (technical professional and religious only) spices, excluding chillis turmeric and cumin seeds, resin based chemicals, steel strips for manufacture of razor blades, dyes coaltar, viscose fibre and yarn, calculators and calculating machines, ball bearings (permissible sizes only), lifts and escalators, cane plaster, cutter binder, potato or onion diggers, rice spreat transplanters, rotary cutters, rotary B cutters, rotavaters, spinner broadcasters, drilling rigs, postal franking machines, compressor units for airconditioning plants, compressor units for domestic refrigerators, fire engines, microscopes and other laboratory instruments, felt for paper mills, combination turret, lathe-above 103 mm bar capacity and 800 mm swing, radial drilling machine over fifty mm drilling capacity in steel, heat exchangers of over 300 PSI capacity only phithalic (raw materials for synthetic resin), Citric acid lactic acid, titanium dioxide (paints) beta ionone saccharino, aniline (printing material for textile), aluminium powder and paste, fibre glass yarn-choppedstrande-mats and revings cash registers-incorporating calculating device and duplicating machines.

Dropped items

Five items, included in the original list of 50 items, are understood to have been dropped, namely wood and timber, ginger ferro alloys, carbon electrodes and graphite crucibles.

The imports of the above-mentioned items on the approved list would be carried out through the TCP. The Corporation has been provided with the list of these items.

Anyhow, an official announcement is likely to be made very soon for the opening of LCs etc, after which trade would be initiated.

CSO: 4200/93

SERICULTURE DEVELOPMENT EFFORTS LAUDED

Karachi DAWN in English 1 Nov 82 p 7

[Text]

RENEWED efforts have been launched for promoting sericulture as an agricultural sub-sector in Sind and other parts of the country. The Sind Government has started silk-worm breeding by planting mulberry on a big scale near Hyderabad. Improved mulberry varieties imported from Japan, China and South Korea have been raised over 120 acres of land. It is for the first time that autumn silk-worm rearing is being attempted during the October-December period. Earlier in the year, 160 packets of silk-worm eggs were imported from Japan and Brazil and were used for rearing during February-April period with success. Rearing of silk-worms can provide a new source of income for the rural populace. Recognising its potential, the Women's Division of the Federal Government has also initiated a scheme for the promotion and practice of sericulture as a gainful vocation for women in the countryside. It is practised as a cottage industry in many developing countries and is particularly suited to our rural areas where unemployment and under-employment are widespread.

Promotion of sericulture will also provide a wide base for silk yarn-making and weaving and thus give an impetus to the local silk industry. Promotion of sericulture and production of silk cocoons in abundance will encourage silk yarn industry. Mechanical production of silk yarn in the country on a large scale will reduce the dependence of the weaving industry on imported silk yarn, valued at Rs. 12 million per annum, specially for fine quality fabrics like Banarsi sarees and silk turbans. Establishment of a number of modern silk filatures, for which a provision exists in the investment schedule, will not only ensure the supply of fine quality yarn for silk fabrics woven in the country but, in turn, will also give a boost to silk-worm rearing as a lucrative vocation.

CSO: 4200/93

BRIEFS

BLACK LIST OF LAWYERS--It has been learned through reliable sources that the Ministry of Law is preparing a list of those lawyers who work as legal advisors or consultants for the official or semi-official bodies and who are also openly opposing the recent amendments in the Legal Practitioners and Bar Councils Act. The Ministry is thinking on the lines that if these lawyers continue their opposition to the government, their contracts and consultancies will be abolished. [Text] [Rawalpindi HURMAT in Urdu 28 Oct 82 p 4]

MRD AND KHWAJA KHAIRUDDIN--Certain MRD [Movement for the Restoration of Democracy] leaders strongly believe, rather they have said, they have proof that Khwaja Khairuddin [Head, Muslim League (Khairuddin Group)] has a tacit understanding with the government. The MRD leaders have therefore decided that Khwaja Khairuddin will not be invited to any of their important meetings. They have also agreed that all their important decisions will be made in informal meetings and only such matters will be decided upon in their formal meetings (in which Khwaja Khairuddin will also participate) which are meant to be conveyed to the government. [Text] [Rawalpindi HURMAT in Urdu 28 Oct 82 p 4]

CASSETTES OF LEADER'S SPEECHES--A large number of cassettes of the speeches of a former leader are rumored to have been smuggled into Pakistan from across the border. The smugglers, it is said, want to use these cassettes the same way as Imam Khomeyni's speeches were used during the shah's regime in Iran. But it has been learned that as soon as these cassettes arrived in various cities of Pakistan, government agencies seized them in large quantities. [Text] [Rawalpindi HURMAT in Urdu 14 Oct 82 p 4]

WHO AFTER ZIAUL HAQ?--It has been learned that the talks and discussions going on between the leaders of various defunct political parties have been unable to resolve the hypothetical matter of succession to Zia. Given the supposition that all political parties unite and launch a countrywide movement against the present government and, as a result of that movement, President Zia resigns, what will happen afterwards? Pondering over this question, majority of the leaders have concluded that after General Zia leaves, power cannot and will not be transferred to a civilian government; rather, it will stay in the hands of the army. The leaders are therefore asking themselves: If power cannot come into civilian hands what is the use of launching a movement? [Text] [Rawalpindi HURMAT in Urdu 21 Oct 82 p 4]

STUDENTS ON HUNGER STRIKE--Several students belonging to different educational institutions of the remote parts of the Province have reportedly gone on hunger strike in support of their demands. This was stated by General Secretary of the Jiye Sind Students' Federation, Khawaja Ghulam Hussain, while addressing a Press conference in Karachi on Saturday. The main reason for their hunger strike was stated to be delay in their trial, he said. If tried by a court of law and convicted, they would have got a year of prison sentences. But he added, they are in jails for more than two years. [Text] [Karachi DAWN in English 1 Nov 82 p 12]

HYDERABAD BAR BODY STRIKE--Hyderabad, 31 Oct--All the members of Hyderabad Bar Association today observed complete strike to protest against the arrest and conviction of Karachi and Lahore lawyers. The lawyers boycotted proceedings of all judicial and revenue courts in the district and assured full cooperation and support to their brother lawyers throughout the country in their just struggle for acceptance of their genuine demands. [Text] [Karachi DAWN in English 1 Nov 82 p 12]

NEWSMAN SENT TO JAIL--Lahore, 31 Oct--A Summary Military Court today sent Mr Mohammad Idrees Butt, Lahore Correspondent of Daily "AMN', Karachi, to Camp Jail on 14 days judicial remand. He was arrested on Oct 27 under Martial Law Regulations in connection with the 1978, "Pamphlet Case." In this case four persons were required by the Martial Law authorities. The trial of three has been completed out of which two accused were given imprisonments and one of them was acquitted by the Military Court. According to details, Mr Idrees is allegedly involved in the case and was wanted by the authorities. A case was registered against him with the Old Anarkali police station in 1978. On Oct 27 he was arrested. [Text] [Karachi DAWN in English 1 Nov 82 p 12]

CSO: 4200/93

OUTLOOK FOR SOCIALIST PARTIES IN 1983 ELECTIONS DISCUSSED

Bangkok MATUPHUM in Thai 21 Sep 82 p 9

[Article by Chatcharin Chaiyawat: "The Future of the United Socialist Front Party and the 1983 Election"]

[Text] The socialist parties once generated great alarm among the conservative politicians when they fought in the election and were given victory by the people in several provinces after 14 October 1973.

But since then, the purge by the antisocialist movement and the right-wing conservative groups has destroyed the role of the socialist parties. In the election held about 4 years ago, the socialist parties were soundly defeated on the parliamentary stage.

In the coming election to be held in 1983, a question worth asking is whether these parties can put up much of a fight in the parliamentary process and if so how.

The Weakness of Socialist Thinking

Socialist ideology, which spread among the students, intellectuals and scholars during the period 14 October 1973 to 6 October 1976, created a mass force on the Thai political stage. But the persecution by and confrontation with the cruel dark powers caused most of the forces of this ideological group to shift to a different form of struggle. That is, they "repudiated the parliamentary system" and joined the armed struggle together with the communists.

The mass leaders with socialist thinking who went and took up arms were partly responsible for the fact that those socialists who continued to fight using the parliamentary system became weaker and weaker until it reached the point where two of the socialist parties, that is, the Socialist Party of Thailand and the United Socialist Front Party, disbanded and joined together to form the Social Democracy Party.

During that period, even though the two parties cooperated in order to strengthen their position and survive in the election of April 1979, these parties lacked capable people both in the party and among the masses who supported the party. Thus, they were soundly defeated in that election.

But while student leaders, intellectuals, laborers, farmers and others who suscribe to socialist thinking have had conflicts with the communists and left the jungle, this does not mean that they will be able to create a force to support and give new life to the socialist parties.

Several of the factors worth discussing in this context are:

1. Some socialists who left the jungle have abandoned the political struggle.

2. Some socialists who left the jungle still want to wage a political struggle but they do not see the need to wage a parliamentary struggle.

3. Some socialists who left the jungle agree with waging a parliamentary struggle but they feel that the political parties that have real power will be able to play a greater role than the greatly-weakened socialist parties.

Besides this, something special that has happened during the past 2-3 years is that socialist thinking throughout the world has been shaken and this has played a part in greatly reducing the strength of these political parties.

Thus, concerning the election in 1983, many groups tend to agree that the socialist parties have no further role to play in parliament.

The Method of Struggle of the Socialist Parties

The New Force Party will probably continue to play a role in parliament, a role slightly greater than that of the Social Democracy Party. It has said that, like the Social Democracy Party, it will field the full slate of 161 candidates as required by the constitution. But at present, the New Force Party still has a few MPs in parliament.

If the election is fought using a combined-zone, single-slate form, the chance of these two parties surviving in order to have an opportunity to use the parliamentary stage in their struggle is very slim, since they will not be able to compete with the other political parties.

It seems that the only methods open to them are the following:

1. They can field 161 candidates, but they cannot spend much money campaigning and will have to concentrate their campaign efforts at a few points (about five or six provinces).

2. They can field 161 candidates, but they will have to gather the important people in the party, such as the committee members, leaders and secretaries-general, to concentrate their efforts on those provinces where they have the greatest support.

3. They can let their members who have a chance of becoming MPs go join other political parties in the provinces in order to use the bases of these political parties to gain an opportunity to wage a parliamentary struggle.

4. They can refrain from fielding candidates and carry on activities as political power groups.

Based on an evaluation of the situation of the socialist parties, the struggle methods possible for them probably include the three to four methods mentioned above. But based on reports about the activities of the Social Democracy Party and the New Force Party, it is believed that both parties will probably use either method one or method two. That is, they will field 161 candidates and concentrate their campaign efforts in one province rather than using method three or four, which would damage the reputation of the party.

Thus, looking at struggle methods one and two and at the possibilities in the 1983 election, we can guess that the socialist parties will still not have a chance to play much of a role in parliament, or they may not have any role at all.

And this means that the chance of these parties making a comeback will grow even smaller.

The Methods of Struggle of the Socialist Groups

Someone once proposed that the socialist political parties that want to wage a parliamentary struggle should "throw out a bouy" by carrying on political activities "outside parliament," especially if 1983 election trends are analyzed carefully and especially now when many groups tend to agree that parliament's role in Thai politics next year will not be very great (after the military reshuffle in September).

Thus, if there is an attempt to build a "party" or create a real "socialist line," then a political role outside parliament is an important matter. And the political parties in this camp are experienced and adept and they have a good image in carrying on activities in such a situation.

The socialist groups that join together to form socialist parties will neglect their "powerful" role in movements outside parliament.

Besides this, someone has proposed that, in the coming period when their parliamentary role will decline, one important task of the democratic movement is to find an "alternative balance of power" in place of parliamentary power, which may be cut back greatly. This refers to trying to create a "political power group" type movement that is carried on in accord with the law and that gains greater recognition from the masses in various groups.

In particular, in a period in which the state is trying to promulgate Policy 66/1980 and is supporting the legal freedom movements, in a democratic system, of the political power groups, this opportunity provides another stage that

will enable the socialist groups, or socialist political parties, tc find a way to carry on activities and regain their strength so that they are stronger and more secure than at present.

Besides just the two methods, that is, waging a parliamentary struggle and waging an armed struggle, which is illegal, the socialist groups, or socialist movement, should figure out other ways to carry on the struggle that are more fitting than the two mentioned above.

And there will be a chance to use the conditions and proper moments to make the socialist movement strong so that it can raise its ideological banner and compete on an equal footing with the other political groups.

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WRITER URGES YOUNG TURKS' REINSTATEMENT INTO MILITARY

Bangkok MATUPHUM In Thai 22 Sep 82 p 9

[Article by "A Non-Military Man": "The Future of the Young Turks"]

[Text] In the army, there are celebrations at having a new commander in chief. I do not know whether the new RTA CINC has any "sikriet" for the young soldiers group. Among this group of soldiers are many "professionals," or many professional soldiers.

Concerning the reinstatement of the young turks into the military, I have heard that General Athit said rather tersely that this is a matter that must be discussed in the army and that the matter cannot be decided by the RTA CINC alone.

This is a "many reservations" type of reply. It is a political response.

What is important is that in the Ministry of Interior and the Police Department, it seems that the 1-3 April group is very "happy-go-lucky" about everything. There is a spirit of overcoming the widening rift and a feeling of compassion everywhere.

In short, it is worth considering the fact that if these young soldiers had not made a mistake or acted rashly but just served their country, we would now have the services of these officers, many of whom are good fighters, and they could serve as professional soldiers to help defend the country.

We understand quite well that the reinstatement of the young soldiers into the military is a delicate matter and that past resentment [toward them] was rather strong among military commanders. In particular, the officers who were promoted in the recent reshuffle are all professional soldiers who are on a different path than that of the young soldiers, who were professional soldiers too but whose path, or theory, was different.

Now, the resentment felt by both groups should have died down. But the chances of the young soldiers being reinstated into the national army do not look bright. However, we have faith in General Athit's fighting determination to develop and build solidarity in the army.

Thus, we are confident that a desire to coordinate the benefits and preserve the custom of commanding subordinates like an older brother watching over his younger brother will arise in the heart of the new RTA CINC.

Philosophers have said that a man should not be judged by his words but by his actions. This statement can be proven in the Ministry of Interior and in the Police Department.

We would like the army to prove this statement of the philosophers too. In particular, at a time when the country is very tense and the possibility of war is increasing, the duty to oppose the nation's enemies makes it necessary for all Thais to forget their [internal] feuds and turn toward the enemy.

Thus, making the internal system strong and brave and, in particular, admitting the past "mistakes" of the army should be an important factor in providing the young turks with a chance -- and many groups believe that their chances are nil -- to receive special consideration.

In writing this, I want to make it clear that I am not acting as a representative for the young turks. I have heard rumors that many of the young turks have definitely decided not to return to the army and that they will instead engage in politics. I wish them good luck.

But I think that among those who encountered this fate because of "following the leader," many of the subordinates of the young turks met this fate because they obeyed the orders of their commanders. Their spirit in following the orders of their superiors, who led them to carry out a rebellion, was really very strong. But wasn't their discipline very good?

Soldiers have the discipline of soldiers. Who would have thought that what took place would turn out to be a rebellion? Also, I believe that, if the coup had succeeded, those soldiers at the lower level would have returned to being professional soldiers; they would not have gained power in the army.

The purpose of all this is to point out that human resources are very important. If you have money and resources, you can buy artillery and rockets. But sometimes it is impossible to purchase good-quality men with high combat spirit and good training to serve as soldiers.

Thais are resolute and kindhearted. They are understanding. They know what is wrong and they are forgiving. We have seen this throughout history. Thus, I feel that allowing the young turks to return to the military, with the commander holding to the principle of making friends out of enemies and uniting to attack the nation's real enemies, will create something new for people in general so they see correct morals. People both in and out of the military will certainly praise these good moral qualities.

The most important thing is that foreign enemies will know that Thais are ready to unite forces, regardless of how serious the conflicts among them.

Another thing is that if the young turks return to government service, I believe that the gossip, or dirty rumors, to the effect that this group is going to attack that group will immediately come to a halt since the factors that fuel such false rumors will not arise as easily.

The final thing that must be mentioned is the readiness to follow the new commander. Those young turks who are real soldiers must admit that, in the present chain of command, those in the army have agreed about who should be the leaders and who should be the followers.

It is possible that, if the young turks and those who were promoted this year really unite, in the future our country will be stronger than it has ever been. There should be great enthusiasm in the army. This will build tremendous morale and be good for the political atmosphere.

If one side is forgiving and accepts the mistakes that were made, the other side should reciprocate without trickery.

I think that the young soldiers must be ready to accept this and do something in order to make this come true. When each side has proven itself to the other, there will be a greater chance of a reconciliation between the two sides.

It isn't necessary to keep saying that the army is united and that there aren't any conflicts in the army. The only thing necessary is for this matter to be handled in a sincere manner, or for people to speak to each other "from the heart."

I think that if the new RTA CINC, that is, General Athit, just says what his personal view of the young soldiers is, things will immediately improve and all the problems will disappear.

Getting together and helping each other is better. Do not let the atmosphere become ever tenser or darker than it is.

These remarks will certainly not have much of an effect on changes of direction in the army. But I believe that the calls from people outside the military who want to see the problems solved will have some effect. And concerning this call, even though [I] do not represent all the people outside the military, the things that I have proposed have been proposed in order to [bring about] solidarity, to reduce the conflicts and to help bring unity to the country.

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POLL SHOWS TOP MILITARY, CIVILIAN LEADERSHIP OPPOSED TO ASEAN MILITARY BLOC

Bangkok MATUPHUM in Thai 20 Sep 82 pp 1, 12

[Article: "Ninety Percent of the Generals Oppose Asean Becoming a Military Bloc"]

[Text] Mr Kramon Thongthammachat, a new senator, disclosed the results of a study on the "views of Thai leaders concerning security and the effect on Asean." From a survey of more than 200 generals, or government officials from grade C9 on up, it was learned that more than 90 percent oppose Asean forming a military bloc. They favor it remaining an organization for economic and social cooperation.

Mr Kramon also said that the fact that Mr Lee Kuan Yew, the prime minister of Singapore, proposed that the military exercises should be expanded to include Indonesia as well as Singapore just meant "expansion." It did not mean that Singapore wants direct military cooperation between the members of Asean.

When asked what things would be like if Asean formed a military bloc, Mr Kramon said that he did not think that anyone would agree with this since Asean is an organization for economic, social and political cooperation. If there was military cooperation, this would generate tension in this region.

"The truth is that Thailand wants political support more than military support since each of the Asean countries now has its own internal problems."

On the evening of 17 September, General Saiyut Keotphon, the supreme commander, said that "militarily, it is essential to hold joint military exercises. But whether it is possible to hold such exercies or not is a political matter."

General Pamot Thawonchan, the army chief of staff, said that, to date, Asean has never cooperated militarily. He does not see the necessity of doing so since this would be contrary to the goals of Asean.

"But considering the situation in this region, it depends on whether the policies will permit military cooperation among the Asean members," said General Pamot.

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MILITARY ACADEMY ALLIANCES, ATHIT CONCENTRATION OF INFLUENCE ANALYZED

Bangkok MATUPHUM in Thai 13 Sep 82 pp 2, 12

[Article: "Reshuffle of Army Officers, the Period When General Athit Kamlangek Has Gathered Together the Power Centers"]

[Text] "Compete to win; do not compete with fate." "The current is swift; do not take a boat too far out." "The value of a person depends on whose man he is. If he speaks too much, he will put himself in danger." "If General Athit is resolute, there will be no danger of a coup and the army will definitely grow stronger." And so on.

These were various thoughts expressed by officers after the announcement of the list of promotions for high-ranking military officers for fiscal year 1983. The radio of the Public Relations Department broadcast the announcement on its 2000 hours news broadcast on 10 September in accord with the 9 September 1982 announcement by the Office of the Prime Minister on officer assignments. General Prem Tinsulanon, the prime minister, was the person who signed the royal order.

Because this year's reshuffle involved the promotion of senior officers of the armed services, including officers in the Ministry of Defense and Supreme Command Headquarters, from "major general" on up, various groups showed a great interest in this.

But everywhere, attention was focused mainly on the position of RTA CINC since everyone wanted to know whether it would be General Athit Kamlangek, the assistant RTA CINC, or General Pamot Thawonchan, the army chief of staff, who would be promoted to RTA CINC.

Athit's Strength -- Secret Strength?

General Athit has become the new RTA CINC as was expected by most observers. Even though some people insisted that General Pamot would become the new RTA CINC, the actual result clearly shows how strong General Athit is.

Some reports that leaned toward General Pamot becoming the head of the army stated that General Prayut Chrumni, the RTA CINC who will soon retire, General Saiyut Keotphon, the supreme commander, and General Prem all wanted General Pamot to be the new RTA CINC and that this showed that General Pamot had won three to nothing.

But high-ranking officers close to General Athit told MATUPHUM that Geneal Prem, General Prayut and General Athit had agreed that General Athit would become RTA CINC. Thus, General Saiyut was bypassed. Because this was the case, it was meaningless for General Saiyut to make any proposals about who should be RTA CINC, even though deep down he wanted the position to go to General Pamot.

At the same time, a high-ranking officer said that both General Prayut and Geneal Saiyut proposed that General Pamot be made RTA CINC. But it was General Prem who made the final decision and he chose General Athit without further discussion.

Actually, what was behind the promotion of General Athit is not yet clear. But what happened will definitely become clearer in the next few days.

The Promotion Picture -- the Prem and Athit Lines

"Its only natural that the new RTA CINC will be asked his opinion on who should be put in what position in order to be able to solve future problems or to have things be proper.General Athit had to go and give his views on the promotions. Athit knew a long time ago that he wuld be appointed to this position. In an interview, General Prayut clearly stated that everyone in the army knew who the new RTA CINC would be. It was the newspapers that made an issue of this and that interpreted things incorrectly," said an officer who was well-informed on this year's reshuffle to MATUPHUM.

The words of this officer certainly make sense if we look at the results of the military reshuffle. Looking back at the resnuffle of September 1981, the only two people whom General Prem called in to confer with closely, who knew the secrets and who had the right to voice opinions and propose names for various positions were General Prayut, the RTA CINC (since 26 August 1981) and, General Sak Buntharakun, the then chief of staff of the army (after the reshuffle, he became the deputy RTA CINC).

And concerning this year's reshuffle, it was only General Prem and General Athit who decided who would be appointed to the various positions. General Prayut played no part in this.

Dusting Off Army Preparatory School Class 5, Old Friends Appointed

Army Preparatory School Class 5 is the class of General Athit. This year, this class made rapid progress with one of its members, General Athit, becoming RTA CINC.

In this year's reshuffle, the interesting thing about this class is that Lieutenant General Thianchai Sirisamphan, the director of the Territorial Defense Department for 2 years, was promoted to the position of assistnat RTA CINC. Prior to this, there were rumors that General Athit had restored good relations with Lieutenant General Thianchai. His appointment to the position of assistnat RTA CINC was an important recovery by Lieutentant General Thianchai. And he will definitely serve as the first assistant RTA CINC in place of General Athit since he will be in charge of personnel, an important task in general. Lieutenant General Pathom Soemsin will serve as second assistant RTA CINC in charge of logistics, which is his speciality.

Another person of interest from Class 5, even though he is only a major general, is Major General Pawatwong Hutaswei, who will move from Army Headquarters to become the commander of the Lopburi Military District in place of Major General Khanung Sirimarut. Looking back to the time when Major General Pawatwong was the leader of the 23rd "R" [company] in the Second Army Area, Major General Pawatwong once made General Athit the deputy commander of the 23rd R. But 2 years ago, Major General Pawatwong served as an army expert and last year he was attached to Army Headquarters. Now, he has been "dusted off" and sent to clear up matters at Lopburi.

Besides this, another soldier from this class who has been transferred to Lopburi is Major General Athaphon Somrup, the deputy director of the Territorial Defense Department who will become the commander of the Artillery Center in place of Major General Amphon Sombunying, who is being transferred to Army Headquarters to await retirement. Thus, General Athit has sent friends from the same class to Lopburi in order to solve the problems there.

At the same time, another member of Class 5 is Major General Chuthai Saengthawip, an officer assigned to the Army Operations Center who has now been promoted to lieutenant general and made the assistnat army chief of staff for intelligence. He replaces Lieutenant General Chaloei Sanguansak, who in compensation will assume the pay scale of a general and be attached to the Supreme Commander's Office.

Yutthasak Is Finished; Assigned to Army Headquarters

Concerning Lieutenant General Yutthasak Khlongtruatrok, a classmate of General Athit, after he was promoted to lieutenant general and served as a advisor to the army for a year, there were rumors that he would be made commanding general of the Fourth Army Area. But his hopes were dashed when he was assigned to Army Headquarters. This shows that there is no chance of restoring relations between General Athit and Lieutenant General Yutthasak. During the events of 1-3 April 1981, Lieutenant General Yutthasak and General Kriangsak Chamanan went to Korat as peace emissaries but they were turned back and so his star fell.

It is thought that little will be heard from Lieutenant General Yutthasak this year since "the sun [Athit] is bright," as Lieutenant General Yutthasak

has said. Or it may be that Lieutenant General Yutthasak will sing a new song. We will have to wait and see.

Class 3 In Prem's Line Has Been Silenced

Some officers from Army Preparatory School Class 3, the class to which General Pamot Thawonchan belongs, have been kicked [upstairs] and assigned to Army Headquarters. Such officers include Major General Charun Khaothiemsang, the deputy commander of the First Army Area, Lieutenant General Wichit Chitsawi, the assistant army chief of staff for logistics, Major General Dam Prayunson, the deputy commander of the Second Army Area, and Major General Prasat Wimonsilapin, the commander of the Anti-Aircraft Artillery Division. But two other members of Class 3 have shot to the top in the army.

One of these is Lieutenant General Pathom Soemsin, the deputy chief of staff (2) who has been close to General Prem ever since they worked together in the Second Army Area. He is being promoted to assistnat RTA CINC. And it is not expected that there will opposition to this since Lieutenant General Pathom is a highly professional soldier.

"I just learned of my appointment to this position. I just heard the announcement and learned of it the same time as you. Before this, I heard some talk but I didn't pay any attention," said Lieutenant General Pathom to MATUPHUM.

The other officer is Lieutenant General Sup Aksaranukhro, the deputy army chief of staff who is the senior man since he was promoted to lieutenant general 2-3 years ago. He is being given the position of deputy RTA CINC. By turn, it should be general Pamot but it doesn't seem proper. But his classmates will probably understand.

Chulachomklao Royal Military Academy Class 5, New Influence In the Army

As for the officers from CRMA Class 1 on up, looking at the results of this year's reshuffle, it can be seen that CRMA Class 5 has grown in importance. Officers from CRMA classes who were promted to major general and lieutenant general include:

1. CRMA Class 1: Major General Chaowalit Yongchaiyut, the director of operations to become the assistant army chief of staff for operations. He will be promoted to lieutenant general, the first in his class to make lieutenant general. Colonel Chat Chaiyawut, who will become the director for education of the Joint Forces School, Directorate of Education and Research. Colonel Somkhuan Suwan, who will become the secretary of Supreme Command Heqdquarters. Colonel Thien Chonmaitri, who will become the deputy director of the Joint Communications Directorate. Colonel Wichai Phoemsap, who will become the chief of the Army Accounting Control Office. Colonel Ngamphon Nutsathit, who will become the chief of army intelligence. And Colonel Aphithep Intharaphithak, who will become the commander of the Chiang Mai Military District.

2. CRMA Class 2: Colonel Wisit Atkhlumwong, who is being promoted to major general and who will become the chief of staff of the Third Army Area.

3. CRMA Class 3: Colonel Thamniep Thapmani, who will become the assistnat chief of staff of the Central Directory Division, Supreme Commander's Office. Colonel Chawan Kanchanakun, who will become the director of the Office of Civil Engineering. Colonel Kasem Thammakun, who will become a special operations officer at Army Headquarters. And Colonel Arun Pariwattham, who will become the commander of Combat Support Headquarters 2.

4. CRMA Class 4: Colonel Chao Khongphunsin, the deputy commander of the 1st Cavalry Division who will become aide to the defense minister and who will also be attached to Army Headquarters; it is believed that he will be promoted to major general. Colonel Wattanachai Wutisiri, the deputy commander of the Anti-Aircraft Artillery Division who will become the commander of the Anti-Aircraft Artillery Division. And Colonel Siri Thiwaphan, the deputy commander of the 4th Division who will become the commander of this division.

5. CRMA Class 5: Colonel Suchinda Khraprayun, the deputy director of the Army Operations Directorate who will become the director of this directorate (in place of Major General Chaowalit). Colonel Israphong Nunphakdi, the deputy commander of the 1st Division who will become the commander of the 6th Division. Colonel Wimon Wongsanit, the deputy commander of the 6th Division (he is a senator too) who will become the commander of the newly-formed 1st Special Combat Division.

A reliable news source told MATUPHUM that even though only three members of Class 5 were promoted to major general within their chain of command, it can be said that all of them are in command of important forces. It will be these first three men who open the way for the others in this class.

The most important factor is that the influence of Class 5 stems from the intellectual brilliance of its members and from the fact that the members of this class are closer to General Athit than are members of other classes from CRMA.

Thus, the members of CRMA Class 5 are also serving as close advisors to General Athit. And the news source said that Class 5 had great influence on the promotions to important positions.

An investigation by MATUPHUM has revealed that, concerning the names on this year's promotion list, the ones who knew and who were almost always correct when they made a statement about this were officers from Class 5. Thus, while some people were saying that General Pamot would be promoted to the position of RTA CINC, those in Class 5 did not waver in their view that the next RTA CINC would be General Athit.

Lopburi Sobs, Ekek Bunyathi Must Wait

As MATUPHUM once reported, the events at Lopburi have affected at least two officers, that is, Major General Khanung Sirimarut, a member of Army Preparatory

School Class 7 who was the commander of the Lopburi Military District, and Major General Amphon Sombunying, the commander of the artillery center. Both were transferred to Army Headquarters following the attempted assassination of General Prem at the Lopburi Artillery Center.

Major General Khanung served as the commander of the Lopburi Military District only 1 year and he was certain to have remained in this position for another 2 years. When the promotion list was first prepared, Major General Khanung was still listed as the commander here. But then at the end of August, Major General Khanung was transferred to Army Headquarters because it was thought that he was the source of the rumor to the effect that the Lopburi soldiers who had been arrested had been beaten and that at a meeting with his subordinates he had said that he felt that General Athit had been too harsh and that he had not shown any respect for the local commander, that is, Major General Khanung.

"I want to say that I am not unhappy about having been transferred to Army Headquarters. I will not discuss the matter of whether I have been treated farily. I am a soldier, and it is up to my commanders to issue orders. If I remained at Lopburi, I would have had much work to do. I have always worked very hard," said Major General Khanung to MATUPHUM tersely.

As was mentioned above, the officers transferred to Lopburi are all classmates of General Athit. This major purge has given General Athit greater confidence in the solidarity here.

As for Major General Ekek Bunyathi, the commander of the Special Warfare Center, he will probably remain in place. And it is expected that, next year, he will be made a lieutenant general and given a "soft" job in the army.

Han Linanon, Wait to Become Army Chief of Staff Next Year

At the level of army area commander, except for the First Army Area, where Major General Phat Urailoet took command, no changes in command were made in the other three army areas. In particular, in the Fourth Army Area, it was expected that Lieutenant General Han Linanon would be promoted to the position of army chief of staff to replace General Pamot. This is a most interesting matter.

A reliable news source told MATUPHUM that, at first, Lieutenant General Han greatly wanted to become army chief of staff. He had discussed this with some high-ranking officers and told them that when he became army chief of staff, Lieutenant General Prayung Bunnak, the assistant chief of staff for operations (who has been promoted to deputy army chief of staff), should, as a southerner, be made the commander of the Fourth Army Area since the present deputy commander is not ready to become commander.

"But Lieutenant General Han later gave up this desire after talking with several groups. Many factions felt that he should remain in his present position for

another year since there is much work to do there and since the south still needs a person like Lieutenant General Han," said the news source.

The news source stated that officers from CRMA Class 5 had talked about why it was necessary for Lieutenant General Han to remain in his position for another year. Next year, the position of army chief of staff will definitely go to Lieutenant General Han. And because Lieutenant General Han is a rather progressive person in the army, he immediately stopped thinking about becoming army chief of staff this year.

The National Army and Democratic Soldiers

Based on everything that has happened, it is thought that those thinkers who work closely with Lieutenant General Han will be given a chance to play a more active ideological role in the name of the national army since Lieutenant General Han has now abandoned some of his desires in order to continue working in the south.

In short, the thinking of Lieutenant General Han is the same as that of the Democratic Soldiers, whose ideals are influencing national policy more and more, starting with security matters. An example is the policy to defeat the communists in accord with Order 66/1980 and Order 65/1982.

"General Athit has given them freedom concerning such thinking. There will not be any problems. Even if such policies cannot yet be implemented, this is something good. I do not think General Athit will block this.But he may try to control things," said an officer close to General Athit.

Thus, concerning the ideas of Lieutenant General Han's group, the trend is for more and more of these ideas to be turned into national policy during the next several years. What will increase understanding even more is a clear formulation of what these policies are.

Athit, the New Center of Power

In the past period, there was no real power center in the army. But now it is clear that the upper command echelons in the army have given General Athit a chance to use power more resolutely in order to solve the problems in the army. At the same time, things depend on whcih way General Athit will lean in solving the problems and developing the army.

As for General Prem, it can be said that, to preserve his political power, he must continue to rely on the military power wielded by General Athit. Even though General Prem has ties to some senior officers in the army, most are professional officers whose hands have not been "dirtied" by politics. And he has ties with some officers in the cavalry.

As for Supreme Command Headquarters, which General Saiyut is feverishly trying to increase the importnace of, this year's reshuffle has had a great effect on it. Even officers such as Lieutenant General Som Khattaphan, the director

of the Information Office, who are tied to General Kriangsak Chamanan have lost their positions and been assigned to headquarters. And fellow classmates such as General Lak Salikhup have been assigned to headquarters to wait to retire.

From the standpoint of the military, the thing that will tip the balance in General Saiyut's favor will be the navy and air force. Another thing that is important is that changing the structure by making the commanders in chief of the armed services deputy supreme commanders may give General Saiyut real power.

But it is thought that during the 1 year that he has left before he retires, General Saiyut will be busy with structural work more than anything else. But it is not certain whether these structural changes will be completed or how long they will last.

Those Who Oppose Athit, Little Hope

One senior officer told MATUPHUM that if people are going to watch the movements in the army, they should keep their eye on those who gained power and those who lost power to see what they do during the first 3 months. After the first 3 months, nothing will happen. By that time, the dissatisfaction will have died down and General Athit will have consolidated his power, if he does not trip first.

At present, General Athit does not have the respect of the senior officers. But concerning the effect of this year's reshuffle, there will probably not be any open reaction. It is more likely that what action is taken will be indirect. If this game of opposing General Athit is played in a secret and indirect, but vicious, way, the worrisome thing is that General Athit will have to use force in return. And if that happens, democracy will fail.

One member of CRMA Class 5 told MATUPHUM that "if the RTA CINC acts resolutely, there will not be a coup. As for a coup, the important instigators would come from the officers of my rank. If he is provoked, he may lose, like the 1 April affair, because of lower-ranking soliders like myself."

At the same time, the news source said that, concerning the groups that oppose General Athit, like the young turks, since the situation is like this, they will have to take a stance opposing General Athit in order to put greater pressure on him. Otherwise, things will be very dangerous for them. At the same time, if General Athit launches a political offensive against them by giving some of the officers in the group that was involved in things during the events of 1-3 April a chance to return to government service, he will gain, not lose. This would put great pressure on the young turks more than anything else. If General Athit put forward this proposal, the young turks could not refuse. As Colonel Manun Rupkhachon, the leader of the young turks, once said, their return to government service does not have anything to do with who is RTA CINC.

A New Political Face; Pressure From the Army

"I will say frankly that, at present, General Athit has real power. He has consolidated power. At the same time, he is the center for solving many of the country's problems. I think it is clear that he will use his power resolutely in order to solve the problems. Anyone who opposes him will pose a danger and this would force him to have to use this power in the form of a coup. In my opinion, this is the weakness that the democratic side has not yet found a way to overcome," said a scholar from one of the universities to MATUPHUM.

As for politics in the coming period, the RTA CINC will play a crucial role again. This is at a time when few sides can see what move Geneneral Prem will make in the political game, except to see that his goal is to become prime minister again using as little force as possible.

But what will that move be?

Besides General Prem, who of course knows, at present another person who knows is General Athit.

Army Preparatory School and Chulachomklao royal Military Academy Classes

Class	Examples of Class Members
APS Class 1	Gen Prayut Charumni, Gen Sima Panikabut.
APS Class 2	Gen Amnat Damrikan, Gen Chuan Wannarat.
APS Class 3	Gen Pamot Thawonchan, Lt Gen Pathom Soemsin.
APS Class 4	Lt Gen Samphat Phatsanayongphinno, Maj Gen Amphon Sombunying
APS Class 5	Gen Athit Kamlangek, Lt Gen Han Linanon.
APS Class 6	Maj Gen Phat Urailoet, Maj Gen Rawee Wanphen.
APS Class 7 (Final class)	Maj Gen Khanung Sirimarut, Maj Gen Thongtoem Phopsuk
CRMA Class 1	Maj Gen Chaowalit Yongchaiyut, Maj Gen Chaichana Tharichat.
CRMA Class 2	Maj Gen Phichit Kunlawanit, Col Wisit Atkhumwong.
CRMA Class 3	Col Arun Pariwatthan, Col Kasem Thammakun.
CRMA Class 4	Col Chao Khongphunsin, Col Wattanachai Wutisiri.
CRMA Class 5	Col Suchinda Khraprayun, Col Isaraphong Nunphakdi.
CRMA Class 6	Col Charat Kunlawanit, Col Kritsanasuwan Phongphakdi.
CRMA Class 7	Col Manun Rupkhachon, Col Prachak Sawangchit.
CRMA Class 8	Col Kitti Rattanachaya, Col Manat Khlaimani.

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POSSIBLE SOLUTIONS TO NATURAL GAS IMBROGLIO PONDERED

Bangkok MATUPHUM in Thai 11 Sep 82 p 5

[Article: "The Union Oil Gas Problem: In the Eyes of the Government"]

[Text] Even though the matter of the Union Oil Company's Erawan field producing less natural gas than expected and the explanations of the government have been discussed so much, even to the point where there was a television program on this last month, people in many circles, particularly businessmen, still feel that the matter is not very clear.

At the same time, there are questions about whether the amount of gas in the Erawan field is in fact 70 percent less than the amount that was surveyed, whether this will have an effect on the investment plans and on the use of gas in industry and, if so, to what extent.

Union Oil is one of the two companies that did explatory drilling for oil in the Gulf of Thailand that discovered commercially viable deposits of natural gas. The other company was the Texas Pacific Company.

Prior to this, it was announced that the Union Oil and Texas Pacific companies had discovered up to 12 trillion cubic feet of natural gas. That is, [it was announced that] in the concession area of the Union Oil Company, 1,795 trillion cubic feet of gas had been discovered at the Erawan site, 1.319 trillion cubic feet had been discovered at the Kra Phong and Pla Thong sites, 2 trillion cubic feet had been discovered at the Satun site and 1 trillion cubic feet had been discovered at the Ban Phot site.

As for the Texas Pacific Company, it [said that it had] discovered 5.446 trillion cubic feet of gas at the B site and 0.2 trillion cubic feet at the 17-E1 site.

In short, it was estimated that there would be about 11.76 trillion cubic feet of gas available for use.

As for the Erawan site, a difference between the actual amount of gas and the amount first estimated, that is, 1.795 trillion cubic feet, arose after an independent company of experts was employed to make a definite determination

of the amount of gas before a gas trading contract was signed between the Petroleum Authority of Thailand and the Union Oil Company.

The survey by the DeGolyer and McNaughton Company confirmed that the gas reserves estimated at 1.58 trillion cubic feet could differ from this amount by at most plus or minus 15 percent, or 0.203 trillion cubic feet.

The result of this estimation of the amount of gas reserves resulted in the Union Oil Company signing a contract to deliver 200 million cubic feet of gas a day to the Petroleum Authority of Thailand during the first year. This was to increase 50 million cubic feet every year to a maximum of 500 million cubic feet a day in 1990. Of this amount, 250 million cubic feet were to come from the Erawan field; the rest was to come from the other fields in the concession.

The confidence in the results of the survey by the McNaughton company resulted in the Thai government agreeing to invest a large sum of money in the construction of a gas pipeline from the Erawan site to Ban Nong Faem in Muang District, Rayong Province. The length of the pipeline is almost 415 kilometers.

At the same time, gas pipelines were constructed to send gas from the coast to the Bang Pakong and Southern Metropolitan power plants, a distance of 260 kilometers. The cost of constructing the pipeline was approximately 15 billion baht.

Furthermore, in the private sector, the Siam Cement Company believed the estimates concerning the amount of gas at the Erawan site just like the government and so it invested approximately 5 billion baht to construct a gas pipeline from Bang Pakong to Saraburi in order to supply its two cement plants. Construction of the pipeline to the first plant is now more than 90 percent complete.

But as for the actual situation, ever since Union Oil delivered the first gas to the Petroleum Authority of Thailand to supply the two power plants on 12 September 1981, the greatest amount of gas delivered by the Union Oil Company has averaged only 100 million cubic feet a day.

Recently, the Union OIl Company proposed that the government re-estimate the amount of gas reserves at the Erawan site.Citing the results of a recent survey that it had conducted itself, it said that it had discovered that the amount of gas reserves was lower than that estimated by the McNaughton company by almost 69 percent, which means that there is only about 0.48 trillion cubic feet of gas. And now, the Union Oil Company is able to deliver only 130-140 million cubic feet of gas a day to the Electricity Generating Authority of Thailand [EGAT] instead of the [planned] 200 million cubic feet. This has greatly affected the use of gas to generate electricity for EGAT.

This disclosure by the Union Oil Company has generated widespread criticism of various sorts. Some have said that this is just a plan by the Union Oil Company to renege on its agreement to deliver gas to the government in order to hold back the difference with the hope of adjusting the price next year

in accord with the contract that calls for yearly gas price adjustments or in order to bargain for an increase in the price of the gas.

The reason for this is that [the company] feels that the government did not stipulate a fair price for the gas as compared with the price paid to the Texas Pacific Company, which is receiving almost $1 more per 1 million BTU, or 1,000 cubic feet.

What Are the Facts?

On 18 August 1982, Mr Snoh Unakun, the secretary-general of the National Economic and Social Development Board, convened an extraordinary conference for the sectors concerned in order to discuss the facts concerning this problem. At this conference, four reasons for the problem were discussed:

1. Problems arising from leaks.

2. Problems arising from geological complications.

3. Problems arising from mistakes or carelessness on the part of the Union Oil Company.

4. Problems arising from other chronic problems.

The discussion can by summarized by saying that the leaks of the Packers are due to the fact that the temperature below ground is very high. But this problem can be eliminated form the list of problems because the Union Oil Company has made repairs and corrected the problem at eight wells. There are now only five wells left [where repairs must be made]. Thus, this should not be such a great problem that it would cause the amount of gas delivered by the Union Oil Company to be less than that specified in the contract.

Thus, the next point discussed was whether the problem could be due to the geological structure here. Concerning this point, the conference felt that, actually, the geological structure of the rock layers containing the petroleum was different from [what was first thought]. Based on a more recent survey using a new method, the three dimension siesmic survey, it was possible to get a clearer picture of the structure of the layers that contain the natural gas. That is, it was learned that there were more errors than in the data used to calculate the value of the reserves agreed on when the natural gas contract for the Erawan site was made. And the gas is located in pockets, or small holes, in different layers instead of in a single layer. Because the pockets of petroleum are not connected, with the result that the gas [from the various pockets] cannot flow together, the pressure is much less than it would be otherwise and so gas production has declined. Besides this, two other wells, E3 and D5, are almost dry since the gas has escaped.

As for the third point, that is, the belief that part of the problem may stem from mistakes or technical carelessness on the part of the Union Oil Company, it did not test actual production in the layers where gas was found but simply assumed that gas was present after testing just a few spots. Thus, the Union Oil Company did not make as accurate an estimate of the gas reserves and rate of flow as it should have.

As for the fourth point, it is possible that production and the drilling of wells by the Union Oil Company has not proceeded in accord with the stipulated targets because of [the company's] desire to conceal some of the operations in order to handle the problems discussed in the first and second points. This has resulted in a severe and chronic shortfall of gas.

The contract states that, in the first year, Union Oil must deliver 200 million cubic feet of gas a day to the Petroleum Authority of Thailand. This has made it necessary for Union Oil to have to drill about 20-25 production wells (including swing 25 percent) with each production well having an average of two stems and with each stem producing an average of 5 million cubic feet per day. Thus, each production well can produce an average of 10 million cubic feet of gas a day. But when production began in October 1981, there were only 18 production wells (and to date, Union Oil has drilled only 11 additional production wells). And when the problems mentioned in points one and two were encountered, the gas shortfall increased even more. That is, only one stem per production well is producing gas. Furthermore, Union Oil has had to stop using the three drilling rigs to drill new wells. Only one drilling rig can be used since the other two have had to be used to repair old wells. As for the five drilling platforms that have been built, only two of the platforms are working well, that is, platforms A and B. Platform C has not drilled any wells, platform D has begun drilling well 7 and platform E has drilled only two wells. Each platform must drill 10 wells.

Thus, at this point, the government feels that these are the reasons for the gas shortfall, in which the Union Oil Company has delivered an average of only 115 million cubic feet of gas a day to the Petroleum Authority of Thailand during the past year, which is not in accord with the contract.

However, concerning the reasons for the shortfall based on the first and second points above, based on a study by the Department of Mineral Resources, it is believed that these two points would lower the original estimate of gas reserves, that is, 1.58 trillion cubic feet, by about one-third only. But concerning this matter, there are still things that are not clear.

The Way to Solve the Problem

This means that the government has accepted the gas shortfall, according to the targets, as a fact. Because of this, the question that arises is: How will the government solve this problem? Because this state of affairs will definitely have a great effect on things, to solve this problem, there are two paths to take:

1. The Union Oil Company can drill an additional 90-100 production wells. This would enable Union Oil to increase gas production to 180 million cubic feet per day by the end of this year.

2. The natural gas from other fields in the Gulf of Thailand can be developed. For example, the natural gas of the Union Oil Company in the Chakrawan and Funan fields can be developed, and the gas of the Texas Pacific Company at the B Field in concessions 15 and 16 can be developed. And the land oil fields at Lan Krabu and Khon Kaen can be developed. But this measure still has many problems that will take many years to solve since none of the fields here have produced any oil that can be used profitably.

However, the government still has hopes in the Pla Thong field and in the other fields in concessions 10-13. The gas reserves here total approximately 5 trillion cubic feet, and it will be possible to deliver this gas at a rate of 150 million cubic feet a day during the first year beginning on 31 March 1985. This will increase to 300 million cubic feet a day by the third year. But this means that there will continue to be a gas shortfall for 3 more years unless Union Oil is able to increase the number of production wells in the Erawan field.

Definite Effects

As for the effects that this is sure to have, these can be summarized as follows:

1. The plans of the Petroleum Authority of Thailand to deliver gas to EGAT and the investments by EGAT, which now total at least 10.7 billion baht, in building power plants that use natural gas for fuel at the Bang Prakong and Southern Metropolitan power plants have been affected. And deliveries to and investments in the cement plants belonging to Siam Cement, which has already invested several billion baht, have been affected.

2. This will affect the gas-separation project. It is certain that the Petroleum Authority of Thailand has already invested money to start construction on the gas-separation plant in the first unit. This plant, which will have a production capacity of 350 million cubic feet a day, will go into production around 1984. During the first 2 years of production, the production target is 250 million cubic feet of gas a day. Concerning the effect of this problem, the Petroleum Authority of Thailand claims that this will cause only a 6-month delay in the construction of the gas-separation plant.

As for the effect on other plans such as gas delivers by the Petroleum Authority of Thailand and other projects, the government does not feel there will be any problem since most of these projects still have at least 3 more years [before they will be completed]. Similarly, the gas export plan will take at least another 8 years of preparations before things are ready.

Things Are Still Not Clear

Even though the results of the summary of the causes, effects and solutions seem better than expected, there are still certain problems that the government has not clarified. For example:

First, there is the effect from the government, or the Union Oil Company, agreeing to the drilling of another 30-50 gas wells in the Erawan field. This will probably have an effect on the gas price changes of the Union Oil Company. Even though the government has made the assumption that it is difficult for Union Oil to invest more since its income from the sale of the natural gas and natural gas waste [if low], the additional billions of baht that Union Oil must invest will certainly affect the principal and business returns.

Second, it is true that the government is not able to correct the mistakes in the contract made with the Union Oil Company. The government can only act in accord with the conditions. That is, it has the right to fine the company 20 percent of the sales price.Or it can pay for the gas delivered by the company at a rate of only 80 percent of the actual price until the company delivers the full amount of gas as called for in the contract.

And during the conference that day, the government admitted that taking action against Union Oil still involves several problems concernign the factors concerned that even the government has not been able to summarize.

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UPPER HOUSE DEBATE ON IMF BANK BILL REPORTED

New Delhi PATRIOT in English 20 Oct 82 pp 1, 7

[Text] THE Government does not propose to devalue the rupee, Union Finance Minister Pranab Mukherjee told the Rajya Sabha on Tuesday.

Replying to the debate on the International Monetary Fund and Bank Bill he said that but for the dollar rate, in which the rupee had lost by about 4.5 per cent, the Indian currency had appreciated from 5 to 20 per cent with respect to the pound-sterling, deutsch mark and franc, which constitute the basket on which the rupee rate is fixed.

The Rajya Sabha later passed the Bill, with the Opposition, barring the National Conference, boycotting the voting. They charged the Government with bartering away the country's economic and political sovereignty. The Bill has already been passed by the Lok Sabha.

Mr Mukherjee denied the charge, made by almost all Opposition speakers including Mr M Kalyanasundaram, Mr Kalyan Roy and nominated member Malcolm Adisheshiah that the economic information demanded by the IMF could be used to pressurise India into falling in line with western dictates on financial and other matters. "The information is of a general nature like annual GNP, foreign exchange reserves and the like. India will not part with information which it considers to be sensitive or which could be used against it," the Finance Minister assured.

The debate was marked by persistent Opposition fears that by accepting IMF conditionalities, and depending on foreign finance, India was risking the bankruptcy which had shattered Mexico and had been responsible for the situation in Poland.

The other major points the Opposition members raised were the dilution of the self-sufficiency concept by liberalised imports of commodities and technology and a shift in foreign policy as shown in the changing stance on the agreement with the US on nuclear fuel for Tarapur power plant.

Opposing the Bill, Mr P Ramamurti (CPI-M) charged the "sudden change" in the Government's stand on the nuclear fuel supply for Tarapur plant was the result of a threat held out by the United States to block the loan India was getting from the IMF.

Prime Minister Indira Gandhi had announced the changed stand at a meeting of the Consultative Committee attached to the Department of Atomic Energy soon after a "diplomatic note" holding out the threat was received by the Government, Mr Ramamurti said.

The CPI-M leader read out certain portions from what he called "an authentic copy of the diplomatic note" to substantiate his charge.

He sought to place the copy of the note on the table of the House but was not allowed by Deputy Chairman Shyam Lal Yadav. However the CPI-M leader challenged Finance Minister Pranab Mukherjee to deny his charge.

According to Mr Ramamurti, the note said it India did not change its stand on the nuclear fuel supply for Tarapur plant, it might have congressional repercussions which might force the United States to block the IMF loan to India.

The CPI-M leader said the IMF was dictating terms to India to change its policies and Parliament had been reduced to a rubber stamp to endorse all these dictates.

In a hard hitting speech, lasting 40 minutes, Mr Ramamurti said "the Government has mortgaged the country's economic sovereignty which will ultimately lead to mortgaging our political sovereignty as well."

He urged the Government to terminate the IMF loan because the 600 million people of this country were capable of standing on their feet. The Government must withdraw the bill, Mr Ramamurti said.

Mr Ramamurti said the industrial policy had been redrafted by the Government at the instance of the IMF. While the European countries were adopting protectionist policies in the wake of recession and growing unemployment, they were forcing India through the IMF to open its door for their goods to compete in the Indian market, he said.

The IMF did not meant to help India but on the contrary was interested in passing on the burden of the European countries to India's shoulders, the CPI(M) leader said. At the dictates of the IMF, Mr Ramamurti said the Government was indirectly devaluing rupee bit by bit in the name of export promotion and allowing foreign collaborations and foreign investments.

The country's foreign exchange bill was going up and the foreign exchange reserves shrinking, he said.

In his reply, Mr Pranab Mukherjee said the Opposition

had not made a case that the country withdraw from the World Bank or the IMF. "Their charges are fantastic nonsense," he said.

The Finance Minister said the basic work for the IMF loan had been done during the Janata Party regime. "The amendments in the IMF were accepted by the then Government in 1978 and implemented in 1979.

Mr Mukherjee said he admitted that the IMF was not a missionary organisation and was not giving funds out of charity. "We are not surrendering any right—the Government has the right to decide what type of information to give them," he said, adding that such information was needed for the IMF's international monetary system.

The Government, he said, was nonetheless fighting in international forums that World Bank and IMF could not impose straight-jacket conditions on developing countries, but should take into account their specific situations. "We have told them that ultimately, if developing countries have to pay back 90 per cent of their foreign exchange, they will stop buying from the West."

CSO: 4600/1192

IMPLICATIONS OF IMF BILL DISCUSSED IN LOK SABHA

Calcutta THE STATESMAN in English 18 Oct 82 p 9

[Article by M. H. Jadhav]

[Text]

NEW DELHI, Oct. 17.—The formal and seemingly innocuous title of the Bill adopted by the Lok Sabha last week to amend the International Monetary Fund and Bank Act, 1945, hardly gives an indication of the serious legal and constitutional implications for the relationship between India and the IMF.

It was stated by the Government that the Bill only sought to incorporate in the Act the amendments carried out in 1969 and 1976 (which was brought into force in 1978) in the Articles of Agreement with the IMF. The Government took nearly four years to incorporate in our Act the amendments carried out in the Article of Agreement of the IMF

Clearly the amending Bill followed a loan of $5.8 billion (Rs 5,000 crores) the Government of India contracted with the IMF.

The International Monetary Fund and Bank Act came into force in 1945. It was for the first time, during the last week, that independent India's Parliament had the opportunity to go into the merits and demerits of the Legislation. The principal Opposition speakers were Mr Satish Agarwal (BJP), Mr Sunil Maitra (CPI-M), Mr Subramaniam Swamy (Janata) and Mr Inderjit Gupta (CPI).

'SURVEILLANCE'

Mr Agarwal pointed out that the Government of India now accepted the "surveillance" of IMF on the exchange-rate policies. Section 3 reads: "(A) The fund shall oversee the international monetary system in order to ensure its effective operations and shall oversee the compliance of each member with its obligation under Section 1 of this article. (B) says: "In order to fulfil its function under (A), above, the fund shall exercise firm surveillance over the exchange-rate policies of its members, and shall adopt specific principles for the guidance of all members with respect to those policies. Each member shall provide the fund with the information necessary for such surveillance, and when requested by the fund, shall consult in on the member's exchange-rate policies"

EXCHANGE-RATE

As Mr Agarwal asserted, "in regard to exchange-rate policies the Government of India is not free to act in any manner it likes and the IMF has got full powers under Section 3 to have a firm surveillance over our exchange-rate policies".

The amendment of the Act, which binds the institutions, organisations, importers and exporters, and the Government of India, the Reserve Bank of India to furnish all information to the IMF, in Mr Agarwal's view, is clearly in violation of the Fundamental Rights enshrined in Chapter 3 of the Constitution. He pointed out the danger of massive borrowings, internally and externally, resorted to by the Government of India.

In support of his assertion, he said the founding fathers of the Constitution had already made a provision in Article 292 of the Constitution to enact Laws to fix a limit on the borrowing power of the Union Government. Mr Agarwal's demand that the Government must bring forward a Legislation under Article 292 of the Constitution, was well-received by the House.

Mr Subramaniam Swamy raised the question of repayment of the IMF loan of Rs 5,000 crores in nine instalments, from January 1985. The IMF loan, compounded at a rate of interest of about 12% to 13%, worked out to Rs 9,000 crores, four years hence. It also meant that an extra Rs 1,000 crores annually in foreign exchange would have to be earned, over and above that necessary for meeting the nation's trade-deficit, running at a level of Rs 6,000 crores. Besides, India had to pay Rs 880 crores annually in foreign exchange on interest and amortisation of the old loans of the World Bank.

CSO: 4600/1185

G. K. REDDY REPORTS ON VISIT TO BEIJING

Interview with Zhao Ziyang

Madras THE HINDU in English 13 Oct 82 p 1

[Text]

NEW DELHI, Oct. 12.

The Prime Minister of China, Mr. Zhao Ziyang, wants the Sino-Indian border dispute settled on the basis of the five points put forward by the leader of the Chinese delegation, Mr. Fu Hao, at the last round of the official-level talks in Delhi.

These five points, read in conjunction with the five principles of co-existence, could serve, in his view, as basic guidelines, for evolving through further discussions, a mutually acceptable concept of a comprehensive settlement of the border problem.

In a 90-minute interview in Beijing on October 3, Mr. Zhao did not mince words in voicing his disappointment at the lack of progress during the first two rounds of the official-level talks on the border question. He felt that India should make adequate preparation before the next round of talks in Beijing towards the end of this year for which no date has been suggested yet by either side.

The five points referred to by the Chinese Premier were equality, friendly consultations, mutual understanding and mutual accommodation, fair and reasonable settlement and comprehensive solution. Unfortunately, there was nothing new in these five points which were only components of the classic sentence that the Chinese officials had been repeating since 1960 during various stages of the talks on the border problem.

Position restated

At the last round of talks in Delhi, Mr. Fu Hao merely restated the Chinese position that the two countries, treating each other as equals, could, through friendly consultations, and, in a spirit of mutual understanding and mutual accommodation, reach a fair and reasonable, comprehensive settlement. But, in commending this approach to the border problem, Mr. Zhao left no scope at all for any ambiguity about the Chinese stand by stating categorically that China would not compromise on its sovereignty or make any unilateral concession.

The whole accent of Mr. Zhao's advocacy of a fair and reasonable solution was on a comprehensive settlement of the entire border problem and its inter-related issues. It was for this reason that he declined to be drawn into a discussion on Sikkim and Bhutan. All that he said was that during his visits to India's neighbours, Nepal and Pakistan, he had advised them to improve their relations with India, while stressing that if India also followed a good-neighbourly policy, it would help to create a better atmosphere of peace and stability in the South Asian region.

The Chinese Premier did not, therefore, think that the time was ripe for elevating the current Sino-Indian dialogue to the political level in the absence of any progress at the official level on the very concept of a settlement. It would be more advisable, in his opinion, to continue the present talks at the official level until the persisting differences were adequately narrowed down.

Keen on PM's visit

But, at the same time, Mr. Zhao was very keen that the Prime Minister, Mrs. Indira Gandhi, should pay a visit to China to keep up the momentum of normalisation in other spheres. He said he had personally extended her an invitation when they met in Cancun in October 1981 and it was subsequently renewed by the Chinese Vice-Premier and Foreign Minister, Mr. Huang Hua, when the former Indian Ambassador to China, Mr. K. S. Bajpai, paid a farewell call on him in June last before returning to Delhi.

The Chinese Prime Minister said that Mrs. Gandhi would receive a very warm welcome which, some other Chinese leaders assured, would be comparable to the memorable visit of her father in October, 1954, during the high noon of Sino-Indian relations. He conceded that border settlement was central to Sino-Indian normalisation, but continued to maintain that the two countries should work together in other fields without waiting for a solution of this complex problem.

If Mrs. Gandhi paid a visit to China, the border question would no doubt be discussed, but it would not be the only issue to be considered during such a visit since there were several other spheres for increased cooperation.

The two countries should make conscious efforts to expand the current dialogue to develop both bilateral and international cooperation without confining it to the border problem. Apart from making a great contribution to the cause of the third world, India and China could learn from each other by sharing their experiences and exchanging experts for better utilisation of their talents and resources. It was in this context that China had been pressing for a wider normalisation of relations.

The Chinese Premier did not agree that the Sino-Indian border conflict was one of the sad legacies left over by the Maoist era that required to be settled soon to provide greater credibility to the present Government's pragmatic policy of shedding the past rigidities and displaying greater flexibility in the conduct of China's foreign relations.

He said China, like India, was a victim of imperialism and, by implication, he seemed to defend fully the stand taken by the Chinese delegation at the last round of talks in Delhi that it was an injured party that was no less entitled to redress over the border problem.

Political stability

The principles that were embodied in the package offer made to India were the same as those applied in settling the border issues with several other neighbouring nations. The Chinese people, including the Tibetan population, felt very strongly about the border problem and, if India did not agree to the application of these principles, it would not be possible to resolve this problem. It was in this context that Mr. Zhao said that China would not compromise on its sovereignty or make any unilateral concessions to arrive at a settlement.

The Chinese Prime Minister spoke at length about the recent changes in China and the efforts of the present leadership to usher in a long period of political stability and orderly economic development, the efforts under way to undo the damage done by the Cultural Revolution and the decision to do away with the dogma of permanent revolution. The new stress on socialist modernisation implied not merely a readiness to dispense with the doctrine of a continual class struggle, but also a renewed emphasis on the rule of law to restore the confidence of the people.

Sensitive questions

In opening up China to the outside world, the present leadership was also trying to develop good relations with all countries of the world on the basis of the five principles of peaceful co-existence. But, in seeking better bilateral relations with both the super-powers, China was not in any way diluting its stand against hegemonism. He drew a distinction between the offensive hegemonism of the Soviet Union which continued to arm itself and commit aggression and the defensive hegemonism of the U.S. which was still supporting Israel and South Africa, stationing troops in South Korea and interfering in China's internal affair through its stand on Taiwan.

The Chinese Prime Minister received me not in the Great Hall of the People where the Chinese leaders normally meet foreign visitors, but in the Zi Guang Ge pavilion in the Zhong Nan Hai part of the Forbidden City, where all the top leaders live and work in a special security zone. It is the inner sanctum sanctorum of the vast web of Chinese party and Governmental power, where Mao Zedong, Zhou Enlai and others used to reside.

At the end of the 90-minute interview, there were still some questions which remained unanswered, but Mr. Zhao had to leave to attend an important party conclave. He said his colleagues would be happy to answer them on his behalf, but no replies were received because these were of a sensitive nature relating to some recent border incidents, the renewed Chinese reference to U.S. resolutions on Kashmir during the exchange of protests over the extension of the Karakoram road through the Khunjarab pass and the suggestion that China should declare that this road would never be used for military purposes.

Sino-Indian Relations Reviewed

Madras THE HINDU in English 17 Oct 82 p 2

[Text] A SIGNIFICANT feature of the Sino-Indian relationship at present is that there is greater awareness, and even appreciation, in China of the progress India has made in many fields since Independence. As a country that has gone through the agonising ordeals of several setbacks to its own development, China is no longer taking a dim view, as it used to do in the past, of India's ability to forge ahead under its present political dispensation.

The better informed people in Beijing have no hesitation in conceding that India is well ahead of China in several spheres, if only to drive home the point that the two countries could benefit considerably by cooperating with each other and sharing their knowledge. The refrain of any conversation in China on Sino-Indian relations is that the two neighbouring nations should work together and utilise their skills in the common endeavour of improving the living standards of their peoples. Those who matter in Beijing now do not subscribe to the theory of an inherent rivalry between India and China representing two antithetical political systems.

The Chinese with all their fixations still tend to see at times symptoms of deepening dissonance in the Indian polity, when they hear of recurring regional animosities, communal riots, labour unrest, student violence and persecution of weaker sections. But after the sobering experience of their own turmoils they are inclined to take a more understanding view that these are only a painful manifestation of the inner turbulence of a society in transition from stagnation to development.

The social disparities in India come in for some critical comments, but here again the whole tone and tenor of the criticism is aimed at driving home the point that developing countries could not afford the luxury of laissez-faire. It is not intended to decry Indian socialism as no more than a camouflage for capitalism.

Sign of resilience

The Chinese critics of the concept of a mixed economy, no doubt, draw attention to the inner contradictions in the Indian policy of letting the private sector have a free run by confining State ownership to the commanding heights of the economy, which only facilitates the growth of capitalism with the big business houses reaping the benefits. But in pointing out the basic incompatibility of the two approaches to steer a middle course between socialism and capitalism, the Chinese advocates of a greater degree of public ownership do not jump to the conclusion that the Indian experiment is bound to fail because of these ideological contradictions.

On the contrary, the Indian capacity to muddle through even in the face of insurmountable difficulties is recognised as a reassuring sign of its resilience, a source of strength than weakness, in making an ambitious bid to chart out a less painful course to achieve its socio-economic objectives. The accent is on wishing India well in making a success of this experiment, rather than pointing a critical finger at it.

After the 1962 conflict, China was bent on demolishing India's image in the eyes of the Afro-Asian peoples by branding it as a decadent society that was bound to fall apart sooner or later, torn asunder by its internal dissensions. China's policy then was to go out of its way to denounce India in every possible way to belittle its importance. When the representatives of the five Colombo Powers went to Beijing in December, 1962, on an exploratory mission, Mr. Liu Shaoqi spoke very harshly that until India was repeatedly hit it would not come to its senses. The then Chinese Premier, Zhou En-lai told them that he had not met a more arrogant man than Nehru about whom he spoke with scant respect.

Cooperation

Now it is referred to with considerable commendation as a country of great achievements that is destined to play a pivotal role in the promotion of peace and stability in South Asia. It is no longer regarded either as a running dog of Western imperialism or a stooge of the Soviet Union, but accepted as a great Asian country that required to be assiduously cultivated and weaned from these evil influences. The Chinese see no harm in striving for a mutually beneficial relationship in other spheres to erase the bitter memories of 1962, even if it is not possible to settle the border dispute in the foreseeable future.

It was against this general background that the Chinese Prime Minister, Mr. Zhao Ziang, repeatedly stressed that the two countries which held identical views on Third World problems should cooperate more closely in evolving a new economic order to pave the way for a more equitable relationship between the rich and poor nations. He wanted India and China not only to share their technical expertise but also extend it to other developing countries which were badly in need of such assistance. He assured India that China was not interested in interfering in the internal affairs of other countries, much less in exporting revolutions to them.

What the Chinese are aiming at is not a return to the frothy bhai-bhai phase but the establishment of a sound and sensible relationship that would provide enough flexibility for agreeing to disagree on many issues without detriment to their bilateral cooperation. The Chinese are not happy with what is regarded in Beijing as India's increasing dependence on the Soviet Union, but they are prepared to live with this until India disengages itself from it.

Erasing the scars

It is quite evident that China is keen on normalisation, but it is not ready to settle the border dispute except on its own terms. As a highly sensitive nation that is conscious of its own territorial claims, China can also be insensitive to the feelings of other peoples involved in these disputes. The tone of sweet reasonableness changes suddenly into a dogmatic reassertion the moment one broaches the border problem during any discussion on Sino-Indian relations.

The Chinese want Mrs. Gandhi to visit their country because they believe that she alone can display courage and imagination in erasing the scars of the 1962 conflict. The ruling triumvirate — Mr. Deng Xiaoping, Mr. Zhao Ziang, and Mr. Hu Yaobang — think that they can establish a better understanding with her. It is not in the Chinese tradition to make any concession in advance, other than conciliatory gestures, to make it politically possible for her to visit China before some progress has been made in the border discussions.

The Chinese continue to maintain with an air of injured innocence that in proffering the package proposition they had indeed given up their claim to the territory south of the McMahon line in return for India's acceptance of the *de facto* position in Aksai Chin. If India does not agree to this mutual adjustment, China cannot proceed on the assumption that while the McMahon line stands accepted in the north-eastern sector, the disputed territory in the western sector is open to negotiation. It is in this context that the Chinese have been insisting that the offer should be accepted in toto without ripping open the contents and discussing them separately for a sector by sector settlement, before they can be put back together into a single package.

The moment the border issue is bypassed or got out of the way in any discussion on Sino-Indian relations, the Chinese revert automatically to their posture of sweet reasonableness and start speaking eloquently about the need for early normalisation. They are quite earnest about their desire for better relations because of the growing conviction that it is in mutual interest. If the differences over the territorial aspects of the border dispute could be narrowed down, the Chinese would probably agree to settle simultaneously the other issues relating to the border region.

Reservations

The Chinese readiness to accept India's primacy in South Asia, especially in the subcontinent, is at present subject to several reservations. They would certainly like to maintain close relations with both Pakistan and Nepal and continue to cultivate Bangladesh and Bhutan without prejudice to India's special interests in the border region. But the Chinese acceptance of Sikkim's integration will have to be negotiated as part of the border settlement. There will have to be a similar accord, as part of the proposed package settlement, on the uses of the Karakoram Road if India cannot recover the occupied part of Kashmir from Pakistan.

It is a complex situation that calls for a careful approach to avoid the pitfalls of further complications. The Chinese want to concentrate first on improving relations in other spheres before coming to grips with the border dispute, although they are prepared to keep talking about it. They are not inclined to elevate the level of the dialogue at this stage for fear of its ending up in a bigger stalemate. Any such setback in their view might take years to overcome before the two sides could resume the threads of normalisation.

Sentimental links

The common people in China are not aware of all these complexities, but they seem to think that the worst is over in Sino-Indian relations. Once again there is a lot of good-natured curiosity about India which is still looked upon as the land of the Buddha with which China had many sentimental associations. In places like Honghzhou (Hangchow) where there are many Buddhist shrines, many Chinese including serving soldiers congregate round the rock sculptures of Indian monks and take pictures.

The exuberance of the 1950s that sadly yielded place to the hostility of the '60s and sullen silence of the '70s has now opened the way for renewed warmth of the '80s auguring well for Sino-Indian relations. The present leadership in China appears to be keen on keeping up the momentum of conciliation even if it is not possible to achieve a breakthrough in the near future.

It is a challenge as much to Indian statesmanship as to Chinese wisdom in making a bold and imaginative effort to resolve this tangle in a spirit of understanding and accommodation. And history will not forgive the present generation of leaders in both countries if they fail in healing the old wounds and erasing the scars to open the way for reconciliation.

CSO: 4600/1169

DEFENSE MINISTER'S REMARKS IN LOK SABHA REPORTED

Calcutta THE STATESMAN in English 16 Oct 82 p 1

[Text]

NEW DELHI, Oct. 15.—The Defence Minister, Mr R. Venkataraman, today assured the Lok Sabha that India was "matching" almost every one of the military equipment being acquired by Pakistan. Mr Venkataraman declared in the House, to the visible satisfaction of members, that India was keeping a close watch on developments in Pakistan.

The Defence Minister told Dr Krupa Sindhu Bhoi during question time that all measures and precautions were being taken to protect the nation's inland territories of Andaman, Nicobars and Lakshadweep. He pleaded with the member that it would not be in the public interest to disclose everything.

In his reply to the main question, Mr Venkataraman said that studies into various aspects of the south Atlantic and West Asia wars had been undertaken. Indeed, they were part of the continuous process of defence preparedness. Also, he said, the nation's defence preparedness would be based on relevant information and such studies. He also told Dr Bhoi that a lot of sophistication had been introduced in weaponry in recent times. He mentioned jamming of radar as one of the lessons India learnt from the Israel-Lebanon war.

The Defence Minister said India had signed agreements with Russia for updating the country's defence systems in tanks, guns, air defence and missiles.

He told Mr P. M. Sayed that a memorandum of understanding had been signed with France for co-operation in defence. In recent discussions with the French Defence Minister, it was agreed that France would share its technology in certain specified technical training to Indian officers in French institutions. "We procure such armaments and equipment as are required from other sources, like the Federal Republic of Germany, Sweden and Italy", he said.

On the question of a threat arising from American arms supply to Pakistan, Mr Venkataraman said India kept "a watch on the escalating arms build-up in the region and took necessary and adequate measures to meet the situation".

Mr Venkataraman informed the House that discussions were held with the British Secretary of State for Defence during his recent visit, when it was agreed that it should be possible to expand the areas of cooperation between the two countries. Experts from India and Britain would meet periodically to explore ways of intensifying cooperation in the field of defence.

The Defence Minister said that there had been claims and counter-claims by the parties in the Falklands war of having destroyed or rendered ineffectual opponents' weapons. It was not possible for India, a third party thousands of miles away, to verify them or the validity of the strategies. India could only study the information available for learning some lessons for its own benefit and these were continuing, he said.

CSO: 4600/1180

WHEAT IMPORTS DISCUSSED IN UPPER HOUSE

Calcutta THE STATESMAN in English 16 Oct 82 p 9

[Text]

NEW DELHI, Oct. 15.—The Government made clear in the Rajya Sabha today that there was no proposal to import more wheat this year because there were adequate stocks in the country.

Replying to a number of suplementaries during question hour, Rao Birendra Singh, Minister for Agriculture, claimed that there had been record production and procurement this year. This year's wheat production was estimated to be 37.8 million tons. The stock with the Government was also more than last year. Besides, the Government had recently contracted for the import of 2.495 million tons from the United States at a cost of about Rs 400 crores.

The import had become necessary to meet increasing demand and contingencies, the Minister said while replying to Mr Arabinda Ghosh (CPI-M) and others.

Rao Birendra Singh said that the procurement policy had been largely successful in the last three years. But the extent of procurement depended upon the cooperation of the State Government and the Food Corporation of India could not do much on the matter. He told the House that the off-take of wheat had also been increasing because of the expanded public distribution network and owing to differences between the free market price and the issue price.

The Minister characterized as "unfair" the Tamil Nadu Government's demand for foodgrain from the Centre. Tamil Nadu and Orissa were among the States which had not been handing over to the Food Corporation of India the stocks procured by them. Tamil Nadu procured 500,000 tons of rice last year but did not offer a single grain to the FCI. The State Government was now demanding a share from the Central pool.

The Tamil Nadu Government had been maintaining that it could manage the food economy of the State. But last year the Centre had given foodgrain to Tamil Nadu when the State faced severe drought, Mr Birendra Singh said.

The Agriculture Minister did not agree with members that the Government was paying a higher price to the U.S. grower than to Indian farmers by importing wheat.

CSO: 4600/1180

DEMOCRATIC SOCIALIST LEADER TALKS TO PRESS

New Delhi PATRIOT in English 15 Oct 82 p 7

[Text]

JAIPUR, Oct 14 — Democratic Socialist Party leader Raj Narain has called upon Mrs Maneka Gandhi to join his party as it would be difficult for her to continue the fight against Mrs Indira Gandhi.

Addressing a press conference here today, Mr Raj Narain advised Mrs Maneka not to form a new political party as there were already several Opposition parties in the country to divide the anti-Congress-I votes. She should join a political party, he said, while offering her the membership of the DSP which was a democratic party.

When asked whether she was playing in the hands of the RSS Mr Raj Narain observed that while Mrs Maneka Gandhi avoided the RSS, the later had been trying to exploit her. In this context, he recalled the recent arrest of some leaders of the Sanjaya Vichar Manch. Mr Raj Narain said that the RSS had deputed two lawyers in the court to plead the case.

The DSP leader demanded prosecution against Mr Rajiv Gandhi on the charge of abetment of murder through his speech in Amethi which ultimately led to the murder of Sultanpur district secretary of the DSP, Parthasarthi Pandey at the instance of the local police authorities.

Mr Pandey's body was found in a local pond on the night of 29-30 June. Even the post mortem report was not available, he pointed out.

After getting the details of the incidents, Mr Raj Narain said he wrote two letters to Mr Rajiv Gandhi demanding investigations in the case and his side of the version but failed to get any response.

The DSP alongwith other parties has launched an agitation demanding impartial CID inquiry into the case.

He was hopeful of a merger of the socialist, democratic and secular parties. In this direction some efforts were on with the Lok Dal (K) and the Janata Party.

CSO: 4600/1178

SANTHAL TRIBALS REPORTEDLY PLAN PROTESTS

Calcutta THE STATESMAN in English 15 Oct 82 p 9

[Article by Ambikanand Sahay]

[Text] DUMKA (Santhal Parganas), Oct. 14—Far away from the corridors of power in the State capital, the starving Santhal tribals, who have been facing this season the worst famine since 1967, are beginning to take up arms against the establishment.

Already, a number of "guerrilla squads" have been formed in the hills and jungles of the Santhal Parganas. These extremist groups, which include youngmen and women, aim at liquidating what they describe as "foreign elements" in the administration and society.

Obviously, they hate the non-tribals in the administration and the new settlers in their "exclusive land." They feel that the living condition of the people of the Santhal Parganas cannot improve unless these "foreign elements" are liquidated or at least sent back to their own areas.

Armed with bows and arrows, tens of thousands of famine-stricken tribals will be organising a march in Patna in mid-November with a view to forcing the Government to come to their aid.

Mr Sibu Soren, M.P. from Dumka reserved constituency, and Mr Suraj Mandal, MLA, from the Poraiyahat constituency, said that more than 200,000 people form the seven districts of Chotanagpur and Santhal-Parganas would take part in the rally.

They condemned the police firing at a market place in Palojori on October 7 and the lathi-charge on "peaceful agitators" four days later.

The Jharkhand Mukti Morcha will meet in Dhanbad on October 26 and 27 to fix the date of the rally.

Mr Suraj Mandal said that in spite of reported appeals, the Deputy Commissioner of Santhal-Parganas, Mr U. D. Choubey, had not taken steps to irrigate the rivulets, ponds and wells. Tribals had to walk between 10 and 20 km to get a pitcher of drinking water. The Santhals were now prepared to face bullets.

Mr Soren said the police firing was part of the district administration's "operation terror".

To a large extent, the grievances of these extremist groups seem genuine. Officials have been, over the years, improving their own lot rather than that of the tribals. Relief is scanty in spite of the fact that the district has been experiencing one of the worst droughts in history. The Government's public distribution system has not been of use in the remote areas. In fact, many villages have not received rice or wheat through fair price shops for the past two years. And, those who demanded food were fired at by the police a number of times on October 7; five people were killed when the police fired at a group of demonstrators who were agitating for declaration of the district as a drought-affected area at Palijori. These people had come from all the 17 panchayats of the Palijori block for a meeting. The meeting was, according to eyewitnesses, peaceful.

Why did the police fire? The obvious answer is that the police and the administration, which had failed to contain the tide of discontent, possibly wanted to terrorize the people. They had information that the people of the district were organizing a bigger demonstration to press their demands.

LONG MARCH

But the tactics failed. On October 11, more than 25,000 people, mostly tribals, organized a 9-km-long march. Mr Sibu Soren, M.P., and Mr Suraj Mandal, MLA, the demonstrators reached a field near Mission School at Dudhnai at 3 p.m. And from there they proceeded toward the district headquarters. But they were stopped on the way. At least 100 people were injured in the police action.

Earlier, all routes to Dumka had been sealed. Hundreds of people were stopped on the Bihar West Bengal border at Mihijam near Chittaranjan. Many others were stopped and detained at Jamtara, Deoghar, Palijori, Jama More, Jarmundi, Hasdia and Godda. Important leaders and legislators who were arrested included Mr Stephen Marandi and Mr Simon Marandi. Mr Soren and Mr Mandal, however, escaped on a motorcycle.

This correspondent met Mr Mandal in his hideout near Murmala village in the Jama block at midnight on October 11. He said the administration had gone mad. First they refuse to give relief to the famine victims and then they open fire if the hungry people agitate for food". Mr Mandal said and added that the repression was worse than that witnessed during the British regime.

The police firing on October 7 and the lathi-charge on October 11 had a snowballing effect. General tribals, who had so far nothing to do with the extremists, are veering round to their ideology. It is feared that the Santhal Parganas will become another Assam if things continue to drift.

MIGRATION

At Palijori, at least 20% of the rural population eat once a day. Inadequate rain has ruined the prospects of a good crop. And thousands of people have already migrated to other States, mainly West Bengal, Assam and Punjab in search of jobs. The barter system has been in vogue in the rural markets with the tribals exchanging hens and goats for rice and wheat. The economy is in a shambles.

Landless farm workers are looking for other means of livelihood. Mr Girdhari Mandal, who was killed in Thursday's police firing was a landless labourer. When the rain failed, he turned into a mason. He was buying salt in the bazar when he was killed. His wife, Parvati, is yet to receive relief from the Government. Her husband was the only earning member in the family. She has a three-year-old son. She had not eaten anything for three days when this correspondent met her in her hut at Pindara village.

CSO: 4600/1176

CHANGES IN PORTFOLIOS OF RAJASTHAN MINISTERS

Calcutta THE STATESMAN in English 19 Oct 82 p 9

[Text]

JAIPUR, Oct. 18.—Portfolios of almost all the old members of the Rajasthan Council of Ministers have been reallocated by the Chief Minister, Mr Shiv Charan Mathur, in reconstituting his expanded ministry yesterday. In the process many have been divested of important portfolios and left to head relatively less important ones. Mr Mathur, however, kept Home and Industries portfolios for himself.

Mr Mathur also divided the departments of Education and Agriculture while creating three new departments—of Sports Environment and Command Area Development. The Education Department will now consist of primary and secondary education, headed by a Cabinet Minister, and College and University Education Department, headed by a Minister of State. The Agriculture and the Command Area Development portfolios, which were part of one department, will be headed by a Minister of State and Cabinet Minister respectively.

Though the old Cabinet colleagues of Mr Mathur were burdened with several portfolios the impression created by the reallocation is that it would leave them with relatively less important ones. Mr Paras Ram Maderna, however, retains his key portofolio of Irrigation and Public Health Engineering while surrendering the Department of Energy Revenue, Land Reforms and Famine Relief. Mr Chandan Mal Baid the former Finance Minister, takes charge of the Rajasthan Canal Colonisation and the new department of the Command Area Development. Mr Mathur maintained that Mr Baid has been entrusted with "challenging" job because the State Government was keen to ensure completion of the Rajasthan canal within the Sixth Plan period with an additional allocation of Rs 40 crores from the Centre.

Mr Brij Sunder Sharma becomes the new Finance, Taxation and Excise Minister after losing the Law, Justice and Labour Departments. This is interpreted as a gain for him. Mrs Kamala is the new Energy Minister and will also head the Primary and Secondary Education, while earlier she was the Agriculture and Animal Husbandry Minister.

Mr Hiralal Deopura one of the five new Cabinet Ministers inducted on Friday will be in charge of Revenue, Land Reforms, Mining and Labour. Mr Khetsingh Rathod, Chief Whip of the ruling party, becomes the Minister for Medical Health and Family Welfare and Parliamentary Affairs. Mr Hanuman Prabhakar gets Flood and Famine Operation and the State Motor Garage. Mr Dula Ram, a Scheduled Caste, is the Minister for Social Welfare, Tribal Area Development and Housing while Mr Ahmed Bux Sindhi will be the Minister for Law, Justice, Elections, State Enterprises, Waqf and Linguistic Minorities. Mr Prabhakar and Mr Dularam had served in the Pahadia Ministry. At the Ministers of State level the most noticeable change has been in the portfolios of Mr N. S. Bhati, said to be a friend of Mr Rajiv Gandhi. He has been given the charge of Rehabilitation, Jails and Printing and Stationery while earlier he was holding the portfolios of Tourism, Rajasthan Canal and Art and Culture and Archaeology.

But the axe has also fallen on the portfolios of two Ministers of State said to be close to the Chief Minister. Mr Pradyuman Singh, who had the portfolio of Home among others, will now head independently Local Self-Government and Town Planning and also assist the Chief Minister and the Finance Minister in certain other departments.

Mr Shri Ram Gotewala who had attracted some controversy lately is in charge of Animal Husbandry, Dairies and Khadi. He loses the prestigious departments of Local Self-Government and Public Relations.

Mr Jai Kishan Sharma an old Minister of State retains Transport. The new Public Relations Minister is Mr Surendra Vyas who will also be in charge of College and University Education. Mr Dinesh Rai Danghi is the Ayurved Minister and Mr Ghasiram Yadav gets Food Civil Supplies and Civil Defence. Mr Chetram Meena retains his old portfolio of Public Works Department. Mr Govind Singh is the Minister for Forest and the new department Environment. Mr Sheesh Ram Ola is the Minister for Panchayat Raj, Community Development and Soldier Welfare. All these five Ministers of State are among the old colleagues of Mr Mathur.

Among the new Ministers of State Mr B. D. Kalla, who was a Deputy Minister hitherto, becomes the new Minister of State for Tourism, Art, Culture and Archeology. Mr Ram Kishen Verma gets Sheep and Wool, Fisheries and the new department of Sports.

Mr Devendra Singh is the new Agriculture Minister. The four Deputy Ministers with their portfolios are Mr Govind Amaila, Planning, Economics and Statistics and Tribal Area Development Mrs Kamala Bhil Flood and Famine Relief, Medical Health and State Motor Garage Mr Jagtar Singh Irrigation, Colonisation and Industries and Mr Choga Lal Bakolia, Energy, Social Welfare and Ground Water.

Mr Mathur said his new Ministry gave representation to almost all the districts and two members of the minority community, Muslim and a Sikh. He added that his Ministry was broadbased and members were allocated protfolios according to their ability and he hoped the Ministry would function smoothly.

CSO: 4600/1190

PLANS FOR SAFEGUARDS TO ASSAMESE REPORTED

Calcutta THE STATESMAN in English 18 Oct 82 p 1

[Text]

NEW DELHI, Oct. 17.—The Centre has reportedly decided to amend the Constitution if the Assam movement leaders accept its offer of providing Assamese with constitutional safeguards in the form of political, educational and employment rights as granted to tribals in other parts of the country, reports PTI.

(According to UNI, the Union Home Minister, Mr P. C. Sethi, said in Bhopal today that there was every reason to be optimistic about solving the Assam problem as the differences between the Government and the agitation leaders had "considerably narrowed down". Mr Sethi told reporters that the only hitch was on the question of the cut-off date.)

The offer, made to the movement leaders by the Defence Minister, Mr R. Venkataraman, at the last tripartite conference on the foreigners issue, will mean the reservation of seats in the State Legislatures for the indigenous people of the State.

The Government feels that with the grant of such rights, the people of Assam will be able to protect their identity—the cause for which they had launched their present agitation about two years ago.

Mr Venkataraman had conducted the tripartite parleys with the movement leaders first when he, along with his Defence portfolio, was holding the charge of Home Ministry. He continued to conduct both the informal and formal talks with them even after he had left the Home portfolio.

However, when the offer was finally made to the Assam movement leaders, they had expressed certain reservations and had pointed out that such safeguards could only be part of a "package of measures" they were demanding for the solution of foreigners issue.

Although the Government wants to have a package deal to solve this problem, it stressed the need for a solution in a phased manner in view of the time consuming process involved in the detection and deportation of foreigners.

The movement leaders had, however, appreciated this approach and promised to give due consideration to Government's offer.

The Government had proposed March 24, 1971, as the date in relation to which to decide who should be included in the electoral rolls, adds UNI quoting the Union Home Minister. The agitators want 1961 as the cut-off year, he said.

However it was within the competence of the Chief Election Commission to decide who should be given the right of franchise, Mr Sethi added. The Home Minister said a tripartite meeting on the Assam foreign nationals problem had been convened in Delhi on November 7.

The next round of talks is going to be final as the Government faces a constitutional obligation to hold elections in Assam before the expiry of the President's rule in March.

The Government appears to have decided that it will have no alternative but to go ahead with the elections in the State even if the next round fails to produce any amicable settlement of the issue.

In Gauhati, the All-Assam Students Union today warned the people against the activities of some national political parties.

In a statement, the AASU president, Mr Prafulla Kumar Mahanta and its general secretary, Mr. Bhrigu Kumar Phukan, urged the people not to cooperate with such parties engaged in the campaign "ignoring the demand of the people of Assam" for a solution to the aliens' issue.

CSO: 4600/1185

UN DELEGATE URGES SANCTIONS AGAINST SOUTH AFRICA

Bombay THE TIMES OF INDIA in English 15 Oct 82 p 1

[Text]

UNITED NATIONS,
October 14 (PTI).

INDIA yesterday renewed its call for ending the political, economic, commercial and military support extended by some Western countries to South Africa.

Speaking at the third committee of the United Nations (UN) general assembly, the Indian delegate, Mrs. Pratibha Singh, said the imposition of comprehensive and mandatory sanctions against the South African regime was essential to root out the evil system of apartheid completely and it was long overdue.

Mrs. Singh said the alternative to a peaceful solution, as the Prime Minister, Mrs. Indira Gandhi, had pointed out, was a prolonged armed struggle and greater suffering for the people of South Africa.

Mrs. Singh said the U.N. should note with "sorrow and shame" that the situation of human rights in South Africa had not improved. On the contrary, racism and colonialism still raged in South Africa today with little progress either in the elimination of apartheid or in the liberation of Namibia.

The Indian delegate said it was an irony that some affluent and industrialised nations, who proclaimed their support to the cause of human rights, equality and justice, continued to collaborate actively with the racist regime in Pretoria in various fields.

The irony was made sharper in that these were democratic societies, committed to multiracialism and to promote racial harmony within their respective countries. These were societies which cherished human values and zealously safeguarded the rights of their citizens. Were the human rights of the non-white population of southern African less sacrosanct, Mrs. Singh asked.

CYNICAL CHARADE

Mrs. Singh also spoke of the "cynical charade" aimed at placating the forces of illegal occupation of Namibia. Too often in the past, hopes had been raised only to be shattered soon after by the racist regime, she said.

Mrs. Singh also voiced India's strong support for the rights of the Palestinians and expressed the hope that those who were in a position to do so would make Israel see reason and help achieve a just and comprehensive settlement to ensure the attainment of the inalienable rights of the Palestinian people for their homeland.

CSO: 4600/1175

REPORT ON CZECHOSLOVAK ENGINEERING MINISTER'S VISIT

New Delhi PATRIOT in English 20 Oct 82 p 7

[Text]

Czechoslovak Minister for General Engineering Ing P Bahyl on Tuesday discussed with Prime Minister Indira Gandhi the issues connected with increasing collaboration between the two countries in the fields of industry and technology.

After his half an hour meeting with Mrs Gandhi, the Czech Minister said that his country was looking forward to have collaboration in new areas for mutual benefit.

Ways and means of continuing the collaboration in higher forms in the field of economy, industry and technology were discussed, he added.

Mr Bahyl said that his country would like to increase the trade turnover.

Earlier, he met Industry Minister N D Tiwari. Mr Tiwari stressed the need for diversifying trade exchanges so as to enlarge the component of industrial manufacture and engineering goods in India's exports to Czechoslovakia consistent with the high level of technical collaboration that has been established between the two countries.

Mr Bahyl fully appreciated the suggestion and said that appropriate proposals to give content to this suggestion would be worked out.

Mr Bahyl is visiting India in connection with the release of the 100,000th tractor manufactured in India with the Czech collaboration. A function on the occasion will be held on Wednesday at HMT Pinjore in Punjab.

The two Ministers expressed satisfaction at the collaboration between Gujarat Tractors Ltd and HMT on the Indian side with Motokov of Czechoslovakia in the manufacture of tractors.

It was agreed that a stage has been now reached for utilising the capacities created in India for the supply of tractor components and parts to similar Czech assisted projects in other countries as well as in Czechoslovakia itself. Manufacture of fuel injuction pumps in India was identified as an area where useful collaboration could be forged.

CSO: 4600/1192

JOINT VENTURES BEING PLANNED WITH BANGLADESH

Calcutta THE STATESMAN in English 16 Oct 82 p 13

[Text] At least three joint venture projects, with Indian technical and financial assistance, will be set up in Bangladesh in the next few years. Official sources said in Calcutta on Friday that besides these three projects for production of cement, sponge iron and diesel engines for agricultural pumps, other schemes to build railway coaches and set up textile and sugar mills were also being examined at the official level of the two countries.

The setting up of joint ventures with Indian credit in Bangladesh had figured prominently in the communique issued at the end of the Indo-Bangladesh summit talks, held in Delhi early this month. Official sources said that when the Foreign Ministers of the two countries meet in Delhi next month for the first Joint Economic Commission talks, modalities for executing the three projects to be taken in hand would be discussed.

The sources said that India's participation in joint ventures in Bangladesh was intended to project its attainments in medium and high technology industries and also to demonstrate to Bangladeshis its desire to be a partner in their country's economic progress.

The sources said that Mrs Gandhi herself had taken initiative in the Indo-Bangladesh joint ventures. Appreciating that these projects may not get off the ground without Indian assistance, the Prime Minister, a few days before Lieutenant-General Ershad's visit to Delhi, had instructed Mr Pranab Mukherjee, Union Finance Minister, to make arrangements for extending credit to Bangladesh.

The Finance Minister, it is learnt, is working out a package of Government-to-Government and commercial credit which would be made available to Bangladesh. According to available indications, the total credit may amount to Rs 80 crores. The sponge iron project would absorb the bulk of the credit component--about Rs 40 crores.

Mecon, a Union Government consulting firm, has already made a preliminary study of the sponge iron project.

CSO: 4600/1180

MINISTER DENIES PRC CAPTURED INDIAN SOLDIERS

New Delhi PATRIOT in English 20 Oct 82 p 3

[Text]

THE Government on Tuesday denied in the Rajya Sabha a report that Chinese soldiers had captured and taken away three Indian border guards from the Chusul-Dem-Chowk area of the Indian territory recently report agencies.

Minister for Defence R Venkataraman said the report of China having hoisted its flag in Ladakh area was also not correct.

Deputy Minister for Defence K P Singh Deo said the Government had seen media reports that China had recently established a military camp in Misger and posted two companies of mountain warfare troops in Hunza area of the Gilgit agency in Pakistan occupied area of Jammu and Kashmir but had no confirmed information on the subject.

The Deputy Defence Minister also said that the Government had taken up with both Pakistan and China the issue of a protocol recently signed between the two countries, opening the Khunjerab pass to traffic on the Karakoram highway.

Mr Venkataraman said the Government had seen press reports that China was helping Pakistan in the development of nuclear capability, but it did not have confirmed information in this regard.

F-16 PLANES: The Government has seen reports that F-16 planes were very successfully tested by the US through Israeli pilots in Lebanon recently and that MiG-23 piloted by the Syrians were no match for them. The Government, however, has no positive information in this regard, Mr Venkataraman said. He also said that the Government was not considering any proposal to procure F-16 planes.

ARREARS: The amount in arrears with various companies which have received direct financial assistance from the Industrial Development Bank of India (IDBI) as on 30 June last was Rs 167.9 crore, said Finance Minister Pranab Mukherjee.

He said that the amount comprised Rs 71.9 crore as principal and Rs 96 crore as interest.

CSO: 4600/1192

GANDHI ANSWERS QUESTIONS ON BIHAR PRESS BILL

New Delhi PATRIOT in English 15 Oct 82 p 1

[Text]

PRIME Minister Indira Gandhi on Thursday refused to commit the Central Government on whether it was recommending to the President to give his assent to the controversial Bihar Press Bill or not.

To persistent opposition demands that she spell out if the Cabinet would consider the issue, Mrs Gandhi declared that Cabinet issues could not and would not, be discussed in the House.

Mrs Gandhi however stressed that she and her Government stood for the freedom of the press. Denying charges that she had already given her support to the Bihar Press Bill without reading it, the Prime Minister told Mr Piloo Modi, Mr L K Advani and others that she had "neither endorsed nor rejected the Bill". Her comments, she said, had been torn out of context.

But while she stood committed to press freedom, Mrs Gandhi said she felt that there ought to be control on certain things. The newspapers, she said, had aggravated the situation in Meerut and in other trouble-torn areas. "Certain things ought to be controlled though not exactly by the Government" she added.

The press, she said, had itself agreed that such things should not be permitted, and it was for it to make suggestions.

The Prime Minister intervened repeatedly through the stormy discussion on the question raised by Mr Advani. She however did not respond to a question if the Centre would come forward with a comprehensive bill on the subject. But she pointed out that there had been no protest to similar bills passed by Tamilnadu or Orissa.

CSO: 4600/1178

WRITER DISCUSSES POLITICAL POSITION OF GANDHIS

Bombay THE TIMES OF INDIA in English 17 Oct 82 Supplement p 1

[Article by Girilal Jain]

[Text] Mrs. Gandhi will be only 65 on November 19. And she is in excellent health. Even so, in view of her status as the only national leader, the question: "After Indira, who and what" has justifiably come up. Indeed, this issue became particularly pertinent with the failure of the Janata experiment which showed that India could not manage its political affairs without the presence of a towering figure. But before an answer to this question could emerge, another--and this too as important--has arisen: Will India's political system survive even with Mrs. Gandhi around?

The feeling of despair is the result of the growth of both corruption and indiscipline on a massive scale in the Congress (I) and the popular awareness that if this organisation, however grave its failings, goes down, no other party will be able to take its place. Amidst this confusion has intruded the bizarre factor of Maneka, Sanjay Gandhi's young and ambitious widow.

IT speaks for the near total disarray in our political life that we should pay attention to Maneka Gandhi's "political" activities. In a less unstable environment, she would have had to content herself at best with a modest role even as Sanjay Gandhi's widow and Mrs. Indira Gandhi's headstrong and defiant daughter-in-law. Even now she may finally come a cropper. Indeed, it looks as if she has bitten off more than she can chew. But things being what they are, she is likely to continue to hit the headlines.

From the evidence of recent events, it would appear that Maneka continues to enjoy considerable sympathy because she is still seen as a victim of a powerful, capricious and vengeful mother-in-law who is determined to destroy her in order to promote her only surviving son as her successor.

In this psychological battle the odds have been tilted against Mrs. Indira Gandhi. It has not just been a question of the negative image of the mother-in-law, especially in relation to the widowed daughter-in-law, being firmly and deeply planted in the Indian psyche. Other factors have also been at work.

Since the first Congress split in 1969 when Mrs. Gandhi used some hitherto unfamiliar tactics to defeat her opponents, her detractors have managed to stick on her the image of a ruthless woman who will stop at nothing to gain her ends. Indeed, many of her supporters, too, have unwittingly bought this image of her. This has greatly reinforced

the stereotype of the cruel mother-in-law.

Since June 1975, when Sanjay Gandhi suddenly emerged on the political scene and began to wield enormous power, the impression has spread that Mrs. Gandhi is trying to establish a ruling dynasty. Her decision to bring Rajiv Gandhi into politics has confirmed this impression. And that in turn has led to the view that if it is legitimate for Rajiv to try and step into his deceased brother's place, so it is for Sanjay's widow. In other words, Rajiv's entry into politics has made it difficult for Mrs. Gandhi and Rajiv's supporters to represent Maneka's political ambitions as illegitimate.

Rajiv is too gentle by temperament and too respectful of norms to have taken over Sanjay's roughnecks and dropouts. His entry into politics, would, if anything, have heightened their sense of insecurity, their feeling of being unwanted, and therefore increased their craving for a "true" successor to Sanjay, that is, someone seemingly cast in a similar mould — as ruthless, as indifferent to established norms and forms, and as unaware of the complexity of issues as Sanjay. Thus as Maneka's frustrations grew on account of Rajiv, so did theirs for the same reason. If she remembered with nostalgia the days when she was India's queen-in-waiting, they yearned for the days when they served as the praetorian guard of the monarch-to-be.

This point should have been clear to both Indira Gandhi and Rajiv and should have persuaded them to tackle it in the only way in which it can be effectively tackled. Rajiv should have sought to project a new style of leader-

ship, very different from Sanjay's but no less dynamic, and Mrs. Gandhi should have encouraged him to do so. They did nothing of the kind. They sat on their hands, waiting to be hit.

The Sanjay brigade, it is true, presented a difficult problem. They could neither own it nor disown it. They could not own the freebooters in the brigade because they did not feel at home with them, the cultural gap being too wide. And they could not disown them because they were there well ensconced in Parliament and the state legislatures. Also neither, especially Mrs. Gandhi, was willing to say or do anything which would suggest that she or he or both had any misgivings about Sanjay's methods and choice of instruments. They would, if they could, close that chapter and move on. They were not prepared to discuss its contents.

What happened at Shanti Vana (the place of Mr. Nehru's cremation) last year was symbolic of their indecisiveness. One night the brick platform where Sanjay was cremated was removed on orders from "above", apparently with a view to ending the anomalous situation of a Sanjay mausoleum alongside the great Nehru's. But when the Sanjay brigade headed by Maneka raised a howl, it was quickly announced that a proper memorial to him was being designed and would soon be put up. And it was.

Fortunately for Rajiv, an opportunity arose last year which, if he had seized it boldly, woul helped him circumvent the Sanjay brigade and project himself as a potential leader. The opportunity was provided by concrete evidence that the then chief minister of Maharashtra, A. R. Antulay, a Sanjay appointee, had abused his office to collect vast sums of money. Rajiv should have at once demanded his resignation and, if necessary, campaigned in order to force his resignation. He took a long time to speak out; even when he did speak, he resorted to ambiguity; and he refused to press the issue when Mrs. Gandhi decided to leave the matter to the Bombay high court. Thus he let a great opportunity slip by.

Antulay is a unique phenomenon in Indian politics. No one has collected so much money in so blatant and unashamed a manner. And no politician has been so callous, in total disregard of any norms. But his methods and brazenness apart, he is a representative figure in today's Congress (I). This fact almost automatically defined Rajiv's political platform for him. He had to come out openly against corruption and other forms of skulduggery in the party and campaign vigorously on this issue. He failed to do so. This did not besmirch his own reputation as Mr. Clean. But his failure to act denied him in public esteem the place he needed to occupy in order to project himself as a possible successor to his mother and pre-empt the challenge which Maneka was bound to mount.

Maneka has played a victim's role with considerable skill. It is a measure of her success in the victim's role that she has been able to brush aside the image she had acquired during the emergency as Sanjay's power-hungry wife and thereafter as an editor who made reckless and sensational charges. So well has she acted the role of a helpless and harassed widow that hardly anyone has taken serious note of the publication of a stunning letter which she wrote to her mother, Mrs. Amteshwar Anand, when she was barely 18. In this letter, written in the context of a family dispute over land, she said: "Darling Ma, I hope Mina uncle (a reference to her maternal uncle) dies a sore death. I have run through all my schemes of kidnapping his children, poisoning his wife's food etc. and I now give up."

Maneka's success in winning sympathy and even support is also a measure of Mrs. Gandhi's failure to fulfil her promise to give the country "a government that works". Whether Mrs. Gandhi knows it or not, a stage has been reached when even her most committed supporters and once ardent admirers have come to despair of her capacity to restore a measure of prestige and

coherence to her government and party and check either the loot or the drift.

To a large extent, Mrs. Gandhi is a victim of circumstances beyond her control. The first split in the Congress in 1969 was forced on her by the scheming members of the old guard on the one hand and her ambitious courtiers on the other. A similar story was repeated in the summer of 1975 when Jayaprakash Narayan with his utopian ideas and Justice Sinha with his narrowly legalistic approach drove her into a corner, leaving her a choice only between political harakiri and the overthrow of the constitution. And the story was repeated once again in 1978 when former cabinet ministers, anxious to disown all responsibility for the emergency, and an impatient and irrepressible son, anxious to dominate the country's political scene on the strength of his mother's popularity, compelled her to force another split in the Congress.

Mrs. Gandhi was able to live down the consequences of the first split because it had left the organisation in reasonably good shape. In fact it had helped revive popular support for it which had ebbed away in 1967. Of the other two episodes, it is difficult to say which one has been more debilitating. While the emergency has put in doubt Mrs. Gandhi's commitment to democracy — her decision to go in for elections in 1977 in the face of Sanjay's opposition has not helped remove wholly misgivings on this score— the second split destroyed the only instrument which was available to her to enforce certain norms of efficiency and morality. The Congress (I), as it emerged in 1978, was not the party she had known. Indeed, even the loyalty of many of its luminaries was divided between her and Sanjay.

She tried to mend matters on the eve of the election to the Lok Sabha in January 1980 by admitting a number of old colleagues into her fold and allotting them party tickets. But ironically enough her landslide victory weakened her position in that it enabled Sanjay to argue that since anyone with the Congress (I) ticket could get elected on the strength of the anti-Janata wave, the original faithfuls must have precedence for appointments as well as for party nominations in the poll to the state legislatures. It is widely believed that he selected over 40 per cent of the candidates. And he picked up most of the chief ministers, among them A. R. Antulay and Jagannath Pahadia. The result is there for everyone to see.

But on both occasions — in the election to the Lok Sabha in January, 1980, and to the state legislatures in May the same year — the people had given their vote to Mrs. Gandhi and certainly not to Sanjay and his cronies. So they expected her to redeem her promises. Moreover, the people regard her as a miracle worker. After all, she had floored her opponents united in a grand alliance in 1971; she had defied the U.S. and China, defeated Pakistan on the battlefield and helped the birth of a sovereign Bangladesh in the same year and she had risen phoenix-like out of the ashes of the emergency and the 1977 defeat in 1980.

It may sound strange that the intelligentsia, apparently highly critical of her, also shares this faith in her capacity. Their criticism is born out of frustrated expectations. They have convinced themselves that she can set things right only if she wants to and they cannot understand why she does not try. This incidentally might explain that while they criticise her, they are not able to actively support another party or individual. Maneka leaves them cold. And so do Atal Bihari Vajpayee, Charan Singh, Morarji Desai, George Fernandes and Raj Narain.

These expectations are, of course, exaggerated and Mrs. Gandhi cannot fulfil them. But she has to begin somewhere and she should be seen to be earnest if she is to check what looks like a drift into political incoherence and confusion. The challenge to her comes not from a Maneka but from the self-serving and incompetent men who have assembled around her. The people want to continue to believe in her but she has to justify their faith in her.

Maneka is still asking for sympathy on the plea that she is a helpless widow who is being pursued and harassed by those in power. But in announcing her decision to form a political party and to contest for the Lok Sabha from Amethi (first Sanjay's and now Rajiv's constituency), she has openly moved into a new political role in which one does not either ask for or extend sympathy.

From Mrs. Gandhi's point of view, this is a helpful development. Maneka could have been more inconvenient if she had maintained the pretence that she was not interested in politics or power and continued to set up more and more Sanjay Vichar Manch units. It looks as if for the first time since she decided to defy Mrs. Gandhi, Maneka has made a false move.

This is not the first time that the impression has spread that Mrs. Gandhi is beginning to lose control and slide down the hill. She has fought back in the past and she can fight back again. Only this time the enemy is within the gate--the corrupt and the dishonourable within the Congress (I)--and not without--in the opposition. This calls for a different battle plan. It remains to be seen whether the veteran warrior can devise such a plan and implement it.

CSO: 4600/1181

GANDHI ADDRESSES PUBLIC MEETING IN NAGALAND

New Delhi PATRIOT in English 22 Oct 82 p 4

[Text] Dimapur, Nagaland, Oct 21 (UNI)--Prime Minister Indira Gandhi today scoffed at the States following a policy of confrontation with the Centre and termed this tendency as a self-defeating way of political thinking.

Without dwelling on the agitation in Assam or Akali morcha in Punjab, Mrs Gandhi told a public meeting here that when people started "this sort of trouble," the Centre "did not suffer."

Those who suffered most in this "process of bargaining" were the people in general, she said.

The Prime Minister said the past and the modern history of India had negated the notion held by "some people" that confrontation with the Centre would make them stronger or help them serve better.

The Prime Minister said her Government's developmental programmes were designed to ensure a high standard of living for the Nagas and other tribal people for whom "I have a special affection and respect."

The Government endeavoured to broaden the opportunities for the development of their personality and culture, according to their own genius, she said.

Launching the Congress-I campaign for the 10 November elections to the Nagaland Assembly, Mrs Gandhi lauded what she called the courage and dynamism of the Naga people.

She said her Government's efforts were directed towards enabling the Nagas to keep pace with the modern world.

Justifying the larger funds allocation for Nagaland, Mrs Gandhi said it was necessitated by the need to boost the initial development of the backward areas. She asked the Naga people to join the mainstream of national life to enjoy the fruits of development.

Mrs Gandhi said the Centre initiated the 20-point programme aimed at developing the backward tribal areas. It had a special reference to Nagaland, she added.

Earlier, in his welcome address, Nagaland Pradesh Congress-I president S C Jamir said Mrs Gandhi had special affection for the Naga people and therefore she had come to Nagaland on a three-day visit to meet the people, despite her busy schedule both at home and abroad.

Former Chief Minister Hokishe Sema also addressed the meeting.

CSO: 4600/1194

RAJIV SPEAKS AT CEREMONY FOR SOVIET VISITORS

New Delhi PATRIOT in English 22 Oct 82 p 7

[Text] Lok Sabha Member of Parliament Rajiv Gandhi on Thursday said the Soviet Union was the one country that stood by India at its critical hours.

Speaking at a public reception accorded to a visiting Soviet youth delegation, including folk dancers, by the Delhi Pradesh Youth Congress-I in the Capital, he said the two countries' views were identical on many issues.

The Prime Minister's recent visit to the Soviet Union was a significant contribution towards the strengthening of Indo-Soviet friendship, Mr Gandhi said.

He also pointed out that the Soviet Union had rendered great help to India in the setting up of heavy industries and meeting its defence requirements.

In time of adversity and war too, the Soviets had stood solidly behind the Indian people, Mr Gandhi added.

In his reciprocal address, the Soviet youth delegation leader comrade Anatolai said India as the world's largest democracy and the Soviet Union as the biggest socialist country were committed to respecting each others independence and soverelgnty.

The modern temples of India, the youth leader said, included heavy industrial units including those in Bhilai, Ranchi, Hardwar, Durgapur and Bokaro, built up with Soviet assistance.

The Soviet youth leader called for the need to declare the Indian Ocean as a zone of peace, for the safety and welfare of the people of the region.

Peace, he said, was a result of a continuous process, and India and the Soviet Union would work unfailingly to attain it.

The public meeting, attended by a gathering of about 10,000 people according to the police, was followed by a programme of Soviet folk music and dances.

The Soviet Ambassador in India also attended the function.

The visitors were welcomed by Youth Congress-I president Tariq Anwar, Delhi Youth Congress-I president Jagdish Tytler and New Delhi District Youth Congress-I president Rajinder Malik.

CSO: 4600/1194

GANDHI SPEECH AT NATIONAL INTEGRATION MEETING REPORTED

New Delhi PATRIOT in English 17 Oct 82 pp 1, 7

[Text]

JHANSI (UP), Oct 16 (UNI).

Prime Minister Indira Gandhi today warned that a few mischievous elements were trying to create disorder in the country

"I do not know whether they are being instigated from within or outside the country. But if their actions are allowed to continue unchecked, a dangerous situation may be created," she warned.

She was speaking at the concluding function of the Rani Jhansi Samaroh intended to promote national integration near the historic Jhansi Fort here.

Mrs Gandhi pointed out that India was one country in the world which had never committed aggression. Still, it had to be remembered, Mrs Gandhi said, that our main weakness had been mutual quarrels.

The Prime Minister said it was because of mutual bickerings among the then princely rulers that the country had to remain under foreign domination for long.

Mrs Gandhi said there was no problem which could not be solved peacefully.

She said India had been showing light to the world in the past, "But who will listen to us if there was no peace in the country itself".

She said when the dreadful spectre of a Third World War was looming large, people were still engaged in petty squabble.

Urging the people to sink their minor differences and work for building up a strong country, Mrs Gandhi said: "We should take inspiration from trees which derive their strength from the earth and yet rise towards the sky".

Recalling the valour and sacrifices of Rani Lakshmibai of Jhansi, the Prime Minister said if such functions were to have meaning, "we must create an India which the coming generation would be proud of".

Earlier, Mrs Gandhi laid the foundation stone of a Rs 1.38 crore new building of the Government Museum near the Fort. She also garlanded the statue of Rani Lakshmibai in the nearby garden.

Earlier, Chief Minister Sripati Mishra, while welcoming the Prime Minister, urged the people to boycott mischievous persons who tried to create disorder and disturb communal harmony.

CSO: 4600/1182

GANDHI MEETS WITH NEWSMEN IN JHANSI 17 OCT

Bombay THE TIMES OF INDIA in English 18 Oct 82 p 1

[Article by K. Vikram Rao]

[Text] Jhansi, October 17.

The Prime Minister, Mrs. Indira Gandhi, today ruled out the possibility of a mid-term parliamentary election next year and described all speculation in this regard as ridiculous.

Addressing a press conference here, she said there would be early organisational elections in her party. Asked if she would give up the presidentship of the party and appoint some one as her successor, Mrs. Gandhi replied that the Congress (I) president was not nominated but elected. "He will be elected at the time of organisational poll."

Asked if her son, Mr. Rajiv Gandhi, would be given any status in the organisation, she said she did not know.

Mrs. Gandhi, who arrived here yesterday evening to address the concluding function of the 125th anniversary celebrations of Rani Jhansi's martyrdom and her war of liberation against the British, left for New Delhi soon after the press conference.

When newsmen pointed out that Akali agitators were refusing to leave jails even after orders for their release, she said such agitations damaged national unity and led to mass violence.

To a question whether she would start negotiations with Assam agitators just as she had offered to talk to the Akali agitators, Mrs. Gandhi said she never refused to talk to Assam agitators. The doors for talks were always open.

She was of the view that there was no danger accruing from a legal ban on communal organisation. However, she reiterated that strict action would be taken against communal elements.

The Prime Minister repeated her charge against newspapers that they were being unhelpful in the matter of combating the communal virus. She said she knew at least one newspaper which had helped aggravate the communal riots in Meerut.

Mrs. Gandhi appealed to newspapermen to evolve a code of ethics to safeguard against such tendencies, particularly during the communal incidents.

While her government was not going to formulate any particular policy for the press, she wanted responsible journalism to grow.

CSO: 4600/1183

GANDHI ADDRESSES INTERNATIONAL BAR ASSOCIATION

Madras THE HINDU in English 18 Oct 82 p 9

[Text] New Delhi, Oct. 17.

The Prime Minister, Mrs. Indira Gandhi, said today that the international community must generate moral and political strength to deal effectively with erring countries like Israel and South Africa.

Inaugurating the 19th biennial conference of the International Bar Association here the Prime Minister said "we have just seen, on a limited scale, how a nation (Israel) has given in to vindictiveness and blood-thirst by torturing and murdering innocent human beings trapped in wartorn areas under its occupation."

"Is there to be no law which focuses responsibility on a State in an armed conflict or in an occupied territory", the Prime Minister asked.

Mrs. Gandhi said violation of international norms by any State was of grave concern to the entire world community. No State should be allowed to deny equal rights to the majority of its own inhabitants on grounds of race or colour.

"Yet there is a regime (South Africa) which clings to apartheid and seeks to undermine the sovereign and legally constituted government in its neighbourhood."

There were also more positive aspects of promoting cooperation among States in, for instance, the peaceful uses of the sea, and the beneficial uses of outer space. "We sincerely hope that neither of these will be used for confrontation and conflict", she said.

Lawyers and judges of most countries confined their interest to matters within their nations. "In today's world, increasing thought should be given to the environment of relations between and amongst States and to the future of the human race as a whole."

The world community which does not have the same sort of established and respected laws and judicial institutions as were available within States, was facing a crisis.

Mrs. Gandhi said dispensation of justice must be quick and inexpensive even as it was fair.

The legal community must address itself to the "prodigiously diverse problems" of the country.

Not long ago, courts on the civil side dealt mainly with inheritance disputes which were complicated by a baffling plethora of religious injunctions and social customs. With the growth of modern industry and technology the problems of a traditional developing society were joined by those of advanced industrial societies.

More than 1,000 delegates from developed and developing countries are participating in the conference.

Commercialisation: Addressing the gathering, the Chief Justice of India, Mr. Y. V. Chandrachud, said there was growing concern that the legal profession, oblivious of its high and noble traditions of service to society, was evolving yet another commercial enterprise.

"Pre-trial procedure in which lawyers will willingly participate to produce out-of-court solutions, readinesss to promote legal aid schemes by actively assisting the needy and the friendless, standardisation of fees, brevity and precision in the presentation of cases and humanising of the profession is what society expects of the profession," he said.--PTI.

CSO: 4600/1186

CONGRESS-I LEADERSHIP CONCERNED OVER DISSIDENCE

Madras THE HINDU in English 18 Oct 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Oct. 17.

The Centre continues to receive conflicting reports from its own sources about the Congress (I) prospects in Andhra Pradesh and Karnataka in the coming Assembly elections which are at variance with the reassuring assessments of the party leaders in the two States.

The Prime Minister, Mrs. Indira Gandhi, who will be touring the drought-stricken districts in Andhra Pradesh on October 29 and 30, was given today Mr. Rajiv Gandhi's impressions of the political situation in the State.

Though the overall situation in Karnataka is relatively better, the Central leadership is no less concerned about the growing dissidence in the party, despite the assurances of the Chief Minister, Mr. R. Gundu Rao, that he will be able to win the elections with a comfortable margin if he is given the freedom to choose the right candidates.

Formidable Task

But the feeling in Congress (I) circles here is that the party will be faced with a more formidable task of selecting candidates in Andhra Pradesh, since all the groups are bound to stake claims for larger quotas than they will be entitled to in the normal course. The inter-action of caste and regional factors is also much sharper in Andhra Pradesh because of its peculiar composition.

The High Command will also have to face the nagging question of where to draw the dividing line between the old loyalists and the so-called late-comers in allotting party ticket. The Central leadership has not been able so far to evolve a uniform formula, or prescribe a widely acceptable criteria, for giving preference to more deserving aspirants without treating them as two different categories for this purpose.

The Prime Minister wants some guidelines to be laid down in good time to avoid last-minute pressures for waiving the rules in favour of individual applicants for extraneous reasons. The small cell, dealing with party affairs at her residence has been entrusted with this task of regularising procedures for screening the applicants at various levels and through different channels before the final allocation of ticket.

Significant

Apart from Andhra Pradesh and Karnataka, four other States--Assam, Meghalaya, Tripura and Jammu and Kashmir--are due to go to the polls next year. While the political situation in Assam remains uncertain, the outcome of the Assembly elections in Meghalaya, Tripura and Jammu and Kashmir will not have any national significance because of their regional complexion. But the ruling party's performance in the two southern States will have a much wider significance.

The central policy is to give the Chief Ministers of Andhra Pradesh and Karnataka a relatively free hand in organising the campaign, and also accord due weightage to their views in allotting party ticket. But it has to take additional steps to ensure that different groups in the party will extend them active cooperation without adopting a sullen and passive attitude that can be treated as something tantamount to violation of party discipline.

It is for this reason that Mrs. Gandhi is anxious to reassess the political situation in Andhra Pradesh and Karnataka well before the election fever sets in in another two or three months' time. Any setback in these two States could sour the political climate in the country and hamper her manoeuvrability in opting for an early parliamentary poll in early 1984, before the completion of the full five-year term.

She is also watching how the current experiment of letting the present Chief Ministers in Maharashtra, Madhya Pradesh and Rajasthan continue in power with reconstituted Cabinets is going to work, whether the new Ministers who have been inducted will fully cooperate with them. If the experiment fails to provide for greater cohesion, she will be obliged to change some more Chief Ministers before they run into further trouble.

At one stage Mrs. Gandhi was giving serious thought to the suggestion that the electoral cycle which has been disturbed by frequent dissolutions should be restored to ensure that as far as practicable both parliamentary and Assembly elections are held at the same time in most States. It will also be to the advantage of the ruling party if the remaining Congress (I)-ruled States go to the polls along with the next Lok Sabha elections.

After Andhra Pradesh, Karnataka, Assam, Meghalaya, Tripura and Jammu and Kashmir go to the polls in 1983, the Assembly elections will be due in 1984 only in Sikkim. The remaining States of Bihar, Gujarat, Orissa, Madhya Pradesh, Maharashtra, Manipur, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh where elections were held after Mrs. Gandhi's return to power are not obliged to face the electorate until 1985 in the normal course.

After the Andhra Pradesh and Karnataka elections, the Centre might consider the desirability of advancing the Assembly poll in all these States, if it is Mrs. Gandhi's intention to opt for an earlier parliamentary election. The ruling party's strategy will naturally depend on the prevailing political climate next year. And it is in this context that the outcome of the forthcoming elections in the two southern States has come to assume added importance in the Congress (I)'s calculations.

CSO: 4600/1186

ANNUAL REPORT OF RESERVE BANK SUMMARIZED

Bombay THE TIMES OF INDIA in English 14 Oct 82 p 10

[Text] BOMBAY, October 13.

THE overall improvement in the performance of the economy for the second year in succession was evident in the continued growth of national income as well as in the rise of saving and investment ratios during the fiscal year 1981-82, according to the annual report of the Reserve Bank of India for 1981-82, released here today.

The report points out that the net national product (NNP) in real terms is estimated to have grown by a little over 4.5 per cent, on top of a marked rise of 7.7 per cent in 1980-31. Aggregate net domestic saving as a proportion of NNP at current market prices has been tentatively estimated for the year at 18.2 per cent, which represents a small increase of 0.2 percentage point over the previous year.

There was a sizable increase in the inflow of foreign resources, as a proportion of NNP. Such inflow constituted 2.7 per cent during 1981-32 compared with 2.0 per cent in 1980-81 and 0.6 per cent in 1979-80. Consequently, the ratio of net investment to NNP at current market improved to 20.9 per cent from 20 per cent in 1980-81 and 17.4 per cent in 1979-80, the report said.

The country's economy during 1981-82 consolidated the gains achieved in the previous year. There was a further improvement in output, both agricultural and industrial, and gross national product registered a satisfactory rise on top of the more substantial growth achieved in the previous year. The RBI pointed out that the severe strains imposed on balance of payments by the rise in oil prices and the continuing deterioration in terms of trade was sought to be alleviated and the adjustment process expedited through a line of credit with the IMF under its extended fund facility. There was a sizable reduction in liquidity in the system, following a sharp decline in the pace of growth in reserve money as well as money supply. This factor coupled with the improved availability of goods, led to a distinct abatement in the pace of price increase.

PROSPECTS

The prospects in the current year, according to RBI, appear reasonable. A growth rate of 4.5 per cent in GNP is possible unless weather conditions turn really adverse. The industrial production may grow by 6 to 7 per cent, even though some segments of industry are complaining of slackness in demand. With two successive years of satisfactory income growth, the preconditions normally associated with a generalised demand recession do not exist. With the sharp rise in public sector outlay envisaged in the annual plan for 1982-83, the aggregate demand should be capable of being maintained at a high level. The improvement in agriculture and industrial output and reduction in the pace of price rise were the developments which undoubtedly contributed to the strength of the economy during 1981-82.

Inspite of a satisfactory performance in the past year, the price situation will demand continued vigilance. Notwithstanding the increased offtake from the public distribution system, the larger procurement of foodgrains has resulted in the level of foodstocks as at the end of June, 1982, being higher than in the previous year. However, this level of stocks is marginally short of the level of the year before.

PRICE INDEX

The RBI has observed that the demands on the public distribution system is likely to remain high during 1982-83. However, given the present trends in production and money supply, it should not be difficult to contain the increase in the wholesale price index to a single digit threshold on point-to-point basis. This will mean a somewhat lower rise in the price level on a monthly average basis.

The report points out that the GNT growth rates recorded over the past two years — 7.5 per cent in 1980-81 and 4.5 per cent in 1981-82—were brought about mainly by the sustained increase in the agricultural output. These increases have, however come on top of the decline in output in 1979-80. The agricultural situation gives some room for concern, as the rise in foodgrains output seems to be levelling off. The output of foodgrains increase from 121 million tonnes in 1975-75 to a peak of 132 million tonnes in 1978-79, which has not been exceeded in subsequent years. While undoubtedly the potential for growth exists, further increases would require a greater effort and fresh investment in new regions, the report adds.

The direct mobilisation of funds by the private corporate sector registered a phenomenal increase during the year 1981-82, according to the Reserve Bank's annual report.

Capital raised through equity and preference shares and debentures in the financial year 1981-82 totalled Rs. 287.53 crores which is nearly four times the amount raised in the previous year.

A significant feature is the prominence of debentures, which accounted for 57 per cent of the total capital raised during the year as against 31 per cent in 1980-81. Of the total debenture issues during the financial year, convertible debentures formed about 74.5 per cent.

CREDIT POLICY

The report observes that inspite of the improved performance of the economy in the agricultural and industrial sectors, the situation as at the beginning of the year provided little scope for deviation from the objective of credit policy consistently pursued over the past few years, of restricting the growth of overall liquidity and containing monetary expansion.

The movements in credit in the financial year 1981-82 were marked by a disproportionately large credit expansion in the first part of the year, fed by a higher pace of deposit growth followed by a marked slow down in the latter half.

In effect, in the first half of the year, borrowers from the system had

relatively liberal access to funds while those with requirements in the latter part of the year, who had not made anticipatory drawing on their available cash credit limits, had to face difficulties inevitable to the process of correction.

Taking the financial year as a whole, the total non-food credit expansion at Rs. 3,903 crores was marginally lower than the increase of Rs. 4,175 crores in 1980-81, initially stipulated as a desirable level.

Nevertheless, within the available scope for manoeuvrability, policy changes were effected to ease the situation.

The report says that an aspect of banking development during 1981-82, which was a cause for some concern, was the pronounced deceleration in the pace of deposit growth in the latter part of the year.

DEPOSIT GROWTH

The report notes that there had been some evidence of an improvement in deposit growth in recent weeks. However, a decline in the rate of growth in deposits would reduce the ability of the banking system to service the commercial sector and more so the government sector.

The proportion of Central government's outstanding securities held by commercial banks had increased from 33 per cent in March 1979 to 45 per cent in March, 1980, while the share in state government securities had continued at around 54 per cent of the total. The task of maintaining the tempo of deposit growth needed examination and study, the report says.

The RBI points out that there was considerable abatement in the rate of growth of money supply during the financial year 1981-82, M-1 (currency, coins and demand deposits with commercial banks and RBI) rising by 7.3 per cent as against 16.4 per cent in 1980-81.

BANK CREDIT

Net bank credit to government showed a much smaller increase of Rs. 4.957 crores as against Rs. 6,845 crores in the previous year. The increase in bank credit to the commercial sector, though higher in absolute amount, was about the same as in the previous year in percentage terms, the report says.

The foreign currency assets of the RBI dropped by Rs, 1,053 crores to Rs. 3,274 crores during the year (July 1981-June 1982). If the receipts of Rs. 948 crores from the IMF are excluded, the fall in foreign currency assets would be Rs. 2,001 crores against Rs. 1,267 crores in 1980-81, excluding drawals of Rs. 545 crores under the IMF trust fund loan and Rs. 274 crores under the compensatory financing facility in that year. The SDR holdings declined by SDR 82 million to SDR 399 million, as compared with a drawndown of SDR 42 million last year.

A disquieting development in the fiscal field has been the persistent and widespread resort to overdrafts by state governments. As at the close of March, 1982, 16 state governments had overdrafts totalling Rs. 1,493 crores. The position has deteriorated in the first quarter of 1982-83.

The RBI's income amounted to Rs. 956.76 crores during the year ended June, 1982, compared with last year's income of Rs. 823.96 crores. The rise in profit is attributed to higher discount earned on rupee treasury bills, higher interest earned on rupee securities and ways and means advances to state governments partly offset by a decrease in the foreign income on account of a lower level of foreign exchange reserves coupled with lower rate of interest prevailing abroad.

CSO: 4600/1170

SPRING QUARTER SEES INCREASE IN INDUSTRIAL OUTPUT

Calcutta THE STATESMAN in English 13 Oct 82 p 9

[Text] New Delhi, Oct. 12.--Industry's fear that there is a general recession in the country is belied by a 6.1% growth in industrial production in the quarter April-June, 1982, and there are indications that the rate has been maintained in the months that followed.

All the major sectors have shown higher production with the exceptions of steel and textiles. The steel plants are not functioning well for a number of reasons, notably the shortage of power and faulty maintenance. The fall in textile production is obviously due to the nine-month-old strike in Bombay mills.

Steel production fell by 4.2% in the first four months of 1982-83, compared to the corresponding period of the previous year and the trend does not appear to have been reversed. Textile production fell 28.4% and this is important as the textile industry has the highest weightage in the industrial production index.

Despite this, however, the overall growth rate of production has increased fairly and is particularly impressive because it follows a similar growth in the previous year. It would have been substantially higher had the Bombay textile strike not taken place.

Many industrialists have complained that the Indian industry is now in a recession and have blamed the credit squeeze and other official policies for this. The Government maintains that there is no general recession although it concedes that some sectors like tractors and commercial vehicles face slack demand.

The highest growth rate on the first four months of the financial year has been shown by the sugar industry where production has increased by 63.6% and caused a glut that has enabled the country to resume exports and think in terms of buffer stock.

Crude oil production has increased by 29.3%, mainly because of the higher output from offshore fields like Bombay High. Nitrogenous fertilizer, production increased by 8.1% and phosphatic fertilizers by 15.7%. Other major sectors where significant increases in production have taken place include cement (15.5%) and vanaspati (12.6%).

CSO: 4600/1168

OIL PRODUCTION REPORTED IN INCREASE BY 41 PERCENT

New Delhi PATRIOT in English 15 Oct 82 p 7

[Text] The Oil and Natural Gas Commission (ONGC) has made an impressive performance in the first six months of the current financial year registering a 41 per cent increase in oil production reports UNI.

Production from April to September was 8.41 million tonnes against 5.98 million tonnes in the corresponding period last year.

This is revealed in the mid-term review made by Energy Minister P Shiv Shanker, who has expressed satisfaction over the commission's performance.

The total oil production from Bombay High is expected to be more than the Plan target of 12.11 million tonnes, the review shows.

In the supply of gas the ONGC reached a figure of 783.2 million cubic metres as against only 542.1 million cubic metres during the corresponding period of six months of last year showing a 44 per cent increase in the production.

The number of wells drilled by ONGC also went up from 72 to 82 and the meterage drilled from 142.1 metres to 186.6 metres.

The LPG production has registered a three-fold increase during the period from 23.9 million cubic tonnes to 64.5 million cubic tonnes.

ONGC sources said that a task force has been constituted to prepare a 20-year Plan for achieving a target of 100 million tonnes per annum by 2004 AD. To achieve the long-term objectives, the ONGC had already launched a production drive.

The ONGC has also submitted a 10-year operational plan to the Government for increasing the production. This includes welfare programmes for its employees.

The revenue of ONGC is likely to reach Rs 1181 crores during the first six months of 1981-82 as against Rs 527 crores in the corresponding period last year.

CSO: 4600/1178

ARRANGEMENTS FOR ANTARCTIC EXPEDITION COMPLETED

Madras THE HINDU in English 14 Oct 82 p 6

[Text] New Delhi, Oct. 13.

Preparations have been completed for the second Indian expedition to the frozen continent of Antarctica in November, the Minister of State for Science and Technology, Mr. C. P. N. Singh told the Lok Sabha today.

He said the 26-member expedition would include scientists, technicians, pilots, doctors and a photographer.

Besides conducting scientific investigations, the expedition would carry out surveys for identifying a suitable site for setting up a permanent research station on Antarctica. India was hopeful of having a permanent manned station there in 1984-85.

Replying to questions by Mr. B. V. Patil, Mr. Singh said acquiring a site for a permanent manned station would depend on India signing a treaty in this regard. Eleven nations were signatories to the treaty. "This aspect will be looked into".

Mr. Singh said India was again chartering a vessel for the expedition as "we do not have a research vessel capable of navigation in Polar conditions". The possibility of manufacturing such ships was being explored. However, most of the communication and navigation equipment aboard the chartered vessel would be Indian.

TV relay unit: The television relay centre at Kodaikanal, approved in May 1980, is expected to be commissioned during 1983-84. The site, measuring 2.03 acres (0.81 hectares) for the relay centre was handed over by the State Government to the Centre in April 1981 and the remaining portion of the requirement is yet to be acquired.

Task force: It has been decided to create an ecological task force of ex-servicemen in U.P. To start with afforestation work will be taken up in Dehra Dun and Mussoorie districts. A similar project in Himachal Pradesh is under consideration.

Pending Kerala Bills: Four Bills passed by the Kerala Assembly are awaiting the President's assent. The State Government's comments have been awaited in respect of three of them. The Bills are: Kerala Casual, Temporary and Badli Workers (Wages) Bill, 1977; Public Property (Prevention of Destruction and Loss) Bill, 1978; Kerala Cashew Workers Relief and Welfare Fund Bill, 1979; and Kerala Land Reforms (Amendment) Bill, 1980.

HMT watch prices: HMT has taken up the manipulation of prices of its watches by certain dealers with the State authorities concerned. In some States the sales tax is collected at the first point of sale, while in others, it is levied at the last point of sale. This may enable certain dealers to manipulate the prices of watches.

New FP device: A quick swelling cervical dilator has been invented by the Central Drug Research Institute, Lucknow, for termination of pregnancy. Clinical trials of the new device have been carried out at eight centres in the country, and in about 90 per cent of nearly 680 cases studied, the device produced satisfactory cervical dilation within four to six hours. No side effects have been reported.--UNI & PTI.

CSO: 4600/1172

REPORTAGE OF SWEARING IN OF NEW MAHARASHTRA CABINET

Ceremony on 12 Oct

Bombay THE TIMES OF INDIA in English 13 Oct 82 p 1

[Text] BOMBAY, October 12: Mr. Gulabrao Patil, MPCC (I) president, has rejected the offer of joining the Maharashtra ministry. He was conspicuous by his absence at the swearing-in ceremony at Raj Bhavan today and so was Mr. Ramrao Adik. However, Mr. Adik will be sworn in at 10 a.m. tomorrow. He arrived tonight from New Delhi.

Mr. Patil was reported to be in Sangli tday. He has conveyed his decision t Mr. Babasaheob Bhsale, according to sources close to the chief minister.

In the expansion announced by Mr. Bhosale yesterday, Mr. Gulabrao Patil's name figured only as a minister of state. The tradition has been to induct an MPCC (I) chief as a cabinet-rank minister. Among the former state Congress presidents in the category are: Mr. Vasantrao Patil and Mr. P. K. Sawant.

The absence of Mr. Ramrao Adik at the swearing-in ceremony led to a lot of speculation. However, it was soon known that he was held up in Delhi and would be sworn in later in the night at 9 soon after his arrival. However, it was later decided to postpone the swearing-in t tomorrow morning.

Mr. Adik was considered a prominent dissident and aspirant to the post of the chief minister. He was the finance minister when Mr. Bhosale was the law minister in Mr. also a former MPCC (I) president.

At the 40-minute swearing-in ceremony, all the ministers took the oath in Marathi administered by the governor, Mr. I. H. Latif. A large and distinguished gathering attended the ceremony held in a specially-erected pandal.

The oaths were administered in the Marathi alphabetical order. The first to be sworn in was Mr. Babu-rao Kale and the last was the deputy minister, Mr. Vijaysing Mohite-Patil.

The announcement regarding the ceremony was made by the chief secretary, Mr. R. D. Pradhan. Those present included political leaders, judges and other dignitaries.

The cabinet ministers in their order of swearing in were: Mr. Kale, Mr. N. M. Kamble, Mr. Shantaram Gholap, Mr. N. M. Tidke, Mrs. Pratibha Patil and Mrs. Shalinitai Patil.

Ministers of state: Mrs. Kamala Ajmera, Mr. Madhukar Kimatkar, Mr. Mohamad Azhar Husain, Mr. Kewalchand Jain, Mr. A. N. Thopte, Mr. T. G. Deshmukh and Mr. Banwarilal Purohit.

Finance Minister Sworn In

Bombay THE TIMES OF INDIA in English 14 Oct 82 p 1

[Text] BOMBAY, October 13: Mr. Ramrao Adik, who was sworn in this morning, has been allotted the portfolio of finance, it was officially announced today.

Mr. Adik held the finance as well as the urban development portfolios in Mr. A. R. Antulay's ministry. In the expanded Bhosale ministry, urban development has been allotted to Mrs. Pratibha Patil.

The MPCC (I) president, Mr. Gulabrao Patil, continues to be adament about being allotted cabinet rank. He was offered the minister of state rank to h. he feels, does not measure up status as the chief of the state unit of the party.

Other Appointments Announced

Bombay THE TIMES OF INDIA in English 14 Oct 82 p 1

[Text] BOMBAY, October 13.

MR. Banwarilal Purohit has been allotted urban development and housing, Mr. T. G. Deshmukh, food and PWD, and Mr. Madhukar Kimmatkar, labour and finance, in the allocation of portfolios for ministers of state announced today.

The three Vidarbha ministers are among the 17 new faces in Mr. B. A. Bhosale's team. The portfolios of the cabinet ministers were announced last night.

Mr. T. G. Deshmukh, a former journalist, has also been allotted the information and public relations portfolio held earlier by Dr. Shrikant Jichkar, also from Vidarbha.

Dr. Jichkar, who is considered very close to the chief minister, however, retains the important portfolios of home and revenue and Mr. Manikrao Kamble is allotted irrigation, forestry and cultural affairs.

Mr. Ravindra Rawoot, known to be a supporter of Mr. A. R. Antulay, has been deprived of the important portfolios of energy, finance and PWD. He has been allotted the relatively unimportant fisheries, horticulture, khar lands and ports.

Mr. Azhar Hussain, minister of state for revenue in Mr. Antulay's team, too has been given the less important departments of legislative affairs (assembly), protocol, sports and aukaf.

Mr. S. N. Desai retains co-operation and industries.

Mrs. Kamalabai Ajmera gets public health, family welfare and social welfare, while Mr. A. N. Thopte is given rural development, animal husbandry and rehabilitation.

Mr. Vilas Deshmukh too retains education and agriculture.

After quite a few years, the portfolio of prohibition and excise has been specifically allotted. The departments have been mentioned among those held by Mr. B. A. Bhosale. The minister of state for these departments is Mr. Kewalchand Jain, a new entrant. He will also be in charge of planning and energy.

Among the deputy ministers, Mr. Liladhar Vyas of Bombay, has got labour and housing besides urban development and slum improvement he held so far.

Mr. Yeshwant Sherekar has lost the portfolio of industries to Mr. Arvind Kamble and labour to Mr. Vyas. Mr. Sherekar now is in charge of co-operation, protocol and dairy development. Mr. Shivajirao Moghe gets PWD, tribal welfare and Mr. Vijaysingh Mohite-Patil is given tourism and youth affairs.

The portfolios of ministers of state and deputy ministers were announced by a government spokesman today.

CSO: 4600/1167

INDIA'S DEFENSE PREPAREDNESS EXAMINED IN DETAIL

Kuala Lumpur ASIAN DEFENCE JOURNAL in English Sep 82 pp 11-30

[Article by Pushpindar Singh]

[Text] The start of the eighties witnesses the Indian Government engaged in a pragmatic appraisal of several national and international variables that dictate the country's defence planning and preparedness. It is taking an integrated view of the threat perceived and is planning for the optimum response, both diplomatic and military, to meet it. The Defence Ministry's Annual Report for 1981-82 reviews the national security environment. Although the endeavour for normalisation of relationships with nations in the region is paramount, India's security doctrine has to be patterned on the existing situation with China, Pakistan and the littoral countries in the Region as well as the superpowers — the United States and the Soviet Union—and, importantly, the developments in the Indian Ocean.

New Delhi's security perspectives are directly affected by the global rivalry between Washington and Moscow since the process of global militarisation determines the abilities and attitudes of China and Pakistan. Four manifestations are of particular concern to India, the most directly important being the transfer of sophisticated armament to Pakistan from the United States, "far beyond legitimate defence needs". The next is the gathering tensions and conflicts generated by super power rivalry in the Indian Ocean which have brought nuclear weapons into the seas around the Indian sub-continent and establishment of a 'Rapid Deployment Force' from the 'Intervention' base in the island of Diego Garcia. The third is the Soviet military presence in Afghanistan, a matter of great import to all countries of Southern Asia. Finally, the crises in Western Asia and the Persian Gulf where India has major political and economic stakes.

Significantly, and for the first time since the sixties, China has not been referred to in the Defence Ministry's Report, reflecting the hope that after two decades of mistrust and tension, the process of improvement in relations with China will continue. China analysts in New Delhi have followed the evolving events in Beijing very carefully as the struggles there involving political doctrine and personalities must bring about big changes. High-level political exchanges between the world's two most populous nations have fanned the hopes that the thaw will be long lasting and have a direct impact, particularly a qualitative effect in South-East Asia. Here, India has very

important historical and geographical ties and its economic links with the ASEAN nations are growing steadily. India will be more comfortable with a China that is neither an enemy of the USSR nor an ally of the USA and consequently less prone to interfere in matters of South Asian interest. The Sub-Continent must be left alone to work out its compromises and build up trust. The conclusion of a no-war pact and friendship treaty between India and Pakistan could dramatically alter the strategic scenario in the entire region, bridging the strategic divide which has in the past three decades fostered interference in the Region's affairs.

Meanwhile, India's defence preparedness must remain in "excellent state and fully honed to face any threat and task the country may have to face". The Defence Budget for 1982-83 at Rs. 5100 Crore (U.S.$4.5 billion) represents an increase of 21.4 per cent over the previous year and reflects "the changes that have occurred in the security environment in the Region". Commensurately, the five-year Defence Plan has been re-appraised for 1980-85 to make it Co-terminous with the Country's sixth 5-year plan, and it is assessed that the Government will apportion some Rs. 30,000 Crore (U.S.$27 billion) on this Plan to maintain and modernise the world's third largest Army, fourth largest Air Force and sixth largest Navy. A large proportion of the equipment will come from the indigenous production base, a matter of considerable significance, demonstrating the expanding industrial and scientific infrastructure as well as the determination to achieve self-reliance and strengthen non-alignment. India's military potential must be increasingly obvious in any calculations made of the relative power of the two blocs in this area of the globe.

The Ministry of Defence

The Ministry of Defence (M.O.D) was headed personally by the Prime Minister, Mrs. Indira Gandhi till she handed it over to the present incumbent, Mr. R. Venkataraman. Mrs. Gandhi has said that whilst India had been trying to re-equip its defence forces to bring them up to requirement, the task had been difficult as the country had to balance her resources between defence and development. However, she placed "more faith in the fighting calibre and patriotism of India's armed forces than in any particular equipment".

Assisted by Mr. K.P. Singh Deo, the Deputy Minister for Defence, the Defence Minister is responsible to the Cabinet for all matters relating to the Armed Forces, Defence Production, Supplies and Research and Development. The Department of Defence. headed by Mr. P.K. Kaul as Secretary, deals with the Army, Navy and Air Force the reserves of these Services, the Coast Guard and various Inter-service organisations. The Department of Defence Production, with Mr. M.C. Sarin as Secretary, deals with matters relating to defence production, planning and control over the various production units as well as defence public sector undertakings. Mr. Sarin is also in-charge of the Department of Defence Supplies which deals with the indigenisation of imported equipment and spares. Mr. V.S. Arunachalam is Scientific Adviser to the Defence Minister and Secretary Defence Research & Development Organisation, rendering advice on specific aspects of military operations, equipment and logistics. The DRDO formulates research, design and development plans with regard to the need of all Services and provides them scientific support. The Defence Ministry is advised by the Financial Adviser (Defence Services),

presently Mr. V.S. Bhir, who interfaces continously with the Ministry and Service Headquarters.

The Army, the Navy and the Air Force function under their respective Chiefs of Staff, who are assisted by their Principal Staff Officers. The Chiefs' of Staff Committee, and sub-committees dealing with specific areas such as planning, training and re-equipment, assist the Defence Minister who is in turn advised by the Cabinet Committee on Political Affairs on the security environment and recommends decisions, balancing the requirements of security with those of economic development.

The Indian Army

Its evolution going back to the 18th Century, the modern Indian Army is a synthesis of professional competence and traditional values, which have been largely responsible for its continuing efficiency and integrity. With some one million men under arms, the Indian Army is the largest volunteer and third-largest standing armed force in the world, maintaining a high state of readiness, trained and equipped to operate in a vast spectrum of geographical and climatic conditions. There are troops manning picquets in the mountainous heights of the Himalaya and Karakorams, some as high as 20,000 feet. Southwards, through the foothills and flat plains to the Great Indian desert of the Thar which sees camel patrols complementing tracked fighting vehicles. Towards the North-East, the Indian Army is honed to operate in tropical jungle conditions, carrying out counter-insurgency operations since the fifties. In defence of the island territories, troops train in combined amphibious operations with the Navy and para-commandos train for airborne assaults with the Air Force.

The British-Indian Army (so referred as to distinguish the pre-Independence Force) was partitioned along with the country in August, 1947 but the Indian Army of today has retained the basic structure and Regimental traditions built up during the centuries and tempered in the two World Wars and a host of less-known operations from Palestine to China.

Headed by General K.V. Krishna Rao, Chief of the Army Staff, the Indian Army is organised into Commands with constituent Areas and tactical fighting formations. Northern Command, Headquartered at Udhampur, is responsible for Jammu and Kashmir, whilst Western Command, at Simla, looks after the important Punjab, Himachal Pradesh and northern Rajasthan areas. From Poona, Southern Command has the southern Rajasthan, Gujarat and Kutch areas plus the entire southern peninsula, housing most of the training establishments. Central Command, Headquarters at Lucknow, looks after the Central Provinces and the central Himalayan frontiers. Eastern Command, at Calcutta, is responsible for the Bengal, strategic Dooars, Sikkim, Assam and North-Eastern States. Each Command has a number of static Areas and sub-Areas for administrative support and a variable number of troops, their composition and reserves depending on the tactical situation.

The backbone of the Force is always the Infantry and the Indian Army has some of the world's best known Regiments of the line. Whilst most of the older names have continued their class composition, such as the Punjab, Rajput, Sikh, Jat, Dogra Regiments, Mahratta Light Infantry, Kumaon, Rajputana and Garhwal Rifles, the newer Regiments have mixed-composition forces and these include the Guards, Mechanised Infantry, Mahar and Parachute Regiments. Each Regiment has its Centre which is its base and recruiting and Training Centre, spawning the number of battalions that carry the Regiment's banner. Some Regiments may have nearly twenty battalions whilst others have half a dozen. There are also seven Gorkha Rifle Regiments, their Centres all located in hill stations in Northern and Eastern India. Infantry battalions are chosen from various Regiments to make up Infantry Brigades, and in turn Infantry or Mountain Divisions, which could be independently assigned or grouped into Corps.

According to published statistics, the Indian Army's strength comprises 18 Infantry Divisions, 10 Mountain Divisions 2 Armoured Divisions, plus 5 independent armoured Brigades, Artillery Brigades, and a Parachute Brigade. There are eight Corps and a number of independent field formations.

The Infantry is well-equipped and its mobility and fire-power are continuously

being improved. Manpower ceiling was increased after the frontier war with China in 1962 and ten new Mountain Divisions raised, especially trained and equipped for high-altitude warfare. To contend with the contingency of fighting on two fronts simultaneously, more Infantry Divisions were also raised in the sixties and seventies and the teeth-to-tail ratio strenuously improved so that there was more punch within the total manpower sanctioned. All standard Infantry weapons are manufactured by Indian Ordnance Factories, along with their ammunition, and consist of the 7.62 mm SLR, LMG, 9 mm Sterling SMG, 0.50 calibre MMG, 81 mm and 120 mm mortars, 106 mm RR anti-tank guns, Carl-Gustav anti-tank rockets. Selected Units have the SS-11-B1 or Entac anti-tank wire-guided missiles. The 'mechanisation' of Indian Infantry began in the late sixties and is now manifest in the form of the newly raised Mechanised Infantry Regiment, which is incorporating an increasing number of battalions from the traditional Regiments. Mechanised troops are mounted on Topaz, Skot and BTR-60PB armoured personnel carriers (APCs) and the very efficient BMP-1 Infantry Fighting Vehicle (IFV) which is reportedly being introduced in significant numbers.

The Armoured Corps have also been expanded and modernised over the past two decades and now include over 2000 medium battle tanks plus light AFVs. To the famous Regiments, like the Skinners, Hodsons, Deccan, Scinde, Poona, Central India Horse, the 7th, 8th, 16th Light Cavalry Regiments, 2nd and 20th Lancers have been added a large number of new raisings. The armoured formations are equipped with the Indian-built Vijayanta and imported T-54, T-55 and T-72 battle tanks, some of these having been "up-gunned" with Indian 105 mm guns. There are also a number of PT-76 amphibious light tanks in the inventory and the Army is reportedly evaluating some new light tanks. The present medium tanks will be supplanted by the new Indian MBT from the late eighties, a 50-ton tank with revolutionary highly-resistant armour, and a 1500 HP diesel engine with turbocharger. The 120 mm gun will fire a variety of rounds including FSAPDS, with tungsten carbide penetrators.

The Regiment of Artillery has been considerably expanded and is now the second largest fighting arm. Considerable modernisation has taken place and current studies are aimed to establish long-term requirements till the year 2015. The Soviet-supplied M-46 130mm long-range field gun has proven in combat to be very effective and a number have been mounted on the Vijayanta chassis as self-propelled artillery. An evaluation of various 155 mm heavy guns is being carried out whilst a new design Indian medium gun will replace the elderly 5.5 in. gun. Field Regiments are being re-equipped with the 105 mm IFG (Indian Field Gun) and the 25-pounders are being gradually phased out. There are a number of rocket regiments with the BM-21 multiple-rocket launcher. Air Defence Regiments have standardised on the Bofors L-60 and L-70 40 mm gun but a number of contemporary aids are under evaluation including the Skyguard and Flycatcher weapon control systems. A small number of Tigercat anti-aircraft missiles were obtained in 1972 but have limited potential, and since the late 1970s, the defence against low-level attackers is met by ZSU-23-4 Shilka radar-controlled self-propelled guns and SA-6 surface-to-air missiles on tracked-chassis. SP Field Regiments, forming part of Armoured Brigades and Divisions, are equipped with the Abbot 105mm gun.

A.O.P. Flights, equipped with Chetak and Cheetah helicopters, are flown by Artillery officers, but maintained by the Air Force.

The Corps of Engineers are the versatile adjunct of the fighting arm, trained as specialists but fighting as infantry in the front lines as and when required. Sappers proved this in the wars of post-Independence, and in the Indian Army, the role of the Engineers has been very varied and significant. Apart from support of the field forces, the Engineers have played a major part in the role of nation-building: construction of an extensive and intricate network of strategic roads to open up lines of communication in the mountainous jungle terrain of the North and North-East; construction of air fields and helipads in the forbidding heights, survey work, development of specialist equipment and aid to the civil authority in times of national calamity.

The combat units are composed of Engineer Regiments, specialist units and Engineer Brigades. The Corps recruits from all over India and trains them at

Bangalore (Madras Engineer Group), Roorkee (Bengal Engineer Group) and Poona (Bombay Engineer Group). Achievements in the sphere of Military works are obvious in the large number of massive cantonments and establishments built throughout the country by the M.E.S., as also Naval and Air Stations.

After 1962, a General Reserve Engineer Force (G.R.E.F.) was constituted and the Border Roads Task Force (B.R.T.F.) evolved with the objective of building thousands of kilometres of roads in the mountains and junglehills of the northern frontiers, and the Andaman and Nicobar Islands. The B.R.T.F. can be said to have linked "Ladakh with Kashmir, Kashmir with India, India with Nepal, Gangtok with North Sikkim, and opened up the N.E.F.A. and Nagaland".

The Corps of Signals has vastly improved the communications network in the forward areas whilst future needs of the Army are also being implemented, with various electronic equipment under trial and evaluation. Schemes for modernisation of the Army's communication and computerisation of the field network are constantly under review.

The EME organisation is an elaborate one and highly competent in maintaining, overhauling and updating the Army's vehicles and hardware. The Army Base Workshops have manufactured a large number of items under an indigenous production scheme, thus saving valuable foreign exchange.

The Ordnance Corps, Army Service Corps., Medical Corps, Remount and Veterinary Corps, all play their vital role in sustaining the Army and enabling it to meet the vital commitments to the Nation.

The Indian Military Academy (IMA) at Dehra Dun, is the Sandhurst or West Point of the Indian Army and two courses of gentleman cadets are commissioned as officers each year. To meet the increased requirements in the sixties, the Officers Training School (OTS) was set up at St. Thomas Mount, Madras 15 additional training centres established for Other Ranks (ORs) and the College of Military Engineering (CME) expanded at Kirkee. Training was re-oriented towards mountain and jungle warfare resulting in establishment of the High Altitude Warfare, Commando and Counter-Insurgency Schools. At Army Headquarters, the Directorate of Combat Development was set up and much valuable lessons have been imbibed from the four major wars that the Indian Army has faced since Independence.

Indian Air Force

1982 marks the Golden Jubilee of the IAF's existence, the Service having been raised to complement the RAF's commitment on the North-West Frontiers of undivided India and maturing in action during the Second World War. In 1947, the then Royal Indian Air Force was partitioned but remained a potent force as exemplified by the performance of its few fighter-bomber units and sole transport squadron during the Kashmir operations. Expanded, modernised and consolidated in training and maintenance infrastructure since then, the IAF became the first Asian air arm to induct jet fighters (in 1948) and to receive locally-manufactured fighters, trainers and logistic support aircraft from the mid-fifties. By the late fifties, the IAF had been expanded to 25 squadrons, equipped with Hunter F.56, Mystere IVA and Gnat fighters, Canberra jet bombers, Ouragan and Vampire fighter-bombers, plus Packet, Dakota and Otter transport aircraft. The Chinese frontier war of 1962 resulted in major expansion of the IAF to 45 squadrons and re-equipment with modern supersonic fighters, strategic transports, and medium helicopters and air-defence missiles. The indigenous aircraft industry played a crucial role in providing the bulk of the aircraft and sustaining these and the greatly expanded IAF sharpened its abilities during the sub-continental conflicts of 1965 and 1971.

By the early seventies, the IAF had been transformed into one of the world's largest and most highly-trained air arms, possessing highly efficient supersonic fighters, ground attack, bomber-interdictors and logistic support units. A significant aspect of this achievement has been that India, unlike some other fledgling military powers, had built up her armed forces without compromising the freedom of her citizens or the principles of democracy.

During this period too, the IAF organisation underwent a process of rationalisation to strengthen the management structure which brought it into line with contemporary systems of approach and planning.

The IAF today not only operates some of the world's most advanced aircraft and complex weapon systems, but is rather well qualified and competent to exploit them. Reliance on a judicious mix of equipment from the multiplicity of sources has permitted the IAF to maintain the relatively high qualitative and quantitative force levels which are viewed periodically in keeping with the threat scenario.

Air Chief Marshal Dilbagh Singh, the present Chief of the Air Staff and a distinguished fighter pilot has directed in his recent order-of-the-day: "Our first priority is operational preparedness . . . in this respect, air defence plays the most important part since it has to be geared to stand by at all times, even in peace. The most important advantage of the Air Force is its ability to respond rapidly in time and space, the speed with which it can switch forces. This can only be achieved by an efficient training programme and continuous alert. The training aspect, therefore, is extremely important . . . . Then must come the need for modernisation which has to be a continuous and an ongoing process if we are not to be caught flat-footed in times of need. And lastly, but not in the least it is the man behind the machine; he has to be trained, maintained and cared for".

The Indian Air Force is charged with the responsibility of ensuring the inviolability of Indian airspace, supporting the Army on the far flung land frontiers of the Sub-continent and dedicated to providing tactical air support to the Army and Navy, besides giving aid to civil administration in peace. The formal roles of the IAF are:

1) Air defence; to defend the country against air attack and to secure its skies against violation.
2) To maintain a deep penetration strike and interdiction capability against enemy forces and installations.
3) To provide close air support for the Army and shore-based tactical air support for the Navy.
4) To provide tactical and strategic transport support for the Army.
5) To carry out strategic and tactical reconnaissance.

COMMAND STRUCTURE

In 1980 an important command change resulted in the establishment of South-Western Air Command with headquarters at Jodhpur, responsible for air operations in most of Rajasthan and Gujarat, an area carved out of Western Air Command. The latter with headquarters in New Delhi, now controls air operations north of Jaipur and including the capital, Punjab and Kashmir (with an operations group now formed at Udhampur for Jammu and Kashmir operations) while Central Air Command, based at Allahabad, encompasses the biggest geographical area, extending east of Delhi as far as Bengal and the entire central and southern India. CAC also controls all bomber, transport and maritime functions. Eastern Air Command, with HQ at Shillong, is responsible for the air defence of Calcutta and operations in North Bengal and the eastern states of Assam, Meghalaya, Arunachal Pradesh (bordering Tibet), Nagaland, and nearby areas. Training Command has its headquarters in Bangalore - with the majority of flying and ground training establishments located in Southern India - and Maintenance Command operates out of Nagpur in Central India.

The four operational commands, through Administrative Wings, control some 45 fixed-wing squadrons, 14 helicopter units and 30-odd surface-to-air missiles squadrons, with unit establishments varying from 12 to 18 aircraft. This represents a total aircraft strength of nearly 1,400 including training and support types, manned by over 100,000 personnel. As a result of intensive reorganisation and a process of rationalisation in structure, administrative support to the fighting wing has been reduced, following intensified training of selected personnel and more cost-effective utilisation of existing manpower and re-orientation of training methods. The ratio of staff has been redefined in the new context by limiting the strength of the support services required for each squadron of the fighting force.

Air defence squadrons constitute a high proportion of the combat aircraft inventory and here the MiG-21 variants account for the bulk of the force. Since the mid-sixties, the MiG-21 has been received in quantity, both in flyaway condition and manufactured by HAL in India, the initial version (MiG-21FL) being followed by the more powerful MiG-21M and currently by the definitive MiG-21bis. On the eighteen-odd squadrons of MiG-21FLs, MiG-21MF/Ms and MiG-21bis

rests the mantle of all-weather air defence of the country.

The MiG-21 has been "Indianised" and refined to suit the IAF's requirement and a major enhancement of capability is the result of integrating the R-550 Magic AAM with the type.

The MiG-21 force will reportedly be complemented by the MiG-23MF air-superiority variant of this swing-wing fighter from late 1982, and the IAF has also evaluated the Mirage 2000, and an agreement for the initial procurement of these advanced air superiority fighters was signed with France in March 1982.

Integrated with the manned interceptor force are surface-to-air missiles, and the IAF has both the Divina (SA-2) and Pechora (SA-3) systems, deployed to protect vital military and industrial zones, largely in Northern India and also protecting key areas near the important city-ports of Calcutta and Bombay. Air defence forces are closely integrated and operate in well-planned and rehearsed standard operating procedures, whilst developments in ECM/ECCM warfare are considered to be of major consequence.

The IAF is in the process of commissioning a widespread and relatively sophisticated Air Defence Ground Environment System (ADGES) incorporating US, Soviet and European equipment. The heart and head of the air defence system, the ADGES will provide instant warning and evaluation of air threats as they develop.

For over twenty years, interdiction and long range strike requirements had been met by the force of Canberras and Hunters, but it was obvious by the early seventies that to expose such earlier-generation aircraft to sophisticated air defences was unacceptable. The IAF embarked on the evaluation and selection of a suitable Deep Penetration Strike Aircraft (DPSA) from 1973 and after what must be the most thorough series of operational and technical evaluation, selected the Anglo-French Jaguar strike fighter in 1978.

The DGSA needed to possess a committed warload-range performance, capable of supersonic, terrain-following penetration in all weathers and equipped with advanced nav-attack systems. A critical factor was the need for twin-engines, to enhance survivability especially during peace time training at low level. The Jaguar was optimised for this role. The first Jaguar arrived in India in mid-1979 and induction into operational service has been impressively rapid. All flying conversion and maintenance training is now conducted in India, and the first squadron was equipped with ex-RAF aircraft "on loan" till replaced by new aircraft built for the IAF.

The IAF has formed its second Jaguar squadron, with the receipt of the first of 40 direct supply aircraft, both single seat strike and twinseat trainers, batches of which have been ferried from Warton since February 1981. Meanwhile, phased production of the Jaguars built at HAL began in mid-1981 and the first aircraft was delivered to the IAF in March 1982.

The Indian built Jaguars are considerably updated, incorporating the more powerful Adour Mk 811 turbofans, and second generation nav-attack systems, and the first service overwing Magic AAMs, integration trials having been successfully overseen by the IAF.

The Canberra, which was mainly replaced by Jaguars, has had a quarter century of distinguished service in the IAF colours to its credit. The IAF still has three Canberra squadrons on strength, in the bomber, strategic and training roles, and a fair number of Canberras will continue in service till the late 80s.

The Hunter will also soldier on for the next few years before it is also phased out after nearly three decades of distinguished service with the IAF. Two squadrons are still operational with the Hunter Mk. 56A and in what is an apt and fitting tribute to its characteristics so beloved by pilots, the Hunter has been chosen as the mount for the IAF's new aerobatic team, the "Thunderbolts", flying nine Hunters in an exhilarating display of precision and proficiency, as they carry out their display at a score of locations all over the sub-continent.

For what has been known as the TASA (Tactical Air Support Aircraft) requirement, the IAF has considered a number of alternatives, to replace in the main the Sukhoi Su-7s and HF-24s and supplant the Hunter which also doubled up on the close air support and intermediate interdiction role, and selected the MiG-23BN in 1980.

The Sukhoi Su-7 is a robust, supersonic ground attack aircraft and has spearheaded the IAF's offensive air support force since the late sixties, but its limited range and relatively modest weapons - carriage capability has meant its

gradual replacement. Two squadrons, however, still operate the Su-7 in the ground attack role, as does a remaining HF-24 Marut squadron, the others having been re-equipped with the MiG-23BN. The light-weight Gnat has been supplanted by its improved Mark II variant, the Ajeet, and three squadrons of these nimble fighters contribute to the close air support force.

The bulk of TASA squadrons in the coming years will operate the MiG-23BN; a number of squadrons now operating the type with aircraft received directly from the Soviet Union, even as HAL's Nasik factory prepares for the production of the optimised MiG-27 ground attack variant of this versatile and potent swing-wing fighter. The MiG-21M squadrons are also dedicated for offensive air support whilst the MiG-21 FL and MiG-21 bis units would be employed in this role as a secondary task to air defence.

A number of MiG-25R high flying, reconnaissance aircraft were received in mid-1981, and these will literally propel the IAF into the Mach 3 era.

The maritime reconnaissance role was transferred to the Navy in 1975, along with most of the Lockheed L-1049 Super Constellations but the IAF continues to support the Navy through its Maritime Air Operations Directorate at Bombay, including a dedicated anti-ship strike force of Canberras.

The transport element of the IAF grew systematically through the 'fifties and sixties', and the Indian Air Force has possessed the largest tactical transport force in Asia. In its peak, the IAF had 13 freighter, troop and tactical squadrons plus a number of communications flights, with a total strength of over 300 aircraft.

The Fairchild C-119G Packet, of which a total of 75 were received and some 22 of which were given a dorsal jet pack to boost performance at high altitudes, has equipped three squadrons for tactical transport and "trucking" duties, as also with the Paratroop Training School. Over the years, the Packets have been overhauled and new propellers fitted to extend life and performance, but will be replaced by the mid 80s. Three squadrons have operated the venerable C-47 Dakota since the late fifties, and are continuing in the supply dropping and transport task in the hilly-jungle environment of the North-East. Caribous and Otters have been operating in the difficult North-Eastern region but these are now being replaced by the Mi-8 helicopter.

The proliferation of transport types and their growing obsolescence demanded urgent replacement and the Medium Tactical Transport Aircraft (METTAC) requirement was formalised for a rugged, STOL, medium transport aircraft with rear-loading facility and the ability to paradrop men and equipment, with outstanding hot and high performance. For nearly ten years various types were considered and evaluated in actual conditions in the Ladakh and N.E. areas, ending with the selection of the Antonov An-32, which will be acquired from 1983 onwards to replace the C-119 and Caribous in service. A suitable Light Transport Aircraft (LTA) is to be selected to replace the Otters, Devons and C-47s for communications, liaison and utility tasks, and this type will be built by HAL at Kanpur.

While the C-119Cs were being fitted with jet engine boosters to assist in the Himalyan airlift committment, the Antonov An-12 was selected as a heavy tactical transport and has since become the mainstay. Two squadrons currently operate the An-12, which has become virtually synonymous with the IAF's Himalyan effort, providing an air bridge to the ground forces in the inhospitable terrain of Ladakh.

The An-12s have been very highly regarded by the IAF, being rugged, versatile and claiming high serviceability. They will continue in service till the late 80s but the IAF is considering various alternatives for the future, including the Ilyushin Il-76.

The HQ Communication Squadron received two VIP - configured Boeing 737s in late 1981 to replace the two remaining Tupolev Tu-124s. Seven VIP HAL-BAe 748s are on the strength and a number of these also operate with Command Communication Flights.

Rotorcraft are playing an increasingly important role in the Indian Air Force today and will conceivably increase in their importance in the decades ahead. Blossoming from the handful of Bell 47, Sikorsky S-55s and Mi-4s in the mid-sixites, the IAF has procured a large number of helicopters of Soviet origin, the Mi 1 Mi-8 becoming the work horse of logistic support units in the jungle and mountain terrain from the North Eastern frontiers of India to the sandy wastes of Kutch, replacing the earlier Mi-4 which

was engaged in the transport and supply role.

The ubiquitous Alouette III, renamed Chetak by the IAF, is employed for Casevac, communications and liaison duties with the IAF or having on order, nearly 150 examples of this versatile rotorcraft. Some numbers of the Alouette III serve with the Indian Army in Airborne Observation Post flights, supporting the artillery, although this function is now assumed by the lighter SA-315B Cheetah. A number of armed Chetaks, fitted with SS-11B wire-guided missiles and appropriate systems are used for anti-tank tasks. For the future, the IAF would require the Advanced Light Helicopter (ALH), to be employed in the anti-tank role as also for utility tasks.

The Air Force Academy at Dundigal, 22 miles (35km) from Hyderabad, was inaugurated in January 1971, its siting being dictated by various considerations, the most important being removal of training establishments from operational areas, weather patterns and terrain. All training is now geographically centralised, most flying and Ground Training Schools being located around Bangalore or Madras in South India.

Air Force policy is to 'Continue utilising a light piston-engined aircraft to first assess the flying ability and potential of those who volunteer to fly'. The flying and ground training course at the Elementary Flying School, lasts five months with 30 hours basic flying prescribed on the HT-2. EFS also trains Indian Army and Naval pilots. The IAF is planning the HT-2s replacement by the Mid-80's with the HAL HPT-32.

In the second phase of training, flight cadets proceed to the Air Force Academy for two terms of five months each, for instruction on the HAL HJT-16 Kiran jet trainer. Fighter pilots, on gaining their "wings", are sent to the Operational Conversion Unit (OCU) where operational and tactical flying is given on Hunter TMk. 66s and FMk. 56s, before posting to Hunter, Marut or Ajeet squadrons, while selected pilots are given MiG-21 or Su-7 conversion at operational bases, first on simulators and then on the "U" training version of the respective aircraft. Instructional training techniques are imparted at the Flying Instructors School at Tambaram (on Kirans) producing 'all purpose' flying instructors. The Tactics and Combat development Establishment with MiG-21s and Su-7s on strength provides advanced combat and tactics training.

Transport aircrew proceed to the Transport Training Wing at Yelahanka for multi-engine conversion on the HAL 748 pilot-trainers. Navigators and Air Signallers are sent to the Navigation and Signal School, Begumpet, which has HAL 748s on establishment; the NSS also conducts Advanced Navigation and Pilots Navigation courses. The Helicopters Training School (HTS) is equipped with the Alouette III which have replaced the Bell 47Gs.

Thus, commensurate with the sophistication of the aircraft, it is the standard of the personel that operate and maintain them that distinguishes the service.

In an interview, the former CAS, Air Chief Marshal I.H. Latif, (who has just retired), said "there is no developing country in the world that has a support and maintenance infrastructure such as that in the IAF". As far as training standards are concerned, "we believe we are second to none". "IAF pilots consistently topped all scores in gunnery and bombing whilst attached with the USAF some years later. More recently, IAF pilots at Weapons Instructions Courses on the Jaguar with the RAF have created all-time records".

Advanced equipment and the ability to exploit these, determine ultimate effectiveness. With considerable combat experience to draw upon, the IAF's Tactics and Combat Development Establishment (TACDE) continually evolves tactics which are practiced and perfected, whilst the Aircraft and Systems Testing Establishment (ASTE) at Bangalore is one of four experimental test pilot schools in the world and the only one in Asia.

The Indian Navy

During the early part of the century, the Royal Indian Marine was essentially an adjunct of the Royal Navy, with the main task of hydrographic survey, troop transportation and other auxiliary duties. As the Royal Indian Navy during the Second World War, it saw service in the Atlantic and Indian Oceans mainly for convoy escort and harbour defence. After independence, with the responsibility for ensuring the maritime interests of the nation now solely with the Indian Navy, the Government planned the long overdue building of a viable naval force for India. The acquisition of the cruiser

I.N.S. "Delhi" and destroyers INS "Rajput", "Rana" and "Ranjit" in 1948 from Britain marked the beginning of the modern Indian Navy, these ships serving well till the end of their duties in the seventies.

Substantial expansion of naval strength took place in the 1955-61 period when eight new anti-submarine and anti-aircraft frigates, four coastal minesweepers and a number of supporting ships were acquired from Britain. The Naval Air Arm came into being in 1953 but the major input was commissioning of I.N.S. "Vikrant" the aircraft carrier after considerable modernisation, with its constituent Sea Hawk fighter-bomber and Alize ASW aircraft. The cruiser I.N.S. "Mysore" was another capital ship acquired but the 1962-66 period was to become a lean one for the Navy.

Emphasis after the 1962 war with China was understandably laid on expansion and modernisation of the Air Force and Army. The Defence Plan 1964-69 envisaged the replacement of older ships by modern vessels and also the acquisition of a submarine and other craft. Building up of the Navy was a far more capital intensive and expensive task. The relatively slow expansion and modernisation was due to the lack of finance and availability of suitable ships from Britain, the traditional source of supply for the Indian Navy. The naval service continued its links with "the Commonwealth naval defence of the maritime-borne Commerce". There remained a pro-West bias but the British were unable to release the ships and submarines that India needed for its naval expansion. It was pragmatic consideration that dictated the shift from a predominantly British - oriented to a more Soviet-oriented fleet, which met with some initial reservation from the traditionalists but was the only practical manner to induct contemporary surface craft, submarines and advanced weaponry. In mid-1966 an agreement was reached for the purchase of naval vessels from the Soviet Union, including four landing craft.

'Expanding fleet'

The Ministry of Defence also stressed on the expansion of the naval support infrastructure and embarked on expansion of the Naval Dockyard at Bombay, construction of a major naval base at Vishakapatnam, establishment and expansion of the naval air stations at Debolim (Goa) and Cochin, plus the naval base at Port Blair in the Andaman Islands, the latter based on a "Fortress" concept with participating Army and Air Force units. Training establishments were setup at Goa and Lake Chilka and expanded at Cochin, to cater to increased manpower requirements and specialist trades. Naval air training, initially with the Air Force, is carried out later at I.N.S. "Hansa" and "Garuda" at Goa and Cochin respectively. A major decision was taken to establish naval ship building facilities, an important feature of the naval plan for the 1970s being "a greater reliance on indigenous construction so as to eliminate dependence on purchase of ships from abroad as also the build-up of necessary infrastructure in the country for shipbuilding and logistic facilities for the support of the expanding fleet". The Directorate of Naval Design was setup and Mazagon Docks Bombay entrusted with the licence - construction of the *Leader*-class frigate in collaboration with the U.K. Company.

Till the mid-sixties, naval planners perceived some threats to Indian maritime interests in the Indian Ocean from Pakistan and to an extent, from China but after the 1965 war, emphasis on the maritime aspects of defence increased, with the Indonesian offer of naval vessels to Pakistan and vague threats to the Andamans. The Government was to devote fuller attention towards the Navy and a major development plan would enable the establishment of two fleets, the Western and the Eastern. Naval arguments called for the induction of a second aircraft carrier but the late sixties also witnessed emergence of a new school of thought which envisaged that Indian requirements be best met by a strong coastal navy as against a blue water capability which, as the traditionalists maintained was critical for national security. The support for a blue water navy however gathered in Parliament and the major expansion of Iranian naval capability was given as a further factor for doing so. Whilst there was little credibility of a major invasion of the mainland the strategic importance of the Island territories of the Andamans and Nicobar and Laccadives was well recognised. The steady growth of India's merchant shipping also required that the Indian Navy should grow along with it for protection

and, based on contemporary perspective, planners stressed the requirement for a stronger Indian naval presence in the Indian Ocean to establish a military balance of power that could compete with, if not challange, the foreign presence.

Planners emphasised that there were strategic implications, around the seas, for the peninsula which had given its name to the Indian Ocean. The dominant geographical feature of the Ocean was the Indian sub-continent astride the Arabian Sea and Bay of Bengal, a position which had significantly shaped the history of the region. There were three or four choke-points whose control had over the centuries allowed outside powers to establish their hegemony in the area: the Straits of Bab el Mandeb, the Straits of Hormuz and the Straits of Malacca, plus the Cape of Good Hope as a fourth gateway to the Ocean. Another feature was the numerous islands in the Ocean, inhabited by people of Indian origin mingled with Arab settlers.

Power politics

After some decades of emphasis on the North Atlantic and Pacific, the Indian Ocean had been transformed from a region of relative peace and neutrality to a 'cockpit' of power politics. The quantum of naval forces belonging to the super powers had grown, the United States having declared this region as vital to its security interests. This had far reaching implications, with Soviet units moving in to safeguard the USSR's underbelly, the U.S. establishment of naval air bases in Diego Garcia and planning of a rapid deployment force for intervention in the affairs of the littoral countries. Never before in history had the Indian Ocean witnessed the naval concentration of strength as it did now and with the contest hotting up, there were incalculable consequences to the security of the Indian Ocean area and essentially to India which was its geopolitical lynch pin. Most Indian ocean littoral countries were unable to react, if indeed they were even aware of the naval forces cruising past the Seychelles or the Maldives or Karquelens. The Indian Navy would be charged with the responsibility of ensuring the sanitization of not only the territorial waters of India but the countries' exclusive economic zone (EEZ). India had the technology to compete with the West for tapping the mineral resources of the seabed, and a possible conflict of interests in the light of rapidly depleting resources onshore, could not be ignored. The Indian Navy's strength thus would have to call the bluff of all those forces that threatened the country's maritime interests. The problems of maritime defence are clearly enunciated now, as to protect India's long coastline and island territories, secure the sea lines of communication for the merchant fleet, and provide security in the 200 mile economic zones.

Consequently and since the early seventies, as a result of continuing efforts, the Indian Navy can be said to have "come of age". The Chief of Naval Staff, Admiral O.S. Dawson, today commands a force of some 50,000 men and over 70 combatant vessels, the only Indian Ocean nation other than Australia to have a naval power projection capability in the form of an aircraft carrier, missile destroyers and ocean-submarines.

The light-fleet carrier, I.N.S. "Vikrant" has rejoined the Western Fleet after extensive modernisation and refitment. The first of eight Sea Harrier V/STOL fighters will be delivered to the I.N. in 1983 to supplant the Sea Hawk fighter bombers, whilst Alize ASW aircraft and Sea King ASW helicopters will also be embarked on the carrier. The lessons of the Falklands have been imbibed and the Sea Harrier will prove a major asset to protection of the fleet at sea and for projecting naval air capabilities in the sea lines of communication.

Major augmentation of ocean air-defence capability has been possible with the acquisition of modified-*Kashin* class guided-missile destroyers. The first two of a possible five-ship force, I.N.S. "Rajput" and I.N.S. "Rana" are now in service, equipped with four forward facing launchers for SS-N-26 surface-to-surface missiles, and twin SA-N-1 surface-to-air missile launchers. The *Rajput* class embarks a Kamov Ka-25 ASW helicopter in the aft-deck and with its cruise range endows a considerable capability for operations in the Indian Ocean Area.

The first of the eight Foxtrot-class diesel electric submarines (I.N.S. "Kalveri") joined the Indian Navy in July 1968 and was followed by I.N.S. "Kandhari", "Karang" and "Kursara". These were followed by a second batch, composed of I.N.S. "Vela" "Vagir", "Vagli"

and "Vagsheer", the last arriving in May 1975. The submarines enable the Indian Navy to carryout long-range patrols, now able to cover most of the Indian Ocean continuously. Logically, most patrol stations would be in the Arabian sea over which most of India's 250 ship merchant-marine fleet is operating and provide a formidable deterrent to opposing forces especially in the choke-points. The submarine depot ship I.N.S. "Amba" was acquired in 1969 and also the submarine support base in Visakhapatnam was commissioned.

Over the past 15 years, there has also been a change in the pattern of ship size-composition, with Petya-class frigates, Nanuchka-class guided missile corvettes and *Osa*-class guided missile boats being procured. These smaller boats, but speedier and missile-equipped types, strengthened the coastal defences dramatically whilst anti-submarine warfare was augmented with the establishment of two Sea King helicopter squadrons. The lengthy debate on command and control of the airborne maritime-reconnaissance force was finally resolved in favour of the Navy in 1975 and the Naval air arm currently operates two squadrons of Ilyushin Il-38s and Super Constellations for the task.

Meanwhile, construction of the *Leander*-class frigates at Bombay proceeded very satisfactorily and the first of these, I.N.S. "Nilgiri" has been joined by another five, the last two being considerably modified and embarking a Sea King ASW helicopter instead of the smaller Alouette III. The new *Godavari* class guided missile frigates, now under construction at Mazagon Dockyards, will confirm Indian warship construction maturity. Type 209 submarines will follow from Mazagon in the next few years, built under licence from HDW, Kiel, confirming the pattern of an increasing number of West German ships in service, beginning with the fleet Replenishment Tankers, I.N S. "Deepak" and "Shakti".

Older ships of British origin are now largely relegated to training or secondary-combat tasks including the ex-Fiji class cruiser I.N.S. "Mysore", *Leopard*-class ASW frigates I.N.S. "Brahmaputra" "Beas", "Betwa" and Whitby-class frigates I.N.S. "Talwar" and "Trishul". The latter two have been converted to carry guided-missiles, a triple-set of single SS-N-2 surface-to-surface missile launchers being fixed on the forward deck, considerably enhancing their punch.

There are a number of ocean, coastal and inshore minesweepers and three *Natya*-class minesweepers have been a recent addition. Increasing amphibious-operation capability is evidenced by the force of six *Polnocny* class LST (M)s, supplementing the earlier British LSTs and there are a miscelleny of smaller landing craft, patrol craft, seaward defence boats, ocean going tugs and survey-vessels. A number of vessels, and the two frigates I.N.S. "Kirpan" and "Kuthar" were transfered to the newly established Coast Guard service in 1977-78. The Coast Guard is to relieve the Navy from strictly coastal and enforcement tasks.

The development of a "balanced" fleet, to protect Indian shipping and sea lines of communication and the off-shore facilities as well as to develop an ability to project naval power in the Indian ocean area is well underway. The fast developing Coast Guard will assume the responsibilities for coastal defence and undoubtedly these two factors will ensure that the Indian Navy will become a factor of reckoning in the Indian Ocean in the decades ahead.

Coast Guard Organisation

The youngest unit of the armed forces, the Indian Coast Guard was planned on the lines of the U.S. Coast Guard and formally established in 1978. Its prime responsibilities are protection of the coastline (over 3,000 km of mainland coast) plus offshore islands in the Indian Ocean and Bay of Bengal against illegal incursions, smuggling, pollution control, assistance to fishermen, search and rescue, plus protection of the resources in the 200-mile Exclusive Economic Zone.

The Coast Guard started with 700 officers and men, all volunteers, seconded from the Navy, and with five ships, including two frigates CGS "Kirpan" and and "Kuthar" and the force-levels have been added to marginally over the past three years as the Organisation consolidates and acquires legislative powers. In November 1980, Parliament granted the Coast Guard such legislation to apprehend and detain foreign vessels illegally fishing in Indian waters or carrying out nefarious activities. Certain other impediments in the effective policing of the EEZ by the Coast Guard have also been overcome with the issue of Indian Penal and

Criminal Procedure Codes over the entire Zone. Since January 1981, the Coast Guard has seized a number of foreign trawlers, particularly off the Saurashtra coast and Andaman and Nicobar islands, with fish catch or contraband goods.

Headed by Vice Admiral M.R. Schunker (former Vice Chief of Naval Staff), a number of programmes have been initiated to augment the Coast Guard's force-levels. So far heavily dependent on the Navy for its requirements of trained and experienced manpower, direct recruitment of officers and naviks in the Coast Guard cadre has been initiated and after basic training in the Naval Academy and other Naval establishments, they will be joining the Service. Dependence on the Navy for senior and middle-level officers will however continue for several years.

The Coast Guard development plan (1979-84) envisages the induction of appropriate surface craft, surveillance aircraft and helicopters as well as the establishment of shore bases. Equipment budget totals some Rs. 110 crores (U.S.$120 million) and includes procurement of fast patrol craft (Inshore Patrol Vessels), Offshore Patrol Vessels, (OPV) HAL Chetak helicopters and light Maritime Patrol Aircraft. In addition, a number of Seaward Defence Boats (SDBs) originally sanctioned for the Customs Department have been transferred to the Coast Guard, the first of these, CGS 'Fajtarang' built by Garden Reach Shipbuilders, Calcutta having been commissioned last year. The first of the Offshore Patrol Vessels, CGS "Vikram" being built by the Mazagon Docks Bombay, was launched in September 1981 and the second, CGS "Vijay" was launched by the Defence Minister, Mr. R. Venkataraman in early June 1982.

In the long-term perspective plan, 24 OPVs and IPVs would be acquired by the Coast Guard. Six Swallow 65 - class interceptor boats have recently been imported from South Korea and may be built under licence by Garden Reach Workshops. The first airborne unit, No. 800 Squadron with HAL Chetak helicopters, was formally commissioned by the Deputy Defence Minister, Mr. K.P. Singh Deo at Goa in May 1982 and the helicopters are to be operated from both shore bases and the OPVs.

The main airborne component will, however, be the two types of fixed-wing aircraft, a coastal surveillance aircraft of the light transport category and a medium maritime patrol aircraft. The Coast Guard is evaluating a number of options, including the Dornier 228, the BAe 748 and F.27MPA and decisions are expected shortly. The aircraft would necessarily be equipped with surveillance radar and other all-weather sensors, search-and-rescue stores and pollution-detection equipment. The integrated ship-aircraft force should, by 1984, provide a strong and viable deterrent force in the sensitive areas adjacent to international boundaries - the Saurashtra Coast, Gulf of Mannar and the Sunderbans.

The Coast Guard has four main bases, including its headquarters in New Delhi, and the ports of Bombay, Madras and Port Blair (Andamans). Additional Air and Naval stations are planned for Haldia, Porbandar, Campbell Bay, Daman, Mandapam and Goa.

DEFENCE PRODUCTION

The Government of India's declared policy is to attain self-reliance and self-sufficiency in the strategic area of defence equipment production. Set up in 1962, the Department of Defence Production oversees the working of 33 ordnance factories set up all over the country and a group of 9 public sector undertakings, charged with the responsibility of meeting the stringent requirements for sophisticated equipment, hardware and weaponry for the armed forces.

With a workforce of some 175,000, the Ordnance factories produce a wide variety of items including anti-aircraft and anti-tank guns, field and self-propelled artillery, mountain guns and howitzers, mortars and small arms plus all related ammunition, bombs, rockets, grenades, mines, depth charges, pyro-technic stores, armoured and transport vehicles, optical and fire-control systems, sapper bridges, assault boats and various software items such as high-altitude and combat clothing, leather items, parachutes and so on. The gross value of production in 1981-82 was Rs 760 crores (U.S.$845 million).

The nine Defence Public Sector Undertakings are Hindustan Aeronautics Ltd (HAL), Bharat Electronics Ltd (BEL), Bharat Earth Movers Ltd (BEM), Mazagon Dock Ltd (MDL), Garden Reach Shipbuilders & Engineers Ltd (GRS & E), Praga Tools Ltd (PTL), Goa Shipyard

Ltd (GSL), Bharat Dynamics Ltd (BDL) and Mishra Dhatu Nigam Ltd (MIDHANI).

ORDNANCE FACTORIES

The 33 odd ordnance factories produce virtually all the weaponry and equipment required by the Indian Army and other sections of the armed forces. The Heavy Vehicles Factory (HVF) at Avadi has produced over 1100 Vijayanta medium tanks (37 tons), with a locally built, British designed 105mm gun and Indian made ammunition which are considered extremely good. The Vijayanta's mechanical reliability, night fighting capability and fire control systems are the subject of a major improvement programme whilst the Leyland L-60 engine (also built in India) and the transmission system are being modified to suit the specific Indian climatic requirements.

The M-46 130 mm medium gun has been mounted on the Vijayanta tank chassis to make an effective SP version for support of armoured formations. Concentration is now on the next generation Main Battle Tank (MBT), being developed by the Combat Vehicle R & D Establishment (CVRDE). The 50 ton MBT will be armed with an Indian-designed 120mm gun and powered by an Indian-developed, gas cooled 1500 h.p. diesel engine and advanced metallurgy armour will be incorporated. Service entry is planned for the late eighties.

The 105mm Indian Field Gun (IFG), with a range of 15 km, has been in production since 1978 and is replacing the venerable 25-pounders. Developed by the Armament R & D Establishment at Kirkee and Ordnance Factory, Kanpur, the IFG is a highly efficient and accurate weapon.

Built under licence is the Bofors L-70 40 mm air defence gun, along with the Superfledermaus fire control system, but new systems are being currently evaluated. For mountain warfare, the 75/24 pack howitzer is being manufactured, to supply and arm an increasing number of mountain artillery regiments. The 5.5 in medium gun is to be replaced by a highly mobile Indian Medium gun.

The World War II vintage 3in and 4.2in mortars have been replaced by locally-manufactured 81mm and 120mm (Brandt) mortars whilst the 84mm *Carl Gustav* anti-tank rocket launcher is being built under Swedish-licence. The SS-11-B1 wire-guided anti-tank missile has been produced by Bharat Dynamics Ltd (BDL) at Hyderabad for some years and is likely to be supplanted by the new-generation Milan missile. The Missile Policy Committee had recommended an integrated programme of indigenous development and manufacture of a variety of guided-missiles for all three services and a number of projects are under way.

India is not only self-sufficient in small arms, mortars, mines and sapper equipment but has received considerable interest for their import. The standard infantry weapon is the 7.62mm SLR, based on the FN FAL, and there is a highly effective LMG of the same calibre. The Sterling SMG 9mm and .50 calibre heavy machine guns are licence-produced.

A new anti-tank mine, which can be laid mechanically, and automatic mine-detecting equipment have been developed in-country and are in service.

THE AIRCRAFT INDUSTRY

Personified by Hindustan Aeronautics Limited (HAL) and supported by a number of Research & Development establishments, the Indian aircraft industry remains responsible for the supply and support of most of the Air Forces' tactical combat and transport aircraft, helicopters and trainers. Nearly 3000 aircraft of various types, both licence-built and of indigenous-design, have been produced by HAL since the fifties, the majority of them for the I.A.F.

With its head office at Bangalore, HAL today encompasses a number of divisions spread over seven centres in the country and employing over 42,000 employees. At Bangalore, HAL produces the Jaguar strike-fighter, Ajeet light fighter, Kiran jet trainer, Alouette III and Cheetah helicopter, plus turbine-engines and also overhauling of a variety of types including the Canberra, and C-119 Packet.

At Nasik, Koraput and Hyderabad are manufactured the MiG-21 variants, their powerplants and avionics, respectively. The Accessories Division at Lucknow produces a vast variety of equipment under licence including landing gear, ejection seats, instrumentation, fuel pumps, flight controls etc. An Advanced Systems factory, planned for the near future, will manufacture new generation nav-attack systems amongst other sophisticated items. The Kanpur Division has been producing BAe 748 medium transport aircraft under licence for nearly

twenty years and will shortly be involved in the manufacture of the light transport aircraft (LTA) and HPT-32 basic trainer.

Also at Bangalore are situated the National Aeronautical Laboratory (NAL), Aircraft Development Establishment (ADE) and the Gas Turbine Research Establishment (GTRE), all of them engaged in scientific and technology-development programmes, including the Pilotless Target Aircraft (PTA) and GTX-37 turbofan engine family.

3-D radars are built by Bharat Electronics Limited (B.E.L.) and a further development of the TRS 2210 Matador 3-D radar, with secondary IFF radar, is being undertaken. B.E.L. also produces indigenous-design secondary surveillance radars.

NAVAL DESIGN AND SHIP BUILDING PROGRAMMES

Indigenous ship-building capability has been strenously built up over the past two decades and contemporarily, frigates, survey vessels, landing craft, seaward defence boats, torpedo recovery vessels, harbour patrol boats and tugs are built in various shipyards in India. A major programme has been the construction and commissioning of the six "Leander-class frigates by Mazagon Docks. The last two, *INS Taragiri* and *INS Vindhyagiri*, were considerably modified and improved versions. The construction of the new, larger, "Godavari"-class frigates, incorporating surface-to-surface and surface-to-air missiles and modern electronic warfare equipment, has begun. These indigenous, 3500 ton frigates will have a revolutionary concept of carrying two Sea King ASW helicopters on board, greatly enhancing their capabilities.

India is also planning the design and construction of other naval ships such as corvettes and minesweepers. The corvettes will be armed with surface-to-surface missiles and reflect an improvement on the "Nanuchka"-class vessels in Indian Navy service. With the finalisation of agreement with the West German shipyard of HDW, Kiel, Mazagon Docks, Bombay, will construct "Type 209" submarines in addition to the direct procurement of two such submarines.

CSO: 4200/81

MORE DETAILS ON MIRAGE PURCHASE, PLANS GIVEN

Bombay THE TIMES OF INDIA in English 19 Oct 82 pp 1, 6

[Text] New Delhi, October 18.

While placing orders for 40 Mirage-2000 fighter aircraft with the French supplier, India has retained the option to manufacture the advanced aircraft here.

However whether India will finally opt to manufacture this aircraft will depend on several factors and further studies.

The agreement on the procurement of 40 aircraft was announced by the defence ministry today. These will be fitted with the updated Snecmo-M53-P2 engine and Thomson CSF-RDM radar. The announcement did not cover the weapons system. It also did not mention any assembly of Mirages in India under licence.

The induction of the Mirage MiG-23 and Jaguar will strengthen the Indian air force in facing the challenge of the eighties and beyond.

The defence ministry press release said the agreement was signed on Friday. India will start receiving the first mirages in 1984.

With this agreement, the "intention to proceed" had been formalised paving the way for the procurement of this high-performance aircraft along with a number of training aids, including a mission simulator.

The agreement also covers the training of Indian technicians in the operation and maintenance of the aircraft.

The agreement followed a visit by the French defence minister, Mr. Charles Hernu, last week. Mr. Hernu had also gone to Bangalore and seen the facilities at the Hindustan Aeronautics Ltd.

The Mirage agreement has followed a detailed evaluation of the aircraft by the Indian air force, which had begun in November, 1980.

The IAF team was impressed with the capabilities of this aircraft in the primary role of air combat as well as in its secondary role of air-to-ground operations.

The French aircraft belongs to a new generation of the aircraft of a F-16 and F-18 class and incorporates many recent advances in aerodynamics, flight controls, electronics and structure.

It is an extremely agile, high performance aircraft with very good close combat and beyond visual range interception capability superior to any aircraft in the inventory of the Indian air force.

Earlier, the two governments had signed a memorandum of understanding for ensuring an uninterrupted supply of Mirage-2000 aircraft as well as other weapon systems of interest to India.

When satisfactory financial terms were secured, India concluded an "intention to proceed" document.

The cost of procurement is substantially covered under a credit arrangement for which satisfactory terms and conditions were settled with the French government and the supplier.

CSO: 4600/1189

INDIA TO GO AHEAD WITH DEFENSE DEALS WITH FRANCE

Madras THE HINDU in English 19 Oct 82 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, Oct. 18.

After some initial hesitation, India has decided to go ahead with the defence deals with France without waiting for an agreement on the question of safeguards for the fuel to be supplied for the Tarapur plant.

The proposed Indo-French defence cooperation has been worked out in different stages starting with an inter-governmental agreement to provide the necessary framework, followed by a letter of intent for specific deals and finally the conclusion of contracts after settling the delivery schedules and payment terms.

The letter of intent to acquire 40 Mirage-2000 aircraft was signed in April last after fairly protracted discussions on inter-governmental loans and interest rates. A formal agreement was concluded last Friday following the settlement of the remaining details relating to the equipment of these aircraft.

There are more ambitious negotiations underway for the purchase of some highly sophisticated ground-to-air, air-to-air and air-to-ground missiles with collaboration arrangements for indigenous manufacture. The French have also agreed to actively cooperate with India in the designing and development of more advanced systems.

The two countries have also been discussing arrangements for the manufacture of light helicopter gunships that are used for close ground support in battle. There are numerous other items of equipment in which India has evinced an interest and France has indicated its readiness to sell them.

But all these transactions are of an on-going nature which have been under discussion in one form or the other for the last few years starting off with the previous French Government. The recent visit of the French Defence Minister, Mr. Charles Hernu, was in no way directly connected with the finalisation of any of these transactions.

Several economic protocols also are being worked out for announcement during the visit of the French President, Mr. Mitterrand next month. There are several proposals under consideration and, even if all of them cannot be finalised in time, the specific areas for increased economic cooperation will be identified for inclusion in the joint communique to be issued at the conclusion of Mr. Mitterrand's visit.

All that has happened during the visits of the French Defence Minister and the Secretary-General of the French Foreign Ministry, Mr. Francis Guttman, was that the two sides succeeded in keeping these on-going defence deals seperate from the unfortunate controversy that had arisen over the proposed supply of nuclear fuel for Tarapur by France.

The Government of India has been given to understand that France was now actively engaged in evolving a mutually acceptable compromise to get this issue out of the way before President Mitterrand's visit. The understanding is that some adjustment will be made to meet the Indian objections.

The Indian negotiators are keeping their fingers crossed while they await word from Paris as to how the French Government proposes to resolve the question of additional safeguards, whether it is going to drop or only bypass the demand for the application pursuit and perpetuity clauses. The French Secretary-General was told in no uncertain terms that the fuel supply arrangement would have to be abandoned, if France did not agree to abide by the 1963 Indo-US agreement.

CSO: 4600/1191

AGREEMENT ON MIRAGE PURCHASE SIGNED WITH FRANCE

Calcutta THE STATESMAN in English 18 Oct 82 p 1

[Text]

NEW DELHI, Oct. 17.—India and France have signed an agreement for the supply of 40 Mirage 2000 fighter aircraft, reports UNI and PTI.

The comprehensive deal for the single-seat multi-role futuristic aircraft was concluded late last night.

Under the terms of the agreement, first deliveries of the aircraft will begin in October 1984. The last of the 40 Mirages will be supplied to the Indian Air Force by December 1985.

The manufacturers of the aircraft Marcel Dassault, will supply the Mirage 2000 fitted with all the weapon systems and latest avionics.

The French have also agreed to give India the latest antiship air-launched Exocet missile called AM 39.

India is likely to manufacture a new light combat aircraft and high-technology air and sea electronic systems with British collaboration.

Exploratory talks on such collaboration have already been conducted and are to be followed by detailed discussions, according to the British Defence Secretary, Mr John Nott, who paid an official visit to India recently.

The first Indian-assembled double-seater Jaguar trainer aircraft will roll out of Hindustan Aeronautics in Bangalore in a couple of weeks.

Hindustan Aeronautics has received orders for the supply of eight Chetak civilian helicopters from the Soviet Union. A spokesman of the helicopter manufacture division said a Soviet delegation was visiting the factory shortly to finalize the deal.

India may go in for the Spanish built 26-seater light commercial aircraft CASA, to meet the requirements of the third airline, Vayudoot, Defence and Coast Guards, according to well informed sources.

CSO: 4600/1185

FRENCH DEFENSE MINISTER LEAVES DELHI AFTER TALKS

New Delhi PATRIOT in English 14 Oct 82 pp 1, 7

[Text]

A BROAD range of India's defence needs and the scope for procuring these from France were discussed during French Defence Minister Charles Hernu's talks in New Delhi this week.

The items covered during the talks between Mr Hernu and Defence Minister R Venkataraman included not only the Mirage fighter planes but also air-to-air and ground-to-air missile and Puma anti-sub helicopter, etc. However, specific proposals are yet to be concretised.

The broad range of trade and defence matters which have been discussed with the various representatives of the French Government in New Delhi and Paris in recent months are expected to be finalised during French President Francois Mitterand's visit to New Delhi next month—from 27 November.

Secretary-general of the French External Affairs Ministry Francis Gutmann is reaching Delhi on Thursday for a two-day visit. He will be working out the details for Mr Mitterand's visit with Foreign Secretary M K Rasgotra with whom he will have talks on various bilateral matters as also international relations.

FRUITFUL TALKS

Speaking to newsmen at the Delhi airport before his departure for a day's visit to Bangalore, Mr Hernu said he had two days of "very fruitful and friendly discussions with Indian leaders for collaboration with India in the defence field."

He said his visit was 'very compact'. He expressed his country's willingness to transfer the latest military technology to India.

Defence Minister R Venkataraman, who saw him off at the airport, said. "A lot of things had been tied regarding the Mirage 2000 aircraft deal."

Mr Venkataraman confirmed that discussions were also held with France regarding the production of an armed light helicopter in India. West Germany has also offered to collaborate with India in this field.

Mr Venkataraman said "Things have gone off very well" and the French seemed to be willing for wide-ranging collaboration with India in the defence field.

The French side has submitted its evaluation report on the Super Puma AS 332 F helicopter The Super Puma has all the features of a ship-borne helicopter, compact overall dimensions, multiple equipment capability and panoramic radar.

Mr Hernu said the two sides had also identified various areas for immediate defence collaboration but he did not specify them.

He said he would report the outcome of his visit to President Francois Mitterrand tomorrow in Paris.

Mr Hernu will visit factories of the Hindustan Aeronautics and the Bharat Electronics in Bangalore. He will also meet Karnataka Governor Govind Narain and Chief Minister Gundu Rao.

He will return to Paris this evening.

Also present at the airport to see him off were Deputy Defenc Minister K P Singh Deo, Defence Secretary P K Kaul, Chief of the Air Staff, Air Chief Marshal Dilbagh Singh Chief of the Naval Staff Admiral O S Dawson, and Vice-Chief of the Army Staff Lt. Gen A M Sethna.

CSO: 4600/1174

AIR CHIEF COMMENTS ON INDIAN DEFENSE SITUATION

Bombay THE TIMES OF INDIA in English 18 Oct 82 p 1

[Excerpt] New Delhi, October 17. (UNI).

The feverish arms build-up by Pakistan has increased the existing threat giving a "new direction" to the defence situation across India's frontiers.

With the continuous supply of arms to Pakistan by the United States, now "India has to accept that this may lead to the kind of arms race that was witnessed in the late fifties."

This prospect has been brought out in a book titled "The Indian Air Force and its aircraft" published in Britain for the IAF on the occasion of its golden jubilee.

The book which has a foreword by the chief of the air staff, Air Chief Marshal Dilbagh Singh, says "the Indian air force today has to consider the threat from not merely a large number of obsolescent, yet still effective Chinese built F-6 aircraft, but an increasing force of French-supplied Mirages, the Chinese supplied A-5S and the new generation of U.S. built F-16 fighting Falcon aircraft."

The book says the threat has to be seen in the context of a possibility of the Pakistan air force backed by more Mirages being "lent", by West Asian countries friendly to Pakistan. "Smarting from the drubbing it received from the IAF, in 1971, the Pakistan air force has been built up rapidly and, it is felt in India, out of proportion to its legitimate defence needs."

In addition to these external threats "a third dimension has loomed with the increased super power presences in the Indian Ocean all along India's vast coastline."

The "threat from sea" has been intensified by the build-up at Diego Garcia base. The problems of providing adequate defences for potential off-shore oil facilities at Bombay High and the island territories would tax Indian planning staff, the book says.

The book however says "the IAF's current combat strength has a strong air defence bias".

Reporting on some new developments in the IAF, it says the MiG-21 has been "indigenised" and refined and a major enhancement of its capability has resulted, from the recent integration of the French R 550 Magic air-to-air missile with this Soviet-designed aircraft.

The MiG-21 force has been complemented by the acquisition of the MiG-23 MF ground attack aircraft from the Soviet Union. Also the IAF was expected to get 40 Mirage 2000 futuristic fighter aircraft from 1982 onwards from France.

The book says "the Indian Air Force has rapidly adapted the Jaguar aircraft in the low-level strike role fully exploiting the essential design and performance of this new generation attack fighter." The addition of two squadrons of Jaguar aircraft represents the qualitative factor in the IAF's ability to penetrate hostile airspace in all weather, locate and strike at its target and recover safely.

CSO: 4600/1183

BOOK ON INDIAN STRATEGY, SECURITY REVIEWED

Bombay THE TIMES OF INDIA in English 18 Oct 82 p 9

[Text] New Delhi, October 17 (PTI).

Leading members of the country's "think tank" on security and foreign policy matters are of the view that India must be prepared to exercise its nuclear option at short notice should the need arise.

This was necessary because in its immediate neighbourhood, there were three nuclear weapon countries and another, Pakistan, was "rapdily becoming one", according to a background paper published in a just-released book entitled, "India's Security and Its Politico-Strategic Environment".

The book, edited by Mr. K. S. Baipai, director of the India International Centre (IIC), incorporates the discussions and background papers presented at a three-day, closed-door seminar jointly organised by the IIC and Jawaharlal Nehru University.

The seminar, inaugurated by Mr. P. N. Haksar, was attended by 60 leading policy planners, defence experts, academics and journalists, including Mr. K. Subramanyan, director of the Institute of Defence Studies and Analyses (IDSA); Mr. R. N. Kao, security adviser in the cabinet secretariat; Lt-Gen. E. A. Vas; Mr. Inder Malhotra; Prof. Bimal Prasad (JNU); Mr. Nikhil Chakravarty and Mr. M. Rasgotra, foreign secretary.

Neglect Deplored

The background paper on a security doctrine for India laments "the deplorable and inexplicable" neglect of the country's nuclear industry and research." India once the leader in nuclear technology among developing countries is not even primus inter pares today: In fact, it is in danger of suffering the same fate as in the hockey field".

Dismissing the argument that going nuclear would militate against Nehru's ideas on India's security doctrine, the paper observes that unlike in Nehru's period, "India today is situated at the cross-roads of intersection among three major nuclear powers and with Pakistan going all out for nuclear capability, the country must seriously re-examine its policy not to go in for nuclear weapons."

The paper says the basic premises of Nehru's security doctrine, namely, the total identification with the anti-colonial struggle, the commitment to non-alignment and Afro-Asian solidarity still hold good. But since the "Idiom of international politics is power, only those having power can hope to reform the system".

The paper draws attention to China's experience in acquiring nuclear capability, pointing out that "Nixon and Kissinger justified their pilgrimage of penitence to Beijing by emphasising that a nation of 800 millions armed with nuclear weapons could not be ignored."

Another post-Nehru development which India's security has to concentrate upon is the development of a "blue-water navy". The extended economic zone concept, the growth of "extra-regional presences" in the Indian Ocean and the prospects for off-shore oil finds all point to the need for a two-fleet navy with aircraft-carriers, frigates and submarines, the paper says.

Ties with China

The paper on China's strategies and their implications for India's security presents a pessimistic overview of the prospects of improving relations between the two Asian giants, emphasising that China has always nursed an ambition to become the leading and most powerful nation in the continent. Apart from the border dispute, it lists the refusal to accept the integration of Sikkim with India and its stand on Kashmir which flows from its support to Pakistan as major obstacles to improving relations.

China's conventional army, it argues, though numerically superior, was now just on a par with the Indian army because it was equipped with obsolete armaments. Despite the current modernisation programme, defence modernisation had taken a back seat and economic goals had been given priority, the paper says.

However, China's nuclear weapons, especially after it acquired a sea-based nuclear deterrent, could obviously be used to pressure India.

The paper advocates a major drive to increase cooperation with the Indo-Chinese and South Asian countries, which would serve the twin purpose of building a climate of trust and friendship with neighbours and obviate their perceived need for using China as a countervailing factor.

Pakistan Factor

The discussion on the Pakistan factor in India's security brought out the fact that India's initial response to the no-war pact was "both clumsy and shortsighted". It was emphasised that there was no alternative to conducting a dialogue with Pakistan, although the two countries had divergent ideologies and economic systems.

In dealing with Pakistan, the paper urged the Indian government to intensify cultural and economic interactions with the Pakistani people as they were

the "real constituency" and not the ruling military elite. This would also enlarge the peace constituency in Pakistan, making it more difficult for the military leadership to initiate hostilities against India.

One of the suggestions put forward in the seminar was the need to have a joint chief of staff and a joint command structure. Some participants felt that the chiefs of staff could be relieved of their command functions, acting only as advisers of the minister, if the respective service acts were amended.

In this connection, the setting up of a national security council, which would provide continuity to defence policies, was also suggested. It could coordinate among the various ministries and the three services to provide an integrated approach to security.

CSO: 4600/1183

SOVIET UNION ORDERS CHETAK CIVILIAN HELICOPTERS

Bombay THE TIMES OF INDIA in English 18 Oct 82 p 21

[Text]

BANGALORE, October 17 (PTI).

THE Hindustan Aeronautics Limited (HAL) has received orders for the supply of eight Chetak civilian helicopters from the Soviet Union.

A spokesman of the helicopter manufacture division said a Soviet delegation was visiting the factory shortly to finalise the deal.

Set up as an independent and self-contained unit in 1974, the helicopter division had built 14 Chetaks so far besides a number of Cheetah transport helicopters.

The demand for Chetak was fast catching up and HAL had now decided to manufacture it in advance to meet future demand, instead of waiting for orders, the spokesman said. It took only 18 to 24 months to build a Chetak. Only electronic and hydraulic equipment were being imported, he said.

The HAL chairman, Mr. Kapur, said that attempts were made to increase exports of HAL products. The average exports for 1980-81 and 1981-82 was about Rs. 1.2 crore per annum.

He said orders had been received from Rolls Royce of U.K., Turbomeca of France, and companies in Canada and U.S. for the supply of engine components.

The helicopter division was supplying spares for helicopters of Royal Malaysian Air Force and had received orders for maintenance of helicopters of Royal Nepalese Air Force.

Mr. Kapur said HAL had planned to design and develop a twin-engined advanced light helicopter for army, air force and navy, incorporation latest technological features with the assistance of a foreign collaborator.

Another proposal to manufacture light transport aircraft with about 20 seats at its Kanpur division was also under the active consideration of the Central government. West Germany, Canada and Spain had offered collaboration in this project.

The country's first pilotless target aircraft is expected to be ready by the mid-eighties.

The HAL would complete the prototype of the small turbo-engine of 350 kg. thrust meant for this aircraft by December next year, Mr. Kapur told a party of visiting newsmen.

Mr. Kapur said the project to develop the engine was sanctioned in September, 1980, and it was progressing "satisfactorily". The aircraft is being designed and developed in cooperation with the National Aeronautical Laboratory here, he said.

CSO: 4600/1183

BRIEFS

KASHMIR RESETTLEMENT ACT--New Delhi, October 13 (UNI). The Jammu and Kashmir law minister, Mr. P. L. Handoo, said the state government would go ahead with formulation of rules under the recently enacted resettlement act. Mr. Handoo, who arrived here to present the state government's stand on the act, now under challenge before the supreme court, said it would take about six months to formulate the rules. He said the state government would consult legal experts in the matter. The state government was committed to defending at all forums the validity of the act and the competence of the state legislature to enact the law, he said. Denying that there was any motive behind the move, he said, it was passed on humanitarian grounds to facilitate the return of state subjects who had migrated to Pakistan after partition. Asked about the number of Kashmiris living in Pakistan, he said the exact number was not known, but the custodian general of Jammu and Kashmir had said some time ago that there were about six lakh Kashmiris in that country. He said the return of these Kashmiris would not affect those refugees who had been allotted evacuee property. [Text] [Bombay THE TIMES OF INDIA in English 14 Oct 82 p 1]

MADHYA PRADESH CABINET CHANGES--Bhopal, Oct. 13.--The Madhya Pradesh Chief Minister, Mr Arjun Singh, today expanded his Ministry for the second time in 28 months, reports UNI. He dropped three Ministers, inducted 10 new members and elevated another 10. Nine of the new entrants besides those elevated, were sworn in by the Governor, Mr Bhagwat Dayal Sharma, at a ceremony at Raj Bhavan this afternoon. The first to be sworn in were the new Cabinet Ministers who took the oath in a group. They included Mr Tej Lal Tembre and Mrs Devandra Kumari, both of whom had served in the P. C. Sethi Cabinet till 1975. Those inducted into the 37-member Ministry are Mr Balendu Shukla, Mr Vijay Patni, Mr Vithalbhai Patel and Mr Vijay Guru (all Ministers of State) and Mr Satyavrat Chaturvedi, Mr Bharatsingh Chouhan and Mr Mohan Lal (all deputy Ministers). Those elevated to the Cabinet rank are Ministers of State, Mr B. R. Yadav, Mr Rajendra Kumar Jain, Mr Banshilal Dhritlahre, Mr Chandra Prabhash Shekhar, Mr Revnath Choure and Mr Ajay Mushram. Mr Arjun Singh told reporters after the oath-taking ceremony that three senior members of the Cabinet, Mr Hazari Lal Raghuvanshi, Home Minister; Mr Ved Ram, Forest Minister and Mr Madhav Lal Dube, Food and Civil Supplies Minister, were dropped. The Chief Minister said today's exercise was mainly aimed at giving wider representation to the various regions of the State. [Text] [Calcutta THE STATESMAN in English 14 Oct 82 p 1]

MISSION TO CANADA--New Delhi, Oct. 13. An eight-member industrial mission, sponsored by the Association of Indian Engineering Industry is now in Canada to promote industrial cooperation between the two countries. According to the AIEI headquarters here, the Ontario Industrial Corporation has announced that it will send a mission to India during the Indian Engineering Trade Fair in January. The Canadian Manufacturers' Association is in favour of the AIEI-CMA establishing formal links. A memorandum of understanding is likely to be signed before the AIEI mission leaves Canada on October 14. The AIEI mission is focussing attention on technical collaboration as well as on cooperation in energy conservation and energy equipment. [Text] [Madras THE HINDU in English 14 Oct 82 p 16]

RETURN FROM PRC--New Delhi, Oct. 14. Mr. N. K. Bhatt, M.P., President of the Indian National Trade Union Congress, said here that China was eager to forge closer links with the trade union movement in India. Talking to newsmen after his visit to China, he said even though the right of collective bargaining was still not recognised in China, the Chinese society was going through a process of liberalisation. Mr. Bhatt said he had invited the president of the All-China Federation of Trade Unions, Mr. Ni Zhifu, to visit India. Mr. Ni is a member of the Chinese Communist Party politburo. Mr. Bhatt and three other INTUC leaders, Messrs Kanti Mehta, Copeshwar and B. K. Mohanty, were on a 12-day visit to China at the invitation of the Federation of Trade Unions. [Text] [Madras THE HINDU in English 15 Oct 82 p 9]

SAUDI TRADE TEAM--A high-level Saudi Arabian trade delegation arrived in Delhi on Thursday to explore possibilities of India's collaboration in setting up of petroleum and petro-chemical plants in Saudi Arabia, reports PTI. The delegation, led by Sheikh Tarek M Binaden, will have discussions with the chief executives of Engineers India Limited, National Projects Construction Corporation Ltd., Indian Road Construction Corporation Ltd., Bridge Construction Corporation Ltd., HMT and Bharat Earth Movers Ltd. The delegation has come here as a follow-up action on Prime Minister Indira Gandhi's visit to Saudi Arabia early this year. [Text] [New Delhi PATRIOT in English 15 Oct 82 p 7]

AID TO SEYCHELLES--United Nations, October 17: (UNI): India has announced a pledge of $25,000 to help the Seychelles government repair its airport, damaged in a raid by a gang of mercenaries last year. The mercenary raiders, who were believed to have been commissioned by South Africa's racist regime, were repulsed by Seychelles troops and had to flee to Durban by hijacking an Air-India plane. Seychelles has told a United Nations inquiry commission that airport repairs would cost over $1 million and tourist losses of over $15 million were anticipated. The U.N. inquiry commission declared in its report earlier this year that Pretoria obviously knew of the mercenary plot, but the panel did not quite say it was directly responsible. The commission, consisting of Panama, Japan and Ireland, was asked to investigate and unmask those who were responsible for the incident. It has not made a fresh report so far. [Text] [Bombay THE TIMES OF INDIA in English 18 Oct 82 p 9]

NIGHT VISION DEVICE--New Delhi, Oct. 17. Defence scientists have developed a device for use by soldiers during night operations. It can be effectively used by the artillery for surveillance of battlefields at night, detection of enemy movement and direction of artillery fire. Long range penetration patrols, stay-behind and raiding parties, and important observation posts of the infantry can also use this sight. Developed by the Instrument Research and Development Establishment (IRDE), Dehra Dun, it has been accepted by the army.--PTI. [Text] [Madras THE HINDU in English 18 Oct 82 p 16]

WORLD BANK LOAN--Washington, Oct. 20. The World Bank yesterday approved a loan of $165.5 millions--about Rs. 16.5 crores--for a project to explore for oil and gas, both on-shore and off-shore, in the Krishna-Godavari region. The U.S., which has been objecting to bank loans for energy development, is reported to have expressed its opposition to the grant of the credit. The Executive Board of Directors of the Bank, however, cleared the Indian loan in the end. This is not the first time that the U.S. has objected to the grant of credit to India. It also opposed credit for two oil and gas exploration efforts in the case of Ivory Coast and Peru. The U.S. case is that India should rely increasingly on commercial banks. Foreign technology: The total estimated cost of the project is $633 millions--about Rs. 63.30 crores. Under the plan approved yesterday, the Bank will advance $165.5 millions. The remainder will be met by the Government from internal resources including local borrowing. The Oil and Natural Gas Commission, in its exploratory operations, struck oil in an off-shore and on-shore well. Owing to difficult geological and high pressure conditions, there was a blow-out in both wells. ONGC's conclusion after study is that while there is evidence of hydro-carbon deposits in the region, more work will have to be done before it can be inferred that commercial exploitation is feasible. [Text] [Madras THE HINDU in English 21 Oct 82 p 1]

KASHMIR ELECTION DATE--Srinagar, Oct. 20. The Jammu and Kashmir Chief Minister, Dr. Farooq Abdullah, laid all speculation regarding early elections to the State Assembly at rest in an announcement here today. He said his Cabinet had decided to hold elections some time in March next year when several other States will also go to the polls. Dr. Abdullah said that he had initially thought of calling for elections in November this year. But expectations of an early winter in the Kashmir Valley had made him change his mind as voters in snowbound areas of the State would not be able to exercise their franchise. Another reason for the decision was that he wanted time to select honest and sincere candidates, he said. He said he was satisfied with his week-long tour of the border areas of Ladakh early this month. He thanked the people of Ladakh including those of Leh district who have been agitating for two years, for calling off their stir upon his assurance that all their genuine grievances would be resolved through negotiation. Dr. Abdullah said he would shortly visit Shopian in the Kashmir Valley as well as Kishtwar in the Jammu region. The people in both places have been agitating for separate districts for their respective areas for some time now. He would try to settle all issues amicably. [Text] [Madras THE HINDU in English 21 Oct 82 p 9]

COMBAT PLANE MANUFACTURE--London, Oct 17 (PTI)--India is likely to manufacture a new Light Combat Aircraft (LCA) and high-technology air and sea electronic systems with British collaboration. Exploratory talks on such collaboration have already been conducted and are to be followed by detailed discussions according to British Defence Secretary John Nott, who paid an official visit to India recently. Dr Nott told PTI here that Hindustan Aeronautics Limited (HAL) and British Aerospace had held preliminary talks on collaboration in manufacture of LCA for Indian Air Force. The British side found this a 'very interesting area'. IAF is stated to be thinking in terms of a tactical support light aircraft which would in future replace hunters, Maruts and Gnats. It would have greater speed and acceleration than aircraft it is to replace but its weight and range would be less than main strike aircraft of IAF like MIGs and Jaguars. [Text] [New Delhi PATRIOT in English 18 Oct 82 p 7]

CSO: 4600/1187/1188

NEW TRUCKS AND APCS FOR ARMY

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Oct 82 pp 7, 10

[Text] The Malaysian Army has taken delivery of 66 'Hino' trucks specially built for military use. These trucks were assessed for their technical adaptability and found to be suitable previous to their purchase.

The contract for the purchase was signed in November last year and the delivery of the vehicles has been made as originally planned.

A ceremony was recently held to launch the trucks at which the Commander of the 9th Brigade Headquarters, Brig-Gen. Nik Mahmood Fakaruddin bin Nik Ahmad Kamil said the trucks must be maintained in proper order and care. Also being used by the armed forces are Bedford, Volvo and Mercedes trucks.

The Army has also received three 'Condor' Armed Personnel Carriers from Germany which are under technical modification at the Army's workshop. In an agreement drawn up last year, the Army ordered 459 of the Condors to strengthen its fleet of personnel carriers.

Delivery of all the APCs in batches will be completed in 1984 and involves a cost of M$279 million. Eight officers of the Cavalry Corps have been sent to Germany to familiarise themselves with the vehicles.

CSO: 4200/78

BRIEFS

ITALIAN JET TRAINERS PURCHASED--The Malaysian government has signed an agreement with AerMacchi of Italy for the purchase of 12 MB 339 jet trainer aircraft, to replace the aging Tebuans of the Royal Malaysian Air Force. The agreement which was signed in June allows for the first batch of three MB 339s to arrive in December, while the remaining nine aircraft will join the RMAF in stages between January and June next year. The total cost of the aircraft is not known, but the purchase agreement was sealed in Kuala Lumpur by top officials of the Ministry of Defence, the Treasury and representatives of AerMacchi. The Ministry of Defence has also sent three officers to Italy to evaluate the aircraft. [Text] [Kuala Lumpur ASIAN DEFENSE JOURNAL in English Oct 82 p 7]

CSO: 4200/78

ZIA-THATCHER TALKS IN DECEMBER

Karachi DAWN in English 30 Oct 82 p 1

[Article by Yehia Syed]

[Text]

LONDON, Oct 29: The British Prime Minister, Mrs Margaret Thatcher, is believed to have expressed a desire to meet President Zia-ul-Haq, either on his way to or back from the United States, where he is meeting President Reagan on Dec.7.

The details of a 3-day stay in the UK is understood to be under discussion both in London and Islamabad. While President Zia would like to brief Mrs Thatcher about his recent visit and contacts with the Chinese and Korean leaders and on his meeting with the Indian Prime Minister, Mrs Gandhi, who by the time Gen Zia meets Mrs Thatcher, would have met her and the Indonesian leaders.

Beside briefing Mrs Thatcher on his visits to China, Korea, India and Indonesia, President Zia would also like to discuss Afghanistan and Middle East, in addition to other matters of mutual interest, with the British Prime Minister and her Foreign Secretary, Mr Francis Pym.

On her part, Mrs Thatcher would brief her guest about her talks with the European leaders, including the new West German chancellor, specially her talks which she and Mr Pym, would be having early next month (Nov), with King Hassan of Morocco, who would be in London as head of a delegation of Arab Foreign Ministers on the Middle East problem as the Arab States would like to resolve it. The Arab Foreign Ministers' delegation, which would also include the 'Foreign Minister' of PLO, has already visited Washington and had talks with President Reagan on the question of setting up independent sovereign Palestinian State in West Bank and Gaza.

An announcement about the visit is expected soon.

CSO: 4200/74

GHAFFAR KAHN DEFENDED; JI LEADER CRITICIZED FOR VERBAL ATTACK

GF031100 Islamabad THE MUSLIM in English 25 Oct 82 p 8

[Bureau report]

[Text] Peshawar, Oct 24--The provincial president of the defunct PNP, [Pakistan National Party], Latif Afridi, and member of Central Committee Sarfraz Mahmood have described as a heap of lies the statement of Qazi Hussain Ahmad, secretary general of the defunct Jama'at-e Islami [JI], wherein he had bitterly criticised Bacha Khan.

In a joint statement they said that the language in the said statement could only be used by men like Qazi Hussain Ahmad, who have always been representing the forces of darkness, falsehood and coercion against justice and truthfulness. They said that whenever somebody had tried to serve the cause of the Pakhtoons he had always been dubbed as Kafir or a Russian agent, but it was neither 1928 nor 1947, and the people were conscious enough to draw a line between their friends and foes.

The PNP leaders also challenged the Qazi Hussain's claim that his party had emerged as an effective force in the frontier and observed that the statement had perhaps been given "to please the American imperialism or other agencies financing the Jama'at."

The secretary-general of the defunct PDP [Pakistan Democratic Party] Hajji Ghulam Ahmad Bilour has also criticised the JI leader's statement and said that Badshah Khan's heroic struggle against the British was an important chapter of the freedom movement in the sub-continent while the agents of American imperialism could claim no service to the cause of Islam in those days. He alleged that the millions of rupees received in the name of Afghan refugees had been misappropriated by the defunct Jama'at and since Bacha Khan had exposed this fact he had been made a target of criticism beyond all norms of decency.

Meanwhile, the provincial secretary of the defunct JI Syed Manzoor Hussain, has said that Red Shirt leader Abdul Ghaffar Khan has always been an unsuccessful agent who had opposed the creation of Pakistan at the insistence of the Hindus. Instead of starting a campaign against Jama'at he said that former Red Shirt leader should have helped the Afghan refugees.

CSO: 4200/94

TI LEADER SAYS COUNTRY FACING CRISIS, CALLS FOR OUSTING GOVERNMENT

GF031024 Islamabad THE MUSLIM in English 25 Oct 82 p 8

[Bureau report]

[Text] Lahore, Oct 24--Nafees Ahmad Siddiqui, central information secretary of defunct Tehrik-e Istiqlal, has said that now the time had come that with the irresistable force of the people this government was made to quit.

Addressing a press conference here today he said that at the time of signing the declaration of the MRD [Movement for Restoration of Democracy], "struggle" for the people's rights was undertaken and now it was the time to accord implementation to the declaration. He said that the MRD had as a matter of principle, decided to launch a struggle with the support of the democratic and people's forces like students, labourers, peasants and other progressive forces. Only the strategy and other details were to be worked out, which would be decided in the next meeting of the central action committee of the MRD, he added.

Mr Siddiqui said that MRD was the "only opposition mainstream" in the country and those who were outside its orbit and were hurling criticism on it were not only acting as "agents" of the government but their role was also dubious. "If the MRD fails to achieve its cherished objectives or breaks down, political future of the country will be bleak."

The central information secretary of the defunct Tehrik-e Istiqlal said that despite all odds and untoward state of affairs the MRD had achieved a "national consensus" on restoration of the 1973 Constitution, holding of elections, withdrawal of curbs on the press and basic and civil rights of the people and transfer of power to people's representatives. This was no mean achievement, rather it was a big success, he remarked.

Mr Siddiqui said that the country's political and economic situation had gone down to the lowest ebb and in face of this MRD had come to the conclusion that Pakistan was facing the gravest crisis since its inception. But the present regime was, under one pretext or another, trying to perpetuate its rule. This had made the MRD realise that this regime was neither sincere in enforcing Islam which guarantees basic human rights

or the intention of holding elections. These were the circumstances, he continued, that the MRD had practical steps towards the realisation of its cherished goal. "We have come to the conclusion that without struggle our objective will not be achieved since nobody will make an exit at his own," he observed.

The Tehrik leader said that the government was constantly talking of internal and external crises, if the situation was so dangerous the best solution was this that the nation was taken into confidence and political process revived. About the subversive activities, he said that they were the logical outcome of the present day policies.

The MRD, he said, had always condemned such activities. If martial law was lifted subversive activities would come to an end, he asserted.

He was of the opinion that next two or three months were "very critical" in country's history and in initiative during this period was bound to succeed. He said that with the efforts of the MRD the traditional polarisation of left and right had transformed in democratic and anti-people and "we are with the democratic forces."

Referring to the proposed Round-Table Conference [RTC], he said that "we welcome it" but the MRD would take stock of the situation and if it concluded that the RTC would achieve the desired objectives would participate in it.

CSO: 4200/94

MARTIAL LAW REGULATION 53 OPPOSED

Lahore VIEWPOINT in English 7 Oct 82 p 7

[Article by Linesman]

[Text] **THE LATEST of a long series of Martial Law Regulations, promulgated one day before Eidul-Azha, seeks ostensibly to cope more effectively with the troublesome problem of spreading lawlessness – specially acts of arson or sabotage. Clearly, no exception can be taken to this aim. However, the net cast by the Regulation is so wide that even leaders of the Pagara ilk, always careful and circumspect, have expressed grave misgivings about means and ends, hinting at unexpected and unwanted consequences.**

Since a fairly large number of ML Regulations and Orders already exist to deal with the offences listed in MLR 53, and the punishments prescribed therein are by no means mild, the new law has presumably been promulgated because it is felt that the announcement of the harshest possible punishment, made possible through procedures, provides the sort of shock treatment needed to curb the rising crime rate. Human history, however, leaves little doubt that while certain categories of punishments do help to restrict certain crimes

the mere increase in the scale of punishment often becomes subject to the law of diminishing returns, and that unduly harsh punishment can and does merely harden the criminals. In fact, there are a host of other factors which have an equal if not more telling effect on the situation: the state of the economy, the social milieu, the standards set by the administration, the values that it not only preaches but practises, social and political stability, the people's equation or association with Authority, and so on. Often the brandishing of the big stick or presenting what is considered to be a final solution may do more harm than good, because if it fails to achieve the desired results, if the last remedy does not work, what option is left for the people or the State?

Critics of the new measure have justifiably objected, first, to its application with retrospective effect, since this infringement of the principle of natural justice is something that lawgivers usually try to avoid. In the present case, offences made punishable in accordance with the new scale can take the courts (and these will presumably only be military courts) back more than five years. Then, Clause 2 of the Regulation not only refers to the damage done by a person to public or private buildings, other installations, dockyards, telegraph lines, etc., but also to "any act with intent to impair the efficiency or impede the working of" these installations, etc. It is not at all easy to see how this part of the Clause will be interpreted. Is it meant to apply to those who hold charge of the places and things listed or to outsiders who may try to interfere with their working?

Equally vague

Equally vague is the beginning of Clause 3 which prohibits the commission of any offence "liable to cause insecurity, fear or despondency among the public *including* offences against the State, public tranquillity, affecting human life or private property", etc., because it is not clear what other possible offences have not been specifically mentioned but will invite the same punishment. Further, abetment of the crimes listed is to be treated as an equally heinous offence, and this seems to include even possibly unwitting help such as giving shelter, food or drink to a person "who has committed or who intends or is likely to commit" any such crime. Every citizen "who comes to know that presence or whereabouts or any other information" regarding a criminal guilty of any of the aforesaid crimes is enjoined to inform the nearest police station or Martial Law Authority; impliedly, failure to do so will also be punishable.

Police reports

What makes MLR 53 more objectionable than other laws of its type is that "a military court, on the basis of police or any other investigation alone may, unless the contrary is proved, presume that the accused has committed the offence charged with". Particularly in view of the fact that the methods of investigation employed by our police and their level of probity and honesty have rightly called for critical comment by the highest in the country's administration, dependence on police reports, without unimpeachable corroborative evidence, certainly cannot meet the ends of justice. It will also open new avenues for corruption. The principle of any one being regarded as guilty unless he can prove himself to be innocent can only have grave consequences, and since the maximum punishment is death, and the trials are likely to be speedy, a danger clearly exists that persons not guilty of any offence may pay the ultimate price before they or their friends are in a position to prove their innocence. On the other hand, there is no guarantee that this procedure will make it easier or more certain to bring the guilty to book.

In the circumstances, on account of these and various other factors, it will be the earnest desire of every law-abiding citizen that the Martial Law authorities should – in the national interest and in the interest of the regime – reconsider the very basis of MLR 53 and repeal it or change it so that it conforms to the accepted norms of justice and fairplay.

CSO: 4200/73

GHAFFAR KHAN'S ARREST AND DETENTION REPORTED

Karachi DAWN in English 31 Oct 82 pp 1, 8

[Text] PESHAWAR, Oct 30: Khan Abdul Ghaffar Khan, the Red Shirt leader and founder of the Khudai Khidmatgar Tehrik, was arrested early this morning at about eight o'clock from village Takkar and was taken to the Kheshki Rest House where he has been detained.

Meanwhile, an official Press note issued here said: Khan Abdul Ghaffar Khan has been placed under house detention for participating in political activities restricted under the law.

The Press note said that during the past few weeks, Khan Abdul Ghaffar Khan had been participating in political meetings and was thus infringing the ban on the subject.

To refrain him from violating the law, he has been placed under house detention under Section three of MPO till further orders, the Press note said.—PPI/APP

Bilor's concern

Meanwhile, Mr Ghulam Ahmad Bilor, General Secretary of the defunct NDP has expressed his concern over the detention of Khan Abdul Ghaffar Khan and said "it was astonishing for the people of Pakistan to see double standards for certain sections under the same circumstances."

In a Press statement, Mr Bilor referred the most recent tour of Qazi Hussain Ahmed, a leader of the defunct Jamaat-i-Islami during which he visited every nook and corner of the NWFP and addressed public meetings unhindered during his meet-the-people visit. He charged that Qazi Hussain Ahmad had used "everything immoral" to which all newspapers gave vast publicity.

But Khan Abdul Ghaffar Khan, he added, who had said in his pre-arrest statements that he was doing his duty of informing the people about the magnitude of the problems they faced, thus performing the duty of the Government, was not understandable.

Mr Bilor said if this step was taken in a haphazard manner by the bureaucracy, it could have far reaching impact. He demanded of the Government to release of the detained leader immediately.

CSO: 4200/75

WALI KHAN VISITS GHAFFAR KHAN IN HOSPITAL

GF081310 Karachi DAWN in English 5 Nov 82 p 22

[Text] Peshawar, Nov 4 (PPI)--Khan Abdul Wali Khan, a prominent leader of defunct NDP [National Democratic Party] who had reached here on Thursday night from London enroute to Islamabad today visited Lady Reading Hospital to see his ailing father, Khan Abdul Ghaffar Khan, prominent Red-Shirt leader, who was shifted yesterday from Nowshera rest house, the place of his detention.

Khan Abdul Wali Khan also visited his brother Abdul Ghani Khan who is also admitted in the same hospital suffering from lung disease. Abdul Wali Khan remained with his father for quite sometime.

Khan Abdul Ghaffar Khan, who is suffering from rheumatic pains today said that he was feeling severe trouble in his knees.

Thorough medical examinations were done of the old leader today and 11 x-rays were taken to diagnose the trouble. He seemed otherwise quite healthy and received a large number of visitors and talked with them on different matters.

CSO: 4200/94

PAKISTAN AND FRANCE SIGN THREE AGREEMENTS

Karachi DAWN in English 28 Oct 82 p 1

[Text] Islamabad, Oct. 27: Pakistan and France today signed three agreements, two of which pledge French assistance of total value of 175 million French francs for a number of projects while the third one envisages reciprocal promotion and protection of investments.

The agreement providing reciprocal promotion and protection of investment is the third one which Pakistan has concluded with a member of European Economic Community. Similar agreements exist with Germany and Sweden which are both EEC countries.

It is proposed that 175 million francs will go to assist in providing for line of credit for PICIC and import of commodities worth 30 million francs from France and implementing projects of 10,000-line SPC Exchange for Telephone and Telegraph, meet additional requirements for Pak Land and Cherat Cement factories and equipment for track rehabilitation for the railways.

Out of the assistance offered by France, 20 million francs are expected to be spent on completion of WAPDA sub-stations at Dadu and Jamshoro.

The financial assistance agreements were signed by Secretary, Economic Affairs, Mr. Ejaz Naik, and Mr. J. C. Trichet of the French Treasury, who also signed the agreement for reciprocal promotion and protection while Qazi Alimullah, Joint Secretary, Finance Ministry, signed on behalf of Pakistan.

CSO: 4200/82

AMNESTY INTERNATIONAL'S CHARGES DENIED

Karachi DAWN in English 28 Oct 82 p 10

[Article by Yehia Syed]

[Text] LONDON, Oct 27: A spokesman of Pakistan Embassy, commenting on 'The Amnesty International Report, 1982' issued today (Wednesday) denied allegations made in the report that there were thousands of political prisoners in Pakistan and that some have been tortured while in detention.

The 367-page AI report has separate entries on 121 countries covering the period Jan-Dec. 1981.

The Pakistani spokesman said: "No political prisoner has been tortured, no political prisoner has been executed, and the number of political detainees is in two digits."

The Pakistani Embassy spokesman's denial was carried in the BBC World Service news bulletin this morning alongwith the AI report. And Pakistan was the only country which, so far, has challenged the AI report.

The Pakistani spokesman added that in order to combat foreign-instigated terrorism and subversion, Pakistan law-enforcement and security agencies had to arrest persons involved in criminal acts and sabotage, but after the due process of investigation, they were sent for trial or let off.

The spokesman refuted that any political detainee died while in custody due to ill-treatment. The relations of the detainees, the spokesman added, were informed of their whereabouts.

He pointed out that as the country is under Martial Law, some of the fundamental rights contained in 1973 Constitution are held in abeyance, but the law courts are functioning normally in respect of cases which do not fall specifically within the purview of Martial Law.

He further noted that while accusing Pakistan of violating human rights, the AI report failed to condemn the foreign-instigated terrorists who had indulged in acts of sabotage and have murdered opponents and looted banks.

This year the AI has completed 21 years of its birth and estimates to have over 350,000 members, subscribers and supporters in 154 countries.

In the Middle East the AI report includes the Arab Lawyers Union among the regional non-governmental organisations working to promote respect for human rights. It also includes the European-based organisation, the International Islamic Council, grouping Muslims from many Islamic countries, among its supporters, which has proclaimed a universal Islamic declaration of human rights and which has set up an International Islamic Committee on Human Rights under the chairmanship of Ahmad ben Bella, former President of Algeria.

The AI also mentions the third Summit conference held in Taif (Saudi Arabia) in its report, at which most governments in the region were represented and notes with approval its decision to establish an Islamic Court of Justice.

CSO: 4200/82

KARACHI LAWYERS BOYCOTT COURTS

Karachi DAWN in English 31 Oct 82 pp 1, 8

[Text] City lawyers boycotted proceedings in the lower courts, and two advocates — Mr Mehfooz Yar Khan and Mr Mohammad Siddiq Kharal — courted arrest yesterday in protest against the recent amendments in the Legal Practitioners' Act and the Bar Councils Act.

Both the lawyers were released by the police in Saddar area later and were allowed to go home. The advocates then came out in the street with placards in their hands and chanting slogans in support of their demands. They were readily rounded up by the police on the orders of the Sub-Divisional Magistrate on duty. They were taken in an open Suzuki to Saddar area, where they were freed.

An overwhelming majority of the city lawyers did not go to the courts and assembled in the Bar Room, but some of them appeared in a number of courts. Later, they were persuaded by senior members of the Karachi Bar Association to join the boycott.

The boycott of the lower courts started early in the morning and continued till mid-day. Later, a general body meeting of the KBA was held. This was addressed by Mr Khalid Hameed, the Acting President, Mr Farooq Naek, the General Secretary of the KBA, Mr Mehfooz Yar Khan and Mohammad Siddiq Kharal.

The speakers criticised the amendments. They also demanded lifting of the Martial Law, withdrawal of military courts and revival of the 1973 Constitution.

They pledged to continue their struggle till their objectives are achieved. They announced the decision of the Executive Committee and the Action Committee taken at a joint meeting yesterday, requesting several political leaders to address the Karachi Bar Association.

The speakers also criticised the promulgation of the Provisional Constitutional Order (PCO) and demanded its immediate withdrawal.

The Acting President informed the meeting that a joint meeting of the KBA and the Sind High Court Bar Association has been proposed for chalking out a programme for the movement.

Earlier, the two advocates burnt a copy of the PCO. Five senior advocates, including two office-bearers of the KBA, accompanied Mr Mehfooz Yar Khan and Mr Siddiq Kharal to the road while other advocates remained inside the premises of the city courts.

The KBA announced that the next general body meeting will be held on Tuesday.

Four Leaders of the Joint Labour Federation, Mr Shafiq Qureshi, Mr Mohammad Yaqoob, Mr Jaftar Khan and Mr Faqir Mohammad, have supported the struggle launched by the advocates for the rule of law and demanded release of the detained advocates, says a Press release.

The Provincial Secretary Information of the defunct Pakistan Democratic Party, Mr Khalid Farooqui, supported the struggle of the lawyers for the revival of the 1973 Constitution.

In another statement, Mr Hasil Khan Baluch, Chairman of the United Students' Movement also criticised the arrest of lawyers and demanded withdrawal of the PCO.

In a joint statement, they advised the lawyers to remain above the political groupings and not to become a tool of any political party.

They were of the opinion that majority of lawyers wanted solution to their problems and were against using the KBA platform for political purposes, a Press release said.

CSO: 4200/75

FORMER MINISTER SAYS 1973 CONSTITUTION NO MORE

Karachi DAWN in English 31 Oct 82 p 8

[Text]

Mr Abdul Hafiz Pirzada, a former Federal Minister for Law and Parliamentary Affairs and a leader of the defunct Pakistan Peoples Party, has said that survival of the country was at stake at this critical juncture and called for revival of democracy.

In an hour-long Press Conference at his newly established office at a local hotel last evening, Mr Pirzada analysed the political situation in depth and called upon the political parties and the Government not to underestimate the gravity of the situation.

He was of the opinion that the 1973 Constitution did not exist and the Provincial Constitutional Order (PCO) was ruling the country

Elaborating his point further, Mr Pirzada said the Federal structure, parliamentary democracy, One-man one-vote and bicameral system, which were the main pillars of the 1973 Constitution, also do not exist. The country was being ruled under the Provisional Constitutional Order, he said. Even before the promulgation of the PCO, Mr Pirzada opined, the 1973 Constitution had ceased to exist.

When asked how the country could be restored back to constitutionalism, Mr Pirzada observed that the 1973 Constitution needs fresh enactment by a soveriegn and elected parliament having the mandate of the people.

Mr Pirzada said: "Accountability of any Government depends upon judiciary and under the PCO the judiciary is subservient to the Military Government". "There is no authority in the country to examine the acts of the Government," he observed.

He called upon all the political parties to mobilise public opinion, compelling the Government to hold general elections. Only through an internal political pressure the present Govenment could be compelled to hold early general elections, he added.

Mr Pirzada advised the political leaders to stop confusing the people over round-table conferences and meetings as the country had no 'unlimited period' — not years — to take it out of the present crisis.

He asked the political leaders to lend full support to the legal community in their present struggle in order to compel the military Government to restore democracy and hold general elections.

Mr Pirzada also asked the Government to allow Begum Nusrat Bhutto to go abroad for treatment. The delay in granting her permission for treatment abroad, he added, was deplorable. It was the fundamental human right of any citizen of the country to seek immediate treatment abroad, if necessary, he added.

He also criticised the procedure in granting permission for treatment abroad and said it was a procedure of 1950s and is now outdated.

CSO: 4200/75

CLARIFICATION ISSUED ABOUT INCIDENT IN COLLEGE

Karachi DAWN in English 31 Oct 82 p 8

[Text]

LAHORE, Oct. 30: The administration of the National College of Arts, Lahore have issued the following Press release:—

"Controversial statements are being issued and the name of religion is being exploited by a certain group of students in connection with disciplinary action taken against three students of the National College of Arts, Lahore.

"The factual position is that a cartoon representing an artist was made by a student of the National College of Arts with a Hadith quoted below it. Two students belonging to a certain organisation, without bringing the matter to the notice of the college authorities, took the law into their own hands. They not only physically assaulted and injured the aforesaid student but also used derogatory language and threatened to shot the principal.

"The whole incident was thoroughly investigated by the Students Affairs Committee of the College and all three students were rusticated for breach of discipline and violating the academic atmosphere of the college.

"They subsequently submitted a regular appeal which is under consideration with the executive committee. It is unfortunate that the affected party is trying to generate unnecessary pressure on the executive committee.

"The authorities of the National College of Arts request the public and the general students community to excercise discretion and not allow politics and academics to be mixed together and exploited in the name of religion.—APP.

CSO: 4200/75

CALL TO FREE LAWYERS

Karachi DAWN in English 31 Oct 82 p 8

[Text]

The Chairman and members of the Executive Committee of the Sind Bar Council have in a joint statement criticised the recent arrest of lawyers in the country and have called upon the Government to order their immediate release.

The statement is signed by Mr S. Sami Ahmad, the Chairman, and members of the Committee.

They expressed "concern over the present unrest prevailing in the legal fraternity throughout the country". They traced it to "the unwise policy of the Government towards the legal profession".

They said the Government "committed a blunder when they, instead of taking the lawyer into confidence for rooting out corruption from judiciary, introduced unnecessary amendments in the Bar Councils and Legal Practitioners Act, 1973 and attempted to introduce Qazi Courts Ordinance".

"When we go deep into the matter, it becomes clear to us that there is a deliberate attempt on the part of the bureaucracy to breed further corruption in the society and to create dissatisfaction amongst the lawyers", they added.

They declared: "It is our inherent right to speak of and struggle for the rule of law. We, the lawyers, by pressing our demands for the rule of law and restoration of the Constitution of 1973, are clearly demonstrating that we are deeply interested in the solidarity of Pakistan".

They criticised the arrest of M/s Abdul Hafeez Lakho, the KBA President, Abdul Malik, the Joint Secretary, Sher Alam, member, Punjab Bar Council, Iftikhar Gilani, Ex-President of the Peshawar High Court Bar Association and Zafar Ishaq, an advocate from Azad Kashmir.

They called upon the Government to immediately release the lawyers who have already been convicted as well as those who have been taken into custody and are awaiting trial by military courts and withdraw the cases against them unconditionally.

CSO: 4200/75

DELAY IN NEW LABOR POLICY DEPLORED

Karachi DAWN in English 31 Oct 82 p 16

[Text] "The Government, which is the single largest employer in the country, has been delaying the announcement of the new labour policy on one pretext or the other and it is time that it may be reminded of its responsibility in this regard", observed Mr Mohammad Yusuf Zia, President, Federation of Pakistan Chambers of Commerce and Industry, while inaugurating the 2-day National Seminar on Bilateralism and Collective Bargaining on Saturday.

The seminar is being organised jointly by the Employers Federation of Pakistan and the International Labour Organisation, Islamabad, at Hotel Karachi Intercontinental.

He told the participants that it is high time that a serious thought should be given as to why the concept of bilateralism and collective bargaining has not achieved the desired results in labour management relations.

Mr Yusuf Zia pointed out that during the last two years the CBA, the Union and the Management could not get enough time to pay attention to such matters as efficiency, productivity and skill improvement etc.

Plan of action

He advocated that the CBA and the Management should jointly consider a plan of action, spread over a period longer than two years, to attend to these important matters. He said that any agreement arrived at in this respect should be binding on the Management and the CBA both.

He hoped that the participants of the seminar will consider these aspects more seriously.

Mr Yusuf Zia said this seminar has provided an excellent opportunity to the participants to share with others their experiences on the success or otherwise of the concept of bilateralism and collective bargaining. He hoped that the participants will be able to pinpoint flaws in the enactments, deficiencies and drawbacks in its implementation, lacunae in the law and the areas where improvement is needed, to make this bilateral arrangement worthwhile and beneficial to all concerned.

Welcoming on behalf of the Employers, Rear-Admiral M.I. Arshad, President, Employers Federation of Pakistan, told the Seminar that whenever bilateralism negotiations have failed or are at the verge of break-down, the reason was the ignorance of the rules of the game of collective bargaining by those who are engaged in such negotiations. He said they either do not know of the procedure or the method as to how to conduct the bilateral talks at the bargaining table.

Objectives

Speaking on the objectives of the seminar, Rear Admiral Arshad said we propose to go into the subject in depth. He hoped that the seminar will arrive at the correct concensus on the problems and the methods as to how the bilateral bargaining can be worked for the benefit of both the parties — employers and the employees.

He emphasised that the solution to our problems lies in following the pristine principles of Islam and gaining a state of balance and equilibrium between the employers and the workers.

Mr S.H.M. Zaidi, of Employers Federation of Pakistan, spoke on the "Objective and Methodology of the Seminar", while Mr. M.A. Mohsen offered vote of thanks at the conclusion of the inaugural session.

During the working session in the morning, papers were presented. The session was chaired by Mr. A.A. Shaheed, Expert, Ex-ILO Geneva. Mr Badiuddin Ahmad Khan spoke on "Philosophy of Bilateralism".

The afternoon session was chaired by Mr. Mahmood Ali Director and General Manager Beecham (Pakistan). Speakers were Mr. Masood A. Mirza, Industrial Relations Adviser, who presented paper on "Law Regarding Bilateralism and Collective Bargaining"; Mr. F.K. Siddiqui presented paper on "Charter of Demands".

Today's programme

Morning session to be chaired by Mr. Tariq Amin, Chairman, Manghopir SITE Association of Trade and Industry, at 9 a.m. at Shalimar Room.

Final and closing session will begin at 2.30 p.m. It will be chaired by Rear-Admiral M.I. Arshad; presentation of reports and discussion, at Shalimar Room, Hotel Intercontinental.

CSO: 4200/75

BODY OF EXPERTS SET UP FOR WORKERS' WELFARE FUND

Karachi DAWN in English 28 Oct 82 p 8

[Article by Saghir Ahmed]

[Text] The Federal Government has constituted a six-member Working Group of Experts to examine measures for the utilisation of Workers Welfare Fund and implementing other welfare schemes, it is learnt.

The Working Group set up by the Federal Ministry of Labour and Manpower is headed by Mr S.S. Hoda, Joint Secretary, Ministry of Labour, as its Convener. Brig (Rtd.) Khurshid Rabbani, Joint Secretary, Ministry of Production, and Rao Umar Sulaiman, Joint Chief Economist of the Planning Division as official members. Among the non-official members are Mr Mohammad Sharif, President PNFTU Karachi; Mr Gul Rahman of United Mine Workers Union, Quetta, and Ch. Rahmatullah of All Pakistan Federation of Labour, Lahore.

Though no date or venue has been announced for the first meeting of the group, it might be held some time in early November at Islamabad.

Meanwhile, details of a working paper for the benefit of the Group have recently been circulated highlighting the housing scheme introduced in 1971 with an initial Federal grant of Rs. 100 million. Its total income from its regular sources and interest from investments and grants since its inception todate stood at Rs. 748.61 million.

Plots developed

A sum of Rs. 290.433 million was utilised up to June 1982 by various agencies for the development of plots and construction of houses for workers.

As many as 23,539 plots were developed and 4,923 houses constructed for workers from this Fund in different parts of the country viz. Punjab: Plots (6,897) and 512 houses; Sind: plots (13,904) and 3,662 houses; NWFP 1,800 plots and 540 houses, while in Baluchistan the plots developed were 638 and houses constructed numbered 209.

Besides, 1,836 houses were under-construction in different cities i.e. 100 at Kohat; 96 at Nowshera; 50 at Swat; 20 at Shikarpur; 50 at Uthal and 20 at Gaddani. The houses being constructed for workers by the Labour Division of the Ministry were: 500 at Sahoki Malian; 300 at Gujranwala; 200 at Kotri; 200 at Hyderabad and 300 at Peshawar.

Special ward

Some efforts have now been made for the construction of Special Ward at the District Headquarters Hospital and a multipurpose Labour House at Quetta and an ambulance is being provided to NWFP Social Security Institution. In Sind the government has established a few industrial houses for female dependents of workers in their colonies etc. There are proposals to have more such industrial homes in the newly built colonies shortly besides providing bicycles to the workers on easy instalments.

Investment

The working paper reveals that the unutilised amount of the Fund had been invested since 1974-75 in the Khas Deposit Account of National Savings Organisation showing a balance of Rs. 324.79 million till June 1982.

At present the Workers Welfare Fund has Rs. 400 million in reerve which earned an income of Rs. 36 million in 1981-82.

The working paper suggested formation of a Foundation on the pattern of Fauji and Shaheen Foundations for setting up chain of industries and using their income for the welfare programmes of workers in the country. It pointed out that setting up of industries with this fund would bring manifold benefits to the country's economy and would lead to the welfare and well-being of the workers.

The Fund has a recurring source of income of about Rs. 60 million which could be utilised for various other welfare programmes for the workers of the country, the working paper added.

CSO: 4200/82

JI LEADER CRITICIZES ROUND TABLE CONFERENCE

Karachi DAWN in English 31 Oct 82 p 16

[Text] Mr. Mahmood Azam Farooqi, leader of the defunct Jamaat-i-Islami has cast serious doubts on the proposed round-table conference called by Maulana Shah Ahmad Noorani.

In a statement he said the willingness of President Zia-ul-Haq to attend the conference and the welcome accorded to this decision by Noorani's circle clearly indicated that the "cat is out of the bag".

He said there was no doubt left about the intentions of the organisers of the proposed round-table-conference. He said it clearly indicated that the steps were being taken to strengthen the hands of the present Government and thus extend the military rule.

Mr Farooqi said the slogan of restoring democracy was nothing but a camouflage to hoodwink the elements who were trying to launch a struggle for the restoration of democracy.

He also criticised the change in the stand by offering invitation to all those political parties who had 'registered themselves' for the postponed 1979 election.

He pointed out that it was the declared policy of Maulana Noorani to invite only those political parties which had taken part in the national elections and had won seats in the assemblies.

He strongly disapproved of inviting those parties which are "non-entities" in political field.

PESHAWAR, Qazi Hussain Ahmad, Central leader of Tehrik-i-Islami, Pakistan has described the much publicised and talked about and as yet proposed round table conference of political parties, a political stunt, lacking fundamental pre-requisities for such a national forum.

Talking to PPI here on Saturday evening Qazi Hussain Ahmad stressed a four-point base for preparation of ground for a national-level round table conference of national political parties. He said first of all the mover of a RTC should be above mass criticism. He should be more agreeable, and his sincerity should be beyond doubt and people should trust him.

Secondly, only those people should be invited to get together over such conference who have general consensus on major national issues and having common ideology.

Thirdly, he said, to prepare an agenda for such a conference, the movers should first consult the invitees individually and collectively.

LAHORE, The chief of the defunct Khaksar Tehrik, Khan Mohammad Ashraf Khan, has expressed his doubt on success of the proposed round table conference being convened by the defunct Jamiat-i-Ulema-i-Pakistan for the solution of national problems.

Addressing a Press conference here today, he said that Maulana Shah Ahmed Noorani was trying to bring together various parties having different ideologies, which according to him, could not bear any fruit. The round table conference would meet the same fate as was done by the defunct Pakistan National Alliance he observed.—PPI

CSO: 4200/75

COUNTRY'S STRENGTHS, WEAKNESSES IN FIELD OF ENERGY REVIEWED

Karachi PROGRESS in English October 82 pp 3, 8

[Text] "ESCALATING oil prices, ever since the first major price hike in 1973, have made energy the most crucial issue of our times while the energy crisis has affected all nations its impact on the resource-poor Oil Importing Developing Countries is considerably more serious. Many of them are spending more than 50 per cent and some 100 per cent of their entire export earnings to pay for their energy import bills."

This was observed by Rear Adm (Retd) Rashid Ahmad, PPL's resident manager at Islamabad, at the Overseas Investors Chamber of Commerce & Industry, Karachi, on 8th September. He was addressing a team from the Royal College of Defence Studies, UK, who were on their annual tour of South Asia. The subject of Rashid's talk was: Energy Scene in Pakistan.

He went on to say that the task of balancing resources — energy and financial — to meet the country's ever growing demand for Energy was a complex issue.

Energy Availability

Pakistan faced a very difficult situation, because it had to import more than 87 per cent of its oil requirements, which ate up a major chunk of its export earnings. Every effort was being made to contain the import bill and develop the indigenous energy resources. To achieve quick results, more funds were constantly being diverted to the Energy sector. The cooperation of foreign companies had also been enlisted to explore for hydrocarbons in the country.

The effort had not been entirely fruitless and large gas deposits had been discovered. Recently some oil had also been found at Adhi in the north and Khaskheli in the south. Although only four of the 13 gas fields discovered so far had been brought on production, natural gas had put Pakistan in a very privileged position.

The country at present meets about 68 per cent of its commercial energy requirements from indigenous resources. Of the total energy demand, natural gas contributes 41.7 per cent, oil 36.6 per cent, hydro electricity 15.9 per cent, coal 5.3 per cent, LPG and nuclear power about 0.5 per cent.

Despite this heartening factor, the country still has to spend more than 50 per cent of its export earnings on the import of crude oil and deficient petroleum products. The cost of these imports for the first nine months of 1981-1982 was a formidable $ 1.3 billion.

The production of crude oil at present is about 13,000 bbls per day. Two thirds of this quantity is produced from the fields in North Potwar (Meyal, Balkassar, Dhulian, Adhi & Toot) and about 3,500 bbls from the newly discovered oil field at Khaskheli (at Badin). The present production meets about 13 per cent of the country's oil requirement. The rest is imported. It can only be hoped that "If Government's efforts to improve oil and gas production are successful we will be able to achieve the plan target of 30,000 bbls per day by 1989-90". Based on this assumption, the planners estimate that the shortfall of crude petroleum in 1989-90 will still be about 6.0 million tonnes, which could mean an increase in expenditure from the present 1.7 billion dollars to something between 5.7 to 9.6 billion dollars — an almost impossible burden to bear.

The Government is therefore trying to increase the tempo of oil exploration in the country. For this foreign investment is necessary and

therefore tax and other incentives are being provided to bring in foreign oil companies to explore and drill. In addition, the Government has recently offered eight of OGDC's delineated structures to foreign companies on joint venture basis.

Refineries

The current refining capacity in the country is over six million tonnes (2.54 million tonnes Pakistan Refinery Limited (PRL), 2.13 million tonnes National Refinery Limited (NRL) and 1.7 million tonnes Attock Refinery Ltd. (ARL). The PRL and NRL Refineries are currently operating at optimum capacities. There is spare capacity of about 26,000 bpd at the Attock Refinery at Rawalpindi.

Natural Gas

The recoverable reserves of natural gas from the dry gas fields and associated gas from oil fields are estimated at about 20 trillion cubic feet.

The annual consumption growth rate of gas during the last 10 years was recorded at more than 9 per cent. Out of the thirteen gas fields so far discovered, four are in production. The Sui gas field, owned by PPL, contributes over 80 per cent of the total yearly offtake. Main consumers of gas are power stations, fertiliser, and cement. Domestic and commercial users account for only around 12 per cent of the total production.

The annual compound growth rate in the consumption, during the next 10 years, is estimated at 7.1 per cent. Unless new gas discoveries are made, it is feared that the present recoverable reserves may be depleted soon after the turn of this century.

Electricity

The installed capacity of electricity is 4239 MW. The present hydel capacity is 2022 MW, against the thermal capacity of 2080 MW and nuclear 137 MW. The hydel percentage is likely to increase with the commissioning of additional units at Tarbela and Mangla and new hydel projects.

During the last 10 years an annual compound growth rate of 8 per cent in electricity consumption has been recorded. This is likely to rise due to implementation of projects like:

(a) Village electrification programme.
(b) Energization of tube wells.
(c) Urbanization.
(d) Continuous increase in domestic electric equipment and in heavy industries like steel etc.

To meet new demands, Government has decided to increase the capacities of the Tarbela, Mangla and Warsak Hydro electric projects. Their hydel capacity will be increased to 5500 MW. Plans are also in hand to go ahead with $ 2.4 billion, 1760 MW Kalabagh Hydel Project on the river Sind.

Nuclear Power generation accounts for 1 per cent of total availability. In certain advanced and developed countries nuclear energy is meeting about 25 per cent of the electricity needs.

Coal

Total estimated reserves of coal in the country are 456 million tonnes, of which considerable quantity lies at Lakhra in Sind.

The production of coal in 1971-72 was 1.21 million tonnes which increased to 1.58 million tonnes in 1980-81, showing an annual compound growth rate 2.9 per cent. The consumption of coal during the last 10 years has shown an annual compound growth rate of 1,2 per cent. The major consumption of coal (over 90 per cent) has been in brick kiln industry. Other coal consuming sectors are power generation and domestic. The domestic sector coal use in Baluchistan has also been somewhat reduced due to the availability of Air Mix LPG.

During the last 10 years the country's economic growth rate registered about 5 per cent annual increase. Consumption of energy during the same period, has correspondingly increased for all the consuming sectors of energy.

Main consumers of energy are: Industry 31.5 per cent, Transport 19.9 per cent, Power 16.6 per cent, Residential 12.3 per cent, Fertiliser 4.1 per cent and Agriculture 5.3 per cent.

"Unless substantial new discoveries of oil and gas are made, ever increasing quantities of crude and petroleum products will have to be imported to meet the country's essential requirements". Every effort is being made to conserve energy, discover new gas and oil fields, and develop hydel, coal and nuclear resources. This programme needs financial resources of a large order, problems in the near future are likely to arise.

The Next 10 Years

"To prepare an accurate future projection of energy consumption, each component of the Gross National Product has to be analyzed and forecast." The first endeavour to develop a long term energy balance forecast was completed in 1975 but this was considered unrealistic. Another

study was then carried out and this forms the basis of a 10 year forecast.

According to this study it is expected that during the next 10 years the growth rate would be about 5 per cent. This may be conservative and the actual annual increase may be much higher.

Renewable Sources

Of late a lot of thought has been given to renewable energy sources which experts believe, have a definite role to play in achieving energy transition from fossil to non fossil fuels. However, the role of renewable sources, other than of nuclear, is likely to be limited to the domestic sector for quite some time. It is undeniable that it has a great potential for improving the socio-economic conditions of our rural population where electricity and natural gas cannot be provided.

Pakistan has recently started making some progress in the fields of biogas, wind and solar energy.

One of the vital objective that development of renewable sources of energy is expected to achieve in Pakistan is the transfer of technology to the consumers to the extent possible. This shall improve the living conditions in the otherwise less developed and energy deficit areas. Another very vital aspect of this is to reduce the consumption of kerosene oil which is the second largest deficit product being imported into the country.

"I hope I have not painted too grim a picture of the Energy scene. A scene which is not different from the world energy scene – except that in our country which is poor in resources and is importing large quantities of petroleum, the solution is that much more difficult to find. Anyhow, everybody in the Government is aware of it and I am sure, with the amount of effort that is being put in, we shall be able to survive this energy crisis."

CSO: 4200/74

LOCAL BODIES ELECTIONS PLANNED FOR SEPTEMBER '83

Karachi DAWN in English 30 Oct 82 p 4

[Text] MULTAN, Oct 29: The Federal Minister for Local Bodies and Rural Development, Syed Fakhr Imam, said here yesterday that the Local Bodies elections have no connection with the general elections and these could also not be used for political ends.

Talking to newsmen here at the airport on his arrival from Rawalpindi, he refuted the allegation that the Government would use the members of Local Bodies as a platform for holding referendum in the country.

Replying to a question, he said that before the Local Bodies elections administrators will not be appointed in Local Bodies. He said that elections of Local Bodies are likely to be held in September next unless the Government decides to hold these elections before that time.

Replying to another question Syed Fakhr Imam said that five-year development plans of all district councils in country will be completed by June next year. He added that so far the District Councils of Jhelum and Attock in Punjab, District Council Thatta in Sind and District Council Mansehra in NWFP have prepared their 5-year development plans.

He said that according to the policy of the Government people have to prepare these plans through their elected representatives of their respective districts keeping in view their problems and requirements of the area.

He said that the Federal Government has decided to provide ten percent of the funds from its own account to every District Council for the five-year plans. He added the several training courses have been organised to impart proper training to Chairmen and Councillors of Local Bodies for planning development programmes.

Replying to another question he said that the report of Local Bodies Commission will be presented to Presient General Mohammad Zia-ul-Haq first. Afterwards the Provincial Governments will make modifications in the existing structure of Local Bodies in the light of the recommendations made by the Local Bodies Commission.

In reply to another question regarding the proposals for amendments given by the people in reply to the questionnaire of the Local Bodies Commission, the Minister said that the legal advisers of the Commission are reviewing in detail these proposals. He added that majority of proposals submitted by the people are aimed at increasing the income of the Local Bodies.

In the end he said that the financial position of Union Council has improved much after the allocation of 20 percent of share of funds of income by their respective District Councils for development schemes.

CSO: 4200/74

IMPORT OF TRACTORS BANNED TO HELP ASSEMBLY PLANTS

Karachi DAWN in English 30 Oct 82 p 4

[Text]

FAISALABAD, Oct. 29: The Pakistan Government completely banned the import of tractors and entrusted the tractor assembling work to private enterprises in the country. This was disclosed here on Tuesday by Mian Mumtaz Ali, Vice-Chancellor of the University of Agriculture.

Addressing the out-going agricultural engineers of the university he said that the Government imported 78,000 tractors during the last four years which involved foreign exchange component of crores of rupees. The main object of the Govt. to impose ban on the import of trctors was to encourage the home assembling plant to produce small size tractors and then offer them to farmer on most competitive rates, he added.

The Vice-Chancellor said that the Govt. recently constituted a high level board, comprising officials of the Labour and Agriculture Ministry and representativs of various financial institutions to formulate viable policy to incrase the production of tractors and other agriculture implements in the country and also to suggest ways and means for effective mechanical farming. Under the direction of this board, he said four tractor Assembling plants have been setup in the country which are almost meeting the growing need of tractors and agricultural implements.

Dr. Mumtaz Ali said that duty on the import of tractor spare parts has already been reduced from 110 per cent to 10 percent and the import of agricultural spares and other material has been exempted from import duty.

The Vice-Chancellor said that the University of Agriculture introduced the M.Sc. Classes in Farm Machinary and Power, Irrigation and Drainage and would shortly start Ph.D. Classes in Agricultural Engineering.

CSO: 4200/74

MINISTER SAYS PAKISTAN IN FAVOR OF ISLAMIC COMMON MARKET

Karachi DAWN in English 30 Oct 82 p 9

[Text] ISLAMABAD, Oct 29: Pakistan wish to see emergence of a common market of Muslim countries in food and agriculture for their collective development and benefit.

This was stated by Vice-Admiral M.F. Janjua, Minister for Good and Agricuture while talking to newsmen on his return after a week long visit to Turkey and Nicosia.

He said that there were three categories of countries in the food and agriculture sector. Firstly exporters, like Pakistan, secondly potential exporters who are developing gradually in agriculture and thirdly, importers like Saudi Arabia and Gulf countries.

"We want that the bilateral relation among various Muslim countries should further expand and result into establishment of a common market for greater cooperation and collective benefit.

Admiral Janjua said that his visit to Turkey had been very useful. He said that he attended the meeting of the follow-up committee of the Organisation of the Islamic Conference (OIC) on food agriculture. Besides meeting and exchanging views with the Agriculture Ministers from bortherly countries, he also got an opportunity to explore possibilities to expand bilateral relations with Turkey.

He said that Pakistan could greatly benefit, from Turkey's experience in horticulture specially for growing of fruits like pistas, peaches, apricots. These fruits are grown in Pakistan but the output is not as good as it was in Turkey, he added.

The Minister said that an expert from Turkey would soon visit Pakistan and help fruit growers here to increase their fruit production on moodern lines.

After his stay in Turkey he said, he visited Nicosia and attended the conference of Near East region of the Food and Agriculture Organisation (FAO) in which all Arab countries and some African countries participated.

The Minister said the biennial conference reviewed the development of food and agriculture in the member countries. They particularly discussed the causes for the reduction of food output of these countries by one percent during the last four years.

Pakistan, he said, was self sufficient in wheat and its output of rice, sugar and cotton had substantially increased. He said that various measures were discussed to increase cooperation among regional states to promote agriculture.

In reply to a question, Admiral Janjua said that post-harvest losses could be checked by applying modern technology but the most important factor is to increase the production and expand cooperation among the regional states.

Admiral Janjua said that his visit to Turkey and Nicosia had been very useful which enabled him to exchange views with his counterparts and review the progress we have achieved in the agricultural field over the past years. The conference also explored the possibilities of expanding cooperation among Muslim countries.

The Minister thanked the Turkish Government and people for the warm reception and their hospitality. He said that he was deeply impressed by their feelings of brotherhood and affection. He hoped for greater cooperation between Pakistan and Turkey

On arrival, the Minister was received at the airport by the Turkish Ambassador in Islamabad, Mr. Ayhan Kamel and officials of the Food and Agriculture Ministry.—APP.

CSO: 4200/74

ISLAMIC COMMON FOOD MARKET IDEA TERMED 'GLIB TALK'

GF091922 Islamabad THE MUSLIM in English 2 Nov 82 p 4

[Editorial: "Islamic Common Market"]

[Text] The facile talk about the early formation of an Islamic common market has led to nowhere so far. Advocates of such a market at seminars and Islamic conferences were swayed more by emotions or rhetoric than by the realities of the current Muslim world economics. The vital prerequisites for such a market are not there now.

To begin with the Muslim world spreads across two continents and more--from Morocco to Indonesia. It is in various stages of development, and has some extremely rich oil states as well as the extremely poor Bangladesh and alike African Muslim states. And too many of their requirements are currently being imported from Western or socialist countries as they themselves do not produce them. And some countries are so rich they want the best produced in the West rather than the medium quality goods produced in a few of the Muslim countries.

So it is easier to talk of an Islamic common market than make rapid headway in that direction. Above all, the approach to economics has to be economic rather than sentimental and rhetorical. That is what the massive U.S. wheat sales to Soviet Russia underscores. That Washington should be doing that while exerting pressure on its European allies not to help in building the pipeline that will carry Siberian gas to Europe shows how sheer self-interest is triumphing over ideology or even elementary logic.

Some Muslim countries are hence talking now of a limited Islamic common market in food and agriculture. This is worth striving for despite the handicaps and hindrances. Too many of the Muslim countries, particularly Saudi Arabia and the Gulf states, are too heavily dependent on food imports. A great deal of the foodgrains now come from the West, particularly the U.S. while prices of foodgrains have been going up. U.S. strategists have lately been talking of using food as a weapon. And the forecast for the future is that as the world population, which has risen from 2.5 billion in 1950 to 4.6 billion today exceeds 6 billion by the year

2,000 food shortage in the world may become very acute. At that time the food exporting countries would have a tremendous clout while the major food importing countries would be at serious disadvantage. Food may then be used really as a weapon and the Western states may impose the kind of conditions on food importing states as the U.S. did before agreeing to deliver five AWACs to Saudi Arabia following a humiliating debate.

In the light of such fearful future prospects Muslim states are well advised to depend on each other more than on domineering Western states. Some countries like Pakistan and Turkey are able to produce more and more food quick and export them. They have the land basic inputs and the manpower. As they form part of the Islamic belt importing food from such countries can be cheaper and quicker for the food deficit Muslim states. Secondly, these states may be able to produce the strains of wheat or other grains which are in real demand in other Muslim countries.

But these Muslim countries can increase their output substantially only if vast quantities of capital become available quick. Will the oil states readily provide such capital as long term loans? And where corporate agricultural development has rich possibilities, will some of the oil states or their entrepreneurs come in as substantial investors? And will such states bind themselves to import more and more from Muslim countries and restrict their imports from the West? Agreements on such basic matters are essential before a common market in food can take off.

Of course, the grains and other food items produced by the Muslim countries have to be competitive in quality and price. Deliveries too have to be regular. The whole approach should be commercially viable, and not too propped up by sentiments alone. All that would demand tremendous organisation at the level of cultivation, storage and transportation. And where packaging is needed that too should be excellent as the rich Western states would not want to be excluded from such a rich market and would make their products as attractive as possible all round.

If a part of the production has to be increased through corporate farming, the other should come through stronger and more resourceful co-operatives. Dr Mahbubul Haq says that poultry export to the Middle East and Gulf can fetch a billion dollars from Pakistan, but the actual currency is an infinitesimally small fraction of that amount. Food, vegetable and flower [as printed] export to the Gulf can also increase substantially.

But if Pakistan has to take full advantage of such tremendous possibilities it has to think big and act big. And it has to act fast instead of being swamped by an overflow of red-tape and antiquated agricultural departments at the centre and in the provinces. Too many of our food officials are now too keen on taking full credit for the increased agricultural output for themselves instead of taking positive measures, to increase production more rapidly to enlarge our exports. Dr Mahbubul Haq has been talking of offering support prices for oil seeds vegetables, fruits and flowers,

etc. in addition to what is offered for wheat, rice, cotton and sugarcane. We hope that more exports would not mean far higher prices at home and the exports would not be built on the back of the helpless over-burdened consumers. All these factors must be weighed carefully before we talk glibly about common markets and their tremendous promises and infinite possibilities.

CSO: 4200/94

NEW HEALTH PACKAGE TERMED 'INADEQUATE'

Lahore VIEWPOINT in English 14 Oct 82 p 6

[Text] THE new health 'package', announced by the Federal Health Minister the other day, will evoke mixed reactions. While some of its features do offer a glimmer of hope to a large mass of the population whose health needs have largely been neglected so far, some others reflect on a persistent failure to evolve a strategy which could sustain hopes of attaining the goal of universal health cover by the year 2000. The more essential part of the 'package' is obviously the one which will be incorporated in the Five-Year Plan due to be launched in July next year. It envisages the creation of a network of Basic Health Units, responsible for midwifery, child care, family planning, school health service, etc; increase in the number of doctors at each Rural Health Centre to three; and the establishment of a national rural health service, in which each male doctor will be obliged to work in the rural areas for two years and a female doctor for one year. Beside other incentives to doctors to join the rural service, those who do so will receive concessions for establishing private practice. The idea underlying these proposals, namely, to establish health facilities in the neglected rural sector and thus bridge the gap between it and the urban sector, is undoubtedly sound. But whether the size of the effort and the investment in the rural health sector is adequate to the needs remains to be seen. Also welcome is the move to introduce a second shift at the hospitals; this should make the crowds there somewhat more manageable.

A better part of the 'package' however, deals with the relatively less important question of doctors' professional prospects, presumably because the committee drawing up the proposals had been set up to examine the doctors' demands. Several measures are to be taken to absorb more doctors in the State sector; the facility of employment on house jobs for one year is to be extended to all the medical graduates; and the possibilities of doctors' rise to top positions in services are going to be increased. This is good as far as it goes. However, the degree to which these proposals can satisfy the demands of the doctors will be known only after the pay and service commission has finalised the terms and conditions of the new professional cadre. At the same time, the decision not to increase the rate of output of doctors implies acceptance of inability to maintain an adequate

rate of investment in public health projects. The suggestion to cut down the subsidy on medical education and raise tuition fees, etc., is also indicative of accountants' supremacy over socially motivated planners, because it proceeds from an untenable assumption that the present scale of doctors' output is sufficient to meet the long-term requirements of a comprehensive health cover.

Far more questionable is the non-realisation of the need to restructure the hospital services. There is no indication that the proposal to improve these services by separating hospital jobs from teaching assignments, consistently argued by informed observers, was considered. Then, considerable emphasis has been placed on the expansion of hospital facilities in the private sector, regardless of the impact this will have on the availability of doctors for State-run institutions or the commercialisation of health services will have on the economically depressed classes. Both of these questions ought to be faced honestly in a poor country like Pakistan where the State has not yet formally repudiated its responsibility to provide health facilities at a cost the majority can afford. The desire to pass some of the burden of the national health cover on to the community can be defended, but encouragement of a profit-motivated private sector in health is certainly not the best way to achieve this objective. Quite a few Third World countries have found a better answer in the concept of community medicine, which envisages social sponsorship and control over health facilities outside the State sector. It would be a pity if Pakistan's health planners failed to examine this concept with an open mind. Finally, the question whether primary health services need M.B.,B.S. doctors or whether the base of the health service pyramid could be entrusted to less elaborately trained medical assistants and community workers has again been avoided. All these shortcomings are perhaps unavoidable result of entrusting planning in such crucial and sensitive areas as health to doctors or allied technocrats to the exclusion of public representatives. Quite obviously, then, we will have to wait for a rational health plan till public sovereignty over the instruments of governance and planning is restored.

CSO: 4200/73

SENDING PAKISTANI POLICE CONTINGENT TO ZIMBABWE OPPOSED

Lahore VIEWPOINT in English 14 Oct 82 p 8

[Text] One does not know much about the Zimbabwe Police. Since it was inherited from the White Rhodesian dictatorship and remained under fascist South Africa's tutelage for many years, one can imagine that it was concerned more with the commission than prevention of crimes. Whether the Rhodesian police force has been reformed during Zimbabwe's few years of freedom is debatable. After all we have seen 35 years of freedom and neither our police nor the rest of the administration has shed the evil traditions of the past, although some good points of the Raj have been lost along the way. By and large, our police continues to work according to the methods perfected by the British, wherein regard for the ordinary citizen is minimal and the main task is to preserve the Government's authority and prestige – even if it means violating the law and disregarding all norms of justice, decency and fairplay.

Perhaps in Zimbabwe the present police force is so rotten that even the Pakistani group may appear to be guardians of law and order; but judging by our track record, this seems most unlikely. And if the contingent is selected at random and the police officers and men conduct themselves in Zimbabwe as they do in Pakistan, they are certainly not going to curb lawlessness or improve the friendly ties now existing between the peoples of the two countries.

The risk inherent in getting involved in another country's domestic situation, however friendly the two governments may be, are fairly grave and should be avoided. Apart from this general principle, in view our own experience of the police force it can certainly be concluded that sending any part of it to Zimbabwe may provide some relief to some of our own people, but is not likely to be regarded by the people of Zimbabwe as a friendly act.

CSO: 4200/73

SOCIAL REFORM: PHILOSOPHY AND SCOPE CRITICIZED

Lahore VIEWPOINT in English 21 Oct 82 pp 5, 6

[Text] WHEN the Cabinet Committee on Social Reform was asked to draw up its recommendations in three weeks, many had doubts whether the time allowed to the Committee was sufficient to enable it to make a proper and rational study of the complex problem. They were obviously unaware of the degree of seriousness the Committee was supposed to apply to its task. If they had had any means of anticipating its report, they might not have raised their eyebrows even if the report was promised within three days. For the Committee has neither cared to probe the causes of social evils nor attempted a study of practical means for their eradication. What it has done is to draw up a list of what it considers to be desirable objectives in various spheres of activity, like education, dispensation of justice, services, mode of living and entertainment.

Judging by agency reports, the Committee has attached primary importance to the education and training of the youth. Noting that the existing education system falls short of the requirements of an ideological State, the Committee has called for a redefinition of the goals of education and stressed the need for protecting the students against the onslaught of alien cultures and ideologies. The only practical suggestion advanced in this respect is that admissions to higher (including professional) institutions should be subject to candidates' passing a test in, among other things, Islamic ideology and Quranic teachings. Since the Committee was not directly concerned with the need to gear education to the requirements of a scientific age, it can be excused for not suggesting improvement in educational disciplines. But if it had more time to think over what it was suggesting, it might have realised that its proposal was, at best, redundant. Islamiyat has been a compulsory subject in schools and colleges for quite some time and there is no reason to presume that students seeking admission to university or medical or engineering courses would not know enough about Islamic ideology. The suggestion that admission to, say, a medical college should be subject to a candidate's proficiency in Islamiyat is a patent example of misplaced enthusiasm getting the better of sanity. The possibility of candidates doing well in Islamiyat and badly in biology tests getting preference over candidates proficient in biology and not so competent in

Islamiyat should have occurred to the Committee, and it should be expected to know that the purpose of a medical institution is to train efficient doctors and not 'khatibs'.

In the sphere of justice, the Committee has begun by condensing the ideals of reform handed down by numerous commissions and committees in the past – that the Civil and Criminal Procedure Codes should be simplified, that free legal advice should be provided to the poor, that professional witnesses should be thrown out of the courts, and that penalties for social crimes should be enhanced. The only original contribution by the Committee to these objectives is the astounding suggestion that all pending cases should be disposed of by December 31 this year. In view of the fact that the Committee was headed by a lawyer, one is at a loss to find a rationale for its concept of justice and the lack of respect for judicial procedures that its recommendation betrays.

Somewhat more substantial are the Committee's recommendations aimed at curbing corruption in services. The proposals that each Ministry should publish in the Gazette its important decisions and working papers of public interest and that the perquisites enjoyed by the employees of autonomous bodies and nationalised commercial institutions should be rationalised and publicised are worthy of support. But it is doubtful if the Committee has been able to deal with the problem of bribery. Nobody has any faith in the effectiveness of declarations on oath that the State employee will not seek any illegal favours in consideration of his official duties nor in the method of periodic screenings. If the Committee had seen the old reports on services reorganisation, especially the one prepared by the Cornelius Committee, it might have realised that the root cause of corruption in administration is the discretionary powers allowed to officials at various levels and the denial of right to the aggrieved party to take the matter before a judicial tribunal.

Finally, the Committee has taken note of such common aberrations as smoking, ballroom dancing, the existence of 'mohallah' libraries, the staging of vulgar dramas, the production of obscene films, the playing of music in 'wells of death', and the spread of pop music and video-cassettes. An attempt has also been made to emphasise the need for social equality, and in this respect suggestions have been made to reduce classes in public carriers and fix limits on marriage expenses, etc.

Taken as a whole, the Committee's report suggests that it has proceeded from a very narrow definition of social evils and concentrated on what should be considered as individual misdemeanours or at best the collective fads of some privileged classes and groups, and mistaken the symptoms for the malady. Its recommendations do not reveal a due awareness of the fact that healthy social values proceed from a legitimate exercise of State power, a socially acceptable system for the acquisition and utilisation of wealth, a mechanism to ensure State functionaries' accountability to the people, and an order in which men are in reality equal. It is a pity that those who set out to combat social evils do not pay proper attention to the process of degeneration in the Muslim societies over the past many centuries. No Muslim society ever suffered from lack of preaching or the advice of the righteous, or the absence of harsh penalties for serious crime.

The reason these societies fell prey to social evils, it is now acknowledged, lay in the nature of the State organisation they adopted, the laws relating to property they devised, and the bars to the spirit of inquiry and reason they placed under the pressure of the superstitious and the bigoted. The absence of any reference to the need for a crusade against illiteracy, superstition and unscientific attitudes in the Committee's report reveals a state of mind which needs to be attended to before the campaign of social reform can begin to sound sincere.

CSO: 4200/73

FAVORING ISLAMI JAMIATE TULABA IN CAMPUS POLITICS CRITICIZED

Lahore VIEWPOINT in English 21 Oct 82 p 8

[Text] **EARLY THIS YEAR, the Punjab Government had issued a clear directive to the heads of all educational institutions in the province asking them to ensure that no political leader or outsider was invited to address any meeting organized by students' unions.**

The restriction was welcomed in the hope that it would reduce tensions on the campuses, and also because it lent support to the healthy principle that student unions and other such bodies should not become auxiliaries of political parties.

Further, by avoiding partisan politics, students are likely to view national and international events in a broader perspective and also acquire tolerance for the views of others, something which is easily lost in the rough-and-tumble of partisan political battles.

Improper exception

Unless the Punjab University and the ruling group in its Union are being treated as exceptions to this salutary rule, it is difficult to understand why the recent Convention of the Islami Jamiat-e-Talaba was not only allowed to invite leaders of the defunct Jama't Islami but permitted to treat as honoured guests two foreign politicians – the leader of an Afghan dissident group and Head of the Hazb-e-Islami, Mr. Hikmat Yar Gulbadan, and, what is even more startling, the head of the Muslim Brotherhood, a group banned in all Muslim States with one exception. If it is argued that the meeting was not organized by the official University Union but by the Jamiat-eTalaba, then objection has rightly been taken to the Convention being held on the University Campus. Other student groups have already complained that the Punjab University Vice-Chancellor has shown special favours to the Jamiat by giving it privileges that are denied to other student organizations. The unexplained divergence from the norm is clearly unpalatable to students who are not adherents of the Jamiat and such an attitude can only lead to further trouble in our educational institutions.

Whether or not the head of an institution considers a particular group to be deserving of help and support, either because of a similarity of views or for other reasons, it is most improper for the rules to be bent in favour of a particular faction or individual, because this not only makes an ass of the law but creates justified resentment among other student groups.

CSO: 4200/73

PUNJAB UNIVERSITY'S CENTENARY DISCUSSED

Lahore VIEWPOINT in English 21 Oct 82 pp 11, 12

[Text]

ON SUNDAY, the Punjab University administration took out an 'Academic Procession' from the Old Campus to the Minar-i-Pakistan in connection with centenary celebrations.

The procession, led by vice-chancellors of the provincial universities, was arranged and dominated by the Students Union of the Punjab University.

At Minar-i-Pakistan a meeting was held under the presidentship of Dr. Khairat Ibn-i-Rasa, Vice-Chancellor of the Punjab University, to renew the plege "to safeguard country's security and territorial integrity". The meeting was addressed by Maj.-Gen. (Retd.) M.H. Ansari, Director-General, LDA, Mr. Saeed Saleemi, President of Punjab University Students Union.

The girl students were not allowed to accompany the procession. They were taken to the Minar-i-Pakistan in buses. The Jamiat leader, Saeed Saleemi, addressing the procession said that no efforts would be spared "to safeguard the country's independence and security". Dr. Khairat, in his address, said it was necessary to give military training to the people, specially the students.

WHILE the Punjab University administration has managed to get 'proper publicity' in the media regarding its centenary programme, the majority of students and teachers seriously believe that the high ideals of this institution are threatened by outside forces that are ever keen to interfere with its academic life.

The Punjab University, they maintain, is facing a dilemma, caught as it is between the demands for democratisation of education and the growing pressure from a particular group which wants to maintain the status quo. This has given rise to sharp conflicts not only among students, but also between the teachers and the administration.

Increasing tension

During the last few months, the increasing tension between the faculty members and the administration has caused considerable damage to the academic environment. This tension, according to a senior teacher, reflects on the extremely unhealthy factionalism promoted by some self-styled whose objectives are to liquidate those who don't support their brand of political ideology

The feeling that the University is serving the interests of small vested interest has now developed into a firm conviction in the minds of most university teachers.

At the just-concluded annual moot of the Islami Jamiat-i-Talaba, a resolution was adopted asking the Government "to throw out all anti-Islam teachers from the Jamia (University)". The resolution was passed during a session which, besides others, was also attended by the Vice-Chancellor

of the University, Khairat Ibn-i-Rasa.

The government-appointed administrators exercise supreme authority over all academic and non-academic affairs. The voice given to teachers in university affairs, initially by nomination and later by election, was suppressed with the promulgation of the 1981 University Ordinance. This made the Punjab University an institution run by the administration without being accountable to anyone.

The body affected by the Ordinance was the Syndicate, which happens to be the University's most powerful organ responsible for ratifying selection, promotion and other matters relating to teachers. It is a pity that the elected institutions of the University have not been functioning for the last 20 months In December 1980, the elected Syndicate was abolished. Later, a new Syndicate was elected, but it has not met even once. Similarly, the Selection Board has also not met since September 1980. Then, the University is functioning without a full-time Registrar since 1981. In the absence of decision-making bodies, those with vested interests have had full opportunity to influence all decisions in their favour, thereby aggravating an already grim situation.

In February this year, the general body of the Punjab University Academic Staff Association (PUASA) decided to boycott the University's centenary celebrations after the administration had refused to even consider their demands. The general body blamed the Vice-Chancellor for the grave unrest among teachers and condemned his 'divisive tactics'.

The demands made by the PUASA include immediate promotion of all eligible teachers and research staff to higher cadres, award of time-scale, lease of land to teachers as decided by the Syndicate, immediate steps for the long overdue completion of the Syndicate and Selection Board and withdrawal of the transfer clause from the University Ordinance.

Under the University Act of 1973, teachers could be transferred to any university, college or government department. This provision, however, was never used in any institution except the Punjab University which, in October 1979, terminated the services of one teacher and transferred three others to colleges in small towns.

Favouritism

It is interesting to note how a particular law is used to promote a 'desirable person', and how it is manipulated to harass those regarded 'undesirable'. At present, a 'desirable person' is simultaneously holding the post of Chairman of Political Science, Director of Education and Research. He is pro-Vice-Chancellor to boot. Another one holds directorship of the South Asian Studies and at the same time is the Vice-Chancellor of a university located 242 miles away. One may recall here that Dr. Abdus Salam Khurshid (Journalism), Dr. Munir Ahmad (Administrative Science) and Dr. Hamid Kizilbash (Political Science) were denied the chairmanship of their respective departments on the pretext that they had not been 'approved' by the Syndicate.

In recent years, even new appointments are by and large made on the 'advice' of a particular group. For example, the post of lecturer has been lying vacant in the Journalism Department for many months because no 'suitable person' is available. Likewise, in 1979, the administration advertised for some lecturers. Strangely enough, these posts were readvertised after four months. The reason: some "favourites" had failed to apply before but had to be accommodated come what may.

The Punjab University has above 9,000 students and a teaching staff of 300 – the poorest student-teacher ratio in the country.

CSO: 4200/73

IJT'S 'SHOW OF STRENGTH' FUNCTION DISCUSSED

Lahore VIEWPOINT in English 21 Oct 82 p 14

[Text] THE three-day annual moot of the Islami Jamiat-i-Talaba ended in Lahore on Friday. It was held in the open space around the Jamia Masjid at the New Campus of the University of the Punjab and, according to students not subscribing to the Jamiat ideology, was definitely meant to be a show of strength.

One wonders whether the University authorities would permit non-Jamiat students to hold a similar function. Those who attended the Jamiat function were entertained lavishly for three days at great expense. According to a spokesman of the Istiqlal Students Federation, at least Rs. 200,000 must have been spent on food alone. This view is shared by other impartial observers. Another Rs. 100,000 must have been spent on shamianas, buntings and lodging of outstation delegates at various hotels.

Foreign 'guest'

Another important point to be noted is that the moot was addressed by leaders of the defunct Jamaat-i-Islami. The gathering was also addressed by Gulbadin Hikmatyar, a leader of the so-called Afghan mujahidin. Sheikh Omer al-Talmeesani, head of the Ikhwanul Muslimin also spoke on the occasion. He later called on the CMLA-President together with Mian Tufail Mohammad. Mr. Hikmatyar said, among other things, that the struggle launched by the Afghan mujahidin was in many ways similar to the one being waged in Pakistan against Communists and Socialists.

Maulana Naeem Siddiqui of the Jamaat-i-Islami said that his party was second only to the Armed Forces in the defence of national security and integrity. The Jamaat, he said, had emerged as the main force against lawlessness and sabotage.

CSO: 4200/73

PREVALENCE OF BRIBERY DISCUSSED, CURE RECOMMENDED

Peshawar MASHRIQ in Urdu 17 Sep 82 Magazine pp 12, 13

[Report by Riaz Batalvi: "Lawful Earning Is Equal to Worship, But Why Is Bribery So Common?"]

[Text] All currency notes have these words: "Lawful earning is equal to worship." The public is daily reminded on television, "Earning through bribery is unlawful. Would you like to feed your children with something unlawful?" It is constantly announced on radio, "The bribe-giver and bribe-taker are both destined to go to hell."

Every now and then, the newspapers publish this sort of sermon: "Bribery is a wretched crime in our society. A bribe-taking official, worker or employee deserves no leniency."

The campaign by the government, social organizations, religious institutions and the media against bribery and such unlawful earnings is not something new. Ever since the establishment of Pakistan, during every era, a voice has been raised against this curse and the public has been exhorted about lawful earning. Writings against bribery have been displayed at the police stations. Placards have been exhibited at district and civil courts. Accepting or giving a bribe in government and quasi-government departments and local institutions was declared a crime. Advertisements against this curse were displayed in railway trains and buses. Through bold displays at public places, a campaign was launched against unlawful earnings. Subjects about ending bribery were included in the syllabuses of schools, colleges and universities. After every obligatory prayer in the mosques, prayers were held for the elimination of this sin. Great scholars and respected teachers were urged to help people avoid bribery. Meetings were held and discussions were arranged against this social, ethical and moral evil. Articles were written, plays were performed, films were prepared and features were published. So much so that a department called "Stop Bribery" was established.

Nevertheless, the curse of bribery exists yet today. Not only does it exist, but it has greatly increased. It has increased to such an extent that a person guiding a wayfarer would not open his mouth unless he gets something. According to one person, the roots of the curse of bribery have grown so deep that besides unlawful tasks, a bribe is demanded for lawful work as well.

There is hardly a department of administrative affairs where a bribe is not asked for. Government employees take bribes from the public. The workers give bribes to each other. A junior officer greases the palm of his senior. A senior officer gives a bribe to his superior. A doorman takes money for opening the door. A clerk demands compensation for obtaining a signature and the officer asks for a bribe for signing his name. Whether it is a school or a college, a welfare institution or a social organization, a political organization or a semipolitical association, nothing can be accomplished without taking or giving a bribe. It is useless to mention the large administrative or semiadministrative and private organizations.

A child has to be admitted to school.

A treatment is needed from a charitable hospital.

A seat has to be reserved in the railway.

A seat is required on the plane.

A registration of land has to be made.

A plan for the house has to be approved.

A connection is needed for water, gas or electricity.

A ration card for food has to be issued.

An identity card has to be obtained.

A report has to be filed at the police station.

Proof of being a Pakistani has to be obtained.

Property tax has to be paid.

Income tax matters have to be settled.

Give a bribe, and everything will be accomplished by itself, and you will face no problem or anxiety at any stage. Undoubtedly, all these tasks are lawful a and are your basic right as a free individual and citizen, but bribery is the basic right of the officers, employees and executives.

There is an old joke about the curse of bribery and the officers' bad habit of taking bribes. It is said that once there was a king; God is our true King. This king was very pious, honest and God-fearing, and he took great care of his subjects, but his ministers and officers were dishonest, greedy and took bribes. The oppressed subjects were victimized by them and prayed to God that they might be saved from the officers' of this kingdom. When the people got fed up with these rich officers and ministers' lust for bribery, they came to the king in a delegation and in tears described the incidents of excess. The king's eyes were filled with tears when he saw his subjects

weeping. He summoned his advisor to the court and asked him how he could relieve his subjects from the oppressive officers. The advisor explained to the king that it was not appropriate to annoy the officers, since their group was very strong and could revolt against the king. The proper thing was that all those officers should be sent to a place where there was no possibility of bribery. After pondering this for a long time, the king found a solution and assigned the bribe-taking officers the duty of counting waves at the seashore. The king was satisfied that they would not take any more bribes in that work.

After a few months, the king happened to pass by the sea. He stopped his carriage to ask the officers assigned to counting waves how they were feeling. The king's companions told him that these people were enjoying their lives and were earning money with both hands. The king inquired, "How?" The answer was that whenever a ship passed by, they seized it and said that their task of counting waves had been interrupted because of the ship. The ship's captain was compelled to give something in order to save his life.

This is just a joke. Now listen to a true incident. It is said that a customs officer got the employees of his department to take an oath on the Holy Koran that they would not accept a bribe and would be content with their salaries. A few days after swearing, an inspector had a huge cauldron of rice cooked at his house and distributed the food among the poor and the helpless. The passers-by inquired, "What is the purpose of this charity?" The inspector replied that a holy man had told him that if a pledge was made holding the Holy Koran as witness, and that pledge was broken, it was essential to feed 60 poor people to make amends. He said that he pledged not to accept a bribe but there was no recourse without it. By making amends, he was establishing an excuse for making his bribery moral.

A companion of that inspector, in spite of taking an oath on the Holy Koran, accepted a bribe from a traveler in the form of saris, perfumes and woolen clothes. One of his acquaintances reminded him that he had sworn not to accept a bribe. He replied, "I have not accepted anything in the form of money. Accepting things is not a bribe; it comes in the category of presents."

At a police station, written in bold letters on an inspector's chair, was, "Bribery is sin." I met the inspector in connection with some work, and after greetings, sat on the chair facing him. Suddenly, I saw the writing. The inspec-inspector saw me reading the writing and smiled. He got up from his chair and turned the paper over. He smiled and said, "What can I do for you?"

A needy citizen came to me on some legitimate task and said that he had a problem with his case at a certain department. He had met with the officer concerned several times, but the officer ignored him, making one excuse or the other. I contacted the officer on the phone and requested that as the citizen's case was proper, to kindly grant him moral assistance. Very courteously and dutifully, the officer replied, "Send him to me immediately." I told the citizen to go to the officer at once. The next day, the citizen came to me and said that because of me, the officer had taken only 500 rupees. If I had not intervened, it would have cost 2,000 rupees.

An in-patient in the hospital asked a janitor to bring a bed pan for him. Saying, "I am coming just now," the janitor left and returned after a while. He started doing all sorts of other jobs. The patient repeated his request, but the janitor ignored him again. When the patient's visitor saw the janitor's attitude, he got up, took the janitor aside and put 2 rupees in his pocket. Smilingly, the janitor said, "A slight hint is more than enough for a wiseman." He went at once and returned with a neat and clean bed pan.

Someone needed a copy of a decision from the court. He wrote an application, put the required postage on it and, contacting the court clerk, placed the application in front of him. The clerk looked at the application with a strange look and put it aside. Seeing the opportunity, the applicant once again placed the application in front of him, but the clerk did not pay any attention to it. When considerable time had elapsed, the applicant reminded the clerk saying, "Sir, I need a copy of the decision." The clerk replied, "Give money with the application. Nothing moves without money." The applicant took out 10 rupees from his pocket and placed them under his application. He received the copy after a few minutes.

There are various types of bribes.

At some places, it is secured in the form of a prize. At others, it is accepted as a religious gift. At some places, it is taken as a simple gift. At others it is retained in the name of sweets. The junior employees demand and obtain it by calling it a prize. Ordinary workers say it is their right. For officers, it is an honorable gift and for respectable people it is a present. A messenger, a watchman, a waiter, a janitor, a postman, a lineman and a ward-boy would normally say, "My prize?" A soldier, a clerk, a recorder and other employees of this rank would say, "Our dues." Second and middle rank workers would demand by saying, "We need a gift." The officers, however, can be given gifts only in the form of money, wealth or other goods.

Bribery ranges from 1 to 10 million rupees in our country. During the past 15 years, the highest amount accepted as a bribe was 15 million rupees, which was taken by some former officers of WAPDA and the railway in the form of foreign exchange for buying material from abroad and for building contracts. The smallest bribe is that taken by the hospital janitor who would not provide a bed pan to a patient in agony and distress unless he was given 1 or 2 rupees. Another example of heavy bribery is that of a former politican who received 20 million rupees in one payment from a superpower to create disruption in one part of the country.

Some of the big bribery dens are in customs, the police, goods trains, road transport, PWD, WAPDA, MES and the department of health, where reportedly 1 billion rupees [as published] are taken daily. Although no work can be accomplished without bribery in district courts and local institutions, their staffs' rate of bribery is not much, and the amount is limited to hundreds and thousands only. The department of education is not without this curse either. Here bribery is accepted in the form of tins of ghee, crates of fruit, articles of clothing and money. At times, efforts are also made to take advantage of female teachers' helplessness and adversity.

These days, it is common to accept bungalows, cars and luxury items as presents and gifts. To get a contract, issuance of a permit or a license, approval for a factory or a mill, or if plans for a shopping complex or housing are needed--the objective is achieved by presenting the key of a bungalow or a car, or papers to a plot of land. In certain cases, the officers concerned have their shares invested in a business or agency and they receive profits for life.

In the past when a former government appointed recruiting agents at the recommendation of certain ministers and members of the national and provincial assembly, it issued permits right and left. As sleeping partners of these agencies, the ministers and members shared in the export. They used to make luxurious trips overseas at the expense of these recruiting agents. Another example of that era is that a political worker obtained 70,000 rupees to open a recruiting agency. Political bribery also was common in those days. To gain the support of the people, the government used to give open bribes in the form of various depots, cement agencies and contracts. During former president Ayub Khan's era, official gifts of transport routes and textile permits were also given.

Bribery with wine and women is very popular among certain sectors of officers and executives. If so desired, their own signatures on their death warrants can be obtained by presenting them two bottles of English wine and a young girl. It is common to shed the blood of justice or to harm the vaster national interest. It is said that 80 percent of the wine sold illegally in Pakistan goes in the form of bribery to large mansions and bungalows. The income of most society girls and call girls comes from these bribe-taking officers and executives. Twenty percent of the bungalows in Lahore, Karachi and Islamabad are in one form or other the property of these bribe-taking officers, who have received these buildings as gifts. Their new model cars have also reached them through these channels.

The tragedy is that the curse of bribery has made the society extremely suspicious of honesty and nobility. A person came to me and said that he wanted to have an appeal published in the name of a governor. I got the appeal from him and told him that it would be published. That man looked at me with despair and suspicion and asked, "Will it really be published?" When I assured him, he looked all around and said, "But you have not asked for any money for sweets?" I smiled at his simplicity and explaining to him: "Bribery is not accepted here." On hearing this, his eyes stared in surprise and suddenly uttered this sentence, "It is strange." He left, but he was still doubtful about the publication of his document.

How can bribery be stopped?

--through exhortation and advice?

--through advertisements?

--through slogans?

--through posters?

The answer is no, not at all.

There is only one way to eradicate the curse of bribery. The bribe-taking, dishonest and greedy officers, executives and employees should be given severe punishment to serve as a lesson for others. It is unlawful morally, because his lawful earning is limited or his salary is insufficient. Islam has taught us the lesson of contentment, righteousness and simplicity. A Muslim should thank God, no matter what his living situation.

Prior to launching a campaign against bribery, the people should be forced to adopt simplicity and be contented with life, even if an ordinance to that effect has to be issued or the laws have to be amended. For this, it is essential to impose restrictions on great bungalows, magnificant cars, big hotels, luxurious and fancy items. Moreover, any person caught accepting bribes should be given the death penalty.

Obviously, human lust can be eliminated in two ways. Man can adopt simple living and stick to contentment or follow the path to the grave. What it means is that a person can avoid greed in two ways: he should either die or be contented. There is no third way.

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CSO: 4656/10

BRIEFS

RCD HIGHWAY--Quetta, Oct 30: The Quetta-Zahidan Section of the RCD Highway, upto the last post at Taftan, has been put under Federal jurisdiction. It follows the directives of President Gen Mohammad Zia-ul-Haq to streamline international trade and commerce.--PPI. [Text] [Karachi DAWN in English 31 Oct 82 p 16]

NASRULLAH KHAN'S DETENTION EXTENDED--Lahore, Oct 30: The Government of Punjab has extended the detention of Nawabzada Nasrullah Khan for three more months from Oct 30. Detained at this Khangarh residence, declared as a sub jail, the chief of the defunct PDP has now completed full one year of detention. He was arrested at Lahore under MLO 12 on October 30, 1981. [Text] [Karachi DAWN in English 31 Oct 82 p 16]

BLAST IN LAHORE--Oct 30: Windows and doors of various houses of Riwaz Garden were destroyed with an explosion on Friday night, when some unknown persons threw an explosive material in a house. Police spread out in the area and the people came out of their residence, after hearing the blast. According to a local daily, an unknown person tried to throw the explosive in a house through a ventilator. The explosive was blasted with the outer wall of the house, as it could not reach to its target. PPI. [Text] [Karachi DAWN in English 31 Oct 82 p 16]

MRD REVIEWS POLITICAL SITUATION--Leaders of the Movement for Restoration of Democracy (MRD) reviewed the political situation prevailing in the country in a session held in Karachi last evening. Mr Arshad Choudhuri, current month chairman of the MRD, presided over the four-hour long meeting which was held at the residence of Mr Mushtaq Mirza, Provincial chief of the defunct Pakistan Democratic Party (PDP). The meeting started at 5 p.m. and continued till 9 p.m. Among those who participated in the Central MRD meeting were: Mr Nasim Mushtaq Mirza, Mr Yaqoob Bandani (PDP), Mr Ghulam Mustafa Jatoi (PPP), Mr Abid Zubairi and Mr Hassan Feroz (NDP), Mr J. A. Rahim, Mr Musheer Ahmed Pesh Imam, Barrister Jamil (Tehrik-i-Istaqlal) Qari Sher Afzal (JUI), Mr Alamdar Hyder and Mr Zahid Hussain (Qoumi Mahaz-i-Azadi) and Khwaja Khairuddin (Secretary-General of the Central MRD). The decision of the central MRD will be announced at a Press conference by Mr Arshad Choudhuri on Sunday afternoon, reliable sources said. [Text] [Karachi DAWN in English 31 Oct 82 p 16]

SENTENCES OF STUDENTS CRITICIZED--Khairuddin, Secretary-General, MRD, has issued the following statement on the recent sentences passed on NSF student

leaders by the Martial Law Authorities in Hyderabad. "It appears from the recent attitude of the government that they are taking the nation to the point of no return. The way they have sentenced some students and lawyers in Lahore recently, and of late the sentences of one year imprisonment and fifteen lashes to Ata Mohammad Kakar and Abdul Rasheed Jutt, President, NSF Baluchistan and former Joint Secretary, NSF, Sind respectively, are glaring examples of this attitude of the government. [Text] [Karachi DAWN in English 31 Oct 82 p 16]

BUREAUCRACY CHARGED WITH BHOPALI'S MURDER--THE Vice-Chairman of the Majlis-i-Shura and head of the Jamia Naeemia, Mufti Mohammad Husain Naeemi, has alleged that the bureaucracy is responsible for the murder of Zahoorul Hasan Bhopali, a member of the Federal Shura. In an interview with the daily Jang Mufti Naeemi said that Mr. Bhopali was very critical of the bureaucracy and during the Shura sessions he used to pinpoint the misdeeds of the bureaucrats. A few days before his murder, Mufti Naeemi revealed, Mr. Bhopali had met Gen. Ziaul Haq and told him to do something to bring the bureaucracy on the right path, "or I will do it myself". Mufti Naeemi further said that Mahmud Haroon, Federal Interior Minister, was not happy with Mr. Bhopali. He demanded that Mr. Haroon resign immediately as he (the Minister) had failed in his duties. Mufti Naeemi told the interviewer that he and his colleagues were thinking of not attending the Shura sessions if the Government did not arrest the 'real' culprits of Mr. Bhopali's murder before the Federal body's next session. [Text] [Lahore VIEWPOINT in English 7 Oct 82 p 17]

SEVERAL PEOPLE SENTENCED FOR SUBVERSION--A special military court here has sentenced Qayyam Nizami and six others to various terms of imprisonment and lashes on charges of preparing and distributing subversive literature. Special Military Court No. 42 which tried the accused had reserved the judgement about five months ago Qayyum Nizami, who is the Central Secretary, Information, of the defunct Pakistan People's Party, was tried in absentia. He was declared a proclaimed offender. He has been sentenced to 14 years' rigorous imprisonment. Another accused, Shahnawaz Bhatti, a city councillor, has been awarded 7 years' R.I. and ten lashes. Mohammad Riaz Raja, Abdul Majid Malik and Shahnawaz Rabbi have been awarded 7 years' R.I. and ten lashes each. Two accused, Suhail Sheikh, Director, Bokhara Palace, and Shoaib Mir, a Test cricket umpire and member of British Association of Cricket Umpires, have to undergo 7 years' rigorous imprisonment and 20 lashes each. Two accused, Abdul Rashid Khaki and Jaffar Hussain Zaidi, were acquitted. Trial was held at the Camp Jail. [Lahore VIEWPOINT in English 21 Oct 82 p 9]

PROFESSOR GHAFUR'S FORMULA REJECTED--MANY defunct political parties have rejected Prof. Ghafur Ahmed's nine-point formula under which he had asked political leaders to cooperate with the Government. The president of the defunct NDP, Sardar Sherbaz Mazari, has said that he fails to understand as to what has forced the Jamaat-i-Islami to pledge blind support to the Government. He said the best way to judge the regime is to assess its performance over the

past five years. The Information Secretary of the defunct Tehrik-i-Istiqlal Mr. Nafis Siddiqui has advised Prof. Ghafur Ahmed and his party to co-operate with the 85 million people and learn a lesson from past experience. Sources close to the MRD have also rejected the Ghafur formula. According to them, elections and elections alone can secure the country against the dangers it faces today. The Deputy Secretary General of the defunct Jamiat-i-Ulema-i-Pakistan, Shah Faridul Haq, has said that this is not the first time Prof. Ghafur has spoken in favour of Martial Law. Everyone knows that Mian Tufail Mohammad had welcomed Martial Law. Shah Faridul Haq said that by supporting Martial Law, they (the Jamaat leaders) had secured many advantages. They now probably want some more. [Lahore VIEWPOINT in English 21 Oct 82 p 34]

LAWYERS' RELEASE DEMANDED--Larkana, Oct 29: The District Bar Association, Larkana has disapproved the decision taken by the authorities to challan [as published] the criminal cases in military courts and has expressed the view that this would have no effect on the deteriorating law and order situation. The meeting was held recently under the chairmanship of its President, Mr Illah Bux Keher. The meeting suggested that improvements be made in the investigating agencies who are responsible for detecting crimes so that they may send up real culprits in the court for trial. The meeting demanded immediate and unconditional release of the arrested lawyers. [Excerpt] [Karachi DAWN in English 30 Oct 82 p 3]

LIVESTOCK PROJECT FOR BALUCHISTAN--Quetta, Oct 29: In Baluchistan 223 million rupees livestock and Karakul sheep-breeding development project has been undertaken to improve the economy of the province. The Baluchistan Livestock Development Project, costing 210 million rupees was under implementation with a loan of Asian Development Bank and grant of European Economic Community. Under this project it is proposed to establish a milk plant and feed mill within a radius of 35 miles of Quetta.--APP. [Text] [Karachi DAWN in English 30 Oct 82 p 4]

POLITICAL USE OF MOSQUES--Lahore, Oct 29: Several Ulema have slated the MRD for its bid to use mosques for political purposes which they said, was totally against the spirit of Islam. The Ulema at an emergency meeting held on Wednesday at Darulooom Hanifia, Gulberg, under the presidentship of Maulana Abdul Haleem Qasmi, in a Press statement said that while Islam did not permit curtailment of the rights of citizens, it forbade causing of political confusion and using of religious institutions and mosques as political arenas. The signatories to the statement are: Maulana Ehsanullah Farooqi, Pir Mohammad Ibrar, Maulana Soofi Abdul Aziz, Maulana Abdur Rauf Farooqi, Qari Rashidur Rehman, Malik Shabbir Hayat, Allama Akhtar Kashmiri, Maulana Qari Saeedur Rehman, Maulana Saifur Rehman Saif, Maulana Amir Hassan, Maulana Hafiz Hussain Ahmad Qasmi and Maulana Mohammad Shafi Josh.--APP [Text] [Karachi DAWN in English 30 Oct 82 p 9]

CORRESPONDENT OF DAILY ARRESTED--Lahore, Oct 27: Mr Idrees Butt, Lahore correspondent of daily AMN, Karachi, was arrested by the Old Anarkali police today for his alleged involvement in a Pamphlet case of 1978. According to Old Anarkali police, Idrees Butt was absconder since then while two other coaccused were sentenced by a military court and the third one was acquitted. The S H O, Old Anarkali, summoned him to the police station and when he, accompanied by a brother and two cousins, reported at the police station this morning, he was arrested.--PPI [Text] [Karachi DAWN in English 28 Oct 82 p 8]

NATIONAL HIGHWAYS RENOVATION PLAN--Islamabad, Oct. 23: The Federal government has undertaken a master plan for rebuilding and repairing all National Highways in Sind, Punjab and NWFP according to the international standard. The scheme to be carried out with the co-operation of the World Bank is aimed at reconstructing over 230 kilometers of national highways in the three provinces. About Rs. 700 million have been sanctioned for this purpose by the government. Currently, the repair and rebuilding work on the National Highway, from Karachi to Peshawar, is in full swing in this connection. The scheme also includes the repair of all the bridges on these highways. Meanwhile, another scheme for improving telecommunication system in all big and small towns throughout the country has also been chalked out. To be completed in phases, the scheme will cost about Rs. 1.5 billion. [Text] [Islamabad THE MUSLIM in English 24 Oct 82 p 3]

LAWYERS CRITICIZE SLOGANS--Sixteen practising lawyers and members of the Karachi Bar Association have condemned the "objectionable slogans" raised at the end of Mr. Ghulam Mustafa Jatoi's address on Oct 23 last. In a joint statement they also condemned "the facilities provided by the responsible officials of the KBA to the outsiders against the rules and interest of the Bar Association." They advised the Managing Committee not to go beyond the interests of the Members, the national interest and the ideology of Pakistan and concentrate on its real functions. They also condemned the exploitation of the practising lawyers by the left-wing elements in politics. They assured the nation and the Islam-loving citizens that the lawyers were committed to the Ideology of Pakistan and Islamisation of laws in Pakistan. The signatories to the statement are: Mr. S. D. Rana, Mr. Khalil Ahmed Khalil, Mr. M. A. Khan, Mr. Ashraf Khan, Mr. Bashir Ahmed, Mr. Iftekhar Raja, Mr. Abdil Hussain, Raja M. Irshad, Mst. Bilquees Jamal, Mr. Mansoob Ali Khan, Sheikh Mushtaq Ali, Mr. Iqbal Malik, Mr. Rana M. Talib, Mr. Iqbal, Mr. Mohammad Usman and Mr. Farman Hashmi. [Text] [Karachi DAWN in English 28 Oct 82 p 8]

BAR ASSOCIATION DISSOLUTION DEMANDED--The Chairman of the "Support Zia Campaign", Mr Mohammad Yusul Kureshy, and Mr Munawar Jamal, have demanded immediate dissolution of the Karachi Bar Association. In a joint statement they claimed that the KBA office-bearers were allegedly involved in activities against the solidarity of the country. They demanded severe punishment for those who raised "objectionable slogans" at the recent Bar meeting.

Meanwhile, Mr Abdullah Baluch, a former Provincial Minister and a leader of the defunct PPP, criticised the arrest of Mr Lakho and Mr Abdul Malik and demanded the release of all detained political leaders and withdrawal of Legal Practitioners' Amendment Ordinance, says a Press release. [Text] [Karachi DAWN in English 28 Oct 82 p 8]

TI LEADER ON ELECTIONS--Lahore, Oct 27: Mr Mushir Pesh Imam, Secretary-General of defunct Tehrik-i-Istiqlal has called for holding elections under the Constitution of 1973 and warned that in case they were not held the country would suffer. Addressing a Press conference here yesterday he said that his party and the MRD as a whole wanted immediate elections in the country and they were ready to accept any party in power provided it comes through the process of elections. He also said that no political party should be prevented from participating in the polls.--PPI [Text] [Karachi DAWN in English 28 Oct 82 p 8]

CSO: 4200/82

VIEWS OF CPP GENERAL SECRETARY ON MARCOS AIRED

Cebu City VISAYAN HERALD in English 5 Oct 82 p 4

[Article by Danny M. Gonzales]

[Text] Is President Marcos under pressure? Felicisimo G. Macapagal, general secretary of the Central Committee of the PKP or Partido Kommunista'ng Pilipinas, thinks so. Although our government has traditionally viewed the communists as enemies, let us--for the sake of press freedom and fair play--listen to the views of Macapagal.

Beleaguered President

"Ferdinand E. Marcos is a beleaguered President. After 16 years in the presidency, nine of which have been made possible by martial law conditions, he is once again under organized and intensifying pressure from the United States and the World Bank-IMF group to retire from active political life and pave the way for an orderly succession," Macapagal said.

U.S. Giving Up?

"Is the U.S. government finally giving up the Marcos regime? Are its agents busy preparing the transition to a post-Marcos regime? The series of 'consultations' of senior U.S. Embassy officials, including Ambassador Michael Armacost, with the opponents of Marcos and their survey as to how much political support could come from organized groups for Marcos indicate the intense interest of the Americans in the extent of Marcos' unpopularity and in the prospect of ushering in, in his place, an opposition leader worthy of U.S. support. Is the Marcos state visit to the United States going to be an occasion for the final phase of imperialist brokerage between Marcos and the pro-American opposition leaders?" Macapagal continued.

Past Pressures

"In the past, U.S. imperialism and other foreign vested interests had applied similar pressures on the Marcos regime, which resulted in the formal lifting of martial law and the formation of the technocrat-dominated Executive Committee, conceived as the stabilizing factor for foreign capital in the event

that Marcos disappears from the political scene. Somehow, President Marcos succeeded in warding off pressures for him to step down.

Not This Time

"But today, there are signs that he may not be as successful. For one, the economy is in shambles. Unemployment and inflation are racing neck to neck beyond the 20 per cent mark. Big and small enterprises, including those associated with the cronies of the First Family, are collapsing. Both the traditional and the non-traditional industries are floundering.

Hugh Debt

"Worse, the government is caught in a debt trap. For the first half of 1982, the government accumulated a budget deficit of almost P10 billion, and the balance of payments deficit has swelled to more than half a billion dollars. But after piling up a total of $16 billion in foreign debt, where will it get fresh funds to finance existing programs and the country's imports? Through new taxes? But how can it impose additional taxes on industries wracked by decreasing demand and cutback of exports without pushing business enterprises into bankruptcies and thus provoking widespread popular indignation?"

Intriguing Information

Mr. Macapagal has said a mouthful. What he discussed is an intriguing piece of information. Due to space limitations, we are breaking his discussion up to this point. More of it--in tomorrow's issue.

CSO: 4200/76

COLUMNIST AIRS VIEWS OF CPP GENERAL SECRETARY ON WORLD BANK-IMF

Cebu City VISAYAN HERALD in English 6 Oct 82 p 4

[Article by Danny M. Gonzales]

[Text] Yesterday, we quoted here portions of the thoughts of Felicisimo C. Macapagal, general secretary of the Central Committee of the PKP. He claimed that President Marcos is under pressure from the Americans to retire. He also noted that economically our country is floundering. In this issue, we continue with Mr. Macapagal's views on troubled Philippines.

Only Hope

"The government's only hope is for the World Bank IMF group to give it some breathing space by restructuring old loans and granting new loans. But the World Bank-IMF group will only do this if the regime is willing to adopt more stringent measures and tax laws, and other policies which will expose the national economy further to the instability of the world capitalist market caused by the removal of protection for home industries and my deeper dependence on transnational corporations--policies which will further aggravate unemployment and the crisis of the local industries," Macapagal said.

Delays

"The IMF is adding to the misery of the regime by temporising on the release of loans already agreed on, prolonging negotiations over new loans, and making the release of loans conditional on the adoption of harsh and unpopular measures such as new taxes and prices for government services.

Cause of Crisis

"Ironically the crisis of the Marcos regime is directly traceable to its blind and unquestioning adherence to the World Bank-IMF-imposed program of labor-intensive export-oriented industrialization that is so dependent on transnational corporations. After more than a decade of systematic implementation the program still has to deliver its promises full employment high wages and economic prosperity. In the meantime more industries have to close shop more workers have to go jobless or suffer lower wages and the country as a whole has to make more sacrifices" Macapagal added.

Resisting

Going back to his claim that President Marcos is under pressure from the Americans to retire Macapagal noted: "There are indications that President Marcos is resisting. Through some political maneuvers and mobilization of the military facilities of the state Marcos may be able to ward off once again the pressure against him. However it appears he cannot hang on to power indefinitely especially in the light of economic recession. Foreign monopoly capitalists who have invested heavily in the Philippines will be the first to act in case their interests are threatened by popular discontent. Loyalty to the regime that provided them generous economic and political incentives can expediently shift to the opposition leader who may be favored by U.S. imperialism.

Anti-labor

"In the meantime, the forces of foreign monopoly capital in the government and business have so manipulated the present crisis as to create conditions for suppressing the trade union movement. Now the object of government intimidation and repressive actions, the trade unions may in fact be the real target of imperialist manuevers, as organized Filipino workers become increasingly conscious of the diktat of foreign monopoly capital. In his beleaguered state, Marcos now may be involved in the danger of his being used by the agents and partners of transnational corporations to crush the growing strength and militancy of the trade unions."

Number One Enemy?

Then, Macapagal concluded: "Whatever is the outcome of the US-directed campaign for a new President who can once again give the Filipino people fresh hopes and illusions, it is clear that the basic ills of Philippine society are rooted in imperialist control and will not disappear unless the pro-imperialist socio-economic program is dismantled. Whoever succeeds President Marcos has to contend with this reality. Imperialism is still the number one enemy of the Filipino people, and anti-imperailist forces must carry on the struggle against imperialist control and for economic independence. The present political crisis calls for a broader unity of all anti-imperialist, democratic and patriotic forces in the country."

CSO: 4200/76

CENTRAL BANK TIGHTENS CREDITT

Manila PHILIPPINES DAILY EXPRESS in English 24 Oct 82 p 15

[Text] Two measures that would have the effect of tightening credit to government securities dealers and banks were approved Friday night by the Monetary Board.

Central Bank Gov. Jaime C. Laya said the board decided to limit the repurchase window to accredited government securities dealers (GSDs) to 15 percent of the average volume of outright transactions in the secondary market for the preceding three months.

The board also approved another measure that would discourage banks from turning to the CB for funds under its repurchase facilities.

In the past the CB was more liberal with the GSDs because their role in government securities dealership was still new. But the securities dealers are already strong enough and can grow even with the new limitations, Laya said.

He noted that, previously, some GSDs would buy government securities to show that they are actively participating in the trading, but they would immediately turn to the CB and borrow against the same securities under a special dealership facility.

Based on the average volume of outright transactions of accredited dealers for the preceding three months totalling P5.683 billion, the aggregate ceiling for October would be P852.5 million.

The ceiling will depend on the volume of transactions of each accredited dealer, with those able to trade larger volume of securities enjoying a higher ceiling, he said.

Laya said the 15 percent ceiling would not only regulate the use of the repurchase accommodations under the special dealership facility, but would also further encourage the development of the secondary market for government securities.

The CB head also said that borrowings of banks from the Central Bank under the reverse repurchase facility will be charged interest rates based on the 60-day Manila Reference Rate (MRR).

The move is intended to reduce excessive liquidity in the system that could arise from the infusion of fresh funds from the CB.

Before this new CB mandate, interest rates of banks, borrowings from the CB were charged with interest rates based on the previous day's interbank call loan rate which is generally lower than the MRR.

With the new CB ruling, Laya said, bank to bank borrowings would be encouraged because it would be cheaper for banks to lend from other banks than from the CB.

He added that the ruling will tie-in interest rates charged on bank borrowings to the CB to the MRR.

CSO: 4200/77

BALANCE OF PAYMENT DEFICIT GIVEN

Manila PHILIPPINES DAILY EXPRESS in English 26 Oct 82 pp 1, 8

[Article by George T. Nervez]

[Text] The country's balance of payments (BOP) deficit had ballooned to $747 million as of end-September 1982 as the economy continued to reel under prolonged recession in the industrial countries, high interest rates and the slump in the prices of major exports.

Central Bank Gov. Jaime C. Laya said in a recent report to President Marcos, however, that despite the staggering BOP deficit in the first nine months this year, domestic production grew slightly, while the inflation rate slowed down.

Laya also said that measures have been adopted to position various sectors of the economy to take full advantage of the anticipated world recovery.

He noted that signs of recovery have become more visible such as the significant progress in reducing world inflation, softer interest rates, greater stability in oil prices, and indications of a rally in the stock markets.

Laya said the deficit in the BOP (a summary of the country's foreign exchange transactions) rose from $534 million as of end-March to $670 million as of end-June and to $747 million as of end-September 1982.

The CB head said the record shortfall was caused mainly by the widening in the trade deficit to $2.04 billion from $1.63 billion in January-September 1981.

Laya noted that the non-merchandise trade deficit also widened from $257 million in the first nine months last year to $659 million this year because of higher payments for interest, freight, and insurance costs.

Highlights of Laya's report include:

.Gross domestic production grew by 2.9 percent during the first semester this year, lower than the four-percent expansion in the same period last year.

.The inflation rate slowed down from 13.2 percent in 1981 to 10.5 percent as of end-September 1982. Food prices increased more slowly than the prices of services, and other non-food items.

.The outstanding foreign debt amounted to $16.24 billion, consisting of $12.598 billion fixed-term debts as of end-September 1982, and $3.65 billion revolving credits as of June 30, 1982.

.International reserves stood at $2.449 billion at end-September 1982, equivalent to the cost of about four months of the country's imports.

.The value of the peso remained stable vis-a-vis world currencies in general, though like most other currencies it depreciated against the US dollar. The average peso-dollar rate was P8.4199 during the period, a depreciation of 7.5 percent compared to its average value in January-September 1981.

.The national government suffered a cash deficit of P11.9 billion during the first nine months of the year, 58.4 percent more than last year's. Government collections reached P29.1 billion, while expenses amounted to P41.0 billion.

CSO: 4200/77

MARCOS URGES SPEED ON ENERGY

Manila PHILIPPINES DAILY EXPRESS in English 26 Oct 82 pp 1, 8

[Text] President Marcos ordered yesterday the acceleration of the country's energy program and the construction of a multi-purpose dam in Pangasinan to "hasten the electrification of the country."

The President met with top energy ministry officials at Malacanang and ordered the immediate construction of the San Roque multi-purpose dam, considered as the biggest in Southeast Asia, located in San Nicolas and San Manuel in Pangasinan.

The President and the First Lady, Imelda R. Marcos, will inauguarate tomorrow the Magat dam complex in Isabela, which Malacanang said is Asia's biggest dam and reservoir.

The San Roque project, which will be commissioned in 1989, is bigger than the Magat dam.

The President ordered Energy Minister Geronimo Z. Velasco and Deputy Minister Gabriel Y. Itchon, concurrent National Power Corp. general manager, to go full steam with the administration's power expansion programs. He pointed out the delay in the completion of the Magat project.

The energy programs, he said, will reduce the country's dependence on imported fuel and encourage the use of other power sources utilizing different fuels. Hence, the development of hydroelectric, geothermal and dendrothermal power plants all over the country.

The President cited as example the Tongonan geothermal project in Leyte, which has a potential of 600 megawatts.

He also reminded energy officials that had the 11 major industrial projects been implemented immediately in 1979, "there would be no more problems now."

He said that since then increased cost of energy has delayed the implementation of several of these projects. He added that had they (energy officials) planned the energy program in 1979, "the country would be better off now."

The San Roque multi-purpose dam will tame the Agno river in upper Pangasinan and will have an installed capacity of 390 megawatts.

The President said that operating the San Roque dam will enable the country to save $64 million yearly or some two million barrels of crude oil equivalent.

Sweden, Japan and Germany have offered to build the San Roque dam, the President pointed out. The dam's completion will bring down the cost of electricity of Pangasinan, Nueva Ecija and the rest of Central Luzon.

It will also:

.Reduce floods in Central Luzon by 40 percent.

.Impound tailings from the mines upstream of the Agno, which has resulted in polluted waters in Pangasinan and filter these waters.

.Irrigate more lands.

.Generate more power to feed into the Luzon grid, which accounts for most of the power consumed in the country.

CSO: 4200/77

DEPENDENCY ON IMPORTED MILK PRODUCTS TOTAL

Cebu City VISAYAN HERALD in English 6 Oct 82 p 5

[Article by Juan K. Cabasoy]

[Text] The PCARR study is part of stepped-up government efforts to align domestic nutritional status along the nationally and internationally set standards.

Current per capita intake of milk and dairy products in the country is deemed still below standards, according to PCARR findings. Such a food group, or its adequate intake, forms part of sound nutrition.

Imports of milk and other dairy products have been costing the country over $100 million annually since the late 1970s. Main suppliers are Australia, New Zealand, Denmark, the Netherlands and the United States.

PCARR notes that in spite of the passage of a Dairy Industry Development Act of 1979, no appreciable headway has been made toward establishing a domestic dairy industry.

Main reasons are the long gestation period required before a genuine dairy industry can take firm hold and cheap prices of imported milk and dairy products.

Underscoring the first reason is the continued lack of dairy animals in the country although the bureau of animal industry is moving to fill the void by importing breeding stock and dispersing the dairy animals to pilot sites throughout the country.

PCARR says financing is another cause. The lead set by the government in establishing its Philippine Dairy Industry has not been sufficiently followed up by private investors. An explanation for this is the currently low price of milk product imports.

Such imports are cheap because dairy industries of the exporting countries are subsidized by their governments. The subsidies are often in the form of guaranteed local prices.

As a result, the diary industries of Western countries produce more than domestic needs, and the surplus is "dumped" in the international market according to PCARR.

CSO: 4200/76

REVAMP OF NATIONAL FOOD AUTHORITY ORDERED

Manila BULLETIN TODAY in English 28 Oct 82 p 28

[Text]

President Marcos ordered yesterday the reorganization of the National Food Authority to provide farmers and consumers wider market assistance.

In issuing Executive Order 839, the President stressed the need to streamline the operations of the authority and promote efficiency among its rank and file.

He authorized the NFA council headed by the First Lady and Human Settlements Minister, Imelda R. Marcos, to coordinate, consolidate or integrate positions and functions in the food agency.

The President stressed that all appointments in the NFA should be based on merit and fitness. He said, however, that the determination of salaries and other compensation of officials and employes will not be subject to the regulations of the Office of Compensation and Position Classification.

The NFA council was directed to promulgate the necessary implementing guidelines to carry out the reorganization of the agency.

The President said the agency should now focus its attention to other food products like meat, fish, fruits and vegetables, domestic sugar, cooking oil, dairy products, and other staple commodities.

It should strengthen and expand its Kadiwa program to develop a more efficient food procurement and distribution system to ensure adequate supply of food of acceptable quality at reasonable prices, he said.

Kadiwa centers, the President said, should not only offer the lowest price food items but should manage to freeze prices of basic food items to discourage price manipulators.

CSO: 4200/76

MINDANAO GOVERNOR CALLS FOR TROOP PULLOUT

Cebu City VISAYAN HERALD in English 14 Oct 82 pp 1, 4

[Article by Al Alinsug]

[Text] Misamis Or. Gov. Homobono Adaza who is chairman of Mindanao Alliance has urged the PC/INP provincial commander of this province the pulling out of troopers in three areas where military operations have been established.

In a letter to Col. Cesar Navarro dated Oct. 11, 1982, Adaza related that residents of the three areas of the province of Misamis Or. who came to see him said the presence of PC/INP troops have caused:

*the residents to evacuate from the area;

*the non-reporting of teachers and pupils resulting in the closing of schools;

*disturbance of residents due to movements in and out of troops even during midnight and interfering in their freedom of movement;

*fears among residents as they are told by the troopers to be aiding and helping the NPA's;

*photographing of a resident compelled to hold a gun in front the house of a recently-killed barangay captain.

Adaza branded this deployment of troops as not conducive to peace and stability of the province. Adaza said bringing troops to the hinterland areas disturb the peace of three communities and make more enemies for the government.

The Misamis Or. governor told the PC/INP provincial commander he did not find the necessity of establishing military operations in these areas and these troops "only compound our problems."

Adaza asked the troops be withdrawn from the communities of Lantad, Kibanban, Balingasag and other areas and immediately release those who have been arrested without due process of law.

CSO: 4200/76

LABOR OPPOSES PRICE CONTROL LIFTING

Manila BULLETIN TODAY in English 26 Oct 82 pp 1, 11

[Text]

The Trade Union Congress of the Philippines (TUCP) warned yesterday against the lifting of price controls over basic necessities.

Organized labor issued the warning amid reports that the Cabinet Executive Committee will soon review price controls on such consumer items as pork cuts, chicken, eggs, canned fish, and school supplies.

TUCP President Democrito T. Mendoza said delisting is untimely and "will serve to deepen workers' grievances against their employers and government."

"When we ask for a modest wage increase," Mendoza said, "government and employers raise a big howl, even going to the extent of branding us subversives. Now they would like to burden us with more price increases."

"There is no justice here," Mendoza added.

He said that prices between March, 1981, when the last adjustments in wages and allowances were made, and August, 1982, have already risen 15 to 19 per cent and no adjustments in minimum compensation have been made.

The TUCP president said that while manufacturers and merchants should be allowed to make profits, these should not be made at the expense of workers and their families.

He said that if government insists on deregulating prices of commodities now under control, then it should be reasonable enough to effect increases in wages.

In a related development, TUCP asked the government to implement the agreement reached in the September, 1979, national tripartite conference on employment and conditions of life and work of nursing and other health personnel.

"Three years is enough time for reflection," Mendoza said. "What is needed now is some action."

CSO: 4200/76

MILITARY URGED TO BE OPEN WITH MEDIA

Manila PHILIPPINES DAILY EXPRESS in English 29 Oct 82 p 7

[Article by Mel Parale]

[Text] Gen. Santos City, South Cotabato--Army field commanders throughout the country were yesterday ordered to be open with media men.

Maj. Gen. Josephus Q. Ramas, army commander, gave the order in the wake of criticisms that some local officials and military men had been avoiding meetings with mediamen.

Ramas, who came here to accept the surrender of seven MNLF leaders responsible for the recruitment of some 20,000 MNLF members, warned of dangers to national security if people are not informed about their government.

He told local officials that a misinformed populace is "more vulnerable to the black propaganda of subversive elements."

He said recent incidents have shown that many of the military's problems could be solved with the help of the media.

Ramas also ordered an investigation of reports that an army captain accused of shooting to death a barangay captain in a dance hall here recently is even getting a "VIP treatment" in the house of a top provincial official.

Ramas ordered Brig. Gen. Jose Magno, Cemcom commander, to give security to witnesses.

CSO: 4200/77

NPA AMBUSHES MEDICAL UNIT

Manila PHILIPPINES DAILY EXPRESS in English 29 Oct 82 pp 1, 6

[Text] A Medical action team on an emergency mission in Surigao del Sur was ambushed Monday by heavily armed men.

Ten persons, including two soldiers and two policemen, were killed.

Three civilians, including Dr. A. Orozco, head of the team, were seriously wounded.

The team was aboard a police jeep headed for Alba, Surigao del Sur, for an emergency operation, when attacked in Tago town by unidentified armed men believed to be members of NPA liquidation squads.

A widow who had requested for the medical team and was also in the jeep was among those killed.

Identities of the fatalities were not available.

The attackers took away the guns of the slain soldiers and policemen.

On receiving the report from Region XI command, Defense Minister Juan Ponce Enrile sent an air force plane to Surigao to airlift to Manila Dr. Orozco and the other wounded for treatment.

They are now in Tandag provincial hospital.

Dr. Orozco's father, Antonio Orozco, had wired Region XI Assemblyman Jose Puyat Jr. asking for help to have his daughter airlifted to Manila.

Puyat, in turn, sought the help of Enrile.

The ambush is the biggest and most daring in recent months in the area.

Troopers were sent to pursue the attackers but lost them in the nearby forested area.

Military authorities disclosed yesterday that a "third force" has been working to destroy the relation between the Church and the government.

Military officers from the South led by Brig. Gen. Salvador Mison, Cemcom commander, flew yesterday to Manila to report on the matter in the face of the discovery of fake documents being circulated tending to fan enmity between church officials and government authorities.

Mison presented one such bogus document in a meeting with mediamen.

The document, a four-page letter-petition addressed to President Marcos, was made to appear as coming from Apostolic Administrator Bishop Filomeno Bactol of the Calbayog diocese, but which the latter has disowned.

The petition contained seven "demands" type-written on the stationery of the Calbayog diocese.

The letter-petition carrying the name of Bishop Bactol as source and dated Oct. 15 was unsigned. It denounces certain military men for alleged abuse of authority.

Bishop Bactol, who was named apostolic administrator of Calbayog diocese in the absence of Bishop Sincero Lucero who is ill, wrote the defense ministry disowning the letter.

Meantime, military authorities turned down a petition to place Fr. Edgar Kangleon, director of the Calbayog social action center, under the custody of church officials.

Kangleon has been detained at the Cemcom headquarters in Samar since he was arrested last Oct. 10 based on a presidential commitment order.

The request for his placing under church custody was made by apostolic administrator Bishop Filomeno Bactol.

Brig. Gen. Salvador Mison, Cemcom commander, said Bactol's request was denied for security reasons.

Another suspected rebel priest, Fr. Josefino Gonzales, executive secretary of the social action center, continued to elude arrest.

He is among a number of suspected dissident priests listed in the PCO.

CSO: 4200/77

COLUMNIST SAYS PRIESTS NOT ABOVE LAW

Manila PHILIPPINES DAILY EXPRESS in English 29 Oct 82 p 4

[Article by Teodoro F. Valencia]

[Excerpt] Cardinal sin has once again provoked debate on the subversive activities of some members of the clergy. He can only lose this fight if he insists that the arrest of priests and nuns who involve themselves in subversive action is persecution of the church. Such a position is a gamble. The people will never accept a postulate that priests can do no wrong. Worse, that priests must be above the law.

The military has already gone out of its way to be extraordinarily patient with priests and nuns who take to mass action or involve themselves with the cause of the rebels. I honestly believe that the good Cardinal would be better if he stop [as published] talking the way he does. He merely polarizes the debate which he loses every time the government is able to present evidence of subversive acts of one priest.

CSO: 4200/77

PHILIPPINES-INDONESIA BORDER AGREEMENT

Manila BULLETIN TODAY in English 22 Oct 82 p 36

[Text] ZAMBOANGA CITY, Oct. 21—The Philippines and Indonesia renewed their border patrol and crossing agreement to check smuggling of people and contraband, and piracy.

The agreement was signed after the three-day eighth conference of the RP-IR border committee at the mansion house in Calarian, this city.

Signatories were Southern Command chief, Maj. Gen. Delfin Castro and Lt. Gen. Himawan Soeeanpo, co-chairmen, respectively, of the RP-IR border committee.

General Castro said the joint committee ensured a responsive and effective implementation of the joint border patrol and border crossing agreement.

He said the meet also reaffirmed the existing mutual understanding and cordial relations between the two countries.

Soeeanpo, commander of the third territory command of Indonesia, headed the 40-man group which attended the conference. Indonesian officials are expected to visit Manila, Cebu, and Davao.

There are only 70,000—and not 200,000 as claimed by a United States government report—"illegal immigrants" in Sabah, Foreign Ministry spokesman George Reyes said.

Reyes' reaction came following news stories quoting a US Library of Congress report that about 200,000 Filipinos have sought refuge in Sabah as a result of the Mindanao war.

Reyes said his figure was based on Sabah Chief Minister Harris Salleh's recent claim in Parliament that Sabah has only 70,000 Filipino "illegal immigrants."

He quoted Salleh as saying these Filipino "illegal immigrants", along with 60,000 Indonesians who had also illegally migrated there, composed 90 per cent of the total labor force in the construction and industrial sectors in Sabah.

Reyes also denounced the comparison of the 200,000 Filipino Muslim refugees in Sabah with that of the Indochinese refugees here as "without basis in law and in fact."

He said that the Indochinese, mostly Vietnamese, refugees here had been classified as such by the United Nations High Commissioner for Refugees. (Nelly Sindayen)

CSO: 4200/76

DRIVE TO BOOST ARMS SALES

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Oct 82 p 11

[Text] Large-scale production of two light infantry weapons, designed and manufactured by a state-owned factory has started, and is aimed at boosting Singapore as a major competitor in the international market for small arms.

According to foreign military sources, Chartered Industries of Singapore (CIS), the government-owned company has been making concerted sales efforts in several developing countries in Africa, Latin America and the Middle East to get orders for the new weapons.

A number of sales missions have visited these areas, but foreign arms deals have never been made public, the sources said. The Ultimax-100 light machinegun and the SAR-80 assault rifle are expected to penetrate the arms market and put Singapore among the major Southeast Asian suppliers of light field weapons.

The two weapons are also expected to replace the M-16 as the standard field weapon in the Singapore armed forces. The Republic's air force has placed large orders for these arms, which had gone on display for the first time at the recent parade to mark Singapore independence anniversary.

The SAR-80 rifle and the Ultimax-100 machinegun have however yet to be put under real battle conditions for their worthiness, but they have been tested on the island, in New Zealand and in Australia and found to be operationally effective and reliable.

The CIS has been producing the M-16 rifles under licence from the U.S. manufacturers, and has made a name as a major supplier of arms in the region. Other small arms productions include mortars, bayonets, ammunition and explosives. However, its operations have been enveloped in secrecy.

The 5.5 mm Ultimax-100 and the SAR-80 were the most impressive breakthroughs by the CIS. Weighing about 3.2 kilogrammes, the SAR-80 was designed as the rival to the M-16 which is a heavier and more costly weapon. Based on two prototypes of the Sterling Armament Company in Britain, it costs about US$300 and would be able to refit M-16 parts.

Applicable as a squad weapon, the Ultimax-100 can fire 520 rounds a minute, weighs 6.5 kilogrammes and is priced much lower than its European rival, the Belgian FN Minimi, which costs about US $3,000.

The two weapons are considered versatile and extremely light, which make them suitable for Asians. They can be fired with great accuracy. But the important thing is whether they can withstand the rigorous battle conditions, one Western military source said.

CSO: 4200/79

END

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29 November 1982

South and East Asia Report

No. 1219

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29 November 1982

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No. 1219

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INEXORABLE RISE IN DEFENSE SPENDING BY ASIAN NATIONS

Kuala Lumpur BUSINESS TIMES in English 4 Oct 82 p 19

[Article by Dilip Mukerjee]

[Text] DEFENCE is costing around US$30 per man, woman and child living in the five-nation Association of South-East Asian Nations. In aggregate terms, the five are using 4.5 per cent of their national cake for maintaining their armed forces.

The ratio is about the same as the average — 4.6 per cent — for all developing countries taken together. Since military expenditures in the less developed countries (LDCs) have risen two and a half times faster than national incomes, it is clear that the military is cutting itself a progressively thicker slice. Mercifully, some countries have escaped this trend, Malaysia and the Philippines, for example, but not the other Asean three — Indonesia, Singapore and Thailand.

Taking all developing countries together, they spent over US$81 billion on defence in 1981. Much of this money — at least one-half — was spent in West Asia where petrodollar surpluses led to an almost four-fold increase in military spending in the 1970s, as the UN Conference on Trade and Development records in its 1982 yearbook.

Non-military

However, the share of South Asia and the Far East was as much as US$27 billion. Of this total, the Asean five accounted for about a fourth. Like other countries, the Asean members would counter that they had no choice. In a deteriorating environment, as highlighted by Kampuchea within the region or internationally by US-USSR naval and air competition along Asia's Pacific seaboard, they had to step up defence spending to safeguard themselves against external threats.

While this is a plausible argument, projections of danger can become self-fulfilling prophecies. Consider, for instance, the case of India and Pakistan, two populous countries with a per capita income 45 and 30 per cent lower than the poorest Asean member, Indonesia.

Since the two became independent in 1947, each has argued that it is in danger of being upstaged by the other in terms of military muscle. Given their mutual discord and distrust, each goes on opting for increases in this muscle which gets cancelled out by the other doing the same. Pakistan persuaded the US last year to equip it with the formidable F16 aircraft, and India has countered by ordering the latest Mirage from France. There can thus be no end to this arms race.

Asean countries are much richer than the South Asian nations. But they, too, have to give some thought to defending themselves by means other than weapons. This non-military approach is indeed what they had in mind when they signed in 1971 the declaration urging the world to help in making South-East Asia a zone of peace, freedom and neutrality.

More important, Asean has made very considerable progress toward defusing mutual differences. The Sabah issue is still outstanding between Malaysia and the Philippines. However, this has not impeded overall progress toward better ties between the two nations as evident from a Malaysia conglomerate making a multi-million dollar investment in a Philippines' tyre company.

Unfortunately, however, this is not happening elsewhere in the developing world, with quarrels among neighbours the main factor in escalating arms expenditures. The costliest of these quarrels is the one that has led to the never-ending war between Iran and Iraq burning up tens of billions of dollars. Both being very large oil exporters, they can indulge in this folly without going totally broke. But Ethiopia and Somalia pursuing an endless vendetta certainly cannot.

All these costs, and the sacrifices they involve,

have been documented many times over. But the inexorable rise continues, particularly in Asia. Among the many reasons is that there is nothing like an organised effort among Asian peoples to promote the cause of peace. One notable exception is Japan where the trauma of the last war is reflected in the strength of pacifist sentiment among its people.

In a poll taken by the Asahi Shimbun, the influential Tokyo daily in March 1981, only 34 per cent opted for fighting when asked if they would "fight, flee or surrender when foreign troops have invaded Japan." In the same poll, only 22 per cent of the respondents favoured strengthening Japan's defences.

Japan is an exceptional case not only in terms of its war-time experiences, including the horrors of Hiroshima and Nagasaki, but also because of the maturity of its public opinion. The contrast with say, India is clear as differences in the literacy rate show — 99 per cent and 36 per cent.

Even this does not, however, explain why the many millions of highly educated and articulate Indians have failed to address the questions posed by burgeoning arms expenditure in their country and across the border in Pakistan. The failure is all the more disappointing because Mahatma Gandhi, often described as the apostle of non-violence, is widely adulated as the father of the Indian nation.

The lack of a peace lobby in India stems mainly from an inadequate understanding of the costs of defence, more so because the government skilfully diverts attention from them by playing up external threats. While the threats are not imaginary, suggestions to deal with them through diplomacy get rejected out of hand on the ground that neighbours like Pakistan and China are intransigent.

Much the same attitude obtains in Thailand, although it must be said to its credit that even within its military establishment some are less hawkish than others.

The best guarantee against military expenditures growing by their own momentum, as in the case of India and Pakistan, is a greater awareness among the population at large of what they are sacrificing just to satisfy the appetite of their armed forces. Arguments that all defence is a waste will not cut any ice but most people may be willing to give a second thought to the rate of growth in military expenditures if the costs are brought home.

Among the Asean five, the cost per head is the highest in Singapore at US$275 a year. This is partly due to its small size, the need it sees to have a deterrent capability just in case a situation like that of 1963 — the Indonesian confrontation with Malaysia/Singapore — arises again.

The next highest spender is Malaysia at US$69 per head, followed by Thailand (US$35), Indonesia (US$26) and Philippines (US$12). It is instructive to note that the richer two spend much more than the poorer three, among them Thailand, arguably the most vulnerable of the Asean members. Does this not suggest that military appetites grow in proportion to the national kitty and not necessarily in proportion to actual danger.?

ASEAN MILITARY EXPENDITURE 1980

	As % of 1980 GDP	1980 GDP US$ million	Military Spending US$ million	Population Million	Military Spending per capita
Indonesia	5.5	69,800	4,828	146.0	26.29
Malaysia	4.1	23,600	967	13.9	69.00
Philippines	1.6	35,490	567	49.0	11.57
Singapore	6.3	10,480	660	2.4	275.00
Thailand	5.0	33,450	1,672	47.0	35.00
Asean	4.5	172,820	7,705	258	30.00

SOURCES: World Development Report 1982, UN Economic & Social Survey of Asia and the Pacific; 1981.

CSO: 4200/511

ASEAN MEMBERS TO ESTABLISH PLANT QUARANTINE RING

Kuala Lumpur BUSINESS TIMES in English 9 Oct 82 pp 1, 12

[Excerpt]

ASEAN ministers of agriculture and forestry are expected to initial today a declaration on erecting a regional plant quarantine ring aimed at keeping out plant pests, the most destructive of which are still alien to the region.

They will also agree to standardise import and quarantine regulations on animals and animal products from countries within and outside the region.

Both declarations are being made within the framework of the Asean Common Agricultural Policy and represent the major, if mundane, outcome of the fourth ministerial meeting. The two-day meeting began yesterday.

The declaration on an Asean plant quarantine ring commits member countries to practising inter- and intra-state quarantine. The ring has been defined as an invisible wall around the whole region made up of standard quarantine practices together with the present internal rings of protection around each country.

It also requires those members intending to introduce beneficial insects and biological control agents not present in the region to inform the others ahead of the move.

Such insects could include the weevil Malaysia recently imported from West Africa to aid the pollination of its plantation oil palm crop.

Likewise, the anticipated standardisation of animal import and quarantine rules has obvious significance for the development of livestock industry and trade in Asean.

It will supplement the efforts of the Asean five to establish disease-free zones for specific animal diseases and to eradicate foot-and-mouth disease (FMD), which were formalised as similar declarations at earlier meetings.

Procedures and protocols for members to designate an area as a FMD-free zone were also tabled yesterday and will probably be endorsed by the ministers.

However, in place of a proposal to set up a common regional animal quarantine centre, the working group on livestock has recommended that existing quarantine centres in each country be strengthened.

Indonesia's Pulau Kepala Jerih and Malaysia's Pulau Mengalum were alternatives considered by the working group as sites for the centre. But the group concluded that the concept of a single centre serving the entire region was not feasible.

Instead, the five will now pledge to upgrade their own stations: Indonesia's at Pulau Kepala Jerih; Malaysia's at Kuantan; Philippines' at Alabang; Singapore's at Jurong; and Thailand's at Bangkok.

CSO: 4200/511

ANANDA MARGA INFILTRATOR TELLS STORY OF HILTON BOMBING

Melbourne THE AGE in English 9 Oct 82 p 20

[Text]

SYDNEY. — Ananda Marga sect members told a man who had infiltrated the organisation that they were responsible for the Hilton bombing, an inquest heard yesterday.

Richard John Seary said sect members had told him the bombing, which took place about 12.40 am on 13 February 1978, was to frighten the Indian Prime Minister, Mr Desai.

Before Mr Seary gave evidence to the inquest in Glebe Coroners Court, Mr Roger Court, QC, assisting the Coroner, Mr Norman Walsh, said grave fears were held for Mr Seary's safety, and asked that his address not be given.

The inquest is investigating the death of Constable Paul Birmistriw and garbage collectors Alex Raymond Carter and William Arthur Favell, who died from the explosion.

At the time, several national leaders, including Mr Desai, were staying at the Hilton for a Commonwealth Heads of Government Meeting.

Mr Seary said that in the fortnight after the bombing a suggestion was agreed between himself and police that he become involved in the Ananda Marga sect.

He said he attended a number of courses over four or five weeks to gain membership, and was invited to become a member of the VSS, the organisation's military wing.

These were the initials of three Sanskrit words — Visha Shiva Sena — meaning Universal Soldiers Association, or Volunteer Social Service in English.

Mr Seary said that while with the sect, from March to June 1978, he rose to second highest position in the military wing, to Paul Alister. Through it he also came to know Ross Dunn and Timothy Anderson.

These three sect members are serving 16 year prison terms for conspiracy to murder the National Front Leader, Robert Cameron, in June 1978 at Yagoona in NSW, an incident about which Mr Seary already had given evidence, the inquest heard.

Mr Seary was to drive the car to Yagoona where explosives were to be used in an attempt to murder Mr Cameron, but Mr Seary told police what was to happen and the vehicle was stopped on the way.

Mr Seary told the inquest he was told about the Hilton bombing during a conversation on the journey to Yagoona with Dunn and Alister.

He noticed that Dunn had a bag and he could see something in it which looked like a white dial.

"At one point I asked Dunn if he knew what that stuff could do," Mr Seary said. "He said: 'I have seen what 12 sticks can do'.

"I said 'What do you mean?', and he said: 'The Hilton'."

Mr Seary said he kept "pushing" them until Alister named himself and other sect members as having been involved in the bombing.

"One of the first times I asked Dunn he said he didn't want to say," Mr Seary said. "Then Alister said 'Vrak's (Mr Seary's sect name) OK, he's a member of the VSS'."

The pair had then allegedly described how Dunn placed the bomb in the bin. Dunn had allegedly said: "I had to."

Mr Seary said: "I can't remember Dunn's exact words but he said something about pushing it down the side."

Mr Seary said he questioned Dunn about having the bag containing the explosives in the car. Dunn had replied that at the Hilton he had been jostled in the crowd and the bomb had not gone off.

"Alister said to Dunn the bomb was supposed to be there an hour before Desai arrived," Mr Seary said.

"I asked how did you know when Desai arrived. Alister said we had people at the airport."

Evidence already has been given to the inquest of Anderson and Dunn having been seen near the Hilton during a demonstration.

CSO: 4200/6002

BRIEFS

ISRAELI PETROCHEMICAL PLANT PROJECT--The Israeli Government has released details of a huge petrochemical plant it wants to build in North Queensland at the cost of over $1,000 million. Israeli trade and industry minister, Mr Pat, said in Brisbane that the plant would use Queensland's coal and Israeli phosphate to produce a range of products for Australia and overseas markets. Mr Pat said the plant would have its own power station costing about $500 million and the whole project would employ 15,000 people and would earn about $100 million a year in export earnings for Australia. The Israeli minister said the financial structure of the venture was still under discussion with both the federal and the Queensland Government. [BK051012 Melbourne Overseas Service in English 0830 GMT 5 Nov 82 BK]

TACTICAL ELECTRONIC WARFARE SYSTEM--The Australian Army is to be equipped with a tactical electronic warfare system costing $19 million. The Australian dollar is worth a little less than the American dollar. The minister for defense, Mr Sinclair and the acting minister for defense support, Mr Newman, said a contract had been awarded to (Sanders) Associates Incorporated of the United States for the supply of an electronic support measures subsystem. The subsystem would intercept and locate positions of combat radio transmissions. They said it would be mobile and it would incorporate the latest technology in electronic warfare. It will also be designed to withstand a harsh climate encountered in some regions of Australia. The new system is due to be in service in 1986. The ministers said Australian industry would participate in the design specification and production of the software for the system. [Text] [Melbourne Overseas Service in English 0830 GMT 5 Nov 82 BK]

AUSTRALIAN-NEW ZEALAND ECONOMIC PACT--Australia has agreed on a new trading arrangement with New Zealand. Australia's acting prime minister, Mr Anthony, announced in Canberra that cabinet had agreed on a closer economic relationship between the two countries. He told parliament that details of the amended draft of the agreement would be released tomorrow. New Zealand approved the new arrangement last week. Mr Anthony said the two governments were hoping for a minimum of disruption to industry as the freer trade program was brought in over a number of years. The new trading arrangement is expected to operate from 1 January. [Text] [BK091247 Melbourne Overseas Service in English 0830 GMT 9 Nov 82]

LIBERALS DEFEATED--South Australia's liberal Premier Tonkin has conceded defeat following yesterday's state election. The opposition Labor Party led by John Bannon gained a swing in primary votes of about 7 percent. It will be able to form a minority government with the support of an independent labor member or with several seats still in doubt might have absolute majority of one. Tonkin told newsmen he expected to resign on Tuesday and that the new labor government would take office on Wednesday. [Text] [BK070702 Melbourne Overseas Service in English 0500 GMT 7 Nov 82]

COCOS ISLANDS SELF-DETERMINATION--Australia is to grant self-determination to the people of the Cocos Islands in the Indian Ocean as soon as possible. Australia's ambassador to the United Nations, Mr Woolcott, told the decolonization committee that life was improving for the estimated 600 people on the island group which is 2,700 kilometers northwest of Perth. Mr Woolcott said the aim of the Australian Government was to bring about as speedily as possible conditions which would enable the Cocos Islanders to exercise their right of self-determination. [Text] [BK120714 Melbourne Overseas Service in English 0500 GMT 12 Nov 82]

CSO: 4200/104

AGRICULTURAL MODERNIZATION BOOSTS RICE PRODUCTION

Kuala Lumpur BUSINESS TIMES in English 5 Oct 82 p 4

[Text]

BURMA continues to reap record rice harvests in the wake of the government's determined attempt to modernise agriculture.

This year, the country is expected to harvest 14.2 million tons of rice, of which 600,000 tons will be exported. Last year, Burma reaped 13.1 million tons compared with the 10.2 million-ton harvest in 1980.

Since 1975, Burmese rice production has been on the rise due to the introduction of high-yielding varieties, multiple cropping, the expansion of irrigation and better use of fertilisers and pesticides.

Agriculture Minister U Ye Goung said that the use of high-yielding varieties, in particular, has boosted the country's rice production. Modern varieties are now planted in 72 townships, up from 42 townships last year and 23 in 1978.

Per hectare production this year registered 600 kilos in these project areas which accounted for 62 per cent of the rice production last year.

The increase is also due to a massive infusion of capital for the modernisation of the country's agriculture. This year, Burma plans to invest a total of 871.7 million kyats (US$134.52 million) to continue the modernisation process. This figure is roughly 10 per cent of the total investments of the country.

In the last four years, Burma has invested a total of US$306.41 million to upgrade its agriculture, more than two-thirds of which comes from international aid agencies like the United Nations Development Programme and the Food and Agriculture Organisation.

An estimated 5.1 million hectares of land will be added to the 10.3 million hectares already planted to rice.

As part of its modernisation process, the number of agricultural extension workers — called by the Burmese as village agricultural managers — has been increased to 6,693 as of last year.

What is interesting is that despite most of its plans falling short of targets, rice production has outstripped government goals. Land reclamation, which was targeted at 10,117 hectares annually in the last four years, stood only at 8,232 hectares.

Only 1.05 million hectares were irrigated instead of the government plan to irrigate 1.2 million hectares. An estimated 3,000 wells were supposed to have been dug last year, but 1,081 were made.

Though farm modernisation continues, the rice production increases continue to be the burden of the country's nearly six million water buffaloes — the "living tractors" and not on modern tractors. In fact, tillage by tractors accounted for only 5.73 per cent of the total cultivation. There are only 174 large tractors and 2,572 hand tractors in Burma.

If anything, the record rice harvests enhance the commodity's role as the economic mainstay of Burma. Most of its 3.5 million small farmers (out of 35 million Burmese), with landholdings of less than 10 acres, plant rice. Rice accounts for 40 per cent of all exports and 80 per cent of the average Burmese's caloric intake.

Official statistics show that 1978 was the watershed year in Burmese rice production, with output reaching 11 million tons. Before World War II, rice production reached only a peak 3.4 millions tons harvested from five million hectares of ricefields.

Immediately after World War II, Burmese rice production plunged to an all-time low of 5.2 million tons harvested from 3.9 million hectares of ricefield.

Slow progress marked the post-war era up to the early 1970s until mid-decade when rice production exceeded pre-war levels. Today, rice production in Burma often exceeds targets set by the government.

But the overall average rice production of about 2 tons per hectare is low compared with the other agriculturally advanced countries in Asia. Indonesia, for example, produces 3.4 tons of rice per hectare while China produces 4.43 tons.

Although rice has been the main beneficiary of Burma's agricultural modernisation, other crops have also increased its output. Jute production has risen by 30 per cent, cotton by 65 per cent.—Depthnews

CSO: 4200/512

AUTHORITIES UNABLE TO CONTROL ANTISOCIALIST PRACTICES

Kuala Lumpur BUSINESS TIMES in English 8 Oct 82 p 19

[Article by Min Thu in Rangoon]

[Text] BURMA'S struggle for socialist purity has been eroded by anti-socialist practices that the authorities have been unable to control.

Blackmarketeering and smuggling are rampant, and prostitution is a deeply-rooted social and moral blight. Once self-sufficient in cooking oil, rice and other farm crops, Burma now suffers from persistent shortages of these products.

Imported consumer goods are perennially in short supply, driving buyers to the thriving underground market operated by smugglers. On top of the line of blackmarket consumer items are shaving blades, soap, toothpastes, textiles and medicines.

Luxury items include wristwatches, cars, motorcycles, sewing machines and engine spare parts. All of these are hard to come by among legal outlets but not in the blackmarket.

"Just about everything here is smuggled," a Rangoon official admitted. "Rice, teak, timber, rubber, you name it."

At one time the government imposed price controls on 426 products, including Buddha statues, artworks and sculptures. The move, however, only served to exacerbate a tight supply situation and bolstered the blackmarket. Fifty items were later dropped from the price control list but the underground overshadowed the open market.

At the same time, corruption is a pervasive drag on the bureaucracy. Cooperative enterprises were organised in line with the country's socialist construction programme. However, officials helped themselves to the till and the quality goods leaving only the ordinary items for the buying public.

The cooperative is a dying programme propped up only by heavy doses of government funding.

To minimise smuggling, the government posted search teams and patrols along the road, rail and riverine routes leading to Rangoon. But despite the checkpoints smugglers still manage to bring their goods into the capital by bribing the government agents.

Last year the government offered hefty rewards to informers for the arrest of smugglers, drug pushers and the seizure of contraband goods. There were no takers.

The sale of playing cards, contraceptives and sterilisation and abortion are banned but these items are sold openly along roadsides.

"Tipping," once unheard of in this country, has become a way of life. Bartenders, state employees as well as ticket sellers of entertainment places expect "tips" from customers.

Tourism was heralded by the government as a major source of foreign exchange. It has helped the state bolster its income but tourism has created economic and social problems that the government does not seem to know how to cope.

Tourism has fuelled the white slave trade and smuggling.

Seamanship has become a status symbol in Burma, not because the job offers one the ultimate chance to demonstrate his patriotism but because of the monetary rewards inherent in the employment.

Discriminated

A Burmese seaman is allowed to buy a car abroad which he can easily sell back home. That's the overriding incentive. In the past, Burmese youths generally regarded seamanship as a menial job. But when the government allowed seamen to buy cars abroad, recruitment offices were suddenly swamped with applicants.

Like any country in the world of widespread poverty, Burma is witnessing the emergence of an economic elite. This new economic power is composed mostly of Chinese.

Traditionally, the Chinese have been a discriminated minority in Burma. But through the well-known Chinese business acumen and survival capacity, they have managed to hurdle both visible and invisible barricades in their host country.

The result is that more and more Chinese are edging out the old Burmese economic elite. They won big buildings and business establishments.

Since the Revolutionary Council came into power, the movement of foreigners in the capital has been restricted. But the Chinese have nullified these restrictions by bribing officials concerned with the enforcement of the law.

Many Chinese, in fact, openly brag that they have become rich through the connivance of Burmese officials. There are suspicions that the Chinese in Burma may be acting as conduits for China's assistance to the local underground movement, if they are not financing the rebels themselves.

The emergence of the Chinese as an economic power in Burma has created a groundswell of resentment against them. They have been accused of corrupting the bureaucracy.

The unsettled political situation in the country so close to a communist giant only deepens the Burmese uneasiness with the Chinese.

The Chinese in Burma swear their allegiance to China but it is difficult to put a finger on their political loyalties.

As a result, government agents remain on the alert on the possible political activities of the Chinese community as a whole. Informed military sources admit the government is wary that the Chinese may have links with the pro-Beijing Burmese communist rebels. — Depthnews Asia

CSO: 4200/512

EXTREMISTS IN BIHAR CAPITALIZE ON DROUGHT

Bombay THE TIMES OF INDIA in English 17 Oct 82 p 5

[Text] Patna, October 16--Chaotic conditions are prevailing in some parts of Bihar in the wake of the severe drought which has created widespread misery, especially in rural areas.

They have given an impetus to extremist activity in Patna, Aurangabad, Gaya and several other districts prone to the Naxalite menace. The anti-press bill agitation which continues to receive support is further complicating the situation.

Already there have been several cases of looting of foodgrains, encounters between Naxalite-led peasants and the police or landowners, and firing on peasants demanding work in areas where agricultural operations have come to a standstill because of the withering of crops. Almost every other day the state capital is witnessing demonstrations or processions against the press bill. The agitation against the bill is continuing even in district towns.

While the administration is engaged in taking time-honoured routine measures in dealing with the situation, what is lacking at the moment in Bihar is the political will to grapple with the problems. Dr Jagannath Mishra, chief minister, being preoccupied with the hearing of the supreme court case against him, was in Delhi during the past few days and could not tackle the crisis overtaking the state.

Though despondency among the people in about 20 drought-hit districts of the state runs deep, there is barring the Naxalite belt, no systematic or organised cry of protest to pose any danger to the law and order machinery. Famine and drought being so common in this part of the world, most of the peasants take them in their stride.

Snail's Pace

A few days ago villagers at Paimar station on the Kiul-Gaya section of the Eastern Railway looted foodgrains from 13 stationary wagons of a goods train to ward off hunger. Seven tribals lost their lives in police firing while staging a demonstration to demand work at Palajori village in Santhal

Parganas. Over 50 tribals were injured in police firing while on their way to participate in a demonstration at Dumka.

According to the tribal leader Mr Sibu Soren, M.P., the tribals are migrating in large numbers from Santhal Parganas because of starvation conditions there, to other areas in search of livelihood.

While hunger is stalking many drought-hit districts of Bihar, relief and rehabilitation measures are moving at snail's pace. There are 7.4 million landless agricultural labourers in the state and most of them are without any wherewithal for survival. But the state government had not started even distributing "red cards" (necessary under the famine code) in many of the affected areas.

According to reports received in the state capital peasants are clamouring for work under hand manual labour schemes or their substitutes called rural reconstruction programmes. But in most affected districts there is no immediate provision to employ them now.

If the situation is depressing on the farm front, it is much more so elsewhere. The law-and-order situation continues to be alarming. To cite but two instances, the life of Mr Rai, a trade union leader of Dhanbad and former MLA, remains unsafe because he is the prosecution witness in a murder case in which Mr Surajdeo Singh, a Janata MLA and alleged mafia king of the coalfields, is the main suspect.

A few days ago shots were fired at Mr Rai and his bodyguards. This was the second attempt on his life in less than four months. A dreaded dacoit of the Bhagalpur area who hit the headlines some time ago by surrendering to the police is again at large.

CSO: 4200/95

COMMENTARY NOTES EXPECTATIONS OF SOVIET LEADER

BK131626 Jakarta Domestic Service in Indonesian 1200 GMT 13 Nov 82

[Unattributed commentary: "The New Soviet Leadership"]

[Text] The election of Yuri Andropov as the new secretary general of the CPSU Central Committee on Friday [12 November], succeeding Leonid Brezhnev, who died last Wednesday, revealing the rapid procedures for changing the Soviet leadership.

In 1924, following Lenin's death, it took at least 5 years for Stalin to establish new leadership of that country. In 1953, following Stalin's death, Khrushchev needed at least 4 years to set up a new leadership. In 1964, when Brezhnev assumed the leadership, he had to form a collective leadership until he succeeded in restoring the post of first secretary to that of secretary general of the CPSU Central Committee in 1966, 2 years after he had first assumed the post.

The accelerated process for changing the Soviet leadership following Brezhnev's death is not difficult to understand.

The history of the CPSU following the establishment of the USSR at the end of 1922--5 years after the outbreak of the October Revolution--was not without polarization within its Central Committee.

After Lenin's death, Stalin succeeded in overcoming this polarization by creating a personality cult--the worshipping of an individual. After Stalin's death, Khrushchev abolished the personality cult, but this resulted in the reemergence of polarization within the party's Central Committee, especially in the Politburo, which led to his downfall in 1964.

Brezhnev was able to overcome this dilemma by finding a consensus so that the abolition of the personality cult did not result in political polarization. Because of this, Brezhnev was able to establish objective conditions for implementation upon his death which enabled the rapid establishment of a new leadership.

The indication that Andropov would be elected as the post-Brezhnev Soviet leader was already known when he welcomed Brezhnev at Moscow airport on 31 August of this year upon Brezhnev's return from his 2-month vacation in Crimea. Andropov was the only candidate for succession to show up at the airport at that time.

Under Andropov's leadership, the Soviet Union will continue to adopt a hardline domestic policy, especially in dealing with local dissidents. But its foreign policy will remain as a reformist policy and might even be more moderate especially in dealing with Western countries which have a socialist system of government. As a result, it is expected that there will be a change in Poland.

CSO: 4213/503

THACH VISIT, KAMPUCHEA PROBLEM VIEWED

BK080958 Jakarta THE INDONESIA TIMES in English 1 Nov 82 p 2

[Editorial: "ASEAN-Indochina Dialogue on Kampuchea"]

[Text] On his arrival here on Thursday, the Vietnamese foreign minister, Nguyen Co Thach, told reporters that he came to continue the dialogue between the Association of South East Asian Nations (ASEAN) and the Indochinese states on Kampuchea. A short while before the arrival of Foreign Minister Nguyen Co Thach, Indonesian Foreign Minister Mokhtiar Kusumaatmaja stated that both sides agreed to continue series of the Vietnamese foreign minister's visit to the ASEAN countries of Malaysia, Singapore and Thailand.

On the same day of the arrival of Foreign Minister Nguyen Co Thach, the general assembly of the United Nations adopted by an overwhelming majority a resolution on Kampuchea, providing for the withdrawal of all foreign forces from Kampuchea and ensuring respect for the sovereignty, independence, territorial integrity, neutrality and non-aligned status of Kampuchea, as well as the right of the Kampuchean people to self-determination, free from outside interference.

These are the principal components of any just and lasting solution to the Kampuchean problem to be achieved through an international conference on Kampuchea. This is the position of ASEAN and also the formal position of Indonesia.

Vietnam and the other Indochinese states have rejected this resolution and similar previous resolutions. On the other hand, the Indochinese states have proposed a limited international conference consisting of the Indochinese states, the ASEAN states, the five permanent members of the United Nations Security Council, plus India and Burma.

ASEAN has stated that this proposal is unacceptable since it is committed to the international conference on Kampuchea as proposed by the United Nations. Besides it is tantamount to giving recognition to the Heng Samrin regime. Thus there is a wide gap between the positions of the two sides.

If a political settlement is to be achieved as recommended by the United Nations resolution the gap between the position of ASEAN and the position of the Indochinese states will have to be bridged. The two sides should be realistic in their approaches and try to achieve a meeting point between the two proposals without losing face and the main ideas and objectives of the proposals. After all both sides are trying to realise the same objectives in South East Asia, namely mutual cooperation in development and peace, freedom, security and neutrality without foreign interference. We are given to understand that the Indochinese states are prepared to broaden the membership of the limited international conference they have proposed. On the part of ASEAN, it should be able to find a means to move a little further forward. It is encouraging that both sides continue to keep the door open to continued dialogue.

Both Indonesia and Vietnam are decisive and outstanding members of their groups and have close and friendly relations. The talks between the two foreign ministers may yet be able to bring the two groups closer to each other in their views. So far their talks have been frank and friendly.

But so far, according to Minister Mokhtar Kusumaatmaja, the dialogues conducted by Vietnam with the ASEAN member countries has not yielded anything new conducive to Kampuchean settlement. He is of the opinion that the Kampuchean crisis and the Vietnamese role in it are part and parcel of the hostility between Beijing and Moscow, though ASEAN elements are also to be found in it. But Minister Nguyen Co Thach is convinced that "the question we face is not impossible to resolve, though it is not easy. We must be patient, foster better understanding and be realistic."

In short, there is desire and willingness on both sides to continue dialogue to search for closer understanding and agreed means of political solution. Everyone knows that by seating Prince Sihanouk's coalition government in the United States does not mean that the Kampuchean question has been solved. Since the Pol Pot group is the strongest component of the Kampuchean democratic coalition government, the Kampuchean people may not appreciate this government, though the presence of Prince Sihanouk may have mitigated their objection. We must take into consideration the reality that is inherent in Sihanouk's government as well as in Heng Samrin's regime.

CSO: 4200/105

THREE-TIER PRODUCTION SHARING SYSTEM FOR OIL COMPANIES

Kuala Lumpur BUSINESS TIMES in English 14 Oct 82 p 2

[Text]

JAKARTA, Oct. 13

OIL contract re-negotiations between the Indonesian government and the country's largest foreign oil producer are approaching a crucial stage, according to company officials who have been following the talks.

At issue is the re-negotiation of precisely what share of the 785,360 barrels of oil per day produced by Caltex Pacific Indonesia should go to the company by way of profits after its current work ageeements expire in 1983.

Caltex is a joint venture between Standard Oil of California and Texaco, and started producing oil in Indonesia long before the current production-sharing system was introduced.

Indonesia is the largest exporter of oil east of the Persian Gulf, and around half of its output is accounted for by Caltex. At current official prices, last year's Caltex output was worth over US$9 billion and so the stakes of both Indonesia and Caltex are large.

Pertamina, Indonesia's state-owned oil company, has offered Caltex a much lower oil share-out than the 85/15 ratio obtained by most foreign contractors currently producing oil in Indonesia, arguing that Caltex, with a more favourable earlier agreement, has already made substantial profits out of its investment amounting to several billions of dollars.

Caltex has rejected the offer (believed to have been for a 95/5 share-out after deduct y— ploration and development costs) and, in private at least, has been threatening to reduce its Indonesian operations if it is not offered a better deal.

The negotiations are being closely monitored by foreign oil companies operating in Indonesia. Some of them are fearful that Caltex may be tempted to accept significantly harsher terms than the widely prevailing 85:15 share-out and that Pertamina might then use this as a precedent to change its own terms.

Some substance was given to these fears last week when Judo Sumbono, Pertamina's president-director announced what appeared to be the introduction of a new three-tier production sharing system which offered a smaller oil share to companies such as Caltex producing more than 150,000 barrels of oil per day. He said that the new system was a modification of the 1977 production sharing agreement which allowed a foreign oil company operating in Indonesia to take 15 per cent of its output after deductions for development, production and exploration costs.

Companies producing between 150,000 and 250,000 barrels per day he said, would receive a 10 per cent share, while those producing more than 250,000 barrels a day would receive just 5 per cent. What Mr Judo did not make clear, however, was whether this was just part of a negotiating position in the talks with Caltex or whether it might also apply to other companies.

Apart from Caltex, which last year produced 785,360 barrels per day, only Total of France is currently producing more than 150,000 barrels per day. For their part, Caltex officials are believed to have told Pertamina that the company is unwilling to accept anything less than a 10 per cent net oil share out. — FT

CSO: 4200/513

BUMPER RICE CROP HELPS ALLAY ECONOMIC WORRIES

Kuala Lumpur BUSINESS TIMES in English 9 Oct 82 p 9

[Article by Kenneth L. Whiting in Jakarta]

[Excerpts]

THE rest of the economy is sliding into recession but the rice crop is OK and that bottom line means to many that all is well in Indonesia.

As the nation's basic food, rice is known as the "political crop," providing about half the dietary food value for 150 million people.

"Some worry about slumping oil exports, balance of payments problems and possible devaluation of the rupiah. But as long as there is enough rice there is a general feeling that other things will take care of themselves," said a US banker who lived in Jakarta for three years.

Lessons learned the hard way during a drought 10 years ago are enabling Indonesia to survive the current dry spell relatively unscathed. In 1972 there was near panic as scant rains and insect damage devastated the domestic rice crop at the same time supplies on the international market were scarce and costly.

Stockpile

Since then this country has changed from the perennial largest importer of rice in the world to near self-sufficiency. Officials credit improved crop forecasts to wide distribution of fertiliser and the introduction of high-yield and disease resistant strains of rice.

Added acreage, better irrigation techniques and an elaborate storage system also helped. A stockpile of 3 million metric tons is on hand.

Foreign grain traders recently estimated the 1982 crop at 22.3 million tons, the fourth straight record year. Last year's crop was 22 million tons compared to 20.2 million tons in 1980 and 18 million tons in 1979.

Economic indicators in the world's fifth most populous nation are less bright away from the rice paddies.

Crude oil export which account for more than 70 per cent of government revenue are at their lowest level in two years. Exports have decreased to less than 900,000 barrels per day from a high of 1.2 million barrels in May 1981.

In cash terms the annual loss is about 15 per cent, more than a billion US dollars, according to one diplomat who specialises in economic matters.

Other commodities have fared worse than oil. Exports of timber, coffee, rubber, tea, copra and other goods are expected to be worth US$3.5 to US$3.6 billion this year compared to US$6 billion in 1979.

Official foreign reserves have dropped to the equivalent of US$4.7 billion against US$6 billion last Dec. 31. One banker said this does not include an estimated US$3.6 billion in foreign exchange held by state banks, funds the government could draw on if necessary.

Overseas debt amounts to US$15 billion, the highest level since the near collapse of the state oil company Pertamina in 1976.

The rupiah was last devalued in November 1978 by a massive 33 per cent from 415 to 625 to the US dollar. It was then put under a "controlled float" against a basket of unspecified currencies.

There was a rush away from rupiahs toward US dollars starting late last year when it became clear that the central bank was using the float to unofficially devalue the rupiah against the dollar, said one banker who asked to remain unidentified.

One dollar fetched 644 rupiahs last December and now gets 675 or more.

Private banks remain eager to provide loans on attractive terms. The World Bank this year extended a US$926.1 million loan, making this country the bank's biggest client in East Asia.

Russel J. Cheetham, World Bank representative, told a recent news conference that Indonesia is one of the few countries in the world with an economic growth rate of 8 to 9 per cent in recent years.

The economy grew by 7.6 per cent last year and 9.6 per cent in 1980. The original forecast for 1982 was 6.5 per cent but experts in Jakarta now say it will most likely be less than 5 per cent.

CSO: 4200/513

LEGAL BASIS ESTABLISHED FOR MILITARY'S DUAL FUNCTION

Kuala Lumpur BUSINESS TIMES in English 7 Oct 82 p 19

[Article by Peter Griffiths in Jakarta]

[Text]

THE Indonesian armed forces celebrate their 37th anniversary on Tuesday backed by new laws which for the first time provide a legal basis for their controversial role in politics and society.

A week ago President Suharto quietly signed Bills entitled "Basic principles of state defence and security" and ordered their immediate promulgation into law.

It was not until last Wednesday that Defence Minister Mohammad Jusuf disclosed that the laws, introduced without fanfare in the final days of the outgoing parliament, had actually been ratified.

The four Bills cover Indonesia's basic defence and security policies, volunteer services, conscription and military reserves.

The most important legalises the armed forces so-called "dwi-fungsi" (dual function), stating that the armed forces are "a component of the defence force and at the same time a component of the social force."

Since President Suharto's "new order" administration emerged from the anarchy of the late President Sukarno's latter years and the abortive communist coup in the mid-sixties, members of the armed forces have acted simultaneously as politicians, bureaucrats and businessmen.

Non-military

The "dwi fungsi" has been a fact of national life, much-criticised by internal and external opponents and never before formally codified and institutionalised.

The new Bills give the Indonesian Armed Forces (Abri) a powerful say in the use of natural resources and construction of basic infrastructure, to make sure that developments in these areas are "in accordance with defence and security needs."

They also formally incorporate the police into the Abri structure, a reality which until now had lacked a legal basis.

Though Indonesia is a parliamentary democracy, in practice the power base remains with the armed forces, who are the dominant partner in an alliance with the civilian bureaucratic elite.

Serving and retired officers in the 350,000-strong armed forces are responsible for much of the day-to-day running of the country.

Some 40,000 members are currently carrying out non-military duties throughout the government, according to a report compiled by a Western embassy, and serving or retired Abri members make up half the cabinet and hold nearly two-thirds of the governorships of Indonesia's 27 provinces.

Struggle

The military is assured of its say in parliament since 96 seats in the 460-seat lower house are reserved for military appointees.

All members automatically join congress (the People's Consultative Assembly), 556 of whose 920 members are appointed in one way or another, with most of the appointees being military men.

President Suharto on Sunday swore in a new parliament and congress, which will serve for five years, following last May's general election in which his military-backed Golkar party won another landslide victory, taking 67 per cent of the contested seats.

Criticism of Abri's non-military role centres on possible conflicts of interest, given the dominance of military men in commerce and politics and the maintenance of extra-constitutional organisations, such as Kopkamtib (the operational command for the restoration of security and order), a powerful security agency set up as a temporary measure during the emergency period following the 1965 communist uprising.

Last month the spokesman for the military faction in parliament, Sumrahadi Partohadisaputro, defended the legalising of the armed forces role, saying it was correct and constitutional.

"Some people who doubt the goodwill of Abri in their devotion to our post-independence struggle are closing their eyes to reality," he told a news conference.

The theme of Tuesday's Army Day celebrations will be a display of air mobility at the central Java airforce base of Madiun.

General Suharto is expected to stress the unity of the armed forces and the people in a speech and will review a parade of newly-acquired military equipment, including US-made F-5E fighter aircraft and Lockheed Hercules troop transports. — Reuter

CSO: 4200/513

EXPANSION OF LNG EXPORT MARKET PLANNED

Kuala Lumpur BUSINESS TIMES in English 2 Oct 82 p 2

[Text]

JAKARTA, Oct. 1

INDONESIA'S export of liquefied natural gas (LNG) to Japan is expected to reach 158 shipments this year compared with 153 shipments in 1981, the state-owned oil corporation, Pertamina, said here.

Sudarno Martosewojo, director of the LNG project, said on Wednesday export of LNG to Japan, which started with only 11 shipments in 1977, reached 151 shipments by 1980.

In 1981 the 153 shipments of LNG or 446,000 BTU (British Thermal Units) were valued at about US$2.5 billion, Mr Sudarno said.

He said Japan, which signed an LNG contract last year, will have an additional supply of 6.6 million tons of LNG by 1984.

The new supply of LNG will come from expansion of the Arun plant in North Sumatra in 1984 and the Bontang plant in East Kalimantan starting the third quarter of next year.

Bontang's annual production capacity was estimated at 3.5 million tons against Arun's five million tons.

Mr Sudarno said the government plans to intensify efforts at expanding the market to include South Korea and the United States.

Negotiations are still on for South Korea to buy about two million tons of LNG annually from Indonesia.

On marketing to the US, Mr Sudarno said, both sides were still looking for a solution on an agreement signed by Pertamina and the Pacific Lightning in 1973, for the sale of LNG to the United States. But discussion has come to a standstill because of a terminal problem in the US, Mr Sudarno said.

Strong objections from environmentalists were also obstructing the sale, Mr Sudarno said.

He did not say how much LNG Indonesia wants to sell to the US and did not elaborate on the environmentalists' objection or the problem in getting building permits. — AP, UPI

CSO: 4200/513

DARUL ISLAM LEADLR SURRENDERS AFTER 20 YEARS IN HIDING

Kuala Lumpur NEW STRAITS TIMES in English 11 Oct 82 p 13

[Text]

JAKARTA, Sun. — The military commander of the defunct Darul Islam army, Sanusi Daris, 57, surrendered last week to the military in South Sulawesi after 20 years of hiding in the jungles.

Sanusi Daris was also the 'Foreign Minister' of the banned Darul Islam movement which wanted to create a nucleus of an Islamic State of West Java and South Sulawesi in late 1950.

According to a report reaching here, Sanusi was with the self-proclaimed leader of the movement, the late Kahar Muzakar, when Indonesia's crack Hasanuddin military unit ambushed the Muzakar gang in 1963 at a village in South Sulawesi. Kahar Muzakar was killed in the ambush but Sanusi escaped.

The commander of the Hasanuddin platoon was the present Indonesian Defence Minister and Chief of the Armed Forces Staff, Gen. Mohammad Jusuf, who was then a Colonel.

Since then, Sanusi was on the wanted list and together with several of the men went into hiding in the jungles of South Sulawesi.

Defence Ministry sources said that many hard core members of the Darul Islam army were either killed or had surrendered during the last few years.

The sources added that during the past 10 years Sanusi hid in a cave close to Desa Malua in Enrekang, South Sulawesi, till his surrender last week to a local military commander.

Some documents of the Darul Islam movement and books together with a pistol were found in Sanusi's cave hideout. Sanusi, now under military custody in South Sulawesi, will soon be interrogated by the authorities there.

It is learnt that Darul Islam elements have been wiped out by the army in South Sulawesi and West Java. — Bernama.

CSO: 4200/513

BRIEFS

RELATIONS WITH JAPAN--Vice President Adam Malik has stressed that relations between Indonesia and Japan will remain stable, no matter who is the next leader of Japan, following Prime Minister Zenko Suzuki's recently expressed intention to resign. He said that all four candidates for the successor of the Japanese prime minister are from the ruling Liberal Democratic Party. Adam Malik made his statement this afternoon following his meeting with President Suharto at the Bina Graha Building. According to Adam Malik, when Japan launched an invasion of Southeast Asia in 1940, it did not have the potential it has today, which has compelled Southeast Asian leaders to remind Japan not to repeat the incidents of the 1940's. During his meeting with President Suharto in Tokyo recently, Prime Minister Suzuki assured the president that Japan will not use its military force outside Japanese territory, except for its own national defense. [Text] [BK251451 Jakarta Domestic Service in Indonesian 1200 GMT 25 Oct 82]

JAPANESE MILITARY BUILDUP--Vice President Adam Malik has stressed that we must heighten our national resilience in the future to face every possibility of danger of subversion and aggression. The vice president stated that at the Bina Graha Building today following his meeting with President Suharto in connection with the president's recent trip abroad. Answering questions, Adam Malik said the concern of Asian countries, including China, over Japan's defense buildup is reasonable in view of the bitter experience in the past. For this reason, it is the duty of Asian countries, including Indonesia, to ensure that Japan, which is economically strong at present, will not turn into an aggressive military power. The Southeast Asian countries are also concerned over the Chinese military buildup, especially because of its subversive activities, Adam Malik concluded. [Text] [BK251006 Jakarta Domestic Service in Indonesian 0700 GMT 25 Oct 82]

WEST SUMATRA GOVERNOR--Jakarta, Nov 1 (ANTARA/OANA)--Home Affair Minister ad Interim Sudharmono, on behalf of President Suharto, Saturday reinstalled Azwar Anas to hold the second term of office of West Sumatra governor for the period of 1982-87. The appointment of Governor Azwar Anas which was conducted in the West Sumatera capital of Padang was based on presidential decision No 116/M/1982 issued on September 24, 1982. [BK011619 Jakarta OANA in English 1000 GMT 1 Nov 82 BK]

CSO: 4200/105

KAMPUCHEA--KHMER ROUGE MAY PREVENT UN CBW INSPECTION

BK090826 Hong Kong AFP in English 0705 GMT 9 Nov 82

[Text] Bangkok, Nov 9 (AFP)--Foot-dragging by the ousted Khmer Rouge may prevent a United Nations team of chemical warfare experts from making a critical on-site inspection in Cambodia, sources said today.

The U.N. team leader, Egyptian military doctor Major General Essamat Ezz, said his seven-member international panel was still awaiting word from Democratic Kampuchea's permanent mission to the U.N.

The U.N. experts have been in Thailand for about two weeks investigating charges by the United States and others that Soviet-backed troops are using banned toxic agents against resistance groups in Laos, Cambodia and Afghanistan.

Dr Ezz said in a telephone interview that the team would like to enter Cambodia, but had sought replies to questions regarding security, logistics "and things like that."

He said the Khmer Rouge had not yet replied to an official letter dated August 27 which, another informed source said, followed up on an earlier invitation to visit Cambodian zones under guerrilla control.

Though the Khmer Rouge are now part of a three-party coalition government, they continue to monopolize diplomatic representation abroad for the first six months of the alliance's life.

A Western diplomat monitoring the chemical warfare probe said Khmer Rouge failure to reply was "sort of a puzzle," but could be the result of a simple breakdown in communications among the faction, deposed by Hanoi-led forces in January 1979.

Ironically, the forces of ex-premier Pol Pot have led the calls for an on-the-spot probe of what they regularly call Vietnamese use of "yellow rain" toxins, said to cause violent death within hours.

The on-site inspection in Cambodia is considered vital because the Soviet-backed governments in Laos and Afghanistan have ruled out any cooperation with the U.N. investigation.

In November last year, another international team headed by General Ezz said in its report to the U.N. secretary general that it had been unable to reach a final conclusion on the charges.

The team's report bemoaned the impossibility of on-site inspection and implied the issue would go unresolved until they could scout sites where chemical attacks were said to have occurred.

Dr Ezz, head of Egypt's armed forces' scientific research branch, reacted angrily to a suggestion, initially made by a U.S. State Department official, that the U.N. probe might have been hindered by a Soviet administrator at the United Nations.

"Nobody could influence me ever," he said. "If I ever felt any attempt, I would resign right away."

State Department analyst Gary Crocker, who headed a U.S. team on a nine-nation tour earlier this year to explain the U.S. toxic warfare charges, said here on April 8 that Vyacheslav A. Ustinov, undersecretary-general for political and security council affairs, had tried to sabotage the probe through his handling of "administrative details."

Mr Crocker said at the time that the team's initial failure to visit Cambodia with the ousted-but-then-U.N.-recognized Khmer Rouge was one of the Soviet-inspired "administrative glitches."

Dr Ezz' current team is made up of experts from Kenya, the Philippine and Sweden as well as staffers of the U.N. center for disarmament from Iran, Bulgaria and Barbados.

Dr Ezz said his team would submit a new report to the secretary general later this month. He declined to discuss its findings so far.

CSO: 4200/103-A

REPORT ON ATTACK ON KHMER VILLAGE

BK060250 Bangkok BANGKOK POST in English 7 Nov 82 p 1

[By the Chongkhadikit]

[Text] Around 110 Khmer civilians in Sok San village opposite the Thai frontier town of Pong Nam Ron, Chanthaburi Province, were killed by Vietnamese forces in a heavy artillery barrage, characterised by "yellow smoke," last week.

Some of the ten villagers suffering from nausea, skin rashes and blood-stained stools as a result of the attack are being made available for examination and interrogation by a United Nations team here to collect evidence of the alleged use in Kampuchea of the mycotoxin generally known as "yellow rain."

According to intelligence reports reaching Thai authorities, the assault on Sok San, reputed to be a village refusing to recognise the Vietnamese-installed Heng Samrin regime in Phnom Penh, was part of a major operation in the current dry-season offensive recently launched.

Other areas assailed in the operation were Sangae, opposite Ta Phraya in Prachin Buri Province, and the part of Kampuchea occupied by units belonging to Prince Norodom Sihanouk, president of the Democratic Kampuchea coalition, opposite Surin Province.

Sangae is known to be loyal to Prime Minister Son Sann's Khmer People's National Liberation Front while some KPNLF supporters might have been in Sok San during the attack.

Thai officials who received the reports said that it would appear that the Vietnamese forces were conducting their offensive "indiscriminately, without distinguishing innocent civilians from resistance fighters."

Thai military sources expressed the belief that the Vietnamese were making an all-out effort to bring about a military resolution during the present dry season following the Democratic Kampuchea coalition's overwhelming political victory in the United Nations General Assembly.

Intelligence reports said that Sok Son sustained the greatest casualties of all villages attacked in the operation. Detailed results of the fighting in the other areas were unavailable yesterday.

The reports mentioned that the artillery barrage on Sok Son was "particularly heavy." Witnesses who survived claimed they saw "yellow smoke," but it could not be determined whether it was the bio-chemical material, "yellow rain."

Ten villagers reported being suddenly ill, vomiting and excreting blood. They found reddish brown rashes on their skin.

Preparations are being made for some of these persons to be questioned and inspected by the UN team headed by Major-General Esmat al-Ezz which has returned to Bangkok after visiting Nong Chan and Nong Samet camps in Prachin Buri for talks with refugees who could give them substantial information concerning the use of "yellow rain."

CSO: 4200/103-A

DEFECTOR ACCUSES SRV OF 'VIETNAMIZING' KAMPUCHEA

BK270225 Bangkok BANGKOK POST in English 27 Oct 82 p 2

[Text] A senior Khmer diplomat who defected from the Vietnamese-backed Heng Samrin regime in July this year claims that Hanoi is in the process of "Vietnamising" Kampuchea.

Prom Ieng, head of the information bureau in Stockholm and a former director of the department of Western Europe and America, said in a telegram to Prince Norodom Sihanouk in New York recently that there are thousands of Vietnamese civilian advisers in all of the ministries in Phnom Penh.

He said Kampuchean embassies abroad cannot have direct communication with the Heng Samrin regime, even by private mail. All decisions are made by the Vietnamese and the Kampuchean missions are under their complete control of Vietnamese, he said.

Prom Ieng who in 1981 was named candidate member of the political party of the revolution of Kampuchea, said Vietnamese officials are forcing Kampucheans to marry Vietnamese and also making Kampucheans learn the Vietnamese language.

He said that when he was working in Stockholm, he was instructed to find all possible propaganda reasons to justify the prolonged presence of Vietnamese in his homeland.

"It is clear that the Vietnamese want to remain forever in Kampuchea," he said, adding that 80 percent of his colleagues in the Foreign Ministry and many other government cadres are hostile to the Vietnamese, but dare not show it openly for fear of reprisals.

Prom Ieng, his wife and a son who was born in Stockholm last year are taking refuge in Munich. With them is his sister-in-law, Miss Chun Vanette, a third secretary of the Phnom Penh regime's embassy in New Delhi, who defected shortly after him.

The 32-year-old diplomat worked as executive secretary in accountancy at the Ministry of Finance under Lon Nol government. He was interned and reeducated in a camp in Battambang during the Pol Pot regime from 1975 to 1979 and was recruited for the Foreign Ministry by the Heng Samrin regime in 1979.

CSO: 4200/103-A

BRIEFS

SRV TROOPS IN KOH KONG--Trat--The Vietnamese have landed about 1,400 troops in Kampuchea near the border with this eastern coastal province, police said yesterday. Pol Lt-Col Manit Nitsayan, deputy police superintendent of Trat, said the troops, aboard four Vietnamese warships, landed in Saothong District [as published] of the Kampuchean Province of Koh Kong. They are believed to be replacements for the 700-800 troops which withdrew from that area on October 25. Lt-Col Manit said the withdrawn troops departed by boat and were believed to have headed for Kampong Som Province [as published]. He added that it is believed that the mission of the fresh Vietnamese troops is to wipe out remnants of Pol Pot and free Khmer movement forces in the area. Meanwhile, an informed source at Surasihanat Fort in Aranyaprathet said that many Vietnamese soldiers have deserted their posts and escaped to Thailand because they were fed up with the war. "At one point there were as many as 400 of them escaping into Thailand," the source said. Now there are reportedly 70 Vietnamese deserters encamped at Surasihanat for interrogation before being processed for resettlement in third countries. Civilian refugees are held separately at Khao I Dang holding centre. [Text] [BK070428 Bangkok BANGKOK POST in English 7 Nov 82 p 3]

CBW ATTACK--The supreme command said yesterday it has not yet been confirmed whether the 110 Kampuchean civilians who were killed in Sok San village opposite Chanthaburi died from "yellow rain." Spokesman of the Supreme Command Lt Wibun Raosathian said authorities concerned were probing the incident. About 110 Kampuchean people in the Kampuchean village opposite the Thai border district of Pong Nam Ron were recently attacked and killed by Vietnamese forces. Some of the survivors will be examined by experts in chemical warfare. Commenting on the attack, Lt Gen Wibun said a UN team of experts on chemical warfare which is currently in Thailand is also probing the incident. "So far they are not yet able to confirm whether any mycotoxin was used in the assault," he said. He said the UN team was expected to make known the result of their examination by the end of the month. Sok San is one of the border villages occupied by the Kampuchean resistance forces. Lt Gen Wibun also disclosed there were reports last week that several trawlers with about 300-500 Vietnamese refugees aboard were heading toward Thailand. He said Thai patrol units were put on alert but so far there were no signs of the boat people. [Text] [BK080333 Bangkok THE NATION in English 8 Nov 82 p 6]

CSO: 4200/103-A

GREETINGS EXCHANGED WITH BULGARIA

BK301129 Vientiane KPL in English 0900 GMT 30 Oct 82

[Text] Vientiane, 30 Oct (KPL)--The Lao acting foreign minister, Khamphai Boupha, on the occasion of the 20th anniversary of the establishment of the Lao-Bulgarian diplomatic relations, sent a message of congratulations to Petur Mladenov, the Bulgarian foreign minister.

On the occasion of the 20th anniversary of the Lao-Bulgarian diplomatic relations, the message wrote, I would like to convey to you and through you to the government and the fraternal Bulgarian people my warmest congratulations.

During the past 20 years, the message added, the diplomatic relations between our two countries has [as received] been continuously strengthened and consolidated and especially after the visit to Bulgaria of the Lao top ranking party and state delegation led by Kaysone Phomvihan and the visit to Laos by the Bulgarian top ranking party and state delegation led by Todor Zhivkov which led to the signing of the Laos-Bulgaria friendship and cooperation treaty and other agreements between the two countries.

I am convinced, the Lao minister said, that on the basis of the Laos-Bulgaria friendship and cooperation treaty, the Marxist-Leninist principles and the socialist internationalism, the fraternal friendship and the close link between our two countries will be reinforced progressively for the interest of the Lao and Bulgarian people and for the interest of peace and socialism.

Khamphai Boupha finally wished the Bulgarian people to score new and greater successes in the implementation of the resolutions of the 12th Congress of the Communist Party of Bulgaria which laid down the target to reach the developed socialist society [phrase as received] in Bulgaria.

On the same occasion, the Bulgarian foreign minister, Petur Mladenov, also sent a message to K. Boupha which said, I am glad to witness, during the past 20 years, the strengthening and consolidation of the fraternal friendship between Laos and Bulgaria, in our common struggle against the imperialists and reactionaries for the socialist construction, peace and security in the world.

He also wished the Lao people to score new successes in the national construction and defence. He finally expressed his conviction that the unbreakable friendship cooperation between Bulgaria and Laos will be reinforced in the interest of the people of both countries, of peace and socialism in the world.

CSO: 4200/104-A

BRIEFS

DELEGATION IN VIETNAM--Vientiane, 20 Oct (OANA/KPL)--An education delegation of Phong Saly Province, recently returned home after paying a 9-day visit to Lai Chau Province of the Socialist Republic of Vietnam. During its stay in Vietnam, the delegation exchanged views with the Vietnamese education officials and visited expanded educational bases in Lai Chau Province. [Text] [BK220537 Vientiane KPL in English 0907 GMT 20 Oct 82 BK]

DELEGATION TO SRV PROVINCE--Vientiane, 21 Oct (OANA/KPL)--A party delegation of the southern Saravane Province, recently left Saravane for the Vietnamese sister province of Quang Nam-Danang at the invitation of the Vietnamese party. Mounthasi Akhaphat, secretary of the Saravane Provincial Party Committee, will have a series of talks with the Vietnamese party officials in order to consolidate the bilateral cooperation agreements between the two sister provinces. [Text] [Vientiane KPL in English 0911 GMT 21 Oct 82 BK]

VIENTIANE-SAVANNAKHET BOAT SERVICE--Vientiane, 21 Oct (KPL)--The southern Savanakhet District will be linked up as from October 22 with Vientiane by a weekly regular ferry boat service. The "Santiphap" ferry boat will also carry merchandise cargoes. [Text] [Vientiane KPL in English 0910 GMT 21 Oct 82 BK]

LAO-CSSR COOPERATION COMMISSIONS--Vientiane, 10 Nov (OANA-KPL)--The Laos-Czechoslovakia and Czechoslovakia-Laos Intergovernmental Commissions for the economic, scientific and technical cooperation held here it first session of talks on November 9. Leading the Lao delegation was Sali Vongkhamsao, secretary of the Lao People's Revolutionary Party CC, vice-chairman of the Council of Ministers, chairman of the State Planning Committee and chairman of the Laos-Czechoslovakia Intergovernmental Commission for the economic, scientific and technical cooperation; and the Czechoslovak delegation was headed by Rudolf Rohlicek, member of the Communist Party CC of Czechoslovakia, vice-premier and chairman of the scientific and technical cooperation. [as received] The two sides jointly discussed and exchanged views on the coordination in the planning of various fields within the period of 1981-85 between the Central Planning Committees of both countries, on the 1986-90 cooperation plan, and jointly set up the protocol between the State-Planning Committee of Laos and Czechoslovakia and the minute of the first session of the Laos-Czechoslovakia Inter-Governmental Commission for the economic, scientific and technical cooperation.

Also took [as received] part in the talks on the Lao side were Sisavat Sisan, vice-chairman of the State Bank Committee and vice-chairman of the economic, scientific and technical cooperation; Nouphan Sitphasai, vice-chairman of the State Planning Committee and the said commission. On the Czechoslovak side were Karel Jelinek, vice-chairman of the State Planning Committee and [as received] Czechoslovakia-Laos Commission for the economic, scientific and technical cooperation; Ladislay Kocsis, the ambassador extraordinary and plenipotentiary of Czechoslovakia to Laos; and other members of the commission of both sides. [Text] [BK101318 Vientiane KPL in English 0916 GMT 10 Nov 82]
Vientiane, 9 Nov (KPL)--The delegation of the Czechoslovakia and Laos Inter-governmental Commission for the economic, scientific and technical cooperation led by its chairman Rudolf Rohlicek, arrived here yesterday, to attend the first session of the said commissions of Laos and Czechoslovakia which is to be held here soon. The leader of the Czechoslovak delegation is also member of the Communist Party of Czechoslovak CC and vice-premier of the Czechoslovak Socialist Republic. Welcoming the delegation at the airport were Sali Vongkhamsao, secretary of the Lao People's Revolutionary Party CC, vice-chairman of the Council of Ministers, chairman of the State Planning Committee and head of the Laos-Czechoslovakia Inter-governmental Commission for the economic, scientific and technical cooperation, vice-chairmen of the said commission and other officials. The Czechoslovak ambassador to Laos, Ladislav Kocsis and his embassy's staff was also on hand. [Text] [BK091230 Vientiane KPL in English 0859 GMT 9 Nov 82]

USSR AMITY DELEGATION--Vientiane, 10 Nov (KPL)--General Sisavat Keobounphan, secretary of the Lao People's Revolutionary Party CC, minister of interior and president of the Lao People's Revolutionary Youth Union [LPRYU], on November 8, received the delegation of USSR-Laos Friendship Association led by Ajibaev Alma, regional party secretary of Pavlov region of Kazakhstan of Soviet Union. The two sides, on this occasion, hailed the satisfactory development of fraternal friendship, combatant solidarity and of the all-round cooperation between Laos and Soviet Union basing on the genuine Marxism-Leninism and on the proletarian internationalism. Mrs Thongvino Phomvihane, member of the party CC, first vice-president of the KPRYU, was also present at the meeting. [Text] [BK101404 Vientiane KPL in English 0912 GMT 10 Nov 82]

SOVIET VEHICLE EXHIBITION--Vientiane, 29 Oct (KPL)--The Soviet cars and tractors distributor cartel "Avtoeksport" and "Traktoreksport" inaugurated here on October 27 an exhibition on business information on the activities of the cartel and also to mark the 60th founding anniversary of the USSR. This exhibition shows the activities, performances and great successes gained by the cartel during the past 60 years in field of motor construction and others activities. Among those present at the opening ceremony were Major General Inkong Mahavong, minister of agricultural, irrigation and agri-cooperative: Colonel Phao Bounnaphon, minister of transport and post office; Thongsouk Saisangkhi, acting minister of equipments and technics, and other officials. [Text] [BK291104 Vientiane KPL in English 0922 GMT 29 Oct 82]

SRV TEACHING AID SHOW--Vientiane, 1 Nov (KPL)--An exhibition on the teaching equipment of Vietnam was opened here on 29 October, at the That Luang Buddhist Secondary School. The Lao and Vietnamese ministries of education, by implementing the 5-year agreement on education, jointly organised this one-week exhibition. Present at the opening were Phoumi Vongvichit, Political Bureau member of the Lao People's Revolutionary Party CC, and vice-chairman of the Council of Ministers, Sisana Sisan, member of the LPRP CC and minister of culture, and a large number of officials. The Vietnamese ambassador to Laos, Nguyen Xuan, and the Vietnamese experts were also on hand. The deputy-minister of education, Outtama Chounlamani, and the Vietnamese ambassador to Laos, Nguyen Xuan, addressed the attendants at the opening. They both stressed that all the items exhibited at the hall were the results of creativity of Vietnamese teachers and students in the process of improving the national education system. They also declared that this exhibition is a good example of bilateral cooperation between Laos and Vietnam. [Text] [BK011425 Vientiane KPL in English 0912 GMT 1 Nov 82]

DPRK FILM SHOW--Vientiane, 23 Oct (KPL)--Djo Man Senk, [name as received] charge d'affaires a.i. of the Democratic People's Republic of Korea to Laos, on October 21, gave here a film show to mark the second anniversary of the DPRK's proposal to found the federation of the Democratic Republic of Koryo, according to the resolutions adopted by the 6th Congress of the Korean Workers Party. Among those present at the function were Outtama Choulamani, vice-minister of education and vice-president of the Lao Committee for the Peaceful Reunification of Korea and a number of high-ranking officials. Members of the diplomatic corps and representatives of other international organizations to Laos were also on hand. [Text] [BK260351 Vientiane KPL in English 0908 GMT 23 Oct 82 BK]

UNHCR AID--Vientiane, 23 Oct (OANA/KPL)--The United Nations High Commission for Refugees yesterday morning presented aid to the Lao Red Cross [LRC]. The aid, which included medicines and medical equipment and care, with the cost totalling over U.S.$100,000 was handed over to vice-chairman of the LRC Keo Phimmachan by the representative of the UNHCR to Laos, W. Blatter. [Text] [Vientiane KPL in English 0911 GMT 23 Oct 82 BK]

BRIDGE CONSTRUCTION--Vientiane, 23 Oct (KPL)--The building of 50-meter long bridge capable to carry 15 tons weight was recently (?completed) by the bridge construction enterprise of the Champassak Province. The bridge is situated on Highway No 20 linking the Savannakhet and Champassak provinces. [Text] [Vientiane KPL in English 0912 GMT 23 Oct 82 BK]

GREETINGS TO FRG--Vientiane, 22 Oct (KPL)--Kaysone Phomvihan, president of the Council of Ministers, on October 20, sent a message to Helmut Kohl, congratulating his investiture as chancellor of the Federal Republic of Germany. Kaysone Phomvihan, in his message, congratulated the new chancellor and wished him great successes in the accomplishment of his noble task. The acting foreign minister, Khamphai Boupha, also sent congratulations to the FRG minister of foreign affairs. [Text] [BK221042 Vientiane KPL in English 0908 GMT 22 Oct 82]

TYPHOON DAMAGE--Vientiane, 28 Oct (KPL)--The Lao top leaders, on October 27 sent a message of sympathy to the Vietnamese party and state leaders. In their message to Le Duan, general secretary of the Executive Committee of the Communist Party CC of Vietnam; Troung Chinh, chairman of the State Council; Pham Van Dong, chairman of the Council of Ministers, and Nguyen Huu Tho, chairman of the National Assembly, Kaysone Phomvihan, general secretary of the Executive Committee of the Lao People's Revolutionary Party CC, and chairman of the Council of Ministers, and Souphanouvong, president of the Lao People's Democratic Republic and chairman of the People's Supreme Assembly said: We were informed that several areas of Vietnam, particularly the Nghe Tinh Province were affected by typhoon which caused lot of human loss and material casualties. We seize this occasion, the message went on to say, to convey our sympathy to you and through you to the Vietnamese fraternal people in the affected area. We are convinced that the heroic people, under the leadership of the VCP will overcome all the difficulties and normalize their life as soon as possible, the message concluded. [Text] [BK281218 Vientiane KPL in English 0907 GMT 28 Oct 82]

CSO: 4200/104-A

MALAYSIAN-PAKISTANI JOINT COMMUNIQUE

BK101319 Kuala Lumpur Domestic Service in English 1130 GMT 10 Nov 82

[Text] Malaysia and Pakistan have reaffirmed their determination to work for the strengthening of the Nonaligned Movement. The two countries also expressed confidence that the movement would continue to make new full contributions through promoting international peace and security.

In a joint communique issued at the end of the visit of President Mohammad Ziaul Haq, the Pakistani leader and Datuk Sri Dr Mahathir Mohamed also expressed full satisfaction at the positive development of relations between the two countries in all fields. They reaffirmed their desire to broaden the scope of cooperative endeavors between the two nations.

Both Malaysia and Pakistan expressed grave concern over the continued military occupation of Kampuchea and welcomed the formation of the coalition government of Democratic Kampuchea. The two countries also reaffirmed their support for the restoration of the sovereignty and independence of Afghanistan and of its Islamic and nonaligned character.

Datuk Sri Dr Mahathir reiterated Malaysia's support for Pakistan's proposal for a nuclear-free zone in south Asia. The two leaders also strongly condemned the blatant Israeli aggression and expansionism.

The communique said that President Zia and Prime Minister Datuk Sri Dr Mahathir also had an in-depth discussion on the current international economic situation and expressed their disappointment that developed countries, who were in a position to reverse the unfortunate trend, had not taken appropriate measures toward that end. They, therefore, urged the countries concerned to fulfill their responsibilities to work for the recovery and reconstruction of the world economy.

The communique said that President Zia was profoundly impressed by the sincere desire on the part of the government of Malaysia to strengthen the brotherly relations between the two countries and pledged his full cooperation for the achievement of that common objective.

The Pakistani leader is now in Singapore for a 3-day state visit on the last leg of his Southeast Asia tour. President Zia had earlier visited India, Thailand and Indonesia.

CSO: 4200/102-A

COMMENTARY HAILS OUTCOME OF ZIAUL HAQ VISIT

BK101503 Kuala Lumpur International Service in English 0800 GMT 10 Nov 82

[Unattributed commentary]

[Text] President Ziaul Haq of Pakistan left Malaysia today after a highly successcul 4-day official visit which has strengthened further the close ties between the two nations.

President Zia had stated before his tour that his visit was a good-will mission that was designed to bring the two Islamic nations closer together.

The leaders of both nations now have a better appreciation of each nation's views and perceptions of common problems facing them. Both Pakistan and Malaysia have played an active role in the various councils and conferences which governed and regulated Islamic affairs, especially in the organization of Islamic countries.

Both nations are members of Islamic good-will committee that is trying to bring about a peaceful resolution of the Iran-Iraq war. Pakistan and Malaysia have played an active role in rallying support for the Palestinians and the various Islamic nations of west Asia, who have continually suffered from the ravages of Israel.

Malaysia has also been active in encouraging Pakistan to rejoin the commonwealth. While expressing his appreciation for Malaysia's efforts in this direction, President Zia stated that Pakistan would only rejoin the commonwealth if its reentry was with honor. The formula will have to be worked out that will solve some of Pakistan's grievances.

Pakistan and Malaysia are also members of the Nonaligned Movement and here they face the common problem of Russian aggression in Afghanistan and Vietnam's military occupation of Kampuchea. There is no doubt that both actions here inspired by the Soviet Union and the common appreciation of the Russian menace and joint approaches at international councils will help to serve the cause of the free world.

Pakistan and Malaysia also signed a 5-year economic and technical agreement that will help promote trade between the two nations. Observers in Kuala Lumpur have stated their appreciation of President Zia's approach to the lopsided trade relationship between the two nations, when Malaysia imported only $4 million from Pakistan in the 1980-81 fiscal year but exported $152 million in the same period.

President Zia was happy with Malaysia's appreciation of the problem and her desire to import more from Pakistan. This could have been a contentious issue because the trade deficit has existed for a long time. But appreciation of the limitation of a two-way trade as well as the overriding desire to foster a closer relationship has helped to ease the situation.

President Zia's interest in shipping also resulted in an agreement to promote a two-way shipping between Pakistani and Malaysian ports. Both nations have been developing merchant marine fleets that will benefit from the [words indistinct] trade.

Malaysia is also appreciative of the Pakistan offer of help in setting up the international Islamic university in Kuala Lumpur.

Thus, what was billed recently as a sentimental good-will tour has turned out to be highly successful toward this course by President Zia, which is reflective of the important international role now being played by Pakistan.

CSO: 4200/102-A

SRV LEADERS' NEED TO SEE REALITY IN KAMPUCHEA DISCUSSED

BK291144 Kuala Lumpur NEW STRAITS TIMES in English 28 Oct 82 p 12

[Editorial: "Prisoners of the Past"]

[Text] The figures tell it all: 71 affirmative votes for Democratic Kampuchea in 1979, 74 the year after, 77 last year and a big jump to 90 this year. In the past four years, Vietnam's efforts to challenge the credentials of Democratic Kampuchea's delegation at the UN General Assembly have been defeated by widening margins. During the same period, backers for the Vietnamese cause have dropped from 35 to 29.

Would this year's telling defeat prompt the Vietnamese, with whom we would be pleased to have good relations, to reconsider their position? A realistic approach would certainly suggest it. The majority of the world, especially the people of Kampuchea, would certainly hope so. But the response from Phnom Penh is a huffy statement that the continued seating of the Democratic Kampuchea delegation "violates the Cambodian people's right to self-determination." This from a government that is in power solely through the armed insistence of Vietnamese forces.

Whatever keeps the Vietnamese in Kampuchea--pride, ambition, fear--the costs are debilitating. The vote at the UN emphatically demarcates their political isolation. Warily eyeing the Chinese to the north, constantly being nibbled at by guerrilla forces everywhere, Vietnam maintains her tattered pride and military preparedness at the cost of an economy shot to pieces, a country kept alive in a spluttering fashion only by massive infusions of aid from the Soviet bloc and the charity of international agencies.

The Vietnamese leaders are deluded prisoners of the past. The past is all they have. They defeated the overwhelming armed might of the French and the Americans. Now they think they can take on the world. They constantly hark to the atrocities of the Pol Pot regime. They ignore the present reality of the new coalition government, which is gathering more support every day.

It is certainly important that we draw sustenance from the past, but it is equally essential, on occasion, to recognise the existence of new circumstances and to make a fresh start. Without that awareness and its acceptance, the Vietnamese will be condemning themselves to an endless battle with the ghosts of the past.

CSO: 4200/102-A

COMMENTARY ON SIHANOUK CALLS FOR SRV PULLOUT

BK281310 Kuala Lumpur International Service in English 0800 GMT 28 Oct 82

[Unattributed commentary]

[Text] The endorsement of the credentials of the coalition Democratic Kampuchea Government by a massive 90 votes in the UN General Assembly has been followed up by a call to Vietnam by Prince Norodom Sihanouk to withdraw all its troops from Kampuchea. There is no reason for Vietnamese troops to be in Kampuchea and there is absolutely no justification for the continuation of the Heng Samrin regime, which is a puppet of Hanoi and surviving only because of the 200,000 strong Vietnamese expeditionary force. To quote Prince Sihanouk, nothing impels the Vietnamese leaders to maintain their forces in our territory at the price of such heavy sacrifices, except an excessive ambition and a misplaced pride.

The leadership in Hanoi used the pretext of a border dispute to commit military aggression against Kampuchea in December 1978; the Pol Pot regime, in power then, was toppled and the Heng Samrin regime was installed to carry out the wishes of Vietnam. Vietnam stated then that it was saving the Kampuchean people from the ravages of the Pol Pot government. But that may have been true. The Kampuchean people have had to pay the much heavier price of losing their independence and sovereignty, tolerating an alien Vietnamese military presence in their midst and, worst of all, they have to obey the dictates of a government that does not represent them in any way but instead does the bidding of an alien aggressive movement.

Thus, the Kampucheans have been left with no other choice except to struggle if they want to get their country back. The price of this struggle has been exceedingly high on the Kampuchean people. But their spirit and determination have shown no signs of flagging.

The Vietnamese leadership in Hanoi should realize by now that the Kampuchean people will bear any burden and sacrifice to live in a nation that is truly Kampuchean. They realize that they have no other choice. But the Vietnamese leaders have a choice, and they must accept this honorable choice of withdrawing all their troops from Kampuchea and accept the fact that their naked and brazen acts of aggression against the Kampuchean nation have failed. If this takes place, Prince Sihanouk has stated his government was ready to sign a treaty of peace and nonaggression that will recognize and respect the territorial integrity of the two neighboring countries within the present borders.

The international conference on Kampuchea declaration provided the basis and the modalities of a troop withdrawal, general elections, installation of a truly Kampuchean Government and finally international guarantees for Kampuchean security, independence and territorial integrity.

More than any other nation or people in Southeast Asia, the Vietnamese Government and people should feel extremely embarrassed by Prince Sihanouk's charge that Vietnam has begun to colonize Kampuchea in a manner and form that is worse than that perpetrated by the colonizers from Europe. And many have begun to believe the prince when he stated that Vietnam is seeking to establish an Indochinese federation in which Vietnam will play the role of master and Kampuchea and Laos the role of docile satellites.

Surely the recent history and experience of the Vietnamese people would have taught the leadership in Hanoi about the folly of attempting to colonize a proud, independent and cultured people.

CSO: 4200/102-A

STUDY OPENS ON ENERGY COOPERATION

AU270912 Rome ANSA in English 0840 GMT 27 Oct 82

[Text] Kuala Lumpur, 26 Oct (ANSA)--Concrete prospects for cooperation in the energy sector between Italy's state and private industries and those of Malaysia are currently up for study here at a four-day seminar sponsored by the Malaysian State Petroleum Agency (Petronas) which opened Tuesday.

Attending for the Italian side are representatives from the National Electric Board (ENEL), the National Council for Research and Development of Nuclear Energy and Alternate Sources (ENEA), the Italian advanced nuclear reactor subsidiary of Ansaldo, and the Far Eastern representatives of other businesses and industries in the sector.

Opening the seminar, the Malaysian energy, post and telecommunications minister, Datuk Leo Moggie, singled out the extraction and transport of natural gas and the industrial use and motor vehicle use of liquified petroleum as the priority sectors for the involvement of Italian industry. Malaysia has considerable natural gas resources.

The minister also referred to what he described as the "enormous experience" gained by Snam-Progetti, a subsidiary of the State Ente Nazionale Idrocarburi (ENI), in the construction of the trans-Mediterranean gas pipeline and the North Sea gasoline.

At present, the minister reported, the Kuala Lumpur Government is conducting a feasibility study on linking deposits under the South China Sea to the Malaysian Peninsula and Singapore through the construction of a pipeline.

The Italian ambassador to Kuala Lumpur, Marcello Spatafora, underscored in his statement the possibilities for the formation of a joint venture company between the two nations for cooperation in the energy field and operations in outside markets.

On the sidelines of the symposium, slated to conclude Friday with the signing of a memorandum by ENEL and the Malaysian Electric Board on energy cooperation, a number of Italian representatives of energy related industries are opening contact on the prospects of participation in substantial development projects on the drawing boards here.

Pirelli, the big Italian tire-maker, has an eye on plans for laying a 600-kilometer-long undersea cable to carry electrical energy from Sarawak, one of the two states of the Borneo Island Federation, to the Malaysian Peninsula.

The cost of the colossal project, according to the feasibility study now in the hands of a West German group, has been pegged at 1.5 billion dollars.

CSO: 4200/102-A

TECHNICAL AID EXTENDED TO SOUTH PACIFIC NATIONS

Kuala Lumpur BUSINESS TIMES in English 12 Oct 82 p 19

[Text]

MIDDLE-INCOME developing countries which are both recipients and donors of assistance can overcome some of the problems they face through meaningful cooperation.

Subscribing to this view, Malaysia has provided help to the smaller and poorer countries in this group through its technical aid programme launched in 1980.

On his recent trip to the South Pacific countries, Datuk Seri Dr Mahathir Mohamad said Malaysia's offer of technical aid was to show the world that there could be fruitful cooperation among developing nations.

The Prime Minister said, "By making available such a programme, we hope to spur other developing countries to do the same."

Malaysia has expertise in fields like estate management. It can also offer training facilities relevant to recipient countries.

Political will

The South Pacific countries which have benefited from the technical aid programme are Fiji, Papua New Guinea, Western Samoa, Tonga, Kiribati and the Cook Islands. Other countries receiving such aid are Pakistan, Bangladesh and several Gulf states.

Fiji has sent four officials for courses on planning and management and other related fields at the National Institute of Public Administration (Intan).

Suva has also requested to send some officials to study estate management while the University of South Pacific based in Fiji has asked Malaysia for a lecturer on applied economics for its 1983/84 session.

Papua New Guinea has sent 11 officials to Malaysia for training in various fields at Intan on attachment with Felda and Felcra.

Western Samoa has requested for an official from the Economic Planning Unit of the Prime Minister's Department to be seconded to its Economic Development Department. It is also considering sending its senior police officers for training in Kuala Lumpur.

Tonga and Kiribati have each sent an official for a hotel and restaurant supervisory course at the National Productivity Centre in Petaling Jaya.

The Cook Islands have sent a trainee to the NPC and two others to Intan. Another is attending a radio course at the Telecoms training centre in Kuala Lumpur.

The Malaysian government has allocated $10 million to the programme this year. Of this, $2 million have been utilised, said Encik Mustapha Datuk Mahmud, the Foreign Affairs Ministy's Deputy Secretary-General.

Datuk Seri Dr Mahathir is expected to stress on this kind of cooperation when he attends the Commonwealth regional heads of government meeting in Fiji on Oct. 14.

He is expected to point out that the Commonwealth can be a meaningful body if there is a political will and desire among its members to cooperate and assist one another.

Commonwealth secretary-general Shridath Ramphal, who was in Kuala Lumpur recently, has described Malaysia's technical aid programme as "the model of the kind of practical service" that the developing nations can render to one another. — Bernama

CSO: 4200/514

EMPLOYMENT UP IN PUBLIC SECTOR, DOWN IN AGRICULTURE

Kuala Lumpur BUSINESS TIMES in English 2 Oct 82 p 12

[Excerpts]

DESPITE rapid employment growth and overall reduction in unemployment rates, there was an increase in under employment particularly in the rural areas, according to the latest report of the Labour and Manpower Ministry.

Under employment yields insufficient income for the satisfaction of basic needs. Hence, there must be greater intensity of manpower development in these sectors so that those employed at low levels of productivity and income could be upgraded with new skills and technology, it added.

With the unemployment rate registered at 5.3 per cent in 1980 and forecast to decrease in the years ahead, labour shortages in certain sectors and regions were expected to be more acute than at present.

During 1971-80, overall output in real terms grew at 7.8 per cent with 53 per cent of this growth arising from new employment and 46 per cent in new productivity.

Real value added per worker rose from $3,624 in 1970 to $5,141 in 1980, reflecting an increase of 3.6 per cent per annum in labour productivity.

This increased productivity was registered in all sectors, particularly in the manufacturing industry. In 1970, output per worker engaged in manufacturing work was about 1.9 times more than that of the agricultural sector and increased to 2.4 times in 1980.

Bernama adds: Employment in the public sector leapt by 79 per cent within 10 years to reach 710,100 by 1980, making it the third largest employment sector after agriculture and manufacturing.

The growth was largely due to the rapid rate of public sector, current expenditure and the implementation of the various development projects.

The report said the sector now accounted for 13.9 per cent of the total employment in the country.

It said the agricultural sector, although it still employs the most workers, had shown a marked drop by 10 per cent of the total employment in 1980 compared with 1970.

It now accounted for 40.6 per cent of the total employment in the country compared to 50.5 per cent in 1970.

According to the report, the drop in the sector reflects the country's rapid development growth especially in the secondary and tertiary economic sectors.

On the country's labour force, the report estimated that there are about 5.4 million last year compared with 3.7 million in 1970, growing at an average rate of 3.9 per cent each year.

The workers, it noted, are relatively youthful in character and said this will continue to be so.

Of the total workforce, 34.2 per cent was within the age group of 15-24 and 36.3 per cent in the 25-39 age group, a slight increase over 1970's figures.

The civil service too has 39.7 per cent of its employees and aged between 20 and 29 years.

Over 70 per cent of the civil servants in Malaysia were below 40 years in 1980. Those in the 30 to 39 age group constituted 32.3 per cent or 157,395 of the total number of employees.

The Malaysian public services sector, it seems is still a male domain with men outnumbered outnumbering women in every occupational category, ranging from as high as 32 per cent in the industrial and manual group to a low of 60 per cent in the clerical and technical group.

According to the report, the predominence of males in the public sector is primarily due to their employment in this sector during the early stages of development in public administration.

It adds, however, that since the mid-1970s, there had been an increasing intake of female employees in the public sector in all categories of employment.

By international comparisons, the 28.5 per cent female composition in the professional and managerial group is considered high and encouraging while in the executive and sub-professional group, females account for a high proportion with 31.8 per cent.

CSO: 4200/514

SURVEY FINDS STRONG PUBLIC SUPPORT FOR MAHATHIR

Kuala Lumpur NEW STRAITS TIMES in English 12 Oct 82 p 2

[Text]

KUALA LUMPUR, Mon. — A public opinion survey has indicated that the majority of the people feel that the Mahathir Administration has brought about "innovation and progress" to the country.

The survey, conducted by students of the School of Mass Communication, Mara Institute of Technology, indicated that the majority supported the "drastic" style of Datuk Seri Dr Mahathir Mohamad when it came to implementation of policies.

According to the survey, 61 per cent of the rural respondents and 64 per cent of those from the urban areas chose Datuk Seri Dr Mahathir to be the most preferable and charismatic of leaders.

Awareness

The survey found that the public were very excited with the Mahathir Administration "because a new vibration could be felt in the air."

It said the people were actually curious to know the Prime Minister's activities. They felt that Datuk Seri Dr Mahathir had so far produced many surprises.

The survey also revealed that more than 50 per cent of the people understood the need for changes and fully agreed with them.

The survey said the people understood Datuk Seri Dr Mahathir "as an able and aggressive leader."

Some of the respondents found innovations such as the clock-in system a burden but due to the willingness to see progress and development they had accepted and adapted to it.

The survey also indicated the awareness of the people to changes introduced during the Mahathir Administration.

CHANGES	RURAL	URBAN
	(IN PERCENTAGE)	
Change in time	95.5	98.8
Clock-in system	78.8	93.3
3R system	80.0	81.1
Metric system	90.0	87.7
Take-over of Guthrie	24.4	71.1
Look East policy	63.3	74.4
Declaration of assets for Government servants	54.4	80.0
More intensive use of Bahasa Malaysia	55.5	67.7

The students also said in their survey report that they did not expect the public to be so well versed with the activities of Datuk Seri Dr Mahathir when they launched their survey.

They felt that the high incidence of awareness of the public about the subject at hand could be due to the fact that Datuk Seri Dr Mahathir had been a controversial figure.

The survey was carried out among 200 people. One hundred were from Kuala Lumpur and the remaining were from a rural area — Pekan Batu Tiga in Selangor.

The research was supervised by Encik Hamdan Adnan, the school's lecturer in public opinion and persuasion. — Bernama.

CSO: 4200/514

TREMENDOUS INCREASE IN OIL PALM PRODUCTION RECORDED

Kuala Lumpur NEW STRAITS TIMES in English 8 Oct 82 p 10

[Text]

TAIPING, Thurs. — The introduction of pollinating weevils from Africa in August last year has led to a tremendous increase in oil palm production over the past few months.

Primary Industries Minister Datuk Paul Leong said here today the fresh fruit bunches (ffb) had become heavier leading to a 47 per cent increase in oil production.

Crude palm oil production during the first eight months of the year was 2.187 million tonnes which is 25 per cent more than the same period last year.

The oil from the bigger kernels had also recorded a 90 per cent increase.

The Minister said if this phenomena continued, Malaysia might produce four million tonnes of palm oil by next year — two years earlier than anticipated.

Datuk Leong was speaking to reporters after meeting growers here who had complained about the low price paid for their fruits by mills which they claim are making huge profits.

He said the increasing supply of vegetable oil, the economic slowdown and the strength of the US dollar had contributed to the low price of oil palm on the world market.

The average price for the first six months of the year was $962 per tonne. But during the first week of this month it had dropped to $670 per tonne, the lowest for this year.

The Minister said the months between June and September were the peak for oil palm production.

"I am confident that oil prices will pick up again soon once production has decreased," he said.

CSO: 4200/514

MALDIVES DEVELOPING FREE ENTERPRISE

Colombo SUN in English 3 Nov 82 p 3

[Text]

MALE Maldives, No. 2 (Reuter). — The Indian Ocean Island Republic of Maldives, one of the world's smallest and least known countries, is trying to develop into a centre for international free trade.

A country of 157,000 people living in an area of only 115 square miles (300 sq. km), Maldives' open economy relies mainly on fishing, tourism and shipping.

But diplomats in Male say its tax free status, the absence of foreign exchange controls and freedom to transfer profits abroad are attracting increasing interest.

Rapid development in fishing and tourism in recent years has speeded the rate of growth which reached 11 per cent last year as Maldives emerged as one of the world's richest undeveloped countries.

Three foreign banks — India, Pakistani and Sri Lanka — are already established on the island and this year the first commercial bank, run by the Bangladesh government, opened

"We are open to any bank wanting to establish here", said Ahmed Maniku, General Manager of the newly-formed Maldives monetary authority

The monetary authority was set up in July last year as the country's Central Bank. One of its first tasks was to regulate the circulation of foreign currency in Maldives.

The U.S. dollar, which once circulated freely, has been almost completely displaced by the local Rufiyaa in the country's bazaars because of tighter monetary controls.

Until last year, people could pay for goods and services in dollars, but the Maldivian government declared local payments in foreign currency illegal.

Mr. Maniku said only licensed money changers were allowed to buy foreign currency and it must be handed over to the monetary authority within a week

Before the Rufiyaa became the sole medium of exchange an estimated 12 million dollars in foreign exchange circulated in the country, he said

He said the regulation was introduced to help to build up the country's foreign exchange reserves.

The International Monetary Fund (IMF) said in a recent report that Maldives had foreign exchange reserves at the end of 1981 of only just over 750 000 dollars, equal to one week's imports.

The country once had no external debts, but the IMF estimated it owed 36.4 million dollars by last December. The borrowings were mainly used to finance the construction of Male International Airport, to mechanise fishing boats and to buy merchant ships.

Officials said there were no regulations restricting the buying or selling of gold, which could be held at home or abroad. People were also allowed to hold foreign currency accounts and foreigners could bring in or take out any amount of money

The monetary authority suggests foreign exchange dealing

rates, but banks are free to set their own The country has a dual exchange rate system, an official rate of 3.93 Rufiyaa to a dollar and a market rate of seven Rufiyaa.

Dollar-denominated accounts predominate at the banks, accounting for 90 per cent of total bank loans and two-thirds of total deposits.

The gradual expansion of the banking system reflects the growth of business in Maldives. Total foreign investment by December 1981 was 4.2 million dollars, including 1.2 million dollars in the tourist trade.

To attract foreign investors, the government has offered tax exemption for a period of ten years and no restrictions on the inflow or repatriation of capital

A Sri Lankan businessman based in Britain said Maldives was an ideal country in which to invest because returns were high, labour costs were low, import duties were negligible and there were no currency restrictions

But direct investment by foreigners requires government approval and as a rule only Maldivians can be employed except in special cases. Preference is given to projects on the outer atolls and those which provide substitutes for imported goods.

Foreign investment on tourist resorts must be channelled through Maldivians, but there are no controls on profit remittances.

There was a net outflow of 5.9 million dollars last year which the IMF attributed to high profits in the tourism industry being despatched to foreign partners or invested abroad by local resort owners.

Since 1979, tourism has been the most important single source of foreign exchange. Tourists spent over 18 million dollars last year, twice the export value of fish

Foreign exchange is also earned through shipping and the national shipping line is one of Maldives major success stories.

CSO: 4200/99

MALDIVES WILL CONTINUE NON-ALIGNMENT

Colombo SUN in English 3 Nov 82 p 8

[Article by Najmul Hasan]

[Text]

The strategic Indian Ocean Republic of Maldives emerging from years of isolation; has fended off overtures from the big powers and struck an independent foreign policy posture.

President Maumoon Abdul Gayoom; who has declared his determination to preserve Maldives' Non-Aligned status, told Reuters in a recent interview that he would not allow the islands to be used for military purposes by any big power.

Several countries have eyed the islands as a possible military base since Britain closed its Air Force staging post on Gan Island in 1976.

The Soviet Union offered one million dollars a year to lease the Southern Maldive Island soon after the British left, but the offer was rejected.

Gan is just 300 miles (480 km) North of the U.S. military facilities on the island of Diego Garcia and already has a runway capable of handling big aircraft.

President Gayoom told Reuters that there had been no further offers for Gan and added that his government was determined not to lease it to anyone.

Instead, the island is being developed as a tourist attraction and an industrial area. The Australian government has agreed to renovate the former British Airport facilities for commercial use and two garment factories have been established.

There are also plans to build an oil refinery and storage complex on Gan.

Worried over what he sees as increasing military activity in the region, President Gayoom has strongly backed moves to make the Indian Ocean a zone of peace.

But, in line with its policy of neutrality, Maldives has maintained cordial relations with both East and West.

Two years ago, the government signed a scientific and cultural agreement with the Soviet Union. Chinese Foreign Minister Huang Hua's visit to Maldives in July 1980 led to the signing of a technical co-operation accord. Peking has now promised aid worth three million dollars.

The former British protectorate joined the Commonwealth after President Gayoom visited Britain early this year.

Britain, which stopped aid after its withdrawal from Gan, has now agreed to provido assistance worth 3.3 million dollars.

Financial help also comes from West Germany, Japan, Australia, the World Bank, the Asian Development Bank and Kuwait and Saudi Arabia, which has also offered to build an Islamic centre in the Moslem country.

In the past few years, Maldives has dramatically expanded its external ties, establishing diplomatic relations with over 50 countries.

India, Sri Lanka, Pakistan, Libya and Iraq have resident Ambassadors here while Maldives has an Embassy in neighbouring Sri Lanka and a permanent mission in the United Nations.

In the past month, warships from India, Pakistan and Sri Lanka have visited Maldives and a U.S. Navy supply ship is due next month.

But President Gayoom says there is nothing unusual about the visits. "It is a coincidence that the ships should be calling within a short period. They are all friendly callers".

Ties with Pakistan, a fellow Islamic country, are strong, but the government denied an Indian press report which quoted a senior Indian Naval officer as saying Maldives had leased two islands to Pakistan to build a military base.

Also causing a mild ripple in New Delhi was President Gayoom's reported remark questioning of the status of India's small Minicoy islands

In an independence day speech last July, he was quoted in a government news bulletin as saying that Minicoy shared with the Maldives a common language, culture and history. "When I look at such prerequisites, in my personal capacity, I have to tell you the atoll ..... is a part of the Maldives".

Following Indian protests, the President denied he had laid any claims to the Coral Islands and said he had been misquoted. (Reuter).

CSO: 4200/99

BRIEFS

DUTY ON TIMBER--New Zealand has expressed regret at Australia's decision to impose a 19 percent duty on New Zealand timber. The move comes 2 days after the New Zealand Government approved the closer economic relations agreement with Australia. New Zealand's trade and industry minister, Mr Timpleton, said the new timber duty was a matter for regret. He said it had been under negotiation for some time and could have been in the spirit of the closer economic relations agreement if the timber industry had been left to deal with the issue. [Text] [BK040545 Melbourne Overseas Service in English 0500 GMT 4 Nov 82]

CSO: 4200/103

PAKISTAN SEEN TRYING TO SOLVE AFGHAN PROBLEM

Zurich NEUE ZUERCHER ZEITUNG in German No 226, 30 Sep 82 p 5

[Article: "Pakistan's Growing Interest in a Solution to the Afghanistan Conflict; Greater Distance from the Resistance Fighters"]

[Text] Islamabad, September--In the last few months, Pakistan has made some cautious changes in its position on the Afghanistan issue. This development is demonstrated by the flexible attitude of the Pakistani government in the Afghanistan talks initiated by the United Nations; there have been efforts at rapproachment with the Soviet Union which are difficult to pass judgement on; and one notices a new reserve toward the Afghan refugees seeking safety in Pakistan. The government in Islamabad places great hopes on continuing what is at the moment an indirect dialogue with Kabul. These talks, which have already contributed to a certain relaxation of the political situation, have, however, one serious disadvantage: The Afghan freedom fighters, who have been growing ever stronger in their almost 3-year-old struggle against Soviet troops, are not taking part. Without their being included, any progress in political negotiations among Pakistan, Afghanistan, and eventually Iran cannot be expected to have great practical value.

Rapprochement with the Soviet Union

Since the invasion of Afghanistan by the Red Army at the end of 1979, relations between Pakistan and the Soviet Union have obviously been tense, but contacts were by no means broken off. The Soviet Union accused Pakistan especially of actively supporting bandits--as it calls the resistance fighters; Moscow emphasized its viewpoint last year in several attacks on Afghan refugee camps in Pakistan. For Islamabad, these border incidents were conclusive evidence of the immediate threat posed by the new closeness of the Soviet Union. In the meantime, the climate has clearly improved: The Soviet and Afghan military have given up pursuing resistance fighters who retreat to Pakistani territory, and there are rumors that the Al-Zulfikar group of the brothers Bhutto which is violently opposed to the military regime in Pakistan, is to be removed from Kabul. The government in Islamabad, for its part, is attempting to stress what it has politically in common with the Soviet Union, for example, the plan to declare the Indian Ocean a "zone of peace." Part of this detente are also the frequent statements about the desirability of further expanding economic cooperation between the two countries.

As far as Pakistan is concerned, the principal reason for the change in climate is the new opinion that the presence of the Afghan refugees, whose number is officially said to be 2.7 million and in reality is probably between 2 and 2.5 million, is causing a series of growing problems for the country. Just financially, the refugees are a great burden, for international aid is by no means covering all expenses incurred. Far more problematic are the ecological problems arising from the presence of the refugees and a similar number of animals brought from Afghanistan into the overused and eroded regions of the northwestern border province and Baluchistan. The main reason for the growing unease is probably the transformation of the popultation due to the continuous influx of Afghans. So far, conflicts between the refugees and the local population, which in some cases is becoming a minority, have been astoundingly fee-reports about trouble, it is true, are widely suppressed--but the government is aware of the increasing security risks. In addition, even if Soviet troops were withdrawn from Afghanistan, a large percentage of refugees might not be persuaded to leave their new homeland in which they have established a new existence. And the longer it takes to find a solution to the Afghanistan issue, the lower will be the number of returnees.

The menacing insolubility of the refugee problem has caused the government of Pakistan to rethink its relationship with the resistance groups. It is true that arms shipments pass unhindered through Pakistan. The active steering of these supplies, whose existence is officially denied, within the framework of the National Logistic Cell, a state organization designed to furnish essential goods to the population, largely reduces the danger that a portion of these weapons might fall into the hands of the Pakistani opposition. But rebel groups no longer play a decisive role in the government's political plans. The groups established in the provincial capital of Peshawar that have jointed forces in a fundamental alliance led by professor Saiyuf and Gulbuddin Hekmatyar and a moderate alliance under Mujadiddy and Gailani are still proving incapable of agreeing on a government-in-exile or even a common program. Their position has also been weakened by the fact that their influence in Afghanistan, where regional units of fighers dominate, is declining, and their role is being increasingly reduced to that of distributors of money and supplies.

Hopes Pinned on UN Talks

Pakistan is pinning its hopes on the political negotiations within the United Nations. The improvement in the climate is due to the separate talks that UN special envoy Cordovez had in Geneva at the end of June with Pakistan's foreign minister Yaqub and his Afghan counterpart Dost--with the latter in his capacity as a representative of the Afghan government party. Pakistan's government and press lauded these talks and called them evidence of the willingness of those involved to negotiate. Over four general areas were discussed: Two of them--the withdrawal of all foreign troops, the voluntary return of the refugees--are of special significance to Islamabad, whereas the other two--non-intervention in internal affairs, international guarantees of such non-intervention--are of fundamental importance to Kabul. In New York a second round of negotiations is to take place on the periphery of the UN General Assembly, and Pakistan expects Secretary General Cuellar to present new suggestions. The special envoy is supposed to revist Kabul, Teheran, and Islamabad.

It is worthy of special note that two principles which the Pakistani military regime considers reprequisites to a political solution have not been explicitly included in the agenda of future talks--the return of Afghanistan to being a nonaligned country and the right of the Afghan population to choose its own system. It should also be noted that the Afghan government has for the first time officially admitted the existence of a large number of refugees. Till then Kabul had labeled the Afghans who have fled to Pakistan and Iran as nomads on their traditional wanderings who have been persuaded to stay by financial and other incentives--the humanitarian refugee relief.

However, the question arises whether negotiating under the aegis of the UN does not mean that the settlement is being arranged without the hosts--the resistance fighters. A withdrawal of Soviet troops is unthinkable as long as these fighters are active; the rebels are not going to desist until the occupation troops are pulled out and there is in Kabul a regime acceptable to the resistance. In addition, international guarantees of non-intervention are without much real effect, since the resistance is so strongly supported by the Afghan people and is identical with them that it would not simply evaporate even if foreign support were stopped. It is very difficult to imagine that all, or even an overwhelming majority, of the refugees will voluntarily return, considering their tendency to settle in Pakistan. Without involving the resistance in the negotiations, the talks run the risk of producing results having little connection with reality. But including the rebels in the talks is in Cordovez's opinion not possible because the UN regards Kabul's government as legitimate.

-Continuing Fierce Resistance

The freedom fighters, who are not represented in the political talks, continue to be a significant military force. Afghan and Soviet troops barely control more than the larger cities and the most important roads--and this only with difficulty. The widely publicized offensive in the Panjir Valley has unexpectedly become a demonstration of the invincibility of the rebels: for despite their military superiority, the regular troops-roughtly 4,000 Afghan and 8,000 Soviet soldiers--have largely had to withdraw from the valley regardless of their initial successes. The rebels in all of Afghanistan are today better equipped--they have acquired their arms to quite an extent from plundered armories and from the numerous defectors from the Afghan army.

The long struggle has provided them with additional tactical experience. Traditionally thinking in terms of small fighting groups, the Afghans have increased their ability to direct larger units and, if necessary, to coordinate operations above the regional level. The war cannot be won in this fashion, but it is not about to be lost.

9873
CSO: 4620/5

SOUTH ASIAN REGIONAL COOPERATION EXAMINED

GF110850 Islamabad THE MUSLIM in English 5 Nov 82 p 4

[Editorial: "Regional Cooperation: New Moorings?"]

[Text] In a recent statement in Bangkok, President Ziaul Haq has expressed the hope that his talks with the Indian Prime Minister Mrs. Indira Gandhi will pave the way for the formation of a South Asian organisation on the lines of the ASEAN (Association of South East Asian Nations). South Asia, with a total population of nearly one billion, is the only major region of the world where there are no regional organisations. Africa, Latin America, Europe (both Eastern and Western), the Middle East and South East Asia all have regional organisations for the promotion of economic, technical, scientific and cultural cooperations. The president's call is therefore laudatory in principle and is an extension and reiteration of Pakistan's historical commitment to seek and work for regional and international peace and cooperation.

The implications of Pakistan's membership of a regional organisation in South Asia have, however, to be reviewed in depth with a view to determining the extent to which its interests could best be served. There already exist efforts to promote cooperation amongst the seven countries of South Asia (Bangladesh, Bhutan, India, Maldives, Nepal, Sri Lanka and Pakistan). The first step in this direction was taken at a meeting of the foreign secretaries of these countries in Colombo in April last year: a followup meeting was held in Kathmandu in November, 1981, and a third one in Islamabad in August this year. At the Islamabad meeting it was decided to hold ministerial level consultations between May and September, 1983 to be preceded by another meeting of the foreign secretaries. While these meetings have been able to make some head way in fields such as agriculture, rural development, health, population, sports and telecommunication, there still remain serious differences amongst the member states which are obstructing the institutionalisation of this cooperation.

One of the major issues hampering this development is that of Kashmir which continues to be an obstacle in Pakistan's bilateral relations with India and which has yet to be resolved in a manner acceptable to Pakistan and the Kashmiri people. In this context, it is interesting to note that the positive initiative taken by the Pakistan President in accepting India's proposal for the setting up of a joint

commission prior to India's acceptance of Pakistan's no war pact offer does not appear to have deterred the Indian foreign minister, Mr Narasimha Rao, from again asserting that Kashmir is an integral part of India. Coming as it does in the wake of the president's departure from India after the excellent talks at the summit level, the implications of Mr Rao's statement are rather unsavoury. Given Indian intransigence on this issue and its unwillingness to abide by its U.N. commitments, the Kashmir issue will continue to be the major stumbling block in any future institutionalised form of regional cooperation in South Asia in which both countries are involved. The basic elements for cooperation presuppose a certain similarity of views and interests and a modicum of understanding on regional and international issues. Any regional organisation in which members have widely disparate interests, views and unresolved disputes cannot in the long term be productive. Pakistan's interests cannot possibly be served by any form or manifestation of Indian hegemony in the region since a system of unequal partnership would be both untenable and infructuous.

The history of previous regional organisations in which Pakistan was involved has unfortunately not been very illustrious. The massive efforts of United States in the post World War II era to control the 'perils of communism,' led to the creation of a number of regional organisations and alliances. Both SEATO and CENTO--of which Pakistan was a member--were the outcome of this climate of suspicion and fear and the attempt to contain the spread of communist influence. These regional organisations were in effect implanted by an extra-regional power which chose to interpret the interests of various nations in the light of its own political goals. These pacts were exclusively of a military nature and did not foster the growth of intra-regional cooperation in any sphere. As a counter to U.S. moves in the Asian region, the USSR also floated the Asian security scheme. However, unlike the treaties in which the United States was involved in collaboration with member states of the region, the Russian proposal never progressed beyond a vaguely defined idea which appeared to have been motivated more by a desire to assert its presence and underline its emerging interests than as a vital alternative to SEATO and CENTO.

Because of the nature of Pakistan's past membership in previous regional organisations, this is perhaps an appropriate time not to only consider the pros and cons of floating a new South Asian regional organisation but also to identify Pakistan's long-term interests in the region. The RCD which could have developed into a truly meaningful partnership between Pakistan, Iran and Turkey has met a sad end. Perhaps at an appropriate time, given perseverance and commitment, it can be reactivated and strengthened. For the time being, however, it is in a state of limbo. With the loss of its eastern wing in 1971, Pakistan's interests in the Southeast Asian region have understandably become peripheral. It appears therefore to be more logical in the present circumstances to orient our policies in the direction of the Middle East and the Gulf of which we are a part and where our interests are involved to a considerable extent.

This gravitation is natural considering not only our geographical location as a littoral state of the Arabian Sea but also the fact that Pakistan is the second largest Muslim nation in the world. The progressive shift towards and emphasis on increasing our commitment to the Middle East with which we have a commonality of interests and perceptions was visible between 1971 and 1980. However, after the revival of our relationship with the United States, there appears to have been a subtle shift in these perceptions with new options under consideration. While the improvement of our bilateral relations with our neighbours would find widespread public support, a weaning away from our strategic moorings based in Islam and the Muslim elan could lead to incalculable consequences.

CSO: 4200/102

LAWYERS SUPPORTED IN THEIR AGITATION

GF151510 Islamabad THE MUSLIM in English 7 Nov 82 p 4

[Editorial: "The Lawyers' Protest"]

[Text] The agitation of the lawyers for an independent judiciary and restoration of their normal role in the judicial process continues. While a considerable number of lawyers and chiefs of bar associations are behind the bars, two lawyers are courting arrest every day in Karachi as a protest against the official action. The courts are being boycotted in some cities from time to time, and such boycott is getting to be more frequent in Karachi in the lower courts.

Support for the lawyers is increasing, particularly after the martial law trial of lawyers protesting against government policies in Lahore and Karachi. Severe sentences passed on the lawyers are bound to rouse even those who have not been a party to the agitation. Political parties are voicing their increasing support for the lawyers, and even leaders close to the government have come out to express their sympathies for the lawyers. And the possibilities of political workers joining the lawyers courting arrest are now real.

It is wrong to regard the lawyers' agitation as politically motivated. If an impetuous leader like Mr. Abdul Hafiz Pirzada [onetime minister in Mr. Bhutto's regime] claims that the agitation is led or directed by the defunct PPP his claim needs not be taken seriously. The broad political support the lawyers' movement enjoys shows the fallacy of Mr. Pirzada's claim.

The fact is that the lawyers as a community know what is happening in the country. Victims of official action, whether that be an arrest or any other punitive measure, approach the lawyers first. And when the trials take place other lawyers too get to know the facts. Secondly, the lawyers as a whole have been distressed by the decreasing authority of the judiciary in the country and the dominance of the martial law regulations over the normal judicial process.

The lawyers are affected prpfessionally, too, a great deal as a large number of cases are now tried in martial law courts, where they have a very little say, and they fear more of the cases may hereafter be tried in qazi courts [religious courts applying Shari'a law]. Apprehensions on unemployment among the lawyers is real

following their loss of status and professional distinction. And now they find they cannot protest through their traditional channel as their freedom of association is being curtailed. The amendment to the bar council's and bar association act has come as a serious abridgement of their freedom, protest the lawyers collectively. [as printed]

Indisputably the lawyers have played a major role in the affairs of the country right from the Quaid-i-azam [title given to Mr. Jinnah the founder of Pakistan] who founded Pakistan. Lawyers have similar large roles in other modern societies as well. They are earnestly interested in the rule of law and real constitutionalism. They want normal political process in the country and an institutional basis for that process so that it can be enduring.

Lawyers have been advised by the authorities to respect law. But, clearly, the lawyers are interested in not only the laws but how they are made and by whom. They may be ready to accept martial law regulations as a stopgap measure at times but not as regular laws which last for very long. They are interested in the restoration of the constitutional process and personal freedoms. And their concern is, indeed, legitimate and the government should accept them as such.

In a country where there is a lasting political vacuum it is not abnormal for the lawyers to demonstrate one day, for the doctors to do likewise another day or for the students to do that from time to time to voice their sectoral grievances. In a normal democratic order such protests would not be taken as a threat to the existence of the government but as a symptom of unrest in an area which needs urgent attention. But as the current martial law administration does not have such an institutional base or popular backing, it tends to regard every protest as a threat to itself directly and overreacts instead of looking at the root causes and coming up with the right remedies.

CSO: 4200/102

ARREST OF GHAFFAR KHAN CRITICIZED

BK160643 Madras THE HINDU in English 6 Nov 82 p 8

[Editorial: "A Dictator's Progress"]

[Text] Being held under house arrest or interned in a regular jail is no new experience for the 92-year-old Khan Abdul Ghaffar Khan who used to be hailed as the frontier Gandhi in the Indian subcontinent before independence. Like many other veteran freedom fighters, Mr. Ghaffar Khan spent several years in detention during British rule. And he has had to undergo a similar travail in Pakistan after the country became independent. He has spent more than 15 of the past 35 years in prison. His total jail terms have extended to more than 30 years. His offence now, during a meet-the-people tour, is said to be taking part in political activities which are banned by the military dictatorship of Gen. Ziaul Haq. Mr. Ghaffar Khan has been victimised by civilian and military regimes alike in Pakistan. A large part of his free life in the past three decades has been spent in self-imposed exile in Afghanistan, and he knows the politics on both sides of the troubled frontier inside out. He was a member of the congress working committee and leader of the Khudai Khidmatgar (Servants of God) Movement. A living legend of personal courage and patriotism--and a doughty champion of Hindu-Muslim brotherhood at one time--he was a sturdy opponent of the very concept of partition and Pakistan. That General Zia has opted to detain this very aged man speaks volumes of the shaky and deplorable platform on which the military rulers have placed themselves.

Another political family which seems to make General Zia quite uneasy is that of Zulfiqar Ali Bhutto who was deposed by the dictator and later executed. The detention of Miss Benazir Bhutto, in jail since March 1981, was recently further extended. Summons have gone out for the former prime minister's two sons, Mr. Shahnawaz and Mr. Murtaza, who have been arraigned on a criminal charge. Mrs Nusrat Bhutto, reportedly suffering from cancer, has been prevented from going abroad. (General Zia is obviously not moved by the claim that the trip is in search of medical treatment.) The all-Pakistan lawyers' convention held in Lahore about a month ago demanded the restoration of democracy, and the military clique's response was the arrest of several leading lawyers under martial law regulations. The death sentence has been extended to the offence of "harbouring and abetting" lawless elements. This regulation has been made retroactive from July 5, 1977, the day of the military take-over. A true reflection of the state of affairs in Pakistan is provided by the recent decision of the provincial government of Punjab to build 100 death cells in jails every year. Even as it is, there are 386 such special cages for the 1,350 persons to be accommodated on a recent count.

CSO: 4200/102

BRIEFS

MRS BHUTTO, DAUGHTER MEET--Karachi, 15 Nov (AFP)--The widow and the detained daughter of executed former Premier Zulfiqar Ali Bhutto met here under heavy police guard today in a government-arranged encounter that was to proceed Mrs. Bhutto's departure for medical treatment abroad. Begum Nusrat Bhutto, 54, left a hospital for the meeting in her Karachi residence. Benazir Bhutto, daughter of the late premier, was flown here under police escort from the family's ancestral home in Larkana, 300 miles (500 km) north of here. Mrs. Bhutto was last week granted official permission to seek medical treatment abroad after a medical review board confirmed that she was suffering from lung cancer. She refused to leave until she was allowed to see her daughter, under house arrest in Larkana since February 1981 following the hijacking of a Pakistani airliner by militant supporters of her father. The two women have been vocal opponents of the military regime of Pakistani President General Mohammad Ziaul Haq since he overthrew Mr. Bhutto in a bloodless coup on July 5, 1977, hanged two years later. Tight security surrounded today's meeting, and Miss Bhutto was not permitted to speak with reporters as she was whisked into the villa surrounded by police officers. The length of the meeting was not disclosed. Mrs. Bhutto has not said where she will seek medical treatment. [Text] [BK160217 Hong Kong AFP in English 1721 GMT 15 Nov 82]

CSO: 4200/102

MARCOS ACTS TO STIMULATE PRIVATE SECTOR

HK060026 Manila Far East Broadcasting Company in English 2330 GMT 5 Nov 82

[Text] President Marcos acted yesterday to strengthen the role of private enterprise in the total national development effort. The president signed before delegates to the eighth Philippine business conference two executive orders intended to stimulate new productive ventures among the private sector and boost exports by easing bureaucratic procedures and eliminating red tape.

In his address before the conference, the president also reiterated that the thrust of government policies and programs is to provide assistance and encouragement to the private sector. He told the businessmen prospects for economic recovery have never been better than now.

In his speech the president also stressed that financing is not only a matter of allowing business enterprises to have access to credit, but must be related to the need for government to control liquidity as a means to contain inflation. He said credit supply was at an all-time high, although he agreed with the private business sector that there is need to reduce its costs.

On prices, [begin Marcos recording]: On the subject of price regulations, I believe it should first of all be noted that we do not have now an absolute price-setting policy, but rather a flexible system which allows for gradual and reasonable adjustments of prices. It is clearly not our policy to keep prices of certain goods at a level that would discourage producers to manufacture and produce them. You remember the big debate even on the price of rice and corn, the price of milk, the price of all principal consumer items, there has always been a tug-of-war between the consumers and the producers, and certainly we will welcome participation in this thankless task. [end recording]

CSO: 4200/107

COLUMNIST EXAMINES OPPOSITION

Cebu City VISAYAN HERALD in English 23-24 Oct 82 p 4

[Article by Danny M. Gonzales]

[Text]

NOW THAT the talks are about the forthcoming elections, a nagging thought occupies once more the minds of the Filipino people. Who will finally lead the Philippine opposition? Lead in the sense that the man — or woman — would command the respect of most members of the various opposition groups. If you ask even a barber, he will mention several names. And one of them is even Cardinal Sin.

WHO ARE THEY?

BUT WHO are the potential leaders of the opposition? Well, they are many. But the more prominent names can be narrowed down to five or six. Here in the Philippines, we have Jovito Salonga, now heading the LP, Doy Laurel of the Unido, Lorenzo Tanada of PDP-LABAN, and Jose W. Diokno. Of course, outside the country, we have Ninoy Aquino and Raul Manglapus.

SALONGA

JOVY Salonga is a brilliant man. Probably his only handicap is his physical health. However, the man has shown that not even his physical handicap will deter him from pursuing his political career. He made this clear when he accepted the leadership of the Liberal party. However, Salonga's getting the mantle of the leadership of the opposition will depend on how he could make the Liberal party recover and grow into a big political group.

LAUREL

THEN, there's the ever ambitious Doy Laurel. His name has been played up by the controlled national newspapers lately. A development that has rendered him suspect as a strong opposition candidate, for the more observant oppositionists sees his getting most of the headlines as inspired by the administration bright boys. The impression is that he is being built up because he is a weak contender for the top post and, when the time comes, is easier to lick than the other opposition leaders. But in fairness to Doy, he's a name to reckon with that has quite a following not only in Batangas but also in Metro Manila.

TANADA

OF COURSE, the old man Tanada is a most respected leader. A brilliant man with a sincere heart, he could have been this nation's leader a long time ago. But age caught up with him. Except for his age, Tanada would make a strong leader for the opposition.

DIOKNO

DIOKNO is young, brilliant, and credible. However, his setback lies in his being a lone ranger. For Diokno is too independent minded to be tied down to a big political group. In other words, he's a sweet-smelling candidate. But he needs a political group to back him up.

MANGLAPUS

EXCEPT for being outside the country, Manglapus is a very attractive candidate. His brilliance of mind and his eloquence have long captivated the Filipino people. He is among the strongest candidates for opposition leadership.

AQUINO

PROBABLY the most popular of all is Aquino. But his image suffers from his being outside of the country like Manglapus plus the ugly talks that he has contacts with Malacanang. But on the whole, Aquino is acceptable — the man whom President Macapagal feels would, if still active, give a continuing threat to the present regime.

CSO: 4200/96

BUSINESSMEN SAY REFORMS NEEDED TO CURB COMMUNIST THREAT

Kuala Lumpur BUSINESS TIMES in English 1 Oct 82 p 19

[Article by Adlai J. Amor in Manila]

[Excerpts]

TOP Philippine businessmen have strongly called for major political and economic reforms to curb the growing communist influence in the country.

The normally silent businessmen, members of the Makati Business Club (MBC) headed by Enrique Zobel, said support for communist groups in the country is increasing as inequalities in the distribution of wealth continue to widen.

They cited military estimates that the subversive New People's Army — the military arm of the Communist Party of the Philippines — now has about 5,000 armed guerillas. Moreover, the NPA, founded 13 years ago, can count on the support of at least 180,000 more people throughout the country.

The businessmen said that while it is true that the Philippines has grown rapidly and continuously over the last 30 years, 70 per cent of the households earn less than the average annual income. The annual national average household income exceeded 25,000 pesos (US$2,900) in 1980, which makes the Philippines a middle-income country by current standards.

"(But) the degree of inequality has been high for some time and there is no indication of any tendency to decline," the club said in its position paper, *Issues and Prescriptions 1982*. "The average income in the top 10 per cent is perhaps 20 times the average income in the bottom 10 per cent."

Those earning below the national average income belong to the estimated 7.7 million subsistence farmers and agricultural workers in the rural areas.

"The subsistence farmer is the stretcher case of the Philippines economy," said the MBC. The club has been conducting round-table discussions with the National Defence College, the Development Academy of the Philippines and the Ministry of Budget and Management on what ails the country.

Failure

By capitalising on the glaring inequalities of wealth and rendering swift justice, the NPA and other communist-inspired groups have succeeded in gaining the support of many of these farmers and rural poor.

They said that the unification of these groups — the New People's Army, the Moro National Liberation Front (MNLF), the Bangsa Moro Liberation Organisation (BMLO) and the militant socialist forces (Socdem) — could produce the required "critical mass" of dissidents to dismember the armed forces.

"This could, in turn, whittle down the resources of the national community in a massive security effort, which could divert the precious little resources that the nation has set aside for development purposes," the businessmen said.

They said that what is required is a massive development drive to eliminate rural poverty, thus curbing the growing communist influence in the Philippines.

They claim that government efforts have not been adequate to mobilise the resources of the rural areas — which they call the "sleeping giant of the Philippine economy."

They said that the unfinished land reform programme, the dismal failure of rural coperatives, the lack of agricultural credit, complicated marketing procedures and unrealistic pricing of farm products have conspired to maintain the bondage of most Filipinos to poverty.

They warn that if this bondage is not broken, the peasants will no longer call for land reform or an improvement of the land tenure system. Instead, they will move into a phase called "revolutionary agrarianism" where they "will seek the redistribution of authority and social prestige."

In forestalling this movement, the businessmen said that the key is rural, specifically agricultural, development. "A strong agriculture sector is the basis for a strong economy," the businessmen said.

Political, social and economic power is limited only to a few Filipinos and the centralised form of government tends to support this existing structure. This, in turn, has led to the glaring inequalities which the communists now use as a weapon.

"A greater and more meaningful participation of the people in the political and government processes can lead to the reduction of social and economic inequalities and to a just, humane and efficient administration of laws," the Makati Business Club said. — Depthnews Asia.

CSO: 4200/515

EDITORIAL DEPLORES HUMAN RIGHTS VIOLATIONS

Cebu City VISAYAN HERALD in English 28 Oct 82 p 4

[Text]

Amnesty International may have been vulnerable to question on its findings. But the body can not be wrong in many of its findings on violations of human rights in the Philippines.

Filipinos need not be told about these violations. We know. Countless Filipinos have been arrested, jailed and kept in confinement even without charges.

In fact, any citizen can be arrested on suspicion of being a subversive and on the strength of a presidential commitment order which the military can abuse to suit its purposes. Then anyone can languish in jail indefinitely. This is what is happening to a priest in Samar right now. He is held incomunicado. What's so dangerous about a man of God? Why is this government so frightened?

True, there are loud pronouncements from the high and the mighty guaranteeing protection of individual freedoms, including freedom from unlawful arrest and detention.

Political vagaries, however, show their ugly heads in many incidents in the Philippine scene.

A Filipino may ask: When will this climate of fear end?

When will normal times come back as in the really free and democratic setting before the declaration of martial law? It seems there will be no end to it for as long as clean, orderly and fair elections will continue to be a strange phenomenon in this hapless Philippines.

Will Pres. Marcos change the face of this country and give back to the Filipinos the real, nice freedom that we once enjoyed? Will Pres. Marcos redeem this minus side of his regime? If he opts, he can. Then history will enshrine him in the pedestal of immortality.

CSO: 4200/96

COLUMNIST QUESTIONS LOYALTY OF CONSTABULARY TO CONSTITUTION

Cebu City VISAYAN HERALD in English 30-31 Oct 82 pp 4, 16

[Article by David Ompoc]

[Text] The Vistas weekly news magazine made a cover story on its October 22 issue of Lt Gen Fidel Ramos recent sortie in Cebu City on the topic of the loyalty of the PC-INP to the Constitution. Without any qualms, General Ramos declared publicly that the PC is loyal to the Constitution. For those of us who know better, the litany of abuses and tyranny that the PC has foisted upon our hapless people during the dark days of Martial Rule, statements such as these cause instant diarrhea aggravated by headache. It is unmaginable where General Ramos have been hiding all the time when complaints were pouring like rain drops of PC-INP excesses.

We will not talk of incidents elsewhere but here. One night Mr Andres Lim, while driving along Jones Avenue, accidentally side-swept a drum. He was flagged down by a PC constable and without much ado and investigation he was thrown into the stockade for the whole night. At another time, a courageous female commentator, Inday Nita Daluz, while covering an important protest march in the middle of her program was arrested by Col Rodrigo de Guzman. Are these the proofs that Gen Ramos intends to present to the people that the PC is loyal to the Constitution? Hundreds, nay thousands, of analogous cases have actually taken place in this cursed land of ours and no one in his right senses and perception can deny this fact. The marching cadence of PC oppression is a true story book known to the people who suffered and the confirmation of Amnesty International has become a surplusage not any more necessary to prove a factual condition.

I have committed into memory all the rights of the citizens under the Bill of Rights of the Constitution and all these have been violated with impunity by the PC during the decadent Martial Law era. Atty Rolando Lim accompanied a client who was invited for PC investigation and he was not able to go home that day because he and his client were summarily placed behind bars. Atty Jose Palma in the exercise of his profession, extended legal assistance to a suspect in an arson case. For this role he played he was issued a prepared ASSO. If committing abuses is the measure of loyalty, then General Ramos and his PC organization will get top honors.

Frankly speaking, Gen Ramos would have been more credible if he told us the truth--that the PC is loyal to the Commander-in-Chief, Mr Marcos. By saying something that the people cannot swallow, he himself is responsible for doing irreparable damage to his own image.

CSO: 4200/96

SCHOOLS REOPEN IN REMOTE SAMAR AREAS

Manila PHILIPPINES DAILY EXPRESS in English 9 Nov 82 p 7

[Text]

CLASSES have been resumed in several far-flung barangays in Samar provinces and school teachers were asking for 400 additional extension classes within the area.

This is a clear indication that peace and order now prevails in Samar which has been called a "Red Base" for Communist terrorists, according to Brig. Gen. Salvador Mison, eastern command (Eascom) chief.

Mison arrived here recently to report to Armed Forces Chief of Staff Gen. Fabian C. Ver about the prevailing peace and order condition in the area.

MISON said that in Eastern Samar alone, "teachers have been clamoring for the opening of additional 70 extension classes."

"To me, it is an inspiring feedback that peace has prevailed there, once known as a rebel-infested area," he observed.

He said classes in most barangays in Samar have been suspended a few years back when "New People's Army terrorized several towns."

But that is now a thing of the past, he said.

* * *

WITH the activation of Eascom in the early part of 1980, the military has reversed the trend in Samar.

Before, terrorists were bold enough to initiate encounters. Today, it is the reverse, he said.

Since the middle part of last year, he found it no longer necessary to maintain checkpoints in Samar, especially along the Maharlika highway which links Samar with Luzon and Leyte.

* * *

SINCE April 23 this year, not a single killing has been reported in Catbalogan, the capital of Western Samar, he added.

On the relations between the church and the military, Mison said, "we have the best of relations with the five bishops in the region."

CSO: 4200/96

WORLD BANK GRANT TO CENTRAL VISAYANS

Manila PHILIPPINES DAILY EXPRESS in English 9 Nov 82 p 7

[Text]

MOSCOW, Nov. 8 – Soviet President Leonid Brezhnev says Moscow is not prepared to back down in the face of "an imperialist offensive against socialism" and is ready to deal a crushing retaliatory blow to any potential aggressor.

After watching tanks and missiles rumbling across Moscow's Red Square in a parade marking the 65th anniversary of the Bolshevik revolution, Brezhnev said at a Kremlin reception yesterday that the Soviet Union's "might and vigilance" would cool "the hotheads of some imperialist politicians."

He added that it was not the tradition of the Communist Party of the Soviet people to retreat in the face of difficulties.

* * *

BREZHNEV made no reference to any Western leaders but his comments were clearly directed at the Reagan administration.

The annual parade, during which Soviet armory and soldiers were on display, was boycotted by most Western countries for the third successive year in protest against the Soviet military intervention in Afghanistan. Envoys from most NATO oountries, Japan and Australia sent lower level diplomats.

China's ambassador, Yang Shouzheng, was present at the parade for the first time in many years. His attendance appeared to reflect slightly improved Sino-Soviet relations.

* * *

DEFENSE Minister Dimitry Ustinov, speaking before the assembled ranks of the Soviet armed forces, accused the United States and its allies of launching a "political, ideological and economic offensive against socialism."

A colorful workers' demonstration which followed the military parade had a strong anti-American flavor Floats bearing giant placards condemned "the militaristic course of the United States" and plans to deploy cruise missiles in Western Europe. (Reuter)

CSO: 4200/96

PHILIPPINES ABLE TO MEET FINANCIAL OBLIGATIONS

HK020144 Manila BULLETIN TODAY in English 1 Nov 82 p 20

[Text] Central Bank [CB] Governor Jaime Laya declared over the weekend that the Philippines' dollar reserves and stand-by credit lines as well as expected export receipts could fully satisfy international obligations in 1983.

Governor Laya gave this assurance even if world credit arrangements were to come to an abrupt stop and all countries were called upon to pay their short-term debts within 1983.

Laya said further that the Philippines has initiated discussions with the International Monetary Fund for the continuation of previous years' stand-by arrangements with the IMF and for access to the compensatory financing facility.

He added that agreement had already been reached on the major aspects of the Philippines' structural adjustment program as part of the stand-by discussions, which is addressed, among others, to attaining equilibrium in the balance of payments.

Ceilings have begun to be placed on new borrowing approvals, he said, precisely to keep the statutory debt service limit, which is US$2.4 billion this year. "We will be below the same contrary to skepticism on the matter at the time the ceiling was adopted," he said.

"The Philippines limits borrowings to what can be supported by the debt service limit and to what is needed," the CB governor pointed out.

The 1983 consolidated foreign borrowing program of the Central Bank or the so-called "jumbo loan" which is now under preliminary discussions with possible lead managers, has targeted US$300 million as the one-time goal for next year vs. US$325 million this year and more than US$400 million actually raised in 1981, Laya said in clarifying insinuations in a WALL STREET JOURNAL story.

He said further: "The Philippines has what we would like to think is more than adequate international debt management. Fixed term debts comprise the bulk of total outstanding debt, the average maturity of which is 14.5 years. It is, as far as we know, the only country in the world with statutory external debt service ratio limit, of 20 percent on both public and private sector borrowings, lower than what is actually experienced by many countries.

"It is no secret that the Philippine formula was established by law more than 10 years ago, based on previous years' actual receipts, while the IMF formula is based on current year's estimated receipts.

"Under the Philippine formula, the ratio is expected to be 19.4 percent in 1982 while the IMF formula results in 25.3 percent. The IMF formula is not necessarily more conservative; in all prior years, the Philippine statutory formula gave a higher answer due to the reversal in trend of receipts."

Laya also said there is no move in the Philippine legislature to amend the 20 percent debt service limit.

The CB governor expressed the view that the depreciation of the Philippine peso against the United States dollar had tended to "discouraging low-yielding external debt, all of which favorably affect external cash flows."

At the same time, other currencies have depreciated faster than the peso against the U.S. dollar so much so that the peso has, in effect, appreciated against the Hong Kong dollar, according to Laya.

For instance, the Philippine peso has shown its stability during the past few years compared with other currencies such as yen and Hong Kong dollars, he said.

Although the peso depreciates against the dollar, it appreciates with other currencies and to evaluate its past performances, he said, one should look at it inside a basket of currencies which will appear that the Philippine peso appreciates well.

He also said that the events of the recent past calls for a return to the basic or sound credit which will assure financial institutions of sound projects in business enterprises and a solid banking and financial system.

The "financial disasters of 1981" were caused by many factors such as the poor lending decisions made by companies involved.

The government policy approach to such predicament is towards deregulation in order to give full rein to free private enterprises and minimizing government intervention while providing for optimum and automatic checks and controls within the private sector itself, Laya pointed out.

Last year, the government allowed interests rates to float to the level dictated by funds' supply and demand. This resulted to the channeling of loanable funds on the operations of private enterprises different from the artificially low interest rate ceilings that made savings lower than the investment needs.

Foreign exchange rates were also allowed to float more freely as part of the deregulation thrust to exert an automatic brake to the tendency of Philippine business to borrow abroad.

Laya said that the decline in the peso rate vis-a-vis the U.S. dollar had in effect discouraged foreign borrowing by making these needs expensive.

CSO: 4200/107

MARCOS FORECASTS ECONOMIC IMPROVEMENTS

HK050207 Manila BUSINESS DAY in English 4 Nov 82 p 2

[Text] President Marcos yesterday forecast a stronger economy by next year because of the increase in productivity and the opening of new export markets.

This was a turnabout of an earlier reported prediction by the president and some senior government economists that the economy will recover by late this year.

The rosy prediction for the upturn of the country's economy by next year could be attributed to the government's program to upgrade the production priority by producing new products that are salable in the world market, Mr Marcos said.

He observed that some Philippine products are salable even in the midst of an economic crisis because there is really a world shortage of these products.

Mr Marcos cited the case of tobacco, which he said should be exported as high-grade wrapper or high-grade cigar instead of as nativegrade tobacco, which commands a lower price.

Mr Marcos also suggested the cultivation of spices which will be salable even in a worldwide economic crisis because the need for them "never slackens." This spice production program will replace that of the Moluccas or Spice Islands, which no longer produce spices to meet world requirements.

Coconut: another case is the diversification of coconut and its byproducts, which according to the president are still needed worldwide. He said the government will continue to pursue research on the multiple uses of coconut oil for fuel and other industrial and commercial applications. He said research will be intensified to benefit the coconut industry, which supports one-fourth of the population.

He also suggested that milk should be produced from coconut, and animal feeds could also be derived from coconut to replace imported feed products.

However, the president noted that because of the low price of coconut in the world market today, intercropping of spices such as ginger, mongo and other root crops should be intensified. This is a rich source of menthol, he said, adding

that current experimental efforts have proved to be successful in Leyte even under drought or rainy conditions when the crops are planted in between coconut trees. The crops need only minimal care, the president added.

This diversification of coconut will immensely help the present depressed coconut industry, he said.

The president said the government is emphasizing the policies underlying the "optimism and pragmatism with which the government is treating the worldwide recession."

Policies: He said the government will cash in on the foreseen world recovery next year by stressing on the following policies:

--that the country produce products that are "needed by new, incoming, resurgent" sectors of the economy;

--the old machineries should be replaced at the right time with new ones;

--big industries that are basic to any growing industrial economy should be set up.

The president also took notice of the good signs in the country's economy by next year, particularly of the awareness of local investors of the need to look for "just the right kind of an opportunity."

He said young entrepreneurs are taking over older and more conservative businesses. "It is only in such a situation (where they find the right opportunity) that they can take over from the conservative ones. And if they produce, they will get back not only 20 percent or 25 percent but 100 percent to 200 percent of their investments," Mr. Marcos said.

He said the "trend of the young and dashing enterpreneurs of taking over corporations" is manifested in both the domestic and foreign scenes particularly in the United States and Europe. "This is a concrete change for the better, for the outlook of the economy both local and worldwide."

CSO: 4200/107

MANILA COLUMNIST ON JUSTICE-SUBVERSION LINKS

HK300240 Manila BULLETIN TODAY in English 29 Oct 82 p 6

[Article by Apolonio Batalla: "Justice and Subversion"]

[Text] In this country there is a higher correlation between simple justice and subversion than between the economic fluctuations and subversion.

This is partly due to the fact that the effects of economic upturns and downturns in the medium run are limited. For instance, in the space of five years the people of this country cannot expect to be as prosperous as, say, the people of Taiwan.

Considering all factors, the time lag between takeoff and industrialization is considerable. Hence, personal incomes cannot be expected to rise by any substantial degree.

On the other hand, because of the built-in strengths of a predominantly agricultural economy, poverty cannot substantially worsen. The loss of real income is bound to be small.

Economic reasons are a poor selling point for subversion in the remote communities, where people can say they cannot be any poorer and that there are many poor people, anyway. Moreover, while there are still a great many poor people everywhere, the landscape is changing because the government has been laying the economic infrastructure and new businesses locating themselves in the provinces.

If the people of the Philippines would have a per capita income as high as those of Singapore, a level of income that is fairly well-distributed, subversion would be impossible. Under present conditions, however, while it is true that economic reasons are a poor selling point, they do help subversion. That is why there is a correlation.

Subversion activity in this country is largely due to the perception that the government has not been able to dispense simple justice in many cases. The ordinary citizen can tolerate poverty but not injustice, especially if done by agents of the government. Hence, the number of cases in which injustice is committed and the gravity of injustice can determine the level of subversive activity over time.

To bring down the level of subversive activity in a region pouring more troops into the place may not be the appropriate remedy if it results in increasing the number of abuses committed against the civilian population. The rebels may be neutralized, but it is what is in the hearts of the population that counts.

It should be noted that some particular civilian sentiments can spread quickly. The problem is compounded if more militarization results in increasing number of abuses.

At the moment, the administration must come to grips with an important question: What is a subversive?

The laws may have defined what subversive activity is but the fact that soldiers and civilians, and even priests, differ on what a subversive is means the term is not properly understood. Oftentimes the conflicting interpretations are brought to the fore only when somebody is arrested allegedly for subversive activity.

The impression is in bordeline cases the military tend to resolve the doubt in favor of the government by arresting people.

Since the lifting of martial law meant that the emergency was over, the operational rule should lean the other way in order to avoid giving the impression that the government is unjust.

It should be noted that injustice, as a factor of unrest in the provinces, is limited to injustice done by the military people to the civilian population.

It is not injustice committed by the fiscals, the courts, and the civilian authorities. The lapses attributable to these people are of long standing, but regardless of that rebellion has never become problematical by reason of the inadequacies of the civilian authorities.

Probably the reason for this is the patterns of behavior related to the interaction between civilian authorities and the general population have been deeply established.

The military, as dispensers of justice, and they are so by mixing with the population and determining who are subversives, are an alien force, as far as the population is concerned.

CSO: 4200/107

PHILIPPINES PLANS 'DRASTIC CUT' IN EXPENDITURES

HK090154 Manila BUSINESS DAY in English 8 Nov 82 p 5

[Text] The government is planning a "drastic cutback" in expenditures for 1982 to 1984 to reduce its deficits and conform with the International Monetary Fund's "prerequisites" for the availment of a standby credit facility.

BUSINESS DAY yesterday obtained a copy of a memorandum submitted by Budget Minister Manuel Alba to President Marcos and Prime Minister Cesar Virata containing the reasons government expenditures have to be reduced immediately.

The memorandum was submitted by the Development Budget Coordination Committee (DBCC) chaired by Alba, with Virata as finance minister, Central Bank governor Jaime Laya and Economic Planning Minister Placido Mapa, Jr. as members.

In the memorandum, dated November 3, the DBCC enumerated three compelling reasons drastic cutbacks in government expenditures should be effected immediately:

1) The approval of "revenue-eroding reforms" such as higher personal income tax exemptions and tariff reforms coupled with "rapidly increasing disbursement carryovers of prior years will exert a downward pressure on the growth of cash resources to support the current obligation budgets";

2) The level and rate of government borrowings will have to be reduced, especially those under the "forecast peakings of debt service payments until 1984"; and

3) The IMF's prerequisite for availment of the standby credit facility "is the limiting of the budget deficit as proportion of the GNP (gross national product) to 3.9 percent (or P13.4 billion), 2.4 percent (or P9.4 billion), and 2 percent (or P9.0 billion) for 1982, 1983 and 1984, respectively."

Creditworthiness: Alba stated that it should be noted that "IMF's refusal to lend would be a signal to the international financial community of the decline in the creditworthiness of the Philippines."

The IMF mission which visited the Philippines recently expressed "skepticism over our ability to reduce government deficit, unless new revenue measures are implemented," Alba said.

The IMF team also noted that the revenue efforts has "been quite low" and that the "elasticity has recently been below unity," he added.

Alba said another compelling reason for the drastic expenditures cutbacks is the need to "minimize the pressures of the budget deficit on the balance of payments (i.e., higher government spending would stimulate importations) and on the inflation rate."

Alba also said the government will not propose any additional new revenue measures during this period--late 1982 to 1984--because of the proximity of the forthcoming national elections for the members of the Batasang Pambansa in 1984.

Under the DBCC budget revision proposals for this year, "vis-a-vis the original revenue estimate of P47.7 billion as presented to the Batasan in July of last year, the latest revenue estimate of P38.6 billion represents a P9.1-billion shortfall or deficit."

Around 60 percent of the obligation program had been released when the DBCC approved a P9.1-billion reduction of the 1982 cash revenue target last February to account for the downward revision of the BNP targets and the nonimplementation of most proposed new revenue measures expected to yield P1.2 billion in the original revenue estimates.

Under this proposal, net lendings should also be controlled to P0.4 billion in the fourth quarter.

Revenue cuts: The proposed revision for 1983 budget states that the latest feedback from the major revenue collecting agencies indicate revenue collections will likely "decline (i.e., vis-a-vis the original P44.3 billion forecast for 1983) by about P1.3 billion, mostly from expected BIR [Bureau of Inland Revenue] revenue shortfalls (P590 million), decline in nontax collections (P380 million) and the likely nonrealization of about half (P450 million) of estimated yields from new revenue measures."

To attain the proposed P9.4-billion deficit, the following policy actions are required, the memorandum states:

--"reserves of P13 billion (i.e., 20 percent of the P65-billion obligation program presented to the Batasang Pambansa) from the obligation budget, of which P11 billion will have to be permanently "frozen";

--"cash disbursement ceilings (CDC) releases for accounts payable will have to be restricted to P3.3 billion"; and

--"net lending transactions will be limited to P1.8 billion."

According to the DBCC, further controls on expenditures have to be implemented such as the modification of comprehensive procedures for "allotment advices" (AAS) and CDCS. This would involve comprehensively releasing only personal services and the infrastructure program before the beginning of the budget year. The other measure is the revision of the validity of AA/CDC releases. Under this measure, AA/CDC releases will be valid only for one fiscal quarter, with an automatic extension to the next succeeding quarter without allowing for any revalidation.

Other measures contemplated are the cancellation of undisbursed CDC releases for corporations at the end of the year and registration of accounts payable to improve programming of payments for accounts payable by requiring agencies to register with their valid liability at the end of the year.

The proposed budget revisions for 1984 provide for a cash budget deficit of P9 billion, which would require an obligation ceiling of P57 billion representing an P8-billion decline from the original 1983 obligation, the memorandum said.

It said the reduction is necessary because the revenue forecast amounts to P46.8 billion, which implies an 8.8 percent growth over the previous year lower than the 14.4 percent projected nominal growth rate of GNP.

BIR collections are placed at P24.1 billion, and customs P13.8 billion. Other agencies will account for the remaining P8.9 billion, of which P5.9 billion is from nontax collections, the memorandum added.

It is significant to note that the revenue effort indicated by this projection is "consistently declining from 11.3 percent in 1982 to 10.4 percent in 1984."

Under this reduction program, scheduled debt amortization payments are still conservatively estimated at P3.1 billion; capital outlays can only be provided about P12.4 billion, representing a much lower 2.8 percent of GNP and declining by P4.3 billion compared to the 1983 revised program.

For 1984, this may imply an infrastructure obligation program of only up to P4.8 billion, equity contributions of P5.2 billion and other capital outlay of P2.4 billion.

CSO: 4200/107

RESEARCH CENTER: END OF BORROWING ROAD MAY BE NEAR

Kuala Lumpur BUSINESS TIMES in English 6 Oct 82 p 19

[Article by Jeremy Toye in Manila]

[Text]

THE Philippines, facing a record balance of payments deficit and mounting foreign debts, is seeking help from the International Monetary Fund (IMF), an organisation already critical of its performance so far.

Central bank governor Mr Jaime Laya says he hopes to obtain a new IMF standby credit of US$150 million to help cover what he predicts will be a record overall payments deficit of between US$600 and US$800 million in calendar 1982, compared with US$560 million in 1981.

Prime Minister Cesar Virata, also Finance Minister, said in New York his country is also seeking a loan of about US$180 million from the IMF's compensatory financing facility to cover declining export receipts.

Although neither move will provide sufficient funds to solve the problem, the response of the recently-critical IMF will be seen here as an indication of the government's general standing in the international finance community.

Mr Laya for his part has had some stern words on what he called the IMF's "uniform and rigid prescriptions."

Addressing bankers recently, Mr Laya said the growth in foreign debt to over US$16 billion and the impact of repayments on the overall payments positions was "a manifestation of the solution" rather than a problem.

Mr Laya noted that foreign borrowings for 1982 had been limited to US$2.4 billion, and that the debt-service ratio, worked out here as a proportion of foreign exchange recepts for the previous year, was still within self-imposed statutory limits of 20 per cent.

End of road

He did however acknowledge that "the worrying thing about the balance of payments is the terms of trade."

Philippine officials have blamed external favours, principally the recession and the declining value of principal commodities, for a trade gap which saw exports dip 9.9 per cent in the first half this year compared with the same 1981 period.

The private centre of Research and Communication (CRC) noted recently that in 1981, the central bank had freed some US$500 million of foreign exchange by scaling down its international reserves to US$2.6 billion, but still had a payments deficit and foreign debts which then stood at US$15.8 billion.

"In 1982, we may have to face up to very likely prospect, and challenge, of our having reached the end of the borrowing road," the centre said, adding the alternative was to woo greater foreign investment to country.

The government is working on plans to improve the investment climate, but with many local firms struggling to remain afloat, prospects do not appear bright.

Trade and Industry Minister Mr Roberto Ongpin says foreign debts considerations have forced the government to rethink its ambitious programme of 11 major industrial projects.

Mr Laya sees some comfort in declining world interest rates and in steadily increasing revenue from the hundreds of thousands of Filipino contract workers in the Middle East and elsewhere.

Concern over the 1983 budget led directly to a suspension of talks on a new IMF standby credit line early this year.

A similar standby credit line has been obtained in eight of the past 10 years, with the last expiring in January, central bank officials said.

The budget was duly prepared along what Budget Minister Mr Manuel Alba said at the time were IMF guidelines.

Early this month, a budget of 61.8 billion pesos, passed into law. It was 4.7 billion up on this years, but the Prime Minister said that in real terms it will barely enable ministries to maintain existing programmes.

Plans are regularly announced to improve tax collection, and Mr Laya himself hinted recently he has made himself unpopular with some government departments by holding down expenditure.

An earlier IMF report obtained here said an investigating team had "expressed concern at the decline in the ratio of tax revenue to GNP, from 11.5 per cent in 1980 to 10.4 per cent in 1981 and the associated sharp expansion of the overall deficit.

"The authorities responded that in the context of the sluggish economy, the expanded budget deficit reflected an appropriate fiscal policy stance," it said.

Both the IMF and the World Bank have had difficulty establishing the precise increase in GNP in recent years. The World Bank says real growth fell from 6.9 per cent in 1977 to six per cent in 1979, 4.4 per cent in 1980 and 3.8 per cent last year.

At a consultative meeting with Prime Minister Virata in Tokyo last June, a senior World Bank official noted that "as far as individual income is concerned, it would appear that the production gains of the past two years have been entirely offset by population growth and terms of trade deterioration."

Nevertheless, the Philippines did receive pledges of some US$1.2 billion of soft loans from international organisations at that meeting.

The IMF credits now being sought by Mr Laya and Mr Virata fall into the same bracket of "soft" loans, and the Philippines has been largely successful not only in tapping just about every available source of such funds but also in securing commercial loans and credits at reasonable rates.

Mr Laya noted with pride recently the average maturity of fixed term debts was 14.5 years. About 60 per cent of that debt was at fixed interest of about nine per cent. — Reuter

CSO: 4200/515

BRIEFS

TERRORISTS KILLED--Ten terrorists were killed in a gun battle with an army patrol in Barangayn (Detale) in (Pica) town, North Cotabato. A report issued by AFP [Armed Forces of the Philippines] chief of staff in the Central Mindanao Command indicated that the government side suffered no casualties. The report said other members of the terrorist band were wounded in a fierce 4-hour gun battle. [Text] [OW021249 Quezon City RPN Television Network in English 1100 GMT 2 Nov 82]

LUZON ANTIDISSIDENT CAMPAIGN--The army has rushed more soldiers to the Quezon-Bicol area to intensify the campaign against dissidents. Army commanding General Josephus Ramos said in [words indistinct] South Cotabato, the 3d Infantry Brigade has orders to be pulled out of South Cotabato and sent to the Bicol-Quezon area. This area has been the scene of armed encounters and ambushes by dissidents. Earlier General Ramos pulled out an army battalion from Quezon after the battalion commander failed to control his men, who were charged with ambushes. [sentence as heard] The campaign against dissidents in Quezon and Bicol provinces is also said to be intensified with the assignments of Brigadier General (Bedicto de Guzman) as a new (PC) Region V Bicol commander. (General (De Guzman) is a veteran dissident fighter. [Text] [OW280001 Quezon City RPN Television Network in English 1100 GMT 27 Oct 82]

ORDER IN BICOL--Newly-installed PC [Philippine Constabulary] Region V Commander Brig-Gen. (Pedrico de Guzman) today vowed to restore peace and order in the Bicol Region. (De Guzman), a veteran of many antidissident campaigns and former recom [reconnaissance command] XI commander, made this statement after succeeding Brig-Gen (Loreno Cruz) in ceremonies held at Legazpi City. (De Guzman) said, from now on he would not want to lose any men in the field due to ambushes by terrorists. Correspondent (Jule Francisco) has more: [begin (Francisco) recording] In his short remarks, (De Guzman) indicated that he would first determine who the enemy are in the Bicol Region and where they are. He also assured mayors, especially in NPA-infested municipalities, of their protection. (De Guzman's) assurance came in the wake of reports that Mayor (Jose Biheta) of Pinar, Sosorgon, had left his town for fear of his life following the recent ambush of 18 civilians and military personnel. He said he will trust the intelligence community to look for Mayor (Beheta) and bring him back to his municipality with ample protection from his command. [end recording] [Text] [HK230438 Manila Domestic Service in English 0400 GMT 23 Oct 82]

CSO: 4200/107

JOINT COMMUNIQUE WITH PAKISTAN REPORTED

BK121405 Singapore Domestic Service in English 1100 GMT 12 Nov 82

[Text] Pakistan and Singapore today expressed grave concern over the blatant armed intervention of foreign forces in two nonaligned Asian countries--Kampuchea and Afghanistan. The twin problem, they noted, had serious implications for regional and international peace and security. They stressed the urgent need for the complete withdrawal of foreign forces from these two countries to enable their people to exercise their inalienable rights to determine their own future.

In a joint communique at the end of President Ziaul Haq's state visit to Singapore, the two sides welcome the formation of the coalition government of Democratic Kampuchea under the presidency of Prince Sihanouk as a positive development. They said it will enhance prospects for a comprehensive political settlement of the Kampuchean problem.

Singapore pledged its continued support for Pakistan's constructive efforts to find a peaceful solution to the Afghan problem based on the relevant UN resolutions.

Pakistan and Singapore reiterated their firm commitment to the policy of nonalignment. They also stressed the importance of a strict adherence to the fundamental principles of the nonaligned movement by member countries. Towards this end they agreed to cooperate closely with each other and other nonaligned countries at the forthcoming summit of the movement in March next year in New Delhi.

The two sides expressed satisfaction at the current state of their bilateral relations and noted that considerable steps existed for increasing trade and economic cooperation between them. They agreed on taking further necessary steps in all areas that would lead to mutually beneficial results.

Speaking at a news conference at the Istana [palace] this afternoon, President Ziaul Haq said he considered his exchange of views with Mr Lee Kuan Yew as the high point of his current visit to region. He said Mr Lee deserved to be known as a statesman of this region and of whom not only Singapore but the whole of Asia could be rightly proud of. He described Singapore as a valiant

and forthright protagonist of the principle of peaceful coexistence. Pakistan deeply appreciated Singapore's energetic and positive role in international diplomacy. He was confident that as the result of his visit the cooperation existing between Pakistan and the countries of this region would be further strengthened.

The Pakistani head of state pointed out that the peace and security of Southeast Asia was closely linked with the peace and security of Southwest Asia. Both regions faced similar problems, such as in Kampuchea and Afghanistan. He added that Pakistan and the countries of Southeast Asia had already lifted their voices with other peace-loving nations to demand a strict adherence to the principle of the nonuse of force and an end to the intervention and occupation and the withdrawal of foreign forces.

CSO: 4200/106

SLFP 'NAXILITES' REPORTEDLY PLANNED COUP

Colombo SUN in English 3 Nov 82 pp 1, 3

[Article by Kenneth Amerasekera]

[Text]

The Naxalite group in the Sri Lanka Freedom Party had decided to establish a military government, tearing up all constitutional procedures if its candidate was victorious at the Presidential poll, President J. R. Jayewardene disclosed to the Government Parliamentary Group yesterday.

Addressing a special group meeting at President's Square yesterday prior to the lunch he hosted for governments MPs and their wives. Mr Jayewardene said he had information that soon after the results of the Presidential poll were announced on October 21, this group in the SLFP which led the Presidential election campaign and were a majority in the Executive Committee (politbureau) had decided to assassinate him and a few other Ministers.

They had also decided to assassinate Anura Bandaranaike, Armed services chiefs and others, do away with the constitution, and imprison Mrs. Bandaranaike. In other words, on the strength of their victory, they wanted to establish a military government tearing up constitutional procedures as they announced at their election meetings, he said.

These actions which amounted to a coup were now being investigated, Mr. Jayewardene told the MPs.

"It was this and this alone that made me decide against a general election and go for a referendum", he said.

"I had to decide whether to allow this to happen or to ask the people whether in addition to my being allowed to govern our country with a democratic Parliament ensuring peace and progress through a stable government or to permit a set of political hooligans to enter Parliament in large numbers and while wrecking democratic Parliamentary procedures strengthen themselves to form their Naxalite government at the next General Election?

"I also thought the democratic members of the SLFP should be given time to assert their authority and gain control of their party", he said

"There is a long way to go to reach our goal. It will be beyond my second term of office. I wish at least to lay the foundations. I am asking you to give me that opportunity with a Parliament that has this majority.

"If I dissolved Parliament and held a General Election according to the October 20 voting my party the United National Party would have obtained 120 seats out of 196. The SLFP would have obtained 68 seats. I don't mind that but I do mind if the opposition is an anti-democratic, violent and Naxalite (anarchist) opposition. The SLFP leadership on October 20 was that.

"I decided to change my mind and call for a referendum and not a General Election for this reason and this reason alone."

He said a Referendum was an election. The voter was asked to vote for "Yes" (Lamp) or "No" (Pot).

He said it was a democratic method of finding out the views of the people. In the USA, France, Switzerland and among other democratic countries this right was conceded to the people.

For the first time Sri Lanka included this right in the 1978 Constitution. The President could call for a Referendum on any law he wished enacted and so could the Supreme Court if it thought certain laws required the people's consent over and above that of Parliament.

Certain decisions of Parliament did not become law even if Parliament unanimously decided on them eg. extending the period of the office of President or of Parliament.

Continuing the President said, "We included this in the Constitution to prevent what the previous Government did of extending their period of office from 1970 to 1975 by two years without consulting the people. On that occasion I showed the protest of the People by resigning my seat (Colombo South) and seeking re-election on this issue. I won by almost 25,000 votes. That was a Referendum in a single electorate and the people answered "No". This time I am seeking a Referendum in 168 electorates and I am requesting the voter to say "Yes" (Lamp).

"The majority of the voters of our country elected me their President. Out of 8,000,000 voters the total number that voted was 6,602,618 (80 per cent).

"I received 3,450,811 votes and was elected by a majority of 902,373 votes

"My term of office will continue till February 4, 1989. I presume I was elected to do a job of work and to continue the policy and programme of establishing a Free and Just Society for which a Mandate was given by an overwhelming majority in 1977. The United National Party won 140 seats out of 168, and now it has 143. That is a 5/6th majority

Prime Minister. R Premadasa asked the MPs to create an awareness among the people about the referendum particularly about the symbols as it was an election held on a new basis.

He said that more than one third of the total registered voters, that is 27 lakhs, would have to vote "Yes" to the question asked whether the term of the present Parliament should be extended by another six years to carry it through. If however no one voted "No" and 26 lakhs voted "Yes" yet the referendum would be defeated as it did not muster the minimum number of 27 lakhs of votes.

He said that the President, he and the Ministers would go campaigning like at the Presidential election. At the Presidential election the people had returned the UNP with a five sixth majority in Parliament. They were by this referendum asking for a endorsement of that verdict by asking the present Parliament with a five sixth majority to continue for another six years.

The Prime Minister replying to matters raised by MPs said that they had information that certain public servants had particularly during the last week of the election campaign worked openly for opposition even distributing the false ration books.

Many who were misled may have voted for the SLFP. Many innocent poor people who fell prey to this plot went to their co-operative store asking for rice on the ration book.

He said that the MPs should provide these details to the President who would investigate those matters.

CSO: 4200/98

COMMUNIST PAPER CLOSED

Colombo THE ISLAND in English 3 Nov 82 p 1

[Text]

The Government yesterday sealed the offices and the Press of the Communist party-oriented Sinhala daily the "Aththa" acting under the Emergency.

A 40-strong Police party from the Borella Police led by ASP C. Navaratnam walked into the newspaper office at Kotte Road, Borella, situated in the premises of the Communist Party headquarters, sealed the Press and seized copies of the paper. The sealing of the Press was done under Section 14 (3) of the Public Security Ordinance on an order by the Secretary to the Minister of State Douglas Liyanage. The order said that in the Secretary's opinion, the publication of the 'Aththa' "would be prejudicial to the interests of public security, the preservation of public order and the maintenance of supplies essential to the life of the community".

The Deputy President of the Sri Lanka Communist Party Pieter Keuneman said last night that the reason for the sealing may have been an article of his due to have been published in today's paper asking why the Government which did not impound the passports of the 14 cricketers currently touring South Africa had resorted to impounding the passports of Messrs Hector Kobbekaduwe and Vijaya Kumaranatunge

Commenting on the closure of the paper which had been sharply critical of the Government during recent months, Mr.Keuneman said "It is yet another step on the road to dictatorship. It will deprive the Opposition of a powerful newspaper during the Referendum".

CSO: 4200/98

FAKE RATION BOOK INVESTIGATION CONTINUES

Colombo THE ISLAND in English 3 Nov 82 p 1

[Text]

CID investigations have revealed that about five million fake rice ration books were printed and distributed on the eve of the Presidential election.

The SLFP Presidential candidate was questioned again yesterday in this connection at the fourth floor CID office in the New Secretariat, Fort. Mr. Kobbekaduwe had been questioned earlier too.

Among the others questioned by the CID in the course of their probe into this matter were the SLFP leader, Mrs. Sirima Bandaranaike and film actor, Mr. Vijaya Kumaranatunge.

Mrs. Chandrika Kumaranatunge is likely to be questioned soon, sources said.

About 50 SLFP organisers of electoral constituencies have also been questioned so far and Mr. Ossie Abeygunasekara, SLFP organiser for Kelaniya, who was taken in for questioning in this connection, had been remanded.

Police are also looking for a person who is believed to have supplied the plates used in the printing of the ration books.

Investigators on the bogus ration book trial are likely to fan out into the provinces shortly, police sources said.

CSO: 4200/98

EDITORIAL EXAMINES TAMIL RESPONSIBILITY

Colombo THE ISLAND in English 3 Nov 82 p 6

[Text]

It is now the turn of Tamil police officers to fight shy of serving in police stations in the North. This is simply because they realise that it is not only Sinhala policemen who are the targets of terrorist attack. To the gunmen of the North, race does not matter. Whoever wears the insignia of the police is a ready target.

But what is ironical is that while the Tamil United Liberation Front is asking the Government to send more Tamil police officers to the North, the men who are thus picked are submitting a spate of sick notes. More Tamil-speaking police officers for the predominantly Tamil areas has been a perennial demand of Tamil parties. Now that Tamil has been recognised as a national language this assumes further validity.

There is provision under the Constitution for statements to be recorded in Tamil in predominantly Tamil areas but this has not been possible in most cases because of the lack of qualified personnel. Apart from this practical advantage there is also the further benefit that when police officers who can speak Tamil are stationed in the Northern and Eastern provinces, there is better rapport between the people and the police. The paradox is that the activities of the terrorists supposedly in the furtherance of their objective of Tamil Eelam are frightening away the Tamil policemen from where they are most urgently needed.

This is only one of the many ironies of contemporary Tamil politics. The terrorist movement today has lost whatever progressive character it might originally have had. If it had even a modicum of justification as a protest movement of frustrated Tamil youth disenchanted and driven to desperation by their enforced isolation from the mainstream of national life, today it has become a terrorist movement pure and simple, an anarchist movement whose only language is mindless violence.

It is this politics of terror of a small but determined band of youths which has become the chief obstacle to the solution of the national question. The problem of Tamil policemen who are suddenly stricken by mysterious

illnesses when they are transferred to Jaffna offers only one aspect of this whole paradox.

There is no doubt about it that that police and the armed forces in the North have reacted with sometimes unwarranted brutality in the suppression of the terrorist movement. But it must also not be forgotten by the arm-chair supporters of Northern anarchism that it was the terrorism of the Eelamists which invited the counter-violence of the state machinery. No country can afford to have a segment of the population engaging in periodic acts of terror, whose culmination can only be the disruption of the entire social fabric.

If responsible Tamil opinion does not pressurise the anarchist youth movement to abandon its politics of the fun barrel, the Government will have to stamp out terrorism however terrible the consequences will be. In 1971 the country witnessed the spectacle of a whole generation of young people, an entire segment of an acutely socially-conscious and committed intelligentsia been decimated. The country cannot afford the luxury of this happening again in the North for though divided by man-made racial barriers we are all a single people.

This is the challenge for the Tamil intelligentsia and the more serious-minded among the Tamil people. Terrorist methods cannot bring Eelam to the North. It can only alienate even those Sinhalese who are ready to adopt a liberal attitude to the Sinhala-Tamil question and invite state terrorism as a counter.

The Government for its part must continue its efforts to augment the police strength in the North and make the police more alert to the dangers of a sudden attack. In this context the move to get the army to give protection to police stations during the vulnerable hours of the night is to be welcomed.

We are also happy that the police have decided not to abandon any Northern police stations (something we strongly urged them to desist from doing in these columns on Sunday). But in the last analysis it is the responsibility of the more responsible-minded sections of the Tamils to pressurise the anarchists to abandon their politics of terror.

CSO: 4200/98

PLOT TO UNLEASH VIOLENCE INVESTIGATED

Colombo SUN in English 3 Nov 82 p 1

[Article by Ranil Weerasinghe]

[Text] Tyrell Gunetilleke, who yesterday assumed duties as DIG Crimes and Operations following his re-instatement, was placed in charge of an investigation into an alleged plot to unleash a wave of violence immediately after the Presidential Election.

This follows intelligence reports on what is termed as a co-ordinated attempt to attack the residences of the President, Prime Minister, a number of senior politicians and other selected targets.

A special handpicked team of officers will function under DIG Gunetilleke. They have now taken over the custody of a businessman detained under emergency regulations. They are also to record the statements of several politicians including unsuccessful Presidential candidate Hector Kobakaduwa and actor Vijaya Kumaratunga. The passports of these two persons have already been impounded following investigations into the distribution of fake rice ration books.

Tapes made by intelligence officers during various political meetings are also being studied. The tapes were made by the ISD on the advice of the Police Elections Secretariat. Heads of divisions throughout Sri Lanka were told to record all statements made by politicians which were considered inflammatory or defamatory. Equipment necessary for the purpose had been made available.

Referring to these developments President J.R. Jayewardene yesterday told the Government Group that the naxalite group in the SLFP had decided to establish a military government and that a group in the party had planned to assassinate him and other ministers.

The investigating team will also probe statements made by several opposition politicos in the light of the election violence aimed against supporters of the UNP in the pre-election period.

In the run up to the polls of the 861 complaints recorded, 419 had been made by supporters of the UNP.

Police believe that violence on an unprecedented scale might have been unleashed had this party won the elections.

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END

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TEXT OF BURMA CITIZENSHIP LAW

Rangoon THE WORKING PEOPLE'S DAILY in English 16 Oct 82 SPECIAL SUPPLEMENT [Four pages]

[Text] The following is the English translation of the Burma Citizenship Law:

Burma Citizenship Law

(Pyithu Hluttaw Law No 4 of 1982)

The Pyithu Hluttaw enacts the following Law:--

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Chapter I

Title and Definition

1. This Law shall be called the Burma Citizenship Law.

2. The following expressions contained in this Law shall have the meanings given hereunder:—

(a) "State" means the Socialist Republic of the Union of Burma;

(b) "Citizen" means a Burma citizen;

(c) "Associate Citizen" means an associate citizen prescribed by this Law;

(d) "Naturalized Citizen" means a naturalized citizen prescribed by this Law;

(e) "Foreigner" means a person who is not a citizen, an associate citizen or a naturalized citizen;

(f) "Certificate of Citizenship" means a certificate of citizenship granted under the Union Citizenship (Election) Act, 1948 or the Union Citizenship Act, 1948 or this Law;

(g) "Certificate of Associate Citizenship" means a certificate of associate citizenship granted under this Law;

(h) "Certificate of Naturalized Citizenship" means a certificate of naturalized citizenship granted under this Law;

(i) "Central Body" means the body established under this Law.

Chapter II

Citizenship

3. Nationals such as the Kachin, Kayah, Karen, Chin, Burman, Mon, Rakhine or Shan and ethnic groups as have settled in any of the territories included within the State as their permanent home from a period prior to 1185 B.E., 1823 A.D. are Burma citizens.

4. The Council of State may decide whether any ethnic group is national or not.

5. Every national and every person born of parents, both of whom are nationals are citizens by birth.

6. A person who is already a citizen on the date this Law comes into force is a citizen. Action however, shall, be taken under section 18 for infringement of the provision of that section.

7. The following persons born in or outside the State are also citizens:—

(a) persons born of parents, both of whom are citizens;

(b) persons born of parents, one of whom is a citizen and the other an associate citizen;

(c) persons born of parents, one of whom is a citizen and the other a naturalized citizen;

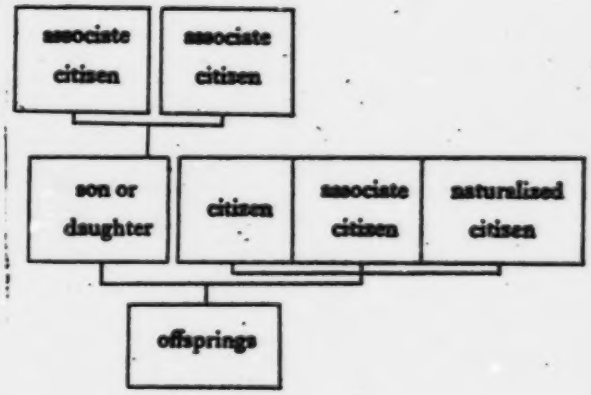
(d) offsprings born of parents, one of whom is—

(i) a citizen; or

(ii) an associate citizen; or

(iii) a naturalized citizen;

and the other born of parents, both of whom are associate citizens;



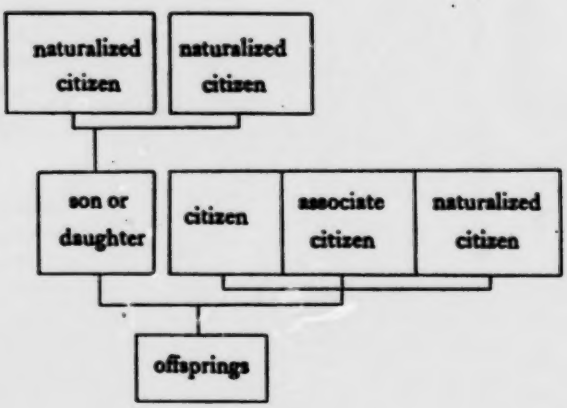
(e) offsprings born of parents, one of whom is—

(i) a citizen; or

(ii) an associate citizen; or

(iii) a naturalized citizen;

and the other born of parents, both of whom are naturalized citizens;



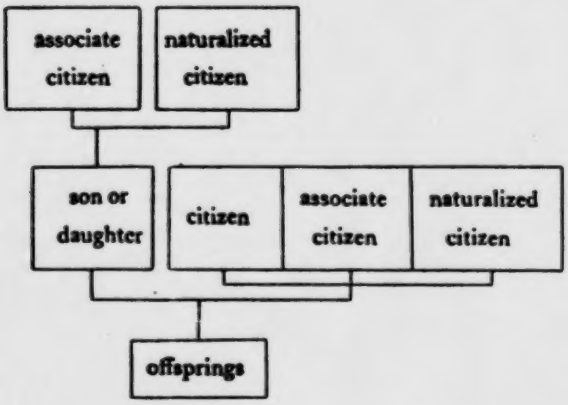
(f) offsprings born of parents, one of whom is —

(i) a citizen; or

(ii) an associate citizen; or

(iii) a naturalized citizen;

and the other born of parents, one of whom is an associate citizen and the other a naturalized citizen.



8. (a) The Council of State may, in the interest of the State, confer on any person citizenship or associate citizenship or naturalized citizenship.

(b) The Council of State may, in the interest of the State, revoke the citizenship or associate citizenship or naturalized citizenship of any person, except a citizen by birth.

9. In respect of a citizen born in the State, the parent or guardian shall have his birth registered in the prescribed manner, within one year from the date he completes the age of ten years, at the organizations prescribed by the Ministry of Home Affairs.

Proviso. If registration is not possible within one year from the date he completes the age of ten years, application may be made by the parent or guardian, furnishing sufficient reasons to the organizations prescribed by the Ministry of Home Affairs.

10. In respect of a citizen born outside the State, the parent or guardian shall have his birth registered in the prescribed manner, within one year from the date of birth at the Burmese Embassy or Consulate or organizations prescribed by the Ministry of Home Affairs.

Proviso. If registration is not possible within one year from the date of birth, application may be made by the parent or guardian, furnishing sufficient reasons to the Central Body through the Burmese Embassy or Consulate or organizations prescribed by the Ministry of Home Affairs.

11. (a) A parent or guardian who fails to comply with section 9 or section 10 shall pay a penalty of kyats fifty per year to the Burmese Embassy or Consulate or an organization prescribed by the Ministry of Home Affairs.

(b) A parent or guardian who fails for five years in succession to comply with section 9 or section 10 shall pay a penalty of kyats one thousand.

12. A citizen shall

(a) respect and abide by the laws of the State;

(b) discharge the duties prescribed by the laws of the State;

(c) be entitled to enjoy the rights prescribed by the laws of the State.

13. A citizen shall not acquire dual citizenship.

14. A citizen shall have no right to renounce his citizenship during any war in which the State is engaged.

15. (a) A citizen shall not lose his citizenship merely by marriage to a foreigner.

(b) A foreigner shall not acquire citizenship merely by marriage to a citizen.

16. A citizen who leaves the State permanently, or who acquires the citizenship of or registers himself as a citizen of another country, or who takes out a passport or a similar certificate of another country ceases to be a citizen.

17. The citizenship of a citizen by birth shall not be revoked, except in the case of cessation of citizenship under section 16.

18. A citizen who has acquired citizenship by making a false representation or by concealment shall have his citizenship revoked, and shall also be liable to imprisonment for a term of ten years and to a fine of kyats fifty thousand.

19. A citizen who has committed abetment of obtaining, in a fraudulent manner, a certificate of citizenship or associate citizenship or naturalized citizenship for another person shall be liable to imprisonment for a term of seven years and to a fine of kyats ten thousand.

20. (a) The certificate of citizenship of a person whose citizenship has ceased or has been revoked shall be cancelled. A person holding such a cancelled certificate shall surrender it in the manner prescribed by the Ministry of Home Affairs.

(b) Failure to surrender a cancelled certificate of citizenship or continued use of it or transfer of it, in a fradulent manner, to another person shall entail imprisonment for a term of ten years and a fine of kyats twenty thousand.

(c) Whoever holds and uses a cancelled certificate of citizenship or the certificate of a deceased citizen shall be liable to imprisonment for a term of ten years and to a fine of kyats twenty thousand.

21. Whoever forges a certificate of citizenship or abets such act shall be liable to imprisonment for a term of fifteen years and to a fine of kyats fifty thousand.

22. A person whose citizenship has ceased or has been revoked shall have no right to apply again for citizenship or associate citizenship or naturalized citizenship.

Chapter III

Associate Citizenship

23. Applicants for citizenship under the Union Citizenship Act, 1948, conforming to the stipulations and qualifications may be determined as associate citizens by the Central Body.

24. A person who has been determined as an associate citizen by the Central Body shall appear in person before an organization prescribed by the Ministry of Home Affairs, and shall make an affirmation in writing that he owes allegiance to the State, that he will respect and abide by the laws of the State and that he is aware of the prescribed duties and rights.

25. The Central Body may include in the certificate of associate citizenship the names of children mentioned in the application. The child whose name is so included is an associate citizen.

26. The child whose name is included under section 25, and who has completed the age of eighteen years shall make an affirmation in accordance with section 24, along with the parents.

27. (a) The child whose name is included under section 25 and who has not completed the age of eighteen years shall, within one year from the date he completes the age of eighteen years, appear in person before an organization prescribed by the Ministry of Home Affairs and make an affirmation in accordance with section 24.

(b) A person who fails to comply with sub-section (a) shall pay a penalty of kyats fifty per year to an organization prescribed by the Ministry of Home Affairs.

28. If affirmation is not possible within one year, application may be made, furnishing sufficient reasons to the Central Body, through the organizations prescribed by the Ministry of Home Affairs. If there is no sufficient reason after the date on which he completes the age of twenty-two years, he shall lose his associate citizenship.

29. (a) Where both the parents lose their associate citizenship, the children included in their certificate of associate citizenship, who have not completed the age of eighteen years, and the children included in their certificate of associate citizenship, who have completed the age of eighteen years, but have not made an affirmation cease to be associate citizens.

(b) Where one of the parents is an associate citizen and the other a foreigner, and if the mother or father who is an associate citizen, loses her or his associate citizenship, the children included in the certificate held by her or him, who have not completed the age of eighteen years, and the children included in the certificate held by her or him, who have completed the age of eighteen years, but have not made an affirmation cease to be associate citizens.

30. An associate citizen shall—

(a) respect and abide by the laws of the State;

(b) discharge the duties prescribed by the laws of the State;

(c) be entitled to enjoy the rights of a citizen under the laws of the State, with the exception of the rights stipulated from time to time by the Council of State.

31. An associate citizen shall not acquire dual citizenship.

32. An associate citizen shall have no right to renounce his associate citizenship during any war in which the State is engaged.

33. An associate citizen shall not acquire citizenship merely by marriage to a citizen.

34. An associate citizen who leaves the State permanently, or who acquires the citizenship of or registers himself as a citizen of another country, or who takes out a passport or a similar certificate of another country ceases to be an associate citizen.

35. The Central Body may revoke the associate citizenship of a person if he infringes any of the following provisions:—

(a) trading or communicating with enemy countries or with countries assisting the enemy country, or with citizens or organizations of such countries during a war in which the State is engaged, or abetting such an act;

(b) trading or communicating with an organization or with a member of such organization which is hostile to the State, or abetting such an act;

(c) committing an act likely to endanger the sovereignty and security of the State or public peace and tranquillity or giving rise to the reasonable belief that he is about to commit such an act;

(d) showing disaffection or disloyalty to the State by any act or speech or otherwise;

(e) giving information relating to a State secret to any person, or to any organization, or to

any other country or countries, or abetting such an act;

(f) committing an offence involving moral turpitude for which he has been sentenced to imprisonment for a minimum term of one year or to a minimum fine of kyats one thousand.

36. An associate citizen who has acquired such citizenship by making a false representation or by concealment shall have his associate citizenship revoked, and shall also be liable to imprisonment for a term of ten years and to a fine of kyats fifty thousand.

37. An associate citizen who has committed abetment of obtaining, in a fraudulent manner, a certificate of citizenship or associate citizenship or naturalized citizenship for another person shall have his associate citizenship revoked, and shall also be liable to imprisonment for a term of seven years and to a fine of kyats ten thousand.

38. An associate citizen, who has personal knowledge of an offence committed by any person under section 36 or section 37, or is an accomplice to the commission of such an offence, discloses or admits the offence before organizations prescribed by the Ministry of Home Affairs, within one year from the date this Law comes into force, or within one year from the date of commission of the offence, shall be exempted from the penal provisions relating to such offence.

39. (a) The certificate of associate citizenship of a person whose associate citizenship has ceased or has been revoked shall be cancelled. A person holding such a cancelled certificate shall surrender it in the manner prescribed by the Ministry of Home Affairs.

(b) Failure to surrender a cancelled certificate of associate citizenship or continued use of it or transfer of it, in a fraudulent manner, to another person shall entail imprisonment for a term of ten years and a fine of kyats twenty thousand.

(c) Whoever holds and uses a cancelled certificate of associate citizenship or the certificate of a deceased associate citizen shall be liable to imprisonment for a term of ten years and to a fine of kyats twenty thousand.

40. Whoever forges a certificate of associate citizenship or abets such act shall be liable to imprisonment for a term of fifteen years and to a fine of kyats fifty thousand.

41. A person whose associate citizenship has ceased or has been revoked shall have no right to apply again for associate citizenship or naturalized citizenship.

Chapter IV

Naturalized Citizenship

42. Persons who have entered and resided in the State prior to 4th January, 1948, and their children born within the State may, if they have not yet applied under the Union Citizenship Act, 1948, apply for naturalized citizenship to the Central Body, furnishing conclusive evidence.

43. The following persons, born in or outside the State, from the date this Law comes into force, may also apply for naturalized citizenship:—

(a) persons born of parents, one of whom is a citizen and the other a foreigner;

(b) persons born of parents, one of whom is an associate citizen and the other a naturalized citizen;

(c) persons born of parents, one of whom is an associate citizen and the other a foreigner;

(d) persons born of parents, both of whom are naturalized citizens;

(e) persons born of parents, one of whom is a naturalized citizen and the other a foreigner.

44. An applicant for naturalized citizenship shall have the following qualifications:—

(a) be a person who conforms to the provisions of section 42 or section 43;

(b) have completed the age of eighteen years;

(c) be able to speak well one of the national languages;

(d) be of good character;

(e) be of sound mind.

45. A person married to a citizen or to an associate citizen or to a naturalized citizen, who is holding a Foreigner's Registration Certificate, prior to the date this Law comes into force, shall have the following qualifications to apply for naturalized citizenship:—

(a) have completed the age of eighteen years;

(b) be of good character;

(c) be of sound mind;

(d) be the only husband or wife;

(e) have resided continuously in the State for at least three years as the lawful wife or husband.

46. (a) A person who has been determined as a naturalized citizen by the Central Body shall appear in person before an organization prescribed by the Ministry of Home Affairs, and shall make an affirmation in writing that he owes allegiance to the State, that he will respect and abide by the laws of the State and that he is aware of the prescribed duties and rights.

(b) A person, holding a Foreigner's Registration Certificate,on being determined as a naturalized citizen by the Central Body, shall appear in person before an organization prescribed by the Ministry of Home Affairs, and shall make an affirmation in writing that he renounces his foreign citizenship, that he owes allegiance to the State, that he will respect and abide by the laws of the State and that he is aware of the prescribed duties and rights.

47. The Central Body may include in the certificate of naturalized citizenship the names of children mentioned in the application. The child whose name is so included is a naturalized citizen.

48. The child whose name is included under section 47, and who has completed the age of eighteen years shall make an affirmation in accordance with sub-section (a) of section 46, along with the parents.

49. (a) The child whose name is included under section 47, and who has not completed the age of eighteen years shall, within one year from the date on which he completes the age of eighteen years, appear in person before an organisation prescribed by the Ministry of Home Affairs and make an affirmation in accordance with sub-section (a) of section 46.

(b) A person who fails to comply with sub-section (a) shall pay a penalty of kyats fifty per year to an organization prescribed by the Ministry of Home Affairs.

50. If affirmation is not possible within one year, application may be made, furnishing sufficient reasons to the Central Body, through the organizations prescribed by the Ministry of Home Affairs. If there is no sufficient reason after the date on which he completes the age of twenty-two years, he shall lose his naturalized citizenship.

51. (a) Where both the parents lose their naturalized citizenship, the children included in their certificate of naturalized citizenship, who have not completed the age of eighteen years, and the children included in their certificate of naturalized citizenship, who have completed the age of eighteen years, but have not made an affirmation cease to be naturalized citizens.

(b) Where one of the parents is a citizen and the other a foreigner, and if the mother or father loses her or his citizenship, the children included in the certificate held by her or him, who have not completed the age of eighteen years, and the children included in the certificate held by her or him, who have completed the age of eighteen years, but have not made an affirmation cease to be naturalized citizens.

(c) Where one of the parents is an associate citizen and the other a foreigner, and if the mother or father who is an associate citizen loses her or his associate citizenship, the children included in the certificate held by her or him, who have not completed the age of eighteen years, and the children included in the certificate held by her or him, who have completed the age of eighteen years, but have not made an affirmation cease to be naturalized citizens.

(d) Where one of the parents is a naturalized citizen and the other a foreigner, and if the mother or father who is a naturalized citizen loses her or his naturalized citizenship, the

children included in the certificate held by her or him, who have not completed the age of eighteen years, and the children included in the certificate held by her or him, who have completed the age of eighteen years, but have not made an affirmation cease to be naturalized citizens.

52. If a person married to a citizen or to an associate citizen or to a naturalized citizen, who is holding a Foreigner's Registration Certificate prior to the date this Law comes into force applies for naturalized citizenship and the husband or wife of such a person dies or is divorced from such a person before acquiring naturalized citizenship, the application for naturalized citizenship of such a person shall lapse.

53. A naturalized citizen shall -

(a) respect and abide by the laws of the State;

(b) discharge the duties prescribed by the laws of the State;

(c) be entitled to enjoy the rights of a citizen under the laws of the State, with the exception of the rights stipulated from time to time by the Council of State.

54. A naturalized citizen shall not acquire dual citizenship.

55. A naturalized citizen shall have no right to renounce his naturalized citizenship during any war in which the State is engaged.

56. A naturalized citizen shall not acquire citizenship or associate citizenship merely by marriage to a citizen or an associate citizen.

57. A naturalized citizen, who leaves the State permanently, or who acquires the citizenship of or registers himself as a citizen of another country, or who takes out a passport or a similar certificate of another country, ceases to be a naturalized citizen.

58. The Central Body may revoke the naturalized citizenship of a person if he infringes any of the following provisions:-

(a) trading or communicating with enemy countries or with countries assisting the enemy country, or with citizens or organizations of such countries during a war in which the State is engaged, or abetting such an act;

(b) trading or communicating with an organization or with a member of such organization which is hostile to the State, or abetting such an act;

(c) committing an act likely to endanger the sovereignty and security of the State or public peace and tranquillity or giving rise to the reasonable belief that he is about to commit such an act;

(d) showing disaffection or disloyalty to the State by any act or speech or otherwise;

(e) giving information relating to a State secret to any person, or to any organization, or to any other country or countries, or abetting such an act;

(f) committing an offence involving moral turpitude for which he has been sentenced to imprisonment for a minimum term of one year or to a minimum fine of kyats one thousand.

59. A naturalized citizen who has acquired such citizenship by making a false representation or by concealment shall have his naturalized citizenship revoked, and shall also be liable to imprisonment for a term of ten years and to a fine of kyats fifty thousand.

60. A naturalized citizen who has committed abetment of obtaining, in a fraudulent manner, a certificate of citizenship or associate citizenship or naturalized citizenship for another person shall have his naturalized citizenship revoked, and shall also be liable to imprisonment for a term of seven years and to a fine of kyats ten thousand.

61. A naturalized citizen, who has personal knowledge of an offence committed by any person under section 59 or section 60, or is an accomplice to the commission of such an offence, discloses or admits the offence before organizations prescribed by the Ministry of Home Affairs, within one year from the date this Law comes into force, or within one year from the date of commission of the offence, shall be exempted from the penal provisions relating to such offence.

62. (a) The certificate of naturalized citizenship of a person, whose naturalized citizenship has ceased or has been revoked, shall be cancelled. A person holding such a cancelled certificate shall surrender it in the manner prescribed by the Ministry of Home Affairs.

(b) Failure to surrender a cancelled certificate of naturalized citizenship or continued use of it or transfer of it, in a fraudulent manner, to another person shall entail imprisonment for a term of ten years and a fine of kyats twenty thousand.

(c) Whoever holds and uses a cancelled certificate of naturalized citizenship or the certificate of a deceased naturalized citizen shall be liable to imprisonment for a term of ten years and to a fine of kyats twenty thousand.

63. Whoever forges a certificate of naturalized citizenship or abets such act shall be liable to imprisonment for a term of fifteen years and to a fine of kyats fifty thousand.

64. A person whose naturalized citizenship has ceased or has been revoked shall have no right to apply again for naturalized citizenship.

Chapter V

Decision as to Citizenship, Associate Citizenship or Naturalized Citizenship

65. Any person may apply to the Central Body when it is necessary for a decision as to his citizenship, associate citizenship or naturalized citizenship.

66. The Central Body shall—

(a) permit the applicant the submission of application with supporting evidence;

(b) decide in accordance with law;

(c) inform its decision to the applicant.

Chapter VI

Central Body

67. The Council of Ministers shall form the Central Body as follows:—

(a) Minister Ministry of Home Affairs	Chairman
(b) Minister Ministry of Defence	Member
(c) Minister Ministry of Foreign Affairs	Member

68. The Central Body has the authority to:—

(a) decide if a person is a citizen, or an associate citizen or a naturalized citizen;

(b) decide upon an application for associate citizenship or naturalized citizenship;

(c) terminate citizenship or associate citizenship or naturalized citizenship;

(d) revoke citizenship or associate citizenship or naturalized citizenship;

(e) decide upon an application regarding failure as to registration or affirmation.

69. The Central Body shall give the right of defence to a person against whom action is taken.

Chapter VII

Appeals

70. (a) A person dissatisfied with the decision of the Central Body may appeal to the Council of Ministers in accordance with the prescribed procedure.

(b) The decision of the Council of Ministers is final.

71. No reason need be given by organizations invested with authority under this Law in matters carried out under this Law.

Chapter VIII

General Provisions

72. No foreigner shall have the right to apply for naturalized citizenship from the date this Law comes into force, except under provisions of this Law.

73. A foreigner who is adopted by a citizen or by an associate citizen or by a naturalized citizen shall not acquire citizenship or associate citizenship or naturalized citizenship.

74. All matters relating to this Law, except penal matters, shall be decided only by the organizations which are invested with authority to do so.

75. The Council of Ministers shall, for the purpose of carrying out the provisions of this Law, prescribe necessary procedures with the approval of the Council of State.

76. The following Acts are repealed by this Law:

(a) The Union Citizenship (Election) Act, 1948;

(b) The Union Citizenship Act, 1948.

CSO: 4200/86

COMMERCE MINISTER OPENS SEMINAR ON EEC COOPERATION

New Delhi PATRIOT in English 5 Nov 82 p 7

[Text] Commerce Minister Shivarj Patil expressed serious concern on Thursday at India's growing trade deficit with the European Economic Community (EEC) and called for urgent steps to rectify it, reports PTI.

Inaugurating a seminar on 'Indo-EEC economic cooperation' in Delhi, Mr Patil said the continuous increase of trade gap from Rs 1,092 million in 1977-78 to Rs 13,132 million should be a matter of concern to both India and EEC.

He hoped the dynamism that Indo-EEC relations would acquire will help India in reducing the gap which has widened during the last four years.

Mr Patil said measures were urgently called to rectify this in the interest of harmonious development of trade and economic relations between India and the EEC.

The seminar has been organised by the Trade Development Authority of India in collaboration with the Federation of Indian Chamber of Commerce and Industry and the India Investment Centre.

Mr Patil said India was determined to step up its export drive and to expand and diversify its exports to the most vibrant markets of the EEC.

At the same time, he hoped EEC would help India in its export promotion efforts by providing greater access for Indian products to its markets and by stepping up assistance for India's market promotion efforts in the EEC countries.

The Commerce Minister emphasised India's ability to sustain its liberal import policy would depend largely upon its capability to generate adequate foreign exchange reserves through a health growth of its manufactured exports.

Mr Patil expressed happiness at the signing of a new four-year bilateral textile agreement with the EEC, operative from 1 January next year. He hoped its implementation would be in the spirit of the multi-fibre arrangement.

Representatives from Indian industry, trade and from EEC are attending the seminar organised by TFA to coincide with the India International Trade Fair.

Mr Patil described the formation of the council of the EEC Chambers of Commerce in India, inaugurated here two days back by EEC president Gaston Thron, as an important step in promoting Indo-EEC cooperation.

Mr Patil said while the EEC constituted one of India's major trading partners, India's share remained an insignificant one per cent of EEC's global trade.

Despite this, EEC's exports to India rose by 285 per cent and those of India to EEC by 210 per cent between 1973 and 1980.

CSO: 4600/1273

INCREASED INFLUX FROM BANGLADESH CAUSES CONCERN

Calcutta THE STATESMAN in English 5 Nov 82 p 7

[Text] The Centre is concerned over an unprecedented rise in the number of illegal entrants from Bangladesh into West Bengal. Senior Central officials now in Calcutta said on Thursday that the number of Bangladesh detected in the eight bordering districts of West Bengal and pushed back in recent months was "much higher" than in previous years.

What is still more disquietening is that while the figure of illegal entrants from Bangladesh into the North-eastern States has come down to a trickle, in the case of West Bengal is is rising sharply. The officials feel that this is the direct result of the trouble brewing in north-east India over the nationals issue. The officials feel that because Bangladeshis are readily acceptable in West Bengal, the influx is greater in this State.

According to the figures available with the Centre, the Border Security Force and the Mobile Task Force of the West Bengal Police detected and pushed back about 8,300 Bangladeshis till September. The breakdown of figures makes interesting reading. For the first time the number of Muslims trying to enter West Bengal "far out-stripped" that of Hindus. While over 6,122 of the illegal entrants were Muslims the number of Hindus was comparatively small, about 2,100. The rest were "Bihari" Muslims stranded in Bangladesh.

The Union Home Ministry is worried that the number of Muslims trying to enter West Bengal and pushed back was doubled in one year. In 1981, the number of Muslims detected and returned to Bangladesh numbered 3,409.

Surprisingly, the number of Hindus held and sent back to Bangladesh from West Bengal has remained almost the same for the past two years. Officials say that this is not a true reflection of the flow of Bangladesi Hindus into the State. But they feel that in any case the flow is smaller than that of Muslims into the State. Detection of Hindus is difficult because of the "better cover" they get in West Bengal.

Officials say that the sudden spurt in the Muslim influx into the State was noticed about five years ago. Purely economic reasons had forced them to enter the State. Interrogation revealed that most of them were landless labourers who came to the State in search of agricultural jobs. Many found jobs easily

as they were agreeable to work for half or even less of the statutory minimum wage fixed by the West Bengal Government. Big landlords and agriculturists sometime lured them to come across to work in their fields. Drought and the food problem in the bordering districts of Bangladesh have forced them to come to West Bengal in larger numbers this year, according to informed sources.

CSO: 4600/1269

PACTS FOR SOVIET SUPPLY OF OIL PRODUCTS REPORTED

Madras THE HINDU in English 5 Nov 82 p 9

[Text]

NEW DELHI, Nov. 4.

The Soviet Union will supply India 4.75 million tonnes of crude oil and petroleum products next year.

While a contract for import by India of 2.25 million tonnes of kerosene and high speed diesel oil was entered into today, a separate contract for supply of 2.5 million tonnes of crude oil will be signed shortly.

Cost: The total cost of the imports is put at Rs. 1,000 crores. The contract for the import of kerosene and high speed diesel oil was signed at the Soviet pavilion in the India international trade fair today.

While Mr. A. J. A. Tauro, Chairman of Indian Oil Corporation signed on behalf of India, Mr. Y. N. Kharlamov, Vice President, Souzneft Export signed for the USSR.

The brief ceremony was attended by Mr. Lovraj Kumar, Secretary Department of Petroleum and Mr. Y. M. Vorontsov, the USSR ambassador here.

Largest supplier: The USSR is the biggest supplier of crude oil and oil products to India for the last several years.

In 1961, in spite of increasing internal demand for crude oil, the USSR, in response to India's request, increased delivery of crude oil and petroleum to a considerable extent.

Out of its total imports India now receives from the USSR approximately 50 per cent of oil products and 15 per cent of crude oil. The Soviet Union sells to India against rupee payment.

Refinery capacity: With a capacity of six million tonnes of oil per annum, the Mathura refinery has gone into commercial production. The total capacity of oil-refining enterprises built in India with Soviet assistance will exceed 16 million tonnes a year.

On the basis of the Inter-Governmental agreement of February 1961, two modern oil refineries were built in India in the mid-1960's.

In 1964, the refinery at Barauni with three million tonnes a year capacity was put into operation and in 1965 the Koyali refinery was opened with the same capacity. The capacities of these refineries were subsequently increased to 3.3 million tonnes and 7.3 million tonnes of oil respectively. — PTI.

CSO; 4600/1271

AKALIS' MAP OF PUNJAB

Calcutta THE STATESMAN in English 7 Nov 82 p 1

[Text] Amritsar, Nov. 6--The Akali Dal today disclosed its map of an enlarged State of Punjab, with territories acquired from the three adjoining States of Rajasthan, Himachal Pradesh and Haryana, reports UNI. Besides these, the Akalis want Chandigarh to be handed over to them immediately.

An outline of the Punjab map conceived by the Akali leadership was revealed in Patiala today by the Shiromani Gurdwara Prabandhak Committee president, Mr Gurcharan Singh Tohra.

Mr Tohra told a meeting of Akali Dal workers that it was wrong to link the transfer of Abohar and Fazilka to Haryana with the handing over of Chandigarh to Punjab.

The Akali "Morcha dictator", Sant Harchand Singh Longowal, hinted in a statement here that the Akali leadership was hoping to have the talks with the Centre revived.

In the Akali scheme of territorial adjustments, Punjab should get Ganganagar district of Rajasthan, Una district and the Nalagarh area of Himachal Pradesh, and the Punjabi-speaking areas of Haryana, besides the Union Territory of Chandigarh.

The Akalis, however, would not allow Abohar and Fazilka to be given to Haryana as a quid pro quo for Chandigarh according to Mr Tohra's Patiala statement today.

Sant Longowal, who in his statement dwelt on the threatened Akali morcha to be staged in Delhi to coincide with the opening of the Asian Games, announced that the Jatha would leave Amritsar on November 18 and would be led by Mr Jeevan Singh Umranangal and the former Akali Dal general secretary, Mr Prakash Singh Majitha. He, however, will not lead the Jatha, as he had said here on November 4.

Both Sant Longowal and Mr Tohra called on their party men to be peaceful and to be restrained in their speeches.

Our Special Representative in New Delhi adds : The Centre is taking all precautionary measures to ensure that demonstrations are not allowed to interfere with the Asian Games beginning on November 19. The Union Home Ministry began all preparations in this connexion today to see that there was no untoward incident in Delhi on the occasion.

The clarification given yesterday by Sant Harchand Singh Longowal that it was not the intention of the Akali leaders to hold such demonstrations as would disrupt the Asian Games has been viewed with some satisfaction in Delhi. The Sant's suggestion that Mrs Gandhi should visit Amritsar as a "gesture" is also regarded here as rather conciliatory in contrast with the spirit of the resolutions passed at the Akali leader's gathering at Amritsar on Thursday.

However, it has been stated by the Union Home Minister, Mr P. C. Sethi that the Prime Minister's visit to Punjab cannot take place without adequate preparations and talks that would lead to a solution to the present statement.

The Centre, it is stated is not prepared to leave anything to chance but is making fool-proof security arrangements for the Asiad, and will quell violence or disorderly demonstrations with a firm hand, whether in Delhi or in Punjab.

The Haryana Chief Minister Mr Bhajan Lal, was asked to come here today for consultations with the Union Home Ministry and preventive steps are understood to have been worked out in case Akali Jathas attempt to proceed to Delhi through the Haryana territory.

The Government is said to be "well-prepared" to prevent Akali Jathas wanting to disturb the Asian Games from entering the capital.

Mr Bhajan Lal has convened a meeting of all Opposition leaders in the State on Monday to draw up a strategy for safeguarding the interests of Haryana following the Akali morcha.

The Punjab Chief Minister, has convened a meeting of the executive commitee of the State Congress (I) legislature party at Chandigarh on November 9.

In Jaipur, the Rajasthan Chief Minister, Mr Shiv Charan Mathur, told reporters that Rajasthan would not allow anyone to infringe on the Ravi-Beas water rights of the State. Mr Mathur said the Akali demands were unjustified and the Rajasthan Government would always abide by the Centre's decision on the division of the Ravi-Beas waters.

CSO; 4600/1270

PRESS REPORTS DEVELOPMENTS IN PUNJAB SITUATION

Madras THE HINDU in English 4 Nov 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Nov. 3.

The delay in arriving at an understanding with the Akali leaders on the scope and substance of their political demands is complicating matters and creating further uncertainty about the outcome of the current efforts for finding a widely acceptable solution to the Punjab tangle.

The broad outlines of a settlement that started emerging a few days ago on the basis of the clarifications furnished by the five-member Akali negotiating team seem to have receded in the wake of the renewed controversy between the two rival groups led by Sant Harchand Singh Longowal and Sant Jarnail Singh Bhindranwale over the interpretation of the 1973 Anandpur Sahib resolution.

Meeting today

The Centre does not want to appear to be yielding to the Akali demands even in a diluted form under pressure with the hardliners threatening to intensify the agitation. It is for this reason that the Prime Minister's emissary, Mr. Swaran Singh, who has been negotiating with the Akali leaders on behalf of the Centre, has been in no great hurry to arrive at an accord.

But at the same time the Centre has been taking care to avoid the impression that in the face of its firmness the Akali leaders have piped down. It would like to see them get a feeling of satisfaction that at least the substance of the Sikh demands have been met, without giving the Hindus a fresh sense of grievance that their interests have been sacrificed in the bargain.

The policy of the Centre is not to appease the Akali hardliners, nor even placate the moderates amongs them, but make the Sikh community as a whole realise that it was not being subjected to any form of discrimination. It was with this object in view that the Centre decided to concede the religious demands straightway and offer to consider the political demands in a calmer atmosphere once the agitation has been withdrawn and a proper climate is created for a dispassionate discussion.

The delay in arriving at a settlement has unfortunately hardened the attitude of Haryana over the Chandigarh issue. The Chief Minister, Mr. Bhajan Lal, has succeeded in rallying even his worst critics behind him in insisting that there can be no transfer of Chandigarh to Punjab, in terms of the 1970 award, with a simultaneous relinquishment of the Abohar and Fazilka tehsils consisting of 112 villages, besides some others in the capital region.

BJP's stand

The Bharatiya Janata Party, with its sizable strength among the Hindus in both Punjab and Haryana, has come out strongly against the alleged appeasement of the Akalis, maintaining that there should be no settlement with them until they have renounced the Anandpur Sahib resolution. The other opposition parties are not going the whole mhog with the BJP, but share its concern that any appearance of succumbing to Akali pressure would have disastrous consequences by providing encouragement to regional agitations.

The two Communist parties, notably the CPI-M, have been taking a balanced view of the Punjab crisis and urging the Centre to respond sympathetically to the legitimate demands of the moderates without submitting to the dictates of the extremists. The one man who has been acting as an honest broker on his own steam, in a well-maintained bid to defuse the crisis, is the marxist MP, Mr. Harkishen Singh Surjeet, who is respected by both Sikhs and Hindus in the State.

Opposition in Cong-I

The opposition in Congress (I) circles is no less divided, although none of the ruling party members has come forward to support or oppose the move for a settlement with the Akalis to avoid a confrontation. The appearance of unanimity among senior Central Ministers also is limited to the imperative need for finding an early solution to avert the threat of an intensification of the Akali agitation, not a meek acceptance of the political demands that could lead to a counter-agitation by other communities in the State.

The general impression in Delhi is that if the Akali leadership is able to resist the pressures of the extremists and adopt a reasonable attitude, it should be possible to reach an early settlement after the dust has settled down. The choice really rests with the Akali leaders themselves in the sense that the initiative is still left with them for responding positively to the Centre's offer to concede their religious demands immediately and negotiate the political grievances in a calm atmosphere free from inflamed passions.

CSO: 4600/1270

PROGRESS IN NEGOTIATIONS

Madras THE HINDU in English 5 Nov 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Nov. 4.

The Centre has decided to deal with the threatened intensification of the Akali agitation firmly, despite the appeal of the Union Home Minister, Mr. P. C. Sethi, to call off or at least suspend the campaign to create the right atmosphere for further discussions.

The Government is taking a serious view of the Akali move to gherao the Punjab Chief Minister, Mr. Darbara Singh, send a daily jatha to Delhi to picket and court arrest during the Asian Games, and launch a campaign throughout the State to step up the agitation.

The Home Minister, who made a statement in Parliament today, on the Punjab situation, said the Prime Minister, Mrs. Indira Gandhi, had conceded practically all the religious demands, but the details could not be settled because of the Akali insistence on a simultaneous acceptance of the political demands which raised wider issues requiring consultations with other States concerned.

"In taking any decision", he stressed, "the Government cannot ignore the overall interest of national unity, integrity and the welfare of all sections of the people".

Areas of agreement

Mr. Sethi disclosed that "certain areas of agreement" in respect of some of these political demands had been identified in the course of the talks that the Prime Minister's emissary, Mr. Swaran Singh, had with the five-member Akali team. As these demands concerned other States as well, he had been consulting the Chief Ministers concerned, representatives of other communities, leaders of Opposition parties and members of Parliament.

The Home Minister said that, since the process of these consultations would take some more time, the Akali leaders should respond to his appeal to call off or suspend the agitation and engage in further discussions. He warned that the threatened intensification of the agitation would only strain the atmosphere, escalate the tension and even lead to violence.

An advance copy of Mr. Sethi's statement approved by the Prime Minister, was transmitted to the leaders of the Akali Dal who were meeting at the Golden Temple in Amritsar to chalk out the next phase of the agitation. The Central Government was in hourly contact with them through some intermediaries in an effort to dissuade the hardliners from rejecting the Home Minister's appeal for further discussions.

Though Mr. Sethi did not go into details of the political demands made by the Akali leaders or the nature of the "areas of agreement" that had emerged in respect of some of them, it was learnt on good authority that the main stumbling block still was their continued insistence on the immediate transfer of Chandigarh without a parallel fulfilment of the obligation to cede the Abohar and Fazilka tehsils to Haryana in compensation.

The Akali leaders, who have virtually abandoned the demand for the merger with Punjab of all the Punjabi-speaking areas of adjacent States like Jammu and Kashmir, Himachal Pradesh and Rajasthan, want a commission to be appointed to redraw the boundary only with Haryana and determine whether it is entitled to claim the Abohar and Fazilka tehsils in the normal course, not as a sort of compensation for the allotment of Chandigarh in terms of the 1970 award that was open to different interpretations.

But the Haryana Government has been bitterly opposing the one-sided transfer of only Chandigarh without the relinquishment of the two tehsils by Punjab at the same time.

The Akali leaders have also quietly given up their earlier demand for the implementation of the Anandpur Sahib resolution on fuller autonomy for Punjab by redefining the Centre-State relations, although they are not publicly admitting it.

Similarly, the Akalis have not rejected the Central suggestion that, if their plea for introducing Punjabi as a second language in Haryana, Himachal Pradesh and Delhi is conceded, they should agree in turn to have Hindi as a second language in Punjab to mollify Hindu opinion.

The Akali leaders have been told that the Prime Minister's award of 1981 on the division of the Ravi-Beas waters which was accepted by Punjab, Haryana and Rajasthan, could not be reopened only at the request of Punjab unless the other two States also were prepared to go along with it. She does not want to set a wrong precedent by scrapping the award at the instance of the Akalis and appointing a new arbitrator to go de novo into the whole question.

There are similar reservations on other political demands which could not be considered dispassionately in the midst of an agitation. It is for this reason that the Centre has been striving hard to impress on the Akali leaders that any precipitate move to intensify the agitation would make it doubly difficult to arrive at an amicable settlement.

The Centre has been receiving reports of preparations by the extremists in the Akali camp to indulge in acts of violence. So suitable security precautions have already been taken to forestall such attempts.

CSO: 4600/1270

A MATTER FOR GANDHI

Madras THE HINDU in English 6 Nov 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Nov. 5.

The Union Home Ministry today started drawing up contingency plans for taking the most elaborate security precautions in Punjab, Haryana and Delhi to deal with the threatened intensification of the Akali agitation during the Asian Games.

A group of senior secretaries will be reviewing the developments on a day-to-day basis and coordinating the arrangements in close concert with the local administrations, for coping with the Akali bid to step up the agitation by extending the morcha to Delhi.

The Union Home Minister, Mr. P. C. Sethi, appealed to the Akalis again today not to escalate the agitation, during his reply to a calling attention motion on the Punjab situation in the Rajya Sabha, while warning them that the Government would be compelled to deal sternly with any acts of violence. He said the door was still open for further discussions to settle their legitimate grievances.

Dal Khalsa aims

The Government has been receiving intelligence reports that the Dal Khalsa extremists, whom the moderate Akali leaders are unable to restrain, are bent on creating serious law and order problems in Punjab, Haryana and Delhi by indulging in acts of sabotage, attacks on individuals and instigation of communal incidents to inflame passions. It was in this context that Mr. Sethi has drawn a distinction between the sufferance of a peaceful political agitation even if there was no justification for it and the duty of a Government to put down with a firm hand any attempt to give a violent turn to it.

It is the Akali bid to extend the agitation to Delhi during the Asiad that could lead to a showdown by compelling the Government to take deterrent steps to forestall the attempt. The necessary arrangements are being made to cordon off the access routes and screen all the new arrivals by road, rail and air to prevent the Akali jathas from getting anywhere near the Asiad stadia in Delhi. The authorities are taking no chances at all about security inside the Nehru Stadium during the opening and closing ceremonies of the Games.

But at the political level, the confusion continues with too many good samaritans and self-appointed mediators talking of various alternatives with or without authorisation. At one stage, an attempt was made by some who profess to be close to the power centre in Delhi to woo the Akalis with the ploy of a coalition with the Congress (I) to enable them to get back to power in the State.

The irony of it all has been that the present Chief Minister, Mr. Darbara Singh, a man of integrity who has given Punjab a reasonably clean Government, is obliged to bear the cross for the failure of the Central Congress (I) leadership to find a fair solution to the Akali problem. The Central emissaries entrusted with the task of resolving this tangle have unwittingly rendered themselves vulnerable to the accusation that they are more interested in pulling Mr. Darbara Singh down than in bringing the Akalis round to accept an equitable settlement.

Distrust

The lone exception, Mr. Swaran Singh, the Prime Minister, Mrs. Gandhi's emissary, has tried to steer a middle course without being labelled either as an apologist of the Congress (I) or an antagonist of the Akalis with his characteristic detachment. But in the end, he has come a cropper being distrusted by both the Hindus and Sikhs by attempting a half-way compromise on most controversial issues like the Chandigarh issue and the revision of the Ravi-Beas award that would have left both the communities equally dissatisfied with a sense of smouldering grievance.

There is no Central leader other than the Prime Minister herself with the necessary national stature who can effectively intervene on

behalf of the Government and bring about a settlement. The Akalis have unfortunately been led to believe quite wrongly that, if they hold on to their demands for some more time with threats of a violent campaign, the Centre would cave in and concede at least the substance of their demands to give the Sikh community a special identity in the country's national life.

The Akali problem thus bristles with both political and psychological overtones which can be tackled only by a leader of Mrs. Gandhi's stature. At some stage of this sad episode she will have to take this matter into her own hands, without relying on her colleagues to find a solution.

Healing touch

It was not without significance that the Akali chief, Sant Harchand Singh Longowal, who is rated as a moderate compared with Sant Jarnail Singh Bhindranwale, readily welcomed the suggestion made by Mr. Khushwant Singh in the Rajya Sabha during the calling attention motion on the Punjab situation, that Mrs. Gandhi should visit Amritsar on Deepavali day to provide a healing touch by talking to both Sikhs and Hindus on this auspicious occasion. It is the only festival that is jointly celebrated by the two communities which have so much in common.

The Lok Sabha was to have discussed the Punjab situation this evening before concluding the current session. But it was wisely decided to defer the debate till the next session to avoid a further exacerbation of feelings with harsh criticism of the Akali attitude.

CSO: 4600/1270

DELHI PLANS DISCUSSED

Madras THE HINDU in English 8 Nov 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Nov. 7.

A renewed attempt is being made by the Centre through some intermediaries to persuade the Akali leaders to give up the threat to intensify the agitation and agree to an early resumption of the suspended dialogue on their political demands in a calmer atmosphere.

It will become known in the next few days whether the Akali leaders will respond to these overtures or adhere to their decision to extend the agitation to the streets of Delhi during the Asian Games.

One of the suggestions under consideration is that, in the event of an Akali refusal to withdraw this threat, the Centre should make a unilateral announcement of the acceptance of the religious demands and spell out the steps that are proposed to be taken to redress their legitimate political grievances in consultation with Haryana, Himachal Pradesh and Rajasthan.

A section of opinion at the Centre is that the Akalis cannot afford to reject peremptorily an unconditional gesture of this kind without exposing themselves to the charge of playing politics even with the religious demands, to derive some tactical advantage in projecting themselves as the principal upholders of Sikh interests.

The fact remains that, in successive general elections in Punjab, the Akalis had failed to get a clear majority and form a Government of their own in what is a predominantly a Sikh State.

Never a unified force

The Akalis have been able to get into power only as partners of coalition Ministries and not as single party Governments, since the Sikhs, as a community, have never voted together in favour of any particular political party or religious institution. It should not be too difficult, it is argued, to prick the Akali bubble if the Centre is able to display imagination in mollifying the Sikh sentiment in a generous spirit.

Once the religious demands of the Sikhs are effectively delinked from the political dictates of the Akalis, so the argument runs, the Centre should be able to regain the lost initiative by associating other distinguished Sikh representatives with the discussions on issues like the future of Chandigarh, the readjustment of linguistic boundaries, the revision of the Ravi-Beas award and a review of the Centre-State relations. It would also help to wean away the moderate Akali leaders from the influence of the extremists who are not interested in any reasonable settlement of the Punjab problem.

Mid-term poll possibility

The advocates of this line of approach to the Akali problem feel that the Centre should be prepared to order a mid-term poll in Punjab at the right moment to put the extremists on the defensive and make a bold bid to isolate them from the mainstream of Sikh opinion. But, in doing so, the Centre should shed the habit of backing only political light-weights and start dealing with the people who matter in Sikh politics, whether they are Akalis or Congressmen.

It matters little who gets into power so long as the Government is headed by decent men who are known for their personal integrity and dedication to public welfare in the State.

The moderate Akali leaders have been quite reasonable in their private attitudes to some of the prickly political issues, but they have not been able to oppose publicly the militancy of the extremists for fear of being denounced as appeasers of the Centre. The real challenge at present is how to make it politically possible, and personally less embarrassing, for these moderates to respond to any well meaning moves by the Centre to settle the Punjab problem.

Hindu backlash

The prolongation of this agony in Punjab is unfortunately leading to the counter-phenomenon of Hindu militancy in Haryana, and, to some extent, even in Himachal Pradesh, which can assume equally disquieting dimensions. There are elements in Haryana who are now demanding that, instead of surrendering the Punjabi-speaking border areas, they should get the Hindi-speaking pockets other than Abohar and Fazilka tehsils still left in Punjab even after the break-up of the undivided State.

Apart from the 112 villages in the rich cotton-growing tehsils of Abohar and Fazilka, Haryana is entitled to get six more villages in the vicinity of Chandigarh itself where the Cantonment, airfield and railway station are located if the 1970 award is fully implemented, both in its letter and spirit. This is a messy business which will end up by creating more problems in the name of resolving this linguistic tangle.

It is not merely the non-Communist opposition parties, but also some sections of the Congress (I) in Haryana who are at the back of this counter-offensive to enhance their bargaining power in the name of putting the Akalis on the defensive. There is every danger of this inter-State wrangle assuming the ugly overtones of a Hindu-Sikh confrontation if the Akalis go ahead with their plans to extend the morcha to Delhi and the Haryana Government decides to stop them from passing through the State.

It is for this reason that fresh overtures are being made to resume the dialogue with the Akalis before the start of the Asiad to avoid a showdown. The intermediaries are in touch with the five-member Akali negotiating team which significantly has not been disbanded after the decision to intensify the agitation.

CSO: 4600/1270

GANDHI INAUGURATES AGRICULTURE, DEVELOPMENT BANK

Bombay THE TIMES OF INDIA in English 6 Nov 82 p 13

[Text]

NEW DELHI, November 5.

THE Prime Minister today expressed the hope that the National Bank for Agriculture and Rural Development (NABARD) would be able to meet the credit requirements of farmers.

Inaugurating NABARD at a function in Vigyan Bhavan 116 days after it was formally constituted, Mrs. Gandhi said that credit played a significant role in production. Although considerable progress had been made in the past several years, agricultural production needed greater thrust.

She said NABARD would provide an integrated structure for credit for rural and agricultural development. (It has been formed by combining the Agricultural Refinance and Development Corporation and two departments of the Reserve Bank of India dealing in rural credit.)

The Prime Minister deplored the fact that even after nationalisation, the banks failed to change their policies. "The hopes we entertained at the time of nationalisation have not materialised and it is difficult for farmers to get credit."

COMPLEX PROCEDURE

Mrs. Gandhi said the procedure for getting bank credit were so complex and cumbersome that even she would find it difficult to get a loan.

The removal of unscrupulous money-lenders from the rural scene had also not helped poor farmers much, she said. The result was that farmers could get no credit either from money lenders or banks. They were left high and dry in times of need.

The Prime Minister hoped that, with the setting up of NABARD, the difficulties of farmers in getting credit would be removed.

Mrs. Gandhi suggested that NABARD should develop in such a way that it could become a friend and guide rather than "a rigid institution."

The finance minister, Mr. Pranab Kumar Mukherjee, also emphasised the need for providing adequate amounts of credit to people in rural areas at reasonable rates.

PROPER ROLE

"We are today engaged in a major effort at transforming and modernising the rural economy through the introduction of new and improved techniques of production which will raise productivity per man and per hectare," he said.

This change in technology required a broad-based transformation in methods of cultivation, and such transformation could only be achieved if adequate amounts of credit were made available to rural producers.

The finance minister hoped that NABARD would develop as a fully autonomous statutory organisation providing the necessary leadership to banks to play their proper role in integrated rural development.

Mr. M. Ramakrishnayya, chairman of NABARD, in his welcome speech remarked, "As the apex development bank for agriculture and rural development, we have to specify the essential principles of development through credit."

PTI adds:

A new corps of volunteers called 'Vikas Volunteer Vahini' has been specially raised to spread the message of development through institutional credit. The Vahini, formed under the aegis of NABAD will have as volunteers specially-sleected farmers with no political affiliation and who have been beneficiaries of rural credit.

To start with, 36 volunteers have been, selected. They will move in batches of three to educate farmers with specially-supplied literature in regional language and visual aids. The 'Vahini' will work for at least three to four months in a year and cover at least 15 villages in a month.

NABARD will meet the pocket expenses and pay a small honorarium to the volunteers.

CSO: 4600/1275

PRESS COMMISSION'S REPORT INTRODUCED IN PARLIAMENT

Calcutta THE STATESMAN in English 6 Nov 82 p 9

[Text]

NEW DELHI, Nov. 5.—The Government tabled in Parliament today the voluminous report of the Second Press Commission, which starts its recommendations with the enunciation that the role of the Press in a developing and democratic society should neither be that of an adversary nor an ally of the Government.

"To be a mindless adversary or an unquestioning ally would be to abdicate judgment: a free Press should be, in our view, a constructive critic", the Commission notes.

It, however, feels that no useful purpose would be served by inserting a separate provision in the Constitution on the freedom of the Press "as that concept is already embodied in Article 19 (1) (a)".

The Commission also says that it is a "wrong notion" to hold that, apart from the reasonable restrictions that could be imposed on the freedom of the Press under Article 19 (2), there could be no other interference in the exercise of the freedom.

It adds that Article 13(2) does not forbid regulation of the exercise of freedom of speech and that "general regulatory statutes not intended to control the content of speech but incidentally limiting its unfettered exercises do not infringe Article 19(1) (a) when they are justified by valid governmental or societal interests".

The report, which is a comprehensive survey of the Press in the country, contains as many as 278 recommendations.

According to the memorandum of action taken, tabled with the report, the Information and Broadcasting Ministry had forwarded copies of the report to all concerned Ministries at the Centre, State Governments, and administrations of Union Territories for comments on the recommendations with which they were concerned. It had also consulted the Press Council.

A meeting of representatives of State Governments and Union Territory administrations, in New Delhi on September 21 and 22, considered as many of the recommendations as were required to be implemented by them or which were of interest to them. On the basis of those consultations, the I and B Ministry had suggested the action to be taken on all the recommendations of the Commission.

It had been decided, according to the memorandum, that a committee of Ministers would consider those suggestions "with a view to enabling the Government of India to take a final decision recommendation-wise".

The Second Press Commission was constituted on May 29, 1978, to inquire into the growth and status of the Indian Press since the last Press Commission reported and to suggest how best it should develop in future. The Commission was reconstituted in April 1980 under the chairmanship of Mr Justice K. K. Mathew, retired judge of the Supreme Court, and submitted its report to the Government on April 3 this year.

Most of the Commission's recommendaitons—which cover a whole gamut of subjects from the role of the Press and the pressures on it, to the role of the Press Council and news flow, both national and international, have already appeared in the Press.

CSO: 4600/1277

BUSINESS SLOWDOWN IN INDONESIA

Jakarta KOMPAS in Indonesian 10 Sep 82 pp 1, 3

[Excerpts] Business in Indonesia has been slow for the last three to five months. Sales have fallen 25 to 50 percent compared with previous months.

This complaint was voiced to KOMPAS last week by large, medium and small businessmen. These businessmen, who have branches throughout Indonesia, were encountered in various parts of Jakarta and its environs.

Large retailers complain that their daily sales have fallen drastically. Their markets have been sluggish since the beginning of 1982, but have declined considerably in the last three to five months.

Enterprises affected include peddlers, textiles--both raw textiles and finished goods--agriculture, watchmaking, electronics, chinaware, canned foods, refined sugar, wheat flour and construction materials.

The recent decline in sales involves almost all basic necessities. Businessmen continue to produce a large volume of goods, but sales can be counted on the fingers.

Complaints of declining business activity come from all kinds of businessmen. Most are pessimistic; only a few are optimistic.

They have fixed channels for the goods they trade. However, they acknowledge that demand has fallen below normal levels. "We are still optimistic, but several months ago, we did not know what would happen," said a sugar manufacturer who routinely draws orders from syrup manufacturers.

Several businessmen active in commodities supervised by the Logistics Board, such as manufacturers of wheat flour, refined sugar, and soybeans which are marketed in Jakarta said that the business slowdown was caused by difficulties in borrowing money.

They say that recently, private and government banks have had tight money. They indicated that the banks may have instituted the tight money policy because they wish to restrain negative factors which develop later in connection with a business slowdown.

"Now, I am embarassed to ask the banks for a loan, because of the business slowdown. If I ask for new credit or additional credit, they are suspicious," said a grocer.

Meanwhile, several large businessmen said that recently, the government has limited the money supply. "Private banks are reluctant to change rupiahs into dollars."

The director of the Principal automobile exchange, Nader Thaher, told KOMPAS on Wednesday that automobile sales over the past three to five months could be considered stable. Although there was a decline, it was relatively small, and confined to several types of vehicles, only.

According to Thaher, autos costing between 1.5 and 5 million rupiahs are most in demand. Those costing over 5 million rupiahs have drawn few buyers.

He said that many automobile buyers want to pay in American dollars. "I often receive American dollars in my exchange for automobile transactions. Why buyers use dollars, I don't know. What we receive is based on the daily exchange rate," he added.

9197
CSO: 4213/07

DAUD BEUREUH RETURNED TO ACEH

Jakarta SINAR HARAPAN in Indonesian 6 Sep 82 pp 1, 12

[Text] Brigadier General Abdul Rachman, commander of Military Region i/Iskander Muda, told SINAR HARAPAN on Monday morning that Tengku Muhammad Daud Beureuh has returned to his home in Beureunan, Pidie Regency. He arrived in Banda Aceh from Jakarta via Garuda, and went to his village with his son, Colonel Muhammadiah Haji.

The return of Daud Beureuh to Aceh was based on a decision of the President and the central Command for the Restoration of Security and Order in view of his advanced age (84 years) and declining health.

Daud Beureuh was brought to Jakarta in 1978, based on political opinion at the time. Abdul Rachman told the press he hoped that in the near future, "they would not contact him or arrange interviews until his health returned." The general public will not be allowed to visit, but relatives will be allowed to visit, with permission from his doctor.

Abdul Rachman added that regarding Daud Beureuh's rights, he would be permitted to worship in the mosque on Fridays, under supervision of his doctor.

Reports indicate that many people want to meet with Daud Beureuh, but only close relatives will be permitted to do so.

Daud Beureuh once led the All-Aceh Muslim Scholars Unit. In 1953, he and his followers staged an armed rebellion against the government. For 9 years, he was active in the forests. In 1962, he left the mountains. The government granted amnesty to him and to his followers.

During the Indonesian struggle for freedom, Daud Beureuh once served as military governor of Aceh, Langkat and Tanah Karo, with the rank of Major General in the Indonesian National Army. Later, in 1969, he was made an honorary Lieutenant General.

9197
CSO: 4213/07

IMPORT OF CB RADIOS BANNED

Jakarta KOMPAS in Indonesian 7 Sep 82 p 12

[Excerpts] Beginning on 6 October, the import of CB radios manufactured abroad will be banned. CB enthusiasts must now use the Indonesian-produced Aries brand set. This set has been recommended by the General Directorate for Posts and Telecommunications.

A KOMPAS source in the Department of Communications said yesterday that the curb was intended to limit the abuse of the frequency spectrum. Almost 95 percent of the CB radios in Indonesia were made abroad.

CB radios generally can use more than 150 channels. According to the decision of the General Directorate of Posts and Telecommunications, they will be limited to a maximum of 40 channels, with a frequency of no more than 27.405 Megahertz. The domestically-made Aries set meets those limits.

With regard to the fate of imported CB radios now in the hands of the public, the source said decisions would be made on a case-by-case basis. There will be no new permits for the import of foreign sets. There will be continual monitoring of compliance with the decision.

There are about 3,200 licensed CB sets in Jakarta, but it is estimated that there are more than 10,000 illegal sets there.

A young technician said that if the ban on imported sets is accompanied by an improvement in the quality of domestically-made sets, he approves, but if the decision was made only to compel people to use domestically-made sets, it was unfair.

Domestically-made sets now on the market have a maximum range of only 3 kilometers. That is if the set is on the seashore, or in the middle of a field. If the set is installed in a car, the range is greatly reduced, to no more than 1 kilometer.

9197
CSO: 4213/07

BRIEFS

'PELITA' RESUMES PUBLICATION--Based on a written decision by the Ministry of Information dated 6 September 1982, the suspension of PELITA's license to publish, in effect since 7 May 1982, has been lifted, and PELITA will resume publication on 8 September 1982. Managing Editor Aswin Jusar told ANTARA Sunday evening that the mission of PELITA is to represent the Indonesian Muslim community by voicing the aspirations and interests of Muslims in national development, based on Pancasila and the Constitution of 1945. The leadership of PELITA, led by Editor-in-Chief Shaf Manaf, which was at first led by Barlianta Harahap, will be replaced by A. K. Jacobi. The managing editor is Aswin Jusar, and the business is headed by Hasan Raharja. PELITA also has a council of advisors, consisting of K. H. Ibrahim Chalid, Soedjono Hoemardani, Th M. Gobel, J. Naro, and Qofratullah. The editorial council consists of Saafroedin, Bahar, Soelastomo, Sjarif Oesman, Sjarifuddin Sapari and I.O. Galelano. [Text] [Jakarta SINAR HARAPAN in Indonesian 7 Sep 82 pp 1, 12] 9197

FOOD PRODUCTION TO RISE--Production of secondary crops, vegetables and fruits will rise rapidly in the future. Development of these commodities will reduce imports and improve nutrition. Director of Food Agriculture Ir Wardoyo explained this to the Technical Directorate for Food Production Construction in Yogyakarta last week. In keeping with the above goals, the production targets for 1982/1983 must be 23.16 million tons of rice; 25.45 million tons of secondary crops; 2.80 million tons of vegetables; and 5.29 million tons of fruits. These targets must be raised in the following years. According to Wardoyo, development of agricultural production demands increased effort, not only to maintain the gains achieved to date, but to strive to reach the goals so carefully set. For example, soybean and corn production, which do not meet domestic needs, pose a difficult challenge. Before 1978, Indonesia was able to export soybeans. But in the ensuing years, Indonesia has imported an increasing volume of soybeans. In 1981, soybean imports reached 308.078 tons. Of course, if these targets are to be reached, rice seedlings, secondary crops and horticulture must increase, not just in numbers but also in quality. There must also be an increase in fertilizer; pesticides against insects and disease; and agricultural tools. Included among the commodities to be developed are corn and soybeans; garlic and red peppers; citrus fruits, avocadoes, mangoes, papaya, and bananas. [Excerpts] [Jakarta KOMPAS in Indonesian 14 Sep 82 p 2] 9197

CSO: 4213/07

CORRESPONDENT: PRK CONDITIONS MUCH IMPROVED, THAI BORDER TRADE SIGNIFICANT

Bangkok KHAO CHATURAT in Thai 11 Oct 82 pp 38-41

[Article: "Kampuchea: Breathing Normally"]

[Text] When the present situation in Kampuchea is discussed in Thailand, regardless of whether the matter is discussed in the press or whether it is an interview with someone who is making amends, the picture that is painted for us is one of hardship and poverty there. The government is portrayed as a demon since it is communist and since it is the slave of Vietnam and the Soviet Union. But when Chaturat went and observed things inside Kampuchea, there was no "smell," or even an "inkling," of hardship in Kampuchea at present as the rumors would have people believe.

During the first few months after Pol Pot-Ieng Sary were toppled in 1979, there were only about 70 people left in Phnom Penh. But in just a few months, the population grew to more than 10,000 people. As for conditions throughout the city, people could "smell" or get an "inkling" only of the lack of hope of ever being able to restore things. Buildings had been razed and the various necessities that people need for life had been completely destroyed. Even expensive Benz automobiles had been destroyed and piled up all over the city. The buildings where people could live were hardly adequate to keep out the sun and rain. People would spontaneously begin to cry if they were asked about their living conditions and families, and this included both revolutionaries and the children in the middle of the streets who, unable to find their parents, sat disconsolately admid the rubble of the buildings that had been destroyed. Life in Kampuchea at that time was lifeless; there was no hope left of even being able to obtain a piece of cloth, a glass or a single nail.

At the Solidarity Hotel, which was the largest hotel in Kampuchea during the time of the previous government, there were almost no rooms left that could be used. Everything from soap to lightbulbs had to be sent from Vietnam or socialist countries. Even to obtain some food to serve the guests staying there, people had to wait daily for aircraft to land at the Pochentong Airport. Innocent girls from the countryside who had survived served as hotel officials in order to greet guests from abroad, even thugh they probably had only one dress left apiece. And they ate the food left over from the meals of the guests or waited for rice from Vietnam. And they just stood about absentmindly not knowing what to do with their lives.

But today, September 1982, more than 3 years after the change then, things are totally different.

From a population of just 70 people, which increased to about 10,000 poeple shortly after the change, Phnom Penh now has a population of at least 500,000 poeple.

Phnom Penh, which was once filled with the rubble of collapsed buildings and the ruins resulting from the havoc wrecked by Pol Pot and Ieng Sary, is becoming clean again. The streets are filled with people. Most of the buildings once again house people as normal. The shops, which were ordered closed during the building of the "new society" by Pol Pot and Ieng Sary, have opened again and they are filled with customers as if nothing had ever happened.

Repairs have begun on most of the temples that can be repaired. More than 25,000 monks were executed; the few who survived have been found and they hve entered the order again in accord with [national] customs. An official from the United Front for the Kampuchean Motherland said that "at present, there are 4,000 monks in the country."

"Yes, there are no shortages this year. The only thing is that there is no surplus either," said a high-ranking official of the Kampuchean Revolutionary Council concerning the matter of rice shortages now and in the future. While travelling by plane from Phnom Penh we passed over the large Tonle Sap-Siem Reap area and over Angkor Wat and Angkor Thom in Siem Reap, which is about 200 kilometers from the Thai border. "What we still have a great shortage of is cattle, buffaloes and tools. Because during that period, Pol Pot destroyed everything. Now, we are receiving support from some countries, and we are establishing centers to produce such things.There are not too many problems."

At the markets in Phnom Penh, life is beginning to return to normal; this includes both living conditions and the morale of the people. The small shops and street venders are again selling everything from sugar to daily necessities just as in Thailand. You can find everything from noodle soup to monosodium glutimate. In particular, you can find Samit, 555, and Lucky Strike cigarettes as easily as you can in Hat Yai or Songkhla.

"There are only two things that we cannot buy from the Thai border," said a child who helped us find some Krung Thong cigarettes. He told us about the great shortages of tools and food after Pol Pot and Ieng Sary were chased out. "These two things are Thai tanks and artillery. Aside from these two things, if we need something, we can purchase it from Thailand. But Krung Thong cigarettes are not popular now; there are only Samit brand cigarettes.

But Thai goods, Samit cigarettes and other things necessary for daily life have not flooded just the vender stalls along the streets of Phnom Penh. They have reached Saigon, or Ho Chi Minh City, too. There are all types of goods there from Thailand and Singapore.

"There are only 10 textile mills in our country and six of them are located in Phnom Penh," said the manager of a textile mill in the heart of Phnom Penh when Chaturat was taken to visit a textile mill that did everything from spinning the thread to dyeing the cloth, making the designs and producing ready-made clothing. Everything was done by the 570 Kampucheans who worked there. "We have repaired the machines and have begun production. We can produce enough to meet the needs of our people."

The textile mill where Chaturat went to observe the entire production process was not a very large mill. It had 326 looms, and 570 people worked there. Seventy percent of these are women who have received urgent training during the past 3 years. The production capacity is 3,500 square meters a day. The manager said that "when I arrived, the machines and the mill were in ruins. Only four machines were in working condition. We had to repair everything. There were only a few people left who had not been killed. We had to train people all over again. Actually, our production capacity is greater than this but, at present, we lack oil for the power plant. We do not have enough electricity. But when production for the entire country is added together, we have almost enough cloth for the people of the country. We no longer have to purchase cloth from Thailand like in the beginning."

With the help and cooperation of the countries in the socialist camp, from a position of "not having anything," or from having "zero" left, Kampuchea has today begun to stand up and rely on itself.

All types of factories have been restored. A filter-tip cigarette whose quality is not inferior to the Samit or Krung Thong brands produced in Thailand is produced and sold under the brand name "Kampuchea cigarettes," or "Independence cigarettes." Not only is it sold in the cities in Kampuchea, but it is also sold to Kampucheans living along the Thai border.

Soft drinks, brandy and whiskey, which were not produced during the time of Pol Pot-Ieng Sary, are again being produced. The taste is similar to that when these items were produced during the time of the capitalists.

It is no surprise that there have been reports that Kampuchea is urgently developint the port of Kampong Som since that is the major artery of development and self-reliance in the transportation and communications sector. And it is not only the port [that is being urgently developed]; everything that is of great importance is being worked on urgently by the Kampucheans. Concerning even a domestic airline, with the help of the Solviet Union, Kampuchea now has its own airline, with at least six aircraft based at Pochentong Airport.

"During the initial period, we signed an agreement with Soviet pilots and experts to help us train our own pilots," explained an official from the Kampuchean Ministry of Foreign Affairs. "We have sent students to socialist countries in order to gain knowledge and expertise in all fields. We pay for them, although we do receive some help. We are not the slaves of anyone."

Heng Samrin entered Phnom Penh emptyhanded. There was nothing there. The most important thing is that of the people who had enough knowledge to be able to work and who spoke some Thai, there was only one person left at the Kampuchean radio station. But today, when you are among various-level administrators of Kampuchea, you will hear Thai spoken clearly. Even the director of the recently-opened medical college speaks Thai fluently. Most of these people come from Battambang.

At the Ministry of Foreign Affairs during that period, there was only one young man who could speak English. He worked without pay except for the several liters of rice that he received in compensation. But now, it is easy to find high-ranking officials in the Ministry of Foreign Affairs who speak English just like an Englishman.

"I received a degree in engineering from England, and I worked in England for 2 years. I am the representative for the B.A. Tobacco Company in this region." Mr Siang Khimnuan talked about why he had gone to work for the Ministry of Foreign Affairs: I had to change from being an engineer to being a foreign affairs official in order to provide help with English. If I fled abroad, I could earn 50,000 to 100,000 a month. But I won't go. I will stay in my country. I don't have any problems."

Certainly, Kampuchea still has countless problems that must be solved. This means that the Kampuchean people must continue to struggle on many fronts. "We have just begun to reopen our hospitals. Our universities and schools are just now beginning to reopen. Three years is a very short time," said an official from the United Front for the Kampuchean Motherland when he took us to visit a boarding school for orphans. "We have a problem that should not be the great problem that it is today.We have had to take responsibility for the orphans. In Phnom Penh alone, there are 5,678 orphans, both boys and girls. The government must take responsibility for everything -- food, clothing and education -- until they are old enough to take responsibility for themselves."

In Thailand, there have been many reports on Kampuchea to the effect that there is no way that the present Kampuchean government can survive. First of all, it is said that Pol Pot-Ieng Sary soldiers or other opposition groups are all over the country and that the Kampuchean people hate the Vietnamese for taking control of the country. [It is said that] the people still hope to be freed and allowed to choose their own government by electing Sihanouk, Son Sann or Pol Pot-Ieng Sary, which will make them democratic. There are countless such stories that make it seem that the present government of Heng Samrin and the 3 million Kampuchean people left are just naive "cattle" without "hands or feet." But by coming in closer contact with the apparatus of the system and observing things, it can be seen that Kampuchea's present socialist system has an adequate foundation.

The problems facing Kampuchea are different from those facing Laos and Vietnam. Those countries have the time and conditions necessary to educate their people and build a united front with the people. But as for Kampuchea, admidst disaster

and death, people almost lost consciousness and went insane since they did not know what was happening when the tens of thousands of Vietnamese soldiers poured into the country to liberate them and since no one knew what would happen to him in the future. Almost everyone lived in terror and trembled before the reapidly changing situation. Concerning the exhausted government that arose admidst the disaster in the country, looked at superficially, it can be seen that it is facing great difficulties and that the problems that it faces are too immense for it to be able to make the people understand what must be done or what the policies will be. This is because there is no communications equipment left or it is not possible to communicate in any way.

There is one radio station that can be repaired and used. But the problem is that the several million people who survived have nothing left except the single suit of clothes given them by Pol Pot-Ieng Sary. They were not even allowed to have spoons or fingernail clippers. As for having a radio with which to listen to the news, there is no need to talk about that.

As for communicating in ways used throughout the world, there was no way of doing this in Kampuchea at that time. And everyone who went and saw the situation at that time said that [Kampcuhea was] "exhausted" and without hope. Because as long as they could not make the people understand, it was difficult for them to control the situation, or to control it at all.

But today, basic communications and education for the people have been provided. The Kampuchean government and the Revolutionary Council of Kampuchea have begun to establsih an organization known as Utedkm, or the National Council of United Front For the Edification and Defense of the Kampuchean Motherland. It is responsible for organizing things and providing basic education to the people in every village and family throught the country.

The council officials responsible will come from all levels, from the [national] government to the village levels. Each family and people from every occupation, class and age group must participate in this council.

What is most amusing is that the deputy president of this council is a monk who serves as the Buddhist representative. A Moslem group and the various ethnic minority groups in the counry take part in administering things too.

Provinding education concerning politics, society, economics, culture and self-defense will be carried on resolutely.

"These youths are not over 18 or 19 years old. All serve as soldiers and take turns serving in their localities," said an official from the united front organization pointing to the group of unkempt youths holding grenades and M79s who escorted us to Angkor Wat and along the roads of Siem Reap. "These people find their own food and places to stay. They take responsibility for everything. The government provides them with weapons and weapons training only . This is how we do things all over the country in every village."

Thus, it is not too surprising that in 1981, the Kampuchean side was able to capture thousands of Pol Pot-Ieng Sary soldiers, or soldiers in various guises sent form the Thai border, along with documents and other items.

This systematic organization and provision of basic education concerning the policies of the party and government has united the three Indochinese countries more closely in opposing the common enemy, that is, all forms of imperialism and colonialism, including being an emeny of China. Such thinking and education have been modified for the stage and even the shows of young students who dance Thai dances show the importance of the solidarity of the three Indochinese countries.

11943
CSO: 4207/15

COMMENTARY SCORES UN DECISION ON SEAT

BK290734 Phnom Penh Domestic Service in Cambodian 0430 GMT 28 Oct 82

[Station commentary: "An Illegal and Unjust Decision of the United Nations"]

[Text] The decision made on 25 October by the 37th UN General Assembly concerning recognition of the right to representation of the bloodthirsty Democratic Kampuchean regime has caused the atmosphere in this top international organization to become one of constant gloom. Such an irresponsible attitude runs totally counter to the principles of the UN charter and does not correspond to the real situation in Kampuchea, which is developing favorably. This is because although the Democratic Kampuchean regime was totally overthrown on 7 January 1979, the bloodthirsty demons still have the right to occupy the Kampuchean seat at the United Nations.

The erroneous, unreasonable decisions made successively by the United Nations grossly violate the right to self-determination of the Kampuchean people and constitute gross interference in the internal affairs of the PRK. No one can refute the most heinous crimes and great destruction carried out in an unprecedentedly barbarous manner against the Kampuchean people and the Angkor land by the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime--lackey of the Beijing expansionists--during the dark era of its rule in Kampuchea. Mass graves filled with the blood, flesh and bones of the innocent Kampuchean people are everywhere throughout the country. This concrete proof constitutes a bitter heritage and the deepest historic wounds for all Kampucheans and all mankind. The so-called Coalition Government of Democratic Kampuchea [CGDK] is actually a Pol Pot government in disguise set up through the collusion of the Beijing expansionists, U.S. imperialists and regional reactionary forces in order to oppose the Kampuchean revolution and the rebirth of the Angkor land. It also constitutes a dark maneuver to undermine the friendship and militant solidarity of the three Indochinese countries. These elements have all been smashed by the Kampuchean people. They have no land. They are only bandits living on Thai soil and can survive only by begging for crumbs from Beijing and Washington. Therefore, the 37th UN General Assembly's decision allowing the Democratic Kampuchean regime to represent the Kampuchean people displays the utmost contempt for the souls of the over 3 million Kampucheans who died in a most miserable manner at the bloody hands of the Pol Pot clique. It also constitutes stern contempt for the morality and conscience of mankind. It is regrettable that the United Nations, which was created to defend peace,

justice and human rights, has once again turned to defend the bloodthirsty, unjust people who have destroyed peace and violated human rights.

The presence of this criminal regime can never prevent the CGDK from falling. This presence can only create a gloomy atmosphere at the United Nations and obstacles to the search for solutions to the international and Southeast Asian problems.

Moreover, the attempt to maintain the presence of the CGDK in the United Nations made by the Beijing expansionists, U.S. imperialists and the international reactionary forces is aimed at concealing their perfidious maneuver to oppose the PRK, which has legitimate status.

The Kampuchean people stress once again that the PRK Government is their sole authentic and legitimate representative; it controls the entire country and decides our country's destiny on the international forum.

The PRK has expanded and is expanding its historic role and is gradually making a firm advance toward socialism. The UN decision to recognize the right to representation of this genocidal regime in disguise cannot reverse the situation in Kampuchea or obstruct the trend of peace, stability and cooperation in Southeast Asia.

The true line of revolution and the just cause of the Kampuchean people's struggle will certainly win. The right of authentic and legal representation of Kampuchea must return to the PRK. This UN decision has no influence in hampering our common task of building and defending our beautiful Angkor fatherland.

CSO: 4212/8

CHEA SIM ADDRESSES CEREMONY AT FINANCE MINISTRY

BK310311 Phnom Penh Domestic Service in Cambodian 1300 GMT 29 Oct 82

[Text] A ceremony was held at the office of the Finance Ministry at 0800 on 29 October under the chairmanship of Comrade Chea Soth, member of the Party Central Committee Political Bureau, vice chairman of the Council of Ministers and minister of planning, to open the first 1982-84 course similar to higher education for 93 cadres in charge of finance and accounting. Attending the ceremony were Comrade Chan Phin, member of the party secretariat and minister of finance; Comrade Meas Samnang, minister of industry; and many members of the Council of State, deputy ministers and cadres from various ministries and departments. Also present at the ceremony was the SRV Finance Ministry's delegation which is currently visiting the PRK.

Comrade Chan Phin spoke on the significance and objectives of this first 1982-84 course similar to higher education for cadres in charge of finance and accounting. He stressed: This course will give the trainees a basic knowledge of Marxism-Leninism, and help them grasp the party line and policies, gain scientific knowledge to analyze economic and financial problems and learn more on the financial system and problems so that they will be able to correctly carry out their work according to the real conditions in our country. Particularly, it will teach the trainees how to control finance and accounting so that they may be able to control the production and circulation of goods in central and local units.

In conclusion, Comrade Chea Soth stressed that finance and accounting are among the most important state tools for carrying out revolutionary tasks. He urged all trainees to strive to surmount all obstacles and study hard so as to apply knowledge from this course successfully in response to the trust of the party and people.

CSO: 4212/8

COMMUNE MEMBERS ATTACK SRV SILOS, SEIZE RICE

BK120934 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Nov 82

[News commentary: "From 3,000 to 4,000 Inhabitants of Tang Krasau Commune, Santuk District, Kompong Thom Province, Attacked the Vietnamese Rice Silos and Seized Their Own Rice From the Vietnamese Aggressors"]

[Text] In Tang Krasau Commune, Santuk District, Kompong Thom Province, the Vietnamese collected all the little rice our people managed to grow and stored it in their silos in Pralay and Prey Kdei villages for the needs of the Vietnamese aggressor troops. On 10 October some 3,000-4,000 hungry inhabitants attacked the Vietnamese silos in Pralay and Prey Kdei villages and seized all the rice in the two silos. At the same time, our people also tried to take hold of the rice in the silo in Toek Andong village, but they were dispersed by heavy and savage Vietnamese gunfire. The Vietnamese arrested 40 inhabitants, put them in jail and interrogated them through beating. Ever since that day, our people have waged a continuous struggle, protesting and demanding that the Vietnamese aggressors release the 40 detainees.

Fearful of another attack, the Vietnamese were forced to release the 40 detained inhabitants under the condition that our people return the rice to them.

This above-mentioned event clearly reflects the seething indignation of the people in the zone under the temporary control of the Vietnamese who are suffering from the suppression, arrest, massacre and starvation operations conducted by the Vietnamese in a most savage and fascist manner. Our people's searing anger has now become a stormlike resistance movement which is dealing stinging blows to the Vietnamese aggressors everywhere. The people's struggle in the zone under temporary Vietnamese control at present, such as the movement to hack to death any Vietnamese who dare to rob the people or rape their women, the movement to stab and kill the officers of the Vietnamese aggressor troops, the movement to seize rice from the Vietnamese, and the major movement involving 3,000-4,000 people to rise up and attack Vietnamese silos as in Santuk District, has spread everywhere throughout the country.

Through experience gained at the cost of much flesh and blood sacrificed by our people, it is obvious that only by uniting and rising up and by joining

with the national army and guerrillas of Democratic Kampuchea in the counter-attacks against the Vietnamese aggressors can the people survive and can the Kampuchean nation and race escape extermination. In the face of the burning indignation and force of great solidarity of our people, army and guerrillas, the Vietnamese aggressors will not be able to withstand our attacks. They will certainly be wiped from our Kampuchean territory in the end.

CSO: 4212/9

SRV AGGRESSION DENOUNCED DURING UNGA DEBATE

BK111335 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Nov 82

[Station commentary: "The Vietnamese Hanoi Aggressors Were Once Again Shamefully Exposed at the 37th UN General Assembly Session"]

[Text] On 5 November the 37th UN General Assembly discussed the question of peace, stability and cooperation in Southeast Asia raised by the Vietnamese Hanoi aggressors. The aim of the latter in proposing this question for debate by the General Assembly was to oppose the resolution adopted by the UN General Assembly which decided to demand that the Hanoi authorities--the aggressors in Kampuchea--withdraw all their aggressive troops from Kampuchea, to cover up their occupation of Kampuchea which has caused the situation in Southeast Asia to become extremely tense and explosive, and to shift the guilt and responsibility for this tense and explosive situation onto other people. At the same time, it was to fool other people into legalizing their aggression in Kampuchea and accepting the result of this aggression as a fait accompli. However, the Vietnamese enemy aggressors did not succeed as they had wished. Immediately after the General Assembly started debating this so-called peace question, the Vietnamese Hanoi aggressors were exposed and their shame peace label was viciously trounced. Delegates from various countries in Southeast Asia and the Asia-Pacific region, which are threatened by the aggression of the Vietnamese in Kampuchea and the Vietnamese-Soviet strategy of aggression and expansion in the region, took turns denouncing the deceit and tricks of the Vietnamese aggressors and demanded that they withdraw all their aggressive troops from Kampuchea in compliance with the resolution of the UN General Assembly, which is the indispensible condition for ensuring lasting pace and stability in Southeast Asia as well as the rest of the Asia-Pacific region.

The Thai permanent representative emphatically pointed out that Vietnam's military aggression against and occupation of Kampuchea are the root causes of the tense situation in Southeast Asia. The absence of peace in the region at present stems from Vietnam's aggression against and occupation of Kampuchea, an independent and nonaligned state.

The Thai delegate stressed that in order to attain a comprehensive political settlement of the Kampuchean question, it is necessary that all foreign troops are withdrawn from Kampuchea. As long as the Kampuchean people are not allowed

to exercise their sacred right to decide their own destiny and are not liberated from foreign occupation and pressure, peace, stability and cooperation in Southeast Asia can never be restored.

The delegate of Japan said that Kampuchea continues to be occupied by foreign troops, preventing the Kampuchean people from exercising their right to self-determination. He stressed: If the Kampuchean question is not settled comprehensively, lasting peace and security in Southeast Asia cannot be ensured.

The delegate of Australia stressed: The main cause of the tension in Southeast Asia is Vietnam's continued aggression against and occupation of Kampuchean territory. If Vietnam really wants to see peace, stability and cooperation in Southeast Asia as it has claimed, Vietnam should recognize that the first step it necessarily has to make is to withdraw all its aggressive forces from Kampuchea and cooperate in seeking settlement for the Kampuchean question in accordance with the resolutions of the UN General Assembly and the International Conference on Kampuchea.

Thus denounced and exposed, the Vietnamese were very humiliated. It was even more shameful when delegates of various countries started walking out when the Vietnamese delegate took the stage to speak in defense of Vietnam's aggression against Kampuchea.

This is another ignominious defeat of the Vietnamese enemy aggressors at the 37th UN General Assembly session. The world is well aware of the ugly features of the Vietnamese Hanoi authorities--features of the bandits and aggressors who try to exterminate the Kampuchean race, who threaten the security of neighboring countries, who undermine the peace and stability of Southeast Asia and who are the cat's paws of the Soviet international expansionists in Southeast Asia and the Asia-Pacific region.

Therefore, if the Vietnamese Hanoi authorities stubbornly continue to turn a deaf ear to world opinion by refusing to withdraw all their aggressive troops from Kampuchea in compliance with the UN General Assembly resolution and continue to carry on their war of aggression against Kampuchea and remain bent on fulfilling their ambition of annexing Kampuchea and setting up an Indochinese federation as an outpost and springboard for the senseless and insolent implementation of their and their Soviet masters' strategy of aggression and expansion in Southeast Asia and the Asia-Pacific region, they will be further isolated and suffer more shameful defeats until they are completely toppled and wiped out in the end as have been all past villains, with Hitler at the head.

CSO: 4212/9

COMMENTARY ON UN PROBE OF SRV, SOVIET CBW USE

BK101315 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 6 Nov 82

[Station commentary: "The Kampuchean People Hope the United Nations and All Peace Loving Forces in the World Will Overcome All Obstacles in Effectively Checking the Heinous Crime Committed by the Vietnamese and Soviets in Massacring the Kampuchean, Lao and Afghan Peoples"]

[Text] At this year's UN General Assembly, the question of toxic chemical and biological weapons was introduced by the General Affairs Commission of the UN General Assembly into its agenda for debate. The delegate of the Soviet Union, which is charged along with Vietnam with the crime of massacring the Kampuchean, Lao and Afghan peoples with toxic chemical and biological weapons, insolently opposed the move. However, the Soviet Union was shamefully defeated because the majority of countries in the General Affairs Commission voted overwhelmingly to include this question in the agenda. Afterwards, the United Nations sent a group of experts to carry out an on-the-spot investigation into the charge that the Vietnamese Hanoi aggressors have used toxic chemical weapons, poison and poisonous gas to massacre the Kampuchean and Lao peoples in their war of aggression in the two countries. The UN group of experts is now making every effort to fulfill its duty so as to gather more and clearer evidence of the use of toxic chemical weapons by the aggressive Vietnamese troops in Kampuchea and Laos.

The Kampuchean people, victims of this heartrending chemical warfare launched by the Vietnamese Le Duan aggressors during the past nearly 4 years, hope that the United Nations, its group of experts and all peace-loving forces in the world will not spare any effort and will pay the keenest attention to deal with the question of the use of toxic chemical and biological weapons by the Vietnamese and the Soviets in their current wars of aggression in Kampuchea and Laos and in Afghanistan. Hopefully, their use of toxic chemical and biological weapons in the three countries can be proved overwhelmingly so that the international community can take appropriate punitive measures against them. However, the Vietnamese and Soviet archcriminals resorted to all kinds of maneuver and conducted all sorts of dark activities in order to cover up all these extremely criminal, cruel and savage acts.

In Kampuchea alone, the Vietnamese Hanoi aggressors, who have been deeply bogged down in the Kampuchean battlefield and have failed to overcome the resistance of the Kampuchean people through the use of their conventional weapons and their man-made famine, have intensified their toxic chemical warfare to massacre the Kampuchean people of all sexes and ages indiscriminately in a more ferocious, savage and fascist manner. They have been using toxic chemical weapons in the forms of poisonous gas and toxic substances of all descriptions in the remote jungle and mountainous areas that they could not reach with their armed offensives and the plains, cities, towns and even in hospitals. The most powerful toxic chemical weapons used are the yellow rain which causes most painful and immediate death among Kampuchean victims.

During the 1981-82 dry season, according to the firsthand reports by our army and guerrillas of Democratic Kampuchea, more than 1,200 Kampucheans perished from the Vietnamese toxic chemicals and poisonous gas, including 40 families which were completely destroyed. More than 400 other persons were seriously incapacitated and, later on, died.

During the just ended rainy season, the Vietnamese aggressors continued to make use of this toxic chemical warfare in a most ferocious and savage manner. In early October, the Vietnamese aggressors intensified the use of toxic chemical weapons everywhere, both in the remote jungle and mountainous region and the urban areas. For example, on 2 October they sent planes to spray toxic substances over villages and communes in Phnum Sruoch District of Kompong Speu Province, causing death among many Kampucheans. On 8 October the Vietnamese aggressors put poison in alcohol and ice cream on sale in marketplaces in Thalabarivat and Stung Treng districts of Stung Treng Province, causing death to three persons and serious injury to many others. Meanwhile, at the marketplace of Stung Treng City, the Vietnamese mixed poison into sweets, cakes, vegetables, cosmetics and other materials, causing death and skin burns among many consumers.

The Soviet-Vietnamese expansionists and aggressors are conducting their toxic chemical warfare in Kampuchea, Laos and Afghanistan for the purpose, on the one hand, of smashing the will to fight of the peoples in the three countries and committing genocide against the peoples of these countries so that there would be no resistance against them. On the other hand, they are doing it for experimentation in preparation for expanding their chemical warfare into other parts of the world.

Therefore, the catastrophe that the Kampuchean, Lao and Afghan peoples are facing at present will threaten the existence of the people in other countries of the world even more seriously.

For this reason, the Kampuchean people, who have been victims of the chemical warfare of the Vietnamese Hanoi aggressors for the past nearly 4 years and who continue to see their fellow countrymen perish one after another from the chemical warfare and genocidal war of aggression waged by the Vietnamese enemy, appeal to international public opinion, to peace- and justice-loving countries in the world and, particularly, to the United Nations and its experts to try to overcome all obstacles and vanquish the forces of aggression and expansion

and the forces which adhere to the law of the jungle--namely, the Vietnamese and Soviet murderers--in order to save the lives of the Kampuchean, Lao and Afghan peoples and to check the danger of the expansion of the Vietnamese and Soviet chemical warfare in time.

The most effective measure to check the heinous crime of the Vietnamese and Soviet aggressors against the peoples of the three countries is to collectively put pressure on Vietnam and the Soviet Union to end their wars of aggression and occupation in the three countries by withdrawing all their aggressor troops in accordance with the resolutions of the UN General Assembly.

CSO: 4212/9

SRV HELICOPTERS SPRAY TOXIC CHEMICALS IN KAMPOT

BK110622 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Nov 82

[Text] On 25 and 27 October in Chhuk and Kaoh Sla districts, Kampot Province, the Vietnamese enemy aggressors used a helicopter to spray toxic chemicals on villages, killing many of our people.

This clearly shows that despite being exposed, denounced and condemned by the world and humanity, which firmly demand that the Vietnamese enemy aggressors stop using toxic chemical weapons to exterminate the innocent Kampuchean people, the Vietnamese aggressors stubbornly persist in using these toxic chemical weapons in their war of aggression in Kampuchea in a cruel and fascist way. In particular, during this 1982-83 dry season--when they are defeated, bogged down and completely at an impasse on the military battlefield--the Vietnamese enemy aggressors have intensified this chemical warfare to help their depleted forces resist the attacks of the national army and guerrillas of our Democratic Kampuchea and have used these chemical weapons as a strategic means to exterminate the Kampuchean race.

Therefore, the Kampuchean people appeal to the world community--particularly to the United Nations--to continue to raise its voice in exposing and denouncing the crimes of the Vietnamese aggressors and race exterminators, and to take concrete and effective measures to timely check and stop the Vietnamese aggressors use of these toxic chemical weapons to kill off the Kampuchean people at will.

The Kampuchean people and the national army and guerrillas of Democratic Kampuchea are determined to unanimously unite under the leadership of the government of Democratic Kampuchea and continue to fight against the Vietnamese enemy aggressors, increasing the intensity until they are compelled to withdraw from the Kampuchean territory, and to completely and finally end all kinds of Vietnamese crimes, including the use of toxic chemical weapons.

CSO: 4212/9

LATE OCTOBER BATTLE RESULTS REPORTED

BK050530 Phnom Penh Domestic Service in Cambodian 1200 GMT 4 Nov 82

[Excerpt] During the last week of October, the Thai authorities sent F-5, (?C-130), L-19 and OV-10 aircraft to carry out reconnaissance flights and violate our airspace on seven occasions, penetrating 5 km deep inside our territory over areas in Pailin and Poipet in Battambang Province and an area west of Koh Kong.

At sea, the Thai authorities sent armed vessels to catch our fish and launch reconnaissance activities on over 200 occasions.

On land, the Thai authorities carried on provocative acts by firing 120-mm and 100-mm artillery shells into our territory 41 times in the areas near hills 343, 199 and 172 in Koh Kong Province, 36 other times in Samlot, Pailin, Koh Kong and Sangke in Battambang Province and five other times in Samraong, Kantuot and Trapeang Kol in Preah Vihear Province.

While the Thai authorities were providing cover, the bandits sneaked in in small groups to sabotage and loot our people in a number of remote area along the border. However, they could not escape due punishments by our armed forces guarding the border area together with the Vietnamese troops. On some occasions, our armed forces crushed or captured while groups of bandits.

On 26 October, our armed forces surrounded and captured a group of eight bandits attempting to launch activities in sector 6 of Pursat Province. We seized two AK's, five KP-2 mines and a large quantity of documents.

On 21 October our armed forces, who have a lofty sense of revolutionary vigilance, encountered, surrounded and crushed a group of three bandits who had crossed the border into an area west of Samlot in Battambang Province in an attempt to conduct reconnaissance. We also seized two AK's and a large number of small mines.

On 22 October, in an area 10 km from Pailin in Battambang Province, five enemy elements attempting to loot rice and property from the people were surrounded and crushed by our armed forces and militiamen guarding this area. We seized

three AK's, five (?bags) of rice and a quantity of tools. On the same day, a group of enemy elements attempting to launch activities in an area west of Smat Deng, Pursat Province, were attacked by our armed forces who killed two of them and seized a B-40 and an AK. A day earlier, two groups of enemy elements conducting reconnaissance at (Ta Sang), Ratanamondol District, Battambang Province, were surrounded and attacked by our armed forces who killed four of them and seized a B-40 and two AK's.

On 25 October, in the border area near hill 343 the enemy launched two harassments against us by firing artillery shells on our armed forces. With heroism and determination to defend every inch of our territory, our armed forces immediately repulsed the enemy. Following a short fight, five enemy elements were killed and we seized two AK's and four KP-2 mines. The few survivors fled helter-skelter back to Thai territory.

Also during the same week, deep in the interior of our country, Pol Pot bandits hiding in the jungle continued to sneak into villages and communes to sabotage our people. However, wherever they appeared, our people would report their presence to our armed forces who quickly surrounded and crushed them. On 29 October, in the area south of Pich Nil, acting on a tip off by our people, our armed forces surrounded and crushed a group of enemy elements attempting to sabotage our communications line. Two enemy elements were crushed before they could commit any crimes. We seized two AK's. On 22 October, in an area west of Veal Veng, Pursat Province, the people told our armed forces to surround enemy elements who were mobilizing forces in the jungle. Four enemy were killed on the spot and our armed forces seized a B-40, two B-40 rockets, an M-79 and an AK.

On 26 October patrol unit attacked and killed a group of five enemy elements hiding in a forested area 20 km north of Chikreng District, Siem Reap Province. We seized a 60-mm mortar, a 60-mm shell, 10 KP-2 mines and 2 AK's. Later the survivors, who were desperate and had lost the will to fight, surrendered to the local authorities.

CSO: 4212/9

VODK BATTLE REPORTS

Moung-Koas Kralar Battle Results

BK260432 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Oct 82

[Text] In September our comrades in arms on the Moung-Koas Kralar battlefield killed 89 Vietnamese enemy soldiers and wounded 41 others for a total of 130 casualties.

In the field of primitive weapons production, our comrades in arms made and planted 190,000 punji stakes, dug 60 punji pitfalls and set 90 automatic bows.

Long live our valiant and courageous national army, guerrillas and people of the Moung-Koas Kralar battlefield.

Koh Kong-Kompong Som Battlefield

BK080301 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 7 Nov 82

[Text] In October our comrades in arms on the Koh Kong-Kompong Som battlefield killed 172 Vietnamese enemies and wounded another 182 for a total of 354 casualties.

Concerning the production of primitive weapons, our comrades in arms made and planted 1.5 million new spikes, dug 500 new punji pitfalls and set 150 new automatic bows.

Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield.

Western Leach Battlefield

BK120935 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Nov 82

[Text] In October our comrades in arms on the western Leach battlefield killed 125 Vietnamese soldiers and wounded 86 others for a total of 211 casualties.

In the field of primitive weapons production, our comrades in arms made and planted 1,200,000 punji stakes, dug 450 punji pitfalls and set 370 automatic bows.

Long live our valiant and courageous army, guerrillas and people of the western Leach battlefield.

Samlot October Statistics

BK100316 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Nov 82

[Text] In October our comrades in arms on the Samlot battlefield killed 174 Vietnamese enemy aggressors soldiers and wounded 235 others for a total 409 casualties.

In the field of primitive weapons production, our comrades in arms made and planted 820,000 punji stakes, dug 300 punji pitfalls and set 200 automatic bows.

Long live our valiant and courageous army and guerrillas of the Samlot battlefield.

Route 10 Battle Statistics

BK110730 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Nov 82

[Text] In October our comrades in arms on the Route 10-Pailin battlefield killed 159 Vietnamese enemy soldiers and wounded 200 others for a total of 359 casualties.

In the field of primitive weapons production, our comrades in arms made and planted 786,000 punji stakes, dug 370 punji pitfalls and set 190 automatic bows.

Long live our valiant and courageous army, guerrillas and people of the Route 10-Pailin battlefield.

South Sisophon Battlefield

BK120533 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 11 Nov 82

[Text] In October our comrades in arms on the south Sisophon-Mongkolborei battlefield killed 128 Vietnamese soldiers and wounded 167 others for a total of 295 casualties.

In the field of primitive weapons production, our comrades in arms made and planted 4,500,000 punji stakes, dug 4,000 punji pitfalls and set 150 automatic bows.

Long live our valiant and courageous army, guerrillas and people of the south Sisophon-Mongkolborei battlefield.

CSO: 4212/9

AGRICULTURE REPORT FOR 25-31 OCTOBER

[Editorial Report] Monitored Kampuchean media have reported the following agricultural developments for the reporting period 25-31 October:

Prey Veng: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 26 October reports Peam Ro District had transplanted over 800 hectares of early and ordinary rice and planted 500 hectares of late rice by October. Almost 1,000 hectares of corn had also been planted. At 1300 GMT on 28 October the radio reports that by the end of September Preah Sdach District had transplanted 26,610 hectares of various types of rice.

Kompong Chhnang: In Toek Phos District, according to a radio report at 1300 GMT on 26 October, peasants had transplanted 7,490 hectares of rice by mid September.

Takeo: In Samroang District, the radio reports at 1300 GMT on 27 October, peasants had transplanted 4,600 hectares of rice--47 hectares of which was IR-36 rice--and harvested 17 tons of ordinary rice by October.

Kandal: At 1300 GMT on 27 October peasants in Kandal Stoeng District had obtained 729 tons of paddy from the harvest. The district has transplanted 11,600 hectares of rice and boasts more than 7,300 oxen and buffalo. At 1300 GMT on 28 October the radio notes that Ponhea Loe District has transplanted 3,718 hectares of various types of rice.

Battambang: The radio reports at 0430 GMT on 27 October that during the third quarter the provincial veterinary service caccinated over 5,000 cattle against foot and mouth disease and hemorrhagic fever, and over 1,600 against stomach inflammation, rinderpest and diarrhea.

Pursat: By early October, according to the radio at 0430 GMT on 29 October, the province had planted and transplanted 61,730 hectares of rice and thousands of hectares of secondary crops. In Bakan District, the radio reports at 1300 GMT on 29 October, over 5,200 hectares of rice has been transplanted this rainy season, along with 300 hectares of subsidiary crops.

Kompong Cham: Phnom Penh SPK in French at 0358 GMT on 28 October reports that Srei Santhor District has planted 6,320 hectares of rice--meeting the plan--while the veterinary service has vaccinated 4,500 buffalo and oxen. At 0400 GMT

on 30 October SPK reports that Kompong Siem District has planted 4,800 hectares of rainy season rice against 2,550 hectares last year. At 1429 GMT on 31 October SPK notes that in Memot District the rubber plantation in Salang Prek Chhlong has obtained 2.65 million liters of latex, against the plan of 2 million liters. The plantation consists of 10,800 hectares of rubber trees.

CSO: 4212/9

AGRICULTURE REPORT FOR 1-7 NOVEMBER

[Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 1-7 November:

Battambang: This year, according to Phnom Penh Domestic Service in Cambodian at 0430 GMT on 1 November, there are 59,043 hogs in the province.

Kompong Cham: At 1300 GMT on 1 November the radio reports that by mid-October peasants in Kompong Siem District had planted 4,800 hectares of rainy season rice. At 0430 GMT on 2 November the radio reports that a meeting of the provincial agricultural service was recently informed that the target for dry season food crop production is 27,920 hectares. This includes 16,540 hectares of rice. The fish catch will be 4,500 tons. In a similar report at 0433 GMT on 2 November, Phnom Penh SPK in French reports that during the rainy season the province planted 139,780 hectares of rice--5,000 hectares more than last year. The area of industrial crops was put at 39,270 hectares.

Kandal: At 1300 GMT on 4 November the radio reports that during the rainy season 52,365 hectares of rice were transplanted and 10,980 tons of fish caught. A similar report carried by SPK at 0401 GMT on 3 November adds that the province has 131,380 cattle, an increase of 25,000 over last year. The province also built a pumping station at Prek Samrong capable of irrigating 2,600 hectares of land. Another report by SPK, at 0411 GMT on 7 November, says that in Dangkao District peasants have planted 7,900 hectares of rainy season rice, an increase of 2,000 hectares over last year.

Kompong Thom: At 1300 GMT on 5 November the radio carries two reports on the province. The first notes that in Kompong Svay District 29,827 hectares of land had been transplanted by mid September while 858 hectares of subsidiary crops had been planted. The second reports that in Baray District 28,942 hectares of rice can now be irrigated following repairs to dams. Rice has been transplanted on this area.

Kampot: The radio reports at 0430 GMT on 7 November that 91,378 hectares of rice was planted during the rainy season. An SPK report at 0400 GMT on 5 November adds that the province has also planted 2,210 hectares of corn, 1,430 hectares of sweet potato, 2,850 hectares of beans and 580 hectares of industrial crops.

Pursat: SPK reports at 1422 GMT on 6 November that the province has planted 64,000 hectares of rainy season rice this year--1,000 hectares above plan. Subsidiary crops have been planted on 2,000 hectares.

Kompong Chnang: In Baribo District, according to the radio at 0430 GMT on 7 November over 7,700 hectares of rice had been transplanted. Last year 950 tons of fish were caught and 6,800 head of cattle raised. At 1429 GMT on 2 November SPK reports that this rainy season the province planted 44,200 hectares of rice--800 hectares more than last year. In the dry season it is planned to grow 6,200 hectares of rice.

CSO: 4212/8

AGRICULTURAL REPORT FOR 8-14 NOVEMBER

[Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 3-14 November:

National level: Phnom Penh SPK in French at 0419 GMT on 12 November reports that the Agriculture Ministry has recently delivered 2,000 tons of chemical fertilizers to various provinces, including 160 tons to Kompong Thom, 1,029 tons to Kandal, 160 tons to Svay Rieng and 640 tons to Prey Veng. From the beginning of the rainy season up to October, the Transport Ministry delivered 81,100 sacks, 2,940 sprayers, tens of thousands of mouldboards, plows and plowshares, 22,000 tons of chemical fertilizers, 3,790 tons of IR-36 seeds, 20,180 liters of insecticide and DDT. The Agriculture Ministry at present is expediting deliveries of seeds and chemical fertilizers to various localities so that the dry-season rice production plan of 155,000 hectares will be achieved.

Prey Veng: At 0430 GMT on 9 November the radio notes that in Peam Chor District peasants have transplanted rice on 4,000 hectares, grown corn on 1,882 hectares, beans on 613 hectares and vegetables on 30 hectares.

Siem Reap-Oddar Meanchey: The radio at 1300 GMT on 9 November reports that peasants in this province have planted 11,552 hectares of rice and grown nearly 1,000 hectares of subsidiary crops. At 0430 GMT on 13 November the radio adds that by the end of October, they had sown 67 hectares of rice and harvested more than 260 hectares of slash-and-burn rice, 27 hectares of early rice and 650 hectares of floating rice. SPK News Agency at 1434 GMT on 15 November adds that in the past rainy season, peasants in this province planted 153,850 hectares of rice--11,550 hectares above the planned target--and 3,000 hectares of subsidiary crops. Banteay Srei District [as received] achieved 112 percent of the plan while Chikreng District planted 39,100 hectares of 7 percent above plan.

Takeo: SPK reports at 0401 GMT on 10 November that Treang District plans to plant rice on 4,800 hectares in the dry season. The district authorities have delivered 20 tons of IR-36 seeds to various localities and helped repair barrages and canals with a total length of 5,700 meters. The district has achieved the rainy season rice production plan of 26,200 hectares. The veterinary service has vaccinated 12,500 head of cattle against infectious diseases.

Kandal: Phnom Penh radio at 0430 GMT on 10 November notes that by 1 November, peasants in Dangkao District had harvested 38 hectares of early rice yielding over 20 tons. In the last rainy season, the district transplanted 7,900 hectares of rice.

Kompong Chhnang: According to SPK at 1442 GMT on 11 November, 41 solidarity fishing groups in this province have made preparations to achieve their plan of catching 11,000 tons of fish. The fishermen plan to bleed 152,000 fish. The local authorities have supplied them with fishing device and equipment. Last year Kompong Chhnang fishermen overfulfilled their plan by 2,000 tons. Phnom Penh radio at 1300 GMT on 11 November reports that in Toek Phos District peasants have transplanted 7,500 hectares of various types of rice and grown 340 hectares of subsidiary crops and 95 hectares of industrial crops. So far, they have harvested 42 hectares of early rice. In Kompong Leng District, SPK reports at 0402 GMT on 14 November, peasants plan to cultivate 2,330 hectares of dry-season rice. By the end of October, the district had harvested 280 hectares of rice. In the past rainy season, the district planted 5,800 hectares of rice. Peasants have repaired water reservoirs capable of irrigating 3,800 hectares. In another area they cleared 3,000 hectares of land and planted 1,170 hectares of subsidiary crops.

CSO: 4219/14

CALL TO BOOST DRY SEASON RICE PRODUCTION

BK131245 Phnom Penh Domestic Service in Cambodian 1300 GMT 9 Nov 82

[Station editorial: "Pledge to Emulate in Fulfilling the Flood-Receding and Dry Season Rice Production Plan"]

[Text] Rainfall this rainy season was early and fairly regular. In every region the revolutionary power and the people have committed all their resources to rice production with great enthusiasm and dedication in a bid to carry out the plan set by the party. This year's rainy-season rice production effort was vigorous and the results have been much better than last year.

By the end of last September, a number of provinces such as Battambang, Pursat, Kompong Chhnang, Prey Veng, Svay Rieng and Kompong Som had overfulfilled the plan. Takeo, Kompong Speu, Kampot and a number of provinces afflicted by drought spared no efforts in plowing land and transplanting early rice, particularly the IR-36 variety. In order to make up for the losses and to fulfill the plan, we must go all out to grow flood-receding rice wherever possible, such as in areas around Tonle Sap Lake and along the Mekong. Manpower and equipment must be made available so that plowing and transplanting can be completed in time. Tilling and transplanting must follow the receding waters. Mutual assistance and borrowing of manpower and materiel between one area and another must be practiced. An area where the land is ready but the rice seedlings are too young must borrow mature seedlings from other areas which have seedlings in excess or lend its manpower and equipment to needy localities. All this exchange of services must be made in a high revolutionary spirit.

At the same time, conditions must be created in preparation for the forthcoming dry-season rice production campaign. During the 1981-1982 dry season we achieved immense success throughout the country: We cultivated 149,430 hectares of land and reaped 256,000 tons of rice. This was a yield unmatched by past societies. Especially Kandal, Takeo, Kompong Thom, Siem Reap, Kampot, Stung Treng and Kratie Provinces overfulfilled the plan. This was possible thanks to the courage, industriousness and fierce determination of our peasants who are well aware of their duty and role as the true masters of society and the masters of their own destiny and the destiny of their fatherland.

In this 1982-1983 dry season, our revolutionary power and people have made all preparations to emulate for the honor of being pioneer provinces, pioneer

units, pioneer groups and pioneer peasants with the goal of fulfilling the party's plan of cultivating 150,000 hectares of land. In order to realize this goal, the following main conditions should be met:

1. See to it that sufficient stocks of seed are at hand, particularly short-term, high-yielding seeds which are resistant to disease, resilient to drought and virtually free from insect attacks, such as the IR-36 rice variety which was successfully produced in Kandal, Takeo, Kompong Speu, Kompong Cham Prey Veng, Svay Rieng and other provinces during the last dry season. At the beginning of this rainy season, peasants in Se Romeang Village, Phnum Penh District, Kandal Province, managed to raise the yield of this IR-36 rice variety to 7-10 tons per hectare.

2. Measures should be taken to protect dams, reservoirs, ditches and dikes by building strong sluices and floodgates to ensure irrigation of rice during the drought, avoid wasting water by refraining from making holes in dikes to set traps for fish or shrimp. Existing waterpumps in each locality should be repaired and maintained in serviceable condition. Use waterwheels, scoops and waterwinches appropriately in accordance with the need of each group.

3. Ministries, offices and departments concerned should provide fertilizer, seeds, insecticide, waterpumps, fuel oil and other equipment in time and as needed for each locality. Avoid being fatalistic and negative. Moreover, experts in agriculture and in the use of machinery should directly give advice to the peasants at production sites.

4. The local revolutionary authorities should make prior and proportionate distributions of land to each unit and group. If possible, the families of group members should be given additional land so as to avoid leaving good land fallow and keeping manpower idle.

5. All solidarity groups should enhance their mutual affection, sincerely help each other, develop the tradition of industriousness in labor, tap the source of creativeness with a high sense of awakening, and strive hard to produce as much dry-season rice as possible to meet their own needs and for the collective and national society.

In this spirit, efforts should be made to carry out tasks within the groups and to learn, improve and increase planting techniques so as to augment both the quantity and quality of production.

The rice production efforts in the dry season constitute a struggle movement which requires tenacity, determination and time. The revolutionary authorities in all sectors from the central to grass-roots levels must bring into play their sense of responsibility by creating all kinds of favorable conditions for actively cooperating with our peasants in the vigorous campaign to grow the dry-season rice so as to fulfill and even overfulfill plan set by the party.

Pledge to emulate so as to become pioneer provinces, pioneer groups, pioneer units and pioneer peasants in the production of the 1982-1983 dry-season rice.

CSO: 4212/8

DECREE ISSUED ON TYPES OF NATIONAL AWARDS

BK291128 Phnom Penh Domestic Service in Cambodian 0430 GMT 29 Oct 82

["Text" of 25 October Council of State Decree No 13 on conferring of orders and medals]

[Text] By virtue of Item 7, Article 60, Chapter V, of the PRK constitution:

By virtue of the law on the organization and functioning of the National Assembly and the Council of State of the PRK promulgated through Decree No 4 dated 10 February 1982;

By virtue of the recommendation of the Council of Ministers on the requirements for the encouragements, citations and rewards, the Council of State decides:

I. To promulgate new orders and medals as follows:

1. The Angkor Order, one class.

2. The Friendship Order, one class; and the Friendship Medal, one class.

3. The Labor Order, three classes. The first class is decorated with a picture of three Angkor temples on a rope motif; the second class is decorated with a picture of two Angkor temples on a rope motif; and the third class is decorated with an Angkor temple on a rope motif.

The Labor Medal, one class.

4. The Victory Order, three classes. The first class is decorated with a picture of three Angkor temples on a rope motif; the second class is decorated with a picture of two Angkor temples on a rope motif; and the third class is decorated with one Angkor temple on a rope motif.

II. These orders and medals are to be conferred with the following aims:

1. The Angkor Order is the highest order of the PRK and is to be conferred on any collective or individual--PRK citizen or foreigner--who makes outstanding achievements or meritorious service in national construction and defense and in assisting the PRK.

2. The Friendship Order and the Friendship Medal are to be conferred on any collective or individual foreigners who make meritorious deeds by assisting the Kampuchean people in their national defense and construction.

3. The Labor Order and the Labor Medal are to be conferred on any collective group or individual citizens of the PRK who makes outstanding feats in labor and production work.

4. The Victory Order is to be conferred on any collective unit or individual member of the regular, regional, guerrilla, militia and police forces outstanding in combating the enemy inside and outside the country or in training and building unit. Individuals outside the armed forces and police force who have recorded outstanding feats or who have joined in fighting the enemy will also be conferred with this Victory Order.

5. The Fatherland Defense Order, which has already been promulgated, is now used as an award for collective groups or individuals working in the armed forces, state organs, mass organizations and localities which have recorded many outstanding feats in the movement to strengthen the defense of the fatherland.

6. Aside from conferring the orders in accordance with the above-mentioned aims, the Labor Order is also used as an award for any collective or individual foreigners who have recorded outstanding feats or fallen for the cause of labor in building our country. At the same time, the Fatherland Defense Order is also used as an award for any collective or individual foreigner who has made outstanding feats or fallen for the cause of defending the Kampuchean territory.

III. The Council of Ministers shall consider and decide on the conferring of all categories of awards and medals. It shall give more thorough advice on this decree so that the citation and conferring of awards are carried out in a correct, timely and effective manner as an encouragement and model for all to make positive contribution to the firm defense and construction of the PRK.

On behalf of the Council of State
[Signed] Chairman Heng Samrin.

CSO: 4212/9

BRIEFS

DELEGATION ATTENDS TRADE FAIR IN DELHI--On 30 October a PRK delegation led by Comrade Thong Chan, deputy minister of local and foreign trade, left to attend the fourth international trade fair held in New Delhi. It is the first time the PRK has sent a delegation to take part in and have a stand at this international trade fair in India. Mr (Mohmammad Yunus), chairman of the fair, said that representatives of 54 companies from more than 90 countries, including the Soviet Union and other socialist countries, participated in this international trade fair. Representatives of different central ministries, governments of different states of the Indian Union and representatives of about 3,000 companies from state and private industries all over India also took part in the fair. Mr (Yunus) also said that this year the international trade fair opened on 1 November. Various cultural and artistic activities will also take place at this fair. [Text] [BK050858 Phnom Penh Domestic Service in Cambodian 1300 GMT 4 Nov 82]

HUNGARIAN PROPAGANDA DELEGATION VISITS--A Hungarian central propaganda and education delegation led by Comrade [name indistinct], assistant to the economic and political affairs section of the Hungarian Socialist Workers Party Central Committee, arrived in Phnom Penh at 1100 on 1 November for a friendship visit to the PRK at the invitation of the Central Propaganda and Education Commission. Welcoming the delegation at Pochentong Airport were Comrade Pao Hamphan, acting chief of cabinet of the Central Propaganda and Education Commission; many cadres from the Central Propaganda and Education Commission; and Comrade (Famil Agorgy), first secretary of the Hungarian Embassy in Kampuchea. [Text] [BK050056 Phnom Penh Domestic Service in Cambodian 1300 GMT 1 Nov 82]

GDR OFFICIALS THANK PRK LEADERS--In reply to greeting messages on the GDR's National Day from Comrade Heng Samrin, secretary general of the KPRP Central Committee and chairman of the Council of State; and Comrade Chan Si, chairman of the Council of Ministers of the PRK; Comrade Erich Honecker, secretary general of the Central Committee of the Socialist Unity Party of Germany and chairman of the Council of State of the GDR, and Comrade (Willisov) sent reply messages stressing that "at present as in the future, please be assured that the GDR will strive to expand and strengthen the fraternal relations between the parties and the two states for the cause of peace and socialism and for the benefit of our two peoples. We wish you, dear comrades, new successes in your country's advance toward building socialism and in the struggle for peace, stability and cooperation in Southeast Asia." [Text] [BK061015 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Nov 82]

GDR'S FISCHER THANKS HUN SEN FOR GREETINGS--Recently, Comrade Oskar Fischer, minister of the GDR Ministry of Foreign Affairs, sent a message to thank Comrade Hun Sen, minister of the PRK Ministry of Foreign Affairs, for his greetings on the GDR's National Day. The message stressed: "I am convinced that our friendly and fraternal relations and solidarity will gradually develop for the benefit of our two peoples." [Text] [BK061014 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Nov 82]

GDR'S SINDERMANN THANKS CHEA SIM--Recently, Comrade Sindermann, president of People's Chamber's Presidium of the GDR, sent a message to Comrade Chea Sim, chairman of the PRK National Assembly, thanking him for his greeting message on the GDR's National Day. The message stressed that "I agree with your conviction that the relations of friendship, fraternity and close cooperation between the GDR and the PRK will--now and in the future--be increasingly developed and play a significant role in the treaty of friendship and cooperation." [Text] [BK061017 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Nov 82]

PHAM VAN DONG THANKS PRK FOR SYMPATHY--Comrade Pham Van Dong, chairman of the SRV Council of Ministers, recently sent a message of thanks to Comrade Chan Si, chairman of the PRK Council of Ministers. The message read: I am very moved by your warm and cordial sympathy for the Vietnamese people who have experienced a catastrophe caused by storm No 7. We regard your expressed sympathy as a powerful encouragement for our Vietnamese people in overcoming all the serious consequences of the storm. [Text] [BK111455 Phnom Penh Domestic Service in Cambodian 0430 GMT 10 Oct 82]

CHAN SI CONDOLES PHAM VAN DONG--After hearing about the deplorable news that a disastrous storm, Nancy, hit Thanh Hoa, Nghe Tinh and Binh Tri Thien Provinces in the SRV, causing heavy rainfall and badly damaging a number of houses and thousands of hectares of the people's crops in these provinces, Comrade Chan Si, chairman of the PRK Council of State, has sent a condolence message to Comrade Pham Van Dong, chairman of the SRV Council of Ministers. The message says, among other things: The Kampuchean people would like to express their deepest sympathies for the losses suffered by the fraternal Vietnamese people. The Kampuchean people regard this disaster as their own. [Text] [BK270607 Phnom Penh Domestic Service in Cambodian 0430 GMT 26 Oct 82]

BATTALION OPENS ARTILLERY TRAINING COURSE--The 85th battalion recently opened the first artillery officers training course for 1982-83 for 215 trainees. The opening ceremony was attended by Comrade Prum Thav, deputy chief of the General Staff; Comrade Khieu Sarun, Kompong Speu provincial party secretary; and cadres from the General Staff. [Excerpt] [BK270222 Phnom Penh Domestic Service in Cambodian 1200 GMT 22 Oct 82]

SVAY RIENG AID DISTRIBUTION--On 29 October, the Kampuchean Red Cross distributed 360 tons of rice--gift of the UNHCR--to 720 families in Rumduol, Chantrea and Kompong Rou Districts in Svay Rieng Province. [BK051059 Phnom Penh Domestic Service in Cambodian 1300 GMT 4 Nov 82]

KHMER SOLDIERS JOIN DK--On 12 October two Khmer soldiers who were forced to serve the Vietnamese enemy in Siem Reap Market, Siem Reap Province, fired on a Vietnamese car, killing two Vietnamese and wounding four others. After this event, they fled to join our army and guerrillas, bringing along two AK's. Our army and guerrillas have accorded warmest welcome to these two Khmer soldiers who pledged to join our army and guerrillas in fighting the Vietnamese aggressors until all of them are driven out of our Kampuchean territory. [Text] [BK270439 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 23 Oct 82]

WEINBERGER RULES OUT RELATIONS WITH SRV--Speaking at a banquet given in Bangkok on 2 November by Thai Foreign Minister Sitthi Sawetsila, U.S. Secretary of Defense Caspar Weinberger said: The United States will not have diplomatic relations with Vietnam so long as it occupies Kampuchea. The United States cannot reward Vietnamese aggression in Kampuchea. Thailand and the United States jointly carry out diplomatic efforts to restore the complete sovereignty and independence of Kampuchea. [Text] [BK050239 (Clandestine) Voice of Democratic Kampuchea in Kampuchean to Kampuchea 2330 GMT 4 Nov 82]

VIETNAMESE POISONING PEOPLE IN STUNG TRENG--Since the beginning of October the Vietnamese aggressors have been using toxic chemicals to kill our people in Stung Treng Market, Stung Treng Province. The Vietnamese aggressors mixed toxic chemicals hidden in their fingernails with cakes, food, vegetables, face powder and various other commodities. Several people died or suffered from skin burns after eating or using poisoned foods or commodities. This is further concrete proof of the Vietnamese aggressors' crimes in using toxic chemicals to kill innocent Kampuchean people. At present, despite the strong opposition and vehement condemnation of the whole world against the Vietnamese-Soviet crimes of using toxic chemical weapons to massacre the Kampuchean, Lao and Afghan peoples, the Vietnamese aggressors still stubbornly continue to use chemical weapons as a major strategic weapon for exterminating our Kampuchean race in a most cruel and barbarous manner. The only way to put a permanent end to this use of chemical weapons and other crimes of the Vietnamese aggressors is for our Kampuchean people to unite as one and wage all forms of struggle more vigorously against the Vietnamese aggressors until all of them are driven from our Kampuchean territory. [Text] [BK050625 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 4 Nov 82]

CSO: 4212/8

PRC, U.S. 'SCHEMES' IN INDOCHINA DISCUSSED

BK010318 Vientiane Domestic Service in Lao 0400 GMT 29 Oct 82

[Feature: "Conversation Between Comrade Ka and Comrade Han"--recorded]

[Excerpt] [Han] Well comrade, before discussing the problem of army sports and acrobatic activities, which you have raised, I would like to discuss a problem which exists. It is a problem regarding the world situation, particularly in our country. Actually, it is the problem that we discussed last week. Today, I would like to note certain points of the recent situation in Laos, especially that of the past week.

[Da] All right, comrade, just go ahead.

[Han] The exiled Lao reactionaries have viciously carried out counterrevolutionary activities in Laos in an ever more arrogant and open manner.

[Ka] Is that so, comrade?

[Han] Yes, comrade. For example, in the military field, they have carried out spy activities, plundered the people's property, and incited disunity in the country while making deceitful propaganda opposing our party and government and disrupting the Laos-Vietnam-Kampuchea solidarity and [words indistinct]. They have also bought off and deceived the people and youths of various tribes in the mountainous areas, for example the Yao tribal youths, into fleeing into the jungles and serving as armed bandits carrying out activities against our Lao revolution.

In the political field, recently, the Chinese reactionaries, the United States and their satellites have set up a Lao government-in-exile with that man, Phoumi Nosavan, as prime minister.

[Ka] I see.

[Han] This is a very dangerous scheme that they have carried out with the intention of continuing the opposition to our Lao revolution, comrade.

[Ka] So, through those activities, we have further understood even more clearly the schemes of China, which has daily shown itself to be an enemy of our Lao revolution.

[Han] You are right, comrade.

[Ka] At the same time, these acts are further evidence of the implementation of the United States' true bellicose nature through its scheme to encourage those misled people to arrogantly and protractedly oppose the Lao revolution.

[Han] That is right, comrade. They have never abandoned their schemes. Now, all we have discussed is the situation in general.

In Kampuchea, according to an SPK report, the military situation along the Kampuchea-Tahi border has remained very tense, comrade.

[Ka] That is what I have heard, comrade.

[Han] The Thai troops have joined with the shattered forces of Pol Pot in carrying out spying and plundering activities. They have also conducted very severe armed provocations along the Kampuchea-Thai border areas. Moreover, the Thai side has mobilized its aircraft to fly reconnaissance missions and shelled Kampuchean territory with artillery on many occasions, comrade.

In the political field, others--for example those in the ASEAN group--have carried out slanderous campaigns against Vietnam, again and again demanding that Vietnam withdraw troops from Kampuchea. It is noteworthy that following the formation of the Democratic Kampuchea Coalition Government with Sihanouk as president, the situation in Kampuchea has become even more tense. Besides, along the northern border of Vietnam, as I have heard from the VNA News Agency, over the past few months the Chinese soldiers have repeatedly conducted armed provocations against Vietnam. As a result of each of the provocations, many people have been killed or wounded, comrade.

[Ka] Oh, now I understand the true situation in Indochina.

[Han] Yes, comrade, this is what the general situation is currently like in Laos, as well as in Indochina at present. However, with correct domestic and foreign lines, our army and people, firmly adhering to the truth, have continued to firmly hold up arms and resolutely fight to defend the country and build socialism in a majestic manner. At present, as you, comrade, can see, our party and state are leading our Laos nation in a continuous march forward along the path of socialist construction.

CSO: 4206/19

SIANG PASASON ATTACKS UN DECISION ON KAMPUCHEA

BK291410 Vientiane Domestic Service in Lao 0000 GMT 29 Oct 82

[SIANG PASASON 29 October commentary: "The Pol Pot-Ieng Sary Clique Must Be Expelled From the United Nations"]

[Text] On 25 October, the United Nations, under pressure from the imperialists, the international reactionaries and some of their satellites which have always sought to harm the Kampuchean people's legitimate revolutionary cause, once again decided to recognize the representation of Kampuchea by the Pol Pot clique.

The vote to retain the seat of the phantom dressed up by the enemies of the Kampuchean revolution and disguised under the banner of the so-called coalition government constitutes an attempt to conceal the brutal crimes committed by the genocidal regime and cover up the present reality in the PRK.

Everyone is fully aware that under the barbarous regime of the Pol Pot-Ieng Sary clique, 3 million Kampuchean people lost their lives at the bloody hands of the clique. The world's people would shiver in disgust at the mention of the names of these cruel murderers.

When the country was liberated from the occupational yoke of the genocidal regime, the Kampuchean people rejoiced and ardently desired to live in peace, master their country and rebuild the fatherland. Nevertheless, the reactionaries in the Beijing ruling clique, in collusion with the U.S. imperialists and some of their lackeys in Southeast Asia, have always pursued a policy of sabotaging and obstructing the line of rebuilding Kampuchea. They jointly made efforts to hastily form the so-called tripartite coalition government of the exiled Kampuchean reactionaries. They have revived these phantoms in different attire so that they can play on the international stage, thereby creating another sensation, in order to oppose the Kampuchean people and other nations in Indochina.

Progressive opinion and people with a strong conscience are aware of the tricks of these traitors and their masters. A phantom will always be a phantom. There is no reason for some countries to vote for a criminal regime which does not have any parcel of land or represent any people. It is also regretable that the United Nations has recognized a regime which is not the true representative of the Kampuchean people.

The Lao people, together with all progressive mankind, hold that the decision to retain the UN seat of the Pol Pot clique is unreasonable, runs counter to the Kampuchean people's legitimate rights to self-determination and trample underfoot mankind's fundamental right and that of the UN charter. The decision constitutes a brazen interference in the internal affairs of the PRK and, worse still, harms the honor and prestige of the United Nations.

Nevertheless, the victory of the revolution was not scored through a UN vote. On the contrary, despite the fact that the imperialists and the reactionaries have in the past pressured the United Nations to vote against any revolution and progress, the world revolution has continued to develop vigorously.

The United Nations has recognized the Pol Pot-Ieng Sary clique of murderers during the past 3 years. It has now recognized the so-called coalition government, which is in fact a tool of the imperialists and the international reactionaries, so that it can sit in the world organization. Such action is erroneous and cannot prevent the PRK from advancing along the correct and just path of rebuilding the country and building a new life in accordance with the Kampuchean people's true aspirations. The Pol Pot-Ieng Sary clique and those putting on its sloughed off skin must be chased out of the seat of the Kampuchean delegation at the United Nations.

CSO: 4206/19

THAI, WESTERN MUSIC STILL PREVALENT, SUPPRESSION TO BE GRADUAL

Vientiane VIENTIANE MAI in Lao 8 Oct 82 p 2

/"Conversation with the Editor" Column: "Cassette Music"/

/Excerpts/ /Question/ 1. Why are there so many Thai and western music cassette recordings being sold in the market? What can be done about this?

2. If I am not mistaken, there is an order of the capital /administrative committee/ concerning a ban on the sale and recording of cassette music. I am interested in knowing whether that order is still in effect.

3. Are there any state music cassette recording stores, and if so, where?

Please rewrite wherever you think what I have written is not suitable.

From Thongson 2 October 1982

/Answer/ This problem has been going on for a long time regardless of any order forbidding it, and some people still do not want to follow the order. For this particular problem proper measures must be taken to solve it. It certainly will be solved sooner or later. This is because after there was a resolution to set up guidance and culture control for Vientiane Capital there has not been any funding to allow it to carry out its work. However, this issue is still being planned by this committee, and we can only wait for the day to start carrying out the actual work which has to follow the proper /procedure/. Of course, this problem will certainly be solved, but it has to be done gradually.

2. You are correct, and that order is still in effect as before. There has been no change. The sections involved still use this order in carrying out their work.

3. We do have a state cassette recording store, and it is located in front of Boua Savan movie theater. At this time there is only a store with a very beautiful sign. If you want to go to have recorded cassette music you would be disappointed because there are no cassettes there at all. I don't know why so I cannot tell you, except that there might be some problem. Thank you.

9884
CSO: 4206/17

U.S. BLAMED FOR WORLD PROBLEMS

Vientiane VIENTIANE MAI in Lao 7 Oct 82 pp 2, 4

[Conversation with the Editor' Column: "The United Nations and the Imperialists"]

[Excerpts] [Question] Everyone knows that world problems nowadays have been caused by American imperialists and their followers. Why doesn't the UN Security Council take the necessary measures towards those who violate its charter, or doesn't it have any right to get involved in this matter?

[Answer] It is not only the UN but also many advanced nations in the world that have acknowledged that the difficulties and problems endangering world peace today are caused by the thirst for war and the territorial expansion policy of the imperialists, the expansionists, and powerful international reactionaries whose goal is to make the entire world into their neo-colonies. Meanwhile, they also hope to take over the land of all developing and underdeveloped countries for their [colonies], especially for their natural resources, thus aiming to build up their economy so they will have the most advanced economy in the world. They also [compete] for markets, and they aim to sell weapons and to be the conqueror of the entire world, in addition to resisting our socialist countries. As for the UN's role in this problem, actually the UN is only a forum for political struggle. The use of different measures to [counter] the dangerous threat to the world of the imperialists, the expansionists, and other reactionaries depends on a majority of the votes of the member states of the UN that have to come to a mutual agreement. Today the power of the imperialists is still quite strong, and they have a considerable number of followers. Therefore, any debate on the floor (the UN assembly) is difficult, complicated, and incapable of reaching any agreement. There have been many such problems.

9884
CSO: 4206/17

ARRANGEMENT OF LEADERS' PHOTOS, SUPPRESSION OF GAMBLING DISCUSSED

Vientiane VIENTIANE MAI in Lao 9 Oct, 11 Oct 82

[Conversation with the Editor' Column]

[9 Oct 82 p 2]

[Excerpts] [Question] 1. What is the correct way to arrange our party and government leaders' photos at various opening ceremonies? How many leaders [should be included]? Recently in many different localities and districts I have seen things being done in different ways. Can this be done whichever way we like? Suppose we arrange the photos incorrectly, would it still be all right? What is the really correct way to arrange the photos?

2. Concerning those who sell "illegal lotteries," is there no way to stop them, or do we have to let them carry on? Recently there have been a number of people actively playing illegal lotteries. Please explain to me where the illegal lottery gambling came from. When did it start? What country introduced it? Won't it harm the policies of the party and government? Please explain this to the masses in Vientiane Capital so they can understand.

May VIENTIANE MAI progress as called for by the nation as well as the party and government forever. Love, 5 October 1982. P.S. Silavong.

[11 Oct 82 pp 1, 4]

[Text] [Answer] 1. In the past as well as now we put up three pictures. The way to arrange them is to count from left to right. The first is a picture of the secretary general, the second is is the president of the country, and then other comrades. If you see any place where this is not done they must be rearranged correctly according to the ceremonial regulations.

2. To raise the question you had asked: "isn't there any way to ban it?" Concerning this I just want to say that the traces of the old society must be absolutely wiped out, such as superstitious beliefs, anti-social activities [like] prostitutes, gambling, cards, illegal lotteries, etc. These are caused by the old anti-social elements still with [us]. You should review this phrase of the order issued by the administrative committee. Do you still remember it?

If we review this problem again we have to discuss where it said "absolutely forbidden" without saying "if there is any way" as what you asked, because the order is already clear that the anti-social elements left over from the old regime must be absolutely wiped out. Its importance is in the actual practice. How absolute the result is depends on the work performance of the administrative authorities in cooperating with the people in the localities where these anti-social activities occur. Comrade P. S. Silavong, I want to tell you that wherever they occur and there is definite evidence, please call 2053 or 3352. The most important thing is to talk to them first. This means if anyone is addicted to these anti-social activities, that person must be trained and educated. And if he still does not listen we have to apply new measures. We all live together with love, solidarity, and unity. We all carry out all the resolutions issued by the party and government. Now more than ever the party and government have asked for the solidarity, the grant and firm solidarity of all Lao people of all nationalities and all races, to carry out the national construction and socialist construction.

Illegal lotteries arise from the idea of gambling. Which country started it first I do not know, because I have seen it ever since I was born. There was an example a little after 1950 in Vientiane when the powerful authorities played tombola (French). Later on they played the lottery (English word). However, these two languages are referring to the same thing, which in Lao is called illegal lotteries and number games, or shares. We assume that it was more of a capitalist idea because for the illegal lottery mentioned the capitalists who were owners would get the money. The ones who lost were the gamblers. The capitalists would never lose because they let the winners use the gamblers' money. The money left over they put in their own pockets. Therefore, those who are addicted to gambling will go broke, and none of them is every wealthy. Some of them gambled so much they had to sell their houses and ricefields; they quarreled with their wives, children, and relatives. When the money to gamble is short then they steal little things, and do other things none of which are good. These are all anti-social activities. Therefore, we can say that no gambling is good, and it is also against the laws of the land. Let me stop for now. I hope you find this satisfactory. Thank you.

9884
CSO: 4206/17

COUNCIL OF MINISTERS SETS LOCAL PRICES FOR ELECTRICITY

Vientiane VIENTIANE MAI in Lao 11 Oct 82 pp 1, 4

/Decree of the Council of Ministers, Issued 22 September 1982/

/Text/ The Council of Ministers issues decree No 238/CCOM concerning the revision of prices for electricity, as follows.

Based on the economic and financial situation in our country and in the world at present, and

Based on the actual business situation of the Lao State Electrification Enterprise, and

Based on the report of the Ministry of Industry, Handicrafts, and Forestry,

The Council of Ministers hereby issues the following decree:

Article 1. Electricity prices are changed in 5 provinces: Vientiane, Luang Prabang, Khammouan, Savannakhet, and Champassak.

Article 2. The price of electricity is set at 0.40 kip per kWh as a single price for all kinds of electricity usage and as a single price within the 6 provinces in Article 1.

Article 3. Prices are set for electricity to serve cadres, government employees, soldiers, and police who are in the state administrative apparatus at the rate of 0.10 kip per kWh with the following energy usage allowances.

Energy Allowance in kWh Per Month

--Secretary general, the president of the country, and the chairman of the Council of Ministers: 600 kWh

--Party politburo members, vice chairman of the Council of Ministers, and the vice president of the Supreme People's Council: 500 kWh

--Party Secretariat: 450 kWh

--Party central committee members, ministers, state commission chairmen, and equivalent /no figure given/ kWh

--Secretaries of provincial party committees, chairmen of provincial administrative committees, secretaries of state, deputy chairmen of and members of provincial administrative committees, capital administrative committee members, chairmen of district administrative commitees, hospital chiefs, school chiefs, military unit chiefs, and chiefs of companies and large factories: 300 kWh.

--Department assistant chiefs, assistant chiefs of companies, provincial department chiefs, and those for high-level specialized tasks and equivalent: 200 kWh.

--Assistant department chiefs, those of medium level specialized tasks and equivalent, including government employees and second-level workers: 130 kWh.

Note 1. The shortfall due to the price of 0.30 kip per kWh will be paid by the state budget to the Lao State Electrification Enterprise.

Note 2. Cadres who use an amount in excess of that allowed must pay at the rate of 0.40 kip per kWh on the excess amount of electricity only.

Note 3. Fence lights and security lights for leaders: the organizations involved will pay for these at the rate of 0.40 kip per kWh.

Article 4. A general price is set for electricity for cadres and workers in state enterprises that has been converted to enterprise, in which the responsible party will pay at the rate of 0.40 kip per kWh.

Article 5. A price is set for electricity for cadres and workers in state enterprises that have not yet been converted at the rate of 0.10 kip per kWh for energy allowances as given above. The shortfall of 0.30 kip per kWh will be the responsibility of the enterprise. In the case of an excess amount of electricity usage the users must pay at the rate of 0.40 kip per kWh only on the excess amount.

Article 6. The Ministry of Industry, Handicrafts, and Forestry has the responsibility to guide organizations to effectively carry out the provisions of this decree.

Article 7. This decree will take effect starting 1 October 1982.

Vientiane, 22 September 1982. Acting chairman of the Council of Ministers and First vice chairman of the Council of Ministers,

Nouhak Phoumsavan

9884
CSO: 4206/17

WATER PRICES SET BY COUNCIL OF MINISTERS

Vientiane VIENTIANE MAI in Lao 11 Oct 82 pp 1, 4

/Decree of Council of Ministers, Issued 22 September 1982/

/Text/ Based on the report of the organizations involved in revising prices for piped water, the Council of Ministers hereby issues decree 235/CCOM.

Decree

Article 1. The price of piped water in Vientiane Capital is 3.50 kip (3 kip 50 att) per cubic meter. This is the only price.

Article 2. In order to solve temporary problems in standards of living for government employees, the government has a policy of 150 liters of running water per government employee per day, which means 4.50 cubic meters per month. If one exceeds this limit he would have to be responsible for the payment himself, based on the price set in Article 1.

Article 3. This decree will take effect starting on 1 October 1982. All previous decrees are hereby abolished.

Vientiane, 22 September 1982. Acting Chairman, Council of Ministers and First Vice-chairman, Council of Ministers,

Nouhak Phoumsavan

9884
CSO: 4206/17

KAYSONE RECEIVES CSSR DELEGATION

BK110728 Vientiane Domestic Service in Lao 0000 GMT 11 Nov 82

[Text] On the afternoon of 10 November, Kaysone Phomvihan, general secretary of the LPRP Central Committee and chairman of the LPDR Council of Ministers, received at the government reception room a delegation of the CSSR-LPDR intergovernmental commission led by Rudolf Rohlicek, member of the Central Committee of the Czechoslovak Communist Party, deputy premier, chairman of the CSSR State Planning Commission and chairman of the CSSR-LPDR intergovernmental commission for economic, scientific and technical cooperation.

Accompanying the delegation was Sali Vongkhamsao, secretary of the LPRP Central Committee, vice chairman of the Council of Ministers, chairman of the State Planning Committee and chairman of the LPDR-CSSR intergovernmental commission for economic, scientific and technical cooperation.

Ladislav Kocsis, CSSR ambassador extraordinary and plenipotentiary to Laos, also joined the delegation in its courtesy call on Kaysone Phomvihan.

On this occasion, Kaysone Phomvihan expressed hearty welcome to Rodolf Rohlicek and his delegation and regarded the visit to Laos as a move to further strengthen and develop the relations and fraternal cooperation between the parties, governments and peoples of Laos and Czechoslovakia.

Kaysone Phomvihan informed Rodolf Rohlicek and his delegation of the building of economic bases in Laos, which is based on agricultural production, and the main contents of the resolutions adopted at the Third LPRP Congress. Regarding its foreign affairs, the LPDR will strengthen and make its cooperation with fraternal socialist countries more effective to conform to the true conditions and aspirations of the national economy of Laos.

Kaysone Phomvihan also took this opportunity to express deep gratitude and conveyed profound regards from the LPRP, the government and the entire people of Laos to the Czechoslovak Communist Party, the government and the fraternal people of Czechoslovakia for always giving effective support and assistance to the revolutionary cause of Laos. He wished the delegation splendid success in its current visit.

Rodolf Rohlicek hailed the many successes achieved by Laos in its national defense and socialist construction. He affirmed that he will try his best to contribute to raising the efficiency of the Laos-CSSR cooperation for the interests of the two peoples. Rodolf Rohlicek also conveyed warm solidarity and love from the Czechoslovak party and state leaders to the Lao counterparts.

CSO: 4206/19

BRIEFS

AGRICULTURE MINISTER RECEIVES GDR DELEGATION--Vientiane, 11 Nov (KPL)--Major General Inkong Mahavong, minister of agriculture, irrigation and agri-cooperatives, on 9 November received here Pr. [as received] Borkman, deputy-minister of regional industry and processing industry [portfolio as received] of the GDR, and his delegation. The economic cooperation matters, especially the implementation of the cooperation agreement between Laos and GDR, was raised by the two sides. The meeting also gave special focus on coffee and tea growing and processing. The Lao minister, on this occasion, congratulated the visit of the GDR delegation and wished it successes during its stay in Laos. Pr. Borkman then thanked the Lao side for its warm and cordial hospitality provided to his delegation and wished for the development of mutual assistance between the two nations. Earlier, in the afternoon of the same day, Deputy-Minister of the said ministry Olot Chounlamani met the delegation of GDR and exchanged views on the implementation of the cooperation agreement further cooperation fields [sentence as received]. The GDR delegation arrived here on 8 November. [Text] [BK111221 Vientiane KPL in English 0918 GMT 11 Nov 82]

TALKS WITH GDR PROPAGANDA DELEGATION--Vientiane, 10 Nov (KPL)--Lao delegation of propaganda and training board of the Lao People's Revolutionary Party CC, led by its deputy-head, Khamma Phomkong, on 9 November met the delegation of propaganda and training board of the Socialist Unity Party CC of Germany, which was led by its leader Klaus Gabler. The meeting was proceeded [as received] in a warm and cordial atmosphere and mutual understanding. The two sides exchanged views and experiences on the propaganda and training activity of both parties and were unanimous in all the issues which were raised up at this meeting. The GDR delegation arrived here on 8 November for a friendship visit at the invitation of the Lao propaganda and training board of the LPRP CC. [Text] [BK101354 Vientiane KPL in English 0914 GMT 10 Nov 82]

SISAVAT KEOBOUNPHAN RECEIVES SWEDISH GROUP--Vientiane, 9 Nov (KPL)--General Sisavat Keobounphan, secretary of the Lao People Revolutionary Party CC and president of the Lao People's Revolutionary Youth Union [LPRYU], on 8 November met here Robert Rydberg, president of the National Council of the Swedish Youth [NCSY] and his visiting delegation. The vice president of the LPRYU, Thongvin Phomvihan, was also on hand. Gen S. Keobounphan, on this occasion, assured the Swedish delegation that the LPRYU and himself are very glad to receive the delegation of the NCSY and seized this occasion to thank the Swedish people and youth for their moral and material support given to Laos in the past as

well as at the present time. R. Rydberg then thanked the Lao side for the warm hospitality and all the facilities given to his delegation during their visit to Laos. The two sides jointly wished for the strengthening of the friendship relations between Laos and Sweden as well as between the two youth organisations. [Text] [BK091234 Vientiane KPL in English 0902 GMT 9 Nov 82]

SWEDISH YOUTH DELEGATION LEAVES--Vientiane, 11 Nov (OANA-KPL)--The delegation of the National Council of Swedish Youth (SUL) led by its Secretary General Robert Rydberg, on 9 November left here after ending a 9-day visit to Laos at the invitation of the Lao People's Revolutionary Youth Union [LPRYU] CC. Seeing the delegation off were Thongvin Phomvihan, first vice president of the LPRYU, and officials of the said union. While in Laos, the 10-member delegation held talks with Lao youths' officials led by Thongvin Phomvihan, who is also member of the LPRP CC, and met several Lao leaders. While in Luang Prabang Province among places the delegation visited were agricultural cooperative, handicrafts village, and schools. The Swedish youths were warmly received wherever they went. [Text] [BK120631 Vientiane KPL in English 0920 GMT 11 Nov 82]

HUNGARIAN PARTY DELEGATION ARRIVES--Vientiane, 8 Nov (KPL)--A delegation of the Hungarian Socialist Workers' Party [ASZMP] led by Erno Szigeti, responsible of [as received] the political and economic affairs of the MSZMP CC, arrived here on 6 November, for a friendship visit at the invitation of the Lao People's Revolutionary Party CC. Welcoming the delegation at the airport were Khamma Phomkong, deputy-head of propaganda and training board of the LPRP CC and Mihaly Illes, second secretary of the Hungarian Embassy to Laos, and other officials. [Text] [BK081340 Vientiane KPL in English 0915 GMT 8 Nov 82]

LFNC DELEGATION RETURNS FROM SRV--Vientiane, 5 Nov (KPL)--A delegation of the Lao Front for National Construction [LFNC] led by its Standing Committee's member, Faidang Lobaliayao, was back home on 4 November from an 8-day tour in Vietnam. The delegation of the LFNC, during its stay in Vietnam, had a series of talks with the Vietnamese Fatherland Front's officials and exchanged views on the front activities in both countries. The delegation also met the Vietnamese party and state leaders and visited several places of interest in Hanoi and in Ho Chi Minh City as well. [Text] [BK051335 Vientiane KPL in English 0919 GMT 5 Nov 82]

DELEGATION TO MOSCOW CONFERENCE--Vientiane, 8 Nov (KPL)--The delegation of the Lao Printing House, led by Ounheuan Phounsavat, left here on 6 November for Moscow to attend the second conference on the cooperation among four countries such as Laos-Vietnam-Kampuchea and the Soviet Union in the printing field. The conference will be held in Moscow from 9 to 14 November. O. Phounsavat, then, will lead his delegation to attend the conference of the printing house's leaders of the socialist countries, which is to be opened in Sofia (Bulgaria) from 15 to 19 November. [Text] [BK120439 Vientiane KPL in English 0917 GMT 8 Nov 82]

TRADE UNION DELEGATION ARRIVES--Vientiane, 11 Nov (KPL)--The delegation of the Federation of Lao Trade Union Central Committee, which had attended the cultural conference of the socialist countries, was recently back home from

Prague, the Socialist Republic of Czechoslovakia. Ten nations participated in this conference which began on 27 October. [Text] [BK120439 Vientiane KPL in English 0926 GMT 11 Nov 82]

DELEGATION RETURNS FROM HUNGARY--Vientiane, 5 Nov (KPL)--A delegation of the party CC's training centre, led by its Deputy-Director Chaleun, was back home recently from Budapest (Hungary). The Lao delegation attended the conference of the directors of the party's schools for senior cadres of the socialist countries which was held in Budapest from 19 to 22 October. [Text] [BK070811 Vientiane KPL in English 0935 GMT 5 Nov 82]

TEACHING AIDS FROM VIETNAM--Vientiane, 6 Nov (OANA/KPL)--Teaching and studying equipment was handed over by the Ministry of Education of the Socialist Republic of Vietnam to the Lao Ministry of Education on 5 November. The handover was made by Dam Xuan Dung, economic counselor of the Vietnamese Embassy to Laos to Outtama Chounlamani, vice-minister of education. The two sides stressed on the past and future cooperation in the field of education work which is an important assistance to the teachers and students in Laos, and an excellent symbol of the strengthening and development of the great friendship relations, special solidarity and all-round cooperation between the two ministries as well as the two peoples. Present at the ceremony was Le Hiu Vi, charge d'affaires A.I. of the Vietnamese Embassy to Laos. [Text] [BK070811 Vientiane KPL in English 0906 GMT 6 Nov 82]

FORESTRY AGREEMENT WITH SRV--Vientiane, 3 Nov (OANA/KPL)--The southern [province of] Savannakhet of Laos recently signed a forestry agreement with its Vietnamese sister province of Binh Thi Thien. The agreement was signed within the bilateral cooperations between Laos and Vietnam. [Sentence as received] [Text] [BK031441 Vientiane KPL in English 0909 GMT 3 Nov 82]

CSSR CONSTRUCTION AID--An obligation document on the building of two bridges--Se Thamouak and Se Toumkam--on Route 9 in early 1983 with the assistance of the Czechoslovak Foreign Trade Corporations was signed in a ceremony held at the Construction Ministry on the morning of 13 November. This obligation was made in accordance with the agreement on economic, scientific and technical cooperation and on assistance in building various projects, particularly the building of the two bridges, which was signed between the LPDR and the CSSR governments on 10 November 1982. The two sides are responsible for the fulfillment of the obligation as clearly stipulated in the agreement. Signing the obligation document for the Lao side was Phan Phoutthavong, acting chief of the Bridge and Road Construction Department attached to the Construction Ministry, and signing for the Czechoslovak side was (Stankol), on behalf of the director general of the Foreign Trade Corporations, (Rosa Spok). The signing ceremony took place in the presence of Noi Inthavong, deputy minister of construction, together with cadres concerned of both sides. [Text] [BK150631 Vientiane Domestic Service in Lao 0430 GMT 14 Nov 82]

KAMPUCHEAN YOUTH DELEGATION VISITS--A delegation of the Kampuchean Revolutionary Youth Union Central Committee headed by its vice chairman, Sam Sundoeun, arrived on 20 October in Vientiane for an official friendship visit at the invitation of the Lao People's Revolutionary Youth Union [LPRYU]. Among those meeting the delegation at the airport were Mrs Thongvin Phomvihan, member of the LPRP Central Committee, vice chairman of the LPRYU Central Committee and Neou Samom, Kampuchean ambassador to Laos. [Text] [BK230252 Vientiane Domestic Service in Lao 0000 GMT 22 Oct 82]

TAX COLLECTION--From April until June 1982 the Saisettha District tax revenue service, Vientiane Capital, issued 174 enterprise permits to those who want to pursue their career in trading. It issued licenses for 147 stores, and identification cards in lieu of license to 124 stores. Meanwhile, the tax revenue service cadres also cooperated with the district administrative committee on 50 occasions to mobilize traders to contribute to the tax collection total. There were 961 people who went in to pay different kinds of taxes. The total revenue was over 682,160 kip. This means 136.43 percent of the first six months plan which is 68.21 percent of the 1981 plan. Besides the actual results mentioned, agitation and checking of calculations was done on 90 occasions including 180 efforts /as published/ and a number of other kinds of work. Today cadres in this office are continually and attentively serving their specialized task. /Text/ /Vientiane VIENTIANE MAI in Lao 9 Oct 82 p 1/ 9884

CSO: 4206/17

INDUSTRY MINISTER SEES IMPROVING ECONOMY

Manila PHILIPPINES DAILY EXPRESS in English 31 Oct 82 pp 1, 3

[Text] TRADE and Industry Minister Roberto P. Ongpin said yesterday that industry indicators show that the Philippine economy is picking up after encountering difficulties in the previous years.

Ongpin said in an interview that September figures from various industrial sectors point to renewed growth compared to last year.

"In terms of domestic market," Ongpin said, "we are already beginning to pick up. And I can already feel the beginnings of a recovery overseas."

Ongpin said the monthly figures submitted to his ministry show that 17 or 21 industries show definite uptrends.

INDUSTRIES on the upswing include automotive, cement, food and consumer durables such as appliances. Ongpin said the four industries which have yet to pick up are textiles, mining, pulp and paper, and packaging.

Ongpin said that the leading indicator for global economic recovery is the upbeat trend in the economy of the United States.

He said that economic pickup in the US is being heralded by the substantial drop in interest rates.

In the past several months, he said, interest rates in the US have gone down from 16.25 to 11.5 percent.

IN TERMS of export development efforts, Ongpin said, the country's non-traditional exports or manufactured products are still doing quite well.

He said that because of world market factors, prices of traditional Philippine exports such as sugar, copper, coconut oil and wood products are still lagging.

Citing copper, he said: "If the price of copper goes down in the world market, there is not much we can do except assist our producers."

He said, however, that "in the area of non-traditional exports, there are lots of things we can do because these Philippine-manufactured products can compete with others of their kind all over the world."

He said that the trade and industry ministry is quadrupling its efforts to put up trade exhibits and send more trade missions overseas.

In 1982, the Philippines will set up 16 trade exhibits and send missions all over the world. Next year, the ministry plans to put up 60 exhibits abroad and send more missions.

CSO: 4200/85

FLEXIBLE PRICE CONTROLS EYED

Manila BULLETIN TODAY in English 4 Nov 82 p 12

[Text] The present pricing control system is being shaped up as a flexible mechanism in the face of the present economic situation where supply of essential commodities has stabilized.

Trade and Industry Minister Roberto V. Ongpin bared this yesterday in response to the clamor of the private sector forthe lifting of price controls and ceilings on all items, including the basic and essential ones.

Ongpin, who answered queires from the private sector during the opening day of the 8th Philippine Business Conference, said that the present system of controlling prices is being made to operate only whenever necessary and during emergency periods.

He said the price stabilization council (PSC) will make adjustments on the present system. However, he said the matter will still be taken up with the Cabinet executive committee for final consideration.

Earlier, Ongpin listed three options on the price control review; namely, the partial lifting of items in the list, total lifting of price ceilings and a status quo or the maintenance of present price controls.

The issue of price regulation is one of the various issues raised by the conference.

The private sector has favored to allow free market prices to prevail in order to stimulate production and encourage private initiative.

"What the government should therefore do is to create and maintain the necessary environment so as to enhance the free interplay of market forces," a conference position paper stated.

Ongpin readily admitted that supply of essential commodities has stabilized and that price control system may no longer serve its purpose.

CSO: 4200/84

PLANS FOR INCREASED OIL PRICES READIED

Manila BULLETIN TODAY in English 4 Nov 82 pp 1, 10

[Article by Ray Enano & Tony Antonio]

[Text] Energy Minister Geronimo Z. Velasco told the 8th Philippine Business Conference yesterday that oil price increases are inevitable but these will be implemented gradually.

Prime Minister Cesar E.A. Virata, on the other hand, reported that the Cabinet executive committee is studying a national telecommunications plan that requires $2 billion for its implementation.

The two government officials, together with Trade and Industry Minister Roberto V. Ongpin, spoke at the opening of the three-day conference at the Philippine Plaza Hotel.

On the matter of oil price increases, Velasco said the Cabinet is considering their gradual implementation to soften their impact on wages and the prices of basic commodities.

A "price sensitivity" study, according to him, is being made to determine alternative price and tax structures for each petroleum product.

Velasco said the Cabinet has to formulate a new policy on petroleum product pricing because of the disparities in the prices of certain products which have resulted in an imbalance of supply and demand.

He said the new pricing policy will "reflect the realities in world market prices."

Although oil prices have stabilized due to the present world over-supply, Velasco said, foreign exchange fluctuations have affected the domestic retail prices of petroleum products.

He said the exchange rate was ₱7.65 to $1 when the last price adjustment was made a year and a half ago.

Today, the exchange rate hovers between ₱8.80 and ₱8.90 per $1.

"The implication is that buying the same amount of oil from our supplier countries is costing the oil companies about ₱7.5 million more a day based on the daily consumption level of about 200,000 barrels," Velasco said.

He said the consumer price equalization fund is providing for the difference in foreign exchange rate, making it unnecessary to raise petroleum product prices.

However, he warned that should fluctuation deteriorate, the fund might fail to cover the difference.

Virata took note of the deplorable conditions of the telecommunications services, saying that there is an urgent need to rationalize the operations of franchise holders.

He said that in some towns and cities, the services were "next to useless." In Metro Manila, he said, the Philippine Long Distance Telephone Co. and the defunct Republic Telephone Co. were choking each other with their overloaded lines.

Virata said the telecommunications system proposed in the plan would allow the Philippines to be linked to the telecommunications facilities of other provinces.

CSO: 4200/84

CREDIT AVAILABILITY ASSURED

Manila BULLETIN TODAY in English 4 Nov 82 p 12

[Text] Central Bank Gov. Jaime C. Laya assured yesterday the business community of the availability of credit as he expressed expectation that the operations of the Credit Information Bureau would lead to the relaxation of the banks' collateral requirements.

Laya was a resource speaker at a workshop of the 8th Philippine business conference which opened yesterday at the Philippine Plaza Hotel.

He told participants in the workshop on financial and monetary agencies that the CB does not anticipate a potential credit crunch next year, saying that at present, enough credit is already availble .

The problem, he said, is how to lengtnen the maturities of available credits. Such a measure is needed to provide the credit requirements for long-term projects.

He pointed out that the CB has lifted the interest ceilings on time deposits to enable the financial system to attract more deposits of such kind. He said that this would in turn enable the system to lend funds with longer maturities.

He said that since the measure tock effect last year, there has been an increase in the volume of time deposits and that the banks have been able to loan out more long-term funds.

Laya said that the operations of the Credit Information Bureau, which will store information on credits and debtor, could lead to the banks' shedding off their collateral orientation.

He explained that at present, there is a great deal of collateral orientation because of the difficulty of ascertaining the credit worthiness of the borrowers. The CB has released ₱1 million as a grant for the operation of the credit Information Bureau.

CSO: 4200/84

RULES ISSUED ON NATIONAL SECURITY CASES

Manila PHILIPPINES DAILY EXPRESS in English 4 Nov 82 p 2

[Text] ALL LAW enforcers and government prosecutors have been ordered to coordinate their investigaiton and prosecution of national security cases.

The order, contained in a joint memorandum circular signed by Justice Minister Ricardo C. Puno and Defense Minister Juan Ponce Enrile, was addressed to the AFP, the Integrated National Police, National Bureau of Investigation, state prosecutors and fiscals.

The circular serves as a guideline to law enforcers and government prosecutors in the investigation and prosecution of cases involving rebellion, insurrection, subversion, conspiracy to commit rebellion and others.

"The prosecution and the law enforcement arms of the government, by the nature of their respective roles in the criminal justice system, should be jointly concerned with the punishment of those who violate the law and the exoneration of the innocent," the circular said.

It stressed that in the gathering of evidence until its final disposition by the court, law enforcers and government prosecutors should consult each other.

The circular also stressed that no arrest will be effected without first obtaining a warrant of arrest from the proper court or a presidential commitment order.

CSO: 4200/85

RELIGIOUS LEADER KILLED BY GUNMEN

Manila PHILIPPINES DAILY EXPRESS in English 30 Oct 82 p 6

[Text] A RELIGIOUS leader who has been very vocal against the use of violence in working for changes in government was shot and killed in Isabela Wednesday by heavily-armed men dressed as goverment troopers.

The killers, who the military said were members of NPA liquidation squads operating in the region, were in army uniform when they shot and killed Tomas Guitang, a minister of a religious sect.

They first went to the house of the Morado barangay captain in Ilagan, Isabela, and ordered him to summon Guitang.

Thinking that the men were military officers because of their uniform, the barangay captain obeyed.

WEHN Guitang arrived accompanied by his wife, one or two of the men shot him pointblank.

He died on the spot.

The leader of the armed band reportedly told Mrs. Guitang that her husband was included in the death list "because of his many sins against the people's cause."

The Isabela PC sent troopers to pursue the killers but failed to make any contact, a report to Camp Aguinaldo said yesterday.

SIX MEN armed with high-caliber guns and posing as town officials and policemen in Lanao del Norte were caught by army troopers.

They turned out to be members of the NPA sent on assassination mission in Lundungan town, investigation showed. They were identified as Tumang Tumar, Tampoy Pangkat, Kiram Tumaronpong, Kudayao Anaong, Makapar Makalintal and Adim Tingaan.

Tulmar, leader of the group posing as Lundungan mayor, told army probers that they were on a mission.

He admitted his five other companions posed as members of the Lundungan police force.

Two armalite rifles, three carbines and a caliber .45 pistol were seized from the group.

CSO: 4200/85

MISSING PRIEST NOW WITH REBELS

Manila PHILIPPINES DAILY EXPRESS in English 31 Oct 82 pp 1, 3

[Article by Mel Parale]

[Text] A NUMBER of priests being sought on charges of committing acts against national security cannot be located and are believed to have gone underground, military authorities said yesterday.

These priests are apart from those already in the government's order of battle and for whom rewards have been offered for their capture.

One such priest was identified as Fr. Josefino Gonzales, executive secretary of the Catbalogan social action center where documents said to be subversive were seized in a raid by government operatives last Sept. 1.

BRIG. GEN. Salvador Mison, Eascom commander, told Defense Minister Juan Ponce Enrile in a visit to Camp Aguinaldo that Gonzales used to say Mass in Samar but has lately disappeared.

Gonzales was among eight priests who had "walked out" of a meeting of priests in a Samar diocese called by Bishop Angel Hobayan. The military withheld the identities of other priests.

The original list used to have 10 names. This has swelled to about 20.

Mison disputed charges of Church officials that Fr. Edgar Kangeleon, director of the Catbalogan social action center, was manhandled when arrested last Oct. 10.

Mison said soldiers were forced to handcuff Kangleon when he (Kangleon) boxed an arresting officer.

CHURCH officials, on the other hand, claimed that Kangleon was arrested after saying Mass.

Mison said subversion charges have been filed against Kangleon before Catbalogan Fiscal Justo Sultan.

He said Kangleon is detained at the Eascom headquarters in Samar "enjoying comfortable quarters."

He informed Enrile that incidents of ambushes and killings in Samar have gone down since the drive against subversives was intensified in 1981.

MISON noted that not a single ambush took place in the province since Dr. Humberto dela Paz was slain on April 23 last year. He did not explain the relation, if any, between the doctor and the ambushes.

Antonio Asistio, one of the suspected recruits of subversives who was arrested in the Sept. 1 raid in the Catbalogan center, has reportedly told defense authorities that Dela Paz "was part of the movement."

Mison said "the best indication that peace and order has vastly improved in Samar is the request of local officials to open 100 extension classes in areas where teachers used to refuse to work."

CSO: 4200/85

GUN-TOTING SOLDIERS FACE ARREST

Manila PHILIPPINES DAILY EXPRESS in English 31 Oct 82 p 1

[Text] ARMY authorities ordered yesterday a crackdown on soldiers violating the ban on their carrying guns when not on duty.

Maj. Gen. Josephus Q. Ramas, army chief, ordered field commanders to arrest and prosecute soldiers who violate the ban.

Ramas has received reports that some soldiers even carry unlicensed firearms outside their tour of duty.

Some soldiers have been placed under technical arrest when caught with unlicensed guns. They claim to be confidential agents on special mission.

UNDER military regulations, officers and soldiers must deposit their rifles or pistols in the armory of their units if they are not on duty.

Ramas also ordered an investigation into reports that some soldiers were working with gunrunning syndicates.

Ramas ordered the army inspector general and provost marshal to devise more effective ways for checking firearms ban violators.

He said that "the army command does not indiscriminately issue mission orders. They are only issued on exceptional cases involving urgent matters related to national security."

CSO: 4200/85

GOVERNMENT REJECTS BUSINESSMEN'S PROPOSALS

Manila PHILIPPINES DAILY EXPRESS in English 4 Nov 82 pp 1, 6

[Article by Geroge Nervez (with files from R. Liquicia and R. Perez)]

[Text] MAJOR proposals of the private sector, including the allocation of fresh concessional financing, lifting of price ceilings on certain commodities, and the elimination of government intervention in private business, were turned down yesterday by top government officials.

The government position was made clear by top officials led by Prime Minister Cesar E.A. Virata and other cabinet ministers who addressed the opening day of the ongoing 8th Philippine Business Congress at the Philippine Plaza Hotel.

Another proposal turned down was a move to allocate a certain portion of the national budget for long-term lending purposes under highly favorable terms through the Central Bank.

CB GOV. JAIME C. Laya told businessmen that it would be "extremely difficult" at this time to grant the private sector's request because of the huge budgetary deficit.

EARLIER, Virata said in a keynote address that the private sector will always aks for concessional loans from the government. The satisfaction level for cheap loans is very high. Moreover, businessmen give the lowest priority to the repayment of these loans," he added.

Laya said cheap long-term funds are available through the CB's rediscounting window for medium and long-term loans granted by universal banks.

TRADE and Industry Minister Roberto Ongpin justified the government's intervention in business as "necessary move to assist industries encountering difficulties as a result of the new worldwide recession."

However, he assured that these industries will be returned to private hands once the distressed companies are again viable.

On the issue of price controls, Ongpin said that the Cabinet will decide shortly whether to maintain the existing price ceilings or to completely of partially scrap the controls on 14 commodities.

HOWEVER, Administrator Jesus Tanchanco of the National Food Authority rejected the private sector's bid to handle rice exports and to remove government-imposed price ceilings on grains.

In a speech read for him by NFA deputy administrator Pablo Pablo, Tanchanco said the agency has to continue exercising "full control" over rice exports to make sure that local needs are met.

He added that the country's image as a reliable rice exporter could be ruined by some private firms, which have in the past exported inferior quality grains.

CSO: 4200/85

PRIVATE RICE EXPORTS REJECTED

Manila BULLETIN TODAY in English 4 Nov 82 pp 1, 10

[Text] The National Food Authority (NFA) rejected yesterday a plea of private firms to export rice on the ground that the country's rice production surplus is "uncertain."

Food Minister Jesus Tanchanco announced this before members of the Philippine Chamber of Commerce and Industry (PCCI) assembled at the 8th Philippine Business Conference (PBC) at the Philippine Plaza Hotel.

The private sector sought direct participation in rice production and other business, and pressed for reduced government involvement.

The PCCI said that while the private sector is considered partner of government in the development of the grains industry, the private sector has no "say" in the formulation of government policies.

At present, the NFA solely handles rice exportation.

In a speech read for him by NFA Deputy Administrator Pablo Pablo, Tanchanco said that since the country's first rice export in 1977, the private sector has been asked to participate by selling its exportable inventory to the NFA.

So far, he said, the private sector has been paid some ₱49.5 million for its rice deliveries to NFA. However, at this stage, the government must continue to undertake export transaction for the country, he said.

With the undertainty of production surplus, it is necessary for the government to carefully manage the country's rice exports to prevent imbalance in domestic rice supply, he explained.

Since the NFA has full control of its export commitments, the country will not be selling more than its actual surplus, Tanchanco said.

Tanchanco also announced that the NFA council has approved the local sale of premium grade rice and the milagrosa and dinurado varieties above the ceiling price, subject to grading and packaging requirements.

The private sector pressed yesterday for the lifting of price control on 13 items, mostly food commodities, and for the lessening of government intervention in private business.

However, the businessmen's demands drew mixed reactions from government officials who participated in the discussions on the conference theme "Government-Private Sector Relations: Imperatives for Development" at the opening of the Philippine Business Conference at the Philippine Plaza hotel.

Sought by the business sector to be de-listed are items placed by the Price Stabilization Council under price control such as rice, corn grits, meant products, sugar, and cooking oil.

Agriculture Minister Arturo Tanco, Jr. said he will recommend to the Cabinet the lifting of price controls but only on pork, chicken, and eggs.

He said these are abundant in supply at present and market forces could be allowed to play.

CSO: 4200/84

EXPORT ORIENTED FIRMS FAVORED

Manila BULLETIN TODAY in English 1 Nov 82 p 20

[Text] The new incentive system being evolved by the board of investments (BOI) will favor export-oriented firms, Trade and Industry Minister Roberto V. Ongpin declared over the weekend.

Ongpin explained that on top of the tax- and duty-free importation of equipment and machinery, export-oriented industries will avail of more incentives from the new system which will like-wise grant tax credits for ever local content shipped out from the country.

The minister did not elaborate on the tax credits but he said earlier that firms would enjoy increasing credits every year based on the local content portion of the exported products.

He said these firms are being given additional incentives since there is no way for the country to generate foreign exchange earnings other than to depend on exports to pay for the country's bulging import bill.

At the same time, Ongpin brushed off claims from the private sector that the new system will reduce the present incentives being enjoyed by the industries.

He said the private sector failed to grasp the mechanics of the new system which has drawn criticisms earlier.

Public hearings will be conducted first, he said, before presenting the new system into a law before the Batasang Pambansa.

He said the government decided to take a new approach in giving incentives since a number of them have failed to spur private sector efficiency.

He recounted that incentives are being given at the wrong end which made some industries inefficient owing to protective but ineffective incentives.

Ongpin echoed Prime Minister Cesar E.A. Virata's statement pointing out the foregone government revenues as a result of the present incentive system.

Virata said the government lost some ₱10.2 billion in revenues last year as a result of government incentives and other forms of subsidies.

Under the new system, firms will be given tax credits for the importation of equipment and machineries.

CSO: 4200/84

GOVERNMENT TO REVIEW STATUS OF MISSIONARIES

Manila BULLETIN TODAY in English 1 Nov 82 p 1

[Text] Labor and Employment Minister Blas F. Ople ordered yesterday a review of the pre-arranged employment status of foreign technicians and employes throughout the Philippines, including some 5,000 foreign missionaries.

Ople said the review will be carried out by the bureau of local employment in conjunction with the Ministry of Justice and may result in a decision to terminate the work permits of those who have failed to comply with stipulated obligations such as the training of Filipino understudies.

At the same time, those who have been verified to have abused the hospitality of the host country by engaging in dubious political activities may also lose work permits and visas, Ople said.

He pointed out that foreign missionaries who interfere with trade union activities infringe on the country's sovereignty and this can be a ground for deportation.

The minister said a review is necessary to gather facts as the basis of new legislation governing the admission of foreign technicians and workers to the Philippines.

He said the law on immigration in the field of employment has not been revised since 1940 except tangentially through the Labor Code.

During the period of martial law, he said, various agencies obtained individual jurisdictions over certain types of pre-arranged employment through presidential decrees, "in what we now have to see as dangerous proliferation conducive to confusion and ineffectuality in safeguarding national interests."

In the case of foreign missionaries said to be engaged in hostile acts against the government, Ople said this, if ture, constitutes a ground for immediate termination of pre-arranged employment visas and of their right to stay in the country.

"In most cases, such missionaries have been allowed into the country on pre-arranged government visas so that they may teach and assist in the education of underprivileged groups in the hinterland areas of the country," he said.

"We are of course grateful to the vast majority of these missionaries whose teaching work has made up for our own inadequate investments in the education of our minorities.

But the very few who abuse the terms of their stay by engaging in dubious political activity may detract from the status of the entire foreign missionary force in the Philippines," he added.

Ople also directed Deputy Minister Vicente Leogardo, Jr. to prepare a plan of action so that labor regulation officers of the ministry can visit business and industrial plants using foreign technicians for spot checks on their pre-arranged employment status, and the extent to which they comply with the requirement to train Filipino understudies.

CSO: 4200/84

DETAINEES STAGE PROTEST FAST

Manila BULLETIN TODAY in English 4 Nov 82 p 28

[Text] Twenty-five political detainees in Camp Bagong Diwa, Bicutan, today joined 47 other detainees in Camp Crame in a sympathy fast urging the government to release immediately 35 trade unionists suspected of being subversives.

In a press statement yesterday, the Bicutan detainees asked President Marcos to "heed the cry for justice" of detainees in various military camps.

Aside from their release, the 35 workers, who were arrested last August and September, are demanding the improvement of prison conditions, among others.

They were among the 47 Camp Crame detainees who started a three-day protest fast last Tuesday.

The Bicutan detainees said they are urging President Marcos to act on the demands "in the name of justice, and as a sign of the government's sincere pursuit of normalization and national unity."

They also raised grievances over restrictive detension rules, unwholesome prison conditions, and various forms of harassment."

The detainees said that two of the worker detainees have been ordered released by the Quezon City court, and two others were recommended for release last March by Defense Minister Juan Ponce Enrile.

In a "Declaration of Fast," the detainees in Crame pressed for the release, among others, of Felixberto S. Olalia, Sr., 79-year-old Kilusang Mayo Uno chairman, who has been hospitalized a few days after his detention due to rheumatic heart fever; Crispin Beltran, KMU secretary-general and vice president of the Philippine Alliance of Nationalist Labor Organizations (PANALO); Bonifacio Tupaz, who reportedly suffered from a heart stroke while in prison; and Ronaldo Cantes, president of Stanford Microsystems Inc. employes association, who has been suffering from frequent nervous breakdown and mental imbalance.

The fasting Bicutan detainees are Rogelio C. Aberca, Nestor Bodino, Danilo de la Fuente, Edwin O. Lopez, Rene J. Marciano, Joseph V. Olayer, Charlie R. Palma, Pepito Serrano, Fidel V. Agcaoili;

Sixto Carlos, Jr., Manuel M.D. Guzman, Alfredo L. Mansos, Rolando P. Montiel, Modesto Pasana, Baltazar A. Pinguel, Benjamin Sesgundo, Edwin A. Tulalian, Rodolfo Benosa;

Noel M. Etabag, Alan Jazmines, Alex Marcelino, Satur C. Ocampo, Marco S. Palo, Rolando Salulin, and Arturo G. Tabara.

CSO: 4200/84

BRIEFS

PHILIPPINES-ITALY IRRIGATION AGREEMENT--The Italian government, represented by Ambassador Vittorino Rotondaro, and the National Irrigation Administration (NIA), represented by Dr. Fiorello R. Estuar signed recently an agreement for a joint feasibility study of the Balintingon reservoir project in Nueva Ecija. Located in the western slopes of the Sierra Madre mountains 22 kilometers east of Gapan, the project will irrigate an estimated 22,000 hectares of irrigable area and generate electricity from a 40-megawatt power plant. The Electroconsult Consulting Engineers (ELC), which will undertake the consulting and engineering services for the one-year venture, was represented by its area manager, Tullio Zanotti. A total of ₱4-million will be shouldered by the Philippine government while 745,800,000 will come from the Italian government. "Manila BULLETIN TODAY in English 1 Nov 82 p 11]

EXPLOSIVE CHEMICALS HELD AT PORT--Coast Guard authorities seized a shipment of about 20,000 kilos of ammonium nitrates declared as "agricultural lime green" on board m/v Edward of William Lines, Inc. at North Harbor Tuesday. The cargoes, shipped by Filipinas Aqua Culture Corp. to its San Jose, Occidental Mindoro office, were contained in 500 sacks. They supposedly came from Japan for shipment to Bataan. The chemicals are ingredients for the manufacture of bombs and explosives, but PCG authorities said the chemicals could be intended to produce firecrackers for Christmas. Earlier, the Manila CG station under Lt. Luis Dacanay was alerted on the increasing movement of explosives the past weeks. The PC Firearms and Explosives Unit at Camp Crame said that attempts of several groups to ship similar cargoes to different provinces were foiled. [Wilma Yamzon] [Text] [Manila BULLETIN TODAY in English 4 Nov 82 p 28]

COCONUT OIL BOMB TESTED--THE AFP has tested a bomb made out of coconut oil which exploded with more power than dynamite. The test was carried out in barangay Malagutay in Zamboanga City last Saturday. Maj. Julio de la Genete, designer of the coco-bomb, described the bomb as an "unexpected but powerful explosive." THE CHARGE for the coco-bomb was made from a by-product of coconut oil processed at a special refinery in Zamboanga City. The same refinery also produced a diesel-like fuel called "genetes oil" which is being used by military trucks in the city. In the test explosion, the over three-kilo coco-bomb was buried in a four-foot deep hole measuring four by four feet square and covered with gravel. Some 50 bags of gravel were also piled around and over the hole. The coco-bomb, connected by detonating wires to an observation point 100 meters away, was set off by current from a 12-volt jeepney battery. Debris from the explosion were blown up to 200 meters while the travel bags were ripped apart and scatterred to some 20 feet from their original positions. [Manila PHILIPPINES DAILY EXPRESS in English 4 Nov 82 p 2]

SLFP POLITIBUREAU GIVES SIRIMA FULL POWER

Colombo THE ISLAND in English 30 Oct 82 p 1

[Article by Nandasena Suriyarachi]

[Text]

At an emergency meeting of the Politbureau held yesterday morning at the SLFP headquarters, it was decided to vest the party leader Mrs.Sirima Bandaranaike with full powers to deal with the emerging political situation.

The politbureau also decided that Mrs.Bandaranaike should take on the leadership in connection with the campaign leading to the proposed referendum to extend the life of Parliament by six years. It was also decided at yesterday's meeting that Mrs.Bandaranaike should hold talks with all parties concerned in regard to the postponement of the General Election.

A feature of yesterday's meeting was the absence of the party Presidential candidate Mr. Hector Kobbekaduwe and Vice President Mr.T.B.Illangaratne.

According to SLFP sources, the 17 members of the politbureau were informed of the emergency meeting on Thursday night.

Another meeting of the politbureau is scheduled for tomorrow.

The absence of Mr.Hector Kobbekaduwe at yesterday's meeting of the politbureau has given rise to much speculation within the SLFP. According to well informed sources Mr.Kobbekaduwe had not met party leader Mrs. Bandaranaike since he was given party nomination.

CSO: 4200/83

GOVERNMENT RESTRAINT IN PURGING CIVIL SERVICE URGED

Colombo THE ISLAND in English 1 Nov 82 p 6

[Editorial]

[Text] The Government still in the grip of its post-election euphoria seems to be haunted by the spectre of sabotage in the public service. Ministers have gone on record with startling statements about bureaucrats who had tried to undermine state institutions in which they were employed and it is said that the public service will be purged of such elements. Ministers have reportedly been authorised to screen all employees of state agencies coming within their purview and see that saboteurs are weeded out, according to a Sunday newspaper.

The Government no doubt has its own reasons for launching on this course of action but a word of catuion will not be out of place. The CID is already inquiring into the case of the rice ration book that was distributed by the SLFP as part of its election propaganda. Such cases where evidence is available about the alleged involvement of public officials will anyway be investigated by the Police in the normal course of their work. Where the authorities should act with caution is in the case of a drastic overhaul of the public service which can well deteriorate into a witch hunt.

The public service as it is constituted today is a British legacy and the political neutrality of the public service was a fact accepted by all political parties during the first years of the country's independence.

Because of this very neutrality the public servants at the upper echelons of the service assumed a certain degree of aloofness from the people. Like some distant gods looking down at the mere mortals on earth from their Olympian heights in the ivory towers of their kachcheries the public servants carried on much like Tennyson's brook going on for ever though governments may come and go.

It was the steady politicisation of the public service which eroded this attitude of neutrality. While all Governments appointed their faithful to the uppermost rungs of the administration as Secretaries to Ministers at the base too the public service was infiltrated by people who owed their appointments to "chits" issued by politicians in power. Though every Government paid

ritual homage to merit and some even brandished computerised selections as a panacea appointments have continued to be on the sanction of MPs from the SLFP's "chit system" to the Job Bank of the UNP.

Thus it will be seen that it is the state itself (irrespective of the party in power) which has been guilty of making inroads into the public service. Honest public servants who believed in doing their duty irrespective of the party in power grew disillusioned and were treated with suspicion by the political commissars who expected every public servant to make a public declaration of loyalty to the party in power. The delegation of those who did not make a public display of their loyalties to the wilderness of the Treasury or some such chosen Siberia made all public servants experts at the fine art of switching ties.

This is a phenomenon with which all political parties are familiar and the more experienced politicians do not panic at such a situation. Public servants of certain categories have been given political rights and can engage in legitimate political activity. It is also a known fact that under any Government a blind eye is turned to those who engage in political work on behalf of the ruling party. Conversely the easiest way of condemning a public servant to the nether world is to tell some one in power that he is a sympathiser of an opposition party.

The Government must take all these factors into consideration when it proposes to overhaul the public service. Already prominent Government figures have mentioned several names of public officials at the uppermost echelons of power as having accommodated politicians of opposition parties during the recent election campaign. What is ironical is that these are people appointed by the UNP itself and are known to enjoy the confidence of the highest in the ruling party. This is why particularly the Government must be cautious because if suspicions can be so easily roused against them the plight of lesser officers in the service who do not have the ear of powerful politicians can well be imagined.

There are legal means to act against those who have been proved to have actively sabotaged development work in the country. But in a situation where the poison pen and the sneaking tongue, the green-eyed monster and the evil gods of envy can run riot the authorities must not become Commissars who will launch an exercise in Mccarthyism.

CSO: 4200/83

EDITORIAL COMMENDS RESPONSIBLE OPPOSITION

Colombo THE ISLAND in English 30 Oct 82 p 6

[Editorial]

[Text] For the first time perhaps in Sri Lanka's political history, the entire Opposition on Thursday night endorsed the Government's decision last week to impose a state of Emergency. The fact that Government was justified in its action was borne out by the sporadic incidents of violence which burst on the country following the UNP's triumph. Both the UNP and the defeated SLFP-CP combine accused the other party of instigating violence during the debate in Parliament and there were even charges of the police taking sides. But broadly subsequent events have confirmed that the Government was justified in its action and the Opposition too has recognised this.

This was quite in contrast to its reaction to speculation about the possibility of a state of emergency being imposed before the polls. SLFP and CP leaders expressed disquiet about this decision and even hinted that this might be used as a cover for tampering with the election process. The country should be happy that nothing so unsavoury happened and the Commissioner of Elections and the Government have to be congratulated for ensuring a fair election.

The Opposition on Thursday showed a commendable maturity and sense of responsibility in their approach to the debate. This was perhaps to be expected because its own supporters were at the receiving end of some of the post-election violence. But nevertheless the Opposition attitude showed that it was willing to break away from the long entrenched mental habit of all opposition parties of indulging in sterile criticism for its own sake.

This attitude was exemplified by Kalawana's Communist MP Sarath Muttettuwegama who said that by and large the police had acted impartially in the aftermath of the Presidential Election and averted incidents. This compliment is all the more significant when one considers that Mr. Muttettuwegama is not known as a great admirer of the police service. There is no doubt that it was the timely imposition of a state of emergency which helped in curtailing the incidence of violence.

Another aspect of the Opposition's maturity of approach was reresented by Nuwara Eliya Maskeliya second MP Anura Bandaranaike.

Countering UNP charges that a section of the SLFP had planned a violent take-over in the event of Mr. Kobbekaduwa winning the election Mr. Bandaranaike said that if after investigations the party found the presence of such persons in its ranks disciplinary action would be taken against them. Equally it was the duty of the UNP to take action against those miscreants in its ranks who had made use of the UNP victory to go on the rampage.

This should be the Government's approach as well. The Opposition has admitted that the incidence of post-election violence this year had been far less than after earlier elections. But it cannot be denied that there had been some unfortunate incidents which could have been averted if some members of the Government had acted in a manner befitting their rank. It is the Government's duty to take the strongest possible action against these persons as a salutary warning to others lurking in the wings for the next post-election orgy. The President's reason for caling upon all Government MPs to resign was that there was opposition to some of them continuing for a further six year period. To category must fall any one against whom cases of post-election violence are conclusively proved.

At least a start has been made to end this destructive spate of violence which breaks out after each election. Some political party at some time must give leadership to eradicate this menace and the UNP now has that chance. The orgy of assault and arson, rape and demolition which is unleashed by the victorious party after each election makes a mockery of the democratic process and it is time that some drastic surgery was done to remove this cancer from the country's body politic.

The Government must have all post-election incidents closely investigated if necessary by an independent Commission of Inquiry and see that justice is done and the culprits brought to book.

CSO: 4200/83

ARMY FORCES AT NORTH POLICE STATIONS

Colombo THE ISLAND in English 1 Nov 82 p 1

[Article by Ravindran Casinader]

[Text] A special strike-force of the Army will be stationed at all Police stations in the Northern peninsula from 5 pm to 6 am daily to "back-up" the police in the event of any terrorist assault an Army spokesman said yesterday.

This decision was taken by the Security Council last Thursday following the terrorist attack on the Chavakachcheri Police station on October 27 in which three Police officers were killed.

Under the new scheme, which came into operation on October 29, each Police station in the North will have an Army back-up team consisting of an NOC and 6 soldiers.

The Police stations in the North are situated at Jaffna, Chavakachcheri, Valvettithurai, Kankesanturai, Chunnakkam and Point Pedro.

One of the biggest problems confronting Police in the North has been the lack of personnel to man the stations, apart from the multifarious duties they have to perform.

The back-up units of the Army will provide security for the Police stations, while the Police will continue to do their policing, the spokesman said.

The decision to have Army units in the Police stations in the North has also been taken in the light of the large amount of arms and ammunitions at these stations.

It is learnt that the police in the North had turned down a suggestion made by the head quarters in Colombo that police stations in the peninsula vulnerable to terrorist attack be closed down, and are determined to continue serving there.

"The Island" also understands that the manner in which the Army back-up scheme is being operated is not to the entire satisfaction of the police in the North who point out that only one soldier is on guard, while the other members of the back-up team sleep inside the station.

The Army spokesman, however, said that that was how the scheme was normally worked and it would not be possible to have more men breaking rest in the night.

CSO: 4200/83

EDITORIAL DEPLORES POLICE NORTH POLICY

Colombo THE ISLAND in English 31 Oct 82 p 6

[Editorial]

[Text] It is difficult to understand the logic behind the proposal which the Police are expected to place before the National Security Council to close down more Police stations in the North. It is no doubt a relfex action showing a resurgence of the anxiety at the top-most levels of the force at the fresh wave of violence in the north which consumed the lives of three Policemen at Chavakachcheri last week. But the Police top brass would do well to re-think the issue and consider whether this does not mean a surrender to northern terrorism.

Every right-thinking citizen of the country, whether Sinhala or Tamil, will be anxious about the well being of the policemen who are stationed in the northern province. It is a tragedy that so many young Police officers at the height of their capabilities should be gunned down as it periodically happens in the north. But Police work involves firstly realism and the Police surely realise that a battle against an unknown enemy such as is waged in the north these days has to be waged with all the resources at its command and at all the points available. In this sense what the police should do is not to close down Police stations and concentrate their resources at a few large centres but to strengthen all the Police stations in the north and wage the battle on many fronts as possible.

It is a pity that armed as it is with all the knowledge about terrorist activities the police should be caught napping so many times. It was only a few months ago that terrorists at Nelliady were able to surprise a posse of Policemen who had left their arms behind in the jeep and kill four. Now at Chavakachcheri terrorists have been able to come as close as 250 yards of the Police station in a van at dawn and again take the Police by surprise. The Police are no doubt engaged in a thankless job but an operation such as the northern one calls for greater vigilance and flexibility on the part of the Police.

It is in this context that the Police have to review their entire strategy to counter the faceless enemy. The fact is that a Police force steeped in the less exacting tradition of the detective and the guardians of day-to-day law

and order has been suddenly confronted by a gang of youth cast in the mould of urban guerillas. Conventional methods which the police used can be of little value in arresting this tide of terrorism. The whole approach of the Police force must change in response to this deadly challenge from the anarchists.

The Police if necessary must give a special training to officers posted in the north on counter-guerilla tactics. Just as the northern youth have assumed a new finesse in their methods of violence so must the police. Police top brass in the north must come to understand the peculiar mind of the northern terrorists, the committed activist wedded with single-minded zeal to violence which he fanatically believes will bring the Apocalypse nearer for the Tamils

The guerilla movement in the north cannot bring any solution to the national question. No one need subscribe to the illusion that the use of counter-violence by the state can by itself contain the northern problem. Terrorism is only an extreme manifestation of the quite legitimate problems of the northern Tamil people which in the last analysis have to be resolved on the political plane. Killing Policemen can only further postpone that day by alienating whatever sympathetic sections that are among the Sinhala people.

In the interests of creating the necessary climate for the Sinhala and Tamil leaderships to get together for a dialogue leading to a possible solution of the problem it is necessary that terrorism be squashed. This can only be done by a determined effort to again restore law and order in the north and not by evacuating Police stations and surrendering to terrorism.

CSO: 4200/83

BRIEFS

PASSPORTS OF OPPOSITION LEADERS IMPOUNDED--The passports of the SLFP Presidential candidate Mr. Hector Kobbekaduwe and of Mr. Vijay Kumaranatunga were impounded by the Department of Immigration and Emigration, authoritative sources said yesterday. According to Police sources, these two passports had been impounded under emergency regulations. It is learnt that the CID had requested the impounding of Mr. Kobbekaduwe's and of Mr. Kumaranatunga's passports in connection with the investigations now being conducted on the printing of "rice ration books" which were distributed on the eve of the Presidential election. [Keerthi Warnakulasuriya] [Colombo THE ISLAND in English 2 Nov 82 p 1]

TAMIL POLICE AVOID NORTHERN DUTY--Many of the seventy Tamil-speaking police officers who have received transfer orders to Northern stations to re-inforce the police force in the north following the recent attack on the Chavakachcheri police station have reported "sick" and are reluctant to assume duties, a Police spokesman told 'The Island'. The spokesman said that in keeping with the TULF demand, more Tamil-speaking officers have been posted to the north. At present, about 50 per cent of the police force in the north were Tamils and Muslims However, with the increasing number of killings of police officers by terrorists in the north, many of the Tamil-speaking officers in the south were reluctant to assume duties in the north. But since they belonged to a disciplined force, they had no alternative but to go, he said. Of the 26 police officers who have been gunned down by terrorists in the north, 16 were Tamils, 9 Sinhalese and 1 Muslim. The total number of cassualties killed by terrorists in the peninsula since 1975 is 51, of which 26 have been police officers, 4 army officers, 3 politicians and 17 civilians. Meanwhile, the police spokesman said that the bereaved families of police constables Kandiah, Karunandan and Tillakaratne who were killed in the shoot-out at the Chavakachcheri police station last week would continue to receive the salaries, along with the increments, of the respective constables until the year in which the constables would normally have retired had they been alive. [Ravindran Casinader] [Colombo THE ISLAND in English 2 Nov 82 p 1]

SLFP TO MAP OUT STRATEGY--Informed sources said yesterday that the 17-member SLFP Politbureau did not hold the anticipated Presidential Election post-mortem, but instead, decided to hold talks with other opposition parties to map out a strategy for the proposed Referendum, seeking to extend the life of Parliament. The five members appointed to the Committee are: President

Sirima Bandarnaike, Deputy President T.B.Illangaratne, General Secretary Ratnasiri Wickremanayake, Mr.Hector Kobbekaduwe and Mr.K.Shanmugalingam. A notable absentee at yesterday's meeting was Mr.Hector Kobbekaduwe. Other absentees were Messrs D.M.Jayaratne and Kingsley Wickremaratne. A Resolution thanking all individuals, organisations and political parties including the Maithripala Senanayake faction who offered unconditional support for Mr. Kobbekaduwe at the Presidential election, was passed. Another Resolution unanimously adopted was the rededication of the Politbureau (Central Committee) to work for the establishment of a free, independent, self-sufficient, completely Socialist Sri Lanka. The Resolution was moved by Deputy President Mr. T.B.Illangaratne and seconded by Dr.H.M. Maharoof and Mr.K.B. Ratnayake. The Politbureau also held that the statements made by Mr. Anura Bandaranaike in press interviews of two papers (Not the Upali Group) were not those of the party. [Colombo THE ISLAND in English 2 Nov 82 p 1]

FOOD PRICES SOAR--The prices of a variety of essential food items, which spiralled on the eve of the Presidential elections are continuing to soar. Rice which stood at Rs. 6.00 per kilo before the polls shot up to Rs. 9.00 yesterday. Action Sun found yesterday that lime which was available to the public at Rs. 8.00 per kilo before the elections today costs double that price. Maldive fish which was a luxury to the public before the polls costing around Rs. 75 is now completely beyond the reach of the middle class consumer. It costs Rs. 120 per kilo. Even dried fish, the poor man's food, has increased in price during the past few weeks. Onions which were Rs. 4.00 per kilo, have shot up to Rs. 9.00. Paddy Marketing Board officials told Action Sun that this price increase was due to the shortage of rice in the country at this time of the year. The Yala and Maha paddy supplies had almost reached ground level and hoarded stocks were being sold at these exorbitant prices. The fact that there was no controlled price for this commodity had been the reason for these increases in prices, these sources said. Traders at the Pettah market told Action Sun that the reason for the price increases was due to the short supply of these food items. Vegetable lorries which were expected from the hill country had mysteriously not arrived. [Colombo SUN in English 30 Oct 82 p 1]

CSO: 4200/83

ENVOY TO U.S. VIEWS KAMPUCHEA, U.S. WORLD ROLE

BK011331 Bangkok THE NATION REVIEW in English 1 Nov 82 pp 5, 7

["Recent" interview with M.R. Kasem S. Kasemsi, new Thai ambassador to the United States, given to news editor Thepchai Yong]

[Text] Question: How does Thailand view the renewed attempts by China and the Soviet Union to normalize their stained relations in connection with the stability in the region?

Answer: I believe that part of their conflict has something to do with psychology but it is also real because of the fact that the two countries are neighbours.

But if the Chinese-Soviet conflict does not develop into an open armed confrontation I don't think it will have serious effects on peace or stability of the region.

There is a new element, however, that has been added to their conflict. As THE NATION has reported, China now has a feeling that it is facing an encirclement from three sides from the Soviet Union. Firstly, the Soviet Union has invaded and maintained military presence in Afghanistan. Secondly, Moscow supported the Vietnamese invasion of Kampuchea. (And lastly, the tension on the Chinese-Soviet border).

As far as Thailand is concerned, we have already made our stand clear on the Afghanistan issue together with our ASEAN friends. We are against any foreign interference in the affairs of another country. But we give more emphasis on Kampuchea because it has direct effect on the security, stability and peace in the region.

I think it is better for China and the Soviet Union to turn to each other and talk. But whether or not the talks will lead to normalization or a solidarity in their internationalism is something we can't predict. But we definitely don't want to see them resort to violence as it would bring about serious consequences not only to the region but to the world.

I don't think that if they still fail to resolve their basic differences the two countries will be able to become any closer toward each other.

Question: As far as our relations towards these two communist nations are concerned, Thailand has been seen to be closer to China than the Soviet Union.

Answer: This line of observation comes mostly from pro-Moscow countries in Eastern Europe or some communist countries in Southeast Asia. They consider our policy to be against their interests which we think are not justified.

Our stand happens to be compatible with that of China which supports the UN resolution and on the resolution of the International Committee on Kampuchea. This may be taken as Thailand's choice to side with China. But in reality, we are not taking sides. We are only defending the international principle which corresponds with the UN charter and our own security.

So we are not taking sides. Even if we threw our full weight to one side over the Sino-Soviet conflict, I don't think it would make any difference.

Question: Has Beijing ever formally informed Thailand whether it has laid down any pre-conditions in its talks with the Soviet Union which may be conducive to solving the tensions in this region?

Answer: I think China has already made her conditions clear. They don't have to tell us because they are telling everyone in the world (of Chinese conditions).

Your report (in THE NATION) has already mentioned the Chinese conditions. Apart from seeking predominance over others, the Soviet Union must stop its hegemotistic scheme, the Chinese also included the situation in Afghanistan and the tensions along their common border with Russia in their talks.

And there is one thing that the Chinese have tried to tell us which is our direct concern. They want the Vietnamese troops to be withdrawn from Kampuchea so that the country can exercise self-determination. It is also understood that in the future, Kampuchea will be a neutral country which will not be a threat to any country.

Question: With its victory at the United Nations, what do you think should be the next step for the Kampuchean coalition?

Answer: I don't think we have to tell them what they should do and, in fact, they have started doing what they should. Prince Sihanouk has addressed the United Nations General Assembly and was greatly welcomed because what he said was reasonable and logical.

Sihanouk was able to make more impact than anybody else there. We (ASEAN) have tried to speak on their behalf too to defend the principle. What Sihanouk said was beyond any arguments because he spoke of the rights and sovereignty that such a small country as Kampuchea deserves.

The Kampuchean leaders have done what they should and I hope they will continue doing it. Sihanouk himself is visiting several countries after the UN General Assembly. Even such a small country as Guinea agreed that Sihanouk means Kampuchea and he is the future of the country.

But for the Kampuchean resistance forces to fight against the army of the Vietnamese backed by the Soviet Union in the battlefield would be a long and difficult task. But again, if there was no ground resistance, outsiders would be misled to understand that there was no opposition to the Vietnamese occupation of the country.

The just armed resistance with political, diplomatic and economic pressure are justified as long as it corresponds with the right principle.

Question: Judging from a request by Vietnamese Foreign Minister Nguyen Co Thach for a recent meeting with Foreign Minister Sitthi Sawetsila and the distribution of the Ho Chi Minh City declaration to ASEAN countries through Vientiane, do you discern any possible flexibility on the part of the Vietnamese over the Kampuchean issue?

Answer: You have to look at this issue from two perspectives. Firstly, are the Vietnamese really serious about negotiations (to solve the Kampuchean conflict)?

If they want to have negotiations we would welcome them. We have to be careful about this point, otherwise we would be misled into thinking that there is flexibility (on the part of the Vietnamese).

Then there is a question of the essence of such negotiations. What the Vietnamese have to say in the Ho Chi Minh City declaration and in the circulars sent to ASEAN or in the UN through Laos only reflects the attempts to create a fait accompli in Kampuchea.

As far as the substance is concerned, I have seen no changes. It was merely designed to legitimize the (Vietnamese) occupation of Kampuchea. From substance, we go to the means of negotiations. As you can see, they (Vietnamese) referred to a regional conference prior to an international conference involving countries concerned.

The Kampuchean problem is an international issue which affects countries even outside the region. It is, therefore, not appropriate for us to make any agreements and have them rubber-stamped by outsiders.

Another point which is also vague is the part (in the declaration) which said that we should not interfere in the internal affairs of any country in the course of our negotiations. And how would we interpret the point when it comes to the question of Kampuchea?

If one regards the government installed in Phnom Penh as a legitimate one, any talks about the Kampuchean problem would immediately be viewed as an interference in its internal affairs. So it (declaration) simply means that we are not to touch upon the Kampuchean issue in our talks.

Anyway, the tendency (of the Vietnamese) to hold talks is good as it may reflect the troubles they are in. It is not an easy thing to do to wage such a war in order to occupy a country.

Looking at the situation from another angle, the pressure from international community on Vietnam to respect the international rule may be beginning to materialize.

Question: Has Thailand been trying through secret diplomacy to talk to Vietnam?

Answer: We have been using both open and secret means. If we didn't make moves, we would be accused of offering only lip service. We have tried every possible means. When members of the Ad Hoc Committee of the International Committee on Kampuchea were here earlier this year, we tried successfully to have them meet Nguyen Co Thach (Vietnamese foreign minister). Though Thach claimed that he was seeing Ambassador Sarre only as an envoy of Senegal, we all knew what hat he (Sarre) was wearing.

Sometimes we have to test the water if it would lead to negotiations. But it must not be misunderstood that there is a flexibility.

Question: Do you foresee any significant changes in the Thai foreign policy toward Indochina when a new government comes to power after the next general elections?

Answer: It is difficult to predict. But I don't expect to see any drastic changes except if those who are in power were too extreme on one side or the other. I think everyone who is in office should consider national security as the most important thing and want to see stability in this region. So if our objectives are the same our policies should have no differences.

Once outsiders are in the same shoes (Foreign Ministry) they would understand the realities. But criticisms (about foreign policy) are something common in a democratic country. Some say we may be too aggressive while others say we are not. But that is a matter of approach. Some people may have a soft approach but inside they may be tough. That's what we call an iron hand in a velvet glove.

As far as I can see, I still don't expect any major changes in our foreign policy. But there could be changes in tactics. Our policy is not designed to be a confrontation but it is a policy to preserve stability in this region.

Question: Will you pay attention to any specific areas when you take up your new post in the U.S.?

Answer: There have been no special instructions for me. During my last trip to America, I had a chance to discuss with several former U.S. envoys to Thailand, such as Alexis Johnson and Leonard Unger and also with members of the American Chamber of Commerce here on economic aspects of Thailand.

They all made a point that it had been a long time that Thailand failed to promote itself in areas which can offer great interests. I told them that Thailand has been an independent country and may not find it necessary to have self-publicity the way many newly born nations are doing. It may not be a trait of Thai people to always seek publicity.

But now it has become necessary that we have to encourage other countries which may be in a position to cooperate with us and share a common interest by giving them confidence (about Thailand). Thailand has failed to "sell itself" as other countries may have done.

Today we have a great opportunity in attracting foreign investments. Putting the pros and cons together, I think Thailand in the long run may offer the best investment returns compared to other countries in the world.

Question: So you are going to give special interest to investment promotion in Thailand.

Answer: I would like to pay attention to both political and economic aspects so that we can give a clear picture of the country to those who wish to have a role to play either in the field of investments or defence in Thailand.

We have to set an example for many other countries, including those in Africa, and to demonstrate that our market economy is rewarding and should be supported.

ASEAN is an important trading partner of the U.S. and Europe.

Question: Do you think the U.S. is playing enough roles in this part of the world? Or should the U.S. be more active?

Answer: You have to look at the U.S. role from various angles. If the U.S. is too (militarily) active, it may run counter to our principle where we want to solve our problems through political means. But as far as the U.S. attempts to deter some kind of influence in the region, they are all too evident. In the long run, ASEAN is committed to its principle of zone of peace, freedom and neutrality.

Looking back at the past, when we are afraid of China we adopted a policy of encirclement through SEATO (a defunct regional military organization) which required (foreign) troops to protect the region. But things have changed now.

It would be a less costly investment today for other countries to help us develop the political and economic potentiality of the countries in this region. So the concept today is different from that of the past when we merely looked for assistance from foreign armies.

Question: As far as the Kampuchean problem is concerned, do you think the U.S. should play a more active role?

Answer: The U.S. has been saying that it supports ASEAN. And I think that is enough.

Question: How would you look back at the growth of ASEAN?

Answer: ASEAN has developed something we never had before in the past. That's farsightedness in our foreign policy. When ASEAN was formed, everybody looked at it as a very superficial organization.

In the past when Thailand spoke, nobody listened. But today our voice is listened to. The reason for that is that we (ASEAN) are now looked upon as a force for peace progress and stability in this part of the world.

ASEAN now is a voice which directs the future of the region.

There are now three questions that we have to answer. Firstly, is ASEAN aware of the power it has? It may not be an overwhelming power but it is a power that counts.

Secondly, do we have enough courage to use that power for the interests of the region and the world? Lastly, do we have the wisdom to use it?

Question: And do we have the answers?

Answer: The answers have to come from the Thai people and not from one particular person. The impact of ASEAN has been proved with the issue of Kampuchea.

But most people tend to forget that the limited influence ASEAN has, can be used as a bargaining power in the economic field.

ASEAN also has a moderating influence which is necessary as a cushion for conflicting or opposing forces.

There was a time that Thailand had no perception about the developing situation in the region. When Foreign Minister Sitthi took over the office, he was able to help the Foreign Ministry develop its perception.

As far as international politics is concerned, I believe that Thailand has earned itself a place in the international community.

Question: As the under-secretary of state of the Foreign Ministry how do you assess its performance and development in the past years?

Answer: My role as the undersecretary of state has changed drastically from that in the past. It is now something like the post of a chief-of-staff. But in practice, it is a very energy and time consuming post. Apart from the responsibility in policy making, I also have to deal with other matters, such as passport and administrative work.

That's why we have limited time to think.

Though we are not able to come up with a long-term plan to improve the overall work of the ministry, we have been able to see positive changes in many areas. Passport processing is an instance. We have also been successful in building up a new generation of leadership.

Question: What has been the relations between the Foreign Ministry and the armed forces as far as foreign policy is concerned?

Answer: They have been good..... [Ellipsis as published]

CSO: 4200/115

GAS FATALITIES REPORTED ON KAMPUCHEA BORDER

BK050824 Bangkok MATUPHUM in Thai 5 Nov 82 pp 1, 12

[Text] The correspondent in Aranyaprathet reported that at 0930 on 31 October some 130 soldiers of the Son Sann and Chea Chhut Khmer Serei groups attacked a Vietnamese military post at Yaeng Dangkum Village in Kampuchea, about 5 kilometers north of the Nong Chan Kampuchean refugee camp. However, a team of Chea Chhut soldiers came across a Vietnamese patrol unit only 1 kilometer outside the village. The Vietnamese defenders fired 120-mm and 80-mm mortars at them. After 2 hours of fighting, the Vietnamese soldiers fired toxic gas artillery shells to disperse the Khmer Serei troops. Six Khmer Serei soldiers were killed instantly while 50-60 others suffered symptoms such as headache and vomitting blood from inhaling the toxic gas. These soldiers were expected to die within 3 days.

Some 238 Chea Chhut soldiers and 82 from the Moulinaka group are being treated at the Nong Chan field hospital after having inhaled toxic gas. Since 13 October, 112 Chea Chhut soldiers, 64 from Moulinaka and a number of civilians have been killed by toxic gas. However, there has been no official report on the exact number of toxic gas victims.

The correspondent also reported that from 30 October to 1 November, 300-400 Vietnamese soldiers dug bunkers at 5-meter intervals from (Sahon) Village to (Laem Nong Ian). They worked at night from 2000 to 0100 hours the following day. The bunkers were covered with tree leaves to prevent detection by Thai patrol aircraft.

A Thai military source disclosed that as of 30 October security teams, each comprised of 5 soldiers and 10 civilians, have been set up to guard the villages along the border canal at night in two 6-hour shifts.

CSO: 4207/23

CANADIAN TEAM INVESTIGATES CBW REPORTS

BK100428 Bangkok BANGKOK POST in English 10 Nov 82 pp 1, 3

[Article by Alan Dawson]

[Text] Canadian officials say they believe chemical warfare has been conducted by Vietnamese troops in Kampuchea and Laos, although they have been unable to prove it beyond doubt.

They also described alleged "yellow rain" attacks on two Thai villages near Kampuchea where residents became sick, animals died and a bathing stream was abandoned because it caused skin rashes.

Scientists have found evidence of tricothecene mycotoxins in blood samples from alleged "yellow rain" victims, but were unable to prove presence of the poisons, a Canadian Government-approved report states.

A separate report by a Canadian military team and also made available to the BANGKOK POST, meanwhile, concludes: "CW/BW (chemical warfare/biological warfare) agents are being used in Southeast Asia" against Thai villagers, as well as Laotians and Kampucheans.

"The CW/BW agents are being used against unprotected troops and civilians with inadequate medical support," the team said in its heavily-documented report.

A diplomatic source familiar with the reports said they "are not the smoking gun, let alone the bullet, but they are not negative on the subject either. They still leave questions unanswered."

The two reports, compiled recently from results of field trips earlier this year, came closer than any non-American study so far to proving use of chemical warfare by Vietnamese troops in Laos and Kampuchea.

But although laboratory testing of the blood of five stricken Hmong from Laos, showed "a peak corresponding to HT-2 toxin," final results of the test were inconclusive.

"The presence of trichothecenes in the five blood samples has not been established," reported a scientist of health and welfare, Canada's Food Research Division after his tests.

HT-2 toxin, not normally found naturally in Southeast Asia, is a member of the family of trichothecenes which U.S. officials claim is used in chemical warfare against the Hmong of Laos and Khmer Rouge troops in Kampuchea.

The Canadian scientist said in his report that during testing, he found "a peak corresponding to HT-2 toxin...barely distinguishable from background." He was unable to prove beyond doubt that the deadly poison was present.

Another report, by two military epidemiologists, was also unable to prove that chemical warfare had been used in Laos or Kampuchea, or against Thai border villages.

The report includes autopsy data on Khmer Rouge who died after an alleged "yellow rain" attack in Kampuchea in March. The doctor conducting the autopsy said he was unable to determine the exact cause of death but said it was by "acute renal (kidney) failure with acute tubular necrosis."

"Exposure to toxic chemicals is not excluded by this examination," he said, adding that there were a number of possibilities, including shock and a mismatch in a blood transfusion.

The military doctors said they saw "yellow rain," which gathered on homes and foliage in a Thai village between daytime visits to talk to the Thais there.

At Ban Sa Tong in Pong Nam Ron District, Chanthaburi Province, 10 kilometres from the Kampuchean frontier, a single-engined aircraft last February dumped a yellow powder and flew away to the east. Villagers vomitted, lost their hearing and suffered chest pains, rapid heartrate, itchiness, fatigue and weakness.

Although a Bangkok report said that yellow "flour" or "flowers" were dumped on the village, the Canadians believe that Ban Sa Tong was hit by a "yellow rain" attack. "All those (villagers) interviewed told us that no one bathes in the stream anymore as its water causes skin rashes," they reported.

At Ban Sup Tha Mao, 4 kilometres closer to Kampuchea, "the team saw yellow spots on roofs and platforms which had been clean the day before when it had also been in the village," the report states.

"The yellow substance," the report says after describing illnesses in the village caused by the substance, "is being blown over the border from Kampuchea where it is being used in and around Pailin."

The report also concludes that a common military "gas mask" would provide protection against death or serious injury by "yellow rain," based on the observations of the Canadian doctors.

CSO: 4200/115

PAPER SAYS CABINET RESHUFFLE IS IMMINENT

BK151111 Bangkok MATICHON in Thai 15 Nov 82 pp 1-2

[Text] Urgent--Prem puts off trip to China and is preparing a complete cabinet shakeup. All ministers belonging to political parties will be relieved of their offices and will be replaced by non-party persons. This will allow the government to spend the 7 months left before the general elections to solve national problems and pave the way for the new government. This will also prevent accusations of political parties abusing official power in the upcoming elections and will give full freedom to political parties to campaign for the elections. It will also end all speculation on a coup d'etat and provide insurance for the next elections.

A source close to Government House told MATICHON that there will be a big change in the government in the next few days. Prime Minister Gen Prem Tinsulanon will announce a cabinet reshuffle under Article 156 of the constitution. A new cabinet will be appointed to take up administration during the coming 7 months until next year's general elections are held and an elected government is installed.

Article 156 of the present constitution stipulates that the king has the power to relieve cabinet ministers from office at the suggestion of the prime minister.

The source said this would be an overall reshuffle. All cabinet ministers who belong to political parties, are related to political parties or who took office at the suggestions of political parties will be removed and replaced by people who are non-partisan and do not belong to any political party.

The source said: "The reshuffle will bring in a government which is free of cabinet members who are associated with political parties, thereby lessening conflicts between ministers of different political parties and the administrative problems which are caused by political appointees. It will enable the government to operate more freely. Ministers who are associated with political parties will then have time to campaign for the upcoming general elections. It will also eliminate the cause of allegations that parties which are members of the coalition government are using their power and influence in the government for their own benefit in the election. Such allegations have already surfaced."

It is reported that General Prem has already consulted several groups over the planned reshuffle and that his working group is compiling a list of outsiders suitable for ministerial posts.

"The new cabinet members will be chosen from persons who work hard and are able and honest so that the government can use the 7 remaining months, which will be free of political problems, to solve the country's immediate problems and lay a foundation for the new government to solve the country's problems.

"As for the former coalition partners, these parties can concentrate on campaigning without worrying about their government jobs. It would be fair and beneficial to all concerned," the source said.

"It has also been revealed that the military supports Prem's decision on this matter, believing that a reshuffle, which would enable the government to rid itself of political appointees prior to the general elections, would help improve the situation, avoid political problems which could arise and would prevent the use of political problems as a pretext for staging a coup because the government, having been reshuffled, will administer the country without outside influence until the elections.

"Political parties can use all the mud-slinging tactics they want; the government will not be a subject of blame. The government would be liable to blame if it remained a coalition government, and it would not have any time to carry out its duties," the source said.

The source said that after the reshuffle pressure against the government, such as over the increase in bus fares, will diminish and the new government will tackle the problems which are the cause of pressure.

The source said: "An important issue is elimination of rumors and concern over a coup. Coup stagers must claim a cause for their action, and they must have power and only the military has power. Once the reason for a coup has been eliminated and once the military agrees with a change which conforms with democratic methods, no one could have a reason for staging a coup. The result is that the new government will have time to work fully until the elections next year. A new government will be formed after the elections in accordance with the constitution. Both the government and the military uphold democratic principles and will ensure the situation follows along that line."

The source said General Prem has for a long time contemplated reshuffling the cabinet before the elections--ever since he declared that he would not join any party and would not run in the elections.

Regarding whether or not a reshuffle which would remove all political parties would hurt the feelings of the coalition partners, particularly the Social Action Party of M.R. Khukrit Pramot, the source said: This is a big issue. The prime minister has probably already consulted the coalition partners.

"General Prem has probably already consulted them and there should be no problem because the coalition partners also need time for campaigning and political parties probably would want to show their good political spirits. The Social Action Party has broached this subject before," the source said.

It has been reported that the reshuffle, which would take place in a couple of days, might result in a postponment of General Prem's visit to China from 17 November.

"It will be a postponement, not a cancellation of the visit. In fact, there are domestic and external situations which the prime minister could use to postpone the visit and China would understand and would have no objection," the source said.

CSO: 4207/23

SUPREME COMMAND REPORTS ON KAMPUCHEA FIGHTING

BK070742 Bangkok Domestic Service in Thai 0000 GMT 7 Nov 82

[Text] According to the Supreme Command Information Office, from mid-October troops of Democratic Kampuchea and Vietnamese soldiers engaged in sporadic fighting in Kampuchea across the Thai border, particularly in Battambang, Siem Reap-Oddar Meanchey and Pursat. Fighting also occurred in central and southern Kampuchea.

Democratic Kampuchea's operations included political operations aimed at obtaining broader cooperation from the Kampuchean soldiers and population, as well as armed operations in order to drive the Vietnamese soldiers out of Kampuchea.

The fighting in Kampuchea affected Thai territory as follows: At 1445 on 29 October, Vietnamese-Heng Samrin troops fired seven 105-mm mortar rounds into Tambon Chamrap in the central district of Trat Province, damaging several homes. At 1400 on 31 October, Vietnamese-Heng Samrin troops fired five 125-mm artillery shells into Ban Na Klua and Ban Nong Ri in Khlong Yai District, Trat Province. At 2330 on the same day, two RPG rounds were fired into Bankhlong Takhian, Khlong Yai District, Trat Province. At 1920 on 1 November, a number of Vietnamese-Heng Samrin troops crossed the border and sniped at ranger volunteers at their camp at Ban Chet Lak, Khlong Yai District, Trat Province. The ensuing 10-minute exchange of fire caused no casualties to the Thai volunteers. The Vietnamese-Heng Samrin troops fled afterward.

Although no serious incidents have occurred along the Thai-Kampuchean border recently, the military continues to closely follow up and assess the events that do occur and will take every action to ensure national security and sovereignty.

CSO: 4207/23

CONTROVERSY OVER MALAYSIA RELATIONS CONTINUES

Bangkok PHYA KHRUT in Thai 13 Sep 82 p 3

[Column by "6 October"; "Thai-Malaysian Relations: We Must Reveal Our Feelings"]

[Text] Mr Koettiphong Na Ranong of the BANGKOK POST wrote a very interesting article last week about "Border Problems and Relations among the ASEAN NATIONS."

Mr Koettiphong gave the example of the border situation between Thailand and Malaysia, where those responsible in the problem, particularly Lt General Han Linanon, commander of Region 4, showed dissatisfaction with the most recent meeting between Thailand and Malaysia concerning the suppression of Malaysian Chonchin Communists and bandit terrorists.

The BANGKOK POST reporter pointed out that ASEAN nations appear to be saying there is "a very tight relationship" due to the Indochinese problem, because of those nations all becoming Communist and the Vietnamese invasion of Kampuchea, causing fear that Vietnam would spread its influence.

In that respect the relations in ASEAN have become closer because of our "common fear." But, in fact, ASEAN has its own problems of many differences among nations. Mr Koettiphong offered his belief that "Thailand and Malaysia ought to use the opportunity posed by problems on the outside, that is the unity of Indochina, to solve the problems of our differences as well.

That view is very meaningful in the long run and with respect to the Thai-Malaysian border problems right now because the Thai-Malaysian border problems have been going on for many decades without a conclusive solution.

The Malaysian side accuses the Thais of giving safety to the opposition to the Malaysian government. And the Thais accuse Malaysia of supporting the Southern Seccessionist Movement.

Such a border between two nations is usually likely to be a place where the opposition to one side's government can flee its oppression in the territory of the other country.

But when the point is reached where one nation gives support to the opposition movement to the government of the other in order to strengthen it, it must be considered carefully before anything is said.

Thailand may be set on believing that Malaysia is giving support to the Muslim movement because they have the same ancestry and religion and the same spoken language.

And it is said that in truth Thai Muslims in the south in the region of the Muslim provinces have greater contacts and relations with Malaysia than with Thailand.

The aid from Malaysia to the Thai Muslim movement is likely to occur automatically because it is like help to friends and brothers in trouble all over.

But when it reaches the point that the Malaysian leaders have political ideas of whether four southern provinces will be divided up with Malaysia, then this must be explored carefully.

In the same way, what Malaysia accuses Thailand of must be explored carefully first.

The solution to the border difference between Thailand and Malaysia is not overwhelming, but the first stage of building a foundation is good joint "vision" and "sincerity" with mutual respect for each other's sovereignty.

To proceed to solve problems by creating a feeling or vision based on "fear" and "distrust" and mutual suspicion could only be destructive.

This way requires first the most straightforward talk, letting each side bring up the things that it is uncomfortable or dissatisfied with, uninhibitedly.

For Lt Gen Han to speak of the insincerity of Malaysia is a correct action. It is in the character of the "sporting man" and a person with the heart of a real sportsman.

Those who are passive but have confused thoughts beware!

9937
CSO: 4207/11

KRIANGSAK DISCUSSES ELECTORAL SYSTEM, SENATE

BK06^602 Bangkok BANGKOK POST in English 6 Nov 82 p 3

[Text] Former Prime Minister Kriangsak Chamanan favours changing the electoral system, but said yesterday that he disagreed with the extension of the Senate's term and retention of its powers.

Changes of the electoral system or the Senate's tenure and powers can only be made by amending the constitution. General Kriangsak, who returned yesterday from private visits to Britain and the United States, said the government should call a formal meeting to discuss whether the constitution should be amended and to what extent instead of allowing politicians and some of its advisers to carry on a public argument.

The general, leader of the National Democracy Party, contended that the single-constituency, party-voting electoral system to be applied in the next general elections was unsuitable and would prove too expensive for the parties contesting the polls.

Party-voting will force the electorate to vote for candidates in groups, even though some in a group may not be to their liking, said General Kriangsak.

Provisions in the constitution require each party to put up at least 160 candidates and set a campaign-spending limit for each candidate of 350,000 baht--meaning possible campaign expenses of some 70 million baht, he said, adding: "That is quite a large amount of money."

General Kriangsak said the ideal system for the next election would be a combination of the old and new systems--a multiple-constituency, party-voting system.

The system used in the elections 4 years ago was multiple-constituency, individual-voting.

General Kriangsak said he disagreed with the suggestion by the prime minister's advisory board to extend the Senate's tenure and retain its powers to ensure a stable government.

"Why should we be worried now whether the government in the future will be stable or not? If we do not try, how can we know?" he asked.

General Kriangsak said he also objected the call by some MPS for Parliament to be dissolved so that the single-constituency, party-voting system will be dropped automatically.

He recalled that when he was the prime minister and failed to fulfill his pledges to the public, he chose to step down instead of clinging to office.

He called upon Prime Minister Prem Tinsulanon to follow the guidance of the law.

"Whatever is bound to happen will happen. And when it happens, we must try to cope with it," he said.

Commenting on the resignation of Mr Thawee Kraikhup as deputy commerce minister last week over the insurance permits controversy, General Kriangsak said the minister's exit had not helped to clear up the issue at all.

If resignation is accepted as a way of clearing up a controversy, he warned that other government officials who were involved in scandals might take similar action to evade being brought to book.

CSO: 4200/115

MUTUAL ADVANTAGE SEEN IN MALAYSIAN BORDER PACT

BK241147 Bangkok Domestic Service in Thai 0000 GMT 24 Oct 82

[Text] Col Wirat Malaiwong, chief of the office of the Regional Border Committee for Songkhla Province, told newsmen that people have been misinformed if they believe that Thailand has been put at a disadvantage in its agreement on border cooperation with Malaysia. He said Thailand and Malaysia benefit equally from the agreement.

Wirat said the major points of the six-point Thai-Malaysian border cooperation agreement are that there are to be two joint chairmen of the General Border Committee--the interior ministers of Thailand and Malaysia. There are to be two joint chairmen of the Regional Border Committee, currently the chairman for the Thai side is 4th Army Region Commander Lt Gen Han Linanon. The third major point of the agreement says: To ensure effective suppression of the communist terrorists and members of the similar organizations along the Thai-Malaysian border, three types of operations could be launched: Combined operations, coordinated operations and unilateral operations--hot pursuit.

Wirat noted that many people felt that Malaysia has the authority to conduct hot pursuits into Thai territory, while Thailand has no such authority. The fact is that hot pursuits can be carried out into both Thai and Malaysian territories up to 5 km deep from the border.

The border agreement does not favor Thailand or Malaysia. No government would enter into an agreement which will put it at a disadvantage vis a vis another country. The frequency of the hot pursuits is the result of the diligence of one side in carrying out its operations, not of any disadvantage in the agreement Thailand suffers vis a vis Malaysia.

In a combined operation, the commander of the force of the country in which the operation takes place will act as commander of that combined operation.

CSO: 4207/23

NEW FORCE PARTY SEEKS FUNDS IN U.S., GETS VIEWS ON CGDK COALITION

Bangkok SIAM RAT in Thai 8 Sep 82 pp 1, 12

[Article: "New Force Party Sent Secretary-General Abroad to Seek Funds; He Met With Thais In the United States and Found That People Cheered Han's Courage In Speaking Out"]

[Text] The New Force Party sent its secretary-general toseek funds in the United States. He met with Thais who expressed views. He arrived back in Bangkok yesterday.

Mr Suthep Wongkamhaeng, an MP from Ratchasima and the secretary-general of the New Force Party, said in an interview that he had gone to the United States at the end of last month in order to meet with Thais living there and to seek funds for the party. He discussed the political situation in Thailand with Thais living in Los Angeles.

Mr Suthep said that the Thais in the United States are very interested in the political situation and that they asked why the attempt to revise the constitution had failed. He told them that this happened because some MPs who could not find a party to join made a great effort to defeat the revised constitution and that there were rumors that money had been paid out. Besides this, the Thais in the United States asked about the annual military reshuffle. But he could not provide any details because he was not close to what was taking place.

The MP from Nakhon Ratchasima said that the Thais in the united States praised Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, for being a strong and resolute person with the courage to speak out about commercial matters. This made the Thais there, who had previously had a bad impression of soldiers, feel that there were at least some good soldiers in the army. Concerning this, he added that there are other good soldiers too such as Lieutenant General Phrom Phiunuan, the commanding general of the Third Army Area, who once said that Thailand might have to use socialism. Since there are soldiers who dare to express such ideas, it shows that Thailand is not a dictatorship.

Mr Suthep said that many of the Thais in the United States expressed dissatisfaction with those MPs who had proposed withdrawing the Thai citizenship of those Thais who had gone to the United States to work, claiming that these people were

not patriotic. These people said that they still loved Thailand and that by working abroad, they were able to send large sums of money back to Thailand, which is another form of economic help. And in addition, when they return to Thailand, they will bring the new technological knowledge that they have gained back with them and this can be used to beneift their homeland.

Besides this, the Thais in the United States expressed an interest in the problems of Thailand's neighbors. For example, they were interested in the formation of the Khmer coalition to oppose Vietnam's occupation of Kampuchea and in matters concerning Asean. These Thais agree with everything that the Thai government has done.

11943
CSO: 4207/10

COLUMNIST VIEWS UDOM DEFECTION, URGES CONDITIONAL LEGALIZATION OF CPT

Bankok BAN MUANG in Thai 11 Sep 82 p 5

[Tamolo's Column: "Visible Trends Against the Current"]

[Text] Comrade Udom Siluwan, a big Thai Communist in the CPT central committee who has played a role from his youth to age 63, has abandoned the party and given himself up the Internal Security Operations Command.

There was a large group of 13 people with him, and they said there would be quite a few more.

The surrender of Comrade Udom Siluwan is big news, much talked about and commented on.

Some say Udom is old, so he wanted to come out to rest and be comfortable.

Some say Udom will come and work in the cities.

And some say that Udom abandoned his party and came to the city because of a split in the party.

They are all correct.

Udom himself says that he has surrendered himself because he believes in policy 66/2523.

66/2523 upholds democracy and opposes dictatorship.

What Udom says is believable because without 66/2523 it would have been difficult for him to surrender.

But I don't believe those who say that Udom's surrender will have a great effect on the CPT.

the CPT has not come out and made noise like political parties in free (Thai) society. It has put down deep roots.

If we speal of "vibrations," in truth there have been vibrations for a long time, ever since the Sino-Soviet split and the split between the new and the old ideas and the split between the idea of the forest and the idea of the city.

There has been a procession of people abandoning the party and walking into the city and surrendering.

But why hasn't the CPT been destroyed or "come near death" as everyone is saying?

Some die--others fill in

That kind of idea is very naive.

The CPT will not die and will have a continuing role as long as there are other national Communist Parties in the world, such as the Chinese , Soviet, and Vietnamese, governing nations.

The Communist Parties of these nations will wait to support it and assist, giving blood, salt water and oxygen, not letting it die.

But I agree with the ideas and doubts of many who suspect that the comrades from the forest who surrender are not sincere in surrendering, but come by plan.

Invasions into the cities.

They are opening another path of invasion in the cities to combine with the struggle in the forests.

I believe there is truth--there are true cases.

There are also many comrades in the forest who pull their teeth out, finished with rebellion, and want to live a comfortable or peaceful life as villagers.

But they can't give up the ideas that they have been impressed with and the Marist-Leninist ideas.

The ISOC must know the number of comrades in the forests of high intelligence and education who leave the forests for the cities to live as free people in accordance with the law who are living in each province and for the nation as a whole.

There appear to be as many as Rangers in the forest.

If we add up all those who have secret Marxist-Leninist ideas without letting anyone know, I suspect there are as many as there are Rangers for National Defense.

Their ideas unite them into a group, and they can explode them when "conditions" are favorable.

It is something to worry about.

It is dangerous for those people who have Marxist-Leninist ideas hidden away, not playing a role, like "sleeping rogues who get lonely" to come to the cities to congregate.

What way is there to let them "play" a bit?

A good way that ought to work is to allow the Communist Party to compete in the legislature.

Question: Will the Communists be able to accept our stipulation, when that stipulation is "the nation, the religion, the king"?

That is the "halfway point" and the condition that they must meet.

If they reject the condition of "democracy of the nation, the religion, and the king," it is as if they reject the ideals of the Thai masses as a whole. Therefore they reject the masses.

Question: But, the Communists have a greater advantage when they have a party in the cities and the Communist terrorists in the forests.

I respectfully answer: "no."

Because when we open the field for them to be Communists openly by democratic means as they want, that compels them to stop the terrorists in the forests.

(I believe they probably won't stop the Communist terrorists in the forests.)

And if they don't stop, both the Communist terrorists in the forests and the CPT in the cities will have no medicine, because the people will turn their backs on them.

This is just the card that will win for our free side.

9937
CSO: 4207/11

EDITORIAL HAILS ARAFAT TURN TO DIPLOMACY

Bangkok SIAM RAT in Thai 10 Sep 82 p 3

[Editorial: "The Pilgrimage of Arafat"]

[Text] At present, it has been openly reported that Mr Yassir Arafat, the leader of the PLO, has made plans to visit Malaysia and other countries in this region. But it has not yet been stipulated what type [of trip] this will be for sure.

He is most likely making this trip to various countries in Southeast Asia in order to gain support for his position in his long and arduous attempt to create a definite homeland for the Palestinians, who presently number around 4 million people.

Another thing that is very important is that [he is doing this] in order to call on all the countries that belong to the United Nations to accept the fact that this movement should be recognized and given a seat in this organization and given the right to vote in order to express its ideas to all countries at the conferences of this organization so that a way can be found to enable the Palestinian people to again have their own independent country.

Even though the Arab and Western countries are now holding a conference to decide the future of the Palestinians, with the outcome of the conference still in doubt, one thing worth thinking about is that a national group composed of 4 million people should have a part in deciding its future. As a poeple with an ancient history, they cannot allow other peoples to be the ones to decide their future for them.

Mr Yassir Arafat has chosen to use the diplomatic approach in order to achieve his goals.From a moral standpoint, this is praiseworthy. Because for the past 20-30 years, violence has been the norm, and recent events prove that the only thing that this brings is sorrow. And this does not affect only the sides involved; it affects the minds of all people everywhere who have seen the terrible effects [of this violence].

Turning toward each other and compromising in order to promote mutual understanding and sympathy should help put an end to all the prejudices that have existed

for so long. This will help build close human relations and make people start thinking about helping each other in every way possible, which will lead to peace for all mankind.

Thus, we wish to congratulate Mr Yassir Arafat, a man who has a definite goal in his pilgrimage to find peace and happiness for his people. This will greatly help reduce and eliminate the great turmoil in the world.

11943
CSO: 4207/10

SOVIET POSITION ON INDIAN OCEAN SUPPORTED

Bangkok SIAM RAT in Thai 13 Sep 82 p 2

[Article by Chamnien Hemarat: "The Situation In the Indian Ocean"]

[Text] Previously, the Indian Ocean region was a peaceful area but now it is filled with the warships of the great powers. These warships sail around "showing the flag" in order to show their naval power and to cast the shadow of that power over all the countries in this region so that these countries see that this military and political power could be either a boon or an ill to them. Because of this, a struggle has arisen among those countries that want the Indian Ocean to be a zone of peace that is free of the weapons of the great powers.

The two super powers, which refers, of course, to the United States and its allies and to the Soviet Union and its allies, have both made claims about why it is necessary for them to move their forces into this region. The United States is using the island of Diego Garcia, a mandated territory of England, which is a close ally. This has been a forward base for many years and, at present, it is being upgraded to turn it into a complete and permanent base so that [the United States] can watch over the Middle East, the economic and political heart of the West. The Soviet Union, citing other reasons, it looking for bases in Africa too in order to compete with the United States.

We have already heard the reasons given by the West many times. Lets look at the reasons cited by the Soviet Union, which will increase our understanding, as presented by Admiral Nikolay Amenko, the vice chairman of the Soviet Joint Chiefs of Staff.

The importance, from the standpoint of military strategy, of the Indian Ocean can be considered from the fact that several of the Nato countries have conducted operations by deploying large naval forces here with the goal of directly interfering militarily in the affairs of the countries in this area, as happened in April 1980 in Iran, for example. Considering things based on the estimates made by foreign military experts, this region will be used as a staging area for the strategic naval forces of the United States and its allies in order to carry on operations against the Soviet Union and the other socialist states

in both Asia and Europe. Aircraft launched from aircraft carriers and rockets fired from surface ships and submarines located in the northern area of the Indian Ocean can reach targets in the Soviet Union.

The Indian Ocean can serve as a year-round shipping lane for ships going from the west to the east of the Soviet Union.

The "Soviet Threat" and the Appearance of the United States

In order to build up its military forces, which is not at all necessary in view of the present situation, and to conceal its real objectives -- in order to be victorious and preserve its position as "lord" in this region -- the United States has trumped up charges such as the "Soviet threat," which has never appeared, and "Russia's great ambition to control warm-water seas" and their search for a place to gain power after Great Britain abandoned things to the west of the Suez Canal. And [it has charged that the Soviet Union] has created a vicious "circle of instability." In fact, all such propaganda has been fabricated in order to conceal the real intentions of aggression in U.S. foreign policy.

In order to provide secure support to their warships and aircraft, the U.S. Department of Defense has quickly built naval and air bases, which the United States hopes to use in order to control the developing countries and to threaten the Soviet Union and the other socialist countries with its nuclear-armed rockets. The naval and air base on the island of Diego Garcia is the center for all this. At present, the island has runways for strategic aircraft, docks, armories, special equipment for nuclear warheads and a communications center. And the construction of bases in Kenya, Somalia, Oman, Pakistan and Saudi Arabia is accelerating.

For these reasons, we feel that the United States has in fact build a structure in order to remain in this area permanently and to increase security for its rapid-deployment force, which has now been formed.

After the Shah was overthrown in Iran in 1979, the United States began to expand its forces in the Indian Ocean. At present, it has a large naval force there, including two aircraft carriers, three to five cruisers, 10 destroyers, three to four landing craft and support craft.

This naval task force has 200 airplanes and helicopters (including about 80 aircraft that are capable of carrying nuclear weapons). The total number of men involved in 25,000, including 1,500 marines.

In 1979, the United States began forming a rapid deployment force for use in areas where the situation is "tense." By 1985, the United States plans to have increased the size of this force to 250,000 men.

In order to give these forces permanent security, the United States has stationed ships in the Indian Ocean and equipped them with heavy weapons, ammunition and supplies. And the Department of Defense has made plans to station 14 such ships there by 1987 so that they can support up to three brigades of marines for foreign operations.

Many countries in this region have taken action, through the United Nations, in order to have the Indian Ocean turned into a zone of peace. Because if the situation in this region gets any worse, it will immediately have a direct and serious effect on the interests and security of countries on several continents.

The Reason Why Four Rounds of Negotiations Have Failed

Many times now, the Soviet Union has drawn the attention of statesmen, politicians and people in the world to the necessity of ensuring real security and safety in the Indian Ocean by making every effort to avoid creating international tension and to halt the arms race. Thus, as far back as 1964, the Soviet Union submitted a proposal to withdraw in order to establish a nuclear-free zone in the Indian Ocean. And in 1971, an official proposal was submitted to the United States asking it to take part in discussions on limiting military activities in the Indian Ocean. But it was 6 years before the United States dared to begin negotiations on this problem. Negotiations began in Moscow in June 1977. Representatives for the Soviet Union and the United States exchanged views about how the discussions should proceed and discussed some of the problems that could be solved.

During the course of these negotiations, both sides reached conclusions about what could be done during the various stages. During the first stage, each side should gradually curtail its military activities and finally remove its foreign bases from this region.

The Soviet Union is ready to reach an agreement on "halting" the military presence of both sides at the level agreed on. (It took almost 5 years before an agreement was reached.)

The Soviet Union has expressed the view that the initial agreement should mention, using methods acceptable to both sides, the level of the military presence of each side's allies and the continued existence of the bases of the United States and its allies in the areas directly adjacent to the Indian Ocean.

The U.S. representative expressed very different views on this problem. For example, in the view of the United States, the agreement should not concern itself with the interests of the allies of the United States and it should not include those areas adjacent to the Indian Ocean.

Not only did the United States insist on keeping its base on the island of Diego Garcia, it also emphasized that it would complete construction on this base. Besides this, it emphasized its right to station naval forces, including aircraft carriers and submarines, in the Indian Ocean.

The United States would not respond to the Soviet Union's frequently-proposed motion to reach an agreement, one article of which would forbid [either side] from stationing forces in the Indian Ocean, including submarines and strategic bombers. Besides this, during the negotiations, the United States tried to shorten the boundaries of the Indian Ocean by excluding the Great Australian Bight and other areas. This would enable the United States to use military bases in the north and south of Australia without it having to violate the restrictions placed on both sides in the agreement.

Even though difficulties arose because of the U.S. representative, the positions taken by the two sides on some of the important problems seemed to be very close to each other during the fourth round of the negotiations in February 1978 and it seemed possible that things could be resolved in order to sign the first agreement. If this had happened, joint activities could have begun immediately without having to wait for further developments on future agreements.

However, after the fourth round of the negotiations were completed, the United States resolutely refused to hold any further negotiations. Later activities carried on by the United States in this region showed the real reason for it breaking off negotiations was that it was reluctant to place any restrictions on its activities in the Indian Ocean.

Since then, the United States has begun taking resolute military action in the Indian Ocean with the aim of stationing permanent military forces there. The negotiations between the Soviet Union and the United States on the Indian Ocean matter have never been revived even though the Soviet Union has proposed several times that they be revived, even going so far as to propose a definite date to begin negotiations.

On 17 June 1982, the Soviet Union announced in a memorandum submitted to the second special session of the U.N. General Assembly on arms reduction that it was ready to revive, at any time, the negotiations with the United States on gradually limiting and reducing military activities in the Indian Ocean. But the United States has not responded to this.

The Measures Forced On the Soviet Union

At the same time, the military and political situation that has developed in the Indian Ocean shows without a doubt that, in fact, U.S. strategists have encouraged the situation there, with the imperialists invading the area and using power to issue orders to the developing countries in the region, and this includes all the things that have happened near the Soviet border. The large-scale military preparations of the United States and its allies are intensifying in this region.

A real threat to the security and safety of the Soviet Union has arisen to the south from the increased military activities of the United States and its allies in the Indian Ocean. The Soviet Union cannot ignore such threats and so it has had to send warships to the Indian Ocean. But it should not be forgotten

that this Soviet military presence in the Indian Ocean is very small and the size of the force has been kept almost constant (with the first ships sent in 1971).

And another thing that must not be forgotten is that the Soviet Union is showing great restraint in its policy. That is:

1. The Soviet Union will not station strategic forces in the Indian Ocean.

2. Soviet warships will not be stationed there permanently.

3. At any given time, only four to six Soviet warships plus five to six support craft will be in the Indian Ocean.

These warships will include destroyers, escort ships and trawlers that are not equipped with anything to launch operations against the coast. Several times, when the United States has greatly increased its forces in the Indian Ocean (usually by sending aircraft carriers and submarines there), the Soviet Union has upgraded its forces in the region too, both in number and type. But there have also been times when the forces of the Soviet Union there have been inferior to those of the United States.

The Future, a Desire For a Zone of Peace

The large-scale assembly of strategic forces by the United States and its allies in the Indian Ocean normally poses a real threat to the security and safety of the Soviet Union, the other socialist countries and the developing countries. And the United States cannot be threatened by anyone in the Indian Ocean region because of the geographical position of this region.

The attitude of the Soviet Union concerning the problem of the Indian Ocean being a zone of peace is clearly reflected in a speech make by Leonid Brezhnev to Indian MPs on 10 December 1980. He said that:

"The Soviet Union was the first to propose that the Indian Ocean be a zone of peace. We are ready to take resolute action in cooperation with all countries that are interested in this. We believe that this ocean has been and will continue to be an area that benefits the countries located along the rim of this ocean, not other countries."

The negative stance taken by the United States and some of its allies is an important obstacle that is preventing the transformation of the Indian Ocean into a zone of peace. Concerning the present struggle to convene an international conference on the Indian Ocean matter, which a special commission of the United Nations is trying to arrange, the Soviet Union has constantly done things in order to help convene this conference as quickly as possible and to arrange the measures so that there is greater efficiency in transforming the Indian Ocean into a zone of peace in order to help reduce international tension.
11943
CSO: 4207/10

GEN PHAT PROFILED; CLAIMS NO INTEREST IN POLITICS

Bangkok SIAM RAT SAPPADA WICHAN in Thai 12 Sep 82 pp 46, 47

["Special Interview"; "Major General Phat Uroset, Deputy Commander of Region 1"]

[Question] Please tell briefly about your personal history.

[Answer] I was born in Ayuthaya province in Phaen village, which was called "Phat Phaen village." After I was born we moved, following my father to Bangpakongchachoensan, where I went to elementary school. I went to secondary school in Chiangmai province until the fifth year, living with my older brother who worked in timber. Then I studied my sixth year at Sirisat School, previously Siphraya. When I graduated I did army training in class 6. In that class were Lt General Wisitphon Wongthai, head of the Department of Military Operations; Major General Prachum Phimlaphanuwat, commander of Division 2; Major General Bunchai Ditthakun, commander of Division 3; and Major General Prayat Rotphothong, deputy commander of Region 3.

In fact there were many others. These were only from the army. In the air force there was Air Force General Arun Phromthep, Air Force Chief of Staff, as well as the Deputy Air Force Chief of Staff. Among the police there was Lt Police Gen Prakop Wiraphan, who is being transferred to become assistant to the director-general of the Department of Police. And there were another eleven people.

When I graduated I entered the military at Lampang in 1948 for six months, and then I came to Bangkok as a captain in company 1, batallion 1. What is present day Chaochet Park was then company 1, batallion 1. Then I gradually moved up from captain. Almost my entire government career up to the present has been spent in Bangkok. I served in Korea and Vietnam, and when I was commander of Division 2 I lived in Prachinburi. In 1976 I returned as commander of Divisionl. In 1977 I became deputy commander 1 until the end of 1979.

[Question] What is your greatest impression and what regrets do you have about military life?

[Answer] Impression? Coming to Bangkok as a soldier to protect the king. I consider it good fortune to have become a soldier protecting the safety of King Phrabatsomdetphrchauyuhua.

[Question] Were you affected much by the moves that took place in the military?

[Answer] I have a feeling of indifference to where I am moved or where I lve. I feel indifferent because as a soldier I have to follow the orders of my commander.

[Question] Both in terms of suitability and seniority, should you become commander of Region 1?

[Answer] It depends on the commander. (laughs) I don't have great hopes. It depends on the commander. The important people will see who is suitable and who to put their trust in.

[Question] Aside from following the ideas of the commander, what obstacles do you think there are to your becoming commander of Region 1?

[Answer] I don't know. I just don't know (laughs) I do my duty. I work as hard as I can. I'll work for whoever becomes commander.

[Question] What do you think of the qualifications of the person who will become commander-in-chief?

[Answer] Please, allow me not to answer. It depends on who are in power and the high-level commanders.

[Question] If you had your wish you'd become commander of Region 3?

[Answer] I said that I would accept the position. I don't think about where to go. Any place is all right.

[Question] Historically, have there been cases of guarding the commander of Region 1?

[Answer] Many times. You know, don't you? I don't really remember.

[Question] Will it become a custom?

[Answer] I don't know that either. (laughs)

[Question] Many people think that Region 1 is important. Why is it more important than the other regions?

[Answer] I believe that all the regions are of equal importance. Each has the same responsibility in protecting the nation's sovereignty. But perhaps Region 1 is near Bangkok, near the newsmen and newspaper reporters; so it seems to be very important. In fact, it is of equal importance with the other regions.

[Question] What would make Region 1 play a less important role?

[Answer] To protect the nation, Thai territory and sovereignty, is the duty and the role of the military as a whole.

Some officers would like the position of commander of Region 1.

I don't know, but whoever becomes commander of region 1 will have to work hard, as, in fact, in all the regions, but perhaps Region 1 will come to Bangkok.

[Question] What do you think about moving the first army region out?

[Answer] I don't know. But usually the commander of Region 1 lives in the provinces surrounding Bankok.

[Question] You mean moving the center or various departments out to decrease congestion?

[Answer] I have answered that it should be where the commander is.

[Question] How far should the role of the military go?

[Answer] According to the provisions of the constitution the duty of the military is specified as the duty to protect the nation, to maintain security within and without. And it has duties in development.

[Question] And does its role involve becoming mixed up in politics?

[Answer] I don't know. I'm not a politician. I'm a career soldier.

[Question] Please explain the difference between political and career soldiers.

[Answer] I'm not well informed, but, in simple terms, for example: I have the position of deputy commander, just that one position. I have no political position. I am not an MP, for example. I was an MP before, but I lost in the lottery. Now I am entirely a career soldier.

[Question] We would like to know the facts concerning the assassination attempt on General Prem so that the people will understand and not become confused.

[Answer] I don't know. Look at the newspapers. And commanders and important people have been interviewed, haven't they?

[Question] The facts about the arrests of the soldiers at Lopburi?

[Answer] Ask Commander Athit. He says that they were arrested for crimes against citizens.

[Question] There were many reactions, weren't there? General Athit sent you to notify people at Lopburi.

[Answer] At first there was a rumor that the accused were interrogated and suborned to admit it, and that isn't true, because the commander's orders emphasized strongly that we have a democratic military system in this period. There is no suborning of suspects. There are open room interrogations. There were officers on duty in the military police batallion.

The batallion commander came to see me as well and said people knew of an were watching the investigation. There were no one-on-one closed-door interrogations. It was not like that. But there were rumors, I don't know how, of suborning suspects that hurt the reputation of the military and the commanders.

The commander had me go notify the officers, non-commissioned officers, and families. I did that, and saw that it was understood well. In addition the commander allowed the families to visit and see for themselves how it was, whether or not it was a rumor.

[Question] Were you assinted to do that?

[Answer] Yes. The investigations were just. He assigned me to notify them.

[Question] Did the interrogations have a clear procedure?

[Answer] I don't really know because they had an interrogation committee.

[Question] Concerning the bullying of citizens

[Answer] Crime. It is known, is it not, that thieves and bad elements are widespread in Lopburi. There are many areas of crime.

[Question] Not criminals?

[Answer] Crime, criminals. It must be known for certain if the person has really committed a wrong. Then he can be called a "criminal."

[Question] Concerning the assassination attempt on Gen Prem or not?

[Answer] I don't know.

[Question] How do you think General Prem has changed over the past 3 years, especially politically?

[Answer] These questions are getting too meddlesome. I can't answer everything, right?

[Question] What need is there to establish a center of great warriors?

[Answer] To set up any kind of center to make us ready is a good thing. If anything happens or there is an invasion, we can defend ourselves in time.

[Question] From the period when you protected the border, how do you see the present situation?

[Answer] I saw it superficially. I feel that we don't have strong ranks at present because it is the rainy season, but--in order not to slander them--we are prepared. Our soldiers' morale is goos. We are always ready. We are ready to respond if we are invaded.

[Question] In the event of announcement of moves in the military right away, would you be heartbroken?

[Answer] Ay. I said I'm a soldier. I don't think about it much. I go anywhere. As I said in the beginning, whoever is commander, I'll work for him.

9937
CSO: 4207/11

PAKISTAN PRESIDENT PRAISED FOR ASIA ROLE

BK080406 Bangkok BANGKOK POST in English 8 Nov 82 p 4

[Text] Pakistani President Ziaul Haq is making a successful tour of Asia bringing about not only closer bilateral relations but also greater understanding of the fact that his country is standing in the way of Soviet expansion southwards to warm waters. If the Russians could thrust through Pakistan's Baluchistan Province from Afghanistan to reach the Indian Ocean it would enable them to extend control over an area from which they could work in consonance with activities in middle eastern and African countries to dominate the vital sources of oil for the industrialised countries.

Already the Soviets are on the move in Iran and Iraq, and they are attempting to gain bases which will give them command over ship movements through the strategic straits of Hormuz. Cutting off oil lifelines for the United States, Western Europe and Japan is the apparent objective of Moscow since this will weaken the countries which could stand up to Soviet hegemony.

Pakistan has to be recognised as a major obstacle to achievement of the Soviet aim. There is no doubt that China, fully aware of the Kremlin's plans, supports the stance taken by Pakistan to prevent a further advance by the Soviet forces. Beijing backs President Zia's principles on Afghanistan calling for total withdrawal of Soviet forces from that country and allowing the Afghans to choose their own government.

It is a pity that for reasonf of protocol and times of schedule that the president could not make a longer stopover in Thailand--which faces a similar problem as Pakistan along the Kampuchean border. Nowhere could the president have obtained greater sympathy than from the Thai Government which upholds the principles pronounced by the United Nations General Assembly that all the Soviet-supported Vietnamese forces in Kampuchea leave that country and permit its people to exercise self-determination. It was not at all surprising that the president found instant rapport with our Prime Minister Prem Tinsulanon in their first encounter.

President Zia's stopover in Thailand had not been previously scheduled mainly because no state visits could be arranged at this time, as is generally known. As a result, he came unofficially as head of government rather than as head of state en route to long-time organised official visits to our ASEAN partners--Indonesia, Malaysia and Singapore.

Although his visit to Bangkok was short and ceremonies dispensed with at the distinguished visitor's request, General Zia managed to discuss substantive matters of vital common interest with General Prem, a fellow cavalry officer.

Pakistan and Thailand as a result are more mutually supportive of each other's problems. President Zia as head of one of the most important Muslim nations could have gained a significant understanding of the work of His Majesty the King and the government have done for Thai Muslims and be better able to help us in getting other members of the Islamic Conference to know the facts of the situation in Thailand.

Pakistan is also helping our cause with regard to Kampuchea. It is working hard to get Democratic Kampuchea coalition President Prince Norodom Sihanouk invited to address the Nonaligned Conference to be held in New Delhi in March next year. Strategy on this has surely been on the agenda of talks with the leaders of Indonesia, Malaysia and Singapore, as they are in the Nonaligned Movement.

President Zia, who was warmly received in Beijing, and whose friendship is valued and cultivated by Indonesia and Malaysia could well be a bridge for lessening tensions of those nations and China. For that matter, he could even promote better relations between India and China. The fact that he went to India to have a dialogue with Prime Minister Indira Gandhi to try and settle differences must be considered a milestone on the road to cooperation for mutual benefit between the two biggest countries in the subcontinent. Touring Asia in his simple and humble manner, General Zia is promoting peace and stability in this part of the world and giving notice to the Soviets to "keep hands off."

CSO: 4200/115

'DISSIDENTS' CRITICIZE CPT LEADERSHIP, POLICIES

BK240728 Hong Kong AFP in English 0649 GMT 24 Oct 82

[Report by Francis Deron]

[Text] Bangkok, 24 Oct (AFP)--The guerrillas are throwing down their arms in droves, and the revolutionary bases are collapsing. The Thai communist revolution is no more than a "dinner party."

The Thai Communist Party (CPT), which led one of the most active insurrections in Southeast Asia in the late 1970's, has fallen into disarray and confusion largely because of revised policies of its former mentor, the Chinese Communist Party, and new economic realities in the region.

The CPT, which was founded in 1942 to fight the Japanese occupation of Southeast Asia, was for many years little more than an appendage of the Chinese Party following a Maoist line of rural revolution.

The CPT took on a more nationalistic tinge as a result of the student riots in 1973 and 1975, which the government severely repressed. The high level of internal discontent swelled the party's ranks to about 14,000 strong during the turbulent decade.

But since then, 95 percent of the students who joined the CPT have thrown down their Chinese AK-47 rifles and abandoned their jungle bases for life in the cities.

The party's membership has shrunk to about 7,000, and the Thai Army has limited the party's area of operations to the extreme north and south of the country.

The Fourth Party Congress held last spring did little to stem the rising tide of disaffection. The Coordination Committee for Patriotic and Democratic Forces (CCPDF), a CPT organization responsible for recruitment and propaganda, charged that the resolutions adopted by the leadership intensified the discontent among rank and file.

Head of the CCPDF, Udom Sisuwan, 62, a member of the CPT since 1975, repudiated his communist ties after spending 24 years as a jungle guerrilla, and his former subordinates in the CCPDF refuse to condemn his defection.

CPT dissidents have distributed a clandestine bulletin criticizing the CPT leadership of lack of political and economic knowledge and authoritarian and arbitrary behavior.

The critics denounced the leadership for sticking to its hard-line Maoist positions adopted in the previous congress held in 1961, when it followed Beijing's nod and denounced the "revisionist" peril.

Economic growth of anti-communist countries in the region, fraticidal quarrels between communist parties in the region, and the withdrawal of Beijing's material support for the Thai revolution could provoke more high-level defections, the bulletin said.

The recent arrests of several ranking party members, in particular Political Bureau member Damri Ruangsutham, and their forthcoming trials seem to have done nothing towards strengthening solidarity among the rank and file.

The election of a new secretary general of the CPT, Pracha Thanyaphaibun, to replace the late Charoen Wanngam, who died in Beijing last January of liver cancer, has not given the party a new infusion of confidence despite the promise of a new party congress within 2 or 3 years.

CCPDF dissidents, who have called for a more balanced relationship between Beijing and Hanoi, express little optimism for the future of the CPT given the ossification of the leadership's policies and enticements offered by Bangkok to guerrillas to lay down their arms.

In effect, the communique of the Fourth Party Congress offered no concrete strategy to combat what the CPT denounced as the "pseudo-democracy" of the government.

CSO: 4200/114

SINGAPORE REJECTS REQUEST ON ASEAN PROJECT

BK170317 Bangkok THE NATION REVIEW in English 17 Nov 82 pp 13, 15

[Excerpts] Singapore has turned down Thailand's request that the island republic guarantee a market for Thai soda ash, produced as part of the ASEAN industrial projects, Director General Siwawong Changkhasiri of the Department of Mineral Resources disclosed yesterday.

The rejection was made known during the meeting of the ASEAN economic ministers in Singapore last week.

Siwawong said Singaporean authorities claimed that the decision was based on the fact that Singapore had no ASEAN industrial project of its own and holds only a token of one percent equity in the four other industrial projects undertaken by Thailand, Indonesia, Malaysia and the Philippines.

Siwawong said Singapore had likewise refused to guarantee a market for the Philippines' copper which is also produced under the ASEAN industrial schemes.

"The Philippines appears to be more seriously affected by Singapore's decision than we would be," the director general said.

He said that although Singapore's economic minister had earlier initialed the basic agreement on ASEAN industrial projects, its foreign minister refused to sign the official document when it came up for formal endorsement.

Under the basic agreement on ASEAN industrial projects, all the five ASEAN member countries are required to offer market to products from the ASEAN joint ventures. The agreement had earlier been approved by the Committee of Industry, Mineral and Energy (COIME).

Informed sources said that Singapore's decision to turn down Thailand's request to guarantee a market for the ASEAN soda ash products was based on the argument that it could not accede to such a request because of its longstanding policy of encouraging free trade and free competition.

Questioned on the issue, Singapore Trade and Industry Minister Tony Tan was quoted as saying that the Singapore position on Thai soda ash was "consistent with our stand in regard to the Malaysian and Indonesian projects."

ASEAN economic ministers, during the 3-day meeting in Singapore which ended over the weekend, however, approved two plans aimed at boosting trade and investment in the region.

The ministers gave approval to the long-delayed basic agreement on ASEAN industrial joint ventures, aimed at stimulating intra-ASEAN private sector investment in manufacturing projects. Tariffs would be cut for products produced by the ventures controlled by investors from two or more ASEAN nations, according to the sources.

The ministers also expanded the pool of products qualified for 20 to 25 percent tariff cuts under ASEAN's preferential trading arrangement (PTA) to include ASEAN-produced products with import values of up to U.S.$10 million, compared to the previous eciling of up to U.S.$2.5 million.

The meeting also okayed the Philippines' plan to start a copper-fabrication project as part of the ASEAN industrial schemes.

CSO: 4200/116

APPROVAL FOR BARTER TRADE TALKS WITH USSR CITED

BK101151 Bangkok Voice of Free Asia in Thai 1000 GMT 9 Nov 82

[Excerpt] The Council of Economic Ministers on 8 November approved proposals by the Agriculture and Cooperatives Ministry to barter agricultural commodities with 150,000 tons of chemical fertilizer from foreign countries during the 1982-1983 crop season. The council also gave approval to the ministry to conclude long-term barter deals with them.

The deputy spokesman of the prime minister's office, Wanida Chitman, reported that at the meeting which was presided over by Prime Minister Gen Prem Tinsulanon the Council of Economic Ministers approved the following proposals:

The first proposal calls for the negotiations for a barter of corn with 60,000 tons of chemical fertilizer from the Soviet Union, a barter of tapioca chips and corn with 60,000 tons of chemical fertilizer from the ROK, and a barter of corn with a maximum of 30,000 tons of chemical fertilizer from Romania. The agreements of the barter deals must be approved case by case by the cabinet before the contracts can be signed.

The next proposal calls for the negotiations with foreign countries to conclude long-term contracts for the barter of agricultural commodities with capital goods for use in agricultural production. The agreements must be based on the cabinet decision on barter deals dated 11 December 1981. Under the decision, those capital goods must be regularly imported by Thailand either in the forms of finished products or raw materials, and that their prices must not exceed market prices here or abroad. The barter of agricultural commodities under this category must be made with countries which are new markets of Thai products. If they are traditional traders, barter deals must involve volumes higher than the last lot imported by such countries from Thailand. The prices of those goods must not exceed world market prices and must be advantageous for Thai farmers. Besides, the countries importing agricultural commodities from Thailand under barter agreements must not reexport them to third countries. Any agreements under this category must receive prior approval from the cabinet on a case by case basis.

CSO: 4207/23

FOREIGN TRADE DEPARTMENT REPORTS TRADE OPPORTUNITIES

Bangkok SIAM RAT in Thai 21 Sep 82 p 10

[Foreign Trade Report column: "Thai Attache Report"]

[Text] Beginning the middle of this month, the foreign trade offices of the Ministry of Commerce, will publicize interesting developments from Thai commercial attaches in various locations throughout the world. We feel that these reports are very interesting and so we are printing them here.

1. Hong Kong

The longan market in Hong Kong: Concerning the import of longans from Thailand, [specifically] trading and packing methods and prices, it can be said that Hong Kong imports large quantities of longans. The import price in 1981 was approximately 28 baht per kilogram. At present, this has increased to 36 baht per kilogram. The wholesale price is 550-750 Hong Kong dollars per hap [1 hap equals 60 kilograms] or about 41.25-56.25 baht per kilogram. The retail price is 13.20-15.40 Kong Kong dollars per kilogram or 59.40-69.30 baht per kilogram. The problems with the longan trade in Hong Kong include the fact that yields are uncertain. This makes it difficult for importers to formulate market sales plans. There are transportation problems stemming from the fact that Thai International Airways does not make enough flights. And Hong Kong customs inspections are very strict and this makes things slow.

Exports from Hong Kong during the first 6 months of 1982: During the first 6 months of 1982, Hong Kong's total volume of trade increased 6 percent as compared with the same period last year. Exports from Hong Kong increased 7 percent. However, textile exports declined approximately 15 percent.

2. The People's Republic of China

China pressed to speed up purchases of corn and mung beans in accord with the contracts. The 1982 Thai-Chinese trade fair:

The commerce office has pressed the Seeroi Food Corporation to purchase 100,000 tons of corn and the remaining 20,000-25,000 tons of waxed mung beans in accord with the agreement reached at the 1982 trade fair.

Thai businessmen look for tobacco markets in China: During the period 14-19 August, a group of approximatley 20 Thai businessmen traveled to China in order to find markets for Thai tobacco.Chinese officials told the Thai businessmen that, at present, China has already purchased about 65,000 tons of tobacco from Thailand. Next year, however, China may purchase less because China has been able to produce more tobacco itself and may even become an exporter.

China will purchase 500,000 tons of sugar from Thailand: Officials from the Chinese Seeroi Food Corporation stated that from the beginning of the year through the middle of August, China purchased approximately 400,000 metric tons of sugar from Thailand, and it is expected that by the end of the year, China will purchase another 500,000 tons of sugar from Thailand. But this 500,000 tons of sugar will be purchased through a third country; it will not be purchased from Thailand directly. This is because Thailand set a price that is higher than the price offered by the third country. China has purchased much Thai sugar this year because China set low freight charges for shipments in Asia, that is, charges do not exceed $15 per ton. Thus, contractors could purchase sugar from only the Philippines or Thailand. But since the Philippines had sold all its sugar since the first of the year, they turned to Thailand to make purchases.

China may invest in coal production in Thailand: At present, China mines about 100 million tons of coal, which is insufficient for domestic use. But it is expected that in the next 5-8 years, China may be able to produce enough to export coal abroad. Thai businessmen asked whether China would be interested in investing in producing coal in Thailand by shipping Chinese coal, which has a high heat value, to Thailand and mixing it with Thai coal, which has a lower heat value. The coal produced would be suitable for use in industry and in the production of electricity. In response, China said that it would be glad to invest in coal production in Thailand. When the Chinese trade delegation visits Thailand in the beginning of September, this matter will be discussed in detail.

3. Singapore

Corn imports by Singapore: The commerce advisory office in Singapore has reported that in June 1982, Singapore imported a total of 77,862 tons of corn. Of this, 34,821 tons valued at 10,562,867 Singapore dollars, or approximatley 105 million baht, was imported from Thailand. And Thai corn presently for sale has an Fob price of 120 Singapore dollars per ton. Singapore also imports corn from Taiwan and Vietnam.

4. The Republic of Korea

Shipment of goods in accord with the trade contract between Thailand and South Korea: The commerce advisory office in Seoul reported on the progress made in implementing the contract to exchange cassava from Thailand for fertilizer from Korea. In 1982, the Market Organization for Agriculture must import 50,000 tons of chemical fertilizer from Korea. And the Korean Haitai International Company will import 88,000 tons of cassava from Thailand in exchange. The commerce

advisory office in Seoul reported the progress made in carrying out this contract. It said that in August, the Market Organization imported 40,000 tons of chemical fertilizer from the Republic of Korea and will import the remaining amount during the beginning of September. The Korean company plans to import 50,000 tons of cassava from Thailand during the September to December period. It will import the remaining 38,000 tons between January and March 1983.

5. Saudia Arabia

Saudia Arabia has asked Thailand to invest in building an amusement park in Saudia Arabai: The commerce advisory office in Jidda reported that the Al-Khomri Est Company of Saudia Arabia has expressed the intention of asking private Thai companies to invest in activities concerning a children's amusement park in Saudia Arabia.

6. Japan

Japan is interested purchasing Thai goods: The commerce advisory office in Tokyo reported that at the end of August and the first week of September, several Japanese importers expressed an interest in purchasing various goods from Thailand through the commerce advisory office in Tokyo, including dried mango, pottery, lacquerware and teakwood objects.

7. The Lao People's Democratic Republic

Opening a market for medicines in Laos: The commerce office reported that a market for Thai medicines is being opened in the Lao People's Democratic Republic. Drug manufacturers in Thailand have been given help in sending eight samples of drugs. They were turned over to the Lao Department of Medicines for analysis. This may lead to more trade in the future. At present, the Lao Department of Medicines has finished analyzing products from the Atlantic Pharmaceutical Company Ltd and given permission for these medicines to be imported and sold in Laos.

Laos is interested in purchasing goods from Thailand: Private Lao companies have expressed a desire to purchase 81 types of goods valued at approximately 34 million baht from Thailand. These include sweetened condensed milk, flashlight batteries, vehicle batteries, food seasoning powder, wheat flour, bicycles, bicycles tires and motorcycle parts. Concerning the purchase of such goods, the Lao Foreign Trade Department of the Ministry of Industry and Trade has given permission to purchase these goods from Thailand and sell them in Laos.

8. Kenya

Kenya wants to increase imports after the disturbances there: The commerce advisory office in Nairobi reported that there were disturbances in Kenya on 1 August 1982. This caused the price of consumer goods to shoot up suddenly since the quantity of goods on the markets was limited and the people became afraid and bought large quantities of goods. Those types of goods whose price

increased a lot included food and building materials such as glass, pre-formed steel, iron doors and iron windows. Many goods were destroyed and the goods in stock are about exhausted. Also, the government is very strict about imports since it lacks foreign exchange. The merchants and trade associations have asked the government to relax import restrictions and set up a loan fund for businessmen so that they can engage in trade activities. At present, the government is considering this matter. It is expected that Kenya will have to import additional raw materials and other types of goods.

9. The United States

The United States has lowered the import tariff on raw sugar: The commerce advisory office in Washington reported that on 19 August 1982, the U.S. Department of Agriculture announced that it was lowering the import tariff on raw and granulated sugar 1 cent a pound. Lists 956.05, 956.15 and 957.15 will be in effect from 10 August 1982 until the end of 1982.

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EXPERTS PREDICT HIGH UNEMPLOYMENT RATES FOR WELL-EDUCATED

Bangkok SIAM RAT in Thai 9 Sep 82 p 5

[Article: "In Thailand In the Next 5 Years, Unemployment Among the Well-Educated Will Increase"]

[Text] Scholars predict that unemployment will increase among well-educated people. The pressure applied by capitalists on labor wages has been criticized because the state's tax structure is not definite and past development plans have given little attention to this.

The Chulalongkorn University Economics Association held a debate on "The Structure of the Population and Employment Now and In the Future" on 7 September. Scholars from various disciplines were invited to participate in the debate. To start the debate, Dr Niphon Thephawan from the Institute of Population Studies, Chulalongkorn University, discussed the structure of the population. He said that, at present, the population growth rate in Thailand has declined satisfactorily and is now at only 2 percent. It is expected that by the end of the Fifth Development Plan, the rate will be only 1.5 percnet. As for the number of people entering the labor market, the rate will increase almost 3 percent.

Thus, the thing worth considering is that, in the next 20 years, will the government be able to make better use of these people? And will it be possible to provide jobs for the additional number of people and for the increasing number of elderly people who are still able to work?

The next speaker was Mr Phirathep Rungchiwan, the head of the wage planning and employment section. He analyzed the unemployment problem, saying that even though the 1981 survey on unemployment showed that the unemployment rate is only 1 percent, looking at the main occupations, 70 percent of which are in the agricultural sector, it can be seen that there is much hidden unemployment since these people really work for only half a year.

Something else that is important and interesting is that, at present, unemployment is increasing among the well-educated. This is because, each year, 700,000 [sic] people graduate form the universities. And the expectation is that by the end of the Fifth Development Plan, there will be 3.6 million such laborers. But at the same time, the government's need for such laborers is only 2 percent. As

for the private sector, it does not have any need for such laborers because supply is not in accord with demand. Thus, it is expected that in the next 5 years, the number of vocational school graduates will exceed demand by approximately 240,000 people. And the number of teacher graduates will exceed demand by 30,000 people.

Dr Niphon Phuaphongsakon from the Faculty of Economics, Chulalongkorn University, said that the present unemployment situation has resulted from the fact that the government does not have a definite long-term agricultural development plan even though 70 percent of the people work in this sector.

As for solving the unemployment problem by restraining wages in order to increase hiring power, this is related to the state's loose tax structure. In particular, the export tax has made it necessary for capitalists to restrain employee wages. To really solve the work problem, long-term plans must be made in the agricultural sector.

The final speaker was Dr Suphachai Phanitphak from the Bank of Thailand. Concerning the unemployment problem in Thailand, he said that the major cause of unemployment stems from the fact that past development plans did not give much attention to labor. Usually, attention was focused on the economic and social systems.

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NEW GROUP FORMED TO DEFEND MONARCHY

Bangkok SIAM RAT in Thai 20 Sep 82 pp 1, 12

[Article: "'Loyal Monarchists' Group Formed to Defend the Monarchy"]

[Text] A new power group known as the "Loyal Monarchists" group has been formed. It claims that protecting the monarchy is its main principle. The group has no leader.

A report from Supreme Command Headquarters said that, at present, another power group has been formed. This is a movement by high-ranking people who have called their group the "Loyal Monarchists Group."

According to this report, the Loyal Monarchists group is composed of people from various occupations. Their main goal is to protect the monarchy. Those who founded this group feel that, at present, this institution is being seriously maligned by enemies and people with bad intentions.

Concerning this, Group Captain Sawaeng Bunyang, who is a lawyer and who is one of the founders of the Loyal Monarchists group, said that the reason that he and the others had formed this group was in order to work for the country. But as yet, no one has been designated as leader.

Group Captain Sawaeng said that the Loyal Monarchists group has been divided into several smaller groups with each subgroup responsible for various things. For example, the group of Admiral Thiam Mokaranon is responsible for providing a place to hold group meetings. The group of Colonel Uthan Sanitwong is responsible for propaganda, psychological operations and mass communications activities. Mr Wasan Chusakun's group is involved in religious activities. And the group of Mr Samao Surusit is responsible for protecting the monarchy.

As for Group Captain Sawaeng's group, it is involved in public support activities such as collecting items to help the soldiers and police serving along the border or to help the flood disaster victims in the northeast.

Group Captain Sawaeng said that, in fact, the Loyal Monarchists group is not a new power group. It used to be known as the "protect the country" or "protect the monarchy" group. The group discovered this and felt that the word "badin" referred to the monarchy, which already has soldiers to protect it, and so it changed its name to the "Loyal Monarchists."

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BRIEFS

AMBASSADOR TO USSR TO ATTEND BREZHNEV FUNERAL--The Thai Government has assigned the Thai Ambassador in Moscow to participate in the funeral for Leonid Brezhnev, president of the Soviet Union who died on Wednesday. This was stated late this morning by Wanida Chitman, deputy spokesman for the prime minister's office. The funderal ceremony is to be held in Moscow on 15 November. [Text] [BK131225 Bangkok Voice of Free Asia in Thai 1000 GMT 13 Nov 82]

UNDP ASSISTANCE--The UN development program's assistance to Thailand to date amounted to $6.6 million in 49 projects in the fields of agriculture, education, transportation, city development, energy development and natural resource development and in economic, trade, public health, social welfare planning. [BK071045 Bangkok Voice of Free Asia in Thai 1000 GMT 6 Nov 82]

PDRY RICE PURCHASE--According to the Foreign Trade Department, the PDRY has agreed to buy 42,000 tons of 10 percent parboiled rice from Thailand. Price for 12,000 tons of the 42,000 tons has been agreed at about $3 million. The agreement was reached during the recent visit of the PDRY deputy minister of trade and supply. [BK071045 Bangkok Voice of Free Asia in Thai 1000 GMT 6 Nov 82]

AMBASSADORS DESIGNATE--Today at 1655 His Majesty the King received the following Thai ambassadors designate prior to their departure to assume their duties: Ambassador-designate to the FRG Koson Sinthuwanon; Ambassador-designate to Mexico Wut Chuchom; Ambassador-designate to the PRC Orachun Thanaphong; and Ambassador-designate to the SRV Montri Chalichan. [BK051235 Bangkok Domestic Service in Thai 1300 GMT 4 Nov 82]

AMBASSADORS DESIGNATE--The kong on 27 October granted an audience to four Thai ambassadors designate who are leaving to take up their posts abroad. They are: Chawan Chawanit, ambassador to the United Nations' Office of the Permanent Representation in Geneva; Chuai Kannawat, ambassador to Poland; Somphong Faichampa, ambassador to Laos; and Kamthon Udomritthirut, ambassador to ROK. [BK311019 Bangkok Domestic Service in Thai 1300 GMT 27 Oct 82]

AMBASSADORS DESIGNATE--His Majesty the King today received the following Thai ambassadors designate prior to their departure to assume assignments: M.R. Kasemsamoson Kasemsi, Thai ambassador designate to the United States; Khanit Sicharoen, Thai ambassador designate to Spain; and Phaibun Maolanon, Thai ambassador designate to the Islamic Republic of Iran. [BK151125 Bangkok Domestic Service in Thai 1300 GMT 12 Nov 82]

ATHIT WARNS AGAINST BUS FARE PROTEST PLANS--Speaking to newsmen at the capital security command this morning, Army Commander Gen Athit Kamlang-ek spoke of the reported plan to protest increases in bus fares in Bangkok. He said that the country is facing many internal and external problems and the people should consider the country's peace and tranquility before taking any action. Persuading people to take part in activities which disturb peace would certainly be undesirable. If people undertake such activities, he would have to keep the situation under control. He said people must be reasonable in order to live together in society and they should realize that the welfare of the country is most important. For this reason, he would not allow anyone to create trouble for the country. In any event, he still believed that the planned demonstration would not take place because everyone loves the country. [Text] [BK131015 Bangkok Domestic Service in Thai 1300 GMT 12 Nov 82]

TRADE DELEGATION TO VISIT BEIJING--A Thai Government trade delegation will visit Beijing from 24-31 October to discuss exports to China next year. The Foreign Trade Department's target for exports to China includes 200,000 tons of rice, 250,000 tons of tapioca products and 40,000 tons of rubber. The delegation will be led by Foreign Trade Department Director General Danai Dulalampha. [Text] [BK210513 Bangkok Domestic Service in English 0000 GMT 21 Oct 82]

STEPS TAKEN TO ATTRACT HONG KONG INVESTORS--The Council of Economic Ministers has approved in principle a proposal to grant resident visas for Hong Kong and other foreign investors in Thailand. The proposal was considered and endorsed by the economic ministers at their meeting at Government House on Monday. According to the proposal, the interior minister will be authorized to grant resident visas for foreign investors who are investing in Thailand. The proposal is among guidelines and incentive measures worked out by a special task force headed by Industry Minister Maj Gen Chatchai Chunhawan. These guidelines and measures are aimed to attract investors from Hong Kong and other countries. [Text] [BK100409 Bangkok Domestic Service in English 0000 GMT 10 Nov 82]

JANUARY-SEPTEMBER RICE EXPORTS--During the first 9 months of this year, Thailand exported 3 million tons of rice. This is an increase of 19 percent compared to the same period of last year. However, Thailand received only about 18 billion baht from its rice export, or 16 percent less than that of the same period last year. The Department of Foreign Trade reports that all other Thai agricultural products, such as tapioca, maize, coffee and sugar, are doing very well in the world market. The export of these products already exceed the set target by a small margin. The export of sugar already reached 1.9 million tons which doubles that last year. [Text] [BK111515 Bangkok Domestic Service in English 0000 GMT 8 Oct 82]

JANUARY-SEPTEMBER EXPORT TO LAOS--Thailand exported more than 640 million baht worth of goods to Laos from January to September this year. The goods were sold to Laos on the government-to-government basis. Commerce adviser attached to the Thai Embassy in Laos Worathep Suphadun said that the export included food, office appliances, animal food, machine, construction materials and factory appliances. Mr Worathep said that Laos also buys goods from some Thai merchants. The value of goods bought from the private sector is not yet known.

He added that Laos has allocated a budget of about 750 million baht to buy goods from Thailand in 1982. He expected Laos to import about 103 million baht worth of goods from Thailand during the last 3 months of this year. [Text] [BK311125 Bangkok Domestic Service in English 0000 GMT 30 Oct 82]

DIVISIONS MOVED TO REINFORCE BORDER--The Royal Thai Army is moving some of its fighting divisions to reinforce the existing ones along the Thai-Kampuchean border. The move is made to prevent possible intrusion into Thai territory by Heng Samrin forces during the approaching dry season. Supreme Commander Gen Saiyut Koetphon said that the army has reasons to believe that the Heng Samrin forces will step up its fighting against the Democratic Kampuchean forces in the near future. He said that the fighting could spill over to Thai soil. Thai battalions along the border are being reinforced to prevent this because Thailand doesn't want any foreign forces to fight in its land. The supreme commander does not believe that Vietnam is capable of launching a full scale offensive against Thailand at the moment. However, intrusion by the Heng Samrin forces cannot be ruled out. Last month two small groups of the Heng Samrin forces twice clashed with Thai marine in Trat Province. General Saiyut said that they were severely and swiftly pushed out of the Thai territory. [Text] [BK120923 Bangkok Domestic Service in English 0000 GMT 12 Nov 82]

DEPARTURE OF UN CBW EXPERTS--A group of UN experts left Bangkok yesterday for New York after having failed to make possibly critical on-site surveys of Kampuchean zones where chemical warfare is alleged to have occurred. The team leader, Egyptian military Doctor Essamat Ezz said in a predeparture interview the setback would make it difficult to draw final conclusion on the allegation, but not impossible. General Ezz, head of the Egyptian Armed Forces' scientific research branch, stressed investigators have checked some Kampuchean who crossed the border to give blood samples after claiming to have been victims of chemical attacks. He said his seven-member international panel, which had been in Thailand for about 2 weeks, meeting refugees and collecting data, would submit its reports to UN Secretary General Perez de Cuellar within 10 days of their return. In a related development, Canada has issued a report which concluded for the first time chemical warfare or biological warfare agents are being used in Southeast Asia. Canadian diplomats said Ottawa has submitted the report done by a military medical team including an epidemiologist to the UN secretary general. [Text] [BK110915 Bangkok Domestic Service in English 0000 GMT 11 Nov 82]

CEREMONY HELD TO SEND BACK LAO REFUGEES--Thai authorities and UNHCR representative on Wednesday took part in a ceremony to send back 143 Laotians to Lao authority in Vientiane. These 143 Lao refugees were from two receiving centers in Nan and Ubon Ratchathani provinces. The voluntary repatriation of Lao refugees was in accordance with an agreement between Thailand and the LPDR under the coordination of the UNHCR, which also helps to support transportation fees. The repatriation on Wednesday was the 21st of its kind and so far a number of 985 Lao refugees have returned home. Only 132 Laotians still remain in camps in Nong Khai Province. They are now under a procession [as heard] to be sent back home. [Text] [BK050752 Bangkok Domestic Service in English 0000 GMT 5 Nov 82]

LARGE RICE BUYERS--Malaysia has become the largest buyer of Thai rice during the first 7 months of this year. According to official statistics, Malaysian import during the period totaled about 300,000 tons both from the government and private sector. China replaced the Soviet Union as Thailand's second largest rice buyer with a total purchase of about 200,000 tons. The Board of Trade of Thailand, in its weekly bulletin, has estimated that export of rice by both the government and private sector will reach 3.5 million tons by the end of this year. [BK290605 Bangkok Domestic Service in English 0000 GMT 28 Sep 82]

NETHERLAND RECONNAISSANCE PLANES--The Royal Thai Navy this morning signed a contract worth 810 million baht with the Fokker D.V. Netherland company to build three reconnaissance planes for patrolling our coasts. The planes, Fokker F-27S, costing 270 million baht each, are to be delivered in 1984. The contract was signed at the naval headquarters by the commander in chief of the navy, Adm Sombun Chuaphibun, and Mr J.M. Ton Jan, on behalf of Fokker D.V. Netherland. The Fokker F-27S can fly 1,600 km in a single flight at a speed of 200 nautical miles per hour and are to be equipped with sophisticated weapons, including air-to-ground missiles. Apart from normal security measures, they will be used to provide security for Thai fishing missions as well as petroleum exploration in the Gulf of Thailand. [Text] [BK290605 Bangkok BANGKOK WORLD in English 28 Sep 82]

RESPECTS PAID AT USSR EMBASSY--A steady flow of diplomats and high-ranking government officials laid wreaths and signed the condolence book at the Soviet Embassy yesterday following the death of Soviet President Leonid Brezhnev on Wednesday. First to arrive at the embassy on Sathon Road were delegations from the Laotian and Vietnamese Embassies. They arrived at 8:30 am and laid wreaths and signed the condolences book before leaving. The flow of dignitaries continued to stream through the solemn halls of the embassy and at about 10 am Thai Foreign Minister Sitthi Sawetsila arrived to pay his respects. He was followed by Deputy Foreign Minister Arun Phanuphong, and Supreme Commander Gen Saiyut Koetphon. The embassy closed its doors at noon and shortly after it reopened at 2 pm U.S. Ambassador John Gunther Dean arrived to be followed 1 hour later by Prime Minister Prem Tinsulanon. A number of businessmen and politicians also offered their condolences including Bangkok Bank President Chatri Sophonphanit and democrat leader Phichat Rattakun. [Text] [BK130630 Bangkok BANGKOK POST in English 13 Nov 82 p 20]

COMMUNIST INSURGENTS, 'SYMPATHISERS' SURRENDER--Fifty communist insurgents and their sympathisers surrendered to government officials here last week, a military source said yesterday. The source said the 50 defectors were from Umphang District, adding that all of them surrendered on Friday to authorities of the combined civilian-police-military force with an M-16 rifle, two carbines and a large amount of ammunition. The source quoted a defector said to be the leader of the group as saying that they surrendered because they were hard-pressed by government suppression, both politically and militarily. The source said that a total of 180 communist insurgents in Umphang District had so far surrendered to government officials. [Text] [BK300728 Bangkok BANGKOK POST in English 30 Oct 82 p 3]

KING TREATED FOR 'IRREGULAR HEARTBEAT'--His Majesty the King had a slightly irregular heartbeat for about an hour yesterday morning, the Bureau of the Royal Household reported yesterday. The bureau said that the king began to develop a slightly irregular heartbeat at 0420 yesterday. However, after medical treatment, his heart began to beat normally again about an hour later. According to the bureau, the king's doectors had stopped giving medicine to the king since 1 November and his heartbeat had been normal until yesterday morning. The bureau added that the doctors had recommended that the king continue to take exercise and perform some light royal functions. The king reportedly went to visit Her Royal Highness the Princess Mother at Sa Pathum Palace on Phya Thai Road last night. His Majesty reportedly spent about 2 hours at Sa Pathum Palace before returning to Chitlada Palace about 10 pm. [Text] [BK100244 Bangkok BANGKOK POST in English 10 Nov 82 p 5]

ARMY UNITS RENAMED--Seven army divisions have been renamed under the order of General Prayut Charumani, before his retirement as army commander-in-chief on 31 September. An informed source said that the seven divisions are the first division of the Royal Guards which was renamed the first infantry division of the Royal Guards, the 2nd, 34d, 4th, 5th, 6th and 9th divisions--all of which were renamed infantry divisions. [Text] [BK051235 Bangkok BANGKOK POST in English 5 Nov 82 p 5]

PRISONER EXCHANGE DEAL SOUGHT--Thailand will propose a prisoner exchange treaty with Kuwait and Saudi Arabia when Prime Minister Prem Tinsulanon visits the two Middle East countries early next year, an informed government source disclosed yesterday. The proposed treaty will be modeled on those which Thailand has already agreed on with the U.S., Canada and France, the source said. He said that there are about 100 Thais in jail in Kuwait and Saudi Arabia--mostly on convictions arising from charges of gambling and making alcoholic drinks, which are against Islamic law. Many more Thais are in jails in Iran, Libya and Iraq, he added. Meanwhile, it was reported that the Ministry of Foreign Affairs is drafting a bill to effect the transfer of prisoners between Thailand and signatories of the prisoner exchange treaties. The bill, which applies to the ties with the U.S., Canada and France, will have to be approved by Parliament before it takes effect. [Text] [BK100312 Bangkok BANGKOK POST in English 10 Nov 82 p 1]

ANTI-INSURGENT CAMPAIGN BEGINS--Yala--About 500 men belonging to the 43rd command of the Civilian-Police-Military (Pho-To-Tho) unit moved into Tambon Pa-Tae in Yaha District here yesterday morning to mount a campaign against two insurgent factions, an informed source said last night. According to the source, the campaign was aimed at eradicating a group of southern bandits belonging to the Pattani United Liberation Organisation (PULO) and remnants of insurgents belonging to the 12th regiment of the outlawed Communist Party of Malaya (CPM) who had escaped government suppression campaigns in July this year. The source said that the commander of the Third Battalion of the Fifth Infantry, Lt Col Thawatchai Thinprasoet, is responsible for operations; Yala Provincial Police Chief Col Bunphen Camphenbun is in charge of police strategy and Pol Maj Mongkhon Bunchum is responsible for the special action force in this joint operation. The "political angle" of the operation is under the responsibility

of Maj Sakon Rommanak, head of the Civil Affair Division attached to the Pho-To-Tho 43, the source said. The source said that the political operation would use psychological approach to get villagers to cooperate with government authorities. In July this year, it was reported that government forces had seized three major CPM strongholds in Songkhla, Narathiwat and Yala Provinces. [Text] [BK090253 Bangkok BANGKOK POST in English 9 Nov 82 p 5]

GOVERNMENT WARNS AGAINST BUS FARE PROTEST--Authorities are prepared to enforce the laws should any violence erupt during bus fare protests, Under-Secretary of State for the Interior Ministry Phisan Munlasatsathon said yesterday. Following a talk with Interior Minister Sitthi Chirarote yesterday, Mr Phisan said peace-keeping forces have been working on a security plan in preparation for any violence that might arise, adding that if things went beyond the police's control, military help would be sought. He said that military vehicles mounted with machineguns seen in public at night time belong to the Norasing unit and have been present for quite sometime as a security measure which has nothing to do with the current protests. An estimated 1,000 students from various universities staged a rally at Ramkhamhaeng University yesterday to protest the bus fare rise. They were joined by some labour leaders such as President of the Metropolitan Water Work Authority's Workers Union Mr Ekachai Ekhankamon and Labour Congress of Thailand Representative Mr Sunthon Kaeonet. The students and labour leaders gave speeches attacking people responsible for the rise in bus fare. [Text] [BK100328 Bangkok BANGKOK POST in English 10 Nov 82 p 3]

JAPANESE GRANTS FOR PROJECTS--The Japanese Government yesterday agreed to extend grants totalling 584 million baht to Thailand to finance five major agricultural and public health projects. The agreement for the aid was signed between Director General of the Technical and Economic Cooperation Department Aphilat Osathanon and Japanese Ambassador Motoo Ogiso. The five projects are: 1) Project to increase food productivity of the agriculture and Agricultural Cooperative Ministry (306 million baht). 2) Project to set up a centre on basic health of ASEAN of Mahidon University (153 million baht). 3) Project to set up three inland fishery centres in Ayutthaya, Surat Thani and Trang of the Fisheries Department (101 million baht). 4) Project to buy water pumps for the Bangkok Metropolitan Administration to fight against flood (20 million baht). 5) Project to buy equipment to renovate the National Theatre of the Education Ministry (4 million baht). [Text] [BK311019 Bangkok THE NATION REVIEW in English 30 Oct 82 p 6]

JAPAN OFFERS TO AID KAMPUCHEAN REPATRIATION--The Japanese Government has reportedly offered financial assistance for a mass repatriation of Kampuchean refugees living in camps on the border and suggested that Thailand build new airfields on the border to facilitate the process. Secretary General of the National Security Council Squadron Leader Prasong Sunsiri said Japan believed that it would be safer for the Kampucheans to be repatriated by air. He said the refugees would be airlifted into (?different) parts of Kampuchea which are believed to be safe areas. The secretary general of the National Security Council said that Thailand has ruled out any private repatriation of the Kampucheans to Phnom Penh or into the Vietnamese camps. He didn't say whether the Japanese proposal for airfields to be built on the Thai border was accepted.

He added that most of the around 30,000 Kampucheans living in refugee camps on the Thai-Kampuchean border came from western Kampuchea. According to Squadron Leader Prasong Sunsiri, UN High Commissioner for Refugees Poul Hartling has committed to send one of his deputies to Thailand soon to discuss the repatriation plan. The secretary general of the National Security Council returned from the annual conference of the UNHCR in Geneva last week with a pledge of 7.3 million baht in financial assistance for refugee program in Thailand. [Text] [BK020526 Bangkok Voice of Free Asia in English 1100 GMT 1 Nov 82]

GAS SEPARATION PLANT PROJECT--Work on the national gas separation plant project in Rayong Province will start in the middle of November and it is expected to be completed within 2 years. The project will be carried out by the Petroleum Authority of Thailand to extract liquid petroleum gas from the natural gas. The authority's governor on Monday presented the notice of award to the consortium of Toyo Engineering, Mitsui and the L.E. Randalls which will be responsible for the construction work under the project. The consortium has agreed to lower the bidding price of about 4,374 million baht to about 4,107 million baht following months of negotiations. [BK071045 Bangkok Voice of Free Asia in English 1100 GMT 6 Nov 82]

NETHERLANDS BIGGEST TAPIOCA BUYER--The Netherlands remains the biggest buyer of Thai tapioca products this year, accounting for 80.4 percent of total exports. Its purchase during January-24 October amounted to 5.7 million tons of which 4.8 million tons were tapioca pellets and the remainder in tapioca chips. [BK071045 Bangkok Voice of Free Asia in English 1100 GMT 6 Nov 82]

PESTICIDE EXPORT TO LAOS APPROVED--Any Thai company which has won the bidding to supply 13 restricted pesticides to Laos will be allowed to do so, the Foreign Trade Department announced. It has also been reported that a number of Thai companies took part in the bidding. Normally the export of pesticide will be under the Foreign Trade Department's tight control. The relaxation move has already been approved by the Thai Government. [Text] [BK090649 Bangkok Voice of Free Asia in English 1100 GMT 8 Nov 82]

TRADE DEFICIT--For the first 9 months of this year, Thailand has exported about 130 billion baht worth of goods and imported about 151 billion baht resulting in a trade deficit of 21 billion baht, according to the preliminary figures of the Business Economics Department. Compared with the corresponding period last year, the deficit has decreased by about 57 percent. The biggest export earners during the 9-month period are rice, tapioca products, raw sugar, rubber, tin, ready-made clothes, maize, integrated circuits, gems and jewelries, textiles and tobacco leaves. Of the imports, petroleum products accounted for 30.2 percent of the total. [BK151409 Bangkok Voice of Free Asia in English 1100 GMT 14 Oct 82]

CANADIAN REFUGEE ASSISTANCE--It was reported that the Canadian deputy prime minister announced that Canada will provide $1 million to the International Committee of the Red Cross this year for humanitarian relief program in Thailand. The funds will be provided through the Canadian International Development Agency and will be devoted to refugee programs along the Thai-Kampuchean border. Canada will also contribute a further $1 million to support the activities of the UN High Commissioner for refugees in Thailand. The latest contribution brings Canada's total assistance to refugee relief and affected Thai programs to over $34 million. [BK260333 Bangkok Voice of Free Asia in English 1100 GMT 23 Oct 82]

DIPLOMATIC RELATIONS WITH VANUATU--With the desire to promote the existing friendly relations between the Kingdom of Thailand and Republic of Vanuatu, the governments of the Kingdom of Thailand and Republic of Vanuatu have agreed to establish normal diplomatic relations as of 21 September 1982 and to exchange ambassadorial-level representatives at a later date. Announced on 2 November 1982. [Signed] Gen Prem Tinsulanon, Prime Minister. [Text] [BK021212 Bangkok Domestic Service in Thai 0000 GMT 2 Nov 82]

CSO: 4207/23

END

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No. 1223

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EXTREMISTS TO STEP UP ACTIVITIES

Bombay THE TIMES OF INDIA in English 28 Oct 82 p 1

[Text] New Delhi, October 27--The Union home ministry is in touch with the Punjab government with clear signs now available of extremists stepping up their disruptive activities.

The shooting of a Nirankari in Hoshiarpur following the grenade blast in Amritsar are seen here as indications that the extremists are out to build up tension again and spoil the atmosphere for negotiations created by recent steps taken by the government.

The Punjab government, according to reports reaching here, has alerted the district authorities throughout the state about the possibility of extremists trying to disturb the peace.

There have been consultations between the Centre and the Punjab government in the last few days on preparations to be made to meet a situation like the one now the extremists are trying to create in Punjab.

The CPM leader, Mr Harkishen Singh Surjeet, met the Prime Minister this evening for a discussion on the Punjab situation.

Mr Surjeet, who had been on a tour of Canada, was requested to return home immediately to help the government in the expected talks between the Prime Minister's emissary, Mr Swaran Singt, and the committee set up by the Akalis. Mr Surjeet arrived here only this morning.

Mr Surjeet's help has been sought by the government because of the close relationship he has maintained with top Akali leaders like Mr G.S. Tohra and Mr J.S. Talwandi.

The two Akali leaders, known to be hardliners, have been nominated on the Akali committee.

Mr Surjeet is known to have advised the Akalis not to give a communal colour to their demand (such as in the Anandpur Sahib resolution) and to endeavour to solve the problem as a national rather than a sectarian one.

Our special correspondent from Chandigarh adds:

The talks between Mr Swaran Singh and the five-member Akali committee will take place after a day or so.

CSO: 4200/124

NORTHEAST INSURGENTS PLAN OFFENSIVE

Calcutta THE STATESMAN in English 20 Oct 82 p 9

[Article by D.P. Kumar]

[Text]

AIZWAL, Oct. 19—Security forces operating in the north-eastern parts of the country have got the scent of a "plan" for a coordinated offensive by all the insurgents and student extremists. This is revealed in official documents we came across in the course of a visit to Mizoram.

According to the "plan", the North-Eastern Region Student Union will be the coordinating agency overground. Insurgents in the various States and Union Territories in the area will launch a movement during which student extremists will set off explosions and ambush and kill non-Mizos.

In Mizoram, "Lt-Col" Lalrawna of the so-called Mizo National Army has been reportedly awaiting the advice of Mr Laldenga on this "plan" for about a month or so. Efforts are being made to secure the "coordination" of the student union for action in Mizoram. Security forces think if the "plan" is not nipped in the bud by a joint operation, and with the cooperation of all State or Union Territory Governments in the region, "an apprehension of the revival of insurgency with removed vigour and vitality" will become very real.

It is evident that the security forces are already acting in a concerted manner to crack down upon any act of insurgency, or to liquidate those who lie hidden in the hundreds of kilometres of hill tracts from Silchar to Aizal, through which a small group of reporters was taken in armoured vehicles in a convoy, and beyond to Lunglei, Mizoram's southern tip, or foil attempts of kill non-Mizos in the area.

There are nearly 25,000 men of the Army, the Assam Rifles, the Central Reserve Police and the Border Security Forces, besides other agencies, keeping vigil in Mizoram. The BSF and the CRPF are keeping up the pressure which will ensure the maintenance of peace and tranquillity in this insurgency-ridden Union Territory.

Extensive patrolling and combing of the forests around Mizoram by the Mizoram police along with the security forces have been very helpful in the past few months in unearthing the dens of the so-called Mizo National Front and capturing large numbers of its underground members. Meanwhile measures are being taken against those who harbour the hostiles, so that they are forced to come out of their jungle hideouts.

Although there has been an apparent lull in the activities of the insurgents since the failure of the peace talks with Mr Laldenga and his departure for London, the security forces expect them to strike back in their full ferocity. There is little doubt that more and more people in Mizoram are giving up the path of hostility, and yet on the admission of even the Chief Minister of Assam, 20% of the people may still have sympathy for the hostiles. The number of armed insurgents has gone down from 2,000 to between 400 and 400. There are reports that the training camps in the Arakan hills of Burma are now almost deserted. With far less supply of sophisticated Chinese arms, the hostiles are nevertheless operating from their tactical headquarters at Runna Bazar in the Chittagong hill districts of Bangladesh, in Aizwal town, as elsewhere throughout Mizoram. There is a dusk-to-dawn curfew every day of the week and the deep valleys and jungles of Mizoram are being guarded and combed by the security forces to weed out the insurgents.

According to reports, after Mr Laldenga had left for London on April 21, there was a sudden spurt in the underground activities of the MNF. The insurgents had been lying low because they were afraid of reprisals against Laldenga. An official report says: "The inescapable fact remains that there are far too many of the underground men still at large and they are well around". Apparently, the rebels mustered a large following, particularly in the MZP (Mizo Zirlai Pawl) or Mizo Students Volunteers. A respite of four months during which the peace talks with Mr Laldenga were continuing the rebels ambushed and killed CRPF officer, Mr I. S. Dagar, on may 21. They also issued "Quit Mizoram" orders to all non-Mizos, to be operative from June 21. However, even beofre the target date they struck at many places, killing some non-Mizos and also two Mizos, who included an M.L.A. Although the MNF had plans to annihilate important ruling People's Conference workers, not much harm came to them because of the effective security measures taken for the Chief Minister, and other Ministers and other ruling party personalities.

Recently, there was an ambush by the MNF of a vehicle, on September 9 when it was carrying some 20 labourers and civilians on the Lawngtlai-Lunglei road. Three people were injured, of whom one later died. Although the MNF is demoralized because of large-scale arrests and surrenders, movement of underground rebels has been reported in various parts of Mizoram, including the capital of Aizwal and other major townships. Besides, there have been reports of forcible and illegal collection of "taxes" as well as recruitment to the MNF ranks.

CSO: 4200/124

BRIEFS

OUTLAWING TRIPURA EXTREMISTS URGED--Agartala, Oct 21--The Janata Party general secretary Mr Rabindra Varma, M.P., has urged the Left Front Government of Tripura to outlaw the tribal extremist organizations like the "Tribal national volunteers" and the "Army of Tripura Peoples' Liberation Organization." He told reporters here on Wednesday that it seemed strange that the State Government was allowing the extremists to operate almost freely though they had already claimed to have formed a "parallel Government." "Neither are they being outlawed nor any Central Assistance is being sought to tackle the extremists. If this reluctance was deliberate, it would lead to dangerous "consequences," he said. A small trader was killed and two others accompanying him to a nearby hill market were injured when a band of tribal extremists fired at them at Macbeli in the Kailashahar sub-division on October 19. The extremists fired from guns probably taken away from a thana here on September 3. Another gang of armed tribals unsuccessfully tried to raid a police outpost in Amarpur sub-division of south Tripura on October 19. There was an exchange of fire between the sentries on duty and the tribals for some time after which the extremists escaped. [Text] [Calcutta THE STATESMAN in English 22 Oct 82 p 16]

CSO: 4200/124

LIMITING IMPACT OF ECONOMIC RECESSION

Jakarta KOMPAS in Indonesian 16 Sep 82 pp 1, 12

[Article: "Three Ways of Lessening Consequences of Economic Recession"]

[Excerpt] Jakarta, KOMPAS--The consequences of the economic recession which at present is still affecting the world, according to Prof Dr Soemitro Djojohadikusumo, are still being felt to a rather serious extent in Indonesia. However, the consequences of this situation for Indonesia can be lessened by paying attention to three questions.

First, complete ongoing projects and postpone those which have not been begun. Secondly, emphasize training of the working force. Thirdly, accelerate the training of teachers.

Prof Soemitro made this statement to the press on Wednesday [15 September], after reporting to President Soeharto at his residence on Jalan Cendana in Jakarta. He said that in a situation where funds and capacities are lacking because of the present recession over the next 2 years the government must really concentrate its attention on projects which are already under way. We should not "expand" into other projects.

"We should not attempt to do everything but rather concentrate our efforts on matters which must be continued over the next 2 years. Other things should be postponed," said the senior economist. "There should be no doubt about it." Even projects which are already in the "blueprint" stage but have not yet been decided on or begun to be carried out should be postponed for the next 2 years or so.

In this way, Soemitro said, we will accomplish a "rearrangement" of our priorities for the expenditure of capital. Rapidly completing important, ongoing projects will help us to save on foreign exchange or even to increase our reserves.

Regarding concentration on training our working force, this should be done on projects which need certain categories of workers. For example, the coal project in South Sumatra or various projects in Lhokseumawe in Aceh.

Regarding the role of teachers, according to Soemitro, we should look to the example of the armed forces, which cannot deal with the future without young officers coming up. This is also the case with teachers. Their role is particularly vital and therefore they should have the highest priority. Without teachers we won't get young people needed for development. "Therefore, the question for us now is how to accelerate the training of teachers," Soemitro said.

"If necessary, sectors which require large capital expenditures should be postponed. The teachers should receive first attention," Soemitro said. "The teachers who are most needed are high school teachers, because it is they who are the cadres. As far as university professors are concerned, there are plenty of them. With all the symposiums being held, there must be many professors available."

He said that the pressures on the world economy as a consequence of the recession are not a short-term problem. The situation will not clear up until the beginning of 1984. Indeed, this has already been admitted by the World Bank and the International Monetary Fund.

For Indonesia this situation certainly will affect budgetary and foreign exchange receipts. However, Prof Soemitro considers that up to the present fiscal year state foreign exchange reserves have still been sufficient to pay for 6 months of imports. "All of our foreign exchange reserves, including those available to government banks other than the Bank Indonesia, still range between $6 and $7 billion," he said.

Regarding the possibility of a quicker recovery from the recession than is generally anticipated, Prof Soemitro said that this is only a slight possibility and can be ignored. For Indonesia itself, recovery from the recession will only be felt about 6 or 7 months after a more general recovery begins.

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CSO: 4213/09

'TAKE POSITIVE VIEW OF ECONOMIC SITUATION'

Jakarta KOMPAS in Indonesian 23 Sep 82 pp 1, 12

[Article: "Statement of Coordinating Minister for Economics, Finance, and Industry Widjojo Nitisastro: Economic Situation Should Not Be Source of Apprehension; Important Thing Is to Look for Every Situation Which Can Be Made Use Of"]

[Excerpts] Jakarta, KOMPAS--Although we face economic difficulties as a consequence of the world economic recession, the ongoing Indonesian development program must be continued. Development projects and programs are still being carried out in accordance with existing schedules. We should not look on the present situation with feelings of apprehension but should look for every situation which can be made use of.

Coordinating Minister for Economics, Finance and Industry and Chairman of the National Planning Body Prof Dr Widjojo Nitisastro made this statement at the opening of the Fifth National Conference [Musyawarah Nasional] held by the Indonesian Chamber of Commerce and Industry (KADIN) on Wednesday [22 September] at the Hotel Horison, Jakarta.

Among other things the minister said that the problems facing Indonesia at the present time indeed are rather substantial. There have been a great number of challenges over the past 15 years, but it is clear that the Indonesian economy still has considerable resiliency.

Widjojo admitted that state receipts from petroleum and non-petroleum exports at present are declining. For example, petroleum exports are subject to limits, and prices are going down. This is also the case with non-petroleum exports which do not yet show a clear picture.

"However, this situation should not cause Indonesia to go into a panic. The government does not want to lull the people to sleep by saying that everything is all right. However, it also does not want to create feelings of panic. It is not necessary to feel panic because the resiliency of our economy is still great," said Widjojo. He said that reserves of foreign exchange at present are still far greater than they were in 1972 or 1975.

Therefore, development programs which are now being carried out must continue to be implemented. Everything which has been properly planned, in the form of projects or programs, is still being accomplished, in accordance with the schedule already established.

However, Widjojo said, at a time when it is difficult to earn foreign exchange and to collect rupiah like the present, all expenditures must be made more carefully. This is no different from a company which has a shortage in its "cash flow." Every expenditure must be considered, both those which must be made today or those which can still be postponed until tomorrow. "If we can pay the money tomorrow, it would be better to do it tomorrow. However, if it has to be done today, then it will be done today," said Prof Widjojo.

According to Widjojo, another way to overcome present difficulties is to mobilize other sources of income so that we will not be too dependent on petroleum and non-petroleum exports. For example, mobilization of domestic sources of income by issuing government obligations for various enterprises, in order to bring in funds from the people.

Under circumstances like the present Indonesia must be prepared. When, at a given point in the future, the world economy has reached its lowest point and begins to improve, Indonesia must be ready. "You can't get ready when the world recession is over. We must get ready, beginning right now," Widjojo said.

For example, if Indonesia is accustomed to export goods on an FOB (free on board) basis, that is, when the goods are received on the ship, we must begin to change toward a system of paying later. To do this, many things must be done. For example, importers in other countries must be trusted to pay, there must be insurance, and so forth.

In getting ready Indonesia also must look for circumstances which can be useful during the present recession. For example, during circumstances like the present many industrial countries establish quotas for their imports. Under these circumstances, when Indonesia is not yet affected by quotas, we can use the opportunity to export to countries establishing quotas for countries other than Indonesia.

Furthermore, Indonesia can make use of the prices of machinery, which at present are very low, due to the competition between the countries producing machinery. We must quickly take advantage of these attractive prices.

The coordinating minister went on to say that the forms of industrial activity in the developed countries are changing. For example, there is what is happening in Japan, previously known for its production of cheap textiles but which later became a producer of high quality textiles. In turn Japan has begun to abandon this kind of industry and moved to the electronics industry.

This was done because the type of industry had become too expensive. Then it was better to do this in the developing countries. For Indonesia this circumstance can be made use of. Companies which are undergoing restructuring can be invited to cooperate with Indonesia, moving their activity to Indonesia. "This is one way of making use of industrial restructuring in various countries. For that reason Indonesia must continue to monitor the various kinds of industry and countries which are being restructured," said Widjojo.

On the occasion of a meeting with Minister Widjojo Julius Tahija, who is still deputy general chairman and chairman of the team of experts of the Indonesian Chamber of Commerce and Industry, proposed that in the KADIN Board of Directors for the period 1982/1985 a permanent committee should be formed which would arrange meetings between the government and KADIN.

Minister Widjojo agreed with this proposal. With such a committee in existence the government could be made aware of everything which is happening in the business world. And conversely KADIN could be informed of the policies which will be followed by the government. According to Tahija, the permanent committee should meet four times a year, and the number of members should not be too large. At most there should be 10 members, five from the government and five from KADIN.

5170
CSO: 4213/09

CONTINUING CONTROLS ON FORMER PKI PRISONERS

Jakarta HARIAN UMUM AB in Indonesian 20 Sep 82 pp 1,8

[Article: "Former Communist Detainees May Not Take Part in the General Transmigration Program"]

[Excerpts] Jakarta, HARIAN UMUM AB--The deputy commander of the armed forces and the commander of the Security and Order Command [KOPKAMTIB], Admiral Sudomo, has stated that the government has decided not to permit former Communist detainees from the abortive coup attempt in 1965 to take part in the general transmigration program.

In an exclusive interview with ANTARA reporter Kardiman Soekardi in his office on Friday [17 September] Admiral Sudomo mentioned a conditional exception for former Communist detainees who must take part in the transmigration program. This special exception for the former detainees is due to the fact that because of their situation and condition they may be forced to move from their place of residence, for example because of natural disasters, etc. However, even so special provisions will continue to be in effect.

Regarding the foregoing prohibition, Admiral Sudomo declared that when they were released from detention, for example on Buru Island, they were given an opportunity to continue to live in those areas as transmigrants. Indeed, the government provided facilities to transfer their families from Java, as well as other assistance.

However, there were very few who made use of the opportunity. The former Communist detainees generally wanted to return to Java. Therefore, if there are now some of them who wish to transmigrate, the government will not automatically permit this. If they are permitted to take part in the general transmigration program, in any case this must not add to the burden of their supervision. Furthermore, the transmigration areas, as they are new areas, generally still have many concerns which must be considered from the point of view of security and order. Admiral Sudomo said: "Later on, if they take part in the general transmigration program, this must not involve moving this 'disease' to the new area of settlement. Therefore, the general transmigration program is not possible for them."

However, if the former detainees really want to move out of Java, the government will carry out a special transmigration program for them, covering former detainees who because of the situation and their condition must move from their place of origin. The government will locate them in a special place. In this way their development and supervision can be carried on more easily by the regional government ans security services.

Asked about the government's view of the loyalty of the former detainees and the criteria which will be used to choose them, Admiral Sudomo said it would be difficult to be sure about this. This is because things are not as easy as some people believe. In this connection the government is faced with an ideology which cannot be seen with the eyes alone. Admiral Sudomo said: "Even if they have been held for as long as 14 years, it is not yet clear if they are prepared to abandon their ideology and stop their party activity. For that reason the PKI continues to be regarded as a latent danger."

However, after they are held for 14 years in rehabilitation centers, the government has valuable basic data regarding them. The former detainees can be divided into two groups: that is, the "hard" group and th- "soft" group. Regarding those in the "hard" group the government continues to regard them as threatening state security, because they are really "Communists." Toward those in the "soft" group the government can provide guidance and assistance so that they may become good citizens. However, even so, surveillance will continue to be directed at them, in view of the fact that it is difficult to be sure if a person has abandoned this ideology or not, although from all appearances he may be good.

Regarding the types of occupation which they may have, Admiral Sudomo again stated that the government does not object if they return to their original occupation, provided the supervisor of the company or office reports to the regional government and local security service.

Those who were involved in the abortive Communist coup of 1965 continue to be prohibited from becoming state employees, members of the armed forces, or enployees of vital projects.

Asked about the relations of a wife and children with a father who was involved in the abortive Communist coup, Admiral Sudomo declared that neither the children nor the wife is affected by the prohibition on becoming state employees or entering the armed forces, provided it is proved that they were not members of Gerwani [PKI-controlled women's front group] or other PKI mass organizations.

Regarding the ability of the former detainees to move between the various provinces, Admiral Sudomo stated that they may in general move from one area to another area of Indonesia. However, there is a provision that as soon as they arrive in a new area, they must report themselves to the regional government and the local security service. At the same time if an employee of a private firm who is a former Communist detainee is moved by his company to another city, the company is obliged to report this fact to the regional government and the local security service.

Finally, Admiral Sudomo continued his call on the people to increase their vigilance, in view of the possibility that any development may be used in the interests of subversion. He said that there are six things which must be done to prevent the PKI from returning to Indonesia. This includes speeding up the creation of a just and prosperous society, developing an integral system of supervision between the regional government, the security service, and the people, increasing national vigilance, continuing the effort to wipe out the PKI and its remnants, increasing the participation of the people through the system of individual responsibility [swakarsa], and increasing awareness of the danger that the PKI could return to Indonesia, the country of the Pancasila [Five principles of the state].

5170
CSO: 4213/09

POSSIBLE RE-EMERGENCE OF PKI

Jakarta HARIAN UMUM AB in Indonesian 30 Sep 82 pp 1, 2

[Article: "Chief of BAKIN, Yoga Soegomo, Warns: Re-Emergence of PKI Would Not Be Surprising"]

[Excerpts] Jakarta, HARIAN UMUM AB--The chief of the State Intelligence Coordinating Body (BAKIN), Gen (Retired) Yoga Soegomo, has stated that the reemergence of the PKI (Indonesian Communist Party) is not impossible but rather must always be regarded as a latent danger.

He made this statement to HARIAN UMUM AB in a special interview in his office in connection with the anniversary of the PKI-led 30 September Movement, which took place 17 years ago.

"As long as communist ideology has the objective of communizing the world, it must continue to be classified as a latent threat," Yoga said firmly. "The tactics the PKI will use when it wishes to resume activity include taking advantage of every situation that creates tension, and they may easily turn this into an instrument to heat things up."

He continued: "We must admit that at present there are still problems which at times involve tension and may easily be made use of. We must also remember that the re-emergence of their movement will not always involve raising their flag openly but rather entering or joining a certain social force, which we cannot easily see."

Yoga Soegomo mentioned five factors which would make possible the re-emergence of the PKI in our country. First, the release and return to society of Communist detainees. Although not all of them must still be considered suspicious, there are still many of those who have been released who were among their leaders. Secondly, a situation which can be of assistance to them. For example, the life of the former Communist detainees after they return to society is not a normal one for all of them. Certainly, some of them are still in a difficult situation. Thirdly, the continued presence of PKI leaders abroad who want to return to Indonesia. Fourthly, the continued existence of PKI leaders who still are free at present because in 1965 we did not have the capacity to arrest them all.

Although for the past 17 years there are some of them who have died because of old age, it is clear that there are still some of them in society. Fifthly, there are Communist circles outside Indonesia where echoes of their activity still heard, for example, in Malaysia, Thailand, the Philippines, and so forth.

It is known that the communist movement has two forms of activity--legal and illegal. Since 1965 the PKI has been an illegal movement, but it still exists. Yoga Soegomo admitted that in a physical sense they still exist and are still trying to re-emerge as a party. Therefore, we must maintain national vigilance tirelessly and always take into account a possible come back of the PKI.

Before 1965 Yoga admits that the PKI was successful in infiltrating its cadres into the Indonesian Armed Forces. It was possible for this to happen because at the time the PKI was still a legal party. In this process of infiltration PKI cadres were placed in particular at decisive points.

"They called this the 1-3-5 infiltration process, that is, intelligence elements (1), personnel elements (3), and reserve elements (5). The PKI considered these three elements as very important and necessary to be infiltrated," Yoga Soegomo said. "Thus, when the Communist coup of 1965 occurred, there were many members of the Indonesian Armed Forces who were involved," he added.

However, according to Yoga Soegomo, since 1965 and the dissolution of the PKI there has clearly been no more legal infiltration. In addition there has been a continuous process of mental and spiritual development among the members of the Indonesian Armed Forces and other preventive action, for example the improved administration of the armed forces and raising the welfare level of members of the armed forces. Thus, the infiltration of communist cadres and ideology into the armed forces has only been possible to a limited extent, if it has not been completely impossible.

Yoga Soegomo concluded: "There could be relationships between members of the armed forces and former PKI detainees, but they would be limited to family relationships. We have never yet found indications of other purposes in such relationships."

5170
CSO: 4213/09

DARUL ISLAM DISSIDENT CAPTURED

Jakarta MERDEKA in Indonesian 30 Sep 82 p 4

[Article: "They Thought It Was the Owner of a Fighting Cock, But He Was a Member of a Rebel Group"]

[Excerpts] Ujungpandang, 29 September--On 30 August 1982 at about 10:00 pm Popang and Kasim, "investigators from the local police and military commands," were conducting a motorcycle patrol, moving along the highway near the boundary between Anggeraja and Baraka Districts.

They saw a man walking along the shoulder of the road, wearing pants that had been cut off at the knees. Popang signaled Kasim because the way the man walked was suspicious. Without thinking much about it Kasim called to the man, but he did not reply and turned away to the right toward the river. Popang and Kasim followed him, calling to him, but he did not reply. Popang and Kasim thought he was someone returning from a gambling place and from the shape of his pack it appeared that he had a dead chicken (a cock fighting term for a fighting cock which has lost).

Popang picked up his club and ran after the man and hit him repeatedly on the leg. What was surprising was that the man did not fight back but continued running and was unwilling to surrender the pack he was carrying. Indeed, he said it would be better to be killed than to surrender his knapsack.

After he reached the river the man jumped, and his foot slipped in the mud. Popang gave a sign to Kasim to shoot him in the foot. Kasim fired and hit him, breaking his leg, so that he was no longer able to stand. Popang thought he was dead because he didn't move at all, so that they were able to pick up his knapsack without difficulty.

Popang and Kasim immediately went to surrender themselves to the district officer in Baraka and admit responsibility for having shot the unknown man. However, after the knapsack was opened, a number of DI/TII documents pertaining to this Muslim rebel group were found, together with a number of photos, including a worn photo of Kahar Muzakkar (the former leader of the DI/TII in Sulawesi) and a photograph of S Halik (in one of the

documents he was identified as having the rank of lieutenant colonel), Sanusi Daris (former DI/TII commander still being sought), and two other persons identified by the name of Yusuf. There were also pictures of a student working for a doctoral degree at a university in Ujungpandang (arrested the following day) and of Ustas Darlis alias Buhari alias Bora (still a fugitive).

After examination of the photos and documents the initial feeling changed from believing that the man was a gambler, and it was concluded that he was a member of a rebel group [Gerombolan Pengacau Liar--GPL]. It was first thought that the man who was shot was Sanusi Daris, but after his body was picked up, it turned out that it was that of his loyal follower, S Halik (Lieutenant Colonel) alias Bung Solly.

On the basis of the new documents and photos Yusuf was successfully arrested in Cakke at the time he was waiting for a bus to Ujungpandang, because he had heard that Halik had been arrested.

5170
CSO: 4213/09

NO FOOD SUBSIDIES IN 1982-1983 BUDGET

Jakarta KOMPAS in Indonesian 17 Sep 82 pp 1, 9

[Text] Jakarta, KOMPAS--In fiscal year 1982/1983 there will be no government food subsidies on rice, wheat, sugar, and corn. This was stated by the deputy minister for cooperative affairs and chief of the Logistical Affairs Body at the installation in office of his deputy for Food Stocks and Distribution in BULOG [Logistical Affairs Body] yesterday [16 September].

In the state budget for 1982/1983 the government had provided for food subsidies amounting to Rp 188.4 billion. "God willing, this subsidy will not be used by BULOG," Bustanil said. In this way the funds which were to have been made available for food subsidies can be used by the government for development projects, he added.

The chief of BULOG said that in a world which is affected by the recession the state of the Indonesian economy as a whole is rather "difficult." Exports are going down--both exports of oil and other exports as well.

According to data from the Bank Indonesia up to the end of August 1982, the level of Indonesian exports during the first 6 months of 1982 was only $8.043 billion. Exports of petroleum and natural gas amounted to $6.623 billion, and non-oil exports amounted to $1.419 billion. During the same period of 1981 total exports amounted to $10.825 billion, of which petroleum and natural gas exports amounted to $8.564 billion, while non-oil exports totaled $2.261 billion.

An effort to strengthen exports has been made, but the situation remains difficult because the world is affected by a major recession, he said.

The BULOG decision not to use the food subsidies, according to Bustanil, was intended to ease the burden on government expenditures in fiscal year 1982/1983. Budgetary receipts will experience a shortfall because receipts from exports will decline.

The government budget has always provided funds for food subsidies each year. Subsidies have been provided to maintain the national food stock, which has led to the stabilization of prices between seasons and places

over the years. In fiscal year 1974/1975 total food subsidies were Rp 141 billion; in 1975/1976, Rp 30 billion; in 1976/1977, Rp 43.5 billion; in 1979/1980, Rp 124.9 billion; in 1980/1981, Rp 281.9 billion; in 1981/1982, Rp 309.7 billion; and for 1982/1983 the state budget earmarked Rp 188.4 billion, which will not be used by BULOG.

Meanwhile, for fiscal year 1982/1983 the government estimated expenditures of more than Rp 1.5 trillion for fuels (Rp 924 billion), fertilizer (Rp 415 billion), and food (Rp 188.4 billion).

However, the chief of BULOG, Bustanil Arifin, also said that even if the food subsidy is not used, this does not mean that BULOG will not have a deficit, "BULOG will continue to have a deficit this fiscal year because rice sales in its market operations are still low. A high level of rice sales could not be handled by the people as a whole, and the stability which we want cannot be fully achieved," he said.

To meet this deficit BULOG will make use of its reserve funds. "Fortunately, we still have reserves. We will use these reserves to meet the deficit, without disturbing the government," he added.

The post of deputy chief of BULOG for Food Stocks and Distribution was transferred from Lily Kusumah to Prof Dr Ibrahim Hasan, rector of the University of Syah Kuala-Aceh, who has functioned as an expert on the staff of the chief of BULOG. Meanwhile, Lily Kusumah has left BULOG and has been promoted to chairman of INKUD (Village Cooperative Center).

5170
CSO: 4213/09

NURTANIO HAS ORDERS FOR 419 HELICOPTERS

Jakarta HARIAN UMUM AB in Indonesian 16 Sep 82 pp 1, 7

[Excerpt] Bandung, HARIAN UMUM AB--Technicians from the ASEAN countries have the capacity to produce a variety of high-technology products, provided they have the broadest opportunity to do so.

Indonesia, as a member of ASEAN, is also capable of producing fixed-wing aircraft and helicopters itself, using high technology, because Indonesia has such a broad opportunity. This was stated by the chief of the Community Relations Section of PT Nurtanio, Dr Soeripto, speaking to journalists from ASEAN news agencies on Friday [10 September] when they were visiting the Nurtanio aircraft plant in Bandung.

Indonesian-made aircraft and helicopters compare favorably with products made in foreign countries by companies which have had decades to master the high technology involved in the manufacture of aircraft and helicopters. This is proved by the great interest shown by the international aircraft industry in PT Nurtanio, the only aircraft manufacturer in the ASEAN region.

For example Dr Soeripto mentioned the growing cooperation between PT Nurtanio and the Spanish firm CASA, the West German firm MBB, and Aerospatiale of France. Indeed, the Boeing Company from the United States is willing to order a quantity of spare parts from PT Nurtanio for its aircraft. Answering questions from the journalists, Soeripto said that the Indonesian aircraft manufacturer, of which B J Habibie is the director, not only manufactures aircraft and helicopters for civilian needs but also manufactures aircraft and helicopters for military purposes.

The Indonesian Air Force has ordered no less than 32 CN-235 aircraft and 26 Super Puma AS-332 helicopters. The Indonesian Navy and the Indonesian Army have also placed orders for these aircraft.

In addition the Thai Air Force and Army have each ordered 20 NC-212 Aviocar military aircraft and four other aircraft.

PT Nurtanio also has a weapons systems division located in Tasikmalaya [West Java] with the name of "Menang" [Victory]. The task of the division

is to develop weapons systems. "In the future it intends to manufacture fighter aircraft and Boeing aircraft," Soeripto said, quoting the statement of the principal director of PT Nurtanio, Dr B J Habibie, when he turned over three helicopters to the Indonesian Air Force last August.

PT Nurtanio has a total of 419 orders for aircraft and helicopters, consisting of 231 aircraft and 188 helicopters. Orders have been placed for 129 NC-212 Aviocar aircraft and 80 CN-235 aircraft. There are 108 orders for the NBO-105 helicopter.

Customers placing orders are not only Indonesian firms and services but also foreign countries, including the Thai Army and Air Force, Bangladesh, Burma, a Malaysian airline, the Thai Ministry of Defense, Pakistan, Argentina, and Iberia, Aviaco, and Trans-Europe airlines. Orders placed from within Indonesia include the PLP (flying training center) company at Curug, agricultural estate companies, government offices, and private firms.

PT Nurtanio has developed a project for the expansion of its hangar facilities, shops, aircraft stores building, social services center, health center, and a research and development center called Nurtanio II.

The chief of Nurtanio's Community Relations Section said that in terms of personnel the total number of employees in 1976 (at the beginning of the development of the firm's activities) was 600. It is presently 5,000 and by 1986 Nurtanio will have no less than 10,000 skilled workers. This means that there will be considerable job opportunities opened up for young people, especially graduates of senior technical high schools.

5170
CSO: 4213/09

COLUMNIST HITS SIHANOUK LEADERSHIP

Paris MOUL KIMER in Cambodian Sep 82 pp 11, 12

[Article by Khin Sok: "He Who Climbs Can Only Pick; He Who Fetches Gets To Fill His Stomach"]

[Text] Prince Sihanouk is happy to be called Lord father of the whole Cambodian people. Later he became the father of the Ieng Sary--Pol Pot gang of murderers. His other title is the father of national education, father of sport and father of national independence etc.... But since 1968 and especially since the Vietnamese occupation of Kampuchea, the Prince has not deserved to be called Lord father because in mid 1979 he announced the establishment of a Kampuchean liberation front but only a few months later he called it quits. And in 1980 he became the chairman of FUNCINPEC. But only a few months later he called it quits again and promised not to get involved in politics at all because all his children opposed his intention to negotiate with the Vietnamese to settle the Kampuchean problem. To do or not to do anything comes only from himself. His self importance always stays with him and nobody knows when it will go away e.g. when he will come to his senses. This proves that the Prince cannot be accepted as a leader by the nationalists.

Very recently, he has returned to become the chairman of FUNCINPEC again. And his luck is rising in becoming the head of state. Once a king always a king, even king of a gang of murderers.

Today he is needed because a player is needed just to fill the spot and all the important roles will have to be played by Son Sann, President of the front. The Prince is in luck, thanks to the front. Without the front, he would have no role as was the case from 1969 thru 1982. And perhaps he would have become an international mendicant. Four years after the Vietnamese occupation of Kampuchea the Prince has not participated in any political activity at all to liberate Kampuchea. Rather he has only cursed, denigrated or criticized the KPNLF. Now going back on his word, he offered to join in the tripartite coalition government because he wants the title of head of state.

The Prince does not deserve this title at all because in the past 4 years, he has not done anything for Kampuchea other than his activities to embarass the Front's policy hindering the anti-Vietnamese process.

If he was so smart to be a real father he really could have founded a front before Son Sann did. His cynical attitude is the reason nobody wants to join him. The fact that the Prince takes the title of head of state at this time is tantamount to asking a favor from the KPNLF and not because of his qualifications.

7429
CSO: 4212/4

EDITORIAL CALLS ALLIANCE WITH KHMER ROUGE 'USELESS'

Paris MOUL KHMER in Cambodian Sep 82 pp 9, 10

[Editorial: "What Do We Do Next?"]

[Text] The 37th United Nations General Assembly has been in session since 21 September 1982. The session will continue until the end of this year. The Khmer seat in the United Nations was retained by the Khmer Rouge last year due to the fact that it was expected that there would be a coalition with Son Sann and Prince Sihanouk. That's why they voted to retain that seat. This year, however, the Khmer Rouge think it would be hopeless for them to keep the seat. That's why they agreed to take the names of Prince Sihanouk and Son Sann as a facade to gain once more the vote of support.

Hanoi, under the leadership of its foreign minister, has been making every effort in Europe asking Europeans not to vote in favor of retaining the seat for Kampuchea. The Vietnamese contacted France to get in touch with other countries. The Vietnamese praise the French Government which refused to recognize the Kampuchean coalition government. Although the whole world knows that the Vietnamese have withdrawn none of their troops from Kampuchea, Hanoi still argues that it has. And Hanoi maintains that they will not allow Kampuchea to be neutral, if all other Southeast Asian countries are not neutral.

Seeing that it will not achieve its goal, Hanoi, through its representative to the United Nations, declared that as far as the international conference on Kampuchean question is concerned, there would be negotiations and that its puppet regime in Phnom Penh should take a place at the conference table. Hun Sen, a former Khmer Rouge, foreign minister of the puppet regime, knowing that there is no way to gain the seat in the United Nations, said that he does not care about the vote in the United Nations. The important thing is to control the territory. There is no difference at all between the Heng Samrin regime and the Khmer Rouge since they adhere to the law of the jungle even with the people.

After the vote in the United Nations which the whole world knows that the Khmer seat will be retained and the aims of the coalition are achieved, what is next? In the accord between Prince Sihanouk, Son Sann and Khieu Samphan it was agreed that within a 6-month period after the agreement, this coalition government has no authority to replace representatives of the Khmer

Rouge government in international fora. The 6-month period will expire at the end of this year; that is, after the vote at the United Nations. We therefore could assume that the Khmer Rouge will have the seat and would abandon the coalition as they did last year. But last year the Khmer Rouge only told the world that they would be ready to join in the coalition. But now since they signed the agreement, it appears that it is quite another story.

To remain in the coalition with the Khmer Rouge is useless. We only suffer the consequences. In order for Son Sann and his group to exist on their own and have some kind of credibility in world opinion, the number of his troops should be augmented and the troops must have discipline, the management must be firm and serious. All this cannot come very easily by itself. It can only come when all the Khmers know how to help each other. The liberation of a country is neither a private matter nor an individual right but is a matter for all concerned.

7429
CSO: 4212/4

READER FAULTS SIHANOUK RECRUITMENT EFFORTS, BLASTS KHIEU SAMPHAN

Paris MOUL KHMER in Cambodian Sep 82 pp 15, 16

[Text] Office note: A Khmer refugee in the United States has requested that we publish what he considers an exaggeration and the irresponsibility of Prince Sihanouk and Mr In Tam. According to diplomatic sources in Bangkok there were only over 3,000 Cambodians who answered the appeal of the Prince not 13,000 people as published in a French newspaper.

The Prince's Popularity

On 7 July 1982, the Prince visited Khmer refugees in Khao I Dang and made an appeal to the Khmer refugees to join a new army to fight the Vietnamese. According to reports, 1 week later one-third of the Khmer refugees have volunteered to return. This showed to the world that the Prince still is highly popular with the Khmer.

Wherever the Prince's representative In Tam goes, he always makes an appeal to Khmer people overseas to help make some small contributions in order to buy rice or other equipment for his army. He stated on his arrival in Washington, D.C. early in 1982 that we have a lot of troops, we lack only supplies. According to NOKOR KHMER when H.E. In Tam landed in Paris on his way to see Prince Sihanouk, he was seen very pale because he lacks supplies. I believe 100 percent that the shortage of supplies really exists. But if H.E. In Tam who is directly responsible for the troops in the battlefield lacks food and supplies, why should the Prince make such an appeal for the refugees to go to the battlefield to die? Over 3 million people have died and we have not yet heard the Prince acknowledge responsibility. The few Khmer who survived and have reached the international camps are receiving a minimum of supplies for bare subsistence. Why is he using his popularity to persuade these people to die starving? On Memorial Day in Washington, D.C., there was a rumor that some of our bretheren who have gone to the border have returned to the camps because they were without food. Do those refugees think that entering the camps is easy? Can 4 out of 10 sneak into the camps? What happens to those who cannot sneak into the camps? I believe that once again the Prince will refuse to take responsibility.

The Prince's supporters foolishly wrote in praise of him that because of his charm and might, on his way to visit Khao I Dang, it was raining heavily but when the Prince arrived, the rain stopped and the sun was shining. Because of his popularity, one third of the refugees have volunteered to go with 2,000 having departed already.

Oh! Fools! We are about to enter the 21st century, one should abandon the old and outdated ideas! Don't just be a yes-man all the time.

The Khmer Rouge Are Cheating Again

Khieu Samphan, the chief Khmer Rouge murderer, gave an interview to the French AFP. He said "we will sign a peace and non-aggression treaty with Hanoi if Vietnamese troops are completely withdrawn from Kampuchea and we will not allow any foreign military bases in Kampuchea. Kampuchea will follow a policy of neutrality and Kampuchean neutrality will have to be guaranteed by the United Nations."

On the subject of Khmer Rouge's murdering of innocent people, he said, "the confusion and the excesses due to the unclear situation is most regrettable and we want to correct this."

Khieu Samphan himself said "those Khmers who did not join with him before 1975 were all war prisoners." What does this mean? It means that this confusion and this excesses were premeditated.

As far as Prince Sihanouk is concerned, he said almost the same thing on the subject of Vietnamese withdrawal, but the Prince added that after the Vietnamese withdrawal there must be an election. On the subject of elections, Khieu Samphan said nothing. If Vietnam withdraws, Khieu Samphan must withdraw from the coalition government taking with him the so-called Khmer Rouge's Democratic Kampuchea which is stated in the agreement between Prince Sihanouk, Mr Son Sann and himself (Khieu Samphan).

It seems that the Khmer Rouge is plotting to regain power. They want to cut the throats of innocent people one more time. Their master Beijing is trying every means possible to help the Khmer Rouge so these gangs of murderers can regain their power.

7429
CSO: 4212/4

DEVELOPMENTS IN BATTAMBANG, EXILE OPERATIONS FROM THAILAND REPORTED

Vientiane SIANG PASASON in Lao 8 Oct 82 p 2

[Article excerpted from VIETNAM PICTORIAL: "Visit to Battambang"]

[Excerpt] Wherever one went in Battambang Province one could see groups of farmers digging irrigation ditches. The water pumping machines have to run day and night. Those who were fighting against the drought were not only farmers but also a great many provincial and district cadres.

Several months later we went back to visit Battambang once again. The harvest was over, and each family's rice was put into piles. [The amount] was very surprising. It was even more surprising to know that this year's ricefield hectarage exceeded last year's, when there was much better weather. On the average each person received over 410 kilograms (there were 18 kilograms per person in 1979).

A provincial cadre who is responsible for agriculture said that although next year's rice growing season will not yield as much as they expected, they are not worried about starving because every house has rice to eat and rice [to store].

After many years of "Angkar" pressure today the people in Battambang Province feel free to make their living. Farmers have the right to join production solidarity units (there are a total of 1,200 units throughout the province, and each unit has from 10 to 15 families) or to make their living on their own. By joining solidarity production units families can help each other in difficult times.

In the markets the farmers have the right to trade all kinds of products. This includes handicrafts they can easily produce themselves. A trade network with over 50 stores located in different districts of the province makes things easier for the people. There are so many different kinds of household items that they overflow in the markets of Battambang. These goods were smuggled in by illicit trade routes from the border. This is certainly not good, but on the other hand it does help to enliven the standard of living and that never happened under Pol Pot's control.

"If we had not been liberated we believe we would all have been killed by the Angkar." These are the words everyone continues to say whenever they

recall the past. They all have lost something that nothing can replace. Almost 11,900 small children became orphans; almost 5,000 women became widows. This is a severe burden for society. The province has set up many schools to take care of young orphans who have no place to live.

In their new lives the hopes to go to school and to rest are strong, [as is] the desire to have enough to eat in difficult times. We could not help feeling happy when we saw schools for both sexes and all ages that were set up in the Battambang District area and in isolated villages in Pailin and Thma Puok Districts. There are schools for both children and for illiterate adults, including supplementary schools to eliminate illiteracy in adults. It would be appropriate to say that "the entire society goes to school."

However, the people in this province were faced with the threat of danger when there was news that there were a number of people who voted to support the Pol Pot regime in the United Nations. Those who practice genocide continue to keep their seats as the representatives of Kampuchea in the UN. Mrs Boua Lia, whose family had been wiped out during the time of "Democratic Kampuchea," angrily said that this act was only support for murderers.

At that time Pol Pot's men were firing artillery from Thailand and were sending people in to plant mines along the roads in Ban Village, Neung Canton, near the border. The people brought pieces of the artillery shells that were fired from Thailand for us to look at. Injured villagers are still undergoing treatment by the public health service of the canton. One of these patients, Baiseun, 12 years old, was injured while he was looking after his buffalo in the field.

However, life here still goes on normally and beautifully. A Japanese newspaperman named (Toshi Takafuji) was very impressed when he saw a picture of a mother holding a baby who was sleeping comfortably in a cradle, and beneath the cradle there was a bunker.

9884
CSO: 4206/16

BRIEFS

SIHANOUK FINANCING--Prince Sihanouk, accompanied by his entourage, attends the UN General Assembly. The trip is paid for by the government of Beijing. It is known that Beijing gave the Prince $200,000 for all expenses. The conversion to French money today is: 1 U.S. dollar = a little more than Fr 7; it is estimated at about Fr 1.4 million. It appears the Prince and his entourage are very happy to spend Chinese money. It was reported that the Prince stays in one of the most luxurious and expensive hotels in New York City. Before leaving for New York City, the Prince stayed in Paris and invited ASEAN diplomats to a dinner party. There were 11 diplomats. Among them, his knight, Khek Vandy, was also present. The cost was Fr 15,000. [Text] [Paris MOUL KHMER in Cambodian Sep 82 p 10] 7429

CSO: 4212/4

COLUMNIST NOTES AIM TO ABOLISH PRIVATE FARM PRODUCTION

Vientiane VIENTIANE MAI in Lao 17 Sep 82 p 2

[Conversations With the Editor column: "What Is the Best Way to Mobilize Cooperative Members?"]

[Text] To the editor of VIENTIANE MAI: I am a reader who regularly follows your column in VIENTIANE MAI. I have never written to you before. Today, I am bothered by something and would like to ask you the following:

Concerning the matter of forming agricultural cooperatives, or getting the farmers to join agricultural cooperatives, cooperatives are the best method. The farmers are afraid, but I will not ask you to comment on the reason for this since you probably already know. It is probably because of a lack of understanding on the part of the farmers. What I really want to ask you is, what is the best way to get the farmers to understand the cooperatives and to persuade them to become members? I will ask only this one question. I hope you will explain this. Thank you. Khun Thong, 9 September 1982.

Dr Mr Khun Thong: VIENTIANE MAI has discussed this matter many times in the Conversations With the Editor column. It was discussed in this column yesterday and it was discussed somewhat in the Talking Together column. But this is a difficult matter and so we will say something more about it.

The problem of persuading the farmers to join cooperatives, or become members of agricultural cooperatives, refers to switching from dispersed, private production to cooperative production.

Concerning this problem, the party and state have formulated a clear policy in order to eliminate small-scale dispersed and private production and to push and mobilize the farmers so they become more aware and think about switching from small-scale production to socialist cooperative production, especially cooperative agricultural production.

The best way to persuade them is to tell them the truth. This is the only way to make them aware and to get them to participate willingly. In other progressive socialist countries, the truth is used to mobilize the masses. What is the truth? The truth is that there must be test areas. That is, a

model agricultural cooperative must be created. This model agricultural cooperative must help to persuade and stimulate people. When they see the truth, the farmers will willingly participate [in cooperatives]. There won't be any problem. But at the same time, the plans and policies must be popularized among the farmers so they have a greater and clearer understanding of this. They must be given detailed explanations and reasons. Good propagandists know how to describe the facts better than this. That is, they will go into greater detail. You should read the previous issues of VIENTIANE MAI since the matter was discussed in greater detail in these previous issues. Thank you.

11943
CSO: 4206/8

URGENT NEED FOR PRICE CONTROL, MECHANISM TO SUPPRESS PRIVATE TRADERS NOTED

Vientiane VIENTIANE MAI in Lao 18, 20 Sep 82 p 2

[Column: "Conversation with the Editor"]

[18 Sep 82 p 2]

[Excerpts] [Question] 1. Who is responsible for organizing a purchasing co-op? Is it suitable to organize from the base level on up?

2. When a purchasing co-op is organized, a distributing co-op should be organized. I think this procedure would be an effective way for price control. What do you think about this?

This is all I want to ask. I hope you can clear this up for me. Thank you. Visai Montha, That Khao, 10 September 1982.

[Answer] Dear Comrade Visai, your suggestions are good and also the same as what VIENTIANE MAI is considering. In the past couple of months we have met and had discussions with an administrative committee of Vientaine Capital (I would like to not reveal the name here), and have exchanged our views with theirs. They told us that this problem must be solved otherwise we will not be able to defeat small, private, scattered traders. Moreover, we will not be able to control prices. We agreed with their good ideas, and we want to say that the problem is an urgent one that has to be solved so we can quickly see the actual results. Otherwise, we will be forever running after the prices set by the private sector. It will finally have some effect on the standard of living especially on cadres and us. Because we have already learned our lessons from the past, for example, in foreign socialist countries. I would like to mention one place where we can see this, Hanoi. They also see this as a special problem, and now the state purchasing and selling co-ops guarantee the purchase, sale, and exchange between the government and the people very well. The government monopolizes some indispensable goods which the people are banned from selling. This way they are able to firmly control the prices of those goods. Workers, cadres, and the people themselves only buy inexpensive goods that the co-op bring to sell.

[20 Sep 82 p 2]

[Excerpts] Nowadays our party and government is mobilizing farmers, especially farmers to convert the small scattered private sector to collective production such as in agricultural co-ops. One of the aims is to hurry and convert the production process to a socialist production system in order to ensure the standard of living of the people so they can have plenty and be happy. Whenever we can convert production to collective production (agricultural co-ops) we can have purchasing, sales and exchange co-ops between the government and the people. Then we will be able to control the free market in terms of pricing, and it is most certain that we will be able to gradually defeat the private sector and the capitalists completely at last.

Another problem with the techniques which you suggested concerning trading has occurred in our experiment with them already, and they did not work as they should. This was because we still lack experience, and the cadres who carry out the actual work have not yet learned this matter. Thus, this weakened the system's efficiency. Finally, they let the capitalist traders become the driving forces to sabotage pricing, economics, the monetary system, and state trade as we have seen.

However, we certainly will not let this dangerous situation become a driving force to threaten and destroy things and create confusion. But what is the best and most clever way to defeat and completely destroy the danger that threatens us? First of all, the sections involved, especially the trade service, must consider the problem, set the rules, plan the working procedures, and then effectively carry out the plan in the future. Now more than ever the trade service cadres should have ways to think about the problem of purchasing and selling co-ops first, otherwise we will not be able to have absolute control over the free market. Of course, we will not let the capitalists threaten and create confusion here, but without any regulations the problem will burst out as it happened before.

The problem of purchasing and selling co-ops, according to my ideas, are first of all that we should not be greedy. This means we should not have to make it too big at one time. Instead we should start from small ones and work up to big ones, gradually but steadily, learning as we do so, and we absolutely will not let it fail again. We must cooperate with the production bases, monopolize the contract directly with the farmers' goods and with the farmers who actually produce, buy and then sell in the markets set by the co-ops, monopolize some types of goods, form a monopoly directly with the producers, and contract and guarantee not to have shortages. Special emphasis mut be placed on the agricultural co-ops. We might want to start out with vegetables, poultry, cattle, pigs, etc., but there must be joint guarantees.

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CSOP 4206/7

VIENTIANE CAPITAL PRODUCTION GOALS REPORTED, COOPERATIVIZATION NOTED

Vientiane VIENTAINE MAI in Lao 16 Sep 82 p 2

['Talking Together' Column by S. Thibthiangchan: "Cooperatives, Dry Season Rice Fields, Production"]

[Text] To increase production especially for the problem of supplying food to the people of all nationalities in order to respond to the plenun of the Council of Ministers concerning agriculture for increasing production, cultivation, and animal husbandry, the immediate goal in this year's production season is to help people of all nationalities to be self-sufficient and independent in terms of food supply. For the food problem in particular, Vientiane Capital has set expected production plan figures of as much as 105,000 tons (wet rice paddies, dry season rice, and highland rice production). [These] production figures were obtained after thorough studies and a summing up based on the growing areas and the ability of our farmers, especially their heritage of diligence and persistency. We firmly believe that their strength will successfully respond to the production figures mentioned.

Along with this belief in the abilities mentioned, negative conflicts have simultaneously occurred. These are natural disasters, drought and floods. These natural disasters are large and serious obstacles for the planned production figures because drought as well as floods destroy our farmers' production. When a situation like this occurs it is the time more than ever when we need to ask the people and our farmers of all nationalities to be aware, particularly in solidarity, the great solidarity among the people of all nationalities, and to decide to struggle through to reach the expected figures of the plan, especially our farmers' decisions to strongly struggle in order to make their production meet the set figures in the plan.

The Vientiane Capital agriculture production plan that was set is correct and consistent with and appropriate for the present condition and situation. For example, "the problem of conversion into agricultural cooperatives for farmers is an urgent obligation for which farmers must awaken and volunteer. It is the only way to increase the production capacity and in a timely fashion to meet the expected production."

Conversion into agricultural co-ops is most difficult and complex for farmers. Thus, the administrative authorities and cadres involved must increase their attention in mobilizing; primarily they must point out the significant meaning of the co-ops. If necessary, they must gather farmers to explain the working procedures for the co-ops in all aspects, for example, vegetable growing, animal raising, administrative labor control, trade, accounting and financing, etc. The fact is that a good model co-op must be set up in one place to draw the farmers' interest. It is important to go from small [jobs] to large ones, to use one place as a model for many other places. Along with the problem of conversion to agricultural co-ops, our farmers' urgent responsibilities are the problems of dry season production, growing starchy secondary crops, and taking care of the wet rice paddies, especially the problem of dry season rice which as the plan of Vientiane clearly states, "for the coming dry season rice the areas involved must be utilized to the full ability of the irrigation and these areas are agricultural co-ops." Therefore, districts must be the driving forces to calculate and sum up their own people's needs for consumption within their own districts. If there is not going to be enough, what plan can we use to solve the problem? Along with rice cultivation, we must encourage the people to raise animals and to grow secondary starchy crops as subsidiary food. The administrative authorities must be concerned with the people's living conditions. They must accept that whether the people will have plenty of food and be happy depends on the cadres who will organize and lead them. They must firmly grasp the political policy of the party and the government, and work through in order to lead the people to progress. In the past we found the cadres' weak points to be "laziness and shiftlessness." This means they did not have close contact with the people; they did not go to visit the people to ask them about their living conditions. If there was any work they often gave orders from their desks, and made plans by themselves without surveying and inspecting the actual [situation] of the people as well as the people's production bases. Doing things this way is most dangerous, and also can bring great harm to the country and the people. It also does not respond to the policy plan and the political plan of the party and government.

In order to respond to the production plan for this year's production season and the set production figures, the resolution of Vientiane Capital repeatedly [asked] everyone to know and to carry out "the expected level in all wet rice paddy areas that have been planted, and production must be raised from 2.5 to 3 tons per hectare, and in the irrigated areas it must be at least 3 tons." In order to fulfill this expectation the local administrative committees must really lead the people, suggesting that farmers take care of the rice plants by weeding, applying fertilizer, inspecting, saving water, and suppressing plant pests. In particular, we must open up the emulation process in each canton and village, and cadres must seriously lead the people in the base areas.

For dry season rice cultivation as set in the plan discussed above, in practice first of all cadres must cooperate with the administrative authorities to survey and inspect the production areas in the bases, to build irrigation ditch systems in areas that are suitable, to mobilize

farmers to join agricultural co-ops or at least to engage in the collective way, to make farmers become a real driving force, to mobilize early in the year, to advise and lead the people and farmers to sow seeds early in the year so that as soon as the wet rice paddies are harvested they can plant the dry season rice immediately. They must suggest to the farmers to plant in all areas reached by irrigation. The services involved must respond to the farmers' needs in terms of sufficient materials and equipment, for example, seed rice, production equipment, and tools. In particular, it would be good if they can help the farmers to do dry season rice farming twice. If we can do this, it is believed that we will certainly be able to respond to the figures for this year's production plnn. It will also help to increase conditions convenient for next year's production season.

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CSO: 4206/7

FOOD AVAILABILITY, DUAL PRICING MECHANISM ANNOUNCED

Vientiand VIENTIANE MAI in Lao 16 Sep 82 p 1

[Article: "Meat and Fish Distribution Service Has Been Open Since 14 September"]

[Text] In order to respond to the need to raise the standard of living for the people, cadres, soldiers, and police in terms of food, the meat and fish distribution service has been open to the public since 14 September.

Comrad Ngon Boumanda of the board of directors and chief of the State Food Enterprise of Vientiane (Vientiane Food Corporation) told Vientiane Mai on the afternoon of 15 September 1982 that on the morning of 14 September 1982 the corporation reopened a shop to distribute meat and fish to the people, cadres, soldiers, police, and workers once again. The service given this time can be considered experimental because based on conditions, there have been some changes in pricing, for example, the state administrative prices and state enterprise prices which were reset as was announced earlier.

According to Comrade Ngon, based on these two pricing categories any cadre who wants to buy fish on his own whether he works for the government administration or state enterprises must pay the state enterprise price. Administrative cadres who eat communally, and have communal ration books will get the government administrative price. The mechanism for allocating meat and fish for government administration and state enterprises now is half and half for the initial experiment. In this initial phasemeat and fish are being sold according to Comrade Ngon, in stores No 1 and No 2 next to the market on entering Vientiane. The quantity depends on the situation and condition for food obtained each day. There can be as much as 800 kilograms of fish per day. The meat depends on the animals available.

Comrade Ngon added that besides daily meat and fish distribution the corporation has also opened more services for other consumer products, such as distributing chicken eggs, fish sauce, fermented fish, vinegar, and soy sauce. Moreover, there is also animal food concentrate that is put out for sale along different stores within all branches of the corporation. As for immediate plans the director explained that from this month on the corporation plans to expand animal purchases into 4 southern provinces, Attopeu,

Saravane, Champassak, and Savannakhet. They will then expand into northern provinces such as Luang Prabang, Sayaboury, and Oudomsai. Especially in the Southern Provinces like Champassak, there is a way to buy dry food such as dried meat, dried fish, chicken eggs, etc., to supply the markets in Vientiane Capital in order to respond to the needs of the people within the capital for sufficient food. Moreover, the purchase prices of goods in the different provinces mentioned are cheaper than in Vientiane Capital, and when it is distributed it will also balance the revenues and expenses of Vientiane Capital people.

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REFUGEE RETURNEE TOTALS REPORTED

Vientiane VIENTIANE MAI in Lao 16 Sep 82 p 1

[Article: "Refugee Returnees Total 702 in Only 8 Months"]

[Text] Because of a clear understanding towards the correct and just policies of our party and government, since the end of 1980 as many as 1097 fraternal misled Lao who fled the country have changed their minds and have returned to their homeland.

Comrade Siboun of the social welfare and veterans committee of Vientiane Capital told VIENTIANE MAI in 15 September 1982 that since the end of 1980 as many as 1097 of our fraternal Lao people who were misled by the deceptive propaganda of the enemies to flee the country have returned to their homeland.

Concerning the statistics for the misled people who returned to the country, Comrade Siboun also pointed out that at the end of 1980 there were only 4 misled returnees; however, in the following year 1981 the number of misled returnees increased. This year the misled returnees totaled as many as 391 people, and in 1982 alone the misled returnees have totaled as many as 702 people in only the last 8 months. This figure shows a much higher percentage than the years past.

Comrade Siboun added that this was because of the correct and just policies of our party and government towards the misled returnees. After their return to their hometowns our social welfare and veterans section representing the administrative authorities warmly welcomed and took care of them, especially providing assistance in clothing, food, [building] tools, household items, and then sent them to [reside] in their own hometowns.

Based on interviews with those misled people who returned to the country by VIENTIANE MAI reporters, each returnee said as if with one voice that he is very proud and happy especially towards the party and government's just policies to warmly welcome them, completely unlike the deceptive propaganda of the enemies. They all felt bitter about the misleading, deceptive propaganda of the enemies which caused them to flee the country that was their homeland. Finally, they all pledged to be good citizens of the nation, to take part in the construction and development of the country which is their homeland, and to steadily progress and increase their awareness. From now on they resolve never to believe in the deception of the enemy.

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GAMBLING TO BE SUPPRESSED, ROBBERIES NOTED

Vientiane VIENTIANE MAI in Lao 16 Sep 82 p 2

[Colume "Conversation with the Editor"]

[Excerpts] [Question] To the editor: I follow the news in VIENTIANE MAI regularly and can see that you answer the people's questions very well.

1. Is it correct to use houses where funerals are taking place or babies were born as a cover for gambling?

2. How many days are card games allowed for funeral and birth occasions?

I think robberies are caused by some gamblers who are jobless but seek to play cards as an occupation. Please explain this to us. Thank you. 2 September 1982, Comrade S. Savat, next to Sikai Market.

[Answer] 1. It is altogether inappropriate and incorrect. If there is gambling anywhere no matter what kind it must be completely stopped and wiped out. The officials and the people of all levels must be the driving forces to unite and cooperate firmly to absolutely wipe out all traces and leftovers of the old society (anti-social elements) that still persist within our new regime.

2. The same as for the first question. There are never any permits or allowances given whatsoever for gambling. Traditional celebrations in houses where births take place, housewarmings, or at funeral ceremonies can be done according to our fine customs but with peace, security, and absolutely no gambling allowed. Anyone who violates this must be punished according to the law. Therefore, wherever gambling takes place such as cards, illegal lotteries, or others, which are sources of anti-social activity, the people as well as the authorities at all levels must attentively stop, suppress and wipe it out until nothing of it remains in our society. What I have discussed so far I hope you understand. One who sees gambling anywhere should call 3352. Otherwise, those people will always create anti-social elements for our society. Gamblers should stop, starting today, when they realized they have this disease. Otherwise, they will say other people are not good to them. Thank you.

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CSO: 4206/7

BRIEFS

REFUGEES RETURN--Another 142 refugees who fled their homeland to live abroad at the urging of propaganda spread by traitors have decided to return to their homeland. Homecoming ceremonies were held at the Hat Sai Fong District headquarters office, Vientiane Capital, on 8 September 1982. Those participating in this ceremony included representatives from Vientiane City and Province and Nong Khai Province in Thailand. A representative from the U.N. High Commissioner For Refugees sat in the front row. Also attending were several Lao and Thai officials concerned. This was the eighth time since the beginning of 1982 that Lao refugees decided to return to their homeland and were warmly welcomed by administrative officials. Those who returned this time will be sent into the localities in Laos so they can lead normal and happy lives and take part in developing the country and helping it make progress. [Text] [Vientiane VIENTIANE MAI in Lao 10 Sep 82 p 1] 11943

UNICEF-AIDED SCHOOL--Construction on the basic-level Teachers' Training School in Thoulakom District, Vientiane Province, was completed in just 10 weeks at a total cost of 865,197 kip. This money was provided by UNICEF and the Education Office af Vientiane Province. The school building is 32 meters long and 8 meters wide. The building contains four classrooms and can hold up to 200 students. According to the plans, construction was to have been completed in 3 months. But because of the great resoluteness in overcoming the obstacles and difficulties and the diligence of the laborers during construction, the project was completed a month ahead of schedule. A news report has stated that in school year 1982/1983, the Education Office of Vientiane Province will open this school to train primary-level teachers. [Text] [Vientiane VIENTIANE MAI in Lao 10 Sep 82 p 1] 11943

GDR-BUILT REPAIR SHOP--Vientiane (KPL): LPDR-DGR Friendship Repair Shop No 7, which is one of the 12 repair shops in the project that the government of the GDR has provided help with, has now been opened to provide service to the people in Thakhek District, Khammouan Province. A ceremony to open this repair shop was held recently. Attending the ceremony were representatives from Thakhek District. The head of the group of GDR specialists attended and spoke at the ceremony. This achievement will help increase agricultural production and improve the lives of the cadres and people in this area. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 18 Sep 82 p A5] 11943

USE OF TRADITIONAL MEDICINE--There is a report from Kasi District [Vientiane Province] that in the first 6 months of 1982 cadres in the public health service of Kasi District, Vientiane Province, attentively scored achievements in their specialized tasks. The actual results are treatment, injections for disease prevention, and examination for 5,015 people. They used traditional medicine along with western medicine which is 50 percent effective. They treated 4500 seriously ill patients [where they lived]. Besides the treatment and taking care of the people's health, the medical cadres in this service also taught the three clean sanitary principles on three occasions to the people. There were 5000 people who attended. The report also says that at the present time there are 2 hospitals in Kasi District with over 100 beds. There are also village medicine kits and a total of 116 village sanitary cadres. [Text] [Vientiane VIENTIANE MAI in Lao 13 Sep 82 p 1] 9884

LAG IN FOREST PRODUCTION--The Vientiane Province planning and statistics section reports that in the first 6 months the tree-felling and woodcutting company carried out its work in 9 districts subordinate to Vientiane Province, and cut 7,989 cubic meters of wood which is only 17.18 percent of this year's plan. Although this is not much, the organization and the higher echelons have cooperated to be highly responsible for it in order to avoid the waste of haphazard cutting. This is to preserve and protect the forest which is a valuable natural resource for Laos to steadily become prosperous. [Text] [VIENTIANE MAI in Lao 13 Sep 82 pp 1, 4] 9884

AUSTRALIAN ASSISTANCE IN VACCINATION--Since 13 September 1982 the veterinarian cadres of Vientiane Capital have been cooperating with Australian specialists and veterinarian cadres in 7 cities in the Vientiane Capital area and have attentively and hurriedly continued their injection for animal disease prevention for domestic animals in Sisattanak District, Vientiane Capital. This is to save the people's animals from different diseases which threaten to occur in the rainy season. In hurriedly carrying out the work they injected over 100 animals including 67 buffalos and 36 oxen. Now they are continuously and attentively carrying out their specialized tasks carefully, diligently, and actively. [Text] [Vientiane VIENTIANE MAI in Lao 16 Sep 82 p 1] 9884

CSO: 4206/7

DIPLOMATIC ACTIVITY TO SOLVE AFGHANISTAN PROBLEM

Karachi JANG in Urdu 3 Oct 82 p 3

[Article by Ahmad Hassan, "Diplomatic Activity to Solve the Afghanistan Problem: Clear Possibilities of a Solution."]

[Text] According to an announcement from the Soviet Embassy in Karachi, the foreign minister of Afghanistan, Shah Mohammad Dost, said in Moscow that in order to find a political solution for the problem of Afghanistan, it is necessary that the concerned adversaries try to solve their differences in a spirit of goodwill and under the principles of equality and justice. The Afthan foreign minister said that the Government of Afghanistan observed the principles of peaceful coesistence and nonalignment and under these principles, it had proposed bilateral or trilateral talks to its neighbouring countries. Shah Mohammad Dost said that time had proved that Afghanistan's peace proposals of 24 August 1981 were both flexible and realistic, and envisaged a constructive approach for a peaceful and comprehensive political solution of the Afghanistan problem. He said that the efforts of the UN secretary general's special representative, (Diego Cordoviz), had played an important part in encouraging positive changes in the relations of the countries of the area. He said, "We are ready to negotiate with Iran." The Afghan foreign minister said that the decision to recall Russian forces from Afghanistan was the responsibility of the governments of Afghanistan and Russia, and was connected with their regional security, independence and freedom. He expressed the hope that Afghanistan's peace proposals, concrete measures and the efforts of the international fraternity would help in normalizing the situation of the region; that relations with the neighbouring countries would be improved and the present tensions ended forever.

With the optimistic hope that the Afghan foreign minister's expressed good intentions are sincere, we pray that his wishes will be fulfilled and peace and prosperity will reign in South Asia. Shah Mohammad Dost's statement issued from the Russian embassy in Karachi: Leonid Brezhnev's meeting with UN Secretary General, Perez de Cuellar, meetings and consultations between Niaz A Nayak, Pakistan's secretary for foreign affairs and Dr Molotov, first undersecretary for foreign affairs in Moscow: the invitation issued to Afghan refugee leaders for talks by the veteran leader Khan Abdul Ghaffar Khan upon his return from Kabul, all these indicate that in addition to Pakistan, Afghanistan and the Soviet Union also are actively pursuing the

Afghanistan problem and are ready to settle the problem on the basis of negotiation. Until a short time ago, the problem had seemed insoluble because Russia was not willing to make the slightest concession. Based on this situation, it was assumed that the United States and the Soviet Union had reached an agreement not to interfere in each other's spheres of interest. The correctness of this view is proved by the Soviet Union's role in the Beirut war and America's silence in regard to the Afghanistan crisis. It is commonly believed that only America can stand up to Russia, and vice versa; hence, people thought that since the United States was not actively trying to find a solution for the Afghanistan problem, it would never be solved. But this conjecture turned out to be wrong. If it is true that only a great power can confront another great power, it should also be remembered that no great power will fight for another country: a country's freedom can be defended only by itself, and the greatest power on earth can be confronted with determination, faith and sacrifice as was seen in Vietnam and as is being witnessed in Afghanistan. When we look at the present diplomatic activity aimed at solving the Afghanistan problem, we have to ask ourselves the question, what forced the Soviet Union to undertake these efforts for the solution of the Afghanistan problem. There can by only one answer, namely, the struggle of the Afghan Mujaheddin. Soviet calculations about the Afghan Mujaheddin's resistance have been consistently wrong, and the Soviet authorities have had to send more troops to Afghanistan so that at present there are about 100,000 Soviet soldiers there. It is difficult for the Soviet to keep such large numbers of soldiers in a foreign country, and it is not profitable for them either from the economic or military point of view. That is the reason why the Soviet Union has given a positive response to the efforts to solve the problem.

The talks in Geneva were successful beyond expectations, and future negotiations will take place in New York during the UN session. Pakistan's foreign secretary Niaz A Nayak's talks with Russian leaders in Moscow concerned preparations for these talks.

Shah Mohammad Dost said that only the governments of Afghanistan and the Soviet Union had the right to decide about the recall of Soviet forces from Afghanistan. The Afghan foreign minister was in fact saying that Pakistan, Iran or any other country should not demand the withdrawal of Soviet troops from Afghanistan. When Shah Mohammad Dost mentioned Afghanistan as well as the Soviet Union in his statement, he was observing a mere formality, because the right to decide whether to withdraw Soviet forces from Afghanistan is reserved solely by the Soviet government. All aggressive governments allocate to themselves the sole right of making such decisions. Still, if, to please the Afghan minister, we were to believe his statement, then the question arises as to why all these negotiations and efforts are taking place. If the answer is, to return the Afghan refugees to their homeland, then the question that needs to be asked is, why did such large numbers of Afghans flee their country in the first place. There was only one reason, namely, the Soviet invasion of Afghanistan. Because of the Soviet aggression, large numbers of Afghan nationals took refuge in Pakistan, which gives Pakistan the right to demand that the Afghan government remedy the conditions that are forcing the Afghans to emigrate and restore normal conditions that will allow

the Afghan refugees to return to their country. The situation is analogous to one in which a house catches fire and the occupant (even if he is the real owner) tries to prevent the neighbours from extinguishing the fire with the argument that it was his house that was burning and they had no right to put out the fire; and that he himself would do so when he felt like it. If the neighbours accept his argument, they will soon find their own houses going up in flames.

This is the situation that exists as regards Pakistan and Afghanistan. After the invasion of Afghanistan, if the neighbouring countries failed to demand the withdrawal of Soviet troops from that country, they would also suffer the same fate tomorrow. It is in fact the duty of countries in every part of the world to condemn the aggression and demand the withdrawal of the aggressive armies.

Shah Mohammad Dost has said two contradictory things in his statement. On the one hand, he has said that the Government of Afghanistan adheres to the principle of non-alignment, and on the other hand, he mentioned the presence of Soviet troops in Afghanistan. If a country that needs the armies of a superpower to preserve its existence can be called non-aligned, then what would be the definition of an aligned country?

We pray that the current diplomatic efforts to solve the Afghanistan problem will prove successful; that the refugees will be allowed to return honorably to their country and /?/ be able to elect a government of their choice, so that Afghanistan will join once more the brotherhood of Islamic nations and the ranks of non-aligned countries.

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CSO: 4656/17

WALI KHAN'S ANTI-PAKISTAN STATEMENTS, STANCE CRITICIZED

Peshawar MASHRIQ in Urdu 4 Oct 82 p 3

[Column "Assessments" by Alim Ali Sayid: "Can Pakistan Reckon With Wali Khan's Despicable Political Propaganda?"]

[Text] According to a newspaper report, Khan Abdul Wali Khan, leader of the defunct NDP [National Democratic Party] during an interview with BBC's Urdu program said that the bugbear of terrorism had been set up to avoid elections in Pakistan and that the new martial law regulations now enforced had given police authorities unlimited power, as a result of which corruption would exceed all bounds. He stated that the country was on the brink of disaster, confrontation between the people and the army had already begun, people were being thrown into jails, the government was showing a lack of confidence in the judiciary and Pakistan's economy had been totally ruined.

If true, Khan Abdul Wali Khan's interview, which reached the public through a newspaper report, is extremely objectionable, regrettable and utterly disgraceful. The attitude adopted by Khan Abdul Wali Khan for many past years has indeed been very painful, grievous and heartrending to every patriotic Pakistani citizen. At first Khan Wali Khan showed to Pakistanis documents from London regarding the foundation of Pakistan and did his best to prove that this country was given by the British as a gift on a golden tray and that the Muslim League, Quaid-e Azam and tens of millions of India's teeming Muslims had no role whatsoever in its foundation. There was an uproar on this issue in Pakistan, and, failing in his attempt to make Pakistanis swallow the English documents as planned, Khan Wali Khan once again set out on his journey to England to engage in further study of English documents. He has since buried himself in books in the India Library, devouring each and every document through his convex lenses in the hope of finding even a few words that would somehow prove that Pakistan was the work of the English.

It appears that Wali Khan in his old age is bent on making a last-ditch in effort to destroy every political fact of history in his attempt to realize some old dream. Khan Wali Khan, frustrated by his failure to achieve his cherished goal despite his best efforts, has resorted to giving vent to his feelings through his poisonous expressions against Pakistan through

BBC London in utterances such as "there is nothing left in Pakistan" and "the country is on the brink of ruin." Wali Khan, who once left no stone unturned to prove himself a patriot and cried aloud that patriotism is not the monopoly of others, is now contradicting himself. Wali Khan's recent statements, made while living in a foreign country and published through the general news media to the whole world, clearly indicate that no respect or regard whatsoever exists in his heart for his country, for the motherland, for Pakistan. He has in fact uttered in concrete words the feelings which lay buried in his heart for years. What is most deplorable is the fact that this time he has attacked the integrity and security of the country.

The crux of the matter is that Khan Wali Khan and his reverend father, Khan Abdul Ghaffar Khan, have not yet forgotten that Pakistan was established in utter disregard for their wishes. They have not yet reconciled themselves to the foundation of Pakistan. They did their best to obstruct its establishment and, once it was established, to see that it did not survive. Khan brothers are against the establishment and survival of Pakistan. First of all they held referendums in the Frontier Province (on the issue of the establishment of Pakistan) and having suffered a crushing defeat, the hatred and contempt in their heart for Pakistan surged to such an extent that they strove to do their utmost to prove that they were right in opposing the foundation of Pakistan; second, they put credit for Pakistan on the doorstep of the British rather than at that of the Muslim League and Quaid-e Azam. Khan Wali Khan's statement will serve as an eye-opener to those people who believed Khan Wali Khan to be a true servant of Pakistan and that he whole heartedly wanted high-level democracy established in Pakistan and to see Pakistan prosper. This statement will leave no doubt in the minds of his staunch supporters as to the ultimate desire he nurtures in his heart. He wants to see Pakistan totally ruined (may he never achieve his goal). This statement brings his heartfelt wishes into the open. This surely cannot be the desire of any prudent, sensible and compassionate Pakistani citizen. Such a desire can only be nurtured in the heart of a person who does not have any love or affection for his own country and does not regard it as his country. It is up to the people to form their own opinion about such people.

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CSO: 4656/12

TAHRIK DISILLUSIONMENT WITH MRD, SOVIET DEMANDS DISCUSSED

Lahore MASHRIQ in Urdu 19 Sep 82 p 14

[Column "Political Commentary" by Abdul Karim Abid: "Left Wing Disappointment With MRD"]

[Text] If the communists had any expectations from MRD [Movement for the Restoration of Democracy] then they were in for a big disappointment. Begum Nusrat Bhutto has made it clear that she is no longer prepared to give any credence to the communists because not only were they good-for-nothing and unworthy but had proved themselves to be dangerous as well. They not only lead astray Benazir but also misled her sons. At present, Begum Bhutto has trust in persons like Ghulam Mustafa Jatoi and Maulana Ehtaramul Haq Thanavi. She has full faith in Farooque Laghari as her adviser in the Punjab. All these people belong to the right-wing and they have the ability to make MRD a power to reckon with in the arena of national politics. Maraj Mohammad Khan has been superficially appended to these right-wingers and finds himself in a ridiculous position.

Tahrik-e Istiqlal, perceiving this shift toward the right in MRD, has become aware of an impending vaccum for left-wing politics in the country. J.A. Rahim was accordingly advised to work out a charter for the party and preparations are under way for a separation from MRD. The final decision, however, rests with Mian Mohammad Ali Kasuri, who is just back from his trip abroad. Tahrik's left-wing in the Punjab does not favor an alliance with either the Muslim League or with Jamiat-e Ulema-i Pakistan, after breaking away from MRD. The left-wing would like Tahrik-e Istiqlal, with its revolutionary charter, to be organized into a full-fledged left-wing organization and to participate in the coming elections as an organization representing the left.

Mr Niaz A. Naik is back from Moscow. The statements he made after his return from Moscow indicate that Russia seeks friendship and improved relations strictly on its own terms. Russia would like Pakistan to recognize Afghanistan's status as a country under Moscow's sphere of influence. In other words, to improve our relations with Russia, we must accept Afghanistan as a Russian satellite and normalize our relations with that country on this basis, failing which there will be no change in the present situation. We have now to consider what line of action we should

take; accept Russian terms for maintaining good relations or reject them. It is not easy to accept Moscow's terms and conditions because we have already promised Iran and the Arab countries that we will stick to our present position. There can be a flexibility in this position, but we cannot repudiate it altogether. Russia insists that we should repudiate our position. As the saying goes: "Mind your own and stop worrying about others"; some people believe that we have got ourselves entangled with the Afghan problem for nothing and that we can win Russian pleasure by sacrificing the Afghan issue. They also think that we must not let such an opportunity slip away. But that part of the bureaucracy that is supposed to take this line of action does not have the courage to come out with it. The bureaucracy has buried this proposal deep in its heart and is waiting for an opportune moment to express it. It is hard to say whether the awaited opportune moment will ever come or it will remain buried forever. Jamiat-e Islami and some other elements are not happy over the government's willingness to attend the Geneva talks knowing that neither Afghan freedom fighters nor Afghan refugees have been invited to the talks.

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CSO: 4616/12

TAHRIK-E ISTIQLAL SPLIT ON QUESTION OF COOPERATION WITH MRD

Lahore MASHRIQ in Urdu 19 Sep 82 p 14

[Article by Sayid Mumtaz Ahmed: "Tahrik-e Istiqlal Is Divided Into Two Groups; Which One Will Win?"]

[Text] In Pakistan, though political activities have been banned and the offices of political parties remain sealed, the defunct parties are carrying on their activities in the form of working committees. Drawing room politics has been at its peak for the past 2 years. Leaders of the political parties meet one another during dinner parties and receptions and express their views on the political situation in the country. The focus of attention during these talks these days is centered around the round table conference and relations between the MRD [Movement for the Restoration of Democracy] and Tahrik-e Istiqlal.

The MRD, in one of its meetings held 2 weeks ago at 70 Clifton, announced its decision to give a permanent shape to its structure. Tahrik-e Istiqlal expressed its opposition to the decision taken by the MRD and forbade its members from joining the permanent structure. The acting leader of Tahrik, in a press conference, suspended all its activities with MRD. Tahrik-e Istiqlal appears to be divided on the question of cooperation with the MRD. Mushir Ahmed Pesh Imam, the general secretary of the party, has been against cooperating with MRD right from the start, and after MRD was formed, he was indifferent towards activities involving alliance with the MRD. He also enjoys the support of some of the top-ranking leaders of the party in the Punjab and Baluchistan. But an important faction in Tahrik, despite MRD's decision to form a permanent structure, is against severing ties with it. The same group also opposes the "solo flight" of Air Marshal Asghar Khan, leader of the defunct Tahrik-e Istiqlal, being held under house detention. When Asghar Khan learned about the situation, he advised the acting chief of the party, through his wife, to place the issue before the working committee and to refrain from taking any hasty actions. In the meantime, Begum Asghar Khan contacted Mian Mohammad Ali Kasuri in America, moderate and elder leader in the party, and conveyed her husband's message so that he might return home and the working committee not make any decision that would influence Tahrik's future. There is a possibility that at the meeting scheduled for 22 September the younger group of members headed by

Chaudhri E'tizaz Ahsan and Nafees Ahmed Siddiei and others may gain a majority of votes and that Tahrik may have to accept the MRD decision against its will.

Maulana Shah Ahmed Noorani, leader of the defunct Jamiat-e Ulema-i Pakistan, has completed an initial round of discussions with political leaders on the round table conference and preparations are underway to announce a draft for the conference. The MRD has adopted an ambiguous attitude toward the question of the round table conference, demanding that the MRD as an organization be invited, which in other words means that all the parties comprising MRD should be invited to attend the round table conference. Maulana Shah Ahmed Noorani, on the other hand, is opposed to a national array of leftist parties and the presence of the Kisan Mazdoor Party in the conference, Maulana is continuing discussions on this matter with Khwaja Khairuddin, Sardar Sher Baz Mazari and Ghulam Mustafa Jatoi. During these discussions, Maulana suggested that only those parties be invited to the round table conference that had parliamentary groups in the former parliament and that had signed the 1973 constitution. One other problem that has been vexing Maulana Shah Ahmed Noorani is the alliance of his party with the pro-Pagara Muslim League faction. Because of this alliance, he cannot invite the Muslim League faction opposed to Pir Pagara and headed by Khwaja Khairuddin. The draft for the round table conference is being worked out, but at this stage nothing can be said with certainty about the prospects of its success.

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NWFP GOVERNOR FAZLE HAQ DISCUSSES LOCAL SITUATION, MARTIAL LAW

Rawalpindi HURMAT in Urdu 9 Sep 82 pp 15-21

[Excerpts] Lt Gen Fazle Haq recently went to Nathigali from Peshawar to participate in various programs aimed at ensuring the welfare of the people of the various areas. HURMAT's editor, Zahid Malik, interviewed the governor in Nathigali. Lt Gen Fazle Haq is a handsome and dignified man. When he talks, a smile plays over his face, revealing an inner contentment and clarity of thought. The efficient and commendable manner in which he has taken care of almost 2.1 million refugees from Afghanistan living in the Frontier Province and has provided food, housing and medical facilities for them is one more proof of his great administrative ability. During this interview, which lasted almost 2 and a half hours, the governor spoke off the record on certain sensitive issues, giving one the impression that he believes in action and dynamism. In the following interview, he emerges as a plain-spoken, frank, upright and courageous individual. These and other such admirable qualities are the proud characteristics of the honorable Pathans of Pakistan.

[Question] Sir, tribal areas are often called Ilaqua-e Ghair or remote areas. Please tell us the meaning of this term.

[Answer] A special tribal system has existed for centuries in this remote area. They have their own traditions that go back thousands of years, and they work in a system of social responsibility. Their tribal administration is in many respects superior to that in other parts of the country. They have no theft, murder or burglary. Of course, family feuds erupt from time to time and unfortunately lead even to exchanges of gunfire. As far as the meaning of the term "remote" is concerned, let us imagine that this is the Durand Line. The governor took a pencil lying on the table and drew a map on a piece of paper. He explained: Let us say this is the Durand Line that divides Pakistan from Afghanistan and determines their boundaries. These other areas are Peshawar, Mardan, Kohat and others that are administered by

the Government of Pakistan in the same way as Karachi or Lahore. The tribal areas between the Durand Line and the administered provinces is known as FATA or Federally Administered Tribal Area, or more commonly, the "remote area." When the British came to India, because of the special geographic characteristics, difficult mountain terrain and the tribes' love of freedom, the British could not determine what areas to bring under their direct administrative control. They finally decided not to establish direct control over what we call the "remote area." However, to protect themselves from this area, the British signed agreements with the chiefs, assuring them that they would remain free to handle their local affairs; that their traditions, tribal laws and regulations would not be affected; and that they would be given every kind of protection. Since that time, this area has remained a "remote area."

[Question] What are the difficulties now being encountered in giving this area a regular status and in bringing it under Pakistani administration?

[Answer] I am personally opposed to bringing this area under the Pakistani administrative system, and the reason is that their local system is better than ours. Their system is suited to the nature and mentality of the people. For example, if a member of tribe A mistreats a member of tribe B, then it becomes the responsibility of all the members of tribe A to hold their member to account and punish him. That is why the incidence of crime is low there.

[Question] To stop the smuggling of narcotics and other things, would it be a good idea for the government to set up police stations there?

[Answer] You may remember that in 1965 the government introduced police stations and the Pakistani system of justice to Swat, Dir and Chitral, etc. But today, after 13 years, the system has not taken root there. Although the tribal areas have no police, that does not mean that we have no authority or control there. We have political agents in these agencies and areas who are appointed by the government and who have an adequate staff and administrative structure. When a problem arises, the political agents get in touch with the local chiefs and convey the government's orders to them and in their own way have these official orders carried out. Administrative affairs here are proceeding quite well; at least I can detect no obvious shortcomings in the system that should cause anxiety. At the same time, everyone acknowledges the improvements and constructive measures we have carried out. The well-known author Olaf Caroe states in his famous book "The Pathan" that Pakistan has changed the economic map of the tribal areas. Over the last 5 years, we have spent 1,103,200,000 rupees on development programs in tribal areas; and in this fiscal year, 3.5 million rupees will be spent in addition on special development programs. We are giving the greatest priority to the communications sector, on which we have already spent 400 million rupees. Attention is also being given to education, health and rural electrification. But have we not gone into too great detail about the problems of the "remote area?"

[Question] You are right. I was about to leave that subject. The other day, some politicians from your area, especially Wali Khan, tried to create a controversy about the founder of Pakistan and raise doubts and suspicions in the minds of the people about the Pakistan movement. What was the motive behind it all?

[Answer] Those individuals whom Quaid-e Azam defeated in the Frontier referendum with the support of the people, condemning them to political death, have never forgiven him to this day. But these individuals are insignificant compared to Quaid-e Azam's greatness. There are still a few individuals left in the frontier areas who perpetrate such actions. They belong to the Congress [Party], but we should not attach too much importance to them. I do not think that they can dim the glory of the Pakistan movement or besmirch the personality of the founder of Pakistan. In every society, there exist individuals who have views different from the rest of the people.

[Question] You say that these individuals never forgave Quaid-e Azam; but the president of Pakistan has stated that Khan Abdul Ghaffar Khan is a patriot. Is there not a difference between your view and the president's?

[Answer] The president of Pakistan met Abdul Ghaffar Khan in 1978. I was with him and it was my first meeting with A.G.K. He was sick then. (The governor referred to Abdul Ghaffar Khan as A.G.K., which sounded like K.G.B.). The president inquired about his health and spoke with him. A.G.K. sounded as if he agreed with the president's words and outlook and intended to adopt a positive approach in the future. When the president returned to Rawalpindi, he called Abdul Ghaffar Khan a patriot because the president is an upright and frank man. Moreover, Abdul Ghaffar Khan has always complained that no Pakistani government had ever gave him an opportunity to serve the country and the people; that is why the president gave him the opportunity to start with a clean slate.

[Question] The reason why A.G.K. and Wali Khan said the things they did about Quaid-e Azam and the Pakistan movement is a separate matter; the question is, when someone attacks martial law, the government immediately takes action and flogs him. But when an individual abuses the founder of Pakistan, the government remains silent. What would you call this attitude?

[Answer] I do not think it would be correct to say that the government has not done anything on these occasions. We took full notice of Wali Khan's statements and informed the people about his true intentions. We showed that in the light of the facts and of logic, the statements about Quaid-e Azam were untrue. I have myself answered Wali Khan's accusations in detail on various occasions.

[Question] Some people have said that you were soft on Wali Khan because you or your wife is related to him. Is there any truth to these rumors?

[Answer] (The Governor, who was apparently not expecting this question, looked startled: he then gave a loud guffaw and said:) No truth at all to the rumor. Neither my wife nor I are in any way related to Wali Khan or his wife. Wali Khan is from Charasadda, his wife from Hoti; we are from Mardan. Wali Khan belongs to the Atman Zai, whereas my wife belongs to Parang. We are in no way related to them. Wali Khan's wife is the leader of the NDP [National Democratic Party]; my wife's family members have always been with the Muslim League. My father-in-law, Haji Mohammad Omar Khan, is connected with the Muslim League. Mardan's noted Muslim League leader, Pir Abdul Satar, is a close relative of mine.

[Question] In your view, how popular is Wali Khan in the Northwest Frontier Province?

[Answer] You can gauge Wali Khan's popularity in the frontier areas by the fact that if elections were held in the Northwest Frontier Province today, Wali Khan and his NDP would win no more than two seats. Wali Khan's influence is in fact limited to certain areas of Charaadda, Mardan and Sawabi. Hence, it would not be correct to call him a popular personality of the Northwest Frontier Province. As far as Sherbaz Mazari is concerned, he is a good man and a personal friend of mine whom I respect. He is a balanced thinker and a clean-cut person.

[Question] Why do Wali Khan and his father visit Kabul so frequently? And were Wali Khan's statements in Pakistan regarding Pakistan's ideology and Quaid-e Azam connected in any way with Kabul?

[Answer] Everyone knows that after Pakistan was established, when it applied for membership in the United Nations, Afghanistan opposed it. It is ironic that from that day to this, nearly every Afghan government has been hostile to Pakistan, whereas nearly every Pakistani government has tried to establish friendly and fraternal relations with Afghanistan. In the past, Afghanistan has always stirred up the so-called Pakhtunistan issue. Nowadays, conditions have changed radically there; Russian forces occupy the country, and Muslim Afghanistan is being changed into communist Afghanistan. Although the attitude of the Afghan governments has been antagonistic toward Pakistan, the people of Afghanistan have always supported Pakistan. Whenever Pakistan was beset with difficulties, the people of Afghanistan have prayed in the mosques for Pakistan's success. In view of these facts, you can understand what the attitude of the Kabul government would be toward Pakistan and what the attitude is of the individual who constantly travels to Kabul. In spite of all this, the Government of Pakistan wants to solve the problem as agreeably as possible. As for whether Wali Khan made the statements you referred to on Kabul's orders, I cannot really say without positive proof.

[Question] Now that we are discussing Afghanistan, would you like to tell us something about the Afghan refugees?

[Answer] First of all, I would like to make it clear that the Afghan refugees are not a burden on us; nor do I agree with those politicians who say that the Afghan refugees are a burden that our economy cannot bear. The Muslims of Afghanistan are linked to us by many ties. Our country was created in the name of Islam and it is called the Fortress of Islam. For the refugees, this was the nearest sanctuary. Because of the geographic location of the Durand Line, the Afghan refugees were able to cross over in large numbers, and our government and people, inspired by sympathy and feelings of Islamic brotherhood, opened their doors to them. Of course, the influx of refugees in such large numbers has strained local facilities to a certain extent, especially in regard to medical treatment, drinking water and fuel. But on the whole, because of our timely planning, the situation did not become serious.

[Question] Why would 2.7 million Afghans abandon their homes?

[Answer] As soon as the Afghans felt communism's grip tightening on Afghanistan, they decided to say goodbye to their homes temporarily. During the terms of office of Hafizullah Amin and Babrak Karmal, the number of refugees increased greatly; thousands crossed over every month. Like other Muslims, these refugees know that communist governments deny God and the Prophet. Clearly, Muslims cannot live in such a society.

[Question] How do the local residents and the refugees get along with each other?

[Answer] Thanks be to God that relations between the local residents and the refugees are pleasant. Many experts from international agencies have expressed surprise that they get along so well together. The fact is that those who are ignorant of the immortal message of Islam and do not know the history of the hospitality of the people of Medina toward the refugees from Mecca cannot understand such secrets. There are more refugees in Pakistan than in any other country of the world. In the Northwest Frontier Province alone there are nearly 2.1 million refugees. But the presence of such large numbers of refugees there has not changed the local way of life.

[Question] Rumors are heard of fights between the local residents and Afghan refugees in some areas. Is there any truth to these rumors?

[Answer] There have been some incidents, and some ordinary quarrels have broken out. But are not such fights commonplace, and do fights not erupt even between brothers? But considering the numbers of refugees and the period of time they have been living here, such fights are very few. Self-seeking individuals exaggerate these fights in order to spread fear and anxiety among the people. They resent the presence of the refugees as a sign of weakness here. It is said that the refugees are buying property. We have investigated these accusations many times but have not found a single such instance. Under Pakistani law, no foreigner can buy property

in Pakistan. In short, very few problems have arisen; but some of our politicians exaggerate them in order to create differences and misunderstandings between the refugees and the local residents.

[Question] The fights that break out between the refugees and the local residents may be ordinary in nature, but why do these quarrels arise? What is the cause?

[Answer] As far as I know, the total number of such fights from 1978 to 1982 was 40. In general, fights erupt over the use of each others' paturage or water. Sometimes the cause of the fight is unveiled,women or firewood cutting. One or two quarrels were of a somewhat serious nature.

[Question] Would it be correct to say that the number of these ordinary fights is increasing?

[Answer] No, it would not be correct to say so.

[Question] Governor, some responsible circles have said that there are at least 5,000 trained Russian guerrillas and subversives among the refugees who could wreak havoc at any time on Russia's orders. What is your information regarding this?

[Answer] It is possible that some of these refugees are subversives. It would be wrong if we said or even thought that there are no members of [Afghanistan's] Parcham or Khalq [Parties] among the refugees. Obviously, there are bound to be a few subversives among these 2.7 million refugees. The fact is that we have received no specific information so far in this regard. Information of one or two such instances that we received was brought to the attention of the leaders of the concerned organizations. As for the reports that proved to be correct after investigation, the pertinent leaders punished the culprits and got rid of them. As for the reports that turned out to be false, the leaders assured us that there was no cause for alarm. Pakistanis have no cause for alarm. We have not forgotten our duty and our responsibility. We know what we should do. Just to put your mind at rest, I can say this much:

A. Our own security staff is always alert and knows the individuals in the various camps.

B. The camps have been organized in such a way that the inhabitants of the same village or tribe are settled in the same location. They know each other well, even each others' fathers and grandfathers, so that a stranger entering these camps is immediately caught.

C. The relatives and friends of these refugees are still in Afghanistan; and innumerable inhabitants of Afghanistan sympathize with the refugees, so that the moment an Afghan of suspicious character crosses the border,

the people there notify the refugees. Thus, you can rest assured that the situation is under our control.

[Question] What do you think is the solution to the Afghanistan problem?

[Answer] I think that President Zia's position on the issue is quite clear, and his view is supported by world public opinion. All justice-loving countries of the world have supported Pakistan's position, which is the same as that of the Islamic conference. The withdrawal of foreign troops from Afghanistan is essential; the Afghan refugees should also be allowed to return to their homes honorably, and the nonaligned and Islamic identity of Afghanistan should be restored. I think that it would be in Russia's interests if a quick solution were found for the Afghanistan problem. Russia must have realized by now that Afghan public opinion has not accepted them and will never do so. I know the Afghan temperament; they have a strong sense of honor and will sacrifice even their lives for Islam.

[Question] When you referred to the existence of subversives among the Afghan refugees, I was reminded of another group of subversives, namely, the Al-Zulfiqar group. How are you dealing with these Pakistani subversives?

[Answer] We keep a close watch on these subversives. I would not really call them Pakistanis, although they are nationals of Pakistan. Individuals who want to harm Pakistan are not Pakistani; they are not one of us. You know what long borders we share with Afghanistan; because of this, these men find some way or other to cross over secretly into Pakistan. But they are caught. You will be glad to know that the patriotic tribesmen of Pakistan are even more diligent in this respect than we are. Their eyes are as keen as an eagle's and as soon as a suspicious-looking individual enters Pakistan, they pounce on him and make mincemeat of him. The tribesmen have a keen sense of honor and do not tolerate conspiracy and subversion. But once in a while a subversive escapes their vigilance and enters a city. But there he comes under our surveillance. Our intelligence department's three-tier set-up keeps Al-Zulfiqar under surveillance; they cannot escape us.

[Question] Is there any special area in the Frontier Province that could be called the stronghold of subversives or individuals involved in activities against the country?

[Answer] There is no such area here, but there is a village called Parang near Tangi Tahsil, Charaadda, which has become a center for activities against the country. For many years, communist literature was distributed from this place. Some individuals used to distribute literature against Islam, and some local residents gave shelter to these subversives and mischief-makers. We used to take measures to keep these activities under control, but when they exceeded the limit, we got rid of them. In the same way, when Al-Zulfifiqar became active in the Mehmand agency, we took care of them too.

[Question] The impression about Al-Zulfiqar is that the government talks a great deal about Al-Zulfiqar but offers little proof of its activities to the people. In Punjab, too, one hears occasionally of a certain number of subversives having been caught in a certain area, but no one knows who these individuals are. In the Northwest Frontier Province, these individuals have not been produced in public. What is the reason for this?

[Answer] Reports have already been published in the newspapers saying that individuals using the Holy Koran for subversive aims have been sentenced to 40 years imprisonment each. Similarly, preparations are being made to bring the other subversives to trial.

[Question] Could you tell us how many subversives are to be brought to trial and when these trials will start?

[Answer] In fact, our agencies keep constant watch on their movements. After the passage of time or after they fall into our hands, some of them turn from black to white or gray. We release those who turn from black to white, but we re-arrest those about whom we have any doubts. At present, we have 45 subversives against whom we have completed our cases. They will be brought to trial in special military courts.

[Question] In the past, the results of military court trials were not made public.

[Answer] Our laws regarding testimony by witnesses are such that it takes a long time to decide cases. If the testimony of witnesses against a criminal is weak, he is released, and if the testimony is strong, even an innocent person can be convicted. I personally know of individuals who were guilty but because of lack of testimony by witnesses were set free, and we could do nothing about it.

[Question] It is a regrettable situation indeed when an influential official in the martial law administration such as yourself confesses that he is powerless. Why are such laws about testimony that hinder justice not revised?

[Answer] Our martial law is not a severe one. Even though martial law is imposed on the country, the country is being governed under the general laws. At the same time, the reform of these laws is under consideration. The situation will change completely once Islamic laws and regulations are enforced in full. Of course, some failures are to be expected during this transitional phase.

[Question] Nowadays a campaign is being conducted against prostitution and immodesty. Are there any such problems in the Northwest Frontier Province?

[Answer] We have no such problems; the Pathans have their own customs and they do not tolerate unveiled women, and so forth.

ELECTIONS ON PARTY BASIS SEEN ESSENTIAL FOR COUNTRY'S SOLIDARITY

Lahore NAWA-I-WAQT in Urdu 25 Oct 82 p 2

[Editorial: "Good News About Elections--But When and How?"]

[Text] During an interview with a foreign news agency, the country's president, Gen Muhammad Zia-ul-Haq, has once again given the nation the glad tiding that elections are inevitable and it will not be long before general elections are held. This is the 6th year of martial law in our beloved country. More than once, the nation has been given the glad news of elections, but they have never materialized. Therefore, whenever fresh news is given, the nation receives that good news also with coolness, as if they no longer believe in such things. There is no doubt that it is inappropriate to keep the country under the martial law administration any longer. The current government is nonelective, and President Muhammad Zia-ul-Haq has admitted more than once that he does not represent the people, though in the modern era, only that government is durable and held worthy of trust and respect in the eyes of the world that is formed as a result of being elected by the people. No government, no matter how good it is and claims to be working for the welfare and betterment of the people, substitute for a government established democratically. This is especially true in Pakistan, whose people acquired this country through sacrifices for democracy.

The good news that elections will be held as soon as possible is appropriate in its place, but presently nothing can be seen in the country to assure us that the elections are really not very far off. As usual, restrictions are imposed on the political parties. The political process is totally blocked. The question of whether the elections will be held on a party or nonparty basis remains to be resolved. Besides, another problem still unresolved is what system of government will be established in the country. At first, the Advisory Council was expected to forward to the administration a blueprint on the proposed governmental system. The Advisory Council has had four sessions, but none of its recommendations or proposals have come to public view. What remains is the preparation of the electoral register, which is a technical process that continues. Before setting any program or timetable for the elections, it is essential first to grant an opportunity to the political parties to hold their own party elections. Then, keeping the

country's situation in view, they should present their program in the form of a platform to the public. But apparently no such prospect is in sight. As Akhbar says, "The rattling of the plates can be heard, but no food is served."

Now the question as to whether the elections should be held on a party or nonparty basis should not be raised, since all the noteworthy political circles and leaders, despite their differences, have unanimously stressed that the elections should be held on a party basis and have termed elections on a nonparty basis as contrary to the basic interests of the people and the country. The need of the hour is that the elections should be held on a party basis. Only in this way can the path of the two or three strong political parties that would finally remain in the field be facilitated.

This is also the basic need for the country's solidarity. In his interview, the president also expressed his view that, "Where vast ignorance is prevalent and strong traditions of democracy are nonexistant, a cautious attitude toward democracy should be adopted." But prior to this, the president himself has acknowledged the political sophistication of the Pakistani people. Despite being illiterate and backward, the Pakistani people have a political consciousness comparable to that of people in advanced countries and is in no way inferior. Politics is a part of their lives. Therefore, just as we have requested before in these columns, the real problem is not to eradicate politics from the country but to form an Islamic democratic political system and have it acted on and to commence and continue the political process. Without democratic institutions and the political process, the elections and the expectation of their positive results will remain a fantasy. May we remind the politicians, too, that they hold equal responsibility. They should also think and plan to establish and organize their parties on strong foundations and, ending their differences, create an atmosphere in which there is no need for objections to or apologies for political demands and the elections.

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ISRAEL, WITH INDIAN HELP, PURSUES ANTI-PAKISTAN DESIGNS

Peshawar MASHRIQ in Urdu 22 Sep 82 p 6

[Article by Kaleem Akhtar: "Israeli Conspiracy To Pressure Pakistan"]

[Text] The Indian newspaper KAUMI AWAAZ has claimed that an 11-member Israeli delegation recently toured the Indian-occupied Jammu and Kashmir territory. This delegation met with state government officials and, according to the newspaper, this was a simple fact-finding visit.

Experienced observers, however, consider this visit very important. It is obvious that the activities of these anti-Islamic Jews have reached the border of Pakistan and they have obtained full cooperation from India. The observers believe that India is cooperating with Israel in these anti-Islamic activities as both these countries have an eye on Pakistani atomic installations. Israel has threatened earlier that it will destroy atomic installations of any Muslim country and has already bombed the Iraqi atomic reactor. Israel is very jealous of Pakistan's progress in atomic technology. Our reliable sources indicate that Israel harbors an extremely critical attitude toward Pakistan and would leave no stone unturned to harm this stronghold of Islam. Israel is active on the international level in harming Pakistan.

The truth is that at the present time Israel considers Pakistan its worst enemy, since Pakistan has neither recognized the Israeli Government nor has it changed its position on the Palestine question. Additionally, Pakistan has supported the Palestine cause in international meetings against Israel with unparalelled zeal. Thus, Pakistan has become a thorn in Israel's side, forcing the Israeli leadership into attacking Pakistan whenever they get a chance. India, on the other hand, is very friendly with Israel. Indian support for Palestine's independence is an example of its two-sided diplomacy. It is a well-known fact that when it comes to dealing with an Islamic country, both Hindus and Jews follow the same path. Mr Shabaab Mufti, the famous thinker, noted that Ben-Gurion, former Israeli prime minister, said in Paris that only two countries, Turkey and Pakistan, were capable of standing up to Israel militarily. In other words, Israel is worried about Pakistan and considers it a challenge to Israel's existence. How can Israel ignore Pakistan, especially when Pakistan helped Palestinian refugees

during the recent Beirut crisis? Even Yasir 'Arafat, leader of the Palestine Liberation Organization, admitted that Pakistan helped them at the governmental level.

As for India-occupied Kashmir, Israelis have had their eyes on this region for a long time, after the leader of the Ahmedia group, Mirza Gulam Ahmed, announced that Jesus was buried in the Khanyar area of Srinagar in a grave where an ancient Kashmiri is actually buried. It should be noted here that the alleged grave of Jesus was pointed out to be Moses' grave by the renowned French historian Berryer, who visited Kashmir during the reign of emperor Aurangzeb. Berryer wrote that according to legend, Moses visited Kashmir. Anyhow, according to the Kashmiri historian Munshi Muhiuddin Fauq, a Kashmiri old man, Yoz Asif, is buried in this grave.

If one believes Jamiat Ahmedia, Jesus did not rise to heaven but instead moved to Kashmir after he was nailed to the cross and spent his last days here. Both factions of Jamiat Ahmedia have written several books on this issue; some of the more famous are "Jesus in India" and "Jesus in the Heavenly Land" by Khawaja Nazir Ahmad. Other scholars came up with books criticizing this thesis. Hazrat Sayed Anwar Shah Kashmiri Devbandi's book is a highly regarded work on this issue. Since then, several scholars, Iqbal among them, have rejected this thesis. Here it should be mentioned that before Pakistan was established, a mission of Jamiat Ahmedia was active in Palestine and it still exists in Tel Aviv, having survived Palestine itself.

The Jewish lobby has been playing with this issue recently. Several English and French historians have written that Kashmiris are related to Jews, since their facial features resemble those of the Jews. This is an erroneous deduction and no person in his right mind would accept it. But anti-Islamic writers are still pursuing the idea that Kashmiris are related to Israelis. Recently, an English writer came out with a book, "Jesus in Paradise," published in London. It appears that this book was written for Jamiat Ahmedia. The text is different but the message is the same. It tells us that Jesus is buried in Kashmir. This book includes a photograph of a Kashmiri whose family is Jewish. This writer has seen this picture--a photograph of a common Kashmiri in the Gulmarg area. The "learned" author of the book included the photograph as proof of a Jewish relationship with Kashmir. When this writer was reviewing this book, the late Sayed Nazir Niazi, who was an authority on Kashmir, was living. Sayed Niazi commented that the author of this book had written it on behalf of someone and that it was a part of a larger conspiracy. Incidentally, Begun Bilqees Taseer also read this book. She has spent most of her life in Kashmir and visits Kashmir regularly. Recently, she visited Gulmarg and traced the person whose picture was included in the book "Jesus in Paradise."

This Kashmiri told her that an Englishman visited him a few years ago and took his picture. He claims to be a Muslim and his ancestors also have followed the Muslim faith for centuries and that there is no Jewish

household in Gulmarg area. This proves that Israel is just trying to assert its right over Kashmir. In this way, Israel can establish some kind of base in Kashmir to harm Pakistan. Gulmarg, the alleged home of some Jews, is an important place from the military point of view, for right behind the mountains of Gulmarg lies Azad Kashmir.

7997
CSO: 4656/11

MUSLIM LEAGUE GROUP'S INTERNAL QUARRELING CONDEMNED

Lahore NAWA-I-WAQT in Urdu 25 Oct 82 p 2

[Editorial: "Strange Manner of Paying Homage"]

[Text] It is reported that fighting was about to break out in Islamabad on the occasion of the birthday of Muslim League (Qayyum group) leader Khan Abdul Qayyum Khan. It is said that some speakers wanted to make political speeches, but they were stopped because on the occasion of the anniversary, only homage should be paid to the deceased. Other speakers, however, objected to this and so the situation worsened.

The Muslim League (Qayyum group) is that very branch that broke off and became separated from the All Pakistan Muslim League. The All India Muslim League was an exemplary model of organization, discipline and unity under the leadership of Quaid-e Azam. After the foundation of Pakistan, all those groups that sprang from the League claimed that they were following in the footsteps of their leader. But there is hardly a group that is not a victim of dissension. First, it does not befit those who claim to be following in the footsteps of their great leader to divide into separate groups. Even if they had separated into small groups, to quarrel with each other during the commemoration of their group's deceased leader is a strange way to pay homage.

9779
CSO: 4656/23

ISLAMI JAMIAT-E TULABA ADVISED TO REVIEW POLICIES

Lahore NAWA-I-WAQT in Urdu 19 Oct 82 p 3

[Article by Ibn-us-Sultan: "Jamiat's Politics; Its Current Policies Need Revision]

[Text] Addressing the large conference of the Islami Jamiat-e Tulaba, its newly elected chief, Mr Mairajuddin, gave a timely warning to his fellow students that the Jamiat should not feel arrogant about its majority in the educational institutions. A majority in number cannot lead movements to success. At the same time, however, he also said that Jamiat is a religious movement; politics should never dominate it. The former chief of Jamiat rightfully said that certain scholars of the subcontinent considered politics as something undesirable. But in overcoming the quality of religion and politics, Allama Iqbal and Sayed Maududi told us that the Islamic faith offers better teachings in every aspect of life. These thinkers of Islam, Allama Iqbal and Sayed Maududi, gave the nation the concept that politics and religion were as inseparable as nail and finger; they are not two separate things. Iqbal described the attainment of freedom at the expense of religion as a losing proposition. Quaid-e-Azam himself had the same concept. Numerous speeches of his, therefore, reflect this viewpoint.

It was Allama Iqbal who, in a letter to Maulana Maududi, advised him to leave the seclusion of Deccan and move to Punjab where, in the field of religion, especially Islam, he could guide the Muslims of India and the younger generation. The late Maulana accepted this invitation with pleasure. To fulfill the principles laid down by Allama, not only did he initiate a campaign through his pen, but he properly organized an active and efficient party. Jamiat, too, is a branch of this tree. It claims to have started with a small organization of only 125 students. Today there are hundreds of thousands of students gathered under the banner of Jamiat. Undoubtedly it is a successful party, but as its newly elected chief has warned, Jamiat should not be proud and become intoxicated with success, since this success can prove temporary. Certainly, a large majority cannot insure the success of a movement. The Muslim League's example is pertinent. This organization has had the undying honor of establishing Pakistan, our beloved country, under the leadership of Quaid-e Azam. Up to 10 or 11 years ago, Pakistan

was the greatest Islamic state in the world. Nevertheless, the Muslim League could not maintain this success for a longer period, and soon after the demise of its leader, this party's unity was shattered. Jamiat's parent political party faced a somewhat similar situation.

During Sayed Maududi's lifetime and after his demise also, Jamiat-e Islami never achieved enough success in the general elections to control the reins of the country. In the present era of Islamic democracy, authority and power can only be controlled through elections. In light of recent experience, it is clear that a party cannot be true to its ideology by participating in a military government. Would it not be better, therefore, if both the party and its branch (Jamiat) reviewed their present policies and considered either joining the other Islamic parties or convincing them to unite with them?

The success Jamiat has so far accomplished in this field is not reflected in the broader political prospective. In the past, too, the party did not gain much success in the field of politics. It is now time to analyze why Jamiat, under certain circumstances, attains success in the educational institutions but cannot give that success far-reaching effect. Jamiat should also review its normal role. It is not unusual or wrong for a young blood to be "aggressive." But due to the suffix "Islami," people expect them to adhere to the Islamic way of life and attain the required standard of Islam. They should not do anything against Islam for the sake of temporary success. They should be an example of Islamic morality and honesty among the youth, since their goal and ideal is Islam.

9779
CSO: 4656/20

LAW AND ORDER SITUATION IN SIND IMPROVED BUT STILL UNSATISFACTORY

Lahore NAWA-I-WAQT in Urdu 22 Oct 82 p 2

[Text] Lahore, 21 October--From our Special Correspondent--The mayor of Hyderabad city, Maulana Vasi Mazhar Nadvi, said that the law and order situation within Sind has improved but could not be termed satisfactory. To improve it fully, it was essential to totally remove restrictions on the licensing of weapons. He was talking here today to a representative of NAWA-I-WAQT. He said that due to the recent actions taken under martial law against the supporters of hoodlum elements, conditions had returned somewhat to normal. He said that the basic cause of the recent wave of lawlessness was the big landlords and bosses who did nothing except indulge in luxury. In the past, those bosses and landlords were granted loans as political bribery; now these have been stopped and, to meet their unlimited expenses, those people have started to support the thieves and crooks. He said during the early phases of martial law, some harsh measures were used to recover the past loans from those people, but soon the government stepped down from its tough position. He said that to solve the problem of law and order in Sind on a permanent basis, it was essential to take daring actions, without excuses, against the elements that support criminals, and along with that, the restriction on licenses for weapons used for self-defense should be removed, since somehow or other the licenses were granted only to those people who made the wrong use of them. He said that during that wave of lawlessness, even the cities were involved. In Hyderabad city, too, there were several incidents of looting and attacking in the early hours of the night. It was also true that the police were among the supporters of the hoodlums and criminal elements. But after the recent transfers, etc., the situation did improve.

9779
CSO: 4656/20

PROMULGATION OF ORDINANCES TERMED INEFFECTIVE

Karachi JANG in Urdu 3 Oct 82 p 3

[Editorial: "Is the Mere Promulgation of Martial Law Ordinances Adequate?"]

[Text] A few days ago, President Zia promulgated ordinance number 53 of the martial law, according to which the death penalty is proposed for all crimes aimed at harming government property such as trains, planes, ships and installations. All those who commit highway robbery and spread fear and anxiety among the people could also be sentenced to death under this ordinance. The ordinance prescribes punishment for all activities against the country that obstruct law and order and endanger human life and property. The infringement of any article of the ordinance can be punishable by death or other severe punishment. As stated in the martial law order No 5, the ordinance would go into effect on 5 July 1977.

More than 5 years have passed since the present martial law government was established. After the lapse of this period of time, it was expected that measures would be taken to put an end to martial law and to establish a civilian government. But in view of such serious incidents as the assassination of Zuhur-ul Hassan Bhopali, burglaries and an increasing incidence of crime, the government has considered it necessary to promulgate a new martial law ordinance. The government bears the heavy responsibilities of protecting government and private property; the lives and honor of the people and the preservation of law and order; and in order to fulfill these responsibilities, the government has the power to pass needed laws and regulations and to enforce them. No one can deny this; but the question is, does the mere promulgation of ordinances stop subversive activities and crime? If the passing of ordinances alone is sufficient, then Pakistan has never lacked laws and regulations. The Pakistan penal code with its numerous sections has always been in force and it specifies both light and heavy punishment for all the enumerated crimes. Moreover, during the terms of office of the past governments in the last 35 years, all the ordinances of the martial law have remained in force. The present martial law promulgated 52 ordinances before the present one; in addition, the law of limitations has been in effect in the country. The enforcement of these three kinds of laws for the past years should have reduced crime, but that has not happened. Crime has continued to increase, and so has moral depravity. The hope of establishing an Islamic society in Pakistan that would be largely free of crime and injustice has never been fulfilled.

Our bitter experience leads us to the conclusion that subversive and cruel acts cannot be stopped by promulgating laws and ordinances. We think that what is really needed is efficiency in the organizations responsible for enforcing the law. If the police and other departments were capable of enforcing the laws effectively, crime could be controlled in the country under the general laws currently in effect. But when the departments in charge of enforcing law and order, their officials and their employees are themselves involved in illegal activities, when they can be influenced and intimidated, when their greatest weakness is taking bribes and bowing to influence, when they do not consider it wrong to cooperate with and protect criminals, then the promulgation of even the severest ordinances will be useless. The government should first pay attention to rendering effective the police and other departments in charge of maintaining law and order and take measures to increase honesty and efficiency in these departments. If law enforcement agencies carry out their duties, it will be possible to control crime, even in a corrupt society, using the normal laws of the land. It has been our country's misfortune that the army has been in control for a long time. In addition to guarding the borders, they are responsible for maintaining law and order in the country but in spite of this, no one's life, property or honor are safe here. Instead of resorting to new martial law ordinances, the government should pay attention to measures that are basic to the reform of the situation and can improve it.

In our view, there are three effective measures that can be taken. One concerns the purge, reform and improvement of law enforcement agencies. The second concerns the full implementation of the Islamic system and the laws. Unfortunately, because of the above-mentioned shortcomings in the country, the establishment of the Islamic system of laws is lagging; the change was to have been gradual but it has now encountered extraordinary delay and those bureaucrats who are opposed to such a system are taking advantage of the opportunity. An Islamic system of education is talked about, but the correct atmosphere for Islamic education and training that would produce individuals with an Islamic mentality and character has not been created. It is necessary for this reason to hasten the establishment of an Islamic system. The present state of partial implementation should be ended. If the society is to be reformed and capable individuals trained to join the social order, it is necessary to make Islamic training an important part of the educational system. The structure of an Islamic system is founded on its morality; without this foundation, there can be no Islamic society nor will there be people of Islamic mentality and character to work for it. In our country, there is talk of reforming the society, but at the same time, corruption of morals is allowed to continue. Such a course of action will not only fail to lead us towards an Islamic society, but it will not even make us a civilized society. The third basic measure is to create among the people a sense of participation in the affairs of government, and to this end, the transfer of power should be speeded up, and the people's ability and strength used to the fullest extent in the establishment of an Islamic system and Islamic society. If these measures are taken, we think that it will be possible to control crime with the help of normal laws and even be possible to create an Islamic society.

9863
CSO: 4656/18

NEGLECT OF QUAIDE AZAM'S IDEALS BY LEADERSHIP

Karachi JANG in Urdu 3 Oct 82 p 3

[Article by Irshad Ahmad Haqqani: "Deviation From Inherited Philosophy"]

[Excerpts] There is hardly a school of thought in Pakistan, with the possible exception of one or two, that does not venerate Quaide Azam. All Pakistan governments, whether military or civilian, elected or not elected, have paid homage to Quaide Azam; and have not only exhorted the people to follow his example, but have also claimed that they themselves were following his teachings and working to complete his mission. Naturally, the truth of these claims can be tested only in the light of Quaide Azam's ideals and thoughts. Doubts have arisen surrounding his views and political philosophy, but there are aspects of his teachings that are unanimously accepted, and anyone putting forward any claims will have to be judged with reference to these teachings alone. Whatever Quaide Azam was, he was first and last a statesman and politician. He was directly in touch with the people; he appealed to them and they were the source of his strength. After becoming the governor general, and in spite of the problems facing him and the weakness of old age, Quaide Azam addressed public gatherings in Lahore, Dacca and other places, and maintained his contact with the people. His other characteristic was his connection with the law and the constitution. In the same way that Quaide Azam and politics go together, it is impossible to think of him without thinking at the same time of the law and the constitution. His third characteristic was an intolerance of disorder and corruption of any kind. No one can imagine that Quaide Azam would have countenanced corruption in any country or administration with which he had the slightest connection, or that he would have accepted inefficiency in the administration. In his every decision, Quaide Azam would have given paramount importance to the collective interests of the people of Pakistan, and would never have become the patron and protector of privileged classes.

While we pay homage to Quaide Azam on the 34th anniversary of his death, in this Pakistan of the "statesman" Quaide Azam whose life was devoted to the law and the constitution, we should examine what our national behavior is in the spheres of political law and the constitution, and see whether the various classes in our nation are demonstrating a sincere attachment to the ideals inherited from Quaide Azam. Those political circles who claim to be his devoted followers should examine their consciences and reflect

how they have proved the love they profess for him; and those rulers who claim to be carrying Quaide Azam's mission to its completion should reflect upon the manner of his administration and his principles of government, and ask whether their own administration and principles of government are in accord with his. The fact is that Pakistan's history is full of ups and downs and we have not succeeded in creating any democratic traditions and institutions that we can be proud of; and one reason for this is that we never learned from our statesman and constitutionalist Quaide Azam. If the politicians and rulers of Pakistan had demonstrated in their actions a reflection of Quaide Azam's love of principle and his policy of "government by the people for the people"; and if the rulers and politicians of Pakistan had cultivated the qualities of honesty and uprightness and adhered to the constitution, Pakistan would not be lost in the political wilderness today. The salvation of the country is possible if the qualities of statesmanship, observance of the law and the constitution, service to the people, honesty and righteousness that Quaide Azam embodied to the utmost degree, are cultivated by our political leaders and rulers. Failing this, we might suffer further misfortunes. Establishing a state and a government was a great achievement, but preserving and administering a country is also a great challenge. We have to accept that as a nation, we have not succeeded in this latter task. If we do not remedy our shortcomings, we will not be able to escape the penalty.

9863
CSO: 4656/18

BRIEFS

MUSLIM LEAGUE'S REFUSAL EXPLAINED--Multan, 15 Movember (JASARAT Correspondent)--Maulvi Urfan ahmad Ansari, senior vice chairman of the defunct Pakistan Muslim League (Pagara Group), said here today that the Muslim League refused to participate in the proposed and later postponed round-table conference of Maulana Noorani because in its view certain elements wanted to push the country toward a civil war through that move. For that reason the League also refused to sign the conference resolution. He said it was their firm belief that the country was faced with extremely dangerous circumstances and to launch any mass movement at the present time would lead us to disaster. Giving a special interview to JASARAT, Maulana Ansari said that certain elements were constantly conspiring to destroy the country and wanted to use various individuals for their objectives. He claimed that the agitation by the lawyers was also a part of the same conspiracy. [Excerpt] [Karachi JASARAT in Urdu 16 Nov 82 p 10]

OMBUDSMAN SOUGHT--Since the Federal Council has given its approval for the appointment of an ombudsman, the administration is actively seeking the individual who can be appointed to that post. A while back Mian Riazuddun, a former C.S.P. [Civil Service of Pakistan] officer was mentioned as a candidate, but now another name has been added to the speculation, that of Mr. Qayum, also a retired C.S.P. officer. Reliable sources have said that Mr. Qayum is most likely to get the job. [Text] [Rawalpindi HURMAT in Urdu 18 Nov 82 p 4]

CSO: 4656/40

CPP KILLING OWN MEMBERS, DOCUMENTS SHOW

Manila PHILIPPINES DAILY EXPRESS in English 14 Nov 82 pp 1, 6

[Article by Mel Parale]

[Text] Some members of the Communist Party of the Philippines and its military arm--the New People's Army--have been killed on orders of their superiors on suspicion of working for the government, documents seized by the military in recent raids revealed yesterday.

They were killed before horrified comrades "to serve as example for those entertaining ideas of turning traitors to the movement," the documents showed.

The purge in the dissidents' ranks was apparently touched off by the reverses suffered recently by the dissidents, capped by the capture of ranking leaders of the movement and the killing of others in encounters with government troopers, military analysts said.

Latest count showed that there were about 40 ranking dissident leaders who have either been captured or slain.

Foremost among those killed were Edgar Jopson, chairman of the Mindanao CPP central committee, and Fr Zacarias Agatep, a 45-year-old rebel priest with a P130,000 price on his head who was slain in an encounter with government troops late last month. Agatep used to lead a band of rebels operating in Northern Luzon. Jopson had a P125,000 price on his head when killed in a raid on a dissident lair in Davao City.

Among the dissident leaders who have fallen into government hands are Isagani R. Serrano, secretary of the CPP national commission on organization, and Noel Etabag, a ranking member of the CPP central committee. Each of them had a P150,000 price on his head when captured.

Reports reaching the military indicated that the CPP hierarchy felt the reverses they have suffered were the "work of infiltrators."

Documents revealed that the dissident hierarchy ordered a "loyalty check" in all members after Church authorities declared that some religious leaders may be out to "Christianize Marxism."

Being closely watched are new members and religious leaders who have volunteered to work for the dissident movement, military sources said.

The orders were apparently coming from top CPP leaders still in the government's order of battle, notably Rodolfo C. Salas, who has a P250,000 price on his head, the highest reward offered so far; and Juanito Macaspac Rivera, with a P200,000 price for his capture.

Salas is listed as the highest ranking CPP leader as chairman of the CPP central committee and head of the military commission. Rivera, on the other hand, is ranked No 2 as vice chairman of the military commission.

Rebel leaders in charge of recruitment have been commanded to be strict in screening recruits, informants said.

Security for rebel top men, particularly those still in the government's order of battle have been doubled, the same sources said.

The NPA strength is invariably estimated at between 2,000 to 7,000 armed regulars.

CSO: 4200/125

CPP WARNS ON INFILTRATORS

Manila BULLETIN TODAY in English 14 Nov 82 p 40

[Text] The hierarchy of the Communist Party of the Philippines and its military arm, the New People's Army, have ordered their men in the field, especially in the urban areas, to adopt tight security measures and be extra careful in their operations.

Military intelligence authorities made this disclosure yesterday saying they were in possession of documents captured in one of the CPP/NPA's urban "underground houses" (UGH) raided by operatives which gave details of the hierarchy's instructions.

The instructions, according to the sources, also included a directive ordering the CPP/NPA fieldmen to "police" their own ranks and ge extra-careful in dealing with "newcomers" pretending to be championing their cause but "in fact are government infiltrators."

One such document captured very recently, the source said, even cautioned the CPP/NPA fieldmen against being laxed in admitting to their folds members of the clergy including "nuns and priests."

As the intelligence analyst figured it out, the source said, the CPP/NPA hierarchy took note of a published report which quoted Bishop Cirilo Almario, Jr., co-chairman (church panel) of the Church-Military Liaison Committee as explaining why the strange flirtation with Marxism and why are some clerics turning left..."the idea is to Christianize Marxism."

Apparently the analyst said, the CPP/NPA took this as a cue that the members of the clergy in their fold are "infiltrators" or "infiltrating their ranks," the source said.

It was clear in the captured documents, according to the source, that the extra precaution ordered adopted by the subversives came in the wake of the series of setbacks the CPP/NPA suffered.

Such setbacks, it was said, included the recent killing of Fr Zacarias Agatep by a PC patrol in Ilocos Sur; raid of the Catholic Action Center in Samar which led to the capture of Antonio Asistio and later the arrest of Fr Edgardo Kangleon; the arrests of lady doctor, two university professors and some student leaders in Nueva Vizcaya.

CSO: 4200/127

CHURCH GROUP DISPUTES MILITARY CHARGES

Manila BULLETIN TODAY in English 15 Nov 82 p 40

[Text] A Church-based group involved in affairs concerning detainees disputed reported military allegations that the Association of Major Religious Superiors in the Philippines had been "infiltrated by subversives."

The Task Force Detainees of the Philippines, an agency under the AMRSP, denied in a press statement that the association is composed of "religious radicals openly advocating subversive causes."

"We do not openly or secretly advocate 'subversive causes'--unless it is subversive to obey Pope Paul II's injunction to us Filipino religious to be attentive to the needs of men and women in our time...to the problems they face...the injustices which they suffer...to take up the cause of the poor and to become the voice of who are not listened to when they speak up, not to demand charity, but to ask for justice," the TFDP said.

The group said that it has expanded its concerns from attending to the needs of detainees and their families to exposing other violations of human rights like arbitrary arrests, torture, involuntary disappearances, executions, mauling and massacre.

It claimed that the accusations are part of a calculated campaign to discredit Church groups who expose abuses and atrocities and seek justice for their victims and confound the Church by raising the spectre of communism and divide it by immobilizing its programs for justice and peace.

CSO: 4200/127

REASONS WHY PRIESTS BECOME REBELS EXAMINED

Manila PHILIPPINES DAILY EXPRESS in English 11 Nov 82 pp 1, 3

[Article by Corazon Fiel]

[Text] The cross or the gun?

Fr Zacarias Agatep, 45, chose to live by the rule of the gun. Late last month he died in a rain of bullets when he shot it out with military soldiers.

In the "Third Eye," the controversial BBC documentary on the Philippines, Fr Conrado Balweg, 38, with a bandolier of bullets strapped across his chest and a rifle cradled in his arms was shown drilling with NPA guerillas in the remote fastnesses of the Kalinga, Apayao mountains.

Balweg, a Tinggian native with a P200,000 price on his head, discarded his cassock in 1979 and fled to the hills to join the New People's Army.

Just ten years ago the image of the rebel priest was unheard of; in fact, even laughed off. Filipino priests and nuns, then comfortable in their chosen roles as spiritual sentinels of the people--and staunchly anti-communist--would not even dream of holding a gun in their hands in the pursuit of their ministries.

Ten years ago Conrado Balweg was just a newly-ordained priest. The first priest to die as an outlaw in the seething jungles of Latin America, Fr Camilo Torres was but light-years away, a faint gleam in the eye.

But today the rebel priest is very much a fact; a growing source of concern for both Church and government authorities. He is a truly serious figure on the contemporary scene.

Fr Balweg, on why he cast his lot with the rebels, said: "Being linked to the daily activities of the people to liberate them from oppression and exploitation, that to me is the essence of the Mass. To me, this is the highest form of the Mass, when you offer your life to the people..."

In a taped conversation before he was killed, Fr Agatep gave his reasons why he became a rebel priest: "In the 16 years of my priesthood, I saw so much injustice against farmers who are dispossessed of their lands, against laborers struggling with their small wages to eke out a living."

For these priests, the choice of the gun, in place of the cross of the patient Christ is their dramatic protest of what they claim to be injustice--particularly against what they perceive as government injustice, whether real or imagined.

And with the issue of priests and nuns joining rebel forces, the government and the Catholic hierarchy have been at loggerheads, the first charging the rebel priests with communist subversion, the second charging the government with outright persecution.

Church-State relations, once at their cordial best, are, at this point, never more tenuous.

Some 20 priests and nuns are on the run, hunted by the military for "engaging in subversive activities in various parts of the country."

Subversive clerics? Rebel priests? Activist nuns? Concerned laymen are asking: what is happening to our priests and nuns?

To illustrate: A young woman who came from one of Manila's exclusive colleges for girls recently bumped into a nun who was once the school dean. To her surprise she found out that the former school dean had turned activist nun, a name wanted on the military list, a suspected "subversive."

"Sister has changed so much," she said. "I knew her to be a nun of the old school--conservative and strict; the kind who used to frown on students cutting classes to rally in the streets."

"How can we teach the gospel when the people are hungry?" asked Fr Pete Arguelles, executive secretary of the Association of Major Religious Superiors of the Philippines (AMRSP).

The question echoes through convent walls, monasteries and seminaries. Priests and nuns are intensely asking searching, often painful questions about their ministries; about how relevant is the Word of God especially to those who have less in life.

Some religious congregations have arrived at crucial decisions. They will, they have decided, concentrate more missionary work among the poor. And so, scores of nuns have took off their habits, downed the mufti and streamed out of their sheltered cloisters.

The CICM or Belgian sisters were the first to go; then the Maryknoll sisters; and the Benedictine nuns are also slowly pulling out from the exclusive schools for which they are noted.

A student of St Scholastica's College, Manila, observed: "There are now very, very few nuns in school. Would you believe that our theology classes are now being handled by lay persons?" Tucked within the croach of her arm were books on Karl Marx and dialectic materialism, now standard textbooks in enlightened convent schools.

"More and more members of the clergy are now with the poor and their service to the poor is opening their eyes to many cases of injustice," said Sr Rosemary Bacaltos, 41, a religious of the Good Shepherd.

It wasn't at all like that before, said Sr Bacaltos, who is assigned in the hin erlands of Davao. For there was a time "when the Church in the Philippines was not fully aware of the concerns surrounding the poor."

It was a slow coming around for the Catholic Church in the Philippines, The concern for the poor and the downtrodden, the concern for social justice was a seed first planted in the '50's which came to full flower only in the '70's.

The tradition before was that institutions of the Church--her schools and colleges and universities, her hospitals and clinics, her parishes were enough to save souls or serve the people's needs. "But putting up clinics and schools were not enough," said Sr Bacaltos.

The Church saw that, at least in the Philippines, social action, action in favor of justice is an essential part of evangelization.

Explained Fr Arguelles: "We realized that we are not here on earth just to save souls; but also to create programs that will redound to the benefit of the whole man." The whole man, he emphasized, not just his spiritual needs.

Priests, John Schumacher, S.J. wrote, are no longer satisfied with carrying the essentials of a cultic ministry, with being sacristy priests. Priests and nuns more and more of them, want to work and live among the poor. That's why they are found among the squatters, organizing laborers, working among farmers, fisherfol, and minority tribes.

Sr Bacaltos pointed to her congregation as an example. The Religious of the Good Shepherd, originally founded to administer to "fallen women," gradually expanded their apostolate work in response to the winds of change brought about by Vatican II which gave special emphasis to social justice and econo economic equality.

"Now most of our communities are in Mindanao," RGS sisters are operating various programs such as lay leadership training, family life seminars and community health services.

After martial law many Good Shepherd nuns, together with priests and nuns from other congregations organized the Task Force Detainees, an affiliate to the AMRSP. They sought legal aid and procured food for, and arranged visits to detention cells of political detainees.

Recently the military declassified documents showing that some members of the AMRSP are associated with subversives. The military charged that the TFD, from its simple work of attending to the needs of the detainees, has expanded its activities to political and economic controversies affecting the nation.

Communist infiltration of the clergy? Is it possible? Sr Bacaltos gave a cautious answer: "Of course the danger is always there. Our spirituality can be diluted with our exposure to secular sciences and methodologies which may influence our attitudes and value formations."

With members of the clergy involving themselves with temporal concerns, siempre, we get exposed to radical elements."

Why the strange flirtation with Marxism? Why are some clerics as they say, turning left?

"The idea is to Christianize Marxism," explained Bishop Cirilo Almario, Jr. in a meeting of the Church-Military Liaison Committee held some two weeks ago. He was explaining this rather perplexing new theology, the theology of liberation, intellectualized by Brazilian social scientists Paulo Freire; then translated into action by renegade priests in the besieged backwoods of Latin America.

The idea was good; it was right, said the good bishop. For the liberation theology only means to uplift the masses; it was meant to work for justice and human rights.

"But," he went on, "some of the clergy have gone to the extreme. They thought of using Marxist methods together with Christian principles."

And so, the idea was adopted by some Christian segments, he continued, as if he was telling a simple story. "They even advocated armed struggle."

And, he said, as he ended his narration, that was how the country, influenced by the events in Latin America, got to have its own rebel priests.

"But armed struggle--revolution--is not recognized by the Catholic Church," he stated categorically. That, he implied, is official Church policy.

But he pointed out to the military officials present during the meeting, there seems to be a systematic campaign to vilify the name of the Church and to destroy her credibility among the people.

"For example, names and cases are being published when these are still supposed to be under investigation."

And why, he asked, as per agreement between the Church and the military, are religious superiors not informed when members of the clergy are arrested?

From the minutes of the last GMLC meeting, military officials, though they aired their concern over the growth of religious radicalism, assured the bishops present that "government does not visualize the Church, as an institution, as being anti-government."

Lt Gen Fidel Ramos stated: "In fact, the national leadership headed by President Marcos sees the Church as a valuable ally in nation-building."

"The government," according to Gen Ramos, "has a very forgiving attitude to those who do not follow the hard line or are not liable to return to the same subversive or criminal activities once they are released."

Unfortunately, he complained to the bishops present, records show that members of the clergy, those who are apprehended, charged and then released--went back to the hills to fight the government!

"What we are against are those who violate the law," said Juan Ponce-Enrile, minister of national defense, in an exclusive with this reporter.

"There should be only one law in this country: one law for a priest or Juan de la Cruz."

He acknowledged that there are legitimate grievances against the military. "If members of the Church call the attention of the government to acts of certain public men--or the government....fine....there is no quarrel."

In legalese, he said: "Religious hierarchies should be supportive of government policies without prejudice to their rights to criticize."

But if men of the cloth go further; if they instigate, agitate and conspire to defy the government, that, he said, is no longer criticism. "They are already translating political beliefs into action."

It is an act, he said, already beyond a priest's ministerial function. "Then he should be prepared to be treated, not as a priest, but as an ordinary citizen," or as a political figure, he added.

He pooh-poohed all allegations that there is persecution against the Church. "There is no such thing. The government is only after the members of the clergy who have violated the law."

In fact, he sees the need for Church cooperation. "The government is equally interested in reforms. But the government lacks resources." We need the Church, he stressed.

Still, the rebel priest as a contemporary figure cannot be ignored.

"Rebel priests will be around as long as the poor and the downtrodden are being oppressed," said a Benedictine nun, active in missionary work in the Visayas.

"What can we do about irritants like drunk soldiers, looting soldiers, extorting soldiers and the like?" Sr Bacaltos gave a helpless shrug. "They do aggravate the situation."

Fr Arguelles did not mince his words: "It's the military who are doing a lot of violence. Not the Church people; nor the people themselves." Granted, but is this enough reason for a priest to turn rebel?

And if government complains about why priests and nuns are politically active, Sr Milagros of the Holy Spirit definitely a nun cut from the old cloth, has this simple explanation: "We can't help it. The political situation is also keenly felt even within cloistered walls because we are in the country."

Asked how she felt about rebel priests, she gave a primly proper statement: "They should stick to their priestly functions," And that, she added, is how the majority of the clergy feels.

Fr Ben Villote, who runs a center for migrant youths in Sta Ana, Manila, calls these involved priests and nuns the "grassroots clergy." "A grassroots priest, one who shapes and activitates souls, is usually called the madman, the fool, or subversive."

But, he cautioned, a grassroots priest, because he tends to see weakness in others rather than his own, may become tomorrow's little despot. "Anyone who wants to change society is in danger of thinking himself above society."

John Paul II, in February 1980, admonished members of the clergy to stick to their calling when he spoke before them in Baclaran church.

"You are a priest and religious; you are not social or political leaders or officials of a temporal power. Let us not be under the illusion that we are serving the gospel if we dilute our charisma through an exaggerated interest in the wide field of temporal problems."

Still, despite the issue of religious radicalism or activism, there should be no reason for Church and State to fued although the line is somewhat blurred between leaders of both camps.

Rebel priests do not reflect the Church's officials attitude in her relations with the State; for not anyone among the members of the Church's higher hierarchy has taken up arms.

Both camps should sit down and talk to thresh out their differences; otherwise, as Bishop Antonio Fortich, co-chairman of the Church-Military Liaison Committee said, "The people will suffer."

The people. Always the people. The duty of the State is to promote the well-being of the people. That is the responsibility of the Church, too. And it is also within her realm to be interested in good government.

CSO: 4200/125

MORE TROOPS FOR BICOL AREA

Manila BULLETIN TODAY in English 14 Nov 82 pp 1, 10

[Article by Jose De Vera]

[Text] The Armed Forces is saturating dissident-infested Bicol region with more troops.

Eight Army and Constabulary battalions are already in place in Quezon and the Bicol areas, the Bulletin gathered yesterday.

Maj Gen Josephus Q. Ramas, Army commanding general, confirmed this after the 3rd Infantry brigade of the 2nd Infantry division under Brig Gen Cezar H. Bueno arrived in Fort Bonifacio from South Cotabato.

Ramas, through his spokesman, Col Mateo V. Bawagan, said the brigade is on a short rest and recreation after which it will be deployed in Quezon and Bicol.

The 3rd brigade which had been in Mindanao for the past six years will pursue the "approach-first" policy of Ramas to check military abuses, Bawagan said. It will also launch an information and civil relations drive to keep people from joining subversive activities, Bawagan said.

With the reassignment of Bueno to the area, Ramas said there will be three brigadier generals in the Quezon-Bicol zone. The others are Brig Gen Andres B. Ramos, commander of PC-INP Region IV, based in Lucena city, and Brig Gen Pedrito C.de Guzman, PC-INP commander of Region V based in Legaspi city.

CSO: 4200/126

UNIDO TO HOLD 'PEOPLE'S CONGRESS'

Manila BULLETIN TODAY in English 12 Nov 82 p 40

[Article by I.S. Chammag]

[Text] Baguio City, Nov 11--The United Nationalist Democratic Organization in Northern and Central Luzon will hold a People's Congress on Saturday, Nov 13 here.

Former Ilocos Sur Vice Gov Pablito V. Sanidad, UNIDO vice president for Central and Northern Luzon said the congress "will prove that there is no such thing as a solid north for Mr Marcos."

Sanidad also stated that the congress will serve as a consultation forum with the people. It will also answer the public hearings recently conducted by the Batasang Pambansa on the synchronized elections.

Even as the city administration has rejected to issue a permit for UNIDO to hold a public rally at the plaza, hundreds of workers from the farming and mining areas and student groups who have announced their boycott of classes due to harassment and violations of academic freedom have pledged to support the people's congress which will be held at the St Vincent gymnasium.

Among those expected to attend are former congressmen Manuel Cases of La Union, Benjamin Ligot of Cagayan, Fabian Sison of Pangasinan, former Concon delagates Ramon Encarnacion and Eduardo Guirnalda of Ilocos Sur and several other former public officials.

CSO: 4200/126

MIDDLE EAST INVESTMENTS IN PHILIPPINES INCREASING

Manila BULLETIN TODAY in English 12 Nov 82 p 11

[Text] Trade and Industry Deputy Minister Romulo B. Lumauig said the Middle East countries' investments in the Philippines have posted an average annual growth rate of 330.2 percent since 1977.

Lumauig, who headed a trade mission to Iraq, said the government is encouraging investments from countries outside the United States and Japan in order to diversify the sources of foreign investments.

Board of Investments records show that the total amount of approved investments from the Middle East since 1977 amounted to ₱7.591 million.

He said Libya, Iraq, Kuwait, and Syria began investing only last year.

The peak of Middle East investments in the country was in 1979 when they brought in ₱3.475 million, ₱2.568 million of which was contributed by investors from Turkey.

The major investors are those from Turkey which registered total investments of ₱2.658 million for a share of 35 percent of total Middle East investments followed by Saudi Arabia with ₱1.779 million (23.4 percent) and Israel with ₱1.451 million (19.1 percent). The rest accounted for a combined investments of ₱1.703 million or 22.4 percent of total Middle East investments.

Lumauig said Middle East investments are still very small compared to those of the United States, Japan and the European countries, representing only .08 percent of total foreign investments in the country.

But he said what is significant is their growing interest to put in their money here despite the adverse publicity in the foreign press about the situation in the country.

CSO: 4200/126

CENTRAL BANK RESTRICTS SHORT-TERM FOREIGN LOAN

Manila BULLETIN TODAY in English 17 Nov 82 p 16

[Article by Loreto Cabanes]

[Text] The Central Bank yesterday took steps to effect a gradual reduction in the country's foreign short-term debts now amounting to $3.7 billion.

Noting the build-up in short-term debts over the past few years, the CB adopted a policy whereby only roll-overs of short-term debts may be allowed. New short-term credits will be curtailed.

Under the new policy, short-term foreign loans may be allowed for the following:

--Bridge financing for high-priority projects in the meantime that approved long-term credits for such projects are not yet ready for drawing, to prevent unnecessary delays in project implementation;

--Refinancing of maturing obligations "to avoid the embarrassment of an international default which will seriously affect our international credit standing," and

--Working capital for overseas projects approved by the government to be undertaken by Philippine firms, renewal of which shall be allowed upon submission of proof that foreign exchange from the project involved has been inward-remitted to the Philippines.

Similarly, renewals of existing revolving credit lines are to be allowed for the following limited purposes:

1. To finance temporary shortfalls in receipts due to uneven collection of receivables income over a certain period;

2. To meet seasonal and/or unusual increase in the volume of business;

3. To allow for inventory financing build-up when such would be beneficial to the economy; and

4. To enable the firm to adjust to uncertain/sharp increase in the price of imported raw materials or supplies.

Use of revolving credits for permanent long-term financing of working capital requirements such as normal inventory buffer stock or imported raw materials or supplies shall not be allowed.

Firms with existing revolving credits utilized for "proscribed purposes" shall be given a reasonable period of time to refinance these with other appropriate credits "through a capital build-up program to be scheduled by the CB on a case-to-case basis."

Of the $3,709.9 million outstanding external short-term debt as of June 30, 1982, 98 percent were revolving credits.

External short-term credits outstanding represented 23 percent of the total foreign debt of the country as of the same period.

A study conducted by the CB revealed that the share of short-term credits, as a percentage of total outstanding debt, has been increasing in the last five years from 17 percent in 1978 to 23 percent as of the first two quarters of the current year.

CSO: 4200/127

CB SET TO ADOPT PRIME RATE SYSTEM IN 1983

Manila PHILIPPINES DAILY EXPRESS in English 11 Nov 82 p 10

[Article by George T. Nervez]

[Text] The Central Bank is expected to adopt the prime rate system of interest rates similar to that in the United States by January 1983 together with a package of measures intended to keep a closer tab on domestic liquidity.

The adoption of the prime rate system which was proposed by the Bankers Association of the Phils (BAP), has been approved by the Monetary Board, the CB's policymaking body.

But the board ordered the Central Bank to study further the proposed system after it rejected the proposed definition of the prime rate.

The board found rather vague a proposed definition of the prime rate as merely a "normallendingrate" of banks, a top BC official said.

He said that the board wants a prime rate system similar to that adopted by American banks and in the international market which refers to the rate that is granted by banks to their best customers on a "clean basis."

If a customer offers collateral for the loan, then the interest rate should even be better (lower), he added.

The board agreed to the adoption of a prime rate system to supplant existing interest rate ceilings on short term loans.

The board agreed to the adoption of a prime rate system in answer to the clamor from certain sectors for the lifting of the remaining interest rate ceilings on short-term loans (those with maturities of one ear or less).

Also being considered for adoption in January 1983 is a proposal removing the three-percent interest paid by the CB on deposits of banks.

"It seems that we are the only Central Bank that pays banks interest on their deposits," he said.

Instead, the CB wants the banks to buy government securities which earn four percent interest, the CB official added.

Other measures being studied pertain to the fine tuning of interest rate behaviour through the operation of the CB's rediscount windows, repurchase agreements, buying and selling of government securities and changes in the reserve requirements of banks.

CSO: 4200/125

CB DELAYS RESERVE REQUIREMENT CUT

Manila PHILIPPINES DAILY EXPRESS in English 14 Nov 82 p 12

[Text] The Central Bank is considering postponement of further changes in the reserve requirements of banks to January 1983 as part of a package of interest rate and monetary reform measures, according to a high CB official.

The proposed postponement, together with the adoption of a prime rate system and the open market operations are intended to enable the CB to keep a closer tab on domestic liquidity.

He said that the measures now under study by the CB are designed to achieve the desired level and cost of credit in the short-run.

Among the measures now in the final stages of preparation is the adoption of the prime rate system of interest rates to supplant the existing ceilings on short-term loans.

The Monetary Board has already approved the adoption of the prime rate system patterned after the scheme implemented by the American banks.

An earlier proposal by the Bankers Association of the Phils and other sectors was rejected by the board because the proposed definition of the prime rate was rather vague, the CB official said.

The board wants the prime rate to be the rate granted by banks to their best customers on a "clean basis." The previous proposal merely refers to the prime rate as the bank's normal lending rate."

Likewise being considered for adoption early next year is a move to eliminate the three percent interest the CB pays on deposits of banks.

Instead of paying interest on these deposits, the CB would prefer the banks to buy government securities which would earn for them four percent interest.

The CB official said that other measures being considered pertain to the fine tuning of interest rates behaviour through the coordination of the credit windows of the bank, namely, rediscounting, repurchase, swap operations and the buying and selling of government securities.

CSO: 4200/125

GOVERNMENT DEBT SERVICE HITS 3.7 BILLION

Manila PHILIPPINES DAILY EXPRESS in English 14 Nov 82 p 12

[Text] The national government paid a total of P3.66 billion worth of interest and amortization on domestic and foreign public debts in the first nine months this year.

The bulk of the debt service consisted of interest payments worth P2.6 billion on local and foreign debts, according to the bureau of treasury.

From January to September 1982, the government paid a total of P786 million interest on foreign loans, and P1.836 billion on domestic borrowings.

Interest payments on domestic debts were P613 million for treasury notes and P611 million on treasury bills.

On the other hand, amortization payments went largely to foreign borrowings. From January to September 1982 amortization payments on external debts amounted to P518.87 million, the bureau reported.

The bureau also said that during the nine-month period the government incurred new borrowings amounting P11.3 billion largely in the form of treasury bonds, notes and provisional advances.

In the same period a total of P3.155 billion worth of public debt was repaid, bringing net borrowings during the bureau added.

In its report, the bureau said that over P7.4 billion worth of fresh capital was pumped into the capitalization of 54 state-owned corporations and agencies.

The biggest chunk of government funds went into the capitalization of the National Power Corp which got P1.366 billion.

Another public corporation which got massive government fundings is the National Development Co (NDC) which absorbed P816 million from the current appropriation and P70 million from prior year's allocation.

Also a heavy beneficiary is the Development Bank of the Philippines (DBP) which received P307 million from current appropriation and another P300 million from prior year's allocation.

CSO: 4200/125

ADB APPROVES $68-MILLION ROAD PROJECT LOAN

Manila PHILIPPINES DAILY EXPRESS in English 15 Nov 82 p 12

[Text] The Asian Development Bank has approved a $68 million loan to the Philippines for the Third Road Improvement Project and a technical assistance grant of $150,000 which is designed to improve the country's national and rural road systems.

The loan has a repayment period of 24 years including a grace period of four years and carries an interest rate of 11 percent per annum.

The objective of the project is to provide better access to areas which have agricultural potential through the reconstruction and improvement of both national and rural roads to all-weather standards.

Specifically, the project comprises the improvement of about 453 kilometers of national roads in Luzon, Mindanao, Palawan and Panay islands, and about 510 kilometers of rural roads in nine provinces in Luzon, Negors, Palawan and Panay.

In addition, the project includes procurement of equipment for the maintenance of rural roads as well as consultant services for detailed design, construction supervision and institutional strengthening.

It also entails technical assistance for preparing a program to improve high-priority rural roads in 15 provinces.

The bank's loan will benefit the Philippines in several ways.

First, the improvement of the national roads will encourage development activities in the project areas, while the upgrading of rural roads will facilitate more reliable and cheaper transport in the areas concerned and stimulate greater agricultural development.

Second, the provision of maintenance equipment will enhance the capabilities of provincial governments to maintain their road networks.

Third, consultant services will strengthen the capabilities of the national and provincial governments concerned with road planning and maintenance, and the technical assistance will help the government to continue with its systematic development of rural roads.

CSO: 4200/125

PNOC-COCONUT MILLERS AGREEMENT SOUGHT

Manila PHILIPPINES DAILY EXPRESS in English 11 Nov 82 p 6

[Text] President Marcos directed yesterday chairman Rolando de la Cuesta of the Philippine Coconut Authority to work out an agreement with coconut oil millers and traders under which they will continue supporting the coco-diesel program of the government.

The President issued the directive in a meeting in Malacanang on the coco-diesel program which is intended to insure a ready market for coconut farmers and to prevent further decline of world coconut oil prices.

The President told De la Cuesta to study how the price of coconut oil can be maintained even if exporters are free to sell in the world market.

He also told De la Cuesta to study the feasibility of allocating equally, based on oil surplus or other grounds, the sale of coconut oil to the Philippine National Oil Corp. for the coco-diesel program.

The coco-diesel program, besides helping the coconut industry, also benefits the Philippine energy program by providing a new source of motor fuel for vehicles.

Under this program, PNOC buys coconut oil from producers and millers at 21 US cents per pound, which is more than the international price of 17 cents.

There are 47 coconut millers selling their excess production to the PNOC.

The deliveries of these mills to the PNOC are considered export sales which enables them to obtain rediscounting privileges with the Central Bank and higher dollar allowances for foreign travel.

Also present during the conference were Ambassador Eduardo Cojuangco of United Coconut Oil Mills and Max Pritchett of Procter and Gamble.

CSO: 4200/125

COCONUT MILLERS ALLOWED TO EXPORT OIL

Manila PHILIPPINES DAILY EXPRESS in English 12 Nov 82 p 3

[Text] Oil mills will be allowed to export coconut oil in excess of their delivery commitment to the Philippine National Oil Co (PNOC) intended for the government's coco-diesel program, the Philippine Coconut Authority said yesterday.

PCA chairman Rolando de la Cuesta said there are 47 oil mills tapped by the PNOC to supply the coco-diesel project with a steady volume of coconut oil.

Production in excess of the volume intended for the PNOC may be set aside for export with prior PCA approval, said De la Cuesta.

He said PCA will meet this afternoon to discuss how much each of the 47 oil mills will allocate for the coco-diesel program of the PNOC.

Oil mills, according to industry sources, would like to have an option to export coconut oil if the government finds the fuel blend expensive to maintain and decides to drop the project.

Coconut oil fetches only around 18.5 cents per pound in the world market but trends indicate that the price may recover.

If coconut oil prices go up, the sources added, PNOC may be forced to subsidize the price of coco-diesel and absorb the subsidy cost as losses.

PNOC is buying coconut oil at P3.15 per kilogram based on a world market price of 18 cents per pound. PNOC's buying price will soon be raised to reflect the higher price of coconut oil abroad, the sources said.

CSO: 4200/125

MANY MANUFACTURING FIRMS TO BE SCRAPPED OR MERGED

Manila BULLETIN TODAY in English 12 Nov 82 p 26

[Text] The Development Bank of the Philippines may soon take over, scrap, rehabilitate or merge 87 manufacturing firms which received the major bulk of the bank's ₱33 billion total outstanding loan portfolio.

Cesar Zalamea told the Bulletin he had ordered the immediate review of the 87 firms to find out whether they are still viable or not.

The idea is to know what course of action would be taken by the bank to be able to recover its investment exposures in several companies which were in financial distress.

Zalamea did not disclose the names of the firms but he hinted they belong to group of heavy borrowers or those who have borrowed hundreds of millions of pesos.

While the review is expected to be completed before the year ends, he said, the firms found to be unviable would be "liquidated" early while those which are found viable may be extended further assistance.

The move is part of the DBP's intensified campaign to maintain liquid in the face of the prevailing worldwide economic difficulties. Late last year the DBP began to take over the management of several companies which have mounting unpaid debts.

Part of the review will determine whether the bank should foreclose the assets of delinquent borrowers, rehabilitate them, completely scrap equipment in the case of textile mills or merge small but viable firms.

The bank of of end 1981 had total assets amounting to ₱34.76 billion, net loans of ₱18.5 billion, loan accounts numbering 28,615.

Zalamea told members of the Mandaluyong Chamber of Commerce and Industry Wednesday night that the DBP still exists as a bank for the sole purpose of assisting the country's socio-economic development.

Lately it was mandated to assist the government in rehabilitating distressed industries but this move is still in line with the major objective of the bank, Zalamea said.

CSO: 4200/126

DIESEL FUEL IMPORTS DOUBLE

Manila BULLETIN TODAY in English 15 Nov 82 p 25

[Text] The present imbalance in the supply and demand of some petroleum products continued to hound the country with a big jump in diesel fuel importations this year.

Amid a Cabinet review which hopes to formulate a new pricing policy on petroleum products, diesel consumption is steadily increasing compared to previous levels.

Bureau of Energy Utilization director Orlando Galang said diesel importation will reach 2.2 million barrels by the end of the year compared to about a million barrels last year, or up by more than 100 percent.

The country imported a million barrels last year costing $40 million and this year's importation is expected to cost $84 million.

Galang said that for the first three quarters alone, imports totalled 1.8 million barrels, dramatizing the shift in petroleum product demand.

The shift in consumption patterns remained unabated as diesel consumers increased. Galang said that though demand for premium gasoline showed a slight rise, that of regular gasoline declined.

Regular gasoline consumers, he explained, have opted for diesel which is considered a more efficient fuel.

He also said that the big disparity in prices of gasoline and diesel contributed to the shift in demand.

The imbalance in the supply and demand of the three major petroleum products has already caused some difficulties to the industry.

Oil refineries have to export gasoline at a loss owing to inventory costs and storage problems. At the same time, the country's three oil companies have to import diesel to meet shortfalls in refinery production which is confounded by excess gasoline production.

CSO: 4200/127

NO MORE RETAIL LENDING FOR DBP, ZALAMEA SAYS

Manila PHILIPPINES DAILY EXPRESS in English 12 Nov 82 p 9

[Article by George T. Nervez]

[Text] The Development Bank of the Philippines (DBP) will permit its retail lending activities, and instead concentrate in relending its funds through private development banks (BD's).

The policy shift, announced recently by DBP chairman Cesar Zalamea is expected to raise the cost of DBP financing because the interest rates charged by the private financial institutions will be higher than those charged by the government bank.

However, he added, small and medium-sized industries can well carry these costs because many of them are already paying even higher interest rates in the informal credit markets.

The bank will also step up co-financing ventures with private financial institutions (PFIs) other than the PDBs so that more projects will be benefited by DBP's resources, Zalamea told the Mandalyong Chamber of Commerce and Industry the other night.

He said that the DBP's financing support to private development banks will be in the form of increased rediscounting operations.

"By opening more rediscounting windows to the PDB's we hope to encourage the PDBs to become even more active," he said.

The policy shift has been gradually implemented by the bank when it stopped new loans early this year to give priority to the restructuring of existing loans.

Zalamea said the policy changes are needed to maintain the financial stability of the government bank.

Last year, the bank approved a total of 28,615 loans, guarantees, equities and other investments. The bulk of the approvals were agricultural and real estate loans.

DBP officials have pointed out that the bank's performance has been adversely affected by the increased cost of serviving these loans.

Zalamea also stressed that big as it is, the DBP simply cannot afford to serve the needs of everyone.

The DBP head emphasized that "the DBP is not, cannot, and should not be a charitable institution liberally and profligately doling out government funds to the proponents of marginal projects.

"The DBP is not a bottomless well of cheap funds. It has real resource limits as dictated by the domestic and international economic situation," he added.

CSO: 4200/125

PHILFINANCES LIQUIDATION APPROVED

Manila PHILIPPINES DAILY EXPRESS in English 12 Nov 82 pp 9, 12

[Article by Ray Magallanes]

[Text] The commissioners of the Securities and Exchange Commission (SEC) meeting en banc have decided to liquidate heavily-indebted Philippine Underwriters Finance Corp (Philfinance).

However, they also decided to hold off immediate liquidation proceedings if company chairman Ricardo C. Silverio and other creditors can satisfy conditions laid down by the SEC.

Chairman Manual G. Abello set for Dec 7 the filing of the petition for the liquidation of Philfinance.

Industry observers felt that Philfinance at this stage could not readily be rehabilitated for lack of a viable rehabilitation program.

According to a liquidation estimate made by the independent auditing firm of J. Cunanan & Co, Philfinance still has a deficit of close to P556 million.

Total liabilities were placed at slightly over P1 billion and assets at P464.6 million.

The commission's en banc decision to liquidate Philfinance jibed with an earlier recommendation of the SEC management committee assigned to Philfinance, headed by Associate Commissioner Julio Sulit Jr.

Sulit pointed out that the rehabilitation plan submitted by Silverio was not workable and the proposal to convert 90 percent of the unsecured creditors' claims into equity was not feasible.

The only solution to the problems of Philfinance, according to Sulit, is liquidation.

But Silverio came up with new proposals in the recent creditors' meeting which apparently persuaded the creditors and the commission to give him another chance.

In a letter sent to Silverio and the national consortium of Philfinance creditors, Abello spelled out the following conditions:

--That the estimated capital deficiency of P555.9 million be covered by conversion of liabilities into equity as follows:

1. Silverio will convert the claims he holds against Philfinance (without any offsets) into approximately P346 million worth of common shares.

2. The other creditors of Philfinance will convert their claims (without any offsets) into approximately P210 million worth of preferred shares.

--Any shortfall in the conversion of creditors' claims will be met by new equity in the form of real estate properties located in Metro Manila acceptable to the SEC and with a fair value equivalent to the shortfall.

Abello said that as soon as Silverio and the creditors are able to wipe out the capital deficiency. Philfinance may be authorized to again engage in the financing business.

CSO: 4200/125

MINING INDUSTRY MAY LOSE ₱2-BILLION IN 1982

Manila BULLETIN TODAY in English 11 Nov 82 p 13

[Text] The mining industry, now reeling under its longest crisis in history brought about by the prolonged depressed levels of metal prices, stands to suffer its biggest annual loss on record which may top the ₱2-billion mark this year.

Industry sources estimated that more than half of the expected net losses this year could be attributed to an anticipated ₱1.2 billion red ink for Marinduque Mining and Industrial Corporation, the giant copper-nickel-cement producer squeezed between plunging prices for its products and escalating costs and higher interest charges on its mammoth debts.

Marinduque's net loss was estimated to have hit the ₱1.0 billion mark by the end of the first nine months. In the first half alone, its loss already reached more than ₱800 million.

Following Marinduque as a top loser would be Atlas Consolidated Mining and Development Corporation, Asia's largest copper producer, whose net loss for 1982 is expected by industry sources to reach ₱350 million. At the end of the nine-month period, Atlas net loss amounted to ₱307 million.

The two other big mining firms--Marcopper Mining Corp, and Lepanto Consolidated Mining Co--are estimated to incur a combined net loss of ₱100 million for 1982.

Marcopper lost ₱-43 million and Lepanto ₱25 million after the end of the first semester of this year.

The smaller mining firms like Benguet Exploration and Black Mountain were also losing in their operations so far.

North Davao Mining which started shipments from its Davao operations just last month, likewise expects a red ink during the year. The same thing is true for CDCP Mining which resumed operations only recently after a five-month suspension.

Sabena Mining, whose assets have been taken over by the Development Bank of the Philippines, stopped operating as early as the first quarter.

Only Benguet Corporation and Philex Mining are expected to make profits for their 1982 operations. Benguet made ₱47.6 million during the first nine months while Philex said it was still profitable but the exact figure was not immediately available.

CSO: 4200/126

CHINESE SCHOOLS TO ADMIT MORE FILIPINOS

Manila BULLETIN TODAY in English 11 Nov 82 p 28

[Text] The nation's 122 Chinese schools moved yesterday to hasten the integration of their alien students by increasing the enrolment of Filipinos to 15 percent of their campus population starting this semester.

Director Gregorio C. Evangelista of the bureau of foreign students and foreign schools said the decision was an offshoot of a series of conferences among Chinese leaders who expressed the need to comply with Filipinization laws.

The Chinese educators also decided to grant free tuition and other privileges, including free instruction in Chinese language, to children of Filipino faculty members.

Until then, the former Chinese schools limited enrolment of natural born Filipinos to only five percent (or 2,600 students) of a nationwide population of 52,000 students.

Liberalization of enrolment would henceforth allow at least 7,800 Filipino scholarships, Evangelista said.

There are 32 former Chinese schools in Metro Manila, having an enrolment of 21,237 and employing 1,752 natural born Filipino teachers. There are 1,127 naturalized Filipinos teaching the Chinese language.

In a related development, the Association of Philippine Medical Colleges stressed the need to maintain the high standard of medical education by disallowing the proliferation of medical training centers.

Dr Elena Cuyegkeng, APMC executive secretary said this was underscored in a position paper the association submitted to the Board of Medical Education long before it met to allow the opening of four more such institutions earlier this week.

But the APMC applauded a decision of Education Minister Onofre D. Dorpuz to regionalize medical education by allowing the opening of necessary schools in regions where there are none.

Consequently, the board authorized the opening of medical schools of the Western Mindanao State University in Zamboanga city, the Mindanao State University in Marawi city, the Xavier-Ateneo University in Cagayan de Oro city, and the Angeles University Foundation in Angeles city.

CSO: 4200/126

BILL FILED TO SECURE TRIBAL LANDS

Manila BULLETIN TODAY in English 11 Nov 82 p 28

[Text] The Batasan Pambansa acted yesterday to stop the reported encroachments on lands granted to cultural minorities before these erupt into a problem of national magnitude.

A resolution was filed by four assemblymen from different regions calling the Batasan's attention to several cases involving land grants pending in various government agencies.

The government has adopted a policy to extend to cultural minorities "equality in stature, dignity and opportunity" with all other citizens to improve their quality of life.

Presidential proclamations had been issued declaring certain areas in the country as reservation sites for cultural minorities.

Proponents of the resolution said this could be the result of lack of coordination among government offices implementing the presidential directives.

The resolution directs the Batasan committee on national cultural minorities to look into these problems to prevent possible armed conflicts and to adopt measures for the protection of the minorities.

The resolution was filed by Assemblymen Teodoro Palma Gil, Carlos Padilla, Rodolfo Layumas, and Soccoro de Castro.

Meanwhile, Energy Minister Geronimo Velasco filed a bill penalizing short-selling and adulteration of gasoline and LPG by petroleum product dealers and hawlers.

CSO: 4200/126

EXTENDING GENERAL OFFICER APPOINTMENTS SEEN HURTING CONSTABULARY MORALE

Manila BULLETIN TODAY in English 14 Nov 82 pp 1, 10

[Article by Apolonio Batalla]

[Text] Interviewed by Bulletin Today's Jose de Vera last Friday, Gen Fabian C. Ver said he had directed an investigation into four incidents involving Army and PC troops. He said these incidents bordered on a breakdown of morale and discipline.

Maybe a more fundamental inquiry is in order if we are to believe some of the allegations in a letter purportedly sent to the President allegedly by the PC Officers Corps."

This is an unsigned letter that seems to have been written by a person or persons within the PC establishment.

"Dear Mr President," says the letter. "We would like to inform you that there is now a great demoralization in the officer corps of the Philippine Constabulary" on account of too many generals and colonels whose appointments have been extended.

The letter says there are younger and brilliant senior officers aspiring to star rank who can see no end to the extension of the appointments of retireable officers and who themselves are fast approaching retirement.

"If we are losing in the campaign against the NPA/CCP/MNLF and criminality it is because of this anomalous situation," the letter says, "because what can be expected of" old and sickly officers whose appointments are extended every six months? "Mr President," says the letter, "it is only in the PC where practically all the generals and commanders of the regional commands are extendees."

"In the other major service commands and at GHQ only the major service commander, along with one or two others, is an extendee.

"There was a time, Mr President, when Lt Gen Fidel Ramos was invited as a guest lecturer in a CGSC class in leadership. One of leadership to work for the extension of aging and sickly generals.

"Then another jokingly said to Gen Ramos, 'Gentlemen, if you like to be extended, transfer to the PC.'

"Mr President, before there was a high respect for Gen Ramos, but now in case you do not know, the only officers who respect him are the extendee generals and colonels. Probably he is doing this just to show the other officers that he is still strong to you. Even you, Mr President, are being blamed for these so many extensions in the PC. Probably, in case of trouble, Gen Ramos cannot even command a platoon of young officers to follow him voluntarily.

"In other words, the young officers have practically lost their respect and regard for Gen Ramos.

"Mr President, these are the officers Gen Ramos keeps on recommending for extensions.

"1. BG Romeo Gatan--Norcom Comdr, integree, 60 yrs old, extended 9 times, very sickly and on convalescent hospitalization in the United States.

"2. BG Vicente Custodio--Recom 2 Cmdr, PMA Cls 53, extended 7 times, plus one year extension under the new law and most often in Manila.

"3. BG Vicente Eduardo--Recom 3 Cmdr, 61 yrs old, extended 9 times, sickly and do not operate any more and his motto is 'Do not create enemies any more and make friends with everybody.'

"4. BG Prospero Olivas--Metrocom Cmdr--extended 9 times, sickly and oftentimes in the hospital and already had a stroke.

"5. BG Luis Ridad--DCPC for Home Defense, extended 3 times plus 2 years benefit of the new law, already had a stroke.

"6. BG Andres Ramos--Recom 4 Comdr, extended 2 times plus 2 yrs of the new retirement law. Since the death of his son in the PMA, he is most of the time absent-minded and confused.

"7. BG Alfonso Trance--Recom 6 Comdr, extended 2 times, plus 2 yrs of the new retirement law. No combat experience and most of the time in Camp Crame as staff officer.

"8. BG Alfredo Olano--Recom 7 Comdr, extended 4 times, no outstanding accomplishment.

"9. BG Pedrito de Guzman--Recom 5 Comdr, extended 5 times, 59 yrs old and INK protegee.

"10. BG Cirilo Bueno--Recom 9 Comdr--extended 7 times.

"11. BG Pedro Zafra--Recom 12 Comdr, extended 5 times, no outstanding accomplishment.

"12. BG Santiago Barangan--extended 7 times.

"13. Col Valerio Perez--Recom 11 Comdr, extended 2 times plus 2 yrs of the new retirement law. No outstanding achievement.

"14. Col Amanate Bueno--extended 2 times plus 2 yrs of the new retirement law.

"15. Col Pedro Elvas--CO, PCCL, extended 2 times plus 2 yrs of the new retirement law.

"16. Col Rodolfo Pena--Chief of Staff, CHPG, recalled to active duty from retirement for 11 years now, no special qualification nor wchooling.

"17. Col Tomelden--extended 5 times, CJA and his qualification..."

CSO: 4200/126

BRIEFS

TROOP PULLOUT--Tuguegarao, Cagayan, Nov 10--Military authorities eased yesterday the tension in barangay Guinamangan, Conner, Kalinga-Apayao, with the pullout of Army troopers assigned in the area. In a report to Brig Gen Vicente Custodio, Recom II PC/INP commanding general, Lt Col Benjamin Aguinaldo, provincial commander of Kalinga-Apayao, PC/INP command said that the residents of barangay Guinamangan had evacuated en masse early last month for fear of reprisal from elements of the Army detachment headed by one Sgt Labuegen operating along the boundary of Rizal, Cagayan and Conner, Kalinga-Apayao. Col Aguinaldo reported that some of the residents picked up for questioning for alleged illegal possession of firearms were manhandled and harassed. The provincial commander identified six of the evacuees who were allegedly maltreated and detained for a few days as Vicente Ordon, Vicente Sanchez, Donald Humiwat, Alejo Kilayon, Baltazar Sanchez and barangay councilman Ricardo Kimao. (GV) [Text] [Manila BULLETIN TODAY in English 11 Nov 82 p 9]

NPA LEADER KILLED IN BICOL--DAET, Camarines Norte, Nov 10--A leader of a New People's Army (NPA) group operating here and Camarines Sur was killed in an encounter yesterday in this town. Col Nestor Ramos, commander of Task Force Verbena informed Brig Gen Andres B. Ramos, Constabulary regional chief, identified the slain NPA as Ernesto Eychoco, alias Ka Rudy. A .38 caliber revolver was taken from him. Empty shells from .30-caliber carbine and garrand rifles were found at the scene of the encounter. Colonel Ramos said the NPA group was surprised by soldiers of the 60th PC battalion under Col Rolando Roque and the 245th PC company under Capt Leo Garra, group of Commander Eychoco and his band. In a related development, Domingo Andal, a suspected NPA finance and training officer operating in Camarines Norte and Sur to Maj L. Buenaflor of the task force. Text] [Manila BULLETIN TODAY in English 11 Nov 82 p 28

CORN EXPORT RISE FORESEEN--The Philippines hopes to export 500 million dollars worth of corn to Japan, South Korea and Taiwan by 1984, Agriculture Minister Arturo Tanco said. A ministry spokesman said Tanco explained the corn scheme is similar to the rice program that enabled the Philippines to become a rice exporting country for the first time some three years ago. The corn program will use a new hybrid corn seed that yields 4.5 times more than normal varieties. The ministry's National Food and Agricultural council (NFAC), however, had recently come up with statistics which show only 45 percent or 16,000 hectares (39,520 acres) out of the target first phase 36,000 hectares (88,920 acres) have so far been planted to the hybrid corn. [Text] [Manila BULLETIN TODAY in English 12 Nov 82 p 27]

STRIKE STATISTICS--There were only 131 strikes involving 46,950 workers in the first nine months this year, the Ministry of Labor and Employment said yesterday. Labor Relations Director Crescencio Trajano said the work stoppages were among the 576 notices of strikes filed by the unions during the period. Seventy-two of the strikes were declared in Metro Manila and the remaining 59 in the provinces over issues ranging from unfair labor practice to deadlock in collective bargaining negotiations. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 14 Nov 82 p 3]

CSO: 4200/125

TULF, SECURITY CHIEFS TO MEET

Colombo SUN in English 8 Nov 82 p 1

[Article by Ranil Weerasinghe]

[Text]

T.U.L.F. members of Parliament, police and security chiefs are to come together for the first time to discuss the problems of law enforcement in the north.

A conference of all northern TULF MPs and Development Council Members is to be called shortly by Jaffna Government Agent Thevanesan Neviah with the police, and the armed services representatives too in attendance.

This move, which is the first attempt to bring about a dialogue between the forces and politicians in the north comes in the wake of the Chavakachcheri police attack and is expected to help provide a basis for the formulation of future security policy in the north.

The conference is expected to be addressed by the Inspector General of Police Rudra Rajasingham who recently made an appeal to TULF Members of Parliament, heads of religious institutions and the public to help call halt to the cold blooded killings by terrorists in the north.

Defence Ministry sources claimed yesterday that they had no wish to indefinitely maintain security forces in the north at maximum alertness at huge expense to the state but the activities of the terrorists left them no option.

The security forces in the north were not there as oppressors it was pointed out, but merely to combat the terrorists who had unleashed vicious attacks on the police, army, and even members of the public. These acts had been condemned by the TULF Members of Parliament.

It has been pointed out that the tension particularly for the police who serve a one year duty term is tremendous and that the terrorists in singling them out for attacks were attempting to precipitate reprisals similar to that which preceded the Development Council elections.

The existing situation of unrest and distrust is a tremendous stumbling block to the government's development programme and had created the ideal environment in which militant organisations and terrorists could thrive.

The conference will also go into the question of reopening some of the stations closed after the attacks on the Anaicottai police but any final decision is expected to be deferred.

The police who have embarked on a very successful programme to utilise local vigilance committees to keep down the level of crime are to continue this programme.

Air Force helicopters were being utilised even yesterday to drop leaflets throughout the peninsula offering a Rs. 250,000 reward for the capture of the terrorists or the recovery of the weapons.

CSO: 4200/129

SLFP WILL CONSIDER PLAN FOR NATIONAL GOVERNMENT

Colombo SUN in English 8 Nov 82 p 1

[Article by Kenneth Amarasekera]

[Text]

An SLFP MP disclosed yesterday that the SLFP at its politbureau meeting recently, had taken the view that a proposal for the formation of a national government should be considered after the Referendum and on the basis of what proposals were made.

S. D. Bandaranayake, MP for Gampaha, disclosed this at a press conference at his residence yesterday.

He said that the formation of a national government would depend on what representation the SLFP would be given, taking into consideration the large number of votes the party obtained at the presidential election.

Another factor, he said, was that if a national government was formed, the respective parties would maintain their individual identities despite supporting the Government.

Mr. Bandaranayake called the press conference to explain the electoral stand taken by him on these and other matters.

The chief organisers, he said, gathered yesterday to decide at the grass root level on certain proposals put forward.

He explained that a large section of the voters of his electorate had posed the question of the formation of a national government and he had asked the people to decide on their stand.

CSO: 4200/129

JAFFNA POLICE CONFISCATE EELAM LITERATURE

Colombo SUN in English 6 Nov 82 p 1

[Article by K. Arasaratnam]

[Text]

Literature bearing the titles "State Terrorism in Jaffna" and "Non Violence on Tamil Eelam Liberation" were confiscated by the Jaffna Police from the house of Tamil Eelam Liberation Front (TELF) Leader Eela Venthan.

Armed Police, who searched Eela Venthan's house, also found a stack of handbills calling for the boycott of the Presidential Election and a pile of Tamil books on subjects such as "World Opinion of Tamil Eelam", all which are believed to have been printed in the United States.

Police were however unable to question Eela Venthan as he was not at his home when they searched it. When one CID officer had asked the wife of the Front leader why these had been printed she is reported to have replied that it was for the fight for Tamil Eelam. When another officer asked why police officers were being killed she is said to have laughed out loud and replied that the job of the TELF was not to kill but fight for Tamil Eelam.

CSO: 4200/129

YOUTHS TERRORIZE PUBLIC

Colombo SUN in English 8 Nov 83 p 1

[Text]

Intelligence sleuths yesterday began investigations into attempts by groups of youths to terrorise and threaten members of the public in the northern peninsula.

The attempts which have been described as a new method by Eelamist youth in Jaffna to divert their terror tactics from the armed services to the public has caused serious concern to the security forces there.

These groups of youths, a senior police official told 'SUN' had visited the homes in areas like Kankesanturai and Velvettiturai and had threatened the people after they had refused to co-operate with the terrorist movement.

CSO: 4200/129

SLFP CANDIDATE CHARGED WITH CORRUPT ELECTION PRACTICES

Colombo SUN in English 9 Nov 82 p 1

[Text]

An election petition is to be filed this week against the unsuccessful SLFP Presidential candidate Hector Kobbekaduwa for an alleged corrupt practice during the elections.

Government sources told 'SUN' that the petition will be filed by UNP General Secretary Harsha Abeywardene in the High Court of Colombo.

The alleged corrupt practice according to the petition to be filed relates to the printing and distribution of bogus rice ration books.

Section 81 of the Presidential Elections Act states "where a corrupt practice is committed in connection with an election by any candidate who was not elected to the office of President at such election or with his knowledge or consent or by his agents, such candidate shall on conviction by the High Court be liable to a fine not exceeding Rs. 500 or imprisonment for a term not exceeding six months' or both.

Such person is further liable on conviction to become incapable of being registered as an elector or of voting at an election for a period of seven years.

'SUN' also learns that a criminal prosecution will be filed by the Attorney General in the High Court on the same grounds after reports and statements have been submitted by the special investigation team.

Both the election petition and the criminal prosecution 'SUN' understands will be filed side by side. Section 80 of the act provides for such an action to be instituted.

END

CSO: 4200/129

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FIJI ELECTION INVESTIGATION SLATED

Canberra THE AUSTRALIAN in English 13 Oct 82 p 28

[Article by Robert Keith-Reid]

[Text] THE Government of Fiji has appointed a retired New Zealand High Court judge, Sir John White, to inquire into allegations of Australian, Russian and other outside interference in the general election last July.

There have been claims that both the Government and Opposition used foreign aid to try to win the election.

The Prime Minister, Ratu Sir Kamisese Mara, promised an inquiry immediately after his reappointment as Fiji's leader, but the appointment of Sir John earlier this week was made without fanfare.

Sir John, 70, a former New Zealand Solicitor-General, slipped in and out of Fiji quietly.

During his time in Suva, he was briefed by the Solicitor-General, Mr Qoriniasi Bale, but nothing has been said yet about how the inquiry will be conducted, or when.

Calls for a full inquiry have been strengthened by the statement of a magistrate that he believes there was a plot to rig voting in the election, in which the ruling Alliance government narrowly retained power.

The magistrate, Mr Antony Amstell, convicted four Fijian women of charges of having voted illegally.

'Pawns'

The women said they had been approached by a man who persuaded them to go to polling stations and use slips issued in other women's names to vote for the Alliance.

Mr Amstell, one of several Britons attached to the Fiji magistracy, called on the Fiji police and the director of public prosecutions to find the man who persuaded the women to vote illegally.

He said the women were minor pawns, but that the implications of their cases, and several others to come up, were quite terrifying.

If there had been a planned scheme, it went without saying that the whole democratic process in the country had been undermined, he said.

The women were each fined $40 and disqualified from voting for six years.

During the election, the Opposition leader, Mr Jai Ram Reddy, claimed that the Alliance had hired a team of Australian political strategists to devise a "dirty tricks" campaign against the NFP and its small Fijian party ally, the Western United Front.

He also questioned the circumstance under which a former Australian Broadcasting Commission current affairs producer, Mr Clive Speed, had been attached to the Fiji Ministry of Information under an Australian aid program.

Ratu Mara counter-charged that the National Federation Party colluded with left-wing elements in the ABC to show immediately before the election a program which, he said, was deliberately slanted to put the Alliance in a bad light.

The item was shown on the ABC's Four Corners program and more than 300 copies were distributed in Fiji by the Opposition in a bid to discredit the Alliance.

CSO: 4200/122

KHMERS PREFER HENG SAMRIN OVER KHMER ROUGE

Bangkok BANGKOK POST in English 10 Oct 82 p 2

[Text] **WASHINGTON — Son Sann, Prime Minister of Kampuchea's new resistance coalition, said on Friday that his countrymen prefer the Heng Samrin regime to his Khmer Rouge partners in the coalition.**

He told reporters here that, if forced to choose between the Hanoi-backed Heng Samrin government and the Khmer Rouge, which ruled brutally until ousted by Vietnamese-led forces in 1979, "the people will choose the Heng Semrin regime."

But he said most Khmers see the Democratic Kampuchea coalition formed last June between the communist Khmer Rouge and non-communist groups led by him and Prince Norodom Sihanouk as a genuine nationalist alternative to Heng Samrin's government.

Son Sann and Sihanouk, who is president of the coalition, were here for a meeting with US Vice President George Bush to press the case for US financial aid.

But Son Sann avoided answering questions on whether they had obtained any commitments from Bush or Secretary of State George Shultz, whom they met in New York on Wednesday.

State Department spokesman Alan Romberg told reporters Shultz and Bush "indicated our moral support for the non-communist Kampucheans and expressed appreciation for Prince Sihanouk's and Prime Minister Son Sann's leadership."

But he said the US did not plan to give military aid to the coalition and would not give any aid to the Khmer Rouge.

"Time is not working for the liberation movement, time is working for Heng Samrin and the Vietnamese," Son Sann said.

Calling Vietnam "an agent of Soviet hegemonism in Southeast Asia," he said he feared the Vietnamese would ultimately seek to annex Kampuchea.

Asked where the coalition would get weapons to arm its estimated 40,000 troops against some 200,000 Vietnamese, Son Sann said he planned to go to Peking next month, "and that is not for humanitarian aid."— Reuter

CSO: 4200/117

KHMER TROOPS HELD FOR ROBBERY

Bangkok BANGKOK POST in English 12 Oct 82 p 3

[Text]

TA PHRAYA

THREE Khmer Rouge guerrillas were wounded and captured on Saturday while they were being pursued by Thai troops in this district of Prachin Buri, a high-ranking military field source said yesterday.

The chase began after the guerrillas attacked a Thai passenger bus on Friday, robbing the 20 passengers of about 50,000 baht in cash and valuables, the source said.

The source said one Thai Army private was seriously wounded during the clash between the guerrillas and the troops and is receiving treatment at a field hospital at the Khao I Dang holding centre.

The incident started on Friday evening when a group of about 15 Khmer Rouge guerrillas, armed with AK rifles and RPG launchers, crossed the Thai border and stopped a bus on a road between Ban Na Ngarm and Nong Samet, the source said.

After robbing the passengers the guerrillas headed back for the Kampuchean border. Brief fighting erupted when the guerrillas opened fire on a pursuing Thai military unit. However, they managed to escape into Kampuchean territory.

The Army declared the border off-limits the next morning, sending more troops to clear the area of any intruders.

Thai troops found three wounded Khmer Rouge members and sent them to a Red Cross-run field hospital in Nong Samet.

During questioning the three said they were members of a Khmer Rouge force based opposite Ban Kok Taharn of Ta Phraya.

They said they had escaped from their base to prey on villagers travelling on buses along the border.

The source said field military authorities have reacted strongly to the attack, warning that all aid to the Kampucheans would be cut off if another robbery took place on Thai soil.

CSO: 4200/117

AGITATION, STRIDENCY ANALYZED; CONDITIONS TERMED ALARMING

Islamabad THE MUSLIM in English 7 Nov 82 p 4

[Commentary by Shamsher Ali]

[Text] WHY is it that so bland a politician as Mustafa Jatoi who has been fairly conciliatory and cooperative in all these Martial Law years is now openly indulging in strident declarations and protests? How is it that so quiescent a personality as Hafeez Pirzada is now calling for agitation? And wonder of wonders, what is impelling Mian Tufail whose Jamaat has little reason to complain of the military regime, to make critical noises, every now and then? Above all, what has forced the most violently disparate parties to function together in the Movement for the Restoration of Democracy?

These are some of the queries that assail every thinking citizen nowadays and compel him to ponder their meaning and significance. There are simple, straightforward answers, of course. The politicians, critics would trot out the handy argument that having spent most of the past five years in the wilderness, they are hungry for power, and it would be valid, but only up to a point. For when one examines the politicians' loud thinking, the harshness of their arguments and the desperate urgency of their pleas, the hungry-for-power reasoning loses most of its potency.

The known political figures all betray acute signs of fright about the general drift which they fear is leading ineluctably towards chaos and anarchy. And if one bears in mind their socio-economic antecedents, it is not hard to appreciate their mounting concern. For they seem to be fully conscious of the danger that the deluge would sweep aside not just their public standing which would be bad enough but also their sizeable possessions.

It was quite obviously this realisation of common danger which had persuaded bitter antagonists to set aside their mutual hostilities and pool their political resources and energies for self-preservation. It is this mutuality of basic interests that has enabled the MRD to hold together and endure despite the usual attempts at disruption, for nearly two years. And all these worthies do believe that if the political process were revived and elections held, they may still be able to handle the situation and so stem the tide.

There are many thoughtful and experienced observers of the national scene who feel that it may be already too late, because nearly all the institutions have been enfeebled beyond repair. It is, however, a matter of calculation and the politicians seem to reckon that they can still make a go of it and diffuse disruptive trends.

The point, as far as the politicians are concerned, is not whether their evaluations are correct or not. It lies rather in the absence of choice. A return to the 1973 Constitution and the reinduction of a representative govenment is the only option open to them. That is the one chance they see that may allow them to preserve themselves.

Another factor contributing to the politicians' desperation appears to be the realisation that they are rapidly becoming irrelevant. Since most of them have lost their credibility, they see in Begum Nusrat Bhutto their one and only remaining trump-card. But they

find that time is running out. As a matter of fact, a shrewd observer like Akbar Bugti has already pronounced their political demise with the assertion that now new players would play a very different kind of game.

Although Bugti's analysis of the new situation may not be very palatable, it was by no means original nor wholly new. After all, the politicians have been acting together to prevent, if they could, the very development that Bugti asserts has already taken place. So the difference is only over the degree of erosion and not about the prevalence of the blight.

A dispassionate examination of the situation would clearly reveal anarchical trends for which politicians cannot be blamed at least not directly. Actually, most of them have been abiding by the Martial Law and quite a few had even graced the Cabinet at one time. Besides, the authorities have been very vigorous in preserving political law and order. Moreover, the creation of anarchy does not pay traditional political parties as the PNA found out to its cost. And when a political organisation sets out to undermine the established order, it does so for the purpose of bringing about a revolution whereas in this country none of the parties are even remotely revolutionary.

There is of course the 'Al-Zulfikar' organisation and, apparently, other terrorist groups about whose existence and activities the Minister of Interior keeps providing frequent bulletins. But rather than disarm the politicians, this factor has lent considerable weight to their urgent demand for the restoration of a representative government. They argue quite convincingly that when the people are deprived of their fundamental rights and denied the means of normal protest they resort to violent measures.

It is sometimes contended that if the people really did not approve of the regime they would have come out in the streets. It may sound attractive and convincing to those who use it for asserting legitimacy. Quite apart from the fact that draconian application of ukase has proved a very effective deterrent to public protest, the more frightening aspect of this argument is its pernicious logic. For its plain and highly provocative implication is that the regime would continue until ousted through violence. Is it any wonder then that some people have responded with terrorism?

One does not require any special insight into patterns of human behaviour to know that when the rights and aspirations of any people are suppressed by force or the threat of force, a time comes when they turn to whatever weapon is available to redress the intolerable situation. This has been true in all times and at all places, and there is plenty of evidence all over the world right now to underscore its validity.

It is a law of challenge and response and there is no way Pakistan can opt out, anyway not for long. Suppression and revolt are virtually the two sides of the same coin. The two keeps on spiralling in their intensity till one day suddenly everything falls apart. This is a prospect too frightening to contemplate for any nation, all the more so for one which has not been allowed to jell together as one and is situated in a cockpit of Big-Power contention.

It is the awareness of these terrifying prospects that has driven most politicians into a collective huddle. One may have serious reservations about the competence and integrity of this or that politician, but there is no doubt the course of action they prescribe for getting the country back on the right track is eminently desirable. It may well be that few of them will survive the cleansing of a constitutional exercise. But it is far better for everyone that "the new players" may emerge through the normal political process than through an anarchic blood-letting.

CSO: 4200/119

SAFDAR GIVES ASSURANCE ON ELECTIONS

Islamabad THE MUSLIM in English 6 Nov 82 p 8

[Text] LAHORE, Nov. 5--Khwaja Mohammad Safdar, Chairman Federal Council, has said that the President and the Federal Cabinet will decide about elections in the country.

Talking to The Muslim here today he said that he was convinced that elections would certainly be held but when they would be held "only those in power can decide". He said that he had always advocated for early elections but he could not expedite the process. When reminded that the President had recently said that the circumstances were still not conducive to the holding of elections, Khwaja Safdar said, "If President has said this it is correct and I am not in a position to comment on what President has stated".

Referring to the working of the Federal Council, the Shoora Chairman said that it was satisfactory. But at the same time, he said, it was a nominated institution having limited powers of recommending or advising the government on certain matters. The Federal Council, he continued, could not be expected to act as an elected assembly and he had never pleaded for giving it the authority of an elected parliament. "Many problems will crop up and many complications will result if the nominated Federal Council is raised to the status of an assembly".

About the reports that the Provincial Governments were considering expansion in their respective Councils on the pattern of the Federal Council, he said that he had heard about such a proposal but was not in a position to say whether the proposal was taken up in the Cabinet meeting.

To a question Khwaja Safdar said that the members of the Federal Council were not afraid of anything during the recently concluded session. And if to some one an atmosphere to caure fear prevailed in the session it must be his own impression.

Referring to the task of the committee entrusted with recommending steps for Islamising various departments, he said its taks was "gigantic". The delay was inevitable and it would take "time to accomplish its obligation". He said that the committee's last meeting was postponed because its chairman Justice Bashiruddin was not enjoying good health. It was meeting now on Nov. 13.

CSO: 4200/119

LAHORE MRD VOICES ELECTION DEMANDS

Islamabad THE MUSLIM in English 8 Nov 82 p 8

[Text] LAHORE, Nov. 7: The convenor and general secretary of the MRD Lahore have demanded the holding of elections under the 1973 Constitution, the transfer of power to the elected representatives of the people, and the lifting of Martial Law in the country.

Addressing a joint press conference here yesterday evening, they said the establishment of the MRD had proved that political workers and leaders could unite for achieving national objectives.

They would continue their peaceful struggle for acceptance of their political demands, they said. They said the demands of political parties which had not joined MRD formally were the same.

As for holding of elections and restoration of the 1973 Constitution, they said all political leaders were in its favour. They said the whole nation was concerned about the health of Begum Nusrat Bhutto and demanded that she be immediately sent abroad for treatment.

They demanded the release of Miss Benazir Bhutto, Nawabzada Nasrullah Khan, Air Marshal (Retd) Asghar Khan, Maulana Fazalur Rehman, Sheikh Khalil Ahmad, Raja Zulqarnain, Rana Farooq and other political workers. The release of Abdul Hafiz Lakho, Abdul Malik Iftikharul Hassan Gillani and Mian Sher Alam, Advocates, and journalist Mohammad Idrees Butt was also demanded.

Meanwhile, organization of the MRD at the city and zonal level has been completed. Chaudhry Ghulam Qadir has been appointed general secretary of the MRD Lahore, while Afzal Mufti, Chaudhry Abdur Rashid, Advocate, Hafiz Mohammad Idrees and Mohammad Islam Khan will be the joint secretaries. Khawaja Izhar, Tahir Aziz and Aftab Ahmad Javed have been appointed information secretary, finance secretary and office secretary respectively.

Besides Sheikh Taj Din (PPP), Mohammad Alam Bhatti (PDP), Atiqur Rehman (MKP), Zafar Iqbal (PPP) and Chaudhry Mohammad Saleem have been appointed general secretaries of the five zones.

Endorsing the decision of the central MRD to observe Restoration of Constitution Day on Nov. 10 they said the Lahore MRD would also observe the day.

CSO: 4200/120

PARTY ROUNDTABLE CONFERENCE

Karachi DAWN in English 8 Nov 82 p 12

[Text]

Some 35 persons representing 16 or 17 defunct political parties will attend the round-table conference in Karachi in 'a week's time', it was learnt yesterday.

The RTC convener, Maulana Shah Ahmad Noorani, President of the defunct Jamiat Ulema-i-Pakistan, yesterday had either got mailed or delivered in person the invitations to the Presidents or Acting Presidents of the concerned parties. The party chiefs have been given the option to bring along with them one nominee each.

The venue will be either a hotel or a public hall. Sources said it will be a 'sort of get-together', and the RTC discussions will be 'like a table-talk'. Sources said: "Tables will be reserved and the procedure devised is that at a time only one invitee will talk, while others listen".

Khan Abdul Wali Khan, an eminent leader of the defunct National Democratic Party (NDP), will be the only person attending the proposed RTC as a special invitee. "We have extended to h an invitation in view of his special status", the sources explained.

They said further that if Mr Yusuf Haroon happened to be available in Karachi he would be requested to attend as another special invitee.

The sponsors hope that discussions on the opening day of the RTC will be 'conclusive', but, if at all necessary, the conference may be extended for another day.

The RTC is expected to formulate a 'line of action' which, according to the sources, will be "in the form of a call for fixing a deadline by which the Government should commit itself to hold the general election."

PPI adds: All component parties of MRD have received invitation to attend the RTC, according to Mr Fatehyab Ali Khan, current convener of MRD and President of Pakistan Mazdoor Kissan Party.

CSO: 4200/107

DIVISION WITH TEHRIK-I-ISTIQLAL, OTHER PROBLEMS REPORTED.

Karachi DAWN in English 9 Nov 82 p 16

[Text] Nov 8--The defunct Tehrik-i-Istiqlal of retired Air Marshal Asghar Khan appears to be in the throes of another serious crisis, this time on the question of expulsion of is Information Secretary, Mr Nafees Siddiqui, from the party.

Barely two months ago the party found itself sharply divided over the issue of establishment of a full-fledged secretariat for the MRD and it was with great difficulty that the organisation succeeded in averting a split in its ranks. The local Tehrik circles, however, believe that the party action against Mr Nafees Siddiqui has only precipitated the issue once again.

Although Mian Mahmud Ali Kasuri, who made it known, barely a couple of days ago, that he was no longer in a position to lead the party, because of his failing health, did not issue any formal statement over the action taken against Mr Siddiqui nor did he express his regrets over the development.

Important Factors

Knowledgeable circles, however, believe that the absence of the leadership of Air Marshal Retired Asghar Khan, because of his continued detention and the non-availability of the guidance of Mian Kasuri, because of his illness, are the two important factors that have deprived the Tehrik of a mature leadership which could be acceptable to various groups within the organisation, posing a threat to its very future meanwhile, talking to newsmen, Mr Eitezaz Ahsan, a member of the National Working Committee of the defunct party, took strong exception to the fact that such a harsh and severe action had been taken against Mr Nafees, without giving him an opportunity for personal hearing or appointing any independent committee in the matter.

He maintained that a duly elected and permanent office-bearer of the National organisation had been stripped of the very basic membership of the party by a "nominated and acting office-bearer".

Mr Ahsan said the end of the justice required that whenever a severe penalty was imposed the respondent was given a second show cause notice. No such notice appeared to have been given to Mr Siddiqui, he added.

He said it was quite obvious that the matter would feature in the next meeting of the Centra- Working Committee.

CSO: 4200/113

JUI THREATENS MOVEMENT FOR LEADER'S RELEASE

Islamabad THE MUSLIM in English 7 Nov 82 p 8

[Text]

PESHAWAR, Nov.6: Maulana Ashraf Ali Qureshi, Nazime Ala Jamia Ashrafia and a leader of defunct Jamiate Ulema-e-Islam (Fazlur Rehman Group) has urged upon the government to release Maulana Fazlur Rehman son of late Maulana Mufti Mehmud to enable him to participate in the tentative big conference being held in Dera Ismail Khan on Nov.19 and 20 in commemoration of his great father.

Addressing a news conference at Peshawar Press Club this morning, the Jamiat-e-Ulema Islam leader expressed deep concern over the deteriorating law and order situation in the country and called for the early elections under 1973 Constitution.

He expressed his doubt over the government's intentions towards enforcement of Islamic order and said if the government was sincere than why the task was not accomplished even after over five years period. He alleged that delaying tactics in this regard were being used only to carry on the reigns of the country.

He said those who had real love and dedication for Islam were afraid that this attitude of the government would adversely affect public opinion about Islamic injunctions and enforcement. He recalled the unjustified action of Provincial Auqaf Department against the prominent religious institution, Jamia Ashrafia, and said the ulema and the teachers of a religious institution, were harased for political reasons.

Replying to a question about reported division in the defunct Jamiat-e-Ulema Islam, Maulana Ashraf Ali Qureshi expressed confidence that both the sides would be united again in near future.

He said if Maulana Fazlur Rehman was not released uptil Nov. 30, 1982 his party would launch a country-wide civil disobedience movement and for this purpose a meeting of the Central Committee of the party was being held at Lahore on Nov.8.—PPI

CSO: 4200/119

SUGAR INDUSTRY SAID TO BE HEADING FOR CRISIS

Karachi DAWN in English 9 Nov 82 pp 1, 16

[Article by Izharul Hasan Burney]

[Text] Pakistan's surplus sguar stocks soared to an all-time high of about 335,000 tons (worth about Rs. 2.345 billion) as the new crushing season began last month.

As export is ruled out on account of our uncompetitive price, the Federal Government is now contemplating a series of steps to handle the huge surplus witb a view to avert a crisis, well placed sources said.

In the first place, sources said, the Federal Government has decided to build up a "reserve" of 200,000 tons.

Out of the remaining 135,000 tons, Sind's share will be 75,000 tons and Punjab's 60,000 tons. The two provinces will make arrangements for the disposal of these stocks.

It is learnt that these provinces are now busy working out the modalitites of the disposal of the allotted stocks.

Options under consideration are open auction at "upset or reserved price", these sources said.

The matter is getting the "highest priority" as the fresh output of the sugar mills will start flowing out soon and is bound to create storage problems.

The other aspect is the blocking of huge funds both on account of the 200,000 tons proposed "reserve" as well as the amount involved in the stocks earmarked for sales.

It is learnt that both provinces will be absolved from all financial involvement and the financing of the entire surplus of 335,000 will be undertaken by the Federal Government.

The Federal Government, on its part, will seek funds for this purpose from the outlays for State Trading, sources said.

Break-up of funds involved in tackling the problem on the proposed lines will be as under:

Total surplus 335,000 tons worth 2,345 million; Reserve 200,000 tons worth Rs 1,400 million; stock for disposal through auction 135,000 tons worth Rs 945 million; stocks at the disposal of Punjab for auction 60,000 tons worth Rs 420 million, and at the disposal of Sind 75,000 tons worth Rs 515 million.

(The above cost has been worked out on the basis of the ex-factory price of Rs. 7,873 per ton for the new mills and Rs. 6,801 per tons for the old mills).

Agricultural experts believe that production in 1982-83 will at least remain the same as last year, and unless ways are found to dispose of the existing surplus, the stocks would double by the end of the 1982-83 crushing season.

In so far as Sind is concerned, sugarcane production last year was 7.4 million tons as against five million tons a year earlier. This is likely to be slightly higher this year but shall not certainly be less, experts said.

Consequently, last year's sugar production of 585,000 tons must be easily achieved this year again, they said. It compared with 360,000 tons in 1980-81.

In Sind, there are at present 12 sugar mills. Three more are being installed and may be commissioned by 1984-85.

Quick action

Unless the Government moves in extremely fast and takes very specific measures, the country's efforts for reaching the present stage in sugarcane production and sugar industry will be completely annulled, experts said.

Loss of time may in fact plunge the industry into a crisis such as the one witnessed in the sixties when standing crop on thousands of acres had to be burnt by the zamindars, they reminded.

While welcoming the views of Dr Mahbubul Haq, Deputy Chairman of the Planning Commission, for sugar-based industries, they said the situation was wrosening faster than such long-term measures could tackle.

Agricultural economists wondered that while there was scuh a huge surplus, the Government had not thought it fit to deration sugar or raise the quotas which would inevitably raise sugar consumption.

On the other hand, they said, the ban on inter-provincial and inter-regional movement of sugar continues with the result that while there are surpluses huge in Sind and the Punjab, some other regions are complaining of acute shortages.

In this connection they cited the example of the NWFP where, according to recent reports, sugar price jumped by Rs. 135 per bag in Peshawar market in mid-October.

The shortages in the Northern Areas and the remote valleys of Swat, Kaghan etc. are still more pronounced, they pointed out.

Yet another aspect was the question of new dimensions for the sugar industry to enable it to produce high quality export material, as well as the necessity of utilising the by-products like bagasse.

Options

Also there was the necessity of reviewing the ban on 'khandsari' and 'gur' industry which until the ban was a major consumer of sugarcane in the country, they said.

The ban could at least be withdrawn in the districts/tehsils where the mills were not in a position to fully consume the crop, they added.

Another potential was the Iranian market in view of Tehran's preference for trade through land route on account of the situation in the sea lanes of Gulf, they observed.

But most important was the need to study the economics of the Pakistani sugar industry vis-a-vis the other sugar producing countries particularly neighbouring India.

The question was how to regulate the cost of production at each stage so that Pakistani sugar was not double the international price, particularly in view of the fact that we claim to have the advantage of cheap labour.

Part of this study would inevitably be the fullest utilisation of the by-products which are going waste at present and are having a very adverse effect on the economics of the entire industry, they pointed out.

CSO: 4200/108

REFUGEE PROBLEM: RETURN ADVOCATED

Islamabad THE MUSLIM in English 6, 7 Nov 82

[Article by Minhaj Barna]

[Part 1--6 Nov 82 p 4]

[Text] Pakistan and Afghanistan go into a fresh round of talks in New York shortly on a settlement of the Afghanistan problem carrying some momentum from the indirect Geneva talks under United Nations mediation in June – and with the promise of at least a tentative outline of a package deal emerging.

Although there is no fixed agenda for the coming talks – probably in October during the U N. General Assembly session – the basis for discussion is the four-point compromise drafted by the US's Geneva mediator, Diego Cordovez, and accepted by both sides at the June parley in what was seen as a promising demonstration of flexibility.

This hinged on:

- Arrangements for the repatriation of up to 3 million Afghan refugees from Pakistan;
- Creation of an acceptable atmosphere to facilitate their return,
- International guarantees of non-interference in Afghan affairs;
- Withdrawal of all foreign troops from Afghanistan.

Dropped from the original agenda was Pakistan's insistence on "the right of self-determination for the Afghan people". This, coupled with Afghanistan's agreement to discuss the withdrawal of Soviet troops, apparently figured in Cordovez's assessment that both sides had made "important political concessions."

Although Pakistan's Foreign Minister, Sahabzada Yaqub Khan, later denied making any political concessions, Islamabad's willingness for even indirect talks with the Babrak Karmel government was the most important sign of flexibility.

Pakistan also acceded to discussion of the issue of non-interference in Afghan affairs under international guarantees. Its keenness for a political settlement was further underlined by the fact that Yaqub went to Geneva despite Iran's refusal to join the talks on the grounds that the Afghan resistance was not represented.

The key issue is the return of the refugees in Pakistan, which is pivotal to the other agenda items. Islamabad argues that without the withdrawal of foreign troops from Afghanistan there can be no repatriation of refugees. Kabul insists that withdrawal can only take place after "armed intervention from across the border" is halted, and ties this to the need for international guarantees.

Pakistan's agreement to talks on non-interference, takes a step towards meeting this condition. Moscow has repeatedly accused Pakistan of harbouring and training dissidents before sending them back to Afghanistan.

Several factors may explain Pakistan's adoption of a more realistic approach to the problem. These are:

- Recognition that it is not only dealing with the Karmel government but with a Super-Power

presence on its borders;

- The view that the United States has tacitly accepted the extension of the Soviet presence to Afghanistan;
- Realisation that unless a settlement is achieved, Pakistan must deal with the growing burden of the refugee problem indefinitely.
- Hard evidence that resistance within Afghanistan is weakening under the combined force of the Karmel government military and the Soviet troops.

In support of the view that the U.S. is privately resigned to the Soviet presence in Afghanistan, informed sources argue that the Geneva talks would not have taken place without the tacit approval of both the Super-Powers.

Despite widely conflicting reports on the military and political situation in Afghanistan, it is clear there has been a sharp decline in the level of armed resistance. Western diplomatic sources have admitted the total collapse of the rebel strongholds in the Panjsher and Samangan regions in the north. Kabul has now established youth militia in these areas.

The Karmel government has also launched an attempt to woo the tribal and religious leaders, reportedly shelving radical reforms of customary law introduced previously by Noor Mohammad Taraki. Karmel has established a Ministry of Tribes and Nationalities to replace the Ministry of Frontiers, apparently aiming to win support from these groups. A plan is under way to divide the country into administrative units on ethnic and linguistic lines. Kabul has also restored compulsory religious education at primary school level and compulsory technical education has been introduced at senior schools.

Meanwhile, Cordovez will be working out details of a settlement which could bring about a phased withdrawal of Soviet troops simultaneously with the gradual return of Afghan refugees from Pakistan, in an arrangement backed by formal guarantees by the U.S., the Soviet Union and other Security Council members, as well as by neighbouring states.—STWM

[Part 2--7 Nov 82 p 5]

[Text]

Pakistan is now host to the largest single refugee population in the world, with an estimated 3-million Afghan exiles — and it is groaning under the burden. Health problems overtax the costly and extensive relief operations, local tolerance is being replaced by resentment at social disruption; and the military government is under fire over its handling of the political issues.

Scores of tent villages are now scattered over the mountainous Northwestern Frontier Province (NWFP) and Baluchistan. The exodus began as a trickle in 1973, when a few hundred Afghan refugees arrived in Pakistan after Sardar Daud overthrew Zahir Shah's rule and declared Afghanistan a republic. Their ranks swelled after the overthrow of Sardar Daud by Noor Mohammad Taraki, leader of the Khalq faction of the Marxist People's Democratic Party. At the time Babrak Karmel took over and the Soviet troops moved in, there were about 25,000 Afghan refugees in Pakistan more than 18,000 of them in the NWFP.

The trickle became a flood as conflict broke out. By March this year there were over 2 million refugees registered in NWFP and about 550,000 in Baluchistan — and the exodus continues. In recent interview, General Ziaul Haq said the total had topped 3 million. About 45 per cent of aid is provided by the Pakistani government, with the rest coming from a host of UN agencies and voluntary help programmes. The cost is biting deep — at an expenditure of Rs 150 (about US$15) per refugee per month, it has soared to an estimated US$1.5 million daily.

The relief programmes are at full stretch, and battling to handle growing health problems. A high incidence of tuberculosis has been reported in refugee camps. Clean water is scarce in both affected provinces, particularly Baluchistan. NWFP authorities have launched several major water supply projects in response. But refugees in the province's Nasir Bagh camp, only about 16km from Peshawar, have to drink canal water. A doctor working in the camp said gastroenteritis was rife among the children.

On the health front, the NWFP authorities, aided by the UN High Commission on Refugees has provided a drug dispensary for every tent village, and 31 mobile clinics serve 240 refugee camps. Baluchistan has 20 dispensaries and

10 mobile units serving 34 camps.

The massive influx has affected life in the two provinces. While people sympathise with the plight of their Afghan 'brothers-in-faith' the initial euphoric welcome in the best spirit of Muslim brotherhood has faded. Clashes have been reported between locals and refugees over the use of grazing fields and timber. In Baluchistan, where pasture land is sparse, local people charge the refugees have completely denuded several forests.

Baluchistan and the NWFP have moved to compensate for damage done by the refugees and their livestock, with large afforestation schemes. Education arrangements for refugee children include a primary school for every tent village. The provincial authorities have also opened vocational training centres offering courses in skills ranging from carpet weaving to blacksmithing.

Pakistan has not imposed residential restrictions on the refugees. An estimated 100,000 are living in the major centres, mainly Karachi in Sind province. The more affluent have bought homes and commercial properties. They are willing to pay higher rents than average, and real estate is enjoying a boom as a result. Rents and rates have soared in the provincial cities Peshawar and Quetta.

Wealthy Afghans evaded the law barring foreign nationals from buying property without federal permission, by bribing officials to issue them with national identity cards. Local tension ran so high that the Governor of Baluchistan, General Rahmuddin Khan, ordered a purge of Afghan refugees in Quetta. It netted only a few pavement hawkers.

The military government's handling of the political question is opposed by all political parties except the Jamaat-i-Islami and a couple of other rightwing groups. Begum Nusrat Bhutto, chairman of the People's Party, and retired Air Marshall Asghar Khan, leader of the Tehrik-e-Istiqlal, have publicly urged the government to recognise and deal with the Kabul government.

The only political party which has been allowed to work openly among the refugees is the Jamaat-i-Islami. This has caused resentment among other parties and led to accusations of government favouritism. Opposition parties feel there should be no role for political groups in relief work unless all parties are allowed to participate.

Meanwhile, Baluch leaders fear that if refugees continue to pour into the province – which has a population of 3-million – they will upset the balance between the Baluchi and those of Pakistan origin; roughly between the left and the right. And because the majority of the refugees are Pakhtuns, the situation could even turn the Baluch into a minority in their own province. Akbar Bugti, a former governor of the province, said the refugee problem was really a Pakhtun problem.–STWM

CSO: 4200/120

TEACHERS' DETENTION CALLED UNJUSTIFIED

Islamabad THE MUSLIM in English 6 Nov 82 p 4

[Text]

ALMOST one year ago, three teachers of the Quaid-i-Azam University were arrested in Islamabad for having been allegedly involved in distributing subversive literature. They include Mr. Jamil Umar, Lecturer in the Computer Science Department, Mr. Tariq Ehsan, Lecturer in the Pakistan Studies Department, and Dr. M. Salim, Assistant Professor of Chemistry. Since their arrest these teachers have been interned without any charges having been framed against them. As pointed out by the Executive Committee of the Academic Staff Association (ASA) of the Quaid-i-Azam University, it seems that after one full year of investigations, the FIA has not been able to present any concrete evidence regarding their so-called "crime". This mysterious delay on the part of the authorities to charge the teachers formally so that the due process of law can be initiated, is difficult to understand. In some cases, arrests are followed with night long trials and sentences are pronounced literally within 24 hours; on the other there are cases like the present one in which the people are kept in judicial remand for a long period of time without being formally charged.

The exact nature of the 'subversive' literature that these teachers are alleged to have possessed is not known. Amongst the police bonanza are books on international law and such best sellers as Solzhenitsyn's Cancer Ward. The definition of what is and what is not subversive appears to be rather broad and dubious. While nobody can condone genuine anti-state activities, it should be appreciated that in an institution of higher learning like a University, there are bound to be all shades of political opinions and beliefs. A certain amount of intellectual and moral tolerance has to be displayed for the individual proclivities of our young intelligentsia. Individual opinions and beliefs and varying inclinations should not *ipso facto* be regarded as subversion. However, if the authorities feel justified in having charged the teachers with subversive activities before the nation, it is incumbent upon them to give them a free, fair and speedy trial which is the basic right of every citizen of Pakistan.

CSO: 4200/119

LAW MINISTRY SAYS IDEOLOGY COUNCIL A DRAIN

Islamabad THE MUSLIM in English 6 Nov 82 p 6

[Article by Shamsul Islam Naz]

[Text]

FAISALABAD, Nov. 5: The Federal Law Ministry has deemed the efforts of the Council of Islamic Ideology a luxury and a drain on the national exchequer.

This was stated in the course of a 'stinker' addressed to the CII alleging that its recommendations were just a repetition of the recommendations of existing rules or the observations of the Law Ministry and, hence, an effort in futility.

The letter was sent by the Law Division to the council in reply to a number of amendments recently suggested by the council towards Islamisation of a number of laws covered by PPC Vol.I (1836-1871).

It may be recalled that since its installation, the CII has been engaged in the task of bringing Pakistan society into unison with Islamic ideology. The council has accordingly been sending a number of recommendations to the federal government.

On Nov. 12,1981, President Ziaul Haq addressed the members of the CII and gave it following guidelines:

– The council would draw a sketch for the setting up a 'Daarul Iftaa' (House of Islamic Injunctions).

– Enquiries would be made under Articles 220(A) (C) of the Constitution which would be channelised through the Cabinet Division, wherein a guideline would be issued by CMLA Secretariat.

– Four or five members CII would be appointed on a full time basis.

– Prior to their promulgation, the drafts of all statutes would be put up before the CII.

– The council would keep an eye on fresh legislation to ensure that newly promulgated laws were being implemented in letter and spirit and to locate impediments in their implementation, if any.

– The council would send a summary of its recommendations to the President through the Ministry of Religious Affairs. However, one copy of such summaries could be sent to the President directly as and when necessary.

The tussle started at the inception of the CII, but it reached a climax when the Law Division kicked up a controversy last year when the CII chairman asked the Law Secretary to submit one of the reports of the council to the President.

Recently, when the CII sent a comprehensive report to the Ministry of Law on Islamisation of laws contained in PPC Vol. I (1836-1871) for onward transmission to the President, the Law Division sent these recommendations back to the CII along with the comment that 'the report is just publicity material and does not contain any serious matter requiring consideration by the government.

After a protracted discourse in respect of number of CII recommendations, the Law Division claimed that these were just a 'repetition' and advised the CII to 'refrain from repeating the costly luxury in respect of remaining volumes of the code.'

CSO: 4200/119

WHEAT AID FOR REFUGEES ARRIVES

Islamabad THE MUSLIM in English 6 Nov 82 p 6

[Text]

KARACHI, Nov. 5: 15,000 metric tons consignment of wheat donated jointly by 10 member nations of the European Economic Community (EEC) as humanitarian aid for the Afghan refugees was yesterday handed over to the Government of Pakistan.

Mr. Mogen Prehn, Charge D' Affaires at the Danish Embassy in Islamabad, on behalf of the EEC, formally handed over the wheat consignment to Col. M. A. Razzak Khan Mirza, acting Chief Commissioner for Afghan refugees.

In a brief speech on the occasion, Mr. Mogen Prehn, said that the 15,000 ton wheat consignment which was being handed over today represented the first instalment of a total 50,000 tons of tons of wheat, which is being donated by the EEC for the Afghan refugees. He said the "Enormous number of Afghan refugees who had been forced to leave their homes and take shelter in Pakistan represented a very complex problem".

He said the EEC member countries supported endeavours being made to resolve the situation arising out of the events in Afghanistan in accordance with United Nations resolutions on the subject.

He voiced the hope that the Afghan refugees would be able to return to their homes as soon as possible. However, till that happened it was responsibility of the whole world to help in looking after the Afghan refugees and providing them with humanitarian assistance. The main burden in taking care of the refugees was being shouldered by Pakistan, he added.

Replying, Col. M.A. Razzak Khan Mirza, Acting Chief Commissioner for Afghan refugees, said that about 2.8 million Afghan refugees who had taken temporary shelter in Pakistan represented the largest single concentration of refugees in the world today".

He said the Afghan refugees were not a problem for Pakistan alone, but this question was one which concerned the entire world.

He said Pakistan was doing its' utmost to look after the Afghan refugees, with help and timely assistance from friendly countries, including the EEC member states, and such organisations as the United Nations High Commissioner for Refugees and the World Food Programme.

Meanwhile, the Federal Republic of Germany has provided Rs.265 million assistance to Afghan refugees through different channel.

This was disclosed Dr. Walter Froewis, Consul General of the Federal Republic of Germany while talking to PPI, during the EEC wheat handing over ceremony at Karachi.

Out of this he said Rs.200 million were given through international agencies like World Food Programme. The remaining Rs.65 million was given through bilateral arrangement between Pakistan government and the Federal Republic of Germany.. The assistance through bilateral channel consisted of tents, cloths, foods and medicines, he added.—APP/PPI

CSO: 4200/119

HIGH-POWERED COMMITTEES TO ALLOCATE ENERGY

Islamabad THE MUSLIM in English 7 Nov 82 p 8

[Article by A. Hafeez Khan]

[Text] The Federal Government are understood to have appointed a high-powered committee to examine the pros and cons for the fixation of priorities in respect of allocating the supply of natural gas to various industries as fuel and also as feed-stock to fertiliser industry.

The appointment of the high-powered committee has come in the wake of growing complaints from the existing as well as upcoming industries that short supply of gas is impeding expansion in industrial production and causing unanticipated delays in the implementation of new industrial projects.

The implementation of newly-sanctioned phosphatic fertiliser projects in particular, is stated to be facing long postponements due to non-issuance of No-Objection Certificates from the Federal Ministry of Fuel and Power for new connections. It may be mentioned that in view of the paucity of natural gas supplies under the existing compression and distribution capacities of gas selling companies, almost all the new industrial projects, specially the fertiliser and cement manufacturing projects, are sanctioned subject to the availability of natural gas and power connections at the proposed locations. And the availability or otherwise of these utilities are examined, and No-Objection Certificates issued by the Federal Ministry of Fuel, Power and Natural Resources and the various utility organisations.

The paucity of natural gas is stated to be causing a slow-down in the promotion of fertiliser projects. The country is deficit in the production of phosphatic fertiliser, the demand for which, is placed around 400,000 Nutrient tons but the existing production capacity is in the region of 88,000 N. tons while actual production was low around 58,000 N. tons in 1980-81. Thus the demand for phosphatic fertiliser is being met, for the most part, through imports which were to the extent of 280,000 N. tons in 1980-81 involving huge amounts of foreign exchange expenditure.

Three fertiliser projects sanctioned by the government about a year back are stated to have not yet received NOC from the relevant Federal Ministry and utility agencies for gas connections, and consequently, the process of implementation of these projects has ground to a halt.

Recently, four new projects, envisaging establishment of facilities in different locations of the country, to manufacture phosphatic fertiliser, have also been sanctioned by the government. But these sanctions too are subject to the availability of natural gas.

COAL

With a view to giving top priority to supply of natural gas as feed-stock to fertiliser industry, the High-Powered Committee, is understood to have come to the decision that all cement plants and power-generating units in the country should be switched over from natural gas to use of coal. If this decision becomes a concrete reality, natural gas will be available in comfortable quantities to other industries in general and fertiliser industry in particular.

According to official statistics, power generation accounts for the largest share in the consumption of gas. The Power sector consumed 29% of total gas sales during July 1981 and March 1982 which how-
largest share in the consumption of gas. The Power sector consumed 29% of total gas sales during July 1981 and March 1982 which how-
ever showed decline from 34% of the previous comparable period. The share of cement industry also fell to 10% during 1981-82 compared with 11% in 1980-81. This shows that if substantial reduction is effected in the consumption of gas in power generating and cement producing units, a larger share will be available to fertiliser and other industries. Last year, fertiliser industry accounted for 26% of total gas consumption, increasing from the preceding year's 21 per cent.

According to a study, the present high prices of fuel oil have brought coal almost at part in cost with the fuel oil in so far power generation is concerned. However, coal will not be able to compete cost-wise with natural gas even though the price of the letter has been substantially increased during the past two years. Insofar as the cemt industry is concerned, the cost escalation resulting from switching over from gas to coal may be adjusted by scaling down the present high rate of excise duty. In the case of power generations through coal the cost escal may be quite considerable.

CSO: 4200/120

PILOT PROJECTS PLANNED BY SCIENTIFIC COUNCIL

Karachi DAWN in English 8 Nov 82 p 4

[Text]

LAHORE, Nov 7: A five-year plan of the Pakistan Council of Scientific and Industrial Research will be given final shape by the end of December this year. The 1983-88 plan will be worth Rs 500 to 600 million and about one per cent of the G.N.P. will be specified for research and development.

This was stated by the Chairman, PCSIR, M. Aslam, while talking to PPI here on Friday.

He said special emphasis would be given on strengthening the existing research facilities in 16 different fields (disciplines). Obsolete and outdated scientific tools and equipment would be replaced by new ones and various new pilot projects would be started during the plan period, he added.

Task forces would be set up to promote biogas technology, solar dehydration, manufacture of carpet machines in the Northern Areas to increase the income of people living there. Moreover, arrangements would be made to supply purified drinking water to rural areas, he said.

Laboratory

Mr Aslam said a full-fledged PCSIR laboratory would be set up in Quetta at a cost of about Rs 50 million. With the establishment of this laboratory all the provincial capitals of the country would have one laboratory each of their own, he said.

Answering a question about achievements of the PCSIR so far, Mr Aslam said, PCSIR had developed rapid hardening cement which was of tremendous use during the war days.

Clarifying the point, he said in case a runway was damaged by enemey's bombardment or any other reason, rendering it completely unsuitable for planes' use, the application of this cement would restore the runway to normalcy in half an hour. A pilot plan, with a half-ton per day production capacity, had already been set up in the PCSIR, Lahore, he added.

Beverages

This gypsum-based cement might be used within two years of manufacturing date. Regarding research in food technology, he said efforts were being made to make sugarcane juice a beverage and that research in this direction was "at an advanced stage."

The PCSIR had already succeeded in evolving substitutes of Seven-Up, Coca-Cola and Fanta. New beverages with guava, apple and mango juice were also being developed, he stated.

Mr Aslam said the PCSIR was developing necessary equipment to convert fresh fruit into dry powder, maintaining its nutritive value as well as flavour.

With the evolvement of this technique, the estimated 30 per cent wastage of fruits would be eliminated. The PCSIR, he said, would supply the converters to rural areas at cheap rates to village folk.

Mr Aslam claimed that adoption of only sugar technology, evolved by the PCSIR, might enhance the returns from sugarcane by Rs 100 crore a year.

He said the PCSIR had also made a breakthrough in enriching the iron ore, developing new varieties of glass and ceramics, use of oils, fats and waxes.—PPI.

CSO: 4200/107

FRAMEWORK FOR EDUCATION, COMMUNITY UPLIFT

Karachi MORNING NEWS in English 14 Nov 82 pp 1, 4

[Text]

ISLAMABAD, NOV 13: DEPUTY CHAIRMAN OF THE PLANNING COMMISSION DR MAHBUBUL HAQ TODAY ANNOUNCED THE POLICY FRAMEWORK FOR THE EDUCATION AND THE COMMUNITY DEVELOPMENT TO BE INCORPORATED IN THE SIXTH FIVE-YEAR PLAN AND INVITED PUBLIC DISCUSSION ON THE PLAN OBJECTIVES IN THESE TWO SECTORS.

Just-returned from an exhaustive study tour of Azad Kashmir and North-West Frontier Province, the planning chief told newsmen he was seeking discussion on the proposed outline for education and community development as he would accept the blame for shortfall or lack of implementation for the Sixth Plan targets and the objects in all sectors.

He said he had travelled widely in the four provinces to achieve a consensus on the policy framework of the plan and during the next two to three months, he intended to go to villages and workers forum to solicit their opinions on various problems and priorities. With the visit to the four provinces and Azad Kashmir the first phase for the preparation of the Sixth Plan is over and the Planning Commission would now embark on translating the ideas emerging from the visits into concerte action.

Dr Mahbubul Haq said that in provinces there was a consensus on the framework of the plan as outlined by him which included opening of the rural areas to development activity, export of fruits, vegetables and agricultural products and development of Baluchistan as an agrarian economy. There would be emphasis on laying network of rural roads, power, water and other infrastractural facilities, he said.

OBJECTIVES

While talking about the plan objectives for the Sixth Five-Year Plan in the fields of education and local bodies he said he was proposing disbursement of 10 per cent of plan outlay for community development through the local bodies. This would mean an allocation of approximately Rs 500 crore to local bodies against the present Rs 170 crore.

He was of the view that community development work like rural roads, construction of small 1-2 megawatt turbines and supply of safe drinking water should be handed over to the local bodies. In this connection the district local councils have already been asked to prepare five-year district development plans.

The power of the local bodies to levy taxes was also being reviewed by the Local Bodies Commission and he was confident that these institutions would be in a position to mobilise 50 per cent of the expenditure planned to be spent through them. Presently local bodies raised Rs 70 crore only.

The Planning chief, who described his philosophy as the new economic agenda or development strategy, said he was confident that the plan would be able to hit its targets as he had found tremendous support for his policy objectives among the people. In fact in many respects the people were

already ahead of the planners. In this connection he referred to his visit to Bara Khel in Khyber Agency where people volunteered to pay toll-tax if the Government constructed a 1.3 mile-long tunnel through mountains linking Peshawar and Dera Ismail Khan. The tunnel would cost Rs 20 crore.

EDUCATION

In the field of education, Dr Haq proposed a moratorium on the opening of new universities but widening of the primary and secondary education base. This, he said, had become necessary in view of deterioration in the education standard.

Primary education and secondary education was a birthright but higher education was a privilege, commented the Planning chief.

Education standard has gone so low that we are in danger of losing generation after generation because of this deterioration in the standard of education. He said he was of the view that there had been an unmindful growth of universities and colleges which increased from seven to nine and 240 to 450 during the last 10 years.

PRIVATE SECTOR

Dr Mahbub said private sector would be called upon to play an important role in the implementation of the Sixth Five-Year Plan whose size would be approximately Rs 25,000 crore.

He said the measures to mobilise funds for the implementation of a plan of this size would be announced by him in a month or two.

Giving an example of how the private sector would be involved in the plan implementation, Dr Mahbub said the National Highway Board had already sought the private sector's participation in the construction of a parallel National Highway from Karachi to Nowshera at an estimated cost of Rs 450 crore. The private sector can set up a company to raise funds for the project by floating shares to the public. He said the same company would be responsible for recovering or levying toll taxes on the Highway. The National Highway Board has invited the private sector companies preferably with the foreign collaboration to bid for the project.

CSO: 4200/109

POLICE USE STICKS ON STUDENTS IN GUJRAT

Karachi MORNING NEWS in English 14 Nov 82 p 8

[Text]

GUJRAT Nov. 13: Police resorted to lathi-charge and tear-gas here this morning to disperse a students' procession demanding arrest and trial by military court of the culprits responsible for beating and injuring three students, one of them seriously on Nov. 9 at GT Road.

The students captured six trucks and stalled them on the road to block the traffic. They put on fire a GTS bus and a police jeep. They also broke the glasses of a Government car.

The police after registering a case have arrested 20 students under Sections 432|427|148 and 149 of the PPC.

PRESS NOTE

A Press note issued by the District Magistrate of Gujrat said that 1,000 students of three local colleges including Zemindara Degree College Zamindara Science College and Sir Syed College took out a procession. They were raising slogans and demanding arrest of the accused who had beaten a student Aftab Ahmad Lak and seriously injured him, cancellation of the bail before arrest granted to the accused by the Additional Sessions Judge of Gujrat and their trial by a military court.

Earlier on Nov. 9, three students were injured in a clash between two groups of students One of them seriously injured while the other two received minor injuries. These students were injured by a group of ten person including seven students. The students' procession came on the GT Road.

"Some of the processionists were carrying sticks hockeys and iron bars.

The District Administration tried its best to persuade them to disperse peacefully.

The processionists were told that five out of the 10 accused had already been arrested and the rest would be hauled up soon.

They were also assured that the accused would be tried by military court and application for the cancellation of their bail had already been moved in the court.

The students did not pay any heed to it and continued to march forward on the GT Road.

The students captured six trucks and stalled them in the middle of the road to block the traffic.

They were violent and put on fire a GTS bus and a police jeep. They also broke the glasses of a Government car.

To disperse them the police restorted to lathi-charge and tear-gas. After which the students were dispersed.

The situation was fully under-control.

The police have registered a case under Section 432|427|148 - 149 of the PPC and arrested 20 students for creating disturbance.—PPI.

CSO: 4200/109

1000 PAKISTANIS FACE EXPULSION FROM KUWAIT

Karachi DAWN in English 9 Nov 82 p 14

[Text]

Nearly 1,000 Pakistanis are among the 4,000 and odd illegal immigrants facing expulsion from Kuwait. The Pakistanis have now been asked to 'regularise' their stay by Dec 31, and the Pakistan Embassy was helping them in this regard. This was disclosed by Brig. Mohammad Akbar, Director-General, Bureau of Emigration and Overseas Pakistanis, at a Press conference in Karachi yesterday.

About the arrest of 61 Pakistanis following clash with Thai nationals working in Kuwait which cost one life, he said the trouble started after some Thais objected to ablution water falling on one of them. The Kuwaiti Police have been asking the detenus to name the 'killer' but so far none of the 61 had identified him.

He said the Bureau has introduced uniforms for the emigrants viz. a bush shirt and a pant or a 'dangri' (Overcoat) over their dress with name-plate on the chest and name of the Promoter at the back. The Bureau has fixed no colour of the dress which can be chosen by the emigrant himself but it should be one colour, he added.

The condition of wearing uniform will, however, not apply to doctors/engineers and other technical hands, he disclosed, adding the uniform will help the emigrant as well as eliminate chances of "illegal" entries abroad. It will also help the authorities and agents to identify the genuine emigrants.

He also gave a cheque for Rs. 50,000 to Mrs. Zainab Gul Mohammad, mother of a worker Mohammad Younus who died from sun stroke in Saudi Arabia. This was towards the settlement of the first-ever Group Insurance Claim.

He said so far 45,000 workers have been covered under the Group Insurance Scheme which has been made mandatory for an emigrant. There are about seven lakh registered emigrants and about 1.5 million abroad — majority serving in Saudi Arabia, he disclosed.

Brig. Akbar said there were 357 promoters enlisted with the Bureau who are sending about 12,000 Pakistanis abroad mostly to the Gulf states out of which only 30/40 complaints were being received by him regarding non-fulfilment of agreements, etc.

He asked the workers desirous of jobs abroad to acquire more "technical skill" in the services oriented countries and laid stress on mass technical education on help-each-other basis because there was a future for the "technical" hands only.

CSO: 4200/108

SEEKING INDEPENDENT OPINIONS ON PLANNING SUPPORTED

Karachi DAWN in English 8 Nov 82 p 7

[Editorial]

[Text] THE Planning Commission's decision to set up 12 working groups and two sub-groups to lay the groundwork for the Sixth Five-Year Plan is in principle a positive step. The Plan which will provide the framework for the economic management of the country for five years from 1983 onwards will be too important a document to be entrusted to only a handful of officials in the Planning Commision and the Finance Ministry. Hence, the idea of eliciting non-official opinion on the next Plan's priorities and targets is to be generally welcomed. Even in countries where elected legislatures provide an opportunity for articulation of diverse views and aggregation of competing interests, the media enjoy freedom of expression and public debate on important issues is encouraged as an established practice, the views of specialists on their respective subjects carry much weight. Thus, as a routine, universities, autonomous organisations and private scholars conduct independent and in-depth research on questions of national significance. . The research carried out by unofficial organisations has its own utility. This brings out the alternatives that are available in a given area and the degree of public support for each one of them. Thus, policy-makers are enabled to proceed not from narrow considerations but from those broad and unbiased views of specialists in various fields which enjoy wide public acceptance. This approach has been found indispensable in drawing up foreign policy, shaping the course of economic management and developing political processes in democratically governed countries.

The Planning Commission has obviously taken its cue from the experience of countries where the existence of diversities is recognised and pluralism accepted. But it would be un-realistic to expect profound results from the exercise the planning body hopes to undertake in the next few weeks. In the first place, three or four meetings that have been planned for each group will hardly suffice for them to draw up comprehensive and well-researched reports on such important and far-reaching subjects as agriculture, industry, the infrastructure, education and the like. The entire exercise should have been initiated months ago if its results were intended to be taken quite seriously. Secondly, the output of independent and unbiased re-

search is the function of adequate intellectual inputs. This in turn presupposes the existence of several independent centres of thought, competent agencies for monitoring opinion and a wide network of autonomous academic and research institutions, all enjoying a reasonable degree of freedom. The Government has its own research sections in nearly every department which are supposed to be carrying out studies in their own areas of interest. But these obviously project mainly the Government's point of view. No effort has ever been made to encourage the establishment of independent 'think tanks' in the country where specialists could conduct research with complete objectivity and articulate their findings without fear or favour. The independence of a few research organisations that did exist has been gravely eroded, so that they now function as mounth-pieces of the Government. The universities which serve as centres of independent thought and research in other countries have had their autonomous status seriously impaired and are closely controlled by the Government, so that they are making virtually no academic contribution whatsoever. Independent scholars, academics and economists are non-existent as a class in Pakistan.

In such a situation there are only two groups which can make their voice heard in the economic decision-making process. They are the bureaucracy, on the one hand, and the interest groups, mainly, the big business and agricultural lobbies, on the other. While the first has established a widespread empire through which it effectively exercises a stranglehold over every area of national economic life, the second has the means to project its interests and influence the judgment of the bureaucracy. No other school of thought or opinion is in evidence. In fact, experience shows that individuals or institutions with an irresistible urge to project what in their honest judgment is in the broader national interest come to no good end. Had independent research been encouraged in this country, the Planning Commission would not have been constrained to resort to this hurried exercise of establishing working groups. The findings of independent economists not serving the interests of a particular lobby or class would have been available for the Planning Commission to draw upon.

CSO: 4200/107

PROSPECTS OF LARGER TRADE WITH INDIA DISCUSSED: FLEXIBLE EXPORT POLICIES

Islamabad THE MUSLIM in English 9 Nov 82 p 4

[Text]

AN Indian trade delegation has arrived in Pakistan to explore possibilities of promoting larger trade between the two neighbours. The significance of the 22-member delegation, lies in the fact that it follows the agreement between President Ziaul Haq and Mrs. Indira Gandhi in New Delhi on setting up a joint commission, and it is the first Indian non-official trade delegation to visit Pakistan in 25 years.

The three-year trade agreement between the two countries, following the Simla Accord, ended in January 1978, and since then they have not been able to conclude a new agreement despite frequent negotiations. During the first of the three years the balance of trade was in favour of Pakistan, and during the next two years in favour of India. The same happened in 1978-79 following the expiry of the agreement, but since then the trade has been extremely favourable to Pakistan. However, as Mr. Punj, the leader of the Indian delegation, has conceded, Pakistan's exports were largely re-exports as furnace oil, or temporary surpluses like pig iron. Hence the basis of trade between them has to be a balanced and fair one and gainful for both.

Following persistent pressure from India to increase the volume which reached the peak in recent years of Rs. 984 million in 1980-81, Pakistan has now allowed the import of 40 items from India by the private sector through the Trading Corporation, of Pakistan. It has also now permitted direct export of textile and other items to the free trade zones in India, provided payments are made from third countries. These are undoubtedly significant moves.

Mr. Punj is thinking in terms of not only larger trade between the two neighbours but also joint enterprises in Pakistan and in the Third World countries. Evidently the scope for co-operation in the economic sector between the two countries is infinite as long as the right political climate and cooperative spirit prevails on both sides.

Mr. Punj is now hopeful that there are more indigenous items in Pakistan which India can import profitably. Pakistan's goods have become cheaper for India now as its exchange rate has sunk to Rs. 12.72 per dollar while the Indian goods will become relatively more expensive as the exchange rate for the dollar is Rs. 9.74. Pakistani industrialists and other producers need not now have the fear of Indian goods swamping their products because of their lower prices. Clearly not only the

current political situation but also the exchange rates are helpful to larger trade between them.

Mr. Punj says that Indian businessmen are aware that trade between the two countries should not adversely affect Pakistan's nascent industry, and India is in favour of a two-way trade as between fair business partners. The Indian Trade Delegation's approach is realistic and sensible. And there is real flexibility on Pakistan's side and the readiness to promote larger trade on a pragmatic basis.

India wants larger trade with Pakistan at a time when the exports of both the countries have slumped and their export prices, too, have fallen. If Pakistan can import from India items cheaper than from other sources, both price and quality-wise, such imports should be encouraged. And in the sphere of exports, Pakistan may have to provide tax concessions and other reliefs so that its products could be exported to India without undue exertion. The fact is that Pakistani manufacturers and exporters will have to compete with Indian products the world over even if their imports are not permitted into Pakistan. A ban or real deterrents to imports may encourage smuggling as well. Hence the Government should look into the fiscal structure and other bottlenecks that impair Pakistan's export capacity and remove them. In a rapidly-changing world the controllers of Pakistan's economy have to be ready to change, to become flexible and pragmatic to achieve positive results. An excess of caution or a passion for status quo will not enable the economy to move fast, much less take the kind of leaps the Planning Commission is rosily envisaging.

CSO: 4200/113

JUDICIARY CLAIMED TO HAVE 'ALL REQUISITE POWERS'

Karachi DAWN in English 8 Nov 82 p 9

[Text]

LAHORE, Nov 7: The Acting Chief Justice of the Lahore High Court Mr Justice Javed Iqbal, today observed that the judiciary in Pakistan enjoyed all those powers to which this institution should be entitled in a civilised setup and an Islamic society.

Talking informally to newsmen at his chamber, he said, during the last eleven years of his association with judiciary as a High Court judge he had never experienced any intereference from any Government. He replied in the affirmative to a question if the existing judicial system in Pakistan was in conformity with the verse of the Holy Quran which was the motto of the superior courts "Ediloo Huwa Aqrabu Littaqwa". He was of the opinion that the judicial system in Pakistan was very close to Taqwa.

The learned acting Chief Justice was of the opinion that the powers of the judiciary had not been curtailed because of the promulgation of the Provincial Constitutional Order, 1961.

Mr Justice Javed Iqbal observed that unlike developed countries, the developing countries had their own peculiar problems which could not be ignored in assigning role to the judiciary. Similarly, India and Pakistan too had different problems and circumstances to face and hence there could be a difference in their approach to judicial system.

He maintained that the judiciary was not there to give or make laws — it was strictly for the legislature or legislator to give laws while the judiciary's function was only to interpret those laws.

He asserted that the judiciary in a society was deeply linked with the public opinion and its strength, to a very large extent, depended on the public opinion in that society.

Answering a question, he said, the doctrine of Necessity which was often attributed to Prof Hans Kelsen, was much older. One could find it in the writings of the great Muslim political thinker, Al-Mawardi in whose opinion opposition to government engaged in enforcing Islam in the society was punishable.

Referring to the burden of work in the four benches of the Lahore High Court, he said, the correct position was that even if a judge could be expected to dispose of one thousand cases each, as many as 53 judges were needed in the benches as over 53,000 cases were pending at present. The judges, he said, were extremely overworked and it was wrong to suggest that they did not do enough work.

He released figures to prove that over 30,000 cases were pending in Lahore bench alone while the number of those in Multan, Rawalpindi and Bahawalpur benches, stood at 10,000, seven thousnd and five thousand respectively. Similarly, in a civil court about 2,04,000 cases remained undecided while in district courts alone 74,000 cases were awaiting disposal.

CSO: 4200/107

WALI KHAN CRITICIZES EXPLOITATION OF ISLAM

Karachi DAWN in English 8 Nov 82 p 9

[Text]

PESHAWAR, Nov 7: Khan Abdul Wali Khan, a leader of the defunct National Democratic Party, has criticised the various interpretations of Islam by different quarters to suit their interests.

Talking informally to newsmen at the Lady Reading Hospital here, where he had gone to visit his ailing father, Khan Abdul Ghaffar Khan, he said the Government too had its own interpretation of Islam, declaring things Islamic or otherwise according to its own interests, while politicians, on the other hand, defined the religion to their own benefit.

Referring indirectly to a defunct political party claiming to be the champion of Islam, he said if you judged this party from its words that it used for others, you would observe there was no sanity which Islam demanded from its followers.

Khan Abdul Wali Khan said the holy Prophet (may peace be upon him) had declared that he who harmed other Muslims by his tongue or hand could not be a true Muslim. "If we are true believers and followers of Islam, we shall have to prove from our deeds and words," he added.

In reply to a question, he said he had completed the research work and part of the book up to the period of 1948 and had also made notes of his party's trial in the Supreme Court to the jail period. He said he was intending to bring the entire post-partition period up to the present era.

About 100 persons visit Khan Abdul Ghaffar Khan in the hospital daily and some more X-rays were taken yesterday. The medical board is expected to give its opinion by this evening.

Abdul Ghani Khan, the brother of Khan Abdul Wali Khan, who is suffering from a lungs disease and is being treated in the same hospital is undergoing very crucial treatment.—PPI

CSO: 4200/107

TEHRIK EXPELS NAFEES SIDDIQI

Karachi DAWN in English 8 Nov 82 p 9

[Text]

Mr. Nafees Siddiqi, Central Information Secretary of the defunct Tehrik-i-Istiqlal, was expelled from the party yesterday.

Mr. Musheer Pesh Imam, the party's Secretary-General, in a Press release, explained that action against Mr. Nafees Siddiqi had been taken "for serious violations of party discipline."

Mr. Nafees Siddiqi was assigned the responsibility of coordination and information for MRD. The defunct Tehrik's Central Executive at an earlier meeting in Peshawar had decided not to accept any office in MRD in view of its differences over the move to form an MRD Secretariat and to organise MRD on the provincial, district and other levels.

The Press release from the office of Mr. Pesh Imam said that the party's Acting President, Syed Munir Shah, had terminated the primary membership of Mr. Nafees Siddiqi and had appointed Malik Haider Osman, Additional Secretary of the party, to perform temporarily the functions of Information Secretary.

In another Press release, Mr. Pesh Imam said Mr. Nafees Siddiqi at his own request was granted permission to see the party chief, Mr. Asghar Khan, on Nov. 15. However, it added, Mr. Asghar Khan had declined to see him and informed the Government accordingly through the Commissioner, Abbottabad.

Mr. Nafees Siddiqi in a statement denied that he had accepted any office in the MRD Secretariat. He said he had only accepted "certain responsiblities" to make MRD "effective." If the defunct Tehrik Working Committee told him not to undertake any assignment of MRD, he would excuse himself under party discipline from the MRD Secretary-General, he assured.

CSO: 4200/107

PUBLIC SERVICE COMMISSION UNDER REVIEW

Islamabad THE MUSLIM in English 9 Nov 82 p 8

[Text]

FAISALABAD, Nov. 8: President Zaiul Haq appointed a committee under the Chairmanship of Dr. Mohammad Afzal, presidential Advisor on higher education and Chairman UGC, to review the whole system of competetive examination of Federal Public Service Commission in order to select most suitable persons for different services, keeping in view the requirements of the country.

The committee would submit its report to the president for consideration, this was disclosed here today by Mian Mumtaz Ali, Vice-Chancellor University of Agriculture while addressing the member of the syndicate. He said that the University may be granted relaxation for 25 years to the maximum of 30 years for admission to competetive examination. He further informed the members that such matters have been considered by the committee and the decision on the report is awaited from the Federal Government.

The syndicate accorded approval for the affiliation of Barani Agriculture College Rawalpindi with the University of Agriculture. The Barani Agricultural College was established by the provincial Govt. in Feb. 1980, in accordance with the recommendations of the Barani Commission, with a view to produce personnel trained for barani oriented agriculture.

The syndicate also approved the institution of a new degree programme of M.S.C. CRO. Physiology and its courses of study. It also increased the quota for the admission of candidates from the brotherly Islamic countries in various courses.

CSO: 4200/113

AFGHAN TROOPS REPORTEDLY SUFFER HEAVY LOSSES

Islamabad THE MUSLIM in English 9 Nov 82 p 6

[Text]

PESHAWAR, Nov. 8:Details are now available here about the gains made by the Mujahideen in their encounters with Afghan troops in Kunar province during the last two months.

According to reports reaching here from across the border, the Mujahideen ambushed Afghan troops, inflicted heavy casualties, and shot down one jet aircraft, one helicopter and fighter plane.

Reports said Mujahideen ambushed a supply convoy between Asmar and Barikot on Sept. 26 and seized 18 vehicles loaded with supplies.

Upon this, some troops of the Afghan army were went for operations against the Mujahideen on Sept. 28. However, the Mujahideen ambushed the troops and inflicted heavy casualties and losses. A Brigadier 16,officers, four NCOs and a number of soldiers were killed and 10 officers and some NCOs were wounded. One lieutenant colonel and over 500 officers and troops were captured.

Mujahideen ambushed a convoy near Nwabad Babar on Oct. 7, as a result of which a large number of Afghan officers and soldiers were killed or wounded.

Mujahideen raided a post of 914 border battalion in Bambool in Kandahar province on Oct. 6 where one Soviet adviser. and three Afghan soldiers were killed the deputy commander of the battalion and two soldiers were wounded, and four armymen were captured.

Due to Mujahideen firing, ambushes and mine blasts in area between Chamkani and Matun in Paktya, five officers and 16 soldiers were killed, 13 Afghan officers, one NCO 171 armymen and three party workers were wounded and 21 soldiers were captured. One Afghan aircraft was shot down.

In Khugiani, in Ningrahar province, Mujahideen killed 32 troops on Sept. 28. Earlier, the deaths of 66 troops were reported from the same area. These casualties were from the troops and volunteers who were lured into Khugiani by Mujahid leader Zaman on the pretext of surrendering. A number of troops and volunteers were captured by Mujahideen. Mujahideen ambushed a convoy near Behsud bridge on Oct. 7, in which one soldier was killed and three others were wounded.

In the encounters in Parwan and Laghman, Mujahideen killed eight officers, three NCOs and 10 soldiers. They wounded one battalion commander, one company commander and 14 armymen and shot down one helicopter.

Mujahideen frequently fired on troops in Kabul and Sarobi area. They ambushed convoys on Kabul-Jalalabad highway on Sept. 1, 7, and 8, destroyed two tanks, six vehicles and killed 11 Soviet and several Afghan soldiers. Several aroujreen were killed or wounded in the Sarobi area.

Mujahideen shot down one jet aircraft at Matun in Paktya province on Sept. 30, one helicopter and a Jet fighter on Oct. 3, in Paktya province, one helicopter near Kandahar on Oct. 3, and one helicopter near Dara in Parwan province on Oct. 8.- APP

CSO: 4200/113

NWFP LAWYERS BLAME GOVERNMENT FOR SITUATION

Islamabad THE MUSLIM in English 6 Nov 82 p 8

[Text] PESHAWAR, Nov. 5: The presidents and secretaries of all the Bar Associations of NWFP, members of the Pakistan and NWFP Bar Councils and Senior Members of the High Court Bar Association, Peshawar met here yesterday and thoroughly discussed and considered the ways and means, to achieve the objectives of the lawyers community of Pakistan.

The meeting convened by the PHCBA and Presided over by Mian Mohammad Ismail Qureshi, congratulated the lawyers of Pakistan particularly those arrested, for their sacrifices and united efforts to achieve their goal. It appreciated that the movement launched by the lawyers for the achievement of their objectives in a very peaceful manner, was being pursued in most successful manner and the meeting re-atriated its full support to the movement, and promises to offer every sacrifice for the same in the way and manner decided by the representatives committee of all Pakistan lawyers.

The meeting, however, noted with regret the attitude of the government towards this peaceful protest of lawyers, by arresting some of them at Lahore and Karachi on the pretext of unlawful activities, and convicting them by Summary Military Courts where no normal defence was allowed to them, and this had further aggravated the situation for which the government was responsible.

It was of the opinion that establishment of rule of law and constitutional government, had been the main object of the Constitutional and political structure of Pakistan as desired and expressed from time to time, by the Quaid-e-Azam, who was also a lawyer and the lawyers community felt his duty to struggle for the same.

The recent amendments in the legal practitioners and Bar Council Act, 1973 it observed had been promulgated with a motive to desist the lawyers from their struggle for the sacred achievement, which act of the government was determental to the cause of the people and the country at large.

The meeting, therefore, called upon the government to release immediately Syed Aftikhar Hussain Gilani and Sher Alam, Advocates, arrested at Lahore, Abdul Hafeez Lakho, President and Abdul Malik Khan, Secretary of Karachi Bar Association arrested at Karachi and all others lawyers, and to accept all the demands of lawyers approved by a declaration and resolutions in the All Pakistan Lawyers Conviction held in Lahore.

The resolution was moved by Khan Bahadur Khan, Member Provincial Bar Council, while the speakers included Khan Baba Khan, Mushtaq Ali Tahirkheli, Inam Ullah Khan, Barristers Wisal and Masood Kasur and Syed Sibtul Hasan.

CSO: 4200/119

LAWYERS' STRUGGLE LAUDED

Islamabad THE MUSLIM in English 7 Nov 82 p 8

[Article by Shoaib Siddiqui]

[Text]

ISLAMABAD, Nov. 6: The President of Pakistan Bar Association, Muhammad Ismail Chaudhry, said here today the lawyers community, numbering more than 20,000, was struggling hard for the restoration of basic human rights, suspended under the Martial Law. Ninety per cent lawyers, he claimed, had no affiliation with any political party.

Mr. Ismail Chaudhry was addressing a Press conference this evening. "We the lawyers stand for the rule of law, rule of the Quran, and the Sunnah. We are struggling for the restoration of basic human rights. These rights have been gifted by Almighty God and no one can take them back", he declared.

Replying to a question about Begum Nusrat Bhutto, he said, there should be no discrimination in her case and she must be allowed to go abroad for medical treatment. When Wali Khan could go abroad frequently for treatment, why can't she, he asked.

To another question, he said the country was facing a leadership vaccum. The present political leaders, he said, had been discarded by the people as they were neither sincere nor had the capability of championing the cause of the people. They in fact, he said, were engaged in 'Noora Kushti'.

Mr. Chaudhry said MRD or any other political party was not in a position to launch any popular movement for the restoration of democracy. The people of Pakistan, he said had a passion for Islam, and they would not come forward to offer sacrifices for democracy or Socialism.

Mr. Chaudhry said the Martial Law imposed by the late Prime Minister Bhutto was the fore-runner of the present one. He said elections were quite valid in Islam and the concept of consultation (Shoora) could only be realised through the elected representatives of the people. Martial Law, he said, was opposed to the fundamental principles and spirit of Islam. 'No one has the right to snatch away the God-gifted human rights and liberties", he added.

He said he had addressed identical letters to President Ziaul Haq, Acting President, Justice Muhammad Haleem and Ambassadors of all Muslim countries based in Islamabad, attributing all the present-day problems faced by the Muslim World to dictatorship or Kingship.

These Kings and Dictators, he said, had imposed their will forcibly on the Muslim people and had established their own political and economic system, which was based on usurpation plunder, zulm and epicureanism and they had enslaved their own people.

He stated in the letter, text of which was released by him at the news conference, that the solution to the problems of the Muslim Millat lies in abolition of all types of dictatorships and monarchies, enforcement of the laws of the Holy Quran and Sunnah, which guarantee human rights and social and economic justice, abolition of Riba (Interest), and establishment of government elected by the people.

The Islamic political system, Mr. Choudhry said could meet all the challanges of imperialism. He urged the Muslim States to follow the good example set by the Islamic Republic of Iran, which held elections despite internal rebellion and external aggression and conspiracies.

CSO: 4200/119

WALI KHAN HIS BOOK TO 'EXPOSE SOME BIG GUNS'

Islamabad THE MUSLIM in English 6 Nov 82 p 8

[Article by Murtaza Malik]

[Text] PESHAWAR, Nov. 5: Defunct NDP leader Abdul Wali Khan has said that some big religious leaders Pirs, Khans and Nawabs would be unmasked when his book on the political developments in the Sub-continent was finally through the Press.

In an interview here the Khan, who was here to see his ailing father Abdul Ghaffar Khan in the Lady Reading Hospital, said that during his recent stay in London he was a frequent visitor to the India Office Library where he was able to dig out some very interesting and revealing material with regard to the role of some "big guns" during the time when the British were planning to say good bye to India.

Wali Khan said he had been getting hold of such records in the past as well but this time he confined himself to the correspondence between the Viceroy and the Frontier's Governor which disclosed that some prominent religious figures had been helping the British in the achievement of their objectives against a monthly return of just 15 chips. That, he remarked, was very unfortunate. Although, he said, the India Office Library still had got lot of material which could be helpful but the stock he had already gathered was sufficient for his book, which would be published in Pushto. Its Urdu rendering would be done by his wife Nasim Wali.

Khan Wali Khan said that his real motive in visiting the India Office Library was to get a clue to the British policy regarding his Father's Khudai Khidmatgar Movement as it neither helped them internally nor externally. The British he recalled used Islam for their political ends and that was why the Kufr fatwas had been procured against Bacha Khan from the religious leaders by the British Governor. The British, he added, were afraid of Bacha Khan's movement although it was based on non-violence.

CSO: 4200/119

BRIEFS

LAWYERS' CONVICTION CRITICIZED--HYDERABAD, Nov 7--The General Secretary of Hyderabad Bar Association, Mr. Abdul Sattar, today strongly condemned the sentence awarded to Mr. Abdul Hafeez Lakho and Mr. Abdul Malik, and cases filed against other advocates including Mr. Fatehyab Ali Khan, Mr. Ansar Burney, Mr. Rasheed Rizvi, Mr. Aqil Lodhi, Mr. Naheed Afzal, Mr. Nafees Siddiqui, Mrs. Nargis Siraj and Secretary of Karachi Bar Association Farooq H. Naik. He also demanded that the 1973 Constitution be restored. [Karachi DAWN in English 8 Nov 82 p 12]

SIMLY DAM COMPLETED--ISLAMABAD, Nov 7--The long awaited Simly Dam project, launched in 1964 was on Sunday completed at a cost of Rs 52 crore. The Chairman Capital Development Authority (CDA) told newsmen that the completion of Simly Dam did not require any foreign assistance. He added he was offered assistance many times by aid-giving agencies, but he never encouraged the idea as it would have doubled the estimated cost of the Dam. The reservoir of the Dam will store water of flood and perennial flows of Soan river, which will be filtered and supplied to Islamabad through twin conduction pipeline. The Rawalpindi Municipal Corporation, the CDA chief said, has also been offered a fair quantity of water for the people in Rawalpindi. Mr Gardezi said the Dam will provide 24 million gallons of water a day, which was enough to meet the needs of Islamabad. The Simly Dam, he said, will also supply water for irrigation in all the nearby villages. [Karachi DAWN in English 8 Nov 82 p 12]

BIZENJO BARRED FROM KARACHI--Externmane order was served on Mir Ghous Bakhsh Bizenjo, President of the defunct Pakistan National Party (PNP), in Karachi yesterday. But his externment from Sind has been withheld for a week to enable him to undergo certain medical tests in Karachi. Mr Bizenjo was asked to leave immediately as his "activities were considered inconsistent with the maintenance of peace and public order in the Province." The order will remain valid for a period of one month. "Karachi DAWN in English 9 Nov 82 p 1]

NEW PASSENGER TERMINAL PLANNED--A British consulting firm is preparing a report on traffic flows at Karachi Airport which will form a basis for the construction of the new terminal building, says a BLS Press release. The report is being prepared by Sir Alexander Gibb and Partners and the work has been assigned by the UK's Overseas Development Administration as part of its aid programme for Pakistan. According to the Press release, preliminary on-site surveys of passenger and baggage handling are being processed with the aid of computer simulation programmes at reading, southern England. Future flows

will be forecast, and the analysis will be used to ascertain the optimum size of a new terminal, including aircraft parking aprons, access roads and car park. [Karachi DAWN in English 9 Nov 82 p 14]

STUDENTS' RELEASE DEMANDED--The President of Dawood College of Engineering, Syed Mohammad Bilal and General Secretary, Mr Rizwan Husain, have demanded immediate release of University students, Mr Imtiaz Ahsen and Mr Ahmed Ali. [Karachi DAWN in English 9 Nov 82 p 14]

BAR ASSOCIATION TO INVITE LEADERS--Nov 8--A joint meeting of the Lahore High Court and District Bar Associations, held here in the High Court premises on Monday decided to invite leaders ov arious political parties to address the bars, in persuance of a resolution adopted earlier. The meeting, which was jointly chaired by the presidents of the two bars, namely Mr Abid Hasan Minto and Mr M.R. Arshad, also decided to set-up a committee to request the leaders to address them. The meeting further decided in principle to observe general strike on a day, to be fixed later, after consulting other bars of the country. The meeting was addressed by Mr Abid Hasan Minto, Mr Eitezaz Ahsan, Mr Bashir Zafar, Mr Afzal Sindhu and Raja Mohammad Safdar. [Karachi DAWN in English 9 Nov 82 p 16]

JOURNALISTS SUPPORT LAWYERS--APNEC (Karachi) and KUJ (Barna group) at a joint meeting of the Karachi Press Club expressed their solidarity with the lawyers struggling for the restoration of their legal rights. The meeting was addressed by the Acting President of the Karachi Bar Association, Mr Khalid Hameed; General Secretary, Mr Farooq Naik, and lawyers Rashid Rizvi and Shamsad Lari. From among the journalists Mr Minhaj Barna, Chairman, Central APENC; Mr Mahmud Ali Asad, Chairman, Karachi APNEC, and Mr Abdul Quddus Shaikh, President, KUJ, addressed the gathering. A labour leader, Mr S.P. Lodhi and noted writer Shaukat Siddiqi also spoke, while poet Habib Jalib recited his poems. Resolution adopted at the meeting called for the release of political leaders, journalists, students and labour representatives, and also for the lifting of censorship and restoration of civil liberties. PPI adds: Mirza Jawwad Baig said in a statement yesterday that the lawyers' agitation in Lahore and then in karachi against the amendments in the Bar Bouncil Act does not really have any direct bearing on the masses. It is rather a professional struggle and has not much to do with common public interest. However, it is in the interest of the nation and would be wise on the part of the M.L. Government to immediately release all advocates, so far arrested in connection with the present movement and accept the legitimate demands of the lawyers forthwith, he added. [Karachi DAWN in English 9 Nov 82 p 16]

PAKISTAN-UNITED STATES JOINT VENTURES--A joint venture drilling company may be formed in Pakistan to accelerate the pace of drilling oil wells in the country, it was learnt in Karachi. A proposal for the formation of such a company came up for initial discussion between Pakistan's Economic Minister in Washington and the U.S. investors. An American firm has prepared a feasibility report on the proposed joint venture. The report said Pakistan could achieve oil production level of 30,000 to 40,000 barrels per day as a result of an accelerated exploration and development programme. It quoted experts saying that such a level of oil production was not out of Pakistan's reach.

This would result in the saving of foreign exchange resources which can be utilised for internal development. Drilling and workover operations, the feasibility report said, are highly sophisticated and technical in nature, thus demand imaginative synthesis of technical and management resources. "In our view, to achieve an accelerated pace of drilling activity, without which Pakistan's energy resources can not be developed in the shortest possible time it is necessary to separate drilling from search and exploration for oil," the report said. [Karachi DAWN in English 9 Nov 82 p 16]

SIDDIQI CRITICIZES EXPULSION--Mr Nafees Siddiqi has said that the termination of his primary membership of the defunct Tehrik-i-Istiqlal was against the constitution of Tehrik and termined it as a conspiracy against the party. In a Press statement he said yesterday he never violated the party manifesto, constitution or decisions of the National Working Committee. Actually, Party Secretary-General, Mr Musheer Pesh Imam, is violating the decisions and policies of the party and working against the interests of the party, he said. However, he said, the matter as to who had violated the party policies and decisions can be presented and discussed by the National Working Committee or National Council of the party who are the most competent bodies of the party for taking such decisions. He appealed to the members of the National Council to give him an opportunity and look into his "conduct and activities" and that of Mr Pesh Imam. [Karachi DAWN in English 9 Nov 82 p 16]

MEMBER QUITS TEHRIK--QUETTA, Nov 8--The Central councillor of the defunct Tehrik-i-Istiqlal, Sher Farooq Shah Agha, has resigned from the basis membership of the party. [Karachi DAWN in English 9 Nov 82 p 16]

PERMANENT SPLIT IN JUI--Nov 8--All efforts to reunite the two warring groups of the defunct Jamiat Ulema-i-Islam (JUI) appear to have failed and the two factions have come to function separately. Announcing this at a Press conference Maulana Faqir Mohammad a third Nazim of the defunct party claimed that 300 out of the 397 members of the Central Council had attended a meeting convened by the group, which would like to be known as Mufti Mahmud Group and had chosen Maulana Siraj Ahmad Dinpuri as the Amir and Maulana Fazlur Rehman son of late Mufti Mahmud as the new Secretary-General. The other faction, which would be headed by Maulana Darkhwasti and Maulana Ubaidullah Anwar, would be known as the Maulana Darkhwasti Group. The Mufti Mahmud Group whose formation has been announced formally, would continue its membership of the party. [Karachi DAWN in English 9 Nov 82 p 16]

WORLD BANK AID--HYDERABAD, Nov 8--WAPDA authorities said here on Monday that the World Bank had agreed in principle to consider part financial assistance for completion of Rs 3,750 million Left Bank Outfall Drain Project (LBOD) stage one in Sind province. An agreement has recently been signed between Sir Macdonald and Partners Ltd and Hunting and Technical Services Limited as consultants and World Bank officials in Washington for preparation of final feasibility report of the project. A team of British consultants has already started work and was expected to submit its report by the end of the current year to World Bank and Pakistani Government. [Karachi DAWN in English 9 Nov 82 p 16]

ZAKAT FUNDS TO PROVINCES--ISLAMABAD, Nov. 13--The Central Zakat Council has d decided to enhance the amount of the sixth instalment of Zakat from Rs 250 million to Rs 375 million. The additional amount of Rs 125 million will mainly be utilised for educational purposes and giving scholarships and stipends to students and trainees at all levels who are Mustahiq-i-Zakat, bear good moral character and have proved their capabilities to receive education and training. The additional amount of Rs 125 million has been distributed as follows: PUNJAB: Rs 73.79 million. SIND: Rs. 25.00 million. NWFP: Rs 17.50. Baluchistan Rs 7.50 million. Islamabad Capital territory: Rs 125 million. This supplementary allocation from the Central Zakat Fund will enable the provincial Zakat administrations to widen the scope and coverage of the schemes for education and training they have already been operating with the funds. [Karachi MORNING NEWS in English 14 Nov 82 p 1]

OVERSEAS REMITTANCES SHOW INCREASE--ISLAMABAD, Nov 13--Remittances during the last quarter Jul-Sept 1982 are estimated at 621 million dollars showing a 27.5 per cent increase over remittances during the corresponding period last fiscal year This increase in the foreign exchange being sent by overseas Pakistanis is being attributed to delinking of rupee from dollar. Officials in Islamabad are confident that in spite of the decline in exports caused by the worldwide depression, Pakistan would be able to maintain its capital account deficit at last years level of 1.5 billion dollars due to higher remittances. [Karachi MORNING NEWS in English 14 Nov 82 p 1]

INDIA-PAKISTAN JOINT COMMISSION--ISLAMABAD, Nov 13--India-Pakistan talks at Foreign Secretary level in New Delhi, beginning from Dec 23, will finalise details of the joint Indo-Pakistan commission and also discuss the no-war pack offered by Pakistan and the mutual friendship treaty proposed by India, official sources said today. The talks on joint commission are expected to face no hurdle as President Zia and Indian Premier Indira Gandhi have already agreed on the proposal. The talks on no-war pact and friendship treaty are not likely to be conclusive at this meeting and continue later. On the commission, the two sides will discuss among other matters as to which Minister should represent each country. Most likely it will be at the Foreign Minister's level. [Karachi MORNING NEWS in English 14 Nov 82 p 1]

SMALL INDUSTRIES INVESTMENT IN SIND--The Sind Small Industries Corporation has sanctioned an investment of Rs 66.677 million under various available invetment facilities for 95 projects in the Province during 1981-82, said an official handout. Of these, 78 are located in the rural areas and Industrial Estates Parks at Sukkur, Larkana, Hyderabad, Mirpurkhas and Sehwan. The achievement has been worked out as 33 per cent over and above the target of Rs 50 million fixed for the year 1981-82, under the three-year Plan 1981-84. The sanctioned projects are for trades like rice husking milling. Poultry farming, re-rolling, herb extraction, marble and glass products, oil expelling, wheat and grain milling Dall making, ice and cold storage, furniture making, light engineering, shoe making, food products, cotton waste cleaning, ready-made garment making, woollen carpets, card-board making and printing. [Karachi MORNING NEWS in English 14 Nov 82 p 3]

BLAST FURNACE READY--KARACHI, Nov. 8--The second blast furnace of Pakistan Steel has been completed and all the units in the mills will start working in 1984, the Chairman, H.N. Akhtar, said here. In an interview, he said that four big units were commissioned last year and by the end of this year the number of completed units would rise to nine. He said that oxygen plant, filtration plant and steel making plant and billet mill would be commissioned this year. He added that strip would be completed next year. It would manufacture steel plates. The last unit, cold rolling mill, would start production in 1984. It would produce cold rolled sheets, galvanised sheets, farmed sections, i.e. angles, channels, girders. etc. [Islamabad THE MUSLIM in English 9 Nov 82 p 6]

GHAFFAR KHAN CLARIFIES OBJECTIVE--PESHAWAR, Nov. 8--Former Red Snirt leader Khan Abdul Ghaffar Khan has said that he had been detained at a time when he was trying to alert the people against the "flood" that was fast approaching Pakistan. Talking to Mohammad Ashraf Khan and professor Imdad Hussain Beg, two prominent leaders of the defunct Muslim League, who called on him in the Lady Reading Hospital he added that in order to meet the threat he honestly believed that unity of the people was most essential. As such he was endeavouring to unite the people but unfortunately he had been stopped from doing so. He said that being a Khudai Khidmatgar he just wanted to serve the people without expecting anything in return and he would continue to do that as far as possible. [Islamabad THE MUSLIM in English 9 Nov 82 p 8]

NEWSMEN'S APOLOGY ACCEPTED--PESHAWAR, Nov 5--Chief Justice Usman Ali Shah of the Peshawar High Court accepted the unconditional apology of the chief executive and others of daily 'Mashriq' in the contempt application filed by the president of the High Court Bar Association on Nov. 3 - The application was based on an article 'Islam, Ishtrakiat aur Paishai Wakalat' by Abdul Karim Abid published in the daily in its issue of Sept. 18. The petitioner had submitted that the said article contained material in contempt of the lawyers and the judiciary. The unconditional apology was read out one by one by all the four accused, Iqbal Zuberi, Ziaul Islam, M.A. Shafiqi and Abdul Karim Abid in loud voices. The court, while accepting the apology, warned the accused to be careful in future. Besides Ismail Qureshi, others appearing for the petition included Qazi Jameel, Javed Bokhari, Asadullah Khan and Amin Khattak. [Islamabad THE MUSLIM in English 6 Nov 82 p 6]

PAKISTAN DEBT PER CAPITA--LAHORE, Nov. 5--Every Pakistani $ 135.40 at the current exchange rate, as share of the foreign debts outstanding against Pakistan. This burden was almost doubled in nine years as in 1972 it amounted to $ 66.17 per Pakistani. The total outstanding debts against Pakistan on June 31, 1981, amounted to 11344.288 million dollars when the total population stood at 83.782 million. As against the same the outstanding debt of Pakistan equalled to 4321.94 million dollars in 1972 when the population was 65.308 million. [Islamabad THE MUSLIM in English 6 Nov 82 p 6]

DETENTION EXTENDED--MUZAFFARGARH, Nov. 6--The detention of Malik Ghulam Murtaza Khar and Malik Ghulam Miladi Khar, brothers of former Punjab Chief Minister Malik Mustafa Khar, has been estended for a further three months, it was officially learned here on Thursday. They will be detained in District Jail,

Multan. More than 20 lawyers, including Sardar Manzoor Ahmed Khan, ex-president of the District Bar Association, have demanded the withdrawal of these detention orders on humanitarian grounds, as Malik Ghulam Miladi Khar has long been ill. [Islamabad THE MUSLIM in English 7 Nov 82 p 6]

'MRD FOUNDED BY MUFTI MAHMOOD'--LAHORE, Nov 6--Maulana Hamid Mian of defunct Jamiat Ulema-e-Islam has disclosed that the movement for Restoration of Democracy was, in fact, founded by Maulana Mufti Mahmood, who had a "great longing" for revival of democracy and rule of law in the country. The Maulana told reporters Friday at Jamia Madnia, where he leads prayers, that the late Maulana had directed the JUI leaders to contact all the political parties, including Pakistan People's Party, for a broad-based alliance on a minimum programme of restoration of democracy in the country. He said that Maulana Mufti Mahmood gave these directions in the general council's meeting on Sept. 15, 1980 at Madrissa Qasimul Uloom, Sheranwala Gate. Maulana Hamid Mian said had not Mufti Mahmood died on Oct. 14 the same year, he would have convened the meeting of leaders of all the political parties, except Jamaat-e-Islami, for formally signing the draft declaration of the MRD. He said that the same evening was fixed for signing the declaration when Maulana Mufti Mahmood passed away. The JUI leader said the Maulana Mufti Mahmood had himself done the spade-work which ultimately resulted in the formation of MRD. The JUI leader said that as many as 400 invitations were issued by the convener of the JUI for holding general council meeting at Lahore on Nov. 8 and except for one all were received by the addressee. He said that invitations were also received by Maulana Abdullah Darkhawasti, Maulana Obedullah Anwar and others. "Islamabad THE MUSLIM in English 7 Nov 82 p 6]

POLITICAL LEADERS ISSUED NOTICES--LAHORE, Nov. 7--Mohammad Farooq Qureshi, Sh. Rafiq Ahmad and Maj. (Retd.) Ijaz, three political leaders have received notices issued to them by the District Magistrate, Lahore, for attending a political meeting at the Jamia Masjid Madina on Sept. 24. In their replices, they have contended that they had gone to the mosque to say their Juma prayers and not to attend any meeting. After the prayers, they had prayed for the prosperity, solidarity and integrity of the country. It may be mentioned, these leaders had been warned by the district authorities to desist from participating in political activities, which was an offence under the Martial Law Regulations. [Islamabad THE MUSLIM in English 8 Nov 82 p 6]

REFUGEES EXODUS CONTINUES UNABATED--LONDON, Nov. 8--Thousands of Afghans are fleeing to Pakistan in a renewed refugee exodus to escape widespread food shortages and the onset of winter in Afghanistan. Hard figures on the influx were not available, but U.N. High Commissioner for Refugees (UNHCR) officials said the flow is comparable to the 10,000 new arrivals per month that immediately followed the Soviet military intervention in late 1979. Most of the refugees came from Baghlan province in the farm north, which has been the scene of heavy aerial bombing in recent weeks. Hundreds of families have been converging on Pakistan since late October, creating an additional burder on Pakistan, which has already given shelter to 2.8 million Afghan refugees. 'Those who want to flee and are able to flee are fleeing', said Alain Coat, deputy head of mission at the UNHCR office in Pakistan. 'We have no control over who is coming in. There are so many of them. It's a serious problem for Pakistan. I am not saying Afghanistan is emptying, but a lot of people are

leaving,' he said. 'When you consider that Pakistan and Iran between them have taken nearly four million refugees, you're talking of about one quarter of Afghanistan's population.' [Islamabad THE MUSLIM in English 9 Nov 82 p 4]

PIA JEDDA FLIGHT--ISLAMABAD, Nov 5--The first PIA non-staop Islamabad-Jeddah flight landed at the King Abdul Aziz International Airport, Jeddah today. The arrival of PIA's green and white DC-10 marks the start of a regular non-stop weekly service between Jeddah and Islamabad and between Dhahran and Islamabad. A DC-10 will operate every Friday on the Islamabad-Jeddah-Islamabad route and an airbus will serve the Islamabad-Dhahran-Islamabad route every Wednesday. PIA will now operate a total of 17 flights a week from Karachi and Islamabad to Jeddah and Dhahran. According to a Pakistan Embassy Press release here, the new direct flights between the Saudi cities and the Pakistan capital have been introduced for the convenience of passengers and also in view of the ever increasing co-operation and goodwill in all fields between the two countries. [Islamabad THE MUSLIM in English 6 Nov 82 p 3]

CSO: 4200/120

REVIEW OF AID AGREEMENT PLANNED

Brisbane THE COURIER-MAIL in English 13 Oct 82 p 7

[Text]

PORT MORESBY (AAP).— The Australian Prime Minister, Mr Fraser, has given Papua New Guinea formal agreement to consider PNG's request for increased aid.

The PNG Prime Minister, Mr Somare, said yesterday he expected the review to be held in February next year.

Under a five-year aid agreement that expires in September, 1985, Australia this year granted PNG A$253 million in direct untied aid. This is about one-quarter the total annual PNG budget.

Mr Somare said the PNG government had requested "an earlier mid-term review" of the five-year agreement.

"Mr Fraser has stated that the process of reviewing the aid issue would begin with discussions between the foreign ministers later next month to finalise the terms of reference under which the review would be conducted," Mr Somare said.

Mr Somare said the full review expected in February would include consideration of aid levels for the current Australian financial year, as well as the remaining years of the aid agreement.

At least part of yesterday's announcement by Mr Somare surprised Australian government officials, who were unaware of any plans for a meeting later next month between Mr Rabbie Namaliu, PNG's Foreign Affairs and Trade Minister, and Australia's Foreign Minister, Mr Street.

The current aid debate began in August last year when the former Labor Government's External Territories Minister, Mr Bill Morrison, claimed both the Australian taxpayer and Papua New Guineans were being "ripped off" through the aid deal set up after independence from Australia in 1975.

Mr Morrison claimed much of Australia's aid to PNG had been counter-productive because it had encouraged extravagant expenditure by the PNG government on items such as ministerial travel overseas, ministerial car fleets and a prime ministerial executive jet. The government of Prime Minister, Sir Julius Chan, replied at the time that Mr Morrison was an Australian most Papua New Guineans were glad to be "rid of". Certainly, since that time, the PNG government has tried to trim unnecessary expenditure.

CSO: 5200/121

BRIEFS

MINING EXPLORATION BAN TO END--PORT MORRESBY, 6 Oct.--A three-year moratorium on mining exploration by foreign companies will be lifted by the PNG Government in late November. The Minister to Minerals and Energy Mr Francis Pusal, said today the ban was imposed because there were too many applications for the Mines Division to handle. "We are allocating staff to the division so that the blocks on investment will not happen again," Mr Pusal said. [Melbourne THE AGE in English 7 Oct 82 p 18]

CSO: 4200/121

NEED FOR AUSTERITY MEASURES FORESEEN

Paris LE MONDE in French 2 Nov 82 p 10

[Article by Patrick Frances]

> [Text] After the re-election last October 20th of Mr Jayewardene as president of the Republic of Sri Lanka, the liberal economic policy inaugurated in 1977 can be continued. It has undoubtedly had its successes, but new problems are facing a still fragile economy.

From 1977 to 1982, Sri Lanka experienced 5 years of a conservative policy marked by the opening up of an economy which had been closed until then; a reduction in the subsidies which lowered the cost of certain goods and services; liberalization in practically every sector; and an appeal for foreign capital, to be invested, in particular, in the duty-free area created in 1978 near the capital--Colombo--, which is generally considered a success, despite criticisms it has given rise to. Thus Sri Lanka intended to follow the example of Singapore rather than that of India.

Without going so far as to undo nationalization, attempts were also made to revive the private sector. Finally, large amounts of foreign aid made it possible to finance ambitious development projects like that of the Mahaweli (the construction of dams and hydroelectric power plants on the Mahaweli River, in the eastern part of the country), which, begun in 1978, should lead to an increase in agricultural production and in the production of hydroelectric energy. A large-scale housing construction program was also embarked on.

Unemployment fell to 15 per cent of the active population (or 875,000 people), and the annual growth rate of GNP, which was 3 per cent on the average from 1970 to 1980, rose to 6.2 per cent between 1978 and 1981. Rice production rose from 1.6 million tons in 1977 to 2.2 million tons in 1981. If it had not been for a drought which afflicted the country at the beginning of the year, Sri Lanka could have hoped to at last be self-sufficient in this area.

The Problem of Corruption

In general, salaries rose in most sectors, with a few exceptions, including the civil service. Unfortunately, corruption progressed too. Questioned

about a subject which is one of the opposition's main battle cries, the minister of information turned red in the face and merely asked developed countries to "look at themselves in the mirror."

Some weaknesses remain, however: for example the situation of the plantations (tea and rubber), which are still nationalized, and whose management and marketing are still unsatisfactory. There are two problems which are still particularly vexing. First, there is the problem of emigration. Sri Lanka imports about twice as much as it exports; this leads to a large deficit, which is offset partly by receipts from tourism (a sector which, after developing rapidly, is now going through a certain stagnation) and partly by transfers made by the approximately 100,000 Ceylonese workers employed in the Persian Gulf countries and, more recently, in Africa. In a country which is still one of the poorest in the world (per capita income is estimated at 265 dollars) these transfers are a fairly important manna for many households.* This explains the fact that this emigration is openly encouraged by the government even if it deprives the country of qualified workers, which it is badly in need of. This exodus is also a safety valve in a country where unemployment remains high.

A Model Experiment

Despite its resources, the equilibrium of the balance of payments depends, in the last analysis, on transfers of foreign capital, most of them in the form of aid granted on favorable terms. The foreign debt is also growing rapidly, as is the burden of regular annual reimbursements.

A second problem which is cause for concern is that of the increase in the cost of living. Consumer prices are said to have increased by 22 per cent, on the average, between 1978 and 1981. This inflation can be explained partly by the inevitable catching up after a long price freeze.

The fact remains that many specialists consider Sri Lanka a model experiment illustrating the rescue of an economy by the World Bank and the IMF [International Monetary Fund]. This operation was facilitated by the country's size (15 million inhabitants). "The country was on the brink of bankruptcy", we were told by a banker, in whose opinion "the experiment was undoubtedly a success."

After the euphoria of 1979-1980 and the consequent overheating, the government has been obliged to put on the brakes, to put the lid on the pot (by reducing budgetary expenditures and limiting credit); this has certainly led to a decrease in inflation and an improvement in the balance of payments, but also a certain slowing down of the rhythm of economic activity.

Fragile Success

By giving priority to projects which will not bear fruit for several years, the conservative government has also committed itself to a long-term

*According to official circles, 60 per cent of Ceylonese earn 300-400 rupees per month. One Sri Lankan rupee is worth 0.33 French francs.

undertaking which will take time. This undoubtedly partly explains Mr Jayewardene's decision to hold the elections earlier, so as to then have a free hand to complete his work, however difficult the coming years are likely to be, in the view of the World Bank. At the request of the World Bank and the IMF, the government has already undertaken not to start any new projects before 1984. This explains the concentration of international aid. There is also talk of a possible devaluation and a further reduction in subsidies. Finally, austerity measures (limiting of public expenditures, controls on imports) seem unavoidable if the government intends to reduce an alarming budget deficit--an unsustainable one, in fact, which can only be financed by more bank loans. All these factors give an element of precariousness to a success which obviously still needs to be consolidated.

9855
CSO: 4219/11

EDITORIAL DEPLORES TERRORISM

Colombo SUN in English 28 Oct 82 p 7

[Editorial]

[Text] The merchants of terror have struck again. This time too they have killed three innocent law enforcers in cold blood. As the dawn broke over Chavakachcheri on Wednesday the diabolic killers stormed its police station with a purpose. They wanted a bloodbath and that only to satisfy their macabre ego.

The latest attack is significant for more than one reason. The fact that the terror dealers decided to strike at a time when emergency is in force and soon after the Presidential elections should be viewed with utmost seriousness. It cannot be just a mere coincidence. The attack was obviously planned with meticulous precision and timing.

Besides the terrorists picked a well protected and a fairly big station thus proving a point that they have once again revamped their strategies and reinforced their man-power to challenge the security forces.

The cross-fire that ensued the storming of the police station and the robbery of firearms also indicate that they are a set of well trained desperados.

The Chavakachcheri killings is another good lession to the police. They have been once again caught unawares. This is most regrettable. Instead of succumbing to the acts of terrorism the police should fight back to contain the menace.

To begin with they should assist the armed forces in launching a thorough clean up. The people of the north deserve peace and stability in their neighbourhood. And they themselves must co-operate with the law enforcers by providing vital information to smoke out the terror dealers.

The political leaders of the north themselves have either failed or faltered in lending a helping hand to the government to wipe the menace of terrorism from these areas. They have been dilly-dallying and resorting to politics of double standards based on selfish motives. For instance the undeclared 'boycott' of the last elections and the decision to nominate a convicted militant to a parliamentary seat are all a part of this game.

Some of those provocative foreign lobbyists should also hold themselves responsible for the acts of morbid violence perpetrated by their terrorist fans on the innocent people in Jaffna; above all on innocent police officers. No one in their proper senses could justify such action.

The incident is also a good eye opener to the alien crusaders of human rights for these terrorists. It is quite eary for these people to call on the government to revoke laws against terrorism. But do they really care about the consequences that could follow?

Chavakachcheri is a good lesson indeed to all of them.

CSO: 4200/106

SLFP CRITICISM USEFUL

Colombo THE ISLAND in English 27 Oct 82 p 6

[Editorial: "SLFP--and Self-Criticism"]

[Text]

Though belated, the post-mortem report on the SLFP's defeat at last week's Presidential Election issued on Monday by SLFP Secretary Ratnasiri Wickremanayake is welcome because it admits that internal divisions within the party had secondary factors and under estimate the role played by domestic differences in bringing about the party's downfall. The statement cites the Government's use of the newspapers, radio and TV as a major contributory factor to the UNP victory. This is at best an attempt to cloud the main issue with secondary factors. We do not under estimate the influence of the mass media, but recent history has repeatedly shown that a mass media controlled by the Government does not automatically guarantee its victory. The last example was the SLFP's own defeat in 1977 in spite of its control of Lake House and the SLBC and the major influence over the Times Group.

It is necessary to place the matter in this perspective because the essence of self-criticism is to first ruthlessly analyse oneself before finding reasons outside one's own camp. the SLFP has again proved by last week's performance that it is the only political party capable of mounting an effective challenge to the UNP and when one considers that it has increased its total vote by 700,000 over 1977 it certainly has no reason to lose heart. But in the absence of genuine self-criticism, an honest attempt to come to terms with one's mistakes may mean the SLFP may not fare much better in the parliamentary election that is shortly due.

The Sri Lanka freedom Party was launched by Mr. S. W. R. D. Bandaranaike as a democratic alternative to the UNP and the founding of the SLFP contributed in no small measure to the acceleration for the process of political maturity of the Sri Lanka electorate.

Since 1964 when the LSSP first joined the SLFP the left parties have clustered round the SLFP but the

SLFP was always able to retain its dominant position in these alliances. It maintained its image as a party wedded to an economy where the dominant role would be played by the state sector but never did it leave the path of the mixed economy inspite of the periodic efforts of its Marxist allies to accelerate the march to socialism.

The SLFP would do well to discover to what extent the party was able to retain this image at the Presidential Election. The fact is that during the recently concluded campaign the party machinery was captured by a set of extremists, a caucus of adventurists whose rhetoric did not do anything to reassure the average SLFP voter already bewildered by the internal squabbles in which the party was caught up. Their platform was a hotch-potch of ill-digested socialism, infantile populism and strident chauvinism mixed with a dash of the old welfarist rhetoric . They spoke of a pure socialist state which our people have always rejected. They showed no willingness to come to terms with the new realities unfolded by UNP rule since 1977. If the party is honest enough to engage in an exercise in self-criticism it must find out how much the attempt to foist the old threadbare nostrums, embalmed within musty text books, on a people immersed in a new reality had contributed to the party's defeat.

This should be part of larger effort by the party to re-think its policies and priorities. How best can the country be developed? Is it by doctrinaire socialism, welfarism, a mixed economy or an open market economy? Is it better to have goods at a price or have it distributed on the ration card. Is it better to have statism in industry or bring in the private sector too to collaborate with the state?

These are all questions which the SLFP would do well to go into before they draw up their manifesto for the next election. All serious-minded people on the left might profitably ponder on the question whether last week's victory of the UNP does not signal a trend towards a middle-of-the-road consensus in the country's politics.

CSO: 4200/106

PARTIES CONDEMN POSTPONEMENT OF GENERAL ELECTION

Colombo THE ISLAND in English 4 Nov 82 p 1

[Text]

Five political parties which supported the candidature of Mr. Hector Kobbekaduwe yesterday condemned the proposal to put off General Elections to Parliament until mid 1989 sand said it was a further step by the UNP Government along the road to an absolute dictatorship.

It was also decided to invite all other parties opposed to post poning General Elections with a view of forming abroad based opposition.

The five parties which met at the SLFP Headquarters yesterday were: the SLFP, MEP, CPSL, Sri Lanka Samasamaja Party and the Prajathanthrawadic Jathika Peramuna.

A joint statement issued by the five parties said:

The sectarian and disruptive tactics of certain non-UNP parties during the Presidential elections had contributed in no small measure to President. Jayewardene's victory and had encouraged him to take this new anti-democratic step.

Nevertheless, in the interest of stopping this move towards dictatorship through the widest unity of action of all parties opposed to putting off the Parliamentary elections, the parties decided to invite all such parties to a discussion in order to evolve as broad-based an opposition as possible to the postponement of the Parliamentary general elections.

CSO: 4200/123

INCREASE IN TEA CROP DEFICIT

Colombo DAILY NEWS in English 28 Oct 82 p 5

[Text]

Sri Lanka has dropped 2.7 million kilos of tea crop in September, compared to September last year, and the year's production deficit now stands at a dismal 19.9 million kilos

There has been a decline in tea production world wide the year. According to the available figures, the producing countries other than China (from where statistics are not freely available to the trade) a total of 39 million kilos of crop has been lost.

"Only Sri Lanka's South India's and Bangladesh's production figures up to September are available yet The production statistics of some countries up to August are also available. Figures from Mauritius and Uganda are available only up to April. But from the available figures, Sri Lanka's crop losses accounts for over half the global shortfall," a Colombo tea trader said

While most producing countries have recorded crop shortfalls, some of the African producers have recorded small gains. Malawi's has been the most notable with production up by 2 million kilos up to August. Kenya Mauritius and Uganda have gained slightly

Despite the production drops, the gross tea sale average for this year is now a healthy Rs. 22.85 per kilo compared to last year's Rs. 18.11.

Brokers reported that there is good rainfall in all growing areas and a considerable crop increase has been recorded over the past week.

Bokers described this week's tea sale as satisfactory with the USSR competing with Iraq and other traditional buyers at 'useful' price levels.

CSO: 4200/106

CEYLON WORKERS CONGRESS WANTS MORE PARLIAMENT SEATS

Colombo THE ISLAND in English 4 Nov 82 pp 1, 3

[Article by D.B.S. Jeyaraj]

[Text]

The Ceylon Workers Congress wants more representation in Parliament for its political wing.

The General Secretary of the C.W.C, Mr. M.S. Sellasamy told "The Island" that the C.W.C. would negotiate with the U.N.P to increase the number of C.W.C. representatives to be nominated as Members of the Present Parliament if the people, by way of referendum, endorsed the proposed extension of its life.

If on the other hand, the people opted for a General Election through the referendum then the C.W.C would form an electoral alliance with the U.N.P. which would secure greater representation for the Congress, said Mr. Sellasamy.

Mr. Sellasamy said that the Presidential election results had shown that the vast majority of the people of Indian origin had backed the U.N.P. whole heartedly. The results of Nuwara-Eliya, Kandy, Badulla, Matale and Ranapura districts were good examples of this he said. Nuwara-Eliya had polled the highest for the U.N.P in the whole country while in Ratnapura despite last years communal riots in which up-country Tamils had suffered greatly they had continued to support the U.N.P. with confidence, said Mr. Sellasamy.

If the general elections are held, then we are quite confident that we could increase our representation through a tie-up with the U.N.P, said the C.W.C Gen. Sec. Therefore if the life of Parliament is extended, then our claim for more representation would be a fair one under the circumstances" Mr. Sellasamy pointed out. At present, there was only one M.P., Mr. Thondaman, to represent the entire Indian Tamil community in Parliament, he said.

On the question of C.W.C men being appointed to U.N.P. seats, Mr. Sellasamy said that it was not a problem as already five C.W.C men including himself had contested under the U.N.P symbol at the last Development Council elections and were holding office in the Colombo, Nuwara-Eliya, Badulla, Kandy and Ratnapura DDC. We have mutual trust in each other and our being nominated to seats by the U.N.P Secretary would not affect us" he said. We will continue to be in the C.W.C political wing while being of the U.N.F Parliamentary group" he said.

The C.W.C. is expected to meet next week and formally lend support to the referendum.

CSO: 4200/123

OVERSEAS REMITTANCES BIG REVENUE EARNER

Colombo SUN in English 27 Oct 82 p 1

[Article by Minoli de Soysa]

[Text]

Foreign exchange earnings in the form of remittances from Sri Lankans working abroad will reach over six billion rupees this year, Senior Deputy Governor of the Central Bank Dr. H. N. S. Karunatilake told 'SUN' yesterday.

This is likely to make it the country's biggest revenue earner, he added.

In 1981, private transfers reached the 4.2 billion rupee mark, an increase of 1.88 billion rupees over the 1980 figure.

According to the Central Bank's annual report for last year, the bulk of these remittances were from Sri Lankans working in West Asia, mainly Saudi Arabia, Kuwait, Oman, United Arab Emirates and Bahrain. A significant amount of remittances were also received from other counries including the United Kingdom, the United States and West Germany.

Export earnings from tea, meanwhile, were 6.44 billion rupees in 1981. However, this year, tea trade sources expect it to increase slightly due to higher prices for Sri Lankan tea and strengthening market conditions.

Therefore, foreign exchange remittances and tea will be fighting for first place as the country's major revenue earner this year.

However, it was pointed out that employment opportunities abroad, particularly in West Asia, were not unlimited. The employment market would soon reach saturation point because local people were being trained to do the jobs presently carried out by the expatriate workers.

Also, it was pointed out, due to declining oil prices, West Asian countries were not as wealthy as they used to be and may cut down on their number of expatriate workers.

CSO: 4200/106

NEIGHBORHOOD PATROLS IN NORTHERN PENINSULA

Colombo SUN in English 27 Oct 82 p 3

[Article by K. Arasaratnam]

[Text]

JAFFNA: More vigilance committees are to be set up in the northern peninsula by the police who are to seek public co-operation in the maintaining of law and order.

These committees are to be modelled on the lines of the American Neighbourhood Patrol. This scheme has been highly successful in the United States, particularly in minimising robberies, thefts in areas where these patrols operate.

The decision to increase the number of committees has been taken by the DIG Northern Range W.B. Rajaguru following the success of the existing ones. According to statistics forwarded the Mallagan public relations and vigilance committee set up in the Chunnakam police area following the closure of nine police stations in the wake of the attack on Anaicottai had already helped settle 698 disputes.

In the same area, the Innavu PR, and VC he helped in 487 cases, factor which had tremendously helped the police who were unable to respond to several minor complaints du to a number of reasons including shortage of personnel and security reasons.

According to a police official, the fact that their depleted strength is tried up with court work, traffic duty, providing escorts and protecting the stations against attack had resulted in many stations not having officers free to do very much crime prevention work.

In view of this vigilance committees which will be given the fullest backing by the police are to function as semi-official peace keeping citizens committees.

Working on a purely voluntary basis they are to function in the evenings in areas where undesirable elements are found to be harassing persons and through the night as a deterrent to thieves and burglars.

The strategies of patrolling their areas will be worked out in conjunction with the police.

Meanwhile Police Chief Rudra Rajasingham told SUN that although the Security Council had taken up the question of re-opening the nine police stations after the Anaicottai attack no decision had however been taken as yet in this regard.

CSO: 4200/106

PRICE OF BREAD, FLOUR DOWN

Colombo DAILY NEWS in English 28 Oct 82 p 1

[Text]

A twenty cents reduction of the price of a loaf of bread effective from today was announced by the Food Department yesterday.

"The retail price of a kilo of flour is also down 70 cents from Rs. 6.65 to 5.95 with immediate effect. We have been able to procure wheat for local milling cheaper than before and we are passing on the saving to the consumer a departmental spokesman said.

He added: "We could have announced these price reductions a few days ago, but we delayed it because we didn't want it to be interpreted as a measure intended to influence the election".

Instructions went out from the Food Department's Union Place headquarters to Kachcheris and stores countrywide about the flour price reduction effective for deliveries from the department's stores and on both wholesale and retail markets.

The 70 cts. price reduction per kilo of flour applies to transactions at all levels.

The department added that the price of a 450 gram loaf was kept at Rs. 2.50 to give the bakers a better margin so that they could give the consumer a better loaf of bread.

"They are getting an added five cents margin. We hope they will use this to see that the consumer gets a decent loaf of bread" a departmental spokesman said.

CSO: 4200/106

FUEL EXPLORATION YET TO YIELD RETURNS FOR INVESTORS

Bangkok BANGKOK POST in English 10 Oct 82 p 7

[Article by Boonsong Kositchotethana]

[Text] OIL exploration is a very risky business as Esso Exploration Inc will attest to. The company has spent US$90 million in explorations costs for each of its two concession areas but has not yet got one cent as a return on its investment.

Mr George Grader, vice president and managing director of Esso's Thai affiliate, said that the public has a lot of misconceptions about oil exploration. And for each well drilled that brings oil, nine others are drilled that don't, he says.

Geology is a very imprecise science, he says, "and when you try to recapitulate geological advance going back millions of years, it can be very difficult. That's part of the problem."

Taking the case of the gas shortfall problems at the Erawan field (developed by the Union Oil Co of California), Mr Grader said the shorfall should not come as a shock because this thing can happen in the oil business.

"When you make reserve calculations in the beginning, you don't have the benefits of knowing the performance of well production. But once you start producing, then the field tells its own story."

Peteroleum exploration is a capital incentive business. To operate a rig up in the Northeast, it costs the concessionaire about $70,000-80,000 a day, he says.

Esso began petroleum exploration in Thailand in 1975, when Esso Exploration and Production Thailand was granted a concessionary right to explore for hydrocarbon in the Andaman Sea, in block No W: 9 where the depth is more than 200 metres. The concession covered a deepwater area of 30,000 square kilometres, southwest of Phuket, and was relinquished to the Department of Mineral Resources early this year.

Esso's operations in the Andaman Sea required drilling in depths almost three time as high as the Empire State Building in New York. Five wells were drilled in depths of 1,914, 2,632, 2,052, 2,959 and 3,461 feet.

In drilling its fifth well (W9-E-1), EEPT broke the world record for deep-water drilling for petroleum at the depth of 3,461 feet and eventually went on to a total depth of 14,036 feet. It completed drilling five wells in November 1976 but found only some gas deposits.

The minimum cost commitment was for $25.5 million and the drilling of five wells, but actual exploration expenditure exceeded this amount.

In march, 1979, Esso Exploration & Production Korat Inc, also a unit of Esso Exploration Inc of the US, was granted the concessions in the Northeast, a total of five blocks covering an area of 50,000 square kilometres in the central portion of the region, known as the Korat Plateau.

In June last year, Esso Udon Inc was awarded the concession covering the areas of several northeastern provinces including Udon, Nong Khai, Sakon Nakhon and Nakhon Phanom. Block EU 1 and EU 2 cover an area of 20,000 square kilometres.

So far the company has shot about 6,000 line miles of seismic over its two concession areas, 4,000 line miles in Korat and 2,000 in Udon, at a total cost of $35 million.

"We have more than fulfilled those requirements set by the Department of Mineral Resources," says Mr Grader. The concessionary obliga-

tions are for the firm to shoot 4,000 line miles in Korat concession and 1,000 in Udon.

Seismic is a technique used to determine the detailed structure of the rocks underlying a particular area by passing acoustic shock waves into the strata and detecting and measuring the reflected signals.

In March 1981, Esso brought in a drilling rig for work in its wildcat well in Nam Phong, about 27 kilometres to the north of Khon Kaen. The well was spudded two weeks later and took 11 months to complete the drilling and test at an unexpected cost of $20 million, said Mr Grader.

He said this is uncomparable to drilling a well in the Gulf of Thailand which normally takes about 30-40 days to complete.

"Esso drills on a totally different basin of 'Permian' whose rocks have higher than normal pressure which created a lot of drilling problems, and what we have found is that it takes a longer time than originally anticipated."

According to the geological time scale, the "Permian" rocks are between 225 million and 280 million years old. Gas-bearing rocks in the Gulf or oil-holding structures in the North are dated to the "Miocene" period, which is about 7-26 million years ago.

Asked whether Esso would produce natural gas from its Nam Phong well, Mr Grader said he could not make a definite statement on this. "There is no way to determine if Nam Phong is commercially viable. We have one well which flowed at the rate of 27.6 million cubic feet per day out of the zone between 10,220 and 10,254 feet during the test.

"We don't know how long that well will produce for — one month or two months, one year or ten years? You cannot say, until we drill a 'step out well.'" (a well drilled beyond the proven limits of a field to investigate a possible extension to that field).

After completing its marathon drilling in Nam Phong, Esso then moved its rig to Chonnabot, 100 kilometres southwest of Nam Phong, and tested a different structure. The well was spudded last February.

Here, Esso encountered the same problem of abnormal pressure which created a great deal of drilling problems. There were a few gas shows, mainly in the night rocks — rocks which could not give up the gas. The gas was under great pressure, said Mr Grader.

Esso engineer and the company's drilling contractor, Parker, spent last August trying to control the well. However, their efforts were in vain and Esso had to temporarily abandon the well at a depth of 11,814 feet. The well was programmed to a depth of about 12,000 feet.

Again the Chonnabot well took a longer time and costs were higher than expected. "It took us seven months and $14 million to drill," said Mr Grader.

The company has moved the rig to Kaset Sombun in Chaiyaphum, the extreme western part of Esso's Korat concession, where the third wildcat well is to be sunk.

"We're hopeful we can drill this well in two months, but given our drilling history and problems we have in the first two wells, we've got to be cautious," Mr Grader added.

He said the company wants to go back to Chonnabot because of very encouraging gas shows in the well. "It is not a major discovery, but we have encouragement and will come back with a bigger and more powerful rig that can handle the pressure. We will try to complete the well to the targeted depth. However, we will not be able to do that before 1983, he explained.

He has recommended the parent firm to bring in a new rig in early 1983 to re-enter Chonnabot, but this will need approval from Esso's New York headquarters.

After completing the Kaset Sombun well hopefully in mid-December this year, the same rig will move to the Udon concession area where three wells will be drilled before June 1984. Kaset Sombun well was programmed to a depth of 7,000 feet.

The first wildcat well in Udon is located about 30 kilometres southwest of Udon Thani in the Poohom area. The next two wells follow locations yet to be worked out. "Once we see these drilling results, we will then talk about future programme" said Mr Grader.

Regarding the possibility of developing natural gas in Nam Phong, he said the firm does not intend to go back to develop Nam Phong until late 1984 or 1985 since it has exploration plans to fulfil.

"If we make discoveries along the way, there will be some delays before we can got back to evaluate that well. And we can't determine any commerciality of the well until we drill at least two more step-out wells."

'Confident'

Just how much gas is needed to make Nam Phong worth developing? Mr Grader says he can't give any specific answer, "but I'm confident we will produce Nam Phong gas at least for local consumption, i.e. power generation, paper factories and mills."

While the general public believes that onshore gas will be cheaper than Gulf gas, the managing director says "Nam Phong gas is not cheap, but quite expensive, probably as expensive as being produced in the Gulf of Thailand. Look at Nam Phong, the cost of drilling a well up there is 10 times more than it costs in a well drilled in the Gulf or the central low land" (by Thai Shell Exploration and Production)

A geologist with 30 years in the oil exploration business including extensive assignments in Africa, South America and Europe, Mr Grader said he is "hopeful" about Thailand's petroleum prospecting future.

"I think the Thais can be encouraged by what they found. It's foolish to talk about anything like what's been found in the Persian Gulf. There is limitation on the size of basins here."

Asked if Thailand can be a petroleum exporter, Mr Grader said there will be enough gas in the Gulf to set up a liquefied natural gas (LNG) export project. "I'm very hopeful, mind you, that we will be able to add to the gas reserves in the Northeast."

"We should be grateful for anything we find and shouldn't be leading the public to believe that we have great gas reserves in the country. I don't think there will be huge deposits, but rather useful deposits which can be utilised beneficially by Thailand," he added.

Confirming the general belief in the industry that Esso, the world's largest petroleum concern, is keen to explore for oil than gas, Mr Grader explains that the firm would prefer to find liquid because it knows its stand as stipulated in the Petroleum Act, i.e. a gas sale agreement has to be negotiated first but with liquid it can realise the market prices in a much easier manner.

"We're still hopeful we will find oil in the Northeast, perhaps on further fields.

Concerning the possible operating problems beyond drillings, he notes that Esso receives full support from DMR, government agencies and "country people up there were very cooperative, helpful and reasonable."

"This is a fine tribute to the Northest. I, for one am very pleased with the operating circumstances in Thailand," he concluded.

CSO: 4200/118

TRADE WITH KOREAS NOTED

Bangkok BANGKOK POST in English 12 Oct 82 p 24

[Text] North Korea to Double Rubber Purchase

NORTH KOREA has agreed to double its purchase of rubber, with further targets set for rice, sugar and bartering of goods. Thailand has been asked to appoint a commercial counsellor in Pyongyang at the same time.

This was disclosed yesterday by Deputy Commerce Minister Prapas Limprapan who returned on Sunday from Pyongyang on a good-will trade mission since Sept 26.

The delegation also comprised representatives from the Board of Trade and Centre for Sugar Distribution.

The deputy minister said that North Korean officials displayed interest in buying more Thai products.

"In particular, North Korea wants to increase its purchase of rubber from 1,500 to 3,000 tons per month. So far, a contract has been signed for 1,500 tons," he said.

Prapas said that North Korea also is interested in buying Thai parboiled rice in the tune of 50,000 tons, with 30,000 tons being delivered immediately. Thailand will also sell 20,000 tons of sugar to North Korea.

"We have given them our quotations on these two items," he said.

The deputy minister said that other commodities that North Koreans want to buy from Thailand include cotton, cotton-made goods, garments, cigarettes filters and tyres.

North Korea will also barter about 5,000 tons of caustic soda with Thailand's 300 tons of palm oil, with delivery scheduled for this month.

"I have told the North Korean officials that our private sector will handle all these transactions," he said.

The deputy minister said Thailand did not commit herself to complying with the North Korean request to appoint a commercial counsellor to Pyongyang on grounds that the volume of trade between the two countries is not large enough to justify such a move.

The Thai Embassy in Peking will concurrently handle trade affairs with North Korea.

North Korea also proposed the setting of targets for trade in various categories. But the Thai response was non-committal.

The North Koreans also invited Deputy Premier Thongyod Chittavira to visit North Korea.

Expanded Trade with South Korea

THAILAND and South Korea plan to expand trading relations further following a sixfold increase during 1976-81, with next year's target set at about $500 million, according to a senior Commerce Ministry official.

Mr Pracha Charutrakulchai, who has just returned from Seoul as commercial counsellor there, said that trading between Thailand and South Korea had expanded at a satisfactory rate.

"In 1976, transactions on both sides amounted to $50 million, with Thailand suffering from a trade deficit. But in 1981, the trading volume between the two countries went up six times compared to that in 1976," he said.

The total trading volume in 1981 was recorded at $300 million, with Thailand enjoying a trade surplus over South Korea by $59 million.

"That was due mainly to the fact that we sold 120,000 tons of glutinous rice to South Korea following a drop in Seoul's own rice harvest," he said.

Pracha said that during the first seven months of this year, Thailand has a trade surplus of $5.3 million. "That was caused by the fact that Seoul did not buy glutinous rice this year from us. However, South Korea

has been buying maize, raw sugar, molasses, canned pineapple, electrical panels and jute yarns," he said.

South Korea bought a total of 94,000 tons of raw sugar in the first seven months of this year, compared to the same period of last year when 80,000 tons were sold to Seoul.

During the same period, South Korea bought 64,000 tons of tapioca, 60,000 tons of rice, 7,400 tons of rubber and Pracha believes that South Korea will continue to buy more rubber from Thailand.

Thailand and South Korea have agreed to exchange 55,000 tons of fertilizer with 88,000 tons of tapioca from Thailand at the value of $10 million. The fertilizer has been delivered to Thailand since September.

Next year, the joint trading overall target has been set at $500 million for the two countries with Thailand selling a variety of agricultural products and in return will buy industrial goods such as steel, fertilizer, electrical goods and construction equipment from that country.

Deputy Undersecretary of State for Commerce Chalaw Fueng-arom said the South Korean Government had presented a plaque to Pracha for his efforts to promote trade between the two countries.

CSO: 4200/118

BRIEFS

MIGRANT FARMERS CANNOT SUPPORT FAMILIES--MOST farmers who come to Bangkok each year to work are unable to send money home to support their families in the provinces because they only earn enough to cover daily expenses. According to a survey published recently in the Journal of the Office of the National social and Economic Development Board only a few send money home but the amount is never more than 500 baht a month. The journal reported that rural poverty drives 120,000 farmers to Bangkok each year in search of work, of whom about 60 per cent never send money home. Some of the remainder are able to send monty home but it is never more than 500 baht at a time, the journal reported. A majority of the migrants, 43.8 per cent, come from the Northeast. Figures for other regions were 34.3 per cent from the Central Plains, 13.9 per cent from the North and 8.2 per cent from the South. The journal reported that most farmers stay in Bangkok only temporarily, earning just enough to cover their daily expenses. [Bangkok BANGKOK POST in English 12 Oct 82 p 2]

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END

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8 December 1982

South and East Asia Report

No. 1225

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FRETILIN DELEGATION SECRETARY IN MOZAMBIQUE INTERVIEWED

Beira DIARIO DE MOCAMBIQUE in Portuguese 15 Oct 82 pp 8-9

/Report on interview with Mahafut Baziher, secretary of the FRETILIN delegation in Maputo, date and place not specified/

> /Text/ The East Timor issue is once again on the agenda of the international organizations. At this time when the annual session of the UN General Assembly has begun, and bearing in mind that between 25 October and early November the Timor "dossier" will be in the news, our reporters interviewed FRETILIN delegation secretary Mahafut Baziher so that we might inform our readers of the reasons, the roots and the prospects for the future of the Maubere people's struggle.

On 28 November 1975, in the territory of East Timor, FRETILIN proclaimed the independence of the island of Timor, which for several centuries had been a Portuguese colony. This was a day of celebration, a celebration which became, a little more than a week later, an affirmation of the courage of a people of some 1 million individuals.

On the 9th day after the birth of East Timor as an independent country, while the Timorese were still celebrating their freedom from Portuguese colonialism, the elite forces of Indonesia's President Suharto invaded the country by land, sea and air. In little more than a week, Dili and many other Timorese cities were in the hands of the Djakarta Government troops and the Timorese flag was hauled down, replaced by the flag of Indonesia. Residents of the zones taken by force were obliged to shout at the top of their lungs that half the island of Timor (which forms the Republic of East Timor) "accepted annexation to the territory of Indonesia." According to Djakarta, this position was even ratified by the "popular will." On the day "our flag was raised, they waved small banners," replicas of the flag of Indonesia. It was not mentioned, however, that these Timorese were forced to make a display of love for the symbol of the Indonesian nation. Nor was it reported that many FRETILIN members and people of Timor were executed for opposing the imposition of Suharto's sovereignty over East Timor. An illustration of their rejection of this domination was the heroism of the leader of the OPMT (Popular Organization of Timorese Women), who was killed as she was preparing to flee from Dili to the mountains, where the FRETILIN guerrillas had established their general quarters.

The large international news agencies withheld this part of the facts about the Indonesian invasion of East Timor, while they filled many newspaper columns and used up rolls of TELEX tape with Suharto's explanation that "historically, East Timor is a part of Indonesian territory."

This justification does not convince anyone. One need only refer to the Indonesian constitution, which states: "The territory of Indonesia comprises the various Indonesian islands, excluding the Portuguese sections of the island of Timor." It could be added that when Indonesia was under Dutch rule (hence colonized by the Netherlands), Timor was then a Portuguese colony and not included in the Dutch colonization. At that time Portugal had not only colonized part of the island of Timor but also the island of Flores. For strategic reasons, under the terms of the treaty between Portugal and the Netherlands, the island of Flores was traded for part of the island of Timor; that is, the island of Flores came under Dutch rule and the Portuguese received another segment of the territory of the island of Timor.

Even at that time, Portugal's sovereignty over Timor was not challenged. Therefore, there was implicit recognition of the existence of a country--East Timor--which was a colony.

Contradictory Explanation

Now Suharto says that if it were not FRELIMO which was fighting for the sovereignty of Timor--if, for example, it were the UDT (Timorese Democratic Union, which had demanded Timorese federation with Portugal during the Portuguese colonial period)--then independence might be considered a possibility.

To say in this way that Timor's independence would be a possibility if it were not [the FRELIMO] movement which was struggling for it is the same as saying that it is not independence which is at issue in Timor's case, but what kind of independence the Maubere people desire. Suharto does not fear Timorese independence; what he fears is the consequences of having a progressive regime on his border.

Mahafut Baziher, secretary of the FRETILIN delegation in Maputo, went directly to the heart of the matter when he said: "The Indonesian Government fears communism, a new way of life which is emerging in East Timor in the very teeth of his some 30,000 well-trained troops."

Inside Indonesia

"To truly know your enemy and prepare for combat, you must know its history and its state of development. So I feel it is important for the newsmen to go into this aspect," Baziher pointed out during our conversation.

Let us go back to the period of Indonesia's colonization. When the Dutch arrived in this Asian (or better, Pacific) zone, they settled mainly on the island of Java because it was the most fertile and suitable for raising cattle, an old specialty of the Dutch. It was on this island that the Dutch established most of their economic, political and administrative

infrastructures. Later the administrators moved to other islands of the country: Sumatra, Borneo [Gorneus?] and others. In most cases these administrators were not Dutch, but natives of the island of Java.

As years passed, it happened that whereas the island of Java became a small Dutch metropolis in the region, the other islands remained primitive and unexplored.

When it rose to independence, Indonesia was already divided into Java, on one hand, and the remaining islands, on the other.

"The Indonesians themselves say openly that they are being colonized by the Javanese. You see, there are Indonesians on the other islands who have never even seen a white man. In these regions, the white man was represented by the Javanese, who in colonial times was the representative of power. This complex regarding the Javanese colonization of the other islands is still felt by other Indonesians today. It is still alive," Baziher said.

The situation has meant that Indonesia is completely divided. There is no unified power; there is a stratification of power.

To the natives of the other islands, who are not Javanese, the struggle of the Timorese people is just, "because not even the Indonesians accept Javanese colonization, and certainly we, who are not Indonesians, cannot tolerate it," added the FRETILIN representative.

In this segment of the Indonesian population, which represents a large number of Indonesians, the Timorese cause is just.

"This is Indonesia's situation, politically. Economically, things are even worse; suffice it to say that the country owes between $3 billion and $4 billion to the IMF and the World Bank, not counting the countries friendly to the Suharto dictatorship," Baziher pointed out.

"Because of the economic crisis which Indonesia is experiencing, aggravated by the current expenses of the war against FRETILIN, children of a tender age are turning to prostitution and banditry to survive. It is not by accident that Indonesia has the highest rate of juvenile delinquency.

"About 40 to 45 percent of the Indonesian population is unemployed. Children (boys and girls alike) who are born to these jobless people are obliged to live any way they can, and obviously they are turning to crime or prostitution," added the FRETILIN secretary.

Imperialist Strategy

In light of all these problems, and bearing in mind that Suharto himself is already bloodstained, world imperialism is attempting a new tack to quiet the Indonesian opposition and still the outcries of the international community.

In a first phase, Suharto has prohibited the execution of captured Maubere troops. They are simply deported to the island which faces Timor, in Maubere territory, where they are subjected to the most degrading humiliation.

"It is possible that, within a short time, world imperialism will remove Suharto from power and turn it over to General Yussef, who has the cleanest hands," Baziher said.

Suharto Beaten on Battlefield

"Once you know a little about the history of Indonesia, you can see how the Timorese people have managed to survive in the face of Suharto's 80,000 soldiers. We have the support, albeit only moral support, of the Indonesians themselves and of most of the countries of the international community. Over 20 countries have already recognized us. For this reason, Djakarta's suicidal military operations do not intimidate us," he declared.

Near the end of last year, in a period of about 3 months Suharto announced two major military operations against the Maubere people: "Operation Security" and "Operation Joelho." The latter was characterized by the advance of troops to the border demarcation of the Indonesian part of Timor. Advancing in a straight line, with only the space of one knee ["joelho"] between them, they were to eliminate all the guerrillas from the island. The operation was even extended to the other part of the island (the eastern part, which is Maubere territory), but the guerrillas continued to attack, and when the rainy season (which is 8 or 9 months long) arrived, the guerrilla warfare intensified.

This resistance astonished the international community. It was open-mouthed with wonder that the Maubere people had survived.

"The fact is that, against all Suharto's plans, we managed to survive and to reappear in force. This victory demonstrated, moreover, that we are prepared to fight until the invading forces capitulate," Baziher added.

"At this time the Indonesian invasion forces control only 20 percent of Timorese territory. With a total of 80,000 men, they occupy only Dili, the second largest city and the coastal zone. They do not venture into the mountain zone because here the Maubere guerrillas are lords of the land (which they know like the back of their hands), and under these conditions the Timorese would win any battle before it began.

In these mountains (remember that most of the territory of Timor is formed by a chain of mountains, with their highest point in Ramelau, at an altitude of about 3,000 meters) are located the general quarters of the Maubere nationalist forces.

Even using tanks and well-trained troops in operations of the "Joelho" type, the Indonesians cannot dislodge the guerrillas from their stronghold.

It is in these mountains that one finds the real Democratic Republic of East Timor. The government are installed there, since the capital is occupied by the invasion forces. In these mountains is found the type of life that Suharto fears, a democratic way of life, the first phase in a country that wishes to eliminate the exploitation of men and dependence on the great international monopolies.

In these mountains are found the ministries that determine the productive, political and military life of the Maubere people. Here is the FRETILIN armory, the stock of weapons which the front managed to move from Dili.

"In terms of weapons, we will not have problems very soon, because the Portuguese kept their armories in Dili crammed with weapons. They never needed them because we never had an armed struggle for liberation from colonialism. They were seldom used except to put down some popular uprisings that were quickly snuffed out. These weapons, which were stored in the capital, were evacuated to the mountains even before independence was proclaimed because we already knew we would be invaded. Hence, when Suharto's troops arrived in Dili the arms depots were almost empty," explained the FRETILIN representative.

Portugal and the Timor Problem

Some months ago, Portugal decided to form a commission to analyze and try to arrive at a solution to the East Timor problem.

"The fact that Portugal recognized that it must come to grips with the East Timor issue, because the Portuguese (the Portuguese authorities) are partly to blame for the state of conflict on the island, demonstrates that the pressure from FRETILIN and the international community has had some effect," our respondent asserted.

Actually, to recognize that Portugal has taken it upon itself to try to settle issue of East Timor's sovereignty, it is enough to say that the new constitution states that "East Timor is still a part of Portugal." If East Timor is still part of Portugal, this implies that Portugal recognizes that it is being attacked by the Indonesians. And if it is being attacked, then it will do what is possible to fight against this aggression.

Since the commission on East Timor was created, there have already been several trips to countries to urge these nations to recognize East Timor as a country. Australia was one of the countries visited by the commission.

"We have not yet had a favorable response from the government of Prime Minister Malcolm Fraser, but we are hopeful that Australia's position will change, because it is almost certain that the next elections will be won by members of the Labor Party. If so, perhaps Australia will modify its position," said Baziher.

There are hopes that the meeting of the UN General Assembly, now in session in New York City, will produce something new.

"It is very possible that the issue of our independence is going forward a little, because this will be the first time that Portugal will acknowledge the existence of East Timor as a country before such a high international body. This in itself represents a great victory. We hope to have other victories, however. What can be said immediately is that Timor will be a hot issue for discussion," Baziher added in this regard.

Hesitation of the Nonaligned Movement

Indonesia, as a full member of the Movement of Nonaligned Countries, cannot plan an invasion of East Timor. It should be noted that Indonesia was one of the founders of the Nonaligned Movement. At that time, President Sukarno, first chief of the Indonesian state, was in power.

Among the principles that govern the policy of nonalignment, two important aspects stand out: a member country must never interfere in the internal affairs of another, and it must not use force to settle differences with other nations. Although East Timor is not a full member, it has the right to attend meetings of the movement as an observer.

In what appears to be a deviation from this line of conduct by the nonaligned nations, no strong stand or any reprisal or censure has been forthcoming against Indonesia. Why?

"We must remember that Indonesia is a founding member of the nonaligned movement, that not all the countries in the movement are progressive and that the progressive members of the organization are not free to act as they might wish. If our problem has not yet been thrashed out in a nonaligned summit meeting, it is not because the progressive countries do not feel this is really a problem affecting thousands of people; it is because there are impediments. There are countries in the movement which consider us to be a country, but this group of countries does not represent a majority in the movement. We have friends in the nonaligned movement, but we also have enemies," Baziher concluded.

6362
CSO: 3442/43

SIHANOUK SISTER DISCUSSES PRINCE'S ROLE, SUPPORTS PRK

Bangkok KHAO CHATURAT in Thai 18 Oct 82 pp 43-45

[Article by Wachara Wethatharang: "A Meeting With Sihanouk's Sister"]

[Text] She is a tall woman with tan skin and big eyes. She is over 30 years old. She speaks French so well that it is said that if you could not see that she was Kampuchean, you would think that it was a Frenchman speaking. She used to spend her life travelling around Europe when things were still peaceful in Kampuchea. She is knowledgeable and experienced like a modern woman who is smart and energetic.

She is really one of the members of Kampuchea's royal family.

Now, she signs her name Sisowath Sawetwong Monivong, or Lola as she is called.

"Our family has two lines, the Norodom and the Monivong lines," she explained. A person close to her explained that she is the real sister of Prince Norodom Sihanouk. When talking about her brother, she said that "he calls me Lola. To this day, he has never called me by my real name, or he never knew my real name. He has always called me Lola."

Most of the more than 200 members of the royal family of Norodom Sihanouk were killed by Pol Pot-Ieng Sary after they seized power. She and her father-in-law were sent to a commune in Battambang. All those sent there were killed; she was last in line to be executed. It turned out that one of the soldiers of Pol Pot-Ieng Sary learned the truth and took pity on her. He helped her to flee and disguise herself and so she was able to survive unitl the country was liberated by Vietnamese and Heng Samrin forces.

As for her present position, she is a member of the Central Committee of the Kampuchean People's Revolutionary Committee, or the Kampuchean Communist Party. She is also the vice president of the National Council and the vice president of the Kampuchean-Cuban Friendship Association.

"I will not go anywhere outside my homeland," she said in French. "My people need help from all Kampucheans. I cannot leave them."

"But why did Norodom Sihanouk leave?" asked Chaturat.

"He is probably too old," she replied, smiling as if she had no other answer to give except to say enigmatically that "he probably thinks like an old person."

"In your view, does he have any hope of returning to power in Kampuchea as he thinks?" asked Chaturat.

"If he returns like a Kampuchean who is for the Kampuchean people, there is probably a way for him to return. Our country needs the help of all Kampucheans who will work for the Kampuchean people," she said sharply and clearly. "In Laos, Prince Souvanna Phouma once headed a right-wing government. When the revolutionary party won and took control of Laos, he remained in Vientiane and worked for the Lao people. I do not see anything strange about that. He is a prince too."

She speaks simply, quickly and frankly. Inside the spacious reception hall of the former French governor's residence, Lola, or Sisowath Sawetwong Monivong, talked to us about the situation in Kampuchea like a knowledgeable person who has great confidence.

"Our views on the Kampuchean problem today are different," she replied when asked about the formation of the Khmer Coalition Government and the goals of this government that does not yet have a definite base. "They think that they will fight us and destroy those of us who are starting a new life. But we do not think like that. Let them do what they can. Our problems concern our internal situation. [We are concerned with] our people's living conditions and the degree of unity. This is the period in which we are starting to build unity. The suffering and pain that we have all suffered is the thing that will enable us to unite in the struggle. Thus, we don't care what those outside think of us."

"Do you think anything will happen if the new government formed by Prince Sihanouk maintains its seat in the United Nations for another year this September?" asked Chaturat.

Smiling sweetly, she laughed as she replied: "Did anything happen to China during the 20 years that China was not a member of the United Nations?"

Just as with other Kampuchean intellectuals with whom we talked, when we raised the issue of the seat in the United Nations, she mentioned China and its struggle, which is the same as that of Kampuchea today. But in the end, even though it took 20 years, China never lost anything or suffered anything by not having a seat in the United Nations. And when the time came, many people went to Peking to pay tribute to China and offered China a seat in the United Nations.

Kampuchea is in the same position China was in 20 years ago. There is nothing important about the seat in the United Nations. "Kampuchea's survival depends on the Kampuchean people in the country. The United Nations has never decided the survival of anyone. These days, talk about the United Nations is for us

just a matter of performing a dance. When the instruments start playing, we come out to dance. But afterwards we go and change our clothes and then go back to work as normal."

The interview was like an informal conversation and exchange of ideas about various problems. When we touched on the matter of how long Vietnamese troops would remain in Kampuchea, she responded like other Kampucheans. She would only say that "at present, there are few problems. They can withdraw any time they want. But why should Vietnam have to withdraw when the United States still has 100,000 troops stationed in Europe and 40,000 troops stationed in South Korea? In Lebanon, Israel has still not withdrawn its forces. Why should anyone be upset over Vietnamese troops being in Kampuchea since we asked them to come in?"

This is the response that has frequenlty been given by North Vietnam. And we have heard this many times from Kampuchean leaders at various echelons. The fact that everyone has confirmed is the same: "This is not the first time that Vietnam has come into Kampuchea. The first time was during the war against the French imperialists. [illegible] asked Vietnam to come help. During the [take over by] Pol Pot-Ieng Sary, Vietnamese units were the first units to enter Phnom Penh. This is the third time that Vietnam has come to help the Kampuchean people. They have come this time to help drive out Pol Pot-Ieng Sary. Each time, they have come just to help the Kampuchean people. Why didn't anyone criticize them the first and second times? Why are they guilty of something evil only this third time? The Vietnamese soldiers are helping the 3 million people here. They are helping in many ways. They are even providing the thread and needles that we lack."

She is a member of the Khmer royal family who is held in high esteem by the Kampuchean people who still believe in spirits and in the merit of people. But in talking with her about the country's problems, she seems like an ordinary person, or like a politician who knows at least as much about the problems in the present situation as other politicians in Southeast Asia. And she probably knows more than those petty politicians who have attached themselves to certain people and gained power in the various countries at present.

She said that the withdrawl of Vietnamese troops from Kampuchea is not an important problem since a Kampuchean army has now been formed and trained. It can handle the problems inside the country. But how long Vietnamese troops remain in the country depends on the situation along the Thai border. As long as the coalition government of Sihanouk and, in particular, the opposition forces of Pol Pot-Ieng Sary continue to receive support and live in Thailand, the Kampuchean people certainly have the right to defend themselves by asking friendly countries to come provide help. She said forcefully that:

"This is in accord with Article 151 of the U.N. constitution. Each country has the right to ask friendly countries for help if it is invaded. The Vietnamese troops could all be withdrawn today. But tomorrow, if we learned that we were going to be threatened and could not survive, we would have to ask Vietnam to come help again. Or if we were threatened by China during the next

3 to 5 years, we would have to ask friendly countries for help again. What is strange about whether they are withdrawn or not?"

At present, in the view of most Kampucheans, there would be no problem if the Vietnamese troops were withdrawn. They believe that withdrawing or not withdrawing the troops is just the end-point of the problem.

"But in Thailand or Asia, we feel that the troop withdrawl is the most important problem. The United Nations has issued a resolution to serve as a basis...," said Chaturat.

"Then why don't you talk to Vietnam and our government directly?" she said somewhat angrily. "Why should we be threatened and pressured to do this and that in accord with the wishes of those countries? It is our problem and a matter of our survival. When millions of us were dying, why didn't anyone say anything about what was right? If we told the United States to withdraw its troops from South Korea, if we told Indonesia to withdraw its forces from East Timor, if we told China to return territory to India and to give Tibet its independence or if we told Israel to withdraw its forces from Lebanon and stop killing people, what would be the response? We have the right to say such things since we are humans too and we know that none of these things are right. But we have not said anything. People's affairs are their own business. We have the right to live just as do Thais and other people."

Kampuchea today has changed much more than would have been expected. This small woman from the old Khmer royal family, of which only two are now left from the more than 200 who were in Phnom Penh when the socialist civilization of Pol Pot-Ieng Sary was built, is now an ordinary citizen who can talk about politics and national affairs intelligently and who is ready to cooperate fully with the new government of Kampuchea. Regardless of whether it is called a communist or socialist government or something else, her most important aim is to join in for the sake of the Kampuchean people and her beloved country.

11943
CSO: 4207/20

STUDENT DESCRIBES WORK, STUDY IN CSSR

Vientiane NOUM LAO in Lao 15-30 Aug 82 p 13

[Interview of Lao Student in Czechoslovakia by Viset Savengsukva, date and place not given]

[Text] The wind of the Eleventh Assembly of the World Federation of Democratic Youth in Prague, the capital city, carried NOUM LAO reporters to meet Comrade Boumpheng Philavong, a youth of 27 years, and the secretary of the Lao People's Revolutionary Youth Union in Czechoslovakia. It was a meeting on the ideology and working session because Comrade Boumpheng was occupied with the delegation of the LPRYU from the day of the opening assembly until the closing day. NOUM LAO took this opportunity to interview him.

NOUM LAO: I would like to know your specialized task and the academic year you are studying in.

Answer: I am in the 4th year of medical science and health in Karlova University in Prague.

NOUM LAO: What led you to study this subject?

Answer: Basically my love for it and its importance are the primary reasons. I can see the need for this subject in the actual situation in our country at the present time. Because of this love and the need for it I believe I will be able to apply this specialized task efficiently.

NOUM LAO: And how about the difficulties and conveniences you and your friends have?

Answer: When we first arrived all of us were ignorant of the language. Thus the battlefield that was considered the most fierce and confusing was to liberate ourselves from this. We did not fight alone--we got all kinds of help both from inside our organization and from host country teachers and friends. This was helpful.

NOUM LAO: Please tell us the details concerning the urgent concerns of the LPRYU unit in Czechoslovakia in the future.

Answer: There are altogether 334 students of all levels and all fields of

study. They are divided into 31 groups and distributed in 22 cities. This is considered a fair amount of students. Our priority is to organize and lead the process in 3 main directions: to organize and press forward in the learning process, to train ourselves to have revolutionary ideals, and to carry out the actual work.

NOUM LAO: Is it possible to tell us the details of the movement?

Answer: The movement is outside the school curriculum. This includes working, participating in arts and literature, and joining the important celebrations. Each month our vocational students work in order to earn money for savings and to join the solidarity saving in order to help other countries. During the school vacation every year more than 60 of us volunteer to work.

In the past two years the LPRYU was accepted to join the counterpart Youth Union in socialist Czechoslovakia. The chain of relationships between our Youth Union and the host Youth Union organization is very firm in all aspects.

NOUM LAO: Do you hear from home regularly?

Answer: I want to say not very often; however, we have learned resolution No 8 very well and carry our the first Five Year Plan in the area we are responsible for. We follow and implement the resolution of the Third Party Congress of the LPRP. Now our Youth Union is actively carrying out the three solidarity and four offensive [emulation] aiming to score achievements to greet the first congress of this coming LPRYU.

At the end of 1980 each group of our Youth Union all over Czechoslovakia had earned as much as Kcs 15,000. Of this we bought Kcs 7700 worth of indispensable materials to give to the central LPRYU. The rest of the money will be kept for future assistance.

NOUM LAO: Is there anything to send back as a remembrance with NOUM LAO to the Lao Youth Union and the people of Laos?

Answer: Our love and pledge to score achievements in the studies of all Lao students in Czechoslovakia, and congratulations to the Youth Union in our country who emulate each other to score new and better achievements.

NOUM LAO: What is your motto?

Answer: Patience, and making sacrifices for work that is an outstanding example for the organization.

9884
CSC: 4206/14

VIENTIANE WOMEN'S ASSOCIATION PARTY ORGANIZER PROFILED

Vientiane MEGNING LAO in Lao Aug 82 p 8

[Article by Vieng Sum: "Comrade Sommai Vongnakhon, Vientiane Capital Representative Who Attended the Third Party Congress"]

[Excerpt] Comrade Sommai Vongnakhon, 43 years old this year, is a daughter of Dong Bung Village, Dong Bung Canton, Saithani District, Vientiane Capital.

Before, Miss Sommai was well known as one of the roses of Dong Bung Village which is only 26 km from Vientiane Capital. Each weekend young military men and low and high-level government officials came to court her. But because she was trained in mobilizing cadres of the Lao Issara [Free Lao Front] she steadily increased the revolutionary awakening. She was not infatuated with her personal happiness in the false civilization of the old and new colonialism.

In 1954 she joined the revolutionary movement by putting herself into the political struggle. She used the power of her voice, her beautiful eyes, and white complexion as a means to mobilize enemy soldiers. Whenever she spoke to any military men they had to listen without talking back because her words carried all new terms and new issues that had not been heard before. After each talk with the "honorable" brothers she was able to grasp the situation which she then reported to the Free Lao Front soldiers in the jungle.

In 1960 she left her home to live in south Vientiane and Vang Vieng Districts. Her primary responsibility this time was to mobilize the people to engage in legal and quasi-legal struggles in order to cooperate with the struggle on the military front. After the mobilization work she not only participated in improving the base area organization, but was changed from Miss Sommai, one of the masses, to Comrade Sommai, and she was very trusted by the people and her colleagues.

Later on she was sent for training at the central echelon. After that she had a chance to work in a broader area nationwide. Wherever she went she correctly adjusted herself to be the beloved daughter of the people in that locality according to the saying, "if she wasn't there people look for her. If she does not come the people miss her."

After her marriage, when because of her children and the war situation she could not do her former work, she volunteered to do all kinds of jobs no matter whether

it was low or high level work. For example:

--1966-1967 she was a cook in the political theory school of the party central committee in Hang Long Cave (Sam Neua);

--1968-1974 she was a management cadre in the 12-10 Textile Factory in Ban Loei (Soy District, Houa Phan Province);

--1975, after the seizing of power nationwide, she was put to work in mobilizing and organizing the Lao Patriotic Women's Association of Vientiane Capital.

Now she has been appointed to the party committee and also as the chief of the mobilizing committee to set up the Lao Patriotic Women's Association with honor.

9884
CSO: 4206/14

NORTHERN DISTRICT CHIEF DESCRIBES SECURITY, MARKET PRICES

Vientiane SIANG PASASON in Lao 1 Oct 82 pp 3, 4

[Article by B. Kongmali Souliyavong: "Sing District, the Land That Confronts the Chinese Reactionaries"]

[Text] Sing District is in the northern region of Laos. It is in the north of Louang Namtha Province bordering China for 90 km and bordering Burma for 50 km. Its total area is 10,000 square km and is divided into 7 cantons, 93 villages, and 3273 families. The total population is 17,388 people, including 2 major nationalities: Lao Loum and Lao Soung. It is also divided into 5 races: Ko, Thai Neua, Yao, Leu, and Lao Theung.

The Sing District people have a heritage of diligence, persistence, and courage. They make their living by engaging in highland rice farming, paddy rice farming, and gardening. Every Sunday morning in particular these people of all races bring their produce to happily exchange with each other in the market as if it were a land which no longer has any enemies to cause trouble. However, deep within the Sing people's hearts they are alert and ready to fight to protect and resist all invasions of the Beijing reactionaries who have been sabotaging the peace along that border all along.

Comrade Mai Peng, secretary of the district party committee, told us that after the Chinese reactionaries had invaded the Socialist Republic of Vietnam in 1979, China announced itself as the enemy of the LPDR. They propagandized that if China did not help the Lao people in the 5 northern provinces, after only 3 years the people would starve to death. Meanwhile they agitate and threaten the lives and the building up of Sing District. From 1979 to now it is already 3 years, but the Sing District people cannot see any signs of food shortage or starvation as the Chinese propagandized. Instead, the people of all races have abundant food. Chinese people along the border come to ask to exchange rice with the Sing District people every day. Also, they have announced that now China has new friends such as the US, England, and Japan. What is worse is that they show their military forces. For example, on 17 August 1979 they sent their soldiers to attack our people who were protecting the border, and captured 15 combatants and burned the Lao border outpost. Starting from 1980 to 1981 when they could not use military strategy effectively they turned to use the economy. They sent in goods to sell [at auction] to the Lao people. Sometimes they gave souvenirs to cadres, guerrillas, and Youth Union, hoping to

bribe them, but our people returned the gifts to the border. They mobilized the Chinese people to come to stubbornly engage in highland farming, paddy rice farming, gardening, and cutting down trees on Lao territory. On 11 May 1980 10 Chinese soldiers came in to move the border outpost deeper into Lao territory. Sometimes they sent troops up against the border to threaten the lives and to sabotage the peace of the people. Moreover, they also propagandized to break up the harmony between the races in order to create misunderstanding, and to break up Lao-Vietnam and Lao-Soviet solidarity, and many other tricks.

However, everything they created was resisted and defeated as it deserved from the Sing District people who are always alert and who promote a revolutionary spirit that is full of patriotism, and who bravely fight and are able to defeat the evil acts all along. The Sing District people always clearly know their true evil intentions.

On the beloved fatherland of the people in Sing District they will absolutely not let any enemies agitate confusion. They are alert and ever ready to punish those who deserve it. In the past the people in Sing District captured 58 enemies who sneaked in to spy. This included 21 Chinese reactionaries along with a number of weapons.

Along with protecting the nation, they raise the spirit of being ever ready to fight against all invasions. The people of Sing District are determinedly working to construct the economic base and to increase produce. They have now set up 17 agricultural co-op units all over the district; 40,000 hectares can be used for paddy rice farming. Now 2970 hectares have been cultivated. Meanwhile education, culture, and health services are steadily being improved and gradually expanded.

Even though Sing District is on the border confronting the Beijing reactionaries, their standard of living is abundant. Besides having rice to sell to the government, they also have tens of thousands of livestock for family consumption. In the Sing District market buffalo meat and beef are 15 kip per kg, pork is 20 kip per kg, and noodle soup is 1 kip per bowl.

Nowadays the people of Sing District are under the leadership of the provincial and district party central committee. The people of all nationalities and races are struggling to implement the resolution of the Third Party Congress to increase produce and to protect their homes forever.

9884
CSO: 4206/14

VIENTIANE FOOD SERVICE CORPORATION PROCUREMENT PRICES NOTED

Vientiane SIANG PASASON in Lao 7 Oct 82 p 2

[Article: "Struggle Aims of the Vientiane Food Service Corporation"]

[Text] Recently Mr Ngon Boumanda, the director of the Vientiane Food Service Corporation, told our reporters of the struggle of the Vientiane Food Service Corporation to supply food for Vientiane Capital.

The Vientiane Food Service Corporation was set up to raise the standard of living of cadres in the state administration and state enterprises in Vientiane Capital alone. Each day the Vientiane Food Service Corporation has some food, for example, approximately 150-200 kg of beef and buffalo meat, 450-500 kg of pork, and 2700 kg of lard. Two sections the unit distributes to are state enterprise and state administration. The source of our food nowadays, especially meat, is the Thansamai slaughter house. The Vientiane Food Service Corporation has 3 factories: the Thansamai slaughter house, the fish sauce and fermented fish factory, and the bread factory. The fish are from the Nam Ngum Fishing Company. Eggs are from many different places such as the Dong Dok chicken raising settlement, the Nong Hai chicken raising station, and also from private individuals.

Speaking only of eggs, the work is divided into purchase and distribution as follows: the eggs purchased from the Dong Dok [chicken] raising settlement are at a good price, 3 kip per egg, which we then sell at 3.5 kip per egg. This is the price at which we sell to cadres under state administration only. Eggs bought from other places at 3.8 kip per egg we then sell at 4.5 kip per egg for state enterprise cadres.

Concerning the distribution of pork, beef, and buffalo meat, we also have two prices: one price for state administrative units and another price for state enterprises. This is for all cadres and workers, no matter whether they have low or high income, so they may have an equal standard of living, and also to keep the capital circulating without losing too much money.

Mr Ngon Boumanda also told us that this corporation has set up a branch in the southern region, one in the central region, and two in the northern region. The work of these branches is to buy buffalo, beef, and pork from the people, then send them to supply the Thansamai slaughter house to strive to increase the meat supply to 1000 to 1500 kg per day. This is to respond to the resolution of the Third Party Congress concerning steadily raising the standard of living of cadres, government employees, and workers.

9884
CSO: 4206/14

PAGARO BLAMES MRD FOR ROUND TABLE POSTPONEMENT

Karachi DAWN in English 16 Nov 82 p 12

[Text]

The planned Round Table Conference of political parties was deferred indefinitely because the MRD's component parties insisted on a pre-RTC joint declaration, and Pir Pagaro, President of the defunct Pakistan Muslim League, refused to sign such a document in advance.

Talking to the newsmen at his Karachi residence, Pir Pagaro said that MRD's Secretary-General, Khwaja Khairuddin, came over to see him and confronted him (Pir Sahib) with a draft declaration and asked for his signature. Later, Maulana Shah Ahmad Noorani, the RTC convener, also pressed for the same.

"I refused to sign on any declaration before the convening of the RTC. Nor did I care to look at it or to know who had drafted it", Pir Pagaro observed.

Actually, he pointed out, there was a marked difference in the approach of the participating parties towards the RTC. To him it meant a "get-together" of the party leaders wherein the policy statements of each party would have been exchanged. Time, then, would have been given for analysis of the various declarations and the RTC session re-convened to reach a consensus on the future course of action, he explained.

"The RTC was not to be convened for taking signatures; it was meant for the participating parties to come closer on the political plane. Besides, the idea of joint declaration was to me unacceptable", Pir Sahib maintained.

Some one suggested that the RTC had been "sabotaged". Pir Pagaro, reacting sharply, said it was "absurd" to think of that and asked who would torpedo the move and what for? Nor did the Government score a point, as another correspondent thought.

Pir Sahib said the RTC was not proposed to pose a "threat" to anyone or to launch any sort of campaign. "It was meeting each other and getting familiarised with each other's point of view", he added.

The question of "debacle" did not arise because the RTC was not held, he told another questioner. However, he said the RTC will, Insha Allah, take place — an RTC to which besides others, all the registered parties would also be invited once their addresses were known.

He said it was at his insistence that invitations were sent to the defunct Jamaat-i-Islami and Gharib Awam Party. Maulana Noorani thought the JI leaders would "put hurdles in the way the RTC to which he replied it would not happen as "we all will be meeting to present our respective policy statements".

Answering other questions Pir Pagaro claimed that his was the only party (PML) which was "Islam-Passend" and that others were either sectarian or secular parties. He said the PML alone safeguards the interests of all sects in the country, while the sectarian parties only talked of their sect and promoted its interests to the exclusion of others.

Pir Pagaro termed secularism as a "virus" which, he said, was not to be found among the Muslim Leaguers.

With the Army the PML had a "common cause", Pir Sahib observed, explaining that while his party was the guardian of Pakistan's ideological frontiers, the Army was the custodian of Pakistan's territorial frontiers. He said he did not visualise any role for the Army but to defend the country.

With Maulana Shah Ahmad Noorani, President of the defunct Jamiat-i-Ulema-e-Pakistan, and a partner in the PML-JUP Alliance, Pir Pagaro said he had had "some heart-searching talk" lately. He said: "Noorani Bhai and I are very good friends and I have always considered him as my own (brother). He, however, added that if the JUP thought of changing its policy "we, of the PML, will not be a hurdle in its way".

Pir Pagaro released to the Press a policy declaration on behalf of the PML which he wanted to circulate among other RTC participants for their appraisal.

The Pakistan Muslim League, in its policy statement, called for the formation of a "political government" at the Centre and in the Provinces "with a clear mandate" to arrange for elections to the National and Provincial Assemblies "at the earliest" and to "surrender power" to the elected representatives.

The declaration further demanded the revival of political parties, resumption of full political activity and the lifting of Press censorship.

The declaration demands restoration of the 1973 Constitution as in force on Aug 14, 1973, with a proviso that necessary amendments be made to provide for balance of power between the President and the Prime Minister and between the Governors and the Chief Ministers on the pattern of the 1956 Constitution along with Act XLIX of 1974.

The PML's policy statement called for the restoration of the independence of superior judiciary and withdrawal of all laws and orders curtailing the judicial powers; constitutional protection to the civil servants.

CSO: 4200/130

CONCILIATIONS COURTS PLANNED FOR SPEEDY, CHEAP JUSTICE

Karachi DAWN in English 18 Nov 82 pp 1, 4

[Excerpt]

Lt-Gen S.M. Abbasi, Governor of Sind, observed yesterday that the present legal system was full of flaws and repugnant to some of the Islamic laws, and added that the Government was keen to introduce an integrated legal system by which people could get cheap and speedy justice at their doorsteps.

The introduction of Panchayat system and the establishment of Conciliatory Courts in the province, to be followed by Qazi courts, were a step towards the integrated legal system, he said.

Inaugurating a two-day first Sind Conciliatory Courts conference at Liaquat Memorial Library Hall, organised by the KMC, the Governor said that some 2,303 Conciliatory Courts had been established in Sind.

He said the present Government, though not an elected one, had always endeavoured for public participation in development activities.

In this regard, he cited people's participation in the Hospital Management Boards, Cotton, Rice, Wheat and Fruit Boards, Water Users' Associations, Road Safety Boards and District Safety Committee etc.

The Governor said that much more responsibility now lay on the shoulders of elected Councillors.

Referring to the existing judicial system, he said poor people did not get justice speedily because of the intricacies of law and non-availability of services of competent and seasoned lawyers.

In fact, the present system was more to the advantage of the rich, although there was no distinction between the poor and the rich in law, he said.

However, under the Conciliatory Courts system, the people could get their cases decided at local level without undergoing intricate and lengthy judicial procedures.

Gen. Abbasi said that the Government had already set up a body to review the laws which were repugnant to Islam.

would lead a delegation to Rawalpindi-Lahore; while Mr Abdul Majeed Abid, Chairman of Divisional Committee (Hyderabad), would head a delegation to Lahore-Bahawalpur.

Responsibility

Earlier, Mayor Abdus Sattar Afghani said that introduction of Conciliatory Courts would be an added responsibility for the 145 Councillors.

Cases up to the value of Rs 10,000 could be brought before these courts.

A working session began in which Mr Waqar Zahid, Chairman, Legal Affairs Committee of KMC, highlighted various aspects of the Conciliatory Courts, adding that it was a 'simple' system in which neither the Criminal Procedure Code nor the Evidence Act would apply. It would involve 'no writing' of evidence; lawyers were debarred from appearing; and other courts would not be allowed to rehear any case once taken up or decided. Conciliatory Courts were competent to grant compensation up to Rs 500 and take congnizance of the contempt of court as well, he said.

Group discussion

Subsequently, a group discussion was held on "System of Conciliat-

ory Courts" in which the Deputy Mayor, Mr Yusuf Deda, Councillor Mrs Khanum Gohar Ejaz, Qazi Abdul Abid, Hyderabad Mayor Wasi Mashar Nadvi participated. Mr Agha Shahabuddin acted as moderator.

Mayor Afghani, winding up the discussion demanded either an exclusive magistrate or any other measure to root out complaints of Councillors pertaining to Panchayat matters. Otherwise the Government plan to provide cheap justice would fizzle out, he said adding he had moved the authorities in this connection.

Mr Akhtar Ali Kazi, advocate and a member of Sind Council, said Conciliatory Courts would be a "powerful body" but their rules were of a technical nature and required study and training.

It was therefore imperative to gain public confidence for the success of the new system, he said.

The Sind Chief Secretary Mr M. Masud Zainan, said that Conciliation Courts would have important and far-reaching results and favourable effect on society.

He emphasised that an atmosphere of peace, tranquillity and harmony was needed for working towards progress and prosperity.

If local differences and problems were solved through conciliation Courts, an important breakthrough would be achieved towards this end, he added.

The inaugural session was attended, among others, by Sind Ministers, Mr Ashraf W. Tabani Mr. Dost Mohammad Faizi, Mr Ghulam Mohammad Mehr, Begum Tazeen Fareedi, Mayors of Hyderabad and Sukkur.

Today's programme

Mr Abdul Hayee Kureishi, Chief Justice of Sind High Court, will preside over a morning session; and Mr Fakhr Imam, Federal Minister for Local Bodies, will be chief guest. Mr Khalid M. Ishaq, an eminent lawyer, will speak on "Transfer of judicial powers to Local Bodies members." The closing session is to be addressed by Mr Muzaffar Hussain, Federal Secretary, Local Bodies.

CSO: 4200/131

EXTENSIVE INDUSTRIAL INVESTMENT FOR NWFP PLANNED

Karachi DAWN in English 18 Nov 82 p 5

[Text]

PESHAWAR, Nov 17: The NWFP Finance and Industries Minister, Mr Salim Saifullah Khan, has said that the Industrial Development Bank of Pakistan, the Investment Corporation and other loaning agencies have sanctioned more than Rs. 4,000 million for industrial investment in NWFP during the last three years which was 16 per cent of the total investment sanctioned in Pakistan during this period.

In a Radio talk broadcast from Radio Pakistan on Sunday evening the Minister reviewing the industrial development of the province during the last four years, said that more than Rs. 1,000 million was being invested annually on large and small scale industries in the province.

He said that the large scale industries including Dir Forest Complex, Haripur Urea fertiliser and Tarbella Cotton Mills which had already been completed at a cost of Rs 750 million and had already gone into production while the Kohat Cement Factory would be completed by the end of current year at a cost of Rs. 620 million.

He said that Sarhad Development Authority had also invested more than Rs. 600 million during the past few years in setting up a number of inudstrial units in various parts of the province.

The Minister pointed out that it was the firm policy of the Government to encourage private investment which was essential for the speedy development of industrial sector, and as such, the SDA was working on a disinvestment policy and a number of its industrial units had already been disinvested while efforts were being made to transfer more units to other organisations. He said that this would enable SDA to raise funds for its future plans which included setting up of a sugar mills at D.I. Khan and a number of other units.

Tax Holiday

Mr Salim Saifullah Khan said that the Government had already given tax holiday for five years and duty free import of machineries in most of the districts of the province to give incentive to private investment.

Besides this, he said, the related financial institutions had sanctioned huge amounts to the private parties for setting up new industries in the province.

He maintained that the Sarhad Development Authority had already finalised a plan for setting up a dry port at Azakhel, about 18 miles from Peshawar which would soon be presented to the Provincial Cabinet.

This he said, would extend a number of facilities to the traders and industrialists to run their export and import business.

Small units

Referring to small scale industries the Minister described them as the important factor in the national economy and said that 85 per cent of industrial workers were attached with small industrial units which contributed 47 per cent of the total industrial production in the country.

He said that the NWFP Small Industries Development Board had set up a number of industrial estates in the province with required infrastructure and an amount of Rs. 15 million had been spent on seven industrial estates in the province so far.

Mr Salim Saifullah Khan said that the Provincial Government was giving top priority to vocational training and more than 600 persons were being trained in various industrial profession, he said. —APP.

CSO: 4200/131

MINISTER SAYS POLITICAL CURBS TO GO GRADUALLY

Karachi DAWN in English 16 Nov 82 pp 1, 4

[Text] Islamabad, Nov 15—Mr Mahmoud A. Haroon, Federal Interior Minister, today said the restrictions on politics would be lifted gradually after knowing the mood of politicians as no country can live without politics.

However, he said, politics should be constructive, disciplined and based on fair intentions.

The Minister was talking to newsmen on Margella Hill top where he inaugurated a 50 kilometre road.

The Government, he said, never wanted to continue Martial Law and will not let any one create a situation which could again lead to Martial Law in the country. The present Government's intention he said was to strengthen the foundation of a house which could absorb earthquakes which often damaged the house severely as it happened in the past.

To a question, he said various Government agencies were actively busy working out the kind of political system needed for the country. Every country, he said, had its own political system according to its socio-economic and geographical background. The system to be introduced in Pakistan, he said will be based on Islamic values.

The Minister admitted the fact that Islamic system in Pakistan had not so far been fully implemented.

He lauded the past role of the Army and said those who demanded its return to barracks were mistaken. Army, he said, did not come from outside the border. Army Jawan was one of us and had equal rights to live with us. If their job was to defend the country they also had the right to enjoy life in the society during peace. The Minister said we are in the habit of giving bad names to every sector and faction of the society. This practice, he said has created disunity among us which will not lead us any where.

When questioned about the detention of some political leaders, the Minister said their release would depend on their attitude. The provincial high-ups will set them free immediately after having assurance of constructive political activities by the detained leaders, he said.

The Minister said failure of the politicians to hold the proposed Round Table Conference was the result of their own differences. The Government, he said, had nothing to do with their failure.

The law and order situation in the country was completely under control, the Minister said. He hoped the situation caused by the lawyers' unrest will also be brought under control peacefully. The Government had a lot of regard for the lawyers, he added.

Asked if some Afghan refugees in Pakistan had any link with the subversive elements in the country, the Minister said the Government had not yet received any such information. He, however, said the matter was being examined by the concerned authorities.

CSO: 4200/130

EVEN ADVISORY COUNCIL SHOWS DISSATISFACTION WITH ADMINISTRATION

Karachi JANG in Urdu 23 Oct 82 p 3

[Article by Irshad Ahmad Haqqani: "Current Situation of the Country; Views of the Advisory Council Members and Moderate Leaders"]

[Text] Last week, while opening the fourth session of the Federal Advisory Council, President Gen Mohammad Zia-ul-Haq used harsh language to warn those involved in disruption and terrorism. He said that the government would give them such punishment that it would be remembered by their descendants as well. Two days later, again addressing the Council, the federal minister of interior said that the real aim of the agitators and terrorists was not only to oppose the present rulers but to strike a blow at Islam and the ideology of Pakistan and that the country's ideological frontiers and carefully considered goals were their real targets. The government, under no circumstances, will let them succeed in their hateful intentions. The minister of interior also provided details on the steps the government is taking to stop the incidents of disruption. Later, during a special interview with the BBC, Pakistan's president made it clear that the object of his stern speech at the opening session was to encourage the Advisory Council's members and to restore the trust of the people. But the president and the interior minister rejected the argument that the recent incidents of disruption had any connection with the political situation in the country. They said that it was wrong to think that because there are restrictions on political activities in the country and the avenues for expressing differences of opinion are closed, the sectors having differences with the government were following the path of subversion and disruption. Disruption exists even in those countries where recognized political activities are permissible. In Pakistan, therefore, the aim of the people engaged in such activities is not to express political disagreement but to demolish the country's ideological foundations.

But this is the viewpoint of the officials in authority. The politicians hold a somewhat different opinion. Leaving aside the political leaders linked with MRD, even the political circles outside it do not fully agree with the above argument. In this regard, the reaction of Pir Pagara, leader of the defunct Muslim League's biggest group has come to the forefront more than once, and he has said that the incidents of disruption stem from the absence of normal political activities. For a while, however, forget Pir Pagara's view also. Come, let us see what the views of the members of the Advisory

Council itself are in this regard. The officials in authority do not have any suspicions regarding the motives and preferences of the members of the Advisory Council. Rather, to signify his unity with them, the president recently said that both of them shared the same fate. They would stay and leave together. Therefore, the views of the members of the Advisory Council can help us understand the feelings of the people with regard to the country's general situation and in particular the subversion.

After the interior minister's speech, most of the Advisory Council members exhibited a bitter tone on the subject under discussion. According to newspaper reports, a (female) member of the Advisory Council, Sabiha Shakil, said that the interior minister stated that 25 policemen had lost their lives in combating the subversives; they would have been shot while running and not while struggling with the subversives or terrorists, she said. The thieves and agitators have ammunition, while we are bound by the martial law regulations. Currently, the situation in the country is such that any woman who goes to the police station returns deprived of her honor. In other countries when crime becomes rampant, the president has to resign, to say nothing of the interior minister. Another member, Chaudhry Indris Taj said that there was no need to arrest the terrorists; they /Council members/ were there to be offered up as sacrifices. Murders will continue and the government will go on getting stronger. He said that the members of the Advisory Council are just like the oxen pressing oil for a government that does not even appreciate their efforts. The interior minister has felt the need of holding a discussion on this matter after 5 years, when, for all that time he had held himself aloof. Mr Taj said: I asked one of my formers how he was feeling. He replied that all was well and God had graced him abundantly. I told him that despite being lame and deprived of sight in one eye, he was grateful to God. The same is true of our interior minister /everything seems fine to him/. Dr Nazir, Khwaja Rafiq and Zahurul Hasan Bhopali's murderers have not yet been apprehended. This is the way things go in our country.

Another member participating in the discussion,Mr Shafi Malik said that they could only pray that the preparations and steps mentioned by the interior minister in his speech might prove fruitful. Every citizen of the country wants law and order. The people are even ready to cooperate with the government against terrorists, but they do not believe that the plans adopted by the government will produce any results, since the agencies mentioned by the interior minister are not capable of controlling these disruptive activities. He added that the administration is relying solely on the official agencies. Immediate action is taken against protests by students, and they are instantly punished, but the official machinery itself encourages the agitators. It is impossible to meet the disruptive challenge with this machinery. It is that very machinery that tried to turn the action regarding Bhopali's murder toward individuals whose patriotism is beyond doubt and above suspicion. This situation cannot be dealt with without gaining the people's confidence. As for winning public confidence by temporarily establishing the Advisory Council, every one of the Council members felt that his prestige had been damaged over the past 10 months.

Another member of the Advisory Council, Ghazi Abdullah, joining in the discussion, said that the causes of disruption and terrorism were political and, they can only be solved politically. Mr H. L. Hayat noted that terrorism, disruptive activities and political murders prevail in the country. Despair and frustration among the people is increasing. Anyone who pinpointed terrorists suffered intensely. Mian Naimur Rahman said that when this government came into power, in the name of God and His prophet, it promised to safeguard the people and the country. Everyone knows today how far this promise has been fulfilled. People have no confidence in the government. The ministers have no rapport with the people, who feel that guarantees of their safety are merely verbal. The government lacks the power of law enforcement. The evening session's first speaker, Mumtaz Ahmad Tarar said that the cause of the trend toward terrorism in politics throughout the entire world is that the people are deprived of political power, the democratic process and social justice. In all of the Islamic countries of the world, there are restrictions on freedom of expression and dictatorship is enforced. The people are no longer willing to tolerate this. The political process should be expedited, and all restrictions on newspapers should be removed. Sayed Saeed Hasan said that the current situation came about because all avenues of expression are closed. Dr Mohammad Yunas said that once the people realize the weakness of martial law, the situation gets tense. Giving sleeping pills to the nation will not work.

These were the views expressed by the members of the Advisory Council in one day's session. Now see how the moderate politicians think. The following day, addressing a press conference at Karachi, the defunct Jamiat-e Islami's distinguished leader, Prof Ghafur Ahmad, said that presently they are passing through extraordinary circumstances. Dangers hover over our borders; internal conditions are also extremely worrisome. But despite all these things, the government seems content. During emergency situations, all the people on leave are always recalled to duty, but the current government has forcefully sent 80 million people on leave and has itself taken control of everything. This has further increased the burden of the Pakistani Army. The experienced personnel of the Pakistani Army and the individuals responsible for martial law are on [other] duty. They are being posted to the civil administration. These increasing responsibilities will definitely effect their defensive capabilities.

Prof Ghafur said that the government promised to hold elections within 90 days, but after a lapse of just 5 years, this promise has not been fulfilled. The government should have lost sleep for not keeping its promise. On the contrary, however, the rulers seem to be satisfied. The reason for the government's contentment is that despite anxiety and restlessness, the people so far have not made any nationwide protest. We are moving in the wrong direction. Martial law was imposed to restore conditions to normal. But instead of returning to normal, conditions are deteriorating day by day. After paying such a heavy price in recent years, the results appear to be negative. The people lack self-confidence. Disruptive activities are increasing day by day. Unemployment is rising. The government should confess that despite its immense powers, it has failed to bring conditions back to normal. One manifestation of the trend is that the administration, instead of being lenient, is becoming harsher every day.

These are the views of a person who during the same press conference also said that he did not regard the army as the enemy of the political parties. The parties wished, and tried, for the army to fulfill its promises honorably. In that regard, they were ready to cooperate with the army. They had grievances, as the army had not fulfilled its promises in the past. Nevertheless, for the sake of holding elections, they were once again prepared to cooperate with the government. It is clear from Prof Ghafur's proposal that his attitude toward the government is not competitive or hostile but conciliatory and friendly. Nevertheless, he was forced to mention the negative aspects due to the continuation of the current situation. From this, therefore, it should not be hard for the authorities to conclude that those who advise the restoration of democracy without delay are not their enemies or evil-doers.

Maulana Shah Ahmad Noorani is a leader who thinks somewhat differently from Prof Ghafur Ahmad. He also indicated his plan to invite President Zia-ul-Haq to his proposed roundtable conference. At this, the circles that had previously agreed to participate in the conference have come up with severe criticism. However, Maulana Shah Ahmad Noorani got into a bind. In the very press conference in which he indicated his intention, contrary to expectations, to invite President Zia-ul-Haq, he also said that the president had mentioned having contact with the politicians. But, said Maulana, he had no contact with the president, nor did he ever express a desire to have one. He considered even the concept of collaboration with a martial law administration a sin. Maulana Noorani further said that the present government has prepared a special group of privileged individuals. Economic conditions are in ruin; the country is strapped by loans. Economic corruption is rampant in the Rice Corporation, Cotton Corporation, National Logistic Sale and other autonomous bodies. He claimed that if a high judicial commission were established and people were permitted to appear before it, great scandals would be unveiled. He said that if the army can participate in politics, why cannot the lawyers do the same? There is no excuse for arresting lawyers and journalists. Political workers are being tortured in prison cells. For this, too, a commission under the authority of a supreme court judge should be appointed to investigate these places of torture.

Maulana Noorani added that the people are compelled to bear the lawlessness brought on by the government 5 years ago. Regrettably, Islam is being involved in all these matters.

In response to a question, Maulana Noorani even went as far as to say that the government had no right to impose restriction on political activities and in the roundtable conference he would propose a policy to end the restrictions on political activities.

These are the views of the same Maulana Noorani who, against the wishes of his colleagues and other leaders, intends to invite President Zia-ul-Haq to his roundtable conference. What does this entire situation reveal? It only shows that the relatively moderate circles, too, are extremely concerned about the continuation of the current situation. For the first time, one of them has

openly said that they would not care even for the law in order to have the restrictions on political activities lifted. For the past 5 years, this was not the common tone of expression for the political leaders, but now they have started uttering such words. Therefore, it would not be wise to ignore the significance and implications of the changes that have appeared in their thinking.

The impression drawn from an analysis of the views of the Advisory Council members, the leaders of the defunct Jamiat-e Islami and Jamiat-e Ulema-e Pakistan is that all of these people do not have disagreements so much with the individuals in power personally as they have with the present system. The Advisory Council members are already cooperating with the government. If they had personal conflicts with the members in authority, they would never have come forward. Now, however, they also feel that continuation of the current system is not the solution to the problem. Despite the existance of grievances with the army, Prof Ghafur Ahmad has, even now, indicated his willingness to cooperate in holding elections or, in other words, changing the administration. Maulana Noorani intends to invite President Zia-ul-Haq to his conference, but he also talks about breaking the law. To a great extent, these are the right wing's views. The politicians on the other side of the fence, and their numbers are not few, stand very far from these people. It can be seen from this in which direction the winds of politics are blowing. We feel that the authorities should examine the situation with care and discernment. Instead of exhibiting useless self-confidence or tardiness, they should face the facts and adopt effective and immediate plans. One of the reasons for the political circles' bitter tone is that for some time the government has been almost totally silent over the demands for elections and the restoration of democracy. Consequently, there is greater despair regarding the government's intentions and future programs. The need to remedy this siutation is obvious.

9779
CSO: 4656/24

USE OF COAL FOR LOWERING ENERGY COSTS ADVOCATED

Karachi DAWN in English 18 Nov 82 p 9

[Text]

DESPITE the revived interest shown in coal as a source of energy, the progress made in recent years in exploiting this very valuable mineral has been less than satisfying. Some projects have no doubt been taken up or completed, but on the whole coal remains to be used basically by the brick-making industry, and its share in the energy-mix is very low. This is surprising, to say the least. Although the quality of the coal found here is on the whole not very good, it can still be used in many places without too much trouble and can help reduce dependence on oil and natural gas. Where power generation is concerned, for instance, two small units are running on coal near Quetta and WAPDA is setting up a larger coal-based power generation plant in Loralai district. The World Bank has also prepared a report on the use of Baluchistan coal for power generation, which indicates that it is feasible to go ahead with coal-based power plants. There are some other projects also but, as said earlier, coal is still being ignored as a source of energy for widespread use.

The recent discovery of a big coalfield in Thatta district has improved the prospects of coal being used on a larger scale in the country. The new discovery is estimated to have 500 million to 1,000 million tons of coal, which compares very favourably with the reserves in the other coalfields in the country, estimated at around 450 million tons. The most encouraging aspect is that the coal in the Thatta fields is supposed to be of superior quality which, if it proves to be true, will not only be a very considerable asset but will also give an impetus to the utilisation of coal in the country. The key, however, is the manner in which the Government promotes the use of coal. If its attitude remains as in the past — an example being the use of Lakhra coal for power generation, which was suggested by experts in 1967 but whose completion is still many years away — then there is not much prospect of coal coming into wider use. The tragedy is that the Government is aware of many of the reasons which led to the decline in the use of coal. Official sources have lamented the fact that many ginning factories and cement and power plants have switched to using gas from coal, which has obviously relegated coal to a less important position. Similarly, the switchover by the railways to oil was a major blow. There has to be a policy change now so that, depending on the feasibility, new factories are required to use coal, something which is being done in many other countries. Public sector agencies will have to take the lead in this, preparing studies which show the feasibility of using coal and the economic benefits which will derive from it. This last is an important point, since the entrepreneur is not interested in concepts such as conservation of non-renewable fuels, which to him will be vague and silly ideas. If, however, it can be proved that using coal will definitely reduce costs — without causing inconvenience at the same time — it is more likely that the use of coal will gain acceptance.

CSO: 4200/131

PROGRESS OF TECHNICAL EDUCATION REVIEWED

Karachi DAWN in English 16 Nov 82 p 8

[Article by Azmat Ansari]

[Text]

How fiercely sixteen hundred seats in the nine politechnics in Sind are competed for can be gauged from the fact that only one boy or girl out of the every ten that applies for admission finds his or her way into these institutions.

Where do these young men or women end up? Officials responsible for running the job placement and follow-up plans do not know, for they don't seem to have enough funds for running these programmes. But they have a vague idea that all of them after finishing their education take up lucrative jobs.

A young man after putting in three years in a polytechnic starts his career on a minimum monthly salary of twelve hundred rupees; those who go out earn more. Not bad for young intermediate who before he got into the polytechnic had no definite idea what use to put his life to.

Not all those who apply for admission are intermediates: quite a few are B.Sc's and M.Sc's. A lot, many Master of sciences take up the 200-hour courses run by these institutions.

One only wonders why Masters of sciences waste their four years, if they had to take up a short course in the end which they could have opted for right after intermediate.

It is because, there is no system for guiding these people in higher secondary schools. University education does not help each and every student.

The increase in the popularity of technical education is largely owing to the changed attitudes of the youth: most of them now think that it is not important for them to start their careers in white collar jobs right away. Quite a few of them are prepared to work with their own hands rather than lording over others and telling them to do the jobs for them.

Some ten years ago people coming from aristocratic families would have thought it a disgrace to hold a screw driver or a monkey wrench in their hands; but now it is no longer so. Most of them may agree to become wellpaid welders in the Middle East or the Americas.

The boys after two years' training in the polytechnic institutes are called associate engineers, and they are justifiably proud to hold this diploma.

The nineteen courses that are offered to our youth who enters polytechnic institutes are in these technologies: auto and diesel, auto and farm, air-conditioning and refrigeration, civil engineering, cloving, electrical, glass and ceramics, industrial technology, watch and instrumentation, mechanical, power, radio and electronics, television, textile spinning, textile weaving, tool design and tool making, welding and sheet metal, woodworking and chemical.

The polytechnics also groom up young men into assistant and sales engineers, supervisors, production engineers, research assistants and overseers.

The growth in the rise of the technical hands and engineering

personnel may eventually bring into existence a class of technocrats who would hold lot of power and would get a fair amount of decision making posts at the provincial and federal government levels. The youth of today who take up technical jobs have a lot to look forward to: The best brains with the right type of ambition would eventually find their way into powerful government posts.

One cannot really dissociate technical education from vocational education. Some young men who are trained up in the fifty-five vocational institutes in Sind are a little better equipped to graduates on to polytechnic education than uninitiated raw hands.

Young boys when they pass out from vocational institutes call themselves semi-skilled personnel. When they finish their courses in the institutions they are ready to take up jobs as carpenters, mechanics, electricians, wiremen, drftsmen, supervisors, masons, plumbers, estimators, etc. The director of technical education told me that some years ago it was difficult to convince parents that vocational training is beneficial for their daughters. The large number of handicraft and needlework exhibitions that were held in which they saw for themselves the fruit of the work of the girls who had worked in a vocational institution helped dispel their prejudices against vocational education.

Quite apart from its usefulness in their homes, girls who are trained in needlecraft are readily absorbed in industrial homes and garments factories.

The pattern of technical education that seems to be emerging in Pakistan is akin to the one in West Germany and some other countries in Europe where the youth right from the high or pre-high school level takes on vocational training to take up jobs as plumbers, mechanics or technicians, earn a little money, moves on to the polytechnic level, and if he still has the money and aptitude moves up into the technical universitiés.

Earlier on, the problem with the youth in Pakistan was that they neither had the attitude of mind for taking up technical education, nor facilities for such education existed. The youth without much forethought drifted into university education to find in the end that clerical jobs were awaiting them, that they had wasted their entire education. Only a very few were taken up in the Civil Service cadres.

Another twelve commercial institutes in Sind train boys and girls for banking, life insurance, shorthand and typing, book keeping and advertising and accountants jobs.

The youth in Pakistan today has a lot to look forward to. Those who do not seem to have the resources to persue higher education, can take up vocational and technical training right from the pre-or post-high school levels, and if they plan soundly they can from modest beginnings develop themselves into very-highly paid engineers and top executives in engineering firms.

CSO: 4200/130

MRD STUDENT FRONT FORMED

Karachi DAWN in English 16 Nov 82 pp 1, 12

[Text]

LAHORE, Nov 15: A joint student front of the MRD, Punjab, was formed here today to preserve the sanctity of educational institutions and protect lives and rights of university and college students in the country.

The Front comprises four student organisations with its headquarters in the office of the defunct Muslim League (Khairuddin Group). In this connection, a joint Press conference was held by the components of the Front — Pakistan Students Federation, Jamiat Tulaba-i-Islam, National Students Federation and Istiqlal Students' Federation.

The convener of the Front, Mr Ijaz Hussain (PSF), addressing the Press conference alleged that the Islami Jamiat Tulaba was creating harassment in educational institutions.

To cope with the situation, he said, all patriotic, progressive and democratic student organisations had decided to join hands.

At the joint Press conference, student leaders demanded that sanctity of educational institutions be restored forthwith, arrested and detained students be released and political leaders, including Miss Benazir Bhutto, Nawabzada Nasrullah Khan, Maulana Fazalur Rehman, retired Air Marshal Asghar Khan and other political workers and lawyers be set free immediately.

The students also demanded restoration of the 1973 Constitution, lifting of censorship, end to curbs on political activities and announcement of a final date for holding general elections in the country.

Protest rally

Meanwhile, a group of college students staged a protest rally against the alleged IJT activities in universities and colleges. The students then marched to the office of the Governor and the Martial Law headquarters to hand over a written four-point chapter in which they demanded that security of students and sanctity of educational institutions be ensured. The march was organised by the Pakistan Muslim Students Federation, Punjab.

CSO: 4200/130

BRIEFS

LEADERS BARRED FROM BALUCHISTAN—Quetta, Nov 17—Defunct NDP leaders, Haji Ghulam Mohammad Bilour and Mr Mohammad Afzal Khan, who had been on last leg of their tour of Baluchistan, were externed from the province under the Government orders served on them in Loralai district yesterday. Both Haji Bilour and Mr Afzal Khan, who were accompanied by another two of their party colleagues, were escorted out of Baluchistan by District authorities of Loralai into neighbouring district of Dera Ghazi Khan in Punjab. [Text] [Karachi DAWN in English 18 Nov 82 p 1]

SHOORA BODY MEETING ENDS—Islamabad, Nov 17—The four day meeting of the special committee of Majilis-e-Shoora on the acceleration of Nizam-e-Islam in the country concluded here on Tuesday. The committee heard the views of Dr. Ziauddin, Deputy Governor, State Bank of Pakistan, Mr I. A. Imtiazi, Secretary, Religious Affairs and Mr H. U. Baig, Secretary, finance on the interest-free economy and banking system. It will meet again on Dec. 11 to formulate its recommendations on the subject. The committee is expected to submit its report to the next session of the Majlis-e-Shoora. Allama Rehmatullah Arshad, Mr Hamza and Allama Syed Muhammad Razi Mujtahid chaired its different sessions. Those who attended the meeting were: Maulana Muhammad Malik Kandhalvi, Khwaja Mahmud Ahmad Minto, Mr Nusrat Maqbool Elahi, Allama Abdul Mustafa Al-Azhari, Mr Liaquat Ali Khan Jatoi, Maulana Samiul Haq and Maulana Abdullah Khilji.—APP. [Text] [Karachi DAWN in English 18 Nov 82 p 4]

EQUIPMENT FOR SILICON CENTERS—Equipment worth nine lakh dollars for Silicon Technology Development Centre of Pakistan, ordered by UNIDO is expected to arrive in Pakistan in March-April next year, while training of personnel is now in progress in the USA. The Centre aims at assisting Pakistan's entry into a greatly expanded solar cell technology, promoting the interest of local industry to utilise indigenous silicon products and processes and establishing a cadre of trained manpower from highly qualified professionals to skilled workers PPI. [Text] [Karachi DAWN in English 18 Nov 82 p 8]

OCTOBER EXPORTS DECLINE REPORTED—Exports from Pakistan during October, 1982, amounted to Rs. 1,896.2 million showing a decrease of 3.4 per cent over the exports during September, 1982, and an increase of 17.7 per cent compared to October, 1981. According to provisional figures compiled by the Federal Bureau of Statistics, exports during September, 1982, stood at Rs. 1,962.1 million and in October, 1981, at Rs 1,610.8 million. Imports into Pakistan

during this month amounted to Rs. 5,640.6 million (provisional) which was higher by 52.3 per cent compared to import of Rs. 3,703.5 million (provisional) during September, 1982, and by 17.1 per cent compared to import of Rs 4,815.1 million in October, 1981. Main items of export during October, 1982, were rice, (Rs 238.1 million), Cotton fabric (Rs. 197.6 million), cotton yard (Rs 185.5 million), fish and fish preparation (Rs. 109.7 million), carpets and carpeting (Rs. 103.9 million), ready-made garments (Rs. 81.6 million), raw cotton (Rs. 66.4 million), petroleum products (Rs. 63.5 million) and leather (Rs. 60.2 million). Of the main items of imports, crude oil accounted for Rs. 1,240.2 million, edible oil Rs. 332.4 million, fertilizer Rs 246.5 million and wheat Rs. 113.9 million during October, 1982.--APP [Text] [Karachi DAWN in English 18 Nov 82 p 11]

DETAINED LAWYER'S RELEASE URGED--Lahore, Nov 17--The Lahore High Court Bar Association today condemned the arrest and detention of Mr Rashid Murtaza Qureshi, a senior advocate, and demanded his immediate release as "he has not committed any offence." In a resolution adopted at an emergency meeting held under the chairmanship of Mr Abid Hassan Minto, the President of the Bar, the Association noted that Mr Qureshi, who was a distinguished member of the Lahore Bar, had been arrested by Martial Law authorities and was being tried by a Military Court. [Text] [Karachi DAWN in English 18 Nov 82 p 12]

JUI SPLIT REPORT DENIED--Maulana Mohammad Zakria has denied a news item appearing in a section of the Press that there was a move for a third group within the defunct Jamiat Ulema-i-Islam and that he planned to call a meeting of moderates in Lahore for this purpose. It was his effort to unify the two existing groups, and certainly not to create yet another, he said in a Press statement. [Text] [Karachi DAWN in English 18 Nov 82 p 12]

NEWSMAN FREED ON BAIL--Lahore, Nov 17--Mr Idrees Butt, the Lahore correspondent of daily "Aman" Karachi, was released on bail today from the camp jail by a local summery military court. He was arrested on Oct 27 last under MLR 13 in connection with his alleged involvement in the 1978 pamphlet case. He was released against a personal surety and a bond of Rs 1,00,000 each. Mr Idrees But was given "B" class in the jail. He has been asked by the Martial Law authorities to appear before a military court on Nov 28 the date fixed for the hearing of his case. Mr Pervez Saleh, Advocate, appeared as counsel. [Text] [Karachi DAWN in English 18 Nov 82 p 12]

SHOORA MEMBERS AS JUSTICES--Lahore, Nov 17--The Provincial Cabinet, which met in Lahore today under the chairmanship of the Punjab Governor, Lt.-Ten. Ghulam Jilani Khan, decided that all the members of Majlis-i-Shora from the Punjab should be appointed Justices of Peace, under Section 22 of Cr. P.C., in pursuance of the directive of the President. The members of Majlis-i-Shora have already been associated with various boards, committees and authorities under the Punjab Government. The Cabinet approved an amendment in section 4 of the Punjab Supervision and Control of Children Homes Act, 1976. The amendment has been made to give larger representation to non-official members in the Punjab Board for the Supervision and Control of Children Homes. [Excerpt] [Karachi DAWN in English 18 Nov 82 p 12]

BRITISH DELEGATION CALLS ON ZIA--The three-member British delegation led by chairman of the Afghan support committee in Britain (Canbon) had a meeting with President Gen Mohammad Ziaul Haq in Rawalpindi yesterday. The president was apprised of the facts which were noted by the delegation members during their visits to Afghan refugee camps in various parts of the country. They also exchanged views on the humanitarian aspects of the Afghanistan issue and the efforts of Pakistan and other countries in taking care of Afghan refugees. They also held talks on Pakistan-Britain bilateral relations and the condition of Pakistani citizens in Britain. Later, the president gave a dinner in honor of the British delegation. The president presented a copy of the book JOURNEY THROUGH PAKISTAN to every member of the delegation. [Text] [BK231305 Karachi Domestic Service in Urdu 0200 GMT 23 Nov 82]

ZIA TO VISIT BANGLADESH--President Mohammad Zia-ul-Haq will pay an official visit to Bangladesh on the invitation of the President of Bangladesh, Gen Hussain Mohammad Ershad. According to an announcement made in Dhaka on Monday, the date of President Zia's visit will be announced later.--AIR [Text] [Karachi DAWN in English 16 Nov 82 p 1]

NEW LENTIL VARIETIES--Faisalabad, Nov 15--The Nuclear Institute of Agriculture and Biology (NIAB), Faisalabad, evolved two new varieties of Chicpea (gram) and Moong which are blight and disease resistant and give higher yield than the existing varieties. After conducting through trials the NIAB recently submitted these varieties to the Provincial Seed Corporation for approval immediately after acquiring the sanction of the Seed Corporation. According to a reliable source, the new Chickpea (gram) variety CM-72 is not only blight and disease resistant but gives 50 per cent more yield. The CM-72 and CM-68 have recently been tested at different locations by NIAB, University of Agriculture and the Pakistan Agricultural Research Council. The NIAB expects to release 20,000 maunds seed of these improved varieties after multiplication during the next year. Similarly, the newly evolved variety of Moong M-28 will also be released. The source said that a new variety of rice has also been evolved by the NIAB. The new Kashmir rice variety 370 has good flavour, provides better yield and reduces the duration of maturity from 125 days to 100 days. The Kashmir Basmati was tried in Azad Kashmir in place of coastal varieties and have now been extended to Swat and Hazara. This variety can give 2 crops in one growing season. The NIAB also evolved some other high yielding dwarf Basmati types DM-2 DM16-5 and DM107-4 which have been included in trials by the ARC, it is further learnt. [Text] [Karachi DAWN in English 16 Nov 82 p 5]

COWS FROM NETHERLANDS ARRIVE--Peshawar, Nov 15--Ninety-one Feresian cows have arrived from Holland by a chartered plane, which will be kept for breeding and dairy purposes at the Cattle Breeding and Dairy Farm in Harichad near Charsaddah, about 20 miles from here. Another load of the same species of cows has been despatched in specially designed trucks by road for the same farm by the Netherlands Government. The manager of this farm and one veterinary expert will also be Dutch and stay on the farm to give technical advice and to supervise breeding and dairy procedures for some time. The NWFP Governor, Lt. Gen. Fazle Haq, who visited this farm on Saturday expressed his great displeasure and dissatisfaction over the unseemly condition of grazing fields and feed crops in this farm and issued orders to improve them without any loss of time. [Text] [Karachi DAWN in English 16 Nov 82 p 5]

BRITISH DELEGATION BRIEFED--A three-member British delegation led by chairman of the Afghan support committee in Britain (Lord Canbon) had separate meetings with Federal Interior Minister Mahmud A. Haroon, Foreign Secretary Niaz A. Naik and the chief commissioner for Afghan refugees in Islamabad today. The delegation is currently on a week-long visit to Pakistan in order to have firsthand knowledge about the problems of the Afghan refugees and the nature of assistance they need from the world community. The delegation was briefed on the latest position in respect of Afghan refugees. They were informed that 2.8 million of refugees were living in Pakistan and the government was making all possible efforts to look after them. In all, 15 million rupees are being spent on Afghan refugees daily with the assistance of the world community while half of this amount is being contributed exclusively by the Pakistan Government on humanitarian ground. (Lord Canbon) lauded Pakistan's unprecedented efforts to look after such a huge population of refugees. He said the stand taken by Pakistan on the question of Afghanistan was appreciated and supported by all the right thinking people throughout the world. [Text] [BK190425 Karachi Domestic Service in English 1700 GMT 18 Nov 82]

F-16'S DELIVERY REFUSED--Pakistan is reported to have refused to take delivery of the first 6 of the 40 F-16 planes it is acquiring from the United States. Pakistan insists that these planes will be acceptable to it only if sophisticated electronic gadgets were equipped with them. Quoting an Urdu daily, a news agency reports from Islamabad that Pakistan has sought suspension of the delivery program, which was to have begun on the 19th of this month. It is reported that both the countries have been discussing for the past several months the details of the original sales agreement. [Text] [BK281357 Delhi General Overseas Service in English 1330 GMT 28 Nov 82]

CSO: 4200/139

TULF DIALOGUE WITH AUTHORITIES WELCOMED

Colombo THE ISLAND in English 9 Nov 82 p 6

[Editorial: "A Welcome Sign"]

[Text] The decision of the Tamil United Liberation Front to participate in a dialogue with the law-enforcement authorities in the North is a ray of sunshine in a largely bleak landscape of Sinhala-Tamil relations. Under this programme TULF MPs and members of Development Councils in the North will attend a conference chaired by Jaffna Government Agent Devanesan Nesiah where they will be able to exchange views with Police and Army top brass.

The overwhelming presence of the Police and Army in the North has always been a sore point with the TULF, but as any dispassionate observer will surely concede this was something that was generated by the inexorable process of Tamil politics. It was the challenge to law and order mounted by the Northern terrorists which precipitated the situation. There is no doubt that in their efforts to combat terrorism the law-enforcement authorities have been guilty of some excesses and such unfortunate acts as the mindless arson at the Jaffna Public Library. But in some measure this was the by-product of the climate of fear in the North produced by the activities of the Northern terrorist movement.

The situation in Jaffna offers a tragic picture of the futility of violence. Frustrated by the many genuine problems they have had to face, the more militant youth of the Tamil areas have taken the path of violence in the mistaken belief that this is the way to the Utopia that they envisage. The result has been a massive strengthening of the police and the military producing the inevitable counter-violence of the state machinery. There is no escape out of this vicious cycle of violence for some insensate display of violence such as the recent killings at Chavakachcheri or the burning of the Jaffna Library.

It is in this context that the dialogue between the political representatives of the Tamil people and the top brass of the law enforcement agencies is welcome.

It will provide a forum for both sides to exchange ideas and place their problems before each other.

This is necessary because the country cannot afford the luxury of allowing the activities of a band of anarchists to drive a permanent wedge between the Tamil people and the state machinery as represented by the law-enforcement agencies. The large majority of people in the North are law-abiding citizens who only ask of the police and the military that they be allowed to go about their day-to-day work peacefully. But it has to be accepted that in its efforts to combat terrorism, the law enforcement authorities have encroached on the lives of innocent people producing a certian degree of harassment. The Government cannot afford to allow this to grow into a sense of bitterness and therefore the intended conference between the two sides is welcome.

It will bring about closer understanding between the two parties so that the TULF MPs and DC members will know exactly what the thinking of the Police and Army is and whom they should contact in the case of any incidents. For its part, the top brass of the law should also try to transcend the barriers of suspicion and genuinely get to know the Tamil mind. Part of the Northern problem is the alienation of the law enforcement agencies from the people. Since most of the officers lack proficiency in Tamil they cannot communicate with the people of the North and in the absence of communication the people tend to view the police with suspicion.

At least the top brass in the North, if not the rank and file, must try to understand the thinking of the Tamil people for law enforcement in the North is as much a political as a police problem. There are genuine political issues tied up with law enforcement work in the North and while the police are certainly not expected to take any stand on the political problems of the North, an insight into Northern politics will help them immensely in their work.

This decision on the part of the TULF is welcome for another reason. Recent TULF activities such as the unfortunate nomination of Kuttimani to Parliament have again produced a sense of anger among the Sinhala people which can bode no good for Sinhala-Tamil relations. Coupled with the resumption of the Government-TULF talks due to take place soon, this dialogue with the law enforcement agencies on the part of the TULF could signal that the TULF is willing to contribute towards shattering the barriers that divide the two people.

CSO: 4200/128

MAITHRI'S FUTURE PROBED

Colombo THE ISLAND in English 7 Nov 82 p 6

["Island Politics" Column by Arjuna: "Which Way For Maithri?"]

[Text]

POLITICS took decisive command of the country again last week demonstrating that it will be politics which will dominate Sri Lanka for the rest of the year with the announcement of a Referendum by President Jayewardene. In fact political events unfolded so rapidly last week that an observer was hard pressed to keep pace with the changing kaleidoscope which will take some time to fall into a coherent pattern.

The UNP, elated by its victory at the Presidential Election, has clearly started its campaign for the Referendum and the main plank of its platform was unveiled by President Jayewardene himself when he told the Government Parliamentary Group that he had decided not to have a General Election because what he described as "Namlite group" had taken command of the SLFP. Thus it looks as if the coming Referendum is to be fought on a slogan to which the Sri Lankan electorate has been only too well used from the hoary days of D. S. Senanayake — Democracy in danger.

The UNP clearly feels that its economic policies have been accepted by the people at the Presidential Election and that at the Referendum the fight will have to be on a political front. The kind of constitution which President Jayewardene introduced in 1978 entails a Parliament which will not come into conflict with the Executive President and this is what the UNP is trying to ensure with the perpetuation of the present Parliament through a Referendum. It knows that if a Parliamentary Election is held the UNP will never again be able to get a two thirds majority under the Proportional Representation system and now that the chance has offered itself of continuing with the present Parliament the party has jumped at it.

This is clearly what President Jayewardene meant when he made his now famous remark about rolling up the electoral map for 10 years. But in retrospect one wonder the Opposition made sufficient use of this statement and exploited it adequately for its propagandist purposes. This was clearly not the case many political parties (including the Sri Lanka Communist Party which did not contest the Presidential Election) were even in the midst of that campaign getting ready for the Parliamentary Election which they believed would be held. It is only now that the opposition has woken up to the danger but one wonders whether it will be too late.

Politically the most significant development last week even eclipsing Mr. Maithripala Senanayake's decision to vote with the Government on the fourth amendment to the Constitution and other sensational developments such as the rice ration book affair, was the meeting of all Opposition parties (the only exception was the TULF) which Mrs. Sirima Bandaranaike chaired to discuss ways and means of opposing the Government at the Referendum. When one considers that parties such as the SLFP, the LSSP and the Nava Samasamaja Party which contested each other at the October 20 election assembled for the discussion one can see the depth of feeling in the Opposition against the measure. It remains to be seen whether even in the face of this challenge the Opposition can get together abandoning their ideological and personal differences.

An assessment of the UNP's strategy was made in Parliament last week by Communist MP Sarath Muttetuwegama who made a powerful speech opposing the Fourth amendment. His contention was that the UNP strategy was two fold although closely linked to each other. On one hand it was trying to plunge the SLFP voter into confusion by talking of the "Namlite group" in the SLFP while on the other by arresting, questioning and generally hounding SLFP supporters over the rice ration book affair it was making it virtually impossible for any one to campaign for the Opposition at the Referendum, the Kalawana MP argued.

In this the Government has cleverly exploited the internal differences within the SLFP. Its strategy is obviously to pit the moderate in the party against the radicals now ritually baptised

"Naxalites" by President Jayewardene, exhuming a term which figured almost daily in the columns of the "Observer" during the 1970 General Election campaign when the UNP's chief platform cry was "Beware of Janatha Committees." This was clearly seen by Mr. Anura Bandaranaike's unequivocal condemnation of the extremists in the SLFP and his repeated assertion that the country had decisively rejected Marxism. But for Anura it will be an uphill task to rid the SLFP of its radicals demonstrated by the SLFP Central Committee's statement last week that these were Mr. Bandaranaike's personal opinions and not those of the party. Anura meanwhile has left for Spain where no doubt in the land which inspired so many intellectuals on the left during the stirring days of the Spanish Civil War Mr. Bandaranaike will cogitate about radicalism and centrism.

The surprise of last week was, of course, Mr. Maithripala Senanayake's decision to support the Government over the Referendum. Though Mr. Senanayake tried to rationalise his position by citing his conscience there were more deep-seated reasons for what looked like the most startling volte face of recent times. It was only a week ago that Mr. Senanayake had strongly condemned post-election violence prompting an angry Prime Minister to retort "I have lost all respect for you."

If this might have been interpreted by some as a sign of Mr. Senanayake blossoming into a powerful Opposition leader this was not to be. But again his sudden about turn is rooted in circumstances which have inexorably pushed this veteran politician into today's position. Mr. Senanayake's return to the SLFP and unconditionally at that to support Mr. Kobbekaduwa after the party led by Mrs. Bandaranaike had been recognised by the Elections Commissioner was a wonderful morale booster to a SLFP afflicted by internal divisions. Mr. Senanayake has always been regarded by rank and file SLFPers as a sober, responsible leader and has as been held in esteem as a moderating influence in the party. His return in spite of being bitterly disappointed over the Elections Commissioner's decision was thus greeted with genuine delight by the SLFP rank and file. Mr. Senanayake had every right to expect that he would be restored to something like his former position in the party on his penitent return.

But what happened at the Central Committee meeting on Monday was totally different. In the absence of Messrs Hector Kobbekaduwa and T. B. Ilangaratne (who were having their own troubles what with the rice ration book affair and all that) Mr. Ratna Deshapriya Senanayake proposed that Mr. Senanayake and those returning with him should be admitted as new members. This was a bitter blow to Maithri for it showed that powerful section of the party were not ready to forget far from forgiving.

This combined with powerful pressure from sections of his partymen who had already gone to the UNP to change Maithri's mind. It was well known that people such as P.B.G. Kalugalle, S. D. R. Jayaratne and R. P. Wijesiri were constant visitors at Mr. Senanayake's residence and were pressing on him to join them. It was in this context that Mr. Senanayake saw President Jayewardene with a few of his partymen where Mr. Jayewardene is said to have explained his immediate plans to the group.

TRAGIC

Which way will Maithri go? Today Mr. Senanayake has become the tragic figure of Sri Lankan politics. A known moderate in the SLFP, a man with no pretensions to book learning but with a pragmatic grasp of issues, politician without the charisma of a national leader but one held in high regard by the peasantry of the Raja Rata it looked as if Maithri had arrived at last when he was leader of the LSFP Parliamentary Group after Mrs. Bandaranaike's disenfranchisement. But it was not to be.

Disillusioned Maithri broke away and again it looked as if he could make it because Anura was with him. But with Anura's depature and the setback the party suffered over the symbol the process which has now culminated in reducing the Maithri group to rump represented in Parliament by Mr. Senanayake and Mr. Halim Ishak was set in motion. In fact Mr. Ishak after the latest rebuff of the SLFP Central Committee had suggested that the two of them shold resign their seats, But Maithri has opted to wait and see. He has yet not made up his mind whether to join the UNP or not. He will wait for the SLFP to expel him from the party which will, of course, set in motion the process of a Parliamentary Select Committee whch can take quite some time to submit its reprot.

Maithri also knows that the extension of Parliament can be decisive to his political career. He will have to remain an ordinary MP for another six years by which time the chance of achieving anything more substantial might well have slipped out of his hands .He can also see all round him his former collegues rushing to join the UNP with hope of plucking the fruits of office. So in this context what will he do?

It remains to be seen whether the people will endorse the UNP's stand of extending the life of Parliament at the Referendum but for the moment at least it looks as if President Jayewardne is well in command. He has already launched the campaign to rid the UNP of unpopular politicians as demonstrated by the exit of Mr. Dharmasena Attygalle from Parliament on Friday. He has also been able to fire the imagination of even hard core.

SLFPers such as Gampaha MP S. D. Bandaranayake with his idea of a national government. Mr. Bandaranayake has so far remained tight-lipped about his plans but by now it is known in political circles that he is actively in favour of the idea. Mr. Bandaranayake has been a very longstanding member of the SLFP and has been known as a strong sympathiser of China and an admirer and devotee of Mao Tse-Tung.

He had always displayed strong radical tendencies culminating in his figuring in the main insurrection trial before the CJC and for a man of such tendencies to be propelled towards the UNP shows the extent of the changes President Jayewardene's strategy has brought about in the country's politics.

CSO: 4200/128

SPEED URGED IN CONSPIRACY INQUIRY

Colombo THE ISLAND in English 7 Nov 82 p 6

[Editorial: "Conspiracy Inquiry Must Be Completed Soon"]

[Text]

THE list of those who are questioned by the CID in connection with the rice ration books distributed by the SLFP during the Presidential Election campaign is growing daily. Each day newspapers put out some fresh story inspite of the police maintaining a stoic silence to reporters. Printing presses have been sealed, a businessman has been held incommunicado later released.

What began as an investigation into this affair has now snowballed into a major inquiry into what has been described as a plot by a Naxalite group within the SLFP to assassinate the President and indulge in acts of violence if the SLFP cnadidate had won. Mr. Tyrrel Goonetillake, emerging from his enforced hibernation, has been placed at the head of the inquiry.

What is important is that the inquiry should be concluded as soon as possible and the country informed of the results. This is necessary because the whole thing goes beyond the bounds of a normal CID inquiry. The issues are political and the whole incident can well turn out to be the main campaign issue at the Referendum for which the Government is now preparing.

The Referendum will take place in a climate where the entire opposition is in disarray. Divided and afflicted by every split possible, demoralised and beaten down by the October 21 defeat, the opposition is only now shakily finding its feet.

If the on-going inquiry drags on and leading opposition politicians have to devote their minds more to it than to the election campaign, then that would be a further disadvantage to the opposition.

This is why the country should be informed of the truth otherwise of the stories which are freely circulating in the country. Names of various persons, some of them professionals, have been mentioned in connection with various incidents and appointments which are said to have been planned if the SLFP had won. The Government

owes it to these persons to let the country know whether these stories are correct because it can well cause them much heartburn to them if they are not.

The early conclusion of the inquiry is essential for creating the climate for holding the Rreferendum. A proper contest cannot take place in a situation where the Government's opponents have a Damoclean sword hanging over them. The opposition must be able to work openly against the Government without fear of its supporters being harrassed. For all this, it is necessary that the Government should clear the air soon.

The police should also ensure that no room is left for the inquiry to be used to wreak vengeance on anyone. It is a well known fact that when something like this is on, there are people who try to put their enemies into trouble by telling the Police that they too were a party to it. This is the time when the vermin crawl out of their hide-outs and begin their slimy activities, the time when the witch hunters emerge from their holes. The Police must be careful of these people who might try to start their old games. In fact supporting the Fourth Amendment to the Constitution, Medawachchiya MP Maithripala Senanayake on Thursday night appealed to the Government to see that innocent people are not victimised by those who have private axes to grind against them.

The President has been returned with an overwhelming mandate and certainly he has to ensure peace and stability in the country. Anyone who tries to distrupt the social order has to be dealt with in the proper way. That is why it is necessary that the inquiry should conclude early and the country told the facts before the Referendum campaign begins.

CSO: 4200/128

FOREIGN EXCHANGE IN U.S. DOLLARS ONLY

Colombo DAILY NEWS in English 9 Nov 82 p 1

[Text

The Central Bank yesterday announced that with effect from Wednesday, the bank will transact foreign exchange business with commercial banks operating in Sri Lanka, exclusively in US dollars.

The Central Bank has informed commercial banks that it will buy and sell US dollars for spot delivery (i.e. for delivery on the second working day after the date of the transaction) at rates to be announced in the morning of every working day.

The bank has also indicated that it will engage in forward transactions only for the purchase of US dollars by the bank and has indicated that the minimum value of a transaction, spot or forward, should be 10,000 US dollars.

Under the new arrangement, the Central Bank will not be determining the rates at which commercial banks should deal in foreign exchange with their customers.

Transactions in currencies handled in terms of the Asian Clearing Union Agreement under which payments are made between Sri Lanka on the one hand, and Bangladesh, Burma, India, Iran, Nepal and Pakistan on the other hand, are not affected by the change that will take effect on November 10, the bank said.

CSO: 4200/128

MAJOR DEVELOPMENTS IN LANKA'S FINANCIAL DEALINGS LIKELY

Colombo DAILY NEWS in English 8 Nov 82 p 1

[Article by Feisal Samath]

[Text]

The Central Bank move to fix a buying and selling rate for the US dollar only instead of the usual basket of six global currencies will be effective from Wednesday or Thursday this week.

Central Bank Governor Dr. Warnasena Rasaputram told "The Island" yesterday that the working of this new scheme was being examined and it would be effective this week, probably Wednesday or Thursday.

At present, the Bank fixes a buying and selling rate for the US dollar, Pound Sterling, German deutsche mark, French franc, Japanese yen and the Indian rupee.

The Central Bank decision means that major developments would be effected in Sri Lanka's financial dealings.

Dr.Rasaputram said the change would promote better dealings between banks. The normal 2pm dealings between the Central Bank and the 24 Commercial banks where the buying and selling rates of the six currencies are fixed for the following day, will also be done away with.

Banks, he added, can buy or sell to the Central Bank at any time during normal banking hours

"The Island", in its issue of November 6, exclusively reported the Central Bank decision which has been already conveyed to Commercial banks.

Although economists claim that the decision would not create a big impact on the country's import/export industry since over 70% of the financial dealings are controlled by the US dollar which is the most powerful currency in the world, there are indications that other currencies like the Pound Sterling would now make a bigger impact on the economy of the country given the freedom to trade in the open market without Central Bank restrictions.

Commercial Banks can, banking sources said, now trade foreign currencies other than the US dollar, at their own rates, making the financial market more competitive.

In addition to promoting more dealings between banks,, the move will enable the money-broking community to engage in a greater volume of business per day. Presently, the six licensed money-brokers control a volume of around Rs.500 million per day.

This volume, banking sources said, would increase greatly as Banks would use the brokers to buy or sell excess liquidity.

The system of fixing a buying and selling rate for six international currencies was introduced soon after the UNP Government assumed office in mid-1977. The rates were fixed at fluctuating international levels.

CSO: 4200/128

NAXALITE THREAT EXAMINED

Colombo DAILY NEWS in English 6 Nov 82 p 4

[Text]

The diabolical implications of a Naxalite take-over as was conspired by a section of the Marxist-oriented SLFP and was revealed by President J. R. Jayewardene to the Government Parliamentary Group and thereafter to Parliament by Prime Minister R. Premadasa do not seem to have seeped sufficiently into the minds of the public.

A sizeable section of shocked MPs, faintly acquainted with the term "Naxalite", was animatedly discussing what it was all about in conversational huddles in the corridors and restaurant of Parliament during the last few days.

In the international political lexicon Naxalite implies a take-over by violence. That is a broad, and perhaps simplified, definition. In-depth, it means subversive destruction and looting by Communist elements aimed at toppling the government in power and installing anarchy.

The word "Naxalite" traces its origins to the 300 square-mile area of Naxalbari in the Darjeeling district in West Bengal where in May - June, 1967, armed Communist revolutionaries unleashed violence.

The disturbances were so serious that the then Home Minister, Y. B. Chavan, stated in the Lok Sabha on June 13, 1967, that "serious lawlessness" had erupted in Naxalbari, revealing that "Communist extremists were playing a prominent role in it". The Chief Minister of West Bengal, Ajvy Mukherjee, revealed that the "Naxalites had let loose a reign of terror, forcing local people to submit to them".

The roots of the Naxalbari revolt, as political commentators and the Research Bureau of the United News of India traced it, are in the disturbances triggered by the Communist Party of India (Marxist) which was a constituent unit of the ruling United Front of W. Bengal.

What is of particular significance to contemporary events in Sri Lanka is that, according to the Research Bureau, "The extremists had anticipated a Congress victory in the fourth general election but saw no reason to hold back the planned agitation even under the UF government".

The Naxalite brand of violence is now a strange mix of Marxism and Maoism. The Research Bureau quotes a as saying that in some cases violent overthrows may be necessary. "The form of social revolutions varies. And it is not true that we regard violence and civil war as the ONLY way to remake society....." he said.

On the other hand, it is stressed among other things that "parliamentary democracy is not an effective weapon for revolution. An armed struggle is inevitable".

The Naxalite movement spread to pockets in Madras (minimally), Andra Pradesh, Kerala, Bihar, Punjab, etc.

The term Naxalite is no longer confined to either China or the Soviets. Now it is an extremist violent movement, which is used as a means to the end of overthrowing a government.

CSO: 4200/128

NEW POLICE RECRUITING POLICY FOR NORTH

Colombo THE ISLAND in English 7 Nov 82 p 1

[Article by D. B. S. Jeyaraj]

[Text] A new recruitment policy regarding the intake of Tamil-speaking persons to the Police force is to be adopted soon.

A top Police spokesman told 'The Island' that in future, 40 per cent of Police recruits would be from minority communities. This basis of recruitment will be followed until a sufficient number of Tamil-speaking Police personnel is absorbed into the force.

There are only 750 policemen from the Tamil and Muslim communities in the entire Police force of over 15,000, the spokesman said.

The lack of sufficient Tamil-speaking personnel in the Police force has prevented the posting of 75 per cent Tamil-speaking men to the North, he said.

At present, 58 per cent of the Police in the Jaffna district are Tamil-speaking while the percentage in the Northern Range is 47 per cent.

A certain amount of Tamil-speaking policemen are also necessary in the south because of the provision which allows a person to register his complaint in his own language, if he wishes so.

CSO: 4200/128

ONE MILLION NEW HOUSES PLANNED

Colombo DAILY NEWS in English 6 Nov 82 p 1

[Article by T. Sabaratnam]

[Text] The National Housing Development authority yesterday announced a 5-point action plan to implement Prime Minister Premadasa's promise of building a million houses during the next six years.

Mr M. G D. Jayawardene, Chairman, National Housing Development Authority (NHDA) who announced the plan said it involved upgrading existing houses, granting buildable land in 10 perch blocks on 99-year lease at nominal rentals, giving housing loans to those who own building blocks, selling government flats to their tenants and persuading employers to build houses for their employees.

These schemes which are intended to encourage self-help house building would be over and above the Gam Udawa effort, government's flats and housing scheme programs.

Helping to upgrade existing houses and leasing out buildable plots will be the corner-stone of the million house scheme intended to make Sri Lanka a house-owning democracy.

Easy loans and building materials will be given to those who undertake to upgrade their houses

"When this assistance is given, the NHDA will insist that at least one unemployed child of the household be involved and trained in the construction industry. This requirement of site training will help make the artisans needed in this country and abroad", Mr. Ajantha Wijesena, the NHDA Chairman said.

"An advertisement will be published next week calling for applicants who want lands to build their own homes.

"We have ample land country wide. Even in Colombo we have land. We are in the process of blocking out 10-perch plots. From the applications we will be able to ascertain the number of plots needed and the areas in which they are required", Mr. Jayawardena said

Only the landless will be entitled to these plots. Those who obtain these lands will be tied to a building program and if they fail to keep to it, the land will be taken back.

The State Mortgage Bank which is being reconstituted into a National Housing and Mortgage Bank will give easy loans to those who own land but can't find building credit. They as well as others can build according to their own plans.

Government flats with rentals of Rs. 25 and less have been given to the tenants. Other government flats too will be transferred soon. The deeds for vesting ownership of the Bambalapitiya flats on their tenants are now being prepared. Some of the houses in schemes to be completed soon will shortly be on sale.

Mr. Wijesena said they would persuade employers to build houses or give housing loans to their employees. "Such investment is tax free. We hope the companies will do it voluntarily. If they fail, I feel we should levy a housing tax from them and pass it to the employees", he said.

"This plan involves the transformation of the NHDA into a catalyst which draws the people into constructing their own houses. This plan will help us to achieve the million houses goal without requiring the NHDA to building all those houses" Mr. Jayawardene said

CSO: 4200/128

BRIEFS

TULF WILL NOT JOIN CAMPAIGN--The Tamil United Libtration Front (TULF) will not join the proposed common opposition front to campaign against the extension of the life of the present Parliament, a TULF spokesman said yesterday. 'The TULF leaders will not address any of the joint meetings' he said. He said the TULF would hold separate public meetings in the northern and eastern provinces and ask the people to vote 'No' at the referendum. It is expected the TULF parliamentary group that meets on Friday would confirm this decision the spokesman said. [Text] [Colombo DAILY NEWS in English 9 Nov 82 p 1]

CSO: 4200/128

EDITORIAL QUESTIONS BOT OPTIMISM ON ECONOMY

Bangkok MATUPHUM in Thai 29 Sep 82 p 4

[Editorial: "A Glance At the Thai Economy"]

[Text] After the Bank of Thailand recently expressed pride in the Thai economy, saying that the monetary and banking situation is fifth in the world, a group of scholars held a seminar on economic problems and national security. This seminar was held at the Information Center, Chulalongkorn University.

As for what resulted from this seminar, even though the results were not completely opposite to what the Bank of Thailand claimed, there are things that we must all give attention to and be concerned about.

The former minister of economic affairs, who took part in this seminar, said that, today, there is a worrisome reliance on foreign countries and this is continually increasing. Even though it is sometimes possible to mobilize capital domestically, we borrow money from abroad.

A professor from the Faculty of Economics, Chulalongkorn University, who participated in the seminar said that economic development during the past 20 years has been characterized by increasing international participation. The changes in the economic structure have been made in order to satisfy the desire of the transnational corporations to move their production bases.

The same professor said that this trend has resulted in the Thai economy becoming less self-reliant concerning monetary matters, trade and technology.

At the same time, concerning the important industries, the trend has been for investors from transnational corporations to gain greater influence over these industries.

This is the economic situation as seen by educated Thais who have been in government and who have seen a reality that is different from that portrayed in foreign journals, which have obtained their data at a distance. Also, the Bank of Thailand is still trying to conceal things and this has made it impossible for us to see oursleves and has misled us.

We don't want to talk about economic matters in order to beat anyone or hurt anyone's feelings. What we have constantly tried to do is to have us take a "hard and honest" look at ourselves so that we can find a way to solve the problems.

What we are faced with today is just what the scholars said, that is, we are not self-reliant.

The fact that we must rely on the great powers has made us less independent and free in making political policies.

But if we are not self-reliant economically, we must "use someone else's nose to breathe with." What is there to be proud of?

And while some people are praising us for our good monetary and economic position, the majority of the people are still very poor. And so will such praise be of any benefit?

11943
CSO: 4207/14

ATHIT TO CONSIDER REAPPOINTMENT OF 'YOUNG TURKS'

Bangkok MATUPHUM in Thai 30 Sep 82 pp 1, 12

[Article: Around 10 Young Turks To Be Reappointed Next January; Athit to Receive Positions At Grand Ceremony"]

[Excerpt] Athit will definitely consider reappointing the young turks next January. Officers of the rank of (speical) colonel have no chance of being reappointed. Only about 10 will be reappointed.Prayut will turn over the position of RTA CINC and director of communist activities suppression operations to Athit today (30 September) at a grand ceremony.

A high-level news source in the army told MATUPHUM that in January 1983, General Athit Kamlangek, the new RTA CINC will consider the reappointment of the young soldiers, or young turks, who took part in the rebellion of 1-3 April 1981. There are about 30 such poeple and none of them have returned to government service. This has been greatly criticized by people in various circles.

The news source said that, concerning this matter, it is General Athit's policy to consider this so that things are just. But after considering things, those officers of the rank of (special) colonel will not have a chance to be reinstated since there are no positions for them. These positions have all been filled. Only those of the rank of colonel and below can be reinstated.

As for the number of those whom it will be possible to reappoint, it is expected that only about 10 will be reappointed. Most of these are officers who took part in the events of 1-3 April since they could not avoid doing so and had to obey their superiors. Most of these officers had ranks ranging from lieutenant Colonel on down to lieutenant.

The news source said that those who have no chance of being reappointed include those officers of the rank of special colonel and those officers who had opposed General Athit. As examples, the news source gave the names of several people who have no chance at all of being reappointed. These inlcude (Special) Colonel Prachak Sawangchit, (Special) Colonel Manun Rupkhachon, (Special) Colonel Phanlop Pinmani, Lieutenant Colonel Bunyang Bucha and Major Sanchai Buntharikssawat.

An officer close to Geneal Athit told MATUPHUM that General Athit had considered bringing up this matter for discussion several times. But he had to stop thinking about it when some of the young turks attacked him verbally at various places.

"After January next year, I can assure you that this matter will be considered," said this officer.

11943
CSO: 4207/14

NATURE OF HAN-ATHIT RELATIONS ANALYZED

Bangkok SIAM MAI in Thai 2 Oct 82 pp 17-20

[Article: "The Army In 1982-1983, the Two Ideological Poles"]

[Text] "If I am disappointed, I must keep it to myself. I have not lost hope. Although I have not been transferred, I still have work to do. There are problems to be solved. At the national level, I am just a commanding general and cannot solve any of the problems since those are national affairs. Things are very complex," said Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, on 20 September when he came to take part in a ceremony in which the supreme commander entrusted control over an engineer battalion to the RTA. This clearly shows that he was not very happy about this year's reshuffle.

Also, prior to this and just after the reshuffle, the weekly journal CHAT ATHIPATAI, which is known to have ties with General Han, harshly criticized this year's reshuffle in the army. This journal said that this year's reshuffle gave greater weight to seniority than to ability and that dictators still had influence in the army. The "brains of some have ceased working. For example, they have never shown an interest in Policy 66/1980 and they do not have a policy in their work." This is a strong criticism.

Athit-Han, the Clash Between Two Poles

One eruption in the conflict may well arise from the fact that Colonel Chalat Niyomthai was transferred form another region to serve as the chief of staff of the Fourth Army Area in place of Major General Wanchai Chitchamnong, who was promoted to deputy commander of the Fourth Army Area. What is important is that Lieutenant General Han had to remain in his present position even though he had very much hoped to take control of army planning. And in the original "plan," Lieutenant General Han had been given the position of army chief of staff. Also, there was great hope of making Lieutenant General Han a "lever" next year.

"Lieutenant General Han was not hoping for any position. But if he had been promoted to army chief of staff, this would have given him a greater role so that he could help the army make real progress in accord with Policy 66/1980. But as for the results in the upper echelons of the army, it is clear that

the good trend in the army has been reversed and that the old path is being followed again," said a colonel who is a member of the Democratic Soldiers group to SIAM MAI.

"The new RTA CINC is a 'military-leads-politics' type person," said Colonel Prchak Sawangchit, a young turk, concerning the thinking of General Athit. "The new way of thinking of Lieutenant General Han is correct. But now, it looks as if it will be difficult to spread such ideas," said Colonel Prachak concerning this trend.

Originally, it is believed that relations between General Athit and Lieutenant General Han were based on a foundation of temporary friendship during a period in which each side was building up greater potential and in which it was not yet time to settle the basic ideological differences of the groups. But during this year's reshuffle, on one front, the potential of each side began to unfold to the point where they began to crowd each other. Lieutenant General Han is an important chess piece that General Prem, the present and future prime minister, has readied in order to serve as a balance and as a new base who seems more secure than General Athit. This is the point of separation in the relations between Lieutenant General Han and General Athit.

On the morning of the same day that Lieutenant General Han's "hopes were dashed" and he expressed his dissatisfaction about the reshuffle, Lieutenant General Han talked about the policies for fighting the communists. He said that it is time to abolish the Communist Activities Act.

At the same time, General Athit said that this is the personal opinion of Lieutenant General Han. People do not all have the same view.

"This is a concrete expression of the difference in thinking. Since the power holder in the army thinks like this, things will become more and more oppressive," said one of the Democratic Soldiers to SIAM MAI.

The New Army Appearance, the Military Leads Politics

It is thought that, on one hand, the army during the time of General Athit will be characterized by a greater concentration of power. On the other hand, the two paths in the army will move even farther apart.

Because of [General Athit's] rather strong personality, since he has reached the top position in the army legally and completely and since he has adjusted himself to the new position and feels comfortable in the position, all power in the army will once again begin to flow into the hands of the RTA CINC after a long period in which such a situation had not been present. This has not been the case since the time of General Krit Siwara.

General Athit has not yet given up his position as commander of the Bangkok Peace-Keeping Command, and he is still serving as the director of the Bangkok Peace-Keeping Directorate. This is the case even though the position of commander of the Bangkok Peace-Keeping Command should go to the commanding general of the

First Army Area. But the commanding general of the First Army Area, Major General Phat Urailoet, has been given only the position of commander of the army contingent of the Bangkok Peace-Keeping Command and commands only the Narasing Special Combat Unit. And by position, this position belongs to the commander of the 1st Division. All this shows that "almost all real power is being concentrated in the hands of General Athit."

And immediately after he was appointed [RTA CINC], General Athit quickly began to show his power.

Mobile military police units equipped with motorcycles were mobilized to patrol the streets and lanes. Operations forces of the police were forced to participate in the operations in conjunction with the military forces in the name of the Bangkok Peace-Keeping Command.

Under This "Sun" [Athit], There Is Nothing That the Miliatry Cannot Do

The operation that closed off the Wang Burapha area for more than 7 hours and the indiscriminate search of 81 gun shops on 17 September has been widely criticized, including remarks about the resoluteness of the Bangkok Peace-Keeping director and the "real slap in the face to the Police Department."

A news source in the First Army Area told SIAM MAI that, concerning the search of the Wang Burapha area, even though General Athit later said that the police had asked for help, this operation was initiated by an order sent directly from the Bangkok Peace-Keeping Directorate to the Police Department. The Police Department was ordered to send a force to join with the military police. A joint force composed of 100 suppression officials, 100 commandos and 40 military policemen was formed. A news source in the Police Department said that this pointed to the poor image of the Police Department, which is incapable of handling the problem of illegal weapons. And it was common knowledge that these gun shops were in cahoots with the police in this area.

"Concerning the image of the Police Department during the time of Police Lieutenant General Narong, a member of Class 5, there is the example of Police Lieutenant General Banthoeng Kampanatsaenyakon, who was held back. The police Department has become so inefficient that it has had to have the military come and lend support. This is a very interesing matter," said a news source. "It is not certain how many more times this will occur before people begin to see the efficiency of the Bangkok Peace-Keeping Command. And when that happens, the Police Department may have to make changes, said the news source.

Similarly, high-ranking police officials have begun to talk about the efforts of Class 5 to take control of the Police Department. There was a serious struggle during this year's reshuffle. But because of the resoluteness shown by Police General Suraphon Chunlaphrom, Class 5 found itself in a difficult position in the Police Department. But now, since Class 5 has risen to power in the army and the army has begun to play a greater role than the Police Department, it is believed that Class 5's power in the Police Department may soon be restored.

What Type of Democracy In the Eyes of Athit?

General Athit has stated that he will support democracy. But the interesting question is what type of democracy he has in mind.

Several scholars who have followed the role of General Athit believe that the democracy of General Athit is not a democracy that will promote democracy among the people. In particular, the faith in a parliamentary system is viewed by General Athit as almost worthless. This could be seen when General Athit received an invitation to speak at Chiang Mai University on the topic "The Country's Present Situation and the Role of the Students In National Security" on 15 November 1981.

At one point when he was asked about military interference in politics, General Athit said that the military has only acted in accord with its powers and duties. [He said that] the military is only watching over the country to maintain order and that it is also watching over the government. "It has not interfered; but if there is some disturbance, it must look after things. But this does not mean looking after things in parliament but rather outside parliament," said General Athit clearly.

After General Athit was appointed RTA CINC, there were rumors that there would not be election in 1983. And there is still much activity aimed at extending parliament's term. There are still some political gorups and some senators who have called for parliament's term to be extended.

Actually, it seems that the position of parliament has begun to crumble since the appointment of the new RTA CINC. General Prem Tinsulanon, the representative of the parliamentary political powers, no longer has a secure military base.

Concerning General Prem, "the man without political ambitions," the more he keeps his political attitudes to himself along with the political decisions, the more difficult things will become since rumors are cropping up about a new prime minister in the future.

One military news source said that after beginning to show off his skills with the operation in Wang Burapha, there are rumors that the next group targeted by General Athit is the influental gamblers, who are involved with many of the politicians. During this period, these politicians are quickly increasing their incomes in order to make full preparations for the big election.

It is this that has caused politicians to start questioning whether, in addition to building an image superior to that of the Police Department, the next target will be the "MPs in parliament."

The RTA In 1982, the Two Ideological Poles

It can be said that General Athit, whose basic thinking leans toward "conservatism," has stepped forward at a time when the ideas of Lieutenant General Han's gorup have begun to "bloom" widespreadly and at a time when the "rightist reform"

group of Lieutenant General Han has failed to step into important positions along with the conservatives such as Lieutenant General Sup Aksaranukhro, who shot forward to become the deputy RTA CINC, and Lieutenant General Pathom Soemsin, who became the assistant RTA CINC.

The commanding generals of three of the army areas who belong to the same ideological group, that is, Lieutenant General Phat Minakanit, the commanding general of the Second Army Area, Lieutenant General Phrom Phiunuan, the commanding general of the Third Army Area, and Lieutenant General Han Linanon, the commanding general of the Fourth Army, have gotten "stuck" in their present positions.

Also, those in the intelligence line, most of whom are in the same ideological group as Lieutenant General Han, have been shunted off into Supreme Command Headquarters. Such men include Lieutenant General Phinyo Watcharathet and Lieutenant General Chaloei Sanguansak.

It has also been observed that Colonel Suchinda Khraprayun, the right-hand man of General Athit in political activities who started the civilian game in the newspapers and who became the new director of the army Operations Directorate in place of Major General Chawalit Yongchaiyut, is not deeply opposed to Chawalit and their paths are not too different.

Concerning this year's military reshuffle, an officer in Lieutenant General Han's gorup said in conclusion that many of the officers who were promoted do not understand or are not familiar with Policy 66/1980 at all. What is important is that dictatorship will continue to reign supreme in the army.

At a time when the conservatives have gained tighter control over the army, the groups such as that of Lieutenant General Han that have a somewhat different ideology have began to show clearly that there is a conflict. These two ideologies will continue to struggle against each other for supremacy in the army as long as the structure of the army provides a way to gain influece over everything in the country.

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DEBATE OVER CPT LEGALIZATION CONTINUES

Bangkok SIAM MAI in Thai 9 Oct 82 pp 17-20

[Article: "Repealthe Communist Act to Lure the CPT Into the Cities"]

[Text] "Pressure is being exerted to have Policy 66/1980 score real results at the upper echelons."

"The role of Order 65/1982, which has caused conflicts at the upper echelons, is declining and will gradually fade away completely."

"Pressure is being exerted to repeal the Communist Activities Act."

The above movements in the strategy to defeat the communists at the national level are being carried on urgently in order to launch a continuous offensive against the CPT in the situation in which the government has gained the advantage over the CPT.

Suggestions About the Revolutionary War, the Situation Has Not Changed

At the Kittikhachon conference hall, Chulachomklao Royal Military Academy, there was great activity among the soldiers who were holding a conference to evaluate the results of fighting to defeat the communists during the last 6 months of fiscal year 1982, which ended in September. Four months earlier, that is, on 12 May, the government and national army held a major conference in order to announce that the "CPT has lost the revolutionary war on all fronts."

"The government wants to confirm that it has won the revolutionary war," said Lieutenant General Prayun Bunnak, the then assistant army chief of staff (who is now the new deputy army chief of staff) in summarizing the results of the major conference, which was attended by a total of 850 people, inlcuding representatives from the army areas, ISOC officials, officials from the three branches of the service, representatives from the Ministry of Interior, provincial governors from all over the country and cabinet members.

The new deputy army chief of staff said that there are serious splits within the CPT. The CPT is not capable of waging a revolutionary war or toppling the government using armed force. The present situation is one of terrorism

but this can be controlled. The government is urgently getting the people to cooperate and is quickly giving more rights and freedoms to the people.

Similarly, Major General Chawalit Yongchaiyut, the then director of the Army Operations Directorate (and now the new assistant army chief of staff) talked about the principles that must be implemented urgently. These concern the people's rights and freedoms, which is another step in the strategy to defeat the communists.

An official who participated in the conference told SIAM MAI that, at the conference, Major General Chawalit proposed that the democracy of the masses be promoted in order to force the communists to shift from an armed struggle to a peaceful [struggle]. Major General Chawalit talked about the principle of promoting the freedom of the masses. He said that, in practice, the laws are still destroying freedom and that the freedoms that must be promoted do not have any guarantees since there are laws prohibiting things. For example, if the communist laws continue to be used, this will pose a danger to the democratic movement in general, and some of the laws abridge the freedoms directly and seriously.

It is believed that this statement by Major General Chawalit at this conference was aimed at paving the way for revising or repealing the Communist Activities Act. Officers in this group, particularly Lieutenant General Han Linanon, have clearly said that it must be repealed.

Repealing the Communist Activities Act, the Second Stage of the Strategy

Major General Chawalit told a reporter that the government, through the army, which is the main apparatus, has formulated three steps in the struggle to defeat the communists. These are:

The first step is to win the war.

The second step is to destroy what is evil and correct and improve what is incorrect. The government has now reached this step and is destroying the CPT using peaceful means.

The third step is to defeat the communists completely with a profound ideology.

An officer who is a member of the Democratic Soldiers group told SIAM MAI that during the second step, that is, forcing the CPT to carry on the struggle using peaceful means, the Communist Activities Act msut be repealed and during the next stage, they must be allowed to form a legal communist party in the cities. That will be the final stage in the struggle against the communists using a profound ideology.

"In 1983, we will see the CPT leave the jungle and wage a peaceful struggle. The other related problems are all minor problems," said Major General Chawalit to the mass media.

"If the Communist Activities Act is repealed, will some other act replace it?" asked a reporter. "We already have such measures. But you must wait first. If I say anything, secrecy will be lost. We favor waging a peaceful struggle. Stated openly, we have made full preparations. There are no other problems," said Major General Chawalit in response.

[Order] 65/1982, Resolving the Conflict

A news source at the RTA Operations Center told SIAM MAI that Order 65/1982, which was issued on 27 May but which General Athit Kamlangek did not reveal publically until the middle of July, is now facing various objections. Some high-level officials are opposed to this order. It may have to be revised or even rescinded.

"Looking closely at the statement made on the 27th at the military academy, in one section Chiu spoke about Order 65. He said that it is not a perfect order," said the news source. He also said that at the end of July, after the news of Order 65/1982 had just been released, the director of the Army Operations Directorate was interviewed by the mass media when he went to describe the national security problem at the Government house. When reporters asked about Order 65/1982, Major General Chawalit said that he did not know why this order had been issued since he was not the person who had drafted this law. He had only been involved in drafting Policy 66/1980. Also, Major General Chawalit revealed the part played by Police Lieutenant Chan Manutham, the minister of the Office of the Prime Minister, in changing the name of the CPT from the Communist Party of Thailand to the Communists In Thailand. He said that "I don't know much about this. You must go ask Minister Chan since he may have done this for the fun of it. Or the Office of the Prime Minister may have felt that a political offensive was being launched and wanted to take part too. Or they may not have known what to do."

"There has been great slowness in revealing things. This can be seen from how long it has taken to declassify some of the secret documents," said an officer in the ISOC. Also, among officers involved in communist suppression operations, these days, it is frequently said that, in the upper echelons, an order has already been issued to rescind this order and to forbid [people] from announcing the results of the operations carried on in accord with this order.

However, the officer at the RTA Operations Center told SIAM MAI that the stories of a dispute among high-level officials about this order are true. But because this order was issued in order to expand on Policy 66/1980, in practice, there may be a way out by revising the order. It is not necessary to rescind the order since this would have a bad effect on the image of the government and national army. "Chiu has clearly stated that he was not involved in the formulation of the order and that he feels that this order has many weaknesses," said the same officer.

The Security Act, In Front of a Grand Stage

It is believed that if the Communist Activities Act really is repealed, there will have to be some new law promulgated to give support. "This new law promulgated to give support will probbly differ very little from the original law. Only some of the articles, the name and the wording will be changed. It will be the same as in 1975 duirng the time of the Khukrit government when many appeals were made. The government made preparations to repeal the act and put a new security act in its place. This was criticized as just being old wine in a new bottle and so the matter died down. But I am not sure about now.The new army leader may draft a new law that is more democratic than the one used then. But I think that most of the original principles will be retained since the aim of this law is to eliminate the CPT. The only thing is that it will [try to] induce the [communists] to come out in order to deal with them more easily in the cities," said a lawyer who is an expert on communist law in analyzing things.

And it is believed that the new security law will have to inlcude the basic principle of crushing the CPT. A high-ranking officer stated that this must respond to the strategy used in the areas where the CPT is now active. "Things must be very detailed about the armed movement in the cities too."

As for the next stage, a news source who is close to the director of the Army Operations Directorate said that preparations have been made to revise the laws. As Major General Chawalit said at the national conference, these are laws that violate the basic principle of increasing [people's] rights and freedoms. Included in this are some sections of the constitution, the political parties law and the election law. "Preparations have been made to allow the communists to form a legal party in the cities. This is the next step in crushing the CPT," said the news source.

However, whether this offensive to crush the CPT succeeds depends on the real situation of the CPT at present. As for whether the CPT has lost the war completely, past lessons, in which the CPT was in much worse shape than it is now but still managed to recover and attack the government by being the side that launched a political offensive, show that "politics" is the most important thing. These are very interesting lessons. It seems that luring the tiger out of the jungle in order to surround and attack it in the city depends on many other factors before it becomes a reality. Also, the lack of unity in high echelons, where the problems are viewed differently, will hold things back.

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ORGANIZATION, POLITICAL BACKGROUND OF BANGKOK PEACE-KEEPING COMMAND NOTED

Bangkok SU ANAKHOT in Thai 26 Sep-2 Oct 82 pp 16, 17

[Article: "The Bangkok Peace-Keeping Command, From Athit to Thianchai"]

[Text] Not only has the top position in the army been grabbed by General Athit Kamlangek, but the Bangkok Peace-Keeping Command, which guards against violent events and which, in particular, opposes those thinking about starting a revolution, has implicitely fallen under the control of General Athit too.

General Athit recently said that beginning on 1 October, he will be responsible for everything, including being the director of the Peace-Keeping Directorate, which is a position that automatically goes to the RTA CINC, and being the commander of the Bangkok Peace-Keeping Command, a position that he was given after the events of 1 April.

Originally, there was only the position of Bangkok Peace-Keeping Director, who was responsible for keeping the peace in Bangkok Metropolitan and the four surrounding provinces -- Pathumthani, Samut Prakan, Nonthaburi and Nakhon Pathom. The unit was formed in accord with the National Peace-Keeping Act. The supreme commander, now General Saiyut Koetphon, was responsible for [keeping the peace in] the other provinces.

In the past, the director of the Bangkok Peace-Keeping Directorate had legal power only to order forces to keep the peace in the area of responsibility. If he was separated form his own forces, things were slow and inefficient during times of unexpected disturbances. Also, the people holding this position were often leaders of or participants in the coups. The idea of forming a force that could be ordered to take control of a situation quickly arose in order to control the movements of the young turks after their recent coup attempt failed.

Concerning the activities of the Bangkok Peace-Keeping Command, the only commander of which has been General Athit, during the past year it has carried on activities following rumors of coups and the military reshuffles. Whenever there have been such rumors or activities, the Bangkok Peace-Keeping Command, which is composed of army, navy and air force personnel, policemen and civilians who are responsible for the capital, has been the first unit ordered to make preparations.

The 1st Division, which is now commanded by Major General Phichit Kunlawanit, is considered to be the main unit of the army and of the Command. It has frequenlty been used to preserve order whenever the political or military situation has approached a crisis. When commanders became suspicious, the homes of some of the young turks were surrounded last October by units of the Bangkok Peace-Keeping Command, particularly the 1st Long-Range Reconnaissance Unit, which is under the command of the 1st Division. That time, the unit received a direct order from General Athit.

The special company known as the "Narasing Unit," which is a rapid-deployment unit composed of infantry, cavalry and engineer forces armed with rifles, tanks, armored vehicles and motorcycles and which is a mobile unit just like the thahan phran irregulars, was formed last August in order to strengthen the Bangkok Peace-Keeping Command. This unit was called into action shortly after a grenade was thrown at the home of Ceneral Prem.

As for the command structure of the Bangkok Peace-Keeping Command, originally, the commander of this force had the authority to order [forces] to undertake the first two steps, that is, to gather information and take defensive action. As for the other two steps, that is, using forces and returning them to their bases, this could be ordered only the the director of the Bangkok Peace-Keeping Directorate. But since General Athit hs become the director in place of General Prayut Charumni, who has retired, he has the power to order all four steps. However, General Athit has said that second to him are deputy commanders of the various forces. The army force will be commnaded by Major General Phat Urailoet, the new commanding general of the First Army Area.

As for the remaining forces, Vice Admiral Amnuai Yiemsuro, the commander of the Bangkok Naval Station, is the commander of the naval component. Air Marshal Chakon Thattanon, the commander of the RTAF Security Force, is the commander of the air force component. Police Lieutenant General Suwan Rattanachun, the deputy director-general of the Police Department for Special Activities is the head of the police component. The civilian component will be headed by a person with the rank of director-general; as yet, no one has been appointed to this position.

A SU ANAKHOT military news source said that, actually, the appointment of five deputy commanders is not a new change in the structure since there were previously people responsible. The only thing is that ranks were raised in order to make the positions more official. "It is like Supreme Command Headquarters, which has made the commanders in chief of the armed services deputy supreme commanders. Making them deputies will give them greater prestige."

As for the position of commander of the Bangkok Peace-Keeping Command, it is thought that General Athit will hold on to this position for a time. Because if he gives up this position to someone else and keeps only the position of Bangkok Peace-Keeping director for himself, it is only natural that distrust will arise. "General Athit was entrusted with this position and he can remain in this position. Since he is now the RTA CINC too, he can solve the problems at all levels," said the news source before revealing that, when the

time comes, this position will be entrusted to General Thianchai Sirisamphan, the deputy RTA CINC for personnel.

"General Thianchai is the person whom he trusts the most. But if he [Thianchai] does not get the position, it will probably go to the new commanding general of the First Army Area, although this is less likely," said the same news source. Another news source said that this all depends on General Athit, who can give this position to anyone he wants. If the position is not held by the RTA CINC, it should go to the commanding general of the First Army Area. "He will not delegate it to General Thianchai since Thianchai is not familiar with this unit. He moved form the Special Warfare Center to become the deputy director of the Territorial Defense Departemnt," said the other news source in disagreemnt.

Besides this, the position of director of communist suppression activities is another position that is likely to go to General Athit after he officially takes over from General Prayut Charumni, who was entrusted with this position by General Prem Tinsulanon a month ago. Observers feel that this positon will be given to General Athit. But some news sources have said that this is probably a game to offset the power of General Athit, with General Prem intentionally using General Prayut as a counterweight.

"General Prayut will definitely have to turn this position over to General Athit after he retires. Around 5 or 6 October, we will know for sure, unless Prem decides to take the position himself lik before. At present, no agreement has been reached." A news source under General Athit confirmed that this position will definitley go to his boss.

But some of the positions that he holds will have to be entrusted to others. Otherwise, the "little Sarit" image will become even clearer.

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NEWLY FORMED ARMY UNITS STILL NOT MANNED

Bangkok MATUPHUM in Thai 25 Sep 82 pp 1, 12

[Article: "Military Confirms That Army Will Grow In Accord With the Fifth Development Plan; All Divisions Will Be Reinforced to Make Them Combat Ready"]

[Text] The military has confirmed that, in accord with the Fifth Development Plan, all divisions throughout the country will be at full strength. Four divisions will train reservists discharged from active duty so that they are combat ready. The First Army Area will withdraw its main-force units, leaving only one company in the infiltrated areas.

Major General Wanchai Ruongtrakun, the chief of staff of the First Army Area, talked with MATUPHUM about the personnel rates of the Royal Thai Army in defending the country. He said that, in accord with the Fifth National Economic and Social Development Plan, the military has participated with economists in making plans. And in accord with is Fifth Development Plan, the army has created another division, that is, the 1st Special Combat Division at Lop Buri.

The chief of staff of the First Army Area said that the military feels that economic development must proceed hand in hand with the development of the military forces, and it is keeping an eye on the threats from abroad, especially the threat from Vietnam. Thus, in accord with the Fifth Development Plan, all of the divisions throughout the country will be reinforced so that they each have their full complement of men. As for the First Army Area, definite plans have been made to strengthen the regiments in the 2nd and 9th divisions. As for the 1st Division, it is already at full strength.

At the same time, Colonel Narutdon Detpradiyut, the secretary-general of the army, talked with MATUPHUM about why the divisions that were formed in 1981, that is, the 11th Division (First Army Area), the 12th Division (Second Army Area) and the 15th and 16th divisions (Fourth Army Area), are not yet at full strength. He said that these divisions will be responsible for training the reservists who have been discharged form active duty. This will put the reservists in a position of constant combat readiness. And these divisions have the same complement of officials and the same buildings as the other divisions.

Concerning the withdrawl of main forces form the infiltrated areas in the First Army Area, Major General Wanchai said that the First Army Area is trying to increase the civilian forces to replace these forces. These civilian forces include Regional Security Volunteers, thahan phran irregulars and members of the Volunteer Defense Corps. In 1982, the First Army Area has only one main-force compnay left in these areas. It will remain stationed there in order to watch over the projects in the royal plan for the Banthat mountain range along the border between Nakhon Ratchasima, Buriram and Prachin Buri provinces. All the other units will be withdrawn.

Major General Wanchai gave his opinion on the nationwide terrorist activities of the communist terrorists. He said that even though the government has scored a victory at one level, the fighting will continue since the communist terrorists will probably continue to carry on guerrilla operations.

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3RD ARMY AREA DEPUTY COMMANDER PROFILED

Bangkok LAK THAI in Thai 30 Sep 82 pp 16, 17

[Article: "Major General Ruamsak Chaikomin, Four Positions In 4 Years"]

[Text] Concerning the reshuffle of senior officers on 11 September, one "general" who was talked about a lot in the newsppaers and in military circles as being a general from a class that is "going places" and that is worth keeping an eye on is Major General Ruamsak Chaikomin, who was promoted from commander of the 4th Division, Third Army Area, to deputy commander of the Third Army Area. It should come as no surprise that this divisional commnader was promoted to deputy commander of the army area since the commander of the 6th Division, Major General Phisit Mobut, was promoted to deputy commander of the Second Army Area. This is in his line of command, unlike the case of Lieutenant General Phrom Phiunuan, the present commanding general of the Third Army Area who was unexpectedly promoted from commander of the 4th Division to commanding general last year without first having served as deputy commanding general. But as for Major General Ruamsak Chaikomin, whom people are talking about quite a lot, one thing worth noting is that this general served as a divisional commander for only 1 year before being promoted to deputy commander of an army area. Normally, a divisional commander must serve in this position for 2 or 3 years before being promoted.

Major General Ruamsak Chaikomin has a government service record that is worth looking at because just a few years ago it seemed that he was being promoted every year. That is, from deputy head of the Special Warfare School at the Lop Buri Phra Narai Camp, he was transferred to the north and made deputy commander of the 4th Division, which is a position for a (special) colonel. Following that, he was promoted to [major] general and made commander of the Chiang Mai Military District. After serving in that position for 1 year, he was made commander of the 4th Division last year. And this year he was promoted to deputy commander of the Third Army Area.

Before entering the command line in the Third Army Area, Major General Ruamsak once served in the area under the control of the Third Army Area. During the time he was deputy head of the Special Warfare School, he served as the deputy commander of Civilian-Police-Military Unit 1617 in Lom Sak District, Phetchabun Province. This unit was responsible for suppressing communist terrorists in the area along the border of Phitsanulok, Phetchabun and Loei provinces. He

is the person who named this civilian-police-military camp the "King Pha Muang Camp" after King Pha Muang, who was a friend of King Si Intharathit, the first of the Sukhothai kings. He [Ruamsak] fought in his area of responsibility bravely many times and was honored by the Third Army Area, which was then commanded by Lieutenant General Somsak Panchamanon. In particular, he commanded a paratrooper unit that parachuted into combat to the north of "Hin Rong Kla," which was the first operation in which all the troops used were paratroopers. This general also commanded a group of paratroopers who went into action in Na Kae District, Nakhon Phanom Province, by making a parachute jump during the middle of the night in 1965, which was the first time that paratroopers were used in combat in Thailand. And it was Major General Ruamsak who was the first soldier to gain much experience in making parachute jumps. That is, he was the first one to make many jumps.

Major General Ruamsak was the first one to carry on psychological operations in order to make friends with the hill tribes. This was when he was the commander of the 1st Special Combat (Paratroop) Unit, or "Pa Wai Paratroop" unit. This unit took part in communist suppression activities that were carried out in the area along the border between the three provinces in 1969. He was the leader of several dozen Maeo, Yao and Lisu youths who went to study at Lop Buri. He let them stay at his house in Pa Wai, and he loved them like his own children. At present, many of Major General Ruamsak's "children" from the mountains have graduated as teachers and many are sergeants in the army. He was greatly praised by the army for this. He also built the "Khamrop Sosutham School" in remembrance of Master Sergeant Khamrop Sosutham, a paratrooper who was killed in fierce fighting at Ban Pa Yap in Nakhon Thai District, Phitsanulok Province. He established this shcool so that Maeo tribesmen could receive an education just like Thais in the plains.

Major General Ruamsak Chaikomin is a member of Army Preparatory School Class 7. On graduating from the army academy, he began his career at the Prachak Silapakhom Camp in Udorn Thani Province. After just 1 year, he joined the paratrooper unit, which at that time was a battalion under the command of the Infantry Center. He served as a paratrooper unitl he became the commander of the Special Battalion at the Sarit Sena Camp in Wang Thong District, Phitsanulok Province. This was a battalion formed by Field Marshal Sarit Thanarat to carry out very secret missions. This battalion was composed of both army and police paratroopers. After serving as the commander of the special battalion, he became the commander of the 1st Special Combat (Paratrooper) Unit, "Pa Wai Paratroop Unit, in place of Major General Enek Bunyathi, the present commander of the Special Warfare Center. And he was the one who asked the king for permission to name this camp the "Wachiralongkon Camp." Also, he built the military museum. Following that, he became the deputy commander of the Special Warfare School. After giving up his Red Beret, he became the deputy commander of the 4th Division, as was mentioned.

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END

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BRIEFS

PIPELINE CONTRACT AWARDED--Perth, 25 Nov (AFP)--A joint venture of an Italian company and a Korean firm has been awarded a 200 million dollar (190 million U.S.) contract for sections of the Dampier to Perth gas pipeline in western Australia. The contract was announced here last night in a prepared statement issued by the western Australia Premier Ray O'Connor, who is currently visiting Asian countries. The contract has been awarded to Saipem Australia Pty Ltd, a subsidiary of Saipem SPA of Italy, and ICC Construction Ltd of Korea. Saipem will be responsible for the 202 km (120 miles) southern section and ICC for the 621 km (385 miles) central section. Mr O'Connor said in the statement that work could begin immediately on all stages. The workforce would reach a peak of 2,000. Pipe laying was scheduled to begin early next year. ICC construction is part of the Kukje-ICC group which has made a conditional commitment to build a power station and aluminium smelter in the south-west of the state. [Text] [BK281156 Hong Kong AFP English 0041 GMT 25 Nov 82]

WINTER GRAIN OUTPUT--The bureau of agricultural economics estimates Australia's winter grain output will be half that of last year and the lowest for 10 years. The bureau says production of the three principal grains--wheat, barley and oats--will be 14.5 million tons, down 46 percent on last year's crop. The hardest hit states are Victoria and New South Wales. In Victoria, the wheat crop is only expected to be 400,000 tons--only 16 percent of last year's crop and the lowest yield since 1944. New South Wales' wheat crop is one-quarter of the 1981 crop and the lowest since 1965. [Text] [BK281156 Melbourne Overseas Service in English 0830 GMT 24 Nov 82]

OIL RESERVES ESTIMATES--The oil and gas producer, Santos, estimates that there could be 500 million barrels of recoverable oil to be discovered in the huge (Aramanga) Basin in central Australia. Santos gave the estimate to a symposium on exploration in the basin, which includes the area covered by the Cooper, (Adavale) and (Galilee) Basins. Santos says successful exploration of the (Aramanga) Basin could contribute to maintaining Australia's local production of petroleum-based fuels as production from the Gippsland Basin in Victoria declines. [Text] [BK170659 Melbourne Overseas Service in English 0500 GMT 14 Nov 82]

COCOS ISLANDS' GOVERNMENT OPTIONS--Australia has offered the community of the Cocos Islands in the Indian Ocean three options for government. Australia's Minister for Home Affairs McVeigh says islanders will be able to choose

between independence, free association with Australia and integration with Australia. McVeigh is currently visiting the islands which have been an Australian territory since 1965. He said that under independence the islanders would be responsible for all aspects of their lives, including international relations and defense. Under free association, Australia would look after the islands' defense and foreign affairs but a caucus government would have responsibility for health, education, transport and welfare. Integration would give the islanders the rights, privileges, obligations and standard of living of other Australian citizens. Radio Australia's Canberra office says the 300 Cocos Islanders are expected to vote on the options next year in elections to be supervised by the United Nations.

CSO: 4200/157

NEW CALEDONIA—UC PARTY REJECTS AUTONOMY TALKS WITH FRANCE

BK160151 Hong Kong AFP in English 1641 GMT 15 Nov 82

[Text] Noumea, 15 Nov (AFP)—New Caledonia's biggest independence party, which shares power in the local assembly, has rejected talks with France on wider autonomy and adopted a blue-print constitution for full independence in September 1984.

The Caledonian Union (UC) Party made its position clear at its 13th Congress which woujd up here last night.

Responding to proposals made last summer by the French Secretary of State for Overseas Departments and Territories Henri Emmanuelli for talks on a "new status with wider autonomy" for the nickel-rich Pacific Ocean territory the UC said it would negotiate with France only on the details of the island's accession to independence.

The UC set a tentative date for independence in September 1984 recalling that September was the anniversary of the arrival of the French in 1853.

A first constitutional draft adopted at the congress said the future state would be an "independent sovereign, democratic and decentralised republic."

Power would be in the hands of the indigenous Kanak people but there would be a place for the estimated 50,000 Europeans and 20,000 people of other races provided they acknowledged the supremacy of Kanak culture and identity, the UC said.

The four-day congress reelected Party Chairman Rock Pidjot and Eloi Machoro as secretary-general.

Mr Machoro succeeded Pierre DeClercq, whose assassination in September 1981 polarised the struggle between those wanting to keep the island French and those in favour of independence. Earlier this year, an anti-independence commando organised an attack on the local assembly injuring several members.

Since elections last June the Caledonian Union has shared power in the territorial council of goverment with three other pro-independence parties: the Caledonian Socialist Party, the Kanak Socialist Liberation Party and the Melanesian Progressist Union. The four parties dominate the local assembly.

CSO: 4200/158

FREE ACEH GUERRILLAS NOW 'ON THE RUN'

BK191540 Hong Kong AFP in English 1519 GMT 19 Nov 82

[Article by Gilles Bertin]

[Excerpt] Jakarta, 19 Nov (AFP)—The some 150 Moslem separatist guerrillas of the Free Aceh Movement are on the run as a result of their leaders disappearing and losses at the hands of government troops, reliable sources said here today.

Ironically Aceh was the only one of Indonesia's 27 provinces to return the Moslem party in the May elections—with 60 percent of the vote.

A huge military crackdown was started after a U.S. petroleum expert was killed in 1978 in this mountainous North Sumatran Province, rich in oil and gas deposits. The Indonesian army seemed determined to catch the Moslem separatists "dead or alive."

Now all the "ministers" of the free Aceh "government" have been effectively eliminated from the struggle for autonomy they started in 1976: three have died or been killed, six are in exile, one in prison and two others are under house arrest, the sources added.

Many of the Free Aceh Movement's supporters have fled abroad or temporarily given up after suffering heavy combat losses over the last 6 months. Seven are currently in the United Nations High Commission for Refugees (UNHCR) in Kuala Lumpur, where they asked for asylum.

They obtained refugee status to enable them to settle abroad, but were afraid of the Malaysian authorities' bowing to Indonesian pressure to extradite them. Sweden has already accepted them, reliable sources said.

The UNHCR has already arranged for a dozen members of the Free Aceh Movement to be settled abroad, the sources said.

The separatists said that if they returned to Indonesia they would be either summarily executed or put on trial with no guarantee of a fair hearing.

CSO: 4200/159

BANK GOVERNOR ON EFFECTS OF ECONOMIC RECESSION

BK061205 Jakarta OANA in English 0930 GMT 6 Nov 82

["Pool item"]

[Text] Jakarta, 6 Nov (ANTARA/OANA)--The prolonged world economic recession has strongly affected Indonesia, particularly its balance of payments, Bank Indonesia Governor Rakhmat Saleh said at a hearing with the Parliamentary Seventh Commission deputy chairman, Novian Kaman.

Rakhmat Saleh said Indonesian exports of both oil and nonoil commodities have come up against difficulties, in connection also with the tendency among advanced countries to resort to protectionism for the sake of their domestic industries.

Indonesia, in facing the recession sweeping almost the entire world and the protectionism on the part of industrial countries, should be careful as well as vigilant, without falling prey to excessive feeling of anxiety, he said.

He noted that the Indonesian foreign exchange reserve has dropped from U.S. $6.3 billion at the end of March 1982 to U.S. $4.3 billion in October. The country's foreign exchange position will to a large extent depend on the results of the export drive for both oil and nonoil products as well as on capital traffic.

Bank Indonesia is following developments in these fields closely and taking steps to prevent the foreign exchange reserve from falling too deeply, so that the reserve should still be able to function as a buffer in this time of difficulty until the recession ends, Rakhmat Saleh said.

The Central Bank governor also held out the boosting of particularly nonoil and nongas commodities. [sentence and punctuation as received] Bank Indonesia until the end of September 1982 had issued credits totaling RP 555 billion, comprising RP 406 billion at an annual 6 percent interest rate and RP 149 billion at a rate of nine percent.

Producer exporters are eligible for this specially low interest credit by showing proof of their having concluded contracts or having received letters of credit (L/C).

In reply to a parliamentarian's question about the country's running deficit being in the range of U.S. $6 billion, Rakhmat Saleh said such a deficit did not mean that the foreign exchange reserve would shrink by U.S. $6 billion, because running transaction deficit could be offset or reduced by other foreign exchange earning transactions, including capital traffic.

On the contracting of off share [as received] loans by certain Indonesian banks, he said Bank Indonesia has never issued any instruction for this purpose.

He also said the government is not going to issue any new permit for the opening of a foreign bank branch bank branches operating in the country, besides a joint venture bank. [sentence as received]

CSO: 4200/159

ASEAN ECONOMIC GROWTH 'TO BE LOWER THAN EXPECTED'

BK231205 Jakarta ANTARA in English 0736 GMT 23 Nov 82

[Text] Jakarta, 23 Nov (ANTARA-CANA)--The effect of the economic recession which originated in the industrialized countries has already made itself felt in ASEAN (grouping Thailand, Malaysia, Singapore, Indonesia, and the Philippines).

The economic growth this year is expected to be lower than expected meanwhile the goods and services in the balance of payment of those countries tend to suffer an increasing deficit.

Even Malaysia which has so far had a surplus is now showing a deficit. Countries which have so far consistently suffered deficits, like for instance the Philippines, will encounter great difficulty in facing the recession. Meanwhile the state revenues are expected to continue diminishing.

This pessimistic picture of the economic development in ASEAN was put forward at the annual meeting of the Federation of ASEAN Economic Associations held at Denpasar, from 18 through 20 November. Hosting the conference was the Indonesian Economic Association (ISEI). The main topic dealt with this year was the international financial imbalance, the domestic economic management and financial cooperation.

Considering the present international development, the economists taking part in this annual meeting had taken note of the economic growth of the ASEAN countries during 1982, which ranged between 2.6 percent and 6 percent. While earlier calculations made at the beginning of 1982 were between 6.5 percent and 10 percent.

Based on the calculated economic growth rate, Malaysia, which had earlier been predicted to reach 7.2 percent, should be satisfied with an achievement between 3.5 percent to 4.5 percent. Meanwhile the Philippines dropped from 6.5 percent down to 2.6 percent to 4.1 percent, Thailand from 6.9 percent down to between 4.6 percent and 5.0 percent, Indonesia from 6.5 percent down to between 4 percent and 6 percent as earlier predicted, but it would do with from 5 percent to 7 percent.

The effect felt in ASEAN--and also other developing countries--was due to the dependency of these countries on international trade, capital investment and technology of the advanced countries.

The delay in economic structural adaptation on the part of the industrial nations--particularly due to the oil price hike in the 1973/74 and 1979/80--was accoupled with budget deficits, inflation and high discount rate which hampered the economic rehabilitation of those countries. The short-term policy--like the tight-fisted monetary policy and various forms of protectionism--had even stood in the way of development of those countries. The consequence of this policy was not only felt in the advanced countries themselves but also in all countries in the world.

In efforts to overcome the affect of the recession, every country in ASEAN had taken adaptation measures in their development policy.

Rather drastic measures had been taken in Malaysia. The 4th five-year development plan in Malaysia recently completed had undergone massive changes. Most of the projects contained in the 4th five-year plan had been postponed--including the setting up of a hospital.

Meanwhile Thailand made greater efforts to invite foreign capital investment and reduced imports. The Philippined increased its service export in the form of manpower, particularly to the Middle East and the United States. Singapore tried to expand itself as a monetary center [of] the Asian region.

The measures taken by Indonesia particularly centered on greater exports of non-oil and non-gas commodities. Meanwhile it was necessary to effect a retrenchment, either in the form of less subsidies or in any other form.

The measures taken by each member of ASEAN must necessarily be supplemented with a joint action in order to step up ASEAN competitiveness in regard to other countries. At this annual meeting various possibilities of cooperation in the field of finance had been discussed. Nevertheless, cooperation in this financial field must necessarily be followed with cooperation in other fields.

The participants of the 7th annual meeting of the Federation of ASEAN Economic Associations spoke and aired their individual views not representing the standpoint of respective companies. The next conference will be held in Manila next May.

CSO: 4200/159

MP'S CALL FOR ASEAN VIGILANCE TOWARD JAPAN

BK 271115 Jakarta OANA in English 1035 GMT 27 Nov 82

["Pool item"]

[Text] Jakarta, 27 Nov (ANTARA/OANA—A number of members of parliament Saturday said the nations of Southeast Asia, especially those grouped in ASEAN, should maintain their vigilance toward the strengthening of military power of Japan.

Leading MP Subekti commented that even if assurance had been given that the Japanese armed forces were being beefed up not for the purpose of the invasion of other countries, it should always be remembered that the Japanese growing industry is in great need of raw materials found in Indonesia.

Indonesia is therefore justifiably concerned about the possibility of the rise of narrow nationalism in Japan in connection with the strengthening of the Japanese military forces, he added.

We are not enthusiastic about the augmentation of the Japanese armed forces and its armaments, Bubekti of the PDI [Indonesia Democratic Party] faction said.

Another leading MP Amin Iskandar believed Yasuko [as received] Nakasone, the new Japanese prime minister, who was once a defence minister, could be included to favour the move to put priority to the development of the Japanese armed forces hand in hand with the development of that country's economic [as received].

So it would be logical to fear that the maintenance of the Japanese economic prosperity might be sought for through the building up of the military sector, Amin Iskandar, who is from the PPP [Development Union Party] faction said.

Southeast Asia has been invaded by the Japanese economy and to preserve that success it is predictable that the Japanese armed forces will work to make its presence felt in Southeast Asia, he said.

Right now there is yet no need for uneasiness among the ASEAN countries, he added. But there is a need for continued vigilance.

CSO: 4200/159

TRADE MINISTER ON JANUARY-JUNE EXPORTS, IMPORTS

BK061451 Hong Kong AFP in English 1335 GMT 6 Nov 82

[Text] Jakarta, 6 Nov (AFP)--Indonesian exports went down 7.98 percent and imports soared 32.84 percent in the first half of this year compared with the same period last year.

Minister of Trade Radius Prawiro said yesterday the value of exports dropped because of lower prices which outweighed a 3.5 percent increase in volume and an over 48 percent rise in exports of non-energy commodities.

Export earnings declined over the entire range, including oil and oil products with the exception of garments (rising in volume by 40 and in value by 24 percent), pepper (up 26 percent in volume and three percent in value), shrimp (up 6 percent) and natural gas which rose by 22.87 percent, Radius Prawiro said.

Meanwhile, Bank Indonesia Governor Rakhmat Saleh said the country's foreign exchange reserves in government hands had shrunk from 6.3 billion U.S. dollars in April to 4.3 billion U.S. dollars at the end of last month, a drop of 2 billion U.S. dollars in 7 months.

Two years ago, in October 1980, the country still boasted a foreign exchange reserve of 8 billion U.S. dollars.

The big increase in imports was accounted for largely by oil and oil products which jumped by 136.5 percent from 740 million U.S. dollars to 1,750 million U.S. dollars in this year's first semester, followed by machinery rising from 647.8 million to 827.8 million U.S. dollars this year.

Chemical and pharmaceutical materials also went up sharply from 181.2 million to 224 million U.S. dollars (up 23 percent), with paper, cloves and steel rising 13 to 19 percent, Radius Prawiro said.

(Itself an oil producer and exporter, Indonesia with a daily oil production of some 1.3 million barrels still imports certain types of oil and fuel oils because its refinery capacity falls far short of home consumption."

CSO: 4200/159

PERTAMINA DIRECTOR REVIEWS DEBT PAYMENT, EXPORTS

BK300957 Jakarta OANA in English 0805 GMT 30 Nov 82

[''Pool item]

[Text] Jakarta, 30 Nov (ANTARA-OANA)--The debt-plagued state owned Pertamina Oil Company hopes to reduce its debts to only RP. 490 billion by the end of the current fiscal year in April 1983, not including interest which by October this year amounted to RP. 630 billion (the rate is RP. 680 per U.S. dollar).

Pertamina President Director Yudo Sumbono told the house sixth commission here Monday from the beginning of fiscal 1981-82 until October this year the company had repaid RP. 488 billion of its debts to RP. 720 billion in October.

Toward the end of this year the company plans to repay RP. 100 billion more and from January to March next year it hopes to repay another RP. 130 billion which will leave the remaining principal debts at RP. 490 billion in April, he said.

Sumbono explained to the commission members that the oil export price adjustment on 11 November was made to guarantee markets for Indonesia's crude abroad.

He said the country's oil production totals 1.4 million barrels per day this year crossing the OPEC production quota of 1.3 million barrels for Indonesia.

In October the real output totalled 1,372 million barrels per day, of which some 470,000 barrels were for domestic consumption and 880,200 barrels for exports.

Some 478,500 barrels of the exports went to Japan, 185,100 barrels to the United States and the rest to various other countries.

Oil production exports, mainly low sulphur waxy residue (LSWR), averaged 94,000 barrels per day in October with the main buyer South Korea. This brought the country's total oil export value (both crude and oil products) to U.S. dollar 10,526.9 million in the first ten months of this year.

Next year the country's production is estimated to total 1.41 million barrels per day. The figure can even still be raised to 1,657 million barrels if developments in the world market improve, he said.

Sumbono said the country hopes to export until the end of this year 9.07 million tons of liquified natural gas (LNG) divided into 160 shipments worth U.S. dollar 2,629 million. Next year he said, the country will at least be able to earn U.S. dollar 2,200 million from LNG exports which are estimated to total 8.3 million tons divided into 146 shipments.

Currently negotiations are at the final stage on a proposed export of 1.6 million tons of LNG to Japan divided into 28 shipments worth U.S. dollar 400 million. If the negotiations are completed successfully LNG exports will come up to 9.7 million tons in 1983 divided into 174 shipments worth U.S. dollar 2,618 million.

He estimated that the nation's domestic consumption of oil fuel in 1983/84 will total 28,000 kiloliters of which 12,529 kiloliters will come from local refineries and 9,797 kiloliters are refined abroad and 5,674 kiloliters are imported. The figures may change if extension of the local refineries runs on schedule.

CSO: 4200/159

PERTAMINA CHIEF EXPLAINS CUT IN CRUDE OIL PRICES

BK120849 Jakarta ANTARA in English 0757 GMT 12 Nov 82

[Excerpt] Jakarta, 12 Nov (ANTARA)—Indonesia has since Thursday, 11 November, adjusted its crude oil price differentials to the list of differentials drawn up by the Organization of Petroleum Exporting Countries (OPEC) in Doha, Qatar, in 1976 resulting in the country's oil export prices dropping by 47 to 190 U.S. dollars [as received] cents per barrel.

The export price of Indonesia marker crude minas become U.S. dollar 34.53 per barrel compared with U.S. dollar 35 per barrel before. The OPEC meeting in Doha had set a differential of 53 to 59 U.S. dollar cent per barrel for minas over OPEC's benchmark Arabian light crude (ALC) which now stands at U.S. dollar 34 per barrel.

We have until now sold minas at a differential of one U.S. dollar above ALC, exceeding the Doha ruling. In the light of various factors and the present market situation we have decided to go back to the 1976 Doha differential, the president director of the state oil company Pertamina, Judo Sumbono, told newsmen in Ranai Natuna Thursday.

Flanked by Director General of Oil and Natural Gas Wijarso and Secretary of the Government Board of Supervisors for Pertamina A. Gozali, Judo Sumbono said the decision was taken to maintain and step up Indonesian oil exports which of late had shown a tendency to decline.

The decision was taken purely with Indonesia's interests in mind without pressure from any side whatever, Sumbono said.

He said in the past tight oil market, Indonesia was able to sell its oil at a high differential with the addition of premium on the official price.

Following the oil glut, the premium has been scrapped, and now the differential has to go too, he said. To presist in maintaining the oil differential would cause Indonesia oil consumers abroad to feel uncomfortable he said.

In Japan, he continued, the demand for oil has slackened as a result of the excess oil supply energy conservation and a fairly large oil stockpile.

The second factor behind the decision was that Indonesian low sulphur crude had lost its special attraction in Japan, which has resorted to large-scale use of pollution free LNG [liquefied natural gas] and where plants have acquired the ability to reduce the sulphur content of crude oil, he noted.

The third factor is, according to Sumbono, that Indonesia has of late been unable to produce its OPEC allowed ceiling of 1.3 million barrels daily, he said.

Also the world oil has not moved up according to expectations in the face of the approaching winter, he pointed out, adding that OPEC's expectation of selling a daily 20 million barrels on nearing the winter did not materialize.

For next year OPEC would be able to hope for an increase of at most 500,000 barrels daily in world demand for OPEC oil which in the view of experts, may again drop after March 1983, Sumbono said. Sumbono disclosed Indonesian oil exports now stood at only 850,000 barrels daily, down sharply from the 1.1 million barrels daily export when national production amounted to 1.6 million barrels in 1981.

He conceded that the lower crude oil prices would reduce the government's oil income. But we hope that this price cut will stimulate production and exports to offset the loss, he said.

Meanwhile, a Pertamina official said the lowered crude prices would automatically reduce the price of Indonesian LNG which is linked to prevailing crude prices.

Differentials are differences in prices based on quality and on the shipment distance from the exporting to the importing country. [passage omitted]

CSO: 4200/159

OIL PRICE REDUCTION EXPECTED TO INCREASE PRODUCTION

BK171320 Jakarta ANTARA in English 0952 GMT 17 Nov 82

[Text] Jakarta, 17 Nov (ANTARA)--Indonesia's downward adjustment of its crude oil prices does not run counter to the agreement reached by the Organization of Petroleum Exporting Countries (OPEC) in March 1982, Minister of Mines and Energy Prof Dr Subroto said here Tuesday.

He made the statement in reply to newsmen's questions about the government's decision last week to lower the export price of its 19 types of crude oil by an average 1.03 percent.

Subroto said the special OPEC meeting held in Doha last March agreed to a price differential of 53 to 59 U.S. cents for minas crude in line with an earlier OPEC decision taken in 1976.

But Indonesia has not considered it necessary until last week to follow the ruling and has been selling its crude at higher prices, the minister said. But the adjustments is now considered necessary, he added.

He cited a recent statement by OPEC President Yahya Diko of Nigeria, who affirmed the Indonesian price adjustments as in keeping with OPEC decisions to prove his point. "There's no problem at all on this matter," he said.

The minister foresaw that the price adjustment would--strange as it may seem--raise the nation's income from oil because of its anticipated effect of pushing production upward to the OPEC quota ceiling.

Though OPEC has allocated a production quota ceiling of 1.3 million barrels daily to Indonesia, production has remained under this quota, having hovered around 1.2 million barrels daily from March to last October, the minister noted.

One factor behind the lowering of Indonesian crude oil prices is also the continuing oil glut as a result of releases of oil stockpiles by industrial countries, according to the minister.

He likened the release from stockpiles by industrial countries to a move in a chess game. "But we hope that they will stop drawing on their stockpiles in the approaching winter," he said.

The minister further explained that of the designated 1.3-million barrel daily production, 015 million barrels would be for home consumption and 0.8 million barrels for export, of which more than half (about 0.45 million barrels) to Japan.

CSO: 4200/159

BRIEFS

ENVOY TO BULGARIA APPROVED--Jakarta, 17 Nov (ANTARA-OANA)--The government of the Bulgarian People's Republic has approved the naming of Akosah as the new ambassador to that country succeeding Yoost Olivier Rotty, whose tenure had expired, the Foreign Affairs Department announced Wednesday. Akosah joined the foreign office in 1954 and got his overseas appointment to New Delhi in 1954 with the rank of attache. Back in Jakarta in 1959, he was assigned in the Indonesian Embassy in Rangoon from 1962 till 1966. His third foreign assignment was in Wellington as counsellor from 1969 till 1973. Between 1969 and 1979 he was posted in Tokyo as deputy chief of the mission with the rank of minister. On his return here he became secretary of the directorate general of political affairs and since 1981 has been director of the U.S. affairs. Akosah is married with five children. [Text] [BK220607 Jakarta ANTARA in English 0803 GMT 18 Nov 82]

IRIAN JAYA DROUGHT--Jakarta, 15 Nov (AFP)--A drought has caused the deaths of 281 people from starvation or disease during the last 3 months in Irian Jaya, 3,500 kilometers east of Jakarta, the daily SINAR HARAPAN said today. IN the village of Silemo, near Kurima in the remote mountainous region of Jayawijaya, 33 people starved to death recently and thousands of people are facing famine, according to reports reaching regional authorities in Wamena from missionaries there. The famine which is now widespread in the region began claiming victims last August; 125 people starved to death in the villages of Kosarex, Pranggoli and Panggima in the Kurima District while the same month 13 others died in Kuyawagey, a district in Tiom. In the Okdibil region, near the Papua New Guinea border, 60 people died recently after cases of "flu" and not cholera as was previously reported. This brought the total death toll to 281. [Text] [Hong Kong AFP in English 1328 GMT 15 Nov 82 BK]

CSO: 4200/159

U.S. CRITICIZED FOR AID TO THAILAND

Vientiane VIENTIANE MAI in Lao 14 Oct 82 p 4

[Article: "Increased U.S. Military Aid to Thailand"]

[Text] Based on foreign reports, on 11 October, after his return from a trip to New York, Minister of Foreign Affairs of Thailand Mr Sitthi Savettasila disclosed that the U.S. will increase military aid projects to Thailand. He said, "Washington is happy to increase military aid to Thailand by 12.3 million dollars. The figure for U.S. military aid to Thailand is almost 80 million dollars this year."

The Thai Foreign Affairs Minister also guaranteed that the U.S. will honor the agreement made with Thailand in case Thailand is invaded by another country. Washington also renewed its resolute support toward ASEAN countries concerning the Kampuchean problem.

It is clear that the US is still continuing to increase its military aid to Thailand in order to increase thension, to resist the revolution, especially in Kampuchea, and generally speaking to resist the three countries in Indochina. The U.S. and China are using all new tricks to encourage ASEAN to follow a path of confrontation with the countries in Indochina, which is in opposition to the direction of the talks between the two groups of nations in this area. Even though the U.S. tricks to use ASEAN (especially Thailand, which is used as a sanctuary for Pol Pot's murderers) in order to revive "Democratic Kampuchea." Of course, this will be totally wiped out.

The present situation in Kampuchea is irreversible. There is no more problems in Kampuchea except interference in the domestic affairs in Kampuchea and in the nations in Indochina by the U.S. and the international reactionaires.

9884
CSO: 4206/15

COLUMNIST BLASTS REAGAN POLICIES

Vientiane VIENTIANE MAI in Lao 4 Oct 82 p 2

['Talking Together' Column by S. Thibthiangchan: "A Millionaire Country--the People Have No Food to Eat"]

[Text] The ring leaders of imperialist America once boasted that their country was powerful with a strong economy, and was the richest of all. This may be true for those who do not yet understand when judging things by their external appearance. However, when we examine things carefully within, the US is simply a country that still has a great many poor people. They are so poor that we can almost say they have no food to eat, along with many other capitalist camp follower countries. Last week THE MIAMI HERALD reported unemployment figures in the US indicating disastrous unemployment in the US today not only among white and black Americans but also including students and educated people who have university degrees. This means that hundreds of thousands of students who graduated from universities are jobless. The newspaper also reported bad incidents concerning riots such as shooting and killing. Many riots have occurred in big cities, for example, New York's Harlem District, Detroit, and in many other places. The paper pointed out that the unemployment figures in 1982 are as high as 10 million people. However, these figures are only basic data that is not detailed. The HERALD reported further that jobless young Americans under 20 years old make up as much as 3.4 million people. They have nothing to do and do not have even enough money to buy food for themselves. They are very unfortunate. This is not like what the ring leaders boasted about the US's being a fabulously wealthy country. From this we can see the reality of the imperialists where those who have a lot can eat until they puke, while those who need to eat starve to death. "Starve to death" is what they said. The HERALD summarized at the end that the wives of more than 300 imperialist ring leaders such as Nancy Reagan, Reagan's wife, whose every trip to the beauty salon costs as much as $120 to $250. Also, whenever they travel [in Europe] it costs at least $250 per day for hotels (room only, food and other expenses are not included). It is the same for Mr Reagan himself or his staff who, when they travelled to Paris, Rome, London, Bonn, and West Germany, spent a total of over 12 million dollars for each trip.

Last 25 September Mr Reagan admitted that the disastrous unemployment in the US was frightening. The official US figures confirmed that today unemployment

figures have increased to 10.8 million people. However, from outside information the actual unemployment figure in the US today is more than 14 million people.

Reagan himself has blamed previous power-holding cliques. Actually, Reagan only deceives the American people, avoiding the responsibility for the problems which he created by blaming others.

Recently many U.S. congressmen have strongly criticized Reagan's economic policies, and claim that Reagan can no longer deceive the American people. Reagan should know that the U.S. economy has not been so bad since the 1930's depression. At the end the newspaper added that the unemployment disaster in the US today has the highest figures for the past 40 years.

Now we will try to analyze why the U.S. economy and especially Reagan's economic policies are faced with a serious crisis and why there is such high unemployment and so many poor people. The answer is that the Pentagon and Reagan today are not at all concerned with the standard of living of the American people. They are not interested in economic development. On the contrary, they give primary attention to the military budget, especially for building many kinds of weapons in order to augment their own power in order to conquer the world. Also, their goal is to create a new world war because of their lust for war and the colonial policies of modern imperialism.

9884
CSO: 4206/18

ASEAN LINKED TO DESTABILIZATION OF INDOCHINA

Vientiane VIENTIANE MAI in Lao 13 Oct 82; 14 Oct 82

['Conversation with the Editor' Column: "What Is ASEAN's Ideology?"]

[13 Oct 82 p 2]

[Excerpts] [Question] 1. What is ASEAN's Ideology? S. Bounma, Phon Savan, 12 July 1982.

[Answer] 1. As for ASEAN's ideology, there is not only ASEAN, the Association of Southeast Asian Nations [as published]. In Lao it means a group of nations in the Association of Southeast Asian Nations.

[14 Oct 82 p 3]

[Excerpt] Now there is some confusion because some countries in this association serve the political policies of the imperialists, the expansionists, and the powerful international reactionaries. At the same time the imperialists as well as the expansionists want the ASEAN nations as a tool to resist our nations in Indochina. They especially want to resist Vietnam and Kampuchea, as well as Laos. At the present time the imperialists working in collusion with the expansionists to use extreme rightist reactionaires in some controlling power groups in ASEAN. They use these nations as their henchmen to directly resist Laos, Vietnam, and Kampuchea, for example, by sheltering the remnant Lao, reactionaires and exiles, encouraging and assisting the murderous Pol Pot-Ieng Sary and Khmer remnants to setup forces and to set up what they called the tripartite coalition Khmer government of which Sihknouk is a direct puppet. The fact concerning this problem is that the imperialists and the expansionists are the primary driving force. However, they use the extreme rightist reactionaires who control power in some ASEAN nations to do it openly because they know very well the locations and areas as well as conditions for resistance, to block and to interfere with the work of the three nations in Indochina in politics as well as in economics and militarily. Besides the ASEAN nations, there are no other nations more suitable.

This, Comrade Bouma, is their reason. In fact, there are many good nations in ASAN that want to maintain peace in the area with us. However, there are some nations and some political groups in power who serve the imperialists and the expansionists. We believe that those minorities some day will have their power seized by the people who love peace and justice because the best thing in every corner of the world now is peace, and to live together in peace and happiness without interference from each other.

I want to stop for now, and if you have any more questions you can send them in another time.

9884
CSO: 4206/15

WAGE INCREASES OF 70 PERCENT GRANTED TO STATE ADMINISTRATIVE FUNCTIONARIES

Vientiane VIENTIANE MAI in Lao 4 Oct 82 p 2

['Conversation with the Editor' Column: "70 Percent Wage Increase"]

[Excerpt] [Question] To VIENTIANE MAI editor: My name is Mrs Khamphoutdi, a cadre in a restaurant of the Vientiane Hotel and Restaurant Company.

Why is it that my company, the Vientiane Hotel and Restaurant Company, does not give a 70 percent increase to its cadres. There was a 70 percent increase given nationwide to cadres, but there was no increase in my company. According to the direction of the party and the government, its policy is to increase salaries in order to raise the standard of living of cadres throughout all ministries and departments. However, I have been waiting where I work but nothing has happened. I asked the unit chief here, but he knows nothing about it. I think the only place to ask is you in order to clear this up for me and my friends, so we will do the right thing as excellent children of the LPRP.

Sincerely yours, my friends and I, 24 July 1982.

[Answer] To Mrs Khamphoutdi. Actually your letter reached us some time ago, but the fact is that it was sent to SIANG PASASON instead of VIENTIANE MAI. I do not know how you can follow the column when you do not even know the name of the newspaper you wanted to write to. Sometimes people are dreaming and do not know what's what. However, I shall discuss it with you. My response might be a little late, but be patient because your letter was sent to the wrong place.

Actually, Mrs Khamphoutdi, the 70 percent salary increase should not be any cause for your worry and headache because the resolution concerning this matter was clearly stated, or else it was because the unit chief did not explain this issue to you all so the problem mentioned arose.

Correctly speaking, the 70 percent raise or the inflation increase, or the increased allowance, or whatever we choose to call it was for cadres, workers, and government employees of the state administration. Remember, an increase only for state administration. For state enterprise the salaries are still the same because the labor rate here is already high. (This means they will not receive a 70 percent increase).

You yourself are under state enterprise, since the Hotel and Restaurant Company is a state enterprise. Therefore, you will not receive a 70 percent increase which those in state administration get.

For more details you can ask your financial service. They will explain it to you clearly. I have provided you with only a small amount of information. Thank you.

9884
CSO: 4206/18

FRENCH-AIDED SCHOOL IN VIENTIANE DESCRIBED

Vientiane SIANG PASASON in Lao 14 Oct 82 p 2

[Article by Red Sappanwood Flower, photo by Seuy Saiyasing: A New Academic Year in Veunkham Senior High School"]

[Excerpts] As the entire army and all the people are working to emulate the implementation of the Third Party Congress resolution, the revolutionary songs of students from elementary, secondary, and senior high classes in Veunkham Settlement 23 echoes from the old and new school buildings that have been repaired and beautifully decorated.

When we had an opportunity to visit Veunkham Settlement 23 senior high school it was the time when the teachers and students were attentively putting their efforts into teaching and learning.

The teachers here told us that this senior high school consists of 4 buildings, with construction aid from the Mekong River Organization. The primary assistance fund was from France. Because Veunkham Settlement 23 is a central point and is very convenient for students going back and forth to school, at the end of 1981 the higher echelons changed the name from Saithani District Senior High School under Vientiane Capital to Veunkham Settlement 23 Senior High School. The standard of living of the teachers and students depends on the settlement. The allowances and education depend on the educational service of Vientiane Capital.

They also added that in the 1980-1981 academic year there was a total of 280 students and 6 classrooms, all seniro high class 1. There were 13 teachers. In the 1981-1982 academic year there were 408 students, 8 classrooms, and 2 levels: Senior high classes 1 and 2. There were 27 teachers, including 2 women teachers. In the 1982-1983 academic year the number of students increased to 594, 3 classrooms. They are divided into 10 classes: 3 classes of senior high class 1, 3 classes of senior high class 2, and 4 classes of senior high class 3. There is a total of 22 teachers, including 9 teachers at the high level and 13 teachers at the middle level. [Photo not reproduced. Teacher wearing T-shirt with the seal of the United States standing at a blackboard with English sentences.]

9884
CSO: 4206/15

ELECTRICITY CHARGES, KWH TO BE USED SET ACCORDING TO POSITION

Vientiane VIENTIANE MAI in Lao 13 Oct 82 pp 1, 4

[Article: "Electricity Usage Granted for Cadres"]

[Text] VIENTIANE MAI has covered the decree of the Council of Ministers no 238/COCOM Issues 22 September 1982 concerning changes in electricity charges in our no 4536 of 11 October 1982. There were some errors in the figures for electricity usage granted. For the explanation of this matter our VIENTIANE MAI reporter checked with the Lao State Electrification Enterprise again and learned the following.

The regulations and the granting of kWh elecgricity usage per month for cadres based on Article 3 specify that the electricity charge for cadres, government employees, soldiers, and police under the government administrative machinery is 0.10 kip per kWh within the limits of the energy usage granted:

1. The secretary general, the country's president, and chairman of the Council of Ministers are granted 800 kWh per month.

2. The party politburo, the vice chairmen of the Council of Ministers, and the vice chairman of the Supreme People's Council are granted 700 kWh per month.

3. The secretariat of the party central committee is granted 600 kWh per month.

4. The party central committee members, ministers, state commission chairmen, and the equivalent are granted 500 kWh per month.

5. Vice Ministers, the assistant chairmen of state commissions and the equivalent are granted 450 kWh per month.

6. The secretaries of the provincial party committees, chairmen of the provincial administrative committees, the chairman of the capital administrative committee, and equivalent are granted 400 kWh per month.

7. Department chiefs, secretaries of state, assistant chairme of provincial administrative committees, the capital administrative committee, chairmen of the district administrative committees, hospital chiefs, and chiefs of companies and big factories are granted 300 kWh per month.

8. Assistant department chiefs, assistant chiefs of companies, provincial service chiefs, and those of high-level specialized tasks or equivalent are granted 200 kWh per month.

9. Assistance service chiefs, those of mid-level specialized tasks and equivalent along with government employees and high-level workers are granted 130 kWh per month.

The figures for electrical energy granted based on the explanations of the Lao State Electrification Enterprise are fairly detailed. Therefore, to prevent misunderstandings in this matter our readers should try to understand this energy usage regulation. In what we covered last time there were errors in several figures and several users. Other regulations should be considered based on the decree we had covered. There are no changes at all.

9884
CSO: 4206/15

MINISTERIAL TITLE CHANGES REPORTED

Vientiane VIENTIANE MAI in Lao 12 Oct 82 p 2

['Conversation with the Editor' Column: "Has There Really Been a Change?"]

[Text] [Question] To the editor. I have heard that there have been some changes in government organizations, especially from the Prime Minister on down. There was a change in titles (for example, the Prime Minister is called the chairman of the Council of Ministers), etc. Is this true? Sometimes when I follow the newspaper I often see these titles and also some new names for ministries. Is this true? Have there been any orders yet, or is it just talk.

I hope you can clear this up for me. Thank you. A government cadre. 3 October 1982.

[Answer] To the person who uses the pseudonym "cadre." What you asked used to puzzle us before, because we hadn't seen any orders and only heard people talk about it. Therefore, we used the standard way. For example, the Prime Minister, etc. We still had the same titles. Later, when a new order was issued effective 9 October 1982 based on circular no 1921/OCCM of the Office of the Council of Ministers, dated 24 September 1982, we then implemented it correctly.

The second item of the circular refers to the Standing Committee of the Council of Ministers and the chairman of the Council of Ministers (no longer called the Prime Minister), the first vice chairman of the Council of Ministers and vice chairmen of the Council of Ministers (no longer called the first Deputy Prime Minister and Deputy Prime Minister).

The Minister and the chief of the Office of the Council of Ministers are no longer called Ministers attached to the Office of the Prime Minister.

Item 3. The Mechanism of the Council of Ministers now is the Office of the Council of Ministers (no longer called the Office of the Prime Minister).

Item 4. The chief of a ministry is called a Minister (no longer called the Minister in charge of---); the assistant chief of ministry is called a Deputy Minister (no longer called Deputy Minister in charge of---).

Item 5. The state commissions. Their chiefs and assistant chiefs are called the chairmen and the vice chairmen of the State Commissions. There are also new ministries and equivalent commissions but we do not want to cover that. We recommend that you read the circular. We believe all offices will obtain it sooner or later. Thank you.

9884
CSO: 4206/15

VIENTIANE BUS SERVICE DESCRIBED

Vientiane VIENTIANE MAI in Lao 12 Oct 82 pp 1, 4

[Article: "There Are 19 Bus Routes for Service Every Day"]

[Text] The bus service is open and every day there are no less than 98 passenger trips. There is a total of 19 bus routes in both the Vientiane Capital and provincial areas.

The committee responsible for dispatching buses in a temporary bus station at the Pha That Luang grounds explained the start of daily bus service to our VIENTIANE MAI reporter on the afternoon of 10 October 1982. He said that daily bus service of the State Bus Enterprise under the Ministry of Transportation and Posts has begun and is operating normally every day. A total of 22 buses are in regular service.

This committee also told us that these 22 buses run on routes in Vientiane Capital and Vientiane Province. There are no2 19 bus routes back and forth, as follows: 2 passenger trips each for Vientiane-Tha Lat, Vientiane-Sen Soum, Vientiane-Ban Hai, Vientiane-Km 52 (Phon Hong District), Vientiane-Ban Ling San; 6 passenger trips for Nasaithong, 8 for Sikai, 7 for Tat Thong 6 for Tha Ngon, 7 for Don Moun, 8 for Dong Dok, 4 for Km 36 on the way to Pak San, 6 for Tha Deua, 6 for Ban Hom, 7 for Bo-O, 7 for Dong Paina, 7 for Dong Na Sok Pak Thang, 2 for Dong Kaleum, and 7 for Chinaimo. Thus there are 98 passenger trips running on these routes to effectively facilitate communications for the people from the cities to the rural areas, and from the rural areas to the cities. Also, the bus fare is inexpensive.

9884
CSO: 4206/15

POOR WET RICE CROP PREDICTED, CO-OPS CALLED MANDATORY

Vientiane VIENTIANE MAI in Lao 6 Oct 82 p 2

['Converstation with the Editor' Column: "Dry Season Rice Growing"]

[Excerpts] [Question] 1. Is this year's dry season rice growing being carried out only by agricultural co-ops?

This issue is of great interest to the people. If one does not join an agricultural co-op can he still do it? This would mean doing it privately. I hope you can clear this up for us. Love, Somphet, Nong Daung.

[Answer] Dear Comrade Somphet: Actually, the problem of dry season rice growing for this coming dry season is an urgent problem which is in the production plan of the party committee and the Vientiane Capital [administrative] committee. This is to find a replacement for this year's wet rice production is because this year the rainy season was late. Planting was delayed, and was not in time for the season. When this happens it results in a short crop. Therefore, we have a plan for other kinds of replacement planting, especially to grow dry season rice. The issue of dry season rice growing must be given special attention, and it is a most urgent issue. Based on the resolution of the party committee and the Vientiane Capital administrative committee, which comprehensively provided guidance that this year's dry season rice growing must feverishly pay attention to things. This means they must prepare conditions in advance by sowing seedling rice. Whenever the wet rice paddies have been harvested the dry season rice planting must be done immediately after. Whenever there are suitable conditions we must put our efforts into growing at least two crops. We must plant all the areas where the irrigation system reaches. The technique (to answer the first question) must be agricultural co-ops or collectively. This means avoiding private scattered work (by individuals). This is not only to ensure production but also to respond in terms of labor, equipment, and guidance organizations. For the people and farmers it is all right for whoever wants to engage in the season rice growing, but it must be in the form of agricultural co-ops or collectively.

9884
CSO: 4206/18

BRIEFS

LOCAL ELECTIONS IN VIENTIANE--According to a report from Nasaithong District, Vientiane Capital, on 20 September 1982 in Na Kha Canton, Nasaithong District, Vientiane Capital, voting took place for a new administrative committee for Na Kha Canton under the chairmanship of Mr Phonsai, district party committee secretary and a number of cadres involved who were honored guests. The new canton administrative committee which was elected to carry out the administrative work and which did best at the democratic election polls this time numbered 7 comrades, including the chairman of the canton administrative committee. The election of a chairman and a new administrative committee in this canton is primarily to improve the base level organization whose aim is to carry out the political duty of the party and our government in the new phase, and to bring it properly into line with the needs of the people of all nationalities. It is also to reinforce the strength of local organizations in order to carry out the political plans and policies of our party and government. [Text] [Vientiane VIENTIANE MAI in Lao 2 Oct 82 p 1] 9884

ATTOPEU MILITARY RECRUITMENT--From the beginning of this year until now 132 youth in 4 cities, Samakkhisai, Saisettha, Sanamsai, and Sansai Districts in Attopeu Province, including 13 women, were awakening and voluntarily and happily serving the nation to take part in national defense and public security forces in order to protect the land and secure each locality of the people, to ensure having the people feel free to make their living, and to participate in forever expanding the construction of the new socialist economic bases. [Text] [Vientiane SIANG PASASON in Lao 13 Oct 82 p 1] 9884

VIENTIANE CAPITAL LIVESTOCK--Comrade Chommani Thattanakham who is responsible for animal husbandry in Vietniane Capital told our reporter on the morning of 12 October 1982 that when compared with the people's animal husbandry in 7 cities in 1981 the amount of livestock has increased. In 1981 there were 45,931 buffalo, 29,795 oxen, 28,335 pigs, 705 goats and sheep, and 359.595 poultry. In the first 6 months of 1982 the livestock were increased to 46,846 buffalo, 30,954 oxen, 29,465 pigs, and 733 goats and sheep. There was a great increase in poultry. [Excerpts] [Vientiane VIENTIANE MAI in Lao 14 Oct 82 p 1] 9884

CSO: 4206/15

GHAZALI ON INDIAN STANCE ON DK, NONALIGNED SUMMIT

BK121011 Kuala Lumpur NEW STRAITS TIMES in English 10 Nov 82 pp 1, 3

[Text] Kuala Lumpur, Tuesday--Malaysia said today the forthcoming non-aligned summit in New Delhi in March will show whether India, in her role as chairman, can be neutral and non-aligned.

Foreign minister Tan Sri Ghazali Shafie, in an interview over Radio and Television Malaysia [RTM] tonight, said that for the sake of its national interests, it was obvious that India supported the Heng Samrin regime in Phnom Penh although such a move would affect relations between New Delhi and ASEAN.

Malaysia, Indonesia and Singapore which are members of the non-aligned movement, are concerned about India's role as chairman of the summit.

The question is "whether India will be non-aligned or if she will be on somebody's side. India will show whether she is truly neutral or non-aligned as chairman and not as India," said Tan Sri Ghazali.

He was replying to a question over RTM's Hal Ehwal Semasa on whether it was a fact that India had reneged on its assurance to ASEAN that she would not do anything that would harm ASEAN's interests.

(The manifestations were the recent Indian statement on Kampuchea at the United Nations and New Delhi's strong opposition to any reference to the Coalition Government of Democratic Kampuchea led by Prince Sihanouk in the communique of last month's Commonwealth Heads of Government Meeting (CHOGRM) in Fiji.

(Indian External Affairs Minister Narasimha Rao in his visit here in October last year had said that New Delhi was very appreciative of the ASEAN position over the Kampuchean problem.)

(He also said India would not do anything that would harm ASEAN. Since New Delhi fulfilled Prime Minister Mrs Indira Gandhi's election pledge to recognise the Heng Samrin regime, she was not about to take any other step which would affect the ASEAN position one way or the other.)

Asked whether the indication is that India will not invite Prince Sihanouk, Tan Sri Ghazali said "that we do not know." But there are signs that India is reluctant to invite Prince Sihanouk.

Does the increased vote for Democratic Kampuchea at the United Nations this time mean that India has no choice but to invite Prince Sihanouk?

Tan Sri Ghazali: "That is up to India as a nation and as chairman of the non-aligned conference. That I cannot say. But it is obvious that the actions of India and Vietnam are not right in the eyes of the world."

ASEAN wants Prince Sihanouk, a co-founder of the non-aligned movement, to be invited to the summit.

CSO: 4200/160

SINGAPORE'S PAP MEETING ADOPTS REVISED CONSTITUTION

BK161439 Hong Kong AFP in English 0636 GMT 16 Nov 82

[Text] Singapore, 16 Nov (AFP)—Leaders of the People's Action Party (PAP), which has ruled Singapore for 22 years, have declared their party a "national movement," tightened control from the top and rejuvenated the leadership.

A meeting of party cadres here yesterday adopted a revised constitution which also spelt out the party's two main aims as commitment to the defence of Singapore's independence and sovereignty and to representative democratic government.

The meeting brought in four new, younger members to the ruling central executive committee to take the places of four members of the party's old guard who have stepped down. Outlining the new measures to the closed door meeting, before their adoption, PAP First Assistant Secretary General Dr Tony Tan dismissed the idea that proclaiming PAP a national movement could be construed as taking Singapore a step nearer to the concept of a one-party state.

These fears had been expressed here because of the proposed party changes and in the light of the PAP's strong reaction to the shock by-election last November which returned Workers Party Secretary General J. B. Jeyaretnam as the only opposition member in the 75-member house, the first dissenting voice since 1966.

Mr Tan, said the PAP believed in democratic government. But he also stated that "it is irresponsible calls by irresponsible politicians for an irresponsible democracy, for dissent for the sake of dissent, which constituted the greatest danger to democracy in any country."

This is the line the government has always taken in response to suggestions that it is a good thing simply to have an opposition in parliament.

Dr Tan, who is also minister for trade and industry, said the three other main aims of the PAP, which was formed in November 1954, were:

—The forging of a multi-racial nation of Singaporeans with a sense of national identity.

--The building of a dynamic society of disciplined and self-reliant people in which rewards were in accordance with performance but which had compassion for the sick, aged and handicapped.

--Achievement of optimum economic development and social and cultural fulfillment through harmonious and cooperative social relationships.

A major change in the constitution removes whatever powers rank and file members still had and gives the cadres practically absolute control over the party. The clause stating that all members had a right to attend party congresses, held once a year, and to move and vote for resolutions at these gatherings was removed.

Dr Tan said that the drafters of the new constitution considered it unnecessary to have ordinary members pass resolutions as the party was close enough to the ground to know what its members thought.

The clause which said a party congress should be held every year had been dropped because it was no longer practical to do so, he said.

The new faces in the central committee are Ch'ng Jit Koon, parliamentary secretary for the prime minister's office, Ho Kah Leong, parliamentary secretary for education, Professor S. Jayakumar, minister of state for home affairs and law, and Lee Yiok Seng, senior parliamentary secretary for national developments.

They take the places of four members of the old guard who stepped down: Dr Toh Chin Chye, the former founder chairman of the PAP, Dr Goh Keng Swee, first deputy prime minister (education), Sinnathamby Rajaratnam, second deputy prime minister (foreign affairs) and Lee Khoon Choy, senior minister of state for the prime minister's office.

CSO: 4200/160

MUSA HITAM RETURNS, SPEAKS ON WEST ASIA TRIP

BK101345 Kuala Lumpur Domestic Service in English 1130 GMT 10 Nov 82

[Text] Datuk Musa Hitam says Malaysia has reached the stage when it can start exporting its technology and know-how to other developing countries, especially in rubber and palm oil expertise. The deputy prime minister told newsmen this on his return from a 6-day official visit to Egypt and Jordan, including an unofficial visit to Saudi Arabia to perform the Umroh [off-season pilgrimage].

Datuk Musa said that there was now a shift in the government policy in regard to palm oil export. Anticipating a bigger production of 4 million tons annually in about 3 years' time, the government has decided to allow the export of crude palm oil to countries which were able to process the commodity.

During his talks with leaders in Egypt and Jordan, both countries indicated keen interest in setting up palm oil processing plants. In the case of Jordan, there was already such a plant in the West Bank, but the area is now occupied by the Israelis. Jordan felt the need to have another such plant at Aqaba port.

Datuk Musa said Egypt and Jordan were also interested in similar arrangement for the establishment of rubber processing plants.

On west Asia, King Husayn of Jordan personally briefed Datuk Musa on his country's initiative in seeking peace and stability in the region. King Husayn said Jordan was running out of time. There were signs that Israel, under the present leadership, was determined to uproot and oust the Palestinian people from the West Bank and Gaza Strip and placement in the East Bank. In so doing, the Israelis were trying to formally annex the whole area as part of the Jewish state.

CSO: 4200/160

MAHATHIR SPEAKS ON MUSLIM REBELS IN THAILAND

BK101527 Hong Kong AFP in English 0650 GMT 10 Nov 82

[Text] Kuala Lumpur, 10 Nov (AFP)--Prime Minister Dr Mahathir Mohamad has rejected suggestions Malaysia supported any liberation movement in the region.

The prime minister was asked at a press conference yesterday whether reports of Malaysia's support for Moselm rebels in Thailand were true.

"We certain know that some Thai Moslems are not getting fair treatment from their government," he said.

"Being a friendly nation...friendly with Thailand, we have tried to put across some of these views, not because we are interested in their (the Thais) international problems but because as Moslems, we are bound to help other Moslems," he said.

Malaysia had said that it would not take part in operations against Pattani United Liberation Organisation (PULO) rebels in Thailand as the terms of reference in the Malaysian-Thai border agreement state that operations only be undertaken against a "common enemy."

Thailand is believed to be interested in getting Malaysia's help in getting rid of the PULO rebels.

CSO: 4200/160

COMMENTARY LASHES SRV HANDLING OF REFUGEES

BK171219 Kuala Lumpur International Service in English 0800 GMT 17 Nov 82

[Unattributed commentary]

[Text] The parliamentary secretary to the Malaysian Ministry for Foreign Affairs, Mr Abdul Kadir Sheik Fadzir, yesterday criticized the Vietnamese government for its failure to ensure the orderly departure of those who wanted to leave the country.

The Vietnamese Government has over the last few years given many assurances that it would not want its people to become a burden to its neighbors. It had agreed to accept the un-initiated program that would ensure the orderly departure of Vietnamese refugees from Vietnam itself. But reports have shown that this departure program has been bogged down by various restrictions and red tape created by Vietnamese officials to frustrate the program. There seems to be no sense of shame attached to the spectacle of Vietnam's citizens leaving its shores by the thousands every day. There seems to be no official concern over the phenomenon of poor desperate Vietnamese citizens leaving their shores to brave the elements at sea with thousands drawning in the process.

Hanoi also seems not to suffer from the pinprick of conscience at the sp :ter of its citizens who are gathered in their hundreds of thousands in the va ious refugee camps of Southeast Asia. Indeed, one should not expect too much from a nation that has shipped off thousands of its citizens to Soviet Russia to work and pay off its debts to Moscow. Thus, promises that have been made solemnly before many nations when orderly departure or refugees are mere promises that are best forgotten. [sentence as heard]

Vietnam thus has the dubious distinction of being the nation that has created the biggest refugee population ever in Southeast Asia and the proof of this can be found in the Pulau Bidong Refugee Camp in Malaysia, which houses Vietnam's own citizens and the Khao I-Dang and other refugee camps on the Thai-Kampuchean border, which are reportedly housing one-tenth of Kampuchea's population.

For Malaysia, this burden of housing refugees seems to have no end, from 1975, when the flow first began, up until 12 November this year, we have had to play

reluctant host to 178,952 illegal immigrants. An average of 1,000 Vietnamese illegal immigrants come ashore every month or practically a boat a day landed in our country.

The problem of carying for the refugees has cost us more than $30 million a year which, given the current recession, was a very heavy burden indeed. Malaysia has lived up to its international and humanitarian obligations, but it cannot carry this heavy burden forever.

The whole problem can be resolved if the Vietnamese Government takes a responsible view of the whole issue. Hanoi has stated its willingness to allow those of its citizens who want to leave, to depart in an orderly manner. Thus, while undertaking all the necessary measures to allow the flow of refugees in an orderly and organized manner, it should also take vigorous measures to prevent the illegal outflow of its people.

A greater sense of responsibility on the part of Hanoi could thus work to the benefit of Vietnam, its nationals who want to leave and, lastly, it would also save the neighboring countries from shouldering an unwanted burden.

CSO: 4200/160

'NAN' CITES MALAYSIA'S LEONG ON TIN ASSOCIATION

AB022215 Lagos NAN in English 14 GMT 2 Dec 82

[Text] Lagos, 2 Dec (NAN)--Malaysian Primary Industries Minister Paul Leong declared yesterday that the proposed Association of Tin Producing Countries was not a cartel.

It will not undermine the International Tin Agreement but rather supplement it and promote its working, Mr Leong told the 4th ministerial meeting of the tin producing countries which began yesterday.

Mr Leong stated that the association was an attempt at self-reliance and co-operation to ensure that consumers obtained tin at a reasonable price.

He condemned the United States and the GSA [not further identified] for continuously disregarding the interest of tin producing countries by selling at a lower price.

He expressed regret that the United States had decided not to join the Tin Agreement and urged (?Bolivia) to complement international tin councils efforts on export controls, stressing that this would have a positive effect on the market.

Earlier, Nigerian Minister of Mines and Power Alhaji Ibrahim Hassan, who was elected as chairman of the 4th ministerial meeting, disclosed that 51 percent of consumers and 82 percent of producers had joined the 6th International Tin Agreement.

Alhaji Hassan said that the export control mechanism of tin producers needed to be reviewed as they had not had any impact on the market.

The Nigerian minister condemned the continued sale of tin by the United States, stressing that despite a meeting in August in Washington between the United States and tin producers, the situation had remained the same.

On Nigeria's membership in the proposed Association of Tin Producing Countries, he said the country needed a number of clarifications before it decides to join or stay out.

The ministers will resume their meeting on Friday after a one day visit to Jos.

CSO: 4200/160

BRIEFS

SABAH'S TRADE SURPLUS--Sabah's export figures for the first 8 months of this year have shown a trade surplus of 1,500 million ringgit, representing fourfold increase from the last year's corresponding period. The state's export earnings totaled 3,600 million ringgit, indicating an increase of 820 million over the first 8 months of 1981. According to figures released in Kota Kinabalu, timber and crude petroleum performed strongly on export fund, accounting for 600 million ringgit of the increase of export earnings. Crude petroleum export increased drastically by 41 percent. Japan remains the biggest importer of Sabah's products. [Text] [Kuala Lumpur International Service in English 0600 GMT 17 Nov 82 BK]

REVENUE FROM PETROLEUM--The parliament was today told that the government obtained revenue from petroleum totaling 2,079 million ringgit in 1980 and 2,898 million last year from Sarawak and Terengganu. Finance Minister Tengku Razaleigh Hamzah said during question time that in 1980, the government collected revenue totaling 1,027 million ringgit from Sarawak and 1,052 million ringgit from Terengganu. Last year, the revenue from Sarawak was 1,337 million and from Terengganu 1,561 million ringgit. He said the revenue, derived from petroleum income, income tax, royalties, cash payments and the export duty on crude petroleum, became federal government revenue. Revenue from import duty and excise duty on petroleum products collected from Sarawak and Sabah was handed over fully to the two states in line with the provisions laid down in the federal constitution. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 19 Nov 82 BK]

NATURAL GAS AGREEMENT--Petronas and Esso Production Malaysia Incorporated [EPMI] today signed an agreement for the sale and purchase of natural gas for Phase I of the Trengganu project. Under the agreement, EPMI will install the facilities needed to deliver the gas to the (Sosong) platform of Petronas Carigali, the exploration arm of Petronas. From there, it will be moved to shore along with gas from Carigali contract area to a joint delivery system. Petronas and Carigali will undertake one of the programs, install and operate a 214-km (Sosong)-to-shore undersea gas pipeline and on-shore terminal. It is expected that gas will begin to be delivered to shore in 1984. [Text] [BK041453 Kuala Lumpur Domestic Service in English 1130 GMT 4 Nov 82]

CSO: 4200/160

BRIEFS

IRIAN JAYA REBEL CAMP RAIDED—Papua New Guinea's troops and police have raided an Irian Jaya camp on the Papua New Guinea side of the border, driving the rebels back into Indonesia. Papua New Guinea's foreign minister, Mr Namaliu, said today the group of about 50 guerrillas had apparently been warned and had fled the camp by the time troops arrived. Mr Namaliu said the police had burned down houses in the rebel sanctuary and destroyed fruit gardens. Radio Australia's Port Moresby correspondent, Sean Dorney, says the action will be welcomed in Indonesia as showing a desire by the new government of Papua New Guinea for improved relations between the two countries. Dorney said relations between Papua New Guinea and Indonesia were strained in June this year when the former Papua New Guinea Government accused Indonesian troops of making raids across the border. [Text] [BK260814 Melbourne Overseas Service in English 0500 GMT 26 Nov 82]

CSO: 4200/161

NPA REPORTED USING CEBU AS MEETING PLACE

HK290457 Manila Domestic Service in English 0400 GMT 29 Nov 82

[Text] Reports from Cebu City say that the New People's Army [NPA] is using that area as a meeting place for planning operations. The same reports said Cebu has also been selected as a rest and recreation area for NPA elements coming from battles in various parts of the country. Correspondent (June Francisco) has the details:

[Begin (Francisco) recording] Military authorities today confirmed that Cebu City in the southern Philippines has been made by the communist party of the Philippines and its military arm, the New People's Army, as their staging area for launching operations in other parts of the country. The [words indistinct] Commander Lt Col (Susimo Alan) disclosed that recent intelligence assessment points out that the NPA after combat duty go to Cebu for their rest and recreation, or R and R, in miliary parlance. He said the dissidents selected the area because of its strategic location, being in the center of Luzon, Mindanao, the Visayas, and the neighboring Samar Provinces.

(Alan) further disclosed that the situation in Debu City is rather peaceful. He said the NPS's on R and R avoid armed confrontation for fear that the military would mount operations against them.

It was in Cebu City, authorities said, that Communist Party Secretary for Southern Leyte (Edwin Vargas) was arrested on 16 October. (Vargas) is behind the organization of the liquidation squad, or sparrow unit, of the NPA, responsible for a series of terrorist attacks in southern Leyte and in the outskirts of Cebu City. [end recording]

CSO: 4200/162

PHILIPPINE SETS CEILINGS FOR FOREIGN BORROWINGS

HK010212 Manila BUSINESS DAY in English 29 Nov 82 p 4

[Text] The Philippines will follow two ceilings on foreign borrowings next year—one will limit the country's drawings on loans it has contracted, and the other will control the amount of new loans.

The International Monetary Fund will set the ceiling on availments as a condition for a $450-million standby credit line it will give to the Philippines. If the country overshoots the IMF ceiling, the credit line will be withdrawn.

The Central Bank [CB], on the other hand, will install the ceiling on new loan approvals. Central Bank Governor Jaime C. Laya said the ceiling is intended to keep the country's loan payments to within the legislated ceiling of 20 percent of the previous year's foreign exchange receipts.

Although the IMF and the CB have somewhat different aims in setting the ceilings, businessmen fear that both would restrict foreign borrowings by the private sector.

The IMF-imposed ceiling will control next year's drawings even on loans contracted years ago. Businessmen said that to follow the IMF ceiling, the CB will either bring down the availments of loans obtained in previous years, or reduce the approval of new loans which would be drawn next year.

Allocation: Commenting on this private sector fear, Prime Minister Cesar Virata told BUSINESS DAY that about half of the allowable foreign loans next year, based on either the IMF or CB ceiling, would be allocated to the private sector. He added that part of government borrowings will be relent to the private sector.

None of the ceilings have been fixed yet.

The Philippines still has to present its "letter of intent" to obtain the IMF credit line, spelling out the prevailing economic conditions and government plans to remedy troubles that were identified. Based on this letter and earlier consultation with government, the IMF would decide on its required target for the Philippines, including foreign loans.

In limiting Philippine availment of foreign loans, the IMF wants to bring down investments in the country to conform with the savings level.

The country's yearly investments amount to around 30 percent of gross national product, while savings amount to 25 percent. The remaining 5 percent is thus filled with foreign funds.

The IMF believes that the high level of investments also raises imports of equipment and raw materials connected with the new projects, and it is the widening payments deficit that worries the IMF. The deficit was worsened in recent years by increasing imports and decreasing exports.

Short-term loans: Moreover, the IMF ceiling would be particular about availments of loans payable in less than five years. Virata said IMF normally provides a "very low figure" for such loans, and a subceiling on loans payable below 12 years.

The CB, on the other hand, has to wait for the country's foreign receipts figure this year to set its internal ceiling, since earlier projections have gone haywire.

Late last year, the CB projected a $6.35-billion export receipts, a major portion in the computation of foreign exchange receipts as basis for allowable debt repayments. As of the third quarter this year, however, export earnings amounted to only $4.39 million—about $700 million short of target.

The CB also has to weigh the effects of interest rates abroad on debt repayments. Despite the decline in foreign interest rates, pronouncements of the U.S. Federal Reserve (Central Bank) indicate that it would still watch the level of funds and not target a specific level of interest rates. A CB official involved in foreign debt management said the CB "cannot be certain" about the effect of interest rates on the country's debt service.

The CB ceiling on foreign loans approvals was introduced this year, when the IMF no longer imposed its own ceiling since a two-year Philippine credit line expired last year. Many of the banking sector interpreted the CB move as substitute to the IMF-imposed ceiling, so that with a new credit line being negotiated, the CB no longer would need a ceiling and would just follow the IMF recommended target.

Laya told BUSINESS DAY the CB will still have a ceiling as a control on future availments on foreign loans.

Estimate: Virata said the IMF ceiling would be around $2.3 billion, an amount agreed upon in Tokyo recently during the World Bank Consultative Group meeting. This figure was based on the country's need for foreign funds to finance its development program for 1983, the first year of the new five-year development plans.

It is, however, possible that the CB figure would be substantially below or above this figure, depending on its expectations about exports and interest rates abroad.

CSO: 4200/162

MARCOS CONCERNED OVER INCREASE IN IMPORTS

HK010139 Manila BUSINESS DAY in English 29 Nov 82 p 5

[Text] President Marcos yesterday expressed fear that if the present trend of the country in importing luxury items continue, it may "affect the value of the Philippine peso in the foreign market."

Mr Marcos expressed concern over the country's excessive trade deficit. He said if the country cannot improve its exports, it will have to cut down on imports, especially luxury items.

As of Friday, the peso-dollar exchange rate stood at P8.909.

With the alarming high imports, Mr Marcos said, the country must now decisively act. This means that all the elements of the nation will have to "galvanize into action and agree on some kind of belt-tightening policy to prevent economic collapse," he added.

Mr Marcos said the excessive imports have resulted in "abhorrently high" deficit in the balance of payments. "This is shocking," he emphasized.

Mr Marcos pointed out that the most important thing now for the whole country is to "save our economy." The only people who are thinking about this are the leaders of the nation, he said.

According to the president, the country's first economic problem concerns Philippine traditional exports whose prices are "going down in the world markets."

The Philippines is facing a huge deficit in its balance of payments because the commodity prices in the international markets are very low. The internationally accepted terms for Philippine raw material exports "are going down," the president added.

These products include gold, silver, abaca, copper, nickel, chromite, logs, sugar and coconut oil.

The president said he has been calling the attention of the people to the fact that "our imports are in excess of our exports." This serious trend may

affect the value of the Philippine peso in the foreign exchange markets, he said.

The president said he has asked Prime Minister Cesar Virate and the members of his cabinet to look into these problems and study proposals "to hold back the increasing tide of imports."

However, Mr Marcos expressed confidence that the Philippine economy will still recover. "If we now shift our attention from the social ills of our society to the critical issues of our economy, we should be able to make it," the president said.

CSO: 4200/162

MANILA COLUMNIST ON ABUSES IN CHURCH, ARMY

HK010144 Manila BULLETIN TODAY in English 30 Nov 82 p 6

[Article by Apolonio Batalla: "Numbers Are Deceptive"]

[Text] There is no showing that the whole Catholic clergy is antigovernment. There is no evidence, either, that the government, or the administration, if you wish, is anti-church.

It is a fact, though, that some priests are antigovernment and that the government has proceeded against priests it believes are subversive elements.

Thus, on the basis of the evidence that is gathered from the mass media the whole is being mistaken for the part. This is because of the impact of the mind of the facts of a few.

We can move over to the other side and agree with the government observation that only about 1 percent of the armed forces are bad eggs. It is said that this 1 percent is equivalent to about 1,700 men, and presumably these men are scattered all over the country.

Only a small percentage of the 1,700 soldiers must be assigned in Western Samar. Yet the priests of Western Samar have gone on leave in protest against the alleged abuses of the soldiers in the province.

So the impact of the acts of a few soldiers on the life of the province is disproportionate to the number of the soldiers. Hence, percentages and absolute numbers can be deceptive.

We would only be confusing ourselves if we should insist that the issue is one of church and state. The doctrine of separation would be an acceptable issue if the policy of the government were antichurch or if the Catholic hierarchy were antigovernment.

Separation is not an issue because the relationship has been settled for many decades. The separation has been dictated by the will of the nation.

The issue revolves on the acts of a few on both sides, the alleged militancy of a few priests and the alleged abuses of a few soldiers.

While it involves only a relative few, it is nonetheless a grave social problem. It is graver than the problem of poverty in this country, far more significant than food or housing or electrification, because it directly affects the national integrity.

There are poorer countries than the Philippines. They are countries so poor that it is impossible for their governments to prohibit begging in the streets. But despite the poverty those countries have remained whole.

Nicaragua and El Salvador are not truly destitute countries, but they have been racked by bloody internecine strifes.

The moral seems to be that first there must be justice of a kind that is defined by the values of the people. Then the task of banishing poverty can proceed smoothly.

In our case, one may grant that some militant priests have violated the law on subversion. Under the conditions of some remote provinces that is not a farfetched supposition.

But if that is true, the government must make sure that 100 percent of its law enforcers abide by the law they are supposed to uphold and that if some step out of line they should be dealt with accordingly.

It would not be enough to rest on percentages, as when we say that of so many men in the field some are bound to misbehave. The proliferation of soldiers among the civilian population and the effect of the public mind of the misconduct of a few require a high standard of conduct, which simply means no abuses.

It should be asked why this seems to have been difficult to accomplish. For many years, there have been countless warnings from high authorities, but the abuses continue. Only last week, truckers complained of extortion on the highways.

Many soldiers have been court-martialed and punished, but the deterrent effect of punishment appears to be minimal.

Now, the authorities have come up with the idea of retraining the undesirable elements in the armed forces. The hope is this will eliminate abuses.

The hope should be kept alive. Things have become so bad that even boys hawking cigarettes in the provinces have been complaining of molestation by soldiers.

CSO: 4200/162

BOHOL LEADERS DENY NPA 'INVISIBLE GOVERNMENT'

HK010155 Manila BULLETIN TODAY in English 30 Nov 82 pp 1, 4

[Text] Gov Rolando Butalid of Bohol and Revenue Deputy Commissioner Tomas C. Toledo in a joint statement denied yesterday the reported establishment of an "invisible government" of the New People's Army [NPA] in remote areas of Bohol.

"The establishment of a government connotes its operation in and acceptance by a mass base which does not exist in Bohol at this time," they said.

Batalid and Toledo decried the slant in the reporting of the story "for it tends to glorify the lawless elements."

"It is high time that the proper military authorities resort to factual and objective reporting," they said.

Provincial governors also complain about the lack of liaison between civilian and military authorities and the lack of advance briefings on news items released by the military, for purposes of correlation and confirmation, they said.

Butalid said he has travelled to the remote areas mentioned, including Ubay Town, and has not uncovered the existence of the invisible government. While it is true that there are attempts at recruitment and politicalization, which is the master plan of the NPA in every province, they have not succeeded in Bohol, the statement said.

The two added that what is indeed visible in some areas in Bohol "is some kind of extortion and forcible exactions in isolated cases." These acts do not constitute an establishment of an invisible government, they said.

The subversive movement in Bohol has gone underground as it has not succeeded in penetrating the mass base, they said.

They added, however, that "some self-styled predators use the name of the NPA to achieve their desired ends of free-loading, at the people's expense, and to the discomforture of the real NPA's."

Bandit tactics such as foraging missions, the use of threats and violence, have created contempt against these groups whom the people brand as plain criminals, they said.

CSO: 4200/162

INVESTIGATION TEAM AMBUSHED IN DAVAO DEL SUR

OW041349 Hong Kong AFP in English 1335 GMT 4 Nov 82

[Text] Manila, 4 Nov (AFP)--A 20-man civilian and military investigating team has been almost wiped out in an ambush by suspected communist rebels who killed 17 and wounded three, the official Philippine news agency reported today.

The group was ambushed in the upland village of Sulop in Davao Del Sur Province about 944 kms (590 miles) south of here Wednesday afternoon.

Killed in the ambush were a town mayor, seven policemen, seven civilian home defense militiamen and two para-military constabulary troopers while the wounded included a militiaman and two troopers.

The team was on its way to another village to investigate the killing of a home defense militia trainer on 1 November in a grenade and shooting attack, the survivors told investigators.

Military troopers are now in pursuit of the ambushers, who are believed to have retreated into the hinterlands of Davao Del Sur and south Cotabato Provinces.

CSO: 4200/162

MANILA PAPER STRESSES DEFENSE SELF-RELIANCE

HK050159 Manila TIMES JOURNAL in English 4 Nov 82 p 4

[Editorial: "National Defense and Self-Reliance"]

[Text] To the Ministry of National Defense, which observes its 43d foundation anniversary tomorrow, self-reliance has become its password.

The international situation remains fluid. Tow major power blocs are at increasing loggerheads with each other. Both are involved in what seems to be an endless arms race that could lead to a catastrophic war.

In the economic picture, protectionist policies have pitted the highly developed and industrialized nations against the under-developed and developing countries with the Altter group suffering severely. The less developed states while unable to sell their finished products abroad because of protectionism, must likewise contend with extremely low prices offered for their raw materials. The resulting dollar income makes it difficult for the developing countries to meet the high interest rates on loans they have made with international banking institutions.

The Philippines is a developing country. Fortunately, self-reliance has been a keystone in our security policy. President Marcos enunciated the policy of self-reliance a few years after he was re-elected to a second term in office. His policy called for a diversification of the country's trade and cultural ties with other countries in view of the gradual American withdrawal from Southeast Asia following the debacle in Vietnam.

The Ministry of National Defense adopted this policy fully and has gradually become self-reliant in military equipment--the latest being the production locally of a powerful and effective air-to-ground missile. It is also producing locally vital war equipment necessary to maintain the effectiveness of the army, navy and air force. In all cases, local ingenuity and resources are used with varying success.

It is hoped that the Defense Ministry will continue the good work and thereby assure the major steps yet to be taken in the building of the nation.

CSO: 4200/162

MNLF HARASSES LANAO DEL NORTE FARMERS

HK170147 Manila TIMES JOURNAL in English 16 Nov 82 p 6

[Text] Armed Forces Chief of Staff Gen Fabian C. Ver yesterday ordered the military contingent in Lanao Del Norte to give protection to farmers following grave threats from terrorists.

The terrorists, members of the Moro National Liberation Front operating in the area, threatened to harass farmers for refusing to give aid to them.

The farmers openly defied demands by the terrorists to shell out 10 percent of their income to the movement, according to military reports reaching General Ver.

The report said that farmers belonging to the Palayan Bayan Compact Farm in Baranggay Baris, Tubud, Lanao Del Norte spearheaded a campaign in the region to urge other farmers to stop giving support to the terrorists.

The MNLF, they claimed, has lost its cause in fighting the government any longer.

The terrorists, led by a certain Baro Bangcol, warned the farmers that they will suffer the consequences for their refusal to contribute but the farmers instead reported the matter to military authorities in the area.

General Ver also ordered a massive hunt for Baro Bangcol and his men.

In Bukidonon, a joint PC (Philippine Constabulary)-police and civilian home defense force group encountered heavily armed rebels in Sitio Saging, Little Baguio, San Fernando Town killing two commanders and capturing another.

Killed were commanders Kauding and Kasiloy. The captured terrorists was not identified in a report submitted to Ver.

The troops were on a test mission when they encountered the terrorists, the report said.

CSO: 4200/162

PHILIPPINES ACTS TO ENCOURAGE FOREIGN INVESTMENT

HK180141 Manila TIMES JOURNAL in English 17 Nov 82 pp 1, 6

[Text] President Marcos yesterday granted more incentives to foreign businessmen to encourage the flow of foreign investment into the country.

Under a new decree he signed, foreign investors who put in a minimum of $200,000 can get into any business or industrial field.

Under the old decree they are only allowed to invest in depressed areas or in any industry approved by the board of investments.

But as in the old law, foreign investors will be granted permanent residence here and will enjoy preferred rates in the use of electricity.

To facilitate the entry of foreign investments, Mr Marcos has also created a foreign investments assistance center at the board of investments to take charge of all the paperwork.

He also directed the Philippine ports authority to clear up the Manila international port to take surplus containers coming from Hong Kong and other ports.

While the incentives cover all foreign businessmen, it was generally believed that the president made the move to attract businessmen from Hong Kong who are expected to seek other sites for their enterprises when the British lease on the colony ends in 1997.

The president assured that the move would not prejudice Filipino businessmen. He said the government's targets are foreign investors who may tie-up with local business and industries.

He stressed that the government would continue to abide by its policy to assimilate foreign investors into local industries.

Mr Marcos said two big Malaysian companies based in Hong Kong, Sime Darby and Guthrie, Inc., are about to establish themselves in the country. Another foreign firm, Keok Seng, is coming in.

"We are starting modestly," the president said, "but we are starting well."

He added that the Kilusang Bagong Lipunan leaders, who have been consulted on the matter, will meet in a caucus at the Batasang Pambansa to draft the necessary legislation.

The Foreign Affairs Ministry, the Commission on Immigration and Deportation and the Board of Investments have been directed to prepare the necessary rules and regulations on the new decree within 30 days.

These agencies have also been asked to keep track of the status of foreign investments.

CSO: 4200/162

MINDANAO COLUMNIST ON GROWING INSURGENT DRIVE

HK160414 Davao City PEOPLE'S FORUM in English 4 Nov 82 pp 2, 5

["Window Shopping" by Aurelio A. Pena: "Soldiers Who Look Like Rebels and Rebels Who Look Like Soldiers"]

[Text] There seems to be no denying that insurgents are gaining strength in this part of the country.

Even the governor of North Cotabato, Carlos Cajelo, is becoming alarmed at the growing numbers of rebels and rebel activities in his own home province.

What we do not understand is why it had to take people to rise up against the government to attract the attention of the North Cotabato governor.

Cajelo said the rebel movement is now engulfing such municipalities as M'Lang, Tulunan, Pikit, Makilala, Libungan, Midsayap, and now has started to close in on Kidapawan.

Now he has started to talk of programs and projects to reach out into these areas when all these past months, there has been rising discontent and disenchantment in these areas, due basically to government neglect on simple tasks as repairing feeder roads or even just simply listening to simple folks in the barrios.

One had to go to these places to see that the presence of the government, (if there is any in these towns and barrios), is not being felt strongly as it should. It is not difficult to see how local insurgents can take advantage of the growing antagonism now spreading out into many barrios in the province.

What North Cotabato needs very badly right now to quell this growing resentment against the government, is for the provincial government to have less talk and more work.

Simply put, there should be less speeches, less meetings, less promises, less conferences—and more action in terms of roads repaired, justice for the oppressed and making life more bearable for the simple folks out in barrios.

One should not be surprised why the rebel movement is growing in these areas, it would be easy for the governor to see how military abuses, government

neglect, land grabbing, exploitation and even bureaucratic red tape, contribute as 'fertilizers' to rebellion.

Time is running out not only here in North Cotabato, but also in other areas here in Mandanao, only the military knows the gravity of the situation, despite their denials on the contrary.

Insurgents in the Davao-Agusan area, according to Col Roberto Manlongat of task force Aguda, are of two groups—the Bangsa Moro Army and the New People's Army and while they have not grown in strength compared to North Cotabato, they nevertheless are becoming more 'sophisticated and smart.'

Groups of rebels, who, in the past weeks, have over run a town, a logging camp, hijacked, robbed and burned passenger buses, were all dressed up in new army uniforms, complete with name patches--it was not easy for civilians to distinguish them from real soldiers who oftentimes look more like rebels than soldiers.

Manlongat finds this sort of amusing, but it is a fact that troopers out on patrol, especially constabulary and army troops, have very long hair, unshaven faces, dirty uniforms, sometimes with no uniforms at all, sometimes in slippers, and occasionally topped with a red headband.

We don't know if this is a military tactical move, but this whole situation has come to a point where an open guerrilla warfare will find two protagonists wearing the same uniform, with each one having a hard time telling one from the other.

With abusive soldiers now alienating the civilian populace, it seems like a tactical move also on the part of insurgents to wear army uniforms to alienate the military farther away from the people.

What disturbed us however, are reports that some bus robbery cases on the South Cotabato Highway to Davao, are being perpetuated by Civilian Home Defense Forces (CHDF) whose pay allowances have not been released by the military

It seems from what we heard, these CHDF's sometimes stop some passing buses, and merely 'appeal' for 'donations' from the passengers, while brandishing their armalites.

'Pang-konsumo Lang,' they would say, according to some passengers who experienced this type of hold-up. The hungry-looking CHDF's would then explain that it had been a very long time since they received their last pay, and they probably think civilians owe them something for 'securing' the area from rebels.

This has not been confirmed so far and latest hold-ups near Malungon, show that insurgents might have been involved. This present situation, however, is leaving people confused and even frightened--they don't know who is on their side.

Caught in the crossfire, where will they run for protection?

CSO: 4200/162

PHILIPPINE ARMY TO STEP UP BICOL REGION ACTIVITIES

HK150243 Manila BULLETIN TODAY in English 14 Nov 82 pp 1, 10

[Text] The armed forces is saturating dissident-infested Bicol region with more troops.

Eight army and constabulary battalions are already in place in Quezon and the Bicol areas, the BULLETIN gathered yesterday.

Maj Gen Josephus Q. Ramas, army commanding general, confirmed this after the 3rd Infantry Brigade of the 2nd Infantry Division under Brig Gen Cezar H. Bueno arrived in Fort Bonifacio from South Cotabato.

Ramas, through his spokesman, Col Mateo V. Bawagan, said the brigade is on a short rest and creation after which it will be deployed in Quezon and Bicol.

The 3rd Brigade, which had been in Mindanao for the past six years, will pursue the "approach first" policy of Ramas to check military abuses, Bawagan said. It will also launch an information and civil relations drive to keep people from joining subversive activities, Bawagan said.

With the reassignment of Bueno to the area, Ramas said there will be three brigadier generals in the Quezon-Bicol zone. The others are Brig Gen Andres B. Ramos, commander of PC-INP [Philippine Constabulary Integrated National Police] Region IV, based in Lucena City, and Brig Gen Pedrito C. De Guzman, PC-INP commander of Region V, based in Legaspi City.

CSO: 4200/162

PHILIPPINE JOURNALIST LOOKS AT 'PRESS FREEDOM'

HK160403 Davao City PEOPLE'S FORUM in English 9-10 Nov 82 p 2

["Window Shopping" by Aurelio A. Pena: "What Is the State of Philippine 'Press Freedom' Today?"]

[Text] Although the UP [University of the Philippines] Dean of Journalist Armando Malay was visibly impressed by the turnout and response to the "Press Freedom Today" Symposium and convention last Saturday at the Brokenshire Auditorium, it still left this writer with a gnawing feeling, that somehow, a lot of media practitioners here who ought to be there, were all conspicuously absent.

Of course, it would have made a big difference if those noted media personalities from Manila showed up for the symposium, but people like Arlene Babst, Ninez Olivares, Jose Burgos, Cielo Buenaventura and Letty Magsanoc--like the rest of many established newspapermen here--don't have the time and the patience to discuss press freedom.

Romeo Torres, managing editor of the PEOPLE'S FORUM, local exponent of press freedom here, told this writer that he does not talk about press freedom, he just does it--and we agree with him one hundred percent.

But for all the efforts Gus Miclat Jr. and Raffy Saldana and the rest of the staff of the Mindanao Communications Resource Foundation put into the symposium, they ought to be recognized and congratulated for making the media, once again, aware of their rights as members of the fourth estate in this democratic country--that is, if this is still that same democratic country we've known all these years before 1081.

A second look at their invitation letter, gave us second thoughts on their real target--the stress seems to be more on the current conditions of the campus press than the current state of the legitimate press.

If there were disagreements between community mediamen and campus writers during the workshops that followed in the afternoon, it was because they do not share the same problems.

Two student editors--one from the ATENEWS (Ateneo de Davao), and the other from VENTURE, Xavier University in Cagayan de Oro--lamented that their schools had steadfastly refused to release the student paper funds, which they claimed 'rightfully belongs to the students.'

There is a total clamp down, according to many of the student writers, on student newspapers.

School administrators almost everywhere are demanding students to come up with their 'guidelines' on the way articles should be written and published. In short, strict censorship.

But all these are not at all happening to many community newspapers today. If newspapers here are 'playing it safe' by running only 'developmental stories,' government press releases and columns that kiss the asses of local officials, it's probably because these mediamen spend too much time drinking at coffeeshops and bars instead of digging for their stories somewhere else.

But this is a free country (is it?) and everyone is free to do what he wants.

At least in Davao, newspapers like the Mindanao MIRROR or the PEOPLE'S FORUM, operate independently and still test the extent of 'press freedom' in this country.

There is no censorship to speak of, only their own professional ethics and responsibilities guide them in the way stories should be run--and nobody, not even government or military officials can tell them what, or what not, to write.

While there is no censorship in this country, there is fear of course, among the 'big three' national newspapers, about embarrassing President Marcos and displeasing the First Lady Imelda Marcos.

That, my dear friend, is the state of 'press freedom' today in this country.

CSO: 4200/162

MINDANAO COLUMNIST ON MARCOS TV PERFORMANCE

HK110416 Davao City PEOPLE'S FORUM in English 31 Oct-1 Nov 82 pp 2, 5

["Window Shopping" by Aurelio A. Pena: "Press Freedom: No Cover-Ups, No News Black-Out, No Deception"]

[Text] Bill Warlund's invitation to Davao mediamen to see some video tapes at the USIS turned up only three people--this columnist, Nilo Claudio and Joe Angliongto.

And do you know what you missed? We saw the uncut, uncensored, unexpurgated version of the interview with President Marcos over ABC's 'Nightline' with the well-known journalist Ted Koppel and the entire 38-minute show was fantastic.

It was almost like the mini-version of the BBC television feature 'Third Eye' (which is banned here in the Philippines), but the ABC feature on the current Philippine conditions was more tamed, more civilized, and they showed it to Marcos himself, in its entirety, before starting the frank, no-holds-barred interview.

But just the same, Marcos rapped the show for 'distortion' and 'exaggeration' probably because it showed Diokno in some parts, making side comments (which to Marcos sounded 'subversive') or probably because the ABC feature also showed exclusive footage on MNLF rebels in actual operations including a military offensive against the rebels in the mountains (which can never be shown here in the Philippines because of 'national security').

It was a pity, only the second half of this type was actually aired on Philippine television--the part showing Marcos shooting off his answers to Koppel's questions during the interview portion. The feature part was deliberately kept off the air by the government, of course, to avoid embarrassing the president on problems of rebellion, poverty, torture and the economy.

In short, we were only shown the 'good part' where the president waded through the biting questions and got off safely with spontaneous answers that never seem to satisfy us, viewers.

But somehow we admired the president for having the guts to face the tough American press. Other ASEAN leaders would not have done any better.

But we do not agree with the president with his denials that there is 'no torture,' that there is 'no violation of human rights here in the Philippines.'

Instead of accusing the Amnesty International [A-I] of impartiality, or of being run by communists, the least he would have done was to take the A-I report at value and order an immediate investigation either to prove or disprove the report.

Marcos did not give straight answers to straight questions asked by Koppel and one of these questions was the human rights problem in this country.

It is frustrating and uncomfortable to think the government is not willing to face up squarely to this question of torture cases here and yet still have the gall to announce to the whole world that we 'adhere to the principles of human rights,' all in the same breath.

CSO: 4200/162

LAUREL ON 'IMPOSSIBILITY' OF ECONOMIC RECOVERY

HK190143 Manila BUSINESS DAY in English 18 Nov 82 p 4

[Text] An economic recovery in the Philippines is "impossible," unless the country first achieves "political stability," Assemblyman Salvador Laurel said yesterday.

In a talk during yesterday's general membership meeting of the Credit Management Association of the Philippines, Laurel said a reconciliation of the government and the different factions fighting it is needed before the economy can recover. "Our country is like a house on fire; we cannot repair that house unless we first put out the fire."

Laurel is the president of the United Democratic Organization [UNIDO], the umbrella of the opposition groups in government. He said yesterday that he belongs to the "moderates" among the oppositionists, as against the "radicals."

Laurel said that about 70 percent of what can be considered the opposition have been "radicalized," and joined armed groups. The remaining 30 percent are "losing out" to the radical faction in their desire to introduce changes through peaceful means, so that a "bloody revolution" would be the inevitable result.

Such a scenario does not augur well for business activities. During an earlier business conference, concern on peace and order was also aired by businessmen.

Laurel said that such lack of confidence in the political situation can discourage new ventures, and thus affect the economy.

Spending: He indicated that the peace and order situation has influenced the government's spending. Citing government figures, he said that about P410 million of the government's P2.2 billion spending in 1972 went to the military.

This year, of the P52 billion government spending, about P8 billion is going to the military. "We are spending P23 million a day for the military, and this figure shows that we are like a country at war."

A UNIDO program, a copy of which was obtained by BUSINESS DAY yesterday, points out that a citizen army should be established "to deepen the sense of

"involvement of the individual in the defense of the state and to avoid the maintenance of a large standing army."

(BUSINESS DAY was told by Laurel's secretary in the UNIDO that the program was prepared last year.)

Laurel said that the opposition has presented a three-point proposal to President Marcos, which basically desire the "national reconciliation." One is to grant a general amnesty, so that opposition groups such as those abroad and those carrying arms would go back to help rebuild the economy. The others are to create a new constitution and to bring about a "clean election," Laurel said.

CSO: 4200/162

NEW BICOL COMMANDER TO CRACK DOWN ON NPA

HK200214 Manila BULLETIN TODAY in English 19 Nov 82 p 10

[Text] Camp Bagong Ibalon, Legaspi, 18 Nov--Newly designated Regional Commander Brig Gen Pedrito de Guzman has declared war against New People's Army [NPA] members who will not surrender within the next few weeks. He assured surrenderees they will be amnestied provided they do not have pending cases against them before they joined the NPA.

The said NPA's who return to the fold of the law will not be maltreated and will be allowed to go back to their families without much delay.

De Guzman spoke during the dialogue with national, provincial, local and barangay officials recently at the Ligao Pavilion, Ligao, Albay.

He urged barangay officials to set up a monitoring system to enhance surveillance operations.

He also scored barangay officials who do not keep track of civilians in their respective areas who have made common cause with the subversive movement.

De Guzman said the monitoring system will be organized by barangay captain who will recruit confidants who will report the movement and activities of the residence.

He further said that the system will be organized in every school, barangay, and local government offices.

CSO: 4200/162

ECONOMIST PREDICTS 'DISASTROUS BUSINESS YEAR'

HK260153 Manila BUSINESS DAY in English 25 Nov 82 p 3

[Text] This year will be "the most disastrous business year" for the Philippine economy, according to Bernardo Villegas, senior vice-president of the Center for Research and Communication [CRC], a private firm whose staff regularly comes out with economic predictions.

Villegas made the observation at yesterday's breakfast club meeting attended by a group of Batassang Pambansa members and reporters covering the legislature.

The CRC economist also predicted that 1983 "will probably be the darkest year" in terms of economic performance.

While there had been many bankruptcies this year, he said, the country will still see more bankruptcies next year.

He said that after four years of depressed sales and profits, many firms "just won't be able to survive anymore" in 1983.

Reasons: Villegas attributed the depressed Philippine economy to both external and internal factors.

The external factor he cited was the world recession. He said that all of the country's export products, including copper, sugar, coconut oil, logs and lumber, are suffering from depressed prices. "We don't have too much income to get the economy going," he said.

The internal reasons Villegas mentioned are what he calls "crony capitalism" and Filipino industrialists' "lingering too long" so-called import substitution ventures.

Villegas referred to crony capitalism as "the way some specific cronies were pampered with all types of privileges--multibillion credit, all sorts of favors, given not on the basis of competence, efficiency, profitability, but on the basis of special relationship."

However, he said, in the Philippines, many of the industries now in trouble are the ones that suffer from what he calls "strategic mistakes."

"They were lulled into complacency by tremendous favors," he said.

Regarding import substitution, the CRC economist observed that for 30 years, Filipino industries insisted that they were still infant industries, and that they needed all the subsidies and protection the government could give.

As a result, he said, a lot of these industries are "the most inefficient in the whole of Asia." He cited such industries as textile and cement manufacture and car assembly. "Name any industry that cropped up in the '50's and in the '60's, and we have the notoriety of having the most inefficient industry in the whole of Asia," he said.

Villegas explained that every country that wants to industrialize has to go through the stage of import substitution. Taiwan, Korea, and even Singapore had to go through such stages when they first substituted import products with local production, he said. He, however, pointed out that such stage normally takes less than 10 years.

Improvements: Villegas, however, said that he is optimistic that "there are changes for the better." He said more and more of the cronies are being "dropped summarily," adding that they are "being disciplined" by government technocrats who are making decisions on the basis of competence and efficiency.

Villegas also cited the turnaround in government policy in 1980 and 1981, when the country started to move towards liberalization. He mentioned such measures as tariff reduction, the floating of interest rates, and the faster depreciation of the exchange rate.

He predicted that in the next three to five years, the country will go through a painful transitional period.

He said that as long as the country follows all of the reforms already being instituted, it will start growing like Singapore and Taiwan towards the end of the decade.

Villegas suggested that industries should shift to non-traditional export-oriented ventures, which would help the country move toward recovery.

These ventures include semiconductors, garments, finished wood products, seafoods and other agribusiness exports, leather and shoe products, housewares and giftwares, and the exports of Filipino workers.

The CRC economist predicted next year's growth rate would be between 2.6 percent to 3.2 percent. CRC's official growth rate prediction for this year is 2.6 percent, as against the government's latest estimate of 2.4 percent.

CSO: 4200/162

PHILIPPINE ECONOMIC GROWTH RATE SLOWS DOWN

HK260148 Manila BUSINESS DAILY in English 25 Nov 82 p 4

[Text] The economy slowed down during the first half of the year with the country's total output of goods and services or its gross national product (GNP) growing by only 2.4 percent as against 4.3 percent during the same period in 1981.

This was reported by the Central Bank [CB] based on preliminary estimates of the National Economic and Development Authority (NEDA) as of 29 September.

By industrial origin, the CB said that the first half's growth originated mostly from the utilities sector (electricity-gas-water) whose production rose by 8.7 percent compared to the 5.7 percent increase in the previous year. The growth came about as a result of the government's efforts to upgrade utilities, particularly in the rural areas.

Agriculture, fishery and forestry posted a 4.1 percent expansion notwithstanding the depressed prices of commercial crops particularly coconut and sugar. The growth was traceable to the 5.1 percent increase in rice production which accounted for around 26 percent of total agricultural production.

Industry: The expansion of these sectors, however, was not able to compensate for the slowdown experienced in the industry group (mining, manufacturing, construction and utilities) which grew by only 1.1 percent in contrast to the 4.5 percent recorded last year.

The deceleration was brought about mainly by a 12.5 percent drop in the production of the mining and quarrying sector. The continued decline in the world market prices for metals, such as copper, has in fact forced many erstwhile profitable firms to shut down.

In the meantime, construction activity rose by 3.4 percent reflecting partly higher infrastructure expenditures by the government and government's assistance to private sector construction activity. Still, this was much lower than the past year's growth rate of 8.0 percent.

CSO: 4200/162

LEADING BUSINESS CLUB PREDICTS LOW GROWTH

HK250219 Manila BUSINESS DAY in English 23 Nov 82 p 2

[Text] Members of the Makati Business Club [MBC] a private forum for top business executives, expect the country's gross national product to grow 3 percent next year, way below the historical growth trend of 6 percent during the 1970's. They also count on both domestic inflation and unemployment to run at rates of around 12 percent.

These are some of the forecasts made by MBC members in response to a questionnaire survey done last October. The survey, which the MBC conducted in collaboration with Econotec, Inc., also showed that the club's members continue to see the economy struggling with "relatively high interest rates and a substantial deterioration in the peso/dollar rate."

The survey report submitted by Econotec to MBC Executive Director Rogelio S. Pantaleon said only 85 out of the club's 535 members responded. It added, however, the results still represent a "good cross-section of the MBC membership."

It also explained that the forecast figures for the different economic indicators are actually median figures--the value in the ordered set of forecast figures below and above which fall an equal number of forecast figures.

For example, the MBC members' estimates of next year's real GNP growth range from 6 percent to minus 0.5 percent, with 3 percent being the median.

Interest rate: Focusing on the financial scene, the survey showed the MBC members making a median forecast of 20 percent benchmark interest rate on short-term commercial bank loans. The peso/dollar exchange rate is expected to slide down to P9.30 by end-1983.

The survey report noted that the MBC membership appears to have "lower expectations" compared to forecasts from the government and other private sources. It cited Prime Minister Cesar Virata, for example, who has forecast next year's GNP growth at 4 percent, while the Bank of America has arrived at an even more optimistic 4.5 percent.

The MBC members' predictions are even lower than that of the usually conservative Center for Research and Communication (CRC), whose forecast for real growth next year is 3.3 percent.

On the inflation rate, MBC's median estimate of 12 percent is close to CRC's forecast of 11 percent. On the matter of exchange rates, however, the MBC members' median estimate of P9.30 to a dollar is rosier than the expectations of a group of private bankers and economists interviewed by the ASEAN WALL STREET JOURNAL last September who saw the peso falling to 10 to a dollar by December next year, the report noted.

In line with these forecasts, the businessmen covered by the survey have taken a "wait-and-see" stance regarding business prospects next year.

Only 5 percent said they consider next year's business prospects "good" and 47 percent said "average." The rest--48 percent of the respondents--thought conditions will be "poor."

Stability: The survey report said, however, "a high 60 percent of the respondents still rate social and political stability as average." But it added that those rate social/political conditions as "poor" (23 percent) outnumber the optimists (17 percent).

Given their expectations for continued economic doldrums, most companies may hold back capital spending. Over half the respondents (55 percent) said capital spending in their firms would be "flat" next year. One-fourth said they planned to cut back capital spending, at an average rate of 31 percent; while the remainder (21 percent) plan to boost capital spending by an average of 20 percent.

The employment picture appears to be stagnant. A little over half (52 percent) of the respondent levels. Some 27 percent said they plan to hire more by an average of 7 percent. This is an average of 7 percent. This is offset, however, by the 21 percent who said they hope to reduce employment by an average of 6.5 percent.

Three-fourths of the respondents hope to hike their sales (in terms of peso value) next year by an average rate of 17.7 percent. Only 11 percent said they expect their sales to go down, while 14 percent think their sales would stay level.

In terms of next profit prospects some 54 percent think their profits, bad times and all, would still rise. One-fifth, however, fear their net profits will decline, while a quarter of the respondents don't see any change in their company's profit picture, the report said.

CSO: 4200/162

MANILA COLUMNIST ON ROLE OF PROVINCIAL MEDIA

HK260158 Manila BULLETIN TODAY in English 25 Nov 82 p 32

["Looking Up" column by Gualberto B. Lumauig: "Feeling the Rural Heartbeat Through the Provincial Media"]

[Text] Monitoring public reaction to the many innovative programs of government as they are implemented in far-flug barrios is a difficult task. Program managers at present rely on official reports from field personnel, which may be only self-serving.

An infrastructure project, reported 60 percent completed, many in actuality may be hardly halfway; yet a citizen's letter to the editor, for instance, can tell how contractor's work on the road had been on one week, off the other week.

Local citizens know that a certain livestock project, presumed to be on-going, suffers the setback of the imported animals having succumbed to disease. Yet there is no report to the agency concerned about the decimated stock.

In the nationwide livelihood program, the central secretariat may not be aware that prospective proponents are confused about the scope of the program. Where a proposal would enable a small existing local enterprise to expand its number of hired workers, otherwise idle, if a KKK [Kilusang Kabuhayan at Kaunlaran] loan doubles or trebles its output, the proponent is told that he cannot qualify because "he is not poorest of the poor."

Perhaps, if the program's policy-making body becomes aware that added opportunities of gainful livelihood in the locality will be provided by an already existing local enterprise able to expand, and thus involve more of the local idle population in productive activity, the overly literal interpretation of this "guideline" can be adjusted so that applications" as anchor projects" will be entertained at local level. These projects can immediately insure results for the livelihood program.

Success of the present livelihood program, everyone now believes, will stabilize the nation's economy, assuage the anxiety of the unemployed, and at the same time increase per capita purchasing power--the catalyst needed towards further progress. Success, of course, depends on how closely government

and the private sector jointly proceed wherever the need for livelihood is felt.

In the countryside, interested participants may want answers. Information through official channels is one way, and there is no dialogue with the citizen in the barrio. Personalized contact with government field personnel is ideal, but sometimes the field man is in no position to provide the official or technical answer, so that until the right answer arrives from his superiors, proper guidance is lacking.

Because for reasons of geographical difficulty in dissemination, the metropolitan press does not reach the far countryside, rural media present a potential. There are today as many as seven provincial dailies, 122 weeklies. They have ties with 241 local broadcast media. Although limited also in circulation, they nevertheless constitute added information outreach in the rural areas.

On the other hand, provincial press appears to need better coverage performance. Nevertheless, items that report local events and mirror local attitudes, when gathered all together, will enable a central monitoring agency to collate the local happenings and estimate the trend of local response to national programs.

If only for feeling the public pulse, a national program of public information should be able to harness the cooperation of provincial media.

CSO: 4200/162

BRIEFS

FOOD TRUCK EXTORTION CRACKDOWN--Acting Philippine Constabulary Chief and Metro Manila Command Commander Maj Gen Prospero Olivas cracked down yesterday on policemen and soldiers harassing vehicles transporting food and rice to Manila. He ordered all constabulary and police units not to stop food carriers. Violation of the order will be dealt with drastically. Maj Gen Olivas Acobrkin response to complaints of food commodities trucks' operators that policemen and soldiers are stopping their shipments along the highway and demanding up to 50 pesos per truck to avoid unnecessary searches and questioning. The policemen and soldiers at check-points also demand certain commodities from the food haulers. [Text] [HK270025 Manila Far East Broadcasting Company in English 2330 GMT 26 Nov 82]

MARCOS ON NATIONAL PROBLEMS--President Marcos is calling a caucus of the Kilusang Bagong Lipunan next week to discuss urgent matters including economic plans to be adopted by the government in the face of difficulties being encountered by the country's reports in the world market. The president, in an interview yesterday with newsmen, said the caucus will decide the issues involved in the question of synchronization of elections, the local government code, and the policy with respect to the economic plans of the government in view of the persistent protectionist policies of developed nations in the world market. The president particularly mentioned traditional Philippine products like coconut, sugar and copper, whose prices have gone down. The president said he would meet with Prime Minister Cesar Virata's executive committee before the caucus. The president said he has also organized a study group to look into ways of bringing down the deficit in balance of payments. The urgency of reviewing economic policy is apparent in view of increasing imbalance between the country's imports and exports. [Text] [HK280022 Manila Far East Broadcasting Company in English 2330 GMT 27 Nov 82]

APPEAL FOR ECONOMY FOCUS--President Marcos has appealed to the media to tone down on crime stories and concentrate on the economic problems of the nation. The president sounded the appeal first during an interview with mediamen at Puerta Azul in Ternate, Cavite. He repeated the appeal yesterday in a speech at the eighth regular meeting of the Supreme Council of the Workmen's Federation of the Philippines in Manila. The president said that the media's fascination with crime is a strange malady because it does not help the country. He said the important thing is how to save out our economy, and the country's first economic problem concerns Philippine traditional exports, whose prices are going down in the world market. The president said he had been calling

attention to the fact that our imports are in excess of our exports, and this may affect the value of the peso in the foreign exchange market. The president said he has assigned Prime Minister Cesar Virata and the members of the cabinet to look into this problem and study proposals to hold back the tide of exports. [Text] [HK290031 Manila Far East Broadcasting Company in English 2330 GMT 28 Nov 82]

TERRORIST GROUP RAID--Our KBS news bureau in Cagayan de Oro reported today that a terrorist group of about 16 men raided the Municipal Hall Building of (Glavaria) Town in Misamis Oriental last Saturday. The terrorist group, all dressed in military uniforms, ransacked the offices of the mayor, the police station command, the commission on elections and the municipal treasurer. Among the things carted away by the raiders were several rifles and Thompson submachineguns. The raiders took two hostages but later released them. No one was reported harmed during the raid. [Text] [OW300541 Quezon City RPN Television Network in English 1100 GMT 29 Nov 82]

LOGGING LAWS VIOLATION WARNINGS--President Marcos warned last night that the government was determined to stop rampant violations of the laws, rules and regulations governing the logging industry. The president issued the warning through Natural Resources Minister Teodoro Pena in a conference with loggers in Manila. Minister Pena said the president was very seriously concerned about the apparent lull in the reforestation efforts, the continued illegal logging, smuggling activities, and violation of the selective logging and forest protection rules. He said that reports form Japan show that Philippine logs entering Japan are 70 or even 100 percent more than registered log exports. Minister Pena said the president was very upset by such reports, because log smuggling affects the government and the people since it results in denudation of the forests, loss of foreign exchange to the country, loss of taxes, and corruption of government officials and employees. [Text] [HK240009 Manila Far East Broadcasting Company in English 2330 GMT 23 Nov 82]

CSO: 4200/162 END

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NOTICE

Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

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SEVERAL ISSUES ON HONG KONG'S FUTURE ANALYZED

Hong Kong CHENG MING [CONTENDING] in Chinese No 11, Nov 82 pp 35-37

[Article by Ch'i Sun [2630 1327]]

[Text] Clear? Unclear?

In the history of Hong Kong, September 1982 was a rather crucial page.

To say that it was crucial is because, in that month, China's leaders formally declared to Britain's leaders the intent to regain sovereignty over the entire Hong Kong region. It was not a restatement of a history text, nor a memo to the United Nations, but an unequivocal declaration to Britain and a proclamation to the whole world.

To say that it was crucial is because, from that month onward, Hong Kong entered a turbulent, fluctuating and transitional new period.

At the time when Mrs Thatcher's visit to China was announced, Hong Kong and world opinion expected a clear decision by China and Britain on the future of Hong Kong. Nevertheless, when we look at the matter today, it appears that Mrs. Thatcher's trip fell short of the goal, because many people find the situation not clear enough.

Actually, if we want clarity, it should be considered extremely clear:

1. China is determined to regain sovereignty over the entire Hong Kong region. This stand is "unequivocal and known to all."

2. In line with the common goal of maintaining Hong Kong's prosperity and stability, China and Britain have agreed that discussions will be held by diplomatic means after Mrs Thatcher's visit.

The first is an uncompromising stand, attitude and determination; the second is to discuss the concrete pattern and method of solution.

In that case, why is the situation considered unclear or not clear enough? Because, even though many feel that China's recovery of sovereignty over Hong Kong is just and indisputable, they dread, in the marrow of their bones, this resonant sound and worry that this unavoidable reality will one day turn into a tangible and perceptible fact. Meanwhile, what people are even more eager to learn are: When will it happen? By what pattern? What will be the form of administration? How will the status quo be maintained? How will prosperity be preserved? Will the level of income drop? Will the living pattern change?

If there must be recovery, then late is better than early.

If there must be changes, then less is better than more.

As all these questions have no concrete answers, naturally the matter is unclear.

Ignorance of History? Distortion of Reality?

In fact, there is another point which is very clear: There are still differences of opinion between China and Britain on the issue of sovereignty over Hong Kong.

Mrs Thatcher's misstep in front of the Great Hall of the People and finally, her being invited to attend "The Phoenix" in Shanghai should both be considered good annotations of the XINHUA comment at the end of the Sino-British joint announcement.

Nevertheless, it appears that Mrs Thatcher failed to wake up to reality, thereby the views expressed by her during her stay in Hong Kong which caused criticisms and China's solemn rebuttal (in the name of the spokesman of Information Department, Foreign Affairs Ministry).

Some people feel that it was why the iron maiden was iron; others feel that, as the British prime minister, she had to say what she did. However, today she should know that, after her trip to China, i.e., after learning China's stand on recovery of sovereignty over Hong Kong, her open declaration of the validity of the three unequal treaties, far more than hurting the feelings of the Chinese government, also greatly distressed the Chinese people.

Far more than ignorance of history, it was downright blindness out of lust for gain and a distortion of reality. No need to get to the bottom of the matter, but one only has to take a look at why, at the banquet in the Great Hall of the People, Mrs Thatcher spoke with fervor and assurance of the friendship between China and Britain in the Wanli years [the reign of Emperor Shenzong, Ming Dynasty, 1573-1620], while avoiding any mention of the instances of the recent 100 plus years. It was just as well not to mention them. But why did she have the gall to declare time and again her intention to take this and that kind of responsibilities toward Hong

Kong and its people? As if Hong Kong's prosperity and growth depended entirely on Britain; as if only the British could properly rule Hong Kong; as if Hong Kong, once returned to China, would be forever doomed! Bemoaning the state of the universe and pitying the fate of mankind, she had to speak out from a sense of justice.... Besides distorting history and reality, in what position do such statements place the several million Chinese in Hong Kong?

Have not Deng Xiaoping and other Chinese leaders made the statement time and again that, if Hong Kong is not regained, it will be unfair to the ancestors above and the descendants below? Furthermore, one only has to come into contact with Beijing's high-level figures to know that the state of mind of the power wielding and decision making cadre experts and scholars in the various departments in China today, especially those who are in their 60's and 70's and have had connections and dealings with Hong Kong, is that, if Hong Kong is not regained in their lifetimes, they will not be able to die in peace.

In terms of the 5 million plus people of Hong Kong, it was precisely because they made the most of their intelligence and wisdom, exerted themselves diligently and continuously innovated to adapt to the need of the situation that there are the achievements today. One has a pretty good idea of just what part was played by the British colonialists occupying the ruling position in the growth of Hong Kong. Mrs Thatcher talked glibly about responsibilities, as if Hong Kong would suffer a calamity without British administration. No wonder some people ridiculed her by asking her to take a look at the state of the British economy. With the several years of Tory control, hasn't it remained the same old mess?

Thus, come to think of it, Mrs Thatcher was not as sharp as I-ho Company in figuring things out. This year I-ho Company was smart enough to spend huge sums of money to advertise widely and create a new image, yet Mrs Thatcher still thought that preserving the images of the colonialist, motherland, suzerain and protectorate would benefit the solution of Hong Kong's future and give her more trump cards. It truly fitted the title of the popular movie in Hong Kong: "Time Flows Backward"....

Naturally, upon analyzing, there is no need to take Mrs Thatcher's words seriously. She will not fight for Hong Kong like she did for the Falklands, and she will not and cannot block Hong Kong's return to China. Nor is there any need to be too keyed up about the declaration of the Chinese government, as if the moment recovery of sovereignty were mentioned, it would produce an instantaneous result and come true overnight, or as if the Chinese would disregard history and reality, cast the British aside without negotiation and ignore the wishes of the Hong Kong people, arbitrarily imposing everything on them.

Both sides are playacting, because the stern reality and the complex situation make it impossible for anyone to transcend the conditions of the times. The focal issue now is to maintain prosperity and stability.

Hong Kong-Style Prosperity? Chinese-Style Prosperity?

What kind of prosperity? On this issue, there are indeed different views.

For a time in the past, people advocated recovery of sovereignty "without changing the status quo." Not only faulty in wording, but it is impossible in practice. Just think: If Hong Kong is no longer a colony, changing the flag and replacing the administration, will all the present colonial symbols, forms and structures be kept? Is it conceivable that the the numerous irrational, abnormal and abominable things in Hong Kong today, which are admitted by even those living here, will be permitted to develop and taken over wholesale? Even though Hong Kong may one day become a special administrative region or special area, it will after all be a capitalist region under socialist control, not a capitalist region under capitalist control. How can everything remain unchanged?

Today, both China and Britain want to maintain prosperity, but prosperity has different criteria. Will it be Hong Kong-style prosperity or Chinese-style prosperity? To put it more clearly, will it be capitalist-style prosperity or socialist-style prosperity? One can say that China has successfully administered such large cities as Shanghai and Tianjin, because everything there is good and prosperous, and prosperous in a healthy way. Yet in Hong Kong's view, it is another kind of "prosperity." In the eyes of some, it is recession and regression, not prosperity and progress.

China has declared time and again that, after recovery, Hong Kong will be permitted to maintain its present social economic system and preserve its position as a free port, trading port and international financial center, and the standard of living will not be lowered. Not just difficult to accomplish, but these words are not easy to utter! It is reported that someone has proposed a theme, hoping that Marxist scholars will cite the classics and demonstrate that the capitalist system may be permitted to exist in a socialist state. It obviously is a theme even harder than the examination for the highest academic title. Meanwhile, regardless of the demonstrations, either socialism or communism, in the long run, is incompatible with capitalism. At the moment, the socialist sign and the socialist label will always frighten many Hong Kong people out of their wits. Zhao Ziyang asked the Hong Kong reporters what's there to worry about. Is it necessary to answer the question? Do the many worries and many fears have to be put in so many words?

Inevitable Upheaval? Unnatural Panic?

Since there are fears and worries, there is bound to be a sense of insecurity. In that case, how will stability be maintained?

Since the end of September, after the results of the preliminary round of Chinese-British talks were revealed, Hong Kong has indeed been engulfed in dark clouds and dense fog, and there has indeed been the area-wide

practice of discussing the year ninety-seven with anyone who happens to come one's way.

Those with money and the conditions ponder the places to stash their capital and the homes for their families. People making immigration applications and planning for routes of retreat are everywhere, and even advertisements such as immigration consulting and advisory service appear continuously.

Nevertheless, people like them are after all a minority, or the minority of a minority. According to the immigration regulations of the various countries, as shown by some estimates, from now to 1997, those fortunate enough to emigrate will number only 100,000 to 200,000, while Hong Kong has a population of 5 million plus. There are those without money or the conditions who envy those who can fly far and high, but the overwhelming majority recognizes reality, considers Hong Kong its homeland and wants to live here. While people who are used to life here and have only been Chinese in Hong Kong naturally do not want any change in the status quo, not knowing what life will be like after Hong Kong's return or how maladjusted they will be, the new arrivals with their green stamps who were socialist citizens for one, two or three decades also feel bewildered.

Since the end of September, the violent fluctuations of the stock market concretely embody the sense of insecurity, and the Heng-sheng index has, to a certain extent, turned into an index of the crisis of confidence. In the week from 27 September to 1 October, it dropped from over 1,000 points to 800 plus, and is still at this level.

Under the continued recession of the Western economy, Hong Kong's economy which relies on increased export and on markets of the outside world cannot but be affected. Even with Hong Kong's strong resilience, the ingenuity of its industrialists and businessmen and the industry of its populace, the area still suffers directly or indirectly the impact of the recession of the West. With the slump of its real estate market in recent years on top thereof, its economic predicament can be imagined. Any slight stir, any rumor and hearsay produce violent fluctuations in the ever sensitive stock market. The Fujian proverb saying that "rolling pastry balls before the Winter Solstice" means that preparations for special food are started long before the arrival of the festival, and now that it is here, will not the preparations become frenetic? It is completely applicable to the highly speculative stock market. With the stock market, it is waves without wind to start with, let alone the times when breezes, light wind, gusts and typhoons all blow together! Thus, there are not only factors of fear, hesitancy, anxiety and worry, but also components of making waves, fishing in troubled waters and seizing advantages by trickery. "Evening clouds fly together with the lone goose; autumn water shares the same color as the long sky," thereby interwoven into the picture of the stock market today. Thus, even though in mid-October the U.S. Federal Reserve Board reduced the discount rate for the fifth time, U.S. banks lowered the prime rate, some European countries

cut the interest rate and U.S. stock market rose several days in a row, Hong Kong's stock market remains the same, listless and apathetic.

According to the announcement in Youde government report, Chinese-British talks have started, but everyone knows that it will be an arduous and endless journey. Though it will not be like the marathon of the Warsaw talks between China and the United States when sometimes a meeting was adjourned after deciding only on the time for the next meeting, will one be able to expect the Chinese-British talks to lead to an agreement within a matter of months? From all appearances, neither side has yet worked out a concrete plan!

Therefore, during this period of talks, viz., before the final conclusion is reached, the sense of insecurity and the fluctuation of the stock market are inevitable and will also be sustained, not to mention the strict secrecy of the meetings which will always cause sudden upheavals in the stock market.

At this moment of dense clouds threatening rain, with the up and down of the stock market, the rise and fall of the Hong Kong dollar, the in and out of capital, the come and go of talented people, the emergence and disappearance of rumors, the sense of insecurity... everyone must be mentally prepared. To a certain extent, one should regard all these as normal. One should face reality and handle it correctly.

Unilateral Effort? Common Effort?

Nevertheless, such turmoil is after all not desirable, but actually, nor is an overpessimistic view of Hong Kong's future entirely correct.

On the one hand, even at this moment of turmoil, it is still, or even more, the time for a hero to exercise his abilities. Let alone the fact that there remain 15 more years, even if there are only 6 months, 1, 3 or 5 years, in terms of those who favor light investing, they can seize the opportunities and fill their jars and urns. Time is valuable; therefore, one must not indulge in wishful dreams of days of stability or wait for the dust to settle before action. Since the time and the place are borrowed to start with, then, 15 years are an interval when much can be done and should not be frittered away.

On the other hand, in this moment of turmoil, sobriety is an absolute necessity. Since the recovery of sovereignty over Hong Kong is just, one should start from reality. Since China has expressed time and again that history and reality will be respected and prosperity and stability maintained, one should believe that it will do so, because it is linked with the interest of the entire China as well as with that of the several million people of Hong Kong.

Naturally, from now to the completion of the plan for concrete solution, and even to the time when the conditions are ripe and China regains

sovereignty over Hong Kong, whether on the part of China, Britain or Hong Kong, and whether on the part of the government or the people, many things can be done to promote continued stability and continued prosperity. Furthermore, they must be done, because, if no effort is made and capital is permitted to flow out and talented people to vanish, the leaks, once started, will grow ever larger. When the vitality is sapped, it will be difficult to rebuild. In addition, people want stability today, and all quarters should take practical actions favorable to stability and prosperity and enable Hong Kong's economy to continue its development.

In terms of Hong Kong, for its future and the future of its people, as indicated by Youde , large investments must continue to be made and managed vigorously. If one acts as if the end of world were arriving and sells everything salable (including every inch of land), it will only cause more panic and scorn. Policies and measures favorable to Hong Kong's economic development should continue to be introduced; giant projects (including new airports, tunnels...) should be considered at an early date; more welfare measures beneficial to the Hong Kong people (housing, medicine, education...) should be undertaken and properly implemented. Judged from the trend, many overseas investors today have not lost interest in Hong Kong. In the third quarter, some of them indicated the intention to invest in Hong Kong, and recently four foreign banks obtained approval to do business in Hong Kong. In regard to such tendencies, the Hong Kong government has the responsibility to handle them correctly, render active aid, properly prepare the basic facilities and improvement the environment for investing.

In terms of China, it must not only maintain close economic links and cooperation with Hong Kong (the facts have proved that the position of China's inland as Hong Kong's important trading partner has grown ever more vital), nor must only Chinese banks, enterprises and structures exert an unrelenting effort in the building of Hong Kong and together promote the development of its economy from all sides, but one extremely crucial point is the progress of China's inland itself! If China's economy improves steadily, if its democracy and freedom grow steadily, and if the living standard of its people rises steadily, all these, in themselves, will produce an exemplary effect, give a new impression and present a new prospect to the Hong Kong people. The recent 12th Party Congress reaffirmed the principles, policies and measures of the 3d Plenary Session. If China will truly work steadily and surely step by step, what a tremendous influence it will produce on the thinking of the people of Hong Kong! In addition, if China properly manages Shenzhen and indeed keeps its words with foreign investors, treats foreign capitalism correctly, achieves the goal of mutual benefit, continues to overcome bureaucracy and raises the work efficiency... people will see the abstruse from the obvious and deduce Hong Kong from Shenzhen.

Naturally, how to expedite the talks between China and Britain, conscientiously consider history and reality and reach a rational and beneficial agreement on an early date is an extremely crucial issue which needs no elaboration here.

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PRELIMINARY OUTLINE OF HONG KONG'S FUTURE SKETCHED

Hong Kong CH'I-SHIH NIEN-TAI [THE SEVENTIES] in Chinese No 11, Nov 82 pp 42-45

[Article by Ch'i Hsin [7871 6580]: "Preliminary Determination of Hong Kong's Future"]

[Text] With the hurried trip of British Prime Minister Mrs Thatcher, the first round of talks between the top leaders of China and Britain on the future of Hong Kong was concluded. The meeting, held in Beijing in the nature of "laying the cards on the table," was described by various quarters as discussions revealing the differences between the two sides. Unable to reach any agreement on the solution of Hong Kong's future, it seemed that they "reluctantly" agreed to issue on 24 September the announcement consisting of only 80 plus words:

"Today, the leaders of the two countries, in a friendly atmosphere, held an in-depth discussion on the issue of Hong Kong's future. The leaders of the two countries explained their own standpoints on this issue. In line with the common goal of maintaining Hong Kong's prosperity and stability, the two sides have agreed to carry out negotiations by diplomatic means after this visit."

Mrs Thatcher said at the press conference on that day that this short announcement was "published by agreement of Chairman Deng Xiaoping and myself" and indicated that "there will no further comment." On China's part, the words "joint announcement" were completely absent, and the official XINHUA PRESS handled it as a news item and added a supplement at the end:

"As for the stand of the Chinese government on regaining sovereignty over the entire region of Hong Kong, it is unequivocal and known to all."

The summit meeting between China and Britain concerned the future of Hong Kong's 5 million plus residents; therefore, in terms of Hong Kong, it was a major historical event. Different people in Hong Kong, with complex

and conflicting feelings of hope, anxiety and alarm, closely followed the discussions in Beijing, yet the result was that each stuck to its own argument, neither willing to wield. Mrs Thatcher reaffirmed the validity of the three treaties between Britain and the Qing government on Hong Kong, Kowloon and the New Territories, while China declared that they were arbitrarily imposed on China by the imperialists under the gunboat diplomacy and that China refuses to abide by the restraint of unequal treaties. The surfacing of the divergences and the hostile postures of the two sides, and the relatively violent vibrations produced by foreign exchange on Hong Kong are also reflected in the sensitive stock market. Is it possible to sketch a preliminary outline of Hong Kong's political position by corroborating and carefully analyzing the movements of the various quarters, the views and information published and the various versions in circulation around the time of the Sino-British summit meeting?

Some people maintain that Hong Kong's future has been determined at the first round of talks, but the view of this writer is that one may say that some issues have been preliminarily defined, some have not been completely determined, and only clues for forecasting have been provided on others.

China Will Regain Sovereignty in 1997

From China's standpoint, it will regain sovereignty over the entire region of Hong Kong in 1997. This point appears to have been preliminarily determined. China has proposed 1997, which is the year when, according to the principle of law, Britain will return the area north of Boundary [chieh hsien 3954 7098] Street, covering 92 percent of the entire area of Hong Kong, to China. Under this situation, it is hardly conceivable for Britain to be able to maintain its original control over the remaining 8 percent. Therefore, Britain has no room for bargaining.

Some people feel that China's proposal of regaining sovereignty over Hong Kong in 1997 conflicts with its rejection of the three unequal treaties. They fail to realize that it is where China's strength lies in the negotiations. The reason is China feels that the Hong Kong issue must be solved through negotiations, not by force, then 1997 is the best occasion to regain sovereignty. If China proposes a time prior to 1997 and Britain refuses to agree, and China cannot resort to force, the issue will be insoluble. If it waits until after 1997 to demand the return of sovereignty and Britain, whose control of the entire Hong Kong region (including the New Territories) by then will have become a fait accompli without any restraint by treaty, refuses, China will be unable to resort to force rashly. Only by proposing the year 1997, when Britain must return the New Territories according to the principle of law, will China be able to logically recover sovereignty over the entire region of Hong Kong through negotiations.

While China's intent to regain sovereignty has been made clear from the official news reports of the government, there has been no official mention of 1997 as the year of recovery, but only some unofficial information divulged by some government figures. Nevertheless, in view of the well corroborated information revealed through all kinds of channels and the above analysis of the negotiations, we can infer that China's intent is to regain sovereignty over the entire region in 1997, and it will be difficult for Britain to refuse in view of the principle of law and reality (of the remaining 8 percent of the area).

Therefore, if China indeed places "recovery of sovereignty" above "maintaining prosperity" in its considerations, and if the damage to "prosperity" will not be serious enough to change China's predetermined policy, then, it seems that the return of sovereignty over the entire Hong Kong region in 1997 to China is the preliminarily determined future of Hong Kong.

The Form of Colonial Rule Will Be Eliminated

In view of the fact that another crucial point in addition to "regaining sovereignty" is "maintaining prosperity," and that "maintaining the prosperity and stability of Hong Kong" is the only point in common in the announcement made after the talks between Deng and Thatcher, what measures will be adopted to "maintain prosperity" after "regaining sovereignty" is another vital issue concerning Hong Kong's future.

It was unfortunate that possibly the summit meeting this time basically did not touch upon this issue; at least, neither China nor Britain made any clear hint. Nevertheless, through all kinds of channels, China has disclosed its intent to adopt a number of measures different from the inland to maintain prosperity after regaining sovereignty.

First, eliminating the form of colonial rule will be considered the symbol of "recovery of sovereignty." The Chinese place a tremendous emphasis on form, because it is directly linked with face. Eliminating the colonial form, viz., replacing the governor sent by Britain to Hong Kong, is the most crucial embodiment of "recovery of sovereignty," because the appointment of a governor to Hong Kong symbolizes the tie between the "suzerain" and the "colony." Cutting this tie signifies eliminating the form of colonial rule. The "governor" after "regaining sovereignty," possibly called "mayor" in the future, must not be someone appointed by Britain. According to information, China's intent is that the future "governor" should be a Hong Kong or overseas figure responsible to Beijing. He may be Chinese, or he may not necessarily hold Chinese citizenship. To enable Hong Kong to preserve its present system as much as possible and to win the confidence of the outside world, the future "governor" will not be sent from inland.

As for whether there will be a "changing of flags" at the same time and whether, thereafter, on the basis of constitutional stipulations on "one

state and two systems," "capitalism under the Five-Starred Flag" will be practiced in Hong Kong seem not to have been finally decided. One theory is that China will permit the "Hong Kong flag" to fly over the area, provided the British emblem is removed from it. The purpose is to minimize the disruptions to the Hong Kong system. China only wants to eliminate the form of colonial rule with Britain as the "suzerain," but has no intention to strengthen its formal position in Hong Kong. When the possible impact on Hong Kong's prosperity by so doing is considered, China will tend toward a cautious attitude.

Besides "changing governor" which is imperative, China, on the whole, hopes that Hong Kong will remain the same as far as possible. Zhao Ziyang indicated early this year to British Lord Privy Seal Atkins that China values Hong Kong's position as a free port, free market and international financial center. To preserve this position, the key issues are the standing of the Hong Kong dollar and its current legal system. Obviously, China will draft a series of measures to safeguard these vital points. The difficulties are that the current standing of the Hong Kong dollar is guaranteed by the reserve fund that Hong Kong's legal procedure provides for appeal to London's Privy Council and is guaranteed by a long tradition of rule of law and a wide range of case precedents (all precedents in the entire United Kingdom may be cited). Whether the confidence of the outside world can be maintained without the two guarantees is indeed a difficult problem.

Many more measures which China will adopt have been rumored but not confirmed. Many of those measures under consideration are actually of an exploratory nature and cannot serve as the basis of conclusion. As for whether such measures are feasible, it is not the purpose of this article to discuss.

Another point on Hong Kong's future which can be determined is: After regaining sovereignty over Hong Kong, China will, in a fairly long transitional period, adopt measures different from the political and economic system of the China mainland.

The Transitional Period Will Begin in 1997

As the Chinese government reports and announcements have not mentioned 1997 as the year to regain sovereignty, many people surmise that it may happen within the next few years, on the following grounds: 1. Deng Xiaoping once considered striving for the realization of the unification of China, including Taiwan (hinting the inclusion of Hong Kong and Macao), as one of the three great tasks of the eighties. 2. It is surmised that China may use the successful experiment of the special administrative region in Hong Kong to appeal to Taiwan to follow suit. 3. As China has openly declared its rejection of the three unequal treaties, it is believed that China will not be restrained by the treaties and may demand the return of sovereignty at any time. 4. Why does China propose discussion of the issue on "recovery of sovereignty" with Britain at this

time? If sovereignty is not to be regained until 1997, isn't it premature to discuss it now and, on top thereof, to frighten away capital and talented people?

With such conjectures as the basis, rumors ran wild at one time. Some people maintained "preparations for 5 years and recovery in 10;" others put it at 1885. The rumors produced overreactions in Hong Kong's financial market.

Nevertheless, from Mrs Thatcher's attitude on the three treaties, it is impossible for China to propose the return of sovereignty over the entire Hong Kong region within the next few years.

First, as shown in Mrs Thatcher's statements, Britain was the one which asked to discuss the three treaties, because "one of them indicates the end of the lease in 1997." It shows that China was not in a hurry to discuss the issue of Hong Kong's sovereignty.

Next, if China proposes recovery of sovereignty before 1997 and Britain refuses, what will China do? Resort to force? It will be in violation of the five-point principle of peaceful coexistence and the principle of solving the Hong Kong issue by means of negotiations. Will it take such measures as cutting off water source and grain supply to pressure Hong Kong? China definitely will not resort to such hostile means against its Hong Kong compatriots. Therefore, China will not have a trump card in such a proposal. The most powerful trump card is the year 1997, because it has to be honored by Britain under the principle of law.

As for making a demonstration to Taiwan, if China must wait until the success of the special administrative region in Hong Kong before inducing Taiwan to follow suit, it will take too long. Even if China should take over Hong Kong today, to win the confidence of Taiwan and the outside world by the success of its experiment of "everything remaining unchanged" in Hong Kong will take at least 8 to 10 years. Meanwhile, any disturbance in the interval will shake Taiwan's confidence. What China uses to appeal to Taiwan is not its experiment in Hong Kong, but its plan and guarantee of a "special administrative region." If the plan is accepted by its Hong Kong compatriots and the cooperation of Britain obtained, it will serve as sufficient propaganda to Taiwan. Therefore, what is used to appeal to Taiwan is not the "special administrative region" experiment in Hong Kong of 8 or 10 years, but the acceptance of the plan; it is a written document, not action.

As for what Deng Xiaoping said about "striving for the realization of the unification of China, including Taiwan," there is the word "striving," meaning that the "striving" will be made in the eighties. Are not all the things done today "strivings?" It naturally does not signify a timetable for the realization of unification decided by Deng Xiaoping.

As for when the transitional period will begin, one view is that, upon the conclusion of the Sino-British negotiations and after Britain

acknowledges China's recovery of sovereignty over the entire Hong Kong region, the transitional period of a "special administrative region" will begin. Suppose the negotiations are concluded within the term of office (1984) of the Tory government, then it appears that the start of the "special administrative region" in 1985 will be logical.

Nevertheless, according to what has been analyzed above, China probably will not propose recovery of sovereignty before 1997. Therefore, replacing the governor and initiating the transitional period of the "special administrative region" will not occur before 1997.

After meeting many Chinese leaders, Professor Lin Ta-kuang [2651 6671 0342] of Canada's McGill University indicated, on 12 October in Hong Kong, that China may handle the issue of Hong Kong's future in three stages: 1. British administration in the short run, 2. followed by a transitional period of "special administrative region" which will last for a long period of time and 3. finally becoming a part of China's territory.

The key is when the second stage will start. Lin Ta-kuang feels that, after China regains sovereignty, the British will continue to administer the area, i.e., the second stage will not immediately start after 1997. However, whether Britain will agree to remain in Hong Kong and manage it after China regains sovereignty seems to be the focus of "maintaining prosperity" in the negotiations. Should Britain be unable to accept the management power under Chinese sovereignty, then the first stage mentioned by Lin Ta-kuang will begin prior to the recovery of sovereignty in 1997. In other words, Britain will continue to control the area and render cooperation before China regains sovereignty in 1997, in order to facilitate the transition to the second stage ("special administrative region" under Chinese sovereignty). On this issue, China must also exert itself toward Britain at the negotiation table.

Thus, according to China's intent, Hong Kong's future developmental direction has two possibilities: 1. a short period of British administration after 1997 before the transitional period of a "special administrative region;" 2. advance preparations, upon the conclusion of Sino-British negotiations, for a transitional period of a "special administrative region" in 1997.

On the part of Britain, naturally its first choice is to renew the lease in 1997, but it appears that this cannot be accomplished. Next, it appears that Britain will not reject the method of recognizing China's sovereignty in exchange for its ruling power in Hong Kong. However, if Britain is to rule the area, the supreme head of Hong Kong will be responsible to the British parliament, which is something which China cannot accede to. China's demand for sovereignty is to regain the ruling power. However, if Hong Kong's supreme head is only nominally responsible to Beijing and if Britain is willing to cooperate in the management of Hong

Kong, it will mean setting up a concrete management power under the ruling power. According to some sources, China hopes to use this pattern to transit to a "special administrative region" under Chinese sovereignty.

The determination of Hong Kong's future must finally still depend on further negotiations between the two sides in the future. Though the summit meeting this time was not such a "favorable beginning" as propagandized in diplomatic language, the two sides at least agreed to "carry out negotiations by diplomatic means" in the future. Negotiations are protracted, and naturally also secret. From the first-round meeting this time, a preliminary outline of Hong Kong's future can be sketched. Nevertheless, there are still many loose ends. It is hoped that, in the coming long negotiations, a clear perspective will gradually emerge.

6080
CSO: 4005/2

PRESIDENT EASES CONTROLS

Colombo SUN in English 16 Nov 82 p 13

[Text]

MALE, (Maldives) — Maldivian President Maumoon Abdul Gayoom, who holds his tiny island state on a tight leash, is planning constitutional changes that in the long run could bring some political freedom to this Moslem country.

The Maldivian leader, in power for the past four years, has said his government wanted to introduce constitutional and administrative reforms to replace the country's present autocratic system of government with democracy.

President Gayoom rules his country of some 2,000 low-lying coral islands with near absolute authority, exercising wideranging executive, legislative and judicial powers.

There are no political parties in Maldives, but the country has a citizens' Majlis (Parliament) of 40 elected members and eight nominated by the President.

Analysts say in theory the Majlis is the supreme law-making body, but in effect it is mainly an adjunct of the executive.

President Gayoom had set December as the deadline for the Majlis to pass the new constitution, but one of his Cabinet colleagues said: "That is being very optimistic. The final draft is yet to be completed."

President Gayoom told Reuters in a recent interview that the Majlis decided to have a new constitution because the existing one was incomplete in many ways.

He said the new constitution will clearly spell out the fundamental rights of the people, the position of the state organs, the powers and duties of the chief executive and the relationship between the citizens and the state.

"The government has expanded in the past few years and we should have a clearer idea of its responsibilities and functions", President Gayoom said.

The 46-year-old Maldivian leader took over in 1978 from President Ibrahim Nasir who retired after heading the government for 20 years.

Mr. Nasir, who now lives in Singapore, was accused of being behind an abortive coup to overthrow President Gayoom three years ago with the help of nine European mercenaries. He denied the charge.

In the past four years, President Gayoom has brought about major changes in the Maldivian economy and opened his country of 157,300 people to the outside world.

Asian diplomats here say the Egyptian-educated Maldivian leader has tried to preserve the Islamic faith and at the same time allowed the country to benefit from Western-style economic policies.

Among the aims of the new constitution, officials say, is to decentralise the administration and give greater autonomy to the 19 atolls, but there is unlikely to be any change in the presidential form of government.

Officials also do not see any immediate prospects of political parties emerging in the country, though the present constitution gives citizens the right to form societies and associations.

President Gayoom said he would not try to prevent political groups from forming, but

people in his country have no reason for them.

"We are a closely knit community, sharing the same ethnic origin, the same language and religion. Most political parties are formed because certain sections of the people think they are deprived of certain rights and privileges and would like to defend or acquire them.

"These circumstances do not exist in our country", President Gayoom said.

Government ministers say Majlis members as representatives of the people are free to criticise the administration and air popular grievances.

But independent-minded legislators say criticism is not easy as most of them also hold government jobs.

CSO: 4200/155

ZIA PROMISES OUTLINE OF NEW POLITICAL SET-UP

Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 1

[Text]

President Zia-ul-Haq said in Lahore on Saturday that the blueprint of future political system for Pakistan would be announced before August 14 next.

Talking to newsmen at the Lahore Airport the President said that he had promised with the nation for a new political system and he would fulfil it before the next Independence Day. He said that he would also take the people in confidence at an appropriate time about the pace of work in this connection.

About the possibility of holding elections in Pakistan the President said that environment was not yet conducive. He said that the election process had already been started in the form of updating electoral rolls.

When his attention was invited to the statements of Khwaja Safdar and Mr. Mahmood Haroon that an agreement with politicians was possible if they agree to the role of the Armed Forces in the Constitution, the President said that it was their view. 'However', he observed, 'we would like a unified political activity by all segments of society in Pakistan. May it be the military, civil, ulema, lawyers or politicians. There should be concerted efforts for the solidarity and stability of Pakistan'.

Gen. Zia-ul-Haq said that whosoever can contribute towards the stability of Pakistan would be required to do so in accordance with a given programme."

The role of Armed Forces in any country, he said was defined. It would be the same in Pakistan as anywhere else. There was no dispute over it. The problem, he said, was not about defining the role of the army. It concerned with the activity of political parties.

Asked how long would it take to hold the elections the President said that if the elections assured definite stability of Pakistan "I would order it tomorrow". But he thought that things were going smooth for the past five years and a half.

Replying to a question about the possibility of drawing any parallel for Pakistan with the political systems of Indonesia and Malaysia, the President said that every country had its own peculiarities. A good student learns from every where but he learns more from his own environment rather than from outside.

The Punjab Governor and high civil and military officers received the President at the Airport. Later, the President was seen off by them on his departure back to Islamabad in the evening.

APP adds: President Gen. Mohammad Zia-ul-Haq reaffirmed that he would announce a viable political framework for the country by August 14 next.

The President also said that

the elections to the national and provincial legislatures in the absence of a political framework, which was on the anvil, would not yield positive results.

Asked when did he visualise elections in the country, he said, "the procedure is already in vogue. It is the question of holding national and provincial assembly elections for which, as I have said earlier, and say now, that the present environment is not conducive".

Replying to a question the President said that at present the Government had no intention to lift ban on the political activities in the country.

CSO: 4200/146

MAHBUB SPEAKS OUT AGAINST NATIONALIZATION

Islamabad THE MUSLIM in English 23 Nov 82 pp 1, 8

[Text]

KARACHI, Nov. 22: Dr. Mahbubul Haq, Deputy Chairman, Planning Commission, today said nationalisation of private industry would neither help labour nor the country unless it led to more investment, production, employment and higher wages.

He was speaking at the Institute of Labour Education and Research at the National Liaquat Library this evening. .

Dr. Haq said there was no use of turning over an enterprise run by a hardworking enterpreneur to the bureaucrats for managing things inefficiently and uneconomically.

The Deputy Chairman pointed out that such a nationalisation meant expansion of the bureaucratic sector. It was not socialism he added.

Dr. Haq believed that the resources of the public and private sectors should be pooled to quicken the pace of economic development and extend badly needed social services to the people.

He said he would not like to talk on land reforms which needed very careful consideration. He said all previous land reforms were an exercise in futility. Hardly one per cent of the agricultural lands were resumed from big landowners and that too were barren and fallow. It was no use introducing reforms which will not satisfy the people or impart any benefit.

Dr. Mahbubul Haq also called for end to public and private sector controversy and conflicts between labour and management. He said a lot of national energy was used in negative pursuits. Labour and management should work as a family.

The Deputy Chairman, Planning Commission, also called upon the labour and other sections of the population to participate in the economic development of the country by paying for the services they need.

Earlier Nabi Ahmad, a labour leader, strongly pleaded for land reforms to improve the lot of the small cultivators and landless peasants. He also opposed the official move to hand over nationalised units to the erstwhile owners, who evaded taxes, fleeced consumers, under-paid labour and transferred their wealth abroad.

Mr. Nabi said the nationalised ghee units were now doing better than when they were under private management. He said labour now received better wages and more facilities; the consumer had been assured of a more stable price; and the government got more taxes and the nation as a whole had benefited from increased production.

The labour leader said he did not stand for any 'ism', or for bureaucratisation of economy but was for running of industry by government and workers.

Speakers included Sultan Ahmed, a leading journalist, Kaiser Bengali, a university teacher and Mr. Karamat of the Institute of Labour Education and Research.

AGENCIES ADD: The Deputy Chairman of the Planning Commission called for public participation through a national debate in the preparation of the country's Sixth Five Year Plan. Dr. Mahbubul Haq said no planning could be successful without the participation of the people.

He said it was essential to find out the views and aspirations of the people about their economic future.

Elucidating the basic philosophy for the next Plan he said it aimed at improving the lot of the common men particularly of these who lived in the rural areas by way of giving better amenities of life.

Social sectors, Dr. Haq pointed out, have already started receiving priority consideration, which was evident in the current fiscal year's budget which has shown substantial rise in resource allocation for improving electric supply, water supply and provision of facilities like primary education and health.

The same philosophy he said would pervade the Sixth Five Year Plan, which would suggest measures to improve income distribution as well as provision of basic infrastructure facilities and amenities like health and education.

CSO: 4200/145

GHAFOOR SAYS ELECTIONS CAN DO NO HARM

Islamabad THE MUSLIM in English 23 Nov 82 p 8

[Text]

KARACHI, Nov. 22: The Naib Amir of the defunct Jamm' at-e-Islami, Prof. Ghafoor Ahmed has said the general elections will not cause any harm to the country's integrity.

He dispelled the nation that the country was dismembered after the 1970 general elections. "The damage to the country was done because the elections results were not accepted", he added.

Prof. Ghafoor was speaking during a question-answer session of a programme organised by the Students Union of Dawood Engineering College here today.

Answering questions put by the students he said Jammaat-e-Islami was not responsible for the imposition of Martial Law in the country.

He said three component parties of the defunct Pakistan National Alliance had put pressure on the PNA negotiating team to discontinue the dialogue saying that the then Prime Minister would not hold fair elections even if he signed an agreement. The leaders of these three PNA component parties had suggested that impartial elections were possible under Martial Law Government.

Prof. Ghafoor did not disclose the names of those political parties.

He said his party leaders had opposed the imposition of Martial Law.

Prof. Ghafoor agreed that some politician had committed mistakes but added that political leaders could not be blamed for the prevailing conditions in the country, because the political process had not been allowed to continue for 25 years.

Prof. Ghafoor told a questioner that Pakistan was created in the name of Islam and others who say contrary to this were distorting the history.

CSO: 4200/145

RAWALPINDI LAWYERS' PROTEST REPORTED

Islamabad THE MUSLIM in English 22 Nov 82 p 1

[Text]

RAWALPINDI, Nov. 21: The Rawalpindi bench of High Court Bar Association and District Bar Association held a joint meeting here today, to support the members of Karachi Bar Association and demands of lawyers community. The meeting decided unanimously to observe complete strike tomorrow (Nov. 22) with total boycott of all courts.

The meeting also passed resolutions demanding restoration of the 1973 Constitution, holding of general elections in the country and transfer of power to elected representatives of the people under this Constitution, withdrawal of amendments in Bar Councils Act, restitution of powers of higher courts, immediate release of political leaders, lawyers, students and labour leaders and annulment of sentences awarded by military courts.

The meeting also demanded immediate lifting of the Martial Law, and abolition of Summary Military Courts, and urged the government not to change the present judicial system and the current laws.

KARACHI BUREAU ADDS: Lawyers will boycott the courts and stage demonstrations inside the court premises here tomorrow to press for the acceptance of their demands, in accordance with the decision of the national co-ordination committee of the country's different bar associations.

According to Karachi Bar Association sources the KBA after a general body meeting at 11 a.m. in its office will take out a procession a round the court premises to demonstrate the lawyers resolve to continue their struggle till final victory.

The secretary of KBA, Farooque Naik has appealed to the litigants whose cases are fixed for tomorrow not to pressurise their lawyers to appear before the courts.

He also asked the government to realise the gravity of the situation and concede the demands of the legal community before it was too late.

CSO: 4200/144

TOTAL STRIKE BY LAWYERS REPORTED

Islamabad THE MUSLIM in English 23 Nov 82 pp 1, 8

[Article by Azhar Masood & Anwar Iqbal & From Bureaus]

[Text] ISLAMABAD, Nov. 22: The lawyers community observed complete strike today throughout the country on the call of the National Co-ordination Committee of the Bar Councils and boycotted court proceedings including that of the Supreme Court, the High Courts, Sessions Court, District Courts and other courts.

Reports reaching from all the four provincial headquarters – Karachi, Lahore, Peshawar and Quetta – show that the strike was observed even at smaller cities and towns.

Lawyers in Islamabad claimed that according to the information received from other parts of the country this strike was, perhaps, the most successful strike ever observed by their community. They pledged to continue their struggle till their demands were met. The demands included restoration of 1973 constitution, withdrawal of the amendments in the Legal Practitioners and Councils' Act, immediate release of all the political detenus, restitution of powers of courts, lifting of Martial Law and Press censorship, annulment of sentences awarded by military courts and abolition of summary military courts.

The lawyers in Rawalpindi completely boycotted the proceedings at the Supreme Court of Pakistan, the Bench of Lahore High Court, District and Session Courts and other civil courts. The decision to boycott the courts was adopted unanimously here yesterday by the High Court Bar Association and the District Bar Association.

In view of the boycott the judges and the magistrates extended the dates of all those cases which were to be heard today.

In the District and High Courts' premises the protesting lawyers also put up banners displaying their various demands.

The Bar Associations had earlier formed a panel to inspect and ensure that no lawyer appeared before a court. There was only one case where one lawyer appeared before the High Court Bench.

In one of the District Courts a judge called the lawyer to plead a case but he did turn up. Following this the judge dismissed the case.

Though all the courts were heavily cordoned off by the police the boycotting laywers remained peaceful. There was no attempt at raising any slogans or making any speech.

The clients of the protesting lawyers did not show any resentment at the decision of their lawyers to boycott the courts, rather they garlanded them. The local convener of the MRD also visited the District Courts and garlanded the protesting lawyers.

The Federal Secretary Law, Justice C.A. Rehman, when contacted by the Muslim said, "all High Courts in Sind, Punjab and the NWFP functioned today. The government did not take any notice of the boycott of the lawyers and there is also no question of entering into any kind of negotiations with the representatives of the Bar Associations".

IN LAHORE: Abid Hasan Minto, President Lahore High Court Bar Association, described as "voluntary", the strike all over Punjab by the lawyers.

As a sequel to the strike a joint session of the Lahore High Court and District Bar Associations was also held which two political leaders, Taj Mohammad Langah and

Chaudhry Mohammad Ashraf, addressed as resolved by the previous joint session of the two Bars, in regard to inviting political leaders to the Bar.

Abid Hasan Minto in his opening remarks said that future of the country seemed bleak without the 1973 Constitution He said that lawyers were engaged in a peaceful struggle not for their personal benefit but for democracy, rule of law and democratically elected government which was a national issue. He was happy over a complete and voluntary strike by lawyers community which he said was in support of the struggle by the Karachi lawyers.

A resolution, moved by A.R. Arshad, President District Bar Association, was also adopted by the joint secretary session which resolved to demand release of lawyers arrested in the struggle.

IN KARACHI: The lawyers today observed complete boycott of the curts in accordance with the decision of the Managing Committee of Karachi Bar Association, taken previously in consultation with the Presidents of the Lahore and Peshawar High Court Bar Associations.

At 11 a.m. a protest meeting was held in the Karachi Bar Association premises, with Khalid Hamid, Acting President of KBA, in the chair. The meeting was addressed by 13 lawyers which included for the first time members from Sind High Court Bar Association, Sind Bar Council, Baluchistan High Court Bar Association and District Bar Association, Shikarpur.

All speakers unanimously emphasised the need to continue the struggle until all professed objectives were achieved.

The speakers also appealed to the political parties to discharge their national responsibilities and accelerate the process of a country-wide peoples struggle for the lifting of Martial Law, the restoration of 1973 Constitution, the immediate holding of free and fair elections and the repeal of all black laws.

After the meeting a procession was brought out with placards and banners voicing the demands of the lawyers community.

volunteers who will court arrest along with the lawyers.

IN PESHAWAR and other parts of the Frontier Province the lawyers observed complete strike today as part of their struggle for the restoration of the people's rights.

The community did not attend any court, hoisted black flags at the Bar premises and held protest meetings. In Peshawar the High Court Bar Association and the District Bar Association held a joint meeting in the District Bar with the latter's President Dost Mohammad Khan in the chair.

The meeting also demanded that no pacts should be signed with any foreign government in future and that Press censorship be lifted.

IN FAISALABAD: Lawyers observed complete strike in compliance with the decision of Lahore High Court Bar Association and refrained from appearing in local courts for the whole day. As a token of protest lawyers were black armbands. They demanded restoration of democracy, termination of Martial Law and withdrawal of legal amendments.

According to information collected by the correspondent the Muslim in Faisalabad lawyers of Districts Tobatek Singh, Jhang Sargodha, Mianwali Khoushab and Bhakkar also boycotted the courts today.

IN SIALKOT: District as well as four Sub-Divisional Bar Associations boycotted all criminal, civil and revenue courts today to express their resentment over various steps taken by the government for "disintegration of the lawyers profession".

CSO: 4200/145

PAGARA LEAGUE ANNOUNCES SUPPORT FOR LAWYERS

Islamabad THE MUSLIM in English 23 Nov 82 p 8

[Article by Salim Bokhari]

[Text] ISLAMABAD, Nov. 22: The defunct Pakistan Muslim League (Pagara Group) has announced full support to the lawyers' struggle being waged by them for the independence of judiciary, legal profession and restoration of democracy in the country. The announcement came in the shape of a resolution passed here today in a meeting of the Working Committee at Pir Pagara's residence.

The resolution said that the lawyers had been in the forefront during the Pakistan Movement and even after the Independence, they had taken part in all movements against tyranny and dictatorship. It said that PML was whole-heartedly with the lawyers in their just struggle and condemned the recently introduced amendments in Legal Practitioners and Bar Council Act. The resolution demanded immediate release of lawyers detained during the current movement.

In another resolution passed today, the PML condemned the highhandedness of an organisation against the office-bearers of the Muslim Students Federation. It demanded that the government should take immediate action to eliminate hooliganism from the educatonal institutions. It added that there was a general feeling among the people that these institutions were dumps of ammunition. It called it a duty of the government to stop such elements from creating a law and order situation in the country.

In yet another resolution, the League reiterated its stand on the question of the Kashmir dispute. It held that the conflict should be solved according to the resolutions of the United Nations adopted in 1948 and 1949. The only way to solve the Kashmir issue was self-determination by the people of the valley, it added. It said the League will not accept any other solution of this issue.

Later, talking to newsmen PML President Pir Pagara said it was a wrong impression that the League has sabotaged the holding of the round-table conference. He said even if the PML did not participate, the remaining parties should have sat together. "Why then did they fail to hold the RTC"? he asked. Explaining further, he said it was not possible for him to sign a document without seeing or reading it. He said it was the earnest desire of his party that every participating party should be provided an opportunity to present its viewpoint. It was with this thing in mind that the League had prepared a resolution of its own. Pir Pagara said his party had proposed it much earlier that all the participating units should present their resolution which would be circulated among all the members by the host.

Pir Saheb stated MRD has said that the RTC could not take place because its leaders were externed from the province. He said it was a wrong plea, since it was decided that if the leaders would not be in position to participate, the respective parties will send their nominees who will attend the conference on their behalf.

He said the League was drafting another resolution which will be in complete accord with the requirements of the situation in the country and will be moderate enough in nature to be acceptable to the people of Pakistan. The PML chief however, made it clear that

the resolution being drafted will have an umbrella of the last one which the PML wanted to distribute during the RTC. He said if this was the feeling among certain political circles that RTC could not be held because PML did not participate, it was an ample proof that the League was an important party. Then what was the reason that its resolution was not accepted at the time of holding the RTC? he asked.

To a question, Pir Pagara said there was no use meeting with the President since the League and he were working on different lines and "there is no meeting point". He said the impression that there was a similarity of views among the defunct Jamaat-e-Islami and his League was unfounded and termed it as a misunderstanding of the situation.

When asked if the President of Pakistan would be invited in any proposed RTC in the future, he said, "We have no place for him in our folds. How could we invite a watchman who has become the owner of the house"?

Asked if he would demand release of the detained political leaders, Pir Pagara said he would not make any such demand on the plea that they should be freed to participate in the RTC and added otherwise PML was all for the release of political leaders.

When asked to comment on the report that President Zia has promised a new political structure by Aug. 14, he said, "How could we believe such a statement from him and particularly when he has not clearly said in which year", and added, " it may be in 1993. "He said the situation has worsened since 1977 and as long as the present regime stayed in power it would continue to be worsen. Replying to a question he said," How could I be satisfied with the current situation in the country and added, "even the President himself is not satisfied".

On the Afghan refugees problem, Pir Pagara said the refugees were handed over to Jamaat-e-Islami while all the other political parties were barred from meeting them.

Earlier, S.M. Zafar a PML leader, also briefed the Press. He said that PML has passed a resolution today on the Kashmir question in the background of Press reports and particularly the statements of Farooq Abdullah which had been given wide publicity by the Indian Press. It may be noted that Farooq Abdullah has proposed that the present borders should be accepted as international frontiers by the concerned parties.

Mr. Zafar said the efforts to unite political parties of the country should continue . He said his League strongly believed that there was no question of any improvement in the situation until the general elections were held.

He said the League has authorised its President Pir Saheb to negotiate with any political party onthe possibilities of holding another round-table conference.

It may be noted that today was 55th birthday of Pir Pagara which he celebrated by cutting a 55-pound cake specially prepared by a local baker for the occasion. When asked Pir Saheb said the occasion of birthday was just a way of getting together.

When a correspondent asked if President Zia has sent a birthday gift to him, Pir Pagara said he has sent six security personnel who were standing outside the main gate of his residence and added that he had invited them to come in and join the birthday party but they had refused to do so.

Several prominent PML leaders including Sardar Shaukat Hayat Khan, Afzal Khan Jadoon, Yusaf Khattak, Ahmed Saeed Kirmani besides party workers were present on the occasion.

According to party sources, Sardar Shaukat Hayat had to face battery of criticism by a large number of speakers for his statements against the Father of the Nation. The sources said ultimately, Sardar Shaukat had to explain the whole thing to the meeting and denied having said anything that was against the personality of the Quaid. . . . . .

CSO: 4200/145

BRITISH TEAM VISITS REFUGEE VILLAGE

Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 8

[Text]

PESHAWAR, Nov. 20: The visiting three-member British delegation led by the Chairman of the Afghan Support Committee in Britain, Lord Carnborne now in Peshawar visited the Afghan refugees tentage village at Kachagarhi near Peshawar.

Talking to the refugees, the leader of the delegation, Lord Carnborne said that they had now better understanding of their problems and sufferings and assured that they would continue to mobilise public opinion in the West for their assistance.

He admired the courage, fortitude and the love for freedom of the Afghan people and expressed the hope that they would eventually emerge successful.

Mr. James Tins, a Labour MP and member of the delegation who also spoke on the occasion appreciated the Pakistan Government's spirit for providing shelter and other humanitarian assistance to such a large number of Afghan refugees.

The members of the delegation also visited a dispensary and a school set up for the refugees children at the tentage village.

Later the visiting delegation drove through the historic Khyber Pass and had a view of Pak Afghan border at Torkham.—APP.

CSO: 4200/146

ADMINISTRATION WARNED ON REFUGEES: 'GUEST, NOTHING MORE'

Islamabad THE MUSLIM in English 22 Nov 82 p 4

[Text]

WHATEVER the ulterior motive of the provincial branch of the MRD in Peshawar, its denunciation of elements trying to involve the Afghan refugees in Pakistan's politics will generally be approved by the people of this country. These three million and more displaced persons from our fraternal country of Afghanistan have been accommodated in the Frontier province and are being looked after by the authorities purely on humanitarian grounds with the hope that they would return to their own homeland as soon as the Afghan crisis blows over and foreign troops withdraw from their soil. They have not been received with open arms to be absorbed in this country's population as an integral part of Pakistan's citizenry and granted the right of franchise. It would be a blatant abuse of Islamabad's hospitality if the refugees begin to dabble in local politics or even respond to the vested interests seeking to draw them into the ambit of political activity in the country.

Quite a number of Afghan nationals granted asylum have already gone into several parts of this country. Quite a few of them are seen in transport business here, and not a few have had identity cards made obviously with intent to settle down permanently in this country. There are reports that some, who brought their liquid assets with them, have been buying real estate here. While these in themselves are disconcerting developments, their interference in politics can create serious complications. If some of them trickle into the political arena and identify themselves with one political party or another, their other compatriots too could be persuaded to emulate the example of the pioneers in this direction. That could open the floodgates for the rest of them and upset the equilibrium of the NWFP politics and also constitute a major threat if these guests of ours, with their numerical strength, should claim to form a constituency of their own.

Considering the massive number of Afghan refugees who have fled their country for a safe niche in the northern and north-western fringes of Pakistan, it is easy to understand that it could not have been easy for the Government to keep a tab on each one of them and prevent their spread to other parts of the country. But it is now a manifest duty of the authorities to take cognizance of the elements trying to indoctrinate them in their own political philosophy and deem like-minded refugees to propagate that philosophy among their compatriots.

Additionally, the arbiters of this country's destiny need to take stock of the situation and adopt deterrent measures before any grave harm is done to the nation's solidarity. The MRD may not be much in favour with the authorities, but the warning they have given from Peshawar needs to be heeded and effective measures are required to be taken before things go out of hand.

CSO: 4200/144

NATIONS URGED TO SHARE BURDEN OF REFUGEE EXPENSES

Lahore THE PAKISTAN TIMES in English 23 Nov 82 p 4

[Text] President Zia-ul-Haq, speaking at the banquet given in honour of Romania's President, Mr. Nicolae Ceausescu, has stated that Pakistan is bearing the financial burden of caring for 2.8 million Afghan refugees exiled on its soil and has asked the world community to come to their help. The figure of 2.8 million is a conservative estimate, based on actual registration with the representative of UNHCR in Pakistan. There may be thousands more who have crossed over without going through the formality of registering themselves. As the Soviet military operations become intense in Afghanistan during summers the stream of refugees reaches the figure of 80,000 per month, slackening off during winters when the snows hamper passage on the mountains. When UNHCR High Commissioner Poul Hartling read out his report on the refugees before a committee at the U.N. this year, Pakistan's delegate intervened with an appeal to the conscience of the world for more assistance to the Afghans in exile.

While Pakistan is determined to provide shelter and succour to them as long as they are unable to return to their homes peacefully and honourably, the expenses incurred by it on the world's largest concentration of refugees are putting a heavy straing on its financial resources. It is seeking a political solution to the crisis in Afghanistan caused by foreign intervention and has engaged in indirect talks under the aegis of the U.N. Secretary-General in this regard but the problem of looking after the Afghan citizens on its soil is a responsibility to be shared by the growing majority of nations inside the U.N. General Assembly who annually vote against the continuing aggression in Afghanistan. Pakistan will spend almost 500 million dollars this year on the requirements of food for women, children and the aged camped mostly in its North-Western Province. In addition, tents and houses have to be provided, camp hospitals have to be set up and stocked with medicine and schools have to be built and operated for children who are already here more than two years. The assistance that the world is providing to the refugees through UNHCR is not adequate to meet all these irreducible requirements and Pakistan will this year spend 300 million dollars from its own meagre resources. While it is counting on the U.N. General Assembly to rally round the cause of the refugees it also expects the well-to-do nations to donate generously for their upkeep and share some of the financial burden incurred by Pakistan in this regard.

CSO: 4200/145

OVER 200,000 REFUGEES TO BE SETTLED IN MIANWALI

Lahore THE PAKISTAN TIMES in English 22 Nov 82 p 5

[Text]

LIAQUATABAD, Nov. 21: Work was giving on briskly on the rehabilitation of two lakh Afghan refugees in Tehsil Esakhel, it was disclosed by Deputy Commissioner (Mianwali) M.D. Chaudhry.

Talking to newsmen he said that refugee camps were being set up at the foot of mountains a few miles off Kot Chandna a village on the Mianwali-Bannu Road. He added that all the relevant departments have accelerated the pace of their respective works. Besides Highways, Public Health and Forest Departments, high-ranking officers of other departments, he said, were personally supervising the work. While a temporary road up to the camps has been completed, the water supply project was nearing completion, he added.

The D.C. further disclosed that hundreds of bulldozers were busy day and night levelling the ground. The Forest Department has already carried out the plantation of ornamental trees on both sides of the road, while work on the construction of mosques and schools would be completed by December next. He added that the District Food Department has issued tenders for the supply of wheat and sugar to the Afghan refugees. He hoped that the refugees would start coming to the camps by early December for settlement there.

CSO: 4200/146

ZIA HAS BUSY DAY WITH TROOPS

Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 8

[Text]

President General Muhammad Zia-ul-Haq spent a busy day with the troops in their training area today says a Press release of ISPR issued here today.

President General Muhammad Zia-ul-Haq, who is also the Chief of Army Staff, during his visits to the Army units, engaged in their normal winter training, was accompanied by General F. S. Lodi Corps Commander and other Senior Army Officers.

Addressing the troops in the training areas, President General Muhammad Zia-ul-Hao underlined the paramount importance of their professional training. His advise to them was train hard" adding that training during peace time was Jehad. General Muhammad Zia-ul-Haq said that only through training they enhance their professional capabilities which should be their prime objective.

In the training area, Gen. Zia was briefed by the local commanders and he witnessed a field training demonstration also during his stay with the troops.

Later, General Muhammad Zia-ul-Haq informally met the troops and enquired about their training and welfare and gave them "shabash" on their commendable performance, dedication to duty and relentless efforts to imbibe the training imparted to them.

CSO: 4200/146

SOUTH ASIAN WORKING GROUP CONFERENCE OPENS

Islamabad THE MUSLIM in English 23 Nov 82 p 3

[Text]

ISLAMABAD, Nov. 22: The First meeting of the South Asian Working Group on Scientific and Technology Co-operation commenced here this morning to explore ways and means of increasing scientific and technological co-operation among the seven regional countries.

The delegates from Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka are participating in the deliberations of the three-day moot while Joint Secretary of the Ministry of Science and Technology, Hasan Nawab is the Co-ordinator from Pakistan side and also Chairman of the Working Group.

Federal Secretary of the Ministry of Science and Technology, M. Masihuddin in his inaugural address at the opening session of the meeting stressed the need for co-operation in the field of science and technology among the developing countries in order to achieve self-sufficiency and self-reliance in their economic fields in the shortest possible time.

However, he said, scientific and technological research called for heavy investment of capital and human resources which was certainly beyond the capabilities of a single country. The regional countries could reach a level of collective self reliance through mutual co-operation and sharing of expertise, experience and knowledge. Judicious regional co-operation in science and technology could be highly beneficial to all the participating countries, he added.

The Secretary said that already identified areas for co-operation such as energy, food, electronics, marine science, information and environment were important areas for the regional countries and should be given serious consideration in the present meeting. He suggested that initially the programmes may be developed for the exchange of data and information, organisation of regional workshops, seminars and symposia, and provision of training facilities in the over all context of the regional scientific and technology co-operation.—APP

COMMENTARY ON BEGUM BHUTTO'S TRAVEL, OTHER ISSUES

Islamabad THE MUSLIM in English 23 Nov 82 p 6

[Article by Aey Aey]

[Text] BETTER late than never, Begum Bhutto has been allowed to go abroad for treatment.

Why it took two months and nine days to take a decision which could have been very well decided within a week is a question troubling every thinking mind in this country. It must be answered by those who are responsible for it.

I know that red tape of this regime is every bit as bad as that of previous ones, but the rub is that nobody appears to feel guilty, nor does anybody have the guts to make the concerned people at least apologise for the delay.

The other day an officer a friend of mine asked in strict confidence whether Mrs Bhutto was really suffering from a malignancy. That shows that despite the report of the Medical Board and the clearance by the government, a section belonging to the 'more loyal than the king' breed still has its doubts about the Begum's intentions, and are out to prove that the whole thing is a drama, the object behind which is political.

Begum Bhutto may be a dangerous political leader, a threat for some in the field but she should be politically contested instead of the praying for her physical elimination. This attitude is callous and criminal, and had never been in vogue among politicians and statemen, however mean and of whatever stature they might have been. In politics, steel nerves are the basic requirement, even if one lacks big heart or broad mind. Little things should not panick us to the extent that we start praying for the physical elimination of our adversary instead of facing him or her.

It is true that aggrieved women are a threat to their adversaries Razia Sultana, Chand Bibi. Mrs Bandranaike and Indra Gandhi are few examples from the past and present. But they have been faced by the people opposed to them, and similarly Begum Bhutto should be faced with courage and determination.

ASHES

Maulana Noorani's round table conference proved to be a bang, wham whoosh affair. It began like fire and ended in ashes.

Some say, is Pir Sahibs stringent attitude let the Maulana down. Some are of the view that it was destined to this end. I do not know much about the inside story. But the fact remains that in the Subcontinent, a round table conference has never been fruitful may it be the one called by the British rulers, or the one called by the late Ayub Khan just before his fall.

The reason, in my opinion, is that these conference are called not to find solutions to the problems, but to wriggle out of them. The present attempt was also to find a way to avert the coming storm, to find a refuge from its expected disaster, and hence a failure.

The other possible cause of the failure might be that we are so much used to a change with a bang' that any effort for a peaceful transfer of power does not impresses us much.

No doubt, this attitude is bad and has already truncated the country by more than half. But the problem is that according to Cicero, only wise men can be instructed by reason.

LAWYERS

Lawyers in Karachi are still angry. Since the arrest of their president, Abdul Hafiz Lakho and joint secretary, Abdul Malik Khan, they have presented four batches to

court arrest. All were freed a few hours after their arrest except for Qazi Abdul Ghani, formerly secretary of Begum Nusrat Bhutto, who has been detained for three months and has been transfered to Hyderabad Central Jail.

The other day I asked a lawyer friend how many more would go behind bars. 'As many as required to settle the issue,' pat came the reply.

I do not know whether the lawyers have the stamina and determination to fulfil the great responsibility they have taken upon themselves. But a spark kindles a big fire. This much I know for certain.

SCHEME

Mian Tufail Mohammad of Jamaat-e-Islami has come out with a unique scheme to solve all the country its problem. It envisages a united front or alliance with the religious parties.

In his opinion, collaboration with secular parties has always resulted in a Martial Law. Only unity among religious parties like J.I. JUI and JUP can guarantee a permanent democratic order.

Well I think Mian Sahib should be given a chance, but the problem is that the parties Mian Sahib has named are so far a part from each other that their attending even a social gathering together is also not possible . Political unity is a much more serious affair.

Another suggestion for political unity has come from one Mr. Tanvir Husaini of a political party called Shaib Awam Party.

He wants the 28 parties which according to him exist in the country to merge into two parties. One is the Pakistan Muslim League, and the other is the Watan League. He did not take the trouble to give the address of the latter, but insisted on its existence.

He also chalked out a programme for transfer of power to the elected representatives of the people which is four phased and would be completed by the end of 1984.

He is also in favour of giving a constitutional role to armed forces and a presidential system for the country, besides the creation of two new provinces, Bhawalpur and Karachi.

I think he should also be given chance . Let's see what he does because during the last 35 years, so many expediments have been allowed, why not give a chance to a man of lesser significance.

We have been bitten so many times and never become shy. It will not make much difference if he also is allowed to bite once.

CSO: 4200/145

KHAR'S BROTHER'S BAIL PLEA REJECTED

Islamabad THE MUSLIM in English 23 Nov 82 p 6

[Text]

MUZAFFARGARH, Nov. 22: The Special Judge Anti-corruption Multan camp at Muzaffargarh has rejected the bail release of Ghulam Miladi Khar brother of Ex-Chief Minister Punjab, Malik Ghulam Mustafa Khan, in ten cases registered under sections 420, 468, and 471 PPC and 5/2/47 of Anticorruption Act for attestation of flocticious loan applications.

The court termed the bail application as premature and said the contention of Sardar Manzoor Ahmed Khan counsel for the petitioner, for the grant of bail is forceful but the petitioner is detained under MLR, where in bail is not necessary.

According to the prosecution Ghulam Miladi Khan had attested ten applications for total loans about Rs. 4000,000 when his brother was Chief Minister of the Punjab. Afterwards these applications were found to be fictitious

Meanwhile, Lahore High Court Multan Bench has ordered a stay of the proceedings in the court of special judge a anti-corruption Multan until Jan. 29, 1983, against the Chairman Zila Council a Councillor and some officials under section 468,471, 109 and 5/2/47 of anti corruption act.

The Court had already recorded the evidence of the prosecution Sheikh Mohammad Akhtar advocate council of the accuses did not start their defence as the Lahore High Court nad ordered a stay of the proceedings until further orders.

According to the prosecution Chairman District Council Muzaffargarh Malik Ghulam Murtaza Ghazi Khar councillor Mohammed Iqbal Alipur then Chief Officer Kanwar Ashfaq Ahmed then Distt. Engineers Abdul Razzaq daroga-e-Baghat Ghulam Shabbir Bukhari two contractors Abdul Sattar and Faiz Mohammad alegedly misused the public funds tampered with the 150 official record and sub standard construction.

All the accuseds were present in the court and a large number of people gathered there to hear the case.

The case was registered on a complaint of opposition councillors and was pursued by anti-corruption established with the Punjab Government.

CSO: 4200/145

COUNCIL MEMBERS' APPOINTMENT AS JUDGES CRITICIZED

Islamabad THE MUSLIM in English 23 Nov 82 p 6

[Text] GUJRANWALA, Nov. 22: Sheikh Bashir Ahmad, Senior Vice President Punjab of defunct Muslim League Khawaja Khair-ud-Din Group and District Secretary and Executive Member of Punjab Muslim League, Advocate, Ghulam Rasool, Sandhu, in a joint statement strongly criticised the decision of the government of Pakistan of placing the nominated members of the Federal Council (Majlis-e-Shoora) as justice of Peace all over the Punjab.

They said the people of Pakistan had already been deprived of their fundamental rights and civil liberties for the last five years, but despite this the present regime was far from satisfied with the situation of deprivation.

They said people who were not liked even by those of their own respective constituencies, had been given honour and status against the will and consent of the people, as their elected representatives. Moreover, they said, these individuals were being thrust on their minds as justices of peace. They said, while there were a number of agencies for maintaining law and order what was the reason for giving the positions of justice of peace to those who were disliked.

They demanded the government of Pakistan take back this decision and not use public funds on these unwanted luxuries for they are accountable for each penny spent as this mony belongs to the people of Pakistan.

The Muslim League leaders reiterated that the drama of posting justices of peace was no answer to the problems faced by the country. They said the situation in the country required the rule of law, restitution of basic rights of the people, the freedom of judiciary and press, the restoration of unanimously adopted and approved constitution of 1973 and returning of armed forces of the country back to the pavilion.

CSO: 4200/145

ARTS COLLEGE STUDENTS PROTEST

Islamabad THE MUSLIM in English 23 Nov 82 p 8

[Text]

LAHORE, Nov. 22: A representative delegation of students of National College of the Arts (NCA) is leaving for Islamabad tomorrow to meet the Acting Chairman of the Education Committee of Board of Governors, Sheikh Imtiaz Ali who is also the Vice-Chancellor of Quaid-i-Azam University.

The delegation headed by Raza Ali Khan, President Students Guild will apprise the Acting Chairman of prevailing discontentment in the college following decision by the Committee regarding reinstatement of three students.

Meanwhile, boycott of classes is stated to be continued till realisation of demands.

Earlier, the students held a huge demonstration by squatting in front of Governor's House for about one and half hours to show their solidarity on this issue.

In the morning when a bus full of NCA students attempted to leave the college they were stopped by the police who would not allow it to proceed.

The students then left the college in trickles so as not to attract attention of the police. Some jumped over the back walls of NCA and using public transport reached Governor's House where they unfurled their banners and posters. Within a few minutes however, a Punjab University bus arrived carrying the opposite group of students and their supporters. This group chanted slogans such as NCA is a "Kanjar Khana" (NCA is a brothal) and also demanded its closure. NCA students, however remained silent and unprovoked.

CSO: 4200/145

GOVERNMENT TO RESOLVE STEEL MELTING PROBLEMS

Lahore THE PAKISTAN TIMES in English 22 Nov 82 p 5

[Text]

The Federal Production Secretary, Mr. Hassan Zaheer, has said that Government would take appropriate measures to resolve the crisis gripping the steel melting industry.

Talking to a delegation of the Pakistan Steel Melters Association in Lahore on Sunday, he said that Government was aware of the problems being faced by the steel melters due to big price differential between ship plate and ingots and increase in electricity charges.

The PSMA delegation apprised the Production Secretary of the crisis faced by the industry due to the cost differential of over Rs. 2,000 between the ship plate and ingot produced by the local steel melting units. Ship plate was selling cheaper because of rapid fall in prices of old ships in the international market. Steel mills were preferring cheap ship plate for manufacture of iron bars despite the fact that the bars manufactured from the fatigued material were sub-standard. They stressed the need for bridging the cost differential between ingots and ship plates by reducing the Customs Duty on scrap used for manufacture of ingots and refixing the Duty charged on ship plate.

CSO: 4200/146

FRANCE TO HELP WITH PROJECTS

Islamabad THE MUSLIM in English 23 Nov 82 p 8

[Text]

KARACHI, Nov. 22: France and Pakistan are working on implementing fresh projects in Pakistan under the existing aid facilities for a total amount of 365 million francs, Mr. J. Goryn, French Ambassador to Pakistan disclosed in Karachi today.

Speaking at a meeting of Pakistan France Trade and Industry Committee, the two countries are also working on a host of other projects which may be made eligible to new financial protocol arrangements.

He also disclosed that 30 million francs were ear-marked for commodity aid to Pakistan in the last protocol.

Ambassador Gory said France, despite budgetary constraints has just renewed its aid commitments to Pakistan for a number of projects.

He said financial protocols signed on Oct. 27 last between the two governments provide for financing to the tune of 195 million francs which is immediately available for disbursement and have also committed France for the specific project of upgrading to 500 KV of Dadu and Jamshoro sub-stations and to provide extra financing, when it will be required, of 170 million francs.

"In other words, both countries are now working on implementing fresh projects under the existing aid facilities for a total amount of 365 million francs," he said.

Ambassador Gory stressed that the field for further increase in the two-way trade was also wide open. Pakistan products are gaining a solid reputation in France and may be exported in larger quantities, within the exising framework of bilateral trade. French exports to Pakistan should also register a greater increase in the future as the general image of Pakistan in France is undoubtedly improving and the evolution of the exchange rate of hard currencies should also act strongly in favour of francs.

Referring to the trade pattern he said over the last few years, the overall figures of French exports to Pakistan, although showing a general trend of increase, have been characterised by erratic changes. He said he was glad to emphasise that the analysis of the contents of French exports to Pakistan, sector by sector showed that there was a steady growth of trading in equipment goods and chemicals.

Similarly, he said according to French trade statistics, Pakistan's exports to France more than doubled from 1977, when they amounted to 199 million francs to 1980 when they nearly hit 400 million francs, mark a sharp increase continued in 1981 when Pakistan's exports to France reached 582 million.

He said figures are not quite so good in 1982 as Pakistani exports to France have not exceeded 253 million francs for the first six months but the very last indications from the French board of statistics show that they have been picking up again rapidly over the last quarter.

Ambassador Gory was also of the view that the decline in Pakistan's trade with France which stood at 131 million francs in 1981 and to 70 million francs in 1982 would not appear significant in view of the amount of French aid and the amount of goods sold to Pakistan under special aid procedures. --PPI

CSO: 4200/145

DEVELOPMENT OF TOURISM FACILITIES URGED

Lahore THE PAKISTAN TIMES in English 22 Nov 82 p 6

[Text] The Fourth Pakistan Tourism Convention has come out with a comprehensive package of recommendations to revive the country's moribund tourist industry. These include all the desirable things that need to be done but have not yet been done for one reason or another. For instance, the moot has asked for incentives and concessions to the private sector and the hotel industry as well as tour operators and travel agents; and recommended that every effort be made to encourage private enterprise to invest in the sector. Encouragement has also been sought for domestic and youth tourism and the Government has been requested to set up tourist offices abroad for publicity and promotion. At the same time a strong demand has been made for special measures for the preservation of Pakistan's historical and archaeological heritage. Two other recommendations concern the establishment of a mountaineering training institute and an archaeological museum at Gilgit.

All these remedies to set the sector right are nothing new. They have been suggested many a time before but have yet to reach the implementation stage. No doubt, the Government has recently taken a number of steps to put new life in to the industry, but the kind of sustained attention that is necessary for its long-term health has yet to materialise. A number of new five-star hotels have come up in the last few years but has anyone considered how many tourists, whether foreign and local, can afford them? Our need is for standardised but inexpensive accommodation, and it as yet remains unfulfilled. Domestic tourism is another favourite topic, but what has PTDC done to promote it? Given the difficulties of transportation and exorbitant hotel rates both in the 'galis' and up in the north, very few average middle-class families can afford a one or two-week sojourn there. We often talk of lack of tourism promotion abroad, but we forget that this cannot precede but follow efforts to develop tourist infrastructure facilities inside the country which are largely absent at the moment. The upshot is that the time has come we stopped discussing in the thin air and proceeded ahead with concrete, tangible measures to fill the gaps in the tourism sector. It is to be hoped that the just-concluded Tourism Convention has generated the necessary amount of enthusiasm for that in the quarters concerned.

CSO: 420//146

DRY PORT PLAN FOR NWFP DISCUSSED

Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 8

[Text]

NOVEMBER 20: A high-level meeting today discussed the proposed plan to establish a dry port for NWFP at Azakhel 18 miles from Peshawar.

During the meeting which was presided over by Mr Salim Saifullah Provincial Minister for Industries the Chairman Sarhad Development Authority, Mr. Mohammad Azam Khan, outlined the salient features of the project and said that the need for setting up of the dry port had been felt by the business community of NWFP due to obvious advantage of clearing the imported consignments at Peshawar instead of Karachi.

The Chairman said that the establishment of a dry port near Peshawar would not only benefit the business community of NWFP but also the Attock, Rawalpindi and Jhelum districts as it would be more convenient for the business community of those areas to get their imported goods cleared at Azakhel and then go to Lahore where a dry port was already functioning.

The Sarhad Development Authority, which has finalised the plan, would be responsible for operating the dry port.

Although the total cost of the project would run in crores, the initial expenditure is estimated at about Rs. 47 lakhs

The representatives of various departments of Provincial and Federal Governments suggested that a survey of the quantum of normal export and import trade may be undertaken and trading community should be motivated to use the facilities which will be provided to them through the dry port.

It was pointed out that although the city railway station Peshawar had been declared as exporting station, the same is not being utilised for export trade. The meeting was assured that the National Logestic Cell was ready to extend transportation facilities to the dry port and its transport fleet is fully capable of meeting the transport requirements.

CSO: 4200/146

DIPLOMAT'S MISTREATMENT OF DOMESTIC REPORTED

Islamabad THE MUSLIM in English 22 Nov 82 p 4

[Article by Khalid Hasan]

[Text] If you believe that slavery was abolished long ago, would it surprise you to be told that it exists in its most degrading form in the households of many Pakistani diplomats posted abroad? I wish to cite no names, either of the countries or of the people involved, but were what follows to arouse the curiosity of the authorities, I am sure they would know where to look.

Let me tell you the story of this woman I met in a Western capital recently. She was brought over with her 17-year-old son by a senior Pakistani diplomat. While generous wages were promised to her, the son was to be given employment in the Embassy. That was two years ago.

The son was given no job but told to work with his mother in the household. Their day began before sunrise and did not end until late night. There were no off days. They were paid exactly one hundred dollars a month or their equivalent. The son's air-fare from Pakistan was regularly deducted from the monthly wage. Over a period of time, 600 dollars were taken out.

In addition, they were often mistreated. If they protested, they were threatened with grave consequences. "Do you want to be handed over to the police?" Had they insisted that this be done, it would have put both the diplomat and his Mission in trouble with the host government. In that country, so the custom goes, every diplomat who brings in a domestic servant, gives a written undertaking to the host government that he will abide by the local wage and labour laws.

But even the poor and the dispossessed reach a point where their patience runs out. That happened one day, after a particularly unpleasant dressing down the begum gave to the mother, the two walked out. They were not allowed to take the few valuables they possessed. The mother showed me a list of odds and ends she had bought over the months for a young unmarried daughter in Pakistan. Their passports were not returned to them either. They still don't have them. They were also warned to stay in line and make no trouble.

The outcasts were taken in by a kind, though poor Pakistani. He even arranged for them to see a lawyer who advised them to tell their story to the Police. They declined. When I asked why, the woman said, "that would have brought a bad name to our country." It is enough to bring tears to your eyes.

They have not gone back because they do not have the fare and they cannot return empty-handed. The woman works in a nice household now where she is treated like a human being. Weekends, she spends with her son who is employed in a restaurant. They are both illegal.

This is not a solitary but a typical case. Will the Ministry of Foreign Affairs stop running the world for a few minutes and look into its soul? Or is that advocating heresy?

CSO: 4200/144

BRIEFS

STUDENT GROUPS CLASH--LAHORE, Nov. 21--Two processions of students were today pitched against each other in a battle of slogans for over two hours and then dispersed peacefully. A heavy police contingent was posted there but neither of the parties afforded an opportunity to it to intervene. At about 10.30 in the morning a procession of the students of the National College of the Arts came out chanting slogans against reinstatement of three rusticated students. Almost at the same time another procession appeared from the Old Campus raising slogans in favour of the decision of reinstatement. Both sections of the students however, faced each other but nothing toward happened. Meanwhile Dr. Israr Shah, Convener Students Affairs of MRD Punjab, has in a Press statement, called for pholding the decision of Students Affairs committee of NCA and revision of the decision of reinstatement. He supported the demand of students, Guild of NCA. [Islamabad THE MUSLIM in English 22 Nov 82 p 8]

FIRST SALAM PRIZE AWARDED--ISLAMABAD, Nov. 22--Dr. Jazma Masoud of the Centre of Excellence for Solid State Physics, Punjab University is the proud recipient of the first "salam prize" in Science (1982) this year, says a press release of the University Grants Commission. The prize, of US dollar 1,000, was instituted by Professor Salam from the proceeds of the Nobel Prize in Physics which he received in 1979 for his fundamental contributions to the theory of subnuclear particles. Instituted to encourage young Pakistani scientists, the prize as such is reserved for Pakistani's normally resident in Pakistan who are under 35 years of age. Each year the prize will be for only one of the basic sciences. Physics, Chemistry, Mathematics and Biology. A formal ceremony for the award of the Salam Prize will be held by the Centre of Basic Sciences. Dr. Masoud will present atali on the occasion explaining the work for which she has received the prise. [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

ULEMA TEAM MEETS ZIA--RAWALPINDI, Nov. 22--An eight-member Ulema delegation from NWFP led by Maulana Mohammad Abdul Qadir Azad met President, Ziaul Haq the CMLA's Secretariat here this afternoon. The delegation is currently on a goodwill visit to the Province of Punjab to promote inter-provincial amity. During the meeting, the Maulana appreciated efforts of the President for the introduction of Islamic Order in the country. They expressed their unflinching support to the President for his sincere efforts to promulgate Islamic laws in the country. The President appreciated their sentiments and assured them that the purpose for which Pakistan was created would be completely fulfilled. He also appreciated the role of the Ulema for bringing peace and harmoney among various sections of the society. [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

PAKISTAN-TURKEY JOINT VENTURES--WAPDA is ready to extend all possible co-operation to Turkish industrialists in any joint venture they want to establish in Pakistan for manufacturing of electrical equipments, needed by WAPDA. This statement was made by Chairman, WAPDA, Maj.-Gen. Dr. Ghulam Safdar Butt while talking to H. E. Mr. Ayhan Kamel, Turkish Ambassador in Pakistan who called on him at WAPDA House, Lahore on Saturday morning. Reciprocating the feeling expressed by the Chairman, WAPDA. the TUrkish Ambassador said that Turkey was ready to provide Pakistan its own technology which was better suited for Pakistani circumstances. he said that Turkey was also ready to share whatsoever technology it had developed with its Pakistani brothers. Gen. Safdar Butt told the Turkish Ambassador that he had requested the business delegation which had visited Pakistan earlier to set up joint ventures for the manufacture of electrical items such as capacitors. He assured that all the production of such a factory which was up to the required standard would be purchased by WAPDA. [Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 6]

PLANNING COMMISSION MEETS--ISLAMABAD, Nov. 20--The newly re-constituted Planning Commission held its first meeting here today. The Federal Minister for Finance, Planning and Co-ordination, Mr. Ghulam Ishaq Khan, who is also Chairman of the Commission presided over the meeting. The meeting discussed the basic parameters and several key issues pertaining to the Sixth Plan. The deliberations centred around papers prepared by the staff of the Commission on the plan size, the strategy and directions. The Commission directed the staff to undertake future studies and prepare analysis papers on a number of important aspects which would help determine decisions on various dimensions of the plan. The meeting was attended by the Deputy Chairman, Planning Commission, Dr. Mahbub-ul-Haq, Secretary Planning, Secretary Economic Affairs Division and three other members including Chief Economist, Dr. Jawaid Azfar, Mr. Manzoor Ahmad Shaikh and Mr. M. I. K. Khalil. [Lahore THE PAKISTAN TIMES in English 21 Nov 82 p 8]

CSO: 4200/146

PNG CALLS FOR NEW PACIFIC GROUPING

Sydney THE SYDNEY MORNING HERALD in English 23 Oct 82 p 11

[Text]

WELLINGTON, Friday. — One of Papua New Guinea's highest-ranking public servants has called for a Pacific bloc to strengthen the region's voices.

The group should seek the declaration of the region as a nuclear weapon-free zone and oppose any move by an outside power to establish military facilities in the region.

Papua New Guinea's secretary of Foreign Affairs and Trade, Mr Paulius Matane, said the region could be thankful it was not as deeply involved as others in nuclear power-play strategy or that countries within the region were not aggressively militaristic.

"However, only a supreme optimist would predict that the Pacific will always be so lucky," he said in a speech to the Papua New Guinea-New Zealand society in Wellington.

Mr Matane, a former ambassador to Washington and permanent representative to the United Nations, said he was not suggesting that the Pacific utopia was about to be shattered.

"I am saying however, that we should not delude outselves into thinking we will always be immune to the kinds of turmoil wrecking other areas of the world.

"In essence, I am advocating regionalism on a broad scale, a new Pacific order to strengthen the Pacific's hand in dealing with political and economic problems," Mr Matane said.

He said Australia and New Zealand particularly had been in the forefront of efforts to provide island States with technical skills and social improvement.

Their contribution, along with those of Britain, the United States and France, [redacted] he added.

"Nevertheless there can be no doubting that the pace of development can be quickened through a greater degree of regional co-operation on the basis of mutual respect and quality," Mr Matane said.

He hoped Pacific Islanders were graced with the vision of a better, more dynamic Pacific community.

CSO: 4200/148

EDITORIAL PLEADS FOR PNG STABILITY

Sydney THE SYDNEY MORNING HERALD in English 27 Oct 82 p 6

[Text] THE SUGGESTION by Singapore's Prime Minister, Mr Lee Kwan Yew, at a Port Moresby luncheon that "the price of keeping up the myth of alternative government can be crippling where there is a shortage of talent" would not fall on deaf Papua New Guinean ears. The talent in short supply in developing countries is both political and administrative. Mr Lee followed up his observation by saying that, if it were Singapore, he would not hesitate as Prime Minister to co-opt into government the services of PNG's Opposition Leader, Mr Endiro, the former Defence Force commander.

Mr Lee's views certainly coincide with those of PNG's Prime Minister, Mr Somare, on a closely allied issue, the need to secure in PNG, a developing Third World country, more stable, certain government. Mr Somare has, in fact, just announced that he seeks three constitutional changes at the next sitting of the National Parliament. The least contentious of these, a return to a preferential voting system, is certain to meet the requirements for enacting constitutional change — approval by two-thirds of the members of the National Parliament at two sittings. The others are likely to strike trouble.

Mr Somare has never forgotten that in March, 1980, he was thrown out of office, and succeeded by Sir Julius Chan, over the Rooney affair in a parliamentary vote of no confidence. PNG politics remain largely incohesive and undisciplined. Politicians, once they get into the National Parliament, tend to forget very rapidly the party or leader on whose banner they were elected. They change parties with disturbing regularity and switch promised votes without warning. In part this is to protect their ability to bestow patronage and exert power. In part it reflects the fluid, Melanesian political system in which the turnover of politicians in the House every four years is around 80 per cent — the highest of any democracy in the world. It is testimony to the individual freedom of action enjoyed by PNG politicians, but it leads to neither consistent parliamentary performance nor stable consistent government. It means that the Prime Minister has to spend far too much valuable time watching to see which way parliamentarians, even those of his own party, will jump on any particular issue. Mr Somare therefore seeks two constitutional amendments.

Under one of them the Prime Minister of the day, subject to a vote of no confidence, could advise the Governor-General to dissolve Parliament and hold national elections. The other would require any other parliamentarian switching parties or being expelled by a party to re-contest his seat in a by-election. Both measures aim at achieving more secure government. This is not an unreasonable political objective and would have the effect, if realised, of disciplining parliamentarians to look behind their own immediate situation to matters of wider national concern.

However, the first proposal overlooks the Prime Minister's constitutional obligations to Parliament. In PNG, the Prime Minister is elected by all members of the House at a special session, not by the party or coalition commanding a

majority of votes in Parliament. To this extent he cannot avoid being subject to the judgment of those who elect him. This, on contentious issues such as that of Mrs Rooney, the former Justice Minister, who was guilty of contempt of court, is likely to be severe. The second proposal will probably fail for the same reasons as the first. Quite apart from the principles involved, in an evolving Melanesian political tradition which is healthily suspicious of those with power, it is highly unlikely that parliamentarians will allow Mr Somare his head, even though most might agree that PNG's political system is badly in need of reform if government is to function efficiently in the interests of those electing it.

CSO: 4200/148

PNG MOVES TO ENFORCE STABILITY

Sydney THE SYDNEY MORNING HERALD in English 27 Oct 82 p 5

[Text]

PORT MORESBY, Tuesday. — The new Government of the Prime Minister, Mr Somare, is planning big changes to the country's constitution to enforce stability in government and Parliament.

It is expected the changes will meet with the Opposition's approval, necessary to ensure the amendments' passage through Parliament.

In part, the proposed changes will ensure that the events of March, 1980, in Parliament do not happen again. This was when a hastily mustered coalition led by the former Prime Minister, Sir Julius Chan, and the former Deputy Prime Minister, Mr Iambakey Okuk, overthrew the then Somare Government in a no-confidence vote.

Mr Somare has announced that the Executive Council (Cabinet) has agreed to the mandatory calling of a general election in the event of future, successful no-confidence motions in a Government.

The proposed amendment to the Constitution would also allow the Prime Minister to call an election "if he so decides."

In March, 1980, Sir Julius Chan's parliamentary bloc was able to take over government without facing an election after the no-confidence motion succeeded.

Mr Somare said: "The effect of the proposed amendment will be to provide that the only means whereby a Prime Minister can be dismissed from office is by being dismissed for a Leadership Code offence ... or where the Prime Minister is removed by the Governor-General with the advice of the Speaker — on the advice of two medical practitioners that he is mentally or physically incapable of carrying out his duties.

"The amendments will ensure that wherever possible needless votes of no confidence are not introduced into Parliament every six months — except where the persons who introduce them are prepared to endure a national election if they succeed.

"In addition, it will mean that if MPs make it difficult for the Government to get a majority to approve legislation or to approve a Budget, the Prime Minister may ... go to the people by way of a general election."

The Prime Minister said Cabinet had also endorsed amendments to the organic law on national elections to allow the introduction of the preferential voting system, in place of the existing first-past-the-post system which was unsuitable for the country, Mr Somare said.

"Many MPs were elected in June with less than half the vote of their electorate. This situation is silly."

Observers here noted that in some electorates contested by up to 15 candidates, the winner was declared with as little as 8 per cent of the votes.

The Somare Government also wants to tighten the party system by forcing a by-election on MPs who change their party allegiance in Parliament.

Mr Somare said: "It has been a fact of politics in this country for the past few years that members of political parties do not always stick with the political party which gave them support at the elections.

"This has the result that votes of no confidence are frequent and continual poaching of members by other political parties occurs."

Significantly, Mr Somare's proposed amendment on this issue is retrospective to April 15. "It will apply to persons who were elected at the last national election," he said.

"I should point out that the amendment does not stop any member of a political party from

changing his political allegiance at any time, if that member is prepared to go back to his people to have their endorsement at a by-election.

"This will ensure that the views of the people that elected an MP are seen as pre-eminent and will save the member from being tricked with promises of power and prestige into betraying the trust of those who elected him to national Parliament," Mr Somare said.

CSO: 4200/148

LABOR WANTS PAY, ALLOWANCES INTEGRATED

Manila PHILIPPINES DAILY EXPRESS in English 22 Nov 82 pp 1, 6

[Text] THE TRADE Union Congress of the Philippines yesterday called for the immediate integration of all cost of living allowances into a worker's basic pay.

The TUCP said the integration of pay and allowances is more urgent now that exemptions of payment of cost of living allowances granted to some companies will expire this year.

Democrito T. Mendoza, TUCP president, said the integration will insure that companies will be paying the allowances from which they have enjoyed exemptions for the last two years at the expense of the workers

Mendoza said the Ministry of Labor and Employment should now start "turning the wheels of bureaucracy towards ensuring a full and strict enforcement of the payment of allowances to workers in exempted firms."

SEVERAL companies were given exemption from payment of PD 1389, PD 1634, PD 1678, PD 1713, PD 1614 and National Wage Council (NWC) Wage Order No 1 as a compromise for the granting of additional wage increases.

Mendoza said that any legislated pay increase or allowance becomes meaningless when not all workers for whom the pay increase is intended are getting their rightful wages.

He scored the management of some companies seeking to extend the exemption as "heartless capitalists who easily forget the lessons of history."

Mendoza said that many management men seem to be blind to the fact that one of the reasons of the depression in the 19th century was overly low wages, which meant that the domestic economy could not be stimulated by workers' purchases because they do not have money to buy the products produced by their own hands.

MENDOZA said the integration of pay would benefit the workers more than additional legislated wages, which is nothing when not all workers are benefited.

With integrated wages, he said, there will be a higher basis for estimating retirement, health vacation and sick leaves and other benefits of a worker.

A separate cost of living allowance from the basic pay is a strange system since the cost of living continues to rise even when a worker does not get his wage on his day off, he said.

CSO: 4200/149

CREDIT RATING HINGES ON IMF

Manila BULLETIN TODAY in English 24 Nov 82 p 23

[Text] The Philippines is banking on the approval by the International Monetary Fund (IMF) of its request for a new stand-by credit facility of $510 million to boost her strained credit standing in the international banking community.

Philippine monetary authorities have repeatedly pointed out the country's foreign debt burden was manageable, pegged as it is on the self-imposed statutory benchmark of 20 per cent of the foreign exchange receipts for the immediately preceeding year. In fact, the debt service ratio this year, at 19.4 per cent, is still below that ceiling.

However, debt payment difficulties encountered by big Latin American borrowers like Mexico, Argentina and Brazil have heightened the concern of foreign bankers on the ability of other big Third World borrowers to service their huge foreign debts.

This concern is exacerbated by the fact that the prolonged international recession is making a heavy strain on the borrowing countries' export earnings which directly affect their debt servicing capabilities.

Philippine monetary officials expects the IMF to favorably act on the government's request for a new stand-by credit line, the fourth such facility sought to be obtained by the Philippines from the IMF since the extended fund facility in 1976.

Final negotiations between the Philippines and IMF representatives were concluded last week and Philippine authorities expect approval from the IMF board of governors by February.

Proceeds of the three-year IMF facility are intended to cover part of the country's balance of payments shortfall beginning 1983. The expected $800 million BOP deficit this year is to be covered with new loans and partly from the reserves.

CSO: 4200/150

NET DOMESTIC CREDITS EXPAND BEYOND BENCHMARK

Manila BULLETIN TODAY in English 22 Nov 82 p 24

[Text] Net domestic credits expanded by 21.1 per cent, which is in excess of the 15 per cent benchmark, largely as a result of the government's "counter-cyclical" policy to sustain economic activity, Central Bank Governor Jaime Laya said in a report to President Marcos.

Laya also reported to the President that the annual rate of inflation was registered at 10.1 per cent, or only a fraction of a percentage point above the corresponding statutory benchmark of 10 per cent.

However, Laya pointed out that money supply declined by 1.5 per cent on an annual basis.

The CB governor reported that net domestic credits outstanding reached ₱135.191 billion as of the end of October this year, representing an annual expansion of 21.1 per cent.

Deposit money banks were the primary source of credit, extending 85 per cent of total credits outstanding, with the monetary authorities accounting for the balance of 15 per cent.

The bulk of 74 per cent of domestic credit expansion on an annual basis was also provided by the deposit money banks, with the CB contributing the remaining 26 per cent.

The private sector remained the main user of credit. However, with credits to the public sector expanding by 65 per cent compared to the private sector's 15 per cent during the year, the share of public credits rose from 13 to 17 per cent, while that of private credits dropped from 87 to 83 per cent of outstanding levels.

Money supply declined 1.5 per cent not withstanding the substantial increase in domestic credits. This came about as money of external origin continued to exert a contractionary influence on money supply on account of the continued deficit in the nation's balance of payments.

Money of internal origin increased by 18.9 per cent owing mainly to the large expansion of money arising from the credit operations of the public sector.

On the other hand, the other components of liquidity--savings and time deposits as well as deposit substitutes--increased by 25.7 per cent and 3.9 per cent, respectively.

Thus, total liquidity stood at ₱89.449 billion as of the end of October, showing an increase of 13.6 per cent over the level a year ago.

Consumer prices as reported by the national census and statistics office recorded an annual increase of 10.1 per cent.

Prices of non-food items rose by 12.6 per cent while those of food, beverages and tobacco expanded by a lower 8.2 per cent.

The smaller gains in food prices during October reflected the continued enforcement of price regulations on basic food items and the various measures aimed at stabilizing supply.

The Central Bank continued to implement a wider rangeof policies in its attempt to mitigate the effects of difficult external conditions, ensure stability, enhance resource mobilization and promote development.

CSO: 4200/150

LOAN CEILING SET AT TWO BILLION

Manila BULLETIN TODAY in English 20 Nov 82 p 24

[Text] The ceiling on foreign borrowings by the Philippines in 1983 is set to be fixed by the Central Bank at $2.0 billion, lower than the $2.4 billion adopted limit for the current year.

Sources at the CB disclosed that the scaled down ceiling on foreign debt for 1983 was due to the expected lower receipts in 1982 which could push the debt service ratio very close to the 20 per cent self-imposed statutory ceiling.

The ratio is based on the total foreign exchange receipts for the immediately proceeding year. In 1982, the ratio is estimated at 19.5 per cent.

However, the proposed ceiling of $2.0 billion for 1983 is higher than what the International Monetary Fund (IMF) would allow the Philippines under the circumstances.

The Philippines is currently winding up final talks with the IMF on a $150 million three-year stand-by credit facility which would pay for the anticipated balance-of-payments deficit this year and next year.

As part of the conditions for the new IMF facility, the Philippines has reportedly committed to restrain her budgetary expenditures in 1983 in order to reduce the fiscal deficit to a level consistent with inflation and growth targets.

About $1.2 billion of the new debt ceiling will be in the form of official development assistance (ODA) from multilateral and bilateral sources. Some $800 million will be in the form of commercial loans, suppliers' credits and bond issues with maturities ranging up to 12 years.

Foreign borrowings of over 12 years are not counted against the ceiling. Most of the loans from the World Bank and Asian Development Bank and the Overseas Economic Cooperation Fund, from whom the Philippines obtain about $1.5 billion annually, are for 25 years and do not fall under the ceiling.

Of the commercial loan portion of the new ceilings, some $600 million may represent borrowings by the government entities, although more than half of

the amount would finally end up for relending to end-user-borrowers in the public and private sectors.

For the instance, the $300 million "jumbo" loan that the CB plans to raise early in the year for the consolidated foreign borrowing program is for relending. So is the $200 million being contemplated to be borrowed by the Development Bank of the Philippines.

Lowering of the foreign borrowing ceiling came just after the CB decided to curtail new short-term foreign exchange borrowings as well as renewals of revolving credits.

The CB noted that the percentage of foreign short-term credits has already reached the level in 1969 when it amounted to 23 per cent of total foreign debt.

CSO: 4200/150

BANKS IN FLUX AS REORGANIZATION STARTS

Manila BULLETIN TODAY in English 20 Nov 82 p 24

[Text] While the recent banking and interest rate reforms have resulted in a reorganization of the financial system that is still continuing, the latest country report of the World Bank on the Philippines said that it was not clear yet if the reforms have or will result in an increase in the availability of long-term capital.

In its first comprehensive study of the financial sector after the government adopted two years ago a WB-tailored restructuring of the financial system, the WB said so far the reforms have only altered the manner in which banks do business.

"Since the system is still in a state of flux, it is too early to judge the efficacy of the reforms."

However, the changes have begun to reduce the specialization that had developed in the banking system and are creating a more general type of institutions that are engaged in financing all levels and in a number of sectors in the economy.

The relaxation of deposit rate controls has likewise increased the rate of return available to consumers "to a point where banks may be competitive with money market instruments."

This WB review of the Philippine financial system constitutes one chapter in its 138-page country study on housing finance in the Philippines released only recently.

Even as the financial system continues to be unable to provide "adequate long-term finance which is a drawback on industrial development," the banking system has now increased its level of medium and long-term liabilities.

Such increase in the level of medium and long-term liabilities is significant since it would allow for a situation where "term transformation" may be increased by commercial banks with the availability of such funds.

Time and savings deposits combined now account for 82 per cent of total commercial bank deposits. From 1978 to 1980, medium and long-term funds have increated from 45 per cent to about 66 per cent of total liabilities.

Since savings deposits are "legally liquid," the WB noted the sharp increase in time deposits which have increased their share of total deposits from 19 per cent to 51 per cent during 1970-80.

For the private banking institutions, the bulk of time deposit bear maturities greater than two years. In the commercial banking system, for example, over 76 per cent of commercial bank deposits have maturities of two years and above with nearly 45 per cent carrying maturities greater than two years.

However, a steady pattern of about two-thirds of the total lending of commercial banks have been going to loans, most of which short-term.

The WB said that the disparity indicates a "disinclination of the private financial institutions in general to engage in term transformation which has been an important factor in the lack of long-term capital in the Philippines."

CSO: 4200/150

LOGGERS SUPPLYING NPA FUNDS

Manila PHILIPPINES DAILY EXPRESS in English 19 Nov 82 p 1

[Text] SOME BIG loggers who are naturalized Filipinos have been giving money to rebels, documents seized by the military from dissidents showed yesterday.

The information was confirmed by some New People's Army members, who surrendered recently to the government.

The documents identified at least seven multi-million-peso logging firms allegedly giving monthly "contributions" through unidentified rebel collectors.

THERE are indications that the logging firms were forced to comply with the quotas allegedly imposed by rebels because they (the firms are operating in areas where dissidents are active.

The firms were reportedly threatened that their logging facilities would be destroyed if they fail to pay.

The combined "contribution" of the firms to rebels could be about P300,000 monthly, or about P3.6 million yearly, sources said.

THEIR QUOTAS are based on the number of bulldozers, cranes, trailers and other logging equipment used by the firms, according to the documents.

Some firms who can not meet the cash requirement of the dissidents in time were allowed to give contributions in kind, such as food, clothing and medical supplies.

The trucks and bulldozers of one of the firms were reported burned by dissidents when their owners disregarded the demand by rebel leaders in the area.

Military authorities withheld information on the area of operation of the logging firms concerned.

Gen. Fabian C. Ver, AFP chief of staff, said the firms concerned are virtually giving a "shot-in-the-arm" to the dissident movement.

CSO: 4200/149

ECONOMY: 'SOUND AND FURY' UNMASKED

Cebu City VISAYAN HERALD in English 13-14 Nov 82 pp 1, 15

[Article by Mariano M. Florido, Former CFI Judge]

[Text] After the state visit of President Marcos to US last September he appeared in several television networks, proudly proclaiming many times that the Philippine economy is on the upswing; that the unemployment is down to only 4 per cent. A record achievement for a third world country!

What the President was actually telling the world and his American audience was: How could I come here with an entourage of 2,000 joy-riders, 300 mediamen, 12 ministers and hundreds more of invited guests if my country is poor--if our economy is not in excellent shape? Anyone here would like to question me on this?

So, it was said that an "uncouth" Washington news man actually asked if it was true what the steak commandos said that THE VISIT would sack the Filipino taxpayers by at least $20 million. And how did that make sense when Prime Minister Cesar Virata almost always commutes to Washington to borrow more and more dollars?

We say that with the President's and the First Lady's extravagance, the graft and corruption of public officials the huge foreign debts of $16.8 billion plus P22 billion in domestic loans--and more than P14.9 billion in cash budget deficits, our ECONOMY is really an all-lose game. It cannot be other than that.

Ask any father of the family about this game I know many of them had indulge in this pastime and they know the result. And now they are bankrupt. Our government is no exception.

Our statutory debt service limit is $2.4 billion and we have reached that limit. Which means, for amortizations and interest on our debts, we have to forge across $2.4 billion annually. Where are we going to get that money?

Central Bank Governor Jaime Laya reported a week ago that our economy slowed down and the balance of payments deficit continues to deteriorate further.

Trade and Industry Minister Roberto Ongpin has another view of the economic spectrum. He sees infra-red and ultra-violet: Philippine economy is picking up: that 17 of the 21 industries show definite upward trend. We advise Ongpin to rehearse with Laya before joining the orchestra to produce a symphony.

Another rebuke at Ongpin: From the remakrs before the Annual Convention of Free Legal Assistance Group it was reported that from 1977 to 1981 the growth rate of our economy declined from 6.9 to 3.8 per cent. But the World Bank says that the growth rate was a nominal 2.5 instead of 3.8 as the government insists. This means a drop of more than 100 per cent in the growth rate over the period.

The depth of this decline should explain the traumatic occurrence which, five years ago, were: the virtual collapse of the financial market; the bankruptcy of prominent business houses once considered economic bulwarks; the mass employment lay-offs and capital flight

Private commercial banks have been shipping out their dollar assets abroad instead of lending them to local business. Real per capita growth was virtually zero in 1981.

On the brink of bankruptcy, the government has thought of remedial measures like increasing taxes and more taxes. That is why the Batasan Pambansa approved the controversial Bill 51 increasing the rate of fees and charges in government offices, in spite of the strong opposition of the private sector.

The Philippines is getting another $760 million from the IMF and the WB to finance the country's expected BOP deficit this year and next. In 1982 alone the BOP shortfall is estimated to be between $600 million to $700 million. Another loan of $250 million is to finance structural adjustment.

According to a confidentail World Bank paper, the Philippines is the No. 1 borrower of IMF funds among the third world countries, greater than such basket cases as Brazil. Greater, in fact, than any nation in the world except the United Kingdom which is also a creditor country.

Remember this: The IMF and the WB are servants of the multi-national corporations and partners of US imperialism. You ask why are the IMF and the WB continuing to grant us loans? Because these loans are not even to be paid, as long as there is free trade and free flow of money as conditions imposed by said Banks. They are bribes to strangle our economy for cheap labor for the sake of the multinationals and industrialized countries who are the stockholders of the IMF and the WB.

CSO: 4200/151

BRIGADE OPENS ANTI-DISSIDENT DRIVE

Manila BULLETIN TODAY in English 21 Nov 82 p 8

[Text] CALAUAG, Quezon, Nov. 20--Brig. Gen. Cesar H. Bueno, commander of the 3rd Infantry brigade of the Philippine Army's 2nd Infantry division, arrived here the other day to launch the newly transferred unit's anti-dissident drive in the Quezon-Bicol boundary.

Beuno took over command of the Army and Constabulary battalions stationed here and in the towns of Tagkawayan and San Narciso in the Bondoc peninsula.

He informed Mayor Julio U. Lim about the presence of the brigade in the area with general headquarters at the camp occupied by the 1st platoon of the 232nd PC company along Maharlika highway in barangay Sta. Maria, this town.

Bueno said the brigade will not only campaign to win back the barangay people but also check military abuses in compliance with the order of Maj. Gen Josephus Q Ramas, Army commanding general.

Earlier, Bueno and Col. Javier D. Carbonell, brigade deputy commander, briefed Lt. Col. Tranquilino A. Aspiras, commanding officer of the 63rd PC battalion stationed in barangay Rizal, this town.

Bueno also visited Lt. Col. Ed Pangan, commanding officer of the 31st IB stationed in Tagkawayan, and Lt. Col. Salvador Calimag, commanding officer of the 42nd IB, in San Narciso in the Bondoc peninsula. (Jen Jorvina)

CSO: 4200/150

SECURITY STRIKE FORCE FORMED

Manila PHILIPPINES DAILY EXPRESS in English 19 Nov 82 p 2

[Text] THE PAF has formed a commando-type security group composed of 500 men to beef up security of six major air bases of the country.

Maj. Gen. Vicente Piccio, PAF commander, said members of the commando, called PAF Combat Security Group, have completed rigid training at Fort Magsaysay in Laur, Nueva Ecija.

Piccio said the unit will be dispatched to a "combat area" this month to test its capability. He did not disclose the place

HE SAID the group is equipped with automatic firearms and assault rifles. It was also trained in heliborne maneuver

Its ground combat training was similar to that given to regular army battalions. It included basic infantry training, mountain and jungle warfare survival, and swamp and river strategic operations.

Piccio said the commando will be harnessed in disaster-relief operations and home defense missions.

CSO: 4200/149

SECURITY FORCES TAKE RIOT TRAINING

Manila BULLETIN TODAY in English 24 Nov 82 p 5

[Text] Security forces in seven public and private installations considered vital by the military have entered the second phase of their training--riot control.

Brig. Gen. Edon T. Yap, commanding general of the Army Reserve command (Arescom), announced this during a press conference called by Maj. Gen. Josephus Q. Ramas, Army commanding general in Fort Bonifacio.

The built-in security outfits are either of battalion or company size.

The vital installations Yap said, are the Meralco, the Philippine Long Distance Telephone company, the Philippine National Railways, the National Power Corp., the National Food Authority, the Metropolitan Waterworks and Sewerage Service, and Food Terminal, Inc.

The built-in reserves, according to Yap, are made up of organic personnel or employes of the installations, who have commissions in the reserve force, or are graduate trainees or draftees. They receive pay from the companies they are working for.

In case of emergency, the built-in forces are authomatically called to the colors and take over the security services of the installation, Yap said.

When there is no emergency requiring their automatic call to active duty, Yap explained, these built-in reserve units see to it that the installations are not sabotaged. They also see to it that no infiltrators are able to get in and that total destruction of the installation is prevented.

Yap said the members of the security forces have finished their first month of orientation training and are now starting the "riot control" phase of their training.

Next training phase Yap said, is markemanship. Yap said they have to be taught the use of the gun to make them effective in their security missions.

CSO: 4200/150

SAFETY OF ARRESTED CIVILIANS QUESTIONED

Cebu City VISAYAN HERALD in English 15 Nov 82 pp 1, 2

[Article by Al Alinsug]

[Text] Cagayan de Oro City Mayor Aquilino Pimentel, Jr. has expressed fears that arrested civilians in the hands of the military are not safe.

This comment was elicited from the Cagayan de Oro mayor when asked in a local radio station interview about the four students who were arrested Oct. 30 in the town of Magsaysay and later killed in an "ambush" when these four young people were brought to Gingoog City.

The four arrested youngsters between ages 16 and 18 were all killed before reaching Gingoog city, Pimentel revealed.

Pimentel said he has written the military authorities asking that the incident be thoroughly investigated.

"We are awaiting the results of the formal investigation and the truth must be told," Pimentel said. "Other wise," he hastened to add, this and similar cases are the very ones that lead people to be radicalized."

Meanwhile it was also reported that the officer in charge of the arrested youngsters, a certain lieutenant, has been held in police-military as a result of the incident.

CSO: 4200/151

MILITARY WATCHLIST REPORTED

Cebu City VISAYAN HERALD in English 17 Nov 82 pp 1, 16

[Article by Al Alinsug]

[Text] An opposition PDP leader has denounced the listing by the military of some 102 citizens in Cebu in what is known as 'watchlist' which the military is alleged to have kept for arrest and detention purposes "when it becomes necessary or when the time comes."

Ribomapil Holganza, secretary-general of PDP-Laban, has bandied around a xerox copy containing a list of names suspected to be linked with the Communist Party of the Philippines (CPP) and the National Democratic Front (NDF).

In the list are teachers and professors, nuns and priests, lawyers and professionals, students, labor sympathizers, politicians and mediamen.

Three leaders of the opposition PDP-Laban including Holganza, are in the list.

Seven mediamen are mentioned.

A reporter, Leo Fabular, said he knows 31 of them and he copied the 31 names.

Among the mediamen is Danny Gonzales who writes a regular column in the Visayan Herald.

Holganza expressed anger over the supposed list of "subversives" and he branded this as another attempt by the Marcos regime to terrorize the civilians.

The opposition leader pointed to Eduard Vargas as in the list but who has already been arrested and detained. In the case of Vargas, a habeas corpuz petition has been filed in the Supreme Court which ordered the production of Vargas' body before the Tribunal.

Holganza said there is use for this list. He warned that should anyone in the list "get lost" at least we know whom to ask.

The list was earlier referred to former Cong. Tony Cuenco who heads the PDP-Laban in Central Visayas and he was said to have worried why he is not in the list.

When Holganza was asked who furnished him the list, he declined to reveal his source, saying it comes from his "intelligence."

Gen. Alfredo Olano, Recom 7 Commander, denied any knowledge of a watchlist being kept by the military when asked to comment on it in an early morning interview over a radio station.

"We don't keep any such list," he was quoted to have said.

Holganza was yesterday special guest of the Cebu Tri Media Association (CTMA) in a meeting at Great Han Palace. The meeting was also attended by a visiting journalist, Henrik Docker, who belongs to the Danish News Agency.

CSO: 4200/151

MARCOS EXPEDITES STEEL MILL PROJECT

Manila PHILIPPINES DAILY EXPRESS in English 21 Nov 82 pp 1, 6

[Text] PRESIDENT MARCOS directed yesterday the immediate implementation of the "700-million integrated steel mill, one of the major industrial projects the government is undertaking.

To speed up the construction of the steel mill, the President issued:

--Letter of Instructions No. 1277 directing the Investment Coordinating Committee of the National Economic and Development Authority to accelerate the implementation of the project and the Central Bank to include financing of the project in its 1982-83 foreign credit budget

--Proclamation No 2239 setting aside 302.5 hectares of public land in Iligan City and the foreshore area adjacent to it for the immediate use and occupation of the National Steel Corp. which is building the steel mill.

Under the LOI, the Board of Investments has been directed to consider the project a pioneer industry under Presidential Decree No 1789

The National Power Corp. will supply the mill with its power needs through 1990 and make other provisions according to its previously approved power development program

THE STEEL MILL is an expansion of the existing facilities of the defunct Iligan Integrated Steel Mill Inc. (IISMI) and will have iron making, steel-making and rolling mills facilities.

In justifying the project, the President said the mill would be capable of producing steel at $160 per ton compared to $260 per ton for imported steel, using as raw material local iron ore which is still being exported.

The mill will be self-liquidating even by supplying only the domestic requirements with steel at $160 per ton, he pointed out.

ASIDE FROM the integrated steel mill, the other five projects now under construction are the copper smelter, cement industry expansion, diesel engines manufacture, heavy engineering industries, and the fertilizer plant.

The other five projects, aluminum smelter, petrochemical complex, integrated pulp and paper plant, alcogas and coconut industry rationalization are all moving in various phases of development.

IN LOI NO. 1277, the President directed NSC to secure, through negotiations or expropriation, certain portions of public land in Iligan City now occupied by the idle fertilizer plant and related facilities of the Maria Cristina Fertilizer Corp. (MCFC).

He directed the NSC to pay the MCFC for its rights on the land at P30 per square meter, or the assessed value, whichever is higher.

The NSC will also give the MCFC the option to remove its fertilizer plant, including all equipment and machineries, or sell or cede ownership over them to NSC.

A fair market value for all these properties will be determined by the Asian Appraisal, Inc. or as may be mutually agreed upon by NSC and Maria Cristina.

An agreement must be reached within 60 days, after which time the Iron and Steel Authority (ISA) will expropriate the property under Presidential Decree No. 272.

THE PRESIDENT also directed the minister of public works and highways to assist the NSC in building a diversionary road to substitute for a portion of the existing national highway which will be closed with the construction of the integrated steel mill.

The ministry will reimburse the NSC of P16 million which the NSC will spend for the road from the amount to be made available by the Ministry of the Budget, the President said.

CSO: 4200/149

GOVERNMENT ASSURING COCO-OIL MILLERS

Manila BULLETIN TODAY in English 24 Nov 82 p 24

[Text] Coconut oil millers who have been prohibited from selling abroad have nothing to be afraid of because the government has committed to buy at higher-than-export prices all the coconut oil that will not be absorbed by domestic private buyers.

This was the opinion of sourcesin the coconut industry in the wake of increasing anxiety among about 47 oil milling companies whose export permits were temporarily lifted by the Philippine Coconut Authority in September.

The sources emphasized, however, that the question will soon become academic as there is a strong possibility the PCA might change its mind. Instead, the sources said, the 47 millers will merely be required to fill a domestic requirements quota first. Then they may export.

The PCA is expected to spell out the mechanics of the new arrangements "in a few days," the sources said.

The government will be buying coconut oil chiefly to supply its ongoing coco-diesel program, wherein coconut oil is blended with diesel. The program is intended to veer away from imported petroleum and tap indigenous energy sources. Also, under the coco-diesel program, millers are assured of a steady, long-term buyer.

The export ban was imposed on the 47 companies because they each failed to export a minimum of 40,000 metric tons annually in the past two years and also because they were operating under capacity.

Industry sources, on the other hand, indicated that even if the PCA would not reverse itself on the ban, the indsutry would benefit in the long term.

CSO: 4200/151

ROMANIA OFFERS TO BUY COCO OIL

Manila BULLETIN TODAY in English 25 Nov 82 p 21

[Text] The Romanian government has sought the assistance of the Philippines for the procurement of coconut oil and fats under a counter-trade arrangement reached between the two countries.

The Romanian request was contained in an urgent note addressed to Deputy Minister of Trade and Industry Vicente B. Valdepenas.

Dr. Julian Dumitru, head of the economic section of the Philippine-Romanian government joint commission on economic and tenchnical cooperation and trade, cited the provisions concerning the counter-trade arrangement included in the protocol of the joint commission's fourth session which sought to implement the accord reached between the two governments.

The protocol stipulates that payments for Philippine export products are to be made in Romanian goods like machinery chemicals and other products of import interest to the Philippines.

The Romanian request for oils and fats were intended for soap manufacturing.

The Romanian official said his government is seeking assistance in obtaining the quantities, prices and the terms for the delivery of the said Philippine products.

Romania is one of the socialist countries which the Philippines has entered into a counter-trade arrangement. The government has been tapping non-traditional markets for its export products, notably coconut, garments and other agricultural crops.

CSO: 4200/151

LAUREL PRESSES UNIDO PROPOSAL

Manila BULLETIN TODAY in English 24 Nov 82 p 36

[Text] DUMAGUETE CITY, Nov. 23--Former Senator Salvador H. Laurel, president of the United Nationalist Democratic Organization, urged President Marcos yesterday to agree to the creation of a "Preparatory Commission for National Reconciliation and Unification." Laurel said the body would steer back the country to constitutional democracy and prevent what he called the further radicalization of the people.

Laurel spoke at an executive committee meeting of local UNIDO, Nacionalista and other opposition leaders of Negros Oriental headed by former Rep. Herminio Teves, younger brother of Gov. Lorenzo Teves; and NP Provincial Chairman Agustin Perdices.

Laurel and his party followed up their sortie of this vote-rich province with speeches at a symposium at the Siliman University and a huge rally in Tanjay which drew thousands of people in sugarlandia and adjoining provinces.

UNIDO's national leaders, including former Senator Eva Estrada Kalaw, UNIDO executive vice-president, UNIDO National Vice President Antonio Gatmaitan, former senator Rene Espina, Assemblyman Valentino Legaspi, Misamis Oriental Gov. Homobono Adaza, Batangas Gov. Jose C. Laurel V, and Mel Lopez, UNIDO treasurer, joined Laurel in the Negros Oriental barnstorming tour.

CSO: 4200/151

CRIME PROBLEMS IN SOUTH RISE

Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 82 p 3

[Text] ZAMBOANGA CITY--A study has attributed the rising juvenile delinquency in western Mindanao to poverty, large size of families and environmental factors.

The study, conducted by the Ministry of Social Services and Development, found that majority of youthful offenders come from poverty-stricken families with children ranging from eight to 14.

The area constitutes the Muslim autonomous region and is made up of the provinces of Basilan, Sulu, Tawi-Tawi, Zamboanga del Norte and Zamboanga del Sur.

POPULATION as counted by the National Census and Statistics office in the 1981 national census was 2,446,558 dividing into 1,237,957 males and 1,208,601 females.

The MSSD study was based on the responses made by wards of the Silungan Center here, a rehabilitational and correctional halfway-house for youthful offenders throughout the region, and socio-economic surveys previously undertaken in the five provinces.

Juvenile offenses ranged from arson, robbery or burglary, homicide, theft, vagrancy and vandalism, reported Zenaida L. Arevalo, head of the Zamboanga MSSD field office.

MOST of the children, especially the boys, were forced to fend off for themselves because of inability of parents to support them, she said. The father earned a living either as plain laborers, landless farmers or drivers whose incomes were minimal or not enough to support their families.

Some of the wards came from families whose fathers were either deceased or had abandoned their families.

MSSD conducted the study in the wake of growing incidence of juvenile delinquency in the region. It found that children committed crimes because of their need for food and other bare necessities of life.

MOST of the wards resided in the congested and economically-depressed areas of the region whose overall crime incidence was high.

The three most overcrowded districts here are Canelar, Sta. Barbara and Sta. Catalina. Their incidence of juvenile delinquency is the highest compared with other urban areas in the region.

The study likewise found that majority of the wards at the center had finished two to three years formal schooling. Poverty of their families compelled them to drop out of school.

TO HELP bring down the region's escalating juvenile delinquency incidence, Arevalo said the MSSD field office has launched a campaign in cooperation with concerned school authorities, civic and religious organizations.

CSO: 4200/149

SAD STATE OF SCHOOLS BARED

Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 82 p 7

[Article by Yvonne T. Chua]

[Text] THE LOCATION, condition, and physical facilities of the country's 30,451 public elementary schools are far from being ideal, a study of the education ministry's Office of Planning Service tends to show.

The study, which took into account 2,640 public elementary schools, showed that only four of every 10 schools are in good condition. The rest are dilapidated and badly in need of repairs, incomplete by standard plans, or outright "condemnable" and must be replaced.

THE SCHOOLS, most of which have Marcos and Bagong Lipunan-type buildings, are also "found wanting in facilities."

Only a little over half have water facilities and only 30 of every 100 schools have electric service, the study said.

Ninety-two of every 100 pupils walk to school, the study said, and it would be most ideal for them to traverse that distance in 10 minutes. But pupils are forced to walk at average of 22.51 minutes to get to their schools.

THE STUDY, which also cited one-and-a-half as the ideal number of barangays a school should serve, found that majority of the public elementary schools cater to residents of three barangays.

Half of the schoolbuildings surveyed are permanent structures and constructed according to government-set standards. But the other half are either substandard or have been modified, or semi-permanent or temporary structures.

The study found that schools usually have three buildings used for academic purposes and one non-academic building used for home economics and industrial art courses, or as a library, storeroom, or administration building.

The non-academic buildings fare worse than the academic buildings because most are dilapidated, substandard, and semi-permanent structures.

CSO: 4200/149

URBAN CHILD NUTRITION IMPROVING

Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 82 p 7

[Text] SERIOUS or third-degree malnutrition cases among Manila's pre-school age children have been decreasing in the past five years, according to the city health department.

The department claims an incidence of only 1.3 percent as of last September. Highest incidence was in 1979 with a rate of 3.3 percent.

The latest percentage was determined during the monthly weigh-in conducted by public health centers in all of the city's wards or "barangays."

The weigh-in or "Operation Timbang" found an overall undernutrition incidence of 56.2 percent which the department breaks down as follows:

First-degree or mild malnutrition, 43.3 percent; second-degree or moderate, 116 percent, and serious or third-degree, 1.3 percent.

About 38.5 percent were found to be enjoying adequate nutrition while 5.3 percent were overweight.

THE DEPARTMENT calls attention to the fact that serious children malnutrition cases in the city have been progressively declining since 1978 when the incidence was recorded at 1.5 percent.

Third-degree cases were highest in 1979 with a rate of 3.3 percent. This went down to 2.3 percent the following year, became 1.89 percent in 1981 and further dropped to 1.3 percent last September, according to the department.

Overall malnutrition rates during 1978-1982 have also been going down. City Health statistics placed the percentage or 66.5 percent in 1978. This went up to 68.45 percent the following year and progressively dropped to 57.7, 57.39 and 56.2 percent in the last three years.

THE DEPARTMENT attributes this positive development of the stepped-up nutrition campaign being waged by City Hall.

The city's campaign is three-pronged: direct feeding, distribution of subsidized food supplements and barangay-level monitoring of malnutrition cases.

Feeding centers are set up in barangays determined to have 40 to 50 children suffering from various degrees of undernutrition. The centers prepare daily lunches or snacks for the children. Each child is allotted a meal costing P1.50.

The meals or snacks are prepared by a designated health worker under employ of the city. The children are weighed every month.

Supplementing task of the center is distribution of food supplements to mothers of children found afflicated by second and third degree malnutrition. The food usually consists of nutrition-reinforced noodles and biscuits.

Staff of city health centers conduct seminars to teach the mothers how to correctly prepare the food for their malnourished children who are also subjected to weighing every 20 to 40 days.

THE CITY'S child malnutrition problem is being monitored by a network of barangay "nutrition scholars." So far, 54 of them have undergone a training course prepared by the health department.

The nutrition scholars conduct house-to-house surveys to determine cases of malnourished children, assist in other health services of the center, disseminate nutrition information in their respective neighborhoods, and conduct demonstration on how to prepare low-cost but nutritious meals.

The nutrition scholar network is a joint project of the city health department and the National Nutrition Council. It is designed as a vehicle to carry the national government's current anti-malnutrition campaign to the grassroots level.

CSO: 4200/149

LOCAL LEADER LEADS POLITICAL RALLY

Cebu City VISAYAN HERALD in English 13-14 Nov 82 pp 1, 12

[Article by Eleodoro Mongaya]

[Text] ZAMBOANGA CITY--Four leading opposition leaders will speak in what is billed as the biggest information rally at the Sunken Garden this city on December 4, 1982.

Mayor Cesar Climaco made this accouncement even as he asked the assistance of Southcom chief Major General Delfin Castro, for the safety of the crowd.

Mayor Climaco in an exclusive interview with Visayan Herald in his city hall office said "our biggest worry is the safety of the audience and the speakers."

The information rally will start at 2 o'clock until sundown, the opposition mayor said.

Lined up as principal speakers are Ass. Salvador Laurel, former Senators Jose Diokno, Eva Kalaw and Rene Espina and other opposition leaders in the Visayas and Mindanao regions.

He said the information rally is not an electionrally but to inform the people of the state of the nation today.

Just like the rallies in Bacolod and Tacloban City sponsored by the United Nationalist Democratic Organization (UNIDO). Climaco said the Concerned Citizens Aggrupa- [as printed]

CSO: 4200/151

GOVERNMENT STEPS UP PALAY PURCHASES

Manila BULLETIN TODAY in English 22 Nov 82 p 36

[Text] Massive palay buying by government is now underway nationwide, the National Food Authority (NFA) said yesterday.

The NFA said that the procurement operations are part of strategies to intensify and speed up palay buying from rice farmers as mapped out by top NFA officials and regional directors in a meeting last weekend.

Food Minister Jesus Tanchanco said that funds are being released to regional and provincial offices to buy palay from farmers at the support price of ₱1.70 per kilo.

Funds came from the ₱500 million ordered released by President Marcos last week for palay procurement this harvest season, he said.

With the procurement funds palay prices are expected to perk up this week to benefit rice farmers, he said.

The NFA's buying operations will also force unscrupulous rice traders and millers to stop buying palay from farmers at exploitative prices, he said.

The traders and millers promised to buy palay at government support price level in a dialogue with Tanchanco and Agriculture Minister Arturo Tanco last week.

The government-private sector dialogue was called in the wake of reports that unscrupulous traders were buying palay for as low as ₱.90 per kilo, way below the support price of ₱1.70 per kilo.

Tanchanco said that palay stocks bought from farmers will be kept safely in government warehouses strategically located in various parts of the country.

He said field men have been instructed to insure that palay stocks are well-stored to prevent spoilage.

Tanchanco directed regional directors and NFA field men to buy palay only from farmers entitled to the government support price and not from impostors.

CSO: 4200/150

DETAINEES' RELEASE SOUGHT

Manila BULLETIN TODAY in English 21 Nov 82 p 40

[Text] Twenty-two political detainees in Camp Bagong Diwa, Bicutan, asked President Marcos yesterday to release 69 detainees now held in three military camps in Metro Manila and to end the solitary confinement of three others.

In a letter to the President, the Bicutan detainees invoked the government's normalization program and noted the joint move of the Ministries of Justice and Defense to insure due process in the investigation, arrest, detention and prosecution of persons accused of crimes against national security.

Claiming they had not been afforded due process, the detainees asked for a reivew of their cases so that "those against whom no credible evidence can be presented be released forthwith and dropped from the charges, and the others be afforded the right to bail."

But because bail is not available to them by virtue of the issuance of either an ASSO or a PCO, the detainees asked President Marcos to grant them temporary release.

The detainees categorized the 69 detainees they ask to be freed as follows:

1. Two (Modesto Pasana and Pepito Serrano) who have been ordered freed by the Quezon City CFI for having served out their six-month prison sentences (they have been detained for over two years).

2. Two (Rene Marciano and Baltazar Pinguel) who were recommended for release last March by Defense Minister Juan Ponce Enrile.

3. Four factory workers (Rodolfo Benosa, Nestor Bodino, Alfredo Mansos and Edwin Tulalian) arrested last February, and four labor organizers detained with them in Bicutan (Danilo de la Fuente, Alex Marcelino, Benjamin Sesgundo and Charlie Palma).

4. Five accused of subverions as "ordinary members" liable for 6-month imprisonment but detained for eight months now (Rogelio Aberca, Manuel D. Guzman, Joseph Olayer, Marco Palo and Rolando Salutin).

5. Three long-held detainees (Fidel Agcaoili, Satur Ocampo and Sixto Carlos, Jr.).

6. Four arrested last February without warrants (Edwin Lopez, Noel Etabag, Alan Jazmines and Arturo Tabara).

&. Thirty-five workers and trade unionists arrested last August-September now held in Camp Crame (including Felixberto Olalia Sr., Crispin Beltran, Merdardo Roda, Bonifacio Tupaz and Ronaldo Cantes).

8. Four women detainees in Camp Crame (Doris Baffrey, Belen Flores, Violeta Marasigan, and Jocelyn de Guzman) and two in Camp Bago-Bantay (Lucia Alita-Pagador and Linda Ferrer-Valmonte).

9. Four suspected leaders and members of the Natinal Democratic Front (NDF) held in Camp Bago-Bantay (Horacio Morales Jr., Fr. Ed de la Torre, Antonio Moncupa Jr. and Christopher Sorio).

CSO: 4200/150

MISUARI DENIED SUPPORT

Manila BULLETIN TODAY in English 21 Nov 82 p 40

[Text] Filipino Muslims who recently arrived from a pilgrimage to Mecca reportedly refused to shell out even a dollar from their pockets when asked for contribution by Nur Misuari, self-exiled leader of the Moro National Liberation Front.

This was disclosed Tuesday by Maj. Gen. Delfin Castro, commanding general of the Southern Command (Southcom) in a chance interview with Manila newsmen who accompanied Gen. Fabian C. Ver, Armed Forces chief of staff to Jolo, Sulu.

Castro joined Ver's trip to Jolo and was interviewed at the Air Force' airport in Zamboanga city on the return trip, by the media representatives.

The Southcom commander said the report on Misuari's alleged asking for contribution "for the Muslim cause" from pilgrims was reported to him by the Filipino Muslim pilgrims upon their return from Mecca.

According to Castro, several years back, the pilgrims used to look for Misuari and chipped in part of their money to Misuari for the "Muslim cause" in the Philippines.

However, Castro said that based on what the returning pilgrims told him, it was now Misuari looking for them and asking for whatever amount they could afford to support the Muslim cause.

CSO: 4200/150

ROAD BUILDING PROGRAM IN FULL SWING

Manila PHILIPPINES DAILY EXPRESS in English 25 Nov 82 p 3

[Text] ILOILO CITY, Nov. 22--A massive road-building activity is in full-swing in the provinces of Iloilo, Capiz and Negros Occidental. Completion next year of the program will bring about socio-economic development to the people.

Deputy Works and Highways Minister Aber P. Canlas, who inspected the 10 on-going road projects in Region VI over the weekend, said it was the biggest infrastructure program launched by the government in the Vasayas, amounting to some P385-million.

Local officials in the region who met with Canlas had expressed their appreciation to President Marcos for his concern in giving development to the region.

Immediate marketing of farm and sea products will be attained with the completion of new highways coupled with farm-to-market asphalt roads, they said.

THE ROAD network consisted of 289 kilometers of concrete and asphalt pavements, depending on the road traffic.

Roads used by all types of vehicles are to be made of concrete while those of lesser traffic will be asphalted, Canlas said.

The project is financed by a loan from the World Bank with the government chipping in 45 percent of the total outlay.

CSO: 4200/150

PER CAPITA FISH INTAKE BELOW SET NORM

Manila PHILIPPINES DAILY EXPRESS in English 24 Nov 82 p 12

[Article by Feliciano Magno]

[Text] MANILA--Fish remains the primary source of protein in the national diet but annual per capita intake of the food item continues to be below the prescribed level.

Latest measuring conducted by the National Food Authority (NFA) shows the per capita consumption as very much less than the set 32.5 kilograms a year.

NFA reports that while the 1980 catch of 1,672,000 metric tons was 5.7 percent above the previous year's production, it was still 58,000 metric tons short of the projected effective domestic demand.

The prescribed per capita consumption divides into 25.2 kgs. of fresh fish and 7.3 kgs. of crustaceans and mollusks.

The NFA findings complement earlier ones made by the Asian Development Bank and the United Nations Food and Agriculture Organization, two multilateral agencies actively assisting the Philippine government improve production of its fisheries sector.

The food agency cites two reasons for the fish intake deficiency of majority of Filipinos: Low incomes and inadequate fish production.

Government is tackling the first problem by setting up special retail outlets which sell food commodities at prices below those obtaining in the open market, reports NFA. The outlets or "Kadiwa retail stores" are in a chain set up by the Food Terminal Inc., one of FFA's arms. The stores, some which are mounted on trucks, concentrate on the economically depressed areas.

The outlets implement one of the main functions of NFA:Set up an efficient nationwide food distribution system and ensure that food prices and those of other essential commodities remain stable or within reach of those with low income.

Gains are also being achieved to make fish production adequately fill domestic demand, claims NFA. Statistics from the Bureau of Fisheries and Aquatic Resources show an average 5 percent annual increase in fish catch during the 1975-80 period.

The bureau projects that the current shortfall in output will be covered before end of this decade.

For the present, however, NFA acknowledges that the country must resort to imports to cover the gap between supply and demand. Imports in 1979 amounted to 45,878 metric tons.

Analyzing the nation's imports of fish and by-products, NFA says half is in canned food fish, mostly supplied by Japan, while the other half in fishmeal.

The small or sustenance fishermen continue to be the main suppliers of the nation's food fish. NFA places their contribution to the total national catch at 60 percent.

Because of such contribution, the government is now concentrating on the small fishermen to help them increase their production, explains NFA. Government assistance comes in liberal production loans and extension of technical services.

(In a recent study, FAO found this small fishermen in the Philippines, and elsewhere in the Southest Asian region, are among the "poorest of the poor" with government assistance to improve their plight needing some boost to achieve the desired effect.)

The rest of the country's fish production is supplied by the commercial or deepsea fishing sector and fishponds whose respective contributions are 32 and 8 percent, according to NFA.

CSO: 4200/150

NATURE OF RADICAL CHRISTIANITY EXAMINED

Manila BULLETIN TODAY-PANORAMA in English 21 Nov 82 pp 5-9

[Text] THE BASIC CHRISTIAN Communities (BCCs) have become the most potent political force of the Church in the Philippines today."

This was the gist of a confidential government report written by a ranking official of the Armed Forces of the Philippines sometime in the late seventies. The report strongly recommended to the government a closer monitoring of the BCCs as well as the need to improve relations with the institutional Church to neutralize the progressive elements within the Church.

The report gave the first indication of how the government felt about the BCCs, a Church program that in the Philippines was started in Mindanao in the late sixties by Maryknoll missionaries. The impetus for the BCCs was provided by the Second Vatican Council and the Conference of Latin American Bishops in Medellin, Colombia in 1968. Essentially, it was spurred by the realization that the Church is the people of God, and that the faithful should share in the responsibility for and participate in the Church's functions and its mission of proclaiming the good news. In Latin America, in particular, the Church was faced with the lack of priests, on one hand, and the need to minister to the pastoral needs of millions of Catholics, on the other. Missionaries across the continent, taking the initiative to come up with new approaches, found the answer in basic ecclesial communities.

In the Philippines, experiments with BCCs were started in the prelature of Tagum, Davao del Norte by the Maryknoll fathers. Those first grass-roots communities were called Gagmay'ng Kristohanong Katilingban (GKK). Subsequently, missionaries from nearby dioceses (Butuan, Kidapawan, Cotabato), learning from the Tagum experience, adpated the program to their own milieu. Elsewhere, in Bukidnon, Iligan, Cagayan de Oro, Ozamis and Basilan, various efforts were made to set up the structures and train lay leaders for the BCCs.

Lay leaders are a key element of the BCCs for it is they, in the absence of priests, who assume an active role in the communities, primarily by bringing the people together to celebrate the Word of God. These leaders undergo seminars on Vatican II documents, the Bible, the living traditions of the Church, liturgy and the like. A support mechanism is provided by volunteer catechists and youth programs. When the lay leaders have been sufficiently trained, they

can by themselves organize and prepare for fiesta celebrations, novenas, rosaries and other religious activities with the meaningful participation of the faithful.

By its very nature--the organization of people, the mobilization of human resources, their awakening to their rights and their potential and above all, their realization of their basic human dignity--the BCC from its inception has been a prime target of government suspicion. All over the country there has been harassment of the BCCs. In some communities the people have been warned not to gather together; in others the lay leaders have been prohibited from discussing anything political. On a number of occasions, lay leaders and catechists of the BCCs have been arrested and put in prison. In August 1979 in Davao City two lay leaders were "salvaged."

1. A Priest and a Nun

IN SAMAR, says a nun who is deeply involved in BCC work and is now on the run precisely because of that involvement, "it came as a surpirse to the people that it is not God's will that they are poor."

"And for the government that is already revolutionary because the people start thinking, why are we like this. They had been conditioned to think that it's right that they get only 25 per cent of the harvest while the landowners, who only wait for the delivery, get the bulk. Then all of a sudden you tell the people they should get more."

The nun, almost 25 years a religious, had until 1970 been in Manila doing administrative work at a college run by her order. But feeling too enclosed in the city, she decided to apply as a rural missionary, to go to the people instead of waiting for them to come to her. "Anong klaseng missionary ang nakaupo?" she asks wide-eyed. When she first came to Northern Samar to build up BCCs together with another nun, the people would tell her, "Sister, what you are teaching us, about the dignity of man, is what we are hearing from the NPA." She would say, "Do they teach you about God?" "Ay no," the people would reply, shaking their heads vigorously.

Samar is among the country's most blessed provinces in terms of natural resources. It is also, however, among the most economically depressed of provinces. The logs in which the province is so rich benefits transnational companies. The nun says logs go straight down the river and into foreign-owned ships. Yet the people's homes are dilapidated, so miserable it makes them ashamed to welcome nuns or priests into their huts. In an area teeming with logs that should set the people economically free, the poor have no decent furniture. Four years ago, the province was struck by a devastating flood, but it was not rain that destroyed the homes, but the logs that, swept away by the current, rammed straight into the little huts. The people, says a priest who was there, were compensated with a ganta of rice and two cans of salmon.

In 1976, the Samar dioceses of Borongan, Calbayog and Catarman and Palo in northern Leyte got a consultative body together to coordinate programs they had in common, among them the BCCs. In those areas where they have been

introduced and accepted by the people, the BCCs have changed lives--and attitudes--drastically. For 400 years, the nun says, the Filipinos had been told by their faith that whatever happens to them is God's will for them. Now the priests and nuns are teaching them that God does not want them to remain poor, that they are poor because they are being exploited.

"If you read the Bible without bias," says the nun, "you will see that Christ's bias was for the poor. In a sense, with the BCC we are really subverting an order. We are teaching the poor, for instance, to help themselves even medically, through a self-help barrio medical program that means reduced income for professional medical men."

Everywhere priests and nuns went in the course of setting up BCCs, the people would not only talk about their poverty, they would also complain about the militarization of their areas. Until she fled Samar, the nun had been assigned a fairly new job: that of overseeing the justice and peace desk for the three Samar provinces and Leyte at the Social Action Center in Catbalogan. "We would receive letters every month from the barrios," she says. "We do not actually go out to the barrios looking for abuses. The letters, the people, came to our office. They would write down the details, make a list of what were confiscated from them. And they would sign the letters. Those who could not would put their thumbmark on their affidavits. That was a very great risk for them. They had to be at their breaking point to do that because the military could always go to their barrios and fire at them. We had a bundle of these documents but they were confiscated by the military during the raid on September 1." (A nun and two lay workers were arrested in that raid and detained.)

It's the priest's turn to talk now. Only 28 and three years a priest, he speaks in a torrent of words, his Visayan-accented English betraying the Samareno in him. "Our work," he says, "is mandated by Vatican II, gospel as life itself, man in his totality. They said dignity of man, it cannot be dignity in this part only, or that part. We have to address ourselves to the whole situation in which man is oppressed. And they call that a political act."

As a seminarian, the priest had to undergo rigid training in rural work in Samar under a program that stipulated no one was worthy of the priesthood unless he exposed himself to the poverty of barrio life. That was a baptism of fire for the young would-be priest as he witnessed terrible realities of militarization. During a fiesta in one town, he recalls, the military issued a list of supposedly "wanted" people. Some of those on the list would pay off and their names cleared, those who did not were tortured. Their sex organs would be tied with cloth soaked in kerosene and the cloth set on fire. Or they would be hung upside down. Or their wives would be raped. "We had affidavits," the priest says, but when he and his fellow seminaristas went off to Manila for a 30-day retreat, the military informed the people that the young men had gone off to the hills to join the NPA.

"They themselves are too scared to go into NPA territory," says the nun. "IF you could go and come back unharmed, they concluded you were NPA." Her first assignment in the parish where she was to build BCCs was to visit all the

barrios. She and her nun companion found one barrio had been evacuated; it had been the scene of a military operation. In another barrio, she says, the soldiers had carried away all the GI sheets; in another, they had cut down all the banana trees; in still another, they had collected their feces and wrapped these in bags which they dumped inside the houses.

In Northern Samar, the priest says, the people had been terrorized by two months of military operations. The head of one dead man was displayed in the poblacion, 35 ears attached to it. Dead people were brought to the centers tied to a pole and then dumped into a pit. Townsfolk who had survived the Japanese occupation said they had never seen anything so barbaric and worse, the atrocities were being committed against one's own people. "Following instructions," says the priest, "we reported the abuses to the authorities. We brought them the documents, but to our dismay they were dumped into the waste basket. Then we would furnish the commanding officers with copies of the documents and they would blame us."

In December 1979, after a priest, Fr. Restituto Cardenas, was detained by the military, Bishop Angel Hobayan declared a ban on all Masses during the entire Christmas season. The ban was lifted only when Father Cardenas was released on January 12. The unity displayed by the Church irked the military, says the priest, and they retaliated by branding the bishop a subversive. The bishop denied the accusation, but the denial never saw print. The military ploy, says the priest, is to pit the bishops against their priests, to make it appear that the Church is divided. Denials from the churchmen, he says, never get the same prominent treatment in the media as the government charges and insinuations against them.

"Ang initial reaction mo talaga," says the nun, "nakakagalit. Ano ba naman, mas mabuti pa ang mga aso, inaalagaan nila dahil they are going to kill it and then eat it afterwards. Ang tao, bale wala. Ipinagmamalaki pa nila."

Then she and the priest proceed to narrate a litany of cases, which comprise only a tiny fraction of the day-to-day occurrences in Samar:

Of how, on June 25 this year, Narciso Alegria came to Bagacay to fetch his daughter who worked as a helper for one of the families there. Father and daughter took a jeepney home. When the jeepney reached a barangay checkpoint, soldiers ordered the driver to stop and told Alegria to get off. He was questioned and accused of being involved in an ambush a few days before in another barangay. Without provocation and in front of his bewildered daughter, the man was shot dead.

Of how in one barrio in Taft, Loreta Pabua was killed allegedly by a member of the Army's 14th IB. A soldier had taken a fancy to her daughter but Loreta did not approve of him as a suitor. One evening some soldiers came, found Loreta alone in her house praying the rosary. They took her to the schoolhouse and there raped her, then killed her. They then dragged the body towards the national highway. At this point a cargo truck passed by and saw the soldiers with the dead body. The soldiers threw a hand grenade at the truck, killing three people. The driver of the truck lived to tell the story.

Of how the manager of a logging company asked the military for a detachment as protection against the NPA. Then complaints of abuses committed by the soldiers themselves started coming in. When the manager confronted the commanding officer about the complaints, the latter had one of four men he had detained brought to him. The CO then cut off one of the man's ears, roasted it and in the man's presence, ate it. The manager, suddenly conscienticized, when on the air to denounce the military. He also resigned his job.

"We have," says the priest, "a picture of soldiers stepping on the severed head of a dead man, and they are looking victorious and wearing rosary beads around their necks."

"Among our documented papers," adds the nun, "is a picture of soldiers near the entrance to a barrio--near a welcome sign--and they are holding up a head and grinning broadly. It is barbaric. Ganyan daw ang training nila. We had one report from Eastern Samar of an ordinary military operation, nagpapatrol, they could not get anybody, so they had nothing to report. On the way home they met someone who was also walking home. For no reason at all, the man was tied up, tortured, and while still alive, thrown into the river. One of the soldiers was telling the others, sobra na iyan, tama na iyan. He went to the camp ahead of his colleagues. When the others came, pinagtulungan siya, bakla daw siya. In Catubig last year, there was an ex-seminarian, a trainee among the soldiers. The next year he dropped out. Sobra na raw ang ginagawa nila."

The priest says, "One of them told me, you have to commit these abuses so that you will be transferred. They're also afraid of staying there."

Yet it's not fear that motivates most of the time. "We were in Catubig in northern Samar," says the nun," where this notorious battalion had headquarters in the local agricultural school. One of the teachers was telling us what these young boys said. 'Alam ninyo, Ma'am, kung bakit kami nag-volunteer dito, kasi madali ang promotion. Pag may nahuli, promotion. Pag walang report, walang promotion."

"I think," the nun says, "these soldiers are trained for war, wala namang kalaban doon, di maghahanap ng kalaban. E, hindi nila makita ang NPA dahil natatakot silang pumunta sa interior, so nagmimilitary operations sa mga barryo. The barrio people have composed a song, like 'pa-training training ng ilang buwan tapos mag-ooperasyon, ang kukunin lang pala ay mga manok, mga aso.' It's like being all dressed up for a party but there's nowhere to go."

"This training for war," says the priest," makes them always tense, they feel they're being watched so they're always ready fo fire. So if they've been moving in the hills and do not see anybody, with all the pressure and tension, anybody who irritates them, bang! And they're not well paid, so when they go to the barrios, they collect from the people--rice, chickens, eggs, whatever they can find. They even tell the people to build their barracks for them and to supply the materials."

"In one barrio," says the nun, her eyes seething with rage, "some soldiers were playing basketball and out of the blue sabi noong isa, 'Ang sarap

bumaril.' Anong klaseng pag-iisip iyon? Kursunada lang. Ilindi maganda kasi ang mukha mo, e. They will even say it."

The nun says the Social Action Center of which she was part was in the process of collating data on military abuses. Now the papers are in the hands of the military. And, she stresse, what they had in the Center were only the reported cases from 1981, after martial law was supposed to have been lifted. "Nakakayanig--halos-araw-araw may nangyayari."

There are, she says, three battalions with headquartesr in Western Samar, one in Northern Samar, two in Eastern Samar, not to mention the army battalion, the air force, the navy.

"If the people stay where they are," says the nun, "it's only because they have nowhere else to go."

"I think," says the priest, "evacuation would teach the military a lesson. In 1979 in the north the people were trying to prove they had nothing to do with the NPAs so they had to evacuate. What happened at the evacuation center? Epidemics, and there were no doctors. Worse, there was no food and the people had no work. They were being harassed even at the center."

"How can you say," asks the nun, "that that is God's will for them? Paano nila iyan matatanggap? Image of God ba iyon?"

"The trouble is," says the priest, "they are propagating their monkey business [word(s) missing' of government, and when they are criticized, they say we are hitting the government. We cannot ignore the corruption, the wanton violation of human rights around us, and when we hit the corruption and the violations we are hitting the government, we are radicals."

"Poor lang ang sinasabi, subversive ka na," laughs the nun. "That's why many priests in Luzon cannot understand why we are like this. Kasi sa Luzon halos lahat ng baryo naaabot ng sasakyan. Doon sa Samar naglalakad kami ng ilang oras and when you get to the barrios you eat only root crops. Talagang nakakaawa. The first time we went around the people would insist on giving us some money so bibilangan ka nila ng tigsisingko, tig-didiyes. Ku-kunin mo pati ang kanilang huling sentimo?"

"You have to go to our place," says the priest, "feel the vibration of the people and that's the only time you can judge us. People like us, who are trying to be Christians, are being called radicals."

"Nakakahiya to claim we are radicals," says the nun. There are many more radical than I, the way Jesus Christ and John the Baptist were, walang personal possessions. We are only simple priests and religious trying to live out the gospel."

"To think," says the priest, "our leaders are Catholic, then they brag about it, they kill. They're pharisees in our midst."

"Mabuti pa nga ang walang relihiyon, they are more human," says the nun. "Tayo, we use religion as an excuse for killing."

"In the time of the crusades," the priest says, "the Catholics waged holy wars. These are holy wars, too, in defense of faith and human dignity. This is not political activism."

"Yes," agrees the nun, "if you really examine it, this is holy war. Doon naghahanap lang sila ng Holy Grail, something sacred, pero hindi buhay. Ito, defense ng tao, buhay ng tao."

Are they, being all too human, afraid for themselves?

"You die only once," says the nun. Pag inalay mo ang buhay para sa tao you don't think of yourself because your life is no longer yours. Ang kinatatakot ko lang masagasaan ako because then you die for nothing. I think I resolved this a long time ago."

"It is," says the priest, "natural to be afraid for you life but to give up your rights and principles and your faith, then you might as well give up your life. You cannot run away forever."

"How it will end," sighs the nun, "ang mga tao ang sasagot noon. The people will endure up to a point. Maski hindi ka mag-preach ng human rights, pag nasasaktan ka na ...

II. The Lawyer Priest

CONFLICT between Church and State, says Fr. Joaquin Bernas, provincial of the Society of Jesus, "is bound to happen, it is inevitable. The disappointing thing would be if you didn't have any conflict because it would mean the people are not awake."

Bernas, a lawyer and former Dean of the Ateneo Law School, explains:

"You look at it this way: the way humanity has its impact on society is a gradual process. In the beginning, of course, men tamed, as it were, nature. That was a first phase. But as progress went on, then there was a certain objectification of the changes they created. These changes began to have a reality distinct from the individual. For instance, let's take the very simple things, the transition from the hunting stage to the farming stage. Once farming got to be a reality, the structure of a farm society gained a reality of its own distinct from the individuals themselves. And this reality, the farming society, had an impact on the activities of the individuals themselves, it affected how they set up their homes, and so forth. It was the same thing with the advent of industrialization. Capitalism has a reality of its own which has an impact on the way people act.

"That is why sociologists speak of various phases of violence. First, a structure is created. This structure puts pressure on individuals, for example, the industrial revolution put pressure on the individuals as a form of violence and

the individuals who were oppressed by these structures reacted. That's another form of violence, and it comes out in terms of revolution, and so forth. That's the second stage of violence. And then the structure reacts by suppression--that's the third phase of violence. That generates still another reaction.

"If one looks at Philippine society, these phases have been in operation. Over the years, in the early sixties and seventies, with gradual conscientization, people, particularly the idealistic, began to see and realize more and more the objectification of the various oppressive structures of society, how these were having an effect on individuals. So they agitated, and we had the period of demonstrations. This produced a corresponding reaction from authorities, either government or private corporations hiring their own armies and moving in to suppress the various movements. And then there is again a reaction from this movement.

"For as long as you have structures which embody certain values and you have these individuals who recognize these structures for what they are and are propelled by their own ideas of justice and equality and so forth, they are bound to react to these things. That is what has happened here and in Latin America. Here you had the early phases--the gradual recognition of the oppressive structures, the period of activism and demonstrations, and then repression, culminating perhaps in the imposition of martial law.

"It's a continuous process. Then you take into consideration the fact that the teaching of the Church has emphasized more and more the social aspect of Christianity and the thrust of the apostolate, particularly in Asia, has become more and more social rather than the individualistic type of spirituality before Vatical II.

"I don't think these conflicts are bad because they can result in adjustments, necessary ones. They could be completely destructive if the total society did not share common values, but I think for as long as even the oppressors and the oppressed possess a certain commonality of values, then I think there can be adjustments. Now, how long that can take, and with how much violence, I don't know.

"There are a lot of valid things in the claim that there is common ground between Marxism and Christianity. The concern for justice is certainly common between them. But when you come to the actual details of the thing, it's hard to say. Did you see the BBC documentary on the Philippines? Father Balweg comes in there and he is telling about himself. Although he says he is with the underground and they showed pictures of him handling rifles and he is involved in the struggle, the way he explains his own position in relation to his priesthood is that the heart of the priesthood is sacrifice of one's life for the sake of one's fellowmen in the same way that Our Lord offered His. And the Mass is basically that, a sacrifice. Balweg says his whole life is a Mass. It's a very noble thing, if you just prescind from the fact that he is a priest without making any judgments on how he lives his priesthood. I wouldn't question the generosity and the sacrifice this person makes. But since I have no familiarity with his own interior life it is hard to make any judgment. What

complicates it very much is, if it is true that he is involved in the movement that is atheistic. During the Japanese Occupation you had a lot of priests in the underground but the ideological aspect was not there. So what are the ultimate motivations, the ultimate values, of the individual? I wouldn't know. But certainly in terms of sacrifice, generosity for the poor and the oppressed, you have to take their hats off to them. They dare a lot of things which I certainly wouldn't dare myself.

"I would hesitate to put labels on the clergy and the religious--whether one is radical, liberal, conservative, whatever, because labels can be not only misleading but also unnecessarily disruptive of chances of unity. In many cases it's not a question of what ideology one holds but more of how one reacts to concrete situations. You could have people whom you might call conservative but then when oppression touches them, then they react in a confrontational way. I think the word subversive is very loosely used by government forces. Subversive in effect, as far as the government is concerned, is anybody who does not agree with them. If you don't like the policy of the NHA and you criticize it, and you get people to disagree with their policy, you are a subversive, no matter what means you use. But if you're going to be technical about it, at least under the Anti-Subversion Law, subversive refers to a person who seeks to overthrow the government and hand it over to the sovereignty of another power. Any sort of change is considered subversion now, when it is not according to the thinking of government authorities.

"I don't think, however, as some people do, that the Church is being persecuted. There are clear signs that the Church is being hindered in many of its works: the farther away you go from the center of power, the more heated the conflict is and the problems are of hindering the work. The government from the very beginning has been very suspicious of basic Christian communities because these in many instances enable the people to stand up against oppression. It gets them together, gives them a sense of strength, a sense of belonging, and so enables them to stand up to oppressive barrio captains, for instance. So to the government the BCCs are a competing power.

"The State and the Church are interested in the same audience, the same people, and in many cases the officers of the state and the population of the state are members of the Church. So it is inevitable that there will have to be interaction between the two. So what is the ideal thing? I wouldn't go back to the confessional state, where you have a state religion, in a situation like that you practice religion out of compulsion, not out of belief. I believe this business of separation is better. Certainly, in a situation we have where we belong to different religions, there should be cooperation in things where we can cooperate. The people can dialogue with one another. Will there be conflict? Again, this is inevitable. The difference would be in the degree, and the survival of the society will depend very much on our values that are common. Certainly, there are a log of common values because many of them, like justice, charity, peace, are sincere human values. So if we are able to work on these things, to emphasize these, then chances are we can minimize the conflict. Conflict itself can bring about changes for the good of all.

"I think if people in the government leadership were truly committed Christians it would really make much difference. This becomes very evident even on

the small scale. Take for instance the mayor of Cagayan de Oro. The ideals of Mayor Aquilino Pimentel, the ideals of justice and peace, are very much the ideals that Church leaders have been pushing for. It has been very good for Cagayan. We were talking about the phases of violence earlier. In many cases I think the people responsible for violence being perpetrated are not aware of the violence they are committing so that when this reaction comes in they feel they are the offended parties and so they react with repression. So if you ask, for instance, should a Christian be involved in violence? I would say in the first place a Christian should not be involved in this type of violence--repression--but here is where you ahve a question mark. When people ask, should we be against violence? Here you cannot easily give an answer because it may be necessary."

III. The Bishop and the Generals

I KNOW PERSONALLY," Bishop Antonio Y. Fortich of Bacolod told the Bishops-Businessmen's Conference a fortnight ago, "that President Marcos does not know these things because he is a man who is trying to do his best to make the Philippines the best country for Filipinos to live in." The good bishop, at his diplomatic best, was referring to what he termed the indiscriminate arrest of priests and nuns all over the country, the most painful to him being the case of Fr. Brian Gore, his own parish priest of 13 years, accused of subversion and illegal possession of explosives and ammunition.

"The military," Bishop Fortich declared," is trying to destroy what the President is doing. One night I received a call from the President. He asked, waht is the matter, Bishop? And he assured me taht every man is entitled to the protection of the Constitution. For example, now we are trying to protest against the abuses of the military. The President has said in a speech, any misdemeanor of the uniformed people must be reported immediately to the officials of the government. So I said to our priests, let us protest, these task forces are violating human rights in our province. Many of these so-called task forces are making the poor civilians miserable. They are scared. And these things are really happening in our country."

"General Ramos told me," the Bishop went on, "you tell your priests, they are Filipinos, they have a right to criticize the government. But missionaries who are foreigners are only guests in this country. Having statements from the President and from General Ramos--even if the military defy them--is better than having no statements at all. Next week we shall have a meeting, a few bishops with General Ver, General Ramos, Defense Deputy Minister Barbero. After that we are lobbying for an audience with the President. President Marcos would be fuming with anger, if he only knew what is happening."

Aren't the Church and the military just using each other in the Church-Military Liaison Committee, the Bishop was asked during the open forum. And how long could this go on, Salvador P. Lopez wanted to know.

"If we do not go to the meetings they will brand us as subversives," the Bishop said candidly. "But there is mutual respect. The military will know that we are strong. I told the provincial commander in Negros, remember this,

if you feel you can solve this problem alone, you watch out because the people are observing you, they want to know if you are sincere. I don't know how long it will last, but as long as we are not yet divorced I am taking advantage of this presence for the sake of the poor in the hinterlands. They are very scared."

IV. The Religious Superiors

IN THE PHILIPPINES we are called to a commitment to defend human rights and help eliminate the unjust structures in our society that oppress the dignity of people as children of God redeemed by Jesus Christ.

"Hence, we have undertaken new initiatives to help create a society based on justice, truth, freedom, love and peace. For some of us this initiative is in the reorientation of our life and work towards justice; for others, it is in the undertaking of new ministries such as ministries among tribal Filipinos, urban poor, industrial workers, and rural poor.

"New structures of ecclesial communities, especially among the poor, are beginning to emerge.

"Experience shows that the carrying out of this mission is no easy task since it entails an integration that is hard to come by. The salvation we proclaim can neither be restricted to the economic, political and socio-cultural, nor confined to the realm of the purely spiritual. It envisages the whole man in all his aspects, including his openness to God. It seeks the total liberation of man from both personal and social sins, paving the way for God's kingdom. It demands an integral spirituality.

"Hence we recognize our need as religious to take time to reflect and discern the will of God in the signs of the times. While we use every human means for the salvation of man and the transformation of the human situation, we must rely on the power of the Spirit working through man to renew him and the face of the earth."

(Excerpts from the Mission Statement of the Association of Major Religious Superiors of the Philippines).

V. The Minister

THE MINISTER of National Defense, Juan Ponce Enrile, speaking before the Mulawin Lions Club in Sta. Maria, Bulacan on October 22, 1982:

"I would like to reiterate the government policy that the radicals in the religious sector may speak out on any subject under the sun, or engage in any secular activities which they believe in God, freedom to be different, freedom from regimentation. This is the essence of our way of life that they want to destroy, which they consider sinful.

"We allow these religious radicals to exercise all of this freedom. Even if we know that by so doing, by so exercising it, they want to destroy this very

freedom, this very State, this very government, this very society, including the Church, which allows the enjoyment of this freedom.

"We allow them to speak out as long as they do not violate the law. As long as they, like you and I, must comply with the law. In which case, if they will violate the law, they will be treated accordingly just like you and I, like all violators of the law. For, after all, there must be one law for everyone, whether we are just ordinary human beings, or whether we are wearing the habit of a priest or a nun.

"Let me make it clear that there is no such thing as a strain in Church-State relations in our country. We have never talked of any strain in Church-State relations. What we hear are some sectors of religious elements in the land, claiming that the government is persecuting the Church. How can the government possibly persecute the Church, when the very people that it must serve are members of that Church? It would be the most foolish effort ever done by a government to persecute the very Church that represents the very people that it serves. For if it does so, then it will be persecuting itself because the State also represents the people that make up the Church."

VI. Query

The foregoing are scenarios from our times of men and women of the Church and mean of the State, both claiming to serve the people, both invoking the name of God. The question is, are they serving the same people? Are they invoking the same God?

"If you make my word your home you will indeed be my disciples, you will learn the truth and the truth will make you free."

(John 8:32)

Lorna Kalaw-Tirol

CSO: 4200/151

BRIEFS

EEC GRANT EXTENDED--THE EUROPEAN Economic Community has agreed to extend to the Philippines a $40-million grant to assist the country's dairy development program, Agriculture Minister Arturo R Tanco Jr said yesterday. Tanco said the EEC has agreed to donate 5,000 metric tons of skimmed milk and 1,667 metric tons of butter oil annually for five years. The milk product will be sold by the Philippine Dairy Corporation to local processors. The proceeds will be used by PDC to finance the dairy program. [Manila PHILIPPINES DAILY EXPRESS in English 19 Nov 82 p 2]

WORLD BANK LOAN GRANTED--A $22.4-million loan has been granted by the World Bank to the Philippine Fisheries Development Authority to finance the national fisheries development project of the government Benito Bengzon, PFDA general manager, said the loan will be channelled to fisheries projects designed to upgrade the livelihood of at least 2,500 municipal fishermen and to increase fish production by about 700 tons worth P8.9 million annually. [Manila PHILIPPINES DAILY EXPRESS In English 19 Nov 82 p 2]

NPA SYMPATHIZERS, SUPPORTERS SURRENDER--THREE women commanders of the New People's Army, tired of fighting and living in fear and restlessness in their mountain lairs, have reversed their fate last week. Instead of leading their forces in an armed conflict against government troopers, they rallied some 500 NPA sympathizers and supporters in barangays Kamada and Uhas, both in Magpet, North Cotabato, to return to the fold of the law. Pledging their allegiance before Gov. Carlos B. Cajelo in simple rites were Commanders Connie, Tessie and Amy. Their real names were not disclosed. A big factor which resulted to the mass surrender, Cajelo said, was the sincerity civilian and military officials in the area showed through the government's "Balik-Kapatid" program. [Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 82 p 2]

NPA HIT MAN KILLED--DAVAO CITY--A hitman of the liquidation squad of the New People's Army in Southern Mindanao, and another rebel suspect were killed Saturday in a brief gunfight with lawmen at Bolton Isla, about 300 meters from the PC barracks, this city. Col. Dionisio S. Tan-gatue Jr., southern Mindanao PC regional commander, identified the fatalities as Renato Maglupay alias "Florie" and "Puru," the head of the Sparrow Unit in the Southern Mindanao regional party committee of the CPP-NPA, and Jose Edrada, alias "Victor" and "Pepe," former political officer of the CPP-NPA in Calinan and Baguio districts, this city Tan-Gatue said the two were the principal suspects in the killing of local newsman Edgar Nagar and a number of PC soldiers. [Manila PHILIPPINES DAILY EXPRESS in English 23 Nov 82 p 2]

CSO: 4200/149

PRESIDENT WANTS 15-YEAR TERM

Colombo THE ISLAND in English 20 Nov 82 pp 1, 3

[Article by Peter Balasuriya]

[Text]

President J.R.Jayewardene called upon the people to give him a 15-year-term to meet the nation's aspirations.

Comparing the Government to a five-year old child now, the President said it was only when the child attains 15 years that it reached maturity. It was the same with the Government, a 15 year period would ensure maximum economic prosperity.

He was addressing a mammoth gathering at the Hatton Bazaar yesterday when he hade this appeal.

Mr.Jayewardene was greeted by a vast crowd despite intermittent showers.

Observing the TV antennas over several buildings in Hatton Mr.Jayewardene said it was Government's desire that every home had a TV. This was possible very soon with the power generation proposed from the Victoria Scheme.

The President said that the Country's march toward economic prosperity was gathering momentum. He, therefore, looked forward to the people's support to continue this programme without interruption.

Referring to an earlier speech by Mr.R.P.Wijesiri, the President observed that Mr. Wijesiri had blown the lid off the SLFP secrets. How could such a party ever seek a mandate from the people in this country.

Speaking on the Referendum, the President said that when the matter came up in Parliament only four members Mr.Lakshman Jayakody, Mr.Anura Bandaranaike, Mr. Ananda Dassanayake and the CP member Sarath Muttettuwegama dissented.

If Mrs.Bandaranaike was faced with such an advantage in Parliament, she would have exploited that situation and continued in power without seeking a Referendum, but he as the leader of the country commanding 53% of the votes was now appearing before the people to obtain their consent to continue in power for another six year period.

At the recent Presidential Elections the N'Eliya district polled 49,418 votes. He appealed to the voters to repeat this at the Referendum on December 22

Mr.Gamini Dissanayake the Minister of Lands, Land Development and Mahaveli Development said President Jayewardene's success at the Presidential Elections created world history. No country in the world electing a President had ever returned a President to power with such a majority. This was the result of the nation's call for a better world to live in with self respect people have placed confidence in the political leadership of Mr.Jayewardene. "Iam certain the President will be given the consent without hestiation".

CSO: 4200/153

SIRIMA ACCEPTS REFERENDUM CHALLENGE

Colombo THE ISLAND in English 20 Nov 82 pp 1, 3

[Text]

"Prime Minister Mr. Premadasa has challenged the SLFP to come out into the open and defeat the UNP at the forthcoming referendum. The SLFP will accept that challenge despite the severe odds it has to face, SLFP leader Mrs. Sirima Bandaranaike said in a statement to the press.

Mrs. Bandaranaike said:

"Today, many SLFP organisers including its General Secretary are being held in Army camps and by the police. The radio press or TV makes no mention of the SLFP. The SLFPers are being harassed. It is in this context that Mr. Premadasa is challenging us not to stay inside our homes but to come out into the open and work against the UNP.

"The SLFP will do not only that. The people will come to know about the anti-UNP referendum campaign spearheaded by me on November 23."

The statement adds:

"Mr. Premadasa asks us to come out into the open and work but many of our organisers are incarcerated. Today, our main task has become the search of our supporters who have been arrested. Despite that, our resolve to defeat the UNP has not diminished at all. Our organisational strength will in fact increase.

"Today, the UNP is attempting to find out the capacity of the SLFP's organisational strength. We are not willing to diverge our plans in this respect to the UNP.

"The people have reposed their trust in us and we have embarked on a programme of action. The UNP will get to know of our programme on the 23rd.

"All forms of media are today under the control of the government. All kinds of government propaganda are being disseminated through the state media. On the other hand some of the opposition presses have been sealed by the Government. The position of the Opposition is that it is not able to print a notice on its own. It is in this situation that certain big-wigs are throwing challenges at us.

"Today, people's festivals have been made into political rallies. Religious festivals have become places for political speeches.

"Attacks are being made from certain places where we have no right to reply. If accusations are made from places where we too could reply, then we are ever ready."

Mrs. Bandaranaike has said that she was prepared to meet the challenge of Mr. Premadasa. If her civic rights were restored she would challenge Mr. Premadasa to contest a seat with her.

CSO: 4200/153

SIRIMA ATTACKS EFFORT AT OUSTER

Colombo THE ISLAND in English 21 Nov 82 p 1

[Article by Nandasena Suriyarachchi]

[Text]

SLFP leader Mrs. Sirima Bandaranaike yesterday lashed out at certain party dissidents who are reported to have attempted to oust her from the leadership of the party.

According to informed sources, Mrs. Bandaranaike had, at the All-Island Party Organisers meeting, come out openly and said that she had information that certain persons in the politbureau wanted to remove her.

"The SLFP is not just two or three persons but the entire party," she had said, and added that she could be sent out of the party only if the general membership of the SLFP so desired and not on the whims and fancies of two or three persons.

According to informed sources, Mrs. Bandaranaike's remarks were a direct attack at a few members of the Politbureau who were reported to be making moves to make her play a low key role in party politics.

Yesterday's meeting of the All Island Party Organisers were held at the Rosmead Place residence of Mrs. Bandaranaike. The venue was shifted from the SLFP headquarters to her residence when SLFPers who turned up found two police trucks parked outside the premises. With rumors that "outsiders" were attemping to force infiltrate the meeting, it was decided to shift the venue to Rosemead Place, informed sources said.

At yesterday's meeting it was decided to oppose the extension of the life of parliament through a referendum. A proposal made by Messers D. M. Jayaratne, former MP for Gampola and A. M. Jinadasa to boycott the referendum was rejected and instead it was decided to oppose the extension of Parliament at the referendum.

Sources also said that the proposal by Mr. S. D. Bandaranayake, MP for Gampaha that the SLFP should join a National Government was not taken up for discussion. The concensus on Mr. Bandaranayake's proposal had been that since the Politbureau had already decided against it, there was no purpose in discussing it once again.

CSO: 4200/153

REFERENDUM CAMPAIGN ANALYSIS

Colombo DAILY NEWS in English 13 Nov 82 p 6

[Text]

The official campaign for the referendum starts next week, on November 17, with President J.R.Jayewardene touring the 24 districts and Prime Minister R. Premadasa and the Ministers covering the constituencies.

Ministers, District Ministers and MPs will spearhead the campaigns in their respective areas on behalf of the referendum while opposition leaders will fire the anti-referendum guns. The C.W.C. meets on November 17 to decide its stance, which will predictably be for the referendum.

Mrs. Sirima Bandaranaike, the SLFP leader, will be in charge of her party's campaign, the clamp on her civic rights regardless. She is legally permitted to participate in the referendum, which is beyond the pale of her civic rights. The referendum does not come within range of the election laws.

According to SLFP sources, Mrs. Bandaranaike has been considerably shaken by revelations of alleged plans for violence by the Hector-Actor (Hactor) Group. She is apparently biding her time till the investigations into the conspiracy are over. Mother and son were to be pushed out of the SLFP ring if Kobbekaduwa succeeded. She is probably planning the reverse.

The investigations, incidentally, are in charge of crack investigator D.I.G. Tyrrel Gunatilleke, who was recently reinstated following the arraignment of the chief prosecution witness in Selfridge's case against him. That witness, the shop's detective, was recently charged with burglary!

D.I.G. Gunatilleke has already examined some of the Kobbekaduwa group's toplayer, Hector Kobbekaduwa himself, Vijaya Kumaranatunga, wife Chandrika (Mrs. Bandaranaike's daughter), Anura Bandaranike and several others.

Mrs Bandaranaike

Anura, however, left for Europe last Sunday, reportedly to attend some youth conferences. His date of return is still not known but if whispers in that camp are correct, he will be a notable SLFP absentee during the campaign.

Mrs. Bandaranaike

He is currently, like his mother, disillusioned. But, inlike his mother he bared that disillusionment publicly. Although he toed his party line regarding the referendum during the parliamentary debate, he however came out strongly against Marxist infiltration into the SLFP.

It did not require a political seer to recognise his unhappiness as a SLFPer and more so as (one-time) heir to the Bandaranaike mantle.

There is considerable political gossip that he may either form another party or throw in his lot with the UNP.

He does see eye to eye with his mother who is, and wants him, too, to play a waiting game. Mrs. Bandaranaike suddenly finds herself in the worst plight ever—most of which is of her making—since she entered politics.

Scorned by her own SLFPers (the Hactor gang), cold-shouldered by her children, she virtually ploughs a lonely political and family furrow. She has antagonised party loyalists by her authoritarian methods, which infected her family in varying degrees.

Even son-in-law Vijaya Kumaranatunge, fuelled by ambition, has projected Kobbekaduwa as against Mrs. Bandaranaike in the party hierarchy.

The SLFP, consequently, is disintegrating faster than before the presidential election. The publicised exodus of big names like Kalugalle, Wijesiri and now Basil Rajapakse apart,

rank and filers are long jumping to the UNP.

Why are th SLFP breakaways not switching to the left? For one thing, they wil not have any truck with Marxism. For another, and more important reason, they see in J.R.Jayewardene a sanctuary for the present and a signpost of hope to the future. Hence Maithripala Senanayake has signed up with the pro-referendum ranks.

More defections from the SLFP to the UNP are expected when government releases the White Paper on the alleged Kobbekaduwa conspiracy for violence after the presidential election. From all accounts it will abound in grim revelations.

Mr. Kobbekaduwa will probably see Red--as will the people--when the White Paper is published. In fact, he will reportedly have to face charges regarding the publication of the ration book and--to crown his woes--is reportedly lined up for an election petition.

Saboteurs

Home Affairs Minister K.W. Devanayagam has been directed to weed out subversive elements in the Public Service. This move is welcomed by the public at large and organisations geared to national development, who feel that those appointed by previous regimes are still undermining confidence in the government.

Among those under surveillance is a key official of a plantations corporation, against whom a memorandum was sent recently to the President.

This individual reportedly keeps antagonising the tea trade by his refusal to accept their advice and by his arrogant behaviour. They are extremely concerned about his attitude since he has touched off more than storms in tea cups at a time when tea is taking a beating.

The Tamils

President Jayewardene is facing heavy pressure from his government group as well as extremist groups to cease treating the TULF as a government ally and, instead, consider it, as in fact it is, an opposition party.

He initiated a dialogue with the TULF last year to sort out mutual problems. During these pow-wows he decided to treat the TULF virtually, as a partner in a responsive co-operation move.

The President at every monthly meeting listened to and acted on TULF complaints and requests. Many of the irks which the TULF complained about were removed and, from all appearances, the ironing out of Tamil problems seemed well on the way.

Apparently, when the presidential election came along the TULF, facing a new force, the Tamil Liberation Eelam Front as well as the Eelam-oriented Tamil Congress, possibly could not openly come out for Mr. Jayewardene.

There were whispers that the TULF would, however, not openly oppose the Tamils voting for the President. Instead, it called for a boycott of the presidential election. It was, however, alleged that the TULF secretly worked against the UNP. The pro-Kobbekaduwa vote in Jaffna seemed to prove this.

Angerd by all this, UNPers have protested to the President against TULF behaviour. They point out that not only did the North not vote for Mr. Jayewardene, but voted for Mr. Kobbekaduwa.

They also argue that sections of Sinhala votes were also being lost to the UNP by these fruitless UNP-TULF alliance and have demanded that the TULF be treated like the SLFP--an opposition party.

As a first move they suggested that government officers with proven TULF sympathies in the North, East and Wanni areas be removed. "Insider" learns that the President has promised to consider this. He has, in fact, agreed to meet Mr. Amirthalingam (who wanted to meet him) in spite of opposition to this in the UNP hierarchy.

CSO: 4200/152

BANKS ALERTED AGAINST TIGER ROBBERY ATTEMPTS

Colombo SUN in English 23 Nov 82 p 1

[Article by Ranil Weerasinghe]

[Text] Banks and other institutions holding and handling large sums of money in the north are to be directed to maintain maximum security against possible terrorist strikes.

This alert comes in the wake of a 'freezing' of a large amount of the terrorists funds which were found to have been invested on their behalf by a member of the clergy presently in custody

Intelligence reports indicate that the funds collected by this terrorist group including the Rs. 8.1 million taken at Neerveli had now dwindled to practically nothing.

The security forces which have now positively identified the Chavakachcheri attackers as the Liberation Tigers headed by Prabakaran believe that the arrests of several members of the group following the Neerveli Bank raid, the maintenance of its remaining members in South India and the recent arrest in South India of Prabakaran himself, have left the Tigers very low financially.

The group, defence analysts claim, had come out of 'retirement' after an year and while their initial need had appeared to be weapons, money would now become a more vital necessity.

The Prabakaran group it was also pointed out were not only totally cold blooded in the course of operations but as in Kurumbasitty had no qualms about robbing members of the public.

Investigations are now underway to determine whether members of this group were now carrying out a campaign of extortion in the north. Although police have learned that a number of wealthy individuals had been forced to contribute to the 'terrorist funds' no one was apparently willing to come forward with any complaint.

Naval patrolling in the north has been strengthened as it is believed that the Tigers who are firmly entrenched in South India where they even have training camps, would be slipping in and out of this neighbouring country for their operations.

Following attempts by their alleged front liners like Kuttimani, Jegan and thangathura; the new additions to the Prabakaran group are virtually unknown to the security forces making their tracing all that much harder.

What has now perturbed the latter however is the fact that armed with weapons like the M1 calibre .30 carbine , and that they are are also conversant in the use of explosives.

CSO: 4200/154

SECURITY UNITS TO BE UNIFIED

Colombo SUN in English 15 Nov 82 p 3

[Article by Ranil Weerasinghe]

[Text]

Security services throughout the country are to come under a single umbrella organisation.

This is to establish and encourage a scientific and professional approach towards industrial and commercial security.

The Sri Lankan organisation, modelled on the lines of the leading British association — the International Professional Security Association (IPSA) is being formed for the prevention of thefts, frauds, sabotage and accidents.

Assisted by the police, the association is expected to promote a centralized body to improve techniques and methods and also to establish and foster ethical and professional standards.

This is vital, it has been pointed out, as at present modern security demands, particularly industrial security tasks are being performed by ad hoc agencies that provide personnel in varied uniforms. In fact they are glorified 'watchers', it has been claimed.

According to the police, in developing countries such as Sri Lanka, the security of all industries is so vital that it warrants the undertaking of this function by the police department. However it has been found that the police department's resources and available expertise which is largely geared to prevent and detect conventional crime, do not make this a very practicable proposition.

However, the police working alongside a well trained private security network, it has been explained could form a social defence programme which could effectively combat any losses and prevent a setback to that particular industry.

For this, it is necessary that professional standards of recruitment, salary scales, and training are maintained, it has been stated.

Steps will also be taken to create an awareness among the managements in general to the need for security — thereby emphasising that security is an integral function of the management.

The managements and workforces are also to be made aware of the importance of security for the smooth functioning and perhaps the very survival of their organisations. This is to allow the entire organisation to play a more meaningful role in the prevention of thefts, sabotage or accidents.

The super imposition of security, it is claimed, would be of vital importance in co-ordinating a security policy.

However, this would have to be done after a careful study of the security requirements and a proper evaluation of local needs in consultation with experts in the field of industrial security.

CSO: 4200/154

PRIESTS ARRESTED IN NORTH

Colombo SUN in English 15 Nov 82 p 1

[Article by Ranil Weerasinghe]

[Text]

The Defence Ministry yesterday initiated an immediate probe on the northern separatist movement's foreign fundings and connections with religious groups.

This directive came after security forces in the north yesterday took three members of the clergy into custody for allegedly having a large stock of subversive literature in their possession.

The security teams which launched a pre-dawn raid on a house in Colombaturai, near Gurunagar, recovered literature and a number of long playing records which contained songs and speeches calling for an armed struggle.

The records which had been pressed in Canada and the United States, were found in covers of records made by the late country and western singer Jim Reeves.

Intelligence teams which were questioning the three members of the clergy yesterday morning have learnt that the three "missionary" priests had been abroad on several occasions.

Defence Ministry sources told 'SUN' that steps were being taken to determine whether members of the clergy were being used to collect funds, set up youth cells and even bring in subversive literature and material from abroad.

Inquiries will also be conducted to ascertain whether members of this religious body had been behind attempts to forcibly settle Tamil families on state land in the north.

Information regarding the use of certain foreign non-governmental organisations with religious connections to further the cause and siphon money to the separatist movement is also being collated.

'SUN' learns that of the large number of separatists groups functioning abroad many were only interested in making money for themselves. But there were others who were utilising the funds collected for the promotion of separatist activity.

Defence Ministry sources said that there was reason to believe that the money was also being used to purchase arms and explosives.

The use of a calibre .30 carbine by the terrorists at Chavakachcheri appears to confirm this.

The fact that they were resorting less to robberies and more to arms confrontation indicates they were well backed financially at present, they added.

Meanwhile, the Army also took into custody a joint secretary of the Tamil Eelam Liberation Front (TELF), Elai Vedan, and detained him at the Gurunagar Army camp for questioning. No reason was given for his arrest.

CSO: 4200/154

'HOT MONEY' DEPOSITED BY PRIESTS

Colombo SUN in English 16 Nov 82 p 1

[Article by Ranil Weerasinghe]

[Text] Direct links between the Northern terrorists and several members of the Roman Catholic clergy, being questioned by Police and Army intelligence officers, have now been established.

The security forces which took three members of the clergy in for questioning on Sunday brought in one more priest following the recovery of Rs. 69,000 in crisp thousand rupee notes yesterday. The three priests taken in were Fr. Singarayar, Fr. Jeevendrapaul and Fr. Paul Nadchathiram. The latter was released yesterday.

The money is believed to be part of the 8.1 million rupees taken by terrorists at Neerveli following the ambush of a convoy in which two policemen were killed and which had been converted into new notes.

Another Rs. 1.1 million rupees deposited and withdrawn two weeks ago from a finance company is also being traced. Part of this is believed to have been re-deposited by a Parish Priest from Kayts Fr. Reginald Rajanayagam who was taken in for questioning yesterday and released in the night. Two other priests Fr. Sinharasa and Fr. Soosainayagam were also taken in for questioning in this connection.

The other part of the 1.1 million rupees is said to have been given after withdrawal to another individual referred to as "Seelan".

Investigative teams, who are going through the residences of the priests taken in for questioning, have also recovered a letter believed to have been sent from Manila calling upon the militant members of the clergy to emulate their counterparts in strife-torn Northern Ireland.

A special CID team has now been detailed to carry out investigations into the financial dealings of the four priests to determine whether more of the money stolen and robbed by the terrorists had been 'laundered' in this manner.

The police have also been directed to look into the 'foreign connections' of the priests with the aim of unravelling the involvement of any other religious or non-government organisation engaged in financing or supporting terrorist activity.

Investigators also believe that some of the priests had knowledge of the medical care made available to the terrorists in the Chavakachcheri Police station attack.

CSO: 4200/154

EXPLOSIVE CACHE DISCOVERED

Colombo THE ISLAND in English 13 Nov 82 p 1

[Article by Norman Palihawadana]

[Text]

The Pettah Police discovered on Thursday night a large quantity of explosives at Rosmead Place illegally stocked by a person said to be resident of the North.

The Police seized 20 bags of explosive materials and took four persons into custody.

The police believe this large cache of explosives was used to supply the terrorists in the North and that the materials had been imported into the country.

The leader of the gang involved in this is said to have escaped in a motor car when the police had raided the store.

Although the police had given chase, he is said to have got away.

In addition to the explosives, the police also took into custody but the investigation is expected to be handed over to the CID.

The value of the explosives recovered is said to be over Rs. 500,000. The police suspect that there are other such stores around Colombo which supply the Northern terrorists with explosives.

The raid was conducted by Inspector Shelton Perera, and Sub-Inspectors Wilfred and Nihal Perera with a party of constables from the Pettah Police.

CSO: 4200/152

GOLD, SILVER BARTERED FOR EXPLOSIVES

Colombo SUN in English 19 Nov 82 pp 1, 3

[Text] Gold and silver from Sri Lanka are bartered for explosive chemicals from India between smuggling groups of the two countries.

This has been uncovered by CID detectives probing the "explosive chemicals affair."

According to evidence now available, the trader who is evading arrest, in this case had maintained a constant contact with a group of Sri Lanka and Indian smugglers and had provided the Lankan smugglers with gold and silver jewellery to be smuggled into India.

This jewellery sources said, had been collected by this trader through a chain of jewellery shops, buying old gold.

These gold items had been sold in India and with that money, the trader is believed to have funded an Indian smuggling ring, that had supplied him with chemicals used in the manufacture of explosives from Singapore.

With the connivance of certain government sector officials these chemicals were either smuggled into the country via Hendala and Usweta-keiyawa or inside legitimate containers, direct from Singapore.

Among the Indian smugglers, investigators believe that there could be a few Sri Lankan nationals who have now taken Indian citizenship.

Meanwhile investigators are also attempting to ascertain whether monies collected by northern terrorists through robberies had been made use of as payments for these chemicals.

CSO: 4200/154

NAXALITE WEAPONS STILL IN CITY

Colombo SUN in English 13 Nov 82 p 1

[Article by Aruna Kalatunga]

[Text]

The attempt by Naxalite groups to unleash violence in the city by attacking several installations and assassinate several top politicians in Colombo is now being probed by a special police team.

This investigation is being described by police sources as a parallel investigation into what is being carried out by DIG Tyrell Gunatileke and his team with DIG (Metropolitan) Edward Gunewardene in charge of the investigation.

According to police sources, this inquiry will be concentrated on activities carried out in Colombo and will not involve any political investigation into the party hierarchy of the SLFP.

It is expected that detailed inquiries will be made on intelligence reports that guns an explosives had been collected in Colombo. These arms are still believed to be stored in Colombo.

One such 'arms dump' was raided by police at Kolonnawa where they found five hand bombs, two revolvers and a shot gun. They arrested twelve suspects in this connection.

The team is attempting to ascertain why these arms had not been disposed of, once the attempt was discovered and the emergency declared. According to sources, it is believed that these factions are still awaiting a chance to launch their attacks.

CSO: 4200/154

EXPLOSIVE CHEMICAL WAREHOUSE SEALED

Colombo SUN in English 15 Nov 82 p 3

[Text]

Police yesterday moved in to seal another warehouse of chemicals, which is alleged to be the central store for a group of merchants supplying northern terrorists with explosive materials.

This follows a breakthrough last Friday, where police raided a house at Rosmead Place and recovered chemicals — worth more than 100,000 rupees — used in the manufacture of explosives.

They have now uncovered material which suggests a well planned and co-ordinated operation by radical political groups in the north to elude the armed forces and the periodical house-to-house searches for explosives, arms and ammunition in that area.

It is now believed that the explosives were temporarily stored in Colombo after being smuggled into the country via Singapore and South Korea before being taken to Jaffna in small quantities.

The Criminal Investigation Department which was called in yesterday to assist the Pettah Police, is expected to check all customs records of persons believed to be involved in these activities.

Meanwhile, teams from the special unit now probing planned incidence of post-election violence in the city, of Colombo were also called into assist in this investigation. They are expected to find out whether there are any more stores in the city.

However, the police have been unable to trace the kingpin of the racket, the man who is responsible for importing these chemicals.

CSO: 4200/154

PAMPHLETS REVEAL POSSIBLE LEFTIST-TIGER TIE-UP

Colombo THE ISLAND in English 13 Nov 82 p 1

[Article by D.B.S. Jeyaraj]

[Text]

Extremist left-wing elements are reportedly resorting to subtle propaganda under cover of the prescribed terrorist movement, 'The Liberation Tigers of Eelam'.

Security personnel investigating terrorist activities are at present, probing the mystery of pamphlet-letters appealing directly to the services personnel operating in the north.

Although the letters, which are in English and Tamil, bear the frank "Liberation Tigers of Eelam' and the head of a tiger, informed sources told "The Island" that they believed the pamphlets were not authentic "Tiger" epistles.

The original "Tiger" pamphlet-letters and the present ones differ in the printing and style of language. The figure of the tiger in the letter, too, has a minor difference compared to the earlier letter. In addition th figure of the tiger has been printed in red whereas earlier letters had it in black.

Informed sources told "The Island" this indicated that these letters were not printed by the northern terrorists.

The letters, which were in the form of an appeal to soldiers stationed in the North, requested there to "fight against the oppressor state of Sri Lanka and as her in a socialist state."

This is the first time that a letter of this sort has been sent to service personnel in the north.

There are resportedly 2500 soldiers stationed at present there.

Informed sources told "The Island" that certain leftist parties and organisations were quite active in the north. Security intelligence had indicated that there was a possibility of a tie-up between radical elements in the south and extremist elements in the north," these sources said.

CSO: 4200/152

CID ARREST VIJAY, SEIZE SLFP FILES

Colombo THE ISLAND in English 20 Nov 82 pp 1, 3

[Article by Ajith Samaranayake]

[Text]

The leader of the Sri Lanka Freedom Party Mrs. Sirima Bandaranaike claimed yesterday that on the eve of the party's All-Island Executive Committee meeting scheduled for today, the CID had walked into the party's Darley Road Headquarters and seized the files. Mrs.Bandaranaike flanked by leaders of the parties which will campaign from a common platform against the UNP at the Referendum was speaking at a Press Conference which began nearly half an hour behind schedule because of the arrest of the party's Assistant Secretary Vijay Kumaranatunge at his Rosmead Place residence shortly after 3 .00 pm yester day. "Just before I left home they came and took him away" the SLFP leader said. She said about 15 key figures of the party hierarchy were in Police custody while the number of village level organisers under detention amounted to hundreds.

"By the time the Referendum is over all of us might be in custody" she said.

Mrs.Bandaranaike said that the detention of the SLFP General Secretary Ratnasiri Wickremanayake had seriously hampered party work. He was held in solitary confinement at Mutwal by the Army. "After several requests his wife was allowed to take him meals, but he is a [illegible] man" Mrs.Bandaranaike said. The SLFP leader said November 24 was the last day for a recognised political party to send the names of its agents for the Referendum. If Mr.Wickremanayake was not released from custody before this, the party would not be able to furnish the list.

SLFP's Deputy President T.B. Illangaratne said that the SLFP had addressed a letter to the President through its Parliamentary leader Lakshman Jayakody asking for an early interview to discuss the matter. "The President is in Kandy and we are told that he will return on Monday" Mrs. Bandaranaike said.

The Opposition leaders at yesterday's Press briefing strongly deplored the Government's move to hold the Referendum under Emergency regulations. "The Communist-oriented Daily 'Aththa' has been sealed and several printing presses which printed our literature have been closed. Under these circumstances who will work for us?" the Sri Lanka Communist Party's Deputy President Pieter Keuneman asked.

Mr.Keupeman said that in spite of the CP being accused of encouraging a Naxalite movement within the SLFP not a single member of the CP had been questioned so far. Reminded by a pressman that Mr.J.R.Jayewardene had as leader of the Opposition accused Mrs.Bandaranaike's former son-in-law Kumar Rupasinghe of being a Naxalite, Mr. Hector Kobbekaduwe quipped, "The logic is simple. Whoever is Mrs.Bandaranaike's son-in-law is charged with being a Naxalite"

Asked about allegations made by the Government and its media that Mr.Kobbekaduwe had not visited Mrs.Bandaranaike during or since the election and that there were differences between them, Mrs.Bandaranaike asked rhetorically "Will we be here in that case?". Mr.Kobbekaduwe said that this was because she had lacked civic rights. On the subject of a national Government Mrs. Bandaranaike said "I have made a statement opposing it". Anyway no such proposal has been made to us"

Asked how they could condemn the closure of the 'Aththa' when the 1970-77 Government had done the same to the publications of Independent Newspapers, Mrs.Bandaranaike said that when this was done there was no election in the offing like the present Referendum. "The moment we wanted to go to the polls we lifted the ban" she said.

Asked how they could oppose the extension of Parliament's life term when the previous Government, too, had extended its term for two years from 1972, Mr. Keuneman said that had been done because the new Constitution had come into operation that year. "But what is happening here? The President even two days after the Presidential Elections told the Foreign Press that a Parliamentary Election would be held and the only question was the date, but when he found that he couldn't win it he thought of this fantastic device of a Referendum which is sought to be foisted on the people" he said.

The Opposition parties represented yesterday were the SLFP(Mrs.Bandaranaike, Mr. Illangaratne and Mr.Kobbekaduwe), the CP (Mr.Keuneman and Mr.K.P.Silva), the Sri Lanka Samasamaja Party (Mr.Anil Moonesinghe and Mr.Percy Wickremesekara), the MEP Mr. Dinesh Gunawardene). the Democratic Workers' Congress Political Wing (Mr.A.Aziz), the Lanka Jathika Peramuna (Mr. Jinadasa Niyathapala) and the Democratic People's Front. A spokesman explained that the LSSP which was also a party to the campaign had not been able to send a representative because it was holding a Central Committee meeting at the time.

CSO: 4200/153

OPPOSITION HOUSE-TO-HOUSE CAMPAIGN

Colombo THE ISLAND in English 21 Nov 82 p 1

[Article by Daya Lankapura]

[Text]

Nine political parties have planned a house-to-house campaign next week against the proposal to extend the life of Parliament by six years through a referendum.

Their strategy is to conduct the campaign at a personal level instead of concentrating on large public rallies.

The ten parties comprise the SLFP, LSSP, MEP, Communist Party (Moscow Wing) Sri Lanka Sama Samaja Party, NSSP, Democratic Workers Congress (Political Wing) and the Lanka Jatika Peramuna.

Public rallies will be held on a district-wise basis with smaller rallies on an electoral basis.

The first rally will be held on Tuesday at Hyde Park presided over by the SLFP leader, Mrs. Sirima Bandaranaike.

Messrs Hector Kobbekaduwe, T.B. Ilangaratne, Dr. Colvin R. de Silva, K.P. Silva, Dinesh Gunawardhana, Anil Moonesinghe and Jinadasa Niyathapala are scheduled to speak at this meeting.

Meanwhile, in a statement issued yesterday, the JVP called for a united front of all individuals and organisations to vote against the referendum.

CSO: 4200/153

REFERENDUM MEASURE AGAINST TERRORISM

Colombo THE ISLAND in English 21 Nov 82 pp 1, 3

[Article by Peter Balasuriya]

[Text] A major percentage of the country's population lived in want and most children were undernourished. If this situation continued, people would prefer to hand over the government to a terrorist party than remain passive witnesses to democracy.

President J. R. Jayewardene said this when he addressed a referendum campaign meeting in the heart of Kandy City yesterday.

He said it was to avoid a situation like this that he gave a new orientation to democracy by incorporating the right of seeking a referendum in law so that the people's consent could be obtained to complete the gigantic. Development schemes and ensure a contended nation in the future. The government believed in democracy to the letter.

In pursuit of this belief the Government would never resort to violence to put down any form of terrorism. "We will get the people to do it through the use of the referendum" the President added.

A referendum was not undermocratic at all. It was a democratic weapon in common use in any modern democratic state to obtaind the consent of the people on issue that vitally affected them. Critics and opponents of the government may ask the people not to vote at a referendum or to answer in the negative but nobody could boldly say that a referendum was anti-democratic.

The referendum Act, was passed to enable the government to approve any piece of legislation considered vital and in the best interest of the nation.

In this instance, the people had elected him as President for a further period of 6 years but could not solve their problems without a team of trusted and competent men to assit him, in the massive task ahead of him. Even if Parliament approved this request unanimously he would still have to seek the people's consent through a referendum. "I want the Menika's, the Kumarihamy's the Podisingho's, the Suppiah's and the Abdul Cader's to consent to this. That is the purpose of the referendum".

In fact, the President added he would have preferred it if people were vested with the power even to elect the judiciary.

Referring to the TULF's decision to resign next year, the President said they need not wait till next year for the purpose they could do it immediately if they wanted to.

Mrs. Bandaranaike, who once forgot all about general elections and even local elections was now critising the proposal to hold a referendum.

He appealed to the people to repose in his ministers the same confidence they placed in him.

Compaining the government to a cricket team he said that as the captain of the team he would not be able to play a winning match if the bowler hurled a bomb instead of a ball or the batsman used a gun instead of a bat.

When President Jayewardene refered an alleged statement by a Buddhist monk at a certain meeting that "J. R. Jayewardene's entrails should be removed", a member of the audience interupted the President to say that he had been present at the meeting an that the monk uttered those words.

President Jayewardene told the man to meet him after the meeting because what he said was valuable evidence.

CSO: 4200/153

SUTANTIRAN MATERIALS 'DANGEROUS'

Colombo THE ISLAND in English 20 Nov 82 pp 1, 3

[Article by Gregory Wickremesinghe]

[Text]

The newspaper "Suthantiram' contained material which was calculated to be prejudicial to the interests of national security and the preservation of public order. The material the newspaper contained was likely to incite or encourage persons to create a civil commotion, claimed Secretary to the Ministry of State in an affidavit filed yesterday in the Court of Appeal.

The Secretary to the State Ministry had stated so by way of filing answer in respect of an application made to Court earlier by Ceylon Newspapers Ltd. Colombo, on the sealing of the TULF organ "Suthanthiram", a publication of the newspaper firm.

By the application filed under Article 140 of the Constitution, the newspaper firm has sought a Court order for a writ of certiorari and mandamus. The Secretary to the State Ministry and the Inspector-General of Police have been cited as respondents to the application.

The Secretary to the State Ministry had stated to Court that he made order on October 20 in terms of Regulation 14(3)(a) in respect of the newspaper in question in the lawful exercise of the powers vested in him. Police officers acting in terms of that order took necessary action as they lawfully might for securing compliance with that order.

He claimed that the paper carried a large photograph of a soldier with a bayonetted rifle pointed at a fallen person with a caption in the Tamil language The Paper also carried a front page article aimed at inciting Tamil nationals. The Article stated that the glorious motherland of Tamil Eelam was under a siege by the neighbouring State of Sri Lanka.

The State Ministry Secretary claimed further that the article tried to make out that the children and brotheren who wanted the liberation of Tamil Eelam were kept in army camps under torture. The article had also stated that two fighters for liberation were ready to kiss the hangman's noose. In bold front page headlines there was an appeal to reject Presidential and all other elections of Sri Lanka.

He had stated that considering material published in the paper in the light of the existing situation in the Jaffna district, he was of the opinion that the publication of the newspaper tended to incite violence and cause communal disharmony and feelings of ill-will and hostility to security forces engagaed in their lawful cuties in the Jaffna District. Hence he considered it necessary to make that order.

The Secretary to the State Ministry had also contended that the petitioner's application was misconceived and that the petitioner was not entitled in law to the relief's asked for.

The affidavit was filed by Mr.T.G.Gooneratne, State Attorney, on behalf of the respondents.

The Court comprising Justice O.S.M.Seneviratne and Justice H.A.G.de Silva listed the application for argument for December 6.

CSO: 4200/153

HECTOR CHARGED WITH CORRUPT PRACTICES

Colombo DAILY NEWS in English 13 Nov 82 pp 1, 9

[Article by Norton Weerasinghe]

[Text] **Mr. Harsha Abeywardene, the Secretary of the UNP, has filed a criminal prosecution against Mr Hector Kobbekaduwa, the SLFP Presidential candidate, alleging the commission of corrupt practices during the presidential election.**

Mr. Abeywardene said yesterday that this action in the High Court of Colombo was filed with the permission of the Attorney-General on Wednesday.

On Thursday, Mr. Kobbekaduwa filed an election petition in the Supreme Court challenging President Jayewardene's election on October 20. (see story on this page).

The UNP Secretary said that matters covered in the action he had filed included the issue of forged rice ration books, the making of false statements etc.

The papers were filed in court on Mr. Abeywardene's behalf by Mr. M. Herman Perera, attorney-at-law.

A list of 66 witnesses, including several police officers have been cited.

Among the witnesses cited in the action are Vijaya Kumaranatunga Chandrika Bandaranaike Kumaranatunga, Food Commissioner N. Pulendran and Mr. Harsha Abeywardene himself.

Mr. Abeywardene reported to court that it was brought to his notice that a spurious document entitled "Ration Book — 83rd series" had been distributed between 17th September, 1982 and 21st of October, 1982 in various parts of the country by agents and supporters of the Sri Lanka Freedom Party.

Upon further investigations he received credible information that the said document had been prepared, printed and distributed throughout Sri Lanka by office-bearers and members of the SLFP, including A. V. O. N. Abeygunasekera, acting as Mr. Kobbekaduwa's agent.

The information also revealed that this document was being offered by the said persons as a device or contrivance with which free rice and rations could be drawn from distributors when the said H. S R. R. Kobbekaduwa of the SLFP was elected as President on 21st October 1982.

He (Mr Abeywardene) was advised that the material set out constituted evidence of the violation of Section 81 (1) of the Presidential Elections Act No. 15 of 1981 read with Sections 77, 78, 79 and 80 of the Act.

He had in terms of Section 81 (3) of the Presidential Elections Act obtained the sanction of the Attorney-General for the institution of this prosecution.

The charges are:-

(1) That between the 17th day of September, 1982 and the 21st day of October, 1982 at Colombo and other places within the jurisdiction of this court Abangama Vithanage Oswin Nandimitra Abeygunasekera and others did commit

a corrupt practice under Section 80 (1) of the Presidential Elections Act No. 15 of 1981, read with Section 77 of the said Act to wit: corruptly giving device or means to wit: documents purporting to be ration books issued under the Food Control Act No. 25 of 1950, to enable the procuring of provisions to electors for the purpose of corruptly in-influencing such persons to give their vote at the Presidential Election held on the 20th day of October, 1982, and the said corrupt practice was committed by your agents or by others with your knowledge or consent and that you being a candidate who was not elected as President at such election are thereby liable to be punished under Section 81 (1) of the Presidential Act.

(2) That at the time and place aforesaid and in the course of the same transaction the said Ahangama Vithanage Oswin Nandimitra Abeygunasekera and others did commit a corrupt practice under Section 80 (1) of the Presidential Elections Act, read with Section 79 of the said Act to wit: giving valuable consideration to wit: documents purporting to be ration books issued under the Food Control Act No. 25 of 1950 to electors in order to induce such electors to vote at the Presidential Election held on the 20th day of October, 1982, and the said corrupt practice was committed by your agents or others with your knowledge or consent and that you being a candidate who was not elected as President at such election are thereby liable to be punished under Section 81 (1) of the Presidential Elections Act.

(3) That at the time and place aforesaid and in the course of the same transaction the said Ahangama Vithanage Oswin Nandimitra Abeygunasekera and others did commit a corrupt practice under Section 80 (1) of the Presidential Elections Act No. 15 of 1981, read with Section 78, of the said Act to wit: by fraudulent device or contrivance, namely documents purporting to be ration books issued under the Food Control Act. No. 25 of 1950 to electors in order to induce or prevail upon such electors to give their votes at the Presidential Election held on 20th day of October 1982, and the said corrupt practice was committed by your agents or others with your knowledge and consent and that you being a candidate who was not elected as President at the said election are thereby liable to be punished under Section 81 (1) of the Presidential Act.

CSO: 4200/152

EDITORIAL EXAMINES POLITICS, RELIGION

Colombo THE ISLAND in English 23 Nov 82 p 6

[Editorial: "Press, Politics and Religion"]

[Text]

The big story last week was the law enforcement authorities in Jaffna interrogating several Roman Catholic priests on suspicion of involvement in terrorist activites in the north. The arrest of the clergymen naturally made the headlines as it would have happened in any country where there are no shackles placed on newsreporters or the press as a whole. By reporting the arrest of the clergymen newsreporters were not passing judicial judgement over the suspects. They were attempting to report a subject of a very sensitive nature under trying conditions.

Now that most of the priests who were taken in for questioning have been released there is a better climate in which one can approach the matter. The sudden arrest of several young Catholic priests in Jaffna and the attendant publicity has without doubt caused considerable heartburn among the Catholics of the country. This is indicated in the statement issued by the Catholic Bishops Conference which said that while the bishops upheld the well known legal principle that any accused is deemed to be innocent until proved guilty they themselves dissociated from any attempts at violence or compliance with acts of violence.

The interrogation of the priests was part of the on-going investigation into terrorist activities in the north and what had obviously fuelled suspicion was that these priests had had large sums of money and it had been alleged that they had invested these monies in finance companies. The hypothesis put forward by the investigators is that this may have been the loot of the Neerveli bank robbery.

Another theory is that this might have been money sent by some foreign organisation for the rehabilitation of Tamil refugees, as was reported in 'The Island' last week.

A lot of publicity was generated over the questioning of the priests but that is in the nature of police investigations. Whether it is a case of robbery or murder or any other crime once police inquiries begin newspapers get interested in the story and overnight it shoots into the headlines. It is part of the function of a newspaper to keep track of an on-going investigation and it is a well known act that crime has a ready readership among the newspaper reading public. Not all the facts released to the press by the

police are proved to be correct in retrospect and this is why when a case which has attracted considerable interest comes to trial judges always caution juries not to be swayed by what they may nave read in newspapers.

The only safeguard a newspaper can adopt in this situation is to exercise its own sense of discrimination when the subject is something sensitive like race or religion. But this depends on the degree of social responsibility of a newspaper and its awareness of newspaper ethics. It is to the credit of the Sri Lanka press that none of the major newspapers in this country could be accused of promoting racial and religious hatred.

In this context it may be rather myopic to blame any newspaper for reporting the facts as given to it by the investigators. One can hope for a speedy conclusion of the inquiries and that the facts could be established once and for all so that the cloud of uncertainty and suspicion hanging over the issue can be finally dissipated. But this is more easily said than done. The responsibilities entrusted to the police and army personnel in conducting such investigations will not be envied by any law enforcing officer. It is to the credit of these services that their investigations are being conducted in accordance with the law under very arduous conditions It is also heartening to know that the investigators were in contact with the Catholic hierarchy in the North while the priests were being questioned. But if on the other hand as suspected in some quarters any member of the clergy has been involved with any proscribed movement the law must take its course as the Catholic Bishops Conference itself has pointed out.

That is why it is necessary that the authorities must go to the root of the whole affair. No interested parties should be allowed to make use of the issue to whip up any feelings against either the Catholic church or its clergy and conversely no one should be permitted to raise the opposite bogey of discrimination against Catholics or Tamils. These are ugly words but that is the reality of communal relations in the country and this is why the authorities must clear the air immediately.

CSO: 4200/153

PRIORITY FOR COCO-OIL FUEL RESEARCH

Colombo DAILY NEWS in English 10 Nov 82 p 1

[Text]

Thirty per cent coconut oil can be added to diesel without affecting the efficiency of the engine, asserts Dr. Ibasra Crus, 49, the bespectacled Filippino originator of coco fame oil.

"We can add more than that; but this is the viable proportion of mixing", he said.

Dr. Crus who is attending the first international producer gas conference at the Marga Institute, heads the Philippines' Energy Research Development Centre that has done considerable research in alternative energy sources.

He said his country had a planned program to reduce the import of petroleum by increasing the use of locally available sources. "Naturally our priority is coconut. We are the biggest coconut producers in the world," he said.

With the world market prices of coconut oil and fibre depressed to uneconomic levels, it was natural for Dr. Crus to turn his research tools to coconut oil and coconut husk.

"We experimented with coconut oil We mixed it in various percentages with diesel and found it mixed well. As a start we are now mixing five per cent coconut oil. We can increase this percentage if we want. That depends on the world price of coconut oil and the excess production we have", he explained.

The second approach of the Philippines is to make use of coconut shell charcoal and coconut husk in gasifiers. Currently about 1,000 coconut-shell gasifiers are in use there mostly in farms and in the fishing industry.

Coconut shells are burnt in gasifiers in limited amount of air to produce carbon monoxide and hydrogen which after purification is used to power diesel engines

"We are now experimenting with coconut husk as the coconut fibre industry is in difficulty. Some problems have to be solved before husk gasifiers are used" he said.

The third approach in the Philippines is to have fuel wood plantations and use their produce in small thermal power stations. "We are planning small power stations of two to three megawatts" Dr. Crus said. A fuel wood plantation of 12,000 hectares is needed for each power station.

CSO: 4200/152

TRINCOMOLY OIL STORAGE INQUIRIES

Colombo DAILY NEWS in English 10 Nov 82 p 1

[Text]

Singapore National Oil Company (SNOC) and Dutch oil terminal operator, Paktank Europe, are discussing plans to build a multi-million dollar terminal on Pulau Busing in the Southern Islands chain.

When finalised, the giant oil storage terminal will be the second such project in the Republic, a report in the 'Straits Times' of October 29, 1982 states.

Commenting on these developments in Singapore, Mr. Daham Wimalasena, Chairman of the Ceylon Petroleum Corporation (CPC) said yesterday that it was unlikely that the government will decide on the Trincomalee oil storage facility before January 1983.

He said a tender board with Cabinet Secretary, G. V. P. Samarasinghe as chairman and secretaries to the Ministries of Foreign Affairs and Trade and Shipping are now evaluating the six offers that were made by foreign organisations for setting up a oil storage facility at Trincomalee.

"All relevant and vital aspects of the offers would be looked into before the tender is awarded", Mr. Wimalasena said.

CSO: 4200/152

BAD NEWS ON TEA CROP

Colombo DAILY NEWS in English 22 Nov 82 p 6

[Editorial]

[Text]

The news from the *thottams* is again depressing. There was a crop loss of 1.9 million kilos last month compared with the previous October, and the cumulative loss in the country's tea production for the first ten months of this year is a sizeable 21.8 million kilos.

Admittedly, part of this production decline was due to a drought-hit first quarter. But even after the rains arrived, the harvest has continued to be less than what it was in 1981. The crop loss in September, after the rains had set in, was as much as the decline last month.

Fortunately for the economy, prices have been buoyant this year thanks to strong Iraqi buying at the Colombo tea sales. This had helped tea producers, including Sri Lanka, to gain on the price roundabouts what it had lost in the production swings.

There are some in the trade who would simplistically multiply this year's crop loss with the gross tea sale average, coming up with a figure big enough to build a Mahaveli dam. That is hardly an accurate reading. The currently cheerful price picture has been possible because there has been a global shortfall of production that had helped boost prices.

According to the latest available tea trade statistics, the global decline in production runs at around 35 million kilos at present. Figures from China, today one of the world's big tea producers, are not freely available; but this total, embracing the other major producers in Asia and Africa, is an accurate enough reflection of the condition of tea production worldwide. That has clearly contributed to the better prices.

What are the reasons that have kept Sri

Lanka's tea production at unacceptable low levels while competitors have forged ahead? It wasn't very long ago that Finance Minister Ronnie de Mel told the Colombo Tea Traders' Association that Sri Lanka, which had produced 207 million kilos of tea in 1961, had reached a production of just 210 million kilos last year.

He rightly described this stagnation as a 'virtual decline'. India's production had moved up over 60 per cent in the two decades since the sixties without any susbstantial increase in the planted acreage.

Kenya, which had produced 760 kilos per hectare in 1960, averaged a crop of 1,500 kilos per hectare twenty years later. India, too, made similar gains. We, unfortunately, have remained moribund.

Today the two big state agencies, the Janatha Estates Development Board (JEDB) and the State Plantations Corporation (SPC) control about 80 per cent of the country's tea production. Their estates cover 60 per cent of the tea acreage. According to the unaudited accounts of both corporations for last year, they had both dropped money largely due to the very high interest burdens they had to carry.

There is merit in the argument that the tea industry is too heavily taxed. But, as the Treasury asks, what else is there to tax? The Finance Minister has gone on record saying that an official committee had said in 1960 that the tea companies of the time paid as much as 88 per cent of their surpluses into state revenues by way of a variety of taxes, leaving about 9 per cent for payment as dividends to shareholders, and less than 3 per cent for capital investment.

The government is pumping what resources it could into the tea industry. Re-planting subsidies here, according to the Finance Minister, is higher than in both India and Kenya. The World Bank assisted tea rehabilitation projects are on the stream.

Yet, we continue to lose crop even when the weather is right. We have got to find out where we are going wrong, and apply the remedial measures as quickly as possible.

Thankfully, one of the good things about our tea industry is that its information systems are the best available in any sector in the country. When crop is lost, the bad news is quickly available. Let us hope that the remedies are applied as quickly.

CSO: 4200/152

EDITORIAL REVIEWS DIPLOMATIC MISSION FREEZE

Colombo DAILY NEWS in English 20 Nov 82 p 6

[Editorial]

[Text] There would have surely been some raised eyebrows, not only in the chanceries of the various diplomatic missions in Colombo but also among interested members of the public, about the foreign ministry decision this week that the missions must not raise present levels of diplomatic and other staff.

The only explanation for this 'freeze' that has been officially forthcoming was Mr. Tyronne Fernando's remark quoted in the '*Daily News*' that the decision had been taken "in the interests of everybody concerned".

Obviously, there must be reason enough for the decision; and, although the foreign ministry has not said so in so many words, there must be a clear feeling within the Government that some of the countries that maintain diplomatic missions here carry staff in excess of what is judged to be their reasonable requirements.

Thus, the foreign office, without ruffling anybody's feathers, has put out a general directive asking all missions not to increase the number of foreign personnel in their employ.

Some time ago, the foreign office indicated a degree of unhappiness about the many 'friendship associations' that some countries with diplomatic representation in Colombo formed. Nobody would dispute the need to control such activity, although no allegation of actual subversion by any foreign power was made.

Right now, the police are investigating what the Government has described as an effort by some political elements to unleash a wave of violence if the presidential election result went another way.

There have been allegations made about some foreign interest in domestic political affairs in this country, and most Lankans will remember being treated to the story--related in parliament--that money-bags were unloaded from the boot of a car at a residence in Colombo's plush Cinnamon Gardens area one dark night recently. The only illumination for this operation, MPs were told, was the tail-light of the car that brought the cash!

It appears absurd that any foreign mission, in a small country like this, should carry scores of diplomatic and other foreign staff. It may be useful for Colombo to think in terms of a ceiling that must be applied on the number of foreigners working at any embassy.

In these circumstances, and in the light of the on-going inquiry, the foreign ministry has acted in the best possible way to ensure controls without making accusations that could endanger the foreign relations of a country that values its non-aligned policy.

CSO: 4200/152

BRIEFS

SLFP SECRETARY ARRESTED--SLFP Secretary Ratnasiri Wickramanayake has been taken to custody by the CID in connection with the current investigation into certain incidents connected with the presidential election and thereafter. He is being held by the army in Colombo. [Colombo DAILY NEWS in English 13 Nov 82 p 1]

TULF MPS READY TO RESIGN--All TULF MPs yesterday gave their parliamentary group leader an undated joint letter of resignation from parliament to be handed to the secretary-general of parliament if the government wins the referendum. Mr. A. Amirthalingam, who holds the letter, said it states that the TULF MPs were elected to parliament for a period of six years on July 22, 1977, and their period ends on July 22, 1983. They did not wish to continue in parliament at the end of that period. "We will send in our resignation letter at the appropriate time if the government wins the referendum" he said. He said the party will hold meetings to explain their stand. "We will do so independently. We will not join the other opposition parties", he added. [Colombo DAILY NEWS in English 13 Nov 82 p 1]

PRIEST AND BROTHER ARRESTED--The Jaffna Police on Sunday night took into custody Rev. Jega Sunderaj, a Methodist priest and his brother, a doctor at the Puttur hospital, following the investigation of Northern Terrorists They are being kept at the Gurunagar Army Camp. Meanwhile, with the arrest of Mr. T. Nithyananda, a lecturer at the Jaffna University, and his wife, on Saturday, Jaffna Police suspect that many more campus teachers are involved in the northern terrorist mevement. Many of the terrorists captured so far and those on the wanted list are supposed to have connections with the student movement in Jaffna University. Security in the North has been further strengthened after a tip-off that the injured terrorists in the Chavakachcheri Police shoot-out are still in hiding. This move is to prevent them from slipping across the Palk Strait to South India. [Colombo DAILY NEWS in English 22 Nov 82 p 6]

THREE-YEAR DROUGHT ENDING--The severe drought experienced islandwide during the past three years is now easing, according to reports from the Meteorological Department. "Due to some major circulation anomaly, the winds that blew in were dry and not the usual moist Easterly winds from the Pacific region", said Director--Meteorological Department, Mr. R. Mahadeva. "This year, however, we had an excellent monsoon and very good rainfall. Almost all parts of the country now experiences rainfall", he added. Department officials

claim that this was the worst drought ever experienced in the country. They were, however, confident that with the positive changes in the weather patterns, there would not be another like it. The North-Eastern monsoon which begins in early December and continues till late January is expected to ease the present situation in many of the drought striken districts. [Colombo THE ISLAND in English 20 Nov 82 p 2]

GUARD ROOMS IN JAFFNA POLICE STATIONS--Police stations in Jaffna are being strengthened with the setting up of guard rooms manned by armed policemen to provide a frontline protection against sudden attack by terrorists. This move has been taken on the initiative of Deputy Inspector-General of Police, Northern Range, Mr. A. W. Rajaguru. In addition, every visitor to a police station will be required to produce identification before he is permitted to make a complaint or cantact the officer be wishes to meet. [Colombo THE ISLAND in English 20 Nov 82 p 3]

DROUGHT RELIEF FOR TWO MILLION PEOPLE--Almost two million people in eighteen drought-stricken districts receive drought relief from the government. This relief, which comes in the form of special food stamps and cash amounts to almost 29 million rupees each month. Since October, the Ministry of Social Services provides only flour on the special food stamps. Earlier, both flour and rice could have been obtained. The Ministry received a consignment of 15,000 metric tons of flour last month for this purpose, from the E.E.C. Officials claim that the drought which had been going on for the past three years was the worst this country had experienced during this century. Meanwhile, regular visits are made to the stricken districts by Ministry officials who are hopeful that the prevailing conditions will ease by February next year. The present drought relief will continue till December. [Colombo THE ISLAND in English 20 Nov 82 p 3]

VIJAY HELD AT MILITARY HOSPITAL--Mr. Vijaya Kumaranatunge, film actor was yesterday taken into custody by the CID. He was removed to the Military Hospital in Colombo when he complained to the Police and Army men who came to take him into custody that he was sick. Later Mrs. Bandaranaike told a press conference that he had been recuperating at home after he had been taken ill at a party meeting on Thursday and was given an ECG. Eye-witnesses said that shortly after 2 p.m. about two army trucks and over 10 CID cars had come to Rosmead Place. They had searched the house for about an hour. When Mr. Kumaranatunge had complained of being ill they had offered to take him in an ambulance but he had left in his own car in the company of the Police. Mrs. Bandaranaike told the press conference Mr. Kumaranatunge who had been questioned about four times by the CID on the fourth floor had been taken in on an order of the Additional Secretary to the Defence Ministry Gen. Sepala Attygalle. [Colombo THE ISLAND in English 20 Nov 82 p 1]

MILITARY VOLUNTEERS MOBILIZED--Personnel from four volunteer units of the Sri Lanka Army were mobilised last Wednesday by President J. R. Jayewardene on a special proclamation. The proclamation, which had been gazetted on the same day, states that the units are being called out for the prevention and suppression of any civil disturbances in Sri Lanka. The units which have been mobilised are the 2 Regiment Sri Lanka Signal Corps, Sri Lanka Army Ordinance

Corps, Sri Lanka Electrical and Mechanical Engineers and the Sri Lanka Army General Services Corps. [Colombo SUN in English 13 Nov 82 p 1]

PRIEST IMPLICATED IN BANK ROBBERY--Security Forces yesterday searched the living quarters of the Catholic priests taken into custody and then took them to the security headquarters to complete inquiries and further investigations, Brigadier Ratnatunga Commander of the Northern Security Forces said yesterday. It was revealed during the investigations that one of the Catholic priests had received about one million rupees from the Neerveli People's Bank robbery. On further investigations it was also revealed that this priest had connections with the terrorists who attacked the Chavakachcheri police station killing three police officers and taking away some arms and ammunitions. Security forces have recovered only Rs. 166,000 so far while further investigations are being conducted. Meanwhile the security authorities are in close contact with Jaffna Bishop's House. One priest is in custody and the rest were released and have now returned to their parishes. [Colombo SUN in English 19 Nov 82 p 1]

CSO: 4200/154

COLUMNIST IS PESSIMISTIC ABOUT CGDK EFFECTIVENESS

Bangkok BAN MUANG in Thai 17 Oct 82 p 5

[Ta Mo Lo column: "How Sincere Is the United States About Helping Thailand Solve the Vietnamese Problem?"]

[Text] At present, news about the situation along the Kampuchean border and about the Vietnamese in Kampuchea has diminished.

The latest report comes from Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs who just returned from a trip to the United States. He has revealed that the Sihanouk government is receiving increased support from various countries.

The Khmer Rouge, under the (deceptive) leadership of President Sihanouk, has managed to maintain its seat in the United Nations for another term.

I think that this is just a temporary victory that people should not get very excited about.

The Kampuchean border problem and the matter of the Vietnamese in Kampuchea affect and are significant for the security and safety of Thailand, particularly Thai citizens living along the border there.

And this is having a very negative effect on our economy and on the standard of living of Thai citizens.

Besides this, we have to bear the burden of tens of thousands of Khmer refugees.

The success in preserving the U.N. seat of Kampuchea and the coalition government does not really help solve the problem for Thailand. The Vietnamese forces, which number 180,000 or even more, will probably remain in Kampuchea and continue attacking the Khmer Rouge and the free Khmer groups so that they cannot establish a position.

For a long time, they have threatened Thailand, saying that it would be easy to invade Thailand. And to show that they are serious, Vietnam has for a long time been sending forces across the border to stage "hit and run" attacks. This

has resulted in loss of life and property for Thais, which has been a painful "wound."

Vietnam occupied Kampuchea by force, but it complains when the United States gives military support to Thailand.

For example, during his recent trip to the United States where he met with State Department officials, the [Thai] minister of foreign affairs talked with U.S. officials about new military aid. The United States has agreed to loan $12.3 million to purchase weapons. Vietnam has complained that the United States is creating tension in this region.

At present, Vietnam has 1,500 tanks as compared with Thailand's 324. Vietnam has 485 aircraft to Thailand's 179. Vietnam has an army of 1 million men as compared with Thailand's 160,000 men.

If anyone is creating tnesion, it is Vietnam, not Thailand. Thailand is adding to its stockpile of weapons only to defend itself.

And actually, this military aid given to Thailand by the United States is just a matter of "maintaining goodwill" with an ally of the United States. The United States is not really serious. This can be seen from the fact that the United States did not give the weapons to Thailand free but sold them to us by loaning us the money.

Vietnam is receiving both weapons and financial aid from the Soviet Union. It is receiving this aid free and in amounts sufficient to satisfy requirements.

The fact that the United States has not been serious in providing aid has resulted in Thailand being unable to solve the problems created by Vietnam in Kampuchea and it has lost "points" in the game with Vietnam. This is because Thailand does not have sufficient bargaining power to force Vietnam to come negotiate openly at the peace table.

Getting Vietnam to withdraw from Kampuchea by means of the game played in the United Nations is just a dream.

If Kampuchea is to return to a state of peace, the Kampuchea represented by the Sihanouk government will have to receive much more than political and moral support from the great powers. There must be a "peace line" dividing Kampuchea into eastern and western Kampuchea.

Each side must be allowed to compete in restoring their economies in place of the armed competition that is destroying the country. The 6 million Kampucheans, who are now only half alive, must be allowed to live in peace and to have food and a future.

Its not Kampuchea that wants to die. Rather it is because Vietnam has forced the two sides to take up arms against each other and it may reach the point where there really is no more Kampuchea.

11943
CSO: 4207/21

CAUSES FOR LACK OF STUDENT POLITICAL ACTIVISM DISCUSSED

Bangkok KHAO CHATURAT in Thai 18 Oct 82 pp 32-34

[Article by Raphi Phongbuphakit: "Where Have the Students Disappeared to These Days?"]

[Excerpts] As for the student movement today, even those who are not interested in the various movements in the country know that, at present, there are no demonstrations or protests and no headlines about students. And concerning the "insiders," it is well known that almost none of the activists are left. It takes a full day to make just one poster. It isn't necessary to mention demands for justice.

At Thammasat, which has always been called the center of the student movement in the "Moral Light Party," which is a student party that has always been in the vanguard, there are presently no more than 10 real activists left.

"At the very first when there were always new problems and things were confusing, people constantly thought about changing this and changing that. But nothing improved, and things got even worse. Can you believe it! At least 10 seminars were held in order to solve the problems in the movement. Now, no one thinks about improving things. Even I live from day to day without will," said one of the members of the "Moral Light Party" after those who had come to participate in the 6 October ceremonies had left. "I do not want to blame others for not coming. They probably have personal reasons. This is the examination period too. Those who have returned from the jungle must be diligent because they must catch up. Also, they may be troubled by having had to leave the activities.

It may be true as he said that "they have personal reasons." The thousands of students who decided to join the armed struggle of the CPT were tossed here and there until they turned away from the party that has called itself the representative of the downtrodden. No one could escape facing the problems caused by the decision made in October 1976. Many people referred to themselves as "brokendown." Many went in alone...but three came out. Many had to study with people younger than they and be stared at as if they were being searched for something. Many were not able to study any longer because of family responsibilities.

"We want justice too.But we have to eat and live. If the basic factors are missing, what can we do?" said one former student who does not now refer to himself as a "leader" to Chaturat after he left the centralized system of the CPT. He was living in a small, cheap flat near the Anusawari [monument] with his wife and child. In the daytime, he went out to meet friends whom he was still in contact with in order to look for work.

"When I first left, I didn't feel very good. There were problems at home. Some of my relatives said that I had betrayed the country and degraded the family. But I didn't care. I went to live at Thammasat. Sometimes, when others looked at me I felt bad, even though they may not have been thinking about me," said a girl who likes to stay by herself on the fourth or fifth floor of the central library at Thammasat University to Chaturat at the end of last month.

At Ramkhamkaeng, after the "Moral Movement" Party won the studentbody elections, it concerned itself mainly with student benefits and with tutoring. It has not engaged in any political activities at Ramkhamhaeng. That is, whenever the 7-Faculties Student Party, which is a party that is invovled in other student movements, has become involved in some activity, the Moral Movement Party has not gotten involved. And conversely, if the Moral Movement Party has gotten involved in political activities, the 7-Faculties Student Party has not gotten involved. Thus, in its role as a student organization, the Moral Movement Party has clearly followed a different path than have other student groups.

In particular, concerning arranging memorial services for the October heros, which has been a main activity of student groups, the Moral Movement Party has taken no part in making arrangements.

"I don't think it is necessary to hold any grand ceremonies. We can simply feel things in our heart. It isn't necessary to have any bands or debates. We can make it a custom like Chakri Day or Chulalongkorn's Day. At the appropriate time, we can lay a wreath in memory of the heros," said the head of the Ramkhamhaeng Student Association to Chaturat on the afternoon of 5 October. At the same time, the 7-Faculties Student Party, together with several dozen other groups, was busily making preparations for services to commemorate the October heros. They prepared both cultural and academic activities and set up stages in two places. On the other hand, the student organization had only large pieces of paper on which were written the words "remember the brave heros of October."

"Since they are acting like this, we know what they think of 14 October. This year, they did things very quietly. In the future, if we become weaker, people will forget 14 October," said the leader of the 7-Faculties Student Party. "14 October is a matter of great importance for those who love justice, but they have not shown any interest."

The position of the activists in the 7-Faculties Student Party is no different from that of those in the Moral Light Party at Thammasant and other institutions. "I constantly wonder why I am struggling. Others are not interested at all. I seem to be disliked by everyone. Sometimes I would like to criticize things too and give up all of this and just sit back and see what happens," said the same person resentfully. This caused his friends who share his ideals who were busily writing posters to lay down their art work and look at us sympathetically.

"I am resigned to things. It has even reached the point where people who left the jungle come and tell me that tutoring is better and that they are not interested in politics. I have been invited to speak to various groups to build up their morale. But I ...I cannot even save myself. Who will build up my morale? Look, I want those who once participated in the struggle to join in the struggle again. Do you remember how we used to sign songs, go out in the rain and go without food? Now, where have all those people gone. I am the only "rabid dog" left. At this point, tears filled his eyes. "Just wait and see. Only a few people will take part in the activities tomorrow. And they may have forgotten 14 October too."

It may well be just as this activist from the student party said. One small poster in front of the Ramkhamhaeng student association building appealed to students passing by to take an interest. One group of young men and women were looking at the pictures of the events of 6 October that the "Song Tho" group had posted there as if warning people to remember those events.

In this group were two girls, Et and Taem. Both are freshmen. "Looking at such things makes me afraid," said one of them to Chaturat when asked her feelings about these pictures. "People should not do such things to each other. But I don't think they should post such pictures. The relatives of these people might not approve. People cannot eat after seeing such things."

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MUSLIM LEADER REMAINS IN EXILE

Bangkok KHAO CHATURAT in Thai 18 Oct 82 pp 34-36

[Article by Pracha Thammanan: "Hajj Amin Tomina: Thais Have Abandoned the Land"]

[Text] Who would imagine that a Muslim leader like him would have to flee the country because of threats against his life. But that is exactly what happened to Hajj Amin Tomina, the former chairman of the Pattani Islamic Central Committee, who spent all of last year living abroad in order to escape these threats against him.

As for the Thai Muslims in Pattani, it seems that almost everyone knows Hajj Amin. His former position as the chairman of the provincial Islamic Central Committee is a good indication of the respect that the Moslems here have for him. The person who holds this position also serves as an advisor to government officials. But all of a sudden, at the end of 1980 and the beginning of 1981, unconfirmed reports were released by some government units in the south saying that he was one of the leaders of a bandit terrorist group known as the "Phathip" group. Following that, there were reports that his life had been threatened. And so in April 1981, Hajj Amin Tomina, age 52, decided to flee abroad. He fled to Singapore.

Before he left the country, an intelligence document from Civil-Police-Military [CPM] Unit 43, which is responsible for the five southern provinces, mentioned the terrorist problem caused by the bandit terrorists. It cearly stated that the new leader of the "Phathip" bandit terrorists was Mr Amin Tomina.

This report was later denied by the present commander of CPM Unit 43, Major General Panya Singsakda, who thinks that this was a mistake on the part of government officials. The things that took place are a good indication of how the officials in the area worked in that period and it cannot be denied that this was an important reason behind Hajj Amin's decision to go abroad.

In an "open letter" that Hajj Amin sent to Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, on 25 February 1982 in order to explain things and ask for justice in this matter, he stated that the main

reason for his fleeing the country was that he could no longer bear the situtation in which Muslim leaders were being killed, which had occurred frequently in the previous period. Besides this, he pointed out the insincerity of the officials in working to serve the people.

In one passage of this three-page letter, he mentioned the charges that had been made against him, that is, that he was the leader of the "Phathip" movement. He said that this was an attempt to create a situation in order to destroy him. Besides this, he pointed out the inefficiency of the government officials in investigating the reports, or intelligence, that they had received.

"This was an attempt to create problems. False reports were made about me. But the officials who received these reports did not investigate to learn the facts. This is a stupid way of working. It was a plan to destroy [me]. And some government units wanted to cause an incident in order to have something to do, with the hope of receiving money for their own personal profit.Thus, these false charges against me were printed in the press," said Hajj Amin in one part of the letter.

After the commander of CPM Unit 43, Major General Panya Singsakda, asked him to return to Thailand and guaranteed his safety, Hajj Amin replied in another leter sent in the middle of June:

"I am prepared to return if things are true as promised by Major General Panya. But I do not believe that this is so because there have been many examples in the past. Whenever something happens, the officials claim that it was the work of the terrorists when actually it was the work of those in uniform. My father was killed by government officials on 13 August 1964. His body was abandoned on Mu Island. This lesson was enough to convince me never to trust anyone."

Mr Den Tomina, his younger brother, expressed his views on this matter to Chaturat like a person who understands the problems that his brother is facing. He said that "my brother has clearly said that he wants to return. But if he is going to be threatened again after he returns, he would rather not return. What can government officials do to give him assurance? In my view, this is the important thing. A single promise is not enough since the lesson that I and my brother learned in the case of our father, whose killers were never caught, taught us never to trust anyone too quickly."

Mr Den, a Democrat MP from Pattani, mentioned the period prior to when his brother decided to flee abroad. He siad that "at the end of 1980 and the beginning of 1981, rumors began to circulate that Amin was involved with the terrorist bandits. I did not understand how such things could be said. This was at the same time that he went to take part in the hadj to Mecca. It was charged that he had gone to attend a meeting to make plans to separate the country. After that, there were rumors that an assassination team had been formed to kill Amin. However, Amin returned home at the beginning of January 1981. After that, he made another trip and returned to his home in Pattani; this trip was witnessed by several officials from Supreme Command Headquarters. But in Pattani,

several irregularities convinced us that the rumors that we had heard about the formation of an assassination team were true. There were several things that confirmed this. Since this was the case, in April last year, Amin had to get out of Pattani in the interests of his own safety."

At present, local officials have made contact unofficially once again in order to get him to return. One official said that "we have been in contact with him. I believe that he will return because his view that no one wants to live away from his homeland is a good sign. We are trying to solve this problem but it takes time. And one day Mr Amin will come to have faith in the sincerity of the officials. In the past, our officials made mistakes. We have had to correct these mistakes to ensure that such mistakes are not made again. Our policy clearly calls for reducing the war factors, not creating war factors as was once done.

[Interview with] Major General Panya Singsakda, the Commander of CPM Unit 43

Chaturat: What is your view on Mr Amin fleeing the country in order to escape the threats made against him?

Panya: Concerning this, he was afraid that the dark powers would do the same thing to him that they had once done to his father (Hajj Surong). Mr Amin is a historical figure. He has witnessed the struggle by the Thai Muslims in the south ever since the time of Field Marshal Phibun. A man over 50 years old like Mr Amin has seen it all. But I would like to say that the policies of today are very different from those of the previous period. Mr Amin may have been frightened by the situation in the past and is now unable to understand our present policies. We will gradually reduce his fears and make him understand that our policy is to create prosperity for and protect the lives and property of the Moslems in the area. I view the matter of Mr Amin having to flee as a very worrisom matter, particularly since it involves a Thai who was in a position of leadership like he was. Hajj Amin is considered to be a leader because he was the chairman of the provincial Islamic Central Committee. If such a person cannot live in our country, our country's image will be tarnished. We must study this matter and prevent such a thing from happening again.

[Question] What is your view on the work done by officials in this area in the past? There were rumors that Mr Amin was a bandit terrorist leader. What are the facts about this? I would like to ask these questions since you are the commander of CPM Unit 43, which is directly responsible for the five southern border provinces.

[Answer] During the period in which rumors were spread to the effect that Mr Amin was involved with that movement, I cannot say for sure who was right and who was wrong. But it has to be admitted that there is a struggle and some people are sympathetic to this struggle. But what we must determine is whether the methods used in the past were correct or not. This is something that must be reviewed from the standpoint of the work done by our officials. Take Mr Amin's case, for example. It is possible that some groups used his

name for their own benefit without Mr Amin knowing it. They might have used his name without him knowing anything about it. The "Phathip" movement, of which it was said that he was the leader, used his name to cause turmoil. The reports that came out were all very confusing. As the commander, I am concerned about the reports of the officials. Our officials may have fallen into a trap set by someone who wanted to cause trouble. For example, some of the documents that have been captured have Mr Amin's name on them. Concerning the signature, sometimes people forget who is who. When they see the signature "Amin," they don't know which Amin this refers to.

[Question] How sure are you that Mr Amin will return? And if he returns and destructive remors are spread about again, what will you do?

[Answer] I am sure that, concerning the past period, it can be said that there has never been a period in which our officials have been so sincere as they have in this past period, and this includes the activities that were carried out in accord with the policy that was announced. We have done things in accord with this policy. Nothing like this has ever been done before.First, there is the sincerity shown by the officials, which should give Mr Amin confidence. Second, if any more charges are made about this, I think that facts must be gathered to determine what the truth is. Our officials must have a firm foundation. They must have the data in hand in order to prove the charges. I am ready to treat him fairly in this matter. We want him to return so that he can help the officials develop the country. He is a capable person who is accepted [by the Thai Moslems]. He should return to help develop the country. Our country needs people like him.

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PM ADVISOR SUGGESTS DISSOLUTION OF PARLIAMENT, EARLY ELECTIONS

Bangkok SIAM RAT in Thai 21 Oct 82 pp 1, 12

[Article: "Prem Advisor Suggests That Parliament Be Dissolved, Elections Advanced In Order to Use Old System"]

[Text] The Advisory Council to the Prime Minister is preparing to suggest to General Prem that he dissolve parliament in order to hold elections early. Their reason is that there is too much time left and that there is a backlog of legislation in parliament, which may lead to conflicts between parliament and the government if parliament is not dissolved in order to hold an election first.What is important is to use the old election system; if the system is changed, it should be changed by the new group of MPs.

Dr Wathanyu Na Thalang, the chairman of the Advisory Council to the Prime Minister, revealed in an interview with SIAM RAT that, at present, there is a strong trend toward dissolving parliament, especially among MPs. His reasons were: 1. When the present session of parliament ends, it really means that the government's term has effectively expired. The remaining several months of the term before the election is too long. Elections should be held quicky so that a new government can quickly take office to govern the country.

2. Because there is a great backlog of legislation in parliament, if an extra-ordinary session of parliament is convened, this may lead to conflicts between the government and the MPs, which could lead to parliament being dissolved in an improper way.

The chairman of the prime minister's advisory council said that, personally, he feels that dissolving parliament is a good way out that will help reduce th political tension in accord with the democratic system. This has been discussed by the advisory council and almost all on the council "feel the same." At present, the advisory council is gathering the reasons and views of the various factions in order to present them to General Prem Tinsulanon, the prime minister, for consdieration.

However, dissolving parliament now will still allow elections to be held in accord with the system mentioned in the provisional articles of the constitution. That is, the original system in which zones are arranged by number will be

used since the present constitution stipulates that elections must be held within 90 days after parliament is dissolved. The provisional articles are still in effect. Concerning this, Dr Wathanyu said that using the old election system is not a step backward because this does not overturn the constitution. It is simply making use of the existing articles in the constitution. He also pointed out that there is widespread apprehension about the new election system that will have to be used once the provisional articles are no longer in effect. That is, there will be joint-zone, single-slate elections in accord with the political parties system. He feels that if we wait and hold such elections then, that is, after 22 April when the provisional articles have expired, this will amount to "starting from a new set of conditions" that may not be in accord with the current situation. Thus, he feels that it would be better to begin now from the present situation. If the election system must be changed, it should be changed during the term of the next parliament.

The chairman of the prime minister's advisory council pointed out that the people still like the political parties system and that the old election system is capable of promoting this system. And the peoplewill still be free to elect [whom they want]. They will be able to elect party slates or individuals.

When asked why the government has not dissolved parliament, Dr Wathanyu said that, at present, the government wantsto make sure tha the majority of the people are in favor of dissolving parliament. The government wants to be sure about this. Even though there are many MPs who want to dissolve parliament now, it is felt that there are only a fee MPs who dare to express their ideas fully. The government must remain neutral and must not say anything to persuade people one way or the other. The people must be the ones to decide based on their understanding in a democratic system.

The reporter asked: Since this is the case, when should parliament be dissolved? Dr Wathanyu said figuratively that "when it doesn't rain, there are no floods and the farmers do not have to worry. The majority of the people understand things well enough.

Some politicians expressed views on this matter yesterday. In his position as deputy leader of the Democrat Party, Mr Marut Bunnak, the minister of justice, said that, as a member of the cabinet, out of courtesy, he does not want to say anything. But from the standpoint of the party, the Democrat Party is ready regardless of what election laws are used.

Colonel Somkhit Sirisangkhom, the leader of the Social Democracy Party, said that he does not believe that General Prem will dissolve parliament because his remaining in office depends on the military and the constitution. This is because it was the senators, whoare soldiers, who drafted this constitution. Parliament will be dissolved only when the soldiers have a change of heart.

Mr Phiphop Asitirat, an MP from Bangkok and the deputy leader of the Thai Citizens' Party, said that he wants to have a separate-zone, ordered-number election. Otherwise, the people will be forced to elect a full slate of MPs,

some of whom might be good while others might be bad. The people will not have an opportunity to choose. But concerning dissolving parliament, this is up to the prime minister to decide.

Police Lieutenant Chaowarin Latthasaksiri, an MP from Ratchaburi, said that he is greatly opposed to dissolving parliament because this would serve personal interests more than the interests of the public. Holding the elections early is just giving in to the desires of some politicians. It would be better to use the time left before parliament's term expires to discuss the drafting of important legislation, of which there is now a great backlog.

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ABOLITION OF ANTI-COMMUNIST LAW URGED

Bangkok MATUPHUM in Thai 13 Oct 82 p 13

[Article by Chatchawan Chungchot: "The Anti-Communist Law, It Can't Be Repealed?"]

[Text] At present, there is much talk about government policies 66/1980 and 65/1982 as policies that have stipulated a correct strategy and method and that have achieved results in the struggle against the communists.

At the same time, there is more and more talk about repealing the Communist Activities Act in order to give [the CPT] an opportunity to carry on political activities openly and peacefully. This is being considered in order to put things in line with the idea of using democratic ideals to fight communist ideals since it is clear that dictatorship has been defeated by communism al over the world.

But repealing the anti-communist law is a very delicate matter for the government. Because even the army, which is an important force in stipulating or exerting pressure on policies in this spnere, is not unified ideologically.

This can be seen from the fact that the progressive soldiers feel that the anti-communist law should be repealed while other high-ranking officers such as General Rien Ditthabanchong, the chairman of the joint chiefs of staff, feel that it is still necessary to have an anti-communist law.

Things should be analyzed clearly to determine which view is more significant and is more in line with the real situation.

As for the views of those who want the anti-communist law repealed, their reasons can be summarized as follows:

1. Based on democratic ideals, people have the right to think about, believe in and hold any political rights they want as long as they do not do anything that disrupts the peace and order of the people.

2. The anti-communist law gives much power to the government officials. There have been instances in which bad officials have used this law to oppress and persecute innocent people. This has forced many people to have to flee into

the jungle and join the CPT. Or even if they haven't fled into the jungle, they have opposed the government and tended to support the enemy.

3. Having such a law is a factor that helps the CPT spread propaganda to the effect that the government has and constantly uses dictatorial power.

4. There are already articles that prohibit people from causing disturbances, carrying out acts of terrorism or doing anything else that affects national security in the criminal code and in other acts that deal with criminal offenses. Thus, it is not necessary to have a special act for such cases.

5. In the struggle to suppress the communists, in actual practice, political and military measures are used mainly. This law is used very little. Thus, having such a law does nothing but preserve the symbol and image of dictatorship.

As for those who feel that it is still necessary to have an nati-communist law, their reason is that communism, or the formation of a communist party, violates the constitution. This is because this ideology opposes Thailand's main institutions, that is, the nation, religion and the monarchy.

The reasons given by those who want to repeal the anti-communist law are quite clear and they are reasons that no one has been able to counter very well. And it seems that this view is gaining greater acceptance all the time.

As for the reasons of those who feel that having a communist activities act is still necessary, various criticisms have been leveled against them, for example:

First, is communism, or the communist party, really an enemy of the "nation?"

Generally, the meaning of "nation" is a community of people, in a single country, who are related racially and/or culturally and who live together under the same economic, social and political system. From this point of view, logically, supposing that our ruling ideology is communsim, we will still be a "nation" just as before. The "nation" will not have been destroyed. This is the same as in many countries in the world. When the communist party took state power, the country was still a "nation" like before.

Second, will communism really destroy religion?

To answer this question in a scholarly, or theoretical way, the communists believe that religion, in the sense of there being a lord or god who is superior to man, is a psychological rather than a scientific matter. And some elements are just foolish.

Thus, communist principles do not support or promote religion, if religion is thought of in this sense. But the communists do admit that all religions try to teach people to act properly using psychological processes. Communists believe that when an economic and political system is established in accord

with their ideals, all people will act properly and no one will oppress others and, therefore, it will not be necessary to have religion.

In practice, in the largest communist countries in the world, that is, the Soviet Union and China, there is still religion and there are still many monks and priests and temples of various creeds. And freedom of religion is a principle guaranteed in their constitutions. This is because the communists realize that forbidding freedom of thought and belief goes against nature. Furthermore, if the religion has scientific and philosophical qualities such as does Buddhism, those who study and understand the essence of Buddhism will not fear the communists. Because they have seen the truth. Even without a temple, a Buddha image or any other religious symbol, they are still followers who constantly practice the Buddha's way.

It can be said that the Buddha taught people to be generous and not to be greedy. He taught that people should not oppress each other, and he opposed the caste (class) system, which was very strong in India at that time. This is not too different from the basic principles of the communists.

The only difference is that Buddhism is "lokutara," which is much more profound and cannot be compared with communism.

This truth is an answer to the question of whether the communists can destroy religion.

Third, will the monarchy be affected or challenged by the communists?

First of all, it must be understood that even if the anti-communist law is repealed, no one can violate the constitutional provision that places the monarchy in a position of respect. Also, the provision in the criminal code on lese majesty will be retained; it will not be repealed. Thus, if a person violates these provisions or commits lese majesty, he will be guilty of a criminal offense and will be punished in accord with the law.

Those who oppose the repeal of the anti-communist law, or the formation of a legal communist party, do so partly because of the mistaken idea that, since the communists want to destroy the class [structure], the monarchy and the symbols of the class structure will be destroyed too.

Actually, it must be admitted that the ideas of those who oppose this are partly correct. Because those extreme leftists who call themselves Marxists-Leninists and Maoists, who have greater readiness and who are referred to as "childish leftists," "naive leftists" or "dogmatists," may really have such ideas.

But studying the ideas or theoretical understanding of the really intelligent leftists, whose ideas have appeared in both legal and underground documents that were disseminated in the past, it can be seen that the destruction of the classes does not mean killing the landowners or capitalists. What it actually

refers to is creating an economic system that is free from oppression, a result of which would be that there would no longer be an explotiive class or an exploited class.

But experienced communists in both Russia and China say that such a system is a long-term target far in the future. At present, not one country has advanced to the stage of having a real communist society.

Besides this, one important tactical principle of the communists is to hold fast to the masses and to stand firm with the masses. Actions counter to the interests or needs of the masses are considered to be a violation of this basic principle.

At present, Thais in general are aware of the generosity and compassion of their king. They revere and are very loyal to the king. The relationship between the monarchy and the Thai people is of a special quality. The position of the monarchy here is completely different from that of the czar and emperor in Russia and China before the revolutions in those countries.

Thus, even if the anti-communist law is repealed, if some communist is stupid enough to take liberities against the people's king, we can close our eyes and imagine what disaster would befall that person.

In short, the answer to the question of whether allowing a communist party to be formed legally will generate hostility against the nation, religion and monarchy is "no."

And if it turns out that they want to be enemies, there is no way that they can do anything since the majority of the people would oppose them and, in the end, they would defeat themselves.

Now there is just one more important problem and that concerns the frequent statement that communism wants to establish a "dictatorship of the proletariat," which is opposed to democratic ideals.

Concerning this, we must listen to some of the things said by Marxist-Leninist theorists. They claim confidently that their system is truly democratic. They feel that democracy is really a dictatorship of the majority.

They feel that the proletariat, or workers (that is, the laborers and farmers) forms the majority in a country. These people have constantly been exploited economically and have never had a chance to exploit others.

Thus, to eliminate oppression, the laborers and farmers must play a greater role than other classes in stipulating policies and goals in using state power.

Furthermore, they claim that what is called the "dictatorship of the proletariat" refers to real democracy (of the majority). They feel that democracy like that found in the West is really democracy of the capitalist class.

Since "democracy" has such diverse meanings, it should be the legal right of the people to learn about these various types so that they can choose the one they want.

It is known that Japan has been a democratic country for many years. They have several national institutions very similar to ours, including an emperor who is the head of the nation. At the same time, they have a legal communist party that is politically active. It has an office, from which flutters a red flag, in the middle of Tokyo.

But compared to the size of the total population, only a handful of Japanese pay any attention to this political party.

There are legal communist parties in almost all of the Western democracies. These parties are politically active in the parliamentary system. In some periods, they have won a fairly large number of seats while in other periods they have suffered major defeats. This depends on the economic and political situation in each period.

I have cited these countries as examples in order to show that whether or not a country becomes communist does not depend on whether or not it has an anti-communist law. Rather, this depends on the economic and political situation in that country.

Since it is not the laws that will decide or change things, why should we keep such laws, which allows them to brand [the system] a dictatorship, which is the same as allowing them to launch a political offensive?

Isnt's it said that we are the ones who are on the offensive?

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EDITORIAL ARGUES AGAINST REPEAL OF ANTI-COMMUNIST LAW

Bangkok PATINYA in Thai 18 Oct 82 p 1

[Editorial: "Repeal the Anti-Communist Act--Let's Not Be Fooled By Our Own Propaganda"]

[Text] Offenseve operations were launched against the CPT after the serious international split between th Chinese-faction and Soviet-faction communists occurred. This split in 1978 caused a serious conflict within the CPT and many communists have surrendered. The data that was obtained allowed the government to stipulate Order 66/1980, which is considered to be the first piece of government propaganda. This was followed by a nationwide military offensive, which lasted from August 1980 until it was announced in October 1981 that the "war is almost over." In May 1982, the military announced that the "CPT has lost the revolutionary war." In August 1982, it was announced that those who surrendered would have their rights and freedoms assured and Order 65/1982 was issued. And then in September 1982, a conference was held to evaluate the effects of these two orders.These are all things that the government considers to be a political offensive that will completely destroy the morale of the CPT. In practice, the government has no way of evaluating things to determine whether the CPT is losing its morale or whether it will lay down its arms. The only people the government can obtain information from are those who have surrendered, among which are some high-ranking members of the communist party.

Some of the past activities of the government have scored very good results, that is, the CPT has been forced to gather together its armed forces and revert to guerrilla tactics again. However, the results of the political offensive cannot yet be evaluated, except that the government has unilateraly announced that it has won.

But what is very worrisome is that, in a war whose outcome is still in doubt, the government is acting as if it is going to destroy its own "fortress" by believing its own propaganda. [It is talking about] repealing the anti-communist act without having any other law to guarantee national security.

PATINYA has presented the views of Professor Prasoet Sapsunthon, who is the person who has constantly proposed that the anti-communist act be repealed. We have done this so that readers can learn the good points of repealing this

act in the view of Professor Prasoet. At the same time, Mr Somchai Chotikhut, the editor of PATINYA who once did a study on communist terrorism, has taken this opportunity to express his personal views on repealing the anti-communist act. His views are not necessarily all correct. But it is thought that more than 90 percent of the people want the country to prosper in accord with the democratic path. But democracy will not be secure enough to defeat the CPT just by issuing an order to repeal this law or by promulgating a new law. [Security] must stem from a change in the political and economic structure and from a change in social values so that the people play a real role. This is the only sure way to defeat the CPT.

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COLUMNIST URGES PRK ROLE IN NEGOTIATIONS ON KAMPUCHEA

Bangkok MATUPHUM in Thai 18 Oct 82 p 9

[Article by Asawin Aphaiwong: "The Only Way Out Still Left On the Kampuchean Problem"]

[Text] "There is no other way except to negotiate a settlement."

This statement was made by Mr Perez de Cuellar, the secretary-general of the United Nations, about the problems in Southeast Asia. He also said that solving the problems militarily will make it impossible for the people to lead normal lives.

Actually, this is the way things should have been for a long time.

But for some reason, during the past 3 years, no progress has been made in solving the Kampuchean problem even though the United Nations has urged that all sides act in accord with the U.N. Charter.

The problem now is that the invaders still occupy the country with complete indifference. The people of the country and the various countries that are members of the United Nations have lost face.

As for the government that has been recognized, it is still hiding in the junlge and outside the country. The people of the country are not able to lead normal lives except along the border and in neighboring countries, which has created serious problems for these countries.

To solve the Kampuchean problem, there must be understanding about "what is really what." And as the secretary-general said, it will never be possible to solve the problem using military means.

And it is believed that he has begun to see the problems and to understand his problem, that is, the United Nations, and the real problems that have arisen in Kampuchea.

Mr Perez de Cuellar knows that the United Nations is just a paper tiger that cannot force a country, like Vietnam, that does something wrong to change course and follow the U.N. Charter. At least, the last 3 years have proven what things are like.

The United Nations must realize that it cannot make any decisions or issue any orders if the sides involved are unwilling. But what the United Nations can and must do is to remain neutral.

If a committee is formed to solve the Kampuchean problem, there will definitely be negotiations like those mentioned by Mr Perez de Cuellar.

Now, after looking to see which sides are involved in the Kampuchean problem, the comittee should get the two sides involved to sit down at the negotiating table.

The first side is the Heng Samrin-Vietnamese group.

One basic truth must be admitted and that is that the Heng Samrin government is the government that controls Kampuchea, even if Vietnamese forces are providing support.

We cannot refuse to let Vietnam participate in the negotiations because, in fact, the Heng Samrin government is just the puppet of the Vietnamese. If we allow only the puppet to participate in the conference, it will certainly be impossible to solve the problem.

Another thing is that, if we want to reach our goals in the negotiations in order to to get Vietnam to withdraw its forces from Kampuchea, Vietnam is the only one who can give a clear answer.

And in the end, it must be admitted that the Vietnam-Heng Samrin side has won militarily.

The other side is the Khmer coalition government, which is composed of several factions, including both communist and non-communist factions. This side has been recognized by the world community as the legal government of Kampuchea in accord with the U.N. resolution.

Even though they have not won militarily, this side has won a resounding political victory.

If the committee can get the two sides -- one of which has won militarily while the other has won politically -- to negotiate with each other, it may be possible to solve the problem in Kampuchea.

As for Asean and Indochina, it is not necessary for these groups to get involved in the matter. This will only cause the problem to spread instead of confining the problem to Kampuchea as it should be.

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LEADERS OF 1973 UPRISING PROFILED

Bangkok MATUPHUM in Thai 14 Oct 82 p 2

[Article: "9 Years On 14 October"]

[Excerpts] The events on 14-15 October 1973 ushered in the greatest change in the political history of Thailand since the administrative change of 1932. The difference in these two events is that, in the events of 1932, the group that seized administrative power ruled the country itself. But concerning the appeals made by the students on 14 October 1973 for a constitution to govern the country and for power to be transferred from a single family and its followers to the people, those making the appeals were not seeking any administrative position or power.

Concerning the movement of these forces, it was the students who were the excited and forceful vanguard until the bloody events of 6 October 1976 broke out in the Pho courtyard at Thammasat University while students were making preparations to commemorate 14 October. Those with bad intentions brought back the dictators who had been driven out in 1973. The sad thing that happened was that the movement by the students and people was crushed by the armed groups.

Now, on 14 October 1982, everything is quiet from the university to the middle of Sanam Luang. On this ninth anniversary of 14 October, we remember the 73 heros who lost their lives. We also remember the many others who were crippled and maimed.

As for the 13 rebels whose arrest led to the events of 14 October, the following are short profiles and some remarks made by them on the 9 years following the events of 14 October.

1. Thirayut Bunmee, the former secretary-general of the Student Center of Thailand, was like many of the other young people. When he became disappointed and was threatened politically after the events of 6 October 1976, he fled into the jungle and worked for the Coordinating Committee for Patriotic and Democratic Forces (CCPDF). He was in the jungle about 4-5 years before a political conflict arose in the jungle. He thus returned with his wife and child and

settled in the city around the beginning of 1981. At present, he is working on his master's degree in history at the well-known Social Reseach Institute at The Hague in the Netherlands.

2. Wisa Khanthap, a philosopher, writer and poet, has now joined with a filmmaker to make a film, entitled "The Rural Teacher Flies an Aircraft." And he is writing songs for musicians who are "friends" and for others. Wisa is like the other patriotic and democratic youths. Even though he does not have any chance to engage in politics now, Wisa says that being in motion pictures, or amusement, circles gives him a chance to serve society. Ever since 14 October, he has wanted to see Thai society take a good course.

3. Pridi Bunchu returned from the jungle to the city like others. He went to live in Sweden for a period. At present, he is engaged in several research projects. One important project is a book on the life and work of a man of the same name, that is, Pridi Phanomyong, an elder statesman.

Concerning the events of 9 years ago, Pridi said that the forces of students and people that day were pure. This was a movement carried on by youths who were inexperienced but who had good goals and principles. "Today, I still feel that what I did was good and right."

4. Nophon Suwannaphanit is now the director of the Oral English Training Center and the Computer-Aided Instruction Institute. Many people have come to him for instruction but he refuses to teach anyone personally since he is the director. But he is giving private instruction in English to one well-known young minister.

5. Bunsong Chaloet has taken political refuge in Sweden. He is a philosopher and writer whose goal is to become a newspaper correspondent. There are rumors that he will soon return to Thailand. It isn't necessary to guess what he thinks about democracy in Thailand.

6. Kongkiet Khongkha is a sophomore at Ramkhamhaeng University in the Faculty of Political Science. Occasionally, he leaves Uthai Thani to take an examination at the university. He is preparing himself to be a scholar. He is still confident that he will be able to serve society as a scholar or in some other profession.

7. Banthoet Ennilarat disappeared on 6 October 1976. There were later reports that he took political refuge in Sweden as did Bunsong.

8. Montri Chungsiriarat works for the Graphic Arts Press. He wants to live quietly. Even though there has not been any social or political news about him, he has not forgotten that the pure and well-intentioned energy of 14 October must be passed on to future generations.

9. Chaiyawat Surawichai, a young engineer from Chulalongkorn University, has led an exciting life like the other youths following the events of 6 October. At present, he is free and open. He works as an engineer for a road construction company. He still loves democracy and is in the vanguard for what is right.

10. Thawi Munnikon is a professor in the Faculty of Economics, Thammasat University, who fled and took political refugee in Japan after the events of 6 October. He remained there a long time.

Thawi said that "those are unforgetable events. It must be admitted that those who took part that day included naive people, onlookers and people who loved democracy and who wanted to drive out the dictators. High-ranking people are trying to get us to forget because they don't want such a thing to happen again. I am not sure whether there will be dictatorship again or not. At present, the military has definite goals. It has raised the banner of democracy to eliminate oppression and make more progress than was made on 14 October. But we professors and students are not sitting by idly. This is a time for us to study. We must take a little more time.

11. Thanya Chunchada lives quietly with his wife and son. He is trying to revive the Wannakam Phua Chiwit Press. It publishes literary works of benefit to Thai society.

12. Praphansak Kamonphet is a politician who has been honest his whole life. In parliament, you can see Praphansak listening to the important debates. He never misses a meeting. In the Coffee Council, he discusses the country's problems together with his friends. At present, he is still undecided about whether to run for MP in his home province of Chainat or in Bangkok. Because a joint-zone, single-slate election will make things difficult for a small party or a single individual, unless he is wealthy.

13. Khaisaeng Suksai, the former deputy chairman of the Socialist Party of Thailand who made news the first time when he left China and came to Thailand, has praised policies 65/1982 and 66/1980. He feels that these will create national unity. He has offered his services and is ready to do anything in order to unify the people in the country.

Most recently, he said that the events of 14 October happened because of the purity of the students and people; this was not the work of the CPT, the Chinese Communist Party or any political party. Thus, the intentions behind the events of 14 October must be passed on to future generations. And those living in the country today should remember those heros because they sacrificed their lives to build a well from which the people of today can drink.

11943
CSO: 4207/18

UPRISING OF 1973 HAILED FOR EFFECT ON DEMOCRACY

Editorial Comment

Bangkok MATUPHUM in thai 14 Oct 82 p 4

[Editorial: "A Continuation of the Intentions Of 14 October 1973"]

[Text] Farewell to 1981. Since King Rama VII granted a constitution to Thailand in 1932, the constitution has been changed and revised many times.

And during times when the situation in the country has changed, temporary constitutions have had to be put into effect while waiting for a permanent constitution to be drafted.

Concerning this constantly changing situation, in conclusion, it can be said that in some periods there has been dictatorship and in others there has been false democracy. But regardless of whether the country has been administered by real dictators or false democrats, they have all said the same thing and that is that they suscribe to a democratic form of government.

The same was true for the period 1971 to 14 October 1973. Those in control cited the situation in order to grab administrative power. They rescinded the constitution that had taken so long to draft, dissolved parliament and announced the implementation of a temporary constitution.

But it turned out that the patriotic students and people who loved democracy could not wait for the constitution that those in power said they were drafting. Thus, they united to call on those in power to set a definite date for the promulgation of the constitution. What happened instead was that students and other people were jailed.

The great resentment felt by the students and people in general toward the dictators spread and became a mass movement that nothing could stop and so the great events of 14 October erupted.

Emptyhanded, the students and people were able to topple the dictators and miraculously throw them off the stage of history. This is an example for all the people in the world who are oppressed.

Even though that victory scored by the students and people was short-lived, it generated widespread patriotism and love for democracy among the Thai people and caused great fear and alarm among those who had oppressed the Thai people for so long.

The heros of 14 October shed their blood and sacrificed their lives to bring real democracy to the country. But at present, we still do not have real democracy. It may be necessary for more people to shed their blood in order to obtain democracy. We are not afraid because we know that this is good. This is an honorable sacrifice, a very honorable sacrifice.

Columnist Views Developments

Bangkok MATUPHUM in Thai 14 Oct 82 p 4

[The "Hua Het" Reporter column]

[Text] Today is 14 October. The attempts by people to get others to forget this day just stimulates us to remember this day even more.

Remember what the objectives of the students and people were prior to the events that took place. Everyone of them just wanted Thailand to have a democratic constitution and so they joined together to ask the government to quickly draft a constitution. But instead, they were arrested and jailed.

When these students and others were arrested, the only thing that the students and people who had gathered together at Thammasat University wanted was the release of those who had been jailed. That is all.

But instead of the dictatorial government doing something to ease the situation, it made the situation even more tense by searching for various charges [to bring against those arrested].

The wave of discontent on the part of the students and people spread throughout the country. In the end, there was a confrontation between the students and people, who were emptyhanded, and the dictators, who were heavily armed.

The result was that the dictators were overthrown and the students and people had a chance to marvel over their freedom. Thailand, which was then being used as a military base by the United States, was soon able to free itself from having to serve as a military base. The farmers, who had once worked hard in their fields, now came to Bangkok to demand land to work, proposing that the "land should belong to those who work it." The unfair loan contracts that the farmers had made with the owners of the land were revised to make them more fair. As for the laborers, it was stipulated that they were to receive a fair minimum wage that was higher than before. And people were given welfare benefits that they had never received before.

But the victory won by the students and people on 14 October 1973 did not destroy the roots of dictatorship.

At first, it was thought that if the leading dictators were gone and a fairly democratic constitution was implemented, it would be possible to solve the country's problems. But things did not turn out like this. When the students took the lead as mentioned, their actions affected the interests of the original interest groups. The owners of the land and the people who made loans in the various regions began to make arrangements to have the farm leaders killed one by one.

The movement by the laborers to demand their newly-granted rights was thwarted. Laborers were imprisoned and killed one by one.

One by one, the students and people who had demonstrated for a new Thailand with real political, economic and cultural independence fell away. The mass media, which had once expressed great joy over the great victory won by the students and people, began to change its attitude. And finally, it began criticizing the role played by the students and people. Some newspapers repeatedly served the dictators.

And then followed the events of 6 October 1976. Those who want us to forget the wonderful role of the younger generation do not understand what happened; they do not understand history.

Some of these people had to find other jobs. They became wealthy and did not have a chance to gain power while the dictators had control over the country. But the struggle of the students on 14 October gave them a chance to raise their heads at the Government House, and they condemned the students.

Some people had no chance to advance in their government careers since they could not penetrate the tight fortress of the dictators. But when the students united and smashed this fortress, they killed the students and people whenever they had a chance.

No one can forget such painful events but no one is going to keep such bitterness inside to get revenge like a Hong Kong "Kung Fu" movie.

It must just be remembered as a great lesson. The lesson is that, if the students and people unite, no power can stop them. And certainly don't expect those groups whose interests will suffer to fight like gentlemen. Just the opposite, these reactionary groups will use all kinds of tricks and will be very ruthless.

If it were a terrible movie of violence, the audience would criticize the producer or director.

Today, we still do not have a real democracy. We have had only a very imperfect and even false democracy and real dictators have come one after another.

This means that the intentions of 14 October have not been fulfilled. But we have never become discouraged or given up hope. We believe that the goal will someday be reached. Because in the end, history is moving toward the victory of the people. No other course is possible.

11943
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LINI TO OPEN PORTS TO SOVIETS

Canberra THE AUSTRALIAN in English 20 Oct 82 p 1

[Article by William Pinwill and Wio Joustra]

[Text]

THE Minister for Defence, Mr Sinclair, has called for an urgent report from his advisers on statements by the Prime Minister of Vanuatu, Father Walter Lini, that the South Pacific island State would throw open its ports to Soviet warships.

Government officials are privately concerned at Vanuatu's announced move towards a "non-aligned" status, but last night they were awaiting detailed reports of Father Lini's remarks to assess how serious his intentions are.

The Anglican leader of the former colony of the New Hebrides told reporters after the Commonwealth meeting in Suva that he would allow Soviet ships into Port Vila "like Australian or American warships".

He said his country was trying to be non-aligned.

Asked if he thought the American presence in the South Pacific was excessive, he said: "It is. I think it is true that we feel America is dominant in the South Pacific — much more than the Russians.

"Whether or not this is a detriment to the islanders remains to be seen."

Father Lini told reporters he would not allow either the Soviet Union or America to open a diplomatic mission in Vanuatu.

His statements about Soviet ships brought a quick disavowal from the Soviet Embassy in Canberra.

The embassy counsellor, Mr E.F. Rogov, said: "We will not be asking any country to allow our warships in. We are not stepping up our military activities in the Pacific."

The ALP spokesman on foreign affairs, Mr Bowen, said he did not share Father Lini's view on visits by warships.

"As an independent State, Vanuatu will doubtless make its own decisions, but I hope that its policies will reflect the need to exclude superpower rivalry from the region and develop economic co-operation within it," he said.

One of Australia's foremost experts on Soviet military power, Mr Paul Dibb, said he doubted if the Russians had any important strategic interest in acquiring port access to Vanuatu now.

Concern

But he emphasised that such an initiative would be of much greater concern to Australia than the present Soviet use of Cam Ranh Bay in Vietnam.

Mr Dibb, until recently the deputy director of the Defence Department's Joint Intelligence Organisation, said the Soviet Pacific fleet spent 90 per cent of its time in home waters and close to Japan.

"There has never been a transit by a Soviet surface warship in the South Pacific, and there is no reported detection of a submarine movement," he said.

Mr Dibb said the usual pattern of Soviet deployment would be to seek access for fishing vessels first, then hydrographic ships (some of which have significant intelligence-collection roles), and lastly warships.

CSO: 4200/147

AID KEEPS VANUATU LOOKING WESTWARD

Canberra THE AUSTRALIAN in English 20 Oct 82 p 1

[Comment by William Pinwill]

[Text]

THROUGH the Defence Department, Australia has invested considerable money and goodwill in keeping Vanuatu in the Western camp.

After the abortive Santos revolt by Jimmy Stevens in 1980, Canberra's defence planners decided to help fill the vacuum in Vanuatu's system of law and order left by the departing colonial powers.

The British and French bequeathed their joint colony two police forces, and when the newly independent Government of Father Lini decided to revamp the forces, Australia saw the strategic and diplomatic advantages of picking up the tab.

The training of Vanuatu's 500-man Police Mobile Force was carried out in Papua New Guinea, but it was funded by the Australian Defence Department.

Canberra also paid for the new force's equipment, and the post of Police Commissioner is still funded by the Foreign Affairs Department through the Australian Development Assistance Bureau.

Official defence aid this financial year has jumped to more than $1 million from less than $300,000 last year. The emphasis is now on "developmental aid", mainly engineering and water reticulation projects.

But the Defence Department's role in assisting Vanuatu on independence was singled out by the Secretary of the department, Mr W.B. Pritchett, in a rare public speech in May this year.

After describing Australia's historical defence links with Papua New Guinea and Malaysia/Singapore, he said: "A third aspect of our regional role was illustrated by the problems surrounding the independence on Vanuatu.

"PNG requested, and we provided, logistic support in PNG's aid to the new government of Vanuatu in 1980."

CSO: 4200/147

LINI'S 'SOVIET CARD' PLOY EXPLAINED

Sydney THE SYDNEY MORNING HERALD in English 21 Oct 82 p 4

[Article by Peter Hastings, Foreign Editor]

[Text] Threats by Vanuatu's Prime Minister, Father Walter Lini, at a Suva press conference that he will throw beautiful, scenic Port Vila open to Russian warships are due more to domestic politics than to Vanuatu's desire to be non-aligned.

One of Vanuatu's brightest young politicians, Mr Barak Sope, a leading light in the ruling Vanuaaku Pati, was recently elected to Parliament and Father Lini is keenly aware of looming competition. As his likely opposition is, by Pacific Island State standards, a radical, the Russian card is a good one to play. It appears to be even more radical.

There are also other reasons. Father Lini probably shares the mistaken belief, together with some other Pacific Island leaders, that a threat to turn towards the Soviet Union is a useful means of exacting more aid from recalcitrant contributors such as Australia.

The Prime Minister of the Solomons, Mr Solomon Mamaloni, has been talking about a similar approach to Moscow. His interest in the Soviet Union happens to coincide with his conviction that Australia is simply being obstinate in not furnishing the Solomons with a fast patrol boat of the type used by the RAN.

Father Lini is, however, less than enthusiastic about the United States. In part this derives from the Phoenix Foundation affair some years ago when a group of rich extreme Right Americans tried to buy land in Vanuatu at bargain prices to set up an ideal American retirement settlement.

The ideal lay not only in the climate and the scenery but in the attraction of a docile underpaid, black workforce presumed to be only too happy to work for retired Americans.

For this and other reasons, some obscure, Father Lini has so far refused American interest in regularising relations--and without such relations the US will not furnish the aid that Vanuatu so obviously needs.

And because the French have been so tardy in furnishing promised aid to their former half colony and have tended to place such restriction on the type of aid, Father Lini has had his fair share of difficulties.

Father Lini's remarks about granting port facilities to Russian ships also reflects a certain amount of pique with the Australian Prime Minister, Mr Fraser, over Aboriginal land rights and Canberra's apparently altered stance on New Caledonia.

According to sources in Suva and Port Vila, Father Lini, understandably anti-French, believes that where Australia, a year or more ago, supported independence for New Caledonia on the basis of exclusive Melanesian rights, it now has come around to the French view that the stability of the island can only be assured by eventual independence on a multi-racial basis.

To make matters worse, Papua New Guinea also seems to have deserted the Melanesian camp, leaving Vanuatu and the Solomons as the principal supporters of Kanak Liberation, the Melanesian-based independence movement.

In fact, Father Lini's relations with PNG hit a low a fortnight ago, when, in Port Moresby, he gratuitously advised the PNG Prime Minister, Mr Somare, that PNG should join with Indonesia in seeking a solution to Irian Jaya.

His statement fell like a lead balloon in Port Moresby because it came at at a time when the Indonesian and PNG foreign ministers were trying to sort out tricky mutual border problems.

The last straw in what was probably a miserable CHOGRM for Father Lini was probably the agreement that PNG would host the next CHOGRM.

Or was it the emphatic Soviet Embassy statement in Canberra that Moscow was not really interested in sending warships to Vanuatu anyway?

END

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Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

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ASEAN MAY RETALIATE AGAINST INDIA ON KAMPUCHEA

BK170728 Hong Kong AFP in English 0630 GMT 17 Nov 82

[Report by Jim Wolf]

[Text] Bangkok, 17 Nov (AFP)--Thailand and its regional allies have threatened to retaliate strongly against India if it continues to work against their diplomacy on war-torn Cambodia, diplomats here report. Among the threats were a possible crackdown on the thousands of illegal Indian immigrants in Southeast Asia and review of joint ventures with Indian companies, sources said. The long-simmering dispute is expected to come to a boil by March, when India is due to host the seventh summit of the 97-nation Nonaligned Movement in New Delhi.

The Association of Southeast Asian Nations (ASEAN)--which links Thailand, Singapore, Malaysia, Indonesia and the Philippines--has already begun calling in Indian envoys to voice their grievances. Thailand, which is currently chairman of the ASEAN Standing Committee, appears to be leading the campaign, but each of the ASEAN states has made demarches, Asian diplomats here said. The five are angered by signs that India may thwart their bid to send Prince Norodom Sihanouk to the nonaligned summit to argue the case of his new anti-Vietnamese tripartite alliance. Prince Sihanouk is president of the ASEAN-backed Coalition Government of Democratic Kampuchea, which lost its nonaligned seat at the movement's last summit in Havana in 1979. The unseating came after Vietnamese-led forces drove the Khmer Rouge of ex-Premier Pol Pot from Phnom Penh.

Relations between ASEAN and India have been strained since July 1980 when India became the only major non-coummunist country to recognize the Hanoi-installed Heng Samrin Government in Phnom Penh. Diplomats said matters worsened last month after the Indian delegate to the UN General Assembly lambasted the coalition as "none other than the universally discredited and condemned regime of Pol Pot." On 28 October, the Thai Foreign Ministry summoned India's ambassador to Bangkok, Ashok Ghokale, to express its displeasure over the Indian statement. At a subsequent meeting with an Indian Embassy official, Thai officials raised the possibility of retaliation.

Malaysian Foreign Minister Tan Sri Ghazali Shafie reacted even more strongly in public, warning that India may "have gone beyond its limit" in backing Heng Samrin at the General Assembly and at a recent commonwealth heads of government regional meeting in Fiji.

"No matter how India tries to justify its stand, it is obvious that its position as a member and chairman of the Nonaligned Movement is being affected," he said in Kuala Lumpur on 9 November.

Sources said ASEAN was particularly irked at what the Thais called evidence that India had gone beyond verbal support for Heng Samrin this year to canvass for him at the United Nations. Indian diplomats here dismissed the charge as unfounded, but acknowledged that Thailand's envisaged sanctions would seriously hurt. Previous Indian Governments had met difficulties after Indians were expelled from Uganda in the 1970's, one diplomat recalled.

Thailand is not a member of the Nonaligned Movement, but three of its ASEAN partners--Singapore, Malaysia and Indonesia--are. The three are known to be playing on their respective ties to the commonwealth and Islamic world to try to win a nonaligned berth for Prince Sihanouk. Analysts generally agree that the presence in New Delhi of the charismatic prince would be a negative factor for Vietnam, which has already lost diplomatic ground this year in efforts to build support for the Phnom Penh Government.

Vietnamese Foreign Minister Nguyen Co Thach told Agence France-Presse in Bangkok recently that he was delaying a planned trip to the Philippines to take part in the annual meeting next month in New Delhi of an Indian-Vietnamese Joint Economic Commission.

CSO: 4200/164

BRIEFS

ASEAN-EEC MEETING ENDS--The European Economic Community can offer only limited help to members of the Association of Southeast Asian Nations as they face price drops in vital commodities, an EEC spokesman said yesterday. The spokesman, Mr Will Reckman, said the EEC, however, promised to provide "political support" within various international commodity organisations though it could do little by itself to increase imports of those commodities to EEC members or to increase prices. The commodity prices was one issue discussed at this week's meeting of ASEAN-EEC Joint Cooperation Committee [JCC] held in Phatthaya which concluded yesterday. Meanwhile, a senior EEC official said that the EEC agreed to find means to increase investment in Southeast Asian region where the Japanese have long been in the lead. The success of the third JCC meeting was expressed by a high ranking ASEAN official that, "we have proved to EEC that we no longer go around and beg for something. ASEAN has something to offer, such as our rich natural resources, while they have technology and capital goods. Both regions have potential which could be cooperatively developed for mutual benefit." [Text] [BK060550 Bangkok BANGKOK POST in English 6 Nov 82 p 22]

CSO: 4200/164

FRETILIN LAUNCHES NEW CAMPAIGN IN EAST TIMOR

Maputo NOTICIAS in Portuguese 29 Oct 82 p 1

/Text/ The Maubere people guerrillas of FRETILIN /Revolutionary Front for East Timor Independence/ in East Timor have recently launched an extensive military campaign which western agencies classify as unprecedented since the Indonesian occupation in 1976.

AGENCE FRANCE PRESSE yesterday reported from Djakarta, the capital of Indonesia, that a few days ago FRETILIN had attacked several police stations and other unspecified targets.

According to the same source, since last August guerrillas have attacked at least 15 Indonesian soldiers in battles recorded throughout the Timor territory.

Terror in East Timor

Humanist organizational sources mentioned by Western agencies reveal that Indonesian troops have created "a veritable climate of terror" in East Timor.

According to AFP, Djakarta soldiers have patrolled Maubere territorial waters with mounted sentries armed with guns to prevent the departure of boats with island inhabitants seeking refuge insurrounding islands.

"Indonesian cannons take aim on barges with refugees," FRANCE PRESSE describes the East Timor inhabitants' plight.

Meanwhile, the number of FRETILIN guerrillas who, since the occupation, have been opposing Indonesian forces, is calculated in the thousands.

Agencies quoting religious sources report that the Indonesian Government, to repress the guerrillas, has resorted to the same tactics and the same arms which the United States of America used in the war in Vietnam.

Religious sources insist that it is a question of a "genocidal war." They also say that infant mortality has increased in East Timor because of poor nutrition, gastroenteritis, cholera and tuberculosis.

The occupying army, which controls a large part of the roads to the interior of the island, is preventing the transportation of foodstuffs and medicines to the mountains where the FRETILIN guerrillas have taken refuse.

The mountainous zones have been the target of bombardments by the Indonesian army, which is following a scorched-earth policy.

8870
CSO: 3432/51

CHEA SIM REPLIES TO SRV, CSSR, BULGARIAN CABLES

BK241029 Phnom Penh Domestic Service in Cambodian 0430 GMT 24 Nov 82

[Text] Recently, on the occasion of the 50th birthday of Comrade Chea Sim, chairman of the Kampuchean National Assembly, many countries sent congratulatory messages. In reply to these expressions of great friendship, Comrade Chea Sim sent messages thanking the leaders of the friendly countries' national assemblies, among them Comrade Nguyen Huu Tho, president of the SRV National Assembly; Comrade Stanko Todorov, president of the National Assembly of the People's Republic of Bulgaria; and Comrade Alois Indra, chairman of the Federal National Assembly of the CSSR.

Comrade Chea Sim wrote to Comrade Nguyen Huu Tho: I would like to reiterate, comrade, that our party, government and people adhere to a policy of strengthening the militant solidarity and close and good cooperation between our two countries for the sake of peace and stability in Southeast Asia and the world.

To the comrade president of the National Assembly of Bulgaria and the Comrade Chairman of the CSSR National Assembly, Comrade Chea Sim wrote:

I fully agree with you on the development and strengthening of the relations of friendship and close cooperation in all fields between our two countries, based on the principles of Marxism-Leninism and proletarian internationalism.

CSO: 4212/10

PARTY PAPER WRITES ON WILL TO DEFEND GAINS

BK210954 Phnom Penh SPK in French 0404 GMT 21 Nov 82

["The Kampuchean People Are Determined to Defend Their Fatherland"--SPK headline]

[Text] Phnom Penh, 21 Nov (SPK)--In an editorial published in its 18 November issue, the paper KAMPUCHEA writes:

The Kampuchean people are determined to rebuild a peaceful and prosperous Kampuchea and will not allow the return to Kampuchea of the Pol Pot gang or its disguised version.

The paper recalls the period when Kampuchea groaned under the reign of the Pol Pot-Ieng Sary-Khieu Samphan clique--traitors to the nation and servants of the Beijing expansionists--a dark period full of unprecedented suffering and indelible from Kampucheans' memories.

The paper goes on: For 3 years, 8 months and 20 days, the Angkor fatherland was transformed into an open prison--one of the most barbarous regimes copied from senseless Maoism and to be established in Kampuchea. From city to province, from plain to mountainous regions, everywhere, one saw only massacre, tragedy, destruction and broken-up families. In just over 3 years, the Pol Pot gang massacred more than 3 million innocent Kampucheans. Infrastructures were destroyed and society completely turned upside down. They destroyed pagodas, wiped out culture, religious beliefs, traditions and customs and massacred intellectuals, technicians and specialists. The martyred Kampuchea was bathed in blood and tears covered with bones and ashes.

After liberation, the Kampuchean people had to face numerous difficulties. Under the just leadership of the party, with the will of a united people to fight persistently, with the benefit of international solidarity and devoted assistance of Vietnam, Laos and the Soviet Union, fraternal socialist countries and the world's progressive peoples, the Kampuchean people were able to heal the wounds caused by the genocidal clique.

For more than 3 years, the Kampuchean people have won numerous successes in all fields. The lush landscape and smiling face of a nation--master of its society--have replaced the tragedy of the Pol Pot years. Despite the opposition of reactionary Khmers of all stripes, the people's power is daily consolidating. Everywhere in the country emulation movements have been launched in order to promote production.

The Kampuchean people are determined to frustrate all maneuvers of the nation's traitors who attempt to oppose the progress of the Kampuchean people, to hold aloft the banners of patriotism and proletarian internationalism, and defend and reinforce the Kampuchea-Vietnam-Laos strategic alliance--a factor which determines the victory and development of the three countries.

The Kampuchean people aspire to live in peace and freedom. The surviving 6 million Kampucheans will never allow the return of Pol Pot or his disguise to Kampuchea.

CSO: 4219/16

AGRICULTURAL REPORT FOR 15-21 NOVEMBER

[Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 15-20 November:

National level: Phnom Penh SPK in French at 0409 GMT on 17 November reports that this year's fishery production plan is set at 72,000 tons. The Fishery Department has supplied fishermen with 10 motor boats and other necessary equipment and materiel totaling 170 tons. The number of fishery solidarity groups has increased from 880 in 1981 to 1,200 in 1982. The Agriculture Ministry has taken appropriate measures to help accomplish the fishery production plan including the protection of fish during the breeding season and the introduction of new modes of exploitation. Last season fishermen caught about 65,700 tons or 120 percent of the plan norm.

Prey Veng: The news agency at 1424 GMT on 15 November says that peasants in Prey Veng Province are preparing farm tools, seeds and draft power in order to help accomplish the dry-season rice production plan of 32,000 hectares. In the past rainy season, the people cultivated 205,720 hectares, overfulfilling 11.2 percent of the plan, as against 174,000 hectares recorded in the 1981 season. They also grew 21,000 hectares of subsidiary crops. So far they have obtained 12,100 tons of early rice. At 1434 GMT on 16 November, SPK adds Prey Veng District has harvested 1,120 hectares of early rice. In the dry season the district plans to plant 1,920 hectares of rice, including 600 hectares of IR-36 strain. In the past rainy season the district cultivated 27,200 hectares of rice or 760 hectares above plan. Phnom Penh Domestic Service in Cambodian at 0430 GMT on 20 November says Baphnum District has transplanted 600 hectares of early rice and harvested flood-receding rice on 1,154 hectares. The district has received 60 tons of chemical fertilizer from the state to help in the dry-season rice production. SPK at 0412 GMT on 17 November notes that in the past rainy season, the district cultivated 16,720 hectares, or 4,800 hectares more than in the same season in 1981. Phnom Penh Radio at 1100 GMT on 21 November adds that in the past rainy season Peam Ro District transplanted more than 1,600 hectares of rice and planted 2,700 hectares of subsidiary crops.

Takeo: According to Phnom Penh Radio at 1320 GMT on 18 November, the dry-season rice production plan for Treang District is 4,300 hectares. The radio adds at 1300 GMT on 20 November that Samraong District has transplanted

11,900 hectares of various types of rice, cleared 100 hectares of new land, plowed 300 hectares of land and planted more than 500 hectares of other crops.

Siem Reap-Oddar Meanchy: The radio at 0430 GMT on 19 November notes that this year Sot Nikom District transplanted 25,360 hectares of various kinds of rice or 6,000 hectares more than that planted last year. By the end of October, about 1,300 hectares of rice have been harvested and over 22,000 heads of cattle and buffalo raised while more than 1,000 hectares of mung bean and other secondary food crops planted.

CSO: 4219/16

AGRICULTURAL REPORT FOR 22-28 NOVEMBER

[Editorial Report] Monitored Kampuchean media have reported the following agricultural developments in the reporting period 22-28 November:

Kompong Chhnang: According to Phnom Penh Domestic Service in Cambodian at 0430 GMT on 28 November, the province had harvested 587 hectares of slash and burn and highland rice and 671 hectares of early and ordinary rice by 15 November. At 0430 GMT on 22 November the radio reports that the target for the 1982-1983 fishing season is 11,000 tons.

Takeo: In Samraong District, the radio reports at 1300 GMT on 22 November, 11,900 hectares of rice were transplanted in the rainy season along with 500 hectares of subsidiary crops. In Prey Kabbas District, the radio reports at 1300 GMT on 25 November, 10,236 hectares of rainy season rice were transplanted and 1,000 hectares of subsidiary crops planted. Phnom Penh SPK in French at 1437 GMT on 28 November reports that 123,000 hectares of rice were planted in the rainy season, fulfilling 90 percent of the plan.

Kompong Cham: In Chamka Leu District, the radio reports at 1300 GMT on 22 November, 5,500 hectares of rainy season rice were transplanted along with 1,000 hectares of corn, 183 hectares of potato and 2,800 hectares of industrial crops. In Tbong Khmum District, the radio reports at 0430 GMT on 26 November, 6,400 hectares of early rice is being harvested. In Ponhea Krek District, according to the radio at 0430 GMT on 27 November, 3,250 hectares of early and slash and burn rice have been harvested since the end of October. Preparations are underway to harvest 11,240 hectares of late rice. In Memot District, the radio reports at 1300 GMT on 27 November, the people are caring for 116,000 hectares of transplanted rice. Over 3,100 hectares of subsidiary crops and 850 hectares of industrial crops have also been planted. At 0430 GMT on 28 November the radio reports that 1,000 hectares of early rice had been harvested in Tbong Khmum District by late November.

Kandal: At 0430 GMT on 23 November the radio reports that in Khsach Kandal District 5,140 hectares of rice have been transplanted--95 percent of the plan--and 1,500 hectares of various subsidiary crops. There are now 12,070 head of oxen in the district. At 0414 GMT on 23 November SPK reports that Kien Svay District planted 4,500 hectares of rice in the rainy season, 60 percent of which was IR-36 rice. Since mid-November the district has harvested 230 hectares of rice.

Battambang: The radio reports at 0430 GMT on 26 November that Sangke District planted 35,700 hectares of rice in the rainy season. SPK at 0419 GMT on 26 November reports that the gunny sack factory in Battambang now turns out 2,000 sacks a day. The factory has bought 1,000 tons of jute from the people and from Vietnam.

Kompong Som: The radio reports at 0430 GMT on 27 November that in Prey Nop District over 440 hectares of early rice had been harvested by 20 November and that over 200 hectares of subsidiary crops had been planted.

Pursat: SPK at 1427 GMT on 28 November reports that this year the province produced 6,550 cubic meters of wood for construction.

Prey Veng: At 0427 GMT on 22 November SPK reports that solidarity production teams in Peam Ro District have started planting dry season rice, the target being 4,000 hectares. Last year, despite dry conditions, they grew 1,870 hectares of rice and 2,700 hectares of corn, beans and sesame.

CSO: 4212/10

BRIEFS

STEPS TO INCREASE BREEDING OF CATTLE--Phnom Penh, 22 Nov (SPK)--On 18 November the Ministry of Agriculture made public in Phnom Penh a decision by the Council of Ministers concerning cattle breeding. The Council of Ministers gave instructions on the collective's and individual's right to own cattle, on remuneration to be paid to cattle owners for services rendered by their cattle, on categories of cattle--for slaughter, draft and breeding--and also on measures to be taken against unlicensed slaughterers. The Council of Ministers has taken appropriate measures to encourage people to expand cattle breeding for the benefit of agricultural production. Cattle breeders will be granted facilities for buying food, while the public services concerned will intensify training courses for cattle breeders and introduce people to new methods of cattle breeding. The veterinary service will be in charge of vaccinating cattle against infectious diseases. Solidarity groups and individual cattle breeders are invited to borrow capital from the state in order to expand cattle breeding. According to statistics Kampuchea now has more than 1.5 million head of cattle as against 3 million in 1970. [Text] [BK241004 Phnom Penh SPK in French 1433 GMT 22 Nov 82]

AID TO VIETNAM--Phnom Penh, 21 Nov (SPK)--Phlek Phirun, chairman of the Kampuchean Red Cross, handed over 200 blankets--gifts from the Kampuchean Red Cross to the Vietnamese Red Cross--to Ngo Dien, Vietnamese ambassador to Kampuchea. These blankets were offered by the Kampuchean Red Cross to the victims of Typhoon Nancy in Nghe Tinh Province in central Vietnam. Phlek Phirun, heading the Kampuchean Red Cross delegation, went to the SRV Embassy in Phnom Penh on 17 November to present her condolences to the typhoon's victims. [Text] [BK220335 Phnom Penh SPK in French 0423 GMT 21 Nov 82]

AID TO PEOPLE--Phnom Penh, 14 Nov (SPK)--Recently, the Kampuchean Red Cross distributed 34 tons of rice offered by the UNHCR to 680 families in Kompong Trabek and Sithor Kandal districts, Prey Veng Province. In Svay Rieng, Rumduol, Romeans Hek, Kompong Rou and Chantrea districts, Svay Rieng Province, 680 families each received 50 kg of rice. [Text] [BK151208 Phnom Penh SPK in French 0400 GMT 14 Nov 82]

AAPSO DELEGATION TO MPR--Phnom Penh, 11 Nov (SPK)--At the invitation of the Mongolian Committee for Solidarity with Afro-Asian Peoples, a delegation of the Kampuchean AAPSO Committee led by its Vice Chairman Phat Phanu left Phnom Penh on 11 November to attend an AAPSO conference to be held in Ulaanbaataar on 18 November. Min Khin, acting secretary general of the KUFNCD National Council, and Chum Bunrong, secretary general of the Kampuchean AAPSO Committee, saw the delegation off at Pochentong Airport. [Text] [BK151208 Phnom Penh SPK in French 1454 GMT 11 Nov 82]

SWISS HEALTH COOPERATION--Phnom Penh, 13 Nov (SPK)--An agreement on bilateral cooperation in health matters was signed in Phnom Penh on 9 November by Nut Savoeun, deputy minister of health and representative of the Kampuchean Red Cross, and Dr Kurt Markwalder, representative of the Swiss Red Cross. According to the agreement, the Swiss Red Cross will send two surgeons, medicine and medical equipment for refitting Kompong Cham provincial hospital. [Text] [BK151208 Phnom Penh SPK in French 1430 GMT 13 Nov 82]

CHEA SIM THANKS HUNGARIAN PRESIDENT--I would like to thank you for your wishes sent to me on my 50th birthday. In return, I would like to wish you good health and success in carrying out your noble tasks for the progress and well-being of the fraternal Hungarian people and for the strengthening of relations of friendship and cooperation between our two countries. [Text] [BK170342 Phnom Penh Domestic Service in Cambodian 0430 GMT 16 Nov 82]

MOTION PICTURE DELEGATION TO GDR--A delegation of the PRK Motion Picture Department led by Mau Ayut, deputy chief of the Information and Culture Ministry's Motion Picture Department, left Phnom Penh on 11 November to attend the GDR Leipzing film festival. [BK151208 Phnom Penh Domestic Service in Cambodian 0430 GMT 12 Nov 82]

HUN SEN GREETS SEYCHELLES' FOREIGN MINISTER--We would like to wish Your Excellency good health, happiness and success in carrying out your noble tasks for the well-being and prosperity of the people of Seychelles and for the progress of Your Excellency's beloved fatherland as well as for the benefit of the relations of friendship and solidarity between our two countries. [Text] [BK170419 Phnom Penh Domestic Service in Cambodian 0430 GMT 16 Nov 82]

CSO: 4212/10

EDITORIAL MARKS OCTOBER REVOLUTION ANNIVERSARY

BK201455 Vientiane Domestic Service in Lao 0400 GMT 18 Nov 82

[Unattributed editorial: "The Soviet Union Is the Diamond Fortress of World Revolution and Peace"]

[Summary] The great October revolution of Russia in 1917 was the first proletarian revolution and attained the most perfect, all-round and greatest success in the world history. It marked a complete end to the exploitation of man by man in an area covering one-sixth of the world, thus opening up a new era, an era of independence, freedom and socialism for various nations in the five continents.

The past 65 years have been years of heroic struggle and creative labor for national construction. The Soviet people, heightening the glorious tradition of the great October revolution, have scored glorious achievements in the cause of national defense and national construction, thereby honorably contributing to the development of the world revolution.

The Soviet Union now has modern industrial and agricultural bases and advanced technology and science and a strong national defense, ensuring the laboring people's happiness and prosperity. The entire Soviet people are currently striving to build the material and technical bases of communism by swiftly developing technique and science and appropriately utilizing national production potentials.

"Since the birth of the Soviet state, the Soviet people have struggled against sabotage activities carried out by all imperialist and reactionary forces and resolutely dealt heavy blows to them, thus completely defeating their dark designs and firmly safeguarding the socialist motherland. Meanwhile, they have assisted the national liberation movement, wholeheartedly supported the international workers' movement and carried out their obligations as a solid prop for the various revolutionary forces throughout the world.

"In the face of the strength of the three revolutionary currents, the imperialists and the international reactionary forces are currently carrying out counterrevolutionary activities to save themselves from defeats. An outstanding point of the current international situation is that the

imperialists, headed by the U.S. imperialists, and the Beijing expansionists and hegemonists are undertaking counterrevolutionary collusion spearheaded at the Soviet Union. They are energetically launching propaganda campaigns on the so-called Soviet military threat in order to renew the cold war. They are striving to promote the arms race and prepare for war, thereby creating tension everywhere. They have directly or through their stooges engaged in armed clashes and various sabotage activities against various independent and progressive countries and the national liberation movements in the Indian Ocean, Southeast Asia, Africa, the Middle East and other areas."

"The Lao revolution, previously guided by the Indochinese Communist Party and currently by the LPRP, has followed the political line of Marxism-Leninism, the way opened up by the great October revolution. The Lao people are aware that each step of growth and development of the Lao revolution on the path of the national salvation struggle against the imperialist aggressors as well as during the period of defending and building the socialist fatherland is closely associated with the growth, strength and successes of the Soviet Union. The assistance of the Soviet Union and other fraternal socialist countries has become a factor for the victory of the Lao revolution."

The Lao people express overwhelming gratitude to the Soviet party, government, army and people for their precious and effective assistance. On this occasion, they wish the Soviet people new and still greater successes in implementing the resolutions of the 26th CPSU Congress, splendidly fulfilling the 11th 5-year plan and advancing along the glorious path of the October revolution.

CSO: 4206/26

BRIEFS

SWEDISH DELEGATION'S VISIT--Vientiane, 29 Nov (OANA-KPL)--A governmental delegation of the Kingdom of Sweden, headed by Andre Forsee, general director of the Swedish International Development Agency (SIDA), arrived here on 27 November for an official visit. The delegation is to review the implementation of several programs of cooperation between Sweden and Laos--particularly that of the Swedish-Lao friendship forestry project in Paksane (150 kilometers south of Vientiane). The Swedish delegation was welcomed at the airport by Kham-Ouan Boupha, vice minister of industry, handicrafts and forestry and chairman of the Committee for the Implementation of the Lao-Swedish Economic and Social Cooperation; Mats Aberq, charge d'affaires of the Embassy of Sweden to Laos; and other high ranking officials. [Text] [BK301456 Vientiane KPL in English 0920 GMT 29 Nov 82]

HUNGARIAN TRADE DELEGATION--Vientiane, 30 Nov (OANA-KPL)--The Hungarian delegation of foreign trade led by its Deputy-Minister Jozsef Kaplar, this morning called on Lao Minister of Trade Vanthong Sengmuang. Vanthong Sengmuang on this occasion hailed the visit to Laos of the Hungarian delegation which will greatly contribute to the strengthening of the fraternal friendship relations between Laos and Hungary and especially between the two trade ministries. The two sides gave special emphasis on the improving of the cooperation and commercial [word indistinct] between the two countries. J. Kaplar thanked the Lao party for the warm hospitality and pledged to give all efforts to improve the commercial exchanges between Laos and Hungary. [Text] [BK301456 Vientiane KPL in English 0959 GMT 30 Nov 82] Vientiane, 30 Nov (OANA-KPL)--The Hungarian foreign trade delegation led by its deputy-minister, Jozsef Kaplar, and Lao trade delegation led by its Deputy-Minister Chanpheng Bounnaphong held talks here today. The two sides are to elaborate on the 1983 commercial exchanges between Laos and Hungary, the shipment of merchandise from Hungary to Laos and other matters of common interest. The Hungarian foreign trade delegation arrived here yesterday. [Text] [BK301456 Vientiane KPL in English 0958 GMT 30 Nov 82]

PRINTING DELEGATION RETURNS--Vientiane, 24 Nov (OANA-KPL)--The delegation of the Lao Printing House led by Ounheuan Phounsavat was back home on 23 November after having attended the second conference of Laos, Vietnam, Kampuchea and the USSR in the printing affairs, which was held from 10-14 November in Moscow. The four countries at the conference exchanged

views on the printing and publication of books and signed a cooperation agreement for 1983-85. After the Moscow conference, Oumheuan Phounsavat and his delegation went to Sofia to attend the conference of the cooperation committees of the socialist countries in printing matter, which was organised from 16-17 November. The conference studied and exchanged views on the publication of Marxist and Leninist theoretical documents, publications on the socialist construction in each country and campaign for peace and against the arms race. [Text] [BK281146 Vientiane KPL in English 0925 GMT 24 Nov 82]

CSO: 4200/169

TWO NEW MINISTERS IN MALDIVES CABINET

Colombo DAILY NEWS in English 17 Nov 82 p 9

[Text]

Maldives' President Maumoon Abdul Gayoom, who has completed four years in office, has added two new Ministers to his cabinet and made some major changes in his administration, aimed at streamlining the administrative set-up and gearing up for faster economic and social development, the Maldivian High Commission said yesterday.

Two new ministries have been created for Trade and Industries, and Planning and Development. No minister is yet named for Planning and Development.

Mr. Ilyas Ibrahim has been appointed Minister of Trade and Industries in addition to his post of Deputy Minister of Defence and National Security. The President holds the portfolio of Defence and National Security.

Mr. Ahmed Mujuthaba, former Director of Tourism and Investment and deputy chief of the state-owned Maldives Shipping Ltd., has become the Minister of Transport and Shipping.

The Ministry of External Affairs has been re-designated as the Ministry of Foreign Affairs and Mr. Fathulla Jameel continues as minister.

President Gayoom's cabinet is now formed of the following: Messrs Ahmed Hilmy Didi — Agriculture; Abdul Sattar — Fisheries; Fathulla Jameel — Foreign Affairs; Mohamed Musthafa Hussain — Health; Mohamed Zahir Hussain — Education; Abdulla Hameed — Atolls Administration; Ilyas Ibrahim — Trade and Industries; Ahmed Mujuthaba — Transport and Shipping.

Mr. Ibrahim Shihab has been appointed the Speaker of the Citizens' Majlis (the parliament) while the former Speaker has been now made a Minister of State (without portfolio).

CSO: 4200/138

UNITED STATES CHAMBER OF COMMERCE MAY BE SET UP

Karachi DAWN in English 17 Nov 82 p 10

[Text]

Plans are afoot to set up a US chamber of commerce in Pakistan to promote understanding between traders of the two countries, Miss Katheryn Young, Director, South Asia Desk of the US Chamber of Commerce, said during a meeting with the Vice-President and members of Federation of Pakistan Chambers of Commerce and Industry yesterday.

A South Asia Desk has recently been created in the US Chamber of Commerce, she stated. Over 45 such chambers had already been set up outside the US, she added.

Miss Young, who arrived in Karachi yesterday from Bombay, said that her visit was part of the US Chamber's drive to establish closer links with US companies working abroad.

The Chamber, planned to be set up, would provide information to American investors and businessmen about the investment climate and other opportunities available in Pakistan, she observed.

In reply to a question, Miss Young said she was not in a position to make any firm promise about American investment in Pakistan because her visit was mainly for two objectives: to discuss possibility of setting up of US Chamber in Pakistan; and, secondly, to establish direct links between the Federation of Pakistan Chambers of Commerce and Industry and US Pederation of Chambers of Commerce and Industry.

Direct dialogue between the business communities of the two countries was the need of the hour, she pointed out.

She said the US Federation members included 240,000 big and small companies.

Speaking on the occasion, Mr R. David Brentley, US Commercial Secretary, who was also present, said that the visit of US investment mission had yielded positive results as two major American companies, Chase Manhetten and Ford Motors were already making investments in Pakistan.

Mr Tariq Saeed, Vice-President of FPCCI, explained the working of the Federation and other regional chambers.

CSO: 4200/141

EXPANSION IN MASS MEDIA COOPERATION WITH UAE DISCUSSED

Karachi MORNING NEWS in English 18 Nov 82 pp 1, 4

[Text] Islamabad, Nov 17: The possibilities to further expand the existing cooperation between Pakistan and UAE in the field of mass communication were discussed at a meeting held here today between the visiting UAE delegation led by Mr Abdullah Al Nuwais, secretary, Ministry of Information and Culture, government of UAE and federal secretary, Ministry of Information and Broadcasting, Lt-Gen. Mujib-Ur-Rahman Khan.

In the meeting certain specific areas of cooperation in the fields of radio, television and print media between the two countries were discussed and identified.

The two sides agreed that regular contact and liaison should be maintained for the implementation of programmes of cooperation between the mass media of the two countries.

In order to have bilateral cooperation between the TV organisations of the two countires it was decided that TV programmes might be exchanged between the two countries. It was further decided that the UAE TV would supply recording of programmes based on major important events in the history of Muslims.

The meeting was informed that the UAE Television would send its Production Unit to Pakistan to produce a documentary film on Pakistan for exhibition from the UAE Television network. It was also agreed that the Pakistan Television Corporation would exchange technical personnel with the UAE Television.

The cooperation and collaboration between the radio organisations of the UAE and Pakistan was also reviewed in detail. It was agreed that the two radio organizations would jointly or separately produce programmes dealing with various facets of Islamic ideology and history. It was further decided that there would be exchange of technical and production personnel on regular basis. The meeting decided that Radio Pakistan and Radio Abu Dhabi would broadcast programmes on national days, events of national significance of the two countries and about heroes of Islamic history.

It was also decided that exchange of visits of the journalists between the two countries should be encouraged at is would promote understanding between the peoples of Pakistan and the UAE. [as published]

Gen Mujib

Earlier, welcoming the delegation, Pakistan Federal Secretary for Information and Broadcasting said that the cooperation in the field of mass media between the two countries had been going on for a number of years and further expansion in this field could play an important role in bringing the peoples of the countries still closer. He said there were many avenues in this field where further cooperation could be expanded and enlarged. He expressed the hope that the current visit of the delegation would help increase the cooperation between the two countries in the field of mass communication.

The leader of the UAE delegation Mr Abdullah Al-Nuwais said that wider and larger cooperation between the media of the two countries was imperative and in the interest of the Islamic world. He said Pakistan and the UAE would have to strive jointly for preserving our cultural heritage and religious character. He said that a UAE team would shortly visit Pakistan to select TV documentataries and plays for showing these in the UAE.--APP

CSO: 4200/132

NDP LEADERS SAY BALUCHISTAN NEEDS SPECIAL ATTENTION

Karachi DAWN in English 17 Nov 82 p 12

[Text]

QUETTA, Nov 16: Two prominent leaders of the defunct National Democratic Party, Haji Ghulam Mohammad Bilour and Mr. Mohammad Afzal Khan, have stressed the need for general elections under the 1973 constitution and taking people into confidence in solving the problems confronting the nation.

They were talking to newsmen here on Monday night.

Haji Bilour and Mr. Afzal Khan, the party's General Secretary and member of the Central Executive respectively, are currently on a visit to Baluchistan to revive contacts with old friends and colleagues.

They said much more attention was needed towards removing the backwardness of the province and the sense of deprivation among the people of the area. They suggested special quotas for the students from Baluchistan in technical colleges and improvement in the condition of roads in the interior of the province.

Baluchistan, they thought, required special attention for its development and said if that was not done development would remain lop-sided.

The defunct NDP leaders said that democracy the panacea for all ills in the country and added that democratic rights should be restored to the people without delay so that national cohesion could be brought about in Pakistan.

They pleaded for the restoration and strengthening of the four pillars of the State, namely independent judiciary, powerful legislature, free Press and effective and competent administration.

Haji Bilour and Mr. Afzal Khan demanded immediate release of all detained leaders and workers, including Khan Abdul Ghaffar Khan, Miss Benazir Bhutto and Air Marshal (Retd) Asghar Khan.

They also demanded release of arrested lawyers.

CSO: 4200/141

PAKISTAN-ROMANIA JOINT BODY HOLDS MEETING

Karachi DAWN in English 17 Nov 82 p 12

[Text]

ISLAMABAD, Nov 16: The 8th session of the Pakistan-Romanian Joint Governmental Commission for Economic, Technical and Scientific Cooperation opened in Islamabad this morning with both sides expressing the resolve to improve existing cooperation between the two countries as well as find new avenues of mutually advantageous collaboration in the field of industry and trade.

Opening the session, the Federal Finance Minister Mr Ghulam Ishaq Khan, remarked that Pakistan highly valued her relations with Romania and it was her earnest endeavour to further develop the cooperation on the basis of the memorandum of economic, technical and scientific cooperation signed between the two governments in pursuance of the instructions given by the Presidents of the two countries after President Zia's visit to Romania during January this year.

Replying to the remarks of the Finance Minister, the leader of the Romanian delegation Mr Gheorghe Caranfin, Minister for Chemical Industry, observed that his delegation has come to Pakistan with the conviction that the two countries could have an arrangement whereby the already existing collaboration between the two countries could be further enhanced to bring them still closer.

The Commission during the present session would:

Review the implementation of the decisions incorporated in the memorandum of economic, technical and scientific cooperation and the protocol of the 7th session.

Consider steps required to be taken for early implementation of the projects at present under execution or negotiations.

Review the existing state of trade between the two countries and consider ways and means for its further expansion, and signing of the protocol for the 8th session.—APP.

CSO: 4200/141

CRISIS IN TEHRIK-I-ISTIQLAL RANKS REPORTED

Karachi DAWN in English 17 Nov 82 p 12

[Text]

LAHORE, Nov 16: The crisis in the ranks of the defunct Tehrik-i-Istiqlal continues to brew and indications are that some more active members and office-bearers of the party may either attract disciplinary action or decide to quit on their own.

Mr Eisaar Ahsan, a prominent member of the National Committee of the party, who issued a strong statement questioning and criticising the expulsion of the Information Secretary, Mr Nafees Siddiqui, from the primary membership of the organisation without giving him proper opportunity to defend himself, has been summoned to Peshawar by the acting chief of the party, Mr Munir Shah and Secretary General, Mr Mushir Pesh Imam and would be proceeding to the NWFP capital tomorrow.

Indications are that he would be asked to explain his position before a charge-sheet was issued to him. In the meantime the Tehrik leader from Baluchistan, Mr Khudai Noor discussed the party affairs with Mr Ahsan this evening.

It may be added that following the action taken against Mr Siddiqui, notice has also been issued to the acting Secretary-General of the NWFP Tehrik, Mr Yunus Khan while a central councillor from Quetta, Agha Farooq Shah, has already tendered his resignation from the party to register his protest.

Another significant development is that quite a few office-bearers are openly debating the issue in the Press columns without bothering to wait for the decision of the central working committee on the subject.

CSO: 4200/141

PRODUCTIVE, FRUITFUL USE OF REMITTANCES URGED

Karachi DAWN in English 17 Nov 82 p 9

[Text]

DURING the past three years remittances from overseas Pakistanis have just about succeeded in keeping the country's current account deficit from crossing the danger mark. But this seems to be about all the hard-earned petrodollars of the overseas Pakistani workers have done for the country. Most of this income has been wasted on conspicuous consumption and in economically unproductive avenues such as real estate speculation. As a consequence, the rate of inflation has gone up. If the declining trend in the inflow of remittances being observed lately begins to snowball, things are likely to become tougher for the managers of our economy because the current account gap will assume a menacing aspect.

The Planning Commission is reportedly undertaking an exercise to identify avenues for productive utilisation of the remittances. This was long overdue. But one would have expected our planners also to find out the reasons for the decline in the inflow of remittances and take steps to tackle the problem. Contrary to the belief held by some circles, the development activity going on in the Middle East and the Gulf is yet to reach its peak. According to a recent UN study, the demand for overseas workers in the Middle East is estimated to increase by about 15 per cent annually during the next ten years. This means the Middle East manpower market is expanding and not shrinking. If this is so, how does one explain the decline? The answer to this question lies in the expanding population of Thai, Filipino, Korean, Indian, Sri Lankan and Bangladeshi migrant workers in the Middle East. While the workers from Far Eastern countries have cut into the share of Pakistani workers in the market owing mainly to their superior skills, higher efficiency and better discipline, the demand for workers from Sri Lanka, India and Bangladesh has increased because of the lower salaries they accept. Further, the malpractices indulged in by many Pakistani recruiting agents have made a contribution of their own. Some Pakistani recruiting agents allegedly go to India and arrange for supply of cheaper Indian labour in partnership with their Indian counterparts.

The planners must address themselves to these and other causes of the decline and come up with some sound answers. They must have a strategy to face the competition from overseas workers from the other Asian countries. As for plans for productive utilisation of the remittances, it must be recog-

nised that the attempts so far made in this connection have been guided by conventional wisdom. Reliance has been placed on offering attractive financial instruments which promise reasonable returns to the investors. These instruments have, in fact, attracted the savings of educated salaried persons in the taxable income brackets who were enlightened enough to see the advantage. But this is incomprehensible for the majority of Pakistani overseas workers, most of whom belong to the rural areas, largely unfamiliar with commercial banking. Many of them are sceptical of all impersonal instruments of investment. Add to this the associated complexities and red-tape involved in making use of these instruments, and even the educated overseas workers would be found avoiding contact with them. This phenomenon is effectively illustrated by the extensive resort to the Hundi system.

It is indeed logical to expect that these overseas workers and their dependents should think of using their surpluses for financing civic amenities like potable water, schools, health cover, etc. But so far this has not happened. It is also logical to expect that many emigrant workers have given a thought to creating conditions for self-employment on their return. But this, too, does not appear to have happened in any significant way. This state of affairs exists not because there is any lack of motivation on the part of overseas workers but because of the unwillingness of the administration to respond to the new challenge. The rigid adherence to rules and regulations, made under a different set of circumstances and for different kinds of people, have tended to thwart the efforts of even the most enterprising among the emigrant workers to improve the living conditions in their villages and to set up small-scale enterprises in their areas. Every form of developmental enterprise is controlled by the Government and approval is subject to long-winded procedures and exasperating delays. No doubt, the Government does not possess sufficient infrastructural facilities to match the financial resources available with the emigrant workers for investment. So, it is reluctant to remove the controls on these facilities. But this reluctance is diverting precious financial resources towards unproductive channels.

We need a grand national strategy offering small investment packages which not only fit into the overall development programmes but also fulfil the immediate needs of the rural economy, besides ensuring a reasonable margin of profit for the investor within a reasonable period of time. These investment packages should be easily accessible to emigrant workers in their countries of employment and also at those places from where these emigrants come. An intensive campaign should be launched to introduce these packages. Again, these should be auctioned to the highest bidder to inculcate a sense of competition. Once an intending investor has bought the package, he should be allowed to launch it without any further delay or formalities. Since these packages will finance civic amenities and contribute to literacy, employment and social uplift, the investors should not be burdened with taxation. With the channelling of the remittances into productive avenues, the advancing tide of black economy would also recede automatically, while schools, hospitals, playgrounds and more employment opportunities in the rural areas would promote contentment and reduce crime. In July next year the Sixth Five-Year Plan is expected to be launched. So, this is the time to give serious thought to the problem of siphoning wayward capital off into productive channels and generating capital out of surplus labour. The authors of the Plan should approach the problem with a sense of enterprise and urgency and handle it imaginatively.

CSO: 4200/141

APPLICATIONS FOR PRIVATE COLLEGES RECEIVED

Karachi DAWN in English 17 Nov 82 p 4

[Text]

The Directorate of College Education, Karachi, has so far received 20 applications for the opening of private colleges in the city.

The Directorate is issuing forms to the applicants and the last date for this is fixed as Nov 22.

On receipt of the application forms, the Directorate would form an Inspection Committee to visit the premises of the proposed colleges to ascertain whether they fulfil the requirements and submit its report to the Director.

The information sought by the Directorate for the registration of a private college, among other things, includes the proposed date of establishment of the college; category i.e. arts/science/commerce/home economics, for boys/girls, intermediate/degree (part I/part II), subject and groups to be taught; financial position, quantity and details of furniture; accommodation; details of laboratories and library; hours of work; time table (teacher and classwise); tuition fee; admission fee; details of all other fees charged under different heads; sources of income; status of the building i.e. rented or otherwise, qualifications, pay and allowance and terms and conditions of service in respect of each member of the staff including non-teaching staff.

Certain certificates are also required to be submitted with the application form. These include a certificate from the applicant that no member of staff of any Government college and/or Government school has been employed to work in the college; Certificate of Registration issued by the Registrar of Co-operative Societies under the Co-operative Societies Act; a statement of initial expenses and sources and recurring expenses and sources; statement of donation received from the life and other members of the Society, endowments and gifts received; a certificate of reserve fund as a fixed deposit; a certificate to the effect that salary of the college staff for at least one year has been kept as a fixed deposit (not the reserve fund) and the building plan showing constructed portion.

CSO: 4200/141

TRADE WITH NEPAL TO GROW

Karachi DAWN in English 20 Nov 82 p 10

[Text]

The President of the Federation of Nepalese Chamber of Commerce and Industry Mr. Pashupati Giri, has called for augmenting trade between Pakistan and Nepal by overcoming the hurdles in transit and transport.

He was speaking at a meeting held with the visiting 10 member Pakistan trade delegation in Kathmandu, according to a report received in Karachi.

He said that the possibilities of expansion of trade between the two countries had increased following the signing of trade agreement last July which provides for most favoured nation treatment to each other. He said that the present industrial policy of Nepal offers special facilities to attract foreign capital in joint venture areas in Nepal.

Leader of the Pakistani delegation, Haji Razak Janoo said that wide areas of trade and joint ventures existed between Pakistan and Nepal.

He said that it was essential to study the prospects of Calcutta port route, passage through Chalna and Chittagong of Bangladesh and the route to Pakistan via India in this regard. He added that charter flights between Nepal and Pakistan would also facilitate exchange of goods between the two countries.

Haji Razak said that while Nepal can export to Pakistan jute, jute goods, cardamom, ginger, dry ginger, catechu, herbs, pulses, tea, she can import from Pakistan machinery and equipment, light engineering goods, cotton yarn, ready made garments, bicycles and sports goods.—APP.

CSO: 4200/142

ZIA-INDIRA SUMMIT REVIEWED

Karachi DAWN in English 20 Nov 82 p 9

[Commentary by A.T. Chaudhri: "Looking Back at New Delhi Summit"]

[Text]

As a witness to the brief Zia-Indira summit, which came as a prologue to the President's "sentimental journey" through the new world of South-East Asia, one could see signs of thaw at the not-so-cold peaks of the Indian capital.

The very trek to the elusive summit — a sort of dress-rehearsal for another fullfledged summitry — which was undertaken by the ageing Mrs. Indira Gandhi with reluctant, mincing steps — marked the breaking of ice in the long haul towards the sub-continental detente.

While the dialogue was in progress, an eminent Indian columnist told this correspondent: "Your President is the best P.R. man in Asia; he has at last won recognition from Indira". The import of this stray remark should not be lost on the Cassandras who doubted if democratic India will ever have a deal with a military junta, next door, on the outlawry of war. India has now apparently realised that it has no option but to deal with Pakistan, rather than allow things to drift and let events take their own course.

That in a way explains why President Zia found Prime Minister Gandhi "more flexible" than before — not the "iron-lady" he had first encountered at Salisbury (Harare), a couple of years ago. So, in the "heart-to-heart" talk — an exercise in confidence-building — he took time by the forelock and made some one-sided "concessions." Allowing her to take public credit for initiating the face-to-face dialogue, he accepted her proposl for setting up a joint Indo-Pakistan Commission. (Pakistan has this type of linkage with 20, or so, friendly States, and India with over 50 countries in the East and the West).

Another consession, which was already on the cards, was the signing of a protocol by the two sides for the exchange of their nationals under detention and search for defence personnel — 270 in the case of Pakistan — missing since the 1971 trauma. This has been followed up by lowering trade barriers and re-introducing the private sector in the two-way trade traffic, though the Trading Corporation of Pakistan (TCP) would still take the biggest slice of the cake.

It was also a sort of concession on the part of Pakistan not to raise the Kashmir issue at the mini-summit. President Zia held the Kashmir card close to his chest. Before embarking on his eastward journey, he had taken the Kashmiri leaders — including Sardar Qayum who is under detention — into confidence, assured them that they would be consulted when the settlement procedures laid down in the Simla Agreement were set in motion and there would be no deviation from the principles of settlement outlined in the relevant U.N. resolutions.

It is not clear what Mrs. Gandhi has up her sleeves. Discerning observers in Delhi say that she is itch-

ing to turn the Line of Control into an international boundary. For the time being, however, she considered it prudent not to touch upon this subject. Both sides appear to have agreed not to get their fingers stung with the Kashmir nettle, until other outstanding problems are resolved. Critics might say that this is a reversal of Pakistan's pre-1971 policy of staying normalisation in the sub-continent until the Kashmir issue was put out of the way. But critics should not forget that complex constraints operate in international affairs.

Hijackers

Pakistan and India appear to have tacitly agreed to live with the Kashmir problem, rather than make it a stumbling block in the way of normalisation. Hence, the mutual endeavour at the Delhi summit to remove minor irritants. For instance, India felt sore that the Sikh hijackers in Pakistan's custody have neither been extradited nor tried in an open court. Pakistan told India that there was no extradition treaty between the two countries and that an open trial of the hijackers would flood the world media with Sikh slogans of sub-nationalism. Islamabad would not like to add fuel to the fire of Sikh agitation. So a trial in camera would be in India's own interest.

As a quid pro quo, New Delhi has to put an end to the infiltration of terrorists — reportedly trained by the Soviets in Kabul — who sneak into Pakistan via India. New Delhi has also to remove training camps, if any, for terrorists on the India soil. This sensitive issue was discussed by the Foreign Office with the Indian Ambassador in Pakistan shortly before President Zia's peace mission to India and there are indications that it has now been sorted out. That is a by-product of the Delhi summit.

Among other by-products, one might mention the exchange of views by the leaders of the two countries on the Afghan crisis and other regional and global issues which are likely to come up at the seventh NAM Summit. The very fact that President Zia briefed Mrs. Gandhi on his talks in Beijing and both tried to look upon major world issues from the horizon of South Asia is significant. Competent sources claim that one of the up shots of the Zia-Indira summit is that the clouds of suspicion and distrust have been partly dispelled and the divergent perceptions of security in South Asia have begun to converge on several points. (That is why the two sides did not like to dilate on their respective acquisition of arms).

No wonder, the nodal point of the brief but wide-ranging dialogue in Delhi was the accord between the two leaders to take up the draft of a no-war-pact and the counter-draft of the Tready of Peace, Friendship and Cooperation and hammer out an amalgam of the rival drafts before the follow-up of the summit next March. This may appear to be an exercise in reconciling the irreconcilable, but given goodwill on either side and the new climate of confidence, it may be possible to strike an accord.

Pakistan will now have to persuade India to drop certain provisions in its draft in which the concept of bilateralism has been overstretched and this count y has been asked to commit itself in the proposed compact that it will not grant bases to any foreign Power or fall in line with any regional strategic consensus. This is what non-alignment is all about and Pakistan's contention is that it will not take any step that might detract from the pristine principles of non-alignment, but it cannot accept a neighbour's "diktat" which is derogatory to its sovereignty.

Pakistan also feels that the term, "foreign bases", must be redefined, for India has already granted naval facilities to the Soviets in some of its ports. Moreover, if India seeks to foreclose Pakistan's options as a sovereign State to the detriment of its national security, it amounts to extending Indian hegemony over a neighbour and keeping it within its gravitational pull. This cannot be.

Again, if India is really anxious to evolve common security perceptions in South Asia, it must begin by withdrawing the bulk of its 25 army Divisions which are concentrated barely 15 miles from the Indo-Pakistn border.

Seen in this context, it may be difficult to find a common denominator reconciling the divergencies of the drafts of the No-war-pact and Tready of Peace and Friendship. The diplomatic ingenuity of the Foreign Secretaries of Pakistan and India will be strained to the dregs when they sit down next month to give a concrete shape to the new mandate given them by their governments. But the new wind blowing across the subcontinent, after the Delhi summit, raises the hope that a new leaf may be turned in the chequered history of this tormented region.

CSO: 4200/142

FAILURE TO PROMOTE LOCAL TECHNOLOGY CRITICIZED

Karachi DAWN in English 22 Nov 82 p 9

[Text]

A RECENT report indicated that the Appropriate Technology Development Organisation has developed a number of technologies in collaboration with PCSIR, and these are being tested at present, or are being promoted to consumers. These include mini-hydel projects, fruit and vegetable dehydration, generation of electricity from bio-gas and low-cost housing. Several advantages over the existing technologies are claimed: for instance, that by adopting the construction methods developed by ATDO savings of 30 to 80 per cent can be achieved when compared to conventional construction processes. While normally all this would have been cause for rejoicing, it is not so in this country. Just about all one can be assured of is that ATDO has not been wound up, but still exists to laboriously carry out its experiments, which appear to lead nowhere. And ATDO spokesman has given some details of utilisation of the work done by his organisation, and they make for pitiful reading. In all the years of its existence an organisation which must have started out with such hope has hardly made any impact and few people are aware that it has been attempting to do useful work.

This holds true not only of ATDO but of other such organisations in the country — PCSIR itself being one prominent example. It extends in a slightly different fashion to private organisations, sometimes one-man affairs, which have come up with better and indigenious ways of doing something, or have managed to produce something which, perhaps with some polishing, can replace expensive imported gadgets. In the case of public sector research organisations, it is really surprising that they have not stopped to ponder why so few of their efforts or 'inventions' have come off the drawing board. PCSIR, for instance, regularly comes up with products which it claims to be near-miracles, the most recent being a concentrated type of fertiliser, but for some reason they just do not gain commercial acceptance and very few of them are chosen by entrepreneurs for manufacturing purposes. Research organisations spend a lot of money on projects that do not lead anywhere ultimately, but in this case, it is the finished products which are not gaining acceptance — which is a cause for concern.

Part of the reason may no doubt be that the processes or products developed by such or-

ganisations are not practical for manufacture or for application: it may quite possibly be that the low-cost houses designed by ATDO have a defect, minor or major, which makes them unacceptable. In this case, the entire process should be thoroughly examined, and a survey be undertaken to determine what it is that people dislike about it, so that the defects may be removed. All this, however, presupposes an active government interest in such plans and a willingness to do something about it. This, at least as far as results are concerned, does not appear to be the case. Government support for such products is, for some inexplicable reason, limited to financing organisations like ATDO, with very little effort and expense expended towards demonstration through prototypes and later towards the ultimate goal — popularising the products or processes among the people. There must be some serious rethinking at the top levels about such practices, for they are wasteful and deprive the country of the use of its talent and resources. The same indifference is present, in a slightly modified form, where the private sector is concerned. There are so many things that are manufactured, wholly or partly, in the country but competing imports are still permitted. Local manufactures should be promoted through all means even though they may be slightly inferior in quality but of a comparable price to begin with. This includes protection from imports since even when locally manufactured items are selling at a lower price than imports, they are at a big disadvantage because of the established reputations of many of the imported products. In some cases, of course, imports may be very slightly more expensive or may even be cheaper, which is due to the sometimes weird duty structures thought up by officials. Some may remember that a while ago a slogan was being pushed very hard: 'be Pakistani buy Pakistani'. Slogans alone never did any good, as we know to our chagrin. If the Government means business, then it should examine the many areas in which Pakistani products or processes can replace imported ones. It should actively support the work of research organisations, finance the making of prototypes for demonstration, control imports to protect local products from unfair competition and, above all, promote local talent so that it can come up with more manufactures.

CSO: 4200/143

ISLAMIZING THE JUDICIARY: OFFICIAL'S REMARKS DEBATED, DISAGREEMENT EXPRESSED

Karachi BUSINESS RECORDER in English 11 Nov 82 p 2

[Editorial]

[Text] When a Chief Justice of a High Court certifies that the judiciary in Pakistan enjoyed all those powers to which this institution should be entitled in a civilized set-up and an Islamic society, it must be so and the fact has to be accepted. Dr. Justice Javed Iqbal, acting Chief Justice of Lahore High Court, while confirming the above fact also declared that during the last 12 years of his association with the judiciary as a High Court Judge, he had never experienced any interferenc from any Government. We are particularly pleased to note that the existing judicial system in Pakistan, as stated by Justice Javed Iqbal, is in conformity with the principles laid down in the Holy Quran.

However, in the same interview the Chief Justice of the Lahore High Court has narrated the opinion of "the great political thinker" Al-Mawardi that opposition to government engaged in enforcing Islam in the society was punishable. It is our respectful submission that reference to Mawardi in the context of Quranic principles in modern society and particularly to the view referred to by the Chief Justice, is unfortunate and is liable to be misinterpreted. It is very likely that an impression may gain ground that the Hon. Justice Javed Iqbal subscribes to the view of a political writer like Mawardi who belonged to the decadent period of the Abbaside caliphate. Mawardi had propounded that any person or group of persons who came to occupy the seat of authority in any part of the caliphate, and vowed to rule according to the precepts of Islam and professed nominal allegiance to the Caliph in Baghdad, should not be opposed in the larger interest of the Millat and those doing so were liable to punishment. This view was expressed in the circumstances of the time when the Abbaside Caliphs were not in a position to enforce their authority over those who seized power by force in their areas. This situation will be clearly understood by the people in our country if we say that Mawardi lived and wrote when the authority of Abbaside Caliphs was comparable to that of Delhi during the decadent Mughal period in the sub-continent. We may recall that the great Imam of that time, Shah Waliullah, had asked Ahmed Shah Abdali to come and discipline the Marhatas.

In the context of modern times and more particularly in our situation when one talks of enforcing Islam, the question arises: Whose Islam i.e. whose interpretation of the Quranic principles of Islam? In the Quran are laid down the principles of Islamic behaviour in all walks of life. And since Islam is a religion for all times, Musalmans are

free to live and benefit from the experience gained through development of education and society but always in conformity with Quranic principles. The rub lies here. It is the interpretation of principles that has created schisms in Islam.

Now we not only have the followers of Fiqah-e-Maliki, Hanafi, Sha'faee, Hambli and Jafri — and the list does not end here —but there are other groups and sub-groups like Wahabis, Ismailis, Bohris, and Ahl-e-Hadis, Barelvis, Deobandis, etc., divided to the extent that they would not pray in one another's mosque or accept Imamat in prayers of one not subscribing to their interpretation of what Islam is.

Currently, our present Government is determined to enforce Islam. The sincerity of the present Head of State in this regard is beyond doubt. No one from amongst the defunct political parties and in opposition to Martial Law, has cast doubt on President Zia's sincerity in this regard. However, neither Jamaat-e-Islami nor Jamiat-ul - Ulma-e - Islam, Jamiat-ul-Ulma-e-Pakistan or its sub-groups, the various groups of Muslim League, or the Khaksars, or the Jamaat-e-Ahl-e-Hadis or the followers of Fiqah-e-Jafria, accept unreservedly all that is said and done in the name of Islam by the present regime.

Unfortunately, all these elements are today generally described as opposition to the present Government which is without doubt engaged in enforcing Islam in the Pakistani society. We deliberately refrain from spelling out the implications of Justice Iqbal's reference to Mawardi's opinion.

CSO: 4200/132

WORKINGS, FACILITIES OF A REFUGEE VILLAGE REVIEWED

Karachi BUSINESS RECORDER in English 9 Nov 82 p 2

[Article by Annick Billard]

[Text] To get an idea of the sheer size and gravity of the Afghan refugee problem in Pakistan, there is probably no place that is more suitable to visit than Barakai, located in an arid region of Pakistan, not far from the Afghan border. This year, no fewer than 127,000 Afghan refugees are living in thirteen camps spread over an area of somewhat more than 100 hectares, separated from each other only by artificial and, so to speak, imaginary administrative boundary lines. They are in fact all part of the same large refugee area.

The thousands of tents making up this vast refugee area began to spring up out of the desert in the course of 1981. Little by little, the refugees managed to erect their own structures separated by little walls of "katcha" (backed clay) marking off the space reserved to each family group. Within the boundary of its own plot, each "family", consisting of men, women, children, cousins, uncles and other close relatives, began to organize life on its own.

On this barren land it was necessary to construct an entire city, with its houses, bazaars, mosques, plots for growing food. When you walk between the walls of "katcha" separating the houses, your feet sink into the sand, and the slightest puff of wind preceding a storm raises clouds of dust--a reminder, if one were needed, of the fact that the desert is always present. In an attempt to forget this, water is brought in and stored. The needs of the camp are covered by 22 water storage tanks that have been installed until now. People have even begun to cultivate small gardens. In the refugee villages dotting the frontier zone in the Northwest small vegetable gardens have sprung up, lending a touch of green to the brownish-yellow camp surroundings. On this rough and inhospitable terrain, people grow whatever they can. At this moment in late September, it is mainly cucumbers that can be seen clinging to the walls of "katcha" or in the small courtyards.

At the same time Barakai has been witness to the creation of community facilities and services, giving the place a less temporary character. In

particular, schools have been set up. In each of the thirteen camps, from 250 to 300 children, both boys and girls between the ages of 6 and 12, attend school every morning, except Friday. The schools, which are very basic in nature, are each surrounded by a little wall of "katcha" to protect them against bad weather, and covered by a tent. Each class has at least 40 children and very often more; however, they are anxious to learn, and apply themselves to the task with great enthusiasm. They learn the Quran, and in some schools they have courses in mathematics, the geography of Afghanistan and Pakistan, as well as courses in history. In addition, they learn the Pushto language, which is their own, and which is also spoken in this region of Pakistan. They also learn some Uzhbek and some English. Naturally, most of the pupils are boys. Nevertheless, there are certain courses for girls, and some classes are mixed.

Dispensaries were also set up very quickly by non-governmental organizations such as Union Aid and the Austrian Relief Committee in order to prevent and fight epidemics that are likely to arise without warning. The possibility of an epidemic is almost an obsession wherever there is a large concentration of refugees such as the one at Barakai, and it is certainly one of the things most to be feared. So far, the apprehension has not turned out to be justified in any part of the large camp, and this is cause for great pride on the part of the Pakistani Government. Zuber Ali, one of the Directors at the Pakistani Information Ministry, pointed out to me that there had been "no epidemic, no major friction with the local population", and that "the living conditions of the refugees are satisfactory."

In addition to the setting up of an infrasturcture for the area, bazars and small business have been created in each quarter, resembling a great deal those that are found everywhere else in this part of the world. There is one difference to be noted, however, and that is the fact that they often had to be created from scratch. There was no question at all of taking up the family business again. They had to settle for the most appropriate activity under the circumstances. Little by little, therefore, and depending upon the circumstances, the refugees opened up hardware, butchery and grocery shops, tailor and watch repair establishments or workshops for the manufacture of rugs. The Pakistani authorities view benevolently the initiative taken by the refugees to find activities in which they can gain a livelihood. The Governor of the frontier region of the Northwest refers to these occupations as "revenue-bringing activities." He adds that this expression was chosen on purpose in preference to that of "self-help". "We consider this term to be too abstract" he says. Indeed, it is merely a question of finding a means among others of earning a bit of extra money for the family livelihood while awaiting a more permanent solution.

While these bazars may seem to resemble a great deal the ones found throughout the Middle East, there is one respect in which they are unique: no women are to be seen in them at all; it is the men who sell, select, bargain over prices and purchase. As a result, the only objects found are those used by men, including masculine attire.

Barakai is the largest of the 300 refugee villages set up by the Pakistani Government with the assistance of UNHCR in 1980. UNHCR provided financial assistance totalling $74 million for the entire province in that year. In 1981, a total of $109,500 million was disbursed. For 1982, $51 million has been allocated during the first six months. The World Food Programme and charitable organizations are also making a very important financial contribution.

CSO: 4200/132

COLLEGE OF OCEAN SCIENCE AND TECHNOLOGY PROPOSED

Karachi BUSINESS RECORDER in English 13 Nov 82 p 3

[Text] Admiral Karamat Rahman Niazi, Chief of the Naval Staff yesterday strongly advocated for the establishing of a college of ocean science and technology to undertake teaching and training in three main subjects--namely marine geology and geophysics, hydrography and fisheries technology.

He was speaking at the opening session of the first six-day US-Pakistan workshop on Marine Sciences in Pakistan on the second day yesterday. Admiral Niazi presided over the second days opening session.

Admiral Niazi lamented that availability of funds and trained manpower in Pakistan were two causative factors which obstructed Pakistan efforts for exploitation of living and non-living resources from the sea.

He said that Pakistan's exclusive economic zone (EEZ) is reasonably large. So far, he said, the zone had remained untapped despite its geographical location, geophysical features like the Induscone and ideal oceanic climate for development and sustenance of living resources like fish.

Admiral Niazi said that there was a definite need to train and educate a large number of personnel in various disciplines of marine sciences. Obviously, he said, Pakistan could not afford to send all of them abroad at phenomenal costs and therefore, the country had to start its own educational institutions of marine sciences.

Admiral Niazi said that our intention should be to make a small beginning by establishing a college of ocean science and technology to undertake teaching and training in marine sciences. He hoped that the participants from the United States Science Foundation would look-into-the possibility of help they could extend to Pakistan f. setting up such a college in this country.

The Naval Chief stressed that Pakistan Navy provided an impetus for development of marine sciences for a national cause. He recalled that the subject of oceanography in the United States was initiated by the US Navy and now that country had a full fledged department of oceanography, called the Naval Oceanographic and Atmospheric Administration. He regretted that in

Pakistan sea is not familiar, and coastal people who are in touch with the sea are not socially developed.

Navy's Contribution

Admiral Niazi stressed Pakistan Navy's "useful contribution" to development of oceanographic activity in Pakistan. He said: "We would be glad to provide whatever assistance may be needed by the scientist community to generate interest in off-shore projects for exploitation of marine resources in our EEZ and even help to provide some assistance in the establishment of a college of ocean sciences and technology."

He said that in fact the Department of Hydrography of the navy had been of assistance to the National Institute of Oceanography in the past and hoped that Pakistan Navy could play a vital role in the establishment of a college of ocean sciences and technology in the future.

Later, a number of papers were read on various subjects of marine geology and geophysics and physical and chemical oceanography by eminent marine scientists and expert oceanographers from various universities of the United States.

Dr. M. A. Kazi, Presidential Advisor on Science and Technology was prominent among those who attended yesterday's opening session.

The workshop inaugurated here on Thursday has been jointly sponsored by the Washington-based National Science Foundation and the Federal Ministry of Science and Technology, Government of Pakistan and is being hosted by the National Institute of Oceanography, Karachi.

About 25 oceanographic experts each from the United States and Pakistan are participating in the workshop, along with some observers from Turkey, England and the United Nations Educational Scientific and Cultural Organisation (UNESCO).--APP.

CSO: 4200/132

RECONCILIATION COURTS FOR MINOR CASES

Karachi MORNING NEWS in English 19 Nov 82 p 9

[Text] Federal Local Bodies Minister Syed Fakhr Imam has said the establishment of reconciliation courts will go a long way in resolving minor criminal and civil cases at the local level quickly.

He was speaking at the concluding session of the two-day reconciliation courts conference here yesterday. The Minister said the Reconciliation Courts Ordinance of 1961 has been amended to streamline the procedure of the reconciliation courts set up in the province of Sind.

He made it clear that there is no conflict whatsoever with the normal laws, and the reconciliation courts will be dealing with the minor cases. The cases of serious nature, such as murder, attempt to murder etc. will be dealt by the courts under the normal procedure.

The Minister said, according to Hamood-ur-Rehman Commission Report, the reconciliation courts had been very successful. He expressed the hope that the revival of these courts will produce positive results.

He said if any of the litigants is not satisfied with the chairman of the reconciliation court he can refer the matter to the controlling authority for the change of court.

He further said the elected councillors will be the chairmen of the courts.

/He dispelled the nation [as published] that an uneducated chairman of the reconciliation court will not be able to give correct judgement. He said these courts will be dealing with simple and minor cases and the councillor of the area will be in a better position for having knowledge of each and every minor case of his area and thus he will be able to give correct verdict./ [in boldface]

Earlier, Mayor Abdus Sattar Afghani welcomed the chief guest and highlighted the purpose of the conference.

Later, Mr Fakhr-i-Imam met the delegates to the conference at the civic centre.

Legal Advisors

Another report adds.

The Chief Justice of the Sind High Court, Mr Justice Abdul Hayee Qureshi, has proposed the appointment of a legal advisor for every eight to ten reconciliation courts.

Addressing the third session of the two-day Sind reconciliation courts conference here yesterday, he said the appointment of legal adviser will help secure proper judgement in complicated cases. He said the reconciliation courts should pass correct and quick judgements to the entire satisfaction of the concerned parties.

Local Bodies Polls

APP adds.

Exchanging views with the chairmen of local councils drawn from different parts of the province at the KDA's Civic Centre, Mr Fakhr Imam said the Government was fully determined to hold Local Bodies elections in 1983. However, no firm date had so far been fixed, he added.

Referrring to rumours and speculations by certain elements about elections of Local Bodies, he said that such rumours were being spread to confuse the elected councillors. He said these were the people who had faced defeat in the last elections or who do not have hope of winning a seat in future.

He said the Government had no intention of appointing administrators in place of elected representatives in the Local Bodies institutions and they will continue to perform their responsibilities till the next elections.

Some council chairmen informed the Minister about the difficulties faced by them in resolving the problems relating to WAPDA, Railways, Telephone and Telegraph, National Identify Card etc.

The Minister assured them that he would talk to the concerned Ministers in this regard. In this connection a delegation, led by the Mayor of the Karachi will also visit Islamabad to talk to the concerned authorities.--PPI/APP.

CSO: 4200/132

MUSLIM LEAGUE TO STEP UP EFFORTS FOR UNITY

GF271730 Karachi DAWN in English 23 Nov p 1

[Excerpt] Islamabad, 22 Nov: The working committee of the defunct Pakistan Muslim League, at a meeting presided over by Pir Sahem Pagara here today, resolved that "efforts to unite the political parties should be continued, and the Pakistan Muslim League should play an active role in this regard."

Announcing the decisions of the working committee to newsmen later, Mr S. M. Zafar said, the committee was of the view that "the prevailing situation in the country will not improve until the general elections were held." The committee, he added, empowered Pir Saheb to follow up the recent abortive attempt to hold a round-table conference of politicians with a suitable course of action.

Questioned by newsmen later, Pir Saheb said, the Muslim League would soon present a resolution conforming to the nation's aspirations, which would be drafted keeping in view the thinking of the other parties and at [the] same time keeping it within the cover of the Muslim League's original resolution on the subject. It would be made "very moderate" and announced at a suitable time, he added.

Pir Saheb vehemently denied that the responsibility for the failure of Maulana Noorani's efforts to convene a round-table conference lay on the Muslim League, and asked why the other parties did not sit in the proposed conference even if the Muslim League did not join it. The Muslim League could not sign a document which it had not even seen or touched, he added.

Asked if he would meet the president during his current visit to Islamabad, Pir Saheb said: "He is flexible, and we are bound by principles. There is no meeting point."

Questioned about the president's promise to announce the framework of the new system of government on 14 August next year, Pir Saheb said: "You must have misheard it. He did not mention the year."

CSO: 4200/179

HIGHWAY TO BOOST BALUCHISTAN'S ECONOMY

GF301346 Karachi DAWN ECONOMIC AND BUSINESS REVIEW SUPPLEMENT in English 28 Nov 82 p 1

[By Siddiq Baluch]

[Text] The RCD [Regional Cooperation for Development] highway linking Karachi via Quetta with Zehedan--the capital of the Iranian Province of Sistan va Baluchestan is one of the biggest projects creating an infrastructure in Baluchistan aimed at bringing a change in the social and economic life of the province.

The 842-mile long road runs through the mineral-rich regions of Ras Koh Range, the Chagai Hills and the central mountains range of Baluchistan. The proven mineral wealth--only partly tapped and exploited--includes onyx, marble, copper, iron ore, sulphur, besides dozens of other minerals in areas close to the RCD highway.

Recently, another big reserve of natural gas has also been discovered in a field in the Ras Koh Range, the gas field is very close to the RCD highway and is considered equal in terms of the reserves to the one found at Sui in the Bugti Tribal Belt in early 1950s.

The biggest copper and iron ore reserves were found in Saindak, Pachin Kaur and Chil Kaur areas, which were also linked with the RCD highway through katcha roads [dirt roads].

Major parts of the fruit growing regions of northern Baluchistan, including the Quetta Valley, are also linked with the RCD highway and their products are being marketed in Karachi, thanks to the highway. Besides fruits, vegetables in the "off season" and the surplus vegetables from the hilly regions of Sarawan, (Jhalawan), and the Lasbela Plains are also being brought to Karachi through this highway.

The opening up of the regions, which were previously closed geographically, to wider market places, particularly Karachi, has benefited sellers as well as buyers. The marketing of vegetables in "off season" has guaranteed a regular flow of supplies to Karachi which has an unlimited market for primary products.

The flow of vegetables from central Baluchistan and Lasbela Plains has ensured comparatively stable prices for growers in this area. A good return to growers in the areas, which remained neglected for a long time, in turn, provides incentive to even those agriculturists who were reluctant to bring barren lands under cultivation. The demonstration effect of this process--selling of vegetable from a once closed region to a newly linked-up wide market has motivated people in the region to tap water resources and bringing neglected land under cultivation. This could as well led to overall development and progress in Baluchistan.

Previously, the prices of vegetables and fruits remained generally unstable in Sarawan and (Jhalawan) regions and producers were compelled by the unpredictable market forces to sell their products at throw-away prices in the limited market. Sarawan being close to Quetta Calley is relatively better placed but (Jhalawan) and other areas which were not linked up with any market, big or small, were worst affected. Frequently agriculturalists in these areas had to face total loss of all their products simply because they found no buyers.

In the absence of a wider market or higher scope to sell their products, owners of agricultural and in these regions, despite having reasonable capital at their disposal, were reluctant to undertake farming on a large scale. They produced what they needed locally. Occasionally, they even gifted their surplus to avoid its damage or destruction in the absence of storage facilities. The tremendous loss of human labour and scare agricultural inputs kept the region undeveloped and poor, in comparison with other parts of the country. Now the situation is changing.

With the extension of the national grid to Sarawan and up to Kalat, and the availability of power agriculturalists have been encouraged to sink more and more tube wells in Kahnak, (Mustang), (Mounghecher) and Kalat and to undertake more profitable farming operations by producing vegetables and fruits for wider markets. One can see hundreds of tube well lights for over a hundred miles from Kahnak to Kalat--indicating a higher level of economic activity in the once hilly and barren regions of the province.

The building of approach roads of these farms has made the operations profitable. The scheduled extension of the national grid up to Khuzdar via Bela in 1985 will complete the circuit of electrification of the central parts of Baluchistan. The stronghold of tribal influences and traditions.

With the completion of the project for electrification of the entire central part of Baluchistan--according to which the KESC [Karachi Electric Supply Corporation] grid will be taken up to Khuzdar, which will be linked with the national grid of WAPDA [Water and Power Development Authority]--the RCD highway will come to play an even greater role in the development of the province.

In the upper reaches of the RCD highway--at Uthal, Bela, Khuzdar and finally Quetta--one can now see a number of fish stalls which have come up recently. The fish from the Lasbela coastline are being taken to these stations in the hope of getting better prices. The public transport vehicles are also taking seafood up the hills northwards and westwards, as the bigger market of Karachi is monopolised by the big operators who manipulate the prices at their will.

Finding better prospects for their fish catch, people of small fishing stations of (Gaddani), Sonmiani and (Damb) have diverted their supplies. Fishermen with small catch are booking space in the public transport vehicles in a bid to sell their catch in those areas. The availability of ice has ensured preservation of the seafood for over 24 hours.

The entire flow of commercial goods between Karachi and Quetta, and farther to the West and to areas close to the Iranian border, has shifted from the Karachi-Quetta route via Jacobabad to the RCD highway because it is shorter in distance. The reduction of over 142 miles in the distance makes a vital difference in playing the vehicles, conserving costly energy and saving time.

The number of bus plying between Quetta and Karachi via the highway, is now estimated at over two dozens. This is believed to have affected the passenger traffic of the Pakistan railways. The actual impact on the Pakistan railways remains to be determined but the highway has facilitated the people who travel between Karachi and Quetta and who can now reach Quetta from Karachi in less than 12 hours.

There is one aspect of RCD highway which needs attention. It is its proper maintenance, in the absence of which the condition of the road has deteriorated. For most of its length, the highway remains a 12-feet wide black-topped road. It has been widened to 24-feet only between the (Gaddani) shipbreaking yard and Karachi.

The sides of the highway have been eroded after recent rains and only occasionally has the road been repaired by the highway department. A number of causeways which collapsed in recent rains, are being repaired but only the stretch over which the dignatories pass appears to be receiving attention while the rest of the area is left unattended. The main bridges on the highway, now complete, need building of approach roads.

Since the RCD highway is taking the bulk of the road traffic in Baluchistan it needs to be further strengthened and widened into a 24-ft black-topped road, enabling vehicles coming from opposite direction to pass without involving and risk to human life and property.

CSO: 4200/179

CHINESE TEAM VISITS AFGHAN REFUGEES

Karachi DAWN in English 22 Nov 82 p 1

[Text]

PESHAWAR, Nov 21: The visiting nine-member Chinese delegation, led by Chinese Agriculture, Animal Husbandry and Fisheries Minister Lin Hujia, flew in here from Islamabad this morning from where it was driven straight to Nasir Bagh Afghan refugees tentage village.

At the airport the delegation was received by Senior NWFP Minister Arbab Mohammad Jehangir Khan.

Mr. Lin, while talking to Afghan refugees, said the valiant Afghans had repulsed the expansionist designs of the Russians with courage and would surely emerge triumphant in their just struggle which enjoyed full support of the world community, including China.

He said his country fully realised the miserable conditions of the Afghan refugees who had been driven out of their homeland.

He said the foreign intervention in Afghanistan had no popular support, and added that the invading forces had received big blows through heavy casualties of their troops at the hands of Afghan fighters.

The Chinese Minister said the whole world was anxious to see the people of Afghanistan again a free and self-determined nation and supported their struggle.

He said China would continue to extend moral and material support to them until the aggressors were driven out and the refugees were able to return to their homes.

Mr. Lin praised the Government and people of Pakistan for helping and sheltering Afghan refugees.

The delegation also drove through the Khyber Pass and had a view of Pakistan-Afghan border from the Michni post. PPI.

CSO: 4200/143

MINISTER ON BUFFER STOCK OF WHEAT

Karachi MORNING NEWS in English 19 Nov 82 p 8

[Text] A "national food security reserve" is being built up in a planned and methodical manner, and as of May 1982 a 1.65 million ton buffer stock of wheat has been stored in godowns throughout the country, Federal Agriculture Minister Vice-Admiral Mohammad Fazil Janjua said here yesterday.

Talking to newsmen at Karachi airport, he said over the past three years the wheat storage capacity had been doubled, and by the end of the next harvesting season four million tons of covered godown space would be available to store this commodity.

Similarly, he continued, more godowns were being built to store rice, and the Railways and National Logistic Cell authorities were drawing up a joint programme to move newly harvested rice quickly from the fields to the storage areas after it had been procured by the government from the farmers.

Regarding the prospects for the wheat crop, he said the recent rains had brightened the picture.

Sowing in the barani regions was already under way, and was about to begin in the irrigated areas, he added.

As far as rice was concerned, he remarked that the crop position was good, and the end of the prolonged drought period in July, 1982 had raised expectations that the target production figure of 3.4 million tons would be met. He said about one million tons of rice will be exported during this financial year.

Vice-Admiral Janjua said a "very good" cotton crop was expected during 1982-83. And he hoped that the "very ambitious" record 4.8 million bales target production figure would be achieved.

Turning to sugar, he said the 1982 production figure for this commodity was 1.3 million tons, a substantial rise over the 1981 output was 850,000 tons.

Noting that the national requirements for rationed sugar was 850,000 tons, he said the government policy was to make this amount available to the public at the normal subsidised rate of Rs 7 per kilogram, sell some of the surplus produce in the open market, and store the remainder as a buffer stock.

He said due to the international recession and depressed prices in foreign markets it was not profitable to export sugar this year, but as soon as the picture improved exports would be feasible.

He declared that the Government planned to encourage higher sugarcane production and increased output of processed sugar by providing incentives to both farmers and mill-owners. Besides, the Government wanted more sugar mills to be established in both the public and private sectors.

He stated that other agricultural sectors to which the Government was paying attention are dairy products and oil seeds.

He said the government policy was to remove rural poverty by assisting small farmers with holdings of below 12½ acres (who constitute 70 per cent of the cultivators) to boost their produce and thus increase their earnings.

Pakistan had recently begun exporting a variety of agricultural commodities, including rice, vegetables, fruit and fish, he said.—APP.

CSO: 4200/132

MINISTER SAYS AGRICULTURAL PRODUCTION CAN BE TRIPLED

Karachi DAWN in English 22 Nov 82 p 5

[Text]

ISLAMABAD, Nov 21: The perceived potential for agricultural production in Pakistan is three times more than the actual performance as regards agricultural production. It is the Government's strategy in the field of agriculture to close this performances potential gap.

This was stated here on Saturday by the Federal Minister for Food, Agriculture and Cooperatives, Vice-Admiral Mohammad Fazal Janjua, during his meeting with Chinese agriculture delegation, led by the Minister for Agriculture, Animal Husbandry and Fishery, of the People Republic of China, Mr. Lin Hu Jia which met him here.

Minister of State for Food, Agriculture and Cooperatives, Mir Zafarullah Jamali; Secretary, Ministry of Food and Agriculture, Mr. Saeed Ahmed Qureshi, and Chairman, Pakistan Agricultural Research Council, Mr Amir Mohammad Khan were also present during the meeting.

The Minister said that the performance-potential gap would be reduced by undertaking research, giving purchase price incentives, better availability of basic agricultural inputs and necessary institutional re-adjustments.

The Minister further stated that the essential aim was to improve the quality of life through increased agricultural production. Such and increase is being brought about by suiting agro-technology to the requirements of the small farmers, who are the artery of our agricultural set-up, he added.

The Minister told the delegation that the Government was also making earnest endeavours to reduce the gap between policy formulation and implementation in order to match deeds with words.

The Minister pointed out that the small farmer had been associated with the Government efforts to increase agricultural production, besides, other measures of national development through Local Government institutions.

He further said that great emphasis was being laid on improving the quality of seeds and increasing per acre yield.

Earlier, Additional Secretary, Ministry of Food and Agriculture, Mr. Manzur Ahmed, gave an overall view of the agricultural policies of the Government of Pakistan and the organisational framework for the planning and implementation of these policies.

He also dealt with the measures taken and steps on the anvil to achieve national agriculture policy, objectives. He also briefed the delegation on the Government's future development strategy as regards agriculture.

Secretary, Economic Affairs Division, Mr. Ejaz Naik also spoke during the meeting and dealt with the utilisation of external assistance received for agricultural projects.

Chairman of the Agricultural Prices Commission, Mr. Shafi Niaz presented a brief resume of the Government's pricing policies. —APP

CSO: 4200/143

BRIEFS

SOVIET COMPOSER VISITING--Islamabad, Nov 21--Mr Shalva Davidov, a Soviet composer, is currently visiting Pakistan under the Pakistan-Soviet cultural exchange programme. He arrived here today on a three-day visit of the federal capital. His visit in Pakistan is being arranged by Idara Saqafat-i-Pakistan. [Text] [Karachi DAWN in English 22 Nov 82 p 1]

LAWYERS TO BOYCOTT COURTS--Rawalpindi, Nov 21--The lawyers community in Rawalpindi and Islamabad would boycott courts tomorrow to press for the acceptance of their demands, according to a decision taken today at a joint meeting of the District Bar Association, Rawalpindi and High Court Bar Association, Rawalpindi, and Karachi Bar Association. The meeting assured full support to the Karachi lawyers, especially to the office-bearers of the Karachi Bar Association. The meeting in a resolution urged upon the Government to restore the 1973 Constitution, hold immediate elections, undo the amendments made in the Bar Council Act, release political prisoners and lawyers and maintain only civil courts.--PPI [Text] [Karachi DAWN in English 22 Nov 82 p 1]

PUNJAB UNIVERSITY ELECTIONS DEMANDED--Lahore, Nov 21--The Nationalist Students Organisation (NSO) has demanded the resignation of the Vice-Chancellor of Punjab University, accusing him of adopting a partial attitude towards the Islami Jamiate Tulaba. The organisation has decided to convene a convention of progressive and liberal students with a view to making their unity more effective. This was stated by the leaders of the NSO at a Press conference today. The student leaders alleged that for the last few years the Punjab University had become a scene of lawlessness spread by the IJT. The NSO leaders said elections of the university students union were due next month and any "rigging," as was done in the elections last year would not be tolerated now by the progressive students. The NSO leaders also expressed their concern over the decision to readmit three rusticated students of the National College of Arts and supported the demand to expel all three of them. Iftikhar Shahid, Chairman NSO and other members of the organisation jointly addressed the Press conference. [Text] [Karachi DAWN in English 22 Nov 82 p 4]

SINDHI WRITER'S RELEASE DEMANDED--Hyderabad, Nov 21--The 5th annual conference of the Central Sindhi Shagird Tahreek, which met at the Tandojam Agriculture University today demanded immediate release of Mr Rasool Bux Palejo, a known Sindhi writer and advocate and student leaders Suleman Dahri and Asad Gadhi and others. The conference was presided over by the newly-elected President of the Tehreek, Mr Sohbat Ali Burro. The conference called for withdrawal of rustication orders of the students, end of martial law and holding of general elections, acceptance of lawyers' demands and release of all arrested advocates. The conference further demanded declaration of public holidays throughout Sind on the occasion of the forthcoming Urs of Shah Abdul Lateef Bhitai. It also demanded lifting of Press censorship, acceptance of journalists demands, withdrawal of Martial Law Regulation 53 and 54. The conference was also attended by representatives of Sindhi Mazdoor Tehreek, Sind Hari Committee, Sujag Bar (Children) Tehreek, Baloch Students Organisation, Pukhtoon Students Federation and Azad Students Organisation. [Text] [Karachi DAWN in English 22 Nov 82 p 4]

CHINESE VEHICLES FOR REFUGEES--Islamabad, Nov 21--The Red Cross Society of the People's Republic of China has donated four vehicles, along with spare parts and tools for use by the Government of Pakistan in the humanitarian assistance programme for Afghan refugees. The keys of the vehicles were handed over to the Chief Commissioner for Afghan Refugees, Brig (Retd) Said Azhar, by China's Consul Tien Ting here this morning. The 4-wheel-drive vehicles which have been donated through United Nations High Commissioner for Refugees will be used for the medical services for the Afghan refugees in the NWFP. The deputy chief of the United Nations High Commissioner for Refugees's mission in Pakistan was also present at the handing-over ceremony. PPI [Text] [Karachi DAWN in English 22 Nov 82 p 4]

LAHORE STUDENTS DEMONSTRATION REPORTED--Lahore, Nov 21--A peaceful protest demonstration was held by the students of the National College of Arts for the third day against the decision of the college authorities to reduce the expulsion period of three Islami Jamiate Tulaba students of the college allegedly charged with gross indiscipline some time ago. The protesting students blamed them for dragging the college into politics and vitiating the college atmosphere through their extra-curricular activities. The President of the College Students Guild, Raza Ali, and Social Secretary Imran Poshni, told newsmen that they have appealed to the Governor of Punjab to save the college from political interference.--PPI [Text] [Karachi DAWN in English 22 Nov 82 p 4]

MAHBUBUL HAQ'S TRAVEL PLANS--Islamabad, Nov 21--Dr Mahbubul Haq, Deputy Chairman Planning Commission, said here today that his coming visit to the United States would be primarily to join the Presidential delegation from Dec 6 and before that to speak to various American audiences on Pakistan's new economic strategy and issues for the Sixth Plan. Dr Haq, who will attend GATT Ministerials talks in Geneva from Nov 24 is due to arrive in Washington on Nov 27, eight days ahead of President General Mohammad Zia-ul-Haq's official visit to the United States at the invitation of President Reagan. He will join the President's delegation to the United

States and later to Canada. In reply to a question, he told "Dawn," although he would take the opportunity to meet World Bank officials in Washington as well, he carried no brief for seeking international assistance for Pakistan's Sixth Plan. He pointed out that the plan was still under formulation and its objectives and requirements remained to be firmed up. However, Pakistan's general economic situation is likely to come up during his meetings with the World Bank officials, he said. [Text] [Karachi DAWN in English 22 Nov 82 p 12]

AL-ZULFIQAR MAN'S ARREST REPORTED--Islamabad, Nov 16--Rawalpindi police on Tuesday held one Abdul Hameed for his alleged involvement in subversive activities. Abdul Hameed, a resident of Ganj Mandi, was reportedly a member of the Al-Zulfiqar organisation and was wanted by the police for his involvement in some major cases. A police party on Tuesday raided his house following a tip and arrested Abdul Hameed. His elder brother Rashid had already been arrested by the police on same charges. [Text] [Karachi DAWN in English 17 Nov 82 p 1]

GOVERNOR ON BALUCHISTAN DEVELOPMENT--Quetta, Nov 16--Baluchistan Governor Lt-Gen Rahimuddin Khan has said the Government has carried out massive development works in the province during the past five years and added that those who did not believe it should visit the interior and see for themselves the development projects so far completed. He was addressing councillors and elders at Mastung and Kharan. He said the Government had mobilised all available resources for development and referred to various projects which had been undertaken in fields of water, power and road communications. He said supply of gas to Quetta would start after the completion of the project to be inaugurated in the first week of January next year. Besides Quetta gas would be supplied to nine towns lying between Jhatpat and Quetta. This project, he added, involved an expenditure of Rs 70 crore, half of which was in foreign exchange. He said that question of extending gas transmission lines to other areas of the province would be examined at a later stage. [Text] [Karachi DAWN in English 17 Nov 82 p 5]

PDP PASSES RESOLUTION--The defunct Pakistan Democratic Party (Sind) at its Executive Committee meeting in Karachi yesterday said that an early transfer of power through elections to the elected representatives of the people would help Pakistan meet the challenges within and from across the border. A resolution adopted at the meeting demanded release of all political leaders and labour and student representatives and urged that the grievances of doctors, lawyers and workers should be recressed expeditiously. The Sind PDP meeting was presided over by Mr Mushtaq Mirza. Those present included Mr Ali Mukhtar Naqvi, Mr Alauddin Munshi, Dr Allah Rakha, Mr Khalid Farouqi and Rao Mehdi Hasan. Meanwhile, the MRD's Karachi Division branch held a meeting at the residence of Mr Mahmudul Haq Usmani with the current month's convener, Mr S.M. Altaf in the chair. It also

passed similar resolutions in addition to a demand for removing restrictions on the movement of party leaders from one province to another. The lawyers' present struggle was supported by both the bodies. [Text] [Karachi DAWN in English 17 Nov 82 p 12]

DETAINEES FREED--Sahiwal, Nov 16--Six detenus were released from the Central Jail, Sahiwal, including a local journalist Rashid Akmal. Others were Aftab Chaudhry, Allah Dad, Inayat Ansari, Rana Aish Mohammad and Nazir Ahmad. All were detained under MLO 12 and were released by the orders of the DMLA Multan.--PPI [Text] [Karachi DAWN in English 17 Nov 82 p 12]

PPP STEERING COMMITTEE--Begum Nusrat Bhutto, Chairman of the defunct Pakistan People's Party, yesterday formed a 12-member Steering Committee to look after the party affairs during her absence abroad. The committee comprises Miss Benazir Bhutto, Shaikh Mohammad Rashid, Mr Farooq Leghari, Mr Ghulam Mustafa Jatoi, Mr Mumtaz Ali Bhutto, Mr Abdul Hafeez Pirzada, Mr Yahya Bakhtiar, General (retired) Tikka Khan, Mr Aftab Sherpao, Maj-Gen (retd) Nasirullah Khan Baber, Shaikh Mohammad Rafiq and Mr Khalid Khan. The party meetings will be presided over by Miss Benazir Bhutto and in her absence, by Sh. Mohamad Rashid. Mr Jatoi will represent the defunct PPP in the MRD meetings. [Text] [Karachi DAWN in English 20 Nov 82 p 1]

GHAFOOR CRITICIZES RESTRICTIONS--Islamabad, Nov 19--Prof Ghafoor Ahmad, a leader of defunct Jamaat-e-Islami said today the externment of politicians of one province from the other should be stopped as it would harm the country's solidarity. Instead, he said, they should be punished within the province where they were accused of committing any offence. Talking to newsmen here, the Jamaat leader said political parties were like oxygen which was vital to human life. He said the people in Pakistan had immense love and regard for the Armed Forces which, he feared, could be shattered if their rule in the country continued indefinitely. Prof Ghafoor said the Government had failed to fulfil the promises it had made. The first promise, he said, was of election which he felt would not be fulfilled "in the near future." Similarly, accountability of bureaucracy and reconstruction of society which had been promised by the Government were now a "closed chapter." Because of this situation the nation was in the grip of utter confusion, he added. The Government, he said, must assure the nation that it still stood by its earlier promise to hold elections. He denied that there was any rift within the Jamaat, and alleged that the Government was trying to divide the party. [Text] [Karachi DAWN in English 20 Nov 82 p 4]

TRADE WITH HUNGARY--During the last two fiscal years of trade with Hungary the balance of payments was in favour of Pakistan. During the year 1980-81 Pakistan's exports to Hungary was valued at Rs 345 million and in 1981-82 it stood at Rs 208 million--Rs 109,096 and Rs 89,755 higher than the exports from Hungary. According to a trade survey report by the Hungary Embassy in Pakistan, the balance of trade was in favour of Pakistan for five years during the last decade. It said that the present barter protocol

concluded on March 19, 1982 stipulates a turnover of 35 million dollars each side. Pakistan is in a position to offer manufactured and semi-finished goods to Hungary. The increase of deliveries from Pakistan has been facilitated by extensive tariff preferences. Under the Hungarian system of preferences, the duty concessions are afforded unilaterally to Pakistan. [Text] [Karachi DAWN in English 20 Nov 82 p 10]

JUI LEADERS' RELEASE URGED--Peshawar, Nov 19--Aftab Ahmad Khan Shehrpao and Maj-Gen (Retd) Nasirullah Khan Babur, the President of defunct NWFP PPP and the former NWFP Governor in their separate statements have expressed their resentment and anguish over the detention of a prominent leader of defunct Jamiat-i-Ulemae Islam and the head of Jamia Ashrafia, Peshawar, Maulana Ashraf Ali and demanded his immediate release. The defunct Jamiat-i-Ulema Islam, Peshawar, has expressed its deep concern over the detention of Maulana Fazlur Rehman, Maulana Ashraf Ali Qureshi and Maulana Obaidullah and has demanded their immediate release. The Jamiat also expressed its resentment over the contents of a letter sent to Maulana Ashraf Ali Qureshi and Maulana Yusuf Qureshi terminating their services as Imam and Khateeb of two prominent mosques of the city.--PPI [Text] [Karachi DAWN in English 20 Nov 82 p 12]

MONTHLY FORFEITED--Lahore, Nov 16--The Government of the Punjab has declared all copies of the Urdu monthly "news bulletin of Al-Zulfiqar" of May/June 1982 forfeited to Government with immediate effect. The said Urdu monthly contains objectionable material under Clause (1) of Section 24(1) of the West Pakistan Press and Publications Ordinance, 1963.--APP [Text] [Karachi DAWN in English 17 Nov 82 p 12]

MORE POLYTECHNIC INSTITUTES FOR SIND--Two more Government polytechnic institutes will be set up in Sind each at Dadu and Mirpur Khas by next year. This was disclosed here yesterday by the Director of the Technical Education, Sind, Mr Inamul Haq, while addressing a Press conference in connection with the announcement of the admission policy of the Government polytechnic institutes in Sind. Mr Haq said that land for the proposed polytechnic institutes it was being acquired and added that the classes in the proposed polytechnic institutes would begin from the session of 1983-84. [as published] He also disclosed on the occasion that a proposal was being actively considered for reserving 10 seats in each technology of the polytechnic institutes in Sind for those who had, at least, three years industrial experience and were between 25 to 40 years of age but did not possess diploma. He said another scheme of introducing evening classes in the Government polytechnic institutes was being prepared by the Directorate of Technical Education, Sind, and would be presented to the Government for its approval soon. However, students of the evening classes courses would be awarded diplomas after four years, Mr Haq added. [Text] [Karachi MORNING NEWS in English 19 Nov 82 p 10]

CSO: 4200/132

CARDINAL SIN SEEKS DIALOGUE WITH MARCOS

Manila PHILIPPINES DAILY EXPRESS in English 18 Nov 82 pp 1, 6

[Article by Mel Parale]

[Text] Jolo, Sulu, Nov. 17--Gen. Fabian C. Ver, AFP chief of staff, said today that Jaime Cardinal Sin has sought a meeting with President Marcos on the case of priests being hunted for alleged violation of security laws.

Ver said the President has accepted the Cardinal's proposal but that the meeting will have to be held on or after the arrival of the First Lady, Imelda R. Marcos, from abroad.

Ver, who came here to assess the security situation in the South, said Cardinal Sin appeared to be under pressure from Church officials to make a stand on the actuation of priests who have left their parishes to engage in activities against the government.

At least one priest, Fr. Zacarias Agatep, has been killed in an encounter with government troopers in Ilocos Sur.

Intelligence operatives estimated that about 20 priests and nuns have left their posts to join subversives.

Ver said the proposed dialogue is likely to include other matters connected with Church-government relations.

Church officials have complained that the government is persecuting church leaders. This was denied by Ver, who said that Church-AFP relations have "remained cordial."

Ver said that church officials have refused to place under their custody certain priests in the government's wanted list.

He said among the wanted priests is Fr. Conrado Balweg from Kalinga-Apayao who was reported leading a band of rebels operating in the North.

Balweg was reported last seen clad in combat uniform and armed with a service pistol and armalite.

Ver did not give the reason for the reluctance of church officials to place under their custody the wanted priests.

Under a Church-military agreement, any priest or nun arrested for subversion may be turned over to his Church diocese provided that the Church official concerned shall be responsible for the escape or any untoward acts of the suspect.

CSO: 4200/135

FIRMS WARNED ON DELINQUENT TAXES

Manila BULLETIN TODAY in English 16 Nov 82 pp 1, 16

[Text] Customs Commissioner Ramon J. Farolan summoned yesterday the owners and top executives of 20 companies and asked them to settle their accounts in unpaid taxes worth nearly ₱1 billion as soon as possible or face closure as well as court action.

Farolan made the move in compliance with a directive of President Marcos to collect outstanding obligations in the form of duties and taxes from various business corporations involved in the withdrawal of goods from customs bonded warehouses without payment of corresponding customs duties.

The bureau of internal revenue also mobilized yesterday its fieldmen to carry out the President's order to collect all tax debts of big taxpayers.

Revenue Commissioner Ruben B. Ancheta and Revenue Deputy Commissioner Romulo M. Villa held closed-door session with close aides and fieldmen, including directors and service chiefs, to map out their strategy against tax evaders.

Those summoned and warned by Farolan represented companies whose liabilities account for approximately 85 per cent of the estimated ₱1.1 billion debt they owed the government.

Besides these companies, other big corporations have also been put on notice by the President who, in a related directive, ordered the bureau of internal revenue to collect unpaid taxes accumulated due to the failure of these corporations to declare foreign exchange for several years.

The government estimated that for the last several years, these corporations have earned several billion dollars which have been misdeclared or under-declared. The estimate of unpaid taxes cases in these instances is about ₱1 billion.

Pursuing a hard line against these companies and corporations with huge tax liabilities, the President ordered both the bureau of customs and the BIR to raise at least ₱2 billion out of these collectibles and to prosecute those who continue evading payment of taxes.

Ancheta said examiners will be authorized to look into the statement of assets and liabilities filed by taxpayers in 1981.

To discover foreign currencies saited abroad, Ancheta directed the audit division and revenue attaches to examine all records of foreign exchange transactions entered into by Filipinos and resident aliens with their foreign counterparts.

Insiders said many businessmen were able to hoard money abroad by overpricing their

imports and underdeclaring the value of their exports.

To intensify the tax collection efforts, Ancheta also ordered:

1. The stepped-up filing of fraud cases and issuance of seizure orders on properties of delinquent taxpayers.

2. Around-the-clock watch on liquor and cigaret factories to closely monitor payment of specific taxes.

3. The intelligence division to intensify the drive against the use of fake revenue stamps on liquor and cigarets.

4. Continued crackdown on commercial and service establishments which are not issuing sales invoices.

5. The withholding tax division to go after withholding tax agents not remitting on time the taxes they have withheld.

CSO: 4200/136

CENTRAL BANK CURBS NEW SHORT TERM FOREIGN CREDITS

Manila BULLETIN TODAY in English 18 Nov 82 p 22

[Text]

The Central Bank is trying to guard against the possibility of a balloon payment in the future on the country's short-term foreign debt when it clamped down the other day on new short-term foreign credits by local borrowers.

Saying that a balloon payment may be possible from unrestricted renewals of revolving short-term credits, the CB acted to check renewals of revolving credits as well as approvals of new ones.

Under existing policies, the CB follows a ceiling of $1.2 billion in 1982 for new revolving credits. However, renewals of such credits are not charged against this ceiling.

The CB recognized that renewals of revolving credits actually extend the credit float and causes overlaps, resulting in the build-up of short-term loans.

It said that such resulting build-up, while having a neutral effect on the balance of payments, may have serious repercussions on the BOP in the future when the credit is finally paid.

From the point of view of debt management, the CB has now actually controlled revolving credits as well as including the same in the annual ceilings.

For firms which have existing revolving credits but could no longer be renewed on account of the new ceiling, they may have to be required to infuse additional equity to finance permanent increases in working capital.

At the same time, available revolving credit facilities will have to be carefully rationed among legitimate users.

To be qualified to avail of revolving credits under the new policy, a firm should have adequate working capital to meet permanent business requirements.

Based on the outstanding short-term foreign debt of $3.7 billion, about 98 per cent or $3.62 billion are revolving credits, and about half of which, or $1.795 billion are with the public sector.

The outstanding public sector revolving credits consisted of oil import financing for the PNOC, $1.15 billion or 64 per cent; bridge financing/refinancing for DBP, NPC, NIDC, NDC, Philsucom and PAL, $477.8 million or 27 per cent; and grain importation for the NFA, $167.9 million.

CSO: 4200/136

TROOP PULLOUT ORDERED INVESTIGATED

Manila BULLETIN TODAY in English 18 Nov 82 pp 1, 12

[Text]

Defense Minister Juan Ponce Enrile ordered yesterday an investigation into the reported pullout of government troops in barangay Guinamangan, Conner, Kalinga-Apayao without approval from higher-ups.

He issued the order to Gen. Fabian Ver, Armed Forces chief of Staff.

Enrile issued the order after news reports said the pullout of Army soldiers in the area had forced residents of the place to evacuate en masse.

The pullout, the reports said, was made "to ease tension in the area." However, the reports did not say what the tension was.

The villagers feared elements of the Army detachment in the area headed by one Sergeant Lubuegen.

Lubuegen and his men allegedly beat up six residents who they reportedly caught carrying unlicensed firearms.

Meanwhile, 253 hardcore members of the Moro National Liberation Front (MNLF) surrendered to General Ver recently.

The surrender took place in Jolo, Sulu during General Ver's visit there Tuesday.

The surrenderees said they were tired of fighting "a useless war," according to the Armed Forces' public information office.

Among the surrenderees were 10 MNLF commanders operating in Sulu and Basilan.

The former rebels yielded 181 high-powered guns, including a recoilless rifle, a .30 caliber machinegun and rifle grenades.

CSO: 4200/136

MILITARY RETIREMENT SCHEDULE STAYS

Manila BULLETIN TODAY in English 18 Nov 82 pp 1, 10

[Article by Jose De Vera]

[Text] Gen. Fabian C. Ver, Armed Forces chief of staff, has announced that the retirement schedule of "extendee" generals will not be disturbed.

He said "extendee" generals must have to go when their reextention expires, except for a few whose separation would be a disadvantage to the government.

The exception applies to commanders of major AFP commands and physically able commanders of unified commands.

Ver was interviewed aboard an Air Force plane that ferried him to Zamboanga city from Jolo, Sulu, on his way back to Manila last Tuesday.

He was asked about the alleged demoralization in the AFP on account of too many "extendee" generals, particularly in the Constabulary.

The alleged demoralization reported in a regular column of a morning daily, was based on a supposed letter to the President.

In the past three or four years, Defense Minister Juan Ponce Enrile, President Marcos, and Ver, have repeatedly announced that ranking but subordinate officers were being trained to take over from retiring generals.

Officers qualified for promotion were aware that it was not advisable then to "change horses mid-stream" because of martial law necessity.

This has been removed with the lifting of martial law, an interview pointed out at the in-flight press conference.

The Armed Forces high command has formed a super-committee to look into the possible causes and study possible solutions to the breakdown of morale and discipline in the AFP.

General Ver said he has asked the committee to form subcommittees to go out to the field to hasten its work of tracing the causes of breakdown of morale and discipline.

In addition, the AFP chief said, he also asked the body to study the feasibility of organizing a "renabilitation battalion" or a unit where erring or undisciplined personnel could be consolidated for retraining.

CSO: 4200/136

FRATERNITY LINK WITH RADICALS SEEN

Manila BULLETIN TODAY in English 18 Nov 82 pp 1, 12

[Text] Campus fraternities were reported yesterday to have linked up with radical student organizations, prompting security officers to alert their forces in colleges and universities.

Reports reaching the Ministry of Education, Culture and Sports (MECS) said leaders of two volatile campus segments have been holding clandestine caucuses and using telephones to map out their strategies.

MECS authorities said a "tight watch" has been placed on six big educational centers where the radicals the "frat men" were described to be most active in the Metro Manila area. "We have strong reason to believe that the increasing abuse of addictive drugs has something to do with this new development," said Dr. Jesus Johnson of the Philippine Association of Colleges and Universities (PACU).

Director Alexander Villalon, Jr., of the Youth Action Development Organization (YADO), said training has been intensified on law enforcement and drug prevention among members of the 15,000-strong student contingent. He said this is in line with the provisions of the new National Service Law.

Brig. Gen. Benjamin Vallejo, head of the Metropolitan Citizens Training Command, said the YADO, which falls under his jurisdiction "is the only readily mobilizeable youth group for campus action today."

The tie-up of the radical and "frat" fronts "seems to be a new development and should not be encouraged," Johnson said.

Dr. Amado C. Dizon, PACU executive vice president, called the attention of school officials and student leaders on their duty to maintain peace as delineated in the Education Act of 1982, holding both responsible for any outbreak of disorder or violence in the campus. He cited new agreements which have kept government law enforcers outside of school premises and assigned student security to civilian units employed by universities and colleges.

Under the agreements, state forces are to be called, or would force themselves in only when disorder becomes uncontrollable and civilian security units are unable to cope with the situation.

CSO: 4200/136

UNIDO EXPLAINS TURN TO RADICALISM

Manila BULLETIN TODAY in English 16 Nov 82 p 36

[Article by I. S. Chammag]

[Text]

BAGUIO CITY, Nov. 15 — Radicalization of moderate oppositionists and the religious sector has been gaining momentum due to lack of genuine reforms for the people.

This was the message of Batangas Assemblyman Salvador H. Laurel, president of the United Nationalist Democratic Organization (UNIDO), at a people's congress held here yesterday.

The congress of 3,000 delegates from Regions I, II, and III, was organized by former Vice Gov. Pablito Sanidad of Ilocos Sur.

Laurel said that 70 per cent of the radicalized oppositionists are in the hills. The rest are now under the UNIDO umbrella, trying to institute honest political and economic reforms, he said.

The UNIDO has come up with proposals aimed at preventing "useless bloody confrontations," he said. These include a revamp of the Comelec, the abolition of block voting, and the creation of a preparatory committee to reorganize the political system.

The other speakers at the rally were: former Rep. Rogaciano Mercado, Fabian Sison of Pangasinan, Constitutional Convention delegates Ramon Encarnacion and Rebeck Espiritu, Wilson Gamboa and Tony Gatmaitan of Visayas, Leoncio Alangdeo of Benguet, Joseph Humiding of Ifugao, and Reynaldo Cortez and Benedicto Carantes of Baguio.

CSO: 4200/136

TEXTILE FIRMS PRESSED ON DEBTS

Manila PHILIPPINES DAILY EXPRESS in English 18 Nov 82 pp 1, 6

[Text] The Bureau of Customs said yesterday it has to collect some P520-million in unpaid duties and taxes for imported textile materials, which were illegally withdrawn by 20 textile companies from their bonded warehouses.

Commissioner Ramon J. Farolan said these outstanding debts were unpaid for one to two years despite repeated demands by the bureau. He said the firms' warehousing privileges were suspended and their current importations being held by the bureau to compel them to pay the government.

The back accounts are among those included in the P1.1-billion which the customs is now trying to collect as earlier directed by President Marcos.

The tax payables of the textile companies, Farolan said, account for about 60 percent of the estimated P850-million in unpaid duties of the bonded warehouse operators.

The firms were allowed to operate CBWs, which are usually inside their factory, to enable them to have easy access to imported raw materials for their continued operations.

The materials, conditionally released from the piers tax and duty-free, are kept in the warehouse under customs supervision, Farolan said.

While inside the warehouse the operators release the raw materials with the connivance of customs personnel assigned at the CBW, Farolan said. Because of this irregularity, some 1,000 CBW storekeepers are now being investigated by the bureau. Twenty-five of them were already suspended and charged administratively, he said.

Farolan said the textile company with the biggest back taxes is Imperial Textile Mills, which owes P104.5-million as of the first quarter of 1982.

The others are Riverside Mills Corp., with P80.2-million; Solid Factors, P79-million; Columbia Textile, P54.3-million; Alfa Integrated, P41.3-million; United Textile Mills, P31.6-million; Grand Textile Mills, P21.9-million; and Eastern Textile Mills, P16.6-million.

Twelve other textile companies--General, Filipinas, Litton, Central, Universal Robina, Silangan, Lirag, Universal Tricot, Unisol, Universal and Pioneer--owe the government back taxes amounting from P13-million to P2-million, he said.

CSO: 4200/135

FUNDS FOR RICE PURCHASE RELEASED

Manila PHILIPPINES DAILY EXPRESS in English 18 Nov 82 p 1

[Text] President Marcos released yesterday P500 million to enable the government to buy palay at P1.70 per kilo from hard-pressed farmers who are selling to merchants for as low as 90 centavos.

Private traders taking advantage of the bumper crop have been cornering the palay surplus at prices that they can dictate because many farmers need money.

The National Food Authority said rice millers and traders who persist on buying palay from farmers at prices below the government support price of P1.70 per kilo will be blacklisted.

The NFA said blacklisted millers and traders will not be allowed to borrow from the quedan financing program, or awarded milling contracts by the NFA.

Blacklisted millers and traders also face cancellation of their licenses depending on the gravity of their offenses, the NFA said.

The President directed NFA and agriculture officials to meet with private rice traders to see to it that the buying price levels are kept.

Agriculture Minister Arturo R Tanco has reported to the President that as of last week, palay was selling at P1 per kilo in Cagayan Valley and 90 centavos per kilo in Central Luzon.

The NFA buys 10 to 15 percent of rice crops directly from the farmers, while private traders buy the remaining 85 percent.

The NFA has announced that more buying stations will be opened soon to accommodate farmers in various regions. The NFA operates some 600 buying stations.

With the fielding of more personnel to these stations, the NFA said that, as of last week, it has bought about 6.5 million bags of palay valued at P514 million.

CSO: 4200/135

JEEPNEY STRIKE LEADER CHARGED WITH SEDITION

Cebu City VISAYAN HERALD in English 11 Nov 82 pp 1, 2

[Text] Manila, Nov. 10--(PNA)--Defense Minister Juan Ponce Enrile today said the leader of a jeepney drivers association who is under detention has been charged with inciting to sedition.

Medardo Roda, chairman of the Pagkakaisa ng mga Tsuper at Operators Nationwide (PISTON), was arrested on Sept. 9 by virtue of a Presidential Commitment Order. He was earlier reported detained without charges filed against him.

Enrile said a preliminary investigation of Roda was conducted by the Quezon City Fiscal's office before the formal charges against him were filed on Oct. 26.

The criminal case is entitled "PP vs Deogracias P. Espiritu, et. al" for inciting to sedition.

Rodas' continued detention at Camp Crame is based on the PCO issued on Aug. 31, according to Brig. Gen. Samuel Soriano, assistant secretary of defense for legal affairs.

The group of Espiritu was found to be an affiliate of the Kilusang Mayo Uno (KMU), a labor union tagged by the military as a front organization of the Communist Party of the Philippines.

CSO: 4200/134

ARCHBISHOP SALVADOR URGES CAUTION ON ABUSES

Cebu City VISAYAN HERALD in English 11 Nov 82 pp 1, 2

[Text] Cebu City, Nov. 10--(PNA)--Archbishop Manuel Salvador, Central Visayas chairman of the peace and order council, today urged priests not to be too hasty in using the pulpit as an anti-government forum.

He called on members of the clergy to first verify reports and seek a dialog with authorities before taking to the pulpit to denounce any military abuse or government irregularity.

Appearing in a radio-press interview this morning in Cebu City, the Cebu co-adjutor archbishop said the church and the state should not assume adversary position but should instead work together for the good of the people.

The pulpit should not be used as a medium for airing unverified charges and should be used very sparingly for such purpose," he said. [as published]

"If there are priests who have been vocal and active against what they see as government abuses, they are doing so in their personal capacity," Salvador said.

"A priest should look after faith and morals and are not social or political workers," he said.

According to the Cebu church leader a dialog, more often than not, can go a long way in ironing out irritants and forging better understanding between the church and the state.

CSO: 4200/134

HUMAN RIGHTS CRUSADE DRAWS SUPPORT FROM PDP

Cebu City VISAYAN HERALD in English 11 Nov 82 pp 1, 2

[Article by Al Alinsug]

[Text] The Opposition PDP-LABAN in Central Visayas is throwing all-out support to the crusade for human rights initiated by a multi-sectoral assembly of the faithful named KATAKUS or Tawhanong Katungod sa Sugbo.

Speaking through Ribomapil Holganza, PDP-Laban Secretary General, the region-based opposition party made known its full support to the movement in defense of human rights which are God-given rights of the people.

Holganza, who contacted VISAYAN HERALD by phone last night said, "We welcome the organizing efforts of KATAKUS and it is to us a breath of fresh air considering that the prime movers of this movement come from the clergy."

The PDP-Laban assures the people, Holganza said, of its whole-hearted support. Holganza then pledged the little facilities of PDP-Laban to the cause of human rights.

The Cebuano opposition leader expressed agreement to the necessity of waging a "relentless and massive human rights crusade in this country," during this time when "the repressive forces of the government is already geared towards the indiscriminate arrests of priests and other religious personalities." [as published]

Holganza said he feels that the situation is rather "critical and perilous."

If men of God, Holganza continued, are not safe anymore from the clutches of reactionary forces, then nobody is safe in this country now.

It may be recalled that a number of priests have been rounded up and held incommunicado. The latest of these arrests were that of Fr. Edgar Kangleon, director of the Social Action Center of the diocese of Calbayog, Samar and Fr. Brian Gore of Kabankalan, Negros Occ.

These arrests of priests have been viewed with alarm by concerned Filipinos. The latest to express concern were the Concerned Women of the Philippines

(CFP) [as published] headed by Zenaido Quezon Avancena (VH, Nov. 9, 1982) and WE FORUM publisher-editor Jose G. Burgos (See page 1 related story).

The KATAKUS has planned to hold an assembly this Saturday, Nov. 13, at the Legion of Mary Social Hall of the Cebu Metropolitan Cathedral in Cebu City.

The group was reportedly organized last month as a coordinating body for a human rights campaign which would culminate on Dec. 10 with activities commemorating the 34th anniversary of the adoption of the United Nation's Universal Declaration of Human Rights.

KATAKUS is reportedly coordinating with the Coalition Against People's Persecution (CAPP).

With this development, His Excellency, the Archbishop of Cebu, Msgr. Ricardo Vidal, has been understood as having taken bolder steps in contrast to the collaborative stance taken by his predecessor.

CSO: 4200/134

PROBITY OF OPPOSITION QUESTIONED

Cebu City VISAYAN HERALD in English 9 Nov 82 p 4

[Article by Atty David Ompoc]

[Text] Two assemblymen in Region VII have won applause and admiration for exuding brilliance on floor discussions of pending bills. From the looks of it, Assemblymen Davide and Fernandez have championed the cause of the opposition by consistently opposing KBL-sponsored bills of dubious value to our people. This column on several occasions have doffed its hat to the fine performance of the two gentlemen in the Batasan. [as published]

Yet, a knowledgeable informant has pooh-poohed the opposition stance of Messrs. Davide and Fernandez and has criticized this columnist for being naive and ignorant of the real personalities of the duo. Said informant has asked the following questions: "Where is the wife of Assemblyman Davide working? What is her position and in what manner did she get her promotion? Did she get it through sheer merit or through the influence of her husband? Mr. Davide as Con-Con delegate, is he not one among the recipients of the payola money?" With regards to Assemblyman Fernandez, this informant declared that he is allegedly guilty of receiving direct subsidy from the powers-that-be. These bits of information are very disturbing especially to this columnist who holds a very high regard and esteem for the two legislators.

There is no truth that when one is an oppositionist, he is outside looking in. Assemblyman Mariano Logarta, Minority Floor Leader, is the best example. It is being bruited about that he recently bought a residential property at San Jose St., Cebu City for an allegedly staggering sum of P450,000.00 on cash basis. And also Assemblyman Logarta in partnership of a national columnist is negotiating for the purchase of radio station DYRE. The sun is clearly shining brightly on the fortunes of Assemblyman Logarta.

Sardine business is very lucrative both for the importer and the influence peddler. The take for the influence peddler is on commission basis per carton. If one gets an authority to import 100,000 cartons of sardines at P10.00 commission per carton, the influence peddler is richer by 1 million. If it is true as alleged that Assemblyman Logarta obtained an authority to

import sardines under the name of his father, Antonio Logarta, then it follows that he is indeed very solvent to be able to acquire valuable real estate properties.

A source who is not seeing eye-to-eye with Assemblyman Legaspi has indicated that among the twelve assemblymen in Region VII, only Mr. Legaspi can be given credit as the true and loyal opposition. This information is highly credible considering that it came from an unfriendly source. Regarding Assemblyman Cabangbang, he being an oppositionist is on cash-and-carry basis. Just what is the meaning of this statement I really don't know. I hope my informant will give more clarificatory statements.

CSO: 4200/134

CLERICS' ARRESTS ALARM WOMEN'S GROUP

Cebu City VISAYAN HERALD in English 9 Nov 82 pp 1, 2

[Text] The apparent systematic arrests of priests in different parts of the country has not only alarmed the religious and the clergy but also the women's group.

The Concerned Women of the Philippines (CWP) whose executive board is headed by Zenaida Quezon-Avancena has viewed the recent wave of arrests of priests and nuns "with great alarm." In a letter sent to WE FORUM, the CWD has deplored the suspicion of these nuns and priests and other church lay workers as subversives. [as published]

The letter took note of arrests of members of the clergy from Cagayan in the second look at their present policy against the Christian workers of the country, including our foreign missionaries.

(The executive board of the CWP is composed of Zenaida Quezon-Avancena, Mary C. Bautista, Thelma M. Arceo, Risalina B. Boncan, Maria Y. Feria, Lourdes C. Jose, Eulalia H. Lim, Paz P. Mendez, Ma. Teresa F. Nieva, Cecilia M. Palma and Mita Pardo de Tavera.)

CSO: 4200/134

CHURCH LAUNCHES MASSIVE HUMAN RIGHTS CRUSADE

Cebu City VISAYAN HERALD in English 9 Nov 82 pp 1, 2

[Article by Mike Ynclino]

[Text] The Kalihokan Alang sa Tawhanong Katungod sa Sugbo (KATAKUS), (Movement for Human Rights in Cebu) is holding a multisectoral assembly of the faithful at 2 P.M. on Saturday, November 13 at the Legion of Mary Social Hall of the Cebu Metropolitan Cathedral in Cebu City.

The group was reportedly organized last month as a coordinating body for a human rights campaign which would culminate on December 10 with activities commemorating the 34th anniversary of the adoption of the United Nations' Universal Declaration of Human Rights.

KATAKUS has slated the multisectoral assembly organized under the Coalition Against People's Persecution (CAPP) to serve the needs for the preparations of the massive human rights campaign in the next days until December.

Sources inside the political opposition are reportedly welcoming the gesture by the church showing their concern for human rights in the country. Monsignor Ricardo Vidal, Cebu Archbishop, has reportedly taken bolder steps in contrast to the collaborative stance taken by the former Cebu Roman Catholic brass towards the government.

CAPP issued its working paper for the conference scheduled this week. Pertinent portions of the paper were quoted as follows: "it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression that human rights should be protected by law."

CSO: 4200/134

CITIZENS' CRITICISMS OF MARCOS REPORTED

Cebu City VISAYAN HERALD in English 6/7 Nov 82 pp 4, 2

[Article by Atty David Ompoc]

[Text] A concerned reader, Mr. Paquito Inson of V. Rama Ave., Cebu City has something valid to say of President Marcos as follows: "Definitely, Marcos is not the man who can make this country great. We need a leader who is humble, sincere and honest. We do not need a liar, power-hungry, greedy and a henpeck husband to lead the country. When we discover this man and we could install him as our leader, that would be the time that our country will be great again." Mr. Inson has a very tall order. I wonder who among our present crop of leaders can qualify. It is difficult and will take some time before we can pick the right leader so in the meantime we have to make the most of it and enjoy the company of the wrong one. Our objective now is to stay alive and make life bearable while the weather is bad and all dreams of becoming great have to be set aside temporarily.

The Allied Powers during World War II have drummed up a terrific hate campaign against Adolf Hitler of Germany. The enemies of the Fuehrer turned his public and private life upside down in search of evidence to destroy him. Nonetheless there was no iota of proof that Hitler was a corrupt leader. When the so-called mad dictator dictated his last will and testament he worded it as follows: "Whatever I have, either real or personal property which I do not know or cannot recall, I hereby bequeath them to the Nazi party but if the at the time of my demise the Nazi party no longer exists, then I hereby bequeath them to the German people." Is there any KBL leader who can approximate the thoughts and philosophy of the maligned dictator?

Another angry citizen, Mr. Raul Maroda, has commented on the system of democracy we are practicing in this tenor: "To begin with, it is really disappointing, frustrating and even revolting to note that despite our claim as having attained already some degree of success in our efforts at social development, there's still the prevailing notion that ours is a truly and genuinely democratic institution. And ostensibly to reinforce this conviction, we so highly cherished it, labored hard to protect and maintain it and even fought and died for it, claiming that this is the real thing because we have equal rights even though we have unequal opportunities. Is it therefore a truly and genuinely democratic society where only rights are equal but opportunities are unequal?"

Gentlemen, as I see it through the prisms of my mind, ours is an unjust society; it being devoid of a counter-balancing right to equal opportunity. But sad to say that this unjust society has been effectively peddled by the unscrupulous few and beneficiaries of this system. And the irony of it all is that the media whose avowed mission is to inform and to educate, among others, had connived and still continue to connive to perpetuate this deceit. This society is out of balance and this condition created tension. The absence of a right to equal opportunity or the lack of it, constitutes the one most serious flaw in the structure of our society. This defect renders our claim to democracy meaningless, a hollow rhetoric and a national self-deception of the highest order.

The evil effect is not difficult to see. Through this flaw springs the multi-faceted ills that ranged from breakdown of morality, injustices and to graft and corruption. In the course of the struggle for existence, (not even necessarily to live but just simply to exist) there is always that sort of a tug-of-war that comes into play. The small, the weak and the virtually unknown many are now inevitably pitted against the strong, the mighty and the influential in the game. And as expected in the natural course of things, the latter always gets the upperhand. At this juncture, I would like to ask: What will happen to the former? Will they not be driven to discontent thereby creating a social problem and will gradually and ultimately become a dangerous social volcano? Is this really the brand of democracy worthwhile fighting and dying for? And fighting and dying for whom? For the maintenance of the status quo so that those handful few may continue to place their thumb over the fate of the great impoverished masses of our people? On the other hand, when do you think will we come to realize the fallacy of our beliefs?"

The foregoing dissertation of Mr. Maroda is indeed thought-provoking.

CSO: 4200/134

POSSIBILITY OF OPPOSITION ELECTION BOYCOTT VIEWED

Cebu City VISAYAN HERALD in English 6/7 Nov 82 p 4

[Article by Danny M. Gonzales]

[Text] The series of election shenanigans experienced by the country's opposition leaders brought about the many demands for electoral reforms. The PDP-LABAN has its demands. The Unido has its own. The SDP, through Canoy, made its own demand. And so did the Mindanao Alliance through Adaza. Well, the demands varied. But they were substantially the same. And all intended to give the Filipino nation a clean, honest, and orderly election.

Marcos' Reaction

The demands were valid. Even some KBL leaders would secretly admit. However, the party's top man--President Marcos himself--would not entertain the demands (calling them "fantasia"--an obvious hint to his mostly subservient supporters and followers that the demands must be discouraged and not given due course. [as published] This was a sad development. For no less than the top man of the country, who could have wielded a great influence in bringing about the long-needed electoral reforms, doused cold water on moves to correct a procedural mistake in a political process that serves as foundation on which rests the so-called people power.

Opposition's Reaction

In light of this development, how do our opposition leaders react? The reaction is similar to that displayed by them in the last presidential elections. They would have nothing to do with another zarzuela. Thus, here in Cebu, during the public hearings conducted on the synchronization of elections and other matters, the PDP-LABAN in Central Visayas did not appear. And how surprised he was to learn later that so many other people among the oppositionists were of the same opinion.

Catching Fire

The boycott idea may not be the best the opposition can offer. But it is catching fire. And this, again, is a sad development. At any rate, in a

talk I had with SDP Chairman Andy Corominas the other day, I gathered that his preference is to shy away from a political activity that is one-sided. Andy even mentioned one illustrious opposition assemblyman as planning not to run for re-election should there be no substantial changes in the election rules.

Not Yet Late

But it's not yet late. The administration people may yet awaken from their present thinking to win at all cost, and realize the value of fair play. An undeserved victory is always hollow, and it gives the victor an empty feeling. Unfortunately, some people have learned to fill this vacuum with their own unmitigated shamelessness. The people's hope lies alone in a possible surprising turn-about of attitude of those in power who manage to shed off part of that shamelessness.

CSO: 4200/134

FOLLOWER OF REBEL PRIEST SURRENDERS

Cebu City VISAYAN HERALD in English 6/7 Nov 82 pp 1, 2

[Text] Camp Dangwa, Benguet, Nov. 5--(PNA)--One of the closest followers of the late Fr. Zacarias Agatep, a rebel priest, surrendered last week to military authorities in Salcedo, Ilocos Sur, according to reports reaching here today.

The surrenderer was identified as Tito Tuwang, 25, alias "Ka Gil" of barangay Baybayadeng, Salcedo, Ilocos Sur, who was identified by military authorities as one of the original recruits of Fr. Agatep.

Tuwang, who deserted the New Peoples Army (NPA) about a week after his enlistment, was surrendered by his brother-in-law, Ernesto Bacdayan, to Ilocos Sur military authorities.

He joined the NPA sometime in May, 1981, then left it a week later after realizing the difficulty of being a fugitive of the law, aside from scarcity of provisions, like food and medicine.

He said he had to go to Laguna and was accepted for sometime as a sugar cane plantation worker. His brother-in-law fetched him from there and surrendered him to military authorities in Ilocos Sur.

Tuwang is now temporarily detained at a PC detachment stockade in Salcedo town while awaiting his transfer to Camp Dangwa here where he will formalize his surrender to Brig. General Victorino T. Azada, PC-INP regional commander.

Military authorities said the surrender of Tuwang could be the start of the mass surrender of all the followers of the late Fr. Agatep who was killed in an encounter with the military three weeks ago.

CSO: 4200/134

COLUMNIST REPORTS EFFORTS TO DISCREDIT CHURCH

Cebu City VISAYAN HERALD in English 4 Nov 82 p 4

[Article by Danny M. Gonzales]

[Text] Recently, I received voluminous copies of the things allegedly happening in Leyte and Samar. They came from VISSA--Visayas Secretariat of Social Action. I'm thanking VISSA for furnishing me the copies, and I would like to share some of them now with the readers.

Twisted Publicity

One letter came from the Concerned Priests and Religious of Samar and Leyte. It was addressed to Minister Juan Ponce Enrile of the Ministry of National Defense. A portion of the letter reads: "We, the Concerned Priests and Religious of Samar and Leyte strongly protest and denounce the unjust and twisted publicity of an alleged interview of Bishop Hobayan of Catarman by Peter Hastings based on a news item in the SYDNEY MORNING HERALD wherein Hastings said that the Bishop of Catarman thought he had lost eight of his 27 priests."

Points Raised

The same story was later picked up by BULLETIN TODAY'S Jose de Vera. The priests claimed that this time the portion of Hasting's article to the effect that Bishop Hobayan thought he lost eight without any qualification was reported by De Vera as follows: "Defense Minister Juan Ponce Enrile ordered military authorities yesterday to investigate the activities of religious elements said to be actively working with dissidents in Samar. "The CPRSL declared: "We denounce this to be unfair and unjust!" In the same letter to Enrile, they pointed out that the latter could have checked with Bishop Hobayan as to the truthfulness of the data given by Hastings in his report--considering that when this matter was brought to the attention of Enrile's office, Bishop Labayen had not yet left the country.

A Scheme

"These facts appear to us as a clear proof of your office's malice and scheme to discredit the eight priests of Samar and possibly prepare the

minds of the people for more harassments and physical repression of the priests and religious of Samar and Leyte and all over the nation," the priests said. "Together with Cardinal Sin and Cardinal Rosales, we detest this Samar smear campaign your office and the military are doing to destroy the good name of the priests of Samar," they added.

Seeks Justice

The same group concluded its letter: "In the name of God, we protest this black propaganda being waged by the government and the military against the priests and religious of the Church of Samar and Leyte and of the whole Philippine Church in general. We solemnly demand that justice be done. We specifically demand that the retraction be made by your office. We demand finally that persecution of the Church be stopped."

CSO: 4200/134

WITNESS IDENTIFIES NPA LEADER

Cebu City VISAYAN HERALD in English 4 Nov 82 pp 1, 14

[Article by Arthur J. Tariman]

[Text] The Cebu mountain barangays rebel-turned-state-witness, Apolonio Quimbo, Jr. yesterday implicated a certain Jesus Trocio alias Commander Blackie as one of the top-ranking leaders of the slain-rebel leader Regino Laurente.

He said Trocio or Commander Blackie had been operating in the mountains of Asturias with his base command in barangay Lemon, Asturias.

Quimbo was cross-examined by defense counsel Alfonso Surigao yesterday afternoon during the resumption of the marathon hearing of the rebellion charges against some 42 suspected rebels who were rounded up in the hinterland barangays of Asturias, Balamban and Tuburan towns a few-months ago.

Asked by lawyer Surigao why he had just mentioned the name of Trocio after a series of hearings had been conducted, Quimbo alleged that it had just flashed back into his mind during yesterday's hearing at the sala of Court of First Instance Vice Executive Judge Alfredo Marigomen.

He said he was not instructed by the government prosecutors to implicate Trocio in the rebellion case.

Sometime last month, unconfirmed reports reaching the VISAYAN HERALD said that Commander Blackie had yield to the military authorities already. [as published] Quimbo, on his part, said he did not know if Trocio is in the hands of the authorities.

However, military authorities here in Cebu denied having Trocio on their custody saying that they are still negotiating for his surrender. [as published]

Cebu PC Provincial Command reported that it received feelers from the remnants of the suspected rebel-bandit group of Laurente expressing intention to surrender peacefully. In this group is Trocio who has been one of their respected leaders.

The rebellion hearing will resume this afternoon with defense lawyer George Baladjay to cross-examine Quimbo.

CSO: 4200/134

CHURCH OFFICIAL DENIES FUTURE ARRESTS

Cebu City VISAYAN HERALD in English 4 Nov 82 pp 1, 14

[Text] The new head of the Catholic Church here in Cebu, Archbishop Ricardo Vidal, denied yesterday published reports quoting him as saying that more priests and nuns will be arrested by the military.

The reports were published in a regional daily newspaper last October 27.

The reports had quoted Archbishop Vidal saying that the recent meeting in Tacloban City had resulted with the military threatening that more priest and nuns will be detained by the government. [as published]

According to that report by Agence France Press, several priests and nuns are on the list of the so-called presidential commitment order.

These priests and nuns are reportedly working for the protection of individual human rights and for the establishment of basic Christian communities in their respective areas.

Vidal in an interview with government television yesterday said that the five-hour meeting in Tacloban City concluded with the military saying that no more priests and nuns will be arrested.

He said he was really shocked when he read the news story attributed to him which was datelined in Tacloban City. The reports did not identify the writer except that it was known only that it had been filed by the Agence France Press, a foreign and independent news agency with bureaus here in the country.

The Cebu Catholic church leader claimed that he was neither interviewed nor did he utter such statement publicly or privately.

He disclosed an agreement with the military that no public statement be issued during the process of dialogue.

This they did he explained, in order not to hamper this on-going dialogue between the church leaders and military authorities. (AJT)

CSO: 4200/134

BRIEFS

IFAD IRRIGATION PROJECT LOAN--Rome--The International Fund for Agricultural Development on Tuesday extended a $12-million loan to the Philippines to help finance an irrigation project, the IFAD announced. It said the project is designed to increase paddy production by at least 106,000 tons over the next eight years and that it is expected to directly help 24,000 smallholder farm families to increase their earnings. An agreement covering the loan was signed by IFAD president Abdelmuhsin M. Alasudeary and Alicia C. Ramos, the Philippines charge de'affaires. The loan is repayable over a period of 20 years, including a grace period of five years with an interest rate of four percent per year, the IFAD said. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 18 Nov 82 p 9]

CONSTABULARY UNITS REORGANIZED--Three major units of the PC were revamped yesterday after the retirement of two ranking officers. Brig. Gen. Bienvenido Felix, former chief of the Constabulary Anti-Narcotics Unit, was named PC Recom 3 Commander based in Camp Olivas, Pampanga. He replaced Brig. Gen. Vicente Eduardo who retired yesterday. Eduardo's term had been extended nine times. Col. Virgilio M. David, CANU deputy chief, was appointed officer-in-charge of CANU. Col. Cezar Manligque was named acting PC adjutant general, vice Col. Subas Edades, who also retired yesterday. Camp Crame said changes affecting other major commands are also expected in the next few days. Recom 11 command based on Mindanao has been revamped with the transfer of Brig. Gen. Pedrito de Guzman to the Bicol region as Recom 5 commander. De Guzman, whose term has been extended five times, replaced Brig. Gen. Rene Cruz, who was returned to his previous post as deputy PC chief for police matters. Col. Dionisio Tan-Gatue Jr., deputy commander, took over from De Guzman. Camp Crame also announced the designation of Coll Noli Santua as officer in charge of the Western Visayas regional command vice Brig. Gen. Alfonso Trance who also retired. The military has sent additional troops to the Bicol region to counteract the reported massing of dissidents in the area. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 16 Nov 82 p 1]

MALAYSIA BERATED ON SABAH--Malaysia has suggested that the Philippines must amend its Constitution to give up the Sabah claim permanently. The suggestion comes from lack of faith in official statements of the Philippine government that the Sabah claim will not be pursued. No less than President Marcos says so. We have not done anything to indicate that such a

decision will change. In the interest of better ASEAN unity and cooperation, the Malaysian government is best advised to let sleeping dogs lie. What must be explained to the Malaysian leaders is that the Sabah claim was never seriously pursued except by the Macapagal administration--that was almost 20 years ago. Since then, nothing has been done by the Philippine government to pursue the claim. A Constitutional amendment would involve so complicated a legal process and could cost the Philippine government an enormous amount of money that the government can ill-afford at this time. Even at the height of the Sabah claim, it was not a popular move on the part of the Philippines. Insofar as the Filipinos are concerned, the Sabah claim has failed to register. The Malaysian leadership should be satisfied about the present dormant state of that infamous claim. [By Teodoro F. Valencia] [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 16 Nov 82 p 4]

COCONUT EXPORTS DROP--Philippine export of coconut products for this year's first 10 months totalled 1,546,820 tons (copra terms) worth $528,478,017 (FOB), a drop of 0.8 percent in volume and 17.9 percent in value against exports for the same period last year, according to the Philippine Coconut Authority (PCA). The annual (October to October) comparison showed volume exports of 150,301 tons or a rise of six percent and a value of $45,972,023 or a drop of 16.9 percent. The value figures reflect the softening of the world market for coconut products which have prevailed in consonance with the world's economic recession, the coconut authority said. The coconut products included in the reckoning were copra, coconut oil, copra meal/cake, dessicated coconut, shell charcoal and activated carbon. Price drops based on average prices for the 10-month period ranged from 7.5 percent for copra meal/cake to 34.9 percent for dessicated coconut. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 16 Nov 82 p 9]

CSO: 4200/135

EDITORIAL ATTACKS SUBVERSIVE CLERGY

Colombo SUN in English 18 Nov 82 p 7

[Editorial: "Dirty Habits"]

[Text]

The recent disclosures — somewhat shocking — in the north have brought into focus a menacing new perspective on separatist politics.

The fact that some members of the usually staid clergy have allegedly had clandestine dealings with hardcore militants understandably generated anxiety within the congregation and alarm among security forces.

It simply means that the law enforcers will not be able to trust anyone anymore because a clergyman is never expected to resort to subversive politics.

Right now the security forces in the north are continuing their investigations into the 'link' that some clergymen have established with separatist agitators. Some of the disclosures are most disturbing.

The Catholic hierarchy yesterday condemned acts of terrorism and violence. That is most commendable for the situation did not warrant any vacillation.

The religious robes these suspects wear make their alleged offences greater for they not only betray their vows but also desecrate the sacred habit which has been the garb of celebrated saints and martyrs of the Church.

Like Lucifer the fallen angel — some of the politically oriented clergymen seem to think that it is better to reign in hell than serve in heaven.

Besides such ethical and moral factors, the recent disclosures in the north have indisputable political significance.

The allegation that some of these padres had dealings in 'hot money' robbed from banks by the 'Tigers' that killed innocent policemen is most serious.

What they have allegedly committed is a betrayal of their avowed mission. Christ said,

"Woe unto you, Scribes and Pharisees, hypocrites! for ye pay tithe of mint and anise and cummin and have omitted the weightier matters of the law, judgement, mercy and faith (Matthew 23—23).

CSO: 4200/137

BRIEFS

DIPLOMATIC TIES WITH PNG--Sri Lanka has established diplomatic relations with Papua New Guinea, effective from today. Sri Lanka's High Commissioner to Australia has concurrently been accredited to Papua New Guinea, while Papua New Guinea will make a similar appointment in Sri Lanka. [Text] [Colombo DAILY NEWS in English 17 Nov 82 p 9]

MORE PRIESTS ARRESTED--Army investigators yesterday arrested two more Catholic clergymen bringing the total number of clergymen arrested this week in connection with alleged terrorist activities to five. Informed sources said yesterday that the two clergymen were alleged to have had subversive literature in their possession at the time of their arrest. The two priests have been identified as Rev. Fathers Susenayagam and Canagaratnam. Security forces were due to confer with the Bishop of Jaffna Rt. Rev. Deogupillai. Meanwhile, four persons have been arrested in connection with the killing of the UNP organiser D. Thambapillai on Monday. On Sunday, three Catholic clergymen who were taken in for questioning, Rev. Fathers Sinharasa, Singarayer and Jeevapaul are still in custody. Two other priests Rev. Fathers Paul Natchatram and Regis Rajanayagam who were taken in for questioning have been released. [Text] [Colombo THE ISLAND in English 17 Nov 82 p 1]

TAMIL CONGRESS MAY LEAVE FRONT--The All Ceylon Tamil Congress is likely to back out of the Common Front led by Sirimavo Bandaranaike to campaign against the referendum. This is due to the failure to reach agreement over three issues raised by the A.C.T.C. The Tamil Congress wants the Common Front to resolve that if the UNP won the referendum SLFP MPs and the CP, MP in Parliament should resign their seats and not make any fresh nominations until a general election is held. It is learnt that the Communist Party is opposed to this proposal. The second issue is that the Common Front parties should issue a statement that it would not join a national government after the referendum. The congress has also sought a declaration from the Common Front regarding its stand towards the TULF. Is it that the TULF was not invited as it is pro-government in its attitude, the congress wants to know. Congress sources ruled out the possibility of any campaign against the referendum in collaboration with the TULF. [Text] [Colombo THE ISLAND in English 17 Nov 82 p 1]

OPPOSITION WANTS EMERGENCY LIFTED--Opposition leaders from ten parties who met at the SLFP Headquarters yesterday decided to appeal to the President not to extend the Emergency as holding a Referendum under it was contrary to the spirit of Parliamentary Democracy. They also decided to ask the President to release Mr. Ratnasiri Wickremanayake, General Secretary of the SLFP and other political figures who are in custody and to lift the ban on the publication of ATHTHA, the Communist Party daily, and to allow the Presses sealed by the Government to carry on their normal businesses. The meeting was held under the Chairmanship of Mrs. Sirima Bandaraniake. Representatives of the political parties said that while the Opposition had asked for a general election to be held, the Government was not only having a Referendum but also holding it under an Emergency. They said that the General Secretary of the main Opposition party, which could spearhead the Opposition campaign and many organisers and supporters of the party were being detained by the authorities. This was a serious impediment to their campaign at the Referendum. Those who participated in the discussions yesterday were the SLFP, CP (Moscow Wing), MEP, LSSP, Sri Lanka Samasamaja Party, the NLSSP, Prajathanthrawadi Jathika Peramuna, Lanka Jathika Peramuna and the DWC (Political Wing). [By Daya Lankapura] [Text] [Colombo THE ISLAND in English 18 Nov 82 p 1]

PRIESTS HELD HOLD-UP MONEY--Interrogation of several clergymen arrested in the North had revealed that the entire Rs. 8.1 million seized in the Neerveli Bank robbery had been given for safe-keeping to two priests, informed sources said yesterday. It is suspected the money had been given by a terrorist group leader Prabhakaran who has now fled to India and was recently arrested and released by the Indian authorities. Sources claim that the arrested clergymen had claimed that the entire sum of money had been released by the clergymen to some terrorists. They had claimed the money for legal expenses following the arrest of Prabhakaran in Madras. Of the five priests who had been taken in for questioning three had been released while two are still in custody and are being questioned on terrorist activities sources said. [By Norman Pallihawadana] [Text] [Colombo THE ISLAND in English 18 Nov 82 p 1]

PRIESTS' OVERSEAS RADIO LINK--Police and Army investigators are at present probing the connections of Fr. Singarayer with a Manila-based Radio Station devoted to religious broadcasts which gives much prominence to Sri Lankan news over its broadcasts. This private Radio Station has often been supplied with material by Fr. Singarayer according to intelligence sources. The Long-playing disc and other literature allegedly in the possession of Fr. Singarayer when arrested last Saturday were to be despatched to Manila said these sources. An employee at the Jaffna Post Office Umakanthan who is also involved in publishing a magazine related to the broadcasts was also questioned by the intelligence sleuths and later released. Intelligence personnel are also investigating into the connections between Fr. Singarayer and a Sri Lankan student in India who was taken into custody at Katunayake last week for bringing in literature pertaining to the terrorist movements in Sri Lanka. The Catholic Parist Priest of Naranthanai Fr. Reginald Rajanayagam and the Anglican Priest of Vavuniya, Rev. D. J. Kanagaratnam were released yesterday after their statements were recorded.

Two other Catholic Priests Fr. Soosainayagam of Chetikulam and Fr. Sinnarasa of Delft who are at present in custody are expected to be released shortly. Mr. K. Eelavendan, the Organising Secretary of the Tamil Eelam Liberation Front was also released after his statement had been recorded. Security sources told THE ISLAND that certain members of the clergy had been questioned because of receipts to the value of Rs. 1.1 million found in the room of Fr. Singarayer along with Rs. 69,000 in cash at the time of his arrest. [By D. B. S. Jeyaraj] [Excerpt] [Colombo THE ISLAND in English 18 Nov 82 p 1]

SECURITY PLANS FOR NORTH--Police Chief Rudra Rajasingham is to meet Deputy Defence Minister Mr. T. B. Werapitiya shortly to discuss special security plans for the north on Referendum Day. It is understood the Army will take over the security of polling stations in the north in addition to maintaining round-the-clock vigil of the peninsula from the time the ballot boxes are transported to the polling stations and taken back to the Kachcheri. Meanwhile, 7,750 regulars in the Police will be deployed to guard the 6,985 polling stations to be set up throughout the country while special men will also be posted at vulnerable areas to combat violence. According to a preliminary plan now before the Police each polling division will have an SP or ASP supervising ten mobile patrol units in each electorate. 250 riot squads and mini squads trained in baton drill, use of tear gas, etc will be on duty to deal with mob violence on Referendum Day and a few days after. This time the police have also introduced "route" mobile patrols to conduct relays of ballot, boxes being taken to the counting centre by the Returning Officers. A police spokesman also added that the leave of all police personnel will be cancelled on Referendum Day and a few days following, with a view to giving the public maximum security. Police chief is also expected to brief senior DIGS and SPs shortly on the final police arrangements. [By Peter Balasuriya] [Text] [Colombo THE ISLAND in English 18 Nov 82 p 1]

DECLINE IN TEA PRODUCTION--Sri Lanka's tea production last month, the election period, declined by a staggering 1.9 million kilos as against the same month last year. This disturbing trend has caused anxiety in the tea trade which has described it as a "dismal picture." Sri Lanka's total production in October 1981 was 17,327,083 kilos. Last month the figure stood at 15,421,464 kilos. No specific reason has been attributed officially by brokering firms in their weekly market reports for this sharp drop. However tea trade sources believe last month's election campaign was a contributory factor. This is particularly in view of election activity slowing down crop harvests. According to one tea brokering firm, barring the month of July, crop figures have so far been lower than the corresponding periods last year. To date the deficit has risen to 21.8 million kilos, says the firm which points out that this is "all due to people not working." The total tea production from January to October this year stood at 152,163,726 kilos as against a total of 173,916,250 kilos for the same period last year. [By Minoli de Soysa] [Text] [Colombo SUN in English 18 Nov 82 p 1]

CSO: 4200/137

CPT FRONT LEADERS DEFECT; FRONT DISSOLVED

BK220253 Bangkok THE NATION REVIEW in English 22 Nov 82 p 5

[Article by NATION political desk]

[Excerpts] His disillusioned and cynical colleagues were leaving the jungle and the Communist Party of Thailand [CPT] one by one. But Weng Tochirakan, a well-known student activist during the heyday of student movement in the 1973-76 period, stayed on. He was hoping that the CPT would change.

With his wife, Mrs Thida Thawonset, a former assistant professor, also from Mahidon University, who stayed on in the jungle to replace Thirayut Bunmi as secretary general of the "Committee for Coordinating Patriotic and Democratic Forces of Thailand" (CCPDF), a front organization of the CPT, Weng waited patiently for the CPT's Fourth Congress to correct what he thought was wrong with the outlawed party.

The changes, which had also been pressed for by earlier defectors, never came.

It was then time to pack up and head for the city to join his friends who had turned their backs on the CPT, once the hope of the youngsters but now a grouping considered obsolete in ideology and stubborn, unrealistic in their approach, apart from their "blind loyalty towards the Maoist line."

Weng and Thida, who fell in love with each other in the jungle, had been staying quietly in a house in the outskirts of Bangkok for several weeks before he [as published] reported themselves to the Internal Security Operations Command (ISOC) last week. One source said the contact for amnesty was made through Lt Gen Chaowalit Yongchaiyut, assistant army chief-of-staff for operations.

With the defections of Weng and Thida came the confirmation that the CCPDF, which was originally (soon after the 6 October 1976 Thammasat bloodbath) the front organization to accommodate student, labour and political leaders who fled the cities for the jungle to join hands with the CPT, had now been officially dissolved.

Thida was said to have issued a circular earlier this month to all members of the CCPDF before she decided to defect to the government with Weng to the effect that the front organization had officially been declared out of existence because most leading members had already left. Some of the leading members of the CCPDF once included Thirayut Bunmi, Udom Sisuwan, Khaisaeng Suksai, Si Intapanti, etc...

Weng's surrender last week came only about 1 week after former Yasothon MP Prayong Munsan of the now-defunct Socialist Party of Thailand gave himself up to government authorities for more or less the same reasons--conflict with the CPT.

The long-delayed CPT's Fourth Congress, when it was finally held earlier this year, served to split the party further more. A faction in the northeast was reportedly upset over the outcome of the meeting and was toying with the idea of splitting from the mainstream to adopt a "neutral stand" regarding the Soviet Union and China.

Following the congress, government intelligence officers claimed that CPT provincial leaders in Udon Thani, led by Provincial Secretary General "Comrade Thung" and Provincial Committee members "Comrade Yut" alias Suwit Niamsa, threatened to defect en masse to seek assistance from Laos and Vietnam if the CPT mainstream refused to change its basic policies. Suwit later was reported to have offered to surrender to the government but sources said that his conditions for the surrender were rejected by the authorities.

Thai Government officials monitoring the CPT's activities, which have also suffered serious setbacks after a series of successful government attacks on their major jungle bases, have claimed that the new party secretary general known by the name of "Pracha Thanyaphaibun" has turned out to be a codename of a collective leadership comprising three leaders: Thong Chamsi, Wirat Angkhathawon and another Politburo member whose real identity has yet to be disclosed, although it is claimed that the third leader's jungle name is "Comrade Kap."

Weng's defection last week won't be the last. In fact, government authorities have claimed that in the very near future, as many as 300 insurgents, many of them senior members of the CPT, will surrender in what is seen as another major setback for the already severely-battered CPT.

CSO: 4200/168

COLUMNIST CRITICIZES INDIA ON KAMPUCHEA ISSUE

BK181345 Bangkok MATICHON in Thai 17 Nov 82 p 5

[Article by Somkiat Onwimon: "Has the Iron Curtain Blinded India on Southeast Asia?"]

[Excerpts] India and Southeast Asia do not appear to get along. India's policy seems to specially favor Laos and Vietnam and ignore the ASEAN countries. Since the beginning of last month India and Thailand have hardly been able to look each other in the eye.

India recognized the Heng Samrin government on 7 July 1980 and for the third year in succession it has opposed the seat of Democratic Kampuchea in the United Nations in favor of the Heng Samrin government. Actually, India's opposition to Democratic Kampuchea's unseat this year was to be expected because it did the same for the past 2 years. What is very strange is that this year it initiated a debate in the United Nations in blatant defense of the Vietnamese aggression against Kampuchea. To the ASEAN countries, India's action was unacceptable and shameful.

It would have been better if India kept quiet, limiting its action in the United Nations to opposing Democratic Kampuchea's seat and abstaining from the vote on the resolution calling for Vietnam's withdrawal from Kampuchea. It should not have come to the defense of Vietnam unrequested.

India's overaction has not pleased the ASEAN governments. The Thai Government even gave the Indian ambassador a representation. The issue appears to have been exacerbated and creates misunderstanding between India and the ASEAN countries. The situation for Thailand could worsen and create discord between the Thai people and persons of India stock in Thailand.

Some mass media circles have charged that India does not seem to pay attention to the interests of Indians in Thailand and other countries in the region. The number of Indians in Laos, Kampuchea and Vietnam is far less than the number of Indians in ASEAN countries.

Economically, this is a long story with too much data to cover here but, in short, India's trade with the ASEAN countries far exceeds its trade with the Indochinese countries.

The important thing is that the Indochinese countries do not have much buying power. If India wishes to establish new trade influence over the Indochinese countries, it could do so only if peace is restored in Southeast Asia, however, India's policy does not seem too conducive to restoring that condition.

Therefore, if India persists in the policy of opposing the ASEAN countries, its economic interests could only increasingly suffer--its trade with the Indochinese countries will not advance and its fine trade position with ASEAN could deteriorate. It should be noted that Indian investment in Malaysia and Singapore is greater than anywhere else. India's trade with Malaysia, Singapore and Indonesia totals 4.6 billion rupees, or 4 percent of its overall foreign trade.

What has been shown is the importance of ASEAN and Southeast Asia to India. If the Indian leaders' eyes are not blurred by the iron curtain, they should look closely at India's role in this region. And, if their eyes are completely shielded by the iron curtain, parts of that curtain have already been destroyed enough for them to peak through.

CSO: 4207/33

ATHIT SCORES BBC COMMENTARY NEWSMEN

BK141226 Bangkok THAI RAT in Thai 14 Nov 82 pp 1, 16

[Text] Asked about the BBC commentary on Thailand's situation and the present role of Army Commander Gen Athit Kamlang-ek, the army commander himself told newsmen during an interview yesterday (13 November) that he had seen it but was too lazy to pay any attention to such a filthy report because it is as dirty as the one regarding the bomb explosion at the Defense Ministry, in whcih BBC simply jumped to the conclusion that there was a division within the Thai military. This is the work of the ill wishers.

General Athit then turned to the setting up of the 123 emergency number center. He said: Everybody knows its objective. Even kids know that this is the result of cooperation between the police and military to counter crimes for the benefit of the people. It is not meant to serve as a base of support for anyone. "It is not that big. The police and military are working and coordinating with each other closely. They are doing a good job. The writer wrote a distorted report. He must be crazy and naive," General Athit said.

Regarding the commentary, which charges that he "is waiting for the time," to do something, the army commander said: "What am I waiting for? Why? What else should a person at my level want? Why should we stage a coup to topple the government we are supporting? If the government wants to reshuffle its cabinet, that is not our business. The author pretended that he knew everything. His article exposed his own ill intentions. To write a good article, you must gather information from all parties, not only from those who have lost interest, for they will certainly say something against me. Why don't they talk to the neutral parties. As a matter of fact, we have never had any trouble with the BBC. Why does it wish to treat us like this?"

General Athit also said that while BBC belongs to a big power nation, ironically it hires stupid newsmen. It cannot even match our radio station. Their ambassador here knows what is going on in the country. It is a pity that they never consider the consequences of their news presentation on the country. Everyone who is now working hard to serve the people is being accused. "Yes, we are waiting for the time to trample the author," General Athit said with a laugh.

The army commander said that the Thai who work for and send the news to the BBC do not know the facts and behave like slaves of the foreigner against their own nation. They should not have been born as Thai nor should they be allowed to live in Thailand. To be a slave of Thai masters is better than of foreign masters.

Asked if Prime Minister Prem has assigned him any special work to do during his coming visit to China, General Athit said: "The prime minister will be away for a short time. Everyone is doing his dutiy. There is no need to tell us what to do. We are not kids."

CSO: 4207/33

COMMENTARY NOTES UNGA DEBATE ON SOUTHEAST ASIA

BK201131 Bangkok Voice of Free Asia in English 1100 GMT 19 Nov 82

[Station commentary: "Peace, Stability and Cooperation in Southeast Asia"]

[Text] Last week the United Nations General Assembly held a debate on an item entitled question of peace, stability and cooperation in Southeast Asia, which had been tabled by Vietnam. Vietnam has introduced this item in the agenda of the General Assembly for the fourth consecutive year and attempted to mislead the world community about the present situation in the region. It is to be noted that the Vietnamese permanent representative, who was the first to speak during the debate, while repeatedly citing the threat of Chinese expansionism and imperialist forces as the main destabilizing factor in the region, tried to evade making references to the Kampuchean problem, which to the ASEAN countries and the vast majority of international community constituted the actual cause of tension and instability in Southeast Asia.

The Vietnamese permanent representative also spoke at length of the merits of seven principles proposed by Laos aimed at regulating relations between the ASEAN countries on the one hand and the so-called group of Indochinese countries comprising Vietnam, Laos and the Heng Samrin regime on the other. Such a proposal is merely a ruse to obscure the real issue--which is Vietnamese aggression of Kampuchea--and turn it into a bilateral question between ASEAN and the three Indochinese countries. The fact, however, is that there is no bilateral problem between ASEAN and other countries in the region. All the troubles in the region, including the disturbances along the Thai-Kampuchean border and the refugee problem, have all been created by Vietnam itself as the result of its invasion and continued occupation of Kampuchea and its policy of military adventurism.

It should also be asked whom does the Heng Samrin regime represent. The Heng Samrin regime cannot justifiably claim to represent the Kampuchean people as it was installed in Phnom Penh by Vietnam and owes its very existence to the presence of over 180,000 Vietnamese troops in Kampuchea. The root cause of tension and instability in Southeast Asia is the aggression and continued occupation of Kampuchea by Vietnam. The situation in Kampuchea has dealt a severe blow to the basis of mutual trust and confidence, that is necessary for improving relations between countries in Southeast Asia as well as heightened major power rivalry in the region.

This is quite clear to the vast majority of the international community which recently voted to adopt UN Resolution 37/6 reiterating its call for withdrawal of Vietnamese troops from Kampuchea and respect for right of the Kampuchean people to self determination free from outside interference. Peace, stability and cooperation in Southeast Asia are, therefore, conditional upon the peaceful solution to the Kampuchean problem. A just and durable solution to the Kampuchean problem exists within the framework of the relevant UN resolutions and the declaration of the international conference on Kampuchea. If Vietnam truly desires peace, stability and cooperation in Southeast Asia as it so loudly proclaims, it should earnestly join in the process of political solution to achieve this aim. The door remains open to Vietnam.

CSO: 4200/168

IMPOUNDED SOVIET OIL FOR LAOS RELEASED

BK111045 Bangkok THE NATION REVIEW in English 11 Nov 82 p 3

[Text] The National Security Council (NSC) has lifted the seizure of over 1,000 drums of Russian-supplied diesel oil destined for Laos at Khlong Toei Port after receiving a formal apology from the Russian Embassy here, an informed source said yesterday.

A note of apology was recently submitted by Laotian Ambassador to Thailand Khampan Simmalavong on behalf of the Russian Embassy to Secretary General of NSC Prasong Sunsiri, according to the source. The source said the Russian Embassy here apologized for violating the regulation and promised not to repeat it in the future.

The Thai Government held 1,034 drums of the petrol, which are now being stored at a warehouse at Khlong Toei Port, because it was being shipped through the country without its knowledge. The government later demanded an official apology from the Russian Embassy as a condition for releasing the impounded oil which arrived here last December.

The source said that Thailand permits Laos to import 70 million litres of oil through Thailand annually but only 35-45 million litres normally passed through Thailand.

NSC has already notified the Commerce Ministry and the Customs Department to allow the impounded oil to be delivered to Laos.

The source, however, said that it was believed that the bulk of the petrol imported by Laos was used for military activities, as well as for the 50,000 Vietnamese soldiers in that country.

CSO: 4200/168

ARMY SAYS CPT HEADQUARTERS MOVE SOUTH UNLIKELY

BK260257 Bangkok THE NATION REVIEW in English 26 Nov 82 p 6

[Text] Surat Thani--A senior army official has expressed doubts over a recent press report that the Communist Party of Thailand (CPT) is moving its headquarters from the north to this southern province.

Spokesman of the Fourth Army Region Col Thammarak Isarangkun told THE NATION that the CPT has no firm military bases left here following a major offensive launched by the army in March this year. He said the communist guerrillas now have to head for the plains because of the destruction of their jungle strongholds.

"If they were to move their headquarters here a few years ago that would have been possible because of their strong influence there," he said.

Informed sources said early this month that the CPT had begun to move its headquarters from Nan to Surat Thani since 1980. They said the removal of the headquarters was a gradual process chiefly aimed at facilitating its fourth congress which was recently held. Its strongholds in Nan had also come under heavy attacks by government forces.

Reporting on the progress of the famous "Tai Romyen" policy, Col Thammarak said government forces still continue their sweep-and-destroy offensive in suspected communist areas in Surat Thani and Nakhon Si Thammarat. He confirmed that all the major strongholds of the CPT here had already been destroyed. The areas where government forces continue their small-scale military campaigns include those straddling Surat Thani and Nakhon Si Thammarat. However, no clashes with the remnants of the communist insurgents had been reported so far, he said.

He also dismissed a press report that government forces had captured a stronghold of the CPT straddling the two provinces on Wednesday. He said what was referred to as a communist stronghold was only a small camping site with a few living quarters. An area known as "Khong Krathun" joining Nakhon Si Thammarat and Surat Thani is another target of the on-going sweeping operation, he said. The CPT held its fourth congress in the area, he added.

CSO: 4200/168

TALKS WITH BURMA ON CITIZENSHIP ISSUE 'EXPECTED'

BK170249 Bangkok THE NATION REVIEW in English 17 Nov 82 p 3

[Text] Thailand is expected to hold negotiations with Burma soon over the possible effect the latest Burmese citizenship law may have on the members of Burmese minority groups seeking refuge in Thai border areas, a senior government official said.

Col Somsak Sisuphannadit, secretary of the Thai-Burmese Border Committee, said Thailand wanted to inform the Burmese Government that it had not granted Thai citizenship to these Burmese people. They were only issued with immigration cards, he said.

According to Article 16 of the new Burmese citizenship law, Burmese citizens who leave the country permanently or acquire the citizenship of another country would have their Burmese citizenship revoked. Colonel Somsak said Thailand feared that the Burmese Government may consider the Burmese minority groups inside Thailand to be in the category. He said these minority people fled across the border into Thailand since 1963 and some have been engaged in a war against the central government in Rangoon.

Dr Chokchai Chunsiriwong, a specialist on Burma, told a seminar on "Thai borders security" at Chulalongkon University Monday that Thailand may eventually have to provide permanent refuge for the minority groups if they were not accepted by Burma. There are more than 30,000 people belonging to these minority groups. He urged the Thai Government to urgently hold negotiations with Rangoon to settle the matter.

He also said that the Thai Government may not be aware of the number of the minority people who had joined rebels fighting against the Burmese Government. Their activities, he said, had created suspicions for Burma over the intention of the Thai Government.

Dr Chokchai said that there are now 275 Thai people being jailed in Burma. Most were caught while fishing in Burmese waters or cutting wood inside Burma.

CSO: 4200/168

EDITORIAL URGES SEATING OF SIHANOUK AT NAM

BK260336 Bangkok THE NATION REVIEW in English 26 Nov 82 p 4

[Editorial: "Can Nonaligned Summit Afford to Ignore Sihanouk?"]

[Text] The nonaligned summit is to be held in New Delhi in March next year--and that in itself is a joke because it was scheduled to be held in Baghdad, but two of the nonaligned countries, Iraq and Iran, chose to fight a war that has been going on for 2 years and might go on for...make your own guess. Nobody really knows which is a nonaligned and which is an aligned country. For instance Vietnam, Babrak Karmal's Afghanistan and Cuba are nonaligned while China is aligned to somebody--take your pick--and that is why she is not a member.

Time was when the provisional revolutionary government of South Vietnam was a member and we have had no report of this phantom government losing its membership. Right now the PLO (Palestine Liberation Organization) is a member and, if we may hazard a guess, one of the most powerful ones. There was also a time when it was thought that the nonaligned grouping--nobody exactly knows the number of members but the best guess is 95--had a powerful voice in the UN General Assembly because they would vote as a bloc, but nothing could be further from the truth since from the time it was conceived it has steadily become more and more amorphous and more of a talkathon confronted with greater disunity than the UN General Assembly, if that were possible.

The Kampuchean issue is one of the more ludicrous facets of the nonaligned grouping since the last summit was held in Havana, Cuba, with Fidel Castro stage-managing the show. The three ASEAN members--Indonesia, Malaysia and Singapore--wanted the nonaligned grouping to follow the UN in seating Democratic Kampuchea but Castro and all those who followed him wanted it the other way around. But Castro did not wish to pit his power with the gigantic figure of the only founding member alive then, Josip Broz Tito of Yugoslavia, who came out in support of the three ASEAN members and so the vacant seat formula was accepted.

The problem of the Kampuchean seat, according to Indonesian Foreign Minister Mohtar Kusumaatmaja, stems from the Havana summit. Indonesia has protested the decision because it was taken without a consensus, just by banging the

gavel, according to Mokhtar. So the vacant seat formula was adopted. The problem is going to rise again in New Delhi when the gavel will be in the hands of Mrs Indira Gandhi and not Castro. The difference is not very much since India recognizes the Heng Samrin regime, for obvious reasons, and will not be inclined to allow President Norodom Sihanouk of Democratic Kampuchea to address the summit meeting--as a matter of fact Prince Sihanouk may not get a visa.

But there is a twist to this: Sihanouk was a close friend of Mrs Indira Gandhi's father Jawaharlal Nehru, who along with Abdul Gamal Nasir of Egypt and Tito, was a founding member. Furhter Sihanouk is the only person alive who has attended both the Bandung conference and the first summit of the nonaligned grouping. Add to this the fact that Sihanouk was allowed to address the UN General Assembly twice in his capacity as the president of Democratic Kampuchea. But everybody knows that the UN is torn by power politics, while the Nonaligned Movement is a holier-than-thou organization that, as Nietzsche would say, is "beyond good and evil."

There is no doubt in our mind at all that Prince Norodom Sihanouk should take his rightful place in New Delhi at the nonaligned summit conference. If this is too much to swallow for the Soviet bloc of nations (sorry, we keep forgetting that it is a nonaligned summit) like Cuba, Vietnam, Laos, Afghanistan, etc, then he should be allowed to state his case for his country--and that we would consider as fair according to the holier-than-thou standards. Mrs Gandhi, who will be waving the baton at the summit--if she is allowed to do so by persons like Castro and Pham Van Dong--owes it to her own and to her country's prestige to make at least a show of fair play.

CSO: 4200/168

BUSFARE CRISIS REPORTED, STUDENT ROLE, PREM RESPONSE

Athit Interviewed

BK140538 Bangkok BANGKOK POST in English 14 Nov 82 pp 1, 3

[Article by The Chongkhadikit]

[Excerpts] Army Commander-in-Chief Gen Athit Kamlang-ek will do everything within his power to keep the government in power and the country secure from external and internal threats in order to attract investors and tourists, he told the BANGKOK POST in an exclusive interview.

He has ordered forces, including police, in his charge, to be firm in combatting crime, maintaining order, and ensuring security of life and property of the people. He praised the courts for the heavy penalties being imposed upon criminals, particularly the death sentence for rapist-murderers.

General Athit will not tolerate any disturbances of the peace or any attempts to overthrow the government by force.

He called upon labourers, students and others protesting the raising of the bus fare in Bangkok to be patient and await government action on proposals by him to revise the extent of the rate rise, provide students with periodic coupons which permit them to travel on concessionary fares, and to cut down administrative waste, inefficiency and corruption to reduce bus operation expenses.

He excused Prime Minister Prem Tinsulanon from responsibility over the boosting of the bus fare, explaining it was done by the Communications Ministry and that General Prem was in no position whatsoever to comment on the measure. "However, as a member of the public, I can," he added.

He appealed to the press not to sensationalise crime stories but to be positive in reporting news so as to prevent adverse effects on the climate for investment and tourism.

General Athit considers General Prem as "the best man we have around to head the government and lead the country," and he will give him full support.

He rejected suggestions that he had political ambitions and denied that any political party had approached him with an offer of leadership. He would not accept such an offer anyway.

Denying speculation that the prime minister is "indecisive," he said, "I know him better than others. As a responsible leader he takes time to consider an important matter but once he makes up his mind he's as firm as can be."

Since taking charge of the army, General Athit has pressed on with what remains to be done to improve its capability, utilising budgetary funds to the utmost benefit of the service, including raising the divisions to full manpower.

To prevent corruption, he has cut off middlemen in the purchasing of arms and other military hardware, restricting the buying to government-to-government contracts, the United States foreign arms sales (FMS) programmes and recommendations of military attaches in countries in whose arms the army is interested.

University Protest

BK200818 Bangkok BANGKOK POST in English 20 Nov 82 pp 1, 24

[Excerpts] About 5,000 people rallied at Thammasat University soccer field at dusk yesterday in the second major protest against the bus fare increase within a matter of hours.

An earlier demonstration in front of Government House attracted a crowd of about 2,000 people, many of whom gave moral support to a group of people staging a hunger strike over the fare increase decision. Some of the fasters entered the fourth day of their protest yesterday.

Deputy Communications Minister Wira Musikaphong appeared on a special television and radio programme last night in a bid to defuse the escalating opposition to the bus fare rise, which took effect a fortnight ago.

Army Commander-in-Chief Gen Athit Kamlang-ek said last night that he believed Gen Prem would find a solution to the dispute following his return home tonight from China.

He said that General Prem should be given time to reach a solution and called on protesters not to create any unrest while the issue was under consideration. The military was watching the matter with concern, but it would not interfere, General Athit said.

He said he had suggested the solution to the bus fare problem, but whether it was adopted would depend on the prime minister.

General Athit dismissed a reporter's question on whether the military would use the protests as an excuse for a seizing power, saying: "Who would do it?"

Prem Orders Suspension of Increase

BK210246 Bangkok BANGKOK POST in English 21 Nov 82 p 1

[Excerpt] Prime Minister Prem Tinsulanon last night ordered the busfare put back to its former 1.50 baht level and promised to appoint a committee to investigate the running of the city bus agency.

After meeting with protesters soon after arriving home from Beijing, the prime minister said the reduction of the fare to its former level would be temporary. He did not discuss two other demands made by thise opposed to last month's 50-satang fare raise: A voice for protesters on the investigation committee and the sacking of Mrs Wimon Siriphaibun, managing director of the Bangkok Mass Transit Authority (BMTA).

Communications Minister Adm Amon Sirikaya said last night it might take up to 4 days for the committee to complete its investigation. He said General Prem may have to chair the committee. The minister said that if the committee insisted on reducing the fare: "Amon [as published] and other people responsible for the busfare increase will have to go."

Admiral Amon said the committee was expected to comprise representatives from neutral agencies as well as former student leaders, who were likely to be more objective than those involved in the recent protests. If the committee opted for a fare reduction it would take a few days to take effect because new tickets would have to be printed.

Prime Minister Prem said last night that he was aware that the government's decision to increase the minimum fare had created a problem for the people.

Student Role Noted

BK251140 Hong Kong AFP in English 0857 GMT 25 Nov 82

[Report by Anuraj Manibhandu]

[Text] Bangkok, 25 Nov (AFP)--The Thai student movement, pushed underground following violent clashes here in October 1976, has returned to the scene, winning the first round in a battle to stop rises in Bangkok bus fares.

Earlier this week the government called off plans to up fares by 33 percent after student demonistrations, including hunger strikes, threats of self immolations and suicide. Though the future of the students' revival as a pressure group is yet to be seen, observers generally commended their choice of issue to stage their comeback.

By spearheading protest against the increase, students were ensured support from labour unions whose members are the largest single group to be affected by the increase enforced on 6 November. Though the battle is yet to be finally won, the government's decision to postpone the increase, even on a temporary basis, pending the findings of a special committee, was seen as recognition of their potential.

Rallies in various places throughout the city, and the hunger strikes by up to 20 people at Government House, drew mobs of several hundred during last week's protests. Though threats of self-immolation and suicide by hanging drew headlines, observers felt fear of the implications of student-labour solidarity was seen as a decisive factor in the government's decision to suspend the bus fare increase.

A 21-year-old journalism student from Bangkok's most politicized Thammasat University has assumed the leadership of a movement that spearheaded the overthrow of military dictatorship in October 1973.

Seksom Bandhitkul notes there were earlier comeback attempts--including a move against the extension of Thai Premier Prem Tinsulanon's term as army commander in chief in 1980. These efforts passed largely unnoticed, but last week's protest on bus fares was the first impressive show of student power in 6 years.

Following the ouster of military leaders in October 1973, students and allied liberals enjoyed an Indian summer of "democracy" that ended with clashes in October 1976 that brought down Thailand's last civilian-led, elected government.

The clashes, which pitted students against extreme right-wing groups, sent some 2,000 intellectuals into the arms of the outlawed Communist Party of Thailand (CPT), sources said. Most of these have now surrendered following conflicts within the pro-Peking party leadership, fierce government suppression and Thai Premier Prem's politics-before-military policy that ensures amnesty for defectors.

The Prem government appears to have defused a potentially explosive situation for the moment. But the students are seeking a continued say, demanding to be represented on the committee assigned to probe the financial status of the Bangkok Mass Transit Authority (BMTA).

Fares were raised on grounds that the BMTA was operating at a loss. General Prem ordered suspension of the raise pending completion of the probe.

CSO: 4200/165

MUSLIM REBELS GET MILITARY TRAINING FROM PLO

BK150316 Bangkok THE NATION REVIEW in English 15 Nov 82 p 1

[Text] Israeli defence forces which invaded southern Lebanon have come across evidence suggesting that Thai Muslims were among the international terrorist groups that received military training from the Palestine Liberation Organization (PLO), according to an Israeli television network. The Israeli Television Authority (ITA) filmed an arsenal as well as documents captured at a PLO stronghold in southern Lebanon. Southern Lebanon was believed to be one of the largest havens for international terrorists seeking training in all types of subversive activity.

More than 1,000 terrorists of different nationalities were captured by Israeli forces invading southern Lebanon in June, ITA said. The film, which was a compilation of footage from several international TV networks, shows a captured passport purportedly belonging to a Thai Muslim identified as Abdulnois. According to the passport--apparently issued by one of the Arab states--Abdulnois came from Narathiwap in southern Thailand. [As received] It said he was born on 1 February 1958 and is a student. The passport was uncovered by Israeli invading forces among piles of documents left behind by PLO guerrillas.

The film quoted several of the captured terrorists as saying they came from such countries as Japan, South Yemen, Argentina, India, Iraq, and Iran. The training for these terrorists was provided by PLO guerrillas with financial support from several oil-producing Arab countries, it said.

Thai Muslim terrorists have been known to be receiving foreign support for quite some time and many have also been reported to have slipped out of the country for arms training abroad. But this is the first piece of solid evidence showing a Thai Muslim terrorist as having received training from the PLO.

CSO: 4200/165

THANAT INTERVIEWED ON ASEAN MILITARY TIES

BK150325 Bangkok THE NATION REVIEW in English 15 Nov 82 p 5

["Excerpts" of Deputy Prime Minister Thanat Khoman's "recent" interview with reporter Phutsadi Khitaworanat]

[Excerpt] Question: On foreign affairs, do you agree with the line the Thai Government is taking, especially our relations with the superpowers?

Answer: In fact, we don't have many choices. As a small country, Thailand is dictated by the situation around it. Even superpowers themselves don't have many choices either.

The situation has forced us to oppose the Vietnamese occupation of Kampuchea which is a great threat to Thailand and other noncommunist countries in the region. We don't want to confront anyone but we cannot bow our head to anyone wrongly using force in violation of the UN Charter and international laws.

It is fortunate that we have ASEAN to serve as a bulwark against the Vietnamese intervention in Kampuchea with the Soviet backing. ASEAN has been opposing the Vietnamese occupation of Kampuchea and by doing that we have won sympathy from countries outside the region. Even some of the socialist countries, such as Yugoslavia, has endorsed our stand. The United States now increasingly realizes the necessity of opposing the expansion of power of Vietnam in Indochina.

Question: As a co-founder of ASEAN, do you think it is time that the regional organization begin military cooperation?

Answer: When we founded ASEAN 15 years ago, it was understood that we would have cooperation in all fields outside the military affairs. We have learnt from our experience with SEATO that it is difficult to form a military alliance. It is even more difficult for small countries with no military potentials to do so.

So after 15 years of existence we have not thought about giving ASEAN a military role to play. In fact, the combined military capabilities of ASEAN today are still no match to those of Vietnam which has been receiving

weapons from many other countries. Today, the Soviet Union is still supplying modern weapons and giving financial support to Hanoi. And that has enabled Vietnam to invade and occupy Kampuchea. The Soviet Union in return demands the use of Cam Ranh Bay and Danang bases in Vietnam.

Judging from these developments, if ASEAN was to change its form of cooperation to include military cooperation it would bring no positive consequences. It would only cause more wastage without rewarding results. Therefore, there is no prospect that ASEAN will be turned into a military bloc.

However, though ASEAN has no military nature like NATO or the Warsaw Pact, it does not necessarily mean that we are prevented from having bilateral or trilateral military cooperation. We have military cooperation with Malaysia. Indonesia also has military cooperation with Malaysia. But it is not a collective military cooperation among all the ASEAN members. Bilateral and trilateral military cooperation offers better advantages because it is compatible with the individual needs of the participating member countries.

As to the talk of a possibility of standardizing the weapon system of ASEAN countries, I think it is a future goal which cannot be achieved easily. Even members of NATO still don't have the same standard weapon systems.

But standardization of the weapon systems in ASEAN doesn't run counter to ASEAN's original goals. It in fact suits our original goal in which we don't want the regional organization to shoulder military burden because we have no great military potential.

CSO: 4200/165

RTA SPOKESMAN: NO EVIDENCE OF CPT-CPB LINKS

BK260338 Bangkok THE NATION REVIEW in English 26 Nov 82 p 6

[Text] There are no indications that the Communist Party of Thailand (CPT) has achieved any tangible cooperation with the Communist Party of Burma (CPB) to offset its political and military setbacks over the past few years, a senior army official said yesterday.

Spokesman of the Third Army Region Lt Col Somching Singhaseni said there had been low-level contacts between the two outlawed communist parties for 2 years. However, they had made no progress in their attempts to forge a closer association.

"We believe that the two parties have some basic differences which prevent them from expanding their relations," he told THE NATION. Both CPT and CPB are pro-China but the latter still enjoys material support from Beijing which claimed to have severed all military support for the former.
Lt Col Somching said recent intelligence reports confirmed that no Chinese arms had arrived inside Thailand during the past several months. China had been supplying material and military supplies for CPT through Burma and Laos.

Beijing said that it is now giving only political and morale support for the Thai communist movement which has suffered serious setbacks over the past few years in both political and military fields.

Lt Col Somching said that the armed strength of the CPT in the north was believed to have declined from 3,500 armed guerrillas to only 400-500.
He attributed the reduction in the number of the CPT guerrillas to continuous government suppressions and mass defections. The remaining guerrillas, he said, were also facing serious problems of arms shortage. Soldiers of the Third Army Region which is responsible for the entire northern region, were able to capture large volumes of arms and ammunition as well as destroy the communist strongholds during their operations.

CSO: 4200/165

NEW KPNLF CHIEFTAINS ANALYZED

BK150245 Bangkok THE NATION REVIEW in English 15 Nov 82 p 4

[Article by Jacques Bekaert]

[Excerpts] Is Sak Sutsakhan a man given a last chance?

In April 1975, when Phnom Penh was on the verge of collapse and the Khmer Rouge Army was smashing the last pockets of resistance put up by Lon Nol troops, Sak was called in to become the commander-in-chief of the desperate government army, replacing Sosthene Fernandez, for the last act of the tragedy.

Today, Sak is the new de facto commander-in-chief of the Khmer People's National Liberation Front [KPNLF], taking over from Gen Dien Del as the main figure of a new four-member military committee.

What prompted Dien Del's resignation was the killing at Ban Sa-Nage of the commander of the Nong Samet camp, Om Luot, also known as Siem Sam On, one of the leading figures who emerged from the early days of the Kampuchean resistance movement against the Khmer Rouge--back in 1975.

The four-man committee replacing Dien Del and where former Minister of Defence Sak Sutsakhan (who arrived from the U.S. last year) is the most important figure comprises also General Thach Reng, former commander of the special forces (one of his last missions in April 1975 was to ensure the protection of Sak Sutsakhan who was also a member of the seven-member committee that took over the country after Lon Nol's departure).

Thach Reng arrived in Kampuchea last year from the U.S. The new committee also includes a civilian, Hing Kunthon, a French-trained statistician with good economic background who survived the Pol Pot regime and joined the KPNLF at the end of 1979 when he arrived from inside Kampuchea. Living in Ban Sangae, he was in charge of political warfare.

The fourth member, Chea Chhut belongs to the small group of veterans from the 1975 resistance movement. Although many observers have cast doubt on his integrity, he is said to have matured considerably in recent months.

Chea Chhut joined the KPNLF when the nationalist faction took over the camp of Nong Chan, in August 1980, after the mysterious death of the Sinahoukist leader and founder of Moulinaka, Kong Silas, one of the very few charismatic figures of the early resistance activities.

Chhut has been at odds with his Moulinaka neighbours led today by former paratrooper Colonel Nhem Sophon. But recently, Nhem Sophon's men came to the support of Chea Chhut soldiers involved in heavy guerrilla actions against Vietnamese outposts on the Poi-Pet-Sisophon area.

It is said that Chea Chhut, who has always been known for his business ventures, and is running a movie theatre in his camp, offered 2 days of free cinema shows to the Moulinaka soldiers.

A very unexpected positive effects of the existence of the coalition government. [Sentence as published]

CSO: 4200/165

RICE PRICE SUPPORT PROTESTS, PLIGHT OF FARMERS DISCUSSED

Editorial Notes Farm Problem

BK290712 Bangkok BANGKOK POST in English 29 Nov 82 p 4

[Editorial: "Time for a Fairer Deal for Farmers"]

[Text] The farmers gathered at Suphan Buri yesterday were not just representing their colleagues in that province or that region or simply rice planters. The massing of the rice growers at Don Chedi is an unmistakable demonstration that the people of the rural areas feel that they have been neglected for far too long.

The threat to march into Bangkok from 45 agricultural provinces is not just to ask for an increase in the paddy support price but also to show to the residents of the city that they have had it too good at their expense. The realisation that their taxes are subsidising cheap rice, low transport rates and other conveniences for the privileged city folk has come home to them.

It is most probably true that responsibility for arousing them lay with the politicians who every time when general elections are not too distant feel a compunction to actively and publicly take up the cause or causes of large groups like labourers, students and farmers. Lip service has always been paid to the farmers as being the backbone of the nation by politicians who want the votes of these 85 percent of the people. Although for most of the term of a government insufficient attention is given to the plight of the farmers, their time comes when a government's term is about to end and a new mandate has to be sought from the people. The farmers are wooed, their grievances are voiced and their causes are espoused.

In Suphan Buri where generally the farmers are better off than in other central plain provinces they are worried about the price of their rice. They have suffered from the drop in the price of off-season rice and are demanding that the government raise the support price to 3,750 baht per kwian. Whether market conditions and the financial capability of the government could give the farmers the guarantee of such a price will have to be decided by the economic ministers in consultation with technocrats and experts involved.

Any decision regarding the rice price, it must be remembered, cannot be implemented without the cooperation of the millers and the traders. Therefore, the government has to invite them for discussions. The problem with a price guarantee is that unless the government has adequate funds to buy all the rice that merchants refuse to purchase at the official price it cannot enforce that price. Besides, the government lacks the facilities for storage of all the rice that it may have to buy at the guarantee price. Long-term resolutions will have to be made if farmers are to get what they regard as a fair deal.

That is really what the protest at Don Chedi and the threatened demonstration in Bangkok is all about. The politicians may have stirred up dormant resentment in the farmers and, perhaps, bitten off more than they--or the government--can chew, but they are unwittingly emphasising the fact that the five million in the capital city must be considerate to their numerous poorer compatriots in the rural areas.

Farmers Rally for Increase

BK291136 Bangkok THE NATION REVIEW in English 29 Nov 82 pp 1-2

[Excerpts] Suphan Buri--About 5,000 farmers rallied here yesterday to press the government to increase the basic paddy price and declared that their fellow farmers from 45 rice-growing provinces throughout the country will jointly hold a demonstration in Bangkok on 14 December to put more pressure on the government.

Their announcement prompted Deputy Suphan Buri Governor Chairat Daramat, in charge of public order in the province yesterday, to report to the Interior Ministry and requested it to quickly find out measures to stop the army of farmers from converging to the city.

Deputy undersecretary of state for security, Charoenchit Na Songkhla, who directly witnessed the rally himself said in Bangkok late last night that the Interior Ministry had ordered governors of all provinces to do their best in preventing farmers from entering Bangkok.

He said provincial governors were instructed to listen to the farmers' complaints and relay to the central government. He did not believe that farmers will rally in Bangkok on 14 December as announced during yesterday's gathering.

The farmers arrived at Don Chedi Monument in Don Chedi District--the venue of the demonstration--from all districts in this province, some 170 kms northwest of Bangkok, and gathered for 5 hours to express their discontentment over the government's rice policy.

The demonstrators, joined by farmer representatives from Angthong, Samut Sakhon, Samut Songkram, Sing Buri and Chainat, announced that they will meet on 14 December at 8 am at the Royal Plaza in Bangkok--the day when the cabinet is scheduled to have its regular weekly meeting.

Leader of the Central Farmers Group of Thailand, Sutham Wichutraiphop, said farmer representatives would carry on their negotiations with the government until 6 December and "we will have to demonstrate in Bangkok on 14 December if nothing favourable is decided."

"We have discussed for 3 months and come to a conclusion that the minimum paddy price should be set at 3,750 baht. Farmers in other provinces agree with this," he declared.

He said farmers had no other alternative but to demonstrate for their own survival, insisting that their activity was not connected with any political movement.

A farmer leader in Suphan Buri, Damri Pangwuthiphong, who claimed himself as a farmer coordinator, said farmers from 45 provinces had sent him assurances that they would be willing to join the demonstration in Bangkok. He said farmers would also demand the government to directly buy paddy, and not rice, from farmers.

Thiwa Buntanthoeng who described himself as chairman of the Rice Producers Club of Thailand took the stage at around midday and said about 5,000 families of his fellow farmers in Pathum Thani promised to join the rally in the capital. He claimed that Pathum Thani farmers had already prepared some 500 tractors which would be driven into Bangkok.

Farmer representatives from other provinces were also given the chance to make their speeches on stage.

Some farmers were dissatisfied with the decision to hold a demonstration in Bangkok on 14 December, insisting that they want it to be held before that. They, however, agreed after explanations from farmer leaders who said a few rounds of negotiations would have to be held earlier to that.

Kamnan [headman] of Samchuk District, Lan Sawangsi, said after the crowd of farmers dispersed at nearly 3 pm that farmer leaders would seek a meeting with Prime Minister Prem Tinsulanon on 6 December to "enquire if he really wants to help farmers who represent 80 percent of the country's population."

The government last week accepted into consideration an eight-point demand by farmers in Suphan Buri, one of which called for an increase of the paddy price from 3,000 baht to 3,750 baht.

Interior Minister OKs Protest

BK300303 Bangkok BANGKOK POST in English 30 Nov 82 pp 1, 3

[Excerpts] Interior Minister Sitthi Chirarot said yesterday there is no law to stop farmers from coming to Bangkok next month to protest the government's paddy price support scheme. "If they want to come and protest, then they can do so, by all means," he said.

The farmers from 45 provinces pledged during a peaceful rally last Sunday at Don Chedi District of Suphan Buri to travel to Bangkok on 14 December for a mass demonstration if the government refuses to raise the minimum rice support price immediately by 750 baht to 3,750 baht a kwien (1,000 kilogrammes).

Refusing to reveal who was supporting the farmers, General Sitthi said: "We have to wait and see, but the government is not ignorant of what is going on. But we will not accuse anyone right now." He said the government has given rice farmers all available help and is doing its best to ease the present discontent, adding that the economic ministers will meet and thrash out the problem during their regular Monday meetings.

In other related matters:

--Police Chief Pol Gen Narong Mahanon yesterday told all high-level police officers concerned to be alert, and to watch the farmers' moves.

Pol Gen Narong said although the planned protest is legal and within the principles of democracy, the police still have to maintain law and order, as well as prevent "a third party" from interfering and taking advantage of the issue.

--Under-Secretary of State for Interior Phisan Munsatsathon yesterday sent an urgent radio message to all provincial governors asking them to urge provincial merchants to buy farmers' paddy at no less than 3,000 baht a kwien.

He told the governors to report to his ministry any incident of sales being less than the set price.

The recommendations were worked out during the committee's meeting yesterday afternoon, he said.

Saiyut Warns Protesters

BK020333 Bangkok BANGKOK POST in English 2 Dec 82 p 1

[Text] The military is watching with serious concern the farmers' protest and inter-party feud in the government over the paddy price support scheme, Supreme Commander General Saiyut Koetphon said yesterday.

"Misunderstanding can lead to instability. And when instability becomes serious enough to affect national security, it usually brings about military intervention," General Saiyut said.

"It is hoped that nothing like this happens," he added.

His veiled warning came after verbal exchanges early this week between the Social Action and Chart Thai parties. It also follows the threat of a huge demonstration in Bangkok this month by farmers protesting against low paddy prices.

General Saiyut said the paddy price controversy must be quickly settled by the ministries concerned, adding that the military will stay on the sidelines and will only help when it is needed.

Maintaining that the government has not ignored their plight, the supreme commander urged farmers to accept the paddy prices announced this week. He said: "In a democracy the farmers have the right to voice their opinions. The government should have a good public relations programme to inform the farmers of what it is trying to do for them.

"If public relations are poor, the people will always try to carry out some action to attract attention to their plight," he added.

On Tuesday the prime minister's office set the floor price of 5 percent paddy at 3,000 baht a "kwien" (1,000 kg) which is to be increased by 100 baht every month until next March.

Asked how the military will handle the situation if the farmers go ahead with their threat to hold a mass demonstration in Bangkok, General Saiyut said he hoped the government by then would have explained to the farmers what it could or had done to help them.

Asked to comment on the paddy supporting price, General Saiyut said he was not an expert who could judge whether the rice price was appropriate. The paddy supporting price should be set at a level acceptable to all parties concerned, he said.

Meanwhile General Rian Ditthabanchong, chief-of-staff of the Supreme Command, said that the feud between the Social Action [SAP] and Chart Thai parties was nothing unusual under the democratic system, especially during the run-up to next April's general election. However, he felt that the row would eventually lead to the break-up of the coalition government similar to the telex controversy which prompted the SAP to leave the Prem One government.

He urged the press not to over-sensationalise the conflict between the parties if they want the government to remain in office until the end of its term next April.

Editorial Urges Continued Price Supports

BK270207 Bangkok BANGKOK POST in English 27 Nov 82 p 4

[Editorial: "Backbone of Our Economy At Risk"]

[Text] For many years Thailand's extensive agricultural sector has been touted as being the backbone of the nation's economy, with rice in particular being a major foreign exchange earner year after year. This happy state of affairs should continue for a long time to come, and keep Thailand in the position of an important food exporter to a world market that becomes more demanding as world population continues to rise unchecked. With this in mind, the government should take a great deal of care and go out of its way

to ensure that the vast farming community is kept sufficiently satisfied to continue production of its major foods like rice. Not only will this ensure adequate stocks of a food staple for domestic consumption, but also protect the much-needed millions of dollars earned in foreign exchange.

Too many industrialised nations have found their disillusioned farmers turning to the industrial sector as a source of income, having been unable to earn sufficient money in the farming sector to support their families. The result is a sharp decline in agricultural production. Already Thailand is noticing signs of its farm workers beginning to drift towards the major cities in search of work--and money. Further indications are coming from the growing unrest among the central plains' farmers, who have become so dissatisfied with the basic price of paddy--the government support price of 3,000 baht a kwien (1,000 kilogrammes)--that they have threatened demonstrations in Bangkok in search of better paddy prices.

The key word here is support. Our farmers are asking for help from the government, not only to put more money in their pockets, but also to ensure that the basic support price is adhered to. in these troubled economic times, the farmers are finding it difficult to make ends meet, and in the pressure to earn some money, are being exploited by middlemen who force them to accept cash prices lower than the government-fixed basic paddy price. These are definitely not farmers happy with their lot, and the government should note the danger signals.

Prime Minister Prem Tinsulanon has wisely ordered a review of the support price for paddy, presumably as a preliminary to raising this price. Whatever the new rate if fixed at, it must be both fair to the farmers and reflect on the export price. The government must also ensure that it gives its backing to this basic price by following up with an increased purchasing budget to enforce it. It is one thing to set a price, but the farmers must be assured of getting this price, otherwise the whole exercise becomes meaningless.

As a follow up, the government must continue to monitor all basic prices of agricultural commodities and adjust them when it can, not wait for dissatisfaction to occur. It must also try to allocate larger and larger budgets for purchase of these basic commodities in order to give increased support to the agricultural sector and break the strong grip the middleman has in this area. Support for the farmer should continue to be an integral part of government policy, because if the worst comes to the worst, we have, as yet, no broad industrial sector to fall back on should the agricultural sector begin to falter.

Khukrit Cites Political Factor

BK010203 Bangkok BANGKOK POST in English 1 Dec 82 pp 1, 3

[Text] Social Action Party [SAP] leader, M.R. Khukrit Pramot claimed yesterday that a certain political party was behind the farmers' protests against the government's paddy price support scheme.

Speaking to the press after a SAP meeting at the Indra Regent Hotel on Monday night to consider the controversy over the price support scheme, he said: "There is no need to mention the name of the party in question because it is clearly evident which party is was, judging from the recent news reports."

The SAP leader also said he believed that his party had come under heavy attack over the question of the rice price. "Who was the first to initiate the paddy price intervention scheme if not the SAP?" he asked.

"Before we became the government in 1975 rice farmers were at the mercy of the market forces of demand and supply. When we became the government we formulated a policy under which the minimum guarantee price of rice was fixed at 2,500 baht a kwien [1,000 kg]. The programme was scrapped when we were pushed out of power.

"When we came back and joined the first Prem government, Mr Bunchu Rotchanasathian revived the policy with the minimum price raised to as high as 4,000 baht a kwien. "Now with the third Prem government we are hopeful that we can once more help the farmers to get a better price for their rice, but we have to do it right from square one."

M.R. Khukrit said that at the moment the farmers could get only between 2,400 and 2,500 baht a kwien, although the minimum intervention price was fixed at 3,000 baht. "The SAP would like very much to see the farmers able to sell their paddy at the highest price possible, say 10,000 baht a kwien," he said.

"Some parties in the coalition government have suggested that the government should raise the floor price to 3,750 baht. But I would like to ask them what means do they have to enable the farmers to get this proposed price in practice? "If they can do it then I am prepared to go down on my knees before them, but if not, I'll want to hit back," the SAP leader said.

He also warned: "Don't try to discredit the SAP. We are ready to explain why the Public Warehouse Organisation [PWO] is making a loss.

"The PWO is currently conducting two types of business. The first is the ordinary kind of business which is generating reasonable profits. However, there are other kinds in which the PWO has to accept losses so as to give as much assistance as possible to the farmers.

"Buying rice from farmers at a higher price and reselling it at lower price is in accordance with the government's policy, and has the cabinet's approval. I am therefore really puzzled as to why the SAP has been singled out for attack. Why isn't there anyone blaming the government for committing countless numbers of financial failures?"

The PWO is one of the two main organisations being blamed for the failings of the paddy price programme. Both the PWO and the Marketing Organisation for Farmers are under the jurisdiction of the commerce minister, Sqd Ldr Punnam Punsri, a leading member of the SAP.

Asked to comment on Khukrit's statements, Deputy Prime Minister Maj-Gen Praman Adireksan, leader of the Chart Thai Party, said the SAP leader had simply lost his temper.

He said the rice issue would not lead to a breakup of the coalition government similar to that which occurred as a result of the oil telex controversy last year because the government's term will expire in the next 4 or 5 months.

Deputy Agriculture Minister Bun-ua Prasoetsuwan, meanwhile, said he did not understand why M.R. Khukrit was so upset.

Newspapers Warned About Reports

BK010212 Bangkok BANGKOK POST in English 1 Dec 82 p 1

[Text] Special branch police yesterday warned newspapers to be more responsible in their news reports and columnists' comments on the government paddy price intervention scheme.

Special Branch Police Commander Maj-Gen Ophat Rattanasin, in his capacity as Bangkok printing officer, summoned editors to a meeting yesterday afternoon and asked them to refrain from publishing sensational headlines or news about the scheme.

Some papers had given the impression that the government had failed to tackle rice problems which was untrue, he complained.

He also said news should be separate from opinion, and newspapers should refrain from printing unsubstantiated reports or charges against government officials.

CSO: 4200/166

DEVELOPMENT OF PORT GETS APPROVAL

BK250408 Bangkok BANGKOK POST in English 25 Nov 82 pp 1, 3

[Excerpts] The Eastern Seaboard Development Committee yesterday gave a final approval for the Communications Ministry to develop Laem Chabang as another deep-sea port for Thailand. The project which was hit by years of delay and indecision will begin in 1987 and is expected to be completed in 1990.

The new deep-sea port will handle containerised and general goods, certain agricultural products and support industrial estate in handling export-oriented products.

Loans to finance the project will come from Japan, particularly for use in engineering survey and design work.

The committee, chaired by Prime Minister Prem Tinsulanon, also gave final approval for the construction of the Map Taphut port in Rayong Province. The Map Taphut port is designed to support major industrial development projects expected to sprout up following development of the Map Taphut industrial estate.

The committee also decided to slow down expansion of Sattahip port pending the construction of Laem Chabang and Map Taphut ports during the next 5 years. However, the port may be used to facilitate survey and development of natural gas in the Gulf of Thailand. It will also handle construction materials and equipment to be used in the setting up of various eastern seaboard industrial projects, including Laem Chabang and Map Taphut ports.

Concerning the 20,000 million-baht petrochemical project, the committee proposed that the petrochemical industry be immediately set up in order to attract investors to this project. The project consists of two steps. In the first step, ethylene and propylene will be jointly produced by the government and private sectors.

In the second step polypropylene, high-desnity polyethylene, low-density polyethylene, vinyl chloride and ethylene glycol will be produced by the private sector. Both steps will take about 5 or 6 years.

As regards national fertiliser project, the committee acknowledged the recent setting up of the National Fertiliser Company and said that the government would support the project.

CSO: 4200/167

SENIOR CPT MEMBERS NOT ALLOWED TO QUIT

BK22137 Bangkok BANGKOK POST in English 22 Nov 82 p 1

[Text] The Communist Party of Thailand [CPT] has turned down a request from two senior members who want to resign and return home from China because it fears they might disclose party secrets to the government, a well-informed source said yesterday.

Mongkhon Na Nakhon, 71, and Pan Kaeomat, 67, who have been living in exile in southern China since 1979, are committee members of the CPT in the northeast region.

The source told the BANGKOK POST that the Chinese Communist Party approved their request to return to Thailand to live the rest of their lives here subject to approval from the CPT. Both men were described as suffering from senility.

In rejecting their resignations, said the source, the CPT told Mongkhon and Pan to remain in China. He said the party feared the two men might reveal CPT secrets to the authorities if they returned to Thailand.

He added that Mongkhon and Pan wanted to quit the party because they were dissatsified with their inactive posts. The Thai Embassy in Beijing was informed of the men's request and granted them permission to return to Thailand, he said.

Mongkhon joined the CPT during the Sarit Thanarat regime. He once led the now-defunct Independent Front established in China and was a member of the Committee for Coordinating Patriotic and Democratic Forces, the political wing of the CPT.

Pan who joined the communists more than 20 years ago was the party's committee member for the northeast.

He also claimed that Udom Sisuwan, a CPT Politburo member who surrendered to the government last September, did not get permission from the party to resign.

Udom, the source said, tricked the CPT by telling it he would carry out the party's work in Bangkok.

CSO: 4200/167

VIETNAMESE REFUGEES TO BE ALLOWED TO LEAVE

BK200814 Bangkok BANGKOK POST in English 20 Nov 82 p 24

[Text] Vietnamese refugees in Camp NW 82 will be allowed to go to third countries if foreign governments agree to resettle them and confirm definite dates for their departure from Thailand, secretary-general of the National Security Council, Sqn-Ldr Prasong Sunsiri, said yesterday.

He said that he had informed Mr De Salis, permanent representative of the International Committee of the Red Cross, during their meeting yesterday that the resettlement of refugees from the camp would be on a humanitarian basis and that the ICRC could coordinate their resettlement.

He warned, however, that without resettlement guarantees, any attempt to move the refugees from Camp NW 82 to the Phanat Nikhom processing centre would be rejected.

Camp NW 82, near the Thai-Kampuchean border, currently accommodates 1,700 refugees who fled Vietnam and travelled through Kampuchea. Sqn-Ldr Prasong said the camp had been under the ICRC's responsibility since it opened.

The ICRC has supplied medicine, food and water for Camp NW 82, making conditions there better than those at other refugee camps where 64,000 Kampucheans are living.

Sqn-Ldr Prasong said that Camp NW 82 had become a controversial issue because the Vietnamese refugees had tried to attract attention from the press and foreign visitors. He claimed that they had openly made complaints in an attempt to be resettled by third countries.

Asked about a recent statement by United States Congressman William Hughes who said he would press for the release of five Vietnamese American children in the camp, Sqn-Ldr Prasong said that the Amerasian refugees could be resettled providing a third country promised to take them.

CSO: 4200/167

REFUGEE CHILDREN CAN ACQUIRE CITIZENSHIP

BK230317 Bangkok BANGKOK POST in English 23 Nov 82 pp 1, 3

[Excerpt] In a major reversal of government policy, children of the "Dien Bien Phu" Vietnamese refugees and those of illegal immigrants from other countries who were born in Thailand can now apply for Thai citizenships.

Mr Phisan Munlasatsathon, under-secretary of state for interior, said the decision to permit the children of these illegal immigrants to become Thai nationals was reached yesterday at a meeting which was attended by representatives from the National Security Council, the military, police, local administration department and other agencies concerned.

For security reasons, the former Thanom Kittkachon administration issued Executive Order No 337/2515 in 1972 banning children born to illegal immigrants, particularly Vietnamese refugees who came to Thailand during the liberation war against the French colonical rule in Vietnam in the early 50s, from receiving Thai citizenships under the Nationality Act.

About 70,000 Vietnamese fled from Laos into Thailand during the Indochinese war and some 40,000 of them were repatriated between 1960-1963 under the Rangoon agreement signed between Thailand and Vietnam in 1959.

A census which was undertaken several years ago showed that there were still about 40,000 Indochinese war refugees in Thailand. The real figure is likely to be higher as many of them have borne children in this country.

Mistrusted by Thai officials as a potential "fifth column," these old-time Vietnamese refugees were restricted to nine northeastern and southern provinces. It is common knowledge, however, that since the enforcement of this restriction is lax, some of these refugees have managed to slip out of the restricted areas.

Meanwhile, an informed government source said that only two conditions would be used in determining whether an applicant should be granted Thai citizenship. They are: That the applicant must have done some good deeds for Thailand, and must swear allegiance to the country and the monarchy.

Applications of children sired by American soldiers who cannot be traced would be given special consideration, the source said.

The source noted that this major reversal of government policy especially regarding the "Dien Bien Phu" Vietnamese refugees' children stemmed from the reasoning that for security reasons it would be better to treat them as Thais rather than frustrate their lives as stateless people and eventually become potential threats to the country.

Negotiations between Thai and Vietnamese officials to repatriate these refugees and their children bogged down following several rounds of talks in Bangkok in late 1978 and early 1979.

At the final round of talks, Vietnam agreed to take back only 3,000 refugees on "a voluntary basis." It also insisted that Thailand give the same rights to Vietnamese refugees as are given to the Chinese.

CSO: 4200/167

BURMESE ARMY CLASHES WITH WA REBELS IN NORTH

BK160343 Bangkok BANGKOK POST in English 16 Nov 82 p 2

[Text] Chiang Mai--Five pro-communist Wa tribesmen and two Burmese soldiers were killed Sunday morning when the Burmese Army clashed with the Wa National Army [WNA] after a hot pursuit into Thai territory, according to a police source.

Fighting first erupted when WNA forces moved from Ban Nong Uk in Chiang Dao District of Chiang Mai across the border to Burma's Huai Ma Lang Noi, the Border Patrol Police [BPP] source said, adding that the number of troops on both sides were unknown.

The source said that the clash sent WNA troops fleeing into Thai soil, followed by the Burmese Government's forces in hot pursuit. A second round of battle erupted, claiming the lives of two Burmese soldiers and five WNA men, the source said.

On receiving the report, the Thai authorities rushed to the battle site where they found five dead bodies left behind by WNA forces which reportedly retreated into Mae Ai District of Chiang Mai.

The source said that the WNA often illegally cut trees on the Burmese soil and had elephants drag the logs into Thailand. This time the Burmese forces probably arranged an ambush for the WNA, he said.

A team reportedly has been sent to find out whether any Thai had been involved in the WNA's illegal timber activities on Burmese soil.

The BPP yesterday received a report of fresh WNA movement in Mae Ai District close to the Thai-Burmese border, the source said, adding that a BPP unit had been sent to push the WNA forces out of Thai territory.

By last night there was no report of any clash between the BPP and WNA forces.

CSO: 4200/167

BRIEFS

TRADE DEFICIT REPORTED--During the first 9 months of this year, Thailand's exports totalled 124 billion baht, an increase of 10 percent over that of last year. The director of the Bank of Thailand's office of the governor said that during the same period Thailand imported about 149 billion baht worth of goods, or 7 percent less than that of last year. The country's trade balance improved significantly compared with that of last year. This year Thailand has a trade deficit of about 13 billion baht, or about 48 percent less than that of last year. [BK220329 Bangkok Domestic Service in English 0000 GMT 19 Nov 82]

ORDER ON REFUGEES' CITIZENSHIP CLARIFIED--The government's policy regarding the nationality of children born in Thailand to "Dien Bien Phu" Vietnamese refugees remains unchanged, secretary-general of the National Security Council, Squadron-Leader Prasong Sunsiri, said yesterday. He stated that the executive order which prevents children of illegal immigrants, especially long-time refugees, from becoming Thai citizens is still enforceable. He said, however, that any person who believes he or she is entitled to Thai citizenship should submit their cases to the Interior Ministry for consideration. The ministry will then decide whether Thai citizenship should be granted, he added. Sqn-Ldr Prasong said that several children of illegal immigrants who obtained forged documents had applied for Thai citizenship. [Text] [BK240419 Bangkok BANGKOK POST in English 24 Nov 82 p 5]

EX-CONVICTS FROM LAOS ARRIVE HOME--Mukdahan--Laotian authorities on Wednesday freed 11 Thais reportedly suffering from malnutrition and malaria after completion of their jailterms, Governor Chamlong Ratchaprasoet said yesterday. Governor Chamlong said many of the men had to be rushed to the provincial hospital for treatment after they arrived at this border province from Savannakhet on Wednesday. "Those suffering from acute malaria were in bad shape," Chamlong told the BANGKOK POST by telephone. They were arrested by Laotian authorities on charges ranging from illegal entry to smuggling, he said. [Excerpt] [BK190215 Bangkok BANGKOK POST in English 19 Nov 82 p 5]

MONG FLEE LAOS--Phayao--Fifteen pro-Chinese Mong hilltribes people arrived in this provincial town yesterday claiming they had crossed the Thai-Lao border to escape harassment from Laotian and Vietnamese forces, Phayao Police Superintendent Col Chan Khamwan said yesterday. Police disarmed the

Mong of their three M-16 rifles, one AK rifle and ammunition as soon as they arrived in Chiang Kham over the weekend. The Mong told Thai officials that they were from Phou Lan, Sayaboury Province in northern Laos, adding that they decided to cross into Thailand after Laotian and Vietnamese forces launched a suppression campaign against them. The Mong, whose ages ranged from 4 to 33, were sent to the 31st civilian-police-military command in Chiang Kham for further interrogation. Later they will be sent home. Colonel Chan said if they refused to return home, they would face charges of illegally entering Thailand. [Text] [BK240429 Bangkok BANGKOK POST in English 24 Nov 82 p 3]

MILITARY-CIVILIAN COOPERATION--Smooth cooperation between the military and the civilians is the key to the attainment of full democratic rule in this country, Supreme Commander General Saiyut Kerdphon said yesterday. Speaking to the Harvard Business School Club of Thailand, General Saiyut pointed out that in the past neither the military nor the civilians alone could successfully lead the country toward democratic rule. But, he said, before the military and the civilians could work together harmoniously, each had to understand its own role in the society. The general said the role of the military was not just to defend the country against internal and external threats, but also to assist in the development of the country. He cited the fifth 5-year development plan which emphasises that the country's economy and defence should be developed in such a way that they are in harmony with and in support of each other. For example, a canal which has been dredged for strategic purpose can also be used for irrigation or refugee camps which were closed down would be turned over for civilian use. Saying that Thailand is facing external threats on its eastern border and has to depend on itself in defending the country against such threats, General Saiyut said that Thailand can best make use of its limited resources for the defence of the country through a total defence system. The system, he explained, is the mobilisation of not only the military forces, but also paramilitary and civilian forces. Self-reliance is the best method of national defence, said the general, adding that its success has already been proved throughout the Thai history. [Text] [BK260441 Bangkok BANGKOK POST in English 26 Nov 82 p 3]

BURMESE FORCES RAID SHAN REBEL CAMP--Chiang Mai--About 200 Burmese Government troops crossed into Thailand at the weekend and attacked a base camp of the Shan United Revolutionary Army, the Border Patrol Police [BPP] reported. There were no Thai casualties during the attack, BPP officers said. They said that fighting broke out at 6:30 am on Saturday after Burmese Government regulars, volunteers and rangers launched an attack on the camp, near Ban Muang Tong in Ciang Dao District, Chiang Mai Province. A BPP unit which went to the area after receiving a report of the battle was told that a Burmese soldier and a Shan had died in the fighting. Three Burmese soldiers and four Shan rebels were also reported to have been wounded in the 30-minute battle, the unit learned. The Burmese attack completely destroyed the rebel camp and the Shans had been forced to flee back across the border into Burma, the police said. The Burmese force reportedly confiscated some M-16 rifles and about 200 rounds of ammunition from the Shans before it crossed back over the border, they said. The Burmese force reportedly included elements of its 65th battalion, based in the eastern Shan state city of Ton, as well as defence volunteers and rangers, the BPP sources said. [Text] [BK220131 Bangkok BANGKOK POST in English 22 Nov 82 p 1]

UNHCR TO HELP IN REFUGEE REPATRIATION PLANS--Deputy United Nations High Commissioner for Refugees William Smyser pledged to help Thailand return refugees to their homelands and resettle the rest in other countries. Deputy Interior Minister Banyat Banthatthan said that during his talks with Mr Smyser yesterday at the Interior Ministry, the deputy commissioner assured him that the UNHCR will help Thailand find ways to increase the number of refugee departures both back to their homelands and for resettlement in third countries. He quoted Mr Smyser as saying that some success had been made to repatriate refugees following an improvement of the situation in their homelands. As in the case of Laos which, Mr Smyser said, had shown readiness to open negotiation with Thailand and the UNHCR, for the return of the Laotian refugees, Mr Banyat said. On the orderly departure programme, Mr Smyser pledged that the agency will help encourage third countries to accept more refugees for resettlement by directly contacting their governments. He added that while here, he will also ask the third countries' ambassadors for assistance in this task. [Text] [BK160415 Bangkok BANGKOK POST in English 16 Nov 82 p 2]

TRADE SURPLUS WITH FRG--Thailand enjoys a trade surplus of almost 4 billion baht with West Germany during the first 8 months of this year. The figure represents an increase of about 60 percent over the same period last year. Trade volume between the two countries rose to about 12 billion baht during January and August, up 9 percent compared to that of last year. Thailand's exports increased 18 percent and imports from Germany fell by 4 percent. [BK270754 Bangkok Voice of Free Asia in English 1100 GMT 25 Nov 82]

BBC 'NEGATIVE' COMMENTARY RAPPED--Interior Minister Gen Sitthi Chirarot yesterday lashed out at the British Broadcasting Corporation (BBC), accusing it of violating "political etiquette" for its negative commentary on Thailand's economic and political conditions. He said the commentary had damaged the investment climate in Thailand. "It was a violation of political etiquette. It created an atmosphere of suspicion in Thailand," he said. Army Commander-in-Chief Gen Athit Kamlang-ek last week also attacked the BBC over the commentary which alleged that he was silently waiting to stage the next coup. The commentary broadcast from London also claimed that General Athit created the "123" anti-crime service to strengthen his power base. General Athit described the commentary as "filth." [Text] [BK180151 Bangkok THE NATION REVIEW in English 18 Nov 82 p 6]

COMMUNIST INSURGENTS SPRING AMBUSH--Ratchaburi--Three policemen were killed yesterday morning when a police patrol unit was ambushed by a band of communist insurgents in Pak Tho District here, Governor Pathom Sutthiwat-Naruphut said yesterday. He said another three policemen were also wounded in the attack by about 30 communist insurgents. The ambush took place at 9 am while a team of seven policemen were on their routine patrol in Tambon Tungluang, he said. The policemen stepped on a boobytrap which exploded. They then came under heavy fire from the communist insurgents. One of the policemen escaped to ask for help. Police reinforcement was sent to the scene and had a brief clash with the communist insurgents. The ambush yesterday was the first major communist activity in months. The three policemen killed were identified as Pol Sgt Maj Phan Phuchong, Pol Sgt Maj Suchin Daengduang and Pol Pvt Samrong Chuchart. There was no report of

casualties on the other side. Ratchaburi was once a communist-infested province. However, the insurgents have been keeping a rather low profile during the past year. [Text] [BK190727 Bangkok THE NATION REVIEW in English 19 Nov 82 p 11]

VIETNAMESE BOAT PEOPLE ARRIVE--Pattani--Fourteen Vietnamese boat people, including three children, arrived ashore in this southern province on Sunday, Governor Prida Muktaharat reported yesterday. He said the Vietnamese arrived at Laem Tachi of Tambon Talo Thabo in Yaring District on board a trawler. They were immediately taken into custody by local policemen, he said. They will later be turned over to the refugee transit centre in Songkhla. [Text] [BK170339 Bangkok THE NATION REVIEW in English 17 Nov 82 p 6]

KING'S CONDITION IMPROVING--The royal household office on 9 November issued an announcement according to which His Majesty the King developed an irregular heartbeat 8 days after the panel of doctors stopped his medication. Since then, the doctors have resumed His Majesty's medical treatment in order to control his hearbeat. As a result, the king's condition is improving and his hearbeat is normal, except that on 17 and 19 November the king developed a slightly irregular heartbeat lasting about 2 or 3 minutes each time. An X-ray of His Majesty the King yesterday [21 November] afternoon showed that his lungs are normal. The king is continuing to take regular exercise. [Text] [BK230340 Bangkok Domestic Service in Thai 0000 GMT 23 Nov 82]

CSO: 4207/33

BRIEFS

ENVOY TO TONGA PRESENTS CREDENTIALS--Pakistan's ambassador to Australia S. Wajahat Husain, who has been appointed concurrent ambassador to Tonga, presented his credentials to King Taufa 'Ahau Tupou IV in the Pacific region. [BK191313 Karachi Domestic Service in English 1005 GMT 16 Nov 82]

CSO: 4200/182

END

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No. 1230

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NOTICE

Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

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20 December 1982

SOUTH AND EAST ASIA REPORT

No. 1230

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PRC SCALES DOWN SUPPORT TO ASIAN COMMUNIST PARTIES

Kuala Lumpur BUSINESS TIMES in English 27 Oct 82 p 19

[Article by Jim Wolf in Bangkok]

[Text] CHINA, long regarded as a revolutionary spook in non-communist South-East Asia, has taken another step away from the region's banned communist parties and their protracted insurgencies.

The move is the latest in what diplomats here and in Hong Kong consider an important scaling down of Chinese support after 30 years of training, arming and guiding the regional parties.

Chinese Communist Party secretary-general Hu Yaobang formalised the soft line during the 12th party congress in Peking last month, implying revolution was not for export.

"The success of the revolution in each country depends on the ripeness of conditions for it and the people's support," Mr Hu said in a keynote report.

"To issue orders or run things for others from outside is absolutely impermissible," he added.

Though Mr Hu's statement stopped short of an outright disavowal of South-East Asian communists, some analysts saw it as Peking's clearest step in that direction.

China began cutting overt support to overseas communists about four years ago as part of its present emphasis on winning friends to help tame pro-Soviet Vietnam.

Topple

The shift came after Vietnam swept into Kampuchea in late 1978 to topple the pro-Peking Khmer Rouge government, setting up an aggressive Soviet-backed grouping on China's southern flank.

Peking has now turned away from the mostly Maoist-inspired insurgencies that had strained ties with Burma and the five members of the Association of South-East Asian Nations (Asean).

In July 1979, for example, it suddenly halted 17 years of beaming broadcasts from a station in southern China for the Communist Party of Thailand (CPT), which was a severe blow to a party already hamstrung by the falling out between key backers Peking and Hanoi.

Hanoi expelled the mainly ethnic Chinese CPT guerillas from their sanctuaries in Laos and Kampuchea, confiscating their weapons and ammunition.

The CPT also lost its Chinese supply route through Laos and its armed strength is now put at about 7,000 men — half its 1978 peak.

A regional expert in Hong Kong said the fate of the Thai communists was "the best example" of China's end to actively assisting fraternal parties.

In an indication that Peking's gesture has not gone unappreciated here, Thai Foreign Minister Siddhi Savetsila said in August Thailand "understands" China's difficulty in severing all ties with the CPT and a Thai official told correspondents "it needs some time".

China played down its earlier attempt to distinguish between supporting insurgents — which it calls a party-to-party matter — and improving government-to-government ties.

But China's gradualism in dealing with what it calls a "historical" problem remains a sore point with Thailand's Asean partners — Singapore, Malaysia, Indonesia and the Philippines.

One reason China does not completely repudiate the "heads-we-win-tales-you-lose" regional policy is its value as a policy lever on governments that could become hostile to Peking's interests.

Without the implied threat of stepped-up support to insurgents, some Asean members might adopt a more conciliatory policy toward Vietnam, China apparently believes.

China's other main reason for sacrificing goodwill to continue backdoor moral support to the parties is the fear that any quick turnabout would create a vacuum that could be immediately filled by the Soviet Union and Vietnam.

But even in Burma, where it might be considered important to preserve the party as a pawn, Peking has considerably reduced aid to the guerillas as part of its wider effort to cement an informal regional alliance.

The decline in Chinese aid to the Burmese communists has forced them to rely heavily on revenue from opium, reportedly making them the biggest dealer in the notorious "Golden Triangle" over the past three years.

In the interest of broadening the anti-Vietnamese front, China is believed to have pressed the Thai and Burmese communist parties to end their insurgencies.

Suspicion

But suspicion of China's long-range plans remains strong in Indonesia, Singapore and Malaysia.

Indonesia suspended its relations with Peking in 1967 after accusing China of involvement in a abortive 1965 coup. Singapore, which also has no formal relations with China, has said it will establish links only after Indonesia does.

Malaysia resents China's links with the outlawed Communist Party of Malaya.

The regional non-communist states are believed to be watching warily the first high-level talks in three years between China and the Soviet Union for signs of a thaw between them.

For the time being, though, China's main overseas arms beneficiaries are the virulently anti-Soviet, anti-Vietnamese Khmer Rouge.

Ironically, while Peking has trimmed support to other overseas communist parties, it has boosted aid, including weapons supply, to the anti-communist forces of Son Sann and Prince Norodom Sihanouk in Kampuchea and rightist guerillas in Laos. — AFP

CSO: 4200/516

EXPERT CLAIMS COUNTRY IS HIGHLY VULNERABLE TO TERRORISM

Brisbane THE COURIER-MAIL in English 25 Oct 82 p 1

[Text] Australia was vulnerable to attacks from internation terrorists, a leading defence expert said in Cairns yesterday.

The executive officer in the Strategic and Defence Studies Centre at the Australian National University in Canberra, Colonel Jol Langtry, said Australia was "extraordinarily vulnerable" to raiding parties, terrorists and guerrillas.

He added that Australia's ability to mobilise, if threatened with attack, was the worst since World War II.

Mobilising the army, navy and air force required complex planning, and was one of the greatest "inadequacies in our defence capacity."

"Gone are the days when we could count on mobilising over two or even three years under the protective umbrella of 'great and powerful' allies.

"The overall context of mobilisation has changed. Australia must become more self-reliant."

Colonel Langtry was speaking on the status of Australia's defence preparedness at a National Party defence seminar. He said long lead time requirements for support of a mobilised defence capability must be undertaken in peacetime.

"Australia's extremely limited defence resource base means civil resources must be used to the maximum," Colonel Langtry said.

But a middle-ranking nation such as Australia could not afford to maintain large standing defence forces in peacetime.

"The Department of Defence is designed for peace rather than war. It would be irresponsible to defer mobilisation planning any further," Colonel Langtry said.

The Federal Science and Technology Minister, Mr Thomson, said yesterday a special army reconnaissance unit should be set up on Cape York Peninsula and the Torres Strait islands.

Mr Thomson, a former Army brigadier with 30 years' service, said the special unit was necessary because of the north's proximity to a foreign country.

He was speaking at the National Party northern defence seminar at Cairns.

Mr Thomson said there was also concern in the north about surveillance and interception of illegal immigrants and drug smugglers.

CSO: 4200/6003

'VOPB' ON PEOPLE'S ARMY, SHAN REBELS BATTLE REPORTS

BK191346 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 19 Nov 82

[Joint combat news of the people's army and the Shan State Nationalities Liberation Organization]

[Text] On 2, 3, 4 and 12 February, small joint forces of the people's army and the SSNLO [Shan State Nationalities Liberation Organization] launched attacks in (Paung Tan), (Mong Pu), (Lon Kwin) and east (Sinlio), resulting in 12 enemy soldiers killed and over 20 wounded.

On 16 March combined forces of the people's army and the SSNLO attacked the military government's mercenary 107th light infantry division at (Ngam Mauk Cho) on the bank of Nampan stream, killing five enemy soldiers. One carbine, 2 G-2's, 3 G-3's, 1 M-79 mortar with folding stock, 15 rounds of mortar shells and other military equipment were seized from the enemy.

On 30 April an ambush against the military government's mercenary 19th light infantry division at (Wan Tan) in (Mong Kyekwin) resulted in two enemy soldiers killed and two wounded.

On 10 May an attack launched by joint forces on (Mai Kwe) hill killed three enemy soldiers from the military government's mercenary 16th light infantry division and wounded two others.

On 31 May combined forces of the people's army and the SSNLO raided the camp of the 66th light infantry regiment and defense volunteers at (Pao San) in (Mong Kyekwin), killing six enemy soldiers. Five (?carbines) and over 300 rounds of ammunition were seized from the enemy.

On 3 and 5 June small combined forces launched guerrilla attacks against (Maik Cho) in (Mong Kyekwin) and (Wan Katlab), resulting in the death of three members of the military government's mercenary 16th light infantry division and the wounding of one.

On 21 June joint forces of the people's army and the SSNLO raided and seized the camp of the military government's mercenary 66th light infantry

regiment and defense volunteers in (Set Namlauk), killing 14 enemy soldiers and capturing 14 guns and over 700 rounds of ammunition.

On 28 and 29 June small joint forces of the people's army and the SSNLO launched two attacks at (Namchaw), north of Mong Pang road, and at (Wan Kew) ferry point on Nampan stream, killing 14 enemy soldiers and wounding 10 others.

CSO: 4211/8

'VOPB' GIVES COMBAT NEWS FROM SHAN STATE

BK210637 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 21 Nov 82

[Text] On 28 November a small unit of the people's army launched a guerrilla attack on the enemy's Wan Seng camp. One enemy soldier was killed and two others were wounded in the attack. On the same day a guerrilla attack by a small unit of the people's army near (Hti-sao) village, southeast of Lai-hka, resulted in two enemy soldiers being wounded.

On 11 November an enemy soldier from the military government's mercenary 8th infantry regiment was killed in a guerrilla attack by a small unit of the people's army at (Hti-sao).

Combat news of the combined force of the people's army and the Shan State Nationalities Liberation Organization [SSNLO]:

On 4, 16, 19 and 27 August four attacks--at (Longpawk), east of Wan-yin; at (Wan Wa) in (Long Te) field; at (Hki Long); and at (Pang Lat)--by small combined units of the people's army and the SSNLO resulted in seven mercenaries being killed and six others wounded.

On 16, 27 and 29 September guerrilla attacks by small combined units of the people's army and the SSNLO at (Wan Hsawng); at (Shi Htat Toe), east of Hsi-hseng; and at (Cha Kang), north of (Set Nam) field resulted in 11 enemy soldiers being killed and 10 others wounded. On 31 October an ambush at (Htam Pa) by the combined force on the 2d column of the military government's mercenary 17th light infantry regiment, which had come out from (Wan Ma-na), resulted in 10 enemy soldiers being killed and 5 others wounded.

CSO: 4211/8

CONVICT LABOR USED FOR DEVELOPMENT PROJECTS

Kuala Lumpur BUSINESS TIMES in English 20 Oct 82 p 21

[Article by Min Thu in Rangoon]

[Excerpts] IF A society is to be judged by its prisons, Burma has shown something else.

This closed socialist country is effectively using convict labour. In camps which use their labour, prisoners are steered toward contribution to national production and socialist construction.

"Repay the crime with sweat," exhorts the Prison Department's motto at some 10 convict work camps opened in various parts in the country. The camps are known as *yebet* camps, the prisoners *yebets*.

Instead of keeping them behind bars till their prison terms end, prisoners are given a chance to "redeem" themselves and prove to society they are useful in one way or another. Now, the government allows them to work on agricultural farms, livestock breeding centres, road construction projects and quarries. Work camps were opened where life is much more relaxed and where the prisoners' rehabilitation is supposed to be smooth and normal.

This chance for the prisoners to repay the crime with sweat is the outcome of the drastic prison reforms system initiated by Gen. Ne Win some two decades ago.

Addressing prisoners to be released under a general amnesty early in 1963, the then Revolutionary Council chairman told them short and simple — do not revert to crime and do not come back to prison.

Gen. Ne Win also promised them measures for their happy resettlement at their places of origin or their choice. The first convict labour camp was opened in Twante near Rangoon in 1976 to clear some 3,000 acres of virgin land for paddy, fish and livestock.

The 1,000-man has now 1,258.46 acres under paddy, three fishponds with 70,000 fingerlings, two more ponds stocked with local fish fingerlings, 3,750 ducks and 105 draft buffaloes.

A second 1,500-man convict labour camp was opened on Dec. 6, 1977 to clear 2,000 acres of virgin land for sugarcane to supply the local mill in Bilin in lower Burma's Mon state. It has so far supplied 3,703.07 tons of sugarcane to the mill and has planted sugarcane on 223 more acres for this planting season.

Another camp for 500 men was also opened on the same day in the same town to grow sugarcane for the same factory after requisitioning 1,723 acres of unproductive land in the area. The camp has so far supplied 2,401 tons of sugarcane to the mill in addition to putting rice on 325 acres.

Another 1,500-man camp was opened in 1978 in Myittha, off the ancient capital of Mandalay, to grow staple cotton on 4,187 acres. Because of the decrease in convict labour (many were released upon completion of their term), cotton was planted on only 3,156 acres, although some cotton was sold.

Many convicts were also being employed at the Rangoon-end of the Rangoon-Mandalay highway project, which opened in April 1978 on the outskirts of this Burmese capital. They have so far cleared more than 50 miles of jungle, done 35,827 pits of earthworks and 43,514 pits of quarrying. They are also engaged in a parallel railway line construction.

Crimes

Earlier in January that year, a 1,000-man camp was opened in the Irrawaddy divisional town of Wakema to clear 3,000 acres for jute. It has put 1,294 acres under jute and 220 acres under paddy to date.

Following the closure of the State Quarry Corporation and its mines, the Prison Department took charge of the quarry in 1979. This was meant as a second prison for convicts who committed serious crimes while serving the previous term, the place for real hard labour and rigorous imprisonment.

Inmates are mostly those who tried to escape prison work camps. It is a barbed wire camp and the inmates have to do very heavy quarrying work.

Two more camps were opened lastyear — one in the Kyaikhto area in the Mon state and the other in Kawthaung near the Thai-Burma border. The first one was a quarry transformed into a rubber plantation with nurseries already raised. The second is a 120-man camp which grows oil palm on 50,000 acres and coconut on 1,000 acres.

One more camp was also opened in April last year in Myittha off Mandalay. The task of the 250 inmates is to supply rations to other convict labour camps nearby and also for the Prison Department employees. Families of these convicts are freely allowed to visit the camps while the inmates are also given home leave or sent on ration-buying missions to Rangoon.

Most of them returned to their respective camps except for a few who tried to escape. After capture they had to do their work on legs chained with heavy iron.

Early this year, Deputy Home Minister Min Naung revealed that the number of inmates in these camps has decreased, mostly due to stepped-up crime prevention drives. Still, he said that rehabilitation work in these camps was running smoothly.

The state-run Press agrees, telling readers that people are bound to err sometimes. It says that under the "new corrective system," it is the duty of the state and society to help the unfortunate mend their ways and return to normal life.

When the state has created conditions to give the convicts the chance to repay crime in sweat, people must show magnaminity by accepting their payment and forgetting their past, one editorial said. — Depthnews

BRIEFS

BATTLES IN KACHIN STATE--On 29 October, an attack by a small unit of the people's army near Sawlaw, Lauhkaung region, northeast of Myitkyina, resulted in one enemy soldier from the military government's mercenary 21st infantry regiment being killed and two others wounded. On 4 November, five enemy soldiers were killed in an attack by people's militia units in Chipwi township, northeast of Myitkyina. The rest of the enemy force fled. [Text] [BK280740 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 28 Nov 82]

CSO: 4211/8

POLITICS AND FIJI'S PINE FOREST PLAN

Lagos DAILY TIMES in English 26 Nov 82 p 3

[Article by Sarita Singh]

[Text]

ONE of the great success stories of Fiji is its multi-million dollar pine industry. Brain-child of the country's Prime Minister, Sir Kamisese Mara, the pine forests are eventually expected to become a leading source of much needed foreign exchange.

Eighty-five per cent of the land on which the trees grow belongs to Fijians and the government has been careful to look after their welfare. An Act of Parliament was passed to ensure the eventual take-over of the industry by the landowners, once it becomes viable and all debts are paid.

But now that the trees, which are under the control of a statutory commercial body, the Fiji Pine Commission, are ready for harvesting, there is trouble in the forests.

A group of landowners under a young, sophisticated graduate in forestry, Ratu (chief) Osea Gavidi, is unhappy with the Commission's plans for the industry and a row has broken out over who should get the lion's share of the potential annual income of 100 million dollars. Ratu Osea is an independent Member of Parliament.

Proposals

The row began when the Commission invited proposals from investors interested in entering a joint venture with it to develop the industry.

Several international firms, including British Petroleum, Shell and the MK Foundation of New Zealand, opened talks with the Commission, but an American company, United Marketing Corporation (UMC), led by its director Paul Sanblom, adopted an unorthodox approach which angered the government and the commission.

Sandblom, with the help of Ratu Osea, directly approached and secured the support of the pine landowners.

The trouble began when even before the commission had received all the proposals or discussed them, the landowners decided that they wanted UMC to take over the commercial phase of the industry.

As the deadline for proposals drew near, eight landowners were flown to Hawaii, supposedly on a fact-finding mission. It was not disclosed who paid for their trip.

It is alleged that UMC, which was incorporated in Arizona, USA, in 1975, had connections with the US Phoenix Foundation — a free enterprise group which was involved in a dispute with the King of Tonga in 1972, when it unsuccessfully attempted to take over the kingdom's Minerva Reef.

The Phoenix Foundation was also said to have actively supported the Vanuatu rebel leader, Jimmy Stevens, who was jailed after his attempted secessionist takeover of the island of Espiritu Santo. It has also been accused of interferring in the affairs of other Pacific Island and Caribbean countries.

Because of his links with Jimmy Stevens, Ratu Osea was ordered out of Vanuatu in 1976. It was later revealed that the private aircraft that had been allocated for Stevens' use through the Phoenix Foundation links, had flown Ratu Osea back to Fiji.

The pine forests row intensified when Ratu Osea claimed that some government Ministers and workers had held meetings with landowners to canvas support for the multinational giant Shell, which was reported to have offered an investment of something like 100 million dollars compared to the initial offer of slightly over two million dollars by UMC. UMC later increased this to seven million.

Ratu Osea claimed that a government Minister had threatened to bar Sandblom from entering the country. This could not be confirmed at first, but later Fiji's Minister for Immigration, Tomasi Vakatora, admitted that Sandblom had been declared a

prohibited immigrant and banned from entering the country.

When pressed to give the reasons for the ban, Vakatora disclosed that Sandblom had served a 15-year jail term in the United States for alleged fraud. Ratu Osea and the landowners continued their support for Sandblom and demanded that the government lift its ban.

Ratu Osea claimed they had known of Sandblom's conviction for some years. He had, he said, been convicted of an offence under Taxas State law which was not an offence under US Federal laws.

When the Board of the Pine Commission met recently to decide who should get the contract, five of the landowners' representatives on the board, including Ratu Osea, boycotted the meeting and together with several hundred landowners and their supporters organised a sit-in demonstration outside the meeting hall.

After the board announced that it had decided to give the contract to British Petroleum, landowners put up roadblocks on public roads leading to the pine stations and attempted to stop a saw mill from operating.

The Royal Fiji Police moved in. The roadblocks were dismantled, the sawmill started operating again and 53 landowners, including Ratu Osea were charged. They were released on bail pending the hearing of their cases later in the year.

The arrests, charges and police presence managed to diffuse what had become a tense situation. But the row has by no means been resolved.

Recently, Ratu Osea claimed in Parliament that events in the pine industry showed that democracy was not being practised in the country. He said: "Our people in the pine areas are willing to go to jail to stand for their rights. They have to demonstrate their rage at what is going on in this country.

"They have two alternatives—by armed resistance or by peaceful demonstrations. They have chosen the later.

"Our people are prepared to go to jail for that and to stand for that particular right".

The Commission and British Petroleum have engaged a firm of consultants from Finland for advice on commercially developing pine wood products from the industry.

The firm, Jaako Poyry, specialises in establishing forest-based industries and, will advise on, among other things, marketing, training, forest inventory, finance, employment and mill locations.

Negotiations

But the dispute goes on. Recently, the landowners sent petitions to the Commission asking it to cancel its agreement with BP. They pledged support for Sandblom and called on the Commission to re open negotiations with UMC and Shell.

CSO: 4200/175

NEW ENTRY IN OIL EXPLORATION SECTOR

Promet Energy

Kuala Lumpur BUSINESS TIMES in English 20 Oct 82 pp 1, 22

[Excerpts]

RIG builder Promet Bhd is all set to go into oil and gas exploration in Indonesia with the imminent conclusion of a contract with state-owned Pertamina.

Promet is said to have won the contract from Pertamina through its recently-established energy arm, Promet Energy Ltd.

Promet Energy is a Hong Kong-based company with subsidiaries in Singapore, Malaysia and Indonesia as well.

The Singapore unit, Promet Energy Services Ltd, is the company's operating arm.

Promet Energy is 80 per cent owned by Promet Bhd, while the remaining 20 per cent cent is held by Gannanoque Ltd of the Isle of Man, Britain.

Gannanoque is an affiliate of Gaffney, Cline and Associates, a US-based international energy consultant that is serving as technical adviser to Promet Energy.

Terms of Contract

Kuala Lumpur BUSINESS TIMES in English 22 Oct 82 p 3

[Text]

PROMET Bhd will spend a total of US$55 million over the next six years to explore for oil and gas in Indonesia.

This follows the signing of an oil and gas exploration contract between Promet Arafura Ltd, an Indonesian unit of the Hong Kong-based Promet Energy Ltd and Pertamina, the state-owned oil corporation, in Jakarta on Wednesday.

Two other foreign oil companies also won contracts from Pertamina. They are Sceptre Resources Ltd of Canada and another Canadian group comprising Hudbay Oil International Ltd, Pennzoil Asiatic Incorporated and Husky Oil (Manudra) Ltd.

The two Canadian groups will invest a total of US$144 million over the same period.

For Promet, the contract marks its first venture in the Indonesian oil sector. It allows Promet Arafura to explore for oil and gas in an 18,315-square kilometre area of the Arafura sea, off Aru Island in southern Irian Jaya.

Besides the expenditure of $55 million. Promet must also pay Pertamina a US$2.75 million fee as "information" bonus for the right to explore and develop the tract.

In addition, the company must pay other bonuses of up to $19.5 million if crude production in the area reaches 75,000 barrels a day.

Sceptre will spend $97 million over the six years for two contracts to explore two tracts in Java totalling 31,020 square kilometres.

It also has to pay Pertamina a signature bonus of $2 million and $1.1 million respectively. If production reaches 200,000 barrels a day, it has to pay Pertamina additional bonuses of up to $70.9 million.

The fourth contract, with the Canadian group led by Hudbay, will spend $47.85 million in the first six years to explore a 13,970 sq km tract on Madura Island. It has to pay a signature bonus of $1.5 million if production reaches 100,000 barrels a day in the area, the group has to pay Pertamina up to $27.4 million in extra bonuses.

CSO: 4200/518

EDITORIAL OPPOSES 'EMPTY SEAT' IN UN, SAYS CGDK IS MORE THAN JUST DK

Paris MOUL KHMER in French Sep 82 pp 2, 3

[Editorial: "The United Nations: a Vote, a Test"]

[Text] The 37th session of the General Assembly of the United Nations opened on 21 September, and will continue until the end of December. It is already evident that its work will be largely dominated by the problems resulting from the crisis in the Middle East. Nevertheless this session will also be very important for the course of the Cambodian problem. Indeed, the Assembly will have to declare itself, without a doubt before the end of October, on the still pending question of Cambodia's seat in the United Nations. But this time the Assembly must decide in a new context, clearly different from what it was in previous years. For Cambodia's seat is no longer held by the Khmer Rouge alone, but by a coalition government formed last 22 June, a government in which the nationalists--represented notably by the Khmer People's National Liberation Front (KPNLF) have a place from now on.

Therefore in the future the UN member countries should no longer be tempted by the "empty seat" solution, since our country's seat is now held also by genuine Cambodian nationalists. For 3 years now these citizens have been conducting an active resistance against a foreign occupation that nothing could justify, an occupation which, moreover, the United Nations has formally condemned on several occasions in resolutions demanding the withdrawal of North Vietnamese forces from our territories. If then this international organization is consistent, as we firmly hope, it will have to confirm its earlier decisions and vote that Cambodia's seat by granted, beyond dispute, to the coalition government. Logically also, this solution should be approved by a greater number of countries now than when it was a question of knowing if this seat would be left to the "Democratic Kampuchea" of the Khmer Rouge alone.

The vote which will take place in October or November will also be a test. If it goes in the direction we wish, the existence of the coalition government will be confirmed indisputably. In the opposite case--not very probable it is true--it could be thought that the formation of this government was not as useful as we had the right to expect. But this vote will also be a test, because it permits us--nationalists who desire the liberation of our country--to count our friends, that is, the countries who declare themselves

unequivocally against the empty seat formula advocated by Hanoi and by those who support the designs of North Vietnamese expansionism.

However, for all that, a vote in keeping with our wishes and our legitimate aspirations, even if it is achieved by a very strong majority, will not resolve the Cambodian problem. For it will not, as if by enchantment, put an end to the occupation of the Khmer territory by 200,000 armed forces from Hanoi. Our struggle must therefore continue and, without a doubt, for a long time to come. We know indeed the stubbornness of the North Vietnamese, their determination to conserve the conquests they have achieved, through armed force and in defiance of all right. We will thus have to prove ourselves still through a long perseverance in the struggle of national resistance that we are maintaining against these foreign invaders. At least our position will be solidly reinforced by a vote of the United Nations on the side of right and justice.

That is, a vote that will make Hanoi understand that the Cambodian coalition government with Mr Son Sann as Prime Minister is the only one fit to represent Cambodia in the United Nations. A vote which will also signify that the fallacious solution of the "empty seat" is completely unacceptable, that there is no possibility that Cambodia's seat could one day be given to the current regime in Phnom Penh. For this regime represents nothing other than the sole interests of a foreign government. But do we still need to recall this indisputable evidence, definitively admitted by all the countries who are opposed to the law of the jungle in international relations? Countries which, to the advantage of our just cause, will fortunately, always form a substantial majority.

In all likelihood Hanoi will find itself anew in an isolated position. And this isolation will reinforce our chances to bring to fruition our battle for liberation, in which--for as long as it may last--we must not show discouragement in any circumstances.

9865
CSO: 4219/5

VIETNAM SOLDIER, LAOTIAN FOREIGN MINISTRY OFFICIAL INTERVIEWED

Stockholm DAGENS NYHETER in Swedish 19 Nov 82 p 20

/Article by Peter Bratt: "Vietnamese Guard Laotian Revolution; Long Years in Leaky Huts"/

> /Text/ Vietnam has stationed about 50,000 soldiers in Laos. The world has accused the Vietnamese of wanting to create a Greater Vietnam consisting of Vietnam, Cambodia and Laos. But that is nonsense, says Phieuh Panh at the Laotian Foreign Ministry. He says that the Vietnamese troops arrived at the request of Laos to protect the country against China, and that the troops will leave Laos when the threat from China has ceased.

Nam Giap, Saturday--At the bridge across the river Nam Giap a small Vietnamese unit is posted. Corporal Nguen Van Dinh lives here together with about 10 comrades, a small black pig with a drooping belly that grunts and roots in the sand, three hens and a duck. Corporal Nguen is one of the approximately 50,000 Vietnamese soldiers in Laos.

The post is situated at the northern bridgehead of road number 4 which goes to Muong Mai, where the forest project paid for by Sida /Swedish International Development Agency/ is located. Here, felled timber is driven down to principal road 13 at the Mekong river, which forms the border with Thailand.

Corporal Nguen's post lies a few kilometers south of Muong Mai. The army unit to which he belongs is responsible for security from Pakxan up to a new bridge construction project north of Muong Mai which will make it possible to exploit large new areas of the jungle.

Timber is expensive. It is needed for building up the country and also provides valuable export income.

Corporal Nguen is sitting on his cot in the barracks of the post. Here, this means a low scaffolding of bamboo reeds placed directly on the earth floor. On top of the bamboo reeds lies a thin straw mat on which he sleeps.

The barracks consist of a bamboo hut, thin half-rotten boards and a leaky roof, where old Vietnamese newspapers have been put up as protection against falling poisonous spiders and scorpions.

There are 10 cots in the hut, which has two exits without doors. Outside, the cicadas are chirping and shrieking, some birds are hooting and screeching in the nearby jungle, and the fat little black pig suddenly grunts.

"I have been stationed here for 2 years now. I don't know how much longer I have to stay. It depends on the international situation...."

"I live in the Vinh Puh province north of Hanoi, and...."

DAGENS NYHETER: But isn't that where that 'Swedish' paper mill Bai Bang is located?

Nguen and all the others laugh at the coincidence that a Swedish journalist far away in Laos by chance has run into a soldier from the Swedish-funded billion [-kronor] project.

"Like everyone else," Nguen Van Dinh continues, "I am homesick, of course. It is a strain to live the way we do and it creates personal problems. But I see it as international aid, and then the personal problems must come second."

The orders for the duties of the unit have been given by the regional Laotian administration in cooperation with the chief of the unit. At every bridge guards have been posted, who are often seen dozing during the day in a little bamboo tower under a roof of woven leaves.

"It is at night that we have our actual duty. We patrol our section of the road and guard the bridge. Nguen nods toward the Bailey bridge across the river Nam Giap. It is a simple military steel bridge with thick boards forming the road bed.

"They don't dare attack us here at the post, but sometimes there are fire fights on the roads, and it is clear that they want to destroy the bridge if they could."

Who are "they"?

"It is mostly reactionary forces from Thailand who cross the Mekong river. Some are simply bandits who come to rob, but there are also Meo units."

During the war the U.S. intelligence service CIA supported strong units from the Meo people which originally immigrated from southern China and settled in the mountains of northern Laos. The Meo people was used to fight the Pathet Lao forces, in particular up toward the Plain of Jars.

Nguen and his comrades live practically isolated from the local Laotian population. Sometimes they are asked by some nearby village to help with harvest work, and they have nothing against that because then they get an occasion to flirt with the Laotian girls.

"There are no regulations that say we can't talk to anyone we want and move freely among the people here. No one forbids us to flirt with Laotian girls if

we want to, but the language is difficult, for one, and then the military discipline, which is strict, sets clear limits which prohibit all excesses."

During the day the soldiers of the little bridge post mostly idle around the huts, work their little garden plots in a spot behind the post and try to sleep before patrol duty in the night.

Their weapons are old Kalashnikovs, and the strap of Nguen's weapons is frayed. The little unit probably also has a light machine gun and perhaps a few mortars.

Their existence is not without risk. Swedish development workers tell of several Vietnamese soldiers having been shot on patrol in the jungle near forest project number one.

A few tens of kilometers west of Pakxan on road number 13 toward Vientiane lies the wreck of a heavy Soviet truck. It was destroyed on 4 November, probably by an antitank grenade, and is totally burned-out.

Nguen Van Dinh is 23 years old. To the question of whether he is married, he shakes his head and looks sad. If and when he will be able to go home and marry is not up to him but to "the international situation."

Vientiane, Sunday--"We live under a very powerful military threat, Primarily from China to the north, but also from forces which China and the United States have built up from Laotian refugees in Thailand. This is why we asked the Vietnamese army to come here. We are only 3 million and cannot manage the tremendous defense task by ourselves." This is what Phieu Panh at the Laotian Foreign Ministry says.

Phieu Panh is in charge of Western issues at the Foreign Ministry. There are about 50,000 Vietnamese soldiers in Laos. Does this mean the country is occupied? Does Vietnam have ambitions to create a Greater Vietnam consisting of Vietnam, Laos and Cambodia?

Phieu Panh replies: "We have had war for 30 years. We have fought for out liberation together. Twice before it became possible for Vietnam to bring its troops home. That was in 1954 after the French defeat and in 1973."

"In 1977 at our request we signed a treaty with Vietnam for military support because of the Chinese threat in the north. China is attempting to expand and considers all of Southeast Asia as belonging to China."

"But to ask a country to send an army here, to see its children die or be wounded for our sake, is not an easy thing to ask. It was because of the very strong historical ties between the countries that Vietnam agreed to our request. But it is a temporary presence. The day we succeed in establishing peaceful coexistence with China, Vietnam will bring all of its soldiers home."

"Repeatedly, in many different and flexible ways, we have tried to talk with the Chinese, but each time they have rejected us."

"Four-fifths of our territory was destroyed during the war; 160,000 people had to be evacuated and tens of thousands of people died. The United States which created all the destruction to this day has not paid a dollar to help us rebuild the country. Who have helped us? Primarily Vietnam and the Soviet Union."

"As tense as the situation is now, it is militarily impossible for us to achieve enough effort to get the economic development under way. China has infiltrated the Thai communist party which is now fighting against us. It is a tremendous power. China is establishing forces consisting of Laotian refugees who left the country after the 1975 liberation. In cooperation with the reactionary forces in Thailand China is sending commando troops across the Mekong in order, among other things, to try to murder key persons in our administration."

"The United States as well is forming similar units in Thailand. We cannot mobilize the entire population in order to place a soldier on every meter along the Mekong river. That is why we need the help of the Vietnamese."

"But after 30 years of war we know the value of independence, and this is what we have been making propaganda for in the schools since 1975. The Vietnamese forces are positioned where the threat is the greatest. Those decisions are taken by Laotian authorities. All important decisions are taken by the Central Committee and are then carried out all the way down to the local level. They know that they must follow our cultural values and our moral opinions. Vietnamese soldiers who do not behave are moved immediately."

"We are tired of war. We must get peace in order to build up the country."

11949
CSO: 3650/47

GENERAL SLOWDOWN IN ECONOMY IN 1982

World Recession Blamed

Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 p 14

[Text]

THE Economic Report, which is traditionally scattered with section-headings trumpeting growth and expansion, is short on optimism this year. For 1982, the news is almost all bad.

The prolonged world recession which caused a slowdown in the Malaysian economy in 1981, hit every sector of economic activity hard this year.

The prices of all of Malaysia's major commodities dropped, most for the second successive year, causing a serious fall in export income. As a result, consumers had less to spend and save and private sector investment slackened.

Perhaps more serious, considering the expansionary role the Government has played in the economy over the past two years, government revenue from export duties and income tax dropped to such an extent that the Government was forced to cut development spending for 1982 by $4 billion.

The weak GDP growth rate of 3.9 per cent for this year was, consequently, generated more by private rather than public sector activity, in contrast to the past.

Not only prices came down for all of our export products (except sawn logs). Output was also cut, as farmers and businessmen sat out bad times by consolidating or contracting their activities.

Generally then, Malaysia produced less this year and was paid less on the world market for what she did produce.

Rubber production declined by eight per cent; the output of sawn logs and pepper also dropped. Only a significant increase in palm oil production allowed the agriculture sector to record a growth rate of 1.9 per cent -- down from the 5.3 per cent growth of last year. Prices of palm oil, however, dropped for the first time.

Tin price slide

Similarly, only a 15 per cent increase in the amount of oil Petronas allowed its contractors to take out of the China Sea boosted growth in the mining sector by 3.9 per cent. However, Petronas was forced to revise prices downwards twice during the year. Therefore, although increased oil production helped raise revenue for the Government, Malaysia was selling a wasting asset in larger amounts at a time when returns are low.

Tin production continued its slide, dropping by 18 per cent as against two per cent in 1981. Tin price also dropped by 29 per cent, against a 15 per cent drop last year.

Manufacturing, the dynamo behind the Malaysian economy from 1975 to 1980 (when it averaged growth rates of nine per cent), slowed down to 3.5 per cent this year; the second continuous year of sluggish growth.

Export-oriented manufactures were especially badly hit and a Mida survey found that nearly half of all manufacturing firms were operating below 75 per cent capacity.

The leading growth sector, as in previous years, continued to be construction, which is fuelled by domestic demand and government spending and is not dependent on export markets.

Growth was seven per cent, well above other sectors. The only slackening was in private residential housing where coupled with the high cost of loans, developers had priced themselves out of reach of the majority of the population.

An outstanding feature of the Economic Report, reflecting the changed cautious stance on government spending, is the contracting government share of the services section.

In 1981, government services expanded at the high level of 15 per cent. Expansion this year will be only 3.4 per cent, mainly to cater for normal wage increases, while next year's growth will come down to 1.1 per cent. This reflects the effort to keep operating expenses within the limits of lowered revenue collection.

Despite all the bad news, however, there are still signs of resilience in the economy. Private consumption slowed but was still able to provide a moderate impetus to growth.

Similarly, private investment felt the impact of business uncertainties over when the export market would recover and was hit by high interest rates. But it still grew in real terms by 9.5 per cent.

Oil investment

Continued upstream investment in offshore oil fields boosted oil investment to $4 billion at current prices.

Public investment is expected to grow by 10 per cent against a 33 per cent increase last year, as lower priority projects are deferred. However, projects directly related to the NEP or those which increase the productive base of the economy will be retained.

MAS and MISC purchases of aircraft and vessels cost $627 million and nearly $2 billion was committed by HICOM for cement and sponge iron/billet plants. Public spending on develop-

ment, therefore, in spite of the austerity drive, was mildly expansionary.

Malaysia's trade balance, traditionally in surplus, recorded a deficit this year for the third year running.

Merchandise exports declined to $26 billion or by 1.7 per cent while imports rose (in price rather than volume) to $28 billion or by seven per cent. The merchandise deficit, therefore, totalled 2½ billion ringgit. The usual drain on the services account increased to $6 billion, compared to just over $5 billion last year and half a billion ringgit in 1980.

In spite of the larger inflow of long term capital, the basic balance is expected to record a deficit of $815 million.

Weaker domestic demand and a slowdown in imported inflation at least meant that the inflation rate moderated in 1982.

Although the inflation in food prices remained high at nine per cent, other components of the CPI basket increased in price by only about four per cent.

In spite of labour shortages in agriculture and construction, unemployment will rise slightly this year to an estimated 6.2 per cent, from 5.7 per cent last year.

Most workers will be earning the same wages at the end of the year as they did at the beginning. Compared to the 154 collective agreements signed in the first half of last year in the private sector and the large increases in wages for government servants in 1980, only 55 wage agreements were signed in the first six months of this year.

Faulty Predictions

Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 p 2

[Text]

ECONOMICS as a predictive science may be less reliable than astrology — if the record of the last five years is any indication. Since 1979, in tune with Governments all over the world, the Malaysian Treasury has predicted a turnaround in the world economy. Instead, OECD countries have slipped deeper and deeper into recession.

Malaysian budgetary strategy, which is based on informed guesses as to what will happen over the coming year, has therefore been expansionary and counter-cyclical, pumping public money into the economy to stimulate growth in the face of sluggish export earnings and a weakened private sector.

Each year such economic priming is seen as a stopgap measure to maintain growth rates until the expected world upturn, next year. Only, next year has never come.

As a result, the predictions on which the successive budgets have been based have been out by significant amounts each year.

But never worse than last year when the turnaround became deeper recession.

The 1982 Budget, presented a year ago, projected a GDP growth rate of 7.2 per cent. The actual growth rate for this year is not likely to be 3.9 per cent.

The overall budget deficit for 1981 was expected to be only $8 billion. Because of lowered revenue from export duty and higher expenditure, the actual deficit in Government spending topped $11 billion.

Estimates of Government revenue are based on speculations as to how much profit companies will make and how much tax they will pay, and how much export duty the Government will be able to collect.

Calculation of likely prices in the world market for commodities, like rubber, are crucial to these predictions.

Last year, the Treasury predicted that rubber prices, which had been depressed for a year, would pick up in 1982 to almost $3 a kilogram.

Large margins

Instead this year's average is close to $2.

For manufacturing exports, the Treasury expected a growth of 17 per cent in value. Instead the value of manufactured exports contracted by 5.5 per cent.

As a result, prediction of growth in all sectors were out by large margins. Agricultural growth, projected to rise by 3.2 per cent recorded an actual growth of only 1.9 per cent. Manufacturing, which the 1982 Budget estimated to grow at 10 per cent, recorded an actual growth of only four per cent. Even this was less far out than the prediction for this year of a growth at 10.8 per cent. The actual growth for 1982 is likely to be 3.5 per cent.

If that is the record for the Treasury guesswork for the last three years, what credence can be given to this year's Budget estimates? The Economic Report says "There is guarded optimism that the long awaited and elusive economic recovery would gradually materialise in 1983."

On this basis, estimates of commodity prices and economic growth are higher than the low levels recorded for this year.

But the "guarded optimism" is based on some concrete indications. Interest rates in the United States, crucial to recovery, have come down slightly.

Safeguards

Monetary policy has succeeded in moderating inflation in the OECD countries.

But in the last resort, as a Treasury source admits, Malaysia must depend on the assessment of the OECD Governments themselves — and almost all of them expect a slow but sustained recovery to take place next year.

But even if the recovery is slower and later than expected, the Treasury has built safeguards into the Budget.

Its predictions of growth and, therefore, of Government spending are cautious. There will be no confident spurt of spending on development or any more borrowing sprees.

The Government expects a lowered income tax collection next year because of lowered profits in 1982.

In addition, no figures have been given in the Economic Report for either domestic or foreign borrowing over the next year.

This will give the Government the flexibility to restrain its borrowing until the signs of recovery in the world economy are more solid, or until the money is urgently needed to close the deficit.

GROWTH (in %) — slowdown

	1981 (est)	1981 (act)	1982 (est)	1982 (act)
Overall GNP growth rate	6.8	6.9	7.2	3.9
Agriculture	3.1	5.3	3.2	1.9
Manufacturing	10.0	4.0	10.8	3.5
Construction	12.5	9.0	12.8	7.0
DEFICITS — wider than expected				
Govt Spending: Overall budget deficit	-8,149m	-11,015m	-10,434m	-10,434m
Trade & Services: Bal. of payments current account deficit	-5,578m	-5,286m	-6,476m	-8,649m

CSO: 4200/521

CONTRACT FOR REFURBISHING SKYHAWK JETS NOT YET AWARDED

Kuala Lumpur NEW STRAITS TIMES in English 20 Oct 82 p 6

[Text]

EIGHTY-EIGHT Skyhawk jets bought by the Government are still in Tucson, Arizona, lying in the desert awaiting refurbishing.

Deputy Defence Minister Abang Abu Bakar told the Dewan Rakyat yesterday that no contractor had been engaged to carry out the refurbishing work.

He said in reply to Encik Ismail Arshad (BN-Jerai) that it would take some time before a contractor was engaged by the Government.

The Government had to study carefully and in detail the refurbishing plans forwarded by the contractor to ensure they were suitable, he added.

The refurbishing work would have to be done with utmost care to avoid exorbitant costs and also to ensure that the allocations provided for the project were not wasted.

As to why the jets were being kept in the desert, he said the Davis Monthan air force base in Tucson was the best place for them as it was the place where the American Government kept all its used jetplanes, he said.

The desert with its low humidity could keep the planes corrosion-free and they were in the preserved-cocoon state until refurbishing work was carried out.

'Effective'

The Deputy Minister also said in reply to Mr Lim Kit Siang (DAP-Kota Melaka) the Government had no intention of postponing the Skyhawk project even though there is an economic slowdown.

To another supplementary question from Mr Chan Kok Kit (DAP-Sungei Besi), Abang Abu Bakar said the Skyhawk is effective as it has a minimum of 5,000 flying hours and a maximum of 7,000 to 9,000 flying hours.

Thus a Skyhawk could last about 10 years at the minimum, he added.

CSO: 4200/519

DATUK ASRI RESIGNS AS PRESIDENT OF PAS

Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 p 2

[Article by Zainon Ahmad]

[Excerpts] KUALA LUMPUR, Sun. — Pas unity will not be affected by the resignation of Datuk Asri Haji Muda as party president, its acting deputy president Ustaz Fadzil Noor said today.

Asked to comment on Datuk Asri's resignation, Ustaz Fadzil pointed his finger at the delegates and said: "Come and see for yourselves. Do you see any sour faces?"

PAS old guard Datuk Asri Haji Muda made his exit amidst mounting pressure from the party's young Turks who have accused him of being a stumbling block to party unity and progress. He decided to resign the presidency of the party, once thought by the Malays to be an alternative to Umno, "to avoid continuing internal squabbles which will not be good for the party's struggle."

Asri has been a moderate leader and a reasonable member of the Opposition. But his ways no longer have any appeal with the younger groups now in ascendency in the party. A proud man, he had no choice but to resign. "I feel my capacity to lead Pas the way it has been led, has reached a stage that has caused me to make this decision."

Though the way is now open for one of the young Turks to take the presidency, disagreement among them may threaten party unity to an extent never known before. Already, with Asri's resignation the common purpose that has held them together has been removed.

Despite all sorts of allegations against him by pockets of opposition within the party, when he was its president Asri held the party together for more than a decade. His image as a Pas leader and his oratory had wide appeal not only among the ranks of party members but among the rural Malay masses.

Presence

Kelantan was his bastion and having captured the State from the Alliance in the 1959 general election, both Pas and Asri had successfully defied attempts by Umno to recapture the State in 1964, 1969 and 1974.

In 1964, he was the Kelantan Mentri Besar, resigning only after the 1974 general election (during which time he had already led the party into the Barisan Nasional) to become Land and Regional Development Minister in the Federal Cabinet.

During this period, he was the undisputed leader of Pas. From this position of strength he managed to mould the party "in his own image" to an extent that "Asri was Pas and Pas was Asri."

Under his leadership, Pas maintained a strong presence in Trengganu and a firm footing in Perlis, Perak and Penang.

However, when he led the party into a coalition with Umno in the Alliance in 1972, and later into the Barisan Nasional in 1974, dissenting voices were heard. These later snowballed into noticeable opposition groups when Pas began to feel uneasy in the Barisan.

In 1977 he pulled out of the coalition. But, meanwhile, trouble had broken out in Kelantan, especially after his expulsion of Mentri Besar Datuk Mohamed Nasir from the party. The decision was unpopular and caused Pas to lose many of its followers, who later formed Berjasa under the leadership of Datuk Mohamed.

In the March 1978 State election, Pas was routed, winning only two seats. Losing Kelantan was a blow to the party and the leadership of Asri. Rejected by his own home State, Asri moved to Kedah to contest in the July 1978 general election.

He lost. And, for the first time since 1959, Asri was without a seat.

Meanwhile, opposition from the younger members of the party was growing. Even though the party gained some seats in the April general election where Asri gained a State seat in Kelantan, opposition against the one-time "handsome, silver-haired Mr Kelantan" was mounting. The young Turks, most of whom had the benefit of higher education at home or abroad, had become disillusioned with Asri's moderate leadership style.

Like most of his contemporaries in Pas, Asri began life as a religious teacher and first took an active interest in politics in 1945 when he was a member of API (Angkatan Pemuda Islam), a political youth movement.

He was also a member of the *Hisbul Muslimat* (an Islamic political party) until it was dissovled during the Emergency.

Pas (then popularly referred to as the Pan Malayan Islamic Party or PMIP) was formed in 1951, but Asri only took an active interest in its affairs in 1953. He rose quickly in the party hierarchy.

He became acting secretary-general in 1954 when he also became the commissioner for Kelantan. He was elected vice-president in 1961 and held the post until 1964, when he became deputy president following the death of Prof. Zulkifli Muhammad in a motor accident.

As the health of the then president, Dr Burhanuddin Al-Helmy, was not good, Asri became the acting president. He was confirmed in the post in 1971.

CSO: 4200/519

MALAYS WARNED AGAINST FOLLOWING DEVIANT SECT

Kuala Lumpur NEW STRAITS TIMES in English 24 Oct 82 p 1

[Text]

PONTIAN KECHIL, Sat. — Malays who follow the Qadiani teaching will lose their status as Malays, Datuk Musa Hitam warned today.

The Deputy Prime Minister said all States in the country have issued fatwas (ruling) that the Qadiani teaching is outside Islam.

Datuk Musa said he would convene a meeting of the inter-religious committee to deal with the problem of deviationist teaching which is becoming widespread in the country not only among Muslims but also other faiths.

Expressing concern over the increasing number of Malays who are becoming followers of the outlawed teaching, he said:

"All the States have issued fatwas that the Qadiani teaching does not conform to Islam.

"The Federal Constitution explicitly states that a Malay is one who practices Islam.

"The implication is that any Malay who follows the Qadiani teaching will no longer be classified and accepted as a Malay."

Datuk Musa was speaking at the opening of the Mesjid Jamek and the Sekolah Parit Haji Adnan in Pekan Nenas, about 25 km from here.

He said the deviationist teaching was preached in Johore many years ago but the State was the first to decree that it was not in line with the true teaching of Islam.

"But now we see the re-emergence of followers of this sect among Malays in various parts of the country and it is becoming widespread," he added.

Datuk Musa said materialism brought about by rapid development in the country is now going hand in hand with spritualism.

What he feared was that in the revival of spiritualism, deviationist teaching would emerge which would confuse the followers of Islam and other faiths.

He added that Malays were also following the outlawed Crypto movement.

The followers of other faiths were also faced with deviationist teaching, for example, the Pai Tien Gong movement among the Chinese.

To overcome this problem, Datuk Musa said, he would convene a meeting of the inter-religious committee. It will be attended by representatives of the Muslim, Christian, Hindu, Buddhist and other faiths.

The meeting, he said, would help in the exchange of views and overcome the problem of deviationist teaching especially among the Malays.

CSO: 4200/519

FILIPINO REFUGEES RETURNING HOME FROM SABAH

Kuala Lumpur NEW STRAITS TIMES in English 24 Oct 82 p 9

[Text]

KOTA KINABALU, Sat. — The Filipino refugees who have been under the protection of the Sabah State Government since 1972 are steadily going back to their homeland in regular batches.

It was learned from official sources at the UNHCR (United Nations High Commissioner for Refugees) office here that those leaving are doing so without being forced or encouraged to.

Sabah saw a mass influx of refugees from neighbouring islands about ten years ago when heavy fighting broke out between Muslim separatists and Government forces in the nearby southern region of the Philippines.

Since the large exodus, thousands of people have been trickling into the State in unknown numbers and have been granted refugee status by the UNHCR.

The world organisation has also been assisting the State Government in providing international legal protection to the refugees while at the same time resettling them in proper settlement areas.

Not even the UNHCR could quote the number of refugees who were leaving or had already left Sabah. Nor could anybody, including the Department of Refugee Settlement, offer an estimate of the number of refugees still in Sabah.

The sources said this difficulty arose because of the mobile nature of the refugees themselves, who come and go without any official sanctions.

Even though the UNHCR had built four large refugee resettlement areas — in Kota Kinabalu, Labuan, Semporna and Tawau — there are still thousands who illegally squat on Government and private property.

These squatters have caused resentment among the local population who say the refugees are blocking a number of development plans.

But the refugees have turned out to be an invaluable source of cheap labour for the State, which was facing a shortage due to an accelerated pace of development in recent years.

The sources said it could be proven statistically that the majority of labourers in construciton are Filipinos while those in estates and commodity plantations are Indonesians, though the latter are more defined as immigrant labour.

Those Filipinos leaving were seen to be in robust health and excitedly looking forward to returning home. During the past month, almost every week groups of between 40 to 70 refugees assembled near the marine police jetty and patiently waited for a boat to take them back.

"These people want to go back," said the UNHCR.

CSO: 4200/519

SHARP INCREASE IN COAL CONSUMPTION FORECAST

Kuala Lumpur BUSINESS TIMES in English 28 Oct 82 p 22

[Text]

MALAYSIA is expected to start consuming coal in large quantities in three or four years when the first coal-fired power station starts operations and existing cement plants complete the conversion to coal-firing.

Executive deputy chairman of Malaysia Mining Corporation Bhd Encik Abdul Rahim Aki said at an energy seminar yesterday that Peninsular Malaysia is likely to use about 7.4 million tonnes a year by 2000.

MMC, he said, has been active in promoting coal as an alternative energy source and has played a considerable role in organising its procurement and the necessary handling and distributional facilities.

Encik Rahim said his forecasts for coal use in the country were not derived through "highly technical techniques" but by "a simplified method using probable ranges".

Discussing the National Electricity Board's requirements for coal use in new power plants, he said it was likely that 4.5 million tonnes a year would be needed.

The first coal fired power plant at Port Klang with a 600 megawatt capacity will come on stream in 1986. Over the next six years, the NEB will be installing new capacity totalling 3,462 Mw bringing the total installed capacity to 5,824 Mw in Peninsular Malaysia.

By 1988, coal-fired plants were expected to account for about ten per cent of the power generating system.

Referring to the conversion of cement plants, he expected that by the end of next year, all cement plants would be using coal instead of fuel oil.

Based on the current cement plant capacity of 3.7 million tonnes a year and capacity under construction of 2.4 million tonnes a year, annual coal consumption in Malaysia would reach 920,000 tonnes by 1985.

Proposals by Tasek Cement and CIMA to increase capacity by an additional two million tonnes capacity have been approved by the government.

When these are implemented, a further 270,000 tonnes of coal will be needed, bringing the total consumption to 1.19 million tonnes by the year 2000.

Other industries were likely to use about 650,000 tonnes by that year, Encik Rahim said.

While Peninsular Malaysia's coal demands will largely be met by imports from Australia, Canada and the US, it is expected that Sabah and Sarawak will contribute from their output of about two million tonnes a year by the end of the 1980s.

Noting that the importation of huge volumes of coal would need proper handling and distribution facilities, Encik Rahim said the coal terminal at Port Klang would be able to unload vessels up to 80,000 deadweight tonnes when it is completed in 1985.

Malayan Railway is also preparing the required rail facilities to reduce the expense of road transport.

Turning to the environmental problems, Encik Rahim said the NEB and cement manufacturers have taken steps to buy coal containing minimum toxic matter.

"The average sulphur content of coal to be purchased by the NEB will contain no more than 0.6 per cent total sulphur.

This is significantly lower than the sulphur content in oil that is currently being burned."

Coal with high chlorine and phosphorus levels will not be considered, he added.

CSO: 4200/519

MAHATHIR CRITICIZES DEVELOPED COUNTRIES AT CHOGRM

Ailing Economies Hit

Kuala Lumpur BUSINESS TIMES in English 16 Oct 82 pp 1, 22

[Article by Hardev Kaur in Suva]

[Excerpts]

DATUK Seri Dr Mahathir Mohamad has called on the industrially developed countries to talk less of their generosity in providing assistance to poor nations and "do something" about their own ailing economies.

The Prime Minister said that they should undertake a thorough soul searching examination with a view to increasing their own productivity and not resort to their exploitative activities.

"Only then can they begin to sincerely appreciate the problems of the poor nations and the need to resolve them urgently," he added.

Speaking on the second day of the five day Commonwealth Heads of Government Regional Meeting (CHOGRM) in Suva, Fiji yesterday, Dr Mahathir pointed out that until lately the productivity of the developed countries could be sustained even with labour problems.

This, he added, was possible because they "had their colonies to lean on." But now, without their colonies and their areas of influence it is no longer possible for these countries to maintain their once enviable economic growth, "especially when workers are not prepared to work for so many hours a day and for so many days a week."

Dr Mahathir said that CHOGRM should now bring home the point to the developed countries that their exploitative activities under the umbrella of the free enterprise system are self-destructive.

He felt that there still existed a lingering mentality within the free enterprise system that because of the emphasis on the word "free" some industrially developed nations really feel free to scour and devour the developing nations by their exploitative methods and practices.

He added they seemed incapable of realising that such libertine activities would only lead to the destruction of the free enterprise system itself.

The Commonwealth countries in the region, he said, represented a "microcosm of the world at large," with more differences than similarities and were at different levels of economic development.

While on the one hand there were the developed countries like Australia, on the other there were the newly independent small countries of the South Pacific. In between these two extremes there was a wide range of more advanced but still developing countries.

This situation, the Prime Minister said, "provides a real challenge and potential for regional economic and functional cooperation."

The opportunity and the need exist for the developed members to assist those which were less developed. Since most of the countries were developing, Dr Mahathir added that there existed a challenge for cooperation among the developing countries themselves to assist each other on a regional basis.

The Prime Minister said that Malaysia saw the need for the injection of greater assistance to the South Pacific island countries to enable them to build up their national resilience and independence.

While Malaysia was dependent on technical assistance to accelerate the pace of economic development, it has, in the spirit of cooperation, launched a technical assistance programme to assist those which were less fortunate than itself.

The Malaysian Technical Assistance Programme (MTAP) is providing assistance to a number of South Pacific island countries including Fiji, Western Samoa, the Solomon Islands and Papua New Guinea.

Dr Mahathir said that in view of Malaysia's financial constraints the technical assistance had to be on a modest scale and was generally confined to areas where Malaysia had, over the years, gained some experience and expertise.

He gave the assurance that this assistance to a number of developing countries in the CHOGRM area would continue and added that it was Malaysia's intention to concentrate on areas that would be particularly beneficial to the receiving countries.

Dr Mahathir added that Malaysia was aware that such piece-meal efforts undertaken by a number of countries would not generate the rapid improvement that was needed.

"However, if concerted and continued efforts are made in this direction, I am sure that we would have gone a long way to help these countries," he noted.

This kind of functional cooperation in the Asia Pacific region was one way to revitalise the Commonwealth, he said, adding: "As a matter of fact, the Commonwealth is now on test."

If the Commonwealth countries in the region could not put into practice economic and functional cooperation, the prestige of the Commonwealth itself "will go down and the effectiveness and value of the Commonwealth will be questioned," he warned.

The Prime Minister said that regional cooperation as demonstrated by Asean — in agriculture, energy, banking, finance, and transport — led to positive results not only in economic areas but also contributed much to regional stability.

CHOGRM, Dr Mahathir said, could benefit from the Asean experience. Although what was applicable to Asean may not fully be applicable to CHOGRM, the Prime Minister was convinced that the members could identify areas of common concern on which functional cooperation was possible.

What Malaysia Wanted Most

Kuala Lumpur NEW STRAITS TIMES in English 22 Oct 82 pp 1, 4

[Text]

KUALA LUMPUR, Thurs. — Malaysia achieved what it "wanted most" on the Kampuchean issue at the just-concluded Commonwealth Heads of Government Regional Meeting (CHOGRM), Datuk Seri Dr Mahathir Mohamad said today.

"India has accepted the need to note that in fact there is a coalition government of Democratic Kampuchea accredited to the United Nations without dispute from anybody," he said. "To us, that was what we wanted most."

Datuk Seri Dr Mahathir returned last night after a stopover visit to Papua New Guinea.

He said there was a lot of bargaining on the wording of the Kampuchean issue in the CHOGRM communique.

India had a definite stand on this issue, he explained.

New Delhi, represented by External Affairs Minister Narasima Rao, wanted the inclusion in the communique of Vietnam's announcement of a partial troops withdrawal from Kampuchea and Vietnam's consultation with her neighbours in the region.

Assistance

"We doubted the sincerity of Vietnam. However, we were prepared to note that it had made the announcement to withdraw and up to that point, we could agree," said Datuk Seri Dr Mahathir.

"Whether it can be proven that there is an actual withdrawal is something else. What is a recognised fact in the world is that there is a coalition Government of Democratic Kampuchea."

The Prime Minister also did not dismiss the possibility that the Asian and Pacific countries might assist and support the coalition partners of Kampuchea.

"These countries have noted the formation of the coalition government in the communique, which means they acknowledge it, and I am not saying it is not possible to expect assistance from them."

Reviewing the five-day summit attended by 14 leaders from the Asian-Pacific region, he said it was a useful forum to Malaysia which aspires to extend ties with the small island nations in the Pacific.

He added that CHOGRM was particularly useful in that it made it possible for the smaller member countries to voice their problems openly.

Datuk Seri Dr Mahathir said the participating countries concurred on numerous matters as contained in the communique, among them:

● On the Middle-East and Lebanon — The heads of government urged that the sovereign rights of the Palestinians be recognised, including their right to a nation of their own. They also expressed their revulsion of the massacre in Beirut;

● On Afghanistan — The leaders stressed the importance of a political settlement, withdrawal of foreign forces and a respect for its independence and sovereignty. The Afghan refugees should be given the opportunity to return to their homeland and the right to determine their future;

Protectionism

● On a zone of peace, freedom and neutrality — The heads of government supported and thanked the countries that have given protection to refugees and those that had accepted the refugees for resettlement;

● On the South Pacific — The leaders supported the island States' efforts to ban nuclear testing and dumping of nuclear waste in the Pacific. The countries' desire to have a nuclear weapon-free zone was noted;

● On the Law of the Sea — CHOGRM deplored the US decision not to become a part of the Law of the Sea Convention;

● On economic issues — The leaders regretted protectionism and anarchy in the international financial system;

● On commodities — The heads of government supported the co-operative efforts by producer countries to overcome the problem of price fluctuation in the international commodity market;

● On international trade — CHOGRM supported the free trade system without protectionism and called for a Ministerial meeting on the General Agreement on Tariff and Trade (GATT) to reduce protectionism.

CSO: 4200/519

FACING FACTS ON BUDGET DEFICITS URGED

Karachi BUSINESS RECORDER in English 18 Nov 82 p 2

[Text]

Our balance of payments has been constantly under pressure, and the import-export gap continues to widen. Although we have become surplus in wheat which is our staple food, there is no favourable impact in evidence in our payments position. Nor has there been any decline in reliance on foreign loans. Instead our debt burden has been rising, with the result that our repayment capacity is severely affected. Consequently, according to Dr. Mahbub ul Haq, 80 per cent of the proposed Sixth Five Year Plan will have to be financed from borrowed resources.

This situation cannot be tolerated for ever. Our economic managers do realise it and feel the need to progressively shun reliance on foreign resources. However, even after planned efforts of the last thirty years the promised goal is still as far away as it was in the beginning. No in-depth study has been made of various plans and their impact on society. We have been content only with stating the physical targets and their fulfilment. There is no mechanism or institution to measure or assess the effects of various projects and the changes that have taken place in the economy. This was necessary for eliminating distortions or weak points in the development strategy.

Let us take an example. Our industrial sector initially developed in a sheltered market. Since the emphasis was on import substitution, consumer industry based on imported raw materials flourished. But when circumstances changed and it was asked to produce for foreign markets it found itself handicapped. The Government came to its assistance and provided the needed help and assistance and guaranteed its profits through the mechanism of bonus vouchers which meant imports financing the export goods. This was done to enable the industrial sector to make their plants viable for export and adjust their production to foreign requirements. Those units who rose to the occasion have done well but the inefficient ones have gone sick and depend upon Government dole for sustenance at the cost of taxpayer's money and the efficient units.

In the meantime, the budgetary deficits have been going up for one reason or the other and the new revenue raising techniques have resulted in ever increasing cost of production. The result is that our products fail to compete in the foreign markets. To push up sales in foreign markets we have to adopt the system of rebates. For

making up our payments deficits we have to incur loans and credits. Unless the infrastructural facilities are increased and cost of production is reduced by lowering the cost of inputs like water and power it would not be possible to make our goods competitive in world markets. But the situation looks very ominous. Indications are that electricity charges are going to be increased because of increase in fuel expenditure. But who is going to make good the lose of production due to frequent power failures? Is the consumer again to be punished for the inefficiency of KESC? Similarly, water supply is also never regular and it is likely that its rates may also be increased.

There are other bottlenecks which the producers face. For instance, industrialisation in backward regions is insisted upon. But the necessary infrastructure is not there. The industries that are set up in those regions suffer from high production costs. The difficulties that they face must be given due consideration so that they may be able to come into their own rather than wither away for no fault of theirs. We would do well to come out of the routine mindedness and be realists to face up the challenge.

CSO: 4200/173

SETTING UP UNITED STATES CHAMBER OF COMMERCE OFFICE IN PAKISTAN OPPOSED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 2

[Text]

The disclosure made by the US Consul General in Pakistan that the United States Chamber of Commerce proposes to set up an office in Pakistan will cause surprise to many. This is so because no other country has felt the need to do so. And the trade relations between the businessmen of the two countries have been cordial and smooth which is evidenced by the growing trade exchanges between them over the years. This means that the existing institutional arrangements are more than sufficient to cope with the expanding economic and trade relations. There is an Overseas Investors Chamber which guides, informs and looks after the interests of foreign investors who belong to different countries and are members of this body. Similarly, there are separate committees of the Federation of Pakistan Chambers of Commerce and Industry for every foreign country with which Pakistan has economic and trade relations. Then why it is deemed necessary to open a branch of the US Chamber of Commerce begs the question?

A correspondent of ours who appears to be a businessman has taken this news with a pinch of salt and feels that "setting up of an American Chamber of Commerce is linked to Aid Programme and that its creation will enable the powerful lobby to exert pressure on our government's trade policies and to obtain preferential treatment for its members" His fears cannot be said to be misplaced. From the changes that have taken place in world economy during the previous decade namely internationalisation of production and expansion of financial market the Third World countries have been excluded. And today there is a return to colonial practices, when so-called portfolio' investments were preferred by the advanced countries as method of investment in their countries, as opposed to direct investment by individual enterprises. The mediating link between lending and production now is the state. In order to offset the loss of

foreign equity, governments have to borrow from foreign banks. In this way foreign loans replace foreign equity, and risk capital becomes loan capital. It is a fact that all foreign loans are tied. The borrower countries have to buy their requirements from the lender countries and pay higher prices.

It can be said that the precedent is there. Similar branches were set up by the Americans in South Korea and Taiwan. Practically these countries were like American colonies and under its actual occupation because it has stationed its [words indistinct] which was considered to be the paramount need then and every other activity was considered subservient to security of these countries. If America is allowed to set up its chamber of commerce here then similar treatment will have to be accorded to other countries. This will lead to a lot of complications. Now that the principle of non-discrimination in trade has been discarded by the developed countries and the developing countries are treated as untouchables of the world there is no justification that they should accord most favoured nation status to any developed country however mighty or powerful it may be. It is the advanced countries who by their doings have compromised the principle of reciprocity in trade and taken to protectionism. And the rivalry among the developed capitalist countries to get hold of the trade and raw materials of the developing countries is raging. Reason demands that the developing countries should keep away from their strife.

The best to see what is in our best interest. We have got a trade bodies act. It will not serve any purpose to make any change in it. The existing trade bodies can serve the interests of American businessmen as best as they are serving others. It is the primary duty of our government to safeguard the interests of its own nationals, entrepreneurs and businessmen. We should not allow a foreign lobby here.

CSO: 4200/177

PAPER COMMENTS ON U.S. ATTITUDES

GF020526 Islamabad THE MUSLIM in English 27 Nov 82 p 4

[Editorial: "Nuclear Duplicity"]

[Text] President Zia has clearly stated in the course of an interview he gave the other day to UPI that if the U.S. continues to accord discriminatory treatment to Pakistan and seeks to impose tougher inspection of Pakistan's nuclear facilities, he would resist pressure on this point from Washington. He has cited the examples of India, Israel, Japan, South Africa and Brazil which have a nuclear potential but are not pressurised and Pakistan has been singled out for a more rigid scrutiny of its installations. He has said that if American policy were to make no distinction and treat all countries alike, Islamabad would accept even greater safeguards than those applied to its favoured few, and expressed the hope the American objections to the development of nuclear plants in this country would be withdrawn, and also said that he would welcome foreign assistance in building a 100-megawatt nuclear power plant here.

The American administration is not unaware of Pakistan's desperate need for adequate energy not only to give a push to the growth of its industrial sector but also to electrify its rural areas to improve the living conditions of village folk still putting up with a primitive way of life. The country is faced with the challenging task of having to produce 30,000 mws of electricity by the end of the century or remain plunged for ever in economic backwardness. With its fossil fuels being rapidly depleted, the expectancy of its gas deposits now likely to last no more than 20 years, the hectic, exploration for oil having met with scant success and the escalating prices of imported oil being an insufferable drain on its economy, the country is left with no other option than to recline on the development of nuclear energy. KANUPP [Karachi Nuclear Power Plant] is just 85 mws of electricity to meet the needs of the sprawling city of Karachi, and the power station of Chashma is expected to produce 900 mws for some saving to be effected in the heavy oil bill we have to pay. Pakistan thus has every justification to pin its hopes on nuclear energy.

America knows that his country's nuclear plants are subject to periodic checks by representatives of the International Atomic Energy Agency and that our installations have always been found to conform to the requirements of prescribed safeguards. Pakistan has long been pressing for the creation of a nuclear weapons free zone in South Asia which it would not have done if it had any

designs to fabricate atomic weapons. Islamabad has repeatedly assured the world that it has no plan whatsoever to produce an atomic bomb either for itself or for any other country. And yet the U.S. has all along been not only apathetic to our needs but also thrown a spanner into the works whenever we tried to augment our efforts to exploit nuclear energy. It was America under the Carter regime that pressured France to retract from its commitment to sell a reprocessing plant to this country. And now there is the cry for the imposition of stricter nuclear safeguards on this country's installations.

Pakistan's firm decision to resist American pressure for the acceptance of safeguards not applicable to other countries with a nuclear potential is a principled stand on which no compromise can be made. Refusal to bow to coercion, which is manifestly discriminatory and unfair, is a step to vindicate the country's honour. It is bound to be applauded at home and appreciated in circles abroad where invidious distinctions are looked upon with disfavour and principles are upheld. We sincerely hope that the Reagan administration would realise that Pakistan refuses to be knuckled under and taken for granted.

CSO: 5100/4311

CHINA WILLING TO TRANSFER FARM IMPLEMENTS TECHNOLOGY

Karachi BUSINESS RECORDER in English 22 Nov 82 p 6

[Text]

LAHORE, Nov. 21: Lin Hu Jia, Chinese Minister for Agriculture, Animal Husbandry and Fisheries, today said that his country was ever ready to transfer technology for the manufacture of small agriculture machinery to suit the small agricultural holdings in Pakistan.

He was talking to newsmen at the Lahore airport on his arrival from Peshawar at the head of nine-member agricultural delegation.

He said that the Chinese delegation was in Pakistan to share knowledge and experiences with their Pakistani friends. Pakistan and the People's Republic of China were close neighbours and traditional friends and they had always benefitted from each other during their prolonged cooperation in various spheres of life.

The Chinese minister said that the current visit of the Chinese agriculture delegation was to study the rapid development of Pakistan in the agricultural field. While Pakistan was self-sufficient in rice, it had recently not only achieved self-sufficiency in wheat but had also joined the list of wheat exporters.

He said that China was too self-sufficient in foodgrain production. But, he added, the question at present was to raise the living standard of farmers in the two countries. They needed more animal protein, dairy product and meat, the two countries could contribute towards this end by increasing per acre yield through better water management, application of chemical fertilizer, plant protection and sowing better varieties of crops.

Lin Hu Jia said that both the countries had a common problem, which was to support large population with a low per acre yield. He observed that the foodgrain production could be increased by increasing per acre yield and through multi cropping system.

He said that Pakistan and China had been cooperating in the agricultural field for the last many years. This mutual cooperation had greatly contributed towards he well being of the farmers in the two countries.

To another question about the significance of the delegation's current visit, the Chinese minister said that this visit was especially aimed at sharing with Pakistanis, knowledge in the fields of animal husbandry and fisheries.

The Chinese minister said that the members of the delegation had a very useful discussion with the Pakistan officials. And he was very much mipressed by the Food and Agriculture Minister Vice-Admiral M. Fazil Janjua.—APP.

CSO: 4200/178

PAPER CRITICIZES SOVIET DIPLOMAT'S STATEMENT

GF061400 Karachi NAWA-I-WAQT in Urdu 1 Dec 82 p 3

[Editorial: "The Soviet Diplomat's Threat"]

[Text] In his interview with the NAWA-I-WAQT correspondent, the Soviet diplomat's claim that the Soviet Union has never attacked any country and will never attack Pakistan seems plausible, but what seems tantamount to a threat is his assertion that the Soviet Union and Afghanistan will not tolerate any foreign interference and that the Soviet Union has clarified its stance on this issue to the Pakistani Government.

Those who are indulging in wishful thinking on the recent change in Soviet leadership should ponder on this Soviet diplomat's threat and if they think that Brezhnev had sent troops to Afghanistan against the instructions of the then KGB Chief Andropov and, now that the latter has taken over the reins of government, there will be a concommitant change in policy, they are mistaken. While laboring under such delusions, these circles say that on the occasion of Brezhnev's funeral when the heads of many states had gathered in Moscow Mr Andropov found time to meet only a few including our President Ziaul Haq. During his visit to Indonesia a week earlier, President Zia had said: We have positive indications that the Soviet Union is getting ready to withdraw its forces from Afghanistan and there is no reason for Pakistan to doubt this. On his return from Moscow to Islamabad, the president described his meeting with Mr Andropov as "useful and constructive" and he had also said that both sides have expressed the desire to hold talks at a suitable level in the future.

As far as the statements of President Zia are concerned, these are important but in case of ideological countries like the Soviet Union, it can be said that there will be no immediate change in policy with a change of government. This is confirmed by seasoned and mature Western observers who are disillusioning those who are indulging in fantasies regarding a possible change in the policies followed by Brezhnev.

These observers say the only way that Soviet policy might change will be if all the Western countries rally under the banner of the United States and take effective measures to counteract the extensive military might of the Soviet Union.

What should be taken into consideration as far as the Soviet Union is concerned is that its system of government is based on the philosophy of communism (the goal of which is to impose itself on the the whole world). From the primary education level through all levels of the administration this is the main consideration and no deviation is tolerated even from the highest officials to the lowest employees. Hence with the advance in age and status, this philosophy becomes this deeply ingrained. Those Politburo members who hold the reins of government in the Soviet Union have lived their lives under the aegis of this ideology and have always acted accordingly. In other words they have been completely "brainwashed."

It is due to this maturity of thought or the policy of functioning within its confines that has resulted in the fact that the leaders of this superpower have taken no notice of the majority's demand during the last 4 years at the United Nations for the withdrawal of its troops so that the people may decide their own future freely without foreign interference or pressure. The Islamic conference as well as the nonaligned movement have made repeated and emphatic demands in this respect.

CSO: 4656/50

MINISTER SAYS ARABS ACCLAIM ZIA'S EFFORTS

Karachi BUSINESS RECORDER in English 21 Nov 82 p 3

[Text]

ISLAMABAD, Nov. 20: "President Gen. Mohammad Zia-ul-Haq's efforts for espousing and upholding the cause of Islam and the Islamic world are widely acclaimed by the Arab leadership", Raja Mohammad Zafar-ul-Haq, Federal Minister for Information and Broadcasting said here today.

Giving impression of his nine-day foreign tour at a news conference, the Information Minister said that he had an opportunity to meet some of the leaders of the Arab world during his visit to the Republic of Tunisia including President Habib Bourquiba, Habib Chatti, Secretary-General of the Organisation of the Islamic Conference, Shazli Qualaibi, Secretary-General of the Arab League, Tunisian leaders and top leaders of the Palestine Liberation Organisation (PLO). He said that he found a great fund of goodwill and love for the people of Pakistan and the country.

He said President Gen. Mohammad Zia-ul-Haq is held in very high esteem by the Tunisian leaders and the leaders of the Arab world adding that his efforts for promoting Islamic values at home and fostering unity and cohesion in the ranks of 'Ummah' are valued by them.

The Information Minister said that he will submit a detailed report about his tour to President Mohammad Zia-ul-Haq. He said during his visit he called upon President Habib Bourquiba—the father of the nation of Tunisia—who is a seasoned statesman and enjoys a unique position in the international world. He said that President Bourquiba had strongly extolled the role of Pakistan which it played in promoting the cause of the independence of Tunisia at the United Nations and other international levels. He also spoke highly of the late A. S. Bokhari whose speeches in the UN were lying with him framed.

Raja Zafar-ul-Haq said he also met Habib Chatti, Secretary-General of the OIC, who gave him an excellent exposition of the developments in the Islamic world and the world at large. His meetings with Shazli Qualaibi, Secretary-General of the Arab League, Mossaid President of the Tunisian parliament, Tahar Belkhodja, Information Minister of Tunisia and PLO leaders were enlightening and productive.

He said that Pakistan had donated 10,000 blankets and 100 tents for the flood stricken people of Tunisia. The gesture had been greatly appreciated by the government and the people of Tunisia. He said that he also visited the flood affected areas and saw himself the devastation caused by it.

He said that he was also impressed by the historical places which were reflective of the rich Islamic heritage.

IINA ASSEMBLY

The Information Minister said the next general assembly of the International Islamic News Agency would be convened in Pakistan. He said that it would be a big event and besides national news agencies of the Islamic countries, journalists from Pakistan would also be afforded to attend it as observers. "This will surely be educative and beneficial to them and contribute to enhancing their professional insight and vision", he said.

He said that he had also attended the non-aligned news agencies pool moot which was in session then in Tunisia and addressed the concluding session of the IINA. He said that four agreements for increasing cooperation in the electronic and print media, the radio, the television, the news agencies of the two countries and general information were signed. He said that exchange of news, personnel and technical cooperation would be further enhanced, between Pakistan and Tunisia.

Raja Zafar-ul-Haq called for the effective projection of Islamic viewpoint to counter the distortion and the biased news of the anti-Islamic forces. He said that IINA could play an important role in meeting this challenge as its scope of coverage was wider than that of national news agencies. He said other aspects including financial and personnel matters were also considered in the meeting to increase the efficiency of the IINA.

Replying to a question, the Information Minister said the matter about the release of Pakistanis who were held in Israel was not discussed with the PLO leaders in Tunis as government was adopting appropriate channels to resolve this matter. He said that Israel stood exposed today before the world for its inhuman and barbaric deeds and the righteousness of the cause of PLO was fully upheld by the free world.

To another question, he said that the Palestine and Afghanistan issues concerned the entire 'Ummah'. He said the Arab world treated the Afghanistan problem also as that of 'Ummah' He said the leaders whom he met in Tunis had fully supported Pakistan's stand on the issue".

In the present day world, new priorities in the international politics were being fixed, he observed, adding that today it is not the smallness or the largeness of a country which counts but the way it conducts the international affairs, Pakistan in view of its special relationship with the Islamic world and its geo-political imperatives could play an effective role in the world affairs, he observed.

To yet another question, he said that President Gen. Mohammad Zia-ul-Haq's visit to China and the Far East was hailed by the foreign media. He said "President's stop over in Delhi and talks with Mrs. Indira Gandhi Prime Minister of India had been acclaimed by the foreign observers as a success of the Pakistan diplomacy and further, President's meeting with the Soviet leaders also spoke of the country's role in the international affairs.—APP.

CSO: 4200/178

RISE IN TRADE IMBALANCE REPORTED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1, 6

[Article by Anwar Rajani]

[Text]

The trade gap during 1981-82 has widened by Rs. 1,031 million due to rise in imports and fall in the volume of our exports.

According to official figures, the gap widened in 1981-82 to Rs. 32,295.1 million from Rs. 24,265.2 million in the previous year. The exports amounted to Rs. 26,269.9 million in 1981-82 as against the imports of Rs. 58,565 million during the year.

The trade gap during the current fiscal—1982-83 may widen further following the continuous fall in exports. During the first quarter of the current year, the exports have already declined by 14.5 per cent as compared to the corresponding period of 1981-82.

As per details officially made public, exports from during 1981-82 amounted to Rs. 26,269.8 million as against exports of Rs. 29,279.5 million during the previous year showing a decline of 10.3 per cent. The monthly average exports for the year 1981-82 were Rs. 2,189.1 million as against the monthly average of Rs. 2,440 million in 1980-81.

IMPORTS

Imports during the year amounted to Rs. 58,565 million as against Rs. 53,543.7 million in 1980-81 showing an increase of 9.4 per cent. The monthly average of imports for the year 1981-82 were to the tune of Rs. 4,880.4 million, as against Rs. 4,462 million for the previous year.

LIBERAL POLICY

The increase in imports is mainly attributed to the liberal import policy which Pakistan has been resorted to following the commitment given to the IMF under the Extended Fund Facility amounting to 1.7 billion dollars provided to Pakistan about two years ago.

The declining trend in exports during the current fiscal year is, however, surprising when judged in the light of the US dollar's appreciation against Pak rupee after the two currencies were de-linked in January last.

As in the previous two years rice remained at top of the export list for 1981-82 by fetching the highest amount of Rs. 4,127.8 million. About 82.9 per cent of the total exports during 1981-82 consisted of 19 items viz. rice (15.9 per cent), cotton fabrics (11.3 per cent), raw cotton (11.3 per cent), cotton yarn (8.0 per cent), petroleum product (7.9 per cent), carpets, carpeting and mats (6.4 per cent), leather (4.4 per cent), textile clothing and accessories (3.8 per cent), fish and fish preparations (3.0 per cent), tarpaulin and other canvas goods (2.6 per cent), towels (1.7 per cent), fruits and vegetables (1.3 per cent), sports goods (1.2 per cent), guar and guar products (1.2 per cent), mallasses (1.1 per cent), surgical instruments (1.0 per cent), leather cloth and accessories (0.7 per cent), tobacco and tobacco manufactures (0.4 per cent) and footwear (0.4 per cent). Combined percentage share of these 19 items in 1980-81 was 83.1 per cent.

YEARLY IMPORTS AND EXPORTS

(Million Rs.)

Year	Imports	Exports	Excess of imports over exports
1977-78	27,814.7	12,980.4	14,834.3
1978-79	36,388.1	16,925.0	19,463.1
1979-80	46,929.1	23,410.1	23,519.0
1980-81	53,543.7	29,279.5	24,264.2
1981-82	58,565.0	26,269.9	32,295.1

CSO: 4200/177

WALI-KARMAL MEETING DISCUSSED

Rawalpindi HURMAT in Urdu 28 Oct 82 pp 20,221

[Kabul Letter: report by special correspondent: "Wali Khan: 'I Am Satisfied After Meeting With Afghan Leaders'; Vital Details of Wali Khan Karmal Meeting"]

[Text] Pakistan National Democratic Party's leader, Khan Abdul Wali Khan, accompanied by his wife, Begum Nasim Wali Khan came to Kabul during March, and April. He met with the leaders of the ruling party and exchanged views with them regarding Pak-Afghan and other essential topics. Mr Wali Khan also met with the head of the Afghan government, Babrak Karmal. The details of the topics discussed during that meeting have been published in the official magazine FOREIGN AFFAIRS BULLETIN. The magazine has also published a photograph of this meeting. In the report of the Wali-Karmal meeting, Wali Khan time and again was called a warrior and a distinguished Pakhtun leader, while Khan Abdul Ghaffar Khan has been called a great and heroic leader of Pakhtuns. From this it can be seen that the Afghan government grants separate political status to Khan Abdul Wali Khan and Begum Wali Khan [as published], although Wali Khan says that Begum Nasim Wali Khan is his leader while he is her worker. In the same report it has also been disclosed that during the Karmal-Wali meeting, a member of the politburo of the ruling party of Afghanistan, Dr Najib, and the regional and tribal affairs minister Suleman Laiq were also present. During the same meeting Babrak Karmal clarified the significance of the "red revolution" from various aspects, and the new Afghan government's policies regarding the tribes and the neighboring countries, especially Pakistan.

The report also reveals that in one of the following meetings, Mr Wali Khan, expressing his views, said: "After the Afghan leaders' clarification of their policies, I am completely satisfied that Afghanistan's national and democratic revolution is controlled by a strong leadership. The announcement made by the Afghan government on 21 August, 1981 has created favorable conditions for Afghanistan and Iran to end their differences and share one table. The imperialists are presenting the facts about the Afghan revolution in a distorted manner and are engaged in a false and hostile propaganda campaign against it. Being a Pakhtun, I must express my concern that the Pakhtuns have been instigated by the imperialists and the conservative powers of the region to fight with each other in their own land. The red revolution's

policy is the welfare of the people of Afghanistan. This revolution has no intentions of establishing an improper rule. Its aim is to establish mutual friently relations with all the countries of the world, especially with its neighboring countries. It is the right and duty of the Pakhtuns to safeguard their independence, freedom and territorial integrity. Afghanistan is a multi-national country. Its people are living unitedly like brothers and they should be provided better living without any discrimination and prejudice. Our region, in every circumstance, should be a haven of peace. The unresolved matters should be solved peacefully through dialogues among the countries of the region. I am returning from Afghanistan with good expectations. I hope that the political climate between Afghanistan and the people of Pakistan will change in favor of cooperation, friendship and solidarity, and the intentions of imperialist powers to establish an atmosphere of war and tension between Pakistan and Afghanistan will face defeat since failure has been written in their destiny."

According to the report, paying a high tribute to Babrak Karmal, Wali Khan proclaimed him a great and intelligent personality. Afterwards, Wali Khan and Begum Nasim Wali Khan participated in a lunch given by the revolutionary council of Afghanistan. The party's politburo, members of the secretariat, a large number of members of the federal committee, ministers and Ajmal Khatak also participated in it.

9779
CSO: 4656/31

WOMEN'S TRAINING IN VARIOUS SKILLS IN NEXT PLAN

Karachi DAWN in English 15 Nov 82 p 12

[Article by Anis Mirza]

[Text]

ISLAMABAD, Nov 14: The Federal Labour Minister, Ghulam Dastgir Khan, said here today that Pakistan was fully aware of the inadequacy of training facilities for women, and would give priority to such programmes in the Sixth Five-Year Plan.

Opening Pakistan's first South Asian Women's Workshop for developing training skills, he appealed to philanthropists and businessmen to come forward and fund future training programmes for low-income women in the urban and rural areas, and particularly disabled women.

Pointing to the necessity of integrating and activating programmes for the development skills of women, Mr Dastgir said that the participation of women in the labour force should receive top priority in the planning processes of the Third World countries.

The Minister regretted that Pakistan, compared to other countries of Asia, had the lowest participation of women in the labour force. The Government was keen, he said, to promote and expand training facilities for professional and vocational skills through technical colleges and polytechnics. He said projects had been instituted in collaboration with the Swiss Government and the ILO for imparting training in commercial, technical and electronics skills. But, the Minister pointed out, the efforts were wholly inconsistent with the ratio and needs of the female population.

Welcoming the women experts from 13 Asian countries, Mrs Salima Ahmad, Secretary, Women's Division, said since its inception in 1979, the Women's Division had organised six national conferences and three workshops and grass-roots seminars in the provinces. Referring to the implementation of policies, Mrs Salima said the Women's Division had sponsored 3,772 adult literacy centres and 1,497 integrated programmes for imparting literacy, health and vocational education to women.

She said, 1,799 vocational training centres in the country were providing training in embroidery and tailoring to women, while nine centres were training them in sericulture and fruit and vegetable preservation. Mrs Ahmad said 45 carpet weaving centres had been set up as well as three polytechnics.

The Women's Division had approved plans for women's hostels, female wards in hospitals and four polytechnics, she added.

Mr Ian Chambers, representative of the ILO, addressing the workshop participants, said economic rights of women to the ILO was not a question of passing interest since the ILO had a long-standing record of solid activity in the fields of international labour standards, research and technical cooperation to ensure equal opportunities to women. In spite of 65 years of activity, Mr Chambers added, there still remained an immense amount of work to be done.

Mr Rony Diaz, Director of the Asian and Pacific Skills Development Programme (APSDEP), said that on behalf of APSDEP, he was confident that the deliberations of eight-day workshop would yield new insights and practical proposals for encouraging women to take up vocational training either for wage or self-employment.

CSO: 4200/172

JI LEADER FOR DIALOGUE WITH GOVERNMENT

Karachi DAWN in English 15 Nov 82 p 12

[Text] HYDERABAD, Nov 14: Mian Tufail Mohammad, Amir of Jamaat-i-Islami, has called for a dialogue with the present regime to find ways for transfer of power to the elected representatives of people.

Addressing Jamaat workers in Latifabad Unit-3 on Saturday, the Jamaat chief said that in view of the conditions prevailing in the country any agitation would be against the integrity and solidarity of Pakistan.

Mian Tufail said that the political parties which were loudly propounding the doctrine of democracy and were eager to restore democratic order in the country had never themselves gone through the exercise of elections in their own parties, even for the sake of appearance.

Jamaat-i-Islami, he said, was the only exception where elections were held regularly in accordance with its constitution. Jamaat, he said, was in its own way striving for the introduction of Nizam-i-Islam and restoration of democracy in the country. He said that the political parties which were willing to join hands with Jamaat in the furtherance of these objectives would be welcomed.

Mian Tufail said that all religious parties should work together for the implementation of Nizam-i-Mustafa.

CSO: 4200/172

DEVELOPMENT OF URDU; NEW DIMENSIONS URGED

Karachi DAWN in English 14 Nov 82 p 9

[Article by Professor Amanat Ali]

[Text]

AS our national language, Urdu, is being pressed into various forms of communication services pertaining to state administration and for instructional programming in science and technology, it is absolutely essential to make serious efforts for developing the structural dimensions of this language which have remained unnoticed during the course of its evolution.

The reasons for this deficiency are quite obvious. Urdu has always been used for simple oral and written communication and for literary writing, including composition of various forms of poetry. All these functions were satisfactorily performed by the structural pattern of the language in the present form that has come down to us as our cultural heritage.

Structure and function are highly correlated parameters. Any structure designed to perform certain functions does not change if it continues to perform satisfactorily its assigned role. However, if some additional functions are expected from the same structure, certain alterations or modifications become quite essential in that structure. The following additional functions have been entrusted to our national language:-

1. To serve as medium of instruction for science and technical subjects at all levels of education

2. To serve as means of communication between various administrative authorities and the people

3. To acquire competence in Urdu even by those whose mother tongue is not Urdu.

The following subsystems in the mechanics of expression which are present in the English language and are being used to serve the above functions in an efficient manner are absent in the Urdu Language.

a. Writing in block letters
b. Italics writing
c. Abbreviations
d. Capitalization and punctuation.

These subsystems have to be adopted by Urdu, which would surely involve a few structural modifications. By introducing them in our educational programming at appropriate levels, necessary academic skills will be developed at an early stage for being used at higher stages and in everyday life.

Writing in block letters is requird in filling up personal data forms prescribed by several official agencies, private organizations and individual employers. Through this pattern of writing, there is no difficulty in reading and no confusion in the spelling of names of persons, places or any other identifying data which is likely to occur in writing the same in running hand in Urdu. In view of this special advantage, the practice of writing in Urdu block letters should be immediately introduced in our educational system and popularized through the mass media of communication. The names of school

text books and other publications for children may also be printed in block letters on their covers. The visual aid thus provided gives pedagogical facilitation for reading readiness.

Abbreviations

Italics writing is an eye-catching device for immediate attention and promotes reading with care. This form of writing gives maximum stress to the italicised word or group of words, occurring in a paragraph because they at once draw the attention of the readers. In scientific literature italics does play an important role in teaching-learning situations. We can very easily introduce this devise in Urdu by introducing the word to be emphasised in Naskh if the reading matter is in Nastalique and vice-versa. .

The system of abbreviations has now become an integral part in the communication skills of all the modern languages. Under this system a group of letters represent in a shortened form a group of words falling under a meaningful pattern. We all know the significance of all such abbreviations as U.S.A; U.S.S.R.; UNESCO,; NATO; M.A. and F.R.C.S. etc. In all branches of Science and Mathematics in initial letter or a couple of letters or symbols are used as abbreviations and are understood universally with regard to their representativeness. This type of system has to be developed in our national language.

Urdu has no system of capitalization which has two vey important functions of visual identification and meaningful reading readiness. Beginning a sentence with a capital letter and its use for the first letter of roper nouns and their derivatives in any sentence are really good visual devices for reading purposes from the pedagogical point of view. There will be no difficulty in adopting this technique for educational purposes in our own language. This can be done by using a slightly thicker letter for the capital in writing or the printing. Experiments have confirmed that readability becomes more meaningful and its rate both in loud reading and silent reading is highly accelerated.

In order that the subject matter on any topic in Urdu either in the printed form or manuscript should conform to the pattern of the spoken discourse, it is necessary to make use of the whole battery of visual devices in the shape of punctuation marks to provide a motivation for reading. Their effective use becomes more important in scientific literature in our national language because they indicate structural units in the sentence. The readers are guided what to take togetherand what to separate; how and in what manner they should read; where to make a stop or a brief pause or to emphasise.

In view of the fact that Urdu has been made a medium of instruction in all branches of knowledge at all levels of education, it is absolutely essential to develop new deminsions in the areas in which it is deficient. Four subsystems in the mechanics of expression, namely, writing in block letters, itlics writing, abbreviations and capitalization & punctuations have to be evolved and developed in our national language. We shall have to study the significance of any modification in our writing style and of the pattern of adaptation of these subsystems. Our innovations might appear to be funny and strange in the beginning but there should not be any emotional hurdle in setting up a study group to devise ways and means for improvement of the visual form of the language which has been assigned some new roles to play.

CSO: 4200/140

COAL RESOURCES DISCUSSED; PROPER POLICY SAID TO BE LACKING

Karachi ECONOMIC & BUSINESS REVIEW in English 17 Nov 82 p I, IV

[Article by Anwar Ahmed]

[Text]

MAJOR coalfields in the Punjab, Baluchistan and Sind are estimated to have 480 million tonnes of reserves, but this mineral wealth has not been tapped to any appreciable extent so far. Recently, coalfields have been discovered at Sadha in the Thatta district of Sind, spread over an area of about 500 square km. These reserves are estimated to be between 500 to 1,000 million tonnes.

These deposits make a major addition to the known reserves and should provide an impetus for a planned and fuller utilisation of a source of energy that can prove to be an asset of inestimable value.

As it is, on the basis of 1976-77 production of 1.1 million tonnes annually, the Fifth Plan envisages an annual growth rate of 7.2 per cent so that production will be 1.7 million tonnes by the end of the Plan-period.

It appears, however, that the increase in coal production is best with problems. While winding up a debate in the Sind Council session in March this year, the Sind Governor pinpointed some of the problems. He said that the province was rich in mineral resources, including coal, but unfortunately not much had been done to exploit them. A mineral development board could be set up on the provincial level, but the province did not have the experts and geologists nor the required technical know-how, equipment and laboratory facilities to undertake the work. In fact, the needed infrastructural base is also lacking.

However, some progress has been made in this regard as a result of cooperation between the public and private sectors and with the help of foreign experts. The three-year plan for the development and exploration of Lakhar coalfields — near Hyderabad and spread over an area of about 650 sq. km. — has already started and the project is expected to be completed by 1984.

British, US, Polish, Canadian and Japanese experts had investigated this coalfield and its evaluation and exploration studies had been undertaken by Pakistan Mineral Development Corporation (PMDC). It had been established that one million tonnes of coal could be supplied from this source annually to the Kotri thermal power station.

With the decision to establish the Karachi Steel Mills, the problem of arranging indigenous coking coal was keenly felt and the PMDC eventually started work on the setting up of Sharigh coal-washing plant in Baluchistan in July 1977. It was decided to supply the washed coal to Pakistan Steel for blending it with high-grade imported coking coal.

In April 1980, the project was completed at a cost of Rs 27 million. The plant produces about 75,000 tonnes of washed coking coal for the manufacture of metallurgical coke and thus saves Rs 53 million annually in foreign exchange through import substitution.

Despite its potential as an energy source, the use of coal is still minimal. In fact, it has been neglected. An example of this is provided by the indecision over the use of Larkana coal for power generation. The construction of the Larkana coal-fired power station was delayed by six years. Work on it could begin in 1973 instead of in 1967. It could have been operational in 1979, but now it is expected to be completed in 1985

Another problem relating to coal produced in Pakistan is its quality. It has a low content of fixed carbon and much sulphur and ash, which weaken its coking properties. This coal is also liable to spontaneous combustion. It can, however, be used for large-scale powr generation, brick-kilns and cement industries.

As it is, the use of indigenous coal is more or less restricted to brick burning which account for over 90 per cent of the total consumption.

Coal found in Harnai-Sharigh-Khost areas, however, porcesses medium coking characteristics and has been found suitable for use as a blend in the production of metallurgical coke. These deposits are, therefore, valuable because the availability of coking coal in the international market is scarce.

However, despite the problem relating to quality, there are two promising aspects in the situation. The known reserves are enormous and exceed the known reserves of all the mineral fuels. Moreover,

modern technology, including gasification and liquefaction, make it economically feasible to use inferior quality coal as a useful source of heat and power. Processes have also been developed to distil volatile parts from coal and strengthen it as a coking agent.

All these open new vistas for development of coal. But at the same time, there is need to take the coal industry out of its deplorable state from which it has been suffering because of ignorance and neglect over the entire length of its history.

About 80 per cent of the coalfields are in private hands and they are neither organised for economic production nor have any development plans on long-term basis to meet the future needs of the country. Even according to conservative estimates, the demand for coal is expected to increase at the rate of 8.15 per cent annually. The demand could be even higher if wider uses are made possible but the mining industry does not appear to be geared for it.

Coal in Pakistan is mined in public as well private sector, but mining and other conditions in both the sectors are quite different. The public sector owns four coal mines — Makerwal (Punjab), Sor-Range, Degari and Sharigh (Baluchistan) — which produce about 300,000 tonnes of coal annually. These are semi-mechanised and have all the facilities for safe and proper mining. They are perhaps reaching levels of exhaustion and their production has been declining.

It has planned, however, to raise the production of these mines to 625,000 tonnes by the end of this year. The planned coal production in the public sector is expected to meet the growing demand of brick-kilns, lime burning and other domestic requirements and also to supply about one million tonnes per year to the proposed Lakhra coal-based 250MW power station.

The coal mining industry in the private sector is yet to be organised on scientific lines. Mining leases in the private sector are divided into numerous uneconomic blocks operated by small enterprises. Mining operation in most cases are primitive and with the mining practices in vogue, over 40 per cent of the coal is destroyed due to premature collapses and mine fires. The present methods also lead frequently to fatal accidents. There is obvious need to replace these methods by modern techniques and develop the mines on rational long-term basis for sustained production from deeper horizons, with better and safer working conditions.

The present production of coal industry is insufficient for the current requirements of brick-kilns. Punajb and NWFP consume about 85 per cent of the total coal produced while their output is about 30 per cent of the total. They have, therefore, to depend at present for their coal requirements on Baluchistan which produces 66.6 per cent of the total coal production, but itself consumes only a meagre 6 per cent.

As for the price of coal, the public sector with its share of about 15 per cent in the overall market is not in a position to play any significant role in stabilising the price which often is fixed by the Government for consumers only for coal from mines in the public sector, which are usually given on lease to private miners on a quarterly or half-yearly basis. At best it serves an indicator to the private mine-owners. In practice, they adjust their prices according to their own will. Usually, they tend to sell their coal at the highest price during peak seasons.

This, in brief, is the story of coal in this country and it is unlikely to change in the near future, because by and large it is ignored as a viable source of energy in the official planning for future.

Proper utilisation of coal will depend greatly on the policies which the Government adopts — in fact, the public sector alone can use large quantities of coal and ease the pressure on other resources of fuel and power. Instead, according to official sources, the demand for coal has shrunk considerably, because many cement plants, ginning factories and some power plants have switched over from coal to gas.

As far as the needed resources for development of coal are concerned, international financing institutions, including the Asian Development Bankj, have already expressed their willingness to provide funds for exploration, development and exploitation of coal.

CSO: 4200/140

PLEA TO GROW TEA SUPPORTED

Karachi DAWN in English 15 Nov 82 p 10

[Editorial: "Growing Our Own Tea"]

[Text]

CAN we cultivate tea in Pakistan? If we can, will it be economically feasible? These questions arise from our high and growing consumption of imported tea as well as the availability of terrain apparently suitable for tea cultivation. But the answers will have to be based on expert assessments and sufficient experimentation. After the visit in May of three tea experts from China, who were inspecting some mountainous regions in the north to select fields for experimental cultivation of high quality Chinese tea, a debate has ensued on various aspects of the potential and prospects of tea cultivation in Pakistan. There are those who argue that soil and climatic conditions in our northern mountains are not suitable for tea cultivation. They point towards unsuccessful experiments conducted in the sixties and early seventies. They believe that the cost of producing tea in the country will be economically prohibitive. But this view is countered by many others, including agricultural experts and botanists, who believe that given the right efforts and the required technological innovation, tea can be grown in Pakistan on a commercial scale. Indeed, there are problems but not of the kind that cannot be surmounted with the application of the available know-how and imaginative agricultural planning and management. A senior official of the Pakistan Agricultural Research Council (PARC) associated with the tea project has pointed out that tea bushes planted in 1976-77 in an experimental garden of two acres in Mansehra have shown satisfactory growth — a proof that tea can be grown in our country. He is convinced that the semi-temperate belt in northern region is suitable for tea cultivation. One problem is that tea bushes take five years to mature and growers in the private sector would not be expected to go in for any meaningful experimentation without sufficient financial assistance and technical support. The breakthrough will, thus, have to be made in the public sector. There is hope that the Chinese methodology will show the way to reducing our critical dependence on imported tea.

We had commented on the new attempts to grow tea in Pakistan in these columns with reference to the exploratory visit of the Chinese experts about six months ago. The interest that has since been reflected in our correspondence columns has lent support to our view that it is necessary to explore the possibility of tea cultivation more fully. It emerges from the debate among former planters, botanists and agricultural scientists that Pakistan does have areas where the soil and climate are suitable for tea cultivation. What we apparently lack is a carefully prepared plan geared to this end. There is, however, hope in the fact that we have achieved some remarkable breakthroughs in the realm of agriculture. For ages, our growers have been trapped in subsistence, non-commercial agriculture. Yet new challenges have been met by a new breed of agriculturists who have produced astonishig results. Who could have believed some years ago that "pan" could be grown on a fairly big scale in the vicinity of Karachi? The success achieved in Sind in the case of bananas, mangoes and coconut cannot just be shrugged away. We have also been moderately successful in producing jute in the G.M. Barrage area. The graceful growth of eucalyptus trees in Karachi almost

ABSORBING SUGAR SURPLUS RECOMMENDED

Karachi DAWN in English 12 Nov 82 p 13

[Editorial: "The Sugar Mountain"]

[Text]

A FEW years back it would have been difficult to believe that this country would be saddled with a mountain of sugar at this time, but this is what has happened and for a variety of reasons it is not all that happy an occasion. The mountain of sugar, rather than leading to a round of governmental boasting, has brought into the limelight some of the weaknesses in the sugar trade here and the Government's handling of it. The one good thing about it is that it will quite possibly lead to a critical appraisal of the entire trade which should in due course throw up some ways of solving the many problems we face. According to reports, Pakistan's sugar surplus added up to a record 335,000 tons at the beginning of the new crushing season which started last month. While this is no doubt an excellent improvement as compared to the shortages of some years ago, for several reasons it is also proving to be embarrassing. The trouble is that there is a glut of sugar in the international markets which has led to severely depressed prices. These low prices, coupled with the already high production cost of sugar in the country, has meant that export is not possible — at least not unless the export is heavily subsidised, to a level which will be unrealistic. The production cost of sugar here — minus the heavy excise duty — is rupees 5,375 per ton, whereas sugar prices on the international market are currently around the rupees 2,000 per ton figure.

On its part, the Government has just come up with a plan to build up a reserve of sugar, the decision being not entirely formal at the moment. Of the 335,000 tons of sugar surplus, the Federal Government will build up a reserve of 200,000 tons, whereas the remaining amount will be disposed of by the Sind and Punjab Governments. The idea of building up a reserve is all very well, but unfortunately it is not a very satisfactory answer to the current problem because the basic issues remain unresolved. For one thing, the production in 1982-83 is also predicted to be as high as the previous year's, which means that the Government will again be faced with a large surplus to dispose of — with not very bright prospects of the international market recovering to the extent that export of our sugar becomes possible. Nor will it be possible to keep on building up the reserve because, among other things, the cost will be prohibitive.

There seems to be little alternative to both reducing supplies a little and generating greater demand within the country. As far as the cost of production goes, it is believed to be so high because the purchase price for cane is very high, in addition to certain other factors like cost of capital and the fact that bagasse is mostly wasted. Sugarcane currently offers the best returns to growers. This applies both to 'traditional' farmers who have a low yield and to the progressive farmers who use modern inputs and grow good quality cane for a high yield. The result has obviously been that in the last few years a lot of agricultural land has been converted to growing cane, and there are even reports that some banana lands in Thatta have been switched to cane. It may be an unpopular

decision, and it certainly needs careful examination, but the Government should consider adjustments in the purchase price of cane, to bring it more in line with prices in other countries and somewhat more commensurate with the depressed prices of sugar. This will not only reduce the amount of cane grown but will obviously also lower production cost.

Along with this the idea of increasing the quota available on ration cards should also be considered, since it will certainly help to absorb some of the surplus sugar. There are grounds for doing away with the 20 per cent cut in the ration quota which was imposed a couple of years ago. Another move that will help to absorb some surplus is to reduce the price of sugar, by reducing the excise duty and by passing on to the consumer any reduction in production cost, if it can be brought about.

CSO: 4200/172

COTTON EXPORT CORPORATION GODOWNS COMPLETED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 6

[Article by Nusrat Hasan]

[Text]

The first phase of construction of modern godowns of the Cotton Export Corporatin in Korangi is almost complete and will have the capacity of storing 2.60 lakh bales.

This was stated by the Chairman CEC, Nusrat Hasan, in an interview in Karachi yesterday.

The corporation undertook construction of modern godowns in Korangi with a capacity to store 3.60 lakh bales.

Nusrat said that CEC was also making warehouse arrangements in the upcountry. On completion of warehouse projects in Karachi as well as upcountry, the storage capacity will increase substantially avoiding congestion at TPX and resolving the serious storage problems.

He pointed out that the capacity to store more cotton for a longer period would also enhance the CEC's bargaining position.

The CEC chief pointed out that vested interests hostile to CEC had always tried to malign the Corporation by circulating baseless stories and imaginary losses. The reports about claims in the press were a part of this campaign, he added.

He said that quality claims were nothing unusual. However, the buyers sometime had a tendency to lodge undesirable and exaggerated claims in falling market. The CEC, however, scrutinizes these claims carefully and settles them amicably only to the extent it finds them justified. As regards reports about claims in the press, they were also exaggerated and a part of the campaign against CEC, Nusrat said.

Nusrat said that it was no doubt true that CEC has vast marketing contacts all over the world and many raw cotton importers approach it to recommend the names of reliable parties from whom they could buy yarn as well and that many textile mills from the upcountry were demanding that the government should establish a Cotton Yarn Corporation so that the evil and adverse effects of free marketing were adequately taken care of.

He said it was, however, for the government to take such action as if may deem necessary in respect of this demand to streamline the marketing of yarn. Produced by such mills who cannot export it at their own.

Nusrat said the CEC will always be willing, as in the past, to extend its fullest cooperation to the mills if and when required.—APP.

CSO: 4200/178

ISSUE OF ILLEGAL 'BARA' MARKETS DISCUSSED

Rawalpindi HURMAT in Urdu 28 Oct 82 pp 32, 33

[Article by Nazir Ghardezi, Peshawar: "Will Bara Markets Really Close By the Order of President Ziaul Haq?"]

[Text] According to newspaper reports, all deputy commissioners through the chief secretaries of the four provinces, have been ordered to take gradual steps to close Bara markets existing anywhere in their respective district. Can this be done? It is not at all difficult for the administration and it can do this. Previously, nearly every government issued ordinances to close such markets. For a while, the orders were acted upon also. The shops selling foreign goods began selling local goods. However, the other business continued under cover. Then, upon the request of the bureaucrats' wives, smuggling of fancy and luxury foreign goods continued, and gradually the attraction of the shops decorated with foreign items doubled. Also the officials concerned, after taking bribes, took it easy and regularly received their share through illegal means. When the practice continued for a considerable time, the shopkeepers reduced the bribery rate. The officials too kept on changing. The shopkeepers gradually stopped feeding the newcomers. If anyone was smart, he continued to receive his share regularly. Now with this ordinance, the police and other such departments will prosper. Within a few days their daily income will surpass their monthly income. How many Bara markets will they close? The roots of this business are deep-rooted in Peshawar and they are spreading in other cities as well. In addition, there are music centers in every lane of Peshawar. Only the drug stores and the music centers are open throughout the night. A light indicates whether a drug store is open and the eye alone can see it, but a music center offers a listening invitation to your ears also. At times, I think of the plight of those living around the stores. VCR and their cassettes are available from these music centers. Most of them consist of new and old Indian films. Upon the request of the customers, most films made between 1940 and 1965 have also been ordered. Only God or those who obtain such films know how they are made available. Their business is flourishing these days. The VCR fans are also adorers of the blue print [dirty movies]. Along with some films, to change the taste they always take one blue print also. Obviously, due to nudity the blue print rents for more. If a film cassette can be obtained for 25 rupees per night, the rent for blue print is three times more. The number of people engaged in the business of

such music centers is increasing day by day. This business extends from the shopping centers to small lanes. If there are forty music centers on University Road, their number is no less in the narrow and dark lanes of Karim Pura. Assiya or Karim Pura, no place is without this business? The question is: Will the current ordinance apply to music centers as well or are the music centers excluded from the category of Bara? Closing these music centers will really create problems for some, since by now the people have formed so much of a habit of VCR that they must see a cassette once a month, if not once a week. Many people have sold even their wives' ornaments to buy VCR and colored televisions. The businessmen and other people doing import-export work are owners of VCR and colored televisions. If the government enforces restrictions on them, no one is going to stop viewing VCR, but just like wine, its price will increase. Its rent will increase, but it will never vanish.

The official files have thickened with piles of such ordinances. Within a few days, however, these ordinances become victims of oversight by the officials. The special Peshawar Bara market is located in the tribal area six miles away from Peshawar. All fake products are now sold there. Very low quality articles of luxury are sold at very high prices merely by sticking foreign countries labels on them. Many people have now become aware of this fact, but, still they go there to be deceived. The shopkeepers of Bara are on the lookout to rip off visitors from Sind and Punjab. The number of charas, opium and ammunitions shops have increased. These are local items and they are sold as being local, so there is less chance of being deceived. Otherwise, nothing sold there can be trustworthy. Perfumes and scents are totally fake. Imitation goods are manufactured and sold in Hong Kong too. Not only do they come here, they go to most countries of the world. However, the goods sold in Bara are made in its own Hong Kong. Previously these very foreign goods were sold in Landi Kotal. There was cheating in that too, but there was never such fraud and looting. The prices in the entire shopping center were fixed. Here in Bara, if after haggling you have reduced the price to half of what they tell you, you must realize that you still bought that thing expensive. This is the height of black-mailing, and this is the situation of the biggest Bara market. What is the condition of the Bara markets that have opened all over in every city? Everyone, knows the truth about them, but still looking for something new, crowds of people go there, needlessly buy something and regret afterwards. The Bara markets selling smuggled goods, or pushing them as such, operating in various areas of Punjab and Sind and the markets in Sadar and the city of Peshawar itself, operating under the shadow of the Big Bara, may close. But the Big Bara will remain open, since that area is located outside. The goods will continue to filtrate from there.

It is true that the ever-increasing tendency of using foreign items badly injures the national identity, but why do not our people trust their own country's goods? Every shop in Peshawar has foreign goods and the customer's demand there is for foreign goods only. Mostly the machinery in our country is foreign. All types of locomotives are foreign. Now, how can their spare parts be local, and then why should someone install local spare parts

in a foreign car? That is why smuggled foreign goods have filled every shop here. The shopkeeper profits from this. The custom, excise and police regularly receive their share from these shops. After a discussion with the businessmen of automobile machinery and other parts, the writer has come to the conclusion that no one is happy to give monthly bribes to the police, but they are compelled to do so, since they too have to survive and establish their status in the society. They have to compete with their neighbors. Why should their standard of living be lower than their neighbors? Why should their children wear cheaper clothes and be lesser in dignity? Due to the inefficiency of government schools, why should not their children study in public [private] schools, since, due to certain reasons, they themselves were deprived of the wealth of education? Admission in an English medium school has become a sign of honor and fashion, just as buying foreign cloth from the Bara market has become our weakness. The fault is not only ours or of the shopkeepers; it it of the factory owners. Pakistan is the biggest cotton producing country in the world. It should be the leader in textile industry. Pakistan's cloth is still very fine and of high quality. But due to dishonesty, we cannot maintain our standard. Any new Pakistani cloth produced sells instantly. Nevertheless, the same factory never produces cloth of similar quality, since there is no control over quality. The people, therefore, are forced to turn once again to the Bara market.

9779
CSO: 4656/31

DUE IMPORTANCE URGED FOR DATA COLLECTION

Karachi BUSINESS REPORTER in English 19 Nov 82 p 2

[Text]

The 10th Pakistan Statistics Conference held in Islamabad in April last had made certain important recommendations to the Government so as to ensure prompt collection of reliable data regarding the country's socio-economic situation. The need for the collection of statistics cannot be overemphasised. No development planning is possible without the availability of correct and reliable information of the stage of development in various sectors of the society. The Finance Minister, Ghulam Ishaq Khan who had inaugurated the conference had also stressed the need for establishing a dependable information system which could fulfil the exacting demands of users and hoped that statisticians would help accomplish the task. He had also observed that statistics had made an impressive advance in Pakistan in each of the required spheres. Commenting on his remarks then we had pointed out that the claim could not be substantiated by facts: "On the contrary the data collection so far has not been assigned the importance it deserves and, as such there is dearth of comprehensive and reliable statistics about each and every sector of our socio-economic life. This is ultimately reflected in wrong planning and colossal wastages in our scarce resources". We are glad to see that now progress is being made in this regard, but we have still to go a long way to streamline the system of data collecting.

One of the major defects, nay a crime, is the doctoring of statistics. This is done with political motives and predetermined objectives. Data has been cooked up and presented to the people with boasts of having made spectacular progress in specific fields Actually there was no progress. After the set of people who cook such figures under orders of the rulers of the day are removed from the scene, those who

succeed them take those figures as correct and base further planning on cooked-up statistics. The results of such planning are obvious. The difficulty is that the statistics compiled in this way or in any other way, cannot be checked or counterchecked because there is no other source of data collection. An alternative source could be provided by the trade bodies. It is regretted that these bodies have never paid any attention to this job which could be of immense help to them as well.

The Statistics Conference had made as many as 18 recommendations to the Government to ensure proper and systematic collection of statistics. Though eight months have passed since then, nothing appears to have been done to implement the recommendations. These recommendations included only some administrative reforms like the transfer of the census of Manufacturing Industries, from the Provincial Directorate of Industries to the Provincial Bureaus of Statistics, association of universities with the statistical agencies, strengthening Bureaus of Statistics of NWFP and Baluchistan, etc., Even such recommendations remain unimplemented. There have been constant complaints regarding duplication in the collection and dissemination of data by various agencies. The data released by an agency on one particular aspect never tallies with the data released by the other agency. Very often the discrepancies are so wide that it becomes impossible to decide which one is to be believed.

We are now on the threshold of launching the Sixth Five-Year Plan. We are at a loss to understand how, in the absence of reliable data, our planners would have prepared the plan. If the plan is based on the same old doctored figures, will it not meet the same fate as our earlier plans have met? It is time that the significance of collecting correct data was realised by the people in authority and due attention was paid to the job which is, in fact, the very foundation of the planning. We would urge the private sector also to set up research cells in various bodies like the chambers and association to collect correct information about the state of our economy. This would help them and the Government both in achieving the socio-economic goals in concrete terms.

CSO: 4200/177

RAILWAYS FINALIZE SIXTH PLAN REQUIREMENTS

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1

[Text]

LAHORE, Nov. 19: The Pakistan Railways has finalised period and requirements of its sixth plan at a meeting of the Pakistan Railways Board here recently.

During the period of sixth plan, first priority would be given to stabilise railways track and renovation of tracks between Lahore-Peshawar and also branch lines to lessen the derailment.

A. U. Zafar, the General Manager of Railways said here today, during the next plan period, improvement of locomotives and purchase of new locomotives would be done, while the new factory for manufacture of the locomotives would also be completed.

He said during the next plan period augumentation of coaches and wagons and improvement of terminals would also be taken up. The railways has also wanted to have double track between Lahore and Karachi to reduce the time of trains. He said that from Multan to Shershah were already provided double track, while a plan has been prepared to link Multan to Ghribabad with double track would also taken in hand during the next plan period.

He said from Lodhran to Karachi was double track and Lahore and Raiwind were also contected with the double track. The Pakistan Railways had to lay double track between Raiwind to Multan and from Shershah to Lodhran.

The General Manager said the laying of the double track would required lot of money and hoped some work would be done in the next period and rest of would be completed in the seventh and eighth plan period.

He said that improvement of the Quetta Zahidan track would also be done during the next plan period, in order to operate diesel locomotive on this track and provide rail service between Quetta and Zahidan through which Iran would be benefitted.

The General Manager said that during the next plan period the railways also desired to extend the rail service from Sibbi, Khosat and Bostan, this would help in transportation of mineral wealth to the part of the country, he said that area was full of coal, and other mineral, but due to unsatisfactory transportation the full advantage of natural wealth could not be utilized.

SLIPPER FACTORY

He said that the new concrete slippers factory had been completed but its moving by manual labour is costy and consumed much, time, to avoid this the railway wanted that carrying of these slippers and putting these on the track should be mechanised, during six plan period mechanised lifting of slipper would be done.

Replying to a question, the General Manager said that the development programme is required billions of rupees but the resources available was not so far been intimated to the railways.

After the plan was approved by the government and money put at the disposal of railways then he would be able to say about the amount to be spent on sixth plan period.—PPI.

CSO: 4200/177

SHRIMP ESTATE IN SIND PLANNED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1

[Article by G. N. Mughul]

[Text]

The Sind Government plans to establish a shrimp estate, spread over nine lakh acres in the coastal areas of the province, it was reliably learnt yesterday.

The estate will be established in phases. In the first phase, the Government has earmarked about 16,000 acres of land, 10 per cent of which has been reserved for providing necessary infrastructure and another 10 per cent—of inferior quality—for setting up the farms. The rest 12,000 acres of land have been reserved for lease to the private parties for setting up shrimp farms.

According to informed sources, by the last date for receiving applications for leases, 15th October, the Government received about 1,000 applications.

A high level committee constituted by the Government is processing the applications and is expected to grant leases to the qualifying parties very soon.

According to the plan, iceplants, processing plants, storage houses, workshops, roads etc. will be established in 1,600 acres of land reserved for the infrastructure. The authorities are considering to obtain funds for infrastructure either from the Federal Government, some international agency or cooperative societies.

According to an estimate, normal production of shrimps in these farms should be at least 350 kg per acre per month.

The terms and conditions of lease are:

—The land shall be leased out in blocks measuring five, twenty and forty hectares.

—The lease shall be for a period of thirty years but may at the option of the lessee, be renewed for a further period not exceeding ten years at a time.

—The lease money for the first year of lease shall be paid in lump-sum in advance at the time of executing the lease deed and for the remaining period it shall be payable on or before 31st December, every year.

—The lessee shall also pay all expenses for survey and demarcation of land and construction of boundary marks as and when required.

—The lessee shall, in addition to lease money, pay to the Government or any other authorised authority, occupier's rate, cesses and other charges as may be payable in respect of the land under any law for the time being in force.

—The lessee shall use the land for shrimp farming within one year of the grant and complete the establishment of farming in accordance with the plan and the scheme within five years of taking possession of the land.

CSO: 4200/177

PLEA FOR REORGANIZING ENGINEERING STRUCTURE

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

S. M Khan, Secretary-General, Federation of Engineering Associations of Pakistan has urged the Government to reorganise the Government structure on a pattern to give various departments in the charge of the professionals.

Addressing a press conference at the Karachi Press Club yesterday he said that present structure needs to be changed in order to accelerate the pace of development in the country in right direction.

Khan said that Pakistan should learn the lesson from the experience of other countries like Iraq where a large number of ministers, deputy ministers secretaries, chairmen, and managing directirs are engineers and the professionals.

He said that Pakistani engineers have played a vital role in the development of Iraq where Pakistani Engineers and Engineering companies are presently executing about 600 million dollars worth of intensely technological projects in face of competition from European and other international companies.

"These projects are mainly in the field of Agricultural land development and irrigation" he added.

Giving details in this regard Khan said that 50 per cent projects are undertaken by the private sector and the remaining by the public sector.

He said that competing companies from other countries are all provided with financial support from their respective banking institutions.

On the contrary, he complained, that the Pakistan Banking Council provides most of its support to the public sector companies only and the private sector struggles on its own

CSO: 4200/178

RECORD COTTON PRODUCTION PREDICTED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

ISLAMABAD, Nov. 21: The Agriculture Minister, Vice-Admiral Mohammad Fazil Janjua, said here today that Pakistan will have cotton production of over 4.6 million bales this year which would be a record for all times.

Talking to newsmen in Islamabad today, the Minister said that this year's production target was 4.8 million bales. He said that last year the production was 4.3 million bales. He said that last year the production was 4.3 million bales.

SUGAR

Turning to sugar, the Minister told newsmen that a lot of sugar had been brought to the open market from the Government stocks and the price in the market should not at all exceed nine rupees per kiogram. It was brought to the notice of the Minister that sugar was selling now in the open market from 10 to 11 rupees per kilogram.

The Minister said that the area under sugarcane crop in the Punjab this year had declined by 10 per cent while the position was unchanged in Sind.

The Minister said that the sugar production last year was 1.3 million tons while the national requirement was 0.85 million tons.

This year the production of sugar was expected between 1.1 million to 1.2 million tons. — APP.

CSO: 4200/178

MINISTER STRESSES RESEARCH FOR FARM OUTPUT

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

ISLAMABAD, Nov. 21: The Minister for Food and Agriculture, Vice-Admiral Mohammad Fazil Janjua, today urged the agricultural scientists to make research an effective instrument for raising production of all crops.

Inaugurating a 3-week training course on "Weed science research" at the National Agricultural Research Centre here, this morning, the Minister called upon the experts to devise an appropriate technology for agricultural practices aimed at eliminating weeds, and it should be easily available and within the reach of farms. He said the extension workers and scientists who were engaged in the work in the rural sector were the real agents of change. They could educate growers to harvest bumper crops. He said it had to be explored why the growers were having 15.16 maunds per acre in wheat and why they could not raise it to 35 maunds per acre.

The Agriculture Minister called for the eradication of weeds and pointed out that in Pakistan where the fertilizer is scarce and an expensive commodity the farmers can ill-afford to waste it for the growth of weeds. Similarly weeds consume water in rain. He expected the participants of the course to address themselves to the question of getting rid of weeds at all costs.

This situation created by the weeds is challenging. Estimates of losses in the range of 17 to 25 per cent are known to occur in cereal crops alone.

The Minister said that the traditional farmer should be helped to understand that a strong healthy crop coming from a well prepared seedbed is the best weed control method. He must realize the importance of sowing clean and viable seed. He must be taught management techniques for the removal of weed.

The Minister underlined the need for agricultural scientists to develop appropriate technologies for specific agro-ecological areas of the country and thus help increase production.

WEED SCIENCE TRAINING

Earlier, in his address Dr. Amir Mohammad Khan, Chairman of the Pakistan Agricultural Research Council, suggested that the weed science training be developed and made part of the curricula.

He said a weed specialists network should be established for organising programmes for faster research on the problem. He stressed that frequent training courses should be conducted on the eradication of weeds which severely impede farm production.

The training course was organised by the NARC in collaboration with the International Wheat and Maize Improvement Centre, Mexico and the International Plant Protection Centre, Oregon State University Corvallis, Oregon, USA. The US Agency for International Development provided assistance for organising the programme.

Agricultural scientists, extension workers and university teachers are participating in the course.—APP.

CSO: 4200/178

NEW SCIENCE POLICY FROM JULY NEXT YEAR

Karachi BUSINESS RECORDER in English 21 Nov 82 p 3

[Text]

LAHORE, Nov. 20: The governing body of the Islamic Foundation for Science, Technology and Development, a 15-Nation Organisation set-up by the Organisation of the Islamic Conference (OIC) will meet on Nov. 27, in Jeddah, the foundation's headquarters, and discuss ways and means to enhance collaboration among the Muslim countries in the fields of science and technology.

The meeting, scheduled to last for two days, will be chaired by the Foundation's Director General, Dr. Ali Kittani this was disclosed here yesterday Dr. M.A. Qazi, Adviser to President on Science and Technology, who will represent Pakistan in the said meeting. In an interview.

He said the meeting would also identify the areas in which the Muslim countries could cooperate with each other.

Answering to a question, Dr. Qazi said the new science policy had been submitted to the Federal Cabinet for approval and that an effort had been made to coordinate this policy with the new five-year plan, scheduled to be implemented from July next year.

He said that the government attached tremendous importance to the progress in the field of electronics and that the Institute of Electronics in Islamabad had expedited research in this field.

He said while this centre had already manufactured multimeters, frequency counters and power supply meters, it was busy now-a-days in evolving a 256-line electronic telephone exchange. he hoped it would be ready by the end of next year, subsequently, he said this institute would make exchanges of 500 to one thousand lines, the electronic telephone exchanges would replace the existing ones in the country, he added.

Replying to a question, the Presidential Adviser on Science and Technology disclosed that the Federal Government was seriously considering to set-up an Ocean Science and Technology College in Karachi to train the people in oceanography to enable them to exploit the ocean resources.

Fesibility of this college was being studied and it was expected to start functioning in about two years time.

Answering a question as to what measures the government was taking to control braindrain, he said the government would improve the working conditions of the scientists and added that the A.G.N. Qazi's committee was considering improvement of scientists career in the country.—PPI.

CSO: 4200/178

COMMITTEE FOR STEEL PRODUCTS PRICING

Karachi BUSINESS RECORDER in English 21 Nov 82 p 1

[Article by Anwar Rajani]

[Text]

The Federal Government has constituted a four-member committee to determine the capital cost and formulate a rational pricing policy for the products of Pakistan Steel.

The committee is headed by Chairman of the National Fertilizer Corporation Riyaz H. Bokhari. The members of the committee are: Chairman Pakistan Steel H. N. Akhtar, Chairman National Development Finance Corporation Zafar Iqbal and Additional Secretary of the Production Ministry M. I. K. Khalil.

The Secretariat assistance and services to the committee will be provided by Pakistan Steel. The terms of reference of the committee are:

—To determine, within the meanings of acceptable definitions of project appraisal the capital outlay of the project by 30th June, 1982 and on full completion of the project.

—To estimate cost of production of various products based on the capital cost arising from number one above at various capacity utilisation levels, compare the same with landed cost of imported products at present tariff levels in the case of billets and with the cost of competing indigenous products.

—To recommend a procedure for the payment of rebate to exporters of engineering goods using steel mill products.

—To recommend measures, including capital restructuring, to meet losses arising from differential in cost of production and landed cost/selling price.

It may be mentioned here that the 1.1 million tons shore-based steel plant under construction (at a total cost of about 2.5 billion dollars) since 1975, started production of pig iron and coke last year but the downstream units are yet to be commissioned. Currently pig iron and coke are being produced at prices well above international rates, but are being sold in local market at prices substantially lower than the import price.

Actual steel production at the project is likely to start around the end of the year when the steel making plant and billet mill complete their trial runs.

It is reported that the steel mill complex will only have a chance to start breaking even in 1985 when it will operate at capacity and value-added products (cold-rolled sheets and hot-rolled sheets) will be produced.

CSO: 4200/178

SAVINGS PLANS REVISED TO ATTRACT OVERSEAS INVESTMENT

Karachi BUSINESS RECORDER in English 18 Nov 82 p 1

[Excerpt]

ISLAMABAD, Nov. 17: To associate overseas Pakistanis with the national savings scheme, the Government has revised the 'Khas Deposit Scheme', under which overseas Pakistanis can make investments in foreign currency and get profit in the same currency.

The benefits of the revised scheme were explained to the Pakistanis living in the Middle East and the Gulf region, by a two-member Pakistan delegation led by the Chief Director, National Savings, Irtaza Zaidi, who has just returned to the capital.

Talking to newsmen here today, Irtaza Zaidi said that the response from the overseas Pakistanis was very encouraging within a month they have made an initial investment of Rs. 30 lakh in the 'Khas Deposit Scheme'. He said this investment is in addition to the investment which will be channelled through the Pakistani commercial banks. He said drafts and querries for the scheme have started pouring in.

Explaining the revised scheme, Irtaza Zaidi said if the investor does not return to Pakistan permanently or his stay in Pakistan does not exceed six months in a year, the profit earned thereon can be repatriated in foreign exchange. In case of death of an investor, payments will be made to his nominee or legal heirs in Pakistan currency only. The principal amount and the profit will accrue in Pakistan rupee and its repatriation would be admissible in accordance with the exchange rates prevailing on the date of remittances, through the normal banking channels.

CSO: 4200/173

FORMER PRESIDENT MIRZA'S TAPE TRANSCRIPT RELEASED; INFIGHTING DESCRIBED

Karachi DAWN MAGAZINE in English 19 Nov 82 p I & V

[Article by Yehia M. Syed]

[Text]

Iskander Mirza has been condemned, criticised and castigated, both by the politicians and by the historians, for introducing many ills and evils into the body-politic of Pakistan during its formative years. But, certainly, Mirza too must be having his side of the story.

A unique interview was recorded by Iskander Mirza at the request of Mirza Abul Hassan Ispahani, a family friend, to help future historians put the record straight, especially because the "General was condemned for all that has happened during the period (he) held reins of power in Pakistan", to quote Isphani, particularly after the publication of Field Marshal Ayub's book "Friends not Masters," which to quote Ispahani again, "appears to have put a royal seal on (Mirza's) mismanagement and inefficiency."

The interview was recorded in London on September 23, 1967, — nearly two years before Mirza's death. I'm grateful to Prof. Dr. Syed Zawwar Hussain Zaidi, of the History Department, School of African and Oriental Studies, London, for the transcript of the Mirza interview, which, at places, has been corrected in Iskander Mirza's own neat hand.

How did Iskander Mirza get into the Cabinet?

"....in 1954 September, I think you remember, one day you (Ispahani) came to the London hotel I was stying in" Iskander Mirza told Ispahani in his recorded interview, and told me: 'Let us go to the airport as the Prime Minister Mohammad Ali Bogra, is returning from the United States'. So I accompanied you to the airport, here we found that Mohammad Ali Bogra and Chaudhry Mohammad Ali and party had already arrived before us.

"As soon as Mohammad Ali Bogra saw us, he said: 'Don't you know there is a great deal of trouble in Karachi and they have just heard from one of the ministers — Mr Mallick — (perhaps, Dr A.M. Mallick of East Pakistan) on the telephone that the Governor-General Ghulam Mohammad is about to declare Marshal Law'.

"I knew nothing about it and was astounded. Just then Gen Ayub Khan also came from America and he also joined us. I told Ayub what I had heard. Ayub took me aside and said: 'Do not propose anything, because before leaving for America, I had been promised by the Governor-General Ghulam Mohammad that I shall be asked to take over the country'.

"I replied: 'Look, it would be a very stupid thing to do. He (Ghulam Mohammad) is a very sickman and you must not take everything he says seriously. Let us have time to see how things come about when we return to Karachi'.

"Then Mohammad Ali Bogra asked me if I could get a special aeroplane so that we could get back quickly. I tried to get a Canberra from the RAF, but it was not possible. So another aeroplane, I think it was an Argonaut, was placed at our disposal and we all, including Mr Ispahani (who was the Pakistan High Commissioner in London then) flew to Karachi — even without saying good-bye to our wives.

"On arrival at Karachi, we found an enormous crowd in an excited state and the amusing thing was that on the way Mohammad Ali Bogra asked me if I could arrange for some army to guard him at the airport. I suggested it could be arranged. I asked: 'But do you really think it is necessary?' He replied: 'Yes' as his information was that it would be very necessary.

"I telephone to General Musa by aerial telephone from the aeroplane to inform him that we were arriving at such and such a time and could he very kindly arrange for a Company in battle order to be ready on the airport to protect the Prime Minister.

"When we landed, we found a very excited crowd running here and there with the Director of Civil Intelligence running from one side to the other. The whole place was like a mad house.

"I then suggested to the High Commissioner, Hassan Ispahani to get hold of Bogra, put him in a car and take him to the Governor-General house and I would follow, later with the others.

"When we got to the Governor-General's house and Gen Ayub and myself went towards the Governor-General's room, there was no sign of Mr Ispahani and Mohammad Ali Bogra.

"When we got in there, we saw Chaudhri Mohammad Ali pacing the room and the Governor-General Ghulam Mohammad lying on the floor on a white sheet in a terrible state. He was almost foaming at the mouth and striking (his face) right and left. His face was red, and he looked really ill and not quite in his senses. We asked him what had happened, why he was lying on the floor and why was he in such a state

" 'Oh, I am very angry' Governor-General Ghulam Mohammad said, 'I want to get rid of this Government. I do not want to see the face of the Prime Minister. He has been disloyal to me and I want you to take over the country'

"I talked to him gently and said: 'Look, this is not the way to do things. What will the world say? You wait, Mohammad Ali Bogra must have come by now and he would come up and you must see him and have a heart-to-heart talk. You can settle things like this'.

"So, one of the sergeants was sent down and Mohammad Ali Bogra with Mr Ispahani entered the room. In the first moment I thought that the Governor-General was going to burst and would have a collapse. But grudaually he recovered and started talking, though he was still very furious.

"However, things came to a pass and they came to an agreement on the basis that a new Cabinet would be formed and the Assembly would be suspended and things would start de novo the next day.

"Chaudhri Mohammad Ali was running between the Governor-General and Bogra, trying to draft something for all, this to take effect the next day.

"The next day, Ghulam Mohammad gave a list of names of the persons he wanted in the Cabinet – that of Ispahani, Gen Ayub, myself (Iskander Mirza) and Chaudhuri Mohammad Ali, with Mohammad Ali Bogra as the Prime Minister. He told Bogra to select the others. So we sat down in the Cabinet room.

"A Government was selected and sworn in the next day. Our job was to try and clean up the administration as much as we could and to work for the bringing in of the new constitution so that the people may start having a share in the government of the country.

"This was our principal task, but before we could come to it, it was decided to have a sort of election. It was not yet understood on what basis and who were the electorate and it was a big task in my opinion.

"However, some of us were selected and some not and another Cabinet was formed after about six months and then the constitution-making started sincerely and Mohammad Ali Bogra had to go away as Ambassador, an assignment which he was very fond of.

"We also very unfortunately lost the services of Mr Ispahani who refused to be elected on the terms proposed. A few months after this, the Govenor-General got very seriously ill and it was quite impossible to do anything about his health, because he was suffering from paralysis, heart trouble and very high blood pressure. Doctors said that he must not continue as the Governor-General for the moment".

How did Chaudhri Mohammad Ali become the Prime Minister?

"The Cabinet decided that I sould act as Governor-General. But as soon as I took over as Governor-General, the question arose as to who should be the Prime Minister. Bogra was going to America as Ambassador and then Chaudhri Mohammad Ali, accompanied by Gurmani came to me and said that it is the opinion of the Muslim League party that Mr Suhrawardy, the leader of the Awami League, who had about 13 men in the Constituent Assembly, should be the Prime Minister.

"I said: 'It is a very peculiar way of starting a new Government, because in my constitution the largest party forms the Government and I really cannot understand how I can override this elementary provision'. I said: 'I am going to ask you, Chaudhri Saheb, to form a government. If you are not able to form the Government, then it is upto you to come to me and tell me that you have failed. You can't tell me to ask this man or that man to be Prime Minister.

"He then told me that he would like to be Prime Minister and work the constitution on which he had worked so hard, provided I talk to Mr Suhrawardy and try and get him round. I said: 'I will try'.

Opposition

"I went to Mr Suhrawardy's house and I talked to him and ultimately he agreed that he would not vehemently oppose Chaudhri Mohammad Ali's Government, but he will be in the Opposition but he will not be in the Government himself. I said: 'This ought to be enough for you Chaudhri Mohammad Ali' and he formed a Government. This Government brought in 'The One Unit Scheme' by which I mean that it was decided that the whole of West Punjab, Sind, Frontier and Baluchistan should lose their respective identities and merge into one province to be known as West Pakistan province".

Were you not one of the prime movers of 'One Unit'? Did you not use your influence, especially on Khuhro and others, to help form 'One Unit'?

Mirza replied, "I was sitting in the President's House when the telephone call came from Lahore and Dr Khan Saheb told me that he had formed a new party. I said 'what party?' He replied: 'I've formed the Republican Party'. I asked 'Why?' He said 'because I cannot trust the Muslim League. They have done me down and I have formed the new party!

"I asked: 'Who has joined your party?' He replied 'most of the members of the Muslim League'. So I expressed my surprise and I said that I personally was against the fragmentation of the Muslim League in this manner and I did not understand why this has been done 'and have you consulted Nawab Gurmani'? He replied, 'Nawab Gurmani is the man who put this idea into our head of forming the Republican Party'.

"Now when a Prime Minister of a country comes to the President and tells him to shoot him because he had made too many mistakes and is almost weeping, the only conclusion the President can arrive at is that the man has lost his nerves and is no longer able to continue as Prime Minister".

"So I said, 'Have you spoken to the Prime Minister, Chaudhri Mohammad Ali?' He replied, 'No. Why should I?' I said, 'When you are breaking a party, you might have talked to the Prime Minister, who after all is the head of the Muslim League Party'. He said. 'No. We have not talked to him'. So I said, 'You haven't been very wise. However, see what you can do and talk to him'.

"But in the meantime Chaudhri Mohammad Ali had also heard of this and he came to see me looking very sad and glum and said 'this is what they have done'. I said: 'I have no hand in it, Mohammad Ali. This is the hand of your great friend Gurmani. I am told that the whole conception is his. I have nothing to do with it and whatever anybody might say, I have nothing to do with it. I can't tell them to break the party; just as I could't tell them not to form the party. I cannot tell them to break it. It is for you as the Prime Minister that this thing dies in its infancy'.

"But he did not take any action and also the Muslim League members of the Punjab Assembly joined the Republican Party and when the vote of confidence in Dr Khan Saheb came, he won by one vote of the casting vote of the President who was also a member of the Republican Party and had been the Chief Minister of Khairpur State, Mumtaz Qizilbash.

"Chaudhri Mohammad Ali decided that he would not remain President of the Muslim Legue, but will make Sardar Abdur Rab Nishtar President. I was going on tour to the Chittagong Hill tracts. Before going I sent for Chaudhri Mohammad Ali and I said 'Look, you know Nishtar, perhaps, for ten years, I have known him for 25 years. Please listen to me and do not make him the President of the Muslim League or you will be in trouble'

"He is a religious fanatic and he will work against you behind your back and he will try and control the whole government as President of the Muslim League because he seems to think that he is no less a man than the Quaid-e-Azam.

"Chaudhri Mohammad Ali hummed and gave me no direct answer. When I was in East Bengal (I had returned from the Chittagong Hill tracts to Dacca), I got a telegram from Chaudhri Mohammad Ali requesting me to return to Karachi as early as possible as things were not going as well as they should and there was a Muslim League agitation on minor points

'I know him'

"So I returned to Karachi as quickly as I could, cancelling my tour to the Sunderbans and had talks with Chaudri Mohammad Ali, who said, 'You were absolutely right about Sardar Abdur Rab Nishtar and now I am having all sorts of trouble'.

"I said, 'this will increase — these troubles will increase because I know him (Nishtar)'. I said, 'Liaquat Ali Khan was a clever politician, why did he take the job of the President of the Muslim League when the Quaid-i-Azam died, because he knew that somebody else whosoever he appointed will try and control the Party through this organisation'.

"I said, 'He was a wise man and he kept that up and this was also kept up by his successors as Prime Ministers and you had no reason whatever to divest yourself of a very strong position in the country'. I said there is very little that I can do to help. However, we will have to go on. The agitation started. His house picketed, police action; disturbance was increasing and one day Chaudhri Mohammad Ali comes to my office and says; 'Please shoot me, I have made too many mistakes'.

"Now when a Prime Minister of a country comes to the President and talks him to shoot him because he had made too many mistakes and is almost weeping, the only conclusion the President can arrive at is that the man has lost his nerves and is no longer able to continue as Prime Minister.

"Just about then Nawab Gurmani also came from Lahore to see me on some problem and talking about Chaudhri Mohammad Ali I said, 'Things are not too good. This man who has brought the constitution has lost his nerves within a year and I do not think that it is fair on the country that he should continue as the Prime Minister'.

"Nawab Gurmani agreed so I then sent for Chaudhri Mohammad Ali and spoke to him. I said: 'Don't you think, you should resign and go to England for treatment?' He said: I have no money go to England for treatment.' I said 'that can be arranged by Government and I shall see that you get enough to have a proper treatment in London'.

"This was the first instalment I had of trying to run the 1956 constitution which I, from the very beginning told Chaudhri Mohammad Ali, will not work in this country. The constitution we had brought in was just like the British constitution but we had forgotten the main thing in the British constitution — the permanent Head of State. Countries like France which are far more educated and advanced than we are, have failed to run this sort of constitution and I was telling him from the very beginning to try and get some constitution which would run in the country and to this

"That night, at about two, I got a message from our Ambassador in Teheran, Gen. Reza, (saying) that the British Ambassador wanted to see me urgently. It was then four o'clock. In the morning when the British Ambassador arrived he said that the British Government had received information that the Pakistan Prime Minister had declared in an open meeting in Karachi that he was going to leave the Commonwealth."

end I also got an American to advise, but everybody was determined to have this constitution and now this is the first instalment. I said God knows what would happen in the future".

Old idea

Ispahani: "Iskander tell us why did you keep on changing Ministers and Prime Ministers as often as we change our singlets on a hot humid summer afternoon?"

"After Chaudhri Mohammad Ali had a breakdown ... I had to think whom to get as the new Prime Minister. I had a talk with Dr Khan Saheb and Nawab Gurmani and I said: 'I think that it would be better if we went back to the old idea of the Muslim League and got Mr Suhrawardy to form a Cabinet in cooperation with the Republican Party.

'Between them they had the majority to do so. The Hindu members could also support this coalition. They all agreed that a trial should be given. As in my opinion Mr Suhrawardy was a brilliant parliamentarian and a very clever man, I decided to give him a try.

'I sent for him and asked him, 'Would you be able to form a ministry in coalition with the Republican Party and the Hindu members of the assembly?' He said that he could quite definitely do so. Then I told him to go ahead and have a talk with Dr Khan Saheb, leader of the Republican Party, and see what he could do about it.

'He came back after a short time and said that he was ready and that he would give me the names of his Ministers the next day and accordingly his Cabinet was sworn in. He worked very well. He was the first man who had the courage to bring the issue of the Baghdad (Pact) in the Assembly and the motion supporting the Pact in parliament. He was very fond of touring outside countries and there were lots of troubles connected with them which I disregarded because he was carrying on the administration better than his predecessor.

"I had a long standing invitation to go on a State visit to Iran in late October 1956. Suhrawardy was then in America and was due to arrive the day after I left for Iran. But, on the evening of my going to Iran, I received a telegram brought to me by the British Deputy High Commissioner from his Prime Minister, informing me of the attack on Port Said and of the action they were going to take in regard to the Suez Canal.

'I expressed my surprise that I, as the Head of a Commonwealth country, was faced with a fait accompli and at a time when I am about to leave the country to go to Iran. But I said, I would try now to send a telex to His Imperial Majesty, the Shahinshah of Iran and request him to invite the Prime Ministers of Turkey and Iraq to come to Tehran to discuss the situation and therefore formulate a plan for joint action.

I sent the telex and before I left for Iran, in a few hours, I received an answer from Shahinshah of Iran telling me that the Prime Ministers of Turkey and Iraq were reaching Tehran during my visit.

"So I left Karachi at about 4 in the morning and reached Tehran at about 9. There I had talks with His Majesty and awaited the arrival of the Prime Ministers who arrived the same day at different times. There was the usual official banquet at the Gulistan Palace that night and, the next day, things began to move.

We started holding meetings with the Prime Ministers of Iran, Turkey and Iraq and with His Imperial Majesty in the chair. We discussed the situation. It was not an easy situation. As Muslims, our sympathies were with Egypt, our interest as members of the Baghdad Pact, was to take such action as would not disrupt the Pact and so we decided, after long discussion, to await developments.

That night at about two, I got a message from our Ambassador in Tehran, Gen Reza, that the British Ambassador wanted to see me urgently. It was then four O'clock. In the morning when the British Ambassador arrived and said that the British Government had received information that the Pakistan Prime Minister had declared in an open meeting in Karachi that he was going to leave the Commonwealth.

"I told the Ambassador that it was a great surprise to me. However, 'you may assure the British government that as long as I am President of Pakistan, we are not leaving the Commonwealth so easily and that I must have time to think what action I am going to take to undo the troubles created by that'. I asked the Ambassador to come at about 10 to 11 in the morning when I would be able to tell him what action I have taken.

As soon as the Ambassador left, I tried to go to sleep but I could not because I was worried. So I sent for the Military Secretary, gave him a letter to the Prime Minister, Mr Suhrawardy, and sent him to Karachi in my plane and asked him to deliver the letter on arrival to Mr Suhrawardy and the aeroplane should await the Prime Minister's orders.

"In the letter I had asked the Prime Minister that the situation here was rather difficult. As the Prime Ministers of all the other Muslim countries of the Baghdad

"When we got in there, we saw Chaudhri Mohammad Ali pacing the room and the Governor-General Ghulam Mohammad lying on the floor on a white sheet in a terrible state. He was almost foaming at the mouth and striking (his face) right and left. His face was red, and he looked really ill and not quite in his senses".

Pact were here, it would be better if he came as well.

"He arrived the next day. I saw him and said that his China visit seems to have completely changed him and it was the first time that I got an inkling that he was not a stable man because when he was in Tehran and the other Prime Ministers talked to him he was more for anti-Arab action than anybody else.

"After having delivered the speech in Karachi that he would leave the Commonwealth if Britain did not immediately evacuate the Suez Canal and Port Said areas, he was more with them than anybody else. So I came to the conclusion that I hadn't got a very stable Prime Minister in dealing with foreign affairs. He is likely to change at any moment. I kept this thought entirely to myself and we returned to Karachi as quickly as possible and cancelled our visit to Iraq.

Matters went on like this until suddenly one day Dr Khan Saheb and other members of the Republican Party arrived in the Government House to produce certain speeches of Mr Suhrawardy which he had made in different parts of West Pakistan attacking the Republican members. They said that it was impossible to cooperate with the man and that they wanted to get rid of him ...

"I remember that at that time there was a great deal of talk and rumours about corruption in the Ministry of Industries and Commerce which was forcibly put to me by Dr Khan Saheb. I said 'Well, when we talk with Mr Suhrawardy, we shall try and solve this problem too. The next day actually the whole day was taken up in clearing up the differences between Mr Suhrawardy and Dr Khan Saheb and we had almost cleared up everything and I said that I must get the signatures of you two on the new pact the next day and I would draft this pact ready by 11 a.m. and both of you must return.

"During the night I don't know what happened, Mr Suhrawardy before informing me sent a letter to one of the newspapers ... that he has demanded summoning of the Assembly and that the differences with the Republican Party were of no consequence as he has an absolute majority — he having 13 members of the Awami League in the Assembly.

"When I read this, I could not believe my eyes and just then a letter came from Mr Suhrawardy demanding that the Assembly should be summoned. I telephoned Mr Suhrawardy that it was a definite double cross: 'you came to an agreement with me yesterday that you would agree to the conditions of the pact, one of which was that Mr Abul Mansoor would leave the Ministry of Industries or Commerce which ever he was in. And now you have said that you are demanding the recall of the Assembly — without even informing me you put in the Press'.

"I said 'I now demand your resignation within two hours or I shall dismiss you.' He came and actually wept. He said: 'Please'. And I said 'nothing doing, you first put in your resignation'. So he put in his resignation.

"Now the funny thing is that shortly after he resigned and I induced the Muslim League to form a Ministry with the Krishak Proja party and the Hindus. Dr Khan Saheb went and joined Suhrawardy and they became very close friends. That was a very amusing episode for me and I could not have ever dreamt that Dr Khan Saheb would have done such a volte face; once demanding Suhrawardy's head on a platter and then going and joining him. However, I arranged the coalition between the Muslim League and the Krishak Proja and a Government was formed. This Government, I honestly tell you was the easiest Government to work with. They were honest, they were straight, not brilliant, but quite good, people.

Ispahani: "But who was the Prime Minister?"

"Mr I.I. Chundrigar was the Prime Minister and this Government in my opinion was working and for the first time I did not have worries every day. I had to go on a state visit to Portugal and Spain and so after seeing this Government work for about two months, I left for England and from there I went to France and from there to Portugal and Spain.

"While I was in Portugal, I started receiving telegrams from Mr Chundrigar that all was not well with the coalition and that the Republicans were again creating trouble. I did not take much notice. I finished my tour and came back to Karachi and I met Mr Chundrigar at the airport.

"I said: 'Look on the one hand you all say that the President is only for show, and on the other hand you make him do all the dirty work. Why can't you all solve the differences? Why should I come in all this?'

"He said that 'the situation demands your guidance and interference'. So I again sent in for Dr Khan Saheb and asked him: 'What is the trouble now?' They produced some speeches made by Mian Mumtaz Mohammad Khan Daulatana and Chundrigar in West Punjab in which they had strongly supported the Muslim League Party. Dr Khan Saheb said that this was going against the interest of the Republican Party and that they were creating the Muslim League Party over our head.

"I said: 'Look, the Muslim League Party has been in existence God knows for how many years. You are only a two-year show. Why should they not go round and gather support for their party .....

"I arranged a meeting with some of the leaders of the Republican Party to talk matters over. At this meeting, Sir Firoze Khan Noon and Muzaffar Qizilbash were present. I told them that I was really fed up to the back teeth with all that is going on. There was no reason for the Republican Party to have stirred up the trouble.

"I also told ... that the speeches cited by the leaders of the Republican Party as evidence for withholding support to Chundrigar did not impress me at all.

"Dr Khan Saheb was surprised that they did not. I repeated there was nothing wrong with the speeches and that they wanted to break the coalition on filmsy grounds and Dr Khan Saheb has gone and joined hands with Mr Suhrawardy and I simply do not understand all this.

"I said I would really like to resign and get out of the mess.... They got against Chundrigar who was an honourable man. He came and handed in his resignation as Prime Minister. I told Chundrigar that I did not accept his resignation. I will keep you for another month and see if I could get the Republican Party see reason.

"But what I saw was that Dr Khan Sahib and Suhrawardy were getting closer and closer. I could not understand this. I asked Dr Khan: 'One day you are kicking and the next day you become blood brothers'. He said, 'this is politics'."

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INDIAN DAIRY EXPERTISE FOR PAKISTAN LIKELY

Karachi BUSINESS RECORDER in English 17 Nov 82 p 2

[Excerpt]

BARODA: India experts are likely to be invited by Pakistan to help develop a modern dairy industry in that country reports UNI.

Two milk dairies are to be set up initially at Lahore and Karachi. The World Bank project will be set up with a capital of Rs. 50 crore.

Like "Operation Flood" of India, which was launched by the National Dairy Development Board (NDDB) about two decades ago, the Pakistan project will be funded through soft loans and gifted commodities which can be reconstituted into liquid milk and sold into urban markets.

A World Bank team led by NDDB chairman V. Kurien, had recently visited Pakistan to review that country's dairy and livestock sectors. Other members of the mission were Dr. W. Hardison (livestock specialist), Dr. M. Halse (marketing and management specialist), R. Nagar (rural development planning) and R. Dennis (dairy technologist).

Dr. Kurien told UNI 40 km. from here, that the World Bank had sought NDDB's assistance in implementing the project in Pakistan based on the World Bank team's recommendations. A final decision on this will be taken shortly by the Indian and Pakistani government, he said.

According to Dr. Kurien, indigenous milk production in Pakistan was estimated at only nine million tonnes annually even though it has some of the finest breeds of buffalo and cattle.

With urban demand growing faster than supply imports of milk powder and other products have increased by 12 per cent annually in Pakistan since 1975-76 and at present account for five per cent. of the national consumption, Dr. Kurien said.

India in the mid-sixties was in a similar situation when more than 80 per cent. of its milk powder requirements were being imported. But the position changed after the launching of Operation Flood. There has been no commercial import of milk powder for the last seven years, Dr. Kurien said.

He said that if dairying in Pakistan continued to develop haphazardly imports will rise to about Rs. 850 million by 1986.

In the circumstances, Pakistan's only option would be to take up development of milk production in rural areas and large-scale dairy and livestock units, he said.

As a first step, the Word Bank team has recommended the setting Dairy Federation (PACODAF), a federal body that will be owned by participating milk producers.

PACODAF will establish village level cooperatives in selected milksheds. These will be linked together to form provincial co-operative milk producers' unions, he said.

Officials from NDDB will help in the training of manpower and the establishment of spearhead teams to work in the villages, Dr. Kurien said.

The mission has also suggested the setting up of salvage farms to prevent the slaughter of buffaloes and their calves of high genetic potential from the milksheds of Punjab and Sind.

The team had stressed the need for a ten-year perspective plan for dairy development, primarily in the co-operative sector.

A typical milkshed district with 250 village cooperatives should have facilities for milk procurement, processing, urban marketing and buffalo salvage farms it said.

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RAILWAYS' DEVELOPMENT PLANS REVIEWED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 2

[Text]

In the overall economic development of the country, Railways have to play an important role which cannot be overemphasised. The Pakistan Railway Board which has finalised its sixth five-year development plan at its meeting held recently in Lahore, has rightly taken into account the country's requirements for quick and prompt movement of goods and passengers both. The programme which has been chalked out may look ambitious but it has got to be implemented, all the same. In certain spheres plans have been laid down to be executed in the seventh and even eight plan periods. For this the authorities of Pakistan Railways are to be complimented. They are taking a long term view of the country's requirements. But it is in the sphere of fixation of priorities where they have got to be very cautious. The development strategy of the Railways has to be framed in such a way that the areas where vast natural resources lie untapped, should be linked with the rest of the country on priority basis so that the country could derive the maximum benefit out of them. There are, of course, certain sectors where lack of proper transport facilities has been retarding further growth. The development of these sectors should also be taken up on priority basis. In this regard while endorsing the plan for laying double track from Karachi to Lahore, we would stress the need for the construction of an alternative track linking the southern parts with the northern areas of the country. At present, there is only one track which is being utilised to the maximum. Besides, from the defence point of view dependence on one single route is also unwise. Alternative routes have got to be built on priority basis which would also ensure prompt and quick transportation facilities, a prerequisite for development and expansion of economic activities.

Welcoming the establishment of industrial estates in the underdeveloped province of Baluchistan, we had made it clear that all such estates should be linked through a railway network. Linkage provided through road transport cannot cope with the accelerated development which is bound to take place there because of its vast mineral resources. Already the area of Hub is coming up as an important industrial centre. If plans are made to link this area through railway, it would go a long way in improving the standard of living of the people all around. Very often the mere existence of a railway link helps in building up important marketing and industrial centres. In this connection we welcome the inclusion of a programme in the next plan for extension of rail service from Sibbi, Kohsar and Bostan which would help in transportation of mineral wealth to other parts of the country. As the General Manager of the Pakistan Railways, A. U. Zafar has himself pointed out, these areas are full of coal and other minerals but due to unsatisfactory transportation full advantage of the natural wealth cannot be derived.

There isn't any doubt that the main source of income to the Railways is the transportation of goods and not the passengers, yet more attention has to be paid to improving the passenger service which at the moment is deplorable. Steps have got to be initiated to improve these conditions so as attain human norms. Yes, at the moment this service is anything but human. As regards the goods transportation, here also much remains to be done. Besides delays, the incidence of pilfrage is also alarming. Strict measures are needed to be taken in this regard. Above all, fares and freight rates are to be kept low. Like all other services, Railways has also been very liberal in increasing freights and fares in the past while the standard of services kept on deteriorating. In all future development plans it has to be kept in view that the costs are minimised so that the rates of service could be kept low.

Railways General Manager's lamentations that though the plan has been made and approved by the Railway Board, the Government has not yet informed the department about the availability of resources, are genuine. Since very little time has been left for the launching of the sixth plan, the Government should come out with the allocations to be made to this sector, so that priorities could be determined and ground prepard for the implementation of the development programme for the Railways.

CSO: 4200/178

LAND OWNERSHIP REDISTRIBUTION ADVOCATED

Karachi DAWN in English 19 Nov 82 p 15

[Text]

PLANNING and development is a difficult task in resource-scarce societies. But the optimism and enthusiasm that the Deputy Chairman of the Planning Commission has shown and the fast-paced public relationing that he has mounted for the ensuing Sixth Five-year-Plan engender the hope that the obstacles to rapid development will be overcome if we have a good plan and if we work hard to put it into execution. The Plan is now on the anvil and until it sees the light of day we have to go by the bits and pieces of information that Dr Mahbubul Haq has been supplying. In this context, one notes his observation that agriculture will be the pivot of the future plan's development strategy and will receive top priority. He has spoken of a major thrust towards the cultivation of fruits and vegetables for which vast scope is provided by the virgin lands of Baluchistan if only underground water sources could be tapped and harnessed. Together with the development of foodgrains cultivation, this can increase food exports ten times over the Plan period. Western economists and World Bank experts and technocrats have also asserted time and again that living standards can be improved in developing countries only if agriculture develops rapidly. They have also been specific that one of the preconditions for achieving this breakthrough is the redistribution of land. In other words, a structural change in land ownership is crucial to the development of agriculture.

In Pkistan, agrarian reforms were carried out in 1959 and 1972 but these measures proved largely cosmetic and did not lead to the liquidation of the vestiges of feudalism and the economic emancipation of the landless tenants and owners of holdings below the subsistence level, both together numbering several millions. The 1972 reforms appeared quite radical but the implementation was not genuine and, as such, benefited only a small number of landless tenants. Large landowners were able to retain their holdings through evasion and manipulation. In effect, successive governments have by-passed the question of breaking up the landed estates and transforming the unprivileged and dispossessed millions (the Mustazafeen) into smallholders. Instead, they have relied wholly on administrative measures in their effort to increase agricultural production. Concessions, subsidies, incentives and State patronage have induced large farmers to increase output and generate surpluses. Subsidised modern inputs like better seeds, fertilisers, irrigation water and preferential credit and extension services have been provided. However, these facilities have been preempted by possessors of large farms and by commercially-oriented farmers owning middle-sized farms, say of 50 acres and above. On the other hand, high costs of modern inputs and the imperative of credit-worthiness have kept these benefits inaccessible to the peasants who suffer from the disadvantages of poverty, illiteracy and lack of social clout as a group. The result is that, while the output and incomes of large and medium-sized farms have gone up substantially, those of the smaller farms have risen by a narrow margin. The income difference between the first category and the second has widened and continues to widen, thus increasing the social imbalance within the rural community. It is also to be noted that growth has been concentrated in such a low percentage of the farms that the overall national yield per unit of cultivation has failed to go up appreciably.

The social imbalance will have to be curbed and corrected if a true egalitarian society, as envisaged by Islam, is to be established. This will be possible only with the redistribution of land on a big scale. Without lowering the ceiling of land-ownership considerably and without reforming the tenancy system, technological advances are likely to aggravate the disparities of income and wealth among the rural population, thus accentuating class differences. The 1972 reforms, though implemented half heartedly, have already raised the expectations of the tenants and the poor peasants. Small farms are known for higher yield levels than large farms simply because the small farmers use their resources and land more intensively. It is on record that distribution of land in contries like Japan, South Korea and Egypt led to substantial increases in output. A study on Japan states that the land redistribution also helps capital formation because peasants are willing to sacrifice or postpone consumption when such an opportunity arises. There should be no fear that land redistribution in Pakistan will disrupt the system of production. For once, the concept of units of cultivation and units of ownership must be separated. Peasants owning small tracts can be grouped together in large units of cultivation with common facilities in order to increase production. At present, the position is reverse. There are small cultivation units but ownership units are big, enabling big landlords to keep idle land as a portfolio asset rather than as a production unit. The real issue is what should be done to liberate a large section of the rural population from the socio-economic stranglehold of absentee landlordism. This is the key to the wider adoption of modern husbandry and the participation of the bulk of the rural population in the task of national development. Over-reliance on growth in the kulak segment of agriculture may yield increases in overall output in time to come, but cannot achieve the kind of breakthrough Dr Haq has been talking about. Moreover, it will neither release the energy of the dispossessed millions nor produce a more egalitarian order in rural Pakistan. These are some of the issues that require a thorough and impartial examination in order to identify and determine the right priorities for the success of the Sixth Plan in relation to agriculture. While action to accelerate agricultural growth and increase exports is welcome, there must be a realistic and effective way to eliminate rural poverty and dependence. The basic question is whether commercial capital and technology can be a substitute for genuine agrarian reforms and distributive justice.

CSO: 4200/173

EXPLOITING THE SEA FOR FOOD AND ENERGY URGED

Karachi MORNING NEWS in English 20 Nov 82 p 4

[Editorial: "Exploiting the Sea for Food & Energy"]

[Text] The sea is a vast reservoir of food and energy, and its exploitation offers bright economic prospects, specially for the maritime States. Pakistan happens to be fortunately placed in this respect in that the potential organic wealth in the north Arabian Sea is estimated to be the highest in the world, and practically all of it remains to be tapped. Serious efforts are now afoot in Pakistan to explore its mairtime wealth. But, of course, the very basic need in this connection is to thoroughly probe it. Only then it would be possible to assess its potentials, and the most productive areas as also the ways and means to exploit it. The establishment of the National Institute of Oceanography last year has created a base for undertaking the exploration of the sea in a systematic manner. The Institute has already done much preliminary work in this connection, although in view of the gigantic efforts needed to undertake the task in a proper manner it is just the beginning.

The immediate measures needed to give a fillip to the exploration of Pakistan's maritime zone have been suggested by the conference on "Marine Sciences in Pakistan" which concluded its deliberations in the city a few days ago. The various experts, local and foreign, who participated in the conference recommended that to speed up research in the coastal areas of Pakistan and its 200-mile Exclusive Economic Zone. Pakistan must acquire two fully equipped research vessels and also establish on-shore laboratories. It also suggested that the National Institute of Oceanography should issue technical reports and encourage publication of scientific material. These, of course, are the very basic needs to undertake the task of exploration of the sea.

Pakistan's capacity to explore its maritime resources is limited by its financial difficulties and shortage of trained manpower. So far as creating a trained manpower for the purpose is concerned, the National Institute of Oceanography is contributing its mite. In July last, 26 candidates, who completed a three-month course on Oceanographic and Hydrographic Survey, were awarded certificates. Marine exploration requires a multi-disciplinary approach, and the study of the subject must be organised on that basis.

Addressing the recent conference in the city, Admiral Karamat Rahman Niazi, Chief of the Naval Staff strongly suggested the establishment of a college of Ocean Science and Technology to provide knowledge on the three main subjects: marine geology and geophysics, hydrography and fisheries technology. The establishment of such a college is obviously the basic requirement for creating a trained manpower to carry out the task of oceanic exploration ought to be undertaken on a priority basis. A number of states, including the USA, UK, Germany, Japan and some Muslim countries, have offered help to Pakistan in its efforts to explore and exploit the ocean. We hope, they would provide the necessary assistance, financial and technical, in setting up the proposed college.

So far, Pakistan has exploited the sea only for fishing purposes. But that is only an insignificant part of the benefits the ocean has to offer. Under the present circumstances, even the fishing prospects stand in danger of being diminished on account of the increasing pollution of the coastal waters of Pakistan. As a developing State Pakistan's need for energy will continue to grow, and it may be profitable to undertake the exploration of the ocean from this particular angle.

CSO: 4200/172

BRIEFS

AIRPORT BLAST CULPRITS IDENTIFIED--Lahore, Nov 12--The police have identified the two culprits who made a blast on the Lahore airport in the recent past but have not been able to arrest them since they are suspected to have fled away from the country, authoritative police sources said yesterday. Both the accused, whose names have not been disclosed, are connected with the terrorist organisation, 'Al-Zulifiqar', these sources said.--PPI. [Text] [Karachi DAWN in English 13 Nov 82 p 4]

MAZARI ON CONSTITUTION--Rahimyarkhan, Nov 13--Sardar Sherbaz Khan Mazari said the 1973 Constitution does not stand abrogated by the imposition of Martial Law. Talking to newsmen in Sadiqabad he also said he is making efforts for the restoration of democracy, enforcement of the 1973 Constitution, release of political detenues and holding of general elections. He emphasised that the political structure and the administrative machinery will not be acceptable unless there is people's participation in them.--PPI. [Text] Karachi DAWN in English 14 Nov 82 p 2]

AMBASSADOR TO EGYPT--Islamabad, Nov 13--The Government of Pakistan today announced the appointment of Syed Zafarul Islam as Ambassador of Pakistan to the Arab Republic of Egypt, says a Press Note of the Ministry of Foreign Affairs.--APP [Text] [Karachi DAWN in English 14 Nov 82 p 2]

ELECTRICITY FOR THE POPULATION--Multan, Nov 14: Nearly 80 per cent of the population of the country including rural areas would be provided electricity cover by the end of 6th Five-Year Plan in 1988, the Chairman of WAPDA, Maj-Gen Ghulam Safdar Butt said here yesterday. Addressing members of the Chamber of Commerce and Industry Multan he said that the rural electrification had been stepped up and 3,000 villages would be electrified each year in future also. He said that the WAPDA has proposed to the government to provide power to villages with 1,000 or more population in Sind and Punjab and 300 in NWFP and Baluchistan in the first instance. He said that problems of load-shedding and voltage fluctuations would be overcome almost in entirety by 1985. The present load-shedding of 600 megawatts would be reduced to only about 100 by that time, he added. He said that President Gen Mohammad Zia-ul-Haq had directed the WAPDA to attend to and rectify complaints of consumers regarding over-billing etc. without delay. Instructions, he said had been issued to the WAPDA employees to take immediate corrective measures.--AAP [Text] [Karachi BUSINESS RECORDER in English 15 Nov 82 p 4]

SAUDI ARABIA BIGGEST TRADING PARTNER--Saudi Arabia was the biggest trading partner of Pakistan during the financial year 1981-82 when the import from and export to that country amounted to Rs. 8,496.7 and Rs. 1,937.5 million respectively, leaving the balance of trade in favour of Saudi Arabia. Japan occupied the second position in trade partnership with Pakistan which was followed by the United States, Kuwait, U.K., West Germany, Abu Dhabi, China and Italy. These nine countries in total accounted for 68.8 per cent of the imports and 45.5 per cent of the total exports. The balance was adverse with all these countries. The Chart depicting in detail the figures of imports from and exports to these countries is given on back page. [Text] [Karachi BUSINESS RECORDER in English 18 Nov 82 p 1]

BAIZ BACK HOME--Karachi, 22 Nov--Noted Pakistani poet Faiz Ahmed Faiz has returned to Karachi after a long stay abroad. Mr. Faiz was in Beirut when Israel attacked the city and turned it into debris. With the help of PLO, Mr. Faiz was transferred to Damascus close to him, he will stay for a week in Karachi before going to Islamabad. [Text] [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

NDP LEADER ON PARTIES--Quetta, 22 Nov--An ex-Federal Minister and Joint Secretary of the defunct National Democratic Party (NDP) Saleh Mohammad Khan Mandokhel has said that the existance of political parties is sine qua non for the survival of the country. As such the political parties should be allowed to work within the four walls to convene their Central and Porvincial Committee meetings in order to reorganise themselves.... Talking to THE MULSIM today, he referred to the 1973 Constitution which had enough scope for a successful bicameral system. Adding that, there was nothing which could go against Islamic values. The provision for an Islamic Council has also been incorporated in that Constitution. Mr. Saleh Mohammad Mandokhel suggested that the present government should be wise enough to take the necessary decisions it self well in time, about the revival of political activities in the country, rather than leaving this task to the people. Because, he said, the country had a sad experience of the people's taking such decisions during the previous regimes of Ayub Khan and the defunct People's Party. He emphasised upon the need for uniformity of law in permitting the political activities to all the political parties, for the healthy growth of political sense among people. The country, he said, could not be benifited by imposing restrictions upon the movement of political parties, rather it could be harmful for country's future. [Text] [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

FERTILIZER PLANT PLANNED--Rahimyar Khan, Nov 21--A DAP fertilizer plant will be installed by Fauji Foundation at Machi Both near Sadiqabad at an estimated cost of Rs 200 million including foreign exchange. This was disclosed by Regional Manager Fauji Foundation Corporation Mian Azizur Rehman, while addressing a convention of FFC dealers and zamindars on the subject of "better supply and distribution of fertilizer during current rabj season," held in Jinnah Hall Rahimyar Khan. He said that this plant would be the

biggest plant in the country with it's production capacity of 1000 tons (2,000 bags) daily. The plant would be completed within two years span of time and the country will be self sufficient in DAR fertilizers with the operation of this plant he said. Mian Azizur Rehman said Fauji Foundation is already sunning the biggest urea plant in the country at Machi Goth which has been completed by the sources of our own country at cost of Rs 300.30 million. It's annual production capacity is 1.14 crroe bags of Sona Urea.--PPI. [Text] [Karachi BUSINESS RECORDER in English 22 Nov 82 p 6]

GRADE DEFICIT WITH W. GERMANY--Pak'stan'is deficit in trade with Federal Republic of Germany (West Germany) has swelled to all-time-high figure of more than Rs 2.30 million during last fiscal year. According to the figures Pakistian has been suffering trade deficit almost all fiscal years but it has never been so staggering as during 1981-82. A year earlier in 1980-81, Pakistan's deficit in trade with Germany amounted to about Rs 1.44 billion while it was only Rs 879 million in 1979-80. The main reason for this phenomenal rise in trade gap has been constant increase in imports from West Germany to Pakistan which amounted to about Rs 2.31 billion in 1979-80 and increased to Rs 2.70 billion the following year of 1980-81 and finally to Rs 3.32 billion during last fiscal year. As against this Pakistan's exports to West Germany has gradually decline from Rs 1.43 billion in 1979-80 to Rs 1.26 billion in 1980-81 and finally to lowest at a little than Rs one billion in 1981-82.--PPI. [Text] [Karachi BUSINESS RECORDER in English 22 Nov 82 p 6]

PROPOSAL TO RENAME ROADS--Lahore, Nov 14: The Director-General Lahore Development Authority, Maj Gen M H Ansani, has suggested to the Mayor, Lahore Corporation, to name certain city roads after the holy names of Khulafia-i-Rashdeen. The D.G. has in a letter to the Mayor suggested that certain roads in the Model Town extension scheme, the new Garden Town and Gulberg, without any particular name at present were causing inconvenience to the public. He has suggested that the Main Boulevard, Gulberg, should be named as Khyaban-i-Ali Murtaza, Allama Iqbal Town Main Boulevard as Khayaban-i-Umar Farooq, New Garden Town Main Boulevard as Khayaban-i-Usman Ghani.--PPI [Text] [Islamabad THE MUSLIM in English 16 Nov 82 p 6]

CSO: 4200/178

SLFP WILL NOT JOIN NATIONAL GOVERNMENT

Colombo THE ISLAND in English 12 Nov 82 p 1

[Text]

Mrs.Sirima Bandaranaike has denied that there is any truth in the publicity that the SLFP wants to join a National Government.

In a press statement, she said: "As President of the SLFP, I want to state clearly that the publicity being carried out by pro-government newspapers that the SLFP will join a National Government is not true, After our devastating defeat in 1977, attempts by Mr.J.R.Jayewardene to induce Mr.Maithripala Senanayake and me to join in a National Government were rejected by me.

Now, because of the economic crisis and the new hardships which will be imposed on the people in future, there is an attempt to give publicity to the hopes of Mr.J.R.Jayewardene to form a National Government. This is merely an attempt to make us partners in action which will be against the people. Those who approve this type of action and re joining the UNP saying they want to form a National Government must be branded as traitors of the people.

The present role of the SLFP is not to be a prop to the capitalist, new colonialist UNP but to join hands with all progressive forces and to defeat this reactionary Government. I wish to state that the SLFP is dedicated to this task".

CSO: 4200/174

MEASURES TAKEN TO KEEP RICE PRICE DOWN

Colombo DAILY NEWS in English 11 Nov 82 p 1

[Text]

Several measures to hold down rice prices in the open market have been taken by government. These include the recent reduction in the Food Commissioner's price for imported raw and parboiled rice.

Authoritative governmental sources said yesterday that a searching investigation ordered into the rise in the rice price, particularly in the Matara district, just before the presidential election has now been completed.

The Trade Ministry believes that the only way to hold down climbing prices, normal towards the end of the year, is for the co-operatives to obtain adequate stocks of rice from the Food Commissioner and the Paddy Marketing Board (PMB) at 'near normal prices'.

The availability of that rice in the co-ops will act as a price check on the free market.

The Food Department has already taken action to pass on the benefit of lower prices paid for procuring rice from abroad to the consumer by trimming its prices by 40 cents a kilo.

Imported raw and parboiled rice may now be obtained from the co-ops at Rs 5.75 a kilo, the Food Department said.

Meanwhile the PMB too, has moved to distribute both privately milled as well as PMB-milled rice to the co-ops, Marketing Department, Health Department, Port Authority, the Security Services and the estates.

PMB Chairman D.M.B Marapone said that they priced a 70 kilo bag of samba parboiled and raw rice at Rs 408/- Rs 390 and Rs 385 respectively.

Rs. 10 per bag of this rice issued wholesale from PMB warehouses, will be added to meet transport costs.

The PMB said that 2,000 tons of raw rice were distributed to co-ops in the Matara and Hambantota districts in October.

In addition to this the PMB had distributed some 8,000 tons of parboiled rice islandwide for two landwide for two weeks from the second week of October.

Meantime the Food Commissioner has sold 10,000 tons of rice to co-operatives and private traders throughout the island during October.

Mr. Marapone added that both PMB and the Food Commissioner have sufficient stocks to last till next January.

He appeals to consumers to buy this rice supplied at cheaper prices.

CSO: 4200/174

EDITORIAL URGES RELIEF FOR LOW INCOME EARNERS

Colombo DAILY NEWS in English 11 Nov 82 p 4

[Editorial: "The Cry for Relief"]

[Text]

For small mercies, much thanks: such possibly will be the reaction of most people to Finance & Planning Minister Ronnie de Mel's assurance that there will be no cuts in social welfare, no stripping of the food stamp scheme now in force.

Humanity will understand the burdens that face most governments in the world today. But it is manifestly the responsibility of all governments, seeking the support of their respective peoples, to weigh the burdens and trials of the latter, in turn.

The cost-of-living spiral, set in motion by the oil war, has wrought untold suffering on millions today. It may have brought plenty to oil producers. But for the moment, it has the rest of the world struggling for survival.

That struggle has taken its toll on our own people. It has had its effects on several sections of the community. Some of them, as the Finance Minister understands, just cannot meet the full cost of their daily bread.

The Mahaveli Scheme, the FTZ and several of the other well-planned schemes for Sri Lanka's development, may hopefully pull us out of our present plight. But no matter who rules today, the factors controlling world prices will lie beyond our control.

To the credit of the UNP, it has been able to obtain aid, grants and assistance on a scale that no other party is likely to match. That assistance provides immediate relief and gives impetus to reconstruction and development works.

But, while the poorest of the poor need relief on humanitarian grounds, there are several reasons why the island's work-force, why the middle classes, the workers, both white and blue, must also be granted some relief positive and immediate, if the nation's progress is not to be slowed down. For the middle classes are the sinews, the brain-power of any country.

Today, in Sri Lanka, thousands of them can hardly afford to pay the rents landlords demand for a modest dwelling. Taking advantage of the Government's open economic policy, landlords are demanding not just higher rents, but blood money. If there are sections of our people struggling harder than ever for an existence today, there are others who have never had it so good. Expense accounts, tax holidays, exemption from tax in the case of government servants—all go to cushion them for the least want.

What of those salaried classes whose very cost-of-living allowances put them under the taxman's guillotine?

It may help the Government, it may dispel much confusion to know what percentage of its revenue the Government expects to derive by its grip on the pay packets of those drawing less than, say, Rs.10,000 per month?

In today's climate, to tax a man whose sole income is a salary anything up to Rs.5,000 or Rs.7,500 is to squeeze blood from a stone.

Millionaires may not realise it, but lower down the scale, honest workers find the PAYEE tax something like the last straw that broke the camel's back.

Our tax system clearly needs wholesale review. As things are, the mercantile worker, on retirement, has even his gratuity slashed by the Inland Revenue Department. A token cut, it is sometimes called, in the fashion of fighting tribes who feel that the blades of the spears would rust without the smear of blood upon them.

Surely, on the eve of the referendum, it would be a tremendous return for the people's faith in the present government, if it could fix tax liablility at a more realistically higher point; if it would do away with cruel cuts on terminal benefits and do away with the blatant discrimination between a tax-free public service and a tax-burdened private sector.

A nation, no less than a man, can pay dear for small frugality.

CSO: 4200/174

HECTOR'S THREAT REPORTED

Colombo THE ISLAND in English 12 Nov 82 pp 1, 2

[Article by Peter Balasuriya]

[Text]

Mr. Hector Kobbekaduwe had told the supporters of Mr. Anura Bandaranaike that he did not need their support and threatened to 'deal with them' after the election, Mr. Basil Rajapakse, Private Secretary to Mr. Anura Bandaranaike, revealed yesterday at a press conference.

The press conference was called by Mr. Rajapakse to explain his decision to join the UNP.

Mr. Rajapakse said that President J.R. Jayewardene's success in the recent Presidential elections was a positive endorsement by the people of his sound economic policies and an appreciation of the achievements of the UNP government during the past five years.

Hailing the Presidential election as a unique one, politically, Mr. Rajapakse said hitherto the pattern was to change governments every five years, but this was the first time in the political history of this country that the people endorsed the policies of a government during the past five years and appreciated its achievements . This was due to the sound leadership of the country by President J. R. Jayewardene and a set of Ministers genuinely bent on the development of the country, irrespective of political affinities.

Associated with Mr. Rajapakse were Dr. Ranjith Attapattu, Health Minister, Mr. Jinadasa Weerasinghe, MP for Tangalle and Mr. T. D. Francisco MP for Mulkirigala, all representing electorates in the south.

Mr. Rajapakse added that up to last week he had no intention of leaving the SLFP which he had served for quite a considerable period. But judging by the UNP's proud record of achievements, he had come to the conclusion that it was the UNP alone which could save the nation and, therefore, took the decision on his own to join the UNP.

Mr. Rajapakse comparing the UNP with the SLFP, said that unlike the UNP, the SLFP had no proper leadership. This was due to divisions within the Bandaranaike family. The party was beyond redemption and it was only Mr. Anura Bandaranaike who could infuse the party with new life. Now that the late Mr Bandaranaike's policies had been thrown to the winds, people were eager to know what the SLFP's policies were. It was apparent the SLFP had no policy whatsoever for had they a policy, this would have been set down in a manifesto before campaigning for the Presidential election. Mr Kobbekaduwe went before the people without any clear-cut economic policy, criticising the open economy introduced by Mr Jayewardene's government.

Mr Rajapakse stated that the decision he took was a political one and denied he had any person motives to do so. Despite much friction, with some party members on the eve of nominations and even after, he continued to support the party.

Recalling an incident that took place on September 17, Mr Rajapakse said that he, along with 17 others, were summoned to Mrs Bandaranaike's residence to decide on the SLFP's Presidential candidate. He along with the rest opposed the nomination of Mr Kobbekaduwe and suggested Mr Anura Bandaranaike name. At this stage, Mr Kobbekaduwe had told them that he was not in need of their support and remarked he would take care of them after the elections.

Mr Rajapakse, replying to a question, stated he was aware that some party leaders had made certain pledges to the people in the North. These were pledges they would not have dared to make in the South, he added. Explaining the large number of votes for Hector Kobbekaduwa in the north, Mr Rajapakse said these votes were certainly not for Mr Kobbekawduwe. They were merely anti-UNP votes.

CSO: 4200/174

HECTOR FILES PETITION AGAINST PRESIDENT

Colombo THE ISLAND in English 12 Nov 82 pp 1, 3

[Article by Angelo Thanabalan]

[Text] Mr.Hector Kobbekaduwe, the defeated SLFP Presidential candidate late last evening filed a petition in the Supreme Court challenging the election of President J.R.Jayewardene at the Presidential Election on October 20.

Mr.Kobbekaduwe has cited Mr.Lalith Athulathmudali, Minister of Trade and Shipping and Mr.Harsha Abeywardena, General Secretary of the UNP as the second and third respondents, respectively. He has filed the petition in terms of Section 93(a) of the Presidential Election Act.

Mr.Kobbekaduwe in his petition has stated that Mr.Athulathmudali as Agent of President Jayewardene and/or with his knowledge or consent committed the corrupt practice of making or publishing, during the election, for the purpose of affecting the result of the said election, a false statement of fact in relation to his (Mr.Kobbekaduwe's) personal character or conduct in terms of Section 80(c) of the Presidential Act.

He states that Mr.Athulathmudali, at election meetings held in support of President Jayewardene, at Beruwela, Kalutara, Matugama and Bulathsinhala, on September 18, made speeches in which he had stated. inter alia, as follows or words to the following effect:-

"It was seen over the television at the handing over of the nominations who is the suitable person to be the President of this country. Mr.Kobbekaduwe without going to the Elections Commissioner to hand over the nomination papers, sent Mr.Ratnasiri Wickremanayake, the Party Secretary instead. Yet, it was possible for every one to view how modestly our President behaved on that occasion".

Mr.Kobbekaduwe contended that the statement made by Mr. Athulathmudali as the agent of the President and/or with his consent or knowledge was false and constituted a false statement of fact in relation to the personal character or conduct of himself (Mr.Kobbekaduwe) made for the purpose of affecting the result of the said election.

Mr.Kobbekaduwe has further stated that Mr.Harsha Abeywardena acting as agent of the President at the Presidential Elections along with the UNP caused to be printed, published and or distributed handbills or advertisements, placards or posters representing a ration book and containing a photograph of himself (Mr.Kobbekaduwe) and alleged to have been made by him as well as photographs and false propaganda material against the SLFP.

The said publication was printed published and distributed by Mr.Abeywardena and the UNP all over the country during the election campaign between September 17 to October 20, adds Mr.Kobbekaduwe.

He has also stated that the said publication does not bear upon its face the names and address of its printer and publisher which was an illegal practice under Section 85 of the Presidential Act and thus Mr. Abeywardena and the UNP as agents of President Jayewardene had committed the illegal practice of causing to be printed or distributed.

Finally Mr.Kobbekaduwe has stated that President Jayewardene was not duly elected or returned as President at the Election on October 20 and prayed for a declaration that the election of President Jayewardene was void.

PRIEST CONFESSES TO TERRORIST LINKS

Colombo THE ISLAND in English 24 Nov 82 p 1

[Article by Feizal Samath]

[Text]

Security forces probing the connections of Catholic priests in terrorist related activities in the North have found that Fr.Singarayer, presently under detention, had constant contact with terrorist leader Prabhakaran who is in India, Brigadier S.C.Ranatunge, Commander of the Security forces in Jaffna and Army's Chief of Staff told reporters yesterday.

Addressing a news conference at the request of the National Security Council, the Security chief said that Fr.Singarayer had under questioning admitted being deeply involved with Prabhakaran's group which was responsible for the Chavakachchen Police station attack.

Brigadier Ranatunge who was associated with Army Commander Tissa Weeratunge has briefed the Security Council on the recent incidents in Jaffna which led to the questioning of several Catholic priests. After the Council meeting, Brigadier Ranatunge was authorised by the Council chaired by Deputy Minister of Defence and Minister of Internal Security T.B.Weerapitiya to brief the Press on the events leading to the questioning of these priests.

Fr.Singarayer had been detained on an order issued by Mr.Weerapitiya for aiding and abetting Northern terrorists. The other priest Fr.Sinnarasa presently being questioned was also due to be detained on a similar order. The Jaffna University lecturer T.Nithiyananda and his wife who admitted to having kept the three terrorists injured in the Chavakachcheri Police station attack in their house for eleven days were also due to be detained.

The couple was currently being questioned at the Gurunagar Army camp, he said.

Brigadier Ranatunge did not rule out the possibility of the terrorists who attacked the Chavakachcheri police station last month, escaping to India. Intelligence reports, he said, have confirmed that the Prabhakaran group was responsible for the attack shich left three policemen dead and one terrorist badly wounded at the time of the attack who is believed to have died.

He said on information they searched Fr.Singarayer's residence and found cassettes, slides and literature relating to terrorist activity. It was also revealed that the priest had received Rs.1.1 million which was part of the money robbed by terrorists from the Neervely Bank. The money had been invested in finance companies and other areas of investment on a request by the terrorists whose identities are now known to investigators.

Altogether, six priests including Fr.Singarayer and Fr.Sinnarasa were taken in for questioning last week. Fr.Singarayer, the Security Chief said admitted to having connections with Prabhakaran since 1979.

Emissaries had often been sent from India by Prabhakaran to meet Fr.Singarayer. "He admits that he sympathises with the terrorists", Brigadier Ranatunge said.

Another Methodist priest Fr.Jayatillakeraja was also being questioned in connection with providing medical aid to the three injured terrorists.

Brigadier Ranatunge has briefed the Bishop of Jaffna as to the reason for the questioning of the priests. The Bishop had appreciated the efforts of the Security forces in investigating these terrorist activities, he added.

He lamented the lack of public co-operation in apprehending the terrorists. "If we have full public co-operation in supporting us in our efforts, terrorism can be easily controlled" he said.

A few civilians had also been detained, he said.

CSO: 4200/174

JAFFNA BISHOP PROTESTS ON DETENTION OF PRIESTS

Colombo THE ISLAND in English 24 Nov 82 p 1

[Article by D. B. S. Jeyaraj]

[Text]

The Bishop of Jaffna The Rev.Fr.B.Deogupillai has sent an urgent letter to the President Mr. J.R.Jayewardene, over the arrest and continuing detention of two Roman Catholic priests at the Gurunagar Camp by Security forces.

Copies of the letter have also been sent to the Prime Minister, Catholic Ministers and Members of Parliament, the Catholic Bishops' Conference, TULF Members and leaders of religious denominations throughout the country.

The Bishop in his letter has stated that some priests from his Diocese had been taken into custody like common criminals by Security forces in the North last week in spite of his (the Bishop's) offer to produce them for interrogation if and when necessary.

The Bishop says that the priests had been taken into custody under the cover of the Emergency and the obnoxious Prevention of Terrorism Act which had been condemned by organisations like Amnesty International.

The Bishop states that he vehemently protests against the violation of fundamental rights and also objects to the humiliation and pain of mind caused to the members of the clergy.

He also points out that two priests are being still detained and that moral pressure, intimidation and questionable measures are being adopted to extract confessions from them.

The Bishop requests that the priests be freed immediately and that they could be questioned under the provisions of normal law in the presence of lawyers if necessary.

CSO: 4200/174

ARMY BARES FACTS ON TERRORISM

Colombo SUN in English 24 Nov 82 pp 1, 13

[Article by Aruna Kulatunga]

[Text] Terrorists from hideouts in South India crossed the Palk Straits to mount the attack on the Chavakachcheri Police Station, Commander of the Security Forces in the North and Joint Chief of Staff, Brigadier Cyril Ranatunga, revealed yesterday.

At least eight of them returned after leaving their dead and injured behind, he told a news conference at Army headquarters.

His revelations came after the National Security Council met last morning to review the security situation in the country. The Council, Brigadier Ranatunga said, had directed him to bare details of findings made by the security forces in regard to involvement of members of the Catholic clergy with terrorist groups in the North. This is particularly in view of conflicting reports in the North.

The terrorist attack on the Chavakachcheri Police Station on October 27 led to the brutal slaying of three policemen and a civilian. The attackers later looted the armoury and removed all arms and ammunition.

At the news conference where Army Commander, Major General Tissa Weeratunga and other Army top brass were present, Brigadier Ranatunga gave details of the arrests of Catholic priests, particularly Father Sinnarayar and Father Sinnarasa.

The details ofiinvolvement of members of the Catholic clergy with terrorist groups were revealed exclusively in 'SUN' during the first two weeks.

Brigadier Ranatunga said: "The involvement of Father Sinnarayer in terrorist activities was known to the security forces for sometime. However, as investigations were extremely delicate, we did not move in until we were able to confirm all our information. We also had reports of arms and ammunition being hidden in holy places.

"On November 13, a team of CID detectives along with Army officials visited the Ashram at Columbuthurai, the residence of Father Sinnarayer. They recovered casettes and records along with pamphlets calling for a separate state of eelam for Tamils. At this time Father Sinnarayer was not present.

"We also found some documents which ultimately proved to be deposit slips for large sums of money in certain finance companies. At this time Father Sinnarayer had been in Colombo. We left a message for him and he reported to the Gurunagar Security Forces headquarters. He voluntarily reported to us.

"When we questioned him, we were surprised to learn that those deposit slips we found in his room were in reality the deposits of Rs. 1.1 million (out of Rs. 8.1 million from the Neerveli Bank robbery) carried out by Prabhakaran, a terrorist leader now living in South India.

"Father Sinnarayer on his own initiative volunteered the information that this money had been handed over to him immediately after the robbery for safe keeping. He had then deposited this money under the names of five different priests after obtaining signatures of these priests. Later a good part of the money had been withdrawn and handed over to Prabhakaran.

"When the news of the questioning of Father Sinnarayer and the other priests reached the Bishop of Jaffna, he was understandably extremely upset. He then requested an appointment with me to discuss the matter. However, I went to the Bishop's Palace and explained to him in detail why we had to take these steps. He then understood our position and was extremely disturbed by the involvement of Father Sinnarayer and other priests with the terrorist movement.

"The next day a delegation, including Bishop Deogupillai and the Bishop of Anuradhapura visited Fr Sinnarayar at the Gurunagar Army camp. Only one of our officers was present at this interview, and that was also at the request of the delegation.

"Following this visit, we further questioned the five priests and then it was revealed to us the involvement of Fr Sinnarasa, the Parish Preist from Delft. He had in his possession nearly one hundred thousand rupees of money from the Neerveli robbery. This money along with 69,000 rupees which was with Fr Sinnarayar was then handed over to us."

Brigadier Ranatunga then described the involvement of Fr Sinnarayar in the aftermath of the Chavakachcheri attack.

He said:

"Before the Chavakachcheri attack was carried out, the terrorists, in a highly professional manner had identified several contingency plans, including one to be put into action if any one of their members received serious injuries.

"The first step of this plan was to contact Fr Sinnarayar, who then contacted a coffee house owner in Jaffna town, who in turn procured the pethedrine pain killer injections.

"Then the terrorists proceeded to the house of Fr Sam Jeyatillekerajah a Methodist priest and forced him to contact his brother Dr Jayakularajah, the resident at the Methodist Nursing Home in Puttur. There the three injured terrorists had been treated by Dr Jayakularajah. However, no operations had been performed contrary to some earlier reports.

"From the nursing home, the terrorists proceeded to the house of Jaffna University Lecturer Nithyanandan, a house which they had earlier identified as a 'temporary nursing home'. Lecturer Nithyanandan's wife maintained contacts for some time with these militant groups, though the army did not have any prior information regarding her involvement.

"The injured terrorists had been harboured in this house for exactly eleven days, and had been removed just prior to the questioning of Fr Sinnarayar.

"None of the priests was ever taken into custody. They were only questioned regarding their involvement. In the case of Fr Donald Kanagaratnam, the Parish Priest of Vavuniya, he was asked to come to Gurunagar and as it was rather late when he arrived there, a service vehicle was dispatched to drop him at a friend's place in Jaffna for him to stay the night.

"In the case of Fr Sinnarayar, the Ministry of Defence served a detention order under the prevention of terrorism act, while we have applied for three more detention orders in respect of the Nithyanandan couple and Fr Sinnarasa. The CID has not yet concluded their investigations regarding Fr Sam Jeytillekararajah and Dr Jayakularajah and as such we are not in a position to say what would happen to them.

"One point that should be made very clear is that it is individuals who have had contacts with the terrorists and who have been involved with them and that the church as an institution has had absolutely no contact or involvement with terrorist groups."

The Brigadier also said that the situation in Jaffna had also contributed towards the prolongation of the emergency by the Security Council.

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END

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South and East Asia Report

No. 1231

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Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

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21 December 1982

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No. 1231

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BRIEFS

WAGE FREEZE--Australia is to have a wage freeze but the length of it will differ among the states. The commonwealth and the non-labor states--Queensland, Western Australia and Tasmania--will have a 12-month freeze while in the labor states--New South Wales, Victoria and South Australia--it will be for only 6 months. The decision was made after an all-day special premiers conference with the federal government in Canberra. The government presented a 21-point plan for economic recovery centering round a 12-month wage freeze. But treasurer Howard told the premiers there was no extra federal money available for job creation programs and no allowance for a catchup pay rise at the end of the freeze. However, from money saved by the wage freeze, the government proposed spending $300 million in creating 10,000 new jobs and there would be a scheme for the unemployed to earn extra money. The three labor premiers--Wran of New South Wales, Cain of Victoria and Bannon of South Australia--argued for a 6-month wage freeze and other concessions from the government. But Howard remained firm that the budget deficit could not be allowed to increase further. Originally estimated at less than $1,700 million, the government now has revised the [word indistinct] to $4,000 million to allow for increased unemployment and drought relief. Cain criticized the government for failing to do its economic homework. He said there had been no real evaluation of what would occur in either jobs or prices if everything fell into place in the 21-point recovery plan. [Text] [BK071013 Melbourne Overseas Service in English 0830 GMT 7 Dec 82]

CSO: 4200/198

PRESS REPORTAGE ON ERSHAD'S VISIT TO NEPAL

Dhaka Airport Remarks

Dhaka THE NEW NATION in English 11 Nov 82 pp 1, 8

[Text] Chief Martial Law Administrator Lt General H.M. Ershad yesterday indicated that Nepal's cooperation might resolve the issue of augmenting the dry season flow of the Ganges for collective benefit of the countries concerned.

The General was talking to newsmen at the Zia International Airport on the eve of his departure for Kathmandu on a three-day official visit to the Himalayan Kingdom.

He said the cooperation of Nepal for augmentation of the Ganges flow is imperative as "she is the source of the Ganges water. He would discuss with the Nepalese leaders the question of harnessing the water resources particularly in the context of augmentation of the Ganges waters, he said.

In this regard the CMLA referred to the recent statement of King Birendra in the Nepalese Panchayet and said it was a matter of satisfaction that Nepal was interested to share the Ganges waters with the other co-riparian countries.

Replying to another question, the General said he would hold the discussions with the Nepalese leaders on the Ganges waters in the light of the interest.

They said both Bangladesh and Nepal had agreed to maintain close contacts at the highest level. In this context the Bangladesh spokesman pointed out that the two countries were already maintaining such contacts at the top level.

Former Bangladesh head of state had visited Kathmandu twice--in 1977 and 1981, while the Nepalese monarch visited Dhaka in 1978 and 1980.

The spokesman said during hee talks held in a cordial and friendly atmosphere, the two sides found close similarity and identity of views.

Water Issue

Replying to a question, the Nepalese spokesman said the two leaders had also discussed the question of harnessing the water resources for regional benefit.

In principle Nepal is committed to the development of water resources both for regional and bilateral interest, he added.

Asked if Nepal would be involved in the process of sharing the Ganges waters, the Nepalese spokesman said it would definitely come up for discussion in the next meeting of Indo-Bangladesh Joint Rivers Commission in New Delhi next month.

Besides a Joint Economic Commission, Nepal and Bangladesh have five agreements in the fields of trade, transport, technical cooperation, Civil Aviation and culture.

The Joint Economic Commission, the Bangladesh spokesman said, had so far held three meetings and identified the areas of cooperation in various fields.

South Asian Forum

On the South Asian forum, the Bangladesh spokesman said the Foreign Secretaries of the seven countries would hold their next meeting in Dhaka.

Those present at the talks from Bangladesh side were Foreign Minister A.R. Shamsud-Doha, Agriculture Minister A.Z.M. Obaidullah Khan and Additional Foreign Secretary Reaz Rahman, from Nepal side present at the talks were Foreign and Water Resources Minister Padma Bahadur Khatri and Finance Minister Dr Y.P. Pant.

Red-Carpet Reception

Gen Ershad was accorded a red-carpet welcome when he arrived here this morning on a three-day official visit.

The CMLA, who is accompanied by Begum Roushan Ershad, was received at the Tribhuvan International Airport by the Nepalese Prime Minister, Mr Surya Bahadur Thapa and Mrs Thapa.

The other members of the CMLA's entourage include Foreign Minister Mr A.R. Shams-ud-Doha and Agriculture Minister Mr A.Z.M. Obaidullah Khan.

The panchkanyas (five girls) garlanded the CMLA and Begum Ershad to welcome the distinguished guests in traditional Nepalese way.

Gen Ershad was then conducted to a specially erected rostrum from where he took salute from a contingent of Royal Nepalese armed forces while the national anthems of both the countries were played.

After placing wreaths, the CMLA exchanged greetings with the people assembled there and talked to them freely, he also signed the Visitor's Book at the memorial.

Khatri Calls on Ershad

The Nepalese Foreign Minister, Mr Padma Bahadur Khatri called on the CMLA at the royal guest house "Shital Niwas" in the evening and stayed with him for some time.

Attends Reception

Gen Ershad attended a reception given in his honour by Nepalese Foreign Minister Padma Bahadur Khatri this evening.

Held at the royal guest house "Shital Niwas" where the CMLA is staying, the reception was attended by Begum Roushan Ershad, Foreign Minister Mr A.R. Shams-ud-Doha, Agriculture Minister Mr A.Z.M. Obaidullah Khan, Nepalese Minister Heads of diplomatic missions and elite of the city.

Text of Ershad 11 Nov Speech

Dhaka THE BANGLADESH OBSERVER in English 12 Nov 82 pp 1, 8

[Text] Kathmandu, Nov 11--The Chief Martial Law Administrator, Lt Gen H.M. Ershad today expressed his confidence that the friendship between Bangladesh and Nepal would endure and flourish as long as the peaks of mighty Himalaya stood proud and firm, reports BSS.

He was speaking at a civic reception given in honour of him and Begum Ershad by the Kahmaandu Nagar Panchayat at the Rashtriya Sabha Griha this afternoon.

The CMLA told the colourful reception that Bangladesh had always taken keenest interests in the development of Nepal. He lauded the progress made by Nepal in different spheres of life and said that the Nepalese people had taken "confident strides" towards creation of a society free from exploitation.

Earlier, on arrival at the Sabha Griha, the CMLA and Begum Ershad, now in Nepal on a three-day official visit, were received by the Pradhan of the Nagar Panchayat Mr Kama. Chitrakar and his wife.

They were given a warm ovation by the members of the Nagar Panchayat, all of whom presented them with bouquet amid applause from the audience.

The Bangladesh leader was presented with replica of the Nagar Panchayat, a national cap of Nepal and replica of a sword.

Referring to remarkable progress made by Nepal, the CMLA said constitutional provisions were geared to ensuring class coordination and a decentalised administration that could reach all sections of the Nepalese people.

The CMLA was then introduced to the Chief Justice of Supreme Court and Mrs Khatri, the Chairman of the Nepal Panchayat (National parliament) and Mrs Singh, Ministers, heads of diplomatic missions and high ranking civil and military officers.

The airport was tastefully decorated with the national flags of both the countries, festoons and buntings.

The airport ceremony over, Gen Ershad, accompanied by Prime Minister Thapa drove in a ceremonial motorcade to the royal guest house--Shital Niwas--where he will be staying during his visit.

Welcome banners inscribed with "Long Live Nepal-Bangladesh Friendship" were hung and national flags of both countries fluttered at several vantage points along the two-mile route from the airport to the guest house.

School children stood alongside the road with miniature flags in hand to greet the distinguished guest from Bangladesh.

Message to Indira

Earlier, while overlfying Indian teritoryy on his way to Nepal, Gen Ershad sent a message of greetings to Prime Minister Mrs Indira Gandhi wishing continued peace, progress and prosperity for the friendly people of India.

The CMLA also conveyed his best wishes to Mrs Gandhi for her personal health and happines.

Press View

Meanwhile, the Nepalese newspapers today welcomed the visit of the Chief Martial Law Administrator, Lt Gen H.M. Ershad here saying that it would further strengthen the already existing good bilateral relation between the two countries.

Leading newspaper, the Rising Nepal said that the visit of the CMLA was "entirely befitting for the two who not only share similar aspirations for peace, stability and development but also subscribe to such exemplary doctrine of international conduct as mutual respect to each other's sovereign equality and non-inter erence to each other's domestic affairs."

The Rising Nepal and the Gurkhapatra, published front page stories with photographs if the CMLA and Begum Ershad welcoming their visit.

Visits Martyrs Memorial

In the afternoon Gen Ershad visited the Martyrs' Memorial at Tundikhel in the city and placed wreaths there.

The memorial is dedicated to the martyrs who laid down their lives for the cause of democracy in 1951.

"We, in Bangladesh," the CMLA said, "have taken keen interest in this process, particularly the three-tier structure of the Panchayat system with the village and town Panchayats at its base and the Rashtriya Panchayat the unicameral legislature at the apex."

Gen Ershad pointed out that the primary aim of his government was to ameliorate the welfare of the ninety million people of Bangladesh.

He said the Government in the seven months since it assumed office, had dedicated itself with total commitment to the task of national reconstruction. The key to this policy, he said, was to achieve administrative decentralisation by taking the Government closer to the people.

The CMLA said with this end in view thana would be transformed into the basic unit of administration in Bangladesh. "It is from here that we can direct and channelise our developmental efforts for the benefit of the 68,000 villages of Bangladesh," he said.

Gen Ershad told the reception that far-reaching measures had already been initiated in all spheres of activities. "Reforms in our judicial and educational systems have been instituted," he said, adding steps had also been taken for improving social welfare, health and population control.

The CMLA expressed his firm belief that given the resolve and dedication of "our people born out of sacrifice and suffering, we shall succeed through perseverance." He said Kathmandu is a city which palpably demonstrates the unique blend of a rich past, a vibrant present and a promising future which, he observed, the Nepalese nation was engaged in building under the dynamic leadership of King Birendra Bir Bikram Shah Dev.

In his address of felicitation to Gen Ershad, the chief of Kathmandu Nagar Panchayat said, "We feel honoured and proud to say that Bangladesh is one of the first countries to welcome heartily the historic call of King Birendra for regional cooperation for the utilization and development of water resources."

He said development of waterways was the need of the hour to facilitate all viable transports in Nepal facing difficulties in development because of her landlocked nature.

Following is the text of speech by Chief Martial Law Administrator Lt Gen H.M. Ershad at the civic reception given in his honour by Kathmandu Nagar Panchayat on Thursday:

Mr Chairman, Members of the Kathmandu Nagar Panchayat, Citizens of Kathmandu, Excellencies, Ladies and Gentlemen.

I bring to you the friendly greetings and good wishes of the people of Bangladesh.

My wife and I and the members of my delegation are deeply touched by your open-hearted welcome and generous hospitality. They are an eloquent testimony to the deep and abiding friendship between our two nations and peoples. This is a memorable occasion which I shall truly cherish. As I look around this beautiful and historic valley nestled in the lap of the Himalayas, I cannot but be impressed by the vision inspired by the soaring peaks surrounding us. A vision of peace, progress, stability in permanency for this great country of Nepal--the proud sentinel of our own South Asian region.

It gives me immense pleasure to be here in this historic city of Kathmandu with its abundant cultural and artistic riches where the modern mingles with traditional and growth is everywhere evident. Indeed, Kathmandu is more than the capital of Nepal. It is not only the seat of the Government and the main centre of commerce, crafts, education and industry, but Kathmandu symbolises the growth of the Nepalese Nation, its pride and indomitable spirit, the unity of its people among diversity and its fiercely independent heritage. It is a city which palpably demonstrates the unique blend of a rich past, a vibrant present and a promising future. A future that this great Nation is engaged in building under the dynamic and enlightened leadership of His Majesty King Birendra Bir Bikram Shah Dev.

As a close neighbour of Nepal with centuries of uninterrupted contact between our peoples, Bangladesh has always taken the keenest interest in the developments in Nepal. We have watched with admiration the remarkable progress achieved in various spheres of life--social, political and economic. Confident strides have been taken towards the creation of a society free of exploitation. Constitutional provisions are geared to ensuring class coordination and a decentralized administration that can reach all sections of the Nepalese people. We have taken keen interest in this process and particularly the three-tiered structure of the Panchayat System with the village and town Panchayats at its base and the Rashtriya Panchayat--the unicameral legislature at the apex. A system that conforms to the genius of the people of Nepal and its time-honoured traditions.

We in Bangladesh also, in our twelve years of independent nationhood, have passed through difficult and challenging times. Our primary aim remains that of ameliorating the welfare of our 90 million people, the great majority of whom live in rural Bangladesh. This Government in the seven months since it assumed office, has dedicated itself with total commitment to the task of national reconstruction and upliftment of our people. We mean to ensure to our people their rightful participation in the Government which must be so geared as to respond effectively to their needs. The key to this policy is to achieve administrative decentralisation by taking the Government to the people. To this end we will be transforming the Thana into the basic unit of administration in Bangladesh. It is from here that we can direct and channel our developmental efforts for the benefit of the 68,000 villages of Bangladesh.

Far-reaching measures have already been initiated in all spheres of activities. Reforms in our judicial and educational systems have been instituted, measures for improving social welfare, health and population control and for mobilising our abundant human and natural resources have been generated--measures that will effectively contribute to the building of a society free from hunger and deprivation. It is our firm belief that given the resolve and dedication of our people borne out of sacrifice and suffering we shall succeed through perseverance.

Mr Chairman, our two countries are bound by countless affinities arising out of geography, history, common culture, traditions and shared perceptions. Our contacts and interaction in all aspects of human endeavour date back from time immemorial. We have common problems, common aspirations and a virtual identity of views on all issues of global and regional concern.

Today our priorities are clear-cut. At home we must lay the foundations of peace through mutual trust and cooperation with all our neighbours. Each of us have a legitimate stake in the other's welfare and we must redouble our efforts to remove past differences if any, and to build for tomorrow new ties of confidence and understanding. Regionally, we must create an environment of peace through structured cooperation and maintain the momentum in making this process of cooperation self-sustaining so that our region can be free from conflict and an area of constructive good-neighbourly relations. Internationally, our consistent commitment to the United Nations Charter and the Non-Aligned Movement obliges us to exert our utmost efforts to lessen international tension and seek constructive solutions to critical issues that divide and threaten our world. It is through our joint efforts that we can strengthen the rule of international law and give meaningful substance to the interdependence of our global society.

As we stand at the foot of these mighty mountains, humbled by their majesty, we are confident that as long as these peaks stand proud and firm, the friendship between our two countries and peoples will endure and flourish.

Thank you.

CSO: 4600/1348

LEADERS SEND CONDOLENCES ON BREZHNEV DEATH

Chowdhury, Others

Dhaka THE BANGLADESH OBSERVER in English 12 Nov 82 pp 1, 8

[Text] President Ahsanuddin Chowdhury has condoled the death of Soviet President Leonid Illyich Brezhnev, reports BSS.

In a message to the Presidum of the Supreme Soviet of the USSR, President Ahsanuddin said: "We have been deeply grieved to learn about the passing away of his excellency, Mr Leonid Illyich Brezhnev, President of the Supreme Soviet of the USSR.

"The government and the people of Bangladesh share the sorrows of the Soviet people at this hour. Please accept our most sincere condolences at your great national loss."

Our staff correspondent adds: different political parties have issued statements condoling the death of Soviet leader Leonid Brezhnev.

Mr M.A. Matin, Acting President of Bangladesh Muslim League (Sabur), in his statement said that the present problem-ridden world lost a great leader in the death of Soviet leader Leonid Brezhnev. He said that the world now full of conflicts had lost a great leader and only the future could say when this loss could be met up. He expressed his condolences to the people of the great Soviet Union.

Professor Muzaffar Ahmed and Pir Habibur Rahman, President and General Secretary of National Awami Party (Muzaffar) in a joint statement said that the peace-loving people all over the world would remember the glorious contribution of President Brezhnev to world peace, detente and disarmament. He was the dependable and trusted friend of the oppressed and exploited and an undaunted fighter for peace, independence and socialism.

The Executive President, Mr Khabiruddin Ahmed and General Secretary Mr Abdullah Tark of Bangladesh Chhatra Samity, in a statement condoled the death of Soviet President Brezhnev and expressed their deep sympathy to the people of the Soviet Union.

Ershad Message

Dhaka THE NEW NATION in English 12 Nov 82 pp 1, 8

[Text] The Chief Martial Law Administrator, Lt Gen H.M. Ershad, has sent a message condoling the death of Soviet President Leonid Illyich Brezhnev, reports BSS.

The CMLA, now on an official visit to Nepal, said that the late Soviet President, during his long leadership had undoubtedly influenced the course of developments in the Soviet Union as well as the outside world.

The CMLA's message sent to the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republic said:

It is with a sense of profound sorrow that we in Bangladesh have received the news of the sad demise of His Excellency Mr Leonid Illyich Brezhnev, Presidium of the Supreme Soviet of the USSR.

"During his long leadership, he has undoubtedly influenced the course of developments in the Soviet Union as well as the outside world.

"At this time of your national bereavement, I wish to express on behalf of the government and the people of Bangladesh and on my own behalf our deepest condolences and most sincere sympathies to the government and the people of the USSR."

President

President Ahsanuddin Chowdhury has condoled the death of Soviet President Brezhnev.

In a message he said: We have been deeply grieved to learn about the passing away of His Excellency, Mr Leonid Illyich Brezhnev.

"The government and the people of Bangladesh share the sorrows of the Soviet people at this hour. Please accept our most sincere condolences at your great national loss."

CSO: 4600/1348

PLANNING BODY FOR ISLAMIC FOREIGN MINISTERS MEETS

Dhaka THE BANGLADESH OBSERVER in English 2 Nov 82 p 1

[Text] A National Committee headed by Chief Martial Law Administrator Lt Gen H.M. Ershad, has been formed to oversee the preparation of the forthcoming Islamic Foreign Ministers' Conference to be held in Dhaka by the second half of December 1983.

The first meeting of the National Committee will be held today (Tuesday).

The high-powered National Committee includes Rear Admiral M.A. Khan, DCMLA Foreign Minister Mr A.R.S. Doha, Works Minister Major General Abdul Mannan Siddiky, Industries and Commerce Minister Mr Shafiul Azam, Home Minister Major-General Mohabhat Jan Choudhry, Finance and Planning Minister Mr A.M.A. Muhith, Information Minister Syed Najmuddin Hashim, local Government Minister Mr Mahbubur Rahman, PSO to the CMLA and the Chief of General Staff of the Bangladesh Army.

Mr Faruq Ahmed Choudhury until recently Bangladesh Ambassador to Brussels will act as the Member Secretary of the National Committee. He will also be the Chief Coordinator of the forthcoming Islamic Foreign Ministers' Confrence.

The 14th Islamic Foreign Ministers' Conference will be the biggest international moot to be held in Dhaka. And to conduct the conference properly the government is preparing for it well ahead of time.

Besides, the National Committee which will work under the personal direction of the Chief Martial Law Administrator nine other sub-committees have also been formed. Eight of the nine sub-committees will be headed by the Cabinet Ministers and the other one will be headed by the PSO to the Chief Martial Law Administrator.

The nine sub-committees formed are on confererence hospitality, conference centre security, Press and publicity, city development and civic reception, trade fair transport, cultural and telecommunication.

The proposal for making Dhaka the venue of the 14th Islamic Foreign Ministers Conference was made at the Baghadad conference and was confirmed at the last Islamic Foreign Ministers Conference held in Niamey.

A special cell in the Ministry of Foreign Affairs for the conference has been created.

Over six hundred persons including delegation members, media representatives will be coming to Dkaha. Besides, a large part of the Islamic Secretariat will move to Dkaha to provide the logistic support.

The conference will be held at the new Parliament House. Arrangement is being made for simultaneous translation of the proceedings in Arabic, French and English, the official languages of the Islamic conference.

CSO: 4600/1329

LABOR MINISTER REPORTS ON VISIT TO ARAB GULF

Dhaka THE BANGLADESH OBSERVER in English 6 Nov 82 pp 1, 16

[Text] The Government has decided to open two missions, one each at Oman and Bahrain with the objectives of strengthening bilateral relations with the two countries and getting more job opportunities for Bangladeshis there.

Disclosing this to BSS, Air Vice Marshal (Retd) K.M. Aminul Islam, Minister for Labour and Manpower, said that formalities in this regard were being cleared. At present Bangladesh has no mission in Jordan, Bahrain and Oman, he added.

The Labour Minister who returned to Dkaha on Monday from Dubai after a month long visit to UAE, Qatar, Bahrain, Kuwait, Jordan, Oman and Saudi Arabia pointed out that in the absence of our missions Bangladeshis working there found themselves in great difficulty in solving their numerous problems including remittance of their money and renewal of passports. For lack of legal channels many felt constrained to send their income home through "hundi system."

In reply to a question, he said that more than 20,000 Bangladeshis were now working in Oman. Their number in Bahrain and Jordan stood at seven thousand and five thousand respectively. The setting up of missions in those countries would enormously boost employment opportunities of our nationals besides solving many day to problems of those already working there.

Air Vice Marshal Islam said that he had signed a memorandum of understanding with Oman on the employment of Bangladesh nationals during his visit there. Jordan was also willing to sign a bilateral agreement with us on the employment of Bangladeshis there and it had put up a draft on this matter for our consideration.

Describing the visit as fruitful he noted that the prospect of boosting employment opportunities in seven Middle Eastern countries was very bright. This prospect is not diminishing, rather it is going on at the same level as before, he said.

The Labour Minister who in course of his visit to the Middle Eastern countries held discussions with his counterparts and personnel of other ministries and agencies connected with manpower employment and employers in the private sectors said that his mission aimed at improving promotion activities for increased employment opportunities for our nationals and finding out problems being faced by the Bangladeshis in those countries. He was of the view that constant promotional efforts would help increase employment opportunities of the Bangladeshis in those countries. What we need most at the moment is to have constant liaison with these countries at all levels, he said.

The Minister was happy to note that there was a great deal of goodwill in those countries for the people of Bangladesh. All the authorities and employers concerned he had met expressed their satisfaction to him at the conduct and performances of the Bangladeshi employees. The employers of the Middle Eastern countries were particularly happy with the Bangladeshi workers as "they are very much law abiding, obedient and disciplined and they do not create law and order situation."

Summing up his tour impression, the Minister said that the visit had helped establish direct rapport with the important personalities of the private sectors in thosecountries and it would be easy for Bangladeshi missions at those places to maintain direct liaison with the appropriate agencies. From now on appropriate delegations from Bangladesh would be visiting the Middle Eastern countries to sustain promotional activities on employment of Bangladeshi nationals. Appropriate delegations from those countries would also be visiting Bangladesh on regular basis for recruitment of manpower. Delegations from Jordan and Oman would come to Bangladesh soon to streamline the process of recruiting our people, he added.

CSO: 4600/1338

PEOPLE WARNED AGAINST 'SURREPTITIOUS ACTIVITIES'

Dhaka THE BANGLADESH TIMES in English 3 Nov 82 p 1

[Text] It has come to the notice of the Government that some elements are trying to indulge in activities of a political nature, including holding of meetings and distribution of leaflets under cover of and in the name of social, cultural or religious functions. They are trying to utilise seemingly innocent gatherings to promote their political aims and objectives at a time when all political activities are prohibited under Martial Law, says a handout.

The Government cannot but take a serious view of the matter and would like to remind all concerned that taking out processions, raising of slogans, holding of meetings of a political nature and distribution of leaflets containing political materials are punishable under Martial Law Regulations. Any violation of such Regulations on one pretext or the other cannot be ignored by the Government which has the responsibility of ensuring tranquility and security of life of the peace-loving citizens. In the event of wilful violation of any Martial Law Regulation or Order, the Government will have no option but to set in motion the provisions of the law for taking care of such violations.

CSO: 4600/1331

CONVICTED SPY SENTENCED TO 5 YEARS IN PRISON

Dhaka THE BANGLADESH OBSERVER in English 17 Nov 82 p 1

[Text] The Special Martial Law Court No 1 Zone--A. Dhaka has found Md Akbar Ali of village Bouglarkuthi P.S. Bhurungamari district Rangpur guilty under Sections 3 and 9 of the Official Secrets Act 1923 read with Special Powers Act 1974 and sentenced him to suffer R I for 5 years, reports BSS.

Another accused, A. Karim, was found not guilty and was acquitted.

According to the case story on 20 November 1978 a patrol party found two persons talking near the international border at Bhurungamari. challenged one of them fled away across the border and the other was caught from a nearby house inside Bangladesh where he was hiding. The man named Sakander was arrested and some papers and a secret document was found in his possession and seized. During investigation Sakander died. Some letters appear to have been written by accused Akbar Ali, was also seized from him.

Accused Akbar Ali who is son of deceased Sakander Ali made a confessional statement before a magistrate admitting that he used to send information to a foreign country and that he actually sent the document seized from his father near Bhurungamari border.

The court found that accused Akbar Ali not only divulged official secrets but was also engaged in the heinous act of espionage sending vital inform tion to a foreign country endangering the defence of the state. The seized letters showed that the accused had intimacy with some foreigners and that he was in correspondence with them.

As such he deserved deterrent punishment but considering the fact that he had already suffered imprisonment in the hajat for about 4 years he was awarded the sentence of R I for 5 years.

Nine prosecution witnesses were examined in the case. The prosecution was conducted by the Chief Special Public Prosecutor and Deputy Attorney General Mr Maqsudur Rahman assisted by Special Public Prosecutor Mr Rafiuddin Ahmad.

CSO: 4600/1349

DISAGREEMENT ON POSITION OF THANA CHAIRMEN NOTED

'NEW NATION' Report

Dhaka THE NEW NATION in English 4 Nov 82 pp 1, 8

[Article by Matiur Rahman]

[Text] The model structure for the proposed thana administration has undergone drastic changes vesting more powers and authority to the bureaucrat and member of the setup.

According to the changes the chairman to be elected by the local people will be a mere figurehead at the top of what is called thana parishad virtually with no effective power or control over the thana administration.

A government notification issued recently to different ministries carried an annexure showing the deviation or departure from the government's much-publicised scheme of moving the administrative unit from the district to the thana level.

The notification carried the annexure showing a weighty position for the newly posted 'commissioner' who will have total control over the other thana level officers and their setup.

According to the notification the thana police has been given an independent status along with the thana judiciary. The original scheme prepared after the review of the administrative reorganization and reforms committee's reports included thana police under the new administrative setup as its subordinate functionary.

The original scheme visualised by the martial law government provided that an elected chairman through numerous functional or subject committees comprising officials of other departments will run the thana administration with the help of the executive body of thana parishad. The commissioner will work as his staff officer to help run the administration properly.

There was no mention of such functional committees either in the notification or its annexure. Rather all the thana-level officers have been placed directly under the thana commissioner who is also empowered to write annual confidential records of the officers of functional groups.

The new annexure which did not define any specific position to be occupied by the elected chairman in the thana setup showed neither any direct or indirect link with other thana working officers thus setting him outside of the chain of command of the thana administration.

The original plan for thana administration under "reorganization and reforms of administration" had provided that the chairman to be elected by the local people would be the chief executive and chief of coordination in all local matters including development of a thana.

The annexure showed eleven thana level officers such as circle officer (revenue), medical officer, education officer, health and population officer, engineering officer, Ansar and VDP head, agriculture officer, cooperative officer (Regulation), cooperative officer (development), livestock officer and fisher officer--all will be placed directly under the newly-posted commissioner.

It is learnt four more officers will be posted at thana level soon and they are mass communication officer, statistics officer, social welfare officer, and rural development officer.

An official source indicated that five to six more officers might be posted at thana level in the near future.

An educationist pointed out to this correspondent that the government had launched crusade against corruption and in doing so it wanted to decentralise the administration giving it a democratic foundation at the grassroots level. But the new setup with a government servant at the top will open "flogate" of corruption. All his subordinate officers will not bother about the welfare of the people.

It is further learnt that the thana commissioners will be directly linked with the establishment and cabinet divisions.

Initially 45 thanas in different districts are going to the new administrative setup from November 7. Another 55 thanas will be upgraded by December next. The rest 346 thanas of the country will be brought under the new administrative setup by the end of next year.

The government is contemplating creating another elective post--vice-chairman--for the thana parishad. If decision to this effect is taken both chairman and vice chairman for thana parishad will be elected together directly by the people.

As soon as the government makes up its mind, election commission will be given the green signal for holding the election for the local bodies probably by the end of next year.

A highly placed source told this correspondent that about 40 lakh voters would be enrolled when new voter lists would be prepared by the election commission before holding the election of the local bodies.

According to latest indications available from a highly placed source, the designation of the newly posted 'commissioner' at the thana may be changed to 'thana executive officer.'

Government Refutation

Dhaka THE BANGLADESH OBSERVER in English 5 Nov 82 pp 1, 8

[Text] The attention of the Government has been drawn to a news item published in a section of the Press on 4 November 1982 about the functions of Thana Nirbahi Officer (formerly known as Thana Commissioner) and their effect on the administrative setup in the upgraded Thanas. The news item is misleading and is far from the fact as has been notified by the Government, according to a PID handout.

In the new organisational setup of the upgraded Thanas the Thana Nirbahi Officer will be an executive officer to the elected Chairman and the Chairman will be the Chief Executive of the Thana. The Chairman as the Chief Executive of the Thana will have total administrative control over all the Thana level officers. Thana Nirbahi Officer will assist the Chairman as an executive officer in performing his duties and in coordinating the duties of other departmental officers of Thana. The Annual Confidential Report of the Thana Nirbahi Officer will be written by the Chairman. The Thana Nirbahi Officer will be answerable to the Thana Chairman for all his activities in the discharge of his duties. About writing Annual Confidential Report of the Thana level officer, it may be mentioned that the Thana Nirbahi Officer will merely initiate the reports and the elected Chairman will finally scrutinise and countersign the report with his remarks. District officers of respective departments will be the technical reporting officers of Thana level officers.

In the new organisational setup the Thana Nirbahi Officer will have development functions as well as regulatory functions. Certain functionary heads like Police Ansar and VDP Revenue and Statistics have been kept under regulatory functions under the overall control of Thana Parishad Chairman. Only the Munsiff-Magistrate will have independent judiciary function.

In the interim period till election Thana Nirbahi Officer may also act as Chairman of Thana Parishad and some nominated individuals at some selected Thanas may also act as Chairmen of Thana Parishad.

The upgraded Thanas will be directly administered by the Districts instead of Sub-Divisions and will have no direct link with Cabinet or Establishment Division.

Charter of duties of Thana Nirbahi Officer as approved by the Government are given below:

a. He will be staff officer to the elected Chairman of Thana Parishad who will be the Chief Executive of Thana. He will also be the chief executive officer of Thana Parishad, shall be responsible to the Chairman of Thana Parishad and assist him in implementation of policies and decisions of the Thana Parishad.

b. Assist the Chairman in supervising all Thana level development and administrative work.

c. Assist the Parishad in preparing a co-ordinated development plan of the Thana and ensure its execution.

d. Exercise preventive jurisdiction of a First Class Magistrate under sections 133, 144 and 145 of the Cr.P.C. in order to maintain law and order in the Thana area.

e. Initiate Annual Confidential Report of all Thana level officers except Magistrate Munsiff. The Chairman, Thana Parishad will be the counter-signing officer. District Officers of respective departments will be the technical reporting officers of Thana officers.

f. Attend emergency duties, such as relief duties following natural calamities, receive stores including food and distribute relief materials as directed by Thana Parishad.

g. Protocol duties.

h. Supervise and control revenue and budget administration of the Thana.

i. Ensure that the Government directives on Thana administration are followed.

j. Co-ordinate all Thana level training activities.

k. Act as Treasury Officer.

l. Perform such other functions as may be entrusted to him by the Government or the Thana Parishad Chairman or as may be conferred on him by the Government under any law.

Hence there should be no cause for apprehension that the elected Chairman will not exercise full control over the Thana administration.

CSO: 4600/1335

REPORT ON FOREIGN AID DISBURSEMENT FOR 1981-82

Dhaka THE BANGLADESH OBSERVER in English 1 Nov 82 p 1

[Text] The total disbursement of foreign assistance in the form of grants and loans under the categories of food, commodity and project aid totalled 1236.1 million US dollars during the last fiscal year 1981-82. The availability of foreign assistance during the period was 5068.1 million US dollars of which an amount of 1943 million US dollars accounted for fresh aid commitment and the rest of the amount accounted for the opening pipeline as on July 1, 1982. While the disbursement of food aid during the period under review was quite satisfactory with the utilised portion standing above 90 percent, the project aid disbursement greatly faltered at the level of only 584.2 million US dollars against the total availability of project aid, however, accounted for a fresh aid commitment of 1233 million US dollars during the fiscal year 1981-82.

The non-utilisation of a large portion of the project aid was due to the lesser disbursement of commodity aid by way of which the internal counterpart fund is mobilised. The lower degree of commodity aid disbursement, while posing hindrance to the optimum utilisation of project aid is considered economically unviable by the donor countries and agencies. As commodity other than in the form of aid can provide economic benefits to the donor countries and agencies from the world market.

The commodity or in other words the non-project aid disbursed during the period under review totalled 421.4 million US dollars against the availability of 856.7 million US dollars of which 492 million US dollars was the commitment of fresh aid.

The opening pipeline of foreign assistance as on July 1, 1982 stood at 3832 million US dollars of which food aid accounted for 46.3 million US dollars, non-project and 435.3 million US dollars and project aid 3350.4 million US dollars.

Meanwhile the commitment of foreign aid during the current fiscal year has been estimated at 1900 million US dollars with the estimated disbursement level of 1300 million US dollars involving food commodity and project aid.

CSO: 4600/1325

AGREEMENTS ON FRG GRANTS TO BANGLADESH SIGNED

Dhaka THE BANGLADESH OBSERVER in English 17 Nov 82 p 1

[Text] Bangladesh will receive Taka 126 crore (140 million DM) as grant during 1982-83 from the Federal Republic of Germany (FRG) under two separate agreements signed between the two countries in Dhaka on Tuesday, reports BSS.

The FRG also agreed to give Bangladesh an additional amount of Taka 40.5 crore (45 million DM) as technical assistance during the period.

The agreements came after three days of talks between Bangladesh officials and the visiting FRG economic delegation led by Dr W. Ehmann which arrived in Dhaka last Tuesday.

Of the Taka 125 crore available under FRG development assistance, Taka 45 crore will be in the form of general commodity aid and 81 crore will be in project aid.

The commodity aid will be utilised to finance the import of urgently required goods and spare parts and the project aid will be used mainly to improve and expand the Ashuganj Power Station.

The Taka 40.5 crore technical assistance will support rural development projects like seed production, plant protection, irrigation and feeder road construction with a view to improving food production in the country.

Of the total Taka 81 crore project aid Taka 13.5 crore (15 million DM) has been earmarked for oil and gas exploration programme.

The FRG has already provided 25,000 metric tons of wheat in response to the urgent need of the Bangladesh Government during the current fiscal year and the total contribution for the year would go up to Taka 185 crore (200 million DM).

The agreements were signed by Mr Shafiul Alam, Additional Secretary of the External Resources Division and Dr Ehmann, Under Secretary of the West German Ministry for Economic Cooperation, on behalf of their respective countries.

West Germany is one of the major donor countries to Bangladesh and till now its financial assistance amounted to about Taka 2,000 crore, (2.2 billion DM) for various development projects and food aid. In addition, more than 700 Bangladeshis received training in Germany and abroad under its assistance programme.

Speaking on the occasion, Dr Ehmann said Bangladesh was the major partner of FRG in the field of economic cooperation, would continue to receive priority in getting W. German development assistance. Bangladesh is the third largest recipient of FRG assistance, he added.

Mr Shafiul Alam thanked the FRG Government for extending substantial economic assistance to Bangladesh over the year.

CSO: 4600/1349

PROBLEMS OF ANNUAL DEVELOPMENT PLANNED EXAMINED

Performance Termed Poor

Dhaka THE NEW NATION in English 31 Oct 82 pp 1, 8

[Article by Kazi Montu]

[Text] Performance in the implementation of the Annual Development Programme (ADP) for 1982-83 was very poor in the first quarter of the year.

The autonomous bodies received less than 15 percent of the total local currency allocation in the current development programme despite simplification of the fund release procedure, it is learnt.

A total of Tk 2111.16 crore for 532 core projects was allocated in the ADP. This amount includes a local currency provision of Tk 1235 crore, out of which Tk 921 crore was earmarked for the autonomous bodies.

The autonomous bodies drew in the last July-September period only Tk 138 crore out of Tk 921 crore.

The fund release procedure was simplified in order to enable the ministries to release the local currency fund during the first three quarters of the year for the core projects undertaken by the autonomous bodies without the approval of the Finance Division.

It is learnt that the delay in working out the fund release procedure and finalization of the ADP caused loss of six weeks in the process.

Reviewing the performance of different ministries and divisions in the implementation of their projects on the basis of available information the Finance Minister observed in a paper that the pace of progress was not in keeping with the target strategy and modalities.

According to a source in the Finance and Planning Ministry out of 419 projects included in the current development programme, 107 are yet to be received by the Ministry.

Twenty-two out of the 66 unapproved projects which were to be considered for approval after revision have so far been approved while 228 out of the 358 unapproved schemes were recommended by the relevant authority.

It is gathered that the schemes which will not be received by October 31 by the Planning Ministry will find themselves automatically dropped from the revised ADP.

These physical plans required for meaningful and planned incurrence of expenditure were scheduled to be submitted by August 31, but many ministries and divisions have failed to submit the plans by the given time-table they have been advised by Finance and Planning Ministry to send afresh their physical plans to the PMB and the Planning Commission by October 31.

The Finance Ministry is learnt to have deplored gross negligence on the part of many ministries to monitor the progress of their project works.

The Finance Ministry has suggested for monthly review of project performance at the respective level of the ministries and divisions on a regular basis in order to facilitate identification and removal of bottlenecks and solution of problems.

Different ministries and divisions were asked earlier to submit their reports on the progress of implementation of their projects during the first quarter of the current fiscal year by October 31.

Allocation Revision Studied

Dhaka THE BANGLADESH OBSERVER in English 1 Nov 82 p 1

[Text] The Planning Commission is revising the allocations of the different projects in the Annual Development Programme (ADP) for the year 1982-83. The size of the ADP, however, remains unchanged at Taka 2700 crores.

Talking to this correspondent on Sunday, Finance and Planning Minister Mr A.M.A. Muhith said that the revision of the allocations of different projects under ADP is required to place necessary funds for timely completion of the projects. He denied the report that the ADP is being revised again.

The Finance Minister said that the relevant Ministry is now empowered to release funds for implementation of the projects.

He expressed his satisfaction at the release of 15 percent funds during the first quarter of the current financial year for the autonomous bodies. He said that the amount was only 5 percent during the same period last year.

National Economic Council Meeting

Dhaka THE BANGLADESH TIMES in English 6 Nov 82 p 1

[Text] The National Economic Council met in Dhaka on Friday with the Chief Martial Law Administrator, Lt Gen H.M. Ershad in the chair, and reviewed the progress of implementation of the Annual Development Programme for the year 1981-82, reports BSS.

The meeting identified problems of implementation of the last year's development programme and had elaborate discussions on them.

It took number of proposals for proper implementation of the current year's fiscal development programme in the light of past experience.

The meeting stressed the need for taking special care for proper and timely implementation of the development programmes of national importance.

It adopted proposals for further strengthening the monitoring arrangement and simplification of disbursement procedure of project money.

The meeting also stressed on identification of realistic programmes in view the availability of resources.

The meeting was informed that out of a total outlay of Taka two thousand seven hundred and fifteen crore including Taka one thousand crore project aid in the ADP of 1981-82, Taka two thousand two hundred and eighty-two crore representing eighty four percent was spent.

The CMLA directed that effective steps must be taken to see that last year's shortfall in performance is not repeated in future particularly physical programme and that strengthening monitoring arrangements and regular review of progress be made with regards to the implementation of the projects.

CSO: 4600/1325

FOOD-FOR-WORK PROGRAM ADVANCED TO AID NEEDY

Dhaka THE BANGLADESH TIMES in English 1 Nov 82 p 1

[Text] The Food-for-Work Programme for the current financial year begins throughout the country today, (Monday) with the allocation of 4 lakh metric tons of wheat, reports BSS.

Valued at over Taka 160 crore the 1 crore 7 lakh 20 thousand maunds of wheat will be used as wage to labourers for the implementation of 4 thousand projects under the programme.

An official source told the agency that the Food-for-Work Programme has been advanced this time by more than two months to provide relief to the people particularly to those who were badly affected by drought. It was in accordance with the directive of Chief Martial Law Administrator Lt Gen H.M. Ershad, the source added.

The allocation for last fiscal year was 2,55000 metric tons having 3500 projects in the programme. Generation of rural employment, stabilisation of price and nutrition supplement to the people remained the basic objectives of the programme. The programme is expected to generate over ten crore man-days, the sources said.

The World Food Programme with the contribution of 1,75,000 tons of wheat is the single largest donor to the programme followed by the United States with a contribution of one lakh tons to be channelled through USAID. The other major contributors to the programme are Australia, Canada and the United Kingdom. The wheat to the programme received from external sources is in the form of grant. The government will participate in the programme by contributing about 65,000 tons of wheat.

The source said from this year a fundamental change in the approval of projects in the programme has taken place. From now on all projects under the programme will be approved by the subdivisional project implementation committee while subdivision-wise allocation of the quantum of wheat will be made by the ministry. Last year 83 percent of the wheat was utilised and this year "we expect to utilise 90 percent because we are better prepared and have more time," the source added.

CSO: 4600/1326

DHAKA TO IMPLEMENT LAW ON SOJOURNS ABROAD

Dhaka THE BANGLADESH TIMES in English 1 Nov 82 p 1

[Text] The Government has decided to take action under Martial Law Order No 9 of 1982 against 164 Government employees who overstayed abroad for more than one year without official approval or sanction, according to an official handout in Dhaka on Sunday, reports ENA.

The handout said about 582 government employees from different fields who went abroad years ago on specific scholarship deputation training or employment keeping their services in lien with the parent departments or institutions have been overstaying in different countries. In some cases even for more than five years.

The Government took serious view of the matter in cognizance of the offences committed by these persons having violated their contracts with the Government and institutions concerned, the handout said.

These persons belonging to Government administration and educational institutions such as universities and colleges have failed to report to their parent departments or institutions for new assignments causing anomalies in those places affecting the efficiency of the administrative machinery in general, the handout said.

The Government expected that a sense of responsibility and dedication would prevail upon them and they would return home to take assignments in the greater interest of the country.

CSO: 4600/1326

REPORTER TOLD OF 'DEVASTATING' DROUGHT IN JESSORE

Dhaka THE NEW NATION in English 2 Nov 82 pp 1, 8

[Text] Jessore, Nov 1--Ramzan Ali sat like a dead man, eyes stretched into the endless nothingness of clear blue skies. His daughter Rabia had committed suicide.

Ten-year-old Rabia of village Alipur of Jessore district hanged herself after failing to share with her dear ones the pains of continued hunger. Ramzan Ali had no option. He did not have any work. The drought had destroyed his crops. He had no money to buy food from the market. So Rabia used her final option.

Ramzan Ali was all in tears when he talked to the New Nation. "What could I do. I have no work and no money to buy food from the market. Look to my field and see what had happened. The sun has burnt my fields and my family as well."

But Ramzan Ali is not the lone unfortunate one who had lost his dear ones for want of food. Kulsum (11), daughter of Sultan Hossain of village Dikdana faced similar situation and ended her life by taking pesticide.

"Only Allah knows how many people will suffer this year," said Ramzan Ali and added, "I have never seen a drought like this in my life." Some others sitting by his side nodded in approval and almost simultaneously looked towards the fields that lay barren under the burning sun.

The devastating drought has hit 14 out of 21 thanas of Jessore district. These Thanas are Sarsa, Jhikargacha, Moheshpur, Chowgaccha, Kotchandpur, Manirampur, Keshabpur, Abhainagar, Bagharpara, Kotwali, Jhenaidah, Kaliganj, Narail and Shalika.

About 70 percent of the standing aman crop had been damaged in the district by the severe drought this year, according to latest assessment of the Agriculture Department.

According to the sources in the Agriculture Department of the district, 40,000 out of shree lakh acres of land earmarked for cultivation of transplanted aman could not be sown while the standing transplanted aman crop of 20,000 acres of land has been damaged by the drought.

The harvest of aus crop was also extremely poor in the district due to the drought. Consequently, the economic condition of the people has become alarming.

The drought has brought in its wake widespread starvation, hunger, disease and death all pointing to the prevalence of a famine condition in the drought-affected areas of the district.

Meanwhile, cholera and diarrhoeal diseases have broken out in the district in epidemic form already, claiming 200 lives in the drought-hit areas.

Aman crop in Hazaribagh and Bankra unions have been totally damaged. The farmers of the two unions have lost their purchasing power completely as there is no scope for work in the area worst hit by the drought.

Already more than 800 drought stricken people of the two unions have fled their homesteads for the urban areas in search of food and work.

None of the district officials has yet visited the two unions. Only a couple of days ago the Circle Officer (Development) and Thana Agriculture Officer of Jhikargachha thana went to the area, but the hungry people gheraoed them for food and work.

Dr Yusuf Majumdar, Regional Director of Khulna Divisional Agricultural Office along with the District Agriculture Officer visited the unions on October 28. He described the situation in these areas as grievous.

He said after his return from the drought-hit Bankra union, "Aman crop has been totally damaged there."

Distribution of rice through the open market operation could not be undertaken in Bankra union as there is no dealer there who has capacity to lift 50 maunds of rice at a time. Rice is now selling at Tk 8 per seer while ata at Tk 5 seer.

People of Kotwali, Jhikargachha and Sarsa thanas are using the burnt stalks of aman crop as animal fodder. The extent of damage in these thanas is about 80 percent.

According to the district administration, about 5,000 drought stricken persons have fled their homesteads in search of food and work.

Meanwhile, the District Agriculture Office has adopted necessary measures to protect the remaining aman crop on the fields from further damage.

They have fielded a total of 115 one-cusec mobile power pumps in 19 thanas on October 21 to provide irrigation facilities to about 30,000 acres of land.

It is learnt that 2300 shallow tubewells, 600 power pumps and 480 deep tubewells are there in different areas to irrigate the land under aman cultivation. The agriculture officers claim that the measures taken by them would save crop on 30,000 acres of land. But the agricultural experts maintain that the success of the programme depends on the availability of water.

CSO: 4600/1330

BRIEFS

ERSHAD'S TENURE EXTENDED--The tenure of service of the Chief of Army Staff Lt Gen H.M. Ershad has been extended for a period of two years with effect from December 1, 1982 according to an ISPR Press release in Dhaka on Thursday reports BSS. The decision was taken at a meeting of the Council of Ministers held on Tuesday, last. [Text] [Dhaka THE BANGLADESH OBSERVER in English 30 Oct 82 p 1]

NEW IRANIAN AMBASSADOR--The new Iranian Ambassador in Bangladesh, Mr Mohammad Mehdi Akhund Zade Hbasti presented his credentials to President Ahsanuddin Chowdhury at the Bangabhaban on Wednesday morning, reports BSS. Presenting his credentials the envoy said he would endeavour his best to promote further the existing bond of friendship and mutual understanding between the two countries. The President reciprocated the sentiments expressed by the envoy and assured him of all cooperation and assistance in the discharge of his duties and responsibilities during his tenure of service in Bangladesh. The envoy earlier on arrival at the Bangabhaban took the salute presented by a smartly turned out contingent of the President's Guard Regiment and inspected the guards. [Text] [Dhaka THE BANGLADESH OBSERVER in English 18 Nov 82 p 12]

PROMOTION BAN LIFTED--Ban on the promotion of deputy secretaries, joint secretaries and additional secretaries has been lifted to ensure dynamism in the government services and to remove frustration from among them. The Council of Ministers in its meeting held on October 8 reviewed the situation arising out of the ban on the promotion of the senior officers imposed following the proclamation of Martial Law. It was observed in the meeting that the prohibition on promotion had caused a sense of frustration in the minds of the deputy secretaries, joint secretaries and additional secretaries. The meeting, however, resolved to consider the cases of competent officers. [Excerpt] [Dhaka THENEW NATION in English 3 Nov 82 p 1]

AMBASSADOR TO MEXICO--The Government has decided to concurrently accredit Mr H.R. Chowdhury, at present Bangladesh Ambassador to the United States of America, as Ambassador to Mexico, it was officially announced in Dhaka on Thursday, reports BSS. [Text] [Dhaka THE BANGLADESH OBSERVER in English 6 Nov 82 p 3]

AID FROM NORWAY--Representatives of Bangladesh and Norway on Thursday finalised a four year programme of assistance, says a PID handout. Under the programme Norway will support measures for Primary Health Care, especially mother and child care and Family Planning. The other main area of cooperation is Inland River Transport, while some funds will also be devoted to IRWP and Women's Community Centres. The greater part of the Norwegian financial resources will, however, be devoted to balance of payments support in accordance with the priority needs of Bangladesh in the current balance of payments situation. These funds will be used mainly for import of essential goods from other developing countries in the area. For the first time, donor funds have been committed for import of crude petroleum. The Norwegian financing amounts to a total of Taka 48 crore annually, all in the form of grants. [Text] [Dhaka THE BANGLADESH OBSERVER in English 5 Nov 82 p 1]

IDB LOAN GRANTED--Bahrain, Nov 4--The Islamic Development Bank, IDB, said yesterday it had lent Bangladesh 10 million dollars to finance the import of cotton and a further 10.4 million dollars to buy a 15,000-on cargo vessel, the official Saudi press agency said, reports Reuter. The Jeddah based bank also lent Jordan 10 million dollars to buy crude oil and paid 4.3 million dollars, acquired shares in a cement factory in Casablanca, Morocco. [Text] [Dhaka THE BANGLADESH TIMES in English 5 Nov 82 p 1]

PACT WITH BULGARIA--Bangladesh and Bulgaria in Dhaka on Thursday signed a cultural exchange programme to promote and facilitate cooperation in the fields of education, information, culture, sports, science and technology between the two countries, reports BSS. Under the programme the Bulgarian government will offer five scholarships every year to Bangladeshi students and in return Bangladesh will offer one scholarship to Bulgaria. Both governments, as per the programme, will arrange exchange of scientists, writers, cultural troupe, folk ensemble, musicians and experts in archeology. The two countries will also hold exhibitions of photographs in each other's country. The central libraries of both countries will exchange books on economics, social and cultural development of the country published in their most widespread languages. Both countries will also establish contact between sport teams and information and materials between union of journalists and mass meaid. The agreement was signed by the Additional Secretary in charge of the Sports and Cultural Division, Mr Manzur Murshed and Bulgarian Ambassador Mr Asparuh Papalezov. [Excerpt] [Dhaka THE BANGLADESH TIMES in English 5 Nov 82 p 8]

CSO: 4600/1337

BRIEFS

NEW AUSTRALIAN ENVOY--Francis William Somerville Milne, the newly accredited ambassador of Australia to the Socialist Republic of the Union of Burma, presented his credentials to President U San Yu on 26 November at the president's office in Rangoon. [BK050656 Rangoon WORKING PEOPLE'S DAILY in English 27 Nov 82 p 1 BK]

CSO: 4200/205

INDIA TO MAINTAIN CONTRIBUTIONS TO UNITED NATIONS

Bombay THE TIMES OF INDIA in English 10 Nov 82 p 20

[Text]

UNITED NATIONS, November [illegible] (PTI): India has announced at the U.N. pledging conference for developing activities that it intended to maintain its contributions for 1983 at the same level as that of last year.

Apart from Rs. 70 million for the United Nations Development Programme (UNDP), Rs. 16 million for UNICEF and Rs. 3.2 million for UN, family planning activities, contributions totalling $1.35 million were pledged for other development activities, including the U.N. industrial development fund and the U.N. financing system for science and technology.

PLEDGES ANNOUNCED

India was among a host of countries who announced their pledges after the conference had heard from the U.N. secretary-general, Mr. Perez de Cuellar, that "a crisis is on our hands", in respect of multilateral economic cooperation for the development of developing countries.

Mr. Perez de Cuellar said the conference came at a time when multilateral cooperation was under a serious threat. Uncertainties over future resources prospects would have the effect of a further constraint on the development programmes of developing countries, already unable to preserve even their present low levels of per capita income.

Mr. Perez de Cuellar, particularly referred to the crisis faced by the UNDP which estimated that it would have resources sufficient to deliver less than 60 per cent of the third programme cycle 1982-86. He told the conference that, alarmed at the impact of resources shortfall on the developing countries, the UNDP governing council was studying aspects on the financing of UNDP.

The UNDP administrator, Mr. Bradformorse, had recently declared that the programme was facing a "dismal scenario" as a result of shortfall in its projected resources.

The Indian delegate, Prof. D. P. Chattopadhyaya, told the conference that India had been, both as donor and recipient country, an important partner in the UNDP.

CSO: 4600/1294

ASSAM TALKS FAIL, PARTICIPANTS' STANDS EXPLAINED

Calcutta THE STATESMAN in English 10 Nov 82 pp 1, 9

[Text] New Delhi, Nov 9--As another round of negotiations on the foreigners' issue failed today, the Assam movement leaders made it clear to the Govern- side that the only category of people among the 1961-71 entrants into Assam they would accept were those who had valid citizenship certificates awarded to them by the Government of Assam.

The rest must be "detected" or identified and their names struck off the electoral rolls.

After the two-hour informal talks this evening between the Government side represented by the Defence Minister Mr R. Venkataraman, and the Union Home Minister Mr P.C. Sethi, the Assam movement leaders announced that they would now go back to Gauhati and place the matter before the executive committee of the All-Assam Students' Union and the All-Assam Gana Sangram Parishad for their decision on what to do now--whether to continue the talks or begin a "phased movement."

Mr Prafulla Kumar Mohanta, president of AASU and Mr Atul Bora, convenor of AAGSP told reporters that the Government side had told them there could be a round of informal talks in Gauhati after Mr Venkataraman and Mr Sethi reached there to inspect the Assam-Bangladesh borders. (At the instance of the AASU and AAGSP leaders, Mr Venkataraman and Mr Sethi have undertaken to visit the border on November 23, 24 and 25 to verify for themselves whether their complaints that the border had not yet been sealed off, resulting in an influx of refugees into Assam even now, was correct).

They said that the modified formula presented by Mr Ravindra Varma, a leading Janata MP which was the main proposal discussed and debated during the just-concluded sixth round of tripartite talks, had not been found acceptable "as it presented nothing new."

Even the modified formula was further slightly changed today. It classified the 1961-71 entrants into Assam in four categories and suggested how they should be treated.

The first category of those people who have been given citizenship certificates by the Government of Assam or those who have been resettled by the Government of Assam, according to the formula, are eligible to stay and vote in Assam. (Mr Bora estimated that the number of such people would be around 30,000 out of about 1.2 million entrants into the State during the 1961-71 period).

In the second category are placed those who have been given citizenship certificates by other States (such as West Bengal or Tripura). To remove the apprehension that certificates have been issued to them indiscriminately or on the basis of incomplete or fraudulent statements, an authority will be set up to scrutinize them.

In the third category are those who have entered Assam between 1961 and 1971 but are not in possession of citizenship certificates and yet they have had their names entered in the voters' lists. The formula suggests that any citizen or group of citizens can raise a complaint to have their names removed from the rolls.

Those who entered Assam between 1971-71 but have neither citizenship certificates nor their names in the electoral rolls are in the fourth category. According to the formula, it will be the responsibility of the Government to detect all such unauthorized residents" and disperse them.

Mr Bora said that the formula had nothing new in it. "In fact, all the suggestions made so far by Mr Varma or the Government have amounted to presenting the old wine in a new bottle." He went to the extent of saying that Mr Varma's formula was "election-oriented."

Mr Bora said: "We want detection of all the foreigners strictly in accordance with the Constitution and the laws. As far as we are concerned, only those who have valid citizenship certificates issued by the Assam Government are citizens and can stay in Assam. We do not recognize any other category."

Mr Bora said the Government side had suggested resumption of the tripartite talks in the first week of December. This proposal would be considered at the executive committee of the AASU and AAGSP.

Mr Bhrigu Phukan, AASU general secretary, today clarified that AASU and AAGSP were not in favour of the extension of President's rule in Assam unless it is found vitally necessary for a solution to the issue.

They wanted a free and fair election in which foreigners were not allowed to vote. To that end they would oppose any election imposed without a solution to the issue, he said.

CSO: 4600/1296

ASSAM GOVERNOR URGES ELECTIONS BY 18 MAR

Bombay THE TIMES OF INDIA in English 15 Nov 82 p 6

[Text] New Delhi, November 14--The governor of Assam, Mr Prakash Mehrotra is understood to have given full support to the idea of holding assembly elections in the state before March 18 next year.

Mr Mehrotra met the Prime Minister, Mrs Indira Gandhi yesterday and assured her that peaceful elections in Assam could be held irrespective of whether the agitation leaders co-operated or not. There were indications that the agitation leaders themselves would like to have the elections.

Political Effect

The governor's view undoubtedly strengthens the thinking at the Centre at present in favour of holding the elections. The dominant view in government circles is that postponement of the elections through a constitutional amendment would give the impression of surrender to the agitationists. The result could be that the agitationists might become more intransigent.

The political implication of a postponement could be strengthening the present understanding between the agitationists and rightist parties like the Bharatiya Janata Party and the Janata Party who have been advocating the deferring of the poll until a solution of the foreigners issues is found. This amounts to echoing the agitationists' demand.

A final decision on the holding of the elections will be taken after the visit of the defence minister, Mr R. Venkataraman and the Union home minister, Mr P.C. Sethi to Assam on November 22 and 23 when the two Central ministers will find out whether Mr Mehrotra's views are acceptable.

Even if it is administratively possible to ensure polling in Assam, the government is not likely to give up its efforts to arrive at an agreement with the agitationists.

The effort will continue till December 7 when a formal tripartite meeting on the foreigners issue will be held. The announcement about the elections will be made only after this meeting.

Despite the apparent intransigent postures adopted by the agitation leaders at the Delhi talks, government circles seem to think that an understanding with them is still possible.

A vigorous attempt to achieve this will be made by the two Central ministers when they hold informal talks with the agitationists in Gauhati during their visit to the state.

In the event of no agreement being reached, the Union home ministry is understood to have identified the areas where elaborate security arrangements will have to be made for ensuring a peaceful poll. The full support given by the leftist parties to the idea of holding the poll gives added strength to the government to go ahead with the elections.

CSO: 4600/1318

CONGRESS-I ACTIVITY RESUMED IN KASHMIR

Bombay THE TIMES OF INDIA in English 15 Nov 82 p 5

[Text] Srinagar, November 14--After lying low for nearly two months, the state unit of the Congress (I) resumed its political activities by holding a district level convention at Anantnag yesterday.

The Congress (I) has chalked out an elaborate programme to cover all three regions of the state by organising conventions and conferences. This resurgence in its activities follows the recent talks the state PCC(I) president, Mr Mufti Mohammad Sayeed had with the central leaders, including the Prime Minister, Mrs Indira Gandhi.

The thinking is that the Congress (I) should continue to work as an opposition party in order to keep the ruling National Conference in line. Abdicating this role would mean a walk-over for the National Conference in the assembly poll, likely to be held next summer.

Mr Rajiv Gandhi, MP, is expected to pay a visit to the state. This visit should give heart to state Congress (I) leaders, some of whom feel that the party's interests were being sacrificed in order to bolster up the chief minister, Dr Farooq Abdullah. The Jammu and Kashmir Congress (I) has suspended its activities because of this reason and the prolonged illness of the Sheikh.

Addressing the conference, Mr Mufti Sayeed said that the Congress (I) in the state was the strongest secular democratic force. He said that the recent developments in the state should come as a relief to those who had questioned the relevance and the role of the Congress (I).

The PCC (I) president reiterated that hisparty stood for secularism, democracy and socialism and would not make any compromise where these basic principles were concerned. He spoke about the forthcoming elections and solicited the involvement of party workers at every level to ensure the election of deserving men for various party offices.

CSO: 4600/1318

CPI-M JOURNAL NOTES THAW IN SINO-SOVIET TIES

Calcutta THE STATESMAN in English 9 Nov 82 p 3

[Text] The CPI(M)'s theoretical journal, "Marxbadi Path," has, in its latest issue, noted that certain "significant steps" have been taken by the Chinese Communist Party to normalize Sino-Soviet relations since its 12th party congress. The CPI(M) leader, Mr Promode Dasgupta had also hinted prior to his departure to China that a thaw had set in in the Sino-Soviet relations.

The journal points out that already on the border issue, a round of talks was held in Beijing and another round would be held in Moscow next January between the Soviet and Chinese leaders. The Chinese Government in September recognized the Angola Government which was earlier described by China as a Soviet satellite.

The journal also notes that in the foreign policy report of the 12th congress, the Chinese party has stated that all Communist or workers' parties of the world are equal, irrespective of whether they are running any Government or not. The party has also admitted that it is now recovering from the "disease of imposing guardianship on others."

Asked if Mr Dasgupta's visit might give a pro-Chinese tilt to the party, a CPI(M) leader said on Monday that the party's central committee had appealed to the Communist parties of the Soviet Union and China to come closer in the interest of world Communism. Mr Dasgupta's visit to China would not alter this basic stand of the party.

CSO: 4600/1291

NAMBOODIRIPAD, BASU ADDRESS KISHAN SABHA MEET

Calcutta THE STATESMAN in English 9 Nov 82 p 16

[Text] Midnapore, Nov 8--Mr E.M.S. Namboodiripad, general secretary of the CPI(M), said here today that disruptive forces were today at work in the northeast and northwest provinces. The Congress (I) which represented the "bourgeois class," had failed to contain these forces. He referred to the recent incidents in Punjab and Assam. The time had come for farmers and workers and all democratic forces to oppose these forces jointly forgetting the political differences.

Mr Namboodiripad was speaking at the inaugural ceremony of the four-day 24th all-India conference of the Kishan Sabha, which began today at Hare Krishna Konar Nagar here. About 1,200 delegates from all over the country are participating.

Inaugurating the conference, Mr Jyoti Basu said the Kishan Sabha must be in the forefront of the battle against the divisive forces. Care should be taken about the bourgeois and landlord classes backed by the Congress (I). He stressed the importance of land reforms for the well-being of farmers. The Left Front, he said, was carrying out land reforms with its limited powers.

Mr Promode Dasgupta, chairman of the Left Front Committee of West Bengal said in a message that a countrywide campaign should be started demanding the Centre's assent to a land reforms Bill passed by the West Bengal Assembly which would enable the State Government to take over "benami" lands of jotedars.

Earlier, at a Press conference, Mr Basu ruled out the possibility of opening of gruel kitchens in the drought-affected areas, but added that the State Government had demanded Rs 205 crores from the Centre for additional gratuitous relief and other rural work programmes. He added that 65 percent of the crop in the State had been damaged.

CSO: 4600/1291

GENERAL TELLS PLAN TO MODERNIZE INDIAN ARMY

Bombay THE TIMES OF INDIA in English 15 Nov 82 p 1

[Text] Deolali, November 14 (UNI)--The Indian defence plan has been revised for augmenting and modernising the army and increasing its strike potential.

This was stated by the chief of the army staff, General K.V. Krishna Rao, at the three-day biennial senior artillery officers' conference which concluded here.

The army chief said some items of artillery equipment had been improved recently to achieve a still higher effectiveness.

Gen Krishna Rao called upon artillery officers to maintain operational preparedness at all times and exercise the utmost care in maintaining the sophisticated equipment, as arms and armament had become very expensive, the savings effected by better maintenance could be utilised in procuring more equipment for the army, he added.

Gen Krishna Rao told officers and men of the army that the government was according high priority in providing family accommodation for jawans, junior commissioned officers and other higher ranks.

The army chief said the limited construction capability hindered the goal of accommodation for all. However, he said there were no financial constraints and hoped that more comfortable and better accommodation would be available to army personnel in time.

The army chief also went round the school of artillery and artillery centre to see training being given to the new recruits.

Earlier, on arrival at Deolali. Gen Krishna Rao was received by Maj Gen S.K. Talwar, commandant of the artillery centre.

Lt Gen K. Sunderji, deputy of army staff and Lt Gen K.K. Hazari, director of military operations had also specially gone to Deolali to attend the conference.

CSO: 4600/1318

MAIN BATTLE TANK PROTOTYPE BY END OF YEAR

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Nov 82 p 100

[Text]

The defence industry is developing the first prototype of the Main Battle Tank (MBT) indigenously and this is expected to be completed for military evaluation by the end of next year.

It was disclosed at a meeting of the Defence Research and Development Council in Madras recently that all subsystems for the Indian-built MBT, including the armament system, sighting and fire control instrumentation and armour structure were progressing in order. The Army would carry out evaluation tests when the prototype is ready.

The meeting chaired by Defence Minister, Mr. R. Venkataraman was briefed on details of work by the Secretary of the Defence Research and Development Organisation, Dr. V.S. Arunachalam. Chief of Army Staff, General K.V. Krishna Rao expressed confidence in the success of the project.

Under consideration was a programme to develop a Light Combat Aircraft (LCA), in collaboration with several agencies in the country, the Council was told.

Other important programmes which are making progress include the early warning radars for the Army and Air Force and a sonar system for the Navy. Besides these, the Defence Ministry's laboratories are developing a gas turbine engine for powering a future military aircraft, advanced airborne radar, pilotless target aircraft, and aircraft training simulators. The Council members who include the three Service chiefs and scientists felt there was a need to involve production agencies in the development activities from the early stages to facilitate technology collaboration to complete projects without undue delays.

CSO: 4200/188

GANDHI INDECISIVE ON HANDLING OF SIKH PROBLEM

Madras THE HINDU in English 9 Nov 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Nov. 8.

The Punjab crisis acquired an extra dimension today with all political parties in Haryana, including the Congress (I), threatening to boycott the Assembly if the Centre conceded the Akali demand for the transfer of Chandigarh without ceding Abohar and Fazilka taluks simultaneously in terms of the 1970 award.

The Central leadership of the Congress (I) had no idea that the Chief Minister of Haryana, Mr. Bhajan Lal, who had convened an all-party meeting to put up a joint fight against the Akali claim, would take the lead in holding out this threat without prior consultation.

The Akali contention is that nowhere does the word "simultaneous" occur in the award given by the Prime Minister, Mrs. Indira Gandhi, in 1970 on Chandigarh, while the Haryana leaders maintain that the concept of a parallel implementation of the two commitments is quite implicit in the agreement. Mr. Bhajan Lal arrived in Delhi tonight, armed with the all-party resolution threatening joint action, to apprise the Central leaders of the intense feeling in Haryana, which if not properly handled could take an anti-Congress (I) turn.

The Haryana Chief Minister is obliged to adopt this stand because he does not want the Opposition to cast itself in the role of the main defender of the State's interests. He is no less wary of his own opponents in the Congress (I) like Mr. Bansi Lal exploiting the situation to malign him as a weakhearted leader who cannot be depended upon to fight resolutely even if it means resigning in protest against any attempt to appease the Akalis at Haryana's expense.

It is not without significance that the Opposition parties who have joined hands with Mr. Bhajan Lal in putting up a joint fight to safeguard Haryana's interests are not prepared to go the whole hog with him in preventing the Akali jathas from passing through Haryana on their way to Delhi. The Chief Minister was told in no uncertain terms that they could not be a party to the denial of the legitimate right of anybody, whether it is the Akalis or others, to demonstrate peacefully for ventilating their grievances.

Communist parties want religious demands conceded

The two communist parties, which are refusing to take sides in this Punjab-Haryana wrangle, are pressing the Centre to take some imaginative steps to focus attention on the political aspects of the controversy without letting the hotheads on either side infuse communal overtones into it. They want the religious demands of the Akalis to be conceded straightway as a well-meaning gesture to the Sikh community and not as a concession to the Akali Dal, and start tackling their political demands in the broader perspective of an inter-State dispute before it degenerates into a bitter Hindu-Sikh squabble.

Despite their brave public postures, the Akali leaders have been taking due care not to carry their threats to the point of no return because they are equally keen on avoiding a disastrous confrontation with the Centre so long as they do not lose face in the bargain. But they are refusing to resile from the position that it is

for the Centre to make the next move with some meaningful concessions for resuming the interrupted negotiations.

The Punjab Chief Minister, Mr. Darbara Singh, who is the main target of the Akali wrath, has also been adopting a little more flexible attitude. He said today at a meeting of Congress (I) workers from various districts that there should be no objection to some rethinking on boundary demarcation if Haryana and Himachal Pradesh agreed to it.

A fresh look could be taken, he said, only with the consent of all concerned and in a calmer atmosphere free from any threats of agitation. He was probably referring in an oblique way to the Haryana threat to mount a counter-agitation and, if need be, organise a parallel march to the capital if the Akalis went ahead with their bid to intensify and extend their agitation to Delhi.

Mrs. Gandhi, and her senior colleagues are continuing their efforts at various levels to defuse this explosive situation before it assumes serious proportions. But they are unable to make up their minds yet on what exactly should be done to win over moderate Sikh opinion after conceding the religious demands of the Akalis and opening the way for further talks with them.

CSO: 4600/1292

DELHI FORMULATING TECHNOLOGY POLICY RESOLUTION

Madras THE HINDU in English 9 Nov 82 p 1

[Text]

NEW DELHI, Nov. 8.

The Government is now working on a technology policy resolution, as an adjunct to the science policy resolution of 1958, spelling out the country's approach to self-reliance in this highly specialised sphere.

The Cabinet has discussed and approved the broad outlines of this policy resolution. The Planning Commission member, Prof. M. G. K. Menon and Dr. S. Varadarajan, Secretary, Department of Science and Technology, have been entrusted with the task of drafting it.

The purpose of this policy resolution is to reiterate the Government's resolve to make a determined bid to achieve the largest measure of technological self-reliance in as many fields as possible. But it will be stressed at the same time that this renewed emphasis on self-reliance should not be mistaken for total self-sufficiency to the point of completely precluding the import of technology in any sphere.

The basic objective is to utilise the latest technological advances to step up domestic production. If the country's requirements cannot be met with indigenously developed technology, there should be no inhibition in importing it.

More job opportunities: The policy resolution will also clarify that, in obtaining technology from other countries in areas where it is not locally available, due care will have to be taken to ensure that the main aim is not to save on labour but create more employment opportunities by enlarging the production base.

The Government also proposes to encourage wider use of modern technology in agriculture as well as rural development to increase productivity and help generate higher incomes. The new policy will try to strike a proper balance in providing the necessary priorities to agricultural growth and industrial production.

In drafting this policy resolution, utmost care is being taken to avoid the impression that, in the name of greater flexibility and pragmatism, the Government is not diluting self-reliance or throwing the doors open to the multi-nationals which will be able to make inroads into the Indian economy with attractive offers of scientific marvels and technological innovations.

CSO: 4600/1292

GANDHI REMARKS AT SCIENTISTS' MEETING REPORTED

Bombay THE TIMES OF INDIA in English 14 Nov 82 p 9

[Text]

NEW DELHI, November 13.

RESPONDING to persistent attacks on a self-reliance oriented electronics policy, the Prime Minister, Mrs. Indira Gandhi, has pooh-poohed the suggestion that India should adopt the strategy of a quick exports-led growth in consumer electronics on the pattern of South Korea, Hong Kong, Taiwan and Singapore.

Mrs. Gandhi's remarks assume greater importance since these followed the suggestion made by one of her cabinet colleagues in the presence of a gathering of noted scientists. The occasion was the meeting of the council of scientific and industrial research last week where Mr. Vasant Sathe, minister for chemicals and fertilisers, returned to his favourite theme that India should emulate the example set by South Korea and Taiwan.

Mrs. Gandhi thought ti fit to deal with the issue in the context of Mr. Sathe's contention and pointed out the difference between the Indian and the South Korean models of development.

The Prime Minister had to reiterate the government's policy again within three days in response, to a question in the parliamentary consultative committee for thes cientific departments.

Here, the issue was raised by Mr. B. Ramachandra Rao, member of the Rajya Sabha, who mentioned that "South Korea, Hong Kong, Taiwan and Singapore have marched ahead of India in the field of electronics.

Mrs. Gandhi presented to the members an 11-page note comparing the Indian capabilities in the field of electronics with those of countries like South Korea, and said that India was quite advanced, both technologically and industrially, in this field.

The note points out that India's objectives and industrial framework in the field of electronics are largely determined by the size of the country and the domestic market, security environment, communication needs, economic structure, technological strategy and educational resources.

It says that the Indian strategy is to achieve technological self-reliance and to ensure indigenous production of the maximum possible equipment for strategic defence, communication, space and atomic energy needs.

The technological and industrial capacity built up to meet domestic needs is intended to beu sed as a springboard for exports. In contrast, the electronics industry in the four South Asian countries—South Korea, Taiwan, Hong Kong and Singapore, has been promoted so as to be basically export-oriented, with high gross outputs and turnovers. They are heavily involved in consumer electronics, with foreign companies playing an overwhelming role.

According to a World Bank report, many factors have pushed the South Korean industry in the direction of minimal own development and product design.

In contrast, the high-technology professional-grade equipmentm ade in India includes radars, aviation and navigation aids, a range of computers and nuclear instruments.

While the - export-oriented South Korean electronics industry has a very large gross output, the domestic value added to the Indian production is much higher. Moreover, 50 per cent of the Indian production is of professional electronics and much of it is cheaper than comparable West European products.

CSO: 4600/1300

INDO-JAPAN STUDY COMMITTEE HOLDS DELHI MEETING

Report on Meeting

Bombay THE TIMES OF INDIA in English 9 Nov 82 p 9

[Text]

NEW DELHI, November 8.

INDIA has pointed out to Japan that Japanese aid to it has remained constant at 30-32 billion yen over the last few years.

Though some of the stringent terms of aid have been relaxed in recent years, credits remain tied not only to projects but also to the source of supply, leaving India with practically no options and delaying the utilisation of the credit. Besides, the procedure makes for slow disbursement of aid.

These remarks were made by Dr. Manmohan Singh, governor of the Reserve Bank, at a joint meeting of the Indo-Japan study committee today. Dr. Singh leads a four-member team to the meeting. A seven-member Japanese delegation is led by Mr. Shinsaku Hogen.

FARM PROJECTS

In a paper on India's agricultural development strategy and potential for co-operation between India and Japan, Dr. Manmohan Singh said that as Japan was placing a premium on agricultural development in developing countries, increase in aid could be channelled into agricultural projects and programmes where Japanese interest had hitherto been limited.

"Thus there is scope for increasing assistance for agriculture, irrigation and rural development, liberalisation of the terms and conditions as well as simplification of procedures."

Dr. Manmohan Singh said that Japanese capital, technology and access to Japanese markets could help to accelerate the pace of India's agricultural development.

He suggested that Japan should send an import mission to India for industry level contacts to promote imports of marine products. There was also scope for export of a number of items from India to Japan such as tea and coffee, spices and cashew, cotton and jute goods, furniture and agricultural engineering goods.

The Prime Ministers of India and Japan have commended the role of the study committees in the two countries in promoting bilateral relations and expressed the hope that they would further enlarge the area of co-operation.

In messages to the joint meeting of the India-Japan study committees, Mrs. Gandhi said that relationship between Japan and India had been marked by friendship and growing co-operation.

The study committees in the two countries had done much to foster this cordiality. The research papers they presented at their joint meetings were relevant and of high quality.

"Because of the similarity in our political institutions and the complementarity of our economies", Mrs. Gandhi said, "there is vast scope for enlarging the area of co-operation in the interests of peace and prosperity in Asia and the world".

Mr. Zenko Suzuki, Prime Minister of Japan, in his message referred to the "positive trend" towards great advancement of India-Japan relations during recent years.

"But our relations are capable of further improvement in order that they may become commensurate with the status our two countries hold in the international community", Mr. Suzuki said. "To that end, we must further deepen our mutual understanding".

Press Briefing

Madras THE HINDU in English 10 Nov 82 p 9

[Text]

NEW DELHI, Nov. 9.

Japanese experience will be of immense benefit to India for the modernisation of its industry, Dr. Manmohan Singh, Governor of the Reserve Bank, said here today while briefing newsmen at the conclusion of the two-day meeting of the India-Japan Study Committee.

Dr. Manmohan Singh, who is the co-chairman of the committee along with his Japanese counterpart, Mr. Shinsaku Hogen, said the committee which was having its 12th meeting was primarily concerned with examining the long-term trends in Indo-Japanese cooperation. The conclusions reached at the study committee meetings are being forwarded to the Governments and businessmen of the two countries.

Mr. K. K. Birla, one of the committee members, said there was greater awareness among Japanese businessmen of the need to promote investment in India. This awareness had led to the collaboration between Maruthi and Suzuki for the production of cars.

Mr. M. V. Arunachalam, aother member of the committee, said India's adverse and balance of trade with Japan was discussed. The Japanese had pointed out that they would like India (which was now exporting iron ore to Japan) to export more manufactured goods and higher value added items. There was a feeling among the Japanese industrialists that India was not paying much attention to marketing.

Dr. Manmohan Singh said case studies carried out had clearly indicated that import of technology and its subsequent absorption by Japanese industry had been successful because there was clarity of objectives in the adaptation of technology. "This study is a useful contribution to our understanding of the processes involved in the modernisation of Indian industry", he said.

Dr. S. Ramaseshan, Director of Indian Institute of Science, Bangalore, said it was decided that both Japan and India should examine how they can collaborate in science and technology in future.

The vast scope for expansion of cooperation between India and Japan in promoting the modernisation of India's rural economy has been stressed in a paper presented by the Indian delegation.

The paper pointed out that Japanese capital and technology and access to Japanese markets can accelerate the pace of India's agricultural development.

Items of export potential: The paper suggested Japan could send a mission for industry-level contacts to promote imports of marine products. There is also scope for export of items from India to Japan, like tea, coffee, fruits and vegetables, garlic and ginger, other spices, curry powder and cashew, cotton, tobacco, jute goods, sandal oil and dyestuff, furniture and agricultural engineering goods.

CSO: 4600/1289

RESULTS OF INDO-ITALIAN COMMITTEE MEETING TOLD

Bombay THE TIMES OF INDIA in English 10 Nov 82 p 9

[Text]

NEW DELHI, November 9 (PTI)

INDIA and Italy have agreed to take all possible steps to increase economic co-operation and double their trade turnover.

This was the outcome of the fifth session of the Indo-Italian joint committee which held its meeting in Rome last week.

The Indian delegation was led by Mr. Abid Hussain, commerce secretary, and the Italian delegation by Mrs. Teresa De Corne, director general, ministry of foreign trade.

Indicative of the priority which Italy attaches to commercial and economic relations with India, the Italian minister of foreign trade, Mr. Nicola Capria, inaugurated the plenary session of the joint committee.

During the deliberations, Italy expressed its willingness to provide technical assistance to India for improvement of production techniques and designs in textiles with particular reference to silk and silk processing, leather, gems and jewellery. The meeting also decided to promote joint ventures for exports of marine products to Italy.

The meeting also agreed to simplify the procedure for utilisation of export credit worth 90 million dollars as well as the Italian government soft loan to the tune of 140 million dollars which were made available to India earlier. This would facilitate early disbursements of these loans and credits and enhance economic co-operation.

It also identified a number of areas for industrial co-operation in sectors of energy including renewable energy, petro-chemical and fertilizers.

Indo-Italian trade has been expanding steadily in the last few years. In 1979-80, India's exports to Italy were valued at Rs. 212.7 crores, while imports during the same period were Rs. 178.9 crores.

The major items of India's exports are leather and leather manufactures (50 per cent), clothing and apparel (15 per cent), textile yarn (5 per cent) and coffee. Major items of import are machinery and transport equipment, fertilizers, iron and steel, synthetic fibre and medicinal and pharmaceutical products.

Italy ranks seventh in terms of foreign collaboration in India. Eighteen collaboration projects have been approved from January to June this year.

CSO: 4600/1294

FINANCE MINISTER LAUDS RESERVE BANK CREDIT POLICY

Bombay THE TIMES OF INDIA in English 11 Nov 82 p 9

[Text]

BANGALORE, November 10.

THE Union finance minister, Mr. Pranab Mukherjee, today ruled out the possibility of a reduction in interest rates on bank loans.

Speaking as chief guest at the 24th annual conference of the Karnataka Planters' Association, he said he had reviewed the credit policy announced by the Reserve Bank recently and found there was no scope to improve on it.

He pointed out that bank profits had declined to 0.01 per cent, limiting the profits of the 20 nationalised banks to Rs. 48 crores. Out of every Rs. 100 advanced by banks, Rs. 43 was charged less than the borrowing rates and only Rs. 15 was charged 18 to 19 per cent as interest, he said.

Mr. Mukherjee also said the recent increase in export duty on coffee to Rs. 4,400 a tonne was reasonable, considering the country's constraints on resources required for the plans, of which planters were also beneficiaries. A sum of Rs. 49 crores had been earmarked in the sixth plan for soft loans to coffee plantations, besides the Rs. 2,500 given per hectare as replanting subsidy, he pointed out.

He, however, agreed that in the face of fluctuating prices, the government should be as prompt in reducing the duty as it was in increasing it.

India had to be extremely careful in its strategy if it had to retain or improve its position in coffee exports, particularly in the context of the quota fixed by the International Coffee Organisation. He commended the progress made in production and export of coffee and called for efforts to increase domestic consumption. In the international market, there should be vigorous research to develop new markets. The commerce ministry was prepared to help in this Mr. Mukherjee said.

Some problems of the plantation industry had arisen out of the international scenario and the commerce ministry was vigorously pursuing the idea of some sort of adjustment to avoid distortions and imbalances, he said.

Mr. R. Gundu Rao, Karnataka chief minister, who inaugurated the conference, recalled that a few years ago he was a critic of the plantation industry. Now, he added, he was appreciative of its co-operation and positive approach.

Mr. A. D. Chandra Shekar, president of the association, said that coffee growers in the state had to shed their complacency and brace themselves to face the realities of a very stiff international market, where quality and competitive prices mattered more than ever before.

CSO: 4600/1298

PRESS REPORTS INDIAN REACTION TO BREZHNEV DEATH

Observance Plans, Messages

New Delhi PATRIOT in English 12 Nov 82 pp 1, 7

[Text] The news of the death of Leonid Brezhnev, India's great friend abroad plunged India into gloom with leaders from the Prime Minister and the President to common man, expressing shock and sorrow.

The Government of India has announced a three-day State mourning beginning on Friday as a mark of respect for the departed Soviet President.

According to the official announcement, flags will bly half-mast from Thursday till the period of mourning was over in Delhi, the State capitals as well as Indian missions abroad and there will be no official entertainment during this period.

The red flags at the offices of the CPI and the CPI-M were flying half mast on Friday after the news of Brezhnev's demise reached the Capital.

VALUED FRIEND: PM

In her condolence message, Mrs Indira Gandhi hailed the Soviet leader as a man who left his impress on the history of the last two decades with his initiatives towards detente and peace which enabled the comity of nations to overcome many a difficult crisis.

In Brezhnev's death, she said, the world has lost an outstanding statesman, the Soviet Union a great architect and the people of India a valued friend.

Brezhnev's life she said, was one of unusual dedication, tenacity and achievement as he directed the strength and creative spirit of the Soviet people towards peace and the task of ensuring a world where nations could live in amity.

Mrs Gandhi said she had the privilege of knowing Mr Brezhnev for many years. Indo-Soviet friendship and cooperation grew and achieved maturity during President Brezhnev's time.

He showed consistent understanding of our problems and stood by us in our moments of need. He had a strong personality and was imbued with sturdy realism, she said.

Mrs Gandhi conveyed to the Government and people of Soviet Union the profound sympathy and condolences of the Government and people of India.

President Zail Singh described Brezhnev as a "great statesman and leader of the Soviet people" as well as a "good friend of India".

In his condolence message, the President said: "The world will miss his towering presence and his sense of mission to promote peace and detente. President Brezhnev's extremely valuable contribution to Indo-Soviet friendship and cooperation will always be remembered in our country."

Vice-President M Hidayatullah said Brezhnev's death has "left us in utter gloom". He pointed out that although in poor health the Soviet leader was able to

shoulder great responsibilities of his office to the last.

"His sudden passing away has come as a great shock. We have lost a true friend of India. He underlined that Brezhnev always worked for the prosperity of his country while helping the poorer countries of the world.

The Central Secretariat of the CPI expressed "most profound grief at the demise of Brezhnev and directed all party units throughout the country to take out silent mourning processions on 14 November and hold memorial meetings.

While recalling Brezhnev's 'histroci contribution" in building communism in the USSR, strengthening cohesion of the Socialist system and forging closer unity of the international communist movement on the basis of Marxism-Leninism and proletarian internationalism, the Secretariat noted that the "personal initiatives which Comrade Brezhnev has taken in the course of the last few years in furtherance of the historic peace programme of the CPSU have served as a beacon of hope and inspiration to the peoples of all continents".

Conveying heartfelt condolences of the CPI to the CPSU, the Soviet people and members of the bereaved family, the Secretariat observed: "The Indian people will forever cherish the outstanding contribution Comrade Brezhnev has personally made to the noble cause of strengthening friendship and cooperation between India and the Soviet Union."

The politburo of the CPI-M new meeting in Calcutta, conveyed its condolence to the members of the Communist Party of the Soviet Union and the people of the USSR over the 'heavy loss they have sustained' on the demise of President Brezhnev.

"This is a loss to the peace-loving humanity, who will remember with gratitude the untiring work turned out by Mr Brezhnev in spite of his failing health in mobilising the people throughout the world against the aggressive move made by imperialists to plunge the world into a destructive nuclear war".

CONG-I TRIBUTE

The Congress-I party at an emergency meeting chaired by its president Indira Gandhi condoled the death of Mr Brezhnev.

The resolution passed at the meeting said: "The Indian National Congress is deeply grieved at the passing away of President Brezhnev and sent its condolences to the Communist Party of the Soviet Union and the people of that great and friendly country."

President Brezhnev was a statesman of a high stature who through his dedicated efforts in the cause of detente and peace left a mark on our times. He was a good friend of India, the resolution added.

The Congress-I expressed its appreciation of President Brezhnev's contribution to the strengthening of the Indo-Soviet friendship.

"The people of India share the grief with their Soviet brothers and sisters", the resolution said.

The reinforcement of the Indo-Soviet friendship, cooperation and continued work for peace will be the most fitting tribute to the memory of President Brezhnev, the resolution said.

The National Secretariat of the Indo-Soviet Cultural Society in its condolence message described Brezhnev as a "great and reliable friend of India whose tireless efforts for the noble cause of world peace will always be remembered by all mankind".

Maintaining that the void created by his passing away at this critical moment in the international situation was very difficult to fill, the Secretariat remembered Brezhnev's close personal relations with the ISCUS.

The Secretariat of the All-India Peace and Solidarity Organisation characterised him as the "beloved leader of all who fight for peace, freedom and against exploitation".

"We remember with great appreciation President Brezhnev's warm supoort to India at all times, specially at moments of crises. We recall his constant desire that India should be politically and economically a strong nation, together with the USSR and others to fight for peace," it said and noted that his support to the developing countries, and national liberation struggles was a significant factor in their success.

The National Committee of the Friends of the Soviet Union deeply mourned the demise of Brezhnev and said: "In his death the world has lost a mature statesman, a steadfast fighter for peace and security, a friend of the non-aligned world and the national liberation movement. The might of the USSR and its moral authority in the world today is in no small measure due to the farsighted leadership of President Brezhnev."

The Secretariat of the All-India Youth Federation and the All-India Students' Federation sent heartfelt condolences to the CPSU, the Komsomol (the Young Communist League of the USSR), the Soviet people and members of the bereaved family and said: "Comrade Brezhnev always inspired the youth and students of not only the USSR but of the whole world to carry the torch of peace, disarmament and for fighting to end exploitation of nation by nation and man by man."

Janavadi party leader Chandrajit Yadav said the world had lost a great statesman whose life was totally dedicated to world peace. The Soviet Union, he said, had lost a nation builder and India its best friend.

Mr Rajiv Gandhi MP has expressed deep grief at the death Mr Brezhnev describing him as a leader of high eminence who dedicated himself to the cause of detente and world peace.

Mr Gandhi said during Mr Brezhnev's Stewardship the Soviet Union strengthened its friendship with India. "Indo-Soviet friendship has not only helped our own economic development but became a factor contributing to international stability" he said.

G.K. Reddy Report

Madras THE HINDU in English 12 Nov 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Nov. 11.

The Prime Minister, Mrs. Indira Gandhi, will be going to Moscow to attend the funeral of Mr. Brezhnev and renew her acquaintance with the leaders of the new Soviet presidium.

Touching tributes: The Prime Minister has sent a touching condolence message, saying that "the world has lost an outstanding statesman, the Soviet Union a great architect and the people of India a valued friend".

In conveying the "profound sympathy and condolences of the Government and the people of India" to the Soviet Union, she described Mr. Brezhnev's life as one of unusual dedication, tenacity and achievement. The late Soviet President, she added, had directed the strength and creative spirit of the Soviet people towards peace and the task of ensuring a world in which all nations could live in amity.

Mrs. Gandhi said she had the privilege of knowing Mr. Brezhnev for many years. Indo-Soviet friendship and cooperation grew and achieved maturity in his time. "He showed consistent understanding of our problems and stood by us in our moments of need. He had a strong personality and was imbued with sturdy realism".

The Prime Minister pointed out that his initiatives towards 'detente enabled the community of nations to overcome many a crisis. "The history of the last two decades bears his impress".

The President, Mr. Zail Singh, and the Vice-President, Mr. M. Hidayatullah, also sent similar messages of condolence. Almost all the political parties have joined the Government in mourning Mr. Brezhnev's death and paying eloquent tributes to his contribution to Indo-Soviet friendship which has stood the test of time. Though Indo-Soviet relations grew closer during Khrushchev's rule, it was Mr. Brezhnev and Mr. Kosygin who consolidated and expanded them.

When Stalin died in 1953 at the height of the cold war, Nehru paid a rare tribute, describing the Soviet leader as a man of peace. It led to a big uproar in the West, especially in the U.S., which strongly resented the description and also the rare honour India did in adjourning Parliament for a day as a mark of respect.

How will China respond?: But in the present atmosphere, there are no such hard feelings and it is expected that many Western countries will be deputing their leading figures to attend Mr. Brezhnev's funeral. The world is waiting to see how appropriately China responds in the changed context of the new moves under way for Sino-Soviet normalisation.

The late Soviet President took a special interest in India and other leaders like Mr. Kosygin, Mr. Gromyko, Mr. Archipov and others played an important role in widening Indo-Soviet relations in Mr. Brezhnev's time. Mr. Andropov, Mr. Chernenko and Mr. Ustinov who are going to be the key figures in the new Soviet set-up are men with their minds geared primarily to the power balance in Europe.

Preserving old perspective: It will take them some time to develop a matching interest in India, although none of them is a complete stranger to the Asian scene. But the present level of Indo-Soviet relationship will be maintained by the new men in the Kremlin, since they cannot be unaware of the political reality that Russia needs India as much as India needs the Soviet Union.

The only difference is that they may not be able to attune themselves to the diplomatic delicacies of India's attempts to improve relations with the U.S But there are still oldtimers like Mr. Gromyko left to help preserve the old perspective even in the changed situation.

Mr. Brezhnev visited India thrice, first as President of the Supreme Soviet in 1961, then as General Secretary of the Soviet Communist Party in 1973 and then in 1980 as President of the Soviet Union. He travelled extensively during the first visit covering Madras, Bombay, Calcutta, Agra and Jaipur besides Delhi. He visited a number of Soviet-aided projects, including Neyveli, on that occasion. But his visits in 1973 and 1980 were primarily for talks in Delhi followed by the signing of several agreements for increased economic cooperation.

CSO: 4600/1308

DELHI CONSIDERS REVIVING EXPENDITURE PANEL

Madras THE HINDU in English 10 Nov 82 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Nov. 9.

The Economic Administration Reforms Commission, headed by Mr. L. K. Jha, which will complete its two-year term next March, has informed the Government that it will require three months more to finish the work on hand and another three months to complete the remaining tasks assigned to it.

The Commission has also told the Government that if the intention was to continue to utilise its expertise in some form or the other even after the expiry of its extended term, it would be desirable to retain it as a permanent advisory body staffed by specialists drawn from different economic disciplines.

The Government is examining these suggestions and also considering the desirability of reviving the expenditure commission that was set up during the Janata rule but abolished by the present Government. It is now realised that there is need for some such commission to keep an eye on Central and State Government expenditure which has assumed the alarming dimensions of Rs. 45,000 crores a year consuming nearly one-third of the national income against their total revenue of only Rs. 36,000 crores.

Uncontrolled growth: This uncontrolled growth of non-productive public expenditure has led to recurring deficits in Central and State budgets, making it almost impossible to bridge the gap by merely stepping up taxes to raise additional resources in a country that is already soaked to the maximum.

Money lent to Govt.: The figures available for the period April to August 1982, indicate that the banks have invested in Government loans and bonds Rs. 3,200 crores at interest ranging from 6.5 to nine per cent, while commercial borrowings at an average of 18 per cent interest amounted to only Rs. 870 crores. The money loaned to the Government through treasury bills and bonds at cut-rate interest has been raised through public deposits attracting 10 per cent interest.

It is, therefore, felt that an expenditure commission headed by a prominent political personality with Cabinet rank could exercise some check on public spending, while the Economic Reforms Commission could concentrate on the restructuring of the administrative machinery to ensure greater efficiency in the use of the available resources for achieving better results.

IMF team's study: An IMF team, headed by Mr. Tun Thin who is well acquainted with India's economic problems, is now in India taking a critical look at the Government's taxation, borrowing and expenditure policies before a final shape is given to the next budget. The Fund's orthodox approach to these inter-related issues is well known, and the conditionality attached to its loans entails the observance of several restraints in the country's economic management.

This has also led to some serious distortions in the Government's borrowing policies, compelling banks to pay high interest rates to attract deposits, lend thousands of crores of rupees to the Government at considerably lower rates and try to make good the loss by charging exorbitant interest on commercial borrowings which inhibit growth and impede export performance. This is the only

country where the Government utilises the banking system to finance its spending spree in such an unfair manner, making an already heavily taxed community to bear the burden of highly subsidised public loans.

One way of curbing unproductive expenditure, according to economic experts, is to follow the example of countries like Britain, France and the United States where the governments are required to pay two to three per cent more than the prevailing bank rate on such borrowings from public or private financial institutions. There is a provision in the Constitution, under Article 292, which enjoins the Government to confine its borrowings to certain limits fixed by Parliament from time to time, but this has never been done since the obligation has not been made a mandatory requirement.

The steady erosion of the value of the rupee in the wake of the inflationary pressures generated by growing public expenditure leads to periodic talk of devaluation. The strong denials by the Government of any such intention do not really help to restore confidence in the rupee, since the very speculation about possible devaluation is no less damaging in the long run. It undermines the public faith in the Government's capacity to display the necessary firmness of purpose and administrative capacity in curbing wasteful expenditure and utilising the available resources for increased production.

CSO: 4600/1290

FINANCE MINISTER ADDRESSES CHAMBERS OF COMMERCE

Madras THE HINDU in English 12 Nov 82 p 7

[Text]

COCHIN, Nov. 11.

The Union Finance Minister, Mr. Pranab Mukherjee has said that the tax structure would be rationalised.

Addressing a joint meeting of three chambers of commerce here on Wednesday he said various recommendations and suggstions were before the Government in this regard. "However, the whole picture is so complex I am afraid whether in the name of rationalisation we are only going to make the situation more complex."

Mr. Mukherjee said he could not say anything further on the subject as from now on up to February he would be only "listening to all suggestions with."

Non-Plan expenditure: The Minister agreed with the chambers that non-Plan expenditure which was increasing considerably caused concern to everyone. However, he pointed out that such expenditures were made in certain vital sectors like Defence and maintenance of law and order. "When divisive and disintegrating forces are raising their heads it will be extremely difficult for the States or the Centre to take a risk by reducing the expenditure in these areas."

Mr. Mukherjee who drew a rosy picture about the current economic state of affairs in the country especially compared to what it was two years ago said that the restrictive and selective credit policy had its impact in the industrial and economic activities. He contended that adequate credit was available to meet the genuine productive needs of various industrial sectors.

Regarding reports on recession in the heavy vehicles industry Mr. Mukherjee said the producers were accustomed to living in a sellers market and in that the process of aggressive salesmanship which was an important part had been forgotten. A situation had been created in which the consumer or the buyer had no choice and if at present they could buy their vehicles off the shelf it should be a welcome development.

Referring to some of the points raised in his welcome speech by Mr. N. P. Ouseph, president of the Indian Chamber of Commerce, and in the memorandum presented by Mr. B. S. Desai, president of the Cochin Chamber of Commerce, the Minister said the complaint that interest rates on advances were on the high side was true. He had been asking the banks to improve their efficiency and reduce operation cost. But they must remember that the banks were functioning under certain restrictions.

In his welcome speech, Mr. Ouseph requested the Government to adopt a flexible lending policy towards the grain trade in general and the traders in deficit States in particular.

The memorandum drew the attention of the Minister to the long delays on the part of State Electricity Boards to lift the materials against orders placed by them. It also referred to the 'liberal import' of formic acid and said that this policy had destroyed the viability of the two units set up in Kerala and one unit had to be closed for a couple of months.

Mr. V. O. Mathai, president of the Ernakulam Chamber of Commerce, proposed a vote of thanks.

No foodgrain shortage: Talking to newsmen later, Mr. Mukherjee deplored attempts to create a panicky situation regarding availability of foodgrains. He said the situation was serious but it would not be anybody's interest to create panicky situation which would only encourage the traders to hoard and speculate.

The drought and floods in many parts of the country had reduced the anticipated foodgrain output by only 5 to 6 million tonnes. As against the expected 78 million tonnes in the kharif crop, they would now be getting around 72 or 73 million tonnes. But the country had good bufferstocks and had imported 2.5 million tonnes of wheat. The procurement at the end of third week of October was 7.7 million tonnes, more than a million tonnes in the previous year.

The problem, Mr. Mukherjee said, was that some of the State Governments had not made procurements as expected and consequently there were problem in rushing foodgrains to such areas.

Asked about the remark of Mr. E. M. S. Namboodiripad that starvation deaths were imminent in the country, the Minister said even in West Bengal such a statement had not been accepted by the Government there.

The Finance Minister said that he had already cleared Central assistance to three or four States which had suffered heavy losses due to floods and drought.

In answer to a question, Mr. Mukherjee said he had no 'political mission' during his current visit to Kerala but would be conferring with colleagues as usual. He would not say anything about the issue of merger of the Congress (Antony) and the Congress (I) in Kerala except drawing attention to the remarks of the Prime Minister calling for a broadbased unity for tackling certain vital issues facing the country like national integration. He had no plans to meet Mr. A. K. Antony, KPCC (A) president during his current visit, he said.

Overdrafts: About the overdraft position in the State, Mr. Mukherjee said while Rs. 1,743-crore outstanding overdraft of all States put together at the end of March 31 had been converted into medium term loans, the outstanding overdrafts between the period from April 1 and June 30 this year had been cleared by the Centre as advance Plan allotment to be repaid before the end of March 31, 1983. Because of the strict directives issued by the Centre the States had begun tightening up expenditure, he said.

CSO: 4600/1308

REPORTER OUTLINES IMPROVEMENTS IN ECONOMY

Bombay THE TIMES OF INDIA in English 15 Nov 82 pp 1, 15

[Article by D.G. Gupte]

[Text] Bombay, November 14--On the eve of the new Samvat Year 2039, the prospects of the Indian economy can be considered reasonable, though not as bright as it was a year ago. Though there are some dark spots on the horizon, on the whole, the economy looks brighter.

Inflationary surge of the earlier years has abated and substantial progress has been made towards the establishment of a monetary environment conducive to stable prices. Another reassuring aspect of development over the past two years has been the sustained increase in agricultural output. Industrial production [words blurred] a growth largely through better utilisation of capacity.

Measures taken towards the improved use of existing energy resources and development of additional sources of energy should stand in good stead in the coming years.

On the external front, the massive loan of SDR 5 billion (equivalent to US $5.65 billion) from the International Monetary Fund (IMF) under the extended fund facility should help in meeting the shortfall in external resources.

But the expected decline in food output in the current year following the failure of the monsoon in several parts of the country, recessionary tendency in some sectors of industry coupled with cost escalation, increasing labour unrest, slow pace of achieving physical targets despite increased plan spending by the Central and state governments, continuing political agitation in some parts of the country and the likely emergence of the price spiral should cause concern and will demand continued vigilance.

However, with a good base that has been created in the past few years and the resilience that the economy has shown in adjusting to the changing situations, it should not be difficult to get over the humps in the path of progress.

Despite somewhat unfavourable weather conditions in some parts of the country the output of foodgrains and commercial crops improved last year. The erratic behaviour of the southwest monsoon and unseasonal rains in April-May 1982 did cause worry to the farming community. However, the total foodgrain production in 1981-82 is expected to be marginally higher at 132 million tonnes against 130 million in the previous year.

The output of oilseeds is likely to be higher at 11.5 million tonnes against 9.4 million tonnes in 1980-81, thanks to the efforts made in the past few years towards intensive and extensive cultivation. Sugarcane production, which is known for its cyclical nature, touched a new high of 185 million tonnes in 1981-82 against 150.5 million tonnes in 1980-81 and 129 million tonnes in 1979-80. Cotton production was also higher at about 8 million bales in 1981-82.

The foodgrain output seems to be levelling off and ranging between 132 million tonnes and 134 million tonnes in the past few years which is much lower than the sixth plan target. Efforts will thus be needed to concentrate both on intensive and extensive agriculture and fresh investments on them.

The consumption of fertilisers has risen from 55.2 lakh tonnes in 1980-81 to 61.3 lakh tonnes in 1981-82. The production of chemical fertilisers is expected to rise in the coming year. But with high prices for these fertilisers, farmers have been showing resistance to the use of costly fertilisers.

Although the procurement of wheat and rice has been higher in their respective marketing seasons of 1981-82 than in the previous year, a sizable portion of wheat procured was damaged by the unseasonal rains in April-May 1982. To take care of the likely gap between supply and demand, imports of 2.26 million tonnes of wheat have been arranged. The offtake from the public distribution system has been about 1.5 million tonnes more than in the previous year.

If the foodgrains prices in the coming year are maintained at a high level the pressure on the public distribution system can be expected to increase further and the buffer stocks built up by the food procurement agencies might prove inadequate.

Uneconomical Levels

Sugarcane output in the 1982-83 season is expected to be maintained at the high level achieved in 1981-82. With prospects of sugar prices remaining at uneconomical levels, there is likely to be a shift of a part of land under sugarcane to other crops in the coming year. Indications are that the output of oilseeds and cotton will be lower in the ensuing year than in the previous year.

Since the production of oilseeds continues to fall short of the demand necessitating imports, efforts of some state governments to increase the production of oilseeds need to be intensified further.

With improved infrastructural facilities like higher coal output, larger power generation and better turnout of railway wagons, production in several sectors of industry increased sizably during 1981-82. The index of industrial production rose by 9.3 percent in 1981 against only 0.7 percent in 1980.

The growth in industrial output has been achieved largely by better utilisation of existing capacities. The pace of creating new capacities continues but at less than the desired speed.

Since the beginning of 1982, recessionary conditions have been noticed in several sectors of industry, causing concern to businessmen. The rise in the industrial index in the first half of 1982 has been nearly half that in the same period of 1981. Although official quarters are optimistic that the industrial production may grow by five to seven percent in 1982, industry circles seem sceptical about achieving this level.

The industrial sector has to adjust itself to a less rapid increase in prices. In an inflationary situation there is generally a tendency on the part of industry and trade to pile up stocks. With declining prices and prospects of continuation of this trend, the general tendency is to liquidate stocks which, in turn, results in production cuts in some cases. Industry circles only hope that this will be only a temporary phase and that it will not lead to a continuous fall in the aggregate demand. Adjustments in fiscal and monetary policies will be needed to reverse the present trends and maintain the overall demand at a fairly high level.

Production Maintained

The production of steel and steel products has been maintained at reasonable levels in the past few months but the accumulation of stocks with the main steel producers and the declining prices have been a matter of concern. After the partial decontrol of cement from March 1982 cement prices had stabilised for the first few months. In recent weeks, however, the upsurge in non-levy cement prices has been in evidence. If this trend continues the offtake might slacken besides increasing the cost of projects involving the use of cement.

The situation on the power front continues to be serious. The sixth plan target has been fixed at 19,600 MW. However, it would be creditable for this sector even if it achieves a level of 15,000 MW by the end of the plan period. On present reckoning, this level is unlikely to be reached. Several states continue to face acute power shortage which has affected both the farm and industrial sectors. Underutilisation of capacities, bad maintenance and heavy transmission losses continue to plague units in the public sector in particular.

Labour unrest in several important industrial belts has had their inevitable impact on the industrial sector in the past few years. There are as yet no signs of any significant improvement on the labour front. If there is a rise in the general price level, labour unrest as a sequel to higher demands by labour and inability of the industry to meet them are bound to be intensified.

The growth in the genral national product (GNP) has been lower at 4.5 percent in 1981-82 against 7.5 percent in 1980-81. The increase in GNP during 1980-81 and 1981-82 have been brought about mainly by the sustained increases in agricultural and industrial output. Looking to the trends in these two sectors, the growth in GNP in 1982-83 is unlikely to be maintained at even the 1981-82 level.

The Union planning minister, Mr S.B. Chavan had recently admitted that it might be difficult to achieve the sixth plan target in some of the key sectors. Although the Central government as also a majority of states have exceeded the resource mobilisation targets for the first three years of the plan, physical targets remain to be achieved in several key sectors. Despite the oft repeated improvement in the working of the public sector units, the goal seems too far away.

The capital market remained generally buoyant during 1981-82, with a phenomenal increase in the direct mobilisation of funds by the private sector. Capital raised through equity and preference shares and debentures in 1981-82 totalled Rs 388 crores which was nearly four times the amount raised in the previous year. In 1982-83 the figure is expected to rise to Rs 700 crores and further to Rs 1,000 crores in 1983-84. With the liberalisations announced by the authorities to make debentures attractive as also encourage share investments by non-residents in Indian companies, the private sector companies were able to raise larger resources from the market and reduce their dependence on institutional support correspondingly. Larger units in the private sector have benefited from the recent upsurge in the direct access to the capital market.

The potential for tapping non-resident investments in shares of Indian companies is great. Certain impediments like procedural delays need to be removed by the authorites besides offering tax concessions on such investments.

For the Bombay Stock Exchange, the Samvat Year 2038 proved to be a turbulent one with unprecedented payment crisis more than once during the year, shaking the confidence of small investors and attracting the government's attention. Although the stock exchange authorities took corrective measure such as imposition of margins, the inadequacy of such measures in saving critical situations was proved beyond doubt.

Over the year, the share price index recorded a net decline of 1.8 percent against the sizable rise of 20.5 percent in the previous year. With the recessionary conditions prevailing in several sectors of industry, demand for shares in the market is likely to be selective. Response to public issues of shares and debentures is also likely to be selective with investors having become choosy.

Significant Achievement

Containment of inflationary pressures has been a significant achievement of the last year. The price index in early October 1982 has shown a net increase of only 1.3 percent compared to the level a year ago. The containment of inflationary pressures has to be viewed in the context of the conditions in several developed and developing countries.

On a point to point basis, the wholesale price index (base: 1970-71 = 100) rose by just 2.1 percent during 1981-82 against an increase of 15.7 percent in 1980-81. This has been achieved by better balance within supply and demand in the economy.

Aggregate monetary demand, as measured by the growth in money supply, was restricted and the availability of goods improved because of higher production and larger imports. The Reserve Bank of India initiated several measures in succession to mop up the liquidity with the banks and dampen the overheated economy.

In retrospect, it would seem that the monetary measures of the RBI which were considered hard were useful in arresting deterioration of the situation.

When the RBI understood that it could relax its credit policy, it did not lose time in taking corrective steps. From July 1982 the credit curbs have been relaxed significantly, although the flow of funds into the economy still continues to be regulated.

It remains to be seen how much the economy will be able to tap the funds available and get out of the sluggishness facing some sectors. As one banker put it, the economy is like a patient cured of a serious illness and allowed to eat normal food. But having been deprived of such food for long, the patient takes time to come back to his health. So also the economy.

The widening of the trade deficit had caused concern to authorities in the past. The recent arrangement under the IMF extended fund facilities provides a breathing time for undertaking important structural changes in India's imports and exports. With the accelerated programmes for oil exploration and production, the ratio of imported oil products to the total availability is likely to decline considerably in the next three years.

CSO: 4600/1318

INCREASE IN PUBLIC ENTERPRISE PRODUCTION REPORTED

New Delhi PATRIOT in English 13 Nov 82 p 7

[Text] Total production of public sector undertakings in September this year was valued at Rs 3454.04 lakhs, it being 95.91 percent of the target of Rs 3601.10 lakhs. This shows an increase of 34.29 percent over that of September 1981 (Rs 2572.02 lakhs), reports PTI.

The cumulative production during the first six months of the current year (1982-83) was valued at Rs 18300.61 lakhs, 90.13 percent of the target of Rs 20302.47 lakhs. This was 31.22 percent higher than the production of Rs 13946.33 lakhs in the corresponding period last year, says PTI, quoting an official release in Delhi on Friday.

The production of Cycle Corporation of India Ltd during the month has been of Rs 100 lakhs 111.11 percent the target of Rs 90 lakhs and 5.67 percent less than the production of Rs 106 lakhs in September 1981.

Cumulatively, the production during the first six months of the current year (1982-83) has been of Rs 721 lakhs 101.40 percent of the target of Rs 711 lakhs and 18.72 percent less than the production of Rs 887 lakhs in the corresponding period last year.

The production of Andrew Yule and Co. Ltd during the month has been of Rs 231.22 lakhs, 109.30 percent of the target of Rs 211.53 lakhs in September 1981.

Cumulatively, the production during the first six months of the current year (1982-83) lakhs, 101.68 percent higher than the production of Rs 735.81 lakhs in the corresponding period last year.

The production of Hindustan Photo Films Manufacturing Co Ltd during the month including items of jumbo rolls has been of Rs 788.73 lakhs, 104.54 percent of the target of Rs 754.46 lakhs and 12.10 percent higher than the production of Rs 703.55 lakhs in September 1981.

In quantitative terms, the production during the month has been of 11.02 lakhs sq metres against 12.01 lakhs q metres in September 1981.

Cumulatively, the production during the first six months of the current year (1982-83) has been of Rs 3705.13 lakhs, 87.98 percent of the target of Rs 4211.32 lakhs and 19.40 percent higher than the production of Rs 3103.03 lakhs in the corresponding period last year.

The production of National Instruments Ltd during the month has been of Rs 36.81 lakhs, 103.92 percent of the target of Rs 35.42 lakhs and 16.67 percent higher than the production of Rs 31.55 lakhs in September 1981.

Cumulatively, the production during the first six months of the current year (1982-83) has been of Rs 188.48 lakhs, 94.52 percent of the target of Rs. 190.94 lakhs and 17.67 percent higher than the production of Rs 153.37 lakhs in the corresponding period last year.

The production of Cement Corporation of India Ltd, was Rs 784.12 lakhs in September 1982, 101.25 percent of the target of Rs 774.42 lakhs. It was 81.86 percent higher than the production of Rs 431.16 lakhs in September 1981.

The cumulative production during the first six months of current year (1982-83) has been valued at Rs 4148.00 lakhs, 93.15 percent of the target of Rs 4435.67 lakhs and 98.72 percent higher than the production of Rs 2087.31 lakhs in the corresponding period last year.

CSO: 4600/1303

STAND ON INDO-BANGLADESH RIVER MEETING TOLD

New Delhi PATRIOT in English 14 Nov 82 p 7

[Text] Calcutta, Nov 13 (UNI)--The India-Bangladesh joint rivers commission would meet in Delhi from 21 to 24 December, Union Irrigation Minister Kedar Pande said today.

Mr Pande, who was on his way to Delhi from Nagaland, told newsmen at Calcutta airport that the Joint Rivers Commission meeting would examine the proposals of the two countries for augmentation of the Ganga flow at Farakka for pre-feasibility study.

He told a questioner while India stood by its proposal for constructing a Ganga-Brahmaputra link canal for augmenting the flow, the Bangladesh proposal for building dams on the upper reaches of the Ganga by associating Nepal would also be examined. India was, however, against making it a trilateral affair by associating Nepal and had always wanted it to be a bilateral one with Bangladesh, he said.

Mr Pande said the interim sharing arrangement of the Ganga waters at Farakka during the dry season from January to May would continue for 18 months under a new agreement worked out between the two countries during Gen Ershad's visit.

Unlike the old agreement which expired on 5 November, there was co-guarantee clause in the new agreement for supply of more water to Bangladesh if its availability was below the normal, he said, whenever there were such shortage of water, it would have to be shared by both countries after mutual discussions, he said.

Mr Pandey said the next Brahmaputra board meeting, which would be held in Kohima soon, would consider construction of a hydel power project of 106 MW capacity of Doyang, a tributary of the Brahmaputra in Nagaland.

The Brahmaputra board deals with flood control, irrigation and hydel power generation schemes of the river and its tributaries.

The Centre, he said, had a long-term plan for constructing at least 20 dams on the Brahmaputra and its tributaries in the northeastern States and Union Territories including Arunachal Pradesh to generate a hydel power capacity of 50,000 MW. The total cost of the construction was estimated at Rs 20,000 crores and the World Bank might be approached for funds, he said.

CSO: 4600/1303

ENGINEERING GROUP LEADER REPORTS ON PRC VISIT

New Delhi PATRIOT in English 14 Nov 82 p 7

[Text] Calcutta, Nov 13 (PTI)--The People's Republic of China offers good scope for the export of engineering goods from India, according to chairman Federation of Engineering Industries (eastern region), M.D. Jindal.

Mr Jindal, who was a member of a trade delegation of the federation to China, Japan, Korea and Hong Kong told PTI on his return that the goods acceptable to them were agricultural machinery, motor vehicles and their parts, pipes and tubes, diesel engines and Indian bicycles and their components.

India could import ferrous and non-ferrous metals from China in return, he said.

Mr Jindal favoured further cultivating of the market by sending more trade delegations, goodwill missions and by exchanging technical and scientific personnel from both sides. China was looking for intermediate technology which India could meet adequately, he said.

As regards Korea and Japan, he said, the imported technology from these two countries could be used in the exports processing zones and the 100 percent export-oriented units. If the Centre offered fiscal and financial incentives, similar to those in Korea and Japan, the scope for increasing Indian exports to these countries would enlarge, he added.

India should try to secure more sophisticated technology from Japan which was eager to help India in promoting third country exports.

South Korea was not only interested in setting up engineering industries and cooperated in the electronics sector but also in buying more from ore and tobacco. Collaboration with Hong Kong would give a commercial opening to mainland China for India, he added.

CSO: 4600/1303

TRADE PACT WITH ETHIOPIA SIGNED IN ADDIS ABABA

New Delhi PATRIOT in English 14 Nov 82 p 8

[Text] Addis Ababa, Nov 13 (PTI)--India and Ethiopia today signed a trade agreement to facilitate, strengthen, diversify and expand trade between the two countries.

The agreement, which was signed here by Commerce Minister Shifraj Patil and Ethiopia's Foreign Trade Minister Wollie Chekol, would be valid for three years. It also provides for automatic renewal for another three years unless termination is sought by any one of the parties.

The agreement was reached at the conclusion of the three-day visit of Mr Patil who had a two-hour meeting with the Ethiopian Head of State and detailed discussions on trade and other bilateral matters with six important ministers and chairman and general secretary of the Central Planning Supreme Council of this socialist country in East Africa.

India and Ethiopia have excellent political relations and this first high-level visit from India after the revolution here in 1974 will go a long way in cementing further the traditional ties between the two countries.

It has also helped in understanding better the problems of development of the two countries and find ways and means of expanding trade, economic and technical cooperation between them.

India's exports to this country have been showing an upward trend since last two years with the figure crossing fifteen million birr (roughly eight million US dollars) in 1981.

This trend has been continuing this year and the exports in the first five months reached the figure of 10.5 million birr (about five million dollars).

Ethiopia has a very ambitious education programme with the target of total literacy by middle of 1986. Its progress in this field has been commended by UNESCO.

Indian school and college level text books are increasingly doing well in this market. English being the medium of instruction, language is no problem and only a couple of weeks ago some Indian firms have won tenders totalling nearly Rs 50 lakhs for the supply of educational aids and equipment.

Army software is another item with attractive potential. With the second largest military force in South of Sahara, next only to South Africa, Ethiopia is a major importer of army software.

Last year India won a tender for the supply of army blankets worth Rs 105 crores. Observers of Indo-Ethiopian scene believe that the picture in respect of this particular category of export would have been much better if Indian manufacturers and suppliers had given a better account of themselves.

However, the trade with this country has essentially remained one-sided. India's imports from this country was just about 50,000 dollars in 1981. Unless some important raw materials like potash of which Ethiopia has known big deposits is successfully mined and developed and for which India could be a sizable market, the prospects of the imports picking up looked poor.

Cement, oilseeds, gum, arabica and cotton are perhaps some other possible items in respect of which India's interest could be examined.

Coffee, the mainstay so far of Ethiopian exports, has obviously no export potential for India and the same would possibly apply to hides and skins as also handicrafts.

CSO: 4600/1303

COMMERCE MINISTER SPEAKS TO MISSION HEADS IN AFRICA

Bombay THE TIMES OF INDIA in English 11 Nov 82 p 5

[Text]

ADDIS ABABA, November 10. (PTI).

INDIA would increase its participation in the development of African countries in a big way and Indian missions in the continent had a very special role to play in the contemplated efforts to enlarge bilateral co-operation, trade and join ventures, the Union commerce minister, Mr. Shivraj V. Patil, said today.

Addressing a conference of the heads of missions here, he said, the Indian involvement so far had been marginal and the existing trade as well as participation in developmental ventures was little compared to the vast potential offered by Africa.

The conference, the first of its kind convened by the minister, will make an in-depth study of joint ventures possibilities and evolve a comprehensive strategy for the eighties as a whole.

Mr. Patil said the African continent had tremendous growth potential and almost unlimited economic opportunities. In the initial stages of development these countries required not only capital equipment, machinery and a host of engineering goods, but also a variety of consumer items.

CREDIT EXTENSION

There were a number of factors favourable to India which with its rich natural resources also had the technology suited to the requirements of those countries attempting to come out of their backwardness. "We must respond to their call quickly and adequately," he said.

India's larger involvement with Africa necessitated extension of credits and steps were being taken to eliminate hurdles and delays in that direction. An important decision of the government in this regard was the evolving of a coherent and viable credit policy based on a detailed assessment of all relevant factors.

Mr. Patil said a number of trade agreements signed recently with many African countries had created the right climate for a closer relationship with them. A significant step had been India's membership of the African development fund and the African development bank.

QUALITY ASPECT

He said the commercial wings of the Indian missions would be strengthened. The engineering export promotion council would open an office in Abidjan to facilitate bank-funded projects.

The trade development authority would open an office in Salisbury. A decision had also been taken to strengthen the State Trading Corporation office in Nairobi.

He cautioned that development of trade or joint ventures with African countries was not an easy task and required hard work. Competitiveness in quality was also needed.

Mr. Patil said experience had shown that the results achieved were in direct proportion to the interest and enthusiasm displayed by the missions.

The minister earlier reviewed the external trade situation and the improvement recorded in 1981-82. According to the latest data, overall exports in 1981-82 amounted to Rs. 7,781.4 crores compared to Rs. 6,710.7 crores in the previous year.

In the first quarter of 1982-83, exports were Rs. 1,881.5 crores (provisional) against Rs. 1,652 crores in April-June, 1981-82.

CSO: 4600/1298

REPORTAGE ON VISIT OF SAUDI ARABIAN DELEGATION

First After Gandhi Visit

Madras THE HINDU in English 11 Nov 82 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Nov. 10.

A seven-member Saudi Arabian delegation, representing banking, engineering, petrochemical, shipping, construction, insurance, agriculture and other interests, arrived in Delhi today for talks with Cabinet Ministers, Government officials and representatives of business organisations on increased Indo-Saudi cooperation in various spheres.

The members of the high-power delegation will meet the Prime Minister, Mrs. Indira Gandhi, the External Affairs Minister, Mr. P. V. Narasimha Rao, and the Finance Minister, Mr. Pranab Mukherjee, besides having detailed discussions with executives of both private and public sector enterprises and representatives of the Federation of Indian Chambers of Commerce and Industry, the Associated Chambers of Commerce, the Association of Indian Engineering Industry and the Export Promotion Council to identify the areas for collaboration.

It is the first such Saudi delegation that has come to India in pursuance of the decisions taken during the Prime Minister's visit to that country in April last to open a new chapter in Indo-Saudi relations.

The five members, two of whom have come in their private aircraft, represent leading Saudi industrial, commercial and financial houses with assets of several billion dollars each and with very close contacts with the royal family. They have come to explore the prospects for Saudi investment in India and also greater involvement of Indian companies in the economic development of the kingdom.

Lavish hospitality: These Saudi business magnates were to have come to India much earlier, but their holiday schedules in Europe and the United States came in the way of an earlier visit. The Government has laid on the most lavish hospitality befitting their multi-billion status to conduct the discussions in a congenial atmosphere.

But their concepts of financial investment and industrial collaboration differ considerably from India's ideas of mutually beneficial economic cooperation. At one stage these Saudi magnates with their close royal family links were interested in buying up some of the princely palaces, besides investing in real estate in cities like Bombay and Delhi.

The Government of India has not encouraged them to put their petro-dollars into such unproductive investments. It has tried to impress on them the vast opportunities open for cooperation in areas where Indian expertise and Saudi capital could be used to mutual advantage.

Better awareness: The Saudi Government also has been impressing on them the need for increased regional cooperation through a more balanced approach to the country's development for transforming at least a part of its phenomenal oil wealth for the socio-economic welfare of their people. This has helped to create among the top-Saudi businessmen a better awareness of India's capacity to cooperate with that country in at least some selective spheres, where there is no need for the very latest technology.

King coming: The Saudi King and the Crown Prince are due to visit India next year to keep up the momentum of closer understanding established during Mrs. Gandhi's visit. From the Indian side, a conscious effort is being made to ensure that the prevailing cordiality at the political level percolates to the economic level to pave the way for increased cooperation.

The religious factor has been a hurdle for a long time, with Saudi public opinion frequently misled by Pakistan propaganda alleging ill-treatment of Indian Muslims. But the younger princes of the royal family holding pivotal positions in the Saudi Government are no longer being swayed unduly by such slanderous campaigns.

Subtle changes: The Saudis are now paying due attention to geo-political factors without letting religious considerations totally colour their foreign policy perceptions. Their increasing exposure to western values and ways of life has also made them less intolerant to other cultures. All these subtle changes have helped dispel some of the old prejudices against India and open the way for increased cooperation.

Meeting With Indian Businessmen

Madras THE HINDU in English 13 Nov 82 p 6

[Text]

NEW DELHI, Nov. 11.

The possibility of closer cooperation between India and Saudi Arabia was examined at a meeting here today between a high power Saudi delegation and a business team sponsored by the Federation of Indian Chambers of Commerce and Industry, the Associated Chambers of Commerce and Industry and the Federation of Indian Export Organisations.

Speaking on behalf of the Saudi delegation, Sheikh Sulaiman Abdul Aziz Al Rajhi said entrepreneurs from the two countries could come together to set up joint ventures in India, Saudi Arabia or in third countries.

He identified cement, fertilizers, electronics, particularly computer software, petro-chemicals, hospital equipment and shipping and other industries, including cent per cent export oriented units as possible areas of cooperation.

"India is closer to us than other countries", said Sheikh Sulaiman. The visit of the Prime Minister, Mrs. Gandhi, to Saudi Arabia and her talks with Saudi dignitaries had opened a new chapter in Indo-Saudi relations. The two countries should work in close cooperation for their mutual benefit.

Liberal credit offer: The exchange of views revealed that the Saudi Government offers liberal credit for investment in Saudi Arabia, and the market spans not only Saudi Arabia but other countries of the gulf region.

The delegation made inquiries about taxation rates in India, facilities for the remittance of profit and capital, investment in the equity of Indian companies and the mechanism for employment of Indian labour.

The Indian team assured them that some of the difficulties now faced by foreign investors would be brought to the notice of the Government of India.

The present contracting system for the employment of Indian personnel required a review to ensure that the terms and conditions were fair and equitable and the Indian labour contractors did not take undue advantage, it was felt.

The Indian side apprised the Saudi delegation of the problems arising out of the grant of visas by Saudi missions and the terms and conditions for construction contracts.

Technical skills: The Saudi team appreciated the high quality of India's technical and managerial skills. This combined with Saudi capital could be the basis for setting up industrial ventures.

The relaxation given to investors from oil exporting countries which enables them to acquire up to 40 per cent in the equity of Indian companies was brought to the Saudi team's attention.

The members of the Saudi delegation include, Mr. Ghaith R. Pharaon, Sheikh Khalid Zainy Akbar, Mr. Abdul Aziz Al-Mutlak, Sheikh Sulaiman Abdul Aziz Al Rajhi, Mr. Ibrahim Salleh Al Obaid, Sheikh Abdullah Ali Kan and Sheikh Abdullah Fouad.

The Indian team comprised Mr. A. K. Jain, Vice-President, FICCI, Mr. R. P. Goenka, leader of the Indian section of the Indo-Arab Joint Business Council and Mr. Reunaq Singh, President of ASSOCHAM.

Meeting With Gandhi

Bombay THE TIMES OF INDIA in English 14 Nov 82 p 9

[Text]

NEW DELHI, November 13: A Saudi business delegation met the Prime Minister, Mrs. Indira Gandhi, today and hoped that India would continue to play its traditionally important role in regard to the Arab cause and of resolving differences in the region.

The delegation said it had a fruitful exchange of views during discussions with the Indian businessmen and government representatives. Mr. Romesh Bhandari, secretary, in the external affairs ministry, was present during the meeting between the visiting delegation and the Prime Minister.

Mrs. Gandhi referred to the partnership and co-operation between the two countries and recalled her recent visit to Saudi Arabia.

The Saudi delegation was told by the finance minister, Mr. Pranab Mukherjee, that the investment climate in India was good as was evident from the large number of joint ventures established here.

He said the tax laws appeared to be complex but the system was quite reasonable. The Saudi delegation said concrete negotiations were under way for collaboration between Indian and Saudi businessmen. It also expressed its satisfaction with the talks with businessmen and government officials.

Mr. D. V. Kapur, secretary, ministry of heavy industry, suggested that while inviting tenders, specifications must be adhered to in strict conformity to Saudi requirements and not to those of other countries.

Mr. V. L. Doshi, AIEI president, asked the Saudi businessmen to invest in 100 per cent export-oriented units in India.

Mr. Doshi favoured institutional links between organisation like the AIEI, and its counterpart in Saudi Arabia so that they could work as focal points for bringing businessmen closer to one another.

Leader Talks to Newsmen

New Delhi PATRIOT in English 14 Nov 82 p 5

[Text]

A seven-member Saudi business delegation has informed India that it was 'seriously considering' investments in India in several industrial ventures, reports UNI.

The Saudi delegation which concluded its deliberations in Delhi met Prime Minister Indira Gandhi and Finance Minister Pranab Mukherjee separately.

Delegation leader Sheikh Abdullah Fouad told newsmen they had discussed the scope of co-operation and mutual collaboration between the two countries with the Association of Indian Engineering Industry (AIEI). It had been decided to reopen an office of the AIEI in Saudi Arabia. There should be further visits of Saudi Arabian businessmen to India to increase awareness about the Indian capabilities. Institutional links would be built between business organisations of the two countries so that they could work as the focal points to bringing business together, he added.

Dr Fouad said multi visa system should be introduced so that the Saudi businessmen could visit the country and need not apply for visa every time they wanted to visit the country.

Participating in a meeting with AIEI representatives which was presided over by Heavy Industry Secretary D V Kapur, it was also proposed to promote Saudi investment in 100 per cent exports units in India using Saudi capital, western technology and Indian expertise.

The scope for Saudi investment in India is believed to have also figured at the meeting between the Finance Minister and the Saudi delgation.

Mr Mukherjee is understood to have explained to the delegation India's achievements in various economic and industrial fields and the areas in which there could be cooperation with Saudi Arabian enterprises.

Senior officials of the Financial Ministry were also present at the meeting.

The Saudi Arabian team consists of Mr Ghaith R Pharaon of Saudi Research and Development Corporation, Jeddah: Sheikh Suleiman Abdul Aziz Al Rajhi of Alrajhi Company for Currency Exchange and Commerce, Riyadh: Mr Ibrahim Saleh Al Chaid, representative from Saudi Livestock Company, Riyadh, Sheikh Khaled Zainy of Abbar and Zainy Group, Jeddah: Sheikh Abdullah Ali Kanco of Yusuf Bin Ahmed Kanco, Dammam: Sheikh Abdullah Fouad of Fauad Group, Dammam and Sheikh Abdul Aziz Muelak.

CSO: 4600/1299

REPORTAGE ON VISIT OF POLISH FOREIGN MINISTER

Delhi Arrival, Activities

New Delhi PATRIOT in English 11 Nov 82 p 1

[Text] Poland is keen and willing to participate in India's energy development programmes. It can help in setting up small-size thermal power plants in this country.

These were conveyed by visiting Polish Foreign Minister Stefan Olszowski to Energy Minister P. Shiv Shanker in the capital on Wednesday.

Mr Olszowski and Mr Shiv Shanker--who are co-chairmen of the Indo-Polish Joint Commission which met in Warsaw last month--held discussions in New Delhi on the means to enhance bilateral cooperation.

Earlier, Mr Olszowski arrived in the capital to a warm welcome at Delhi airport where Mr Shiv Shanker received him. Additional Secretary in the External Affairs Ministry Dr J.S. Teja and several senior officials were also present to welcome the Polish leader.

This is the first visit by a high-ranking Polish leader to India since the imposition of martial law in Poland last December. Mr Olszowski is on a five-day official visit.

Mr Shiv Shanker told Mr Olszowski that India and Poland had a long record of cooperation and in the recently concluded Joint Commission meeting in Warsaw agreements had been reached on many matters related to trade and technical assistance. He hoped that cooperation between Poland and India would be further strengthened to their mutual advantage.

Mr Olszowski also called on Vice-President M. Hidayatullah and visited the International Trade Fair during the day. His meeting with Prime Minister Indira Gandhi in the evening had to be put off as she had to rush to the cyclone devastated areas of Gujarat.

Speaking to newsmen at the airport, Mr Olszowski, who had visited the country earlier in 1974, said he was happy to visit India once again and hoped that this would contribute to further consolidation of Indo-Polish friendship and cooperation in various fields of economic activity.

In reply to queries, he said though there were some internal problems in Poland, the western press was floating lot of baseless rumours portraying the situation there as serious and disturbing.

Asked to comment on the call given by underground leaders of the banned solidarity union for a nationwide work stoppage in Poland today, Mr Olszowski said there were prospects of further improvement in the internal situation there.

Asked how long the martial law would remain in Poland, Mr Olszowski said, "I am not a prophet," but added that it was a matter of "only a few months now."

He said he would discuss several questions relating to bilateral economic and political matters with Indian leaders and also review the current international situation.

Mr Olszowski will hold discussion with External Affairs Minister P.V. Narasimha Rao on Thursday when the situation in Poland will come up.

Before leaving for Bombay on 13 November he will have another round of talks with Mr Narasimha Rao. He will also have separate discussions with Mr Shiv Shanker.

In Bombay he will visit the Bhabha Atomic Research Centre and fly to Kuwait on 13 November.

Talks, Activities on 12 Nov

New Delhi PATRIOT in English 13 Nov 82 p 2

[Text] India and Poland have reiterated their resolve to continue their political cooperation in international organisations.

The second round of official talks between visiting Polish Foreign Minister Stefan Olszowski and External Affairs Minister P.V. Narasimha Rao in the capital on Friday, was devoted exclusively to bilateral relations between the two countries.

The two sides discussed the issues that had come up at the seventh meeting of the Indo-Polish Joint Commission held recently in Warsaw. These related specifically to Poland's offer to help India in thermal power generation and coal mining, and India's interest in purchase of coking coal and sulphur from Poland.

Mr Olszowski, who met a select group of journalists in New Delhi on Thursday, informed that negotiations on Indian purchase of sulphur were currently proceeding. He stated that the target set for bilateral trade turnover this year was likely to be exceeded. Poland was fully capable of meeting the export requirements according to the trade protocol since the branches of industry producting the commodites mentioned in it were not adversely affected by the present disturbances in Poland.

An official Indian spokeswoman told newsmen that Poland had shown interest in signing an agreement with India on scientific and technical cooperation, as also in the fields of education and health.

A new cultural exchange programme between the two countries would be signed shortly, she added.

Mr Olszowski, who was to leave for Bombay on Friday evening, has postponed his departure by 24 hours because of his inability to meet the Prime Minister on account of her preoccupation. He is now scheduled to call on her on Saturday afternoon.

Report on Statement

New Delhi PATRIOT in English 14 Nov 82 pp 1, 7

[Text] Poland's readiness to reorient its foreign policy course in the direction of enhanced political and economic cooperation with developing countries and its full support for the non-aligned movement were emphasised by Polish Foreign Minister Stefan Olszowski during his official talks with External Affairs Minister P.V. Narasimha Rao.

Prime Minister Indira Gandhi told Mr Olszowski who called on her on Saturday that she desired further strengthening of cooperation and development of relations between India and Poland.

She also underlined Indian sympathy to Poland in the present situation.

Mr Olszowski also apprised Mrs Gandhi of the latest political and economic situation in his country.

He delivered a letter from Polish Prime Minister Woziech Jaruzelski personally addressed to her.

Mr Olszowski later told newsmen that the talks were held in a warm and cordial atmosphere. He left for Bombay in the evening and is due to emplane for Kuwait on Sunday morning.

The Polish Minister, according to a statement, also stressed the constructive and inspiring role of India as the host of the (VII Non-Aligned) Summit.

He further expressed the conviction that the summit in New Delhi "would contribute to the consolidation of the non-aligned movement based on the principles formulated by its founders."

The two sides condemned Israel's expansionist and aggressive policy in West Asia as a "flagrant violation of the UN Charter and elementary norms of international law" and demanded immediate Israeli withdrawal from all Arab territories illegally occupied by it. They stressed the need to take into consideration fundamental and just rights of all the interested sides and above all the rights of the Palestinian people.

Both sides extended support to the UN resolution regarding transformation of the Indian Ocean into a peace zone.

While Mr Olszowski apprised Mr Narasimha Rao of the steady and gradual improvement of the economic situation within Poland Mr Rao reaffirmed India's consistent support.

Mr Narasimha Rao, the statement read, shared Mr Olszowski's view of the factors endangering peace and underlined that "economic development is incompatible with the race of armaments."

Both sides expressed particular satisfaction at the smooth cooperation in mining, energy and shipbuilding as testified by the decisions of the seventh session of the Indo-Polish Joint Commission in Warsaw last October.

Mr Narasimha Rao has been invited to visit Poland. Mr Rao has accepted the invitation.

CSO: 4600/1302

PROSPECTS OF TRADE WITH LATIN AMERICA NOTED

Madras THE HINDU in English 11 Nov 82 p 8

[Editorial]

[Text]

IN RECENT YEARS India's trade with Latin America has grown fast. Exports, according to official computations, have increased at an annual rate of 5.5 per cent and imports by 223.9 per cent. The point has also been made in the computations that the growth rate of imports from Latin America is the highest for any region in the world. In value terms, all this does not add up to very much. Exports are around Rs. 20 crores annually with imports at Rs. 105 crores. Latin America thus accounts in value terms for 0.3 per cent of India's total exports and 0.8 per cent of the country's imports. The composition of the two way trade is yet more revealing. Exports consist of jute products, lac and shellac, natural gums, spices and handicrafts. Only now an attempt is being made to diversify the trade by selling (in Latin America) dyes and intermediates, cotton textiles and garments, automobile parts and components, diesel engines and parts, bicycles and parts, hand tools and cutting tools, telephone equipment, office machinery and electric motors. On the import side, the main items are petroleum crude (which accounts for the bulk of the import bill), soyabean oil, tung oil, wax, cotton, uncut diamonds and emeralds, non-ferrous metals, iodine, ores and concentrates of tungsten, phosphoric acid, citric acid, paper and fishing trawlers. Venezuela, Brazil, Argentina and Mexico account for 70 per cent of India's total exports and 88 per cent of the imports in this region.

At the recent seminar in New Delhi (on Indo-Latin American and West Asian trade and economic cooperation) organised by the Indian Institute of Foreign Trade, the representatives of Latin American countries asked for the identification of joint ventures as the means to strengthening economic ties. The 12-member delegation of the Federation of Indian Chambers of Commerce and Industry which visited Latin America in 1981 discovered prospects for Indian tie-ups in Venezuela and Colombia for the modernisation and management of their textile, sugar and cement industries. In Argentina the delegation found opportunities in the sphere of construction and consultancy in a wide number of projects relating to transport, communication, power generation, pharmaceuticals and rice milling; in Brazil there was interest in establishing units for the manufacture of jute goods and Mexico was seeking joint ventures for the improvement of its railways and the firming up of the technology of its sugar and cement units. But the question remains whether at this point of time — nothing has gone right for Mexico and other countries for some months now — India will find the results of any effort in this direction rewarding enough. One suggestion made during the visit of the FICCI delegation was that the vast hectarages available in Argentina and Brazil could be utilised by India for producing pulses and oilseeds on a buy-back basis. The main handicap was seen to be the absence of regular shipping services. At the New Delhi seminar, it was indicated that Argentine Lines would make direct contact with Indian ports from March-April next year. If the progress here should be real, India has to begin exploring what it can do on a reciprocal basis if some of its own shipping tonnage is also allotted for trading with Latin America.

CSO: 4600/1299

MEMORANDUM BOOSTS INDIAN TRADE WITH PAKISTAN

New Delhi PATRIOT in English 12 Nov 82 p 7

[Text]

ISLAMABAD, Nov. 11 (UNI) — The Lanore Chamber of Commerce and Industry and the Punjab - Haryana-Delhi Chamber of Commerce and Industry (PHDCCI) yesterday signed a memorandum aimed at boosting the trade between the two countries.

This was stated by Mr V. P. Punj, leader of the 22-member visiting delegation and president of PHDCCI while addressing a banquet hosted in his delegation's honour by Mr Salim Monnoo, a noted indus trialist of Pakistan.

Mr Punj said the trade could get an immediate boost if the present procedures were simplified and the Wagha border was opened. He said both chambers should make concerted endeavours in this connection and make frequent visits between the two countries.

He said the trade and production of the two countries should be complementary to each other and they should purchase grain from each other in case of drought instead of purchasing it from other countries at higher rates.

Earlier Mr Monnoo stressed the need to improve trade relations between India and Pakistan. He said the two countries should also exchange balance sheets to fill in the existing information gap.

Mr Monnoo said trade should be allowed in the private sector in such a manner that no adverse affect was imprinted on the industry of either country.

CSO: 4600/1308

POLISH BUSINESS DELEGATION DISCUSSES JOINT VENTURES

Bombay THE TIMES OF INDIA in English 9 Nov 82 p 5

[Text]

BOMBAY, November 8.

THERE are possibilities of conducting joint ventures in third countries by India and Poland in fields like the electric industry, the food-processing industry and construction of railways, apart from increasing bilateral trade, for which there is vast scope.

This was stated by Mr. Giedwidz, leader of the business delegation from the Polish Chamber of Foreign Trade, at a meeting with the Indian Merchants' Chamber here today. The main objective of the mission, he said, was to identify new business opportunities so that India could buy more goods from Poland.

Since the balance of payment position between the two countries was in favour of India, Poland can supply more power equipment as such equipment already in use in Koradi and Barauni plants had proved themselves as suitable for Indian needs, he said.

COAL OUTPUT

A big potential also exists in the coal-mining industry, where co-operation can help India as Poland is one of the largest producers of coal with an output of 200 million tonnes a year. The ship-building industry was also identified as another important area of trade as also the fish-processing industry, in which Poland has gathered vast experience.

The Indian goods in demand in Poland were said to be deoiled cakes, raw cotton, yarns, mica, jute and tea. A keeness to also buy non-traditional items was also mentioned.

Mr. Giedwidz said that the current mission was in furtherance of the talks between the two countries held in Warsaw in October this year, during the seventh session of the Indo-Polish joint commission. The agreement reached in the session was that there is a solid basis for immediate development of economic co-operation in particular fields.

It was also pointed out that, but for financial stringency, Poland would buy more Indian goods. A bigger limiting factor, however, was that Indian exports to Poland exceeded the deliveries to India from that country. This can be offset, it is pointed out, if India purchases items which it immediately requires such as textile machinery, chemicals and building and road construction equipment.

CSO: 4600/1289

PTI INTERVIEWS VISITING TUNISIAN FIRST LADY

Bombay THE TIMES OF INDIA in English 9 Nov 82 p 7

[Text]

NEW DELHI, November 8 (PTI): Mrs. Wassila Bourguiba, first lady of Tunisia, has lauded India's consistent support to the Palestinian cause and said that at the height of a most cruel and abominable ordeal, the Palestinian people needed the help of countries like India and Tunisia.

In an interview to PTI at the conclusion of her week-long official visit to India, she added that the PLO chairman, Mr. Yasser Arafat, had never ceased to proclaim his willingness to bring about peace through negotiations and in accordance with the United Nations resolution. "The PLO leadership is moderate, balanced and experienced," she said.

She said India and Tunisia had at all times defended just causes, and had advocated dialogue and negotiation for the settlement of conflicts.

Mrs. Bourguiba said this was her first visit to India which "is almost as big as a continent."

During her meeting with the Prime Minister, she conveyed greetings from her husband, President Habib Bourguiba, and thanked her for India's stand on the Palestinian cause.

"I am proud of her (Mrs. Gandhi)," she said. "Her role is remarkable considering the heavy duties she carries in a country which is so big and has diverse cultures."

In reply to a question, she said her country had an open mind on joint ventures and would explore any field for co-operation with India.

Her visit was to enlarge the area of mutual understanding, she added.

CSO: 4600/1289

SEISMOLOGICAL DELEGATION RETURNS FROM PRC

Bombay THE TIMES OF INDIA in English 9 Nov 82 p 20

[Text] Roorkee, November 8 (PTI)--China has made extensive use of a brick building technique designed by the department of earthquake engineering, Roorkee university.

China has constructed around a million houses using this new kind of brick which can withstand earthquake and other seismic pressures, a spokesman of the four-member delegation which recently visited that country told a group of visiting newsmen here.

The delegation, headed by Dr Jay Krishna, visited Chinese institutes working on seismological studies and has made certain recommendations to the government to make joint efforts in designing new brick-building techniques; as both the country's bulk of the population lives in mud and brick buildings.

The delegation has also recommended holding of Indo-Chinese workshops as a first step in mutual collaboration in this field, Indian expertise can also be made available in conducting surveys in seismic zones.

Lf these efforts prove successful, the delegation recommended that both the countries could collaborate in planning "deep seismic sounding" and surveys for monitoring "geophysical anomalies" across the Himalayas. These could form part of the Himalayan seismicity project to attain a better understanding of the mechanism of earthquake occurrences there.

It suggested an autonomous institute of seismology on the pattern of the Chinese state seismological bureau to conduct more specialised studies in the field.

CSO: 4600/1290

GANDHI REMARKS ON RELEASE OF BOOK ON SHIVAJI

Bombay THE TIMES OF INDIA in English 9 Nov 82 p 5

[Text]

NEW DELHI, November 9 (UNI): Mrs. Indira Gandhi today called for the revival of the ideals of Chhatrapati Shivaji to preserve the unity and strength of the country.

Releasing a book, entitled "Shivaji and Facets of Maratha Culture", at her residence, Mrs. Gandhi said this was necessary in view of the emergence of certain forces which were not working for the unity of the country.

"This is the time we must follow the ideals of Chhatrapati Shivaji and others who always worked for the unity of the country," she said.

Mrs. Gandhi said India had no territorial ambitions. "Our aim is to defend and safeguard the unity of the country," she added.

Talking about Shivaji's ability to take everyone along with him irrespective of their caste or religion, she said this was relevant even today.

Mrs. Gandhi said there were no short-cuts to success and one must work hard to achiev eit, as practised and professed by Shivaji.

Mrs. Gandhi presented the first copy of the book to the Union home minister, Mr. P. C. Sethi, who is also president of the Shri Chhatrapati Shivaji Maharaj Memorial National Committee. A copy each was presented to Dr. Sarayu Joshi, author of the book, and Mrs. Sharadchandrika Patil, education minister of Maharashtra.

The secretary of the national committee, Mrs. Sumatidevi Dhanwate, who welcomed the Prime Minister, gave an account of the work done by the committee to popularise Shivaji's message.

Those present included the information and broadcasting minister, Mr. N. K. P. Salve, the energy and petroleum minister, Mr. P. Shiv Shankar, and the finance commission chairman, Mr. Y. B. Chavan.

CSO: 4600/1289

GANDHI INAUGURATES SUPER THERMAL POWER PROJECT

New Delhi PATRIOT in English 13 Nov 82 pp 1, 7

[Text] Waidhan, (MP), Nov 12 (UNI)--Prime Minister Indira Gandhi today laid the foundation of the Rs 1,200 crore Vindhyachal Super Thermal Power Project here.

She expressed India's gratitude for the "special interest" taken by the late Soviet President Leonid Brezhnev in extending Soviet cooperation in the development of power generation in the country.

Mrs Gandhi also referred to the Soviet assistance in the production of steel and defence equipments and expressed the hope that the friendship between India and the Soviet Union would gain in strength and promote world peace.

Union Energy Minister P. Shiv Shankar and Minister of State Vikram Mahajan accompanied her. She was received by Madhya Pradesh Chief Minister Arjun Singh, State Cabinet Ministers, representatives of the Soviet Union and a number of MLAs from MP and UP.

Mrs Gandhi said it was our endeavour to ensure economic equality, employment to all, social security and health-care because only thus can we ensure peace in the country and strengthen our unity.

She stressed the need for paying special attention to the development of Harijans and adivasis living in backward areas. The country could become strong only with the development of backward areas and backward sections of the people.

She said drought conditions prevailed in many parts of the country and "we will have to keep these also in view." Each problem, however, should be viewed comprehensively and its solution found by mutual cooperation."

The 1,260 MW power project to meet the growing power demands in the western region of the country, is one of the six sanctioned projects under the National Thermal Power Corporation (NTPC).

Dedicated to Nation

Malanjkhand (MP)--Later Mrs Gandhi dedicated to the nation the Rs 120-crore Malanjkhand copper project which will double India's copper production by 60,000 tonnes a year.

Opening the project, Mrs Gandhi said the copper plant being built by the public sector Hindustan Copper Limited (HCL) would help strengthen the economic base of the country.

The plant when completed would effect a foreign exchange saving on Rs 70 crores a year at current prices.

By 1985, when the second stage of its ore concentration plant is expected to stabilise, Malanjkhand would produce concentrated ore for making 23,000 tonnes of copper.

Later addressing a public meeting near the copper plant site, the Prime Minister stressed the need for judicious exploitation of natural resources. Before independence, the natural resources were ruthlessly exploited, but now they had to be used in such a way that they could be preserved for future generations also, she said.

Akali Agitation

Referring to the agitation by Akalis in Punjab Mrs Gandhi said that such agitations were harmful to the country as it endangered its unity.

Mrs Gandhi who arrived here this afternoon on the last leg of her one-day tour of Madhya Pradesh, stressed the need for vigorous implementation of the 20-point programme and said it was the only hope for those who had been left out in the planned development of the country.

Mrs Gandhi concluded her address by extending her Diwali greetings to the people.

Adivasi Conference

Amarkantak, (MP)--Earlier addressing a conference of Adivasis here, Mrs Gandhi said she had been interested in the tribal way of life since her very childhood. The tribals always fascinated her in that they had all along preserved their identity. This identity, she said, must be scrupulously guarded.

The success of the five-year Plans had brought about an increase in agricultural and industrial production, but the benefits had failed to reach the people living in the villages and the tribals and other backward people.

Earlier on her arrival, groups of men and women of the Gond and Baiga tribes performed karma, saila, rena and stilt dances before the Prime Minister.

Mrs Gandhi also released a souvenir brought out by the Adivasi Vikas Parishad on the occasion.

Nearly one lakh people, most of them tribals, had gathered here on the occasion of the Prime Minister's visit to Amarkantak, which wore a festive look characteristic of an auspicious bathing day.

Mrs Gandhi performed ablution in the waters of the sacred Narmada Kund, the origin of the river Narmada in the Vindhyas, and later offered "puja" at the ancient Narmada Devi temple under the guidance of a group of seven priests.

The Prime Minister drove straight from the helipad to the Narmada Kund before addressing an Adivasi conference.

CSO: 4600/1302

BRIEFS

DELEGATE ON IMF--United Nations, November 9 (UNI)--India today demanded to know why a United Nations finding that International Monetary Fund loans aided South African arms spending was being suppressed. The Indian delegate, Mr Kamal Nath, told the General Assembly that a study showed South Africa's drawings from the fund during 1975-77 "helped largely to meet increases in her defence expenditures." "Strangely," remarked Mr Kamal Nath, the study, commissioned by the decolonisation committee, had never been published. Why it "did not recive wider circulation is a bit of a mystery." The IMF last week cleared a fresh $100 million loan to the racist regime over the protests of India and many other countries and very much against the assembly's wishes. "The latest loan would be roughly equal to the increase in South Africa's military expenditure from 1980 to 1982," the Indian MP told the assembly, which is debating apartheid. He wished the loan backers realised that this was "not a vote for development or stability, rather it was a vote for repression, subversion and aggression." [Text] [Bombay THE TIMES OF INDIA in English 10 Nov 82 p 13]

AMBASSADOR FROM OMAN--New Ambassador of the Sultanate of Oman, Abdul Saeed Rashid Al-Baluchi, presented his credentials to the President Zail Singh at Rashtrapati Bhavan on Saturday, reports PTI. Welcoming the ambassador, the President landed the progress made by India and Oman "tackling problems of development." Tracing the already existing close economic and commercial relations between India and Oman, Mr Zail Singh said that "these relations can be further strengthened to mutual benefit." [Text] [New Delhi PATRIOT in English 14 Nov 82 p 4]

FOREIGN TRADE STATISTICS--New Delhi, Nov 9--India's trade gap in the period April-August 1982 was Rs 2,060 crores. Although it was marginally lower than the Rs 2,290 crores registered in the same period last year, it is still substantial. According to figures released by the Commerce Ministry yesterday exports during the period were worth Rs 3,196 crores and imports Rs 5,256 crores. Exports were said to have increased by 16 percent compared with the same period of last year. The export figure is not complete as returns from some ports have not been included and is expected to be higher. The Ministry expects the growth rate to be 25 percent. Imports during the period increased by 4.4 percent but presumably, these also do not include returns from the same ports and will thus also be higher when the final tally is made. [Text] [Calcutta THE STATESMAN in English 10 Nov 82 p 7]

NEW NAGALAND PARTY--Kohima, November 14 (PTI)--Amidst claims and counter-claims of majority by both the Naga National Democratic Party (NNDP) and the Congress (I), a new political party formed by four elected independents has emerged in the scene and is reportedly having dialogue with both the camps about the possibilities of forming a government on the basis of a "common programme." The members, who have formed the new party "Nagaland Peoples' Party," in a signed statement here today said that more independents were expected to join them. The NNDP has already claimed that the party strength has gone up to 31 with the joining of seven independents The Congress (I) has also put a counter-claim of having mustered a majority of 32 with the assured support of nine independents. Mr Husaka Sumi, a former minister in Mr Vizol's United Democratic Front government is one of the members of the newly formed NPP. [Text] [Bombay THE TIMES OF INDIA in English 15 Nov 82 p 1]

WORLD ENERGY CONFERENCE--New Delhi, Nov 8--Over 4,000 energy experts from all over the world are expected to assemble here for the 12th congress of the World Energy Conference from September 18 to 23, 1983 to discuss the mounting challenges posed by current and future energy needs and evolve a comprehensive programme for the development of viable energy base to sustain future development. The congress is being held in Asia for the first time. The chairman of the International executive council of the World Energy Conference, Dr S.O. Hultin, and other top officials of WEC are currently here to oversee arrangements for the congress. [Text] [Madras THE HINDU in English 9 Nov 82 p 16]

CSO: 4600/1293

WEST BORNEO CLEARED OF COMMUNIST REBELS

Kathmandu THE RISING NEPAL in English 22 Nov 82 p 5

[Text] Indonesia's once troubled province of West Borneo has been cleared of communist guerrillas who have been killed or driven away to the Malaysian state of Sarawak, Defence Minister General Mohammad Jusef said here Saturday night.

Talking to newsmen after touring West Borneo, General Jusuf said Indonesian and Malaysian troops had been holding joint operations against the insurgents who operated along the border between West Borneo and Sarawak.

The security situation in West Borneo is now good and no single communist guerrilla still operates there, he said.

Local military Commander Brig. Gen. Untung Sridadi is at present drafting plans to have the people participate in the state defence units aimed at countering any threat or danger that will destablize the security situation, General Jusuf added.

The communist guerrillas known as Paraku (North Kalimantan peoples army) and PGRS (Sarawak People's guerrilla forces) used to operate along the bord Indonesian Borneo and Sarawak for years after President Suharto discontinued the armed confrontation policy of his predecessor, the late President Soerarno, against the Malaysian federation in 1965.

Meanwhile, the government has decided to stop up surveillance on former communist detainees in a bid to prevent the communists from staging a comeback, the armed forces newspaper Angkatan Bersenjata reported Sunday.

Special teams have been despatched to regions to collect data on released communist prisoners and their present activities, the paper quoted Director General for political and ocial affairs of the home ministry Tojiman Sidikprawiro as saying.

The paper said the teams were also charged with enhancing efforts to raise national vigilance in the face of latent communist danger.

Thousands of communists were released from jails after being detained forover a decade without trials for alleged complicity in the abortive coup attempt in 1965.

Six leading Indonesian generals were killed during the coup attempt forcing the army to launch a bloody repression during which thousands of communists and their supporters were massacred.

CSO: 4200/189

BRIEFS

WADUK OILFIELD PRODUCTION--Jakarta, 2 Dec (AFP)--The American oil company Caltex announced today that its Waduk oilfield in East Sumatra had started production at an initial rate of 10,200 barrels a day. The 39.9 degree gravity crude, which has a high wax content, is shipped to the oil town of Dumai where it will be exported. The Waduk area, which is one of two fields with 17 wells, is expected to produce about 13,000 barrels a day by the middle of next year, the company said. [BK050715 Hong Kong AFP in English 0813 GMT 2 Dec BK]

FOREIGN CAPITAL INVESTMENT--Bandung, 4 Dec (ANTARA/OANA)--Since the government enacted the act on foreign capital investment in 1967 up to September 30 this year the amount of foreign capital investments (PMA) agreed upon by the government totalled 80 development projects with an investment reaching $11,334.4 million. Looking at the order of the money invested, Japan was leading by about 35.8 percent, followed by Hong Kong with 9.3 percent in PMA, Canada, the United States and the Netherlands, and some other countries in that order, Rasyidi, deputy for research and licencing of the Radan Penanaman Modal (capital) Investment Board [word indistinct] here Thursday. [Jakarta ANTARA in English 1042 GMT 4 Dec 82 BK]

CSO: 4200/200

BRIEFS

TIN PRODUCERS AGREEMENT--The minister of primary industries, Datuk Paul Leong, has described the agreement in principle among tin producing nations to form the Association of Tin Producing Countries as a breakthrough for producers of the metal. The agreement was reached at the fourth ministerial meeting of tin producing countries in Lagos, Nigeria. Datuk Leong says Malaysia is looking forward to the meeting in London in February next year to adopt a charter for the association. This will bring about the speedy establishment of the association to protect the legitimate interest of tin producers. He points out that the association can concentrate on research and development of tin usage and marketing of the metal in competition with aluminium for a greater share of the consumer market. A communique issued by the Lagos meeting said the ministers agreed that the imposition of export control by the International Tin Council should be continued for some considerable time. The ministers expressed concern over the continued release of tin by the General Services Administration of the United States from its stockpile. They called for the suspension of such sales for an indefinite period. [Text] [BK041315 Kuala Lumpur Domestic Service in English 1130 GMT 4 Dec 82]

CSO: 4200/203

MRD LEADERS DISCUSS ROUNDTABLE CONFERENCE

Karachi DAWN in English 28 Nov 82 p 1

[Text]

The political situation obtaining in the country came up for discussion at a meeting of the leaders of the Central and Punjab MRD held here on Saturday evening.

The meeting, which was chaired by the Convener of the Central MRD for the current month, Mr Fatehyah Ali Khan of the Mazdoor Kisan Party, and was attended among others by the Secretary-General MRD, Khwaja Khairuddin; Assistant Secretary-General, Mairaj Mohammad Khan, Malik Mohammad Qasim, Rao Rashid of PPP, Mr Aitzaz Ahsan and Mr Hamid Sarfraz of Tehrik-i-Istiqlal particularly reviewed the postponement of the proposed round table conference which was to be held on Nov 11 in Karachi.

While expressing willingness to participate in a fresh RTC, provided it is called by the original convener, Maulana Shah Ahmed Noorani of JUP, the meeting also took note of the Press report that Pir Pagaro was organsing a similar conference and the consensus was that the MRD components would have nothing to do with any political move of the Pir unless he stood for full revival of the 1973 Constitution and general elections under it.

The meeting is also reported to have considered the lawyers' struggle for the supremacy of judiciary and for realisation of their rights.

It is also understood to have discussed President Zia's visit to the United States and Canada.

CSO: 4200/193

REPORT ON KARACHI SET-UP UNDER REVIEW

Karachi DAWN in English 25 Nov 82 p 1

[Article by Mujitaba Akhter]

[Text]

ISLAMABAD, Nov 24: The much-awaited report on effective administration of Karachi prepared by a 10-member experts' committee headed by the Federal Secretary, Housing and Works, is being reviewed by the Ministry of Defence, informed sources today told 'Dawn'.

The report containing 41, recommendations were sent to the Defence Ministry to get 'green signal' to avoid any controversy with cantonment authorities in Karachi as some of the areas like Korangi, Drigh Road, Malir, Sadar and Mauripur Road are under Cantonment Board.

The 140-page report deals exclusively with civic issues like water and electricity crisis, pollution, transportation, housing, and poor sewerage system in Karachi.

A committee was set up which held many meetings in Karachi and Islamabad to review the nature of issues of Karachi before formulating a comprehensive report. The informed sources think the report might not be made public in near future because of the nature of recommendations.

These recommendations, formulated some time back, are not considered to be sufficiently effective now as the nature and magnitude of Karachi issues have increased considerably during the years, the sources said.

The committee in its report has proposed financial assistance, rational allocation of funds and reorganisation of the city set-up as the three major steps to deal with the situation.

The other recommendations include financial commitment to treat Karachi projects as federal projects on the line of SCARP, conversion of existing loans and debentures to KDA and KMC into grants, declaring certain taxes as, purely local taxes, transfer of primary education to KMC, establishment of zonal offices of KMC, legal and administrative support to local government and compensation for resumed lands.

CSO: 4200/192

HEALTH MINISTRY'S FUNCTION TO BE REVIEWED

Karachi DAWN in English 3 Dec 82 p 8

[Text]

ISLAMABAD, Dec 2: The administrative functioning of the Health Ministry will be reviewed by a high-powered committee headed by President Mohammed Zia-ul-Haq himself, it was officially learnt here on Wednesday.

The review aims at streamlining the administration by making it more effective, doing away with red-tapism, which is a measure vitally needed in an organisation, closely connected with the human life and national health. The review will also help adopt measures to effect economy in the expenditure on administration.

The President constituted the committee on the recommendation of the organisation and method (O & M) Division to improve the entire structure of the Health Ministry. The Committee includes the Federal Health Minister, Minister of State for Health, President's Adviser on Health, and Secretary Ministry of Health.

The committee is expected to meet by the end of the next month. Two or three eminent foreign doctors will be invited to have expert opinion on the subject.

The O & M Division finalised its recommendations in three months after a thorough examination of all aspects relating to the functioning of the Ministry.—APP.

CSO: 4200/190

PAKISTAN-KUWAIT JOINT VENTURES DISCUSSED

Karachi DAWN in English 3 Dec 82 p 20

[Text] The Investment Advisory Centre of Pakistan (IACP) had been requested to assist private Kuwaiti entrepreneurs in identifying joint venture projects, particularly in the field of agro-based industries, Managing Director, IACP, Mr Reza H. Syed, said in Karachi on Thursday.

The IACP chief said a delegation from conglomerate of Sheikh Sultan bin Essa of Kuwait, led by Dr Khalid Al-Basso, had called on him and discussed the possibilities of working together for identification and implementation of Pak-Kuwait joint ventures.

He said Middle East oil-producing countries were spending about 16 billion dollars annually on the import of food items, which primarily came from the Western countries. Thus, great potential existed for setting up joint ventures in food and other agro-based industries, he added.

The IACP chief suggested a number of such non-traditional agro-based industries as citrus, garlic and castor seed oils, yeast protein for animal feed, specialised dairy products and corn beef. Substantial background materials and statistics, he said, had been provided to the mission by IACP to facilitate their decision in selecting specific industries for joint venture investment.

Dr Al-Basso evinced keen interest in the work of IACP in agro-based industries sector and desired to work closely for mutual benefits, Mr Reza Syed added.--APP

CSO: 4200/191

EDUCATIONIST INTERVIEWED ON UNIVERSITIES IN PRIVATE SECTOR

Karachi DAWN in English 3 Dec 82 Magazine Supplement p 5

[Text]

Dr. Hamid Qizilbash proposes a radical solution to the long-prevailing quagmire of "non-education" in Pakistan's institutions of higher learning. Given the gravity of the situation, it may well be the only answer — alternate universities run by the private sector.

"A lifetime's passion" is how he describes his involvement with education Holder of a Ph.D degree in Political Science from the Duke University, USA, he has been with the Panjab University for the last 16 years. He has lectured abroad and his work has circuited him through Fordham University, New York, and the Universities of Illinois and Loyolo (both of Chicago).

The following question-answer sessions gives out his ideas on some of today's burning issues in the field of university education:

Najma Sadeque: Why is that the Panjab University, the leading university of Pakistan, is no longer what it used to be?

Dr. Hamid Qizilbash: Whatever it may seem to the outsider (for example, an out-of-towner such as you) is merely an image that has managed to endure for those who have not had to live in contact with its changes. I suppose that goes for most major institutions in Pakistan. But Punjab University certainly had high standards and traditions built up over a longer time than it took to bring them down.

N.S.: So quickly that it couldn't have been noticed and arrested?

Dr. Qizilbash: Was noticed but wasn't arrested. I would divide the last 15-16 years into three phases following a downhill trend to what it is now. Now I speak specifically of areas I am in close contact with — Political Thought, Comparitive Politics, International Relations, Local Government and Public Administration — all basic categories. Knowledge and the means of imparting them do not remain static. They are constantly growing, altering, adjusting. But our materials and curriculum content have not been changing, updating, accordingly! we have in same books inherited from pre-Independence or brought by individual faculties based on training abroad. These tended to establish the actual content. No coherence to the whole idea of a Master of Arts degree. There were considerable differences in the updatedness, quality and relevance of the courses. That was the first phase.

In the late 60s, a revised curriculum was pushed through becoming very much a semi-prototype of the American system. With the semester system, teachers were ostensibly free to design their own syllabi based on evaluated needs. — a individualistic system tailored for the teacher's judgement and student potential. That should have done the trick but it didn't. End of the second phase.

The semester system was jettisoned as irrelevant and malfunctioning. Reasons for failure? — because it didn't grow from ground needs but was imposed from an unfamiliar base to another. By this time — the third phase — the academic society was in the throes of students dominance. There was blackmail, dictatorial attitudes, disrespect.

A lot of qualified and experienced faculty left the university. As the ranks emptied, fresh M.A.s were recruited to teach — people with no experience or research background. Most were in essence no more than of student calibre themselves. Consequently there was a breakdown of discipline and lack of interest on the part of both faculty and students.

N.S.: But I understand a new system has been introduced.

Dr. Qizilbash: In effect, not much better. Now, for example, five papers are required of which two are compulsory and three can be chosen — a proper potpourri: a smattering of everything and nothing in-depth. Currently there is a complete standstill in education in both planning and imparting. There is an inability to take decisions and to move forward. Now students come tought entirely in Urdu so that they are completely cut off from all other sources which constitute the main and majority of materials available. You can't produce a hundred thousand let alone a whole worlds books in the vernacular overnight! To give an example of the standard of the 49 students in a certain class, 47 will remain just literate and unlearned after they have obtained their M.As.

What is the basis of scholarship?

Made-easy question-and-answer textbooks which they depend on? Class-notes? To get some semblance of learning across, we've had to improvise our own system: because students are totally dependent on our lectures, being unable to draw from library books not in Urdu.

For half the period we dictate in English at a slow speed, since note-taking seems also to be a new experience to them. Then for the remaining half of the period, I discuss the same matter in Urdu so that they understand it. At the same time I can't guarantee if they have taken down everything correctly in English. The net result is that we get across half or less than what we should in each lecture.

N.S.: Surely examinations can distinguish between superficial and actual learning absorbed?

Dr. Qizilbash: To a point, if you design your examinations accordingly. But nobody has any business to describe these programmes we have as M.A. courses. You can't hand out degrees to those who have not even learnt to independently read! The question of research doesn't even arise. Some "research" papers have been written in the past, but in reality they are no more than term papers: all rehashes of existing material.

And what are you going to research with? Very small budgets are allocated to the Seminar library. Most books are carry-overs, out-dated; also dumped stuff of American and British contribution.

Funding is so inadequate for journals that not only are there not the minimum number available, they do not even come with regularity so that there is no continuity in ongoing researches and development. There are substantial collections at public libraries, at the Staff College, Lahore, at NIPA, and the centre for South Asian Studies, but the same are not to be found on the university premises where most needed. We are in a constant state of crisis. Books relevant to the syllabus, assigned and recommended, are not there.

N.S.: What about the accusation that teachers indulge in politics, and are therefore at least in part responsible for the deteriorating educational atmosphere?

Dr. Qizilbash: Let's examine the dynamics of the learning process. There have to be students who want to learn and have the necessary grounding to absorb university education. The teachers must be fully knowledgeable in their field and be competent to teach. But when a teacher is made to feel insecure, he hides behind departmental politics.

The relationship between teacher and student where the teacher was held in reverence gave way to the two fencing one another. It became a technique of survival.

National ideological studies have been introduced with little practical purpose and at great cost to other faculties. And academically there is a tremendous gap between the authorities and the rest; as big a gap between what is desired and what actually IS, because the authorities have not really involved themselves in caring and curing.

And ultimately who is the loser? — the student! frustrated and ill-taught, some of whom will teach others tomorrow. What can you expect of them? They themselves lose when they campaign against teachers when the fault lies elsewhere.

N.S.: How then do you set about planning a relevant programme of studies? For that matter, how do you determine whast is relevant?

Dr. Qizilbash: How can you plan anything before you know where you are? First you determine that through self-examination. You acknowledge things as they are as far as courses are concerned — that's simple enough as long as you don't get dragged into politics. Then you lay down goals. And while you plan you can make comparisons with other courses in relation to their goals. But so far the authorities have not ... wanted to face up to that.

N.S.: If, as you say, there is a stalemate, and there is no direct solution to the problems confronting the Punjab University, is there any other remedy?

Dr. Qizilbash: Yes, and it is something that should exist even when Government-endowed institutions run at their best. Pakistan needs alternate universities run exclusively by the private sector and the courses should be purely goal-oriented. The quality of an institution can be judged only in one way — the product — that is the student who emerges from it and goes into a profession. With bureaucratic policies as well as politics absent from the arena of a private university and a free hand given to the objective pursuit of excellence the true purpose of education will be served and standards will constantly be self-modernising and rising.

So far, the university instead of facilitating has been retarding and obstructing such a process. But when likeminded people with similar objectives engage in a common task, there's a greater chance of being objective. As things stand now, there are differences over objectives, methodology, basic approach to goals of education, and the result is a paralysis that is hard to overcome within the institution.

A tested product — and we have some from the long past — can be used as a yardstick for a starter. But the challenge is lacking. So much so that a substantial number of competent teachers have gone abroad because the doors have been closed to them. What is opportunity without quality?

N.S.: But we still do have highly qualified teachers around, and still coming in to some extent.

Dr. Qizilbash: But they do not necessarily apply what is relevant. What is applicable elsewhere is not necessarily to be grafted in to here. It is more experimentation in the name of improvement, and it is isolated, disconnected from other disciplines and even entire faculties. There must be a clear and inter-related process encompassing all.

Mediocrity

Mediocrity of the worst order entered our ranks when education became the least preferred of professions. The incentives were the worst leaving education for those who failed in all else or were trapped by their own dedication. The useless rose, and Ph.D.s from abroad — not qualified in something relevant — unwittingly allowed to destroy what there was. Incidentally, research techniques and processes were not unknown to classical trends-the Persians and Arabs were familiar with them. However,

an alternate university will provide the avenues needed. Where decisions can be independent. Where doubt can be expressed. Where open debate and accountability can take place.

N.S.: But do you see any hope of such an alternate university coming about?

Dr. Qizilbash: It's a vast project and naturally it cannot be achieved quickly. But it has been something I've been dreaming of for a long time AND working on. There are twenty of us — twenty highly-trained and extremely successful academicians/teachers from the social and natural sciences — who have got together and we are shortly launching an Academy of Educational Services.

There are three things in mind for it. One, it will hopefully provide the nucleus for a private alternate university some day and start to raise funds towards that end. Also, it will launch specialised programmes designed by us, towards the C.S.S., for example, the way we think it should be.

Two, we'll have goal-oriented short-term programmes to do "repair and salvage" on already running programmes. And three, we shall be available in a consultative capacity for development purposes.

CSO: 4200/191

DEBATE OVER COUNTRY'S CULTURAL LEGACY REVIEWED

Karachi DAWN in English 3 Dec 82 Magazine Supplement p 4

[Article by Ariel]

[Text] **An interesting idea has been floated once again: Pakistan is not the legatee of the Indo-Muslim Culture in its entirety, thus allowing for the fact of Partition.?**

Poet-Critic Salim Ahmed, writing in his column, seems to have been offended at Zia Jullundhary's contention. Zia Jullundhary has taken a nationalist's view: The Pakistani culture should draw its sustenance from the regions comprising Pakistan.

What Salim Ahmed has, perhaps, forgotten to remind Zia Jullundhary is that Pakistan is an "ideologically steadfast" Islamic country and hence it should spurn nationalistic considerations. He could have brought in Iqbal into the discussion and pointed out towards an often quoted couplet castigating the idea of nationhood on the plea that it negates the Islamic belief.

I wonder how we could go on about nationalism as one category of thought and universalism for others without realising that philosophical categories couldn't work according to our desires.

They are more or less a package deal. Either you have the whole of them in a prescribed order or you burn your fingers. Pakistan was carved out of united India on a fairly well-known premise. The basis of the premise had two tiers: A democratic society based on the nation hood of the Muslims of the subcontinent.

Pakistan couldn't turn hostile to its very foundation by taking up a position whereby the Islamic legacy of the sub-continent is also allowed to be partitioned. It is a downright myopic perception and an altogether uncessary formulation. But we have proved to be so good and efficients in alienating millions of people from the belief of shared cultural perceptions that we woud gladly bid adieu to a whole lot of poets, mystics, architects, painters, and men of learning — just because they don't happen to have been born here.

Granted the gains of this intellectual 'harakari,' but what about the other cultural giants belonging to other Muslim countries? What about our determination to accept the Afghan refugees on the plea of Islamic brotherhood? why shouldn't this generosity be extended to a few scores of dead poets and mystics.

May be it is only the reflection of the position that some of our intellectuals have opted for applying restrictions on all manner fo cross-fertilisation. The logical corollary of this harakari is going to be a frightening episode. Perhaps we might end up being a country which would like to seal its eyes and ears to the accomplishments of the 'giants' of human wisdom.

Salim Ahmed is obviously quite sore on the point and wants to feel sorry for persons such as Amir Khusro, Shah Waliullah, Abdul Fazal, Fazi, Mir Ghalib, Sir Syed and Hali it is possible that this list includes all the saints who carried the 'Dastars' from Multan to the four corners of the sub-continent).

But I would also like to feel sorry for Rumi, Haifz, Saddiq, Ibn-i-Arabi, Jami and hundreds of other big names since they were not born in areas constituting Pakistan. What would happen to the rest of the international celebrities who have become part of the heritage of the entire civilized world. It is one thing to agree or disagree with them but no useful purpose could be served by keeping them away from our shelves.

It is an interesting situation that Saleem Ahmed has been castigating Sir Syed Ahmed Khan for some time. Now he should find it a bit amusing that he has to make it very clear that the desire to assimilate wisdom from the high water marks of culture and intellect doesn't require any bickerings on the places of their origin. Who would like to claim that the Taj Mahal is situated on the bank of Ravi? But any discussion about Pakistani architecture is going to involve not only Taj Mahal but many a monument in Afghanistan, Iran and Central Asia.

Take for example the developemtn of poetry and arts. What is the fun in denying the 'greats' a simple affirmative nod while

meditating on the forces that led to the emergence of Pakistan.

Maybe it bales us out of many imponderables and intangibles which have been eluding us for some time and, given the present day thinking of some intellectuals who have chosen an arbitrary mix of regionalism, nationalism and internationalism to pass for a convenient "Islamic mould" there is very little that is going to keep them "intellectually viable"

Let us hope they don't succeed in raising a pure and simple myopia to an intellectual principle. Let us also hope that they would try to rise to the occasion and try to imbibe a far more cogent and intellectual formulation. How could Rumi and Shah Waliullah be declared irrelevant in any discussion on the historical development of Pakistani culture.

I think that any discussion of Pakistani culture is going to involve even the non-Islamic ingredients as it was through the interaction between them and Islam that the areas constituting Pakistan are today what they appear to be. More allowance has to be given to personalities such as Shah waliullah and Mujaddid Alif Sani for the simple reason that much that we have come to regard as ours emanates from their thinking. So there is no harm in having a broader view while sticking to the geographical realities as they are.

CSO: 4200/191

FORMER PRESIDENT MIRZA INTERVIEW DISCUSSED; EVENTS CLARIFIED

Karachi DAWN in English 3 Dec 82 Supplement pp 1, 8

[Article by Pir Ali Muhammed Rashdi: "Iskander Mirza Incriminates Himself"]

[Text] Pir Ali Mohammad Rashdi was Minister for Information and Broadcasting during the period that formed the subject-matter of Iskander Mirza's interview appearing in DAWN Magazine of Nov 19. A member of the Muslim League parliamentary party, Rashdi was an eye-witness to behind-the-scenes drama and political crises that ultimately led to the abrogation of the 1956 Constitution and the promulgation of Martial Law. In the article below, he gives his version of the events and rebuts Iskander Mirza's account of some of the most crucial events that are now part of Pakistan's history.

The interview of the late General Iskandar Mirza, published in Dawn Magazine (Nov 19) is, on analysis, a self-incriminating document. One wishes it had not been publicised particularly after 15 years of its having been recorded and, what is even more significant, after all the important figures in the story had passed away and were in no position to defend themselves.

Moreover, the story itself did little credit to the memory of the late Mirza Sahib himself who, as a person and a friend, had many charming qualities—politics, of course, apart. Why at all should these old sores have been opened up?

Though the curse of Pakistan's political history has been that each change of Government had occasioned its reorientation, with the inevitable consequence that undiluted truth and objective assemblage of solid facts had lost their relevance, those who had studied and followed causes of strangulation of democracy in Pakistan should be conversant with the catalogue of popular grievances against Iskander Mirza which, to sum up, were as follows:

Government servant

(1) Though basically a Government servant, supposed to be having no politics, Mirza Sahib had an insatiable penchant for political power, and that too of the authoritarian stamp. As will be recalled, he was the originator of the doctrine of "Controlled Democracy", interpreted in practical terms meaning a government of bureaucracy by bureaucracy and for bureaucracy. It is a matter of record that he had begun making noises about his belief in that doctrine immediately after his descent in Pakistan, following the latter's inception.

(2) He was one of the celebrated trio of the Delhi-based leading bureaucrats who had grown grey in the service of their outgoing white masters, who did not have roots in Pakistan (by birth they belonged either to the Indian Punjab or the Indian Bengal), who had happened now to land here merely as a result of the accident of Partition, and who on arrival here had snaked into key-jobs and initiated intrigues to capture political power by exploiting the credulity of some unwary politicians and, in the end, defeating democracy itself—the legacy of Quaid-e-Azam.

The other two member of the tri

were Mr. Ghulam Mohammed and Chaudhry Mohammed Ali Sahib (of these, two had eventually become heads of State, and one Prime Minister–en route, enjoying ministerships and other political offices).

(3) Even while Mirza Sahib had not as yet become Governor-General or President, he had, behind the scenes, involved himself in every act of political skulduggery.

(4) He had congenital aversion to Parliamentary Democracy.

(5) As soon as he had become Head of State he had tried (unsuccessfully though) to canvass political opinion in favour of presidential form of government as he expected by that means to assume total power.

(6) Accordingly, he was not satisfied with the final 1956 Constitution (which provided Parliamentary form of Government) though, for tactical reasons, he had taken oath to owe allegiance to it and preserve it.

(7) Notwithstanding the limitation imposed upon the President by the 1956 Constitution (under which he had to function merely as a constitutional head) he committed numerous transgressions contrary to the spirit of the Constitution inasmuch as he contrived to arrogate to himself, and actually exercised, powers which rightly belonged to the Parliament, the party in majority, the Cabinet and the Prime Minister of the country.

(8) He inducted in office and drove out ministries according to his own whims and caprices (in the style of a Grand Mogul) behind the back of the democratic organs whose inherent right and legal function it was to do so, namely the elected Parliament and the political parties in the enjoyment of popular mandate.

(9) he personally disliked Sardar Nishter, the President of the ruling Muslim League Party, *("I sent for Chaudhry Mohammed Ali and I said look, you know Nishter perhaps for ten years. I have known him for 25 years. Please listen to me and do not make him the President of the Muslim League or you will be in trouble. He is a religious fanatic and he will work against you behind your back and he will try and control the whole Government as President of the Muslim League because he seems to think that he is no less a man than Quaid-i-Azam"—the interview)* and in order to undercut him, soon enough, engineered the disruption of the Muslim League and sprouting out overnight of a new party, called the Republican Party.

To that end jobs of Ministers both at the Centre and in West Pakistan were used as baits to lure in fugitives from the Muslim League party. That he was the real founder and god-father of the Republican Party was proved by the fact that no sooner had he himself disappeared from the scene than the new party had instantly evaporated into thin air and was never heard of again.

Double-crossing

(10) Dr Khan Sahib, to whom he now attributes 'double crossing' and quite a few other deviations was, (despite my reverence for Dr. Sahib's high sense of integrity and truthfulness), his own find and his catspaw, in the sense that it was he (Mirza Sahib) who, in order to use him on various fronts, had taken him out of the limbo of oblivion into which Quaid-i-Azam had relegated him after removing him from the Chief Ministership of the N.W.F.P following his failure to salute the flag of Pakistan.

Under Iskander he was now first made a Minister in the Pakistan Cabinet and, later, forced upon West Pakistan as its Chief Minister, in the teeth of Muslim League oppositon.

(11) It was his policy and practice that while he installed in office one Ministry, he, at the same time, continued clandestinely to hobnob with the Opposition as well so that his options to make further changes in the future remained unlimited and the game of musical chairs could be continued unhindered.

(12) By designedly making frequent changes in ministries and thereby engendering a state of political and administrative instability, he intended to create conditions under which it may become easy for him to achieve his manifold political objectives, namely:

(a) To cause putrescence of the country's democratic life, sterilization of its constitutional organs, and failure of constitutional government;

(b) To destroy the inconvenient 1956 Constitution and apply Martial Law under his own aegis;

(c) To bring about a state of collusion between the civil bureaucracy and Ayub Khan's legions and establish their combined stranglehold over the country which itself was a product of democratic process and

(d) To, finally, Preside himself over such a two-fold tyranny.

(13) As his ill-luck would have it, just when his final goal was in sight, a merciful Providence had intervened and ordained that he himself should fall between the two stools upon which he, having planted his feet, had thought he would be able to stand erect till eternity. Indeed it was a case of 'Man proposes God disposes'! The Matadors of his own inviting had encompassed his undoing; the guns he expected would be directed at the public were first zeroed in on him and he was gone for good.

(14) In the course of the bureaucratic supremacy over Pakistan, of which Mirza Sahib was indeed the symbol, Pakistan had found itself tethered to two defence pacts (SEATO and CENTO) merely because the proliferating expensive bureaucracy wanted 'foreign aid' millions which it could only get by joining these pacts and, of course, by heavily taxing the people at home also—a tradition which has continued ever since.

Parenthetically, one might in this context as well call attention to

the over-all conditions which prevailed in the country during this particular period and made it possible for Mirza Sahib and other bureaucrats to further their ambitions.

It should be borne in mind that by the time Mirza Sahib had attained the acme of his ambition and become President, the country's veteran politicians had been already dislodged and emasculated, thanks to the 'advance softening action' on the part of the bureaucracy and their dupes in the political field; they had been dismissed from elective offices, humiliated, *Prodaed*, disqualified, branded as traitors, saboteurs, and 'Indian Agents' etc, mercilessly vilified by an unscrupulous Press, and pushed to the outer periphery of political life – baffled, and demoralized; they had lost their inner strength and sensitivity and were no longer in a position to stand up to this new menace, unite among themselves, exercise percipience and pre-empt the bureaucratic game to turn the Quaid's country into a lunatic state run by megalomaniac babus and not by statesmen.

Nor indeed could they (the politicians) muster courage, at that juncture to force new elections, secure a fresh mandate and rehabilitate themselves, exposing on the way, the developing bureaucratic conspiracy.

Interview

Now the interview itself.

It appears that in the interview Iskander Mirza had jumbled together facts and fiction without regard to chronology and, in the process, managed to skip over the account of his own underhand doings antecedent to his becoming the Head of State, for example his part in:

The political intrigues and manipulations in the Punjab, Bengal, Sind and N.W.F.P (1948-1951); the declaration of Martial Law in Lahore (1953); the exaction of resignation from the functioning elected provincial Chief Minister of Punjab (1953); the dismissal and incarceration of the Bengal Chief Minister Moulvi Fazlul Haque (1953); wangling his own appointment as Governor of East Pakistan (1954); the dismissal of Prime Minister Khwaja Nazimuddin (1953);

The wholesale expulsion of popularly elected Provincial Cabinets all over Pakistan (1954); the cornering of Prime Minister Bogra by Ghulam Mohammed on that fateful October night (1954); the dissolution of Parliament (1954); the formation of a new puppet Central Cabinet which included him and Ayub Khan (1954);

The imposition of One-Unit (1955); arranging his own election to Parliament thanks to Mr. Muneer's "political decision" (on his own subequent admission) in the Tamizuddin Case (1955); not to speak of his mysterious visits to UK and USA, and his special relations with the UK and US Governments (his son had married the daughter of the American Ambassador to Pakistan) and with the British Embassy in Pakistan.

Actually these were the events that constituted the real background of the climactic situation with which he had dealt in his interview. If only he had given the entire story from the start, readers would perhaps have been able to know the whole truth

However, we come to the corpus of the interview itself

(1) His part in the intrigue (as evidenced from the story he himself has given in the interview) which led to Prime Minister Bogra being forced by Ghulam Mohammed to reshuffle the Central Cabinet, break provincial cabinets and dissolve the Parliament, in October 1954;

His purposeful presence in London in September 1954; his catching Bogra at the London airport when the latter was on his way back from U.S.A. to face Ghulam Mohammed's wrath at Karachi; his arranging (in what capacity he does not say) with the Royal Air Force for an Argonaut plane to bring the Bogra party (Ayub Khan, Chaudhry Mohammed Ali, Ispahani and himself) quickly to Karachi;

His order (by aerial telephone) to General Musa C-in-C to deploy at the Karachi Airport a "Company in battle-order" to protect Bogra (actually to intimidate him); his taking command of the situation or arrival at the Karachi Airport and instructing Ispahani to "put Bogra into a car and take him to the Governor-General's House" (and "*I would follow later with the others*");

His dropping in, that very moment, at the Governor-General's house (to quote Mirza, "*when we got in there we saw Chaudhry Mohammed Ali pacing the room and the Governor-General Ghulam Mohammed lying on the floor on a white sheet in a terrible state. He was almost foaming at the mouth and striking his face right and left*"). and his participation in happenings there when Bogra was being forced to "*come to an agreement on the basis that a new cabinet would be formed and the Assembly would be suspended* (actually it was dissloved) *and things would start de novo the next day*"; and, under this 'de novo' arrangement Ghulam Mohammed providing a list of new ministers which, of course, included his own name.

Chaudhry Mohammed Ali, however, gives a different story in his "The Task Before Us" (Pp 297-98) which contradicts in its many major details Mirza Sahib's version and which runs as follows:

> "On October 23, we reached Karachi. There was an appreciable crowd to greet the Prime Minister. Reception formalities over, Mr Bogra was surrounded by Ayub Khan and Iskander Mirza in a friendly manner and was driven away to the Governor-General's House. Ayub Khan has in his (Friends not Masters) mis-stated even this event. I did not accompany them (as he asserts) to the Governor-General's House. It was Mohammed Ali Bogra who went with them, rather was made to accompany them.
>
> "It was midnight when I received a telephone call from the Governor-General House want-

ing me to reach there. There I saw a strange spectacle Ghulam Mohammed was sitting on a sofa, flushed in face. He was flanked by Ayub Khan and Iskander Mirza. In front of him was Bogra like a cowering captive. Ghulam Mohammed had a pistol in his hand and was severely reprimanding him saying that he had betrayed him, despite the fact that he had made him the Prime Minister. Ghulam Mohammed insisted on dismissing the Constituent Assembly. He was burning with the fire of revenge. Apparently there was an excuse for such a step, for the Constituent Assembly had lost its representative character after the smashing victory of the Jugto Front and Suhrawardy and his friends were demanding its end. The language Ghulam Mohammed was using and the presence of Ayub Khan and Iskander Mirza betrayed the fact that he enjoyed the support of the Army. Army in those days meant Ayub Khan.

New cabinet

"I tried to strike a conciliatory note and succeeded at last in bringing Ghulam Mohammed round to the decision that the old Constituent Assembly (which had stripped him of his powers) shall be dismissed and a new one elected instead. The old Cabinet, too, would go. Bogra, however, shall retain Prime Ministership. In the new Cabinet were to be included Iskander Mirza and Ayub Khan the home portfolio going to first and Defence to the latter. Industries was to be entrusted to Ispahani.

"Within a few months, a new Constituent Assembly came into being through the Provincial Assemblies. Those elections were a new experiment in democracy".

Be that as it may, the question arises: (a) was not this whole drama pre-arranged (we all then knew in advance that it was being pre-arranged) in that manner and that. whereas Chaudhry Mohammed Ali and Ayub Khan had been sent to USA to frighten Bogra, Iskander Mirza was stationed mid way at London to push him further up to Karachi?

(b) Being a Government servant, what business did Mirza Sahib have to take such an active part in these political manoeuvrings?

(c) How had he come to enjoy Ghulam Mohammed's confidence to the extent that he was admitted into these inner counsels of his?

(d) In recognition of what services of his had Ghulam Mohammed put his name in the list of his nominees for the Cabinet (cabinet membership being a political job)? and (e) unless it be assumed that the British were also involved in this intrigue, through Mirza Sahib, how could one explain an R.A.F. Argonaut being instantly provided at London just on a request from Mirza Sahib?

All told, collusion and culpability are evident.

Suhrawardy

(2) As to Chaudhry Mohammed Ali becoming Prime Minister, Mirza Sahib's version is that "*Chaudhry Mohammed Ali, accompanied by Gurmani came to me and said that it is the opinion of the Muslim League party that Mr. Suhrawardy, the leader of the Awami League who had about 13 men in the Constituent Assembly should be the Prime Minister; I said 'it is a very peculiar way of starting a new Government, because in my constitution the largest party forms the Government and I really cannot understand how I can over-ride this elementary provision': I said: 'I am going to ask you, Chaudhry Sahib, to form the Government'.*"

Unfortunately, however, Chaudhry Mohammed Ali's own version does not agree with this. He says on page 300 of his book "The Task Before Us" that it was Mirza Sahib himself "*who had gone to his house and did not leave it till he had agreed to become Prime Minister*". He does not talk of Gurmani and himself going to Iskander as the latter suggests.

I myself was a member of the Constituent Assembly (during the relevant period) and belonged to the Muslim League party and the following facts are in my own knowledge:

Our party had coalesced with Suhrawardy's Awami League and together the two formed a clear majority in the Assembly; the Muslim League party, after protracted discussion in a series of meetings, decided, *on my own motion* to put forward Mr. Suhrawardy's name for Prime Ministership as the leader of our joint party.

The resolution was duly communicated to the Governor General who was under the circumstances constitutionally bound to call Mr. Suhrawardy to form the Government; but three days later Mohammed Ali produced before us a letter saying that the Governor-General had turned down our resolution about Mr. Suhrawardy and instead invited him (Mohammed Ali himself) to form a Government though his (Mohammed Ali's) Muslim League party alone and *by itself* (shorn of Awami League party alliance) did not command a majority in the Assembly.

When this letter was read out in the party meeting I began shouting that the Governor General's action was unconstitutional and that he was trying to drive a wedge between our two parties and that we Muslim Leaguers (who were by and large from West Pakistan) by accepting the bait thrown at us by him and breaking our pledged word with the Awami League would be exacerbating relations between the two wings (with fatal results in the long run).

But, unfortunately, I was not heard; the Punjab group was in a majority in our party and was led by Mohammed Ali, Gurmani, and others; that group did not have qualms in swallowing Iskander's

bait since it was bringing premiership to them.

Iskander, meanwhile, worked behind the scenes and arranged with Suhrawardy's Bengali opponents, who included Hindus, to join in his improvisation and sustain the Mohammed Ali Ministry of his own making.

Now how do these stark facts agree with Iskander's version given in his interview and, of course, contradicted by Chaudhry Mohammed Ali (Page 300 of his book) as stated above.

One leaves it to authorities on constitutional law to determine how far Iskander Mirza, as a mere constitutional head was, (consistently with Parliamentary traditions and usages,) within his rights to arbitrarily reject the pro-Suhrawardy recommendation of the majority party and act in the devious ways he did?

3. Proceeding, Mirza Sahib has stated in his interview that after he offered the Prime Ministership to Chaudhry Mohammed Ali he (Mohammed Ali) *"told me that he would like to be Prime Minister and work the constitution on which he had worked so hard, provided I talk to Mr Suhrawardy and try and get him round. I said I will try"*.

This again does not tally with facts; the chronology is against it; Mohammed Ali was offered Prime Ministership (and he became one) sometime in August 1955; and the constitution in question had not been framed till March of the following year! How could, under the circumstances, Mohammed Ali have spoken of the *"Constitution on which he had worked so hard"*, since the constitution had not as yet been made and Mohammed Ali had not as yet *"worked so hard"* on it?

And then, of all people, Iskander Mirza who had just rejected Suhrawardy, being requested by Mohammed Ali to "bring round" his rejectee who must then be a "wounded Tiger" out for Iskander's own blood. Does this situation appear natural?

Further, his statement that he had brought round Suhrawardy in favour of Mohammed Ali is contradicted by the recorded debates in the Assembly where Suhrawardy and his partymen had been throughout mercilessly attacking Mohammed Ali and giving him no quarter whatsoever.

Even the probability of Iskander succeeding in influencing Suhrawardy is further disproved by the fact that Suhrawardy's party had upto the last opposed even Iskander's very own election as President!

(4) Iskander while relating the story of how Muslim League was sabotaged and Republican Party created, has again been in grave error. He has tried to shift the entire onus to Dr. Khan Sahib and Gurmani which was contrary to facts. May I, as one who was a personal witness to these happenings ask whether or not the facts were as follows:-

(i) (As he himself has admitted) Mirza Sahib personally hated the League President Sardar Nishter, (ii) Dr. Khan Sahib was Iskander's own creature, (iii) at the time the League was being amputated at Lahore he himself was so-journing in Lahore and Murree, (iv) he had taken along Prime Minister Chaudhry Mohammed Ali also (v) he had been personally inducing League members to join the new party,

(vi) He had tried his utmost (though unsuccessfully) to influence me personally to give up the Muslim League, join Dr. Khan Sahib's party and save my Central Ministership.

(vii) When the League party in the Central Assembly had called upon Chaudhry Mohammed Ali to explain his conduct in connection with the Republican episode and he had promised to attend a Muslim League party meeting at Chundrigar's house at 4 p.m., Iskander himself (having got scent of it) had invaded Chaudhry's house, at that very moment, pounced upon him and bodily dragged him, instead, to the Republican party meeting which was also scheduled to take place at the same time (Mr. Chundgrigar who also had gone to Mohammed Ali's house to bring him to the League meeting had witnessed this case of 'aghwa' himself).

(viii) When my motion for Gurmani's dismissal from Governorship of West Pakistan for his doings in connection with the formation of Republican party was under discussion, Iskander had called every Cabinet member and dissuaded him from voting against Gurmani though no minister had cared to listen to him (the Bengali Ministers having even gone to the length of admonishing him for his dabbling in cabinet affairs though he was but only a constitutional head).

ix) Gurmani had escaped dismissal merely because just as the Cabinet votes were being recorded against him, Prime Minister Mohammed Ali, seeing no other way out to save Gurmani, had enacted the drama of suddenly getting a heart attack, closing his eyes, and slumping in his chair, which sudden development threw the Cabinet into confusion and led to the meeting being postponed without the dismissal vote being brought on the record (Chaudhry Mohammed Ali having been bodily lifted and carried upstairs to his bedroom pretending to be unconscious and immobile).

(x) Early next morning Mohammed Ali had suddenly recovered, rid himself of his heart-attack, taken the early dawn train for Quetta where Gurmani was awaiting him, without informing any Cabinet member.

(xi) He remained absent from Karachi for nearly two months (leaving the Central Cabinet functus officio); and (xii) that by the time circumstances forced him to return to Karachi we Muslim League members of the Cabinet had got tired of his chicanery and Chundrigar and myself had forthwith tendered our resignations which broke Chaudhry Mohammed Ali's majority and forced his exit from Prime Ministership.

Can anybody deny these facts?

If not, would not in the face of such a mass of contrary facts appear that Iskander Mirza's story that Gurmani and Dr. Khan Sahib

were the lone sinners in the matter of disintegration of Muslim League party and formation of the new Republican party at Lahore, or that eventually *"Chaudhry Mohammed Ali had had a nervous breakdown and had gone to him to be shot by him."* was just moonshine?

Happily Mian Mumtaz Mohammed Khan Daultana and Chaudhry Mohammed Hussain Chatta, who were then members of the Muslim League Party and were witnesses to all these happenings, are there to bear testimony to the facts I have stated.

Final exit

(5) Nor is Mirza Sahib's story about Chaudhry Mohammed Ali's final exit from Prime Ministership founded on facts inasmuch as the latter had been forced to resign only because (on account of his complicity in the Republican affair) Chundgrigar and myself had resigned from his Cabinet, the Muslim League party had disclaimed him and his majority in the Parliament had been thus broken.

The dramatic account given by Mirza Sahib *(agitation, picketing of Mohammed Ali's house, police action, disturbances, Mohammed Ali having lost nerve, his weeping before him and his request to him to be shot etc)* appears, examined in the light of facts as set forth above, to be but a figment of Mirza Sahib's own fertile imagination.

(6) In the interview there is then an admission that he did not like the Parliamentary Constitution and had been intriguing behind the scenes to bring in an American type one. Note his words:

"I was telling him (Chaudhry Mohammed Ali) from the very beginning to try and get some Constitution which would run in the country and to this end I also got an American to advise. But everyone was determined to have this Constitution--"

(The American type of Constitution was later tried by Ayub Khan with disastrous results).

(7) His admissions at various places in the interview that he had been having contacts with foreign Powers over the head of the Prime Minister (Suhrawardy) and his dabbling in affairs which fell in the purview of the Prime Minister proved that he had been exceeding the limits of his functions as a constitutional head:

For example: (i) British Deputy High Commissioner directly communicating with him about Suez; (ii) his calling Prime Ministers of Turkey and Iraq, through Shah of Iran, for meetings with him at Teheran; (iii) The British Ambassador calling upon him at 4 o'clock in the morning at Teheran to complain to him that the Prime Minister of Pakistan (Suhrawardy) had declared in an open meeting in Karachi that he was going to leave the Commonwealth, and, in reply, his assurance to the British Government that *'as long as I am President of Pakistan we are not leaving the Commonwealth'* and (iv) his differences with Prime Minister Suhrawardy over his Arab and China policies and his discovery that the Prime Minister was of unstable mind and therefore deserved to be replaced (*"at two hours notice"*, and without taking into account the existence of Parliament and the majority party).

Were not all these activities extra-curricular in the case of a "constitutional head"? Could you imagine, for example, our high Commissioner going directly to the Queen of England at 4 a.m. to complain to her against the Prime Minister of England? Could you conceive of the Queen of England driving her Prime Minister out of office, at two hours notice, behind the back of Parliament? Were these and so many other acts of Mirza Sahib then constitutionally proper and in order?

Least faithless

In conclusion, I am afraid, the late Mirza Sahib's alibi contained in his interview is not satisfactory. His crowning crime that he had put the Quaid's country under Martial Law and forced millions of Mussalmans, just freed, forever to sink into a cataleptic state, alone is enough to make the memory of this otherwise an amiable man, stink.

But for his unfortunate weakness for personal power, Mirza Sahib was, on the whole, a very clean man in money matters and stood head above shoulders over the men who came after him.

He will be known as the only high functionary of State who had died a poor man. May be in times to come some of those who may come after him prove even worse in that respect, and provide his vindication and ensure rehabilitation of his memory as the least faithless amongst the faithles of our history.

CSO: 4200/191

HIGH-POWERED TEAM TO VISIT LIBYA

Karachi DAWN in English 3 Dec 82 p 21

[Text]

ISLAMABAD, Dec 2: A high-powered delegation from the Ministry of Manpower is likely to visit Tripoli to discuss the fate of 161 Pakistanis who have been jailed in Libya following a clash with a group of Thai workers there.

Mr Ghulam Dastgir Khan, Central Minister, told 'DAWN' the Libyan authorities jailed these Pakistanis when after refusal to help the authorities determine the identity of the troublemakers. The authorities had assured that they would be released if they identified the real culprit.

Necessary instructions, the Minister said, have already been issued to the Pakistan Embassy in Libya.

The Minister said Pakistan is also considering a Libyan proposal which envisages the return of the workers to Pakistan.

•The Labour Minister said the same delegation is also expected to visit Kuwait to inquire into the matter concerning the likely deportation of a large number of Pakistani workers there.

Kuwait has amended her immigration laws in order to stop the entry of illegal job-seekers.

The amendment, the Minister said, will also hit those Pakistanis who had managed to get jobs after entering Kuwait illegally.

Mr Ghulam Dastgir Khan said Pakistanis lawfully employed and holding travelling documents will not be affected.

CSO: 4200/191

COOPERATION IN SOUTH ASIA REGION STRESSED

Karachi DAWN in English 28 Nov 82 p 9

[Text]

IN MANY ways it is a pity that the politics of the South Asian region are what they are. The most tangible effect has been the way it has led to the closing of doors on so many avenues of activity which could otherwise have been undertaken by the countries of the region for mutual benefit. The primary responsibility for this, of course, must rest on the differences between India and Pakistan. The result has been the absence of any real cooperation between the two, as a result of which any significant move towards collaboration among the other countries of the region has not emerged either. Now, however, there are signs that the atmosphere is thawing somewhat, as illustrated by some increased trade and a more relaxed atmosphere. The latest evidence of this was provided by the recently concluded meeting in Islamabad of the South Asian Working Group on scientific and technological cooperation. Delegates from seven countries participated in the three-day meeting and several excellent suggestions were made about the areas in which cooperation among these countries would be beneficial for the region.

Among the area which were considered suitable for research and development projects were low-cost foods, biotechnology, micro-electronics and some aspects of agriculture and energy development. There are many more of course, which will not merely yield very useful results for the region if research and development work is undertaken but in which research is essential for the progress of the countries of the region. Agriculture alone offers several possibilities, especially since each country can provide something which will be helpful, in varying degrees, to the others. Another area where there is a ready potential and need for cooperation is flood control as some of the countries in the region are served by common river systems. There is also the fact that a few of the countries have fairly advanced research facilities in some areas which, if cooperative efforts are made, will yield better results which will be helpful to the entire region. Similarly, there are many possibilities in the engineering and industrial sectors for cooperation. The main thing is whether the will to go about such projects is there, which naturally presupposes some degree of political understanding and maturity. It should be kept in mind that this region is a 'natural' where cooperation is concerned. All countries must re-examine their motives and their aspirations and decide whether a greater impetus to this kind of cooperation cannot be provided by them, in spite of political differences which may take quite long to be resolved.

CWO: 4200/193

FOREIGN REMITTANCES, CONSUMER GOODS LINK DISCUSSED

Karachi DAWN in English 28 Nov 82 p 9

[Text]

SINCE we look at our manpower export almost exclusively through the coloured glass of home remittances, the social cost of this fateful national phenomenon has not yet been assessed. But the cancerous growth of conspicuous consumption is becoming too menacing to ignore. The demonstration effect of this wasteful consumption is so massive that the quarters who would be expected to ring the warning bell in such circumstances themselves seem to have been afflicted with this fever. Policy-makers in the Government and leaders of public opinion have shown no great concern about the rising tide of imported goods in our markets. There was, however, a hint about an awareness of this problem in a Karachi seminar on the steps for the eradication of smuggling. A Customs official said the Government was contemplating a gradual ban on import of "unaccompanied baggage", a concession allowed to expatriates returning home. He also made some suggestions to curb the sale of goods imported under baggage rules. The relevance of baggage rules in a discussion on smuggling is relevant because it is the widespread dispersal of goods brought by Pakistanis working abroad that has created an appetite and market for smuggled items. But indications of what policy changes are being contemplated in this regard have to come from competent authorities. It would still not be impossible to check the rot if the issue is contemplated in all its complexity and correct decisions are made in the larger national interest.

A proper study of the false prosperity built on imported luxury goods and home remittances will reveal scary facts. The artificially raised standard of living of the expatriates' families carries the seed of corruption and social alienation. Living within honest means is becoming a mirage. The rat race has resulted in an erosion of savings, damaging individual as well as national economies. The easy availability of foreign goods, smuggled or brought in by expatriates, has hurt the domestic industry and undermined the capabilities of local entrepreneurs. So insane has become the craze for the imported stuff that even cans of ordinary soft drinks are sold in abundance and at frightful prices. A visit to any neighbourhood store will be a sufficient indication of the extent of this malady. One need not go into the details of what the VCR culture is doing to our values and community life. It is a source of cultural disorientation for the flower of our youth and has already throttled the growth of our performing arts. The most sinister aspect of this addiction, now graduating into the area of video games, is the decay of the nation's moral fibre. It is a pity that a society so backward in literacy, standards of education, reading habits, artistic creativity, and health care and hygiene should vie with the most developed countries in standards of consumption. In building this lopsided consumer society, we have made our people acquisitive in a very vulgar, nonproductive sense.

These distortions, surely, are the result of official policies pursued over a long period. Creation of new needs and demands has gradually turned luxuries into necessities. Cars, for instance, have become a necessity because of the absence of a mass transit system in our large cities. Television, in living colour for many years, was thrust upon a nation, a vast majority of which cannot read and is denied electricity, potable water and hospitals. The massive export of our manpower has been allowed to bring about an exacerbation of the impact of these aberrations. Liberal baggage rules

were meant to pamper the overseas Pakistanis, unmindful of the damage done to our economy, values and social equilibrium. Incidentally, Pakistan is not the only country to receive large remittances from its workers abroad. But we are almost unique in bungling this potential asset. Meanwhile, we have continued to pay lip service to the need for austerity and self-reliance. It was stated in the seminar on smuggling that the "unaccompanied baggage" system has been done away with all over the world except in Pakistan, India and Bangladesh. But the example of India is worth studying. Its import of consumer goods has traditionally been very restrictive, though a large number of Indians work abroad. The other example of a total restriction on foreign consumer goods is that of China. It lives on the principle that the country should not consume what it does not produce. We must learn from these examples and redesign the baggage rules and import pattern.

It is argued that if overseas Pakistanis are not allowed to bring consumer goods, they will resort to unauthorised means or 'hundi' to transfer their money. That can be checked and, in any case, it will not be so corrupting or socially disruptive. If they will tend to spend more of their earnings abroad, let them. At least they will not be spreading the contagion here. But our expatriates are patriotic people who earn money by the sweat of their brow. Most of them have to come back and re-start life here. It should be possible to induce them to save and bring their money into the country for productive investment. As we wrote the other day, it should be possible to siphon off the expatriates' savings into productive enterprise and the social infrastructure. What is crucial at this stage is to confront the problem of wasteful consumption, smuggling and social and moral corruption rooted in the present vulgar show of affluence by the new middle class. Major policy decisions are needed to stem the tide of foreign goods and enhance domestic production of consumer items that we can absorb without disrupting our economy and our values.

CSO: 4200/193

ECONOMIC COUNCIL APPROVES MANY UPLIFT PLANS

Karachi DAWN in English 28 Nov 82 pp 1, 4

[Text]

ISLAMABAD, Nov 27: The Executive Committee of the National Economic Council, which met here today with the Federal Minister for Finance, Planning, Commerce and Coordination, Mr Ghulam Ishaq Khan, in the chair, evaluated, considered and approved a number of wide-ranging development projects in different sectors of the national economy.

Agriculture

In this sector, the ECNEC accorded approval for the second phase of agricultural development/drug abuse control in Buner subdivision of NWFP, estimated to cost Rs 49.367 million, including a foreign exchange component of Rs 41.390 million.

The project, co-sponsored by Pakistan Narcotics Control Board and the United Nations Fund for Drug Abuse Control, is designed to re-orientate local population towards eradication of poppy cultivation through the creation of alternate sources of income by introducing substitute commercial crops, livestock development, development of institutional facilities like credit marketing, establishment of adaptive research farms, supply of potable water system for 21 villages and the construction of 51 miles of improved roads.

A scheme, envisaging the procurement of 100 Crawler tractors with doxing and allied equipment, for Baluchistan at a cost of Rs 144.13 million, with foreign exchange component of Rs 107.40 million, to be met out of Japanese credit available for the purpose, was also cleared.

The sponsoring authorities estimate that these 100 tractors, during their eight years' life-time, would help in the development of 62,400 hectares of land out of the 5.41 million hectares at present lying as culturable waste in the province.

Another project, titled "Baluchistan minor irrigation and agricultural development", estimated to cost Rs 382.00 million, with foreign exchange component of Rs 54.5 million, has also been approved.

The project, consisting of small surface irrigation, agricultural extension, water spreading and groundwater re-charge schemes, numbering 28, is aimed at managing and developing water resources in different valleys of Baluchistan.

ECNEC also allowd an expenditure of Rs 82.285 million, with foreign exchange component of Rs 47.120 million, for the strengthening of water management project activities in the country.

The scheme aims at strengthening the ongoing on-farm water management project through:

(1) Making provision for training of 1800 persons weeks for short term.

(2) Making available technical assistance to all agencies, institutions and universities in water management research.

(3) Disseminating information on modern lines for formal training of farmers, functionaries of organisations like WAPDA, Irrigation and Agriculture Department and local Councillors.

Yet another scheme, approved in this sector, is 'Ghotki fresh groundwater project' in Sind costing Rs 768.785 million, with foreign exchange component of Rs 648.020 million.

The project covers a gross commanded area of 4,41,000 acres and its basic purpose is to ensure proper sub-soil drainage to control waterlogging by tubewells and thus to improve the level of agricultural production.

The scheme entails the installation of 1050 tubewells, their electrification and construction of four grid stations, besides the improvement of watercourses in the pilot areas.

Industry

In this sector, the Committee approved, in principle, the hydrocracker project proposed to be installed at Karachi, to produce middle distillates from the feedback stock within the country, and thus to reduce dependence on import of certain deficit petrochemical products. It will cost about Rs 3717.82, with foreign exchange component of Rs 1,510 million.

The project will be financed from the resources outside the ADP and

with the participation of the private sector to the extent of 30 to 40 per cent.

Housing

Approval was also given for a scheme envisaging the construction of 108 family suites at Islamabad for the officers of the Federal Government of Grade-17 and above. The scheme is estimated to cost Rs 25.75 million with no foreign exchange component.

The Committee also approved the revised estimated cost of Rs 39.00 million for construction of 62 Levy thanas in Baluchistan. Originally, the scheme was to cost Rs 19.23 million. The revision has been necessitated due to the decision of the Baluchistan Government to modify the design of the thanas which will also have suitable residential facilities for the Levy personnel who have hitherto been living a hard camp life in the arduous regions of the province. The residential accommodation for the Levy personnel has been added under President's directive.

Approval was also given for an expenditure of Rs 125.25 million, with foreign exchange component of Rs 124.1 million, for the replacement of the old ship tugs with two modern Voit-Schneider propelled harbour tugs and replacement of old pilot boats, with two modern seagoing pilot boats, at the Karachi Port subject to the condition that international competitive bids will be invited and KSEW, in collaboration with a foreign shipyard, may complete for the same.

The project is designed to strengthen the vital port infrastructure for efficient operations and after its completion, annual savings of Rs 42.37 million, besides other intangible economic benefits, are expected.

The Committee approved an expenditure of Rs 41.14 million for the construction of 23 km dual carriage way between Nowshera and Mardan.

To facilitate the enhancement of Railway's capability to cope with the increased traffic, ECNEC approved an expenditure of Rs 531.4 million, including foreign exchange component of Rs 353 million, for the import of 30 fully-assembled diesel electric locomotives to replace 45 steam locomotives which are over 60 years old and uneconomic to maintain.

Health

In this sector, ECNEC approved an expenditure of Rs 27.19 million, with foreign exchange component of Rs 13.09 million, for the airconditioning of Khyber Hospital (Phase-II), which envisages provision of cooling facilities for an area of 280,000 sq.ft. through airconditioning system and heating facilities for an area of 40,000 sq. feet.

The Committee also approved the revised estimate of Rs 28.624 million for the establishment of a nuclear medical centre within the premises of Islamabad Hospital complex.

The centre will provide diagnostic and treatment facilities primarily for cancer and other complicated cases. Approximately, 10,000 patients are expected to benefit from it annually.

Education

The ECNEC accorded expost-facto sanction of Phase-I of the Punjab University new campus at a cost of Rs 109.975 million.

It also approved the Phase-II scheme of the Punjab University new campus at a cost of Rs 72.560 million to be completed in three years.

Approval for a revised development project of the University of Engineering and Technology, Lahore, estimated to cost Rs 165.925 million, with foreign exchange component of Rs 17.861 million, was also given.—APP

CSO: 4200/193

DISAGREEMENT EXPRESSED OVER ECONOMY

Karachi DAWN in English 3 Dec 82 p 19

[Editorial: "Economy's Performance"]

[Text] THE annual report of the State Bank of Pakistan has described the country's economic performance during 1981-82 as generally better than that of the preceding year. The authors of the report, which is an annual feature, have a reputation of being objective. Therefore, their opinion on the country's economic performance is usually taken very seriously. The relative improvement during 1980-81 in the growth rates of GDP, GNP, gross investment and commodities sectors and a deceleration in the rate of inflation and monetary expansion are encouraging developments. But if these indicators are weighed against the relative declines in the growth rates of exports, national savings, private sector investment, value-added agricultural output and home remittances, expansion in budgetary deficit, widening of trade gap, and greater reliance on external resources in financing gross investment, then the report's summing up of the performance of the economy during the preceding year would reflect uncharacteristic shades of exaggeration.

The overall growth rate understandably reflects, to a significant extent, the rate of growth in imports, debt servicing, inflow of external resources and payments of instalment on past purchases of aircraft and ships. If this fact is studied against the backdrop of a deteriorating balance of payments position and a burgeoning burden of debts, the growth rate of 6.3 per cent would seem to have been achieved at a very high cost to the nation. The manufacturing sector grew at the rate of 12.1 per cent, compared to about nine per cent during the preceding year, though this does not actually reflect the economic performance of 1981-82. During this year a number of large-scale industrial projects were commissioned, more than 90 per cent of the work on which had already been completed in the previous years. A bumper sugarcane crop in 1980-81 just about kept the growth rate in agriculture from going in the reverse direction and helped it record a growth rate of three per cent, against four per cent of the previous year. Bumper sugar production also added substantially to the growth rate of the manufacturing sector.

The improvement in gross investment too does not reflect the actual economic situation in 1981-82 because this improvement is mainly attributable to fixed investment in the public sector which for the last three years has been flowing

mainly to the steel mills. No mentionable new public sector activity has been taken in hand during this period. The decline in the private sector fixed investment has been indirectly attributed by the report to the existing economic controls. It should, however, be noted that the rate of monetary expansion was reduced to 10.5 per cent during 1981-82 compared to 14.1 per cent in the previous year mainly by applying one of the most counterproductive controls on the growth of private sector fixed investment. The rate of domestic credit expansion declined to 15.5 per cent during the year against 16 per cent of the previous year. The private fixed investment dropped from 15.1 per cent in 1980-81 to 12.1 per cent in 1981-82. It is also claimed that the decline in the rate of monetary expansion was to an extent responsible for deceleration in the rate of inflation. This is acceptable but the figure of rate of inflation quoted by the report (9.4 per cent) will be disputed by many since, according to the report itself, the administered prices of several commodities (and services) increased during the year. In fact, the increase in their prices was decidedly substantial. It is probable that owing to recession the imported component in the rate of inflation might not have been as significant as it was during 1980-81. If the rate of inflation really declined to a significant extent, this should have been reflected in the rate of national savings, which increased by only 10 per cent in 1981-82, as compared with a rise of 22.1 per cent in 1980-81. The rate of national savings actually declined last year and reliance on external resources increased, so that their share in financing total gross investment rose from 20.6 per cent in 1980-81 to 28.0 per cent in 1981-82.

The report claims that owing to continued world recession and a sharp decline in the terms of trade, exports fell by 17.2 per cent. The current account deficit rose to 1.6 billion dollars in 1981-82 from one billion dollars in 1980-81. It is doubtful if one can accept without any questioning the report's conclusion that "sustained growth over the past few years and discernible progress towards financial stability have, to some extent, relieved strains and stresses in the economy". The financial stability mentioned in the report appears to have been achieved only through playing up selected economic indicators. Hard times lie ahead of the country, and unless long-term solutions are found to the economy's maladies, the going will continue to be rough.

CSO: 4200/191

BODY PLANNED FOR SOLVING WORKERS' PROBLEMS

Karachi DAWN in English 3 Dec 82 p 21

[Text]

ISLAMABAD, Dec 2: A 32-member Standing Committee, headed by the Federal Labour Minister, Mr Ghulam Dastgir Khan, will be set up soon to determine the nature and magnitude of various issues faced by workers in the country, highly placed sources on Thursday told 'DAWN'.

An announcement in this regard is expected to be made in a couple of days by the Federal Labour Minister.

The Committee will comprise eight representatives of employers while the rest of the members would be nominees of provincial Governments and workers from all over the country.

The idea behind the creation of the proposed standing committee is to create peace and harmony among the labourers and devise steps to frustrate attempts to exploit them.

The Committee will also rationalise the varying salaries of labourers in the four provinces.

The sources described the committee as a coordination committee between employers and employees creation of which is to hold another tripartite labour conference in the country.

The sources said the Ministry concerned is still examining the recommendations made by the previous Tripartite Labour Conference.

The sources said the Ministry of Labour has refused to consider the move by the employers to give them the right of "hire and fire".

CSO: 4200/191

INCREASING TAXATION ON ERODING WAGES DISCUSSED

Karachi DAWN in English 25 Nov 82 p 10

[Article by Sultan Ahmed]

[Text]

DR. MAHBUBUL HAQ's appeal for an earnest national debate on an incomes policy for the country has gone down quietly like a pebble in a pond.

His proposal to apply a freeze on growth of higher educational institutions for the next five years and bar admission of students without real merit and a keen interest in their studies to such official colleges and universities has not evoked any visible response either.

And his suggestion that the receipts from Zakat fund and Ushr, which he estimates at Rs 350 crores annually for the next five years, should be used for economic development has not roused the orthodox elements although they tend to respond emotionally to such moves.

Why is this happening? On his part, the deputy chairman of the Planning Commission has been coming up with radical ideas, ideas wholly new to Pakistan and brave new visions of a bright future for the country. And yet there is no debate on any of these issues, no posturing by one or protesting by another, no analysis and synthesis.

Is this because of the proverbial mental lethargy of Pakistani society? Is it because of the all too familiar intellectual inertia of our intelligentsia? Is it because they do not take five year plans and official proposals seriously in a country in which only one five-year plan — the second — 1960-65 — was successful and the chasm between rosy official proposals and actual performance has been too large?

Could this social indifference be the outcome of the firm belief among the people that no matter what they say or how the intelligentsia asserts itself, the official machinery will ultimately do things just as it wants or thinks fit? Could it be because the fatalist philosophy, "What will be, will be," has a strong hold on our public life as well now? May be, all these fators have more or less, contributed to the disquieting public silence on the major issues of planning and more that Dr. Mahbubul Haq has been raising.

On inviting the people to speak up and the intelligentsia to a debate, he is in earnest. He realises the absence of representative institutions in the country, and the possibily that we may not have them in their proper form for long. So he is trying to reach out to groups and societies, associations and organizations while awaiting suggestions from the public at large. He seeks such public support as he not only wants them to cooperate with him at every stage but also pay for the plan, which is now envisaged to be two-and-a-half times the size of the current five-year plan with its total allocation of Rs 21,020 crores.

The richer groups are not keen on a serious overall debate as they are probably doing pretty well now. And when the investment increases by 150 per cent more during the next five years they will cumulatively be the greatest gainers in a capitalistic society. The poor man's wages may rise, but the rich man's investments and assets will soar spectacularly.

But if Dr. Mahbubul Haq does not want to upset the current distributive applecart he does not want for more of the income from the sixth five-year plan to accumulate in the hands of the already rich. He wants more of the new income to go to the poor, and less to the rich.

He has gone to the extent of saying that he does not want the new income to be hijacked by a privileged few.

Of course, more monetary waged alone are meaningless. He himself candidly admits that. Official figures show that while the per capita income at current prices has risen ten times within 22 years, at the constant prices of 1959-60 it has merely doubled within 32 years. So, clearly, money is not the real measure of wages in these abnormally inflationary and uncertain times.

So Dr. Haq has now clarified that when he wants a 20 per cent increase in per capita income in the next five years or seeks an increase in the income of a family of Rs 4,000 during the five years, or Rs 800 per family per year, or Rs 160 per

capita per year, he means them at the constant prices of today. He admits that prices may rise; they may rise because of a host of factors, including higher taxes or higher import costs. But the wage increase must be real, and by 20 per cent at constant prices so that the fixed income groups set more goods and services for their earnings and not less year after year.

Indexation

Indisputably indexation of wages is the key-stone of his income arch. Everything stands and falls by that. Otherwise more rupees as wages may only bring more distress and not relief or comforts. Per capita income during the last five years, ending 1981-82, went up by Rs 1,778 at current prices but at the constant prices of 1959-60 it went up by only Rs 116 in five years. The difference is one to 15, and that spotlights the extent of the ghastly inflation in our midst.

But will Dr. Mahbubul Haq succeed in making the Establishment in Pakistan to accept indexation of incomes and raise in wages annually to the extent of inflation plus the increment? There will be opposition from the government which at the federal, provincial and local level employs 3.7 million people? There will be opposition from trade and industry. There will be demand for increasing taxes and prices of goods corresponding to the indexed figures. Dr. Haq has clearly an uphill task; but so far he appears to be confident of success, largely because he is morally right and socially on firm ground.

But once the principle of indexation is accepted by the Government, the quality of the index becomes an issue. The index has to reflect the full increase in prices and not of a handful of rationed and fixed price items only.

Embassies and consulates-general in Pakistan are often unhappy when their own budgets are indexed to inflation. The budgets of their missions and their salaries are increased proportionate to the increase in the officially declared inflation in Pakistan. But as too often the government here declares a single digit inflation the increase in their salaries year after year can be low. So the embassy staff work out elaborate figures to show that the real inflation in Pakistn is far higher than the modest or token official admission and obtain higher salaries.

The same has been the bitter experience of a couple of trade unions which negotiated wage increases on the basis of inflation index with multinational companies in Karachi. As the companies went by our official inflation index the workers found they were getting too little each year and abandoned the inflation index angrily. The increase in wages was thereafter negotiated, or not left to the tender mercies of the grossly understated official index.

Wages mean such a lot to the fixed income groups as most of them get little else in Pakistan. The social security system, which covers only a small number of workers takes care of only the medical needs of the workers and their families. The Employees Old Age Benefit system is working more to the benefit of the government than to the workers. The Education Cess paid by the employers goes to the government direct.

Dr. Mahbubul Haq now wants major changes not only in the terms of employment but also in other areas. He wants to do away with rations and price controls. He proposes to rid the economy of subsidies at the consumers end and increase incentives at the producers' end. And he wants the market mechanism to prevail in full. So while he proposes increases in incomes or wages at one end he also wants them to pay more for their essential goods and services. How the personal balance sheet works out for the fixed income groups, particularly the workers, remains to be seen.

He maintains the Pakistanis are not heavily taxed but unevenly taxed. And although the federal taxes, tax-like levies and provincial taxes come close to 20 per cent of Gross Domestic Product he prefers to quote the ratio of federal taxation to the Gross National Product, and says that it is only 13 per cent of GNP. So the people have to be prepared for a substantial increase in taxation over the next few years, particularly if the size of the sixth plan is to be two-and-a-half times the size of the current plan and be around Rs 52,250 crore.

But he does not want to go all out for additional taxation. He would prefer that those who use or benefit by a service pay for it. Such User's Charges, as he describes them, could be for education for which a student may be asked to pay Rs 5 a month in schools, and a small fee of Rs. one or two for visiting a government hospital. It could be payment for getting piped water, for the benefit of electric power, as 75 per cent of the villages do not have it now or for using a village-to-market road or a newly built tunnel. How well does this system work depends on the income of the users and the actual user's charges, and not merely the prescribed.

The fixed income groups are being robbed in any extremely disagreeable manner. They are forced to pay higher prices, inclusive of very high taxes, to buy shoddy goods that have a brief life. Such goods perish, too, early because of poor or defective manufacturing. The consumer has small protection against such exploitation and unconscionable profiteering.

The fixed income groups, particularly the workers on the farms and in the factories are now being persuaded to buy a vast variety of needless and useless goods, like aerated waters, pan supari, toilet goods etc. and to smoke more and drink more tea, through high pressure TV and radio commercial compaigns.

As a result, the fixed income groups spend too much for too little gains and hence the domestic savings rate in Pakistan is a critically low six per cent of GNP. So the masses are poor, while the country has too little of real resources to invest and develop fast. Will the sixth plan reverse such trends, increase the real wages and decrease their vast and varied waste? It all depends on the people's efforts, says Dr. Haq. But will such efforts be forthcoming, and if they are not, will they be mobilised in the right manner?

CSO: 4200/192

HIGH LEVEL BODY FOR SUGAR INDUSTRY SET UP

Karachi DAWN in English 25 Nov 82 p 4

[Text]

ISLAMABAD, Nov 24: The Economic Coordination Committee (ECC) of Cabinet in its meeting held here on Tuesday decided to set up a high-level ministerial committee to formulate a long-term policy for the creation of additional capacity in the sugar industry.

The committee would seek to ensure that no units are set up in areas where there is inadequate quantity of sugarcane or where other crops could be grown with better economic advantage. The terms of reference of the committee would be to determine:

(a) The anticipated indigenous demand over the long-term.

(b) Prospects for export, including requirements of processed items.

(c) Suitable locations where adequate quantity of cane is available.

(d) Requirements of gur manufacture, etc.

To meet the immediate needs of the economy in the interim period. The Government has also decided to consider proposals for creation of additional capacity of three lakh tons for sugar manufacturing in the country during the next 3 years. Out of this 1.8 lakh tons capacity would be created in Sind, 90,000 tons in the Punjab and 30,000 tons in NWFP, which would mean roughly 2 units in Sind, 3 in Punjab and one in NWFP of an economic size of 30,000 tons capacity per annum. The proposals would be processed by the Industrial Division in the usual manner on the recommendations of the Provincial Governments concerned.

The proposals approved by the Ministry of Industries, would be cleared by another high-level committee, consisting of the Ministers for Food and Agriculture, Industries and Production in so far as the location of these units is concerned.—PPI.

CSO: 4200/192

PLEA FOR TEXTILE EXPORT PRICE CHECK SYSTEM

Karachi DAWN in English 3 Dec 82 p 20

[Text] The All-Pakistan Textile Mills Association (APTMA) has formally approached the Government for reintroduction of the export price check (EPC) on textiles to allay Japanese apprehensions about dumping by Pakistani yarn exporters, PPI learnt on Thursday.

The Association's chairman, Mr Aftab Ahmad, in a communication sent to the Federal Commerce Ministry early this week, hoped that in view of the urgency of the matter, necessary orders would be passed to re-introduce the system of EPC on textiles immediately.

It is understood that the matter of re-introducing EPC on textiles was also discussed by an APTMA delegation with the Commerce Secretary in the first week of October. The Secretary advised the Association to come up with a unanimous resolution on the subject, which was passed at a specially-convened extraordinary general body meeting of the Association at Lahore on Nov. 18.

The resolution urged the Federal Government to reintroduce the EPC on cotton textiles immediately on a compulsory and formal basis and that it should cover the commercial exporters as well and should be administered in the same manner as was done earlier before the system was abandoned in early 1981.

The APTMA has also worked out the procedure for administering EPC effectively. A 10-member special committee will supervise the implementation of EPC.--PPI

CSO: 4200/191

MASSIVE WATER SUPPLY PROJECT FOR LYARI

Karachi DAWN in English 27 Nov 82 p 10

[Text]

A massive Rs 240 million developmental project to improve and expand the existing water supply and sewerage system in the Lyari area has been undertaken by KMC on a priority basis.

According to a KMC spokesman, approval for the project — which was shelved for a long time — was granted by the Federal Government last August.

He said both the Federal and Sind governments will extend financial assistance for the project during the 6th Five-Year Plan period.

The project is being implemented in phases, and work is already under way on both the water supply and sewerage network aspects of the scheme.

So far 150 miles of water supply pipelines of different sizes have been laid in the Lyari area under this scheme and about eight million gallons of water per day is being supplied to six million people living there.

The Karachi Water Management Board has been cooperating with KMC in implementing this part of the project, on which a sum of Rs 120 million has been spent so far, he added.

The spokesman said 145 miles of sewerage drains network is to be laid down throughout the Lyari area.

Work on laying 24 miles of this sewerage drain network has already been accomplished.

Ancillary works in this project include renovation of existing pumping stations in Chakiwara, Jamila Street, Denso Road and other areas of Lyari.

Some of the existing pumping stations in these localities are very old, one of them in Chakiwara dating back 100 years.—APP

CSO: 4200/192

PROSPECTS FOR OIL OUTPUT ANALYZED, TERMED 'NOT TOO BRIGHT'

Karachi DAWN in English 28 Nov 82 Economic & Business Review pp I, IV

[Article by M. Ziauddin]

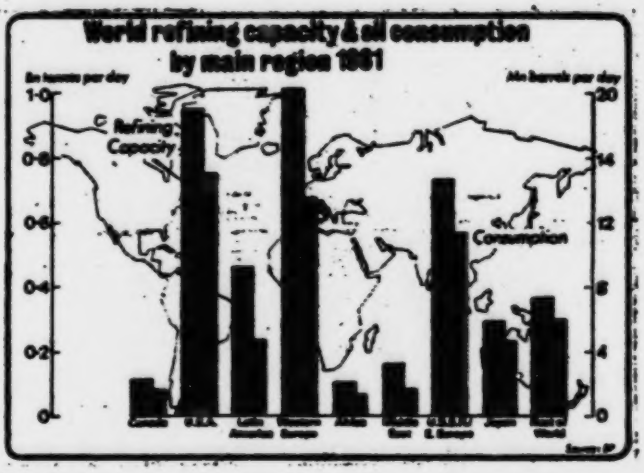
[Text]

PAKISTAN'S domestic oil production which was to have gone up to 15,820 barrels per day (bpd) December this year, excluding the output from Khaskheli, is reported to have declined to 9,000 bpd from 10,000 bpd with which the current calender year began.

The Khaskheli output which began with 843 bpd early this year has been stagnating at 2,600 bpd for the last four months despite the fact that three more wells have been commissioned during this period. Independent oil experts believe that the field would become good for 6,000 bpd if it is connected to Karachi refinery with a pipeline. At the moment the Khasheli crude is being transported by National Logistic Cell (NLC) trucks and for this reason the wellhead pressure has been kept at below normal.

The Dhodak oil field which was discovered some six years ago still remains undeveloped. Recently, a decision was taken in principle to let this field be developed by foreign subcontractors. But so far no tender has been floated for this purpose.

It may be recalled that for a long time the government toyed with the idea of exploiting Dhodak as a gas field and finally, when it was found out that developing it as an oil field would be more profitable, the decision makers came to the inexplicable to foreign subcontractors instead of the Oil & Gas Development Corporation (OGDC), which has the experience and the know-how to handle the job.



Increasing gap

While the domestic supply situation is showing a declining trend against projected output, the annual consumption growth rate of petroleum products is estimated at about five per cent for the next 10 years. The projected domestic output is estimated around 30,000 bpd by 1989-90. But this is based on the assumption that the availability could be pushed up to about 12,000 bpd from the existing proven fields and 10,000 bpd from Badin. This assumption has proved to be too optimistic.

So, while the consumption is expected to go upto nearly 200,000 bpd by 1989-90 from the present 120,000 bpd, the domestic production in view of the current indicators, would hardly be able to meet even 10 per cent of the country's oil requirement 10 years hence. In other words, Pakistan's oil import bill will increase from the present 1.6 billion dollars to nearly nine billion dollars if the international oil prices keep going up by 30 per cent annually.

On the face of it, the government is making efforts to discover new fields. To attract foreign oil exploration companies, it has evolved a very attractive package of incentives including hiking up of wellhead price for the crude which Pakistan will buy from these companies in case they strike oil. The Texaco Oil Company which is developing the Khaskheli field is getting about 30 dollars per barrel for its share of crude (49 per cent) which it is selling to Pakistan. The Pakistan Oils Limited has been promised wellhead prices equivalent to international prices for new discoveries. The POL is already receiving eight dollars per barrel for the Mayal output against 3.5 dollars per barrel fixed in 1978. The same pricing formula has been offered to the state owned OGDC.

In August the OGDC invited foreign oil companies for joint venture operations over eight on-shore blocks delineated as potential, as a result of seismic surveys and other work. The blocks are expected to be offered under concession agreement governed by the petroleum legislation already in force for several years.

Pakistan has so far concluded concession agreements with six foreign firms under the petroleum legislation which reportedly envisage that prices of new oil from any discovery would be linked to international prices and Pakistan would be entitled to a maximum of 50-55 per cent share in the agreed profits of the company. These agreements also provide for agreed share of OGDC in the development of any commercial discovery. Similarly, gas supplied from a new discovery would be ensured an agreed minimum return and its prices too would be linked to world oil prices.

Little interest in tenders

However, these attractive concessions and incentives have not evoked the desired reaction among the foreign oil exploration companies. The tenders floated in August, response to which was to come by October 31, are reported to have passed off without drawing the interest of any significant party except the Kuwait Oil Company.

Independent oil engineers say that even with the best of intentions and efforts the government would not be able to drill 30-35 wells annually which according to these experts is the rate which is considered as just right. On the other hand, they said the Potohar region has so far produced only one field (Mayal) which is producing more than 1,000 barrels a day. The other five fields produce less than 1,000 bpd each. Therefore, they conclude that increased efforts to discover new wells in the region would only result in the addition of very insignificant quantities, further reducing the production projections.

Gas instead of oil

There is a circle of experts which insists that the government should reduce its efforts on oil exploration and concentrate on exploiting the proven gas reserves. Besides the Sui and Marri fields which are at present producing 72 and 190 mmcfd respectively, there are about seven fields which have great potential. Of this the Pirkoh field is being developed presently.

The fields situated at Zin, Uch, Khairpur, Kand Kot, Mazarani and Sari Hundi together have reserves over 10 trillion cubic feet of gas while Sui, Marri and Dhulian together have around 18 trillion cubic feet of gas. If a part of the resources now being spent on oil exploration are diverted to gas development, these experts say, the component of gas in the energy consumption mix could be increased to counter the expected negative impact on the economy of increased need for oil imports at exorbitant prices.

These experts say that the 10-year energy plan prepared in 1975 by the Acres International, a foreign energy conslutancy group, had predicted that Pakistan would face an acute energy crisis in the early eightees and had concluded that only the country's gas potential could help it face this crisis with any degree of success. But it seems that nobody in a position to do something about it did take this warning seriously.

Oil refining experts say there was a solution for the emerging crisis. They say if the 2.5 million ton Multan refinery sanctioned in the late sixtees, had come on stream in time, Pakistan could have saved millions of dollars which it spends for importing kerosene, HSD and JP 1, and earned a lot by exporting surplus products such as neptha and furnance oil. Today the need to establish a refinery at Multan has increased manifold, they say. The pipeline for the refinery has already been laid.

In the seventies the Multan refinery project, which was sanctioned to the Dawood group was transferred in the public sector. But the government had taken up so many responsibilities in the industrial sector that the refinery could not be launched.

Then during the present regime, the planners diverted all resources meant for building this refinery to increasing the capacity of Attock refinery because it was thought that the Kazian well, estimated to produce 35,000 bpd, would need all the refining capacity needed at a nearby place. The Kazian well has turned into a virtual dry hole and a large portion of the Attock refining capacity is lying idle.

Recently PARCO has been asked to relaunch the project. The thinking in the concerned quarters is also reported to have changed in this connection.

Not by grandiose talk

Some oil economists believe that Pakistan could effect a five per cent energy conservation if it can evolve the right product specifications for imported deficit petroleum products. In the absence of this, they said, Pakistan is wasting a lot of costly petroleum products. Informed circles say that new specifications were announced in April this year but they have not been enforced.

Pakistan has not taken advantage of the current recession in the oil market and is importing most of its requirement of crude and petroleum products at posted prices. Almost all the deficit petroleum products are being imported from Kuwait at the posted prices and the specifications of these products, it is said, are not uniform.

Summing up, an oil expert said, Pakistan is heading towards a very serious oil crisis which would make the previous and current oil problems look like simple irritants, as he put it. Instead of talking grandiosely about grand oil plans and bringing costly foreign consultants for advice at this stage, it would be beneficial if the planners take a look at those aspects of the problem which could be resolved immediately and economically by local experts.

CSO: 4200/193

WORK ON PIRKOH-SUI GAS INTEGRATION STARTS

Karachi DAWN in English 25 Nov 82 p 8

[Text]

QUETTA, Nov 24: Work on the integration of the newly discovered Pirkoh gas with Sui gas has begun.

The project which would cost Rs. 340 million including a 70 percent foreign exchange component, is scheduled to be completed by December 1984.

Under the plan a 74-KM pipeline is being laid from Sui to Pirkoh.

Official sources say that the new reserves found in Pirkoh (Bugti Tribal Area) of Baluchistan are estimated at one trillion MCF. The reserves to be consumed at the rate of 120 million MCF would last for about twenty years.

The Asian Bank has provided the loan for implementing the project.

In the meantime, the Oil and Gas Corporation (LGC) is carrying out exploration work to find out new gas reserves. The OGC is drilling three wells in the area from its own resources and another three wells from the Kuwait Fund.

Sui gas was found in 1955 and pumped the following year for consumption at the rate of 75 million MCF per day. The production has shot up to 640 million MCF and the consumption of the Sui gas reserves at this rate are to last for another twenty years.

The Sui gas today is meeting 42 per cent of the country's fuel requirements, saving considerably the hard-earned foreign exchange. Sui Gas today is meeting domestic, industrial and agricultural needs from the distant Northern Areas to Karachi. In the south, the integration of Pirkoh reserves with the Sui gas field would augment the supplies considerably and the reserves are to last for another about 15 years.

The present Government realised the energy needs of the source province and prepared a master plan to provide natural gas to Quetta and other places en route direct from the gas field.

Under the plan estimated to cost Rs. 700 million, a pipeline is being laid from the gas fields to the provincial capital.

It includes laying of 40 KM of pipeline in one of the most difficult terrain in the Bolan River bed. The project is being completed about six months ahead of schedule by the end of this year, to meet the fuel requirements in the ensuing cold season and an amount of Rs. 70 million has been saved from the original estimates.

President General Mohammad Zia-ul-Haq is scheduled to inaugurate the project on Jan 6 next, the sources said.

The Government has given to the Indus Gas Company an amount of Rs. 200 million for the laying of the pipeline in Quetta city. Initially, five million MCF gas would be supplied to the city, but the gas pipeline has the capacity to supply 24 million MCF to meet the increasing demand.—APP.

CSO: 4200/192

RAILWAYS TO IMPORT 30 NEW LOCOMOTIVES

Karachi DAWN in English 3 Dec 82 p 9

[Text]

MULTAN, Dec 2: The General Manager, Pakistan Railways, Mr A.V. Zaffar, has said that 30 new locomotives costing Rs 53 crore will be imported during the next financial year.

Talking to newsmen on Wednesday night on his arrival here from Lahore by train he said that the purchase of these locomotives is in progress and as a first step the concerned Ministry will call for tenders from foreign firms for supply of these locomotives.

He said that with the arrival of these new locomoties the operation of trains will certainly improved.

He said all-out efforts are beign made to reduce late running of trains of all sections of the Railway. He added that so far between 80 and 90 per cent improvement had been made in this regard.

About the introduction of new Railway time and fare-table he said it is expected to be out by the middle of the current month.

Regarding changes demanded by public in the new timetable he added that these could be made by the Railway Minister himself.

Regarding the announcement of correct date and time for running the new 25-bogie fast train from Karachi to Rawalpindi under the airbroke system Mr Zafar said that this will be announced by the Railway Minister at a Press conference to be held by him very soon.

He said that trials of this fast train have successfully been concluded.

The General Manager, PR, said that the microwave telecommunication system will come into operation after necessary testing has been completed. He said that the testing which is still in progress is expected to be completed by March next year.

FUNDS PROVIDED

Regarding improvement of internal condition of bogies he said that funds have now been provided for purchase of electric bulbs, water-taps and other essential spares which would be stocked with the concerned Railway staff at all big stations like Khanaewal, Samasatta and Rohri for immediate fiting in the bogies where required during the movement of trains, so that the travelling public may not face any difficulty during their journey.

Regarding the reported cases of different types of crimes in running trains, Mr Zafar said, he held a conference of Railway Police officers in his office the other day and advised them all to intensify measures to strictly check these crimes in order to protect the life and property of the passengers. He added that Railway Police has also been advised to continue checking of theft cases in the goods trains alos.

He disclosed that the Railway Police has recovered stolen goods worth about Rs one lakh from a police constable deployed at Lahore Dry Port which were allegedly stolen from the Port premises. He added that further investigations are in progress by the police into thefts committed in Port premises and more recoveries are expected. He said that Lahore Dry Port has proved successful and is earning considerable revenue. At the Dry Port priority is given for movement of fertilizer, rice, cement, export goods, wheat for the Afghan refugees, oilcake, coal from Quetta, petroleum and petrolum products. He added that special wagons are necessary for safe transportation at the Dry Port.

CSO: 4200/190

MINISTER CALLS FOR MAXIMUM CREDIT TO FARMERS

Karachi DAWN in English 3 Dec 82 p 8

[Text]

ISLAMABAD, Dec 2: Syed Fakhar Imam, Minister for Local Government and Rural Development, today called for maxmimising credit facilities to small farmers for boosting agricultural economy of the country.

He was speaking at a seminar on the Role of Banking in Pakistan" organised by the Allied Bank Limited in connection with the observance of the Banking Week at a local hotel.

Syed Fakhar Imam said that 72 per cent of the population of the country consist of the peoples belonging to the rural areas but the development of the rural sector had been awfully neglected in the past. He said that the degree of transfer of wealth from the rural areas to the urban areas had been enormous and now the Government had allocated more resources for the uplift of the rural sector in the Sixth Five-Year Plan to rectify the situation.

Commending the role of the nationalised banks in the growth of the agricultural economy, he observed that a 40-per cent increase had been registered in agricultural growth during the last five years which had excelled the record of even the advanced countries like Japan in this field. "But, we should not be self-complacent and instead make efforts to increase per acre yield as well as boost growth per unit area," he added.

He suggested to Pakistan Banking Council to further enhance its allocation to the rural sector and also provide credits to local council and other local government organisation for bolstering rural economy.

Speaking on the occasion, Sheikh Ishrat Ali, Adviser to the President on Internal Trade and Business Coordination, urged the bankers to give full incentives to the small traders and industrialists who, he said, can play an important role in development of the country.

Mr. H.U. Beg, Federal Finance Secretary, said that the Government will provide financial assistance to the deserving talented students from the "Zakat" fund and from the "Qarze Hasna", scheme to enable them to continue higher studies. He said some 4,400 students had benefitted so far from it.

Earlier, Mr. Khadim Hussain Siddique, President Allied Bank Limited, highlighted the achievements of the nationalised banks.—APP

CSO: 4200/190

PLAN TO SET UP NATIONAL PARK IN NEELAM VALLEY

Karachi DAWN in English 3 Dec 82 p 8

[Text] Islamabad, Dec 2--The Government is planning to set up a national park in the upper Neelam Valley of Azad Jammu and Kashmir and the Kaghan Valley of the N.W.F.P. to promote tourism and preserve wildlife.

According to official sources a final decision in this connection will be taken at a meeting of the National Council for Conservation on Wildlife, expected to be held on the first week of this month. Vice Admiral Mohammad Fazil Janjua, Minister for Food and Agricultural will preside.

According to a survey conducted by the Council, the Neelam and Kaghan vallies have varied fauna, flora, scenic beauty and wild lands.

The park will serve as a natural outdoor museum, where native trees, plants, animals, and birds can be seen and studied in their natural state. It will also be an important source of recreation for tourists.

There are already five national parks in the country. These parks are Kirthar National Park, 160 kilometres from Karachi, Chiltan National Park, near Quetta, the Lal Sohanra National Park near Bahwalpur, Khunjerab National Park in the Northern Areas and the Margallah Hills National Park in the Federal capital.--APP

CSO: 4200/190

BRIEFS

PESHAWAR STUDENTS TEARGASSED—Peshawar, Nov 24—Six students were injured when police resorted to lathi-charge and teargassed a crowd of students of Government College, Peshawar City, when they took out a procession today in support of their demands and pelted the police with stones and fired blank shots in the air. Six policemen were also injured. The police have arrested a number of students for disturbing peace. The students were demanding release of one of their presidential candidates and four other companions, who were arrested yesterday following a disruption caused by a group of students who besides damaging a bus also injured a passer-by woman and a child. [Text] [Karachi DAWN in English 25 Nov 82 p 1]

LOW INFLATION RATE--The State Bank Governor, Mr A.G.N. Kazi, said in Karachi on Saturday that the rate of inflation in Pakistan is the lowest among the developing countries in the world. In an informal chat with newsmen after inaugurating the Banking Week, Mr Kazi said that the rate of inflation in the country was within control during the current year. The position was much better than the previous year, he added. He further said that it was the endeavour of the Government to keep the rate of inflation two to three percent below the previous year. To another question, the Governor said that remittances from overseas Pakistanis were on increase. "It is more than our expectations this year," he added. To another question, Mr Kazi said that the National Pay Committee would hold its next meeting on Dec. 1. He said that although the committee was scheduled to submit its report next month, lot of work remains to be done.--APP. [Text] [Karachi DAWN in English 28 Nov 82 p 1]

RICE AGREEMENT WITH TURKEY—Islamabad, Nov 27--Pakistan and Turkey have signed a new rice purchase agreement on Nov 25, says a message received here from Ankara. Under the new agreement, Turkey will meet its rice importation needs for the next five years, till December 31, 1986 from Pakistan.—APP. [Text] [Karachi DAWN in English 28 Nov 82 p 1]

VOTER ENLISTMENT DATE—Islamabad, Nov 30--Eligible voters have been given one more chance to get themselves registered in the existing electoral rolls. According to an announcement of the Election Commission, the last date for the receipt of the applications for additions, deletions and corrections of the entries in the rolls would now be January 31, 1983. The extension will also benefit those who would be attaining the qualifying

age during the extended period. The campaign for updating the existing rolls was launched on Sept 9 and with two extensions it continued till Nov 18. In view of the present extension, the Registration Officers have been directed to keep in abeyance the manuscripts of the lists of additions, deletions and corrections prepared previously on the basis of applications received till Nov 18. The Chief Election Commissioner hopes that the present extension will help have an updated and accurate electoral rolls.--APP. [Text] [Karachi DAWN in English 1 Dec 82 p 1]

MRS BHUTTO REPORTED PROGRESSING--London--Begum Nusrat Bhutto who is staying in a suite in 'Forces Hotel', Munich, booked in the name of her son-in-law, Mr. Hussain, is making steady progress. According to her personal physician, Dr. Abdul Hayee Saeed, a panel of Munich hospital doctors would decide within a day or two, if she would need surgery. Her doctors have advised her complete rest, which she is not getting because of the visitors from different branches of PPP in Europe and the UK. The first person to see her last Sunday was the Secretary-General, defunct PPP, Dr. Ghulam Hussain. He has confirmed on telephone from Berlin that during his meeting with his party chief she expressed complete confidence in him and charged him with the responsibility of reorganising the various branches of PPP in Europe and the UK. She is believed to have told him that the in-fighting within PPP should stop forthwith, so that the demand for the restoration of democracy in Pakistan might gain strength from their unity. [By Yehia Syed] [Text] [Karachi DAWN in English 1 Dec 82 p 1]

SIND MINORITY COMMUNITY'S DEMANDS--A delegation of minority community of Sind presented a memorandum of demands and grievances to the Governor of Sind on Monday, says a Press release. They demanded more powers to the Minority Councillors; exemption from Hadood Ordinance; inclusion in Crime Control Committees, Provincial Advisory Council, Railways, KPT, SITE and a piece of land as a special case for solution of their housing problems. The deputationists including Mr. Nazir Michael, Councillor; Mr. Kalidas J. Kandara and Mr. Nanji, Justices of Peace and Mr. Kanji Kara Bhai Manglia, urged the Governor to denationalise educational institutions of the minorities and sanction additional funds for them in KMC budget and other local of the province. They also pleaded for inclusion of minority members in various delegations and reception committees; setting up of an Employment Cell and a Minority Lease Committee. [Text] [Karachi DAWN in English 1 Dec 82 p 4]

URDU SCIENCE BOARD PLANNED--The Federal Government has decided to set up "Urdu Science Board" to prepare standard dictionaries of scientific and technical terms for the use of individuals and institutions, it was officially learnt. The other functions of the Board will be to remove existing deficiencies in Urdu, particularly in the field of natural and social sciences as well as in technologies so that it can become the medium of instruction at the higher levels of education.--APP. [Text] [Karachi DAWN in English 1 Dec 82 p 14]

PIRKOH GAS WELL INAUGURATED--Quetta, Nov 30--The Governor of Baluchistan, Lt-Gen. Rahimuddin Khan, inaugurated Well No. 3 at the Pirkot gasfield on Tuesday morning during the last leg of a three-day Kohlu Agency tour. The Governor was earlier briefed about the progress of the Pirkoh project by Mr S.M.H. Rizvi, Chairman of the Oil and Gas Development Corporation. He was told that OGDC was carrying out an extensive survey of the area to locate gas deposits. The Governor expressed his satisfaction over the work being done by the OGDC in the area. The OGDC Chairman informed Gen. Rahimuddin that the Asian Development Bank was providing financial assistance for the project while the World Bank has also shown interest in it. He said the Corporation was also providing employment, medical and drinking water facilities to the people of the area. [Text] [Karachi DAWN in English 1 Dec 82 p 16]

TI DEMANDS RELEASE--Urging release of those recently arrested and withdrawal of externment orders, the defunct Tehrik-i-Istaqlal yesterday said: "It is in the interest of all that political question be debated in a calm atmosphere." The party's statement was signed by its Vice-President, Mr. J. A. Rahim; Secretary-General, Mr. Mushir Pesh Imam; and Chairman, Sind Branch, Mr. Ahmad Mian Soomro. They protested against the policy of discrimination in as much as the parties which are "favoured" are allowed to hold their meetings "unhindered" while the right of others was being "curbed." Meanwhile, Mr. Rashid A. Kidwai has been appointed as Information Secretary, Sind of the party in place of Mr. Humayun Gohar, according to a Press release. [Text] [Karachi DAWN in English 1 Dec 82 p 16]

SOUTH KOREAN TRADE TEAM--A 15-member trade mission of the Republic of Korea arrived in Karachi yesterday on a 5-day visit to explore the prospects of increasing two-way trade between Pakistan and the Republic of Korea. Headed by Mr. Kim Mayung Sup, the mission includes 14 prominent Korean businessmen and one representative each of Korean businessmen's association and the Commerce Ministry. The mission is interested in finding out market in Pakistan for Korean auto-parts, tents and camping goods, telephones, textiles, cassettes, tape-recorders, paper and leather goods, fertilizer, cement, iron and steel products, soft-ware, electronics, sock knitting machines and plant, textile machinery and stamping machines etc., and in the import of Pakistani leather, skins, copper scrap, medical supplies, fish, frozen bean, and other commodities.--PPI. [Text] [Karachi DAWN in English 1 Dec 82 p 16]

TURBINE AT COAL DEPOSITS--Hyderabad, Nov 27--Three hundred MV turbine will start functioning at Lakhra coal deposits next year to overcome power shortage in the country, Maj-Gen. Ghulam Safdar Butt, Chairman of the WAPDA, said here on Thursday. He told a representative gathering at the Darbar Hall of Shahbaz building that the objective was to utilise 250 million ton coal deposits at Lakhra for power generation. He said WAPDA intended to raise power generation capacity at Lakhra to 5000 MV. [Excerpt] [Karachi MORNING NEWS in English 28 Nov 82 p 5]

NIGERIAN DELEGATION ON VISIT--A seven-member delegation from Borloe, Nigeria, headed by Deputy Governor Mr. Birma al-Haji Ibrahim Anaf, including two Ministers will be visiting Pakistan Machine Tool Factory (PMTF) tomorrow to seek its cooperation in the establishment of a foundry, training institute and skilled manpower for their country. The visit of this high-powered delegation to Pakistan is in response to the visit of Major General Mohammad Saeed Khan the Managing Director of the PMTF, who paid a market exploring visit to Nigeria last week. It may be mentioned here that PMTF is manufacturing all sorts of conventional weapons including rifles, light machine guns, mortars, and anti-aircraft guns which are also being exported substantially, thus earning a good amount of foreign exchange for the country. The delegation will be arriving here on Nov. 29 and will call on the Sind Governor Lt-Gen. S.M. Abbasi the same day. The next day the delegation will pay a visit to the PMTF where the Managing Director of PMTF will apprise and highlight the functions of the factory. [Text] [Karachi MORNING NEWS in English 28 Nov 82 p 8]

IDENTITY CARDS REQUIRED FOR PASSENGERS--People intending to travel in the trains will not be able to get a reserved seat if they do not have the national identity card. Pakistan Railways has made it compulsory for all intending railway passengers to produce the national identity card at the time of reservation of a seat. The NIC number will be written on the reservation card. Reservation on the basis of production of national identity card in all classes and in all trains has been introduced from December 1. However, it was not known if a person intending to travel along with his family members would have to produce national identity cards of all the members or whether only one card of the head of the family would be sufficient for the purpose of reservation of all. It was also not known if the passengers would have to carry their NIC with them during journey for the purpose of counter checking. Railway sources here said that certain clarifications from the head office in this regard were awaited. Surprisingly, long queues of intending passengers were non-existent at the City Railway Station on Wednesday evening more because for want of NIC.--APP. [Text] [Karachi MORNING NEWS in English 3 Dec 82 p 9]

AID FOR POPULATION PLANNING--Islamabad, Nov. 28--Britain will provide three million pounds for population programme of the Government of Pakistan. This was disclosed by Sir William Ryrie, Permanent Secretary British Overseas Development Administration (ODA) who called on Dr Mrs. Attya Inayatullah Advisor to the President on Population Planning here this morning. William Ryrie discussed matters relating to technical assistance by ODA to the population programme in Pakistan. The interest of the British Government in supporting the population programme was reiterated by Sir William Ryrie who stated that as a start with an approximate sum of three million pounds had been allocated for this sector. Identification of areas of assistance also came under discussion and it was indicated that the contribution could be made on a bilateral basis and also through the World Bank project. The meeting was attended among others by the ambassador and economic counselor of the British embassy and senior officials of the Population Division and Economic Affairs Division.--PPI. [Text] [Karachi BUSINESS RECORDER in English 29 Nov 82 p 1]

BALUCHISTAN CIVIL AVIATION FACILITIES--Quetta, Nov 29--The Federal Government has undertaken a comprehensive programme for improvement and development of civil aviation facilities in Baluchistan at an estimated cost of about Rs 80 million. The programme under execution envisages further improvement of air travel and quick communication and transport facilities in inaccessible areas of the province. Under this programme civil aviation facilities have already been streamlined at Pasni and Turbat, while similar facilities are being developed at Zhob, Sibi and Khusdar. The Quetta Airport has already been expanded and runway strengthened for wide bodies airliner. Socio-economic development of the remote areas of the province would get a great fillip with the development of basic aerodrome facilities in these areas in less than three years time.--PPI. [Text] [Karachi BUSINESS RECORDER in English 30 Nov 82 p 2]

PRESS WORKERS' REINSTATEMENT URGED--The President, Pakistan Federal Union of Journalists, Mr Rashid Siddiqi, has demanded reinstatement of about 70 newspaper workers, including those of National Press Trust. He said these workers were sincere as well as patriots, but they had been removed from services on account of a group of bureaucrats who wanted to create misunderstanding between the Press and the Government. Mr Siddiqi, who is meeting Press workers and journalists, reminded them that President Mohammad Zia-ul-Haq had said that journalists should come forward to point out and combat anti-Pakistan elements who were trying to harm the country.--PPI. [Text] [Karachi DAWN in English 3 Dec 82 p 21]

CONCERN OVER DETENTIONS--Larkana, Dec 2--Maulana Jan Mohammad Abbasi, Naib Amir of the defunct Jamaat-i-Islami, expressing concern over the detention of various politicians, has said that the arrest and confinement of political workers, under Martial Law regulations, is not in the interest of the nation and the country. He said this while commenting on the arrest of political leaders.--PPI. [Text] [Karachi DAWN in English 3 Dec 82 p 21]

BHUTTO TO STAY CHAIRWOMAN--London, Dec 2--Begum Nusrat Bhutto has said that she had no intention to withdraw from the leadership of the defunct PPP the BBC reported tonight. In an interview to REUTER in West Germany, where she is under treatment for lung cancer, she said that her doctors were hopeful of her recovery. She said one of her lungs was affected by cancer. She was of the view that she would have to stay in Europe for treatment for further six months.--PPI [Text] [Karachi DAWN in English 3 Dec 82 p 21]

PAMPHLET PROSCRIBED--Lahore, Dec 2--The Government of the Punjab has proscribed the pamphlet entitled "Jamhoori Pakistan" issue No 9, Volume No. 4, dated 12.9.1982, as it contains objectionable material, says a handout.--APP [Text] [Karachi DAWN in English 3 Dec 82 p 24]

REPUBLIC OF KOREA CONSULATE--Lahore, Dec 2--The Consul-General of the Republic of Korea in Pakistan, Mr Jay Hee Ho on Wednesday formally opened the honorary consulate of his country at Gulberg here and announced on behalf of his Government the appointment of Choudhry Shujat Hussain as honorary Consul of the Republic in Lahore. The ceremony was attended by the elite of the city and foreign diplomats stationed in the provincial metropolis. The Punjab Law Minister Choudhry Abdul Ghafoor, was the chief guest on the occasion.--APP [Text] [Karachi DAWN in English 3 Dec 82 p 8]

LOAN FOR TARBELA PROJECT--The Asian Development Bank has approved a dollar 29 million loan for the Terbela hydro-power extension project (units 9 and 10), it is learnt. The total cost of the project is estimated at dollar 159 million of which the foreign exchange component is dollar 78.65 million and the local currency component dollar 80.35 million. The Asian Bank loan will be used to finance part of the foreign exchange cost, with the Canadian International Development Agency (CIDA) financing dollar 17 million and the OPEC Fund for International Development dollar 32 million. The local currency cost will be defrayed by the Pakistan Government.--PPI [Text] [Karachi DAWN in English 3 Dec 82 p 9]

SEED PROCESSING PLANT--Lahore, Dec 2--Khanewal Seed Processing Plant will go into production following formal inauguration by the end of next month, it is officially learnt. The plant completed at a total cost of Rs 7.21 crore with the assistance of the World Bank, will annually process 17,100 ton of wheat seeds and 12,000 tons of cotton seed.--APP [Text] [Karachi DAWN in English 3 Dec 82 p 9]

CSO: 4200/190

BRIEFS

AID INCREASE--Australia has again been asked by Papua New Guinea's prime minister, Mr Somare, to increase its aid to the country. Mr Somare made the request during a meeting with Australian aviation minister, Mr Fife, in Port Moresby today. Mr Fife is visiting Papua New Guinea for the final handing over of aviation responsibilities to Papua New Guinea's transport department. Radio Australia's Port Moresby correspondent, Sean Dorney, says Mr Somare asks for the meeting with Mr Fife to request that Australian aid be restored to what it was last financial year. Under an agreement between the two countries, which is now in its second year, Australian aid to Papua New Guinea has been reduced over a 5-year period. But Sean Dorney says Papua New Guinea wants an extra A$20 million in 1983 to help make up for the effects of the world recession. The Australian dollar is worth slightly less than the American dollar. Australia has agreed to look at aid for Papua New Guinea again in Canberra in February. [Text] [BK021429 Melbourne Overseas Service in English 0830 GMT 2 Dec 82]

CSO: 4200/199

MEETING NOTES NEW NPA TACTICS

HK060251 Manila BULLETIN TODAY in English 5 Dec 82 pp 1, 12

[Text] Davao City, 4 Dec--Lieutenant General Fidel Ramos, constabulary [PC] chief, disclosed here today the Communist Party of the Philippines [CPP] and its military arm, the New People's Army [NPA], have adopted a campaign to assassinate selected government officials, including Barangay captains, councilmen, and mayors.

Ramos said the CPP-NPA campaign is a scheme to spread terror and make the citizenry lose their faith in the government.

Ramos, who is concurrently Integrated National Police [INP] director-general, made this disclosure at a top-level conference with PC-INP commanders of regions 8, 9, 10, 11 and 12.

The conference was held at the region 11 headquarters under Col. Dionisio S. Tangatue, where Brig. Gen. Cirilo Bueno, Col. Valerio Perez, Commander of Region 10, and Tan-Gatue took turns briefing Ramos.

Ramos ordered PC-INP commanders to adopt effective countermeasures in dealing with the new CPP-NPA campaign.

The new pattern of operation by the rebels, Ramos said, is widespread as confirmed by captured documents in northern Luzon, Bicol, Samar and other parts of the Visayas, Mindanao, and in underground houses in urban areas, including Metro Manila.

The new campaign, the PC chief said, had already claimed the lives of some Barangay captains and councilmer, and town mayors in Cagayan Valley, Kalinga-Apayao, Ilocos provinces in the north; Bicol and Quezon in the southern Tagalog Region; in the Visayas and Mindanao.

Ramos cited the assassination of Digos (Davao Del Sur) Mayor Llanos, Mayor Lucero of Calbayog City, and Mayor Baluran of Rizal, Cagayan.

He said the new campaign is a deviation from the usual communist strategy. The old strategy, Ramos said, rode on some legitimate gripes and issues such as the copra levy, increase of tuition fees, unemployment, low wages of laborers and teachers, and other labor problems. The objective was to make the people hate the government and the people running it, he said.

In the three Davao provinces alone, Ramos was told at the briefing, the CPP-NPA is engaged in a stepped-up campaign and recruitment activities. The group is also organizing several front organizations and armed guerrillas, the regional commanders said.

CSO: 4200/201

CPP PROPAGANDA NEUTRALIZED

Cebu City VISAYAN HERALD in English 23 Nov 82 p 1

[Text]

SAMAR — The military has virtually neutralized the political propaganda of the Communist Party of the Philippines or CPP.

Thus, the Philippine News Agency reported Brig. General Salvador Mison as saying, the CPP's Eastern Visayas Regional Party Committee has been rendered practically non-existent.

The Committee, which used to be known as "the best organized CPP contingent in the country," has been reduced to a small unit called the Samar Island Party Committee, the PNA further reported Mison as saying.

It was reported that the CPP in the region has shifted its operation from armed activities to political propaganda, "using even the clergy in pastoral work for teach-ins and lectures" (Cnito de la Torre, OMA-8)

CSO: 4200/185

BARANGAY LEADERS ASK FOR GUNS

Manila BULLETIN TODAY in English 29 Nov 82 p 1

[Text]

Officials of Manila's more than 900 barangays are asking that they be allowed to carry firearms to help fight drug addiction and other forms of criminality in their respective areas.

The Association of Barangay Captains said it will submit shortly a memorandum to the Metro Manila Commission on its proposal.

Manuel S. Bagatsing, ABC president, said the group will seek the advice of the MMC, but final decision will be sought from President Marcos and Defense Minister Juan Ponce Enrile.

At present, only selected barangay officials in far-flung areas are issued firearms to fight dissidents.

Bagatsing said approval of the request will boost President Marcos's renewed crackdown against the drug menace.

Statistics show that Manila has the worst drug problem, mainly because it has the most number of schools and slum colonies where many young men and women turn to drugs for various reasons.

Bagatsing said that any drug campaign needs grassroot supports "and this is where the barangays play a pivotal role."

Members of the drug syndicates were known to be fully armed to protect their flourishing racket, causing some barangay officials to be indifferent to the problem.

Bagatsing cautioned, however, that the approval of the request should be accompanied by strict guidelines to prevent abuses.

Barangay officials from other towns and cities in Metro Manila are expected to make a similar proposal if Bagatsing's request is approved.

CSO: 4200/185

VIRATA PREDICTS $1-BILLION BALANCE-OF-PAYMENTS GAP

HK040154 Manila BUSINESS DAY in English 3 Dec 82 p 3

[Text] The government is expecting close to $1-billion deficit in the country's international payments this year. This is way above the $800-million Central Bank [CB] projection last September and almost double the $560-million deficit recorded last year.

Prime Minister Cesar Virata in a talk before the rotary club of Manila yesterday revealed the latest projection on the balance of payments (BOP)--the record of Philippine transactions with other countries. He said the huge payments gap would be recorded despite an almost zero growth in the amount of imports this year.

This indicates that since prices of imports went up this year, the Philippines actually bought from other countries a lower volume compared to 1981 importations. To make matters worse, the average price of the country's exports further dropped this year, weakening the country's ability to pay imports from export receipts.

Virata said export prices went down by 9 percent this year, and this deteriorating terms of trade caused a slower growth in the economy. Sources in government said Virata has intimated that a 2.8 percent growth this year would be a "realistic" projection, against last year's 3.0 percent announced by government.

The projected $1-billion BOP deficit this year is also far above the CB's target of $500 million set early this year, which the International Monetary Fund had considered to be high and unsustainable.

Measures: Virata said to bring down the BOP deficit next year, government has adopted its own adjustment measures. He was referring to the slash in government spending next year, with government to release only about P53 billion out of a P65-billion budget approved by the Batasang Pambansa.

The aim is to prevent the government from competing with private business for funds in the domestic capita market, since the government has "high hopes" for a business recovery. If a recovery abroad would finally come about next year, private business can grow by about 12 percent including services, Virata said.

Thus, government wants to continue programs to reshape the economy's structure, orienting private business towards production of products which are competitive abroad. The country for some years will still depend on export earnings to pay for necessary imports such as raw materials and equipment and oil, Virata said. These imports can allow a fast development, although the country is gearing towards lesser dependence on these importation by developing its own, Virata added.

Virata said other government measures to bring down future BOP deficits are:

--attracting more firms to put up factories in export processing zones.

--giving incentives to construction firms with contracts abroad.

--development of agriculture for import substitution and actual exports.

--harnessing domestic energy sources, although this program would require P1-billion investment annually for the next five years.

--strengthening ties with ASEAN countries which would facilitate joint ventures and preferential trade treatment.

--negotiating for higher quotas in textile exports.

--moving against the subsidy given by the European Economic Community on their member-countries' sugar production, the main cause of the drop in sugar prices.

CSO: 4200/201

VIRATA STRESSES FISCAL SELF-RELIANCE

HK070140 Manila BULLETIN TODAY in English 6 Dec 82 pp 1, 13

[Text] Cebu City, 5 Dec--Prime Minister Cesar Virata today said the government will be more self-reliant in its 1983 fiscal program even as he justified foreign borrowing as necessary to finance development.

He met with newsmen here today in connection with the launching of the University of the Philippines diamond jubilee celebration in central Visayas.

The prime minister said the balance-of-payments deficit which is estimated at $1 billion this year will be reduced by 40 or 50 per cent, or to only $500 or $600 million in 1983.

Virata said the current budget deficit of P14 billion will be reduced to P9.4 billion in 1983.

He said the Philippines can no longer afford to keep on printing money or borrowing from abroad.

He said the government has adopted a policy of improving the mobilization of domestic resources, like encouraging voluntary savings, by increasing interest rates.

He said it is the government's objective to attain a 27 per cent national savings ratio in relation to the gross national product.

Virata said this is not impossible because the Philippines today ranks among the world's highest in national savings-gross national products ratio at 25 per cent.

He said this is the highest ratio achieved by the country and this was one of the outstanding economic developments brought about by the declaration of martial law.

He said the government will give the private sector a bigger share in the availment of the Philippine credit resources which is P135 billion. He said the government cannot do away with foreign borrowing because it cannot rely purely on domestic sources for financing its development projects.

Virata said the government has to sustain its development projects to keep pace with population growth in anticipation of world economic recovery.

However, he stressed, foreign loans are exclusively used for development projects like roads and bridges, and not for operating expenses of government.

He lashed out at critics of the economic policies of the administration, saying that they "should read first before they talk."

Virata maintained that the Philippines fared better than most countries in the world this year, pointing out while the country experienced a three per cent economic growth, developed countries had only 1.5 per cent growth, and the oil exporters experienced a negative four per cent.

CSO: 4200/202

GOVERNMENT LOSES 10 BILLION PESOS TO GRAFT

HK060259 Manila TIMES JOURNAL in English 4 Dec 82 p 2

[Text] The government loses about P10 billion to graft and corruption every year.

Half of the amount is lost through "under-the-table" deals in government transactions. Most of these deals involve "grease money or goodwill money."

The rest of the amount is actually lost due to malversation and mishandling of government funds.

This was revealed in a paper written by Victoria A. Bautista and Eleanor E. Nicolas, professors at the UP [University of the Philippines] College of Public Administration, and submitted to the second conference on public administration being held at the Philippine International Convention Center.

The study said that in 1981 alone, P117.5 million was lost due to malversation or mishandling. Of this, only P1.4 million was returned to the government.

Among government offices cited for incidence of graft and corruption were the National Housing Authority, the Bureau of Internal Revenue, the Metro Manila Commission, the Ministry of Labor and Employment, the Food and Drug Administration, the Ministry of Transportation and Communications, the Bureau of Customs and the Manila International Airport.

The paper also cited findings of a survey that showed that 77 percent of the public looked at government agencies as corrupt and that the public had very low respect for workers in government service.

The study further noted that the complex system of justice in the country hindered the prosecution of criminal and administrative cases for graft and corruption.

It also blamed the public for the corruption because in many instances, they tolerated and encouraged graft and corruption.

Among businessmen, for instance, corruption money is almost considered as part of the cost in their respective businesses. Anyway, the "extra cost" can be passed on to consumers.

CSO: 4200/201

MARCOS RULES OUT PESO DEVALUATION

HK090137 Manila BUSINESS DAY in English 8 Dec 82 p 3

[Text] President Marcos yesterday ruled out any possibility of the government's officially devaluing the Philippine peso.

Fears of devaluation of the peso were expressed by several quarters due to the continuing decline of the peso in relation to the U.S. dollar.

Devaluation or depreciation is the reduction of the official rate at which one currency is exchanged for another.

Mr. Marcos earlier said that the peso has declined by almost 10 percent from P8 to P9 to the dollar.

Mr. Marcos said further that devaluation would "hit the wrong" sector--that of the fixed salaried people.

Devaluation will mean that the Philippine peso will purchase less dollars. In other words, dollars will become more expensive.

The Central Bank [CB] has indicated that the peso-dollar exchange rate "may reach more than P9 by early next year." As of yesterday, the interbank guiding rate was pegged at P9.007 to $1.

Mr. Marcos said that devaluation is "too artificial" and not the true solution to the problem of the declining value of the peso. What we need is a "gradual adjustment, so that the fixed income group will not be suddenly hit by the change," the president said.

Devaluation of the peso may also trigger wage hike demands from the low and fixed income groups because with devaluation, the purchasing power of the peso will be reduced.

CB Governor Jaime C. Laya had said that the CB is allowing the peso's exchange rate against the dollar to float. Since there is a greater need for dollars, as shown by the country's huge deficit in international payments, the peso's value naturally would drop.

Laya also said that the CB interferes in foreign exchange trading to prevent sharp declines in the peso-dollar exchange rate.

The peso's falling value against the dollar has both advantages and disadvantages for the economy, Laya said. Exports would be more competitive, since the dollar price of Philippine products would be lower as the producer would retain their peso costs. He nevertheless noted that imports and dollar loans would have higher costs, since firms must have more pesos to pay for the same amount of imports and loans.

CSO: 4200/202

CHARGES FILED AGAINST PRIESTS, NUNS

Manila PHILIPPINES DAILY EXPRESS in English 27 Nov 82 pp 1, 6

[Article by Yvonne Chua]

[Text] **SEVEN priests, two nuns and 14 others, many of them church and social workers, were charged yesterday in Davao and Samar courts with inciting to rebellion and related crimes.**

Six of the priests were charged in Catbalogan together with the two nuns and 10 others, while the seventh priest was charged in Davao with four others.

PALO, Leyte, Nov. 26 – Eighteen persons, including six priests and two nuns, have been charged with inciting to rebellion before the Catbalogan court of first instance in Western Samar.

The charges were filed by second assistant fiscal Justo M. Sultan based on "bundles of documents" presented by the AFP eastern command.

The accused are reportedly founders, organizers, promoters, directors, leading officers, and members of a front organization of the Communist Party of the Philippines.

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CHARGED were Msgr. Norberto Hacbuang, alias Ka Diego; Fr. Josefino Gonzales, Fr. Edgar Kangleon; Fr. Edgar Dones; Fr. Pedrito Lucero; one Fr. Jose Pepe; Sister Elene Gutierrez and sister Thelma Oauron.

The other accused who are church lay workers, were identified as: Ludivina Babantes; Loreta Diego; Fe Pelamiba; Teodoro Reyes; Antonio Asistio; Juanito Delimaba; Norma Salayao; Virginia Adriasola; Boy Sabandal and Jose Mabulay.

The 18 are allegedly connected with the Social Action Center, Social Action Visayas, Church sector of the CPP; the National Religious Union in Samar-Leyte; and the Religious Radicals which Sultan said are CPP front organizations.

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CFI JUDGE Wenceslao Polo has issued the warrant of arrest for the 18, but only four of them have been arrested. They are Asistio, Juanito Delamiba, Gutierrez and Kangleon. **Gutierrez is out on bail.**

In denying the charges, Samar church authorities explained that the nature of the church and the vocation of priests and the religious morally compel them to perform the responsibility of leading in the denunciation of all forms of injustices.

They said the church in Samar has always been cooperative with the government in programs that have served the genuine interest of the people.

DAVAO CITY, Nov. 26 – City Fiscal Emmanuel Galicia has approved the filing of charges in court against a Catholic priest and four others, three of them women, for conspiracy to commit rebellion

and illegal possession of explosives and bullets.

Charged were Fr. Orlando Tizon, alias Marvin Garcia, 34; Amelia Pineda Bato, alias Laura Cortez and alias. Adel, 29; Nathaniel Arnejo, alias Obet, 28; Virginia Barimbao Arnejo, alias Elisa Morales, alias Julie and alias Lisa, 28; and Beatrice Asis de Vera, alias Beth and alias Betty, alleged officials of the Communist Party of the Philippines in Mindanao.

The five were captured in a raid in a house of a retired judge in the Skyline Subdivision in Catalunan Grande here last Sept. 20 which also resulted in the killing of Edgar Jopson, 34, alleged party secretary of the CPP in Mindanao.

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THE MILITARY, through the regional judge advocate, Lt. Col. Enrique Lacanilao, said that Father Tizon is a former priest in Calbayog City who joined the CPP when he had a falling out with his bishop.

Bato and Barimbao allegedly handled the financial matters of the Mindanao CPP while Arnejo is said to be a researcher.

De Vera, wife of Benjamin de Vera, former party secretary who earlier escaped from detention, also did research work. At the time of her capture, Mrs. de Vera had just pleaded guilty to a subversion charge and served a six-month sentence.

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THE CHARGE sheet indicted the five for "inciting to rebellion, illegal possession of explosives, and illegal possession of subversive documents."

Fiscal Galicia, however, found prima facie case against the accused only for "conspiracy to commit rebellion" and "illegal possession of explosives and ammunition."

The respondents, through their lawyers, earlier waived their right to file counter-affidavits.

CSO: 4200/185

CHURCH-STATE ROLES EXAMINED

Manila PHILIPPINES DAILY EXPRESS in English 28 Nov 82 Weekend Magazine pp 8, 10-15

[Article by Corazon C. Fiel]

[Text]

To be ready to die is clearly in accord with the teaching of the Gospel. But to be a guerilla means also that one must be ready to kill. Just how do you kill a fellow human being in love?

— Douglas Hyde, S.J

YES: how does one kill a fellow human being in love? The question is valid. And it is disturbing.

In the past few years, a new kind of priest has emerged on the contemporary scene: a priest with gun in hand.

In the Philippines, this phenomenon is all too real. Who has not heard of Fr. Zacarias Agatep — the first Filipino priest to die in search of a revolution? "Zach," as he was known to those who knew him best, was killed during an encounter with pursuing military soldiers one month ago.

By this time, Fr. Conrado Balweg, 38, is a name all too familiar. Fr. Balweg is an outlaw priest, having joined the New People's Army in 1979. He carries a prize of P200,000 on his head, ranking second-highest among NPA commanders in the military's most-wanted list.

And among those pinpointed by military authorities as "religious radicals" are the following: Edicio de la Torre, charged with conspiracy to commit rebellion and inciting to sedition; Luis Jalandoni, conspiracy to commit rebellion and illegal possession of firearms and ammunition; Jeremias Aquino, who allegedly supplied arms and other supplies to dissidents; Orlando Tizon, who was arrested in the company of Edgar Jopson (now dead); Cesar Taguba, who reportedly spoke against the government in church forums; Nilo Valerio, Bruno and Cirilo Ortega, and Jose Nacu, believed involved in encounters with military troopers; and Edmundo Abadicio, believed to have been involved in organizing anti-government demonstrations.

In a sense, rebel priests, religious radicals and activist nuns present a portent of the times. The clergy today is at the crossroads. They are asking themselves: what must they do to bring the meaning of the gospel closer to the people, especially in the context of the times? Are the old, traditional ways of evangelization still relevant in the face of mass poverty, for instance? What exactly should be the role of the clergy?

The intensive debate has reached a larger, world-wide scale, The ferment is not only within the Catholic Church. Members of different Protestant sects are also

searching for answers.

For example, two large Protestant organizations are at odds with each other. The International Council of Christian Churches (ICCC) has accused the World Council of Churches (WCC) of militating against the Bible when the latter gives financial and moral support to alleged subversive movements in the Third World.

The WCC, on the other hand, contends that the poor, the dispossessed, and the oppressed look to the Churches for liberation..."not only deliverence from sin but also for the elimination of inequalities and injustices." The WCC has clarified that their aid for the poor and the oppressed are for their health, social, and educational improvement and not for the purpose of toppling legitimate governments.

The WCC is composed of the Aglipayan, the Methodist, the Episcopalian, United, and Lutheran sects. The ICCC is composed of the fundamentalists — a conglomeration of minor sects which are conservative, reactionary, and committed to the literal translation of the Bible.

If policies and methods are discussed and assessed within the higher councils of church hierarchies, rank-and-file members are translating them into action in the fields in different ways and means — armed struggle being the most extreme and dramatic of them all.

In the Philippines, the situation has come to a point wherein relations between the Church and the State seem to be sadly strained. Since the government has charged rebel priests with communist subversion, the Church has accused the government with outright persecution.

It was not at all this bad, this situation between the Church and the State. Time was when Cross and Sword went hand in hand. Where the Empire went — gathering new lands and new territories, the Church went too — reaping a rich harvest of souls for Christ. This was especially true in the long centuries of Spanish rule. The relations between Church and State were at their most cordial and harmonious — until recently.

Here are what radical elements among the clergy are doing, as outlined in the *Malayang Pilipino*, a publication of the Ministry of National Defense:

"In the Philippine Church, radicalism has manifested itself in the adherence of some individuals and groups to ideological persuasions under the apparent impulse of defining relevance of the religious calling to modern times, avowedly to bring change within the Church itself and for the people who fall under its ministration. The trend towards greater social and political commitments on the part of the religious has thus given birth to a group of radicals and progressives.

"The religious radicals pose threats to national security in two (2) main categories: direct and indirect."

Falling under the direct category are groups of "radicals who have either joined the Communist Party of the Philippines and the New People's Army or the *Nagkakaisang Partido Demokratikong Sosyalista ng Pilipinas* (NPDSP) and some other respective front organizations. Religious radicals of this group fully subscribe to the use of force and violence in the seizure of state power and are active in pursuing their objects in their respective positions as party functionaries and in their activities within the Church."

The government further charges that religious radicals in the CPP and the NPDSP have undertaken, or are engaged in the following:

1. Actively participating in the recruitment and training of revolutionary cadres within the Church and among the people. The following members of the clergy accused

under this category are: Father Edicio dela Torre, S.V.D., who at the time of his arrest was the head of the CPP National Liason Committee and the head of the Committee for the Participation of Christians in the CPP Preparatory Committee of the National Democratic Front, whose activities "centered on the development of alliances with all anti-government sectors of society. He also founded the Christians for National Liberation, which, military officials say, is a communist front organization engaged in recruiting Marxist-oriented members of the clergy.

Romeo Intengan, S.J., chairman of the Central Committee of the NPDSP, is known to have conducted seminars on urban guerilla tactics, particularly in the use of arson, together with some unidentified foreign instructors in Metro Manila;

Jose Blanco, another Jesuit priest, NPDSP member and secretary general of the KASAPI, "whose members were among the identified perpetrators of terrorist bombings in Manila in late 1980." He reportedly used the KASAPI to infiltrate and recruit members in civilian offices, private groups, and the military. Training in urban terrorist and guerilla activities has also been conducted through KASAPI and allied groups.

2. Organizing and managing revolutionary bases and front organizations in the guise of setting up legitimate community organizations.

The government has charged Fr. Luis Jalandoni for organizing the Negros chapter of the Federation of Free Farmers (FFF), a peasant group closely identified with the Jesuits even before 1972, and which is reportedly heavily infiltrated by both CPP and NPDSP cadres. Also, as head of the National Federation of Sugar Workers, Jalandoni is said to have used these organizations as recruitment bases and for raising party funds. Through the efforts of these groups and several sympathizers in the Church and other sectors, communal farms, *kibbutz* style, were also put up in Negros province for the production of food for the communist movement.

In Davao del Norte, Fr. Emmanuel Nabayra organized the Small Christian Communities purportedly for the upliftment of the people but actually used these groups as revolutionary bases for carrying out CPP activities. By first indoctrinating lay deacons, locally called *Kaabags*, majority of the members of the small Christian communities were actually converted into communist rebel bands undertaking training recruitment, food production, and, at times, armed activities.

3. Extending direct aid to anti-government dissidents in the form of arms, ammunition, supplies, funds, and medicine.

4. Diverting funds intended for legitimate socio-civic and religious use, including those from various international donors, to support CPP programs of the Visayas Secretariat for Social Action (VISSA), the regional office of the National Secretariat . for Social Action, Justice, and Peace (NASSA) run by the Catholic Bishops Conference of the Philippines (CBCP) but apparently without the knowledge of the latter. VISSA was used likewise to conduct research for the CPP in furtherance of its propaganda activities such as the research conducted on the "militarization" of Samar, aimed at convincing the Australian government to terminate a government-to-government aid program for improving socio-economic conditions in the area.

Funds from such sources as CARITAS International and MISEREOR (West Germany), ostensibly used for socio-economic

activities, have been used to finance urban guerilla training and organization efforts of the NPDSP.

5. Direct involvement with government troopers in armed encounters. Fr. Conrado Balweg was reported to be the leader of an NPA group which attacked a PC detachment at the Bagong Buhay Gold Mines, Balatoc, Pasil, Kalinga-Apayao, on September 11, 1980 in which seven soldiers were killed.

6. Using church facilities, publications, and other fora such as religious seminars for the propagation of extremist party lines and propaganda against government programs. Rev. Cesar Taguba, a minister of the National Council of Churches of the Philippines (NCCP) in Baguio City was instrumental in the publication of the united front propaganda opposing the government's Chico Dam project in Kalinga-Apayao, military authorities charged.

7. Organizing and participating in mass demonstrations and activities aimed at disrupting peace and order. Fr. Raymundo Abadicio was identified as one of those who led some 1,000 rallyists, "many of whom were armed," in a march in Plaza Roma, Intramuros, Manila, on June 5, 1976, to air anti-government issues. He was also active in such rallies and prayer meetings wherein various groups, particularly from the student, labor, urban poor, professional, and religious sectors openly voiced out what government considered as "seditious and inflammatory propaganda against the authorities."

8. Actively forging alliances with other anti-government groups supporting the use of violence as the primary means to overthrow the government. An example: Fathers Intengan and Blanco have been in constant contact with known rightists such as ex-Senator Jovito Salonga. Fr. Blanco was once reported to have met with the *Bangsa Moro Liberation Organization* to coordinate an NPDSP plan to purchase firearms through this Muslim secessionist group in Southern Philippines.

The *Malayang Pilipino* article further stated that "the greater majority of religious radicals undertake activities which some sincerely believe to be legitimate dissent...but which tend to erode the faith of the people in the duly constituted authorities and alienate them from the government. Some of these activities aid the enemies of the State in creating a "revolutionary" atmosphere and increase the threat of general public disorder. Others result in situations which impede military operations in known dissident areas or obstruct the implementation of government development programs."

SOME of these activities which indirectly affect national security are:

1. Organization of community, sectoral or ecumenical groups for purposes of opposing government projects. An example is the Alliance of Squatters in Manila and Suburbs Against Demolition and Presidential Decree No. 814. "This has served to embolden squatters to resist government relocation and urban development programs. Some of the member organizations, said the article, have been infiltrated by communist elements.

2. Use of church facilities, including church publications and the pulpit, to sensationalize grievances against the government, apart from failure, in the first instance, to bring such grievances to the proper authorities for redress. Bishop Julio Xavier Labayen, bishop of the prelature of Infanta, Quezon, has in many instances lambasted government policies and programs in church-sponsored seminars and multi-sectoral conferences and through church media facilities like the radio station

DXJO. The article claimed that the bishop was primarily responsible for the extensive publication in the local media and through leaflets, even before verification with government authorities, of the alleged kidnapping by the military of Fr. Raymundo Abadicio, who turned out to have absconded and left for abroad with the knowledge and permission of his superiors. "Even after Bishop Labayen had been informed of the official action on the matter, he refused to publicly acknowledge that his charges of military repression were erroneous."

The article further said that such church publications such as the *Signs of the Times*, published by the Association of Major Religious Superiors in the Philippines (AMRSP), which has since been replaced by the *Ichtys*, "have been used to publish highly biased reports against government programs and scurrilous libel against government authorities."

Included in this category are such publications such as the *Ang Bandilyo* of the Malaybalay prelature of Bukidnon and *The Communicator* of the Federation of Catholic Broadcasters.

4. Use of "conscientization," politicalization, and community organizations programs as fora for airing anti-government views. Such programs," says the article, "tend to dwell on government neglect of the poor...Civic responsibility is seldom heard in dialogues conducted, ."

The article revealed that in a priests-nuns forum in St. Clements retreat house in Iloilo City in October 1977, the attendees agreed on measures...which included exhortations to "go underground and act on target groups, to conscienticize, to blow up issues and to take any case to the parish priest...agitate victim to ask help from parish priest."

5. Taking advantage of religious rites and the sacraments to dramatize alleged ills of the government and to convince or even at times coerce people into supporting anti-government activities. The article stated that the use of mass-prayer rallies were staged in Negros in the guise of "melodramatic plays dramatizing alleged military abuses."

A parish priest, Fr. Eduardo Flotildes of Mati, said the article, was reported to have told his parishioners that those who will not join the small Christian communities and conscientization programs may not avail of the sacraments and services.

6. Organization of and participation in illegal mass actions. "Church elements have also participated in demonstrations against, among others, the hosting by the Philippines of international conferences of the International Monetary Fund (IMF), the United Nations Conference on Trade and Development (UNCTAD), and the Miss Universe International Pageant, purposely to discredit the government before the international community."

7. Engaging in purely political activities such as campaigning for boycott of referenda and actively supporting political candidates through mobilization of church-sponsored organizations.

8. Giving aid and comfort to known dissidents and insurgents. "It is admitted that doling out of funds and food to the needy is part of the pastoral concerns of the Church. But...such assistance to known dissidents and active sympathy for subversive causes...are clear transgressions of Philippine laws for which such involved church personalities could be proceeded against..."

During the period of martial law, government forces "proceeded against 93 priests, nuns and ministers for various violations of Philippine laws."

Of this number, 67 are Filipinos and 26 are foreigners. "Except for

Fr Intengan and Fr. Balweg who remain at-large, all were arrested, detained, and/or subjected to deportation proceedings for crimes against national security and public order. One foreign priest was charged with corruption of minors but was given permission by the government to leave the country. All those arrested have been released, 13 of whom are awaiting trial of the charges against them."

And just this month, in the light of murder charges filed against two foreign missionaries, Columban fathers, Brian Gore and Neil O' Brien, Labor Minister Blas F. Ople ordered a review of the prearranged employment status of foreign technicians and employes throughout the Philippines, including some 5,000 foreign missionaries.

He pointed out that foreign missionaries who interfere with trade union activities infringe on the country's sovereignty and this can be ground for deportation. In the case of foreign missionaries engaged in hostile acts against the government, Ople said that this constitutes a ground for immediate termination of prearranged employment visas and of their right to stay in the country.

He said that "we are grateful to the vast majority of these missionaries whose teaching work has made up for our own inadequate investments in the education of our ministries."

But the very few who abuse the terms of their stay by engaging in dubious political activity may detract from the status of the entire foreign missionary force in the country, he added.

BUT the Church, too, holds its own grievances against the government.

Bishop Cirilo Almario, in the last meeting of the Church-Military Liason Committee of which he is chairman, pointed out to military officials that "there seems to be a campaign to vilify the name of the Church and to destroy her credibility among the people."

He said, for example, that names and cases are being published when these are still supposed to be under investigation.

He asked: "Why are the religious superiors not immediately informed when members of the clergy have been put under arrest?"

He cited the cases of Fr. Orlando Tizon and Fr. Edgar Kangleon. "Their respective bishops were not informed."

The National Secretariat for Social Action, Justice and Peace or NASSA, an arm of the Catholic Bishops' Conference of the Philippines, has come out with a statement deploring the circumstances surrounding the arrest and detention of Calbayog

[as printed]
ial Action Director Fr. Edgar
ıgleon last October 10, 1982.
"No warrant of arrest was
ed. No original copy of the
sidential Commitment Order
O) was presented. Two
ırch-Military Liason Committee
eements were violated — that no
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cted without prior coordination
ı and in the company of the
ıest religious superior; and that
sted religious persons be turned
over into the custody of their
superior. There was a breach in the
promise of Chief of Staff Gen.
Fabian Ver that no priest and
religious in Samar be arrested
unless he was actually committing
subversive acts. After 18 days in
detention, Fr. Kangleon has not
been charged."

It continued: "These may also well be the circumstances surrounding the arrest and detention of some 30 other Church workers both lay and religious, Catholic and Protestant arrested since January this year."

"Trial by publicity. Fabricated charges. Temporary denial of the right to counsel. These are the circumstances surrounding Fr.

Kangleon's continued detention. Other Church workers have been submitted to worse fates — torture and even summary execution."

The statement, signed by Archbishop Federico Limon, Bishop Antonio Fortich, Fr. Cesario Sanedrin, Fr. Luciano Pili, Fr. Oscar Valles, and Fr. Justino Cabazares, reflect the growing thinking among members of the clergy that the arrests, the detentions, "are...attempts to isolate church workers from the communities they are bound by Christian duty to serve, to distort the Church's mission to proclaim the Gospel of Justice Peace, nd Love..."

There were other incidents, according to Church sources, that only aggravated the already widening rift between military forces and members of the clergy.

Some of these incidents are:

- The detention of two Good Shepherd sisters, Zenaida Pineda and Pilar Verzosa, when they returned home from a fact-finding mission on the arrest and the killing of farmers in Kaybanga, Lobo, Batangas.

- The arrest of two Laguna pastors: Rev. Jesus Cavida, while he was conducting a young people's fellowship in Paete; and Rev. Harold Lorenzo, while he was leading a bible study in a private house in Pangasinan.

- The unexplained shooting of Fr. Jose Ma. Sucilla, social action director of the archdiocese of Jaro, Iloilo, while he was celebrating Mass on March 5, 1982. The triggerman has not been apprehended despite a warrant of arrest. He is often seen in the company of policemen in drinking sprees at the Lapuz Police Station after the incident.

- Other incidents like "harassments, threats, and raids" on church establishments. To cite two cases:

During a NASSA Convention held at the Sacred Heart Novitiate from June 28 to July 1, 1982, military soldiers allegedly forced their way in and tried to confiscate copies of all papers used. They refused, however, to show any identification or a mission order.

One night in February, military men in full battle regalia allegedly swooped down on the Pasay City United Methodist Church and searched the parsonage, the Church kindergarten, and the Church premises. The soldiers found nothing.

In the wake of the many arrests and detentions of some of the members of the clergy, church hierarchy officials are naturally upset.

WITH priests joining rebel ranks and clerics being accused of subversive activities, just how reflective are these of the situation of the Church in the Philippines?

Bishop Antonio Fortich, when he spoke before a gathering of bishops and businessmen at the Makati Sports Club last Nov. 5, answered: "Subversives among the clergy are normally the exception to the rule." What he was trying to say was this: The few subversive members of the clergy do not reflect on the wide majority as a whole.

But he added, in his capacity as a concerned Father, as a concerned Prince of the Church that "they" — and by they he meant the military, "they say that those accused of subversive activities...are results of surveillance."

The good bishop insisted that these accused clerics are "innocent till proven guilty."

The Church-Military Liason Committee, of which Bishop Fortich also serves as the co-chairman, cannot handle all complaints against military abuse, including cases of so-called "subversive priests and nuns." In such cases, said Bishop Fortich, "the Church has to rely on the

competence of the courts and respect the principle of "due process of law."

Due process of law. Inevitably, it will be the courts, the civil courts which will decide on the innocence or guilt of clerics charged with subversion or acts of rebellion against the government.

On a larger scale, there is no war between the Church and the State. There may be serious irritants, yes; but certainly no cause for quarrel.

The bone of contention is this: the Church has grievances against some military soldiers as regards the manner of arrests and detentions made against members of the clergy, perhaps in violation of an agreement between church and military officials.

The government, or the military establishment, is not against criticism from the Church; but government feels that certain members of the clergy are "trespassing" — some clerics are going into political arenas which are beyond their ministerial functions.

"Church authorities should understand that we in the military have no other recourse but to treat these priests and nuns who instigate against the government as ordinary citizens," said an official of the Ministry of National Defense.

A soldier, he said, or a layman would not dream of using the pulpit or putting on a cassock. "We would expect the same from the clergy."

More members of the clergy are convinced that their mission is to work with the poor. "We are not here only to run exclusive schools or manage clinics and hospitals," said a nun who spends most of her hours among the squatters. "We feel that we should go to the poor, instead of the poor coming to us."

Sister Bacaltos, a Good Shepherd religious who works among the deprived in the hinterlands of Davao, said: "More of us want to be with the poor. And our service to the poor is opening our eyes to many cases of injustice."

Fr. Arguelles, who is executive secretary of the Association of the Major Religious Superiors of the Philippines, explained: "Our mission is not just to save souls; but also to create programs that will redound to the benefit of the whole man, not just his spiritual needs."

"Government officials should not feel offended when they are criticized because they are paid to serve the people," said Bishop Fortich, paraphrasing the words of the Minister of Justice, Ricardo Puno.

The Church also welcomes criticism, said the fiery bishop from Bacolod. But, he clarified, "criticisms should stem from the truth, not rumor-mongering."

"They must remember that as Catholics, they are part of the Church and that means they should be the first ones to welcome criticism," he added, referring to government and military officials.

Since Vatican II, the Church, in keeping with the needs of the times, has emphasized the need for social justice in her apostolate work. *Evangelization and justice.* Armed with this new zeal to work among the dispossessed and tl downtrodden, some members the clergy, perhaps because of tl methods they use, inevitably ru afoul with government.

Jaime Cardinal Sin explained tl dilemma faced by priests and nu who live and work in areas whe the New People's Army is activ They, he said, must often act lil Red Cross representatives becau they must help both governme and NPA forces. That, he implie is the true nature of the calling the priesthood. "And for this, th are branded as communists, whi is unfair. We are bound to help those who are in need."

This desire to alleviate tl masses from the shackles of pover ignorance, and injustices is laudab — and necessary. The times call f it.

But to go to the extreme? T

take up arms andespousethe violei overthrow of the government?

THE situation impe both sides to sit down an talk - to have a seriou dialogue, and to iron out irritant between them.

After all, Church and State ai supposed to serve the people. An the people are supposed to rea from the benefits of their service: If there is no true, sincer dialogue, what will happen to th people?

CSO: 4200/185

PDP-LABAN PLEADS FOR HELP AGAINST RADICALS

Cebu City VISAYAN HERALD in English 23 Nov 82 pp 1, 2

[Article by Al Alinsug]

[Text] **The PDP-Laban leadership in the Visayas has expressed fears that if President Marcos will not meet the demands of the political opposition, the radicals in this country who are determined to change the present regime might take over.**

This was the view of former Congressman Antonio V. Cuenco and the PDP-Laban group who met last night in Cebu City.

Interviewed by VISAYAN HERALD, Cuenco who is chairman of the group, paraphrased the late American President John Kennedy who said "Those who make peaceful revolution impossible will make violent revolution inevitable."

Cuenco made a strong appeal to the present KBL leadership that the election being the only safety valve by which people can express their will should be guaranteed to be honest and fair.

The PDP-Laban chairman then reiterated the demands of the national opposition party in making the people's will known through:

*a complete revamp of the COMELEC

*purging of the voters' list

*elimination of block voting

*equal time and space in media

*neutralization of the military

These demands have been aired earlier by opposition stalwarts in the national level as the only alternative to a bloody confrontation.

As Cuenco has emphasized, this is the only way by which the actual sentiments of the people can be determined. Without clean elections, the true will of the citizens can never be respected.

"Or the radicals will take over if these demands can not be met and implemented," Cuenco underscored.

Cuenco's views were shared by Ribomapil Holganza, Secretary-general of the PDP-Laban Visayas who was in the group last night.

Holganza insisted that this is the only peaceful alternative.

"Of what use is our participation in the election if the votes that we get will not be counted?" Holganza asked.

It will all be a waste of time, money and effort, he said, if the demands for a clean and fair election will be ignored by President Marcos.

Holganza appeared to be determined to force the issue as the only way for democracy to survive in this country.

Holganza and Cuenco were of the opinion that this country can not have peace if true reforms aired by the opposition will remain unheeded.

The two Visayas political leaders pointed to the church, the students and the masses of the people as already infected by radicalized thoughts and inclination due to the suffocating moves perpetrated by the regime of President Marcos.

Cuenco and Holganza pointed to the radical priests who have taken up arms already and many of the youths who have gone to the hills and fight the regime.

"This is our prediction," they said, "if the situation will continue."

"The masses can not be oppressed forever. But let us not wait for this tragedy to happen," the two opposition leaders concluded.

CSO: 4200/185

FUNDS PLEDGED FOR HOUSING

Manila BULLETIN TODAY in English 30 Nov 82 p 24

[Text] A total of ₱5.06 billion has been committed to the government's massive housing program by 21 financing institutions provided they are extended guarantees by the Home Financing Corporation (HFC).

The impact of the guarantee lines is undoubtedly far-reaching. Home developers can now expect a more rapid response to their financing needs for interim or developmental loans.

The guarantee lines call for the accreditation by HFC of banks and other financial institutions to evaluate development projects for housing in accordance with evaluation policies and procedures already approved by HFC.

Once the banks have done this and have accordingly issued the required warranties, the guarantee of HFC becomes automatic.

Already a unibank, the United Coconut Planters Bank has been accredited to process guarantees amounting to ₱300 million.

The following banks have likewise applied and given approval by HFC: Banco Filipino, ₱500 million; Rizal Commercial Banking Corporation, ₱500 million; FNCB Finance, ₱500 million; Bank of the Philippine Islands, ₱450 million; Family Bank and Trust Company, ₱300 million; Security Bank, ₱300 million; Metropolitan Bank and Trust Company, ₱250 million; Union Bank, ₱250 million; Monte de Piedada, ₱150 million; Philippine Savings Bank, ₱150 million; Ayala Investment and Development Corporation, ₱100 million; Urban Development Bank, ₱50 million; Asian Savings Bank, ₱40 million; and Maunlad Savings and Loan Association, ₱20 million.

The following have applied and are lined up for approval: Citibank, ₱300 million; Equitable Bank, ₱200 million; Insular Bank of Asia and America, ₱200 million; Traders Royal Bank, ₱200 million; Philippine American Life Insurance, ₱150 million; and Urban Development Bank, ₱50 million.

Developers can choose from any of the accredited banks and go to the bank that is more conveniently located.

CSO: 4200/185

SUGAR PLANTATION UNREST DISCUSSED

HK090151 Manila BUSINESS DAY in English 6 Dec 82 p 2

[Text] The Philippine sugar industry is in a dilemma that if improperly handled could lead to massive social unrest in the Visayas.

After having been sheltered for decades by U.S. preferential quotas in 1974, the industry now faces a bleak world market with one of the lowest productivity levels, second only to that of the Dominican Republic. To survive, it has to swiftly lower its production costs, possible only through extensive mechanization that would displace thousands of sugar workers.

While claiming that mechanization will create a demand for new types of skills, Labor Minister Blas F. Ople told a National Manpower and Youth Council (NMYC) meeting in October: "While mechanization may cause labor displacement ... (it) is inevitable if our sugar must remain competitive in the world market."

A Ministry of Labor and Employment (MOLE) official told BUSINESS DAY the problem of workers' displacement in the sugar industry has recently become a major role concern since with little prospect of workers being absorbed by other industries social problems could worsen due to underemployment and unemployment. A January 1982 MOLE internal memorandum, for instance, noted: "One alternative that planters consider to achieve this is mechanization and this is where some social imbalances shall emerge. From the general view of the sugar industry the imbalances would mean labor dislocations, more underemployment and unemployment."

In a research paper to be published in a forthcoming book by the University of the Philippines third world studies center, Dr. Alfred W. McCoy, a noted sociologist specializing in the sugar industry, even traced several recent incidents of violence in sugar haciendas to the effects of mechanization.

"It is difficult to imagine the social impact of massive labor displacement upon such a dependent plantation labor force," McCoy wrote. "As evidenced by the MOLE's 1977 report, most sugar workers have no private housing, no savings, few nonfarm skills and minimal education. The reaction of such workers to the loss of plantation paternalism is difficult to predict," he commented.

In his paper, McCoy explained that mechanization in sugar districts will continue to spread mainly because of recent breakthroughs in plantation technology made by Australian farm equipment manufacturer named Mick Hodge.

The so-called Hodge method involves passing a set of 17 matched implements over a standard wide-furrow to complete every single aspect of sugar cane cultivation--plowing, harrowing, planting, fertilizing, weeding and cultivation. "This 'no-touch' method," McCoy claimed, "allows each operation to be done with such precision that it achieves a two-fold cost advantage under Philippine conditions--a reduction of labor input by 50 percent, and a substantial increase in sugar production per hectare."

McCoy pointed out statistics that would indicate that this Hodge system apparently is gradually spreading throughout the Negros Plantation. "After several years of slack sales, heavy tractors, required to pull the implements, were again in demand in the sugar districts, particularly those in Negros and Panay," he wrote.

"During the first two months of 1981, 98 out of 232 tractors sold in the Philippines, 42.2 percent of the total, were sold in those islands. By mid-1981 there were some 15-20 machine shops in Bacolod and the major provincial towns fabricating imitation Hodge sets for about 30-40 percent of the cost of the imported originals.

McCoy narrated the effect of mechanization in two plantations in the La Carlota district in Negros Occidental. At the Hacienda Esperanza Najalin owned by Elizalde & Co., the Hodge method reduced labor input in the first year of use by 48.9 percent.

"While management claimed correctly there had been no dismissals of permanent workers," McCoy wrote, "the laborers themselves reported that there had already been a marked drop in demand for casual labor from male temporary casuals, women and children. Of the 858 Hacienda residents and several hundred off-farm casual workers, only 78 were actually permanent workers."

"While there would be no displacement of the small percentage of permanent workers," McCoy continued, "the long-term prospects for the legion of casual workers was not good. One field supervisor stated frankly, "Once the Hacienda is fully mechanized, the workers in this area will have only two choices--steal or starve. So they will steal. There is going to be trouble."

McCoy also claimed that other plantation managers were predicting a 40-60 percent labor displacement in Negros Occidental within three to four years. He pointed out that applied to HDA. Esperanza-Najalin, the work force could be reduced from 322 to 10, and the Hacienda population from 858 to 50. He quoted one administrator of a fully mechanized farm in the La Carlota District as saying that the Hodge method has the capacity to displace about 90 percent of all labor on the major Hacienda and that most planters will not hesitate to dismiss all redundant workers.

The researcher pointed out that some Haciendas turning to mechanization have recognized the impact of labor displacement and are trying to cope with it to avoid social problems that may disrupt Hacienda operations.

For example, according to McCoy, Hacienda Carmenchica, owned by Philippine Sugar Commission Chairman Roberto S. Benedicto, in 1977 shifted to 100 percent mechanization. Although this could have displaced 80-90 percent of the farm's work force, 50 of the Hacienda's 420 hectares were shifted to rice cultivation to absorb the redundant workers. In explaining this decision, McCoy quoted Hacienda administrator Florencio Alonso as saying: "We feel we have to solve this problem of labor displacement since it produces social unrest. Mechanization requires close supervision, and if there is social unrest then supervisors cannot stay on the farm.... Of course, labor will eventually be displaced. But we have to do it gradually over the space of 10 years. During that period we will educate the children and get them off the farm so we are left with only the old people."

An opposite strategy of dealing with displaced workers, according to McCoy occurred in another Hacienda near the La Carlota District. When workers' benefits were reduced as the Hacienda was starting to mechanize and union efforts to get back the benefits failed, fires in the Haciendas' sugar cane district occurred. The plantation manager, McCoy noted, was later on murdered by a young sugar worker who could not be accommodated by the Hacienda as a driver for a Hodge-method tractor.

CSO: 4200/202

MINISTER ON OIL PRICES INCREASE

HK081341 Manila TIMES JOURNAL in English 8 Dec 82 p 1

[Article by Geronimo Velasco, minister of energy]

[Text] Unknown to many of our people the import cost of crude oil, from which are derived gasoline, diesel and other petroleum products, has increased effectively by about 10 percent, primarily because of the erosion of the value of the peso and other currencies in relation to the dollar. Yet, notwithstanding this development, which started as early as March of last year, the domestic prices of gasoline, diesel and other petroleum products have not correspondingly increased.

The reason for this is that we in government, if we can help it, would like to stop--or at least delay for as long as possible--any upward movement of prime commodity prices. This is also true of petroleum products.

Keeping prices low is always the more politically popular option, as common sense dictates. Unfortunately, taking the easy path is not always the best way to go. Government must be able to take decisions that may be unpopular in the short term but beneficial in the long run. Mustering the political will for hard decisions has never been easy. The complexities of our times make it even more difficult today.

Classic concepts and theories, for example, are no longer able to account for certain things taking place in the world economic system. Experts are unable to explain double-digit inflation occurring at a time of deep recession. Nor can they explain with full satisfaction why strong economies such as Japan and West Germany for instance, should be facing currency fluctuations that were more commonly associated as the Brazilian cruzeiro or the Argentine peso.

Thus we fully appreciate the concern of Filipino consumers over reports that diesel fuel prices are going to be raised when all along, newspapers are reporting an oil glut, and "spot" market prices are falling.

In the same view, people ask: Why is the so-called consumer price equalization fund supposedly being depleted, when OPEC (the Organization of Oil Exporting Countries) has not increased prices for over a year? On the contrary, are not some OPEC countries supposed to be undercutting each other and announcing lower official prices?

Undoubtedly, we need to explain a number of issues to the people--as well as a number of operating conditions basic to petroleum industry and the financial sector but not to most of us.

Let's start with the oil glut and how it has affected prices. Basic economics tells us that when there is a glut or a surplus of any commodity--including oil--prices should go down. This is dictated by the classic law of supply and demand. However, since the 1973 oil crisis, OPEC has been able largely to control its oil production in order to maintain what its members regard as a just return for a swindling natural resource.

On the other hand, the world-wide recession of the past two years has slowed down the growth of and, in some instances, actually lessened overall demand for petroleum, thus weakening international oil prices. Thus, the price of crude imported into the Philippines has gone down by $1.80 for every barrel from the level in March, 1981, when domestic prices were last set. The price of our cride imports today is $32.74 per barrel compared to $34.54 per barrel in March 1981. Unfortunately, this decrease in the dollar cost of our crude imports has been more than wiped out by the decrease in the purchasing value of the peso in relation to the dollar.

The reason is that our oil imports are denominated in U.S. dollars. Every time the exchange rate tilts in favor of the dollar, oil companies need more pesos to buy the same amount of oil at the same prices.

CSO: 4200/202

BRIEFS

REBEL PRIEST--Rebel priest Conrado Balweg is now top communist party leader in northern Luzon. At the same time, the Communist Party and the New People's Army [NPA] have launched intensified efforts to reinvigorate the dissident force in the north. These were disclosed by armed forces chief of staff General Fabian Ver in a press conference yesterday in Echague, Isabela, after a briefing by northern command chief Brig. Gen (Romeo Gatan). General Ver flew to Echague to accept the surrender of some 350 NPA rebels and their sympathizers. The occasion was also the first anniversary of the northern command. [Text] [HK020055 Manila Far East Broadcasting Company in English 2330 GMT 1 Dec 82]

FREE ENTERPRISE POLICY--In a meeting with businessmen yesterday, the president assured that there will be no changes in the free enterprise policy. He made the same assurance in a meeting with American businessmen during his state visit to the United States recently. According to the president, even succeeding administrations will not deviate from the policy of free enterprise because it is deeply rooted in the culture of the Filipino people. In his meeting with businessmen, the president called on business leaders to help the government prevent the effects of worldwide recession. The president, who spoke at a dinner in Puerta Azul Country Club in Ternace, Cavite, told the business leaders they could help the government more if they would reduce their importation of luxury items. At the same time, the president assured private business that the austerity measures adopted by the government will not hinder their operations. The president stressed that the budget of the KKK [Kilusang Kabuhayan at Kaunlaran--National Livelihood Program] and the other major industrial projects will remain. [Text] [HK040036 Manila Far East Broadcasting Company in English 2330 GMT 3 Dec 82]

FOREIGN-ASSISTED PROJECT--President Marcos yesterday instituted another belt-tightening measure when he ordered the suspension of all negotiations for foreign-assisted projects to reduce the worsening government deficit. The president issued a directive to Public Works and Highways Minister Jesus Hipolito to "freeze negotiations" on all foreign-assisted projects "except those which have been in progress for at least six months to one year." The president also ordered Hipolito to make use of the foreign exchange portions of the unnegotiated projects and save the local counterparts. Under normal arrangements, in all foreign-assisted projects, the Philippine Government usually puts up a local counterpart fund. According to Hipolito, 54 percent of the government's [word indistinct] program is foreign-assisted and some have been [word indistinct] to be completed by the end of the year. [Text] [HK040210 Manila BUSINESS DAY in English 3 Dec 82 p 3]

COUNTERING SUBVERSION--Philippine Army Chief Maj. Gen. Josephus Ramas has called upon the military to promote good relationships with civilians in order to counter the threat of subversive elements. Ramas made the call during [words indistinct] military operations seminar workshop in Zamboanga City. He named five subversive groups which are plotting to overthrow the government. He said these radical groups include the traditional communists, the secessionists, the disgruntled group composed of politicians and writers like Manglapus and Aquino, religious radicals, and the organized mafia-like syndicates. Ramas said there is evidence these groups have joined forces to fight as a united front to topple the government by means of intrigues and plotting. He urged the officers and men of the armed forces of the Philippines who are engaged in civil-military operations to come up with programs to win the minds and hearts of the people and bring the government to them. [Text] [HK040428 Manila Domestic Service in English 0400 GMT 4 Dec 82]

POLICE PROBLEMS--The alleged issuance of high-powered firarms to some local officials in well-to-do families by the PC [Philippine Constabulary] command in certain provinces may adversely affect the military-civilian relations program of the armed forces of the Philippines. This assessment was revealed yesterday by a foreign military expert who had just concluded his survey of the peace and order situation in the country. He also said that some PC soldiers in oriental Mindoro, Masbate, Panay Region, Palawan, Northern Luzon areas, eastern Visayas and Mindanao areas were fond of drinking liquor in restaurants and disco houses. In response to these developments, the armed forces provost-marshal and the military police brigade under Col (Peter Balbalero) have deployed some of their men in said areas to avoid military and police abuses. [Text] [HK050057 Manila Far East Broadcasting Company in English 2330 GMT 4 Dec 82]

LOG SMUGGLERS--At the PC-INP [Philippine Constabulary-Integrated National Policy] conference in Davao City, PC Chief Lt. Gen. Fidel Ramos said Philippine Air Force planes will be used against ships smuggling logs out of the country. He said the air force planes have orders not to hesitate to fire on such vessels. The general said the drastic action has to be restored because log smuggling and other economic crimes are more pernicious and destructive to the country than [words indistinct] violations of the law. In another move, the PC chief ordered PC regional commanders to authorize PC chaplains in countering the activities of radical and rebel priests. He directed the regional commands to consult with the chief of chaplains on the matter. In issuing the order, General Ramos said the chaplains should not only attend to the spiritual needs of militarymen and their families in the camps, but should also have a dialogue with people outside military camps and fellow priests, to promote mutual understanding and cooperation. [Text] [HK060029 Manila Far East Broadcasting Company in English 2330 GMT 5 Dec 82]

JOINT RURAL DEVELOPMENT--President Marcos issued executive order No 852 yesterday ordering civilian agencies to coordinate development efforts in rural areas with the military to achieve the best effect. He stressed the need for peace and order which is essential for effective execution of development programs in the countryside. At the same time, he said, effective delivery of services,

administration of justice and availability of jobs would bring about more stable conditions. Calling for coordination on the national and regional levels, he said that security is not the exclusive concern of civilian agencies. The National Security Council headed by the president with Prime Minister Cesar Virata as vice chairman, would do the coordination on the national level. Under this council are the regional development councils with the regional commander of the Philippine constabulary and the regional director of the Human Settlements Ministry among the members. The president said the council will monitor development programs in as specific area with respect to their security implications. It will also identify the appropriate agencies, types of programs and projects and the areas where these are needed most for consideration in the planning and implementation process. It will provide guidelines to the regional development council on security implications of such projects and programs. [Text] [HK060300 Manila BULLETIN TODAY in English 5 Dec 82 p 12]

FOREIGN INVESTORS--President Ferdinand Marcos said the Philippines is stepping up efforts to attract foreign investors. He told newsmen yesterday that the government will consider granting permanent resident status and even citizenship to such investors. The president said alien investors in the country may even be allowed to buy shares in real estate companies. Earlier the president issued presidential decree No 1351, which provides for resident visas for aliens investing at least $200,000 in the country. The visas are in force as long as the foreign investors keep their investments in the Philippines. The targets of the liberalized investment policy are mainly businessmen in Hong Kong who were reported poised to withdraw from the colony in anticipation of the Chinese take-over from Britian in 1997. [Text] [HK070041 Manila Far East Broadcasting Company in English 2330 GMT 6 Dec 82]

WESTERN MINDANAO MEMBERSHIP--Zamboanga City, 5 Dec--The United Nationalist Democratic Organization [UNIDO] reported yesterday around 90,000 people in Western Mindanao signified their intention to join UNIDO. A UNIDO statement said thousands of people from Sulu, Basilan, Zamboanga del Sur, and Zamboanga del Norte converged here and sought audience with former senator Salvador H. Laurel, UNIDO president, to ask for identification cards [ID's] signifying their membership with the opposition group. Laurel told them their ID's would be given in due time through UNIDO provincial, city and municipal chairmen all over the country. Opposition leaders led by Laurel and city mayor Cesar C. Climaco, president of the UNIDO-affiliated concerned citizens aggrupation, as well as representatives of theyouth, labor, women, farmers and religious sectors urged the people to repudiate the incumbent administration for allegedly betraying their confidence. Laurel said that if President Marcos denies UNIDO's demand for clean election, the opposition will "have no choice but to boycott again, or participate but be prepared to protect the sanctity of the ballot with their lives." [Text] [HK070128 Manila BULLETIN TODAY in English 6 Dec 82 p 40]

RETIRABLE GENERALS--There will be no extension of the services of retirable generals. President Marcos said that only those whose services are vital and who cannot be immediately replaced will be retained. The president said that there is not much leeway anymore for extending the services of retirable generals. The government is going to be strict about the principle that only those whose services cannot immediately be replaced will be retained. At the same time, the president announced that he has ordered a recall of military officers who are actively occupying civilian posts. However, the president said,

this does not necessarily mean that officers in active military service may no longer perform certain civilian functions. In an interview, the President also said it has been his policy to encourage officers who have been retired to acquire talent and expertise in other professions. Five generals in the armed forces are scheduled to be retired this month after their extended tour of duties expires. They are Brig. Gen. Romeo Gatan, northern command chief; Brig. Gen. (Ramon Cruz) [words indistinct]; Brig. Gen. (Sesto Bueno), Philippine Army; Commodore (Gil Fernandez), Western Command, and Commodore (Gonzagas) of the Navy. Among the generals holding civilian positions are Brig. Gen. Ramon Farolan of the Philippine Air Force, who is security customs commissioner; Brig. Gen. (Cesar Kelpon), president and general manager of [words indistinct] Gold Mining Company, and the chief of the National Development Company. There are 64 generals in the armed forces, including the commanding generals of the 4 major services. Of the retirables, only General Fabian Ver, armed forces chief of staff, and Lt. Gen. Fidel Ramos, vice chief of staff, were given an indefinite extention of their tour of duty. [Text] [HK100438 Baguio Mountain Province Broadcasting Corporation in English 0400 GMT 10 Dec 82]

LAW OF SEA VICTORY--The Philippines scored a victory of sorts in the newly-approved International Law of the Sea Treaty, which incorporated the archipelago doctrine providing for the jurisdiction of island nations over their sealanes and seabed resources. Under the treaty, the Philippines and other small island nations can refuse passage to foreign warships on their sealanes when they believe these vessels threaten their sovereignty, territorial integrity and political freedom. Island nations are also given exclusive jurisdiction over an extensive economic zone in the adjacent seas and of rich marine and mineral resources under the seabed. The Philippines had strongly advocated for the archipelagic doctrine since the negotiations for the Law of the Sea Convention started several years ago. Under the aegis of the United Nations, the treaty will be officially signed by 130 nations in Jamaica tomorrow. Assemblyman Arturo Tolentino, member of the Philippine delegation to the UN General Assembly, will sign the agreement for the Philippines. [Text] [HK090418 Manila Domestic Service in English 0400 GMT 9 Dec 82]

FIREARMS ISSUANCE ORDER--Another warning against indiscriminate issuance of guns. This is from Army Chief Maj Gen Josephus Ramas. In a strongly worded order, General Ramas said commanders issuing firearms will be held responsible for the acts committed by the men to whom the guns were given. The army chief stressed that guns should be issued only in connection with national security interests. Earlier, there were reports on alleged laxity on the part of some army commanders in issuing weapons. These reports were aggravated by increasing incidents of soldiers getting into problems and using their guns. [Text] [OW072255 Quezon City RPN Television Network in English 1100 GMT 7 Dec 82]

CSO: 4200/202

GOVERNMENT ATTITUDE TOWARD PRESS VIEWED

BK241603 Singapore STRAITS TIMES in English 23 Nov 82 p 16

[Editorial: "Let the Debate Begin"]

[Text] In a speech last Friday, the minister of state (culture), Major Fong Sip Chee, raised a number of interesting questions about the role of the press in Singapore and called for a public debate on the issue. As Singapore's leading newspaper, we welcome his call. We believe we can best respond by restating from the outset how we see our role. We do not, as he suggested, claim to represent the public. No newspaper in the world, whatever its pretensions, would seriously dare arrogate to itself this mandate which only an elected government can claim.

We are, among other things, a channel of communication between the government and the public. The government uses us as a medium for conveying information to the public, while the public (or at least some of them) use us to convey their views to the government. We have no way of knowing if the views expressed by individuals to our reporters or in letters to our forum page are, as Major Fong put it, "truly representative," probably not, since it is usually only people who feel strongly about a matter and are fairly articulate who would speak up or write.

Nonetheless, we feel (and our view is shared by the minister for culture and foreign affairs, Mr S. Dhanabalan) that such feedback is important. It allows individuals the opportunity to get things off their chest and enables the government to know how some members of the public feel about various matters. And this is why we allow forum writers to use pseudonyms. We agree with Major Fong that our readers ought to have the courage to write under their own names. At the same time, we also recognise that many people, for various reasons, think it more prudent not to do so. The question, to our mind, is what is more important--the content of the letter or the name the writer chooses to use? We believe it is the former.

In selecting letters for publication, as with stories, the questions we ask are: Are they in the public interest and will they add to the public good? Do they further our objective of informing, educating (and to some degree, entertaining) our readers? For like government officials and ministers (and many other

Singaporeans) we in the press too are working for the national interest. We make mistakes sometimes. Occasionally, we also disagree with government on various matters. But this is inevitable unless the press becomes another agency of government.

We do not believe that Major Fong or anyone else in government wants a servile press. We believe the government wants lively newspapers which reflect, no matter how imperfectly, the thinking of Singaporeans and play their proper role in national affairs. To achieve this, ministers and officials must have sufficient trust in the loyalty and good judgment of the people who run the papers.

CSO: 4200/204

OPPOSITION REACTION BEGINS

Colombo THE ISLAND in English 28 Nov 82 p 6

[Island Politics column by Arjuna]

[Text]

The Opposition fired its first shots against the extension of the life of Parliament and the irony of its campaign was all in the pictures which "The Island" carried. The whole mood of the Opposition was captured in the photograph which showed the two Presidential candidates Messrs. Hector Kobbekaduwa and Dr. Colvin R. de Silva in earnest conversation while a wholly detached Mr. Pieter Keuneman (armed with an umbrella, no doubt in view of the coming political rough weather) was keeping off Mr. Anil Moonesinghe from the LSSP leader.

The differences within the opposition sharply erupted when a section of the crowd began heckling the LSSP leader who had been the chief target of the SLFP and the CP during the Presidential campaign on account of his celebrated 'law point'. It was Colvin's turn to be heckled taking the minds of political observers back to May 1 this year when Anil Moonesinghe, having captured the LSSP in his own grandloquent words, was at the receiving end of booing when he began speaking from the same platform as Mrs. Sirima Bandaranaike and Dr. Colvin R. de Silva at the joint opposition May day meeting.

The UNP meanwhile went ahead with its campaign with meetings in Kandy, Hatton and Jaffna. The President went to Jaffna again, this time quite early in the campaign, in spite of the feelings that has been generated following the detention of several Roman Catholic priests on suspicion of complicity in the terrorist movement.

Naxalites

But the campaign on either side has still to really take off the ground. It appears as if the people, who had already been at the receiving end of a propaganda assault only a month ago, have still to attune themselves to this new campaign

The Government meanwhile continued to plug the Naxalite theme with relish last week. In two detailed statements the Prime Minister concentrated on what had allegedly been planned during two Octobers — 1980 and 1982 by a section of the SLFP to protest against Mrs. Bandaranaike's deprivation of civic rights and to celebrate Mr. Hector Kobbekaduwa's victory respectively. It was obviously another prong in the UNP's attempt to establish that the SLFP had been captured by a section which has been variously called "Naxalites" and "political hooligans". Kalawana MP Sarath Muttettuwegama, who was reminded of Franz Kafka by the Prime Minister's recital of the violence which had allegedly been planned, described it as "a fantasy arranged for the Referendum."

Division

The Opposition is quite aware of the odds that they will have to contend with at the coming campaign. Not least of the problems is the internal divisions with which the Opposition parties are afflicted. This is compounded

by the difficulties produced by the circumstances in which the present campaign has to be fought. Several key Opposition figures are in custody while the sealing of the "Aththa", which bore the brunt of the SLFP Presidential campaign propaganda, has been a mortal blow to the Opposition. There is a move to bring out the CP's official party journal "Mawbima" out as a daily to fill the void while already a weekly titled "Vama" is being published.

An interesting footnote is that the "Vama" was brought out first by party radicals when the CP split in 1972 over the Criminal Justice Commission Bill.

It was also left to the CP trade union stalwart L.W. Panditha to meet Elections Commissioner Chandrananda de Silva and protest against the display of posters and the "lamp" symbol in public places in contravention of Election laws.

Mr. Muttettuwegama told Parliament on Firday that the Commissioner had reportedly not made any comment on these statements but the same day the IGP had drawn the attention of local government authorities and leaders of political parties to the Election Law.

But even worse for the opposition than the circumstances of the contest are its internal divisions.

Confronted by their own problems the SLFP radicals seem to be temporarily silent leaving the control of the party in Mrs. Bandaranaike's hands. Mr. Anura Bandaranaike, who has returned from Spain, meanwhile continues to be silent. He did not attend Parliament on Friday when the extension of the emergency was debated but has issued a statement that some promment supporters of his had crossed over to the UNP in his absence. Among them are Basil Rajapakse a protege of Anura, who got the prestigious post of Secretary when the Maithri-Anura group broke away from the SLFP, former Fisheries Corporation Chairman Dixon Silva, another close Anura associate and trade unionist Lal Perera. It is a well known fact that Anura has been openly critical of the radical wing of the SLFP but it is left to be seen whether he will actively campaign at the Referendum now that his mother will be leading the camapaign.

Anura's name had been mentioned sometime ago in political circles in the context of a National Government and the young Bandaranaike himself had left the question open-ended by saying that he would consider the question only if such an offer is made. But there appears to be a school of thought within the UNP which feels that Anura would perform a more useful function by remaining in the SLFP to give the SLFP moderates leadership. This has to be taken in conjunction with Mrs. Bandaranaike's statement rejecting a National Government.

Mrs. Bandaranaike like President Jayewardene will campaign at the Referendum on a district level but she will address special meetings in the areas of key SLFP figures who have joined the UNP. The other parties which will appear on the platform with the SLFP are the Sri Lanka LSSP, the MEP and the CP.

The LSSP has taken up the position that it will campaign separately but will appear on a common platform on invitation as it did Hyde Park on Tuesday. This ambiguous position of the LSSP appears to show that it is still not certain of what its relationship with the SLFP should be in the aftermath of the Presidential Electino.

Silence

The JVP meanwhile continues its stoic silence. Its only contribution to recent political analysis is a refinement of the Naxalite theory. The JVP's official organ "Niyamuwa" said recently that the "Naxalite" group within the SLFP had amassed weapons to destroy the JVP in the event of Mr. Kobbekaduwa coming into power on October 21.

So the political scene continues to be confused. Hamstrung by practical difficulties and confronted by a hostile set of circumstances the opposition will have to dramatise its campaign and capture the people's imagination if they are to make any kind of impact at the Referendum.

CSO: 4200/186

TULF REVERSAL ON EMERGENCY

Colombo THE ISLAND in English 27 Nov 82 p 2

[Text]

The leader of the opposition Mr. A. Amirthalingam, speaking in the debate on the resolution under the public security act, moved in parliament yesterday, to extend the emergency, said that where the Emergency was originally declared last month all parties had ratified it in Parliament.

But the TULF was now opposing the extension of the emergency.

In the context of the Referendum no free expression of opinion could take place under conditions of emergency. The emergency should be removed before the Referendum. The Government had tied the opposition, hand and foot, and was inviting it to fight. The election laws were being freely violated by the Government. The law was turning a blind eye to all this but if the opposition dared to even put up a poster they were clapped in jail. The TULF was veherently opposed to this gross discrimination.

The TULF was opposed to the acts of violence which had taken place in the north. But an emergency was not necessary to curtail them. The draconiaon anti-terrorist law was enough for this. To argue that an emergency was necessary for this was spurious.

The treatorist created out to the Roman Catholic priests had hurt the feelings of all Catholics.

Anybody who violated the law should be punished. The Bishop of Jaffna had told the military that if any priests were to be questioned he would produce them. But the military had instead raided the Preachers' House. The Catholics of the area were terribly hurt by this action of the armed forces, he said.

Anyone who was charged with a crime should be produced in court and also given chance to defend himself.

The press publicity given to these arrests by the armed forces was unfair, Mr. Amirthalingam said.

Even the Archbishop the Rt. Rev. Marcus Fernando, in his statement issued on behalf of the church, had reiterated that the accused should be presumed innocent unless proved guilty in Court.

Mr. Amirthalingam also condemned the sealing of news papers. He said that no paper should be closed down whether it attacked the government or the opposition.

If any newspaper violated the law the publishers should be taken to courts. But it would be undemocratic to close down newspapers.

The rights of the people were being trampled under the emergency and therefore his party would condemn.

CSO: 4200/186

RT: TO FORM TWO NEW SPECIAL WARFARE UNITS

Bangkok THE NATION REVIEW in English 1 Nov 82 p 6

[Text]

THE Army Directorate of Operations has been instructed to work out the formation of a special warfare commanding post and a new special warfare division which will serve as a task force to deal with invasion from outside, a highly authoritative source said.

The source told *The Nation* that the two new units will be especially entrusted with the responsibility of fighting invading force, particularly from the Kampuchean border.

The Directorate of Operations and other related army agencies had also been instructed to develop reserve forces to ensure that they could react against a possible aggression within 72 hours of emergency, he said.

The third phase of the major defence plan for the 1983 fiscal year calls for the reinforcement of the army forces nationwide which have not been fully staffed according to the source.

The major plan for the 1983 fiscal year was geared towards the urgent improvement of the defence forces guarding the Thai-Kampuchean frontier following indications of possible Vietnamese dry-season offensive against Khmer resistance forces, the source said.

"The field forces under the First and Second Army regions have been instructed to be on alert for the consequences from a dry-season offensive. The issue has received special attention from us," he said.

He said the intelligence gathering units in the fields had been specially instructed to step up the monitoring of the movements of the enemies to ensure that the army could be alerted in time.

The Second Army Region would pay special attention to the security in Karbcherng District of Surin Province following indications that the Vietnamese-backed Heng Samrin forces were making preparations to launch a military attack against the Khmer resistance forces opposite the border district, he said.

The source also quoted Army Commander-in-Chief Gen Arthit Kamlang-ek as instructing a meeting of army officers last month to attach top priorities to the security within the country and the boosting of the defence forces to cope with a possible aggression from outside.

CSO: 4200/170

MOST BANGKOK WORKERS GET LESS THAN MINIMUM WAGE

Bangkok THE NATION REVIEW in English 1 Nov 82 p 6

[Text]

THE majority of the unskilled and semi-skilled workers in Bangkok are still being denied the minimum wage a month after it was implemented, according to a survey conducted recently by *The Nation*.

The basic wage for unskilled workers in Bangkok is 64 baht a day but most of the workers interviewed receive only between 50-60 baht. Female and child workers reported even lower daily wage of only 30-50 baht.

Most of these workers were found at construction sites and they told *The Nation* that they had made no attempts to bargain with their employers for the basic wage.

"We have to accept what we are offered because we have no other choice," said a woman worker working on a construction site on Phetchaburi Road.

She said the normal daily wage she and her colleagues receive wa 45 baht.

Workers in several textile factories in suburban Bangkok are also getting below the basic wage.

Most of the independent unskilled workers admitted that they knew very little of the role of labour leaders who have been fighting for higher basic wage. They said they did not know that the labour leaders had lobbied for minimum wages on their behalf.

Pricha Srimisap, president of the Steel and Metal Labour Union, said most of the workers normally tended to settle for whatever rate of wage their employers agreed to pay.

"It is a matter of mutual survival," he said.

Workers in a textile factory in Samrong said they receive only 45 baht a day while their skilled colleagues get 60 baht. Another small weaving factory in Soi King Petch off Phetchaburi Road was found to be paying an average of 700 baht a month to their workers who have to work from 8.00 am to 7.00 pm with one holiday a week.

The owner of an auto spareparts factory in Vorachak admitted that he had not complied with the minimum wage announced on October 1. He claimed that he had made an agreement with his workers for wages commemsurate to their workload.

"We may be paying them less than the basic wage but we offer them free lodging and other work welfare," he said.

President of the Thai Trade Unions Congress (TTUC) Paisal Thawatchainan said the congress will urge the government to make sure that employers strictly comply with the basic wage.

Basic wage

The Interior Ministry implemented three new rates of basic wage on October 1.

The basic wage for Bangkok and eight surrounding provinces is 64 baht while those in the rest of the country are 61 and 52 baht.

CSO: 4200/170

OIL, GAS PRODUCTION ANALYZED

Bangkok THE NATION REVIEW in English 2 Nov 82 p 5

[Text] Union Oil Co has just made a new presentation of its proposed solutions to correct the Erawan field's shortfall problem to the Thai government as Texas Pacific's Chief Executive R. M. Brackbill is due to fly in from Texas this week to hold talks with Premier Prem Tinsulanonda and other senior officials on the lingering problems over the government's policy of LNG export.

Here is a comprehensive background to Thailand's natural gas and oil exploration activities and their impact on the Thai economy published in the latest Monthly Review of the Bangkok Bank.

THE bicentennial of Thailand's capital and its reigning Chakkri dynasty this year finds this country on the threshold of a new and exciting era. Substantial deposits of natural gas in the Gulf of Thailand, oil deposits in the North and both oil and natural gas in the Northeast, are expected to propel the nation into a new period of fast growth. Prime Minister Gen. Prem Tinsulanonda has even gone so far as to promise the nation that the natural gas development project would"... give rise to a new era of hope and glory."

The Prime Minister also revealed a plan to lure local and foreign investment in industrial projects, including a natural gas processing complex, an ethylene cracking plant, fertilizer and petrochemical complexes, a soda ash plant, and other vital projects. Investment in these projects in estimated to tatal Baht 100 billion.

NATURAL GAS BONANZA

THE above-mentioned projects are highly ambitious, requiring a huge amount of hydrocarbon feedstock as well as extensive and complex financing. The Petroleum Authority of Thailand (PTT) has confirmed that the natural gas reserves in the Gulf – at the current stage of exploration – will very likely be sufficient for various uses planned by the authorities for roughly half a century, and the government has been seeking funds to finance the construction of infrastructure and such basic industries as the gas separation plant which will lead to the development of other gas-based industries. It appears that thus far this particular effort on the part of the authorities has been successful. Moreover, it is anticipated that the State's revenue in the form of taxes and royalties on sales and profits of natural gas and oil will keep on growing as more of the hydrocarbon is extracted and sold. It will be possible in the near future to plough back a part of this revenue into a number of up and downstream projects. Meanwhile, feasibility studies have shown that most if not all projects envisioned by the natural gas development programme are capable of paying for themselves and will inconsequence represent attractive propositions when tabled to funding institutions. Given the situation as briefly outlined, it is generally felt here that investment funds despite their gargantuan total – will most probably not be beyond the ability of Thailand to mobilize.

THE GULF'S NATURAL GAS RESERVES

THE Department of Mineral Resources (DMR) reported that as of July 1, 1982 a total of 96 wells

had been drilled in the Gulf of Thailand and natural gas and natural gas condensate had been discovered in 53 of them, crude oil in 2 and crude oil and natural gas in another 2.

However, the crude oil deposits are not commercially exploitable, while the amount of natural gas in plots contracted to two concessionaires, Union Oil and Texas Pacific, has been found to be substantial. Proven and probable reserves of natural gas in the Gulf of Thailand have been estimated at 16.1 trillion cubic feet. This figure however does not include Union Oil's four wells (Pla Daeng Nua, Funan, Traad and Pakarang) where the extent of reserves remains to be measured. (For more details cf. table 1)

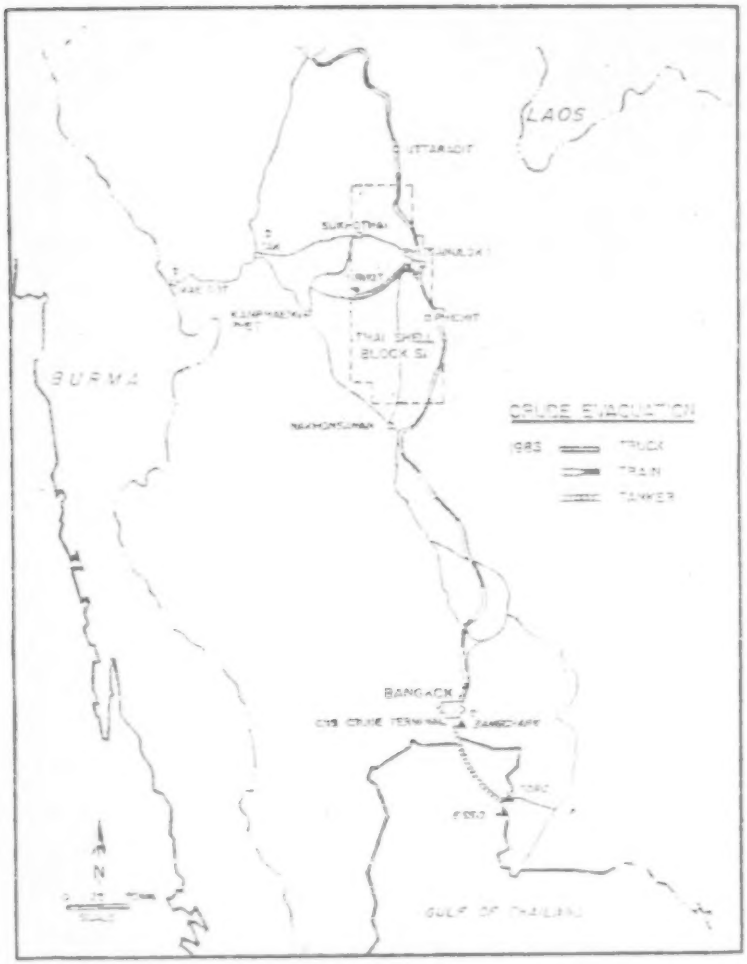
Due to a production shortfall of roughly 50 per cent at its Erawan field's platforms, Union Oil is now claiming that the proven reserves in this field amount to only 0.5 trillion cubic feet, roughly a third of the original estimated figure of 1.58 trillion cubic feet. Nevertheless, both PTT and the Ministry of Industry and strongly refuting Union Oil's claim, saying that the original estimates were made by Union Oil itself in cooperation with DeGolyer and MacNaughton which is an internationally reputable firm. The general concensus among people in the know appears to be that the raising of the reserves question by Union Oil at this particular moment when global prices of petroleum products are hitting the skids is but a ploy on the part of the oil company to delay its expensive development programme and to escape a fine for failing to supply PTT the contracted volume of natural gas. Furthermore, the smaller and more scattered the reserves the more investment will be required on the part of the oil company to raise gas production to the levels stipulated in the contract. At the time of writing the controversy is still raging and it will probably be some time before the matter is settled.

Within the long-term context, sources within the country are in agreement that the current gas shortfall will not affect development plans. This is principally because the natural gas in the Erawan structure is but one of the more than half a dozen substantial deposits already discovered. Speaking during a discussion session of the Eastern Seaboard Conference held in early August at Pattaya resort, PTT's Deputy Governor Pratin Pathanaporn stated, "I fully believe that there is enough natural gas in Thailand. This shortfall is the result of a technical problem which will only affect the Eastern Seaboard's short-term plans, leaving their long-term counterparts unaffected." Agreeing with Mr. Pratin, National Economic and Social Development Board (NESDB) Secretary General and the Central Bank's former Governor, Dr. Snoh Unakul, said there would only be some rescheduling in the plans for heavy industrial projects. While such projects as the gas separation plant will according to Dr Snoh definitely be implemented within the current Five-Year Plan (1982 – 1986), other projects, probably including the fertilizer complex, may not be realized before the end of 1986, the final year of the Plan.

INLAND EXPLORATION ACTIVITIES

AT present five foreign oil companies are conducting onshore hydrocarbon explorations, one in the North and four in the Northeast. Two of these, namely Thai Shell Exploration and Production Co., Ltd. and Esso Exploration and Production Korat Inc., have reached the drilling stage and both have reported striking petroleum deposits in their first attempts.

In the case of Thai Shell, which holds concessions covering an area of 20,000 square kilometres from Sukothai Province to Angthong Province, test results obtained earlier this year indicated that the crude from its Larn Krabue-1 well in Kamphaengphet would flow at an initial rate of 5,000 barrels per day (bpd) and natural gas at a rate of between 6 and 7 million cubic feet per day (MMscfd) beginning on January 1, 1983. Production would gradually be increased to 20,000 bpd of crude and 30 MMscfd of natural gas by the end of 1984. However, Thai Shell recently claimed that data obtained later showed that the Larn Krabue structure



comprises many faults, posing considerable difficulty in the extraction stage. In consequence, the estimates on crude output made available earlier may have to be scaled down somewhat.

Meanwhile, Esso Exploration and Production Korat Inc. has a concession to explore for oil and gas covering an area of 50,000 square kilometres in eight provinces in the Northeast. The Company's exploratory drillings carried out in the Nam Phong area in Khonkaen Province late last year and early this year showed natural gas flowing at a rate of 16.8 MMscfd, 9.7 MMscfd and 27.57 MMscfd at depths of 9,594 – 10,253 feet, 10,775 – 10,800 feet and 10,220 – 10,254 feet respectively. These statistics indicate a high probability of commercially feasible deposits of natural gas at Nam Phong. In February, Esso moved its drilling rig to Chonabot, roughly 100 kilometres south of Nam Phong, and spudded another well. The Company reported in July that test results at Chonabot were very encouraging giving hope of even larger deposits of natural gas than those at Nam Phong.

A WATERSHED YEAR

Encouraged by the various finds as outlined above, the government is counting heavily on the development of natural gas to spearhead its fuel strategy for the 1980s right up

to the beginning of the next century. Of course, strong emphasis is also placed on other indigenous sources including particularly lignite and hydro-power. Nevertheless, 1981 will go down in history as a watershed year marking the first flow of natural gas via the pipeline from the Gulf.

What then are seen as the benefits to accrue to Thailand from the availability of natural gas in the country's own backyard?

According to various government officials including Dr. Tongchat Hongladarom, PTT's Governor, it seems that just about anything is possible.

PRINCIPAL BENEFITS

TO begin with, the red ink in Thailand's international account will lessen.

The development of the Eastern Seaboard when it is fully implemented is expected to help the country save between Baht 30,000 and 35,000 million in foreign exchange annually, mainly through import substitution.

- A production rate of 150 MMscfd (a level it is hoped will be attained in the fourth quarter of this year) would reduce the trade deficit by an estimated US$121 million annually.
- A production rate of 500 MMscfd (a level projected for the mid-eighties) would reduce the trade deficit by US$335 million annually.
- Over 20 years of production the trade deficit would be reduced by US$6,600 million.

Thailand will achieve substantial self-reliance in energy with gas production of 1,000 MMscfd – a target originally set for the end of this decade. This is equivalent to 26 million litres of fuel oil.

Royalties and taxes. From the production of just 500 MMscfd for 20 years the government will earn royalties and taxes to the tune of US$1,200 million from the concessionaires.

Cuts in transportation costs. The Prime Minister has placed his stamp of approval on a plan to use natural gas and liquefied petroleum gas to replace benzine and diesel oil in private vehicles. PTT and the Bangkok Mass Transit Authority, which operates all public buses in the Capital, have also been studying the feasibility of converting the Authority's buses to gas. This move alone would save Thailand Baht 1,000 million in foreign exchange annually and ensure commuters, who are mostly the city poor, of more stable bus fares.

Liquefied petroleum gas (LPG) as cheap cooking gas will – on the completion of the gas separation plant sometime in the first half of 1985 – be made available to the lower income brackets. This move will also benefit the overall economy by reducing the rate of deforestration that is rampant upcountry since charcoal and firewood are now widely used for cooking by the majority of country folk. Moreover, there will be a substantial surplus of LPG in the not-too-distant future. This will be exported.

Natural gas exports. It has been proposed that Thailand export some of its natural gas in liquefied form (LNG) particularly from Texas Pacific's wells. The matter had been under consideration by the government for a long time – the main reason for the delay being that the authorities wanted to be certain of a sufficiency for domestic consumption prior to permitting LNG exports. In late June this year a top level committee led by the Prime Minister himself approved the long-pending and controversial plan to sell LNG abroad. Potential markets for Thailand's LNG include particularly Japan and South Korea, which have of late shown keen interest in buying this product.

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END

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NOTICE

Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

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28 December 1982

SOUTH AND EAST ASIA REPORT

No. 1233

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REORGANIZATION OF THANA ADMINISTRATION EXPLAINED

Dhaka THE BANGLADESH TIMES in English 7 Nov 82 pp 5, 7

[Text] The primary objective of decentralising the administration by the Government is to bring it closer to the people. Thana, the most significant tier in the multi-tier administration is being reorganised. Under the reorganised set-up each thana will constitute focal point of all administrative activities.

The reorganised administrative set-up at thana level will be introduced in phases and in the first phase 45 thanas will be brought under the reorganised set-up from today. These thanas will cease to be part of subdivisional administration and will function directly under the district administration.

Under this reorganised administrative set-up, responsibility of all development activities at the local level will be transferred to the Thana Parishad to be headed by an elected Chairman. The Government will, however, retain for the present the direct responsibility for regulatory functions and major development activities of national and regional coverage.

The services of officers dealing with subjects transferred to the Thana Parishad will be deemed to have been placed at the disposal of the Thana Parishad Government and respective Departments, however, will continue to be responsible for the appointment, transfer, promotion, discipline and remuneration of these officers.

The officers dealing with the subjects retained by the Government will be answerable to the Thana Parishad which will be competent to call for report from these officers on their activities and also summon them for hearing. Thana Parishad will also be entitled to cause inspection of their offices and report to Government on any lapse in the discharge of their duties which may come to the notice of the Parishad. Thana Parishad will also provide the necessary assistance to enable these officers to function effectively in the Thanas.

The Thana Nirbahi officer will act as Chairman of Thana Parishads till such time the Chairmen of Thana Parishads are elected.

Appointments of Thana Nirbahi officer and other Thana officers under the reorganised administrative set-up in 45 thanas have been made and they have already been imparted three-day training on their duties and functions under the new set-up.

The following are the duties of Thana Nirbahi officer and other officers:

Thana Nirbahi Officer

The Thana Nirbahi officer will be staff officer to the elected Chairman who will be the chief executive of Thana. He will also be the chief executive officer of the Thana Parishad, shall be responsible to the Chairman of Thana Parishad and assist him in implementation of policies and decisions of the Thana Parishad.

He will assist the Chairman in supervising all thana level development and administrative work. He also assists the Parishad in preparing a coordinated development plan of the thana and ensure its execution.

He will exercise preventive jurisdiction of a First Class Magistrate under Sections 133, 144 and 145 of Cr PC in order to maintain law and order in the thana area.

He will initiate Annual Confidential Report of all thana level officers except Magistrate Munsiff. The Chairman, Thana Parishad, will be the countersigning officer. District officers of respective departments will be the technical reporting officers of Thana officers.

He will attend emergency duties such as relief duties following natural calamities, receive stores including food and distribute relief materials as directed by Thana Parishad. He will also perform Protocol duties.

The Thana Nirbahi Officer will supervise and control revenue and budget administration of the thana. He will ensure that the Government directives on Thana administration are followed. He will coordinate all thana level training activities and perform such other functions as may be entrusted to him by the Government or the Thana Parishad Chairman or as may be conferred on him by the Government under any law.

Thana Health and Family Planning Officer

Thana Health and Family Planning Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi Officer.

He will be responsible for all clinical and technical supervision and guidance to all professional and technical personnel to ensure optimum service to both outpatient and inpatient departments. He will be directly responsible for implementation of all operation cases and operation in the field of family planning both ligation and vasectomy.

He will have the managerial and administrative responsibility to ensure proper maintenance of the Thana Health Complex including its outpatient department, wards and OT, laboratory and kitchen, etc. He will also assign specific duties and responsibilities to his subordinate officers.

The Medical Officers should be allocated defined geographical area of responsibility covering specified number of unions and villages which they should visit as a routine and hold family planning camps on fixed schedules with occasional unscheduled supervisory visit.

He will ensure that thana level supervisors, officers working under him contact the Union Parishad schools and specific representative groups to ascertain their health needs and demands and follow-up previously noted needs by regularly inspecting the areas.

He will ensure that family planning programme is fully implemented in his area. He will also monitor the two way referral and information pathways and logistic systems between the Thana Health complex and villages and ensure the implementation of health programme. He will visit the Unions and villages regularly to acquaint himself with the problems and achievements of health and family planning activities.

He will be responsible to discharge Health and Family Planning programme through primary health care service which include (a) Communicable disease control, (b) Expanded immunization programme, (c) Family Planning, (d) Maternity and child health care, (e) Prevention and control of locally endemic diseases, (f) Health education and training, (g) Improvement of water and (h) Provision of first aid.

Thana Education Officer

Thana Education Officer will work as the chief functionary of the Ministry of Education at thana level and will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi officer.

He will be responsible for the execution of all directives related to primary education and work under the direction of Primary Education Officer Area Project Officer.

He will make field trips on at least 15 days, including 5 overnight stays in a month, for the purpose of inspection of schools, supervision and public relations. He will prepare an annual programme for inspection of schools and submit it for approval to the Primary Education Officer/Area Project Officer. The annual programme must ensure that every school is inspected at least twice in a year.

He will maintain a separate file for every primary school. This file will contain all information regarding the history and present status of the teachers, students and assets of the school. This file will be updated every six months.

He will be responsible for the administration of all officers and employees of his office and write their Annual Confidential Reports for submission to the Primary Education Officer/Area Project Officer.

He will act as the receiving and disbursing officer in respect of the funds made available for payment of salaries to the Assistant Thana Education Officers, other employees and teachers, and for meeting other incidental expenses.

He will prepare proposals for the payment of pension and gratuity to the employees and teachers under him and send these proposals to the higher authorities for approval.

He will specify 15 to 20 schools, on the average, for inspection by each of his Assistant Education Officers with the approval of Primary Education Officer/Area Project Officer, supervise and evaluate their activities.

He will collect with the help of Assistant Thana Education Officer all the necessary data related to the promotion of primary education in his area and supply these information regularly to the higher authorities.

Thana Agriculture Officer

Thana Agriculture Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi Officer.

He will be responsible for the management and supervision, planning, implementation and evaluation of agricultural extension programme as well as coordination of all agricultural development works within his unit.

He will coordinate the distribution of inputs such as fertilizer, seed, irrigation equipment and improved agricultural implements. He will also coordinate demonstration and propagation of improved agricultural methods and practices and establishment and maintenance of model agricultural farms in private lands, excavation and re-excavation of canals for drainage, irrigation and communication, thana irrigation projects and inter-union schemes.

He will also be responsible for intensive paddy cultivation, jute and rabi crops campaign, increasing production of fruits and vegetables, organisation of fairs and crop competition, etc., preparation of cow dung manure and preparation of compost, reclamation of land for productive purposes with approval of Thana Parishad, establishment and maintenance of godowns, and maintenance of farmers service centres with attached demonstration farms.

He will exercise line functions over all extension and supply personnel and be responsible for installation and maintenance of tubewells and pumps.

Thana Engineer

Thana Engineer will work under the guidance of the Thana Parishad as coordinated by Thana Nirbahi Officer.

He will maintain close liaison with the district level officers and particularly with the Executive Engineers on technical matters required for execution of works of the national Government as per procedures, rules and regulations.

He will be responsible for the construction of Thana complex under the control and guidance of the Executive Engineer, and for planning and preparation of schemes and execution of all development works of the Thana Parishad.

He will also be responsible for preparation and submission of the estimates of development maintenance and repair works pertaining to the Thana Parishad, acquisition and preservation of stores for the development, maintenance and repair work in his charge and maintaining systematic stock account as per rules and supervision of the works of Thana Parishad including maintaining site order book, job diary and site account of the materials at site.

He will maintain proper accounts as per rules and procedures for the expenditure of the works done under him. He will be responsible for maintaining proper accounts as per rules and procedures for the expenditure of the works done under him. He will be responsible for maintaining proper security measures for the protection of materials and stores and for timely verification of materials and stores.

He will review the progress of development works in coordination with concerned departments and agencies and advise Thana Parishad on all technical matters relating to construction and maintenance works within the thana.

He will undertake the preparation and maintenance of Thana Planning Book and remain responsible for its upkeep. He will also undertake construction and repair of bunds and embankments.

Thana Co-operative Officer

Thana Cooperative Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi officer.

He will register cooperatives on fulfillment of necessary formalities and draw up annual audit programme and issue audit orders.

He will assign audit works to the inspections and see that the audit work is done as per programme. He will guide audit officers in the efficient performance of their assigned duties and issue instructions for quality improvement of audit. He will assess audit fees, prepare lists of societies for timely realisation of audit fees and review, audit notes and issue orders for rectification.

He will inspect the cooperative societies as well as the offices of the subordinate officers and conduct inquiry into the affairs of societies in conformity with cooperative Acts and Rules. He will make an enquiry upon a written complaint against any officers and take steps for settlement of disputes involving cooperative societies and declare award as per cooperative Acts and Rules.

He will take prompt action for distribution of loan among the members and make an assessment of loan requirement of cooperative societies. He will see that the purpose for which loan is advanced is properly utilized. He will issue necessary orders for timely recovery of loan, supervise the collection of drive initiated for recovery of loan, and explore all possibilities for recovery of outstanding loan.

He will also organise group discussion among the cooperators, coordinate the activities of different types of cooperatives and take steps for evaluation of cooperative activities and follow up action in the light of evaluation.

He will be responsible for the preparation of annual budget, supervise the activities of staff and act as drawing and disbursing officer.

He will prepare reports, returns, etc, collect annual statistics on cooperatives and highlight the activities of cooperatives and keep the authority informed of the same.

Thana Livestock Officer

Thana Livestock Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi officer.

He will be responsible for vaccination against contagious and infectious diseases of livestock and poultry, improvement of livestock and poultry breeds, extension. Motivation and training of farmers regarding scientific rearing of livestock and poultry and extension, motivation and training of farmers on cultivation of high yielding varieties of fodder.

He will initiate and prepare development scheme/projects and arrange to execute the same after due approval by the TP/ZP, and participate in the implementation of special projects at national level.

He will be responsible for maintenance of stores and equipment and undertake survey of livestock and poultry resources and potential. He will review the activities in his sector and report to Thana Nirbahi Officer about the activities and also maintain contact with research centres both at national and regional level.

He will be responsible for distribution of improved poultry and other livestock, establishment and maintenance of poultry farms for multiplication of improved breed as approved by the department and provision and maintenance of veterinary aid centres.

Thana Fishery Officer

Thana Fishery Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi officer.

He will participate in management of khas fisheries (jalmahal including collection, compilation and interpretation of biological data to ensure harvest at sustainable yield level.

He will undertake extension service on acquayculture, fishery resources survey, preparation and supervision of implementation production plan. He will be responsible for enforcement of different fishery laws, collection, compilation and interpretation of socio-economic, marketing and similar other data on fisheries and mobilisation and coordination of input supplies including credit for fisheries development.

He will also be responsible for planning for fish production, marketing and transportation, monitoring and evaluation of fisheries project and training and motiattion of fish farmers, fishermen and preparation of training schedule. He will review the activities and report them to concerned authorities.

He will carry out scientific pisc culture in ponds and reservoirs and be responsible for stocking of fish in tanks and reservoirs in Thana Headquarters and supervision of fisheries in the Union. He will also participate in the implementation of special projects at national level.

Thana Social Welfare Officer

Thana Social Welfare Officer will work under the guidance of Thana Parishad as coordinated by Thana Nirbahi Officer.

He will exercise overall supervision of the work and guidance to rural social service programme personnel of the thana and take care of all establishment matters pertaining to his Thana office.

He will conduct socio-economic surveys of programme villages in order to identify felt needs of such villages and identify various groups, namely the children, the youth, the women and the elderly people from among the disadvantageous segments of the population of the programme villages for income generating activities including skill development training for such groups.

He will be responsible for organisation and motivation of the community for attaining the objectives of rural social service programme, programme development and implementation of such programme, mobilization of community

resource organising various socio-economic activities, namely, family planning, nutrition, functional education and child health care in the project villages and arranging approval of socio-economic schemes by the competent authorities.

He will organise training of field staff and community to help in attaining project objectives and ensure proper utilization of all resources, cash and kind-placed at his disposal for development of programme in the thana.

He will devise ways and means to utilise voluntary social welfare agencies in the thana for social work activities and be responsible for supervision of and guidance to all voluntary agencies registered with the Department of Social Welfare located in the thana.

He will coordinate activities of departmental programme with other nation building departments of the programme of thana and submit prescribed periodical reports and returns to the appropriate authorities of the thana and the department. He will also undertake evaluation of the department programme of the thana.

Thana Rural Development Officer

Thana Rural Development Officer will work under the guidance of the thana parishad as coordinated by Thana Nirbahi Officer.

He will supervise, recruit, train and promote TCCA staff, coordinate the activities of the TCCA and delegate powers to the subordinates and ensure timely entries of books and registers.

He will be responsible for all necessary purchases and sales, preparation of budgets, annual stock statements, reports and returns for the higher authorities and secretary's reports for presentation to the annual general meeting.

He will supervise and inspect field staff, KSS's TIP groups and other schemes and will be responsible for organising the supply of inputs and credit to the members, formation of own capital and planning for agricultural marketing.

He will promote the implementation of new and improved techniques in agriculture and other extension activities such as TCCA women programme, etc. will also promote "Comilla type" cooperatives, organise farmers into cohesive and disciplined groups for planned development, encourage enrolment of new members cooperation between KSS's and liquidate dormant societies.

He will plan and organise training programmes for model farmers, KSS managers, TCCA fild staff and KSS directors and members and also plan for and participate in the meetings of the TCCA, participate as the TCCA representative in meetings at district thana levels and participate as far as possible in meetings of the primary societies.

He will advise and guide the managing committee of the TCCA on acts, rules and central policy decisions and refer to higher authorities in case of doubt.

Thana Statistical Officer

Thana Statistical Officer will work under the guidance of thana parishad as coordinated by Thana Nirbahi Officer.

He will perform all duties at the field level as per directives received from the Statistical Head Office at Dhaka/District Statistical Office from time to time. He will ensure proper administration and management of the Thana Statistical Office by proper distribution of work amongst the field personnel at administrative functions of the thana statistical office and provide all assistance to thana parishad with respect to thana statistics required for thana development.

He will collect actual income and expenditure accounts annually of all Pourashavas and Union Councils located within the thana and submit it to Dhaka headquarters through district statistical office. He will collect and compile statistics on all development projects under the Food for Work Programme, Union Council Programme and annual development programme of the government and other agencies. He will also collect and compile statistics on all development projects undertaken by Non-Government Organisations (NGO) and other private agencies within the thana.

He will carry out the following functions in respect of current agricultural statistics:

a. Periodical observation of sample clusters located in the thana and submit observation report.

b. Crop cutting experiments with respect to rice, jute and other selected crops in plots located within and outside clusters.

c. Collection of selected statistical information from agricultural and other statistics of the cluster mouza (mouzas in which sample clusters are located) and

e. Collection of selected information from all offices in the thana on quarterly and annual basis for compiling thana development indicators.

The Thana Statistical Officer will also perform the following field operations in connection with nationwide agriculture census programme:

a. Delineation of enumeration areas in mouzas and locate them on mouza maps supplied by headquarters.

b. Selection and appointment of supervisors and enumerators for the agricultural census from amongst the local educated unemployed youths and other persons.

c. Preparation of mouza profile by filling up the forms supplied by the headquarters and return by the prescribed date.

d. Undertaking training required for performing the functions of zonal officer in the agricultural census.

e. Imparting training to agricultural census supervisors and enumerators on the basis of verbatim training manual prepared by the headquarters and

f. Performance of all logistics and other field functions in connection with agricultural census.

He will also prepare lists of all hats and bazars in the thana and collect prices paid and received by farmers on the basis of actual transactions monitored in selected hats, bazars and households, conduct sample surveys and censuses with respect to cottage industry, establishment, land occupancy, household income and expenditure, rural construction, trade and other non-agricultural activities in the thana, and prepare and update maps of all existing and new clusters in all unions of the thana and also complete measure of all plots in the clusters adopting triangulation method.

He will collect phasewise statistics of all mouzas according to instruction received from the headquarters and the district statistical office and compile "thana statistical source book" for use of all thana level officers, local bodies and the general public and perform all field duties in respect of population and other census and also major sample/surveys and programmes as per directives received from the Headquarter and the district statistical office.

Thana Mass Communication Officer

Thana Mass Communication Officer will work under the guidance of thana parishad as coordinated by Thana Nirbahi Officer.

He will execute publicity of the policies of the government thana parishad through direct mass contact and inter-personal communication and hold group gatherings and public meeting to disseminate information and educate the general masses in rural areas on development activities of the government/ thana parishad.

He will hold cinema shows in rural areas by the mobile cinema units on development activities of the government and send news to PID/BSS regarding development activities of the thana parishad for publication in the newspapers. He will provide PAE coverage and facilities for meetings etc., of the government/thana parishad and supervise exhibition of government newsreels in the cinema halls.

He will supervise distribution of pahphlets, bookets and posters of all department and of the government/thana parishad and prepare public reaction on the various activities of the government and sent it to government/thana parishad.

He will maintain liaison/coordination with all government departments located in the thana.

Munsiff

Munsiffs will try regular civil suits up to the valuation Tk 20,000 and SCC suits up to the valuation of Tk 3,000 by Munsiffs at thana level (subject to amendment).

Senior Munsiffs vested with special powers shall have jurisdiction to try regular suits up to the valuation of Tk 50,000 and SCC suits up to the valuation of Tk 5,000 (subject to amendment).

The Munsiffs will also hear and dispose of money suits and all other miscellaneous cases.

He will act as ex-officio rent controller and decide matters connected with it, and grant succession certificates, probates and letters of administration in unconstested cases.

The duties of the Munsiffs also include hearing of court fee, value of stamp matters etc. arising out of suits and cases field by the parties, hearing and disposal of interlocutory matters arising of suits and cases pending in the court hearing and disposal of excases field by the parties for execution of the decrees and order, general administration and superintendence of his court and office administration and superintendence of Nezarat accounts coping department, record room and library, making correspondence with government and Supreme Court through District Judge, making correspondence with District Judge in respect of office administration; holding annual inspection of his court office and departments attached with and submission of inspection reports to the District Judge.

Thana Magistrate

Thana Magistrate will be vested with sufficient magisterial powers to enable him to take cognizance and disposal of criminal cases. He will function independently of thana administration.

Thana Revenue Officer

Thana Revenue Officer will work under the guidance of Thana Nirbahi Officer.

He will maintain land recodds of rights, and collect land revenue with the help of Tahsildars.

He will be responsile for mutation and separation of khas and updating of records with the transfer of ownership of land. He will also make settlement of khas land reclaimed lands and maintain up-to-date recods.

His duties also include disposal of rent certificate case collection of unrecovered government revenue and government dues instituting certificate cases against the defaulters.

Officer-in-Charge Police Station

Officer-in-charge of a police station will maintain public order under supervision of Thana Nirbahi officer.

He will be responsible for police administration of the thana, prevention, detection and investigation of crime, college of intelligence, execution of processes and all other duties as per police regulation and government order.

Thana Ansar and VDP Officer

Thana Ansar and VDP officer will work under the guidance of Thana Nirbahi Officer.

He will assist the police in maintenance of public order and take part in development activities as directed by thana parishad.

He will act as auxiliary force to regular forces in guarding VPs/KPIs and in national emergency.

CSO: 4600/1342

FOOD MINISTER DETAILS GOVERNMENT FOOD POLICY

Dhaka THE BANGLADESH TIMES in English 7 Nov 82 Supplement pp 2-3, 7

[Article by Air Vice-Marshal (Retd) Abdul Gaffar Mahmood]

[Text] Food Policy: Increasing food production in a developing country remains the primary focus in the fight against poverty, hunger and malnutrition. The widespread realization of the urgency of handling the food problems has led many developing countries to reassess the priority given to food. The Food Policy strategy as evolved by the FAO Council in Sept 1979 emphasises purposive analyses of production, consumption, marketing and overall food management problems.

Food problem is by far the most critical issue in our struggle to attain both social and economic stability. It is firstly a production problem and then a management problem. Food Policy in Bangladesh encompasses various inter-related issues like production, demand and supply, movement, marketing, management, resource mobilization, institutional infrastructure. The essential elements of the country's food policy strategies are:-

a) Increasing food production and its rational distribution with least possible use of resources.

b) Production, movement, distribution and consumption of food without undue and extreme fluctuation of a transitory nature.

c) Restructuring public disbribution system for attainment of a measure of fairness in food distribution as well as assurance of enough food for the needy.

d) Attainment of self-sufficiency.

e) Building up security reserves for stabilising market and meeting unforeseen emergencies.

f) Continued price support programmes to the growers.

g) Promotion of market intelligence and institutional infrastructures for effective food management.

The hardcore of today's food policy issues are:

I) to manage and operate country's overall food system;

ii) to strengthen the implementation of national food policy programmes; and

iii) to establish a dependable food security system in the country.

Supply and Demand Strategies: Sluggish growth and high variability have characterized food production in Bangladesh over the past three decades. The growth in staple food production, i.e. rice and wheat, fell behind population growth during the last two decades which has necessitated increasing level of food assistance imports. In spite of avowed objective of successive plan documents to achieve self-sufficiency in food production, the goal has become rather difficult to attain. Foodgrain production in Bangladesh over a period of the last fifteen years is estimated at about 2 percent per annum on average compared to 2.7 percent population growth rate during the same period. The net result of this sluggish performance has been continuous food insecurities and food imports to meet the need.

In realization of the seriousness of this continued imbalance in the country's food situation, the Government has renewed the emphasis on agricultural development, particularly on food production. The Medium Term Food Production Plan (180-1985) is committed to achieve a rate of 6.5 percent production growth per annum. Such high rates of growth are indeed necessary for achieving self-sufficiency in food over the plan period. It is, however, a fact food self-sufficiency in Bangladesh is achievable despite rather disappointing records in the past. With an increase of about 13 lac tons in a single production season, the production record has already touched a new record of 14.7 million tons in 1980-81. Boro and Wheat in the meantime have made record level production of 3.1 and 1.1 million tons respectively. Despite continued unfavourable weather conditions during the last few months, a conservative estimate of about 15 million tons has been made for the current crop season. The national food gap has already been reduced to a little over one million tons from that of 2.6/ 2.7 million tons during the early span of '70s.

In order to increase productivity, Bangladesh has laid top priority to the massive development as well as expansion of irrigation and modern agricultural inputs. Effects have also been made to improve the financial, managerial, operational and institutional logistics along with physical input mobilization. The pursuits for a developed and stable food policy strategies are not limited to the production efforts only. These are equally followed by well-planned food management and system policy approaches and infrastructural developments in all facets of the food system, i.e.-- movement, distribution, storage, processing, quality control, management, information, security, reserves, marketing and trade early warning, etc.

In the backdrop of our continued vulnerabilities in the food sector, a comprehensive plan of actions have been on development, as follows, to rapidly move toward a balanced net of food system in the country.

a) Adoption of foodgrain stock and distribution policies.

b) Proper management and release of stocks.

c) Measures to feed the low income and vulnerable poor.

d) Development of a viable food security system.

e) Collective self-reliance through price support programme, co-operative marketing efforts and reserve maintenance.

The policies outlined above constitute an integrated package to ameliorate food problem in Bangladesh. The policy approaches in the fields of procurement, distribution, imports, marketing, stock building and management infrastructures have been designed to be consistent with each other and at the same time intended for developing the entire food system.

With the objectives of achieving growth equay and stability in our food strategy, a more rational as well as pragmatic approach in the food distribution mechanisms and policies has since been evolved. Food collected through imports and internal procurement is channeled out through a number of distribution media to both urban and rural people. It is geared towards providing subsidized food grains to certain people. Outflows from the underprivileged segments of Government stock consist mainly of statutory rationing, modified rationing, priority distribution, open market sales, market operation, emergency relief operation, large employers, food for work etc. To ratio lise the public distribution system and to promote the market mechanism, the following measures have been adopted:

1. more distribution to the rural poor and needy.

2. open market sales and market operation.

3. grudal restriction of ration distribution [as publish].

4. reduction of subsidies on public food distribution.

In order to provide price support to the growers, mobilize national security and operational reserves and also to promote market stability, domestic procurement of a food grains has long been a gigantic operation. It involves extensive field activities up to the village level. It is no more a seasonal and crop based operation. The whole operation has now turned into a countrywide round the year task. The Government has now to maintain as many as 800 procurement centres. The highest procurement in the last decade was 10.16 lac tons in 1980-81 and lowest 0.7 lac tons in 1973-74.

Government has been continuously pursuing for an active stock policy in the sense of keeping certain minimum stock levels to ensure a continuing availability of foodgrains. Stocks which have been accumulated in the past would appear to have resulted more by chance than by a clearly elaborated programme. To provide for the food security of a country it is first necessary to ensure that the normal mechanisms are capable of handling the day to day food requirements of the country. This requires that adequate provision is made to make available sufficient supplies of food from indigenous sources and from imports. As for food security reserves, we have been continuously endeavouring to build up at least 1.5 million tons stock level in the form of dead stock, operational stock and emergency stock.

It is experienced that storage plays an important role at various stages of food management and operations. In effect, storage is an integral part of the food system. Interventions in the food sector and food security reserve programmes require substantial capacity for stocking and distributing food. The maintenance of a continuous flow of food from one point to another point needs sufficient storage capacity of each point in the food chain. The Food Division now owns storage facility nominally rated at 1.65 million tons besides a hired provision of about .15 million tons. This storage space includes some of the newly constructed godowns. Construction of several (on-going and pipeline) godowns under various programmes are planned to be completed by June '84. All these new schemes, when completed, would provide a maximum storage capacity (for rice, wheat and salt) of about 2.0 million tons. For proper and effective storage system, both bulk and bagging storage facilities have been developed.

In a chronic food deficit economy of Bangladesh the post-harvest loss due to traditional processing system is obviously a threat to the country's food policy and strategies. Improved processing system can produce higher out-turns of rice and qualitative by-products and can reduce the storage, transit and handling losses and can also reduce post-harvest losses to a great extent. To this object multitude of development programmes have been taken up to set up automatic rice mills, driers, automatic handling and loading facilities, etc. at the major food strategic points.

It is evident that the envisaged expansion of food output in the Second Five-Year Plan (SFYP) will bring about a wholesome change in private grain trade and marketing to the desired extent as a result of improvement in the supply situation. In recent years about 85 percent of marketing of domestic food production has been done through private traders. More than half of the projected increase in food output is likely to be marketed through the private sector even though the Government procurement will be four times the quantity procured in recent normal harvesting years.

Sufficient food production, developed and efficient marketing by the private sector, backed up by a balanced national food security net where public distribution system has an effective role are the necessary precondition for a stable food situation in any country. The objective is to ensure "availability of foodgrain for all."

CSO: 4600/1342

BRIEFS

NEW AMBASSADOR TO NIGERIA--An agreement has been accorded to the proposed appointment of His Excellency Mr Theopilus Oladega Ayinla Asiwaju-Dada as ambassador extraordinary and plenipotentiary of the Federal Republic of Nigeria to the Socialist Republic of the Union of Burma in succession to His Excellency Chief J. O. Omolodun. [Excerpt] [BK161422 Rangoon WORKING PEOPLE'S DAILY in English 4 Dec 82 p 1 BK]

CSO: 4200/223

GANDHI INTERVIEWED ON FRENCH TIES, AFGHAN, DOMESTIC ISSUES

PM021451 Paris LE MONDE in French 27 Nov 82 pp 1, 5

[Interview with Indian Prime Minister Indira Gandhi by Patrick Frances--date and place not given]

[Text] [Question] What do you expect from President Mitterrand's visit?

[Answer] The aim on both sides is to show our good will. No agenda is scheduled. We will make a broad review of the international situation. We will also discuss bilateral subjects, although the latter are generally dealt with at other levels before or after the meeting.

[Question] Is it possible to talk of a honeymoon between France and India?

[Answer] That is a journalistic invention. No two countries can have absolutely identical views. But it is true that we have no major problem with France. Of course, that country belongs to a bloc whereas we are nonaligned, and our views differ on many subjects. But we believe in the coexistence of all countries because we are on the same planet and we must learn to live together. Thus it is up to us to find spheres in which we can cooperate and, if possible, to extend their scope.

[Question] What do you think of the French military presence in the Indian Ocean?

[Answer] What concerns us most is the existence of a nuclear base (American) on Diego Garcia.

[Question] How do you explain the fact that our economic relations are not on the same level as our political relations?

[Answer] For a long time the French scarcely bothered about India. France was mainly interested in French-speaking Africa. Today you are expanding your field of vision and making up to the fantastic potential offered by India.

[Question] France declares itself to be the Third World's ally. Do you see the practical effects of that?

[Answer] President Mitterrand has often expressed that view, especially at the Versailles summit. He has very clearly advocated global negotiations.

[Question] But surely that is just talk?

[Answer] Other countries have not even gone that far. You have to start somewhere. Moreover, France has attained the set objective in the sphere of aid to the developing countries.

[Question] Do you think that Brezhnev's death will bring about a change in the USSR's policy?

[Answer] Every country acts according to its national interest. In Brezhnev's day it was already possible to see a visible desire to reach some kind of agreement behind the tough talk. I personally think that the Soviets want to live in peace, taking account of their own problems.

[Question] Is the diplomatic recentering exercise which India seems to be carrying out the result of the Soviet presence in Afghanistan?

[Answer] We are opposed to any military presence in any country at all, but that has absolutely nothing to do with our foreign policy. Moreover, it is wrong to claim that our policy is not balanced. Indeed, if you count the number of times I have visited the United States and the USSR, you will observe that the number is equal--or even that there is an advantage in favor of the United States. As I told you, we believe in friendship with all countries. But it is true that the USSR has always stood by us in difficult times and that it helped us build up our industry after the United States and the FRG refused to help us. It was only then that we turned to the Soviet Union--to which we can also pay for our purchases in rubles, and that enables us to save valuable currency.

However, our main aim is to obtain what is in our best interest, and we have always tried to diversify our sources of supply. Moreover we also want to find partners on whom we can rely even in times of crisis. That is why we want to cooperate with France, because we think we can trust it.

Afghanistan: Nothing Can Be Obtained by Condemnation

[Question] With regard to Afghanistan, you have adopted an attitude toward the USSR based not on condemnation but on persuasion. You do not seem to have achieved many results?

[Answer] And what results has condemnation achieved? For our part we think that if there had not been that hasty universal condemnation, something could have been achieved. But the condemnation antagonized a country which feels surrounded by its adversaries and prompted it not to make concessions but to strengthen its position. In addition the same concerted condemnation was not pronounced on other interference by other countries in other places.

Indeed, nothing can be obtained by condemnation. But at present it is no longer a question of persuasion. What counts is what the Soviets regard as their national interest. They do not want to remain in Afghanistan because that is an

additional burden on them, but they cannot withdraw while the Afghan Government needs them. The latter thinks that as long as the rebels receive foreign aid it cannot ask the Soviet Army to withdraw. Nonetheless some talks are apparently now taking place between Pakistan and Afghanistan; let us hope they will achieve something.

[Question] Does the Soviet presence in Afghanistan pose a threat to India, in particular by prompting Pakistani rearmament?

[Answer] The latter would have taken place whatever happened. Pakistan merely took advantage of the situation. It found a pretext, a very good excuse. Similarly, the increased foreign presence in the Indian Ocean has nothing to do with the Afghan crisis.

[Question] Are we witnessing a breakthrough in Indo-Pakistani relations?

[Answer] We have been trying to normalize our relations with Pakistan for a long time. Today we are trying to revive the spirit of the Simla agreement (1972), and we are proposing a peace, friendship and cooperation treaty to Pakistan. Discussions are at present under way.

[Question] How do you view your role as chairman of the nonaligned countries?

[Answer] We believe that that movement still has its raison d'etre. The proof of this is that, despite all the attempts which have been made to divide, denigrate and ridicule it, the number of countries wishing to join it has constantly increased. That expansion may give the impression of a lack of cohesion. It will be up to the next summit to strive to maintain the movement's strength and unity. It will also be up to it to increase cooperation with the developing countries, which is a necessary complement to North-South trade.

The Internal Crises Can Be Overcome

[Question] Do you not feel you are ruling a country whose unity will not outlive you? Revolt is stirring in all parts of the country.

[Answer] Qutie the reverse. I am absolutely certain that Indian unity will survive in the future, provided the world itself is not destroyed. Indeed democracy makes all those little explosions possible, and if you tried to contain them, they would be likely to blow the country apart. The present problems are the price to be paid for progress. Everybody thinks that he should get more and everybody feels injured. And those who are best off are the most discontented. In the Punjab a group which claims to be religious is in fact exploiting religion for political ends. Why did they not meet their present demands when they were in power? The problem is that those who launch the agitation are overtaken by the extremists and doomed to take things further. The same is happening in Assam. But India has already experienced many similar crises in the past and has overcome them.

[Question] Is the situation in the Northeast as serious as some people say?

[Answer] The elections which have just been held in Nagaland gave rise to only a very few incidents. The situation in Mizoram is perfectly calm.

[Question] So foreign journalists can go there?

[Answer] No, you cannot. The British denied us access to the areas before independence.... Indeed the local populations themselves do not want to be visited by foreigners likely to interfere in their affairs. For instance, clashes have taken place in Nagaland in the past, but we have reached an agreement and then held elections.

[Question] India now seems to be opening up more to foreign technology and capital. Is it turning its back on its avowed desire for self-sufficiency?

[Answer] Not at all. We have always needed foreign aid. We now need more sophisticated equipment. Our objectives are still: First, self-sufficiency, because we must be able to face crisis periods alone; second, economic and social justice. We have a mixed economy which leans toward socialism--but a socialism very different from that of the communist countries.

[Question] Is that why the Indian Left is fighting you?

[Answer] No, it is because it realizes that it has no chance while I am here.

[Question] Do your debts not worry you?

[Answer] They remain at a reasonable level, but the economic situation is not satisfactory and is a source of concern. But I do not believe that the situation is uncontrollable.

[Question] Is the battle not lost in advance if you do not succeed in controlling the growth of your population?

[Answer] We have never pursued a policy of coercion in this sphere, as opposition propaganda has maintained. The latter's success has led to a setback in the birth-control policy. Today the problem is how to reach the poorest categories. We cannot coerce anybody in this sphere. We must persuade and educate people.... But our population has nonetheless doubled since independence. All our efforts in the sphere of education, health, employment and, especially, housing are futile in face of this sea of people.

I Do Not Have Time To Be Tired

[Question] Would you like to retire?

[Answer] First, I never really wanted to be where I am. For me, politics has never been a question of position but the expression of a very strong sense of duty. Whether I am prime minister or not does not matter. Moreover, I do not have time to be tired. Life is too exciting and its challenge must constantly be accepted.

[Question] Would you be happy to see your son, Rajiv, succeed you?

[Answer] I would, of course, like my son to be able to do something useful for his country. But it is up to my party and the country to decide who will succeed me.

[Question] What about Maneka, your daughter-in-law, who is calling on the voters to vote against your party?

[Answer] She had never been involved in politics. She is now very ambitious.

CSO: 4600/1379

ARTICLE NOTES GOOD DEVELOPMENT OF LPDR'S FOREIGN TRADE

Hanoi NGOAI THUONG in Vietnamese No 12, Dec 81 pp 22-24, 35

[Article by Vu Huu Tuu: "Some Notes on the Foreign Trade of the LPDR"]

[Text] The foreign trade of a country is always closely linked with its geographical conditions. This is also true with the LPDR. Therefore, to study the foreign trade of Laos I should think we need to know a few things about its geographical conditions.

Laos does not have a coastline but it has up to 4,825 kilometers of land borders, with Vietnam (1,957 km.), Kampuchea (492 km.), China (416 km.), Burma (230 km.) and Thailand (1,730 km.) adjoining it, including 1,500 kilometers of river borders. These neighboring countries naturally account for an important part in its total foreign trade value.

With more than 60 percent of its area being forests, Laos is potentially capable of expanding export of forestry products. Currently its industry is still small. As of the end of 1980, the LPDR had only nearly 20 central industrial enterprises, with 56 percent of them being state enterprises, 12 percent joint state-private enterprises and 32 percent private enterprises. Of the industrial installations the export-import workers usually pay attention to the following: the Nam Ngum power plant that exported 640-660 million kilowatts of power a year, the Bo Kua tin mine that had the exporting capacity of 90-100 tons per year, the Dong Heng gypsum mine that could export 20,000 tons annually, etc.

At the present time, agriculture is the largest economic sector in Laos. Of its population of 3,846,000, 3,056,800 persons (or 87.3 percent) live on agriculture. As of the end of 1980, more than 20 percent of the cultivated area belonged to cooperatives.

Its communications and transportation, which had been backward, were heavily damaged by the war. As of the beginning of 1981, there were only 500 kilometers

of asphalted roads out of over 38,000 kilometers of land routes. The Mekong River that flows along the length of the country, instead of being a convenient route, has too many large and small rapids that have not yet been destroyed and has been plagued by frequent ambushes laid by the Thai reactionaries along the Lao-Thai border section (1,500 kilometers long).

The difficult communications and transportation conditions, along with other factors, also keep the Lao countryside in the state of self-supplied and self-sufficient economy and slows down the development of the commodities-based economy here.

Right after the country had been completely liberated, the Lao party and government paid appropriate attention to developing the foreign trade. In his book entitled, "Some Major Experiences and Problems About the Direction for the Lao Revolution in the Present Stage," Kaysone Phomvihan, the party general secretary and premier, wrote: "Along with production, we must attach an extremely great importance to the commercial work, including both domestic and foreign trade." At the 7th conference to popularize the resolution of the LPRP Central Committee he once again stated: "In the present era, every country must have economic relations with foreign countries."

Thanks to this concern, the Lao foreign trade has been developed at a fast speed. As 1980 ended, the total value of the Lao foreign trade was about 87.5-88 million dollars. If 1976, the first year following the national liberation, were use as a point of reference for comparison, we would have the following table:

	1976	1977	1978	1979	1980
Export	100	112.96	114.34	343.70	456.77
Import	100	99.24	29.96	128.30	273.28

(Notes: The 1980 figures are our estimates. The figures of the preceding years are our calculations based on Statistical Notice issued by the LPDR State Planning Commission.)

In the 5-year period (1976-1980) the total foreign trade value increased by 3.3 times. That was quite a high rate of development.

Prior to the day of national liberation (2 December 1975), the entire foreign trade of the Lao Kingdom had been in private hands, particularly in the hands of foreign bourgeois (French, Thai, Chinese and Indians). After that date, numbed by the victory of the revolution, the large majority of these bourgeois exporters-importers fled to other countries. Those who had chosen to remain with the new regime mostly were those who had little capital; the most well-known among them were Leng Oudom, Siha, Khambai, Vilapandek and Somboun Inthavong.

To achieve state monopoly of foreign trade, the Lao party and government had to carry on the transformation, in appropriate forms, of those bourgeois exporters and importers and to switch them to other occupations.

In addition to this transformation among the private businessmen, the question of developing the state-operated foreign trade organizations has been raised in the LPDR. While resolving this problem, the Lao party and government have been seeking the most compact formulas being most suitable for the present economic and political conditions of Laos. Right after the seizure of power, the state established the Lao Export-Import Corporation. In 1979, another foreign trade corporation was established: Lao Trensit or Lao Foreign Trade Transportation and Delivery Corporation. In 1980, these two foreign trade corporations were merged with two domestic trade corporations to establish Lao Comex or Lao Commercial Corporation. The development of the Lao commerce (both domestic and foreign trade) in the years to come will require the specialization of business and certainly will not retain the present form of foreign trade organization.

In the 4 first years following the seizure of power, the export pattern showed that industrial and handicraft goods accounted for the largest percentages as the following table indicates:

Export pattern from 1976 to 1979

(Unit: percent)

	1976	1977	1978	1979
- Total foreign trade value	100	100	100	100
Consisting of:				
- Industrial and handicraft products	49.2	58.2	56.5	81.3
- Agricultural products	49.1	37.7	41.5	16.9
- Forest products	1.6	2.9	0.8	1.1
- Other goods	0.1	0.2	1.2	0.7

(Source of data: Figures have been compiled on the basis of the 1979 Statistical Notice of the Lao State Planning Commission.)

A number of goods from Laos that customers in Southeast Asia liked included Pak Song coffee, May Dou wood, cardamom, special resin, etc.

The above-mentioned export pattern did not truly reflect the country's economic level and capabilities, for as the total export value of an agricultural country showed, agricultural and forest products accounted for only 16.9 and 1.1 percent, respectively.

The lines of export goods were not widened very much. The 1980 annual statistical report still repeated the same lines of goods that had been reported in 1979: coffee, wood and wood products, cardamom, shellac, electricity, gypsum, tin ore, etc.

Due to the difficulties in connection with communications and means of transportation, many other lines of goods had not been exploited for export.

Due to a limited list of export goods and the fact that the need for import was great, in 1980 the export value was only nearly 75 percent of the import value.

In the import pattern that Laos followed in the recent years, the volume of consumer goods tended to decrease and the volume of capital goods to increase. That was a correct tendency that pointed to greater attention being paid to developing the country's production in order to build a prosperous Laos on the basis of an independent and self-ruled economy.

The pattern of Lao imports in the last few years is shown in the following table:

Import pattern in the first few years following the seizure of power

(Unit: percent)

	1976	1977	1978	1979
Total value of imports	100	100	100	100
Consisting of:				
I - Means of production:	41.5	44.7	78	68
1. Equipment and parts	0.7	6.1	7.6	10.8
2. Raw materials and fuels	40.8	38.6	70.4	57.2
II - Consumer goods	58.5	55.3	22	32
1. Grain and foods	52.8	41.3	1.6	14.6
2. Materials, clothes	1	3	10.3	8.5
3. Other consumer goods	4.7	11	10.1	8.9

(Source of data: Figures have been compiled on the basis of the 1979 Statistical Notice of the Lao State Planning Commission.)

However, in the list of goods imported from the capitalist market into Laos today, according to the Custom Office statistics, there still are goods that the country can produce, such as English cigarettes, West German and Japanese canned beer, etc. There still are luxurious consumer goods that flood the domestic market with large quantities, such as digital watches of various kinds, high-grade cotton and woolen materials, etc.

In industry, if attention were paid to using domestic raw materials, the need to import raw materials would be less critical; for instance, domestic tobacco can be used to replace imported cigarettes, old beer bottles to replace imported bottles for beer and soft drinks, etc.

The value of Laos's trade with the socialist countries only accounted for about 34 percent of the 1980 total foreign trade value. The familiar markets for Laos were those of Thailand, Japan, Singapore, Burma and Vietnam.

The above-mentioned data show that the Lao foreign trade, since the day the country as a whole was totally liberated, has been developed quite quickly and has been undergoing a transformation to become a socialist foreign trade. However, in the course of its progress, this sector still encounters considerable difficulties and obstacles and still has to fulfill many tasks that are far from minor, such as positively setting up the system of state monopoly of foreign trade, stepping up production of export goods in order to develop the export business, gradually balancing export and import, drafting the regulations for foreign trade management, building an organizational structure for foreign trade management and enterprise suitable for Laos, etc.

Laos is Vietnam's western neighbor. But the relations between Vietnam and Laos are not only the relations between neighboring countries but also the relations between comrades and brothers who really want to live and die together. Both the LPRP and VCP have grown up from the Indochinese Communist Party, which was established and taught by President Ho Chi Minh. In every inch of the Lao territory there was blood of Vietnamese and Lao combatants in the resistances against France and America; today, the combatants of the two nations are standing shoulder to shoulder in the fight against the Beijing expansionists and other reactionary forces.

On the basis of this special friendship the trade between the two countries has developed in the most favorable manner.

On the days the Vietnamese pavilion at the 1980 That Luang International Fair was open, members of all Lao nationalities were visiting it in large numbers and so busily from early morning till 2-3 o'clock at night to see the goods displayed and to get to know Vietnam through such goods, although our pavilion was in a modest location, the goods displayed there were not very numerous and the display area was not excessively large.

Every year the trade treaty between the 2 countries requires a trade value of about 5 million dollars on each side, which do not include the value of goods exchanged in accordance with agreements between the pairs of brotherhood provinces.

The lines of goods included in the trade are gradually widened. Vietnam's goods are welcomed by the Lao nationalities because their prices are reasonable and mostly because they can be available exactly at the times Laos needs them. However, our goods are still far from plentiful; their quality is far from high; and their appearance is not very attractive yet.

In addition, in the trade between the two countries, the international trading conditions have not yet been fully applied, with documents and procedures being irrational in some aspects and the trading relations still being oversimplified. We think that as the volume of goods being circulated continues to increase and the

list of goods becomes more diversified everyday, it is high time for the two countries to agree with each other about the fact that they can and need sign the General Conditions for Goods Delivery to regulate the business relations among their juridical and natural persons. To stabilize the foreign trade cash flow between the two countries for a long period, long-term (5- and 10-year) agreements must also be signed to go along with the long-term plans for development of the two countries' national economies.

It is in these forms of foreign economic cooperation that the special friendship between the two countries will be developed to deserve President Ho's teaching:

"If two people are in love, they can climb mountains,
Cross rivers and passes, no matter how many.
The love of our two countries Vietnam and Laos
Is deeper than the depth of the Red and Mekong Rivers."

5598
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EDITORIAL HAILS SOCIALIST REPUBLIC OF VIETNAM NATIONAL DAY

Vientiane SIANG PASASON in Lao 2 Sep 82 pp 1, 3

[Editorial: "Best Wishes to the Socialist Republic of Vietnam on its 37th National Day"]

[Text] Today (2/9) the people throughout Vietnam and their close friends and allies among the Lao People together celebrate this day which was a great turning point in history--their 37th National Day. The atmosphere is happy and lively. The progress of the Vietnamese revolution in the past 37 years has been most difficult with great sacrifices by the brave Vietnamese people. But during the same period there were many famous, resounding victories. On 2/9/1945 after the victory of the August revolution, the Democratic Republic of Vietnam, the first democratic state in Southeast Asia was founded. The workers and farmers state had just been founded a few months when it faced a new invasion from without. For 30 years they had to carry on their revolutionary war. The daring Vietnamese people stood shoulder to shoulder with the Lao and Khmer people in defeating two great imperialists: the French and the Americans. On 30/5/1975 the Vietnamese people fulfilled their goal of freeing the southern part of their country so that Vietnam could be one again and a socialist republic could be built under the skilled leadership of the Communist Party of Vietnam. These heroes also allied themselves to our revolution and the Khmer revolution. They did their duty for world revolution well.

After the liberation of their country the Vietnamese people had to face a new and most dangerous enemy: the Chinese great power hegemonists used the Pol Pot, Teng Sary group, which had betrayed the Khmer people, as their lackeys to wage a provocative war against southwestern Vietnam. In February of 1979 they savagely invaded the northern provinces of Vietnam with a force of 500,000 soldiers. They did not admit the truth of this attack: that they had been taught a painful lesson. Today the Beijing great power hegemonists still persist in their error of using force against Vietnam--they send spies continuously into northern Vietnam to cause confusion. But events have clearly shown that each of their schemes has failed. The Vietnamese people have been able to maintain their independence, sovereignty and territorial integrity. They also maintained the fruits of their revolution and carried on unceasingly with their socialist revolutionary duties.

Because of their revolutionary spirit in all areas of work during the Five Year Plan to develop the economy (1975-1980) the Vietnamese People, despite an invasion and serious natural disasters, were able to achieve success in many areas in 1981. Food production for the country was more than 15 million tons. The area of rice production increased almost 6 million hectares. Animal husbandry was improved and in the same year the number of cattle reached 1,700,000 head. The value of all production of the economy including manufactures in 1980 was 12.8 percent greater than in 1975. During the same year the Socialist Republic of Vietnam was able to generate 5,639.5 million kilowatt hours of electricity. They produced 5.3 million tons of coal, 64 thousand tons of cement, increased cloth production to 175.3 million meters and produced 15.5 million tons of tea. The Socialist Republic of Vietnam achieved success in building socialism in the southern part of Vietnam--30 percent of the farmers are working collectively. They have gone from the primitive to the advanced: from production teams to agricultural cooperatives. At the same time in the north of Vietnam the improvement of agricultural cooperatives was fruitful. Up until 1980 4,200,000 farmers had joined in production. More than one million people went to build new economic areas and they cleared 50,000 hectares of new land. In addition education, public health, and culture were expanded as can be clearly seen. In 1980 there were 12,094,000 students in general education, 133,000 studying specialties, and 146,000 university students. In addition the number of hospitals increased to 2,396 with 198,000 beds. There were 12,400 doctors, 27,000 middle level doctors, 75,000 beginning level doctors and 13,600 midwives. In the area of culture Vietnam was able to produce 29.7 million books and 126 films.

These great victories and accomplishments have advanced the Socialist Republic of Vietnam enable Vietnamese socialism to develop greatly and making comrades of the Vietnamese people. Our people respect these victories which are like our own.

The revolutionary obligations of the two nations, Laos and Vietnam have made them very close in all areas. The Party, government and people of our two countries cherish the Lao-Vietnamese relationship which the great and beloved leader President Ho Chi Minh established and developed unceasingly. Not long ago our two countries joyfully celebrated the fifth anniversary of the signing of the Treaty of Friendship and Cooperation between Laos and Vietnam, an historic event in the development of the special relationship and solidarity between our two countries.

[Our country] agreed to give the "gold medal of the nation," which is our nation's highest honor, to Comrade Le Duan, the Secretary General of the Central Committee of the Communist Party of Vietnam and the Socialist Republic of Vietnam agreed to give the "gold Star," which is the highest honor of Vietnam, to Kaysone Phonvihan the General Secretary of the Central Committee of the Lao People's Revolutionary Party and formerly [as published] the Prime Minister of the Democratic People's Republic of Laos. In addition representatives of our party and state traveled to present the "gold medal of the nation" to Comrade Truong Chinh and Comrade Pham Van Dong the outstanding leader of the Vietnamese people as well as celebrating the 37th National Day

of the Socialist Republic of Vietnam. This is just one episode demonstrating the great friendship and solidarity between the Lao and Vietnamese people among the many showing that friendship and solidarity between Laos-Vietnam-Khmer has become a rule, a certainty. It shows the revolution is growing and it is the basis for the victory over the tricks and sabotage of the Chinese great power hegemonists who are conspiring with the American imperialists and other reactionaries.

On another occasion for celebration the Lao people throughout the country showed their deep gratitude to the party, government and people of Vietnam for their constant support of our revolutionary purpose according to the doctrines of Lenin and the workers international. They also blessed the skillful people behind the leadership of the Communist Party. Comrade Le Duan is the leader who achieved a greater victory than ever in building and protecting his beloved country and making the Socialist Republic of Vietnam into a strong socialist country determined to maintain peace in Indochina, Southeast Asia and the world.

8149
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VIETNAMESE COOPERATION IN BOAT CONSTRUCTION DESCRIBED

Vientiane SIANG PASASON in Lao 2 Sep 82 pp 2, 3

[Article: "Steel Friendship Boat" by B. Kongmali]

[Text] The sky was clar blue and the breeze cool beside the gently flowing Mekong River. This morning, the 29th of August, was a time of increasing friendship in the economic and technical cooperation between the government of the Lao People's Democratic Republic and the Socialist Republic of Vietnam.

At dock No 4 of the City of Vientiane the launching ceremony for the ship built by Lao-Vietnamese cooperation took place. The ceremony's friendly atmosphere included not only Lao and Vietnamese cadres and workers but also the honored presence of the Minister of Public Works, Communications and Transportation, the Vietnamese economic counselor in Laos, representatives from all sections of the country, and invited guests. They enthusiastically joined in the honoring ceremony on this final day of a period so important for the accomplishments of friendship.

Mr. Loui Sisoulat of the committee responsible for ship construction said that, as provided for by the treaty for economic and technical cooperation between the Lao Peoples Democratic Republic and the Socialist Republic of Vietnam, the 1982 plan of the Department of Materials and Machinery of the Ministry of Public Works, Communications and Transportation included cooperation with the Department of Machinery and the ship building company of Haiphong of the Ministry of Communications and Transportation of Vietnam in building two steel oil tankers of 100 tons to be used by Laos.

Concerning this splendid cooperation he also said that Laos and Vietnam had consulted and allocated the work in detail as follows:

We Lao were primarily responsible for supplying the construction materials and tools plus cadres and workers equal in number to those supplied by the Vietnamese with various specialties.

The ship building company (Vietnam) was responsible for technical matters, the design, and leading the construction.

He also said that in order to honor the National Day of the Socialist Republic of Vietnam on 2 September and the National Day of the People's Democratic Republic on 2 December the cadres and workers of both sides volunteered to compete to build and launch the first ship ahead of schedule. The schedule called for 44 days. The competition to honor the National Day of the Socialist Republic of Vietnam called for 4 days less.

This first tanker to be built and launched in the Mekong River was 32 meters long, 6.7 meters wide and able to carry 100 tons of oil.

He stressed that the second ship which was planned to be built to honor 2 December 1982 is ready to be built and launched to honor the National Day on 2 December.

The ceremony to launch the 100 ton steel tanker in the Mekong was completed successfully, and it showed the cooperation and friendship between Laos and Vietnam which has existed since our forefathers set out to achieve the great goal of building a socialist country.

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KENG KABAO PORT CAPACITY, CONSTRUCTION PROGRESS NOTED

Vientiane SIANG PASASON in Lao 3 Sep 82 pp 2, 3

[Article by Bounya Saipanya: "Keng Kabao Today and Tomorrow"]

[excerpts] The port of Keng Kabao is located about 47 kilometers north of Savannakhet City. After the ceremony was over we reporters had an opportunity to talk with the members of the responsible committee for the construction unit working at the port of Keng Kabao. Comrades Matsounmala, Phanthoulat, and Souimalavong all talked with us and gave us the following summary: They had followed the policies established by our party and state for building a socialist economy. Since our country does not have a path to the sea, we had to use the Mekong River as the important water transportation route for moving imports and exports. This being the case, it was necessary to begin building the port of Keng Kabao as one of many strategic ports primarily in Savannakhet Province. Comrade Matsounmala also told us that the construction of this port had begun early in 1980. Before construction began the technicians, that is all our workers, were troubled because the machinery and equipment for construction of the port would have to be modern. And such modern equipment was in distant countries many thousands of kilometers away. In addition the workers had no experience with this technology. After many difficult lessons on the high grass-covered ground here people were saying that evil spirits were loose. But after the project got under way we felt encouraged by many things. That which encouraged us the most in the construction of the port was the close attention paid by the party, the government, and the ministries: we got all the modern equipment and materials we needed. In addition we received cooperation from the provincial and district administrations as well as the localities and the people living near the constriction. The technicians and workers were diligent and hard working, and, even though things sometimes did not work out well, nevertheless everyone was patient and very devoted to their work unit and duties. Another thing which especially raised our spirits were the frequent visits of Mr. Nouhak Phoumsavan, Mr. Sanan Mr. Khamphoui and Mr. Singkapo. They roused us. Their exhortations were like bells. This gave courage to us workers to advance futher. Although the construction of the port is not finished nevertheless progress is being made. Construction is now 60 percent complete. But only 40 percent of the funds have been used.

Comrade Matsounmala also said that in order to achieve successes in the first six months of this year for the Third Party Congress the workers worked

feverishly in a mass drive. During this time we drove 600 piles, we poured 146 meters of (concrete) wall one meter high with a base configuration of 0.20 x 0.60. We filled and packed 1040 cubic meters of embankment to prevent erosion. We placed 800 cubic meters of stone to protect the banks. We built 105 meters of drainage system. We built a roadway in the port area using 3320 cubic meters of packed earth covered with 1000 square meters of red earth. Construction of the fire station is 55 percent complete. The repair shop is 55 percent complete. The kitchen is 45 percent complete. The public toilet is 40 percent complete. The custom house is 30 percent complete. And the hospital is 35 percent complete. The construction in general has been a little slow but that is because the construction equipment and material come from abroad many days away. Sometimes we have had to wait if both construction sites have difficulties such as rain and flooding, which have caused work stoppages and delays. Therefore in order to carry on and impress the Party Congress, our committee came up with a plan to cut 1000 split posts sized C.20-0.30 for 180 meters of Mammakchap embankment to protect the riverbank next to the dock, make a 750 meter long channel and pave the 214 meter road down to the dock with concrete. Construction of the fire station is to be 100 percent complete.

The repair shop is to be 100 percent complete. The public toilet is to be 100 percent complete. The hospital is to be 100 percent complete. The customs house is to be 100 percent complete. Two water towers each capable of holding 15 cubic meters of water are to be 100 percent complete. A two story dormitory for the workers with 40 beds is to be 60 percent complete. At the end of the discussion Comrad Matsounmala, Comrade Phanthouslat and Comrade Souimalavong informed us of the capabilities and deficiencies of our engineers. This port will be ready to handle imports and exports during the dry season of 1984. The dock will have two modern cranes each capable of lifting more than five tons. There will be a warehouse capable of holding 1000 tons. It will also have storage and parking lots and housing for the port officials. We have been sepaking of the capabilities of the port. Compared with the Na Leng-Nong Khai, and Danang-Savannakhet if their [cargos] were shared, Keng Kabao will be able to handle about 320 tons of cargo a day. If one truck can carry six tons, there would be 53 trucks a day passing through Keng Kabao. This is a combined figure and also a low figure.

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PAKISTANI POLITICAL LEADER ON HAQ'S U.S. VISIT

GF131331 Karachi NAWA-I-WAQT in Urdu 9 Dec 82 p 9

[Interview with Professor Ghafoor Ahmad, vice president of the Jama'at-e Islami Party--date not given]

[Text] Question: As a politician, what are your views on President Ziaul Haq's visit to the United States? How would you interpret it?

Answer: The impression that one gets from such tours of the president, his advisors and associates, is that they are free to make political parties and politicians the targets of their criticism during the course of these visits. They blame them for being the cause of their own inabilities. For us it becomes very difficult to answer their charges when they are abroad and the country is faced with danger internally and externally. The only thing that can be said in such circumstances is that only the head of state can reap benefits from such tours if he enjoys the confidence of the people and is answerable to them.

Question: In your opinion, do you think any economic or military benefits will accure from the president's visit?

Answer: We should not try to obtain economic or military benefits from any tour because the superpowers have proved by their attitude that they are not interested in strengthening the military or economic position of the developing states, instead they have their own interests in mind. They ignore the needs of their friends and use them to obtain their own ends. This can be said in another way. That due to Pakistan's geopolitical situation and the position it has gained in the international community, the United States is desirous of forging better relations and of taking steps to strengthen our economic and social position. But I will repeat that better results can be achieved if we had a representative people's government.

Question: Do you agree that after President Ziaul Haq's visit to the United States, democracy will be restored in the country?

Answer: In my opinion, the restoration of democracy in this country has no connection with the current visit of the president because those countries which prefer to have democracy in their own countries do not necessarily wish

for the same in another country but prefer to have one or a few people at the helm of affairs so that they may be able to readily negotiate. Though they may profess to be champions of democracy, they do not favor democracy in developing nations. Their attitude indicates and the entire Pakistani nation knows that democracy is not a plaything which we can acquire with another's intercession. The Pakistani people will have to work for it, for obtaining their rights even if they have to make sacrifices for it.

Question: Don't you think that the president's visit is more significant in view of the presence of Soviet forces in Afghanistan and aren't the expectations that we have from the outcome of this visit realistic?

Answer: People think that the United States is the provider of our economic and military needs and we will be greatly helped in this by the visit. The fact is that at a certain point the interests of both the United States and the Soviet Union become one, there is no doubt that the presence of Soviet forces in Afghanistan is a great cause for concern in Pakistan, and if the U.S. Government and people feel the need for a stronger Pakistan, then we appreciate their concern. We want the Soviet Government and people to feel the same way too, and to discover the importance of Pakistan. They should announce that they are withdrawing their forces from Afghanistan to enable the Afghan people to form a government of their own choice and this will benefit both the Soviet Union and Pakistan.

We do not have any special expectations from this visit and the future attitude of the U.S. Government will reveal what they want from Pakistan

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'JANG' COMMENTS ON REAGAN'S ASSURANCES TO PAKISTAN

GF131355 Lahore JANG in Urdu 9 Dec 82 p 3

[Editorial: "Assurances by President Reagan"]

[Excerpts] U.S. President Ronald Reagan at a reception held for President Ziaul Haq at the White House today said: The world, and especially the region in which Pakistan is located, is passing through a grave period of history and is facing very heavy challenges these days. In these conditions it is essential that countries searching for peace should sit together and try to find answers that will serve the interests of peace and security. President Reagan added: Today Pakistan stands in the frontline of the brotherhood of nations and is discharging a great responsibility toward mankind. President Reagan further said: The American people are well aware of what Pakistan is doing for the Afghan refugees. We are proud to say that you are doing a great service to humanity. The friendship between the United States and Pakistan has stood the tests of time and the relations between these countries are expected to grow even stronger with the passage of time. We shall work together for peace, progress and security. This cooperation between our countries will go on increasing, President Reagan assured President Ziaul Haq that after his American tour he will be convinced that the American people desire closer relations with Pakistan and desire greater cooperation and understanding between the two peoples in the coming years. President Reagan expressed the hope that with the establishment of stronger ties, the United States and Pakistan will be capable of taking a bolder stand in the interest of peace and security.

The United States is a great world power and the words of its president are certainly encouraging and reassuring. The services provided by Pakistan for the cause of peace and security in the world have been acknowledged before, at the various world forums and at the United Nations. Pakistani-United States friendship is as old as Pakistan itself. However, the past history shows that their friendship has not withstood every test of time. Since Pakistan signed a friendship agreement with the United States, it has been the victim of outside aggression three times and the Pakistani people have been complaining that the United States has not been helpful to Pakistan in difficult times. However, despite these bitter experiences, at the time of the Afghan crisis, Pakistan not only did not adopt an opportunist attitude or a policy of convenience, but stood up for the cause of right justice and

humanity and as a result, it has had to provide shelter to more than 3 million Afghan refugees. [passage omitted]

We believe that President Reagan indeed means what he has said. However, in view of the past history and our bitter experiences, the words of the president of the United States should be interpreted by actual deeds, so that in any future test of time Pakistan will not find itself friendless and alone.

As President Reagan has already praised Pakistan's efforts toward betterment of its relations with India and has expressed hope that these efforts will bear fruit, it also is essential that the United States keep in mind the overall needs of the security and integrity of Pakistan and not divide the idea of aggression into several types of aggression. It is imperative that so far as the security and territorial integrity of a country is concerned, its borders should be secure on all sides, not just on one particular side alone. The idea of security becomes ridiculous when the borders are secured from one side, while on the other side they are left open and undefended against aggression. The policy of treating the aggressor and the victim at par can turn the East Asia [as published] into another Middle East. Therefore, it is essential that President Reagan take concrete steps concerning the security of Pakistan and its humane stand and set the relations between our two countries on a sound basis and foundation so that they may not be destroyed by anyone.

CSO: 4656/55

OPINION POLL NOTES LEADERSHIP PREFERENCES

Bangkok PATINYA In Thai 29 Nov 82 pp 24-30

[Article by Sirimana Sattamai: "Results of an Opinion Poll on Important Political Figures: Who Do the Students and People Have Confidence In?"]

[Excerpt] In commenting on politicians, political parties or important political figures, the most important thing that should be analyzed is the confidence, or trust, that the people have in these people. And the way that will enable us to come to a fair conclusion without bias or prejudice entering in is to use the results of a public opinion poll on this matter as the basis for the analysis.

PATINYA would like to present the "results of an opinion poll taken among students and other people on their confidence in the ability of important political figures of today to solve the country's problems." The poll was taken by a research team from the Phithak Pracha Company Ltd. This team, headed by Dr Somchai Rakwichit, polled 603 students during the period 1-7 September 1982. This sample was composed of 120 students from Kasetsat University, 120 from Thammasat University, 120 from Chulalongkorn University and 243 from Ramkhamhaeng University. Another sample of 601 people [in general] was polled during the period 13-20 September 1982. This sample was divided by region as follows: 140 people from the north, 104 from the south, 95 from the northeast, 185 from the central region and the east, and 113 from Bangkok.

The research team of the Phithak Pracha Company polled the students and people to obtain their views on eight important political figures in Thailand. These eight were: Major General Praman Adireksan, the leader of the Thai Nation Party; Mr Bunchu Rotchanasathian, the deputy leader of the Social Action Party; Mr Phichai Rattakun, the leader of the Democrat Party; General Athit Kamlangek, the RTA CINC; General Kriangsak Chamanan, the leader of the National Democracy Party; Mr Samak Sunthonwet, the leader of the Thai Citizens' Party; General Prem Tinsulanon, the present prime minister; and M.R.W. Khukrit Pramot, the leader of the Social Action Party.

To conduct this poll, the people were interviewed directly. The researchers asked the following question: "After the election of MPs in April 1983, if

one of the following people were chosen to be the new prime minister, do you think that that person would be able to solve the country's problems?" Those interviewed were asked to select the one response, out of the five responses given, that they agreed with the most. The five responses given were:

1. Could not solve the problems and would make things even worse for the country.

2. Could not solve the problems; the situation in the country would stay the same.

3. Could solve some of the problems and would improve the situation in the country somewhat.

4. Could solve many of the problems and would greatly improve the situation in the country.

5. Don't know (because not familiar with the person or not familiar with what the person has done or with his capabilities).

Students: Cannot Find Anyone Who Gives Them Hope

The results show that in the view of the students (see Table 1), no one has the ability to "solve many of the problems and greatly improve the situation in the country." That is, no man received a majority (over 50 percent) for Choice 4. (See column 4 and compare with first three columns.)

However, looking at each man, it can be seen that 42.3 percent of the students felt that Major General Praman Adireksan does not have the capabilities to solve the problems and that the situation in the country would remain the same (Choice 2). As for the remaining choices, 24.9 percent felt that Major General Praman could solve some of the problems and could improve the situation in the country somewhat (Choice 3); 15.6 percent felt that not only could he not solve the problems but that he would make the situation even worse (Choice 1); 15.2 percent did not know because they were not familiar with him or they were not familiar with what he had done or with his capabilities (Choice 5); and 2 percent felt that he could solve many of the problems and greatly improve the situation in the country (Choice 4). This shows that Major General Praman does not have the confidence, or trust, of the students. This may be because, to date, Major General Praman has never clearly played an important role. And the Thai Nation Party is a party that has been part of the government so long that it has been nicknamed the "permanent government party," or "can't oppose, can raise only one hand." Besides this, it is also viewed as being the party of capitalists and warlords.

It can be said that the students have greater confidence, or trust, in Mr Bunchu Rotchanasathien that they do in major General Praman, with 44.9 percent choosing Choice 3 and 26.5, 11.6, 8.5 and 8.5 percent choosing choices 2, 1, 4 and 5 respectively. Mr Bunchu would probably receive a greater vote of confidence from the students if he could really slough off his "big capitalist" skin. Because with the image of a person who is creative, who dares to speak

and act and who has a strong economic team, Mr Bunchu has an advantage over other politicians.

Even though Mr Phichai Rattakun once served as the minister of foreign affairs in the Seni Pramot government, he has not played much of a role in Thai political circles. Thus, very few people are familiar with him. And Mr Phichai became the leader of the Democrat Party only recently -- and this is a period in which the image of the Democrat Party is at its nadir. The members of the party have split apart because of ideological conflicts and political interests. And when the party joined the government, it was attacked for not being able to solve the problems. This has resulted in the students having less confidence in Mr Phichai than in Mr Bunchu and the others (with the exception of General Kriangsak Chamanan). It can be seen that 35.8 percent of the students chose Choice 5, with 31.2, 19.1, 12.1 and 1.8 percent choosing choices 2, 3, 1 and 4 respectively.

General Athit Kamlangek is a professional soldier; he is not a politician. But because General Athit holds the position of RTA CINC, which is a military position that has always had the influence to decide whether a government "stays or goes," the role of General Athit has been pushed forward. Furthermore, the present political situation is very tense and ready to change at any moment. Thus, many people are focusing their attention on General Athit, regardless of what General Athit says or does. Although General Athit had not yet become RTA CINC when this poll was taken, because of the important role that he played in the events of 1 April and because he has risen to such high positions so rapidly, he is implicitely considered to be a frontrunner.

However, General Athit has constantly been attacked both openly and secretely, particularly in the period prior to his appointment as RTA CINC. For example, he has been attacked for liking to overstep [his authority] and interfere in the affairs of others and for wanting to be prime minister. These things have tarnished General Athit's image in the eyes of the students. But because of the fact that he is a resolute person who dares to make decisions to solve the problems and does not place himself above the problems, General Athit received a greater vote of confidence from the students than did the others (with the exception of Khukrit Pramot and General Prem Tinsulanon). That is, 42.1 percent of the students chose Choice 3, with 18.9, 17.1, 15.6 and 6.3 percent choosing choices 4, 2, 1 and 5 respectively.

As for General Kriangsak Chamanan, the results of the poll show that the students have less cofidence or trust in him than anyone else. That is, 42 percent of the students felt that General Kriangsak would not be able to solve the problems and that he would make the situation even worse (Choice 1). As for the remaining choices, 32.5, 20.2, 2.8 and 2.5 percent chose choices 2, 3, 4 and 5 respectively.

This may be because the students had a chance to see General Kriangsak's ability to solve the country's problems when he was prime minister, minister of finance and minister of agriculture. In addition, he has a reputation for being a heavy drinker, and he has been attacked for being involved in, or profiting

from, several national-level bids on work projects. All this has caused the students to gradually lose faith in General Kriangsak and overlook his good points, for example, his cleverness, or skill, in implementing his foreign policy and his lofty political spirit, which was shown when he resigned from the position of prime minister, instead of carrying out a coup or dissolving parliament, and stood as a candidate in the by-election in Roi Et.

Mr Samak Sunthonwet has played a great role ever since the Thai Citizens' Party captured almost all the seats in parliament in Bangkok during the last election. The Thai Citizens' Party has always served as the opposition party in parliament and has never joined with other political parties in serving as a support for the government. This has enabled the Thai Citizens' Party to escape the attacks that have been made on the other parties that joined the government. These other parties have been strongly attacked for fighting over benefits and ministerial positions (to the point where there have been splits among these political parties) and for not being able to solve the problems after joining the government.

While most of the other political parties are frequently in the news, little is heard about the Thai Citizens' Party. And it constantly carries on activities as if campaigning for votes. For example, it produces Thai Citizens' rice and Thai Citizens' fish sauce and sells these things at a lower price than at the markets. This has given the Thai Citizens' Party a better image than the other parties. However, the Thai Citizens' Party, particularly Mr Samak, the leader of the party, has been attacked by its opponents. Its opponents claim that the MPs who belong to this party do not carry out their duties in parliament and that they allow Mr Samak to "hog the limelight." They claim that if Mr Samak were not there, the Thai Citizens' Party would dissolve.

And there is the case in which the Public Health Section, Faculty of Public Health, Mahidol University, organized a "volunteer project to develop the slum areas in the Bangkok Metropolitan area." The MPs from Bangkok divided the money given to them by the government to develop the province. Each was given 2.5 million baht by the Office of the Budget to carry out the work in this project. The project achieved good results and the people living in the slum areas benefited greatly. But later on, there were reports that politics had begun to interfere with the work of this project. The MPs who had been entrusted with the money tried to pressure those people carrying out the work to do what they [the MPs] wanted and to distribute leaflets to popularize their party. But those carrying out the work refused because they did not want to become the tool of anyone. The Bangkok MPs thus demanded that the money remaining be returned, which resulted in this project coming to a halt. This in turn made the people who had benefited from this project very dissatisfied. The opposition groups used this to attack the Thai Citizens' Party, and the Thai Citizens' Party lost many votes because of this.

Besides this, Mr Samak has been attacked as, or charged with, being an aggressive person who likes to boast a lot in order to get the people to believe him. All this has tended to tarnish Mr Samak's image in the eyes of the students. This can be seen from the results of the poll. That is, 22.2 percent of the

students felt that if Mr Samak became prime minister, he would not be able to solve the problems and the situation in the country would become even worse (Choice 1). It can be seen that, for this choice, Mr Samak was second only to General Kriangsak. As for the other students, 36.8 percent, 28.2 percent, 8.8 percent and 4 percent chose choices 3, 2, 4 and 5 respectively.

General Prem Tinsulanon is a prime minister of Thailand who received great acclaim (when he first took over as prime minister) as a knight on a white horse who would put an end to poverty in the land and generate order and progress for the country. But after a period, the faith that the people had in him began to decline since he could not solve the country's problems as the people had hoped. For extending his term as RTA CINC, he was strongly attakced as being a dictator who was reluctant to give up power and who wanted to keep his position. There was also the disgraceful telex matter, the matter of a former military aide selling weapons, the matter of a minister distributing money in a toilet to buy the votes of MPs and the matter of his being involved in the problems of three oil companies and seven insurance companies. All of these things have led to General Prem being viewed as an irresponsible person who holds himself above the conflicts, who uses the "divide and rule" method and who likes to play favorites. He has used only southerners, classmates from Suan Kulap [High School] and cavalry officers, or SSC people as they are called, in the important political positions or used people with bad backgrounds to serve as ministers.

However, the thing that will help General Prem keep his position as head of government is his image as an honest person who is loyal to the nation, religion and monarchy. This is accepted by people in general, and these are good qualities that most people feel a prime minister should have. For these reasons, the students and people have not rejected General Prem totally. The results of the poll show that, in the view of the students, General Prem's image is still better than the others, with the exception of Khukrit Pramot. That is, 40.8 percent of the students chose Choice 3, with 35.3, 15.3, 7.3 and 1.3 percent choosing choices 2,4, 1 and 5 respectively.

The final important political figure whom the research team asked about was M.R.W. Khukrit Pramot. Based on the results of the poll, it can be said that the students have more confidence and faith in him than in any of the others. This can be seen from the fact that 48.9 percent of the students chose Choice 3, with 23.4,17.4, 7.0 and 3.3 choosing choices 2, 4, 1 and 5 respectively.

This may be because Khukrit Pramot is a senior, knowledgeable person of good birth who has more political and administrative experience than the others. And he is skilled at playing the political game. However, Khukrit Pramot has been attacked about personal matters and about the work that he has done. For example, newspapers have called him "the old poisonous man who is full of tricks." When Khukrit was prime minister, or when the Social Action Party joined with other parties to form a government, he was not able to solve the country's problems. He was attacked for administering the country as if he were seeking votes or as if he were doing things just to benefit his party rather than really trying to solve the problems. Examples are his policy on

revolving capital and his policy on lowering the tax on soft drinks. And the ministers who belonged to the Social Action Party frequently had conflicts with the ministers from other parties on how to carry out things. This resulted in the government being unable to solve the problems.

Because of these things, the majority of the students do not feel that Khukrit would be able to solve many of the country's problems or greatly improve the situation if he were to become prime minister again. This can be seen from the fact that only 17.4 percent of the students chose Choice 4. A total of 82.6 percent chose one of the other choices.

The People: In Agreement With the Students

As for people [in general], the results of the poll are shown in Table 2. It can be seen that the views of the people are in agreement with those of the students. That is, none of the important political figures mentioned by the research team received a majority vote of confidence in their ability to solve many problems and greatly improve the sitution if they become prime minister. Thus, it can be said that the majority of the people have not placed their hopes or faith in these people. They do not believe that these people will really be able to relieve the suffering of and bring happiness to the people. And something worth noting is that, when the results are considered in greater detail, the views of the people are in agreement with those of the students on many points. For example, the majority of the studetns and people agree that of all these people, M.R.W. Khukrit is the one most able to solve the problems (although no one is willing to place their hopes in anyone). Next, in order, come General Prem, General Athit, Mr Bunchu, Mr Samak, Major General Praman, Mr Phichai and General Kriangsak. (Compare the percentages for each choice for each person.)

The people and the students agreed that the important figures who would not be able to solve the problems and who would make the situation even worse were, in order, General Kriangsakm Mr Samak, General Athit, Major General Praman and Mr Phichai. As for Mr Bunchu, General Prem and M.R.W. Khukrit, the students and people ranked them differently. (See the numbers, or rankings, given in parenthesis in column 1.)

The person for whom the students and people chose Choice 5, that is, "don't know (because of not knowing them or not being familiar with their work or abilities), the most was Mr Phichai. He was followed by Major General Praman and Mr Bunchu. The person with the smallest percentage for Choice 5 was General Prem. As for the others, the percentage of students and people choosing this choice varied. This is because the students and people were not equally interested in, or attached different importance to, these people.

As for why each of these [political] figures was used in analyzing the views of the people, the reasons are the same as those given above for the students

and so they will not be repeated here. But one point worth noting is that, comparing tables 1 and 2, it can be seen that each of the percentages in column 1 (Choice 1) are bigger than the corresponding percentages in column 1 of Table 2. Conversely, each of the percentages in column 5 of Table 1 are smaller than the corresponding percentages in Table 2. This shows that the students are more familiar with the important political figures asked about by the research team than are the people and they have followed their activities more than the people have. This is because, basically, the students are more aware politically than are the people.

When this observation is taken into consideration along with all the other points analyzed here, it can be said in summary that the data obtained from this poll have a confidence level of at least 95 percent.

Table 1: The results of the opinion poll taken among students on their confidence in the ability of important political figures to solve the country's problems

Important Political Figure	Choices (%) 1	2	3	4	5	Total N=603
Major General Praman Adireksan	15.6(3)	42.3(1)	24.9(6)	2.0(7)	15.2(2)	100
Mr Bunchu Rotchanasathien	11.6(5)	26.5(6)	44.9(2)	8.5(5)	8.5(3)	100
Mr Phichi Rattakun	12.1(4)	31.2(4)	19.1(8)	1.8(8)	35.8(1)	100
General Athit Kamlangek	15.6(3)	17.1(8)	42.1(3)	18.9(1)	6.3(4)	100
General Kriangsak Chamanan	42.0(1)	32.5(3)	20.2(7)	2.8(6)	2.5(7)	100
Mr Samak Sunthonwet	22.2(2)	28.2(5)	36.8(5)	8.8(4)	4.0(5)	100
General Prem Tinsulanon	7.3(6)	35.3(2)	40.8(4)	15.3(3)	1.3(8)	100
M.R.W. Khukrit Pramot	7.0(7)	23.4(7)	48.9(1)	17.4(2)	3.3(6)	100

Note: Choice 1: Could not solve the problems and would make things even worse for the country.

Choice 2: Could not solve the problems; the situation in the country would stay the same.

Choice 3: Could solve some of the problems and would improve the situation in the country somewhat.

Choice 4: Could solve many of the problems and would greatly improve the situation in the country.

Choice 5: Don't know (because not familiar with the person or not familiar with what the person has done or with his capabilities).

Numbers in parenthesis indicate ranking (ordered from largest to smallest).

Table 2: The results of the opinion poll taken among people on their confidence in the ability of important political figures to solve the country's problems

Important Political Figure	Choices (%) 1	2	3	4	5	Total N=601
Major General Praman Adireksan	8.8(3)	35.6(3)	30.6(6)	2.2(8)	22.8(2)	100
Mr Bunchu Rotchanasathien	4.8(6)	31.1(4)	39.6(3)	9.5(5)	15.0(3)	100
Mr Phichi Rattakun	6.1(4)	24.1(6)	18.6(7)	7.3(6)	43.8(1)	100
General Athit Kamlangek	8.8(3)	22.0(7)	43.1(2)	17.5(3)	8.6(5)	100
General Kriangsak Chamanan	34.1(1)	39.6(1)	16.5(8)	4.8(7)	5.0(6)	100
Mr Samak Sunthonwet	15.0(2)	27.0(5)	36.4(4)	11.8(4)	9.8(4)	100
General Prem Tinsulanon	4.8(6)	39.4(2)	35.6(5)	18.3(2)	1.9(8)	100
M.R.W. Khukrit Pramot	5.5(5)	20.2(8)	50.6(1)	18.8(1)	4.9(7)	100

Note: Same as for Table 1

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CSO: 4207/34

CASE FOR BAHT DEVALUATION ARGUED

Bangkok KHAO CHATURAT in Thai 29 Nov 82 pp 12-17

[Article by Phansak Winyarat: "To Remain Inactive Or to Devaluate the Baht?]

[Text] "Every bank that knows the real situation will definitely overbuy dollars now even though the prime minister has said that the baht will not be devalued," said an officials from one of the four major banks to Chaturat.

Why have the major commercial banks made preparations to the point of purchasing dollars in excess of daily needs? This question is easy to answer. Everything pints to another devaluation of the baht if the government is prepared.All the circumstantial evidence indicates tha the baht must be devalued not later than the end of the year. If it is devalued later than that, the opportunity will have passed and problems in selling goods will arise. And what will result will be a demonstration by unemployed laborers and farmers.

Based on an informal survey of the views of financial experts and bankers, most say that:

The two main things that have made it necessary to devalue the baht again are that a crisis in international financial circles has arisen. The world economy in in a recession. Interest rates in the United States are very high. The economic situation in Europe is even worse than that in the United States. The Japanese economy is in such poor shape that several large companies in Japan have had to lay off people or not given bonuses to their executives. This has led to people buying dollars to insure their incomes, and more money than usual has been deposited in the United States. Second, when there were rumors that Mexico would go bankrupt, the people there withdrew their money from the country and put it in the United States. In France, the franc was devalued. People there transferred their money to the United States. For these reasons, the value of the dollar has shot up as compared iwth other international currencies. The problems for Thailand is that the baht was devalued last year, and it was thought that this would provide **help** for a relatively long period. But since the baht is tied to the dollar, when the value of the dollar rose, it pulled the value of the baht up along with it as compared with other currencies even though our economy is not good.

A news source in international money market circles said:

"Look, the value of the Thai baht as compared with the Japanese yen, as measured against each other at the end of last year, is now 20 percent higher than the former exchange rate. And this is even higher when it is compared with the French franc. The value of the baht has risen 40 percent against the franc since the end of last year. And it has risen at least 15 percent against the mark."

This clearly shows that, while the country's economy is in a recession and exports are having problems, the value of the baht as compared with that of our trading partners is higher than what is realistic. It is believed that, next year, this unrealistically high value of the baht will cause great problems for the government and people.

"Actually, the companies that produce seafood for export have been moaning ever since the middle of the year. But this has not done them any good because the government had just been criticized harshly and there was no chance of another devaluation then," said a bank official to Chaturat.

At present, those who will profit from the high value of the baht are certain companies that want to squeeze their competition.

"The method used is to import goods at a time when after-expense costs are lowr in accord with the exchange rates. For example, if the finance manager is clever, the power company that serves as a distributor for Japanese goods will immediately know when the value of the yen declines in relation to the baht. The company will hurry to import goods and arrange to pay immediately since it can pay in yen. After it imports the goods, it can immediately wage a price war to defeat its competitors in the marketplace. As far as I know, some companies are doing this. They can do this because the value of the baht is presently higher than that of the yen," said a news source in electricity generating circles to Chaturat.

What are the reasons for having to take action now?

"I too am not sure whether the government will devalue the baht or not. But if it does, it must do so now or no later than December. We must see whether the increased amounts of goods shipped to markets after the baht is devalued will benefit the farmers or not. Second, will the government's budget next year be cut back? If it is not, a way must be found to collect taxes. To collect taxes, exports must increase. This will increase the incomes of the people and allow more taxes to be collected. We know that, next year, the budget will not be in balance. And there are problems with agricultural and industrial goods. Are people afraid of being blamed? We do not have to be too afraid because, at present, importers are not importing very many goods since this is the end of the year. And no one dares keep much stock on hand. The effect is slight. Banking circles have a glut of baht left and do not know what to do with it. They cannot eat it. Thus, this would not affect banking circles. No one has borrowed so many dollars that they would complain if the baht were

devalued. The cost of the fuel that we import would not amount to much. Previously, oil cost $34 or $32 per barrel. But now it is only $28 or $29 per barrel. Thus, this would have little effect. Here, we must look to see if the people in the cities will complain. We must give much thought to such matters. We must decide whether we want to hlep the farmers or what. Lowering the exchange rate will affect the people in the cities who use many imported goods. But it will have no negative impact on the farmers. Rather, the impact will be a positive one. Those who might be in trouble are those who borrow from foreign syndicates. If the baht is devalued again, things will be very difficult for them," said the top money manager of a bank that has daily foreign currency transactions amounting to 460 million baht each month [sic].

A government advisor complained about money matters to Chaturat, saying:

"It is said that devaluing the baht will not help the farmers, but that is not true. Last year, if the baht had not been devalued, earnings from rice exports would have fallen 38 percent. But because the baht was devalued, earnings fell only 28 percent. Look, if earnings had fallen 38 percent then, there would have been trouble. Now, we are saying that the baht should be devalued again because, this is now the best time. But others say that this matter should be left alone since it is a political matter."

If the results of a survey conducted by Bangkok Bank can be believed, next year, 34.18 percent of the national income will be derived from agricultural exports, 32.26 percent will come from industrial production and the remaining 33.56 percent will come from the export of marine products and other miscellaneous items.

What is sure is that the sale of industrial and marine products depends on the exchange rate between the baht and the other currencies, which the baht is now rising against in accord with the dollar.

Even though Dr Suphachai has denied that the time has come to devalue the baht, that is just the duty of a good central banker, who must not tell what he is going to do. But the various reasons presented show that the government must devalue the baht for the benefit of the people. And if the government does not want to take action, during the first 3 months of next year, it will be a very frightening time economically, financially and politically.

Interview With Dr Suphachai Phanitchaphak, the Director of the Governor's Office of the Bank of Thailand

Chaturat: Why hasn't the national bank taken responsibility and given advice to the prime minister on devaluing the baht now, even though there are reasons for doing so, particularly to help next season's exports?

Dr Suphachai: As for devaluing the currency in order to help exports, actually, this is only one factor in the use of the devaluation measure. For the most part, in devaluing the currency in order to have the greatest effect possible

on exports, there are many other factors too. For example, the country must be able to manage the foreign markets. That is, the markets must belong to us. Second, our goods must have sufficient elasticity, that is, when we adjust the price, orders must increase. Third, the prices abroad must be directly connected to the prices that we refer to as "farm front" prices. Fourth, world trade must not be burdened with too many strict market controls as is beginning to be the case now. If all four of these conditions hold, I think that a devaluation would help exports.

As for the first condition, we can see clearly that we do not have any markets of our own. For the most part, we are a minor trader with little influence on foreign markets. Thus, throwing things onto foreign markets is of little consequence.

Concerning the second condition, our products are mostly agricultural products, which are very inelastic. If prices are changed, demand is always limited. If you have many industrial goods, that is one thing. But that is not the case with us.

As for teh third condition, which concerns market control, at present, there is too much control. Regardless of where we try to sell our goods, it is not a matter of whether our goods are priced well. Rather, things depend on the quotas given us by the purchasing countries. Textiles are a good example. We have to bargain over quotas every year. As for the quota of 500,000 tons of cassava, this will have to be renegotiated in another 2-3 years. They won't give this to us. It doesn't matter whether the price of our cassava is high or low. It doesn't matter whether our textiles are expensive or cheap. The sale of our televisions to England doesn't depend on whether our televisions are cheap or expensive.

As for the final condition, ther eis no connection between foreign prices and our "farm front" prices. This is because our system does not have continuity. Our devaluation last time did have some effect on the farmers. But not much. It wasn't the case that we devalued the baht by 10 percent and the farmers received a 10 percent increase [for their goods]. This is tied to an interconnected apparatus.

[Question] Then, it isn't necessary for the national bank to give advice to the prime minister on devaluing the baht at this time?

[Answer] No. That is, if it is said that we must now solve the export problem, I think that solving this problem depends on many factors. Concerning several of the factors, we must go compete on the utside and build a domestic apparatus. And concerning prices, I will say that they are now less important because, at present, they are already very low. If the baht is devalued in order to lower the prices of our goods abroad, I am not sure that this will really stimulate sales. And suppose that the baht is devalued and there are suddenly negotiations to lower international prices. There is a recession on. They must lower their prices in turn. If prices are lowered 5 [percent], the country

will get the full 5 [percent]. But this will affect "farm front" prices by only 1 or 2 percent.

[Question] The promises by bureaucrats that the baht will not be devalued are generally believed to be promises aimed at preventing the banks or others involved in foreign currency activities from reaping a profit. They are not real promises are they?

[Answer] Based on my understanding, the government's statements can be summarized as follows:

First, we have clearly announced that the last devaluation of the baht achieved clear results. The baht was devalued by a proper amount, neither too much nor too little. It was not very inflationary and not very burdensome. There were some adverse effects; we admit this. But they were not so severe that there will be any long-lasting consequences. And there were good results too. For example, the good effect on the export-import problem can be seen clearly. this is because we did things at the proper time and did those things that were really necessary.

Second, we have stated that we have seen the experiences of foreign countries, and we have looked at ourselves. Everything indicates that if such a policy is used too often, that is, if a floating exchange rate policy is used, the bad will outweigh the good. The simple, basic reason for this is that a developing country constantly has an imbalance of trade. Everyone knows that we are constantly short on foreign currency. Particularly on the spot market, we always have a shortage of foreign currency. We can repay [the money] only if people invest money in our country, if the government borrows the money, if the private sector borrows money or if foreign organizations send money to aid us. Thus, on the spot market, there is speculation in a continual decline in the value of the baht.

Third, we must not view the monetary policies as tools only. The policies concerning the value of the baht must be viewed as a target too. The target is that we need to maintain economic stability and security. This refers to the stability of the value of the baht domestically, that is, maintaining a low rate of inflation, and abroad, that is, keeping the value of the baht secure. Thus, we do not view the value of the baht as a tool to solve the problems. The problems should be solved using other policies too, not just the value of the baht. We feel that the value of the baht is a target and that it must be kept secure. It should not be changed until it is really necessary.

It is these three principles that we announced. We have not been talking without having supporting principles. If we did, that would result in the people not believing us when it really is necessary to adjust the value of the baht. and if it becomes necessary, you can be assured tha tit really is necessary. This will be better than allowing the situation to drag on as happened in Mexico. If it becomes necessary, we will do so without delay. Mexico delayed for a year with very bad results.

[Question] Can you give a picutre of just what the situation would be like for it to "be time" to devalue the baht again?

[Answer] It must resemble the situation of last year. That is, almost everything was terrible. Domestic interest rates were much lower than foreign itnerest rates. There was no flow of capital into the country. only out of the country. [Rates overseas] were 20 percent or higher; here they were only 18-19 percent. The value of teh dollar rose more than 20 percent as compared with other hard currencies in the world. This is different form this year. At most it has risen 20 percent against the yen, but it has not risen much against other currencies. And trade was very poor. Last year, you may remember, exports did not rise at all during teh first 6 months of the year. During the first 3 months, exports declined while imports increased more than 20 percent over normal. But this year is just the opposite. This is the first year in 10 years that imports have declined. They have declined 9 percent while exports have increased 10 percent. The balance of trade deficit has declined 70 percent. This is unprecedented in Thai trade. And there was much speculation on the value of the baht last year. There is none this year. Speculation reached the point where, to make advance purchases, a person had to pay a premium of 8-9 percent, with 2-3 percent being the norm. There was the situation in which exporters were unwilling to sell their foreign currency and held onto it in order to speculate. Those who needed to buy foreign currency in order to pay for imports were in great trouble. Last year, we had to pay $200-250 million per moth for oil, with the amount reaching $300-350 million some months. These things all happened simultaneously last year. Last year's trade policy closed all the doors and set minumum export prices quotas. Groups of exporters were selected and buyers were stationed in Hong Kong. There were seven to eight stages in exporting goods. But instead of promoting exports, these things all had a negative effect. This was another reason. Thus, we have constantly worked to correct these things. Such things may be possible in the future. But we were given a warning last year. We have made better preparations. We definitely cannot allow our reserve fund to decline 100-200 million [baht] each week like last year, which was another reason behind the devaluation. It is true that, at present, we do not feel that the prices of our agricultural products on world markets are good. But then, which country does have good prices?

[Question] Aren't there Thai goods that are sensitive to a devaluation of the baht?

[Answer] Yes, there are. Some things are sensitive. Examples are rubber and leather goods and industrial products concerned with meat and seafood products that are sold to Japan. These things have clearly been affected because the value of the yen has fallen almost 25 percent since last year. When we devaled the baht by 9 percent, this greatly helped to reduce prices, and more goods were solve. Prices had to be reduced. Don't think that goods cannot be exported. You must think about the principal and interest. They also reduced the time for keeping surplus goods last year. The interest rate was 20 percent. Selling

all the goods by lowering the cost is better than haivng to keep the goods on hand. But if we adjust the value too often, we will be adjusting it to solve just one problem. I think that it must be adjusted only to solve problems that are quite critical. We are trying to keep things from reaching that point. The things that have been discussed are an attempt to keep things from reaching that point. Its like this, some poeple say that the baht was devalued at a time when everything was terrible and that this was too painful; the problems had become to complicated. Thus, wouldn't it be better for us to do this at a time when everyone is prepared and understands why the government must make this decision? As for these people, they believe that we will have to devalue the baht again before the end of the year.

Making an adjustment when it is not necessary is like trying to do something that is referred to as "using a weak tool to solve a hard problem." It is using the "soft option." That is, our financial structure is still in fairly good condition. You can ask any economics professor [and they will tell you[that the value of the baht is adjusted mainly in order to compensate for the difference in the rate of inflation in Thailand and that in our trading competitors. But at present, the inflation rate here is 5 percent. The average inflation rate of our important trading competitors is certainly above 5 percent. In Asean, the rate is above 5 percent. The places where inflation is below 5 percent are Japan, Germany and the United States. Inflation is still running at 7 percent in England. Thus, the theory known as "purchasing price parity" refers to adjusting the value of the currency in order to put the currencies on a par. But things are just the opposite here. Our inflation rate is lower than that in our important trading competitors. You just watch. This year, our balance of payments situation will be in equilibrium or even show a surplus. We had a surplus disequilibrium in both 1980 and 1981. For the near future, we know that, in order to sell large quantities of goods, we must make preparations. We must prepare measures for selling rice, measures for selling our goods abroad. We must compete like this and not just adjust the value of the baht.

[Question] Are you sure that the value of the dollar will not rise again?

[Answer] I will put it like this. During the past 2-3 years, the dollar has been at a 7-year high. During these past 2-3 years, it has risen almost 20 percent a year.

[Question] That's very alarming.

[Answer] Yes, it is alarming. As compared with the yen, the dollar has risen from 180 yen to the dollar to its present level of more than 280 yen to the dollar. Thus, this is very alarming. It is not logical; there is neither "rhyme nor reason" to this. The inflation rate in Japan is lower than that in the united States, its balance of trade situation is better than that of the United States. Japan's budget deficit , as compared with its national income, is better than that of the United States. Per capita production is higher than in the united States. The only advantages held by the United States are a

higher interest rate and greater freedom from political insecurity. Both Europe and japan are now experiencing some insecurity. Europe is unsure about Russia, and Poland owes German banks large sums of money. In Japan, the major political parties that form the government cannot agree on a new leader. This is unprecedented. I'm not sure when the value of the dollar will fall, but I can say and affirm that it must fall. And when it declines, it will decline greatly. Because people will not forget the events at the end of the 1970s when the dollar fell about 10 percent each time. The only thing i cannot tell you is when this will happen. But the dollar will definitely decline.

The rise of the baht

The following shows that the baht, as compared with other important currencies, has risen along with the U.S. dollar, to which the baht is tied.The countries whose currencies are presented here are all major trading partners of Thailand.

	Pound	Mark	Yen	Hong Kong dollar	Franc	Lira
Nov 1981	44.78	10.36125	10.61625	4.04125	4.09125	0.01925
Dec 1981	43.29	10.09625	10.32875	4.00625	3.99	0.0189
Jan 1982	42.8675	9.82	9.92125	3.895	3.855	0.0183
Feb 1982	41.86	9.625	9.66125	3.88	3.775	0.01785
Mar 1982	40.76	9.49875	9.275	3.91125	3.6575	0.0173
Apr 1982	40.99	9.78625	9.71875	3.915	3.71	0.01755
May 1982	40.84	9.74	9.95625	3.975	3.72	0.0175
Jun 1982	39.6725	9.3325	8.9925	3.85125	3.35	0.0165
Jul 1982	39.605	9.265	8.88625	3.8375	3.315	0.01645
Aug 1982	39.10	9.11	8.74375	3.735	3.2375	0.01615
Sep 1982	38.825	9.0425	8.49625	3.67875	3.19	0.0160
Oct 1982	38.4125	8.975	8.2225	3.33375	3.16	0.0156

Note: Exchange rates based on a rate of 22.90 baht per $1. the baht is compared with the English pound, the German mark, the Japanese yen, the Hong Kong dollar, the French franc and the Italian lira.

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PROTESTS, COMMENTARIES ON BUS FARE INCREASE REPORTED

Economic Issues, Dissatisfaction

Bangkok MATICHON SUT SAPPADA in Thai 14-20 Nov 82 pp 4, 5, 38

[Article: "Public Opinion: Is Raising the Bus Fares Justified?"]

[Text] "Bus fares Increase. Be careful of a coup."

Why are these two sentences connected since each concerns a different matter? Political circles think that certain members of the Democrat Party have spread such rumors with the hope of suppressing the opposition of the people. But even though they spread such rumors, there have been demonstrations.

In order to learn what the people think about this, the Social Research Institute of Chulalongkorn University and MATICHON SUT SAPPADA cooperated to conduct a public opinion poll on the topic "The Effects of Increasing Bus Fares." The poll was conducted between 6-8 November.

Who Was Included In the Poll and How Large Are Their Incomes?

A random sample of 500 people was selected. The sample was composed of 100 laborers, 75 private officials and employees, 75 state enterprise officials, 73 venders, 75 government officials, 32 small merchants and 70 students.

19.2 percent of the sample had incomes of between 2,400 and 2,999 baht per month; 18.8 percent had incomes between 1,800 and 2,399 baht per month; 13.8 percent had incomes between 1,200 and 1,799 baht per month; 12.4 percent had incomes below 1,200 baht per month. Only 1.4 percent had incomes over 12,000 baht per month.

A Comparison of Fares Before and After 6 November 1982

The average daily fares paid by various occupational groups prior to the bus fare increase announced on 6 November were as follows:

33 percent spent an average of 7 baht a day on bus fares; 32.6 percent spent an average of 4 baht per day on bus fares; 18.8 percent spent an average of

10 baht per day; 9.4 percent spent an average of 13 baht per day. Only 1.2 percent spent 19 baht per day on bus fares.

After the bus fare increase was announced on 6 November, the average amount spent on bus fares by these people was as follows:

27.6 percent spent an average of 7 baht per day on bus fares; 22.2 percent spent an average of 10 baht per day; 19.8 percent spent an average of 13 baht per day; 12 percent spent an average of 4 baht per day; 7.8 percent spent an average of 16 baht per day; 2.2 percent spent an average of 22 baht per day. And 1.2 percent had to spend an average of 25 baht per day on bus fares.

Concerning the number of people in the families of those sampled who had to ride the buses, 21 percent had three people, 20.8 percent had four people, 15 percent had five people and 10.4 percent had six people.

After the Fare Increase, What Were the People of Bangkok Spending?

After the bus fares were increased, average monthly bus expenses for families living in Bankok were as follows:

30 percent paid an average of 1,000 to 1,499 baht per month in bus fares; 28.8 percent paid an average of 500 to 599 baht per month; 15.6 percent paid an average of 100 to 499 baht per month; 8.8 percent paid an average of 2,000 to 2,499 baht per month.

Public Opinion On the Fare Increase

Concerning the opinion of this sample of people on the increase in the bus fare from 1.5 baht to 2 baht for the first 10 kilometers:

83 percent were against this; 9.4 percent did not express a view; and only 7.6 percent agreed with the increase.

The views of the various occupational groups as to why the Mass Transport Authority increased bus fares were as follows:

47.04 percent felt that there was great dishonesty and corruption; 37.78 percent felt that the administration was inept; 10.49 percent felt that operating costs were very high and that this had led to a shortage of capital.

Opposition to the Price Increase, a Democratic Method?

As for the views of the various occupational groups as to whether the people have the legal right, in accord with a democratic system, to carry on demonstrations to get the government to review the bus fare increase:

84.4 percent felt that people have the legal right to do this in a democracy. Only 3.6 percent felt that people do not have the legal right to do this within the framework of a democratic system.

Concerning those who felt that people have the legal right to demonstrate, 93 percent of the laborers, 92.86 percent of the students and, interestingly, 94.87 percent of the private officials and employees were of this opinion.

BMTA Services, How Impressive?

Concerning the "general feeling of the various occupational groups about the present services of the Bangkok Mass Transport Authority (drivers, conductors and condition of the buses)":

76.8 percent were dissatisfied. Concerning those who were dissatisfied, 94 percent of the laborers and 92 percent of the state enterprise officials were dissatisfied.

14 percent did not take a position about the services of the BMTA. Only 4 percent said that they were satisfied with the services of the BMTA.

"Thomatanti" in the Eyes of the People

Concerning the "views of the various occupational groups about the administration of the director of the BMTA, Mrs Wimon Siriphaibun, or "Thomayanti":

63.6 percent were dissatisfied; 15.5 percent did not take a position; only 3.6 percent were satisfied.

Concerning those who were dissatisfied, 88 percent of the students, 72 percent of the private officials and employees, 70.67 percent of the state enterprise officials and 64 percent of the government officials were dissatisfied.

Concerning those who were satisfied, 18.7 percent of the vendors and 4.29 percent of the students were satisfied. As for the laborers, it turned out that all of them were dissatisfied.

Dissatisfation With Mr Wira Musikaphong

Concerning the "views of the various occupational groups about the BMTA administrative policies of Mr Wira Musikaphong, the deputy minister of communications":

69.6 percent were dissatisfied; 9.4 percent did not take a position; and 4.4 percent were satisfied.

Concerning those who were dissatisfied, 92 percent of the laborers, 80 percent of the private officials and employees and 76 percent of the state enterprise officials were dissatisfied.

Concerning those who were satisfied with Mr Wira Musikaphong, 16.44 percent of the vendors, 6.25 percent of the small merchants and 2.86 percnet of the students were satisfied.

People's Feelings About Admiral Amorn Sirikaya

Concerning the "views of the various occupational groups about the bus policies and administration of Admiral Amorn Sirikaya, the minister of communications":

53.8 percent were dissatisfied; 20.0 percent did not take a position; and 4.0 percent were satisfied.

Concerning those who were dissatisfied, 89 percent of the laborers, 53.33 percent of the state enterprise officials, 52 percent of the private officials and employees, and 52.86 percent of the students were dissatisfied.

As for those who were satisfied, 8.22 percent of the vendors, 6.67 percent of the state enterprise officials, and 6.25 percent of the small merchants were satisfied.

Trairong Suwannakhiri, a Spokesman Who Is Becoming Well Known

Actually, the bus fare increase is a matter than concerns Mr Wira Musikaphong and Mrs Wimon Siriphaibun mainly. But Mr Trairong Suwannakhiri, in his position as a government spokesman, has shot to the forefront of attention.

Concerning the "views of the various occupational groups about the statements and attitude of Mr Trairong Suwannakhiri toward the bus fare increase":

71.8 percent were dissatisfied; 7.8 percent took no position. Only 2.8 percent were satisfied with the statements by Mr Trairong Suwannakhiri.

Concerning those who were dissatisfied, 92 percent of the laborers, 74.67 percent of the state enterprise officials, 71.43 percent of the students, 69.33 percent of the private officials and employees, 61.64 percent of the vendors and 66.67 percent of the government officials were dissatisfied.

As for those who were satisfied, 8.22 percent of the vendors and 6.25 percent of the small merchants were satisfied.

Now That Bus Fares Have Been Increased, What Is the Image of the Government Like?

Concerning the "views of the various occupational groups about the present government's policies for solving the economic problems":

69.2 percent were dissatisfied; 8.6 percent took no position; and 7.2 percent were satisfied.

Concerning those who were dissatisfied with the economic policies of the government, 93.33 percent of the private officials and employees, 93 percent of the laborers, 65.33 percent of the government officials, 61.33 percnet of the state enterprise officials and 60 percent of the students were dissatisfied.

As for those who were satisfied with the economic policies of the present government, 18.67 percnet of the government officials, 17.81 percent of the vendors, 4 percent of the private officials and employees and state enterprise officials, and only 1 percent of the laborers were satisfied.

What Does the Poll Show?

From the above poll conducted by the Social Research Insttitue of Chulalongkorn University and MATICHON, it can be concluded that the majoirty of the people are unhappy about the government increasing bus fares.

Besides being dissatisfied with those who are directly involved in this matter, thatis, Mr Wira Musikaphong, the deputy minister of communications, and Mrs Wimon Siriphaibun, or "Thomayanti," the director of the BMTA, the people are also unhappy with Admiral Amorn Sirikaya, the minister of communications.

And the person who has suddenly and unexpectedly become a target of criticism is Mr Trairong Suwannakhiri.

And something that the government must accept is that this dissatisfaction is not limited just to bus fares. People are also dissatisfied with the government's economic policies, which have made things very difficult for them.

We have presented the results of the poll. We must wait and see how much attention the government gives to these results.

Average monthly expenditures on bus fares for families in Bangkok after the fare increase:

Average monthly expenditures on fares (Baht)	Number	Percentage
1. 100-499	78	15.60
2. 500-999	144	28.80
3. 1,000-1,499	150	30.00
4. 1,500-1,999	44	8.80
5. 2,000-2,499	44	8.80
6. 2,500-2,999	21	4.20
7. 3,000-3,499	11	2.20
8. 3,500-3,999	3	0.60
9. 4,000-4,999	2	0.40
10. Over 5,000	3	0.60
Total	500	100

Editorial Notes Popular Anger

Bagnkok PATINYA in Thai 22 Nov 82 p 1

[Editorial: "Don't Go Crazy With Power; Don't Challenge the People"]

[Text] Concerning the efforts of the leaders of the country to solve the various problems, besides solving the problems in accord with the law, many times dark powers have been used to oppress each other. For example, in forming a government, whenever one group has refused to step down or talks to get people to give up their power have failed, rumors of a coup have flourished. When MPs hold debates and greatly criticize the government, there are rumors that the military is preparing to take over. And whenever the government suffers a defeat in parliament, the military moves forces about. And even if the laborers appeal for justice, senior officers are sent to join the negotiations. What is strange is that the use of such oppressive power usually achieves results. No one dares to protest. Thus, superficially, it seems that the use of such power is correct and this results in the powerholders becoming even more obsessed with their power. Besides this, this is like a habit-forming substance for those who do not have power. But when they stay near the powerholders, they would like to have power too.

The latest show of obsession with power took place when students and other people asked that the bus fare increase be reviewed. The only thing that the students and people did was to point out the trouble caused them by this. Some groups helped gather the views of these people and presented them to the government, and other groups submitted proposals to the government. But the government did not pay any attention to any of this. People in the government announced that the government was aware of this matter, without mentioning any attempt to solve the problem, and they resolutely refused to change their ideas. They also threatened that, if there was opposition, the buses would cease operating and people would have to walk or that something like 6 October might happen if the students protested.

From what PATINYA has observed about the proposals of the students and people, there has been reasonable opposition to the increase in bus fares. Everyone knows that the Bangkok Mass Transport Authority has been operating at a loss ever since it started operations. It is also known that its administration has been inefficient and that corrupation is widespread. This has increased the losses. Thus, placing the entire burden on the people is unfair. Everyone, including the deputy minister of communications, knows that simply increasing bus fares will not really solve the problem. Thus, those who have demonstrated want the government to end its involvement in running the BMTA and allow the private sector to take over operations. Or if the government continues to operate [the BMTA] itself with this considered to be a public service, the corruption, or illegal loss of money, in the BMTA must be eliminated so that it can be trusted. Then, if bus fares are increased, the people will accept this. And in improving things, taxes from Bangkok Metropolitan should be used to help.

But the government did not heed these appeals, or proposals. This can be seen from the fact that the government said that the people of Bangkok are selfish and like to take advantage of the rural people. They also dared [people] to conducta nationwide poll (even though this is the duty of the government). Besides closing its "ears and eyes" and refusing to consider the ideas of the people, the government also distorted the appeals , or proposals,of the students and people in order to mislead the people and get them to clash with each other. This is a method that dictators always like to use.

Since the government has begun to use both legal powers and dictatorial methods to suppress the people, the events that have occurred are not like 6 October as the government thinks. Rather, they are more like 14 October, when the people rose up and drove out the dictators.

During the events of 14 October, people who hated dictatorial power destroyed the Metropolitan Police Headquarters. They also destroyed police kiosks and traffic-light kiosks in order to "let off steam." But if such events as 14 October occur, it will be the buses of the BMTA that will be destroyed. If such events actually occur, just punishing those few who ignited the situation is not worth it.

Student Organization Statements, Individuals

Bangkok PATINYA in Thai 22 Nov 82 pp 21-23

[Statement by the Ramkhamhaeng University Student-Body Organization and Interviews With Protestors]

[Text] The Government Must Stop Causing Trouble For the People

Concerning the bus fare increase announced by the Bangkok Mass Transport Authority (BMTA), which people in general are aware of, the Ramkhamhaeng University Student-body Organization has constatnly followed this matter. Thus, it issued a statement immediately following the BMTA's announcement of a bus fare increase. It has called on the government to review this new motion in a careful and just manner.

Based on the actual condition of the state enterprises in general, it can be seen clearly that these are centers of the influential groups whose political and financial interests are intertwined in various forms. These gorups are not at all interested in the knowledge, abilities or honesty of the people who are responsible for administering things. This is one reason that the various state enterprises hve constantly operated at a loss. In particular, everytime the administration has failed, the state enterprises that are public utilities have had to shift the burden onto the masses. A disgraceful example of this is the fact that the water works had a leak amounting to 49 percent. This was not due to technical weaknesses but to shameful dishonesty.

The BMTA is another state enterprise where the administrators and managers have been careless and "dull witted." To solve the problems, they have raised fares without considering the trouble this causes the people. They have announced that the BMTA is losing 71 million baht a month and that after the fares are raised, it will still be losing 30 million baht a month.

In order to preserve the interests of the country and to eliminate the troubles of the people, the student organization would like to submit the following three courses of action to the government for its consdieration:

1. It can announce the sale of all BMTA activities to the private sector to have it carry on operations, under supervision, with the old fares in effect. This should be done in order to determine whether the private sector is really ready to carry on operations. It if is, the BMTA should be sold immediately.

2. There can be competition between the BMTA and the private sector by selling operating rights for approximately 10 to 20 percent of the routes, with the routes that have an average number of passengers serving as the standard. If the private sector can operate using the old fares and can provide better service than the BMTA, there is no reason for the government to preserve the BMTA as a bus graveyard.

3. Concerning the 4,912 regular buses and the 662 airconditioned buses, for a total of 5,574 buses, and the 23,258 employees of the BMTA, details should be disclosed concerning monthly salary levels, allowances, bonuses, maintenance costs, fuel costs and other expenses. Also, the details of how things are administered should be revealed since it is suspected that there is more corruption and "cronyism" in the BMTA than the people think.

The student organization would like to tell the government again that unfairly placing the full burden on the passengers by increasing bus fares is something that the students and people, who have been adversely affected by this, can no longer remain idle about. Ramkhamhaeng University Student-Body Organization, 8 November 1982.

The Views of a Protester: Interview with Mr Bamrung Duangphummek, the secretary-general of the Ramkhamhaeng University Moral Movement Party

PATINYA: What are your reasons for opposing the bus fare increase?

Bamrung: The bus fare increase will create difficulties for the people, for poor people and students, and it is not the right time. Services should be improved first.And some other way should be found instead of solving the problems by raising fares, which is solving the problem at the end.

PATINYA: What results do you think the BMTA's solution will have?

Bamrung: By trying to solve the problem this way, it will not be possible to reduce losses since this is simply an attempt to solve the problems at the end. Raising fares is not the correct way to solve the problems. The problems should be solved at their source. For example, the BMTA has too many workers; these excess workers should be laid off. The buses used should be new ones. The BMTA should not purchase used buses since it costs 500-600 baht a day to repair them. Actually, the buses should not break down but the buses in use now break down every day. Trying to solve the problem by raising fares is useless since the internal system is not good.

PATINYA: The government has said that it will not lower the fares since the BMTA cannot exist otherwise. This is the same as disputing the objections of the students and people. What will you do now?

Bamrung: We will continue to protest since this is really a hardship.

PATINYA: Dr Trairong said that the government is not moving in an opposite direction to that of the students and people but that the students are moving in an opposite direction to that of the government. How true is this?

Bamrung: There is a policy of moving in opposite directions because the government is not considering the hardships of the people. It prefers to go against the wishes of the majority of the people. We feel that what we are doing is protecting the interests of the majority, who are suffering hardships. Thus, if the government continues to hold to its old resolutions, we think that the two sides will move in opposite directions concerning their policies, which are different.

PATINYA: Concerning the three proposals submitted to the government, if the government actually accepts them, do you think that the problems can be solved?

Bamrung: I am sure that losses will decline and that the problems will be solved in the end.

PATINYA: Do you think that the fare should be 2 baht?

Bamrung: Service is not good and yet they have increased the fare to 2 baht. Its not worth it since at present their service is not worth 50 satang. If they want to charge 2 baht, they should first improve services; we would then be glad to pay 2 baht.

Mr Phichai Phromchun, Secretary-General of the Ramkhamhaeng University Student-Body Organization

PATINYA: What is their administration like?

Phichai: There is much corruption. For example, they use fake tickets to pocket fares. Everyone from drivers to inspectors are in on this. The money does not go to the state.Much gasoline is drawn but only a small percentage is used by the buses; the rest is sold and the money is pocketed. Administration

is terrible. People with no administrative knowledge have been put in administrative positions. They do not even know "what is what" in the various sectors. They looked for their own people in order to rake in the profits and then said that they are suffering losses.I don't believe this. And there is the observation that, while they say they are suffering losses, they are still paying bonuses. If they were really operating at a loss, they would not be paying bonuses. Thus, at present, they are both paying bonuses and claiming that they are suffering losses. Since they are doing such contrary things, there is definitely something suspicuous about this.

PATINYA: Aren't you afraid that something like 6 October will occur?

Phichai: We have protested by making proposals in the leaflets that have been distributed widespreadly. We are not protesting against everything. For example, we support the government on the race track issue. We do not want to prolong things. But if there is injustice, we must oppose this to the end along with [submitting] proposals, which we feel can lead to a solution of the problems. Thus, we are not afraid.

Mr Chanyarong Kongchok, a Student Who Participated In the Protest Demonstration

PATINYA: Why did you protest?

Chanyarong: I was strongly opposed to the bus fare increase. The present cost of living is already very high. The bus fare increase will cause even greater hardships. There should not be any further hardships like this unless it is really necessary.

PATINYA: Who are the ones who will be affected the most?

Chanyarong: Those with low incomes and the workers. The studetns will have difficulties because they do not earn an income. They will have to spend at least 240 baht a month on bus fares since they have to go to school every day.

PATINYA: What is the administration of the BMTA like?

Chamyarong: The BMTA has many "leaks." For example, gas requisitions provide a way for people to get gas without paying for it. They sell some of the gas for their own profit. Parts are used wastefully. This should not be happening. Service is terrible. People should not have to pay 2 baht; 50 satang would be enough. The contract signed with the repair garage was a bad contract. That is, regardless of whether vehicles break down or not, the BMTA must still pay 500-600 baht a day. Is this right? Also, there are too many officials. I do not know why they hired them when there isn't enough work for them. But they receive their salarly every month.

Editorial Urges Government to Note Feelings

Bangkok MATICHON in Thai 18 Nov 82 p 4

[Editorial: "Don't Be Contemptuous of the People"]

[Text] On 6 October 1973, a group of students , scholars and politicians appealed to the government to promulgate a constitution and hold democratic elections. But instead of listening and solving the problem peacefully, the government at that time ordered the demonstrators arrested and charged them with instigating a rebellion in the country and of carrying on communist activities.

This greatly displeased the people, and, in the end, the number of demonstrators grew from just a few hundred to hundreds of thousands. Finally, the two field marshals and one colonel known as the three "despots" had to leave the country in a great hurry.

The lessons provided by the events of October 1973 can be summarized succinctly: "Don't be contemptuous of the people.

The demonstration by a group composed of students, laborers and people from various circles in order to protest the government's bus fare increase began with a small group. They began demonstrating because of the hardships caused by this action taken by the government. Actually, this movement would probably not have grown if the government had done things in a well-planned way.

But the Ministry of Communications, through Mr Wira Musikaphong, did not do anything beforehand to make the people understand. And in its announcement, it did not give people any hope after the fare increase.

Even more important, Mr Trairong Suwannakhiri, the government spokesman, made a threatening statement with the intention of "pouring gasoline" on the "fire of discontent" of the people.

And that is not all. A report from government circles indicated that the government would attempt to raise train fares and telephone rates, which would hit the people even harder.

The dissatisfaction among the people has spread greatly and the methods of protest have increased in variety to the point where 10 people have gone on a hunger strike in order to get the government to have a change of heart and change its standards in increasing fares. But instead of the government representative viewing this matter in a responsible manner, Mr Wira Musikaphong asked sarcastically: Don't those who are starving themselves have food to eat?

The demonstrations in the bus fare matter that have taken place and that look as if they will expand reflect the lack of responsibility on the part of the government and the difficulties of the people. If the government remains

indifferent to this as if it is contemptuous of the people, it is not known how strong the ill effect of this will be on the government and the people.

Editorial Blasts Threat of Mass Murder

Bangkok MATUPHUM in Thai 8 Nov 82 p 4

[Editorial: "The Lesson of the People"]

[Text] The hardship imposed by the increase in bus fares is a hardship that the people of Bangkok and its suburbs cannot escape. This is a rather painful hardship since, instead of the country's officials talking about why it is necessary to increase fares, those who "consume the taxes" of the people bellowed out threats.

The deputy minister of communications, Mr Wira Musikaphong, said that the "current income is not enough and fares will have to be raised again."

The director of the BMTA, Mrs Wimon Siriphaibun, said that the "people of Bangkok are not gods who should be given everything free."

As for the government spokesman, Mr Trairong Suwannakhiri, an egotistical person, his duty is to inform the people so that they understand. He should do this politely. But instead Mr Trairong shouted at the people and various organizations that were appealing to the government not to increase bus fares at this time, saying that the government would not back down. He also said that he had once been a university professor and that he knew the weaknesses of the students if they wanted to settle things like 6 October.

The sternness of the people responsible for raising the bus fares and the oppressive attitude of the government spokesman show us that the reality of this society is that these people feel that they have done many things for the people and shouldered the responsibility for governing the country. Thus, under their administration, the people must kowtow to them. If not, they will act in an oppressive way and scold the people like this.

This is definitely not a principle of democracy. Rather, this is what is done by superiors who feel that the people are their slaves and that they can do whatever they want without having to give any reasons or waste time dicusssing the facts.

This is very strange. One of these people has been an MP in many administrations, although he failed in his bid for election the last time and had to find a new stage. Another ran for election but was rejected by the people. He benefited and rose to a position of influence because of his close relationship with the prime minister. As for the third one, we know what she is like. She has never listened to criticism or become embarrassed.

This is an important lesson for those people who have not arisen and demanded their rights. Because in a democracy, the people are much "bigger" than these people. These people do not have the right to take advantage of the people, who are the ones who elected them.

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